



SWEET, SUSTAINABLE INNOVATIONS IN CONFECTIONERY PACKAGING

CONFECTIONERY BRANDS ARE FEELING THE PRESSURE

Modern shoppers are more eco- and health-conscious than ever before. But that doesn't mean they don't want a sweet indulgence now and again — provided it meets their growing standards.

Increasingly, confectionery companies are competing with health food brands offering lower-sugar options, granola bars, nuts, or vitamin-infused sweets with perceived nutritional value. Shoppers are also looking for more environmentally conscious options from higher-quality sources to support their sustainable lifestyles.

To keep pace with consumer preferences, confectionery companies need to go beyond the norm and take steps toward sustainable and wellness-oriented products that still grab attention and taste great. This includes reevaluating their product packaging methods.

But how can confectionery brands:

- Reduce hard-to-recycle plastics including PVC, shrink wrap, decorative coatings and hardware in their product packaging whilst staying cost competitive?

- Meet growing demands of health-conscious consumers looking for shareable or portion-controlled sweets?

- Create new flavours and seasonal products with shorter lifecycles that entice consumers, without an overabundance of SKUs?

- Compete for shelf space with attention-grabbing product packaging in the physical or digital store?

- Fight the rising costs of raw materials, energy and transportation due to inflation and weather in producer countries?

- Create a meaningful connection with digitally savvy consumers?

“New-age consumers are health-conscious, and their food choices are dictated by organic food trends. Hence, traditional chocolates and sweets today face brutal competition from other healthy foods such as nuts, oats, granola bars, and other mildly sweetened products that pander to audiences looking for healthy dessert alternatives.”iv

– FnBnews.com

“For the 68% of health-conscious global consumers who would rather enjoy the complete taste of chocolate rather than a low-sugar version (Intel, 2020), portion-controlled confectionery is a useful approach.”i

Nearly 75% of respondents said recyclable packaging influences purchase decisions, and over 25% indicated it is essential ii

Paper, paper board and corrugated board rank highest in materials perceived to be the most eco-friendly iii



HERE'S HOW CONFECTIONERY BRANDS ARE COMING OUT AHEAD

With nine in 10 consumers interested in learning about a confectionery company's environmental commitment and 23% of shoppers eating healthier now than before the pandemic^{vi}, it's time for confectionery companies to adapt. Successful brands are responding by reconfiguring approaches to product packaging, reflecting their commitments to a balanced, sustainable lifestyle.

WestRock's robust, insight-led design capabilities offer new, flexible display and packaging solutions that seamlessly correlate with changing consumer trends and attract interest on the shelf. Here's how we can help you stand out from the competition:

Innovation for a Sustainable Future: We deliver innovative ways to meet customer goals by replacing plastic with sustainable, recyclable packaging and continuing to seek new ways to use materials from certified renewable sources.

Packaging with Wellness in Mind: We help attract health-aware consumers with resealable or petite packaging for portion control and billboard space on packs for call outs communicating "good-for-you" ingredients, less sugar or fewer calories.

More Seasonal Options: Our digital print capabilities manage SKU proliferation with ease by using attention-grabbing designs on items with shorter lifecycles, personalized messages and seasonal options that get noticed throughout the year.

New Approaches to Supply: Our vertically integrated supply chain helps reduce the risk associated with supply chain disruptions to help ensure you have the packaging you need, when you need it.

Connecting with Consumers: We design innovative packaging solutions developed to help you better engage with consumers, share information about your product and enhance the customer experience.

"Although wellness is a key opportunity, indulgence is still the main reason consumers reach for confectionery, with 85% of global consumers eating at least one snack per day motivated by indulgence"^{vii}

"Nearly three-quarters of consumers agree that it is important for chocolate and candy brands to offer a variety of portion sizes."^{viii}

Confection companies continue to seek out and employ new materials to create sustainable packaging options. Major companies like Wrigley, Nestle, and Ferrara are pledging to only use completely sustainable packaging by 2025. ^{ix}

SWEET INDULGENCES FOR THE MODERN WORLD

We understand the pressures confectionery companies face to satisfy consumers seeking healthier, more ethical options. People not only want to know what's in their food, but also how it supports their wellness and eco-conscious journeys. WestRock's eye-catching packaging can be customized to speak directly to consumers, calling out "better-for-you" ingredients, new and interesting flavors, and instantly sharing how your smart and permissible indulgences reflect their desires to live more sustainable lifestyles.

SUSTAINABILITY Innovating New Reasons to Celebrate:

Meet consumer desire to celebrate more and try *Responsible sourcing for eco-conscious minds.* innovative flavors with new packaging designs — no

The use of ethically sourced ingredients has never been matter the season. With fresh, tailor-made designs based more important for confectionery brands — and packaging on customer preferences, we can help you drive sales all is no exception. WestRock's recyclable and renewable year long and help consumers make every day paper packaging solutions reflect your company's a celebration.

commitment to sustainability, letting eco-conscious consumers know your brand can help mitigate their impact Meet the need for more designs and flavors with less on the environment. volume, shorter product lifecycles and SKU proliferation at scale

Meet sustainability goals through insights, customized Experiment with packaging of different shapes, sizes, design and innovationand aesthetics from luxurious and indulgent to natural

Reduce hard-to-recycle plastics including PVC, shrink and functional, to entice and delight shoppers wrap, decorative coatings and hardware Emphasize your brand identity through packaging via

Select from a variety of substrates to fit a wide portfolio substrate selection and print technique of packaging styles Enable easy portion control for any holiday or

Choose from a range of sustainable primary, secondary celebration with packaging designed for sharing and tertiary packaging

INNOVATION

Packaging that speaks to modern shoppers.

"Better-for-You" Packaging Innovation:

WestRock supports confectionery brands' goals to offer balanced moments of indulgence using leading-edge printing technology and game-changing design. From consumer packaging needs to industry trends and expertise on the latest packaging formats, we're constantly exploring what's possible with the power of insights so we can offer you the best solution for your business.

Introduce a variety of miniature, single-serve packaging to support consumer desire to enjoy portion-controlled sweets

Support healthier choices with re-close packaging features, allowing consumers to save some for later or share with others

Create attention-grabbing packaging with new substrate selection, sustainable coating technologies and printing techniques

Call out your brand's wellness attributes on your packaging including organic, less sugar or natural ingredients

*"87% of people prefer seasonal confectionery packaging to feature the shapes, colors, and flavors associated with the season."*x

CONNECTED SOLUTIONS

Connecting with consumers through packaging.

Confectionery companies need to be where their consumers spend their time — the digital and social media world. According to UK's Hotel Chocolat — the maker of chocolates and chocolate liquors — their digital and subscription sales accounted for the largest part of the company's revenue in 2021.xi To help strengthen a digital relationship with your consumers, our connected packaging solutions highlight interesting and important product information to help:

Engage consumers before and after the sale through digitally enhanced packaging and in-store displays using triggers like Digimarks, QR codes or NFCs Gain insight into consumer trends to help meet rapidly changing preferences

Support and protect your brand integrity by validating product authenticity, sharing ingredient/materials provenance, providing temperature monitoring, recall information and more



OUTCOMES WE DRIVE

Whether your goal is to reduce plastic use or ensure your brand's position comes across in your packaging, WestRock can get you there. We provide proven solutions to help you achieve positive business outcomes.

Increase innovation through our design expertise, commitment to sustainability and plastic replacement, and paper science developments to increase the functional properties of paper.

Minimise risk through supply chain assurance, quality of packaging and consumer-tested designs

Grow sales by ensuring supply and flexibility to meet changing consumer preferences at scale, along with designs that catch consumers' eyes and drive increased sales lift

Improve sustainability and respond to customer demands with renewable and recyclable packaging options that can be light weighted or engineered to use less material

Achieve supply chain transparency with solutions that provide visibility into product provenance, ethical sourcing, food safety, and traceability.

Lower total costs with modern designs that help reduce material usage, increase efficiency and output, and performance-match packaging to automation.

WHAT SETS US APART

When it comes to product packaging, you have your choice of vendors. But confectionery brands want more than a vendor, they want trusted experts in everything from designing to automation. That's where we come in.

Deep market insights: Every solution starts with our unique customer-focused approach with an emphasis on market, consumer, and customer insights. From consumer packaging needs and supply chain issues to industry trends and the latest packaging formats, we're constantly exploring what's possible.

Integrated supplier: We deliver assurance of supply and maximum performance through integrated solutions that combine paper, packaging, machinery, displays and distribution services — all from one partner.

Sustainability: We offer a broad portfolio of sustainable solutions including carton value engineering, plastic replacement options, sustainable fibre management, and a wide range of fiber/material optimization options.

Innovation: We deliver innovative packaging and automation solutions powered by cutting-edge technology and game-changing design that delivers incredible flexibility.

Connected Solutions: We offer connected solutions that allow brands and retailers to engage with consumers using interactive technology to inform, educate, and communicate product features and benefits.

End-to-End Engagement:

Automation engineers conduct a complete review of your operation and supply chain to help optimize processes and performance. From purchasing to production to warehousing to recycling, we identify opportunities to reduce your total cost.

Packaging Expertise:

Our deep expertise helps us develop packaging that is performance-matched to our equipment for optimized and efficient solutions.

NORTH AMERICA

SECONDARY PACKAGING

As a leading manufacturer of folding cartons, multipacks, and paperboard, we provide solutions that build brand equity and market presence for confectionery brands. Our secondary packaging solutions help you:

- Lessen plastic use with reduced cost and minimal risk through testing, fit-for-use demos and trials

- Differentiate product designs with our high-end printing services

- Support sustainability efforts by strengthening fiber-based packaging using recyclable metallic inks and replacing plastic with fiber inserts

- Get to market faster and more cost-effectively with our expert design process and automation capabilities

Substrate: PrintKote®, Crescendo®

Folding Cartons: Standard Cartons, Multipack Cartons, Formed Cartons

Moulded Cartons

Trays: EcoForm Tray

Labels: Forest Films, Cut and Stack, Pressure-Sensitive, Peel and Read, Extended Content, Security

Rigid: Rigid Boxes, Rigid Tubes, Shoulder Boxes

Decorative Enhancements: GlisterKote™, GlisterBrite™

Design Innovation: Structural Cartons



NORTH AMERICA

TERTIARY PACKAGING

Our tertiary packaging solutions offer a broad range of converting capabilities and high-quality corrugated materials and machines designed to protect, promote, deliver, and display your products. WestRock helps you:

- Grow sales with innovative designs and dynamic shelf appeal
- Minimize risk with time-tested designs, sales support, unparalleled machine performance and a coast-to-coast footprint
- Enable faster time-to-market, increased customer engagement and lower total supply chain costs with turnkey merchandising displays

Substrate: PrintKote®, KraftPak®, CustomKote®

Machinery & Automation: Meta® Mandrel-Formed Cases, Tray Formers, Meta® Duo, Meta® LS90, Palletisers

Corrugated Distribution

Packaging: InsulShield™, Boxes, Shelf Ready Packaging

Temporary and Permanent Displays



WHY WESTROCK?

Serving many of the top global confectionery brands, we combine decades of industry experience, innovation and design expertise with sustainable substrates and leading-edge automation for a superior experience. Our proven capabilities and approach are unique in our industry and support WestRock's vision to innovate boldly and package sustainably for all our customers. From supply chain interruptions and changing consumer preferences to sustainability challenges and digital experience expectations, confection companies are facing tough issues that affect every area of their business — including the way they package, distribute and display their products.

WestRock is backed by years of packaging expertise, global resources and the ability to develop and deliver innovative, integrated solutions that combine paper, packaging, machinery, displays, digital activations, and distribution services — all in one place.

"The merchandising and packaging ecosystem thrives on delivering experience rather than a product, and WestRock best meets this requirement"

— www.retailtechinsights.com/westrock



Partner with a market leader in confectionery packaging solutions to help innovate your brand in a sustainable and connected way.

Reach out to your account team or visit www.westrock.com to learn more about our integrated confectionery solutions.

Stylus, Natural & Organic Products Europe 2022: Food & Beverage, April 11, 2022; 2 Global Data Global Consumer Survey Q1 2022, May 9, 2022; 3 The Freedonia Group National Online Consumer Survey, Feb-Mar. 2021; 4 Challenges faced by confectionery manufacturers based on market trends, FnBnews.com, Dec. 2020; National Confection Association (NCA), 2021; 6 KANTAR, 2022; 7 Mondelez, 2022; 8 NCA, 2022 State of Treating Report; 9 Candy Industry, "How confectionery companies made the switch to paper packaging, Sean Riley; 10 NCA, State of Treating 2022; 11 Candy Industry, "COVID-19 pandemic offers European candy companies opportunities to grow, Carla Zanetos Scully