



**Graham  
Packaging**

# 2020 Sustainability Report

Named #1 in Sustainalytics' ESG Risk Rating Report for our category.



# Table of Contents

## 03-04

2020 Summary  
Leadership Message

## 16

Meet the New  
Graham Packaging

## 64

Governance  
65 Leadership  
66 Ethics & Compliance  
68 Risk Mitigation Strategy  
71 Data Privacy & Security

## 05

Baselines & Benchmarks  
06 Sustainability Vision  
07 Sustainability Road Map  
08 2020 Benchmarks  
Summary

## 17

Environmental  
18 Sustainalytics Report  
19 Recyclability  
25 Recycled Content  
39 Climate Change  
Mitigation  
50 Partnerships

## 73

Looking Ahead  
74 2020 In Perspective  
76 Moving Forward

## 10

COVID-19 Impacts  
11 Our People  
13 Our Industry

## 51

Social  
52 Core Values  
53 Diversity, Equity  
& Inclusion  
56 Health & Safety  
58 Employee Growth  
& Development  
61 Community Outreach

## 77-79

About This Report  
Sources  
Appendix

# Affecting Change During a Challenging Year

Received Top ESG Rating from Sustainalytics

**Ranked 1 out of 54**  
in the plastic, metal & glass packaging industry

**Ranked 3 out of 90**  
in the containers & packaging industry

**Ranked 169 out of 13,562**  
in companies measured globally

\*Based on a 2020 Sustainalytics ESG Risk Rating Report, where 1 is the lowest risk.



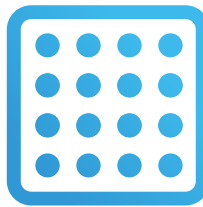
Joined the UN Global Compact

Founding member of the National Lubricant Container Recycling Coalition (NLCRC)

EH&S team received a **95% favorability rating** by an internal employee survey



8%  
YOY reduction in climate change impacts from 2019 to 2020



6%  
of all material used was PCR content

Won the 2020 Innovator Award from the Sustainable Packaging Coalition



Completed 50 life-cycle assessment models that helped customers lower environmental impact

8% reduction in energy intensity from 2018 baseline

Product Recyclability



91% fully recyclable (PET & HDPE)  
7% sometimes recyclable (PP)  
2% not yet recyclable

# Message From Tracee Auld

The year 2020 fundamentally changed the way our business operated around the world. The COVID-19 pandemic required us to adapt quickly to increased safety protocols, logistical challenges and remote operations — all while staying focused on delivering essential products to consumers and helping our customers meet their sustainability goals.

But even the conversation about sustainability has changed. In recent years, plastic goods have received negative attention in the media, with all plastics being criticized for their impact on our planet. Now, the discussion has become more nuanced. Recyclable and recycled plastics have shown their worth as lightweight, hygienic solutions that can benefit the entire supply chain when used responsibly.

At Graham, we're committed to using only responsible plastics. And not only that, we're going beyond simply making our products more recyclable and incorporating more PCR. We're looking at the full bottle life cycle, using robust life-cycle assessments (LCAs) to identify ways to adapt our materials, lessen shipping needs and plan for end-of-life disposal and recycling. Climate change mitigation drives every decision we make, and we're helping to guide our suppliers and customers toward a more sustainable future.

So, in a year when it would have been easy to slow down, to take a break, to focus only on the present — we accelerated instead. We continued to innovate, executing LCAs, designing for recyclability and developing award-winning, environmentally responsible products. We founded a coalition on the industrywide problem of oil bottle recycling. We made a public commitment to the UN Global Compact. And certainly not least, we received the best ESG Risk Rating in our category from a third-party evaluator called Sustainalytics.

While there are still challenges to be faced, we're moving forward with a fresh perspective — one captured in the spirit of the new brand identity we finalized at the end of 2020. Our new branding reflects not only who we are now, but who we want to be in the future. Because it's not enough to be a world leader in innovative, creative packaging. We must also ensure that the products we make will safeguard the health of people and our planet for years to come.

**Tracee Auld, Chief Sustainability Officer  
& Chief Growth Officer**



**“Climate change mitigation drives every decision we make, and we’re helping to guide our suppliers and customers toward a more sustainable future.”**





# Baselines & Benchmarks

We strive for excellence in all areas of ESG reporting, and we believe in being transparent when we know we can do better. During this challenging year, we broadened our focus, creating a holistic road map that enables us to meet environmental and social benchmarks while adhering to only the highest standards of ethics. As we move forward, we know that we must continue to adapt to ensure we deliver the highest-quality products with the lowest risk to people and our planet.



# Expanding Our Focus

In 2020, our sustainability vision evolved as we made more public commitments, doubled down on health & safety and set ambitious goals – all while continuing to produce the essential products consumers count on. We’ve continued to create meaningful change by using more recycled materials, designing for recyclability and supporting climate change mitigation efforts.

But it isn’t enough to be an industry leader in minimizing our environmental impact. We’ve expanded our definition of sustainability, incorporating a refined approach to how we solve social issues and meet important governance standards.

To develop this holistic approach, we took a step back to review the entire plastics supply chain through a new lens, asking ourselves how we can improve alignment and execute strategic initiatives at every touchpoint, from supplier to consumer to recycler. And not only that, but how we can help our customers do the same – even amid a global crisis.

It’s the answer to that question that had the most influence on our sustainability programs in 2020. As we look ahead, we’ll continue to place our emphasis on what it means to be people creating a better tomorrow through what we make, how we act and what we stand for. Because no matter what’s going on in the world, sustainability isn’t just a metric. It’s a mission. And we won’t stop until our planet is safe and sustainable for all.



## Design

Reduced environmental impact through innovative packaging solutions.



## Recycling

Best-in-class repurposing efforts that work to help save our planet.



## Manufacturing

Reduced carbon footprint thanks to everything from plantwide operational solutions to an increased use of recycling.



# Taking the Next Step

Every Graham customer has sustainability goals and/or needs, and we work to gain a deep understanding of these goals, collaborating side by side with our customers as we develop solutions to their individual business challenges. Whether we're working on a large product launch with a Fortune 500 company or a stock bottle solution for a startup business, we can help customers understand the life-cycle impact of their packaging, and we do that by taking a holistic look at our business and creating a plan to meet internal and external benchmarks. By matching our goals with our customers' goals, we can deliver more robust solutions that move our industry forward at all levels of the supply chain.

With every decision we make, we work toward the ideal of a circular economy. We've embraced the idea that a responsible company must exist and grow in an environmentally, socially and economically sustainable way. And we believe in holding ourselves — and the companies we engage with — accountable for bridging the gap between profitability and the health of people and our planet.

## Environmental

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

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

100% recyclable, reusable or  
compostable packaging by 2025

25% energy intensity reduction by 2028  
from a 2018 baseline

## Social

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

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

Continue to create an inclusive workplace,  
including leveraging our e-learning  
platform for diversity training

Develop and execute outreach programs for  
hiring veterans and people with disabilities

## Governance

Standardize the process for evaluating new  
and existing suppliers' ESG compliance

Perform quarterly risk evaluations and  
adjust operations based on the findings

Improve operational efficiency  
through virtual assessments

Continue training employees on anti-bribery,  
anti-corruption, confidentiality,  
privacy and ethics

# Measuring Our Success

2020 started with optimism and ambitious sustainability goals, but when the pandemic began, inevitably some initiatives had to be placed on hold or dialed back until it was appropriate to resume our normal operations. As an essential manufacturer of product packaging for cleaning wipes, food, beverages and other necessary items, we remained open throughout the COVID-19 shutdown. Delivering these essential products became our main priority, second only to the health & safety of our employees.

So, while we may have missed some incremental benchmarks in this unprecedented year, we’ve made progress on many of our sustainability initiatives and will continue to strive toward the targets defined in our sustainability road map.

## Reduce energy intensity



Though increased demand and tighter personnel restrictions made equipment shutdowns for energy improvements impossible, we’re still on track to meet our larger road map goal. Several energy projects were postponed and have been fast-tracked. Additionally, though our energy usage remained relatively flat from 2019, our production numbers increased due to higher demand during the pandemic.

## Incorporate more PCR into our products



COVID-19 travel bans and stay-at-home orders led to far fewer people using their vehicles. As a result, we saw a decline in automotive bottle production, which is our primary market for rHDPE content use. Although our rPET usage increased, it wasn’t enough to account for the decrease in rHDPE use, so we fell short of our 2020 goal. We also began including polypropylene products in our reporting, which impacted our overall PCR numbers.

## Conduct more life-cycle assessments (LCA)



LCA models allow us to help customers quantitatively identify where they can make changes to their packaging that will have the biggest impact on its environmental performance. These efforts typically focus around four main areas: material use, manufacturing, transportation and end-of-life, which includes disposal to landfill and/or recycling. As **COVID-19 brought a renewed focus to climate change** and the need for safe, shippable packaging, many of our customers were motivated to take a closer look at their products from an LCA perspective.



# Measuring Our Success

## What is a life-cycle assessment (LCA)?

An LCA is a tool that gives customers quantitative data on the full supply chain impacts of their product. This type of study helps identify areas of opportunity and enables our customers to make informed decisions about how to improve their sustainability scorecard. We work with customers on these initiatives, which range from converting to new materials — like from glass to plastic — to reducing secondary packaging during transport.

## GRI Standards

We follow GRI Standards in our calculations to increase accountability, enhance transparency and help us understand our impacts on the economy, environment and society. For more information about how we comply with these standards, please refer to the [GRI Standards appendix](#).

## Innovate to provide product lightweighting, durability and reusability

Met

While we've always been on the forefront of package lightweighting technologies, the explosion of the e-commerce market has accelerated the need for innovation in this area. We've continued to work with customers to create less carbon-intensive packaging. In 2020, we provided solutions like no-leak bottles, lightweight packaging and options that reduce breakage and food waste. Additionally, our reusable REFPET Generation III bottles won a 2020 Innovator Award for Innovation in Recovery. This award from the Sustainable Packaging Coalition recognized REFPET because it offers extended reuse cycles.

## Continue to design for recyclability across all products

Met

We design all our bottles with end-of-life disposal in mind. This year, for example, we spearheaded a coalition for oil bottle recycling, a market segment where recycling is a challenge due to the nature of the product.

A man wearing a yellow hard hat, a white face mask, and a high-visibility yellow safety vest over a blue shirt is looking at a smartphone. He is standing in a warehouse or industrial setting with blurred shelves in the background. The image is partially covered by a blue geometric shape in the top left corner.

# COVID-19 Impacts

The year 2020 was unlike any before it. The COVID-19 pandemic required us to adapt quickly to increased safety protocols, logistical challenges and remote operations — all while staying focused on helping our customers meet their sustainability goals. In the face of this global crisis, we renewed our commitment to lowering our company's impact, working with employees and customers to affect real change during a challenging year.



# Prioritizing Health & Safety

At Graham, our mantra is “Safety First — People Always,” and this year we demonstrated the meaning of that mantra in a big way. Because we manufacture packaging for the food and beverage industries, we were considered an essential business throughout the COVID-19 pandemic, so it was critical for us to establish a plan for safe operation. What began as a succinct risk response plan in early March quickly grew into a dynamic COVID-19 guidance manual, created through the close collaboration of leaders across the organization.

Using this manual as a guide, we continued to operate while managing potential exposures and providing for team members who became ill. Positive cases of COVID-19 did happen at our facilities, but it was our top priority that people felt comfortable and financially secure enough to stay home. Whenever we had a positive case, we thoroughly cleaned all areas where an employee might have been and notified all other employees who may have had close contact with them. We also provided a COVID-19 sick pay program to support employees who had to quarantine and focused on protecting the privacy of these employees.



At the end of such a challenging year, our EHS team was proud to receive a 95% favorability rating by employees across our global operations, and we know our pandemic response wouldn't have been as successful without their buy-in.

**We believe there are four elements that made our pandemic response particularly successful:**

A 2020 internal employee survey awarded our EHS team a **95% favorability rating** — the highest of any department across our organization.



**Proactive Actions**

We launched our risk response plan proactively — often ahead of CDC regulations. By requiring mask use and daily health screenings early, we were able to further mitigate the risk of exposure.



**Teamwork**

The pandemic has proven the importance of teamwork, whether it was employees who picked up the slack while others were in quarantine or the global leadership team communicating 24/7 about COVID-related issues.



**Enhanced Protocols**

Across our facilities, we established enhanced cleaning protocols, mandated the use of masks and other PPE, shared hand-washing best practices and highlighted the importance of social distancing.



**Team Education**

As we identified areas of risk, we launched education campaigns designed to engage our employees. We recognize that we can't control what team members choose to do outside the workplace, but we can work to educate them and improve awareness, hoping they'll carry the Graham safety mindset with them on and off the job.



# Adapting to Emerging Trends

With the onset of COVID-19, the dialogue about plastic became more nuanced. According to a [2020 McKinsey study](#), consumers and brands have shifted their attitudes, gaining a new appreciation for the hygienic nature of plastic packaging and allowing that appreciation to outweigh perceived concerns over the environmental impact of such packaging.

While we agree that safety, hygiene and ease of transport emerged as top priorities for brands and consumers, our commitment to sustainability never wavered. We embraced these new expectations and challenged our team to find solutions that brought together all the elements needed for safe, sustainable packaging.



# COVID-19 Packaging Industry Impacts

## E-Commerce Market Growth:

As people stayed home and ordered essential goods online, the e-commerce market boomed. This meant brands needed to find nonbreakable, lightweight packaging solutions. Plastic packaging offers a recyclable option that lowers a product's overall carbon footprint and can minimize the need for secondary packaging during shipping, making it an ideal choice for the e-commerce market.

Our ThermaSet® PET packaging can replace glass in hot-fill, pasteurization and retort applications. This allows products like pasta sauce and salsa to be packaged in lightweight, shatter-resistant jars that have a 38% smaller carbon footprint compared to glass jars.

## Shifting Customer and Consumer Expectations:

Prior to COVID-19, consumers and brands emphasized the need for sustainable plastic packaging above all else. But during the pandemic, there was a short-term shift to favor other factors, like pricing, hygiene and safety. However, plastic packaging can be both hygienic and sustainable when we select the right type of plastic and champion responsible use throughout the supply chain.

PET and HDPE plastic packaging are two of the most commonly used and recycled plastics. At Graham, 91% of our products are made from either PET or HDPE, so our packaging not only safeguards shelf life and quality, it's also more likely to be recycled.



# COVID-19 Packaging Industry Impacts

## **Disrupted Supply Chains — From Polymer Producers to Recyclers:**

While businesses pivoted quickly to meet new health & safety guidelines, they were also faced with raw material shortages, distribution issues and insufficient staffing. Some plastic packaging suppliers even saw increased demand as concerned consumers stocked up on essential foods, beverages and cleaning supplies.

Recyclers were greatly impacted by COVID-19, with curbside collections suspended in some areas and some facilities closed. But because this disruption made it more difficult to source PCR, it also enabled us to demonstrate how critical recycling is to our operations and bring a renewed focus to recyclability initiatives.

**Application of Digital Solutions and the Internet of Things (IoT):** This trend is expected to see continued growth in upcoming years, as manufacturers apply technologies like advanced sensors, IoT connectivity, augmented reality (AR) and virtual reality (VR) to the packaging industry. These technologies can be used for a range of helpful processes, from testing packaging designs and manufacturing techniques to ensuring the traceability of recycled material.

At Graham, we're exploring ways to adopt these technologies. AR and VR solutions will enable remote support, lowering our company's GHG emissions from air and car travel, while giving us more insights into how we can run our equipment efficiently and with less waste. Similarly, IoT solutions will help us optimize processes across the entire supply chain. We also support global efforts like the Holy Grail 2.0 project, which promotes the use of advanced sensor technology during recycling to provide more traceability of materials.

# Meet the New Graham Packaging

Despite the challenges of 2020, we ended the year on a high note as we finalized our new website and corporate identity — one that reinforces and elevates our commitment to smart, sustainable packaging.

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At our core, we're committed to developing sustainable, innovative and creative packaging solutions. Our new branding isn't a change in that mindset — it's a better reflection of who we are and where we want to go.

- Tracee Auld, Chief Sustainability Officer  
& Chief Growth Officer

## Our “Always Inspired” Mentality

In our industry, creativity isn't just about choosing a color and defining a shape. It's about creating powerful packaging with minimal impact on our planet. And that's where our “always inspired” mentality comes in. This mentality goes beyond the design of our packaging. It's a commitment to the possibilities for a better product, a happier customer and a cleaner world.

We employ sound creative problem-solving and applied imagination every day to develop solutions that meet our customers' needs while exceeding the expectations of consumers. We're obsessed with the balance between form and function, designing simultaneously for recyclability, smooth filling and transport, unique shelf appeal and ease of use.

Our new branding reflects this drive and enthusiasm, positioning us as a leader and innovator of packaging that begs to be experienced — touched, opened, poured and shared. We've incorporated vibrant splashes of color and inspired insights from designers to showcase the ingenuity and creative spirit that has been at the heart of our operations for decades.





# Environmental

To embody what it means to be “people creating a better tomorrow,” we’re championing initiatives like expanding the use of recycled content, improving recyclability and supporting the global effort to mitigate climate change.

In this section:

- [Sustainalytics Report](#)
- [Recyclability](#)
- [Recycled Content](#)
- [Climate Change Mitigation](#)
- [Partnerships](#)



# Ranked #1 in Our Industry

This year, we were evaluated by a third-party organization called Sustainalytics. They provided us with an ESG Risk Rating by measuring our exposure to industry-specific material ESG risks and determining how well we manage those risks. This evaluation combined the concepts of management and exposure to arrive at an assessment of ESG risk that's comparable across all industries.

Sustainalytics' ESG Risk Ratings use a scale that includes five levels of risk: negligible, low, medium, high and severe. In totaling our scores in the categories of corporate governance, carbon emissions, environmental impact of our products, resource use and occupational health & safety, we received a low-risk rating of 11 — the best of all rated plastic, glass and metal packaging companies. In addition, we ranked in the top 2% of companies globally.

## What is an ESG score?

"ESG" is an acronym for "environmental, social and governance." An ESG score is a measure of how a company performs in these three key areas, which are directly tied to sustainability and ethical operations.



## Our 2020 Sustainalytics ESG Risk Ratings

**Ranked 1 out of 54** in the plastic, metal & glass packaging industry

**Ranked 3 out of 90** in the containers & packaging industry

**Ranked 169 out of 13,562** in companies measured globally

\*Based on a scale where 1 is the lowest risk.

“

Graham has been working tirelessly to position itself as the leading sustainable packaging company in the industry, and this ranking is validation that our time and efforts were well spent.

- Balaji Jayaseelan, Director of Sustainability  
& Regulatory Affairs

# Recyclability

Plastic packaging has the potential to help create a circular economy where valuable resources are reused rather than wasted. Enabling the recycling process is one way we feel we can contribute to bringing that vision to life.

We're committed to using common, easily recycled plastics, like PET and HDPE. Designing for recyclability is also top priority, and we believe that through continued innovation we can reach our goal of producing 100% recyclable or reusable products by 2025.

## GRAHAM SNAPSHOT

### OUR GOAL

**100%** Recyclable or reusable products by 2025

### OUR 2020 STATUS

**91%** Recyclable products (PET & HDPE)

**7%** Sometimes recyclable products (PP)

**2%** Not yet recyclable products

# Understanding the Definition

It’s easy to think about recyclable products as items that a recycling center will accept. But in reality, the definition of recyclability in the U.S. is much more complicated.

For a packaging material to be considered recyclable, it should be able to be collected, sorted, reprocessed and reused to make something new. Additionally, a curbside or drop-off recycling program for that material must be accessible for 60% or more of the U.S. population, per Federal Trade Commission rules. If a product doesn’t meet both conditions, it can’t be considered fully recyclable according to the [How2Recycle guide](#).

A package is recyclable if it can be

- ✓ Collected
- ✓ Sorted
- ✓ Reprocessed
- ✓ Reused

in the majority of the communities where it’s sold.

## Types of Plastic and Recyclability

When it comes to recyclability, not all plastics are created equal. At Graham, we focus on using common, easily recycled plastics, while working to find recyclability and reuse solutions for less-recyclable materials.

Type of Plastic	Characteristics	Recycling Rate	Amount Processed by Graham Globally
#1 Polyethylene Terephthalate (PET)	✓ Flexible ✓ Clear ✓ Lightweight	28.9%	More than 530 million pounds
#2 High-Density Polyethylene (HDPE)	✓ Strong ✓ Malleable ✓ Lightweight	30.4%	More than 500 million pounds
#5 Polypropylene (PP)	✓ Strong ✓ Flexible ✓ Heat-resistant	17%	More than 70 million pounds

\* Recycling rates based on 2018 data from the [2018 US National Postconsumer Plastic Bottle Recycling Rate Report](#) from the American Chemistry Council and the Association of Plastic Recyclers.



# National Lubricant Container Recycling Coalition



Over 50 years ago, Graham Packaging was founded on the idea that there had to be a better way to store and use motor oil, which led us to convert the metal oil can into a plastic bottle. Now, we're using our expertise in this type of packaging to revolutionize lubricant containers again.

Plastic oil containers are considered recyclable when they're manufactured, but once they're filled with product, they can no longer undergo the typical recycling process. This creates an industrywide recyclability challenge, so we spearheaded the National Lubricant Container Recycling Coalition (NLCRC), a partnership between packaging manufacturers, industry associations and brands that aims to develop solutions for post-consumer recovery and recycling of plastic lubricant containers in the U.S.

Affecting change in this market segment requires collaboration between companies both upstream and downstream of the lubricant value chain, and by founding this coalition with several key partners, we've taken the first crucial steps in uniting the industry on a path toward change. We held our first meeting in February 2020 and, after a slight delay due to COVID-19, have picked up this initiative again in early 2021.

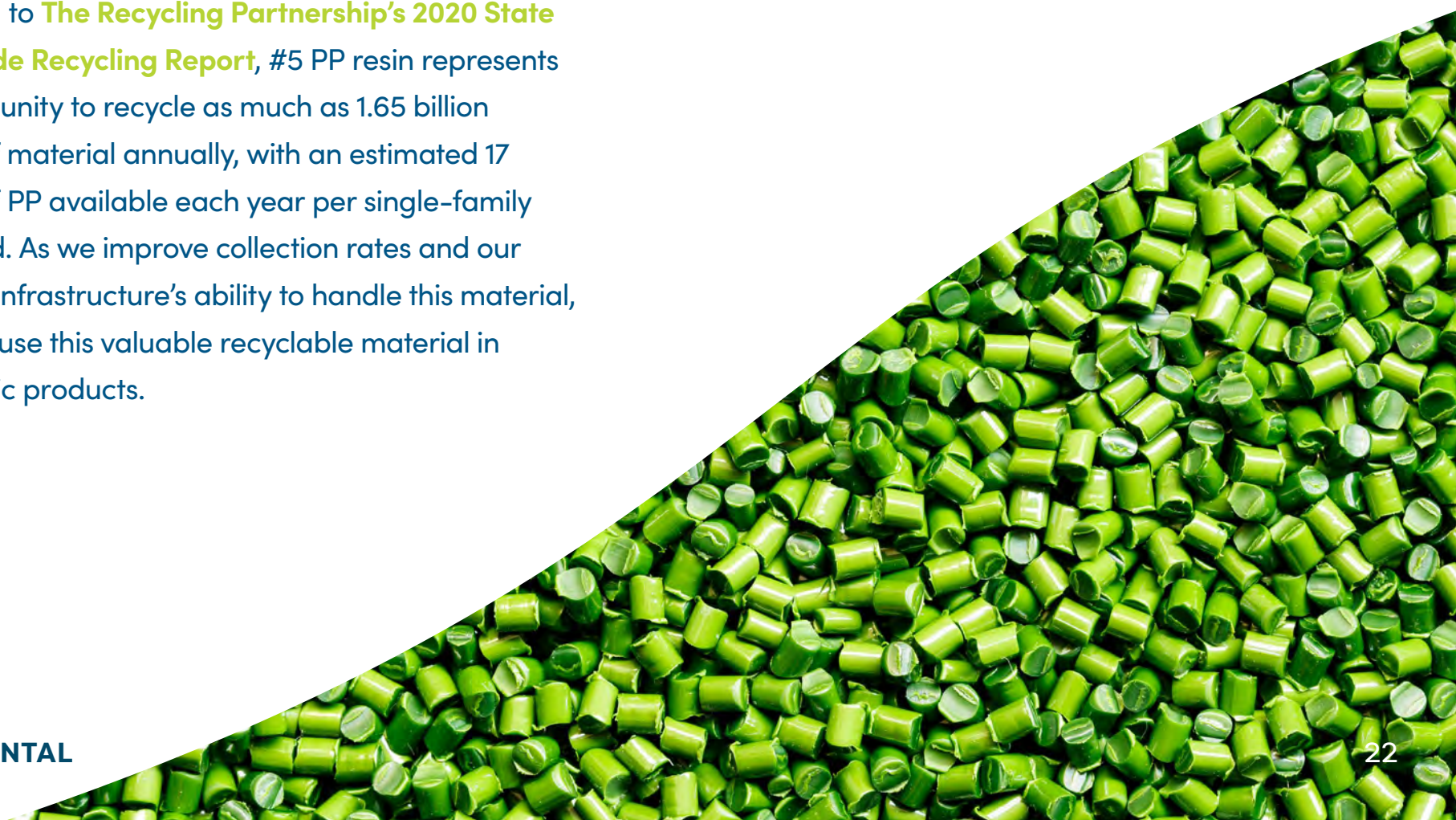
# Opportunities in Recyclability

Although two of the most recycled plastics, PET and HDPE, make up the bulk of our containers, we've identified three types of products where we see an opportunity to develop advanced solutions for recyclability.

## 1. Polypropylene Containers

Polypropylene (PP) containers account for roughly 7% of the products we produce. Used in a variety of food and nonfood packaging, this material is usually collected by curbside recycling programs under the broad category of #3-7 resin, though it's specifically labeled as #5 resin. But despite being successfully collected and sorted in many communities, very little of this material is actually recycled because very few recycling facilities can process it.

According to **The Recycling Partnership's 2020 State of Curbside Recycling Report**, #5 PP resin represents an opportunity to recycle as much as 1.65 billion pounds of material annually, with an estimated 17 pounds of PP available each year per single-family household. As we improve collection rates and our recycling infrastructure's ability to handle this material, we can reuse this valuable recyclable material in new plastic products.





## 2. Black Plastic Containers

Carbon black plastic containers pose several challenges when it comes to recycling. First, even though these products are technically recyclable, the color black can't be detected by commonly used infrared sortation systems. That means it must be sorted by hand, which is labor- and time-intensive. Because of this, many recycling facilities don't accept black plastic, leading to most of it ending up in landfills.

The presence of black plastic in the waste stream can also make it more difficult for other types of plastic to be recycled. And when it does manage to be fully processed, recycled black plastic offers very little design flexibility because its pigment can't be altered without adding significant color additives.

We're working with our suppliers and our R&D team to develop coloring solutions that eliminate the challenges around this type of material. Our new designs allow these containers to maintain

their opaque appearance while being easily detected, identified and sorted during the recycling process. In 2020, we also joined the Holy Grail 2.0 initiative, which can help with this issue by using digital watermarks. When this digital watermark is scanned, the recycling facility receives information on the container, including the type of materials used and whether the package includes difficult-to-recycle components like black packaging.

## 3. Barrier Technologies

Barrier technologies enable sensitive foods and drinks, like juice, meat, wine and sauces, to be packaged in plastic, which is lighter and can require less energy to produce compared to glass or aluminum. Like glass and aluminum, plastic packages with a barrier technology protect against oxygen exposure and help keep products at their optimal shelf life, but plastic affords additional benefits, such as more design flexibility, increased PCR use and lower transportation impacts.

However, barrier technologies can complicate the recycling process, with some recyclers classifying this material differently and others refusing to accept it at all. The Association of Plastic Recyclers (APR) currently has a critical guidance standard for a variety of packaging options, including ones that incorporate barrier technology. But recent exploration has shown that the existing critical guidance standard isn't adequate for today's barrier-based packages.

As members of the APR, we attend regular meetings where we discuss industry challenges and form working groups to develop solutions to the issues identified in our meetings. We're a member of the group who addresses the recyclability of barrier-based packages. Currently, we're actively investigating and proposing alternative testing that's better suited to these products while ensuring they can be accepted and recycled by recyclers.

### What is a critical guidance standard?

In our industry, a critical guidance standard comprises a set of instructions, rules and tests that a product must undergo to ensure it meets basic standards established by a governing body, such as the Association of Plastic Recyclers (APR).



# Holy Grail 2.0 Project

In 2020, we joined the Digital Watermarks Initiative Holy Grail 2.0 project, a continuation of the initial Holy Grail project started by the Ellen MacArthur Foundation. This project aims to show how the use of digital watermarking technologies can greatly improve recycling operations, especially for difficult-to-recycle materials like black plastic.

Digital watermarks are invisible codes that are roughly the size of a postage stamp. These codes

cover the surface of a product's packaging and contain a wide variety of information about the product. Once the container has entered a waste sorting facility, the digital watermark can be detected by a standard high-resolution camera on the sorting line, which reads the code and sorts the packaging into the correct recycling stream. This process benefits the entire packaging value chain by enabling more accurate sorting, delivering high-quality recycled material and improving traceability.

This technology has the power to alleviate two concerns our customers regularly share with the Graham team. The first is whether their packages are easily recyclable. The second is to understand, holistically, where the materials in their packaging came from. Through our work with the Holy Grail 2.0 project, we have a voice in developing solutions that directly address these concerns.

# Recycled Content

For the circular economy to function effectively, plastic must be continually reused. As consumer recycling rates climb, so does the amount of recycled content available to manufacturers like us who can prevent this material from being shipped to landfills or ending up in the ocean by putting it back into the hands of consumers as a new product.

We use several different types of recycled materials at our facilities, and we've supplied our customers with packaging containing anywhere from 10% to 100% recycled content, including ocean-bound plastic. Through continued collaboration, we're confident that we can reach our goal of incorporating an average of 20% PCR across all our products by 2025.

## GRAHAM SNAPSHOT

### OUR GOAL

20%

Average PCR use, including ocean-bound PCR, across all Graham products by 2025

### OUR 2020 STATUS

11%

HDPE PCR use

3%

PET PCR use

6%

Overall PCR use



# Sourcing Valuable Resources

One of the best ways to keep plastic out of landfills and waterways is to recycle it so it can be used to create a new plastic product, and based on a **2020 McKinsey study**, many consumer-packaged-goods companies now emphasize the use of recycled content in their product packaging. But sourcing this material isn't as simple as it seems. There are several challenges facing our industry in regard to finding and using quality recycled content.

## Types of Recycled Content

**Post-consumer recycled (PCR):** Plastic that was in the market, collected from the consumer and put through the recycling network.

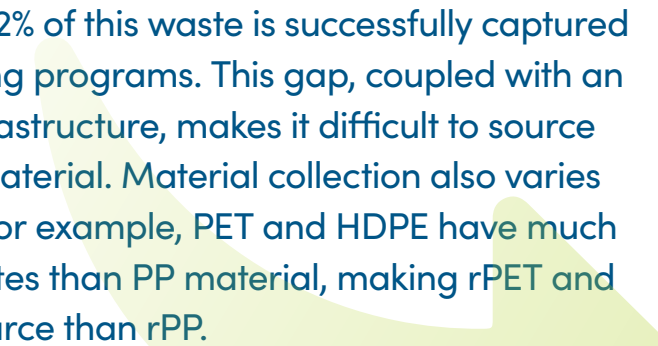
**Post-industrial recycled (PIR):** Plastic scrap or waste generated during a manufacturing process.

**Ocean-bound plastic (OBP):** Plastic waste collected from at-risk zones near waterways and coastlines that may pollute our oceans if left unchecked.



# Challenge #1: Low Collection Rates

According to the **2020 State of Curbside Recycling Report**, experts estimate that the U.S. generates roughly 37.4 million tons of recyclable plastic waste that could be reintroduced into the circular economy. However, based on findings in the same report, only 32% of this waste is successfully captured by curbside recycling programs. This gap, coupled with an aging recycling infrastructure, makes it difficult to source high-quality PCR material. Material collection also varies by type of plastic. For example, PET and HDPE have much higher collection rates than PP material, making rPET and rHDPE easier to source than rPP.



## Our Approach

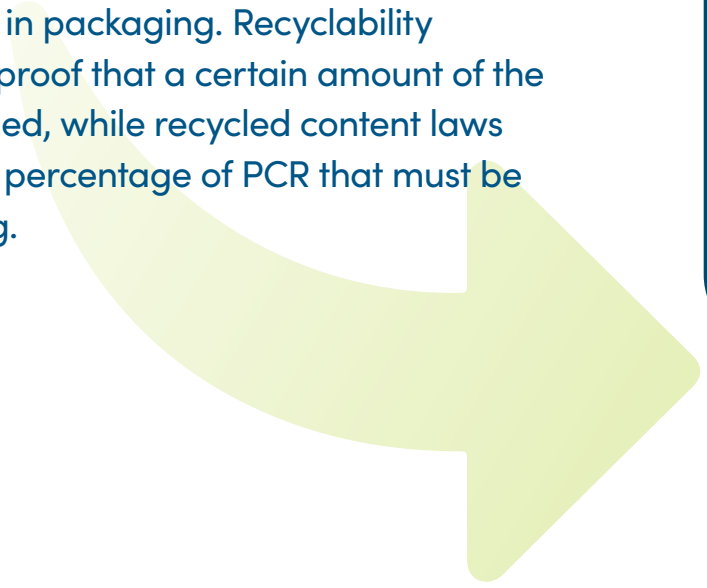
We're part of organizations such as the Association of Plastic Recyclers and The Recycling Partnership, who work collectively to invest in recycling infrastructure, weigh in on legislation and encourage curbside recycling participation. In the short term, we've also explored bringing in recycled materials from outside the U.S. to help close the gap between collection rates and our customers' needs.

Most of our containers also include some level of post-industrial recycled content that comes from our in-plant regrind material. By converting scrap material into usable regrind, we've reduced our waste-to-landfill and rerouted this valuable material back into the manufacturing process.

# Challenge #2: Increased Demand

According to The Recycling Partnership's **Bridge to Circularity report**, "There is an annual gap of more than 1 billion pounds between current U.S. supply and projected 2025 demand for recycled PET for use in bottles" — and that's just for one type of plastic. Demand for recycled content has risen steadily in recent years as brand and consumer preferences favor sustainable packaging.

But another factor that has greatly increased demand for this material is rising amounts of legislation on the topic, generally referred to as "bottle bills." In the U.S., bottle bills set requirements at the state level for recyclability and recycled content use in packaging. Recyclability statutes typically require proof that a certain amount of the packaging is being recycled, while recycled content laws often impose a minimum percentage of PCR that must be included in the packaging.



## Our Approach


To meet increased demand, we're exploring new technologies, like advanced recycling — sometimes referred to as chemical recycling. Identified as a long-term recyclability solution by the **Bridge to Circularity report**, advanced recycling has the potential to have a significant impact on the recyclability of food-grade material — particularly HDPE, where supply is critically low — and of under-recycled plastics like polypropylene. We're working with virgin resin suppliers to find ways to apply this technology. We also support legislation that increases recycling efforts, improves collection rates and boosts the availability of PCR content.

In addition, we've introduced award-winning reusable packaging solutions. Recognized with a 2020 Innovator Award by the Sustainable Packaging Coalition, our upgraded REFPET™ Generation III bottles deliver an average of up to 25 reuse cycles. Reusing the bottle in its entirety helps cut down on the supply of PCR needed to manufacture new bottles each time.



# Challenge #3: Calls for Transparency

As we develop relationships with suppliers, we must do everything we can to ensure legitimacy, transparency and traceability in the recycled materials we use. One **article from Packaging World** notes that as states pass variable recycled content mandates, "... the need to qualify and provide assurance of recycled content claims is needed to ensure transparency and accountability within the system." In other words, it's no longer enough to simply claim that there's a level of recycled content in a particular container. Brands and consumers expect manufacturers to be able to verify where the material originated and how it came to be part of their product's packaging.



## Our Approach

We undertook three important initiatives in 2020 that have afforded us more traceability of the recycled material we use. First, we implemented a supplier impact questionnaire, which asks our suppliers to answer questions about their ESG compliance. Not only does this enable us to keep better records on the origin of our materials, but it also ensures our suppliers operate in a way that reflects our own commitment to environmental and social responsibility.

Secondly, we received a third-party certification through **SCS Global Services**, an international leader in the validation and verification of environmental, sustainability, food safety and quality performance claims. To become certified, we had to demonstrate that we comply with their requirements for manufacturers. SCS Global Services evaluated our process based on chain of custody, material qualification and material quantification, and they found that the measures we've put in place to ensure accountability throughout the supply chain meet their standards.

And lastly, in sourcing more PCR material, we've diversified our supply base. Not only do we continue to work with big oil suppliers, we've also developed partnerships with small, local businesses who can help us advance our sustainability vision while we help them grow their business.

# The Impact of Evolving Legislation

As of 2020, 10 states across the U.S. had bottle bills in place to encourage recycling and the use of recycled content, particularly in beverage packaging. **Studies have shown** that states with bottle bills typically have a much higher material recovery rate than the national average, so it's clear that passing this type of legislation can influence consumer habits while also increasing industrywide demand for recycled content. Another common type of legislation is extended producer responsibility (EPR) legislation, which focuses end-of-use handling and recovery of materials.

## PCR & EPR Bill Highlights

**California:** A law passed in September 2020 made California the first state to require the use of recycled content in plastic beverage containers. It states that containers must be made from at least 15% recycled content by 2022, with a long-term target of 50% recycled content by 2030.

**New Jersey:** A pending law would establish recycled content requirements for plastic packaging and other types of containers, as well as plastic film and loose fill packaging.

**Washington:** Vetoed due to economic concerns over COVID-19, a recent bill would have set aggressive targets for recycled content use in packaging, starting with 10% in all packages by 2022, 25% in 2025 and 50% in 2030. A similar bill is now moving through the legislature that will apply to all food packaging and beverage bottles if passed.





# Tracking Ocean-Bound Plastic Use

With an estimated **8 million metric tons of plastic** making its way into the ocean each year, it's clear that change is needed to protect our planet's ecosystem. Ocean-bound plastic that's collected in at-risk zones along waterways and coastlines can be integrated into a range of packaging, giving us the opportunity to make a difference by incorporating it into our products.

While the Graham Recycling Company already processes certified ocean-bound plastic, our procurement team has worked to identify certified suppliers who can provide large volumes of ocean-bound plastic, including food-grade material, to our manufacturing operations. We've also partnered with legacy suppliers who wish to become certified. We help them understand ocean-bound plastic requirements, provide training, share resources and ensure they're set up with an auditable trail that shows where their ocean-bound plastic material comes from.

We've also widened our lens to look beyond material collection and do a full location analysis, asking questions like "How is this material being collected?" and "What is its social impact?" When it comes to material sourcing and collection, it's important for us — and our customers — to understand not only the where and how, but the who. By working together on all these ocean-bound plastic initiatives, we can create systemwide change that keeps plastic material inside the circular economy and out of our oceans.

## How We're Evaluating Our Ocean-Bound Plastic Suppliers

### Step 1

Determine the product's legitimacy and the supplier's scope

### Step 2

Understand and verify the product's chain of custody

### Step 3

Develop a reporting strategy and schedule



# Increasing Our Supply

Effective recycling requires buy-in from a range of participants, from the government and large brands to waste management facilities and U.S. households. In their **2020 State of Curbside Recycling Report**, The Recycling Partnership estimated that, in total, single-family households in the U.S. generate more than 7.1 million tons of recyclable plastic material each year, yet many of these recyclables become waste due to continued infrastructure and collection challenges. However, these challenges can be overcome when we work together toward a better recycling system — one that helps to protect the environment, lower the nation’s carbon footprint and create thousands of jobs.

There are two types of recycling we’re focused on at Graham: mechanical recycling and advanced recycling. We currently use mechanical recycling to process material at our Graham Recycling Company, and as of 2020 we’re exploring advanced recycling at four pilot plants. We believe that both processes have a place in our industry as solutions that put recycled content back into the circular economy for manufacturers to reuse.

## Challenges Facing the U.S. Recycling System

- Just 32% of all available recyclable material from single-family homes is collected.
- Only 50% of Americans have guaranteed access to curbside recycling.
- Recycling is more expensive than landfilling trash in some communities.
- Inbound material, as a national average, has a contamination rate of 17% by weight.

\*Based on findings in the **2020 State of Curbside Recycling Report**

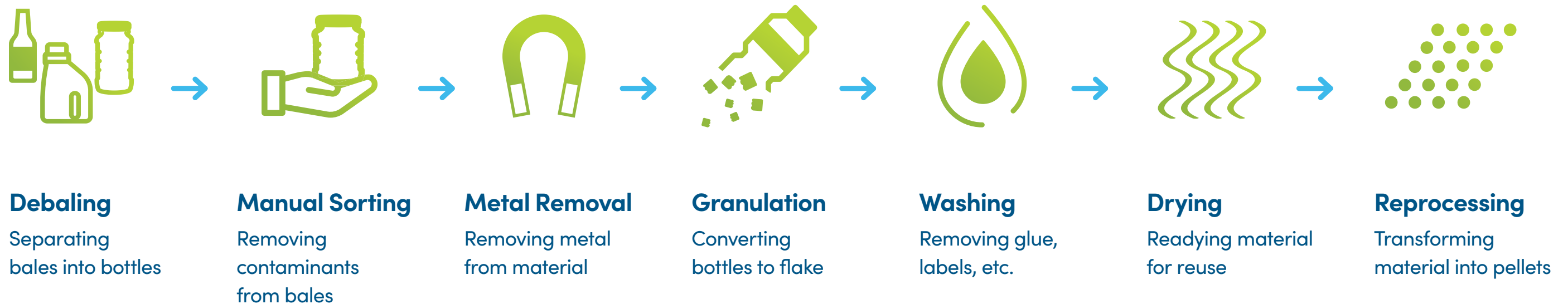
# Mechanical Recycling

According to **Bioplastics News**, mechanical recycling represents more than 99.9% of recycling infrastructure and business. This type of recycling has been around for decades, and it creates a closed loop by using mechanical processes like grinding, washing and re-granulating to turn recycled plastic containers back into usable resin. Because this process doesn't alter the chemical makeup of the plastic, the recycled content must be used to make similar products.

## Important Metrics in Mechanical Recycling

**Capture Rate:** The weight of recyclable material collected for recycling — minus contaminants — divided by the weight of all recyclables in the waste stream.

**Throughput:** The rate at which a facility can process the raw material to be recycled.





# The Graham Recycling Company

The Graham Recycling Company (GRC), which recycles #2 HDPE bottles, is one of the largest plastic recycling facilities in the northeastern U.S. It uses mechanical recycling to provide much of the recycled content we use at our manufacturing facilities. In 2020, the GRC processed approximately 41.3 million pounds of PCR. We also reused 17 million pounds of PIR across all segments within our company.

Because it supplies a large volume of our recycled content, the GRC is central to our mission of creating a circular economy, and our team is focused on expanding our sustainability efforts at the plant. In recent months, we've secured ocean-bound plastic that's now being recycled at the GRC. The plant has also been certified by the Association of Plastic Recyclers (SCS Global Services 3rd party certification) as a facility that's able to validate and trace the origins of the material it recycles.

In addition, we're exploring future-focused technology around color optimization, enhanced robotic sorting and real-time plastic analysis that will help us streamline our operations and deliver only the highest-quality PCR content.

“

Graham has been on the forefront of plastics recycling for decades, and I was proud to see the Graham Recycling Company celebrate its 30<sup>th</sup> anniversary in 2020.

- Keith Strohschein,  
Director of Operations, Materials

# Advanced Recycling

In an **April 2019 report**, Closed Loop Partners noted that only 6% of actual PCR demand is met by the recycled plastics available today. They've identified advanced recycling — sometimes referred to as chemical recycling — as a solution that offers a new way to overcome recycled content sourcing challenges. They also cite a potential revenue opportunity of \$120 billion in just the U.S. and Canadian markets.

There are several ways this technology may be executed, but in general this process strips plastic down to its most basic molecules and then repolymerizes it, turning it back into a virgin-like raw material that can be used to make new products, chemicals and fuels. Unlike glass and aluminum, plastic can't be mechanically recycled infinitely. But though advanced recycling is in its infancy, experts believe it has the potential to make plastic infinitely recyclable, which would deliver significant benefits to the entire supply chain.

At Graham, we're working on a partnership with an advanced recycler to get this material. Mass balance accounting is highly important when sourcing material from advanced recyclers, and we're in the process of becoming certified by an independent third-party so we can use this material legitimately and transparently going forward. While we don't believe that advanced recycling is a substitute for designing for recyclability, we do believe that it has incredible potential as a solution for packages that are difficult to recycle, as well as packages that can't go through the mechanical recycling process due to atypical characteristics or features that provide extra product protection.

## Advanced Recycling Technologies

### Purification

Doesn't change the polymer on a molecular level.

1. Plastic dissolved using a solvent.
2. Additives and dyes extracted.
3. Material purified.

### Depolymerization

Can be done biologically, chemically or thermally.

1. Molecular bonds of plastic broken.
2. Monomers and oligomers recovered.
3. Molecules reconstructed into plastic.

### Conversion

Output is like that from petroleum refining.

1. Molecular bonds of plastic broken.
2. Monomers and oligomers recovered.
3. Liquid or gaseous hydrocarbons produced.



# Advanced Recycling Q&A

## **Sourcing Food-Grade HDPE**

Food-grade HDPE recycled content is rare, with only a handful of suppliers serving the entire U.S. We're leveraging our long-term relationships with suppliers to develop procurement strategies, but we're also looking at this sourcing challenge from an advanced recycling perspective. We believe that by using this new technology to complement the existing mechanical recycling stream of food-grade HDPE material, we can make this material more accessible.

## **What is a burn history?**

Each time you recycle plastic mechanically, you degrade its quality, otherwise known as adding a "burn history" to the material. This is why plastic can't be recycled infinitely using the mechanical method. Advanced recycling eliminates burn history, so the same plastic can be recycled repeatedly without quality loss.

## **What is a mass balance system?**

Mass balance is a calculation that verifies that the input of raw recycled content equates to the output in the final product. As with any product, some material is lost as resin is processed. But by using a mass balance system, we can validate the amount of recycled content in our containers by looking at our original supply and accounting for the loss.

# Recycling Comparison

Mechanical Recycling	Advanced Recycling
Infrastructure	
Nationwide infrastructure already exists	Technology and infrastructure still in development
Requires an uncontaminated waste stream	Allows different types of plastic to be recycled together
Production	
Plastics can only be recycled 3 – 7 times	Plastics can be infinitely recycled
Less energy intensive than advanced recycling	May result in more energy use and CO2 emissions
Fewer chemicals used during the process	Acids and solvents used to dissolve the plastic
Output	
Plastic is often downcycled into other products	Converts plastic waste to virgin-like resin

\*Based on information from [Bioplastics News](#).





# Operation Clean Sweep

In late 2020, we began pursuing a partnership with **Operation Clean Sweep® (OCS)**, an international program that works with companies like ours to ensure the proper handling of plastic material. We finalized this partnership in early 2021 when we signed OCS's Pledge to Prevent Resin Pellet, Flake and Powder Loss to show our commitment to clean operations.

To help prevent pellets from making their way into the environment, we have cleaning protocols and controls in place. These protocols and controls are part of a robust housekeeping methodology that enables us to capture errant material before it leaves our facility.

We also conduct team training to educate our employees on the importance of good housekeeping. For example, without these types of measures in place, not only may spilled pellets eventually end up

in our waterways and become an environmental hazard, but they can also pose health & safety concerns, like slip and fall hazards, on the job. By educating our employees on how to act as good stewards to their fellow coworkers and the environment, we're supporting OCS's mission of achieving zero pellet, flake and powder loss.

# Climate Change Mitigation

We acknowledge that climate change is real, and it's time to think strategically about how to combat this complex issue. It's no longer enough to talk about individual success metrics — companies must look at their operations on a global scale and begin to make widespread, systemic changes.

We view every bottle we make from a big-picture perspective, and we work to mitigate risk at every stage of the bottle's life cycle. There are five areas we've identified as opportunities for us to lower our company's — and our customers'— carbon footprint: PCR use, product lightweighting, co-location manufacturing, energy consumption and fuel consumption.

Focusing on these main areas will allow us to maximize the impact of our risk mitigation efforts and contribute to the broader mission of preserving our planet.

## GRAHAM SNAPSHOT

### OUR GOAL

30%

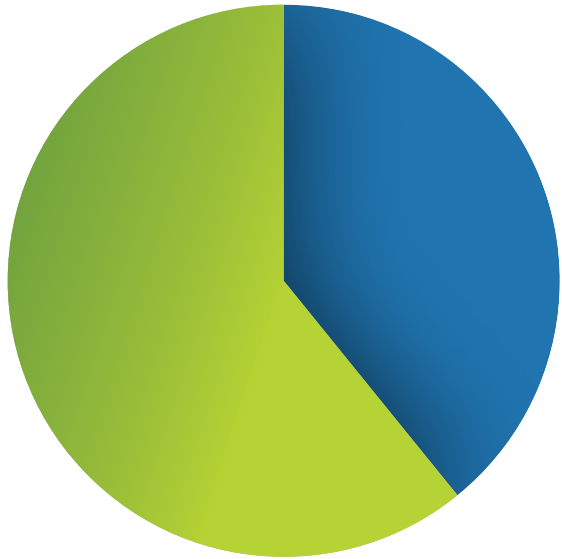
Reduction in GHG emissions by 2030 from a 2020 baseline

### OUR 2020 STATUS

8%

YOY reduction in GHG emissions (lbs-CO<sub>2</sub>e)

# Measuring Sustainable Operations



**61%** Waste Recycled or Incinerated

**39%** Waste Landfilled

**75MM Pounds**  
PCR material used in 2020

**8%** Reduction in energy intensity in 2020

**8%** Reduction in GHG emissions in 2020

**17MM Pounds**  
PIR material used in 2020

**12%** Reduction in water usage since 2018



# Operating With Efficiency

Reducing our energy use and emissions is an important initiative at our facilities around the world. Since our 2018 baseline, we’ve seen a steady decrease in both of these areas as we make continuous improvements in regards to sustainable operations.

**What’s the difference between absolute energy and energy intensity?**

Absolute energy refers to the total amount of energy consumed at our facilities. Energy intensity is the amount of energy consumed divided by the total pounds of product produced. This gives us a measure of how much energy is required to produce a single package.

## Energy Intensity

~8% reduction from 2018 baseline.

Year	Overall Energy Usage (KwH)	Production Volume (lbs)	Energy Intensity
2020	1,121,735,029	1,131,513,377	0.991
2019	1,133,281,359	1,087,914,241	1.042
2018	1,219,969,397	1,129,491,892	1.080

Large concentrations of gases like carbon dioxide, methane, nitrous oxide and fluorinated gases can trap heat in the Earth’s atmosphere, which has earned them the name “greenhouse gases.” According to [EPA.gov](#), carbon dioxide is the most common greenhouse gas, making up 81% of U.S. GHG emissions.

In our effort to mitigate climate change, we track our scope 1 and 2 GHG emissions and actively search for ways to reduce them during the design, manufacturing and transport of our products. We report on our absolute GHG emissions, so as our product volume rises, it will affect our emissions data. In 2020, despite an increase in production, we still saw a decrease in emissions.

## Overall GHG Scope 1 & Scope 2 Emissions

~8% YOY reduction in emissions from 2019 to 2020.

Year	Scope 1 (lbs-CO <sub>2</sub> e)	Scope 2 (lbs-CO <sub>2</sub> e)
2020	37,198,778	864,242,279
2019	41,452,034	937,785,645
2018	41,928,104	1,078,575,392

**What are the three scopes of GHG emissions?**

**Scope 1:** Direct emissions from owned or controlled sources

**Scope 2:** Indirect emissions from the generation of purchased energy

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

# Helping Customers Lower Their Impact

**Converting glass to PET results in an average decrease of 203 metric tons of carbon emissions. That's the equivalent of:**

22,842 gallons of gasoline consumed	510,179 fewer miles driven yearly
3,357 tree seedlings grown for 10 years	249 acres of forest saved yearly

\*Based on results from a critically reviewed, ISO 14044 LCA study comparing 1,000,000 ThermaSet PET jars to glass jars.

In recent years, we've brought climate change mitigation to the forefront of our operations, exploring new ways to deliver energy efficiency, streamlined resource use and environmentally responsible solutions to our customers.

Life-cycle assessments, or LCAs, are an important tool that enables us to help customers who want to improve their sustainability portfolio. Using this tool, we collect data about a product throughout the entire manufacturing and supply chain, and then we test theories about what steps our customers can take to see the biggest decrease in their product's environmental impact.

For example, we completed an LCA on converting glass containers to our ThermaSet® PET containers. We found that, through this conversion, companies would see an average decrease of 203 metric tons of carbon emissions. Results like this — along with close collaboration with our knowledgeable team — can help customers make informed decisions on how to best lower their carbon footprint.



In 2020, along with completing 50 LCAs that quantified the environmental impacts of our products, we've also continued to expand our efforts to mitigate climate change by focusing on five key initiatives.

### 1. Recycled Material Use

We can incorporate up to 100% PCR content into the packages we produce, and nearly every package from our facility has some level of PIR content. Additionally, the Graham Recycling Company has helped the packaging side of our business become one of the largest suppliers of bottle-grade recycled plastic containers in North America, and it's also enabled our facility to be more sustainable. By diverting plastic from landfills, our recycling facility helps us save energy and natural resources, as well as substantially reduce our greenhouse gas emissions. We're also investing in innovations, like our mechanically activated base technology, that make it easier for higher levels of PCR to be incorporated into our bottles.

### 2. Energy Consumption

When we account for energy sources like electricity, natural gas and propane, producing plastics can be an energy-intensive process. More fuel consumption generally equates to more GHG emissions, so decreasing our energy consumption is one way we can help to lower our climate change risk level. In 2018, we joined the U.S. Department of Energy's Better Plans program and made a public commitment to reduce our energy intensity by 25% over 10 years. Even though higher production volumes made energy management a challenge this year, our energy use remained relatively flat in 2020, and we're still on track to hit our sustainability road map goal. We're also continuing to find opportunities in renewable energy use, lighting efficiencies and air leak reduction at our plants.

### 3. Product Lightweighting

In recent years, we've lightweighted our packaging to help offset the monetary and environmental costs our customers face, including fuel consumption, raw material use, water consumption and energy usage. Lightweighting initiatives can take one of two paths. First, we may be lightweighting an existing plastic container by removing material, such as with our mechanically activated base technology for PET packages and our AccuStrength technology for HDPE packages. This type of lightweighting also includes redesigning older packages to be lighter weight as part of our design for sustainability program. The other type of lightweighting we offer is the replacement of other packaging materials with plastic, as when we replace glass jars with our ThermaSet® PET jars. Both approaches significantly reduce packaging weight, which in turn lowers the carbon footprint of an organization across its entire supply chain.

### 4. Co-Location Manufacturing

One out of every three Graham plants is strategically positioned near or inside our customers' filling facilities. Strategically located facilities enable us to simplify the manufacturing and distribution stream, which results in less shipping, lower fuel consumption and more freight savings. Co-location also creates operational efficiencies by allowing us to share services and utilities while collaborating to reduce scrap. Through the close partnership this type of manufacturing provides, we're able to reduce our customers' overall carbon footprint and create the potential for 100% closed-loop recycling.

### 5. Transportation

There's a rising need for e-commerce-friendly packages that can be safely and easily shipped, and this need was **accelerated by the pandemic**. But even before COVID-19, we recognized this growing trend and began developing bottles that deliver significant carbon advantages during shipping by reducing packaging needs and lowering fuel consumption. These efforts are closely tied to several other initiatives on this list, namely lightweighting and co-location manufacturing. Co-location manufacturing lets us cut down on shipments of empty bottles to and from our customers' facilities, while lightweighting enables trucks to carry more product in a single trip, especially compared to products packaged in glass. Beyond those examples, our design team has worked to develop bottles that allow more products to fit on a single truck, and they've also created more durable containers that can be shipped with less secondary packaging material, which reduces both shipping costs and environmental impact.



# Minimizing Food Waste



According to a **report by RTS**, food production generates roughly 7% of the world's greenhouse gas emissions, and when food is wasted, all the resources and energy that went into making it are wasted, too. And while this may seem like a problem that has nothing to do with the containers our foods are packaged in, food waste and product packaging are actually closely intertwined.

Plastic packaging like ours helps to reduce food waste by preserving perishable foods, lengthening shelf life and lessening product loss due to breakage. In fact, plastic packaging is recognized as one of the most effective ways to mitigate food waste, with **INCPEN noting that**, "On average, the resources used to make packaging protect ten times more resources in the food and other goods it protects."

When we work with brands to improve their packaging, we're contributing to an overall reduction in carbon emissions and the conservation of valuable resources. It's this knowledge that inspires us to continually innovate, exploring technologies that allow our plastic containers to be used for new markets and in new applications. From advanced barrier technologies that increase shelf life to ThermaSet® PET that can reduce breakage by replacing glass, our team is committed to doing our part to minimize food waste around the world.



# Mechanically Activated Base Technology



Our mechanically activated base (MAB) technology is poised to be the sustainability leader in lightweight PET hot-fill packaging. MAB technology allows us to produce containers that are comparable in weight and performance to aseptic packages at a more affordable price point. It also enables the use of up to 100% PCR content to help brands meet internal and external recycled content requirements.

MAB technology delivers more design flexibility by reducing or eliminating the number of ribs on the side of the bottle. This straight-walled design provides more consistent, cost-effective product labeling, and certain bottle designs can be over-pressurized to improve top-load performance during shipping and use. The result is a container that not only looks great but also protects product freshness and quality.

The resin saved through the use of MAB technology offers long-term production and supply chain benefits for the hot-fill market. This technology allows for reductions in material use, increases in PCR content and improved shipping performance — all of which help us lower our carbon footprint. For example, we recently completed an LCA for a customer, and this study found that a new bottle with 50% PCR using MAB technology will reduce that customer's GHG emissions by 39% when compared to the same non-MAB bottle using virgin resin.

# Conserving the World's Most Valuable Resource

According to the **World Resources Institute**, “Water scarcity is one of the defining issues of the 21<sup>st</sup> century.” They go on to cite a 2013 report by the World Economic Forum, which asserts that water supply crises will have one of the highest impacts on our planet in upcoming years.

As a large manufacturer, we have a responsibility to constantly find new ways to lessen our water consumption, and since 2018, we’ve reduced our water usage by 12%. Each of our facilities has a process in place to review its water consumption and make efforts to reduce it. Our Responsible Water Use policy guides these efforts.

## As stated in this policy, we will:

- Look to conserve water throughout our operations, centering on the wastewater used in the cooling process.
- Use the **Aqueduct Water Risk Management tool** to evaluate plants in water-stressed areas around the world and manage potential risks.
- Reduce the potential environmental impact to waterways caused by storm water pollution by implementing Storm Water Pollution Prevention Plans.
- Ensure all plants have a Spill Prevention Control and Countermeasures Management Plan.
- Use administrative controls to reduce water usage at the process level.
- Provide training, communication and controls regarding responsible water use throughout the Graham Operating System.





# SmartWay Program

We began our work with the EPA's **SmartWay program** this year as part of our supply chain strategy. The EPA developed this program to help companies like Graham measure, benchmark and improve freight transportation efficiency. Supported by major transportation industry associations, environmental groups, governments, international agencies and corporations, this program has the potential to reduce transportation-related emissions using innovative fuel-saving technologies and movement strategies.

The SmartWay program will enable us to better track our transportation emissions, including flight emissions, so we can identify areas for improvement within our own operation. Whether we need to select more efficient freight carriers or develop new operational strategies, we can use the data provided by this comprehensive program to make necessary and impactful change.

## U.S. Freight Activity Trends

### 50% Growth

From 1990 – 2013

### 2050

Estimated year when global freight transport emissions will surpass passenger vehicle emissions

\*Based on data provided by the SmartWay program.



# Partnerships

In 2020, we added several new organizations and programs to our list of sustainability partners, ranging from programs that help us measure the impact of our freight carriers to globally recognized commitments. It's our hope that by working with these organizations we'll be an agent of change in our communities and throughout the world.



Signatory of the New Plastics Economy Global Commitment.



Ally in the fight to keep plastic out of landfills.



Participant in efforts to spark meaningful action around sustainability.



Supporter of PET and HDPE plastic resources and initiatives.



Partner in finding creative ways to reduce energy usage.



Collaborator in the development of new traceability technologies.



Contributor to the measure and reduction of freight transportation impacts.



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



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



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



Champion of PET recycling in the state of California.



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



## UN Global Compact

Participant in the global community's largest ESG initiative.



# Social

Our people embody the ingenuity and creative spirit that's inherent to our organization, and we're committed to building a diverse, collaborative team that wants to make a positive difference in the workplace and in their communities.

In this section:

- **Core Values**
- **Diversity, Equity & Inclusion**
- **Health & Safety**
- **Employee Growth & Development**
- **Community Outreach**

# Defining Our Standards

In every interaction — both internally and externally — our employees are guided by our core values. These four principles are central to how we do business, and they enable us to build strong relationships centered around honesty, integrity and a mindset of continuous improvement.



## Value Our People

Create a safe environment for our team, above all. Build our organization around a diverse group of innovative people who want to make a positive difference.



## Honor Our Commitments

Act with integrity. Do what we say we will do and deliver what we commit to deliver to earn the trust of our partners, both inside and outside the company.



## Be the Partner of Choice

Establish a presence in our communities. Strive to be a “destination company” where people want to work and with whom customers and suppliers want to do business.



## Drive for Excellence

Add value in everything we do. Hold ourselves to the highest standards and strive for continuous improvement, always learning from mistakes.



# Diversity, Equity & Inclusion

In 2020, we identified five social goals that will help us garner new team members and new perspectives. Focused around creating a more diverse workforce, these goals are a major step in benchmarking our DE&I initiatives and offering career development opportunities for those of all backgrounds.

“

What we want to build is an environment of belonging, where employees feel comfortable bringing their different cultures, gender, ethnicity and overall life experiences to work to create an environment where our differences are embraced and used to accelerate innovation on a daily basis.

- Lisa Santin, Executive Vice President of Human Resources



# How We're Building an Inclusive Team

**Promote the Women's ERG:** One of our most active and growing ERGs, this group holds a range of events throughout the year. Highlights in 2020 include sponsoring women for the PA Women's Conference, conducting a women's leadership training and co-sponsoring a seminar about leading during challenging times.

**Create High-Quality Development Plans:** To increase women and minorities in leadership, we must have more conversations about career development. In 2020, we held a career development action plan (CDAP) workshop to help our employees build robust individual development plans.

**Develop New Recruiting Strategies:** Moving forward, we plan to develop and execute an outreach hiring program that targets veterans and people with disabilities. It's our hope that these efforts will help us increase leadership from these diverse groups and bring new perspectives to our organization.

**Partner With Colleges & Universities:** We're doubling down on our effort to attend college recruitment events. We've also established partnerships with relevant college clubs to target and recruit employees from underrepresented populations.

**Conduct Diversity Training:** Using our Litmos learning management system, we can offer virtual diversity and inclusion training to our employees around the world. This training helps our employees speak and act with more sensitivity to the experiences of diverse groups.

## What is an employee resource group (ERG)?

An ERG is a voluntary, employee-led group designed to engage our team in ways that tie into our mission and business goals. ERGs can be started by any employee at Graham and may focus on topics like employee development, community outreach and workforce development.

Currently, we have two active ERGs: Women in Business and Young Professionals.



# Engaging Employees During COVID-19

With many of our office-based staff working remotely and our plants working overtime to meet increased demand during COVID-19, our HR department developed new programs to keep our employees engaged. We created a subsection of our intranet called “The Breakroom,” where we posted activities, like photo contests and virtual tours, to keep people connected during the pandemic. We also recognized Graham heroes — employees who had to show up to work in person every day to do their part to help keep food on tables around the world.

Through emails, posters, flyers and a weekly CEO message, we routinely communicated about helpful employee benefits, such as access to free and discounted mental health care through our existing employee assistance program (EAP), and we provided COVID-19 sick pay for employees who had to quarantine. Early in the pandemic, we also implemented a Resilience Pulse Survey to check in with our team on how they felt about our response to the pandemic, and we’re happy to report that the response was largely positive.



# Health & Safety

Although our largest health & safety initiatives were centered on COVID-19 this year, we still managed to have a record-setting year on our path to a zero-harm work environment, with 2020 marking our seventh year of continuous improvement. But while we're proud of what we've accomplished, we're always looking forward and working hard to keep people safe throughout our organization, because we won't be satisfied until we achieve target zero and sustain it.

## GRAHAM SNAPSHOT

**74%** Global operations achieved recordable-free performance

**7 YEARS** Continuous improvement in EH&S metrics

**1,341 DAYS** Average number of days a Graham operation has gone without a recordable injury

**95%** Favorability rating by an internal employee survey

# Putting Safety First

We believe that everything we do, every day, must be built on the foundations of safe working conditions, healthy habits and companywide accountability. Our long-term strategic plan puts our team's welfare above all other metrics, including cost and productivity, and it identifies very specific actions that we need to focus on annually to be successful. By bringing safety into conversations across all levels of our organization, we can empower our teams to stay engaged and hold each other accountable for proactively staying safe on the job.

## Peer-to-Peer Accountability Program

Our peer-to-peer accountability program is interwoven into our strategic plan, and it's critical to our ongoing success. This program trains our employees to recognize risk and start a conversation anytime they witness an unsafe behavior or condition. Because these conversations can be had anonymously, this program allows our employees to be completely transparent without fear of repercussions. It also gives our leadership team the opportunity to address these incidents.

This program enables us to focus on leading-edge indicators — the moments throughout the day where an employee may engage in an unsafe behavior — and address these behaviors when they happen but before an injury occurs. In 2020 more employees participated in this peer-to-peer observation program, and as a result we've seen higher rates of stopping unsafe behavior early. Catching these behaviors sooner has allowed us to prevent incidents, and it's also increased our near-miss reporting, showing that this program helps our employees be more accountable to themselves, their coworkers and our company.

“

The survey which reflected that our associates value what we do from an EH&S perspective — and not only the what but the why and the how of our programs — speaks volumes. It really helps us understand why we're as successful as we are.

- Roy Osborne, Global Vice President, Environmental, Occupational Health & Safety

# Employee Growth & Development

Whether a Graham employee holds a leadership position or works in an hourly role, they're an important part of our team. We're committed to identifying, promoting and investing in employees who step up to meet challenges and offer new ideas for how we can better serve our customers. We offer a range of training and development opportunities, from leadership workshops to communications and conflict management training, so team members feel empowered to grow their skills.

## GRAHAM SNAPSHOT

A 2020 engagement survey of Graham employees found that:

**72%** Feel engaged in their job

**74%** Feel enabled to do their best work

**80%** Said their manager helps them improve their job performance

**85%** Expressed an understanding of how their role fits into strategic priorities



# Employee Growth & Development

## **Pay-for-Skills Program**

In some of our facilities, we have Pay-for-Skills programs for our hourly employees. This program allows our employees to take their career development into their own hands while helping our management team engage and reward talented employees. In upcoming years, we plan to roll out this program to more Graham plants.

## **Litmos Learning Management System**

In 2020, we continued to use the Litmos Learning Management System (LMS) across our company. This virtual platform helps us maximize engagement and retention, meet COVID-19 safety protocols and ensure legal and regulatory compliance.

## **Korn Ferry Competencies**

We use the world-class Korn Ferry competency library to outline the common behaviors, attributes and skills that turn our core values into action. This year, we used these competencies to inform our first-ever employee engagement survey.

## **FrontLine Leadership Development and Fundamentals**

Although this program was put on hold due to COVID-19, we have plans to bring it back next year. This program provides new plant leaders with the opportunity to develop a deeper understanding of their role, including how to drive standardization, reduce cost and build trust.



# Creating a Competitive Advantage Through People

In 2020, we rolled out a new, global talent review process. This process allowed us to assess performance, as well as recognize high potential employees, talent pools and talent gaps. It also enabled the creation of succession plans and the identification of companywide themes that will help us develop future training opportunities and close global talent gaps through strategic hiring initiatives.

As part of this program, we conducted Career Development Action Planning workshops for our high-potential employees, helping them think strategically about their professional aspirations, personal strengths and opportunities for growth. Additionally, we provided senior leaders with Career Conversations training to prepare them to coach and support employees through their future career development.





# | Community Outreach

The year 2020 came with unforeseen challenges, but our goal of strengthening our local communities by providing for those in need remained an important part of our culture. With many in-person events canceled because of COVID-19, it was necessary for our locations around the world to find new ways to support the communities where we live and work. Many of our facilities participated in food, clothing and toy drives, while in some cases small groups were still able to volunteer their time and talents in person.

We've set big goals for community engagement in 2021. **We expect that 100% of our work locations will participate in one or more employee-led community service activities, and at least 70% of our locations will participate in two or more.** By volunteering our time and resources regularly, we promote sustainable living, encourage community partnerships and give back to those who need it most.



# Giving Back to Our Communities

In 2020, we donated to new initiatives within our communities.



## \$15,000

Donated to help fund  
type 1 diabetes research



## \$25,000

Donated to Save the Children



## 10,000

Masks sent to local hospitals at  
the beginning of the pandemic

### Employee Story

#### Developing Virtual Interview Skills

Lauren Bovard, a senior corporate HR generalist based in our Lancaster, PA, office, saw an emerging need among students at local colleges and technical schools. Though students may receive career and interview coaching as part of their education, 2020 brought new challenges for job seekers, including a remote interview process.

Recognizing that students would benefit from learning about best practices for remote interviewing, Lauren partnered with a recruiter to donate her time toward this effort. She created content for online learners, developing and presenting Lunch and Learns at several area schools on the topic of interviewing during the pandemic.

# Giving Back to Our Communities

But we also continued our annual giving initiatives at many of our locations.



\*Percentage of Graham locations that participated in these efforts.

## Employee Story Donating Toys to Children in Foster Care

Bart Pannell, a packaging specialist at our Altavista facility, sponsored a toy drive in December 2020 through his nonprofit, Pretty Real, LLC. He encouraged people to donate safely using a drive-thru, and he even incentivized their giving, offering lottery tickets to the first 50 people who dropped off toys.

Despite having experienced poverty himself as a child, he observed his mother’s generosity and says it inspired him to make it his mission to give back to his community — and children in particular — however he can. By hosting the toy drive for children in foster care, he was able to spread holiday joy even amid such a difficult time in the world. And not only that; he’s helping to pass the giving spirit on to the next generation by involving his young son as the vice president of his nonprofit.



# Governance

We hold ethics, integrity and lawful conduct in high regard, striving for professionalism in every interaction. Whether we're working internally with employees or externally with customers, suppliers, sustainability partners or the public, we act in ways that inspire trust and promote safe, healthy lifestyles.

In this section:

- **Leadership**
- **Ethics & Compliance**
- **Risk Mitigation Strategy**
- **Data Privacy & Security**



# Meet Our Governance Leaders

We believe that everyone at Graham is responsible for upholding our Code of Ethics, but there are several team members who lead this effort within our organization.

## **Tracee Auld, Chief Growth Officer & Chief Sustainability Officer**

Auld focuses on the oversight of Graham Packaging's sustainability efforts. She also develops and manages the execution of our growth strategy.

## **Balaji Jayaseelan, Sustainability & Regulatory Affairs Director**

Jayaseelan supports the development and implementation of our sustainability strategy by providing leadership, expertise and cross-functional alignment.

## **Doug Cassel, General Counsel**

Cassel serves as Graham's primary source of legal advice. He's responsible for all aspects of our legal affairs across our global locations.

## **Lisa Santin, Executive Vice President of Human Resources**

Santin leads Graham's HR team, developing a human capital strategy that delivers on our company's goals and objectives.

## **Wayne Anderson, Chief Information Officer**

Anderson is responsible for the management, implementation and usability of Graham's information technology and computer systems.

## **Kris Warfel, Chief Financial Officer**

Warfel manages Graham's finances, including financial planning, management of financial risks and financial reporting.

"In consideration of its medium exposure and strong management, we view [Graham Packaging] to have negligible unmanaged risk attributable to its corporate governance."

**- 2020 Sustainalytics ESG Risk Rating Report**

# Outlining Our Approach

At Graham, nothing is worth compromising our integrity. We have a well-developed ethics & compliance program with its foundation in our Code of Ethics. This document sets out the framework under which we operate and holds us accountable for ethical behavior and lawful compliance. Any breach of our **Code of Ethics** is taken seriously and is addressed with an appropriate and timely response.

We take an interdisciplinary approach to compliance, engaging leaders across our company whose expertise helps us operate legally and mitigate risks. Sustainability, human resources, legal, IT and accounting are all involved in our companywide effort to meet necessary regulations in the many countries where we operate. Effective corporate governance is a team effort, and we've worked to embed ethical behavior into our company culture at every level.

## Governance Initiatives

**Ongoing Training:** We use both our Litmos e-learning platform and in-person training to educate all employees on our code of conduct, fraud policies and other specific training topics, like anti-corruption, anti-bribery, antitrust and data privacy. This training also covers region-specific topics like GDPR compliance.

**Supplier Policies:** In 2020, we updated our supplier policies, requiring all suppliers to meet the standards set forth in our comprehensive Supplier Quality Manual and incorporate ESG measurements into Supplier Scorecards that we review on a regular basis for continuous improvements. These standards encompass a range of topics related to ESG reporting, from quality and food safety management systems to regulatory reporting, product documentation and respect for human rights.

**Customer Management:** We want to ensure that every entity we do business with meets our standards of ethics. This applies to our customers, as well as any contractors we engage for work at our facilities. We're committed to evaluating every new relationship to make sure our criteria for safe, healthy working conditions are met.

**Internal Audits & Risk Evaluations:** Our internal audit committee brings together leaders from several departments, including human resources, sustainability and accounting, to ensure our processes and procedures comply with all laws. By leveraging this multifaceted approach, we're able to operate with high regard to risk while adding maximum value for our customers.

# Graham Audit and Compliance Committee

Our Audit and Compliance Committee meets on a quarterly basis to assess our business's risk level and discuss solutions. Then, we put together risk mitigation strategies to address any concerns we've identified. These meetings include:

**Policy Reviews:** Evaluation of issued and amended policies each quarter and periodic reviews of other policies that may need to be updated or implemented based on changes in the business or legal/regulatory needs.

**Fraud Investigations:** Overview and status report of any active fraud investigations in the company, as well as an analysis of the financial impact.

**Hotline Investigations:** Overview and status report of any active hotline cases that have been reported, as well as a summary of duplicate reports and proven, unproven and in-progress investigations.

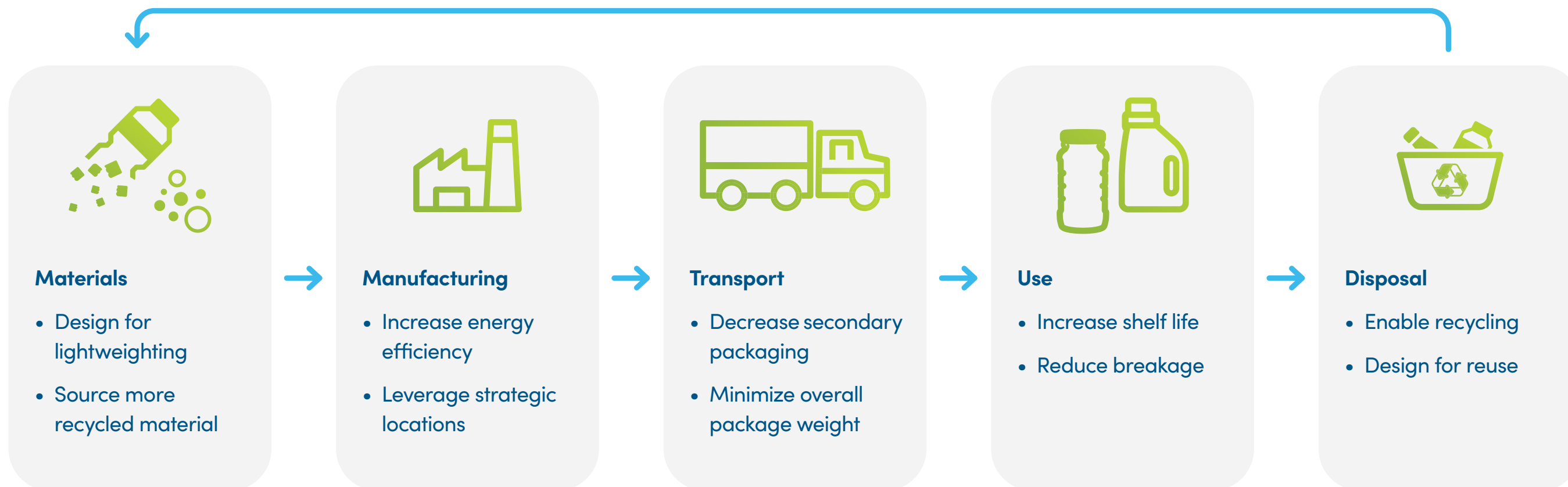
**Non-Hotline Investigations:** Discussion of any reports received outside of the hotline, including but not limited to international incidents.

**Compliance Training for Employees:** Discussion of current and upcoming training for employees, as well as analysis of additional training which may be beneficial based on changes in the business or legal/regulatory needs.



# Strategic Response to Climate Change

When we think about climate change, we consider the holistic supply chain because climate change impacts happen at each stage in a container's life cycle. Our strategy is to reduce carbon use at every level so we can deliver innovative, sustainable packaging solutions that protect our ecosystem and contribute to a circular economy.



# Key Functions of Sustainability Council Groups

## **Energy & Waste Council**

Oversees the implementation of sustainable energy strategy across all Graham locations and provides quarterly reporting on these efforts. Strategies include installing efficient lighting, reducing air leaks, lowering process water temperatures, reducing waste-to-landfill and improving purge material.

## **Green Teams**

Develop programs for individual business units while acting as ambassadors for community initiatives. Strategies include keeping accurate data on sustainability projects, sharing sustainability best practices and hosting virtual kaizen events to improve operational efficiency.

# Joining the UN Global Compact

The UN Global Compact is the largest corporate sustainability initiative in the world, and in 2020 we became official members of this effort. In a letter to the secretary-general of the United Nations, we committed to incorporating the Compact’s 10 universal principles into our strategy, culture and day-to-day operations.

Moving forward, we plan to engage in collaborative projects that will advance the mission of the Compact. This new partnership fits seamlessly into our broader definition of sustainability and underscores our commitment to human rights, environmental responsibility and governance benchmarking.

## 10 Principles of the UN Global Compact

### Human Rights

- Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2:** make sure that they are not complicit in human rights abuses.

### Labor

- Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4:** the elimination of all forms of forced and compulsory labor;
- Principle 5:** the effective abolition of child labor; and
- Principle 6:** the elimination of discrimination in respect to employment and occupation.

### Environment

- Principle 7:** Businesses should support a precautionary approach to environmental challenges;
- Principle 8:** undertake initiatives to promote greater environmental responsibility; and
- Principle 9:** encourage the development and diffusion of environmentally friendly technologies.

### Anti-Corruption

- Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.

\*From the [UN Global Compact website](#).



# Protecting Our Digital Footprint

Our data privacy and security policies require close collaboration between our IT, legal and procurement departments. As digital tools and processes change, we're actively expanding these policies to ensure we meet or exceed industry standards in terms of privacy and security protocols.

## Data Security

We have a robust Cybersecurity Policy, backed by a Cybersecurity Incident Management Policy. These documents work together to hold our team accountable for keeping Graham's, customers' and suppliers' data secure.

In our Cybersecurity Policy, we identify three entities who are responsible for these efforts: the Cybersecurity Governance Committee, the Cybersecurity Working Group and the Cybersecurity Director. These groups are tasked with establishing and documenting our security policies, as well as performing regular risk assessments to prioritize activities that will minimize our greatest risks. They also conduct security awareness campaigns designed to educate employees at every level of our organization about security best practices.



## Data Privacy

Any time a new initiative makes it necessary for us to use and process data, we have a multidisciplinary team review it to determine the level of risk and ensure we're handling sensitive information with the utmost care. This team may include representatives from IT, legal, procurement and others. In our Data Classification Policy, we identify three types of data:

**Public Data:** Poses no risk, or minimal risk, if made generally available. Public data contains information whose loss, corruption or unauthorized disclosure should have no adverse impact on our operations, assets, reputation, employees or third parties conducting business with us.

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

**Confidential Data:** Poses a high risk if made generally available. It contains information whose loss, corruption or unauthorized disclosure would likely harm our business and result in severe financial, operational and reputational loss or legal impact.

In situations where an employee is unclear about the classification of data in their possession, we expect them to treat it as confidential and obtain guidance from their supervisor on how to proceed. We provide annual training, including on region-specific regulations like GDPR, to ensure awareness of and adherence to our policies about data privacy.

### What's the difference between data privacy and data security?

**Data Privacy:** How people's data is collected, treated and used.

**Data Security:** How our systems protect sensitive, confidential data.

A young child in a red and black plaid shirt and dark pants is running through a field of tall, golden grass. The child is holding a kite string in their right hand and a ball of twine in their left. A kite is visible in the air, and the background shows a range of mountains under a bright, hazy sky. The overall color palette is warm, dominated by oranges and yellows.

# Looking Ahead

We look toward the future of our industry, our community and our planet with optimism. The year 2020 brought challenges, but it also brought opportunities — ones we'll continue to build on in 2021 and beyond.



# 2020 in Perspective

“

We've made so much progress on our sustainability initiatives in such a short time. To have our efforts confirmed by an independent third party like Sustainalytics who's evaluating not just our competitors but global companies, and **for them to say we're in the top 2%** — that's setting a tough, but excellent, baseline.

- Tracee Auld, Chief Growth & Sustainability Officer

“

From a sustainability aspect, we've evolved as an organization. We worked to do the best for our plants, improve packaging design and constantly innovate **even during the COVID-19 pandemic**. We're a cross-functional team who put our resources together to meet difficult challenges this year, and it was great to be recognized at the end of the year for our efforts.

- Balaji Jayaseelan, Director, Sustainability & Regulatory Affairs

“

In 2020, there were a lot of strides for the entire management team at Graham to **embrace the future of recycled materials**, prioritize on long-term solutions and begin making a collective effort. We're committed to finding the answers between now and 2025.

- Steve Ream, Senior Director Global Sourcing, Resins

“

This year, I was most impressed with our engagement survey. Prior to 2020, we had an antiquated way of collecting results and it was hard to measure. Now we're taking steps toward **collecting and analyzing data about our employees' experiences** and our community initiatives.

- Lauren Bovard, Senior Corporate HR Generalist

# 2020 in Perspective

“

I'm proud to say that EH&S was **the most favorable function across the business** based on the employee survey. It's very clear that our associates understand the expectations around health & safety at Graham, and they value what we do.

- Roy Osborne, Global Vice President, Environmental, Occupational Health & Safety

“

2020 was a difficult year, but I'm exceptionally proud of the Graham HR Team for continuing to focus on the long-term initiatives that have helped us **create a competitive advantage through our people**. Even during the most difficult pandemic days, we never lost sight of the projects that absolutely needed to be completed to move the company forward.

- Lisa Santin, Executive Vice President of Human Resources

“

When the COVID-19 pandemic struck, our legal, HR and EHS teams came together with the common goal of protecting our employees while **continuing to operate as an essential business supporting critical infrastructure**. I am most proud of the actions taken to achieve that goal and the continued efforts at maintaining employee safety.

- Doug Cassel, General Counsel





# Moving Forward

The year 2020 was challenging, but it marked many sustainability milestones for our company. We put new supplier policies in place, made a public commitment to the UN Global Compact and were recognized by Sustainalytics as having the lowest ESG risk rating of assessed companies in the plastics, metal and glass packaging industry.

Our health & safety team had a record-setting year both internally and externally, receiving a 95% favorability rating from our employees during a time when increased protocols and stringent guidelines became the norm. We also transformed our identity, showcasing our enthusiasm, creative spirit and ingenuity, while ushering in a new era of inspired, one-of-a-kind packaging.

It's with this fresh perspective that we're moving into 2021. We'll continue to prioritize creative problem-solving, finding solutions to environmental and social issues while keeping climate change mitigation at the forefront of everything we do. Exploring

advanced recycling, sourcing certified ocean-bound plastic, making oil containers more recyclable and lowering our GHG emissions are all part of where we're going. But we're also reaching out to our communities and investing in our employees' growth to build strong relationships where everyone we interact with feels safe, heard and valued.

In addition to our environmental and social efforts, we constantly challenge ourselves to meet important governance standards, and as we look ahead, we know there's still work to be done. Our leadership team is invested in building on the successes and learning opportunities we had in 2020. By being ranked in the top 2% globally in terms of ESG risk, we've set a tough baseline — one that will propel our company forward and enable us to contribute to a healthy, more sustainable future for years to come.





# About This Report

This report covers our owned and operated facilities and does not report on the performance of our suppliers, contractors, customers and partners. It also contains information developed by **Sustainalytics**. Such information and data are proprietary of Sustainalytics and/or its third-party suppliers (third-party data) and are provided for informational purposes only. They do not constitute an endorsement of any product or project, nor investment advice, and are not warranted to be complete, timely, accurate or suitable for a particular purpose.

Forward-looking statements are also included in this report. These statements were made based on current operations data, policies, expectations and projections, but they are subject to change as conditions warrant. As with any estimate or business forecast, our actual results and numbers may vary. We're under no obligation to share progress made on the goals laid out in this report.

## About Graham Packaging

Graham Packaging is a leading provider of sustainable packaging for four business areas, including food, beverage, home care and industrial. Our 60+ facilities across North America, Europe and South America produce more than 16 billion container units annually.

Since 1970, we've employed some of the best and brightest package designers, who bring inspired, technology-driven solutions to market for essential businesses, from large consumer brands to small start-ups. Headquartered in Lancaster, Pennsylvania, with facilities located throughout the world, we are dedicated to excellence in sustainability, innovation and creativity.

For additional information on Graham Packaging, please visit <https://www.grahampackaging.com/>.

# GRI Reporting Index

Organizational Profile	Disclosure	Page
<b>GRI Standard</b>		
102-1	Name of the organization	5
102-2	Activities, brands, products, and services	5
102-3	Location of headquarters	5
102-4	Location of operations	5
102-6	Markets served	5
102-7	Scale of the organization	5
102-8	Information on employees and other workers	5
102-12	External initiatives	50
102-13	Membership of associations	50
<b>Strategy</b>		
102-14	Statement from senior decision-maker	4
102-15	Key impacts, risks and opportunities	6
<b>Ethics and Integrity</b>		
102-16	Values, principles, standards and norms of behavior	66
102-17	Mechanisms for advice and concerns about ethics	66
<b>Governance</b>		
102-18	Governance structure	65
102-20	Executive-level responsibility for economic, environmental and social topics	65
102-22	Composition of the highest governance body and its committees	65
102-23	Chair of the highest governance body	65
102-26	Role of highest governance body in setting purpose, values and strategy	65
102-32	Highest governance body's role in sustainability reporting	65
<b>Stakeholder Engagement</b>		
102-42	Identifying and selecting stakeholders	6
102-44	Key topics and concerns raised	6
<b>Supplier Environmental Assessment</b>		
308-1	New suppliers that were screened using environmental criteria Sourcing responsibly and ethically	66

Organizational Profile	Disclosure	Page
<b>Occupational Health and Safety</b>		
103-1	Explanation of the material topic and its boundary Safety in the workplace Wellness	56-57
103-2	The management approach and its components Safety in the workplace Wellness	56-57
103-3	Evaluation of the management approach Safety in the workplace Wellness	56-57
403-1	Occupational health and safety management system Safety in the workplace	56-57
403-2	Hazard identification, risk assessment and incident investigation Safety in the workplace	56-57
403-3	Occupational health services Wellness	56-57
403-4	Worker participation, consultation and communication on occupational health and safety Safety in the workplace	56-57
403-5	Worker training on occupational health and safety Safety in the workplace	56-57
403-6	Promotion of worker health Safety in the workplace Wellness	56-57
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	56-57
403-8	Workers covered by an occupational health and safety management system Safety in the workplace	56-57
403-9	Work-related injuries Safety in the workplace	56-57
<b>Training and Education</b>		
103-1	Explanation of the material topic and its boundary Ethics and compliance Fostering a diverse and inclusive culture Supporting our people	66
103-2	The management approach and its components Ethics and compliance Fostering a diverse and inclusive culture Supporting our people	66
103-3	Evaluation of the management approach Ethics and compliance Fostering a diverse and inclusive culture Supporting our people	66
404-2	Programs for upgrading employee skills and transition assistance programs	59

Organizational Profile	Disclosure	Page
<b>Anti-Corruption</b>		
103-1	Explanation of the material topic and its boundary	66
103-2	The management approach and its components	66
103-3	Evaluation of the management approach	6
205-1	Operations assessed for risks related to corruption	66
205-2	Communication and training about anti-corruption policies and procedures	66
<b>Materials</b>		
103-1	Explanation of the material topic and its boundary	7
103-2	The management approach and its components	7
103-3	Evaluation of the management approach	7
<b>Energy</b>		
103-1	Explanation of the material topic and its boundary	41
103-2	The management approach and its components	41
103-3	Evaluation of the management approach	41
302-1	Energy consumption within the organization	41
302-4	Reduction of energy consumption	41
<b>Water and Effluents</b>		
103-1	Explanation of the material topic and its boundary	48
103-2	The management approach and its components	48
103-3	Evaluation of the management approach	48
303-1	Interactions with water as a shared resource	48
303-2	Management of water discharge-related impacts	48
303-5	Water consumption	48
<b>Emissions</b>		
103-1	Explanation of the material topic and its boundary	39/42
103-2	The management approach and its components	39/42
103-3	Evaluation of the management approach	39/42
305-1	Direct (Scope 1) GHG emissions	39/42
305-2	Energy indirect (Scope 2) GHG emissions	39/42
305-5	Reduction of GHG emissions	39/42
<b>Environmental Compliance</b>		
103-1	Explanation of the material topic and its boundary	56
103-2	The management approach and its components	56
103-3	Evaluation of the management approach	56
307-1	Non-compliance with environmental laws and regulations	56

Organizational Profile	Disclosure	Page
<b>Waste</b>		
103-1	Explanation of the material topic and its boundary	32
103-2	The management approach and its components	32
103-3	Evaluation of the management approach	32
306-1	Waste generation and significant waste-related impacts	32
306-2	Management of significant waste-related impacts	32
306-3	Waste generated	40
306-4	Waste diverted from disposal	40
306-5	Waste directed to disposal	40
<b>Employment</b>		
103-1	Explanation of the material topic and its boundary Fostering a diverse and inclusive culture Supporting our people	54-59
103-2	The management approach and its components Fostering a diverse and inclusive culture Supporting our people	54-59
103-3	Evaluation of the management approach Fostering a diverse and inclusive culture Supporting our people	54-59
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees Fostering a diverse and inclusive culture	54-59
<b>Diversity and Equal Opportunity</b>		
103-1	Explanation of the material topic and its boundary Fostering a diverse and inclusive culture	53
103-2	The management approach and its components Fostering a diverse and inclusive culture	53
103-3	Evaluation of the management approach Fostering a diverse and inclusive culture	53
405-1	Diversity of governance bodies and employees Fostering a diverse and inclusive culture	53



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