



WestRock to Close Panama City, Florida, Paper Mill

4/7/2022

ATLANTA--(BUSINESS WIRE)-- WestRock Company (NYSE: WRK) today announced it will permanently cease operations at its mill in Panama City, Florida, by June 6, 2022.

The mill produces containerboard, primarily heavyweight kraft, and fluff pulp, with a combined annual capacity of 645,000 tons. Select grades of containerboard currently produced at the mill will be manufactured at other WestRock facilities.

“A decision to close a facility and impact the lives of our employees is never easy to make,” said David B. Sewell, chief executive officer at WestRock. “As we implement our plans to close the Panama City mill, we do so with great appreciation for the many contributions of the team there. We are committed to assisting our Panama City team with exploring roles at other WestRock locations and outplacement assistance.”

WestRock is committed to improving its return on invested capital as well as maximizing the performance of its assets, and the Panama City mill would require significant capital investment to maintain and improve going forward. In addition, production of fluff pulp is not a priority in the company’s strategy to focus on higher value markets. By closing this mill, significant capital that would be required to keep the mill competitive in the future will be deployed to improve other key assets.

The Panama City mill employs approximately 450 people. Employees of the Panama City mill will receive severance and outplacement assistance in accordance with Company policy and labor union agreements.

About WestRock

WestRock (NYSE: WRK) partners with our customers to provide differentiated, sustainable paper and packaging solutions that help them win in the marketplace. WestRock’s team members support customers around the world from locations spanning North America, South America, Europe, Asia and Australia. Learn more at www.westrock.com.

Forward-looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding plans to permanently cease operations at the Company's mill in Panama City, Florida, by June 6, 2022; select grades of containerboard currently produced at the mill will be manufactured at other WestRock facilities; WestRock is committed to improving its return on invested capital as well as maximizing the performance of its assets; production of fluff pulp is not a priority in the company's strategy to focus on higher value markets; by closing this mill, significant capital that would be required to keep the mill competitive in the future will be deployed to improve other key assets; and employees of the Panama City mill will receive severance and outplacement assistance in accordance with Company policy and labor union agreements. Forward-looking statements are based on our current expectations, beliefs, plans or forecasts and are typically identified by words or phrases such as "may," "will," "could," "should," "would," "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "target," "prospects," "potential" and "forecast," and other words, terms and phrases of similar meaning. Forward looking statements involve estimates, expectations, projections, goals, forecasts, assumptions, risks and uncertainties. We caution readers that forward- looking statements are not a guarantee of future performance and that actual results could differ materially from those contained in forward-looking statements. Our businesses are subject to a number of general risks that would affect any such forward-looking statements. These risks are described in our filings with the Securities and Exchange Commission, including in Item 1A under the caption "Risk Factors" in our annual report on Form 10-K for the year ended September 30, 2021.

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