

# Hood Container Corporation

Sustainable Practices

January 2021



## A Conscious Corporation





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## *A Message from our President*

On behalf of Hood Container Corporation, I am pleased to share our Sustainable Practices. Sustainability has always been at the core of who we are as an organization and as an industry of renewable resources.

Since our inception in 2012, we have grown to become 28 facilities. Each facility came to Hood Container with different standards, practices, and resources. 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 global initiatives is critical for not only our business, but also for our employees, our customers, our communities, and our planet.

Today we continue to focus on reducing our carbon footprint through capital investment, education, policy and procedures, and innovative solutions.

Together, as an industry and a company, we tirelessly look for opportunities to make a positive impact on our world.

We look forward to the challenge of exceeding the goals we have set forth and welcome your ongoing partnership on this journey to make a difference.

Sincerely,



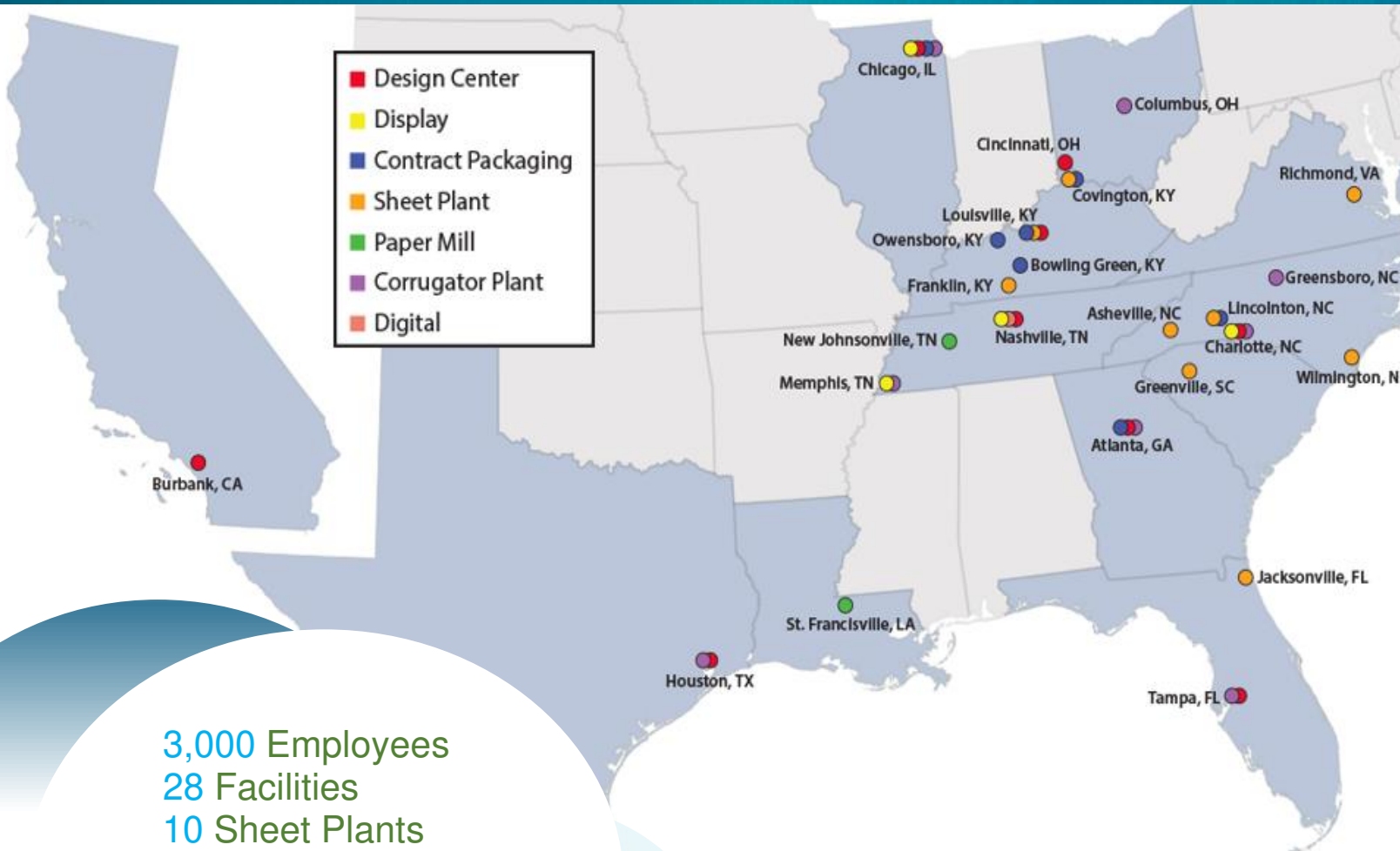
Greg Hall

President & COO, Hood Container Corporation





Through our unwavering commitment to safety, innovation, and sustainability, we passionately deliver indispensable value to our customers, employees, suppliers, communities, and stakeholders.



3,000 Employees  
28 Facilities  
10 Sheet Plants  
8 Corrugating Plants  
12 Design Centers  
2 Paper Mills  
1 Testing Center  
One Team

Our  
Footprint

# Where Environmental Stewardship Takes Root.

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.

## Since 2014 Hood Container Corporation has:

Become SFI & FSC  
Certified in Mill  
Division.

Increased use of  
recycled fiber by  
74%.

Reduced water  
usage by 28%.

Reduced  
dependency on  
purchased power by  
28%.

Reduced Green  
House Gases by  
17%.

Decreased our  
recordable incident  
rate by 56% (2015-  
2019).

Today's Practices Create  
Tomorrow's Future

## Project 2025

+10%



Increase use of recycled  
fiber by 10%

-10%



Reduce water use by 10%

-10%



Reduce use of purchased  
power by 10%

100%



Maintain the use of  
100% Sourced Fiber

-20%



Reduction of recordable  
incident rate

-5%



Reduce Green House Gas  
emissions by 5%



# In the Business of Change



## Water

Reduce water use

**Base Year:**  
**2014**

13,800  
gal/ton

**Target:**  
**2025**

9,300  
gal/ton

**2014**

13,800  
gal/ton

**2019**

9,800  
gal/ton

**2025**

9,300  
gal/ton

Since 2014 HCC has reduced water usage by 28%



## Recycled Fiber

Increase Recycled Fiber Usage.

**Base Year:**  
**2014**

230,000  
tons

**Target:**  
**2025**

450,000  
tons

**2014**

230,000  
tons

**2019**

400,000  
tons

**2025**

450,000  
tons

### Capital

STF Mill Recycle Plant Installation 2018  
STF Mill Modernization 2023



## Forest - Chain of Custody

Maintain 100% procured fiber through certified fiber sourcing programs.

**2014**

0%

**2019**

100%

**2025**

100%



## Safety

The vision for HCC is zero injuries. Progress toward that goal is measured by OSHA Total Incidence Rate

**Base Year:**  
**2014**

1.80

**Target:**  
**2025**

0.70

**2014**

1.80

**2019**

0.86

**2025**

0.70

Employee involvement to prevent accidents

### Capital Investments

Division Online Training  
Recovery Boiler Component Replacements  
Kamvr Digester Controls  
OEM Upgrades to Process Equipment



## Climate Change

Achieve a reduction in Green House Gases.

**Base Year:**  
**2014**

0.4 Tons  
CO<sub>2</sub>e/Paper  
Ton

**Target:**  
**2025**

0.32 Tons  
CO<sub>2</sub>e/Paper  
Ton

**2014**

0.4 Tons  
CO<sub>2</sub>e/Paper  
Ton

**2019**

0.34 Tons  
CO<sub>2</sub>e/Paper  
Ton

**2025**

0.32 Tons  
CO<sub>2</sub>e/Paper  
Ton

### Capital Investments

NJ Mill WESP Installation 2015  
STF Mill Pulp Mill Refiner Installation  
STF Modernization 2023



## Purchased Energy

Reduce purchased energy consumption within HCC.

**Base Year:**  
**2014**

7.37  
MMBTU/Ton

**Target:**  
**2025**

6.6  
MMBTU/Ton

**2014**

9.8  
MMBTU/Ton

**2019**

7.3  
MMBTU/Ton

**2025**

6.6  
MMBTU/Ton

### Capital Investments

STF Mill Machine Press Upgrade 2018  
STF Modernization 2023

# Aligning with UN Global Compact Ideology

## Moving Forward in the Right Direction

Hood Container Corporation is aligning our processes and policies to follow the ideology of the UN Global Compact's principles and goals. Establishing our company initiatives provide a platform to operate in an ethically and socially responsible manner and to further global initiatives.



### HUMAN RIGHTS

Our company abides by, and in many cases exceeds, all government required labor laws.

### ANTI CORRUPTION

Hood Container abides and adheres to Antitrust laws.

Hood Container has developed a Code of Conduct to make clear what is expected of employees in the workplace with respect to complying with the law and ethical behavior that aligns with our core values. This Code of Conduct will be finalized and implemented Q1 2021.

### LABOUR

We strive to foster strong partnerships with those whom we have active collective bargaining agreements.

We are developing and implementing a minimum age requirement preventing hiring of anyone under the age 18.

Hood Container has a Non-Discrimination/ Harassment Employment policy in place that is distributed to all employees at the time of hire.

### ENVIRONMENT

100% wood fiber procurement from chain of custody.

Total packaging and paper production is made with 35% Recycle Fiber Content.

Project 2025 set goals for reduction of greenhouse gases, water usage, and purchased power.

## Hood Container Initiatives

Anti-Corruption Policies

Anti-Discrimination Policies

Code of Conduct

Growth Strategy

Employee Assistance Programs

Equal Opportunity Employer

Continuing Education

Employee Benefits

Environmental Compliance

Chain of Custody

Project 2025



# Key Initiatives

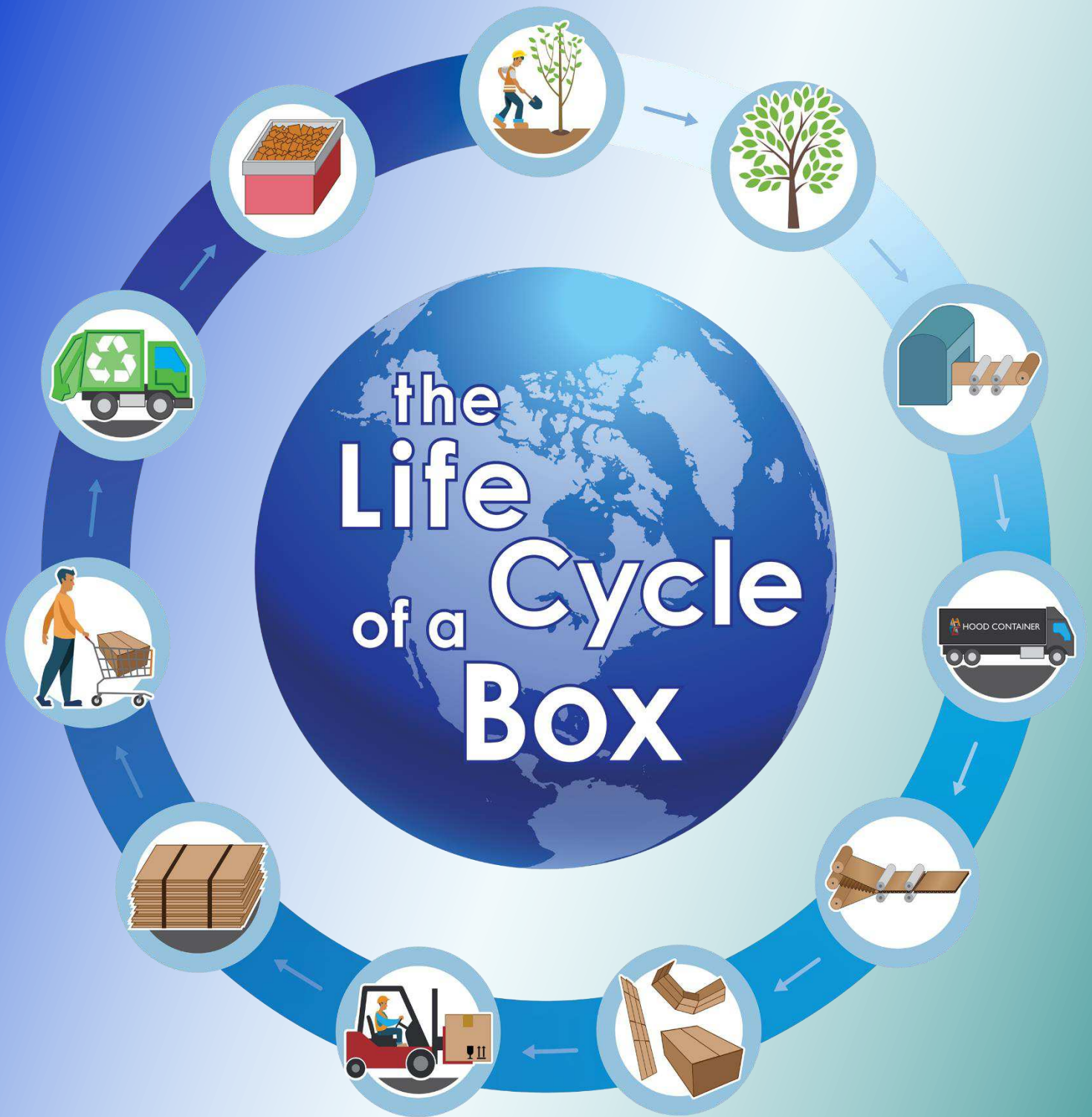
AF&PA Sustainability Goal	Industry Progress from baseline (2005 - 2018)	HCC Progress Since 2014
Improve safety incidence rate by 25%, while working to achieve zero injuries	38.4% improvement in recordable incidence rate: <b>GOAL SURPASSED</b>	56% improvement in recordable incidence rate: <b>GOAL SURPASSED</b> *Since 2015
Increase wood fiber procurement from certified forestlands and certified sourcing programs; decrease illegal logging	12 percentage point improvement from certified sourcing programs; 5.1 percentage point improvement from certified forestlands: <b>GOAL ACHIEVED</b>	100% wood fiber procurement from chain of custody. <b>GOAL SURPASSED</b>
Improve purchased energy efficiency by at least 10%	13.3% decrease in purchased energy: <b>GOAL SURPASSED</b>	Reduced dependency on purchased power by 28%: <b>GOAL SUPASSED</b>
Reduce Greenhouse gas emissions by at least 20%	23.2% decrease in GHG emmisions: <b>GOAL SURPASSED</b>	Reduced Greenhouse gas emmisions by 17%
Reduce pulp and paper mill water use by at least 12%	6.9% reduction in water use	Reduced water usage by 28%: <b>GOAL SURPASSED</b>
Exceed 70% recovery for recycling	14.7 percentage point increase in paper recycling rate	Increased use of recycled fiber by 74%: <b>GOAL SURPASSED</b>



\*\*AF&PA data provided by AF&PA 2020 Sustainability Report

\*\*\* HCC data through 2019





HOOD CONTAINER