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Third Quarter 2021 Financial Results

October 21, 2021





Forward-Looking Statements / Non-GAAP Financial Measures

Today's presentation contains a number of forward-looking statements based on current expectations, estimates and projections. These statements are not guarantees of future performance and are subject to certain risks and uncertainties. Therefore, actual results may differ materially.

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 sonoco.com under Investor Relations, Webcasts & Presentations, Non-GAAP Reconciliations for Q3 and Full-Year 2021 Outlook.

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 sonoco.com.

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



EPS Summary

3rd Quarter: 2021 Vs. 2020

	3rd Quarter			Year To Date		
	2021		2020	2021		2020
Actual EPS	\$ 1.12	\$	0.82	\$ (1.51)	\$	2.17
Addback for:						
2017 Amended Income Tax Return	\$ (0.30)	\$	—	\$ (0.30)	\$	—
US Inactive Pension Plan Settlement	\$ —	\$	—	\$ 4.04	\$	—
Deferred Tax Write-Down (D&P Europe Divestiture)	\$ —	\$	(0.20)	\$ —	\$	(0.20)
Loss on Early Extinguishment of Debt	\$ —	\$	—	\$ 0.15	\$	—
Restructuring & Asset Impairment, Net	\$ 0.03	\$	0.18	\$ 0.06	\$	0.44
M&A Costs, Non-Operating Pension Costs, Other Items	\$ 0.06	\$	0.06	\$ 0.22	\$	0.18
Base EPS*	\$ 0.91	\$	0.86	\$ 2.66	\$	2.59
Sonoco Guidance	\$ 0.87 to 0.93					

*Due to rounding individual items may not sum down



P&L Summary (Base)

3rd Quarter: 2021 Vs. 2020

Dollars in millions

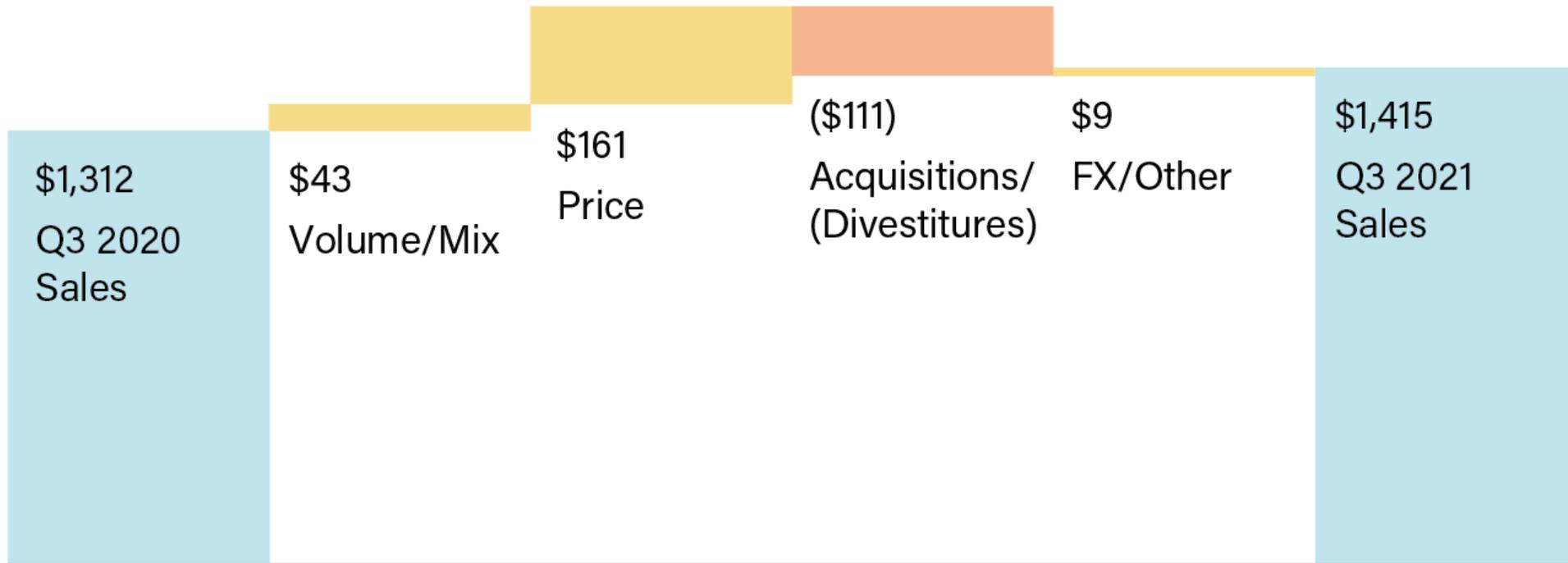
	2021	2020	Better / (Worse)	
			\$	%
Net sales	\$ 1,415	\$ 1,312	103	7.8 %
Gross profit	258	257	1	0.4 %
SG&A Expenses, net of Other Income	(135)	(126)	(9)	(7.1) %
Operating profit	\$ 122	\$ 131	(9)	(6.9)%
Net interest	(14)	(19)	5	26.3 %
Provision for income taxes	(20)	(27)	7	25.9 %
Net Income, after tax	\$ 89	\$ 85	4	4.7 %
Equity in Affiliates and Minority Interest	2	2		
Net income attributable to Sonoco	\$ 91	\$ 87	4	4.6 %
EBITDA	\$ 183	\$ 194	(11)	(5.7)%
Gross profit %	18.2 %	19.6 %		
SG&A %	9.5 %	9.6 %		
Operating profit %	8.6 %	9.9 %		
EBITDA%	12.9 %	14.8 %		
Effective tax rate	18.1 %	24.1 %		

NOTE: Totals and percentages are based on unrounded amounts



Sales Bridge

3rd Quarter: 2021 Vs. 2020
Dollars in millions



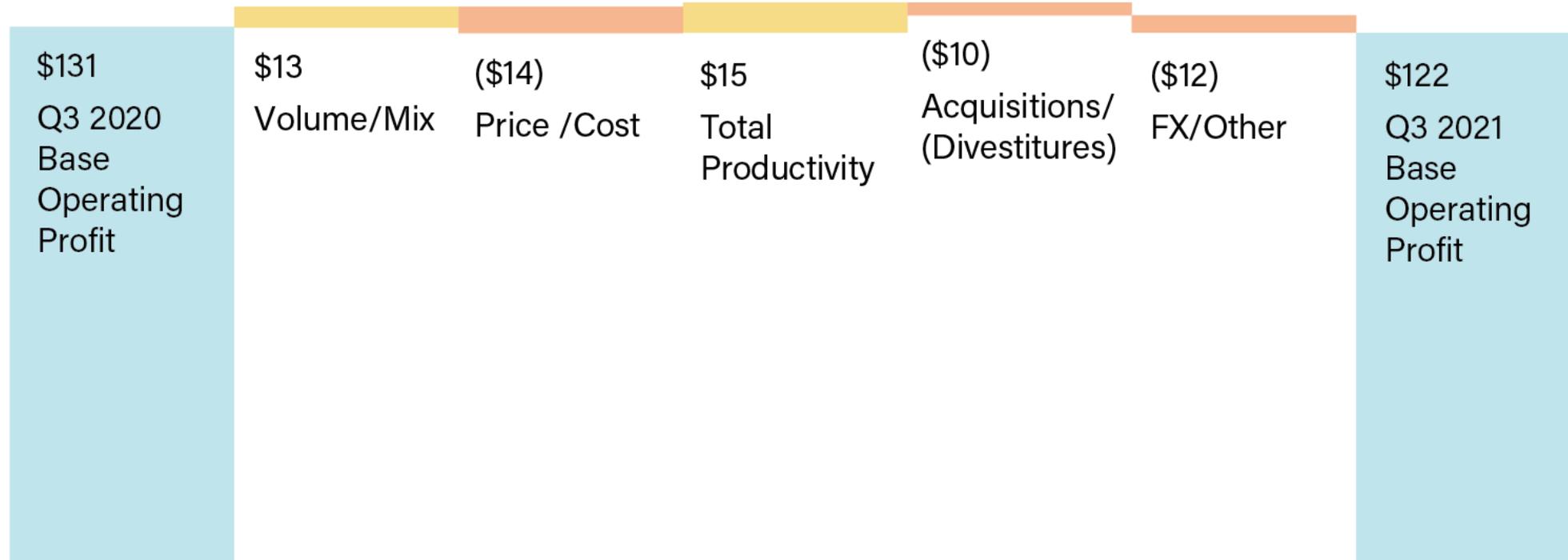
NOTE: Totals are based on unrounded amounts



Base Operating Profit Bridge

3rd Quarter: 2021 Vs. 2020

Dollars in millions



NOTE: Totals are based on unrounded amounts



Segment Analysis

3rd Quarter: 2021 Vs. 2020

Dollars in millions

	Net Sales			Base Operating Profit		
	2021	2020	% Change	2021	2020	% Change
Consumer Packaging	\$ 599	\$ 546	9.7 %	\$ 61	\$ 64	(5.4)%
Industrial Paper Packaging	\$ 635	\$ 490	29.5 %	\$ 53	\$ 41	30.0 %
All Other	\$ 181	\$ 276	(34.4)%	\$ 8	\$ 25	(67.5)%
	\$ 1,415	\$ 1,312	7.8 %	\$ 122	\$ 131	(6.2)%

	Operating Profit As % Of Sales		Margin Change
Consumer Packaging	10.2 %	11.8 %	(1.6)%
Industrial Paper Packaging	8.4 %	8.4 %	— %
All Other	4.5 %	9.1 %	(4.6)%
	8.6 %	10.0 %	(1.4)%



Cash Flow

3rd Quarter Year to date: 2021 Vs. 2020

Dollars in millions

	Year To Date		Year Over Year
	2021	2020	Change
Net income	\$ (150)	\$ 219	\$ (369)
Asset impairment charges / Losses on disposition of assets	4	22	(18)
Depreciation and amortization expenses	181	187	(6)
Pension and post retirement plan expenses, net of contributions	418	8	410
Changes in working capital	(75)	(16)	(59)
Changes in tax accounts	(173)	(7)	(166)
Other operating activity	15	77	(62)
Operating cash flow	\$ 220	\$ 490	(270)
Capital expenditures net of dispositions	(146)	(108)	(38)
Free cash flow	\$ 74	\$ 381	(307)
Cash dividends paid	\$ (135)	\$ (129)	(5)

NOTE: Totals are based on unrounded amounts



Balance Sheet

Dollars in millions

	10/3/2021	12/31/2020	Change \$
Cash and cash equivalents	\$ 160	\$ 565	\$ (405)
Trade accounts receivable, net	756	659	97
Other receivables	95	104	(9)
Inventories	530	451	79
Prepaid expenses	60	53	7
Current Assets	\$ 1,601	\$ 1,831	\$ (230)
Property, plant and equipment, net	1,232	1,244	(12)
Right of Use Asset - Operating leases	270	296	(26)
Goodwill	1,324	1,389	(65)
Other intangible assets, net	282	322	(40)
Other assets	217	195	22
Total Assets	\$ 4,925	\$ 5,277	\$ (352)
Payable to suppliers and others	1,052	1,048	4
Income taxes payable	21	7	14
Total debt	1,469	1,700	(231)
Noncurrent operating lease liabilities	237	262	(25)
Pension and other postretirement benefits	165	172	(7)
Deferred income taxes and other	121	177	(56)
Total equity	1,861	1,911	(50)
Total Liabilities and Shareholders' Equity	\$ 4,925	\$ 5,277	\$ (352)
Net debt / Total capital	41.3 %	37.3 %	

Net debt = Total debt minus cash and cash equivalents. Total capital = Net debt plus total equity



EPS and Cash Flow Guidance

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Full Year
2020 Base EPS Actuals	\$0.94	\$0.79	\$0.86	\$0.82	\$3.41
2021 Base EPS Actuals & Guidance	\$0.90	\$0.84	\$0.91	\$0.84 - \$0.90	\$3.49 - \$3.55

(\$ millions)	December 31, 2021			
	Est. Low End		Est. High End	
Full Year Cash Flow Guidance (Excluding pension contributions*)				
Operating Cash Flow*	\$	520	\$	550
Free Cash Flow*	\$	270	\$	300

*Net cash provided by operating activities and free cash flow exclude \$133,000 of pension contributions made in the second quarter of 2021 to fund liability settlements



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Appendix





Segment Analysis

Q3 Year to date: 2021 Vs. 2020

Dollars in millions

	Net Sales			Base Operating Profit		
	2021	2020	% Chg	2021	2020	% Chg
Consumer Packaging	\$ 1,780	\$ 1,660	7.2 %	\$ 196	\$ 213	(7.6)%
Industrial Paper Packaging	\$ 1,809	1,448	25.0 %	161	134	20.6 %
All Other	\$ 563	753	(25.3)%	33	55	(39.6)%
	<u>\$ 4,151</u>	<u>\$ 3,861</u>	<u>7.5 %</u>	<u>\$ 391</u>	<u>\$ 401</u>	<u>(2.6)%</u>

	Operating Profit As % Of Sales		Margin Change
Consumer Packaging	11.0 %	12.8 %	(1.8)%
Industrial Paper Packaging	8.9 %	9.2 %	(0.3)%
All Other	5.9 %	7.2 %	(1.3)%
	<u>9.4 %</u>	<u>10.4 %</u>	<u>(1.0)%</u>

NOTE: Totals and percentages are based on unrounded amounts



P&L Summary (Base)

Q3 Year to date: 2021 Vs. 2020

Dollars in millions

	2021		2020		Better / (Worse)	
	\$	%	\$	%	\$	%
Net sales	\$ 4,151		\$ 3,861		\$ 290	7.5 %
Gross profit	798		772		26	3.3 %
SG&A Expenses, Net of Other Income	(408)		(371)		(37)	(10.0) %
Operating Profit	\$ 391		\$ 401		\$ (10)	(2.6)%
Net interest	(49)		(53)		4	8.2 %
Provision for income taxes	\$ (80)		\$ (89)		\$ 9	9.7 %
Net Income, after tax	\$ 261		\$ 259		\$ 2	0.8 %
Equity Affiliates and Minority Interest	6		4		2	50.0 %
Net income attributable to Sonoco	\$ 267		\$ 262		\$ 5	1.9 %
EBITDA	\$ 574		\$ 588		\$ (14)	(2.3)%
Gross Profit %		19.2 %		20.0 %		
SG&A %		9.8 %		9.6 %		
Operating profit %		9.4 %		10.4 %		
EBITDA %		13.8 %		15.2 %		
Effective tax rate		23.5 %		25.6 %		

NOTE: Totals and Percentages are based on unrounded amounts



Sales Bridge

Q3 YTD: 2021 Vs. 2020

Dollars in millions

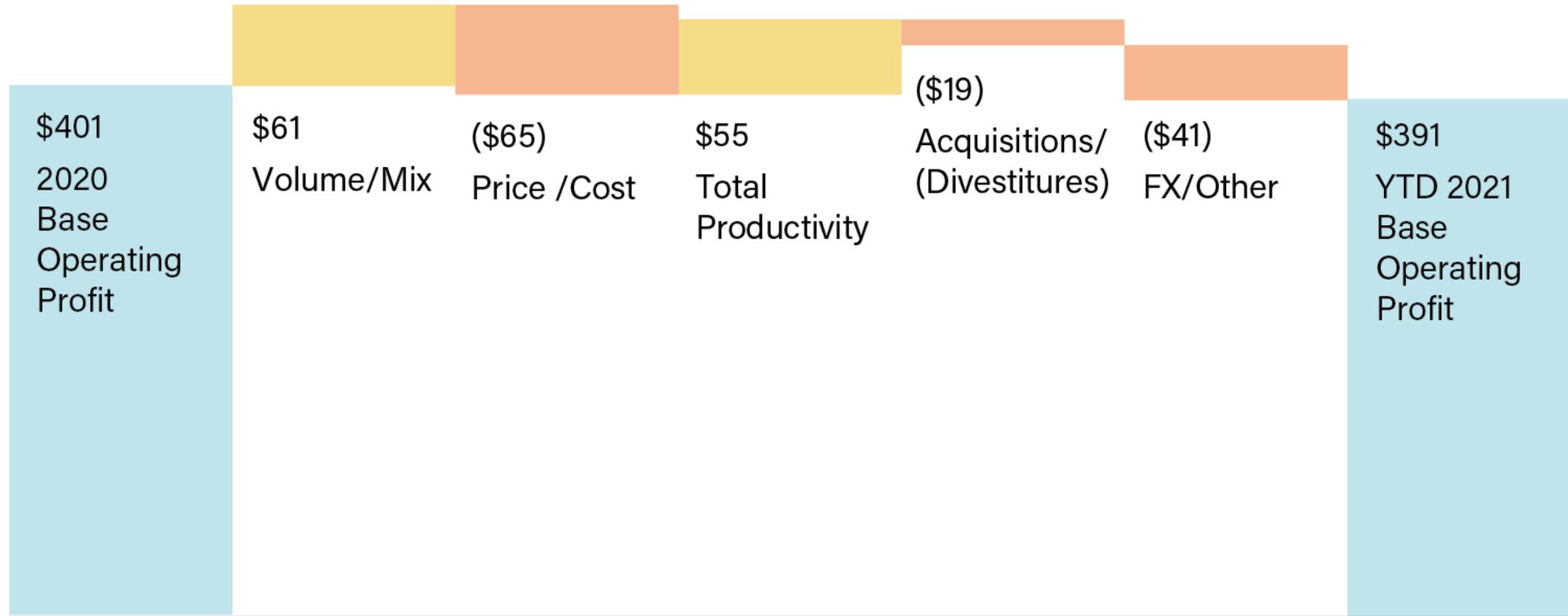




Base Operating Profit Bridge

Q3 YTD: 2021 Vs. 2020

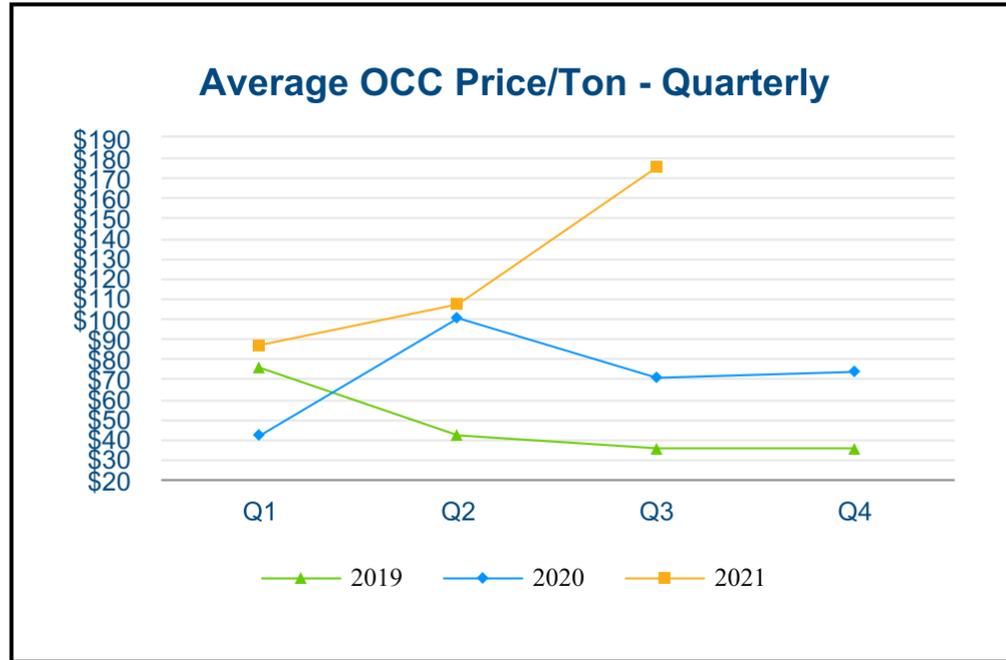
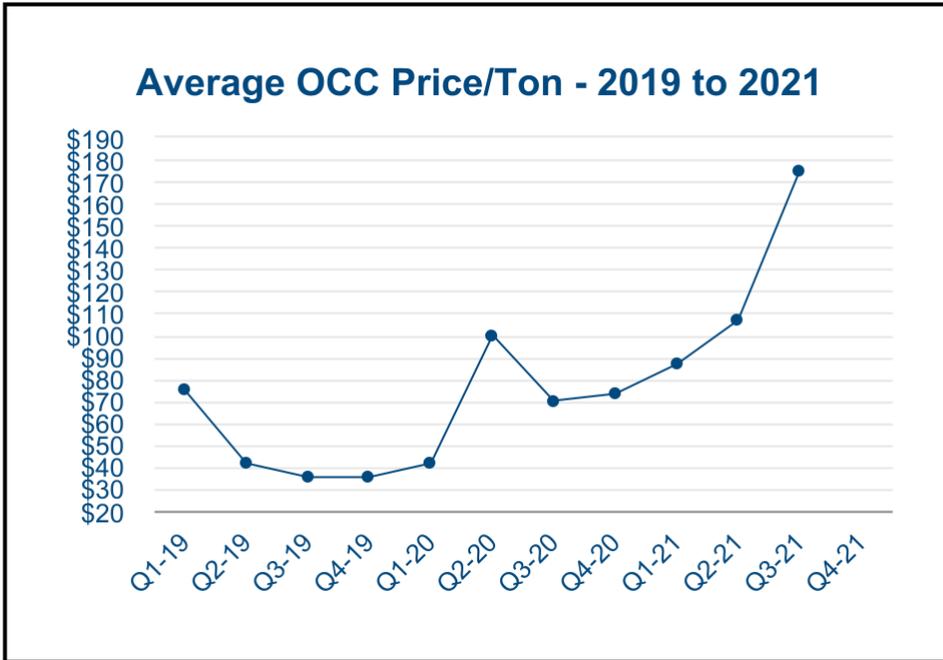
Dollars in millions





OCC: Official Board Market

3rd Quarter: 2021 Vs. 2020 Vs. 2019
(Price/Ton)



	1st Quarter				2nd Quarter				3rd Quarter				4th Quarter			
	J	F	M	Avg	A	M	J	Avg	J	A	S	Avg	O	N	D	Avg
2019	85	75	65	75	50	40	35	42	35	35	35	35	35	35	35	35
2020	35	40	50	42	85	125	90	100	70	70	70	70	70	70	80	73
2021	85	85	90	87	95	100	125	107	145	185	195	175				