

Pregis 2021 ESG Report

Environmental, Social, and Governance

Unpacking the future

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Letter From The CEO

At Pregis, our mission is to Protect, Preserve and Inspyre. Our Purpose has shaped our 2K30 goals, which represent our unwavering commitment to building a more sustainable future. In order to bring our vision to life, we are harnessing the collective power of our business, employees and customers to drive tangible, meaningful results across the value chain.

Our 2K30 goals represent a bold plan to lead the industry into a more sustainable future, by focusing our employees, organization, and customers on achieving tangible, meaningful sustainability goals.

The goal is to help tackle the global waste challenge by driving systemic improvements with sustainable, circular, scalable technology. We are focused on increasing recycled content into our materials, designing for optimal recyclability and performance while using the minimal

amount of virgin material. It is critical that we strike the right balance of minimal material impact with proper protection for each application to prevent damage and waste.

As a visible consumer medium, packaging provides the platform to drive change. By exploring new technologies, we are working towards creating packaging solutions that are more environmentally friendly and adhere to the circular economy principles. Net-zero is our north star and all initiatives will move us in this direction. The journey to 2030 will be an accelerated period of transformation for our company, industry, and the world we share. The future outlook is exciting.

I am proud of our company's efforts. We are committed to "Inspiring" ourselves and others to take action.



Kevin Baudhuin, CEO




2021 Year in Review

2021 was a record year for Pregis product sales with sustainable attributes including the Renew™ product series, curbside recycle solutions, as well as the philanthropic portfolio branded as the Pregis Inspyre™ line. The company experienced 40% revenue increases year over year for these product lines.

As consumer demand for environmental and socially conscious supply options increases, Pregis is well positioned to supply brand owners with the solutions that meet their goals, while also supporting overall business health by protecting profits and customer lifetime value.

Key accomplishments

 <p>8 new facilities opened to support growth</p>	 <p>3 new products commercialized contributing to Preserve goal</p>
 <p>1 acquisition completed</p>	 <p>211,225 lives impacted</p>
 <p>647,569 trees saved</p>	 <p>40%+ YOY revenue increase in sustainable & philanthropic product lines</p>
 <p>43,776 reships prevented</p>	 <p>30% increase in full time equivalent team members (FTEs) (2021 vs 2020)</p>
 <p>25 million tons of mixed material waste diverted from landfill</p>	

For Pregis, 2021 experienced the realization of strategic growth plans as evidenced by the opening of eight new facilities, completing one acquisition while navigating the post-COVID environment.

Meeting customer demands remained at the forefront of the company's investment strategy. As customers and decision makers were faced with the challenges of labor tightness, increased volume demands, supply chain instability and growing sustainability concerns, Pregis quickly scaled to offer greater capacity across a balanced portfolio of paper and plastics materials, advancements in integrated systems and a stronger geographic footprint to solidify source of supply and provide peace of mind.

In North America, we launched:

- Three facilities scaling production of curbside recyclable mailer in North America (an additional site has opened in 2022).
- A world-class manufacturing facility dedicated to performance flexibles and engineering sustainable films (recycled content, recyclable and non-fossil fuel inputs) for food/medical grade applications that protect against food waste and meet heightened safety needs in medical supply chains.
- Two facilities focused on automated mailing and bagging systems to meet growing demand for solutions that alleviate labor constraints.
- New location bringing us closer our customer base to reduce freight burden and improve customer experience.
- Additionally, our acquisition activity expanded our paper converting capabilities to bolster the paper supply chain.

In Europe, expanded our paper converting capabilities with a new facility opened in Born, Netherlands to supply 100% recycled paper solutions to the European market.

About Pregis





About Us

For over 50 years, Pregis has been solving our customers' toughest business challenges with innovative, progressive sustainable packaging solutions. Pregis isn't just in the business of protecting packages – we're in the business of protecting what matters most to our customers.

This dedication to protecting our customers goods is one of our core values and why sustainability and ethical governance has been a guiding principle in everything we do. It's why we aspire to be an employer of choice, responsible manufacturer, reliable partner and contribute to a circular economy.



It's why we have committed to protecting and preserving our natural resources as much as our customers' packages; and why we want to Inspyre our people, our industry, and our communities.

The circular economy, a foundation of our Pregis Purpose, means that we aim to help contribute to an environment where the actions of every stakeholder strengthen and improve the outcomes for every other stakeholder. This means many things in many contexts – such as eliminating waste entirely across shipping and packaging or introducing products that use more recycled content and help preserve our natural resources.

Our goal at Pregis is to always be a positive force, pushing ourselves, our partners, our customers, and all stakeholders to meet and exceed our environmental, social and governance (ESG) goals.

Company Structure

2,860 Global Employees

38 locations (Global Headquarters in Chicago, IL)

- 32 North America
- 6 Europe

8 new locations opened in 2021

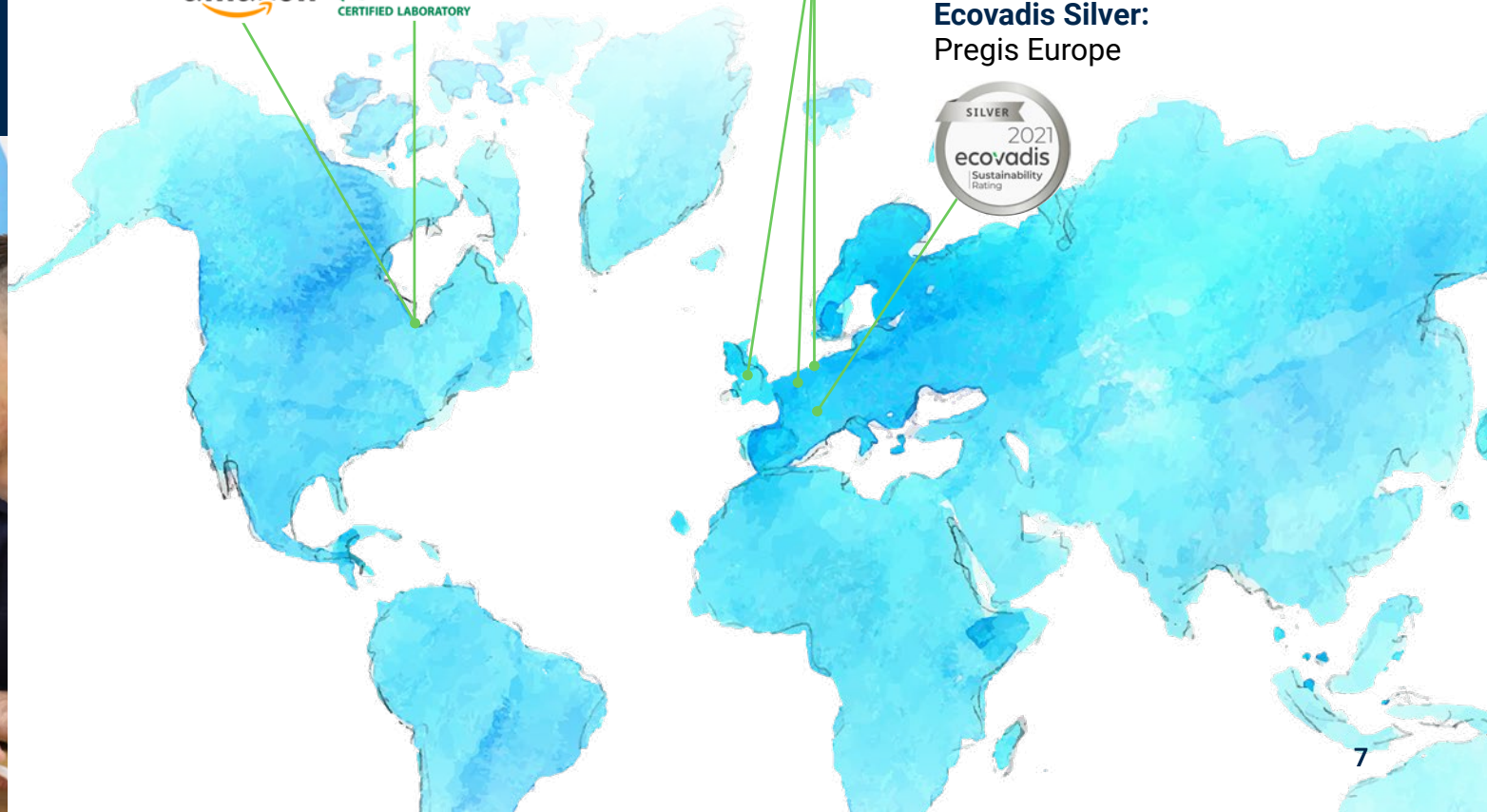


Accreditations / Certifications:

ISO 14001 Certified:

- Stevenage, UK
- Heerlen & Born, the Netherlands
- Herbrechtingen, Germany

ISTA Certified Testing Facility
& APASS Certified Testing Facility:
Aurora, IL



Ecovadis Silver:
Pregis Europe



Our Products and Services

Pregis continues to manage an extensive portfolio of products and services which provides our customers with evermore sustainable solutions. Our material-neutral approach and footprint allows us to be responsive, nimble, and innovative in serving our customers around the world.

Our suite of product and services is continuously expanding to provide customers and stakeholders with a comprehensive set of resources from a trusted partner.

Products



Inside the box protection

Mailing & bagging solutions

Temporary surface protection films

Flexible packaging films

+ Industry specific solutions

Services



Pregis EcoGauge

Sustainable packaging assessment

Material science, package design & testing services

Equipment integration & installation services

Training & best practices

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 product solutions, including the American Chemistry Council (ACC), CEFLEX and the Association of Plastic Recyclers (APR).



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 Analysis (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 therefore an active member of the cross-value chain initiative Alliance to End Plastic Waste (AEPW) with our CEO chairing the audit council and our Senior Director of Global Sustainability participating in the AEPW accelerator council 'Plug N Play'. Together the Alliance members are looking to end plastic pollution.



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 Council of the Great Lakes Region (CGLR), (to which we are a founding member), Sustainable Packaging Coalition (SPC), 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.



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, it's our duty 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 our customers' customer experience, employees, and profits by ensuring that the things that matter to our customers get from origin to destination 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 tenants 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:

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

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 partner and engage with companies that have similar goals.

Our Commitment to the UN Sustainable Development Goals



The UN Sustainable Development Goals

In 2015, world leaders agreed to 17 Sustainable Development Goals, also known as the Global Goals or SDGs. These goals have the power to create a better world by 2030 by ending poverty, fighting inequality, and addressing the urgency of climate change.

Guided by the goals, it is now up to all of us – governments, businesses, civil society, and the public – to work together to build a better future for everyone.

The Pregis sustainability targets were developed to support a larger, global effort to make the future a better place. Every Pregis initiative consciously relates to one or more of the SDGs and help us to actively engage in corporate sustainability which can be measured against real-world outcomes.

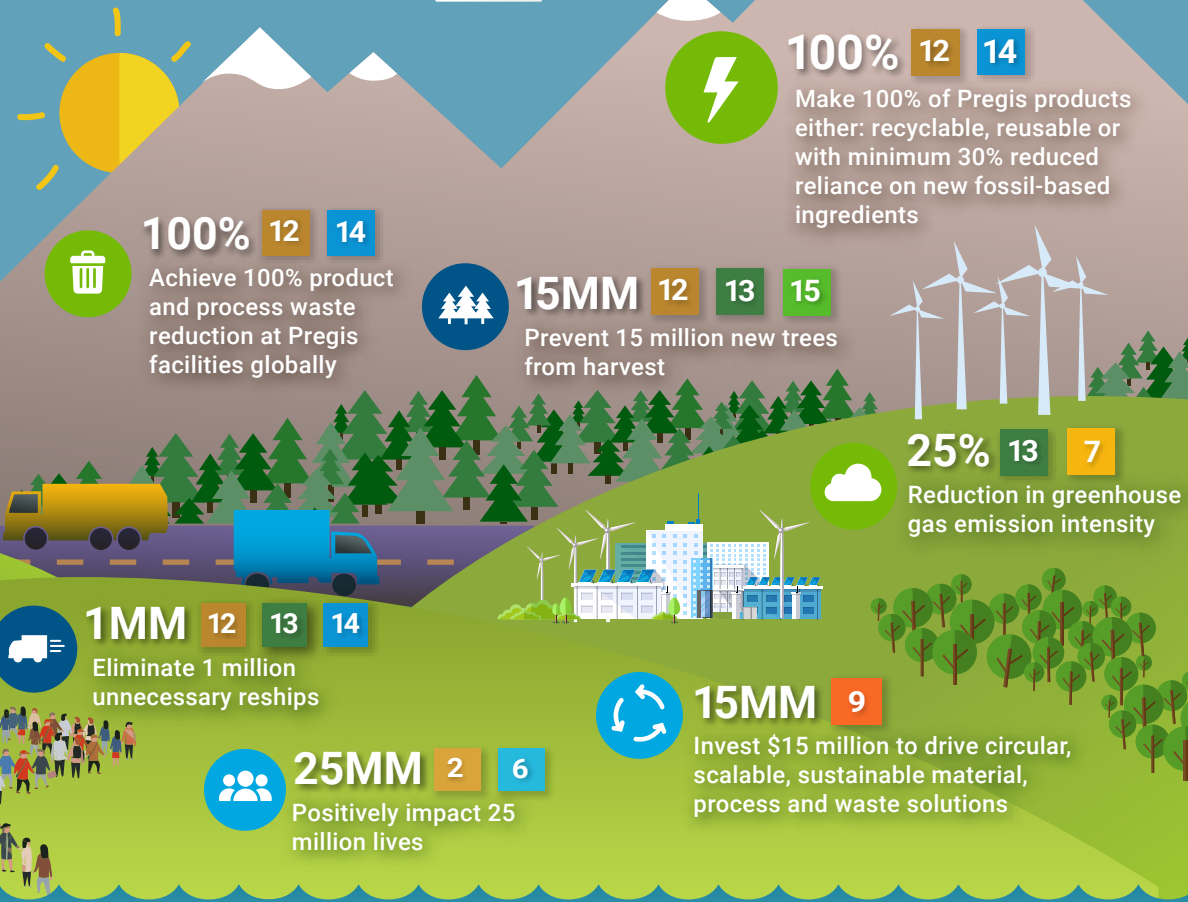


'The Journey to 2K30'

The Pregis 2K30 mission is a forward-thinking plan to put our passion for sustainability into concrete action through real, measurable goals, close cooperation with our partners, vendors and customers, and an open invitation for like-minded companies and individuals to join us in doing better.

2K30 is the evolution of the way we do business, use resources, and engage our customers and the broader value chain. Our journey to 2K30 is our pledge to protect and preserve our planet for generations to come.

We invite all our partners, customers, channel partners and stakeholders to take it with us.



WORKING TOWARD SOMETHING BIGGER



Governance

At Pregis, integrity is among our core values for all employees. Every Pregis employee is responsible for honoring our business principles and maintaining the highest ethical standards throughout their daily activities. As a result, ethics, integrity and lawful conduct are central to everyone’s responsibility and serves to protect our global business and reputation.

We recognize the importance of implementing rigorous Governance to help us advance our employees through education, demonstrate ethical behavior and remain a financially viable organization that believes in transparency and accountability.

With board level support, we have identified Executive workstream leaders that transform our vision into action plans by engaging cross functional team members from our global workforce.



Board-level Support

Pregis Global Executive Team

Lead by CEO

Executive Sponsorship and Governance

Sustainability Team

Lead by Senior Director, Global Sustainability
Leadership, Strategy, business integration and reporting.



Workstreams

Energy &
Carbon Reduction

Zero Waste

Innovation

Governance

People &
Programs

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 include:



Implemented a policy requiring a signed Code of Conduct Provisions Statement from all our vendors.



Developed a risk assessment audit matrix to include ESG risks which is completed in Q4 of each year. Results are reviewed with the CFO and, if appropriate, discussed with the Board of Directors. No significant risks were identified during the 2021 assessment.



Conducted Foreign Corrupt Practices Act training for specific functional teams to ensure awareness and compliance with FCPA laws.



Maintaining a quarterly ESG questionnaire with input across functions within Pregis. The questionnaire can be shared with interested third parties in response to questions related to our ESG efforts and initiatives. This has also given us the opportunity to evaluate and update our stakeholders on the progress we've made.



Developed enhanced training related to anti-trust and ethics behaviors for deployment in 2022.

Our Strategy – Protect. Preserve. Inspyre.





Protect

We protect our planet by reducing damage, waste and preventing reships. We protect our customers' businesses by protecting their products, profits, employees, and brand promise.



GOAL: Eliminate One Million Unnecessary Shipments



43,776 reshops prevented in 2021

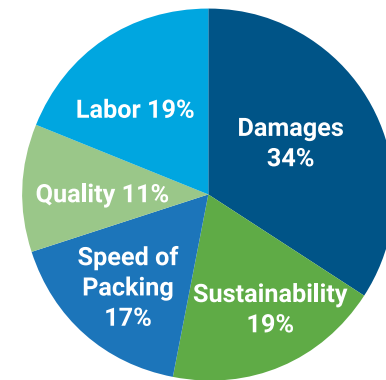


As a leader in packaging design with a demonstrated commitment to circular principles, Pregis is on a mission to help customers make the right decisions about packaging.

There are many factors that go into designing the most sustainable package, including proper protection for the transit cycle, damage/waste prevention and the lifecycle of the materials. Through the package design and testing services provided at the Pregis IQ® (Innovation Headquarters), our packaging engineers tackle the most impactful packaging business challenges.



The top concerns / priorities for package design are shown in the accompanying chart.



During 2021, the most common Pregis IQ project requests were focused on designing for sustainability, overcoming labor challenges and reducing damage. While many customers do not immediately link damages and sustainability, the Pregis team continues to help companies uncover the environmental impact of damaged shipments through our proprietary EcoGauge calculator.

This analysis is supplemented with the cost of damage calculation, lifecycle analysis (when applicable) and a thorough packaging evaluation that is translated into a standard operating procedure for customers accelerate implementation and adoption.

EcoGauge Calculator

The calculator enables us to quickly and accurately understand the full impact of reshops and communicate this information clearly to our customers. Just as companies large and small are beginning to track the carbon footprint of their facilities and activities like air travel, Pregis customers are now able to build a business case for changing their packaging choices based on the data we supply using the Pregis EcoGauge calculator.



Pregis EcoGauge



Calculate the environmental impact of product damages
Electricity • Forestry • Natural Gas • Gasoline • Solid Waste • CO₂ • Methane • Habitat Loss

Savings identified through our EcoGauge calculator:

Est. **798 metric tons**

CO₂e saved from damage prevention (packaging material impact).

\$2,039,540

saved as a result of damage reduction across 43,776 shipments.

Est. **507,882 lbs**

of waste prevented from damaged goods.

Packaging Harmony

Case Study: Guitar manufacturer tunes up their protective packaging

A world-renowned guitar manufacturer operating from multiple US locations was looking for partners to help address its damage, customer experience and efficiency challenges.

It was determined that they were experiencing a 10% damage rate with their current platform. Feedback on social media indicated unboxing was poor and an inefficient pack process had been exacerbated by labor shortages causing stress on the fulfillment process.

Pregis product specialists designed a one-size-fits-all custom Pregis AirSpeed solution to protect the guitars and installed multiple automated AirSpeed inflation devices to increase efficiency.

Results:



Damage dropped below

1%



Labor/efficiency increased by

45%



The reduction in product damage prevented

45,000 lbs

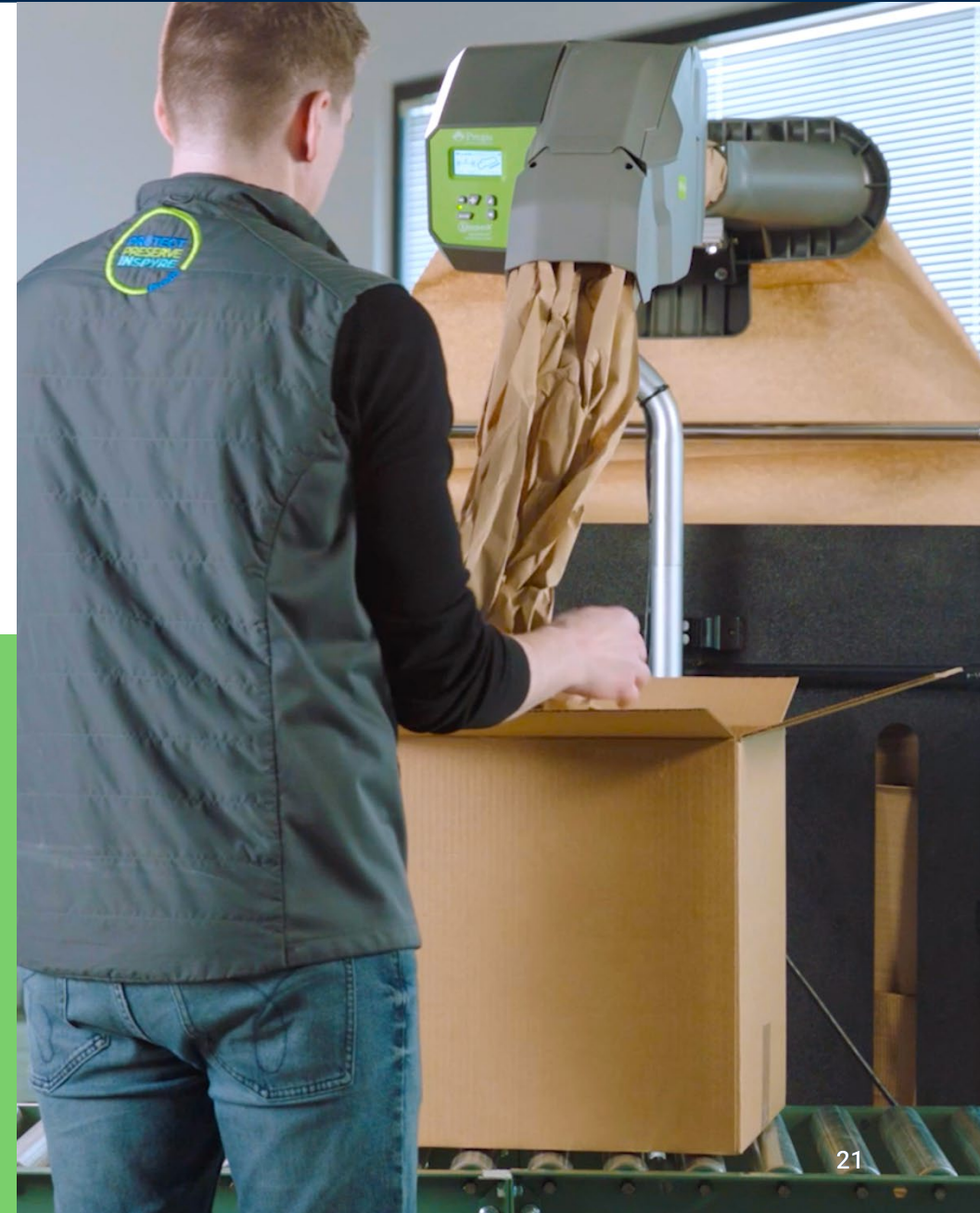
of waste going to landfill per year





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: 25% Reduction in Green House Gas Emissions

We believe that climate risk has an impact on all businesses and therefore emissions reduction is a significant target within our 2K30 Goals. Pregis was one of the first 100 signatories to The Climate Pledge, an initiative co-founded by Amazon and Global Optimism, which formalizes our commitment to be net-zero carbon by 2040.

We have measured the carbon impact of our operations and are developing decarbonization strategies to align with our carbon reduction targets. Although we are a high growth organization, with eight new facilities and one acquisition in 2021, we are committed to measuring and significantly reducing our GHG emissions. The team is actively designing its Energy & Carbon Reduction Roadmap to achieve the 25% reduction goal (vs. 2019 baseline) by 2030.



Our Carbon Footprint

Our 2021 total carbon footprint was 414,611 tCO₂e.

Below is the emissions breakdown by scope:

Scope 1	17,294
Scope 2	72,011
Scope 3	325,306



This is an increase of 45.22% compared to our 2019 baseline.



Although a **decrease of 15.9% in our carbon intensity*** per million square feet.

Carbon intensity = 87,753.17 tCO₂e/M sqft

This carbon intensity is reflective of our growth in the last 12 months which has quantified a 70% increase in our businesses square foot coverage compared to our baseline year. Purchased goods and services remain the most significant contributor to our emissions. This is due to the significant impact of inflation on materials relevant to our emissions and the spend-based approach we take to calculating our footprint.

Our Reduction Strategy

Our strategy to manage climate risks and subsequently reduce our emissions includes regular reporting and developing decarbonization plans. Some notable actions within our strategy include:

- Operational efficiency improvements
- Sourcing renewable energy
- Reducing reliance on new fossil-based feedstocks
- Energy intensity reduction



Reduce



Implement on-site Renewables



Renewable energy sourcing strategy

2021 Energy & Carbon Reduction Highlights:

- We have begun evaluating energy consumption across our US locations. Energy studies have been performed by licensed energy consultants in both our Plymouth, IN and Sussex, WI facilities. Additional onsite evaluations are currently underway in our CA operations, along with desktop audits of several other locations. Based on 3rd party facility audits, capital has already been deployed to support the reduction of energy consumption. Three additional Pregis location audits have been completed in 2022 with the plan to implement improvement projects before fiscal year of 2023.
- A recent product launched in Europe, the Pregis AirSpeed® Renew™ Zero air cushions, is made from 50% post consumer recycled (PCR) content and 50% recycled, renewable plant based waste like leaves and husks – also known as second generation bio sources. The negative emissions from the 50% bio source compensates for the already low CO₂ emissions from the PCR content, resulting in a product with ZERO CO₂ emissions when it leaves our factory. The bio sources are ISCC certified, meaning that the raw materials come from other ISCC custody members and are traceable. An LCA study performed by Emitwise has confirmed these air cushions are 100% CO₂ neutral from cradle to gate.
- New sustainable building standards were implemented to support the design and set up of new operations to ensure they operate in the most energy efficient, zero waste and low carbon manner. Of the eight newly opened facilities, all comply with the sustainable guidelines.
- In Europe, our Born and Heerlen locations have replaced traditional lighting with LED alternatives, reducing the energy consumption of each bulb to 150 watts, down from 400w.
- To develop a more comprehensive strategy, Pregis has engaged third party assessments to provide an energy and carbon roadmap to achieve the 2K30 reduction goal and put us on a path towards net-zero. The road mapping phase has a target completion date in Q3 2022.



2021 Reduction Impact: **120 tCO₂e**

GOAL: Achieve 100% Product and Process Waste Avoidance

Zero waste operations across all global manufacturing locations is our ultimate goal. In support of this effort, Pregis dedicated a champion to help identify areas of improvement for waste reduction. One outcome from the Zero Waste Operations workstream is the need to invest, install and train employees on proper material recapture (or reclaim) best practices. The team has outlined an aggressive action plan focused on:

- Reducing the amount of waste created in the manufacturing process. We're phasing implementation with a minimum of 10 facilities aiming to achieve zero waste by the end of 2022.
- Investing in equipment to reprocess the waste material and training operators to use the new technology.



2021 Zero Waste Impact

Paper Production Locations

Zero production-waste operations

186 tons diverted in 2021

Plastic Producing Locations

Zero production-waste operations

12,500 tons diverted in 2021



Reclaiming the Future

An internal initiative known as “Project Reclaim” and the supporting team has outlined an aggressive action plan.

Since implementation, we took a number of steps towards these aims:

- Invested \$4 million to facilitate recapture and recycling of process waste. To date, 25% of facilities in the Pregis network are on the path to zero waste.
- Started monthly performance tracking in all Pregis facilities with plastic production processes, recording the total amount of plastic used, the scrap/by-product generated, and the amount recovered and recycled back into our production.
- Increased our recycled plastic material consumption by 50% in all Pregis facilities that utilize plastic as a raw material. We have formed partnerships between business units that will help to distribute our internal reclaim usage and reduce inventory with the eventual goal of recycling our customers’ scrap material.
- Increased internal recycling capability in three of our facilities to prevent any plastic waste from leaving the site. All the plastic by-product generated during our production process is now being re-used to offset environmental impact while maintaining a high level of quality for our customers.
- We are in the process of initiating customer scrap return programs with the aim of providing a consistent source of recycled material for our production. Ongoing evaluation is also underway to develop ideal recycled material usage by location. Our regional sustainability ambassador program will continue to develop our employee’s knowledge of sustainable practices.



Purpose Built for Zero Waste

A Case Study: Anderson, South Carolina

We invested in and opened a greenfield blown film operation for flexible packaging in Anderson, SC in 2021. The high end, multilayer PE extrusion equipment enables the incorporation of advanced recycled resins and the increased use of recycled content to meet our customers requirements in flexible packaging.

The operation was designed to be waste negative, meaning the facility will produce zero waste in the manufacturing process and can also accept quality film materials from third party sources for reprocessing. The investment in the equipment, training, and product development strategy to utilize the materials is a demonstration of the commitment toward our 2K30 goal.

This facility is a model example of the sustainable building guidelines that the company implemented to encourage employee adoption of environmental practices around the globe.



GOAL: Pregis Products – Recyclable, Reusable or with 30% Reduced Reliance



We have committed to making 100% of Pregis products recyclable, reusable, or with a minimum 30% reduced reliance on new fossil-based ingredients by 2030. We define reduced reliance as the incorporation of renewable, biobased and/or recyclable materials and, where practical, as downgauging to reduce the amount of material used per product.

Pregis has always focused on designing products and processes that help eliminate waste. From reducing virgin material use through the incorporation of recycled content materials or source reduction strategies, the company has been empowering companies with options to reduce their environmental impact for decades. Currently our product mix, as measured at the item level, can be categorized as follows:

- Recyclable as per FTC guidelines **38%**
- Recyclable where appropriate infrastructure exists **46%**
- Non-recyclable **16%**

We are committed to ensuring that all our recyclable products are readily recyclable according to the Federal Trade Commission (FTC) guidelines. At the moment, 46% of our products can only be recycled in areas where specific recycling facilities and infrastructure have been established. While that is a step towards circularity, we are working to further develop those product offerings in the aim of rendering them widely recyclable as defined by FTC.

Pregis has always focused on designing products and processes that help contribute towards eliminating waste. From reducing virgin material use through the incorporation of recycled content materials or source reduction strategies, the company has been empowering companies with options to reduce their environmental impact for decades.

In 2021, Pregis experienced a significant increase (>40%) in demand for products with sustainable attributes. Within the Pregis brand portfolio, the Renew™ brand signifies that a product is the most sustainable offering by incorporating recycled content (30% or higher) and an overall lower carbon footprint vs. comparable product solutions. This brand spans several products that are primarily made of plastics. Pregis EasyPack® on demand paper void fill and cushioning materials are made from 100% recycled FSC-certified paper. Another paper solution increasingly requested by name is the Pregis EverTec™ curbside recyclable paper cushioned mailer.

Ongoing development and investments include:



Pregis AirSpeed® Renew™ Zero: Building upon the brand recognized for reducing reliance on new fossil-based materials, the AirSpeed Renew Zero inflatable film launched in Europe incorporates 50% post-consumer resins and 50% ISCC-certified renewable resins (made from plant waste). The negative CO₂ emission from the 50% bio source compensates for the already low CO₂ emission from the post-consumer recycled (PCR) content, resulting in a product with ZERO CO₂ emissions when it leaves our factory.

AirSpeed Renew Zero is produced in ISCC-certified facility in Heerlen, Netherlands



Pregis EverTec™ Mailer: As curbside recyclability has grown in importance for consumers, the company has channelled significant investment into the scaling of the Pregis EverTec mailer in North America. This solution offers the powerful combination of product protection (damage reduction), lightweight shipping (carbon reduction) and curbside recyclability. Offering customers an alternative to small boxes and converting from non-recyclable to a recyclable material helps companies achieve their ESG goals more quickly.

Pregis EverTec mailer is compliant with the Fiber Box Association certification test as recyclable and repulpable. H2R approved.



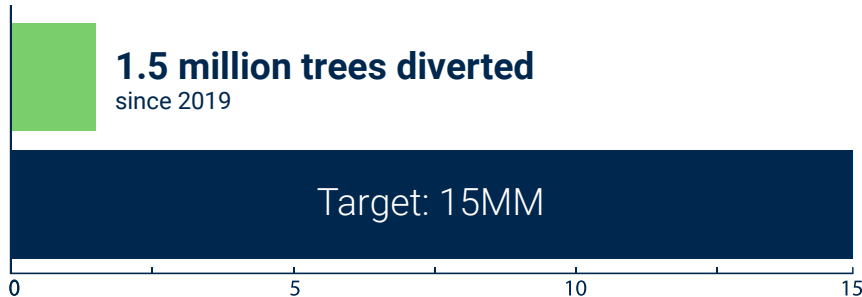
Pregis PolyMask®: The Phantom Mask temporary protective film features adhesiveless technology that leaves no residue on surfaces and has been approved for store drop-off recycling. This winning combination is a worry-free option for high-gloss plastic applications commonly found in appliances, automotive, building and construction applications, showers/hot tubs, and signs.

Pregis PolyMask is NexTrex approved for store drop-off recycling (in the US).

GOAL: Save 15M New Trees from Harvest



647,569 Trees Saved in 2021



Pregis is committed to preserving our natural resources and the environment. Our procurement strategy is guided by sustainable forestry practices, and we work diligently to increase the percentage of recycled content in our products. Our efforts range from the paper we source to manufacture the paper-based packaging materials we offer our customers, to our decision-making processes for internal consumption of corrugate boxes, printing paper and supplies.

We continue to experience high market demand for paper-based protective packaging for inside-the-box applications such as void fill and cushioning. To respond to this demand with a more sustainable offering, we have developed our Pregis Easypack® line of products, which feature 100% recycled paper. The facilities that supply this product line all employ sustainable sourcing practices certified to internationally recognized standards such as FSC, SFI and PEFC.



As the Easypack on-demand paper product offering features 100% recycled paper, Pregis is able to quantify the number of trees diverted from harvest based on the volume of products sold. We have set an ambitious target of saving 15 million trees from harvest by 2030 and this year we managed to save 647,569 trees, bringing our total to 1.5million trees diverted from harvest since 2019.

Paper is emerging as a critical component of the Pregis portfolio and our investment in two new paper converting operations in Carol Stream, Illinois and Born, Netherlands, evidence our commitment to the continued growth of paper-based product offerings.



Inspyre

Our vision is to “Inspyre” people through education, industry advocacy and giving back. Because people are the “y” in Inspyre!



GOAL: Positive Impact on 25 Million Lives



211,225 lives impacted in 2021



In keeping with our Pregis commitment, we Inspyre our employees, customers and the communities we serve to do good. We focus on educating our teams on the importance of sustainability, giving back through charitable efforts and by being a socially responsible company.



81,528 lives impacted

Clean Water and Sanitation

One in nine people worldwide lack access to clean drinking water. That's why waterborne illnesses are the world's leading cause of disease and death. Yet water insecurity has other, less conspicuous impacts: it is often women who undertake the time-consuming task of finding and collecting water, leaving them little time to work, study or care for their families, perpetuating cycles of poverty and deepening gender inequalities.

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. We donate a portion of all Inspyre brand product sales to Uzima and are working to expand the product line to amplify our impact. We are also supported by our value chain partners in this endeavor, NOVA Chemicals Corporation (NOVA Chemicals), who donated resins to Pregis for the production of our Inspyre-brand colorful, hybrid-cushioning, protective packaging. Their support enabled us to donate a greater portion of the proceeds from Inspyre packaging sales to the Uzima Clean Water Mission in 2021.

Supporting Haitian Students

As part of our collaboration with Uzima, we teamed up with non-profit organization Haiti Scholars, which supports Haitian educators in providing children with quality education. More than 600 Uzima water filters funded by Pregis were shipped by Uzima to the on-the-ground coordinator supported by Haiti Scholars, helping all 600 student families to gain access to clean drinking water. This is enabling the students to keep attending school and helps break the cycles of poverty that result from lack of access to basic amenities.

Helping Local Communities

Pregis team members have come together to build hygiene kits which can be deployed to areas when disaster strikes or to communities that simply need a helping hand. These kits include basic necessities such as soap, washcloth, toothpaste and toothbrush-essentials that are often taken for granted but are critical for ensuring basic personal hygiene and wellness.

GOAL: Positive Impact on 25 Million Lives



211,225 lives impacted in 2021



129,190 meals served

Hunger Prevention

Alongside the fight against water insecurity, Pregis is also committed to combatting food insecurity. In 2021, we offered employees the opportunity to donate their \$100 reward for showing proof of vaccination toward the hunger relief organization Feeding America. Our donations were matched by equity sponsor Warburg Pincus. Together we managed to supply 120,000 meals to those in need.

We actively encourage a culture of giving back and supporting the local communities we live and work in and this is something our employees take great pride in. In 2021, we ran a series of community engagement initiatives including:

- Holiday turkey drive (Grand Rapids, MI)
- Breast cancer awareness donations (Plymouth, IN)
- Tornado relief efforts (Hopkinsville, KY)
- Food pantry donations (Elkhorn, WI)



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



Connecting the Dots for Circular Design

Pregis EverTec™ Investment in Circular Product Design

We are constantly looking for ways to reduce the environmental impact of our products. This is why, as part of our 2K30 targets, we pledged to invest \$15 million in circular solutions which will enable us to reduce our use of virgin materials and shift our operations to zero waste.

One of the circular product offerings we've developed is the Pregel EverTec mailer. Its design is optimized for shipping durability to prevent damage/waste and reduce excess packaging. It's also curbside recyclable, offering consumers a convenient, circular alternative that does not sacrifice performance. The paper mailer is a good substitute for small boxes, eliminating unnecessary bulk and optimizing transportation to further reduce global greenhouse gas emissions.

The Pregel EverTec mailer is produced through a proprietary application of cushioning material and paper produced exclusively on Pregel's manufacturing equipment.

In 2021, Pregel scaled production by opening three new manufacturing sites in addition to its one existing operation in the US. With the additional capacity, the Pregel EverTec mailer is projected to divert 65 million pounds of mixed material landfill waste over the next two years. This positive impact is derived from the replacement of various cushioned mailers and corrugated boxes containing dunnage that may not have been disposed in material recovery systems.

The \$15 million investment remains earmarked for additional circular, scalable, and sustainable material, process, and waste solutions globally.

Pregel EverTec mailer is projected to divert

65 million pounds

mixed material landfill waste over the next two years.

59.29 ton CO₂ equivalent

627.44 GJ deprived



2.7 passenger vehicles driven yearly



102.56 barrels of oil



145,327.74 miles driven by passenger vehicles yearly



16.76 average homes powered yearly



25,256.11 liters of gasoline consumed



1,536.5 tree seedlings grown for 10 years



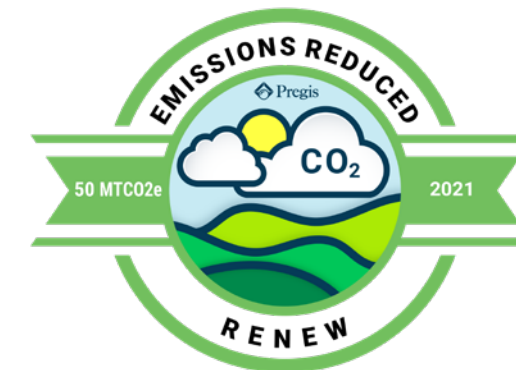
69.76 acres of forests yearly

Recognizing contributions towards sustainability

The Pregis Purpose Awards recognize companies for their contributions and progress towards sustainability initiatives and stewardship. The Pregis Purpose Awards are guided by our sustainability strategy and aligned with our company’s 2K30 goals. We recognize three award categories:

- **The Preserve Award:** Celebrates partners that are helping us reach our 2K30 goal of preventing 15 million new trees from being harvested through the purchase of Pregis Easypack® paper packaging solutions.
- **The Inspyre Award:** Celebrates the partners helping us to reach our 2K30 goal of positively impacting 25 million lives by choosing Pregis Inspyre products available in AirSpeed® Hybrid Cushioning HC or Inspyre Paper.
- **The Renew Award:** A new category, introduced in 2022 to recognize the partners that purchased the Pregis PolyPlank® Renew recycled content foam for fabrication in 2021. As PolyPlank Renew consists of recycled materials, choosing this product enables our partners to reduce their use of virgin materials and decrease their carbon emissions.

In total, **116** Pregis channel partners were recognized for reducing carbon emissions by **1,725** metric tons, impacting **38,213** lives, and saving **293,000** trees in 2021.



Career Development & Training

We are committed to providing a rewarding work environment for our employees that enables them to continuously develop their skillsets. 2021 was a busy year for us in regard to evolving our career development and training programs. We provided numerous training opportunities, live and virtually, via our new learning management system called Catalyst. Over the course of the year, our US offices gave team members more than 53,000 hours of training, averaging just over 21 hours per employee.

Pregis invested in and launched the Catalyst Learning Management System in 2021 to all global salaried employees with the goal of expanding to the hourly workforce in the near future. The system acts as a personal and professional development hub for Pregis employees. The cloud-based system provides employee onboarding, records compliance for required training and offers continuous access to training resources. Employees will also use the system for goal setting and performance management.

In 2021, we officially launched the Pregis Inspyre Scholarship program. The program aimed to support two employees and two employee dependents with the goal of advancing their higher education by helping to defray costs of tuition, books, and other fees. Despite the original intent, Pregis awarded three employee scholarships and five dependent scholarships in 2021. The program has proven to be successful and will be continued in 2022.

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.

Established university partners:

- Clemson University
- Michigan State University
- California Polytechnic (Cal Poly)
- University of Wisconsin – Stout



A Catalyst is something that spurs significant change, sparks forward momentum and fuels growth.

Catalyst is the Pregis personal and professional development hub. With Catalyst, propel your career and your learning to a new level.



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



21 hours:

Average hours of training provided per employee (US)

Looking after our people

Diversity

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 are also in the process of implementing a strong diversity policy. We will continue to develop our policies and programs to drive action on diversity issues.

Human Rights

Pregis continues to monitor and enforce compliance with all human rights directives and laws and ensures a safe workplace for Pregis staff on site. In 2022, the ESG group updated our Supplier Code of Conduct to include sustainability related policies and best practice, 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

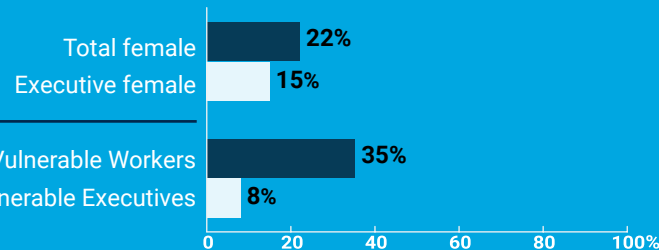
to geographic location, health & safety of employees, grievance mechanisms, fair operating practices, anti-trust compliance, anti-money laundering, data privacy and responsible mineral sourcing.

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.

We are committed to zero harm and 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 ensure we are in compliance and align with industry best practices.

Globally



*Operations outside the US do not currently track this information. We are working to expand coverage.

Severity

Days Away Restricted or Transferred Duty (DART)

2021 = 0.6

2020 = 0.9

Frequency

Total Recordable Incident Rate (TRIR)

2021 = 1.5

2020 = 1.4

Looking Forward

Designing products and packaging solutions to help our customers eliminate waste, whether the waste comes in the form of damaged products, moving from non-recyclable to recyclable materials or optimizing the design of their packaging. Our aim is to provide data to help them understand their product, channel to market and packaging options to provide for holistic understanding of which packaging material helps them achieve their goals.

Protect:

- The design and testing services provided by Pregis IQ have proven the value of integrating sustainability metrics into each and every recommendation. To build upon this value added resource, we are bringing Pregis IQ services under the responsibility of the Sustainability department to create a sustainability-first mindset and ensure we take a holistic approach to solving customer challenges.
- In 2022, the investment in and opening of the Pregis IQ in Eindhoven, Netherlands is set to solidify Pregis's position as the trusted resource for creating, validating, demonstrating, and educating customers on the best packaging solution for their needs.
- A fifth manufacturing site for the Pregis EverTec mailer has started production in 2020, further contributing to the projected diversion of 65 million pounds of mixed material from landfill waste over the next two years.



Looking Forward

Preserve:

- In 2023, we will set a science-based reduction target that is aligned to net-zero, our climate pledge commitment and which considers our near term 2K30 emissions reductions targets.
- To develop a more comprehensive energy and carbon reduction strategy, Pregis is engaging third party firms to provide an energy and carbon glidepath toward achieving our 2K30 reduction goal and put us on a clear path towards net-zero. The road mapping phase is well underway with a target completion date of Q3 2022.
- Pregis gained ISCC PLUS Certification at the Grand Rapids, MI facility in 2022 to produce solutions that are classified as circular PE, bio-circular PE, or bio-PE. This is a step towards expanding the Renew™ Series product offering into the Pregis Performance Flexibles offering. Additional facilities will be seeking this certification in the near future.
- We're investing \$4 million in capital investment during in 2022 at four locations (in addition to investments made in 2021) in pursuit of our zero landfill waste goals. As referenced throughout the report, we have identified additional investments for continued progress in reducing our facility footprint as it relates to carbon emissions, energy efficiency and zero waste operations.
- Additional future investments are focused on expanding capacity for paper and film-based products as we work to achieve a truly balanced material portfolio (50%/50%).



Looking Forward

Inspyre:

- Pregis has joined 1% for the Planet as a brand member for our Inspyre product sales. We will be expanding the Inspyre portfolio by adding a Pregis Sharp Inspyre poly bag option. This will help us increase our charitable donations as one percent of revenues from Inspyre products will be donated to Uzima and validated by 1% for the Planet. In addition to providing third-party certification of donations to approved members, 1% for the Planet provides a framework for tracking employee volunteer hours with approved NGOs. This will help us formalize our employee volunteer hours program in 2022.
- Pregis is expanding its industry advocacy outreach activities in 2022 by joining Ameripen and the Association of Plastic Recyclers (APR).
- Education starts with ongoing communication and connections within the business. As a result, the Pregis team is implementing a quarterly ESG update to celebrate accomplishments across the globe to demonstrate how big and small efforts add up to achieving our common goal to Protect, Preserve & Inspyre.
- The company has designated a peer group of "Regional Operations Sustainability Ambassadors" to champion education and additional employee adoption at all 38 global facilities. The initial efforts will be focused on zero waste and each quarter will highlight new measurable impacts that Pregis employees can take part in to help achieve our 2K30 goals.
- After a successful inaugural year, the Pregis Inspyre Scholarship program continues in 2022.



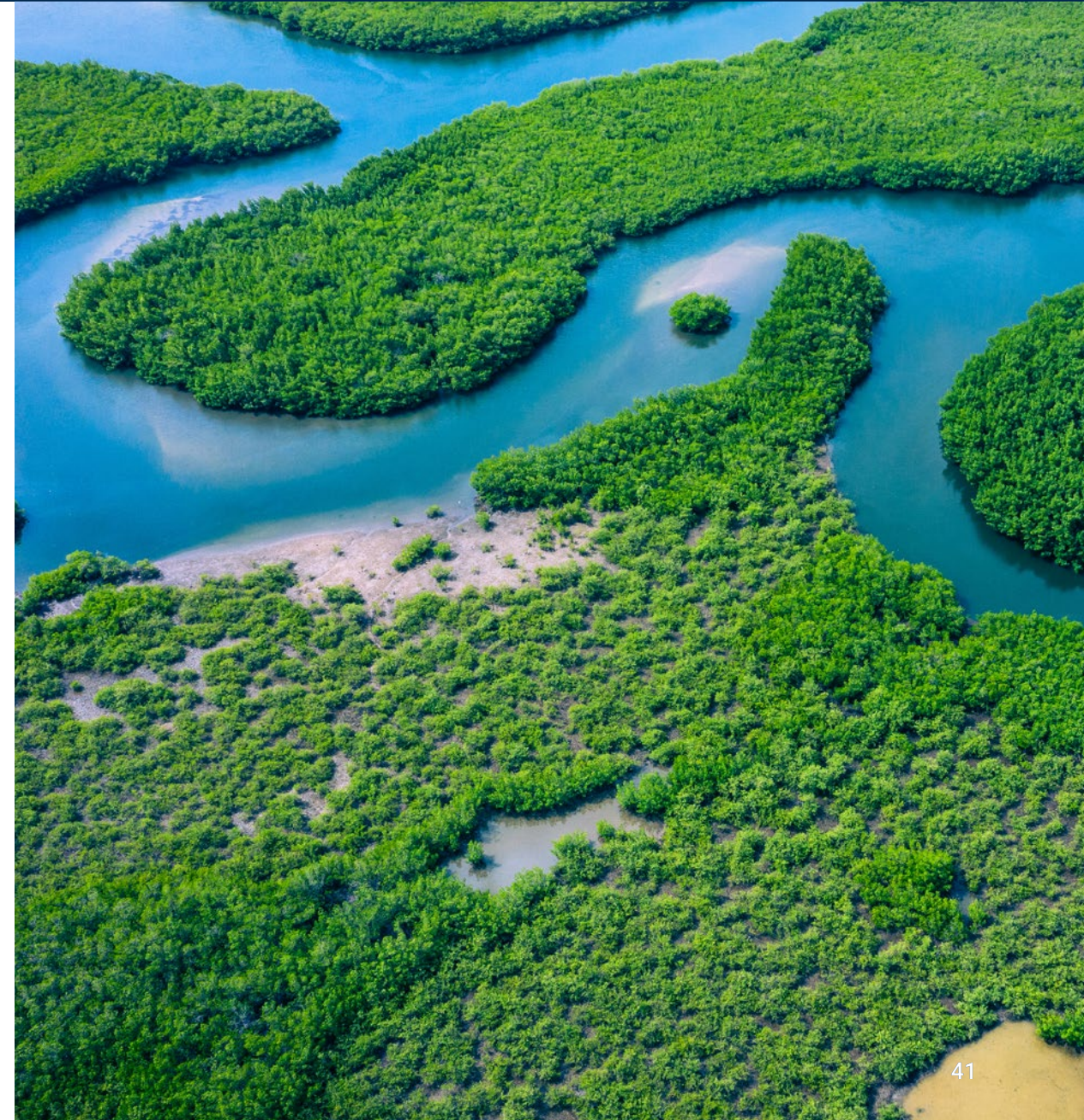
The Pregis Purpose

Our Pregis Purpose has always set the standards for how we work and the products we make. Our purpose to Protect, Preserve, and Inspyre have shaped every aspect of what we do and how we do it. With this report, we continue to prove our dedication to the Pregis Purpose we made in our first ESG report: we will report 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 second year of this reporting commitment has allowed us to delve deeper into the world of sustainability and continue learning about our responsibility to the planet. Being transparent with our customers and stakeholders affords us a new level of accountability, allowing us to share our progress and encourage others to do the same.

We strive to improve our actions year on year, and this report demonstrates our determination to keep our purpose and work for a better world.

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



Appendix



Beyond Pregis:

Our Global Stakeholders

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 ESG, Pregis is an advocate for sustainable business practices that are attainable to demonstrate that every person and business can be part of the solution.

Pregis

Brands

Protective products that keep employees and packages safer, customers happier, and contribute to a circular economy.

Suppliers

Collaborative process and access to innovation and customers ensures that when Pregis wins, our suppliers win.

Employees

A safer, healthier, more fulfilling workplace that rewards employees and invests in their future.

Channel Partners

Industry-leading products, end-to-end consulting and support, and partnering to make a greater sustainability impact across the value chain.

End Users

A better customer experience, fewer damaged orders, and lower environmental impact.

The Environment

Industry advocacy, commitment to reduce waste, creating a path to carbon neutrality, and investment into sustainable products and materials.

Investors

Strong returns today, and high growth potential in the future as a result of investment in future-proof processes, products, and infrastructure.

Communities

Pregis provides jobs, resources, and partnerships to drive education, professional development, industry advocacy, and philanthropic community partnerships.

This report is built to be accessible, readable, and useful for all readers. Every year, we will report on progress against our goals and ensure that our reporting provides accountability and transparency in the issues that matter most.



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.

GRI Index

This report has been created with reference to the following disclosures of the standards defined by the Global Reporting Initiative (GRI).

102-1	Name of the organization	1
102-2	Activities, brands, products and services	8
102-3	Location of headquarters	7
102-4	Location of operations	7
102-6	Markets served	4
102-7	Scale of the organisation	7
102-10	Significant changes to the organization and its supply chain	4
102-12	External initiatives	9
102-13	Membership of associations	7, 9
102-14	Statement from senior decision-maker	3
102-15	Key impacts, risks and opportunities	4
102-16	Values, principles, standards, and norms of behaviour	10
102-18	Governance structure	14, 15
102-21	Consulting stakeholders on economic, environmental, and social topics	44
102-47	List of material topics	45
102-50	Reporting period	1
102-53	Contact point for questions regarding the report	41
102-55	GRI content index	46
305-1	Direct (Scope 1) GHG emissions	23
305-2	Energy indirect (Scope 2) GHG emissions	23
305-3	Other indirect (Scope 3) GHG emissions	23
305-4	GHG emissions intensity	23
305-5	Reduction of GHG emissions	24
404-1	Average hours of training per year per employee	36

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