

GRAPHIC PACKAGING HOLDING CO

Form PRE 14A

March 19, 2009

Table of Contents

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

Graphic Packaging Holding Company

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount Previously Paid:

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(3) Filing Party:

(4) Date Filed:

Table of Contents

March 31, 2009

Dear Graphic Packaging Holding Company Stockholders:

It is my pleasure to invite you to Graphic Packaging Holding Company's 2009 Annual Meeting of Stockholders, to be held at the Renaissance Waverly Hotel, 2450 Galleria Parkway, Atlanta, Georgia 30339, on Wednesday, May 13, 2009, at 10:00 a.m. local time.

The formal Notice of Annual Meeting and Proxy Statement are enclosed with this letter. The Proxy Statement describes the matters to be acted upon at the Annual Meeting. It also describes how our Board of Directors operates and provides compensation and other information about the management and Board of Directors of Graphic Packaging Holding Company.

Whether or not you plan to attend the Annual Meeting, your vote is important and I hope you will vote as soon as possible. You may vote over the Internet, by telephone or by mailing a proxy or voting instruction card. Voting over the Internet, by telephone or by written proxy will ensure your representation at the Annual Meeting, regardless of whether you attend in person. If you hold your shares in your own name and choose to attend the Annual Meeting, you may revoke your proxy and personally cast your votes at the Annual Meeting. If you hold your shares through an account with a brokerage firm, bank or other nominee, please follow instructions from such firm to vote your shares.

Sincerely yours,

John R. Miller
Chairman of the Board

Table of Contents

**Notice
of
Annual Meeting of Stockholders
of
Graphic Packaging Holding Company**

Date: May 13, 2009
Time: 10:00 a.m. local time
Place: Renaissance Waverly Hotel
2450 Galleria Parkway
Atlanta, Georgia 30339

Purposes:

To elect three Class II Directors to serve a three-year term and until the 2012 Annual Meeting of Stockholders;

To approve an amendment to the Graphic Packaging Corporation 2004 Stock and Incentive Plan (i) to increase the number of shares of Graphic Packaging Holding Company's common stock that may be granted pursuant to awards by 12,000,000 shares; (ii) to reapprove and add to a list of qualified business criteria for performance-based awards; and (iii) to make other conforming changes;

To approve an amendment to the Restated Certificate of Incorporation of Graphic Packaging Holding Company that would permit its Board of Directors to implement, at their discretion, a reverse stock split of the common stock at any time prior to the 2010 Annual Meeting of Stockholders; and

To transact any other business that may be properly brought before the Annual Meeting.

Only stockholders of record at the close of business on March 16, 2009 are entitled to notice of and to vote at the Annual Meeting of Stockholders and at any adjournment thereof.

By order of the Board of Directors,

Stephen A. Hellrung
Senior Vice President, General Counsel
and Secretary
814 Livingston Court
Marietta, Georgia 30067
March 31, 2009

YOUR VOTE IS VERY IMPORTANT.

EVEN IF YOU PLAN TO ATTEND THE ANNUAL MEETING OF STOCKHOLDERS IN PERSON, PLEASE AUTHORIZE YOUR PROXY OR DIRECT YOUR VOTE BY INTERNET OR TELEPHONE, AS DESCRIBED IN THE ENCLOSED PROXY STATEMENT, OR COMPLETE, SIGN AND DATE THE ENCLOSED PROXY CARD AND RETURN IT PROMPTLY BY MAIL IN THE ENVELOPE PROVIDED. IF YOU MAIL THE PROXY CARD, NO POSTAGE IS REQUIRED IF MAILED IN THE UNITED STATES.

TABLE OF CONTENTS

<u>GENERAL INFORMATION</u>	1
<u>SUMMARY OF COMBINATION WITH ALTVITY PACKAGING, LLC</u>	3
<u>CORPORATE GOVERNANCE MATTERS</u>	3
<u>PROPOSAL 1 ELECTION OF DIRECTORS</u>	8
<u>COMPENSATION AND BENEFITS COMMITTEE REPORT</u>	12
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	12
<u>COMPENSATION OF EXECUTIVE OFFICERS</u>	18
<u>EMPLOYMENT AGREEMENTS AND TERMINATION OF EMPLOYMENT ARRANGEMENTS</u>	23
<u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS</u>	25
<u>COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION</u>	33
<u>PROPOSAL 2 AMENDMENT OF THE GRAPHIC PACKAGING CORPORATION 2004 STOCK AND INCENTIVE COMPENSATION PLAN</u>	33
<u>PROPOSAL 3 AMENDMENT OF THE RESTATED CERTIFICATE OF INCORPORATION TO PERMIT THE BOARD OF DIRECTORS TO IMPLEMENT A REVERSE STOCK SPLIT</u>	43
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	48
<u>SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	50
<u>AUDIT MATTERS</u>	50
<u>ADDITIONAL INFORMATION</u>	51
<u>STOCKHOLDER PROPOSALS AND NOMINATIONS</u>	52
<u>ANNUAL REPORT</u>	54

Table of Contents

**Proxy Statement
for the
Annual Meeting of Stockholders
on
May 13, 2009**

GENERAL INFORMATION

This Proxy Statement is being furnished in connection with the solicitation by the Board of Directors (the Board of Directors or Board) of Graphic Packaging Holding Company, a Delaware corporation (the Company), of proxies to be voted at the 2009 Annual Meeting of Stockholders to be held at the Renaissance Waverly Hotel, located at 2450 Galleria Parkway, Atlanta, Georgia 30339, on Wednesday, May 13, 2009, at 10:00 a.m. local time (the Annual Meeting). This Proxy Statement and the enclosed proxy card will first be sent on or before April 3, 2009 to the Company s stockholders of record as of the close of business on March 16, 2009 (the Record Date). References in this Proxy Statement to Graphic Packaging, GPHC we, us, and our or similar terms are to Graphic Packaging Holding Company.

Outstanding Shares

As of the close of business on the Record Date, there were 342,568,704 shares of the Company s common stock outstanding and entitled to vote. Stockholders are entitled to one vote for each share held on all matters to come before the Annual Meeting.

Who May Vote

Only stockholders who held shares of the Company s common stock at the close of business on the Record Date are entitled to notice of and to vote at the Annual Meeting or any adjournment thereof.

How to Vote in Person

If your shares are registered directly in your name, you are considered a stockholder of record and you may vote in person at the Annual Meeting. If your shares are registered through a bank or brokerage firm, your shares are considered to be held beneficially in street name. If your shares are held beneficially in street name and you wish to vote in person at the Annual Meeting, you will need to obtain a proxy from the bank or brokerage firm that holds your shares. Please note that even if you plan to attend the Annual Meeting in person, the Company recommends that you vote before the Annual Meeting.

How to Vote by Proxy

Whether you hold shares directly as a stockholder of record or beneficially in street name, you may direct how your shares are voted without attending the Annual Meeting. If you are a stockholder of record, you may vote by any of the methods described below. If you hold shares beneficially in street name, you may vote by submitting voting instructions to your broker, trustee or nominee. For directions on how to vote, please refer to the instructions below and those included on your proxy card or, for shares held beneficially in street name, the voting instruction card

provided by your bank or brokerage firm.

Voting over the Internet. Stockholders of record of the Company's common stock with Internet access may submit proxies from any location in the world by following the "Vote by Internet" instructions on their

Table of Contents

proxy cards. In addition, most of the Company's stockholders who hold shares beneficially in street name may vote by accessing the website specified on the voting instruction card provided by their bank or brokerage firm. Please check the voting instruction card to determine Internet voting availability.

Voting by Telephone. Stockholders of record of the Company's common stock who live in the United States or Canada may submit proxies by following the "Vote by Phone" instructions on their proxy cards. Most of the Company's stockholders who hold shares beneficially in street name may vote by phone by calling the number specified on the voting instruction card provided by their bank or brokerage firm. Please check the voting instruction card to determine telephone voting availability.

Voting by Mail. Stockholders of record of the Company's common stock may submit proxies by completing, signing and dating the enclosed proxy card and mailing it in the accompanying pre-addressed envelope. The Company's stockholders who hold shares beneficially in street name may vote by mail by completing, signing and dating the voting instruction card provided by their bank or brokerage firm and mailing them in the accompanying pre-addressed envelope.

How Proxies Work

The Board of Directors is asking for your proxy. By giving the Board your proxy, your shares will be voted at the Annual Meeting in the manner you direct. If you do not specify how you wish to vote your shares, your shares will be voted **FOR** the election of each of the Director nominees, **FOR** the amendment of the Graphic Packaging Corporation 2004 Stock and Incentive Plan (the "2004 Plan"), and **FOR** the amendment of the Company's Restated Certificate of Incorporation that would permit the Company's Board of Directors to implement a reverse stock split of the Company's common stock. Proxyholders will vote shares according to their discretion on any other matter properly brought before the Annual Meeting.

If for any reason any of the nominees for election as Director is unable or declines to serve as a Director, discretionary authority may be exercised by the proxyholders to vote for a substitute proposed by the Board.

If the shares you own are held beneficially in street name by a bank or brokerage firm, such firm, as the record holder of your shares, is required to vote your shares according to your instructions. In order to vote your shares, you will need to follow the directions your bank or brokerage firm provides to you. Under the rules of the New York Stock Exchange (the "NYSE"), if you do not give instructions to your bank or brokerage firm, it will still be able to vote your shares with respect to certain discretionary items, but will not be allowed to vote your shares with respect to certain non-discretionary items. In the case of non-discretionary items, the shares will be treated as broker non-votes.

How to Vote Your 401(k) Plan Shares

If you participate in the Company's 401(k) Savings Plan or in the Company's Hourly 401(k) Savings Plan (the "401(k) Plans"), you may give voting instructions as to the number of shares of the Company's common stock held in your account as of the Record Date to the trustee of the savings plan. You provide voting instructions to the trustee, Fidelity Management Trust Company, by completing and returning the proxy card accompanying this Proxy Statement. The trustee will vote your shares in accordance with your duly executed instructions received by 12:00 midnight on May 8, 2009. If you do not send instructions, the trustee will vote the number of shares equal to the share equivalents credited to your account in the same proportion that it votes shares for which it did receive timely instructions.

You may also revoke voting instructions previously given to the trustee by 12:00 midnight on May 8, 2009, by filing either a written notice of revocation or a properly completed and signed proxy card bearing a later date with the trustee. Your voting instructions will be kept confidential by the trustee.

Quorum

In order to carry out the business of the Annual Meeting, there must be a quorum. This means that at least a majority of the outstanding shares eligible to vote must be represented at the Annual Meeting, either by proxy or in person. Proxies received but marked as abstentions and broker non-votes will be included in the

Table of Contents

calculation of the number of votes present at the Annual Meeting for purposes of calculating whether a quorum is present.

Votes Needed

The Director nominees receiving the largest number of votes cast are elected, up to the maximum number of Directors fixed by the Board to be elected at the Annual Meeting. As a result, any shares not voted, whether by abstention, broker non-vote or otherwise, have no effect on the election of Directors, except to the extent that the failure to vote for a particular nominee may result in another nominee receiving a larger number of votes. Approval of the amendment to the Company's Restated Certificate of Incorporation requires the affirmative vote of holders of a majority of shares outstanding and entitled to vote. Approval of any other matter properly brought before the Annual Meeting requires the affirmative vote of holders of a majority of the shares present in person or by proxy and entitled to vote at the Annual Meeting. An abstention with respect to the amendment of the Restated Certificate of Incorporation or any other matter will have the effect of a vote against such proposal and broker non-votes will have no effect, as broker non-votes are not treated as shares entitled to vote.

Changing Your Vote

Shares of the Company's common stock represented by proxy will be voted as directed unless the proxy is revoked. Any proxy may be revoked before it is exercised by sending an instrument revoking the proxy or a proxy bearing a later date to the Company's Corporate Secretary. Any notice of revocation should be sent to: Graphic Packaging Holding Company, 814 Livingston Court, Marietta, Georgia 30067, Attention: Corporate Secretary. Any proxy submitted over the Internet or by telephone may also be revoked by submitting a new proxy over the Internet or by telephone. A proxy is also revoked if the person who executed the proxy is present at the Annual Meeting and elects to vote in person.

Attending in Person

Only stockholders, their designated proxies and guests of the Company may attend the Annual Meeting. If your shares are held beneficially in street name, you must bring an account statement or letter from your brokerage firm or bank showing that you are the beneficial owner of shares of the Company's common stock as of the Record Date in order to be admitted to the Annual Meeting.

Internet Availability of this Proxy Statement and Form 10-K

The Company's Proxy Statement, 2008 Annual Report to Stockholders and 2008 Annual Report on Form 10-K are available on the Company's website at www.graphicpkg.com.

SUMMARY OF COMBINATION WITH ALTVITY PACKAGING, LLC

On March 10, 2008, the businesses of Graphic Packaging Corporation (GPC) and Altvity Packaging, LLC (Altvity) were combined through a series of transactions. A new publicly-traded parent company, Graphic Packaging Holding Company, was formed and all of the equity interests in Altvity's parent company were contributed to GPHC in exchange for 139,445,038 shares of its common stock. Stockholders of GPC received one share of GPHC common stock for each share of GPC common stock held immediately prior to the transactions. Subsequently, all of the equity interests in Altvity's parent company were contributed to GPHC's primary operating company, Graphic Packaging International, Inc. Together, these transactions are referred to herein as the Altvity Transaction.

CORPORATE GOVERNANCE MATTERS

Below, in question and answer format, is a summary of certain of the Company's corporate governance policies and practices.

Table of Contents

Who are Graphic Packaging's Directors?

The Board currently consists of George V. Bayly, John D. Beckett, G. Andrea Botta, Kevin J. Conway, Jeffrey H. Coors, Kelvin L. Davis, Matthew J. Espe, Jeffrey Liaw, Harold R. Logan, Jr., Michael G. MacDougall, John R. Miller (who serves as the Chairman of the Board), David W. Scheible (who serves as President and Chief Executive Officer of the Company) and Robert W. Tieken. The members of the GPC Board from January 1, 2008 through the closing of the Altivity Transaction were Messrs. Beckett, Botta, Conway, Coors, Logan, Miller, Scheible and Tieken, as well as William R. Fields. In addition, Mr. Jack A. Fusco served as a member of the Board of Directors from March 10, 2008 through August 13, 2008. Mr. Espe was elected to the Board on March 4, 2009 to fill the vacancy created when Mr. Fusco resigned.

How does Graphic Packaging determine which Directors are independent?

For purposes of this Proxy Statement, independent and independence have the meanings set forth under the Securities Exchange Act of 1934 (the Exchange Act), as amended, the rules and regulations adopted thereunder by the Securities and Exchange Commission (the SEC), the corporate governance listing standards of the NYSE, and the Company's Corporate Governance Guidelines, all as in effect from time to time. A Director will not qualify as independent unless the Board affirmatively determines that the Director has no material relationship with the Company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company). In addition, in accordance with the Company's Corporate Governance Guidelines, the Company will also apply the following standards in determining whether a Director is independent:

A Director who is an employee of the Company, or whose immediate family member serves as one of the Company's executive officers, may not be deemed independent until three years after the end of such employment relationship.

A Director who receives, or whose immediate family member receives, more than \$100,000 per year in direct compensation from the Company, other than Board and committee fees and pension or other forms of deferred compensation for prior service, may not be deemed independent until three years after he or she ceases to receive more than \$100,000 per year in such compensation. Compensation received by an immediate family member for service as one of the Company's non-executive employees will not be considered in determining independence under this test.

A Director who is affiliated with or employed by, or whose immediate family member is affiliated with or employed in a professional capacity by, the Company's present or former internal or external auditor may not be deemed independent until three years after the end of the affiliation or the employment or auditing relationship.

A Director who is employed, or whose immediate family member is employed, as an executive officer of another company where any of the Company's current executive officers serve on that company's compensation committee may not be deemed independent until three years after the end of such service or the employment relationship.

A Director who is an executive officer, general partner or employee, or whose immediate family member is an executive officer or general partner, of an entity that makes payments to, or receives payments from the Company for property or services in an amount which, in any single fiscal year, exceeds the greater of \$1 million or 2% of such other entity's consolidated gross revenues, may not be deemed independent until three years after falling below that threshold.

Applying these standards, the following seven of the Company's thirteen Directors are independent: Messrs. Bayly, Beckett, Botta, Espe, Logan, Miller and Tieken. Mr. Scheible is not considered independent because he serves as an executive officer of the Company. Mr. Coors is not considered independent because he is a former executive officer of Graphic Packaging Corporation and is the Coors family representative under the Stockholders Agreement dated July 9, 2007 (the "Stockholders Agreement") by and among the Company, the Coors family trusts and foundation, Clayton, Dubilier & Rice Fund V Limited Partnership (the "CD&R Fund"), Old Town, S.A. (formerly known as EXOR Group, S.A. and referred to herein as "Old Town"), Field

Table of Contents

Holdings, Inc. and certain affiliates of TPG Capital, L.P. (the "TPG Entities"). The Coors family trusts and foundation own over 18% of the Company's common stock. Mr. Conway is not considered independent because of his status as a principal of Clayton, Dubilier & Rice, Inc. ("CD&R"), a private investment firm that manages the CD&R Fund, the holder of approximately 10% of the Company's common stock and a party to the Stockholders Agreement. Messrs. Davis, Liaw and MacDougall are not considered independent because of their status as partners and employees of TPG Capital, L.P. The TPG Entities own approximately 38.6% of the Company's common stock and are parties to the Stockholders Agreement.

The Company is a controlled company, as that term is defined in the NYSE's corporate governance listing standards, because more than 50% of the Company's voting power is held by a group of stockholders consisting of the Coors family trusts and foundation, the CD&R Fund, Old Town and the TPG Entities. Please see "Certain Relationships and Related Transactions" below. As a controlled company, the Company is exempt from the requirements of Rule 303A of the NYSE Listed Company Manual with respect to having the Board be comprised of a majority of independent Directors and having the Compensation and Benefits Committee and Nominating and Corporate Governance Committee being composed solely of independent Directors.

How many times did the Board of Directors meet last year?

The Board of Directors of GPC met three times in 2008 and the Board of Directors of GPHC met five times in 2008.

Did any of GPC's or GPHC's Directors attend fewer than 75% of the meetings of the Board and their assigned committees?

All of the Directors of GPC and GPHC attended at least 75% of the meetings of the Board and their assigned committees during 2008.

What is GPHC's policy on Director attendance at annual meetings of stockholders?

Directors are expected to attend each annual meeting of stockholders, but are not required to do so. All of GPHC's Directors, except Messrs. Davis and Logan, attended the 2008 annual meeting of stockholders.

Do the non-management Directors meet during the year in executive session?

Yes, the non-management Directors of GPHC met separately at regularly scheduled executive sessions during 2008 without any member of management being present. Mr. Miller, as the Chairman of the Board and Chairman of the Nominating and Corporate Governance Committee, acted as presiding Director at each executive session held by GPHC during 2008.

Can stockholders and other interested parties communicate directly with the Directors of Graphic Packaging or with the non-management Directors of Graphic Packaging?

Yes. If you wish to communicate with the Board or any individual Director, you may send correspondence to Graphic Packaging Holding Company, 814 Livingston Court, Marietta, Georgia 30067, Attention: Corporate Secretary. The Corporate Secretary will submit your correspondence to the Board, the appropriate committee or the appropriate Director, as applicable. You may also communicate directly with the presiding non-management Director of the Board or the non-management Directors as a group by sending correspondence to Graphic Packaging Holding Company, 814 Livingston Court, Marietta, Georgia 30067, Attention: Presiding Director.

Does Graphic Packaging's Board of Directors have any separately-designated standing committees?

The Board currently has three separately-designated standing committees: the Audit Committee, the Compensation and Benefits Committee and the Nominating and Corporate Governance Committee.

Table of Contents

What does the Audit Committee do?

The Audit Committee is responsible for, among other things, assisting the Board in its oversight of:

- the integrity of the Company's financial statements;
- compliance with legal and regulatory requirements;
- systems of internal accounting and financial controls;
- the performance of the annual independent audit of the Company's financial statements;
- the Company's independent auditor's qualifications and independence;
- the performance of the internal audit function; and
- the review and approval or ratification (if appropriate) of transactions with related parties.

The Audit Committee is also responsible for preparing the Report of the Audit Committee in conformity with the rules of the SEC to be included in the proxy statement for the annual meeting of stockholders.

Who are the members of the Audit Committee?

The members of GPHC's Audit Committee are Messrs. Logan, Miller and Tieken, with Mr. Tieken serving as Chairman. Messrs. Logan, Miller and Tieken also served as members of GPC's Audit Committee in 2008.

How many meetings did the Audit Committee have last year?

The Audit Committee of GPC held two meetings during 2008, and the Audit Committee of GPHC held six meetings during 2008.

Does Graphic Packaging have an Audit Committee Financial Expert?

Yes. The Board has examined the SEC's definition of "audit committee financial expert" and has determined that each of Harold R. Logan, Jr., John R. Miller and Robert W. Tieken meet these standards and are each independent directors, as defined by Section 303A of the NYSE's Listed Company Manual. Accordingly, each of Messrs. Logan, Miller and Tieken have been designated by the Board as an audit committee financial expert.

What does the Compensation and Benefits Committee do?

The Compensation and Benefits Committee oversees the compensation and benefits of the Company's management and employees and is responsible for, among other things:

- reviewing and making recommendations as to the compensation of the President and Chief Executive Officer, the other senior executives of the Company who report to the Chief Executive Officer and any employee whose annual base salary exceeds \$250,000;
- approving any equity compensation awards to employees who are officers for purposes of Section 16 of the Exchange Act; and

administering the Company's short- and long-term incentive plans.

Who are the members of the Compensation and Benefits Committee?

The members of GPHC's Compensation and Benefits Committee are currently Messrs. Bayly, Botta and Espe, with Mr. Bayly serving as Chairman. Mr. Fusco served on the Compensation and Benefits Committee from March 10, 2008 through August 13, 2008. In September 2008, Mr. Botta was appointed to the Compensation and Benefits Committee. Mr. Beckett, who is retiring from the Board of Directors as of the Annual Meeting, resigned from the Compensation and Benefits Committee on March 4, 2009. At that time,

Table of Contents

Mr. Espe was appointed to the Compensation and Benefits Committee. Messrs. Beckett, Botta and Fields served on GPC's Compensation and Benefits Committee until March 10, 2008. All of these Directors are independent directors, as defined by Section 303A of the NYSE's Listed Company Manual.

How many meetings did the Compensation and Benefits Committee have last year?

The Compensation and Benefits Committee of GPC held one meeting during 2008 and the Compensation and Benefits Committee of GPHC held six meetings during 2008.

What does the Nominating and Corporate Governance Committee do?

The Nominating and Corporate Governance Committee is responsible for, among other things, identifying qualified individuals for nomination to the Board and developing and recommending a set of corporate governance principles to the Board.

Who are the members of the Nominating and Corporate Governance Committee?

The members of GPHC's Nominating and Corporate Governance Committee are currently Messrs. Botta, Conway, Coors, Davis, MacDougall and Miller, with Mr. Miller serving as Chairman and a non-voting member. Messrs. Botta, Conway, Coors, Fields, Miller and Tieken served on GPC's Nominating and Corporate Governance Committee until March 10, 2008, with Mr. Miller serving as Chairman. Messrs. Botta, Fields, Miller and Tieken are each independent directors, as defined by Section 303A of the NYSE's Listed Company Manual. As discussed above, Messrs. Conway, Coors, Davis and MacDougall are not independent directors.

How many meetings did the Nominating and Corporate Governance Committee hold last year?

The Nominating and Corporate Governance Committee of the Board of Directors of GPC met once during 2008 and the Nominating and Corporate Governance Committee of GPHC held seven meetings during 2008.

Does Graphic Packaging have Corporate Governance Guidelines?

Yes, the Board has formally adopted Corporate Governance Guidelines to assure that it will have the necessary authority and practices in place to review and evaluate the Company's business operations as needed and to assure that the Board is focused on increasing stockholder value. The Corporate Governance Guidelines set forth the practices the Board will follow with respect to Board composition and selection, Board meetings and involvement of senior management, evaluation of the Chief Executive Officer's performance and senior management succession planning, and Board committees and compensation. You may find a copy of the Corporate Governance Guidelines on the Company's website at www.graphicpkg.com in the Investor Relations section under Corporate Governance.

Does Graphic Packaging have a code of ethics and conduct, and, if so, where can I find a copy?

Yes, the Board has formally adopted a Code of Business Conduct and Ethics, which applies to all of the Company's employees, officers and directors. A copy of the Code of Business Conduct and Ethics is available on the Company's website at www.graphicpkg.com in the Investor Relations section under Corporate Governance.

Does Graphic Packaging have a policy governing related-party transactions, and, if so, where can I find a copy?

Yes, the Board has delegated authority to the Audit Committee to review and approve related-party transactions. The Audit Committee has adopted a Policy Regarding Related-Party Transactions that is available on the Company's website at www.graphicpkg.com in the Investor Relations section under Corporate Governance.

Table of Contents

Have the Board's standing committees adopted charters and, if so, where can I find copies?

Yes, the Audit Committee, Compensation and Benefits Committee and Nominating and Corporate Governance Committee have each adopted charters, copies of which can be found on the Company's website at www.graphicpkg.com in the Investor Relations section under Corporate Governance.

How can I obtain printed copies of the information described above?

The Company will provide printed copies of the charters of the Audit Committee, Compensation and Benefits Committee and Nominating and Corporate Governance Committee, as well as the Policy Regarding Related-Party Transactions, the Code of Business Conduct and Ethics and Corporate Governance Guidelines to any person without charge upon request.

PROPOSAL 1 ELECTION OF DIRECTORS

The Company's Board of Directors has thirteen members divided into three classes, with one class being elected each year for a three-year term. The three nominees standing for election as Class II Directors are: Jeffrey Liaw, Michael G. MacDougall and John R. Miller. Mr. John D. Beckett, who is currently serving as a Class II Director, is retiring from the Board and, therefore, is not standing for re-election.

If elected, each Class II nominee will serve three consecutive years with his term expiring in 2012, and until a successor is elected and qualified. The election of the Director nominees is by plurality vote, which means that the three nominees receiving the highest number of affirmative votes will be elected. If at the time of the Annual Meeting, any of these nominees is unable or unwilling to serve as a Director for any reason, which is not expected to occur, the persons named as proxies will vote for such substitute nominee or nominees, if any, as shall be designated by the Board. See *Certain Relationships and Related Transactions* Stockholders Agreement for information regarding rights that certain stockholders have to designate nominees for director and the obligations of certain stockholders to vote for certain nominees.

Set forth below is certain information furnished to the Company by the Director nominees and by each of the incumbent Directors whose term will continue after the Annual Meeting. There are no family relationships among any Directors or executive officers of the Company.

Information Concerning the Nominees

Class II Directors Term to Expire in 2012

Jeffrey Liaw, 32, was appointed to GPHC's Board on March 10, 2008. Mr. Liaw has been employed in TPG Capital's Energy and Industrial investing practice areas since 2005. Prior to joining TPG Capital in 2005, Mr. Liaw was an associate at Bain Capital, a private equity investment firm, in its Industrials practice. Mr. Liaw is a director and audit committee member of Energy Future Holdings Corp. (formerly TXU Corp.) and a director and compensation committee member of Oncor Electric Delivery Company. Mr. Liaw is a graduate of the University of Texas at Austin and received his M.B.A. from Harvard Business School where he was a Baker Scholar and a Siebel Scholar.

Michael G. MacDougall, 38, was appointed to GPHC's Board on March 10, 2008. Mr. MacDougall is a partner of TPG Capital. Prior to joining TPG Capital in 2002, Mr. MacDougall was a vice president in the Principal Investment Area of the Merchant Banking Division of Goldman, Sachs & Co., where he focused on private equity and mezzanine investments. He is a director of Kraton Polymers LLC, Aleris International, Inc. and Energy Future Holdings Corp. (formerly TXU Corp.). Mr. MacDougall served on the board of managers of Texas Genco LLC prior to its sale to

NRG Energy, Inc. in February 2006. He also serves as the Chairman of the Board of The Opportunity Network and is a member of the Board of The Dwight School Foundation and Iselsboro Affordable Property. Mr. MacDougall is a graduate of the University of Texas at Austin and received his M.B.A. with distinction from Harvard Business School.

Table of Contents

John R. Miller, 71, was appointed to GPHC's Board on March 10, 2008 and serves as its Chairman. Prior to the Altivity Transaction, Mr. Miller had served as the non-executive Chairman of the Board of Directors of GPC since August 8, 2006 and had been a member of such Board since 2002. He has served as Chairman of the Board of Directors of Cambrex Corporation, a life science company, since 2008 and has been a member of such Board since 1998. Mr. Miller has been a director of Eaton Corporation, a global diversified industrial manufacturer, since 1985. From 2005 to 2008, he served on the Board of SIRVA, Inc., a global provider of moving and relocation services, serving as Chairman of the Board from 2006 to 2008. He formerly served as President and Chief Operating Officer of The Standard Oil Company and Chairman of the Federal Reserve Bank of Cleveland.

Information Concerning Continuing Directors

Class I Directors Term to Expire in 2011

G. Andrea Botta, 55, was appointed to GPHC's Board on March 10, 2008. Prior to the Altivity Transaction, he had served as a member of GPC's Board since 1996. Mr. Botta has served as the President of Glenco LLC, a private investment company, since February 2004. From 1999 to February 2004, Mr. Botta served as a managing director of Morgan Stanley. Before joining Morgan Stanley, he was President of EXOR America, Inc. (formerly IFINT-USA, Inc.) from 1993 until September 1999 and for more than five years prior thereto, Vice President of Acquisitions of IFINT-USA, Inc.

Kevin J. Conway, 50, was appointed to GPHC's Board on March 10, 2008. Prior to the Altivity Transaction, he had served as a member of GPC's Board since 1995. Mr. Conway is the Managing Partner of CD&R, a New York-based private investment firm, a director of CD&R Investment Associates II, Inc. (Associates II), a Cayman Islands exempted company that is the managing general partner of CD&R Associates V Limited Partnership, a Cayman Islands exempted limited partnership (Associates V), the general partner of CD&R, and a limited partner of Associates V.

Jeffrey H. Coors, 64, was appointed to GPHC's Board on March 10, 2008. Prior to the Altivity Transaction, he had served as a member of GPC's Board since August 2003. He also served as GPC's Vice Chairman from August 2006 through his retirement on December 31, 2007, and as Executive Chairman from August 2003 through August 2006. Mr. Coors was Chairman of Graphic Packaging International Corporation from 2000 and until August 2003, and was its Chief Executive Officer and President from Graphic Packaging International Corporation's formation in 1992 until August 2003. Mr. Coors served as Executive Vice President of the Adolph Coors Company from 1991 to 1992 and as its President from 1985 to 1989, and as President of Coors Technology Companies from 1989 to 1992. Mr. Coors currently serves as a director of R.W. Beckett Corporation.

Kelvin L. Davis, 45, was appointed to GPHC's Board on March 10, 2008. Mr. Davis is a Senior Partner of TPG Capital and Head of the firm's North American Buyouts Group, incorporating investments in all non-technology industry sectors. Prior to joining TPG in 2000, Mr. Davis was President and Chief Operating Officer of Colony Capital, Inc., a private international real estate-related investment firm in Los Angeles, which he co-founded in 1991. Prior to the formation of Colony, Mr. Davis was a principal of RMB Realty, Inc., the real estate investment vehicle of Robert M. Bass. Prior to his affiliation with RMB Realty, he worked at Goldman, Sachs & Co. in New York City and with Trammell Crow Company in Dallas and Los Angeles. Mr. Davis earned a B.A. degree (Economics) from Stanford University and a M.B.A. from Harvard University, where he was a Baker Scholar, a John L. Loeb Fellow, and a Wolfe Award recipient. Mr. Davis is a director of Kraton Polymers LLC, Aleris International, Inc., Harrah's Entertainment, Inc., Metro-Goldwyn-Mayer Studios Inc. and Univision Communications Inc. He is also a ten-year Director (and past Chairman) of Los Angeles Team Mentoring, Inc. (a charitable mentoring organization), is a director of the Los Angeles Philharmonic Association, and is on the Board of Overseers and Art Collections Council of the Huntington Library, Art Collections, and Botanical Gardens.

David W. Scheible, 52, was appointed to GPHC's Board upon its formation (under the name New Giant Corporation) in June 2007. Prior to the Altivity Transaction, he had served as a director, President and Chief Executive Officer of GPC since January 1, 2007. Prior to that time, Mr. Scheible had served as Chief

Table of Contents

Operating Officer of GPC since October 2004. Mr. Scheible served as Executive Vice President of Commercial Operations from August 2003 until October 2004. Mr. Scheible served as Graphic Packaging International Corporation's Chief Operating Officer from 1999 until August 2003. He also served as President of Graphic Packaging International Corporation's Flexible Division from January to June 1999. Previously, Mr. Scheible was affiliated with the Avery Dennison Corporation, working most recently as its Vice President and General Manager of the Specialty Tape Division from 1995 through 1999 and Vice President and General Manager of the Automotive Division from 1993 to 1995.

Class III Directors Term to Expire in 2010

George V. Bayly, 66, was appointed to GPHC's Board on March 10, 2008. Mr. Bayly served as Chairman and interim Chief Executive Officer of Altivity from October 2006 to March 10, 2008. Prior to October 2006, Mr. Bayly served as Co-Chairman of U.S. Can Corporation from September 2005 to September 2006, as well as Co-Chairman and Chief Executive Officer from March 2005 to September 2005. In addition, Mr. Bayly has been a principal of Whitehall Investors, LLC, a consulting and venture capital firm, since January 2002. From January 1991 to December 2002, Mr. Bayly served as Chairman, President and Chief Executive Officer of Ivex Packaging Corporation. From 1987 to 1991, Mr. Bayly served as Chairman, President and Chief Executive Officer of Olympic Packaging, Inc. Mr. Bayly also held various management positions with Packaging Corporation of America from 1973 to 1987. Mr. Bayly serves on the Board of Directors of ACCO Brands Corporation, Huhtamaki Oyj and Treehouse Foods, Inc. Mr. Bayly holds a B.S. from Miami University and a M.B.A. from Northwestern University. Mr. Bayly also served as a Lieutenant Commander in the United States Navy.

Matthew J. Espe, 50, joined GPHC's Board on March 4, 2009. Mr. Espe is the Chairman, President and Chief Executive Officer of IKON Office Solutions, Inc., a position he has held since 2003, and served as Chief Executive Officer and Director since 2002. IKON is a provider of integrated document management systems and services. Prior to his employment with IKON, Mr. Espe was President and Chief Executive Officer of GE Lighting from 2000 through 2002, President of GE Plastics-Europe from 1999 through 2000, and President of GE Plastics-Asia from 1998 through 1999, each a division of General Electric Company, a diversified industrial company. He also serves on the Advisory Board to the University of Idaho, is a director of Unisys Corporation and is a member of the United Way of Southeastern Pennsylvania Board.

Harold R. Logan, Jr., 64, was appointed to GPHC's Board on March 10, 2008. Prior to the Altivity Transaction, Mr. Logan had served as a member of GPC's Board since August 2003. From 2001 until August 2003, Mr. Logan served as one of the directors of Graphic Packaging International Corporation. From 2003 through September 2006, Mr. Logan was a director and Chairman of the Finance Committee of TransMontaigne, Inc., a transporter of refined petroleum products, and was a director, Executive Vice President, and Chief Financial Officer of TransMontaigne, Inc. from 1995 to 2002. TransMontaigne, Inc. was sold to Morgan Stanley Group, Inc. on October 1, 2006. Mr. Logan served as a director and Senior Vice President, Finance of Associated Natural Gas Corporation, a natural gas and crude oil company, from 1987 to 1994. He also serves as Chairman of the Board of Supervisors of Suburban Propane Partners, L.P. and as a director of Hart Energy Publishing, LLC.

Robert W. Tieken, 69, was appointed to GPHC's Board on March 10, 2008. Prior to the Altivity Transaction, Mr. Tieken had served as a member of GPC's Board since September 2003. Mr. Tieken served as the Executive Vice President and Chief Financial Officer of The Goodyear Tire & Rubber Company from May 1994 to June 2004. From 1993 until May 1994, Mr. Tieken served as Vice President-Finance for Martin Marietta Corporation. From July 2006 until July 2008, Mr. Tieken served as a member of the Board of Directors of SIRVA, Inc., a global provider of moving and relocation services, and from August 2007 until July 2008, as its Chief Executive Officer.

Criteria for Potential Directors

The Company's Board is responsible for selecting nominees for election as Directors by stockholders and for filling vacancies on the Board. The Nominating and Corporate Governance Committee is responsible for

Table of Contents

identifying and recommending to the Board individuals for nomination as members of the Board and its committees and, in this regard, reviewing with the Board on an annual basis the current skills, background and expertise of the members of the Board, as well as the Company's future and ongoing needs. This assessment is used to establish criteria for identifying and evaluating potential candidates for the Board. However, as a general matter, the Nominating and Corporate Governance Committee seeks individuals who demonstrate:

the highest personal and professional integrity;

commitment to driving the Company's success;

an ability to provide informed and thoughtful counsel on a range of issues; and

exceptional ability and judgment.

The Nominating and Corporate Governance Committee considers candidates recommended by its members and other Directors. The Nominating and Corporate Governance Committee will also consider whether to nominate any person recommended by a stockholder pursuant to the provisions of the Company's By-Laws relating to stockholder nominations as described in Stockholder Proposals and Nominations, below. The Nominating and Corporate Governance Committee uses the same criteria to evaluate proposed nominees that are recommended by its members and other Directors as it does for stockholder-recommended nominees.

Compensation of Directors

The following table sets forth information regarding the compensation of the non-employee Directors of GPC and GPHC in 2008.

Director Compensation Table for 2008

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$)⁽¹⁾	Total (\$)
George V. Bayly	49,853	90,000	139,853
John D. Beckett	51,277	90,000	141,277
G. Andrea Botta ⁽²⁾	56,779	90,000	146,779
Kevin J. Conway	51,277	90,000	141,277
Jeffrey H. Coors	53,777	90,000	143,777
Kelvin L. Davis	41,000	90,000	131,000
William R. Fields	11,362	0.00	11,362
Jack A. Fusco	17,434	90,000	107,434
Jeffrey Liaw	37,500	90,000	127,500
Harold R. Logan, Jr.	52,277	90,000	142,277
Michael G. MacDougall	44,500	90,000	