CDP Forests Questionnaire 2023



Graphic Packaging International LLC

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Welcome to your CDP Forests Questionnaire 2023

F0. Introduction

F_{0.1}

(F0.1) Give a general description of and introduction to your organization.

Graphic Packaging Holding Company (together with its subsidiaries, "Graphic Packaging" or the "Company" or "GPI"; NYSE: GPK,) is a global leader in sustainable consumer packaging made primarily from responsibly sourced tree fiber. The company packages life's everyday moments, serving the world's most recognized food, beverage, foodservice and consumer product brands, with innovative solutions that are designed for convenience, protection and recyclability. Headquartered in Atlanta, Georgia, Graphic Packaging operates in 27 countries with more than 24,000 employees and will have nearly \$10 billion in annual sales in 2023. Learn more at www.graphicpkg.com.

The Company is one of the largest producers of fiber-based consumer and foodservice packaging products in the United States ("U.S.") and Europe and holds leading market positions in manufacturing coated unbleached kraft paperboard ("CUK"), coated-recycled paperboard ("CRB") and solid bleached sulfate paperboard ("SBS"). Our packaging solutions are made primarily from renewable wood fiber, and most of our paperboard packaging and food service products are designed to be recycled today. We work to reduce our impact on the environment through our own operations and through innovative paperboard solutions. As part of our Vision 2025, we challenged our team to achieve significant improvements. In the next few years, we intend to reduce greenhouse gas emissions intensity, non-renewable energy usage intensity, and mill water effluents intensity by 15%, and reduce the use of low-density polyethylene (LDPE) by 40%. In addition, we have established a goal for 100% of Graphic Packaging revenues to come from products that are designed to be recyclable. Progress achieving our goals is reported in our annual ESG report available on our website: https://www.graphicpkg.com/esg-disclosures/



Certain statements regarding the expectations of Graphic Packaging, including, but not limited to, the Company's plans or estimates with respect to energy use reductions, water usage and climate related events in this report constitute "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Such statements are based on currently available operating, financial and competitive information and are subject to various risks and uncertainties that could cause actual results to differ materially from the Company's historical experience and its present expectations. These risks and uncertainties include, but are not limited to, the Company's ability to obtain permits and other administrative approvals, changes in revenue due to climate related concerns, and supply chain disruptions. Undue reliance should not be placed on such forward-looking statements, as such statements speak only as of the date on which they are made, and the Company undertakes no obligation to update such statements, except as may be required by law. Additional information regarding these and other risks is contained in Part I, "Item 1A., Risk Factors" of the Company's 2021 Annual Report on Form 10-K, and in other filings with the Securities and Exchange Commission.

F0.2

(F0.2) State the start and end date of the year for which you are reporting data.

	Start Date	End Date
Reporting year	January 1, 2022	December 31, 2022

F0.3

(F0.3) Select the currency used for all financial information disclosed throughout your response.

USD

F_{0.4}

(F0.4) Select the forest risk commodity(ies) that you are, or are not, disclosing on (including any that are sources for your processed ingredients or manufactured goods); and for each select the stages of the supply chain that best represents your organization's area of operation.

Timber products



Commodity disclosure

Disclosing

Stage of the value chain

Processing Manufacturing

Are you disclosing information on embedded commodities?

Yes

Other - Rubber

Commodity disclosure

This commodity is not produced, sourced or used by our organization

F_{0.5}

(F0.5) Select the option that describes the reporting boundary for which forests-related impacts on your business are being reported Operational control

F0.6

(F0.6) Select the countries/areas in which you operate.

Australia

Austria

Brazil

Canada

Croatia

Estonia

Finland

France



Germany

Indonesia

Ireland

Mexico

Netherlands

New Zealand

Nigeria

Poland

Russian Federation

Spain

Sweden

Switzerland

United Kingdom of Great Britain and Northern Ireland

United States of America

F_{0.7}

(F0.7) Are there any parts of your direct operations or supply chain that are not included in your disclosure?

Yes

F0.7a

(F0.7a) Identify the parts of your direct operations or supply chain that are not included in your disclosure.

Forest risk commodity

Timber products

Value chain stage

Direct operations



Exclusion

Facility

Description of exclusion

We are excluding purchases of fuel wood (used solely for energy generation) and finished timber products (e.g. purchased paperboard, corrugated boxes, wooden pallets, etc.) from this disclosure. All countries of operations may use purchased finished timber products in their operations, particularly product packaging (corrugated boxes, pallets, etc.).

% of volume excluded

31-40%

Potential for forests-related risk

No potential

Please explain

Graphic Packaging continues to work to expand the scope and build consistency of our sustainability programming globally. This includes increasing visibility into our global supply chains and driving the company's positive impact in the forest spheres in which we engage. At present, the focus of our program is on traceability and certification for fresh wood and recycled paper inputs used to manufacture the paperboard produced in Graphic Packaging's own virgin and recycled fiber facilities (all located in the US with 1 recycle mill in Canada. This represents roughly 80% of the packaging products the company produces and is, thus, the scope of this CDP disclosure. Due to inconsistencies in reporting forms and metrics across our diverse operations, as well as recent acquisitions, Graphic Packaging is excluding from this disclosure externally produced paperboard that the company purchases for converting sites globally (although we do maintain SFI Certified Sourcing certification on volumes purchased in the US, Canada and Mexico around which we do assess and track sustainability metrics), transport materials (corrugated boxes, core plugs, cores, and wooden pallets), externally produced papers and wraps, and wood residuals purchased specifically for fuel use. Our paperboard suppliers in the EMEA region have confirmed no conflict wood was used to produce board sourced in this region.

As such, the scope of this disclosure generally includes production at virgin and recycled facilities, which is a primary input for our converting sites globally, including the US, Canada, Mexico, Australia, New Zealand, Asia, and Europe.



F0.8

(F0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.?)

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	US3886891015
Yes, a CUSIP code	388689101
Yes, a Ticker Symbol	GPK

F1. Current state

F1.1

(F1.1) How does your organization produce, use or sell your disclosed commodity(ies)?

Timber products

Activity

Using as input into manufacturing process for power generation Using as input into product manufacturing

Form of commodity

Hardwood logs

Softwood logs

Sawn timber, veneer, chips

Pulp

Paper

Source

Smallholders



Single contracted producer Trader/broker/commodity market

Country/Area of origin

Brazil
Canada
United States of America

% of procurement spend

11-20%

Comment

The disclosed commodities are raw materials sourced for our internally produced paperboard. Graphic Packaging purchases locally grown, sustainably produced softwood and hardwood logs and chips to service our mills in Macon and Augusta, GA, West Monroe, LA, and Texarkana, TX. The fresh fiber paperboard manufactured by these mills is sold in the external market and used in our global carton manufacturing plants to manufacture packaging products. Bark and other wood residual materials are recovered by the virgin mills and used to self-generate steam and electricity. In 2021, we purchased FSC-certified pulp from Brazil for our Augusta facility; most of this was consumed in 2021. However, a de minimis volume remained in inventory and was consumed in January of 2022. The remainder of our fresh wood furnish originated in the US. The company also purchases recovered pre- and post-consumer fiber to service our recycle mills in Kalamazoo, MI, Battle Creek, MI, Middletown, OH and East Angus, Quebec. The recycled fiber paperboard manufactured by these mills is sold in the external market and used in our global carton plants to manufacture packaging products. Paper is included in our commodities listed here as we source pre- and post-consumer paper waste from our own operations and through brokers and then recycle it into our products. Calculations for % Procurement spend for these materials do not include spend for purchased paperboard or any fiber-based packaging materials.

F1.2

(F1.2) Indicate the percentage of your organization's revenue that was dependent on your disclosed forest risk commodity(ies) in the reporting year.



	% of revenue dependent on commodity	Comment
Timber products	71-80%	The scope of this disclosure is Graphic Packaging's products made of fresh wood or recycled paper produced internally at its own facilities. Graphic Packaging's sustainably produced products made from wood fiber both fresh and recycled represent the vast majority of the revenue for Graphic Packaging. These products include paperboard and consumer packaging paper board cartons for food, beverage, food service and household goods. This does not include revenue from products made with purchased paperboard.

F1.5

(F1.5) Does your organization collect production and/or consumption data for your disclosed commodity(ies)?

	Data availability/Disclosure
Timber products	Consumption data available, disclosing

F1.5a

(F1.5a) Disclose your production and/or consumption figure, and the percentage of commodity volumes verified as deforestationand/or conversion-free.

Forest risk commodity

Timber products

Data type

Consumption data

Commodity production/ consumption volume

10,645,000



Metric for commodity production/ consumption volume

Metric tons

Data coverage

Full commodity production/consumption

Have any of your reported commodity volumes been verified as deforestation- and/or conversion-free?

Yes

% of reported volume verified as deforestation- and/or conversion-free

100

Please explain

For the disclosed commodities (internally produced paperboard), all products are made of recycled fiber or locally sourced, sustainably produced wood volume certified to SFI, PEFC and or FSC chain of custody requirements or FSC Controlled Wood and SFI Fiber Sourcing. In 2022, these sustainably produced feedstocks for paperboard amounted to 10,645,000 metric tons. Pre- and post-consumer recycled inputs meet requirements for recycled materials in FSC, SFI or PEFC standards and amounted to 1,260,000 metric tons. These forest certification standards require risk assessments for sourcing in regions of forest loss and provisions to avoid wood originating in conversion sites. These systems are annually audited by accredited third-party certification bodies/auditors. Additionally, GPI carries out regular supplier audits and provides training in best management practices amongst its suppliers.

F1.5b

(F1.5b) Provide a breakdown of your DCF and non-DCF volumes relevant to your stage in the supply chain according to how verification is achieved and the highest level of traceability, respectively.

Timber products – DCF

% of DCF production/consumption volume from areas with no or negligible risk of deforestation/conversion 100

% of DCF production/consumption volume verified through monitoring systems



0

% of DCF production/consumption volume physically certified

0

Total percentage of production/consumption volume reported (DCF) [auto-calculated]

100

Timber products - Non DCF

% of non-DCF production/consumption volume from unknown origin

0

% of non-DCF production/consumption volume traceable only as far as country level

0

% of non-DCF production/consumption volume traceable only as far as sub-national area

0

% of non-DCF production/consumption volume traceable only as far as processing facility level

100

% of non-DCF production/consumption volume traceable to production unit level

0

Total percentage of production/consumption volume reported (non-DCF) [(auto-calculated)]

100

F1.5c

(F1.5c) For your disclosed commodity(ies), indicate the percentage of the production/consumption volume sourced by national and/or sub-national jurisdiction of origin.



Forest risk commodity

Timber products

Country/Area of origin

Brazil

State or equivalent jurisdiction

Specify state/equivalent jurisdiction Mato Grosso

% of total production/consumption volume

0.1

Please explain

A small volume of FSC-certified pulp originating in Brazil was purchased in 2021. A very small volume remained in inventory and was consumed in January of 2022. The remaining 99.9% of consumed commodities in 2022 were from the United states and Canada.

Forest risk commodity

Country/Area of origin

Any other countries/areas

State or equivalent jurisdiction

% of total production/consumption volume

99.9



Please explain

99.9% of fresh wood and most recycled paper volumes sourced in United States with some recycled paper sourced in Canada.

F1.6

(F1.6) Has your organization experienced any detrimental forests-related impacts?

No

F1.7

(F1.7) Indicate whether you have assessed the deforestation or conversion footprint for your disclosed commodities over the past 5 years, or since a specified cutoff date, and provide details.

Forest risk commodity

Timber products

Have you monitored or estimated your deforestation/conversion footprint?

Yes, we estimate deforestation/conversion footprint based on sourcing area

Coverage

Full consumption volume

Reporting deforestation/conversion since a specified cutoff date or during the last five years?

During the last 5 years

Known or estimated deforestation/ conversion footprint (hectares)

90,244

Describe methods and data sources used to monitor or estimate deforestation/ conversion footprint



In 2022, we completed an analysis of USDA Forest Service's Forest Inventory and Analysis (FIA) data for the counties comprising the footprint of our supply basin for the four fresh fiber facilities to understand changes in land use and specifically risk of deforestation. We used the last complete census inventory, roughly 2009-2019, for the geographies of our sourcing basin and mobilized two analytical approaches. This analysis, conducted by New March, LLC and Arbor Custom Analytics LLC, used both a deterministic and statistical approach to the FIA data, as outlined by the National Council for Air and Stream Improvement (NCASI). A 95% confidence interval was applied. This analysis yielded a result of an estimated 0.5% loss of forests across the broader supply basin, roughly 230,000 acres or 90,244 HA.

F2. Procedures

F2.1

(F2.1) Does your organization undertake a forests-related risk assessment?

Yes, forests-related risks are assessed

F2.1a

(F2.1a) Select the options that best describe your procedures for identifying and assessing forests-related risks.

Timber products

Value chain stage

Direct operations Supply chain

Coverage

Full

Risk assessment procedure

Assessed as a standalone issue

Frequency of assessment



Annually

How far into the future are risks considered?

> 6 years

Tools and methods used

Internal company methods

External consultants

National specific tools and databases

Other, please specify

FSC Global Forest Registry

Issues considered

Availability of forest risk commodities

Quality of forests risk commodities

Impact of activity on the status of ecosystems and habitats

Regulation

Climate change

Impact on water security

Tariffs or price increases

Loss of markets

Leakage markets

Brand damage related to forests risk commodities

Corruption

Social impacts

Stakeholders considered

Customers

Employees

Investors

Local communities



NGOs Other forest risk commodity users/producers at a local level Regulators Suppliers

Please explain

For the disclosed commodities, Graphic Packaging undertakes a rigorous, multifaceted, forest related risk identification processes every year. The results of these risk analysis are integrated into our operations. First, we conduct a risk assessment of our supply areas as required by our certifications to FSC, SFI and PEFC Chain of Custody standards, as well as FSC Controlled Wood and SFI Certified Sourcing. To identify risks, we leverage the definitions for high conservation values (HCVs) as outlined by FSC and controversial sources, as outlined by PEFC and SFI. These include important forest sustainability risk elements including imperilled ecosystems and species; legality, conversion (deforestation or forest loss), workers' rights (ILO Declaration on Fundamental Principles and Rights at work - 1998), the rights of Indigenous Peoples, social laws, corruption, illegal logging, conflict timber and use of genetically modified organism (GMO) trees.

To evaluate these risk factors, GPI draws on the FSC National Risk Assessment, as well as a wide range of resources, including credible, publicly available data and expert consultants in the arena of forests, sustainability, and climate. These risk assessments are annually audited by accredited, third-party auditors, who also triangulate findings across a wide range of operations and systems.

We have also begun an annual process of analysing USDA Forest Service's Forest Inventory and Analysis (FIA) data for the counties of our supply basins to detect forest loss trends. We look at this in combination with reports from the USDA Forest Service, including notably the projections included in the recently released Resources Projection Action (RPA) reports (2023), which provide projections on forest land use, forest cover, stocking and other forest related values into the future. The most recent projections, include scenario considerations from 2020-2070. These are results that we will take into considerations around our own company goals and actions.

We review the results of these assessments and incorporate into our operations, including consideration of our regions of sourcing, purchasing, supplier engagement and contracting, as well as other factors.

F2.2

(F2.2) For each of your disclosed commodity(ies), has your organization mapped its value chains?



	Value chain mapping
Timber products	Yes, we have partially mapped the value chain

F2.2a

(F2.2a) Provide details of your organization's value chain mapping for its disclosed commodity(ies).

Forest risk commodity

Timber products

Scope of value chain mapping

Own operations Tier 1 suppliers

% of total suppliers covered within selected tier(s)

100

Description of mapping process and coverage

Graphic Packaging has mapped all its own operations. After eligibility review, the Company establishes direct, binding agreements with all our Tier 1 suppliers to deliver forest products to our facilities. In establishing relationships with suppliers, they agree to disclose their regions of sourcing (country, state/province, county) and provide updates to any changes in their supply areas. Thus, GPI has mapped Tier 1 suppliers and their geographies of impact. Additionally, GPI further conducts plausibility analysis to further evaluate its value chain and potential forest risks and impacts. For complete list of Graphic Packaging locations, visit the Graphic Packaging website: https://www.graphicpkg.com/locations/

Your own production and primary processing sites: attach a list of facility names and locations (optional)

U Location Attachment GPI.pdf

Your suppliers' production and primary processing sites: attach a list of names and locations (optional)



F2.3

(F2.3) Do you use a classification system to determine risk of deforestation and/or conversion of other ecosystems for your sourcing areas, and if yes, what methodology is used, and what is the classification used for?

	Use of a classification system to determine deforestation and/or conversion risk of sourcing areas	Methodology used for classifying levels of risk	Use of risk classification	Attachment indicating risk classification for each sourcing area (optional)
1	Yes, we use a classification system	We use the National Risk Assessment provided by FSC US to classify counties of specified risk for deforestation/conversion. Similarly, we conduct our own analysis, following requirements of SFI, to evaluate regions experiencing forest area decline, characterized as with more than 1% loss over the last 10 years, using the best available data, USDA Forest Service FIA data. For areas of specified risk, we leverage binding written supplier declarations to avoid sourcing from conversion sites.	For areas of specified risk, we leverage binding written supplier declarations to avoid sourcing from conversion sites.	

F3. Risks and opportunities

F3.1

(F3.1) Have you identified any inherent forests-related risks with the potential to have a substantive financial or strategic impact on your business?

your business:	
	Risk identified?



Timber products	Yes
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F3.1a

(F3.1a) How does your organization define substantive financial or strategic impact on your business?

Substantive financial or strategic impacts are events that could impact our business or operations and require management attention to either mitigate risk or capitalize on new opportunities. To identify and rank substantive financial and strategic impacts we consider both qualitative and quantitative measures. The quantitative measures evaluated include potential impacts to revenue, earnings and assets. Qualitative measures include but are not limited to consideration of impacts to employee/community safety, regulatory requirements, our reputation, business continuity, trends in the underlying business, and suppliers and customers. Substantive impacts would include those that would have a high likelihood to result in a loss of key suppliers or customers, sustained serious loss in market share or Company value, death, serious breaches of legal and regulatory compliance, customer market disintegration, significant impact on shareholders, catastrophic business continuity exposure and financial losses/opportunities. The impacts considered include those related to our direct operations as well as possible impacts to the continuity of our supply chain and our ability to meet customer commitments. These factors are weighed against: (a) The proportion of business units affected; (b) The size of the impact on those business units, and (c) The potential for shareholder, customer or other stakeholder concern. A potential substantive financial impact could occur because of a large change in one of these aspects, or small changes in multiple aspects combining to create a larger impact. A specific climate-related risk or opportunity may be considered as having a potential substantive financial impact if it would reasonably be expected to affect the company's expected revenues, earnings or assets positively or negatively by a certain quantitative amount that varies as the company grows. However, magnitude of the issue, by itself, without regard to the nature of the specific risk or opportunity and the circumstances in which the judgment has to be made, will not generally be a sufficient basis for the judgment. Graphic Packaging considers both qualitative and quantitative factors together when evaluating whether a specific climate-related risk or opportunity would have a substantive financial or strategic impact on the Company.

Through our risk management process, Graphic Packaging assigns a quantitative score to define a potential substantive financial or strategic impact for each risk/opportunity as follows: a risk magnitude impact factor of 1-5 (with the number corresponding to a range of financial impacts with 1 being low impact and 5 being high impact), and a risk probability impact factor of 1-5 (with risk level 1 corresponding to a risk that rarely occurs within a two-year time period and level 5 corresponding to a risk that is almost certain to occur within a two-year time period). When risk magnitude (financial impact) is multiplied by risk probability (likelihood of the event) and this results in a figure equal to or higher than 10, a risk/opportunity is considered to have a potential substantive financial or strategic impact. For example, a risk with a potential high financial impact score of 5 but a relatively low



probability impact score of 2 would receive a rating of 10 indicating a potential substantive impact and would be further evaluated to assess potential risk mitigation actions.

The Company discloses financial and strategic impacts in its filings with the SEC and communications with investors as appropriate to provide context on the business implications of extreme weather-related events. We do this to be transparent with our stakeholders. For instance, in 2019 the Company disclosed the financial implications of the tornado that destroyed parts of the wood conveying system at our West Monroe, Louisiana mill. The publicly disclosed financial cost was approximately \$10 million. The extreme winter storm Uri and damaging ice during the period of February 12-16, 2021 resulted in impacts to our Texarkana, Texas and West Monroe, Louisiana mill facilities. The Company filed an 8-K on February 24, 2021 detailing the damages and provided an early anticipated impact to first quarter of 2022 financial results. When the Company reported quarterly results, the total financial impact to the Company from outages and storm related costs was quantified at \$29 million.

F3.1b

(F3.1b) For your disclosed forest risk commodity(ies), provide details of risks identified with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Forest risk commodity

Timber products

Type of risk

Acute physical

Geographical scale

Country

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Heat wave



Primary potential impact

Supply chain disruption

Company-specific description

GPI consults the USDA Forest Service/Northern Institute of Applied Climate Science Interactive Adaptation Workbook (and related publications) to identify risks most relevant to the forest resource in the US Southeast, upon which GPI is dependent for its raw material. These resources indicate temperatures in the Southeast are projected to increase by 4.4 to 7.7 degrees Fahrenheit by late-century; between 5 and 30 more days per year with a maximum temperature exceeding 95 degrees Fahrenheit by the middle of the century; variation in precipitation with increases and decreases in different parts of the region; and that climate change will amplify many existing stressors to forest ecosystems in the Southeast, such as invasive species and insect pests. As severity and/or frequency of extreme weather events increases, as predicted under different climate scenarios, GPI has developed estimates for impacts to production, as reported in CDP Climate. However, additional analysis of impacts to the forest land base and overall supply is needed and, from this, more specific financial impact figures must be developed.

Timeframe

>6 years

Magnitude of potential impact

Medium

Likelihood

Likely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)



Explanation of financial impact

The financial impact is largely dependent on scale of ecological impact. Financial implications from climate related impacts to forests are difficult to quantify due to unforeseen variables that can impact the overall significance of these risks and the fact that Graphic Packaging reacts and deploys mitigation measures in real time. As such, the impact has not been quantified financially.

Primary response to risk

Engagement with suppliers

Description of response

Addressing complex risks is inherent in sustainable forest management. Because GPI is not a landowner and does not actively manage forests directly, engagement with our suppliers and the broader forest community is essential to responding to risks, including both mitigation and adaptation strategies. Our certification to SFI Fiber Sourcing at our primary sourcing facilities provides a multifaceted pathway for engagement. This includes the development of materials and training targeting both loggers, forest resource professionals and family landowners or smallholders related to sustainable forest management in the context of climate change. This includes understanding what can be done to mitigate the impacts of climate on forests and the essential goods and services they provide, including wood, as well as adaptation approaches. Over the course of 2022, the SFI State Implementation Committees (SIC) across the South have undertaken an assessment and prioritization of climate related risks. Outcomes of this effort are to be integrated into collaboratively developed supplier engagement tools and resources. In the future, GPI may expand efforts and investment in this area.

Cost of response

Explanation of cost of response

Not available

F3.2

(F3.2) Have you identified any forests-related opportunities with the potential to have a substantive financial or strategic impact on your business?



	Have you identified opportunities?
Timber products	Yes

F3.2a

(F3.2a) For your selected forest risk commodity(ies), provide details of the identified opportunities with the potential to have a substantive financial or strategic impact on your business.

Forest risk commodity

Timber products

Type of opportunity

Products & services

Where in your value chain does the opportunity occur?

Direct operation

Primary forests-related opportunity

Increased R&D and innovation opportunities

Company-specific description

Concerns about climate change, the need to reduce waste (particularly fossil fuel based plastic waste), and shifts towards a circular economy are shaping how companies think about their packaging products. Customers are looking to lessen the environmental impact of their packaging by following the reduce, reuse, recycle approach as they evolve their packaging design and materials selection. Graphic Packaging is well positioned in the market, as a wood fiber-based packaging company, to be a solution provider to respond to these growing external pressures. The Company's business model is based on developing resource-efficient manufacturing processes that run on renewable energy to produce sustainable, recyclable packaging products that are predominantly made from renewable raw materials. Graphic Packaging incorporates sustainability criteria and design for the environment thinking into its SOAR product development innovation process to create new packaging solutions for its customers – helping them reduce the materials they use and ship while generating less waste for their customers. Throughout



our process, we consider the full life cycle of the package and its impact from packaging design, material selection and sourcing, to manufacturing, and ultimately through end of life. We have developed patented packaging alternatives that provide equivalent performance and protection but use less materials – reducing life cycle carbon emissions and raw material resource consumption. We partner with suppliers to develop new barrier materials that provide the same performance while improving the recyclability and/or compostability of the packaging – reducing potential waste from the packaging and improving circularity. Lastly, our team works to innovate paper-based packaging solutions that can be substituted for hard to recycle/non-recyclable fossil-fuel based packaging – supporting the transition to a lower-carbon, circular economy that relies on tree-based renewable materials to create easily recycled products. Our innovation teams also incorporate features that enhance customer brand building opportunities in the design as well as delight the end-consumer by offering potential to reuse the packaging in new ways.

Estimated timeframe for realization

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

Very likely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

400,000,000

Potential financial impact figure – maximum (currency)

700,000,000

Explanation of financial impact figure



In our 2025 Vision we anticipate adding revenue growth of \$400 - \$700 million (over the period of 2020 – 2025) that is directly attributed to our innovation efforts. This figure has been based on assessment of the addressable market opportunity demand for substitution by more sustainable packaging solutions. Graphic Packaging conservatively estimated a range for percent adoption of our new packaging products to replace existing, less sustainable packaging when developing the minimum and maximum range for opportunity values. Addressable market value and conversion assumptions are not provided for business confidentiality reasons. GPI has realized ~\$460 million in net new product sales during 2020-2021 attributed to customer conversion to our new, innovative packaging designs.

Cost to realize opportunity

34,000,000

Strategy to realize opportunity

Situation: Customers are looking to lessen the environmental impact of their packaging as they evolve their packaging design and materials selection. We are well positioned, as a wood fiber-based packaging company, to be a solution provider to respond to these growing external pressures.

Task: Graphic Packaging is committed to sustainable innovation and has allocated investments both in terms of research and development as well as capital allocation to ensure that we have the appropriate resources to develop packaging solutions that will improve the environmental metrics of our customers' products. We keep abreast of consumer expectations to ensure that we're meeting preferences as they continue to shift towards more sustainable packaging.

Action: We have established 8 R&D innovation centers in the US and the EU and have expanded our packaging innovation "toolset" as part of our 2021 acquisition of AR Packaging. Over the past few years, our Chief Innovation Leader has restructured our R&D and marketing teams to improve market sensing capabilities as well as foster collaboration, ideation, and leveraging solutions from one global region to another. We have invested in innovation, research and development, and digital capabilities to allow us to capture sustainability supported organic growth. Throughout 2022 we have continued to develop products which look to have a positive environmental impact. We are focusing on providing fiber-based solutions to the problems surrounding single-use plastics. Example products we have commercialized include KeelClip™, Cap-It™, and EnviroClip™ beverage packaging solutions, PaperSeal™, ProducePack™, and Boardio™ food packaging solutions, the Ecotainer™ and OptiCycle™ foodservice solutions, and the ZFlute™ and IntegraFlute™ strength packaging solutions.

Result: These products are a representative sample of the many sustainable packaging solutions we are developing that are expected to deliver \$400 - \$700 million in organic revenue growth over 2020 – 2025.

GPI has realized ~\$460 million in net new product sales2020-2022 attributed to customer conversion to new, innovative packaging designs. Our cumulative investment in Research and Development for the past 3 years has totaled \$34 million. 100% * \$34,000,000 = \$34,000,000



F4. Governance

F4.1

(F4.1) Is there board-level oversight of forests-related issues within your organization?

Yes

F4.1a

(F4.1a) Identify the position(s) of the individual(s) (do not include any names) on the board with responsibility for forests-related issues.

Position of individual or committee	Responsibilities for forest-related issues
Board-level committee	Our Board of Directors, which includes our President and CEO, guides our purpose, values, and sustainability strategy, including climate-change and forest matters. We believe that a two-tiered level of oversight provides the best structure to integrate consideration of ESG and climate risks/opportunities into our overall business strategy and help us meet the changing demands of all our stakeholders. The Board is responsible for the oversight of our sustainability and climate strategy, governance standards, goals and performance, and has assigned principal oversight of our sustainability policy and practices to the Nominating and Corporate Governance Committee (NCGC). The Committee also reviews the Company's policy and practices, including on forests, for consistency with ESG and climate commitments, including goals, performance metrics, mitigation plans, and public reporting and makes recommendations to the Board and management.



F4.1b

(F4.1b) Provide further details on the board's oversight of forests-related issues.

	Frequency that forests-related issues are a scheduled agenda item	Governance mechanisms into which forests-related issues are integrated	Please explain
Row 1	Scheduled - all meetings	Overseeing major capital expenditures Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy	Our Board is responsible for reviewing, approving, and monitoring business strategies and financial performance and ensuring appropriate oversight is in place. The Board does this through a number of practices, e.g. approval of annual operating and strategic long-range plans, review of results against such plans and review and approval of significant corporate actions. In addition, the Board is responsible for the oversight of our sustainability and forest strategy, governance standards, goals, and performance and has assigned principal oversight of our sustainability policy and practices to the Nominating and Corporate Governance Committee. The NCGC considers current and emerging ESG trends, major regulatory developments and public policy issues that may impact our business operations. The NCGC reviews the Company's policy and practices for consistency with its ESG and forest commitments, including goals, mitigation plans, and public reporting and makes recommendations to the Board and management. The Audit Committee oversees our integrated risk management framework that is designed to identify, prioritize, manage, monitor and communicate our top enterprise risks, including forest-related risks. The NCGC makes recommendations on ESG actions to the Board and has sustainability/ESG as a standard meeting agenda item. In September 2022, the NCGC reviewed and approved the Company's sustainability report.



F4.1d

(F4.1d) Does your organization have at least one board member with competence on forests-related issues?

Row 1

Board member(s) have competence on forests-related issues

Yes

Criteria used to assess competence on forests-related issues

The Nominating and Corporate Governance Committee is responsible for identifying and recommending to the Board individuals for nomination as members of the Board and its committees and, in this regard, reviewing with the Board on an annual basis the current skills, background and expertise of the members of the Board, as well as the Company's future and ongoing needs. This assessment is used to establish criteria for identifying and evaluating potential candidates for the Board. However, as a general matter, the Nominating and Corporate Governance Committee seeks individuals with significant and relevant business experience who demonstrate:

- The highest personal and professional integrity.
- Commitment to driving the Company's success.
- An ability to provide informed and thoughtful counsel on a range of issues.
- Exceptional ability and judgment. The Nominating and Corporate Governance Committee regularly assesses the skills, background and expertise of the members of the Board and identifies the Company's needs, including skills and experience related to environmental matters important to the company like climate, forest and water-related matters.

As part of this process, the Nominating and Corporate Governance Committee strives to select nominees with relevant business experience, the personal characteristics described above, and a wide variety of skills and viewpoints, informed by diversity of race, ethnicity and gender.

F4.2

(F4.2) Provide the highest management-level position(s) or committee(s) with responsibility for forests-related issues (do not include the names of individuals).



Name of the position(s) and/or committee(s)	Forests-related responsibilities of this position	Frequency of reporting to the board on forests-related issues	Please explain
Chief Executive Officer (CEO)	Integrating forests-related issues into business strategy Setting forests-related corporate targets Monitoring progress against forests-related corporate targets Managing public policy engagement that may impact forests Assessing forests-related risks and opportunities	More frequently than quarterly	The CEO has ultimate responsibility for the implementation of sustainability practices across the Company. Together with members of the Executive Team, the CEO is responsible for embedding consideration for ESG risks and opportunities, including forests -related issues, into our business strategy, plans and budgets; merger, acquisition, and divestiture decisions; and achieving our Vision 2025 goals. The CEO and members of the Executive Team meet at least quarterly to monitor progress towards the Vision 2025 goals and regularly report to the board on a variety of topics that directly or indirectly involve forest-related issues (such as the Company's forest sustainability initiatives, status of forest certification programs including FSC, SFI and PEFC, progress against forest-related goals and targets; and capital expenditures). Further, the CEO receives bimonthly or more frequent reports of forest / fiber related issues via the HS&E Steering Committee. The CEO reviews this information and provides guidance before communicating it to the Board of Directors. Reports include forest-related risks & opportunities and performance on targets. This includes briefings on forest demand and market availability. The CSO provides strategic direction and monitors the impacts of forest sustainability issues. The CEO approves allocation of certified materials.
Other C-Suite Officer, please specify EVP, Supply Chain	Managing annual budgets relating to the implementation of forest-related policies and commitments	More frequently than quarterly	Graphic Packaging's Executive Vice President, Supply Chain is the highest management-level and C-Suite Officer within the organization to hold responsibility for forests-related issues below the CEO and Company's Board of Directors. He has direct oversight of the wood fiber procurement team and for administration of the Company's fiber certification program. The EVPSC works with the CSO on aligning the Company's Leadership Team on strategic



	Integrating forests-related issues into business strategy Setting forests-related corporate targets Monitoring progress against forests-related corporate targets Managing public policy engagement that may impact forests Assessing forests-related risks and opportunities		decisions regarding mitigating forests risks, enhancing our reputation and positioning the Company for future success.
Chief Sustainability Officer (CSO)	Managing annual budgets relating to the implementation of forest-related policies and commitments Integrating forests-related issues into business strategy Setting forests-related corporate targets Monitoring progress against forests-related corporate targets Managing public policy engagement that may impact forests Assessing forests-related risks and opportunities	More frequently than quarterly	The CSO is accountable for developing strategy and executing the day-to-day requirements to meet the Company's sustainability goals, including goals related to forest sustainability. Further, the CSO is uniquely qualified to engage with investors, customers, suppliers, and other external stakeholders to ensure comprehensive value chain execution of the sustainability program.



F4.3

(F4.3) Do you provide incentives to C-suite employees or board members for the management of forests-related issues?

	Provide incentives for management of forests-related issues	Comment
Row 1	Yes	

F4.3a

(F4.3a) What incentives are provided to C-Suite employees or board members for the management of forests-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive?	Performance indicator	Contribution of incentives to the achievement of your organization's forests-related commitments	Please explain
Monetary reward	Corporate executive team	Other, please specify 100% facilities certified to a fiber sourcing standard (FSC, SFI, PEFC, or RPA100)	Targets are established for key environmental metrics. These environmental metrics are monitored and support financial and productivity metrics, which have individual performance goals for the senior leadership team and others associated with them. The assessment of these individual performance goals is factored into determining merit increases annually. The environmental metrics are monitored monthly by our procurement team, who are responsible for our fiber sourcing program. Environmental metrics include achieving our Vision 2025 supply chain sustainability goal to have 100% facilities certified by 2025v and for sourcing 100% of the fresh wood and recycled fibers we use from	Targets are established for key environmental metrics. These environmental metrics are monitored and support financial and productivity metrics, which have individual performance goals for the senior leadership team and others associated with them. The assessment of these individual performance goals is factored into determining merit increases annually. The environmental metrics are monitored monthly by our procurement team, who are responsible for our fiber sourcing program. Environmental metrics include achieving our Vision 2025 supply chain sustainability goal to have 100% facilities certified by 2025v and for sourcing 100% of the fresh wood and recycled fibers we use from



		sustainably managed sources. This metric was established due to concerns about preventing deforestation and biodiversity loss.	sustainably managed sources. This metric was established due to concerns about preventing deforestation and biodiversity loss.
monetary reward	No one is entitled to these incentives		Non-monetary reward programs are offered to non C-Suite employees in recognition of their contributions towards achieving Company forest and other sustainability goals.

F4.4

(F4.4) Did your organization include information about its response to forests-related risks in its most recent mainstream financial report?

No, but we plan to do so in the next two years

F4.5

(F4.5) Does your organization have a policy that includes forests-related issues?

Yes, we have a documented forests policy that is publicly available

F4.5a

(F4.5a) Select the options to describe the scope and content of your policy.

Row 1

Scope

Company-wide

Commodity coverage



General forests policy covering all commodities Timber products

Content

Commitment to eliminate conversion of natural ecosystems

Commitment to no land clearance by burning or clearcutting

Commitment to best management practices for soils and peat

Commitment to protect rights and livelihoods of local communities

Commitments beyond regulatory compliance

Commitment to stakeholder awareness and engagement

Recognition of the overall importance of forests and other natural ecosystems

Description of forests-related performance standards for direct operations

Description of forests-related standards for procurement

Document attachment

Please explain

GPI has a sustainable forestry policy that applies to the entire organizations operations, outlining our commitment to sustainable forestry and the goals of sustainable forestry and promoting responsible resource management and use. The company's ongoing commitment and certification to FSC, SFI and PEFC is included in this policy, as well as commitment to avoid controversial and unacceptable sources.

F4.6

(F4.6) Has your organization made a public commitment to reduce or remove deforestation and/or forest degradation from its direct operations and/or supply chain?

Forest risk commodity	Public commitments made	
Timber products	Yes	



F4.6a

(F4.6a) Has your organization endorsed any of the following initiatives as part of its public commitment to reduce or remove deforestation and/or forest degradation?

Other, please specify

Forest certification programs including FSC, SFI and PEFC provide a backbone for our approach to forests and sourcing at GPI. All these systems include commitments not to contribute to deforestation in our sourcing.

F4.6b

(F4.6b) Provide details on your public commitment(s), including the description of specific criteria, coverage, and actions.

Forest risk commodity

Timber products

Criteria

No conversion of natural ecosystems

Avoidance of negative impacts on threatened and protected species and habitats

No conversion of High Conservation Value areas

Resolution of complaints and conflicts through an open, transparent and consultative process

No sourcing of illegally produced and/or traded forest risk commodities

No sourcing of forest risk commodities from unknown/controversial sources

Operational coverage

Direct operations and supply chain

% of total production/ consumption covered by commitment

100%



Cutoff date

Not applicable

Forest risk countries/areas that the cutoff date applies to

Reason for selecting cutoff date

Other, please specify

Because we subscribe to the FSC, PEFC and SFI certification certifications, as well as other sustainability programs and comply with various laws that all have their own cutoff dates, we do not have a harmonized, single cutoff date.

Commitment target date

2021-25

Please explain

Graphic Packaging's commitment to avoid sources associated with conversion from forests to plantations and nonforest land uses is clearly articulated in our Sustainable Forestry Policy, which guides our operations from the top of the organization to our work with suppliers on the ground. The policy outlines our commitment to the core principles of sustainable forestry including to uphold human, civil and traditional rights, including those of indigenous peoples; protect rare and imperilled species and ecosystems and high conservation values (HCVs) and avoid the use of GMOs and wood that is illegally harvested or the result of deforestation. We also maintain a robust complaints policy that inclusion provisions for resolution of conflict in an open, transparent and procedurally fair manner. All these commitments are aligned and reinforced by our certifications to FSC, PEFC and SFI chain of custody, FSC Controlled Wood and SFI Certified and Fiber Sourcing, which are audited annually.

Actions to achieve these goals include the assessment of risk for controversial sources and impacts to high conservation values (HCVs), including deforestation, illegal harvesting, impacts to imperilled ecosystems and species, as well as workers and Indigenous Peoples' rights, corruption, conflict and other factors. We then implement a due diligence system (DDS) that calls for additional preventive and mitigating steps including several actions that have become norms in our business including declarations and binding agreements with our suppliers to avoid controversial sources and to train their loggers and other resource professionals in best management practices and forest management techniques to protect species at risk and other important resources. A key feature of these efforts is outreach to smallholders and family forest owners to engage in conservation and restoration practices on the ground, including of important ecosystems like native longleaf pine



ecosystems and late successional bottomland hardwoods. Family landowners provide most fresh fiber flowing Graphic Packaging facilities and are the largest landowner group, by far, in our supply regions.

F5. Business strategy

F5.1

(F5.1) Are forests-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are forests- related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, forests-related issues are integrated	5-10	Graphic Packaging utilizes a strategic planning process that helps shape its overall business objectives and strategy. As part of this annual process, forest related risks and opportunities are also taken into consideration. Graphic Packaging's long-range plan assesses forest related risks and opportunities over a five-year time horizon with specific financial modelling over the initial three years. As part of Graphic Packaging's long-range planning, Graphic Packaging seeks to take the following into consideration, as well as integrating them into its overall strategic business objectives: Capital investment opportunities for both operations and logistics; utilization of renewable materials; adherence to certification programs including FSC, SFI and PEFC Chain of Custody, as well as SFI Fiber Sourcing and FSC Controlled Wood; market-related concerns such as customer demand and quality and quantity of raw material sources, this includes the impacts of deforestation and loss of forests in our supply regions and demand from other markets within the forest sector, including biomass. For example, to accomplish the UK's carbon reduction goals, many utilities have transitioned to generated electricity from coal to biomass sources. Certain utilities source wood from the United States which also impacts the overall supply of this raw material. Preparing for Graphic Packaging's long-range planning process, Graphic Packaging's assessment of forest related risks and opportunities have focused on macro influencers on its wood basket. These



			influences can be shifts in market demand from local, national and international demand patterns based on climate change or other reactions related to climate-change by working with an external party to model scenarios. They also include fiber quality and availability, based on land use change and pressures associated with urban growth and agricultural expansion.
Strategy for long-term objectives	Yes, forests-related issues are integrated	5-10	Drawing on Graphic Packaging's strategic planning process that shapes its overall business objectives and strategy, in support of forest sustainability, Graphic Packaging will continue to advance its utilization of renewable materials including progressing its goal to achieve 100% of its revenues from products that can be recycled and rigorous engagement in its forest certification programs including FSC, SFI and PEFC Chain of Custody, as well as SFI Fiber Sourcing and FSC Controlled Wood. Though these programs, we plan to expand our supplier engagement around critical forest issues including protection of high conservation values (HCVs) and imperilled and critically imperilled species and ecosystems, as well as deforestation. This includes logger training and landowner outreach, as well as contract specifications.
Financial planning	Yes, forests-related issues are integrated	5-10	Financial planning and investments to support our forest sustainability programming investments are integrated into our broader corporate processes.

F6. Implementation

F6.1

(F6.1) Did you have any forests-related timebound and quantifiable targets that were active during the reporting year?

Yes

F6.1a

(F6.1a) Provide details of your forests-related timebound and quantifiable target(s) and progress made.



Target reference number

Target 1

Forest risk commodity

Timber products

Year target was set

2016

Target coverage

Company-wide

Target category

Third-party certification

Metric

Other, please specify

100% sourced virgin and recycled fiber for our paperboard mills will be sustainability sourced

Traceability point

Third-party certification scheme

FSC (any type)
PEFC (any type)
SFI Fiber Sourcing certification
Other, please specify
Recycled, RPA100



Base year

2016

Base year figure

80

Target year

2025

Target year figure

100

Reporting year figure

100

% of target achieved relative to base year [auto-calculated]

100

Target status in reporting year

Achieved

Is this target linked to a commitment?

No conversion of natural ecosystems

Please explain

Our approach to sustainable forestry has three pillars: Procurement of local, sustainably produced virgin fiber; Credible, third-party forest certification for our materials and sourcing practices; maximizing use of recycled paper and recovery of wood waste. In the first pillar, our wood procurement team works directly with our suppliers to help define their forest management objectives. GPI's wood procurement procedures identify sustainable sourcing parameters, compliance measures, and how we support our suppliers. Each supplier, their sourcing regions and practices are evaluated before they can deliver wood to our facilities. Their sourcing practices are subject to annual internal and third-party reviews. Every contract we sign with a wood or paperboard supplier requires their commitment to avoid highest risk and most controversial sources. In the second pillar, GPI uses FSC, PEFC and SFI certification as a baseline sustainability system to guide our operations. Certification



contributes to consumer confidence that our products support environmentally, socially, and economically sound practices, from sustainably managed forests to credible supply chain tracing, manufacturing, and delivery. All our mills are certified to one or more third-party chain of custody standards and sourcing standards.

Through our third pillar, we work to maximize the amount of recovered fiber we used either as blended with virgin fiber to make new board or to make 100% recycled fiber board. Recycled fiber use is certified under FSC and /or RPA100 frameworks. Through our actions implementing these pillars, we are successful in ensuring that 100% of the virgin and recycled fiber we source for our mills is sustainably sourced and meets the requirements of the SFI, FSC and/or RPA100 standards.

Target reference number

Target 2

Forest risk commodity

Timber products

Year target was set

2016

Target coverage

Company-wide

Target category

Third-party certification

Metric

Other, please specify

100% of global paper mills and converting plants will be certified to one or more fiber standards

Traceability point



Third-party certification scheme

FSC Chain of Custody

FSC Controlled Wood

FSC Recycled

PEFC Chain of Custody

SFI Chain of Custody

SFI Fiber Sourcing certification

Other, please specify

Recycled, RPA100

Base year

2016

Base year figure

90

Target year

2025

Target year figure

100

Reporting year figure

96

% of target achieved relative to base year [auto-calculated]

60

Target status in reporting year

Underway



Is this target linked to a commitment?

No conversion of natural ecosystems

Please explain

For the disclosed commodities, internally generated paperboard internally generated at GPI mills, we follow robust certification standards to assure responsible sourcing for 100% of our feedstock. Our approach follows three pillars: Procurement of local, sustainably produced virgin fiber; Credible, third-party forest certification for our materials and sourcing practices; Maximizing use of recycled paper and recovery of wood waste.

In the first pillar, our wood procurement team works directly with our suppliers to help define their forest management objectives. GPI's wood procurement procedures identify sustainable sourcing parameters, compliance measures, and how we support our suppliers. Each supplier, their sourcing regions and practices are evaluated before they can deliver wood to our facilities. Their sourcing practices are subject to annual internal and third-party reviews.

In the second pillar, GPI uses FSC, PEFC, SFI and RPA100 certification as a baseline sustainability system to guide our operations. Certification contributes to consumer confidence that our products support environmentally, socially, and economically sound practices, from sustainably managed forests to credible supply chain tracing, manufacturing, and delivery. All our mills are currently certified to one or more third-party chain of custody standards and sourcing standards. We are working towards having all global converting plants certified to one or more third-party chain of custody standards and sourcing standards as well. Due to recent acquisitions in 2021, we have some facilities that are not currently certified. Plans are being made to certify these facilities by 2025. Currently all virgin fiber and recycled fiber sourced by our mills meets third party sourcing standards for being sustainably sourced and not contributing towards forest conversion.

Target reference number

Target 3

Forest risk commodity

Timber products

Year target was set

2016



Target coverage

Company-wide

Target category

Engagement with direct suppliers

Metric

Other, please specify

Audit 50% wood suppliers annually for compliance with forest BMPs, the GPI Global Supplier Code of Conduct, and SFI sustainable sourcing standard

Traceability point

Third-party certification scheme

Base year

2016

Base year figure

40

Target year

2025

Target year figure

50

Reporting year figure

66



% of target achieved relative to base year [auto-calculated]

260

Target status in reporting year

Achieved

Is this target linked to a commitment?

No conversion of natural ecosystems

Please explain

For the disclosed commodities, paperboard internally generated at Graphic Packaging facilities, our approach to sustainable forestry has three pillars: Procurement of local, sustainably produced virgin fiber; Credible, third-party forest certification for our materials and sourcing practices; Maximizing use of recycled paper and recovery of wood waste.

In the first pillar, our wood procurement team works directly with our suppliers to help define their forest management objectives. GPI's wood procurement procedures identify sustainable sourcing parameters, compliance measures, and how we support our suppliers. Each supplier, their sourcing regions and practices are evaluated before they can deliver wood to our facilities. Their sourcing practices are subject to annual internal and third-party reviews.

We assess wood supplier conformance to our Sustainable Forestry Policy using supplier risk assessments and field audits. GPI's due diligence system (DDS) provides the framework for completing risk assessment evaluations on each supplier that delivers wood fiber to our facilities. The risk assessment considers the material supplied (e.g. trees, wood chips, pulp, etc.), harvested tree species, country and state of harvest, current complaints against the supplier, and if an individual management plan is needed to control risk for a particular supplier. GPI also completes field tract inspection audits on suppliers during harvesting activities to verify supplier compliance with our Sustainable Forestry Policy and local best management practices. The tract inspection audits focus on wood origin, presence of non-native species, legal right to harvest timber, risk of conversion to other land uses, threats to high conservation values, risk of violation of traditional and civil rights, evidence of genetically modified trees, labor, certification, and whether state timber harvesting best management practices being followed. We complete risk assessments on all new wood suppliers and target auditing 50% of our existing wood suppliers each year with a goal of having all suppliers audited at least once every 2 years. In 2022, we completed audits with 132% of targeted wood suppliers (66% of total wood suppliers were audited versus the 50% target). No significant supplier environmental or social concerns were identified during the audits.



F6.2

(F6.2) Do you have traceability system(s) in place to track and monitor the origin of your disclosed commodity(ies)?

	Do you have system(s) in place?	Supply chain coverage	Description of traceability system	Exclusions
Timber products	Yes	Volume from direct suppliers only	We follow the sourcing requirements to verify origin of purchased materials per the following standards: FSC, SFI and PEFC Chain of Custody, FSC Controlled Wood, PEFC Controlled Sources and SFI Fiber Sourcing 100% Recycled Paperboard Alliance (RPA-100%) Our recycled material conforms to requirements for FSC Recycled claims (FSC-STD-40-007 (V2-0) EN). And also the 100% Recycled Paperboard Alliance (RPA-100%)	Not applicable

F6.2a

(F6.2a) Provide details on the level of traceability your organization has for its disclosed commodity(ies).

Forest risk commodity	Point to which commodity is traceable	Countries/areas to which this traceability point applies	% of total production/consumption volume traceable
Timber products	Municipality or equivalent	United States of America	100
Timber products	Mill	Brazil	100
		Canada	
		United States of America	

F6.3

(F6.3) Have you adopted any third-party certification scheme(s) for your disclosed commodity(ies)?



	Third-party certification scheme adopted?	% of total production and/or consumption volume certified		
Timber products	Yes	100		

F6.3a

(F6.3a) Provide a detailed breakdown of the volume and percentage of your production and/or consumption by certification scheme.

Forest risk commodity

Timber products

Third-party certification scheme

FSC Controlled Wood

Chain-of-custody model used

% of total production/consumption volume certified

69

Form of commodity

Hardwood logs Softwood logs Sawn timber, veneer, chips Unprocessed wood fiber

Volume of production/ consumption certified

7,326,000

Metric for volume

Metric tons



Is this certified by more than one scheme?

Yes

Please explain

All non-certified fresh wood fiber material is controlled via FSC Controlled Wood, SFI Fiber Sourcing and PEFC Controlled Sources.

Forest risk commodity

Timber products

Third-party certification scheme

SFI Fiber Sourcing certification

Chain-of-custody model used

% of total production/consumption volume certified

69

Form of commodity

Hardwood logs

Softwood logs

Sawn timber, veneer, chips

Unprocessed wood fiber

Boards, plywood, engineered wood

Volume of production/ consumption certified

7,326,000

Metric for volume

Metric tons



Is this certified by more than one scheme?

Yes

Please explain

All non-certified fresh wood fiber material is controlled via FSC Controlled Wood, SFI Fiber Sourcing and PEFC Controlled Sources.

Forest risk commodity

Timber products

Third-party certification scheme

FSC Chain of Custody

Chain-of-custody model used

% of total production/consumption volume certified

4

Form of commodity

Hardwood logs Softwood logs Sawn timber, veneer, chips Unprocessed wood fiber Pulp

Volume of production/ consumption certified

382,000

Metric for volume

Metric tons



Is this certified by more than one scheme?

No

Please explain

Because FSC is not recognized by other schemes and does not recognize others, this volume is singly certified.

Forest risk commodity

Timber products

Third-party certification scheme

PEFC Chain of Custody

Chain-of-custody model used

% of total production/consumption volume certified

16

Form of commodity

Hardwood logs

Softwood logs

Sawn timber, veneer, chips

Unprocessed wood fiber

Volume of production/ consumption certified

1,677,000

Metric for volume

Metric tons

Is this certified by more than one scheme?



Yes

Please explain

Because SFI and PEFC mutually recognize each other and the SFI CoC program is PEFC endorsed, this volume qualifies as both PEFC/SFI in consumption. In sales and credit allocation, a single claim is made.

Forest risk commodity

Timber products

Third-party certification scheme

SFI Chain of Custody

Chain-of-custody model used

% of total production/consumption volume certified

16

Form of commodity

Hardwood logs Softwood logs Sawn timber, veneer, chips Unprocessed wood fiber

Volume of production/ consumption certified

1,677,000

Metric for volume

Metric tons

Is this certified by more than one scheme?



Yes

Please explain

Because SFI and PEFC mutually recognize each other and the SFI CoC program is PEFC endorsed, this volume qualifies as both PEFC/SFI in consumption. In sales and credit allocation, a single claim is made.

Forest risk commodity

Timber products

Third-party certification scheme

FSC Recycled

Chain-of-custody model used

% of total production/consumption volume certified

12

Form of commodity

Paper

Primary packaging

Volume of production/ consumption certified

1,260,000

Metric for volume

Is this certified by more than one scheme?

Yes



Please explain

This volume could also count as SFI or PEFC recycled material or RPA 100% certified material.

F6.4

(F6.4) For your disclosed commodity(ies), do you have a system to control, monitor, or verify compliance with no conversion and/or no deforestation commitments?

	A system to control, monitor or verify compliance
Timber products	Yes, we have a system in place for our no conversion and/or deforestation commitments

F6.4a

(F6.4a) Provide details on the system, the approaches used to monitor compliance, the quantitative progress, and the non-compliance protocols, to implement your no conversion and/or deforestation commitment(s).

Forest risk commodity

Timber products

Operational coverage

Supply chain

Description of control systems

GPI is working to increase use of recycled materials, recovery of wood processing and converting plant waste and promotion of recycling by end consumers, all of which support our policy to avoid sourcing from and contributing to conversion of forests to plantation and non-forest land uses. All volumes of purchased virgin wood meet FSC Controlled Wood and SFI Fiber Sourcing requirements including risk assessments for forest loss and provisions to avoid wood originating in conversion sites. To deliver wood to our facilities, suppliers sign binding agreements to avoid conversion sources. Our anti-deforestation systems are annually verified via internal audit and by third-party auditors. GPI carries out



regular supplier audits and provides training for suppliers. Also, we conduct annual risk analysis of our supply basins and monitor deforestation trends using the USDA Forest Service's Forest Inventory & Analysis (FIA), as well as the FSC National Risk Assessment.

Monitoring and verification approach

First-party verification Third-party verification

% of total volume in compliance

100%

% of total suppliers in compliance

100%

Response to supplier non-compliance

Retain & engage Suspend & engage

% of non-compliant suppliers engaged

Procedures to address and resolve non-compliance with suppliers

Developing time-bound targets and milestones to bring suppliers back into compliance

Please explain

In 2022, Graphic Packaging maintained a monitoring process. For the disclosed commodities, no supplier was out of compliance for wood or paperboard in 2022. GPI mitigates potential noncompliance through the purchasing process and a rigorous supplier vetting and contracting practice. If a noncompliance were to be identified the noncompliance would be assessed for severity and the need for suspension or expulsion, which may result based on severity. Additionally, for minor issues, GPI may employ an approach of retaining and engaging suppliers including additional training and support.



F6.5

(F6.5) Indicate if you collect data regarding your own compliance and/or the compliance of your suppliers with the Brazilian Forest Code, and provide details of your methods and progress.

	Do you collect data on this indicator?
% of suppliers registered on the Rural Environmental Registry (CAR) database, with active status	No, and we do not plan to collect data on this indicator within the next two years
% of suppliers with Legal Reserve (RL) and/or Permanent Protected Area (APP) deficit	No, and we do not plan to collect data on this indicator within the next two years
% of suppliers with signed Terms of Commitment of the Environmental Regularization Program (PRA)	No, and we do not plan to collect data on this indicator within the next two years
% of suppliers with no gross deforestation after July 2008	No, and we do not plan to collect data on this indicator within the next two years

F6.6

(F6.6) For your disclosed commodity(ies), indicate if you assess your own compliance and/or the compliance of your suppliers with forest regulations and/or mandatory standards.

	Assess legal compliance with forest regulations
Timber products	Yes, from suppliers

F6.6a

(F6.6a) For your disclosed commodity(ies), indicate how you ensure legal compliance with forest regulations and/or mandatory standards.

Timber products



Procedure to ensure legal compliance

We require all fiber purchased from Brazil to be FSC COC certified. COC certifications ensures the fiber is sustainably sourced and does not originate from controversial sources.

Country/Area of origin

Brazil

Law and/or mandatory standard(s)

Brazilian Forest Code

Comment

F6.7

(F6.7) Are you working with smallholders to support good agricultural practices and reduce deforestation and/or conversion of natural ecosystems?

	Are you working with smallholders?	Type of smallholder engagement approach	Smallholder engagement approach	Number of smallholders engaged	Please explain
Timber products	Yes, working with smallholders	Supply chain mapping	Other, please specify We partner with organizations, like the American Forest Foundation or Forest Stewards Guild, that specialize in smallholder outreach and conservation. They use various methods, like direct mail, workshops, events and material distribution.		Graphic Packaging and the communities that we operate in rely on a vibrant forest system. For virgin fiber sourcing associated with the disclosed commodity, Graphic Packaging's internally produced board, we engage with consultants, the community, suppliers and other stakeholders to promote forest conservation and stewardship. Our engagement with smallholders is primarily through loggers and land managers, who circulate



		educational materials and promote educational
		workshops, developed through regional
		collaboratives. We also partner with the American
		Forest Foundation to engage landowners around
		specific conservation priorities in our sourcing
		basins including restoration of native longleaf pine
		ecosystems and late successional bottomland
		hardwoods. We also support the American Tree
		Farm System, which engages family landowners,
		who own nearly 40% of forests in the US, and
		provides the tools they need to be effective
		stewards of the land, including forest land
		retention in the context of competing land uses.
		Similarly, GPI partners with the Alabama Georgia
		Land Trust, to engage smallholders in working
		forest conservation through the establishment of
		long-term conservation easements, ensuring
		forests remain in forest use.

F6.8

(F6.8) Indicate if you are working with your direct suppliers to drive action on forests-related issues and if so, provide details of the engagement.

Forest risk commodity

Timber products

Are you working with direct suppliers?



Yes, working with direct suppliers

Action(s) on forests-related issues driven by engagement

Ending deforestation and/or conversion of other ecosystems

Type of engagement

Supply chain mapping Capacity building

Details of engagement

Supplier audits

Offering on-site training and technical assistance

Organizing capacity building events

Description of engagement

For the disclosed commodities, Graphic Packaging is working directly with its Tier 1 suppliers, as well as further up the supply chain, with landowners, to support and improve their capacity to implement and deliver on our forest sustainability commitments, as well as generally expand practices that sustain and conserve the vibrant forests and communities we all rely on. In the states in which we operate, we are active members of the SFI State Implementation Committee (SIC), though which we support and encourage logger training and landowner outreach and engagement. We also contractually require these trainings for suppliers that deliver wood fiber to our GPI facilities. The company is engaged with our 2 largest wood suppliers that represent over 50% of our wood supply. We conduct periodic audits, engage them in customer tours and educational programs. Our second largest wood supplier represents nearly 50% of the wood supply to our CUK mills while the largest wood supplier represents 100% of our wood supply at our SBS mills.

Landowner engagement and education includes the circulation of informational packets as well as workshops and events to expand their understanding of conservation practices and priorities and encourage management action on the ground. Similarly, GPI partners with the Forest Stewards Guild and Alabama Georgia Land Trust, to engage smallholders in working forest conservation through the establishment of long-term conservation easements, ensuring forests remain in forest use.

% of suppliers engaged by procurement spend covered by engagement



100

Explain the impact of your engagement on the selected action

This engagement helps us understand the efficacy of our logger training and other methods. Because BMPs are demonstrated to protect water quality and other values, this engagement helps give us the assurance that impacts to water quality are minimized by those delivering furnish to our mills.

Is this engagement helping your suppliers engage with their suppliers on the selected action?

Yes

Does this engagement contribute to achieving a reported target?

Yes, please specify target ID(s)
Target 3

F6.9

(F6.9) Indicate if you are working beyond your first-tier supplier(s) to drive action on forests-related issues, and if so, provide details of the engagement.

Forest risk commodity

Timber products

Are you working beyond first tier?

Yes, working beyond first tier

Action(s) on forest-related issues driven by engagement

Restoring past deforestation and/or conversion of other ecosystems

Type of engagement

Capacity building



Innovation and collaboration Other

Details of engagement

Offering on-site training and technical assistance
Disseminating technical materials
Participating in workshops
Encourage suppliers to work collaboratively in sectors, landscapes, or jurisdictions

Description of engagement

Graphic Packaging is engaged beyond our direct suppliers to effect change in the supply chain and on the ground in forests. To do this, we are engaged at the grassroots level via active membership in the SFI State Implementation Committee (SIC), though which we support and encourage logger training and landowner outreach and engagement. Landowner engagement and education includes the circulation of informational packets as well as workshops and event to expand their understanding of conservation practices and priorities and encourage management action on the ground. In addition, we have partnered with the American Forest Foundation (AFF) to engage smallholders within our supply basins to restore native longleaf pine ecosystems and late successional bottomland hardwoods. These initiatives are designed to not only result in restoration of acres of habitat that support imperilled species, but they also represent initiatives that stimulate exchange amongst local communities. Similarly, GPI partners with the Alabama Georgia Land Trust, to engage smallholders in working forest conservation through the establishment of long-term conservation easements, ensuring forests remain in forest use.

Explain the impact of your engagement on the selected action

We are not landowners ourselves and, thus, must work via others to influence. For this reason, we partner with experts in small landowner engagement, like AFF or the Forest Stewards Guild and others. Landowner engagement is a long-term endeavor, as it may take years to lead to landowner action, also recognizing most landowners may harvest only once in their lifetimes. Measurement of impact, therefore, can be challenging. We are hopeful about potential impact now and in the future and are keen to work with others to develop better metrics to understand and drive change.

Does this engagement contribute to achieving a reported target?

Yes, please specify target ID(s)
Target 3



F6.10

(F6.10) Do you engage in landscape (including jurisdictional) approaches to progress shared sustainable land use goals?

	Do you engage in landscape/jurisdictional approaches?
Row 1	Yes, we engage in landscape/ jurisdictional approaches

F6.10a

(F6.10a) Indicate the criteria you consider when prioritizing landscapes and jurisdictions for engagement in collaborative approaches to sustainable land use and provide an explanation.

	Criteria for prioritizing landscapes/jurisdictions for engagement	Explain your process for prioritizing landscapes/jurisdictions for engagement
Row 1	Commodity sourcing footprint Opportunity to protect and restore natural ecosystems Recognized as priority landscape by credible multi-stakeholder groups	In 2022, GPI advanced a program to assess forests with exceptional conservation value (FECVs) that specifically evaluate the presence of globally ranked critically imperilled (G1) and imperilled species (G2) at a landscape scale. This analysis was summarized and distributed to our suppliers and is linked to winder initiatives to be undertaken by the SFI State Implementation Committees (SICs) in each of the states in which we source wood. This represents a new, landscape scale approach to onthe-ground biodiversity conservation via our supply chain with an aim of protection of species and ecosystems at risk.

F6.10b

(F6.10b) Provide details of your engagement with landscape/jurisdictional approaches to sustainable land use during the reporting year.

Landscape/Jurisdiction ID

LJ1



Country/Area

United States of America

Name of landscape or jurisdiction area

Georgia, Louisiana

Types of partners engaged in the initiative design and implementation

National civil society organization(s) Local forest/rural associations

Type of engagement

Partner: Shared responsibility in the implementation of multiple goals

Supporter: Implement activities to support at least one goal

Funder: Provides full or partial financial support

Goals supported by engagement

Avoided deforestation/conversion of natural ecosystems and/or decreased degradation rate

Biodiversity protected and/or restored

Ecosystem services maintained and/or enhanced

Increased uptake of certification

Company actions supporting approach

Collaborate on landscape sustainability assessments through participatory mapping

Collaborate on establishing and managing monitoring system(s) for deforestation, natural ecosystem conversion and/or degradation Support communities and smallholders in gaining access to incentives (e.g. support achieving certification, group formation, getting land title, packaging access to loans, preferential sourcing etc.)

Description of engagement

GPI has conducted its own landscape scale assessment of forests with exceptional conservation value (FECVs) that include presence of globally ranked critically imperilled (G1) and imperilled species (G2) at a landscape scale. This analysis will be summarized and distributed to our suppliers and is linked to wider initiatives to be undertaken by the SFI State Implementation Committees (SICs) in each of the states in



which we source wood. It is expected that engagement of suppliers and new educational initiatives targeting smallholders and loggers will emerge from these efforts and be organized at the state and sub-state level, including landscape and ecoregions.

Engagement start year

2021

Engagement end year

Not defined

Estimated investment over the project period (currency)

Is a collective monitoring framework used to measure progress?

No, and we do not plan to monitor progress in the next two years

State the achievements of your engagement so far, and how progress is monitored

F6.10c

(F6.10c) For each of your disclosed commodities, provide details of the production/consumption volumes from each of the jurisdictions/landscapes you engage in.

ndicate andscape/jurisdiction ID	Does any of your commodity production/consumption volume originate from this landscape/jurisdiction, and are you able/willing to disclose information on this volume?	Commodity	% of total production/consumption volume from this landscape/jurisdiction
	Yes, we do produce/consume from this landscape/jurisdiction, but we are not able/willing to disclose volume data		



F6.11

(F6.11) Do you participate in any other external activities and/or initiatives to promote the implementation of your forests-related policies and commitments?

Forest risk commodity

Timber products

Do you participate in activities/initiatives?

Yes

Activities

Involved in multi-partnership or stakeholder initiatives

Country/Area

United States of America

Subnational area

Please specify
Georgia, Louisiana, Texas

Initiatives

UN Global Compact

Forest Stewardship Council (FSC)

Programme for the Endorsement of Forest Certification (PEFC)

Sustainable Forestry Initiative (SFI)

Other, please specify

100% Recycled Paperboard Alliance (RPA100)

Please explain



Graphic Packaging is engaged at the Board of Directors and operating level with SFI; the Board of Directors and operating level of the RPA100 and we engage with FSC directly and through an industry coalition.

F6.12

(F6.12) Is your organization supporting or implementing project(s) focused on ecosystem restoration and long-term protection?

Yes

F6.12a

(F6.12a) Provide details on your project(s), including the extent, duration, and monitoring frequency. Please specify any measured outcome(s).

Project reference

Project 1

Project type

Forest ecosystem restoration

Expected benefits of project

Compliance with certification

Is this project originating any carbon credits?

No

Description of project

Graphic Packaging has partnered with the American Forest Foundation in a specific effort to restore high conservation values (HCVs) within our own wood baskets, based on the volume of our furnish and extent of rare ecosystems within our sourcing regions. Specifically, the project engages landowners within regions identified where native longleaf pine ecosystems and late successional bottomland hardwoods are at risk to



restore these ecosystems on their land. Additionally, the company partners with the Georgia-Alabama Land Trust to engage forest owners in conservation easements to retain forests within our supply basins in forest land use.

Where is the project taking place in relation to your value chain?

Project based in area with direct operations Project based in sourcing area(s)

Start year

2019

Target year

2023

Project area to date (Hectares)

27

Project area in the target year (Hectares)

27

Country/Area

United States of America

Latitude

32.8497

Longitude

83.6324

Monitoring frequency

Six-monthly or more frequently

Total investment over the project period (currency)



For which of your expected benefits are you monitoring progress?

Net gain in biodiversity and ecosystem integrity

Please explain

The project leverages marketing and/or grassroots, local engagement to identify landowners who are eligible and have land suitable for restoration of these HCVs and rare ecosystems. Because there is a need to establish a relationship and build trust before a landowner takes management action, there is a need to support these critical phases.

F7. Verification

F7.1

(F7.1) Do you verify any forests information reported in your CDP disclosure?

No, we are waiting for more mature verification standards/processes

F8. Barriers and challenges

F8.1

(F8.1) Describe the key barriers or challenges to eliminating deforestation and/or conversion of other natural ecosystems from your direct operations or from other parts of your value chain.

Forest risk commodity

Timber products

Coverage

Supply chain



Primary barrier/challenge type

Complexity of certification requirements

Comment

We know that GPI's engagement on forest loss is imperative to halting deforestation and protecting fiber supplies. However, addressing deforestation and conversion is challenging for an organization like Graphic Packaging because demand for forest products is not the driver of forest loss. Rather, it is pressures from development and urban/exurban expansion and, to a lesser degree, agriculture. Landowners need economic incentives to retain their forest in forest use and to steward that land effectively. Many customers and the public see forest land certification as a solution. Unfortunately, forest certification is limited in its ability to address deforestation, including in the US South, where the vast majority of virgin fiber for the disclosed commodities originate. Family landowners, sometimes called smallholders, are the largest landowner group, collectively holding more nearly 40% of US forests (source: www.fs.usda.gov/nrs/pubs/gtr/gtr_nrs199.pdf and www.fia.fs.usda.gov/nwos/.). That is more than the federal government or the forest industry. It is estimated that more than 50% of the wood flowing into US supply chains originates in family woodlands (Butler, 2022). Yet, this demographic has been incredibly reluctant to become certified with fewer than 1% of family landowners participating in certification programs (https://www.fia.fs.usda.gov/nwos/). Given that most landowners will harvest only once or twice in their lifetimes and they overwhelmingly own lands for noneconomic reasons and do not prioritize wood production, certification is simply not a good fit for most small landowners. Thus, we need other solutions, like partnerships and risk-based approaches to help address these challenges. Graphic Packaging continues to communicate and place value on the forest system by providing expectations to our wood supplier and landowners and modelling responsible wood purchasing responsibility. Our fiber procurement activities, together with the demand for paper and packaging, create economic incentives for landowners and family tree farmers to maintain their land as working forests that sequester carbon and provide many other environmental benefits, including protection for fresh water supplies and habitats for diverse species of plants and animals.

Forest risk commodity

Timber products

Coverage

Other parts of the value chain

Primary barrier/challenge type



Other, please specify

Competing economic forces

Comment

We closely monitor trends in forest land use area and forest cover in our supply basins, along with reports and projections of how forest land area and cover is anticipated to be impacted by climate change, population growth and economic drivers. The US Forest Service recently released their Resources Protection Act (RPA) report chapters on forest resources, land resources and forest products (2023). This analysis projects that the US will lose between 19.6 and 26 million acres of forest between 2020 and 2070. The greatest losses are projected for the US South, where GPI's supply basins are situated. The region is projected to lose between 6.5 and 8.5 million forested acres during this period. These projections align with localized trends we observe and our own anecdotal experiences, as competing land uses are beginning to convert forests within our wood baskets. These land use conversions include residential and commercial development, as well as a more recent, pressing trend in solar farm development. These conversions, unlike conversions to agriculture that could return to forest use, are generally permanent. We continue to partner with conservation organizations to engage landowners and promote forest land retention. However, given the context of private property rights and local regulation, we are limited in our abilities to influence landowner decision making that leads to deforestation, especially at scale. Though we are not drivers of deforestation in the region, the impacts of these trends represent a threat to the sustainability of our business and the preservation of forests, which provide clean water, habitat for biodiversity, storage of carbon, recreation and other critical social, economic and cultural values for local communities and the nation.

F8.2

(F8.2) Describe the main measures that would improve your organization's ability to manage its exposure to deforestation and/or conversion of other natural ecosystems.

Forest risk commodity

Timber products

Coverage

Supply chain
Other parts of the value chain



Main measure

Other, please specify

New models of forest certification; new approaches to forest land retention; government action on deforestation

Comment

Current approaches to forest certification are clearly not well matched to the realities of small holder and family forest land ownerships in the United States and globally. There is a need for all of the forest certification schemes to learn from the nearly 30-year history of forest certification implementation and develop new models that better align with family landowners' scale, capacities, needs, attitudes and behaviors. As noted above, the leading drivers of deforestation in the US now and projected into the future are not demand for forest products. Rather, it is demand for other land uses, especially residential and commercial development, including solar farms, that is driving loss of forests. In the context of a largely private land base and private property rights, there are limited tools available to corporations to effectively influence land conversion decisions. This may be a place for government interventions including innovations in tax structures and incentives, as well as zoning. These levers, in combination with demand for wood products, may create better incentives for forest land retention.

F17 Signoff

F-FI

(F-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

F17.1

(F17.1) Provide the following information for the person that has signed off (approved) your CDP forests response.

	Job Title	Corresponding job category
Row 1	Chief Executive Officer	Chief Executive Officer (CEO)



Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public