



First Quarter 2024 Earnings

April 30, 2024



Forward-Looking Statements

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

- Any statements of the Company's expectations in these slides, including, but not limited to, statements regarding seasonality, timing of the closing of the sale of the Augusta, Georgia paperboard manufacturing facility, expected capital spend and total investment in and expected EBITDA related to the Waco facility, 2024 guidance for sales growth and Innovation Sales Growth, Adjusted EBITDA, Adjusted Earning per Share, Cash Interest, Taxes, change in Working Capital and Pension Expenses constitute "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Such statements are based on currently available operating, financial and competitive information and are subject to various risks and uncertainties that could cause actual results to differ materially from the Company's historical experience and its present expectations. These risks and uncertainties include, but are not limited to, inflation of and volatility in raw material and energy costs, changes in consumer buying habits and product preferences, competition with other paperboard manufacturers and product substitution, the Company's ability to implement its business strategies, including strategic acquisitions, productivity initiatives, cost reduction plans and integration activities, as well as the Company's debt level, currency movements and other risks of conducting business internationally, the impact of regulatory and litigation matters, including the continued availability of the Company's U.S. federal income tax attributes to offset U.S. federal income taxes and the timing related to the Company's future U.S. federal income tax payments. Undue reliance should not be placed on such forward-looking statements, as such statements speak only as of the date on which they are made and the Company undertakes no obligation to update such statements, except as may be required by law. Additional information regarding these and other risks is contained in the Company's periodic filings with the Securities and Exchange Commission.

NON-GAAP FINANCIAL MEASURES & RECONCILIATIONS

- This presentation includes certain historic financial measures that exclude or adjust for charges or income associated with business combinations, facility shutdowns, extended mill outages, sales of assets and other special charges or income ("Non-GAAP Financial Measures"). The Company's management believes that the presentation of these Non-GAAP Financial Measures provides useful information to investors because these measures are regularly used by management in assessing the Company's performance. These Non-GAAP Financial Measures are not calculated in accordance with generally accepted accounting principles in the United States ("GAAP") and should be considered in addition to results prepared in accordance with GAAP, but should not be considered substitutes for or superior to GAAP results. In addition, these Non-GAAP Financial Measures may not be comparable to similarly-titled measures utilized by other companies, since such other companies may not calculate such measures in the same manner as we do. A reconciliation of these Non-GAAP Financial Measures to the most relevant GAAP measure can be found in the Company's earnings press releases. Note that a reconciliation of Non-GAAP Financial Measures provided as future performance guidance to the most relevant GAAP measure is not provided, as the Company is unable to reasonably estimate the timing or financial impact of items such as charges associated with business combinations and other special charges. The inability to estimate these future items makes a detailed reconciliation of these forward-looking non-GAAP financial measures impracticable.

First Quarter 2024 Highlights

Strategic Updates

- Vision 2030 introduced at Investor Day in February: more ambitious, better aligned
- Agreement to sell Augusta, GA bleached paperboard manufacturing facility to Clearwater Paper
- Waco investment on schedule, progressing well

Diversified Consumer Packaging Portfolio

- Strength in Foodservice and Beverage markets partially offset weakness in Food and Household markets
- Growth in club channel helped offset modest declines in grocery channel
- Pockets of improvement in Q1 and high customer engagement provide confidence in expected positive full-year sales growth (excluding impact of Augusta bleached paperboard manufacturing facility sale)
- Innovation Sales Growth of \$37M, in line with expectations
 - Contributions from all five innovation platforms
 - Cup programs ramping up include Chick-fil-A and Nissin Noodles
 - Multiple Boardio™ canisters customers
- On track to achieve \$200M of Innovation Sales Growth¹ in 2024

1. Innovation Sales Growth is defined as incremental sales of a product that delivers a significant change in materials used, package functionality, or design to a new or existing customer.

Unmatched Consumer Packaging Market Depth and Breadth

Portfolio moves with the consumer

Market	Sales % ¹	
Food	39%	
Beverage	22%	
Foodservice	22%	
Household	13%	
Health & Beauty	4%	

Consumer Packaging Sales by Market¹

Growth in Beverage and Foodservice partially offset weaker results elsewhere¹

	2022				FY	2023				FY	2024
	Q1	Q2	Q3	Q4	2022	Q1	Q2	Q3	Q4	2023	Q1
Food	↑	↑	↑	↑	↑	↑	→	↓	↓	→	↓
Beverage	↑	↗	↑	↗	↑	→	↗	→	→	→	↑
Foodservice	↑	↑	↑	↑	↑	↑	↑	↑	↑	↑	↑
Household	↑	↑	↑	↑	↑	↑	↓	↓	↓	→	↓
Health & Beauty	↑	↑	↑	↑	↑	↑	↑	↑	↓	↑	↓
Total	↑	↑	↑	↑	↑	↑	↗	→	→	↗	↓

Seasonality, Experience, and Expectations

Typical Seasonality	Q1	Q2	Q3	Q4
Food				
Beverage				
Foodservice				
Household				
Health & Beauty				
Total				

Total company:

- Relatively weaker Q1, relatively stronger Q3

Stronger months:

- March, August, October

Weaker months:

- February, July, December

Legend:

Weaker		Neutral		Stronger

First Quarter 2024 Experience

- Easter holiday timing and fewer shipping days (~2%) YoY
- Days-adjusted sales (~1%) YoY
- Days-adjusted sales modestly below expectation of flat YoY due to weaker Food and Household results

Second Quarter Expectations & Trends

- Higher prices continue to drive consumers' search for value and favor at-home consumption of food and beverages
- Return-to-office trend supports consumer preference for prepared foods, convenience, and on-the-go meal options

Active Engagement with Customers Across Five Innovation Platforms

Addressable Market Opportunity \$15B

\$5.0B



Trays & Bowls

\$4.0B



Cups & Containers

\$1.5B



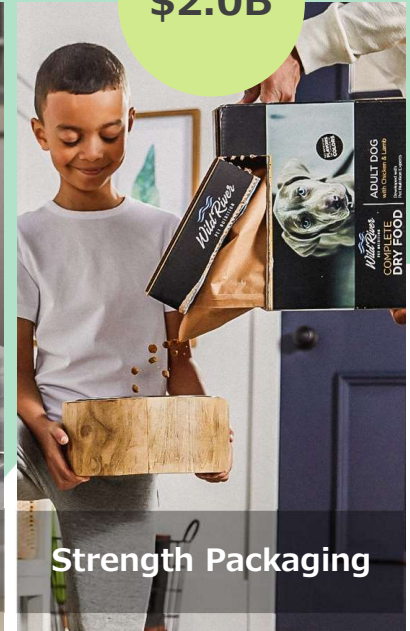
Multi-Packs

\$2.5B



Paperboard Canisters

\$2.0B



Strength Packaging

Commercializing Innovation



INNOVATION

Boardio™, a high barrier paperboard package, now with an innovative degassing valve for freshly roasted coffee



CUSTOMER LAUNCH

Preparations underway for first U.S. market coffee launch; two Boardio™ coffee customers have won awards for sustainability impact



ADDRESSABLE OPPORTUNITY

- + \$2.5B global market opportunity
- + Primarily rigid and flexible plastic replacement

VALUE PROPOSITION

Streamlined Customer Operations

- ✓ Reduced transport and warehouse space on inbound logistics

More Circular

- ✓ Plastic reduction of ~50%
- ✓ More than 80% paperboard
- ✓ Recyclable¹

More Functional, More Convenient

- ✓ Integrated lid
- ✓ Integrated degassing valve

Global Leader in Sustainable Consumer Packaging

VISION 2030



Innovation

Build the leading sustainability-focused consumer packaging innovation platform

- 2% annual sales growth from innovation
- Every new product innovation more circular, more functional and more convenient than existing alternatives
- Create multi-generational portfolio of solutions leverageable across products and geographies



Culture

Enable a safe, inclusive, customer-focused culture

- Zero life injuries
- 75th percentile in employee engagement
- Women in leadership positions to 35%; US ethnic diversity to 40%
- Enhance the communities in which we operate



Planet

Steadily and measurably improve the environmental footprint of consumer packaging

- Achieve approved 2032 SBT for Scope 1, 2, and 3 GHG reductions
- 90% renewable fuel use in wood fiber paperboard manufacturing facilities
- 50% purchased renewable electricity
- 100% purchased forest products sustainably sourced



Results

Consistently execute for customers, shareholders and all stakeholders

- Leverage unmatched global capabilities for customers and consumers
- Deliver consistent and strong financial results across all economic conditions
- Invest in team & innovation capabilities to be the global leader in sustainable consumer packaging

With an exceptional team, unmatched capabilities, and a clear and compelling vision, Graphic Packaging is positioned to deliver

First Quarter 2024 Financials

Sales

- Lower open market sales of paperboard (~4%)
- Easter holiday timing and fewer shipping days (~2%)
- Input cost pass through in Europe (~1%)
- Days-adjusted sales (~1%)
- Net acquisitions, divestitures, and F/X¹ +1%
- Sequential improvement from Q4'23

Adjusted EBITDA

- Decline driven by lower production and open market sales of bleached paperboard
- Margin strength reflects strong packaging performance and execution

(\$M excl EPS)	Q1'24	Q1'23	Δ YoY
Net Sales	\$2,259	\$2,438	-7%
Net Income	\$165	\$207	-20%
Adj. EBITDA²	\$443	\$484	-8%
Adj. EBITDA Margin²	19.6%	19.9%	-30bps
EPS	\$0.53	\$0.67	-21%
Adj. EPS²	\$0.66	\$0.77	-14%
Net Leverage^{2,3}	3.0x	3.1x	-0.1x

1. The impact of foreign exchange is measured as the increase or decrease in results for the period by applying prior period foreign currency exchange rates to present a constant currency comparison.
2. Adjusted and Net Leverage figures represent Non-GAAP Financial Measures. Please refer to earnings press release for reconciliations to GAAP measures.
3. Net Leverage calculated as Total Net Debt divided by twelve months trailing Adjusted EBITDA.

Operations and Capital Investment Update

Bleached Paperboard Optimization

- Augusta, GA bleached paperboard manufacturing facility sale expected to close May 1st
- Texarkana, TX production capabilities aligned with consumer packaging and cup demand

Waco, TX Recycled Paperboard Investment

- Major concrete installations in place, foundation for new recycled paperboard machine complete
- Q1'24 capital spend of ~\$170M; ~\$500M project spend through March; expected ~\$1B total investment
- Extends unmatched competitive position across North America
- \$80M incremental EBITDA expected in each of 2026 and 2027
- Leveraging Kalamazoo capital investment, teams and experience

Packaging Capabilities

- Investing to support Cold&Go™ cup growth
- Started up Bristol, U.K. beverage packaging/innovation facility upgrade and expansion
- Bell integration expands foodservice packaging network and ability to serve growing demand

Full-Year 2024 Outlook

- **Expect positive full-year sales growth (excluding impact of Augusta, GA bleached paperboard manufacturing facility sale)**
- **On track to achieve \$200M Innovation Sales Growth**
- **Margin strength, strong execution, and solid customer engagement set the stage to achieve full-year expectations**
- **Sale of Augusta, GA bleached paperboard manufacturing facility expected May 1, 2024**
- **Guidance midpoint unchanged, except to reflect partial year ownership of Augusta**

2024 Guidance Update

Reflects the planned sale of the Augusta, GA bleached paperboard manufacturing facility¹

	Initial Guidance as of February 21	Updated for Augusta sale
Adjusted EBITDA	\$1,750 - \$1,950M	\$1,730 - \$1,830M
of which Augusta	\$90 - \$110M	\$30 - \$35M ²
Adjusted EPS ³	\$2.50 - \$3.00	\$2.65 - \$2.85

Second quarter expected to be impacted by ~\$50M YoY, including ~\$40M relating to the sale timing and exclusion of two months contribution from the Augusta, GA bleached paperboard manufacturing facility, and ~\$10M of higher planned maintenance downtime costs

1. Expected closing May 1, 2024
2. Expected four months ending April 30, 2024
3. Based on 307 million diluted shares as of December 31, 2023

Vision 2030 Base Financial Model

Annual Sales Growth

Annual ADJ EBITDA Growth

Annual ADJ EPS Growth

Normalized Capex (% of Sales)

Vision 2030

Low-Single Digits

Mid-Single Digits

High-Single Digits

5%

Base financial model generates above cost of capital returns and significant cash flow, creating a range of capital allocation opportunities to drive shareholder value



Significant Cash Flow to Deploy for Value Creation

~\$5B+ Cash Flow (~\$17/share)
2024-2030

~\$2.5B Cash Flow (~\$8/share)
2024-2027

**Vision
2030**

● 2024

Peak
CapEx

● 2025

CapEx Cycle
Wind Down
Begins

● 2026

Incremental
\$80M Waco
EBITDA

~\$800M to ~\$1B
Cash Flow

● 2027

2nd incremental
\$80M Waco
EBITDA

~\$900M to ~\$1B
Cash Flow

● 2028

~\$1B Cash Flow

● 2029

~\$1B Cash Flow



Appendix

Supplemental Information

First Quarter 2024

\$ in millions	Δ YoY
Net Sales	
Net Price/Volume/Mix	(\$197)
Open Market Paperboard Sales	(~4%)
Easter Timing, Shipping Days	(~2%)
Input Cost Pass Through in Europe	(~1%)
Days-adjusted Sales	(~1%)
Net Acquisitions/(Divestitures)	\$15
Impact of F/X ¹	\$3
Adjusted EBITDA	
Lower Production and Open Market Sales of Paperboard	(\$~50)
Net Acquisitions/(Divestitures)	\$6
Impact of F/X ¹	(\$1)

1. The impact of foreign exchange is measured as the increase or decrease in results for the period by applying prior period foreign currency exchange rates to present a constant currency comparison.

Supplemental Guidance Information

\$ in millions	2024
Capital Spending	~\$950
Cash Interest	\$210 – \$225
Cash Taxes, Working Capital, Pension	~\$300
Effective Tax Rate	~25%



Graphic Packaging
HOLDING COMPANY