

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2025

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 1-15399



(Exact Name of Registrant as Specified in its Charter)

Delaware

*(State or Other Jurisdiction of
Incorporation or Organization)*

36-4277050

(I.R.S. Employer Identification No.)

1 North Field Court, Lake Forest, Illinois

(Address of Principal Executive Offices)

60045

(Zip Code)

Registrant's telephone number, including area code

(847) 482-3000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Emerging growth company
Non-accelerated filer Smaller reporting company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of October 31, 2025, the Registrant had outstanding 89,977,067 shares of common stock, par value \$0.01 per share.

Securities registered pursuant to Section 12(b) of the Exchange Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|--|-------------------|---|
| Common Stock, par value \$0.01 per share | PKG | New York Stock Exchange |

Table of Contents

PART I

| | | |
|---------|---|----|
| Item 1. | Financial Statements | 1 |
| Item 2. | Management's Discussion and Analysis of Financial Condition and Results of Operations | 21 |
| Item 3. | Quantitative and Qualitative Disclosures About Market Risk | 33 |
| Item 4. | Controls and Procedures | 33 |

PART II

| | | |
|----------|---|----|
| Item 1. | Legal Proceedings | 34 |
| Item 1A. | Risk Factors | 34 |
| Item 2. | Unregistered Sales of Equity Securities and Use of Proceeds | 35 |
| Item 3. | Defaults Upon Senior Securities | 35 |
| Item 4. | Mine Safety Disclosures | 35 |
| Item 5. | Other Information | 35 |
| Item 6. | Exhibits | 36 |

All reports we file with the Securities and Exchange Commission (SEC) are available free of charge via the Electronic Data Gathering Analysis and Retrieval (EDGAR) System on the SEC website at www.sec.gov. We also provide copies of our SEC filings at no charge upon request and make electronic copies of our reports available through our website at www.packagingcorp.com as soon as reasonably practicable after filing such material with the SEC.

PART I
FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

Packaging Corporation of America

Consolidated Statements of Income and Comprehensive Income
(unaudited, dollars in millions, except per-share data)

| | Three Months Ended | | Nine Months Ended | |
|--|--------------------|------------|-------------------|------------|
| | September 30, | | September 30, | |
| | 2025 | 2024 | 2025 | 2024 |
| Statements of Income: | | | | |
| Net sales | \$ 2,313.4 | \$ 2,182.4 | \$ 6,625.7 | \$ 6,237.2 |
| Cost of sales | (1,809.1) | (1,677.2) | (5,183.6) | (4,923.8) |
| Gross profit | 504.3 | 505.2 | 1,442.1 | 1,313.4 |
| Selling, general and administrative expenses | (154.3) | (162.0) | (468.9) | (463.3) |
| Other expense, net | (25.5) | (16.1) | (34.7) | (51.0) |
| Income from operations | 324.5 | 327.1 | 938.5 | 799.1 |
| Non-operating pension income | — | 1.2 | — | 3.4 |
| Interest expense, net | (19.3) | (9.7) | (45.2) | (29.7) |
| Income before taxes | 305.2 | 318.6 | 893.3 | 772.8 |
| Provision for income taxes | (78.3) | (80.5) | (221.0) | (188.8) |
| Net income | \$ 226.9 | \$ 238.1 | \$ 672.3 | \$ 584.0 |
| Net income per common share: | | | | |
| Basic | \$ 2.52 | \$ 2.65 | \$ 7.48 | \$ 6.51 |
| Diluted | \$ 2.51 | \$ 2.64 | \$ 7.45 | \$ 6.48 |
| Dividends declared per common share | \$ 1.25 | \$ 1.25 | \$ 3.75 | \$ 3.75 |
| Statements of Comprehensive Income: | | | | |
| Net income | \$ 226.9 | \$ 238.1 | \$ 672.3 | \$ 584.0 |
| Other comprehensive income, net of tax: | | | | |
| Changes in unrealized gains on marketable debt securities, net of tax of \$0.0 million, (\$0.3) million, (\$0.1) million, and (\$0.3) million, respectively | — | 1.0 | 0.2 | 0.8 |
| Amortization of pension and postretirement plans actuarial loss and prior service cost, net of tax of (\$0.3) million, (\$0.4) million, (\$0.9) million, and (\$1.0) million, respectively | 1.0 | 1.0 | 2.8 | 3.1 |
| Other comprehensive income | 1.0 | 2.0 | 3.0 | 3.9 |
| Comprehensive income | \$ 227.9 | \$ 240.1 | \$ 675.3 | \$ 587.9 |

See accompanying condensed notes to unaudited quarterly consolidated financial statements.

Packaging Corporation of America

Consolidated Balance Sheets

(unaudited, dollars and shares in millions, except per-share data)

| | September 30, 2025 | December 31, 2024 |
|---|-----------------------|----------------------|
| ASSETS | | |
| Current Assets: | | |
| Cash and cash equivalents | \$ 634.0 | \$ 685.0 |
| Short-term marketable debt securities | 94.7 | 102.0 |
| Accounts receivable, net of allowance for credit losses and customer deductions of \$18.1 million and \$20.6 million as of September 30, 2025 and December 31, 2024, respectively | 1,352.3 | 1,144.0 |
| Inventories | 1,277.1 | 1,124.9 |
| Prepaid expenses and other current assets | 81.1 | 166.9 |
| Federal and state income taxes receivable | 58.2 | 10.2 |
| Total current assets | 3,497.4 | 3,233.0 |
| Property, plant, and equipment, net | 5,043.3 | 4,039.0 |
| Goodwill | 1,199.8 | 922.4 |
| Other intangible assets, net | 690.6 | 191.9 |
| Operating lease right-of-use assets | 369.0 | 276.9 |
| Long-term marketable debt securities | 77.7 | 65.2 |
| Other long-term assets | 102.2 | 104.8 |
| Total assets | \$ 10,980.0 | \$ 8,833.2 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Operating lease obligations | \$ 96.0 | \$ 80.5 |
| Finance lease obligations | 2.2 | 2.1 |
| Accounts payable | 554.2 | 430.3 |
| Dividends payable | 116.2 | 116.3 |
| Accrued liabilities | 298.4 | 362.9 |
| Accrued interest | 40.5 | 9.5 |
| Total current liabilities | 1,107.5 | 1,001.6 |
| Long-term liabilities: | | |
| Long-term debt | 3,966.4 | 2,474.2 |
| Operating lease obligations | 286.9 | 208.0 |
| Finance lease obligations | 5.4 | 6.7 |
| Deferred income taxes | 671.8 | 561.9 |
| Compensation and benefits | 101.9 | 95.9 |
| Other long-term liabilities | 84.6 | 80.9 |
| Total long-term liabilities | 5,117.0 | 3,427.6 |
| Commitments and contingent liabilities (Note 19) | | |
| Stockholders' equity: | | |
| Common stock, par value \$0.01 per share, 300.0 million shares authorized, 90.0 million and 89.8 million shares issued as of September 30, 2025 and December 31, 2024, respectively | 0.9 | 0.9 |
| Additional paid in capital | 707.7 | 669.8 |
| Retained earnings | 4,087.3 | 3,776.7 |
| Accumulated other comprehensive loss | (40.4) | (43.4) |
| Total stockholders' equity | 4,755.5 | 4,404.0 |
| Total liabilities and stockholders' equity | \$ 10,980.0 | \$ 8,833.2 |

See accompanying condensed notes to unaudited quarterly consolidated financial statements.

Packaging Corporation of America
Consolidated Statements of Cash Flows
(unaudited, dollars in millions)

| | Nine Months Ended September 30, | |
|---|------------------------------------|-----------------|
| | 2025 | 2024 |
| Cash Flows from Operating Activities: | | |
| Net income | \$ 672.3 | \$ 584.0 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation, depletion, and amortization of intangibles | 431.2 | 389.6 |
| Amortization of deferred financing costs | 4.5 | 1.8 |
| Share-based compensation expense | 36.6 | 39.6 |
| Deferred income tax provision (benefit) | 109.4 | (18.0) |
| Net (gain) loss on asset disposals | (14.7) | 12.9 |
| Pension and post-retirement benefits expense, net of contributions | 6.1 | (20.8) |
| Other, net | 7.3 | 23.7 |
| Changes in operating assets and liabilities, net of acquisitions: | | |
| (Increase) decrease in assets — | | |
| Accounts receivable | (110.6) | (182.8) |
| Inventories | (28.1) | (48.8) |
| Prepaid expenses and other current assets | 87.4 | (129.7) |
| Increase (decrease) in liabilities — | | |
| Accounts payable | 12.0 | 36.1 |
| Accrued liabilities | (54.5) | 158.8 |
| Federal and state income taxes payable/receivable | (48.0) | 19.4 |
| Net cash provided by operating activities | 1,110.9 | 865.8 |
| Cash Flows from Investing Activities: | | |
| Additions to property, plant, and equipment | (509.9) | (468.4) |
| Acquisition of business, net of cash acquired | (1,804.3) | — |
| Additions to other long-term assets | (2.1) | (1.9) |
| Proceeds from asset disposals | 33.3 | 0.8 |
| Purchases of available-for-sale debt securities | (99.3) | (91.9) |
| Proceeds from sales of available-for-sale debt securities | 19.2 | 3.8 |
| Proceeds from maturities of available-for-sale debt securities | 75.7 | 83.1 |
| Proceeds from maturities of held-to-maturity debt securities | — | 400.0 |
| Net cash used for investing activities | (2,287.4) | (74.5) |
| Cash Flows from Financing Activities: | | |
| Repayments of debt and finance lease obligations | (1.6) | (401.4) |
| Proceeds from issuance of debt, net of discount and lender fees | 1,494.1 | — |
| Financing costs paid | (6.5) | — |
| Common stock dividends paid | (337.1) | (336.5) |
| Shares withheld to cover employee restricted stock taxes | (23.4) | (24.8) |
| Net cash provided by (used for) financing activities | 1,125.5 | (762.7) |
| Net (decrease) increase in cash and cash equivalents | (51.0) | 28.6 |
| Cash and cash equivalents, beginning of period | 685.0 | 648.0 |
| Cash and cash equivalents, end of period | \$ 634.0 | \$ 676.6 |

See accompanying condensed notes to unaudited quarterly consolidated financial statements.

Packaging Corporation of America

Consolidated Statements of Changes in Stockholders' Equity
(unaudited, dollars in millions and shares in thousands)

| | Common Stock | | Additional Paid in Capital | Retained Earnings | Accumulated Other Comprehensive Loss | Total Stockholders' Equity |
|---|---------------|---------------|----------------------------------|----------------------|---|----------------------------------|
| | Shares | Amount | | | | |
| Balance at July 1, 2025 | 89,980 | \$ 0.9 | \$ 699.1 | \$ 3,973.5 | \$ (41.4) | \$ 4,632.1 |
| Common stock withheld and retired to cover taxes on vested stock awards | (2) | — | — | (0.2) | — | (0.2) |
| Common stock dividends declared | — | — | — | (112.9) | — | (112.9) |
| Share-based compensation and other | (1) | — | 8.6 | — | — | 8.6 |
| Comprehensive income | — | — | — | 226.9 | 1.0 | 227.9 |
| Balance at September 30, 2025 | <u>89,977</u> | <u>\$ 0.9</u> | <u>\$ 707.7</u> | <u>\$ 4,087.3</u> | <u>\$ (40.4)</u> | <u>\$ 4,755.5</u> |

| | Common Stock | | Additional Paid in Capital | Retained Earnings | Accumulated Other Comprehensive Loss | Total Stockholders' Equity |
|---|---------------|---------------|----------------------------------|----------------------|---|----------------------------------|
| | Shares | Amount | | | | |
| Balance at July 1, 2024 | 89,815 | \$ 0.9 | \$ 650.3 | \$ 3,544.4 | \$ (69.0) | \$ 4,126.6 |
| Common stock withheld and retired to cover taxes on vested stock awards | (4) | — | — | (0.7) | — | (0.7) |
| Common stock dividends declared | — | — | — | (112.7) | — | (112.7) |
| Share-based compensation and other | (2) | — | 10.3 | — | — | 10.3 |
| Comprehensive income | — | — | — | 238.1 | 2.0 | 240.1 |
| Balance at September 30, 2024 | <u>89,809</u> | <u>\$ 0.9</u> | <u>\$ 660.6</u> | <u>\$ 3,669.1</u> | <u>\$ (67.0)</u> | <u>\$ 4,263.6</u> |

| | Common Stock | | Additional Paid in Capital | Retained Earnings | Accumulated Other Comprehensive Loss | Total Stockholders' Equity |
|---|---------------|---------------|----------------------------------|----------------------|---|----------------------------------|
| | Shares | Amount | | | | |
| Balance at January 1, 2025 | 89,802 | \$ 0.9 | \$ 669.8 | \$ 3,776.7 | \$ (43.4) | \$ 4,404.0 |
| Common stock withheld and retired to cover taxes on vested stock awards | (118) | — | (1.2) | (22.2) | — | (23.4) |
| Common stock dividends declared | — | — | — | (339.5) | — | (339.5) |
| Share-based compensation and other | 293 | — | 39.1 | — | — | 39.1 |
| Comprehensive income | — | — | — | 672.3 | 3.0 | 675.3 |
| Balance at September 30, 2025 | <u>89,977</u> | <u>\$ 0.9</u> | <u>\$ 707.7</u> | <u>\$ 4,087.3</u> | <u>\$ (40.4)</u> | <u>\$ 4,755.5</u> |

| | Common Stock | | Additional Paid in Capital | Retained Earnings | Accumulated Other Comprehensive Loss | Total Stockholders' Equity |
|---|---------------|---------------|----------------------------------|----------------------|---|----------------------------------|
| | Shares | Amount | | | | |
| Balance at January 1, 2024 | 89,625 | \$ 0.9 | \$ 620.1 | \$ 3,447.2 | \$ (70.9) | \$ 3,997.3 |
| Common stock withheld and retired to cover taxes on vested stock awards | (139) | — | (1.3) | (23.5) | — | (24.8) |
| Common stock dividends declared | — | — | — | (338.6) | — | (338.6) |
| Share-based compensation and other | 323 | — | 41.8 | — | — | 41.8 |
| Comprehensive income | — | — | — | 584.0 | 3.9 | 587.9 |
| Balance at September 30, 2024 | <u>89,809</u> | <u>\$ 0.9</u> | <u>\$ 660.6</u> | <u>\$ 3,669.1</u> | <u>\$ (67.0)</u> | <u>\$ 4,263.6</u> |

See accompanying condensed notes to unaudited quarterly consolidated financial statements.

Condensed Notes to Unaudited Quarterly Consolidated Financial Statements

1. Nature of Operations and Basis of Presentation

Packaging Corporation of America ("we," "us," "our," PCA," or the "Company") was incorporated on January 25, 1999. In April 1999, PCA acquired the containerboard and corrugated packaging products business of Pactiv Corporation ("Pactiv"), formerly known as Tenneco Packaging, Inc. We are a large diverse manufacturer of both packaging and paper products. We are headquartered in Lake Forest, Illinois and we operate primarily in the United States.

We report our business in three reportable segments: Packaging, Paper, and Corporate and Other. Our Packaging segment produces a wide variety of containerboard and corrugated packaging products. The Paper segment manufactures and sells a range of communication-based papers. Corporate and Other includes support staff services and related assets and liabilities, transportation assets, and activity related to other ancillary support operations. For more information about our segments, see Note 18, Segment Information.

On September 2, 2025, we completed the acquisition of the containerboard business of Greif, Inc. ("Greif") for \$1.8 billion in cash (the "Greif Acquisition"). The Greif containerboard business includes two containerboard mills with approximately 800,000 tons of production capacity and eight sheet feeder and corrugated plants located across the United States. The operating results of the Greif Acquisition are included in PCA's results after the date of acquisition.

The consolidated financial statements of PCA as of September 30, 2025 and for the three and nine months ended September 30, 2025 and 2024 are unaudited but include all adjustments (consisting only of normal recurring adjustments) that management considers necessary for a fair presentation of such financial statements. The preparation of the consolidated financial statements involves the use of estimates and accruals. Actual results may vary from those estimates. These financial statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and with Article 10 of Regulation S-X of the Securities and Exchange Commission (SEC). Accordingly, they do not include all of the information and notes required by accounting principles generally accepted in the United States for complete audited financial statements. Operating results for the three and nine months ended September 30, 2025 are not necessarily indicative of the results that may be expected for the year ending December 31, 2025. These consolidated financial statements should be read in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2024.

The consolidated financial statements include the accounts of PCA and its majority-owned subsidiaries after elimination of intercompany balances and transactions.

2. New and Recently Adopted Accounting Standards

Recently Adopted Accounting Standards

Effective January 1, 2024, we adopted ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. This ASU improves reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. The new guidance is required to be applied retrospectively. The adoption of this update did not have a significant impact on the Company's related disclosure as reflected in Note 18, Segment Information, in this Quarterly Report on Form 10-Q.

New Accounting Standards Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03 *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. This ASU is intended to enhance transparency into the nature and function of expenses. The amendments require that on an annual and interim basis, entities disclose disaggregated operating expense information about specific categories, including purchases of inventory, employee compensation, depreciation, amortization, and depletion. The update is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, as clarified by ASU 2025-01 *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date*, on a prospective basis or with the option for retrospective application. Early adoption is permitted. The Company is currently assessing the impact of the disclosure requirements on its consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvement to the Income Tax Disclosures*. This ASU provides for more transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income taxes paid information. This ASU is effective for fiscal years beginning after December 15, 2024, and should be applied on a prospective basis, however retrospective application is permitted. Early adoption is also permitted. The Company is currently assessing the new disclosure requirements and whether to apply the guidance on a prospective or retrospective basis for presentation in its 2025 Annual Report on Form 10-K. The Company does not expect the guidance to have a significant impact on its financial position or related disclosures.

There were no other accounting standards recently issued that had or are expected to have a material impact on our financial position or results of operations.

3. Revenue

Revenue Recognition

Revenue is recognized when control of the promised goods or services is transferred to customers in an amount that reflects the consideration expected to be received in exchange for those goods or services. Sales, value added, and other taxes collected concurrently with revenue-producing activities are excluded from revenue.

The following table presents our revenues disaggregated by product line (dollars in millions):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---------------------|----------------------------------|-------------------|---------------------------------|-------------------|
| | 2025 | 2024 | 2025 | 2024 |
| Packaging | \$ 2,128.1 | \$ 2,008.7 | \$ 6,104.4 | \$ 5,715.3 |
| Paper | 161.2 | 159.3 | 461.2 | 473.2 |
| Corporate and Other | 24.1 | 14.4 | 60.1 | 48.7 |
| Total revenue | <u>\$ 2,313.4</u> | <u>\$ 2,182.4</u> | <u>\$ 6,625.7</u> | <u>\$ 6,237.2</u> |

Packaging Revenue

Our containerboard mills produce linerboard and corrugating medium which are papers primarily used in the production of corrugated products. The majority of our containerboard production is used internally by our corrugated products manufacturing facilities. The remaining containerboard is sold to outside domestic and export customers. Our corrugated products manufacturing plants produce a wide variety of corrugated packaging products and retail merchandise displays. We sell corrugated products to national, regional and local accounts, which are broadly diversified across industries and geographic locations.

The Company recognizes revenue for its packaging products when performance obligations under the terms of a contract with a customer are satisfied. This occurs with the transfer of control of our products at a specific point in time. Based on our express terms and conditions of the sale of products to our customers, as well as terms included in contractual arrangements with our customers, we do not have an enforceable right of payment that includes a reasonable profit throughout the duration of the contract for products that do not have an alternative use. Revenue is recognized when the product is shipped from the mill or from our manufacturing facility to our customer. Certain customers may receive volume-based incentives, which are accounted for as variable consideration. We estimate these amounts based on the expected amount to be provided to customers and reduce revenue recognized.

Certain customers receive a portion of their packaging products as consigned inventory with billing triggered once the customer uses or consumes the designated product. Prior to invoicing, these amounts are handled as unbilled receivables. Total unbilled receivables, which are immaterial in amount, are included in the accounts receivable financial statement caption.

Paper Revenue

We manufacture and sell a range of communication-based papers. Communication papers consist of cut-size office papers, and printing and converting papers.

The Company recognizes revenue for its paper products when performance obligations under the terms of a contract with a customer are satisfied. This occurs with the transfer of control of our products at a specific point in time. Revenue is recognized when the product is shipped from the mill or from our manufacturing facility or distribution center to our customer. Certain customers may receive incentives, which are accounted for as variable consideration. We estimate these amounts based on the expected amount to be provided to customers and reduce revenue recognized.

Corporate and Other Revenue

Revenue in this segment primarily relates to Louisiana Timber Procurement Company, L.L.C. ("LTP"), a variable-interest entity that is 50% owned by PCA and 50% owned by Boise Cascade Company ("Boise Cascade"). PCA is the primary beneficiary of LTP and has the power to direct the activities that most significantly affect the economic performance of LTP. Therefore, we consolidate 100% of LTP in our financial statements. See Note 17, Transactions With Related Parties, for more information related to LTP.

The Company recognizes revenue within this segment when performance obligations under the terms of a contract with a customer are satisfied. This occurs with the transfer of control of our products at a specific point in time.

Practical Expedients and Exemption

Shipping and handling fees billed to a customer are recorded on a gross basis in "Net sales" with the corresponding shipping and handling costs included in "Cost of sales" in the concurrent period as the revenue is recorded. We expense sales commissions when incurred because the amortization period is one year or less. Sales commissions are recorded in "Selling, general, and administrative expenses".

We do not disclose the value of unsatisfied performance obligations for contracts with an original expected duration of one year or less.

4. Acquisitions

Greif Acquisition

On September 2, 2025, we completed the Greif Acquisition for \$1.8 billion in cash. For tax purposes, the acquisition of Greif's containerboard business was primarily structured as an asset acquisition. The Greif containerboard business includes two containerboard mills with approximately 800,000 tons of production capacity and eight sheet feeder and corrugated plants located across the United States. Greif's financial results are included in the Packaging segment from the date of acquisition. The following table summarizes the purchase consideration for the Greif Acquisition (in millions):

| | Amount |
|--|-------------------|
| Cash paid for Greif Acquisition | \$ 1,804.7 |
| Settlement of pre-existing relationships | (0.3) |
| Total purchase consideration | \$ 1,804.4 |

The Company accounted for the Greif Acquisition using the acquisition method of accounting in accordance with ASC 805, *Business Combinations*. The following table summarizes the allocation of the purchase price to the assets acquired and the liabilities assumed, based on our current estimates of the fair value at the date of acquisition (dollars in millions):

| | |
|---|-------------------|
| Current Assets: | |
| Cash | \$ 0.1 |
| Accounts receivable | 97.6 |
| Inventories | 124.2 |
| Prepaid expenses and other current assets | 1.4 |
| Total current assets | 223.3 |
| Property, plant, and equipment (a) | 868.7 |
| Operating lease right-of-use assets | 57.0 |
| Intangible assets (b): | |
| Customer relationships | 460.0 |
| Trademarks | 70.0 |
| Goodwill (c) | 277.4 |
| Assets acquired | 1,956.4 |
| Liabilities assumed | |
| Accounts payable | 70.1 |
| Accrued liabilities | 21.4 |
| Current operating lease obligations | 7.6 |
| Long-term operating lease obligations | 49.3 |
| Long-term finance lease obligations | 0.4 |
| Other long-term liabilities | 3.2 |
| Liabilities assumed | 152.0 |
| Net assets acquired | \$ 1,804.4 |

- (a) Property, plant and equipment are being depreciated on a straight-line basis over their preliminary estimated useful lives ranging from one to 40 years.
- (b) We are amortizing intangible assets on a straight-line basis for customer relationships and trademarks over our preliminary estimates of their useful lives of 15 years and 10 years, respectively, in the Packaging segment.
- (c) Goodwill is calculated as the excess of the purchase price over the fair value of the net assets acquired. Goodwill generated from the acquisition is primarily attributable to expected synergies and the assembled workforce. Goodwill recognized in the transaction is deductible for tax purposes.

The purchase price allocation remains preliminary and is subject to the finalization of various valuations and assessments, including working capital adjustments. These may affect the consideration paid and may materially impact the valuations and subsequent assessments. We expect to finalize the valuation within the 12-month period following the acquisition date.

Pro Forma Financial Information

Pro forma results of Greif Acquisition have not been presented as the results were not considered significant to our consolidated financial statements for all periods presented and would not have been significant had the acquisition occurred at the beginning of the year ended December 31, 2024.

5. Earnings Per Share

The following table sets forth the computation of basic and diluted income per common share for the periods presented (dollars and shares in millions, except per share data):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|-------------------------------------|----------|------------------------------------|----------|
| | 2025 | 2024 | 2025 | 2024 |
| Numerator: | | | | |
| Net income | \$ 226.9 | \$ 238.1 | \$ 672.3 | \$ 584.0 |
| Less: Distributed and undistributed earnings allocated to participating securities | (1.5) | (1.7) | (4.5) | (4.1) |
| Net income attributable to common shareholders | \$ 225.4 | \$ 236.4 | \$ 667.8 | \$ 579.9 |
| Denominator: | | | | |
| Weighted average basic common shares outstanding | 89.4 | 89.1 | 89.3 | 89.1 |
| Effect of dilutive securities | 0.3 | 0.4 | 0.4 | 0.4 |
| Weighted average diluted common shares outstanding | 89.7 | 89.5 | 89.7 | 89.5 |
| Basic income per common share | \$ 2.52 | \$ 2.65 | \$ 7.48 | \$ 6.51 |
| Diluted income per common share | \$ 2.51 | \$ 2.64 | \$ 7.45 | \$ 6.48 |

6. Other Income (Expense), Net

The components of other expense, net, were as follows (dollars in millions):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|-------------------------------------|-----------|------------------------------------|-----------|
| | 2025 | 2024 | 2025 | 2024 |
| Asset disposals and write-offs | \$ (12.0) | \$ (11.4) | \$ (30.8) | \$ (26.9) |
| DeRidder litigation and other litigation (a) | (3.5) | (2.0) | (3.5) | (127.7) |
| DeRidder litigation and other litigation insurance recovery (a) | 3.5 | 2.0 | 3.5 | 127.7 |
| Facilities closure and other (costs) income (b) | (1.3) | (0.3) | 21.6 | (0.3) |
| Acquisition and integration-related costs (c) | (5.9) | — | (7.5) | — |
| Jackson mill conversion-related activities (d) | — | — | — | (7.6) |
| Other | (6.3) | (4.4) | (18.0) | (16.2) |
| Total | \$ (25.5) | \$ (16.1) | \$ (34.7) | \$ (51.0) |

- (a) For the three and nine months ended September 30, 2025, includes charges and income related to fully insured settlement amounts. For the three and nine months ended September 30, 2024, includes charges and income related to the DeRidder mill lawsuit for compensatory damages plus interest. For more information on the DeRidder mill lawsuit, see Note 19, Commitments, Guarantees, Indemnifications, and Legal Proceedings, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of our 2024 Annual Report on Form 10-K.
- (b) For the three and nine months ended September 30, 2025, includes charges and income, respectively, related to the closure of certain corrugated products facilities. For the three months ended September 30, 2025, the charges were partially offset by a gain on an asset disposal related to a closed corrugated products facility. For the nine months ended September 30, 2025, these charges were completely offset by gains from the sales of corrugated products facilities during the second quarter of 2025. For the three and nine months ended September 30, 2024, includes charges consisting of closure costs related to corrugated products facilities. For the nine months ended September 30, 2024, these charges were partially offset by income primarily related to a favorable lease buyout for a closed corrugated products facility during the first quarter of 2024.
- (c) Includes charges for acquisition and integration costs related to the September 2025 Greif Acquisition.
- (d) Includes items related to the announced discontinuation of production of uncoated freesheet paper grades on the No. 3 machine at the Jackson, Alabama mill associated with the permanent conversion of the machine to produce linerboard and other paper-to-containerboard conversion related activities.

7. Income Taxes

For the three months ended September 30, 2025 and 2024, we recorded \$78.3 million and \$80.5 million of income tax expense and had an effective tax rate of 25.6% and 25.3%, respectively. The increase in our effective tax rate for the three months ended September 30, 2025 compared to the same period in 2024 was primarily due to lower estimated federal tax credits and higher nondeductible employee remuneration paid to covered employees.

For the nine months ended September 30, 2025 and 2024, we recorded \$221.0 million and \$188.8 million of income tax expense and had an effective tax rate of 24.7% and 24.4%, respectively. The increase in our effective tax rate for the nine months ended September 30, 2025 compared to the same period in 2024 was primarily due to lower excess tax benefits associated with employee restricted stock and performance unit vests and less favorable state law changes.

Our current effective tax rate is higher than the federal statutory income tax rate of 21.0% due primarily to the effect of state and local income taxes. During the nine months ended September 30, 2025 and 2024, cash paid for taxes, net of refunds received, was \$159.6 million and \$187.3 million, respectively. The decrease in cash tax payments between the periods is primarily due to lower 2025 forecasted taxable income.

During the three and nine months ended September 30, 2025 and 2024, there were no significant changes to our uncertain tax positions. For more information, see Note 7, Income Taxes, of the Notes to Consolidated Financial Statements in “Part II, Item 8. Financial Statements and Supplementary Data” of our 2024 Annual Report on Form 10-K.

On July 4, 2025, the President signed into law H.R.1, the One Big Beautiful Bill Act (“OBBBA”). The OBBBA includes significant tax law changes such as providing for the full expensing of certain depreciable property as well as full expensing of domestic research and development expenditures. The provisions of the OBBBA have various effective dates, with certain provisions effective in 2025 and others through 2027. In accordance with ASC 740, we have recognized the effects of the OBBBA in the period of enactment. The provisions of the OBBBA did not have a material impact on our income tax expense or effective tax rate. However, we do expect the provisions of the OBBBA to reduce our 2025 cash tax payments.

8. Inventories

We value our raw materials, work in process, and finished goods inventories using lower of cost, as determined by the average cost method, or net realizable value. Supplies and materials are valued at the first-in, first-out (FIFO) or average cost method.

The components of inventories were as follows (dollars in millions):

| | September 30, 2025 | December 31, 2024 |
|------------------------|-----------------------|----------------------|
| Raw materials | \$ 423.2 | \$ 356.6 |
| Work in process | 19.4 | 15.5 |
| Finished goods | 255.3 | 234.0 |
| Supplies and materials | 579.2 | 518.8 |
| Inventories | <u>\$ 1,277.1</u> | <u>\$ 1,124.9</u> |

9. Property, Plant, and Equipment

The components of property, plant, and equipment were as follows (dollars in millions):

| | September 30, 2025 | December 31, 2024 |
|--|-----------------------|----------------------|
| Land and land improvements | \$ 247.9 | \$ 203.4 |
| Buildings | 1,339.8 | 1,140.0 |
| Machinery and equipment | 8,315.8 | 7,368.8 |
| Construction in progress | 483.2 | 397.2 |
| Other | 203.5 | 195.8 |
| Property, plant and equipment, at cost | 10,590.2 | 9,305.2 |
| Less accumulated depreciation | (5,546.9) | (5,266.2) |
| Property, plant, and equipment, net | <u>\$ 5,043.3</u> | <u>\$ 4,039.0</u> |

Depreciation expense for the three months ended September 30, 2025 and 2024 was \$139.4 million and \$122.7 million, respectively. During the nine months ended September 30, 2025 and 2024, depreciation expense was \$398.3 million and \$359.5 million, respectively. During the nine months ended September 30, 2025, we recognized \$3.6 million of incremental depreciation expense as a result of closure costs related to corrugated products facilities. We recognized \$1.7 million of incremental depreciation expense during the nine months ended September 30, 2024 as a result of Jackson mill conversion-related activities and closure costs related to corrugated products facilities.

At September 30, 2025 and December 31, 2024, purchases of property, plant, and equipment included in accounts payable were \$75.7 million and \$33.8 million, respectively.

10. Goodwill and Intangible Assets

Goodwill

Goodwill represents the excess of the cost of an acquired business over the fair value of the identifiable tangible and intangible assets acquired and liabilities assumed in a business combination. At September 30, 2025 and December 31, 2024, we had \$1,199.8 million and \$922.4 million of goodwill recorded in our Packaging segment, which represents the entire goodwill balance reported on our Consolidated Balance Sheets.

Changes in the carrying amount of our goodwill are as follows (dollars in millions):

| | Goodwill | |
|-------------------------------|-----------------|---------|
| Balance at January 1, 2025 | \$ | 922.4 |
| Acquisitions (a) | | 277.4 |
| Balance at September 30, 2025 | \$ | 1,199.8 |

(a) In connection with the September 2025 Greif Acquisition, the preliminary valuation of goodwill is \$277.4 million, which is recorded in the Packaging segment.

See Note 4, Acquisitions, for more information on the September 2025 Greif Acquisition.

Intangible Assets

Intangible assets are primarily comprised of customer relationships and trademarks and trade names. The weighted average remaining useful life, gross carrying amount, and accumulated amortization of our intangible assets were as follows (dollars in millions):

| | September 30, 2025 | | | December 31, 2024 | | |
|--|--|--------------------------------------|-------------------------------------|--|--------------------------------------|-------------------------------------|
| | Weighted Average Remaining Useful Life (in Years) | Gross Carrying Amount | Accumulated Amortization | Weighted Average Remaining Useful Life (in Years) | Gross Carrying Amount | Accumulated Amortization |
| Customer relationships (b) | 12.7 | \$ 1,006.0 | \$ 391.5 | 6.6 | \$ 546.0 | \$ 362.4 |
| Trademarks and trade names (b) | 9.5 | 111.3 | 35.2 | 6.0 | 41.3 | 33.0 |
| Other | 1.2 | 4.4 | 4.4 | 1.9 | 4.4 | 4.4 |
| Total intangible assets (excluding goodwill) | 12.3 | \$ 1,121.7 | \$ 431.1 | 6.6 | \$ 591.7 | \$ 399.8 |

(b) In connection with the September 2025 Greif Acquisition, the preliminary valuation of intangible assets is \$460.0 million for customer relationships and \$70.0 million for trademarks.

During the nine months ended September 30, 2025 and 2024, amortization expense was \$31.3 million and \$28.3 million, respectively.

11. Accrued Liabilities

The components of accrued liabilities were as follows (dollars in millions):

| | September 30, 2025 | December 31, 2024 |
|--|-----------------------|----------------------|
| Compensation and benefits | \$ 172.2 | \$ 168.5 |
| Franchise, property, sales and use taxes | 35.5 | 18.7 |
| Medical insurance and workers' compensation | 32.8 | 29.1 |
| Customer rebates and other credits | 32.1 | 33.9 |
| DeRidder litigation and other litigation (a) | 4.5 | 96.2 |
| Severance, retention, and relocation | 4.0 | 3.4 |
| Environmental liabilities and asset retirement obligations | 1.6 | 3.2 |
| Other | 15.7 | 9.9 |
| Total | \$ 298.4 | \$ 362.9 |

- (a) Amounts included in the Consolidated Balance Sheet for both periods presented relate to fully insured settlement amounts. The previously recorded amounts for DeRidder and other litigation at December 31, 2024 have been paid as of September 30, 2025. For more information, see Note 19, Commitments, Guarantees, Indemnifications, and Legal Proceedings, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of our 2024 Annual Report on Form 10-K.

12. Debt

At September 30, 2025 and December 31, 2024, our long-term debt and interest rates on that debt were as follows (dollars in millions)

| | September 30, 2025 | | December 31, 2024 | |
|--|--------------------|---------------|-------------------|---------------|
| | Amount | Interest Rate | Amount | Interest Rate |
| Revolving Credit Facility | \$ — | —% | \$ — | —% |
| Three-Year Term Loan, due September 2028 | 500.0 | 5.28 % | — | —% |
| Seven-Year Farm Credit Loan, due September 2032 | 500.0 | 6.13 % | — | —% |
| 3.40% Senior Notes, net of discount of \$0.4 million and \$0.6 million as of September 30, 2025 and December 31, 2024, respectively, due December 2027 | 499.6 | 3.40 % | 499.4 | 3.40 % |
| 3.00% Senior Notes, net of discount of \$0.3 million as of both September 30, 2025 and December 31, 2024, due December 2029 | 499.7 | 3.00 % | 499.7 | 3.00 % |
| 5.70% Senior Notes, net of discount of \$0.3 million as of both September 30, 2025 and December 31, 2024, due December 2033 | 399.7 | 5.70 % | 399.7 | 5.70 % |
| 5.20% Senior Notes, net of discount of \$0.1 million as of September 30, 2025, due August 2035 | 499.9 | 5.20 % | — | —% |
| 4.05% Senior Notes, net of discount of \$3.1 million and \$3.2 million as of September 30, 2025 and December 31, 2024, respectively, due December 2049 | 396.9 | 4.05 % | 396.8 | 4.05 % |
| 3.05% Senior Notes, net of discount of \$3.4 million as of both September 30, 2025 and December 31, 2024, due October 2051 | 696.6 | 3.05 % | 696.6 | 3.05 % |
| Total | 3,992.4 | 4.39 % | 2,492.2 | 3.69 % |
| Less unamortized debt issuance costs | 26.0 | | 18.0 | |
| Total long-term debt | \$ 3,966.4 | 4.39 % | \$ 2,474.2 | 3.69 % |

On August 11, 2025, the Company issued \$500 million of 5.20% senior notes due 2035 through a registered public offering. The net proceeds from this transaction were used to finance the Greif Acquisition. The \$5.0 million of debt issuance costs associated with the new notes will be amortized to interest expense using the effective interest method over the term of the notes.

Credit Agreements

On July 31, 2025, the Company entered into two credit agreements (the first credit agreement being the “Commercial Credit Agreement” and the second credit agreement being the “Farm Credit Agreement” and collectively, the “Credit Agreements”). The Commercial Credit Agreement includes i) a \$500.0 million three-year unsecured term loan facility and ii) a \$600.0 million unsecured revolving credit facility. The Farm Credit Agreement includes a \$500.0 million seven-year unsecured term loan facility. The proceeds of the term loan facilities under the Credit Agreements were fully drawn upon on September 2, 2025 to finance the Greif Acquisition.

Loans under the Commercial Credit Agreement bear interest at the secured overnight financing rate (SOFR) or the base rate plus a margin, which, under the Commercial Credit Agreement, is determined based upon: (i) in the case of the revolving credit facility, our leverage ratio or debt rating, and (ii) in the case of the term loan facility, our debt rating. Loans under the Farm Credit Agreement bear interest at SOFR or the base rate plus a margin, which is determined based upon our debt rating.

The Credit Agreements contain customary affirmative and negative covenants, including limitations on liens, mergers and consolidations, sales of assets and subsidiary indebtedness, and events of default. The Credit Agreements have a financial covenant for maximum leverage ratio calculated on a consolidated basis. At September 30, 2025, we were in compliance with this covenant.

PCA may prepay loans under the Credit Agreements at any time without premium or penalty.

The Commercial Credit Agreement replaces our old Credit Agreement, dated June 8, 2021 and amended on April 27, 2023 (the “Old Credit Agreement”), which was terminated. Revolving loans under the Commercial Credit Agreement have a five-year term and are available for borrowings for working capital and general corporate purposes. Except for approximately \$27.5 million of letters of credit, (i) no borrowings were outstanding under the Old Credit Agreement and (ii) no borrowings are outstanding under the revolving credit facility included in the Commercial Credit Agreement.

Borrowings under the Credit Agreements are guaranteed by PCA’s material subsidiaries.

Repayments, Interest, and Other

For the nine months ended September 30, 2025 and 2024, cash payments for interest were \$46.7 million and \$61.4 million, respectively.

Included in interest expense, net is the amortization of financing costs, which includes the amortization of debt issuance costs and amortization of bond discounts. For the three months ended September 30, 2025 and 2024, amortization of debt issuance costs was \$3.4 million and \$0.5 million, respectively, and during the nine months ended September 30, 2025 and 2024, amortization of debt issuance costs was \$4.2 million and \$1.4 million, respectively. For both the three and nine month periods ended September 30, 2025 and 2024, the amortization of bond discounts was insignificant.

At September 30, 2025, we had \$2,992.4 million of fixed-rate senior notes and \$1,000.0 million of variable-rate notes outstanding. The fair value of our fixed-rate debt was estimated to be \$2,683.9 million. The difference between the book value and fair value is due to the difference between the period-end market interest rate and the stated rate of our fixed-rate debt. We estimated the fair value of our fixed-rate debt using quoted market prices (Level 2 inputs) within the fair value hierarchy, which is further defined in Note 2, Summary of Significant Accounting Policies, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of our 2024 Annual Report on Form 10-K.

For more information on our long-term debt and interest rates on that debt, see Note 10, Debt, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of our 2024 Annual Report on Form 10-K.

13. Cash, Cash Equivalents, and Marketable Debt Securities

The following table shows the Company's cash, cash equivalents, and available-for-sale ("AFS") debt securities by major asset category at September 30, 2025 and December 31, 2024 (in millions):

| | September 30, 2025 | | | | | | | |
|-----------------------------------|---------------------|-----------------|-----------------|------------|---------------------------|---------------------------------------|--------------------------------------|--|
| | Adjusted Cost Basis | Unrealized Gain | Unrealized Loss | Fair Value | Cash and Cash Equivalents | Short-Term Marketable Debt Securities | Long-Term Marketable Debt Securities | |
| Cash and cash equivalents | \$ 630.2 | \$ — | \$ — | \$ 630.2 | \$ 630.2 | \$ — | \$ — | |
| Level 1 ^(a) : | | | | | | | | |
| U.S. Treasury securities | 41.0 | 0.1 | — | 41.1 | — | 17.1 | 24.0 | |
| Money market funds | 3.8 | — | — | 3.8 | 3.8 | — | — | |
| Subtotal | 44.8 | 0.1 | — | 44.9 | 3.8 | 17.1 | 24.0 | |
| Level 2 ^(b) : | | | | | | | | |
| Corporate debt securities | 124.8 | 0.4 | — | 125.2 | — | 72.9 | 52.3 | |
| Certificates of deposit | 4.7 | — | — | 4.7 | — | 4.7 | — | |
| U.S. government agency securities | 1.4 | — | — | 1.4 | — | — | 1.4 | |
| Subtotal | 130.9 | 0.4 | — | 131.3 | — | 77.6 | 53.7 | |
| Total | \$ 805.9 | \$ 0.5 | \$ — | \$ 806.4 | \$ 634.0 | \$ 94.7 | \$ 77.7 | |

| | December 31, 2024 | | | | | | | |
|-----------------------------------|---------------------|-----------------|-----------------|------------|---------------------------|---------------------------------------|--------------------------------------|--|
| | Adjusted Cost Basis | Unrealized Gain | Unrealized Loss | Fair Value | Cash and Cash Equivalents | Short-Term Marketable Debt Securities | Long-Term Marketable Debt Securities | |
| Cash and cash equivalents | \$ 684.8 | \$ — | \$ — | \$ 684.8 | \$ 684.8 | \$ — | \$ — | |
| Level 1 ^(a) : | | | | | | | | |
| U.S. Treasury securities | 30.8 | 0.1 | — | 30.9 | — | 23.0 | 7.9 | |
| Money market funds | 0.2 | — | — | 0.2 | 0.2 | — | — | |
| Subtotal | 31.0 | 0.1 | — | 31.1 | 0.2 | 23.0 | 7.9 | |
| Level 2 ^(b) : | | | | | | | | |
| Corporate debt securities | 131.2 | 0.3 | — | 131.5 | — | 75.8 | 55.7 | |
| Certificates of deposit | 2.4 | — | — | 2.4 | — | 2.4 | — | |
| U.S. government agency securities | 2.4 | — | — | 2.4 | — | 0.8 | 1.6 | |
| Subtotal | 136.0 | 0.3 | — | 136.3 | — | 79.0 | 57.3 | |
| Total | \$ 851.8 | \$ 0.4 | \$ — | \$ 852.2 | \$ 685.0 | \$ 102.0 | \$ 65.2 | |

(a) Valuations based on quoted prices for identical assets or liabilities in active markets.

(b) Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

For both the three and nine months ended September 30, 2025 and 2024, net realized gains and losses on the sales and maturities of certain marketable debt securities were insignificant.

The Company invests in highly rated securities, with the primary objective of minimizing the potential risk of principal loss. The Company's investment policy requires securities to be investment grade and limits the amount of credit exposure to any one issuer. The maturities of the Company's long-term marketable debt securities generally range from one to two years.

Fair values were determined for each individual marketable debt security in the investment portfolio. When evaluating a marketable debt security for impairment, PCA reviews factors such as the duration and extent to which the fair value of the marketable debt security is less than its cost, the financial condition of the issuer and any changes thereto, the general market condition in which the issuer operates, and PCA's intent to sell, or whether it will be more likely than not required to sell, the marketable debt security before recovery of its amortized cost basis.

As of September 30, 2025 and December 31, 2024, we do not consider any of the impairments related to our marketable debt securities to be the result of credit losses. Therefore, we have not recorded an allowance for credit losses related to our marketable debt securities. All unrealized gains and losses were recorded in other comprehensive income (OCI).

The following tables provide information about the Company's marketable debt securities that have been in a continuous loss position as of September 30, 2025 and December 31, 2024 (in millions, except number of marketable debt securities in a loss position):

| | September 30, 2025 | | | | | |
|-----------------------------------|---|---|-----------------------------------|---|---|-----------------------------------|
| | Fair Value of Marketable Debt Securities in a Loss Position < 12 Months | Number of Marketable Debt Securities in a Loss Position < 12 Months | Unrealized Losses < 12 Months (c) | Fair Value of Marketable Debt Securities in a Loss Position ≥ 12 Months | Number of Marketable Debt Securities in a Loss Position ≥ 12 Months | Unrealized Losses ≥ 12 Months (c) |
| Corporate debt securities | \$ 6.6 | 8 | \$ — | \$ 1.3 | 4 | \$ — |
| U.S. Treasury securities | 4.5 | 2 | — | — | — | — |
| U.S. government agency securities | 0.5 | 1 | — | — | — | — |
| | <u>\$ 11.6</u> | <u>11</u> | <u>\$ —</u> | <u>\$ 1.3</u> | <u>4</u> | <u>\$ —</u> |

| | December 31, 2024 | | | | | |
|-----------------------------------|---|---|-------------------------------|---|---|-----------------------------------|
| | Fair Value of Marketable Debt Securities in a Loss Position < 12 Months | Number of Marketable Debt Securities in a Loss Position < 12 Months | Unrealized Losses < 12 Months | Fair Value of Marketable Debt Securities in a Loss Position ≥ 12 Months | Number of Marketable Debt Securities in a Loss Position ≥ 12 Months | Unrealized Losses ≥ 12 Months (c) |
| Corporate debt securities | \$ 16.5 | 26 | \$ 0.1 | \$ 2.7 | 4 | \$ — |
| U.S. Treasury securities | 3.1 | 4 | — | 6.7 | 5 | — |
| U.S. government agency securities | 0.8 | 1 | — | — | — | — |
| | <u>\$ 20.4</u> | <u>31</u> | <u>\$ 0.1</u> | <u>\$ 9.4</u> | <u>9</u> | <u>\$ —</u> |

(c) Unrealized losses were insignificant for the period presented.

14. Employee Benefit Plans and Other Postretirement Benefits

The components of net periodic benefit cost for our pension plans were as follows (dollars in millions):

| | Pension Plans | | | |
|--|----------------------------------|---------------|---------------------------------|---------------|
| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
| | 2025 | 2024 | 2025 | 2024 |
| Service cost | \$ 2.4 | \$ 2.9 | \$ 7.6 | \$ 9.2 |
| Interest cost | 14.2 | 13.8 | 42.8 | 41.5 |
| Expected return on plan assets | (15.6) | (16.4) | (46.9) | (49.3) |
| Net amortization of unrecognized amounts | | | | |
| Prior service cost | 1.4 | 1.4 | 4.3 | 4.1 |
| Actuarial loss | — | 0.1 | — | 0.5 |
| Net periodic benefit cost | <u>\$ 2.4</u> | <u>\$ 1.8</u> | <u>\$ 7.8</u> | <u>\$ 6.0</u> |

PCA makes pension plan contributions that are sufficient to fund its actuarially determined costs, generally equal to the minimum amounts required by the Employee Retirement Income Security Act (ERISA). From time to time, PCA may make additional discretionary contributions based on the funded status of the plans, tax deductibility, income from operations, and other factors. During both the three and nine months ended September 30, 2025 and 2024, payments to our nonqualified pension plans were insignificant. During both the three and nine months ended September 30, 2025, we did not make any contributions to our qualified pension plans and for both the three and nine months ended September 30, 2024, we made contributions of \$25.0 million to our qualified pension plans. We do not have a required minimum contribution amount established for 2025.

For both the three and nine months ended September 30, 2025 and 2024, the net periodic benefit cost for our postretirement plans was insignificant.

15. Share-Based Compensation

The Company has a long-term equity incentive plan, which allows for grants of restricted stock, performance awards, stock appreciation rights, and stock options to directors, officers, and employees, as well as others who engage in services for PCA. On February 28, 2024, our board of directors approved, and, on May 8, 2024, our stockholders approved, the amendment and restatement of the plan. The amendment extended the plan's term to May 8, 2034 and increased the number of shares of common stock available for issuance under the plan by 2.4 million shares. The total number of shares authorized for past and future awards is 14.3 million shares.

As of September 30, 2025, assuming performance units are paid out at the target level of performance, 2.5 million shares were available for future grants under the current plan. Forfeitures are added back to the pool of shares of common stock available to be granted at a future date.

The following table presents restricted stock and performance unit award activity for the nine months ended September 30, 2025:

| | Restricted Stock | | Performance Units | |
|-----------------------------------|------------------|--|-------------------|--|
| | Shares | Weighted Average Grant-Date Fair Value | Shares | Weighted Average Grant-Date Fair Value |
| Outstanding at January 1, 2025 | 620,403 | \$ 148.63 | 358,466 | \$ 119.17 |
| Granted | 147,265 | 211.53 | 129,853 | 211.72 |
| Vested (a) | (155,515) | 136.75 | (139,443) | 167.14 |
| Forfeitures | (6,332) | 164.77 | — | — |
| Outstanding at September 30, 2025 | 605,821 | \$ 166.80 | 348,876 | \$ 171.68 |

- (a) Upon payout of the performance unit awards that vested during the period, PCA issued 151,895 shares, which included 12,452 shares for dividends accrued during the performance period.

Compensation Expense

Our share-based compensation expense is primarily recorded in "Selling, general, and administrative expenses." Compensation expense for share-based awards recognized in the Consolidated Statements of Income, net of forfeitures, was as follows (dollars in millions):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|----------------------------------|--------|---------------------------------|---------|
| | 2025 | 2024 | 2025 | 2024 |
| Restricted stock | \$ 4.3 | \$ 5.7 | \$ 24.3 | \$ 25.7 |
| Performance units | 4.2 | 4.7 | 12.3 | 13.9 |
| Total share-based compensation expense | 8.5 | 10.4 | 36.6 | 39.6 |
| Income tax benefit | (2.1) | (2.6) | (9.1) | (9.9) |
| Share-based compensation expense, net of tax benefit | \$ 6.4 | \$ 7.8 | \$ 27.5 | \$ 29.7 |

The fair value of restricted stock is determined based on the closing price of the Company's stock on the grant date. Compensation expense, net of estimated forfeitures, is recorded over the requisite service period. As PCA's Board of Directors has the ability to accelerate the vesting of these awards upon an employee's retirement, the Company accelerates the recognition of compensation expense for certain employees approaching normal retirement age.

Performance unit awards granted to certain key employees are earned based on the achievement of defined performance rankings of Return on Invested Capital (ROIC) or Total Shareholder Return (TSR) compared to ROIC and TSR for peer companies. For performance unit awards made in 2025 and 2024, in terms of grant date value, 50% used TSR as the performance measure and 50% used ROIC as the performance measure. The ROIC component of performance unit awards is valued based on the closing price of the stock on the grant date. As the ROIC component contains a performance condition, compensation expense, net of estimated forfeitures, is recorded over the requisite service period based on the most probable number of awards expected to vest. The TSR component of performance unit awards is valued using a Monte Carlo simulation as the TSR component contains a market condition. The Monte Carlo simulation estimates the fair value of the TSR component based on the expected term of the award, a risk-free interest rate, expected dividends, and expected volatility of the Company's common stock and the common stock of the peer companies. Compensation expense is recorded ratably over the expected term of the award regardless of whether the market condition is satisfied.

The unrecognized compensation expense for all share-based awards at September 30, 2025 was as follows (dollars in millions):

| | September 30, 2025 | |
|---|-----------------------------------|--|
| | Unrecognized Compensation Expense | Remaining Weighted Average Recognition Period (in years) |
| Restricted stock | \$ 35.6 | 2.6 |
| Performance units | 29.7 | 2.3 |
| Total unrecognized share-based compensation expense | \$ 65.3 | 2.5 |

16. Stockholders' Equity

Dividends

During the nine months ended September 30, 2025, we paid \$337.1 million of dividends to shareholders. On August 20, 2025, PCA's Board of Directors declared a regular quarterly cash dividend of \$1.25 per share of common stock, which was paid on October 15, 2025 to shareholders of record as of September 15, 2025. The dividend payment was \$112.5 million.

Repurchases of Common Stock

On January 26, 2022, PCA announced that its Board of Directors authorized the repurchase of an additional \$1 billion of the Company's outstanding common stock. Repurchases may be made from time to time in open market or privately negotiated transactions in accordance with applicable securities regulations. The timing and amount of repurchases will be determined by the Company in its discretion based on factors such as PCA's stock price and market and business conditions.

The Company did not repurchase any shares of its common stock under this authority during the three months ended September 30, 2025. At September 30, 2025, \$436.0 million of the authorized amount remained available for repurchase of the Company's common stock.

Accumulated Other Comprehensive Income (Loss)

Changes in accumulated other comprehensive income (loss) (AOCI) by component were as follows (dollars in millions). Amounts in parentheses indicate losses:

| | Unrealized Loss On Foreign Exchange Contracts | Unrealized Loss on Marketable Debt Securities | Unfunded Employee Benefit Obligations | Total |
|---|--|---|--|------------------|
| Balance at January 1, 2025 | \$ (0.1) | \$ 0.2 | \$ (43.5) | \$ (43.4) |
| Other comprehensive loss before reclassifications, net of tax | — | 0.2 | — | 0.2 |
| Amounts reclassified from AOCI, net of tax | — | — | 2.8 | 2.8 |
| Balance at September 30, 2025 | <u>\$ (0.1)</u> | <u>\$ 0.4</u> | <u>\$ (40.7)</u> | <u>\$ (40.4)</u> |

Reclassifications out of AOCI were as follows (dollars in millions). Amounts in parentheses indicate expenses in the Consolidated Statements of Income:

| Details about AOCI Components | Amounts Reclassified from AOCI | | | | |
|---|----------------------------------|-----------------|---------------------------------|-----------------|------------------|
| | Three Months Ended September 30, | | Nine Months Ended September 30, | | |
| | 2025 | 2024 | 2025 | 2024 | |
| Unfunded employee benefit obligations (a) | | | | | |
| Amortization of prior service costs | \$ (1.3) | \$ (1.3) | \$ (3.9) | \$ (3.8) | See (a) below |
| Amortization of actuarial (losses) gains | — | (0.1) | 0.2 | (0.3) | See (a) below |
| | (1.3) | (1.4) | (3.7) | (4.1) | Total before tax |
| | 0.3 | 0.4 | 0.9 | 1.0 | Tax benefit |
| | <u>\$ (1.0)</u> | <u>\$ (1.0)</u> | <u>\$ (2.8)</u> | <u>\$ (3.1)</u> | Net of tax |

(a) These AOCI components are included in the computation of net pension and postretirement benefit costs. See Note 14, Employee Benefit Plans and Other Postretirement Benefits, for additional information.

17. Transactions With Related Parties

Louisiana Timber Procurement Company, L.L.C. ("LTP") is a variable-interest entity that is 50% owned by PCA and 50% owned by Boise Cascade Company ("Boise Cascade"). LTP procures sawtimber, pulpwood, residual chips, and other residual wood fiber to meet the wood and fiber requirements of PCA and Boise Cascade in Louisiana. PCA is the primary beneficiary of LTP and has the power to direct the activities that most significantly affect the economic performance of LTP. Therefore, we consolidate 100% of LTP in our financial statements in our Corporate and Other segment. The carrying amounts of LTP's assets and liabilities (which relate primarily to non-inventory working capital items) on our Consolidated Balance Sheets were \$4.4 million at September 30, 2025 and \$3.1 million at December 31, 2024. During the three months ended September 30, 2025 and 2024, we recorded \$21.5 million and \$22.1 million, respectively, and during the nine months ended September 30, 2025 and 2024, we recorded \$54.3 million and \$63.2 million, respectively, of LTP sales to Boise Cascade in "Net Sales" in the Consolidated Statements of Income and approximately the same amount of expenses in "Cost of Sales".

During the three months ended September 30, 2025 and 2024, fiber purchases from related parties were \$2.7 million and \$2.6 million, respectively, and during the nine months ended September 30, 2025 and 2024, fiber purchases from related parties were \$6.7 million and \$8.4 million, respectively. Most of these purchases related to chip and log purchases by LTP from Boise Cascade's wood products business. These purchases are recorded in "Cost of Sales" in the Consolidated Statements of Income.

18. Segment Information

We report our business in three reportable segments: Packaging, Paper, and Corporate and Other. These segments represent distinct businesses that are managed separately because of differing products and services. Each of these businesses requires distinct operating and marketing strategies.

Each segment's profits and losses are measured on operating profits before non-operating pension income, interest expense, net, and income taxes. For many of these allocated expenses, the related assets and liabilities remain in the Corporate and Other segment.

On September 2, 2025, we completed the Greif Acquisition for \$1.8 billion in cash. The Greif containerboard business includes two containerboard mills with approximately 800,000 tons of production capacity and eight sheet feeder and corrugated plants located across the United States. Greif's financial results are included in the Packaging segment from the date of acquisition.

Chief Operating Decision Maker

ASC 280-10-50-5 (Topic 280) defines the chief operating decision maker ("CODM") as an individual or group of individuals responsible for assessing the performance of the operating segments of a public entity and determining the overall resource allocation to those operating segments. Based on these criteria, we deem our Chief Executive Officer as the CODM, as the Chief Executive Officer is responsible for evaluating our operating results and concluding on the overall resource allocation.

Analysis of Operations by Reportable Segments

An analysis of operations by reportable segments is as follows (dollars in millions):

| Three Months Ended September 30, 2025 | Packaging | Paper | Corporate and Other | Total |
|---|------------|----------|------------------------|------------|
| Trade sales | \$ 2,128.1 | \$ 161.2 | \$ 24.1 | \$ 2,313.4 |
| Intersegment sales | — | — | 38.3 | 38.3 |
| | 2,128.1 | 161.2 | 62.4 | 2,351.7 |
| Elimination of intersegment sales | | | | (38.3) |
| Net sales | | | | 2,313.4 |
| Less (a): | | | | |
| Variable costs (b) | (1,022.5) | (87.4) | — | — |
| Fixed costs (c) | (464.9) | (20.3) | — | — |
| Freight | (216.6) | (17.8) | — | — |
| Other segment items (d) | (96.6) | (0.1) | (101.0) | — |
| Income (loss) from operations | 327.5 | 35.6 | (38.6) (e) | 324.5 |
| Non-operating pension expense | | | | — |
| Interest expense, net | | | | (19.3) |
| Income before taxes | | | | \$ 305.2 |
| Other segment disclosures: | | | | |
| Segment sales to external customers | \$ 2,128.1 | \$ 161.2 | \$ 24.1 (f) | \$ 2,313.4 |
| Depreciation, amortization, and depletion | (143.9) | (4.5) | (4.2) | (152.6) |
| Capital expenditures (g) | (180.3) | (6.9) | (4.9) | (192.1) |
| Assets | 9,470.4 | 402.4 | 1,107.2 | 10,980.0 |

| Nine Months Ended September 30, 2024 | Packaging | Paper | Corporate and Other | Total |
|---|------------------|--------------|--------------------------------|-----------------|
| Trade sales | \$ 5,694.3 | \$ 473.2 | \$ 69.7 | \$ 6,237.2 |
| Intersegment sales | 21.0 | — | 119.5 | 140.5 |
| | 5,715.3 | 473.2 | 189.2 | 6,377.7 |
| Elimination of intersegment sales | | | | (140.5) |
| Net sales | | | | 6,237.2 |
| Less (a): | | | | |
| Variable costs (b) | (2,831.9) | (257.4) | — | — |
| Fixed costs (c) | (1,250.1) | (62.9) | — | — |
| Freight | (591.4) | (52.7) | — | — |
| Other segment items (d) | (237.6) | (5.3) | (289.3) | — |
| Income (loss) from operations | 804.3 | 94.9 | (100.1) (e) | 799.1 |
| Non-operating pension income | | | | 3.4 |
| Interest expense, net | | | | (29.7) |
| Income before taxes | | | | <u>\$ 772.8</u> |
| Other segment disclosures: | | | | |
| Segment sales to external customers | \$ 5,694.3 | \$ 473.2 | \$ 69.7 (f) | \$ 6,237.2 |
| Depreciation, amortization, and depletion | (362.7) | (15.1) | (11.8) | (389.6) |
| Capital expenditures (g) | (433.2) | (10.2) | (25.0) | (468.4) |
| Assets | 7,197.4 | 389.8 | 1,166.6 | 8,753.8 |

- (a) The significant expense categories align with the segment-level information that is regularly provided to the CODM.
- (b) For the Packaging segment, primarily includes expense items for liner consumption, liner board discount, purchased sheets usage, medium consumption, raw materials, and hourly-employee related expenses and benefits. For the Paper segment, primarily includes expense items for raw materials, chemicals, finishing materials, repair service and materials, and hourly-employee related expenses and benefits.
- (c) For both the Packaging and Paper segments, primarily includes expense items for depreciation, salaried employee-related expenses, and professional services.
- (d) Other segment items for each reportable segment primarily include:
1. Packaging: farmout purchases, certain divisional allocations, and other expense/income items.
 2. Paper: other expense/income items.
 3. Corporate and Other: unallocated corporate costs, transportation business activity, and activity related to LTP.
- (e) The significant expense categories reported for the Packaging and Paper segments are not used for Corporate and Other in the segment-level information that is regularly reviewed by the CODM. The CODM makes resource allocation decisions for Corporate and Other based on divisional income (loss) from operations.
- (f) The Corporate and Other segment sales to external customers is presented net of total company intersegment eliminations.
- (g) Includes "Additions to property, plant, and equipment" and excludes cash used for "Acquisition of business, net of cash acquired" as reported on our Consolidated Statements of Cash Flows.

19. Commitments, Guarantees, Indemnifications and Legal Proceedings

We have financial commitments and obligations that arise in the ordinary course of our business. These include lease obligations, long-term debt, capital additions, purchase commitments for goods and services, and legal proceedings, all of which are discussed in Note 3, Leases; Note 10, Debt; and Note 19, Commitments, Guarantees, Indemnifications, and Legal Proceedings, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of our 2024 Annual Report on Form 10-K.

Guarantees and Indemnifications

We provide guarantees, indemnifications, and other assurances to third parties in the normal course of our business. These include tort indemnifications, environmental assurances, and representations and warranties in commercial agreements. At September 30, 2025, we are not aware of any material liabilities arising from any guarantee, indemnification, or financial assurance we have provided. If we determined such a liability was probable and subject to reasonable determination, we would accrue for it at that time.

DeRidder Mill Incident

Details on the legal proceedings associated with the incident at the Company's DeRidder, Louisiana mill can be found in Note 19, Commitments, Guarantees, Indemnifications, and Legal Proceedings, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of our 2024 Annual Report on Form 10-K. As of December 31, 2024, the Company had recorded a liability of \$59.2 million in "Accrued Liabilities" and a receivable of \$59.2 million in "Prepays and Other Assets" in the Consolidated Balance Sheets for the settlement amount to be paid to the plaintiffs and related insurance recovery from the Company's insurers. As of September 30, 2025, the settlement amount has been paid, and no amounts remain outstanding.

Legal Proceedings

On July 29, 2025, PCA and seven other U.S. and Canadian containerboard producers were named as defendants in a purported class action lawsuit, Artuso Pastry Foods Corp v. Packaging Corporation of America, et al, No. 1:25-cv-08856, filed in the United States District Court for the Northern District of Illinois, alleging violations of the Sherman Act and the Clayton Act. The complaint alleges that the defendants conspired to raise prices of containerboard and restrict containerboard capacity, and that the purpose and effect of the alleged conspiracy was to artificially increase prices of containerboard products during the period of November 1, 2020, to the present. The complaint was filed as a purported class action suit on behalf of all purchasers of containerboard products during such period. The complaint seeks treble damages and costs, including attorney's fees. PCA believes the allegations are without merit and will defend this lawsuit vigorously.

We are also a party to various legal actions arising in the ordinary course of our business. These legal actions include commercial liability claims, premises liability claims, and employment-related claims, among others. As of the date of this filing, we believe it is not reasonably possible that any of the legal actions against us will, either individually or in the aggregate, have a material adverse effect on our financial condition, results of operations, or cash flows.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This management's discussion and analysis includes statements regarding our expectations with respect to our future performance, expected business conditions, liquidity, and capital resources. Such statements, along with any other statements that are not historical in nature, are forward-looking. These forward-looking statements are subject to numerous risks and uncertainties, including, but not limited to, the risks and uncertainties described in our 2024 Annual Report on Form 10-K, as well as those factors listed in other documents we file with the Securities and Exchange Commission ("SEC"). We do not assume any obligation to update any forward-looking statement. Our actual results may differ materially from those contained in or implied by any of the forward-looking statements in this Form 10-Q. Please see "Forward Looking Statements" elsewhere in this Item 2.

Overview

PCA is the third largest producer of containerboard products and a leading producer of UFS paper in North America. We operate ten mills and 93 corrugated products manufacturing plants. Our containerboard mills produce linerboard and corrugating medium, which are papers primarily used in the production of corrugated products. Our corrugated products manufacturing plants produce a wide variety of corrugated packaging products, including conventional shipping containers used to protect and transport manufactured goods, multi-color boxes and displays with strong visual appeal that help to merchandise the packaged product in retail locations, and honeycomb protective packaging. In addition, we are a large producer of packaging for meat, fresh fruit and vegetables, processed food, beverages, and other industrial and consumer products. We also manufacture and sell UFS papers, including both commodity and specialty papers, which may have custom or specialized features such as colors, coatings, high brightness, and recycled content. We are headquartered in Lake Forest, Illinois and operate primarily in the United States.

On September 2, 2025, we completed the acquisition of the containerboard business of Greif, Inc. ("Greif") for \$1.8 billion in cash (the "Greif Acquisition"). The Greif containerboard business includes two containerboard mills with approximately 800,000 tons of production capacity and eight sheet feeder and corrugated plants located across the United States. The operating results of the Greif Acquisition are included in PCA's results in the Packaging segment after the date of acquisition.

Included in this Item 2 are various non-GAAP financial measures, including earnings per diluted share excluding special items, net income excluding special items, earnings before non-operating pension income, interest, income taxes, and depreciation, amortization, and depletion ("EBITDA"), segment EBITDA, EBITDA excluding special items, and segment EBITDA excluding special items. We provide important disclosures regarding our presentation of non-GAAP financial measures and reconciliations of presented non-GAAP financial measures to the most comparable measures presented in accordance with GAAP later in this section under the caption "Non-GAAP Financial Measures."

This Item 2 is intended to supplement, and should be read in conjunction with, "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our 2024 Annual Report on Form 10-K.

Executive Summary

Third quarter net sales were \$2.31 billion in 2025 and \$2.18 billion in 2024. We reported \$227 million of net income, or \$2.51 per diluted share, during the third quarter of 2025, compared to \$238 million, or \$2.64 per diluted share, during the same period in 2024. Net income included \$20 million of expense for special items in the third quarter of 2025 primarily relating to charges and costs relating to the Greif Acquisition, compared to \$1 million of expense for special items in 2024. Please see "Non-GAAP Financial Measures" elsewhere in this Item 2 for a description of special items. Excluding special items, net income was \$247 million, or \$2.73 per diluted share, during the third quarter of 2025, compared to \$239 million, or \$2.65 per diluted share, in the third quarter of 2024.¹ The increase was driven by improvement in legacy PCA's earnings by \$0.19 per share, partially offset by a loss of (\$0.11) per share for the first month of ownership of the Greif containerboard business. The results of the acquired business included approximately \$12 million of depreciation and amortization expense and \$8 million of additional interest expense, primarily from new borrowings to finance the acquisition. The increase in the earnings of the legacy PCA business was driven primarily by higher prices and mix in the Packaging segment, lower fiber costs, higher prices and mix in the Paper segment and lower maintenance outage expense. These items were partially offset by higher operating costs, lower production and sales volume in the Packaging segment, higher depreciation expense, higher freight expense, higher fixed and other expense, higher interest expense and lower production volume in the Paper segment. For additional detail on special items included in reported GAAP results and other non-GAAP measures, see "Item 2. Non-GAAP Financial Measures."

Packaging segment operating income was \$328 million in the third quarter of 2025, compared to \$321 million in the third quarter of 2024. Packaging segment EBITDA excluding special items was \$492 million in the third quarter of 2025 compared to \$446 million in the third quarter of 2024.¹ The increase in EBITDA, excluding special items, was due to higher prices and mix, lower fiber costs, and lower maintenance outage expense, partially offset by higher operating and converting costs, lower production and sales volumes, higher freight and logistics expense, and higher fixed and other expense. Prices and mix reflected our 2025 price increases for containerboard and corrugated products. Corrugated volume continued to reflect the cautious ordering patterns from customers that have persisted through most of the year. Corrugated product shipments from the legacy PCA business were down 2.7% per day and down 1.1% overall, compared to the same period in 2024. Including the acquired Greif containerboard business, shipments were up 3.7% per day and 5.3% in total. During the initial month of ownership, we took extended outages at both acquired mills to make reliability and quality improvements. These outages resulted in lower production and higher maintenance expenses.

¹ Net income excluding special items, earnings per diluted share excluding special items, and segment EBITDA excluding special items are non-GAAP financial measures. See "Non-GAAP Financial Measures" later in this Item 2.

Paper segment operating income was \$36 million in the third quarter of 2025, compared to \$39 million in the third quarter of 2024. Paper segment EBITDA excluding special items was \$40 million in the third quarter of 2025, compared to \$43 million in the third quarter of 2024.¹ The decrease in EBITDA excluding special items was primarily due to higher operating costs and lower sales and production volumes, partially offset by higher prices and mix.

Packaging segment operating income was \$952 million in the first nine months of 2025, compared to \$804 million in the same period in 2024. Packaging segment EBITDA excluding special items was \$1,354 million in the first nine months of 2025 compared to \$1,172 million in the first nine months of 2024.¹ The increase in EBITDA excluding special items was due primarily to higher prices and mix and lower fiber costs, partially offset by higher operating and converting costs, higher fixed and other costs, higher maintenance outage expenses, lower sales and production volumes, and higher freight and logistics expense.

Paper segment operating income was \$97 million in the first nine months of 2025, compared to \$95 million in the first nine months of 2024. Paper segment EBITDA excluding special items was \$111 million in the first nine months of 2025, compared to \$114 million in the same period in 2024.¹ The decrease in EBITDA excluding special items was due to higher operating costs, lower sales and production volumes and higher maintenance outage expenses, partially offset by higher prices and mix, lower fixed and other costs, and lower freight and logistics expense.

Industry and Business Conditions

Trade publications reported North American industry-wide corrugated products shipments were down (1.4%) in total and (2.9%) per workday during the third quarter of 2025 compared to the same quarter of 2024. Reported industry containerboard production decreased (3.1%) compared to the third quarter of 2024. Reported industry containerboard inventories at the end of the third quarter of 2025 were approximately 2.65 million tons, up 0.8% compared to the same period in 2024. Reported containerboard export shipments were down (8.7%) compared to the third quarter of 2024. In February 2025, reported index prices increased \$40 per ton for linerboard and for corrugating medium.

The market for communication papers competes heavily with electronic data transmission and document storage alternatives. Increasing shifts to these alternatives have reduced usage of traditional print media and communication papers. Trade publications reported North American UFS paper shipments were down (9.1%) in the first nine months of 2025, compared to the same period of 2024. Average prices reported by a trade publication for cut size office papers were flat in the third quarter of 2025, compared to the second quarter of 2025, and higher by \$40 per ton, or 2.8%, compared to the third quarter of 2024. Reported index prices increased \$30 per ton for cut size office papers and for offset printing papers in February 2025 and \$10 per ton in April 2025.

Outlook

Looking ahead to the fourth quarter, we expect higher per-day corrugated product shipments in the legacy PCA business, but we will have three less shipping days than the third quarter. Export containerboard sales are expected to be higher than the third quarter, but will be relatively low when compared to traditional fourth quarter volume. Containerboard production in the legacy PCA containerboard mills will be slightly lower than the third quarter with the maintenance outage at the DeRidder mill performed and completed during October. Due to the DeRidder outage, maintenance outage expenses will be higher in the fourth quarter. We expect prices in the Packaging segment to be lower as a result of a seasonally less rich mix. We expect seasonally higher energy and fiber costs and, on the whole, freight and other operating costs to be relatively flat.

In the Paper segment, compared to the seasonally stronger third quarter, we expect lower production and sales volumes in the fourth quarter with flat pricing.

We expect the results of operations of the acquired business to improve. We will be impacted by continued lower production and higher maintenance expenses from the Massillon mill outage that continued into October. The acquired business experiences seasonally lower volumes and mix in the corrugated business during the fourth quarter compared to the third quarter. We will benefit from a full quarter of improved operations at the Riverville mill. We expect to manage our production at the acquired mills to achieve lower containerboard inventory levels appropriate for the larger, integrated system.

Considering these items, we expect fourth quarter earnings to be lower than the third quarter of 2025.

¹ Net income excluding special items, earnings per diluted share excluding special items, and segment EBITDA excluding special items are non-GAAP financial measures. See “Non-GAAP Financial Measures” later in this Item 2.

Results of Operations

Three Months Ended September 30, 2025, compared to Three Months Ended September 30, 2024

The historical results of operations of PCA for the three months ended September 30, 2025 and 2024 are set forth below (dollars in millions):

| | Three Months Ended September 30, | | | Change |
|---|-------------------------------------|------------|----|--------|
| | 2025 | 2024 | | |
| Packaging | \$ 2,128.1 | \$ 2,008.7 | \$ | 119.4 |
| Paper | 161.2 | 159.3 | | 1.9 |
| Corporate and Other | 62.4 | 65.6 | | (3.2) |
| Intersegment eliminations | (38.3) | (51.2) | | 12.9 |
| Net sales | \$ 2,313.4 | \$ 2,182.4 | \$ | 131.0 |
| Packaging | \$ 327.5 | \$ 320.7 | \$ | 6.8 |
| Paper | 35.6 | 38.5 | | (2.9) |
| Corporate and Other | (38.6) | (32.1) | | (6.5) |
| Income from operations | \$ 324.5 | \$ 327.1 | \$ | (2.6) |
| Non-operating pension income | — | 1.2 | | (1.2) |
| Interest expense, net | (19.3) | (9.7) | | (9.6) |
| Income before taxes | 305.2 | 318.6 | | (13.4) |
| Income tax provision | (78.3) | (80.5) | | 2.2 |
| Net income | \$ 226.9 | \$ 238.1 | \$ | (11.2) |
| <i>Non-GAAP Measures (a)</i> | | | | |
| Net income excluding special items | \$ 246.7 | \$ 238.8 | \$ | 7.9 |
| Consolidated EBITDA | 477.1 | 459.8 | | 17.3 |
| Consolidated EBITDA excluding special items | 503.4 | 460.6 | | 42.8 |
| Packaging EBITDA | 471.4 | 444.8 | | 26.6 |
| Packaging EBITDA excluding special items | 491.8 | 445.6 | | 46.2 |
| Paper EBITDA | 40.1 | 43.1 | | (3.0) |
| Paper EBITDA excluding special items | 40.1 | 43.1 | | (3.0) |

(a) See “Non-GAAP Financial Measures” included in this Item 2 for a reconciliation of non-GAAP measures to the most comparable GAAP measure.

Net Sales

Net sales increased \$131 million, or 6.0%, to \$2,313 million during the three months ended September 30, 2025, compared to \$2,182 million during the same period in 2024.

Packaging. Net sales increased \$119 million, or 5.9%, to \$2,128 million, compared to \$2,009 million in the third quarter of 2024 due to higher volume related to the acquired business (\$90 million) and higher containerboard and corrugated products prices and mix (\$87 million), partially offset by lower legacy volume (\$58 million). In the third quarter of 2025, export and domestic containerboard outside shipments decreased (15.5%) compared to the third quarter of 2024. Our total corrugated products shipments from the legacy PCA business were down 2.7% per day and down 1.1% overall, compared to the same period in 2024. Including the acquired business, shipments were up 3.7% per day and 5.3% in total. In the third quarter of 2025, our domestic containerboard prices were 3.3% higher, while export prices were 3.2% higher than the same period in 2024.

Paper. Net sales increased \$2 million, or 1.2%, to \$161 million, compared to \$159 million in the third quarter of 2024, due to higher prices and mix (\$3 million), partially offset by lower volume (\$1 million).

Gross Profit

Gross profit decreased \$1 million during the three months ended September 30, 2025, compared to the same period in 2024. The slight decrease was driven primarily by higher operating costs, lower volumes in the Packaging and Paper segment, higher fixed and other expense, and higher freight expense, largely offset by higher prices and mix in the Packaging segment, lower fiber costs, higher prices and mix in the Paper segment, and lower maintenance outage expense. In the three months ended September 30, 2025, gross profit included \$19 million of special items expense related to the Greif Acquisition. In the three months ended September 30, 2024, gross profit included no significant special items.

Selling, General, and Administrative Expenses

Selling, general, and administrative expenses (“SG&A”) decreased \$8 million during the three months ended September 30, 2025, compared to the same period in 2024. The decrease was primarily due to lower employee-related expenses and bad debt, partially offset by higher depreciation related to the newly acquired business.

Other Income (Expense), Net

Other income (expense), net, for the three months ended September 30, 2025 and 2024 are set forth below (dollars in millions):

| | Three Months Ended | |
|---|--------------------|-----------|
| | September 30, | |
| | 2025 | 2024 |
| Asset disposals and write-offs | \$ (12.0) | \$ (11.4) |
| DeRidder litigation and other litigation | (3.5) | (2.0) |
| DeRidder litigation and other litigation insurance recovery | 3.5 | 2.0 |
| Facilities closure and other costs | (1.3) | (0.3) |
| Acquisition and integration-related costs | (5.9) | — |
| Other | (6.3) | (4.4) |
| Total | \$ (25.5) | \$ (16.1) |

We discuss these items in more detail in Note 6, Other Income (Expense), Net, of the Condensed Notes to Unaudited Quarterly Consolidated Financial Statements in “Part I, Item 1. Financial Statements” of this Form 10-Q.

Income from Operations

Income from operations decreased \$3 million, or (0.8%), during the three months ended September 30, 2025, compared to the same period in 2024. The third quarter of 2025 included \$26 million of special items expense related to the Greif Acquisition and corrugated facility closures, compared to \$1 million of special items expense related to corrugated products facilities closure costs in the third quarter of 2024.

Packaging. Packaging segment operating income increased \$7 million to \$328 million, compared to \$321 million during the three months ended September 30, 2024. The increase related primarily to higher containerboard and corrugated products prices and mix (\$87 million), lower fiber costs (\$20 million), and lower maintenance outage expenses (\$1 million), partially offset by higher operating and converting costs (\$35 million), lower sales and production volumes (\$20 million), higher depreciation expense (\$8 million), higher freight expenses (\$8 million), higher fixed and other expense (\$5 million) and the impact of newly acquired Greif operations (\$5 million). The third quarter of 2025 included \$20 million of special items expense related to the Greif Acquisition and corrugated facility closures, compared to \$1 million of special items expense related to corrugated products facility costs in the third quarter of 2024.

Paper. Paper segment operating income decreased \$3 million to \$36 million, compared to \$39 million during the three months ended September 30, 2024. The decrease primarily related to higher operating costs (\$4 million), lower volumes (\$1 million), and higher fixed and other expense (\$1 million), partially offset by higher prices and mix (\$3 million). There were no significant special items in the third quarter of 2025 or 2024.

Non-Operating Pension Income, Interest Expense, Net and Income Taxes

Non-operating pension income decreased \$1 million during the three months ended September 30, 2025, compared to the same period in 2024. The decrease in non-operating pension income was related to unfavorable 2024 asset performance partially offset by favorable assumption changes.

Interest expense, net for the three months ended September 30, 2025 increased \$10 million when compared to the same period in 2024. The increase in interest expense, net was primarily due to higher interest expense in 2025 as a result of the Company’s financing for the Greif Acquisition and the November 2023 debt refinancing.

During the three months ended September 30, 2025, we recorded \$78 million of income tax expense, compared to \$81 million of expense during the three months ended September 30, 2024. The effective tax rate for the three months ended September 30, 2025 and 2024 was 25.6% and 25.3%, respectively. The increase in our effective tax rate for the three months ended September 30, 2025 compared to the same period in 2024 was primarily due to lower estimated federal tax credits and higher nondeductible employee remuneration paid to covered employees.

On July 4, 2025, the President signed into law H.R.1, the One Big Beautiful Bill Act (“OBBBA”). For additional information regarding the impact of the OBBBA, see Note 7, Income Taxes, of the Condensed Notes to Unaudited Quarterly Consolidated Financial Statements in “Part I, Item 1. Financial Statements” of this Form 10-Q.

Nine Months Ended September 30, 2025, compared to Nine Months Ended September 30, 2024

The historical results of operations of PCA for the nine months ended September 30, 2025 and 2024 are set forth below (dollars in millions):

| | Nine Months Ended September 30, | | Change |
|---|------------------------------------|-------------------|-----------------|
| | 2025 | 2024 | |
| Packaging | \$ 6,104.4 | \$ 5,715.3 | \$ 389.1 |
| Paper | 461.2 | 473.2 | (12.0) |
| Corporate and Other | 177.2 | 189.2 | (12.0) |
| Intersegment eliminations | (117.1) | (140.5) | 23.4 |
| Net sales | <u>\$ 6,625.7</u> | <u>\$ 6,237.2</u> | <u>\$ 388.5</u> |
| Packaging | \$ 952.0 | \$ 804.3 | \$ 147.7 |
| Paper | 96.9 | 94.9 | 2.0 |
| Corporate and Other | (110.4) | (100.1) | (10.3) |
| Income from operations | \$ 938.5 | \$ 799.1 | \$ 139.4 |
| Non-operating pension income | — | 3.4 | (3.4) |
| Interest expense, net | (45.2) | (29.7) | (15.5) |
| Income before taxes | 893.3 | 772.8 | 120.5 |
| Income tax provision | (221.0) | (188.8) | (32.2) |
| Net income | <u>\$ 672.3</u> | <u>\$ 584.0</u> | <u>\$ 88.3</u> |
| <i>Non-GAAP Measures (a)</i> | | | |
| Net income excluding special items | \$ 679.1 | \$ 592.0 | \$ 87.1 |
| Consolidated EBITDA | 1,369.7 | 1,188.7 | 181.0 |
| Consolidated EBITDA excluding special items | 1,375.3 | 1,197.8 | 177.5 |
| Packaging EBITDA | 1,355.9 | 1,167.0 | 188.9 |
| Packaging EBITDA excluding special items | 1,354.0 | 1,171.8 | 182.2 |
| Paper EBITDA | 110.7 | 110.0 | 0.7 |
| Paper EBITDA excluding special items | 110.7 | 114.3 | (3.6) |

(a) See “Non-GAAP Financial Measures” included in this Item 2 for a reconciliation of non-GAAP measures to the most comparable GAAP measure.

Net Sales

Net sales increased \$389 million, or 6.2%, to \$6,626 million during the nine months ended September 30, 2025, compared to \$6,237 million during the same period in 2024.

Packaging. Net sales increased \$389 million, or 6.8%, to \$6,104 million, compared to \$5,715 million in the nine months ended September 30, 2024, due to higher containerboard and corrugated products prices and mix (\$298 million), higher volume related to the acquired business (\$90 million), and higher legacy volume (\$1 million). In the first nine months of 2025, export and domestic containerboard outside shipments decreased (5.5%) compared to the first nine months of 2024. Corrugated products shipments from the legacy PCA business were up 0.4% per day and in total, compared to the same period in 2024. Including the acquired business, shipments were up 2.7% per day and in total. In the first nine months of 2025, our domestic containerboard prices were 5.6% higher, while export prices were 8.7% higher, than the same period in 2024.

Paper. Net sales during the nine months ended September 30, 2025 decreased \$12 million, or (2.5%), to \$461 million, compared to \$473 million in the nine months ended September 30, 2024, due to lower volume (\$21 million), partially offset by higher prices and mix (\$9 million).

Gross Profit

Gross profit increased \$129 million during the nine months ended September 30, 2025, compared to the same period in 2024. The increase was driven primarily by higher prices and mix in the Packaging and Paper segments and lower fiber costs, partially offset by higher operating costs, higher fixed and other expense, higher maintenance outage expense, lower volume in the Packaging and Paper Segments, and higher freight expense. In the nine months ended September 30, 2025, gross profit included \$23 million of special items expense related to the Greif Acquisition and corrugated facility closures. In the nine months ended September 30, 2024, gross profit included \$2 million of special items expense primarily related to Jackson mill conversion-related activities.

Selling, General, and Administrative Expenses

Selling, general, and administrative expenses (“SG&A”) increased \$6 million during the nine months ended September 30, 2025, compared to the same period in 2024. The increase was primarily due to higher employee-related expenses and higher depreciation related to the newly acquired business, partially offset by lower bad debt expense.

Other Income (Expense), Net

Other income (expense), net, for the nine months ended September 30, 2025 and 2024 are set forth below (dollars in millions):

| | Nine Months Ended | |
|---|--------------------------|------------------|
| | September 30, | |
| | 2025 | 2024 |
| Asset disposals and write-offs | \$ (30.8) | \$ (26.9) |
| Facilities closure and other income (costs) | 21.6 | (0.3) |
| DeRidder litigation and other litigation | (3.5) | (127.7) |
| DeRidder litigation and other litigation insurance recovery | 3.5 | 127.7 |
| Acquisition and integration-related costs | (7.5) | — |
| Jackson mill conversion-related activities | — | (7.6) |
| Other | (18.0) | (16.2) |
| Total | <u>\$ (34.7)</u> | <u>\$ (51.0)</u> |

We discuss these items in more detail in Note 6, Other Income (Expense), Net, of the Condensed Notes to Unaudited Quarterly Consolidated Financial Statements in “Part I, Item 1. Financial Statements” of this Form 10-Q.

Income from Operations

Income from operations increased \$139 million, or 17.4%, during the nine months ended September 30, 2025, compared to the same period in 2024. The first nine months of 2025 included \$9 million of special items expense related to the Greif Acquisition and corrugated facility closures, partially offset by income related to gains on sales of corrugated products facilities, compared to \$11 million of expense related to Jackson mill conversion-related costs and corrugated facility closure costs in the same period in 2024.

Packaging. Packaging segment operating income increased \$148 million to \$952 million during the first nine months of 2025, compared to the same period last year. The increase related primarily to higher containerboard and corrugated products prices and mix (\$305 million), and lower fiber costs (\$47 million), partially offset by higher operating and converting costs (\$106 million), higher depreciation expense (\$26 million), higher fixed and other costs (\$26 million), higher maintenance outage expenses (\$23 million), lower sales and production volumes (\$12 million), higher freight expense (\$9 million), and the impact of newly acquired Greif operations (\$5 million). Special items during the first nine months of 2025 included \$2 million of expense related to the Greif Acquisition and corrugated facility closures, partially offset by income related to gains on sales of corrugated products facilities, compared to \$5 million of expense related to Jackson mill conversion-related activities and corrugated facility closure costs in the same period in 2024.

Paper. Paper segment operating income increased \$2 million to \$97 million, compared to the nine months ended September 30, 2024. The increase primarily related to higher prices and mix (\$9 million), lower fixed and other expenses (\$1 million), and lower freight expense (\$1 million), partially offset by higher operating costs (\$7 million), lower sales and production volumes (\$6 million), higher fiber costs (\$2 million), and higher maintenance outage expenses (\$1 million). Additional benefit was due to no significant special items during the first nine months of 2025, compared to \$6 million of expense related to Jackson mill conversion-related activities in the same period in 2024.

Non-Operating Pension Income, Interest Expense, and Income Taxes

Non-operating pension income decreased \$3 million during the nine months ended September 30, 2025, compared to the same period in 2024. The decrease in non-operating pension income was related to unfavorable 2024 asset performance partially offset by favorable assumption changes.

Interest expense, net increased \$16 million during the nine months ended September 30, 2025, compared to the same period in 2024. The increase in interest expense, net was primarily due to higher interest expense in 2025 as a result of the Company’s financing for the Greif Acquisition and the November 2023 debt refinancing and lower interest income as a result of lower interest rates on lower cash balances due to the Greif Acquisition.

During the nine months ended September 30, 2025, we recorded \$221 million of income tax expense, compared to \$189 million of expense during the nine months ended September 30, 2024. The effective tax rate for the nine months ended September 30, 2025 and 2024 was 24.7% and 24.4%, respectively. The increase in our effective tax rate for the nine months ended September 30, 2025 compared to the same period in 2024 was primarily due to lower excess tax benefits associated with employee restricted stock and performance unit vests and less favorable state law changes.

Liquidity and Capital Resources

Sources and Uses of Cash

Our primary sources of liquidity are net cash provided by operating activities and available borrowing capacity under our revolving credit facility. At September 30, 2025, we had \$634 million of cash and cash equivalents, \$172 million of marketable debt securities, and \$573 million of unused borrowing capacity under the revolving credit facility, net of letters of credit.

On July 31, 2025, the Company entered into two credit agreements (the “Commercial Credit Agreement” and the “Farm Credit Agreement,” collectively, the “Credit Agreements”). The Commercial Credit Agreement includes a \$500 million three-year unsecured term loan facility and a \$600 million unsecured revolving credit facility. The Farm Credit Agreement includes a \$500 million seven-year unsecured term loan facility. The Credit Agreements were fully drawn upon on September 2, 2025. Additionally, on August 11, 2025, we issued \$500 million of 5.20% senior notes due 2035 through a registered public offering and used the net proceeds received from this issuance, together with the net proceeds from our term loan facilities and cash on hand, to finance the Greif Acquisition. For more information on the Greif Acquisition financing, see Note 12, Debt, of the Condensed Notes to Unaudited Quarterly Consolidated Financial Statements in “Part I, Item 1. Financial Statements” of this Form 10-Q as well as the information provided below under “—Financing Activities” for further information. For more information on the Greif Acquisition, see Note 4, Acquisitions, of the Condensed Notes to Unaudited Quarterly Consolidated Financial Statements in “Part I, Item 1. Financial Statements” of this Form 10-Q as well as the information provided below under “—Investing Activities” for further information.

Currently, our primary uses of cash are for operations, capital expenditures, acquisitions, debt service, common stock dividends, and repurchases of common stock. We believe that net cash generated from operating activities, cash on hand, available borrowings under our revolving credit facility, and available capital through access to capital markets will be adequate to meet our liquidity and capital requirements, including payments of any declared common stock dividends, for the foreseeable future. As our debt or credit facilities become due, we will need to repay, extend, or replace such facilities. Our ability to do so will be subject to future economic conditions and financial, business, and other factors, many of which are beyond our control.

Below is a summary table of our cash flows, followed by a discussion of our sources and uses of cash through operating activities, investing activities, and financing activities (dollars in millions):

| | Nine Months Ended September 30, | | Change |
|--|------------------------------------|----------|-----------|
| | 2025 | 2024 | |
| Net cash provided by (used for): | | | |
| Operating activities | \$ 1,110.9 | \$ 865.8 | \$ 245.1 |
| Investing activities | (2,287.4) | (74.5) | (2,212.9) |
| Financing activities | 1,125.5 | (762.7) | 1,888.2 |
| Net (decrease) increase in cash and cash equivalents | \$ (51.0) | \$ 28.6 | \$ (79.6) |

Operating Activities

Our operating cash flow is primarily driven by our earnings and changes in operating assets and liabilities, such as accounts receivable, inventories, accounts payable and other accrued liabilities, as well as factors described below. Cash requirements for operating activities are subject to PCA’s operating needs and the timing of collection of receivables and payments of payables and expenses.

During the nine months ended September 30, 2025, net cash provided by operating activities was \$1,111 million, compared to \$866 million in the same period in 2024, an increase of \$245 million. Cash from operations excluding changes in cash used for operating assets and liabilities increased \$240 million primarily due to higher deferred income tax liabilities and higher income from operations in 2025. Cash from operations increased by \$5 million when comparing the first nine months of 2025 to the same period in 2024 due to changes in operating assets and liabilities primarily due to the following:

- a net favorable change in prepaid expenses and other current assets primarily related to the establishment of a receivable for the DeRidder trial and related insurance recoveries during the first nine months of 2024 and reduction of receivables against insurance carriers during the first nine months of 2025 related to the DeRidder settlement and settlement of other litigation;
- a net favorable change in accounts receivable due to a smaller increase in Packaging segment accounts receivable levels during the first nine months of 2025 compared to the same period in 2024 primarily related to higher prices and sales volumes in 2024, partially offset by a stronger increase in Paper segment accounts receivable levels during the first nine months of 2025 compared to the same period in 2024 primarily related to an increase in days sales outstanding in 2025; and
- a net favorable change in inventories resulting from a stronger increase in Packaging segment inventory levels during the first nine months of 2024 compared to the same period in 2025 due to rising volume and certain customer inventory on hand requirements, partially offset by higher Paper segment inventory levels during the first nine months of 2025 compared to the same period in 2024 due to reduced production during the first nine months of 2024.

These favorable changes were partially offset by the following:

- a net unfavorable change in accrued liabilities predominantly related to the establishment of an accrued liability for the DeRidder trial in the first nine months of 2024 and reduction of accrued liabilities during the same period in 2025 related to the DeRidder settlement

and settlement of other litigation;

- e) a net unfavorable change in income taxes during the first nine months of 2025 compared to the same period in 2024 due to an increase in income tax receivables in 2025 primarily related to the reduction of taxable income during the third quarter of 2025 as a result of the bonus depreciation taken on assets acquired as part of the Greif Acquisition; and
- f) a net unfavorable change in accounts payable primarily related to a smaller increase in Packaging accounts payable levels during the first nine months of 2025 compared to the same period in 2024.

Investing Activities

We used \$2,287 million for investing activities during the nine months ended September 30, 2025 compared to \$75 million during the same period in 2024. We spent \$510 million for internal capital investments during the nine months ended September 30, 2025, compared to \$468 million during the same period in 2024. In September 2025, we completed the Greif Acquisition for a purchase price of \$1,804 million, net of cash acquired.

In September 2024, we received \$400 million in net proceeds from the maturity of our investments in time deposits, which were used to repay our 3.65% senior notes that were due on September 15, 2024.

We expect capital investments in 2025 to be approximately \$800 million. These expenditures could increase or decrease as a result of a number of factors, including our financial results, strategic opportunities, future economic conditions, and our regulatory compliance requirements. We currently estimate capital expenditures to comply with environmental regulations will be about \$24 million in 2025. Our estimated environmental expenditures could vary significantly depending upon the enactment of new environmental laws and regulations. For additional information, see “Environmental Matters” in “Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” of our 2024 Annual Report on Form 10-K.

Financing Activities

During the nine months ended September 30, 2025, net cash provided by financing activities was \$1,126 million, compared to \$763 million of net cash used for financing activities during the same period in 2024. We paid \$337 million of dividends during the first nine months of both 2025 and 2024. In addition, we withheld shares to cover \$23 million of employee restricted stock taxes during the first nine months of 2025 compared to \$25 million of employee restricted stock taxes withheld during the same period in 2024. We did not have any repurchases and retirements of the Company’s common stock during both the nine month periods ended September 30, 2025 and 2024.

On July 31, 2025, the Company entered into two credit agreements (the “Commercial Credit Agreement” and the “Farm Credit Agreement,” collectively, the “Credit Agreements”). The Commercial Credit Agreement includes a \$500 million three-year unsecured term loan facility and a \$600 million unsecured revolving credit facility. The Farm Credit Agreements includes a \$500 million seven-year unsecured term loan facility. The Credit Agreements were fully drawn upon on September 2, 2025. Additionally, on August 11, 2025, we issued \$500 million of 5.20% senior notes due 2035 through a registered public offering and used the net proceeds received from this issuance, together with the net proceeds from our term loan facilities and cash on hand, to finance the Greif Acquisition. The net proceeds received from these financing activities were \$1,494 million.

We paid \$7 million of issuance costs, excluding lender fees, related to the Greif Acquisition financing, which includes \$3 million for the bridge loan, \$2 million for the Credit Agreements, and \$2 million for the 5.20% senior notes due 2035.

On September 15, 2024, we used the net proceeds received from the November 2023 offering of the 5.70% senior notes due 2033 and cash on hand to repay our outstanding 3.65% senior notes due 2024. The repayment of the old 3.65% notes was \$400 million excluding accrued interest.

In addition to the items discussed in Note 12, Debt, of the Condensed Notes to Unaudited Quarterly Consolidated Financial Statements in “Part I, Item 1. Financial Statements” of this Form 10-Q, see Note 10, Debt, of the Notes to Consolidated Financial Statements in “Part II, Item 8. Financial Statements and Supplementary Data” of our 2024 Annual Report on Form 10-K for more information.

Contractual Obligations

There have been no material changes to the contractual obligations disclosed in Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of our 2024 Annual Report on Form 10-K.

Non-GAAP Financial Measures

Earnings per diluted share excluding special items, net income excluding special items, EBITDA, segment EBITDA, EBITDA excluding special items, and segment EBITDA excluding special items are non-GAAP financial measures. Management excludes special items, as it believes that these items are not necessarily reflective of the ongoing operations of our business. These measures are presented because they provide a means to evaluate the performance of our segments and our Company on an ongoing basis using the same measures that are used by our management, because these measures assist in providing a meaningful comparison between periods and because these measures are frequently used by investors and other interested parties in the evaluation of companies and the performance of their segments. Any analysis of non-GAAP financial measures should be done in conjunction with results presented in accordance with GAAP. The non-GAAP measures are not intended to be substitutes for GAAP financial measures and should not be used as such. Reconciliations of the non-GAAP measures to the most comparable measure reported in accordance with GAAP are detailed below.

The following table reconciles earnings per diluted share to earnings per diluted share excluding special items for the periods indicated (dollars in millions):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|-------------------------------------|---------|------------------------------------|---------|
| | 2025 | 2024 | 2025 | 2024 |
| Earnings per diluted share, as reported in accordance with GAAP | \$ 2.51 | \$ 2.64 | \$ 7.45 | \$ 6.48 |
| Special items: | | | | |
| Facilities closure and other costs (income) (a) | 0.01 | 0.01 | (0.15) | 0.01 |
| Acquisition and integration-related costs (b) | 0.21 | — | 0.22 | — |
| Jackson mill conversion-related activities (c) | — | — | — | 0.08 |
| Total special items | 0.22 | 0.01 | 0.07 | 0.09 |
| Earnings per diluted share, excluding special items | \$ 2.73 | \$ 2.65 | \$ 7.52 | \$ 6.57 |

- (a) For the three and nine months ended September 30, 2025, includes \$1.3 million of charges and \$17.5 million of income, respectively, related to the closure of certain corrugated products facilities. For the three months ended September 30, 2025, the charges were partially offset by a gain on an asset disposal related to a closed corrugated products facility. For the nine months ended September 30, 2025, the charges were completely offset by gains on sales of corrugated products facilities during the second quarter of 2025. For the three and nine months ended September 30, 2024, includes \$0.9 million and \$1.0 million of charges, respectively, consisting of closure costs related to corrugated products facilities. For the nine months ended September 30, 2024, these charges were partially offset by income primarily related to a favorable lease buyout for a closed corrugated products facility during the first quarter of 2024.
- (b) For the three months and nine months ended September 30, 2025, includes \$25.0 million and \$26.6 million, respectively, of charges and costs related to the September 2025 Greif Acquisition, including step-up of acquired inventory, integration-related expenses and transaction expenses.
- (c) For the nine months ended September 30, 2024, includes \$9.7 million of charges related to the announced discontinuation of production of UFS paper grades on the No. 3 machine at the Jackson, Alabama mill associated with the permanent conversion of the machine to produce linerboard and other paper-to-containerboard conversion related activities.

The following tables reconcile net income to net income excluding special items for the periods indicated (dollars in millions):

| | Three Months Ended September 30, | | | | | |
|---|----------------------------------|-----------------|---------------|---------------------------|-----------------|---------------|
| | 2025 | | | 2024 | | |
| | Income before Taxes | Income Taxes | Net Income | Income before Taxes | Income Taxes | Net Income |
| As reported in accordance with GAAP | \$ 305.2 | \$ (78.3) | \$ 226.9 | \$ 318.6 | \$ (80.5) | \$ 238.1 |
| Special items: | | | | | | |
| Facilities closure and other costs (d) | 1.3 | (0.3) | 1.0 | 0.9 | (0.2) | 0.7 |
| Acquisition and integration-related costs (e) | 25.0 | (6.2) | 18.8 | — | — | — |
| Total special items | 26.3 | (6.5) | 19.8 | 0.9 | (0.2) | 0.7 |
| Excluding special items | \$ 331.5 | \$ (84.8) | \$ 246.7 | \$ 319.5 | \$ (80.7) | \$ 238.8 |

| | Nine Months Ended September 30, | | | | | |
|---|---------------------------------|-------------------|-----------------|---------------------------|-------------------|-----------------|
| | 2025 | | | 2024 | | |
| | Income before Taxes | Income Taxes | Net Income | Income before Taxes | Income Taxes | Net Income |
| As reported in accordance with GAAP | \$ 893.3 | \$ (221.0) | \$ 672.3 | \$ 772.8 | \$ (188.8) | \$ 584.0 |
| Special items: | | | | | | |
| Facilities closure and other (income) costs (d) | (17.5) | 4.3 | (13.2) | 1.0 | (0.3) | 0.7 |
| Acquisition and integration-related costs (e) | 26.6 | (6.6) | 20.0 | — | — | — |
| Jackson mill conversion-related activities (f) | — | — | — | 9.7 | (2.4) | 7.3 |
| Total special items | 9.1 | (2.3) | 6.8 | 10.7 | (2.7) | 8.0 |
| Excluding special items | <u>\$ 902.4</u> | <u>\$ (223.3)</u> | <u>\$ 679.1</u> | <u>\$ 783.5</u> | <u>\$ (191.5)</u> | <u>\$ 592.0</u> |

(d) For the three and nine months ended September 30, 2025, includes charges of closure costs related to corrugated products facilities. For the three months ended September 30, 2025, the charges were partially offset by a gain on an asset disposal related to a closed corrugated products facility. For the nine months ended September 30, 2025, these charges were completely offset by gains from the sales of corrugated products facilities during the second quarter of 2025. For the three and nine months ended September 30, 2024, includes charges consisting of closure costs related to corrugated products facilities. For the nine months ended September 30, 2024, these charges were partially offset by income primarily related to a favorable lease buyout for a closed corrugated products facility during the first quarter of 2024.

(e) Includes acquisition and integration costs related to the September 2025 Greif Acquisition.

(f) Includes items related to the announced discontinuation of production of UFS paper grades on the No. 3 machine at the Jackson, Alabama mill associated with the permanent conversion of the machine to produce linerboard and other paper-to-containerboard conversion related activities.

The following table reconciles net income to EBITDA and EBITDA excluding special items for the periods indicated (dollars in millions):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|-------------------------------------|-----------------|------------------------------------|-------------------|
| | 2025 | 2024 | 2025 | 2024 |
| Net income | \$ 226.9 | \$ 238.1 | \$ 672.3 | \$ 584.0 |
| Non-operating pension income | — | (1.2) | — | (3.4) |
| Interest expense, net | 19.3 | 9.7 | 45.2 | 29.7 |
| Income tax provision | 78.3 | 80.5 | 221.0 | 188.8 |
| Depreciation, amortization, and depletion | 152.6 | 132.7 | 431.2 | 389.6 |
| EBITDA | <u>\$ 477.1</u> | <u>\$ 459.8</u> | <u>\$ 1,369.7</u> | <u>\$ 1,188.7</u> |
| Special items: | | | | |
| Facilities closure and other costs (income) | 1.3 | 0.8 | (21.0) | 0.8 |
| Acquisition and integration-related costs | 25.0 | — | 26.6 | — |
| Jackson mill conversion-related activities | — | — | — | 8.3 |
| Total special items | 26.3 | 0.8 | 5.6 | 9.1 |
| EBITDA excluding special items | <u>\$ 503.4</u> | <u>\$ 460.6</u> | <u>\$ 1,375.3</u> | <u>\$ 1,197.8</u> |

The following table reconciles segment operating income (loss) to segment EBITDA and segment EBITDA excluding special items for the periods indicated (dollars in millions):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|-------------------------------------|-----------|------------------------------------|------------|
| | 2025 | 2024 | 2025 | 2024 |
| Packaging | | | | |
| Segment operating income | \$ 327.5 | \$ 320.7 | \$ 952.0 | \$ 804.3 |
| Depreciation, amortization, and depletion | 143.9 | 124.1 | 403.9 | 362.7 |
| EBITDA | 471.4 | 444.8 | 1,355.9 | 1,167.0 |
| Facilities closure and other costs (income) | 1.3 | 0.8 | (21.0) | 0.8 |
| Acquisition and integration-related costs | 19.1 | — | 19.1 | — |
| Jackson mill conversion-related activities | — | — | — | 4.0 |
| EBITDA excluding special items | \$ 491.8 | \$ 445.6 | \$ 1,354.0 | \$ 1,171.8 |
| Paper | | | | |
| Segment operating income | \$ 35.6 | \$ 38.5 | \$ 96.9 | \$ 94.9 |
| Depreciation, amortization, and depletion | 4.5 | 4.6 | 13.8 | 15.1 |
| EBITDA | 40.1 | 43.1 | 110.7 | 110.0 |
| Jackson mill conversion-related activities | — | — | — | 4.3 |
| EBITDA excluding special items | \$ 40.1 | \$ 43.1 | \$ 110.7 | \$ 114.3 |
| Corporate and Other | | | | |
| Segment operating loss | \$ (38.6) | \$ (32.1) | \$ (110.4) | \$ (100.1) |
| Depreciation, amortization, and depletion | 4.2 | 4.0 | 13.5 | 11.8 |
| EBITDA | (34.4) | (28.1) | (96.9) | (88.3) |
| Acquisition and integration-related costs | 5.9 | — | 7.5 | — |
| EBITDA excluding special items | \$ (28.5) | \$ (28.1) | \$ (89.4) | \$ (88.3) |

Market Risk and Risk Management Policies

PCA is exposed to the impact of commodity price changes, interest rate changes, and changes in the market value of its financial instruments. To manage these risks, we may from time to time enter into transactions, including certain physical commodity transactions, that are determined to be derivatives. As of September 30, 2025, we are party to certain physical commodity transactions related to natural gas supply contracts. These contracts qualify for the normal purchase normal sale ("NPNS") exception, and we have elected that exception. For a discussion of derivatives and hedging activities, see Note 2, Summary of Significant Account Policies, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of our 2024 Annual Report on Form 10-K.

The interest rates on approximately 75% of PCA's debt are fixed. A one percent increase in interest rates related to variable-rate debt would have resulted in an increase in interest expense and a corresponding decrease in income before taxes of approximately \$10 million annually.

Off-Balance-Sheet Activities

The Company does not have any off-balance sheet arrangements as of September 30, 2025.

Environmental Matters

There have been no material changes to the disclosure set forth in Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations - Environmental Matters" filed with our 2024 Annual Report on Form 10-K.

Critical Accounting Policies and Estimates

Management's discussion and analysis of financial condition and results of operations are based upon the Company's consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities. On an ongoing basis, PCA evaluates its estimates, including those related to business combinations, pensions and other postretirement benefits, goodwill and intangible assets, long-lived asset impairment, environmental liabilities, and income taxes, among others. PCA bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

PCA has included in its 2024 Annual Report on Form 10-K a discussion of its critical accounting policies and estimates which require management's most difficult, subjective, or complex judgments used in the preparation of its consolidated financial statements. Based on management's evaluation, except as discussed below there have not been any changes to these critical accounting estimates during the first nine months of 2025.

Business Combinations

From time to time, we may enter into material business combinations. We allocate the total purchase price of a business combination to the assets acquired and the liabilities assumed based on their estimated fair values at the acquisition date, with the excess purchase price recorded as goodwill. The acquisition method of accounting requires us to make significant estimates and assumptions regarding the fair values of the elements of a business combination as of the date of acquisition, including the fair values (fair value is determined using the income approach, cost approach and/or market approach) of inventory, property, plant, and equipment, identifiable intangible assets, deferred tax asset valuation allowances, and liabilities related to uncertain tax positions, among others. This method also requires us to refine these estimates over a measurement period not to exceed one year to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the measurement of the amounts recognized as of that date. If we are required to retroactively adjust provisional amounts that we have recorded for the fair values of assets and liabilities in connection with acquisitions, these adjustments could have a material impact on our financial condition and results of operations. Additionally, we expense any acquisition-related costs as incurred in connection with each business combination.

Significant estimates and assumptions in estimating the fair value of customer relationships and other identifiable intangible assets include future cash flows that we expect to generate from the acquired assets. If the subsequent actual results and updated projections of the underlying business activity change compared with the assumptions and projections used to develop these values, we could record impairment charges. In addition, we have estimated the economic lives of certain acquired assets and these lives are used to calculate depreciation and amortization expense. If our estimates of the economic lives change, depreciation or amortization expenses could be increased or decreased.

New and Recently Adopted Accounting Standards

For a listing of our new and recently adopted accounting standards, see Note 2, New and Recently Adopted Accounting Standards, of the Condensed Notes to Unaudited Quarterly Consolidated Financial Statements in "Part I, Item 1. Financial Statements" of this Form 10-Q.

Forward-Looking Statements

Some of the statements in this Quarterly Report on Form 10-Q, and in particular, statements found in this Management's Discussion and Analysis of Financial Condition and Results of Operations, that are not historical in nature are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements about our expectations regarding our future liquidity, earnings, expenditures, and financial condition. These statements are often identified by the words "will," "should," "anticipate," "believe," "expect," "intend," "estimate," "hope," or similar expressions. These statements reflect management's current views with respect to future events and are subject to risks and uncertainties. There are important factors that could cause actual results to differ materially from those in forward-looking statements, many of which are beyond our control. These factors, risks and uncertainties include the following:

- the impact of general economic conditions;
- the impact of acquired businesses and risks and uncertainties regarding operation, expected benefits and integration of such businesses;
- containerboard, corrugated products, and white paper general industry conditions, including competition, product demand, product pricing, and input costs;
- fluctuations in wood fiber and recycled fiber costs;
- fluctuations in purchased energy costs;
- the possibility of unplanned outages or interruptions at our principal facilities; and
- governmental, legislative or regulatory actions or requirements, particularly concerning environmental or tax matters or trade policy.

Our actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements, and accordingly, we can give no assurances that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do occur, what impact they will have on our results of operations or financial condition. Given these uncertainties, investors are cautioned not to place undue reliance on these forward-looking statements. We expressly disclaim any obligation to publicly revise any forward-looking statements that have been made to reflect the occurrence of events after the date hereof. For a discussion of other factors, risks and uncertainties that may affect our business, see Item 1A. Risk Factors included in our Annual Report on Form 10-K for the year ended December 31, 2024.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For a discussion of market risks related to PCA, see Part I, Item 2, “Management’s Discussion and Analysis of Financial Condition and Results of Operations - Market Risk and Risk Management Policies” in this Quarterly Report on Form 10-Q.

Item 4. CONTROLS AND PROCEDURES

PCA maintains disclosure controls and procedures (as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934) that are designed to provide reasonable assurance that information required to be disclosed in PCA’s filings under the Securities Exchange Act is recorded, processed, summarized and reported within the periods specified in the rules and forms of the SEC and that such information is accumulated and communicated to PCA’s management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Prior to filing this report, PCA completed an evaluation under the supervision and with the participation of PCA’s management, including PCA’s Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of PCA’s disclosure controls and procedures as of September 30, 2025. The evaluation of PCA’s disclosure controls and procedures included a review of the controls’ objectives and design, PCA’s implementation of the controls, and the effect of the controls on the information generated for use in this report. Based on this evaluation, PCA’s Chief Executive Officer and Chief Financial Officer concluded that PCA’s disclosure controls and procedures were effective at the reasonable assurance level as of September 30, 2025.

Changes in Internal Control over Financial Reporting

On September 2, 2025, we completed the acquisition of the containerboard business of Greif, Inc. We are currently in the process of evaluating and integrating Greif’s controls over financial reporting which may result in changes or additions to PCA’s internal control over financial reporting. Under guidelines established by the SEC, companies are permitted to exclude acquisitions from their assessment of internal control over financial reporting during the first year of an acquisition while integrating the acquired company. We excluded Greif from the assessment of internal control over financial reporting at September 30, 2025.

Except as may relate to the integration of the Greif acquisition, there were no other changes in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that occurred during the most recent fiscal quarter ended September 30, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. As of the quarter ended September 30, 2025, Greif accounted for approximately 18% of the Company’s consolidated total assets. For the three and nine months ended September 30, 2025, Greif accounted for approximately 4% and 1% of the Company’s consolidated net sales, respectively.

PART II OTHER INFORMATION

Item 1. **LEGAL PROCEEDINGS**

The disclosure set forth under the caption “Legal Proceedings” in Note 19, Commitments, Guarantees, Indemnifications and Legal Proceedings, of the Condensed Notes to Unaudited Quarterly Consolidated Financial Statements in “Part I, Item 1. Financial Statements” of this Form 10-Q is incorporated herein by reference.

Item 1A. **RISK FACTORS**

Please refer to Item 1A. in PCA’s Annual Report on Form 10-K for the year ended December 31, 2024 for a discussion of risks to which PCA’s business, financial condition, results of operations and cash flows are subject. The following are additional risk factors as a result of the Greif Acquisition.

The Greif containerboard business may underperform relative to our expectations, and we may not be able to successfully integrate the business into our existing business.

We completed the Greif Acquisition on September 2, 2025. The business may underperform relative to our expectations, which may cause our financial results to differ from our own or the investment community’s expectations. We are in the early stages of integrating the acquired business into our business, and are expending considerable time and resources on the integration. There may be substantial difficulties, costs and delays involved in this integration and the integration process could result in the diversion of our management’s attention from our existing business.

We are relying on the Seller to provide transition services to us for key functions of the acquired business, including accounting, information technology systems and support, purchasing and other services. We will be required to implement our own systems at the acquired business to perform these functions and exit the transition services agreement during the next year. We may experience delays or higher than expected costs in connection with these activities. We may face challenges in running the acquired business and achieving expected benefits from the acquisition if we experience difficulties in the implementation of our systems.

If the Greif containerboard business underperforms relative to our expectations, or if we fail to successfully integrate the business or experience difficulties in implementing our systems into the acquired business, it may have a material adverse effect on our business, financial condition and results of operations.

Increased leverage may harm our financial condition and results of operations.

We materially increased our indebtedness in connection with our acquisition of the Greif containerboard business from \$2.48 billion as of the end of the second quarter to approximately \$3.97 billion after the acquisition. We and our subsidiaries may incur additional indebtedness in the future. This increase and any future increase in our level of indebtedness will have several important effects on our future operations, including, without limitation:

- we will have additional cash requirements in order to support the payment of interest on our outstanding indebtedness;
- increases in our outstanding indebtedness and leverage may increase our vulnerability to adverse changes in our business;
- our ability to obtain additional financing for working capital, capital expenditures, general corporate and other purposes may be reduced;
- our flexibility in planning for, or reacting to, changes in our business and our industry may be reduced; and
- our flexibility to make acquisitions may be limited.

Further, if we cannot service our indebtedness, we may have to take actions to secure additional cash by selling assets, seeking additional equity or reducing investments, any of which could impede the implementation of our business strategy or prevent us from entering into transactions that would otherwise benefit our business. Additionally, we may not be able to take such actions, if necessary, on commercially reasonable terms, or at all.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table presents information related to our repurchases of common stock made under repurchase plans authorized by PCA's Board of Directors, and shares withheld to cover taxes on vesting of equity awards, during the three months ended September 30, 2025:

| Issuer Purchases of Equity Securities | | | | |
|--|---|-------------------------------------|---|---|
| Period | Total Number of Shares Purchased (a) | Average Price Paid Per Share | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs | Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs (in millions) |
| July 1-31, 2025 | 1,149 | \$ 201.27 | — | \$ 436.0 |
| August 1-31, 2025 | 33 | 192.26 | — | 436.0 |
| September 1-30, 2025 | 278 | 213.56 | — | 436.0 |
| Total | <u>1,460</u> | <u>\$ 203.41</u> | <u>—</u> | <u>\$ 436.0</u> |

(a) All shares were withheld from employees to cover income and payroll taxes on equity awards that vested during the period.

Item 3. DEFAULTS UPON SENIOR SECURITIES

None.

Item 4. MINE SAFETY DISCLOSURES

Not applicable.

Item 5. OTHER INFORMATION

During the three months ended September 30, 2025, none of the Company's directors or officers adopted or terminated any contract, instruction, or written plan for the purchase or sale of our securities intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act or any non-Rule 10b5-1 trading arrangements as defined in Item 408(a) of Regulation S-K.

Item 6. EXHIBITS

| Exhibit Number | Description |
|-----------------------|---|
| 31.1 | Certification of Chief Executive Officer, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. † |
| 31.2 | Certification of Chief Financial Officer, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. † |
| 32 | Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. §1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. † |
| 101.INS | Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document. † |
| 101.SCH | Inline XBRL Taxonomy Extension Schema Document. † |
| 104 | Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101). † |

† Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Packaging Corporation of America

/s/ KENT A. PFLEDERER

Kent A. Pflederer

Executive Vice President and Chief Financial Officer

Date: November 6, 2025

**CEO CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Mark W. Kowlzan, certify that:

(1) I have reviewed this quarterly report on Form 10-Q of Packaging Corporation of America (PCA);

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of PCA as of, and for, the periods presented in this report;

(4) PCA's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for PCA and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to PCA, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of PCA's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in PCA's internal control over financial reporting that occurred during PCA's most recent fiscal quarter (PCA's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, PCA's internal control over financial reporting; and

(5) PCA's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to PCA's auditors and the Audit Committee of PCA's Board of Directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect PCA's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in PCA's internal control over financial reporting.

/s/ Mark W. Kowlzan

Mark W. Kowlzan

Chairman and Chief Executive Officer

Date: November 6, 2025

**CFO CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Kent A. Pflederer, certify that:

(1) I have reviewed this quarterly report on Form 10-Q of Packaging Corporation of America (PCA);

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of PCA as of, and for, the periods presented in this report;

(4) PCA's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for PCA and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to PCA, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of PCA's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in PCA's internal control over financial reporting that occurred during PCA's most recent fiscal quarter (PCA's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, PCA's internal control over financial reporting; and

(5) PCA's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to PCA's auditors and the Audit Committee of PCA's Board of Directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect PCA's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in PCA's internal control over financial reporting.

/s/ Kent A. Pflederer

Kent A. Pflederer

Executive Vice President and Chief Financial Officer

Date: November 6, 2025

**CERTIFICATIONS OF CHIEF EXECUTIVE OFFICER AND
CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Mark W. Kowlzan, Chief Executive Officer of Packaging Corporation of America (the “Company”), certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Quarterly Report of the Company on Form 10-Q for the period ended September 30, 2025 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in such Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Mark W. Kowlzan

Mark W. Kowlzan

Chairman and Chief Executive Officer

Date: November 6, 2025

I, Kent A. Pflederer, Chief Financial Officer of Packaging Corporation of America (the “Company”), certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Quarterly Report of the Company on Form 10-Q for the period ended September 30, 2025 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in such Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Kent A. Pflederer

Kent A. Pflederer

Executive Vice President and Chief Financial Officer

Date: November 6, 2025
