

THIRD QUARTER 2021 EARNINGS CALL

October 26, 2021



Graphic Packaging
INTERNATIONAL

Michael P. Doss
President and Chief Executive Officer

Stephen R. Scherger
Executive Vice President and Chief Financial Officer



Inspired Packaging. A World of Difference.

FORWARD LOOKING STATEMENTS

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Any statements of the Company's expectations in these slides, including but not limited to pricing improvements in 2021 and 2022, the timing of the closing of the acquisition of AR Packaging Group, AB, the timing of the start up of the new K2 paperboard machine in Kalamazoo, MI, projected organic sales, 2022 Adjusted EBITDA, 2021 Adjusted EBITDA and Adjusted cash flow (and certain components thereof), expectations regarding recovery of inflation with pricing, capital expenditures, depreciation and amortization, pension expense and amortization, tax expense and effective rate and year-end leverage constitute "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Such statements are based on currently available information and are subject to various risks and uncertainties that could cause actual results to differ materially from the Company's present expectations. These risks and uncertainties include, but are not limited to, the effects of the Covid-19 pandemic on the Company's operations and demand for its products, inflation of and volatility in raw material and energy costs, continuing pressure for lower cost products, the Company's ability to implement its business strategies, including 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 and 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 required by law. Additional information regarding these and other risks is contained in the Company's periodic filings with the SEC.

NON-GAAP FINANCIAL MEASURES

This presentation includes certain 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. The Company's management believes that the presentation of these financial measures provides useful information to investors because these measures are regularly used by management in assessing the Company's performance. These 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 measure in the same manner as we do. A reconciliation of these measures to the most relevant GAAP measure is available in our latest earnings press release which can be found in the Investors section on the Graphic Packaging website at www.graphicpkg.com.



THIRD QUARTER 2021 HIGHLIGHTS

- Full Year '21 Net Organic Sales Growth Target of Approximately 200 Basis Points on Track Driven by Strong Demand for Innovative, Sustainable Packaging Solutions
 - Q3 '21 Net Organic Sales Declined 1% y/y as Supply Chain & Labor Market Constraints Delayed Sales
 - YTD Sept '21 Net Organic Sales Growth of 2% y/y
 - YTD Sept '21 2-Year Net Organic Sales CAGR of 3%
- Adjusted EBITDA of \$284 Million Positively Impacted by \$53 Million of Favorable Pricing and \$79 Million in Net Performance; Offset by \$88 Million of Commodity Input Cost Inflation
- Price Initiatives Successfully Implemented and Recognized
 - ~\$650 Million in Total Pricing Projected Over '21/'22 Based on Implemented and Recognized Actions
 - ~\$140M Million Projected in '21, ~\$510 Million Projected in '22
- \$1.8 Billion in Global Liquidity
- Published ESG Report in August Showcasing Long-Standing Commitment to Sustainability and Transparency in the Reporting of Progress on a Comprehensive Set of Goals Supportive of Vision 2025
- AR Packaging Acquisition Expected to Close November 1st
- Coated Recycled Paperboard Production on New K2 Machine in Kalamazoo, Michigan on Track for Start-up in Q4 '21
- Continued Confidence in Expectations for '22 Adjusted EBITDA of \$1.4+ Billion

AR PACKAGING ACQUISITION ON TRACK, TARGETING NOVEMBER 1ST CLOSE

FINANCIAL EXPECTATIONS REMAIN CONSISTENT WITH MAY ANNOUNCEMENT

COMBINED INNOVATION CAPABILITIES TO BENEFIT GLOBAL CUSTOMERS



Plastic Substitution



Cooking Solutions



PaperSeal® Range



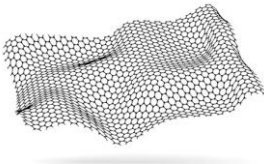
Paperboard Forming



Sealing Machinery Systems



Premiumization



Material Science



ProducePack™ Punnet



Design Excellence



MAP Trays and Barrier Materials



Molded Fiber Capabilities



Flexible material



Child Resistant Packaging

Greater scale enables larger investment in R&D, increasing innovation learnings to support customers worldwide and drive organic growth

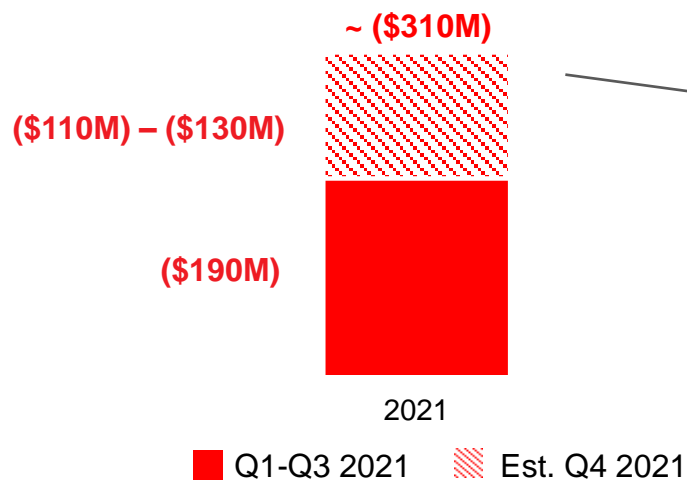
NEW STATE-OF-THE-ART K2 CRB MACHINE IN KALAMAZOO, MICHIGAN; ON TRACK FOR PAPERBOARD PRODUCTION IN Q4 '21



SUCCESSFULLY EXECUTING ~\$650M IN PRICE ACTIONS OVER 2021–2022 TIMEFRAME, OFFSETTING COMMODITY INPUT COST INFLATION

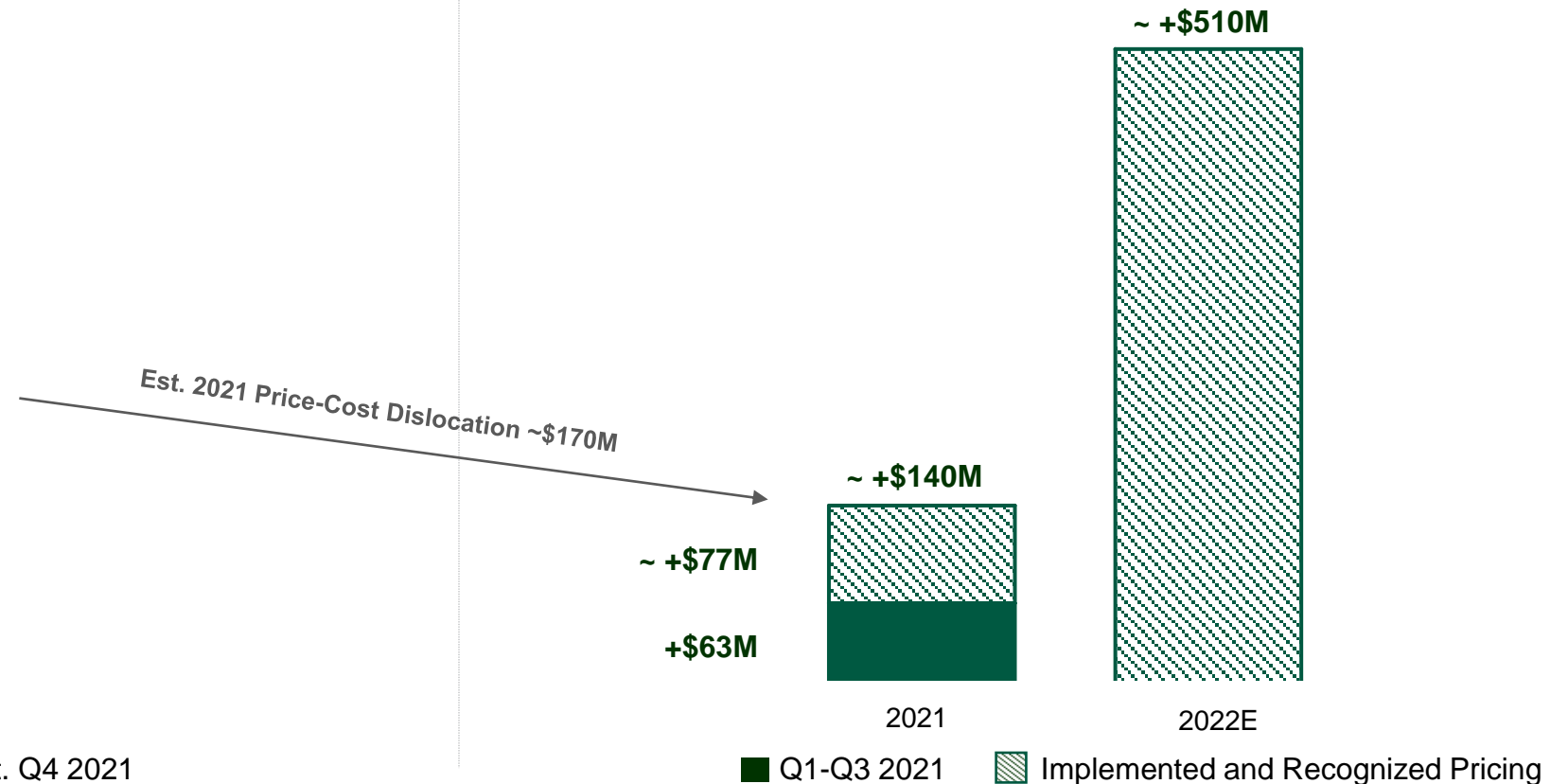
COMMODITY INPUT COSTS

(\$300M) – (\$320M)

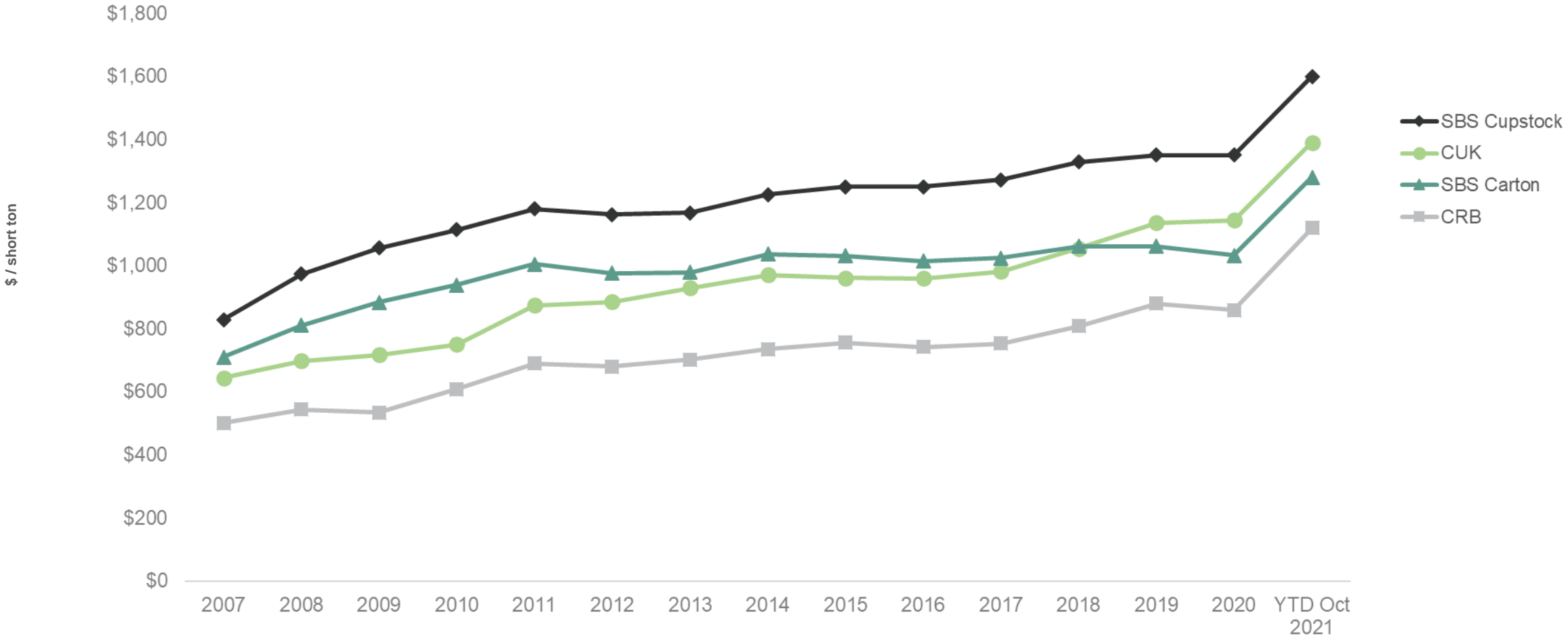


PRICE ACTIONS

~\$650M IMPLEMENTED & RECOGNIZED

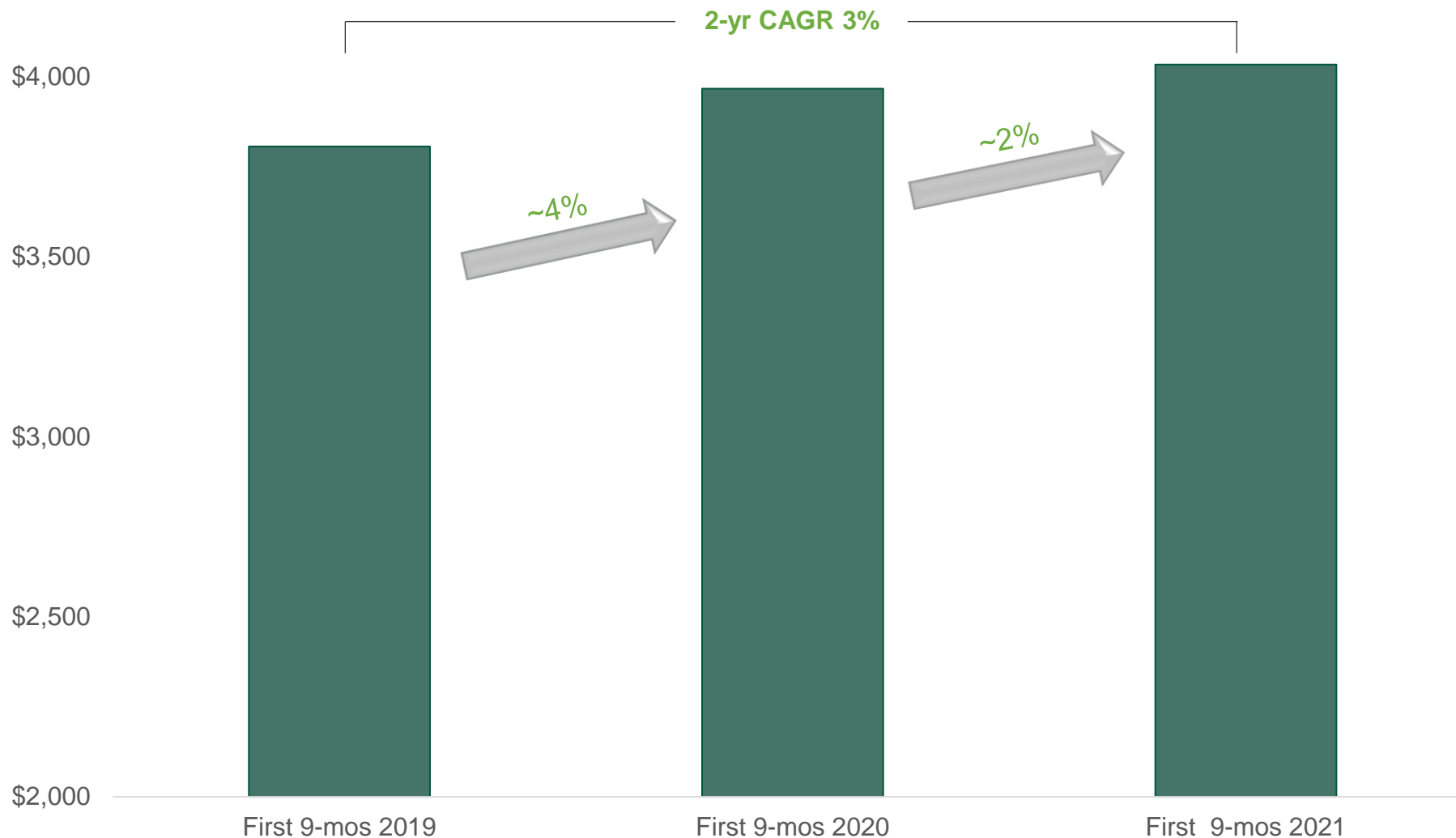


HISTORICAL PAPERBOARD PRICING REFLECTIVE OF OVERALL HEALTHY DEMAND RESULTING IN STABLE AND INCREASING PRICE TRENDS OVER TIME



YTD SEPT 2021 2-YEAR NET ORGANIC SALES CAGR OF 3% DRIVEN BY DEMAND FOR INNOVATIVE, FIBER-BASED PACKAGING SOLUTIONS

\$s in millions



THIRD QUARTER 2021 FINANCIAL RESULTS

(US\$ M)	Q3 2021	Q3 2020	% Chg
Net Sales	\$1,782	\$1,698	5%
Adj. EBITDA	\$284	\$250	14%
Adj. EBITDA Margin	15.9%	14.7%	120bps
Adj. EPS	\$0.34	\$0.26	31%
Global Liquidity	\$1,847	\$1,557	19%
Integration Rate ⁽¹⁾	73%	71%	200bps

SIGNIFICANT PRICE FLOWING THROUGH; INFLATIONARY ENVIRONMENT REMAINS ELEVATED

- Net Sales \$1.8B, up 5% y/y
- Adj. EBITDA \$284M, up 14% y/y
 - \$53M favorable price
 - \$79M favorable net performance
 - (\$88M) commodity input cost inflation
- Adj. EPS \$0.34, up 31% y/y
- Integration rate increased to 73%

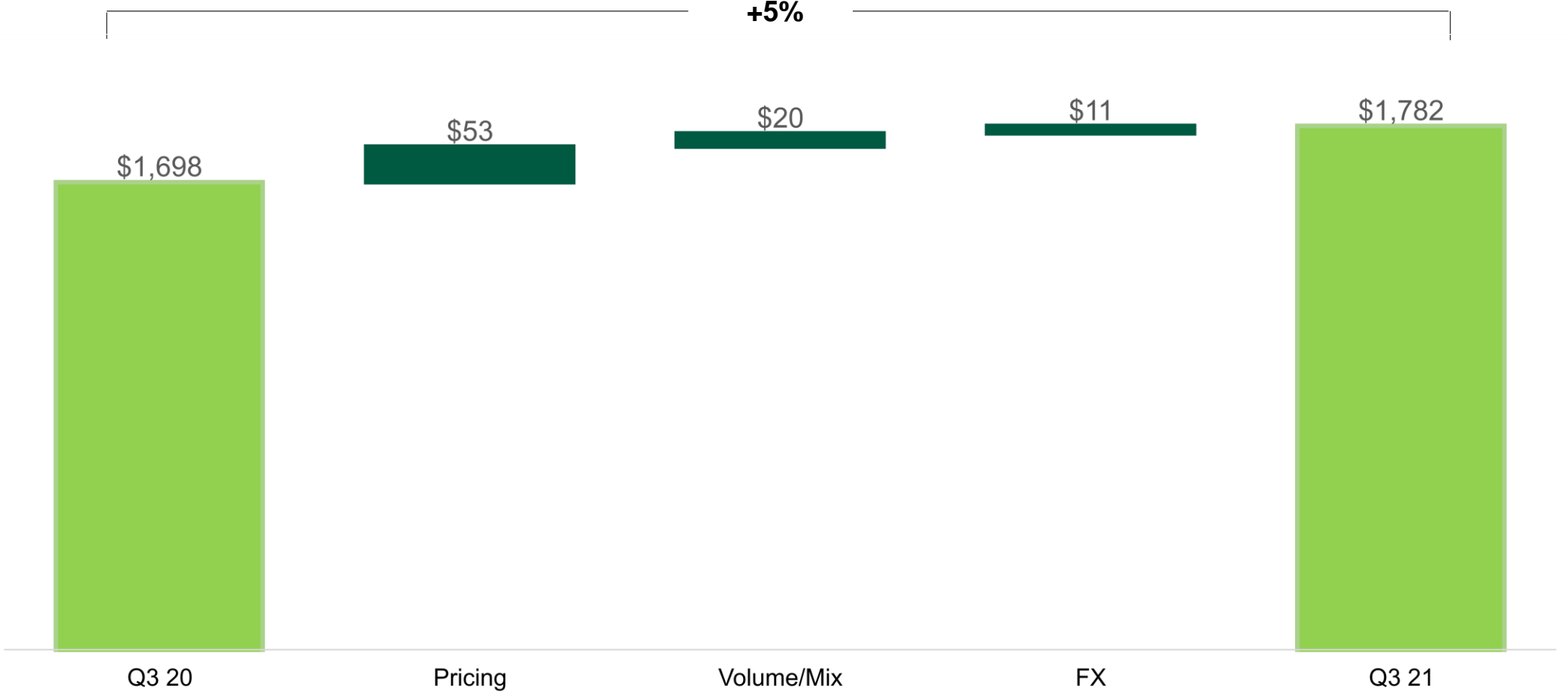
(1) Integration rate is defined as paperboard we produce which is converted in manufacturing facilities we operate.

(2) Net organic sales = Net sales – open market sales – sales from acquisitions closed within the last 12 months - pricing – FX impact.

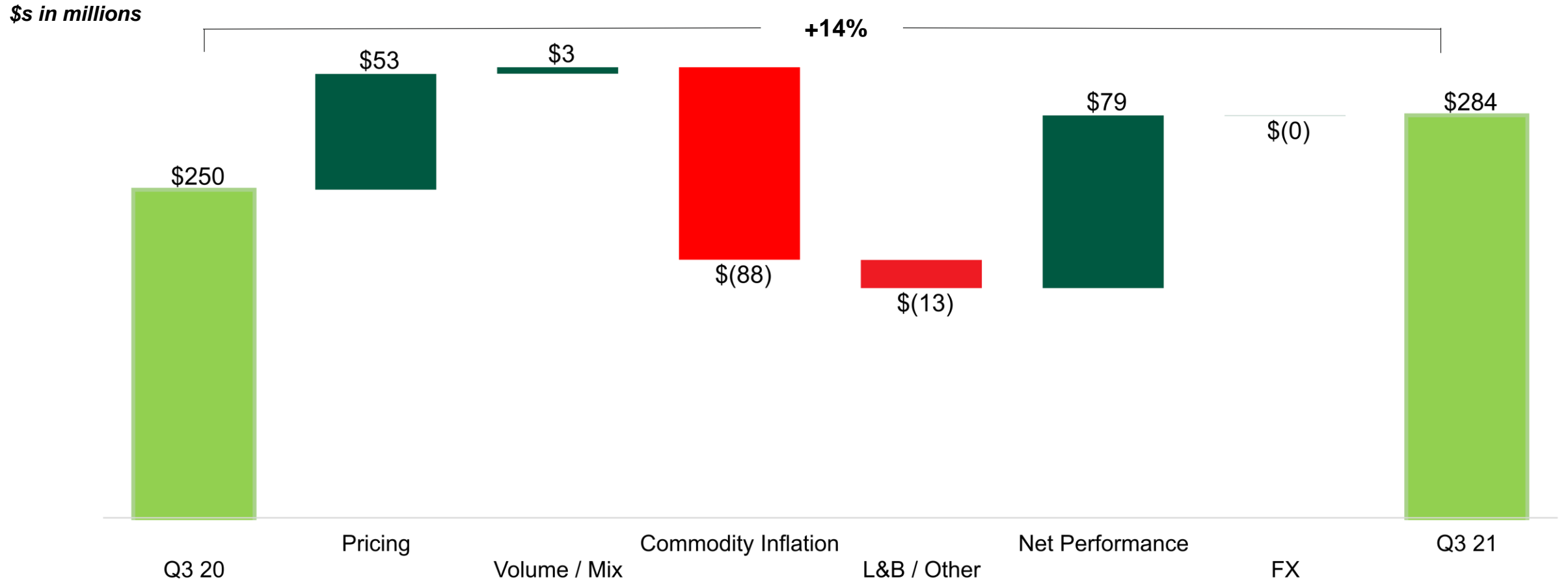
Adjusted figures and global liquidity represent non-GAAP measures. Please refer to earnings press release for reconciliations to GAAP measures.

THIRD QUARTER 2021 NET SALES PERFORMANCE

\$s in millions



THIRD QUARTER 2021 ADJUSTED EBITDA PERFORMANCE



THIRD QUARTER 2021 SUMMARY

FINANCIAL PERFORMANCE

- Q3 net sales \$1.8B, up 5% y/y
 - Food, Beverage & Consumer sales up 3% y/y (flat before acquisitions)
 - Foodservice sales up 11% y/y
- Q3 pricing \$53M and commodity input cost inflation of \$88M
- Q3 net performance of \$79M driven by reduced maintenance downtime, cost efficiencies, benefits from capital projects and synergy capture
- Q3 Adj. EBITDA \$284M
- Q3 Adj. EPS \$0.34

MARKETS & OPERATIONS

- Successfully managing challenging supply chain and labor market constraints (labor specific to Foodservice as production ramps up to meet increased demand)
- Net Organic Sales Growth
 - Q3: -1% y/y
 - YTD Sept: +2% y/y
 - YTD Sept: +3% 2-Year CAGR
- AF&PA Q3 industry operating rate for SBS was 96%, CRB was 95%; GPK CUK operating rate 95%+
- AF&PA Q3 industry inventories continued to show meaningful declines versus historical averages
- Backlogs remain strong: CUK/CRB 8+ weeks, SBS 6+ weeks

CAPITAL ALLOCATION

- Returned \$23M in dividends
- Invested \$242M in capital expenditures to support strategic investments
- Significant liquidity of \$1.8B; borrowing effectively and maintaining ample balance sheet flexibility
- Q3 net leverage ratio of 3.97

2021 ADJUSTED EBITDA & CASH FLOW GUIDANCE

FULL-YEAR GUIDANCE UPDATED REFLECTING ADDITIONAL PRICE ACTIONS & CONTINUED COMMODITY INPUT COST INFLATION (GUIDANCE ASSUMES AR PACKAGING EFFECTIVE NOV 1st)

Adjusted EBITDA \$1,040M - \$1,060M

EBITDA Components

Volume/Mix	\$30M - \$40M
Net Performance	\$130M - \$150M
L&B / Other Inflation ⁽¹⁾	(\$60M - \$50M)
FX ⁽²⁾	\$5M - \$15M
Price to Commodity Input Cost Spread	(\$180M - \$160M)
AR Packaging	~\$20M

Cash Flow \$100M - \$150M

Cash Flow Components

Cap Ex	(\$800M - \$750M)
Interest	(\$130M - \$120M)
Tax	(\$30M - \$20M)
Working Capital	\$0M - \$20M
Pension ⁽³⁾	(\$20M - \$15M)

Capital Investments (\$M) – step down after 2020-2021
Return to Substantial Cash Flow in 2022

\$ 353	\$ 646	\$ ~775	\$ ~450⁽⁴⁾
2019	2020	2021E	2022E

Consistent with Vision 2025, normalized capex target (% of sales) of ~5%

(1) Other inflation is primarily related to property insurance

(2) FX range at current rates

(3) Excludes \$13.8M amount reflected as a contribution which effectively transferred a portion of the excess balance in the terminated US DB Plan

(4) Includes Americraft and AR Packaging capital expenditures

2021 YEAR OVER YEAR IMPACT SCHEDULE & OTHER GUIDANCE

NET PRICE / COMMODITY INPUT COST SPREAD, NET OUTAGE COST IMPACT & STORM IMPACT

Change Y/Y (\$M)

	Q1	Q2	Q3	Q4
Net Price/Cost Spread Impact	(\$37)	(\$53)	(\$35)	(\$55)–(\$35)
Net Outage Cost Impact ⁽¹⁾	(\$10)	\$0M	\$25	\$5
Incremental Named Storms Impact ⁽¹⁾	(\$29)			

	2019 Actual	2020 Actual	2021 Guidance
Pension Expense ⁽²⁾ (includes pension amortization)	\$16M	\$14M	\$11M
Depreciation & Amortization ⁽³⁾ (excluding pension amortization)	\$447M	\$450M	\$460M
Pension Amortization	\$10M	\$6M	\$5M
Effective Tax Rate ⁽⁴⁾ (Normalized)	26%	19%	24-26%
Year End Net Leverage Ratio (includes pro-forma AR Packaging)	2.6x	3.3x	4.6x

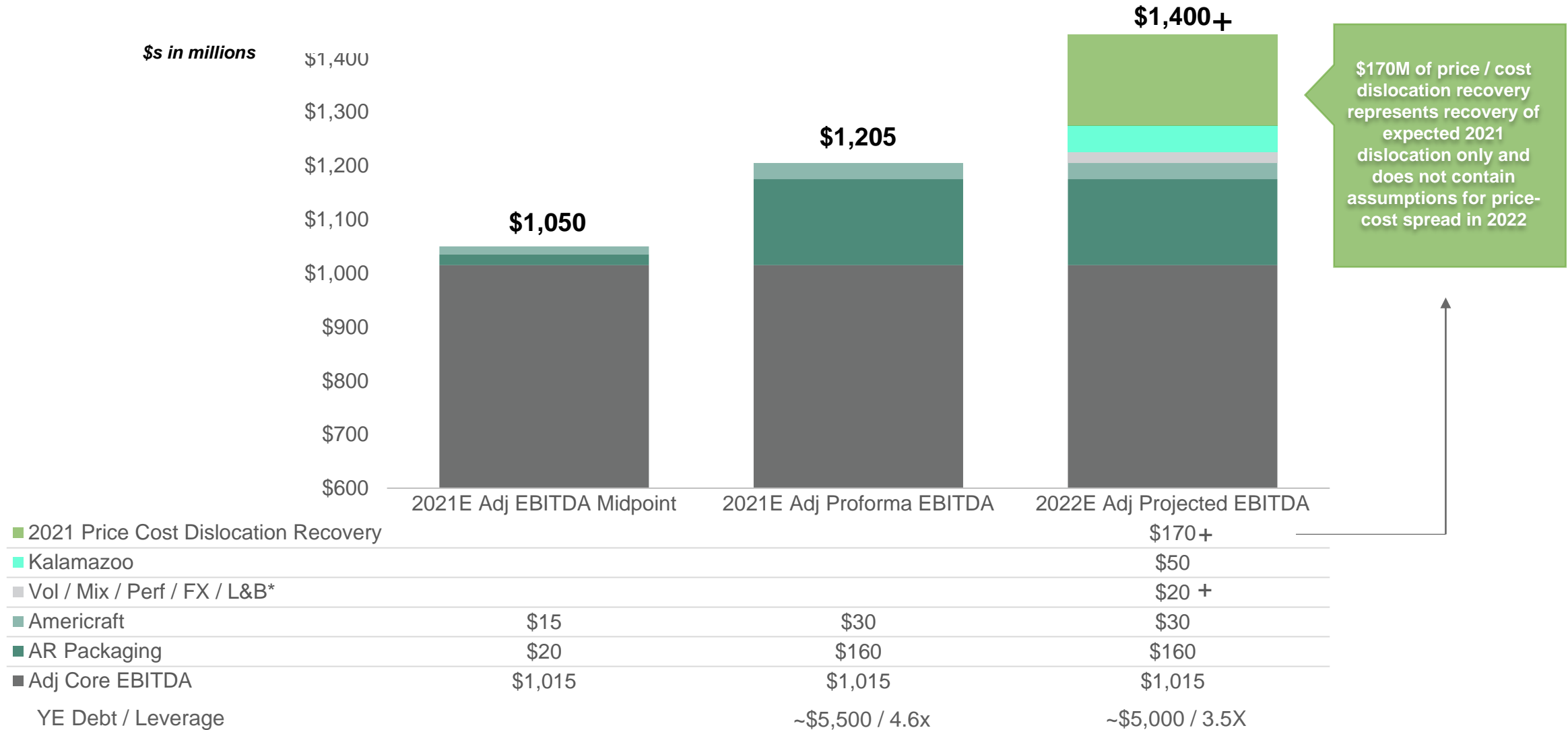
(1) Net outage impact and named storms impact reflected in net performance component of ADJ EBITDA.

(2) 2019 and 2020 pension expense exclude \$39 million and \$154 million of non-cash pension plan settlement charges, respectively.

(3) 2019 D&A includes \$5 million of accelerated depreciation. 2020 D&A actual and 2021 D&A guidance excludes \$26 million and \$16-\$17 million of accelerated depreciation related to exit activities, respectively.

(4) Tax rate applied to GPHC's share of the partnership earnings.

2022 EBITDA PROJECTION \$1.4B+ EXPECTED TO GENERATE SIGNIFICANT CASH FLOW, YE LEVERAGE TARGET 3.5X OR LOWER



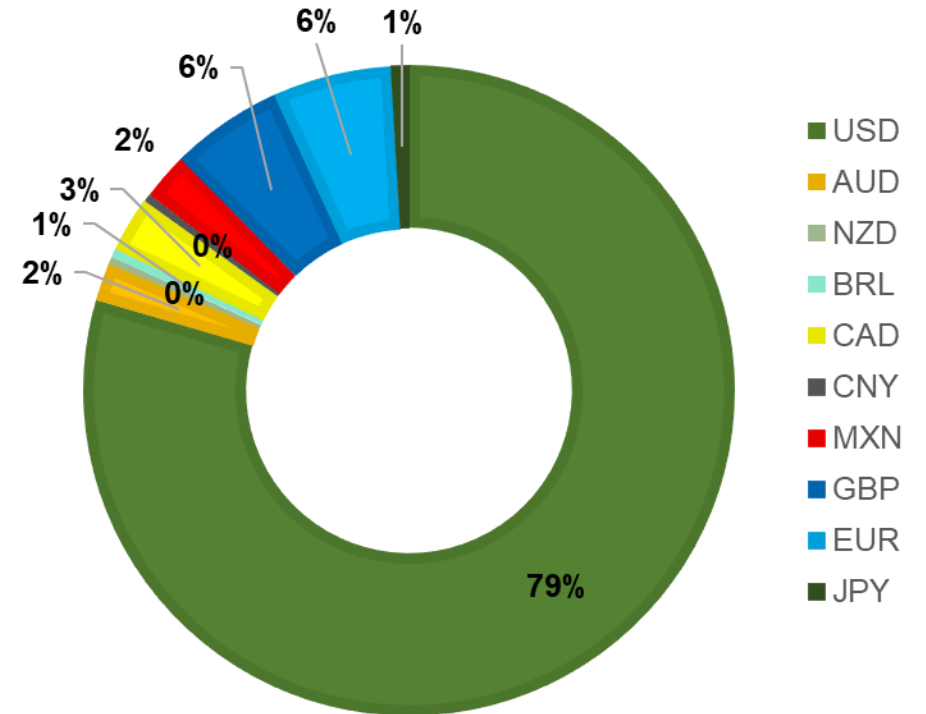
APPENDIX

SUPPLEMENTAL INFORMATION

COMMODITY ANNUAL CONSUMPTION

Categories	Units
Wood (Million tons)	10
Recycled Fiber (Million tons)	1
Natural Gas (MMBTU)	22
Caustic Soda (000, tons)	40
Starch (Million lbs.)	150
TiO2 (Million lbs.)	25
Polyethylene (Million lbs.)	105

2020 REVENUE BY CURRENCY





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