

2022 | Environmental, Social
& Governance Report



Graham
Packaging



A PEOPLE, PLANET
& VALUES-FOCUSED
COMPANY



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INTRODUCTION

A PEOPLE, PLANET & VALUES-FOCUSED COMPANY

In our industry, doing things “the way we’ve always done them” simply isn’t an option. Continuous improvement — in safety, quality and environmental responsibility — is a necessity. We care about our people, our customers, our planet and our business for the long term.

Taking a proactive, intentional approach to ensuring longevity is incorporated into how we work, think and act at Graham. We’re proud of our work to provide customers with the forward-looking solutions they need to stay competitive and sustainable.

That constant focus has made us an industry leader in sustainability initiatives. Rather than a destination, we understand leadership as an ongoing responsibility.

The effort and investment are worth it — for our people, and for the planet we share.



PEOPLE

OUR GREATEST ADVANTAGE

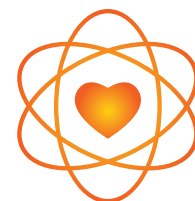
From our team, customers and suppliers to our families and neighbors, all deserve safety, security, health and opportunity.



PLANET

OUR ONLY HOME

We actively work to protect our environment at every level, from local to global.



VALUES

OUR GUIDING PURPOSE

We believe in aspiring for better, and inspiring our partners to join us — driving continuous improvement through our thinking, standards, processes and products.

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MESSAGE FROM ROBERT PYLE

President and Chief Executive Officer

Graham Packaging is committed to building a sustainable future for all.

At the core of that commitment is that we are a People, Planet and Values-Focused company. We take a dedicated, integrated approach to ESG, placing sustainability at the heart of our business operations. All along the way, we continue to be guided by our values — doing the right thing because it’s the right thing. It’s also good business — our customers need it, our employees want it and our shareholders support it.

We hold ourselves accountable to all of our stakeholders. That means taking care of our Graham family, who are integral to our success as an industry leader; collaborating with our customers to help them achieve their own sustainability goals; and delivering quality and satisfaction to the end users of the products we create. That approach has positioned us at the forefront of creative, innovative and sustainable packaging.

Our forward-thinking leadership in all areas of ESG is evident through our many accomplishments this past year. We’ve aligned with the Science-Based Targets Initiative to set aggressive goals to mitigate climate

change, while also ensuring that 98% of our products remain recyclable. We’ve been recognized externally for our efforts, ranging from ranking second globally in our third-party ESG Risk Rating, to winning awards for our sustainable designs, to being named a top workplace for employees and more.

We continued our focus on our people, launching our Blue Culture initiative and establishing our Diversity, Equity and Inclusion Council dedicated to the idea that You, Me and We Belong at Graham. We also continued our strong focus on our ethics and governance, increasing our global compliance training and implementing evolved audit plans for enhanced oversight. And we did it all while driving a Safety First, Quality Focused mindset, and seeing the fewest recordable safety incidents in company history.

You’ll read about these achievements and more throughout this report. You’ll also see that we are continuing to invest in the future of our ESG strategy, whether that’s through our Graham Recycling Company, a commitment to audit more plants for Operation Clean Sweep, or our continued effort to advance DEI and Blue Culture to help us develop and engage our greatest competitive advantage — our people.

Achieving our ambitious ESG goals requires deep commitment, innovative thinking and coordinated effort from our One Graham family. And the return on these investments is a better future — rich with resources as well as opportunities — for all.

I’m pleased with the progress shown in this report, and I’m thankful to our employees who are driving our culture of excellence and accountability, delivering sustainability at Graham Packaging.



Robert Pyle
President and Chief Executive Officer

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SUSTAINABLE DEVELOPMENT GOALS **ALIGNMENT**

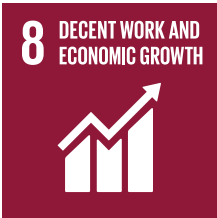
Aligning for impact

Throughout 2022, we continued our commitment to the UN Global Compact, tracking and reporting progress and driving excellence into our ESG initiatives through responsible choices in strategy, culture and day-to-day operations.

At Graham, we've identified seven UN Sustainable Development Goals (SDGs) that align directly with our business model and objectives. By implementing strategies based on these SDGs, we're driving positive business impacts – and helping our customers and suppliers do the same.



Our products help to prevent food loss and waste by protecting contents, reducing breakage and extending shelf life.



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



Every individual at Graham receives equal opportunities, regardless of race, age, gender, sexuality, ethnicity or disability.



Our organization is committed to continuous improvement in operational efficiency and transitioning to a circular economy.



We continue to minimize our climate impact by producing recyclable products, using PCR, and proactively reducing energy consumption and GHG emissions at our facilities.



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



We are partnering across the value chain to drive sustainable growth as we know that collaboration is key to solving some of the most pressing issues of our times.

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MATERIALITY MATRIX

When it's all important, where do you start?

To build our materiality matrix, we undertook four key steps that are aligned with recommendations of the Global Reporting Institute (GRI): benchmarking, internal survey, scoring and weighting, and grouping and plotting.

We started the process by benchmarking the ESG topics from our top customers, competitors and suppliers, and from ratings and rankings agencies. This benchmarking yielded an initial list of 30 ESG topics that are impacting our industry and are important to our external stakeholders. We then surveyed our employees to rank the ESG topics they thought Graham should address.

To quantify that information, the survey responses and topics gathered through benchmarking were scored and weighed based on frequency and stakeholder importance. We then grouped similar topics together and eliminated a few others due to their irrelevance to Graham. This yielded a final list of 22 ESG topics, which we plotted on the materiality assessment map based on their importance to Graham and our stakeholders.

The resulting matrix forms the backbone of our sustainability strategy – allowing us to prioritize our efforts, track our contributions and maximize our positive impact.



*It's important to note that items ranked low on this matrix mean that we are currently effectively managing those items and will continue to manage those successfully.

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2022 MILESTONES



Recognized for having made sustainability an integral part of our business practices and overall mission

SCIENCE-BASED TARGETS IMPLEMENTATION

Completed foundational data prep, and targets submitted to SBTi for validation in 2022; validation begins in 2023.

NET ZERO 2050 AMBITION

Formalizing our plan to strive for net zero greenhouse gas emissions by 2050.



2022 BEST WORKPLACES IN LANCASTER COUNTY AWARD

GHG EMISSIONS REDUCTION

17% decrease in scope 1 emissions, and a 10% decrease in scope 2 emissions from 2021.

DIVERSITY, EQUITY & INCLUSION COUNCIL ESTABLISHED

NEW ESG DATA MANAGEMENT SOFTWARE IMPLEMENTATION STARTED

FEWEST RECORDABLE INCIDENTS IN COMPANY HISTORY

25% SOURCING TIME DEDICATED TO SOURCING RECYCLED MATERIALS



Measuring Up with Sustainalytics

In 2022, Graham Packaging was ranked in the top 2% of the more than 15,600 global companies assessed by Sustainalytics in its Environmental, Social and Governance (ESG) Rating. The company also received second globally in its containers and packaging industry category.

In addition, Graham Packaging was recognized as a Morningstar Sustainalytics ESG Industry Top Rated company in 2022, as well as an ESG Regional Top Rated company.

We're proud of our concentrated efforts across multiple ESG fronts that helped us improve our score from 2020 and 2021.



ENVIRONMENTAL

INNOVATING A SUSTAINABLE FUTURE FOR ALL.

Building momentum, coordinating efforts

As a conscientious global citizen and steward, Graham Packaging works proactively to conserve resources, protect natural spaces and mitigate climate change. To maximize our positive impact, we engage with suppliers, customers, partners and certification bodies — because real progress requires aligned efforts.

Just as we rely on our customers for success, they rely on us to provide the forward-looking solutions they need to stay competitive and sustainable.

Our relationship with our environment is much the same. By investing in its long-term well-being, we invest in our own.



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2022 ENVIRONMENTAL HIGHLIGHTS

Our 2022 efforts and achievements reflect our conscientious, strategic approach to lead the way in developing products and systems that are sustainable for business, for people and for our planet.

Shift to Science-Based Targets

Foundational work complete and 1.5°C targets submitted to SBTi. Validation begins in 2023. (See pg. 24)

Improved Sustainability Data Capture

New collection, management and reporting program implementation started. (See pg. 24)

ISCC Plus Certification

Two additional Graham sites certified, allowing our customers to use advanced recycled PCR. (See pg. 18)

RMS Pilot Program

Establishing certification to enhance PCR traceability across the value chain. (See pg. 17)

GHG Emissions Reduction

Reduced 6%, including 10% on scope 2 emissions. (See pg. 23)

Operation Clean Sweep®

Twelve plants internally audited to align with OCS. (See pg. 19)

Waste Stream Determination Log

All plants completed a waste stream determination log that gives us insight into waste categories and volume to identify improvement opportunities.

Energy Strategy

We developed a detailed energy strategy that will increase efforts to achieve our energy intensity target. (See pg. 20)



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DEFINING OUR GOALS

 **100%**

RECYCLABILITY

100% RECYCLABLE, REUSABLE OR COMPOSTABLE BY 2025

CURRENT: 98%*

The majority of our products are considered recyclable. In the U.S., that means at least 60% of the population has access to recycling for the material; recyclers regularly take, process and sell the material; and the material is regularly recycled into a new product. By this definition, PET, HDPE and Polypropylene (PP) are considered recyclable – so we strongly recommend those materials to our customers.

The remaining 2% of our products considered not recyclable consists of two “problem plastics” – black containers, and PVC (0.04% of our total plastics). We’re developing innovative solutions to offer our customers alternatives to these sources of waste to meet our ambitious recyclability goals – and to help them reach their own.

 **20% PCR**

20% AVERAGE PCR IN OUR PRODUCT PORTFOLIO BY 2025

CURRENT: 7%

Incorporating higher levels of PCR in our products is an ongoing process influenced by dynamic factors, including legislation and customer demand. Through innovations in advanced recycling technologies as well as transferring PCR credits while ensuring traceability, we can increase customer adoption of PCR by offering more solutions to help them meet their business objectives, sustainability goals and regulatory requirements.

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

***In alignment with Science Based Targets Initiative (SBTi).*

 **25%**

ENERGY REDUCTION

25% LESS ENERGY INTENSITY BY END OF 2028 FROM 2018 BASELINE

CURRENT: 4%

For business as well as for environmental health, energy efficiency is a top priority for our company and our stakeholders. By making operational efficiency a company-wide mission with accountability at every facility, we’re driving continuous incremental improvements – from automated idle control systems to ceramic oven reflectors – to reduce our energy intensity.

 **30%**

GHG EMISSIONS REDUCTION

30% GHG REDUCTION BY END OF 2030 FROM 2020 BASELINE

CURRENT: 6%**

Reducing our GHG emissions in a meaningful way requires a unified effort on many fronts. We continue to reduce emissions through lightweighting technologies, increased PCR incorporation and improved energy efficiency – including the use of renewable energy. We also encourage our suppliers to reduce their GHG emissions, creating positive impact across our value chain.

We’re proud of our progress in 2022, including a 17% decrease in scope 1 emissions, and a 10% decrease in scope 2 emissions from 2021.

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ENVIRONMENTAL DRIVERS

Supporting our customers’ success—and our sustainability into the future—requires balanced strategies to address these main drivers.



LEGISLATION

The most common types of sustainable packaging laws are PCR laws, extended producer responsibility (EPR) laws and labeling laws. PCR laws set specific average minimum levels of PCR that brands must reach by specific deadlines. EPR laws are intended to direct the cost of waste to those parties who have the most potential influence on the recyclability of the product. Labeling laws set strict rules on how products can be labeled for recyclability.

Four states have passed PCR and EPR regulations, and California has passed a packaging recyclability claims law, which sets a statewide standard for recyclability and prevents brands from making any misleading environmental claims including the use of the chasing arrows symbol on packaging that isn’t considered recyclable under their established criteria. Graham expects this legal trend to continue across other states and internationally, so we are anticipating those pressures and are ready to help customers adapt to shifting requirements.



RETAILER REQUIREMENTS

In response to legislative, consumer and competitive pressures, large retailers are setting aggressive goals for packaging on their shelves. We’re seeing some of the world’s largest retailers exert increasing influence over sustainability in the marketplace as they dictate their requirements for PCR, recyclability, reduced GHG emissions and labeling for their private label brands, while strongly encouraging other brands to follow suit. Graham continues to work with our customers to create unique sustainable packaging solutions to meet these evolving market expectations.



CONSUMER PREFERENCES

Sustainability awareness is growing – as is the willingness to pay for it. Consumers have come to expect the companies they buy from to be good stewards of the environment and their communities. For example, Gen Z, which makes up over 20% of the US population, is bringing sustainability influence to the market with their increasing buying power. In fact, a [recent study by Knit](#) found that sustainability has a big impact on Gen Z’s decisions on snack foods – with more than two-thirds of Gen Z agreeing that they prefer to select snacks with eco-friendly packaging.



NGOS & ASSOCIATIONS

The UN Global Compact, The Ellen MacArthur Foundation, Recycling Partnership, The Association of Plastic Recyclers (APR) and other associations shape regional and global agendas. Graham regularly joins and partners with many of these associations, taking a proactive leadership role in the areas of recyclability and the circular economy.



BRAND GOALS

As brands compete for shelf space, they drive each other’s goals – no brand wants to be doing less than the competition. From lightweighting an existing package to completely redesigning containers to meet today’s expectations, Graham Packaging is well-positioned to help brands and retailers achieve their specific goals.



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Environmental Priorities

WORK TOWARD ACHIEVING A **CIRCULAR ECONOMY** FOR RIGID PLASTICS

with initiatives including recyclability, PCR, lightweighting, reusable and renewable materials, and waste & water reduction

TAKE PROACTIVE STEPS TO **MITIGATE CLIMATE CHANGE**

with initiatives including GHG reduction, PCR, lightweighting, and energy, waste & water reduction



CIRCULAR ECONOMY **VISION**

How can an individual, an organization or an industry make an impact on global challenges such as climate change, waste and pollution?

By shaping a smarter system to optimize efficiency and coordinate efforts on a global scale.

A circular economy is that ideal. And we're working toward it on all levels – from increasing PCR use and designing for recyclability to reducing our waste and water consumption.

Completing the circle – with plastic continually recycled – will take an orchestrated effort from everyone in the supply chain, from materials manufacturers to brands to consumers. We continue to make strategic investments in shaping our part of the circle to be as efficient as possible.



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CIRCULAR ECONOMY STRATEGY

PCR

We're well-positioned to increase PCR usage thanks to our efforts to obtain ISCC Plus and RMS certifications; investing in sourcing mechanical and advanced PCR; educating our customers about what PCR solutions we can offer; and continuing to anticipate and adapt to PCR legislation.

Recyclability

Our recyclability strategy has three pillars:



STOP

We will strive not to add new non-recyclable products to our portfolio.



ELIMINATE

We will remove non-recyclable products from our portfolio by 2025.



IMPROVE

We will align our portfolio with the APR guidelines for recyclability as well as continue our research and development efforts in improving recyclability, including systems like Holy Grail 2.0.

Lightweighting

We're pursuing positive gains in lightweighting through product development efforts including alternate resin trials, PET Active Web, MAB lightweighting and AccuStrength, and through proactive customer collaborations to optimize package weight and size. This strategy includes data tracking and reporting to establish progress metrics.

Reusable & Renewable Packaging

To leverage the advantages of reusable and renewable materials, we're exploring more bio-resin and barrier alternatives in PET, HDPE and polypropylene. We're also continuing our ongoing evaluation of supply and use options for bio-resin, including availability and GHG emission profile. Additionally, Graham has been creating reusable packaging for major brands for more than 30 years, including our award-winning REFPET design, and we're excited about exploring its use in other markets and segments.

Investing in a thriving future—for our business, and for the planet

94%

OF R&D SPEND

in 2022 contribute towards progress of UN Sustainable Development Goals (SDGs) #2, #3, #8, #9, #12, #13, #14 and #17



As a result of our strategic R&D investments, Graham Packaging has access to

675+

ACTIVE PATENTS

We also incorporate life cycle assessments and design for recyclability guidelines from the initial design phase.

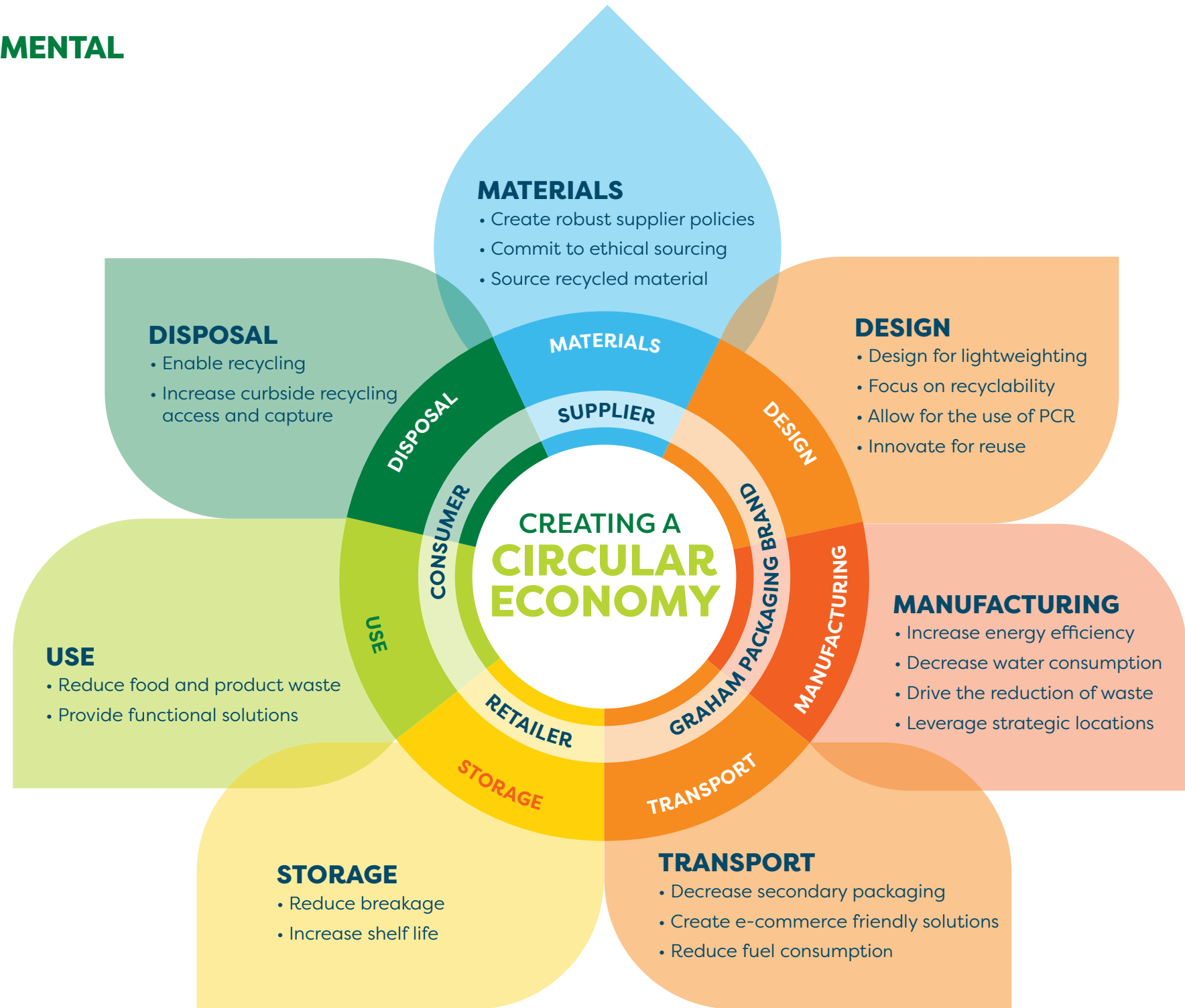
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SOLID RECYCLING RATES

Growing PCR demand

Important work in progress

While some 2022 reports questioned the effectiveness of recycling, we see recycling as an ongoing process with constantly shifting dynamics. As innovations drive rapid change throughout the value chain – from design and manufacturing to disposal – recycling processes continue to adapt, evolve and improve. Recent data demonstrates the progress being made.

According to a 2022 report from the National Association for PET Container Resources (NAPCOR), the U.S. recycling rate for postconsumer polyethylene terephthalate (PET) increased to 28.6% in 2021, up from 27.1% in 2020, while the North American rate (U.S., Canada and Mexico) increased to 36.8%, up from 34.2% in 2020.*

The findings in the PET Recycling report represent a major milestone. The North American rate is over the 30% recycling threshold stated by the Ellen MacArthur Foundation, and is considered by many in the industry to be a postconsumer benchmark for proving that recycling works.

The most recent data available for HDPE bottle recycling in the U.S. shows a recycling rate of 28.8%.** That equates to 943.2 million pounds of HDPE bottles recovered for recycling, 97.9% of which was acquired by North American reclaimers. Still, the market demand for PCR is increasing almost beyond what suppliers can currently provide.

The capacity, however, is here. According to a 2022 report from the Association of Plastic Recyclers, U.S. plastic recyclers could increase their PET and HDPE bottle recycling rate to more than 40% today using existing domestic processing infrastructure – if they could source more material.*** That points to a simple message – recycling is working, and more bottles in recycle bins can feed the growing demand for PCR.

**US PET recycling rate posts modest increase in 2021*

***The Association of Plastic Recyclers U.S. Post-Consumer Plastic Recycling Data Dashboard (2019).*

****Recommit, Reimagine, Rework Recycling*



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RECYCLABILITY AT GRAHAM

Making sustainable solutions more available, practical and successful for customers and consumers

Recyclability plays an indispensable role in creating a circular economy, providing the “loop” of material that recirculates valuable resources instead of wasting them. Graham is proud that in 2022, we included an average of 7% PCR in our bottles. Achieving recyclability, however, presents challenges both in definition and in practical application. But each step forward in clarifying distinctions and resolving issues brings us closer to building the sustainable circle.

TYPES OF PLASTIC	U.S. RECYCLING RATE (BOTTLES)	% OF PCR USED BY GRAHAM GLOBALLY
#1 Polyethylene Terephthalate (PET)	28.6%*	5%
#2 High-Density Polyethylene (HDPE)	28.8%**	10%
#5 Polypropylene (PP)	15.4%**	0%

*NAPCOR 2021 PET Recycling Report.
**The Association of Plastic Recyclers U.S. Post-Consumer Plastic Recycling Data Dashboard (2019).

Defining recyclability

What qualifies as recyclable? The answer to that question varies from place to place, country to country. This inconsistency complicates sustainability efforts as brands and packaging companies make decisions and invest resources. To support recycling success, Graham promotes the use of easily recycled plastics like PET and HDPE. These common plastics are almost universally considered to be recyclable, and make recycling convenient for consumers. This helps to “close the loop” of a circular economy concept, directing more PCR material back into the supply chain to make new products.

Practical challenges

Some plastics such as polystyrene and PVC are considered non-recyclable based on their resin type. Other typically recyclable plastic resin types can become problematic due to choices made by brands and manufacturers. Complications can arise from factors including color, labels, barriers, closures, adhesives, attachments, and size or shape. Graham works with brands to avoid these types of complications to create the most sustainable packaging possible for their needs.

“As ESG becomes a regular part of doing business, I believe the world will see a pivot from merely reducing negative impacts to making real positive progress.”



Richa Desai
Vice President of Sustainability

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RECYCLABILITY SOLUTIONS

Reshaping the flow

In a circular economy, success in the post-consumer part of the cycle relies on thoughtful pre-consumer design.

That's why we're focused on creating packaging solutions that fulfill customer needs while enabling easier recycling after use. We promote the use of commonly recycled plastics like PET and HDPE, but expand the possibilities through innovative solutions that optimize the overall recyclability of our products.

Easier recycling encourages more participation — which creates a larger supply of PCR material for use in new containers.

Advanced barrier technology

Some products require packaging with performance aspects to protect against oxygen exposure, UV or visible light exposure, moisture and/or flavor transfer (scalping). Advanced barrier technology can protect product integrity and value while lowering the environmental impact and contributing to the circular economy. Graham offers barrier solution options that provide oxidation protection while remaining recyclable and having the potential to add PCR to bottles. In addition, our HDPE multilayers are fully recyclable.

Black containers

While HDPE plastic is typically easy to recycle, the use of colorant adds complications, necessitating an extra sorting step for recycling. Compounding the issue is the fact that sortation systems generally cannot detect the color black — so it will usually not get picked up in the recycling stream and will get landfilled. In addition, black plastic offers limited design flexibility once fully processed. The industry has moved to create an alternative black colorant that is detectable, and Graham has contributed to this effort, offering our own detectable black option. We promote the use of this detectable black colorant as a means to increase the recyclability of more products, along with the overall reduction or elimination of unnecessary colorant to make recycling easier.

Label reduction/elimination

The information communicated by labels is critically important. The labels themselves, however, can create a variety of complications for the recycling process. When labels aren't removed prior to recycling, a multitude of issues can arise. Differing materials (e.g., an HDPE bottle with PET label) can confuse the sorting machine. Labels covering too much of the bottle can prevent sensors from recognizing the bottle material. Paper labels disintegrate into pulp which can foul machinery and shut down production lines. And various label materials can become tangled in machine parts.

Clearly, the issues of labels in recycling call for innovative thinking, and we're addressing that need at Graham. In some cases, the answer is simply to reduce label size. We're also exploring what's possible through engraving or embossing information directly onto the bottle, which has become an award-winning design for Graham (more on pg. 16). This not only eliminates label challenges; it can also reduce a brand's overall plastic use and help to lightweight the finished product — all wins for sustainability.



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RESHAPING THE FUTURE OF BOTTLES

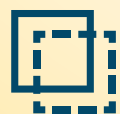
Graham Wins Dow Packaging Innovation Silver Award

We're honored to be named a Silver Award winner in the 2022 Dow Packaging Innovation Awards — selected for our label-less bottle design, which helps promote recyclability.

Graham Packaging worked with a customer to redesign their bottle for improved recyclability. To make it happen, we eliminated the PET plastic label, replacing it with embossing on the bottle itself. This not only improves recyclability, but also reduces the overall amount of plastic per bottle — saving 130,000 kilos (286,600 pounds) of plastic annually.

In addition to its sustainability advantages, the redesign also features unique coloring and opacity that preserves product quality by preventing light intrusion.

We're proud of this recognition among packaging thought-leaders on the global stage; our innovative team who worked for this achievement; and the corporate commitment to sustainability that it represents.



NEXT-GENERATION SORTING PRECISION

Holy Grail 2.0

As part of the Holy Grail initiative, Graham is helping to research and develop digital watermarking technology that uses virtually invisible watermarking technology (think of a UPC or QR code embossed in the plastic bottle itself) to carry information about the packaging material — bringing precision and efficiency to the recycling process to support better overall recyclability.



BRINGING OIL CONTAINERS INTO THE RECYCLING CIRCLE

National Lubricant Container Recycling Coalition (NLCRC)

As a founding member of the NLCRC, Graham Packaging partnered with stakeholders to establish this important effort to improve the recyclability of oil containers that would otherwise go to landfills.

Graham makes oil bottles from HDPE, so the bottles themselves are recyclable. However, once they come in contact with oil, they're no longer able to be recycled curbside. As a result, the typical disposal process is to drain the excess oil and then send the bottles to the landfill.

But advanced recycling makes it possible to divert oil bottles from landfills and recycle them — because the process of breaking down the plastic also removes all of the oil.

In 2022, the National Lubricant Container Recycling Coalition (NLCRC) launched an industry-first collaborative recycling pilot program focusing on consumer plastic packaging for engine oil and other petroleum-based products. The program — involving approximately 40 locations in Atlanta, including select retail stores and auto care centers, instant oil change locations and several commercial facilities — aims to assess and measure the economic and market drivers for post-consumer recovery and recycling, better understand consumer waste disposal behaviors and define parameters for model development and future scalability. As of February 2023, the pilot program has helped to recover 760 lbs. of hard-to-degrade plastic — the equivalent of more than 6,000 quart-size oil containers diverted from landfills.

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SOURCES OF RECYCLED CONTENT (PCR)

Mechanical Recycling

The most prevalent type of recycling in the U.S., mechanical recycling is the physical process of grinding, washing and regranulating plastic containers into usable resin. Having been around for decades, the process and infrastructure are well developed. To be successful, though, mechanical recycling requires the careful sorting and separation of resin types. This can run into complications in cases where multiple resin types are used in a single package.

Currently, manufacturers like Graham can produce 100% PCR containers; however, the mechanical recycling process produces a heat history that gradually degrades the quality of the plastic material over many years. Graham is prepared to tackle this future sustainability challenge with its dual approach of using both mechanical and advanced PCR.



GRAHAM RECYCLING COMPANY AND DEDICATED PCR SOURCING

Providing PCR for our customers

We work with our customers to incorporate PCR into their packages – both material we’ve sourced, and that we produce at the Graham Recycling Company (GRC).

Our recycling company in York, Pennsylvania, is one of the largest plastic recycling facilities in the northeastern U.S. In operation for more than 30 years, the GRC has grown into a three-line operation that recycles #2 HDPE bottles into post-consumer resin (PCR). Facilities like ours help conserve energy and natural resources by substantially reducing greenhouse gas emissions and diverting hundreds of millions of pounds of plastic from landfills. The GRC is third-party certified, verifying that the source of our recycled content is post-consumer material.

For PCR needs that our GRC can’t provide, we turn to our expert procurement team. Since 2021, our procurement team has achieved the goal of dedicating 25% of their time to sourcing recycled and sustainable materials. Additionally, we maintain strong partnerships with organizations dedicated to improving the circular economy, including the Association of Plastic Recyclers and The Recycling Partnership.

RECYCLED MATERIAL STANDARD (RMS) PILOT PROGRAM

Helping our customers meet PCR goals

Graham Packaging was proud to partner with environmental nonprofit GreenBlue on a 2022 pilot program of multi-site RMS certification – giving Graham the ability to use [mass balance](#) methodology to transfer PCR credits across our product portfolio to further help our customers to meet their PCR goals and mandates. As part of the pilot program, Graham is on track to certify two of our sites, Graham Recycling Center and York, Pennsylvania plant, with a goal of completion in 2023.

RMS partners with leading brands, retailers and suppliers to drive change by using more recycled content and investing in other efforts to advance the use of recycled materials. The Standard establishes robust requirements to assure accuracy and transparency of claims with the support of a robust third-party certification system.

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Advanced Recycling

The advanced recycling process breaks down plastic waste into its original building blocks, then repolymerizes them into a virginlike raw material that can be used to make new products.

Thanks to the transformative nature of this process, it can handle far more contamination in the incoming waste stream than mechanical recycling can. In addition, advanced recycling can be used indefinitely – the process does not degrade material, so manufacturers can use it at up to 100% without compromising product performance or quality.

The recycled resin output provides the same strength and clarity of virgin resin, but with PCR credits that are certified and traceable.



We see advanced recycled material as an important complement to mechanically recycled PCR, particularly for food-grade rHDPE and rPP.

ISCC PLUS CERTIFICATION

Ensuring value chain traceability for PCR credits

Because the resin produced by advanced recycling is almost identical to virgin resin, it's important to be able to certify it as PCR. International Sustainability and Carbon Certificate (ISCC) Plus certification authorizes sites to use and sell certified PCR created by advanced recycling, creating a new sourcing stream for material while helping to reduce overall carbon footprint.*

While ISCC Plus certification is voluntary, it establishes important transparency and reliability for advanced recycling material throughout the value chain. Knowing the significance of advanced recycling to our circular economy strategy, Graham put in place processes to help each of our regions meet ISCC Plus requirements.

In 2022, our locations in Findlay, Ohio, and Rotselaar, Belgium, received ISCC Plus certification. That brings our total to four ISCC Plus certified sites, including Evansville, Indiana, and Aldaia, Spain. In 2023, we will continue to certify more plants under ISCC Plus certification.

*According to "What is Advanced Recycling" by the American Chemistry Council.

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Ocean-bound plastic

Collected from at-risk zones along waterways and coastlines, ocean-bound plastic can be integrated into a range of plastic packaging – and using this source has the added benefit of removing pollutants from our environment and incorporating them into the recycling stream.

Graham works with suppliers who are certified to provide large volumes of ocean-bound plastic, including food-grade material, to our manufacturing operations. We use an in-depth audit process to verify ocean-bound plastic’s chain of custody and vet our suppliers to ensure product legitimacy.

In 2022, the Graham Recycling Company processed over 37 million pounds of plastic.

We view the use of ocean-bound plastic as an important way to reduce plastic’s negative impact on our waterways while supplementing the supply of PCR.



PREVENTING PLASTIC RESIN LOSS

Operation Clean Sweep® (OCS)

Another way we’re working to ensure the proper handling of plastic material is through our partnership with OCS. Our shared goal is to prevent pellets from making their way into the environment, and we’ve signed the OCS Pledge to Prevent Resin Pellet, Flake and Powder Loss.


At our facilities, we’ve implemented strict housekeeping policies, including cleaning protocols, training programs and operational controls. These initiatives help prevent spilled pellets from leaving our facilities and ending up in our waterways.

We’re proud to have internally audited 12 Graham plants as of 2022, and continue advancing efforts to reduce resin loss across our organization.

29,510,027lbs

 OF PCR MATERIAL PROCESSED AT GRC

3,798,333lbs

 OF OCEAN-BOUND PLASTIC PROCESSED AT GRC

3,717,606lbs

 OF POST-INDUSTRIAL MATERIAL PROCESSED AT GRC PLANTS

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REDUCING OUR ENERGY CONSUMPTION

To understand how much energy we expend in producing a single package, we track our energy intensity — the total energy we consume divided by the total pounds of product we make.

Energy Use at Graham Packaging				
Year	Overall Usage (kWh)	Energy Intensity (kWh/LBS)	YOY Change	Change from 2018 Baseline
2022	1,112,091,433	0.69	-1%	-4%
2021	1,150,491,823	0.70	4%	-3%
2020	1,140,228,119	0.68	-5%	-7%
2019	1,133,281,359	0.71	-2%	-2%
2018	1,219,969,398	0.73	BASELINE	BASELINE

We've pledged to reduce our energy intensity by **25% over 10 years.**

We're committed to lowering our energy usage through internal initiatives — encouraging innovative thinking and idea sharing organization-wide — as well as public commitments, like our partnership with the U.S. Department of Energy Better Plants program. Through this program, we've pledged to reduce our energy intensity by 25% over 10 years from the 2018 baseline.

We recently improved the accuracy of our reporting and calculations, and to be as transparent as possible, we've updated our energy numbers to reflect our historic data performance more precisely. We have a detailed energy strategy that will increase efforts over the next six years to achieve our energy intensity target.

100% RENEWABLE ELECTRICITY

An accomplishment for team Brazil, and for our planet

Thanks to the efforts of dedicated team members in managing renewable-energy contracts and monitoring performance with suppliers and customers, all of Graham's plants in Brazil* now operate solely on renewable energy. This outstanding milestone has also been achieved by our plant in Aldaia, Spain.*

**For primary manufacturing processes.*



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AUTOMATING SUSTAINABILITY

Sharing solutions

The energy demands of manufacturing can offer significant challenges – and, if you look hard enough, opportunities. Production machines and systems often need to run constantly for operational efficiency. This, however, can generate energy inefficiency.

To address that wasted energy, Graham Senior Sustainability Engineer Mohammed Karoush developed and implemented automated grinder and blower controls at several of our plants. This system allows our teams to design potential soft/staggered starts, idling machines when they aren't needed without manual intervention.

At one plant, the automated line control system reduced energy consumption by 4% – helping us conserve energy and reduce our carbon footprint.

Thanks to the success of the project, Mohammed was invited by the U.S. Department of Energy to present the concept and its results at the Fall 2022 AEE World Energy Conference & Expo.



**Mohammed
Karoush**
Senior Sustainability
Engineer

FIRST ANNUAL ENERGY SAVINGS CONTEST

Investing in ideas

We know that the value of Graham comes from our people. So we asked them for their ideas on how to save energy at Graham. Expert judges from our organization evaluated more than 100 submissions on the basis of innovation, ability to duplicate the idea across Graham locations, and potential value. The top three entries won cash prizes – and Graham received a wealth of energy-reducing ideas.

As a result of these entries, we've increased our electric meters on a variety of equipment as well as stepped up frequency of air leak audits, just to name a few.

CERAMIC OVEN REFLECTORS

Making energy work harder

Many of our production processes are heat-intensive. To maximize efficiency and find incremental energy savings, we're piloting a project of installing ceramic oven reflectors in our heating systems.

Using high-performance ceramic material with treated surfaces works to enhance the reflection of infrared light, which optimizes the process of heating the preforms. This reduces oven power consumption by 10-20%, resulting in energy savings and extending the life of the infrared lamps.

This pilot project was completed in 2022 at one plant, but we look forward to exploring installations at other locations in the future.

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RESPONSIBLE WATER & WASTE MANAGEMENT

Water consumption is a critical factor in the overall sustainability of our manufacturing facilities. We will continue to find new ways to conserve water by reusing wastewater.

We conduct water risk assessments for all of our plants, mapping our geographical locations to evaluate the water stress level at each location. That information allows us to understand and respond to water stress dynamics to prioritize our sustainability.

We continue to monitor water consumption at all Graham Packaging facilities and take proactive steps to reduce our usage. Since our 2018 baseline, we've reduced our water consumption by 14%.



Since our 2018 baseline, we've reduced our water consumption by 14%.

WATER WITHDRAWAL	GALLONS	YOY REDUCTION
2022	346,251,765	-0.03%
2021	346,345,791	-1.02%
2020	349,921,333	-8.32%
2019	381,681,873	-4.88%
2018	401,255,898	BASELINE

WHAT ABOUT WASTE?

In 2022, we worked to reduce our waste-to-landfill through recycling and energy recovery.



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REDUCING GREENHOUSE GAS (GHG) EMISSIONS


We’re committed to protecting people and our planet from the destructive effects of climate change – that’s why mitigating climate change forms the second pillar of our two-part environmental strategy.

To pursue that goal, we’re doing all we can to reduce GHG emissions in every aspect of our organization. Since 2020, we’ve tracked our Scope 1, 2 and 3 GHG emissions to get a clear understanding of our climate impact. As seen throughout this report, we’re reducing our GHG emissions through energy savings projects (See pg. 20-21) and PCR inclusion (See pg. 17-19). In 2022, we’ve reduced our carbon emissions by 6%.

We’ll continue to drive efficiency and reduce emissions through continuing innovations in our own operations, as well as driving GHG emissions reductions through our sourcing efforts and collaboration with customer procurement teams.


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



Climate Change			
YEAR	SCOPE 1 (tCO ₂ e)	YOY CHANGE	CHANGE FROM BASELINE
2022	26,254	-17%	-16%
YEAR	SCOPE 2 (tCO ₂ e)	YOY CHANGE	CHANGE FROM BASELINE
2022	385,373	-10%	-10%
YEAR	SCOPE 1+2 (tCO ₂ e)	YOY CHANGE	CHANGE FROM BASELINE
2022	411,627	-11%	-10%
YEAR	SCOPE 3 (tCO ₂ e)	YOY CHANGE	CHANGE FROM BASELINE
2022	1,271,218	-4%	-5%

All emissions are reported in metric tons.
The baseline year is 2020.

YEAR	CARBON INTENSITY (Scope 1+2+3 tCO ₂ e/t produced)	YOY CHANGE	CHANGE FROM BASELINE
2022	2.32	-3%	-1.2%
2021	2.40	2%	2.3%
2020	2.35	BASELINE	BASELINE

The key reasons our GHG emissions reduced compared to previous year are that we reduced our total energy consumption by 3% and sourced 4% of our global electricity from renewable sources, used lower volume of resin and aligned the Global Warming Potential (GWP) of refrigerants to IPCC Fifth Assessment Report (AR5). Graham tracks emissions based on the GHG Protocol. The reported emissions include carbon dioxide (CO2), methane (CH4) and nitrous oxide (N2O).

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LOW-CARBON LEADERSHIP

The shift to science-based targets

This fundamental shift in our approach to tracking our own progress represents the major commitment Graham is making – to transparency, progress and the common good.

We’ve set goals for reducing our GHG emissions for several years, and in 2022, we began the process of transitioning to a system of external validation of our goals and data, working with the Science Based Targets initiative (SBTi). SBTi establishes a clearly defined pathway for companies to reduce GHG emissions to levels necessary to meet the goals of the Paris Agreement – reduce global greenhouse gas emissions to limit the global temperature increase in this century to 2°C while pursuing efforts to limit the increase even further to 1.5°C.

We’ve established targets in line with 1.5°C based on the latest climate science, and submitted those targets for validation to SBTi for review in 2023. Along with target development, we also created a strategy and abatement plan for the next eight years to enable our target achievement.

New Sustainability Data Tracking

To better measure our efforts, we are implementing an ESG sustainability data management platform, bringing superior precision, transparency and accountability to our sustainability initiatives.

2050 Net Zero Ambition

To reinforce our commitment to mitigating climate change, we are aiming to be Net Zero by 2050. We are striving toward this north star, but understand that it requires external innovation to achieve. That said, our 2050 Net Zero ambition means that we will have climate change at the front of our minds when we make investment decisions. We will review and advocate for new cost-effective technologies as they become available, and we will track and report our progress. This is what ambition means to us.



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OUR PARTNERS

Throughout 2022, we’ve continued to work closely with sustainability partners – from globally recognized standards and commitments to measuring the impact of our freight carriers. Working with these organizations, we’re striving to play a leadership role in the team effort to bring positive change to our communities and our planet.

Abiplast
Leader in incentivizing circular economy through recycling infrastructure development and training in South America

Ellen MacArthur Foundation
Signatory of the New Plastics Economy Global Commitment

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

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

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

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

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

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

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

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

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

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

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

National Lubricant Container Recycling Coalition (NLCRC)
Graham is a founding member in the development of plastic lubricant container recycling solutions

UN Global Compact
Participant in the global community’s leading ESG initiative

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SOCIAL

SUPPORTING OUR GREATEST ADVANTAGE: **OUR PEOPLE.**

Creating a better environment for everyone

2022 has been a year of dynamic progress. We've developed more robust programs to attract, train and retain employees; made significant advancements in diversity, equity and inclusion initiatives; and launched a major companywide culture initiative — all while continuing to improve systems supporting the health and safety of the global Graham team.

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2022 SOCIAL HIGHLIGHTS

Strategic investments in our greatest competitive advantage — our people — are generating positive results and establishing lasting change, from DE&I to corporate culture.

 **2022 Best Workplaces in Lancaster County — 2ND Consecutive Year**
Scored above average in People, Communication, Management, Process and Strategy categories.

 **Blue Culture Launched**
Details on page 28.

 **100% of plants led at least one community event**
Details on page 30.

 **DEI Council Established**
Details on page 35.

 **More than 80% of employees feel respected by their peers***
Based on respondents' experiences.



**According to 2022 employee engagement survey.*

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SOCIAL INITIATIVES



Our people are our greatest competitive advantage, and we invest our resources accordingly.

From employee health, safety and well-being to diversity, equity and inclusion, our efforts are focused on creating and sustaining an environment that’s welcoming, supportive and productive.

2022 LAUNCH **Blue Culture** AT GRAHAM

CREATING A CONSTRUCTIVE CULTURE DRIVING EXCELLENCE AND ACCOUNTABILITY

We believe culture is an organization’s DNA. It can’t be fabricated or invented — it’s organic. However, it can be nurtured and amplified to promote positivity and drive success.

A constructive culture differentiates an organization as an employer of choice, attracting high-quality candidates; it also supports more engaged, productive and happy employees. It’s no surprise, then, that research shows a connection between constructive culture and better financial performance.*

To set the foundation for our renewed culture initiative, Graham’s Executive Leadership Team carefully analyzed the existing culture, gaining a baseline understanding and establishing metrics to facilitate tracking of progress. From there, the ELT began to identify and define what type of culture they wanted at Graham.

A core team was assembled to serve as the Culture Council — including a strategic people pillar leader, a messaging and communications lead, leadership development, employee engagement and operations representatives, and two executive sponsors. Working together, the team created a coordinated, cohesive plan across all areas of the initiative.

**“Why Company Culture Matters: Our Favorite Reads,” Vasundhara Sawhney, Harvard Business Review Dec 3, 2021.*

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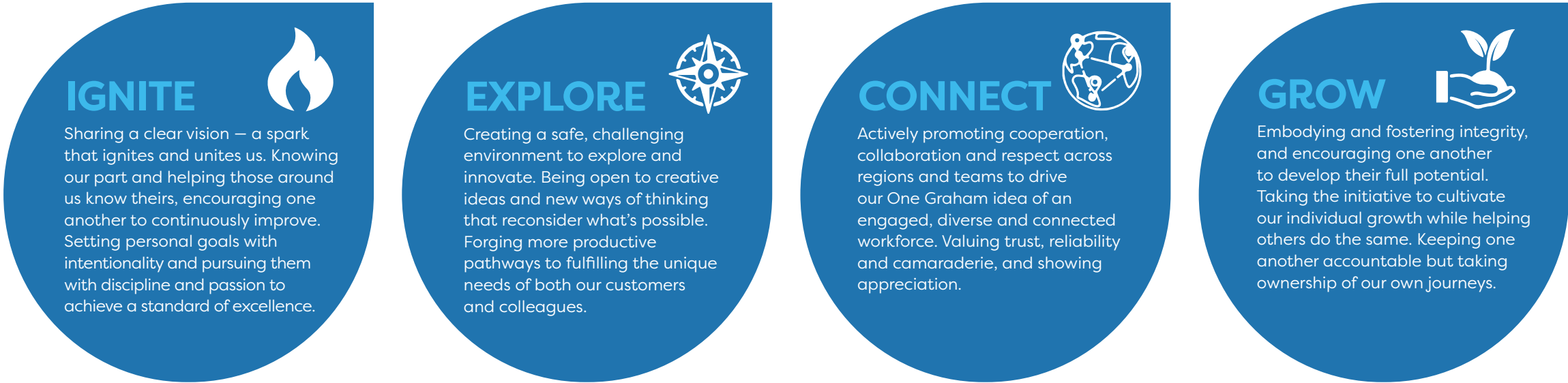
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Blue Culture is Graham’s organization-wide program to promote an environment of collaboration, accountability and excellence. We define it through the terms **IGNITE, **EXPLORE**, **CONNECT**, **GROW**.**



To incorporate this culture throughout the company, Graham has taken a three-stage approach. We began with define and align, which started with launching a clear vision of Blue Culture at all levels across the organization. We continue this communication across all channels today. Next, we are leveraging leadership to champion and demonstrate “Blue” behavior, adjust processes, and work to develop cultural leaders. Finally, we are continuing the process of integrating Blue into the employee experience, setting expectations, driving ownership and accountability, and recognizing and rewarding demonstrations of Blue Culture.

Since its launch, Blue Culture has been gaining traction in facilitating communication and aligning efforts — and we look forward to seeing its positive impacts on employee satisfaction, productivity, retention and more.

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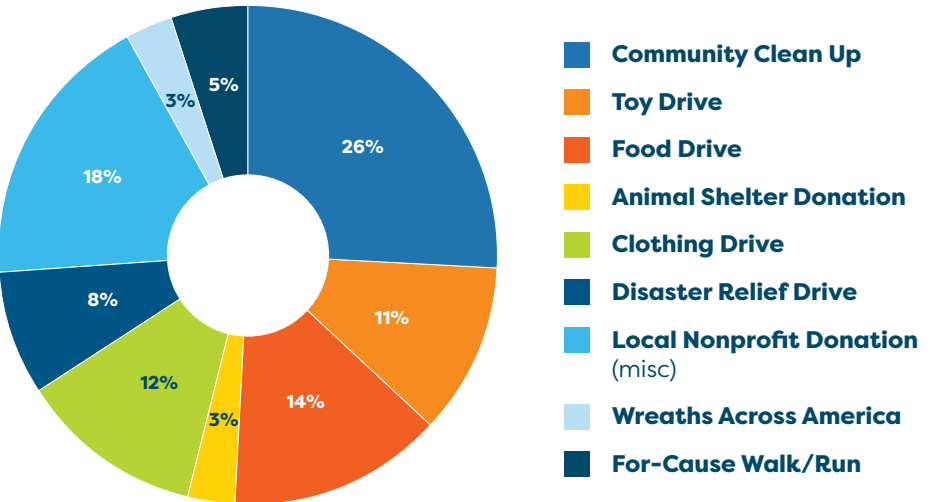
COMMUNITY OUTREACH

We began challenging our organization in 2021 with an ambitious goal of having 100% of our facilities engaged in at least one employee-led community event.

Since then, we're proud to report that our teams have met and surpassed that goal – achieving 100% participation in 2022, with more than 70% of locations participating in two or more employee-led activities.

We're proud to continue our commitment to give back to the communities where we work and live.

Top Community Initiatives in 2022



Collectively, our employees removed more than 2.5 tons of trash from rivers, parks and neighborhoods in our local communities.

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SUPPORTING PEOPLE
Juvenile Diabetes Research Foundation (JDRF)

For the past several years, Graham has been a corporate sponsor for the JDRF One Walk, a foundation established with a mission of creating a world without type 1 diabetes.

In 2022, a team from Graham participated in the walk and raised nearly \$45,000. Our total employee and company contributions to date exceed \$250,000, providing funds for research and advancements in the fight against type 1 diabetes.



SUPPORTING THE PLANET
World Cleanup Day 2022

We invited our global employees to join us for a companywide Cleanup Day in September 2022, coinciding with World Cleanup Day — observed by people in over 190 countries to address the global trash problem.

Graham employees from all over the world participated, collectively removing more than 2.5 tons of trash from parks, waterways and neighborhoods in the communities where we operate.



SUPPORTING VALUES
Ethics in Business Award Corporate Sponsor

The Ethics in Business Award was created by the Samaritan Counseling Center of Lancaster, Pennsylvania, to celebrate companies and organizations that are committed to ethical operations based on integrity, fairness and justice, stewardship, transparency and enhancing life.

Having received this distinguished award in 2021, Graham became a corporate sponsor in 2022. The ethics represented by this award resonate with our own, and as a values-based company, we believe it's important to recognize and support others in our corporate community for their contributions to ethical operations.

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HEALTH & SAFETY

Safety First – People Always

Among all of our priorities at Graham, the well-being of our people is paramount. We regard health and safety not only as primary corporate responsibilities, but also as fundamental human rights.

To ensure safe working conditions, healthy habits and companywide accountability, we work closely with our employees, contractors and customers – serving as a reliable and collaborative resource, providing responsive technical expertise, and empowering creativity to drive thought leadership and continuous improvement.

We take a proactive, strategic approach to safety with major programs like our Safety First, Quality Focused initiative, which we launched in 2022 to reinforce safety as our first priority, accompanied by quality as a close second.



2022 SAFETY ACHIEVEMENTS

 **30 RECORDABLE INCIDENTS**
Fewest in company history

 **SAFETY FIRST**
QUALITY FOCUSED

 **>88%** **GRAHAM OPERATING SYSTEM EHS SCORE IMPROVEMENT OVER 2021**

 Better than industry safety average
84% **BETTER THAN PLASTIC INDUSTRY AVERAGE**

 **1,363 DAYS / 3.7 YEARS** **AVERAGE LENGTH OF TIME A PLANT HAS GONE RECORDABLE-FREE**

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TARGET ZERO

Recordable-Free Month

PROVING “TARGET ZERO” IS ACHIEVABLE

For the second time in its history, Graham Packaging achieved a “recordable-free” month across our entire global organization.

We define a “recordable incident” as an injury requiring medical treatment (such as stitches, surgery, physical therapy or prescription medication) beyond first aid.

As a company that values our people and their safety above all, we’re proud of the coordinated efforts and awareness that have made this recordable-free milestone happen. It proves that our “Target Zero” recordable incident goal is, indeed, within reach. And we continue our focus on achieving that goal.

OCTOBER 2022

First Annual Safety Month

SUPPORTING SAFETY WITH EDUCATION AND AWARENESS

Safety is our focus every day at Graham, and we reinforced its importance with our first-ever companywide Safety Month in October.

Across all of our 60+ locations, we celebrated and promoted safety in a variety of ways, including through our town hall meetings, communication materials library, internal newsletter, weekly emails and regular postings to our internal communications channel.

Each week focused on a different topic: Occupational Health and Safety, Risk Management, Below-the-Wrist Injury Prevention and Off-the-Job Safety. Additionally, plants were encouraged to hold special events and engage personnel in creative ways, from scavenger hunts to pop quizzes.

An important complement to our ongoing safety training and protocols, this focused awareness initiative will continue on an annual basis.

Playbook for Protecting Our People

PREVENTING FATALITIES AND SERIOUS INJURIES (FSI)

In 2022, we introduced the Fatality and Serious Injury Prevention Playbook to address and eliminate FSI risk.

Developed by Graham health and safety specialists, this in-depth FSI Prevention program provides updated best practices and policies, engaging all plant personnel in the important work of identifying and

eliminating FSI risks to ensure a sustainably safe work environment. The Playbook establishes a practical, methodical process for proactively maintaining an environment free from FSI potentials – and preventing those hazards from recurring – to sustain a safer workplace.

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Graham Operating System 4.0

UPDATING OUR METHODOLOGY TO MINIMIZE FSI RISK

The Graham Operating System (GOS) is the company’s system that measures each plant’s operations in a more consistent and standardized way. The system regulates the way Graham manufactures its products, measures plant performance, promotes best practice sharing and drives continuous improvements through a unified audit approach. GOS allows the company to safely manufacture quality products while protecting employees and customers.

In 2022, we updated our overall GOS with the addition of a new key performance indicator (KPI) of FSI prevention.



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DIVERSITY, EQUITY & INCLUSION

You, me, we belong at Graham

We’re focused on enriching the employee experience through an inclusive environment that celebrates uniqueness over uniformity – where every employee feels they belong, and can bring their authentic selves to work every day – because our strength lies in our diversity of perspectives, ideas and approaches.



2022 MILESTONES

Graham DEI Council Established

In 2022, we refocused and redoubled our efforts to make diversity, equity and inclusion (DEI) an integral part of our culture. This intentional revision of our DEI approach involved establishing a cross-functional Graham DEI Council to formalize strategies, lead efforts, and drive meaningful progress toward DEI excellence.

Composed of Graham team members from across our organization, the DEI Council’s mission is to accelerate the advancement of diversity, equity and inclusion efforts in all aspects of our work and organizational culture by:

- Informing Graham’s DEI strategy and advising leadership on recommended policies and practices to support the strategy (e.g., setting goals, tracking and communicating programs, etc.);
- Prioritizing inclusivity at Graham and creating an equitable environment where everyone may reach their full potential, be heard and feel valued;
- Providing DEI education and awareness to all levels of the company, both to build knowledge and to address DEI concerns and barriers across our entire value chain; and
- Understanding the many dimensions of diversity at Graham and our intersectional experiences that form our unique identities.

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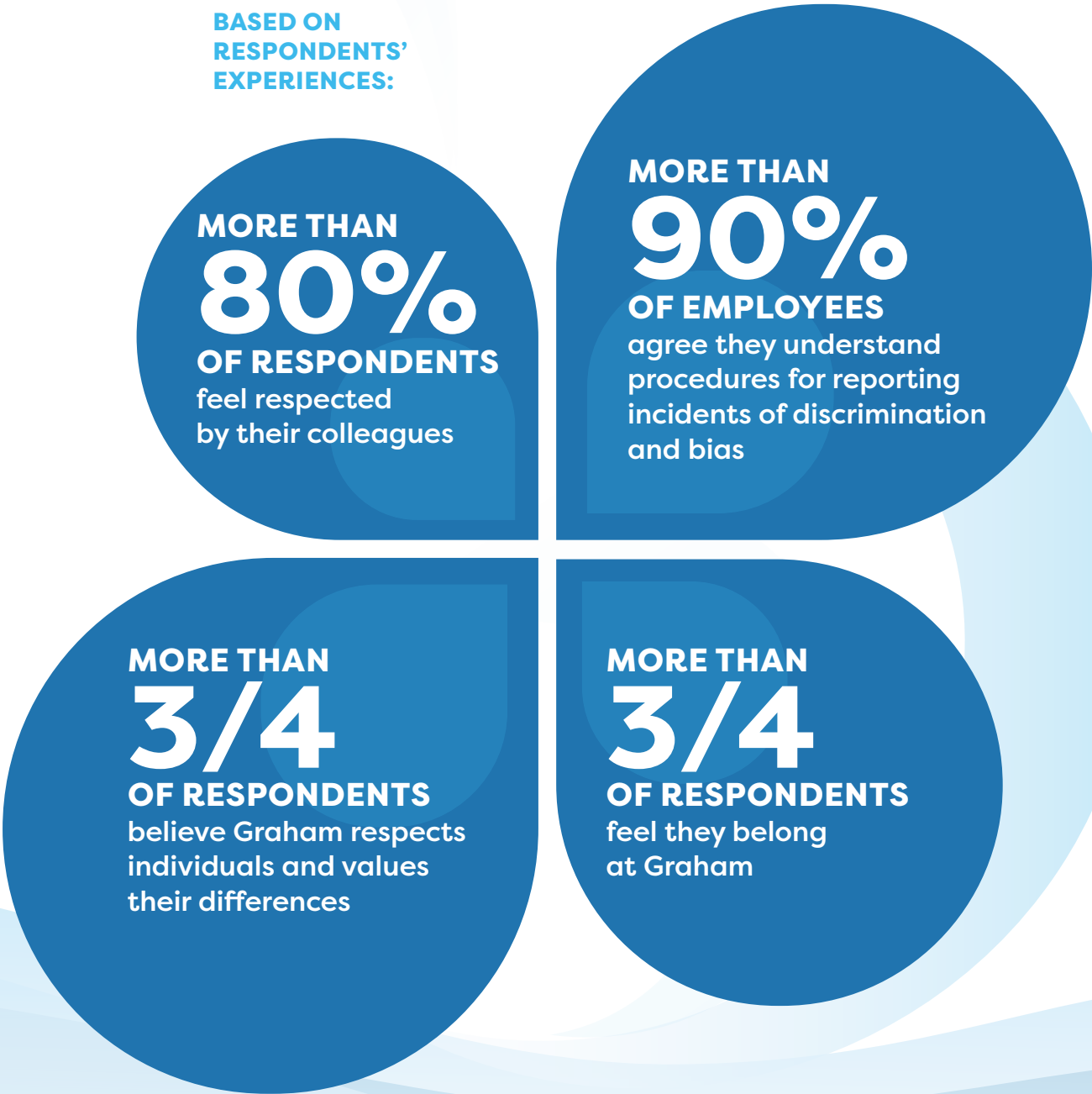
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Baseline Survey

One of the first actions of our DEI Council was to conduct an internal DEI survey to understand the current state of DEI efforts within our organization. Employees at all levels were encouraged to provide observations and suggestions to help shape DEI education and training, leadership and policy. The insights gathered from the survey are now being used to mitigate any issues, guide future planning and drive meaningful change companywide.



BASED ON
RESPONDENTS'
EXPERIENCES:



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DEI INITIATIVES

**Activating Inclusion
THROUGH POLICIES
& PROCESSES**

- Our DEI Council reviewed and updated Graham policies for inclusive language and equitable processes.
- The Council is supporting talent acquisition efforts focused on recruiting a diverse workforce.

**Examining Equity Across
Our Workforce
IN DEVELOPMENT,
RECOGNITION, AND
CAREER GROWTH**

- Graham sponsored 100 women across our workforce to participate in a company-led Women’s Empowerment Series.
- Graham’s Engagement Action Teams continued to provide employees the opportunity to contribute to action planning related to their employee experience.
- Employee Resource Groups (ERGs) at Graham actively engaged employees with opportunities for growth, professional training and networking.

**Offering Training
TO PROVIDE LEARNING
OPPORTUNITIES
FOR ALL EMPLOYEES ON
MULTIPLE DEI TOPICS**

- Graham’s DEI Council facilitated two global DEI panel discussions focusing on topics of unconscious bias and inclusion as training opportunities for managers and all employees.
- Graham launched an inclusive communication campaign Graham-wide to recognize and spread awareness of diverse cultures and holidays.



Inclusion is the key. When diverse people can connect with the company and with each other, they unite to create success.



Lisa Santin
Executive Vice President,
Human Resources

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EMPLOYEE ENGAGEMENT

INVESTING IN OUR PEOPLE



PROFESSIONAL DEVELOPMENT

Women’s Empowerment Workshop Series

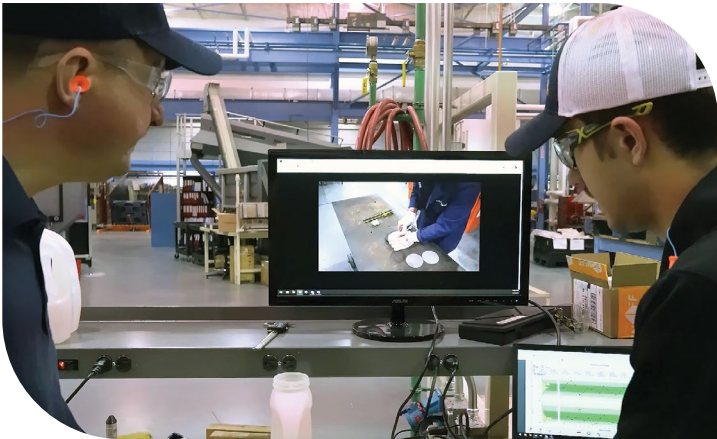
In 2022, Graham sponsored 100 women from all levels of our organization — regardless of their title or location — to attend the Empowering Your Growth virtual workshop. Over the course of three sessions, this expert-facilitated program incorporated discussion groups, breakout sessions, self-reflective exercises and more to help participants identify strengths, goals, needs and values, for the purpose of developing career- and life-enhancing tools for positive progress.



LEADERSHIP DEVELOPMENT

GOLD Standard Leadership Development

Led by Graham executives and senior managers, this modular program helps our current and prospective leaders to cultivate a leadership mindset and excellence through best practices in goals and expectations, feedback, motivation, recognition and rewards, training and development, and addressing performance challenges.



SKILLS DEVELOPMENT

Graham Operator Academy

Our training program provides a structured approach for both new operator onboarding and existing operator education. This four-week program includes a standard skills matrix and self-help video library, with on-demand access to resources and troubleshooting in the flow of work.

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Graham Engagement Action Teams (GREATs)

GREATs were created to enact meaningful change based on learnings from companywide employee engagement surveys.

Our GREATs hold monthly sessions to share best practice updates, discuss localized insights and create action plans to optimize employee experience and engagement.

Successful GREAT initiatives include: the Henderson, Nevada, team’s peer-to-peer recognition program encouraging employees to share and celebrate the positive actions of their peers, with monthly prize raffles for participants; our Evansville, Indiana, team’s “Quality Week,” combining training with a slogan contest and other quality-themed games; and our York, Pennsylvania, team’s “Spirit Week” that fosters employee interest and interaction.



“Worthwhile ideas gain traction at Graham. Open communication leads to valuable insights, and we activate them. They become part of our cultural fabric.”



Christopher Lee
Director of Learning
& Organizational
Development

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Employee Programs

Employee Resource Groups (ERGs)

Graham ERGs engage employees through activities, events and community service, helping to fuel engagement, growth and networking. Our ERGs focus on three main areas:

WORKPLACE OPTIMIZATION

- Diversity & inclusion training
- Workplace culture
- Organizational culture assessments

WORKFORCE BUILDING

- Diversity recruitment strategies
- Internship programs
- Employee support systems

MARKETPLACE OUTREACH

- Civic engagement
- Community service
- Internal/external event sponsorship
- Employment brand support



Young Professionals ERG

This group of visionaries and innovators develops strategies and initiatives to engage, grow and retain talent – cultivating the next generation of effective leaders at Graham.

Through networking events, ideation sessions and community involvement, the group promotes a culture of excellence, integrity and growth.

2022 YOUNG PROFESSIONALS INITIATIVES INCLUDED:

GIRLS ON THE RUN FUNDRAISER

YP teamed with Graham’s Women in Business & Allies ERG to sponsor a virtual wine tasting event to benefit Girls on the Run, a non-profit organization dedicated to empowering young girls through developing confidence, kindness and decision-making skills.

NETWORKING NIGHT

This session of bowling and video games provided a valuable opportunity for young Graham associates to interact with executive team members and other senior Graham leadership in a fun, casual environment.

2ND ANNUAL KAYAK & CLEAN

YP sponsored an environmental clean up event near our corporate headquarters and global technology center in Central Pennsylvania, enjoying some fresh air and kayaking while removing more than 600 pounds of trash from the Susquehanna River.

RACE AGAINST RACISM

A team of YP members participated in the 24th annual YWCA Race Against Racism in Lancaster, Pennsylvania, donating their proceeds from the 5K race to the Center for Racial and Gender Equity and other community programs for education, training, advocacy and change.



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Women in Business & Allies ERG

Currently 75 members strong, Graham’s Women in Business (WiB) ERG is an inclusive community of those who identify as women and their allies dedicated to connecting, developing and supporting one another.

Meeting regularly, the group provides personal and professional development opportunities and a chance for members to connect with their colleagues from around the world.



INTERNATIONAL WOMEN’S DAY & MONTH

WiB partnered with Graham’s marketing team to promote this global initiative to eliminate bias, stereotypes and discrimination based on gender – furthering the cause of diversity, equity and gender equality.

2022 WOMEN IN BUSINESS INITIATIVES INCLUDED:



MENTORING POD PILOT PROGRAM

WiB launched a Mentoring Pod program, composed of small groups of six mentees working with two executive-or senior-level mentors each to discuss topics relevant to women at work, including leading diverse groups, executive presence and communication, work-life balance, career growth and more.



LUNCH-AND-LEARN SESSIONS

This ongoing series features a variety of topics and guest speakers, both for ERG members and the entire Graham workforce. The lunch-and-learn committee is also exploring additional, more inclusive mediums to make this content more widely available to Graham employees, regardless of location or time zone.



WEBINAR SERIES

WiB conducted their “You Asked” webinar series on subjects from mindfulness to emotional intelligence, with content made available in a variety of formats.



GLOBAL BOOK CLUB

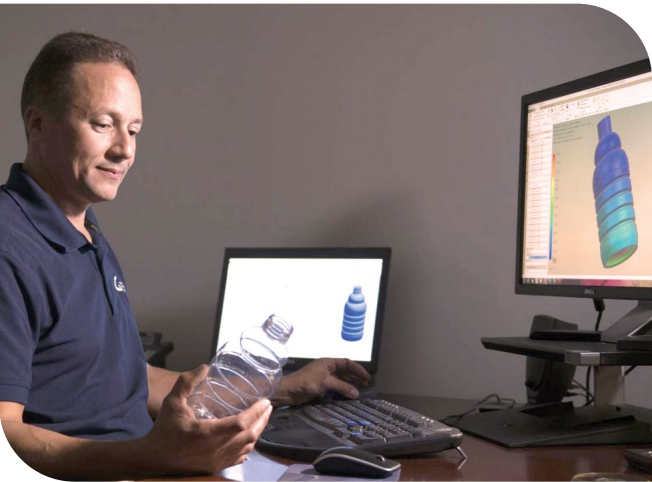
This group provides a safe space for informal conversation about books and movies featuring themes of professional, leadership and self-development. Discussions are held in both Spanish and English.

RECRUITING LONG-TERM SUCCESS

**At Graham, our workforce
is more than an asset —
it’s a differentiator.**

Upholding that exceptional standard while consistently earning our reputation as an employer of choice requires ongoing analysis and innovation.

Major investments in 2022 have yielded positive results in attracting, training and retaining the level of talent that helps us deliver the quality our customers expect.



INNOVATIVE WORKFORCE DEVELOPMENT

We’ve updated our recruiting efforts with an innovative, holistic approach to acquiring and growing our greatest competitive advantage — our people — in a sustainable way.

STEP ONE

ATTRACT

We achieve this through market-driven compensation adjustments, such as the increase in our U.S. non-union hourly rate (announced in 2021 and completed in 2022); a refreshed recruitment strategy with redesigned internal process and system, reaching targeted populations via advertising, social media and hiring events; enhanced employment branding to provide a compelling and differentiating employee experience, value and opportunities; and expanded programs and partnerships.

STEP TWO

TRAIN

We’re focused on innovative ways to engage and teach our employees, including leveraging technologies like augmented reality and tablet computers. In addition, we’re continuing to develop and refine our Graham Academy, specifically in the areas of technical training, professional and career development, and leadership training.

STEP THREE

RETAIN

Retaining and sustaining our talent is a result of investing in our people. We work to do this by sharing a vision and a culture with employees; providing innovative work supported by technical resource programs, and automating repetitive roles; and fostering engagement by connecting with employees through local engagement action teams and meaningful workshops and other events.

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EXPANDING OUR PROGRAMS AND PARTNERSHIPS

Workforce Diversity Outreach

To make a meaningful impact on workforce diversity, we work with several partners and organizations that support this mission and provide access to a diverse candidate pool.

HomeFront Program
CONNECTING WITH VETERANS

Our partnership with HomeFront creates opportunities for veterans and their spouses as they transition into civilian life.

Embrace Program
IMPROVING REFUGEE LIVES THROUGH OPPORTUNITY

As a People, Planet and Values-Focused company, we're committed to making a positive social impact in our local communities around the world. We embrace those from different cultures, and champion diversity, equity and inclusion within our organization. That's why we partnered with nonprofit [Tent](#) to create the Graham Embrace Program, prioritizing equitable employment opportunities across our organization for refugees who are rebuilding their lives in the U.S..

 It's inspiring to see Graham employees connect with each other and the community – it supports engagement and retention, but more importantly, individual well-being.



Lauren Bovard
Senior Corporate
Human Resources
Generalist

ADDITIONAL OUTREACH

- **Department of Labor**, including the Veterans Employment and Training Service (VETS), Office of Disability Employment Policy (ODEP), and the Office of Apprenticeship, Department of Defense and the Veterans Administration (VA). Exclusive partnership with the National Association of State Workforce Agencies (NASWA)
- **National Labor Exchange** – collaborative effort with NASWA to collect and distribute 2.4M jobs daily and foster better working relationships between state workforce agencies, OFCCP and employers, resulting in better employment outcomes for job seekers
- **Other federal agencies** and local, state and national organizations that serve and support veterans and military spouses and families, individuals with disabilities, women and minorities, LGBTQ, early and alumni talent and more
- **Wounded Warriors Project, Easter seals, Paralyzed Veterans of America** and more, supporting inclusive hiring practices
- **Outreach tools including VetCentral Direct, VocRehab and Targeted Job Distribution** to make direct connections with veteran representatives, vocational rehabilitation counselors and community-based organizations nationwide
- **Outreach management tools such as the Partner Relationship Manager (PRM)** to document, track and record all outreach activities needed to comply with regulatory obligations

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GOVERNANCE

PUTTING OUR VALUES INTO PRACTICE.

Our brand and our company are only as strong as the values that guide us. We understand our long-term sustainability depends on continuous improvement — in corporate governance as well as operations.

As we evolve to anticipate market dynamics and drivers of our industry, we continue to formalize and standardize our values, standards and expectations across the entire organization and throughout our supply chain. Those efforts are reinforced by our accompanying commitment to monitor, evaluate and improve.

The result is a unified organization aligned by high ethical standards for how we interact with each other, with our partners and with our planet. This strengthens our sustainability and provides reliable value for our stakeholders.



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2022 GOVERNANCE MILESTONES

In 2022, Graham took significant steps to identify and implement tools and processes to execute governance functions at the highest levels of excellence. From compliance and transparency to enterprise risk reduction, we’re taking a strategic approach to responsible stewardship of resources in measurable, repeatable, sustainable ways.



New Chief Information Officer
CAROL SCOTT APPOINTED IN 2022

**CONDUCTED
QUARTERLY AUDIT
COMPLIANCE
MEETINGS**
(See pg. 52)

**EVOLVED &
IMPLEMENTED NEW
AUDIT PLANS**
for enhanced oversight

**EXPANDED INTERNAL RISK
AREA AUDITS**
Further developed our internal
plant audit system to include ESG
areas (See pg. 52)

**PROCESS-LEVEL AND
ESG AUDITS IN ADDITION
TO PLANT-LEVEL**

**STARTED IMPLEMENTATION
OF NEW ESG DATA
MANAGEMENT SOFTWARE**

**ADDED SYSTEM
DEVELOPMENT
LIFE CYCLE AUDIT**

**IDENTIFIED NEW TOOLS TO HELP MANAGE AND
GOVERN INTERNAL AUDIT PILLARS**
Coordinating Enterprise Risk Management (ERM),
internal audit and Sarbanes Oxley compliance

**REVISED MASTER
SERVICES AGREEMENT
TEMPLATES**
(See pg. 51)

25% SOURCING TIME DEDICATED TO LOCATING RECYCLED MATERIALS



EcoVadis Bronze Medal
TOP 50% OF ALL COMPANIES ASSESSED
As a leading global standard for sustainability, EcoVadis performs in-depth supplier sustainability assessments, reviewing a comprehensive list of factors including human rights, health and safety, diversity, cybersecurity and more. In our first year of assessment, we received Bronze Medal recognition for our comprehensive sustainability initiatives. We’re pleased to be exceeding the industry average overall, and the insights this assessment provides will help to guide our efforts to improve.



**2022 Sustainalytics Recognition
FOR RISK MANAGEMENT**
In addition to improved ESG ratings, Graham received high scores for our risk management — double the industry average. This reflects the robustness of our sustainability programs, policies and practices.

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GOVERNANCE **VISION**

Building on our strengths

Striving for better is an essential part of Graham’s culture, and that extends to our governance outlook. We continue to invest in more effective ways to monitor, evaluate and identify gaps, mitigating risk to maximize our sustainability for stakeholders.

While we are not a publicly traded company, we hold ourselves to those standards and beyond – because, as a values-based organization, we understand that transparency and integrity define us.



Governance Leadership Team



TRACEE AULD
Chief Strategy &
Sustainability Officer



RICHA DESAI
Vice President of
Sustainability



DOUG CASSEL
General Counsel



LISA SANTIN
Executive
Vice President,
Human Resources



CAROL SCOTT
Chief Information
Officer



KRIS WARFEL
Chief Financial Officer

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OUR STRATEGY

Sustainable and ethical, built on pillars of strength

Finalized in 2022, our strategic pillars articulate how our corporate principles translate into value for all of Graham’s stakeholders. To guide its activation, each has a pillar leader, a cross-functional team of subject matter experts, a steering committee and an executive pillar sponsor. To monitor performance, each pillar has defined goals and metrics, which are reported to our Chief Executive Officer and our executive leadership team on a quarterly basis.



Customer Centric



Innovation



Sustainability





People



One Graham

 I have a teenage son ... I want to leave him a better planet than the one we inherited.





Tracee Auld
Chief Strategy
& Sustainability
Officer

Pillar Governance	
ROLE	RESPONSIBILITY
CEO	Approve the pillar strategy and priorities
STEERING COMMITTEE	Provide strategic inputs and direction
PILLAR LEADER	Drive the creation and execution of the strategy by aligning with the pillar team and steering committee inputs
PILLAR TEAM	Provide inputs and implement initiatives within their respective departments to drive results on priorities identified within the pillar strategy

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STRATEGIC PILLARS



We are Customer Centric

Active stakeholder engagement

We know and understand our customers — their stakeholders, drivers and strategies — because we ask what they think, and listen to what they say.

We proactively communicate customer needs to our One Graham organization, and we anticipate, plan for and deliver on those needs. At all levels, our people work to continuously improve our quality, service and products — because we’re relentless in our drive to bring value to our customers, and fully invested in their success.



Innovation Drives Us

Ongoing optimization of sustainable product

From incremental improvement to industry-disrupting change, we are creative and innovative in all we do, embracing the challenge of developing better processes and products to drive maximum value for our stakeholders.

In an environment that values ideas and promotes experimentation, we strive for breakthrough products and technologies — innovating boldly to meet our customers’ needs.



We are Building a Sustainable Future

A better tomorrow for people and planet

We are committed to minimizing the impact of our entire value chain on the planet by prioritizing innovative materials, design and recycling, as well as operational and freight efficiencies; by educating and empowering our people to be informed stewards; and by taking the lead in the mission to preserve our planet for future generations.

This commitment motivates us to reduce raw material use, reduce energy use, minimize waste, conserve water and reduce our greenhouse gas emissions.

As a responsible company, we must operate and grow in accountable, sustainable ways — environmentally, socially and economically. We track progress toward our goals and report our results in annual ESG reports.



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Our People Are Our Greatest Competitive Advantage

Social sustainability through inclusion and diversity

Within a culture of respect, engagement and high performance, we foster exceptional leaders.

We're intentional in our drive for inclusion and diversity to make us stronger, more nimble and resilient, valuing creativity over conformity and cooperation over competition.

We value and practice good communication and teamwork, promoting openness to others' views and ideas, and favoring proactive ideation over firefighting.

We create opportunities to develop and help each other become our best selves, offering support and constructive feedback and holding each other accountable to deliver on commitments. The result is a long-serving team equipped and inspired to push for profitable growth.



We Are One Graham

The unifying strength of good governance

We are one business with a unified mission to serve our customers' needs. To fulfill that mission, we leverage our expansive asset portfolio, collaborating with a wealth of knowledge in all functions across our global organization.

We connect people, teams, systems and operations to create a seamless web.

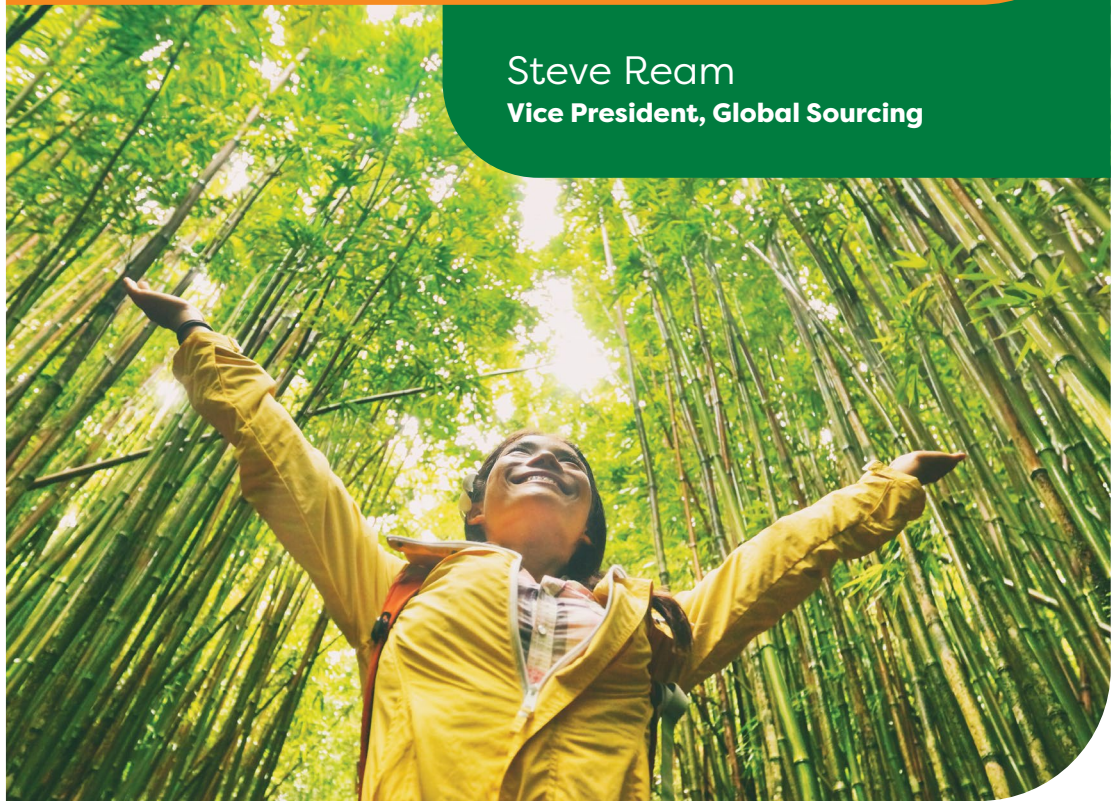
We share a mindset of execution excellence and delivering on commitments, with an unrivaled drive for efficiency, waste elimination and continuous improvement – guided by values of personal and professional integrity.

We are stronger as one – One Graham.



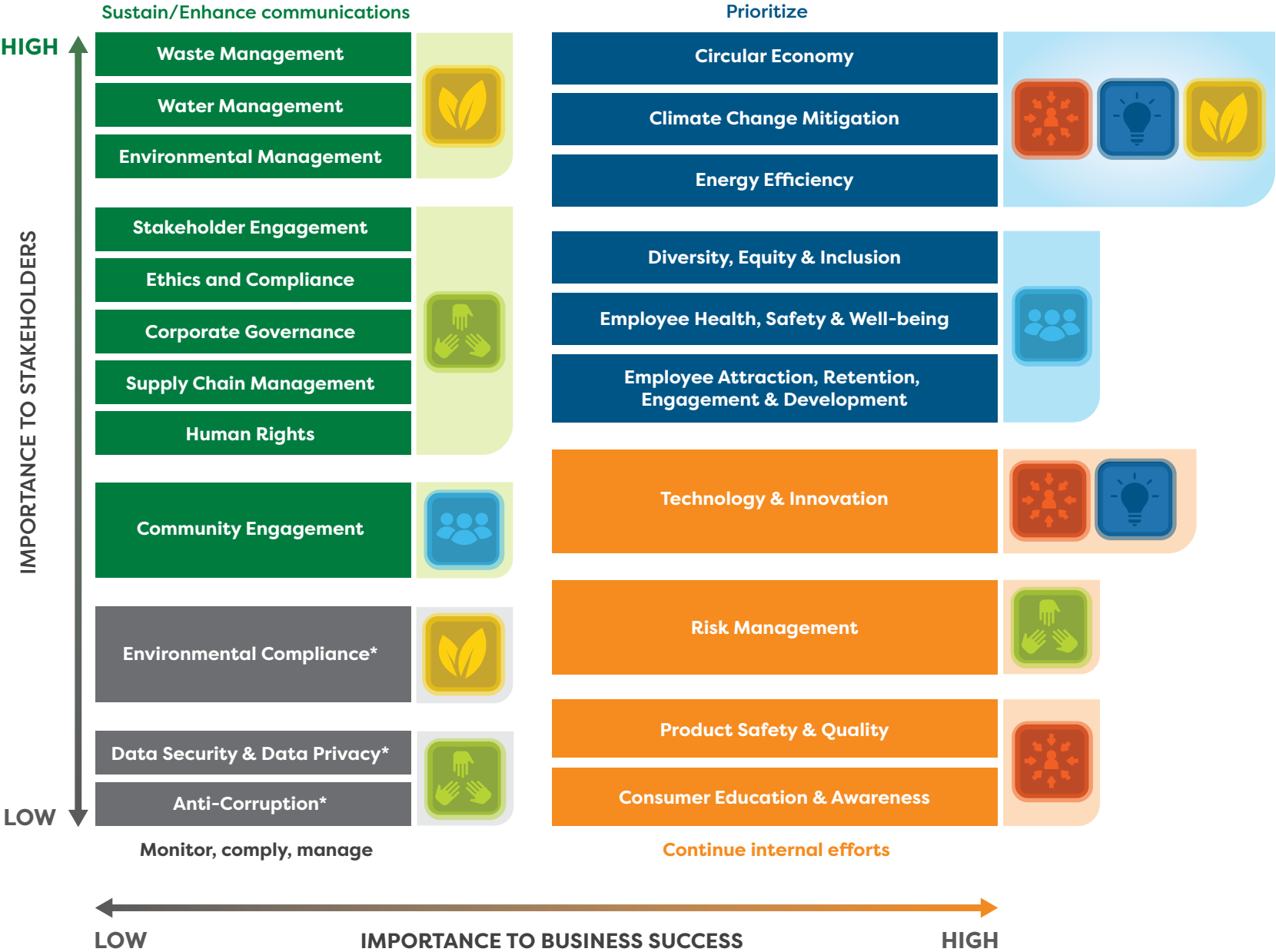
“Every little bit makes a difference, from choosing sustainable materials to putting a bottle in your curbside bin. The more we all make an effort, the better it works.”

Steve Ream
Vice President, Global Sourcing



Mapping Material Topics to Strategy Pillars

Our sustainability priorities are interconnected with all strategy pillars, making sustainability truly part of everything we do at Graham. *It's important to note that items ranked low on this matrix mean that we are currently effectively managing those items and will continue to manage those successfully.



ETHICS & COMPLIANCE POLICIES

The well-being of our business — and every relationship it involves — relies on maintaining the trust of employees, customers, partners, government entities and the public. Consistent, diligent attention to our ethics and compliance policies on an ongoing basis keeps these values in place as guiding principles to all of our decisions and actions.



CODE OF ETHICS

We update our Code of Ethics on an ongoing basis to stay current with best practices and other evolving dynamics. Still, the fundamental values remain consistent: no business requirement or priority justifies acts that are illegal, unethical, unprofessional or otherwise in violation of Graham ethics.



ONGOING TRAINING

We take a proactive approach to managing risk and ensuring compliance through regular training at all levels of the Graham organization.

At least annually, Graham employees receive training on our Code of Ethics policies, including anti-corruption, anti-bribery, antitrust and data privacy, as well as other relevant region-specific topics. Our focused education program ensures that these guidelines are understood and internalized by all employees, and that all decisions align with our ethical standards. All new employees receive training on our Code of Ethics and related policies.

In addition to our training regimen, regular town hall meetings support and reinforce our ethical standards and expectations throughout the organization.



SUPPLIER POLICIES

Our comprehensive Supplier Quality Manual articulates our standards for continual improvement in ESG-related areas, including regulatory reporting, product documentation and respect for human rights. We maintain Supplier Scorecards to evaluate and ensure that current and potential suppliers meet these standards. Suppliers who demonstrate sustainability efforts and improvements are preferred.

In 2022, we made updates to our master services agreement templates to ensure that our suppliers and other vendors are operating within our ethical and sustainability standards.

Our procurement team works to ensure that we have sufficient recycled materials in the near term to support customers in states affected by recycled content legislation. For the long term, we've tasked our procurement team with sourcing enough recycled materials to meet the needs of all our customers by 2025. To pursue these goals, our procurement team has been challenged to dedicate up to 25% of their time sourcing green materials.



“ Ethics and integrity are at the core of every action we take. The work we’ve done inspires trust in us by all of our stakeholders, and positions Graham as a leading partner for creating a better tomorrow.”



Doug Cassel
General Counsel

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CUSTOMER MANAGEMENT

From customers to contractors, we evaluate every new relationship to confirm that every entity meets our standards of ethics, including safe, healthy working conditions. To help ensure we work with entities free from corruption or related violations, we monitor internal relationships, relevant external databases and government-provided lists. We also began the process of creating a business continuity plan (BCP), laying the foundation for our methodology and strategy. We completed a Business Impact Analysis (BIA), which identified gaps in our current processes and mitigation strategies. From that, we risk-ranked those issues having the most significant impact to the business, and developed a Disaster Recovery Plan (DRP). Our first DRP centered around hurricane season and the impact it has on our ability to make bottles for our customers. We continue to develop other high-risk DRPs.



INTERNAL AUDITS & RISK EVALUATIONS

Composed of leadership from key departments including legal, finance, accounting, internal audit and HR, our Audit & Compliance Committee meets quarterly to assess business risk and formulate mitigation strategies. In addition to reviewing active hotline case reports, the committee also conducts policy reviews, fraud investigations, non-hotline investigations and employee compliance training.

In 2022, we expanded our traditional audit approach by incorporating more risk areas, and we've implemented process-level audits and investigations to supplement our ongoing plant audit program.



STRATEGIC RESPONSE TO CLIMATE CHANGE

In 2022, we continued the process of integrating UN Global Compact principles more significantly into our business strategy, culture and daily operations. This effort includes incorporating ESG targets into our internal audits to ensure visibility into our progress in implementing our sustainability strategy.



“ We think about our impact on the environment in everything we do. We want to leave this place better than we found it.”



Brian Smith
Director of
Internal Audit

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DATA SECURITY

Protecting our sensitive, confidential data requires constant vigilance, assessments and updates to maintain secure, state-of-the-art systems. In 2022, Carol Scott was appointed Chief Information Officer. In this position, she leads initiatives to continue building upon our robust cybersecurity policy and capabilities, ensuring the protection of our IT systems.

Meeting regularly, our Cybersecurity Governance Committee evaluates current policies and potential new policies to ensure we’re effectively managing cybersecurity risk.

Our cybersecurity efforts extend to our more than 60 plants around the world, plus corporate offices, technology centers and remote workstations. Like any manufacturing system, each location has potential exposure to its own unique set of threats, challenges and cybersecurity risk that we proactively work to mitigate.

While adhering to security standards, our tools and initiatives must also allow for customers’ unique connectivity and manufacturing requirements. To ensure our services stay online for customers, we’ve built strategies to isolate and protect operating technology and engineering environments according to best practices.

Because our employees are the first line of cybersecurity defense, we invest in awareness training to help team members at every level recognize threats from malware and other forms of cybercrime. As these threats evolve, so does our training.

Our cybersecurity efforts extend to our more than 60 plants around the world, plus corporate offices, technology centers and remote workstations.



Carol Scott
Chief Information Officer

“We work twice as hard to make sure we’re having a positive impact on communities and the planet.”



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DATA **PRIVACY**

Composed of strategic stakeholders, our Cyber Governance Committee maintains current data privacy policies to ensure safe handling of sensitive information. Employees receive annual training to drive awareness and adherence to our data privacy policies.

We classify data into three categories of sensitivity:



CONFIDENTIAL

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



INTERNAL

Intended for use by employees and third parties for the sole intent of conducting business with and within Graham, it poses moderate risk if made generally available.


Not intended for public use, “internal” is the default classification for our data.



PUBLIC

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

In accordance with Graham data privacy training, employees are expected to treat all data as confidential unless otherwise specified.

 With so many aspects to sustainability, there’s a lot of work to do – which means opportunities everywhere. We’ve made amazing progress.



Matt Landis
Corporate Counsel



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STAKEHOLDER **ENGAGEMENT**

As a People, Planet and Values-Focused company, Graham actively engages with our various stakeholders in intentional ways to ensure effective alignment of efforts.

Our Employees

The Graham team is our greatest competitive advantage. The safety, health and well-being of our employees is our top priority.

We foster a culture of open, honest communication, and engage with our employees through engagement surveys, regular town hall meetings and formal performance reviews.

Our Customers

Our mission is to fulfill our customers' needs, and robust engagement and clear communication are critical to our mutual success. Regular, consistent and meaningful dialogue with our customers ensures that we are focusing our efforts and resources on driving the most value for these most important of stakeholders.

We establish and maintain substantial engagement with our customers, interfacing frequently and continually across multiple teams for a thorough understanding of their needs and goals.

Our Consumers

Consumers are the ultimate end user of our products, and we know that meeting their changing needs and preferences is critical to the success of our customers' brands as well as our own.

We listen to consumer voices worldwide, tailoring

solutions to meet their expectations for sustainably produced packaging – and we respond by providing the highest-quality, most effective containers while minimizing our environmental footprint in our production process and across the supply chain.

Our Suppliers

Suppliers are significant contributors to our success in achieving goals, from profitability to sustainability. By communicating closely and frequently with suppliers, we create alignment on values and standards, and cultivate relationships that support long-term stability and success.

Because of their importance to our performance, we select and evaluate suppliers using Supplier Scorecards, and maintain regular communications to ensure they can fulfill both our sourcing and our sustainability needs.

Our Communities

As a global business, we think of each community where we operate as a host and a neighbor. As such, each is an important stakeholder. We work proactively to make a positive local impact – for the planet, and for the people – in each of our 60+ locations around the world.

Our plants are encouraged and empowered to support their local community, and all locations lead at least one community event per year.

Non-Governmental Organizations (NGOs)

NGOs represent an important voice in a wide range of issues that impact our business as well as our communities and our planet. Their subject-matter focus provides important insight and perspective to help guide our leadership in sustainability efforts and other innovations.

To hold ourselves to the highest, most current standards and best practices, we engage directly with NGOs on a range of issues relevant to our business and to our sustainability goals.

Governments & Regulators

Legislation is a major driver of factors affecting our business and our industry. While we do not directly engage in policy advocacy work, we regularly work with trade associations that do.

We engage with government representatives on issues potentially impacting Graham, our employees or the environment. To provide leadership in efforts to advance and improve our industry, as well as stay informed of current events relevant to our business, we engage with a wide range of trade associations and organizations.

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LOOKING FORWARD

Sustainability encompasses many things. But ultimately, it's about one thing: the future.

Guided by our values, we care about the future of the planet and its people. To us, it's more than a wise long-term business strategy. For the sake of our families, our customers, our coworkers, and our local and global communities, it's what makes business worthwhile.

For Graham, 2022 was a year of significant strategic growth on multiple fronts. We challenged ourselves to meet more ambitious goals with science-based targets, and pursued innovations and partnerships to lead our industry forward. We've also continued taking steps to increase the recyclability of our products and meet our customers' needs for PCR.

In addition, we've committed ourselves to reducing our GHG emissions, working throughout our organization and across our supply chain to find and eliminate energy inefficiency through incremental improvements and creative solutions.

We continue to be relentless in ensuring employee health and safety excellence. This year's introduction of our *Safety First, Quality Focused* initiative is making a positive impact, and will ensure that our safety rating – already 84% better than the industry average – continues to improve.

We've launched a constructive culture of excellence and accountability – Blue Culture – to activate our values in a meaningful way across the Graham community. The unifying vision of this initiative has reset the stage for enhanced collaboration and continuous improvement, and will serve our people and our company well in the coming years.

Our newly established DEI Council is driving change by updating policies and processes to be more inclusive, and reviewing opportunities to advance equity at all levels of our company. With employee resource groups, leadership development programs and engagement action teams, we are investing in our greatest competitive advantage – our people – for shared, sustainable success.

Thanks to the committed efforts and united spirit of the global Graham team, we've generated significant momentum on the many dimensions of sustainability. We look forward to building on that momentum, driving environmental and social efforts with world-class corporate governance.

Doing the right thing has generated positive returns for our company, our customers, our employees and the communities where we work and live. We continue to chart a course based on our values, holding ourselves to a higher standard of industry leadership – shaping a better, more sustainable future for all.

We continue to chart a course based on our values, holding ourselves to a higher standard of industry leadership – shaping a better, more sustainable future *for all.*

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ABOUT THIS REPORT

This report covers our owned and operated facilities and does not report on the performance of our suppliers, contractors, customers and partners.

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

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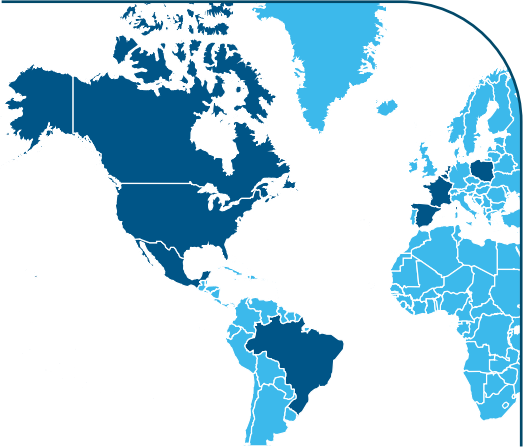
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ABOUT GRAHAM PACKAGING

Graham Packaging is a leading provider of sustainable packaging for a range of markets: industrial, food, beverage, home care and dairy, health food & nutrition.

Our 60+ facilities across North America, Europe and South America produce approximately 16 billion container units annually. Since 1970, we've employed some of the best and brightest package designers, who bring inspired, technology-driven solutions to market for essential businesses, from large consumer brands to small startups. Headquartered in Lancaster, Pennsylvania, with facilities located throughout the world, we are dedicated to excellence in sustainability, innovation and creativity.



60+
FACILITIES
across North America,
Europe and South America



For additional information, please visit:
www.GrahamPackaging.com

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GRI 404: Training and Education	404-1 Average hours of training per year per employee	65
	404-2 Programs for upgrading employee skills and transition assistance programs	37, 38
	404-3 Percentage of employees receiving regular performance and career development reviews	63
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	63, 64

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SOCIAL METRICS COMMENTARY

Engagement, Training and Performance/Career

TREND OF EMPLOYEE ENGAGEMENT

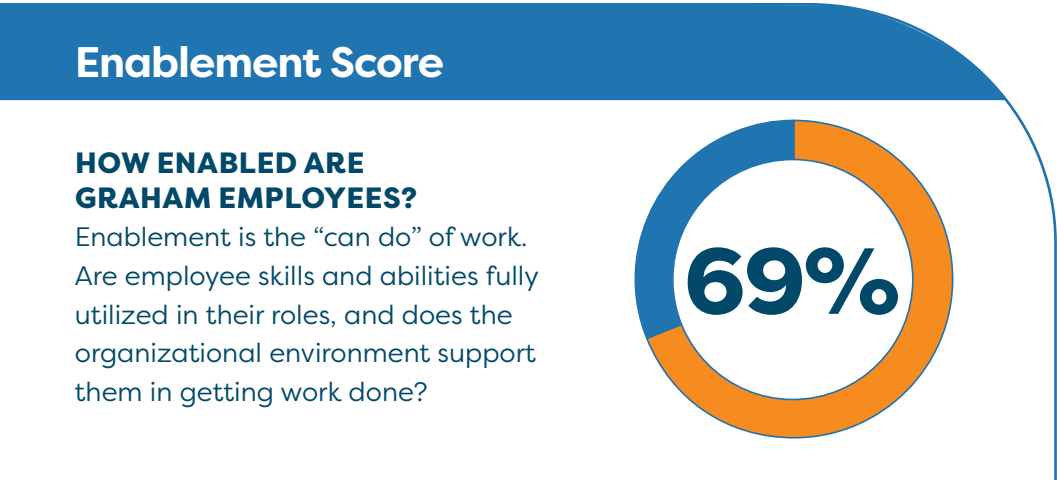


Graham currently collects engagement and enablement survey data on a biennial rotating schedule. In the first year of the cycle, we send a comprehensive survey to 100% of our employee population, translated into six languages spoken in the countries where we have operations. The survey covers a broad range of factors important to assess the engagement levels of our workforce, as well as factors that enable high employee performance, in addition to a broad range of issues such as corporate social responsibility, company process and systems, and other aspects of employee well-being.

In the second year of the cycle, we use an abbreviated “pulse” survey that covers the core factors related to engagement and enablement to assess our progress.

We have partnered with Korn Ferry, a leading provider of validated and reliable survey methods and measurement tools, as well as a robust benchmarking data-set with millions of participants for comparison with general industry and manufacturing-specific segment information.

In 2022, we completed the full-length survey, which showed a two percentage point increase in our employee engagement score over our last survey, reaching a 67% engagement score. This level of engagement is one percentage point lower than both the general industry and manufacturing-specific segment. We also recognized a three-point gain in our enablement score, which represents a three-point increase over our last full-length survey, and is on par with the manufacturing segment average.



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TRAINING



At Graham, we encourage one another to develop to our full potential. We take the initiative to cultivate our individual growth, and believe that helping others do the same is a core part of being a leader and collaborative teammate.

We track a broad range of training and certification items in our Learning Management System (LMS), including:

- Safety
- Quality
- Management and leadership training
- Business process and systems training
- Continuous improvement
- Equipment management and maintenance
- Human resource processes and activities
- Certifications for production and equipment operation
- Legal and compliance-related training

In the last two years at Graham, we have significantly increased our investment in employee training, including in-house production capabilities to create media-based training solutions for production staff on the various technologies and manufacturing platforms in our network. While the content initially started with a focus on production skills, we've continued to expand it to include equipment maintenance, quality, material handling and other operational capabilities.

HOURS OF TRAINING PER EMPLOYEE REPORTING



While much of our training is not measured in terms of “hours of training per employee,” we have used a very conservative estimate of 30 minutes of training per certification line item. This estimate would generally not even fully account for the video and hands-on training required for a production certification, and excludes supervised practice and review that is a critical portion of all employees’

training. The average estimate of 10.63 hours per employee, therefore, represents only the portion we can solidly account for and document in our LMS. We are also aware of various types of professional development training that are not currently recorded in our LMS; for purposes of accuracy we have not included these training activities in our training-hours-per-employee.

PERFORMANCE & CAREER DEVELOPMENT REVIEWS



We share a clear vision with our employees – a spark that ignites and unites us. We know our role and help those around us know theirs, encouraging one another to continuously improve. We set personal goals with intentionality and pursue them with discipline and passion to achieve a standard of excellence.

As part of this commitment, and in addition to regular feedback, our approach is to provide an annual performance and development review to every employee who has been with the company 90 days or more at the time of our annual review process.

Currently, we use a centralized system to manage the review process for our professional-level employees worldwide, and have reliable data to report for those populations.

Our practice is to provide all employees with an annual review, regardless of level. However, given that our frontline employee reviews are not captured in a centralized system, our numbers reported represent the professional staff only. In 2023, Graham will migrate the performance review process for U.S. and Canada-based production employees into our centralized system, and will include all employees by 2024.

In addition to the annual review process, Graham conducts an annual talent review and succession planning process targeting the professional levels of the company. While we have a strong track record of developing and promoting employees at all levels, in 2023 we are implementing an initiative to define and enable a more proactive career path and development program targeting the frontline employees in our manufacturing environment.

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Total Workforce			5,208
WORKFORCE BY AGE GROUP			
Under 30 years old	713	14%	
30-50 years old	2,642	51%	
Over 50 years old	1,853	36%	
WORKFORCE BY GENDER			
Male	3,901	75%	
Female	1,199	23%	
Non-Binary/Not Disclosed	108	2%	
WORKFORCE BY REGION			
North America	4,448	85%	
South America	293	6%	
Europe	467	9%	

Total New Hires			2,295
NEW HIRES BY AGE GROUP			
Under 30 years old	723	32%	
30-50 years old	1,178	51%	
Over 50 years old	394	17%	
NEW HIRES BY GENDER			
Male	1,615	70%	
Female	500	22%	
Non-Binary/Not Disclosed	180	8%	
NEW HIRES BY REGION			
North America	2,199	96%	
South America	41	2%	
Europe	55	2%	

Performance and Career Development Reviews		
Total employees who received a regular performance and career development review (Includes Female, Male, Management Level and Non-Management Level Employees)		100%

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Total Turnover		2,238	
Turnover by Age Group			
Under 30 years old	619	28%	
30–50 years old	1,131	51%	
Over 50 years old	488	22%	
Turnover by Gender			
Male	1,640	73%	
Female	523	23%	
Non-Binary/Not Disclosed	75	3%	
Turnover by Region			
North America	2,140	96%	
South America	44	2%	
Europe	54	2%	

Total Management Roles		799	
Junior management positions	506	63%	
Middle management positions	222	28%	
Top management positions	71	9%	

Female Representation in Management Roles		21%	
Junior management positions	107	21%	
Middle management positions	45	20%	
Top management positions	15	21%	

Workforce Racial Diversity (U.S. Only)			
TOTAL HEADCOUNT IN U.S. WORKFORCE		3,819	
Asian	86	2%	
Black or African American	670	18%	
Hispanic or Latino	590	15%	
White	2,180	57%	
Indigenous or Native	39	1%	
Two or more races	70	2%	
Other/Not Disclosed	184	5%	

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Trend of Employee Engagement	
Employee Engagement: actively engaged employees	67%
Data coverage: total employees	100%

Training	
Average training hours per employee	10.6
Average training hours per female employee	10.9
Average training hours per male employee	10.5

Health & Safety	
Total recordable injury rate	.46

Community Engagement		
	Global facilities participated in at least one employee-led community support activity	100%
	Graham facilities engaged in more than one employee-led community support activity	70%
TYPE OF ENGAGEMENT INITIATIVES EMPLOYEES PARTICIPATED IN		
	Plants participated in beautification projects	30
	Plants donated clothing and essential items	17
	Plants collected for holiday toy drives	24
	Plants participated in holiday food drives	43
MONEY DONATED		
	Total Contributions	\$ 18,650

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