



Sonoco Implementing Tube & Core Scrap Return Subscription Service

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HARTSVILLE, S.C., June 10, 2020 (GLOBE NEWSWIRE) -- Sonoco (NYSE: SON), one of the largest global diversified packaging companies, today announced its Tube & Core North America division will implement a tube and core scrap return subscription service, effective July 1, 2020.

The subscription service is voluntary and will only be in effect if a customer chooses to return scrap tubes and cores to a Sonoco supplying facility. For many years, Sonoco offered this service at no cost to customers, however fluctuations in the value of the returned materials, along with the rising costs of labor, freight and other processing costs, required leadership to review this valuable offering.

"Due to the recent experience with OCC volatility, Sonoco discovered that the value of our OCC bales was well below the processing costs associated with it," said Mike Thompson, Director - Sales & Marketing, Tubes and Cores – US/ Canada. "Sonoco, along with many other recyclers, has determined the necessity to set a protocol to manage costs with such a volatile commodity moving forward."

When OCC is at or above \$90 per ton, Sonoco will continue to offer a core scrap return program with no fees. However, when OCC values drop below \$90/ton (RISI's – Southeast Region – High), a fee of \$95 will be added to each invoice for new tube and core shipments. At the point when OCC again increases over the threshold of \$90 per ton, the service fee will be removed.

About Sonoco

Founded in 1899, Sonoco (NYSE: SON) is a global provider of a variety of consumer packaging, industrial products, protective packaging and displays and packaging supply chain services. With annualized net sales of approximately \$5.4 billion, the Company has 23,000 employees working in approximately 300 operations in 36 countries, serving some of the world's best known brands in some 85 nations. Sonoco is committed to creating sustainable products, services and programs for our customers, employees and communities that support our corporate purpose of *Better Packaging. Better Life.* The Company ranked first in the Packaging sector on Fortune's World's Most Admired Companies for 2020 as well as Barron's 100 Most Sustainable Companies. For more information, visit www.sonoco.com.

Contact: Roger Schrum
+843-339-6018
roger.schrum@sonoco.com



Source: Sonoco Products Company