



SONOCO

Investor Update

November 2023

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 “anticipate,” “assume,” “believe,” “committed,” “consider,” “continue,” “could,” “estimate,” “expect,” “forecast,” “future,” “goal,” “guidance,” “intend,” “likely,” “may,” “might,” “objective,” “outlook,” “plan,” “potential,” “project,” “seek,” “strategy,” “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 fourth quarter and full-year 2023 outlook; the Company’s ability to manage variable and fixed expenses; opportunities for operational improvements; customer demand and volume outlook; the Company’s relationships with its customers; the Company’s ability to create near-term and long-term value and to generate cash flows and returns for shareholders; expected benefits from accretive acquisitions and divestitures; the effectiveness of the Company’s strategy; the effects of the macroeconomic environment and inflation on the Company and its customers; and outcomes of certain tax issues and tax rates. 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 achieve the benefits it expects from acquisitions and divestitures; the Company’s ability to execute on its strategy, including with respect to acquisitions, divestitures, cost management, 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 and pricing of raw materials, energy and transportation, including the impact of potential changes in tariffs and escalating trade wars, and the Company’s ability to pass raw material, energy and transportation price increases and surcharges through to customers or otherwise manage these pricing risks; the costs of labor; the effects of inflation, fluctuations in consumer demand, volume softness, customer destocking 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 goals relating to sustainability and reduction of greenhouse gas emissions; the Company’s ability to return cash to shareholders and create long-term value; 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 Q3 2023 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.

Investment Overview



Sonoco is a global leader in higher-value, sustainable packaging



We are continuing to transform the company through portfolio management and M&A

Moving towards higher margins, with less cyclicalities and improving earnings



We have increasing opportunity to leverage our operating model to expand margins

Gaining momentum in our excellence programs (operations, commercial, supply chain, standardization)



We remain disciplined in capital allocation and expect to further invest to grow

Continuing emphasis on high return investments, an increasing dividend, and an investment grade balance sheet



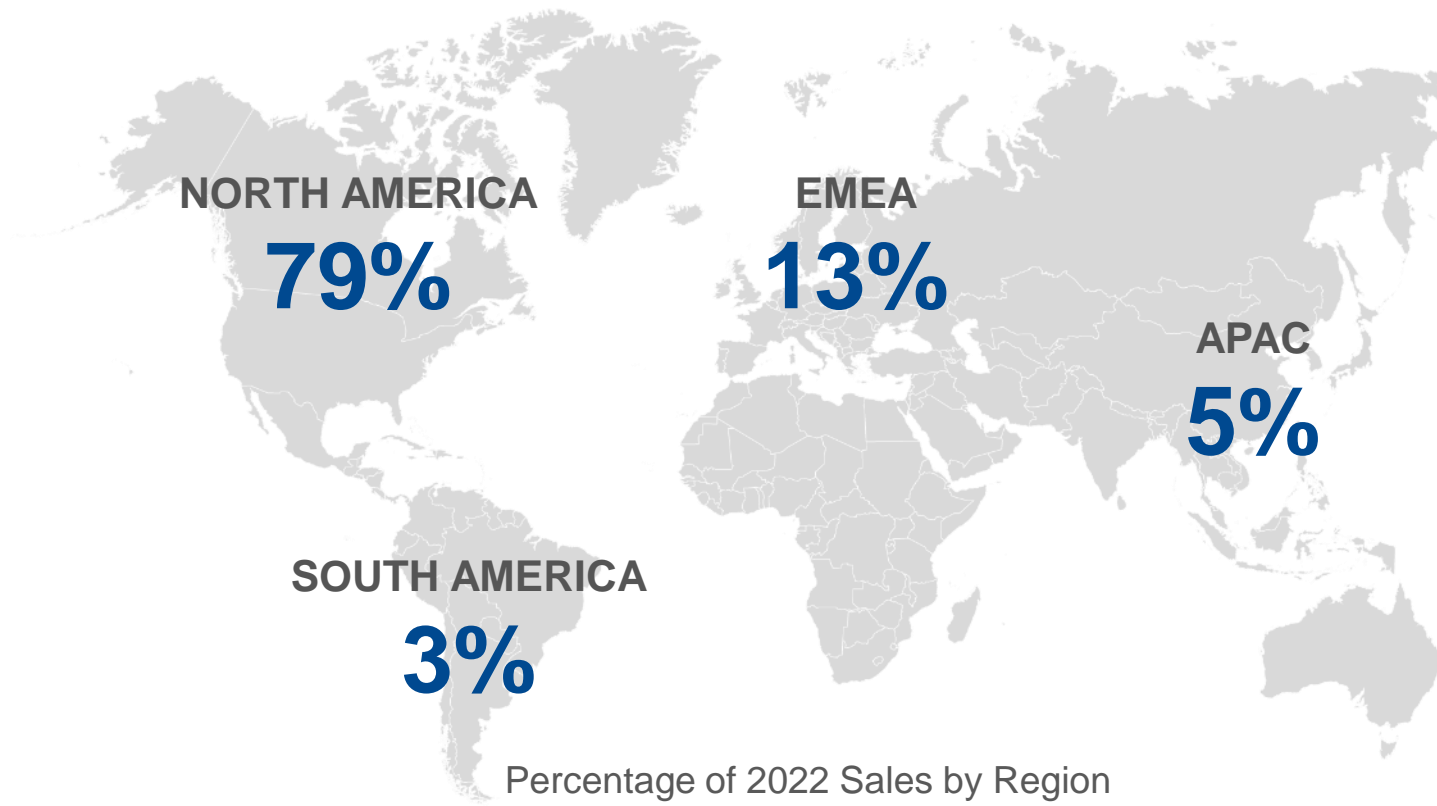
We are committed to improving the lives of our teams, customers, and communities

Aligning a strong ESG and Sustainability program with the core values of the company

Sonoco Products Company Overview

Sonoco is a global leader in higher-value, sustainable packaging

\$7.25B in Revenue 2022



EST
1899

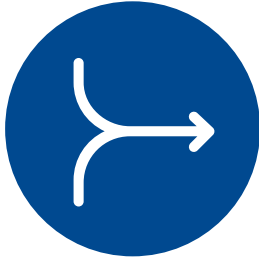


300+
FACILITIES

22K+
EMPLOYEES


35
COUNTRIES

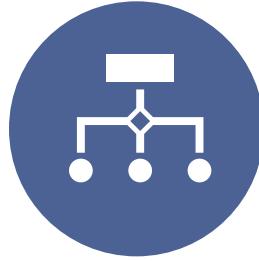

A Few Years Ago....We Set a New Course for the Business



1

Focus the Portfolio

- Fewer, bigger businesses
- Footprint optimization
- Maximized logistics



2

Align Structure and Talent

- Simplified organization
- Centers of excellence
- Inclusive and diverse workforce



3

Invest to Grow our Core

- High return growth capital
- Operational efficiency
- Inorganic, core acquisitions

4



Execute ESG and Sustainability Initiatives

① We Are Further Focusing the Portfolio and ② Realigning our Structure

CORE, INTEGRATED BUSINESSES

Larger divisions with more opportunity for vertical integration and synergies in how they are operated

**CONSUMER
PACKAGING**

52%*



Rigid Paper Containers
Metal Packaging
Flexible Packaging

**INDUSTRIAL PAPER
PACKAGING**

37%



Global Paper
Tubes and Cores
Fiber Protective

DIVERSIFIED

Smaller divisions run more autonomously

**ALL OTHER
BUSINESSES** 11%



Diversified
Packaging
Products

3 We Are Investing to Grow our Core Capabilities

~\$320M in 2022

~\$125 MILLION



PAPER - PROJECT
HORIZON

~\$60 MILLION



FLEXIBLE PLASTIC
PACKAGING

~\$60 MILLION



RIGID PAPER
CONTAINERS

~\$25 MILLION



METAL
CANS

Sonoco Operates 24 Recycling Centers and Invests in Knowledge to Improve Sustainable Packaging

③ Sustainability is Fueling Growth Opportunities

ONE MORE DAY

All Paper Packaging Helps Brand Keep Its Commitment

OneDayMore has taken steps to support environmental stewardship with plans to use paper packaging for all products in all markets by 2024. Sonoco worked to convert their existing packaging to a new, consumer-driven, value added solution.



BISTO

Reducing Packaging Height Reduces Environmental Footprint

Sonoco identified a new-sized packaging format for Bisto Gravy that gives shoppers more gravy product and more sustainable packaging, without altering their cost.



PENTEL

Plastic-Free Format in Retrofit Machinery

Sonoco became the front runner when Pentel reimagined it's packaging in a more sustainable format keeping with the brands reputation as a sustainability "change maker" when we realized the ability to retrofit existing machinery with next to no down-time for the brand.



③ We Are Investing to Grow our Core with Accretive Acquisitions

Metal Packaging



Closed Q1-22

Expands sustainable consumer packaging portfolio by adding highly recycled metal substrates

Skjern Paper



Closed Q4-22

Aligns with our core businesses and the growing market for sustainable paper packaging products in Europe

RTS Paper Packaging



Expect to Close in Q3-23

Supports core paper packaging business with exposure to growing food and beverage markets

3 We are Investing in Operational Excellence for Efficiency

Strategic Productivity Investments/Operational Excellence

- Capital investments for growth and productivity
- Automation for increased throughput

Commercial Excellence

- Standard processes and monitoring
- Value recognition for performance and complexity

Supply Chain Excellence

- Inventory management programs
- Strategic sourcing optimization

Structural Transformation

- Aligning infrastructure to fewer bigger businesses
- More efficient functional and business services at center

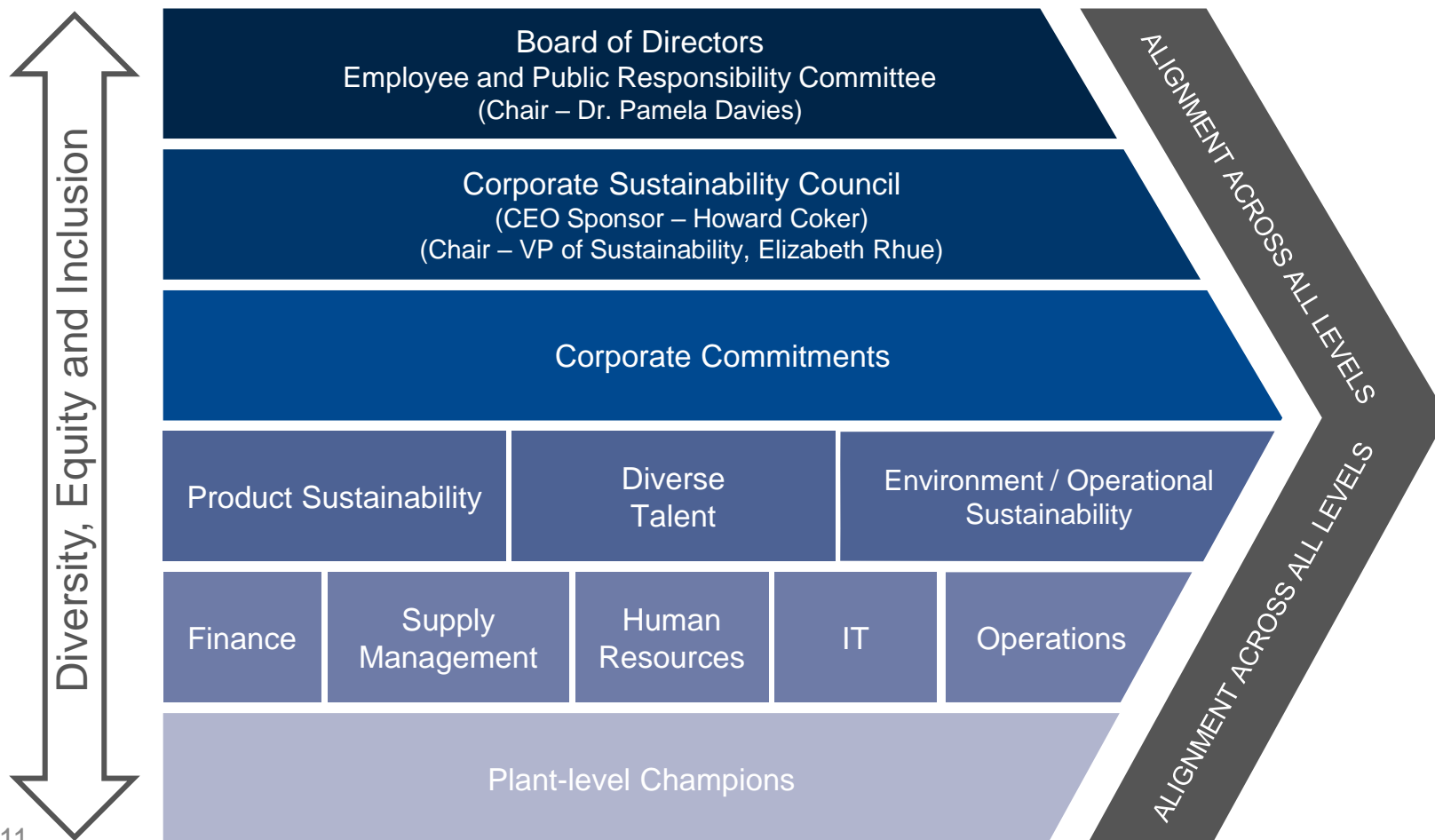
Sonoco's Value Creation Model



ADJUSTED EBITDA OPPORTUNITY BY 2026 **\$180M**

④ Board and Management Oversight of ESG/Sustainability Programs

How do we drive business-level commitment for corporate ESG goals?



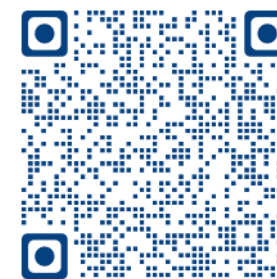
As we work to meet our environmental, social, and governance (ESG) commitments, we recognize our goals must be truly corporate commitments within all levels of the organization.

4 Corporate Responsibility Report – Released April 2023



2022 ESG/Sustainability Progress Highlights

- Updated report prepared in reference to GRI, TCFD, and SASB standards
- Details progress to 2030 targets in line with the Science Based Targets initiative
- Joining the United Nations (UN) Global Compact to advance support for the UN's Sustainable Development Goals and Ten Principles Compact
- Discontinued the use of virgin pulp in mill operations in 2022; now 100% recycled fiber
- Increasing diversity in the workplace: 32% of new hires in the U.S. were women and 42% belonged to a minority group
- Spending over \$240M annually with diverse suppliers in 2022
- Further expanding our Envirosense portfolio of sustainable products



SCAN TO VIEW

4 Progress on ESG Initiatives

ENVIRONMENTAL

2.7%	YoY decrease in Energy consumption
>20%	YoY decrease in GHG emissions intensity (CO2e / \$\$ revenue)
12.7%	YoY decrease in water usage
8.6%	YOY decrease in landfill usage

SOCIAL

26%	Female Workforce Representation
32%	Female New Hires
33%	Racial or Ethnic Minorities
96%	Retention rate for exceptional and promotable employees
8.2%	of total spend in the US and Canada is with diverse suppliers
~\$2M	Sonoco Foundation Spend

GOVERNANCE

45 %	Board Diversity Rate
98.8%	Average majority for director election
99.7%	Say on Pay
1	ISS Governance Quality Score

RECOGNITIONS/RATINGS



B – Climate Change Score



BBB Rating for 2021 & 2022



Gold



2020, 2021, 2022



A Sonoco flag flying on a tall pole against a blue sky with clouds. The flag features the Sonoco logo and the word 'SONOCO' below it.

Financial Results

2022 Financial Summary

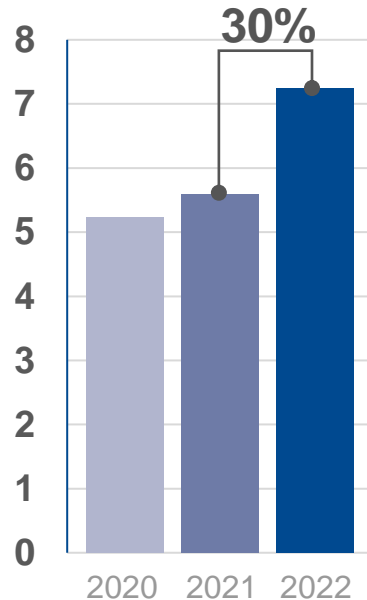
A Record Year in the History of Sonoco

REVENUE

\$7.25B

NET SALES

U.S. \$ Billions

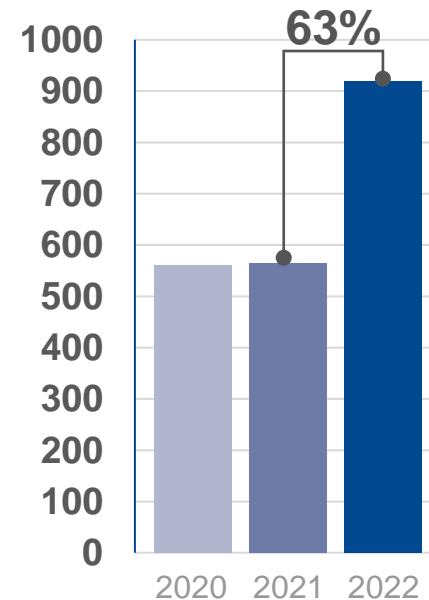


BASE OPERATING PROFIT

\$920M

BASE OP

U.S. \$

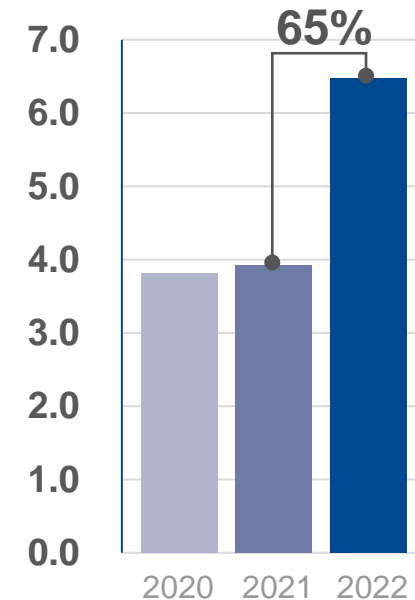


BASE EPS

\$6.48

BASE EPS

U.S. \$



Q3 2023 Results Summary

REVENUE

\$1.71B

-10% y/y

Adjusted
EBITDA

\$280M

16.4% Margin

Adjusted
NET INCOME*

\$145M

8.5% Margin

Adjusted
EARNINGS PER SHARE*

\$1.46

HIGHLIGHTS

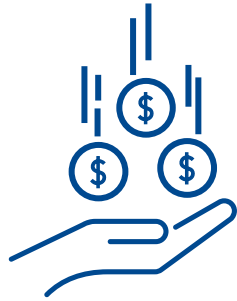
- Sales flat sequentially as expected; cost management and productivity better than expected
- Consumer volumes sequentially higher in most businesses; metal aerosol cans remain weak from destocking
- Industrial volumes as expected with continuing input cost pressure
- Closed the RTS Packaging and Chattanooga mill acquisition in September
- Strong adjusted EBITDA margin and operating cash flow results in the quarter

Current 2023 Guidance



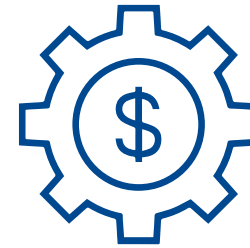
BASE EBITDA

\$1,050 - \$1,080



BASE EPS

\$5.25 - \$5.40



OPERATING CASH FLOW

\$850 - \$900



FREE CASH FLOW

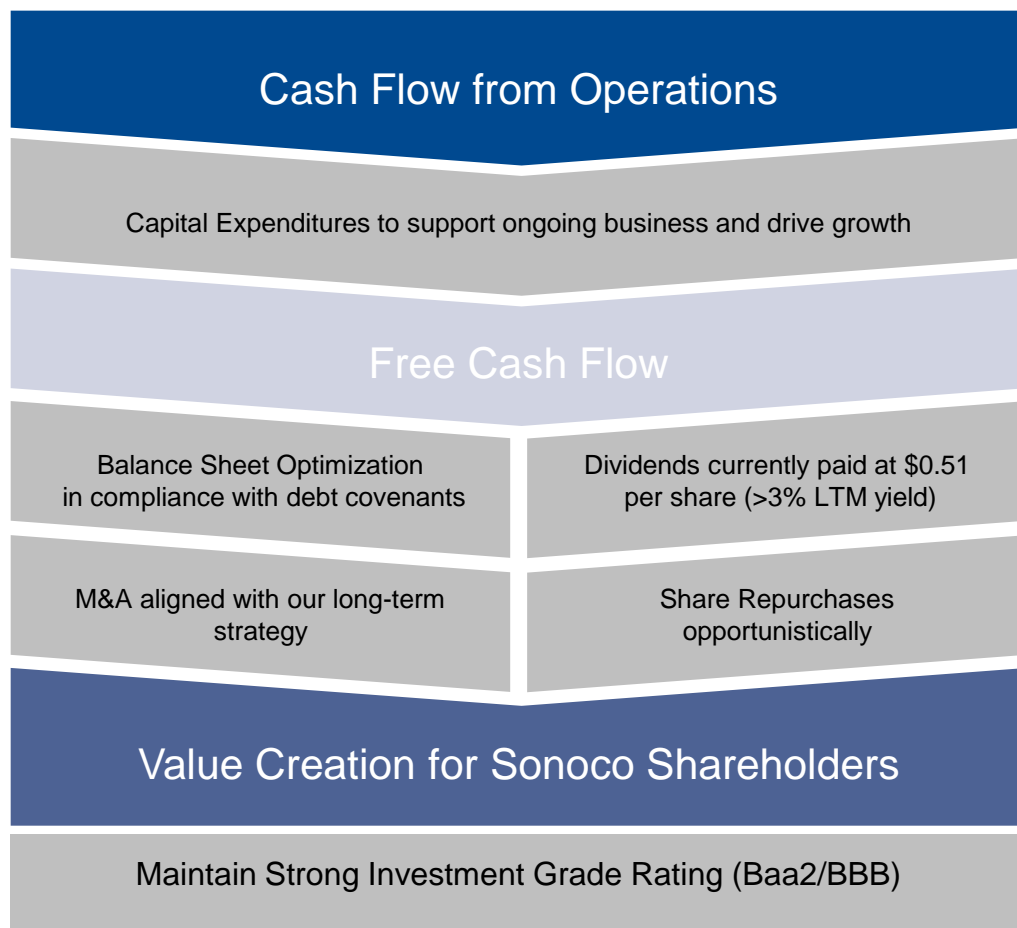
\$600 - \$690

Q4-23 Base EPS Guidance of \$1.01 to \$1.16

Capital Allocation

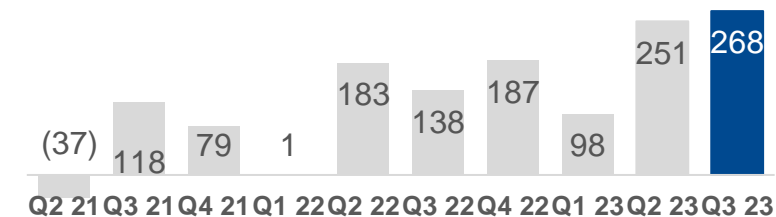
Capital Allocation Framework is Aligned to Business Strategy to Drive Value Creation for Shareholders

Capital Allocation Priorities



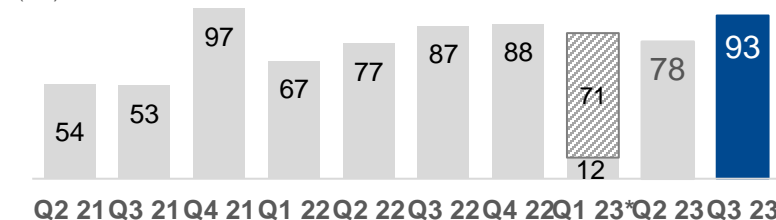
Operating Cash Flow

(\$M)



Net Capital Expenditures

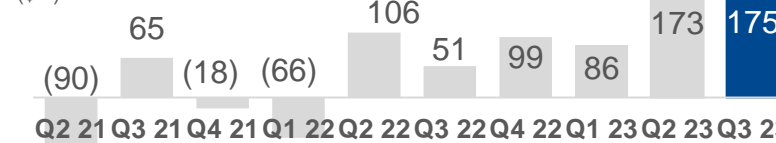
(\$M)



*Q1-23 is net of the proceeds of the sale of Forest Products (\$71M)

Free Cash Flow

(\$M)



Financial Strength

Access to Liquidity

~\$600M

FREE CASH FLOW

~\$900M

AVAILABLE CAPACITY

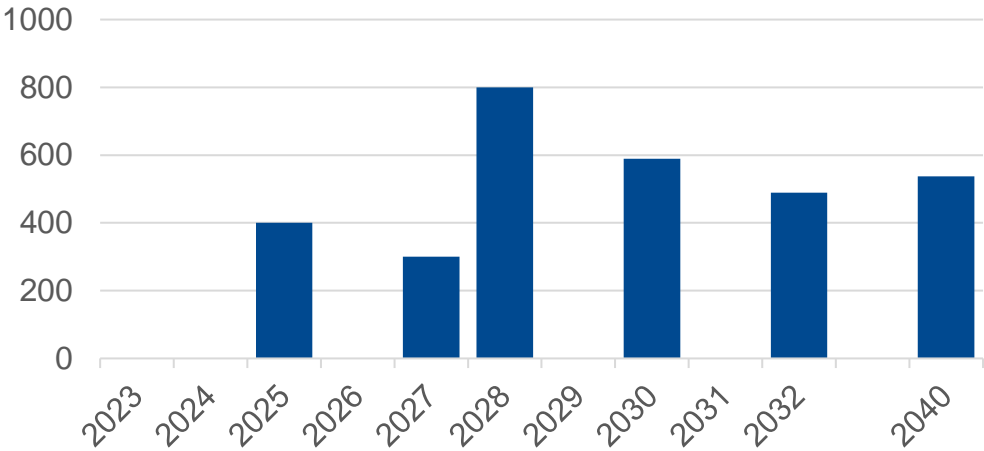
Attractive Maturity Schedule

- Staggered maturity ladder
- Average coupon of 3.3% per year
- 75% fixed and 25% floating

Investment Grade Profile



Debt Maturities (\$ Millions)

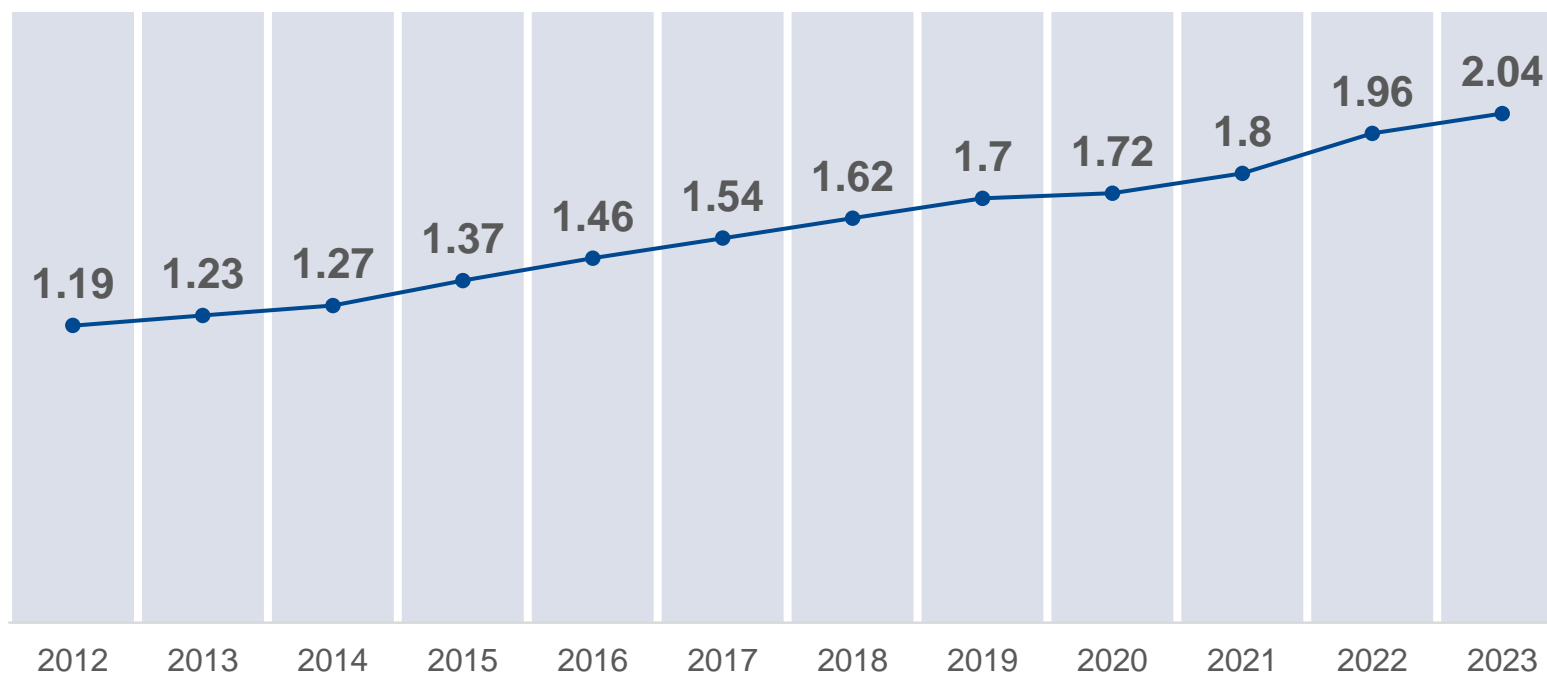


Dividend Increase Declared by the Board in April 2023

We continued our 40 year history of returning cash to shareholders with a growing dividend

- Current annual dividend payout \$2.04 per share, up 4%
- 98 consecutive years paid
- 40 consecutive annual increases

Dividend in \$s



Looking Ahead: Continued Focus on Strategic Initiatives



We are continuing to transform the company through portfolio management and M&A



We have increasing opportunity to leverage our operating model to expand margins



We remain disciplined in capital allocation and expect to further invest to grow



We are committed to improving the lives of our teams, customers, and communities



YOU ARE INVITED TO

SONOCO INVESTOR DAY 2024

FEBRUARY 22, 2024
9 AM - 1 PM EST

75 ROCKEFELLER PLAZA
NEW YORK, NY 10111

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Appendix

EPS Summary 2023 Vs. 2022

	First Quarter	
	2023	2022
GAAP EPS	\$ 1.50	\$ 1.17
Addback for:		
Acquisition related costs, net	0.04	0.37
LIFO Reserve change	(0.04)	0.14
Acquisition intangibles amortization expense	0.16	0.14
Restructuring, net	0.22	0.11
Gain on disposition	(0.56)	—
Non-operating pension costs	0.03	0.01
Other Items	0.05	(0.09)
Adjusted EPS*	\$ 1.40	\$ 1.85



P&L Summary (Adjusted) Third Quarter: 2023 Vs. 2022

(Dollars in millions)

	2023	2022	Better / (Worse)	
			\$	%
Net sales	\$ 1,710	\$ 1,890	\$ (180)	(9.5)%
Gross profit	361	367	(7)	(1.8)%
SG&A Expenses, net of Other Income	(148)	(142)	(5)	(3.8)%
Operating profit	\$ 213	\$ 225	\$ (12)	(5.4)%
Net interest	(30)	(26)	(4)	(15.1)%
Income before income taxes	\$ 183	\$ 199	\$ (16)	(8.0)%
Provision for income taxes	42	46	4	8.6 %
Net Income, after tax	\$ 141	\$ 153	\$ (12)	(7.8)%
Equity in Affiliates and Minority Interest	4	4	1	25.0 %
Net income attributable to Sonoco	\$ 145	\$ 157	\$ (12)	(7.6)%
EBITDA (with Equity in Affiliates)	<u>\$ 280</u>	<u>\$ 288</u>	<u>(7)</u>	<u>(2.5)%</u>
Gross profit %	21.1 %	19.4 %		
SG&A, net of Other Income %	8.7 %	7.5 %		
Operating profit %	12.4 %	11.9 %		
EBITDA (with Equity in Affiliates)%	16.4 %	15.2 %		
Effective tax rate	22.7 %	23.1 %		

NOTE: Due to rounding individual items may not sum down



Balance Sheet

(Dollars in millions)

	10/1/2023	12/31/2022	Change \$
Cash and cash equivalents	\$ 258	\$ 227	\$ 31
Trade accounts receivable, net of allowances	964	863	101
Other receivables	101	99	2
Inventories	826	1,096	(270)
Prepaid expenses	91	76	15
Current Assets	\$ 2,240	\$ 2,361	\$ (121)
Property, plant and equipment, net	1,826	1,710	116
Goodwill	1,762	1,675	87
Other intangible assets, net	874	742	132
Long-term deferred income taxes	31	30	1
Right of use asset - operating leases	312	297	15
Other assets	225	238	(13)
Total Assets	\$ 7,270	\$ 7,053	\$ 217
Payable to suppliers and others	1,116	1,225	(109)
Income taxes payable	26	17	9
Total debt	3,255	3,222	33
Pension and other postretirement benefits	132	120	12
Noncurrent operating lease liabilities	263	251	12
Deferred income taxes and other	139	145	(6)
Total equity	2,339	2,073	266
Total Liabilities and Shareholders' Equity	\$ 7,270	\$ 7,053	\$ 217
Net debt / Total capital	56.2 %	59.1 %	

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 down