



2ND QUARTER 2024

EARNINGS RESULTS

August 1, 2024

FORWARD-LOOKING STATEMENTS / NON-GAAP FINANCIAL MEASURES

Statements included herein that are not historical in nature, are intended to be, and are hereby identified as “forward-looking statements” for purposes of the safe harbor provided by Section 21E of the Securities Exchange Act of 1934, as amended. In addition, the Company and its representatives may from time to time make other oral or written statements that are also “forward-looking statements.” Words such as “aim,” “anticipate,” “assume,” “believe,” “can,” “committed,” “consider,” “continue,” “could,” “estimate,” “expect,” “forecast,” “future,” “goal,” “guidance,” “improve,” “intend,” “likely,” “may,” “might,” “objective,” “ongoing,” “outlook,” “plan,” “potential,” “project,” “seek,” “strategy,” “target,” “will,” or the negative thereof, and similar expressions identify forward-looking statements.

Forward-looking statements in this communication include statements regarding, but not limited to: the Company’s future operating and financial performance, including third quarter and full-year 2024 outlook, long-term targets and the anticipated drivers thereof; the Company’s ability to support its customers and manage costs; opportunities for productivity and other operational improvements; price/cost, customer demand and volume outlook; expected benefits from and integration efforts related to acquisitions and divestitures; the Company’s expectations with respect to the VPPA and its sustainability goals; the effectiveness of the Company’s strategy and strategic initiatives, including with respect to capital expenditures, portfolio simplification and capital allocation priorities; the Company’s pipeline of organic and inorganic investment opportunities; the effects of the macroeconomic environment and inflation on the Company and its customers; and the Company’s ability to generate continued value and return capital to shareholders, including its expectations with respect to a competitive and growing dividend. Such forward-looking statements are based on current expectations, estimates and projections about our industry, management’s beliefs and certain assumptions made by management. Such information includes, without limitation, discussions as to guidance and other estimates, perceived opportunities, expectations, beliefs, plans, strategies, goals and objectives concerning our future financial and operating performance. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Therefore, actual results may differ materially from those expressed or forecasted in such forward-looking statements.

The risks, uncertainties and assumptions include, without limitation, those related to: the Company’s ability to execute on its strategy, including with respect to acquisitions (and integrations thereof), divestitures, cost management, productivity improvements, restructuring and capital expenditures, and achieve the benefits it expects therefrom; the operation of new manufacturing capabilities; the Company’s ability to achieve anticipated cost and energy savings; the availability, transportation and pricing of raw materials, energy and transportation, including the impact of potential changes in tariffs or sanctions and escalating trade wars, and the impact of war, general regional instability and other geopolitical tensions (such as the ongoing conflict between Russia and Ukraine as well as the economic sanctions related thereto, and the ongoing conflict in Israel and Gaza), and the Company’s ability to pass raw material, energy and transportation price increases and surcharges through to customers or otherwise manage these commodity pricing risks; the costs of labor; the effects of inflation, fluctuations in consumer demand, volume softness, and other macroeconomic factors on the Company and the industries in which it operates and that it serves; the Company’s ability to meet its environmental and sustainability goals, including with respect to greenhouse gas emissions, and to meet other social and governance goals, including challenges in implementation thereof; and the other risks, uncertainties and assumptions discussed in the Company’s filings with the Securities and Exchange Commission, including its most recent reports on Forms 10-K and 10-Q, particularly under the heading “Risk Factors.” The Company undertakes no obligation to publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed herein might not occur.

Information about the Company’s use of non-GAAP financial measures, why management believes presentation of non-GAAP financial measures provides useful information to investors about the Company’s financial condition and results of operations, and the purposes for which management uses non-GAAP financial measures is included in the Company’s Annual Report and on the Company’s website at investor.sonoco.com under Webcasts & Presentations, and Non-GAAP Reconciliations for the Q2 2024 Earnings Presentation. Pursuant to the requirements of Regulation G, the Company has provided definitions of the non-GAAP measures discussed during this presentation as well as reconciliations of those measures to the most closely related GAAP measure on its website at investor.sonoco.com.

This presentation does not constitute the solicitation of the purchase or sale of any securities.

TODAY'S ATTENDEES



Lisa Weeks

VP of IR & Communications



Howard Coker

President & CEO



Rob Dillard

Chief Financial Officer



Rodger Fuller

Chief Operating Officer

BUSINESS UPDATE

Howard Coker

President & CEO

DELIVERED SOLID RESULTS FROM PRODUCTIVITY



Revenue

\$1.62B



Adj. EBITDA

\$262M

16% Margin



Adj. Net Income*

\$127M

8% Margin



Adj. Earnings Per Share*

\$1.28

Q2 Highlights

Results in line with guidance:

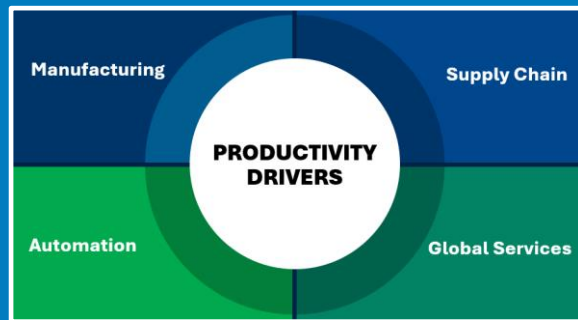
- EBITDA margins remain strong at ~16%
- Generated \$109 million of operating cash flow

Business drivers:

- Positive productivity of \$51 million from prior capital investments and portfolio simplification initiatives
- Overall demand volumes remained muted as price/cost headwinds persisted as projected
- Consumer volumes remained challenged from inflationary pricing; organic volume improvements in Industrials

STRATEGIC PRIORITIES UPDATES

Operating with Discipline



- Payoff from increased capital spending
- Comprehensive cost optimization
- Productivity of \$102 million in 1H-24
- Increasing operating cash flow

Sustainability Design Awards



- Mono-materials Pringles tube design
- Gold Award: Snacks & Confectionary
- Silver Award: Sustainable Innovation

Strategic M&A



- Announced transaction on 6/24/2024
- Approvals & integration plans ongoing
- Expect to close by the end of 2024

SONOCO TO ACQUIRE EVIOSYS



Acquisition Highlights

- Adds scale to our core metal can platform; proforma, Sonoco will be the leading metal food and aerosol can manufacturer globally
- Expands customer relationships across product offerings and geographies
- Strong identified synergies from procurement and supply chain, facility optimization, and SG&A; future commercial and innovation synergies
- Attractive financial profile with improved profitability and cash flow; immediately accretive to adjusted earnings with high year 1 capital returns
- Advances portfolio transformation strategy with concurrent execution of an expanded view of divestitures, with net proceeds for deleveraging

Eviosys At-a-Glance



#1

in food cans in Europe



~\$2.5B

2024E Revenue



~\$430M

2024E Adj. EBITDA



~17%

2024E Adj. EBITDA Margin



44

Manufacturing facilities across
17 countries (Europe & Africa)



~6,300

Employees

FINANCIAL RESULTS & OUTLOOK

Rob Dillard

Chief Financial Officer

RESILIENT OPERATING PERFORMANCE

	Q2-23	Q2-24	YoY % Change
Net Sales (\$M)	\$1,705	\$1,623	-4.8%
Adjusted Operating Profit (\$M)	\$211	\$193	-8.5%
Adjusted Operating Profit Margin	12.4%	11.9%	
Adjusted EBITDA (\$M)	\$275	\$262	-4.8%
Adjusted EBITDA Margin	16.1%	16.2%	
Adjusted EPS	\$1.38	\$1.28	-7.1%
Adjusted EPS Guidance Range		\$1.25- \$1.35	

Net Sales driven by positive low-single-digit volume/mix offset by strategic activity of divestitures, market exits, and reclassifications

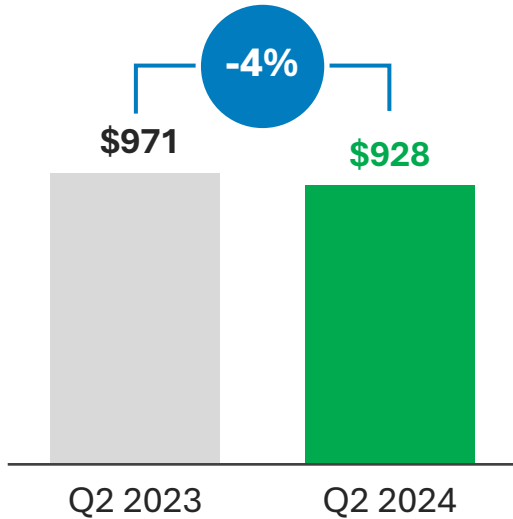
Strong productivity of **\$51M** supported improving adjusted EBITDA margins of **16.2%**

Unfavorable price/cost of **\$49M**, primarily in Industrial, impacted profitability

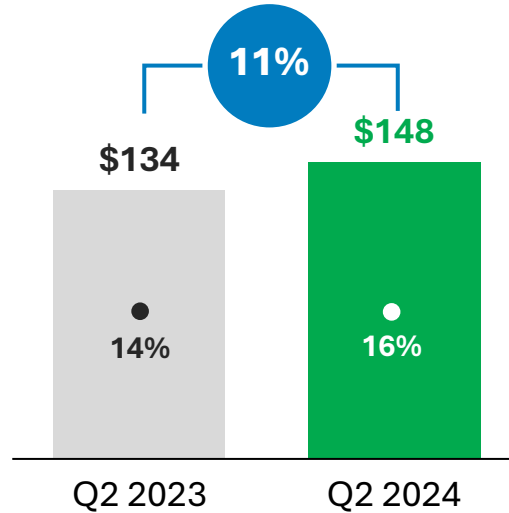
Earnings of **\$1.28** within guidance

CONTINUED PROFITABILITY GROWTH

Sales (\$M)






Adj. EBITDA (\$M)



Q2 Results

- Consumer volume/mix increased low-single-digits due to acquisitions and positive organic volume/mix in Flexibles and SMP
- Over 50% sequential improvement in productivity to **\$25M** across Consumer
- Flat price/cost as strong price/cost in SMP was offset by index-based pricing pressure in TFP and RPC

Sales Volume/Mix* (y/y)

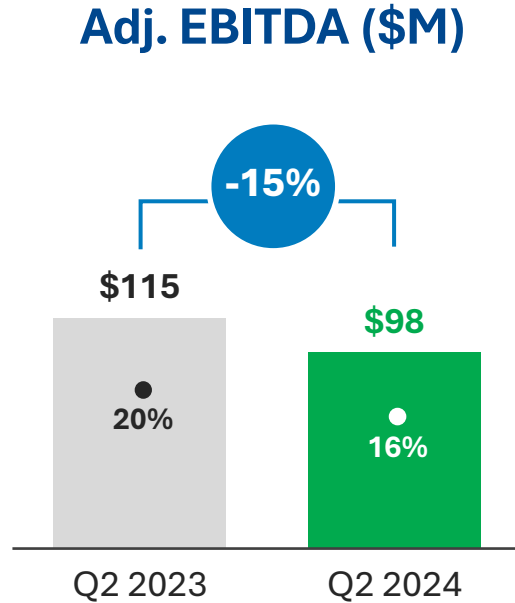
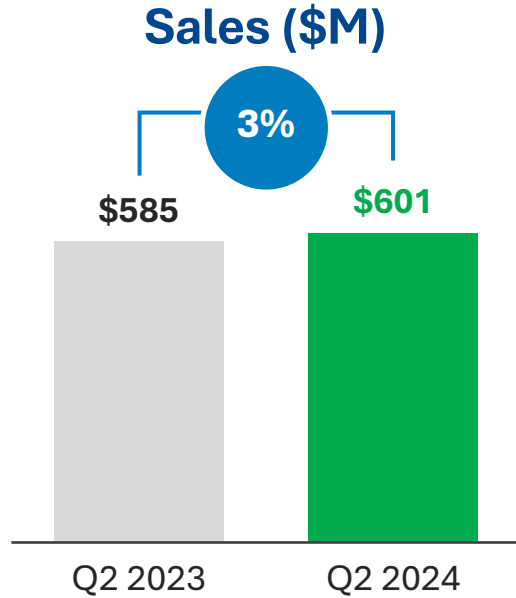
	Q2 2024	2024 Outlook
 Rigid Paper Containers (RPC)	-LSD	Flat
 Thermoformed and Flexibles Packaging (TFP)	+MSD	Up
 Metal Packaging (MP)	+LSD	Up

* Includes Acquisitions and Divestitures

MSD = Mid Single Digits

LSD = Low Single Digits

VOLUMES STABILIZING



Sales Volume/Mix* (y/y)

	Q2 2024	2024 Outlook
North America	+DD	Up
Central and South America	+LSD	Flat
Europe	+HSD	Up
Asia Pacific	+MSD	Down

Q2 Results

- Industrial volume/mix increased **10%** due to acquisitions and improving paper demand globally
- Strong productivity of **\$23M** due to improved operating leverage and lower fixed costs
- Price/cost pressure continued with negative **\$47M** of price/cost in the second quarter
- Additional North America price increases announced for paper and converted products in June

* Includes Acquisitions and Divestitures

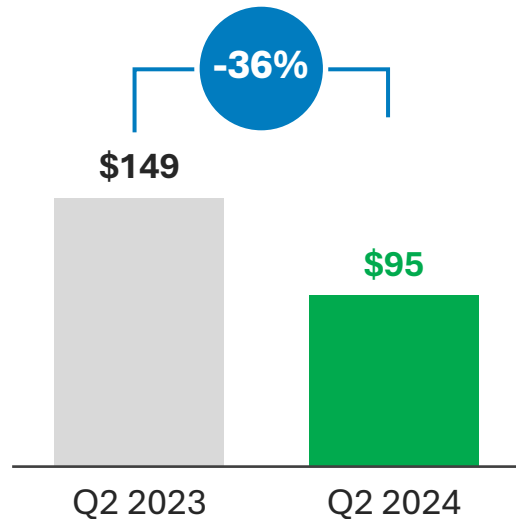
DD = Double Digits

HSD = High Single Digits

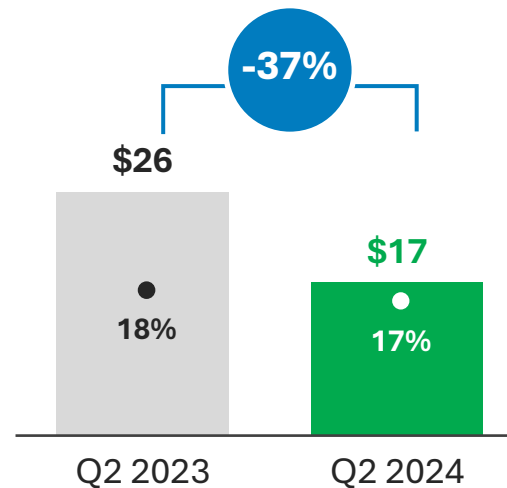
LSD = Low Single Digits

THREE BUSINESSES REMAIN

Sales (\$M)



Adj. EBITDA (\$M)



Q2 Results

- Lower volumes and price/cost headwinds partially offset by productivity
- Sale of Protective Solutions completed on April 1, 2024, proceeds used to reduce debt
- Anticipating resolving All Other to increase focus on the core

Evaluating Strategic
Alternatives



BALANCED APPROACH TO CAPITAL ALLOCATION

Disciplined Investment in Our Strategy

Capital Investment

- Invest to drive productivity and growth
- Dynamic capital allocation
- Focus on increasing ROIC*

Share Repurchases

- Additional mode of rewarding shareholders
- Target leverage and strategic activity first



Dividend

- Reward shareholders
- Track record of consistent dividend growth
- Industry leading yield

M&A

- Programmatic M&A
- Disciplined focus:
 - “Wide Aperture / Tight Filter”
 - “Right to Win”
- Broad based divestiture program to increase focus

*NOTE: ROIC (TTM) = Adjusted Operating Profit less Taxes / Average Invested Capital
Invested Capital = Debt less Cash + Equity

STRONG CASH FLOW GENERATION

Operating Cash Flow (\$M)



Gross Capital Investment* (\$M)



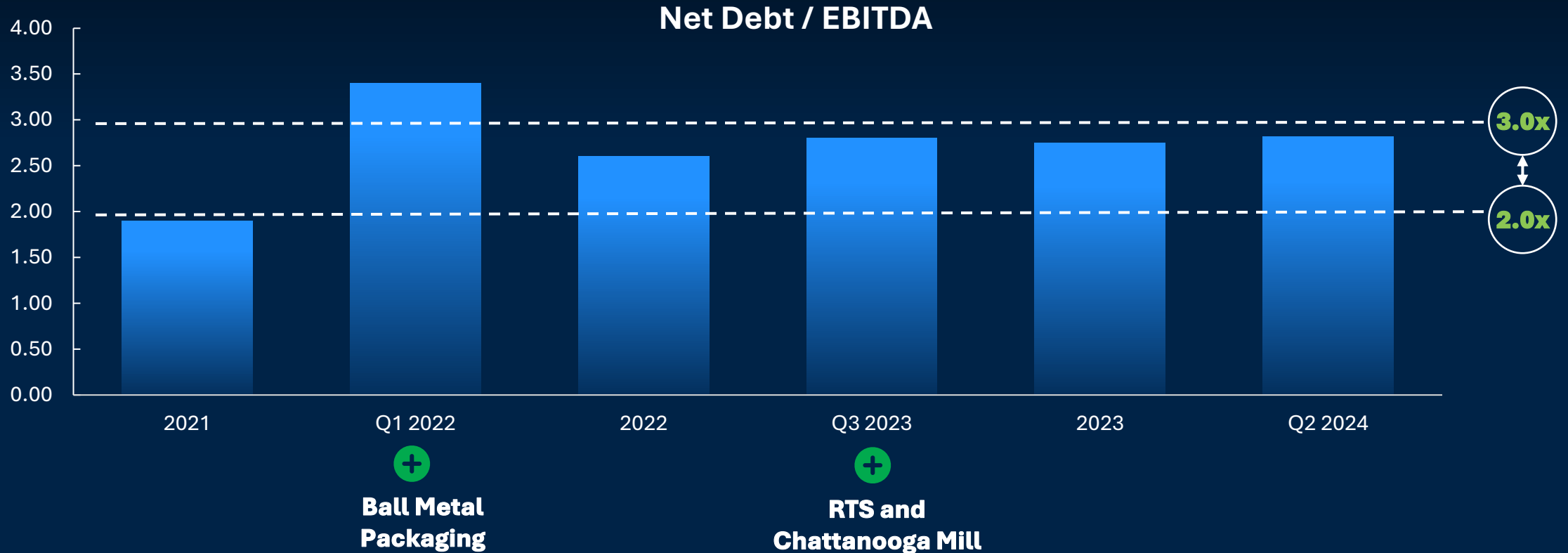
*Gross capital investment, not reduced by the proceeds from sales of assets

Q2 Results

- Generated **\$109M** of Operating Cash Flow in Q2
- Improving EBITDA and inventory management expected to drive stronger second half Operating Cash Flow

FOCUS ON INVESTMENT GRADE CAPITAL STRUCTURE

Prioritizing Debt Reduction



>\$1.4B
Total Liquidity

Strong and flexible balance sheet to support balanced capital allocation strategy

** \$140 million of cash + \$1,222 million in revolver capacity

3.9%

Weighted-average cost of debt. Capital structure well positioned with 6.8Y WAM

Q3 AND 2024 FINANCIAL OUTLOOK

\$ in Millions (except EPS)

2024 Guidance

Adjusted EBITDA

\$1,050 - \$1,090

Adjusted EPS

\$5.00 - \$5.30

Operating Cash Flow

\$650 - \$750

\$1.40 - \$1.60

Q3-24 Adjusted EPS Guidance Range

Summary

- Reaffirming full year EBITDA, EPS, and Operating Cash Flow Guidance (excludes Eviosys and any divestiture impacts)
- Q3 Adjusted EPS Range reflects sequential and year-over-year increasing volumes, continued strong productivity, and less impacts from negative price/cost
- Capital Expenditures expected to be \$350 to \$375 million

Q3-24 SEGMENT OUTLOOK

CONSUMER PACKAGING

- Anticipate sales up sequentially and year-over-year from seasonally higher volumes in metal packaging and improving volumes in rigid paper containers
- Anticipate price / cost to be effectively flat sequentially and down slightly year-over-year
- Continue watching tightening steel supply given tariff uncertainties and domestic supply situation
- Positive productivity across Consumer albeit moderating from first half levels

INDUSTRIAL PRODUCTS

- Anticipate sales flat sequentially and up year-over-year from improving volumes in the North America paper and converting markets
- Price/cost improving in Q3 but still a year-over-year headwind as higher input costs have not been fully reflected in index-based pricing
- Positive productivity expected in the quarter

ALL OTHER BUSINESSES

- Anticipate lower sales year-over-year from the sell of Protective Solutions
- Sales up sequentially from higher volumes due to seasonality in temperature assured packaging
- Year-over-year margin improvements driven by improved mix and productivity

POSITIONED TO DELIVER LONG-TERM SHAREHOLDER VALUE

2028 SONOCO TARGETS

Portfolio



Adjusted EBITDA

\$1.5B ↑
Margins in High Teens

Cash Flow

\$4-\$5B ↑
cumulative operating cash flow (2024-28)

Capital Strategy

- Investment Grade Balance Sheet
- Dynamic Capital Allocation

Deliver on the above with a **competitive and growing dividend**

2024-28 NEXT ERA ENTERPRISE STRATEGY



Focused, Bigger-Better Portfolio Strategy; Organically & with Strategic M&A



BU-specific Margin Improvement and Capital Allocation Priorities



Invest in Our People and Sustainability Initiatives



Operate with Discipline

Q & A



**Q2 2024
EARNINGS**

August 1, 2024

APPENDIX

Quarter-ending: June 30th, 2024

EPS SUMMARY

2024 Vs. 2023

	Second Quarter		Year To Date	
	2024	2023	2024	2023
GAAP EPS	\$ 0.92	\$ 1.16	\$ 1.57	\$ 2.66
Addback for:				
Acquisition and divestiture related costs, net	0.17	0.03	0.21	0.08
LIFO Reserve change	(0.01)	(0.01)	(0.01)	(0.05)
Acquisition intangibles amortization expense	0.17	0.16	0.35	0.32
Restructuring, net	0.16	0.05	0.41	0.27
Gain on disposition and other	(0.06)	(0.06)	(0.06)	(0.61)
Non-operating pension costs	0.03	0.03	0.06	0.05
Other Items	(0.10)	0.02	(0.13)	0.05
Adjusted EPS*	\$ 1.28	\$ 1.38	\$ 2.40	\$ 2.77

*NOTE: Due to rounding individual items may not sum appropriately

P&L SUMMARY (ADJUSTED)

Second Quarter: 2024 Vs. 2023

(Dollars in millions)

	2024		2023		Better / (Worse)	
	\$	%	\$	%	\$	%
Net sales	\$ 1,623		\$ 1,705		\$ (82)	(4.8)%
Gross profit	356		356		—	0.1 %
SG&A Expenses, net of Other Income	(163)		(145)		(17)	(12.0)%
Operating profit	\$ 193		\$ 211		\$ (18)	(8.5)%
Net interest	(26)		(32)		6	19.1 %
Income before income taxes	\$ 167		\$ 179		\$ (12)	(6.7)%
Provision for income taxes	(43)		(46)		3	(6.6)%
Net Income, after tax	\$ 124		\$ 133		\$ (9)	(6.8)%
Equity in Affiliates and Minority Interest	2		3		—	— %
Net income attributable to Sonoco	\$ 127		\$ 136		\$ (10)	(7.4)%
ADJ. EBITDA	\$ 262		\$ 275		\$ (13)	(4.8)%
Gross profit %		21.9 %		20.9 %		
SG&A, net of Other Income %		10.0 %		8.5 %		
Operating profit %		11.9 %		12.4 %		
ADJ. EBITDA %		16.2 %		16.1 %		
Effective tax rate		25.5 %		25.6 %		

*NOTE: Due to rounding individual items may not sum appropriately

P&L SUMMARY (ADJUSTED)

Year to Date: 2024 Vs. 2023

(Dollars in millions)

	2024		2023		Better / (Worse)	
	\$		\$		\$	%
Net sales	\$	3,261	\$	3,435	\$	(174) (5.1)%
Gross profit		694		725		(31) (4.3)%
SG&A Expenses, net of Other Income		(325)		(300)		(25) (8.4)%
Operating Profit	\$	369	\$	425	\$	(56) (13.1)%
Net interest		(53)		(65)		12 19.8 %
Income before income taxes	\$	316	\$	360	\$	(43) (11.9)%
Provision for income taxes		(81)		(91)		10 (10.9)%
Net Income, after tax	\$	235	\$	269	\$	(34) (12.6)%
Equity Affiliates and Minority Interest		3		5		(2) (40.0)%
Net income attributable to Sonoco	\$	238	\$	274	\$	(36) (13.2)%
ADJ. EBITDA	\$	507	\$	552	\$	(45) (8.3)%
Gross Profit %		21.3 %		21.1 %		
SG&A, Net of Other Income %		10.0 %		8.7 %		
Operating profit %		11.3 %		12.4 %		
ADJ. EBITDA %		15.5 %		16.1 %		
Effective tax rate		25.6 %		25.2 %		

*NOTE: Due to rounding individual items may not sum appropriately

BALANCE SHEET

(Dollars in millions)

	6/30/2024		12/31/2023		Change \$
Cash and cash equivalents	\$	140	\$	152	\$ (12)
Trade accounts receivable, net of allowances		960		905	55
Other receivables		110		107	3
Inventories		733		774	(41)
Prepaid expenses		172		113	59
Current Assets	\$	2,115	\$	2,051	\$ 64
Property, plant and equipment, net		1,893		1,906	(13)
Goodwill		1,770		1,811	(41)
Other intangible assets, net		804		854	(50)
Long-term deferred income taxes		28		31	(3)
Right of use asset - operating leases		314		315	(1)
Other assets		232		225	7
Total Assets	\$	7,155	\$	7,193	\$ (38)
Payable to suppliers and others		1,134		1,108	26
Income taxes payable		7		11	(4)
Total debt		3,027		3,083	(56)
Pension and other postretirement benefits		140		143	(3)
Noncurrent operating lease liabilities		267		265	2
Deferred income taxes and other		137		151	(14)
Total equity		2,442		2,432	10
Total Liabilities and Shareholders' Equity	\$	7,155	\$	7,193	\$ (38)
Net debt / Total capital		54.2 %		54.7 %	

Net debt = Total debt minus cash and cash equivalents

Total capital = Net debt plus total equity

*NOTE: Due to rounding individual items may not sum appropriately

SALES AND ADJ. OPERATING PROFIT BRIDGE

Quarter over Quarter: 2024 Vs. 2023

(Dollars in millions)

Sales

	Consumer		Industrial		All Other		Total
Q2 2023 Sales	\$	971	\$	585	\$	149	\$ 1,705
Volume / Mix*		15		61		(53)	23
Price		(19)		(12)		(1)	(32)
FX / Other		(39)		(33)		—	(73)
Q2 2024 Sales	\$	928	\$	601	\$	95	\$ 1,623

Adj Operating Profit

Q2 2023 Adj. Operating Profit	\$	101	\$	87	\$	23	\$ 211
Volume / Mix*		2		15		(6)	11
Price / Cost		—		(46)		(3)	(49)
Productivity		25		23		3	51
FX / Other	\$	(16)	\$	(12)	\$	(3)	\$ (31)
Q2 2024 Adj. Operating Profit	\$	112	\$	67	\$	14	\$ 193

*Includes Acquisitions and Divestitures

*NOTE: Due to rounding individual items may not sum appropriately

SALES AND ADJ. OPERATING PROFIT BRIDGE

Year to Date: 2024 Vs. 2023

(Dollars in millions)

Sales

	Consumer		Industrial		All Other		Total
2023 Sales	\$	1,929	\$	1,201	\$	305	\$ 3,435
Volume / Mix*		(9)		110		(76)	25
Price		(40)		(49)		—	(89)
FX / Other		(42)		(68)		—	(110)
2024 Sales	\$	1,838	\$	1,194	\$	229	\$ 3,261

Adj Operating Profit

2023 Adj Operating Profit	\$	198	\$	181	\$	45	\$ 424
Volume / Mix*		(13)		23		(15)	(5)
Price / Cost		(9)		(102)		(5)	(116)
Productivity		40		52		10	102
FX / Other		(11)		(21)		(4)	(36)
2024 Adj Operating Profit	\$	205	\$	133	\$	31	\$ 369

*Includes Acquisitions and Divestitures

*NOTE: Due to rounding individual items may not sum appropriately

DIVIDEND IS FOUNDATIONAL

Raised Dividend for the 41st Consecutive Year



Quarterly Dividend of \$0.52 per share as of April 17, 2024

41 Years of Consecutive Annual Increases

99 Consecutive Years Paid