



HOOD CONTAINER

Sustainable Practices

Where Sustainability Takes Root.

April 2023

TABLE OF CONTENTS

Where sustainability takes root.....	3
Project 2025.....	4
Business of change.....	5

WHERE SUSTAINABILITY TAKES ROOT

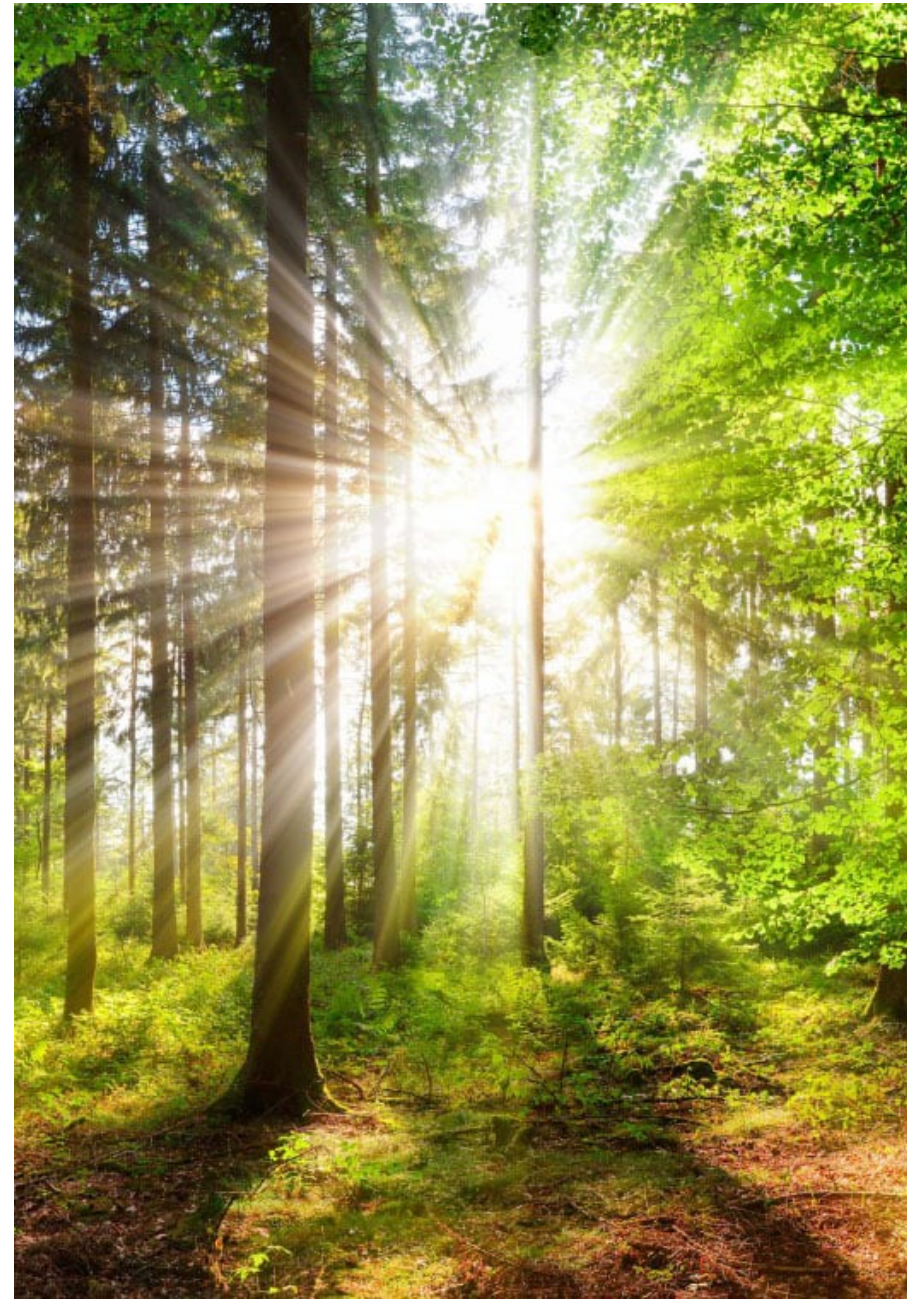
The Power of Green

The Paper Industry has long been a preeminent participant in the Sustainability of Our Planet. There are three areas where our industry excels:

First, the use of trees as a raw material allows for the consumption of Carbon Dioxide and the respiration of oxygen as an outcome of the tree's growth process. The domestic Paper Industry has historically planted 4 trees for every tree harvested thus enhancing the consumption of the greenhouse gas, carbon dioxide in exchange for oxygen.

Our paper mills generate the majority of their energy with green fuels. This means using bark and sawdust for boiler fuel and using lignin from the pulping process to generate steam and electricity. The whole tree is used in the pulp and papermaking process, no waste.

About 50% of all corrugated boxes are made with papers that are recycled. Hood Container Corp's linerboard and medium papers are close to this percentage. The Paper Industry has and continues to invest in equipment that allows the boxes it produces to comply with DOT requirements for Interstate commerce with less and less fiber in the box. This source reduction approach to sustainability goes a step further than just utilizing recycled fibers since carbon emissions from this approach are far less than even with the recycled papers approach. Hood Container's papers are almost 100% source reduced packaging materials.

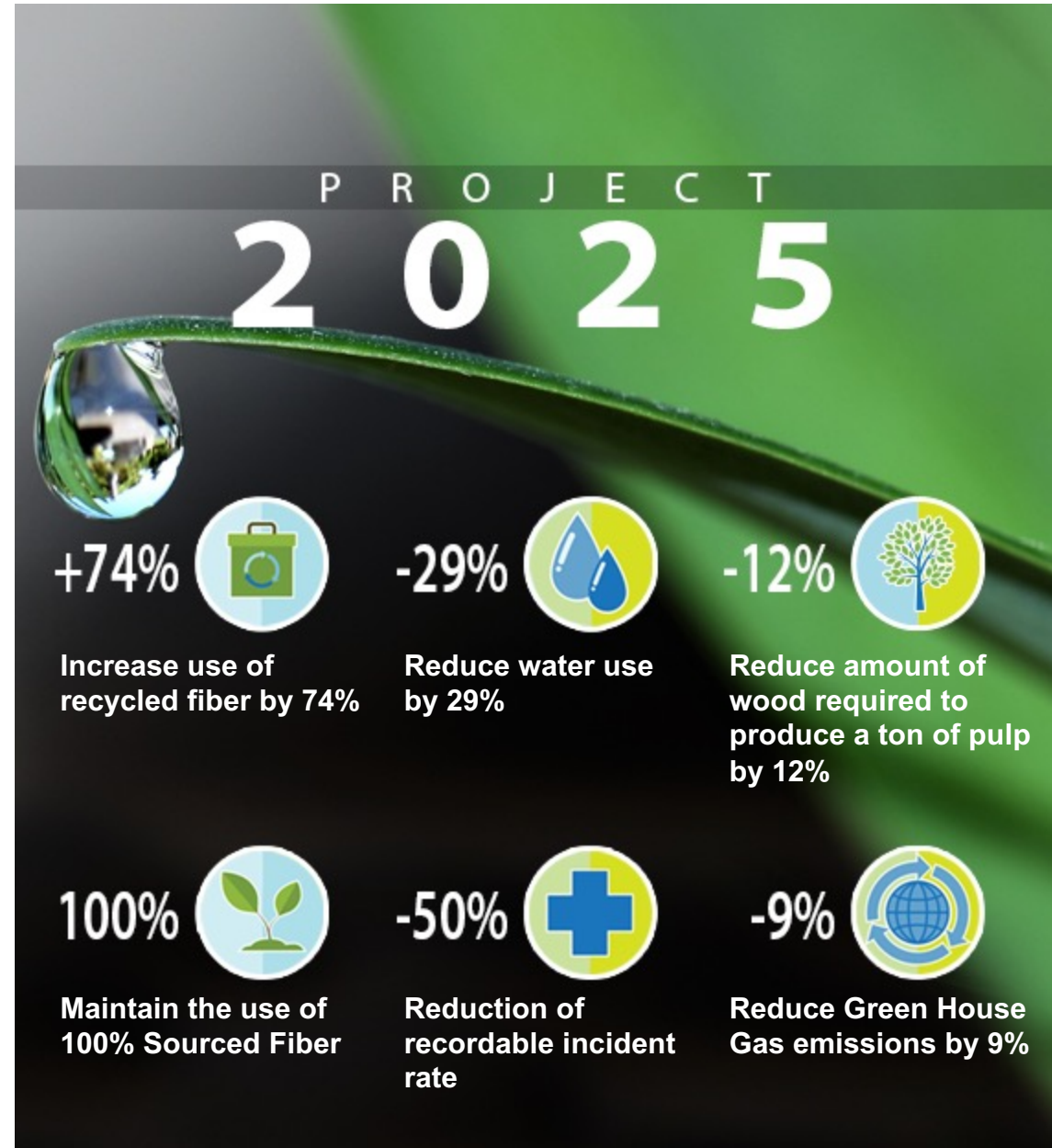


PROJECT 2025

In 2014 HCC set forth to protect our planet by operating in an environmentally responsible manner while being good neighbors in the regions we operate.

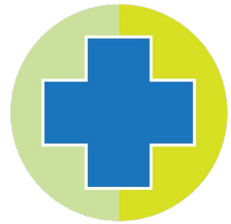
As a member of AF&PA, Hood Container is committed to helping make progress toward AF&PA's Better Practices, Better Planet 2030 sustainability goals. AF&PA has established five quantifiable sustainability goals that the industry aims to meet by 2030. These goals include reducing greenhouse gas emissions, advancing a circular value chain, striving for zero workplace injuries, helping drive water stewardship, and advancing more resilient U.S. forests.

Hood Container's own Project 2025 helps us measure our progress from 2014 to a goal in 2025, staying inline with industry goals and solidifying our commitment to a more sustainable future.



IN THE BUSINESS OF CHANGE

Over the past years, we have worked to align ourselves as one company and define ourselves within our industry as leaders in sustainable practices. Measuring ourselves against past performance as well as industry sustainability goals is critical for not only our business, but also for our employees, our customers, our communities, and our planet.



Water

GOAL:
Reduce water use.

Base Year: 2014 13,800 gal/ton	Target: 2025 9,800 gal/ton
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2014	2021	2025
13,800 gal/ton	10,300 gal/ton	9,800 gal/ton

RESULT:
Since 2014 we have reduced water usage by 25%

Recycled Fiber

GOAL:
Increase recycle fiber usage.

Base Year: 2014 230,000 tons	Target: 2025 400,000 tons
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2014	2021	2025
230,000 tons	350,000 tons	400,000 tons

RESULT:
Since 2014 we have increased use of recycled fiber by 52%.

Forest - Chain of Custody

GOAL:
Maintain 100% procured fiber through certified fiber sourcing programs.

Base Year: 2014 0%	Target: 2025 100%
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2014	2021	2025
0%	100%	100%

RESULT:
100% wood fiber procurement from chain of custody since 2014.

Safety

GOAL:
To reduce the number of OSHA total incidence rates and maintain a safe workplace.

Base Year: 2014 1.80	Target: 2025 0.9
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2014	2021	2025
1.80	1.1	0.9

RESULT:
39% improvement in recordable incidence rate since 2015.

Climate Change

GOAL:
Achieve a reduction in green house gasses.

Base Year: 2014 0.35 Tons CO2e/Paper Ton	Target: 2025 0.32 Tons CO2e/Paper Ton
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2014	2021	2025
0.35 Tons CO2e/Paper Ton	0.45 Tons CO2e/Paper Ton	0.32 Tons CO2e/Paper Ton

RESULT:
Despite an anomalous rise in 2021, 2022 numbers have already put Hood Container at a 15% decrease in greenhouse gas emissions from 2014.

Wood Yield

GOAL:
Reduce the amount of wood required to produce a ton of pulp.

Base Year: 2014 3.25 tons wood/ton pulp	Target: 2025 2.85 tons wood/ton pulp
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2014	2021	2025
3.25 tons wood/ton pulp	3.06 tons wood/ton pulp	2.85 tons wood/ton pulp

RESULT:
Since 2014 we have reduced the amount of wood required to produce a ton of pulp by 6%.