Progress Through People

2021 Environmental, Social and Governance Report

Graham Packaging

Table of Contents

2021 In Focus

This year, we found new ways to support our people and our planet. We made progress on many of our goals, refining our approach and renewing our commitment to true environmental, social and ethical responsibility. In each of these areas, our results were validated by outside organizations, and it's our honor to champion the ongoing efforts of our team as we move forward.

SUSTAINALYTICS a Morningstar company ESG REGIONAL TOP RATED 2022

SUSTAINALYTICS a Morningstar company ESG INDUSTRY TOP RATED 2022

ENVIRONMENTAL

Recyclability of Graham Products

90.4% by U.S. standards

98% by Ellen MacArthur Foundation standards

2.5 million pounds of ocean-bound plastic processed

2 plants received **ISCC Plus certification**

Better Projects Award from DOE
11% reduction in annual electricity usage at Florence, KY, plant

50+ life-cycle assessments completed

14% reduction in water usage since 2018

1%↓ reduction in GHG emissions since 2020

7% overall PCR use

SOCIAL

100% of Graham work locations participated in employee-led community service activities

60 Graham Engagement Action Teams (GREATs) meet monthly

LNP Lancaster Online BEST WORKPLACES IN LANCASTER COUNTY 2021

5,929 pounds of trash removed from our communities during Cleanup Day events

2 Active Employee Resource Groups
65 Young Professionals members
46 Women in Business & Allies members

GOVERNANCE

Green Procurement Team launched

Patrick McNabb named as our first vice president of cybersecurity

Samaritan Counseling Center ETHICS IN BUSINESS Beyond the Expected **2021 AWARD RECIPIENT**

Message From Robert Pyle

I joined Graham Packaging as president and chief executive officer after working 30 years in the global automotive industry. While the automotive and packaging industries may seem starkly different at first glance, they have one very important thing in common: a deep commitment to sustainability. Thus, I understand and support the need for proactive strategies that enable us to not only protect the environment and mitigate climate change, but also to become a more competitive business.

As a leader, my top priority is integrity. It is imperative that we do things the right way and be honest and transparent in our reporting. Sustainability is data-driven, and we must hold ourselves accountable to the goals we've set. Another key priority is our customers. We place incredible importance on their success, and we constantly strive to remain a leader in the production of innovative, sustainable packaging that will help them meet their goals. For many of our customers, it is very difficult, if not impossible, for them to achieve their sustainability goals without us achieving ours.

At Graham, we are also dedicated to taking care of our people. In a manufacturing environment like ours, it's critical that we make sure folks go home in at least as good condition as when they came to work. This can be especially challenging in the midst of a global pandemic, but we're well-equipped to adapt to changing requirements. We've also worked to create a culture that truly values being "people creating a better tomorrow." We want to have the most knowledgeable and best-trained people in the industry, employees who want a career where they can grow and make a real difference.

Above all, I believe that we must work together for change. How our company performs as a whole is more important than any one plant, any one business unit, any one individual. We're a team — one Graham, one family. We have the power to help preserve this beautiful planet, and not only that, but we have the choice every day to do the right thing for our customers, employees, shareholders and the communities in which we operate.

Robert Pyle
President and Chief Executive Officer

"How our company performs as a whole is more important than any one plant, any one business unit, any one individual. We're a team — one Graham, one family."

Our Business Model

OUR FOCUS	OUR RESOURCES	OUR BUSINESS	OUR VALUE
People	4,500+ employees 60+ global facilities 9 countries	Graham is a leader in the production of innovative, sustainable plastic packaging solutions.	30% female executive leadership Outreach programs for underemployed populations
Planet	Graham Recycling Company Robust supplier policies Public commitments to sustainability initiatives	**STRATEGIC PILLARS** • We are customer centric. • Innovation drives us. • We are building a sustainable future. • Our people are our greatest competitive advantage. • We are One Graham.	Top ESG rating from Sustainalytics ISCC Plus-certified facilities 1% reduction in GHG emissions since 2020 Millions of pounds of ocean-bound and recycled plastic reused
Innovation	Live Design studio 50 R&D professionals Investments in recycling and manufacturing tech		Access to ~900 patents 40+ industry awards for innovation 50+ life-cycle assessments
Partnership	Global customer base Diverse suppliers 14 sustainability partners		Commitment to customers' sustainability goals Industry advisor for legislators and suppliers Signatory of the UN Global Compact
Operation	60+ manufacturing plants 1 in 3 plants co-located with customer facilities Virgin, ocean-bound, advanced and mechanically recycled resin	We serve the industrial, beverage, food, home care, dairy, health food & nutrition markets.	7% PCR use across all products 5 different manufacturing processes 1,691 average days without recordable injury
Community	111 Employee Resource Group members 60 Graham Engagement Action Teams	We have a responsibility to work and grow in an environmentally, socially and ethically sustainable way.	100% of locations participated in community engagement activities 12 worldwide locations participated in National Cleanup Day 114+ charitable giving initiatives

UN Global Compact

In 2020, we joined the UN Global Compact, the largest corporate sustainability initiative in the world. The Compact establishes 10 universal principles designed to help guide each participating company's value system. Looked at holistically, these principles promote responsible corporate policies and business operations across the value chain that, if followed, will lead to a more sustainable, ethical future.

We continued our relationship with the UN Global Compact in 2021, reporting our progress and driving for excellence in all areas of our commitment. This partnership has deepened our understanding of ESG initiatives so we can be better stewards of responsible operations in our strategies, culture and day-to-day operations.

HUMAN RIGHTS — PRINCIPLES 1 & 2

From ethical sourcing to safe working conditions, we strive to create an environment that prioritizes health and human rights. We train our employees on how to recognize and respond to unsafe behaviors, and we encourage healthy lifestyles among our teams.

Additionally, we're committed to giving back to our communities using our time, talent and resources. We've donated thousands of items and made monetary donations to causes that are important to our employees, and we've hosted global volunteering events to clean up local communities. When it comes to production, we make every effort to eliminate risks that could threaten human life during the manufacture, use or disposal of our products.

LABOUR — PRINCIPLES 3-6

We've established policies and procedures that safeguard the treatment of all current and potential employees. First, we continue to take steps to ensure we aren't participating in any form of forced or bonded labor, and we comply with all applicable minimum wage standards in the regions where we operate. We hold our suppliers to the same high standards we set for ourselves, monitoring their labor practices and requiring that they comply with our Supplier Quality Manual and Code of Ethics Policy.

Our internal teams also receive training on an annual basis that covers nondiscriminatory recruiting practices and promoting diversity in the workforce. Through active Employee Resource Groups and Graham Engagement Action Teams, we work to keep our employees engaged and increase participation in leadership and development from historically underrepresented groups.

ENVIRONMENT — PRINCIPLES 7-9

We've committed to ambitious sustainability goals that span from increasing the recyclability of our products to reducing our greenhouse gas emissions. In recent years, we've formed strong partnerships with many forward-thinking organizations that share our commitment to environmental responsibility. These partners range from industry and trade associations, like The Recycling Partnership and The Association of Plastic Recyclers, to goal-oriented initiatives that include Operation Clean Sweep, Holy Grail 2.0 and the EPA's SmartWay program.

We also work to quantify the environmental impact of our products by completing life-cycle assessments. These assessments, along with supplier screenings for proper environmental management, are just two ways we're looking beyond our operations to improve sustainability at every level of the supply chain.

ANTI-CORRUPTION — PRINCIPLE 10

We've recently updated several of our anti-corruption policies to provide stricter requirements to our employees. We want to ensure that we comply with all applicable anti-corruption laws while doing business both domestically and internationally, so we continuously assess our risks and train employees accordingly. Likewise, we regularly evaluate our suppliers and vendors for possible violations of anti-corruption policies and similar laws.

Sustainable Development Goals

The UN Global Compact launched a three-year strategy in January of 2021 encouraging businesses to set and meet bold sustainability targets. One of the main focuses of this initiative are the 17 Sustainable Development Goals (SDGs), which the UN Global Compact established in 2015. The goals set a vision for a sustainable, ethical world, and businesses are called upon to do their part in contributing to the SDGs.

At Graham, we've identified seven SDGs that align directly with our business model and objectives. These SDGs are represented on relevant pages throughout this report to show how we're implementing strategies to achieve the transformational change set forth in the UN Global Compact's vision.

Our products protect food, reduce breakage and extend shelf life, helping to prevent food loss and waste.

Our facilities prioritize safe working conditions, continuous education, supplier compliance and human rights.

Our teams receive equal opportunities regardless of race, age, gender, sexuality, ethnicity or disability.

Our organization is committed to creating a circular economy and increasing operational efficiency.

Our facilities actively work to reduce GHG emissions and energy usage to lessen our climate impacts.

Our company sources ocean-bound plastic for use in our products and has controls in place to prevent plastics from entering our waterways.

Our partnerships are based on working toward common goals and include trade associations, environmental initiatives, policymakers and brands.

Setting Clear Expectations

We believe it's necessary to be transparent about our environmental, social and governance goals. When we choose to act responsibly — as a company and as individuals — we contribute to a healthier, more inclusive world.

We've clearly outlined our expectations for 2022 and beyond, looking for opportunities to partner with internal and external stakeholders in ways that will move our industry forward.

ENVIRONMENTAL

30% reduction in GHG emissions by 2030 from a 2020 baseline

20% average PCR use, including ocean-bound PCR, across all Graham products by 2025

100% recyclable, reusable or compostable packaging by 2025*

25% energy intensity reduction by 2028 from a 2018 baseline

Develop science-based targets for **emissions reductions in 2022**

Work toward **ISCC certifications** for advanced recycled material at more Graham facilities

Deepen our partnerships with trade associations, policymakers and initiatives-based organizations to work together toward a circular economy

Continue to reduce waste generation, water consumption and fuel consumption across our operations

**Based on Ellen MacArthur Foundation standards, per our signing of the Global Plastics Commitment.*

SOCIAL

100%

of global facilities will participate in at least one employee-led community support activity

70%

of Graham facilities will engage in more than one employee-led community support activity

Build on the robust diversity, equity and inclusion advancements we made in 2021, including launch of our internal Diversity Council and our updated DE&I data collection tools

Create a positive employee experience that makes us an employer of choice and retains valuable talent

Continue outreach programs for hiring from diverse populations, including military veterans and people with disabilities

Continue programs, such as our student debt loan repayment initiative, that attract **high-potential talent**

Roll out our **refreshed onboarding program** to all our U.S. plants

Attract and develop **people-centric leadership**

GOVERNANCE

Implement an upgraded **Enterprise Risk Management (ERM)** system

Expand our ability to assess business risk level and plan risk mitigation strategies in 2022 by establishing board-level committees, including groups for audit, compensation and disclosure

Implement our new **cybersecurity training program**

Continue and update training around policies for fraud, General Data Protection Regulation (GDPR) and Foreign Corrupt Practices Act (FCPA)

Continue to build out our **NIST cybersecurity framework**

Environmental

To conserve resources, protect natural spaces and mitigate climate change, we must work together to find creative solutions backed by science. That's why we've engaged suppliers, customers, partners and certification bodies to collaborate with us on building a more sustainable future.

2021 in Focus

Two plants became ISCC Plus Certified

14% reduction in water usage since 2018

Richa Desai joined the team as director of sustainability

7% PCR use across all Graham products

1% reduction in GHG emissions since 2020

3% reduction in energy intensity since 2018

Graham awarded a **Better Project Award** by the U.S. Department of Energy

Tracee Auld, chief strategy and sustainability officer, named a finalist in the World Sustainability Leader Awards

90.4% recyclable products

Message From Tracee Auld

In recent years, companies like ours have turned inward to evaluate how their operations impact the environment. But the year 2021 marked a shift in that mindset. It's no longer enough to be perceived as a sustainable company. Nor is it enough to set general benchmarks based only on internal observations.

Graham Packaging is leading the way by asking, "What does our industry need to do to *truly* make a difference?" And to answer that question, we're updating the way we'll measure our progress by exploring science-based targets. These will help us reduce our greenhouse gas (GHG) emissions and show how we compare to others in our industry in 2022 and beyond. Similarly, we're poised to meet new state-level plastics legislation head-on by offering existing solutions that comply with the most stringent recycling and post-consumer recycled (PCR) regulations of today and tomorrow.

We also recognize the need for transparency, legitimacy and traceability in the plastics we use. In 2021, two of our facilities received ISCC certifications, which verify our ability to trace advanced recycled materials as they move through the supply chain. With plans for additional certifications in 2022, this initiative positions us to continue expanding our use of PCR material, thereby further reducing our GHG emissions.

Additionally, data has become increasingly important as our climate goals matured. We're putting systems in place that allow us to conduct life-cycle assessments (LCAs) more easily, giving our customers insights into the impact of their packaging from manufacturing through shipping and end-of-life disposal. These same systems will enable us to gather the data we need to accurately set, track and report on our key environmental priorities as the regulations impacting our clients become more stringent.

As we move into 2022, our industry will continue its shift toward data transparency and third-party validation. Yet, for our organization, this is simply an evolution of our standard process. Making choices that protect our peers, our communities and our planet has always been a key pillar of Graham Packaging, and we're ready to lead the industry in our pursuit of a shared, sustainable future.

Tracee Auld
Chief Strategy and Sustainability Officer

"We truly want to be people creating a better tomorrow. That idea is our North Star, and it intentionally ties into everything we do."

3 Key Sustainability Drivers

There are three main trends driving the need for more sustainable plastic packaging: retailer and brand goals, consumer expectations and legislation. We will continue to work with our customers to create unique sustainable packaging solutions that meet these evolving market expectations.

1. RETAILER & BRAND GOALS

Large brands and retailers have set aggressive sustainable packaging goals for the future. According to a **McKinsey report** that evaluated the top 100 fast-moving consumer goods companies in terms of revenue, nearly all have committed to improving the sustainability of their packaging in coming years. Specifically, they plan to focus on initiatives like recyclability, recycled content, lightweighting and systemic changes to how packaging is used.

When we asked customers and large retailers we work with about their goals, we received largely the same response. They most commonly noted their desire to:

- Offer packaging that's 100% recyclable, reusable or compostable
- Use less virgin plastic and incorporate more PCR and/or bio-resin
- Reduce their GHG emissions to net zero or a science-based target

Graham Packaging is well-positioned to help brands and retailers meet these goals, whether that means lightweighting an existing package or completely redesigning a container to meet today's expectations. In the end, these changes not only help brands meet their environmental goals, but they also allow them to satisfy consumers' expectations for more sustainable packaging.

2. CONSUMER EXPECTATIONS

In recent years, consumers have come to expect the companies they buy from to be good stewards of the environment and their communities. This is especially true of younger generations, with as many as **81% of millennials** expecting companies to publicly commit to good corporate citizenship.

This mindset shift extends to the packaging industry. While factors like **price, quality and brand** still rank higher in importance to some consumers, many have become more environmentally conscious. These consumers are calling for more recyclable packaging options, as well as the incorporation of more recycled material into every package they purchase. **Up to 70% of consumers** even said that they were willing to pay more for sustainably packaged goods.

How much more? According to a study by **First Insight**, Generation Z consumers — the youngest generation with buying power in the U.S. — would shell out an additional 10% on top of regular prices to ensure they're purchasing sustainable goods. With that in mind, it's clear that brands will need to communicate their commitment to sustainability if they want to continue to appeal to the next generation of consumers.

U.S. Consumer Preferences for Sustainable Packaging

>60% were willing to pay more for sustainably packaged goods

~36% would buy more sustainably packaged products if they were clearly labeled and more available

U.S. consumer statistics according to a **2020 McKinsey study.*

The Role of Life-Cycle Assessments (LCAs)

Consumers and retailers want to understand the impact of plastic containers over their full life cycle. They also want to see how plastic packaging compares to other forms of packaging, like glass and aluminum.

By conducting LCAs, we can show that plastic has a much lower environmental impact than other forms of packaging when used and disposed of properly. LCAs also show us that not all plastics are the same. PET (polyethylene terephthalate) and HDPE (high-density polyethylene), for example, have much lower impacts over their life cycle because they are lightweight and more easily recyclable.

3. LEGISLATION

Legislative action is a key driver of sustainability in the U.S. and globally, and the most common types of sustainable packaging laws are PCR laws, extended producer responsibility (EPR) laws and labeling laws. In the U.S., legislation has only been passed at the state level, which means requirements vary widely by state, with the most stringent requirements often setting the benchmark for how large brands package and label their products.

PCR LAWS

PCR laws typically set a minimum percentage of PCR material that must be incorporated into each package. These laws have expanded in recent years to apply to beverage containers, rigid plastic containers, plastic trash bags and more. California, Washington and New Jersey have all recently passed PCR laws with varying requirements.

California

The first state to require the use of PCR; law applies to most plastic beverage containers. Requires 15% by 2022, 25% by 2025 and 50% by 2030.

Washington

Requires plastic bottles to average ~15% PCR by 2023, which gradually increases to 50% across all categories by 2036.

New Jersey

Requires increasing PCR percentages (up to 50%) in plastic beverage containers and rigid plastic containers, including food and others, over the next 20+ years.

EPR LAWS

EPR laws hold producers — rather than consumers — accountable for the disposal of their products. These programs already exist for products like paint and mattresses, and with the rising cost of waste systems, many legislators feel that **extending EPR programs** to packaging will alleviate financial pressures on municipal governments. EPR laws will allocate the true cost of the waste system to packaging decision-makers, effectively working to improve recycling and waste programs while encouraging the redesign of packaging for recyclability.

Maine

First state to pass an EPR law. Producers must pay into a fund. Amounts vary based on the material amount and recyclability of their product packaging.

Oregon

Producers must pay into a fund in varying amounts based on recyclability, use of PCR and life-cycle impact of packaging materials.

ENVIRONMENTAL CLAIMS LAWS

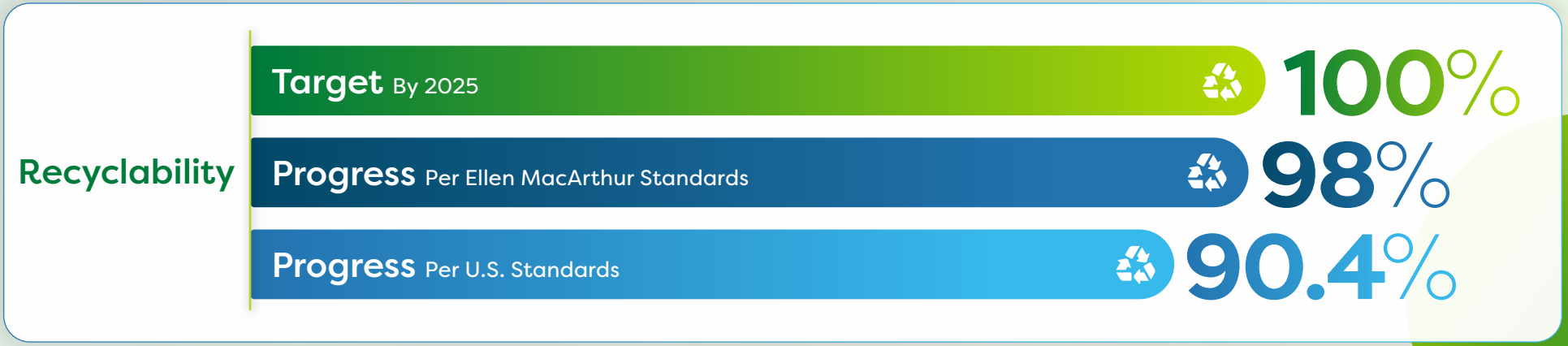
First introduced in California, environmental claims laws look to set a statewide standard for recyclability and prevent brands from using the chasing arrows symbol on packaging that isn't considered recyclable under the established criteria. They also prohibit any kind of untruthful or misleading messaging on packaging, such as brands using phrases like "please recycle" or "recycle-ready," on products that don't meet recyclability criteria.

Previously, brands could place resin identification codes within a chasing arrow symbol regardless of the product's recyclability. This will no longer be allowed unless the rigid plastic bottle or container is considered recyclable under California standards. Brands can, however, continue to place the resin identification code into a solid equilateral triangle. They can also continue to use the chasing arrow symbol on nonrecyclable goods as long as it's clearly marked with a line at a 45-degree angle over the symbol.

It's important to note that some consumer goods are exempt from this law, including products that are required by any federal or California law to display the chasing arrows symbol. All containers subject to the California Beverage Container Recycling and Litter Reduction Act (CRV) fall under this exemption.

Recyclability

2021 in Focus



Globally, polypropylene and colored PET are considered recyclable, so it's included in our calculations under the Ellen MacArthur Foundation's standards. In the U.S., polypropylene — along with problem plastics like black plastics and PVC — are considered non-recyclable, which reduces our recyclability percentage. We monitor all definitions of recyclability to create an accurate picture of how we measure up to varying standards.

Defining Recyclability

Recyclable packaging has the potential to help create a circular economy where valuable resources are conserved rather than wasted. But globally, definitions for recyclability vary, which creates challenges for brands and packaging companies. At Graham, we promote the use of common, easily recycled plastics, like PET and HDPE. We also design each package with recyclability in mind, helping to guide our customers toward more sustainable solutions.

TYPES OF PLASTIC	ESTIMATED MATERIAL GENERATION PER SINGLE-FAMILY HOUSEHOLD (TONNAGE)	U.S. RECYCLING RATE	% OF PCR USED BY GRAHAM GLOBALLY
#1 Polyethylene Terephthalate (PET)	3,002,202	26.6%	4%
#2 High-Density Polyethylene (HDPE)	1,299,549	30.4%	10%
#5 Polypropylene (PP)	1,670,402*	17%	0%

RECYCLABILITY IN THE U.S.

To be considered recyclable in the U.S., plastic packaging must meet three criteria according to the Federal Trade Commission and the Association of Plastic Recyclers:

- 60% of the population must have access to recycling for the material
- Recyclers must regularly take, process and sell the material
- The material must be regularly recycled into a new product

PET, HDPE and PE (polyethylene) film are considered recyclable based on this definition, and that's why we strongly recommend PET and HDPE containers to our customers. By using recyclable materials, we enable consumers to recycle more easily, which, in turn, creates a larger supply of PCR material for us to use in new containers.

Contributing to the SDGs:

**Includes #3-7 plastic packaging.*
*Recycling rates based on the **2018 U.S. National Postconsumer Plastic Bottle Recycling Report** and the **NAPCOR 2020 PET Recycling Report**. Material generation rate based on the **2020 State of Curbside Recycling Report** by The Recycling Partnership.*

Factors Affecting Recyclability

Not all materials are created equal when it comes to recycling. For example, multilayer pouches, multilayer cartons and composite cans are not widely considered recyclable. But these challenges also extend to plastic. Some plastics are considered problematic based on resin type, like polystyrene and PVC, while others only become problematic when brands and manufacturers make design choices that limit their recyclability.

The Association of Plastic Recyclers released the **APR Design® Guide** to help package designers meet recyclability standards. They identified eight design components that can potentially affect recyclability. If even one of these criteria is categorized as "not recyclable," the entire container is classified as nonrecyclable.

For a package to be considered recyclable, the Association of Plastic Recyclers considers the following categories:

- Resin
- Barrier
- Color
- Size/Shape
- Closures
- Labels
- Adhesives
- Attachments

Solutions for Recyclability

It's our goal to create packaging solutions that not only meet customers' needs but also enable easier recycling. That effort starts with using commonly recycled plastics, like PET and HDPE, but it extends to following the design criteria set forth by the Association of Plastic Recyclers. We're constantly innovating with a focus on environmental responsibility, and we've identified three opportunities to have an even greater positive impact on the recyclability of our products.

1. REDUCED AND RESPONSIBLE COLORANT USE

When colorant is reduced or eliminated from PET plastic packaging, it decreases the chance that the container will end up in a landfill. PET may have a tinted or hazy look after it's processed into rPET, making it far less attractive than virgin resin. This discoloration could be due to the introduction of colored PET into a clear PET batch or due to the oxygen scavengers and clear PET absorbing moisture. Overall, demand is much lower for colored PET than clear PET.

Like PET, HDPE plastic is typically easy to recycle, but when colorant is added to it, it must go through an extra sorting step during the recycling process. Black plastics are particularly problematic. Generally, the color black can't be detected by sortation systems, so it must be sorted by hand. Black plastic can also make other plastics difficult to recycle and offers very little design flexibility once fully processed. Thanks to recent advances, however, there is now a detectable black colorant that's a more responsible option than traditional black colorant. We promote the use of this advanced black colorant, as well as the reduction or elimination of colorant to make recycling easier.

Some situations require the use of colorant to safeguard the quality of the food, such as in the dairy industry. But even in these situations, we've found ways to reduce the amount of colorant used. With one customer, we were able to reduce the amount of colorant in their HDPE containers by more than 50% while still offering the same level of UV and visible light protection. This innovative approach increased the recyclability of their packaging and ensured their product continued to meet food safety and shelf-life requirements.

Reduced colorant use has also become increasingly popular with consumers. It used to be that products had to stand out on retail shelves, often by incorporating bright colors into their packaging. However, with the growth of online sales of consumer-packaged goods in the U.S. — a segment that **increased $63 billion in 2020 compared to 2019** according to a Nielsen report — products are no longer sitting on shelves next to their competitors. Additionally, companies have found that **consumers associate more muted tones** with desirable, environmentally conscious products, while bright colors imply a less desirable, synthetic product.

2. ADVANCED BARRIER TECHNOLOGY

For sensitive products, barrier technologies provide extra protection against oxygen exposure, UV or visible light exposure, moisture and flavor scalping. They have a positive influence on product quality and shelf life, and they can also lower the overall environmental impact of products traditionally packaged in glass by reducing breakage and fuel consumption during transport.

Certain barrier technologies have APR Critical Guidance Recognition, which means they've been deemed acceptable for recycling by industry standards. Our multilayer EVOH polyolefin and SiOx coating of PET solutions, for example, are used primarily as oxygen and/or CO_2 barriers, and they meet these critical guidelines. Additionally, we use tested and approved methods for all our barriers, including our oxygen scavenger for monobarrier containers and our advanced barrier technology for multilayer PET packages.

Contributing to the SDGs:

3. REDUCED AND RESPONSIBLE LABEL USE

Labels contain important product information, but they can create recycling challenges. When labels aren't removed prior to curbside collection, they may cause problems with the sorting equipment at the recycling center. For example, an HDPE bottle may have a PET label on it, which can confuse the sorting machine and result in material being sorted incorrectly. Similarly, when a label covers too much of the bottle, the sensors on the sorting machine may only identify the label, which causes problems down the line.

Label material can also affect recyclability. Some labels are made from non-recyclable material, like PVC, making them impossible to recycle even if removed from the container. Paper labels disintegrate into pulp, which can gum up the machinery and shut down the line until machines are cleaned. Some labels can even become wrapped around delicate machine parts. Additionally, adhesives and glues used to attach labels can be hard to remove and can contaminate the PCR if processed.

At Graham, we're exploring new ways of labeling bottles. Sometimes it's as simple as reducing the size of the label, but we've also considered engraving or embossing important information directly onto the bottle. This allows decorative designs, brand names and logos to be incorporated without the use of an additional plastic label, an approach that reduces a brand's overall plastic use. We've even found that this solution can help strengthen the bottle and lightweight the finished product, making it a clear sustainability success story.

But what about information that can't be embossed onto the bottle? One option is to include that information on secondary packaging, such as a box that contains multiple bottles. It could also be written directly on the bottle using a laser. Through our work with the Holy Grail 2.0 project, we've also explored the use of digital watermarks, which have the potential to improve recycling sorting. Digital watermarks may even be used as an interactive label by future consumers, allowing them to scan a code with their smartphone to view facts and nutritional information about the product.

CARL GAUGHRAN, DIRECTOR OF DEVELOPMENT, GRAHAM PACKAGING EUROPE

Contributing to the Holy Grail 2.0 Project

I lead our participation in the Holy Grail 2.0 project, which works to prove the viability of digital watermarking technologies for accurate sorting and, therefore, higher-quality recycling. In 2021, my team expanded its exploration of 3D watermark technology, working with key customers to apply it to their packaging for semi-industrial testing. The result was a 96% detection rate during the sorting process.

Holy Grail 2.0 has validated that digital watermarking allows for better sorting of plastic materials, including food-grade versus non-food-grade. Long term, this technology will help converters increase the use of PCR in packaging by reducing contamination in the waste stream. Additionally, it will allow brands to understand the life cycle of their products and even engage with consumers in new ways through interactive 3D (embedded codes in the plastic surface) and 2D (printed coding in labels and sleeves) watermarks.

Recycled Content

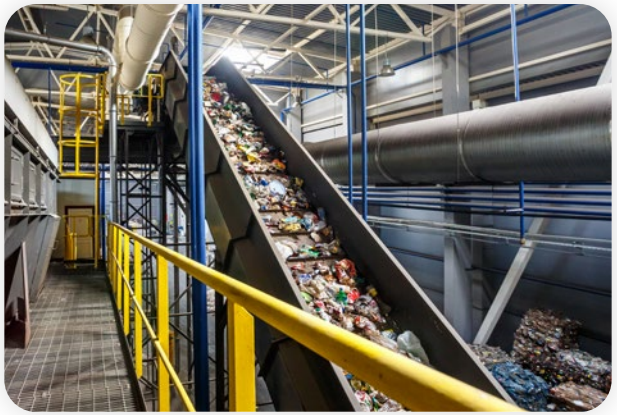
2021 in Focus

Average PCR Use
across all Graham products

Target By 2025	20%
Overall PCR Use	7%
PET PCR Use	4%
HDPE PCR Use	10%

Sources of Recycled Content

In a circular economy, plastic will be continually reused. This requires effort from everyone in the supply chain — consumers must recycle, brands must commit to using PCR, and manufacturers must incorporate this valuable material into their products. We use several types of recycled material at Graham, and we're continuing to find new sources as emerging technologies develop.



MECHANICAL RECYCLING

Mechanical recycling is a method that's been around for decades, and it's the most prevalent type of recycling in the U.S., with **50% of Americans** having access to curbside recycling infrastructure. As its name suggests, it uses mechanical processes like grinding, washing and regranulating to transform recycled plastic containers into usable resin.

Mechanical recycling can process premium material with low levels of contamination from food residue, labels and other foreign substances. To be successful, it also requires careful sorting of plastic materials into separate resin families — PET with PET, HDPE with HDPE and so on — which can be challenging when multiple types of resin are used on the same container.

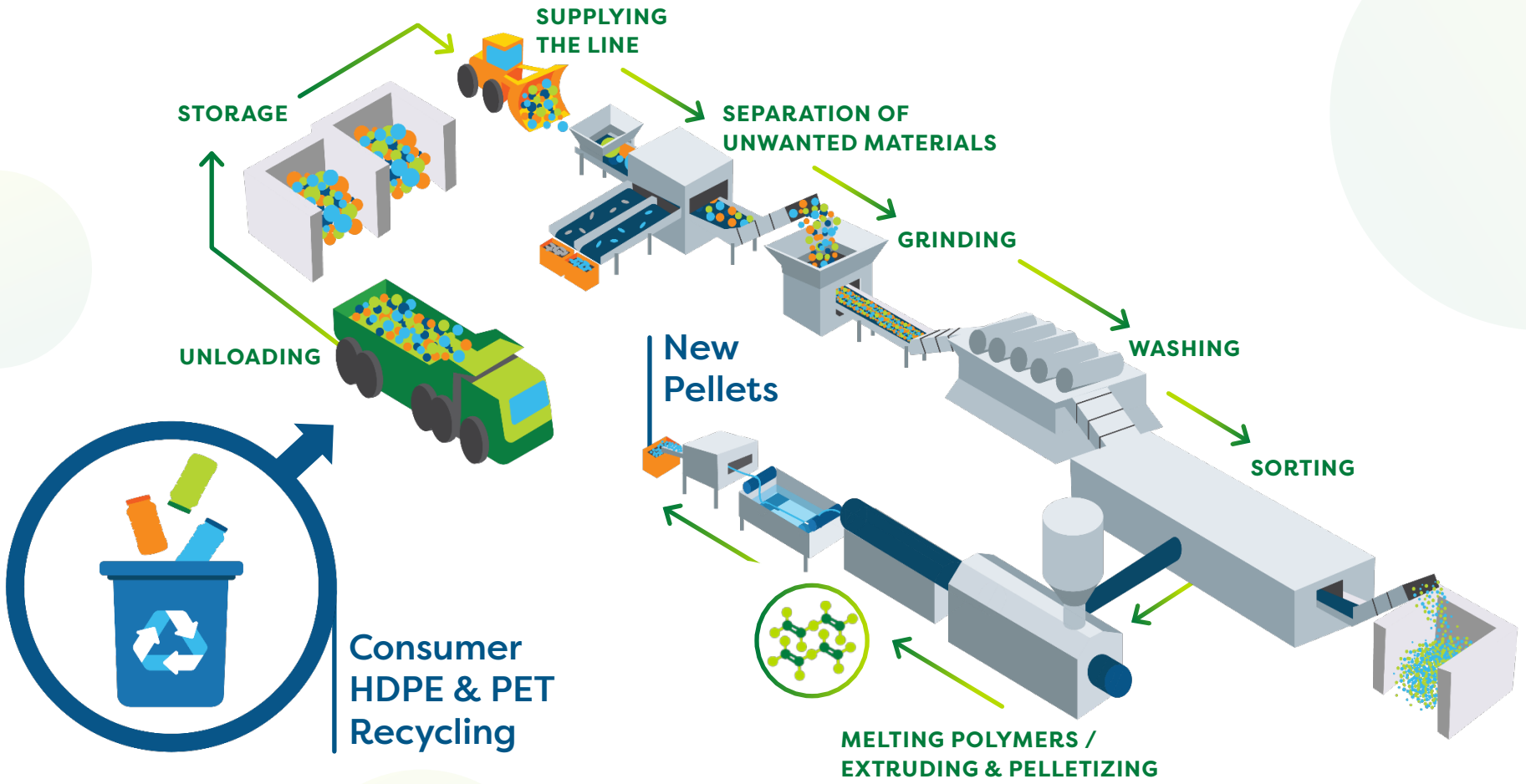
Additionally, plastic material can't be infinitely recycled using this method, because mechanical recycling leaves a heat history. This means that each time it's processed, its quality degrades. Manufacturers can currently produce 100% PCR containers, but over time, this recycling history will make 100% mechanical PCR products unsustainable when using current technologies.

When that happens, it will need to be used in conjunction with virgin resin when formed into new packaging to maintain the highest standards of quality. This involves special equipment and carefully laid-out manufacturing lines, which may result in additional expenses for manufacturers who use this type of material.

This is a future problem that will start to impact quality PCR but not for several years. This issue may be solved by the increased use of advanced recycling.

Contributing to the SDGs:

How Mechanical Recycling Works



Mechanical Recycling at Graham

We recognize mechanical recycling as the most widely used recycling method, and we work with our customers to incorporate mechanically recycled PCR into their packages, whether it's material that we source or that we produce at the Graham Recycling Company (GRC). In the short term, mechanically recycled PCR remains the best solution for both food-grade and non-food-grade PET, as well as non-food-grade HDPE and PP.

As demand increases due to regulatory requirements, consumer expectations and brand/retailer commitments, we must find ways to increase our supply of recycled material. In 2021, we challenged our procurement team to spend 25% of their time sourcing recycled and green materials. These efforts included exploring ways to engage local townships and cities to improve collection rates, as well as helping municipalities find ways to reopen recycling plants that closed due to COVID-19, labor shortages and supply chain issues. The GRC also received a 3rd-party certification that verifies the source of our recycled content as post-consumer material.

Externally, we've taken a leadership role in the rPET Value Chain Consortium, a mixed group of retailers, brands and manufacturers that's investigating solutions to the barriers that exist within the rPET supply chain. Our partnerships with organizations like the Association of Plastic Recyclers and The Recycling Partnership have remained strong, and we've helped shape key legislation as industry advisors.

~37.8 **million pounds** PCR material processed at GRC

~2.5 **million pounds** ocean-bound plastic processed at GRC

~16.1 **million pounds** post-industrial material processed at all North American bottle plants

KEITH STROHSCHEIN, DIRECTOR OF OPERATIONS FOR MATERIALS
RICHARD WEIST, PLANT MANAGER, GRC

Optimizing Colored Bale Processing at the Graham Recycling Company

The Graham Recycling Company switched to lines running only natural material several years ago, but through innovation and effort, we're exploring new approaches to colored material recycling. The technologies we tested this year include the application of a first-ever innovation to mechanical PCR recycling, one that allowed us to expand back into colored PCR processing.

We plan to continue testing this as we move into 2022, and if successful, Graham Recycling Company will be able to provide additional processing solutions, meeting the needs of our bottle plant and delivering better value to customers. In a way, it also takes us back to our roots because our team will be involved with recycling bottles that Graham originally manufactured. We're excited at the possibility of returning to the true bottle-to-bottle process that built the Graham Recycling Company's legacy.

ADVANCED RECYCLING

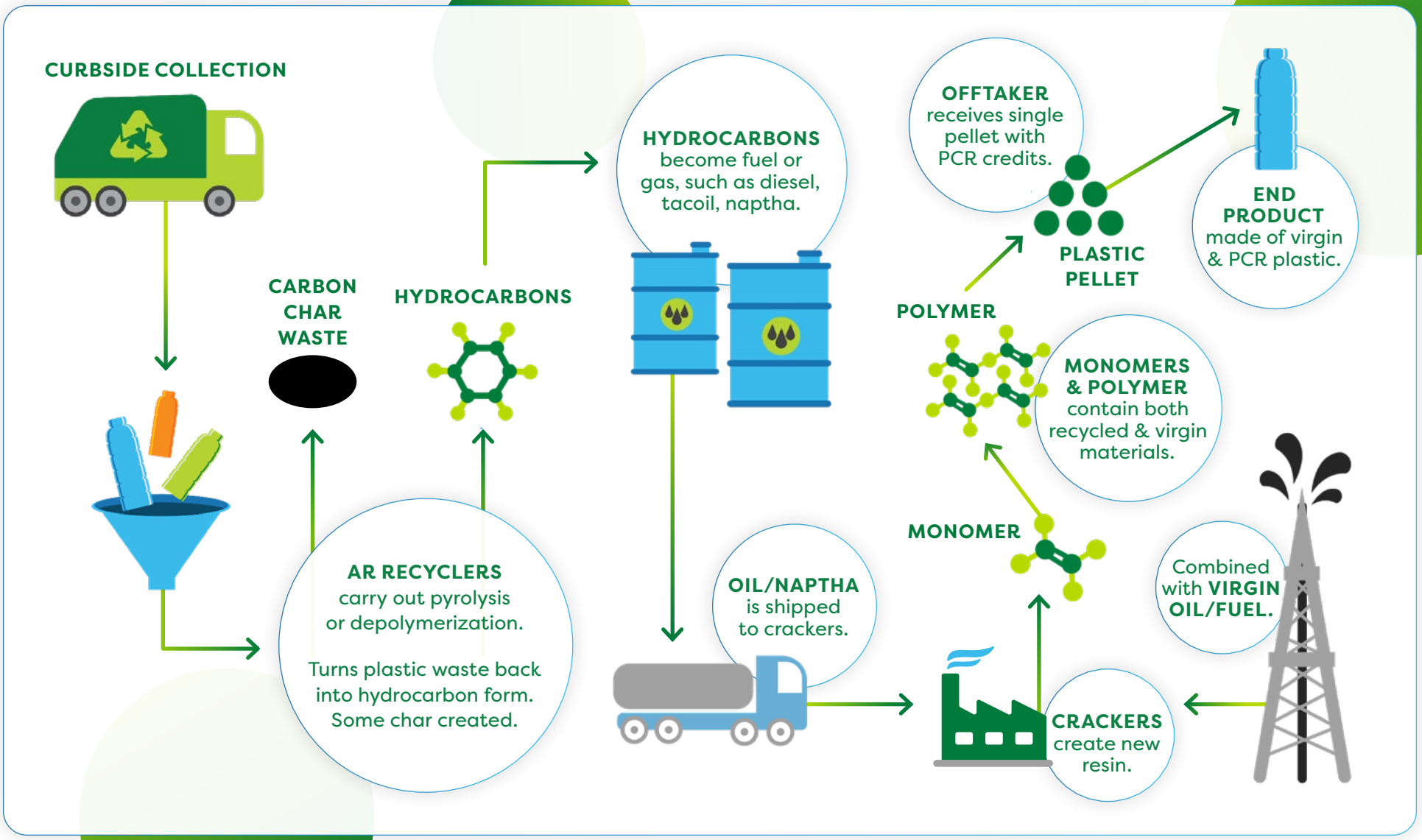
Advanced recycling is a newer technology that's rapidly gaining popularity in our industry. This process takes plastic waste and transforms it back into its original hydrocarbons. From there, the material is repolymerized to produce a virginlike raw material that can be used to make new products, chemicals and fuels.

Advanced recycling can handle far more contamination from mixed plastic materials in the waste stream than mechanical recycling can because contamination is released from this process in the form of carbon char. This type of material can also be recycled infinitely without degradation because it doesn't maintain a heat history, so manufacturers can use it at up to 100% without affecting product performance or quality.

Another major difference is how advanced recycled material is tracked. When an offtaker buys advanced recycled material from a cracker, they receive virginlike resin with PCR credits. These credits are certified and traceable from feedstock to final product by various certification bodies. This process also uses a mass balance system, a chain of custody model that verifies the input and output throughout the production cycle.

When it comes to using advanced recycled material in the manufacturing process, there are no special considerations. Advanced recycling produces a material that has the same strength and clarity as virgin resin, so it can be incorporated on existing manufacturing lines. However, this material is often more expensive to purchase than mechanically recycled PCR and traditional virgin plastic.

How Advanced Recycling Works



Advanced Recycling at Graham

In 2021, our Evansville, USA, and Aldaia, Spain, locations received their International Sustainability and Carbon Certificate (ISCC) Plus certifications. With this certification, these sites can sell customers certified PCR created through advanced recycling, which expands our PCR portfolio beyond mechanically recycled content. This advanced recycled material can be substituted for up to 100% virgin resin in a container while delivering identical performance and helping to reduce the packaging's overall carbon footprint. We plan to explore certifications for more facilities as we move into 2022.

We see advanced recycled material as a necessary supplement to mechanically recycled PCR, particularly regarding rHDPE and rPP. As demand for food-grade containers that include rHDPE and rPP continues to rise, advanced recycling can help fill the gap in the supply chain by taking previously unusable waste material and converting it back into virginlike resin. This increases the availability of food-grade packaging, ensuring food quality and safety.

In the short-term, advanced and mechanical recycling will likely be complementary technologies. In the long-term, we predict that advanced recycling may replace mechanical recycling because it allows mixed plastic waste streams to yield usable food-grade and non-food-grade PCR. Additionally, it's a solution for packages that are difficult to recycle and may otherwise be thrown in the trash.

> **"We're proud to be one of the few rigid packaging companies who are ISCC Plus certified to use advanced PCR."**
>
> **Tracee Auld**
> **Chief Strategy and Sustainability Officer**

MARIE-LO ESCARABAJAL,
QUALITY MANAGER OF GRAHAM PACKAGING EUROPE

How Global Teamwork Guarantees the Chain of Custody

The ISCC Plus project was led by a multidisciplinary and cross-continent team, and it was great to see two plants become certified in 2021 with plans for more certifications in upcoming years. ISCC Plus is an internationally recognized program that certifies the proper usage of advanced recycled material, verifying the traceability management throughout the supply chain.

Our team of global Graham representatives worked together closely to understand the certification requirements and translate them into one system that could be applied to every region. This certification is voluntary but recognized to support the claim of advanced recycled material in a transparent and trustful way. It shows our customers that we stand by our core values of honoring our commitments and driving for excellence.

Ocean-Bound Plastic

Ocean-bound plastic is material that's collected from at-risk zones along waterways and coastlines. While this material can be integrated into a range of plastic packaging, it requires special considerations for processing. First, this material often includes more contaminants than material that comes from curbside recycling programs. Because it's usually collected outside, it's been exposed to the weather and pests, which can damage the material.

Also, ocean-bound plastic may come from sources that lack standard equipment. In this case, special pallets and shipping arrangements must be made to accommodate abnormal bales. Ocean-bound plastic suppliers must be properly vetted to ensure their product's legitimacy. It's important to understand and verify the product's chain of custody and, when possible, to work with suppliers who are certified to sell ocean-bound plastic.

OCEAN-BOUND PLASTIC AT GRAHAM

In 2021, the Graham Recycling Company processed 2.5 million pounds of ocean-bound plastic, and we've identified a continuous, high-quality stream for 2022. We view the reuse of this material as an opportunity to create systemwide change that keeps plastic material inside the circular economy and out of our oceans.

We work with suppliers who are certified to provide large volumes of ocean-bound plastic, including food-grade material, to our manufacturing operations. We also provide guidance, training and resource sharing to assist suppliers who wish to become certified.

Additionally, we've partnered with Operation CleanSweep® (OCS), an international program that works to ensure the proper handling of all types of plastic material. The goal of this program is to prevent pellets from making their way into the environment, and we've signed OCS's Pledge to Prevent Resin Pellet, Flake and Powder Loss. At our facilities, we've implemented strict housekeeping policies, including cleaning protocols, training programs and operational controls. These initiatives help prevent spilled pellets from leaving our facilities and ending up in our waterways.

> **"If we don't act now, by 2050 there could be more plastic than fish in the oceans."**
>
> **The Ellen MacArthur Foundation**

Contributing to the SDGs:

Climate Change Mitigation

2021 in Focus

Reduction in GHG Emissions

Target By 2030 from a 2020 baseline **30%**

Overall Reduction since 2020 **1%**

Message From Richa Desai

Sustainability has always been an integral part of my life. I come from a desert region, so I've seen water shortages and other environmental issues play out firsthand. I've always felt that humans and the environment are deeply connected, and we must do our part to create a safer planet for all living things.

I started my career in sustainability by designing and launching sustainable products and spaces, but eventually I made the shift to corporate sustainability. It's incredibly important for companies like Graham Packaging to understand how to marry business performance and sustainability in ways that drive quantifiable results and help us — and our customers — create a better tomorrow. At a time when so much about sustainability is ambiguous, our team seeks to create clarity and establish a path forward.

Two of our biggest priorities in 2021 and moving forward are to reduce greenhouse gas emissions and implement operational waste strategies. To reduce emissions, we're working to increase PCR in our products by getting our customers ready to process both mechanical and advanced recycled material. We're also increasing our operational energy efficiency and sourcing renewable energy whenever possible. When we look at waste, we're really focusing on ensuring that the plastic from our facilities doesn't end up in the environment.

As we move forward into 2022, we're continuing to look at the full value chain. Traceability of materials, environmental sourcing, human rights issues — these are all part of the complex plastics supply chain, and we have a responsibility to champion initiatives that will help us build a more sustainable future.

Richa Desai
Director of Sustainability

"We must marry business performance and sustainability in ways that drive quantifiable results."

Our Climate Change Strategy

Climate change is a complex issue that affects everyone, and we're constantly looking for ways to lessen our impact on a global scale. Reducing our carbon emissions is an important piece of our strategy, but our efforts to mitigate climate change extend far beyond that to include touch points at each stage in a container's life cycle. From increasing PCR use and designing for recyclability to reducing our energy and water consumption, we take a holistic approach to protecting our planet.

MATERIALS

- Create robust supplier policies
- Commit to ethical sourcing
- Source recycled material

DESIGN

- Design for lightweighting
- Focus on recyclability
- Allow for the use of PCR
- Innovate for reuse

MANUFACTURING

- Increase energy efficiency
- Decrease water consumption
- Promote the capture of plastic waste
- Leverage strategic locations

TRANSPORT

- Decrease secondary packaging
- Create e-commerce friendly solutions
- Reduce fuel consumption

STORAGE

- Reduce breakage
- Increase shelf life

USE

- Reduce food and product waste
- Provide functional solutions

DISPOSAL

- Enable recycling
- Increase curbside recycling access and capture

Sustainable Operations

Manufacturing represents the biggest opportunity for us to reduce our environmental impact. We drive for excellence by creating consistency in our operations. This allows us to measure our results, increase accountability and refine our processes more effectively. Sustainable manufacturing is the goal, and it's our responsibility to set and achieve milestones that promote a healthier global community.

WATER CONSUMPTION

According to the **2021 UN Water Report**, nearly two-thirds of the global population face severe water scarcity at least one month out of the year. The report goes on to say that industry accounts for 12% of all water withdrawals. With these facts in mind, it's clear that we must do our part to conserve water in our manufacturing plants.

Graham Packaging facilities review their water consumption regularly and make efforts to reduce it. Since our 2018 baseline, we've seen a 14% decrease in our water usage globally. In 2021 alone, we reduced our year-over-year usage by 1%.

We also have a Responsible Water Use policy in place that provides guidance on how plants can reduce their water consumption. Along with helping us limit water use, this policy encourages facilities to use the **Aqueduct Water Risk Management** tool to evaluate plants in water-stressed areas around the world and manage potential risks. According to **UN Water**, an area is said to be "water-stressed" when it withdraws 25% or more of its renewable freshwater resources, and in 2021, they identified five out of 11 regions in the world that fell into this category. With this in mind, companies like ours must do our part to reduce our water usage and promote equal access to water.

WATER WITHDRAWAL	GALLONS	YOY REDUCTION
2021	346,345,791	-1%
2020	349,921,333	-8%
2019	381,681,873	-5%
2018	401,255,898	Baseline

Contributing to the SDGs:

Energy Consumption

Producing plastic packaging can be an energy-intensive process. Our reporting focuses on energy intensity, a measurement of the energy we consume divided by the total pounds of product we make. This allows us to understand how much energy is required to produce a single package.

We're committed to lowering our energy usage through internal initiatives and public commitments, like our partnership with the U.S. Department of Energy's Better Plants program. Through this program, we've pledged to reduce our energy intensity by 25% over 10 years.

GRAHAM PACKAGING, FLORENCE, KENTUCKY

Creating Award-Winning Energy Savings

In 2021, our Florence, Kentucky, plant was recognized with a 2021 Better Project Award from the U.S. Department of Energy's Better Plants program. Graham has been part of the Better Plants program since 2018, when we committed to a 25% energy intensity reduction by 2028, but these annual awards highlight above-and-beyond achievements by individual facilities related to industrial energy, water and waste projects.

Through a series of improvements, our Florence plant saved roughly 7.5 million kWh of energy in 18 months, the equivalent of an 11% decrease in usage. This project included installing a set of comprehensive energy efficiency measures, and its success has inspired us to implement similar projects at five plants throughout the U.S. in an effort to boost our overall energy efficiency.

We recently improved the accuracy of our reporting and calculations, and to be as transparent as possible, we've updated our energy numbers to reflect our 2020 and 2021 performance more accurately. As you can see in the table, our energy intensity increased in 2021, mostly due to lower production volume.

Energy Use at Graham Packaging

YEAR	OVERALL USAGE (kWh)	PRODUCTION VOLUME (LBS)	ENERGY INTENSITY (kWh/LBS)	YOY CHANGE	CHANGE FROM 2018 BASELINE
2021	1,150,491,823	1,099,252,814	1.047	4%	-3%
2020	1,140,228,119	1,134,446,207	1.005	-4%	-7%
2019	1,133,281,359	1,087,914,241	1.042	-4%	-4%
2018	1,219,969,398	1,129,491,893	1.080	Baseline	Baseline

GRAHAM PACKAGING, MODESTO, CALIFORNIA

Saving Energy Using Automated Solutions

Motors and compressed air systems that run continuously even when they aren't in use increase energy costs. On the other hand, when facilities manage these systems effectively, it can lead to decreases in annual energy costs and optimized equipment operation.

Our Modesto, CA, team successfully implemented an automated line control system, which will reduce the plant's total energy consumption by ~3%. This system involves using automated controls, designing potential soft/staggered starts and eliminating manual intervention to start and stop machines when they aren't needed.

Transportation Solutions

What about waste?

In 2021, we worked to reduce our waste-to-landfill through recycling and incineration for energy generation.

28%
landfilled

72%
recycled or incinerated

Transportation plays a large role in the environmental impact of our products over their life cycle. E-commerce — which grew to **19% of overall retail sales** in 2020 — has increased the need for shipping-friendly packages. Thus, we've developed several strategies to help lower fuel consumption by reducing shipping needs.

The first is co-location manufacturing. One out of every three Graham plants is positioned near or inside our customers' filling facilities. Co-location simplifies both the manufacturing and distribution streams. It eliminates the need to ship empty bottles to our customers, which helps save fuel and shipping costs. It also boosts operational efficiency, because we can share services and utilities while working to reduce scrap.

Another strategy is to design with shipping in mind. Lightweighting packaging allows more product to fit on a single truck, and it can also reduce raw materials and energy use. Packages can be completely redesigned with lightweighting in mind, or Graham designers can work to lightweight existing packaging without changing the overall look of the container.

Similarly, our team creates bottles specifically designed for e-commerce. Lightweighting is a component of this, but it also includes designing durable packages that can be shipped with less secondary packaging material. Less material equates to less weight, meaning more packages can be loaded onto a single truck.

We've also partnered with the EPA's **SmartWay program**, designed to help companies measure, benchmark and improve freight transportation efficiency. This program allows us to track our transportation emissions so we can implement innovative fuel-saving technologies and strategies.

Contributing to the SDGs:

Carbon Emissions

Although the term "greenhouse effect" **dates to the 19th century**, the focus on reducing greenhouse gas (GHG) emissions is relatively new. Today, countries, businesses and individuals must do their part to slow the effects of climate change, which are widespread and destructive. Severe weather, sea level rise, ecosystem disruptions and even increased air pollution can all be tied back to the negative impact of climate change.

At Graham, we're serious about protecting our planet from changing temperatures, so we're working to reduce GHG emissions at every level of our operations. We started tracking our scope 1, 2 and 3 GHG emissions in 2020 to fully understand our climate impacts, and we continuously work to cut our emissions through operational efficiencies and sustainable packaging. In 2021, we saw a 1% overall decrease in our carbon emissions.

What are the three scopes of GHG emissions?

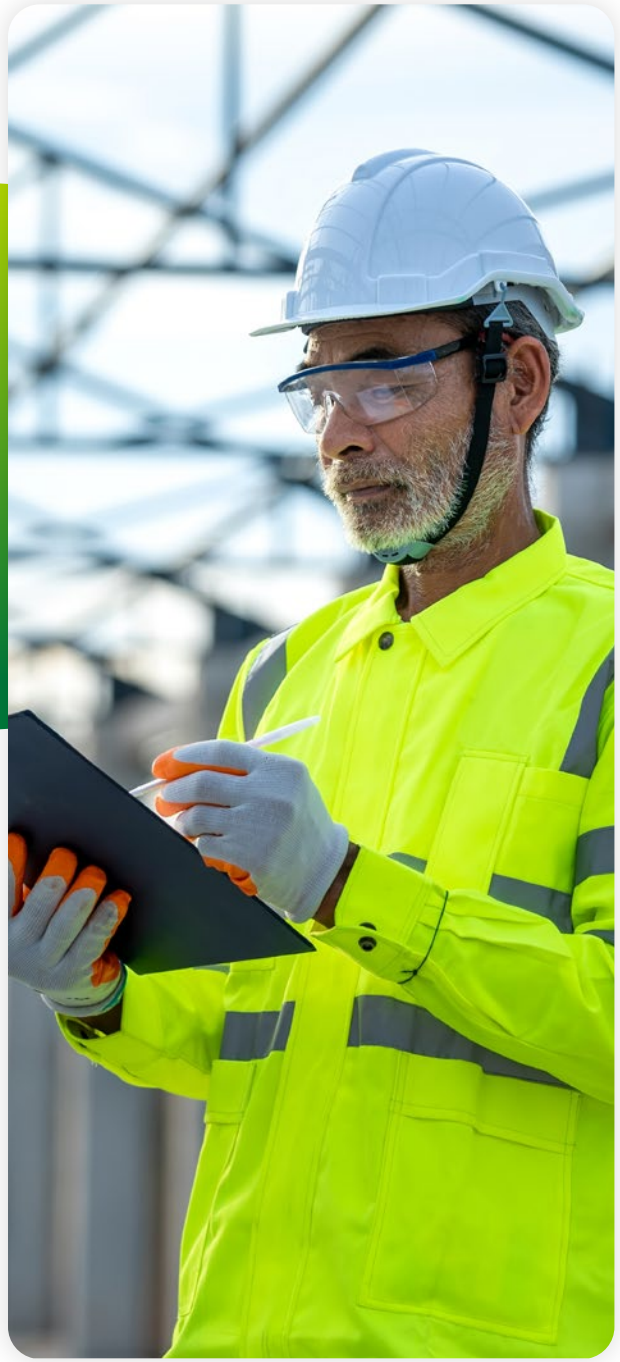
Scope 1:
Direct emissions from owned or controlled sources

Scope 2:
Indirect emissions from the generation of purchased energy

Scope 3:
All indirect emissions present in the value chain of the company

YEAR	TOTAL GHG EMISSIONS - SCOPE 1, 2 & 3 (tCO_2E)	YOY CHANGE
2021	1,811,385	-1%
2020	1,828,130	Baseline

Contributing to the SDGs:



In 2020, we conducted a gap assessment for scope 1 and scope 2 emissions. We also did a complete scope 3 emissions screening and inventory for all relevant categories per the **GHG Protocol**. Our scope 3 emissions make up the bulk of our total GHG emissions — as much as 78% in our 2020 baseline year — followed by scope 2 and then scope 1. We plan to report all three types of emissions moving forward.

Overall Scope 1 Emissions

YEAR	TOTAL EMISSIONS (tCO_2E)	YOY CHANGE
2021	31,750	1.8%
2020	31,190	Baseline

Overall Scope 2 Emissions

YEAR	TOTAL EMISSIONS (tCO_2E)	YOY CHANGE
2021	459,943	0.6%
2020	457,317	Baseline

Overall Scope 3 Emissions

YEAR	TOTAL EMISSIONS (tCO_2E)	YOY CHANGE
2021	1,319,691	-1.5%
2020	1,339,622	Baseline

The scope 3 numbers in this report include emissions data from our resin use. Based on the comprehensive scope 3 emissions inventory conducted for 2020 as the baseline year, our resin use accounts for more than two-thirds of our total scope 3 emissions.

Making the Shift to Science-Based Targets

In 2021, we began exploring science-based targets for GHG emissions. Although we've set goals to reduce our emissions for several years, they were based on our internal evaluation of our operations. The move to science-based targets represents a shifting mindset, one that values working for the common good by seeking external validation of our goals and data.

The **Science Based Targets initiative (SBTi)** is a partnership between leading world organizations, including CDP, the UN Global Compact, World Resources Institute and the World Wide Fund for Nature, that focuses on enabling companies to take urgent and necessary action to avoid the devastating effects of climate change. They help businesses like ours define appropriate science-based targets. Nearly 1,000 companies worldwide have voiced their support of the SBTi's campaign for companies to set net-zero or science-based targets.

SBTi defines science-based targets as goals based on the latest climate science, specifically what's necessary to meet the goals of the Paris Agreement. The Paris Agreement looks to limit global warming to below 2°C above pre-industrial levels and further pursue actions that will limit warming to 1.5°C.

To demonstrate our commitment to environmental and social responsibility in 2021, we committed to setting science-based targets through SBTi. We will continue to work through this process in upcoming years to have validated targets in 2023, thereby improving our ability to grow sustainably. Customers, consumers and investors all benefit when we do business transparently, and we're steadfast in our resolve to reduce emissions and take bold action against climate change.

Battling Food Insecurity

Food insecurity affected as many as **35 million people** in the U.S. prior to COVID-19. That number is expected to rise in 2022, with many suffering from the continued effects of the pandemic. Globally, it's estimated that **1.9 billion people** experience food insecurity, and the UN has identified undernourishment as a leading risk factor for health problems.

While food insecurity can have devastating consequences on people, food also contributes in a significant way to climate change. Sources estimate that wasted food — and the resources used to produce it — account for up to **11% of the world's emissions**. In other words, the emissions from wasted food currently have a greater impact on our climate than the emissions from certain countries. Globally, if food waste could be represented as its own country, it would be the **third-largest greenhouse gas emitter**, behind China and the U.S.

Innovative, sustainable product packaging can combat food waste by preserving perishable foods, lengthening shelf life and lessening product loss due to breakage. Solutions like our advanced barrier technologies promote better shelf life without affecting the recyclability of the container, while lightweighted containers reduce fuel consumption and emissions.

Another example is our ThermaSet® PET solution, which can replace glass in hot-fill, pasteurization and retort applications. When an independent research firm conducted a life-cycle assessment comparing ThermaSet jars to glass jars, it found that ThermaSet had a 38% smaller carbon footprint and 47% less global warming potential. It's also shatterproof, 100% recyclable and 80%-90% lighter than glass.

Food waste may seem like an issue that's independent from product packaging, but using the right packaging solutions can help minimize food waste around the world. By continuing to work with brands to improve their packaging, we join the fight against food insecurity and climate change.

35 **million** U.S. citizens experience food insecurity

1.9 **billion** people experience food insecurity globally

Contributing to the SDGs:

Our Partnerships

UN GLOBAL COMPACT
Participant in the global community's largest ESG initiative.

Ellen MacArthur Foundation
Signatory of the New Plastics Economy Global Commitment.

The Recycling Partnership
Ally in the fight to keep plastic out of landfills.

Sustainable Packaging Coalition
Participant in efforts to spark meaningful action around sustainability.

The Association of Plastic Recyclers
Supporter of PET and HDPE plastic resources and initiatives.

Plastic Recycling Corporation of California (PRCC)
Champion of PET recycling in the state of California.

Better Plants Program
Partner in finding creative ways to reduce energy usage.

Holy Grail 2.0 Project
Collaborator in the development of new traceability technologies.

SmartWay Program
Contributor to the measure and reduction of freight transportation impacts.

Operation Clean Sweep
Partner on the path to zero pellet, flake and powder loss.

Petcore Europe
Member committed to creating a circular PET value chain in Europe.

Plastic Recyclers Europe
Supporter of the circularity of plastics and the transition to a circular economy.

How2Recycle
Collaborator in helping brands get the proper label on their products.

National Lubricant Container Recycling Coalition (NLCRC)
Founding member in the development of plastic lubricant container recycling solutions.

FERNANDO MACHADO,
COMMERCIAL DIRECTOR OF SOUTH AMERICA

Committing to a Circular Economy in Brazil

Graham has been a member of ABIPLAST, a plastic industry union in Brazil, for more than 10 years. In 2021, ABIPLAST started a program to incentivize the circular economy by working in different regions of Brazil to install material collection points, develop recycling companies and train people on proper recycling.

We immediately recognized this program as something we wanted to be a part of — not only because it supports our goals, but because it will enable us to help customers meet their goals as well. So, we began the process of joining this effort in 2021. As we work with ABIPLAST next year, we'll implement these actions for food and dairy production in two of our Brazil locations, with the goal of having 22% of the total resin produced in these plants be recycled back into the circular economy.

Social

This year we made significant progress on our commitment to social responsibility and our mission to be "people creating a better tomorrow." From laying the foundation for a diverse culture that attracts the best talent to providing support where our communities need it, we're proud to share our 2021 highlights.

2021 in Focus

75% of employees feel their job provides opportunities to do challenging and interesting work

10% increase in employee motivation over 2020

2021 Best Workplaces in Lancaster County Award

60 Graham Engagement Action Teams (GREATs) meet monthly

100% of plants led at least one community event

75% of plants led at least two events

Message From Lisa Santin

People are our greatest competitive advantage. As the pandemic continued to create challenges worldwide in 2021, we understood that more than ever our employees want leadership that plays an expanded role in their physical, mental and financial health.

We used this opportunity to take a fresh look at our priorities and ask ourselves seemingly basic but absolutely essential questions, from "How do we become an employer of choice?" to "How can we bring new employees onboard in an engaging way?" to "How do we keep employees engaged?" The answers to these questions resulted in our company developing a deeper focus on nurturing a positive workplace culture in which every team member has the opportunity to thrive.

We made significant progress in 2021. Whether we were engaging our leadership team with culture-focused meetings, refreshing our onboarding processes or launching DE&I panel discussions, our commitment to taking meaningful action was evident in so many ways. Our efforts were recognized with a Best Workplace in Lancaster County Award, a designation judged using employee surveys.

We understand the value of investing in our employees in ways that make an impact for them and for Graham. As we move forward, we're exploring new and creative ways to support attraction and retention, as well as build on the DE&I foundation.

We've always been proud of our culture at Graham — and we're committed to differentiating ourselves by developing the best possible employee experience, standing out as a destination employer and strengthening our role as a creative problem solver for our clients.

Lisa Santin
Executive Vice President, Human Resources

"Whether we were engaging our leadership team with culture-focused meetings, refreshing our onboarding processes or launching DE&I panel discussions, our commitment to taking meaningful action was evident in so many ways."

Defining Our Standards

How we do our work matters just as much as what we do. Our core values guide us every day, whether we're developing advanced solutions for recyclability, sourcing a new supplier or raising money for a local charity.

WE VALUE OUR PEOPLE

We create a safe environment for our team of innovative and diverse people. We reward individuals and behaviors that make a positive difference and create value for customers.

WE HONOR OUR COMMITMENTS

We act with integrity, earning the trust of our partners both inside and outside of the company.

WE ARE THE PARTNER OF CHOICE

We strive to always be a destination company that people want to work at, customers want to partner with and community members are proud of.

WE DRIVE FOR EXCELLENCE

We hold ourselves to the highest standards and are always looking to learn from the mistakes of ourselves and others to improve and add value.

Social Goals

The social aspect of our business has always been a core focus. Now, we're elevating our social initiatives to a level that reflects our role as an industry leader. As we move forward, our next steps will include a range of goals that will allow us to build a diverse, collaborative team, committed to a cleaner world and a better tomorrow.

100%
of global facilities will participate in at least one employee-led community support activity.

70%
of Graham facilities will engage in more than one employee-led community support activity.

- Build on the robust diversity, equity and inclusion advancements we made in 2021, including the launch of our Diversity Council
- Create a positive employee experience that makes us a destination employer and retains valuable talent
- Continue outreach programs for hiring from diverse populations, including military veterans and people with disabilities
- Continue programs, such as our student debt loan repayment initiative, that attract high-potential talent
- Roll out our refreshed onboarding program to all our U.S. plants
- Attract and develop people-centric leadership

Giving Back to Our Global Communities

In 2021, we challenged our facilities to lead at least one community support initiative. And the Graham team delivered — 100% of our facilities engaged in at least one employee-led event, and 75% participated in two or more, continuing our mission to serve as a partner of choice in communities around the world.

We continue to make an impact on people through community partnerships that give back to those who need it the most. This year we donated to critical initiatives, including:

$30,000

donated to help Graham team members severely impacted by Hurricane Ida

**$15,000 raised by our employees, contributions matched by Graham*

$15,000

donated to the Juvenile Diabetes Research Fund (JDRF)

National Cleanup Day Goes Global

Our employees showed their commitment to creating a better tomorrow by participating in National Cleanup Day 2021. Teams from 12 Graham Packaging locations around the world participated in the event, sponsored by our Women in Business and Allies and Young Professionals employee resource groups.

For the event, Graham teams chose community cleanup projects that reflected a need in the local community, from picking up trash in local parks to clearing garbage from local waterways. Graham employees collected and removed a total of nearly 6,000 pounds of trash from their communities.

Locally Led Community Initiatives

At Graham, sharing our time, talent and resources with the communities where we work is an essential part of who we are as a company. Our employee-led, locally focused initiatives allow us to do that in a way that's meaningful to each individual community.

30 **plants** participated in beautification projects

17 **plants** donated clothing and essential items

24 **plants** collected for holiday toy drives

43 **plants** participated in holiday food drives

Kayak and Clean Event

Sponsored by our Young Professionals employee resource group, more than 30 team members from our Lancaster, PA, headquarters and York, PA, Tech Center paddled the Susquehanna River in our first-ever Kayak and Clean Event. The group enjoyed a guided kayak tour of the river as they picked up trash. During their 5-mile journey, they removed 410 pounds of waste. Afterwards, our volunteers shared well-earned food and drink.

See How We're Helping Our Communities

From raising funds for those in need to cleaning up natural resources, we're proud of the numerous initiatives our teams led and supported this year to build stronger communities.

RED ROSE RUN

Fundraising for Lancaster Central Market.

WALK A MILE IN HER SHOES

Fundraising for gender-based violence awareness.

WREATHS ACROSS AMERICA

Laying wreaths to honor military veterans.

HURRICANE IDA RELIEF

Fundraising for impacted team members.

KAYAK AND CLEAN EVENT

Clearing trash from the Susquehanna River.

GLOBAL NATIONAL CLEANUP DAY

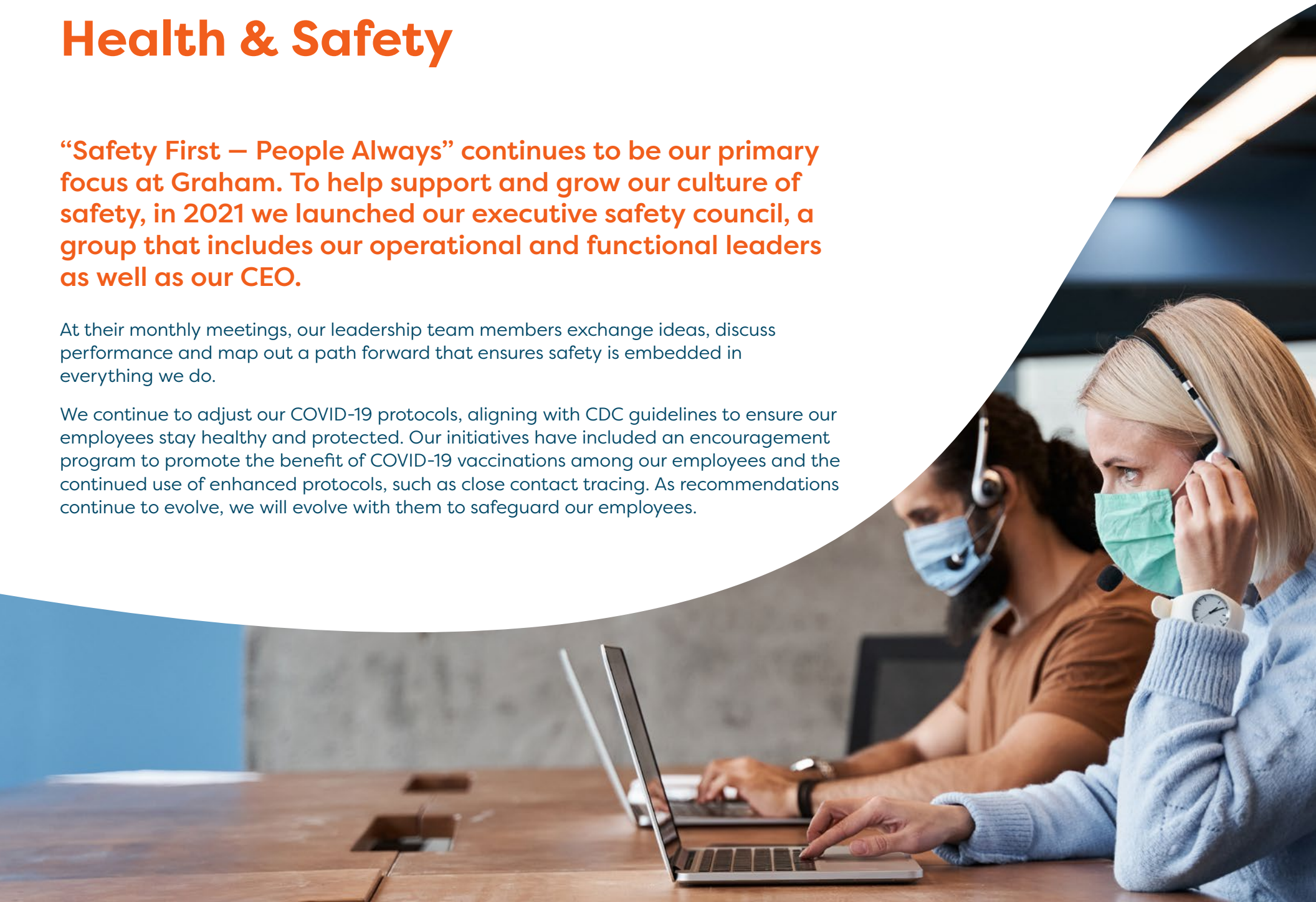
Removing refuse from various community parks.

Health & Safety

"Safety First — People Always" continues to be our primary focus at Graham. To help support and grow our culture of safety, in 2021 we launched our executive safety council, a group that includes our operational and functional leaders as well as our CEO.

At their monthly meetings, our leadership team members exchange ideas, discuss performance and map out a path forward that ensures safety is embedded in everything we do.

We continue to adjust our COVID-19 protocols, aligning with CDC guidelines to ensure our employees stay healthy and protected. Our initiatives have included an encouragement program to promote the benefit of COVID-19 vaccinations among our employees and the continued use of enhanced protocols, such as close contact tracing. As recommendations continue to evolve, we will evolve with them to safeguard our employees.



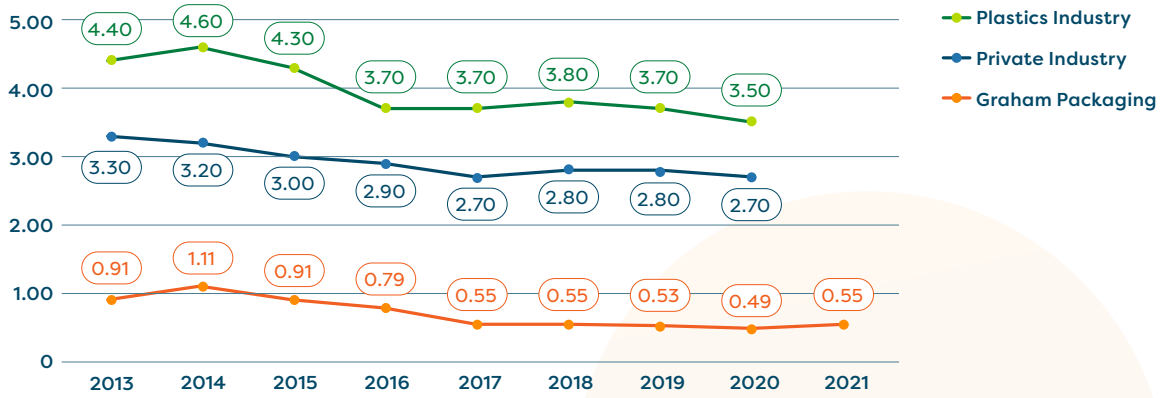
BUILDING OUR SAFETY VISION

Our vision is clear and uncompromising: We strive to be the world leader in Environment, Health, Safety and Sustainability. We have — and will continue to drive — EH&S excellence and deliver innovative policies, standards and programs to ensure the health and safety of our colleagues, our customers and the communities in which we operate.

Safe working conditions. Healthy habits. Companywide accountability. These are the foundations for everything we do, every day. **To bring our vision to life, we will:**

- Provide robust EH&S support in the field, often through coaching and working side by side with Graham employees, contractors and customers
- Offer readily available technical experts that respond in a timely manner to internal and external customer requests
- Build a team that encourages others to be creative and is recognized as a source of advice and counsel — grass roots advocacy, partnership and collaboration
- Empower our team to challenge the status quo and innovate performance improvements

Graham Safety Performance vs. Industry Benchmarks: Total Recordable Injury Rate Comparison



66% global operations achieved recordable-free performance

1,691 DAYS

on average that a Graham operation has gone without a recordable injury

Contributing to the SDGs:

8 DECENT WORK AND ECONOMIC GROWTH

Message From Roy Osborne

From the continued impact of the COVID-19 pandemic to the shifts in the labor market, 2021 required us to evolve with the changes in the world around us even as we continued to provide solutions that bring value and sustainability to our customers.

We continue to meet each challenge as it arises. For example, our team's quarterly training program allows us to act nimbly to address potential problems through training. We reinforce good safety practices by driving awareness around specific topics, like preventing hand injuries.

With the launch of our executive safety council, we're looking forward at ways to sustain performance and address future challenges as they arise, as well as execute the tactical actions that take us on a path of continuous improvement.

2021 was also the second year of utilizing the Graham Operating System, which measures a range of subelements, from EH&S quality to continuous improvement, used to evaluate plants annually. This year our collective EH&S score was 88.2%, which was the highest score out of all the factors we evaluate.

We're proud of that achievement, and it directly reflects our companywide commitment to ensuring safe operations.

Our mission is to be a real-time, practical resource, providing service to Graham personnel around the world while balancing our governance obligations.

Roy Osborne
Global Vice President, Risk Management, Environmental, Occupational Health and Safety

"We drive EH&S excellence, delivering innovative policies, standards and programs to ensure the safety and health of our Graham colleagues, customers, communities — and our planet."

Diversity, Equity & Inclusion

We continue to take actions that deeply embed diversity, equity and inclusion (DE&I) into our culture. In 2021, we developed a three-year plan that established three goals.

1. UNDERSTANDING & GROWING OUR DIVERSE WORKFORCE

The support of informed hiring practices was a key goal for us in 2021. We held eight training sessions on interviewing best practices and understanding the impact of unconscious bias during the interview process. The sessions also helped managers better understand the importance of inclusion.

We also laid the groundwork for building a DE&I metrics dashboard. Still in development, the dashboard will monitor Graham DE&I data and benchmark it against industry norms, giving us actionable data that will help us strengthen our DE&I efforts. The dashboard is scheduled to launch in 2022.

2. BUILDING AN INCLUSIVE CULTURE

We made significant headway this year in our efforts to build a culture that welcomes diverse perspectives. In addition to successfully solidifying our employee resource groups, Women in Business and Allies, and Young Professionals, we committed to using our annual YourVoice! employee engagement survey to fuel meaningful change.

To help us do that, we introduced Graham Engagement Action Teams (GREATs). These teams, which include members ranging from hourly employees to leadership team members, assist in action planning at the local level. Over 60 GREATs help improve employee engagement and the employee experience by taking time to address issues important to employees, reassuring them that our leadership values their workplace experience. Our GREATs also help us further train leaders on DE&I's link to engagement, reinforcing how — by focusing on both — we all play a role in building a more inclusive place to work.

3. SUPPORTING OUR LEADERS AS THEY EMBRACE DIVERSITY

In 2021, we committed to supporting our leaders in their growth by training all of our managers on DE&I basics. We developed an implicit bias training program, in the form of a panel discussion, that brings leaders from across Graham to share their experiences. The panel, held for all of Graham's managers, created a safe space for meaningful conversations.

DE&I content is also being included in the GOLD Standard Leadership Development program, which provides training for current and future Graham leaders. In development now, DE&I and implicit bias training content will be incorporated into all modules of the program, including hiring and recognition components, as they relate to each training topic.

Contributing to the SDGs:

Focusing on Employee Engagement

In a year that challenged employers across the U.S. to play an expanded role in employees' physical, mental and financial well-being, Graham continued to prioritize employee engagement.

In September 2021, we launched a flexible work policy in our corporate office to give employees the ability to create a better work-life balance and allow Graham expanded access to diverse talent markets.

Other highlights include our Better U employee education assistance program, which provides tuition reimbursement for qualifying employees. Some of our locations leverage this program to help current employees upskill in areas like maintenance. And, at our York, PA, Technology Center, we added a Mother's Room to provide a private space for new mothers.

RESULTS FROM OUR ANNUAL YOURVOICE! EMPLOYEE ENGAGEMENT SURVEY

75% **feel their job provides opportunities** to do challenging and interesting work

Employees reported a **10% increase** in motivation since 2020

MANDY DURST, TRAINING COORDINATOR

Finding New Approaches to Labor Challenges

I work at Graham's Findlay, Ohio, plant, and since the pandemic began, things have been really busy. We worked a lot of overtime, especially through the summer of 2021, and still today we're struggling to find people for our team. I handle the new-hire orientations at our plant, and lately I've had an orientation every week — sometimes more.

At first we could find people but they wouldn't stay. Now, we're making extra efforts to keep good workers, and we're seeing better results. For example, we do a survey with new hires to see how things are going. We reward people for perfect attendance. I'm also available to help them work through issues, like addressing a training process challenge they might experience. Overall, we've seen better retention thanks to these changes.

Employees Leading the Way

Our global employee resource groups (ERGs), which are voluntary, employee-led groups, are a growing force for engagement at Graham. Employees join ERGs to develop skills, network with colleagues and connect with their communities in ways that tie into our mission and business goals. We're proud of the leadership and enthusiasm these groups brought to each of the many initiatives they led or supported in 2021.

Women in Business and Allies: This active ERG supports a range of events to create an inclusive environment that empowers and motivates women to develop skills and leadership potential. Highlights from 2021 include Lunch and Learn opportunities and a book club centered on self, professional and leadership development. Women in Business also became a member of the U.S. trade organization Women in Manufacturing and sponsored employee attendance at the PA Conference for Women.

Young Professionals: More than 60 members strong, this ERG helps develop, engage and retain Graham's future leaders. During 2021, this group sponsored several community events and led numerous initiatives, including several focused on workforce development. In addition to the "Coffee and Career Development Conversations" webinar series, Young Professionals also sponsored a career development action plan workshop that brought participants together with senior leaders for one-on-one career action planning conversations.

LAUREN BOVARD, SENIOR HUMAN RESOURCES GENERALIST

Making Change in Our Local Communities

One of our guiding principles is to be a partner of choice — and that includes serving as partner to our communities. What makes our approach unique is that our employees lead these initiatives, empowered to choose actions that are meaningful for the community where they live and work.

As the chair of the Young Professionals Employee Resource Group, I had the privilege of seeing firsthand the dedication and enthusiasm group members brought to every project, from the Kayak & Clean Event to Global Cleanup Day. Ultimately, these initiatives, as well as those sponsored by the Women in Business and Allies ERG, did more than just bring us closer to our communities — they united the Graham team as one.

I'm so proud of what we've accomplished and cannot wait to see what next year holds!

Strengthening Our Competitive Advantage

The ongoing evolution of recruitment strategies is key to ensuring Graham's position as a destination employer able to attract employees diverse in perspective and passionate about building a more sustainable world. Last year, we set a goal to develop and implement a community-focused outreach hiring program that identifies high-potential talent among diverse groups.

In addition to working with community leaders to identify bilingual talent as well as talent among those with disabilities, in 2021 we continued to develop:

PATHWAYS PROGRAM

This new program offers student debt repayment for vocational track candidates completing industrial maintenance programs. Participating employees commit to a three-year contract in exchange for monthly debt payments that pay off the full debt amount by the completion of the contract.

HOMEFRONT PROGRAM

This program focuses on building connections with veterans and their spouses as they transition into civilian life. In addition to collaborating with a third-party military veteran recruitment partner, our outreach in 2021 expanded our access to veterans through recruitment events. We're also exploring additional ways to strengthen our impact by adding local initiatives to the veteran candidate pipeline.

SECOND CHANCE PROGRAM

This reentry program allows former felons the opportunity to build a successful career on the Graham team. Currently focused on our Tech Center, Second Chance works with local organizations to tap into potential talent within this community.

LAUNCH PROGRAM

For high school seniors interested in entering the workforce immediately after graduation, Launch provides a window into manufacturing career opportunities. We invite high school seniors and their parents to tour their local U.S. Graham plant, as well as provide the opportunity for students to interview and qualify for a sign-on bonus.

Governance

Ethics and integrity are at the core of every action we take. We've moved forward this year to build a strong framework that will ensure our employees, as well as everyone across our supply chain, inspires the trust that positions us as a leading partner for creating a more sustainable tomorrow.

2021 in Focus

2021 Ethics in Business Award

Patrick McNabb named as our first vice president of cybersecurity

Used **Supplier Scorecards** to evaluate ESG compliance of potential suppliers

Green Procurement Team launched

Updated FCPA, GDPR and Fraud policies

25% sourcing time spent finding **recycled materials**

Message From Brian Smith

For nearly 25 years, I've built a career grounded in the auditing, advisory and consulting world — and as a recent addition to the Graham team, I'm excited by the opportunities ahead for this company and our employees, partners and customers.

As I came on board in 2021, the COVID-19 pandemic still presented challenges. Early in the year, many of our plant audits were conducted remotely. As conditions changed, our team shifted seamlessly back to on-site audits. We completed our 2021 approved audit plan on schedule, and I'm proud of the dedication and perseverance our team showed in executing this critical work and in everything they do.

Another highlight of 2021 was being recognized with the Ethics in Business Award from Samaritan Counseling Center in Lancaster, PA. Graham was selected for its excellence in five key areas, including integrity, fairness and justice, stewardship, life enhancement and transparency.

In addition to our current Audit and Compliance Committee, we're expanding our ability to assess business risk level and plan risk mitigation strategies in 2022 with board-level committees, including groups for audit, compensation and disclosure. This framework will allow us to continue building a world-class organization.

We are building on the strides made in 2021 by exploring the implementation of an enterprise risk management (ERM) program. By taking a strategic, holistic approach, we can better pinpoint operational and regulatory compliance risks and identify opportunities.

We recognize that to be an industry leader able to provide value to all our stakeholders, we need to implement world-class standards and processes that guide our actions every day. Whether it's our human rights commitment ingrained at the highest level or our ongoing training to inform employees on ethics and compliance issues, we're committed to supporting conduct — across our supply chain — founded in ethics and integrity.

Our vision, solid foundation and rigorous processes position Graham as a sustainability leader with the ethics and integrity to inspire trust in our stakeholders.

Brian Smith
Director of Internal Audit

"We recognize that to be an industry leader able to provide value to all our stakeholders, we need to implement world-class standards and processes that guide our actions every day."

Governance Leadership Team

As we hold ourselves accountable for bridging the gap between profitability and the health of people and our planet, our efforts in 2021 were focused on strengthening our corporate governance foundation. Now, looking at 2022 and beyond, we will build on the solid framework we've formed.

"As prestigious external organizations validate and recognize the work we're already doing, all our stakeholders can be assured that we're ready to lead the industry with integrity."

Tracee Auld,
Chief Strategy and Sustainability Officer

"From safety training to leadership development to DE&I initiatives, we work every day to ensure that we continue, at all levels of our organization, to promote ethics and integrity."

Lisa Santin,
Executive Vice President of Human Resources

"From sustainable procurement to sustainable products, Graham is committed to ensuring integrity and ethical conduct, not just in our own organization but across the value chain."

Richa Desai,
Director of Sustainability

"In 2021, we made a significant investment in building a best-in-class IT team and integrating the right technology stack. These strides position us well for continued growth and agile transformation."

Wayne Anderson,
Chief Information Officer

"By aligning with universal sustainability principles — and putting those principles into action every day — we inspire the trust that positions us as a global leader."

Doug Cassel,
General Counsel

"I'm incredibly proud of the tremendous work we've done in the past year from a financial perspective. From building an even stronger financial team to driving a culture of transparency, we continue to create value for our stakeholders."

Kris Warfel,
Chief Financial Officer

Ethics & Compliance

First and foremost, Graham maintains a code of ethics and compliance that informs each decision made at every level of the company. Our well-developed Code of Ethics policy requires each individual to act lawfully and with integrity in all aspects of our business. It drives everything we do, including not only how we do business but also how we treat one another.

We continually evaluate our **Code of Ethics** and related policies, making updates as appropriate to ensure our workforce is informed of these critical obligations and that they remain top of mind in our actions and decision-making processes. We also seek out relationships with industry and sustainability partners to support and supplement our commitments to the highest ethical standards in our business.

GOVERNANCE INITIATIVES

Ongoing Training: Employees train, at a minimum annually, on our Code of Ethics policies, like anti-corruption, anti-bribery, antitrust and data privacy, as well as region-specific topics. Our education program ensures that these subjects are always top of mind and all decisions we make support this goal. New employees receive training on Code of Ethics and related policies.

Supplier Policies: Supplier Scorecards help us evaluate whether potential suppliers meet the standards outlined in our comprehensive Supplier Quality Manual and demonstrate continual improvement in ESG-related areas, like regulatory reporting, product documentation and respect for human rights. In 2022, we began giving preference to suppliers able to demonstrate their sustainability efforts and improvements.

The addition of a new Green Procurement Team helps us ensure that, short-term, we have enough recycled materials sourced to support customers in states impacted by recycled content legislation. Long-term, the team is tasked with procuring sufficient recycled materials to meet the needs of all our customers by 2025. To accomplish these goals, we've challenged our procurement team to spend up to 25% of their time sourcing green materials.

Customer Management: To ensure that every entity, whether a customer or a contractor, meets our standards of ethics, we evaluate every new relationship to make sure partners meet our standards for safe, healthy working conditions. We monitor internal relationships and relevant external databases and government-provided lists to help ensure we work with entities without corruption or related violations.

Internal Audits & Risk Evaluations: Our Audit & Compliance Committee meets quarterly, bringing together leaders from several key departments, such as sustainability, human resources and accounting. Working collaboratively, this committee assesses business risk and proposes risk mitigation strategies. In addition to discussing active hotline case reports, Audit & Compliance also addresses policy reviews, fraud investigations, non-hotline investigations and compliance training for employees.

This year the committee updated policies for fraud, General Data Protection Regulation (GDPR) and Foreign Corrupt Practices Act (FCPA). In addition, the Audit & Compliance Committee began the process of implementing a companywide training program to ensure all employees understand expectations moving forward.

UN Global Compact: In 2021, we reaffirmed our commitment to continually improve the integration of UN Global Compact principles into our business strategy, culture and daily operations. This framework of Ten Principles guides us as we assess, define and implement our sustainability strategy.

Contributing to the SDGs:

Data Security

We made significant strides this year to protect our sensitive, confidential data. To further solidify a robust cybersecurity policy, we created and filled an executive-level role at Graham: a vice president of cybersecurity, charged with ensuring the protection of our IT systems. We codified security policies and procedures, as well as established a NIST cybersecurity framework that outlines industry standards and provides best practices that allow us to effectively manage cybersecurity risk. Our Cybersecurity Team regularly meets with both the Audit and Compliance Committee and our Executive Leadership Team to address potential new policies and revision of current policies.

Cybersecurity is also a priority in our manufacturing systems. We have 60+ plants around the globe, and like any manufacturing system, they are each exposed to unique threats and challenges. Of course, all our cybersecurity initiatives must account for our customers' unique connectivity and manufacturing requirements. To ensure our services stay online for customers, we've started building strategies that isolate and protect operating technology and engineering environments according to best practices.

Our employees are the first line of cybersecurity defense. We invest in security awareness training that helps team members at every level learn to recognize threats from malware and other forms of cybercrime. And because threats are always evolving, our training will evolve to help employees recognize new threats.

PATRICK MCNABB, VICE PRESIDENT OF CYBERSECURITY

Building a Strong Cybersecurity Program

I came to Graham in 2021 with extensive experience in the government, academia and commercial sectors. And I'm excited to leverage expertise that combines a range of experiences to build a best-in-class cybersecurity program at Graham.

2021 was a year of significant positive change in our ability to protect sensitive information. We built and launched a new Cybersecurity Program that takes a holistic view of our operations, from aligning with an industry-specific framework to developing policies and governance structures to building robust technical solutions. The result is more visibility than ever into our cybersecurity risks and opportunities.

As we move forward, our goal is to cultivate a culture of cybersecurity expertise, with employees at every level and location trained to recognize and help protect our sensitive data, including customer data, against threats like phishing or social engineering.

Data Privacy

Protecting data privacy also continues to be a focus. We have a Cyber Governance Council comprised of strategic stakeholders within Graham to make sure we're handling sensitive information. We provide annual training to ensure awareness and adherence to all our data privacy policies.

OUR DATA CLASSIFICATION POLICY OUTLINES THREE TYPES OF DATA:

Confidential Data: Not intended for public dissemination, this data poses a high risk if made generally available. If it's lost, corrupted or disclosed to unauthorized entities, it has a high potential to harm our business and result in severe financial, operational and reputational loss or legal impact.

Internal Data: Intended for use by employees and third parties for the sole intent of conducting business within, and with, Graham, it can create moderate risk if made generally available. Internal data is not intended for public use. The default classification for our data is Internal.

Public Data: Poses no risk, or minimal risk, if made generally available. In the event of its loss, corruption or unauthorized disclosure, it would have no adverse impact on our operations, assets, reputation, employees or third parties conducting business with us.

We expect employees to treat all data as confidential if they are unclear about the classification of the data in their possession. In addition, we expect them to seek guidance from a supervisor on how to proceed. All employees receive annual, region-specific training to ensure they are aware of and adhere to our data privacy policies.

Contributing to the SDGs:

Looking Ahead

2021 was a year that brought many challenges, but our significant progress was made possible through people. We have the choice every day to do the right thing for our business, our people and our planet — and we do it.

We will continue to find creative, research-backed solutions that conserve resources, protect natural spaces and mitigate climate change while delivering value to all our stakeholders. Updates to the way we measure our environmental progress are helping us better understand how we — and our industry — can make a meaningful impact on building a shared, sustainable future.

As we focus on environmental responsibility, we're developing innovative solutions for some of today's most significant plastics challenges. From sourcing ocean-bound plastic to offering PCR created through advanced recycling, we continue to explore packaging solutions that enable easier recycling and meet our customers' needs.

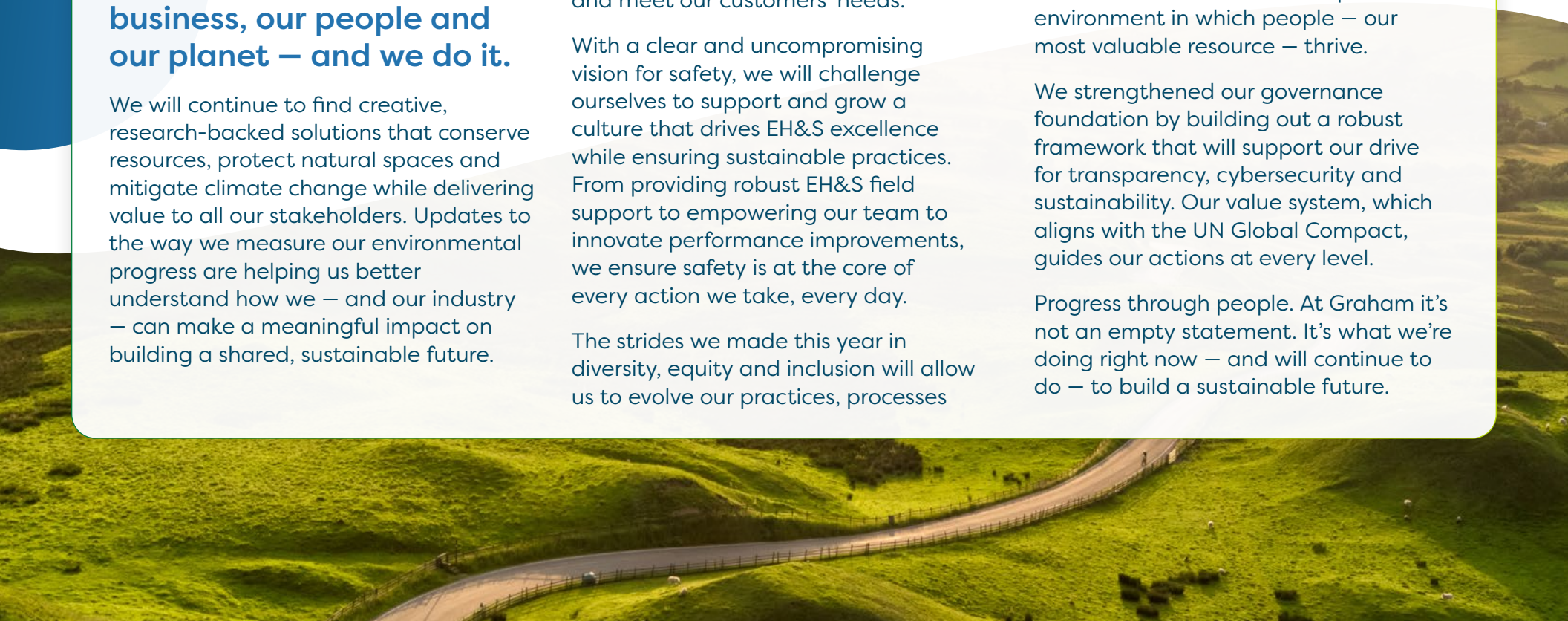
With a clear and uncompromising vision for safety, we will challenge ourselves to support and grow a culture that drives EH&S excellence while ensuring sustainable practices. From providing robust EH&S field support to empowering our team to innovate performance improvements, we ensure safety is at the core of every action we take, every day.

The strides we made this year in diversity, equity and inclusion will allow us to evolve our practices, processes and culture. A key component of moving forward will be our DE&I Council, which will help ensure we continue to foster a culture that welcomes and leverages diverse perspectives.

Along with ongoing social initiatives, from our employee resource groups to our community work, we'll continue to build a workplace environment in which people — our most valuable resource — thrive.

We strengthened our governance foundation by building out a robust framework that will support our drive for transparency, cybersecurity and sustainability. Our value system, which aligns with the UN Global Compact, guides our actions at every level.

Progress through people. At Graham it's not an empty statement. It's what we're doing right now — and will continue to do — to build a sustainable future.



About This Report

This report covers our owned and operated facilities and does not report on the performance of our suppliers, contractors, customers and partners. Forward-looking statements are included in this report. These statements were made based on current operations data, policies, expectations and projections, but they are subject to change as conditions warrant. As with any estimate or business forecast, our actual results and numbers may vary. We're under no obligation to share progress made on the goals laid out in this report.

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Graham Packaging is a leading provider of sustainable packaging for a range of markets: automotive, food, beverage, home care and dairy, health & nutrition. Our 60+ facilities across North America, Europe and South America produce more than 16 billion container units annually. Since 1970, we've employed some of the best and brightest package designers, who bring inspired, technology-driven solutions to market for essential businesses, from large consumer brands to small startups. Headquartered in Lancaster, Pennsylvania, with facilities located throughout the world, we are dedicated to excellence in sustainability, innovation and creativity.

FOR ADDITIONAL INFORMATION ON GRAHAM PACKAGING, PLEASE VISIT WWW.GRAHAMPACKAGING.COM.

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GRI Reporting Index

GRI Reporting Index

GRI STANDARD/OTHER SOURCE	DISCLOSURE	PAGE
GRI 2: General Disclosures	2-1 Organizational details	64
	2-2 Entities included in the organization's sustainability reporting	63
	2-6 Activities, value chain and other business relationships	63–64
	2-7 Employees	3
	2-9 Governance structure and composition	57
	2-11 Chair of the highest governance body	57
	2-12 Role of the highest governance body in overseeing the management of impacts	57
	2-14 Role of the highest governance body in sustainability reporting	57
	2-22 Statement on sustainable development strategy	2
	2-23 Policy commitments	4–6
	2-24 Embedding policy commitments	4–6; 58–61
	2-28 Membership associations	40
	2-29 Approach to stakeholder engagement	31
GRI 205: Anti-corruption	205-2 Communication and training about anti-corruption policies and procedures	5, 55
GRI 301: Materials	301-2 Recycled input materials used	21, 24
GRI 302: Energy	302-1 Energy consumption within the organization	34
	302-2 Energy consumption outside of the organization	34
	302-3 Energy intensity	34
	302-4 Reduction of energy consumption	34
	302-5 Reductions in energy requirements of products and services	34–37
GRI 303: Water and Effluents	303-1 Interactions with water as a shared resource	32
	303-2 Management of water discharge-related impacts	32
	303-3 Water withdrawal	32
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	37
	305-2 Energy indirect (Scope 2) GHG emissions	37
	305-3 Other indirect (Scope 3) GHG emissions	37
	305-5 Reduction of GHG emissions	36–37
GRI 306: Waste	306-3 Waste generated	35
	306-4 Waste diverted from disposal	35
	306-5 Waste directed to disposal	35

GRI STANDARD/OTHER SOURCE	DISCLOSURE	PAGE
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system	48–50
	403-2 Hazard identification, risk assessment, and incident investigation	48–50
	403-3 Occupational health services	48–50
	403-4 Worker participation, consultation, and communication on occupational health and safety	48–50
	403-5 Worker training on occupational health and safety	48–50
	403-6 Promotion of worker health	48–50
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	48–50
	403-8 Workers covered by an occupational health and safety management system	48–50
	403-9 Work-related injuries	49
GRI 404: Traininzg and Education	404-2 Programs for upgrading employee skills and transition assistance programs	51–53


06 COMPETITIVE

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