



# Pregis 2023 Sustainability Report

Unpacking the future

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# Message from the CEO

*At Pregis, we define sustainability as maximizing value while protecting the environment. This mission is guided by the three core principles of the Pregis Purpose – to Protect, Preserve, and Inspyre. These values shape every level of our organization as we strive to deliver the highest-quality products and the best service to our customers. As our operations expand and business diversifies, our mission to prevent damages, preserve the environment, and make a positive impact on the communities we serve remains consistent.*

*All of our accomplishments start with our people and a shared vision. Pregis has no shortage of changemakers, as demonstrated by our progress toward zero waste, net zero emissions, and community impact goals. Our teams are redefining sustainable packaging, with an aim to tackle challenges and create value up and down the value chain.*

*This year, the results and achievements of our passionate people were more impressive than ever. Our teams are working diligently to increase the circularity of our products, eliminate waste within our operations and across the value chain, promoting employee safety, and decarbonize our business, all while continuing to deliver strong growth for our shareholders and make a positive impact in the world.*

*I am immensely proud of the strides we have made while recognizing that our work is far from over. We remain committed to pioneering sustainable solutions that not only benefit our planet but also inspire positive change within our industry and beyond.*



**Kevin Baudhuin,  
Chairman and CEO**



# Message from the CSO

*As I reflect on 2023, I am most proud of the positive impact our passionate and talented team has made. It is our dedicated employees who drive sustainability into our daily business practices. Beyond results or profits, the collective positive impact we make on the world is what truly matters. We are proud to share the highlights of a rewarding year in this report.*

*We've made tremendous progress towards achieving zero waste to landfill in our manufacturing operations. We diverted 91% of waste from landfill across our global network this year. We've reduced emissions by driving efficiencies into all aspects of our business, from sourcing to production to the transportation of our products. In 2023, we achieved our goal to reduce operational emissions intensity by 25% compared to 2019, seven years ahead of our original 2030 target.*

*Sustainability continues to drive innovation across our product lines. Every year, we source more materials from renewable and recycled content, and continually increase the recyclability and compostability of our product portfolio to support the circular economy through continued investment in technology and innovation. In 2023, we earned 51% of our global revenues from sustainable products.*

*Since 2019, we've positively impacted 700,000 lives through service and philanthropy. We continue to expand our Pregis Inspyre™ product line, part of 1% for the Planet, donating a portion of the profits to the Uzima Clean Water Mission. From 2018 to 2023, this partnership has raised more than \$1 million, providing water filters for safe drinking water to those in need. Whether it's community involvement, fund-raising, products designed for social good, or scholarships and training for our employees, everything centers on making a positive impact on the people around us.*

*Thank you for taking the time to read our 2023 report. We hope you will find some inspiration in the progress we've made, the challenges overcome, and the exciting road ahead. We look forward to partnering with all stakeholders to make a positive impact.*



**Ryan Wolcott,**  
**Chief Sustainability Officer**



# Our 2023 Year in Review

**We've made great strides this year to bring value to our stakeholders while preserving the environment. Here are highlights of our progress:**

## Circular Products

- Earned 51% of our revenues from products that are paper-based, bio-based or made from a minimum of 30% recycled content
- Launched an industry-first 80% post-consumer recycled content (PCR) high-pressure air cushioning product
- Delivered a first-to-market solution for polyethylene foam made with Certified Circular resins derived from mixed plastic waste through advanced recycling

## Sustainable Operations

- Formally launched our zero-waste program, reaching a company-wide diversion rate of 91%
- Achieved 86% emissions intensity reduction versus 2019 baseline, passing our 25% reduction goal 7 years early
- Received third-party verification on emissions reporting with limited assurance across all scopes
- Developed a detailed decarbonization plan for scope 2 emissions
- Maintained our industry-leading safety metrics, reducing injury frequency rate by 26% and halving our injury severity rate

## Stakeholder Value

- Eclipsed \$1M in charitable contributions to Uzima and other philanthropic organizations
- Delivered over 48,000 training hours to employees covering a wide range of topics including sustainability
- Completed 271 customer projects at the Pregis IQ® focused on damage reduction, sustainable packaging redesign, and packing efficiency
- Supported over 50 customers make data-driven sustainability decision with custom life cycle assessments (LCAs)

## Key accomplishments



**196,617 lives**  
positively impacted



**91% waste diverted**  
from landfill and incineration



**51% sustainable products<sup>1</sup>**  
as a % of total revenue



**748,806 trees saved**  
from harvest



**48,616**  
employee training hours



**4 ISCC PLUS**  
certified facilities

<sup>1</sup>Sustainable products are defined as paper-based, bio-based or made from a minimum of 30% recycled content.

# | 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 innovative, progressive and sustainable packaging solutions.

**Our mission:** We protect what matters.

## Scalability: We meet you where you are

We build trusted partnerships with our customers around the world. We are privately held and focus on organic growth and smart acquisitions to enhance our product, technology, and geographic footprint in service of customer service that “wows.”

### What we do

**Sustainability:** Protect, Preserve, Inspyre

**Innovation:** Build the future of packaging

**Customer experience:** Design for people

### Driven by our value system

Our purpose guides everything we do and puts people and planet first



### Where you can find us

We have facilities across the U.S. and worldwide

Find more locations at [www.pregis.com](http://www.pregis.com)

### Numbers at-a-glance

**\$1B+**

2023 revenue

**2,800+**

employees

**12**

acquisitions since 2010

**30+**

manufacturing & warehouse locations

Pregis is a vertically integrated material manufacturer & machine builder with global reach.

### Global Headquarters

Chicago, Illinois USA

### Sales, Service, Production, R&D, Equipment Specialist Centers, + Consumables

North America | Europe | Asia Pacific

### Pregis IQ | Innovation Headquarters

Aurora, Illinois USA | Eindhoven, Netherlands

## Serving leading global brands across industries



Automotive



Building + Construction



Food



Healthcare



Transportation + Logistics



Manufacturing



Retail



Wholesale



# Our Products and Services

Pregis is a customer-driven solutions provider of innovative flexible packaging, protective packaging materials, equipment systems and surface protection. As a material agnostic company, Pregis works with its customers to find the right solution to solve their business challenges.

## Products



Inside-the-box protection



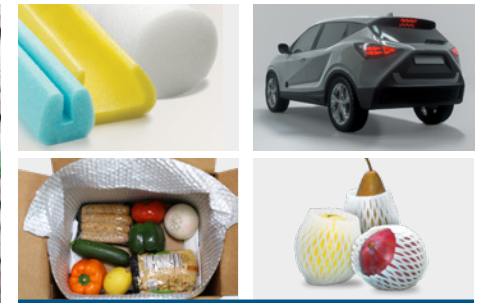
Mailing & bagging solutions



Temporary surface protection films



Flexible packaging films

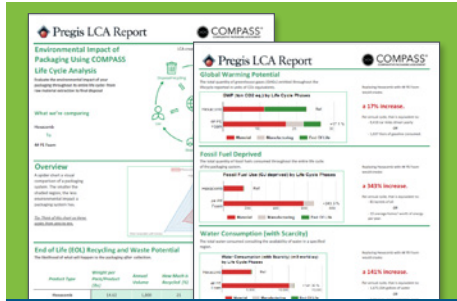


Industry specific solutions

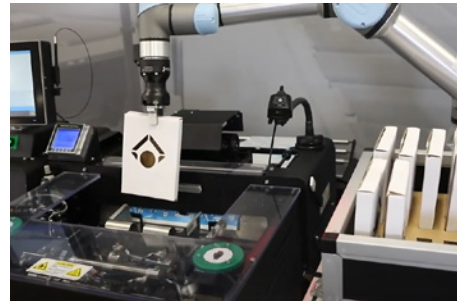
## Services



Material science, package design & testing services



Sustainable packaging assessment



Applications engineering & custom integration services



Installation & ongoing field services



Training & best practices



**Our Strategy:**  
**Protect**  
**Preserve**  
**Inspyre**



# The Pregis Purpose

The Pregis Purpose is based on three key principles that guide our commitment to environmental sustainability and drive our company's vision forward. The Pregis Purpose – to Protect, Preserve and Inspyre – are the cornerstones of our unique value system.



Pregis **Protects** the planet by designing products that help reduce damage and waste. By ensuring our customers' products arrive intact, we protect their brand experience and prevent wasted resources from damages, food spoilage, and reships.



Pregis **Preserves** the environment through efficient manufacturing and circular products. We are invested in producing the highest quality protective packaging while utilizing less raw materials and maximizing recycled content.



People are the "Y" in **Inspyre**. Investing in our people and making a positive impact on the world drives us. Pregis inspyres our employees, customers and the communities we serve to do good. We accomplish this by educating, advocating, and charitable giving.



Our goal is to actively contribute to positive change. As a leading provider of packaging and protective solutions, we recognize our role in safeguarding our planet.

We do this through:

- Partnerships with 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

The Pregis Purpose is the foundation of our values and beliefs. It goes beyond our interests and extends to the well-being of our communities and the environment. It encompasses more than just sustainability, as it is our dedication to being a trusted employer, a responsible producer, and a dependable collaborator with like-minded companies.



# The UN Sustainable Development Goals

In 2015, the UN established seventeen Sustainable Development Goals (SDGs), also known as the Global Goals. These goals outline priorities to create a better planet by 2030, including ending global poverty, fighting systemic inequality and addressing the increasing urgency of climate change. The SDGs are a widely recognized global framework, designed to protect people and the planet.

The Pregis 2K30 and 2040 goals are aligned with many of these SDGs. As we progress, the Sustainable Development Goals will continue to inform our strategy and decision making, to ensure we are aligned with international standards. Throughout this report, our goals and their related SDGs are indicated by the appropriate UN SDG icon.

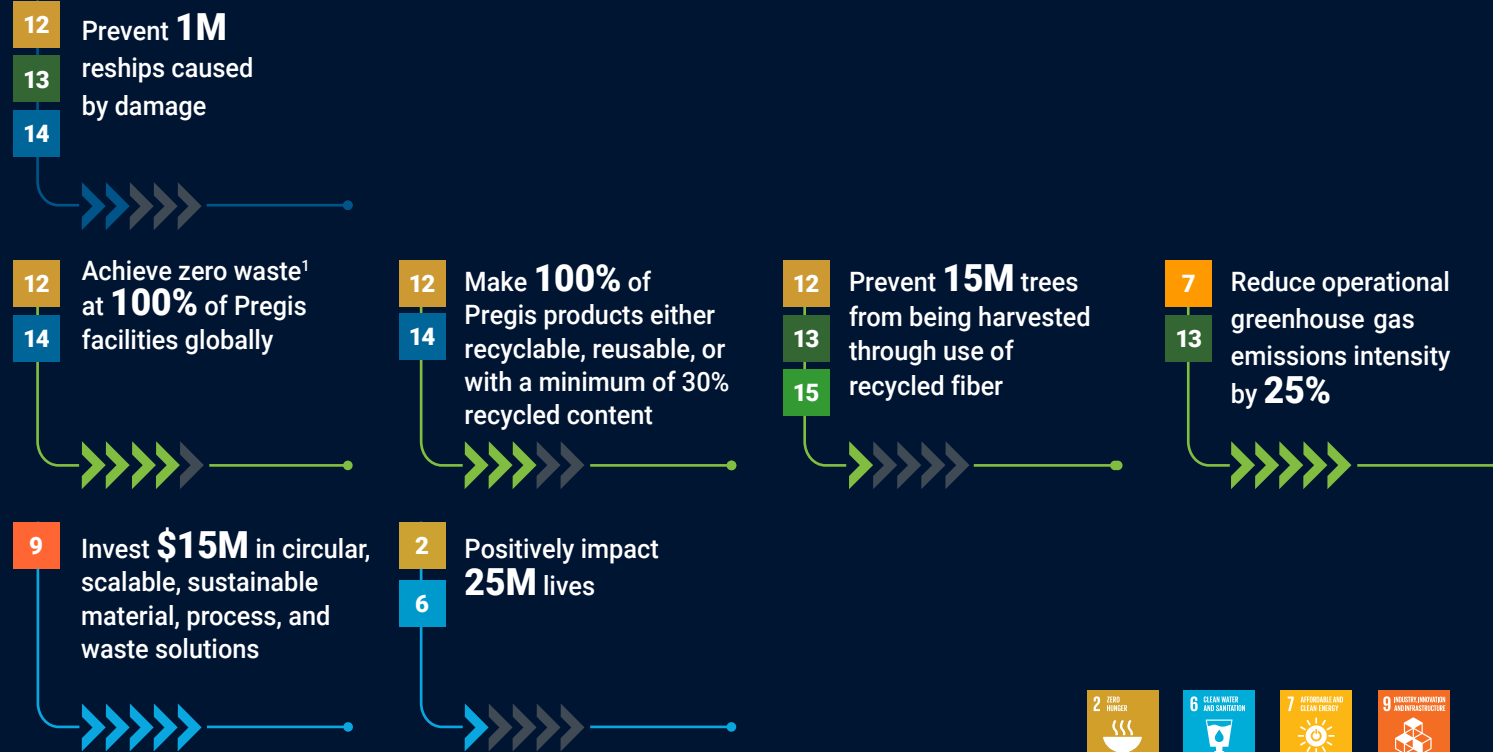
## THE GLOBAL GOALS



# Our Goals: The Path Ahead

Our 2K30 goals, built around our mission to Protect, Preserve, and Inspyre, are in service of this ambition. These goals represent a bold plan to lead the industry into a more sustainable future by 2030, by focusing our employees, organization, and customers on achieving tangible, meaningful sustainability impacts. Our 2K30 goals are steps towards our north star — net zero emissions by 2040.

## 2030



Progress to 2K30 goals <sup>2</sup>

<sup>1</sup>Zero waste is defined as the diversion of 99% of solid waste by weight from landfill  
<sup>2</sup>Arrows indicate progress based on internally calculated KPIs, with rounding applied.



## 2040 The Climate Pledge

# Net Zero Carbon

Reduction or abatement of 100% of our GHG emissions (across all scopes)



# Protect

Protecting what matters is central to our mission.

We guide customers in making informed packaging decisions, considering factors like product protection and sustainability goals. We bridge the gap between packaging choices and environmental impacts by offering assessments, testing, and design.

By providing our customers with data-driven insights and sustainable solutions, we protect both their products and our planet.





# GOAL: Eliminate Waste & Unnecessary Reshipments

Minimizing product damage while avoiding overpackaging is a critical element of sustainable packaging. Damaged products often end up in landfills, causing significant waste and increased emissions from remanufacturing and reshipping. Damage is not limited to broken goods; it also includes waste from food that was not properly packaged to preserve shelf life. We rely on data and product testing to support our continuous goal of eliminating damage while reducing packaging waste where possible.

To achieve this, we help customers make data-informed decisions through a consultative approach. Our packaging engineers work closely with customers and suppliers to address packaging design and business challenges. We perform thorough package testing to provide data-driven insights. These assessments quantify the environmental, cost and process impacts of our recommendations.

At our Pregis IQ® Innovation Headquarters located in North America and Europe, we offer a comprehensive suite of services to enhance packaging design:

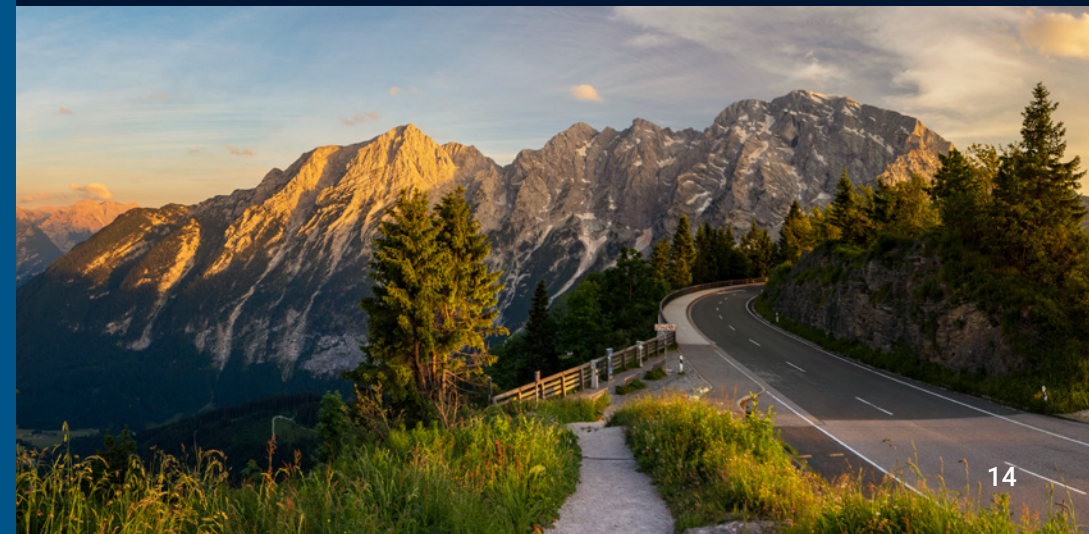
- Full-service design and testing
- Material science evaluations
- Consultative approach to integrating materials and packaging equipment with products
- Education, training, and support



*It's our responsibility to ensure that products shipped with our packaging are thoroughly protected, as product damage can lead to significant environmental consequences. Our efforts are focused on safeguarding the planet while protecting the goods entrusted to us.*



**– Clint Smith,**  
Senior Director of Global Sustainability



# Pregis IQ<sup>®</sup>

INNOVATION HEADQUARTERS

The Pregis IQ<sup>®</sup> is our Innovation Headquarters where we deliver tailored end-to-end packaging solutions or à la carte package design and testing services, all of which are backed by laboratory data.

Our team of packaging professionals use a consultative approach to deliver solutions that solve business challenges:



Reduce costly damages



Optimize material usage



Achieve sustainability goals



Improve transportation efficiencies

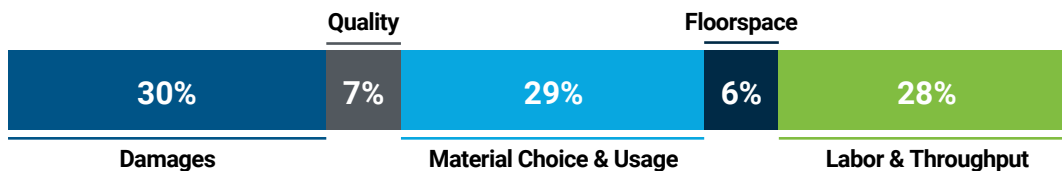


Increase package throughput



Enhance customer experience

## Customer challenges addressed by Pregis IQ projects in 2023:



Our goal is to educate customers and provide them with data that enables informed decision making. We offer:

- Material Life Cycle Assessment (LCA)
- Environmental Impact of Damages Assessment (EcoGauge)
- Cost of Damages Assessment
- Design and Testing Analysis (DTA)
- Shipping Size And Cost Analysis
- Standard Operating Procedures (SOP)



*The IQ is an essential part of the value Pregis provides. Our customers face growing challenges, paired with ambitious goals around sustainability, cost and customer experience. The Pregis IQ team works diligently to find the right solution, using all the research and testing tools at our disposal, because we understand that every application is unique.*



– **Damon Lucenta**, Senior Manager – IQ Packaging Services

# Case Study

## Innovative sustainable packaging development for home goods retailer

Pregis and a high-end home goods retailer embarked on a pioneering initiative in sustainable packaging, marking a significant chapter in our decade-plus-long partnership. The result is a first-of-its-kind solution: Pregis AirSpeed® HC Renew PCR, a high-pressure inflatable cushioning film made from post consumer recycled content.

**The Challenge:** The retailer committed to transitioning all plastic packaging to materials with at least 80% post-consumer recycled (PCR) content. Meeting the PCR requirements while manufacturing a thin-gauge high-pressure film with the performance needed to protect fragile items like glassware presented a unique challenge for Pregis.

**The Solution:** HC Renew PCR embodies circularity. Compared to the current cushioning solution made with virgin plastic, HC Renew PCR reduced carbon emissions by over 40%, fossil fuel usage by 65% and water usage by 70% according to an internally conducted life cycle assessment<sup>1</sup>. Additionally, the store drop-off recyclable solution is printed with clear How2Recycle® labeling, promoting consumer awareness and recycling.

**The Impact:** For the retailer, adopting Pregis AirSpeed HC Renew PCR met its sustainability goals and maintained its high product protection standards. This collaboration set a new benchmark in the packaging industry, proving that high PCR content and high-performance packaging are not mutually exclusive.

(continued >>)



By the numbers:



>1 million pounds of PCR processed since 2022 commercialization



200+ tests conducted to validate performance



600+ customer products tested



<2.5% damage rate maintained

<sup>1</sup>Internal life cycle assessments are conducted using COMPASS, an ISO 14040/14044 conformant LCA software.



## › Case Study: Innovative sustainable packaging development for home goods retailer

**Finding the Right Material:** The Pregis team approached this challenge by conducting a comprehensive market analysis to identify cost-effective, high-quality PCR resin sources. They selected a PCR blend from a reliable stream with low contaminant levels, ensuring steady access and quality assurance. The blend’s bright white color also enhanced the product’s aesthetic appeal and allowed for clear on-product printing to provide consumer recycling information.

**New Product Development:** Developing a product with 80% PCR content involved more challenges than common offerings with low percentages of recycled content. These challenges included:

- **Processability:** Different types of recycled content react differently in the manufacturing process
- **Operational disruptions:** Impurities in the melted plastic create issues with the production machinery, causing downtime and scrap
- **Quality issues:** Contaminants can affect the film’s color and impart odors

The team addressed these challenges with meticulous attention and collaboration, producing prototypes for validation.

**Validation and Testing:** At the Pregis IQ®, our packaging engineers conducted over 200 rigorous tests to ensure the new product effectively maintained damage protection. Throughout the validation process, engineers collaborated with the customer to ensure alignment, transparency, and trust.

The results were impressive. The new HC Renew PCR solution achieved a mere 2.3% damage rate across the range of fragile products in shipping tests.

The successful development process for HC Renew PCR demonstrates our commitment to innovation, sustainability, and customer experience. This case study is a testimony to our ability to maximize value while preserving the environment.



### Product Feature: Pregis AirSpeed® HC Renew PCR

Recycled Content  
Design for Recyclability



# Case Study

## Sink wholesaler ships direct-to-consumer with maximum protection

**The Challenge:** A direct-to-consumer wholesaler of home products, including toilets and sinks, reached out to the Pregis IQ® to explore cost-saving, damage-reducing alternatives to their current box-in-box packaging.

The customer was facing rising damage rates and increased freight costs due to larger box dimensions. When additional protection was added, the wholesaler received customer complaints about perceived overpacking.

Dissatisfied with their packaging and facing the financial and environmental implications of increased damage claims, the company realized the importance of a robust shipping solution.

**The Solution:** After exploring multiple packaging options, the Pregis IQ designed a new solution using Foam-in-Place, an on-demand polyurethane foam capable of providing high-performance cushioning for fragile items. The solution was tested in the Pregis IQ ISTA-certified lab, focusing on performance validation and universal applicability. The resulting designs, supported by standard operating procedures, aimed to mitigate damages while ensuring ease of implementation for packers.

**The Impact:** The Pregis solution minimized the environmental and financial costs to the customer by reducing box size and damages. By looking beyond immediate packaging cost reduction, the wholesaler was able to reduce the financial cost of damage and protect their credibility and reputation among their customers. By avoiding the wasted resources associated with damages products, the solution also reduced overall material and energy usage.

### The Impact:



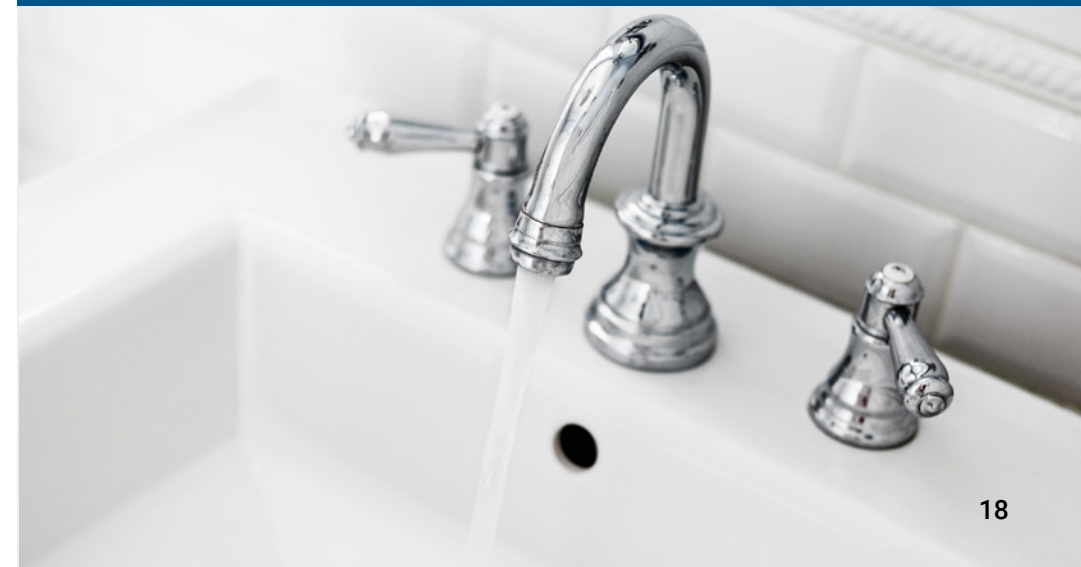
Reduced cube, improved shipping



Reduced costly damages and their impact on the environment



Enhanced customer credibility and safeguarded their business model



# Case Study

## Scaling retail operations with efficient and sustainable packaging

**The Challenge:** A producer and retailer of soaps and personal care products was focused on rapid growth and began to experience damage from their ship-from-store operation. In consulting with Pregis packaging experts, the retailer identified key requirements for protective packaging solutions:

- **Protect products:** Safeguard fragile items like bath bombs and candles
- **Enhance unboxing experience:** Use a curbside recyclable solution that aligns with sustainability-minded consumers
- **Repeatable packaging process:** Create an intuitive and easily scalable packaging process that fit within a confined building footprint

**The Solution:** Pregis IQ® engineers developed a customized, sustainable packaging solution that met the retailer's needs. The design accommodated various product combinations, focusing on six-sided protection to prevent damage.

Limited floor space at their ship-from-store locations necessitated a compact solution. Pregis EasyPack® GeoPack™ recycled paper void fill and EasyPack® GeoTerra™ wrappable paper cushioning met this need and aligned with curbside-recyclable requirements.

GeoPack ensured top and bottom protection, with items wrapped and secured with three layers of GeoTerra. This proved effective against shipping demands, as evidenced by successful test results. To ensure consistent implementation, Pregis provided in-person training and "how to pack" guides.

**The Impact:** The introduction of the new packaging system successfully prevented damages, standardized the packing process, minimized floor space usage, and reinforced the retailer's commitment to sustainability.

### The Impact:



Enhanced unboxing experience



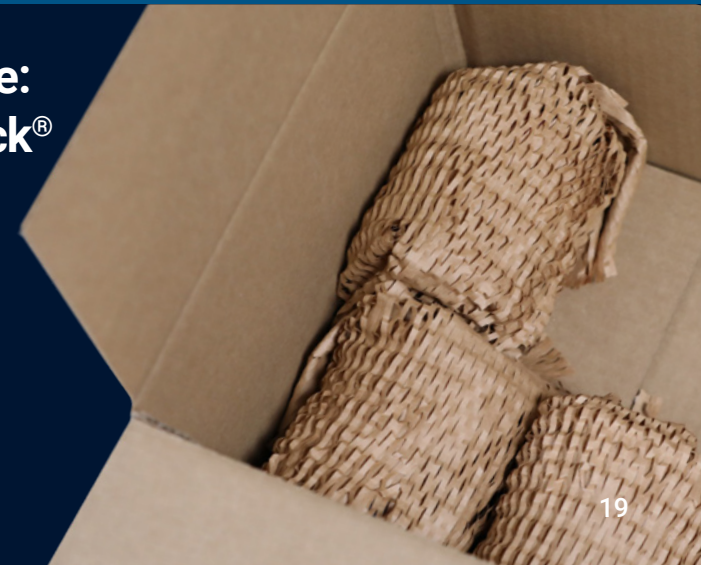
Achieved sustainability goals



Optimized material usage

### Product Feature: Pregis EasyPack® GeoTerra™

Design for  
Recyclability  
Renewable  
Resources







# Preserve

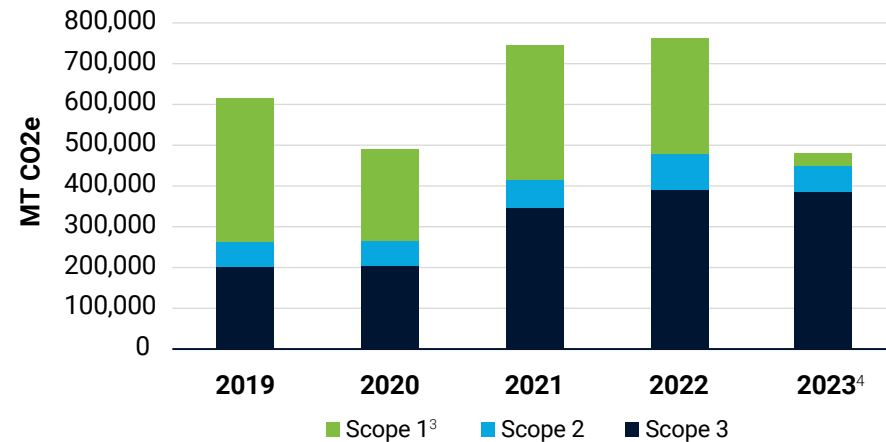
At the heart of our operational strategy lies a commitment to promoting the conservation of natural resources and protecting the environment. Central to this commitment is our dedication to designing products and processes that promote zero waste and a circular economy while reducing greenhouse gas emissions.

This means creating products with longevity and recyclability while optimizing our production processes to minimize waste and maximize resource utilization. These principles guide us toward our near- and long-term sustainability goals while enabling our partners to achieve their ambitions.



# Our Carbon Footprint

## Absolute Emissions<sup>1,2</sup>

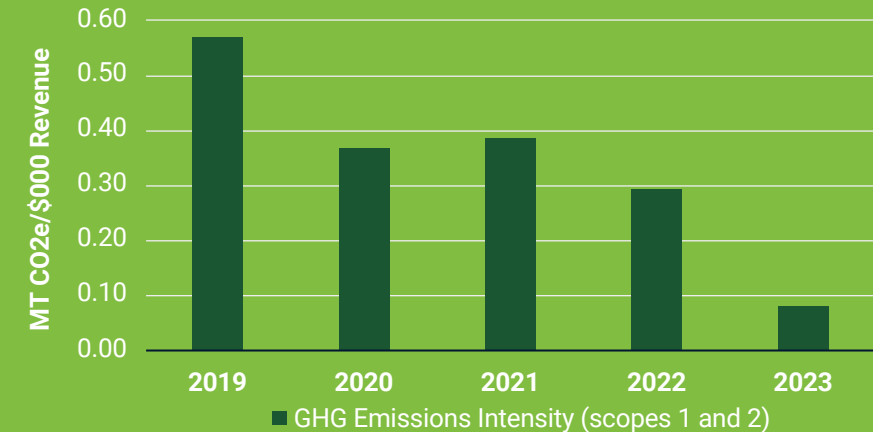


We continue to make progress towards our 2030 and 2040 emissions reduction goals. In 2023, our scope 1 emissions decreased by 88% versus 2022, driven by the transition away from a refrigerant-based manufacturing process for one of our product lines. Scope 2 emissions decreased by 23% versus 2022, driven by streamlining operations and increasing operating efficiencies across our global network. Our transition to lower-carbon materials such as recycled plastic and bio-based materials kept our scope 3 emissions flat, despite overall volume growth.

<sup>1</sup>Emissions are represented in metric tons of carbon dioxide equivalent (MT CO<sub>2</sub>e).  
<sup>2</sup>Emissions are calculated according to the Greenhouse Gas Protocol using primary and secondary data.  
<sup>3</sup>Scope 1 emissions have been restated to include process emissions in all years, affecting absolute emissions and emissions intensity metrics.  
<sup>4</sup>Externally verified by WAP Sustainability Consulting with limited assurance across all scopes.



## GHG Emissions Intensity from Operations<sup>3</sup>



Emissions intensity measures our business efficiency by dividing our absolute operational emissions (scopes 1 & 2) by our revenue. Operational efficiencies have allowed us to manufacture at the same capacity or higher while generating fewer greenhouse gas emissions. These improvements come from the economical use of energy, investments in newer machinery, and lower-carbon manufacturing processes.

To increase the accuracy and transparency of our emissions reporting, we underwent an independent third-party audit of our 2023 emissions inventory. The audit served as a meaningful test of our processes and systems and resulted in several changes that ultimately increased the accuracy of our reporting. Our 2023 emissions are verified with limited assurance.



# Customer Spotlight:

## Walmart Recognition – Project Gigaton

Project Gigaton™, a Walmart initiative launched in April 2017, engages suppliers to report reductions in upstream and downstream (beyond-the-shelf) greenhouse gas (GHG) emissions from the global value chain. The goal of Project Gigaton is to avoid one billion metric tons, or one gigaton, of CO<sub>2</sub> emissions by 2030.

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

We are proud to be part of the 5.6% of Walmart's 100,000 suppliers who helped Walmart achieve the Project Gigaton goal six years ahead of schedule.

In 2023, Pregis maintained Giga-Guru status by meeting these requirements:

- SMART Goal in 3+ pillars or science-based target
- Report impact in 3+ pillars
- Share Carbon Footprint (Scopes 1 & 2)





# GOAL: 25% Operational Emissions Intensity Reduction

## Our Commitment to Net Zero

As a signatory of the Climate Pledge, Pregis is working towards bringing the net zero future into reality by 2040. We are developing and implementing a rigorous decarbonization strategy driven by innovation and circularity. This year, we surpassed our interim goal of reducing operational emissions intensity by 25%, seven years ahead of our 2030 goal. By exceeding our targets ahead of schedule, we are demonstrating our resolve to drive meaningful change and set new benchmarks for sustainability in our industry.



### Absolute Emissions Reduction



**268,053**

metric tons of CO<sub>2</sub> equivalent  
(vs 2022)

### Emissions Intensity Reduction



**86%**

(vs 2019 baseline)



# Energy Decarbonization Approach

In 2023, we developed a detailed decarbonization strategy and roadmap for the transition to renewable energy. We see a path to net zero scope 2 emissions through a combination of energy conservation projects, onsite renewable energy generation, and the procurement of renewable energy. We have begun taking action on this roadmap with a dedicated budget and several initiatives underway.

## 2023 Energy Consumption in Gigajoules (GJ)

**Energy from Electricity Grid<sup>1</sup> | 508,069**

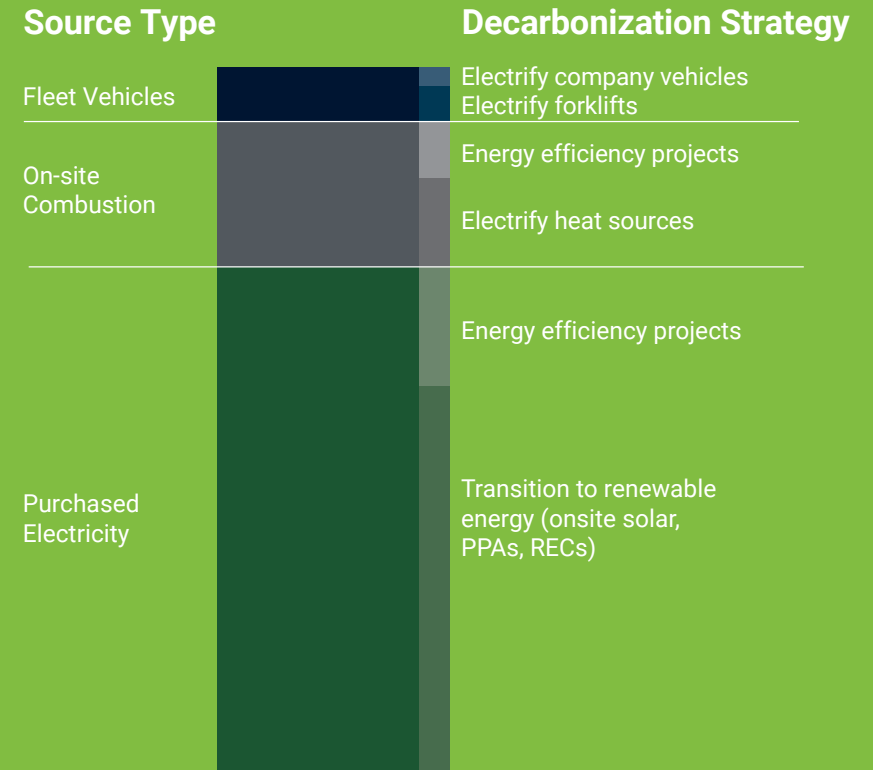
**Total Energy Consumed<sup>1,2</sup> | 832,127**

<sup>1</sup>Electricity data is unavailable for locations where utilities are not billed directly.

<sup>2</sup>Includes natural gas and propane for stationary combustion only. Does not include diesel, gasoline, or mobile combustion propane. Natural gas data is unavailable for locations where utilities are not billed directly

## The Path to Net Zero

This visualization<sup>3</sup> is based on our decarbonization strategy as of 2023.



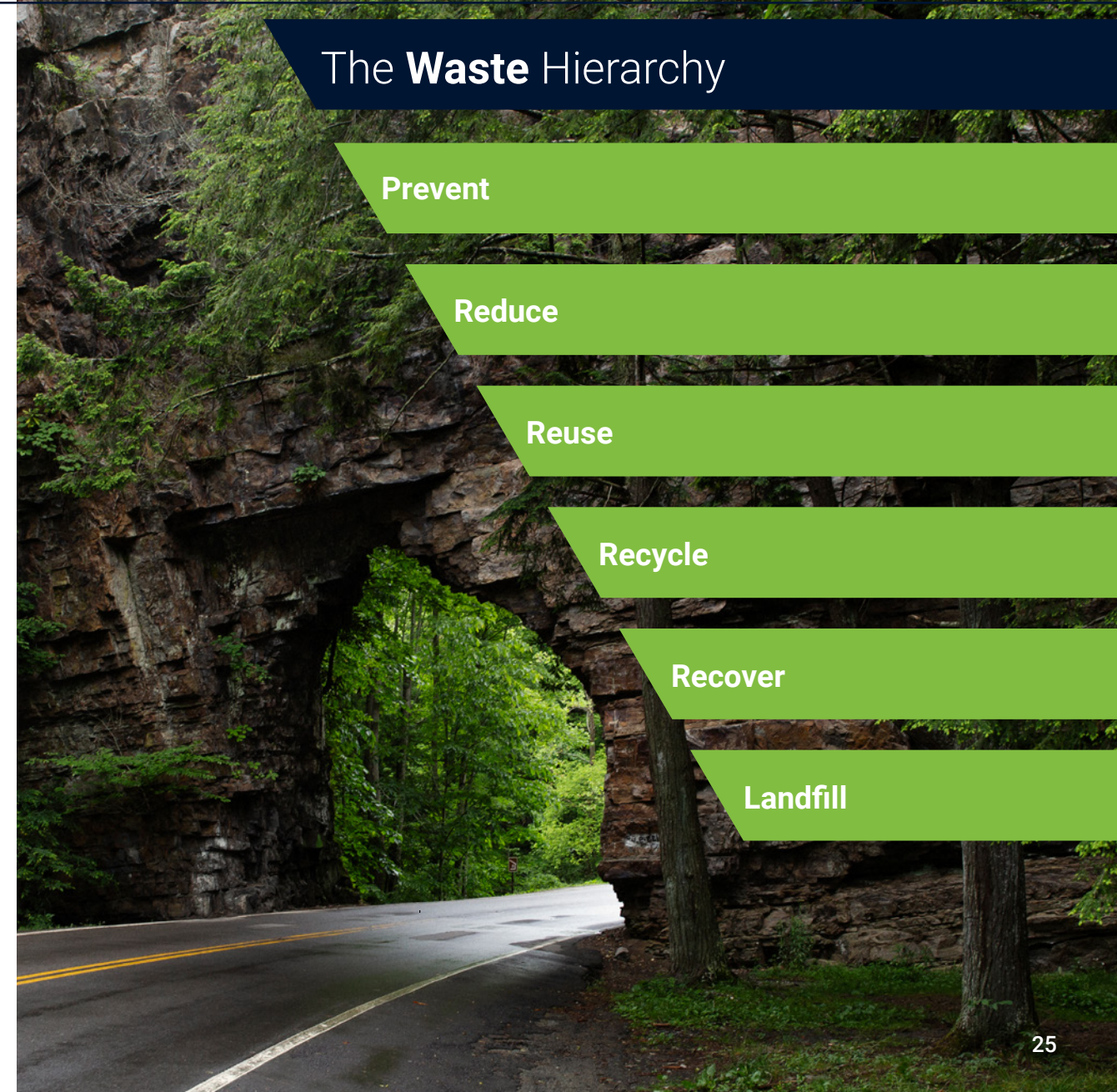
<sup>3</sup>Visualization is an illustrative representation of our decarbonization strategy and is subject to change.

# The Road to Zero Waste

Our journey to zero waste continued in 2023, guided by the waste hierarchy, which prioritizes reducing and reusing waste before recycling, with landfill and incineration as a last resort. The program launched at four pilot sites, which we refer to as our “zero waste flagship facilities”, each representing a different part of our manufacturing operations.

- **Reporting system:** Refined waste reporting systems to cover all operational sites. This data is critical for informed decision-making.
- **Cross-functional teams:** Established zero waste teams, representing multiple departments from the production to leadership levels
- **Sustainability training:** Trained all zero waste leaders and production teams on the importance of sustainability and their role in achieving zero waste
- **Waste audits:** Performed physical audits of waste streams at each flagship site to identify materials that could be diverted from landfills through prevention or recycling

Impressive flagship results have informed the development of a playbook for broader implementation across our network, advancing our roadmap to our goal of zero waste by 2030 and foster a circular economy.





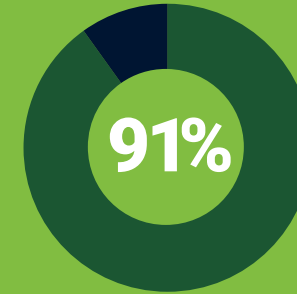
# GOAL: Zero Waste<sup>1</sup>

We aim to achieve zero waste by 2030 by following the principles of the waste hierarchy, a framework on managing waste without landfilling or incinerating. By embedding these principles into our manufacturing plants, distribution centers and office locations, we design our operations to run more efficiently.

Our strategy aims to prevent and minimize waste before recycling or composting as alternatives to landfill and incineration. By generating less waste, we use fewer raw materials and spend less energy to create our products.

We seek out partners that can recycle the waste we can't prevent. This keeps materials out of landfills and prevents the extraction of new raw materials. This approach minimizes emissions tied to these resources, reducing our carbon footprint and that of our customers.

We rely on a diverse team of operations experts to find ways to improve our processes to meet our sustainable manufacturing goals.



Landfill Diversion Rate 2023

Diversion Rate = Internally recycled + Externally recycled + Waste-to-Energy + Composted ÷ All solid waste

## 2023 Zero Waste Highlights



16,500+

metric tons of plastic waste recycled internally



3

zero waste flagship facilities achieved zero waste, measured as 99% diversion from landfill



13%

increase in plastic waste recycled internally (+1,800 metric tons)



7,000

metric tons of new internal plastic recycling capacity added in 2023

<sup>1</sup>Zero Waste is defined as diverting 99% of solid waste away from landfill by weight, according to SCS Global.

# Journey to Zero Waste: Focus on Elk Grove Village, IL

We selected our production facility in Elk Grove Village, IL as one of four zero waste flagships. To better understand their starting point, we collected data and conducted a waste audit. By analyzing the materials sent to landfill, we discovered that over 60% could be recycled by working with our existing recycling partners.

Recognizing an opportunity to increase landfill diversion, we implemented waste separation on the production floor. By training the production team and installing color-coded bins at workstations, the collection and diversion of recyclable materials was dramatically increased.

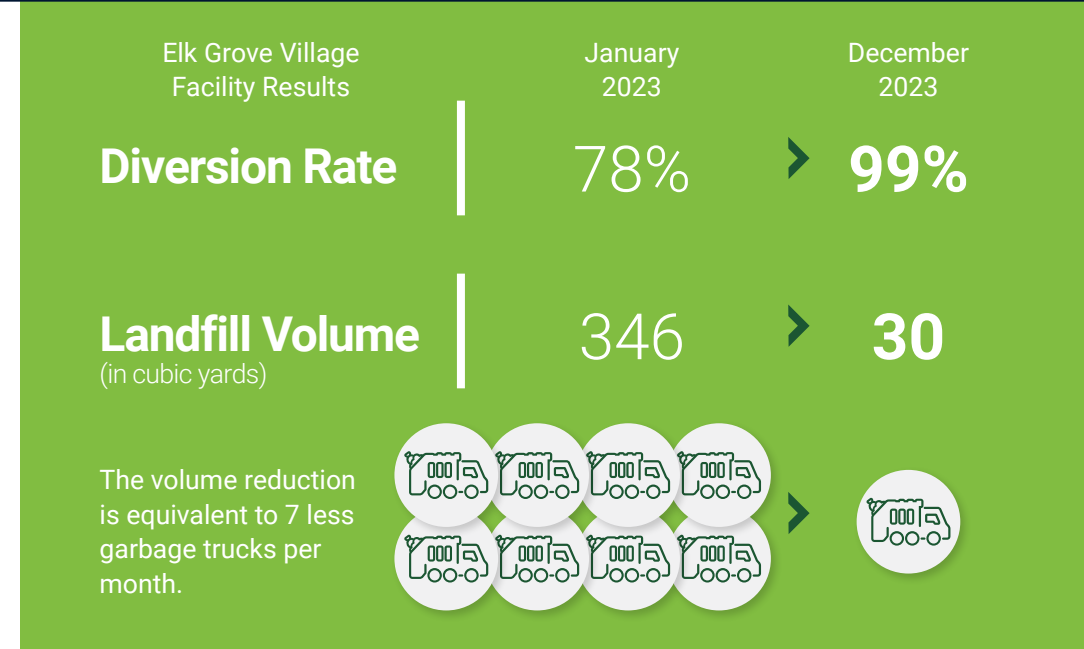
Due to the lower volume of waste after the program's first month, landfill services such as a pickup frequency and container size were greatly reduced. The results at Elk Grove Village exemplify the financial and environmental benefits of zero waste.



*I am motivated by the progress the teams at our zero waste flagships have made. This is a program that takes collaboration and buy-in from every level of the site, and they've excelled at every step. It's a testament to the pride our employees take in their work. At the end of the day, the zero waste program is about wanting to do the right thing and making it as easy as possible to do so.*



– Kevin Rogers, Sustainability Manager – Operations & Facilities



# GOAL: 100% of Products – Recyclable, Reusable, or Made From 30% Recycled Content

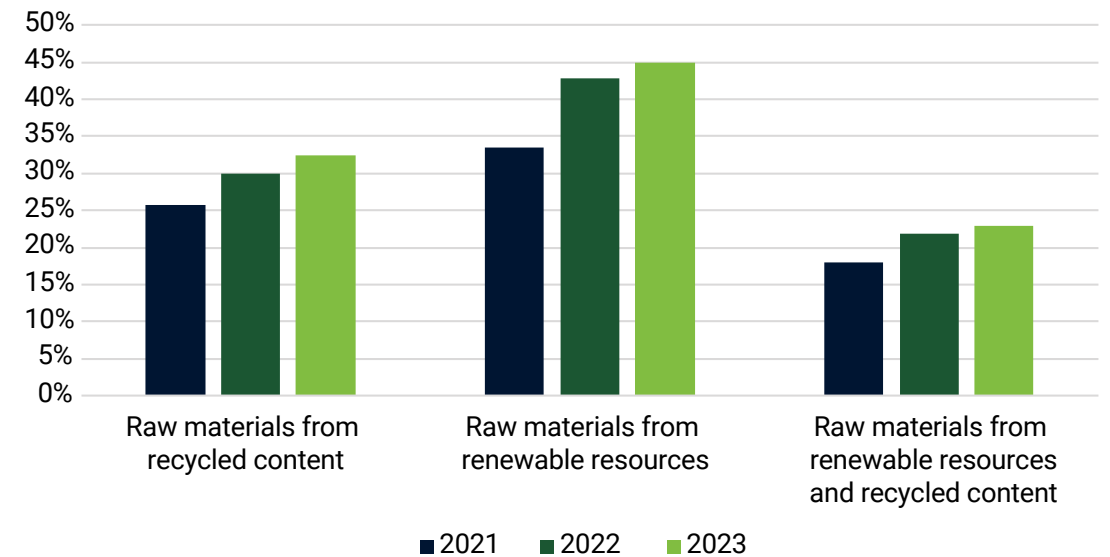
The increase in utilization of raw materials from recycled content and renewable resources<sup>1</sup> reflects a proactive commitment to sustainability, reducing reliance on finite resources while minimizing environmental impact.

This strategic shift not only aligns with evolving consumer preferences for sustainable products but also positions Pregis as a leader in promoting circularity and environmental stewardship within the industry.



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

**Raw Materials by Source<sup>2</sup>** (% of total materials procured by weight)



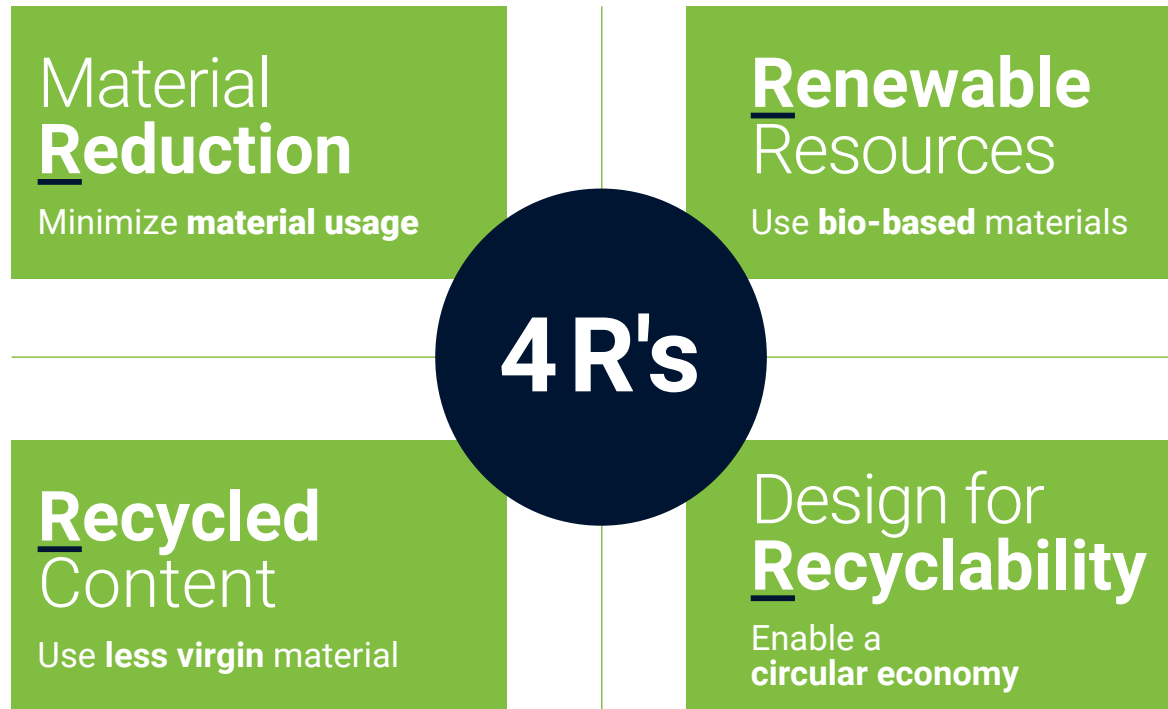
<sup>1</sup>Recycled content and renewable raw materials metrics are aligned with the definitions outlined by the Sustainability Accounting Standards Board (SASB).

<sup>2</sup>Data is calculated according to methodology outlined by SASB RT-CP-410a.1 and only includes primary raw materials.



# Product Strategy

Pregis operates with a holistic approach to product strategy that reflects a strong commitment to sustainability and environmental responsibility. This approach is underpinned by our 4 R framework:



*In our industry, innovation isn't optional. We're constantly bringing new solutions to the table to help our customers meet their needs, and we're grateful to the customers who help us push what the industry thinks is possible.*

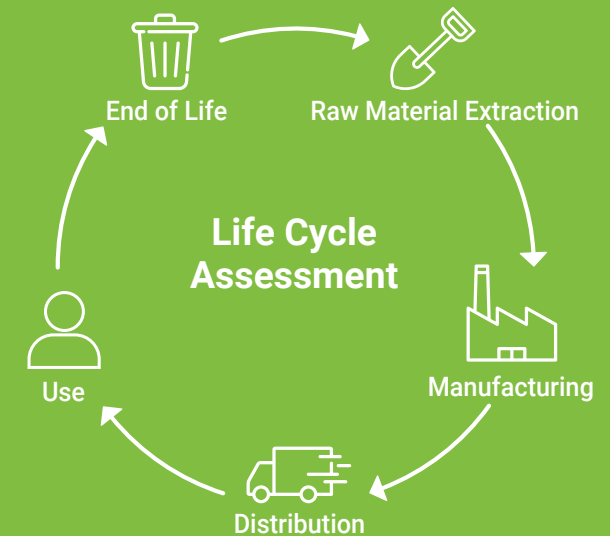


–Tom Wetsch, Chief Innovation Officer

## Life Cycle Thinking

Measuring environmental impacts, including carbon footprint, is essential in decision-making both for Pregis and our customers. We use life cycle assessments (LCAs) to measure a product's impact, including carbon emissions, fossil fuel usage, water usage and waste disposal metrics. Our LCAs leverage industry-average data and an ISO 14040/14044-compliant software to model a diverse range of materials and manufacturing processes.

In 2023, we helped over 50 customers make data-informed packaging decisions that align with their sustainability goals.



# Expanding the Definition of Recycled Content

Pregis is committed to staying at the forefront of innovation and circularity to help our customers reach their goals. Advanced recycling offers a new technology to keep valuable post-consumer plastics out of the landfill and incorporate them into new products. The advanced recycling process complements the established mechanical recycling system by converting hard-to-recycle plastics, such as flexible packaging, into virgin-quality resins.

Four of our manufacturing facilities are certified by the International Sustainability & Carbon Certification (ISCC) to ensure proper chain-of-custody accounting for resins made through advanced recycling. We've partnered across our value chain to incorporate ISCC PLUS Certified Circular<sup>1</sup> resins into select foam and film products and applications, including direct food contact. These applications, normally too sensitive to contamination to use mechanically recycled content, can accept virgin-quality advanced recycled content without issue. We also hold ISCC PLUS Bio Circular certifications, enabling us to manufacture using bio-based plastics, all while maintaining transparency and trust within our supply chain.

In 2023, we received ISCC PLUS certification at two additional facilities, bringing our total to four ISCC PLUS certified sites. We are working to develop our processes and offerings to continue supplying our customers with a broad range of circular solutions.

<sup>1</sup>Advanced recycled content is attributed through the ISCC PLUS mass balance approach.



Four ISCC PLUS Certified Facilities

Hopkinsville, KY (new)  
 Visalia, CA (new)  
 Anderson, SC  
 Heerlen, NL



Two ISCC PLUS Certified Circular Product Lines



Performance Flexibles



Sheet Foam

# Case Study

## Ecommerce customer uses lower carbon materials to minimize environmental impact

**The Challenge:** A leading ecommerce platform aimed to enhance its unboxing experience while reducing environmental impact. The customer required a comprehensive sustainable packaging solution that protected products, reduced the environmental footprint and improved ergonomics for their employees.

**The Solution:** Pregis provided a comprehensive solution of 24 pack stations with 12 compact Pregis AirSpeed® Mini Pak'R® top-fill machines and six ceiling-mounted integrated dispensing systems. The system improved space utilization and ergonomics by making air cushions easily accessible.

Unboxing is a crucial moment as a consumer evaluates a brand's sustainability commitment. Pregis AirSpeed Renew Zero film was the perfect solution: CO<sub>2</sub> neutral<sup>1</sup>, recyclable, and free from virgin fossil-based plastic. Made from 50% post-consumer recycled content and 50% second-generation bio sources, this film reinforced the company's focus on sustainability.

**The Impact:** The implementation of Pregis solutions led to significant improvements:

- **Carbon Footprint:** Emissions associated with the packaging material are offset by the inclusion of bio-based material
- **Operational Efficiency:** Increased packing speed and efficiency
- **Ergonomics:** Improved employee ergonomics by making materials easily accessible
- **Customer Satisfaction:** Enhanced the unboxing experience, reinforcing the brand's commitment to sustainability

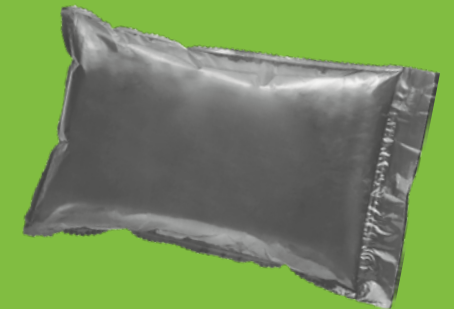
<sup>1</sup> Renew Zero has a net zero carbon footprint, calculated internally using an ISO 14040/14044-compliant life cycle assessment methodology, due to carbon uptake from the bio-based material



### Product Feature: Pregis AirSpeed® Renew Zero

Renewable  
Resources

Recycled  
content





# Designing for Circularity: Avoiding Landfill

## Engaging consumers in the circular economy

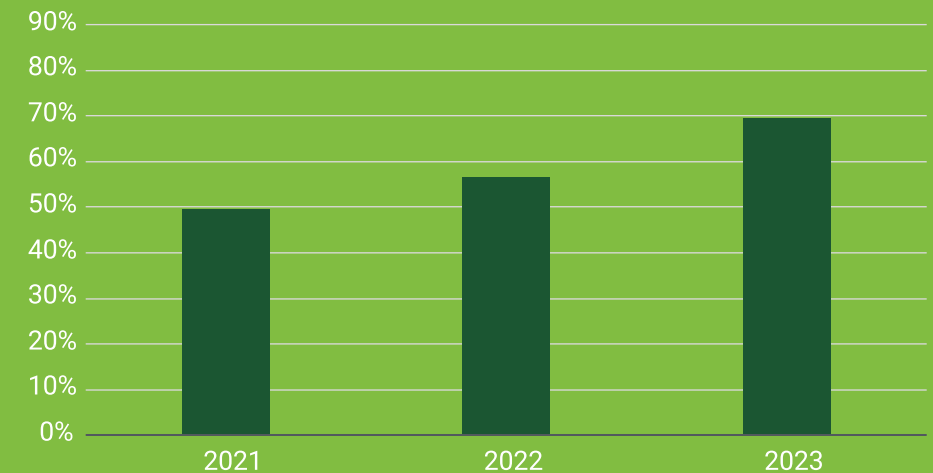
Our team continues to develop circular products, offering recyclable, reusable and compostable solutions to match our customers' needs. Our circularity metrics are aligned with the Sustainability Accounting Standards Board (SASB) reporting recommendations for the containers and packaging industry to ensure transparency and consistency with industry guidance.

**Reusable:** Though many of our products are repurpose-able, in this context, reusability requires an explicit design feature which enables reusability.

**Recyclable:** Pregis leverages the How2Recycle® program to identify curbside and store drop-off recyclable materials in North America, which is consistent with the FTC Green Guides. Similar country-specific standards are used around the globe. Only materials which have received third-party designation are included in our calculation.

**Compostable:** Compostability is defined by a variety of standards and certifying bodies. Any Pregis products, such as uncoated paper, which could be considered compostable are also recyclable.

## Revenue from products that are reusable, recyclable, and/or compostable<sup>1</sup>



69%

of 2023 revenue came from reusable, recyclable, and/or compostable products



14%

increase in revenue from reusable, recyclable, and/or compostable product vs 2022

<sup>1</sup>Data is calculated according to methodology outlined by SASB RT-CP-410a.2.

# Designing for Circularity: Enabling Recycling

We understand the importance of recycling in waste reduction and environmental preservation. This is why we adhere to the Design for a Circular Economy principles outlined by Circular Economy for Flexible Packaging (CEFLEX) and the Association of Plastic Recyclers (APR) Design Guides, to enhance the sustainability of our product designs in support of a circular economy.

Pregis uses multiple external recyclability labelling systems to offer transparency and assist consumers in making well-informed decisions regarding recycling, a crucial aspect in promoting a circular economy.

**Definition of recyclability:** We adhere to the Federal Trade Commission (FTC) Green Guides definition of recyclability, which requires 60% of consumers to have access to relevant recycling infrastructure. While many of our products, such as polyethylene foam, are 'recycle ready' where infrastructure exists, recycling collection, sortation, and repelletization infrastructure does not meet the 60% access threshold. Therefore, we do not classify them as recyclable in this metric. All products noted as recyclable have been designated either curbside or store drop-off recyclable by the How2Recycle® program in accordance with FTC guidelines in the North American market. Similar international standards are used where applicable.

Breakdown of Recyclable Revenues (2023)



<sup>1</sup>While curbside acceptance of recyclable goods can vary by municipality, the above breakdown indicates the general acceptance according to FTC guidelines or similar international standards where applicable.

# Case Study

## Pregis curbside recyclable mailers help luxury retailer rightsize packaging by saving 1.1M lbs.

**The Challenge:** A leading luxury retailer aimed to launch its ship-from-store program while reducing costs, reducing environmental impact, and maintaining a premium customer experience. The retailer recognized that this required smaller packaging and a simplified packaging process.

**The Solution:** In collaboration with Pregis, they migrated a segment of their packaging from small boxes to Pregis EverTec™ Cushioned Mailers. This operational change aligned with program objectives, maintained the luxury experience, and minimized damages.

**The Impact:** This strategic shift resulted in substantial, multimillion dollar cost savings and a material reduction of 1.1 million pounds. The Pregis sustainability team conducted a comprehensive life cycle assessment<sup>1</sup> (LCA) to compare the transition from small boxes to EverTec mailers over a span of one year. The life cycle assessment, conducted internally, demonstrated an 81% decrease in greenhouse gas emissions and fossil fuel usage, highlighting the significant environmental benefits of this packaging shift.



### Product Feature: Pregis EverTec™ Cushioned Mailer

Design for Recyclability

Renewable Resources

Material Reduction



By the numbers:



**1.1M lbs** of packaging material reduced annually



**81%** reduction in greenhouse gas emissions annually

<sup>1</sup>Internal life cycle assessments are conducted using COMPASS, an ISO 14040/14044 conformant LCA software.



# GOAL: Save 15 Million Trees from Harvest

Trees play a crucial role in combating climate change and supporting biodiversity. Deforestation threatens these vital functions, and we strive to eliminate it in our supply chains.

We can promote this goal by procuring paper with certifications from the Forest Stewardship Council (FSC), Sustainable Forest Initiative (SFI), or Programme for the Endorsement of Forest Certification (PEFC). Additionally, we incorporate recycled paper into our products and strictly adhere to chain of custody guidelines.

We continually assess new opportunities for responsibly sourced, circular fiber usage without compromising product protection. Our thorough testing ensures that the fiber composition of our materials meets required durability standards while reducing reliance on virgin materials, contributing to our goal of saving 15 million trees from harvest.

## 748,806 trees saved in 2023<sup>1</sup>



2.99M trees saved from harvest (Since 2019)

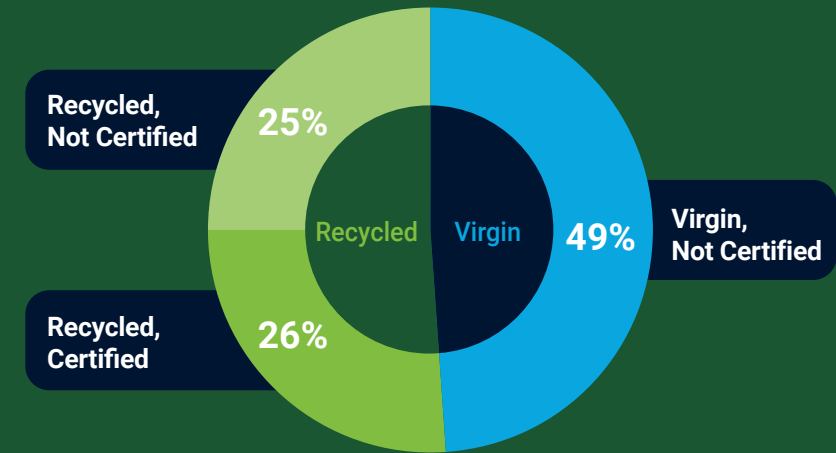


<sup>1</sup>One ton of recycled fiber is equivalent to 17 trees saved (EPA, 2016).

<sup>2</sup>Data include paper product raw materials only. Does not include secondary packaging such as boxes, pallets, and cores.

### Paper Procurement<sup>2</sup> by Source and Certification

Percentages by weight



Our Fiber Certification Partners





# Inspyre

People are the “Y” in Inspyre. We inspyre through education, professional development, industry advocacy, and charitable giving.



# GOAL: Positive Impact on 25 Million Lives

Our passion is to make a positive difference locally and globally. This commitment is ingrained in our company culture, fostering a supportive employee environment while also extending beyond our organization. We address various challenges, from mitigating environmental impacts to promoting education and tackling issues such as food and water insecurities.

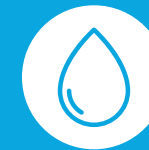
Our goal is to positively impact 25 million lives by 2030. This ambitious target serves as a source of inspiration for our dedicated team, propelling us forward with determination and purpose.

## 196,617 lives impacted in 2023<sup>1</sup>

700K lives impacted (since 2019)



At Pregis, our primary pillars of giving are grounded in overcoming water and food insecurities.



**1 Uzima water filter**

impacts 10 lives



**1 Uzima sanitation kit**

impacts 1 life



**\$1 to Feeding America**

provides 10 meals, impacting 10 lives



<sup>1</sup>Lives impacted calculation is specific to each charity and is provided by the charitable organization.



# Community Service and Philanthropy

## Supporting Clean Water and Sanitation with Uzima

Unclean drinking water and poor sanitation are tied to numerous preventable illnesses. Contaminated drinking water impacts more than health. The time and cost of illness prevent families from working and pursuing education, perpetuating a cycle of poverty.

Pregis is proud to partner with Uzima, a non-profit organization dedicated to providing clean water to communities in need and those affected by natural disasters. Uzima, which means "full of life" in Swahili, supplies water filtration systems that enable people to convert contaminated water into safe, drinkable water.

A portion of the sales of Pregis Inspyre™ brand products is contributed to Uzima, allowing customers to support this cause while engaging consumers with purpose-driven packaging solutions.

In addition to the Uzima water filter donations, Pregis employees and customers have teamed up to assemble 2,100 sanitation kits which are provided to areas in the wake of natural disasters.



Our charitable contributions to Uzima are verified by 1% for the Planet, an internationally recognized certifying body. 1% or more of profits from our Inspyre brand products are given directly to Uzima. The 1% for the Planet logo assures organizations and consumers of their impact on the world through reputable donations.

Learn more at [onepercentfortheplanet.org](https://onepercentfortheplanet.org)



In 2024, stock Pregis EverTec™ mailers will join the Pregis Inspyre™ brand family

In 2023 alone, our partnership with Uzima Clean Water Mission positively impacted 67,241 lives.

# 67,241

1 filter = Clean water for 10 people for 10 years



*I visited some of the clean water projects Pregis is supporting in Kenya and witnessed the profound impact on the community. Access to clean water is breaking the cycle of poverty in these communities.*

*The Uzima filters remove the cost of water-borne illness in life-changing ways. Kids can attend school, their parents can go to work, and families can afford essentials like shoes, all with the time and money saved by access to clean water.*



–Clint Smith, Senior Director of Global Sustainability

# Case Study

## Cushioning solution blends product protection and brand values for leading telecommunications company

**The Challenge:** A third-party logistics (3PL) customer required a more robust protective packaging solution when their telecommunications customer transitioned to slimmer, sleeker product packaging, resulting in increased product damages during shipping.

**The Solution:** Pregis and the distributor partner recommended the Pregis AirSpeed® Hybrid Cushioning (HC) product line for its on-demand, high-performance cushioning. HC Inspyre, part of the HC portfolio, stood out not only for its protective capabilities but also for its contribution to branding, sustainability and social responsibility.

As a brand member of 1% for the Planet, a portion of all HC Inspyre profits are donated to the Uzima Clean Water Mission. This non-profit organization provides access to clean water to some of the world’s most vulnerable communities. By using Uzima filters, individuals can transform contaminated water into clean, drinkable water by eliminating 99.99% of bacteria that cause waterborne diseases.

In addition, the distinctive blue color of HC Inspyre aligned with the telecommunication company's branding, enhancing the customer experience while reinforcing the brand's commitment to making a positive impact.

**The Impact:** The implementation of HC Inspyre across the telecommunications company's 3PL fulfillment sites resulted in significant benefits. Beyond improving product safety during shipping, the initiative has provided life-saving clean water to over 20,000 people from the combined sales of 2022 and 2023, showcasing the profound impact that thoughtful packaging solutions can have on product integrity and global welfare.



**20,000 people** gained access to clean water through the proceeds of this case study from 2022 and 2023



# Community Service and Philanthropy

## Fighting Food Insecurity

Food insecurity is a pervasive issue across the world. We find ways to make an impact in our local communities and through national initiatives. At Foam Expo, held in June 2023, Pregis invited industry participants to join in supporting the fight against food insecurity. For every badge scanned at the event, Pregis donated to Feeding America, with every \$1 donated providing ten meals to those in need. This initiative not only supported a critical cause but also encouraged broader industry involvement in addressing food insecurity.

Following the devastating wildfire tragedy on Maui in August 2023, Pregis further demonstrated our commitment by matching employee donations to Feeding America. These efforts significantly amplified the impact, providing vital support to those affected by food insecurity.

## Engaging Employees in Community Initiatives

Pregis enables and encourages employees to better their communities by facilitating and spotlighting service initiatives. We're proud of the commitment shown by our local teams, through projects such as:

- **Helping Harvest:** Our team held a food drive in Bethel, PA for Helping Harvest in Reading, PA a member of Feeding America
- **Tree House Child & Family Center:** Our Elkhorn, WI site organized a food basket drive and fundraising campaign
- **Salvation Army Angel Tree Program:** In Bethel, PA our team provided toys to children who might not otherwise receive holiday gifts
- **Toys for Tots:** Two facilities in Aurora, IL, collected toys, ensuring children receive holiday gifts
- **Breast Cancer Research Foundation:** Our Elkhorn, WI location raised funds to support liquid biopsy collection kits and hosted a blood drive
- Pregis also partnered with **Nourishing Hope**, an organization located in the Chicago, IL metro area, by providing ThermoCycle Flex thermal pouches to transport meals to those in need



# 118,400

Our donations provided **118,400 meals** to people who would otherwise suffer from food insecurity.



*Charity and volunteering are embedded in the culture of Pregis, from our company-wide goals and Pregis Inspyre™ product donations, to facility-level initiatives driven by our passionate team. I'm always inspired by the generosity of the One Pregis family and our dedication to impacting lives beyond our walls.*



– **Daché Davidson**, Chief Marketing Officer





# Recognizing our People

## Inspiring Achievement Award

Pregis recognizes an employee that goes above and beyond with the **Will Drennan Inspiring Achievement Award**. Will Drennan, a member of the Pregis team who lost his life in 2022, demonstrated selfless heroism in the face of immediate danger, instinctively jumping into action to save the life of a child, and ultimately sacrificing his own. In honor of this heroic act, Pregis recognizes a team member who goes above and beyond in memoriam to Will's courage and service to others.

Nominees for the Will Drennan Inspiring Achievement Award demonstrate the following characteristics:

- Community involvement
- Ambassador of the Pregis Purpose inside and outside of the company
- Voluntary acts of service to his/her peers without expecting anything in return
- Leadership and mentoring of others
- Contributing to the overall success of One Pregis



*I am profoundly honored by this recognition. It is a privilege to be part of an organization that recognizes the brave and selfless spirit of Will.*

*I am deeply grateful for the exceptional people around me who inspire me to be my best.*



**–Miodrag Minic, Pregis Systems Manager**  
2023 Will Drennan Inspiring Achievement Award Winner

# Health & Safety

At Pregis, fostering a secure and healthy workplace for our dedicated employees is a top priority.

We are incredibly proud of the reductions in our total recordable incident rate compared to last year. Both safety metrics were reduced greatly and remain well below the national benchmarks for our industry, bringing us closer to our goal of zero injuries. These improvements would not be possible without the work of our operations leaders and production teams.

We continue to uphold our internal safety initiative, the '7 Elements of Safety', adhering to internationally recognized standards such as ISO 45001, which governs occupational health and safety management systems. The program concentrates on employee training adherence, procedural assessments, cross-functional audits and holistic employee wellness. This program is in effect across all Pregis locations, reflecting our unwavering commitment to safety.

## 2023 Health & Safety Metrics

Total Recordable Incident Rate (TRIR)

**0.95**  
 26%<sup>1</sup>

The number of recordable incidents per 100 full-time employees, calculated according to OSHA guidelines

Industry benchmark TRIR: 3.4<sup>2</sup>

Days Away/Restricted or Transferred Rate (DART)

**0.40**  
 47%<sup>1</sup>

The number of recordable injuries and illnesses per 100 full-time employees resulting in days away from work

Industry benchmark DART: 1.1<sup>2</sup>

<sup>1</sup>2023 versus 2022

<sup>2</sup>From the U.S. Bureau of Labor Statistics 2022 Plastic Product Manufacturing Industry averages.

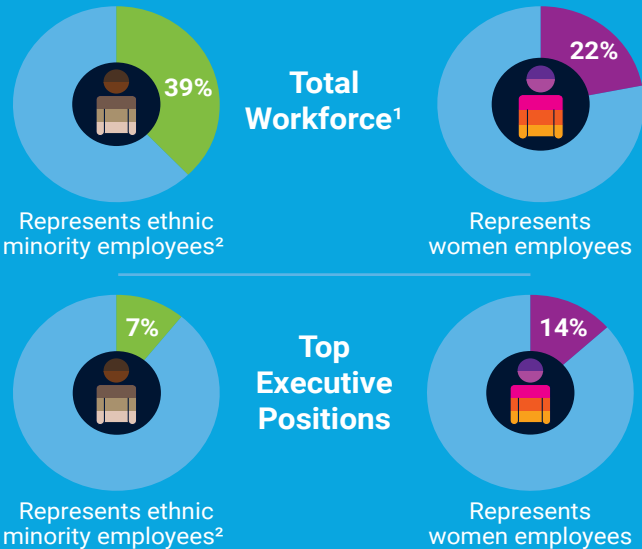
## 7 Elements of Safety:

- 1 **Culture:** Instill employee ownership in creating a safe workplace for all
- 2 **Hazard Recognition:** 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

# Creating an Inclusive Workspace

## Diversity, Equality and Inclusion

Creating inclusive work environments where every team member feels appreciated and respected is a top priority. At the end of 2021, we launched our partnership with Circa, a diversity recruiting platform, to increase our focus on diversity outreach. We are pleased to share that this partnership remains a priority.



<sup>1</sup>Data does not include temporary, seasonal, or contract employees.

<sup>2</sup>Race and ethnicity data reflected for employees located in North America only due to regulatory limitations in other geographies.

## Employee Resource Groups



Veteran's ERG 2023:  
36 members

The **Veterans' Employee Resource Group** is dedicated to hiring and supporting talented service men and women. Our focus is on providing transition support, encouraging unity and collaboration across the Pregis family and creating opportunities to serve others. We proudly support and employ over 56 self-reported Veterans. In 2023, the Pregis Veterans' ERG:

- Signed a pledge in support of Employer Support of the Guard and Reserve (ESGR)
- Implemented Paid Military Leave (Pay Differential) benefit, offering up to 80 hours of annual differential for employees attending military activities
- Sponsored participants in the Salute Inc 5k Memorial Day race
- Acknowledge birthdays of all US Military branches with social media posts honoring those who serve



Women's ERG 2023:  
48 members

The **Women's Employee Resource Group (WERG)** aims to create an inclusive environment that supports and encourages women to advance their skills and leadership potential through connection, mentorship, collaboration and discussion. This group, open to all, acts on the vision by:

- Sponsoring events that support organizations aiding women and families in need, such as a donation drive providing 100 "essential kits" for The Beaman Home, a domestic abuse shelter
- Hosting monthly chair member meetings and an open meeting for all Pregis employees every six weeks
- Inviting guest speakers at least twice a year to provide insights and encouragement
- Hosting a member-led book club



# Learning & Development

We aim to foster an environment of continuous growth. By investing in learning and development, we empower our employees to adapt to evolving industry standards and best practices.

Our training modules span safety, skills enhancement, ethics, and sustainability to develop our people and foster career advancement. Additionally, our annual review process provides all employees an opportunity for reflection, mentorship and career planning.

## Inspyre scholarships

Demonstrating our dedication to the growth of employees and their families, the Pregis Inspyre Scholarship program provides financial support for higher education pursuits. These scholarships help alleviate the financial burden of tuition, textbooks and related expenses.

In 2023, five Pregis employees and five dependents received these scholarships, allowing them to dream big and pursue higher education.

**48,616**  
total hours

Delivered a total of 48,616 training hours internally in 2023

**20**  
hours per employee

Employees received an average of 20 training hours in 2023

**451**  
internal training hours on sustainability

Delivered a total of 451 training hours focused on sustainability to Pregis employees in 2023



# Education Partnerships

Pregis is dedicated to developing the next generation of packaging professionals through education partnerships. Over the years, Pregis has collaborated with leading packaging schools to provide talented students with internships at our Pregis IQ® Design Services lab, often hiring these students again full-time upon graduation.



“After an impactful internship at the Pregis IQ, I’m proud to rejoin Pregis as a full-time member of the Sustainability Team. Pregis has a culture of excellence and collaboration that brings out the best in my work. With the support of some great mentors and colleagues, I can make an impact at the scale of the business, larger than anything I could do as an individual. I look forward to playing my part in helping Pregis reach our goals.”

**Eliza Basel**, Sustainability Analyst

“As an industry leader, Pregis offers our students hands-on experience with innovative design, cutting-edge materials, and invaluable insights into the complexities of modern packaging solutions. Our long running partnership with Pregis not only enriches our students' educational journey but also reinforces our commitment to producing skilled professionals who are poised to make significant contributions to the ever-evolving field of packaging.”

– **Dr. Jay Singh**, Professor, Cal Poly State University





# | Beyond Pregis





# Customers

The 2023 Pregis Purpose Awards honored 114 of our channel partners and customers for their dedication to sustainability initiatives and philanthropy. These awards were determined by the 2023 sales of products that align with those values.

**Pregis Inspyre Award:** Celebrates lives changed by the Inspyre Clean Water partnership

**Pregis Preserve Award:** Celebrates trees saved through the purchase of EasyPack 100% recycled paper

**Pregis Renew Award:** Celebrates carbon emissions avoided by the purchase of PolyPlank® Renew and AirSpeed® Renew films made with recycled content

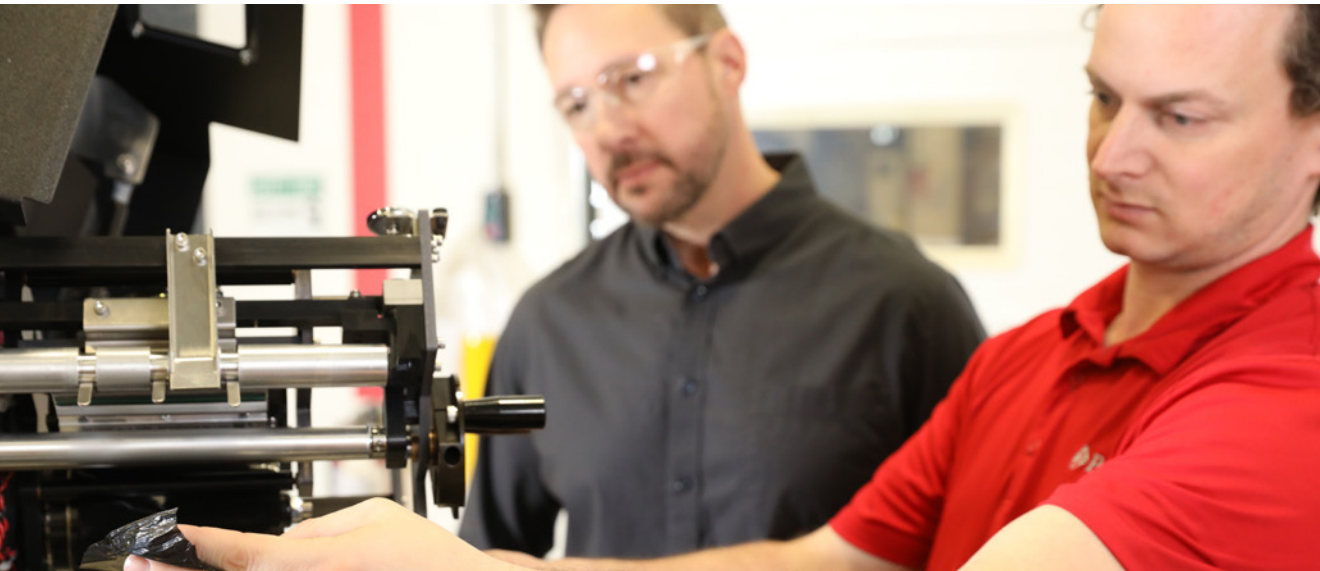


# Partner Training

As industry leaders, we're eager to share the deep expertise of our team. Building on years of successful sales training with channel partners, we are extending our offerings to cover a wide range of sustainability topics. As sustainability evolves, we are invested in keeping our teams and partners up to date on the fundamentals and future advancements in sustainable packaging.

Topics include:

- Carbon emissions
- Zero waste
- Life cycle assessment
- Environmental impact of damages



**53**

companies

**560**

sustainability training hours



Pregis delivered training to 53 companies, totaling over 560 training hours in 2023



*Working with channel partners and end users to communicate sustainability is key to the value Pregis provides. Helping our distribution partners understand the full scope of sustainable packaging enables us to deliver the maximum positive impact and raises the bar of sustainability in the packaging industry.*



– Eva Caspary, PhD, Sustainable Packaging Specialist

# Involving Our Suppliers

## Human Rights & Code of Conduct

Pregis remains committed to monitoring and ensuring human rights regulations and legislation adherence. To achieve this, all suppliers must sign our Supplier Code of Conduct. Suppliers must thoroughly review and endorse policies that address crucial areas in human and worker's rights, including but not limited to the following:

- Prohibition of forced labor and child labor
- Non-discrimination
- Fair working hours, wages, and benefits
- Employee health and safety
- Grievance mechanisms
- Fair business practices
- Anti-trust compliance
- Anti-corruption measures
- Data privacy
- Responsible sourcing

Additionally, we have conducted audits for large suppliers in high-risk countries<sup>1</sup> and implemented policies addressing anti-corruption measures, sustainable procurement, and conflict of interest considerations.

## Training

100% of Pregis buyers completed sustainable procurement training in 2023.

<sup>1</sup>Pregis identifies high-risk countries as those which receive a Corruption Perceptions Index Score less than 50. Vendors in these countries who do more than \$100,000 of business with Pregis must undergo further supplier due diligence auditing.





# Industry Advocacy and Partnerships

**Pregis aligns 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 our carbon footprint. We are a signatory to The Climate Pledge and work with Emitwise, a third-party carbon accounting platform. WAP Sustainability Consulting verified our 2023 emissions inventory.



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



**Package design, testing & environmental assessments:** We stay up to date on trends and regulations and engage with the International Safe Transit Association (ISTA), FedEx Testing Standards, Amazon Packaging Support and Supplier Network (APASS), and Trayak (owners of COMPASS Life Cycle Assessment tool).



**Product end-of-life:** Transitioning towards circularity requires industry-wide cooperation. Pregis is an active member of the cross-value chain initiative Alliance to End Plastic Waste (AEPW) and a partner of Circular Great Lakes. We use on-product labelling from How2Recycle to inform consumers of proper product end-of-life.



**Supply chain:** Pregis aligns with ethical chain of custody organizations, including the 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:** Pregis collaborates with industry groups across the value chain, including the 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 inspire change and impact lives through verified philanthropic programs, including Uzima and 1% for the Planet.



# Governance



# Responsible Management

## Pregis values ethics, integrity, and lawful behavior to safeguard our global operations and reputation.

No matter their role, every employee is responsible for adhering to the highest ethical standards in their daily tasks and upholding our business principles, which are posted on our website. We take pride in the fact that every member of the Pregis staff actively contributes to our responsible business journey.

In 2022, we strengthened our internal governance team by appointing a Chief Sustainability Officer and have since expanded our team, introducing new perspectives and skills. We continue to uphold and build upon our formal management system and long-term strategies.

Strengthening our team reaffirms our commitment to responsible management and demonstrates our dedication to innovation and advancement. This enables us to navigate sustainability challenges with agility, adaptability, and a proactive mindset.

“Pregis is guided by clear principles to create value through ethical and sustainable conduct. This ethos is found at every level of the business and is essential to our work at Pregis.”

**Keith LaVanway**, Chief Financial Officer

### Board of Directors

#### Warburg Pincus

- Ultimate oversight of sustainability strategy, ESG program, and performance
- Detailed review of performance against all key metrics in quarterly board meeting
- Additional support from the Global 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 long-term objectives
- Partners with functional departments and business units to execute projects and initiatives

### Business Units

#### Led by Business Unit Presidents

- Implement initiatives, including new sustainable products and zero waste manufacturing

### Employees

Embody the One Pregis culture through ethical conduct, driven by our purpose to Protect, Preserve, and Inspyre



# Risk Management

## Physical risk management

Our risk management protocol involves a formal annual review, encompassing physical, environmental, cybersecurity, and operational hazards.

We conduct a detailed review of potential disruptions to our business operations and develop suitable contingency plans. This assessment covers various threats including natural disasters, social unrest, health crises, cyber threats such as malware, and other risks to the continuity of business. We also assess health and safety risks, labor disputes, economic instability, and regulatory challenges as part of this examination.

The results of these assessments are communicated to our Chief Financial Officer, with significant findings elevated to the Board of Directors. Following the evaluation and identification of key issues, a decisive strategy is devised to mitigate and minimize 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.

**Cyber Risk Management:** Framework established based on risk assessment standards established by the National Institute of Standards and Technology (NIST).

**Cyber Protection:** Embrace a “zero trust” security model enabled by multi-faceted technologies.

**Cyber Training:** 100% of full-time employees are required to complete monthly cyber security awareness training.





# | Appendix



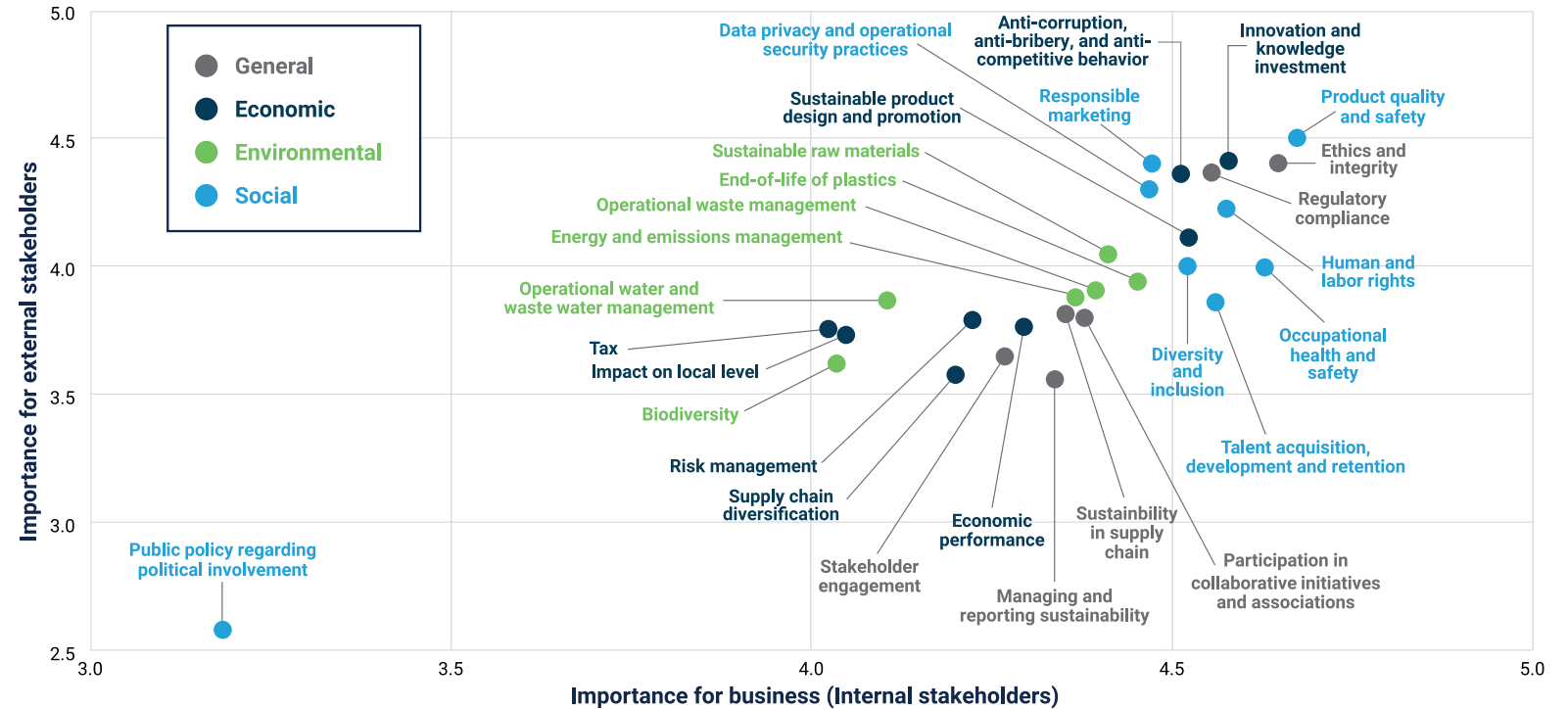
# Materiality Survey

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 work 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 among internal stakeholders.



Consolidated Performance Metrics		2019	2020	2021	2022	2023
Climate	<b>Absolute Emissions<sup>1</sup> (metric tons CO<sub>2</sub>e)</b>					
	Scope 1 GHG Emissions <sup>2</sup>	350,507	224,607	327,382	282,088	33,378 <sup>3</sup>
	Scope 2 GHG Emissions	62,164	60,343	72,011	80,152	61,619 <sup>3</sup>
	Scope 3 GHG Emissions	201,074	204,191	335,692	387,109	386,290 <sup>3</sup>
	Total GHG Emissions (all scopes) <sup>2</sup>	613,744	489,140	735,085	749,349	481,287 <sup>3</sup>
	<b>Emissions Intensity<sup>2</sup> (metric tons CO<sub>2</sub>e/\$000 revenue)</b>					
	GHG Emissions Intensity (scopes 1 and 2)	0.57	0.37	0.39	0.31	0.08
	<b>Energy</b>					
	Total Energy Consumed (gigajoules)	-	-	-	-	832,127
	Percentage of Energy from Electric Grid	-	-	-	-	100%
Percentage of Renewable Energy	-	-	-	-	0%	
Total Self-Generated Energy (gigajoules)	-	-	-	-	0	
Waste	<b>Waste Generation and Landfill Diversion (metric tons)</b>					
	Total Waste Generated	-	-	-	24,119	31,675
	Total Hazardous Waste Generated	-	-	-	11	29
	Waste to Landfill	-	-	-	3,022	2,989
	Waste Diverted from Landfill	-	-	-	21,097	28,686
Diversion Rate	-	-	-	87.5%	90.6%	
Product Lifecycle	<b>Raw Material Sourcing (SASB RT-CP-410a.1)</b>					
	Raw materials from recycled content	-	-	25.7%	30.0%	32.4%
	Raw materials from renewable resources	-	-	33.5%	42.9%	44.9%
	Raw materials from both renewable and recycled content	-	-	18.0%	21.8%	22.9%
	<b>Product Revenues by End-of-Life (SASB RT-CP-410a.2)</b>					
	Revenue from reusable products	-	-	0.2%	0.2%	0.2%
	Revenue from recyclable products	-	-	48.6%	55.8%	69.0%
Revenue from compostable products	-	-	6.8%	10.8%	14.1%	
Health & Safety	Total Recordable Incident Rate (TRIR)		1.40	1.50	1.28	0.95
	Days Away Restricted or Transferred Duty (DART)		0.90	0.60	0.76	0.40
Diversity, Equity, and Inclusion	Total Employees <sup>4</sup> (as of 12/31)	1,607	1,865	2,410	2,410	2,512
	Representation of ethnic minority employees in total workforce	27%	26%	34%	37%	39%
	Representation of ethnic minority employees in top executive positions	0%	9%	8%	8%	7%
	Representation of women in total workforce	-	-	22%	22%	22%
	Representation of women in top executive positions	18%	17%	15%	15%	14%
Learning & Development	Average hours of training per employee	-	-	22	82	20

<sup>1</sup>Emissions calculated following the guidelines set forth in the GHG Protocol and leveraging the Emitwise carbon accounting platform.

<sup>2</sup>Historical scope 1 emissions have been updated to include process emissions, affecting absolute emissions and emissions intensity metrics.

<sup>3</sup>2023 emission inventory is verified by a third-party auditor with limited assurance.

<sup>4</sup>Data does not include temporary, seasonal, or contract employees. In addition, race and ethnicity data reflected for employees located in North America only.

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 2023 with reference to the GRI Standards.

GRI Standard	Disclosure	Page Number(s)
	2-1 Organizational details	7
	2-3 Reporting period, frequency and contact point	1, 52
	2-9 Governance structure and composition	52
	2-12 Role of the highest governance body in overseeing the management of impacts	52
<b>GRI 2: General Disclosures 2021</b>	2-14 Role of the highest governance body in sustainability reporting	52
	2-22 Statement on sustainable development strategy	3
	2-23 Policy commitments	50
	2-28 Membership associations	50
	2-29 Approach to stakeholder engagement	46-50
	3-1 Process to determine material topics	55
<b>GRI 3: Disclosures on material topics</b>	3-2 List of material topics	55
	3-3 Management of material topics	55
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	7
	305-1 Direct (Scope 1) GHG emissions	21, 56
	305-2 Energy indirect (Scope 2) GHG emissions	21, 56
<b>GRI 305: Emissions 2016</b>	305-3 Other indirect (Scope 3) GHG emissions	21, 56
	305-4 GHG emissions intensity	21, 56
	305-5 Reduction of GHG emissions	21, 56
	306-1 Waste generation and significant waste-related impacts	25-27
	306-2 Management of significant waste related impacts	25-27
<b>GRI 306: Waste 2020</b>	306-3 Waste generated	56
	306-4 Waste diverted from disposal	56
	306-5 Waste directed to disposal	56
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	42
	403-2 Hazard identification, risk assessment, and incident investigation	42
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee	44, 56
	404-2 Programs for upgrading employee skills and transition assistance programs	44, 56

# 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 <sub>2</sub> -e	21, 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	21-24
Energy Management	RT-CP-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	Gigajoules (GJ); Percentage (%) by GJ	24
Waste Management	RT-CP-150a.1	Amount of hazardous waste generated, percentage recycled	Metric tons (t)	56
Product Life Cycle 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	28, 56
	RT-CP-410a.2	Revenue from products that are reusable, recyclable, and/or compostable	Reporting Currency	32, 56
	RT-CP-410a.3	Discussion of strategies to reduce the environmental impact of packaging throughout its life cycle	n/a	20-35



# Notes & Disclaimers

Unless otherwise stated, the data presented in this report relates to the performance of Pregis LLC and its subsidiaries during the 2023 fiscal year (January 1, 2023 to December 31, 2023). 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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