



Pregis 2022 Sustainability Report

Unpacking the future

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From the CEO



Welcome to the third edition of the Pregis Sustainability & ESG report. Being a leader in sustainability and first choice for employees and customers is a priority that is shared throughout our organization.

At Pregis, everything we do is rooted in our purpose to Protect, Preserve, and Inspyre. We protect our customers products and the environment with innovative packaging solutions that prevent damage and waste. We preserve the environment through our responsible manufacturing practices and circular product design. Our pride is rooted in how we 'inspyre' our employees, customers, and communities through education and giving back. We recognize that our efforts are driven by people for people to ensure a safe and equitable planet for all.

I could not be prouder of the impact our passionate professionals have been able to make on this journey. We're re-designing our products and bringing new technologies to market that enable a circular economy. Continuous improvement is a shared mission within our company that benefits the world inside and outside of our walls. Our team works tirelessly to deliver upon our promise to protect what matters. We continue to demonstrate that staying true to our purpose yields strong performance and a stable future for all stakeholders.

I hope you enjoy this report and join us in celebrating the positive momentum driving us towards reaching our lofty, yet attainable long-term goals.



**Kevin Baudhuin,
Chairman and CEO**

A Message from the CSO



Our mission is clear and ambitious: to transform Pregis into a sustainable powerhouse by achieving zero waste by 2030, net-zero carbon emissions by 2040, and transitioning our products from virgin materials to recycled and renewable resources.

Since our first reporting year, we've made great strides, expanding our team and developing comprehensive roadmaps that lay out the path to achieving our goals. Furthermore, we have implemented formal management systems to provide visibility of our sustainability performance to both the executive leadership team and our board of directors.

But this is just the beginning; there is so much more work to be done. We recognize that achieving our sustainability objectives requires collective effort united by common purpose. By prioritizing material reduction, embracing recycled and renewable resources, and designing for recyclability, we have already made significant strides in transforming our product portfolio.

Collaboration is key. We are actively partnering with our customers to innovate and deliver lower-carbon solutions that minimize the impact on the environment. We engage with our suppliers to focus on feedstock design, recycled content, and new formulations that enable us to work toward operating within a circular economy.

Throughout this transformation, our purpose remains steadfast: to Protect, Preserve and Inspyre. Together, we can make a lasting impact on the environment and set a shining example for other organizations to follow. With dedication, innovation, and collaboration, we will build a future where sustainability is at the core of everything we do.



Ryan Wolcott,
Chief Sustainability Officer

Our 2022 Year in Review

In recent years, we have placed an unwavering focus on sustainable practices within our company. There's always more to do, but we are proud of the progress to date.

Here are a few highlights from 2022:

Expanded sustainability team (three additional FTEs):

- Appointed Chief Sustainability Officer (CSO)
- Expanded our customer-facing team, focused on providing consultative sustainable packaging expertise working with customers
- Added a leader responsible for driving all aspects of sustainable operations within our facilities (North America and Europe)
- Implemented new tracking methodologies aligned with SASB for enhanced data visibility and performance

Zero Waste:

- Diverted 89% of solid waste from landfill and incineration through focused efforts on internal and external recycling
- Increased capacity by nearly 7,000 metric tons and recycled over 14,500 metric tons

Purpose-built innovation:

- Earned 56% of our revenues from products that are recyclable, reusable, or compostable
- Invested in additional paper production and converting capacity to support demand across multiple facilities and added one new facility in Reno, NV
- Received ISCC+ certification at three facilities for the incorporation of certified circular resins in our film-based products

Education and advocacy:

- Opened the Pregis IQ (Innovation Headquarters) in Eindhoven, Netherlands to expand training for employees and customers
- Grew Employee Resource Group (ERG) participation
- Delivered over 200 hours of sustainability training to employees

Key accomplishments



93,923 lives
positively impacted



89% waste
diverted from landfill



56% revenue
from sustainable products



595,916 trees
saved from harvest



200+
employee training hours

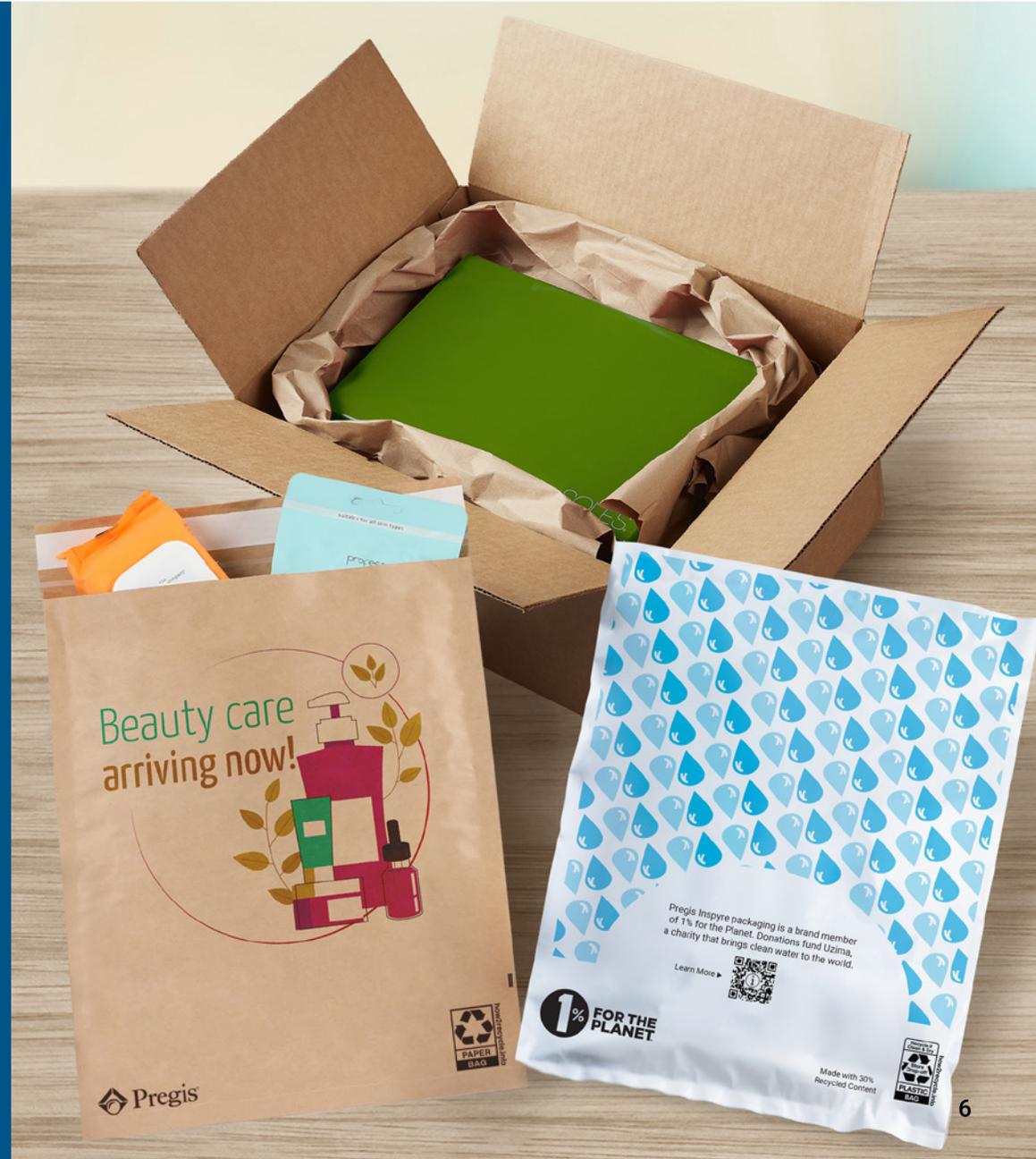


3 ISCC+
certified facilities



2 new
facilities opened

About Pregis



Company at a Glance

Who we are

Pregis is a forward-looking protective packaging company focused on sustainability, innovation, and customer experience.

Our vision: We help our customers solve their toughest business challenges with progressive and sustainable packaging solutions.

Our mission: We protect what matters.

What we do

Sustainability: Protect, Preserve, Inspyre

Innovation: Build the future of packaging

Customer experience: Design for people

Numbers at-a-glance

\$1B+

2022 revenue

2,700+

employees

30+

locations

12

acquisitions since 2010

Where you can find us

We have facilities across the U.S. and worldwide

Global Headquarters

Chicago, Illinois USA

Sales, Service, Production, R&D, Equipment Specialist Centers

North America | Europe | Asia Pacific

Pregis IQ | Innovation Headquarters

Aurora, Illinois USA | Eindhoven, Netherlands

Accreditations / Certifications

4 ISO 14001 Certified Facilities:

- (2) Stevenage, UK
- Heerlen & Born, Netherlands

3 ISCC+ Certified Facilities:

- Heerlen, Netherlands
- Grand Rapids, MI
- Anderson, SC

ISTA & APASS Certified Lab:

Aurora, IL

EcoVadis Sustainability Rating:

Pregis Europe: EcoVadis Silver
Pregis North America: EcoVadis Bronze

Our Products and Services

For over 50 years, Pregis has been solving our customers' toughest business challenges with innovative, progressive, sustainable packaging solutions. This dedication to protecting our customers' business is one of our core values and why sustainability has been a guiding

principle in everything we do. We build trusted partnerships with our customers that extends beyond products and services to facilitate adoption of best practices that yield positive results for people, planet and profits.

Products



Inside the box protection



Mailing & bagging solutions



Temporary surface protection films



Flexible packaging films



+ Industry specific solutions

Services



Sustainable packaging assessment



Material science, package design & testing services



Equipment integration & installation services



Training & best practices

Our Strategy: Protect. Preserve. Inspyre.



The Pregis Purpose

The Pregis Purpose is our unique value system. It impacts everything we do and guides us on our leadership mission towards a circular economy, putting people and the planet first at every step. As a leader in protective packaging solutions, we aspire to protect the planet by helping our customers choose the best solution, preserve our natural resources in our operations and development efforts, and 'Inspyre' positive change.



Pregis **Protects** the planet by reducing damage, waste and preventing reships. We help protect customer experience, employees, and profits by ensuring that the things that matter to our customers arrive undamaged every time.



Pregis **Preserves** natural resources and the environment by designing products and processes that contribute to a circular economy through end-to-end supply chain excellence.



People are the "y" in **Inspyre**. Pregis Inspyres people to do good for the world through education, industry advocacy, and professional and personal development.



These three core tenets combine to clearly communicate our commitment to the planet and drive our company vision. We strive to leave the world better than we found it, and to be an active force for change in making that possible.

As a leading supplier of packaging and protective products, Pregis has a responsibility to take a leadership role in protecting our planet. We do this through:

- Partnerships with our customers, suppliers, and channel partners that promote and encourage sustainability
- Collaborations with organizations and non-profits working to create change
- Encouraging employee engagement
- Corporate and regulatory advocacy

To us, the Pregis Purpose underpins everything we stand for. To our communities, it means preserving the future of our planet. It stretches far beyond just us, and beyond the simple definition of sustainability.

At its heart, the Pregis Purpose is our commitment to be a preferred employer, responsible manufacturer and reliable partner, and to engage with companies that have similar goals.

The UN Sustainable Development Goals

In 2015, the UN facilitated 193 world leaders agreeing on 17 Sustainable Development Goals, known as the Global Goals or UN SDGs. Through the UN SDGs, the world has the chance to create a better planet for all by 2030 by ending global poverty, fighting systemic inequality, and addressing the increasing urgency of climate change.

The SDGs are the most universally established framework designed to save people and our planet. The responsibility lies with businesses, governments, and civil society to support these Global Goals and continue to develop a better future for all by tackling the urgent economic, social, and environmental challenges our world faces.

SUSTAINABLE DEVELOPMENT GOALS



'The Journey to 2K30'

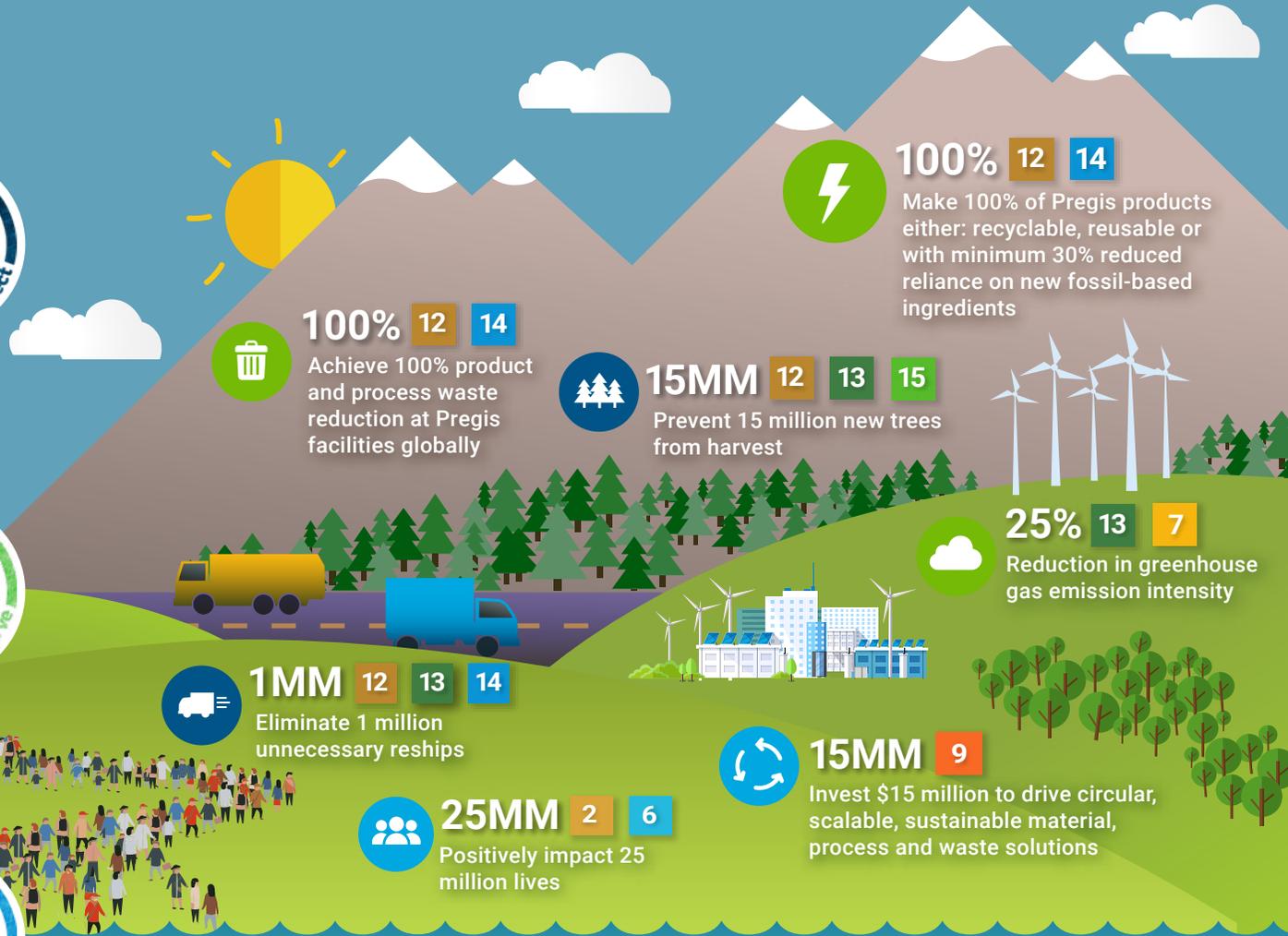
The existence of the SDGs allows for a global effort towards a more sustainable future. We have consciously incorporated the aims and targets set within the Goals into our strategy, while remaining dedicated to our Pregis Purpose.

Our Pregis Purpose sets the standards for how we work and the products we make. Our purpose to Protect, Preserve, and Inspire has shaped every aspect of our operations.

With this report, we once again reiterate our dedication to the same commitments we made back in our first ESG report: we will report annually on our actions and impacts, providing leadership and transparency to our partners, our vendors, our customers, our employees, and the people whose communities we serve and touch.

The third year of this reporting commitment brings new challenges and achievements as we strive to improve year-on-year. Being transparent with our customers and stakeholders affords us a valuable level of accountability, allowing us to share our progress and encourage others to do the same.

We are always searching for new ways to make our operations more sustainable, and this report demonstrates our determination to keep our purpose and work for a better world.



WORKING TOWARD SOMETHING BIGGER





Protect

Protect is at the very core of everything we do at Pregis. We protect our planet by reducing damage, waste and preventing reshops. We protect what matters to our customers by protecting their products, profits, employees, and brand promise.



GOAL: Eliminate Waste & Unnecessary Reshipments

At Pregis, our promise to Protect the environment starts by helping customers make the right decision about packaging design, material choices and processes that account for the entire life of the package.

That's why we established a 2K30 goal to eliminate 1 million unnecessary reshipments.

We are passionate about protecting goods in a way that prevents damage, waste and the avoidable environmental burdens associated with unnecessary reships. As we look to the future, our goals will be formed around a metric that is more inclusive of the package lifecycle.



Products damaged during shipment have a significant environmental impact, contributing to waste, excessive resource consumption, and taking up landfill space. The transportation of damaged packages requires unnecessary fossil fuels, leading to increased carbon emissions and air pollution.

Using the correct packaging is imperative to reduce unnecessary waste. We're focused on a packaging hierarchy of eliminating waste from improper packaging, optimizing parcel packaging, and utilizing sustainable materials.



–Clint Smith, Senior Director of Global Sustainability



Digging Below the Surface:

Study Unearths Customers Insights

In 2022, Pregis commissioned a study to identify how companies are establishing, prioritizing and implementing sustainability within their packaging and fulfillment operations. Responses from 325 decision makers and influencers spanning a cross section of industries, including industrial (manufacturing, automotive and transportation), retail/e-commerce, and consumer packaged goods (CPG) companies were analyzed.

The study revealed a misalignment between how sustainability is defined and the actions being taken. 78% of respondents indicated that diverting packaging waste from landfills was one of the top ways companies defined sustainability. Yet, when asked what strategies are being executed, reducing package damage represented only 40% of the strategies being implemented in packaging and fulfillment operations.

Many decision makers recognize that packaging choices can influence supply chains, labor requirements, costs and operational efficiency. However, there is often a gap in recognizing the significant impact that making the wrong packaging decision can make on the environment. As demonstrated through the study, the journey towards sustainability will vary by organization and industry.

Our team is motivated to help companies make informed decisions when choosing packaging materials and methods to reach their sustainability goals.

More details from the Pregis study can be found in the whitepaper:

[Shining a light on sustainable decision making](#)

78%

survey respondents indicated that diverting packaging waste from landfills is a definition of sustainability

40%

survey respondents are implementing strategies to reduce package damage

70%

survey respondents would like their suppliers to perform environmental analysis of packaging





Pregis IQ facilities located in North America and Europe provide a suite of services:

- Full-service design + testing
- Material science evaluations
- New product development
- Education training + support

Our packaging engineers tackle the most impactful business challenges and work closely with our customers and suppliers to address the top concerns of packaging design. We do this by performing thorough assessments, package testing and providing data driven insights to quantify the environmental, cost and process impacts of our recommendations.

Insights from the Pregis IQ find that the following concerns were of highest importance during 2022:



Applying the learnings from the diverse customer scenarios, the Pregis IQ team can not only answer the question of what is best but help companies implement the right solution.

We translate the methods into a standard operating procedure (SOP) to help customers accelerate implementation and adoption of the recommendations made.

Leveraging sustainable packaging principles

We have proven the value of integrating sustainability metrics into all of recommendations. Using the services at the IQ, our Innovation and Sustainability teams work together to leverage sustainable packaging principles:



Pregis IQ Packaging Services play a crucial role in promoting sustainability and addressing the challenges our customers are faced with when shipping their products. The Pregis IQ team puts a priority on helping reduce waste, conserve resources, and minimize the environmental impact of products, contributing to a greener and more sustainable future.

We achieve this by using a comprehensive set of tools, including design, testing, and life cycle assessment (LCA). This allows us to provide valuable data to our customers, helping them make more informed decisions around their packaging choices.

–Damon Lucenta, Senior Packaging Manager

Healthy Business, Healthy Planet

Case Study: Pregis improves the health of a nutraceutical company and the environment through damage reduction

The Challenge: A health & nutrition brand was looking to increase throughput due to higher demand. The current packaging process required the packers to wrap the products using a paper wrappable solution. Through the consultative sales process, Pregis discovered that the customer was experiencing between 9-14% damage rates when shipping glass containers through the parcel network. The customer recognized that this was a costly issue and led to negatively impacted customer satisfaction. What they had not realized was the environmental impact of the damage.

The Solution: Pregis AirSpeed® ChamberPak®: Pregis packaging engineers and sustainability experts teamed up to recommend an alternative packaging method that provided the right level of protection for the fragile items. The AirSpeed ChamberPak inflatable cushioning solution passed all ISTA testing procedures demonstrating the ability to protect against damage.

Additionally, the product was configured with an automated inflator that fit in the small workstation designs with the fulfillment operations.

Impact:

- Reduced damages from **14% to less than 2%** yielding an estimated annual cost savings of **over \$2MM**
- Reduced greenhouse gas emissions by **over 1.8M Lbs CO₂e**, according to a cradle-to-grave life cycle Assessment (LCA)
- **Increased speed** of packing

Pregis EcoGauge



	Current	Proposed	Difference
Gasoline (gals)	103,119	16,930	-86,189
CO ₂ Emissions (lbs)	2,222,009	364,788	-1,857,221
Electricity (kWh)	42,700	7,009	-35,691
Natural Gas (BTUs)	93,800,000	15,396,600	-78,403,400
Trees (#)	366	61	-305
Solid Waste (lbs)	102,928	14,329	-88,599
Methane Gas (lbs)	122	17	-105
Habitat Loss (sq ft)	7,067	1,160	-5,907

Pregis EcoGauge is a proprietary tool that calculates the environmental impact of damage. The above analysis was performed to compare the paper packaging vs the proposed inflatable solution from Pregis.

The Beauty of Sustainable Packaging

Case Study: eCommerce cosmetics company benefits from lower cost and environmental impact

The Challenge: Through our consultative sales approach, Pregis discovered that a cosmetics company was using small boxes with air pillows to ship ecommerce orders. They were seeking an optimal solution for the wide assortment of applications that would be appreciated by their environmentally-conscious customer base.

The company expressed the desire to use the minimum amount of packaging without sacrificing product protection (or increasing cost).

The Solution: Pregis EverTec™ Cushioned Mailers

Testing and validation through Pregis IQ Services proved EverTec mailers to be the best option. The cushioned curbside recyclable mailers optimize space, require less packaging, and enhance the customer experience.

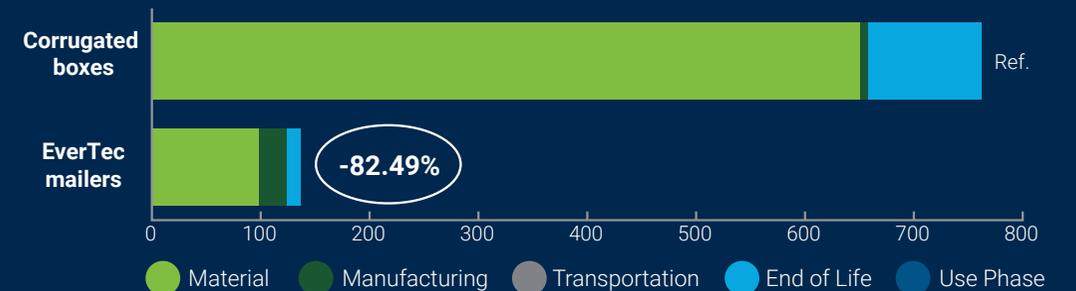
Transitioning from small boxes to the EverTec mailer eliminated unnecessary packaging, reduced the customers carbon footprint, cut shipping costs and improved customer satisfaction.

Impact:

- Elimination of **790,000 lbs** of unnecessary packaging
- Annual dimensional savings of **over \$1MM**
- Reduced packaging related emissions by **82%**
- **87%** of customers polled indicated increased satisfaction

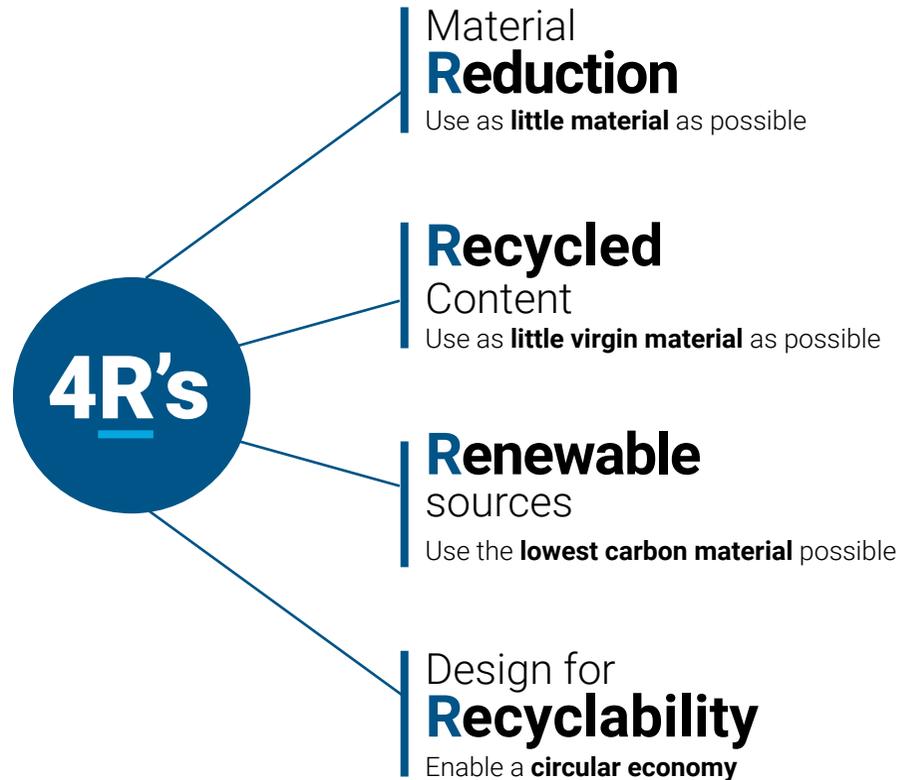


GHG Emissions (mtCO2e) by Life Cycle Phases



Product Strategy

Our product strategy is rooted in the 4R's: reduction, recycled content, renewables, recyclability



“ Everything starts with innovation. Partnering with the best customers to not only solve their problems of today but also solve the problems of tomorrow. We implement future-focused product development in a material agnostic, customer-centric approach that is designed to be automated at scale. ”

– Tom Wetsch, Chief Innovation Officer

4R's

Reduction

Pregis PolyMask® Temporary Protective Films

Advancing film and adhesive technology, Pregis developed a new protective film structure that can reduce the amount of resin material used with no loss in protective properties or clean adhesive removal. The new high performance film solution engineered by Pregis proved to reduce environmental impacts delivering the same product performance for a transportation company while achieving a 16% reduction in greenhouse gas emissions, water and fossil fuel usage.



Renewable

Pregis AirSpeed® Renew™ Zero Inflatable Void Fill

AirSpeed Renew Zero air pillows are made of 100% recycled / renewable material and are carbon neutral from cradle-to-gate, when evaluated internally in a life cycle assessment (LCA). The air cushions generate zero carbon since they are made using 50% recycled, renewable plant waste like leaves and husks - also called second generation bio sources – and 50% post-consumer recycled content.

The negative GHG emission from the 50% bio source compensates for low emissions from the post-consumer recycled (PCR) content, resulting in a product with zero CO₂ emissions when it leaves our factory (from cradle to gate).



Recycled

Pregis AirSpeed® Hybrid Cushioning Renew™ PCR

This on-demand inflatable cushioning solution featuring 80% post-consumer recycled content debuted in 2022. This is the only premium high-pressure air cushioning solution on the market to fulfill sustainability commitments and meet environmentally-conscious consumer needs without sacrificing performance.

The engineered PCR film technology can also be found in the Pregis Performance Flexibles Renew line.



Recyclability

Pregis EasyPack® Paper Packaging Solutions

Pregis introduced an expandable paper product made from recyclable kraft paper. EasyPack GeoTerra is a wrappable solution that provides light cushioning and protection during shipment.

In addition to this product line addition, Pregis invested in new void fill dispensing technology, the EasyPack Quantum™ Pro, to serve high volume fulfillment operations with 100% recycled paper void fill.



Pregis EverTec™ Non-Cushioned Mailer

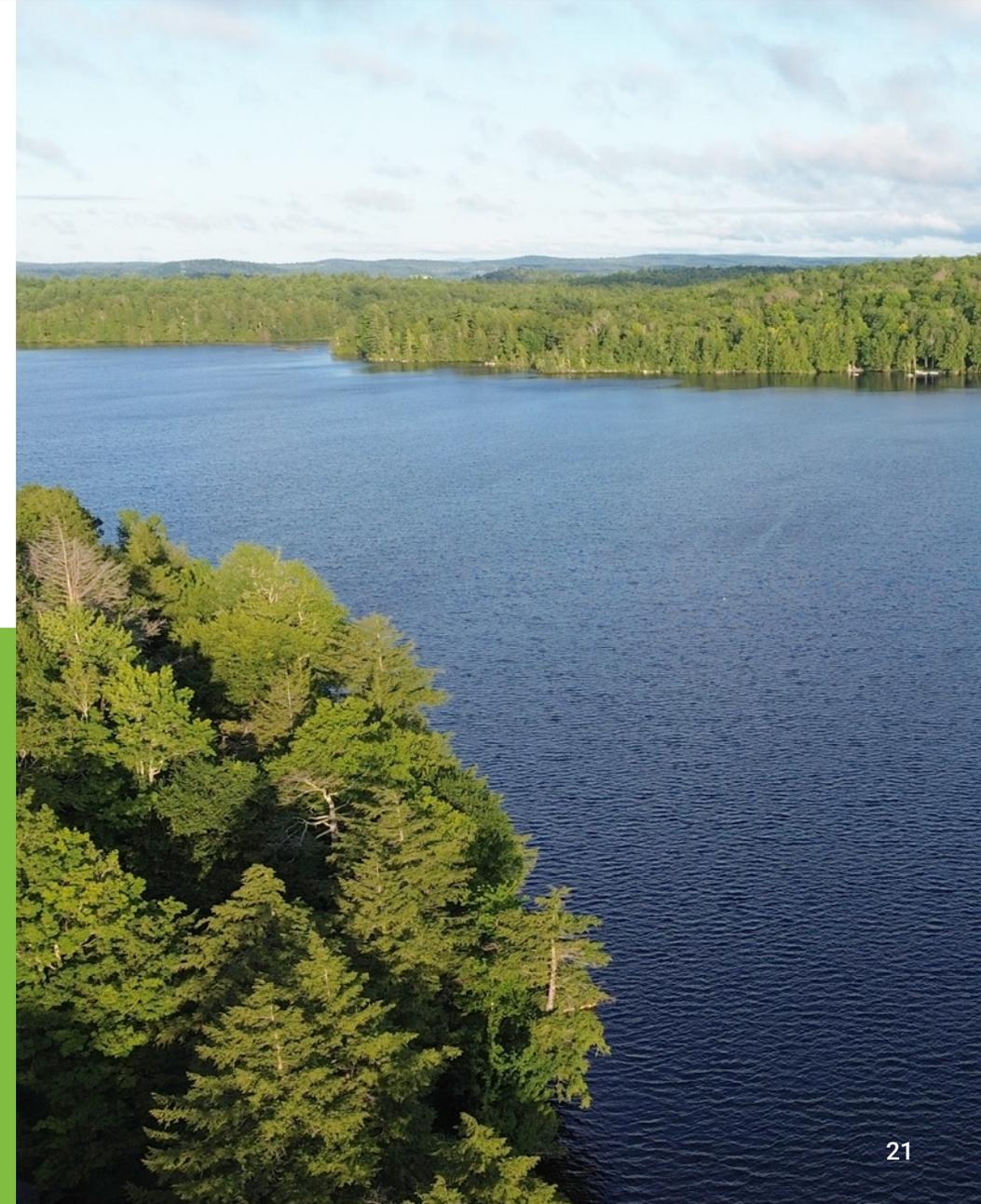
Expanding the portfolio of curbside recyclable mailing solutions, the Pregis EverTec is a ready to pack mailer option that is optimized for non-fragile items and the perfect complement to the EverTec Cushioned Mailer that has already prevented millions of pounds of mixed material waste from being landfilled.





Preserve

Preserving natural resources and the environment is core to our operations strategy. We focus on designing products and processes that contribute to a circular economy through end-to-end supply chain and manufacturing excellence.



GOAL: Zero Waste

Our strategy to achieve 100% product and process waste avoidance is built around the principles of the zero waste hierarchy.

By embedding zero waste principles into all of our manufacturing plants, distribution centers, and office locations – we prepare our operations to run efficiently, reduce the impact on the environment and help to enable a circular economy.



89% Landfill diversion rate

2022

Use Less, Waste Less!

Prevent: First, we focus on preventing waste through product, process, and packaging re-design. Examples of this include collaborating with suppliers to leverage returnable packaging as we do for many of our liquid based raw materials, or re-designing film rolls to optimal widths and lengths to fit our downstream converting processes.

Reduce: We reduce the waste generated by engineering our manufacturing processes to be as efficient as possible. Reducing production scrap is the name of the game and through our investments in new blown film and converting technologies, we've been able to significantly limit the waste generated as part of our normal operations. Examples include advanced visioning systems that detect variances in film gauge and alert operators to adjust the process before defects occur.

Reuse: Whenever possible, our goal is to re-use, re-purpose, or re-process our waste. In many cases, we can re-process materials that have been trimmed, tested or transitioned during equipment changeovers and put it back into our products. Through this form of "reclamation", we are internally recycling plastic waste. This diverts material from the landfill, eliminates the emissions associated with transportation to external recyclers, and helps meet the recycled content goals for our products.

Recycle: When we cannot internally re-process materials, our next best alternative is to partner with external recyclers. We have established an extensive network of recycling partners for paper and plastic waste that are able to re-process into valuable materials, which we are often able to purchase and re-incorporate into our products.

Recover: Composting food waste and other forms of industrially compostable packaging is a tactic that allows us to recover resources rather than dispose of them in the landfill. Where relevant and necessary, waste to energy is a final diversion tactic, however we aim to employ this practice only as a last resort.

Dispose: Our goal is to divert all of our solid waste from landfill or incineration.

Prevent

Reduce

Reuse

Recycle

Recover

Dispose

GOAL: Zero Waste

We have established a roadmap to achieve zero waste across all of our operations. We've implemented detailed tracking of all waste streams and are pursuing a multi-faceted approach to achieving 99% diversion from landfill and incineration, per ISO and SCS standards.

Facility spotlight: Pomona, CA

New re-processing equipment was installed in our Pomona, CA location in 2022. Over a seven-month period, our reclaim consumption rate increased by 400% providing a positive environmental and financial benefit as the disposal fees were significantly reduced.

2022 Zero Waste Impact



89%

of all waste was diverted from landfill



30%

increase in recycled plastic consumed



\$2MM

investment to install 4 new equipment assets to internally recycle plastic waste



For a business growing as rapidly as ours, reducing our environmental footprint means building smarter, working more efficiently, and investing in the technologies needed to achieve zero waste in our operations. We've expanded our plastics recycling capabilities and capacity, and increased our diversion rate, while building the next generation of manufacturing facilities that are designed for zero waste.



– Laurin Darnell, Chief Operating Officer

Circular Economy in Action: A spotlight on engineered foam

Engineered polyethylene foam might not be the first thing you think of when it comes to sustainable products. However, its ability to be precisely engineered for protection can practically eliminate damage risk, significantly increasing its sustainable benefits. In fact, engineered foam is one of the most robust and customizable methods of protecting items, and pure polyethylene remains a high-value material for recyclers when collected and recycled properly.

Making life easier for our customers is at the core of what we do. To make the recycling of leftover foam more accessible to our fabricator partners, we offer a Foam Densifier Program, which helps turn foam pieces into dense logs of pure polyethylene. This makes them more efficient to transport in mass, and more attractive to recyclers. Thanks to this process, recyclers can process the logs without additional work, thus completing the cycle with up to 20 times fewer trucks and no additional personnel.

Value Chain Benefits:

Through an internally conducted life cycle assessment (LCA), to evaluate environmental impact, including transportation and end-of-life processing, we were able to calculate a 170% reduction in annual greenhouse gas emissions for a fabricator partner through the foam densifier program. This reduction is equivalent to 335 metric tons per year – equaling the annual energy use of 42 average homes or 72 cars driven for one year.

170 percent reduction in greenhouse gases



The densification process turns **16 truckloads** of waste into **1 truckload** of desirable, recyclable material.



This is a densified polyethylene foam log. Once it is densified, the log is easily moved, stored and transported.

Most importantly, it's easier for a recycler to granulate.



GOAL: 25% Emissions Intensity Reduction

Net Zero is our north star. On the way to net zero, our goal is to reduce the greenhouse gas emissions intensity of our operations by 25% by 2030. This requires improvements within our own practices and partnering with other companies as we push forward on our journey to achieving net zero emissions by 2040.

In 2022, we saw an increase of 17.4% in total emissions across all 3 scopes. Growth in emissions was driven largely by the ramp up of production at the 8 new facilities opened in 2021 and the two opened in 2022.

In accordance with our commitment to net zero, we have expanded on our previous work measuring GHG emissions by partnering with Emitwise to help us improve data quality and outreach in this area. Through our work together, Pregis has been able to utilize our carbon accounting platform across all our segments and geographies of operation. We've moved from modeled figures for energy to direct meter readings across all sites, contributing again to improved data accuracy. Through the improvements in our reporting methodology and data accuracy, we've been able to interact directly with and source data from the various internal systems we have for purchasing (e.g., raw materials, capital goods, etc.), travel, energy, waste, and several others.

In 2021, we signed The Climate Pledge commitment to net zero by 2040, organized by Christiana Figueres and Jeff Bezos of Global Optimism and Amazon.

As one of the first 100 signatories, our goal of building a carbon neutral business to serve our customers and key stakeholders helped shape our 2K30 goals.

We believe that climate change demands urgent and universal action, and Pregis is proud to have signed The Climate Pledge. We stand with Global Optimism, Amazon and the other signatories of The Climate Pledge, in a commitment to being net zero carbon by 2040—ten years ahead of The Paris Agreement.

As a signatory of The Climate Pledge, we will:

- Measure and report greenhouse gas emissions on a regular basis.
- Implement decarbonization strategies in line with the Paris Agreement through real business change and innovations, including efficiency improvements, renewable energy, materials reductions, and other carbon emission elimination strategies.
- Take actions to neutralize any remaining emissions with additional, quantifiable, real, permanent, and socially beneficial offsets to achieve net zero annual carbon emissions by 2040.

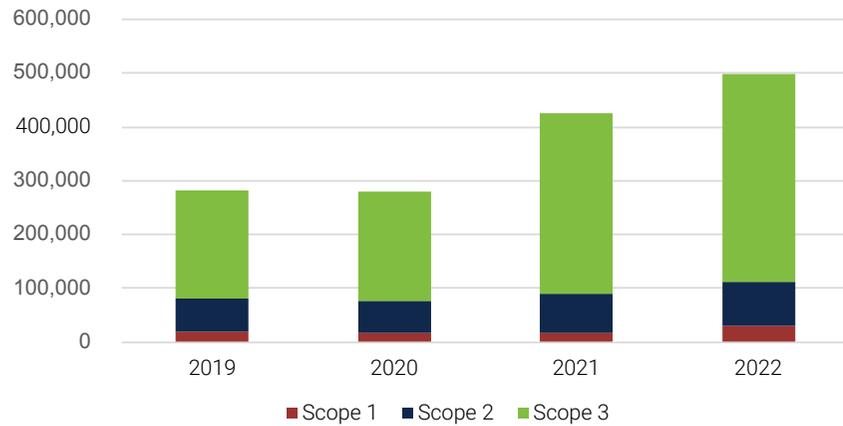


20.9%
emissions intensity reduction

(vs. 2019 baseline; scopes 1 and 2)

Emissions Results

Absolute Emissions in mtCO2e

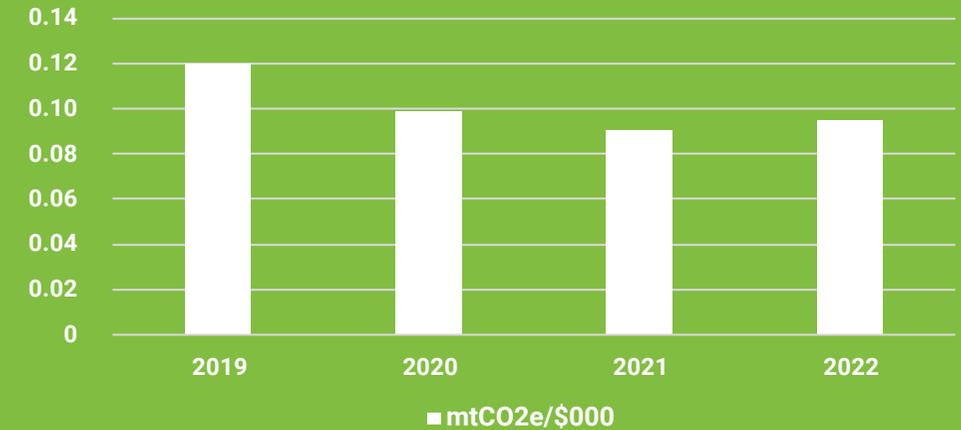


Absolute emissions:

Total emissions (scopes 1, 2, and 3) were 498,783 mtCO2e in 2022. Nearly 80% of our emissions reside in the value chain (scope 3) and are primarily driven by the raw materials and capital goods that we procure. Emissions grew by 73,786 mtCO2e in 2022, or 17.4% driven by the overall growth in our business.



Emissions Intensity from Operations



Emissions intensity:

Emissions intensity from operations*, as measured by mtCO2e per \$1,000 in revenue was 0.09, which was roughly flat to prior year.

Emissions intensity from operations was down 20.9% versus our baseline year (2019) driven by numerous projects aimed at increasing energy efficiency as well as the ramp of our state of the art blown film extrusion facility in South Carolina that was purpose-built to operate at industry leading efficiencies.

*Emissions intensity from operations is measured based on scopes 1 and 2 only.

Energy Decarbonization Approach

This year, we kicked off a decarbonization strategy project to identify capital projects for energy efficiency and on-site and off-site renewable energy options. We have identified \$4MM in capital investment for reducing our total energy consumption and scope 2 emissions.



**Electrify
our fleet**



**Electrify
our plants**



**Increase energy
efficiency in operations**



**Transition to
renewable energy**

GOAL: 100% Products – Recyclable, reusable or made from 30% reduced reliance on new fossil-based ingredients

We develop our products with the entire lifecycle in mind.

In 2022, 56% of our revenues were generated by products that were either reusable, recyclable, or compostable. Designing for circularity is a key principle in our new product development process.

Protecting our customers products is at the core of everything we do, but designing for circularity ensures that after our product has done its job, the impact on the environment is minimized.



In an effort to bring greater transparency across our industry, we've aligned our metrics to the Sustainability Accounting Standards Board (SASB) for Containers and Packaging.

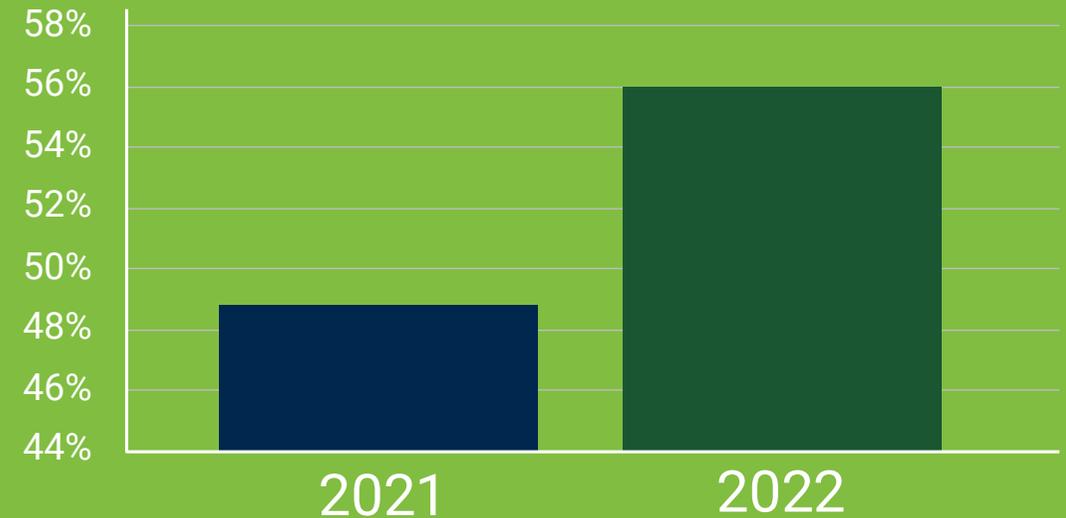
Pregis is conscious of aligning to global sustainability standards where possible, the Sustainability Accounting Standards Board (SASB) provides a high-level blueprint of how to disclose and track key sustainability metrics for different industries.

Given our company's operations and main focuses in this area on climate, waste, and circularity, we are beginning to disclose information relating to the SASB standard for the Containers & Packaging industry. Within this industry standard, we find the topic of product lifecycle management particularly relevant since much of our environmental impact relates to the physical packaging that we produce and sell.

As part of this topic, we have gathered and reported information on two particular metrics we think are most relevant for our work, these relate to:

- The revenue from products that are reusable, recyclable and/or compostable (SASB RT-CP-410a.1)
- The percentage of raw materials from recycled content, renewable resources, and renewable and recycled content (SASB RT-CP-410a.2)

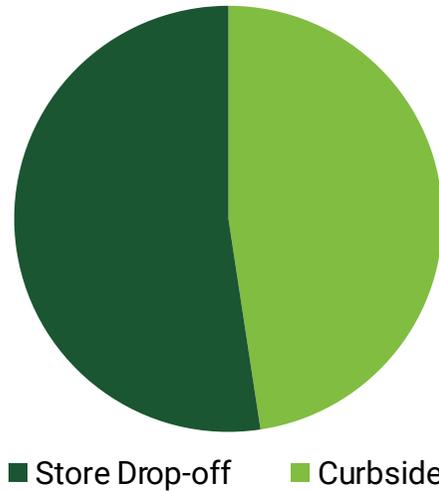
Revenue from products that are reusable, recyclable* and/or compostable



*Definition of recyclability: We utilize the FTC Green Guidelines to categorize products as recyclable if recycling facilities are available to at least 60% of the population.

Designed for Circularity

Breakdown of Recyclable Revenues*



Definition of recyclability: We utilize the FTC Green Guidelines of 60% access to categorize products as recyclable. While many of our products (i.e. polyethylene foam) are 'recycle ready' where infrastructure exists, we do not classify them as recyclable in this metric. All products noted as recyclable have been designated by the Sustainable Packaging Coalition as part of the How2Recycle program in accordance with FTC guidelines.

*While recycling acceptance at the curb is most commonly under local jurisdiction, the above breakdown indicates the general acceptance with FTC guidelines or similar international standards where applicable.

Consumer transparency and trust is paramount in everything we do.

Pregis utilizes How2Recycle® (H2R) label designation to provide clarity and help consumers make informed recycling choices, which is essential for enabling a circular economy.

By leveraging the How2Recycle labeling program, we are able to clearly indicate the recycling method for our relevant products. We have collaborated extensively with the Sustainable Packaging Coalition over the last several years, with more than half of our products carrying a H2R designated label.

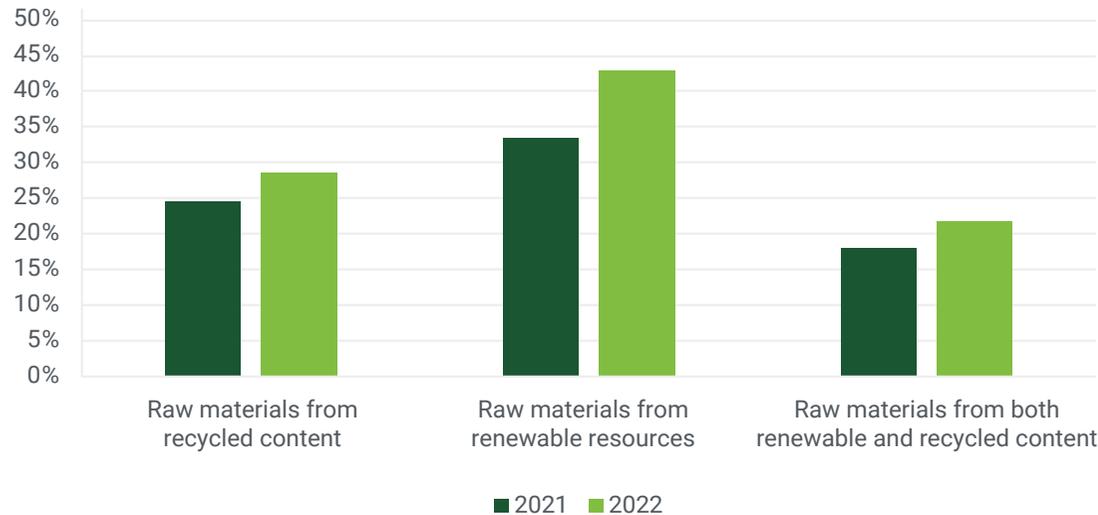
Our goal is for all materials to be widely accepted for curbside recycling. However, the infrastructure of today requires multiple recycling pathways, including curbside, store drop-off, and post-industrial re-processing.

We recognize that recycling is critical to reducing waste and protecting the environment. That is why we follow Design for a Circular Economy guidance from Circular Economy for Flexible Packaging (CEFLEX) and APR Design Guides from Association of Plastic Recyclers (APR) to optimize the design of our products in support of a circular economy.

Designed for Circularity: Sustainable Supply Chains

Strategically and effectively increasing the incorporation of recycled and renewable raw materials into our products.

Raw Materials by Source (%)



With nearly 80% of our emissions in scope 3, the products we put out into the world matter. We are focused on transitioning our raw materials to renewable resources, substituting virgin materials with recycled ones, and designing our products to enable a circular economy through recyclability, compostability, and reusability.

In 2022, 28.6% of the raw materials used to produce our products were derived from recycled content and 42.9% of raw materials consumed were from renewable resources.

Over the last two years, we've added more than 200 million pounds of paper converting capacity, to satisfy the growing market need for fiber-based solutions that deliver high performance but remain curbside recyclable.

In our plastic product lines, we are investing in the latest extrusion technologies that allow increased use of recycled resins. We received ISCC+ certification at three facilities for the incorporation of certified circular resins in our film-based products. Overall, we have been able to transition nearly half of all raw materials to either recycled and renewable content and we remain committed to driving this transition forward.



GOAL: Save 15M Trees from Harvest

Preserving natural resources is at the core of the Pregis Purpose.

As people and consumers, protecting trees from harvest is something we can all feel good about. Trees are vital to a healthy ecosystem and play an important part in combatting climate change through CO₂ absorption.

At Pregis, we use recycled paper in our products whenever possible. The Pregis Easypack® paper packaging line features 100% recycled paper.

Through our growing assortment of paper-based packaging solutions, we also focus on responsible sourcing and maintaining product integrity as we design fiber-based packaging solutions.

Pregis aligns with and sources from organizations that use ethical, sustainable sourcing for forestry practices and our operations adhere to chain of custody guidelines. We also thoroughly test our products to make sure the fiber composition of the materials provide the durability fit for the application.

Consumer demand for paper-based packaging continues to grow due to the ease of recycling. The key to a sustainable future is finding the perfect balance between material performance and selection to yield the lowest environmental impact.



595,916 trees saved in 2022

2.25M Trees from harvest (2019 - 2022)





Inspyre

People are the “y” in Inspyre. We inspyre people to do good for the world through education, industry advocacy, professional and personal development.



GOAL: Positive Impact on 25 Million Lives

The Y (or why) in Inspyre is all about people.

At Pregis, we are passionate about positively impacting the lives of people near and far. This belief is embedded in our company culture to create a positive environment for our employees, but it extends far beyond our walls.

The human element is vital to protecting our future – from environmental impact, to fostering education and contributing toward resolving issues such as food and water insecurities.

As a result, we have committed to positively impacting 25M lives by 2030. A lofty goal but one that our Pregis people are #inspyred to reach.



93,932 lives impacted in 2022

600K lives impacted (2019-2022)

As a company, Pregis is committed to help solve water and hunger insecurities through our philanthropic efforts. We also encourage our employees to make a positive impact on our local communities where we live and work. Through the efforts of our employees, customers and partners, we were able to positively impact 93,932 lives in 2022.



Impacting Lives: Philanthropy and community service

Clean Water and Sanitation

Uzima

Waterborne illnesses are among the leading causes of disease and death globally. However, access to clean water has other life-altering affects. It can prevent families, particularly women and children, from being empowered to work, go to school and build a better life for themselves. Recognizing the wide impacts of water insecurity, Pregis has partnered with Uzima, a non-profit organization that supplies life-changing water filters to communities that lack access to clean drinking water or have experienced natural disasters.

We donate a portion of all Inspyre brand product sales to Uzima. Pregis Inspyre™ solutions provides customers with packaging with a purpose – it helps positively impact lives and delights consumers. The Pregis solutions include a range of AirSpeed® HC Inspyre inflatable cushioning that is tinted water blue, EasyPack® Inspyre void fill tissue paper and Inspyre automated poly mailer.

73,441 lives impacted through our partnership with Uzima Clean Water Mission. In addition to the donations that are used to provide Uzima water filters to global communities, Pregis employees and customers have teamed up to assemble 602 sanitation kits that provided to areas sustaining natural disaster. In 2022, many of these kits were sent to Puerto Rico following Hurricane Fiona that displaced and destroyed so many homes.



73,441
lives
impacted



Clean water for **8-10**
people for **10 years**

Returns **\$250** of
economic impact

1% for the Planet Brand Member



Pregis Inspyre™ became a 1% for the Planet brand member in 2021.

The global organization inspires businesses and individuals to support environmental non-profits through membership and everyday actions.

They act as a third-party certification body that verifies organizations are channeling funds to reputable organizations that are making a true impact.

The 1% for the Planet logo helps consumers and organizations make conscious purchase decisions that are positive for the planet.

Learn more at onepercentfortheplanet.org.



In August 2022, we announced the expansion of our Inspyre product line with the new Inspyre Mailer. Our aim with this mailer is to amplify our contributions to help fight water insecurities in communities around the world.

Impacting Lives: Philanthropy and community service

Food Insecurities

Feeding America

Alongside the fight against water insecurity, Pregis is also committed to combatting food insecurity. In 2022, we challenged the industry to join in by visiting our booth at the Pack Expo show.

We donated \$1 to Feeding America for every badge scanned. For every \$1 donated, the organization is able to provide 10 meals to those in need. Our donation provided **20,000 meals!**



**20,000
meals**

Giving back is one way for us to show gratitude for the privilege of working with such outstanding team members, and we believe that working toward helping our communities thrive is paramount to sustained success.



Employee Involvement

Veteran's Fundraising:

- In partnership with the Pregis customer community, we raised **\$37,500 donated** to the Intrepid Fallen Heroes fund. The Intrepid Fallen Heroes Fund serves United States military personnel experiencing the invisible wounds of war such as traumatic brain injury (TBI) and post-traumatic stress (PTS).



Holiday Giving:

- The Pregis team in Bethel, PA participated in the Salvation Army Angel Tree Program which provides gifts to children ages 12 and under who may not otherwise receive a gift for the holidays. The Bethel Team came together to purchase **gifts for 25 children!**
- Pregis employees from our two Aurora, IL based facilities partnered to donate gifts for the 75th Anniversary for Toys for Tots annual toy drive. Together, over **50 toys** were collected and donated to the children in DuPage County (IL) for the holidays.
- The Pregis Granite Falls, NC team helped their local community and donated nearly **50 coats** to those in need.



Impacting Lives: Philanthropy and community service

Circular Great Lakes Community Cleanup Events

Pregis is a member of the Circular Great Lakes, a binational, collaborative initiative of the Council of the Great Lakes Region. This organization seeks to end plastic waste by closing the loop and accelerating a circular economy for plastics across the US and Canada region.

Several Pregis facilities surrounding the Great Lakes region participated in litter cleanups at local parks, rivers, and beaches near our plants that border one of the Great Lakes.

The participating plants that contributed to preserving our environment included:

- Michigan: Grand Rapids & Marysville
- Wisconsin: Sussex & Germantown
- Indiana: Plymouth
- Illinois: Aurora & Elk Grove Village
- New York: Glens Falls



Pregis introduced the ‘**Will Drennan Inspyring Achievement Award**’, recognizing Pregis team members that go above and beyond. Will Drennan, a Pregis employee, demonstrated selfless heroism in the face of immediate danger, instinctively jumping into action to save the life of another. In honor of this heroic act, Pregis will recognize team members that go above and beyond as memoriam to Will’s courage, service to others, his dedication to Pregis and most of all, as a parent.



Nominations for the Will Drennan “Inspyring Achievement” Award must demonstrate the following characteristics:

- Ambassador of the Pregis Purpose inside and outside of the company demonstrating voluntary acts of service
- Community involvement
- Leadership and mentoring of others
- Contributing to overall Pregis performance

I am truly honored to receive such an award. It is a meaningful and memorable achievement that will continue to motivate me to do more within my community.

Nick Hettich, Pregis Director of Strategic Accounts
2022 Inspyring Achievement Award recipient

Beyond Logistics:

Case Study: Pregis and 3PL Customer Connected Through Shared Purpose

Specializing in scalable pharma warehouse and transportation solutions, a Pregis 3PL customer is in the business of solving complex healthcare needs. Their client services approach is rooted in providing a hospitality experience that aims to exceed customer expectations.

With the help of their distribution partner, the company found an opportunity to extend this value-added approach to protective packaging by implementing Pregis AirSpeed® HC Inspyre into their operations. The high-pressure air cushioning solution not only reduced their packaging costs but also aligned with the company's white-glove service and corporate mission to improve the lives of people every day.

Giving Back – Charitable Contributions

By packaging with Pregis HC Inspyre, the 3PL customer is helping to fight water insecurities in communities worldwide. As a brand member of 1% for the Planet®, 1% of all Pregis Inspyre™ packaging sales go to the Uzima Clean Water Mission. Uzima non-profit provides life-changing water filters to communities facing water scarcity. They dedicate every day to eradicating waterborne disease, improving economic conditions, advancing gender equality, and improving the quality of life among the world's most vulnerable communities.

Through the use of HC Inspyre packaging, the 3PL company has provided over 8,628 people in need access to clean drinking water in 2022.



A large part of our corporate culture is centered around the belief that what we do everyday matters. Recognizing the greater impact each part of our business brings to our value is critical. HC Inspyre seamlessly fits into our culture as it gives additional purpose to our packaging materials.



– Operations Manager

GOAL: Invest \$15 million in circular, scalable and sustainable material, process, and waste solutions globally

At Pregis, we're committed to advancing the transition towards a circular economy. We are proud to say that we have more than surpassed our 2K30 investment goal as we commercialized and scaled new sustainable product solutions that enable a more circular world.

Since formalizing our 2K30 goals in 2019, we have also invested \$3 million dollars in new capital equipment to enable recycling of plastic waste. These investments create the capabilities and capacity needed to not only divert waste from the landfill, but turn waste into value, and satisfy the growing demand for recycled content in our products.



In 2022, we invested \$2MM in additional recycling and infrastructure:

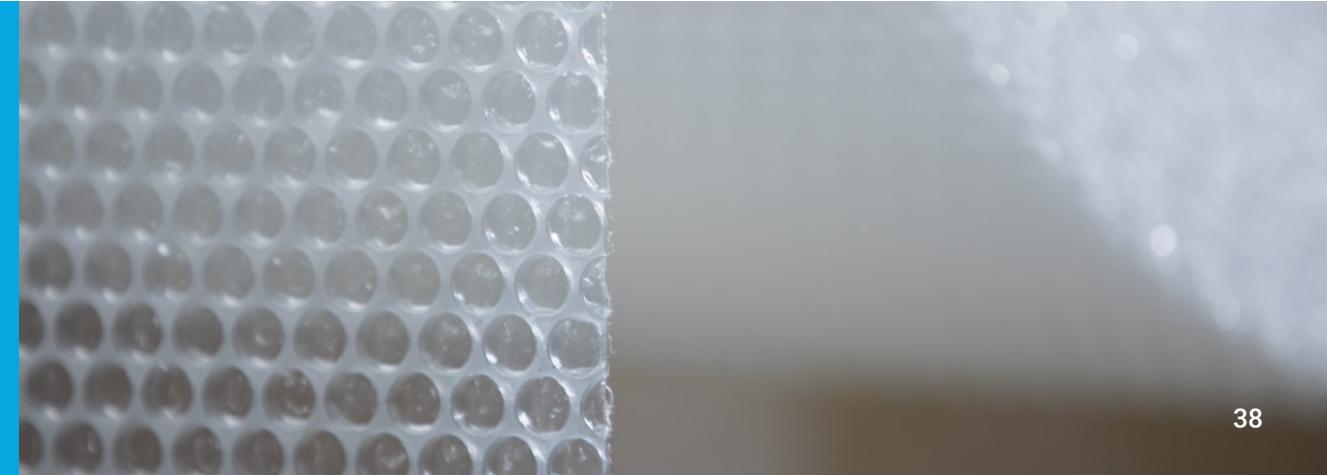
- New, state of the art recycling systems in Grand Rapids, MI and Anderson, SC provide additional capacity to recycle 100% of plastic waste generated in each site
- New large format foam recycling system in Marysville, MI more than doubles the plastic recycling capacity at that facility and enables the take-back and processing of densified foam materials from customers
- Production waste recycling systems in Pomona, CA and Garland, TX enable the reclamation and re-processing of production trim

We will continue to invest in the circular technologies, processes and sustainable solutions that help Pregis and our customers make progress along our industry's sustainability journey.



100%
complete

>\$15MM invested since 2019



Looking After Our People

Diversity, Equality, and Inclusion

It is important to us that we foster inclusive work environments where all our team members feel accepted and valued. At the end of 2021, we launched a partnership with Circa to increase our focus on diversity outreach and to leverage their vast jobs board network of 600+ domains and 200+ diversity sites to optimize our job distribution.

This partnership will help us ensure that our workforce is representative of the communities in which we operate. We will continue to develop our policies and programs to drive action on diversity issues.

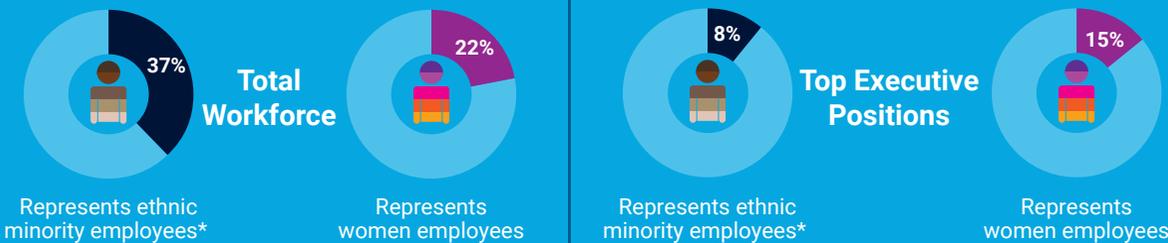
Employee Resource Groups

The **Veteran's Employee Resource Group** promotes the hiring of talented service men and women, provides transition support once hired, encourages unity and collaboration across the Pregis family and creates opportunities to serve others.

The mission of the **Women's Employee Resource Group** is to help create an inclusive environment that supports and encourages women to advance their skills and leadership potential through connection, mentorship, collaboration, and discussion.

Human Rights

Pregis continues to monitor and enforce compliance with all human rights directives and laws. In 2022, we updated our Supplier Code of Conduct to include sustainability related policies and best practices, which all suppliers must review and sign. This includes focus on prohibition of forced labor, prohibition of child labor, non-discrimination & respect for employees, working hours/wages/benefits for employees relative to geographic location, health & safety of employees, grievance mechanisms, fair operating practices, anti-trust compliance, anti-money laundering, data privacy and responsible sourcing.



2022: each ERG had 18 members
2023: membership doubled



*Data does not include temporary, seasonal, or contract employees. In addition, race and ethnicity data reflected for employees located in North America.

Health & Safety

Pregis is committed to providing a safe and healthy work environment for our employees.

We have designed an internal Pregis safety program that is aligned to recognized standards such as ISO 45001, and that engages employees on all levels throughout the organization. The “7 Elements of Safety” program focuses on employee training compliance, procedural reviews, cross-functional auditing and the overall wellbeing of all employees. All Pregis locations have adopted this program.

Our goal is zero harm and we regularly track health and safety metrics. Our health and safety training is periodically reevaluated and updated and we actively monitor upcoming regulations and standards to maintain compliance and align with industry best practices.

Lost time injury (LTI) rates for direct workforce

<u>Frequency rate</u>	<u>Severity rate</u>
2022 = 1.28	2022 = 0.76

7 Elements of Safety:

- 1 **Culture:** Instill employee ownership in creating a safe workplace for all
- 2 **Hazard recognition:** Employees identify and eliminate workplace hazards to yield sustained improvements
- 3 **Resourcing:** Ensuring adequate time and resources are provided to employees to support risk reduction activities
- 4 **Communication:** Provide constant, transparent communication and KPI visibility for stakeholders
- 5 **Safety teams:** Designate employees empowered to advance our safety culture
- 6 **Health & wellness:** Promote healthy lifestyle choices to improve work and home balance
- 7 **Environmental sustainability:** Proactively work to reduce the company’s environmental footprint

Learning & Development

We are committed to providing a rewarding work environment for our employees that enables them to continuously develop their skillsets and advance their careers.

Over the course of 2022, our team members were provided on **average 82 training hours per employee** via Catalyst online courses and in person workshops.

Inspyre Scholarship

As part of our commitment to the professional development of employees and their families, the Pregis Inspyre Scholarship program awards funds that go toward higher education. The scholarships help defray the costs of tuition, books, and other fees. In 2022, four Pregis employees were awarded scholarships and six employee dependents received funds toward their continued education.



Shield: represents our core pillar of protect. We protect not only products but people, treating our colleagues and community with integrity and respect.



Leaves: represent oxygen and growth. Pregis supports our people with the tools and stepping stones to reach full potential.



Person: represents our dedication to our people. Our greatest asset is our talented associates and partners.



Heart: represents our care and commitment to each individual's personal and professional development path.



82
training hours
per employee

Learning & Development

Pregis actively engages with several universities and other academic institutions to offer opportunities for students studying packaging science, engineering and other relevant subjects.

For Pregis, this has widened our employee pool with new bright minds, while students have had the opportunity to put their theoretical knowledge into practice.

University partners with a focus on packaging:

- Clemson University
- Michigan State University
- University of Wisconsin – Stout
- California Polytechnic State University

Sustainable packaging roles:

- Ecommerce & Sustainability Co-op position
- Sustainable Packaging Engineer Co-op position



I'm so very impressed with Pregis, as a company and as a partner! Pregis is a special place and is credible in what it values. I've been telling students for years that the Pregis co-op assignment is one of the very best and most coveted in the program.

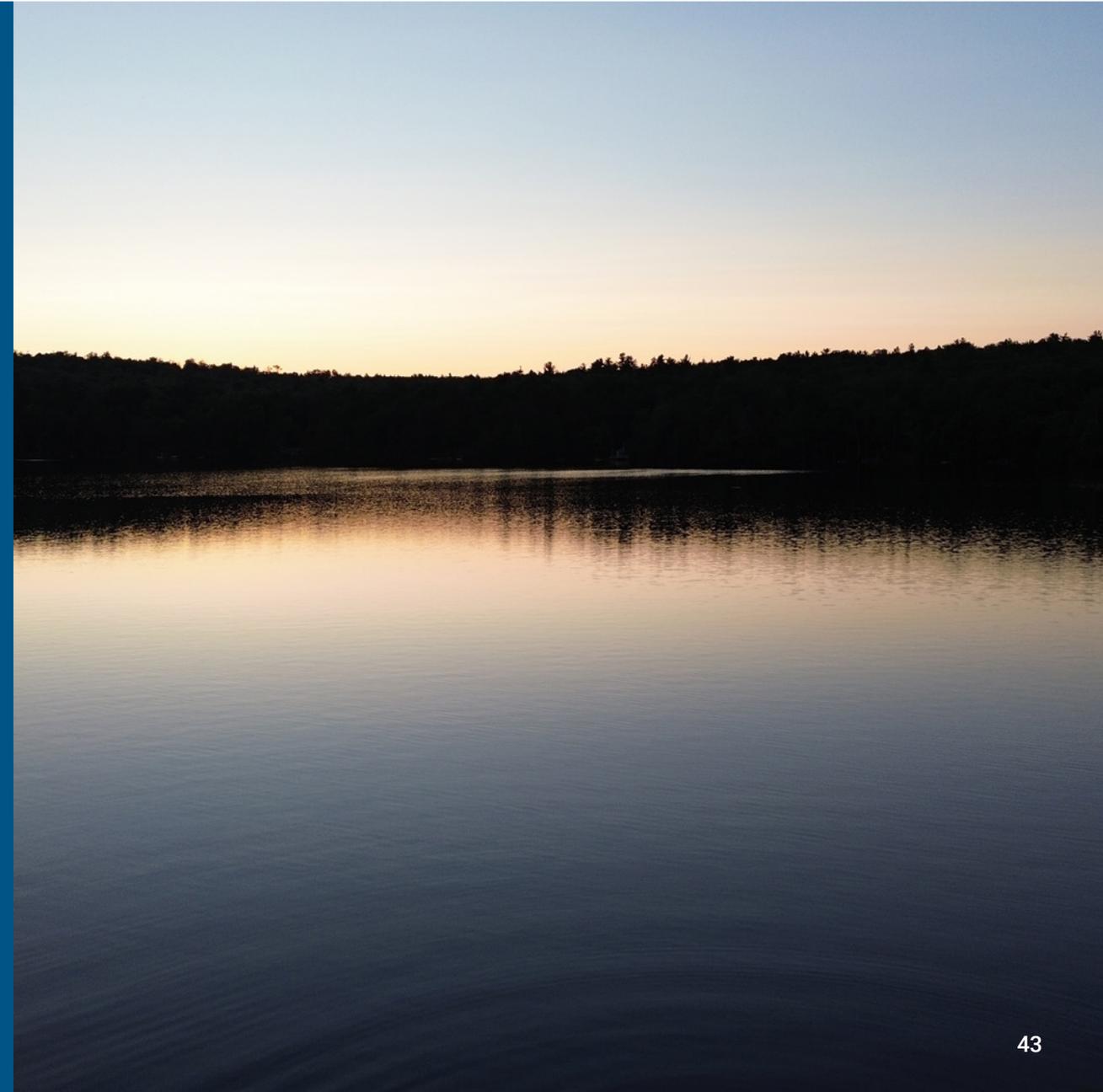
Dr. Jeffrey F. Neal
 Director, Cooperative Education Program
 Clemson University

I'm grateful for the transformative experience I had as an Ecommerce & Sustainability co-op at Pregis. The opportunity to collaborate with industry leaders and apply packaging knowledge learned at Clemson to a diverse set of real-world applications has been truly enriching.

Pregis provided an immersive opportunity to diversify my skills, embrace new ideas, and apply my learning to make a positive impact with our key customers. Now, I'm employed full time with Pregis as a client advocate helping our largest ecommerce customers meet their demanding goals and work together toward a more sustainable future for ecommerce packaging.

Jack Madsen
 Pregis Ecommerce & Sustainability Co-Op
 January - June 2021 Current Pregis Client Advocate

| Beyond Pregis



Stakeholder Engagement

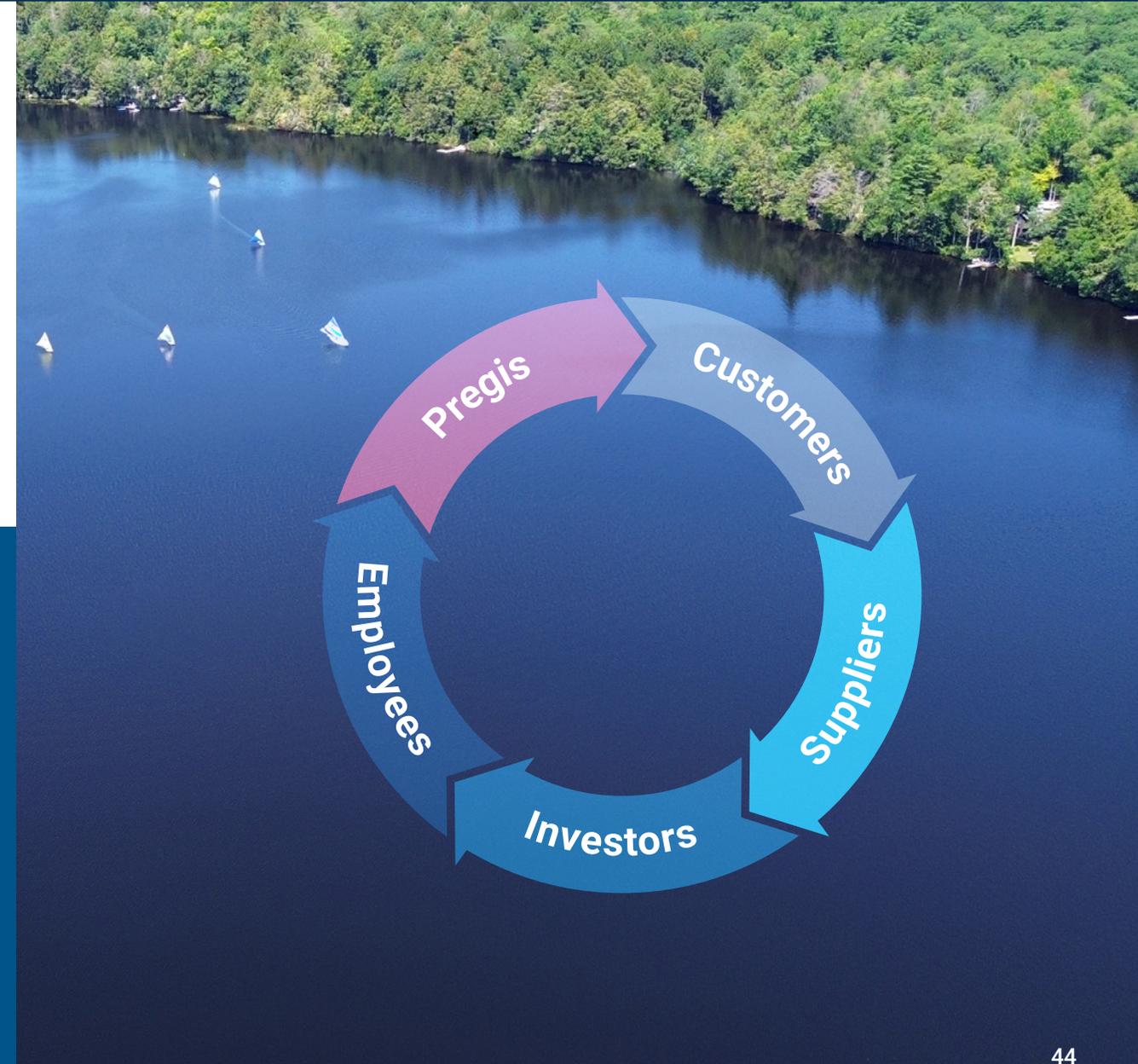
Pregis plays an important role in building a sustainable value chain that creates positive outcomes for many stakeholder groups. As a progressive organization with a commitment to sustainability, Pregis is an advocate for sustainable business practices that are attainable to demonstrate that every person and business can be part of the solution.

Working Across the Value Chain

No one company can drive change across the value chain alone. What's been so special about these industry partnerships is the diverse set of industry talent it brings together.

We've been able to deepen partnerships with other member organizations that share our commitment to purpose-driven innovation.

– Kevin Baudhuin, Chairman & CEO



Customers

The 2022 Pregis Purpose Awards recognized 114 of our channel partners and customers who share our commitment to sustainability initiatives, corporate stewardship, and community improvement. The awards are based on 2022 product sales.

Pregis Inspyre Award: Celebrates lives changed by Inspyre Clean Water partnership.

Pregis Preserve Award: Celebrates trees saved by EasyPack 100% recycled paper.

Pregis Renew Award: Celebrates carbon emissions reduced by PolyPlank Renew.



With the rapid rise in demand for sustainable packaging solutions, it is crucial that our commercial teams possess the ability to comprehend and effectively convey sustainability terminology, trends, and the impact of materials. Most importantly, they need to harness the power of sustainability to identify and address our customers' needs, ultimately gaining a competitive edge in the market. Through our comprehensive Sustainability Training program, we empower our sales force with the essential knowledge and skills to become the leading solutions provider that sets the benchmark for excellence in the industry.



Eva Caspary, PhD: Pregis Sustainable Packaging Specialist

Customer Spotlight: Walmart Recognition – Project Gigaton

Project Gigaton™ is an initiative announced by Walmart in April 2017 which aims to inspire suppliers to reduce upstream and downstream (beyond-the-shelf) greenhouse gas (GHG) emissions from the global value chain. Specifically, the goal of Project Gigaton™ is to avoid one billion metric tons, or one gigaton, of CO₂ emissions from global value chains by 2030.

One gigaton is the equivalent of the emissions from 215 million gasoline-powered vehicles driven for one year, according to the Environmental Protection Agency's greenhouse gas equivalency calculator.

Project Gigaton™ is the Scope 3 component of Walmart's science-based emission reduction target, which was announced in November 2016. As part of this science-based target, Walmart has also set a goal to reduce Scope 1 and 2 absolute emissions within their operations by 35% by 2025 and 65% by 2040 (compared to 2015 levels).

In 2022, we achieved Giga-Guru status, placing us in the top 30% of Walmart Suppliers, with 1,573 giga gurus out of 5,315 total suppliers.



In 2022, Pregis achieved Giga-Guru status by meeting these requirements:

- **SMART Goal in 3+ pillars or science based target**
- **Report impact in 3+ pillars**

Suppliers

Code of conduct

Pregis operates a strict supplier code of conduct. This defines the basic requirements placed upon all suppliers and third-party intermediaries concerning their operations and relations with Pregis.

All suppliers and third-party intermediaries must operate a strict avoidance of any and all human rights and labor practices law infringements, including prohibition of forced and child labor, non-discrimination, and health and safety practices.

Supply chain governance

We have notified all companies in our supply chain of their need to comply with our code of conduct, establishing basic guidelines for labor and human rights, protections against child and forced labor, and mineral rights and sustainable/responsible procurement.

We have performed supplier audits for 100% of suppliers in identified high risk countries, and deployed policies on anti-corruption, sustainable procurement, conflict of interest where relevant.

Training

- 100% of internal buyers completed sustainable procurement training
- 82% of employees completed conflict of interest and anti-corruption training



Value Chain Partnerships: Stronger together

Pregis and NOVA Chemicals Deliver a Sustainable Packaging Solution Designed for Food Applications

The Pregis film structure, manufactured with Nova Chemical's SYNDIGO™ rPE-0860-FC recycled polyethylene resin, delivers on the market need for high-quality, food-safe recycled content solutions without compromising on performance.

This solution goes beyond the FDA-LNO (letter of non-objection) to provide packaging converters, and consumer packaged goods companies, with a mechanically recycled content film that offers unmatched safety and quality.

The outcome of this joint development effort is a sustainable solution that delivers on film clarity, printability, and processing performance.

Pregis & Printpack Collaborate to Offer the Preserve™ PE Certified Circular Content Polyethylene Pouch

This first-of-its-kind packaging solution helps expand the range of primary packaging that can include certified circular content while maintaining product performance.

This collaboration brings together the expertise to support brand owner commitments to use packaging that is recyclable and provides an extensive operational range for stand-up pouch packaging equipment, allowing for greater flexibility and efficiency during the packaging process. The new pouch meets the prequalification requirements for the How2Recycle® Store Drop-off label and meets the Association of Plastic Recyclers (APR) Design Guidelines for Flexible Packaging.



Industry Advocacy and Partnerships

Pregis is aligned with leading organizations that provide industry standards, best practices, and education. They help us make fact-based decisions in pursuit of achieving our purpose to Protect, Preserve & Inspyre.

Carbon footprint: Pregis is committed to reducing and balancing the carbon footprint of our operations. We have aligned with organizations at the forefront of this topic to enable us to adapt our operations for the greatest impact. We are a signatory to The Climate Pledge and have engaged with Emitwise, a third party carbon accounting platform.



Product design standards: As part of our mission to design our products for circularity, we are members of organizations setting the standards for our products. These include the Association of Plastic Recyclers (APR) and Circular Economy for Flexible Packaging (CEFLEX).



Package design, testing & environmental assessments: Being experts in package design is a responsibility we take very seriously. We stay up to date with trends and regulations and engage with the most relevant standards, certifications and tools that help us deliver the best customer experience. These include International Safe Transit Association (ISTA), FedEx Testing Standards, Amazon Packaging Support and Supplier Network (APASS) and COMPASS Life Cycle Assessment (LCA).



Product end-of-life: Transitioning towards circularity requires industry-wide cooperation as we need to establish new infrastructure for plastic waste recovery and develop innovative solutions for more efficient plastic recycling. Pregis is an active member of the cross-value chain initiative Alliance to End Plastic Waste (AEPW) with our CEO chairing the audit committee, and Council of the Great Lakes Region (CGLR).



Supply chain: Sustainable sourcing is a critical component of a greener future. Pregis aligns with and sources from organizations that use ethical, sustainable sourcing for forestry practices and our operations adhere to the chain of custody guidelines. These include International Sustainability and Carbon Certification (ISCC), Forest Stewardship Council (FSC®), Sustainable Forestry Initiative (SFI®) and the Programme for the Endorsement of Forest Certification (PEFC).



Industry education & advocacy: Making significant industry change requires voices from across the value chain. Pregis collaborates with a range of organizations on sustainable improvements. These include Sustainable Packaging Coalition (SPC), the American Chemistry Council (ACC), Ameripen and the Flexible Packaging Association (FPA).



Giving back: Pregis partners with charitable organizations that share our passion to drive positive change in the world through verified philanthropic programs. These include Uzima and 1% for the Planet.



| Governance



Responsible Management

Pregis prioritizes ethics, integrity and lawful conduct to protect our global business and reputation.

Every Pregis employee, regardless of position or area of responsibility, is responsible for upholding our business principles and maintaining the highest ethical standards in their daily activities and for seeking help when the proper course of action is unclear.

In 2022, we expanded our internal governance team. We appointed a Chief Sustainability Officer, defined our formal management system, and developed road maps to achieve our long-term goals.

For more information on our Pregis Purpose or questions about our policies, procedures, and ESG reporting, email pregisriskmgmt@pregis.com.



Board of Directors

Warburg Pincus

Ultimate oversight of sustainability strategy, ESG program, and performance

Detailed review of performance against all key metrics in quarterly BOD meeting

Additional support from the Head of Sustainability Strategy at Warburg Pincus

Executive Leadership Team

Led by CEO

Detailed review of performance against all key metrics in dedicated monthly meeting, led by CSO

Owners of delivering against 2K30 goals and over-arching sustainability roadmap

Global Sustainability Team

Led by CSO

Defines and develops the roadmap to achieve our long-term objectives

Partners with functional departments and business units to execute projects and initiatives

The ESG Committee

In order to ensure that environmental, social, and governance (ESG) considerations are fully integrated into our business strategy, we formalized the ESG committee in 2021.

The committee is empowered by Pregis to create policy processes, oversee the identification of business risks and develop appropriate mitigation and adaptation strategies. The committee regularly reports to the executive management team and sustainability issues thereby guide and inform our business plan development, budgeting, and acquisition and divestiture decisions.

Our commitment to continuously improve our ESG performance helps us increase the resilience of our business in the face of a changing climate and better insulate for any potential economic shocks. Taking a proactive approach towards ESG matters enables Pregis to stay ahead of regulatory obligations, develop ambitious sustainability initiatives and position ourselves for growth so that we can continue to demonstrate market leadership for years to come.

Notable Accomplishments:



Performed an updated risk assessment matrix leveraging the insights from the Pregis materiality assessment



Implemented formal policies and training for corruption, bribery, and non-competitive business practices



Performed an assessment of high-risk countries and suppliers, and conducted training for 100% of procurement staff on evaluating of supplier risks



Enacted a supplier code of conduct



Implemented company-wide cyber security policies and training



Completed EcoVadis sustainability rating submission for governance structure and framework. Received Silver and Bronze status for European and North American businesses, respectively

Risk Management

Our risk management process includes an annual formal assessment, covering physical, climate, cybersecurity, and business risks.

Each year, we undertake a comprehensive evaluation of business interruption risks and contingency plans due to natural disasters, civil unrest, pandemics, cybersecurity breaches or malware, and other significant risks to business continuity. This assessment also includes evaluation of risks related to health and safety, employee and labor issues, economic and civil risks, and regulatory risks.

The findings of these evaluations are reported to our Chief Financial Officer, with all material issues relayed to the Board of Directors. Once the findings have been assessed and material issues identified, a clear strategy is put in place to mitigate and minimize any potential risks.

Cybersecurity

For any business reliant on internet-connected systems, cybersecurity measures are essential. To protect ourselves, our suppliers, and our customers, we have devised a robust cybersecurity process.

- 1. Cyber Risk Management** – framework established based on risk assessment standards established by the National Institute of Standards and Technology (NIST)
- 2. Cyber Protection** – embrace a “zero trust” security model enabled by multi-faceted technologies
- 3. Cyber Training** – 100% of FTEs completing monthly cyber security awareness training



| Appendix



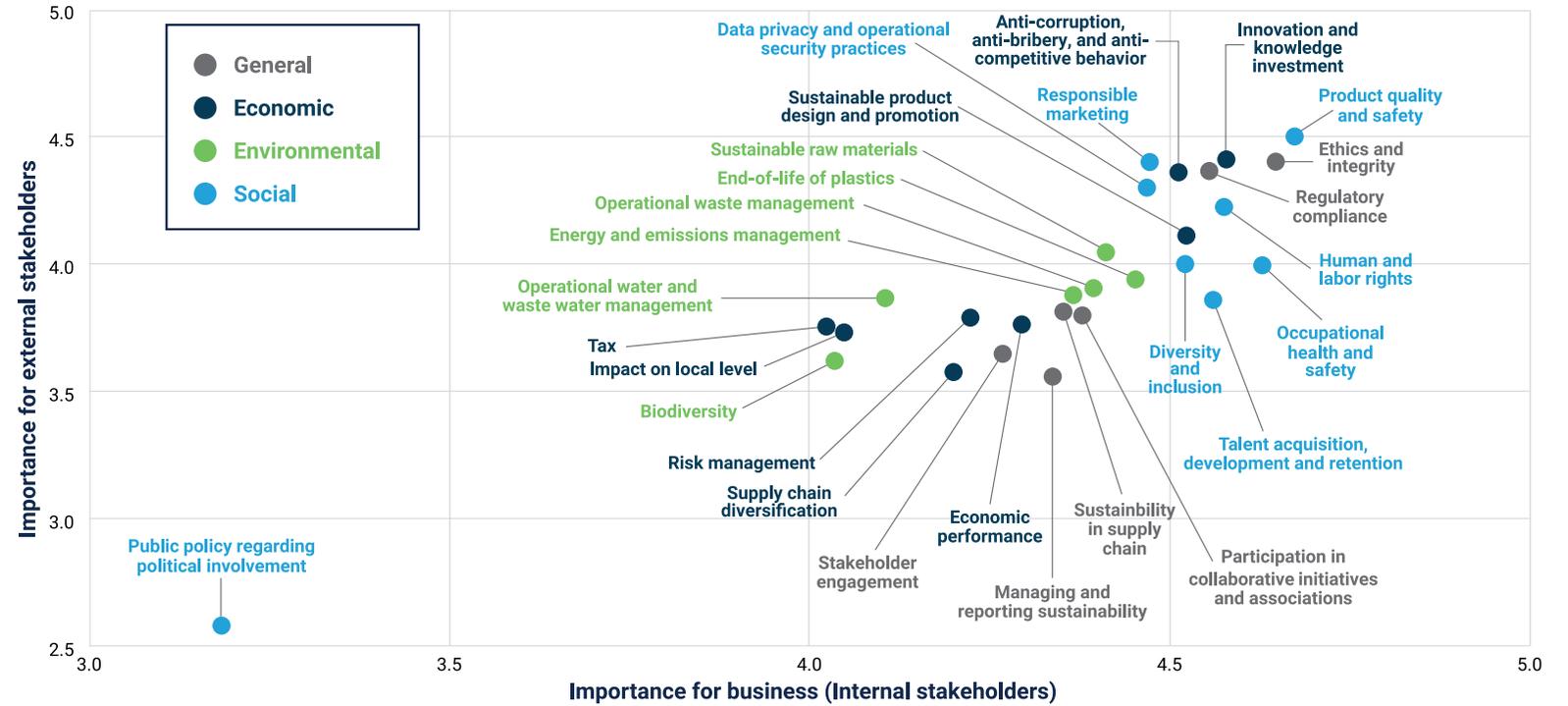
Materiality Survey

To support our first ESG report and help Pregis set a more sustainable direction going forward, we commissioned a materiality assessment report from environmental issues consultancy, Ecomatters.

The materiality assessment survey uses the Global Reporting Initiative (GRI) framework to assess the importance of Pregis’s ESG initiatives to internal and external stakeholders. These stakeholders include employees, vendors, distributors, suppliers, investors, and customers, in accordance with the guidelines offered by GRI.

The Pregis Materiality Assessment was conducted in November and December 2020, polling 441 stakeholders, of which 344 responded. These were broken down between 189 internal stakeholders (55% of responses) and 155 external stakeholders (45% of responses).

By going directly to our stakeholders and using a standardized reporting framework, Pregis can track its annual impact – ensuring our Pregis Promise is aligned with what is important to the people we work for, and holding ourselves accountable for accomplishing the goals we set out to achieve.



Key Takeaways:

Economic: There’s a shared preference for innovation, anti-corruption, anti-bribery and anti-competitive behavior, and sustainable product design across all stakeholder groups.

Environmental: Both internal and external stakeholders value sustainable raw materials and the end-of-life of plastics. External stakeholders find operational environmental impacts important too.

Social: Product safety, responsible marketing, labor rights and data protections are important to external stakeholders, while occupational safety ranks high amongst internal stakeholders.

Consolidated Performance Metrics

	2019	2020	2021	2022	
Climate	Absolute Emissions* (mtCO2e)				
	Scope 1 GHG Emissions	18,625	16,352	17,294	31,522
	Scope 2 GHG Emissions	62,164	60,343	72,011	80,152
	Scope 3 GHG Emissions	201,074	204,191	335,692	387,109
	Total GHG Emissions (all scopes)	281,863	280,885	424,997	498,783
	Emissions Intensity (mtCO2e/\$000 revenue)				
GHG Emissions Intensity (scopes 1 and 2)	0.12	0.10	0.09	0.09	
Waste	Waste Generation and Landfill Diversion (metric tons)				
	Total Waste Generated	-	-	-	24,132
	Total Hazardous Waste Generated	-	-	-	11
	Waste to Landfill	-	-	-	3,022
	Waste Diverted from Landfill	-	-	-	21,110
	Diversion Rate	-	-	-	87.5%
Product Lifecycle	Raw Material Sourcing (SASB RT-CP-410a.1)				
	Raw materials from recycled content	-	-	24.6%	28.6%
	Raw materials from renewable sources	-	-	33.5%	42.9%
	Raw materials from renewable and recycled content	-	-	18%	21.8%
	Product Revenues by End-of-Life (SASB RT-CP-410a.2)				
	Revenue from reusable products	-	-	0.2%	0.2%
	Revenue from recyclable products	-	-	48.6%	55.8%
Revenue from compostable products	-	-	6.8%	10.8%	
Health & Safety	Total Recordable Incident Rate (TRIR)	-	1.4	1.5	1.3
	Days Away Restricted or Transferred Duty (DART)	-	0.9	0.6	0.8
Diversity, Equity, And Inclusion	Total Employees** (as of 12/31)				
	Representation of ethnic minority employees in total workforce [^]	27%	26%	34%	37%
	Representation of ethnic minority employees in top executive positions [^]	0%	9%	8%	8%
	Representation of women in total workforce	-	-	22%	22%
	Representation of women in top executive positions	18%	17%	15%	15%
Learning & Development	Average hours of training per employee	-	-	21	82

* Emissions calculated following the guidelines set forth in the GHG Protocol and leveraging the Emitwise carbon accounting platform.

** Data does not include temporary, seasonal, or contract employees. In addition, race and ethnicity data reflected for employees located in North America.

NOTE: Performance against specific metrics were initiated at different times. Years without formal tracking are indicated with a dash (-).

GRI Index

Pregis has reported the information cited in this GRI content index for the period Jan-Dec 2022 with reference to the GRI Standards.

GRI Standard	Disclosure	Page Number(s)
GRI 2: General Disclosures 2021	2-1 Organizational details	7
	2-3 Reporting period, frequency and contact point	1, 51
	2-9 Governance structure and composition.....	51
	2-12 Role of the highest governance body in overseeing the management of impacts.....	51
	2-14 Role of the highest governance body in sustainability reporting.....	51
	2-22 Statement on sustainable development strategy	3
	2-23 Policy commitments.....	49
	2-28 Membership associations	49
	2-29 Approach to stakeholder engagement.....	44-47
GRI 3: Disclosures on material topics	3-1 Process to determine material topics.....	55
	3-2 List of material topics	55
	3-3 Management of material topics	55
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed.....	7
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	26, 56
	305-2 Energy indirect (Scope 2) GHG emissions	26, 56
	305-3 Other indirect (Scope 3) GHG emissions.....	26, 56
	305-4 GHG emissions intensity	26, 56
	305-5 Reduction of GHG emissions	26
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts.....	22-24
	306-2 Management of significant waste related impacts.....	22-24
	306-3 Waste generated	56
	306-4 Waste diverted from disposal.....	56
	306-5 Waste directed to disposal.....	56
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system.....	40
	403-2 Hazard identification, risk assessment, and incident investigation	40
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	41
	404-2 Programs for upgrading employee skills and transition assistance programs	41-42

SASB Index

We have used the Sustainability Accounting Standards Board (SASB) Index standards for the Containers and Packaging industry to guide parts of our reporting, the details of which can be found in this table:

Topic	Code	Accounting Metric	UoM	Page Number
Greenhouse Gas Emissions	RT-CP-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Metric tons (t) CO-e	26, 56
	RT-CP-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	n/a	25-27
Waste Management	RT-CP-150a.1	Amount of hazardous waste generated, percentage recycled	Metric tons (t)	56
Product Lifecycle Management	RT-CP-410a.1	Percentage of raw materials from: (1) recycled content, (2) renewable resources, and (3) renewable and recycled content	Percentage (%) by weight	30-31, 56
	RT-CP-410a.2	Revenue from products that are reusable, recyclable, and/or compostable	Reporting Currency	28-29, 56
	RT-CP-410a.3	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	n/a	20, 28-31

About this Report

Unless otherwise stated, the data presented in this report relates to the performance of Pregis LLC and its subsidiaries during the 2022 fiscal year (January 1, 2022 to December 31, 2022). This report contains forward-looking statements based on current expectations and assumptions that involve risks and uncertainties. Forward-looking statements are subject to risks and uncertainties, many of which are beyond the control of Pregis, and which could cause actual results to differ materially. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including, but not limited to, any statements regarding projections of future achievements or progress towards business or sustainability goals, any statements of the plans, strategies, and objectives of management for future

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