



Sonoco Investor Update



Bank of America Global Agriculture & Materials Conference
March 3, 2021

Better Packaging. *Better Life.*



Forward-Looking Statements / Non-GAAP Financial Measures

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

Information about the Company's use of non-GAAP financial measures, why management believes presentation of non-GAAP financial measures provides useful information to investors about the Company's financial condition and results of operations, and the purposes for which management uses non-GAAP financial measures is included in the Company's Annual Report and on the Company's website at sonoco.com under Investor Relations, Webcasts & Presentations, Non-GAAP Reconciliations for Q4 and full-year 2020 Earnings Presentation and 2021 Outlook.

Pursuant to the requirements of Regulation G, the Company has provided definitions of the non-GAAP measures discussed during this presentation as well as reconciliations of those measures to the most closely related GAAP measure on its website at sonoco.com.

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





Howard Coker

President and CEO of Sonoco

R. Howard Coker, 58, is President and CEO of Sonoco. In this role, Coker has global leadership, sales and operating responsibility for all of the Company's diversified consumer, industrial and protective packaging businesses. He previously served as Senior Vice President, Global Paper/Industrial Converted Products.

Coker also served as Senior Vice President, Rigid Paper Containers and Paper/Engineered Carriers International, where he had responsibility for the Company's global composite can operations in North America, South America, Europe and Asia, as well as paper, tube and core operations in Europe, Latin America and Australasia.

Prior to that, Coker served as Vice President, Rigid Paper and Closures, North America. In this role, he had responsibility for Sonoco's 21 rigid paper container and seven metal and peelable membrane closure operations in the United States, Canada and Mexico. He was also elected a Corporate Officer in February 2009.

He also served as Group Vice President and held several leadership positions running global consumer-related and industrial businesses.

Coker joined Sonoco in 1985.

He is a 1985 graduate of Wofford College with a B.A. in Business Administration, and he received an MBA from Wake Forest University in 1990.

He is married, has three children and lives in Hartsville, SC.

Better Packaging. *Better* Life.



-

4



Fourth Quarter 2020

Key Financial Results

<i>In millions (\$), except EPS</i>	Q4 2020	Q4 2019	Vs PY	Comments
Net Sales	\$1,376	\$1,309	✓	<ul style="list-style-type: none">Volume / Mix \$52mm or 4.0% vs Q4-19Positive impact: Acquisitions \$11mm
Gross Profit	\$275 20.0%	\$247 18.9%	✓	<ul style="list-style-type: none">Solid improvement; Strong Productivity
SG&A Expense, Net of Other Income	\$(149)	\$(133)	✓	<ul style="list-style-type: none">Increase driven by timing of compensation expenses
Operating Profit	\$126 9.2%	\$114 8.7%	✓	
EPS (Base)	\$0.82	\$0.75	✓	<ul style="list-style-type: none">Exceeded high end of guidanceSolid operational results vs expectations
Free Cash Flow (Full-year)	\$351	\$74	✓	<ul style="list-style-type: none">\$200mm US pension contribution (2019)Solid Working Capital management~\$30 positive impact from CARES Act (2020)



Sonoco Segment Review

Consumer Packaging



Display & Packaging



Better Packaging. *Better* Life.

(\$ Millions)	4Q 2020	4Q 2019
Net Sales	\$616	\$560
Base Operating Profit	\$69	\$47

(\$ Millions)	FY 2020	FY 2019
Net Sales	\$2,406	\$2,333
Base Operating Profit	\$290	\$228

(\$ Millions)	4Q 2020	4Q 2019
Net Sales	\$109	\$137
Base Operating Profit	\$6	\$6

(\$ Millions)	FY 2020	FY 2019
Net Sales	\$476	\$554
Base Operating Profit	\$31	\$28



Sonoco Acquires Can Packaging

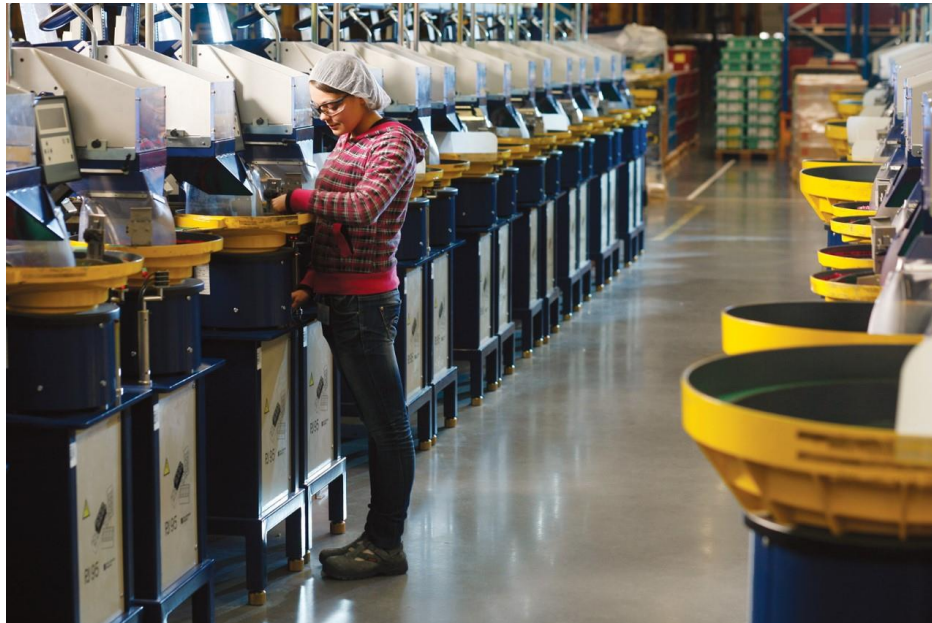
- Adds advanced innovation and production of sustainable paper packaging in Europe
- 2020 sales of approximately \$27 million
- Two production facilities and R&D center in France
- Featured Product: Greencan® recyclable paperboard package (92% to 98% paperboard)
- Proprietary manufacturing equipment, suitable for global growth markets





Sonoco Divests Europe Contract Packaging Business

- Sold to Prairie Industries Holdings (backed by The Halifax Group) for \$120 million
- Business had net sales of \$300 million in 2019 and 2,600 associates (excluding temps)
- Divestiture aligns with the Company's effort to focus on its Core Consumer- and Industrial-related businesses
- Divestiture of the business impacts base EPS in 2021 by about 15-cents





Sonoco Segment Review

Paper & Industrial Converted Products



(\$ Millions)	4Q 2020	4Q 2019
Net Sales	\$509	\$492
Base Operating Profit	\$36	\$50

(\$ Millions)	FY 2020	FY 2019
Net Sales	\$1,878	\$1,975
Base Operating Profit	\$154	\$219

Protective Solutions



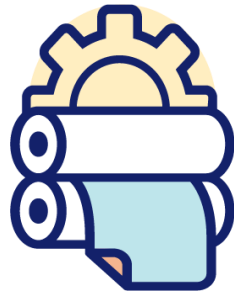
(\$ Millions)	4Q 2020	4Q 2019
Net Sales	\$142	\$121
Base Operating Profit	\$16	\$11

(\$ Millions)	FY 2020	FY 2019
Net Sales	\$478	\$512
Base Operating Profit	\$52	\$50

Better Packaging. *Better* Life.



Our 2021 Focus—Investing in Ourselves



Project Horizon

Creating A Brighter Future For Our URB System

Inbound Raw Material Optimization

New Stock Prep System

Finished Goods Warehouse

#10 Conversion



Better Packaging. *Better* Life.

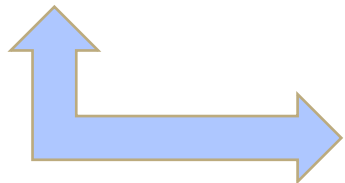


ThermoSafe COVID Vaccine Update

Leading Vaccine Candidates & Temp Ranges

Pfizer – Deep Frozen (-60C)	Johnson & Johnson – Frozen (-20C)
Moderna – Frozen (-20C)	NovaVax – Frozen (-20C)
Astra Zeneca – Frozen (-20C)	CureVax – Frozen (-20C)

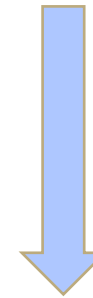
- Distribution process will change and is chaotic today
- Dosage/shipper will reduce and cost per shipment will reduce
- **Multiple projects on going with various distribution network partners**
- Share and size will change as distribution evolves
- Equal or greater number of new (non-COVID) vaccines need support and drive growth
- COVID therapies are another key growth area (Merck, Eli Lilly, Regeneron)



**Our growth will be enhanced by
COVID but not defined by COVID**

Typical Flu Season:

140MM doses
Requires 425K EPS coolers
11MM refrigerants
Average 300 doses per shipment



\$20MM in revenue annually

Sonoco's New Segment Structure

Industrial Paper Packaging



Consumer Packaging



All Other [Healthcare and Protective Packaging]





2021 Key Base Earnings Assumptions

Business activities return to pre-COVID levels around mid-2021

Sales Volumes/Mix growth at 2%

Full-year impact of Can Packaging acquisition and Europe contract packaging divestiture

Key price/cost index changes

- OCC projected at \$90/ton
 - Composite resin index increasing ~10% over 2020
-

Inflation headwinds including freight and insurance

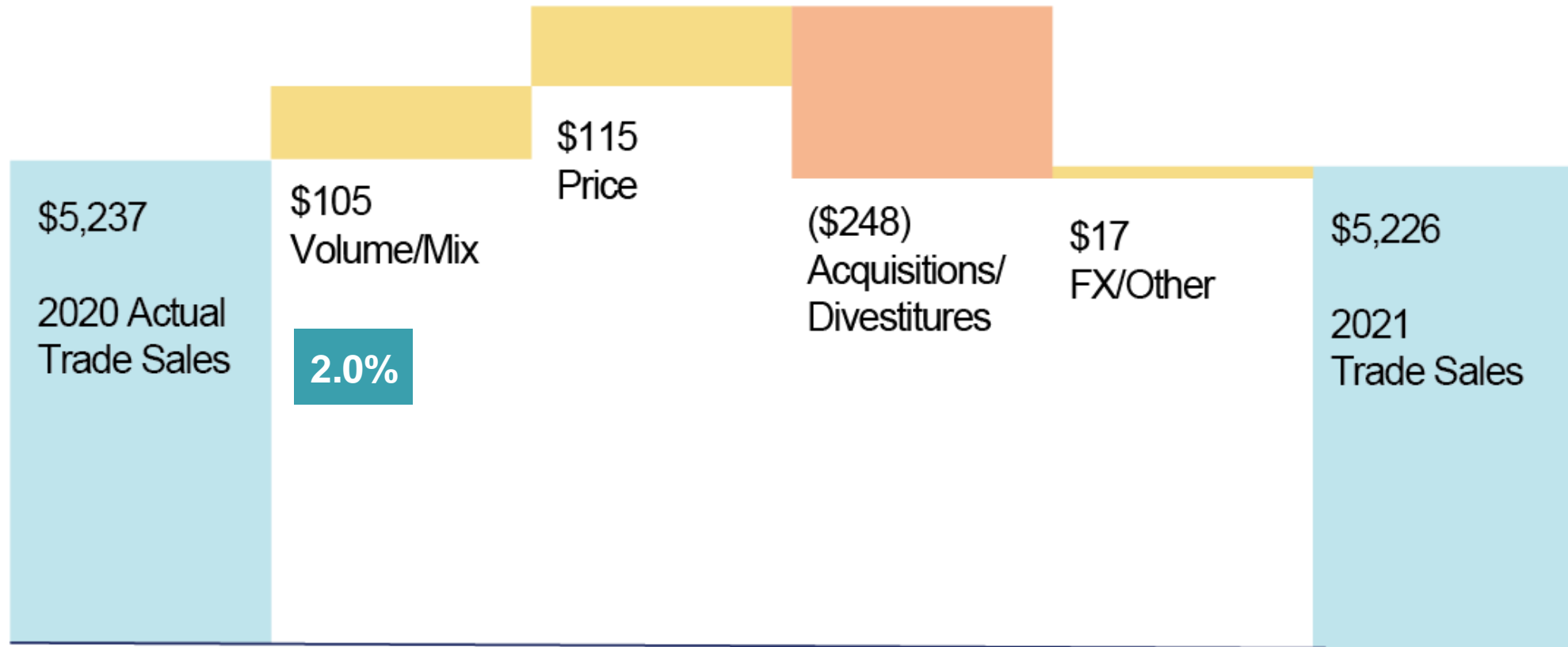
Interest expense lower by \$12 million due to debt repayment and refinancing actions

Base effective tax rate is 25.4%, which is flat to 2020



2021 Sales Bridge

(Dollars in Millions)

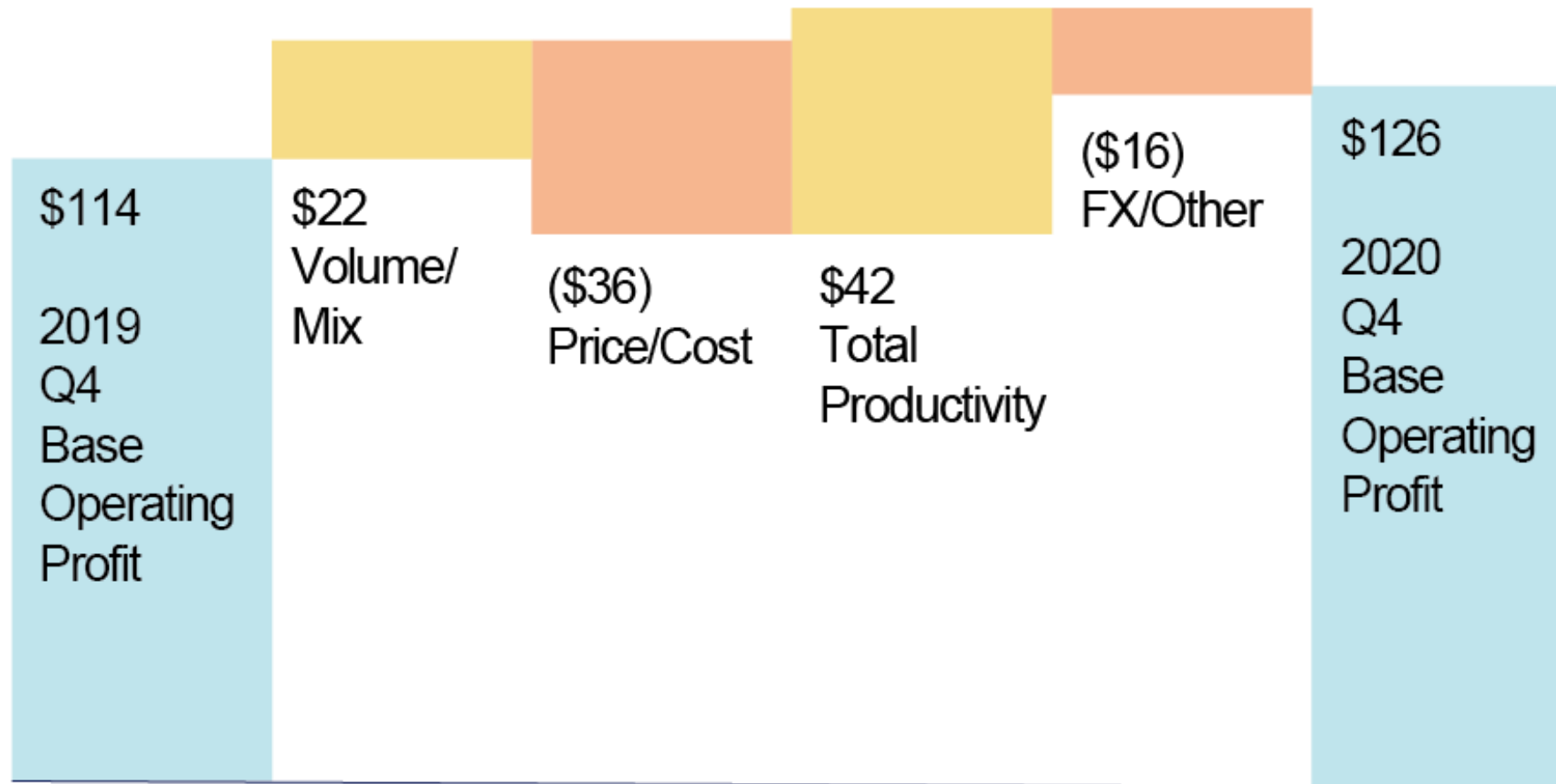




Base Operating Profit Bridge

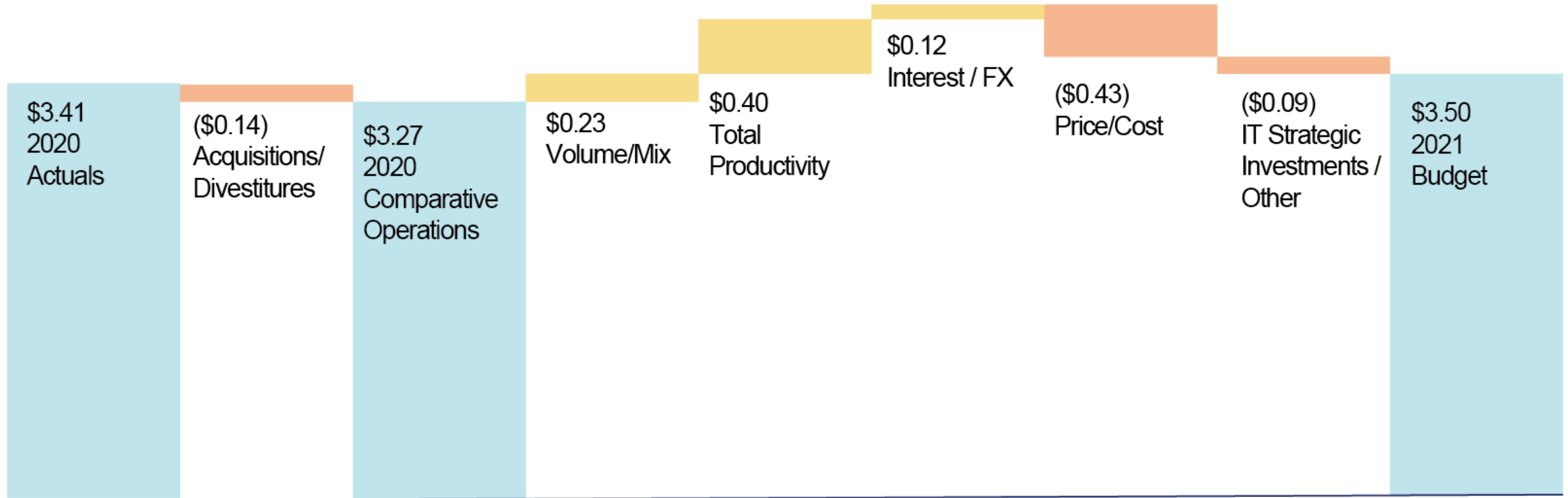
4th Quarter: 2020 Vs. 2019

(Dollars in millions)





2021 EPS Bridge





First Quarter Update

- January was a strong month due to solid volumes across Consumer and Industrial businesses
- However, operations were impacted by February Winter Storm Uri
 - Had more than ___ U.S. plants impacted by loss of energy
 - Including fire at NJ Paper Can warehouse
 - All operations resumed production last week of February
 - Storm further aggravated raw material and freight inflation
- Volumes remain strong and inventories tight (URB, medium, Consumer Packaging)

No change to 1Q 2021 EPS guidance of \$0.80 to \$0.90

No changes to FY 2021 guidance of \$3.40 to \$3.60



Free Cash Flow Guidance

(Dollars in millions)

	2020 Actual		2021 Outlook		Change
Operating Cash Flow	\$	706	\$	585*	\$ (121)
Capital Expenditures, Net		(184)		(300)	(116)
Free Cash Flow (before Dividends)	\$	522	\$	285	\$ (237)
Dividends		(173)		(180)**	(7)
Free Cash Flow (after Dividends)	\$	349	\$	105	\$ (244)

* 2021 Cash flow guidance excludes an estimated pension contribution related to the U.S. pension plan termination. Projected contribution is estimated to be \$150 million.

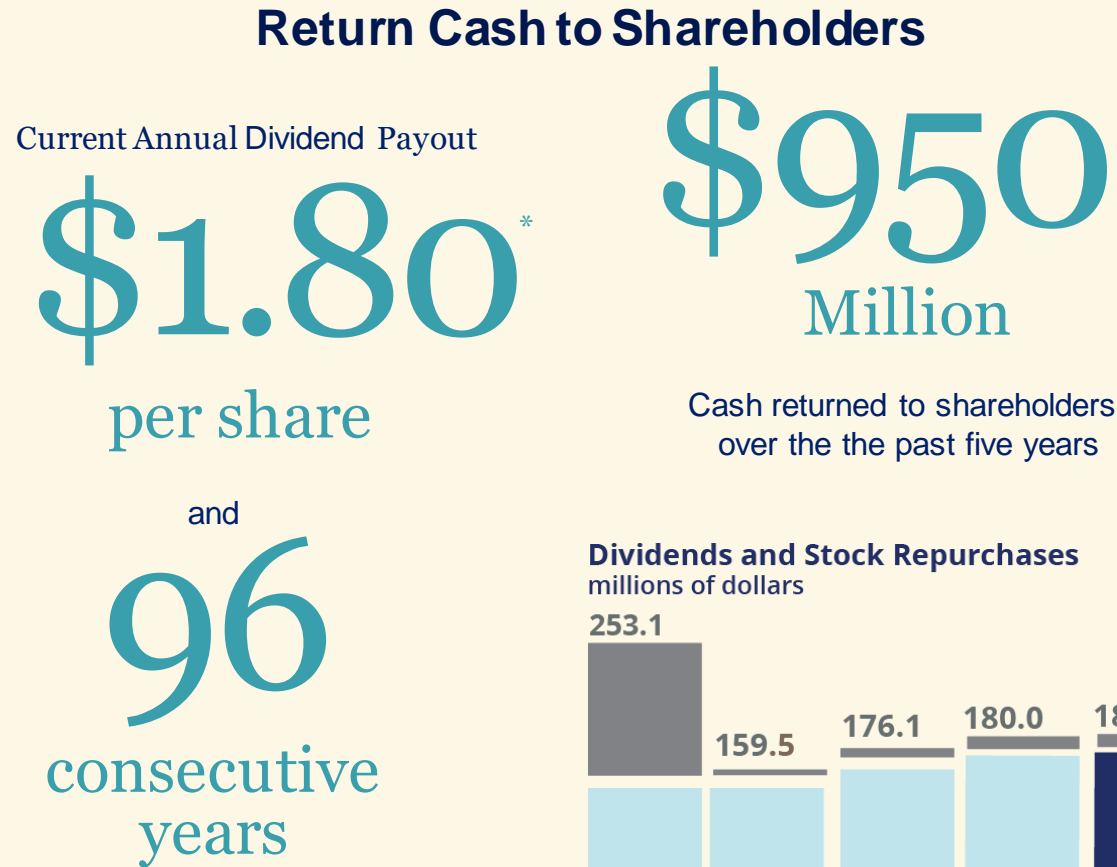
**2021 Dividend subject to Board approval

Better Packaging. *Better Life.*



Capital Deployment Strategy

Total Capital
Expenditures
in 2021
\$300
Million



* Announced February 10th

Pursue accretive
acquisitions in our
core Consumer and
Industrial markets

Share
Repurchases

Better Packaging. *Better Life.*



Appendix



Better Packaging. *Better* Life.



P&L Summary (Base)

Full-year: 2020 Vs. 2019

(Dollars in millions)

			Better / (Worse)	
	2020	2019	\$	%
Net sales	\$ 5,237	\$ 5,374	\$ (137)	\$ (2.5)%
Gross profit	1,046	1,058	(11)	(1.1)%
SG&A expenses, net of Other Income	(519)	(532)	13	2.5%
Operating profit	527	525	2	0.3%
Net interest	(72)	(62)	(10)	(17.0)%
Provision for income taxes	(114)	(111)	(3)	(3.0)%
Net Income, after tax	341	353	(12)	(3.5)%
Equity in Affiliates and Minority Interest	5	4	1	25.0%
Net income attributable to Sonoco	\$ 346	\$ 357	\$ (12)	\$ (3.3)%
Operating profit before D&A	\$ 781	\$ 764	\$ 17	\$ 2.3%
Gross profit %	20.0%	19.7%		
SG&A %	9.9%	9.9%		
Operating profit %	10.1%	9.8%		
Operating profit before D&A%	14.9%	14.2%		
Effective tax rate	25.1%	23.9%		

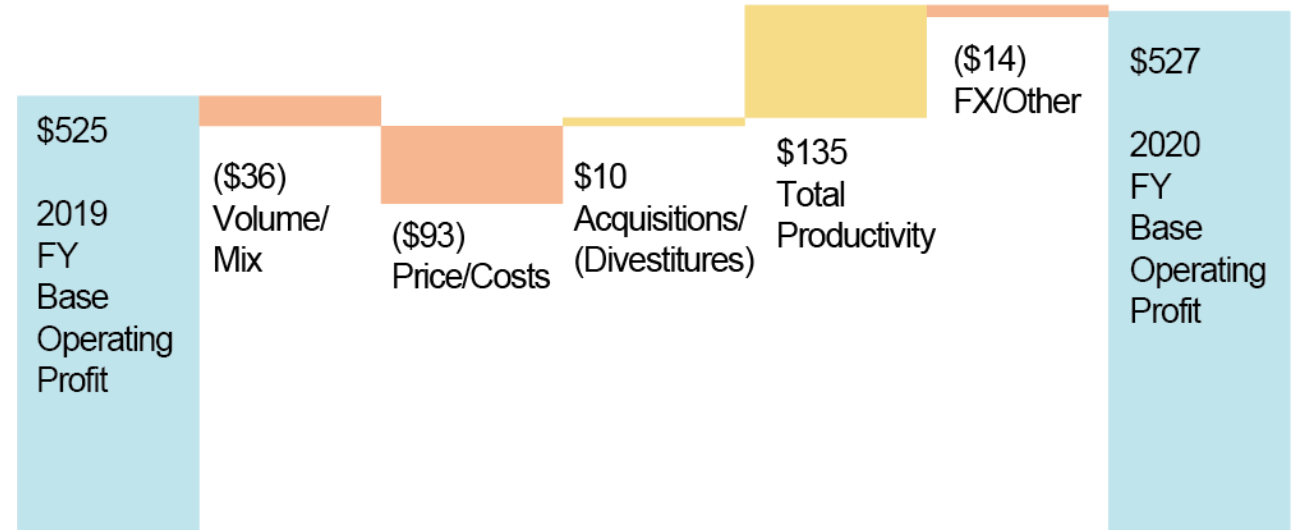
NOTE: Totals and Percentages are based on unrounded amounts

Better Packaging. *Better Life.*



2020 Sales & Base Operating Profit Bridges

(Dollars in millions)

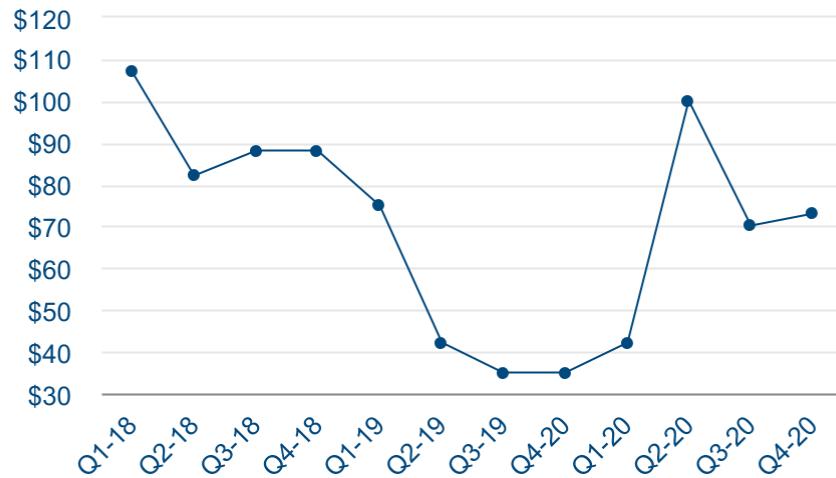




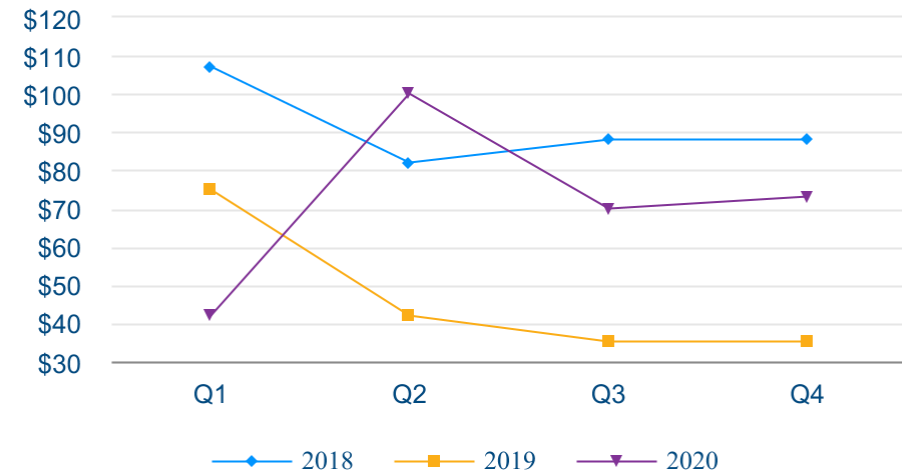
OCC: Official Board Market

4th Quarter: 2020 Vs. 2019 Vs. 2018
(Price/Ton)

Average OCC Price/Ton 2018 to 2020



Average OCC Price/Ton - Quarterly



	1st Quarter				2nd Quarter				3rd Quarter				4th Quarter			
	J	F	M	Avg	A	M	J	Avg	J	A	S	Avg	O	N	D	Avg
2018	115	110	95	107	85	80	80	82	85	90	90	88	90	90	85	88
2019	85	75	65	75	50	40	35	42	35	35	35	35	35	35	35	35
2020	35	40	50	42	85	125	90	100	70	70	70	70	70	70	80	73

Better Packaging. *Better* Life.