

## Welcome to your CDP Forests Questionnaire 2022

### F0. Introduction

#### F0.1

**(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”) is committed to providing consumer packaging that makes a world of difference. The Company is a leading provider of fiber-based packaging solutions to food, beverage, foodservice, and other consumer products companies. The Company operates on a global basis, is one of the largest producers of folding cartons and fiber-based foodservice products in the United States (“U.S.”) and Europe and holds leading market positions in coated unbleached kraft paperboard (“CUK”), coated-recycled paperboard (“CRB”) and solid bleached sulfate paperboard (“SBS”). The Company’s customers include many of the world’s most widely recognized companies and brands with prominent market positions in beverage, food, food service, and other consumer products. The Company strives to provide its customers with packaging solutions designed to deliver marketing and performance benefits at a competitive cost by capitalizing on its low-cost paperboard mills and carton manufacturing plants, its proprietary carton, container and packaging designs, and its commitment to quality and service.

Sustainability is one of the strongest trends in the packaging industry today. Given the significant sustainability benefits of paperboard, we are uniquely positioned to capture new opportunities with our global fiber-based packaging platform. We have a long history of environmentally and socially responsible practices at the Company, and we continue to improve our manufacturing processes. At Graphic Packaging, many of our packaging solutions are made primarily from tree-based, renewable materials, and most of our paperboard packaging and food service products can be recycled today. As part of our Vision 2025, we challenged our team to achieve significant improvements. In the next few years, we desire 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 Graphic Packaging products that are recyclable and for 100% of our global mills and converting plants to be certified to one or more sustainable forestry standards. We are committed to continuous improvement, and we will provide updates on milestones achieved in our annual sustainability reports.

*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, 2021	December 31, 2021

## F0.3

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

USD



## F0.4

**(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.**

	Commodity disclosure	Stage of the value chain
Timber products	Disclosing	Processing Manufacturing
Other - Rubber	This commodity is not produced, sourced or used by our organization	

## F0.5

**(F0.5) Are there any parts of your direct operations or supply chain that are not included in your disclosure?**

Yes

### F0.5a

**(F0.5a) Identify the parts of your direct operations or supply chain that are not included in your disclosure.**

Value chain stage	Exclusion	Description of exclusion	Potential for forests-related risk	Please explain
Direct operations	Facility	We are excluding purchases of finished timber products (e.g. purchased paperboard, corrugated boxes, wooden pallets, etc.) from this disclosure, as well as production at our Norwalk facility.	No potential	Graphic Packaging is working 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 the paperboard produced in Graphic Packaging’s own virgin and recycled fiber facilities, in addition to wood fiber used in the power generation process for those facilities. This



			<p>represents roughly 81% of the product 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 a result of 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) and externally produced papers and wraps.</p> <p>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. Graphic Packaging is excluding its former facility in Norwalk from this disclosure because it was only recently acquired as of July 2021, then closed mid- 2022, and represented an immaterial percentage of Graphic Packaging’s production in 2021.</p>
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## F0.6

**(F0.6) 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

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##### 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. In addition, less than 1% of our overall furnish is FSC-certified pulp originating in Brazil or FSC-certified wood originating in Nova Scotia, Canada. The virgin 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. 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.

**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.**

	<b>% of revenue dependent on commodity</b>	<b>Comment</b>
Timber products	81-90%	The scope of this disclosure is Graphic Packaging’s paperboard made of virgin or recycled wood produced internally at its own facilities. These products include paperboard which is either internally converted into paper board cartons for food, beverage, food service and household goods or sold to external customers.

**F1.5**

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

	<b>Data availability/Disclosure</b>
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 deforestation- and/or conversion-free.**

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**Forest risk commodity**

Timber products

**Data type**

Consumption data

**Commodity production/ consumption volume**

11,487,646

**Metric for commodity production/ consumption volume**

Other, please specify

US 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 certified to r SFI, PEFC or FSC chain of custody requirements or FSC Controlled Wood and SFI Fiber Sourcing. In 2021, these



sustainably produced feedstocks amounted to 10,278,625 US tons. Pre- and post-consumer recycled inputs meet requirements for recycled materials in FSC, SFI or PEFC standards and amounted to 1,207,000 US 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, the Company carries out regular supplier audits and provides training in best management practices amongst its suppliers.

## F1.5b

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

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**Forest risk commodity**

Timber products

**Country/Area of origin**

Brazil

**State or equivalent jurisdiction**

Specify state/equivalent jurisdiction

Mato Grosso do Sul

**% of total production/consumption volume**

0.38

**Please explain**

In the production of the disclosed commodities, more than 99% of Graphic Packaging's virgin fiber sourced in the SE region of the United States. Less than 1% (.38% of total consumption volume) is FSC-certified pulp originating in Brazil and a smaller volume (.005% of total consumption volume) was FSC certified and originated in Nova Scotia Canada. The remainder of the company's internally produced board is a recycled product made from pre- or post-consumer waste.

## 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.**

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**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)**

0

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

For the disclosed commodities, Graphic Packaging uses three methods for assessing deforestation in supply basins, based on our sourcing regions of the virgin fiber used in our internally made paperboard. The first is via Forests in Focus, a sustainability assessment tool co-created by the American Forest Foundation (AFF) and GreenBlue, with partnership of the USDA Forest Service and Esri. Forests in Focus estimates the percent net change of land classified as timberlands within our sourcing areas, over a five-year period. Where timberland change (loss or



gain) occurs, the tool indicates which land-use types this change can most likely be attributed to including agriculture, development or other. Forests in Focus finds low risk for land use change in all Graphic Packaging’s wood baskets and at the enterprise level. Forests in Focus shows a net increase in forests of .39% across our supply basins. Similarly, as an FSC-Certified organization, Graphic Packaging uses the FSC National Risk Assessment to estimate conversion for its sourcing regions. FSC’s assessment includes analysis of applicable legislation and the rates, extent and drivers of conversion including use of data from the USDA Forest Service, that National Land Cover Database (NLCD), third-party reports, WRI’s Global Forest Watch spatial analysis, housing permit registrations provided by US Department of Housing and Urban Development, population growth data provided by the US Census Bureau and other factors. This tool identified just two counties as specified risk for conversion within our supply area but does not provide a total number of acres of loss. Both Forests in Focus and the FSC National Risk Assessment were developed using robust, publicly available data and diverse, participatory multi-stakeholder processes to estimate deforestation or risks of conversion of forests overtime. With the mapping of these areas of risk and the use of supplier declarations and binding written agreements to mitigate the risk that material supplied originates from converted forests, GPI has a process to screen for “limited and legal” sources. The company’s procurement policy requires suppliers to avoid conversion wood, with a provision for ensuring that any limited and legal sources of conversion wood are reviewed in advance to ensure that they do not impact high conservation forests.

## 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

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#### Value chain stage

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 imperiled 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, The Company 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.

In addition, we also annually review Forests in Focus, a sustainability assessment tool cocreated by the American Forest Foundation (AFF) and GreenBlue, with partnership of the USDA Forest Service and Esri. Forests in Focus enables us to further assess forest ownership and the extent of certification, land use change, forest carbon, growth to drain ratios, imperiled species and ecosystems, GMO trees and illegal harvesting.



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. Our purchasing process also requires that Graphic Packaging’s wood suppliers agree to our expectations for fair and ethical business practices and expectations in our Global Supplier Code of Conduct, as well as specific provisions related to the results of the risk assessment, including where imperiled ecosystems and species are identified, as well as regions with declines in forest cover.

## 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**

For the disclosed commodities, our internally produced paperboard, Graphic Packaging has mapped its operations. After an eligibility review, the Company establishes direct, binding agreements with all our Tier 1 suppliers that deliver forest products to our facilities. This includes both



virgin fiber, as well as pre- and post-consumer paper/board content used in recycled materials. When establishing relationships with wood suppliers, they agree to disclose their regions of sourcing (country, state/province, county) and provide updates regarding 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)**

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

## 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?**

	Risk identified?
Timber products	Yes

### 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, 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 or customer concern. A potential substantive financial impact could occur because of a large change in one of these aspects, or small changes in all multiple aspects combining to create a larger impact. A specific forests-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 forests-related risk or opportunity would have a substantive financial or strategic impact on the Company.

Through our risk management process, GPI 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 one 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 or higher than 10, a risk/opportunity is considered to have a substantive financial or strategic impact.

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.

### **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.**

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**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**

Other acute physical driver, please specify

Increased temperatures, more hot days, precipitation variation

**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 by late-century; between 5 and 30 more days per year with a maximum temperature exceeding 95 degrees 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 predicted severity and/or frequency of extreme events increases, GPI has developed estimates for impacts to facilities, as reported in CDP Climate. However, specific analyses of impacts to the forest supply are needed along with specific financial impact figures. Additionally, as patterns of land use indicate trends of conversion of forests to development and agriculture, Graphic Packaging will need to analyze the range of potential impacts on fiber availability and quality, relative to the positioning of facilities. At this time, Graphic Packaging is beginning its process to understand potential range of forest related risks and drivers, which will form the basis of a more

comprehensive risk assessment and management strategy.

**Timeframe**

Unknown

**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**

Currently, Graphic Packaging is in the initial stages of analyzing the range of risks and stressors, their likelihood and the range of associated impacts. As such, we do not feel that we can provide credible financial estimates related to risks at present.

**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 under various climate scenarios, as well as in the context of dynamic land use change. Our certification to SFI Fiber Sourcing at our primary (virgin) sourcing facilities provides a multifaceted pathway for engagement. This includes the identification and prioritization of risks most likely to affect forest lands, understanding what can be done to mitigate the impacts of climate on forests and the essential goods and services they provide and relationships to regional forest plans. The SFI State Implementation Committees (SICs) lead the development of materials and training targeting both loggers, forest resource professionals and family landowners or smallholders related to sustainable forest management. This is work that is beginning to develop at the SIC level now and we anticipate to further develop over the coming years and influence supplier engagement. In the future, GPI may expand efforts and investment in this area.

**Cost of response**

55,000

**Explanation of cost of response**

This cost is based on GPI's annual dues to the SFI SICs but is not fully inclusive of all response costs.

**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.**

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**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 & strategy to realize opportunity**

As a manufacturer of fiber-based packaging solutions, Graphic Packaging is deeply committed to promoting sustainable forestry through responsible procurement of raw, virgin wood fiber materials and by maximizing recovered fiber use and efficiency. Because the sustainability of forests is central to our business, we embrace an ethos of learning and continuous improvement, as we continue to drive positive impacts. Our commitment to sustainable forestry and promoting a circular economy is mobilized at all levels of our operations, from the policies we set to the sourcing practices used in the woods to the recyclable products we design and sell.

A significant proportion of our customers are increasingly looking to source sustainable packaging for their products. Sustainability represents one of the strongest trends in the packaging industry and we continue to focus on developing recyclable products and optimizing our manufacturing processes to use fewer natural resources. The environmental benefits of paperboard are also viewed favorably by the marketplace. Graphic Packaging has a strong innovation pipeline with packaging solutions that are designed to provide sustainable alternatives to plastic packaging. In our Vision 2025, which expands beyond the scope of the disclosed commodities, we desire to generate \$400 - \$700 million in revenue, from net new product sales for our innovation efforts, over the period of 2020 – 2025.

**Estimated timeframe for realization**

1-3 years

**Magnitude of potential impact**

Medium

**Likelihood**

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 \$275 million in net new product sales during 2020-2021 attributed to customer conversion to our new, innovative packaging designs.

## 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	Please explain
Board-level committee	Our Board of Directors, which includes our CEO, guides our purpose, values, and sustainability strategy, including forest-related matters. Our Board has ultimate accountability and sets expectations regarding our purpose, values, and strategy relative to ESG issues such as to climate-change and forest sustainability. Our Board is also responsible for reviewing, approving and monitoring business strategies and ensuring appropriate oversight is in place. The Nominating/Corporate Governance Committee is responsible for the oversight and review of ESG policy, practices, ESG targets (including forest certification), public ESG reporting (including the annual ESG report) and recommendations to leadership. An example of a climate-related decision made by the Committee: In 2021, the NCGC endorsed hiring a Chief Sustainability Officer to provide more focus for managing and addressing climate and forest-related matters.

## 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 - some meetings	Overseeing major capital expenditures Reviewing and guiding major plans of action Reviewing and guiding risk management policies	Safety, climate-related, water-related and forest-related risks, CapEx projects, and other related topics are discussed with the Board Nominating and Corporate Governance Committee as appropriate. Key programs and KPIs are reviewed and a summary is presented for review by the Board of Directors. Long-term business objectives and goals are reviewed by the Board in conjunction with the presentation of changes to forest management practices Enterprise risk management (ERM) includes forest-related risks on an annual basis, any concerns occurring with forest-related concerns are brought up to the executive team immediately. The individual on the leadership team with responsibility to reporting to



		Reviewing and guiding strategy	the Board of Directors for ESG and forest-related concerns is EVP, General Counsel and Secretary. The EVPGCS works with the CSO the EVP Supply Chain to provide updates to the executive leadership team and the Board.
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## 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; and
- 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)	Responsibility	Frequency of reporting to the board on forests-related issues	Please explain
Chief Executive Officer (CEO)	Both assessing and managing forests-related risks and opportunities	More frequently than quarterly	<p>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&amp;E Steering Committee. The CEO reviews this information and provides guidance before communicating it to the Board of Directors. Reports include forest-related risks &amp; 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.</p> <p>The CEO approves allocation of certified materials.</p>



<p>Other C-Suite Officer, please specify EVP, Supply Chain</p>	<p>Both assessing and managing forests-related risks and opportunities</p>	<p>More frequently than quarterly</p>	<p>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 decisions regarding mitigating forests risks, enhancing our reputation and positioning the Company for future success.</p>
<p>Chief Sustainability Officer (CSO)</p>	<p>Both assessing and managing forests-related risks and opportunities</p>	<p>More frequently than quarterly</p>	<p>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.</p>

### 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	No, not currently but we do plan to introduce them in the next two years	

### 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.**

	Scope	Content	Please explain
Row 1	Company-wide	Commitment to eliminate deforestation Commitment to protect rights and livelihoods of local communities Recognition of potential business impact on forests and other natural ecosystems Other, please specify Commitment to waste reduction and reuse of forest / fiber resources	<p>Graphic Packaging has a documented forest sustainability policy that is communicated internally and externally. The policy is posted on our public website. Furthermore, Graphic Packaging's policies are reviewed every five years or earlier as needed.</p> <p>At the highest level, our sustainable forestry 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 imperiled species and ecosystems; and avoid the use of GMOs and wood that is illegally harvested or the result of deforestation or conversion to non-forest uses or nonnative plantations. This policy is implemented at all levels of the organization. At the ground level, we work across our supply chain and with our suppliers to embody these commitments, including the use of best management and conservation practices to protect waters and wetlands, enhance biodiversity, regenerate forests after harvest and support the provision of ecosystem services. This includes the sourcing of wood from forests certified to forest management standards of Forest Stewardship Council (FSC) and endorsed by the Programme for Endorsement of Forest Certification (PEFC), as well as through the certification of our procurement system under the Sustainable Forestry Initiative (SFI) Certified Sourcing and Fiber Sourcing standards, which ensure that 100% of our supply come from sources that are noncontroversial and promote the training of loggers and landowners on sustainable harvesting techniques, environmental protection and implementation of species and biodiversity conservation on the ground and at the point of harvest.</p> <p>We also provide context on our approach to sustainable forestry, including forest related risks, impacts and opportunities, in our annual ESG report (<a href="https://www.graphicpkg.com/esg-disclosures">https://www.graphicpkg.com/esg-disclosures</a>).</p>

## F4.5b

**(F4.5b) Do you have commodity specific sustainability policy(ies)? If yes, select the options that best describe their scope and content.**

	Do you have a commodity specific sustainability policy?	Scope	Content	Please explain
Timber products	Yes	Company-wide	Commitment to eliminate conversion of natural ecosystems Commitment to eliminate deforestation Commitment to no deforestation, to no planting on peatlands and to no exploitation (NDPE) Commitment to protect rights and livelihoods of local communities Commitment to transparency Commitment to stakeholder awareness and engagement	<p>Graphic Packaging has a documented forest sustainability policy that is communicated internally and externally. The policy is posted on our public website. Furthermore, Graphic Packaging's policies are reviewed every five years or earlier as needed.</p> <p>At the highest level, our sustainable forestry 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 imperiled species and ecosystems; and avoid the use of GMOs and wood that is illegally harvested or the result of deforestation or conversion to non-forest uses or nonnative plantations. This policy is implemented at all levels of the organization.</p> <p>At the ground level, we work across our supply chain and with our suppliers to embody these commitments, including the use of best management and conservation practices to protect waters and wetlands, enhance biodiversity, regenerate forests after harvest and support the provision of ecosystem services. This includes the sourcing of wood from forests certified to forest management standards of Forest Stewardship Council (FSC) and endorsed by the Programme for Endorsement of Forest Certification (PEFC), as well as through the certification of our procurement system under the Sustainable Forestry Initiative (SFI) Certified Sourcing and Fiber Sourcing standards, which ensure that 100% of our wood fiber</p>



			Recognition of the overall importance of forests and other natural ecosystems Other, please specify Commitment to waste reduction and reuse of forest / fiber resources	supply come from sources that are noncontroversial and promote the training of loggers and landowners on sustainable harvesting techniques, environmental protection and implementation of species and biodiversity conservation on the ground and at the point of harvest.  We also provide context on our approach to sustainable forestry, including forest related risks, impacts and opportunities, in our annual ESG report ( <a href="https://www.graphicpkg.com/esg-disclosures">https://www.graphicpkg.com/esg-disclosures</a> ).
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### 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?**

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

GPI has made a commitment to the American Forest & Paper Association to manage forest resources responsibly. This commitment is renewed annually and signed by company executives as appropriate

### F4.6b

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

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**Forest risk commodity**



Timber products

**Criteria**

- No conversion of natural ecosystems
- Zero gross deforestation/ no deforestation
- Zero net deforestation
- 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

**Commitment target date**

2021-25

**Please explain**

Graphic Packaging’s commitment to reduce deforestation 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 imperiled 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 imperiled 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 virgin 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



			<p>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.</p> <p>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.</p>
Strategy for long-term objectives	Yes, forests-related issues are integrated	5-10	<p>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 imperiled and critically imperiled species and ecosystems, as well as deforestation. This includes logger training and landowner outreach, as well as contract specifications.</p>
Financial planning	Yes, forests-related issues are integrated	5-10	<p>Financial planning and investments to support our forest sustainability programming investments are integrated into our broader corporate processes.</p>

## F6. Implementation

### F6.1

**(F6.1) Did you have any timebound and quantifiable targets for increasing sustainable production and/or consumption of your disclosed commodity(ies) that were active during the reporting year?**

Yes

### F6.1a

**(F6.1a) Provide details of your timebound and quantifiable target(s) for increasing sustainable production and/or consumption of the disclosed commodity(ies), and progress made.**

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**Target reference number**

Target 1

**Forest risk commodity**

Timber products

**Type of target**

Other, please specify

Sustainable sourcing of wood and wood fiber materials

**Description of target**

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

**Linked commitment**

No conversion of natural ecosystems



**Traceability point**

**Third-party certification scheme**

**Start year**

2016

**Target year**

2025

**Quantitative metric**

Percentage

**Target (number)**

**Target (%)**

100

**% of target achieved**

100

**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. If we purchase paperboard from other companies, we apply the same due diligence process and only purchase paperboard that is made from sustainably sourced materials. 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 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 and FSC standards.

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**Target reference number**

Target 2

**Forest risk commodity**

Timber products

**Type of target**

Third-party certification

**Description of target**

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

**Linked commitment**

No conversion of natural ecosystems

**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

**Start year**

2016

**Target year**

2025

**Quantitative metric**

**Target (number)**

**Target (%)**

100

**% of target achieved**

83

**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 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 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 sources and not contributing towards forest conversion.

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**Target reference number**

Target 3

**Forest risk commodity**

Timber products

**Type of target**

Engagement with direct suppliers

**Description of target**

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

**Linked commitment**



No conversion of natural ecosystems

**Traceability point**

**Third-party certification scheme**

**Start year**

2016

**Target year**

2025

**Quantitative metric**

**Target (number)**

**Target (%)**

50

**% of target achieved**

100

**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 2021, we completed audits with 112% of targeted wood suppliers (56% 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?	Description of traceability system	Exclusions
Timber products	Yes	FSC, SFI and PEFC Chain of Custody	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	% of total production/consumption volume traceable
Timber products	Municipality or equivalent	100
Timber products	Mill	100



### 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**

100

**Form of commodity**

Hardwood logs

Softwood logs

Sawn timber, veneer, chips

Unprocessed wood fiber

Pulp



**Volume of production/ consumption certified**

10,278,625

**Metric for volume**

Other, please specify  
US tons

**Is this certified by more than one scheme?**

Yes

**Please explain**

For the disclosed commodities, the company's internally produced paperboard, 100% of the feedstock to the company's primary virgin manufacturing facilities meet the requirements of FSC Controlled Wood, representing roughly 74% of total virgin furnish.

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**Forest risk commodity**

Timber products

**Third-party certification scheme**

SFI Fiber Sourcing certification

**Chain-of-custody model used**

**% of total production/consumption volume certified**

100

**Form of commodity**

Hardwood logs  
Softwood logs  
Sawn timber, veneer, chips



Pulp

**Volume of production/ consumption certified**

10,278,625

**Metric for volume**

Other, please specify

US tons

**Is this certified by more than one scheme?**

Yes

**Please explain**

For the disclosed commodities, the company's internally produced paperboard, 100% of the feedstock to the company's primary virgin manufacturing facilities meet the requirements of SFI Fiber Sourcing, representing roughly 74% of total virgin furnish.

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**Forest risk commodity**

Timber products

**Third-party certification scheme**

SFI Chain of Custody

**Chain-of-custody model used**

**% of total production/consumption volume certified**

19

**Form of commodity**

Hardwood logs

Softwood logs



Sawn timber, veneer, chips

**Volume of production/ consumption certified**

1,982,891

**Metric for volume**

Other, please specify

US tons

**Is this certified by more than one scheme?**

Yes

**Please explain**

For the disclosed commodities, the company's internally produced paperboard, 19% originated in forests certified to the American Tree Farm System (ATFS) or SFI. Both of these schemes are PEFC-endorsed, resulting in eligibility for a PEFC or SFI CoC claim.

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**Forest risk commodity**

Timber products

**Third-party certification scheme**

FSC Chain of Custody

**Chain-of-custody model used**

**% of total production/consumption volume certified**

6

**Form of commodity**

Hardwood logs

Softwood logs



Sawn timber, veneer, chips

Pulp

**Volume of production/ consumption certified**

621,119

**Metric for volume**

Other, please specify

US tons

**Is this certified by more than one scheme?**

Yes

**Please explain**

For the disclosed commodities, the company's internally produced paperboard, 6% of the total virgin fiber feedstock originated in a forest certified to FSC.

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**Forest risk commodity**

Timber products

**Third-party certification scheme**

FSC Recycled

**Chain-of-custody model used**

**% of total production/consumption volume certified**

100

**Form of commodity**

Paper



Primary packaging  
Secondary packaging

**Volume of production/ consumption certified**

1,207,000

**Metric for volume**

Other, please specify  
US tons

**Is this certified by more than one scheme?**

Yes

**Please explain**

All internally produced recycled paperboard qualifies as FSC recycled.

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**Forest risk commodity**

Timber products

**Third-party certification scheme**

PEFC Chain of Custody

**Chain-of-custody model used**

**% of total production/consumption volume certified**

19

**Form of commodity**

Hardwood logs  
Softwood logs



Sawn timber, veneer, chips

**Volume of production/ consumption certified**

1,982,891

**Metric for volume**

Other, please specify

US tons

**Is this certified by more than one scheme?**

**Please explain**

For the disclosed commodities, the company’s internally produced paperboard, 19% originated in forests certified to the American Tree Farm System (ATFS) or SFI. Both of these schemes are PEFC-endorsed, resulting in eligibility for a PEFC or SFI CoC claim.

**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).**

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**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 deforestation goals. 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 in for suppliers. Also, we conduct annual risk analysis of our supply basins and monitor deforestation trends using Forests in Focus, a tool co-created by the American Forest Foundation (AFF) and GreenBlue, as well as the FSC National Risk Assessment, which is monitored by FSC US, and results provided to the FSC community.

### **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

### **Procedures to address and resolve non-compliance with suppliers**

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



**Please explain**

In 2021, Graphic Packaging maintained a monitoring process. For the disclosed commodities, no supplier was out of compliance for wood or paperboard in 2021. 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) For your disclosed commodity(ies), indicate if you collect data regarding your own compliance and/or the compliance of your suppliers with the Brazilian Forest Code.**

	<b>Do you collect data regarding compliance with the Brazilian Forest Code?</b>	<b>Please explain</b>
Timber products	Yes, from suppliers	GPI purchases <1% of virgin fiber from Brazil. All sourced materials are FSC COC certified. Our suppliers provide the necessary documentation to support FSC COC.

**F6.5b**

**(F6.5b) For your disclosed commodity(ies), indicate which Key Performance Indicators (KPIs) you use to measure the compliance of your suppliers with the Brazilian Forest Code and their performance against these indicator(s).**

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**Forest risk commodity**

Timber products

**KPIs**

Other, please specify

100% sourced fiber compliant with FSC COC certification



**Performance against indicators**

100%

**Please explain**

All virgin pulp sourced in Brazil is FSC COC certified.

**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	100	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 (AFF) 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 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.
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## F6.8

**(F6.8) Are you working with your direct suppliers to support and improve their capacity to comply with your forests-related policies, commitments, and other requirements?**

	Are you working with direct suppliers?	Type of direct supplier engagement approach	Direct supplier engagement approach	% of suppliers engaged	Please explain
Timber products	Yes, working with direct suppliers	Supply chain mapping	Supplier audits	100%	<p>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), through 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.</p> <p>Landowner engagement and education includes the circulation of informational packets as well as workshops and events to expand their</p>



					understanding of conservation practices and priorities and encourage management action on the ground. 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.
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### F6.9

**(F6.9) Are you working beyond your first-tier supplier(s) to manage and mitigate deforestation risks?**

	Are you working beyond first tier?	Type of engagement approach with indirect suppliers	Indirect supplier engagement approach	Please explain
Timber products	Yes, working beyond first tier	Supply chain mapping	Other, please specify	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), through 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 imperiled 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.
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## 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	Please explain
Row 1	Company actions align with already established jurisdictional and/or landscape initiative priorities in area Company has operational presence in area High commodity sourcing footprint from area Opportunity for smallholder inclusion Opportunity to implement Nature-based Solutions Opportunity to protect natural ecosystems Opportunity to restore natural ecosystems	In 2021, GPI has initiated a program to assess forests with exceptional conservation value (FECVs) that specifically evaluate the presence of globally ranked critically imperiled (G1) and imperiled 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. This represents a new, landscape scale approach to on-the-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.**

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### **Country/Area**

United States of America

### **Name of jurisdiction or landscape area**

Georgia, Louisiana

### **Is the landscape defined by administrative boundaries of sub-national governments and does the approach have active government involvement?**

The landscape is defined by administrative boundaries, but the approach does not have active government involvement

### **Brief description of landscape/ jurisdictional approach**

In 2021, for the disclosed commodities, GPI has initiated a program to assess forests with exceptional conservation value (FECVs) that specifically evaluate the presence of globally ranked critically imperiled (G1) and imperiled 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 substate level, including landscape and ecoregions. This represents a new, landscape scale approach to on-the-ground biodiversity conservation via our supply chain with an aim of protection of species and ecosystems at risk. These initiatives may or may not involve representatives of state governments.

### **Forest risk commodities relevant to this landscape/jurisdictional approach**

Timber products

### **Type of engagement**

Partner: Shared responsibility in the implementation of multiple goals

### **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 imperiled (G1) and imperiled 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.

### **Goals supported by engagement**

- Habitat connectivity restored/improved
- Increased protected areas
- Landscape conservation
- Landscape restoration
- Greater smallholder inclusion
- Increased adoption of sustainable production practices
- Increased uptake of certification
- Improved soil health
- Improved water management practices
- Increased adoption of sustainable production practices

### **Company actions supporting approach**

- Collaborate on land use change monitoring in the landscape/jurisdiction
- Identify opportunities for pre-competitive collaboration with your sector
- Share spatial data and land management plans with other stakeholders in the landscape/jurisdiction
- Financially support multi-stakeholder entity leading the initiative

### **Implementation partner(s)**

The Sustainable Forestry Initiative (SFI) and forest product companies in the states in which we source including Georgia and Louisiana.

### **Engagement start year**

2,021



**Engagement end year**

Not defined

**Total investment over the project period (currency)**

55,000

**Details of your investment**

For the disclosed commodities, in 2021, GPI has invested in the engagement of a consultant to conduct internal analysis of forests with exceptional conservation value (FECVs) that include the presence of globally ranked critically imperiled (G1) and imperiled species (G2) at a landscape scale. Additionally, GPI has invested the engagement of staff people in the SFI State Implementation Committees (SICs) in each of the states in which we source wood to follow and support development of state and/or ecoregional level analysis and development of tools and resources to support biodiversity conservation management and best practices by landowner and loggers. Lastly, Graphic Packaging provides monetary support, between \$50-60,000 annually- in program fees and dues.

**Type of assessment framework**

Specific initiative defined framework

**Is progress monitored and publicly reported on?**

No, but we are planning to monitor progress in the next two years

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

**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?**

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**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**

Forest Stewardship Council (FSC)

Programme for the Endorsement of Forest Certification (PEFC)

Sustainable Forestry Initiative (SFI)

Other, please specify

Recycled Paperboard Alliance

**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 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**

Other, please specify

High Conservation Value (HCV) forest restoration partnership project

**Primary motivation**

Voluntary

**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.

**Start year**

2019

**Target year**

2023

**Project area to date (Hectares)**

0



**Project area in the target year (Hectares)**

27.5

**Country/Area**

United States of America

**Latitude**

32.8497

**Longitude**

83.6324

**Monitoring frequency**

Six-monthly or more frequently

**Measured outcomes to date**

Other, please specify

If landowners have responded to marketing or outreach; If a landowner has met with a forester or biologist; If landowners have initiated management activities.

**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**

Value chain complexity

**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. 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. Yet, this demographic has been incredibly reluctant to become certified with fewer than 1% of family landowners participating in certification programs. 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.

## 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.**

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### **Forest risk commodity**

Timber products

### **Coverage**

Supply chain

### **Main measure**

Greater customer awareness

### **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, though, forest certification is limited in its ability to address deforestation including in the US South where the 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. 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. Yet, this demographic has been incredibly reluctant to become certified with fewer than 1% of family landowners participate in certification programs. 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.

Given the limitations of forest certification in the US South, the region of our sourcing for the disclosed commodities, Graphic Packaging sees opportunities to work with our customers in finding alternative options for gaining assurance that fiber sourcing does not lead to deforestation. For example, Graphic Packaging is interested in new methods of deforestation detection, risk assessment and mitigation,

## 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 (CEO)	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**

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

**Please confirm below**

I have read and accept the applicable Terms