

# SONOCO

## Annual Meeting of Shareholders

**John Haley**  
Chairman

April 17, 2024

# Board of Directors



**Steven Boyd**



**Howard Coker**



**Pamela Davies**



**Theresa Drew**



**Philippe Guillemot**

# Board of Directors



**John Haley**



**Robert Hill**



**Eleni Istavridis**



**Richard Kyle**



**Blythe McGarvie**



**Thomas Whiddon** <sup>3</sup>

# 2024 Annual Meeting Agenda

**Proposal 1** Election of Directors

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**Proposal 2** Ratification of Independent Registered Public Accounting Firm

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**Proposal 3** Advisory (Non-binding) Vote to Approve Executive Compensation

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**Proposal 4** Approval of the 2024 Omnibus Incentive Plan

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**Proposal 5** Advisory (Non-binding) Shareholder Proposal Regarding  
Transparency in Political Spending

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# ADVANCING SONOCO'S STRATEGY

**Howard Coker**  
President and CEO

# 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.

# 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

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

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

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

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

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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

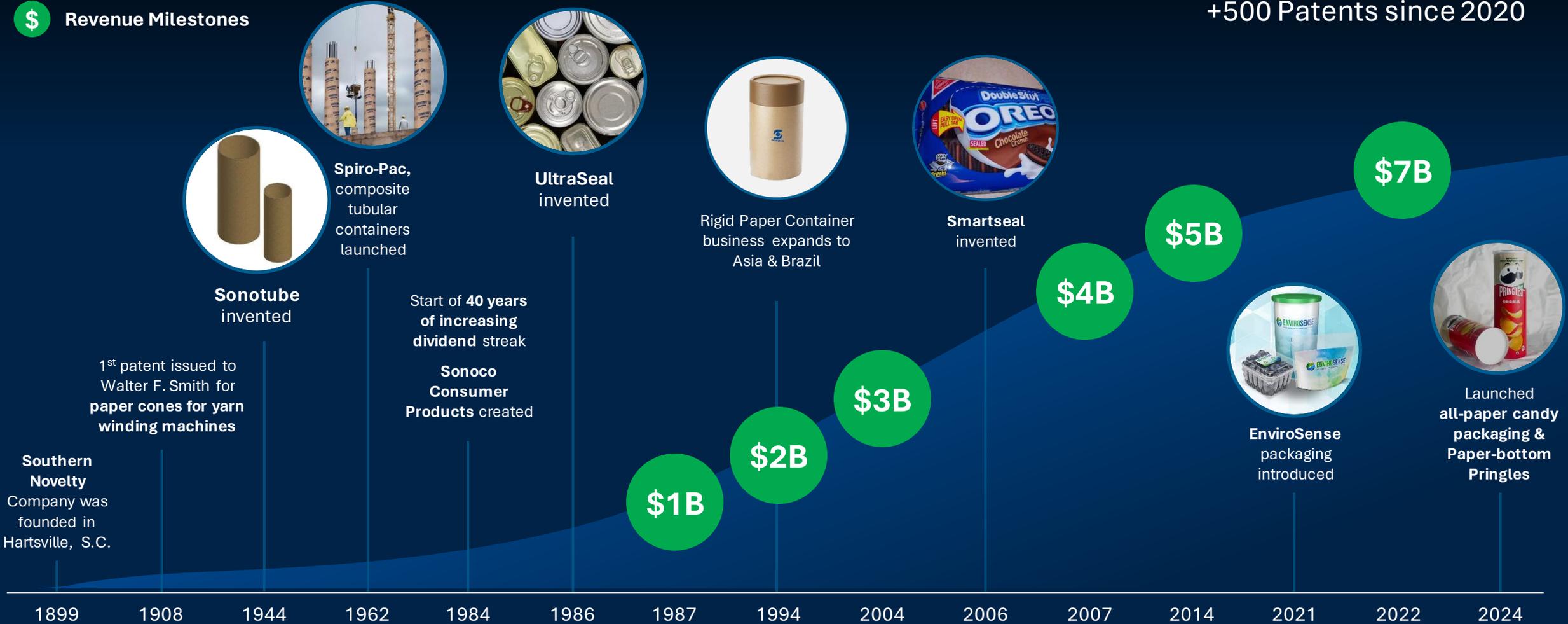
# CELEBRATING 125 YEARS OF HISTORY

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



## \$ Revenue Milestones

+500 Patents since 2020





# **Video Update**

Sonoco 125-Year History

# UNIFIED SUSTAINABILITY FOCUS ACROSS SONOCO



**Protecting our environment**



**Investing in our people and communities**



**Striving for transparency at all levels**



# SONOCO PROVIDES 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**

- 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**

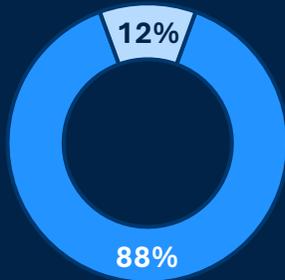
- Maintain a Focused Portfolio Strategy
- Drive Further Profitable Growth
- Operate with Discipline
- Invest in Our People and Sustainability Initiatives
- Deliver Results

# NOTABLE PROGRESS SINCE 2020

## 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

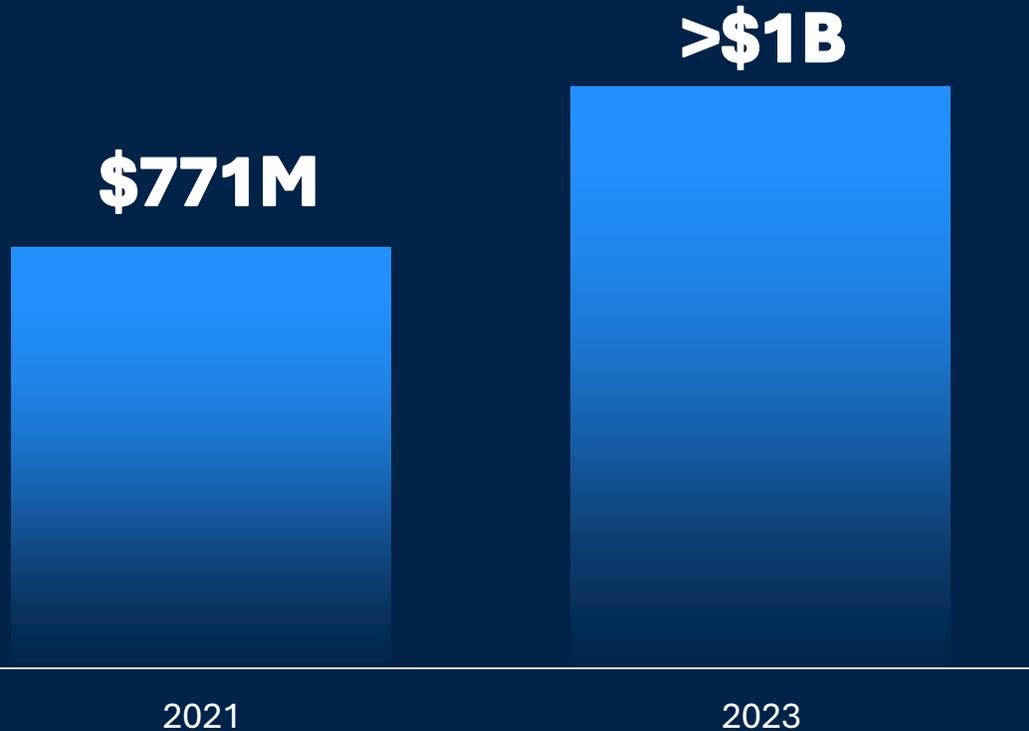
Value creation model



# INCREASED PROFITABILITY AND CASH FLOW

Execution of strategy drove improved results

Adjusted EBITDA



# \$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**

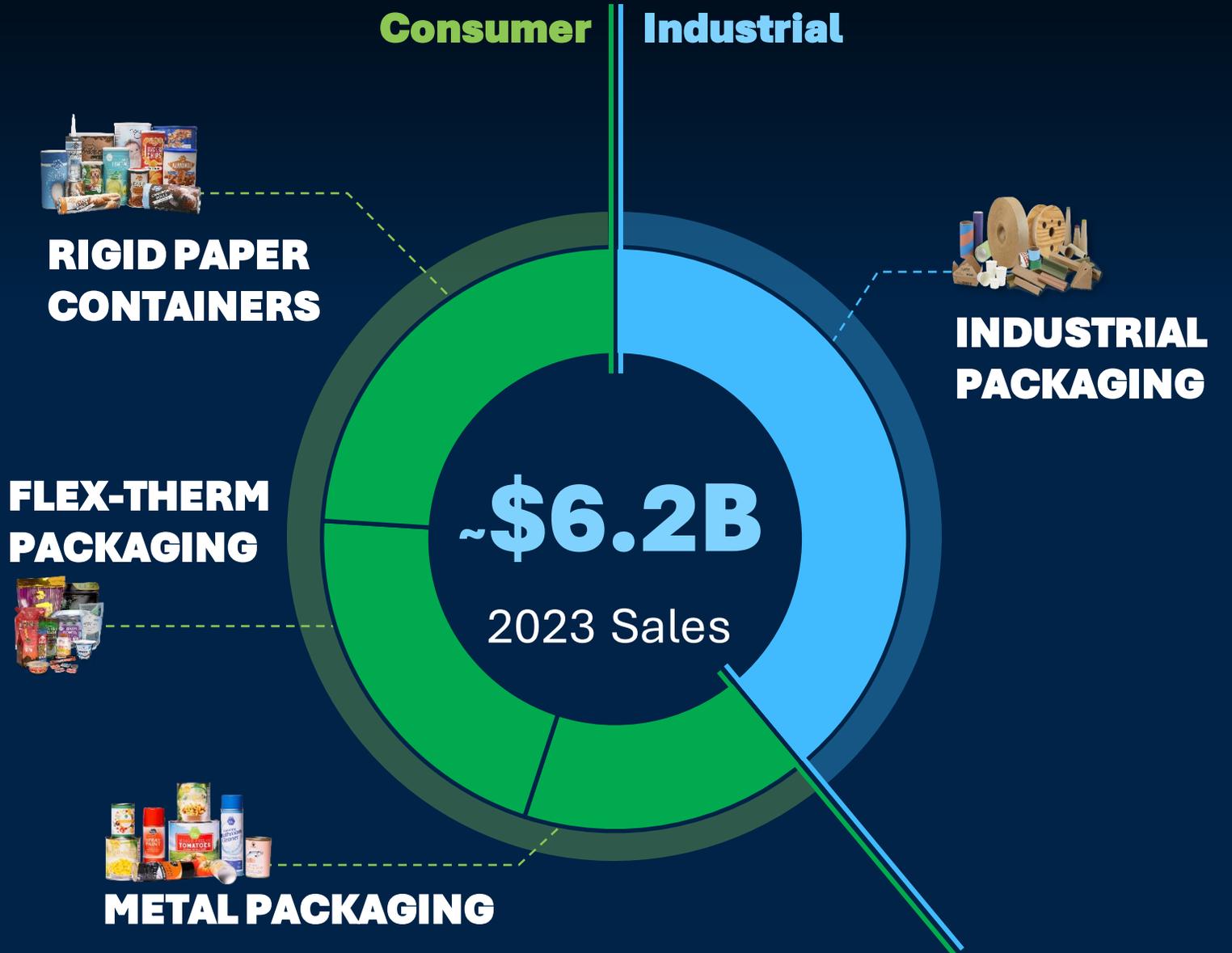
Countries

# 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

# LONG-STANDING PARTNERSHIPS WITH CUSTOMERS



# 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



# 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



## 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

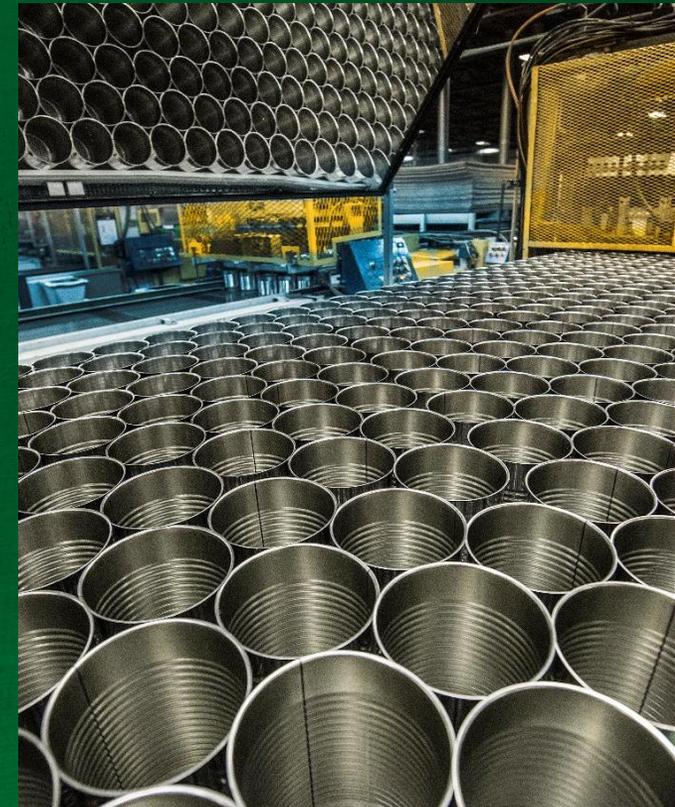
### SOLUTION

## 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





# 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



## 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



# 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
 <p><b>RIGID PAPER CONTAINERS</b></p>	<p>High Single Digits <i>Strong, secular tailwinds</i></p>	<p>Organic growth engine</p>
 <p><b>FLEX-THERM PACKAGING</b></p>	<p>Mid-Single Digits <i>Steady growth</i></p>	<p>High potential organic growth coupled with inorganic growth</p>
 <p><b>METAL PACKAGING</b></p>	<p>Low Single Digits <i>Stable</i></p>	<p>Optional inorganic growth; stable, defensive business; steady cash flow</p>
 <p><b>INDUSTRIAL PACKAGING</b></p>	<p>Low Single Digits <i>Cyclical / Early Cycle</i></p>	<p>Steady cash flow</p>

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**

# DIVIDEND IS FOUNDATIONAL

## DRIVES DISCIPLINE AND SHAREHOLDER VALUE

Dividend in \$\$



**Annualized Dividend Increase of \$0.04 /share Announced Today**

**41**

Years of Consecutive Annual Increases

**99**

Consecutive Years Paid

# 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



NYSE OPENING BELL®

FEBRUARY 13, 2024

SON  
LISTED  
NYSE



SON  
LISTED  
NYSE



NEW YORK STOCK EXCHANGE



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

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>
Net debt / Total capital	54.7 %	59.1 %	

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)%