



Defining Our Next Decade



Sonoco Products Company

New York Analyst Meeting

December 6, 2019

Strategic Review Agenda

Book One



**ROB
TIEDE**

President and CEO

Overview of 2019
performance and a look
ahead at Sonoco's growth
drivers for 2020 and beyond.



HOWARD COKER

Senior Vice President,
Global Paper and Industrial
Converted Products

Review Sonoco's Global Paper
and Industrial Converted
Products performance, Conitex
and Corenso acquisitions and
efforts to further optimize our
global Industrial operations.



RODGER FULLER

Senior Vice President,
Global Consumer Packaging,
Display and Packaging and
Protective Solutions

Review Sonoco's Global
Consumer Packaging, Display
and Packaging and Protective
Solutions performance.
Examine our Consumer growth
strategy and expansion into
Healthcare Packaging.

Sonoco's Sustainability Focus



**MARCY
THOMPSON**

Vice President,
Marketing, Innovation and Sustainability

Review Sonoco's sustainability commitments and actions and review EnviroSense™ sustainable packaging portfolio.



**JEFF
SCHUETZ**

Staff Vice President,
Consumer Technology

Review of technical applications of Sonoco's sustainable packaging and address myths of sustainability.

Financial Review and Outlook

Book Two



**JULIE
ALBRECHT**

Vice President and
Chief Financial Officer

Review financial expectations for 2019
and outlook for earnings and cash flow
for 2020.



**ROB
TIEDE**

President and CEO

Review of capital deployment strategy
and long-range outlook.

Forward Looking Statements

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.

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.

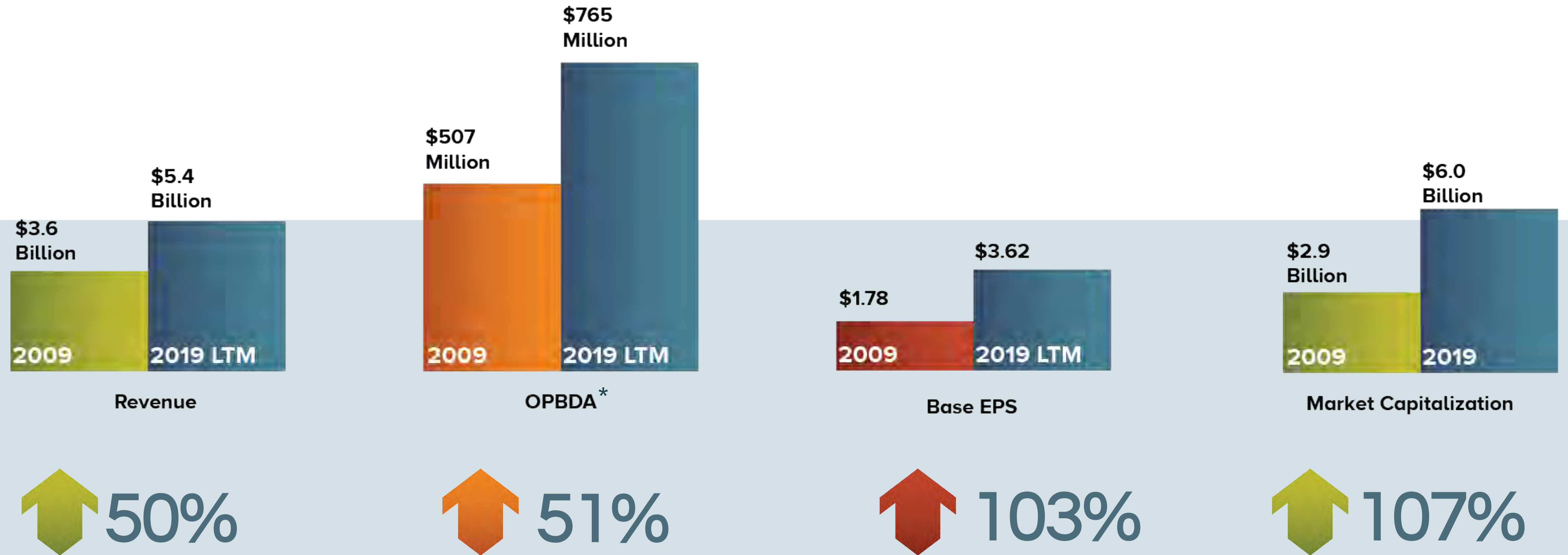
This presentation does not constitute the solicitation of the purchase or sale of any securities.



Rob Tiede

President and CEO

Our Last Decade



Pension Headwinds

\$540 Million



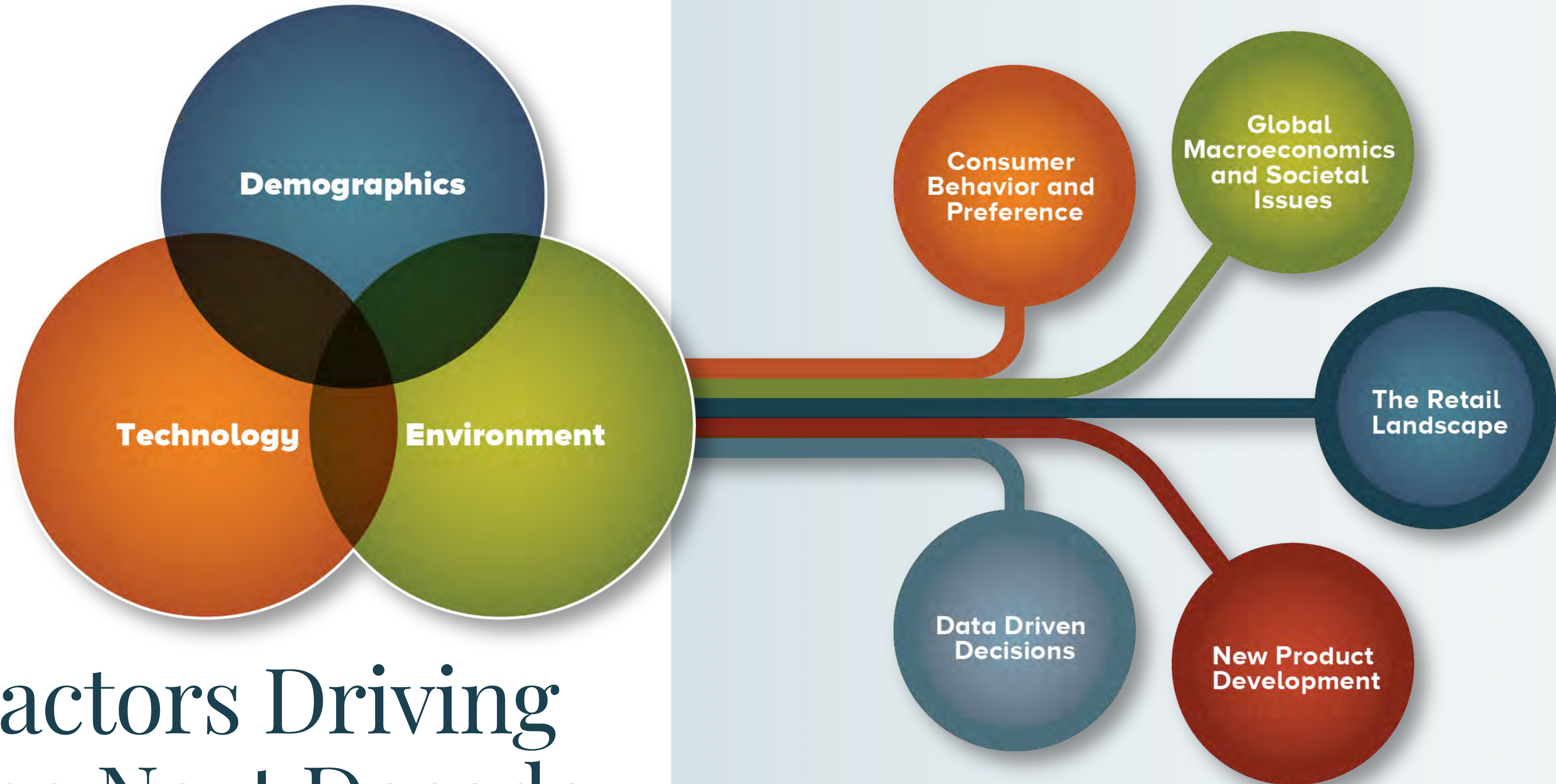
Adapting to Change

Global Macroeconomics

Shifting Demographics

Changing Consumer Behavior

Evolving Trends in Packaging



Factors Driving the Next Decade



Demographics Driving Decisions

Changing Populations, Changing Demands in Healthcare



More Snacking, More Healthy Products, More Convenience, More Demands On Packaging



Smarter Shoppers Require Smarter Packaging



The Impact of Convenience on Consumption



Ecommerce Continues to Impact Package Design



Better Data Better Decisions





Sonoco's Performance by the Numbers

\$5.42
Billion

LTM Revenue
up 1.6%

19.7%

LTM Gross Profit
Margin up
40 basis points

\$3.62

LTM Base EPS
up 11.4%

7.5%

2018 Return on
Assets* vs. 6.5%
Peer Average

FORTUNE
WORLD'S MOST
ADMIRED
COMPANIES 2019

BARRON'S
2019
100 Most
Sustainable
Companies

Forbes | 2019
AMERICA'S
BEST LARGE
EMPLOYERS
POWERED BY STATISTA

Consumer Packaging

(\$ Millions)

	Q3 2019	Q3 2018
Net Sales	\$581	\$600
Base Operating Profit	\$56.7	\$56.0
	2019 YTD Q3	2018 YTD Q3
Net Sales	\$1,774	\$1,786
Base Operating Profit	\$181.8	\$180.7



Paper and Industrial Converted Products

(\$ Millions)

	Q3 2019	Q3 2018
Net Sales	\$496	\$464
Base Operating Profit	\$59.4	\$53.9
	2019 YTD Q3	2018 YTD Q3
Net Sales	\$1,483	\$1,399
Base Operating Profit	\$169.0	\$155.2



Display and Packaging

(\$ Millions)

	Q3 2019	Q3 2018
Net Sales	\$145	\$165
Base Operating Profit	\$8.9	\$3.7
	2019 YTD Q3	2018 YTD Q3
Net Sales	\$417	\$451
Base Operating Profit	\$21.3	\$4.9



Protective Solutions

(\$ Millions)

	Q3 2019	Q3 2018
Net Sales	\$132	\$136
Base Operating Profit	\$14.0	\$10.4
	2019 YTD Q3	2018 YTD Q3
Net Sales	\$391	\$400
Base Operating Profit	\$39.3	\$34.7



Strategic Focus



Simplification

Structure

- Two Main Segments
 - Consumer
 - Industrial
- Support Organizations
 - Build Around Segments

Processes

- Realizing Our Value (ROV)
- Sonoco Performance System (SPS)
- Cost Vigilance
- Sustainable Innovation
- Talent Growth
- Capital Deployment

Portfolio

- Growth
 - Flexibles
 - Plastics
 - Paper
- Markets
 - Healthcare
 - Perimeter of Store
 - Sustainability
- Optimize

Our Strategic Focus



20/20 VISION ASCENT

\$6B + 16%

The Path to Growth: OPBDA*



The Path to Growth: Sales



Why 1–2% Organic Sales Growth is Achievable



Why 1-2% Organic Sales Growth is Achievable



Profitable Consumer Growth

Why 1-2% Organic Sales Growth is Achievable



Rigid Plastics

- \$20 million of new Chilled and Prepared Food volume in 2020
- Next-gen portion control
- Shelf-stable pet food
- Improved Perimeter of the Store quality, performance
- New frozen food tray volume at end of 2020

Flexibles

- Maximize position in Hard Baked Goods, Confectionery
- New snack volume
- Lidding stock for thermoformed trays
- Drive new business from industry consolidations

Paperboard Cans— Stacked Chip Growth

- New lines in Poland (2019-2021)
- New ag-fiber trays (sustainability)
- Growth in emerging markets (South Africa, Brazil and Asia)

Profitable Global Industrial Growth

Paper/Industrial Converted Products



- Increase exposure in emerging Asian markets
 - Continue successful integration of Conitex
- Grow/Optimize Paper North America
 - Corenso integration
 - Recycled pulp growth
- Grow/Optimize Global Tubes and Cores
 - Continue to evaluate and execute footprint rationalization
 - Consider strategic bolt-on acquisitions



Commercial Excellence

Realizing Our Value



Optimization

Paper North America
Optimization Program

Consolidation

Tubes & Cores Consolidations
(North America/Europe)

Maximization

Improved Procurement and
Manufacturing Productivity

Operational Excellence

Margin Improvement

SG&A Reduction

Leverage the Enterprise



Information
Technology



Human
Resources



Supply
Management

10.2% Sales
52.8% GP

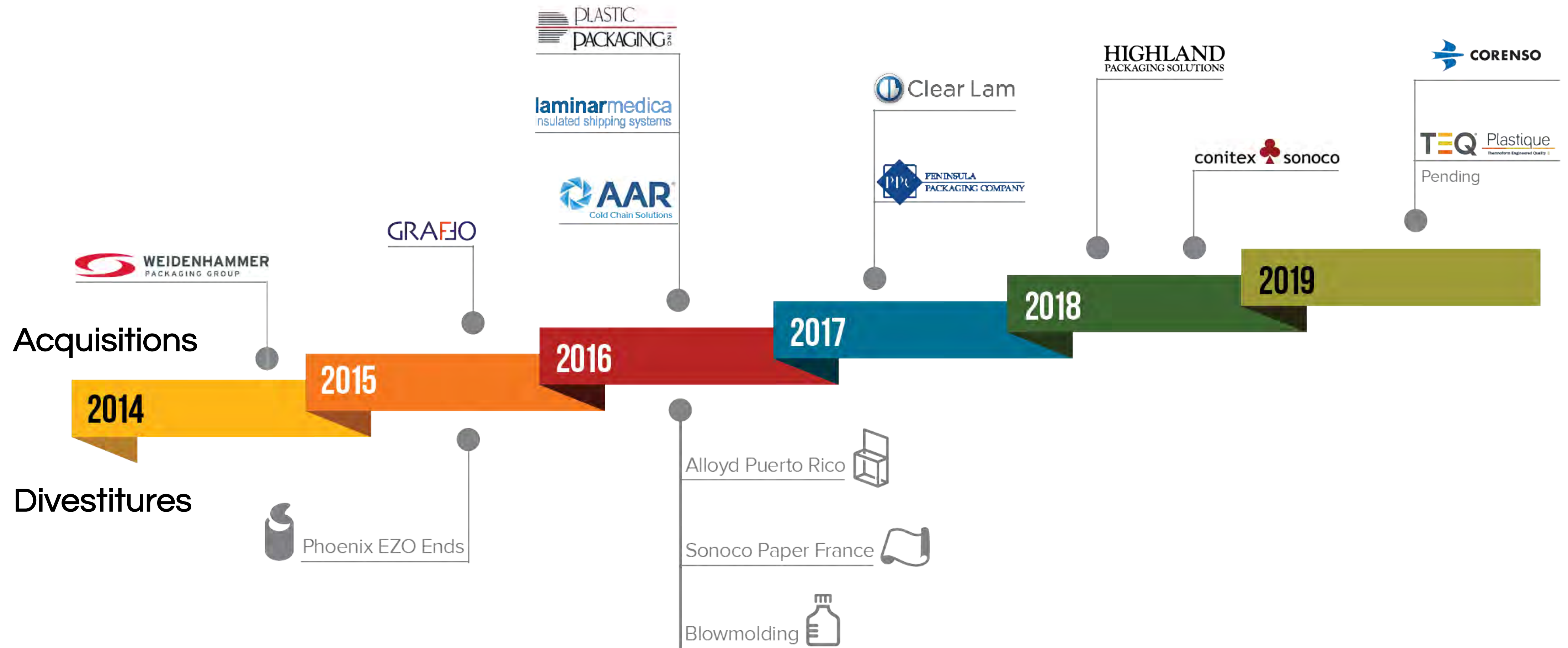
% Sales
% GP

Targeted
Improvements

2018
SG&A

Target
SG&A

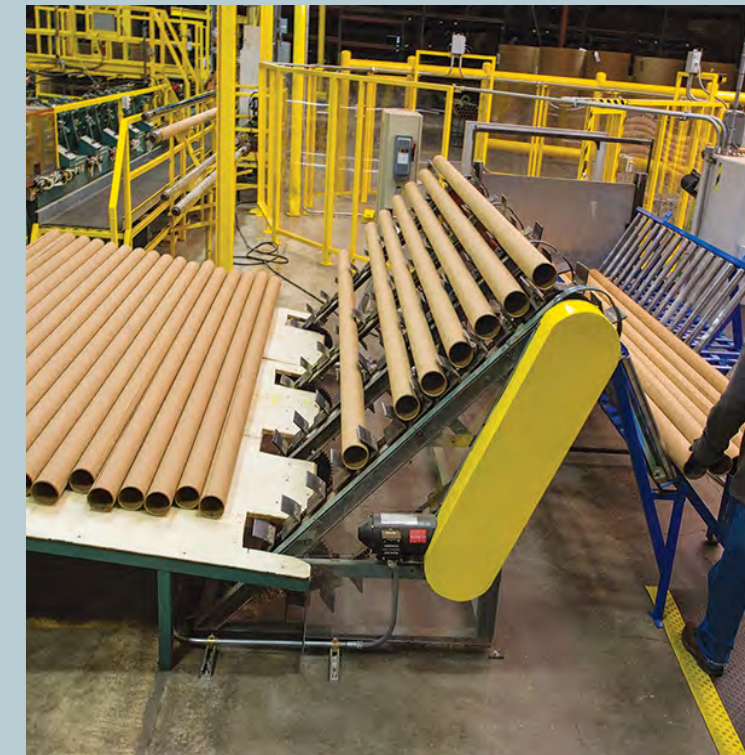
Portfolio Changes



Consumer Packaging



Paper and Industrial Converted Products



Drive Free Cash Flow

Actions Necessary to Grow by 10%

- Control SG&A
- Strategic Capital Spending
- Working Capital Improvement



Making Sustainability a Core Competency





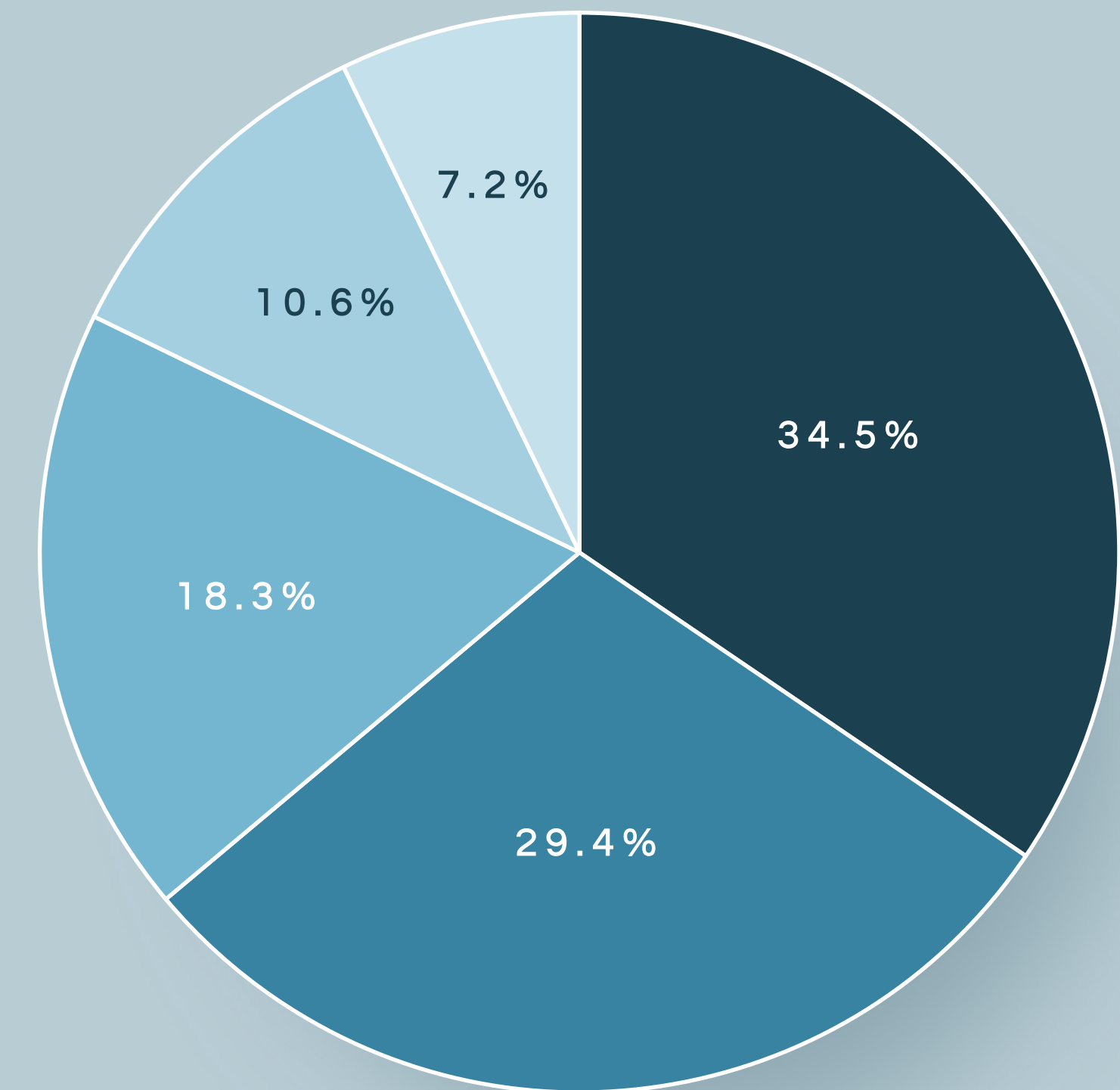
Howard Coker

Senior Vice President,
Global Paper and Industrial
Converted Products

Global Paper and Industrial Converted Products



Percentage of 2018 Segment Sales
\$1,911 Million



- Industrial Carriers North America
- Integrated Paper US/Canada
- Paper/Industrial Converted Products Europe
- Asia/Aust/NZ/Conitex
- Paper/Industrial Converted Products LATAM

Sonoco's Integrated Industrial Model

Drive significant improvement in cash generation in the integrated supply chain



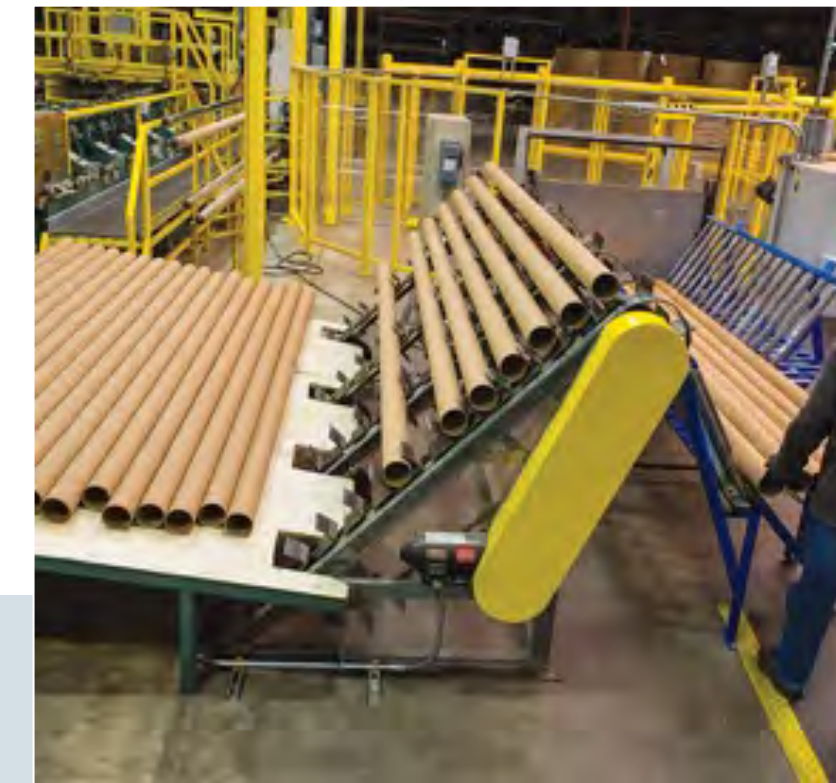
Recycling

- Adapt to lower OCC prices
- Drive changes to existing model
- Right-size footprint and position
- Drive sales of recycled pulp to Asia



Primary Materials

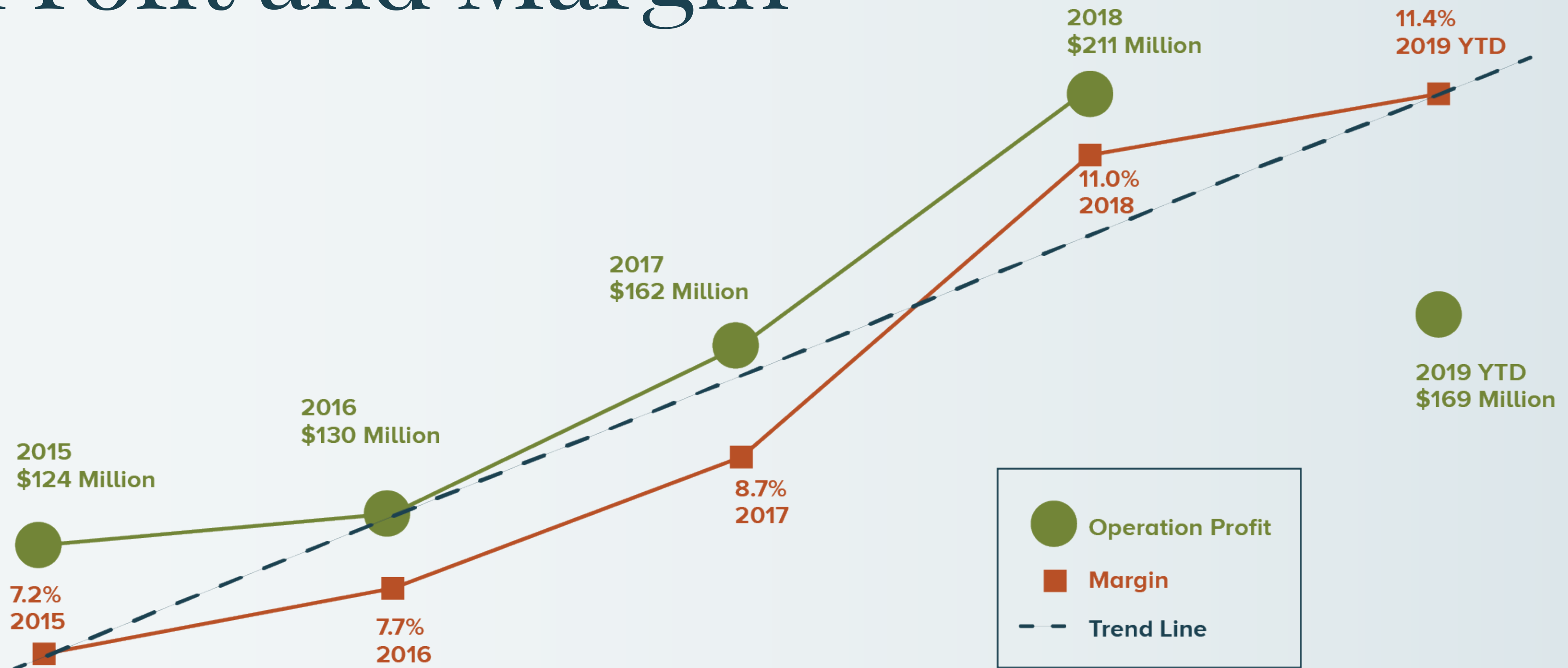
- Maximize internalization of volume
- Complete North America/Europe capital expenditures
 - Rationalize footprint
- Long-term solution to corrugating medium position



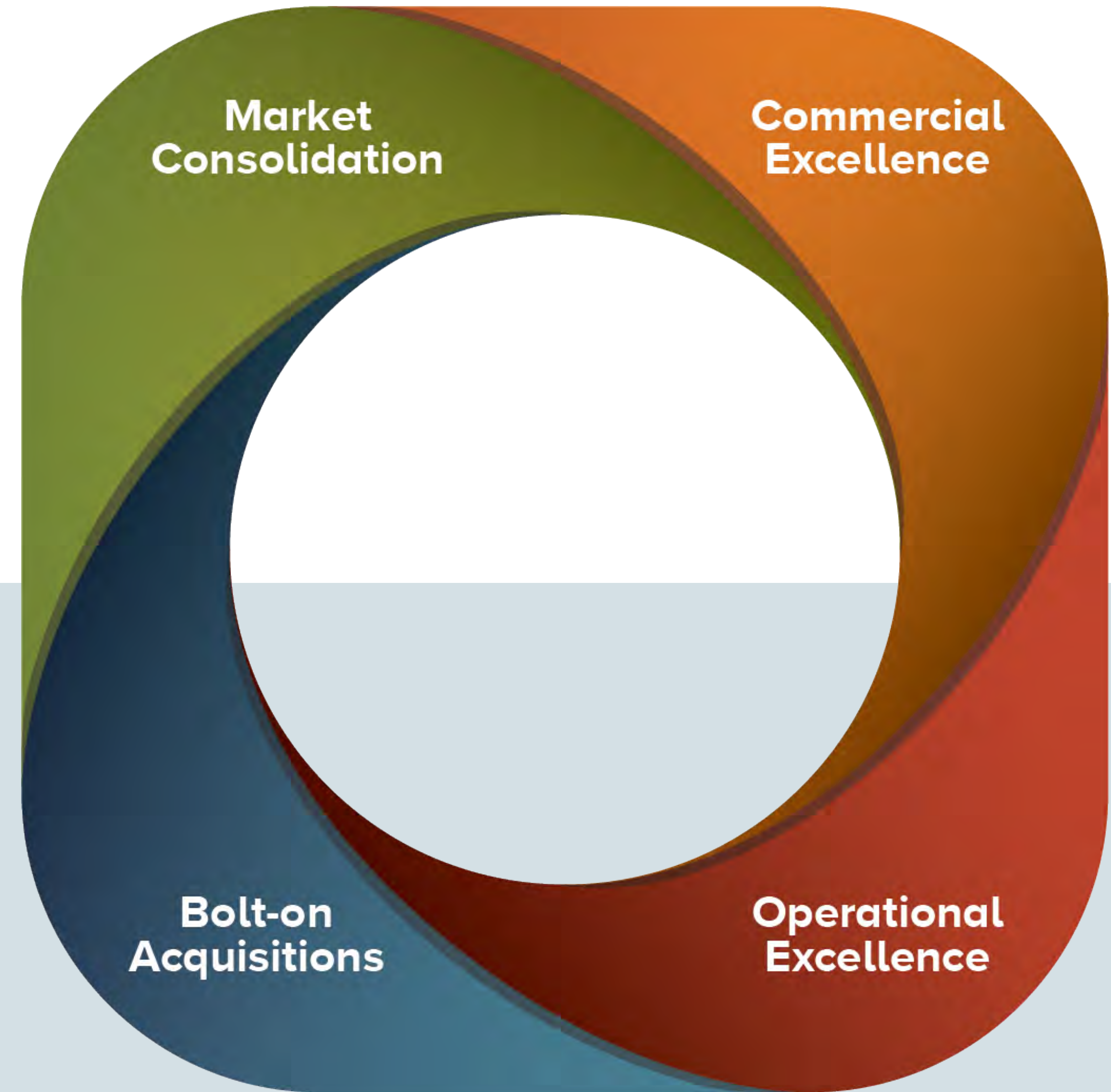
Tubes, Cores and Cones

- Further rationalization in North America, Europe and Asia
- Continue customer segmentation
- Drive automation
- Control costs

Five-year Trend in Operating Profit and Margin



Factors for Growth



Sonoco's Global Paper Mill Network

24

Paper
Mills

34

Machines

2.1

Million
Tons



Sonoco Acquires Corenso Holdings Americas

Sustainable Paperboard and Core Converting Business



Products, Markets Served and Sustainability Attributes:

- Uncoated Recycled Paperboard (URB)
- Tubes and Cores (serving)
 - Paper mills
 - Flexible packaging films
 - Tape cores and specialty products
- Products derived from 100% recycled raw materials (paper-based fibers)



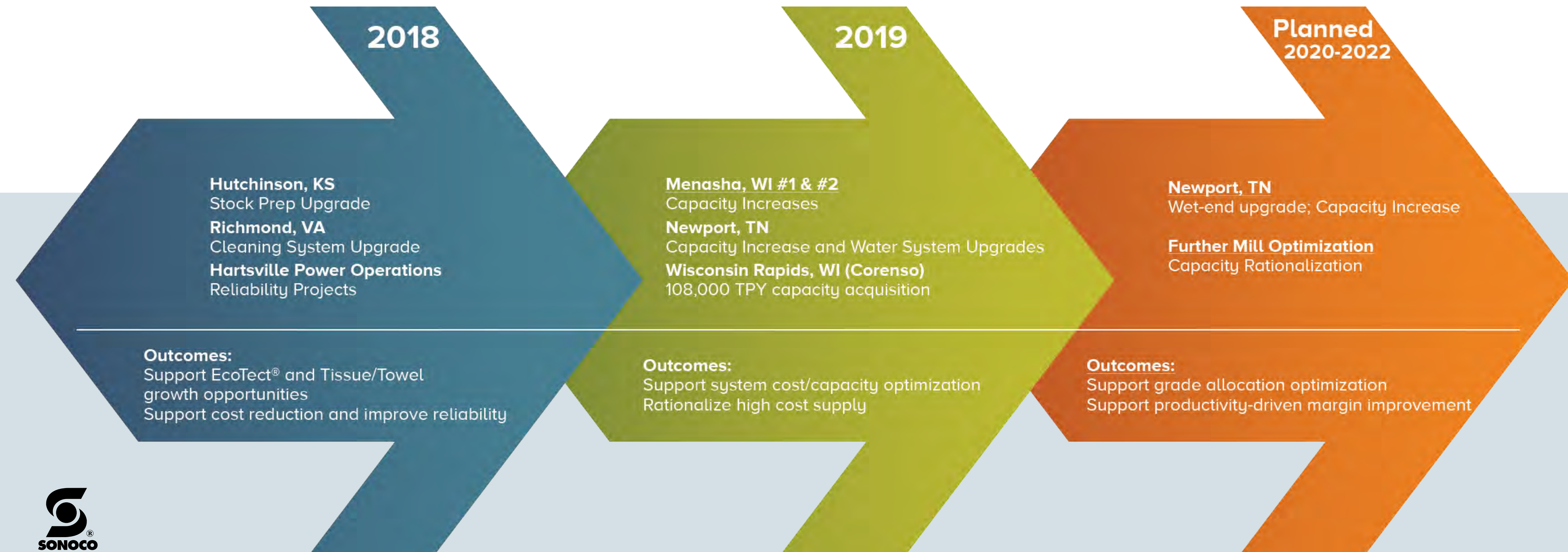
Acquisition Highlights:

- \$75 million in net sales in 2018
- Further expands Sonoco's sustainable paperboard and core converting footprint in U.S.
- 108,000 tons per year

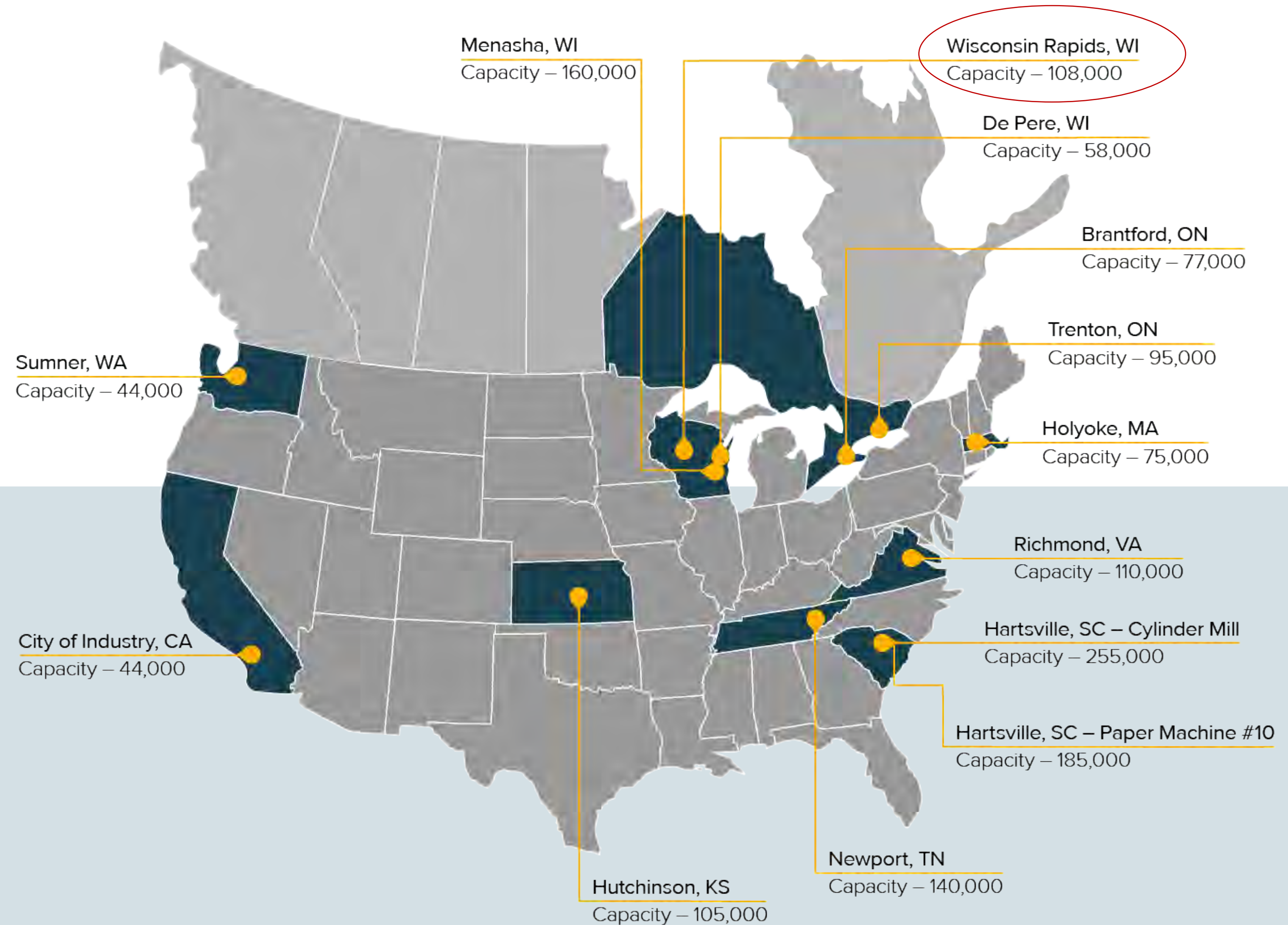


North America Asset Optimization Strategy

\$70 million investment to drive cash and margin improvement



Sonoco Paper Mill Network – U.S. and Canada



Tubes and Cores Asset Optimization North America



SKU ↓ 20%

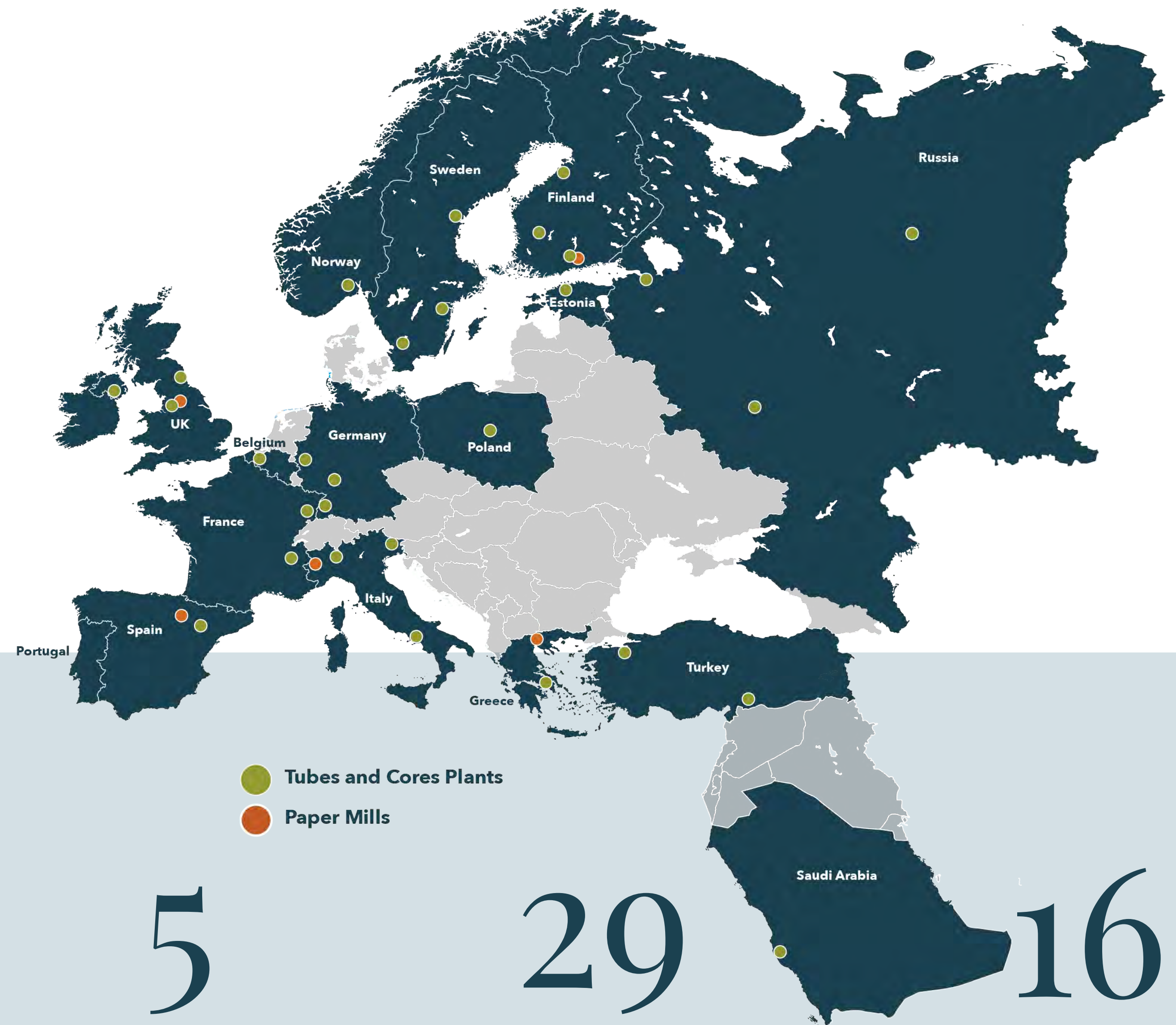
PLANTS: 31 ↓
25

WINDERS: 86 ↓
79

**TESTING
ROBOTIC LINES**
to produce film and
textile cores

Optimization of European Footprint

- Drive internalization of paper supply
- Consolidate tubes and cores footprint through 2022
- Opportunities for bolt-on acquisitions to further optimize paper and converting system



5

Paper
Mills

29

Tubes and Cores
Operations

16

Countries

Growing Industrial Products into Emerging Markets

Conitex Acquisition and Integration



Conitex Growth Opportunities and Synergies

- Drive internalization of paper in Asia/Europe
- Consolidate Asia tubes and cores operations within Conitex
- Expand cone production to Brazil (2020)
- Drive additional synergies





Rodger Fuller

Senior Vice President,
Global Consumer Packaging,
Display and Packaging and
Protective Solutions

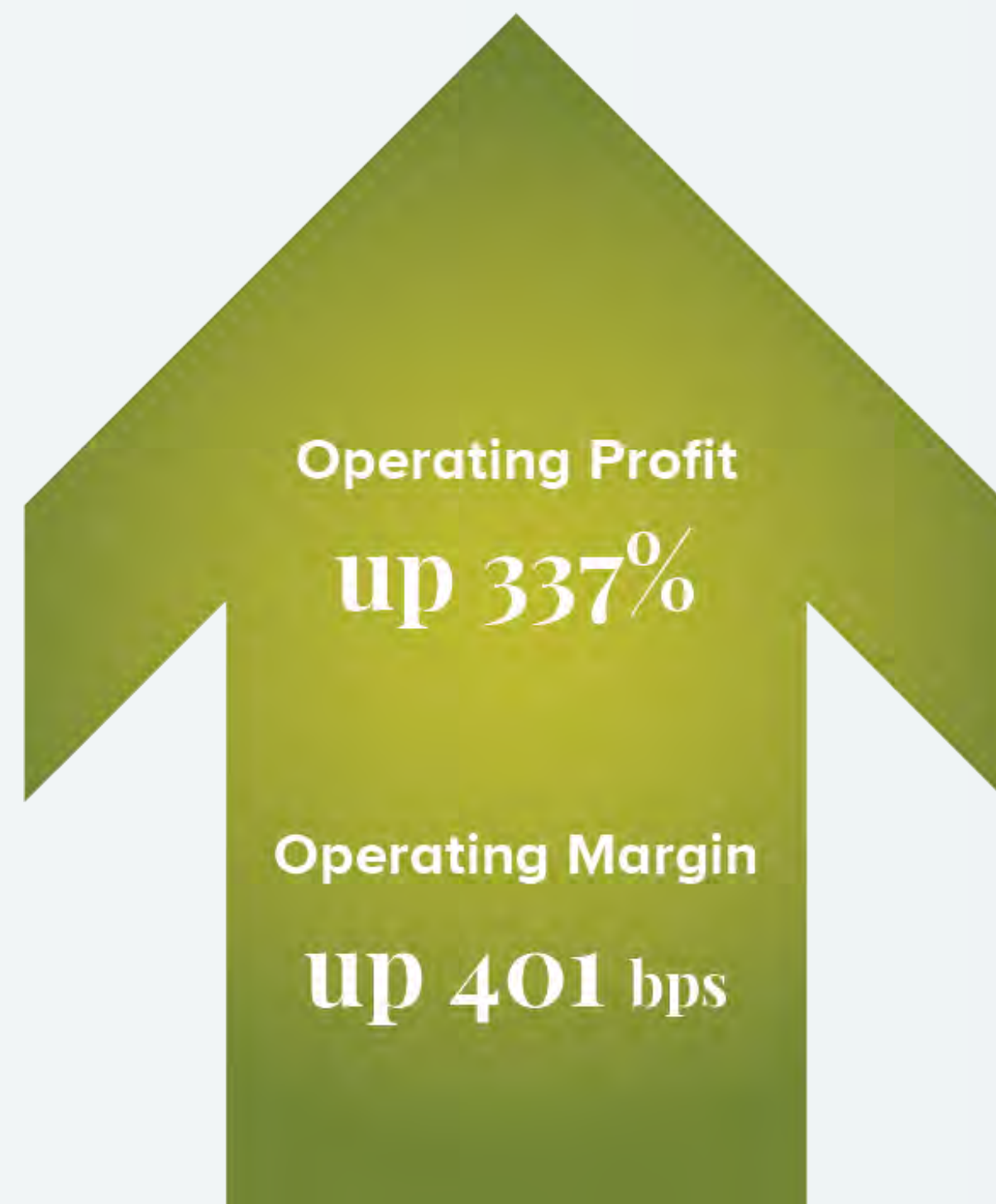
Change and Focus



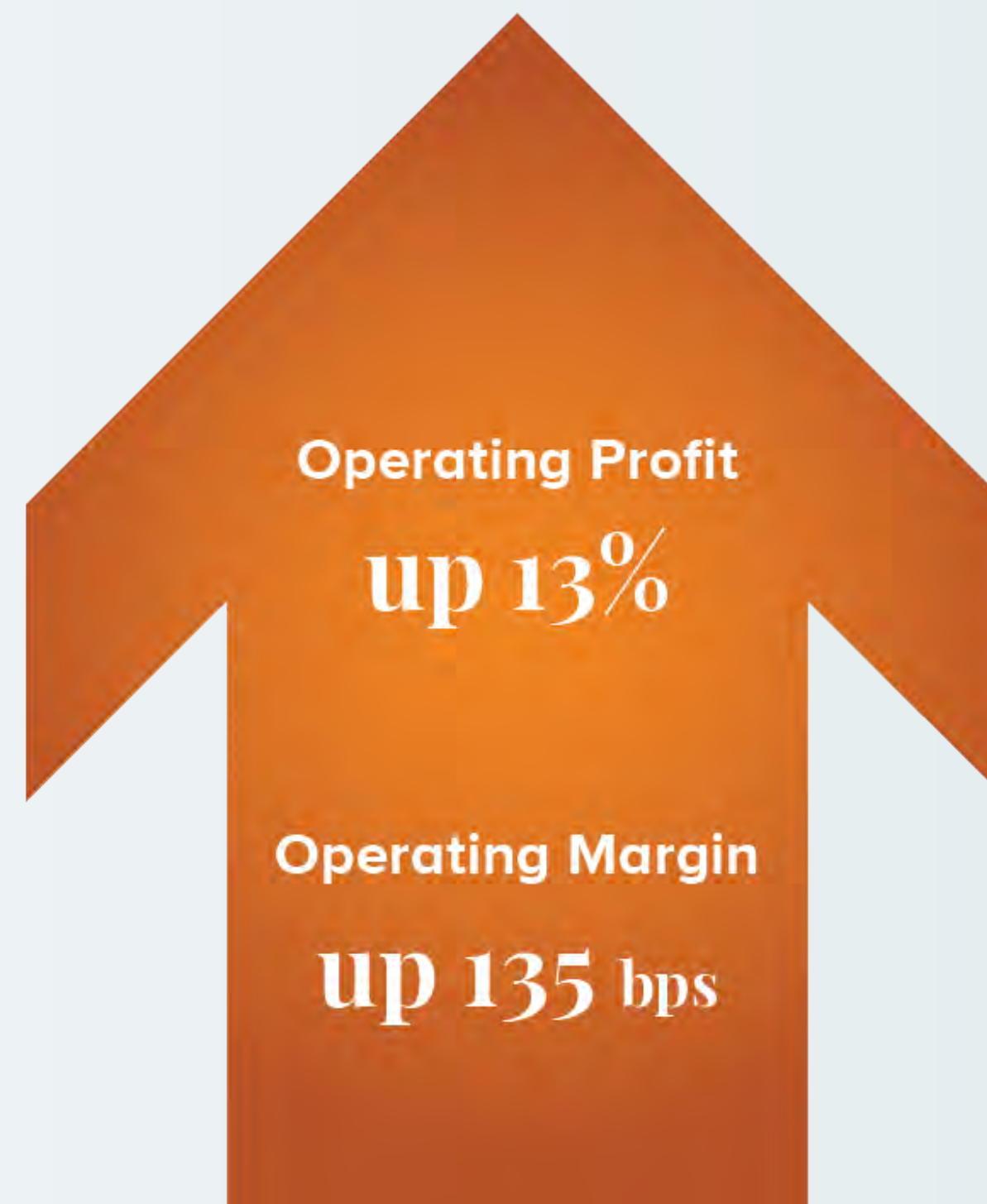
Change with Purpose



YTD Q3 Operating Profit and Margin



Display and Packaging



Protective Solutions

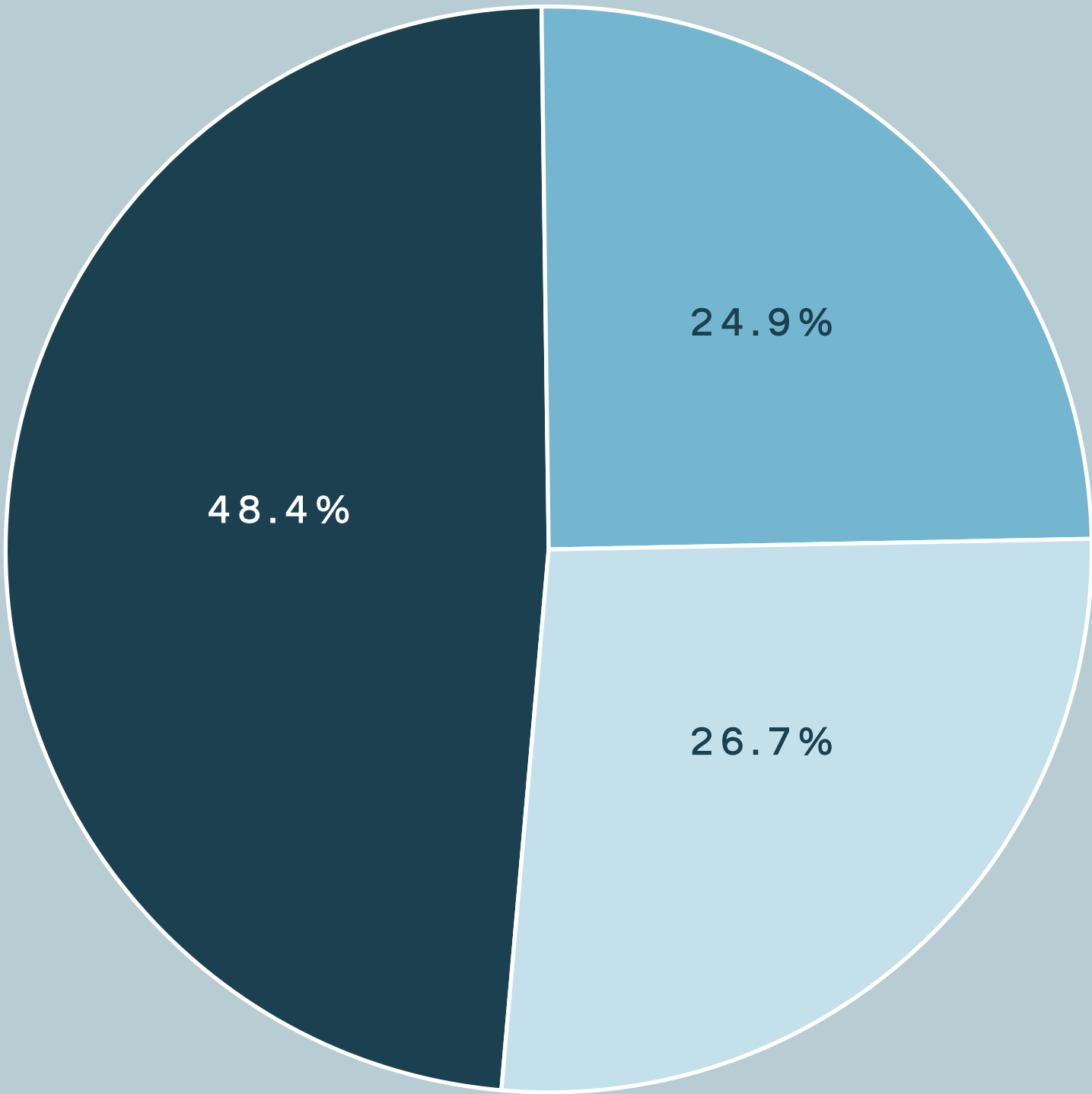


Consumer Packaging

Global Consumer Packaging



Percentage of 2018 Segment Sales
\$2,360 Million



- Global Rigid Paper and Closures
- Flexible Packaging
- Rigid Plastics

Consumer Market Trends Driving Our Strategy

- Health and Well-being
- Demographic Changes
- Digital Disruption
- Social Consciousness



Consumer Sector Top Priorities



Sustainable Packaging Solutions



Perimeter of Store



Healthcare/Well-being

Sustainable Packaging Solutions



Perimeter of Store



Healthcare Packaging Solutions



Paperboard Can Markets and Products



Snacks



Refrigerated Dough



Powdered Beverage



Nuts



Powdered Infant Formula



Coffee



Adhesives and Sealants



Ends

EcoSeal™

95% all-paper food containers

Operations: Developing sustainable alternatives that can run on existing machinery.

Technical: R&D focus on paper bottoms or removable metal ends, recyclable paper or plastic overcaps.

Commercial: Approximately 40% of production in Europe offers all-paper can alternatives. Developing consumer education campaigns to facilitate acceptance of new product.



Natrellis™

Ag-fiber trays for frozen and chilled foods

Operations: Tellus partnership for sugar cane pulp forming mill with ability to produce 30 million trays.

Technical: Proprietary forming, tooling and coating applications, with no PFAs.

Commercial: First test market launch by end of 1Q 2020 in frozen food trays; chilled meals in second half of 2020.



The Power of Paperboard

When it comes to sustainability all packaging is not created equal

1 Paper-board Can  = 6 Gallons of Mix = 320_{gm} GHG

38 PET Bottles  = 6 Gallons of Mix = 4,940_{gm} GHG

64 Cans  = 6 Gallons of Mix = 7,680_{gm} GHG

Poland

Fifth and sixth line
start-up in Poland

South Africa

Start-up of new
plant in South Africa

Brazil

Start-up of new
plant in Brazil

Emerging Market Growth



Asia

Continued growth
in Asia

Middle East

Middle East
expansion

Flexible Packaging

Targeting 4% Organic Growth in 2020



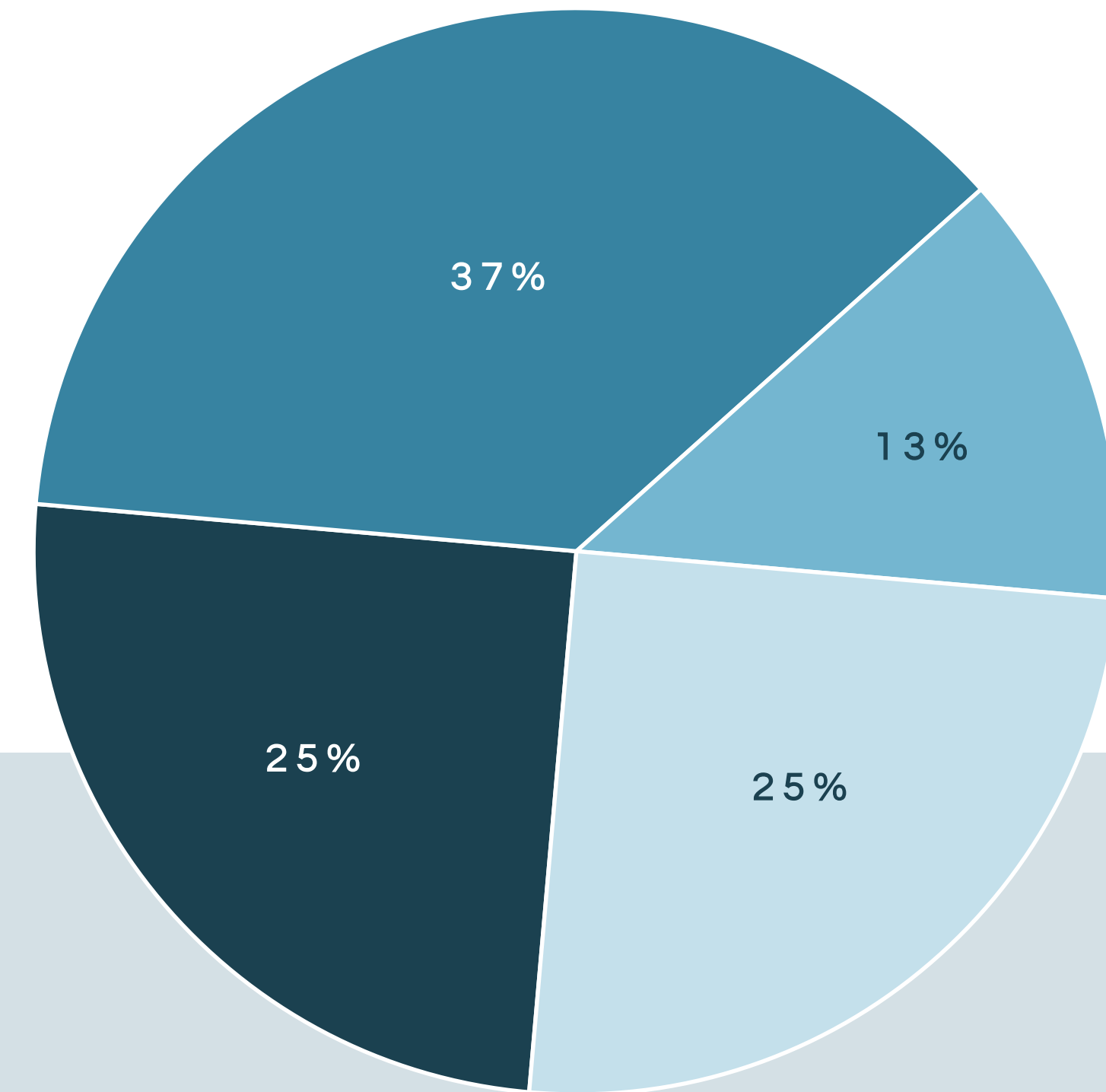
Rigid Plastic Packaging Growth

Targeting 4%-5% Organic Growth in 2020

- TEQ acquisition and expansion of medical packaging
- \$20 million in prepared food trays
- New frozen food tray award
- Investing to improve POS quality and capability

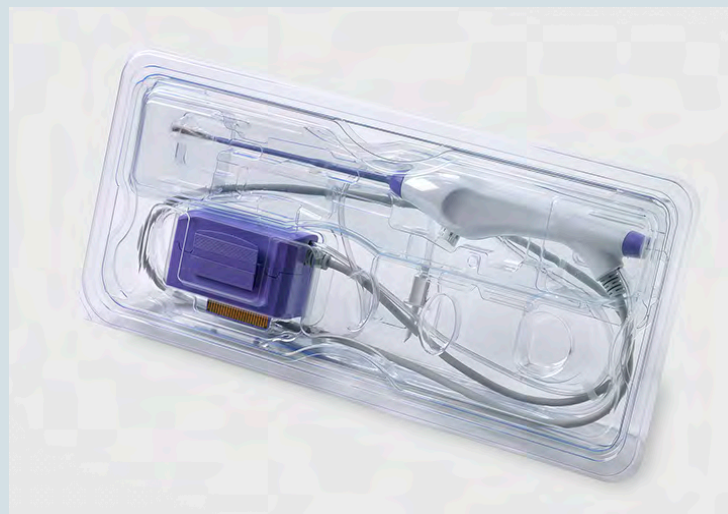


Market Segment

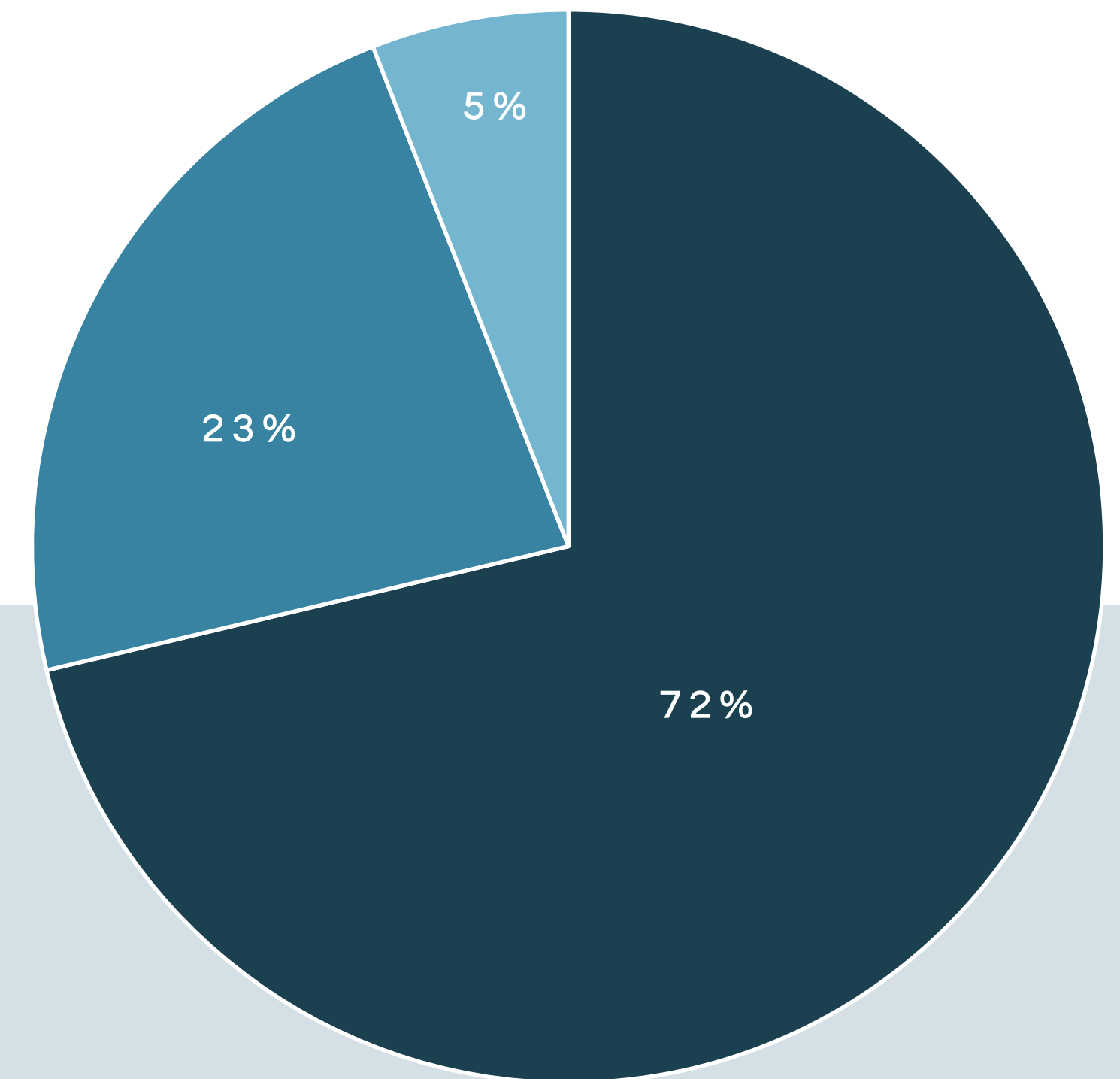


- Prepared & Specialty Foods
- Perimeter of the Store (POS)
- Retail Security/Healthcare
- Industrial

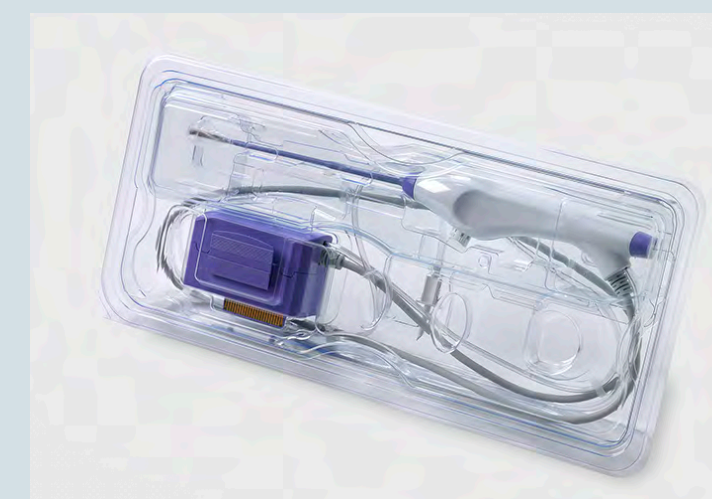
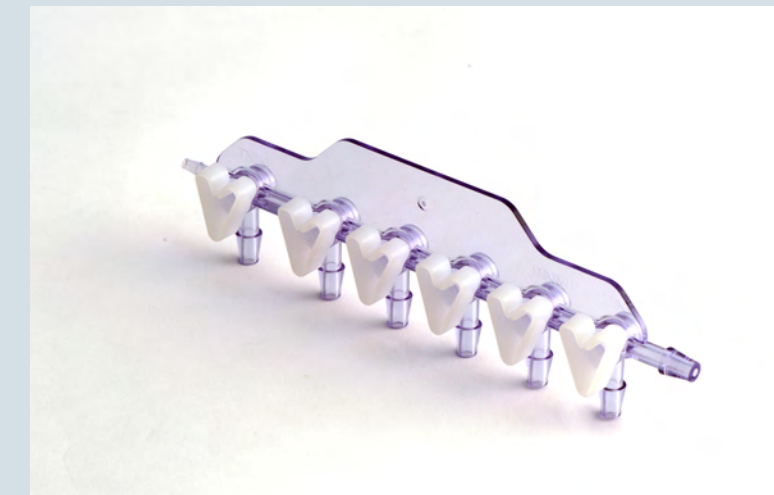
Healthcare and Medical Packaging Growth



Market Segment



- Healthcare and Medical Devices
- Consumer
- Molded Fiber



Reinventing Our Consumer Organization



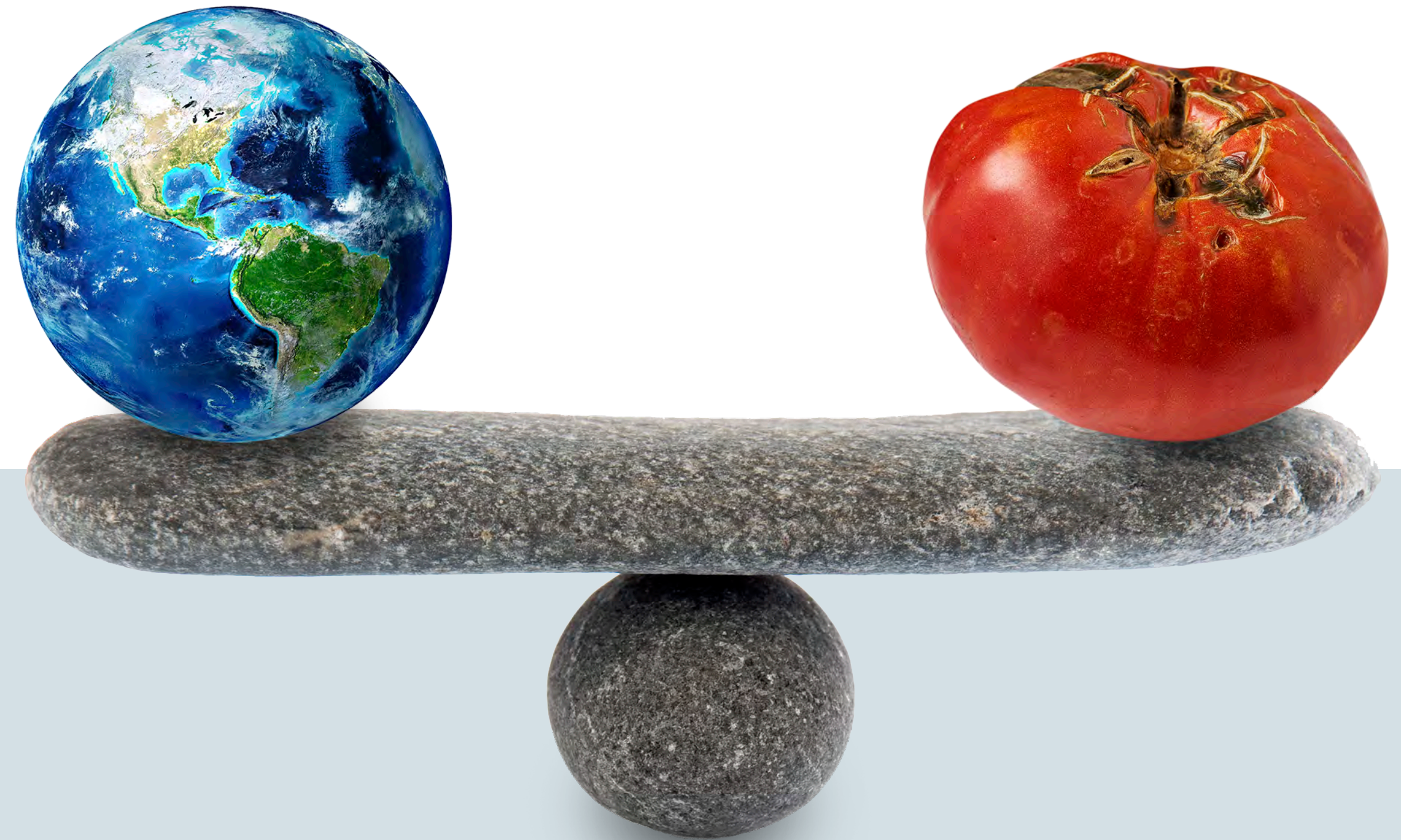


Marcy Thompson

Vice President,
Marketing, Innovation
and Sustainability

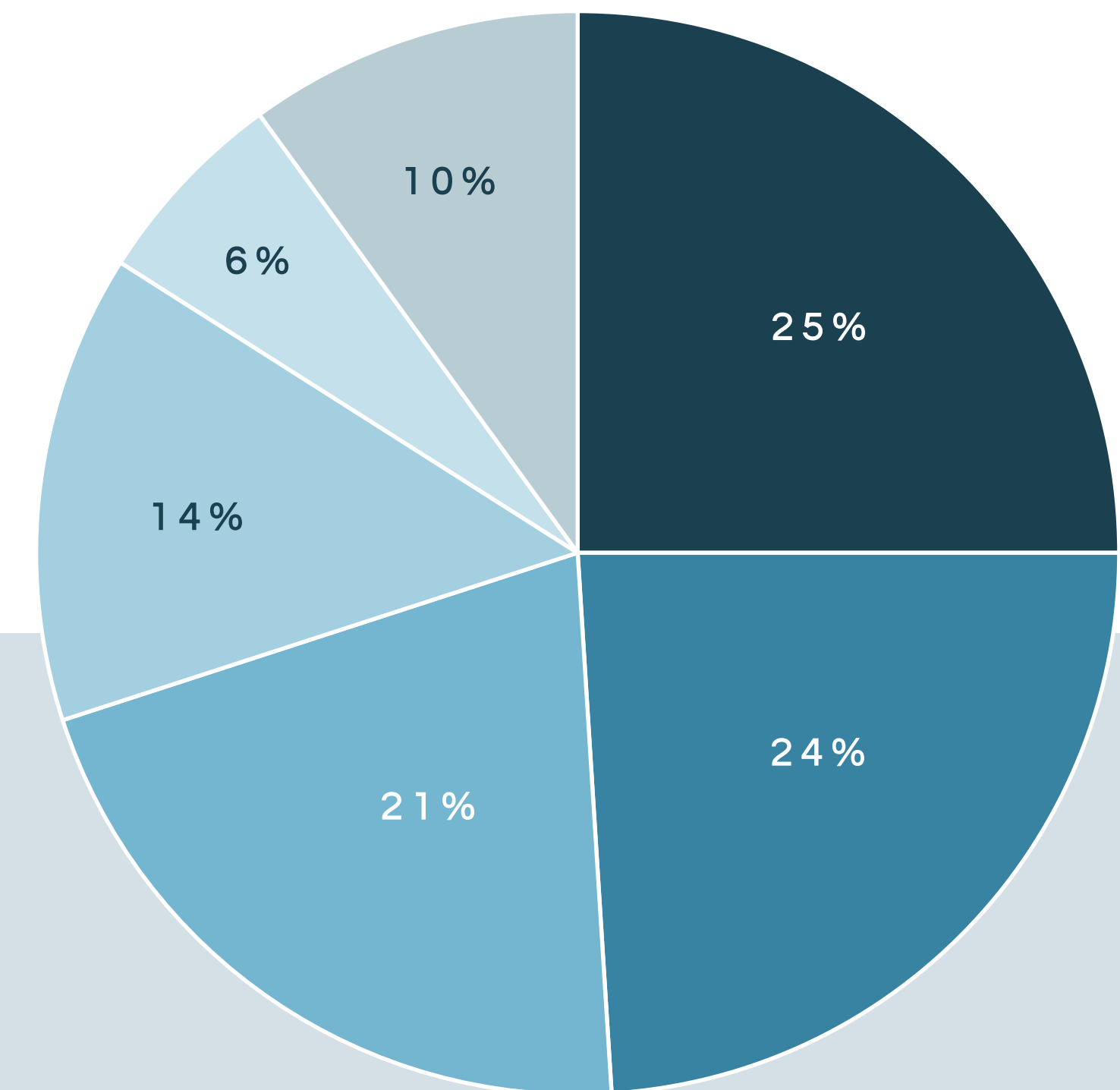
A Delicate Balance

Sustainability and Food Waste
aren't mutually exclusive



Defining the problem: GHG Emissions

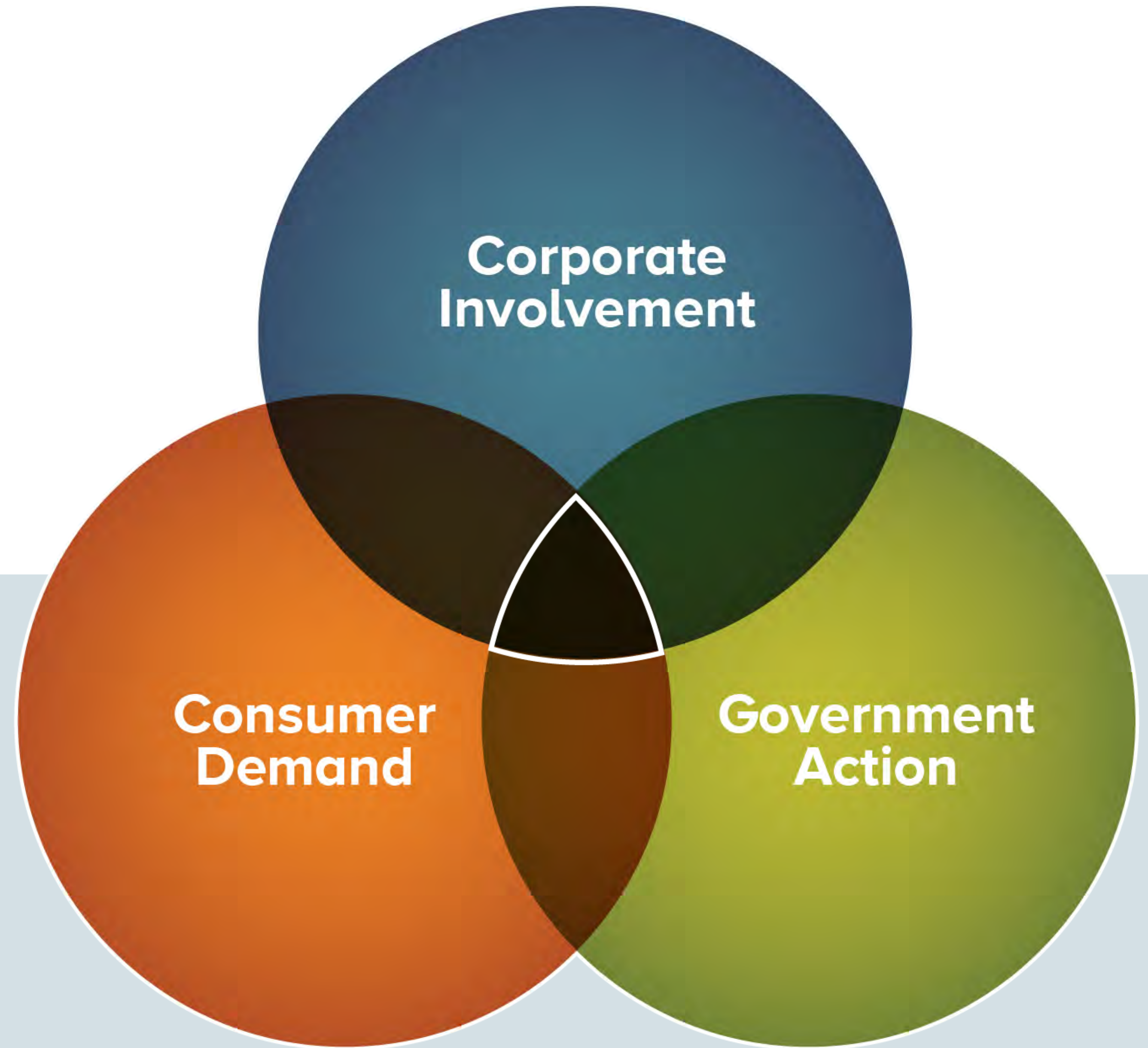
If we are solving for greenhouse gas emissions and are concerned about climate change, packaging is a minor contributor



■ Electricity
■ Food, Land use
■ Industry
■ Transportation
■ Buildings
■ Other

Sustainability's 3 Forces

Change is being driven in every
part of our lives



Social Consciousness

Brands do well by doing good



Sonoco Sustainability Commitments

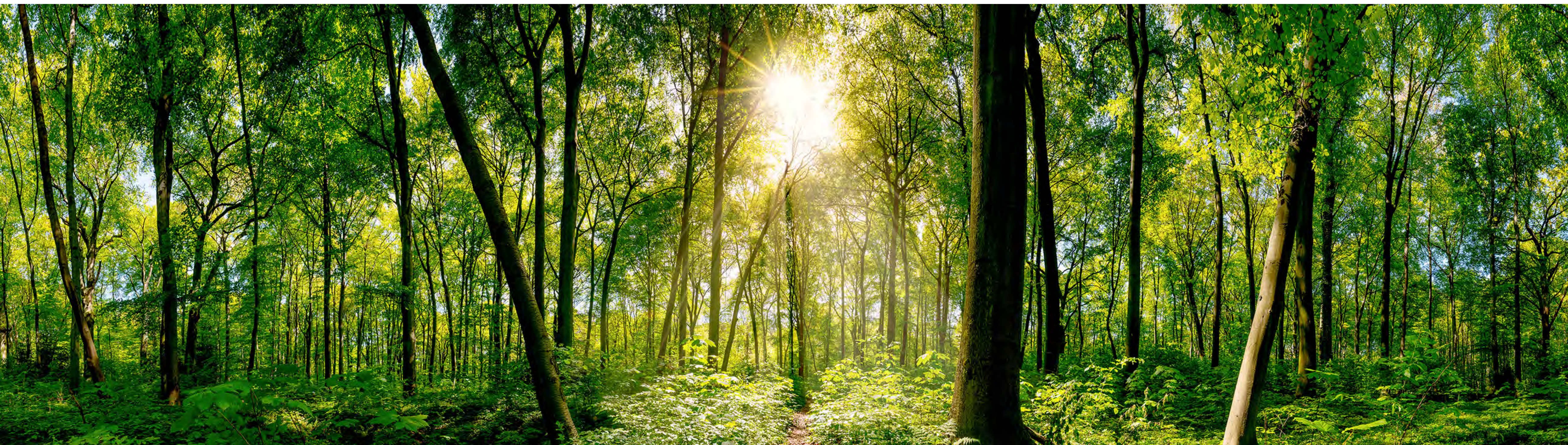
By 2025, Sonoco will increase, by weight, the amount we recycle, or cause to be recycled, from 75% to 85%, relative to the volume of product we put into the global marketplace.

Sonoco is committed to increasing the use of post-consumer recycled resins in its plastic packaging from 19% to 25% by 2025.

Sonoco will ensure that approximately 75% of its global rigid plastic packaging is capable of making the relevant on-package recyclable claim by 2025.

Sonoco will not utilize resin additives that purport to degrade in landfills or waterways by simply breaking up into smaller pieces.

Sonoco will ensure all of its production facilities utilizing plastic pellets have systems to prevent environmental discharge of these pellets.



Building a Sustainability Strategy

Expanding knowledge, increasing
engagement, driving innovation



2019 Sustainability & Food Waste SUMMIT

SEPTEMBER 17-18 | HARTSVILLE, SC



FRESH Thinking for the Future of Packaging and Food

September 22-23, 2020

Clemson, South Carolina

2020 | Sustainability
& Food Waste
SUMMIT

SEPTEMBER 22-23 | CLEMSON, SC

FRESH Thinking for the Future of Packaging and Food





Environmental Attributes



REUSABLE



COMPOSTABLE



RECYCLABLE



RECYCLED
CONTENT



BIO-BASED
CONTENT



OPTIMIZED



REDUCED
ENVIRONMENTAL
IMPACT



RESPONSIBLE
FIBER
SOURCING



Jeff Schuetz
Staff Vice President,
Consumer Technology

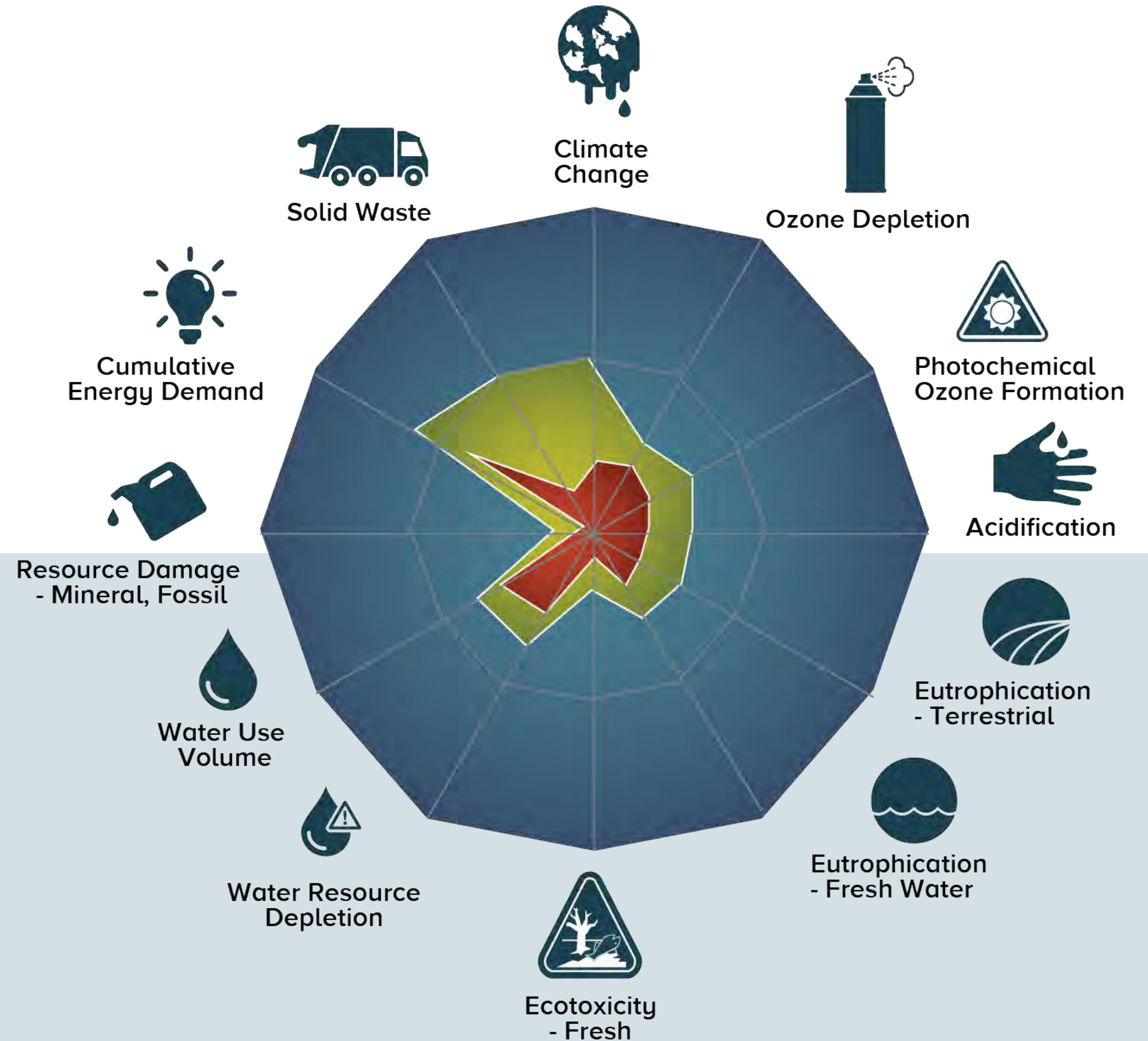
Food Packaging Design Considerations



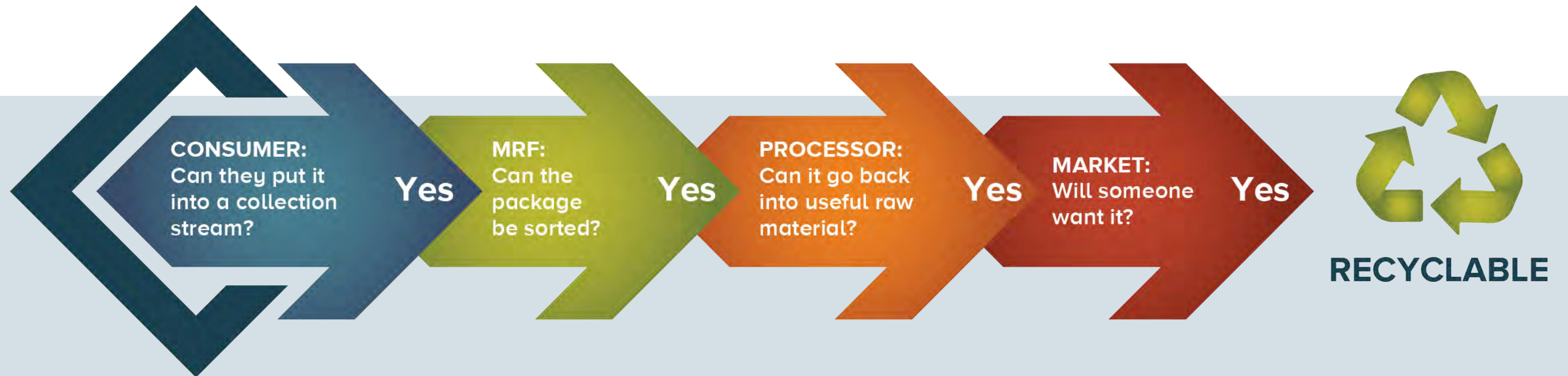
Targeting the Opportunity for Growth



Recyclability vs. Total Lifecycle Impact



Package Recycling Defined



Recycling Breakthroughs are Emerging

Collection



Single Stream



Dual Stream

Sorting



Identification



Artificial Intelligence (AI)



Robotics

Processing



Mechanical



Chemical



Biological



Thermal

EnviroFlex™ PE

Bringing Flexibility to Sustainability

- Eligible for the How2Recycle® Store Drop-Off label
- Available in a wide range of flexible formats and barrier options tailored to the product needs
- Lightweight material offers numerous cost advantages



Recyclable cPET Meal Trays

- Excellence performance through the frozen supply chain and cooking process
- Post-consumer recycle content of up to 40%
- Trays can be recovered using current MRF sorting technology (pending validation)
- New look can enable consumer education regarding recyclability



Natural Tray - W



Natural Tray - G

Next Generation Paper Cans

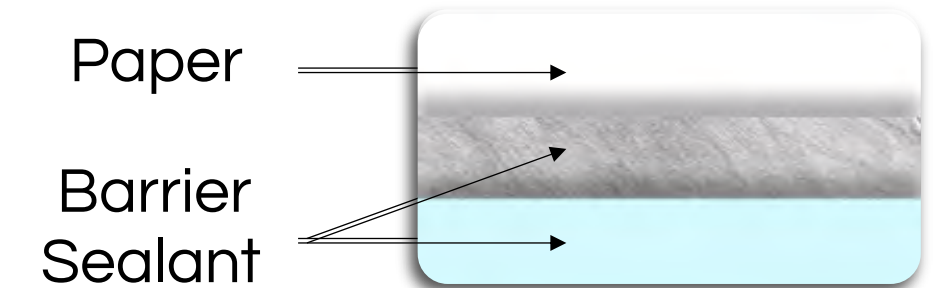
New features, new construction,
breathing new life into rigid paper
containers

- Highly recyclable
- Highly versatile
- Highly durable

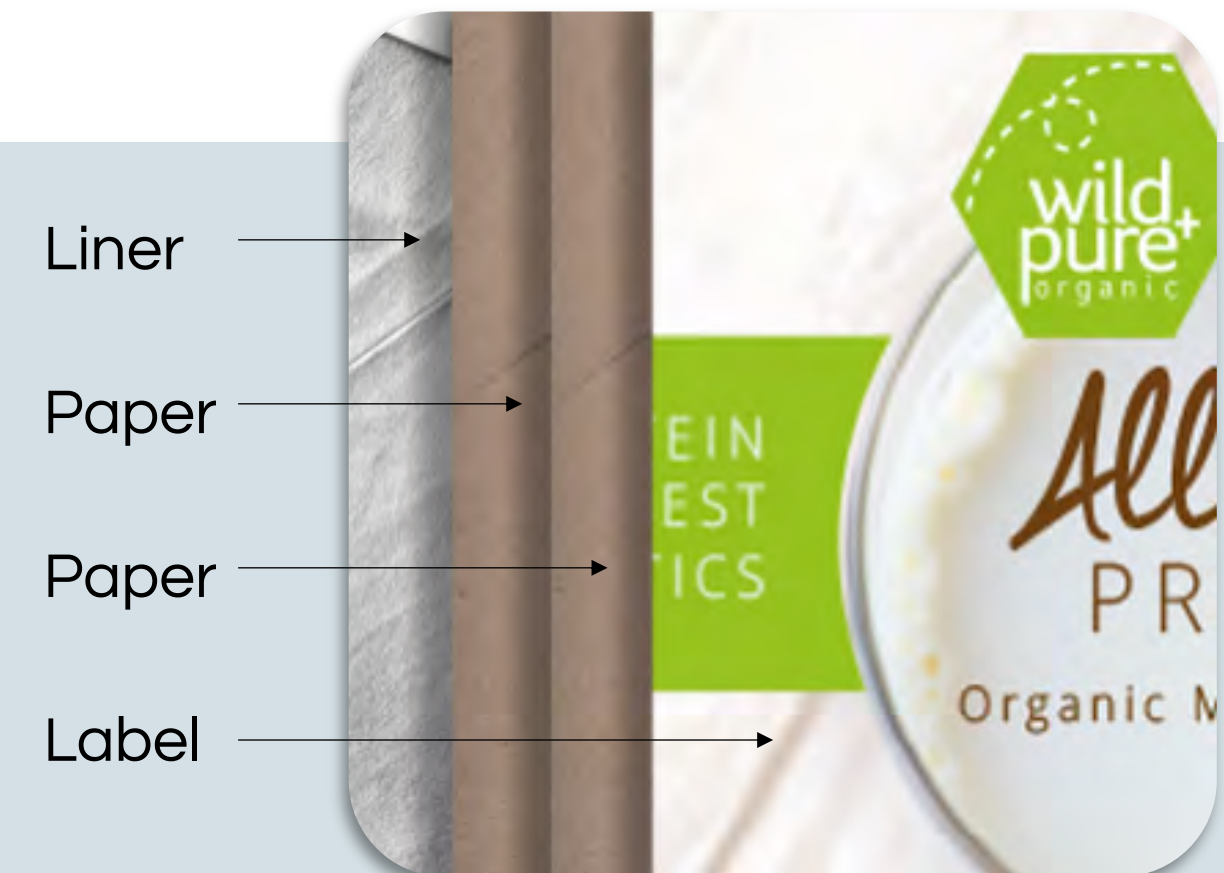


Overcap >95% paper content

Membrane



Can Body >95% paper content



Bottom End – >95% paper content

Natrellis™

Sugarcane Based Packaging

- 100% U.S. sourced sugarcane fiber package
- Convenient dual-ovenable performance for frozen and chilled prepared meal markets
- Proprietary coating technology eliminates chemicals of concern



EnviroSense™ Product Line Launch Pipeline





Financial Review and Outlook

Julie Albrecht

Vice President and
Chief Financial Officer

YTD Q3 2019 Financial Performance

(Dollar in Millions Except Base EPS)

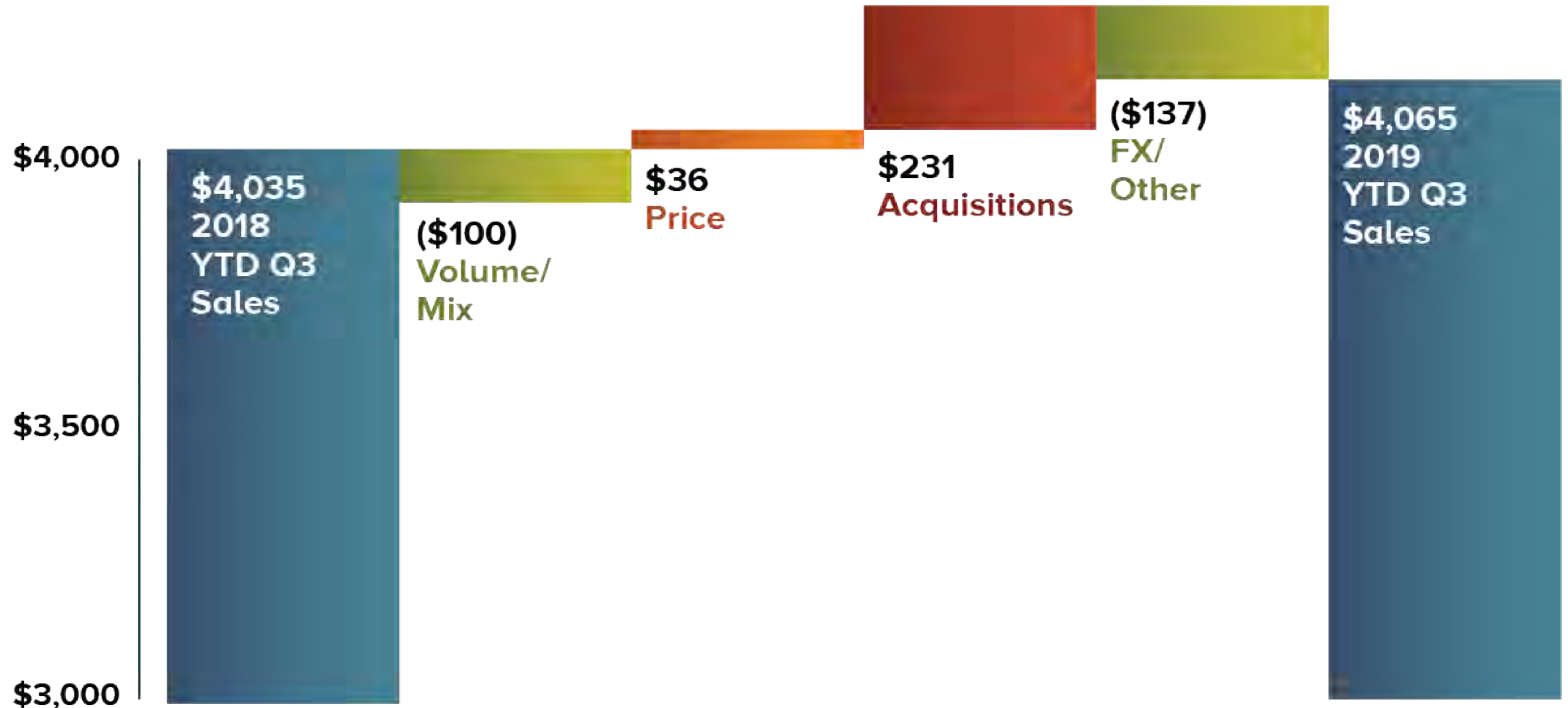
			Better/(Worse)	
	YTD 2019	YTD 2018	\$	%
Sales	\$4,065.4	\$4,035.3	\$30.1	0.7%
Base Operating Profit	\$411.4	\$375.6	\$35.8	9.5%
Base OPBDA*	\$587.6	\$548.9	\$38.7	7.1%
Base OPBDA* Margin	14.5%	13.6%	—	—
Base Net Income, Attributable to Sonoco	\$280.8	\$255.3	\$25.5	10.0%
Base EPS, Diluted	\$2.78	\$2.53	\$0.25	9.9%

*Operating profit before depreciation and amortization, base

Sales Bridge

YTD 3Q 2018 vs. YTD Q3 2019

(Dollars in Millions)



Base Operating Profit Bridge

YTD Q3 2018 vs. YTD Q3 2019

(Dollars in Millions)



Sonoco Reaffirms Q4 and Full-year 2019 Base EPS Guidance

Full-year 2018 Base EPS	\$3.37
YTD 3Q 2019 Base EPS	\$2.78
4Q 2019 Base EPS Guidance	\$0.72 - \$0.76
Full-year 2019 Base EPS Guidance	\$3.50 - \$3.54

2019 Projected Cash Flow

Operating Cash Flow and Free Cash Flow Guidance Reaffirmed

(Dollars in Millions)

	Original Guidance (As of Q1 2019)	Voluntary U.S. Pension Contribution (after-tax)	Reaffirmed Guidance**
Operating Cash Flow	\$ 610	(\$165)	\$ 445
Capital Expenditures	(\$205)	\$ -	(\$205)
Dividends	(\$170)	\$ -	(\$170)
Free Cash Flow*	\$235	(\$165)	\$ 70

*Free Cash Flow is defined as Operating Cash Flow minus Capital Expenditures and Dividends

** Guidance updated July 2019

2020 Key Base Earnings Assumptions

Volume/Mix growth projected just above 1%

TEQ acquisition accretive and expected to close in early 2020

Material cost changes

- OCC projected to average \$35/ton
 - Tan bending chip paperboard to average \$730/ton
-

Resin prices projected flat or slightly down from 2019 averages

2020 Depreciation and Amortization projected to be \$260 million, including impact of Corenso and TEQ

Key currencies: Euro and Mexico expected to slightly weaken while Canada is expected to modestly strengthen vs. USD

Interest expense projected to be flat as higher debt levels are offset by lower interest rates

Base effective tax rate projected to be between 25% and 26%; as compared to 24.5% in 2019P

2020 Sales Bridge

(Dollars in Millions)



2020 Base EPS Bridge

Sonoco Guidance for 2020 Base EPS \$3.65 to \$3.75
(Dollars per Diluted Share)



2020 Projected Cash Flow

(Dollars in Millions)

	2019P*	2020P**
Operating Cash Flow	\$445	\$635
Capital Expenditures	(\$205)	(\$195)
Dividends***	(\$170)	(\$180)
Free Cash Flow	\$70	\$260

*2019 includes \$165 million voluntary U.S. pension plan contribution, after-tax.

** 2020 Cash flow guidance excludes a potential pension contribution related to the U.S. pension plan termination process. Projected contribution could range between \$125-\$175 million.

***2020 Dividend subject to Board approval.

U.S. Defined Benefit Pension Plan Journey

2009-2018

\$340
Million
Contributions

~80%
Funded Status
YE 2018*

2019

\$200
Million
Contributions

Moved assets to
fixed income

~95%
Funded Status

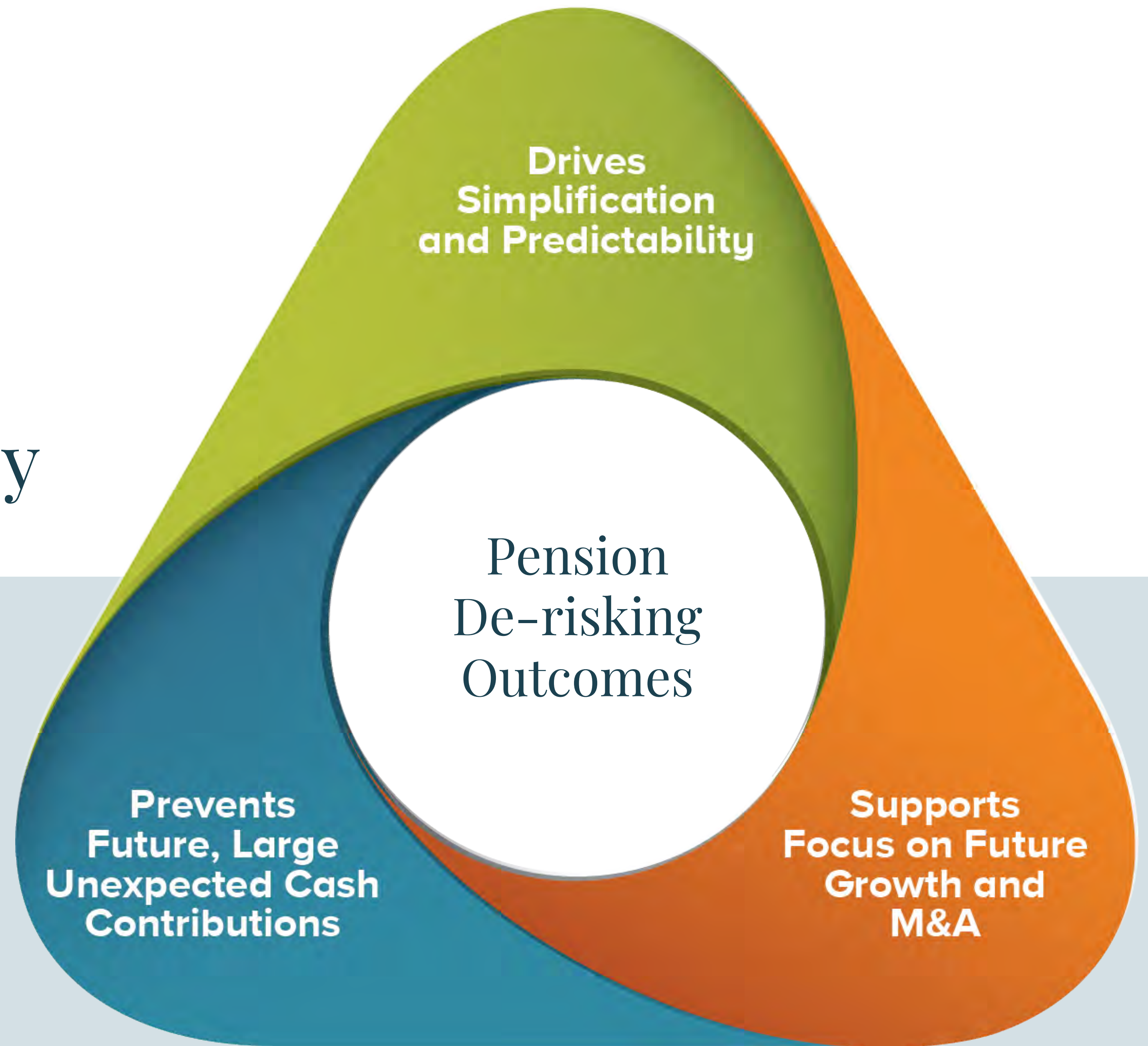
2020-2021

\$125 – \$175
Million

Estimated contributions (late 2020 or early 2021)

- Process underway to terminate and annuitize Plan
- Estimated non-cash GAAP settlement charge
of \$550 – \$600 million

U.S. Defined Benefit Pension Plan Journey



Capital Structure

(Dollars in Millions)

	2018	Q3 2019
Total Debt	\$1,385	\$1,555
Cash	\$120	\$116
Net Debt*	\$ 1,265	\$1,439
Net Debt to OPBDA*	1.9x	2.0x
Net Debt to Total Capital*	42%	44%

* On a GAAP basis



	Q3 2019
Commercial Paper	\$132
Term Loan due in 2021	\$200
Term Loan due in 2022	\$153
1.0% Euro Debt due in 2021	\$163
9.2% Bonds due in 2021	\$4
4.375% Bonds due in 2021	\$249
5.75% Bonds due in 2040	\$599
Other Debt	\$55
Total Debt	\$1,555

MOODY'S - Baa2
STANDARD & POOR'S - BBB+

Sonoco's 2020 Guidance Overview

Sales, Base Earnings, Base OPBDA and Cash Flow Targets at Midpoint

(Dollars in Millions, except EPS)

	2020P	Versus 2019
Sales Guidance	\$5,551	Up 3.0%
Base EPS Guidance	\$3.70	Up 5.1%
Operating Cash Flow	\$635*	Up 4.1%**
Free Cash Flow	\$260*	Up 10.6%**
Base OPBDA	\$816	Up 6.8%
Base OPBDA as % of Sales	14.7%	Up 50 bps

*2020 Cash flow guidance excludes a potential pension contribution related to the U.S. pension plan termination process. Projected contribution could range between \$125-\$175 million.

**Cash Flow growth compared to 2019 Cash Flow outlook adjusted to exclude \$165 million voluntary U.S. pension contribution.

Capital Deployment Strategy

Total Capital
Expenditures
in 2020
\$195
Million

Return cash to shareholders

Current Annual Dividend Payout
\$1.72
per share

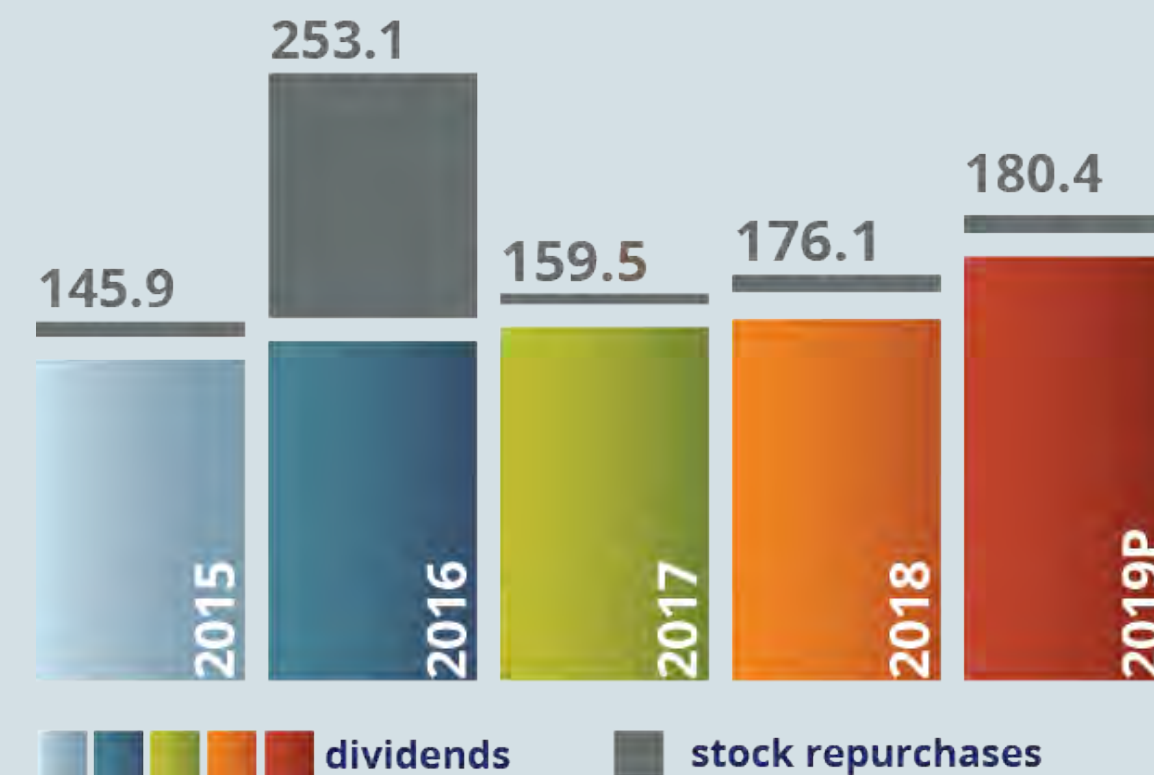
and

95
consecutive years

\$1.7
Billion

Cash returned to shareholders
over the past decade and
\$915 Million in the past five years

Dividends and Stock Repurchases
millions of dollars



Pursue accretive
acquisitions in targeted
Consumer and
Industrial markets:

Flexibles
Thermoforming
Healthcare

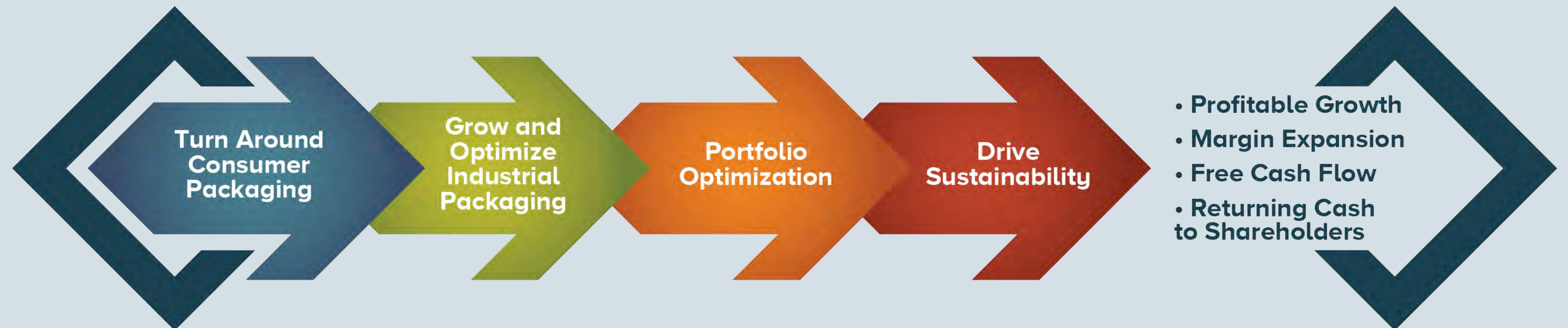
Paper
Tubes and Cores

Share
Repurchases

The Year Ahead



Sonoco's 2020 Expectations







Defining Our Next Decade

