



Graphic
Packaging
HOLDING COMPANY

Fourth Quarter & Full-Year 2024 Earnings

February 4, 2025



© 2024 Graphic Packaging Holding Company

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 2025 sales, Adjusted EBITDA and Adjusted EPS growth ranges, and 2025 capital expenditure reduction, as well as Vision 2030 Base Financial Model information, continued value shopping by consumers, increases in foodservice value menu items and increases in superstore product offerings, as well as 2025 capital spending, interest expense, cash interest, cash taxes, working capital and pension expense, effective tax rate, and depreciation and amortization 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.

Full-Year 2024 Highlights

Strategic Updates

- Launched Vision 2030
- Divested Augusta bleached paperboard manufacturing facility and related open market paperboard sales
- Executed Virtual Power Purchase Agreement to increase renewable energy use in Europe
- Repurchased 2% of common shares outstanding; returned \$322M of capital to stockholders through share repurchase and dividends
- Post Year-End: 10% increase in quarterly dividend to \$0.11 per common share, approved by Board of Directors effective for the first quarter 2025

Diversified Consumer Packaging Portfolio

- Packaging volume positive in second half
- Strong and steady margins demonstrate strength of business model in challenging market environment
- Stronger and deeper innovation-driven relationships with private label and club/superstore customers
- Innovation Sales Growth¹ of \$205M

1. Innovation Sales Growth 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.

Fourth Quarter 2024 Highlights

Strategic Updates

- Waco, Texas coated recycled paperboard investment on track for Q4 2025 startup
- Packaging network investments expanding capabilities and driving productivity
- Measurable progress on Vision 2030 Culture goals

Diversified Consumer Packaging Portfolio

- Volume +1% yoy, Price -2% yoy
- Beverage, Foodservice and Household steady, Food modestly weaker
- Mass retail/superstore and European Convenience channel growth continues
- Innovation Sales Growth of \$63M in the quarter
 - New contributions in Strength Packaging, Cups and Containers and Paperboard Canister platforms
 - Well-positioned to achieve target of at least 2% of sales in 2025

Graphic Packaging's products are in the hands of tens of millions of consumers multiple times a day

**Food
38%**



**Beverage
25%**



**Foodservice
21%**



**Household
12%**



**Health & Beauty
4%**



5 Note: Percentages represent 2024 Sales Mix

Consumer Packaging Sales by Market

Q4: Beverage, Foodservice and Household steady, modestly weaker Food results

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

↑ = >5%, ↗ = 2 to 5%, → = -2 to +2%, ↓ = -2 to -5%, ↓ = <-5%

Seasonality, Experience, and Expectations

Typical Patterns

Seasonality	Q1	Q2	Q3	Q4
Food	3	2	4	3
Beverage	2	5	4	2
Foodservice	1	3	3	5
Household	3	3	3	3
Health & Beauty	5	3	2	3
Total	2	3	4	3

- Total Company: Relatively weaker Q1, relatively stronger Q3
- Stronger Months: March, August, October
- Weaker Months: February, July, December

Legend:

Weaker		Neutral		Stronger
1	2	3	4	5

Q4 2024 Experience

- Modest incremental volume improvement
- Increased promotional activity
- Continued growth in private label
- Pricing similar to third quarter

Q1 2025 Expectations & Trends

- Consumers search for value to remain strong
- Increase in new product/new configurations in Food
- Increase in value menu items in Foodservice
- Mass retail/superstore expanding product offerings

Customer Focus on Innovation Remains High

Addressable Market Opportunity \$15 Billion

\$5.0B



\$4.0B



\$1.5B



\$2.5B



\$2.0B



Innovation across Diverse Markets for Customers Large and Small



Morrisons
Pressed board trays



Sainsbury's
PaperSeal™
Shape



BIC
Soleil 16-count
razor carton



Pladis Global
McVitie's Victoria
Creations carton



Carso's Pasta
PaperSeal™
Original



Elaborados Naturales
PaperSeal™
Shape



Brasserie de Champigneulles
KeelClip™ G2



Kellogg's
EXTRA
cereal carton



Nestlé
Quality Street
carton



Great Lakes
Imperial
Amber Ale
Basket carrier



McDonald's
McFlurry cup

Get More Vits
EnviroClip™
Beam



Orkla
IntegraFlex™



Chick-fil-A
Cup

Rosa Blanca
Fully enclosed
multipack



Colgate
Max White
Ultimate carton



Mother Parkers
Tea and Coffee
Boardio™



Pilgrim's
Food Masters
PaperLite™



Feature Foods
EnviroClip™
Duo Beam



Waco, TX Coated Recycled Paperboard Investment

- On track for Q4 2025 startup
- Accelerated spend in 2024 de-risked equipment availability and key project milestones
- Fiber sourcing contracts and logistics well-advanced
- Capacity to recycle 15M cups per day
- Highest quality, economically-advantaged recycled paperboard
- Extends competitive advantage throughout North America



VISION 2030

Global Leader in Sustainable Consumer Packaging



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; US ethnic diversity
- 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

Fourth Quarter and Full-Year 2024 Financials

Sales

- Packaging sales: Q4 -\$22M, or -1%; FY 2024 -\$235M, or -2%
 - Volume: Q4 +1%; FY 2024 -1%
 - Price: Q4 -2%; FY 2024 -2%
- Impact of Augusta divestiture and bleached paperboard sales: Q4 -\$103M, or -5%; FY 2024 -\$389M, or -4%
- Other M&A: Q4 -\$14M; FY 2024 +\$27M, F/X¹ Q4 -\$15M, FY 2024 -\$24M

Adjusted EBITDA²

- Net Performance³: Q4 +\$80M, FY 2024 +\$270M, offsetting lower price and inflation
- Impact of Augusta divestiture and bleached paperboard sales: Q4 -\$39M; FY 2024 -\$164M
- Digester maintenance acceleration -\$5M in Q4; FY 2024 non-recurring -\$30M
- Other M&A: Q4 -\$3M, FY 2024 +\$10M; F/X¹: Q4 -\$5M, FY 2024 -\$9M

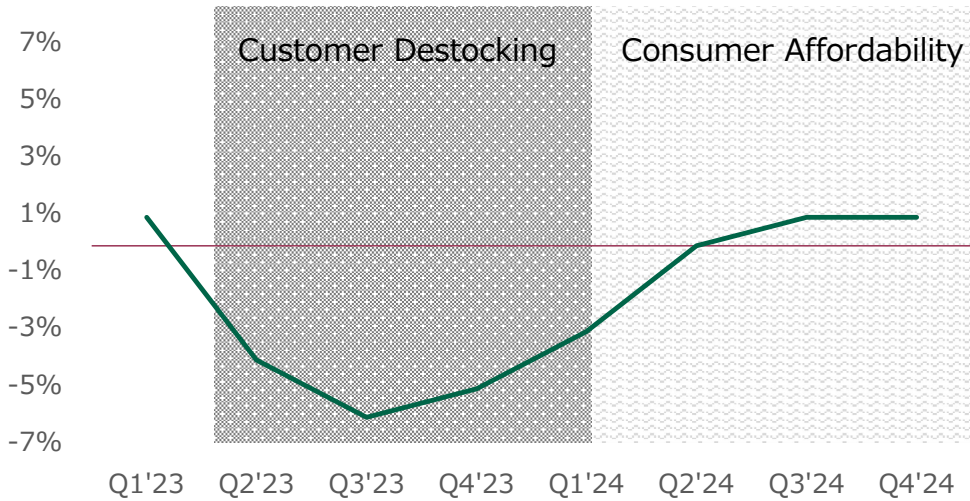
(\$M excl EPS)	Q4'24	Q4'23	Δ YoY	2024	2023	Δ YoY
Net Sales	\$2,095	\$2,249	-7%	\$8,807	\$9,428	-7%
Net Income	\$138	\$196	-\$58	\$658	\$723	-\$65
Adj. EBITDA²	\$404	\$457	-\$53	\$1,682	\$1,876	-\$194
Adj. EBITDA Margin²	19.3%	20.3%	-100bps	19.1%	19.9%	-80bps
EPS	\$0.46	\$0.64	-\$0.18	\$2.16	\$2.34	-\$0.18
Adj. EPS²	\$0.59	\$0.75	-\$0.16	\$2.49	\$2.91	-\$0.42
Net Leverage Ratio^{2,4}	3.0x	2.8x	+0.2x	3.0x	2.8x	+0.2x
Ending Shrs, Diluted⁵	-	-	-	301.4	307.0	-2%

1. Foreign exchange (F/X) impact measured as the increase/decrease in results after applying prior period rates to make a constant currency comparison.
2. Adjusted figures and Net Leverage represent Non-GAAP Financial Measures. Please refer to earnings press release for reconciliations to GAAP measures.
3. Net Performance includes cost and productivity initiatives, production efficiencies/disruptions, and other operating impacts.
4. Net Leverage Ratio calculated as Net Debt divided by twelve months trailing Adjusted EBITDA.
5. Includes approximately 1.2M diluted shares in 2024 and 0.9M in 2023.

Delivering consistent results across a wide range of market conditions

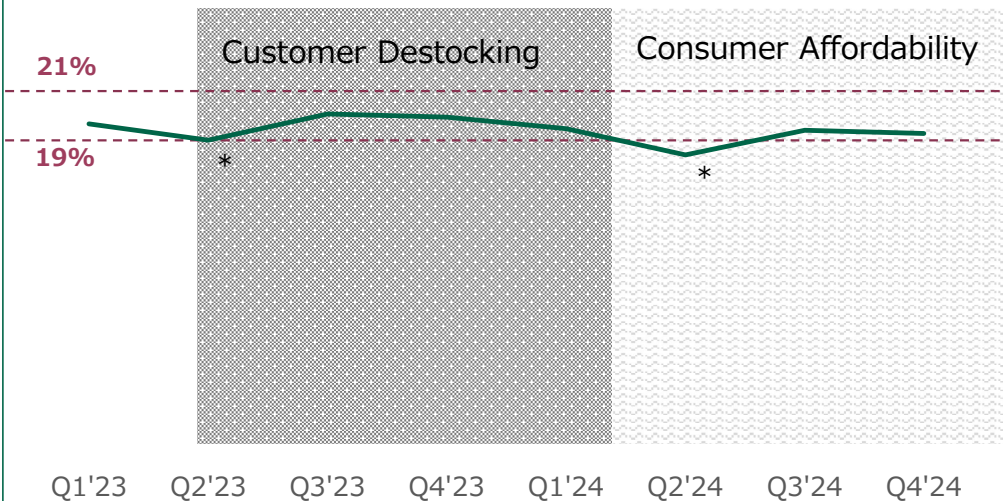
Strong margin performance despite recent volume weakness

Packaging Volume¹



¹ Organic volume YoY

Adj EBITDA Margin



* Planned maintenance quarters

2025 Guidance and Commentary

	Base ¹	2025 Core ²	Current F/X Headwind ³	2025 Core & F/X Headwind
▪ Sales	\$8.66B	\$8.7B - \$8.9B	-\$0.12B	\$8.6B - \$8.8B
▪ Adjusted EBITDA	\$1.68B	\$1.68B - \$1.78B	-\$0.02B	\$1.66B - \$1.76B
▪ Adjusted EPS	\$2.53	\$2.53 - \$2.78	-\$0.05	\$2.48 - \$2.73
▪ Capital Spending:		~\$700M		
▪ Innovation Sales Growth:		at least 2% of Sales		

1. Base proforma 2024 results excluding Augusta contribution and adding back non-recurring items.
2. Core includes estimated growth from Base, excludes current F/X headwind.
3. Based upon Bloomberg forward rates as of 1/27/25.

Vision 2030 Base Financial Model and Capital Allocation Priorities

Base Model:

Annual Sales Growth	Annual Adj EBITDA Growth	Annual Adj EPS Growth	Normalized Capex (% of sales)
Low-Single Digits	Mid-Single Digits	High-Single Digits	~5% After 2025

Capital Priorities:

- Reinvest to Expand Capabilities¹
- Grow the Dividend
- Repurchase Shares
- Achieve Investment Grade Ratings
- Pursue Tuck-under M&A



After Waco, Graphic Packaging has the assets, the capabilities, and the team needed to achieve Vision 2030 financial goals, and to generate cash well in excess of reinvestment needs



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 Guidance Information

in millions except tax rate	2025
Capital Spending	~\$700
Interest Expense	\$200-\$250
Cash Taxes, Working Capital, Pension ¹	\$300-\$350
Effective Tax Rate	~25%
Depreciation & Amortization ²	\$450-\$500
Ending 2024 shares, diluted ³	301.4

1. Excludes one-time cash payments and receipts for facility closures and sales, and Waco startup costs
2. Excludes accelerated depreciation and amortization related to purchased intangibles.
3. Includes approximately 1.2M diluted shares.



Graphic Packaging
HOLDING COMPANY