



# 2024 INVESTOR DAY

Feb 22, 2024

# WELCOME

**Lisa Weeks**

VP, Investor Relations and Communications

# 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, Sonoco Products Company (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 near-term and long-term financial targets and expected drivers thereof; the Company’s ability to manage expenses; long-term end market growth and market opportunities; opportunities for productivity and other operational improvements; pricing, 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 acquisitions, divestitures and capital expenditures; the effectiveness of the Company’s strategy; and the effects of the macroeconomic environment and inflation on the Company and its customers. 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, divestitures and capital expenditures; 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 and improve productivity; 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](http://investor.sonoco.com) under Webcasts & Presentations, and Non-GAAP Reconciliations for the Q4 2023 Earnings Presentation. 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 measures in the Appendix to this presentation.

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

# TODAY'S AGENDA

## Welcome

**Lisa Weeks**

VP of Investor Relations and Communications

## Advancing Sonoco's Strategy

**Howard Coker**

President and CEO

## Elevating Sonoco's Operating Model

**Rodger Fuller**

Chief Operating Officer

## Consumer Segment

### Rigid Paper & Closures

**Sean Cairns**

President, Rigid Paper and Closures

### Metal Packaging

**Ernest Haynes III**

President, Metal Packaging

### Flex-Therm

**Russell Grissett**

President, Flexibles & Thermoforming Division

## Industrials Segment

**James Harrell III**

President, Industrial Paper Packaging

## Financial Strategy & Outlook

**Rob Dillard**

Chief Financial Officer

## Q&A

**All Presenters**

## Lunch & Business Immersions

# ADVANCING SONOCO'S STRATEGY

**Howard Coker**  
President and CEO

# KEY TAKEAWAYS

## WHAT YOU WILL HEAR TODAY

We set out on a transformation journey in 2020, and we have made good on our promises to date

---

We built a stronger portfolio that is positioned to deliver value-creating growth

---

We better unified our operating model to our advantage, with more efficiencies expected on the horizon

---

We are both disciplined and opportunistic with allocating capital to portfolio initiatives for innovation, growth, and M&A to create shareholder value

---

We will manage risk through a strong capital structure and robust risk oversight

---

Our new, long-term financial targets are designed to enable higher value for our customers, employees, communities, and shareholders

Our guiding principle remains unchanged since 1899:

# PEOPLE BUILD BUSINESSES BY DOING THE RIGHT THINGS



## Our Core Values



Teamwork



Service



Respect



Integrity



Accountability

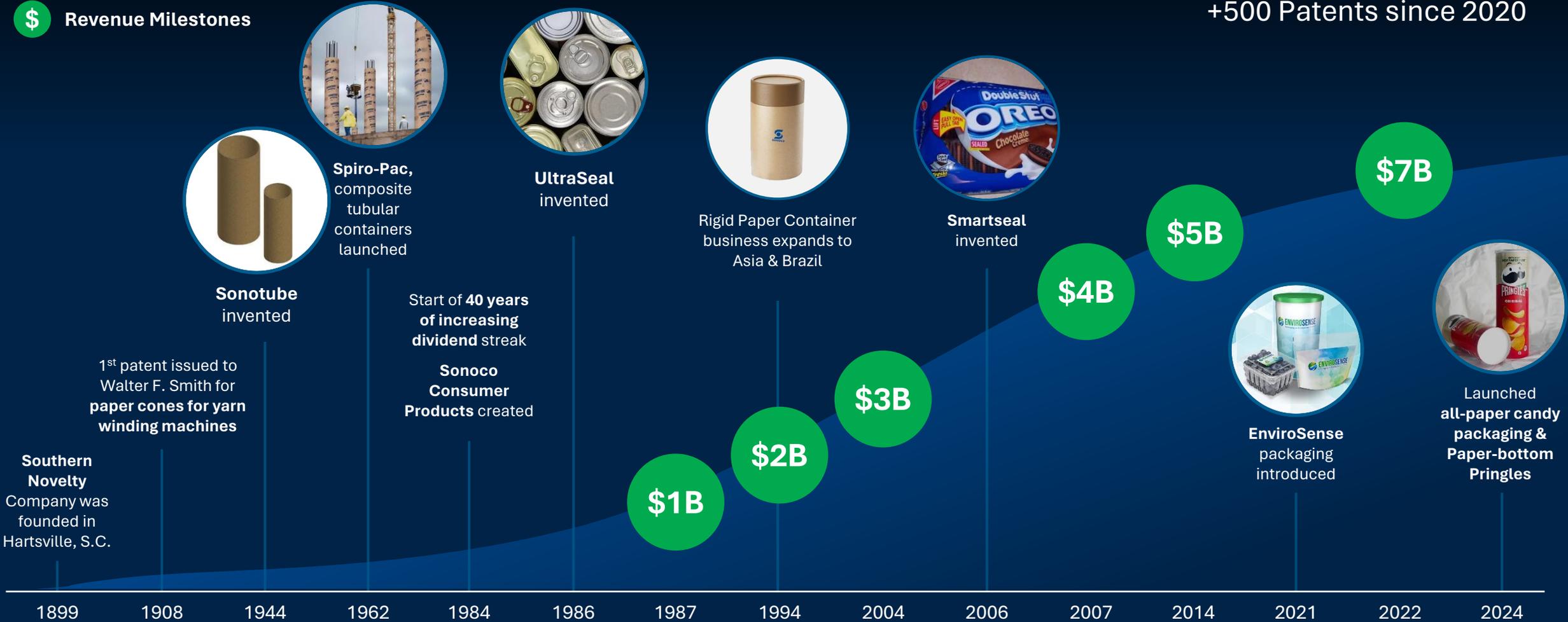
# CELEBRATING 125 YEARS OF HISTORY

4,000+ Patents to date — Many of which you engage with on a daily basis



## \$ Revenue Milestones

+500 Patents since 2020



# UNIFIED SUSTAINABILITY FOCUS ACROSS SONOCO



**Protecting our environment**



**Investing in our people and communities**



**Striving for transparency at the executive level**



# LONG-STANDING PARTNERSHIPS WITH CUSTOMERS



# VALUE-ADDED PACKAGING

Principles central to where we play



Advanced  
Material Science



High Product  
Functionality



Continuous process  
Manufacturing



Large / Global  
Customers



Market  
Dynamics

How We Win

**Serving  
Customers**

**Operational  
Execution**

**Innovation**

**Culture**

Guiding Principle

**People Build  
Businesses**

# WE SET OUT TO DO MORE... OUR TRANSFORMATION JOURNEY



**2020-2021**

**Establish the  
Foundation**

**2022-2023**

**Focus the Organization  
for the Future**

**2024 - 2025**

**Portfolio Alignment**

**2024 - 2028**

**Next Era Goals**

# Transformation Journey Step 1

## ESTABLISH THE FOUNDATION

**2020-2021**

### Establish the Foundation

- Portfolio Analysis
- Operating Model Design

**2022-2023**

### Focus the Organization for the Future

**2024 - 2025**

### Portfolio Alignment

**2024 -2028**

### Next Era Goals

# ESTABLISH THE FOUNDATION



## SONOCO BUSINESS STRUCTURE

### Integrated Business (Core)

P&L ownership into fewer, bigger businesses supported by centralized functions & shared services

### Diversified Business (Non-Core)

Remain as standalone P&Ls; less support from center functions

# Transformation Journey Step 2

## FOCUS THE ORGANIZATION

2020-2021

### Establish the Foundation

- Portfolio Analysis
- Operating Model Design

2022-2023

### Focus the Organization for the Future

- Align the Organization
- Focus for Greater Efficiency and Effectiveness
- Invest More Capital to Grow Profitably
- Maintain a Strong Balance Sheet

2024 - 2025

### Portfolio Alignment

2024 - 2028

### Next Era Goals

# WE DELIVERED

## 4-Step Strategy — Our Last Investor Day

## Outcomes to Date

- 1 Align the Organization**  
for the future
- 2 Focus the Organization**  
with greater efficiency and effectiveness
- 3 Invest More Capital**  
to grow profitability
- 4 Maintain a Strong Balance Sheet**  
and keep capital allocation at the forefront

Fewer, larger core businesses to simplify the portfolio

Four non-core divestitures and multiple product/site rationalizations

Leaner, more agile, and less costly operating model after structural transformation

Notable progress on self-help and sustainability initiatives

CAPEX increased by >\$100M annually with priority to innovation and productivity

Four acquisitions in the Core

Investment grade balance sheet and higher dividend payout

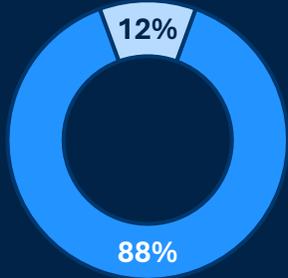
ROIC driven prioritization for investments and returns of capital

# NOTABLE PROGRESS SINCE 2021

## Simplified Portfolio (Phase 1)

Defined CORE  
and separated non-core  
businesses

ALL OTHER



CORE

53%  
Consumer  
Packaging

35%  
Industrial Paper  
Packaging

% of Sales 2023

## Invested in CORE

Increased Capex

2010 – 2019

<\$200M/yr

~\$300M/yr

2020 – 2023

Core M&A Investments



## Created a new CORE Platform – Metal Pkg



## Refined and Executed Operating Strategy

Value creation model



# INCREASED PROFITABILITY AND CASH FLOW

Execution of strategy drove improved results

Adjusted EBITDA

**\$771M**

**>\$1B**

2021

2023

**\$1.6B+**

**CUMULATIVE OPERATING  
CASH FLOW**

2021-2023

# GLOBAL LEADER IN HIGH-VALUE, SUSTAINABLE PACKAGING

## FY 2023 Results

**~\$5.5B**

Market Cap

**\$6.8B**

Revenue

**\$1,067M**

Adjusted EBITDA

**15.7%**

Adjusted EBITDA Margin

## Sales Breakdown

### BY SEGMENT

Consumer

**53%**



Industrial

**35%**



All Other

**12%**



### BY SUBSTRATE

Paper

**57%**

Resin

**29%**

Tinplate

**14%**

### BY REGIONS

**78%**

North America

**14%**

EMEA

**5%**

APAC

**3%**

South America

## Company Profile

Estd.

**1899**



**22K+**

Employees



**300+**

Facilities



**33**

Countries

# Transformation Journey Step 3

## PORTFOLIO ALIGNMENT

2020-2021

### Establish the Foundation

- Portfolio Analysis
- Operating Model Design

2022-2023

### Focus the Organization for the Future

- Align the Organization
- Focus for Greater Efficiency and Effectiveness
- Invest More Capital to Grow Profitably
- Maintain a Strong Balance Sheet

2024 - 2025

### Portfolio Alignment

- Building a New Strategic Platform (Flex-Therm Packaging)
- Resolving the *All Other* segment
- Organic Growth Investments
- Strategic M&A Pipeline

2024 - 2028

### Next Era Goals

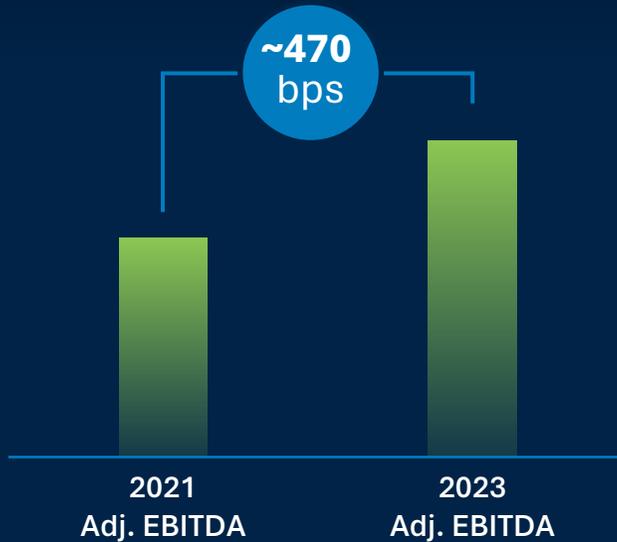
# RESOLVING “ALL OTHER” BUSINESSES

Steps we are taking

1

## Improving Profitability

across the businesses



### Key Initiatives

Right Capital Investments

Footprint Optimization

Structural Transformation

2

## Simplify Portfolio

Integrate with Core or divest based on strategic assessment

~\$200M Value from Divestitures

- S3
- Protective Solutions\*
- BulkSak
- Timber Assets

Returning to Core from All Other

- Thermoforming Ops

Evaluating Strategic Alternatives

- Remaining “All Other” – 3 businesses



\*Pending sale

UP TO  
**\$1B**  
POTENTIAL  
VALUE IN  
REMAINING  
NON-CORE  
ASSETS

# FLEXIBLES & THERMFORMING – NOW TOGETHER

Five operations merged, streamlined, and augmented for growth



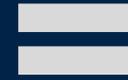
Flexibles\*  
**\$0.6B**

CORE



Thermoforming\*  
**\$0.7B**

Businesses in CORE and  
returning from All Other



New Platform  
**\$1.3B\*\***

CORE

\* 2023 Sales

\*\* Proforma 2023 Sales

## THE NEW FLEX-THERM PLATFORM...

Allows us to  
better compete  
in “right to win”  
markets

Fits with our  
“fewer, bigger  
businesses”  
strategy

Geared for  
accelerated  
organic and  
inorganic growth

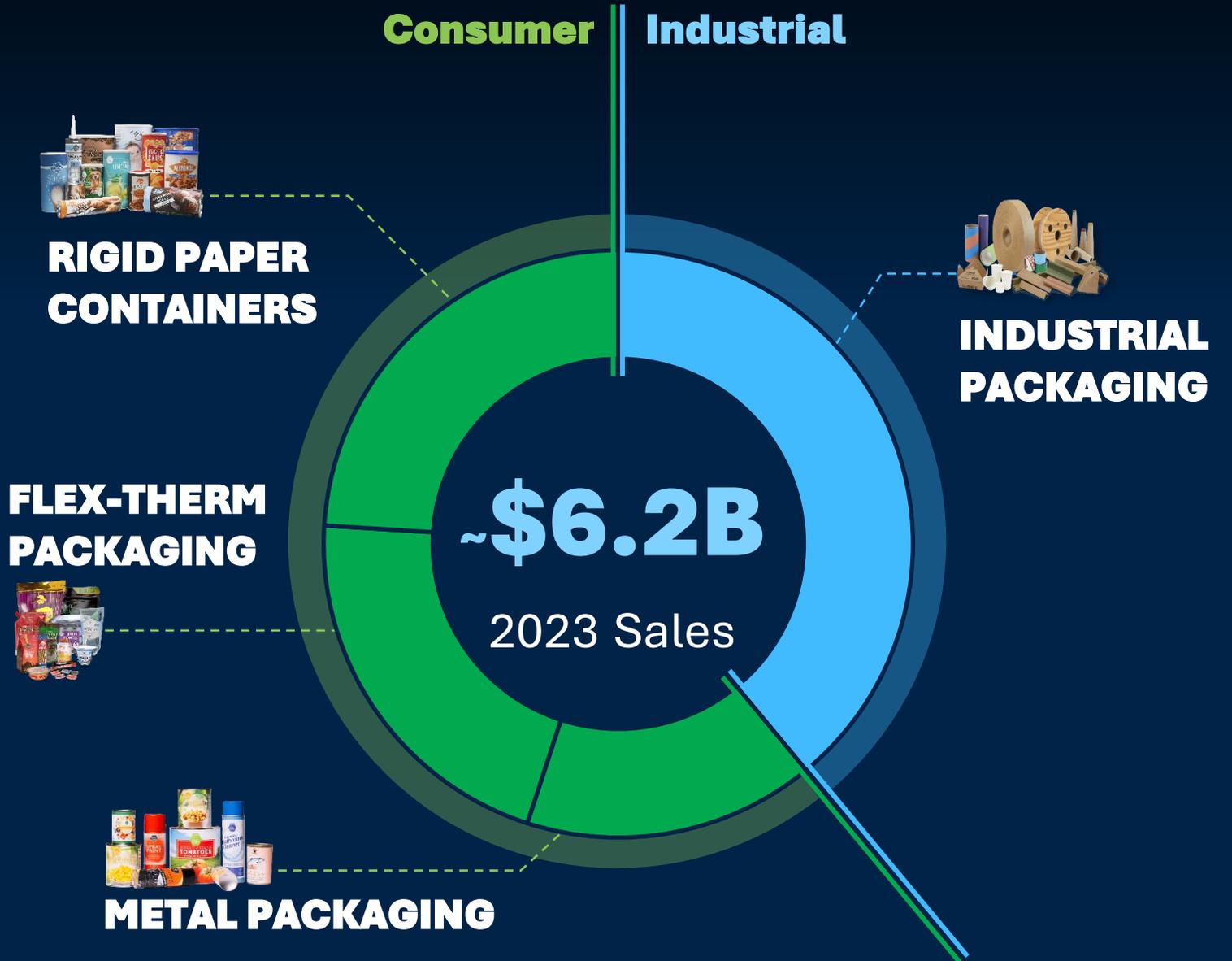
Leverages anticipated  
synergies in operations,  
GTM, and customer  
collaboration

# DEFINED 4 BUSINESSES WITHIN CORE

Based on Strategic Fit in terms of Technology, Innovation, Customers, and Sustainability

## Core Attributes

- Advanced Material Science
- High Product Functionality
- Continuous Process Manufacturing
- Large / Global Customers
- Market Dynamics



Excludes All Other Sales for 2023; assumes movement of Thermoforming to Consumer

# CLEAR INVESTMENT THESIS DRIVES OUR FOCUS

Multi-substrate portfolio strength gives us edge over competition

Core Business

Expected Long Term  
End-market Growth

SONOCO  
Investment Thesis



**RIGID PAPER  
CONTAINERS**

High Single Digits  
*Strong, secular tailwinds*

Organic growth engine



**FLEX-THERM  
PACKAGING**

Mid-Single Digits  
*Steady growth*

High potential organic growth  
coupled with inorganic growth



**METAL  
PACKAGING**

Low Single Digits  
*Stable*

Optional inorganic  
growth; stable, defensive  
business; steady cash flow



**INDUSTRIAL  
PACKAGING**

Low Single Digits  
*Cyclical / Early Cycle*

Steady cash flow

# Transformation Journey Step 4

# BECOMING A GROWTH COMPANY

## 2020-2021

### Establish the Foundation

- Portfolio Analysis
- Operating Model Design

## 2022-2023

### Focus the Organization for the Future

- Align the Organization
- Focus for Greater Efficiency and Effectiveness
- Invest More Capital to Grow Profitably
- Maintain a Strong Balance Sheet

## 2024 - 2025

### Portfolio Alignment

- Building New Strategic Platform (Flex-Therm Packaging)
- Resolving the *All Other* segment
- Organic Growth Investments
- Strategic M&A Pipeline

## 2024 -2028

### Next Era Goals

- Maintain a Focused Portfolio Strategy
- Drive Further Profitable Growth
- Operate with Discipline
- Invest in Our People and Sustainability Initiatives
- Deliver Results

Next Era: Growth-oriented Disciplined Company

# ALIGNING LONG-RANGE PLANS TO ACHIEVE ENTERPRISE OBJECTIVES

## BUSINESS STRATEGY



## EXECUTION PLAYBOOK

**DRIVE GROWTH**  
Business Excellence

**OPTIMIZE COSTS**  
Operational Excellence

**DEVELOP TALENT**  
People Excellence

**ADVANCE SUSTAINABILITY**  
ESG Excellence

**DELIVER RESULTS**  
Financial Excellence

- Expand revenues, profits, and margins
- Increase cash flows
- Manage risk and continued payout
- Increase shareholder returns

# DELIVERING RESULTS

Building on Improved Financial Performance for the Next 5 Years

2028 GOALS

**\$1.5B**

Adjusted EBITDA

**High Teens**

Adjusted EBITDA  
Margin

**\$4B – \$5B**

Cumulative Operating  
Cash Flow

**WITH A COMPETITIVE AND GROWING DIVIDEND**

# GREAT COMPANY, PRIMED FOR GREATER VALUE CREATION

## Strong Company

- Sustainability focus
- Diversified portfolio
- Differentiated operating model
- Investing in growth
- Disciplined capital management

## Well-positioned

- Increasing value of innovation as differentiator
- Robust/sticky customer relationships
- Economic cycle resiliency
- Increasing value of scale
- Strong, stable cash flows

# THE RIGHT TEAM WITH THE RIGHT EXPERIENCE

Today's Speakers



**Howard Coker**  
President and CEO



**Rodger Fuller**  
Chief Operating Officer



**Rob Dillard**  
Chief Financial Officer



**Sean Cairns**  
President, Global Rigid Paper & Closures



**Russell Grissett**  
President, Global Flexibles &  
Thermoforming Division



**James Harrell III**  
President, Global  
Industrial Paper Packaging



**Ernest Haynes III**  
President,  
Metal Packaging



**Jeff Tomaszewski**  
President,  
Diversified Businesses



**Lisa Weeks**  
VP, Investor Relations  
and Communications



**John Florence**  
General Counsel, Secretary &  
VP/ GM – Tubes & Cores US & Canada



**Andrea White**  
VP, Human Resources



**Elizabeth Rhue**  
VP, Global Environmental,  
Sustainability, & Technical Services

# ELEVATING SONOCO'S OPERATING MODEL

**Rodger Fuller**

Chief Operating Officer

# KEY TAKEAWAYS

## ELEVATING SONOCO'S OPERATING MODEL

Evolved our Operating Model in line with the transformation journey we started in 2020

---

Delivered strong results in Productivity and EBITDA margin improvements

---

Plans in place to drive Operating model aligned with our Next Era strategy

---

Deploying a balanced playbook to drive growth, optimize costs, develop teams and advance our sustainability commitments

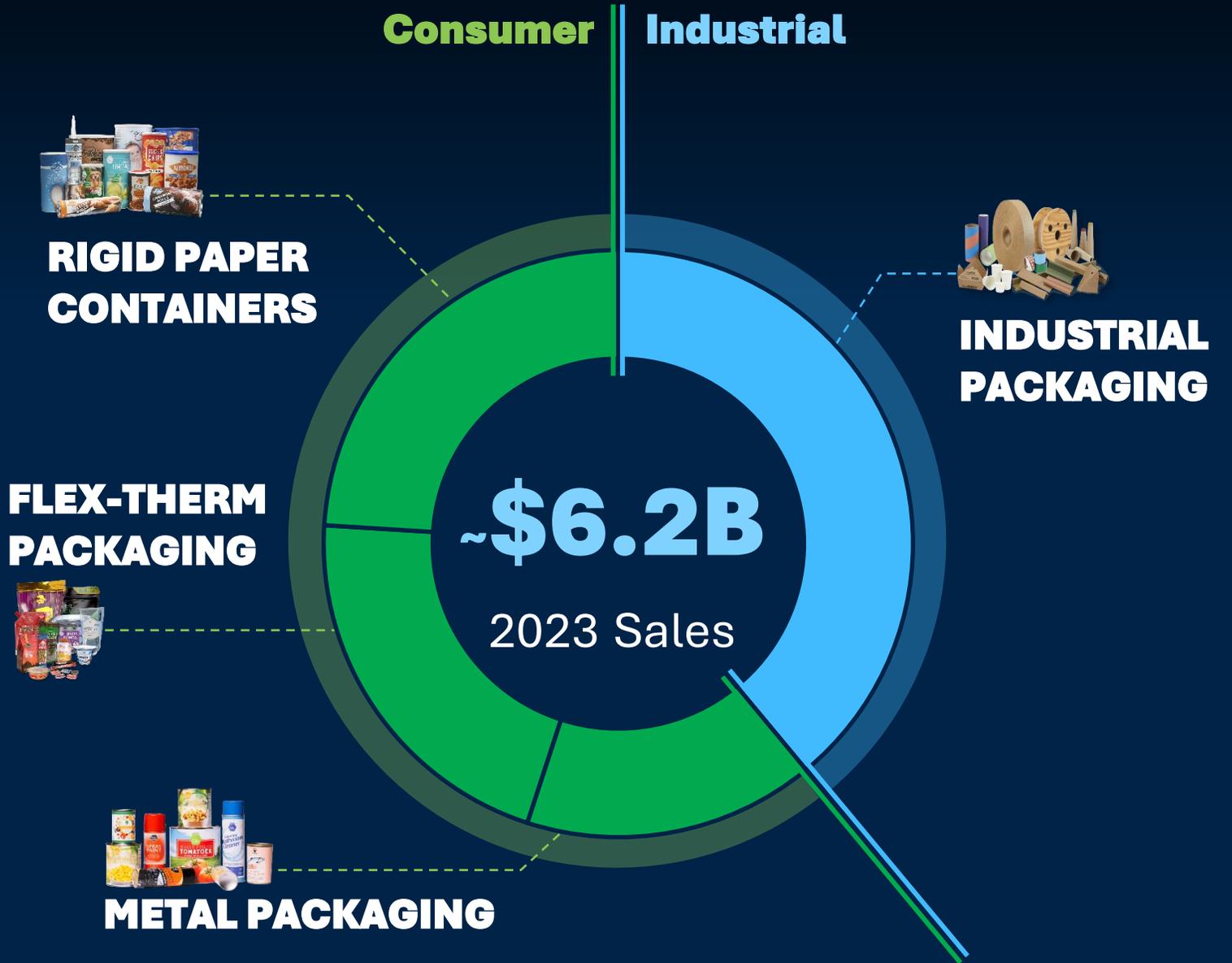


# DEFINED 4 BUSINESSES WITHIN CORE

Based on Strategic Fit in terms of Technology, Innovation, Customers, and Sustainability

## Core Attributes

- Advanced Material Science
- High Product Functionality
- Continuous Process Manufacturing
- Large / Global Customers
- Market Dynamics



Excludes All Other Sales for 2023; assumes movement of Thermoforming to Consumer

# AN EVOLVING OPERATING MODEL

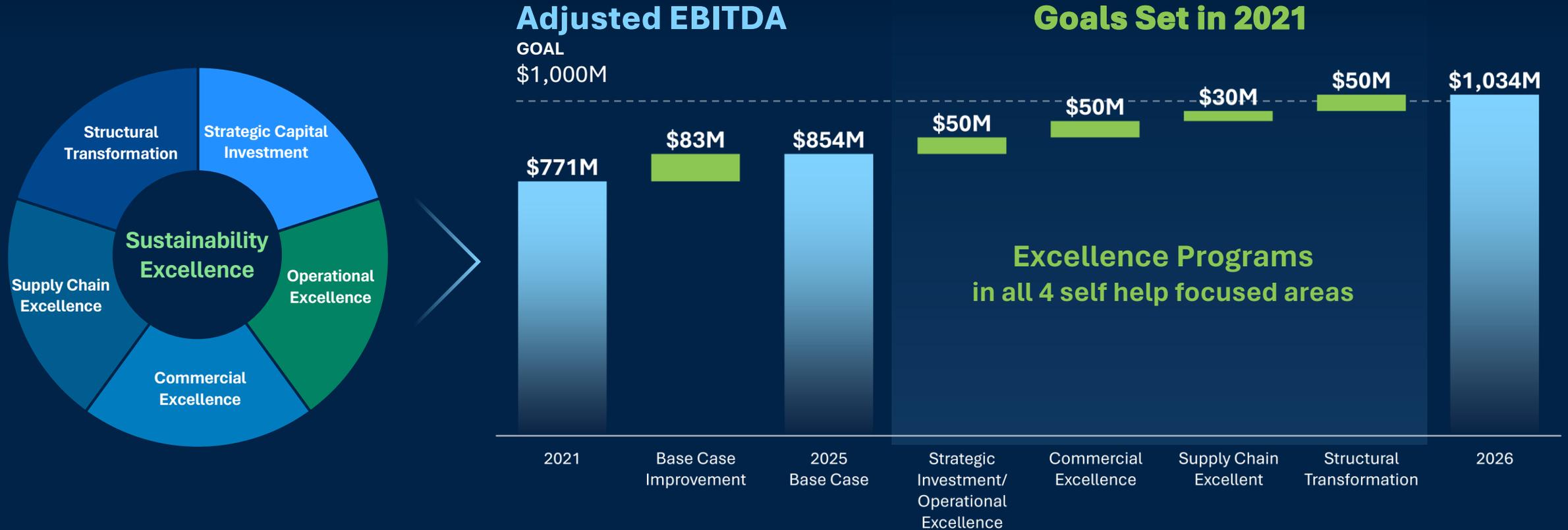
Prior to 2020	2020 – 2023	2023 – 2028 Plans
 <p>+20 Business Units</p>	<p>4 core businesses* (regional P&amp;Ls)</p>	<p>4 core businesses* (regional P&amp;Ls)</p>
 <p>+10 ERP Systems</p>	<p>6 ERP Systems</p>	<p>3 ERP Systems — Fit for Business Purpose</p>
 <p>US-only Shared Services</p>	<p>Regional Shared Services</p>	<p>Global, low-cost Shared Service Center w/expanded Regional Shared Service Centers</p>
 <p>Decentralized Centers of Excellence</p>	<p>Centralized Centers of Excellence</p>	<p>Centralized Centers of Excellence with Digital and AI Capabilities</p>

**FEWER, BIGGER BUSINESSES WITH EMPHASIS ON PROCESS AND SYSTEMS STANDARDIZATION**

\* Excluding All Other

## Recent Progress

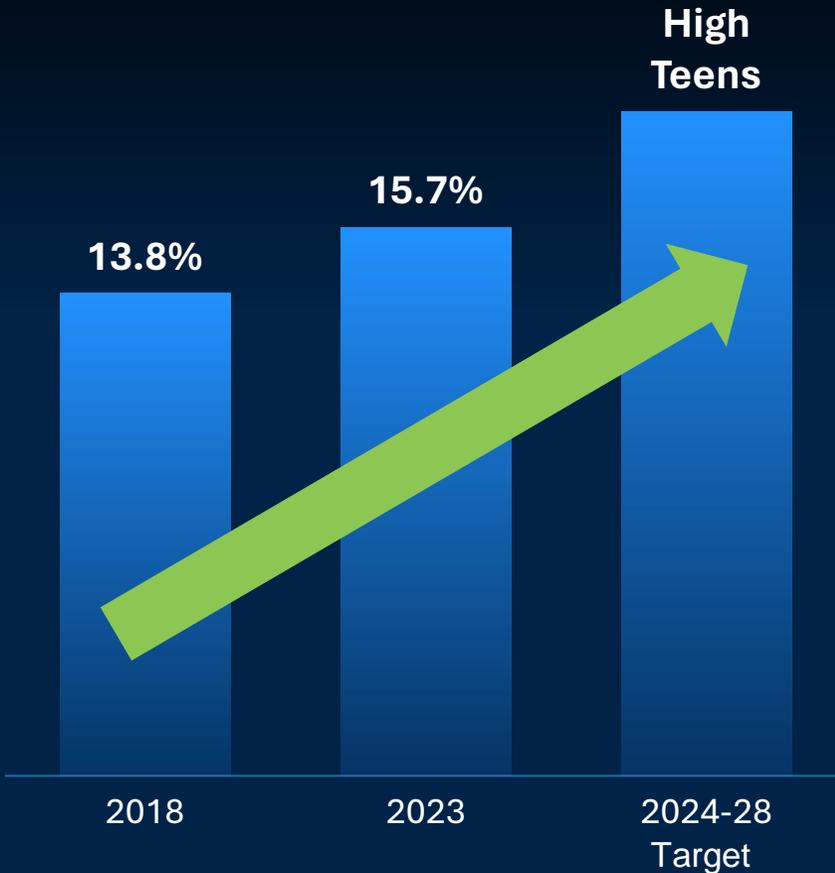
# BUILDING THE FOUNDATION FOR OUR EVOLVING PORTFOLIO MODEL



- Achieved \$50-\$60M in annual productivity despite COVID, supply chain challenges, and inflation through 2023
- Continued structural transformation (organizational and footprint); closed 15 facilities since 2021 with further opportunities ahead

# RESULTING IN MARGIN IMPROVEMENTS

## Adjusted EBITDA Margin



- + Excellence Programs
- + Standardization, Digital, M&A Integration
- + Productivity
- + Fixed-cost Efficiency with Scale
- ± Economic Cyclicalities
- Inflation

# OUR EXECUTION PLAYBOOK

Fewer, bigger businesses enable a more streamlined operating model



## DRIVE GROWTH

### Business Excellence

- Design Innovation
- Customer Partnerships
- Service & Quality Leadership
- Commercial Excellence



## OPTIMIZE COSTS

### Operational Excellence

- Supply Chain
- Automation & Equipment
- Manufacturing | Footprint
- Global Services



## DEVELOP TALENT

### People Excellence

- Holistic Safety
- Inclusive Engagement
- Skill Development
- Recruitment & Retention



## ADVANCE SUSTAINABILITY

### Environmental Excellence

- Business Alignment
- Sustainable Design
- Sustainable Operations
- Regulatory Landscape

## KEY ENABLERS

Standardization

Digital Transformation

M&A Integration

**Scale with Agility**  
to serve customers in growing markets

# THREE KEY ENABLERS SUPPORTING EXCELLENCE



## STANDARDIZATION

- Standardize Shared Services Processes
- Harmonize Technology and Systems

## DIGITAL TRANSFORMATION

- Automation / Industry 4.0 for Manufacturing
- Next-gen Digital for Commercial teams

## M&A INTEGRATION

- Communication and Change Management
- Operational and Commercial Integration
- Talent Management and Organization Design

# DRIVING GROWTH VIA CUSTOMER-CENTRICITY



## Design Innovation

- Customer Challenges
- New Product Innovation Roadmaps
- Proprietary Solutions
- Focused R&D Investments



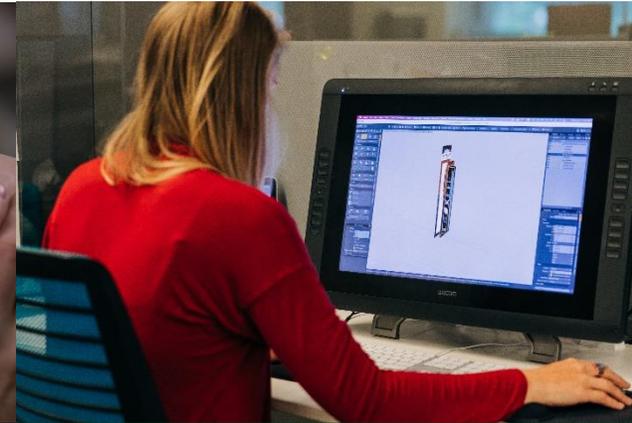
## Customer Partnerships

- Investing Side-by-side with our Customers
- Open Communications
- Accessible
- Voice of Customer survey



## Service, Delivery, and Quality

- Part of Sonoco DNA
- Focus on high yield
- Time to market focused
- Continuous improvement focus



## Commercial Excellence

- Price for Value
- Go-to-market model
- Sales & marketing effectiveness
- New global CRM for efficiency

# COMPREHENSIVE COST OPTIMIZATION

## Manufacturing

- Sonoco Performance System (Lean, Six Sigma)
- New on-line equipment monitoring software
- Footprint consolidations

## Supply Chain

- Strong partnerships
- Transportation Management System  
Automated Indirect Sourcing
- Buy Desk Initiatives

## PRODUCTIVITY DRIVERS

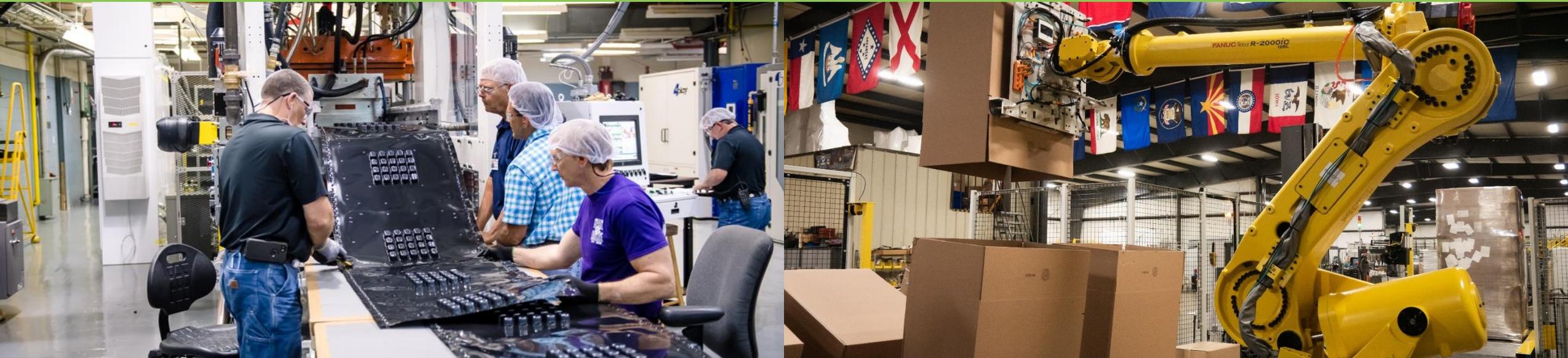
## Automation

- Capital Investments for permanent cost savings
- Investing in competency and skills
- AGVs for repetitive facility tasks
- Partnerships with top automation partners

## Global Services

- Identified process areas for initial focus
- Process improvements for non-manufacturing business activities
- Low-cost Shared Services center serving global Sonoco operations

# INVESTING IN FUTURE-READY CAPABILITIES



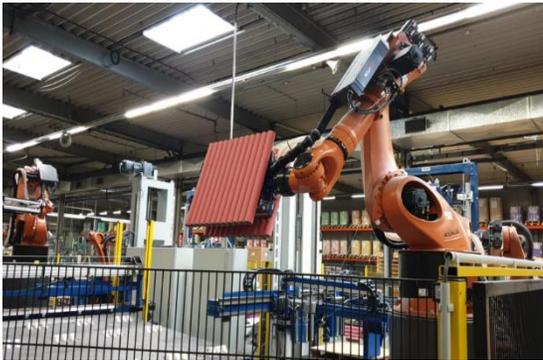
## Building Proprietary Equipment Technology

Investing **\$10M** in a new advanced machinery manufacturing center

## Investing in Automation Capabilities

Aligning **internal** capabilities with external **partnerships**

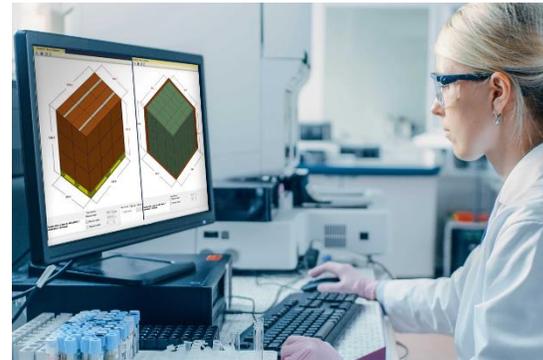
# TARGETING TOTAL \$300-\$500M IN PRODUCTIVITY OVER 2024-28



**Automation**



**Capacity  
Investments**



**Digital  
Capabilities**



**Global Business  
Services**

# EMBEDDING A SAFETY-FIRST CULTURE

## Deploying **Doing Safety Differently** Program



### World Class Safety Performance

and a commitment to the elimination of LCEs



### Committed to Psychological Safety

Partnering with DEI leadership to focus on inclusivity behaviors

## Safety Focus Areas

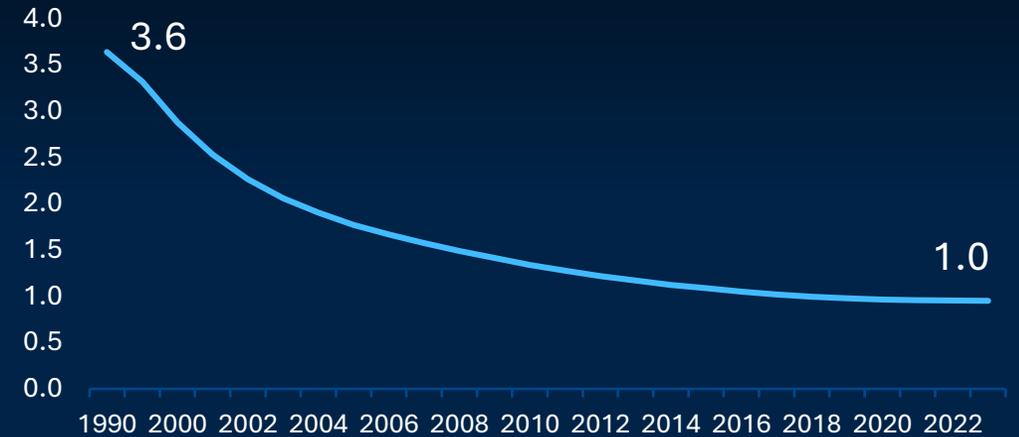
### Reducing LCE Exposure

LCE reduced **22% YoY (2023)** on critical exposures including mobile equipment, Lockout/Tagout, pedestrian pathways, and more

### Making Paper Safely

Eliminating exposures in paper machines by investing in new technology and control systems

Average Recordable Rate - Global



# DRIVING ENGAGEMENT & TALENT INITIATIVES



## EMPLOYEE ENGAGEMENT

**Inclusivity Focus**

**Performance Culture**  
driven by accountability processes

**Standard Work For Leaders**

**Voice of Employee**  
and **Stay Interview** process



## ORGANIZATIONAL DEVELOPMENT

**Leadership Development**  
as a core competency

**Performance Management Process**

**SONOCO University**  
In person, virtual, digital for both technical and soft skill — available to 100% of employees

**Talent Reviews**  
for all salaried employees



## TALENT ACQUISITION & RETENTION

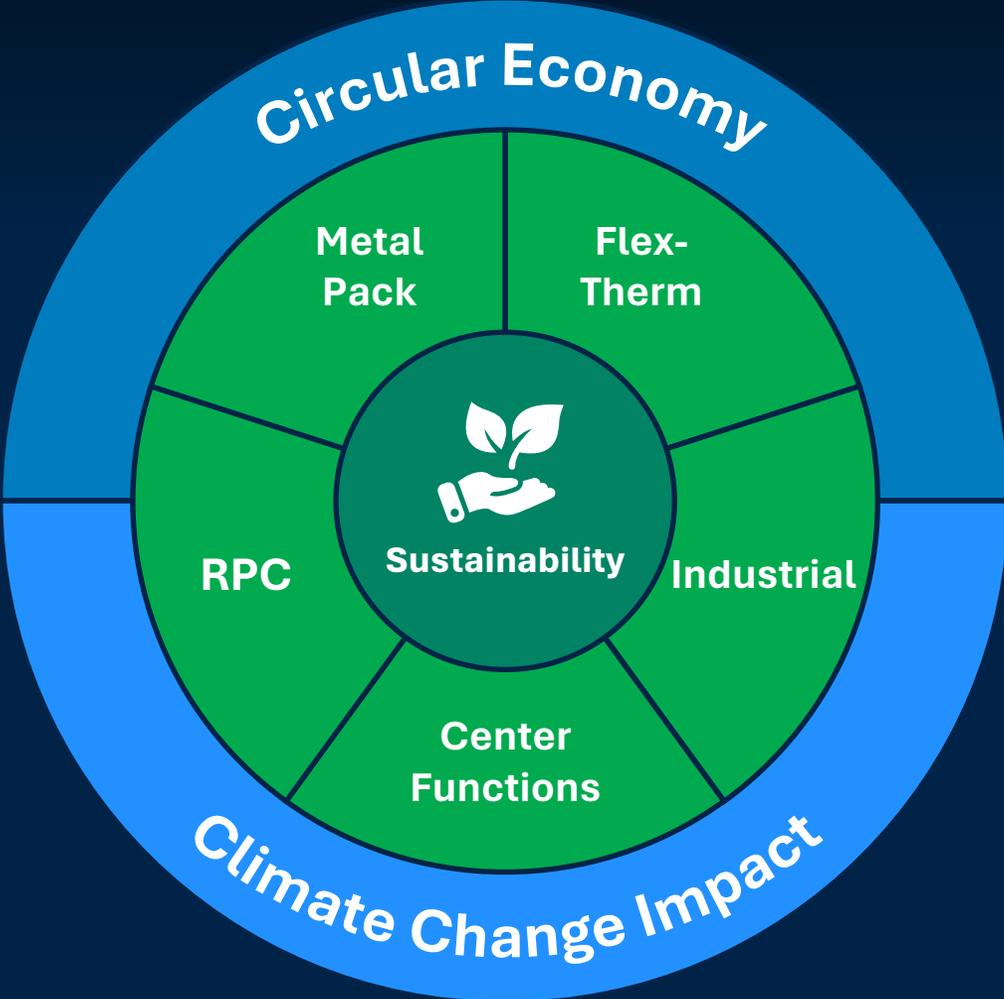
**Rigorous Process**  
to acquire talent for the right roles

**Apprenticeship Programs**  
with local technical schools and high schools

**Mentorship Programs**  
for all emerging leaders and high potentials

**Career Planning**  
to navigate rewarding experiences

# STRONG ENTERPRISE ALIGNMENT



## Sustainability Activities Linked to Businesses



Sustainability  
Assessments &  
Roadmaps



Testing  
& Data



Recyclability  
Acceptance  
& Labels



Customer &  
Corporate  
Commitments



Thought  
Leadership &  
Recognition



Energy &  
Emissions  
Reduction

# WHAT'S CHANGING WITH OUR CUSTOMERS

CPG customers  
approaching 2025  
commitments

Increasing focus on  
carbon reduction in the  
supply chain

Navigating a rapidly  
evolving regulatory  
landscape

## HOW SONOCO IS RESPONDING

### FOCUS ON CIRCULAR ECONOMY

**Goal:** Produce more sustainable products across all substrates

#### What we're doing:

- Reducing environmental impact via circular design
- Providing thought leadership to develop industry recycling guidelines
- Creating & convening industry alliances to support recyclability



### FOCUS ON CLIMATE CHANGE IMPACT

**Goal:** Every plant across all businesses to reduce environmental impact

#### What we're doing:

- Executing emissions reduction via dedicated capital spending
- Integrating Life Cycle Assessments (LCA) into carbon strategy
- Developing Climate-Related Risk Analysis along with mitigation strategy



# FOCUS ON CLIMATE CHANGE IMPACT

How we are reducing emissions

## DRIVING SUSTAINABLE OPERATIONS



### Waco, TX | Flex-Therm

- Solar Installation 2024
- LED Lighting
- Compressed Air System Optimization



### Subang, Indonesia | Paper

- Biogas Boiler
- Vacuum Turbo Blower



### Hartsville Mill Complex | Paper

- Solar Installation 2024
- Methane to Biogas Conversion
- Project Horizon



### Jamesburg, NJ | Rigid Paper Containers

- Rooftop Solar
- Compressed Air System Optimization
- LED Lighting

## PURCHASING POWER



### Signed VPPA Agreement

**60 Wind Turbines**

in ERCOT (Texas) region

**270 MW**

total annual capacity (140MW assigned to SONOCO)

**500K MWh**

per year in estimated energy credits for SONOCO

**2025**

Operational in December 2025

**Power purchased equivalent to 9% of SONOCO'S total global energy use**

## LOWERING ENERGY USE



### Plant Systems Optimization



**Boilers**



**Compressed Air**



**Vacuum**



**Chilled Water**

# DELIVERING ON OUR COMMITMENTS\*

## Protecting our environment



**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

## Investing in our people and communities



**26%**  
Female Workforce Representation

**32%**  
Female New Hires

**33%**  
Underrepresented 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 annual Foundation spend

## Striving for transparency at the executive level



**45%**  
Board Diversity Rate

**98.8%**  
Average majority for director election

**99.7%**  
Say on Pay

**01**  
ISS Governance Quality Score

## Recognition & Ratings



\* All Metrics are for 2022

# KEY TAKEAWAYS

## ELEVATING SONOCO'S OPERATING MODEL

Evolved our Operating Model in line with the transformation journey we started in 2020

---

Delivered strong results in Productivity and EBITDA margin improvements

---

Plans in place to drive Operating model aligned with our Next Era strategy

---

Deploying a balanced playbook to drive growth, optimize costs, develop teams and advance our sustainability commitments



# BUSINESS UPDATES

**\$3.8B**

**Consumer Packaging Segment**

**\$2.4B**

**Industrial Paper Pkg Segment**



**Rigid Paper Containers**



**Metal Packaging**



**Flex-Therm**



**Industrial Paper**

**These two segments represent 88% of 2023 Sonoco Net Sales; rest is All Other**

CONSUMER PACKAGING SEGMENT

# SOLIDIFYING OUR LEADERSHIP IN RIGID PAPER CONTAINERS

Sean Cairns

President, Global Rigid Paper Containers

# KEY TAKEAWAYS

## RIGID PAPER CONTAINERS (RPC)

RPC is a preferred substitution substrate as manufacturers transition to more sustainable packaging

---

Sonoco is the global leader in RPC, and uniquely positioned to take advantage of secular tailwinds

---

We are executing on our strategy to drive sales growth globally while staying cost-competitive

---

We are investing in our capabilities – R&D, global manufacturing capacity, and talent to solidify our leadership position



# RIGID PAPER CONTAINERS (RPC)

## FOOD & BEVERAGE



## HOUSEHOLD



## HEALTH & PERSONAL CARE



# GLOBAL LEADER IN A GROWING SPACE

## RPC Overview

### FY 2023 Results

**\$1.5B**

Revenue

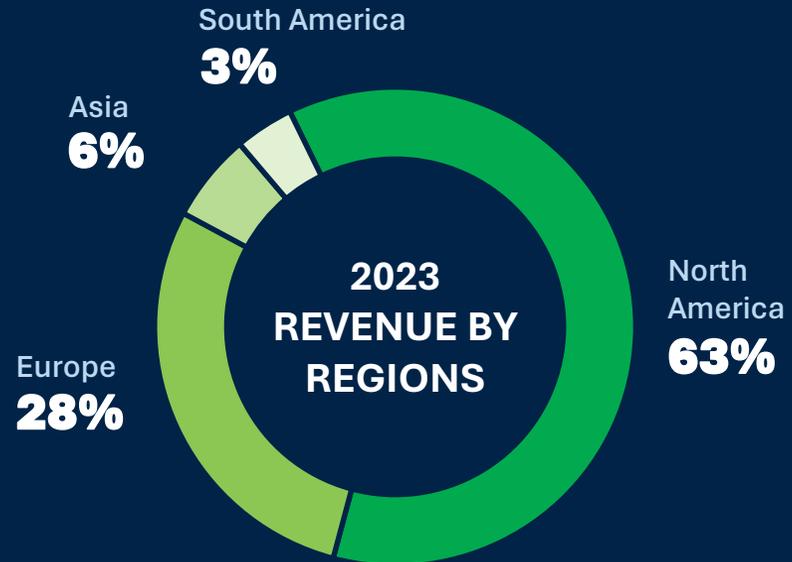
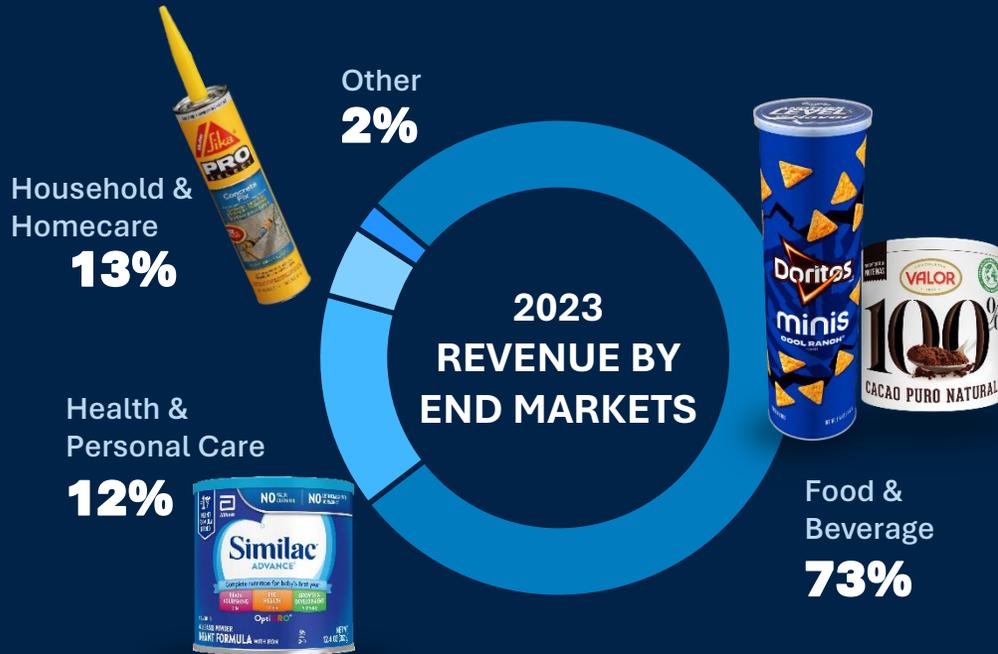
### Long Term Outlook

**HSD\***

Revenue Growth CAGR

### Business Profile

- Leading Positions in Markets with outstanding brands
- Existing Products in new Geographies & new Products in new Markets
- Strong Innovation Pipeline
- Technology & Automation for efficiency and quality



-  Estd. **1961**
-  **+3.7K** Employees
-  **39** Facilities
-  **13** Countries

\* High Single Digits (HSD)

# MACRO TRENDS FAVORABLE

Paper is a preferred substrate for CPGs focused on sustainability

TAM

~\$3B Incremental Global TAM\* Opportunity

## SUSTAINABILITY

## INNOVATION for New Customers/Markets

## INTERNATIONAL GROWTH

### Trends

- Consumer preferences
- European laws for product recyclability
- Retailers & CPG customers doubling down on RPC as a substitute

- Need for medium & high barrier packaging that is also more sustainable
- Consumer preference for recyclability influencing innovation via circular design

- Large food customers expanding globally
- Solutions for white space in markets for low to medium barrier applications

### Why we win

- RPC is primarily recycled paper, a preferred choice in the current environment
- Sonoco has differentiated capabilities to transition to a mono-material world

- Sonoco's GreenCan / Kosmos innovation already offers 90-98% Fiber-based packaging with recycled paper content that meets barrier requirements
- Developing unique manufacturing and R&D capabilities to response to trends

- Ability to serve customers due to a large global network
- Ability to make intensive capital investments globally to meet new demand

**Strong customer collaboration capability** via Centers of Excellence in Americas, Europe and Asia

**Deep knowhow:** 500+ Experts in Engineering, Science and Sustainability

# INTERNATIONAL GROWTH

Trends in food category growth rates favorable to RPC

## SIGNIFICANT GROWTH POTENTIAL

- New growth from food customers expanding globally
- Entering new markets in the low and medium barrier arena
- Consumers prefer paper packaging for ease of recycling

### Investing in manufacturing capacity globally

○ Current site, no changes planned by 2028   ● New Site, will open by 2028   ● Expansion site



North America



Europe



Asia



South America

**39** Total Current Sites

**07** Site Expansions

**05** New Sites

Targeting ~45% increase in Capacity from 2024-28

Why We Win

Proven solutions for new customers

Existing customers doubling down on paper substrate

Capital investments for innovation and growth



# FUTURE-PROOFING PRINGLES IN THE EVOLVING EU MARKETPLACE

## OPPORTUNITY

Staying ahead of a rapidly changing external environment, Kellanova partnered with Sonoco to develop a more sustainable packaging solution for its Pringles brand.

## SOLUTION

# The 90% Paper Pringles Can

Development and implementation of our patent pending technology for **paper bottom ends** for high-speed production lines and influencing country regulations while future-proofing can design

## RESULTS



70% Paper Can



>90% Paper Can

A new Pringles can with a lower carbon footprint, and accepted at curbside and in paper-stream recycling in Europe





# PARTNERING WITH CHOCOLATES VALOR TO MEET THEIR ESG TARGETS

## OPPORTUNITY

Aligned with their stated goal to make packaging more sustainable by 2030, Chocolates Valor partnered with Sonoco to find the right solution.

## SOLUTION

# Sonoco GreenCan® 92-98% Fiber

- Increased the Fiber content by moving from a metal-based paper can into a full paper can with an integrated paper lid.
- Sonoco's patented GreenCan® solution is recyclable & repulpable, while maintaining food freshness through the high barrier property for transport, pantry and shelf life.

## RESULTS



A paper can with an integrated paper lid, allowing the entire package to be recycled without disassembling. End-users can recycle the full can at home in the paper and cardboard waste stream.

# INNOVATIVE DE-GASSING PAPER CAN SOLUTION

## OPPORTUNITY

Our customer, a top global food company, is committed to making a positive impact by reducing plastic and increasing fiber content in their overall packaging.

## SOLUTION

# The 95% Paper

- Sonoco's R&D team developed a can that meets customer's barrier specifications
- Designed a patent pending de-gassing valve application onto the membrane
- Designed a fully recyclable paper can-body with plastic lid

## RESULTS



- 84% reduction in plastics use
- Up to 95% incorporation of recycled fiber content
- Product to launch in Q1 2024

# COMMITTED TO DELIVERING GROWTH

Long-term Targets Aligned to Enterprise Strategy

2028 GOAL

**HSD**

**High  
Teens**

**Growth &  
Efficiency**  
Focused

**>>SONOCO**  
Corporate Average

Revenue Growth  
CAGR

Adjusted  
EBITDA

CAPEX  
(2024-28)

ROIC

**GROWTH-FOCUSED BUSINESS  
READY TO DISRUPT THE MARKET**

# KEY TAKEAWAYS

## RIGID PAPER CONTAINERS (RPC)

RPC is a preferred substitution substrate as manufacturers transition to more sustainable packaging

---

Sonoco is the global leader in RPC, and uniquely positioned to take advantage of secular tailwinds

---

We are executing on our strategy to drive sales growth globally while staying cost-competitive

---

We are investing in our capabilities – R&D, global manufacturing capacity, and talent to solidify our leadership position



CONSUMER PACKAGING SEGMENT

# OUR NEWEST CORE PLATFORM METAL PACKAGING

**Ernest Haynes**

President, Sonoco Metal Packaging



# KEY TAKEAWAYS

## METAL PACKAGING

Metal Cans are one of the best circular economy packaging products

---

Successful acquisition of the Ball Metal Packaging business in 2022 – integration complete and synergies ahead of plan

---

Making strong investments in manufacturing and capabilities to further our competitive advantage

---

Laser-focused on deep customer collaboration to drive growth via win-win partnerships



**Our Mantra: Earning the Right to Serve  
Our Customers Every Single Day**



# METAL PACKAGING ACQUISITION RECAP

## Why Metal Cans?



### Role in Sonoco Portfolio

- Meets Sonoco value-added packaging criteria
- Stable sector, strong cash flow, & a top player in segment



### Commercial Advantages

- Consumer staple & defensible
- Differentiated steel procurement capabilities



### Market Advantages

- Leading US manufacturer of tinsplate aerosol / food cans, closures, and components



### Technology/Mfg. Advantages

- Strong, cost effective, & brandable
- Low Substitution Risk

## Sonoco M&A Strategy Fit

### Strong Synergies

- 12 Plant Footprint w/ Location Driven Economics
- Streamlined Org Structure

### Enhances Profitable Growth Profile

- Improves Organic Profits
- Long Range Plan Targets Share Growth w/ Expanding Opportunities via Innovation

### Strengthens Investment Profile

- Shifts Enterprise Mix to more Consumer
- Increases Focus on Core

### Opportunity to Further Scale

- Supports Programmatic M&A
- Advantaged Geographical Footprint

# OUTSTANDING SUSTAINABILITY CHARACTERISTICS



**58%**

Recycling Rate of Metal Cans

#1 most recycled food packaging substrate



**75%**

of All Steel Ever Produced is Still in use Today

Infinitely recyclable with no loss in material quality



**33%**

Less Material in Cans Today vs 25 Years Ago

Mature substrate benefiting from improvements and material take out over decades



**75%**

Reduction in Greenhouse Gas Emissions

New steel can be produced with recycled cans



**100%**

Contamination Protection

Protection from oxygen, light, moisture and other contaminants



**34M**

Tons of Food Wasted in the US that Food cans help Reduce

Canning process provides longest shelf life of any type of packaging reducing food waste

Source: Can Makers Institute (CMI)



# SONOCO METAL PACKAGING (SMP)

What we make

## STEEL AEROSOL CANS

RUST-OLEUM PLAZE



## STEEL FOOD AND BEVERAGE CANS



## STEEL & ALUMINUM COMPONENTS AND CLOSURES



# SCALED & STRATEGIC PLATFORM

## Metal Packaging Overview

### FY 2023 Results

**~\$1B**

Revenue

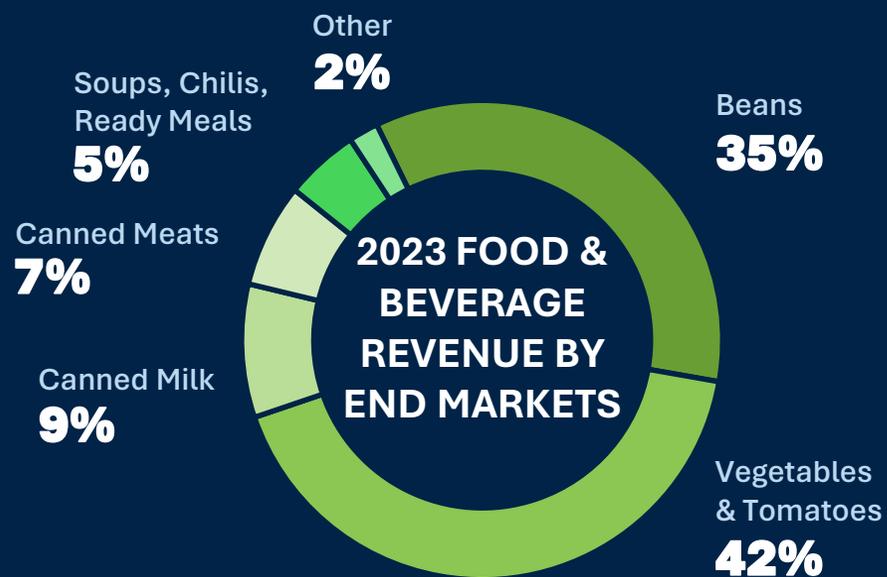
### Long Term Outlook

**LSD\***

Revenue Growth

### Business Profile

- Steel Cans - one of the world's top circular economy adapted products
- Sonoco Metal Packaging boasts 12 operations across the US, granting extensive access to customers in the food and aerosol markets. This broad presence enables us to capitalize on economies of scale.
- Strategic Partnerships with Foundational Customers and a Service Minded Philosophy with Industry Leading Quality, Technical and Seamer Service.



Estd. **2022**



**+1.5k**  
Employees



**12**  
Facilities



**US-only**  
Countries

\* Low Single Digits (LSD)

# TARGETED MARKETS & GROWTH TREND DRIVERS

## Spray Paint

Aerosol

Spray paints allow for quick applications with limited clean-up and unintended mess. Market remains steady.



Growth Profile  
**LSD**

% of Aerosol Sales  
**56%**

## Household Products

Aerosol

Aerosol offers most precise & convenient application of product, consumers trend towards use.



Growth Profile  
**LSD+**

% of Aerosol Sales  
**23%**

## Personal Care

Aerosol

Growing demand for high value personal care products, precise application is key, aerosol application is preferred.



Growth Profile  
**LSD+**

% of Aerosol Sales  
**6%**

## Vegetables & Tomatoes

Food Cans

Consumer confidence in recyclable, steel food cans remains strong.



Growth Profile  
**LSD**

% of Food Sales  
**42%**

## Soups & Ready Meals

Food Cans

Convenience: Canned soups continue to appeal to consumers seeking convenient meal options that require minimal preparation.



Growth Profile  
**LSD+**

% of Food Sales  
**5%**

# MAKING STRONG INVESTMENTS



## Optimized Footprint

- Established flat-sheet production Centers of Excellence
- Footprint expansion & optimization

New footprint services customers more efficiently

## Deployed Ops Excellence Programs

- Rolled out Sonoco's lean manufacturing system
- Strengthened procurement to achieve competitive steel pricing

Creating a more competitive cost structure

## Invested in New Product Capabilities

- Launched three new 2-pc food lines, co-located critical operation w/ a customer
- Invested in higher quality flat-sheet capability

Expanding with existing customers via new products

**INVESTMENTS GENERATING RESULTS:**

**\$300M of Capital Invested In Mfg. and Technology**

**Capacity / Operating Efficiencies Improved by +20%**

**Advanced Automation**

**Voice of Customer Metrics at Record Levels**

# DEEP CUSTOMER COLLABORATION

Sonoco maintains strategic alliances with key customers

- Can Manufacturing is Highly Specialized and Capital Intensive – We Have the Resources
- Strong Customer Relationships at all Levels
- We Have a Service-Minded Philosophy with Industry Leading Quality, Technical & Seamer Service

## We are focused on solving our customers' biggest challenges



**Speed to market**



**Reduced costs and lead times**



**High pack functionality**

✓ Center of Excellence w/ Industry Leading Design Labs and Testing Capabilities

✓ Intergrated Supply Chain and Customer Service Representatives



## CASE STUDY - CUSTOMER PARTNERSHIP



### BACKGROUND

A long history and consistent partnership with Bush's; underpinned by long-term contract

### OPPORTUNITY

As part of ongoing collaboration, Bush's and Sonoco identified an opportunity to reduce costs (inventory, shipping) and improve lead times further

### SOLUTION

## Co-locate and drive synergies

- Joint Investment: Sonoco and Bush's collectively invested \$30 million in a new 2-piece 307 line
- New line built and co-located with Bush's production facility in Tennessee

### RESULTS

- Partnership streamlines can SKU needs for Bush's, driving efficiencies for both companies
- Proximity to Bush's manufacturing facilities has resulted in lower inventory and shipping costs and faster response times



# ON TRACK TO DELIVER

Long-term Targets Aligned to Enterprise Strategy

2028 GOAL			
<b>LSD</b>	<b>Mid-Teens</b>	<b>Technology &amp; Efficiency</b> FOCUSED	<b>~Sonoco</b> CORPORATE AVERAGE
Revenue Growth CAGR	Adjusted EBITDA	CAPEX (2024-28)	ROIC

STABLE, DEFENSIVE BUSINESS WITH STEADY CASH FLOW  
**THRIVE IN OUR ROLE IN THE ENTERPRISE PORTFOLIO**

# KEY TAKEAWAYS

## METAL PACKAGING

**Metal Cans are one of the best circular economy packaging products**

---

**Successful acquisition of the Ball Metal Packaging business in 2022 – integration complete and synergies ahead of plan**

---

**Making strong investments in manufacturing and capabilities to further our competitive advantage**

---

**Laser-focused on deep customer collaboration to drive growth via win-win partnerships**



**Our Mantra: Earning the Right to Serve  
Our Customers Every Single Day**



# BREAK



**2024  
INVESTOR DAY**

CONSUMER PACKAGING SEGMENT

# OUR NEW, SCALED FLEXIBLES AND THERMOFORMING PLATFORM

**Russell Grissett**

President, Global Flexibles and Thermoforming

# KEY TAKEAWAYS

## FLEX-THERM

Flexibles and Thermoforming are large, fragmented industries; Sonoco is focused on niche markets where higher-value solutions are needed by customers

---

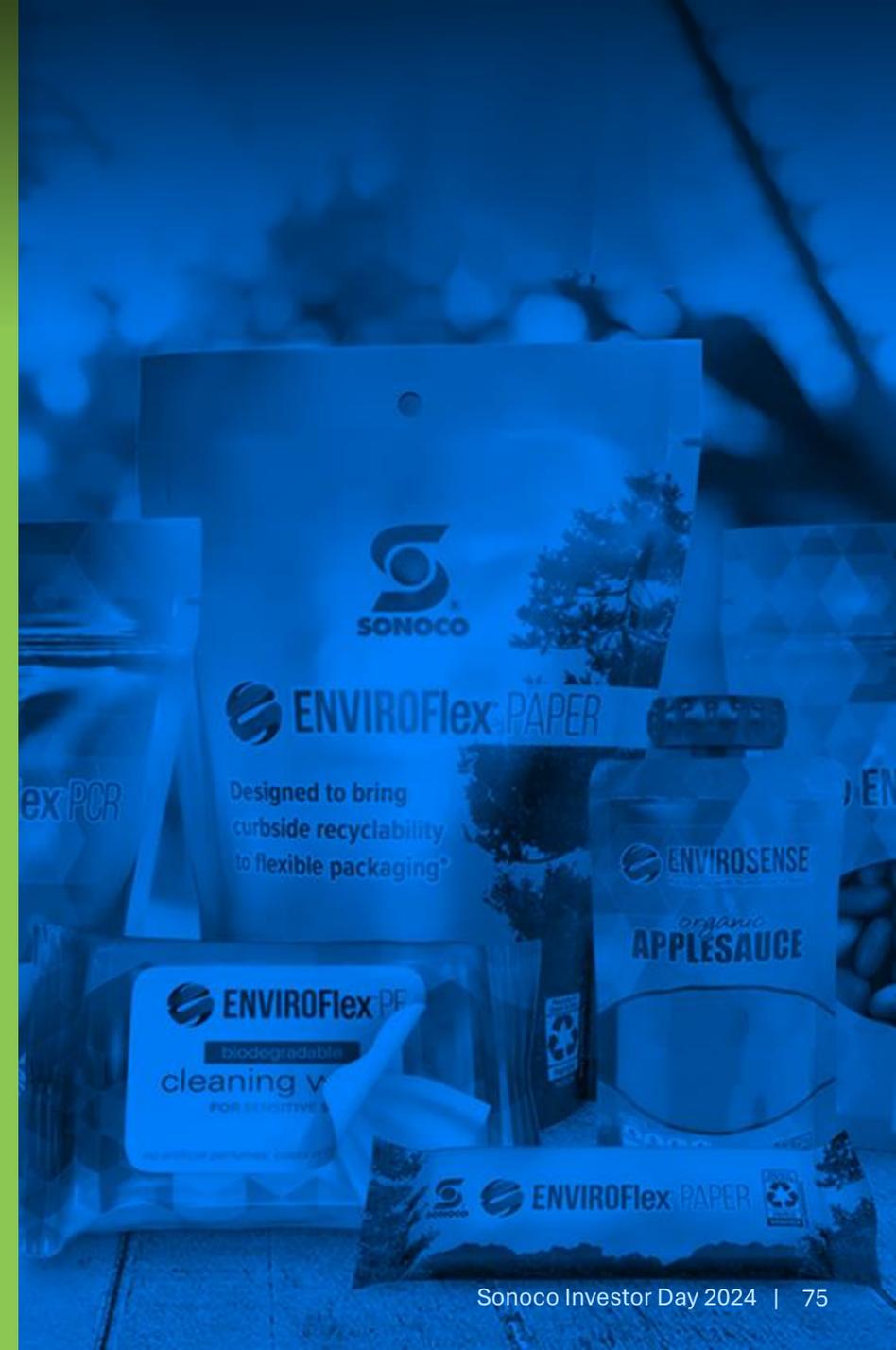
Flex-Therm creates a scaled and integrated platform to grow organically and inorganically to support customers with innovation and speed to market

---

We are deploying Sonoco's integration playbook while we execute business growth opportunities

---

We have plans to outgrow the category and deliver balanced financial results to the enterprise



# FLEXIBLES & THERMFORMING – NOW TOGETHER

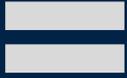
Five operations merged, streamlined, and augmented for growth



Flexibles\*  
**\$0.6B**



Thermoforming\*  
**\$0.7B**



New Platform  
**\$1.3B\*\***

CORE

Businesses in CORE and returning from All Other

CORE

\* 2023 Sales

\*\* Proforma 2023 Sales

## THE NEW FLEX-THERM PLATFORM...

Allows us to better compete in “right to win” markets

Fits with our “fewer, bigger businesses” strategy

Geared for accelerated organic and inorganic growth

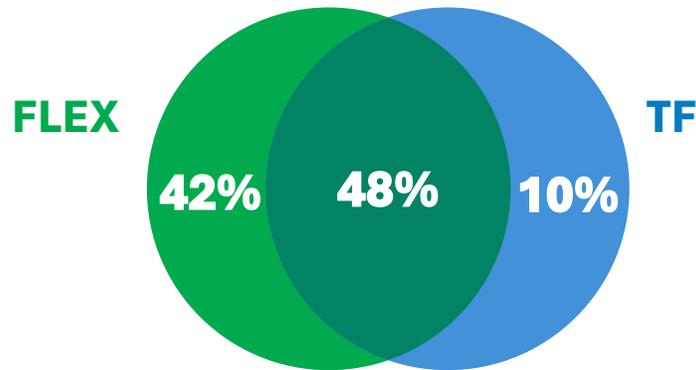
Leverages anticipated synergies in operations, GTM, and customer collaboration

# THE NEW, COMBINED PLATFORM IS ADVANTAGED

## GO-TO-MARKET MODEL

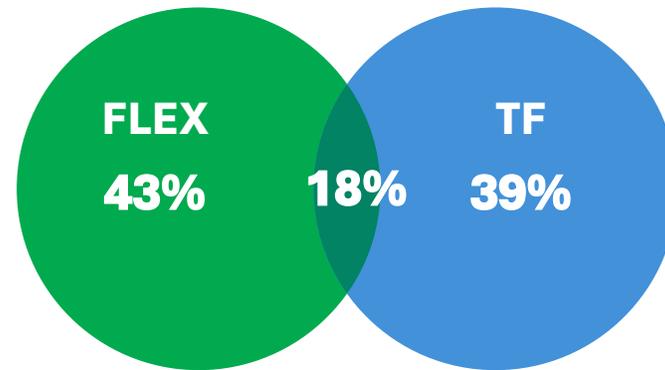
### Markets: 50% End Market Overlap

2023 \$ sales by end markets



### Customers: Only 18% Customer Overlap

2023 \$ sales by customers



### Current Revenue to Customers

Purchasing Both  
Lidding & Thermoforming

# \$150M+

## FINANCIAL MODEL

### Improves Scale

- Resin Based Platforms
- Broadens Market access
- Unified ops platform

### Enhances Profitable Growth Profile

- Cross Selling
- Speed to Market
- Programmatic M&A

### Strengthens Investment Profile

- Shifts Mix to Consumer
- Focuses Attention on Core
- Focused capital allocation

### Synergy Opportunity

- Streamlined Org Structure
- Manufacturing synergies

# OUR PRIMARY PRODUCT LINES



Snacks



Condiments



Healthcare



Prepared Meals



Fresh Produce



Coffee & Pet



# INTEGRATED FLEX-THERM PLATFORM

## Flex-Therm Overview

### FY 2023 Results

**\$1.3B**

Revenue

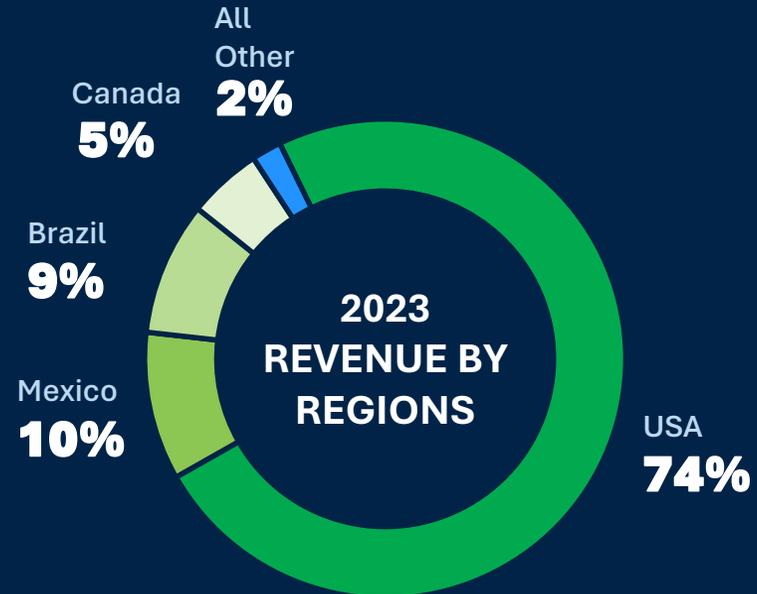
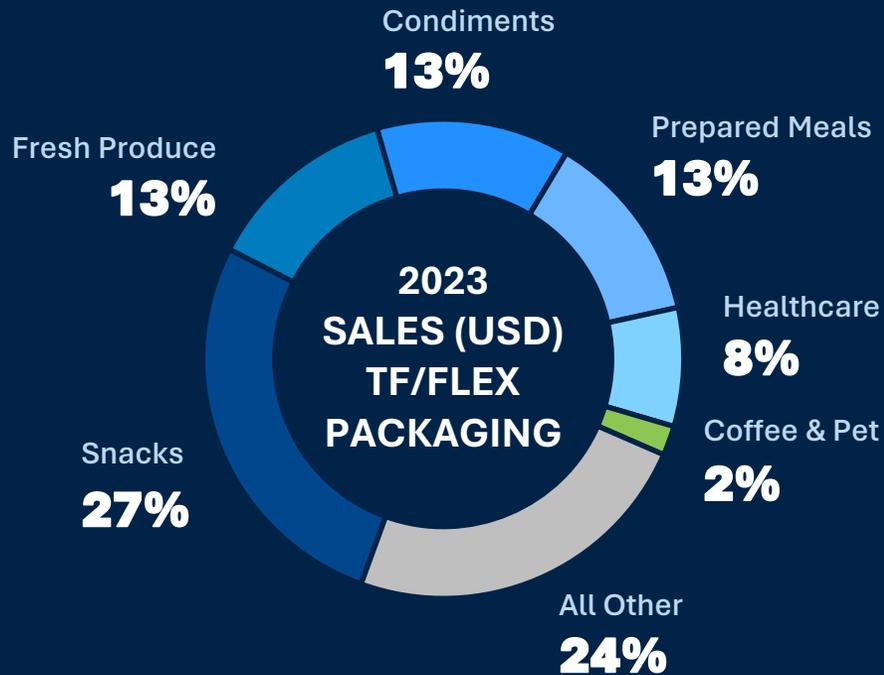
### Long Term Outlook

**MSD\***

Revenue Growth

### Business Profile

- Focused on value-added segments in focused geographies
- Strong innovation pipeline
- Leading positions in niche markets with outstanding brands
- Sustainability will be a key growth driver



**1993**  
Established



**3K+**  
Employees



**25**  
Facilities



**6**  
Countries

\* Mid Single Digits (MSD)

# FAVORABLE MACRO TRENDS

As a combined Flexible and Rigid Thermoforming Business, we are well-positioned to provide total package solutions

TAM

**\$7.5B TAM\*** aligned with our niche focus

## SUSTAINABILITY

## BETTER FOR YOU

## CONVENIENCE

## CUSTOMIZATION

### Trends

- Sustainability is gaining importance in the design of packaging
- In line with 2030 sustainability commitments, CPGs are updating packages

- Healthy snacking has significant tailwinds
- 50% of consumers consider healthy eating their top priority

- 13% of new food product launches in North America claim “ease of use”
- Package design drives 72% of consumer purchase decisions

- CPGs are developing more targeted products
- Brand owners continue to launch channel specific SKUs

### Why we win

- Multi-substrate capability
- Long term investments in R&D

- The combined business gives us additional exposure to *Better for You* products

- Ability to deliver: Right Package at the Right Time

- Investments in supply chain and short run capabilities

\* Management Estimate

**Strong Customer Intimacy** via an aligned sales, tech support and marketing organization  
**Deep Material Science Expertise:** 100+ Experts in Laminations, Package Forming and Sustainability

# SUSTAINABILITY IS A MAJOR GROWTH DRIVER

## MONO-MATERIAL

Designed  
for Recycling



## FIBER-BASED

Designed  
for Recycling



## RECYCLED CONTENT

Reducing Virgin  
Plastic Content



## SOURCE REDUCTION

Reducing  
Material Usage



**WELL-POSITIONED TO CAPITALIZE ON OPPORTUNITIES  
FROM FUTURE REGULATIONS IN THE US**



# BETTER FOR YOU AND THE ENVIRONMENT

## OPPORTUNITY

**Sustainable Packaging  
that provides an  
improved customer  
experience**

## SOLUTION

# EnviroServe® SmartSeal® Fresh

A complete, patented system developed exclusively for the fresh produce market. A strong display for brands, reduction in material usage, product waste, and positioned for the circular economy

## RESULTS



**GOLD**  
WINNER 2022



**Growing Niche**

**4 Year 34% CAGR**

- 25% reduction in plastics use
- Up to 70% incorporation of PCR material
- 3-day Increase in shelf life
- A vibrant display of branding





# DRIVE CIRCULAR ECONOMY WITH PET TRAYS

## OPPORTUNITY

Dark-color recyclable packaging does not get properly sorted due to limitations of current NIR (near-infrared) technology used at most recycling facilities

## SOLUTION

# Natural CPET Tray

Sonoco created an important solution by designing an unpigmented tray, called the Natural Tray, that is NIR-detectable, contains 30% recycled PET materials, and the ability to be captured in a Material Recovery Facility (MRF).

## RESULTS



The Packaging Innovation Awards  
brought to you by DOW

SILVER  
WINNER 2022



**BEFORE**  
Traditional Black CPET Tray

**AFTER**  
NIR Detectable Natural CPET Tray

- NIR detectable tray that will get sorted for recycling
- Tray utilizes 30% recycled PET materials
- Elimination of 80,000lbs of colorant annually
- Maintains strict technical specifications to ensure quality and safety of product integrity





# PENTEL REIMAGINES BLISTER PACKS TO PAPER ALTERNATIVE

## OPPORTUNITY

Pentel, a leading maker of writing instruments has been seeking an all-paper alternative to the blister pack format that is ubiquitous in the category.

## SOLUTION

# PaperBlister™ Pack

- Sonoco collaborated to create an award-winning solution by designing a 100% paper-solution to replace the blister pack
- Sonoco's R&D and Account Teams delivered expertise and insights to create a pack that maintains / enhances shelf presence

## RESULTS



BEFORE  
Plastic  
Blister  
Pack



AFTER  
100%  
Paper  
Solution



- Achieved fully “recyclable paper” packaging
- New patent pending design required minimal retrofitting to existing equipment — delivering a capital-efficient solution

# EXECUTING WITH A GROWTH FOCUS

Long-term Targets Aligned to Enterprise Strategy

2028 GOAL

**MSD**

**Mid-Teens**

**Growth & Efficiency**  
Focused

**~SONOCO**  
Corporate Average

Revenue Growth  
CAGR

Adjusted  
EBITDA

CAPEX  
(2024-28)

ROIC

**GROWING EBITDA AND  
STAYING CAPITAL-EFFICIENT**

# KEY TAKEAWAYS

## FLEX-THERM

Flexibles and Thermoforming are large, fragmented industries; Sonoco is focused on niche markets where higher-value solutions are needed by customers

---

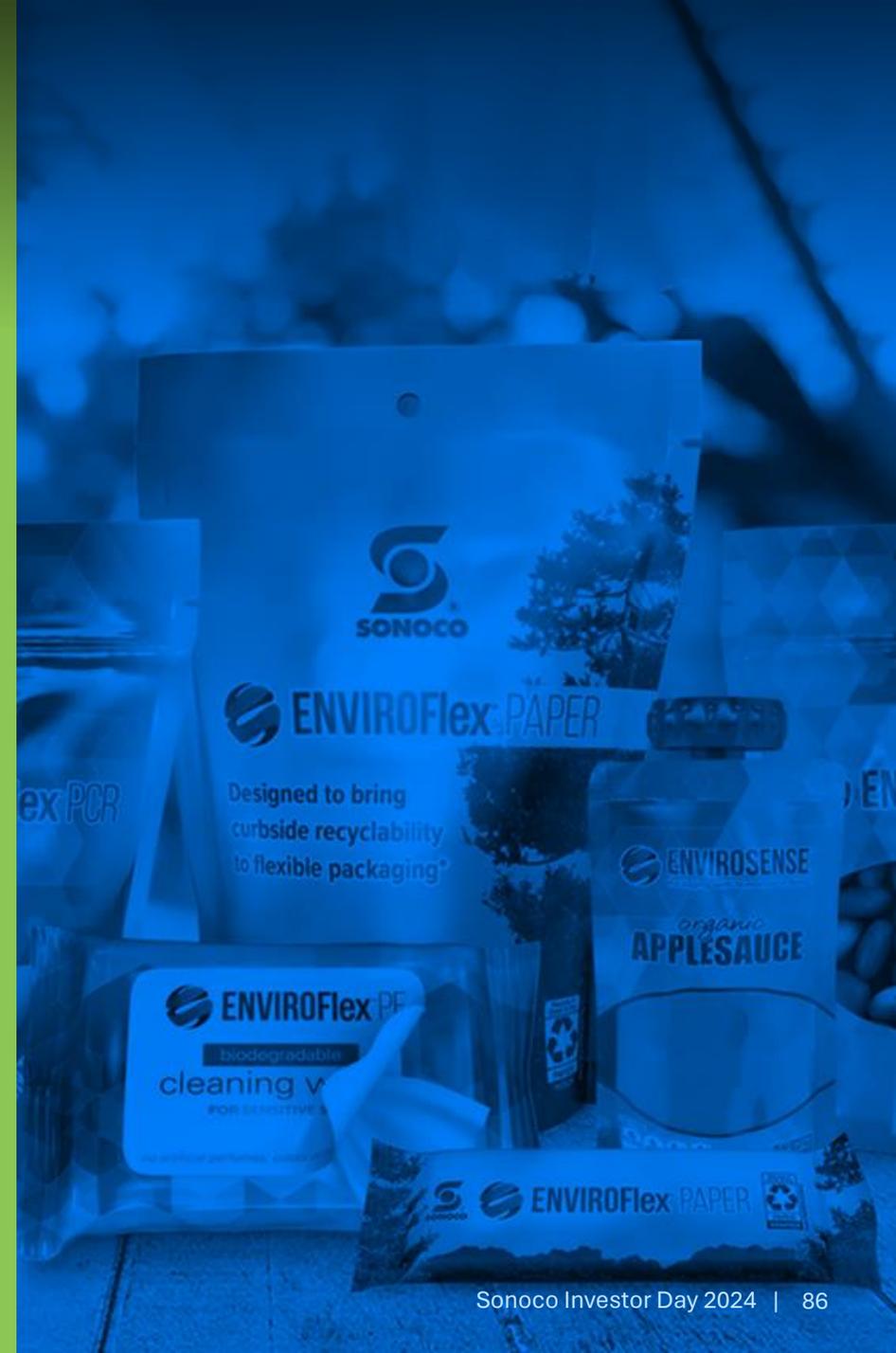
Flex-Therm creates a scaled and integrated platform to grow organically and inorganically to support customers with innovation and speed to market

---

We are deploying Sonoco's integration playbook while we execute business growth opportunities

---

We have plans to outgrow the category and deliver balanced financial results to the enterprise



INDUSTRIAL PAPER PACKAGING SEGMENT

# LEADING GLOBAL PROVIDER OF SUSTAINABLE PAPER (URB) AND CONVERTED PRODUCTS

**James Harrell**

President, Global Industrial Paper Packaging

# KEY TAKEAWAYS

## INDUSTRIAL PAPER PACKAGING

Vertically integrated, global leader in Uncoated Recycled Paperboard (URB) and converted products

---

Optimizing our footprint and commercial capabilities to improve profitability and better manage business cycles

---

Our new investments, focus on automation, and operational excellence programs will deliver further productivity

---

Sustainability trends support stable and growing demand for URB and innovative converted URB products leveraging our R&D and Technical Leadership

---

Our strategy is to grow EBITDA and maintain high returns on invested capital



# INDUSTRIAL PAPER PACKAGING

## Segment Overview

### FY 2023 Results

**\$2.4B**

Revenue

### Long Term Outlook

**LSD\***

Revenue Growth

### Business Profile

- Technical Service Leadership
- Superior Quality and Performance
- Leading Positions in target Markets with Market Leaders
- Growth from expanding existing products into new markets

\* Low Single Digits (LSD)

### 2023 Revenue by Region

#### BY REGIONS

North America

**71%**

EMEA

**16%**

APAC

**10%**

**3%**

South America

### 2023 Revenue by End Use Markets

#### BY END MARKETS

Consumer Staples

**40%**

Consumer Durable

**25%**

Industrial

**20%**

Other

**15%**



Estd.  
**1899**



**9.9K+**  
Employees



**160**  
Facilities



**29**  
Countries

# CONSOLIDATED LEADERSHIP AND BUSINESS STRATEGIES INTO ONE POWERFUL, GLOBAL PLATFORM

## 2.1 Million Tons of Global URB Capacity

■ # Mills   ■ # Converting



## Network Improvement Summary

- Expansions for growth markets
- Footprint consolidations
- M&A for regional and market-focused growth and technology innovation

# TRANSFORMED BUSINESS TO IMPROVE RESULTS

## Operational Excellence

- Exited low return Medium business
- Moving production to mills with lower production costs
- Creating digital factories driving better data, analysis and decision making
- Network optimization

## Commercial Excellence

- Realigned pricing models from legacy cost-based inputs
- Increased focus on value-based pricing for various delivery and service levels
- Investing in digital technologies to improve insights and process efficiencies

## Successful Inorganic Growth

- Acquired Skjern, RTS, and Chattanooga Mill
- Integrating ahead of plan to realize synergies

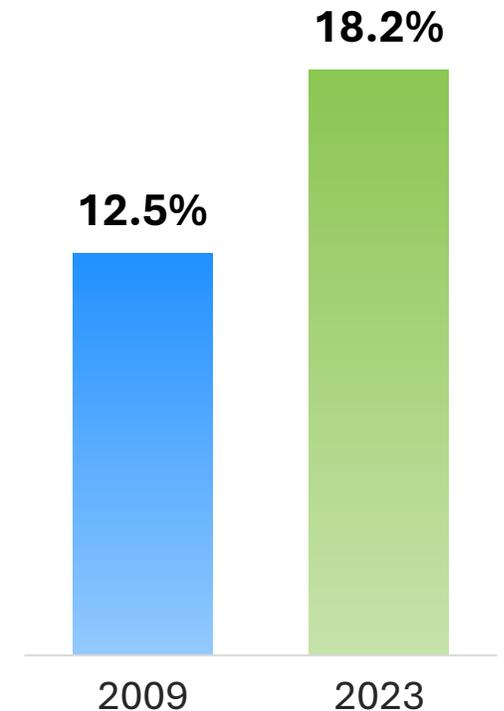


CHATTANOOGA  
MILL



SKJERN PAPER

## Adjusted EBITDA Industrial Segment



# AUTOMATION INTEGRAL TO SONOCO'S PRODUCTIVITY TARGETS



## Automation via Robotics

Optimizing cost structure and addressing workforce shortage challenges

## Shopfloor Automated Data Collection

Helping us be more efficient and nimble in factory operations

# INDUSTRIAL PAPER PACKAGING VERTICALLY INTEGRATED URB LEADER

## SONOCO'S VALUE CHAIN



**24 Recycling  
Plants**

**1.7M**  
Tons of Fiber  
Recovered



**Uncoated Recycled  
Paperboard (URB)**

**22 Mills**  
29 machines  
2.1M Tons/Year

**48%**  
URB Paper Sales\* to  
External Customers

**52%**  
URB Paper Sales\* to  
**Sonoco Internal**  
(Consumer & Industrial Products)

\* All data as of 2023

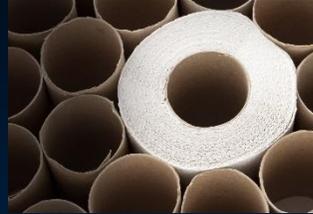
\* All data as of 2023

\* Based on 2023 Industrial Segment Sales

# 48%

URB Paper Sales\* to  
**External  
Customers**

**URB  
PRODUCTS**  
What Our  
Customers Make



**Tissue and Towel**



**Floor Paper**



**Coreboard**



**Food Packaging**

# 52%

URB Paper Sales\* to  
**Sonoco Internal  
(Consumer & Industrial  
Products)**

**CONVERTED  
URB  
PRODUCTS**  
What Sonoco  
Makes



**Textile Cones & Cores**



**Protective Posts**



**Partitions**



**Paper Mill Cores**



**Film Cores**



**Rigid Paper Cans**

# SONOCO URB PAPER TO EXTERNAL CUSTOMERS



## Third Party Sales

### End Customer Segment

### % of Sales

#### Consumer Staples

Tissue and Towel  
Food Packaging  
Sheets

**48%**

#### Consumer Discretionary

Coreboard  
Roll Packaging  
Edgeboard  
Sheets

**38%**

#### Industrial and Other

Construction Floor Paper

**14%**

# SONOCO CONVERTED URB PRODUCTS



The LYCRA Company

	Tubes	Cores	Cones	Posts	Partitions
<b>What we make</b>					
<b>Customer use</b>					
<b>End-consumer Product</b>					

Other  
**17%**

Cons. Staple  
**37%**

Industrial  
**16%**

Cons. Durable  
**30%**



**>68%**

of Sonoco's Converted Product end market sales are consumer-oriented

# POSITIVE MARKET TRENDS FOR INDUSTRIAL PAPER PRODUCTS



## Trend



## Implications

### Food Packaging + Sustainability

URB paper is inherently sustainable. Demand is growing as CPG companies prefer URB as a substitution substrate to reduce environmental impact.

To support customer demand, align roadmaps for technology, capacity, and geographies with long range planning as new sustainable food products are coming to market

### Protective Packaging + Sustainability

Due to recyclability benefits, and new regulations, rigid paper is becoming more popular for protecting large household goods during storage and transit.

Build on Sonopost® proven strength and durability as a substitution for other substrates in international markets

### Electrification

Higher demand for EV Batteries, which rely on specialty films wound on Sonoco high performance film cores.

On the innovation front, position the Sonoco high performance coated film cores at the forefront of manufacturing as new battery capacity comes online

## Sonopost® Europe

# EUROPEAN APPLIANCES INDUSTRY: DRIVING SUSTAINABLE PACKAGING GROWTH

### OPPORTUNITY

Single-use plastics are currently the main packaging platform in the European Appliance Market. Pending EU mandates to eliminate Single-Use plastics provides an opportunity for growth.

### SOLUTION

## Sonopost® and Linear Draw

- Port Sonoco's proven solutions of Sonopost® to the European market
- Installed production capacity in countries with strong appliance manufacturing presence



### RESULTS

- \$500M incremental TAM opportunity in the European appliances market
- Secured orders with key players and in active product develop and testing



## Core Chew-out Solutions

# ELIMINATING THE DECADES OLD CHEW-OUT ISSUE

### PROBLEM

A long-standing and unresolved chew-out issue plagued many paper mill core customers impacting their productivity and scrap.

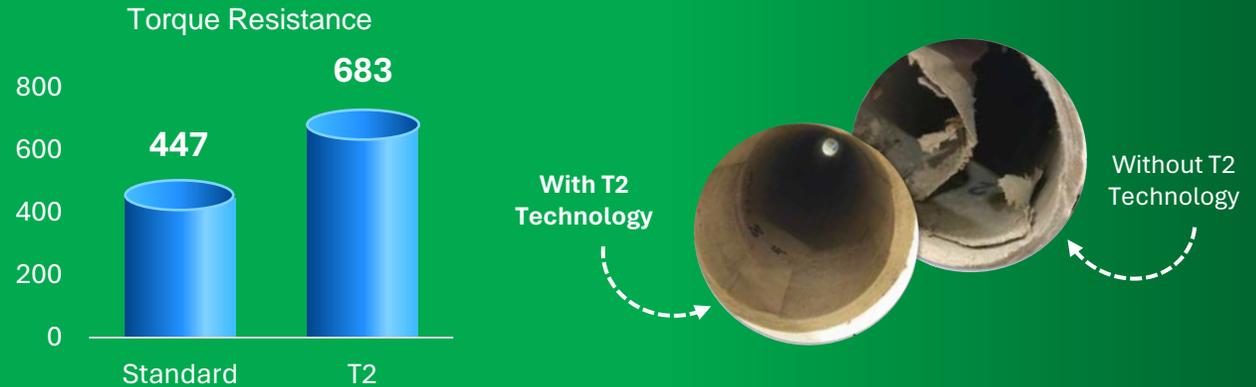
### SOLUTION

## T<sup>2</sup> – Torque Transmission Technology

- Sonoco developed T2 technology to address the chew-out issue
- The T2 Technology is patented, developed, and commercialized globally



### RESULTS



T2 technology is driving significant improvements for our customers

- Increased productivity via fewer stops & spin-outs
- Improved runnability during operation & splicing
- Reduced vibration & web breaks



# ON TRACK TO DELIVER

Long-term Targets Aligned to Enterprise Strategy

2028 GOAL

**LSD**

**High  
Teens**

**Efficiency**

FOCUSED

**> Sonoco**

CORPORATE AVERAGE

Revenue Growth  
CAGR

Adjusted  
EBITDA

**CAPEX**  
(2024-28)

**ROIC**

EBITDA & CASH FLOW FOCUS

**STRONG, STABLE POSITION IN THE ENTERPRISE PORTFOLIO**

# KEY TAKEAWAYS

## INDUSTRIAL PAPER PACKAGING

Vertically integrated, global leader in Uncoated Recycled Paperboard (URB) and converted products

---

Optimizing our footprint and commercial capabilities to improve profitability and better manage business cycles

---

Our new investments, focus on automation, and operational excellence programs will deliver further productivity

---

Sustainability trends support stable and growing demand for URB and innovative converted URB products leveraging our R&D and Technical Leadership

---

Our strategy is to grow EBITDA and maintain high returns on invested capital



# FINANCIAL STRATEGY & OUTLOOK

**Rob Dillard**

Chief Financial Officer

# GREAT COMPANY, PRIMED FOR GREATER VALUE CREATION

## Strong Company

- Sustainability focus
- Diversified portfolio
- Differentiated operating model
- Investing in growth
- Disciplined capital management

## Well-positioned

- Increasing value of innovation as differentiator
- Robust/sticky customer relationships
- Economic cycle resiliency
- Increasing value of scale
- Strong, stable cash flows

# NEXT STAGE OF VALUE CREATION



## Foundation

- Differentiated operating model
- Strong business positions
- Strong balance sheet
- History of growing dividends



## Future

- Margin improvement plans
- Business specific growth strategies
- Dynamic capital allocation
- Active portfolio management

# FOUNDATION OF IMPROVEMENT

2022 AND 2023 WERE RECORD YEARS IN SONOCO'S 125-YEAR HISTORY

## 2020 – 2023 JOURNEY

**1 Align the Organization**  
for the future

**2 Focus the Organization**  
with greater efficiency  
and effectiveness

**3 Invest More Capital**  
to grow profitability

**4 Maintain a Strong  
Balance Sheet**  
keep capital allocation  
at the forefront

**\$6.8B**

**NET SALES**  
\$ Billions



**\$1,067M**

**ADJ. EBITDA**  
\$ Millions



**\$5.26**

**ADJ. EPS**  
\$ / Diluted Share



# DIVIDEND IS FOUNDATIONAL DRIVES DISCIPLINE AND SHAREHOLDER VALUE

Dividend in \$s



**40** Years of Consecutive  
Annual Increases

**98** Consecutive  
Years Paid

# DISCIPLINED CAPITAL STRUCTURE TO PROTECT AND FUND WHAT'S NEXT

## Strong Access to Capital and Liquidity

Investment grade credit rating

**4.1%**  
cost of debt

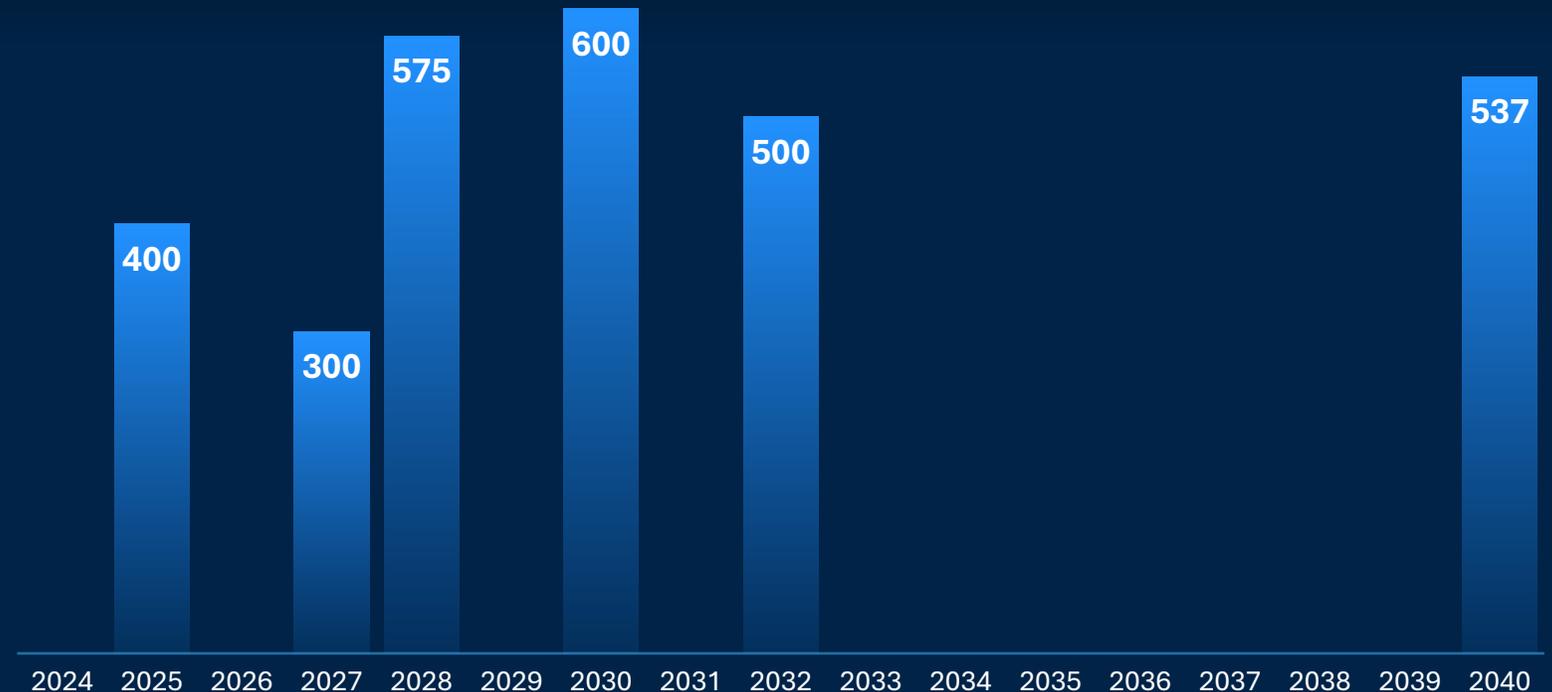
**BBB**  
S&P

**Baa2**  
Moody's

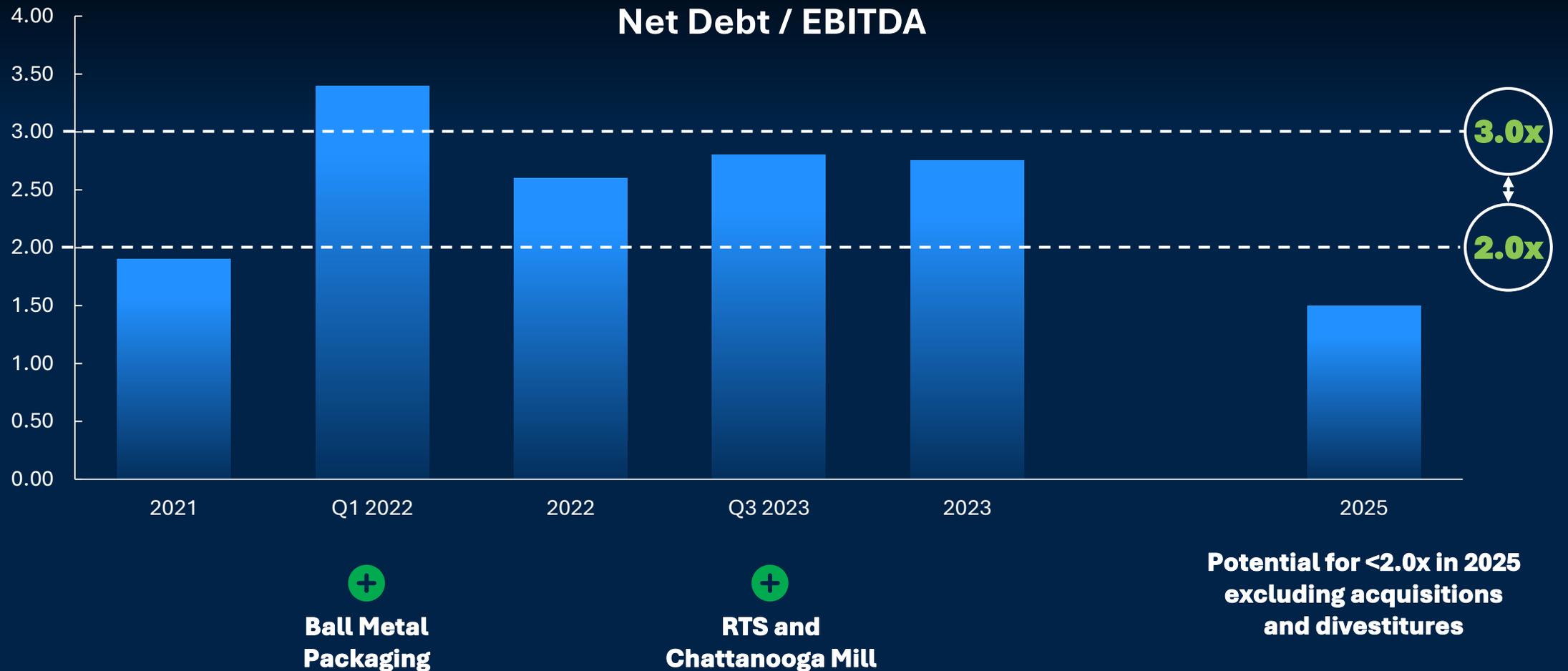
Improved liquidity with expectation to increase further

(\$ in millions)

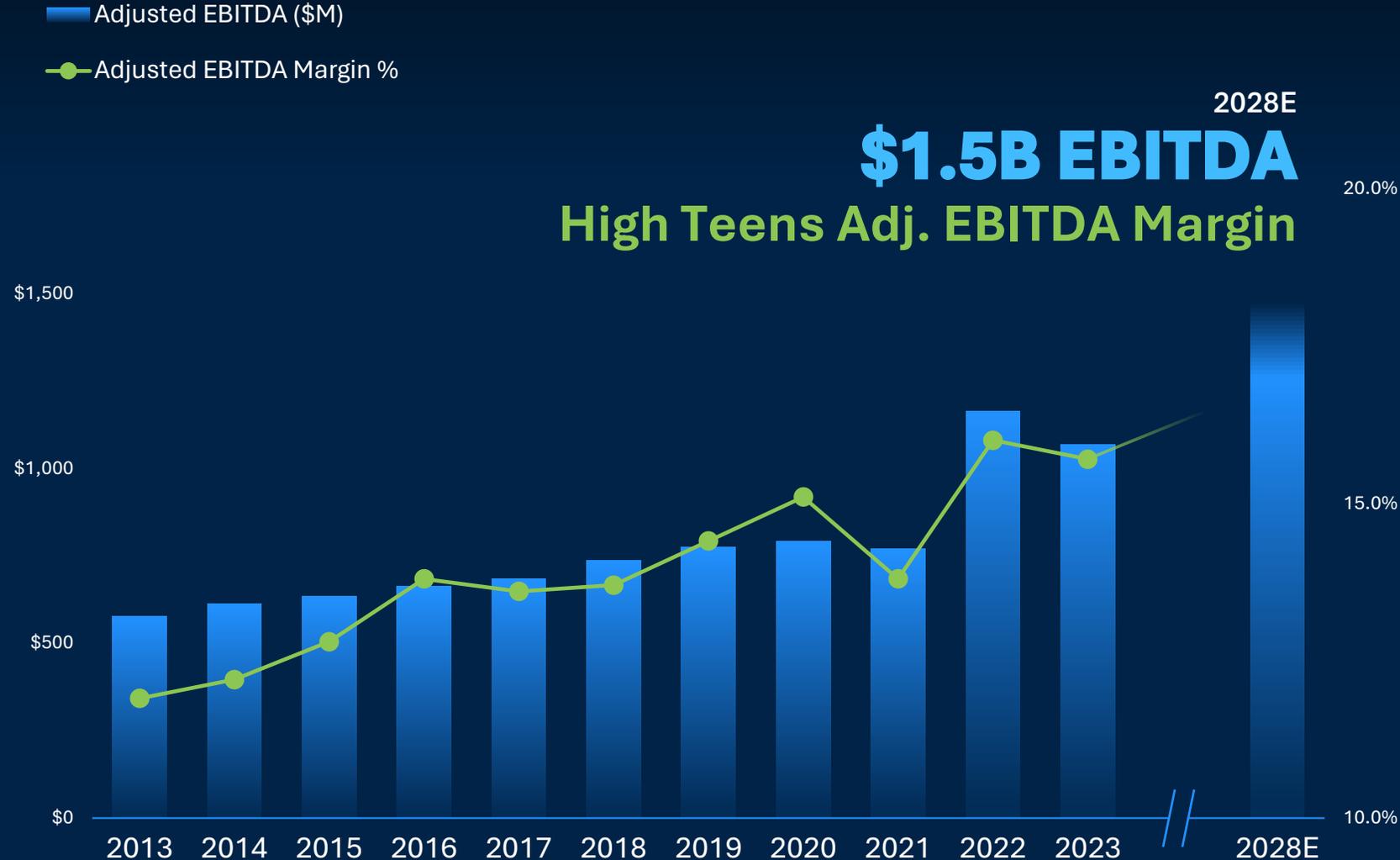
## Debt Maturity Profile



# DISCIPLINED CAPITAL STRUCTURE TO PROTECT AND FUND WHAT'S NEXT



# WHAT'S NEXT



Targeting  
Cumulative  
Operating Cash  
Flow of  
**\$4 – \$5B**  
Through 2028

# NEXT STEPS KEY PILLARS OF OUR DISCIPLINED-GROWTH STRATEGY



**Margin  
Improvement  
Plans**



**Business  
Specific Growth  
Strategies**



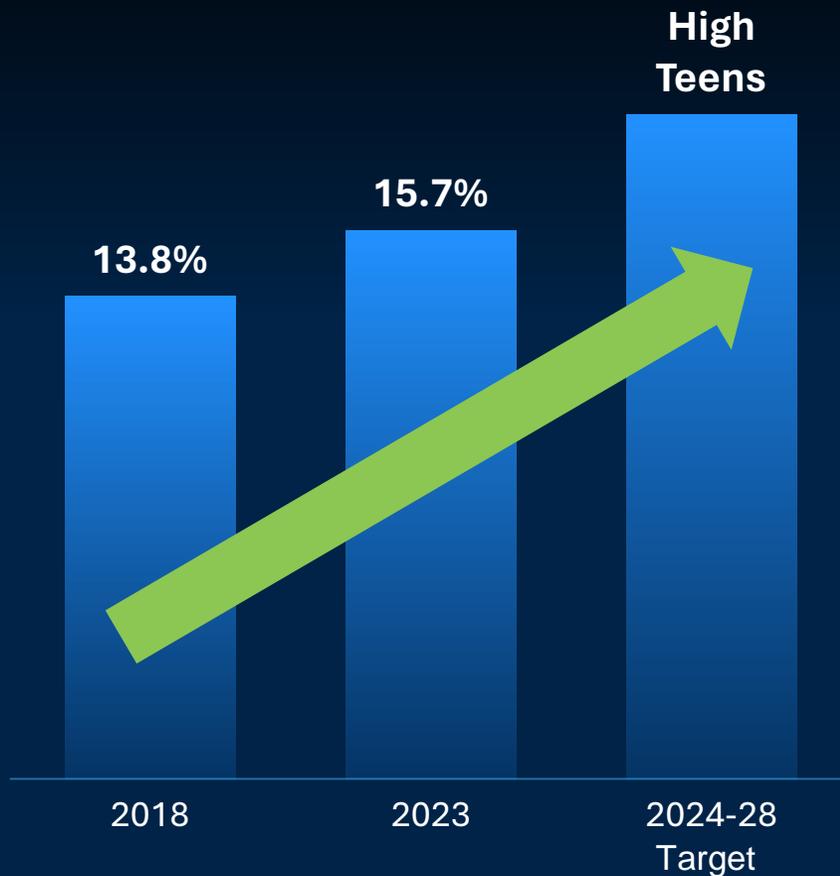
**Dynamic Capital  
Allocation**



**Active Portfolio  
Management**

# MARGIN IMPROVEMENT PLANS

## Adjusted EBITDA Margin



- + Excellence Programs
- + Standardization, Digital, M&A Integration
- + Productivity
- + Fixed-cost Efficiency with Scale
- ± Economic Cyclicity
- Inflation

# BUSINESS SPECIFIC GROWTH STRATEGIES

## DRIVING RETURNS WITH M&A UPSIDE



2023 Adjusted EBITDA	Industrial Paper Packaging	Rigid Paper Containers	Flexibles and Thermoforming	Metal Packaging	2028 Adjusted EBITDA Target
<b>Sales Growth</b>	<b>LSD</b>	<b>HSD</b>	<b>MSD+</b>	<b>LSD++</b>	
<b>Expected Levers</b>	Cyclical Recovery Supply Chain Strategic Pricing Innovation	Innovation Sustainability Supply Chain Globalization	Innovation Sustainability Supply Chain Programmatic M&A	Innovation Strategic Pricing Supply Chain Strategic M&A	

# DYNAMIC CAPITAL ALLOCATION

## ACTIONING STRATEGIES THROUGH TARGETED INVESTMENT



**Dynamic Capital Allocation Process Drives Returns**

Business	Consumer			Industrial
	RPC	Flexibles and Thermoforming	Metal Pkg	Industrial Paper
<b>Revenue Growth Target</b> 2024-28 CAGR	HSD	MSD+	LSD++	LSD
<b>EBITDA Margin Target</b>	High Teens	Mid-Teens	Mid-Teens	High Teens
<b>ROIC</b>	>>SON	~SON	~SON	>SON
<b>Revenue % of Total</b>	20-25%	15-20%	10-15%	37%
<b>Capital % of Total</b>	<b>30-35%</b>	<b>10-20%</b>	<b>10-25%</b>	<b>25-30%</b>

# M&A IS A KEY STRATEGIC LEVER

## DRIVING SHAREHOLDER VALUE

- Programmatic M&A strategy to drive growth and portfolio transformation
- Funnel based on four characteristics drives discipline

## WIDE APERTURE, TIGHT FILTER



### Strategic Fit

- Align with “Value-Added Packaging” principals
- Differentiated ability to run assets



### Scalability

- Market size / position
- Adds to capabilities
- Enhances ability to serve
- Fragmentation



### Financial Profile

- Attractive end-market / secular trends
- Accretive growth, margin and cash flow profile
- Synergy opportunity
- Valuation / ROIC



### Cultural Fit

- Customer centric focus
- Leverages our operating model
- Right team to win

“RIGHT TO WIN”

# “RIGHT TO WIN” ACQUISITIONS

## DRIVING DIFFERENTIATED SHAREHOLDER VALUE

2020 2023 2024-2025

	RPC  CAN PACKAGING	Metal  Ball Metalpack	Flex-Therm  GRAFEO	Industrial  SKJERN PAPER	Industrial  RS RTS Packaging, LLC	Flex-Therm  inapel
Strategic Fit	✓	✓	✓	✓	✓	✓
Scalability	✓	✓	✓			✓
Cultural Fit	✓	✓	✓	✓	✓	✓
Financial Profile	✓	✓	✓	✓	✓	✓
<b>Key Outcomes</b>	Innovation Base EBITDA Grown 2x	New Core Platform Synergies ahead of plan	Solidified Brazil Position	Vertical Integration into Consumer Markets	Vertical Integration into Consumer Markets	Now #2 in Brazil Flexibles

**Focus on Programmatic M&A to augment core capabilities**

**Next focus on Flex-Therm and Metal**

# DIVEST TO REALLOCATE CAPITAL

## REPOSITION CAPITAL TO CORE FRANCHISES

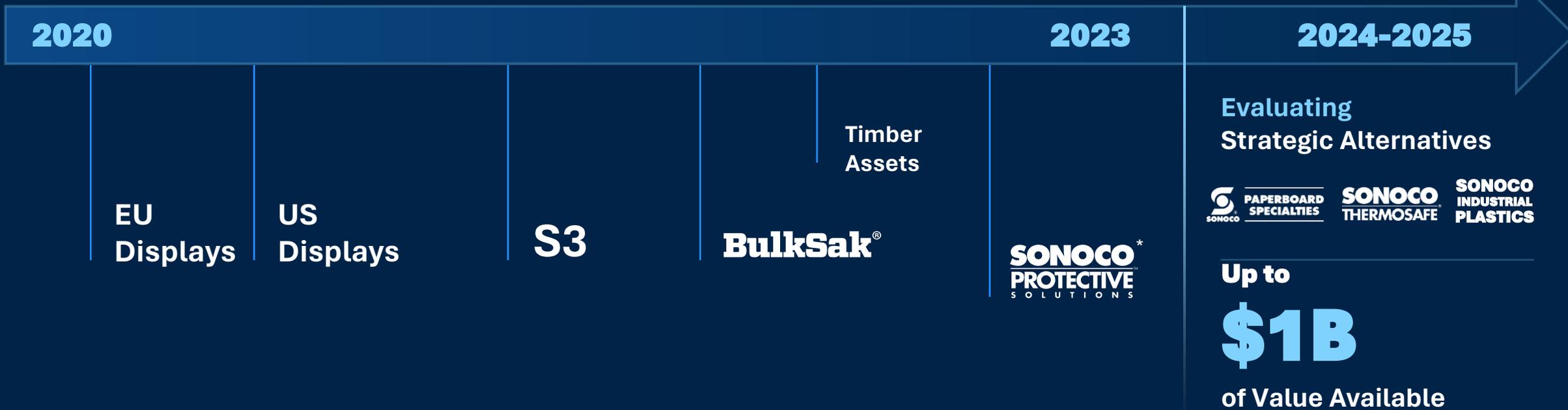
All businesses have meaningful value

Evaluating portfolio based on fit

Considering businesses and geographies

Sequencing divestitures to maximize value

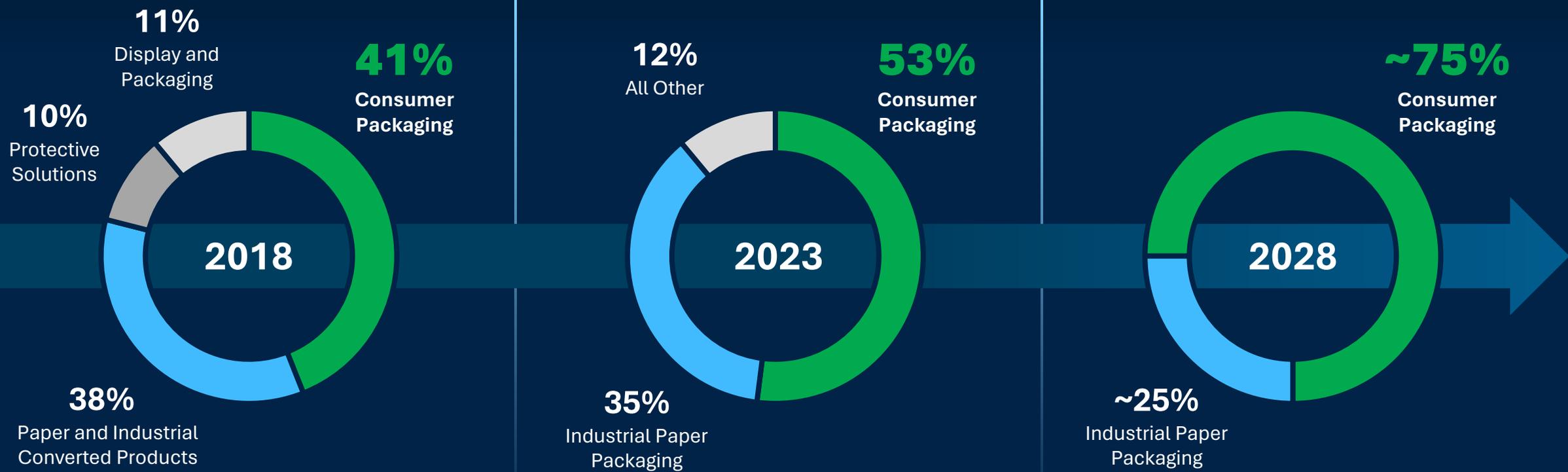
### Recent Divestitures



\* Pending Sale

# ACTIVE PORTFOLIO MANAGEMENT

## TRANSFORMING TO A CONSUMER-ORIENTED GROWTH COMPANY



\* Percentages are of annual sales

# STRONG EXECUTION TO DRIVE FUTURE RESULTS

## 2028 TARGETS



### Portfolio

**~75%**  
Consumer  
Packaging



**~25%**  
Industrial Paper  
Packaging



### Adjusted EBITDA

**\$1.5B**

Target in 2028

**High Teens  
Adjusted EBITDA  
Margin**



### Cash Flow

**\$4B - \$5B**

Cumulative through 2028

**Dynamic Capital  
Allocation**



### Capital Strategy

**INVESTMENT  
GRADE**

**Dividend to  
Reward  
Shareholders**

# KEY TAKEAWAYS

## WHAT YOU HEARD TODAY

We set out on a transformation journey in 2020, and we have made good on our promises to date

---

We built a stronger portfolio that is positioned to deliver value-creating growth

---

We better unified our operating model to our advantage, with more efficiencies expected on the horizon

---

We are both disciplined and opportunistic with allocating capital to portfolio initiatives for innovation, growth, and M&A to create shareholder value

---

We will manage risk through a strong capital structure and robust risk oversight

---

Our new, long-term financial targets are designed to enable higher value for our customers, employees, communities, and shareholders

O & A



**2024  
INVESTOR DAY**

# APPENDIX

## RECONCILIATION OF GAAP AND NON-GAAP INFORMATION

Year-ending: December 31, 2023

# EPS Summary

2023 Vs. 2022

	Fourth Quarter		Year to Date	
	2023	2022	2023	2022
<b>GAAP EPS</b>	\$ 0.82	\$ 0.98	\$ 4.80	\$ 4.72
<b>Addback for:</b>				
<b>Acquisition and divestiture related costs, net</b>	0.02	0.06	0.20	0.53
<b>LIFO Reserve change</b>	(0.01)	0.03	(0.09)	0.22
<b>Acquisition intangibles amortization expense</b>	0.18	0.15	0.66	0.62
<b>Restructuring, net</b>	0.03	0.09	0.44	0.46
<b>Gain on disposition and other</b>	(0.02)	—	(0.90)	—
<b>Non-operating pension costs</b>	0.03	0.02	0.11	0.05
<b>Other Items</b>	(0.03)	(0.06)	0.04	(0.12)
<b>Adjusted EPS*</b>	<b>\$ 1.02</b>	<b>\$ 1.27</b>	<b>\$ 5.26</b>	<b>\$ 6.48</b>

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

# P&L Summary (Adjusted)

Fourth Quarter: 2023 Vs. 2022

(Dollars in millions)

	2023	2022	Better / (Worse)	
			\$	%
<b>Net sales</b>	\$1,636	\$1,676	\$(40)	(2.4) %
<b>Gross profit</b>	338	317	20	6.4 %
<b>SG&amp;A Expenses, net of Other Income</b>	(171)	(133)	(37)	(28.1) %
<b>Operating profit</b>	\$167	\$184	\$(17)	(9.3) %
<b>Net interest</b>	(32)	(29)	(3)	(10.0) %
<b>Income before income taxes</b>	\$135	\$155	\$(20)	(12.9) %
<b>Provision for income taxes</b>	35	33	(2)	(6.2) %
<b>Net Income, after tax</b>	\$100	\$122	\$(22)	(18.0) %
<b>Equity in Affiliates and Minority Interest</b>	2	4	(2)	50.0 %
<b>Net income attributable to Sonoco</b>	\$102	\$126	\$(25)	(19.8) %
<b>ADJ. EBITDA</b>	<b>\$236</b>	<b>\$246</b>	<b>(9)</b>	<b>(3.8)%</b>
<b>Gross profit %</b>	<b>20.7 %</b>	<b>18.9 %</b>		
<b>SG&amp;A, net of Other Income %</b>	<b>10.5 %</b>	<b>8.0 %</b>		
<b>Operating profit %</b>	<b>10.2 %</b>	<b>11.0 %</b>		
<b>ADJ. EBITDA %</b>	<b>14.4 %</b>	<b>14.7 %</b>		
<b>Effective tax rate</b>	<b>25.7 %</b>	<b>21.3 %</b>		

NOTE: Due to rounding individual items may not sum down

# P&L Summary (Adjusted)

Year to date: 2023 Vs. 2022

(Dollars in millions)

	2023	2022	Better / (Worse)	
			\$	%
<b>Net sales</b>	\$6,781	\$7,251	\$(470)	(6.5) %
<b>Gross profit</b>	1,424	1,501	(77)	(5.1) %
<b>SG&amp;A Expenses, net of Other Income</b>	(620)	(581)	(39)	(6.8) %
<b>Operating Profit</b>	\$804	\$920	\$(116)	(12.5) %
<b>Net interest</b>	(126)	(97)	(29)	(28.6) %
<b>Income before income taxes</b>	\$678	\$823	\$(144)	(17.5) %
<b>Provision for income taxes</b>	167	197	30	15.3 %
<b>Net Income, after tax</b>	\$511	\$626	\$(115)	(18.4) %
<b>Equity Affiliates and Minority Interest</b>	9	14	(5)	(35.7) %
<b>Net income attributable to Sonoco</b>	\$520	\$640	\$(120)	(18.9) %
<b>AJD. EBITDA</b>	<b>\$1,067</b>	<b>\$1,162</b>	<b>\$(95)</b>	<b>(8.3)%</b>
<b>Gross Profit %</b>	<b>21.0%</b>	<b>20.7%</b>		
<b>SG&amp;A, Net of Other Income %</b>	<b>9.1%</b>	<b>8.0%</b>		
<b>Operating profit %</b>	<b>11.9%</b>	<b>12.7%</b>		
<b>ADJ. EBITDA %</b>	<b>15.7%</b>	<b>16.0%</b>		
<b>Effective tax rate</b>	<b>24.6%</b>	<b>23.9%</b>		

NOTE: Due to rounding individual items may not sum down

# Balance Sheet

(Dollars in millions)

	12/31/2023	12/31/2022	Change \$
Cash and cash equivalents	\$152	\$227	\$(75)
Trade accounts receivable, net of allowances	905	863	42
Other receivables	107	99	8
Inventories	774	1,096	(322)
Prepaid expenses	113	76	37
<b>Current Assets</b>	<b>\$2,051</b>	<b>\$2,361</b>	<b>\$(310)</b>
Property, plant and equipment, net	1,906	1,710	196
Goodwill	1,811	1,675	136
Other intangible assets, net	854	742	112
Long-term deferred income taxes	31	30	1
Right of use asset - operating leases	315	297	18
Other assets	225	238	(13)
<b>Total Assets</b>	<b>\$7,193</b>	<b>\$7,053</b>	<b>\$140</b>
Payable to suppliers and others	1,108	1,225	(117)
Income taxes payable	11	17	(6)
<b>Total debt</b>	<b>3,083</b>	<b>3,222</b>	<b>(139)</b>
Pension and other postretirement benefits	143	120	23
Noncurrent operating lease liabilities	265	251	14
Deferred income taxes and other	151	145	6
<b>Total equity</b>	<b>2,432</b>	<b>2,073</b>	<b>359</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$7,193</b>	<b>\$7,053</b>	<b>\$140</b>
<b>Net debt / Total capital</b>	<b>54.7 %</b>	<b>59.1 %</b>	

Net debt = Total debt minus cash and cash equivalents

Total capital = Net debt plus total equity

# Segment Analysis

Year to date: 2023 Vs. 2022

(Dollars in millions)

	Net Sales			Segment Operating Profit		
	2023	2022	% Chg	2023	2022	% Chg
Consumer Packaging	\$3,627	\$3,768	(3.7) %	\$382	\$526	(27.4) %
Industrial Paper Packaging	2,374	2,685	(11.6) %	318	328	(3.0) %
All Other	780	798	(2.2) %	104	66	57.2 %
	\$6,781	\$7,251	(6.5) %	\$804	\$920	(12.6) %

	Segment Operating Profit as % of Sales	Margin Change
Consumer Packaging	10.5 %	14.0 % (3.4) %
Industrial Paper Packaging	13.4 %	12.2 % 1.2 %
All Other	13.3 %	8.3 % 5.0 %
Total Sonoco	11.9 %	12.7 % (0.8) %