



Rooted in Sustainability: Delivering Value Through a Better Customer Experience

2024-2025 Environmental, Social, and Governance Update



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MESSAGE FROM THE PRESIDENT

Building on 80 Years of Excellence and Innovation

This is the second Environmental, Social, and Governance (ESG) publication for the Atlantic Packaging group of companies and it marks a significant milestone: our 80th year of delivering high-quality products and service to our customers.

At Atlantic, striving to achieve ESG excellence, reporting on our progress, and creating a great customer experience are intertwined goals. That’s because everything we do in support of our sustainability strategy also helps our customers achieve their targets, understand their packaging’s impact, and address questions about the sustainability of their supply chain.

In this report – intended as a more concise update to our main biennial report – we demonstrate our commitment to continuous improvement, and share some of the key metrics that help us make decisions that affect our employees and customers, our communities, and the environment.

ESG Progress for Fiscal 2025

As you’ll see, there are numerous achievements to share. At one of our facilities in Ontario, we installed Atlantic’s first net metering system, which will offset the amount of grid electricity we consume at the site. In FY2026, we will complete Atlantic’s largest solar array project at another plant in Ontario, marking an important step forward in our renewable energy journey.

We increased the water efficiency at two of our manufacturing facilities, and increased Overall Equipment Efficiency (OEE) at our Whitby and Scarborough paper mills. Of special note, the Scarborough mill achieved 80% OEE, which places it in the second-highest category. We remain committed to working towards 85% as we aim for a world-class ranking.

We also achieved an EcoVadis Bronze rating. Our improved standing places us in the 82nd percentile of all companies rated by EcoVadis, reflecting measurable progress in our sustainability performance.

Safety metrics at our plants also continue to improve, while employee engagement scores have increased year-over-year. I anticipate this momentum will continue, as we make new investments in employee safety and training programs. Beyond our facilities, the

Atlantic Packaging group of companies has always supported our communities, encouraging employee-organized charitable events with a 100% match of funds raised.

We continue to build upon a foundation of strong governance practices, so our customers are confident they are working with a transparent and trustworthy partner. With the rise of cybersecurity threats and the growing role of AI in business, we are enhancing our IT strategy to ensure our customers’ data remains protected. We are also seeking new ways to harness the potential of technology to reduce our environmental impact while creating new and innovative products.



Looking to the Next 80 Years

As a family-owned company headquartered in Canada with divisions in the United States, we take the long view, investing in improvements that will benefit our customers, employees, communities, and the environment, not just in the next year, but over the coming decade and beyond.



On behalf of the entire Atlantic Packaging team, I’d like to thank the many people who have worked with us over the years. As we reflect on eight decades of progress, our mission remains focused on building a sustainable future where employees thrive, customers succeed, and partnerships grow for generations to come.

Sincerely,

Sean Weir
President



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About Us

Atlantic Packaging (AP) is a privately owned Canadian company founded by Abraham Granovsky and his son Phil in downtown Toronto in 1945. Over the years, the Granovsky family has transformed the business into a group of companies serving customers across North America by applying a forward-thinking vision, sustained investment into the business, and a customer-focused approach. As the company marks an 80-year milestone in the packaging manufacturing industry, we continue to enhance and grow our presence in North America.

The Atlantic Packaging Group of Companies

As a North American leader in innovative and sustainable packaging, the Atlantic Packaging group of companies offers solutions ranging from corrugated and decorative packaging to recycling services and paper bags. With headquarters in Canada and divisions in the United States, the AP group of companies is committed to consistently meeting customers’ expectations through collaboration, innovation, and lasting partnerships.

Canadian Operations

- Atlantic Packaging Products
- Mitchel Lincoln

U.S. Operations

- BlackHawk Corrugated
- Champion Container
- Skybox Packaging
- Standfast Group
- York Container



3,600+
employees



80
years in business



20+
production facilities
in Canada and the
United States

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Practicing Sustainability for the Good of Our Business and Our Customers

At Atlantic Packaging, our commitment to excellence extends across both the customer experience and operational performance – two elements that are deeply connected. We know that sustainability across the entire supply chain is a priority to our customers. As a vertically integrated company, we have been able to develop a centralized, sustainable, and economical method of incorporating recycled raw materials into our value chain. Through our Circular Economy Model, we strive to produce the highest quality product with as little consumption and waste as possible. Continuous innovation drives us to enhance our performance while staying true to our core purpose of always meeting customers’ expectations.

Atlantic Packaging Core Purpose:
Always meet customers’ expectations



Vertical Integration



Innovation



Operational Excellence



Customer Experience



Core Values

- Exceptional customer experiences... always
- Work as one team
- Our people are our family

- Your word is your bond
- Think and act as an owner
- Environmental leadership

A Circular Economy Model of Our Operations

Atlantic Packaging has been proudly manufacturing predominantly recycled-based products since 1969. Our core business manufactures 100% recycled linerboard and corrugated packaging, though when requested by a customer, we will use virgin fibre from other mills.

The diagram illustrates the Circular Economy Model of Atlantic Packaging's operations. It features a central circle labeled "Circular Economy Model". Surrounding this circle are several stages of the process, connected by arrows indicating a clockwise flow:

- Paper manufacturing**: Represented by a green icon of a paper roll.
- Waste to energy**: Represented by a lightning bolt icon, connected to a box labeled "AP waste management".
- Waste to beneficial use or landfill**: Represented by an icon of a factory and a trash can.
- Corrugated box manufacturing**: Represented by a blue icon of a corrugated box.
- Distribution to customers**: Represented by an orange icon of three people.
- Waste recycling**: Represented by a blue icon of three recycling arrows.
- Old corrugated containers**: Represented by a blue icon of a corrugated box.

The flow starts with "Paper manufacturing", moves to "Waste to energy", then "Waste to beneficial use or landfill", followed by "Corrugated box manufacturing", "Distribution to customers", "Waste recycling", and finally "Old corrugated containers", which loops back to "Paper manufacturing".

AP GROUP OF COMPANIES

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About This ESG Update

Purpose of This Report


Our Environmental, Social, and Governance (ESG) Reports highlight our strong commitment to the topics that are important to our customers, partners, communities, and team members. In our inaugural 2023-2024 ESG Report, we explained the history of our company and our ESG roadmap in great detail, documenting our KPIs and the goals we are working towards for 2030.

Our intention from the outset was to publish an in-depth report every two years, and issue shorter updates in alternate years to demonstrate our ongoing accountability and provide optimum transparency to customers and stakeholders. This is the first ESG Update.

Scope of This Report

This report includes Atlantic Packaging’s entire group of companies across North America. However, because our core business (our mills and corrugated converting facilities) generates most of our emissions, the Environmental Leadership section of this report focuses on these business divisions.

The reporting period covers the 2025 fiscal year (FY2025), which runs from June 1, 2024 to May 31, 2025. Any exclusions in data and content are noted as footnotes where relevant. Scope 1 and scope 2 greenhouse gas (GHG) emissions data has been calculated according to the GHG protocol, and FY2020 is the baseline year for all data disclosed throughout the reporting period.



In preparing this report, we have consulted the Global Reporting Initiative (GRI) Standards, following best practices for key performance indicator (KPI) reporting wherever possible.



Look for the CX icon, which highlights each pillar’s impact on Customer Experience.



We strive to continuously improve our ESG reporting, and value input from all our stakeholders. Your ESG inquiries or feedback can be directed to esginquiries@atlantic.ca.



Throughout the report, we will indicate which Sustainable Development Goals (SDGs) are aligned to our ESG Framework.

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Achieving Our Purpose of Always Meeting Customers’ Expectations

Defining the Customer Experience

At Atlantic Packaging, our purpose is to always meet customers’ expectations. In 2021, our comprehensive stakeholder materiality assessment shaped our ESG strategy by highlighting areas of importance to our customers (see the graphic to the right).

In 2024 we surveyed our customers with the specific goal of finding out what their expectations are. Some wanted us to help them meet the expectations of their own customers by providing data and reports. Some wanted to partner with us to innovate on redesigning packaging, reducing raw materials, or fitting more materials on each pallet to lower emissions. Others wanted us to leverage our expertise by advising them as they began or continued their own ESG journey.

To respond to these wide-ranging needs, we developed and delivered live ESG training sessions to our employees in many departments to ensure our team understands what ESG is, in order to better meet customer expectations. In the coming year, we plan to make sustainability training available to all employees, as well as acquire an even deeper understanding of our customers’ ESG-related expectations.



CX

Customer Experience

Pillar	Environmental Leadership	People and Communities	Responsible Management
Focus	<div><div>1</div>Climate Change</div> <div><div>2</div>Circularity</div>	<div><div>3</div>Health, Safety, and Well-Being</div> <div><div>4</div>Employee Experience</div> <div><div>5</div>Community Relations</div>	<div><div>6</div>ESG Engagement</div> <div><div>7</div>Business Resilience</div> <div><div>8</div>Governance and Accountability</div>

“ESG is a requirement to work with us. Last year I think we were at around the 75% range of compliance and this year we have a goal to be at 100% compliance.”
— Atlantic Packaging Customer

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Providing Innovation and Advice to Customers

As corrugated experts, we provide our customers with innovative and creative solutions to drive sales, reduce costs, enhance safety, and advance their sustainability goals.

Dedicated to Meeting Expectations

Atlantic Packaging Products received the 2025 Canadian Vendor of the Year award from our long-standing customer, Virox Technologies. This is the second time we have been honoured with this title, which demonstrates our unwavering commitment to the strategic pillar, Always Meet Customers’ Expectations.

Virox suppliers were evaluated based on performance in a series of categories, including delivery, fill rate, quality, and vendor attributes. We are proud to have received the top score in the assessment.

This achievement reflects our ongoing dedication to CX, which is embodied in actions such as prompt accommodation of requests, effective management of demand fluctuations, proactive communications, and responsive customer service.



Always Thinking Beyond the Box

A prime example of how we embrace innovation occurred when our Quebec business division, Mitchel Lincoln, re-envisioned the Quick Lock box (see illustration at right). This is a very large, strong octagonal box used for transporting meat. It requires at least two people to assemble it, and if not done correctly, the flaps inside the box could puncture the lining, potentially leading to contamination.

By redesigning the box, the Mitchel Lincoln team lowered raw material usage by **reducing square footage by 2.5%**. They also reduced emissions with a **2% volume increase**. In addition, the **25% stronger** octagonal structure increased worker safety.

Supporting Customers with ESG Leadership

Our Strategic Packaging Optimization Team conducted a site visit of a U.S. customer to find efficiencies, reduce labour, and mitigate risk. Some of the recommendations they provided contributed to the customer’s ESG success:

- **Worker safety.** Reduced the risk of back injuries by investing in pallet carousels, which allow employees to load pallets at floor level, and reduced the risk of trips and fractures by installing ladders for reloading supplies on machines.
- **Environment.** By using machine learning systems to reduce errors and prevent returns, we cut unnecessary re-production, shipping, and waste — helping lower emissions.

QUICK LOCK

Quick to assemble, safe to use

New design innovation

- Easier to assemble
- Boomerang design to avoid interior bag piercing
- Smaller corners for greater stability on pallet
- Ergonomic design
- New volume capacity (1000 kilos)

Operational advantages

- Only one person needed to handle it
- Increases productivity
- Space-saving
- Safe for employees



Generic formats offered by Mitchel Lincoln

- 47 x 39
- 46 x 38
- The height is variable



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Enhancing Operational Efficiency for a Seamless Customer Experience

In FY2025 we invested in several strategic initiatives at our corrugated plants in Ontario.

We strengthened our Maintenance Reliability program by adding real-time monitoring and alerts for compressed air systems and steam traps, remote greasing, and predictive motor health checks. Enhancements to our automation processes and the introduction of specialized Original Equipment Manufacturer (OEM) training have resulted in timely upgrades to electrical equipment and machine components.

These initiatives have minimized equipment downtime, helping us deliver enhanced reliability and seamless service for our customers.

We have also planned for future implementation of a Supervisory Control and Data Acquisition (SCADA) system to monitor sensor data and control signals, which will further enhance our preventative maintenance program.

Attaining External Certifications and Standards

Another important aspect of meeting our customers’ expectations involves achieving credible third-party assurances such as audits and certifications regarding our materials, facilities, and processes.

For example, we successfully met the assessment standards of the Sedex Members Ethical Trade Audit (SMETA) and three of our plants are certified against the IFS PACsecure Standard, a food safety certification program recognized by the Global Food Safety Initiative (GFSI).

Our converting plants in Ontario have Forest Stewardship Council (FSC®) certification for our paper products (which can be accessed on our [website](#)), as do our Quebec plants, and our companies in the U.S. work with customers and business partners towards certification such as FSC.



Hannon Manufacturing Facility, Ontario, Canada



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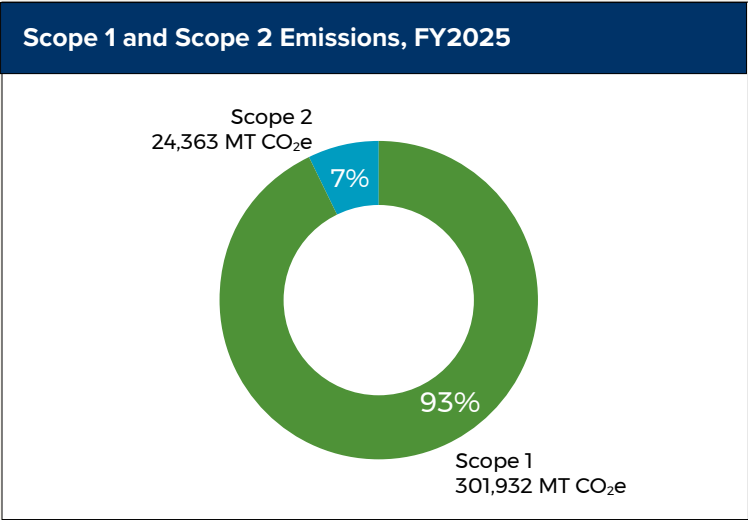
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At Atlantic Packaging, we continually seek innovative ways to reduce our environmental impact, while working closely with our customers and partners to find ways to support their sustainability objectives. Our environmental leadership activities focus primarily on reducing greenhouse gas (GHG) emissions, water usage, and waste.

Reducing GHG Emissions



Our paper mills are the major contributors of our scope 1 and scope 2 GHG emissions. In FY2025, they accounted for approximately **82%** of total emissions. All of our other facilities combined contribute approximately **18%**.

We are committed to achieving our 2030 goal of reducing scope 1 and scope 2 GHG emissions intensity at our mills by 20%. Since scope 2 emissions make up only a small portion of our overall GHG emissions, our efforts are focused on reducing our scope 1 impact, which constitutes **93%** of total emissions.

* one thousand square feet

Our GHG emissions intensity remained essentially constant from FY2024 to FY2025.

Addressing Our Primary Emissions Sources

A significant part of our commitment to reducing emissions involves the ongoing optimization of the efficiency of our equipment.

As part of a series of upgrades, we installed a new boiler with an ultra-low NOx burner at our New Forest mill in FY2025, to replace the old, less efficient boiler. This boiler was successfully brought online in November 2024 and is expected to reduce NOx emissions by at least **80%** compared to the previous unit, normalized per unit of energy produced.

The installation of a new paper machine at our Whitby mill in FY2024 has increased efficiency and substantially improved the emissions intensity of that facility.

We are also considering a plan to commission a biogas line to the boiler at our New Forest mill in FY2026. This will help to further reduce natural gas consumption and therefore scope 1 emissions.

2030 Goal

Reduce scope 1 & scope 2 GHG emissions intensity (per MSF*) at our mills by **20%**



Our work in the Environmental Leadership pillar aligns with United Nations Sustainable Development Goal 13, Climate Action.

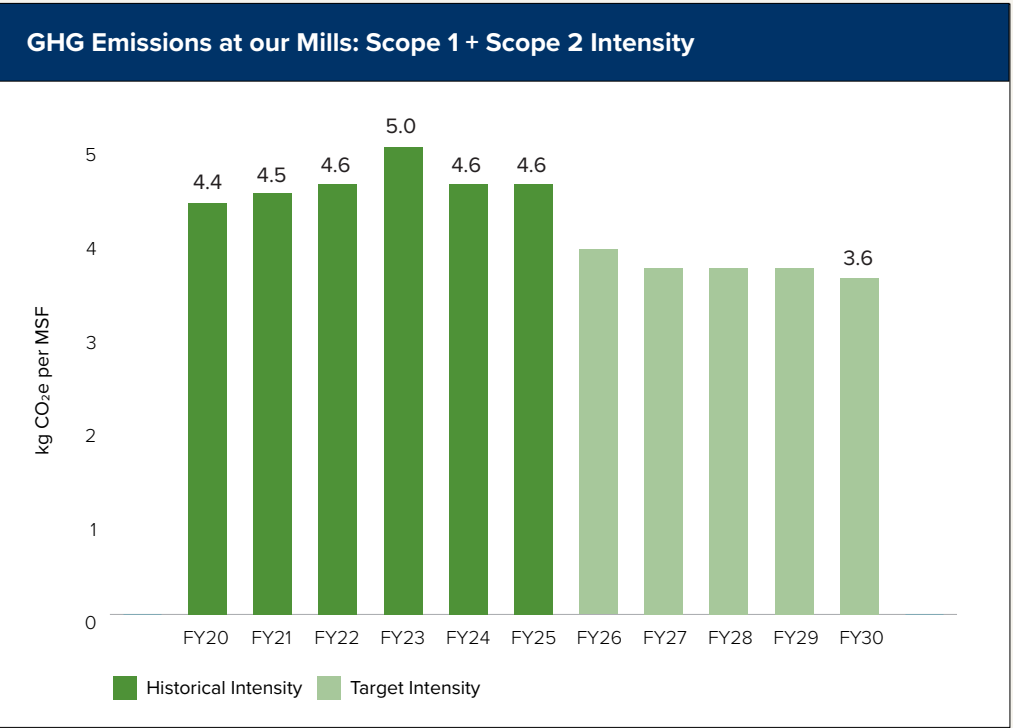
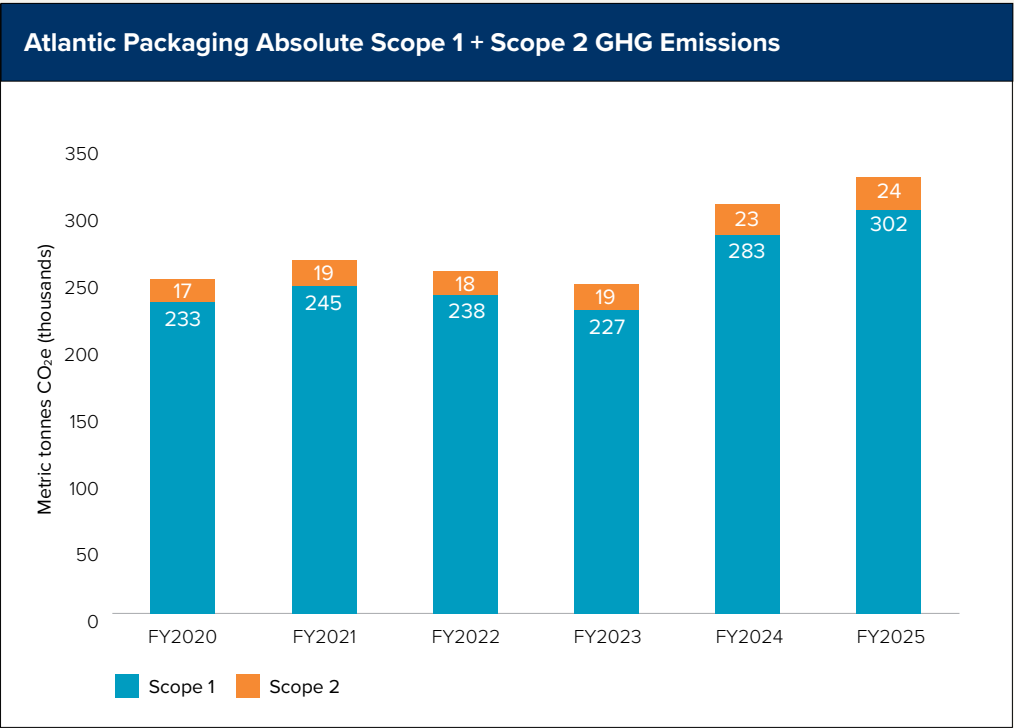
CX

Our environmental pillar includes initiatives that support a positive customer experience by providing transparency around our emissions performance. We know that this information is important to our customers and increasingly vital to their own work in managing their environmental footprint throughout their supply chain.

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* Scope 2 calculations reflect Ontario's revised electricity consumption intensity for 2025.

Innovation at the Hannon Manufacturing Facility

At the new Hannon converting plant in Hamilton, which manufactures corrugated boxes, we have incorporated several emissions-reducing innovations in partnership with Enbridge Gas. These initiatives use advanced technologies that clean and reuse air instead of venting it outside. This reduces the amount of natural gas consumed by eliminating the need to heat replacement air in the winter months. This technology includes:

- **Dust Collector Heat Recovery.** Estimated to save approximately 455,059 cubic metres (m³) of natural gas a year and reduce CO₂e emissions by about 879 metric tonnes.
- **Flash Steam Heat Recovery.** Estimated to save 32,609 m³ of natural gas and approximately 63 metric tonnes of CO₂e emissions each year.
- **Air Compressor Heat Recovery.** Estimated to save approximately 22,119 m³ of natural gas and 43 metric tonnes of CO₂e emissions annually.

GHG EMISSION REDUCTIONS

Dust Collector
Heat Recovery
saved equivalent of

183
passenger vehicles'
worth of emissions*

Flash Steam
Heat Recovery
saved equivalent of

13
passenger vehicles'
worth of emissions*

Air Compressor
Heat Recovery
saved equivalent of

9
passenger vehicles'
worth of emissions*

*Estimates provided by Enbridge Gas.

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Reducing Reliance on the Grid

The solar array at our Brimley warehouse in Ontario, installed in July 2025, is Atlantic Packaging’s fourth solar project. It’s also our first net metering system, which means it will be used to directly offset the energy required at this site. Our previous installations at three of our facilities (two in Scarborough and one in Mississauga) are Feed in Tariff (FIT) systems, which direct the generated power back to the grid.

The Brimley array will consist of 1,524 panels with a size of 823kW (DC), producing 925,317 kWh per year. As a result, **98%** of the power used at the site will be offset with renewable energy. If applied to residential buildings, the array would be able to power 100 houses or 165 apartments.

Improving Our Processes to Reduce Emissions

We’ve introduced process upgrades at our mills that significantly reduce steam use and cut starch consumption. Not only do these improvements lower emissions, but they also lead to smarter resource use and more efficient production – all of which contribute to more sustainable packaging for our customers.



Brimley Warehouse Solar Array, Ontario, Canada

Reforestation Through PrintReleaf

Atlantic Packaging Products (the Ontario division within the Atlantic Packaging group of companies) reached a significant milestone working with our partner DATA Communications Management Corp. (DCM) in their PrintReleaf program. Through this program, DCM has planted more than 50,000 trees on Atlantic’s behalf since we joined the program in March 2022. These reforestation projects include sites in British Columbia and Northern California, and around the globe in countries such as Dominican Republic, France, Madagascar, Mexico, and Romania. This collaborative innovation demonstrates our commitment to reducing our environmental impact and preserving resources for future generations.



FY2025 MILESTONE

55,936

trees planted through PrintReleaf program since March 2022

Developing a New Energy Management System

Atlantic Packaging is implementing an ISO 50001–aligned Energy Management System (EnMS) at three mills and two converting plants. Once completed in 2027, it will deliver advanced metering, networking, and real-time data integration, enabling us to track energy use across the mills more accurately. We will then expand the implementation to other facilities, which will allow for collaboration on utility pathways.

The benefits of the EnMS are significant: it will help us identify operational and capital projects that reduce energy intensity, lower GHG emissions, and optimize production efficiency. By using data-driven insights, we will be able to prioritize the most impactful environmental opportunities and align with international best practices — all while ensuring reliable service for our customers.

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Reducing Water Usage

Water is vital to paper production, and our mills focus on treating and reusing it to reduce overall consumption and environmental impact.

Most of the water used in our mills is returned to the environment. Through water reuse initiatives such as the one at our Whitby mill and natural evaporation, very little water is consumed in our production process. This means our products have a low water consumption footprint.

Notably, despite increased production in FY2024, our absolute water consumption decreased by **4%** compared to FY2023.

2030 Goal

Reduce water consumption intensity (per MSF) at our mills by **15%**

Improving Water Consumption at AP Mills

In FY2025, water usage intensity at our mills decreased by **9%** compared to FY2024. As part of our dedication to sustainability, we conducted a water audit at the largest mill (Whitby) to evaluate current practices and identify ways to further minimize consumption. We have also increased water efficiency at our Hannon manufacturing facility and York Container Midwest.

We continue to recycle water as much as possible before we send it to our effluent treatment plants. We strive to exceed the municipal discharge parameters for each municipality in which our facilities are located.



32% of water at our Whitby mill is recycled for reuse within the facility
(Based on average consumption at our Whitby mill from January to May 2025.)

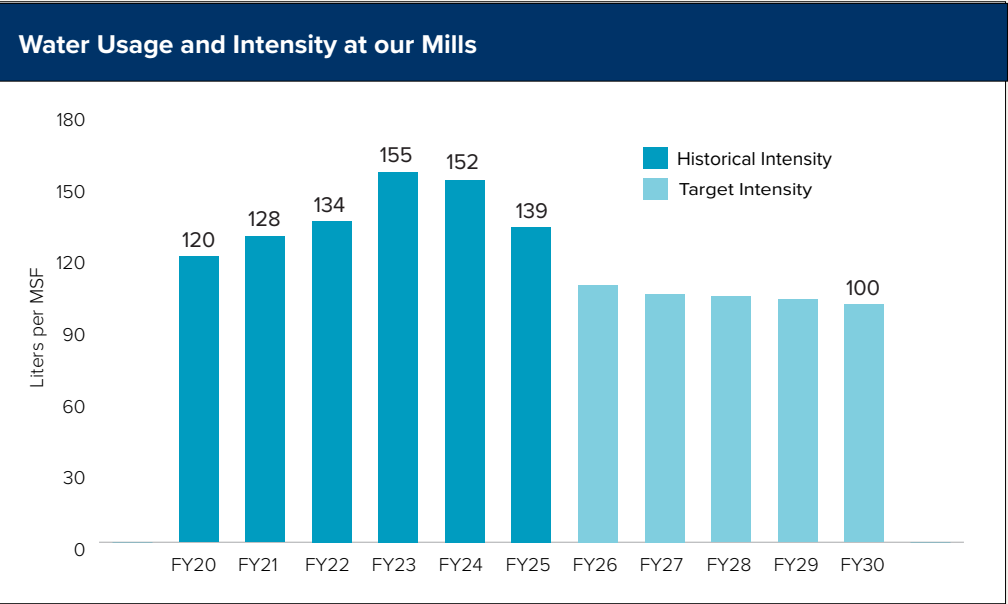
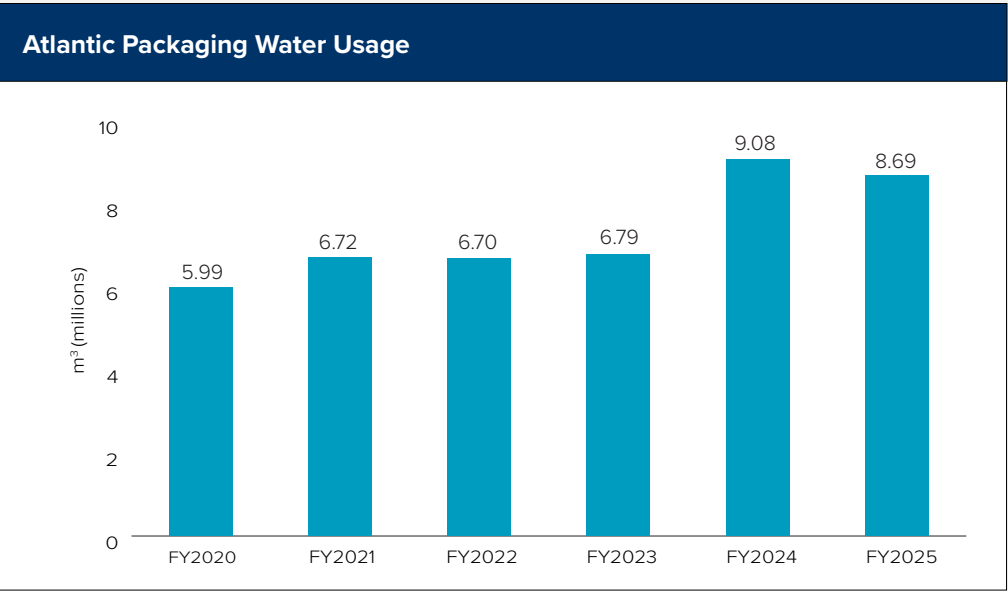


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Reducing Waste

Recycling and using recycled materials as our primary resource are at the heart of Atlantic Packaging’s operating model ([see page 4](#)).

For example, we continue to partner with customers by collecting their scrap paper, supporting their circularity goals while providing us with valuable recycled material for our operations.

In FY2025, we were able to reduce the intensity of waste generated by about 6% despite increased production.

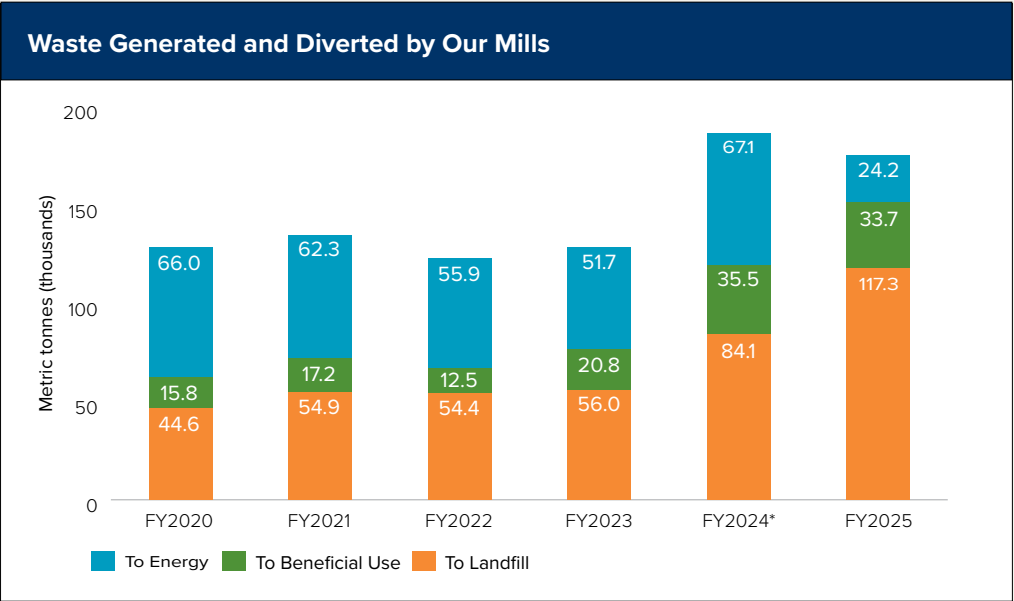
However, landfill waste increased compared to FY2024 due to changes in third-party partnerships, which limited our ability to divert ash produced from sludge incineration.

We remain committed to our goal of reducing waste intensity at our mills by **20%** by FY2030 so that for every 1,000 square feet of paper we produce, we generate **20%** less waste.

2030 Goal

Reduce waste intensity (per MSF) at our mills by

20%



*FY2024 figures have been revised from the 2023-2024 ESG Report to reflect updated data.

Accountability for Environmental Initiatives

The Atlantic Packaging group of companies ensures the transparency and accountability of our environmental initiatives through regular internal and external audits and site assessments, quarterly reporting to senior management and our Board of Advisors, and diligent regulatory reporting. We are aided by a customized Environmental Management System (EMS), which establishes processes, checks, and balances aligned to recognized principles, such as ISO 14001.



In FY2025, we improved our ranking from EcoVadis, a global leader in ESG ratings, and earned Bronze status with a Sustainability Rating of 66/100. This placed us in the 82nd percentile.



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People and Communities: Caring for Our Employees and Neighbours

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Building a strong and engaged team is crucial for our long-term success and helps us deliver outstanding customer service. Our initiatives in the People and Communities pillar are designed to protect the physical health and safety of employees, as well as care for their well-being. Our programs foster mental health, facilitate professional development, support diversity and inclusion, and demonstrate respect. We also care for our communities by being responsible stewards of our local environments and by supporting numerous charitable organizations through direct corporate gifts and corporate-matched employee fundraising.

Safeguarding Employee Health and Safety

Our Health and Safety mission is to prevent all incidents and reduce the risks from activities performed at our sites as much as possible.

In FY2025, we achieved a significant 7.6% improvement in our Occupational Safety and Health Administration (OSHA) rate, reflecting our ongoing commitment to creating a safer workplace. Three of our four divisions met their targets. While we haven’t reached our ambitious FY2024 target rate of 3.08, we are rolling out targeted prevention efforts in FY2026 to accelerate our progress and achieve our goals in the future.

New Training Programs

It is important to provide tools and information to ensure supervisors understand their role and responsibilities in keeping their direct reports safe. We developed a new Health and Safety training program for supervisors in Ontario, which equips leaders with the tools and knowledge needed to protect their teams. Participation has been strong in the program’s first six months.

Beginning in January 2025, we also delivered a series of onsite classroom training sessions focused on employee development and safety, for both unionized employees and those in corporate offices. These programs cover a range of important topics, including Violence and Harassment Prevention with situational awareness and de-escalation techniques, Mental Health First Aid workshops, Becoming an Accomplished Supervisor, and First Aid and CPR Training. So far, 168 employees have successfully completed these sessions, reflecting our ongoing commitment to fostering a safe, respectful, and supportive work environment across the organization.



Our initiatives in the People and Communities pillar fall under United Nations Sustainable Development Goal 10, Reduced Inequalities.



We work hard to create a healthy, safe, positive work environment for team members. This increases employee engagement levels, resulting in a highly motivated workforce and, ultimately, a better customer experience.

2030 Goal

Achieve OSHA rate of

1.89

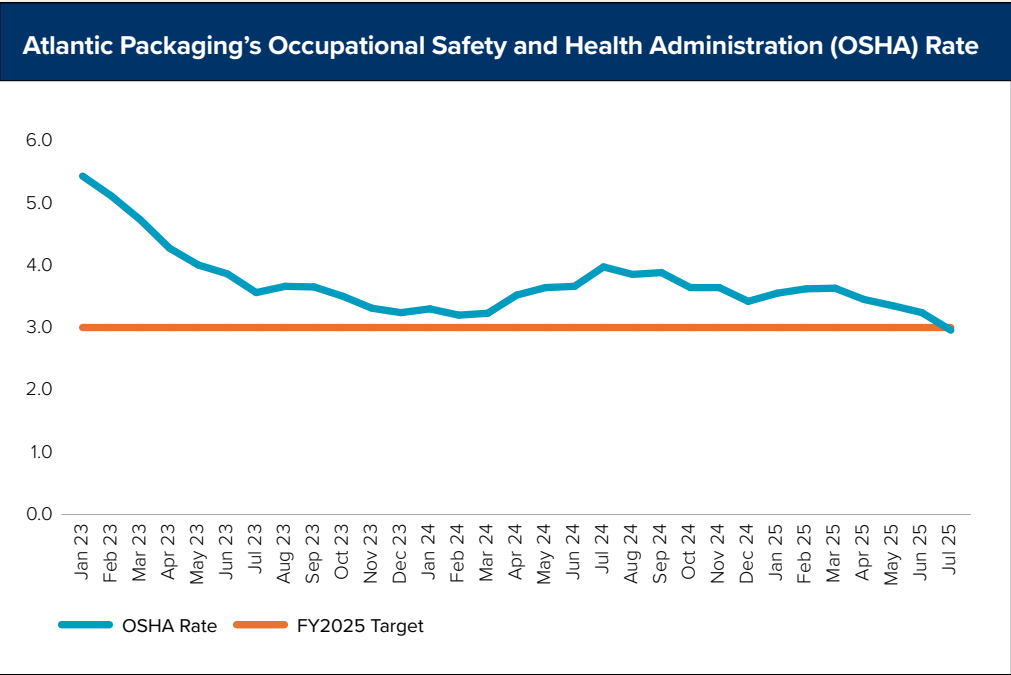
2030 Goal

Maintain our record of

0 fatalities



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Making Injury Avoidance Personal

York Container in Pennsylvania reduced injuries from a 2.47 recordable rate in FY2024 down to a 0.62 recordable rate in FY2025. This 75% reduction is thanks to an initiative that went beyond eliminating hazards and focused on the behaviours that lead to incidents. This significant improvement was accomplished through a series of messages that were designed to be relatable, sustainable, and consistent, and were conveyed through many different channels, including visuals, audits, committees, and toolbox meetings. Most importantly, employees are treated with integrity and compassion, so they genuinely trust that we have their best interests at heart.

In May 2025, many of our sites across North America celebrated Occupational Health and Safety Week, with speakers, education, and themed activities. These events enjoyed enthusiastic employee participation and positive feedback.

TOTAL RECORDABLE INCIDENT RATE

3.08

Target rate

3.39

Actual company-wide rate

CONTINUING TO MAINTAIN A 0-FATALITY RATE

0

Target and actual

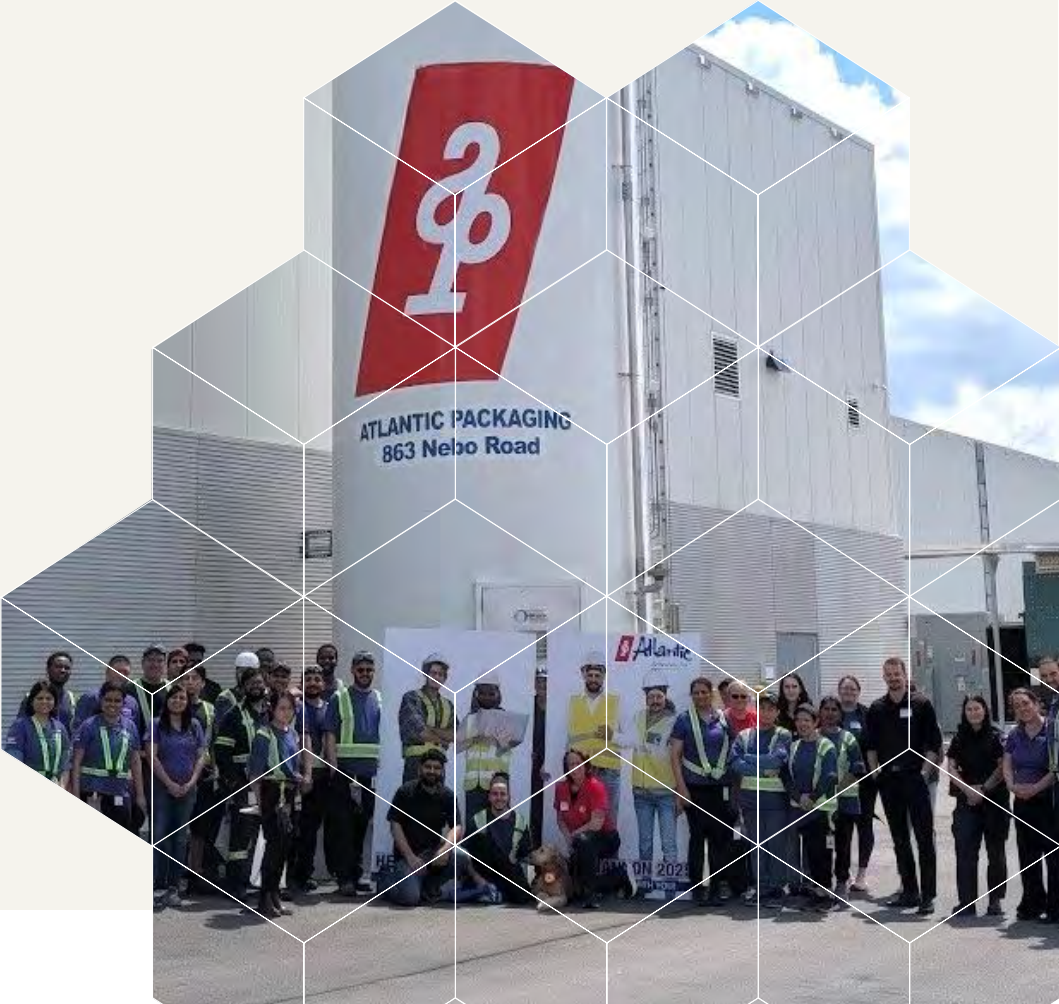


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Supporting EX* for Better CX

Improving Employee Engagement

Our most recent employee engagement survey saw an overall participation rate of **84%** across the Atlantic Packaging group of companies, a significant increase from the 75% participation rate reported last year.

We are restating our 2030 engagement target from 4.25 to 3.93. This adjustment ensures our target is achievable while continuing to drive us to reach a level that exceeds 50th percentile performance. The change takes into account evolving engagement trends found in Gallup’s North American Manufacturing research. Atlantic Packaging’s focus is to drive engagement in the largest segment of our workforce, our unionized workers. We aim to achieve this by continuing our investment in learning and development activities and enhancements to the overall employee experience.

In FY2025 we developed structured Engagement Action Plan conversations to guide HR representatives in their discussions with business leaders. These communications focus on developing action plans that highlight both strengths and areas of opportunity. Business leaders have shown their commitment to driving the resulting initiatives and are actively communicating achievements and milestones.

As part of our Listening Strategy, we established focus groups and engagement committees that provide opportunities for employees at our plants to share feedback. Business leaders conduct Listening Tours through town halls and regular site visits. These sessions provide another opportunity for team members to share their opinions on matters of concern to them.

Nurturing Our Talent

Creating a Positive Onboarding Experience

To ensure a smooth onboarding process and a consistent training experience, we have clearly defined new hire curriculums by division and location, for both salaried and unionized employees. All training is delivered through our talent management system, TalentCentral, which facilitates comprehensive reporting and tracking of training completions, thereby supporting compliance with all mandatory rules and regulations.

*Employee Experience

2030 Goal

Increase employee engagement score to

3.93

The New Hire Orientation program continues to demonstrate strong engagement and effectiveness from the perspective of new employees. Over the past year, we successfully onboarded 326 new employees, achieving an impressive training completion rate of **98%** in Ontario.

Frontline Leadership Development

Our supervisors play an important role, in part because of their impact on the employees who report to them. We are implementing a focused training program designed for people leaders across the Atlantic Packaging group of companies, with particular emphasis on those leading hourly teams. We will assess the effectiveness of this training based on its impact on engagement scores in the FY2027 Engagement Survey.

Supporting Managers and Leaders

To support new and newly promoted managers and leaders, we continue to deliver a comprehensive suite of virtual training programs at our sites in the U.S. and Ontario, leveraging the Ken Blanchard leadership programs. They included Coaching Essentials, Management Essentials, Giving and Receiving Feedback, and Situational Leadership SLII. In total, these programs engaged 125 participants across 13 sessions.

Sponsoring Educational Assistance

Atlantic Packaging continues to support our team members in their continuous education process by sponsoring courses or programs at recognized educational institutions, as well as professional memberships relevant to their career goals.

Reinforcing our Culture of Sustainability

We continually seek new ways to meet our objective of being responsible environmental stewards. To support employees who have chosen electric vehicles, we have expanded our onsite amenities by offering convenient workplace charging stations. We recently added six new EV chargers at our mills, for a total of eight units.

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Giving Back to Our Communities: Highlights of Our Efforts

At the Atlantic Packaging group of companies, we are deeply committed to making a lasting, positive impact in our communities. Giving back to charities and organizations is a core part of who we are. With our geographical diversity, we empower our business divisions across North America to support the causes that matter most to them through fundraising efforts – matched by the companies – and employee volunteering. Below is just a selection of the many meaningful activities and updates our companies organized in FY2025, showcasing our ongoing dedication to community engagement. Doing good is the right thing to do.

Ontario Contributions

- **Daily Bread Food Bank** – Atlantic Packaging Products has been donating corrugated boxes to this organization, which fights food insecurity, since October 2023. In the past 12 months, we provided more than 145,000 boxes.
- **United Way** – the Ontario team raised funds in support of this organization, which connects more than 1.8 million people each year to the vital programs and services they need, and supports communities across the GTA.
- **Breakthrough T1D** – Atlantic Packaging Products has exemplified corporate social responsibility and community partnership through long-time support for Breakthrough T1D (formerly JDRF) and its vital mission to improve the lives of those living with Type 1 Diabetes. The most recent 28th annual walk, which took place June 9, received meaningful support with seven Atlantic Packaging Products teams and 80 participants, positioning us as one of the Top 5 fundraising teams for the 2025 Toronto Walk.

La Course Des Chênes-Toi, originally intended to encourage young people to be active, has grown to become one of the biggest events in the Quebec region.

Quebec Contributions

- **La Course Des Chênes-Toi** – for the second consecutive year, Mitchel Lincoln supported this prominent Drummondville event as a major sponsor, championing the importance of physical activity.
- **Fondation Christian Vachon** – for almost five years, Mitchel Lincoln has contributed to this organization, which helps children from vulnerable backgrounds succeed at school by providing school supplies, clothing, food, and healthcare.
- **Teresa Dellar Palliative Care Residence** – the Quebec team raised money in support of this organization, which provides terminally ill patients with a warm, home-like environment in which to spend their final days in comfort and dignity.



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U.S. Contributions

- **Olivia’s House** – York Container supported this local non-profit, which works with children who have suffered a traumatic loss of a family member, by raising money selling raffle tickets.
- **Shelby Rotary Club** – the team at Skybox Packaging donated funds to support the work of this community organization.
- **Mid-Ohio Youth Mentoring** – Skybox Packaging provided financial support for this organization, which helps young people achieve success through mentoring.

Investing in the Next Generation

At Atlantic Packaging, we support future generations through academic scholarships and student employment. In FY2025, we awarded 12 scholarships to our team members and their children pursuing education at Canadian institutions, totaling 69 since 2019.

We also employed 47 co-op and summer students across disciplines like engineering, business, IT, and Health and Safety, providing valuable experience, skill development, and income opportunities while fostering a stronger, more inclusive workforce.

To inspire younger students, the team at our Scarborough facility regularly hosts local high school students for “Corrugated 101 for Kids,” where our design experts share insights on packaging production and its role in sustainability.

SCHOLARSHIPS

12

Scholarships granted in FY2025

69

Scholarships granted since 2019



Academic Scholarship Recipients Ceremony, July 2025

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Responsible Management: Overseeing a Strong and Sustainable Company

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It is imperative that our company operates ethically and in support of our ESG goals to ensure the longevity and success of our organization and customers. Our work in the areas of ESG engagement, governance, and accountability, and business resiliency ensures that our customers enjoy a long-term partnership with a reliable and trustworthy company.

Founded on a Strong and Transparent Governance Structure

We continue to support our ESG goals and our customers by maintaining rigorous governance practices founded upon a strong organizational structure.

Providing objective oversight of the entire organization is our Board of Directors, whose composition reflects our commitment to ESG diversity principles. Three Board Committees meet regularly to review ESG principles and performance:

- The **Audit Advisory Committee** holds quarterly reviews concerning Code of Conduct, whistleblower matters, and the quarterly Governance and Compliance Checklists completed by members of the executive team.
- The **Management Resources & Compensation Advisory Committee (MRAC)** carries out ESG-specific mandates, which include diversity and inclusion, health and safety, performance management, and employee engagement.

- The **Governance & Nominating Advisory Committee (GNC or “Governance and Compliance”)** reviews the ESG program and oversees compliance with internal policies and external regulatory requirements, monitors management compliance, and conducts periodic reviews of the Code of Conduct and other policies.

In addition, the following management committees support sustainable business activities and performance reporting: the **ESG Management Committee**, the **Risk Management Committee**, and the **Senior Leadership Team (SLT)**.

Atlantic Packaging also has numerous corporate governance policies that provide direction for specific business operations and decision-making situations, based on the tenets of accountability and responsibility.



Our work in the Responsible Management pillar aligns with United Nations Sustainable Development Goal 12 (Responsible Consumption and Production) and Goal 16 (Peace, Justice, and Strong Institutions).



Our Responsible Management program supports the needs of our customers in effectively managing their supply chains and risk posture. We continue to ensure well-governed and ethical business practices that result in resilient, reliable, and secure operations across our companies.

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Enhancing Reliability and Resiliency for Our Customers

Managing Third-Party and International Risk

Third-party risk management is essential for sustained and effective business resiliency. During FY2025 we performed more than 160 supplier risk assessments to mitigate and manage supply chain risks. We also assessed our critical suppliers for their ability to drive GHG reduction initiatives and support sustainability in the value chain. Furthermore, out of 184 new suppliers in Ontario, **49%** have been screened for environmental and social criteria as part of our standard onboarding and due-diligence process. This approach reflects our commitment to building a responsible and resilient supply chain that aligns with both our sustainability goals and our customers’ expectations.

Geopolitical shifts and new conditions of global economic uncertainty, with direct and indirect impacts from tariffs, trade relations repositioning, and global supply chain volatility, have underscored the importance of monitoring emerging risks in order to take a more proactive stance. Commensurate with elevated levels of risk, we have focused on managing ongoing third-party risk assessments and implementing measures to mitigate global supply chain and trade crisis situations.

In the past year we have requested that suppliers disclose the origin of their products. This provides better visibility into potential risks across multiple tiers and positions us to make informed decisions and strengthen proactive risk management, while acknowledging that our understanding of the extended supply chain continues to evolve.

Accounting for Climate Change Risk

The Atlantic Packaging group of companies takes a structured approach to identifying and managing climate-related risks and opportunities. Physical climate risks are assessed using data from our commercial property insurer, which enables us to understand potential impacts on our assets and operations. Transitional risks and opportunities – including regulatory, market, and technological shifts – are also assessed.

These insights are designed to inform strategic decisions and are reviewed regularly as part of the ESG Steering Committee agenda. They provide a clear framework for monitoring, mitigating, and capitalizing on climate-related developments. More information can be accessed on our [website](#).

Strengthening Cybersecurity Underpinnings

Through our Cybersecurity Awareness Program, we have made it a priority to promote an enterprise-wide culture of heightened awareness regarding technology and cyber risks.

As part of our annual training cycle, we rolled out newly updated mandatory cybersecurity training to elevate awareness of cyber-attack scenarios directly targeting employees. Threat events often exploit human psychology through the combined use of social engineering methods and malicious software. Phishing attacks, often launched by external malicious actors for financial gain, reputational harm, or cyber espionage, typically succeed when untrained employees act accidentally. Through our Cybersecurity Awareness Program, we periodically test employees to assess their ability to recognize cyber threats such as phishing.

We established a comprehensive Cybersecurity Incident Management Runbook, deployed across all regions, to standardize responses from detection and analysis through containment, eradication, and recovery. It also covers cybersecurity incident reporting. The Runbook aligns with National Institute of Standards and Technology (NIST) Cyber Security Framework (CSF) standards. It enables cybersecurity as both a framework and toolkit that includes investigation logs and analysis prompts, a RACI (Responsible, Accountable, Consulted, Informed) framework, incident communications log, and more.

In addition, our Post-Incident Review (PIR) process and reporting enable us to apply continuous improvement best practices to cybersecurity training, processes, and tools.

167

Supplier Risk Assessments completed in FY2025.

Mississauga Manufacturing Facility, Ontario, Canada



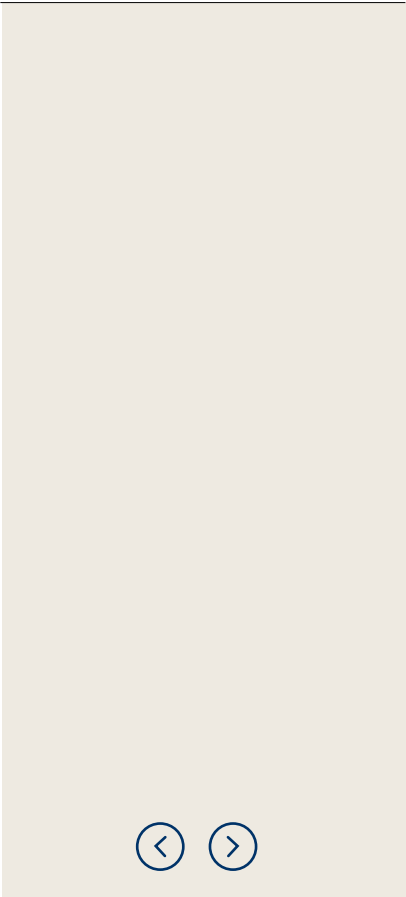
GRI standard / disclosure	Report location
2-1 Organizational details	FY2025 ESG Update, page 3
2-2 Entities included in the organization’s sustainability reporting	FY2025 ESG Update, page 3
2-3 Reporting period, frequency, and contact point	FY2025 ESG Update, page 8
2-6 Activities, value chain, and other business relationships	FY2025 ESG Update, page 4
2-9 Governance structure and composition	FY2025 ESG Update, page 22
2-14 Role of the highest governance body in sustainability reporting	FY2025 ESG Update, page 22
2-22 Statement on sustainable development strategy	FY2025 ESG Update, page 5
2-23 Policy commitments	FY2025 ESG Update, pages 22, 23 FY2024 ESG Report , page 36
2-27 Compliance with laws and regulations	FY2025 ESG Update, pages 22, 23
2-29 Approach to stakeholder engagement	FY2025 ESG Update, pages 5, 18 FY2024 ESG Report , page 12
Disclosure 3-1: Process to determine material topics	FY2025 ESG Update, page 5
Disclosure 3-2: List of material topics	FY2025 ESG Update, page 5 FY2024 ESG Report , page 12

GRI 303: Water and Effluents

303-1: Interactions with water as a shared resource	FY2025 ESG Update, page 13
303-2: Management of water discharge-related impacts	Atlantic Packaging meets municipal by-laws and associated water discharge permits for each municipality that facilities are located in. The facilities conduct the required testing to self-monitor the quality of discharge water. FY2024 ESG Report , page 19
303-5: Water consumption	FY2025 ESG Update, page 13

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GRI General Disclosures and Topic-Specific Disclosures¹

GRI 305: Emissions	
305-1: Direct (Scope 1) GHG emissions	FY2025 ESG Update, pages 10–12
305-2: Energy indirect (Scope 2) GHG emissions	FY2025 ESG Update, pages 10–12
305-4: GHG emissions intensity	FY2025 ESG Update, pages 10–12
305-5: Reduction of GHG emissions	FY2025 ESG Update, pages 10–12
GRI 306: Waste	
306-1: Waste generation and significant waste-related impacts	FY2025 ESG Update, pages 4, 14
306-2: Management of significant waste-related impacts	FY2025 ESG Update, pages 4, 14 FY2024 ESG Report , pages 20–21
306-3: Waste generated	FY2025 ESG Update, page 14
306-4: Waste diverted from disposal	FY2025 ESG Update, page 14
306-5: Waste directed to disposal	FY2025 ESG Update, page 14
GRI 308: Supplier Environmental Assessment	
308-1: New suppliers ² that were screened using environmental criteria	FY2025 ESG Update, page 23
GRI 403: Occupational Health and Safety	
403-5: Worker training on occupational health and safety	FY2025 ESG Update, page 16
403-9: Work-related injuries	FY2025 ESG Update, page 16
GRI 414: Supplier Social Assessment	
414-1: New suppliers ² that were screened using social criteria	FY2025 ESG Update, page 23

1 Atlantic Packaging will reference its FY2024 ESG Report for detailed disclosures corresponding to the relevant GRI indicators.

2 This data is representative of Ontario only. “New suppliers” refers to newly engaged suppliers that are integrated into Atlantic Packaging’s supply chain and that have been screened for environmental and social criteria.



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