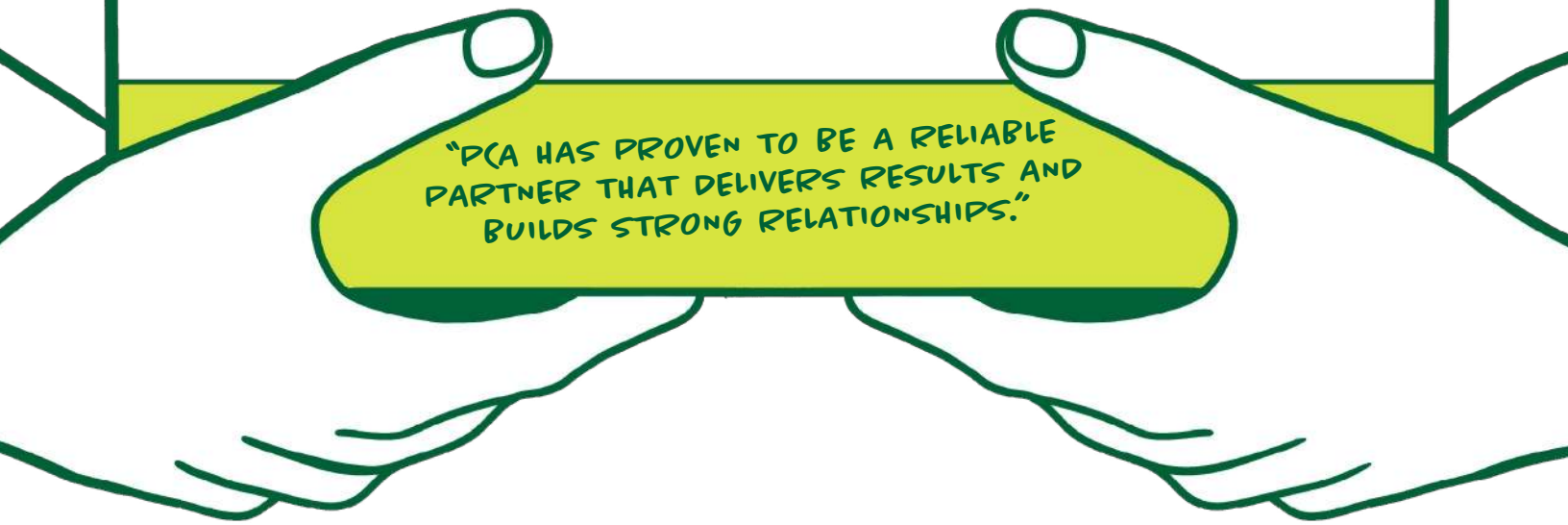
PACKAGING CORPORATION OF AMERICA

2025 RESPONSIBILITY REPORT

At PCA, we believe in **MAKING BUSINESS SUSTAINABLE** by embedding environmental stewardship and social responsibility at the core of everything we do. From how we manage natural resources to how we support our employees, customers, suppliers and communities, sustainability contributes to how we create value beyond individual transactions.

We are committed to understanding the full impact of our business across environmental and social dimensions. For our operations, this means prioritizing safety and environmental compliance, advancing resource efficiency, reducing emissions and promoting sustainable forestry practices. For our employees, it means fostering a culture based on integrity and safety, supporting well-being, professional development and providing opportunities. For our customers, it involves collaborating closely to understand their sustainability and business goals, delivering innovative and customized solutions, and helping strengthen responsible and resilient value chains. For our direct suppliers, it means meeting and exceeding our written expectations for social responsibility and sustainability. And for the communities in which we operate, we strive to create positive social impact, supporting local growth and upholding responsible practices that respect both people and nature.

We know our long-term success is influenced by our commitment to sustainability. By implementing ethical governance practices to balance environmental responsibility and social impact, we create lasting value for our stakeholders and help build a future defined by stewardship, collaboration and shared progress.



PACKAGING CORPORATION OF AMERICA

Packaging Corporation of America is a company dedicated to delivering innovative solutions, with a strong emphasis on maintaining a people-oriented culture throughout all business interactions.

PCA is the third largest producer of containerboard and corrugated products in North America. We manufacture many grades of kraft linerboard and corrugating medium at our containerboard mills and produce a wide variety of corrugated containers and displays at our converting facilities.

BOISE PAPER®

Boise is a leading producer of uncoated freesheet in North America. Our team is dedicated to providing high-quality products, outstanding customer service and industry-leading supply chain performance, with a product portfolio that includes office papers and printing and converting papers.

PCA's common stock is listed on the New York Stock Exchange under the ticker symbol PKG.

Executive Statement

June 30, 2026

To all Stakeholders,

At PCA, we understand that strong relationships are the foundation of our success. By placing people at the core of everything we do, we reinforce our commitment to sustainable growth, responsible operations and the creation of shared value for all stakeholders.

Our work touches communities across the United States. We foster enduring relationships with our employees who run our facilities, our customers who rely on our paper and packaging to meet their needs, and our suppliers, including the landowners who sustainably manage forestlands. On pages 28-29, I invite you to read about how these relationships extend beyond simple transactions and illustrate our commitment to circularity. There, you will discover the story of Georgia's largest tree farm and one of its dedicated harvesting professionals.

I am pleased to report that in 2025, we achieved a 12% reduction in our market-based scope 1 and 2 greenhouse gas emissions intensity per ton of paper compared with our 2021 baseline. Additionally, this year marks the first time we have obtained independent limited assurance on our scope 1 and 2 GHG emissions data. This reflects our dedication to enhancing the credibility, accuracy and transparency of our environmental reporting. It also demonstrates our recognition of the critical role that reliable data plays in informing decisions, building stakeholder trust and driving continuous improvement.

As consumers continue to focus on how products are sourced, used and renewed, we continue to deliver innovative solutions that redefine what a box can represent—not just protection for goods, but a symbol of renewal rather than depletion of natural resources. For decades, PCA and our industry have embodied the principles of circularity by strategically managing, recovering and reusing resources such as wood fiber, water, chemicals and energy. Corrugated is the most widely recycled packaging material on earth. A thriving planet requires thriving people, and together we are building a more resilient, responsible and sustainable future.

We appreciate your continued interest in our progress.

Mark W. Kowlzan
Chairman and Chief Executive Officer

About This Report

This is PCA's 2025 Responsibility Report that covers our operations from January 1 through December 31 and focuses on the progress, initiatives, goals and achievements of Environmental, Social and Governance (ESG) priority topics in 2025 and our preparations for 2026 and beyond.

On September 2, 2025, we completed the acquisition of the containerboard business of Greif, Inc. ("Greif" or "Greif Acquisition"). The Greif containerboard business includes two containerboard mills with approximately 800,000 tons of production capacity and eight sheet feeder and corrugated plants located across the United States. The sustainability results of Greif Acquisition are not included in PCA's 2025 Responsibility Report.

This report is produced with guidance and considerations of the Global Reporting Initiative (GRI) Universal Standards, the Sustainability Accounting Standards Board (SASB), the Task Force on Climate-Related Financial Disclosures (TCFD) and the Task Force on Nature-Related Financial Disclosures (TNFD). This Report has undergone through several data validation, review and approval processes involving both PCA officers and senior management employees on topics in their respective areas of responsibility, as well as approval by the Sustainability Committee of our Board of Directors, which includes our Chairman and Chief Executive Officer (CEO).

For questions about the content of this report, please contact: responsibility@packagingcorp.com.

Disclaimer and Forward-Looking Statements

The contents of this report contain forward-looking statements. These statements include PCA's business and sustainability strategies, initiatives, commitments, goals and targets, and are based on our current assumptions, expectations and projections of information that are available to PCA and that we believe to be reasonable at the time of acquiring such information. The expectations of our stakeholders continue to evolve and there can be no guarantee that our approach to sustainability will align with the preferences of any particular stakeholder. Both mandatory and voluntary ESG reporting requirements are also evolving and may not be uniform or evenly interpreted. ESG information is often reliant on third-party information and ESG scoring service providers use differing methodologies that may impact how stakeholders perceive, justifiably or not, how we are performing.

These forward-looking statements are not predictions of, or expectations of, definite financial or sustainability performance. They do not warrant or guarantee future results of any kind and carry a number of risks and uncertainties, some of which are beyond our control, that could cause actual results to differ materially, along with other unknown or unpredictable factors. These unknown and unpredictable factors may present additional barriers and impede the realization of forward-looking statements made in this report. Undue reliance should not be placed on forward-looking statements, which speak only as of the date these are made. Resources and references mentioned in this report are current only as of the date these were obtained. PCA disclaims any obligation to publicly provide updates to any forward-looking statements made in this report either as a result of new information or changes to our strategies and plans.

Table of Contents

Executive Statement 3
About This Report 4
Disclaimer and Forward-Looking Statements 5

GOVERNANCE 7
Corporate Governance 8
Corporate Integrity and Compliance 9
ESG Leadership and Governance 12
Sustainable Business Principles 13
Materiality and Stakeholder Engagement 14

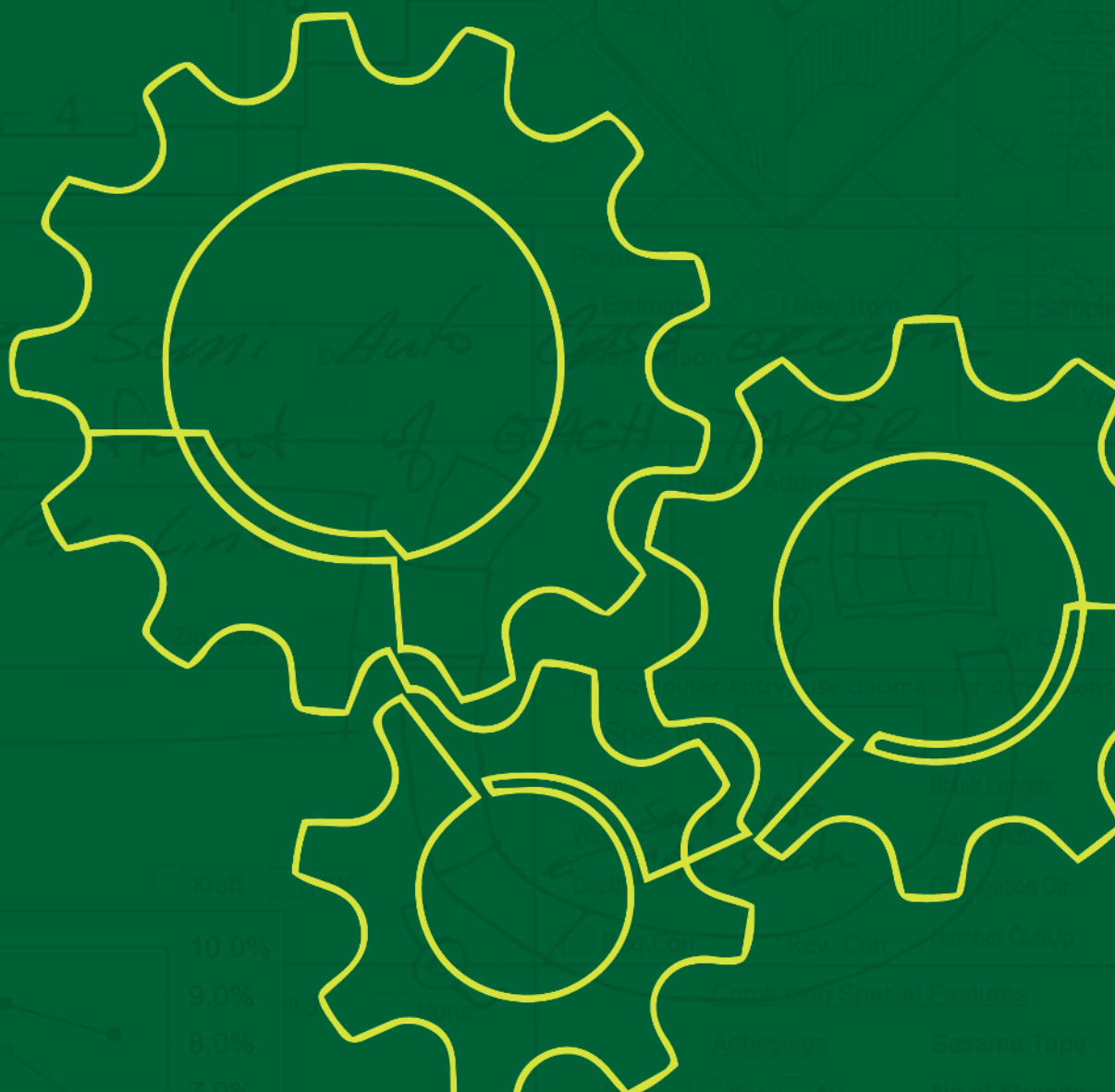
PLANET 15
Circular Bioeconomy 16
Climate 18
Our Carbon Reduction Strategy 19
Emissions 23
Energy 25
Energy Efficiency 26
Sustainable Materials 27
Sustainable Forestry Practices 31
Water and Effluents 37
Waste 40

PEOPLE 42
Social Responsibility 43
Occupational Health and Safety 45
Consumer Health and Safety 50
Product Safety and Chemicals Management 52
Employees 53
Learning and Development 56
Workforce Policies 61
Employee Engagement 62
Corporate Giving 63
Meeting Customer Expectations 64

APPENDIX 65
Limited Assurance Letter 66
Emission Factors and Global Warming Potential (GWP) 74
Membership of Associations 75
Employer Information Report EEO-1, Employment Data 76
Master Data Table 77
Glossary 81
Listed Footnotes 84

GOVERNANCE

- Corporate Governance
- Corporate Integrity and Compliance
- ESG Leadership and Governance
- Sustainable Business Principles
- Materiality and Stakeholder Engagement



PCA is committed to conducting our business ethically and with the utmost integrity. We aim to create a responsible company that values trust, transparency and accountability.

Corporate Governance

Our corporate governance reflects PCA's core values of people, customers and trust to deliver exceptional results and create value. Our governance structure and ethical policies are put in place to ensure that we bring long-term benefits to all of our stakeholders including our people, customers, vendors, investors and the communities in which we operate.

Leadership Structure and Board of Directors

Our current Board's structure includes a combined Chair and Chief Executive Officer, an independent Lead Director who was elected by the independent members of this Board, and four committees (Nominating and Governance, Compensation, Audit and Sustainability). PCA's Board comprises leaders who possess expertise in areas that are important to our business. They oversee the strategic planning and direction of the company. This oversight includes our ESG goals and priorities, human resources, environmental, health and safety, and the risks and opportunities facing the company. The Board delegates the day-to-day management of the company and the execution of strategic planning of the company's financial, environmental and social goals to the CEO and executive officers.

COMMITTEES

- Nominating and Governance Committee
- Compensation Committee
- Audit Committee
- Sustainability Committee

As required under the New York Stock Exchange ("NYSE") rules and committee charters, each of the Nominating and Governance, Compensation, and Audit committees consist solely of independent directors.[1,2,3] A director is deemed independent when the Board affirmatively determines that such director has no material relationship with PCA. In compliance with the NYSE listing standards, the Board and its committees also conduct an annual self-evaluation of their performance to assess effectiveness and ongoing compliance with committee charters and objectives, to which the Nominating and Governance Committee has oversight.

The Board and our executive officers meet at least four times each year to review the company's business matters, receive updates from each committee's chairperson and ensure management continues to deliver on their objectives.

LEARN MORE

To learn more about PCA's corporate governance structure and practices, we encourage you to visit the Corporate Governance and Financial Reporting sections of our website, and review the related documents and financial reports.

1 NYSE 303A.04 Nominating/Corporate Governance Committee

2 NYSE 303A.05 Compensation Committee

3 NYSE 303A.07 Audit Committee

Corporate Integrity and Compliance

We have implemented several codes, guidelines and practices to not only help us in maintaining the high ethical standards that we set forourselves, but to comply with global statutory obligations and requirements. Our goal is to ensure, embed and maintain robust compliance and integrity practices throughout the company.

Code of Ethics and Business Conduct

PCA is committed to compliance with all laws, rules and regulations that apply to our business. In addition, our Code of Ethics and Business Conduct (the "Code") provides a set of ethical principles and policies for PCA employees and our extended business stakeholders to follow. All employees of PCA and its subsidiaries, including corporate officers and members of our Board, are required to read, understand and meet the standards and obligations in the Code. All consultants, agents, suppliers and contractors serve as an extension of PCA. They are expected to follow the spirit of our Code, as well as any applicable contractual provisions, when working on behalf of PCA. The Code emphasizes our aim to create and maintain a work environment that is safe for everyone, where all feel respected regardless of their background or the opinions they hold.

Any alleged misconduct and violations of the Code, including conflicts of interest observed and reported, are investigated and reviewed on a case-by-case basis. The Board; our Vice President, General Counsel and Corporate Secretary; and the Audit Committee receive regular updates on all reported incidents and actively engage with our senior leaders to review and assess the effectiveness and quality of our ethics and compliance program. PCA will take disciplinary and legal measures permitted in accordance with applicable law and its existing contracts if an alleged violation involves a third-party business relationship. PCA strictly forbids and does not tolerate retaliation of any kind. If retaliation occurs, disciplinary measures are taken. PCA assesses the effectiveness of the reporting and investigation process on an ongoing basis. The Code of Ethics and Business Conduct can be found in the Corporate Governance section of the PCA website.

Ethics and Compliance Training

PCA holds ethics, integrity and lawful conduct as essential to the successful performance of its business. To ensure that our high standards are upheld, we require salaried and supervisory employees to participate in and complete periodic online education through a third-party risk and compliance learning solutions provider on topics such as antitrust laws, protecting confidential information and intellectual property, conflicts of interest, financial integrity and fraud, insider trading, sexual harassment and employment law. We also conduct in-person training on how to maintain a respectful workplace free from harassment, and other important topics such as compliance with securities and antitrust laws. Our ethics and compliance training efforts are overseen by PCA's Compliance Committee. This committee meets quarterly, and its primary objectives include determining and creating trainings that fit the PCA culture, ensuring that we comply with the various federal and state-specific requirements, presenting topics in a practical and easy-to-understand format, and making certain everyone at PCA completes training on a timely basis. In 2025, 21,681 course sessions with a sum of 10,887 hours of ethics and compliance training were completed.

LEARN MORE

To learn more about PCA's policies and guidelines, please visit the Corporate Governance section of the PCA website.

Ethics and Concerns/Whistleblower Hotline and Reporting Process

PCA's Ethics and Concerns Hotline is an established toll-free help line where employees and third parties, including suppliers, can make anonymous and confidential reports of any suspected violations or concerns related to PCA's business principles, practices and policies. It is monitored by independent third-party personnel 24 hours a day, 7 days a week.

A secure Ethics Point website is also available for anonymous reporting as names and IP addresses are not recorded by the system. In addition to the hotline and secure website, there are several other avenues for PCA employees to escalate ethical concerns, including their direct supervisor, other supervisors and managers at their location, Human Resources or our Legal department. Contact information for both our toll-free hotline and secure website are conspicuously posted in all PCA facilities.

PCA does not tolerate any retaliation against anyone who, in good faith, asks questions, makes a report of actions that may be inconsistent with our Code, our policies or the law, or who assists in an investigation of suspected wrongdoing. PCA ensures that employees are not discharged, demoted, suspended, threatened, harassed or discriminated against in any way for taking lawful actions related to the good faith reporting of complaints, including accounting matters, as outlined in Section 806 of the Sarbanes-Oxley Act of 2002.

All calls and website reports are communicated to PCA's corporate counsel, who reviews and maintains a log of all complaints and provides oversight for the investigation and resolution of all reported matters in accordance with established protocols. The corporate counsel prepares a quarterly summary for the Board's Audit Committee and significant issues are escalated to senior leadership. The full Board of Directors is notified and updated on any critical concerns that carry a substantial risk to bring negative impacts to the company including, but not limited to, reputation, compliance and regulation, employee safety, and cyber and information security.

During the 2025 reporting period, we received 240 hotline reports (vs. 229 in 2024), the majority relating to workplace conduct and human resources matters, demonstrating active employee engagement in raising concerns.

All substantiated cases resulted in appropriate remedial actions, including employee discipline or termination, targeted training, and/or control enhancements and policy updates. Of the 240 reports received in 2025, approximately 70% were substantiated by the company during its investigation. The proportion of unsubstantiated cases (those not supported by evidence after appropriate review) reflects both thorough investigative procedures and a workforce and supply chain that are encouraged to report concerns without fear, even when issues do not result in confirmed violations.

We evaluate trends in substantiated and unsubstantiated reports to improve training, clarify policies and ensure continued effectiveness of our compliance programs. Insights from hotline/website reports inform our annual compliance risk assessment and internal audit planning.

The hotline and Ethics Point website are key components of our compliance program, enabling early detection of potential misconduct, strengthening our culture of accountability and supporting continuous improvement of our controls and policies.

Human Rights

We conduct our business in a manner that respects the human rights and dignity of all. We support freedom of association, and we support the principles of international efforts such as the UN Guiding Principles on Business and Human Rights and the eight fundamental conventions of the International Labour Organization to promote and protect human rights, including an absolute opposition to slavery and human trafficking. We do not tolerate abuses such as child labor, human trafficking, slavery and forced labor.

Cybersecurity

As data fraud, theft and cyberattacks continue to rise in frequency, sophistication and severity, PCA is vigilant in defending against these threats. PCA relies on ISO 27001 and other risk management frameworks to guide the implementation of robust security controls.

These measures are designed to uphold the confidentiality, integrity and availability of PCA's resources and those of its customers. In 2023, PCA engaged a third-party auditing firm to conduct a cybersecurity maturity assessment based on the NIST Cybersecurity Framework (CSF). Through regular external and internal penetration testing, PCA endeavors to demonstrate security levels that meet or exceed industry standards among its manufacturing peers across all domains. PCA places paramount importance on safeguarding its resources and any customer data within its network, taking every reasonable measure to ensure the confidentiality, integrity and availability of this information.

All employees are required to undergo information security training. Since the launch of our cybersecurity training program in February 2019, thousands of employees have actively participated. Delivered in short, engaging videos, this training covers cyber awareness, cybersecurity and cyber safety, providing essential knowledge to safeguard our digital assets and mitigate cyberattack risks. The curriculum includes topics such as phishing, data protection, physical security and handling of sensitive information. Our training partner, Mimecast, administers these sessions under the supervision of our Network Services team. In 2025, our employees completed 71,101 cybersecurity courses, totaling 5,925 hours of training, and phishing tests were conducted monthly.[4]

[4] Assuming five minutes per training video and test question.

ESG Leadership and Governance

PCA has established a robust ESG Leadership and Governance structure that guides our ESG-related efforts. Each branch of our ESG team serves a specific and needed function that when brought together enables PCA to govern, monitor, address and engage on risks and opportunities that PCA faces. This all starts with our Board of Directors, which oversees the affairs of PCA and monitors management's performance. PCA's internal Carbon Neutrality team is sponsored by our Senior Vice President of Tax, ESG and Government Affairs; Senior Vice President, Engineering and Operations Support; and our Executive Vice President, Corrugated Products; who report on ESG matters directly to our Chief Executive Officer and our Board Sustainability Committee. This cross-functional team of company leaders meets nearly every week of the year to discuss and monitor company progress on ESG-related matters.

BOARD OF DIRECTORS*

Our Board of Directors comprised 10 members in 2025.

SUSTAINABILITY COMMITTEE

Oversight Areas

Environmental, Health and Safety compliance and performance; strategy and operational practices to reduce carbon emissions; and the company's communications and disclosure of sustainability and corporate responsibility matters.

COMPENSATION COMMITTEE

Oversight Areas

Compensation programs including executive and employee compensation, incentive and equity compensation plans, and regulatory compliance of compensation matters.

NOMINATING AND GOVERNANCE COMMITTEE

Oversight Areas

Identification and recommendation of individuals to the Board for nomination as members of the Board and its committees, and development and recommendation to the Board a set of corporate governance principles applicable to PCA.

AUDIT COMMITTEE

Oversight Areas

Integrity of financial statements; compliance with legal and regulatory requirements; the independent auditors' qualifications, independence and their performance; cyber risk; and the internal audit function.

CARBON NEUTRALITY TEAM

Co-sponsored by the Senior Vice President of Tax, ESG and Government Affairs and the Senior Vice President of Engineering and Operations Support, this cross-functional group of key engineering, environmental, operational, procurement, legal and sustainability personnel oversee the identification, evaluation and implementation of technologies and strategies to realize PCA's carbon neutrality goals.

ESG AND CORPORATE SUSTAINABILITY TEAM

Headed by the Senior Vice President of Tax, ESG and Government Affairs, our ESG and Sustainability team works cross-functionally in performing day-to-day operational tasks, implementing sustainability initiatives, and educating internal and external stakeholders on important topics.

RESEARCH AND INNOVATION CENTER

Led by the Vice President of Product Strategy and Quality, our Research and Innovation Center drives our product performance strategy. They develop innovative paper-based packaging products that improve sustainability. The Center supports our design and sales teams in collaborating with customers to create fiber-optimized, performance-based packaging solutions. They also develop proprietary tools and resources that support PCA's designers in engineering right-sized packaging solutions that conserve raw material inputs and energy.

LEARN MORE

To learn more about PCA's corporate governance structure and practices, we encourage you to visit the Corporate Governance and Financial Reporting sections of our website, and review the related documents and financial reports.

* Throughout the year, the Board receives updates from the four committee chairs and our executive officers about the planning, implementation and execution of our business plans and material issues.

Sustainable Business Principles

PCA's Sustainability Committee of the Board of Directors normalized nine Sustainable Business Principles to align our strategies, set goals for the organization and report our progress through the year 2050.

1. Prioritize the health and safety of our employees above all else to achieve a workplace free from serious injuries and fatalities.
2. Build a resilient culture oriented toward serving the needs of one another, and our stakeholders
3. Invest in our people, our operations, technology and science, and our communities to attain unparalleled employee engagement, operational excellence and customer satisfaction.
4. Make a continuous effort to maximize the efficiency of everything we do to reduce the consumption of raw materials and minimize waste in all its forms.
5. Uphold the principles of sustainable forest management to provide ecological, social and economic benefits to the communities where we operate.
6. Increase the use of renewable or carbon-free energy sources until greenhouse gas emissions from fossil fuels have been effectively mitigated.
7. Be a good steward of the watersheds and aquifers we depend on by understanding water as a shared resource and collaborating with others to ensure water security.
8. Manufacture high-quality, high-performance products from responsibly sourced renewable materials that are recyclable or reusable.
9. Act with integrity and use responsible business practices to earn the trust of our stakeholders.

Materiality and Stakeholder Engagement

Materiality

Our materiality approach is guided by our commitment to being a responsible business and creating value for our stakeholders. Conducting a materiality assessment helps us understand our most important and significant ESG topics for managing long-term economic risks, and is foundational to our ongoing ESG strategies and priorities. The five-step process to our materiality assessment is illustrated below:

Five-Step Process to Materiality Analysis

Stakeholder Engagement

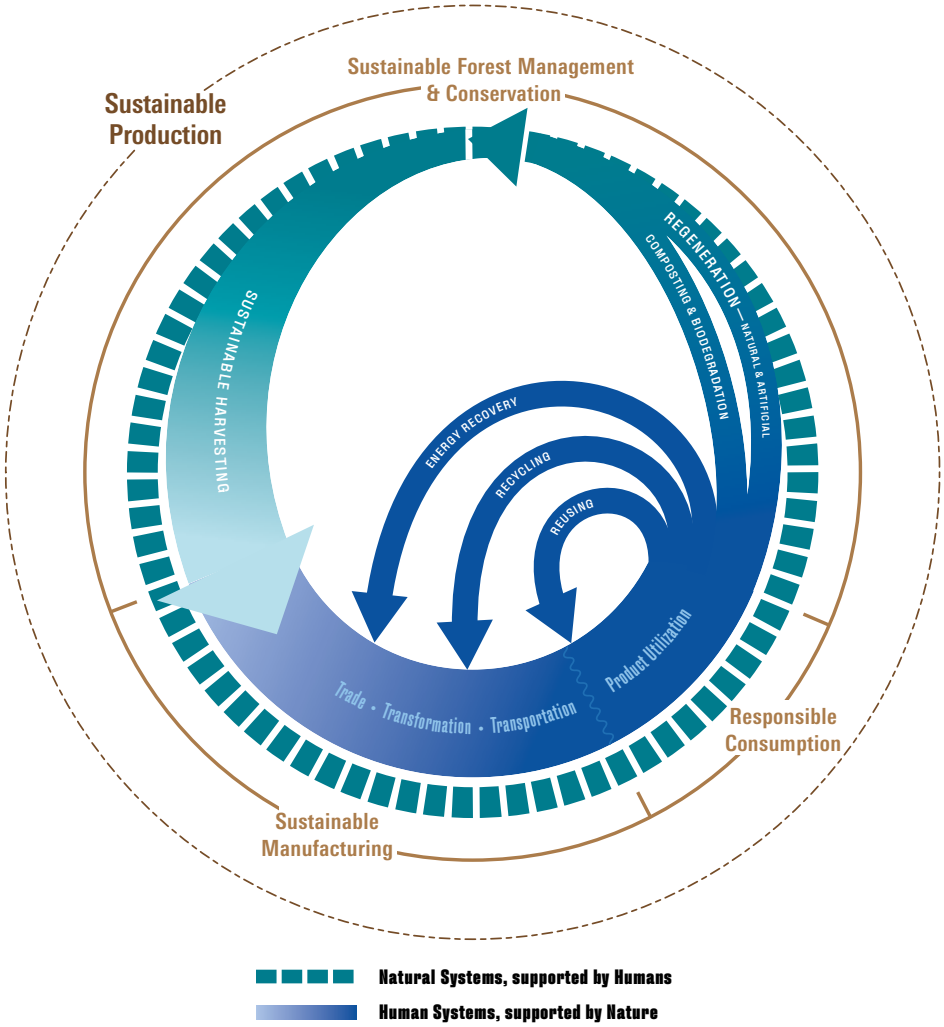
Public engagement with climate change in the United States has shown signs of moderation, reflecting shifting priorities, broader economic pressures, and increasingly fragmented policies and stakeholder expectations. PCA continues to engage with stakeholders including our customers, investors, employees, communities and other stakeholders on ESG issues. We also regularly engage with our Board Sustainability Committee members, trade organizations, industry associations and topic-based NGOs to understand the impacts PCA has on people, nature and the planet, and the impact people, nature and the planet have on PCA. This two-way approach helps us better understand risks and opportunities so that long-term risks are more effectively mitigated, and opportunities captured. Our primary stakeholders are individuals or groups that are or could be affected by PCA's activities and they include shareholders, employees, customers, suppliers, communities, NGOs, governments and regulators. Our ESG and Corporate Sustainability team meets at least once per year to discuss potential initiatives or programs based on the outcomes of these processes, and periodically to discuss planning and implementation. The Board Sustainability Committee oversees the company's practices, performance and strategy regarding environmental, health and safety, sustainability and corporate responsibility, and the full Board of Directors (Board) receives updates from the Chair of our Sustainability Committee. Our Sustainability Committee met four times in 2025 and is scheduled to meet five times in 2026. PCA values the feedback we receive from our stakeholder engagement exercises, and we continue to evaluate both climate- and nature-related factors through the lens of business materiality, operational resilience and long-term value creation while avoiding overextension into areas where standards or methodologies remain uncertain or are rapidly evolving.

PLANET

- Circular Bioeconomy
- Climate
- Our Carbon Reduction Strategy
- Emissions
- Energy
- Energy Efficiency
- Sustainable Materials
- Sustainable Forestry Practices
- Water and Effluents
- Waste

Circular Bioeconomy

For decades, the pulp and paper industry has embodied the principles of circularity. Long before "circularity" entered the sustainability lexicon, the industry was managing renewable fiber sources, water, chemicals and energy in ways that balanced environmental and social responsibility with economic value. At PCA, that legacy continues today.



Sustainable Production

It all starts with a tree. Just like human-made technology that improves with each iteration, trees have undergone remarkable adaptations over a span of more than 300 million years. These adaptations make them incredibly resilient and capable of serving as a powerful biological technology. Trees possess the remarkable ability to absorb CO_2 using energy from the sun, making them nature's own CO_2 absorption tool. Their ability to capture and store carbon is akin to a technological process, albeit one that has evolved over millions of years through the intricate workings of nature. By continuing to utilize the tremendous potential of trees already within the value chain, we can advance our work together with nature to address the challenges of climate change, support biodiversity and ecosystem resilience, and achieve an even more sustainable future.

Sustainable Manufacturing

Nothing in this system stands alone. Materials left over from manufacturing—such as wood residuals—are converted into biogenic/renewable energy that helps power our mills. This closed-loop approach reduces waste and reliance on fossil fuels and creates a carbon-neutral energy source. Our mills are located in places where water is plentiful, and our water stewardship program focuses on a water management strategy that is environmentally sustainable, economically sound and socially beneficial. It's all part of the symbiotic relationship we share with the natural world.

Responsible Consumption

Circularity extends beyond how our products are made to how they are designed. PCA designers and packaging engineers collaborate with customers to create right-sized, high-performing packaging solutions that are widely recycled and, in some cases, reused.[5] Each design choice considers performance, material efficiency and end-of-life outcomes—ensuring products stay in circulation longer and return value to the system.

Taken together, these efforts illustrate a system designed not just to endure, but to improve over time. By working with nature, PCA's circular bioeconomy supports healthy forests, resilient operations and products that deliver value long after they leave our mills. It is a model grounded in history, strengthened by data and focused on a future where natural and human systems continue to thrive together.

[5] In 2024, 60%-64% of paper and 69%-74% of old corrugated containers (OCC) was recycled. (Paper & Cardboard Recycling Facts | AF&PA)

Climate

Climate change remains one of the defining global challenges of our time and is closely linked to how forests are managed, products are manufactured and value is delivered across our supply chain. At PCA, we recognize our unique opportunity to contribute meaningfully to climate solutions while building resilience in our operations, supply chain and communities. We integrate climate considerations into decision-making, capital planning and risk management, guided by science-based insights.

Climate Goal and Targets

PCA's climate goal is to become a net-zero emissions company by 2050, with 2030, 2040 and 2050 climate targets from a 2021 baseline (using a market-based inventory)[6]. Through 2025, we achieved a 14% reduction in absolute market-based scope 1 and 2 emissions and a 12% reduction in emissions intensity per ton of paper compared to our 2021 baseline. Based upon our current assumptions, these targets include using trees and post-combustion carbon capture technology to remove 1.75 million metric tons of CO_2 from the atmosphere per year by the year 2040 and an additional 2.35 million metric tons per year by the year 2050, for a total of 4.1 million metric tons. Achieving our 2050 carbon removal target with carbon capture technology would provide a 68% reduction across scopes 1, 2 and 3 emissions from our 2021 baseline using a market-based inventory, and 75% using a location-based inventory.

2030	2040	2050
35% reduction in scopes 1 and 2 emissions.*	60% reduction in scopes 1, 2 and 3 emissions.	Net-Zero carbon emissions for scopes 1, 2 and 3.
10% reduction in fossil fuel consumption.	20% reduction in fossil fuel consumption.	
Support 800,000 MWh/year of carbon-pollution-free electricity generation.	Capture and permanently store 1.75 million metric tons of biogenic CO_2 per year.	Capture and permanently store 4.1 million metric tons of biogenic CO_2 per year.

*Includes 19% of temporary reductions from energy attribute certificates (EACs).

[6] PCA is not including scope 3 in our 2030 target because our inventory relies heavily on life cycle assessments (LCA) that are not regularly updated. We will continue using this method until meaningful progress has been made in transitioning the U.S. electrical grid and transportation system to carbon-pollution-free technologies, or we are compelled to do so by regulators.

Our Carbon Reduction Strategy

We are continuously working to reduce our scope 1 and 2 emissions by proven methods, including enhancing circular economy principles we currently employ in our production processes to recover and reuse chemicals, water and fiber. Our industry has made investing in recycling a priority for decades, which provided scope 3 reductions as rates of old corrugated containers (OCC) and mixed paper diverted from landfills steadily increased.

Operational Efficiency (Scope 1)

PCA employs a substantial number of engineers and professionals with a primary focus to maximize efficiency of unit operations. Activities to increase efficiency of our operations, inclusive of strategic capital projects, are planned to contribute more than a 20% reduction by 2050, considering all scopes of emissions, from our 2021 baseline. This contributes to both our short-term and long-term strategy.

Purchased Electricity (Scope 2)

PCA's 2030 target is established on a market-based inventory approach for scope 2 emissions. This choice is driven by our intention to utilize energy attribute certificates (EACs) as a temporary measure to reduce emissions until we can implement carbon capture plants or other emerging technologies. As part of our 2030 target, we will need 800,000 MWh/year of EACs. This carbon-pollution-free electricity target is expected to result in a 19% reduction in carbon dioxide equivalent (CO_2e) of scopes 1 and 2 from a 2021 baseline, accounting for more than half of that necessary to meet our 2030 target of a 35% reduction.

During 2024, we successfully contracted from two large-scale solar installations in Texas for 100% of the renewable energy certificates necessary to achieve this 2030 target. PCA's investment in RECs financially supports the development of large-scale renewable energy projects, delivering additional carbon-free energy capacity to the United States. In addition, we procured approximately 138,000 EACs generated in 2025, which were retired toward our 2025 emissions contained in this report.

Supply Chain (Scope 3)

Most scope 3 emission reductions in our value chain require societal progress to low-carbon technologies. Our top three sources of scope 3 emissions are end-of-life treatment of sold products, purchased goods and services, and fuel- and energy-related activities not included in our scope 1 or 2 emissions, representing 74% of our estimated scope 3 emissions. In setting our 2050 net-zero target, we assumed a 43.5% reduction in scope 3 emissions by the year 2050 (which is approximately 1.5% each year from our 2021 baseline), or 18% from our 2021 baseline. Our scope 3 reduction target is largely premised on societal progress, influenced by government policies to achieve a greener U.S. electrical grid,[7] and the acceleration and adoption of low-carbon transportation vehicles.

PCA's carbon reduction strategy is MORE.

- **Maximize resource efficiency.**
- **Optimize carbon benefits of sustainable forestry.**
- **Reduce waste to landfills.**
- **Energize our operations with clean power.**

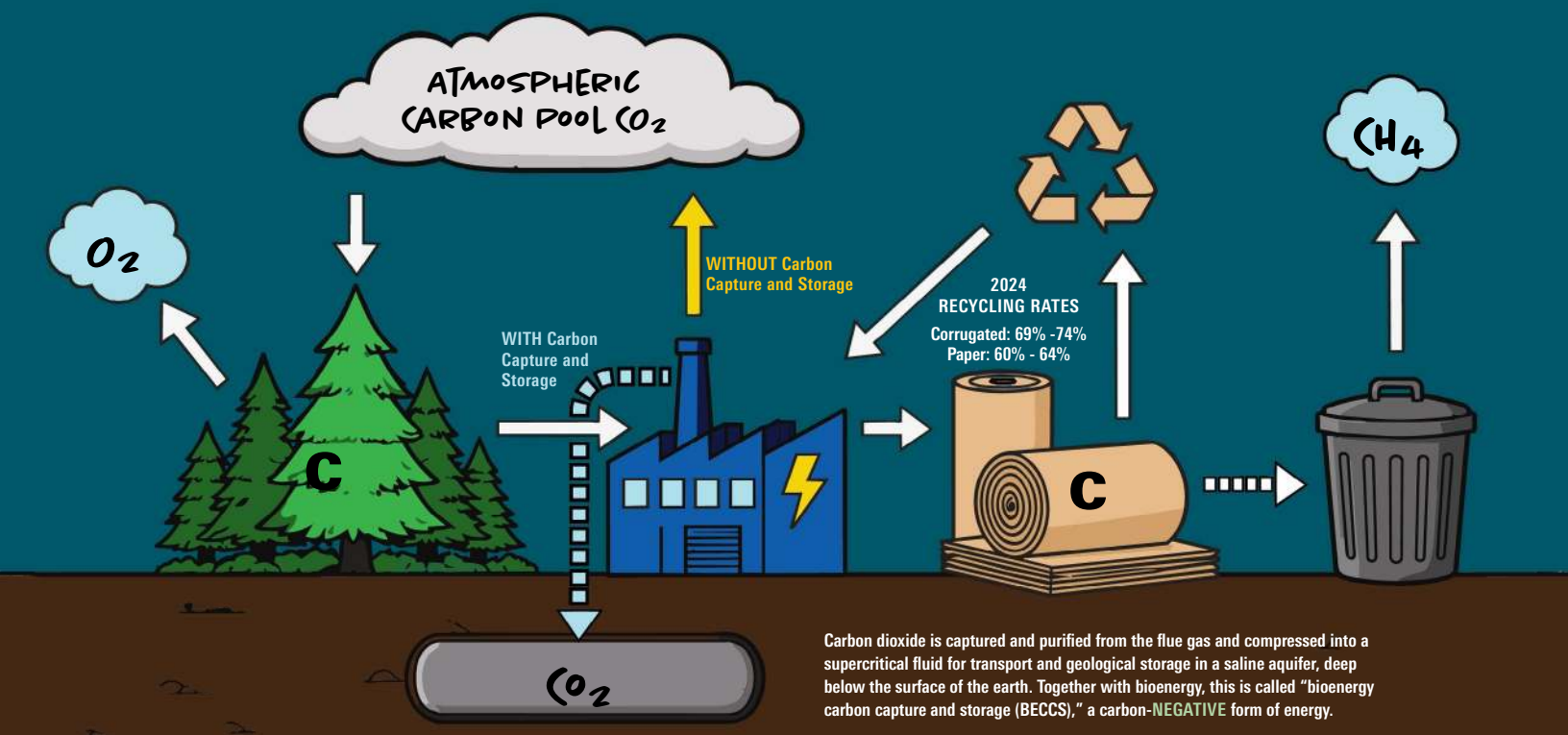
[7] U.S. renewable electricity generation capacity has been on the rise and has become the second major source generated after natural gas. Electricity generation, capacity, and sales in the United States

Trees absorb carbon dioxide (CO_2) from the atmosphere, keeping the carbon (C) and releasing oxygen (O_2) as they grow.

The parts of the tree that cannot be used to make paper are combusted as fuel, returning CO_2 to the atmospheric carbon pool, a carbon-NEUTRAL form of energy.

Carbon is stored in products during their useful life. Wood fibers can be used up to 7 times, but more practically get up to 3 useful lives (the first use and 2 recovery cycles), before most of the performance properties are lost.

In the worst-case scenario, paper products are disposed of in the landfill and will release methane (CH_4), which will persist in the atmosphere for 9–12 years.



Carbon dioxide is captured and purified from the flue gas and compressed into a supercritical fluid for transport and geological storage in a saline aquifer, deep below the surface of the earth. Together with bioenergy, this is called "bioenergy carbon capture and storage (BECCS)," a carbon-NEGATIVE form of energy.

Our Progress

We are continuously learning, exploring, evaluating and planning the next phase of our climate strategy. We have taken a closer look at various avenues, and both current and upcoming carbon-pollution-free opportunities to devise efficient and strategically sound pathways to reach our carbon targets. Led by PCA's Carbon Neutrality team, further due diligence was conducted throughout 2025 to evaluate a selected carbon capture technology after the successful completion in mid-2025 of a pilot scale plant that captured biogenic CO_2 at one of our southern U.S. mills. A detailed engineering and design study was completed in 2026 and, as a result, we continue to believe that carbon capture technology remains a promising long-term solution.

We believe we are in a strong position to achieve net-zero carbon emissions by 2050 due to sourcing of our primary raw material from carbon sinks,[8] existing use of renewable biogenic energy from trees, potential to capture and permanently store biogenic CO_2, the capabilities of our engineering and professional staff focused on carbon neutrality, our proven track record of effective capital investment[9], and the fact that we make products from renewable and sustainable materials that are recycled at a high rate[10].

Risks and Uncertainties

Our carbon reduction goals and our plans to achieve those goals discussed above were developed based upon what we believe to be reasonable current assumptions, which in many cases involve assumptions regarding future operations, emergences in future technologies, the tax and regulatory environments involving carbon emissions, as well as other key factors involving future events. Our carbon reduction goals and plans to achieve those goals are forward-looking statements. These statements reflect our current views with respect to future events and are subject to risks and uncertainties.

There are important factors that could cause actual results to differ materially from those in forward-looking statements, many of which are beyond our control. These factors, risks and uncertainties include, without limitation, the following:

- Our nearer term goals and plans rely on EACs to temporarily reduce scope 2 carbon emissions. During 2024, we successfully contracted for the delivery of 800,000 MWh of EACs for the 2030 year, however, due to a variety of factors, it is possible we could need to procure more EACs to achieve our 2030 goal. The cost and availability of EACs and the availability of feasible opportunities to purchase EACs specifically supporting development of carbon-pollution-free electricity generation are subject to uncertainty based upon market conditions, overall supply and demand for EACs, and other factors beyond our control.The emergence of mandatory climate reporting standards and the continued development of voluntary standards and frameworks may result in definitional or other changes that alter how our greenhouse gas emissions (both biogenic and anthropogenic) are calculated and reported both historically and prospectively. In addition, continued development and emergence of standards and frameworks may change how or if EACs, carbon offsets and carbon dioxide removal credits may be applied to net or offset emissions from other sources and the scope in which these are reported. There is considerable uncertainty in any regulatory or standard framework for carbon emissions reduction in the United States and the definitions, rules, permits and requirements under such frameworks.

- Our longer-term plans involve the continued advancement and development at scale of carbon capture and storage technologies that can feasibly be incorporated into multiple operations of our size. Advances in technology are inherently uncertain, and these technologies may not scale up to

8 Carbon sinks are anything that absorbs more carbon from the atmosphere than it releases.

9 2025 PCA Annual Report

10 Boxes Remain a Recycling Success Story - Fibre Box Associaton

meet our operational requirements in the time frame we currently expect. Public concerns regarding carbon capture and storage can cause reputational damage and severely impact project timelines, costs or feasibility. We may not be able to incorporate these technologies into our operations in an efficient, timely or cost-effective manner.

- We believe that continued tax and regulatory incentives and support are necessary to advance carbon reduction technologies and meaningfully influence our investment decisions in order to achieve our goals and plans. The future tax and regulatory environments are inherently uncertain.

Our actual performance on the achievement of our plans and goals could differ materially from what we have stated, and we can give no assurances that any of the events anticipated by our plans and goals will actually occur. Our plans and goals are also subject to the risk and uncertainties presented by our operations, which are disclosed in our Annual Report on Form 10-K for the year ended December 31, 2025, under the caption "Risk Factors."

Emissions

Greenhouse Gas Emissions

PCA reports on its greenhouse gas (GHG) emissions pursuant to the Greenhouse Gas Protocol (GHG Protocol). We utilize invoice data for electric power, natural gas, propane and solid waste disposal, in addition to other minor sources contributing to our footprint.

All emissions data produced in this report has been internally verified and is considered valid and accurate to the best of our knowledge. Scope 1 and scope 2 emissions have third-party limited assurance for reporting year 2025.

SCOPE 1	SCOPE 2	SCOPE 3	BIOGENIC CO_2
Our scope 1 emissions include carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O). This includes natural gas that is consumed by our mills and corrugating plants, PCA-owned landfills, process chemistry and other fossil fuels such as propane for lift trucks and other supplemental fuels. The use of biomass fuels results in net emissions of CH_4 and N_2O to the atmosphere, therefore, we include this CH_4 and N_2O as part of our scope 1 emissions.	Our scope 2 emissions include greenhouse gas emissions from our purchased electricity and steam.*	Our scope 3 emissions include end-of-life treatment of sold products such as product recycling, products sent to landfill, and energy recovery; purchased goods and services such as wood, chemicals and corrugated sheets; upstream transportation (wood) and downstream transportation (paper and corrugated products). We also report on other scope 3 categories that contribute to our inventory to a lesser extent, like capital equipment put into service, employee commuting and business travel, and waste generated in operations sent to a municipal landfill.	Biogenic CO_2 emissions result from the combustion of biomass fuels such as black liquor solids, bark and other wood waste, as well as chemical recovery, to a lesser extent.

*Steam is only purchased by our Filer City mill.

Greenhouse Gas Emissions Inventory and Accounting

Today we track all direct (scope 1),[11] indirect (scope 2) and the vast majority of applicable other indirect (scope 3) emissions at our mills and packaging plants for which we have operational control.[12]

[11] Greenhouse gas emissions from company-owned landfills are reported on a one-year lag due to the complex nature of the calculation and the length of time required for data aggregation necessary for computation. Methane gas collection systems are in place at PCA-owned landfills. However, there is limited methane release from PCA landfills since the majority of landfill waste is inert ash from biomass use in the process of energy generation. The ash releases limited emissions when landfilled due to most of the emissions being released upon combustion. As such, EPA emission factors likely result in higher reported emissions than are actually released.

[12] In 2018, we began tracking emissions for our regional, in-house trucking fleet, our corporate headquarters and our technical center. In 2020, we began tracking emissions for our supply services and fulfillment centers.

2025 FOSSIL CO_2e EMISSIONS 6.66 million metric tons CO_2e (market-based)

Fossil by Scope:	29%	17%	54%
	SCOPE 1	SCOPE 2 (MARKET-BASED)	SCOPE 3

Fossil by Category:*	50%	23%	14%	8%	4%
	ENERGY	WASTE	MATERIALS	MOBILE	OTHER
	•Scope 1, Stationary combustion •Scope 2 •Scope 3, Cat. 3	•Scope 1, Company-owned landfills •Scope 3, Cat. 5, 12	•Scope 3, Cat. 1	•Scope 1, Mobile equipment •Scope 3, Cat. 4, 6, 7, 9	•Scope 1, Process emissions •Scope 3, Cat. 2

*Scope 3, Cat. 8, 10, 11, 13, 14 & 15 are not applicable for PCA. For more information about our scope 3 emissions, please see the Appendix.

GHG EMISSIONS INTENSITIES

NUMERATOR (METRIC TONS CO_2e)	PER	2021	2022	2023	2024	2025
Fossil Scopes 1 + 2 (market-based)	Employee	235	215	219	210	**204**
	$ Revenue	0.00046	0.00038	0.00042	0.00039	**0.00036**
	Ton of Paper	0.65	0.64	0.65	0.58	**0.57**
Fossil Scopes 1 + 2 (market-based) + 3	Employee	398	376	372	377	**440**
	$ Revenue	0.00078	0.00067	0.00071	0.00069	**0.00077**
	Ton of Paper	1.11	1.12	1.11	1.047	**1.23**

GHG EMISSIONS, DIRECT, INDIRECT, OTHER INDIRECT (million metric tons CO_2e)

	BASELINE 2021	2022	2023	2024	2025
Scope 1	1.95	1.81	1.72	2.00	**1.95**
Scope 2 (location-based)	1.06	1.07	1.16	1.09	**1.10**
Scope 2 (market-based)	1.62	1.43	1.54	1.24	**1.12**
Scope 3	2.48	2.43	2.29	2.57	**3.58**
TOTAL (LOCATION-BASED)	5.49	5.31	5.17	5.66	**6.63**
TOTAL (MARKET-BASED)	6.05	5.67	5.55	5.81	**6.66**
Biogenic CO_2	6.32	6.28	6.32	6.57	**6.50**

Note: In 2025, 98,596 MWh of Emissions-Free Energy Certificates (EFECs) were retired on PCA's behalf for a temporary reduction in GHG emissions of 47,177 metric tons of CO_2e.

Air Emissions

We calculate nitrogen oxides (NOx), sulfur dioxide (SO_2) and Particulate Matter 10 (PM_{10}) based on emission factors derived from stack testing and/or from our continuous emission monitoring systems (CEMS). These factors are used to characterize our emissions based on the type and volume of fuel we combust and the efficiency of our control equipment. By switching from using coal to natural gas, our power boiler SO_2 emissions have decreased by more than 99% in the past decade.

AIR EMISSIONS Mills (thousand metric tons)

	2021	2022	2023	2024	2025
Nitrogen Oxides (NO_x)	6.4	6.0	5.7	6.6	**6.5**
Sulphur Dioxide (SO_2)	2.4	2.1	1.0	1.5	**1.2**
Particulate Matter 10 (PM_{10})	1.1	1.1	1.0	1.6	**1.3**

Nitrogen oxides (NOx), (SO_2) and particulate matter (PM) are the most relevant air emissions from PCA's operations. The majority of PM and NOx emissions result from biomass fuel combustion. PCA uses various pollution control technologies to control these pollutants and allows each PCA mill to comply with applicable EPA emission limits and thereby meet the National Ambient Air Quality Standards (NAAQS).

Energy

To support our climate change targets, we engage with our energy, technical services, and engineering teams to identify energy efficiency opportunities, maximize our use of biogenic fuel and investigate the feasibility of utilizing emerging technologies in our manufacturing processes.

Energy Consumption and Reduction

Improving energy efficiency is integral to our manufacturing model. We have incorporated energy reduction efforts into our overall energy strategy by continuously looking for ways to improve efficiency and integrate new technology to reduce energy demand. These efforts include investing in newer equipment, upgrading existing equipment, or using data and modeling to inform and streamline our energy usage.

Focusing on energy consumption, efficiency and optimization at our paper mills is an ongoing priority since 90% of PCA's fossil fuel consumption and 83% of our purchased electricity occurs at our pulp and paper mills. In addition, PCA mills self-generate nearly half of the electricity they consume. Mill energy usage is tracked and compared with internal and external benchmarks continuously.

Energy benchmarks for individual unit processes within a mill are tracked and compared with historical usage and targets. Our Engineering and Operations Support also leverages the use of energy modeling to identify energy-reduction opportunities. Each year, multiple opportunities are identified and implemented. After new installations are complete, energy modeling is utilized to assess, optimize and verify the project's benefit.

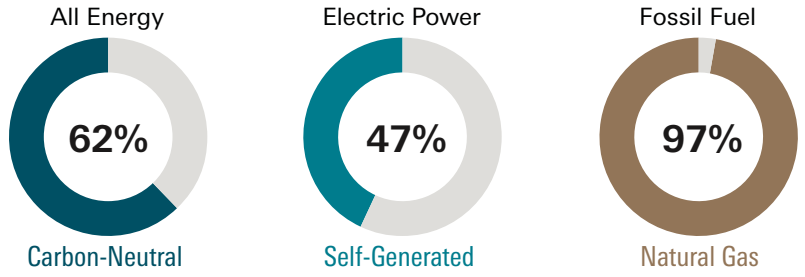
Energy usage is discussed in daily production meetings where operators and managers use this information to optimize our manufacturing processes. In addition, our maintenance teams conduct routine reliability checks of our machinery integrity. Equipment that operates below optimal standards is repaired or replaced to reduce energy costs and usage.

ENERGY CONSUMPTION WITHIN AND OUTSIDE OF THE ORGANIZATION (million GJ)

	2021	2022	2023	2024	2025
Renewable Fuel	70.6	70.2	70.7	74.6	**72.4**
Non-Renewable Fuel	34.3	30.5	30.1	34.7	**33.5**
Electricity and Steam	10.3	9.9	9.5	10.4	**10.0**
Hydroelectricity	0.2	0.2	0.2	0.2	**0.2**
TOTAL	**115.4**	**110.8**	**110.5**	**119.9**	**116.1**

Note: In 2021, we changed our data collection methods resulting in minor changes to previously reported data for the years 2017–2020 for renewable fuel, non-renewable fuel, and electricity and steam.

ENERGY PERFORMANCE METRICS all locations, 2025



Energy Efficiency

Energy Efficiency in Our Mills

Energy efficiency at our mills is optimized by focusing on steam and electricity generation operating efficiency. Recent investments have allowed us to realize significant efficiency gains:

- At our International Falls mill, we increased our rate of electrical self-generation by 595,000 GJ/year (the equivalent electrical consumption of 15,120 homes—nearly five times the number of homes in International Falls).
- At our Counce and Valdosta mills, we upgraded recovery boiler and turbine generator assets to increase the use of internally generated wood waste and black liquor as energy sources. This has increased our capacity to self-generate electricity in both mills, adding approximately 3 million GJ of biogenic, carbon-neutral energy to our portfolio. This reduced scope 1 and 2 emissions, the equivalent of taking 125,000 passenger vehicles off the road.
- At our Filer City mill, we installed a bubbling fluidized bed boiler to combust wood waste (previously shipped off site for energy recovery) and other fuel types. This added another 888,000 GJ of biogenic, carbon-neutral energy to our portfolio. Ten percent of the boiler's fuel supply also comes from used passenger vehicle tires that might otherwise be landfilled. When operating at capacity, for every full year of operation, over 790,000 tires are converted into recovered energy. Laid end to end, that's roughly enough tires to reach from Chicago to St. Louis.
- At our Jackson mill, we increased our rate of electrical self-generation by 635,000 GJ/year (the equivalent of approximately 43% of all power consumed by the entire population of Clarke County).

Currently, almost all our mills utilize Combined Heat Power (CHP) processes wherein high-pressure steam is routed to steam turbines to generate electricity for on-site use. Two of our mills, Tomahawk and International Falls, self-generate hydroelectricity. Papermaking requires the use of hot water; it would be wasteful to discharge heated water after one use, therefore, heated process water is internally recycled—typically more than 10 times, on average,[13] in order to conserve the energy used to heat the water. Spent process water is treated on site prior to being returned to the environment.

Alternative and Renewable Energy

We believe that a key part of carbon reduction is the sourcing and utilization of alternative and renewable energy. As such, PCA has invested in increasing biogenic fuel use (both purchased and self-produced) and natural gas, while reducing other higher GHG emissions fuels. Switching from coal to natural gas helps our mills avoid around 500,000 metric tons (MT) of CO_2e per year of scope 1 emissions.

For more than a decade, PCA has been increasing its capacity for biogenic fuel types such as bark and black liquor solids. Due to the nature of our business, the most readily available form of renewable energy is bark and black liquor solids—by products of our manufacturing process.

Recent investments have allowed us to realize reductions in CO_2 emissions:

- At our Counce mill, we completed a project to increase biomass usage and reduce natural gas usage, resulting in a reduction of 33,000 MT CO_{2e} per year.
- At our DeRidder mill, we improved thermal efficiency and lowered natural gas and petcoke consumption, resulting in a reduction of 4,271 MT CO_{2e} per year.

Bringing Community Benefits of Mill Energy Usage

PCA mills benefit the communities where we operate beyond well-paying jobs and substantial tax payments. For example, our International Falls mill, as a large consumer of natural gas, pays a substantial amount of the utility's total energy cost, thereby lowering the natural gas pipeline operating costs. This results in lower natural gas costs for the residents and businesses surrounding our mill.

[13] Ncasi.org

Sustainable Materials

The responsible sourcing and use of raw materials are foundational to PCA's sustainability strategy. Our products are manufactured primarily from wood, a renewable resource, and recycle fiber, which supports a circular bioeconomy and helps reduce environmental impacts across the value chain. We take a lifecycle perspective in evaluating our raw material inputs, recognizing their influence on climate, biodiversity, resource efficiency and surrounding communities. Our approach emphasizes traceability, supplier accountability, and alignment with recognized forestry and recycling standards to promote responsible land use and conservation of biological diversity.

Sustainable Fiber Sourcing

Wood fiber is a renewable resource and serves as the primary material used to manufacture our products. PCA's mill system relies on both virgin fiber and recycled materials to ensure a steady and sustainable fiber supply. Virgin fiber is predominantly sourced from the United States, with less than 1% sourced from Canada (specifically, Ontario and Manitoba) at our International Falls white paper mill. PCA obtains wood from a combination of private and public timberlands. These materials are acquired in the form of roundwood and in-field chips. Additionally, we source residuals from sawmills, which include chips and sawdust, and recycled material, further contributing to our fiber supply.

Our packaging plants obtain containerboard, including linerboard and corrugating medium, as well as corrugated sheets to manufacture corrugated products. Most of our containerboard supply comes from integrated PCA mills, ensuring a consistent and reliable source for our production needs. When containerboard and sheets are sourced from trade partners or acquired through direct purchase, we carefully evaluate them against risk criteria to ensure they originate from non-controversial sources. Suppliers are required to possess a valid certificate from a recognized sustainable forestry certification standard. If certification is not available, suppliers must provide detailed information on the geographic origin and species of wood in the products sold to PCA. PCA does not source containerboard from suppliers whose materials cannot be verified as negligible risk.

Bringing People, Nature and Markets Together

At PCA, we believe in making business personal, placing people at the core of everything we do. That belief extends to our wood and fiber suppliers, with whom we cultivate meaningful relationships that extend beyond purchase transactions.

Across the United States, the forest products industry forms a deeply interconnected system—linking millions of private landowners, skilled logging professionals, suppliers and manufacturers. At its core are family forest landowners, stewards of approximately 40% of forestland in the United States.[14] Their care for the land sustains both nature and economic growth. Understanding how these stakeholders work together reveals the power of collaboration in delivering paper and packaging made from renewable resources to our customers.

One such person is Mrs. Claire Lee of the Shelton Land Company in Valdosta, Georgia. Thirty-six years ago, she was living and working in Atlanta, Georgia, when she answered the call from her uncle to go back to school for forestry and wildlife degrees to help lead her family's tree farm after the passing of her father. Today, she carries her family's legacy forward as the fourth generation to manage the land—caring for it with intention so it can be passed on to future generations.

In 2020, Mrs. Lee helped bring a new vision to life on the property: a family cabin where loved ones can gather and reconnect with nature. Surrounded by thriving wildlife—turkeys, quail, deer, fish—the land reflects her belief that good stewardship nurtures both nature and community. She manages her forestland with care and notes that, "If you're managing it [the forest] right, it brings the wildlife and takes care of the water." The Shelton Land Company is the third forest in Georgia to be certified to the American Tree Farm System and is the largest tree farm in the state. In recognition of her dedication, Mrs. Lee was named Georgia's Tree Farmer of the Year in 2023.

While Mrs. Lee's forest management strategy includes opportunities for recreation, wildlife habitat and legacy preservation, the forest also provides economic value. Mrs. Lee partners with trusted harvesting professionals—people she has come to know and rely on over time. "You learn who your reputable, trustworthy loggers are," she says.

Among those partners is Flatwoods Forest Products, owned by Derrick Herring. Together with his son Kyle, Derrick oversees 9 to 10 logging crews, all operating with a shared commitment: Work safely and follow forestry Best Management Practices (BMPs) to protect water and soil quality. When questions arise, they consult the Georgia Forestry Commission before moving forward. Safety and responsibility are built into every aspect of their work—from monthly safety meetings and in-vehicle cameras to well-lit trailers and driver coaching. All crews meet Sustainable Forestry Initiative training recommendations.

Flatwoods invests not only in equipment and training, but also in relationships. When Hurricane Helene struck the Shelton Land Company property in 2024, Mrs. Lee turned to Derrick Herring and his team. In response, he mobilized quickly—even donating crew time—to help restore the damaged forestland. Companies like Flatwoods form the operational backbone of the forest products supply chain, working hand in hand with landowners to care for the land.

14 Forest Ownership Statistics - National Association of State Foresters

Once wood is harvested, it begins its journey to become something more. At each of our mills, PCA procurement professionals work closely with landowners and suppliers to responsibly source the raw materials we depend on. In Valdosta, Georgia, PCA's Devin Corbitt and Jamie Pitts build long-term relationships with partners like Shelton Land Company and Flatwoods—ensuring that every load of wood arriving at the mill is there by intention, not chance.

Each delivery is carefully vetted before it enters our gates. Our procurement foresters regularly inspect forest areas within our supply chain, verifying that BMPs have been followed and that safe, responsible practices are in place. They go the extra mile by offering local training opportunities so that loggers can build their skills without traveling long distances and by sponsoring BMP speakers at Society of American Foresters events.

Our commercial relationships extend beyond sourcing wood. PCA also supports landowners like Mrs. Lee, who leases a portion of her land to a local farmer for cattle grazing, by providing them with boiler ash generated from our manufacturing processes. Boiler ash serves as a valuable soil amendment to improve pH and nutrient availability in the pasture, and through this beneficial use does not end up in a landfill. By keeping these materials out of landfills, this process stands as another example of how we close the circularity loop across our supply chain.

From forest landowners to loggers and suppliers to our mills, the U.S. forest products sector is a dynamic, relationship-driven system rooted in renewable resources. Each participant plays a distinct yet interconnected role in bringing essential products to market, while upholding responsible forestry practices. Together, they help ensure that PCA not only cares for the land, but also for the people and communities connected to it.

We know that our success is driven by the strength of our relationships. By putting people first, we create lasting value for our supply chain partners and build a future defined by trust, collaboration and shared results.

Forest Certification Programs

PCA operates fiber sourcing and chain-of-custody certification programs applicable to all virgin and recycled materials that follows, the Sustainable Forestry Initiative® (SFI®), the Forest Stewardship Council® (FSC®)[14] and the Programme for the Endorsement of Forest Certification (PEFC) chain of custody standards at all mills and corrugated packaging plants.[15] All fiber procured by PCA mills meets the requirements for SFI Fiber Sourcing, PEFC Controlled Sources and FSC Controlled Wood at minimum. This enables PCA to make SFI, FSC and PEFC claims, and to use associated certification labels on its paper and packaging products.

Each year, PCA participates in independent third-party audits that evaluate our operations and the forests from which we source wood. These assessments cover legal compliance, workers' rights and employment conditions, Indigenous Peoples' rights, biodiversity and environmental impacts, and the use of forestry best management practices (BMPs) for the protection of soil and water quality.

SOURCES OF WOOD FIBER (thousand tons)

	2021	2022	2023	2024	2025
First-Use Fiber (green tons)	13,986	13,731	13,697	14,543	**13,225**
PEFC Certified	27%	25%	26%	23%	**24%**
FSC Certified	5%	6%	6%	6%	**4%**
Controlled Material*	68%	69%	68%	71%	**72%**
Recycled Content	1,200	1,044	1,026	1,455	**1,396**
Market Pulp	53	2	2	0	**0**

Note: All data in thousands of air-dried short tons except for first-use fiber, reported as thousands of green short tons.

*All fiber procured by PCA mills meets the requirements for SFI Fiber Sourcing, PEFC Controlled Sources, and FSC Controlled Wood at minimum. Market pulp increased in 2021 at both our International Falls and Jackson mills due to the conversion of our Jackson mill from white paper to containerboard, and COVID-19-pandemic-related supply chain issues.

CERTIFIED PRODUCT SOLD (thousand tons)

	2021	2022	2023	2024	2025
CORRUGATED					
PEFC	305.6	313.1	326.4	303.4	**281.8**
FSC	0	0	0	0	**14.9**
WHITE PAPER					
PEFC	40.7	28.3	18.8	32.3	**42.0**
FSC	66.8	37.9	32.9	36.7	**38.2**
TOTAL	413.1	379.3	378.1	372.4	**376.9**

Note: Corrugated output is measured in thousand square feet (MSF) and was converted to tons for reporting this metric in a common unit of measure for both our packaging and paper segments.

[15] (FSC-C020415)

[16] (PEFC/31-29-09)

Sustainable Forestry Practices

Promoting sustainable forest management practices allows us to fulfill society's current demands for forestry-related products and services without compromising the availability of these resources for future generations. PCA is committed to sustainable forestry principles and promotes and financially supports ongoing training programs for logging professionals, reflecting our commitment to the continuous improvement of sustainable forestry practices.

Due Diligence System and Risk Assessment for Wood and Fiber Sources

PCA maintains a robust program for ensuring wood and fiber utilized in making our products is from sources that are low risk for adversely impacting forest health.

PCA has implemented a due diligence system aligned with the SFI and PEFC standards. This system is designed to avoid sourcing wood from controversial sources within our supply chain. We conduct annual evaluations of the contiguous United States and Canada, the countries of origin for our virgin wood and fiber sources, against risk criteria outlined in both the SFI and PEFC standards. Wood fiber is risk-assessed based on its geographic origin and the potential for mixing with unacceptable sources of wood within the supply chain.

Additionally, all our mills have been successfully audited to the FSC U.S. Controlled Wood National Risk Assessment (NRA) and FSC Canada Controlled Wood NRA.[16] These audits help ensure we avoid sourcing wood that is illegally harvested, harvested in violation of traditional and human rights, or sourced from forests where management activities threaten habitats with high conservation values. We also avoid wood from forests being converted to non-forest use or from forests containing genetically modified trees.

In 2019, FSC released its first Controlled Wood NRA for the U.S. and Canada.[17] These assessments identified specified risks related to High Conservation Values (HCV) and land conversion in both countries, as well as Traditional Rights in Canada. Some of these risks occur within PCA mill wood sourcing basins. To address these challenges, PCA partners with organizations that have expertise in these areas to implement control measures across our wood fiber supply chain. This work is critical to maintaining the health and viability of forested areas and in protecting the rights of indigenous groups in Canada.

[17] Only applicable to our International Falls, Minnesota, mill.

[18] The U.S. National Risk Assessment leveraged the International Union for Conservation of Nature (IUCN), REDD list, NatureServe, USDA Forest Service and several government resources, among others.

The table below highlights the mitigation partners for each relevant risk category:

RISK CATEGORY	RISK MITIGATION PARTNER(S)	LANDSCAPE AREA	START/END YEAR	GOALS	MONITORING
High Conservation Values (HCVs)	**Forest Stewards Guild** **The Longleaf Alliance** **National Council for Air and Stream Improvement (NCASI)** **The Nature Conservancy**	Southeastern United States Pacific Northwest United States	2019 – present	• Biodiversity protected and/or restored • Natural ecosystems conserved and/or restored	Progress is collectively monitored using a shared framework developed and owned by FSC.
	American Forest Foundation	Southeastern United States	2019 – 2022	• Biodiversity protected and/or restored • Natural ecosystems conserved and/or restored	Project was internally monitored until completion.
	Zimmfor Management	Ontario and Manitoba, Canada	2019 – present	• Biodiversity protected and/or restored • Natural ecosystems conserved and/or restored	Progress is collectively monitored using a shared framework developed and owned by FSC.
Land Conversion	**Keeping Forests**	Southeastern United States Pacific Northwest United States	2019 – present	• Landscape level conversion risk mitigation	Progress is collectively monitored using a shared framework developed and owned by FSC.
Traditional	**Zimmfor Management Services**	Canada	2019 – present	• Protection of traditional rights	Progress is collectively monitored using a shared framework developed and owned by FSC.

Zero Deforestation

Deforestation refers to the permanent removal of trees from a forest. The concept of deforestation cannot be fully understood without first considering two key questions: Where are forests being lost and what activities are driving this loss?[18] Most deforestation occurs in the tropics, primarily as a result of agricultural expansion such as beef production (41%) and cultivation of palm oil and soybeans (18%).[19] Deforestation remains a significant problem in many parts of the world. However, the United States continues to experience annual growth in its forested area. The amount of forestland in the U.S. has remained consistent at about one-third of total land area over the last 100 years. Concurrently, tree growth rates in the eastern U.S. (the wood basket for seven of our eight mills) have increased by 30% to 50%.

PCA sources most of its virgin fiber from private landowners, which aligns with the broader U.S. forest products industry. Strong end markets for timber incentivize landowners to maintain their lands as forest. Without appropriate economic incentives—such as timber grown for harvest—landowners may choose to convert their lands to other uses such as agriculture, which is the leading cause of global deforestation, or to residential and commercial development.

PCA does not source wood from forests that are being cleared to convert land to agricultural uses. Some counties in the Southeast and Pacific Northwest regions of the United States have been identified as at risk for deforestation due to urban expansion. PCA takes steps to mitigate risks when sourcing from these counties that are consistent with the FSC U.S. Controlled Wood NRA.

PackTrace™

In response to changes in international deforestation laws and evolving sustainable forestry certification requirements, PCA introduced a new wood fiber traceability program called PackTrace at select mills in 2025. Through PackTrace, PCA collects information on the geographic origin of all wood fiber delivered to any PCA facility and conducts due diligence to ensure fiber delivered to PCA does not come from deforested or degraded forest areas. To provide these assurances to customers and international regulators, PCA must rely on its suppliers to ensure wood fiber delivered to PCA is not mixed with the following:

- Wood fiber of unknown origin
- Wood fiber from forests that have been converted from forest to non-forest agricultural uses, including livestock rearing
- Wood fiber from forests that have been converted to plantation forests after December 2020

PCA collects the geographic coordinates of the "plots of land" where wood fiber was produced for use in our papermaking and provides reports on geolocation of all fiber within overseas-bound products. PCA Foresters are trained to collect these "plots" and will provide additional details regarding the PackTrace program to suppliers.

Global efforts to reduce deforestation around the world are largely driven by a desire to preserve "primary" forests—forests that are untouched by modern development and agriculture. In the United States, forested areas that meet these criteria are atypical, and are almost universally set aside for conservation and biodiversity protection. In rare cases where PCA sourcing areas may contain "primary" forests, these areas have already been identified and removed from PCA's sourcing options.

---

19 Drivers of Deforestation - Our World in Data

20 Ibid.

Biodiversity and Water Quality

PCA foresters consult NatureServe and state Natural Heritage resources, along with conducting field inspections prior to harvest activities, to identify threatened or endangered species and ecosystem conservation priorities. This systematic approach ensures biodiversity considerations are identified and an effective mitigation plan is implemented through all phases of harvest activity.

Our forest certification programs promote biodiversity protection through a combination of voluntary and required measures. Examples include:

Trained Loggers

SFI 2022 Fiber Sourcing Standard requires the promotion and utilization of trained logging professionals during harvest activities. Additionally, annual training and continuing education for these loggers is required, specifically addressing biodiversity protection. In 2025, 99% of the wood sourced directly from forestlands by PCA was delivered by trained loggers.

Each state designs its own logger education programs based on local forests, regulations and industry needs. However, all logger training programs share the goal of helping people learn how to harvest timber safely, responsibly and sustainably. Training program curricula include:

- Core training on sustainable forestry principles, including how to protect streams, prevent soil erosion, conserve wildlife habitat,and maintain long-term forest health
- Safety instruction that meets federal and state standards such as OSHA logging safety and first aid and CPR
- Continuing education on topics like invasive species, climate adaptation, forest ecology and public policy

Logger training is a very effective tool in promoting sustainable forest management and has been a key component of the SFI program since its inception.

Forestry Best Management Practices (BMPs)

We are committed to applying all mandatory and voluntary state BMPs during harvest activities and ask our suppliers to do the same, as required by the SFI 2022 Fiber Sourcing Standard. BMPs are a set of guidelines and strategies used in forestry operations to minimize the environmental impacts of timber harvesting, particularly on water quality. These practices are designed to prevent soil erosion and sedimentation and address harvesting aspects such as road construction, skid trail design, equipment operation and the proper handling of materials like fuels and chemicals. For example, maintaining buffer zones along streams and stabilizing roads and trails can significantly reduce runoff and sedimentation. By following BMPs, forest managers and logging professionals help reduce the risk of water pollution, which is critical for maintaining healthy aquatic ecosystems and ensuring safe drinking water. These practices also contribute to the long-term health of the forest by preserving soil quality and water resources, which are vital to both terrestrial and aquatic species. Adhering to BMPs during harvest is essential for protecting biodiversity and preserving the quality of water and soil within the landscape.

Like logger education programs, each state designs its own BMP compliance rating methodology based on local forests and regulations. Rates of compliance in all states PCA sources virgin fiber from are high,[20] demonstrating the effectiveness of the proactive nature of the SFI Fiber Sourcing Standard to promote sustainable practices on all forestland in the supply chain.

[21] To view states' BMPs, see Best Management Practices – National Association of State Foresters

UPlifting Communities ONE TREE AT A TIME

Reforestation and Forest Restoration

Since 2011, PCA has partnered with the Arbor Day Foundation to plant trees in identified areas of need. Using the Nature Priority Index (NPI), a tool developed by the Arbor Day Foundation in partnership with NatureQuant, socioeconomic data is combined with information on the existing nature and tree canopy in each geographic area to identify where tree planting can have the most significant impact on nature and surrounding communities.

In 2025, support from PCA resulted in the following restoration projects:

Dixie Fire Restoration Project in Northern California

The Dixie Fire ripped through Northern California for three seemingly endless months in 2021. Raging from July to October, this was the second-largest wildfire in the state's history, with a burn scar of more than 963,000 acres. On their own, forests devastated by wildfires can take generations to return to their former glory—if they recover at all. Because of this, urgent and intentional reforestation efforts are critical in the wake of this blaze. The fire devastated the vast evergreen forest, home to hundreds of wildlife species and vital to the health of the landscape and the biology of nearby Lake Almanor. This project focuses efforts on the health of the Lassen National Forest on 4 acres with 1,148 trees planted.

Georgia Tree Planting Program

Private landowners in Georgia own more than 90% of the state's forestland. A partnership with the Georgia Forestry Commission and property owners is focused on restoring the land to its natural state and ensuring the trees remain for the long term. Native loblolly, slash, and longleaf pine have been planted this year on 85 acres with 50,000 trees planted, restoring the natural forest mix to strengthen biodiversity.

Longleaf Pine Ecosystem Restoration across Louisiana

About 400 years ago, more than 90 million acres of longleaf pine forest stretched across a variety of landscapes from Virginia to Texas. Today, the longleaf pine is now listed as an endangered species, covering just 5 million acres or under 6% of its original range. As early settlers overharvested longleaf pines, the tree was mostly replanted with cheaper, faster growing slash and loblolly pines. That loss of ecosystem has been devastating to the nearly 600 animal and plant species that depend on it, including the prehistoric gopher tortoises, tiny flatwoods salamanders, threatened red-cockaded woodpeckers and countless other rare wildlife species. This project resulted in restoration of 66 acres with 40,000 longleaf pines planted.

Underplanting to Restore Mississippi River Floodplain Forests

Since European settlement, bottomland forests, like the ones comprising the Mississippi River floodplain forests in Randolph County, Illinois, have been subject to extensive development and deforestation. What is left is a highly degraded and fragmented landscape critical to the survival of migratory birds and several endangered bat species that rely on the Mississippi River corridor. This project worked to restore 37 acres with 19,700 trees planted in this area, with a diverse mix of native hardwoods to increase biodiversity in age and species.

Economic Importance of Working Forests

Preserving the working forests managed by private landowners is essential for maintaining the economic stability of rural areas surrounding our mills. PCA mills are a cornerstone of the economies of these communities. Beyond providing employment, the mills are deeply integrated into the culture and daily life of the residents. According to annual reports from the American Forest & Paper Association (AF&PA), the forest and paper industry has a substantial economic footprint. In 2025, AF&PA reported that the industry generated $435.3 billion in manufacturing output, paid $78.9 billion in total compensation to workers and contributed $6.5 billion in taxes. Furthermore, the forest and paper industry provided employment for 925,000 individuals, highlighting its critical role in supporting families and sustaining local economies across the country.[21]

Recycled Material

Corrugated packaging is recognized as the most widely recycled packaging material on the planet. To promote the recyclability of our products, PCA includes the Corrugated Recycles symbol, which was developed by the International Corrugated Case Association (ICCA) and promoted by the Fibre Box Association (FBA), on many of our products.

Recycling used corrugated boxes and scrap from the corrugating manufacturing processes reduces the amount of timber required to be harvested. However, fiber recycling has limitations. Wood fibers can only be recycled five to seven times before they become too short and brittle to form strong bonds. Additionally, after two to three uses, these fibers lose most of their high-performing properties, which impacts the integrity of the paper and makes it unsuitable for production.

The Fiber Cycle Technical Document published by Metafore in 2006[22] (updated by the National Council for Air and Stream Improvement [NCASI] in 2023) demonstrated the necessity of virgin fiber in corrugated manufacturing. The analysis showed that without the introduction of virgin fiber the North American paper-based product supply would be completely depleted in approximately seven months. Furthermore, paperboard produced strictly from virgin paper has a lower risk of containing unsafe chemicals. This is because it is easier to regulate the chemical content of materials used to make virgin paper directly at a PCA mill than it is to determine the chemical content of recycled materials that arrive at the mill as old corrugated containers (OCC).[23]

Aligned with the AF&PA's goal to advance a circular value chain, recycled containerboard capacity has increased by more than 60% in the United States since 2000. PCA has contributed to this goal by expanding capacity to process old corrugated containers (OCC) at all its containerboard mills except Valdosta, Georgia, which operates as a 100% first-use fiber mill. PCA consumed 596,000 additional tons of OCC in 2025 compared with 2015, a 155% increase.

The recycled content of our finished products is calculated based on the proportion of recovered fiber to overall production, factoring in production yield for each fiber stream. In 2025, the average recycled content of our containerboard was 25% (8% pre-consumer/post-industrial, 17% post-consumer), spread across both linerboard and medium grades. Our white paper division sells products under our ASPEN® brand that specify a minimum percentage of post-consumer recycled content (30%, 50% and 100%).

22 Our Economic Impact | AF&PA
23 The Fiber Cycle Technical Document
24 Paper and board food packaging

Water and Effluents

Water is a vital natural resource for pulp and paper manufacturing, and PCA depends on a reliable and sustainable supply of fresh water to produce products for our customers. Our mills our located in areas where water is plentiful and we strive to minimize impacts on water resources while supporting long-term water quality and availability in surrounding communities. While pulp and paper manufacturing requires a large supply of water, nearly 90% of the water used in manufacturing processes is treated and returned back to the environment.[24] PCA is committed to managing water responsibly across our operations, recognizing its importance to our business, ecosystems and the people who rely on this shared resource.

Our Interactions with Water as a Shared, Natural Resource

Our water use strategy considers impacts on our business, the environment and our host communities. In our manufacturing and production, the way we source and manage water directly impacts our operating costs and the strength and quality of our products. All PCA mills are in water-rich areas, and water withdrawal by PCA mills does not have a measurable adverse impact on the local economy, people or the environment. Spent process water is treated and released back to the local watershed. Protocols and tests are in place to ensure that the water that we return conforms to the assimilative capacity of the receiving waters.

Our national trade association, AF&PA, and its members are in the process of developing industry-specific tools to help guide our water stewardship efforts. We will evaluate the usefulness of this resource when these become available, and support AF&PA's commitment to advance sustainable water management.

Our Approach to Water and Effluents

PCA views water stewardship as the use and management of water in a manner that is environmentally sustainable, economically sound and socially beneficial. Water stewardship efforts are a joint effort between our Corporate Environmental team and local environmental professionals at each of our mills. Historical data is used to benchmark against current data to inform and assess water-related impacts. These assessments are done annually.

Corporate and mill environmental professionals are in regular communication, and once per year environmental managers from each of our mills and corporate environmental staff convene for an "environmental roundtable" to highlight risks and best practices pertaining to air emissions, effluents and waste.

Through AF&PA, we engage with non-governmental organizations (NGOs) and other stakeholders as a part of the pulp and paper industry to discuss water-related impacts experienced in our industry and how we can work together to steward water as a shared resource. We engage with our customers through presentations given by our ESG and Corporate Sustainability team, in which topics such as corrugated recycling, energy and water are covered.

[25] Water Profile of the U.S Forest Products Industry

Water Reduction and Water Conservation

Aligned with energy efficiency considerations, we emphasize water reuse and recycling in our mills. Process water is iteratively repurposed until the water is no longer suitable for effective process use. Continuous water reduction and water/energy conservation topics and planning for our mills are discussed during our production and planning reviews. Examples of capital improvement projects resulting from these reviews since 2023 include enhanced water conservation plans, lowering water consumption and evaporation through improved washing efficiency, and enhanced water reclamation solutions.

In 2021, we designated carbon neutrality leaders at each of our pulp and paper mills to identify projects that have the potential to reduce carbon emissions and water use. These leaders were able to identify five significant water reduction projects across our mills. Implementation of these projects resulted in a 1.1% reduction in water withdrawal intensity compared with our goal of 6%. This demonstrates the challenge of achieving further reductions when our current water management practices are already efficient.

The National Council for Air and Stream Improvement (NCASI) Water Recycle Tool measures how efficiently water is being reused within a pulp and paper mill. It reflects the proportion of water that is recycled back into the mill's processes rather than being discharged as wastewater. Because the pulp and paper industry recycles large volumes of process and non-contact cooling waters, it has one of the highest water recycle ratios of any industrial sector.[25] Using the Water Recycle Tool, PCA determined our average water recycle ratio to be 12.7 in 2025, a 12% improvement over 2024, which demonstrates our commitment to seeking ways to use water efficiently.

Stormwater Management Initiative

The majority of PCA packaging plants are subject to state stormwater permit programs. A stormwater permit requires a detailed stormwater pollution prevention plan (SWPPP), along with periodic inspections and stormwater sampling/monitoring, reports to state agencies, annual fees and annual training. The PCA Corporate Environmental team established a goal in 2016 for the packaging plants to pursue stormwater No Exposure Certification (NEC) offered by various state programs, building on the previously attained and audited Good Manufacturing Practices (GMPs) achieved over the prior decade. Further improvements include storing all oil and chemicals indoors and reducing pollutants in stormwater discharges. Based on internal evaluations, the PCA Environmental team visits each PCA plant once every three to five years to ensure that all SWPPPs are in place and are being followed correctly.

PCA has invested significant time, engineering resources and capital dollars as necessary to help plants attain this goal where feasible. Since 2016, the number of PCA facilities achieving NEC status has more than doubled. Currently, 51 box plants have achieved NEC status.

As a best management practice, NEC plants conduct thorough monthly inspections with a site-specific checklist and annual NEC training. PCA University also offers environmental management courses as well as a Stormwater NEC that includes a "Train-the-Trainer" segment. The success of the program reflects dedication to environmental excellence by PCA's plant and corporate personnel, as well as improved environmental performance, reduced compliance costs and reduced risk of spills at PCA packaging plants.

[26] Sustainability – NCASI

Water Withdrawal, Consumption and Discharge

We use either surface or ground water for our pulp and paper manufacturing processes, depending on the location of the mill. Ground water is withdrawn at our DeRidder and Valdosta mills, while surface water is withdrawn at the remaining PCA mills. Since mills "borrow" water from the environment, the only real water loss occurs from evaporation.[26] Overall water loss from evaporation is 328 gallons per ton of manufactured paper. PCA does not withdraw water from areas where the availability, quantity or accessibility of water is of concern. PCA reports daily water use and release to each state where we operate mills via monthly discharge monitoring reports.

WATER WITHDRAWAL BY SOURCE (billion liters)

SOURCE	2021	2022	2023	2024	2025
TOTAL	**274.9**	**261.2**	**256.3**	**265.8**	**268.4**
Surface Water	71%	71%	71%	74%	**73%**
Ground Water	28%	29%	28%	26%	**27%**
Municipal Water	1%	1%	1%	1%	**1%**

Data points may not add to 100% due to rounding.

As the temperature of a water body can significantly impact aquatic biota, water temperature is monitored when discharging water back into the environment. The released water from mills does not substantively increase the overall water temperature of the receiving water.

Water is returned in two primary ways, depending on its use at the mill.[27] Non-contact cooling water (NCCW), used to cool energy turbines and lubrication systems, is returned without treatment. During the winter months, our northern mills route spent NCCW into the papermaking process to recover heat and thereby increase energy efficiency. Process wastewater is treated in on-site wastewater treatment plants prior to being discharged to receiving waters.

PLANNED WATER DISCHARGES Mills (billion liters)

SOURCE	2021	2022	2023	2024	2025
TOTAL	**271.2**	**247.4**	**255.5**	**213.7**	**270.4**
Process Wastewater	75%	74%	**77%**	72%	**72%**
Non-Contact Cooling Water (NCCW)	25%	26%	**23%**	28%	**27%**

Data points may not add to 100% due to rounding.

At all PCA mills, treated wastewater is tested for biological oxygen demand (BOD) and total suspended solids (TSS), the two most common water discharge metrics used by the U.S. EPA to assess receiving water impacts. In addition to BOD and TSS, other parameters are tested in accordance with state-specific requirements. Each month, results are reported to state governments to verify each mill is operating within the permitted limits. When comparing composite results of actual discharge of all PCA mills to the allowed (i.e., aquatic resource protective) discharge limit set by the EPA, in 2025 PCA mills discharged 26% of allowable BOD and 23.1% of TSS.

WATER DISCHARGE QUALITY Mills (lbs/ton of production)

SOURCE	2021	2022	2023	2024	2025
Biological Oxygen Demand (BOD)	1.60	1.38	1.29	1.61	**1.41**
Total Suspended Solids (TSS)	2.38	2.45	2.51	2.47	**2.21**

27 Sustainability – NCASI

28 Due to geographic location, International Falls operates a fully enclosed UNOX system (an anaerobic reactivated sludge system) for wastewater treatment. Wastewater treatment plant residuals from this system are subsequently dried and combusted as a biofuel. Valdosta and International Falls both draw municipal water (for sinks, bathrooms, etc.), which is segregated and treated by publicly owned treatment works (POTW).

Waste

PCA minimizes waste and diverts waste from landfills. We work to reduce operational waste by identifying beneficial reuses of waste and engaging with our vendors to develop innovative alternative uses. We also work to educate consumers about corrugated and paper recycling via advocacy programs we support through AF&PA.

Our Approach to Waste

We strive to reduce waste through recycling or beneficial use alternatives, thereby reducing our volume of landfilled waste. We monitor methane release from PCA landfills per state and/or federal environmental regulations. However, methane released from PCA landfills is sparse since most of the landfill waste is inert ash resulting from biomass combustion for energy generation.

Our Interactions with Waste

PCA's operations generate four primary types of waste: high-volume waste byproducts, such as ash from biomass fuel and residuals from wastewater treatment plants (WWTP), commonly referred to as "sludge"; low-volume wastes, such as construction debris, packaging and tooling, product scrap and lunchroom waste; universal waste and hazardous waste. Virtually all production scrap is recycled, ash and wastewater treatment residuals are beneficially reused where possible, and our universal and hazardous waste streams contribute a de minimis volume to our total waste generation. Our greatest opportunities to further reduce waste to landfill are in expanding beneficial reuse of wood ash and wastewater treatment residuals. Packaging and tooling are estimated to comprise less than 1% of our operational waste by volume and receive a commensurate level of attention from our sustainability and environmental teams. Most landfilled waste is generated by our pulp and paper mills.

Depending on demand and proximity to users, WWTP residuals and wood-fired boiler ash are given or sold to farms as soil amendments or liming agents to achieve better overall moisture retention, to increase the organic matter content of topsoil and to elevate soil pH, all of which improve plant nutrient uptake. We have also received approval from the relevant authorities to use our combustion residuals for on-site road building, expanding on-site log storage and buttressing the banks of the mill's wastewater treatment ponds at our Counce mill in Tennessee. Our packaging plants recover the vast majority of their corrugated scrap for use at the mills as double-lined kraft (DLK), which is considered pre-consumer recycled material.

Seven of our eight mills own and operate landfills. When organic materials decompose underground, methane gas is emitted. Methane gas venting systems are in place at several PCA-owned landfills to monitor landfill methane release. Methane release from PCA landfills is sparse since most of the landfill waste is inert ash resulting from biomass combustion for energy generation. Therefore, adverse impacts from methane-related landfill releases are negligible.

Universal waste and hazardous waste are collected by third-party hazardous waste management service providers who manage and find the most appropriate end-of-life treatment for each waste stream. These could include preparation for reuse, recycling, incineration or other recovery operations.

WASTE PROFILE

TYPE	VALUE CHAIN	CATEGORY
High-Volume Waste Byproducts		
Wood-fired boiler ash	Own manufacturing activities	Output
Residuals from wastewater treatment plants (WWTP) process	Own manufacturing activities	Output
Low-Volume Waste		
Construction debris, packaging and tooling, product scrap, lunchroom waste	Own manufacturing activities and downstream consumption	Output
Universal Waste		
Fluorescent bulbs, batteries, mercury-containing equipment, used electronics	Own manufacturing activities	Activity/Output
Hazardous Waste		
Crushed fluorescent bulbs, lead acid batteries, paint and paint-related materials, punctured aerosol cans	Own manufacturing activities	Activity/Output

WASTE BY TYPE AND DISPOSAL METHOD (thousand metric tons)

SOURCE	2021	2022	2023	2024	2025
TOTAL	**977.7**	**856.3**	**802.2**	**802.1**	**883.5**
Recycled or Beneficially Reused	63%	73%	63%	76%	**64%**
Landfill	37%	27%	37%	24%	**36%**

PEOPLE

- Social Responsibility
- Occupational Health and Safety
- Consumer Health and Safety
- Product Safety and Chemicals Management
- Employees
- Learning and Development
- Workforce Policies
- Employee Engagement
- Corporate Giving
- Meeting Customer Expectations

Social Responsibility

At PCA, our social commitment begins—and lives—with our People. People are both the very start and the very heart of the PCA philosophy. Our success is grounded in a simple belief: Strong, lasting relationships with our customers are built by highly engaged, results-oriented teammates working together in an entrepreneurial culture. We invest in our People because they are the foundation of our performance, our innovation and our ability to create shared value every day.

People | Customers | Trust

People are the very start—and the very heart—of the PCA philosophy.

The cornerstone of our business is the strong relationship between our customers and our **PEOPLE**—highly engaged, results-oriented teammates who collaborate in an entrepreneurial culture.

At PCA, we do what's right for our **CUSTOMERS**, not what's easy—meeting our customers' complex packaging needs with value and quality built in from start to finish.

We respect and value the **TRUST** that our employees and customers place in us—trust we work hard to earn and keep.

Guided by this belief, we do what's right—for our People and for our Customers. We empower our teammates to collaborate, problem-solve and deliver packaging solutions that meet complex customer needs with quality and value built in from start to finish. Equally important, we respect and uphold the trust our employees and customers place in us. That trust is earned through integrity, accountability and care for one another—and it is trust we work hard to build, strengthen, and preserve. Through our commitment to People, Customers and Trust, PCA continues to foster a workplace and a business that creates positive social impact and long-term success.

Strong Legal Framework and Company Practices

PCA operates in the United States where laws, rules and regulations, and means to enforce them, exist to address compliance with social issues. In 2019, Forest Stewardship Council (FSC) completed an independent assessment of the U.S. regulatory framework addressing social issues and concluded the U.S. to be low risk for violation of traditional and human rights.[28] Categories reviewed included:

- Safety
- Freedom of Association and Collective Bargaining
- Compulsory Forced Labor
- Child Labor
- Discrimination

PCA implements homogeneous programs for safety and employment law compliance. Coupled with adhering to applicable laws, rules and regulations, and the PCA Code of Ethics, this further reduces risk in our operations.

[29] FSC National Risk Assessment for USA

Social Audits

We conduct regular, scheduled social audits across our operations when contractually required to assess compliance with labor, human rights, health and safety, and ethical business standards. PCA does not permit semi-unannounced or unannounced social audits to avoid operational disruption and to ensure necessary team members can participate. These audits combine document reviews, site inspections and worker interviews to evaluate alignment with applicable laws, internal policies and internationally recognized frameworks. Corrective action plans are developed to address findings, with progress tracked through follow-up assessments.

Occupational Health and Safety

PCA is a people-centric company. We seek to achieve our strategic objectives by creating positive interactions with our people. By prioritizing the health and safety of our people and the workplace above all else, we foster an environment of trust and respect, where open dialogues result in valuable insights that help us assess and improve our ways of working together, and the efficiency and effectiveness of our business operations. This business imperative also provides meaning to the work that we do.

PCA remains committed to providing and maintaining a healthy and safe work environment for our employees. Structure, processes, guidelines and procedures are put in place to ensure our employees have the resources and tools that they need to succeed and grow, and a safe work environment where they can fully carry out their tasks and assigned responsibilities.

Our Approach

We believe that all accidents are preventable, and an injury-free environment is achievable. Our goal is to prevent, reduce and address potential health and safety risks and incidents wherever and whenever possible. We have devised a four-pillar approach to prevent and mitigate any significant negative occupational health and safety impacts that are directly linked to our operations.

1. **Invest in our people—We ensure that our workers have the appropriate training and protective equipment they need to succeed.**
2. **Invest in our equipment—We ensure that our equipment is well maintained, reliable and safe to operate.**
3. **Learn and improve—We keep a record of our health- and safety-related incidents and near misses and use the data for continuous improvement planning.**
4. **Implement controls—We have a robust Occupational Health and Safety (OHS) management system, alongside protocols and guidelines.**

Occupational Health and Safety (OHS) Core Competency Teams and Governance Structure

The make-up of our core OHS competency teams varies between our box plants and mills depending on the size and complexity of the operation. The teams include Health and Safety Managers, Safety Supervisors, Safety Engineers, registered nurses (RNs), and EMTs or paramedics.

PCA has established a robust governance structure for managing OHS risk. Our Health and Safety group is responsible for the development, management and implementation of our OHS systems, the review of all incidents across all our facilities, and health and safety policy planning. It consists of a Senior Vice President, Executive Directors, Corporate Managers, Regional Health and Safety Managers, and Facility Health and Safety professionals. Collectively, our team members have demonstrated safety excellence for decades, and many of them hold professional certifications including Certified Safety Professional (CSP) and Certified Hazardous Materials Manager (CHMM).

Our leaders strive to be strong mentors for the next generation of Health and Safety professionals at PCA. They are actively involved with and are members of our industry safety committees including the American Society of Safety Professionals (ASSP), Fibre Box Association (FBA) safety committee, American Forest & Paper Association (AF&PA), and Pulp and Paper Safety Association (PPSA). These committees work to raise awareness; share ideas and best practices; and stay current on trends, regulations and shared opportunities within the industry through meetings, roundtables and conferences. We also work with our labor unions and are actively involved with Labor/Management Health and Safety Committees to continually review PCA's safety structures and to collaborate on various safety projects. The Health and Safety group meets throughout the year for training, performance and program reviews, and strategic planning. PCA's Sustainability Committee provides Board-level oversight of health and safety. Health and safety performance is reviewed annually by this committee.

Occupational Health and Safety (OHS) Management System

PCA has an OHS management system in place that was implemented based on risk management principles. Our OHS management system includes elements intended to engage employees, define success and provide practical guidance to achieve excellence. These elements include management commitment, safety policies, safe work rules, employee training, safety meetings, employee involvement, safety committees, facility inspections, incident investigation, medical treatment/first aid, plant emergency organizations, hazard/risk assessment, job hazard analysis, communications, industrial hygiene, ergonomics and environment.[29] Our management system elements are also incorporated into contractual labor agreements, where applicable. Resources and tools that support the management system are available to employees on PCA's Health and Safety intranet site. All employees, temporary workers and contractors are subject to and are covered by PCA's OHS management system. Contractor agreements require that foundational safety training is provided to workers, and site-specific health and safety training is also provided by PCA.[30]

PCA utilizes a third-party verifier to ensure contract workers receive adequate health and safety training, maintain written safety programs and have a demonstrable history of safe operations. To continuously develop, update and maintain our knowledge around OHS, we have implemented a Binder Safety Program at our box plants. This program involves maintaining physical binders at each location, which will be transitioning to electronic binders in 2026. Each binder focuses on a specific Environmental Health and Safety (EH&S) topic. Binders contain comprehensive information including definitions, guidelines, protocols and the management of the topic. These binders are regularly reviewed and updated by each location, ensuring that safety topics remain a constant priority and that employees stay informed. The binder program is designed to be PCA's Compliance Program to keep locations ready for inspection at any time with regulators such as EPA and OSHA.

Hazard Identification and Risk Assessment

PCA's policy requires health and safety audits to be conducted every three years at a minimum to identify work-related hazards and assess the associated risks. To ensure the sufficiency and quality of these processes, our Corporate EH&S managers visit each one of our facilities in between audits to confirm operations are continuously managed within our health and safety parameters. Job hazard analysis is conducted to identify hazards in relation to the worker, the task, the tools and the work environment. Both audits and job hazard analysis are conducted by corporate and facility Health and Safety professionals, and findings are shared internally and are used as a basis for continuous improvement of OHS protocols, practices and management systems.

Employees are instructed and encouraged to report workplace hazards along with corrective actions taken. Reporting hazards can be communicated through entry into our electronic work order system; verbally with a supervisor, other members of management or joint Health and Safety committee members; or via the PCA Ethics and Concerns Hotline. Employees who report workplace hazards may do so without fear of reprisal.[31] Employees are also not to engage in any work-related activities where the risk of injury or ill health has not been mitigated or managed.

---

[30] PCA's OHS management system accounts for requirements outlined in OSHA's Injury and Illness Prevention Program and 29 CFR Subpart R1940.281"Pulp, Paper and Paperboard Mills." Additional guidance is provided through various standards written by the American National Standards Institute (ANSI) and Industry Practices.

[31] PCA has an internal Safe Operating Practice Instruction dedicated to practices of outside contractors, in addition to Safe Practices for Outside Contractors available on our website.

[32] This is supported by union contractual language known as "Right to Act" as well as PCA's Code of Ethics and Business Conduct and federal law (U.S. Department of Labor—Whistleblower Protection Act).

Incident Investigation

PCA provides written instructions on how to report and investigate near misses, first-aid treatment, doctor visits, restricted duty cases and lost time accidents. We use a 6-step investigation technique designed to identify root causes and develop corrective actions utilizing the hierarchy of controls. These incidents are entered into an electronic reporting database for tracking and notification, and trending and analysis is performed. Daily injury reports are produced for each facility and used to identify leading causes of incidents, root causes and appropriate corrective actions. OSHA recordable incidents, along with significant near misses, and regulator inspections are reviewed in our monthly health and safety calls. Executive summaries of the reports are sent to our senior management, where data is used to develop improvement plans for incident and injury reduction.

Employee Health and Well-Being

PCA maintains and has available health and emergency response services at all its locations. Each one of our paper mills has a full-time RN on site. Our box plants have access to medical providers during hours of operation.

In addition to these services, employees may take advantage of many health and wellness procedures such as blood pressure screenings, vision screenings, health consultations, health education and over-the-counter medications. All employees are encouraged to visit the medical facility to discuss any health issues or concerns they may have at any time. PCA's converting operations have access to a 24/7 nurse triage line. All plants maintain first-aid supplies and have employees certified in CPR and first aid. Workers are also provided with a key card so they can obtain free health and safety supplies from several of the vending machines located in each facility. Our corporate policy requires that all PCA facilities and locations be staffed with at least two individuals with CPR and first-aid certifications during each shift.

PCA has procedures and protocols in place when it comes to documentation and archiving. All health records, personal information and the health services participation data of our workers are kept and maintained in the strictest confidence and are not used for any favorable or unfavorable treatment of workers.

Promotion of Worker Health

To promote worker health, PCA provides its full-time employees with subsidized benefits that include medical, dental and vision insurance. Our full-time employees also have access to an Employee Assistance Program (EAP) that provides professional, confidential advice to help employees and their household members manage work/life balance, including grief and loss, emotional wellness, substance use and abuse, legal and financial challenges, home improvement and much more. Telehealth counseling is also available through EAP, in which employees can meet with a counselor via teleconference, in the comfort of their own home. Communication for these services is provided through posters, e-mail and in our annual benefits enrollment materials.

Worker Participation, Consultation and Communication

All but one of PCA's paper mills have union contracts, which include language concerning hourly associates' participation in safety activities. This participation consists of safety committees that meet regularly to discuss issues and concerns, including evaluation of the occupational health and safety protocols and management system. The goal of the meetings is to identify opportunities to mitigate potential hazards and to serve as information exchange sessions. Hourly associates also play pivotal roles within departments, functioning as safety coordinators and auditors during shutdowns. In addition, United Steelworkers (USW), International Association of Machinists and Aerospace Workers (IAM) and PCA's management have annual contractual roundtable meetings. Employee participation in the roundtable comprises union leadership, hourly employees and management. Topics discussed cover best practices, trends and issues. Action items are identified and tracked to completion by the moderator and union officials.

PCA's converting operations maintain joint Health and Safety committees that meet monthly. Minutes are kept and posted where all employees have access. Committee members are represented by all shifts and include management and hourly employees. Safety committees participate in safe plant operating assessments, incident investigations and inspections. Other employee participation options include being a member of the plant emergency organization. In addition, Effective Joint Health and Safety Committee training is being completed at all USW-represented locations.

Worker Training on Occupational Health and Safety

PCA provides guidance and instruction for completing federally mandated training required under the OSH Act. Training is spread throughout the year and is delivered in a variety of methods including classroom instruction, online modules, block training and on-the-job training. In addition to the federally mandated OSHA training, each job classification has specific safety training that PCA requires to be provided prior to an hourly associate being placed in the job. Training includes task-specific safety requirements of that job and how to perform these, as well as awareness of the required task-specific personal protective equipment (PPE). Training records are maintained by each location. We have designed our training programs to bring emphasis to performing work activities in situations where health and safety risks could be present. Each month, safety managers of each of our operations also meet virtually to discuss issues that are tailored to a specific region, such as heat stress, or cause and prevention of certain incidents. Trainings are also provided throughout the year on each one of the safety topics that a binder covers. For our mills, we work with ISN (a third-party verifier) to review training and safety components for our external contractors before a contractor arrives on site.

The main types of work-related injuries are cuts/lacerations, sprains/strains and thermal burns. Fatalities are incidents where a death is involved. High-consequence work-related injuries include injuries from which the worker cannot or is not expected to recover fully to pre-injury condition within six months (e.g., long-term complications resulting from the injuries or treatment of the injury, or a permanent loss such as amputation of a limb). These types of hazards are determined high-consequence as they greatly if not completely prevent or restrict the worker from resuming the type of work that they carried out prior to the incident.

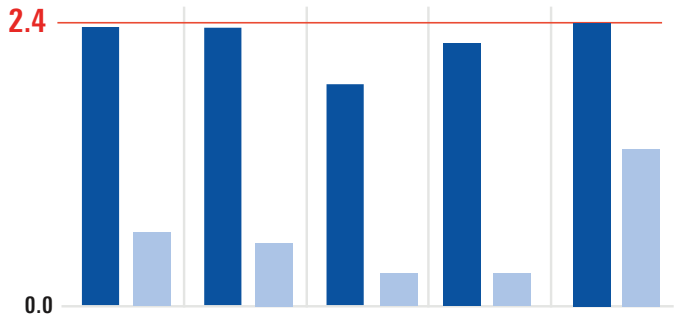
Recordable work-related injuries include all work-related injuries regardless of severity. The formula to calculate the rate of each is: cases × 200,000/total hours worked. All data represented is based on 200,000 hours worked; this represents the number of hours of 100 employees working 40 hours per week, 50 weeks per year and provides the standard base for calculating incidence rate for an entire year.[32] Industry average for pulp, paper and paperboard mills is obtained from the U.S. Bureau of Labor Statistics database.[33]

---

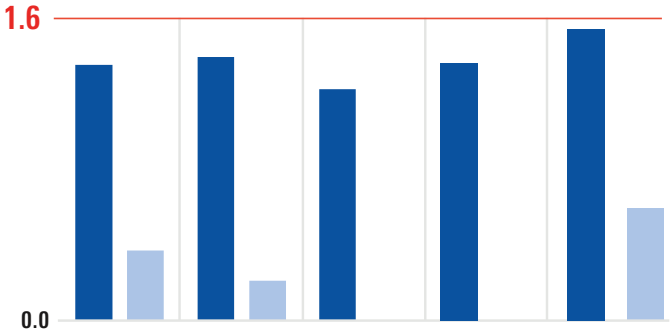
[33] OSHA Occupational Safety and Health Administration Standard Number 1904

[34] Industry Injury and Illness Data : U.S. Bureau of Labor Statistics

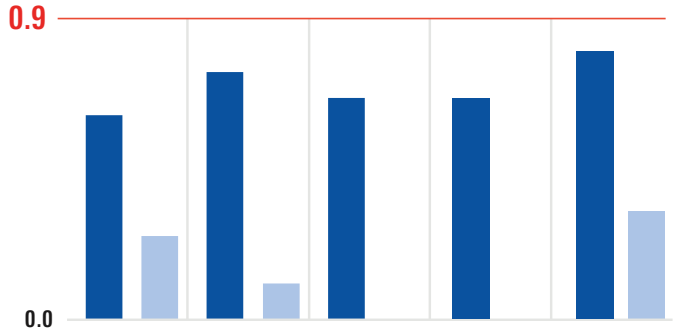
TOTAL CASE RATE (TCR)



DAYS AWAY, RESTRICTED OR TRANSFERRED (DART)

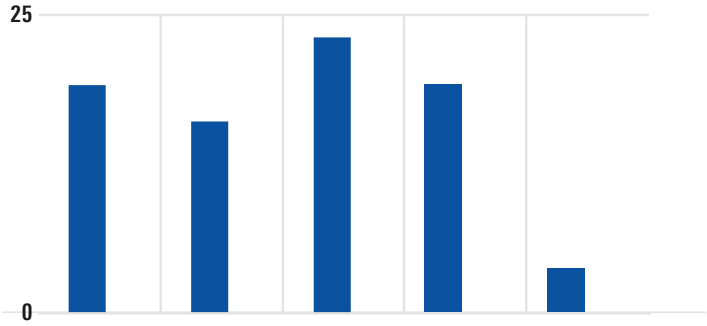


LOST TIME CASE RATE (LTCR)



FATALITIES

HIGH-CONSEQUENCE WORK-RELATED INJURIES
(excluding fatalities)



Employees

Temporary Employees

Industry Average

Consumer Health and Safety

PCA believes that serving our customers, and the consumers who purchase from them, comes with significant responsibility. We strive to be a good corporate citizen, and we are committed to ensuring the health and safety of those who come into contact with our products and business. Working together with our internal stakeholders and across our supply chain, we do everything we reasonably can to support the health and safety of the ultimate consumer of food, beverage, pharmaceutical and personal care products carried in PCA packaging. One hundred percent of PCA's most significant product categories are assessed under various health and safety criteria to ensure that their impacts are at the minimums required.

For over a decade, PCA has played a leading role in making corrugated packaging safe for food use. In 2010, we started a project to introduce Good Manufacturing Practices (GMPs) throughout our operations. At the same time, we decided to inspect our production sites and audit our food safety management systems according to American Institute of Baking (AIB) International Consolidated Standards. Every PCA full-line plant has adopted GMPs and passed AIB audits.

Global Food Safety Initiative

Global Food Safety Initiative (GFSI) provides the platform to build food safety management systems that will not only be effective but will also be externally assured, credible and universally accepted. PCA has developed, implemented and audited our food safety management systems to the FSSC 22000 standard. FSSC 22000 combines a rigorous and comprehensive set of GMPs with the internationally accepted ISO 22000 Food Safety Management standard. We fulfill our commitment to certify all full-line packaging plants to FSSC 22000. To date, all our full-line packaging plants have received GFSI-benchmarked certification to FSSC 22000 standards and are audited annually by an accredited third party.

To obtain and retain GFSI certification, PCA's workflows include:

- Ongoing analysis of facilities and processes to identify potential hazards
- Start-to-finish product traceability, including raw materials
- Strict housekeeping protocols
- High level of overall awareness and personal hygiene by ALL employees
- GFSI food safety training for ALL employees
- Detailed building and grounds maintenance
- Food safety risk assessments
- Chemicals control
- Glass and brittle plastics control
- Vehicle inspection prior to receiving material and prior to loading of finished packaging
- Internal audits and trace exercises for external audit readiness and support of customer audits
- Qualification and approval of all suppliers for packaging components, production and delivery

Our GFSI certification provides a common language for food safety practices, and we have established a reputation for being our industry's leader in providing safe and effective packaging to food, beverage and pharmaceutical producers.

Food Safety Management Systems

Essential to PCA's strategy is our food safety management systems, which are established and maintained at each certified operation. The foundation of these systems is based on GMPs and Hazard Analysis Critical Control Points (HACCP). This foundation drives us to accomplish an in-depth review of every process we employ that may influence the safety of our products. End-to-end, all-encompassing and exhaustive efforts go into identifying any potential hazards and subsequently into quantifying any risks present in our processes. The ultimate objective is to prevent potential illness by effectively mitigating risk to consumer health and well-being. The end result is assurance that we have built health and safety expectations into our products. By doing so, both our customers and the consumer know that every effort has been made to support food safety. Our food safety management systems are audited annually by NSF International for external assurance.

Our Quality and Food Safety teams work closely with our Corporate and Product Stewardship teams to engage with our suppliers to ensure our products and the materials we use are safe and do not cause any food safety concerns for our customers and end users, while meeting their intended purpose and specification. We do this by providing our internal quality control teams at our different locations with the training and resources they need to meet their quality and food safety requirements from our suppliers, including a common lexicon that helps facilitate the process.

Product Safety and Chemicals Management

PCA's product safety program is led by the Product Stewardship team and is supported by a robust product safety management process. This process ensures that all raw materials used in the production, manufacture, packaging and transportation of paper and containerboard products comply with the applicable product regulations, including U.S. Food and Drug Administration (FDA) requirements, as well as relevant customer requirements. All new chemicals and raw materials are required to undergo this product safety review and approval process prior to use in PCA's manufacturing and packaging operations.

The Product Stewardship team at PCA manages chemical use through the company's Product Stewardship Program, which includes defined processes for raw material qualification. Product safety is ensured through a two-tiered approach aligned with where chemical risk is greatest. The first level of assurance occurs at PCA mills, where the majority of chemical use occurs during the pulping process. A second level of assurance is applied at the box plants, where chemical risk is lower because operations primarily involve paper product converting and assembly. Together, these controls help ensure all PCA products comply with applicable government and industry regulations.

All chemicals and raw materials are subject to pre-approval processes before use at any PCA facility to help protect employee health and safety and to identify the presence of regulated substances. In addition, suppliers are evaluated against PCA's product safety requirements as part of the onboarding process to ensure they meet our standards before conducting business with the company.

Containerboard produced at each mill is tested annually for chemical contaminants as part of our commitment to product safety and regulatory compliance. Testing is conducted by independent, National Environmental Laboratory Accreditation Program (NELAP)-accredited laboratories and provides assurance that our containerboard meets applicable chemical regulatory requirements and FDA requirements.

Mills that utilize post-consumer reclaimed material follow the Recycled Paperboard Technical Association (RPTA) testing protocol and participate in the RPTA certification program. This program is designed to verify that containerboard produced with recycled content is suitable for food contact packaging applications.

Employees

Our people work to make progress on our commitments and drive positive change. They are essential for PCA to achieve our wider business goals, objectives and success as a company. PCA has developed programs and initiatives to attract the best talent and to provide them with the tools and resources they need to advance and prosper in a safe working environment, and thrive both professionally and in their private lives. By having a diverse team of top talent and putting our people first, we create a more productive, motivated and engaged workforce. It is our goal to foster a culture that is open and welcoming to all, and we do this by investing in the well-being and growth of our people.

Employment

Our Human Resources (HR) team oversees all aspects related to employment. They provide guidance and support at every step of an employee's career cycle at PCA.

Talent Acquisition and Engagement

PCA strives to be the employer of choice and works to create a culture where all employees are treated with respect and dignity. We place a high priority on attracting talented and engaged employees. We aim to have a highly motivated, knowledgeable and diverse workforce in both skills and backgrounds. Retaining those whom we recruit and develop is paramount as we work toward achieving our objectives.

Our Talent Acquisition (TA) team manages salaried recruitment and provides assistance to the corrugated box plants and mills in their recruiting efforts to attract both hourly and salaried candidates. The Corporate HR team manages the salaried onboarding process and also conducts exit interviews.

For our corporate new hires, we have implemented a check-in process in which we connect with new employees at 30 and 90 days to follow up on their new role, gain feedback and provide any assistance that they may need. We also host "Meet and Greet" events where new hires have the opportunity to meet each other, share experiences and make a connection with one another.

For our mill new hires, employees participate in a week-long onboarding program where they meet the different members of the management team, go through HR-related topics such as payroll and benefits, and take part in a full tour at the mill before physically starting their position. For our new plant hires, employees participate in the Onboarding Compass Program during their first week of employment. This program includes template presentations, videos and presenter's guides on various topics including safety, quality, equipment overviews and HR topics. These standard templates are then modified by each individual plant to suit their specific needs.

The Executive Director of Corrugated Human Resources provides support to our Area HR Managers and the Vice President, Labor Relations, supports the HR Managers at our mills. When a salaried employee leaves the company, exit interviews are conducted by the Executive Director, Corporate Human Resources, to gain insight into their journey at PCA. Feedback is captured in the interviews and used to provide guidance to department managers on how to make improvements, if necessary, as well as inform future HR strategy and program planning. The new hire check-in process for corporate new hires at 30 and 90 days is an example of a program developed from the exit interview process.

College Recruitment

The Early Talent Program team manages the recruitment of current students looking for co-op or internship opportunities, or soon-to-be graduates looking for full-time employment with PCA. PCA has partnerships with universities that have strong pulp-and-paper-related engineering programs across the United States and also recruits at many other top schools across the nation. PCA's goal is to attract the most qualified college students/graduates who are pursuing degrees in various engineering disciplines, business, sales, marketing, accounting, and other essential areas to work in one of the most interesting industries in the nation. In 2025, PCA recruited on campus or virtually at 84 colleges and universities in 34 states.

In addition, in 2025 PCA continued to expand the use of Handshake, which is an online recruitment tool for reaching students directly through their college or university's career center. This has allowed the Early Talent Program team to grow our reach to more diverse, highly qualified students across the U.S. at campuses we would not otherwise be able to connect with without expending significant additional resources

Career Development and Advancement

There are multiple leadership development opportunities available at PCA to those who show a desire and potential to advance into leadership positions. When it comes to career development, we fully embrace an open dialogue between our HR team, senior managers and our employees. Employees are encouraged to speak with their direct managers during annual performance reviews to discuss potential career advancement pathways. Our HR team also offers career consultation appointments where the employee and a member of our HR team work together to devise a plan that would help achieve the goals of both the employee and the company.

End-of-Career Transition

The Employee Benefits team is available to our employees during their employment at PCA in planning for retirement. They provide information such as retirement planning and employment benefits. Annually, employees are mailed out a Retirement Evaluation document that provides an analysis of the employee's potential future 401(k) income and makes recommendations for improving results.

Employees are also able to run a retirement income evaluation on demand through the PCA Benefits website. This allows employees to add additional sources of retirement income to produce a more complete retirement income estimate. Through the evaluation tool, employees are provided recommendations for changes to their 401(k) savings rate and investment allocation.

There are other financial and retirement planning tools also available on demand in the Financial Education Center through the PCA Benefits website. Additionally, PCA offers in-person presentations at various locations and online webinars related to retirement planning.

Employee Health and Well-Being

PCA works with various healthcare providers to care for and promote the physical and emotional health and well-being of our people. All PCA employees work in the United States, and 99.9% of PCA employees are full time with paid vacation and holidays made available to them. Each year, full-time PCA employees can enroll in several benefits provided by the company. Purchase options for our medical, dental, vision, supplemental life insurance and flexible spending accounts are also available for our employees' spouse, children and family. A list of the benefits include:

Healthcare (the following plans are offered to salaried and hourly employees):

- **Medical plans**—Comprehensive medical plans that include prescription drug benefits. These are offered with different employee cost and benefit levels that meet the varying needs of our employees. Most employees are eligible for coverage through our Gold, Silver or Bronze (high deductible) plans.
- **Dental plans**—Comprehensive dental plans providing full coverage for Preventive and Diagnostic (P&D) services, and different coverage for basic, major and other specialty services. Most employees have access to two different plan options.
- **Vision plan**—Coverage that provides routine eye exams, glasses and contact lenses, along with related discounts.
- **Flexible Spending Account**—Offers employees the option to use tax-free dollars to pay for eligible out-of-pocket healthcare or dependent care expenses.
- **Health Savings Account**—Available for those who enroll in the company's high-deductible medical plan option (Bronze Plan) and offers a tax-free way to save for future healthcare expenses. The company also provides seed money annually into the account for those who continue to be enrolled in the Bronze Plan.
- **Life Insurance**—Both basic life insurance and Accidental Death & Dismemberment (AD&D) are paid for by the company at a value equivalent to 1.5 times the employee's annual base salary. Business travel insurance is also available to many employees that travel on behalf of PCA. Most employees will also have options to add supplemental life insurance for themselves, their spouse and children. In addition, most employees will also have an option to add supplemental AD&D for themselves or family.
- **Disability Coverage**—Company-paid Long-Term Disability (LTD) and Short-Term Disability (STD) plans for salaried and hourly employees. Some hourly employees may have access to certain disability provisions through their pension and would not be eligible for the company-paid LTD benefit; they have the option to elect employee-paid LTD.
- **Parental Leave**—Coverage allowed in accordance with the U.S. Family and Medical Leave Act (FMLA), including leave for the birth of a child and to bond with the newborn child, or for the placement of a child for adoption or foster care and to bond with that child.[34]
- **Retirement**—Both salaried and hourly employees are covered by a defined contribution plan and/or defined benefit plan. In addition, we have a third-party organization that provides advisory services for the defined contribution retirement plan to help save for and live in retirement. These services include retirement account evaluations and various online investment resources provided at no cost to the employee.
- **Stock Ownership**—Available as an option in several employee plans, including PCA's primary defined contribution plans.
- **Employee Assistance Program (EAP)**—The EAP provides professional, confidential advice to help employees and their household members manage work/life balance, family and relationships, grief and loss, emotional wellness, substance use and abuse, legal and financial challenges, personalized referrals for child/adult care, education, home improvement and more.

[35] For more information on FMLA visit Family and Medical Leave (FMLA) | U.S. Department of Labor

Learning and Development

We invest in our people and strive to equip them with skills and knowledge that will help them succeed both personally and professionally. We understand the tremendous value high-performing employees can bring, and that great leaders are a crucial ingredient in building a resilient organization. In 2025, we continued our journey of training and educating our team members, supporting them in every step of their career progression with us, and preparing them for the great opportunities that are to come, with short, job-specific programs and online courses that focus on different skill areas such as data, customer service, management, sales and marketing, project management and more. These educational and training opportunities keep our employees current on their skills and enhance their continued professional growth. At PCA, we have something for each stage of our employees' journey with us.

In addition, PCA provides several more in-depth and detailed educational programs and opportunities that are longer in duration to those who have demonstrated both interest and ability to grow in management and leadership roles, namely DiSC® Assessment, Educational Assistance Program and PCA University.

PCA's Learning and Development team oversees the development and deployment of our training and educational programs.

PCA University

PCA University is an online learning platform that provides our employees flexible and accessible tailored trainings and job-specific courses. Our e-learning courseware provides our employees across the country an opportunity to access quality content that is based on individual needs and interest, without the need for travel.

Through regular e-mail communication, employees receive learning recommendations based on their activity and top-rated courses related to the skill areas they want to develop. PCA University's course library is available to all employees. Our online resources are available 24 hours per day, 7 days per week. This benefit is available at no cost to PCA learners.

26,939
Courses Completed

3,249
Employees Participated

31,181
Total Hours Completed

10.47
Average Hours of Training per Participating Employee

2025 DATA

Function-Related Content

The coursework available through PCA University is vast and covers topics that are specific to each one of our department functions, including Environmental Health and Safety (EH&S), Mills, Manufacturing, Quality Management, Engineering, Sales & Marketing and Human Resources. These courses provide job-based knowledge that helps learners perform the day-to-day activities of their jobs.

Skills Enhancement

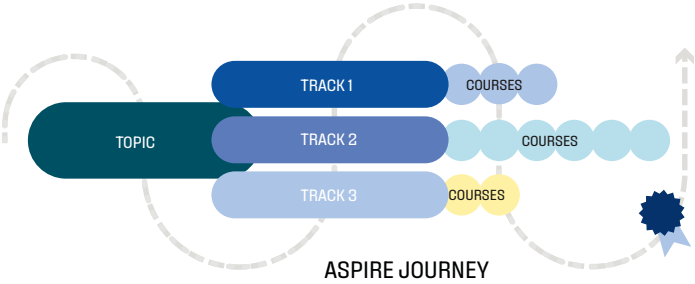
Learners can also select courses based on a skill area or topic that they are interested in. Skill-based courses help further develop a learner's business acumen, skills and knowledge that are transferable and will help them succeed in future roles. Some examples of these courses include Diversity, Equity and Inclusion (DE&I), Management, Productivity and Collaboration, and Data Management.

Certification Training

PCA University offers certification preparation courses that help learners sit for a wide range of certification examinations. Contents of these courses align with the exam content outline of each of the given certifications. Through Skillsoft, PCA also partners with individual certification bodies to provide courses that satisfy study hours requirements for specific certifications. Examination preparation courses include certifications from Cisco, Amazon Web Services (AWS) and Project Management Institute (PMI), just to name a few.

Aspire Journeys

Learners who are interested in a specific topic can opt to follow an "Aspire Journey" for that topic. An Aspire Journey offers learners different themes to follow, where a learner completes a set of courses that are related to a specific theme as a learning path. Each course ends with a test to evaluate a learner's knowledge on the topic. Learners receive a digital badge after the completion of each theme.

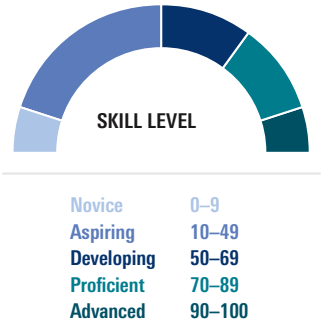


Stress to Wellness

We believe knowledge and skills are not the sole ingredients for achieving professional success, but also caring about mental and physical health. To reflect this understanding, PCA offers e-Learning Challenges that aim to promote mindfulness and body relaxation. These include short videos that give guidance and tips on maintaining overall wellness, from winding down at the end of a long day to breathing techniques and stretching exercises. PCA encourages employees to take a holistic approach when it comes to their overall professional development.

Skill Benchmarking

Skill Benchmark is a virtual assessment tool that enables learners to see where they stack up in a particular skill and gauge where to target their efforts. Results for an assessment are immediate, and personalized learning recommendations are provided based on the outcome. This is a great tool for learners to discover their strengths and gaps in any skill.



Additional Resources

PCA University offers additional resources that complement the courses that our learners take. These additional resources come in different formats and they include digital books, podcasts and audiobooks.

Industrial Maintenance Training and Development

Since 2010, PCA has provided online maintenance and safety training courses to our maintenance teams through our training partner TPC, a Certus company. TPC is an online maintenance training system that offers industry-based maintenance training nationwide, with courses on topics such as OSHA's Hazard Communication Standard, Electrical Troubleshooting, and Basic Mechanics. Our maintenance teams enroll in courses and attend live webinars covering topics related to their job function. In 2025, we had 391 learners who completed a total of 17,861 hours of training. PCA averaged ~53 minutes per participating employee.

Early Talent Programs

Throughout 2025, PCA continued efforts to unify developmental initiatives for current college students and recent graduates under the Early Talent Program team. Each program is directed by an Early Talent Program Ambassador who possesses firsthand experience as a former participant. By fostering collaboration among program leaders, PCA enhances resource sharing, improves program quality, and promotes cross-training and teamwork company-wide. This approach ensures employees are thoroughly prepared to become the future leaders of PCA. Current programs are as follows:

Plant Optimization Engineer (POE) Developmental Program

At our corrugated box plant locations, recent college graduates with degrees in electrical, mechanical, chemical or industrial engineering participate in the two-year Plant Optimization Engineer development program, also known as Blueprint for Success. During 2025, the program underwent targeted enhancements to strengthen structure, consistency and alignment with plant leadership needs. The program continues to emphasize hands on, rotational development, with participants completing structured rotations across key plant functions including maintenance, production, quality, safety, scheduling and shipping. However, these rotations were further refined to focus on smaller, repeatable, module-based projects directly tied to each rotation, reinforcing practical skill development while maintaining operational continuity within the plants. Additional 2025 enhancements included expanded mentorship assignments, increased in-person and virtual training opportunities, and stronger collaboration between plant leadership, area leadership and the Early Talent Program team. These updates will better prepare program participants for their next roles in maintenance, operations, quality, project management or other areas, and assist our local plant teams in succession planning efforts.

Generational Investment for Tomorrow (GIFT) Developmental Program

The Generational Investment for Tomorrow (GIFT) program is a structured, 10-12 month rotational development initiative at PCA's corrugated box plant locations, specifically designed for recent college graduates to establish a strong foundation in the corrugated packaging industry. Candidates selected for the GIFT program typically hold degrees in business, marketing, sales, supply chain management or related disciplines. In 2025, the GIFT program transitioned from a broad focus in operations or sales to a specialized sales development track aimed at cultivating the future of PCA's corrugated sales team. Participants benefit from comprehensive exposure to key plant and commercial operations, including design, production, customer service and sales, and undertake role-specific projects to strengthen practical skillsets and cross-functional expertise. The program also incorporates multiple training conferences and facility tours to enhance participant learning. As PCA continues to expand, the demand for exceptional sales professionals increases, and the GIFT program is strategically positioned to prepare emerging talent for this responsibility.

Mill Engineer Program

At PCA's mill locations, college recruits with degrees in paper, chemical, mechanical and electrical engineering participate in a structured Mill Engineer Program designed to build strong technical foundations and prepare participants for future leadership roles. During 2025, the program was strengthened through enhancements to training structure, resource accessibility and cross mill collaboration. Mill engineers completed targeted technical training using existing company resources, including PCA University courses, TPC technical content and Corporate Best Practices documentation, supplemented by applied learning assignments tied to real mill challenges. The goal of this program is to prepare young engineers for future leadership positions in operations, maintenance or corporate engineering.

Internship and Co-Op Programs

Across PCA's mill, corrugated box plant and corporate office locations, current college students in a variety of majors participate in internship (approximately three months) and co-op (six months or longer) opportunities throughout the year. These programs provide students with hands-on, real-world experience through structured onboarding, training and meaningful project work aligned with their academic disciplines. Interns and co-ops support operational, engineering, business and corporate functions across the organization, contributing to day-to-day work while gaining exposure to PCA's culture and operations. Many participants in these programs are considered for full-time opportunities following graduation, supporting PCA's ongoing efforts to build a strong pipeline of early career talent.

Leadership and Development

Throughout PCA's history, several initiatives and programs have been developed internally to grow the skills and know-how of our workforce, building on the strengths of our current front-line, functional and general management leaders. We grow our programs based on the culture and needs of our company and shape our programs based on the feedback of our employees. We have embedded frequent feedback into the training process to increase engagement and ensure that content is on the leading edge. This approach helps empower our employees to grow their skillset and ensures that our customers continue to get the support they need to grow their business. In addition to Plant Optimization Engineer development program and GIFT, current programs are as follows:

Leadership Development Training (LDT)

LDT is a highly selective leadership program for mid-level employees, intended for those currently demonstrating deep engagement, initiative and promise, and is positioned to support the growth of current employees that have potential to report to the General Manager level within two to five years. Participants come from a range of different disciplines and include those working in operations, finance and accounting. This eight-week program, spread over eight months, provides participants an opportunity to experience and learn about the various operations across our different box plant locations. The LDT program takes an interactive approach, in which senior managers are invited to participate as guest lecturers, providing participants the opportunity to engage with those most experienced in the field, to ask questions and to get information in a small group setting.

Front-Line Leader

Front-Line Leader is a new development program at PCA that helps leaders develop the knowledge, skills and behaviors they need to enhance their communication and engagement with our employees and succeed in their roles. The program is intended for front-line leaders in our corrugated box plants

and employees with the potential to become front-line leaders. Attendees learn how to accomplish goals by building relationships and influencing others. They also learn leadership skills of active listening, building trust, giving and receiving feedback, coaching, conflict resolution and holding critical conversations. The attendees experience real-life scenarios and video case studies involving situations and challenges they can expect to encounter on the box plant floor. Finally, the attendees are given a chance to practice the skills they are learning so they can apply them next time they are on the floor. This four-day program, spread over several weeks, is facilitated by leaders working in our business every day.

In 2025, 328 front-line leaders representing 84 PCA locations successfully completed the training.

DiSC® Assessment and Training

Introduction to DiSC® is an assessment-based learning experience that helps people better understand themselves and others—empowering them to work better together. The workshops engage each participant in building more effective relationships at work. Better relationships start with seeing things from someone else's perspective and learning how to meet others where they are. It teaches people to understand themselves and others better while learning to appreciate the different behaviors and tendencies each person brings to the workplace.

Using personalized insights and actionable strategies, participants learn how to adapt to the style of others, ultimately improving engagement and collaboration across teams. This year, we added DiSC assessments and training in the areas of conflict resolution and emotional intelligence.

Everything DiSC® Productive Conflict increases learners' self-awareness around conflict behaviors, helping them effectively respond to uncomfortable and unavoidable challenges of workplace conflict. This learning experience combines the personalized insights of DiSC and the science of cognitive behavior to help participants recognize and transform their destructive habits into more productive responses. DiSC® Agile EQ™ teaches employees to read the emotional and interpersonal needs of a situation and respond accordingly. By combining the personalized insights of DiSC with active emotional intelligence (EQ) development, participants discover an agile approach to workplace interactions, empowering them to meet the demands of any situation.

Educational Assistance Program

PCA established the Educational Assistance Program to support salaried employees in developing their capabilities through reimbursement of costs incurred in pursuit of higher education programs. The goal is to further help employees in developing their abilities, and expand position-related skills and qualifications, to better equip them with knowledge that will help them succeed in their current role and prepare them for future career advancement opportunities. Upon approval, the Educational Assistance Program covers application fees, tuition and required textbooks. In addition, some participants of our Internship/Co-Op program qualify for tuition reimbursement.[35]

2025 EDUCATIONAL ASSISTANCE PARTICIPATION AND CONTRIBUTION

	EMPLOYEE		CO-OP		
	WOMEN	MEN	WOMEN	MEN	TOTAL
Participation	27	37	0	13	**77**
Contribution	$290,952		$63,377		**$354,329**

[36] Qualifications include minimum GPA of 3.0/4.0, at least one semester as a co-op or intern, and must be in their senior year of college.

Workforce Policies

At PCA, we work with people who do the right things for each other and our customers. Our success is driven by our people, who represent the heart of our Company. We make a great team, but we are also individuals, each with our own unique talents. At PCA, we have an uncompromising commitment to act with integrity.

Statement of Policy: Diversity, Equal Opportunity and Non-Discrimination

PCA helps bring together employees with a wide variety of backgrounds, skills and cultures, as we build an inclusive workplace. Combining such a wealth of talent and resources creates the diverse and dynamic teams that consistently drive our results. Our colleagues, job applicants and business partners are entitled to respect and should be judged on the basis of their qualifications, demonstrated skills and achievements.

We will follow all laws prohibiting discrimination, and will not tolerate discrimination based on race, color, age (40 and over), national origin or ancestry, citizenship status, religion, sex (including pregnancy, childbirth and related medical conditions), sexual orientation, gender, gender identity, gender expression, marital status, physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed service member status or any other status protected by state or local law.

Wages and Work Hours

PCA complies with all minimum wage obligations established by applicable law, and with all applicable laws and collective bargaining agreements regarding maximum hours, overtime work and the payment of overtime compensation. Our industry is among the top 10 manufacturing employers in 44 states and is a source of year-round, well-paying jobs in many rural American communities (AF&PA).

Compensation Approach

PCA's commitment to a fair and equitable workplace extends to our pay practices. Our Compensation Committee establishes PCA's general compensation philosophy and oversees the development and implementation of our compensation programs, including for our executives. It also reviews and approves corporate goals and objectives relevant to the compensation of the Chief Executive Officer, along with the other named executive officers (NEOs), and makes recommendations to the Board with respect to compensation programs including any employment agreements applicable to the executive officers of PCA.[36]

Our fair pay efforts for both exempt and non-exempt salaried employees are led by our HR team. We utilize a data-driven approach to conduct routine pay equity analysis to recognize trends, to understand what is fair and equitable in the pulp and paper industry, and to resolve pay discrepancies. We conduct pay assessment at the start of each new position to ensure each employee receives an accurate evaluation and compensation package that aligns with the position, accounting for an employee's reasonable differentials such as work experience, education and credentials. We also have a robust system in place to annually validate our data to ensure fair pay practices are being implemented.

Over half of our hourly production and maintenance employees are represented by national labor organizations. These organizations, like PCA, operate throughout the country. Labor organizations are committed to representing their members to ensure compensation aligns with basic needs. Wage and benefit packages are typically evaluated every three (3) years during collective bargaining. Many of our labor contracts also contain provisions that enable employees, through their union representatives, to request wage adjustments to conform with market conditions. In turn, compensation data obtained from unionized operations is used to assist in establishing wage rates at PCA's non-union operations. In most instances, PCA has non-union operations within geographic proximity to unionized operations.

[37] For more information on PCA's Compensation Committee, see PCA Compensation Committee Charter.

Employee Engagement

At PCA, our people are our greatest asset. We foster a culture where everyone strives to do their best and act with integrity—for each other and our customers. We hold ourselves accountable for results and continuously word toward improvement.

Employee Engagement, *Your Opinion Counts*

To promote engagement and the work experience, PCA conducts an employee survey called Your Opinion Counts every two years to gather feedback about our employees' work experience. This survey measures employee engagement through three key categories: **"Say," "Stay"** and **"Strive."**

SAY—indicates if employees would recommend PCA as a great place to work.

STAY—reflects employees' willingness to stay with PCA, helping us reduce turnover.

STRIVE—gauges employees' readiness to go above and beyond to help PCA deliver on its promises to its customers.

Your Opinion Counts Survey

The *Your Opinion Counts* survey gathers feedback from employees on their work experience, helping us understand their perceptions of PCA. It highlights our strengths and areas for improvement across various workplace dimensions including engagement, performance management, safety and responsibility, teamwork, career and development, rewards and recognition, customer focus and more.

PCA partners with an external expert in employee engagement to develop, administer and interpret survey results. We are committed to confidentiality within the survey process, allowing our employees to provide their honest feedback. The survey includes questions relevant to employees' work experiences and workplace culture to allow for industry benchmark comparisons.

We survey approximately 10,500 employees, including both salaried and hourly employees, from our corrugated division and selected corporate departments. To encourage participation, the survey is conducted during work hours and can be completed online via QR code, computer kiosk or e-mail link. After the survey period, our partner collects, tabulates and analyzes the results, which are presented to our leadership team. The data is compiled on a dashboard and shared with local leadership teams to enable them to act on feedback. Survey action teams at each location review the results and develop strategies for improvement. The dashboard also includes a module with recommended actions to address concerns, boost engagement and make PCA an even better place to work.

Our most recent survey, conducted in 2024, had a high level of participation, assuring us that the results reflect the feelings and opinions of our employees. The results reaffirmed PCA's strong safety culture and dedication to social and environmental responsibility. Our overall engagement index continues to rise and remains consistent with other U.S. manufacturing companies. PCA remains committed to seeking feedback from our employees as we work together to make meaningful improvements across our operations and continue to make PCA a great place to work. The next employee engagement survey will be conducted as scheduled in the first half of 2026.

Corporate Giving

At PCA, we believe that supporting our communities goes hand in hand with supporting our customers and our people. We are committed to making the world a better place by providing grassroots causes with the resources they need to strengthen and build communities.

Network and Give

PCA believes in building strong relationships within our organization. Employees are given the opportunity to engage in networking activities where they gather in social settings to have fun. Activities have included those that are aimed at giving back, including food packing activities for charitable organizations and "build-a-bike" events where bikes are built and donated to the Boys & Girls Clubs of America.

Local Community Outreach

PCA facilities throughout the U.S. are committed to supporting the communities in which we live and work. We contribute to and encourage their participation in a wide variety of organizations and initiatives that promote local health and welfare. In 2025, members of our corporate office in Lake Forest, Illinois, partnered with Fill a Heart 4 Kids to complete Project Gobble Gobble. Project Gobble Gobble involved creating and decorating breakfast care packages to provide food for homeless children during Thanksgiving break. In Florida and Georgia, we contribute to the Step Up For Students program, which provides kindergarten through twelfth grade students scholarships to follow the educational path that best suits their needs to reach their true potential. Our offices and plants sponsor charitable outings and donate to local chapters of organizations like Ronald McDonald House and Toys for Tots. Additionally, they hold annual food drives and donate products to schools for STEM building challenges and afterschool activities.

Charitable Giving

PCA demonstrates our commitment to give back to the communities we call home. Each year, our box plants and mills participate in community events and make donations to local charities based on community needs. In 2025, PCA contributed over $1.8 million in charitable donations. These donations supported organizations such as schools and universities, medical organizations and natural resources.

Meeting Customer Expectations

Corrugated packaging plays an important role in nearly every business by containing and protecting products during distribution. It would not be possible to efficiently transport most goods without corrugated packaging.

A partnership with PCA goes beyond just buying boxes; it's about building a collaborative relationship with a knowledgeable, trustworthy and committed partner that actively contributes to their customers' success in the marketplace. PCA takes this responsibility seriously by engaging with customers regularly to understand their business and packaging needs. Our sales and customer service representatives interact with customers daily, fostering strong relationships and serving their business needs. Additionally, our teams conduct ongoing business reviews to ensure our strategies align with our customers' business interests.

Customer Engagement

Customer ConneXions

PCA's *Customer ConneXions* survey delivers valuable insights into how customers perceive us and what matters most to them, helping us strengthen relationships and build collaborative partnerships at all levels within our customers' organization.

PCA partnered with B2B International, a global, full-service market research firm, to provide us with their consulting, analytical and reporting expertise on our most recent *Customer ConneXions* survey. The survey, conducted from November through December 2025, targeted customers who represent approximately 85% of our sales. Results highlighted sustained progress in several key areas, most notably in customer trust, ease of doing business, quality, on-time delivery and responsiveness to urgent customer needs. PCA continues to achieve an excellent Net Promoter Score (NPS), a measure of customer loyalty, and is considered best-in-class among peers in the manufacturing industry. Additionally, B2B International introduced its Six Pillars of Customer Experience Excellence framework, expanding the scope of feedback through several new survey questions. PCA performed strongly across all pillar metrics.

By consistently leveraging insights from our *Customer ConneXions* survey, PCA remains committed to fostering a culture of continuous improvement and customer-centricity.

APPENDIX

- Limited Assurance Letter
- Emission Factors and Global Warming Potential (GWP)
- Membership of Associations
- Employer Information Report EEO-1, Employment Data
- Master Data Table
- Glossary
- Listed Footnotes

KPMG LLP
Aon Center
Suite 5500
200 E. Randolph Street
Chicago, IL 60601-6436

Independent Accountants' Review Report

To the Board of Directors and Management of Packaging Corporation of America

Report on the Greenhouse Gas (GHG) emissions statement for the year ended December 31, 2025

Conclusion

We have reviewed whether the Greenhouse Gas (GHG) emissions statement and notes (the Statement) of Packaging Corporation of America and Subsidiaries (the Company) for the year ended December 31, 2025 have been prepared in accordance with the criteria described in Note 2 of the Statement (the Criteria).

Based on our review, we are not aware of any material modifications that should be made to the Statement for the year ended December 31, 2025 in order for it to be prepared in accordance with the Criteria.

Our conclusion on the Statement does not extend to any other information that accompanies or contains the Statement and our report.

Basis for conclusion

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants in the versions of AT-C section 105, *Concepts Common to All Attestation Engagements*, and AT-C section 210, *Review Engagements*, that are applicable as of the date of our review. We are required to be independent and to meet our other ethical requirements in accordance with relevant ethical requirements related to the engagement. We believe that the evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

Responsibilities for the Statement

Management of the Company is responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the Statement such that it is free from material misstatement, whether due to fraud or error;
- selecting or developing suitable criteria for preparing the Statement and appropriately referring to or describing the criteria used; and
- preparing the Statement in accordance with the Criteria.

Inherent limitations in preparing the Statement

As described in Note 4 of the Statement, emissions data presented are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements.

Our responsibilities

The attestation standards established by the American Institute of Certified Public Accountants require us to:

- plan and perform the review to obtain limited assurance about whether any material modifications should be made to the Statement in order for it to be prepared in accordance with the Criteria; and

KPMG LLP, a Delaware limited liability partnership, and its subsidiaries are part of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

- express a conclusion on the Statement based on our review.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the Statement and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, the procedures we performed primarily consisted of:

- inquiring of management to obtain an understanding of the methodologies applied to measure and evaluate the GHG emissions;
- evaluating management's application of the methodologies;
- inspecting supporting documentation for a selection of activity data;
- considering the appropriateness of emission factors used and estimates;
- recalculating a selection of the GHG emissions; and
- performing analytical procedures.

The procedures performed in a review vary in nature and timing from, and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether the subject matter information is prepared in accordance with the criteria, in all material respects, in order to express an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed.

KPMG LLP

Chicago, IL
June 26, 2026

Packaging Corporation of America and Subsidiaries

Greenhouse Gas (GHG) emissions statement

Year ended December 31, 2025

GHG Emissions in Million Metric Tons (MMT) of carbon dioxide equivalent (CO_2e)	**2025**
Scope 1 GHG Emissions	1.95
Scope 2 GHG Emissions (location-based)	1.10
Scope 2 GHG Emissions (market-based)	1.12
Total Scope 1 and Scope 2 emissions (market-based)*	**3.07**
Biogenic CO_2	6.50

The accompanying notes form an integral part of this GHG emissions statement.

Notes to the GHG emissions statement

1. Reporting entity

Packaging Corporation of America and Subsidiaries ("we" or the "Company") is the third largest producer of containerboard products and a leading producer of uncoated freesheet (UFS) paper in North America. We operate ten mills and 91 corrugated products plants and related facilities. We are headquartered in Lake Forest, Illinois and operate primarily in the United States.

2. Basis of presentation

The Company has prepared its GHG emissions statement for the year ended December 31, 2025 in accordance with the World Resources Institute and World Business Council for Sustainable Development's Greenhouse Gas Protocol standards and guidance (collectively, the GHG Protocol):

- Scope 1 emissions have been prepared in accordance with the GHG Protocol Corporate Accounting and Reporting Standard (revised edition)
- Scope 2 emissions have been prepared in accordance with the GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard.

3. Organizational boundary

The Company presents its emissions under the operational control approach, accounting for emissions from operations over which the Company has, at least, a controlling interest from an operational perspective or at best, the facility is owned entirely by the Company. In cases where the Company has operational control but does not wholly own facilities, these facilities will be included in the inventory.

On September 2, 2025, the Company acquired the containerboard business of Greif, Inc. ("Greif") The Company has excluded the Greif acquired locations from its emissions calculations because the necessary data is not yet available. The Company plans to include the Greif acquired locations in next year's GHG emissions statement and will also recalculate the base year (see Note 7).

4. Use of estimates and estimation uncertainties

The Company bases its estimates and methodologies on historical experience, available information and various other assumptions that it believes to be reasonable. Emissions data presented are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

5. Operational boundaries

a. Scope 1 emissions

Scope 1 emissions are direct emissions primarily from the combustion of fuel from sources inside the organizational boundary and include the following.

Source	*Boundary description*
Stationary Combustion	Natural gas, black liquor solids, biogas, Wastewater Treatment Plant (WWTP) residuals, fuel oil, coal, purchased bark, self-generated bark, tire derived fuel, petcoke, and propane consumed for manufacturing processes, heating and cooling.
Mobile Combustion	Diesel fuel, propane and gasoline consumed in vehicles and transport equipment.
Chemistry Emissions	Calcium carbonate and sodium carbonate used in manufacturing processes.
Fugitive Emissions	Company-owned landfills.
Electric Power – Self Generated – Hydro / Steam	Electricity for on-site use from company-owned dams.

b. Scope 2 emissions

Scope 2 emissions are indirect emissions from the generation of acquired and consumed electricity, steam, or chilled water occurring at sources outside of the organizational boundary as a consequence of activities from sources inside the organizational boundary, and include the following.

Source	*Boundary Description*
Electric Power	Electricity purchased for on-site use
Steam - Purchased	Steam purchased for on-site use

6. Emissions per gas

Emissions data for three GHGs in million metric tons and in million metric tons of CO_2 equivalent include only scope 1 and 2 emissions. All amounts are for the year ended December 31, 2025.

In absolute MMT gas			
	Carbon dioxide (CO_2)	Methane (CH_4)	Nitrous Oxide (N_2O)
Scope 1	1.73	0.01	0.02
Scope 2			
-Location-based	1.10	0.00	0.00
-Market-based	1.12	0.00	0.00
In $MMTCO_2e$			
Scope 1	1.73	0.20	0.02
Scope 2			
-Location-based	1.10	0.00	0.00
-Market-based	1.12	0.00	0.00

7. Base year

The Company utilizes the year ended December 31, 2021 as the base year for its scope 1 and scope 2 (market-based) GHG emissions. The Company's base year and subsequent years' emissions will be adjusted when a significant cumulative change is triggered according to guidance provided by the GHG Protocol. The following conditions will require such an adjustment if a significant change is identified:

- A change in reporting boundary, including a structural change of organizational boundaries (i.e., merger, acquisition, or divestiture).
- A change in calculation methodologies or emission factors.
- Additional or new data or methodology are available on source emissions that were not previously available.

The Company considers recalculating its previously reported base year and subsequent emissions in the event of a significant change resulting in greater than 5% change on a CO_2e basis of total scope 1 and scope 2 (market-based) emissions.

8. Measurement methodologies

a. Scope 1 emissions

Source	*Method*	*Emission factors*	*Inputs*
Stationary Combustion	Emissions factors applied to primary data.	2025 US EPA EF Hub, Table 1 – Natural Gas	Utility invoices and metered consumption

		U.S. EPA MRR: Final Rule (40 CFR 98) – Industrial Sector 2013 40 CFR Part 98, Subpart AA<Appendix Table AA-1. Based on Value for North American Softwood 2025 Guideline to Department for Energy Security and Net Zero (DESNZ)	
Mobile Combustion	Emissions factors applied to primary data.	U.S. EPA MRR: Final Rule (40 CFR 98) – Industrial Sector 2013 US EPA – Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-2015 (2017) 2025 US EPA EF Hub, Table 10 – Passenger Car	Invoice
Chemistry Emissions	Emissions factors applied to primary data.	GHG Protocol, Calculation Tools for Estimating Greenhouse Gas Emissions from Pulp and Paper Mills Version 1.1 July 8, 2005 – Table 7	Metered consumption
Fugitive Emissions	Emissions factor applied to primary data.	EPA's waste emissions calculation tool	Metered usage
Electric Power – Self Generated – Hydro / Steam	Emissions factor applied to primary data	0	Metered consumption

b. Scope 2 emissions

Source	*Method*	*Emission factors*	*Inputs*
Electric Power	Location-based	US EPA eGRID 2025 (2023 data), with	Utility invoice/metered consumption

		subregion adjustments (see below): Utility-Specific Emissions Factors • US 2025 Green-e Residual Mix (2022 Certified Sales)	
Electric Power	Market-based	When available, mill-specific market-based emission factors provided directly by local utility suppliers 2025 EPA Environmentally-Extended Input-Output Models	• Utility invoice/metered consumption • Contractual instruments (RECs, Purchased Power Agreements (PPAs))
Steam - Purchased	Market-based	US EIA – Emissions Factors for Steam and Chilled/Hot Water	Utility invoice

Methodology descriptions

Market-Based Methodology

The market-based calculation method utilizes emissions factors that the Company has identified or been provided through contractual instruments such as:

- ***Energy attribute certificates:*** such as renewable energy credits (RECs), Emission Free Energy Certificates (EFECs), alternative energy credits, Guarantees of Origin (GO)s, etc.
- ***Direct energy contracts:*** inclusive of renewable energy, brown power, and low-carbon purchases.
- ***Supplier-specific emissions rates:*** pulled directly from the supplier's website, provided by the supplier or supplied in the contracts/invoices themselves
- ***Residual Mix*****:** the emissions factors that represent the "untracked or unclaimed energy and emissions" (WRI/WBCSD GHG Protocol Scope 2 Executive Summary, 2015). This residual mix is utilized if the Company does not have the contractual instruments to meet the Scope 2 Quality Criteria.

Location-Based Methodology

This method utilizes grid-averaged emission intensities to calculate scope 2 emissions (i.e., US EPA eGRID factors and IEA country factors).

c. Global Warming Potentials

The global warming potentials for all GHGs were sourced from the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) version 2.0, updated August 7, 2024 using 100-year GWP values.

Emission Factors and Global Warming Potential (GWP)

SCOPES 1 & 2	
Scope 1	U.S. EPA MRR: Final Rule (40 CFR 98)—Industrial Sector 2013
Scope 2 (location-based, 2020)	U.S. EPA eGRID: eGRID 2021 (w/ 2019 Data)
Scope 2 (location-based, 2021)	U.S. EPA eGRID: eGRID 2022 (w/ 2020 Data)
Scope 2 (location-based, 2022)	U.S. EPA eGRID: eGRID 2023 (w/ 2021 Data)
Scope 2 (location-based, 2023)	U.S. EPA eGRID: eGRID 2024 (w/ 2022 Data)
Scope 2 (location-based, 2024)	U.S. EPA eGRID: eGRID 2025 (w/ 2023 Data)
Scope 2 (location-based 2025)	U.S. EPA eGRID: eGRID 2026 (w/ 2024 Data)
SCOPE 3	
Category 1—Purchased Goods and Services	– Life cycle assessment of caustic soda production: A case study in China, 2013 – Life cycle assessment study of starch products for the European starch industry association (AAF): Sector study, Figure 3 – Life cycle assessment of forest harvesting and transportation operations in Tennessee – Environmental impacts of roundwood supply chain options in Michigan: Life cycle assessment of harvest and transport stages
Category 2—Capital Goods	– Carnegie Mellon University Green Design Institute (2020) – Economic Input-Output Life Cycle Assessment (EIO-LCA) U.S. 2002 (428 sectors) Purchaser model
Category 3—Fuel- and Energy-Related Activities	– U.S. EPA eGRID: Grid Gross Loss (GGL) – Defra GHG Conversion Factors for Company Reporting, 2024
Category 4—Upstream Transportation and Distribution	– Life cycle assessment of forest harvesting and transportation operations in Tennessee – Environmental impacts of roundwood supply chain options in Michigan: Life cycle assessment of harvest and transport stages
Category 5—Waste Generated in Operations	– U.S. EPA Solid Waste Management and Greenhouse Gases. A Life Cycle Assessment of Emissions and Sinks, 3rd edition.
Category 6—Business Travel	– U.S. EPA MRR—Final Rule (40 CFR 98)—Industrial Sector 2013; EPA (2014) Inventory of U.S. Greenhouse Gas Emissions and Sinks – Air Travel factors from 2017 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting. Version 1.0 August 2017
Category 7—Employee Commuting	– EPA Hub (Mar 2018), CO^2, CH^4, N^2O emissions data for highway vehicles are from Table 2-13 of the Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-2015. Vehicle-miles and passenger-miles data for highway vehicles are from Table VM-1 of the Federal Highway Administration Highway Statistics 2015.
Category 9—Downstream Transportation and Distribution	– EDF Green Freight handbook, Rail, Distance – U.S. EPA MRR—Final Rule (40 CFR 98)—Industrial Sector 2013; EPA (2014) Inventory of U.S. Greenhouse Gas Emissions and Sinks
Category 12—End-of-Life Treatment of Sold Product	– EPA Emission Factors Hub (April 2021), Table 9
Categories 8—Upstream Leased Assets, 10—Processing of Sold Products, 11—Use of Sold Products, 13—Downstream Leased Assets, 14—Franchises, 15—Investments	Not Relevant
GLOBAL WARMING POTENTIAL	
CH_4 (2020–2022)	28
N_2O (2020–2022)	265
CH_4 (2024)	27.2 (non-fossil origin) 29.8 (fossil origin)
N_2O (2024)	265
CH_4 (2025)	27 (non-fossil origin) 29.8 (fossil origin)
N_2O (2025)	273

Membership of Associations

Alabama Forestry Association (AFA)
Alabama Pulp and Paper Council (APPCO)
American Forest & Paper Association (AF&PA)
American Forest Resource Council (AFRC)
American Society for Quality (ASQ)
Association of Washington Business (AWB)
ASTM International
Corrugated Packaging Alliance (CPA)
Envelope Manufacturers Association (EMA)
Federal Water Quality Coalition (FWQC)
Fibre Box Association (FBA)
Florida Pulp and Paper Association (FPPA)
Forest Stewards Guild
Forest Stewardship Council® (FSC®)
Georgia Association of Manufacturers (GAM)
Georgia Forestry Association (GFA)
Georgia Industry Environmental Coalition (GIEC)
Georgia Paper and Forest Products Association (GPFPA)
Great Lakes Timber Professionals Association (GLTPA)
Institute of Packaging Professionals (IoPP)
International Corrugated Case Association (ICCA)
International Corrugated Packaging Foundation (ICPF)
International Organization for Standardization (ISO)
International Safe Transit Association (ISTA)
The Longleaf Alliance
Louisiana Association of Business and Industry (LABI)
Louisiana Forestry Association (LFA)
Louisiana Pulp and Paper Association (LPPA)
Manufacture Alabama (MA)
Michigan Chamber of Commerce
Michigan Forest Products Council (MFPC)
Michigan Manufacturers Association (MMA)
Minnesota Chamber of Commerce
Minnesota Forest Industries (MFI)
Minnesota Timber Producers Association (TPA)
Mississippi Forestry Association (MFA)
National Council for Air and Stream Improvement (NCASI)
National Fire Protection Association (NFPA)
National Paper Trade Association (NPTA)
The Nature Conservancy
North American Forest Partnership (NAFP)
Northwest Pulp & Paper Association (NWPPA)
Programme for the Endorsement of Forest Certification (PEFC)
Pulp and Paper Safety Association (PPSA)
Pulp and Paperworkers' Resource Council (PPRC)
Recycled Paperboard Technical Association (RPTA)
Society for Human Resource Management (SHRM)
Society of American Foresters (SAF)
Supplier Ethical Data Exchange (SEDEX)
Sustainable Forestry Initiative® (SFI)
Sustainable Packaging Coalition (SPC)
Technical Association of Pulp & Paper Industry (TAPPI)
Tennessee Chamber of Commerce & Industry
Tennessee Forestry Association (TFA)
Tennessee Paper Council
Wisconsin Manufacturers & Commerce (WMC)
Wisconsin Paper Council (WPC)

Employer Information Report EEO-1, Employment Data

JOB CATEGORIES		NUMBER OF EMPLOYEES (Report employees in only one category) RACE/ETHNICITY														
		HISPANIC OR LATINO		NOT HISPANIC OR LATINO												
				MALE						FEMALE						
		Male (A)	FEMALE (B)	White (C)	Black or African American (D)	Native Hawaiian or Other Pacific Islander (E)	Asian (F)	American Indian or Alaska Native (G)	Two or More Races (H)	White (I)	Black or African American (J)	Native Hawaiian or Other Pacific Islander (K)	Asian (L)	American Indian or Alaska Native (M)	Two or More Races (N)	TOTAL COLUMNS A–N
Executive/ Senior-Level Officials and Managers	(1.1)	1	1	107	0	0	9	1	0	18	0	0	2	0	0	139
First/Mid-Level Officials and Managers	(1.2)	233	31	1,435	86	8	31	5	12	302	13	0	12	1	2	2,171
Professionals	(2)	64	66	601	31	2	22	2	10	403	27	3	23	2	3	1,259
Technicians	(3)	3	1	45	2	0	0	0	1	8	1	0	0	0	0	61
Sales Workers	(4)	27	76	347	12	1	2	1	0	287	12	1	4	3	10	783
Administrative Support Workers	(5)	46	20	211	41	3	9	0	2	133	20	2	5	1	2	495
Craft Workers	(6)	176	4	1,460	69	1	18	9	17	13	1	1	0	0	0	1,769
Operatives	(7)	1.697	254	3,820	1,151	80	211	37	117	411	141	11	24	6	19	7,979
Laborers and Helpers	(8)	425	136	900	347	7	46	12	33	150	61	4	13	0	6	2,140
Service Workers	(9)	4	2	19	3	0	0	0	0	7	4	1	0	0	0	40
TOTAL EMPLOYEES	(10)	**2,676**	**591**	**8.945**	**1,742**	**102**	**348**	**67**	**192**	**1,732**	**280**	**23**	**83**	**13**	**42**	**16,836**

EEO-1 Consolidated—Analysis Data as of 12/31/2025

Board of Directors

The table below lists the self-identified gender and race of each director by EEO-1 Classification.

	C. Beebe	D. Farrington	K. Gowland	D. Harman	M. Kowlzan	R. Lyons	S. Mencoff	R. Porter	T. Souleles	P. Stecko
GENDER										
MALE		●			●	●	●	●	●	●
FEMALE	●		●	●						
RACE/ETHNICITY										
White	●		●	●	●	●	●	●	●	●
Hispanic										
Black or African American		●								
Asian										
Native Hawaiian or Other Pacific Islander										
American Indian or Alaska Native										
Two or More Races										

Master Data Table

	UNIT OF MEASURE	2025	2024	2023	2022	2021
PRODUCTION AND SHIPMENTS						
Containerboard Production	thousand tons	**5,154**	5,544	4,529	4,566	4,887
Corrugated Shipments	billion square feet (BSF)	**71.1**	66.9	60.5	63.4	65.7
White Paper (UFS) Production	thousand tons	**484**	499	472	506	572
OCCUPATIONAL HEALTH AND SAFETY						
Employee Days Away, Restricted or Transferred (DART)	cases × 200,000/total hours worked	**1.54**	1.32	1.25	1.42	1.36
Employee Lost Time Case Rate (LTCR)	cases × 200,000/total hours worked	**0.84**	0.65	0.66	0.75	0.61
Employee Total Case Rate (TCR)	cases × 200,000/total hours worked	**2.37**	2.36	1.84	2.31	2.32
Employee Fatalities		**0**	0	0	0	1
Employee High-Consequence Work-Related Injuries (Excluding Fatalities)		**4**	19	23	16	19
Temp. Worker Days Away, Restricted or Transferred (DART)	cases × 200,000/total hours worked	**0.73**	0	0	0.21	0.37
Temp. Worker Lost Time Case Rate (LTCR)	cases × 200,000/total hours worked	**0.29**	0	0	0.11	0.25
Temp. Worker Total Case Rate (TCR)	cases × 200,000/total hours worked	**1.32**	0.27	0.28	0.53	0.62
Temp. Worker Fatalities		**0**	0	0	0	0
Temp. Worker High-Consequence Work-Related Injuries (Excluding Fatalities)		**0**	0	0	0	0
LEARNING AND DEVELOPMENT						
Average Training Hours per Employee	hours/ employee	**9.6**	9.3	4.2	2	1.8
Female Employee Participation in Degree Pursuit Program		**20**	27	37	39	37
Male Employee Participation in Degree Pursuit Program		**37**	28	43	41	31
Female Co-Op Participation in Degree Pursuit Program		**0**	1	1	0	0
Male Co-Op Participation in Degree Pursuit Program		**13**	6	3	1	7
Total Participation in Degree Pursuit Program		**70**	62	84	81	75
Total Contribution for Degree Pursuit Program	U.S. dollars	**$354,329**	$188,209	$372,200	$444,100	$446,300

	UNIT OF MEASURE	2025	2024	2023	2022	2021
EMPLOYMENT						
Grand Total New Hires		**3,620**	3,601	3,040	4,261	3,293
Total New Hires of Female Employees		**568**	650	536	835	630
Total New Hires of Male Employees		**3,052**	2,951	2,504	3,426	2,663
Grand Total of Employee Turnover		**3,476**	3,330	3,628	4,051	3,572
Total Turnover of Female Employees		**588**	578	619	749	616
Total Turnover of Male Employees		**2,888**	2,752	3,009	3,302	2,956
EMPLOYEES (INCLUDING GREIF)						
Total Employees		**16,795**	15,300	14,900	15,100	15,200
Total Salaried Employees		**4,597**	4,300	4,300	4,400	4,400
Total Hourly Employees		**12,198**	11,000	10,600	10,700	10,800
Employees Covered by Collective Bargaining Agreements (CBA)		**6,886**	6,776	6,678	6,527	6,840
Hourly Employees in CBA as % of Total Hourly Employees		**56%**	60%	63%	61%	63%
Employees in CBA as % of All Employees		**41%**	44%	45%	43%	45%
Percentage of Female Employees		**16%**	17%	17%	17%	17%
Percentage of Male Employees		**84%**	83%	83%	83%	83%
Percentage of Permanent Employees		**99.7%**	98.9%	99.6%	–	–
Percentage of Temporary Employees		**0.3%**	1.1%	0.4%	–	–
Percentage of Full-Time Employees		**99.9%**	99.9%	99.9%	99.9%	99.9%
Percentage of Part-Time Employees		**0.1%**	0.1%	0.1%	0.1%	0.1%
Percentage of Employees in USA		**100%**	100%	99.9%	99.9%	99.9%
Percentage of Employees in Canada		**0%**	0%	0.0%	0.0%	0.0%
Percentage of Employees in Hong Kong		**0%**	0%	0.1%	0.1%	0.1%
DIVERSITY, EQUITY AND INCLUSION						
Number of Female Directors		**3**	3	2	2	2
Number of Male Directors		**7**	7	8	8	9
Total Number of Directors		**10**	10	10	10	11
Number of Female Executive Officers		**2**	2	2	2	1
Number of Male Executive Officers		**7**	7	9	9	9
Total Number of Executive Officers		**9**	9	11	11	10
Number of Female Officers		**6**	6	6	6	7
Number of Male Officers		**25**	25	25	25	22
Total Number of Officers		**31**	31	31	31	29

	UNIT OF MEASURE	2025	2024	2023	2022	2021
ENERGY						
Energy Consumption From Non-Renewable Fuel	million GJ	**33.5**	34.7	30.1	30.5	34.3
Energy Consumption From Renewable Fuel	million GJ	**72.4**	74.6	70.7	70.1	70.6
Energy Consumed From Purchased Electricity and Steam	million GJ	**10.0**	10.4	9.5	9.9	10.3
Energy Consumed From Self-Generated Hydroelectricity	million GJ	**0.2**	0.2	0.2	0.2	0.2
Total Energy Consumed	million GJ	**116.1**	119.8	110.5	110.7	115.4
EMISSIONS						
Scope 1 GHG Emissions	million metric tons CO_2e	**1.95**	2.00	1.72	1.81	1.95
Scope 2 GHG Emissions (location-based)	million metric tons CO_2e	**1.10**	1.09	1.16	1.07	1.06
Scope 2 GHG Emissions (market-based)	million metric tons CO_2e	**1.12**	1.24	1.54	1.43	1.62
Scope 3 GHG Emissions	million metric tons CO_2e	**3.58**	2.57	2.29	2.43	2.48
Total GHG Emissions (location-based)	million metric tons CO_2e	**6.63**	5.66	5.17	5.31	5.49
Total GHG Emissions (market-based)	million metric tons CO_2e	**6.66**	5.81	5.55	5.67	6.05
Biogenic CO_2 Emissions	million metric tons CO_2	**6.50**	6.57	6.32	6.28	6.32
Nitrogen Oxides (NO_x) Air Emissions	thousand metric tons	**6.5**	6.58	5.7	6	6.4
Sulfur Dioxide (SO_2) Air Emissions	thousand metric tons	**1.2**	1.23	1	2.1	2.4
Particulate Matter 10 (PM_{10}) Air Emissions	thousand metric tons	**1.3**	1.15	1	1.1	1.1
MATERIALS—WOOD FIBER SOURCING						
First-Use (virgin) Fiber Sourced	thousand green tons	**13,225**	14,543	13,697	13,731	13,986
Percent by Weight of First-Use Fiber Certified Sourced		**28%**	29%	32%	31%	32%
Percent by Weight of First-Use Fiber PEFC Certified Sourced		**24%**	23%	26%	25%	27%
Percent by Weight of First-Use Fiber FSC Certified Sourced		**4%**	6%	6%	6%	5%
Recovered Fiber Sourced	thousand tons	**1,396**	1,455	1,026	1,044	1,200
Market Pulp Sourced	thousand tons	**0%**	0	2	2	53
PEFC Certified Product Sold, Corrugated	thousand tons	**281.8**	303.4	326.4	313.1	305.6
FSC Certified Product Sold, Corrugated	thousand tons	**14.9**	0.0	0	0	0
PEFC Certified Product Sold, White Paper	thousand tons	**42.0**	32.3	18.8	28.3	40.7
FSC Certified Product Sold, White Paper	thousand tons	**38.2**	36.7	32.9	37.9	66.8
Total Certified Product Sold	thousand tons	**376.9**	372.4	378.1	379.3	413.1

	UNIT OF MEASURE	2025	2024	2023	2022	2021
WATER AND EFFLUENTS						
Total Water Withdrawn	billion liters	**268.4**	265.8	256.3	261.2	274.9
Surface Water Withdrawn	billion liters	**195.2**	196.6	183.0	184.6	196.3
Percentage of Surface Water for Process		**61%**	55%	61.2%	58.9%	59.9%
Percentage of Surface Water for Cooling		**39%**	39%	38.6%	40.8%	39.9%
Percentage of Surface Water for Potable		**0%**	0%	0.2%	0.3%	0.2%
Ground Water Withdrawn	billion liters	**72.7**	68.9	70.7	74.9	77.2
Percentage of Ground Water for Process		**90%**	88.4%	89.9%	89.6%	89.0%
Percentage of Ground Water for Cooling		**10%**	10.9%	9.7%	10.0%	10.7%
Percentage of Ground Water for Potable		**0%**	0%	0.3%	0.4%	0.3%
Municipal Water Withdrawn	billion liters	**0.5**	2.18	2.7	1.7	1.4
Water Consumption	liters/ton of production	**1,882**	1,240	1,310	1,071	908
Total Water Discharges at Mills	billion liters	**270.4**	213.7	255.5	247.4	271.2
Percentage of Water Discharges at Mills From Cooling		**27%**	28%	23%	26%	25%
Percentage of Water Discharges at Mills From Receiving		**72%**	72%	77%	74%	75%
Biological Oxygen Demand (BOD)	lbs/ton of production	**1.41**	1.61	1.29	1.38	1.6
Total Suspended Solids (TSS)	lbs/ton of production	**2.21**	2.47	2.51	2.45	2.38
WASTE						
Process Waste Recycled or Beneficially Reused	thousand metric tons	**569.3**	607.2	505.1	625.1	616
Process Waste to Landfill	thousand metric tons	**314.2**	194.9	297.1	231.2	361.7
Hazardous Waste (disposed of by third party)		de minimis	de minimis	de minimis	de minimis	de minimis
Total Process Waste	thousand metric tons	**883.5**	802.1	802.2	856.3	977.7
COMMUNITIES						
Cash Donations	dollars, in thousands	**$1,842**	$2,927	$2,906	$1,609	$944

Glossary

ADS Tons Air-Dried Short Tons. Pulp is generally reported as an air-dried product that is assumed to be 10% water and 90% dry pulp.

American Tree Farm System (ATFS) A national program that promotes the sustainable management of forests through education and outreach to private forest landowners.

Biodiversity ("biological diversity") The variety of life on earth or in a specific habitat or ecosystem.

Biogenic Carbon Carbon dioxide (CO_2) emissions related to the natural carbon cycle, as well as those resulting from the combustion, harvest, digestion, fermentation, decomposition or processing of biologically based material such as plants, trees and other forms of biomass.

Biogenic Fuel Fuel generated through the consumption of biomass. Generates biogenic carbon as opposed to the use of fossil fuels, which generates carbon that has long been removed from the natural carbon cycle (thus introducing additional carbon to the present day).

Biological Oxygen Demand (BOD) The amount of dissolved oxygen needed by aerobic biological organisms to break down organic material. Used to measure water quality.

Biomass Organic material that comes from plants and animals. In PCA's case, that would be pulping byproducts like black liquor solids and wood waste (bark, knots, etc.).

Biomass Energy Energy derived by combusting fuel that is developed from organic material. In PCA's case, pulping byproducts like black liquor solids and wood waste (bark, knots, etc.). Renewable source of energy.

Black Liquor The remaining water, after chemical reclamation processes, from kraft process pulping operations. Contains significant lignin and hemicelluloses. Typically processed to evaporate water and to combust the remaining biogenic material, providing heat, steam and electricity to power mill processes.

California Transparency in Supply Chains Act of 2010 Requires larger manufacturers and certain others that do business in California to publicly disclose their efforts to eradicate slavery and human trafficking from their supply chains.

Carbon Capture and Storage (CCS) A process that captures carbon dioxide emissions and either reuses them or stores them permanently so they will not enter the atmosphere.

Carbon Dioxide Equivalent (CO_2e) A metric to express the combined warming impact of various greenhouse gases (GHGs) in terms of carbon dioxide (CO_2). It is a standardized way to compare the global warming potential of different gases (e.g., methane and nitrous oxide) based on their ability to trap heat in the atmosphere over a specific time frame, typically 100 years.

Carbon Negative When more CO_2 is removed than emitted into the atmosphere.

Carbon Sink Something that stores more carbon than it emits, thus amounting to net removals of carbon from the atmosphere. The world's largest carbon sinks include the ocean, soil and forests.

Caustic Soda Sodium hydroxide, NaOH, a strong base used in pulping processes.

Chain of Custody A certification that requires processes for tracking fiber content from certified forests, non-certified forests and recycled content.

Containerboard Paperboard specifically made for the construction of corrugated packaging (linerboard and corrugating medium). It is also used, to a lesser degree, in the manufacture of several other types of packaging.

Days Away Restricted or Transferred (DART) Refers to the number of recordable (human health and safety) incidents per 200,000 hours worked that resulted in workdays where the employee was assigned to a different task, restricted in their duties or transferred due to work-related injuries or illness.

Direct Emissions (Scope 1) Greenhouse gas emissions directly controlled by PCA.

Double-Lined Kraft (DLK) Corrugated scrap from box- making. Considered pre-consumer recycled material.

ECF (Elemental Chlorine Free) A method of bleaching wood fiber from its natural color to white in various brightness levels.

Emission-Free Energy Certificates (EFECs) Tradable, non-tangible energy certificates that certify and represent emission-free attributes of generating sources.

Fair Labor Standards Act (FLSA) U.S. law declaring the federal minimum wage and hour requirements for employees, along with overtime eligibility. It also divides employees into exempt and non-exempt (regarding eligibility for overtime pay).

Family and Medical Leave Act (FMLA) U.S. law that permits employees to take unpaid time away from work to address health and family matters.

First-Use (Fiber) Fiber that has been produced (pulped) directly from wood and is being used in its first "cycle"—prior to typically being recaptured and recycled back into fiber-based products like paper, containerboard, tissue
and similar.

Forest Stewardship Council (FSC) An international non-governmental organization dedicated to promoting responsible management of the world's forests.

Fossil Fuel Fuels such as gas, oil, coal, petroleum, kerosene, propane, etc. Naturally found, finite resources used for energy production.

FSSC 22000 Food Safety System Certification 22000.Non-governmental organization that produces food safety standards, which are benchmarked and accepted by the Global Food Safety Initiative. Fastest-growing standards in terms of adoption in the U.S. and Europe. PCA's full-line packaging operations are predominantly certified to
FSSC 22000.

Fugitive Emissions Emissions of gases released into the atmosphere accidentally and unintentionally, e.g., by spillage or leakage, from pressurized equipment.

Global Food Safety Initiative (GFSI) Business-driven initiative for the development of food safety management systems to ensure food and food packaging facilities are processing safe food and packaging for consumers.

Global Reporting Initiative (GRI) An independent, international organization that helps businesses report on sustainability impacts using a common global framework.

Green Ton Weight of trees as these are harvested with full moisture content, about 50% water weight.

Greenhouse Gas (GHG) Gases like carbon dioxide, methane, nitrous oxide and chlorofluorocarbons (CFCs) that absorb and emit radiant energy.

Indirect Emissions (Scope 2) Emissions from the consumption of purchased electricity, steam, energy, etc., generated upstream of, but purchased by, PCA.

International Union for Conservation of Nature (IUCN) A membership union composed of both government and civil society organizations to serve as a global authority on the status of the natural world and measures needed to safeguard it.

Kraft A paper- and paperboard-making process that utilizes cooking (rather than mechanical processes) to produce wood pulp from solid wood. Also used to produce high-strength paper and paperboard from softwood (coniferous) timber. Frequently employed to produce linerboard (the outer facings of corrugated fiberboard).

Life-altering injury An injury resulting in permanent or long-term impairment or loss of use of an internal organ, body function or body part.

Life-threatening injury An injury that if not immediately addressed is likely to lead to death.

Linerboard Containerboard specifically produced to be utilized as an outer facing in corrugated fiberboard and packaging.

Location-Based Scope 2 greenhouse gas emissions calculated based on the average emissions intensity of the region-wide electrical grid where a facility is located.

Lost Time Case Rate (LTCR) A mathematical calculation that describes the number of lost time cases per 100 full-time employees in any given time frame.

Market-Based Scope 2 greenhouse gas emissions calculated based on the specific electricity that a facility is buying.

Materiality Determination of that which is relevant or significant.

Methane A colorless, odorless, flammable gaseous hydrocarbon that when present in the atmosphere poses a greenhouse effect significantly more potent than carbon dioxide (CO_2). Methane is made up of four hydrogen atoms and one carbon atom and is expressed chemically as CH_4.

Metric Ton (Tonne) A unit of weight equal to 2,204 pounds or 1,000 kilograms. Differentiated from a short ton, which is equal to 2,000 pounds.

MRR Mandatory Reporting Regulation. EPA-issued regulations regarding mandatory reporting on GHG, defining what must be reported and by whom.

NatureServe A network of scientists who collect decision-quality data about species and ecosystems. Used by PCA to protect biodiversity-rich areas.

Net-Zero Carbon Emissions Achieving an overall balance between greenhouse gas emissions produced and greenhouse gas emissions taken out of the atmosphere.

NOx Term used to refer to nitric oxide (NO) and nitrogen dioxide (NO_2) that are produced when fuel is burned. It can contribute to smog and have health implications.

Occupational Safety and Health Administration (OSHA) U.S. Department of Labor group charged with ensuring safe and healthy conditions for men and women by setting and enforcing standards and by providing training, outreach, education and assistance.

Old Corrugated Containers (OCC) Used corrugated packaging that has been recaptured for purposes of recycling. OCC has a recapture rate of between 85% and 95% in the U.S.

Other Indirect Emissions (Scope 3) Greenhouse gas emissions occurring in the value chain, upon which PCA may have some influence, but limited control.

Particulate Matter (PM) Microscopic solid particles or liquid droplets found in the air. Can impact respiratory health and air quality.

Photosynthesis A process by which plants and other organisms transform sunlight, water and carbon dioxide to create oxygen and chemical energy in the form of sugar.

Programme for the Endorsement of Forest Certification (PEFC) PEFC is an international non-governmental organization of national forest certification systems endorsement. They endorse national forest certification systems developed through multi-stakeholder processes and tailored to local priorities and conditions to advance responsible forestry.

Renewable Energy Certificates (RECs) Tradable, non-tangible energy certificates that certify and represent energy generation from a renewable energy source.

Renewable Resources Resources that can replenish themselves naturally over time, e.g., wood products.

Safe Quality Food (SQF) A food safety and quality program that produces food safety standards, several of which are benchmarked/accepted by the Global Food Safety Initiative. PCA Marshfield is certified to SQF Level 2.

Saline Aquifer A geological formation consisting of water-permeable rocks that are saturated with salt water, and therefore unfit for consumption.

Semi-Chemical (Corrugating Medium) Containerboard specifically produced to serve as corrugating medium (to be fluted and bonded into the center of a corrugated sheet). Produced with a combination of mechanical and chemical cooking processes.

Serious Injury or Fatality (SIF) An injury resulting in a fatality or a life-threatening or life-altering injury often requiring hospitalization other than for observation or diagnostic testing, and results from a specific event at a work-related facility.

Short Ton (Net Ton) A unit of weight equal to 2,000 pounds. Differentiated from the long (gross) ton, which is equal to 1,000 kilograms, or 2,240 pounds.

SO_2 Sulfur dioxide is formed when fuels like oil and coal are burned. In sufficient concentrations, its presence can lead to the acidification of water and soil.

Stakeholder An individual or entity that has a concern or interest in a business.

Sustainability Accounting Standards Board (SASB) Provides standards to enable organizations to provide industry-based disclosures about sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, access to finance or cost of capital over a short, medium and long term.

Sustainable Forestry Initiative (SFI) SFI is a North American non-profit organization established in 1994 that is a comprehensive system of principles, objectives and performance measures that combines the perpetual growing and harvesting of trees with the long-term protection of wildlife, plants, soil and water quality.

Task Force on Climate-Related Financial Disclosures (TCFD)
A framework to help public companies and other organizations disclose climate-related risks and opportunities.

Task Force on Nature-Related Financial Disclosures (TNFD)
A framework to help public companies and other organizations disclose nature-related risks and opportunities.

Terminations Employees who have voluntarily or involuntarily left employment in the reporting year.

Title VII of the Civil Rights Act of 1964 Federal law that prohibits employers from discriminating against employees on the basis of sex, race, color, national origin and religion.

Total Case Rate (TCR), officially, Total Incidence Rate (TIR)
A mathematical calculation that describes the number of employees per 100 full-time employees who have suffered an injury or illness requiring medical treatment.

Total Suspended Solids (TSS) The dry weight of suspended particles that do not dissolve in water. These can be separated using a filter. Used to measure water quality.

Turnover Percentage of employees who have voluntarily or involuntarily left employment in the reporting year.

Vertically Integrated A strategy and corporate architecture where a company owns and operates several operations or entities in order to manufacture from raw materials to finished/offered products. PCA is a vertically integrated packaging and paper company.

Listed Footnotes

1 NYSE 303A.04 Nominating/Corporate Governance Committee

2 NYSE 303A.05 Compensation Committee

3 NYSE 303A.07 Audit Committee

4 Assuming five minutes per training video and test question.

5 In 2024, 60%-64% of paper and 69%-74% of old corrugated containers (OCC) was recycled. (Paper & Cardboard Recycling Facts | AF&PA)

6 PCA is not including scope 3 in our 2030 target because our inventory relies heavily on life cycle assessments (LCA) that are not regularly updated. We will continue using this method until meaningful progress has been made in transitioning the U.S. electrical grid and transportation system to carbon-pollution-free technologies, or we are compelled to do so by regulators.

7 U.S. renewable electricity generation capacity has been on the rise and has become the second major source generated after natural gas. Electricity generation, capacity, and sales in the United States

8 Carbon sinks are anything that absorbs more carbon from the atmosphere than it releases.

9 2025 PCA Annual Report

10 Boxes Remain a Recycling Success Story - Fibre Box Associaton

11 Greenhouse gas emissions from company-owned landfills are reported on a one-year lag due to the complex nature of the calculation and the length of time required for data aggregation necessary for computation. Methane gas collection systems are in place at PCA-owned landfills. However, there is limited methane release from PCA landfills since the majority of landfill waste is inert ash from biomass use in the process of energy generation. The ash releases limited emissions when landfilled due to most of the emissions being released upon combustion. As such, EPA emission factors likely result in higher reported emissions than are actually released.

12 In 2018, we began tracking emissions for our regional, in-house trucking fleet, our corporate headquarters and our technical center. In 2020, we began tracking emissions for our supply services and fulfillment centers.

13 Ncasi.org

14 Forest Ownership Statistics - National Association of State Foresters

15 (FSC-C020415)

16 (PEFC/31-29-09)

17 Only applicable to our International Falls, Minnesota, mill.

18 The U.S. National Risk Assessment leveraged the International Union for Conservation of Nature (IUCN), REDD list, NatureServe, USDA Forest Service and several government resources, among others.

19 Drivers of Deforestation - Our World in Data

20 Ibid.

21 To view states' BMPs, see Best Management Practices - National Association of State Foresters

22 Our Economic Impact | AF&PA

23 The Fiber Cycle Technical Document

24 Paper and board food packaging

25 Water Profile of the U.S. Forest Products Industry

26 Sustainability – NCASI

27 Sustainability – NCASI

28 Due to geographic location, International Falls operates a fully enclosed UNOX system (an anaerobic reactivated sludge system) for wastewater treatment. Wastewater treatment plant residuals from this system are subsequently dried and combusted as a biofuel. Valdosta and International Falls both draw municipal water (for sinks, bathrooms, etc.), which is segregated and treated by publicly owned treatment works (POTW).

29 FSC National Risk Assessment for USA

30 PCA's OHS management system accounts for requirements outlined in OSHA's Injury and Illness Prevention Program and 29 CFR Subpart R1940.281"Pulp, Paper and Paperboard Mills." Additional guidance is provided through various standards written by the American National Standards Institute (ANSI) and Industry Practices.

31 PCA has an internal Safe Operating Practice Instruction dedicated to practices of outside contractors, in addition to Safe Practices for Outside Contractors available on our website.

32 This is supported by union contractual language known as "Right to Act" as well as PCA's Code of Ethics and Business Conduct and federal law (U.S. Department of Labor – Whistleblower Protection Act).

33 OSHA Occupational Safety and Health Administration Standard Number 1904

34 Industry Injury and Illness Data : U.S. Bureau of Labor Statistics

35 For more information on FMLA visit Family and Medical Leave (FMLA) | U.S. Department of Labor

36 Qualifications include minimum GPA of 3.0/4.0, at least one semester as a co-op or intern, and must be in their senior year of college.

37 For more information on PCA's Compensation Committee, see PCA Compensation Committee Charter.

PEOPLE · CUSTOMERS · TRUST

When you choose Packaging Corporation of America, you work with people who do the right things for each other and for our customers. We believe in utilizing the power of strong collaborative relationships, bound by the trust we have earned, to deliver innovative paper and packaging solutions and an outstanding service experience.

1 North Field Court
Lake Forest, Illinois 60045
(800) 456-4725
www.packagingcorp.com

©2026 Packaging Corporation of America. All rights reserved

PACKAGING CORPORATION OF AMERICA