

An aerial photograph of a lush green mangrove forest. A winding river with a blueish-green hue flows through the center of the forest, creating several islands and peninsulas. The vegetation is dense and vibrant green, with some sandy areas visible along the riverbanks.

Pregis 2020 ESG Report

Environmental, Social, and Governance

Unpacking the future

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2020 Year in Review



Saved
500K Trees
from harvest



Documented
143K Packages
from being damaged and sent to landfills



Contributed to Litterati goal to pick up over
12MM
pieces of trash



Awarded
Ecovadis Silver
in Europe



Heerlen, Netherlands adopts
ISCC
Certification



Began
2K30 Goal Tracking



Launched
Pregis Purpose Awards



Launched
Renew™ and
Renew S in Europe



Launched
Inspyre™ paper



Redesigned
ThermaCycle™ Flex to be
more recyclable



Made Crain's Chicago Business
Top 25 Largest Research & Development Labs
in 2020 list



Launched
"Second Chance"
Pilot Program and Veteran Recruiting Efforts



Made
2 Acquisitions
(temporary protective films & curbside recyclable mailer)



Increased headcount
by **15%**



Completed Safety Training and Decreased TRIR from
1.98 to 1.39



Impacted over
240,000 Lives
through "Inspyre" programs



Implemented
Inclusive Leadership
Training



Completed
Materiality Survey

Letter From The CEO

At Pregis, our mission is to Protect, Preserve and Inspyre. These guiding principles represent our unwavering commitment to building a more sustainable future.

We have established our 2K30 goals which represent a bold plan to lead the industry into a more sustainable future, by focusing our employees, organization, and customers on achieving tangible, meaningful sustainability goals. We believe that harnessing the power of all components of the value chain is critical to solving this global challenge. And Pregis is a key component of the value chain, so it is important that our employees, materials and technology are essential parts of the solution.

Our goal is to help tackle the global waste challenge by driving systemic improvements with sustainable, circular, scalable technology. We are doing this by increasing recycled content into our materials and designing for optimal recyclability and performance while using the minimal amount of virgin material to strike the right balance of minimized material impact with proper protection for each application to prevent damage and waste.

As a visible consumer medium, packaging provides a unique platform to drive change. By exploring new technologies, we are working towards creating packaging solutions that are carbon neutral and adhere to the circular economy principles. Carbon neutrality is our

north star and all initiatives are working to move us in this direction. The next 10 years will be an accelerated period of transformation for our company, industry, and the world we share. The future outlook is exciting.

I am proud of our company's efforts and our commitment to "Inspiring" ourselves and others to take action.



Kevin Baudhuin, CEO





About Pregis

For over 50 years, Pregis has been solving our customers' toughest business challenges with innovative, progressive sustainable packaging and solutions. Pregis isn't just in the business of protecting packages – we're in the business of protecting what matters most to our customers:



This dedication to protecting our customers is one of our core values and why sustainability and ethical governance has been a guiding principle in everything we do. It's why we aspire to be a good employer, responsible manufacturer, reliable partner and contribute to a circular economy; why we have committed to protecting and preserving our natural resources as much as our customers' packages; and why we want to Inspyre our people, our industry, and our communities.

The circular economy, a foundation of our Pregis Purpose, means that we aim to help contribute to an environment where the actions of every stakeholder strengthen and improve the outcomes for every other stakeholder. This means many things in many contexts – such as eliminating waste entirely across shipping and packaging or introducing products that use more recycled content and help preserve our natural resources. Our goal at Pregis is to always be a positive force: pushing ourselves, our partners, our customers, and all stakeholders to meet and exceed our ESG goals.

Company Structure

Pregis manages an extensive portfolio of products across a wide range of applications and geographies. Our material neutral approach and footprint allows us to be responsive, nimble, and innovative in serving our customers around the world. And we're constantly growing to expand our suite of product and services for our customers and stakeholders through offering design and testing solutions, preventative maintenance and field support services, and world-class training and custom integrations.



Pregis by
the Numbers

Headquarters: Deerfield, IL
Employees in 2020: 2,203 employees

Locations in 2020:
25 US locations
5 European locations

Product Categories

Product availability may vary by region



On-Demand Paper Systems



On-Demand Inflatable Air Systems



On-Demand Foam Systems



Automated Poly Bagging Systems



Cohesive Packaging Solutions



Shipping Mailers



Temporary Protective Films



Flexible Packaging



Bubble Cushioning & Pouches



Foam Sheets & Pouches



Foam for Fabrication



Specialty Products

Uses

Inside the Box Protection



Surface & Edge Protection

Mailing & Bagging Solutions



Industry Specific Solutions



Beyond Pregis:

Our Global Stakeholders

Pregis plays an important role in building a sustainable value chain that creates positive outcomes for many stakeholder groups. As a progressive organization with a commitment to ESG, Pregis is an advocate for sustainable business practices that are attainable to demonstrate that every person and business can be part of the solution.

Pregis

Brands

Protective products that keep employees and packages safer, customers happier, and contribute to a circular economy.

Suppliers

Collaborative process and access to innovation and customers ensures that when Pregis wins, our suppliers win.

Employees

A safer, healthier, more fulfilling workplace that rewards employees and invests in their future.

Channel Partners

Industry-leading products, end-to-end consulting and support, and partnering to make a greater sustainability impact across the value chain.

End Users

A better customer experience, fewer damaged orders, and lower environmental impact.

The Environment

Industry advocacy, commitment to reduce waste, creating a path to carbon neutrality, and investment into sustainable products and materials.

Investors

Strong returns today, and high growth potential in the future as a result of investment in future-proof processes, products, and infrastructure.

Communities

Pregis provides jobs, resources, and partnerships to drive education, professional development, industry advocacy, and philanthropic community partnerships.

This report is built to be accessible, readable, and useful for all readers. Every year, we will report on progress against our goals and ensure that our reporting provides accountability and transparency in the issues that matter most.



Materiality Survey

To support our first ESG report and help Pregis set a more sustainable direction going forward, we commissioned a materiality assessment report from environmental issues consultancy, Ecomatters.

The materiality assessment survey uses the Global Reporting Initiative (GRI) framework to assess the importance of Pregis’s ESG initiatives to internal and external stakeholders. These stakeholders include employees, vendors, distributors, suppliers, investors, and customers, in accordance with the guidelines offered by GRI.

The Pregis Materiality Assessment was conducted in November and December 2020, polling 441 stakeholders, of which 344 responded. These were broken down between 189 internal stakeholders (55% of responses) and 155 external stakeholders (45% of responses).

By going directly to our stakeholders and using a standardized reporting framework, Pregis can track its annual impact – ensuring our Pregis Promise is aligned with what is important to the people we work for, and holding ourselves accountable for accomplishing the goals we set out to achieve.

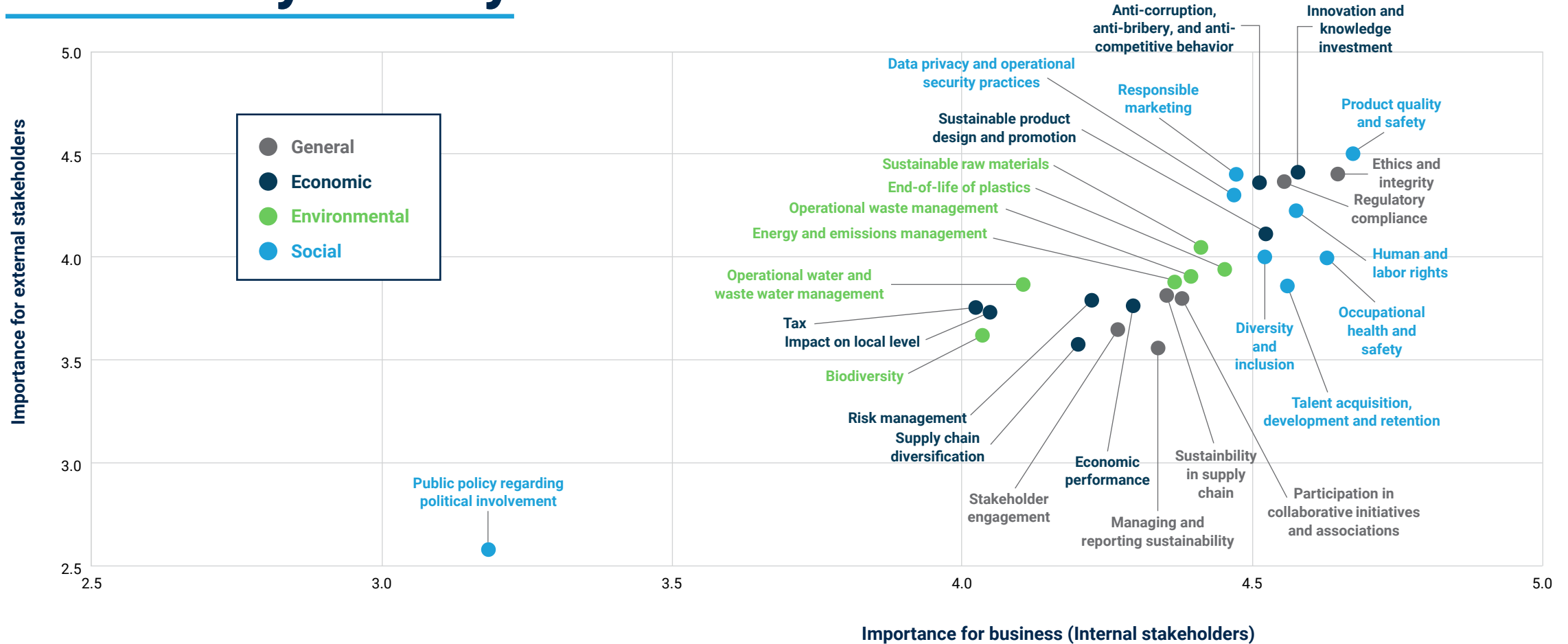
Key Takeaways:

Economic: There’s a shared preference for innovation, anti-corruption, anti-bribery and anti-competitive behavior, and sustainable product design across all stakeholder groups.

Environmental: Both internal and external stakeholders value sustainable raw materials and the end-of-life of plastics. External stakeholders find operational environmental impacts important too.

Social: Product safety, responsible marketing, labor rights and data protections are important to external stakeholders, while occupational safety ranks high amongst internal stakeholders.

Materiality Survey



The Pregis Purpose

The Pregis Purpose is a value system that impacts everything we do and helps us lead the way toward a circular economy that puts people and the planet first. As a leader in protective packaging solutions, it's our mission to protect the planet by helping our customers choose the best solution, preserve our natural resources in our operations and development efforts and Inspyre change.



Pregis **Protects** the planet by reducing damage and preventing reshops. And we help protect our customers' customer experience, employees, and profits by ensuring that the things that matter to our customers get from origin to destination undamaged every time.



Pregis **Preserves** natural resources and the environment by focusing on designing products and processes that contribute to a circular economy through end-to-end supply chain excellence.



People are the "y" in Inspyre. Pregis **Inspyres** people to do good for the world through education, industry advocacy, and professional and personal development.

Taken together, these three values combine to form our commitment to not just leave the world better than we found it, but to be an active change agent in making that dream a reality. As a leading supplier of packaging and protective products, Pregis has a responsibility to take a leadership role in protecting our planet. We do this through corporate and regulatory advocacy, training our employees, partnerships with our customers, suppliers, and channel partners that promote and encourage sustainability, and collaborations with organizations and nonprofits working to create change.

The Pregis Purpose is important to us, and it's important to our communities and the future of our planet. But it stretches beyond just us, and beyond just sustainability. At its heart, the Pregis Purpose is our commitment to be a good employer, responsible manufacturer, and reliable partner, and to partner and engage with companies that have similar goals.



The Journey to 2K30

The Pregis 2K30 mission is a bold plan to harness our passion for sustainability into concrete action – real, measurable goals; close cooperation with our partners, vendors and customers, and an open invitation for like-minded companies and individuals to join us in doing better.

2K30 is the evolution of the way we do business, of the way we use resources, and the way we engage our customers and suppliers. Our journey to 2K30 is our part to protect and preserve our planet for generations to come, and we invite all of our partners, customers, channel partners, and stakeholders to take it with us.

Working hand in hand with our network and forming new alliances, by the year 2030, Pregis will:



Eliminate 1 million resh Shipments (or the equivalent of 30 million pounds of waste)



Reduce our greenhouse gas emissions intensity by 25% from 2019 baseline



Prevent 15M new trees from harvest



Make 100% of Pregis products recyclable, reusable, or with a minimum 30% reduced reliance on new fossil-based ingredients (can come in the form of replacing new fossil based ingredients with recycled content, renewable materials or bio based ingredients)



Achieve 100% product and process waste reduction at Pregis facilities globally

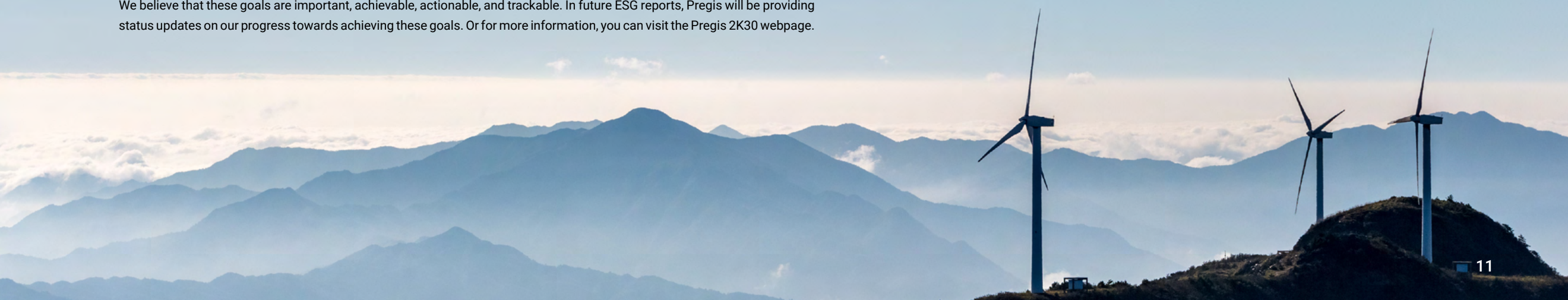


Invest \$15 million in circular, scalable, and sustainable material, process, and waste solutions globally



Make a positive impact on 25 million lives

We believe that these goals are important, achievable, actionable, and trackable. In future ESG reports, Pregis will be providing status updates on our progress towards achieving these goals. Or for more information, you can visit the Pregis 2K30 webpage.





Protect

Protecting The Things We Value

Pregis protects your packages, your profit, and the planet. Reships hurt everyone, from end consumers to communities. Minimizing them through smart packaging decisions helps everyone win.

To protect the things we value, Pregis looks at holistic sustainability in manufacturing, shipping, distribution and logistics. That means looking at more than just the recycled content of boxes or the amount of emissions generated during packaging material production. Instead, it means looking at the entire journey packing materials make, from point of origination to being given new life in a recycling facility, and looking at all of the people and processes that are touched along the way.



Protecting Packages

Pregis understands that whatever our customers are making or shipping is important to them. That makes it important to us, and we make a commitment to ensuring the safe arrival of every product shipped using our packaging and protective products. Our range of solutions is engineered for specific applications, and our consultative services help customers select the best product to meet their protection goals and avoid unnecessary reships and add unnecessary waste.

Protecting Customers' Profits

Reships cost money. Eliminating a million reships is estimated to save brands over \$100MM in direct costs. They also cost reputation — consumers are less likely to continue shopping with a brand they've received a damaged product from. Altogether, damaged packages can result in huge financial losses. Pregis engineers their protective solutions to find the balance between minimizing damaged packages and packaging costs, with a focus on protecting and increasing the bottom line for our customers.

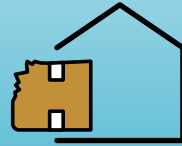
Protecting People

Pregis has long been committed to protecting people - including our employees and our customers' employees. We've helped customers deal with increased shipping volumes, and helped them keep their employees safe by reconfiguring their distribution centers and setting up socially distanced workstations. We've helped protect our employees with initiatives that work to keep our staff healthy and productive, such as working with Ergonomic safe solutions and clean, socially distanced working environment. We're also dedicated to ensuring we're implementing the strongest safety protocols and providing a safe working environment to prevent incidents.

Protecting The Planet

Reships don't just carry a financial cost. They cost resources and create waste and pollution. As part of our commitment to sustainability, Pregis has created tools and practices to identify, quantify, and reduce this damage. Our EcoGauge was developed specifically to track the cost of reships not just to the economy, but to the planet. Identifying the problem is the first step in fixing the problem, and the EcoGauge analysis helps by quantifying how big of an impact preventing reships can have.

Natural Resources Wasted, Package Arrives Damaged



Protect: Our Customers' Products and Profits

Reships and damaged products don't just carry an environmental cost. They cost companies real money, and can have an outsized impact on profitability. Pregis has committed to protecting our customers' profits by minimizing the costs associated with damaged packages and reships.

Over 2020, Pregis prevented numerous reships for our customers. Using our EcoGauge tool, we were able to quantify how we helped two major shippers eliminate over 143,000 packages from being damaged and reshipped, resulting in a saving of \$2.56M. These savings have come out of an understanding of what and how our customers are shipping, and designing solutions that do a better job of protecting these packages, no matter what they are or how far they're going.

Continuing to prevent reships and damage is one of our core Pregis 2K30 goals, with a pledged goal of preventing 1,000,000 reships over this decade.

The High Future Costs Of Reships

Reships have many direct and immediate costs. These include the labor to handle customer complaints and restock/reship damaged products, the cost of replacement goods, and the supplies used during the first shipment and all subsequent reships. But more insidiously, reships hurt reputation and customer sentiment. Less than a quarter of customers who receive a damaged product are likely to ever order again. This cost to customer lifetime value adds up, dramatically stunting potential future growth. This reduction in customer loyalty can have spiraling costs as it erodes the effectiveness and efficiency of customer acquisition efforts. Advertising, marketing, and sales have to work harder and return less revenue per sale when damaged packages cause high customer attrition.

Our commitment to our customers is that Pregis will not only work to protect packages, but will work to protect profits and brands as a whole.

Protect: COVID

No industry managed to escape 2020 untouched by COVID. For shipping and logistics, this impact was doubled – not only did distribution centers have to deal with shutdowns, labor shortages, and health concerns, but they also had to find ways to navigate the unprecedented increase in ecommerce and other shipping. Faced with pressure from multiple directions, DCs and other shippers needed all the support they could get to weather the pandemic storm.

Our commitment to protecting what’s important to our customers extends to more than just protecting their packages, but to protecting their business and their people. From the beginning of the pandemic, we leveraged our deep expertise and understanding of distribution centers to offer what assistance we could. This took the form of:

Consulting on DC Design

Our engineers often offer consulting for distributors on designing for efficiency. During the COVID pandemic, we pivoted to provide help designing for safety. That meant identifying ways to build out healthier, more spaced out packing floors without sacrificing throughput. Pregis helped our customers find ways to isolate stations, place plexiglass barriers to minimize potential contamination, and reroute workflows to keep packing lines moving safely.

Automation and Integration

To help move packing lines quickly, Pregis worked with integration partners to build out automated solutions for distribution centers. This automation allowed companies to keep up with rising demand while still keeping their workforce safe and complying with occupancy limits. As the pandemic took its toll, this automation allowed our customers to continue to operate smoothly with fewer workers on site.. And as the pandemic slowly winds down, these automations allow our customers to keep up with packing needs during a historic labor availability crisis.

Increased Material Availability

Even during the height of the pandemic, Pregis maintained our commitments to customers. Faced with a never-before-seen jump in shipping demand, Pregis worked tirelessly with our partners and suppliers to ensure an adequate supply of packaging solutions for our customers. Our commitment to keeping customers stocked allowed them to keep operating through the most challenging business environment of the 21st century, and helped many turn a business-ending crisis into stories of perseverance and inspiration.



Pregis helps...
embrace **sustainability**
and **minimize costs**



Pregis EcoGauge



Protect: Environment

The costs of a damaged package reach far past just the cost of a replacement item. Each trip from a distribution center to a customer and back takes a toll on the environment. As the global economy transitions to more products being shipped to end users, eliminating damaged packages will have a huge positive impact on the environment. Pregis's commitment to sustainability and helping to contribute to a circular economy requires understanding this impact and minimizing the environmental cost of damaged products and reships.

Quantifying The Environmental Impact of Reships

Solving a problem requires understanding and quantifying the problem. To this end, Pregis has done significant work to identify the direct and indirect environmental impact that come with products damaged in shipping. These include the obvious: carbon emissions from transportation, the environmental impact of using additional material in repacking replacement products, and landfill burden from throwing away damaged products. They also include the less obvious costs associated with having to produce extra products for replacement, such as the energy costs for repacking new product and labor costs for restocking.

To make this process easier and more transparent to our customers, Pregis developed and continues to refine a proprietary tool we call the EcoGauge. Our EcoGauge calculator allows us to quickly and accurately understand the full impact of reshops and communicate this information clearly to our customers. Just like companies large and small are beginning to track the carbon footprint of their facilities and activities like air travel, and using this information as a foundation for change, Pregis's customers are able to build a business case for changing their packaging choices based on the data we supply using the EcoGauge calculator.

As a result of our work with the EcoGauge, Pregis was able to quantify the elimination of 143,000 reshops for our customers in 2020, saving a combined \$2.56M. These savings translate into a real, positive impact on the health of our planet, and would not have been possible without the data to back up suggested changes to packaging.

Pledging Zero Emissions

Our commitment to protecting our natural resources and the planet have inspired us to join other progressive companies in the pursuit of carbon neutrality and sign The Climate Pledge in 2021, pledging to reach net zero carbon emissions by 2040. By optimizing our operations, eliminating emissions where possible, and finding real, credible offsets where not possible, Pregis is committed to become a net-zero emissions company within the next 20 years.



Preserve



Preserving Our Resources

Pregis is dedicated to preserving our natural resources and the environment. We have always focused on designing products and processes that contribute towards building a circular economy and eliminating waste. In 2020, we redoubled our commitment to producing more sustainable products in more sustainable ways.

Our commitment to preserve goes beyond creating products with more recycled content or that are easier to recycle. It encompasses a full 360-degree look at everything we touch, from finding sustainable raw material sources to better transportation options to less waste in production. It includes opening more sustainable facilities, retooling existing manufacturing to be more sustainable, and finding operational efficiencies that help preserve resources.

As we work towards our 2K30 goals and beyond, we will be working harder and unveiling more initiatives. Preservation has always been in Pregis' DNA, and we are incredibly proud of the work we've done so far, and the work we will do in the future.



Preserve: Our Resources

Preserve is a key component of Pregis' 2K30 goals. Since 2020, we've worked to improve our operational efficiency, invest in innovation to develop more recycled and recyclable materials, and partner with suppliers who are as committed as we are to preserving the planet.

Pregis 2K30 Preserve Goals:

Prevent 15,000,000 new trees from harvest by achieving a deforestation-free supply chain. Achieving this goal will save almost 35,000 acres of forest from harvest, and help absorb almost 720MM lbs of CO₂ by the year 2030. In 2020, Pregis has saved over 500,000 trees towards this goal.

100% of Pregis Solutions are either: recyclable, reusable, or at least 30% less reliant on virgin fossil-based ingredients. Pregis will work to eliminate materials that don't measure up, and lead new material and product innovations that can help us meet our goal.

25% reduction in GHG emission intensity.

Pregis has established a baseline from 2019 in partnership with Emitwise. The emphasis is now on driving measurable change across scope 1, 2, and 3 emissions.

Achieve 100% product and process waste reduction at Pregis facilities globally. Pregis will create new processes and materials alternatives to eliminate production waste, and will invest in technologies that will allow us to recover waste into valuable products.



Preserve: Investing In Preservation

Preservation can't happen without innovation. Pregis is investing in new products, new materials, and new processes to help contribute to a truly circular economy. 2020 was a big year — it marks the start of our formal 2K30 goals, but also included some big wins for our sustainability initiatives.

Awards, Certifications, and Recognition:

- Ecovadis Silver Award for Europe: Pregis was given a Silver Award by sustainability rating provider Ecovadis, representing a score in the top 25% of all results.
- ISCC Certification: The Heerlen, Netherlands facility adopts the ISCC Certification which is the standard for international implementation of environmentally, socially and economically sustainable production in global supply chains. The organization provides a transparent system for certifying the use of biomass and bioenergy in an effort to reduce greenhouse gas emissions.

Product Updates and Launches:

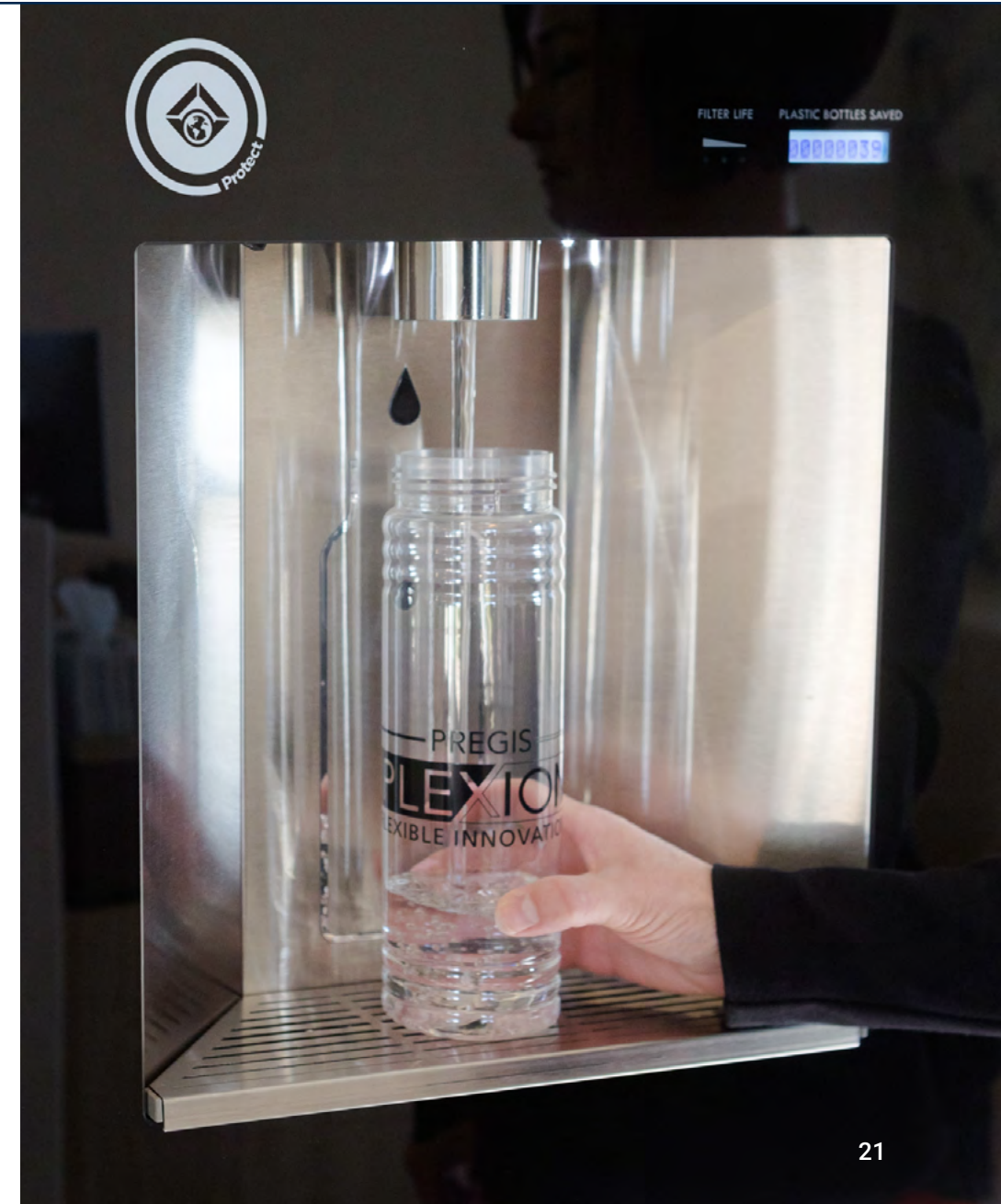
- AirSpeed® Renew S and AirSpeed® Renew™: Pregis's Renew™ portfolio, which was launched and available in Europe, now contains significantly more post-consumer recycled content, and the innovative new Renew S product is made with a bio-based material that dramatically reduces reliance on fossil fuels.
- Pregis EverTec™: An innovative cushioned paper mailer that is curbside recyclable, giving shippers a sustainable replacement for mixed material mailers and small boxes.
- Flo-pak®: Recyclable void-fill material with a decomposition additive that allows it to break down completely in just 60 months, replacing landfill waste from traditional packing peanuts.
- Thermacycle™ Flex: Redesigned from the ground-up to be entirely single-material for recyclability and inclusion in the Nex Trex recycling program.
- Easypack™ paper: 100% recyclable, 100% FSC®-certified recycled, 100% biodegradable. Easypack paper is a light-weight, sustainable way to reduce dimensional weight and packaging waste.
- Pregis PolyMask™ Temporary Protective Films: With the introduction of adhesive-less Phantom Mask, Pregis' PolyMask™ family now protects your packages better than ever while also offering a recyclable, more sustainable option.
- Process: PolyMask™ Pregis Aurora facility established a local partnership to develop a collection and processing program for PolyMask coated films helping eliminate process landfill waste and contribute to a circular economy.
- How2Recycle® Coalition: Pregis continues to work with the How2Recycle® coalition, and is adding more products to the H2R program. Recent additions to the US program include Pregis' Sharp® polybags with H2R labels printed on the bags, Easypack® paper, and Astro-Bubble®.

Preserve: A New Approach to Facilities

2020 saw the groundwork laid for the next generation of Pregis facilities. Pregis is investing \$80MM in our new state-of-the-art facility in Anderson, SC, which is being designed around our sustainability mission – from the materials used to the way the environment is shaped for energy efficiency. Even furniture selection is based on sound sustainability standards. The opening of the Anderson facility marks a new commitment to living our ESG principles for our customers and our employees while expanding our ability to provide the best solutions in the industry.

Facility Highlights:

- Will employ over 120 people to produce extruded films, and is set to begin operations in September 2021.
- LEED standards for all materials where possible, and all materials chosen to cut down on environmental cost of maintenance and upkeep.
- Water- and power-conserving measures like elimination of single-use water bottles, ample skylights and bright reflective paint to reduce dependence on artificial light sources, energy-efficient lighting and equipment, automated HVAC and auto-shutdowns for electronics, and other conservation best practices.
- Use of recycled materials throughout the facility including building materials and furnishings.
- EV charging stations and a sustainable approach to landscaping that prioritizes vegetation that passively reduces HVAC use.
- Pallet-less packing, contributing to our goal of saving trees, along with best-in-class control systems to reduce unnecessary reships and eliminate waste.
- Carbon emissions offset credits for events, meetings, and other situations which can increase emissions from the facility.





Inspyre



Inspyre-ing The Change

People are the “y” in Inspyre. Pregis “inspyres” people to do good for the world through education, industry advocacy, professional, and personal development. At Pregis, we don’t just want to be leaders in sustainable packaging solutions. We aspire to be leaders in giving back, in global sustainability, and in changing the world for the better for all of our stakeholders.

Our Inspyre commitment is reflected in two of our 2K30 goals:

\$15MM of investment in sustainable materials, processes, and waste solutions.

This investment will help contribute to the 500 kta waste diversion targets put in place by the Alliance to End Plastic Waste. It also allows Pregis to identify emerging sustainability technology and help it scale, creating a win-win-win for ourselves, our stakeholders, and the environment.

But our dedication to Inspyre-ing change goes beyond that. Pregis is a global advocate for sustainability and good corporate citizenship, and partners with companies and organizations that share our mission. Sustainability is a large, global challenge which requires large, global solutions. Through industry advocacy, Pregis continues to be part of that solution.

25MM lives positively impacted.

Through direct donations, partnerships, programs for our customers like our Inspyre products, and employee-led initiatives, Pregis gives back to communities all over the world – in our backyards and on the other side of the globe.



Notable highlights of our employee initiatives include:

- The launch of our Inspyre product line, which has helped us donate over 50,000 water filters to vulnerable communities.
- Pregis' employee cleanup campaign, using the Litterati platform in conjunction with the Alliance to End Plastic Waste, which as part of the Litterati All Together Global CleanUp collectively picked up over 12MM pieces of trash.



Inspyre: Giving Back To Our Communities

Giving back to communities isn't just part of the Pregis Purpose: it's in our DNA. Our most successful and enduring programs begin with calls to action from our own people, who go out of their way to find opportunities to give back and make a difference.

Our partnership with the Uzima Clean Water Mission began with one of our employees who had volunteered with this organization for many years, traveling to Africa to supply water filters. His experience seeing the impact that clean water made on these communities inspired Pregis to become an advocate for this cause.

This program has now grown into an organized effort that launched a product, our Inspyre packaging material. For every sale, Pregis makes a donation to help purchase more filters for vulnerable communities, helping to fight global water insecurity. That grew into a partnership with one of our suppliers, Nova Chemicals, to receive donations of film resin to help support production of Inspyre materials.

These kinds of virtuous cycles form the foundation of our leadership commitment. Pregis empowers our people to make a difference, and serves as inspiration for others to join us in making a difference.

Inspyre: Leading The Industry

Creating meaningful change requires a broad effort across organizations and companies. Pregis partners with leaders in sustainability to build a network that allows us to better fulfil our Pregis Promise. Through this network, we have an opportunity to advocate for a more sustainable future in ways we couldn't do alone, and to create coalitions that allow us to act together towards securing that future.

Sustainable Packaging Coalition

Through our participation with the Sustainable Packaging Coalition, Pregis coordinates with some of the most important, largest, and most innovative organizations in the world. In 2020, we participated in SPC Advance as a panelist to discuss end markets for recycled plastics and drive industry discussions on sustainable solutions.

Alliance to End Plastic Waste

The Alliance to End Plastic Waste is a global organization that brings together communities, companies, NGOs, and capital to innovate and scale solutions to the global plastic waste problem. Bringing together diverse groups on projects with real results creates lasting change towards our shared goal of eliminating plastic waste and building a truly circular economy. Pregis works with community organizers, global organizations, and other companies on projects that have led to real, tangible progress and partnerships and opportunities to do more, like our partnership with the Circular Great Lakes Council.

CEFLEX

CEFLEX is a consortium of European companies and associations focused on achieving a circular economy and increasing recycling efforts in the flexible packaging value chain by 2025. As a provider of flexible packaging, Pregis is working to help spearhead those efforts in the EU by helping identify manufacturing best practices, increasing recycled content in our film structures, educating on and promoting ways to increase quantities collected, and identifying downstream uses for that recycled material.

Pregis CSR Awards

2020 saw the launch of our Corporate Social Responsibility (CSR) awards program, the Pregis Purpose Awards, which honors companies that make great strides towards more sustainable business practices. These awards will recognize companies for their contributions to securing clean drinking water for vulnerable populations through our partnership with Uzima, companies that make measurable improvements in preventing package damage and reships, and companies that make the switch to renewable or recyclable packaging materials and practices to cut down on waste.



More information, visit our **2K30 Page.**

Inspyre: Investing In Our People

Our commitment to Inspyre-ing change begins with investing in our people. We take this commitment seriously, and have worked across the board to provide our employees with a safe, positive work environment. To that end, Pregis has invested and continues to invest in our workforce – increasing hiring and training, tracking and improving diversity, and ensuring that all employees are following best practices for safety, non-discrimination, and health.

2020 was an especially difficult year for everyone because of the global COVID-19 pandemic. In this challenging time, Pregis is proud of the efforts we made to keep our people healthy and provide a work environment that allowed us to keep our commitment to partners, vendors, and customers. As part of our COVID response, we limited attendance at facilities and put protective measures in place to safeguard essential workers like our production and fulfillment staff. Pregis worked fast to implement CDC-recommended safety measures at all of our facilities and curtailed all non-essential travel. Once the vaccine became available, Pregis began offering a financial incentive to get vaccination rates at our company up as quickly as possible.

Despite the challenges presented by the unexpected and unprecedented events of 2020, we have made great strides in meeting our people goals.

Highlights for 2020 include:

- Almost 300 hours of diversity, harassment, and unconscious bias training including virtual and in-person training through J.J. Keller.
- All senior leadership completed leadership and bias training.
- Full FCPA compliance training for every employee that required it.
- Increased headcount by over 10% during the pandemic.
- Initiated and piloted Veteran Hiring Program and Workforce Re-Entry program and made first hires for both to help veterans and disadvantaged people find gainful employment.





Inspyre: Ready For A Changing World

The new century is bringing new challenges. Even as we make progress towards a more sustainable future, it's important to keep sight of growing challenges that are increasingly becoming a big part of the global conversation: cybersecurity, shifting public policy, antitrust concerns, trade, and worker welfare among many others. Pregis is ready to face that future, and has processes and oversight in place to maintain compliance and take a leadership role in addressing these challenges.

Socially Responsible Governance

As part of our Pregis purpose, we have committed to positively impacting 25MM lives over this decade and drive positive social change. We have already partnered with Uzima to provide filtered water to underserved communities around the world, and are engaged with NGOs and other organizations to participate in local and global initiatives like the Alliance to End Plastic Waste and the Litterati Global CleanUp. We recognize and support employee initiatives to give back, and make corporate giving a foundation of our Inspyre purpose.

Human Rights

Pregis carefully monitors and enforces compliance with all human rights directives and laws, and ensures a safe workplace for Pregis staff on site. In 2021, Pregis launched a cross-functional ESG team internally to create processes for monitoring suppliers and other external contractors and vendors for compliance

with best practices. Pregis is committed to building an end-to-end supply chain that protects human rights and ensures safe, equitable workplaces for everyone in it.

Diversity

Pregis recognizes that diversity is a strength and an essential part of building an equitable workplace. As of the end of 2020, 22% of our staff is female, and 31% belong to ethnic or racial minorities. We understand that there is more we can do, and are putting together detailed metrics broken down by level to identify areas of concern, and will be formulating a plan to address diversity in the next year. In the meantime, Pregis remains committed to being an equal opportunity employer. All decisions about recruitment, selection, promotion, transfer, discipline, compensation, benefits, training, and other personnel actions are made without regard to race, creed, color, religion, sex, age, or any other characteristic protected by law.

Inspyre: Ready For A Changing World

Fair Trade and Trade Controls Compliance

Pregis has always been committed to fair trade practices and competition, including compliance with all anti-trust regulations and trade control policies including tariffs, embargoes, and similar. We maintain compliance through internal systems and processes that proactively prevent violations, and review these processes regularly to make sure that they are up to date and effective in enforcing policy.

Public Policy

Public policy changes are one of the greatest risks to any business. As sustainability becomes a more serious issue around the world, policies governing sustainable business practices will be enacted or strengthened throughout the markets we do business with. Pregis is ready to comply with any planned policy changes, and works with internal teams to ensure that we are always in compliance with the most strict jurisdictions in which we operate. This policy allows us to remain compliant with new policies and laws in less strict jurisdictions without requiring significant investment or time to reform our own processes or products. Especially in the case of sustainability, taking an early leadership role in creating sustainable products across multiple material options while using sustainable processes strengthens our future and reduces uncertainty that may affect other companies.

Cybersecurity

With ransomware and similar attacks becoming a significant threat to business operations, Pregis is focusing on implementing strict IT security policies and a global compliance enforcement mechanism to protect our operations from cybercriminals. These policies include implementing and maintaining security measures to protect technology assets, as well as the information we collect and process, including, but not limited to, access controls. Information security and data privacy efforts include automated intrusion detection/response, threat hunting, and ongoing cybersecurity posture improvements.



More in-depth information, and our full written policies covering these areas and other concerns can be found on the **[Pregis website](#)**.

Inspyre: Accountability At Every Level

A commitment to good ESG practices requires accountability at every level of the organization. At Pregis, our accountability comes from our external stakeholders, but also from a cross-functional team that spans our entire organization and is empowered to act to ensure that everything we do is making progress towards being a more sustainable and socially responsible organization.

The ESG group at Pregis is sponsored by our Chief Financial Officer, and overseen by our Senior Director of Global Sustainability, Chief Innovation Officer, Director of Environmental, Health, and Safety, and Chief People Officer. Additional officer roles on the Pregis ESG committee are pulled from IT, Financial, Marketing, Procurement, and geography-based roles at multiple levels.

This committee is empowered by Pregis to create policy and process, and has a direct line to the executive management team for instituting these policies company-wide. As we focus on our ESG mission, additional team members will be added to ensure that every employee has a direct link to an ESG representative for voicing concerns or proposing new measures that help us live up to our Pregis Promise.



Looking Forward



The Pregis Promise

The first step for any major policy shift is always the hardest. Sustainability and social responsibility have always been a part of our DNA, but the annual ESG report marks a new commitment to publicly reporting our progress and success.

The first year of this commitment has been dedicated to understanding how to transform our Pregis Purpose mission into real, actionable, and quantifiable results. This first ESG report is the product of that process, and lays the groundwork for how we will be reporting in the future.

It also officially launches our annual ESG reporting. These reports will be released annually, and will allow all of our stakeholders to better understand the work being done inside Pregis to live up to our Pregis Promise, and the impact that work is having.

Our Pregis Promise has been setting the standards for how we work and the products we make. Our promises to Protect, Preserve, and Inspyre have shaped every aspect of what we do and how we do it. With this report, we add another commitment to our Pregis Promise: We will report our actions and impacts, providing leadership and transparency to our partners, our vendors, our customers, our employees, and the people whose communities we serve and touch.

For more information on our Pregis Promise or questions about our policies, procedures, and ESG reporting, email pregisriskmgmt@pregis.com.



For more information: www.pregis.com

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