

**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 June 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 August 1, 2025, the Registrant had outstanding 89,978,783 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

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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](http://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](http://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		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
<b>Statements of Income:</b>				
Net sales	\$ 2,171.3	\$ 2,075.3	\$ 4,312.3	\$ 4,054.8
Cost of sales	(1,688.3)	(1,637.6)	(3,374.5)	(3,246.7)
Gross profit	483.0	437.7	937.8	808.1
Selling, general and administrative expenses	(153.2)	(149.5)	(314.6)	(301.3)
Other income (expense), net	3.9	(12.2)	(9.2)	(34.8)
Income from operations	333.7	276.0	614.0	472.0
Non-operating pension income	—	1.1	—	2.2
Interest expense, net	(13.1)	(10.4)	(26.0)	(19.9)
Income before taxes	320.6	266.7	588.0	454.3
Provision for income taxes	(79.1)	(67.8)	(142.7)	(108.4)
Net income	\$ 241.5	\$ 198.9	\$ 445.3	\$ 345.9
Net income per common share:				
Basic	\$ 2.68	\$ 2.22	\$ 4.95	\$ 3.86
Diluted	\$ 2.67	\$ 2.21	\$ 4.93	\$ 3.84
Dividends declared per common share	\$ 1.25	\$ 1.25	\$ 2.50	\$ 2.50
<b>Statements of Comprehensive Income:</b>				
Net income	\$ 241.5	\$ 198.9	\$ 445.3	\$ 345.9
Other comprehensive income, net of tax:				
Changes in unrealized (losses) gains on marketable debt securities, net of tax \$0.0 million for all periods presented in 2025 and 2024	—	(0.1)	0.1	(0.2)
Amortization of pension and postretirement plans actuarial loss and prior service cost, net of tax of (\$0.3) million, (\$0.3) million, (\$0.6) million, and (\$0.7) million, respectively	0.9	1.1	1.9	2.1
Other comprehensive income	0.9	1.0	2.0	1.9
Comprehensive income	\$ 242.4	\$ 199.9	\$ 447.3	\$ 347.8

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)

	June 30, 2025	December 31, 2024
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 787.9	\$ 685.0
Short-term marketable debt securities	92.4	102.0
Accounts receivable, net of allowance for credit losses and customer deductions of \$15.6 million and \$20.6 million as of June 30, 2025 and December 31, 2024, respectively	1,195.1	1,144.0
Inventories	1,144.7	1,124.9
Prepaid expenses and other current assets	105.7	166.9
Federal and state income taxes receivable	10.8	10.2
<b>Total current assets</b>	<u>3,336.6</u>	<u>3,233.0</u>
Property, plant, and equipment, net	4,115.9	4,039.0
Goodwill	922.4	922.4
Other intangible assets, net	173.1	191.9
Operating lease right-of-use assets	314.4	276.9
Long-term marketable debt securities	75.6	65.2
Other long-term assets	103.2	104.8
<b>Total assets</b>	<u>\$ 9,041.2</u>	<u>\$ 8,833.2</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Operating lease obligations	\$ 86.7	\$ 80.5
Finance lease obligations	2.2	2.1
Accounts payable	490.7	430.3
Dividends payable	115.8	116.3
Accrued liabilities	238.2	362.9
Accrued interest	9.4	9.5
<b>Total current liabilities</b>	<u>943.0</u>	<u>1,001.6</u>
Long-term liabilities:		
Long-term debt	2,475.2	2,474.2
Operating lease obligations	241.2	208.0
Finance lease obligations	5.5	6.7
Deferred income taxes	564.9	561.9
Compensation and benefits	98.1	95.9
Other long-term liabilities	81.2	80.9
<b>Total long-term liabilities</b>	<u>3,466.1</u>	<u>3,427.6</u>
Commitments and contingent liabilities (Note 18)		
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 June 30, 2025 and December 31, 2024, respectively	0.9	0.9
Additional paid in capital	699.1	669.8
Retained earnings	3,973.5	3,776.7
Accumulated other comprehensive loss	(41.4)	(43.4)
<b>Total stockholders' equity</b>	<u>4,632.1</u>	<u>4,404.0</u>
<b>Total liabilities and stockholders' equity</b>	<u>\$ 9,041.2</u>	<u>\$ 8,833.2</u>

See accompanying condensed notes to unaudited quarterly consolidated financial statements.

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

	Six Months Ended	
	June 30,	
	2025	2024
<b>Cash Flows from Operating Activities:</b>		
Net income	\$ 445.3	\$ 345.9
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion, and amortization of intangibles	278.6	256.9
Amortization of deferred financing costs	1.0	1.2
Share-based compensation expense	28.1	29.2
Deferred income tax provision (benefit)	2.8	(5.9)
Net (gain) loss on asset disposals	(19.7)	7.4
Pension and post-retirement benefits expense, net of contributions	4.2	3.1
Other, net	3.5	22.2
Changes in operating assets and liabilities:		
(Increase) decrease in assets —		
Accounts receivable	(51.1)	(112.0)
Inventories	(19.7)	(16.4)
Prepaid expenses and other current assets	61.4	(142.3)
Increase (decrease) in liabilities —		
Accounts payable	29.4	53.1
Accrued liabilities	(124.5)	92.3
Federal and state income taxes payable/receivable	(0.6)	4.0
<b>Net cash provided by operating activities</b>	<b>638.7</b>	<b>538.7</b>
<b>Cash Flows from Investing Activities:</b>		
Additions to property, plant, and equipment	(317.8)	(321.7)
Additions to other long-term assets	(1.9)	(1.7)
Proceeds from asset disposals	33.0	0.6
Purchases of available-for-sale debt securities	(72.0)	(62.6)
Proceeds from sales of available-for-sale debt securities	12.6	1.5
Proceeds from maturities of available-for-sale debt securities	59.1	60.1
<b>Net cash used for investing activities</b>	<b>(287.0)</b>	<b>(323.8)</b>
<b>Cash Flows from Financing Activities:</b>		
Repayments of debt and finance lease obligations	(1.0)	(1.0)
Common stock dividends paid	(224.7)	(224.2)
Shares withheld to cover employee restricted stock taxes	(23.1)	(24.1)
<b>Net cash used for financing activities</b>	<b>(248.8)</b>	<b>(249.3)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>102.9</b>	<b>(34.4)</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>685.0</b>	<b>648.0</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 787.9</b>	<b>\$ 613.6</b>

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 April 1, 2025	89,928	\$ 0.9	\$ 687.8	\$ 3,852.8	\$ (42.3)	\$ 4,499.2
Common stock withheld and retired to cover taxes on vested stock awards	(42)	—	(0.4)	(7.2)	—	(7.6)
Common stock dividends declared	—	—	—	(113.6)	—	(113.6)
Share-based compensation and other	94	—	11.7	—	—	11.7
Comprehensive income	—	—	—	241.5	0.9	242.4
Balance at June 30, 2025	<u>89,980</u>	<u>\$ 0.9</u>	<u>\$ 699.1</u>	<u>\$ 3,973.5</u>	<u>\$ (41.4)</u>	<u>\$ 4,632.1</u>

	Common Stock		Additional Paid in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
Balance at April 1, 2024	89,804	\$ 0.9	\$ 640.5	\$ 3,459.6	\$ (70.0)	\$ 4,031.0
Common stock withheld and retired to cover taxes on vested stock awards	(8)	—	(0.1)	(1.4)	—	(1.5)
Common stock dividends declared	—	—	—	(112.7)	—	(112.7)
Share-based compensation and other	19	—	9.9	—	—	9.9
Comprehensive income	—	—	—	198.9	1.0	199.9
Balance at June 30, 2024	<u>89,815</u>	<u>\$ 0.9</u>	<u>\$ 650.3</u>	<u>\$ 3,544.4</u>	<u>\$ (69.0)</u>	<u>\$ 4,126.6</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	(116)	—	(1.2)	(21.9)	—	(23.1)
Common stock dividends declared	—	—	—	(226.6)	—	(226.6)
Share-based compensation and other	294	—	30.5	—	—	30.5
Comprehensive income	—	—	—	445.3	2.0	447.3
Balance at June 30, 2025	<u>89,980</u>	<u>\$ 0.9</u>	<u>\$ 699.1</u>	<u>\$ 3,973.5</u>	<u>\$ (41.4)</u>	<u>\$ 4,632.1</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	(135)	—	(1.3)	(22.8)	—	(24.1)
Common stock dividends declared	—	—	—	(225.9)	—	(225.9)
Share-based compensation and other	325	—	31.5	—	—	31.5
Comprehensive income	—	—	—	345.9	1.9	347.8
Balance at June 30, 2024	<u>89,815</u>	<u>\$ 0.9</u>	<u>\$ 650.3</u>	<u>\$ 3,544.4</u>	<u>\$ (69.0)</u>	<u>\$ 4,126.6</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 17, Segment Information.

On July 1, 2025, we announced our entry into a definitive agreement to purchase the containerboard business of Greif, Inc. ("Greif") for \$1.8 billion in cash (the "Greif Acquisition"). The transaction is expected to close by the end of the third quarter, subject to certain customary conditions, including regulatory approval. 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 will be included in PCA's results upon closing of the transaction.

The consolidated financial statements of PCA as of June 30, 2025 and for the three and six months ended June 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 six months ended June 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 17, 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 on a prospective basis. Early adoption is permitted. The Company is currently assessing the impact of the disclosure requirements on its consolidated financial statements.

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):

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Packaging	\$ 2,005.9	\$ 1,908.3	\$ 3,976.3	\$ 3,706.5
Paper	145.8	150.1	300.0	313.9
Corporate and Other	19.6	16.9	36.0	34.4
Total revenue	<u>\$ 2,171.3</u>	<u>\$ 2,075.3</u>	<u>\$ 4,312.3</u>	<u>\$ 4,054.8</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 16, 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. 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 June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Numerator:				
Net income	\$ 241.5	\$ 198.9	\$ 445.3	\$ 345.9
Less: Distributed and undistributed earnings allocated to participating securities	(1.6)	(1.4)	(3.0)	(2.5)
Net income attributable to common shareholders	\$ 239.9	\$ 197.5	\$ 442.3	\$ 343.4
Denominator:				
Weighted average basic common shares outstanding	89.3	89.1	89.3	89.1
Effect of dilutive securities	0.4	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	\$ 2.68	\$ 2.22	\$ 4.95	\$ 3.86
Diluted income per common share	\$ 2.67	\$ 2.21	\$ 4.93	\$ 3.84

#### 5. Other Income (Expense), Net

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Facilities closure and other income (costs) (a)	\$ 25.3	\$ (0.1)	\$ 23.0	\$ —
Asset disposals and write-offs	(10.5)	(8.0)	(18.8)	(15.5)
Acquisition and integration-related costs	(1.6)	—	(1.6)	—
DeRidder litigation (b)	—	(2.0)	—	(125.7)
DeRidder litigation insurance recovery (b)	—	2.0	—	125.7
Jackson mill conversion-related activities (c)	—	0.6	—	(7.6)
Other	(9.3)	(4.7)	(11.8)	(11.7)
Total	\$ 3.9	\$ (12.2)	\$ (9.2)	\$ (34.8)

- (a) For the three and six months ended June 30, 2025, includes income related to gains on sales of corrugated products facilities, partially offset by closure costs related to corrugated products facilities. For the three months ended June 30, 2024, includes charges consisting of closure costs related to corrugated products facilities. For the six months ended June 30, 2024, these charges were completely offset by income primarily related to a favorable lease buyout for a closed corrugated products facility during the first quarter of 2024.
- (b) On April 24, 2024, a jury for the remaining DeRidder mill lawsuit that was tried in the U.S. District Court for the Middle District of Louisiana awarded plaintiffs 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.
- (c) 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.

#### 6. Income Taxes

For the three months ended June 30, 2025 and 2024, we recorded \$79.1 million and \$67.8 million of income tax expense and had an effective tax rate of 24.7% and 25.4%, respectively. The decrease in our effective tax rate for the three months ended June 30, 2025 compared to the same period in 2024 was primarily due to higher excess tax benefits associated with employee restricted stock and performance unit vests.

For the six months ended June 30, 2025 and 2024, we recorded \$142.7 million and \$108.4 million of income tax expense and had an effective tax rate of 24.3% and 23.9%, respectively. The increase in our effective tax rate for the six months ended June 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.

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 six months ended June 30, 2025 and 2024, cash paid for taxes, net of refunds received, was \$140.5 million and \$110.3 million, respectively. The increase in cash tax payments between the periods is primarily due to higher 2025 forecasted taxable income.

During the three and six months ended June 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. We are currently in the process of evaluating the impact of the OBBBA on our consolidated financial statements.

## 7. 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):

	June 30, 2025	December 31, 2024
Raw materials	\$ 356.4	\$ 356.6
Work in process	17.4	15.5
Finished goods	233.2	234.0
Supplies and materials	537.7	518.8
Inventories	<u>\$ 1,144.7</u>	<u>\$ 1,124.9</u>

## 8. Property, Plant, and Equipment

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

	June 30, 2025	December 31, 2024
Land and land improvements	\$ 216.4	\$ 203.4
Buildings	1,234.3	1,140.0
Machinery and equipment	7,547.0	7,368.8
Construction in progress	350.9	397.2
Other	200.2	195.8
Property, plant and equipment, at cost	<u>9,548.8</u>	<u>9,305.2</u>
Less accumulated depreciation	<u>(5,432.9)</u>	<u>(5,266.2)</u>
Property, plant, and equipment, net	<u>\$ 4,115.9</u>	<u>\$ 4,039.0</u>

Depreciation expense for the three months ended June 30, 2025 and 2024 was \$130.8 million and \$118.7 million, respectively. During the six months ended June 30, 2025 and 2024, depreciation expense was \$258.9 million and \$236.8 million, respectively. During the six months ended June 30, 2025, we recognized \$3.6 million of incremental depreciation expense as a result of closure costs related to corrugated products facilities. We recognized \$1.5 million of incremental depreciation expense during the six months ended June 30, 2024 as a result of Jackson mill conversion-related activities.

At June 30, 2025 and December 31, 2024, purchases of property, plant, and equipment included in accounts payable were \$64.8 million and \$33.8 million, respectively.

## 9. 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 both June 30, 2025 and December 31, 2024, we had \$922.4 million of goodwill recorded in our Packaging segment, which represents the entire goodwill balance reported on our Consolidated Balance Sheets.

### 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):

	June 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	6.3	\$ 546.0	\$ 380.2	6.6	\$ 546.0	\$ 362.4
Trademarks and trade names	5.8	41.3	34.0	6.0	41.3	33.0
Other	1.4	4.4	4.4	1.9	4.4	4.4
Total intangible assets (excluding goodwill)	6.2	\$ 591.7	\$ 418.6	6.6	\$ 591.7	\$ 399.8

During the six months ended June 30, 2025 and 2024, amortization expense was \$18.8 million and \$18.9 million, respectively.

## 10. Accrued Liabilities

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

	June 30, 2025	December 31, 2024
Compensation and benefits	\$ 134.3	\$ 168.5
Medical insurance and workers' compensation	30.3	29.1
Franchise, property, sales and use taxes	29.1	18.7
Customer rebates and other credits	26.4	33.9
Severance, retention, and relocation	4.4	3.4
Environmental liabilities and asset retirement obligations	2.0	3.2
DeRidder litigation and other litigation (a)	—	96.2
Other	11.7	9.9
Total	\$ 238.2	\$ 362.9

- (a) Settlement amounts for the DeRidder and other litigation were included in the Consolidated Balance Sheet as of December 31, 2024 and were fully insured. As of June 30, 2025, these settlements have been paid. For more information on the DeRidder litigation, 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.

## 11. Debt

For the six months ended June 30, 2025 and 2024, cash payments for interest were \$46.7 million and \$53.9 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 discount. For the three months ended June 30, 2025 and 2024, amortization of debt issuance costs was \$0.4 million and \$0.5 million, respectively, and during the six months ended June 30, 2025 and 2024, amortization of debt issuance costs was \$0.8 million and \$1.0 million, respectively. For both the three and six month periods ended June 30, 2025 and 2024, the amortization of bond discount was insignificant.

At June 30, 2025, we had \$2,492.4 million of fixed-rate senior notes outstanding. The fair value of our fixed-rate debt was estimated to be \$2,128.7 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.

## 12. 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 June 30, 2025 and December 31, 2024 (in millions):

	June 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	\$ 784.7	\$ —	\$ —	\$ 784.7	\$ 784.7	\$ —	\$ —
Level 1 <sup>(a)</sup> :							
U.S. Treasury securities	39.7	0.1	—	39.8	—	19.3	20.5
Money market funds	1.4	—	—	1.4	1.4	—	—
Subtotal	41.1	0.1	—	41.2	1.4	19.3	20.5
Level 2 <sup>(b)</sup> :							
Corporate debt securities	122.8	0.3	—	123.1	0.9	69.1	53.1
Certificates of deposit	4.1	—	—	4.1	0.9	3.2	—
U.S. government agency securities	2.8	—	—	2.8	—	0.8	2.0
Subtotal	129.7	0.3	—	130.0	1.8	73.1	55.1
Total	\$ 955.5	\$ 0.4	\$ —	\$ 955.9	\$ 787.9	\$ 92.4	\$ 75.6

	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 <sup>(a)</sup> :							
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 <sup>(b)</sup> :							
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 six months ended June 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 be required to sell, the marketable debt security before recovery of its amortized cost basis.

As of June 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 June 30, 2025 and December 31, 2024 (in millions, except number of marketable debt securities in a loss position):

	June 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	\$ 13.3	18	\$ —	\$ —	—	\$ —
U.S. Treasury securities	5.2	4	—	1.2	1	—
U.S. government agency securities	1.8	2	—	—	—	—
Certificates of deposit	1.6	2	—	—	—	—
	<u>\$ 21.9</u>	<u>26</u>	<u>\$ —</u>	<u>\$ 1.2</u>	<u>1</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.

### 13. 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 June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Service cost	\$ 2.6	\$ 3.1	\$ 5.2	\$ 6.3
Interest cost	14.3	13.9	28.6	27.7
Expected return on plan assets	(15.6)	(16.5)	(31.2)	(32.9)
Net amortization of unrecognized amounts				
Prior service cost	1.4	1.4	2.8	2.7
Actuarial loss	—	0.2	—	0.4
Net periodic benefit cost	<u>\$ 2.7</u>	<u>\$ 2.1</u>	<u>\$ 5.4</u>	<u>\$ 4.2</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 six months ended June 30, 2025 and 2024, payments to our nonqualified pension plans were insignificant. During both the three and six months ended June 30, 2025 and 2024, we did not make any contributions to our qualified pension plans. We do not have a required minimum contribution amount established for 2025.

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

### 14. 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 June 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 six months ended June 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)	(151,242)	136.36	(139,443)	167.14
Forfeitures	(5,157)	162.11	—	—
Outstanding at June 30, 2025	611,269	\$ 166.71	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 June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Restricted stock	\$ 6.1	\$ 6.0	\$ 20.0	\$ 19.9
Performance units	4.2	3.9	8.1	9.3
Total share-based compensation expense	10.3	9.9	28.1	29.2
Income tax benefit	(2.6)	(2.5)	(7.0)	(7.3)
Share-based compensation expense, net of tax benefit	\$ 7.7	\$ 7.4	\$ 21.1	\$ 21.9

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 June 30, 2025 was as follows (dollars in millions):

	June 30, 2025	
	Unrecognized Compensation Expense	Remaining Weighted Average Recognition Period (in years)
Restricted stock	\$ 40.1	2.8
Performance units	33.9	2.5
Total unrecognized share-based compensation expense	\$ 74.0	2.7

## 15. Stockholders' Equity

### Dividends

During the six months ended June 30, 2025, we paid \$224.7 million of dividends to shareholders. On May 7, 2025, PCA's Board of Directors declared a regular quarterly cash dividend of \$1.25 per share of common stock, which was paid on July 15, 2025 to shareholders of record as of June 13, 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 June 30, 2025. At June 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	—	0.1	—	0.1
Amounts reclassified from AOCI, net of tax	—	—	1.9	1.9
Balance at June 30, 2025	<u>\$ (0.1)</u>	<u>\$ 0.3</u>	<u>\$ (41.6)</u>	<u>\$ (41.4)</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 June 30,		Six Months Ended June 30,		
	2025	2024	2025	2024	
Unfunded employee benefit obligations (a)					
Amortization of prior service costs	\$ (1.3)	\$ (1.3)	\$ (2.7)	\$ (2.6)	See (a) below
Amortization of actuarial gains (losses)	0.1	(0.1)	0.2	(0.2)	See (a) below
	(1.2)	(1.4)	(2.5)	(2.8)	Total before tax
	0.3	0.3	0.6	0.7	Tax benefit
	<u>\$ (0.9)</u>	<u>\$ (1.1)</u>	<u>\$ (1.9)</u>	<u>\$ (2.1)</u>	Net of tax

(a) These AOCI components are included in the computation of net pension and postretirement benefit costs. See Note 13, Employee Benefit Plans and Other Postretirement Benefits, for additional information.

## 16. 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 \$4.3 million at June 30, 2025 and \$3.1 million at December 31, 2024. During the three months ended June 30, 2025 and 2024, we recorded \$17.9 million and \$21.3 million, respectively, and during the six months ended June 30, 2025 and 2024, we recorded \$32.8 million and \$41.1 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 June 30, 2025 and 2024, fiber purchases from related parties were \$2.4 million and \$3.1 million, respectively, and during the six months ended June 30, 2025 and 2024, fiber purchases from related parties were \$4.0 million and \$5.7 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.

## 17. 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.

### 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 Segment

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

Three Months Ended June 30, 2025	Packaging	Paper	Corporate and Other	Total
Trade sales	\$ 2,005.9	\$ 145.8	\$ 19.6	\$ 2,171.3
Intersegment sales	—	—	38.8	38.8
	2,005.9	145.8	58.4	2,210.1
Elimination of intersegment sales				(38.8)
Net sales				2,171.3
Less (a):				
Variable costs (b)	(960.1)	(82.8)	—	—
Fixed costs (c)	(445.2)	(21.8)	—	—
Freight	(198.4)	(15.2)	—	—
Other segment items (d)	(55.9)	(0.2)	(96.8)	—
Income (loss) from operations	346.3	25.8	(38.4) (e)	333.7
Non-operating pension expense				—
Interest expense, net				(13.1)
Income before taxes				<u>\$ 320.6</u>
Other segment disclosures:				
Segment sales to external customers	\$ 2,005.9	\$ 145.8	\$ 19.6 (f)	\$ 2,171.3
Depreciation, amortization, and depletion	131.8	4.5	4.4	140.7
Capital expenditures (g)	165.0	1.0	3.7	169.7
Assets	7,418.6	405.3	1,217.3	9,041.2

<b>Three Months Ended June 30, 2024</b>	<b>Packaging</b>	<b>Paper</b>	<b>Corporate and Other</b>	<b>Total</b>
Trade sales	\$ 1,902.0	\$ 150.1	\$ 23.2	\$ 2,075.3
Intersegment sales	6.3	—	38.8	45.1
	<u>1,908.3</u>	<u>150.1</u>	<u>62.0</u>	<u>2,120.4</u>
Elimination of intersegment sales				(45.1)
Net sales				<u>2,075.3</u>
Less (a):				
Variable costs (b)	(937.1)	(84.1)	—	—
Fixed costs (c)	(412.9)	(22.0)	—	—
Freight	(201.0)	(17.3)	—	—
Other segment items (d)	(77.5)	—	(92.5)	—
Income (loss) from operations	<u>279.8</u>	<u>26.7</u>	<u>(30.5) (e)</u>	<u>276.0</u>
Non-operating pension income				1.1
Interest expense, net				(10.4)
Income before taxes				<u>\$ 266.7</u>

Other segment disclosures:				
Segment sales to external customers	\$ 1,902.0	\$ 150.1	\$ 23.2 (f)	\$ 2,075.3
Depreciation, amortization, and depletion	120.1	4.5	3.9	128.5
Capital expenditures (g)	231.9	2.6	10.5	245.0
Assets	7,102.6	383.6	1,495.9	8,982.1

<b>Six Months Ended June 30, 2025</b>	<b>Packaging</b>	<b>Paper</b>	<b>Corporate and Other</b>	<b>Total</b>
Trade sales	\$ 3,976.3	\$ 300.0	\$ 36.0	\$ 4,312.3
Intersegment sales	—	—	78.8	78.8
	<u>3,976.3</u>	<u>300.0</u>	<u>114.8</u>	<u>4,391.1</u>
Elimination of intersegment sales				(78.8)
Net sales				<u>4,312.3</u>
Less (a):				
Variable costs (b)	(1,921.2)	(165.7)	—	—
Fixed costs (c)	(892.7)	(40.6)	—	—
Freight	(395.1)	(32.0)	—	—
Other segment items (d)	(142.9)	(0.3)	(186.6)	—
Income (loss) from operations	<u>624.4</u>	<u>61.4</u>	<u>(71.8) (e)</u>	<u>614.0</u>
Non-operating pension expense				—
Interest expense, net				(26.0)
Income before taxes				<u>\$ 588.0</u>

Other segment disclosures:				
Segment sales to external customers	\$ 3,976.3	\$ 300.0	\$ 36.0 (f)	\$ 4,312.3
Depreciation, amortization, and depletion	260.1	9.1	9.4	278.6
Capital expenditures (g)	296.1	1.8	19.9	317.8
Assets	7,418.6	405.3	1,217.3	9,041.2

<b>Six Months Ended June 30, 2024</b>	<b>Packaging</b>	<b>Paper</b>	<b>Corporate and Other</b>	<b>Total</b>
Trade sales	\$ 3,695.4	\$ 313.9	\$ 45.5	\$ 4,054.8
Intersegment sales	11.1	—	78.2	89.3
	3,706.5	313.9	123.7	4,144.1
Elimination of intersegment sales			(89.3)	(89.3)
Net sales				4,054.8
Less (a):				
Variable costs (b)	(1,874.9)	(173.5)	—	—
Fixed costs (c)	(817.9)	(43.5)	—	—
Freight	(388.1)	(35.3)	—	—
Other segment items (d)	(142.0)	(5.2)	(191.7)	—
Income (loss) from operations	483.6	56.4	(68.0) (e)	472.0
Non-operating pension income				2.2
Interest expense, net				(19.9)
Income before taxes				\$ 454.3
Other segment disclosures:				
Segment sales to external customers	\$ 3,695.4	\$ 313.9	\$ 45.5 (f)	\$ 4,054.8
Depreciation, amortization, and depletion	238.6	10.5	7.8	256.9
Capital expenditures (g)	303.6	3.9	14.2	321.7
Assets	7,102.6	383.6	1,495.9	8,982.1

- (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 chemicals, raw materials, finishing materials, and hourly-employee related expenses and benefits.
- (c) For the Packaging segment, primarily includes expense items for depreciation and salaried employee-related expenses and benefits. For the Paper segment, 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.

## 18. 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 June 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 June 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 eight mills and 85 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.

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**

Second quarter net sales were \$2.17 billion in 2025 and \$2.08 billion in 2024. We reported \$242 million of net income, or \$2.67 per diluted share, during the second quarter of 2025, compared to \$199 million, or \$2.21 per diluted share, during the same period in 2024. Net income included \$17 million of income for special items in the second quarter of 2025, compared to an insignificant amount of income for special items in 2024 (discussed below). Excluding special items, net income was \$224 million, or \$2.48 per diluted share, during the second quarter of 2025, compared to \$199 million, or \$2.20 per diluted share, in the second quarter of 2024.<sup>1</sup> The increase in net income was driven primarily by higher prices and mix in the Packaging segment, lower fiber costs, higher prices and mix in the Paper segment, and a lower tax rate. These items were partially offset by higher operating costs, higher maintenance outage expense, lower production and export sales volume in the Packaging Segment, higher depreciation expense, higher fixed and other expense, lower volume in the Paper segment, higher freight expense, and higher interest expense. 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 \$346 million in the second quarter of 2025, compared to \$280 million in the second quarter of 2024. Packaging segment EBITDA excluding special items was \$453 million in the second quarter of 2025 compared to \$400 million in the second quarter of 2024.<sup>1</sup> The increase was due to higher prices and mix and lower fiber costs, partially offset by higher operating and converting costs, higher maintenance outage expense, lower production and export sales volumes, higher fixed and other expense, and higher freight and logistics expense. Prices and mix moved higher, reflecting our price increases for containerboard and corrugated products announced to customers in 2024 and earlier in 2025. Corrugated plant shipments were up 1.7% per day compared to the second quarter of 2024.

Paper segment operating income was \$26 million in the second quarter of 2025, compared to \$27 million in the second quarter of 2024. Paper segment EBITDA excluding special items was \$30 million in the second quarter of 2025, compared to \$31 million in the second quarter of 2024.<sup>1</sup> The slight decrease in EBITDA excluding special items was due to higher operating costs and lower sales and production volumes and higher maintenance outage expense, partially offset by higher prices and mix and lower freight and fixed expenses.

Packaging segment operating income was \$624 million in the first six months of 2025, compared to \$484 million in the same period in 2024. Packaging segment EBITDA excluding special items was \$862 million in the first six months of 2025 compared to \$726 million in the first six months of 2024.<sup>1</sup> The increase in EBITDA excluding special items was due primarily to higher prices and mix, lower fiber costs, higher sales and production volumes, partially offset by higher operating and converting costs, higher maintenance outage expenses, higher fixed and other costs, and higher freight and logistics expense.

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<sup>1</sup> 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 \$61 million in the first six months of 2025, compared to \$56 million in the first six months of 2024. Paper segment EBITDA excluding special items was \$71 million in the first six months of 2025 and 2024.<sup>1</sup> The slight decrease in EBITDA excluding special items was due to lower sales and production volumes, higher operating costs, and higher maintenance outage expenses, partially offset by higher prices and mix, lower fixed and other costs, and lower freight and logistic expense.

On July 1, 2025, we announced our entry into a definitive agreement to purchase the containerboard business of Greif for \$1.8 billion in cash. The transaction is expected to close by the end of the third quarter, subject to certain customary conditions, including regulatory approval. 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 will be included in PCA's results upon closing of the transaction. The acquisition is consistent with our historical growth strategy and will provide additional integration of containerboard we produce into our own corrugated products facilities.

### **Industry and Business Conditions**

Trade publications reported North American industry-wide corrugated products shipments were down (2.6%) in total and (1.0%) per workday during the second quarter of 2025 compared to the same quarter of 2024. Reported industry containerboard production decreased (5.2%) compared to the second quarter of 2024. Reported industry containerboard inventories at the end of the second quarter of 2025 were approximately 2.6 million tons, down (2.1%) compared to the same period in 2024. Reported containerboard export shipments were down (16.2%) compared to the second 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 (8.5%) in the first six months of 2025, compared to the same period of 2024. Average prices reported by a trade publication for cut size office papers were higher by \$20 per ton, or 1.4% in the second quarter of 2025, compared to the first quarter of 2025, and higher by \$47 per ton, or 3.2%, compared to the second 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**

In the Packaging segment, we expect higher corrugated shipments and containerboard production compared to the second quarter. Export containerboard sales will be lower due to the effects of the global trade environment. We will build some containerboard inventory ahead of our fourth quarter maintenance outage at the DeRidder mill. We expect prices and mix in the Packaging segment to be relatively flat with second quarter levels. We also expect flat pricing in the Paper segment and expect production and sales to increase in the third quarter with the International Falls mill outage completed in the second quarter and seasonal back-to-school orders. We have no scheduled maintenance outages during the third quarter and expect maintenance outage expense to be lower. Freight costs will be higher with the full effect of first and second quarter rail rate increases at our mills. Operating costs are expected to be near second quarter levels and fiber costs will be slightly lower. Considering these items, we expect third quarter earnings to be higher than second quarter earnings, excluding special items. Our third quarter outlook does not include any possible impact from the pending acquisition of the Greif containerboard business.

## Results of Operations

### Three Months Ended June 30, 2025, compared to Three Months Ended June 30, 2024

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

	Three Months Ended June 30,		Change
	2025	2024	
Packaging	\$ 2,005.9	\$ 1,908.3	\$ 97.6
Paper	145.8	150.1	(4.3)
Corporate and Other	58.4	62.1	(3.7)
Intersegment eliminations	(38.8)	(45.2)	6.4
Net sales	\$ 2,171.3	\$ 2,075.3	\$ 96.0
Packaging	\$ 346.3	\$ 279.8	\$ 66.5
Paper	25.8	26.7	(0.9)
Corporate and Other	(38.4)	(30.5)	(7.9)
Income from operations	\$ 333.7	\$ 276.0	\$ 57.7
Non-operating pension income	—	1.1	(1.1)
Interest expense, net	(13.1)	(10.4)	(2.7)
Income before taxes	320.6	266.7	53.9
Income tax provision	(79.1)	(67.8)	(11.3)
Net income	\$ 241.5	\$ 198.9	\$ 42.6
<i>Non-GAAP Measures (a)</i>			
Net income excluding special items	\$ 224.2	\$ 198.6	\$ 25.6
Consolidated EBITDA	474.4	404.5	69.9
Consolidated EBITDA excluding special items	450.8	404.0	46.8
Packaging EBITDA	478.1	399.9	78.2
Packaging EBITDA excluding special items	452.9	400.0	52.9
Paper EBITDA	30.3	31.2	(0.9)
Paper EBITDA excluding special items	30.3	30.6	(0.3)

(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 \$96 million, or 4.6%, to \$2,171 million during the three months ended June 30, 2025, compared to \$2,075 million during the same period in 2024.

*Packaging.* Net sales increased \$98 million, or 5.1%, to \$2,006 million, compared to \$1,908 million in the second quarter of 2024 due to higher containerboard and corrugated products prices and mix (\$107 million), partially offset by lower volume (\$9 million). In the second quarter of 2025, export and domestic containerboard outside shipments decreased (11.4%) compared to the second quarter of 2024. Our total corrugated products shipments were flat in total and up 1.7% per workday, with one less workday, compared to the same period in 2024. In the second quarter of 2025, our domestic containerboard prices were 10.8% higher, while export prices were 10.4% higher than the same period in 2024.

*Paper.* Net sales decreased \$4 million, or (2.9%), to \$146 million, compared to \$150 million in the second quarter of 2024, due to lower volume (\$8 million), partially offset by higher prices and mix (\$4 million).

### Gross Profit

Gross profit increased \$45 million during the three months ended June 30, 2025, compared to the same period in 2024. The increase was driven primarily by higher prices and mix in the Packaging segment, lower fiber costs, higher prices and mix in the Paper segment, partially offset by higher operating costs, higher maintenance outage expense, lower volumes in the Packaging and Paper segment, higher fixed and other expense, and higher freight expense. In the three months ended June 30, 2025, gross profit included \$1 million of special items expense related to corrugated facility closure. In the three months ended June 30, 2024, gross profit included no special items.

### Selling, General, and Administrative Expenses

Selling, general, and administrative expenses (“SG&A”) increased \$4 million during the three months ended June 30, 2025, compared to the same period in 2024. The increase was primarily due to higher employee-related expenses and insurance.

### **Other Income (Expense), Net**

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

	Three Months Ended	
	June 30,	
	2025	2024
Facilities closure and other income (costs)	\$ 25.3	\$ (0.1)
Asset disposals and write-offs	(10.5)	(8.0)
Acquisition and integration-related costs	(1.6)	—
DeRidder litigation	—	(2.0)
DeRidder litigation insurance recovery	—	2.0
Jackson mill conversion-related activities	—	0.6
Other	(9.3)	(4.7)
Total	\$ 3.9	\$ (12.2)

We discuss these items in more detail in Note 5, 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 \$58 million, or 20.9%, during the three months ended June 30, 2025, compared to the same period in 2024. The second quarter of 2025 included \$23 million of special items income primarily related to gains on sales of corrugated products facilities, partially offset by corrugated products facility closure costs and costs related to the announced Greif, Inc. acquisition, compared to an insignificant amount of special items in the second quarter of 2024.

*Packaging.* Packaging segment operating income increased \$66 million to \$346 million, compared to \$280 million during the three months ended June 30, 2024. The increase related primarily to higher containerboard and corrugated products prices and mix (\$119 million), and lower fiber costs (\$18 million), partially offset by higher operating and converting costs (\$33 million), higher maintenance outage expenses (\$25 million), lower sales and production volumes (\$15 million), higher depreciation expense (\$11 million), higher fixed and other expense (\$8 million), and higher freight expenses (\$3 million). The second quarter of 2025 included \$25 million of special items income primarily related to gains on sales of corrugated products facilities, partially offset by corrugated products facility closure costs, compared to an insignificant amount of special items in the second quarter of 2024.

*Paper.* Paper segment operating income decreased \$1 million to \$26 million, compared to \$27 million during the three months ended June 30, 2024. The decrease primarily related to higher operating costs (\$4 million), lower volumes (\$2 million), higher maintenance outage expenses (\$1 million), partially offset by higher prices and mix (\$4 million), lower freight expenses (\$1 million), and lower fixed expense (\$1 million). There were no significant special items in the second 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 June 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 June 30, 2025 increased \$3 million when compared to the same period in 2024. The increase in interest expense, net was primarily due to higher interest expense in 2025 related to the Company’s November 2023 debt refinancing.

During the three months ended June 30, 2025, we recorded \$79 million of income tax expense, compared to \$68 million of expense during the three months ended June 30, 2024. The effective tax rate for the three months ended June 30, 2025 and 2024 was 24.7% and 25.4%, respectively. The decrease in our effective tax rate for the three months ended June 30, 2025 compared to the same period in 2024 was primarily due to higher excess tax benefits associated with employee restricted stock and performance unit vests.

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 6, Income Taxes, of the Condensed Notes to Unaudited Quarterly Consolidated Financial Statements in “Part I, Item 1. Financial Statements” of this Form 10-Q.

### Six Months Ended June 30, 2025, compared to Six Months Ended June 30, 2024

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

	Six Months Ended June 30,		Change
	2025	2024	
Packaging	\$ 3,976.3	\$ 3,706.5	\$ 269.8
Paper	300.0	313.9	(13.9)
Corporate and Other	114.8	123.7	(8.9)
Intersegment eliminations	(78.8)	(89.3)	10.5
Net sales	<u>\$ 4,312.3</u>	<u>\$ 4,054.8</u>	<u>\$ 257.5</u>
Packaging	\$ 624.4	\$ 483.6	\$ 140.8
Paper	61.4	56.4	5.0
Corporate and Other	(71.8)	(68.0)	(3.8)
Income from operations	<u>\$ 614.0</u>	<u>\$ 472.0</u>	<u>\$ 142.0</u>
Non-operating pension income	—	2.2	(2.2)
Interest expense, net	(26.0)	(19.9)	(6.1)
Income before taxes	588.0	454.3	133.7
Income tax provision	(142.7)	(108.4)	(34.3)
Net income	<u>\$ 445.3</u>	<u>\$ 345.9</u>	<u>\$ 99.4</u>
<i>Non-GAAP Measures (a)</i>			
Net income excluding special items	\$ 432.4	\$ 353.2	\$ 79.2
Consolidated EBITDA	892.6	728.9	163.7
Consolidated EBITDA excluding special items	871.8	737.2	134.6
Packaging EBITDA	884.5	722.2	162.3
Packaging EBITDA excluding special items	862.1	726.2	135.9
Paper EBITDA	70.5	66.9	3.6
Paper EBITDA excluding special items	70.5	71.2	(0.7)

(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 \$257 million, or 6.4%, to \$4,312 million during the six months ended June 30, 2025, compared to \$4,055 million during the same period in 2024.

*Packaging.* Net sales increased \$270 million, or 7.3%, to \$3,976 million, compared to \$3,707 million in the six months ended June 30, 2024, due to higher containerboard and corrugated products prices and mix (\$202 million) and higher containerboard and corrugated products volume (\$68 million). In the first six months of 2025, export and domestic containerboard outside shipments were flat compared to the first six months of 2024. Total corrugated products shipments were up 1.3% overall and up 2.1% per workday compared to the same period in 2024. In the first six months of 2025, our domestic containerboard prices were 7.1% higher, while export prices were 11.7% higher, than the same period in 2024.

*Paper.* Net sales during the six months ended June 30, 2025 decreased \$14 million, or (4.4%), to \$300 million, compared to \$314 million in the six months ended June 30, 2024, due to lower volume (\$20 million), partially offset by higher prices and mix (\$6 million).

#### Gross Profit

Gross profit increased \$130 million during the six months ended June 30, 2025, compared to the same period in 2024. The increase was driven primarily by higher prices and mix and sales volumes in the Packaging segment, lower fiber costs, and higher prices and mix in the Paper segment, partially offset by higher operating costs, higher maintenance outage expense, lower volume in the Paper Segment, and higher fixed and other expense. In the six months ended June 30, 2025, gross profit included \$4 million of special items expense related to corrugated facility closure. In the six months ended June 30, 2024, gross profit included \$2 million of special items expense related to Jackson mill conversion-related activities.

### ***Selling, General, and Administrative Expenses***

Selling, general, and administrative expenses (“SG&A”) increased \$13 million during the six months ended June 30, 2025, compared to the same period in 2024. The increase was primarily due to higher employee-related expenses, insurance, and bad debt expense.

### ***Other Income (Expense), Net***

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

	<b>Six Months Ended</b>	
	<b>June 30,</b>	
	<b>2025</b>	<b>2024</b>
Facilities closure and other income	\$ 23.0	\$ —
Asset disposals and write-offs	(18.8)	(15.5)
Acquisition and integration-related costs	(1.6)	—
DeRidder litigation	—	(125.7)
DeRidder litigation insurance recovery	—	125.7
Jackson mill conversion-related activities	—	(7.6)
Other	(11.8)	(11.7)
Total	<u>\$ (9.2)</u>	<u>\$ (34.8)</u>

We discuss these items in more detail in Note 5, 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 \$142 million, or 30.1%, during the six months ended June 30, 2025, compared to the same period in 2024. The first six months of 2025 included \$17 million of special items income primarily related to gains on sales of corrugated products facilities, partially offset by corrugated products facility closure costs and costs related to the announced Greif, Inc. acquisition, compared to \$10 million in the same period in 2024 related to Jackson mill conversion-related costs.

*Packaging.* Packaging segment operating income increased \$141 million to \$624 million during the first six months of 2025, compared to the same period last year. The increase related primarily to higher containerboard and corrugated products prices and mix (\$210 million), lower fiber costs (\$27 million), and higher sales and production volumes (\$16 million), partially offset by higher operating and converting costs (\$71 million), higher maintenance outage expenses (\$24 million), higher fixed and other costs (\$21 million), and higher depreciation expense (\$18 million). Special items during the first six months of 2025 included \$19 million of income primarily related to gains on sales of corrugated products facilities, partially offset by corrugated products facility closure costs, compared to \$4 million of expense related to Jackson mill conversion-related activities in the same period in 2024.

*Paper.* Paper segment operating income increased \$5 million to \$61 million, compared to the six months ended June 30, 2024. The increase primarily related to no special items in the Paper segment during the first six months of 2025, compared to \$6 million of expense for Jackson mill conversion-related activities in the first six months of 2024, along with higher prices and mix (\$6 million), lower fixed and other expenses (\$2 million), and lower freight expense (\$1 million), partially offset by lower sales and production volumes (\$5 million), higher operating costs (\$5 million), and higher maintenance outage expenses (\$1 million).

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

Non-operating pension income decreased \$2 million during the six months ended June 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 \$6 million during the six months ended June 30, 2025, compared to the same period in 2024. The increase in interest expense, net was primarily due to higher interest expense in 2025 related to the Company’s November 2023 debt refinancing and lower interest income due to lower interest rates.

During the six months ended June 30, 2025, we recorded \$143 million of income tax expense, compared to \$108 million of expense during the six months ended June 30, 2024. The effective tax rate for the six months ended June 30, 2025 and 2024 was 24.3% and 23.9%, respectively. The increase in our effective tax rate for the six months ended June 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.

## 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 June 30, 2025, we had \$788 million of cash and cash equivalents, \$168 million of marketable debt securities, and \$323 million of unused borrowing capacity under the revolving credit facility, net of letters of credit. 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):

	Six Months Ended June 30,		Change
	2025	2024	
Net cash provided by (used for):			
Operating activities	\$ 638.7	\$ 538.7	\$ 100.0
Investing activities	(287.0)	(323.8)	36.8
Financing activities	(248.8)	(249.3)	0.5
Net increase (decrease) in cash and cash equivalents	\$ 102.9	\$ (34.4)	\$ 137.3

### 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 six months ended June 30, 2025, net cash provided by operating activities was \$639 million, compared to \$539 million in the same period in 2024, an increase of \$100 million. Cash from operations excluding changes in cash used for operating assets and liabilities increased \$84 million primarily due to higher income from operations in 2025 as discussed above. Cash from operations increased by \$16 million when comparing the first six 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 six months of 2024 and reduction of receivables against insurance carriers in the first six months of 2025 related to the DeRidder settlement and settlement of other litigation; and
- a net favorable change in accounts receivable due to a smaller increase in Packaging segment accounts receivable levels during the first six months of 2025 compared to the same period in 2024 primarily related to higher prices and sales volumes in 2024, partially offset by an increase in Paper segment accounts receivable levels during the first six months of 2025 compared to the same period in 2024 primarily related to an increase in days sales outstanding during 2025.

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 half of 2024 and reduction of accrued liabilities in the first half of 2025 related to the DeRidder settlement and settlement of other litigation;
- a net unfavorable change in accounts payable primarily related to a smaller increase in accounts payable levels during the first six months of 2025 compared to the same period in 2024 due to a larger increase in cost of sales and days payables outstanding during 2024 compared to 2025; and
- a net unfavorable change in inventories primarily related to an increase in Paper segment inventory balances during the first six months of 2025 compared to the same period in 2024 due to lower sales volumes in the first half of 2025, partially offset by a favorable change in Packaging segment inventory due to a smaller increase in inventory balances during the first half of 2025 compared to the same period in 2024.

### Investing Activities

We used \$287 million for investing activities during the six months ended June 30, 2025 compared to \$324 million during the same period in 2024. We spent \$318 million for internal capital investments during the six months ended June 30, 2025, compared to \$322 million during the same period in 2024.

We expect capital investments in 2025 to be within a range of \$840 million to \$870 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 both of the six month periods ended June 30, 2025 and 2024, net cash used for financing activities was \$249 million. We paid \$225 million of dividends during the first six months of 2025, compared to \$224 million of dividends paid during the comparable period in 2024. In addition, we withheld shares to cover \$23 million of employee restricted stock taxes during the first six months of 2025 compared to \$24 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 six months ended June 30, 2025 and 2024.

In addition to the items discussed in Note 11, 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 June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Earnings per diluted share, as reported in accordance with GAAP	\$ 2.67	\$ 2.21	\$ 4.93	\$ 3.84
Special items:				
Facilities closure and other income (a)	(0.20)	—	(0.15)	—
Acquisition and integration-related costs (b)	0.01	—	0.01	—
Jackson mill conversion-related activities (c)	—	—	—	0.08
Total special items	(0.19)	—	(0.14)	0.08
Earnings per diluted share, excluding special items	\$ 2.48	\$ 2.20 (d)	\$ 4.79	\$ 3.92

- (a) For the three and six months ended June 30, 2025, includes \$24.6 million and \$18.8 million, respectively, of income related to gains on sales of corrugated products facilities, partially offset by closure costs related to corrugated products facilities. For the three months ended June 30, 2024, includes \$0.1 million of charges consisting of closure costs related to corrugated products facilities. For the six months ended June 30, 2024, these charges were completely offset by \$0.1 million of 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 six months ended June 30, 2025, includes \$1.6 million of charges related to the announced Greif, Inc. acquisition.
- (c) For the three and six months ended June 30, 2024, includes \$0.6 million of income and \$9.7 million of charges, respectively, 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.
- (d) Amount may not foot due to rounding.

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

	Three Months Ended June 30,					
	2025			2024		
	Income before Taxes	Income Taxes	Net Income	Income before Taxes	Income Taxes	Net Income
As reported in accordance with GAAP	\$ 320.6	\$ (79.1)	\$ 241.5	\$ 266.7	\$ (67.8)	\$ 198.9
Special items:						
Facilities closure and other (income) costs (e)	(24.6)	6.1	(18.5)	0.1	—	0.1
Acquisition and integration-related costs (f)	1.6	(0.4)	1.2	—	—	—
Jackson mill conversion-related activities (g)	—	—	—	(0.6)	0.2	(0.4)
Total special items	(23.0)	5.7	(17.3)	(0.5)	0.2	(0.3)
Excluding special items	\$ 297.6	\$ (73.4)	\$ 224.2	\$ 266.2	\$ (67.6)	\$ 198.6

	Six Months Ended June 30,					
	2025			2024		
	Income before Taxes	Income Taxes	Net Income	Income before Taxes	Income Taxes	Net Income
As reported in accordance with GAAP	\$ 588.0	\$ (142.7)	\$ 445.3	\$ 454.3	\$ (108.4)	\$ 345.9
Special items:						
Facilities closure and other income (e)	(18.8)	4.7	(14.1)	—	—	—
Acquisition and integration-related costs (f)	1.6	(0.4)	1.2	—	—	—
Jackson mill conversion-related activities (g)	—	—	—	9.7	(2.4)	7.3
Total special items	(17.2)	4.3	(12.9)	9.7	(2.4)	7.3
Excluding special items	\$ 570.8	\$ (138.4)	\$ 432.4	\$ 464.0	\$ (110.8)	\$ 353.2

(e) For the three and six months ended June 30, 2025, includes income related to gains on sales of corrugated products facilities, partially offset by closure costs related to corrugated products facilities. For the three months ended June 30, 2024, includes charges consisting of closure costs related to corrugated products facilities. For the six months ended June 30, 2024, these charges were completely offset by income primarily related to a favorable lease buyout for a closed corrugated products facility during the first quarter of 2024.

(f) For the three months and six months ended June 30, 2025, includes charges related to the announced Greif, Inc. acquisition.

(g) 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 June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income	\$ 241.5	\$ 198.9	\$ 445.3	\$ 345.9
Non-operating pension income	—	(1.1)	—	(2.2)
Interest expense, net	13.1	10.4	26.0	19.9
Income tax provision	79.1	67.8	142.7	108.4
Depreciation, amortization, and depletion	140.7	128.5	278.6	256.9
EBITDA	\$ 474.4	\$ 404.5	\$ 892.6	\$ 728.9
Special items:				
Facilities closure and other (income) costs	(25.2)	0.1	(22.4)	—
Acquisition and integration-related costs	1.6	—	1.6	—
Jackson mill conversion-related activities	—	(0.6)	—	8.3
Total special items	(23.6)	(0.5)	(20.8)	8.3
EBITDA excluding special items	\$ 450.8	\$ 404.0	\$ 871.8	\$ 737.2

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 June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
<b>Packaging</b>				
Segment operating income	\$ 346.3	\$ 279.8	\$ 624.4	\$ 483.6
Depreciation, amortization, and depletion	131.8	120.1	260.1	238.6
EBITDA	478.1	399.9	884.5	722.2
Facilities closure and other (income) costs	(25.2)	0.1	(22.4)	—
Jackson mill conversion-related activities	—	—	—	4.0
EBITDA excluding special items	\$ 452.9	\$ 400.0	\$ 862.1	\$ 726.2
<b>Paper</b>				
Segment operating income	\$ 25.8	\$ 26.7	\$ 61.4	\$ 56.4
Depreciation, amortization, and depletion	4.5	4.5	9.1	10.5
EBITDA	30.3	31.2	70.5	66.9
Jackson mill conversion-related activities	—	(0.6)	—	4.3
EBITDA excluding special items	\$ 30.3	\$ 30.6	\$ 70.5	\$ 71.2
<b>Corporate and Other</b>				
Segment operating loss	\$ (38.4)	\$ (30.5)	\$ (71.8)	\$ (68.0)
Depreciation, amortization, and depletion	4.4	3.9	9.4	7.8
EBITDA	(34.0)	(26.6)	(62.4)	(60.2)
Acquisition and integration-related costs	1.6	—	1.6	—
EBITDA excluding special items	\$ (32.4)	\$ (26.6)	\$ (60.8)	\$ (60.2)

### 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 June 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.

At June 30, 2025, interest rates on 100% of PCA's outstanding debt are fixed.

### Off-Balance-Sheet Activities

The Company does not have any off-balance sheet arrangements as of June 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. PCA has not had any changes to these critical accounting estimates during the first six months of 2025.

## 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 June 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 June 30, 2025.

**Changes in Internal Control over Financial Reporting**

There have been no 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 June 30, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**PART II  
OTHER INFORMATION**

**Item 1. LEGAL PROCEEDINGS**

The disclosure set forth under the caption "Legal Proceedings" in Note 18, 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**

There have been no material changes to the risk factors disclosed in "Part I, Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2024.

**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 June 30, 2025:

<b>Issuer Purchases of Equity Securities</b>				
<b>Period</b>	<b>Total Number of Shares Purchased (a)</b>	<b>Average Price Paid Per Share</b>	<b>Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs</b>	<b>Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs (in millions)</b>
April 1-30, 2025	39,303	\$ 183.48	—	\$ 436.0
May 1-31, 2025	43	188.71	—	436.0
June 1-30, 2025	2,189	186.46	—	436.0
<b>Total</b>	<b>41,535</b>	<b>\$ 183.65</b>	<b>—</b>	<b>\$ 436.0</b>

(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 June 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**

<b>Exhibit Number</b>	<b>Description</b>
31.1	<a href="#">Certification of Chief Executive Officer, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a> †
31.2	<a href="#">Certification of Chief Financial Officer, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a> †
32	<a href="#">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.</a> †
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). †

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† 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: August 7, 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

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Mark W. Kowlzan

*Chairman and Chief Executive Officer*

Date: August 7, 2025

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**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

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Kent A. Pflederer

*Executive Vice President and Chief Financial Officer*

Date: August 7, 2025

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**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 June 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: August 7, 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 June 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: August 7, 2025

