

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): May 17, 2019

SONOCO PRODUCTS COMPANY

Commission File No. 001-11261

**Incorporated under the laws
of South Carolina**

**I.R.S. Employer Identification
No. 57-0248420**

**1 N. Second St.
Hartsville, South Carolina 29550
Telephone: 843/383-7000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
No par value common stock	SON	New York Stock Exchange, LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards pursuant to Section 13(a) of the Exchange Act. ☐

Section 2 – Financial Information

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

On May 17, 2019, the registrant entered into a 364-day, \$200 million Term Loan Facility with Wells Fargo Bank, National Association. The full \$200 million was drawn from this facility on May 20, 2019, and the proceeds are being used to make voluntary contributions to the registrant's U.S. defined benefit pension plans. The unsecured loan has a 364-day term and the registrant has a one-time option to extend the term for an additional 364 days at its sole discretion. Interest is assessed at the London Interbank Offered Rate (LIBOR) plus a margin based on a pricing grid that uses the registrant's credit ratings. The current LIBOR margin is 100 basis points. There is no required amortization and repayment can be accelerated at any time at the discretion of the registrant.

Section 8 – Other Events

Item 8.01 Other Events.

On May 21, 2019, Sonoco Products Company issued a news release announcing that it has entered into a \$200 million, one-year term loan and is using the proceeds to make a voluntary contribution to its U.S. defined benefit pension plans, as discussed in Item 2.03 above. A copy of that release is attached hereto as Exhibit 99.

Section 9 – Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

99[Registrant's news release dated May 21, 2019, announcing that it has entered into a \\$200 million, one-year term loan and is using the proceeds to make a voluntary contribution to its U.S. defined benefit pension plans.](#)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SONOCO PRODUCTS COMPANY

Date: May 21, 2019

By: /s/ Julie C. Albrecht

Julie C. Albrecht

Vice President and Chief Financial Officer



NEWS RELEASE

May 21, 2019 Contact: Roger Schrum

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Sonoco Contributing \$200 Million to U.S. Defined Pension Plans

HARTSVILLE, S.C., U.S. – Sonoco (NYSE: SON), one of the largest diversified global packaging companies, today announced it is making voluntary contributions of approximately \$200 million to its U.S. Defined Benefit Pension Plans.

According to Julie Albrecht, Sonoco’s Vice President and Chief Financial Officer, the voluntary contributions are projected to increase the funded status of the Company’s U.S. Defined Benefit Plans to approximately 100 percent. Sonoco previously closed its U.S. defined retirement plans at the end of 2003 and ceased additional benefit accruals at year-end 2018 involving all employees in the final average pay pension formula within these pension plans.

“This is another significant step in our actions to de-risk our U.S. pension plans. By making the voluntary contributions, along with the Plan’s Investment Council action to increase the allocation of pension assets to fixed-income investments, we are taking advantage of our strong financial position to limit the impact of future market volatility to our free cash flow. This activity further supports Sonoco’s strategic initiatives of profitable growth and simplification,” said Albrecht. “These actions will not reduce any retirement benefits provided to the approximately 12,000 participants of Sonoco’s U.S. defined benefit pension plans.”

To fund the voluntary contributions to the pension plans, Sonoco has entered into a \$200 million, one-year term loan with a relationship bank. The pre-payable, unsecured loan has an option to renew for a second year and has an interest rate of LIBOR plus 1.0 percent, based on the Company’s current investment grade credit rating.

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 2019 as well as Barron’s 100 Most Sustainable Companies. For more information, visit www.sonoco.com.

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