

Quarterly Financial Review

2nd Quarter 2025

July 24, 2025



FORWARD-LOOKING STATEMENTS / NON-GAAP FINANCIAL MEASURES

Statements included herein that are not historical in nature, are intended to be, and are hereby identified as “forward-looking statements” for purposes of the safe harbor provided by Section 21E of the Securities Exchange Act of 1934, as amended. In addition, the Company and its representatives may from time to time make other oral or written statements that are also “forward-looking statements.” Words such as “aim,” “anticipate,” “assume,” “believe,” “can,” “committed,” “consider,” “continue,” “could,” “estimate,” “expect,” “forecast,” “future,” “goal,” “guidance,” “improve,” “intend,” “likely,” “may,” “might,” “objective,” “ongoing,” “outlook,” “plan,” “potential,” “project,” “seek,” “strategy,” “target,” “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 the full-year 2025 outlook, and the anticipated drivers thereof; the Company’s ability to support its customers and manage costs; opportunities for productivity and other operational improvements; price/cost, customer demand and volume outlook; expected benefits from and integration efforts related to acquisitions and divestitures; the Company’s expectations with respect to the VPPA and its sustainability goals; the effectiveness of the Company’s strategy and strategic initiatives, including with respect to capital expenditures, portfolio simplification and capital allocation priorities; the Company’s pipeline of organic and inorganic investment opportunities; the effects of the macroeconomic environment and inflation on the Company and its customers; and the Company’s ability to generate continued value and return capital to shareholders, including its expectations with respect to a competitive and growing dividend. 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 execute on its strategy, including with respect to acquisitions (and integrations thereof), divestitures, cost management, productivity improvements, restructuring and capital expenditures, and achieve the benefits it expects therefrom; the operation of new manufacturing capabilities; the Company’s ability to achieve anticipated cost and energy savings; the availability, transportation and pricing of raw materials, energy and transportation, including the impact of potential changes in tariffs or sanctions and escalating trade wars, and the impact of war, general regional instability and other geopolitical tensions (such as the ongoing conflict between Russia and Ukraine as well as the economic sanctions related thereto, and the ongoing conflict in Israel and Gaza), and the Company’s ability to pass raw material, energy and transportation price increases and surcharges through to customers or otherwise manage these commodity pricing risks; the costs of labor; the effects of inflation, fluctuations in consumer demand, volume softness, 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 environmental and sustainability goals, including with respect to greenhouse gas emissions, and to meet other social and governance goals, including challenges in implementation thereof; and the other risks, uncertainties and assumptions discussed in the Company’s filings with the Securities and Exchange Commission, including its most recent reports on Forms 10-K and 10-Q, particularly under the heading “Risk Factors.” The Company undertakes no obligation to publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed herein might not occur.

Information about the Company’s use of non-GAAP financial measures, why management believes presentation of non-GAAP financial measures provides useful information to investors about the Company’s financial condition and results of operations, and the purposes for which management uses non-GAAP financial measures is included in the Company’s Annual Report and on the Company’s website at investor.sonoco.com under Webcasts & Presentations, and Non-GAAP Reconciliations for the Q2 2025 Earnings Presentation. Pursuant to the requirements of Regulation G, the Company has provided definitions of the non-GAAP measures discussed during this presentation as well as reconciliations of those measures to the most closely related GAAP measure on its website at investor.sonoco.com.

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



Today's Attendees



Roger Schrum

Interim Head of
Investor Relations
and Communications



Howard Coker

President and CEO



Rodger Fuller

Chief Operating
Officer

Interim CEO,
Sonoco Metal
Packaging EMEA



Jerry Cheatham

Interim Chief
Financial Officer



Paul Joachimczyk

Chief
Financial Officer



Business Update

Howard Coker

President and Chief Executive Officer

Q2 2025 Results Summary

Metal Packaging and Industrial Drive Improvement



Revenue



\$1.91B

Up 49%*

Total Adjusted Operating Profit



\$247M

Up 74%*

Total Adj. EBITDA



\$328M

Up 25%**

17.2% Margin, up 101 bps**

Total Adj. Earnings Per Share



\$1.37

Up 7.1%

*Percents are calculated based on 2024 Continued Operation

** Based on 2024 including Discontinued Operations

Q2 Highlights

- Strong top-line and bottom-line growth
 - Global macroeconomic pressures and seasonal factors impacted demand
- Consumer Packaging sales up 110%, Adjusted EBITDA up 115%, Volume/Mix up ~3%
 - Strong growth in Sonoco Metal Packaging (SMP) U.S., addition of SMP EMEA acquisition
 - Weaker than expected demand impacted SMP EMEA and Global Rigid Paper Containers
- Industrial Paper Packaging Adj. EBITDA up 16%
 - Favorable price/cost recovery environment and productivity drives margin expansion
- Higher than projected interest expense (~\$10 million)

Q2 Business Drivers

- Revenue for Continued Operations up ~49% driven by SMP EMEA acquisition, strong SMP US demand, favorable price and FX
- Adjusted operating profit for Continued Operations up ~74% driven by favorable price/cost, SMP EMEA acquisition and productivity

Value-added Packaging

Principles Central To Where We Play



How We Win

**Serving
Customers**

**Operational
Execution**

Innovation

Culture

Guiding Principle

**People Build
Businesses**

Portfolio Realignment

We Have Aligned Our Portfolio With Our Value-added Packaging Competitive Strengths

	 Industrial Paper Packaging	 Sonoco Metal Packaging	 Rigid Paper Containers	 TFP (Divested)	 ThermoSafe (Divest)
 Advanced Material Science	✓	✓	✓	✗	✗
 High Product Functionality	✓	✓	✓	✓	✓
 Continuous Process Manufacturing	✓	✓	✓	✓	✗
 Large / Global Customers	✓	✓	✓	✓	✓
 Market Dynamics	Leading Market Position	Leading Market Position	Leading Market Position	#12 US	Top 20 Globally (~3% share)

Continuing the Transformation Journey

Second Quarter Actions



- Divested Thermoformed and Flexibles Packaging to Toppan Holdings (April)
- Significantly reduced Net Debt by ~\$1.8 billion (proceeds/cash)
 - Slightly below ~3.8X Net Debt/Adjusted EBITDA

- Preparing ThermoSafe for second half process
- Further optimizing operations network and support organizations
 - Actioned \$20 million in annual cost savings associated with stranded cost
 - Lower cost structure to serve our fewer, bigger businesses
- Continued integration of SMP EMEA
 - Ahead of Target: \$40 million to \$50 million of synergies in 2025
 - Projecting >\$100 million through 2026

Net Debt/Mid Point of
2025 EBITDA guidance:
\$5.09B/\$1.35B = 3.77X



SMP EMEA Update

Rodger Fuller

Chief Operating Officer
Interim CEO, Sonoco Metal Packaging EMEA

SMP EMEA Update



Food can and end unit volumes impacted in 2Q

- Delay in startup of packing season vs. last year
- Macroeconomic issues reduced demand for consumer food cans across Europe
- Decline in fish availability in Africa
- Pet food volumes remain good and growing YTD

3Q Outlook and Future Growth

- **Projecting solid 3Q vs. last year**
 - Delayed harvest season just starting and could extend into early Q4
- **Strong growth projects and opportunities**
 - New 5-year pet food contract signed in 2Q
 - Projecting up to 400 million incremental units/year
 - New East Europe satellite plant to be added
 - New 5-year contract for unique powdered nutrition cans signed in 2Q
 - Working on several significant new growth opportunities





Q2 2025 Financial Results

Jerry Cheatham

Interim Chief Financial Officer

Q2 Financial Results

	Q2 2025	Q2 2024	YOY Change %
Net Sales ¹	\$1,910	\$1,279	49%
Net Sales ²		\$345	
Adj. OP ³	\$247	\$142	74%
Adj. EBITDA⁴	\$328	\$262	25%
<i>Adj. EBITDA Margin (% of Sales) ⁵</i>	<i>17.2%</i>	<i>16.2%</i>	<i>101bps</i>
Adj. EPS⁶	\$1.37	\$1.28	7%

(Dollars in Millions, Except EPS)

- 1) Excluding discontinued operations
- 2) Discontinued operations
- 3) Excluding discontinued operations
- 4) Including discontinued operations

- 5) EBITDA % calculated over Sales including Continued and Discontinued Operations
- 6) Including discontinued operations



SMP US Growth, EMEA Acquisition Drives Strong Consumer Results

Consumer Segment: Q2-25 Results

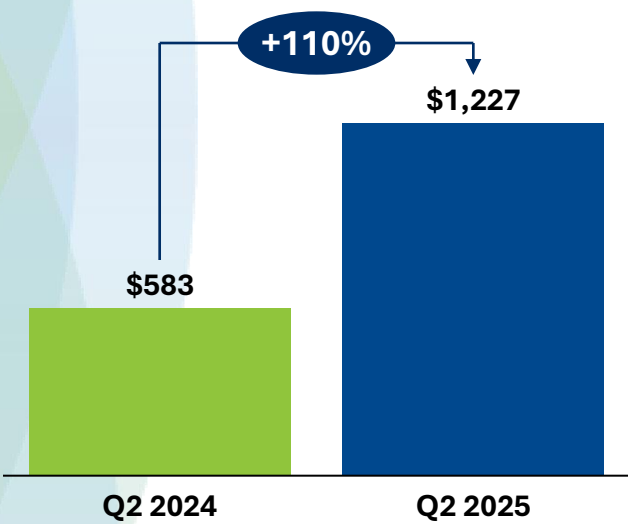
- Higher volumes and favorable price drove strong performance from Metal Packaging U.S
- Global Rigid Paper saw unfavorable price/cost and lower volume
- Productivity added **\$8.8M** across Consumer

1) 2024 Net Sales excludes \$345M from Discontinued Operations

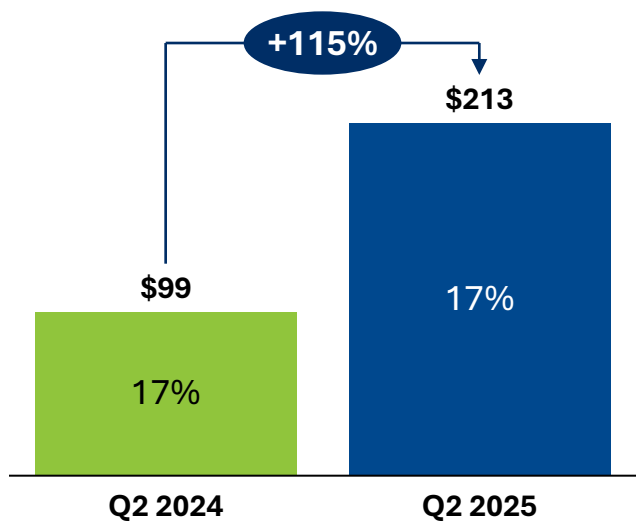
2) 2024 Adj. EBITDA excludes \$61M from Discontinued Operations



Sales (\$M)¹



Adj. EBITDA (\$M)²



Sales Volume/Mix (y/y)	Q2 2025	Q3 2025 Outlook
Metal Packaging US	+DD	+HSD
Rigid Paper Containers (RPC)	-LSD	+LSD



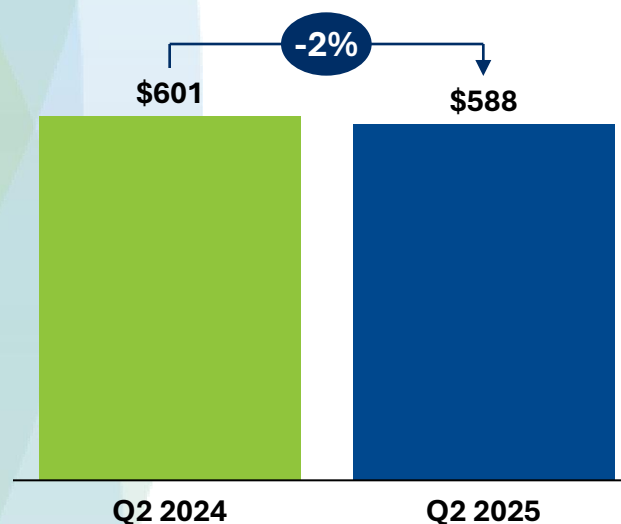
Margin Protection Drives Industrial Improvement

Industrial Segment: Q2-25 Results

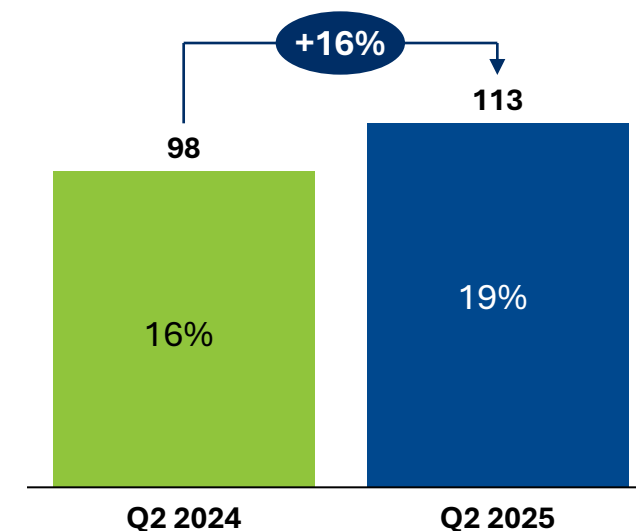
- Favorable price in Global Paper and Reels partially offset by unfavorable volume/mix
- Selling prices increased due to higher TBC index and lumber costs with favorable price/cost for the Segment driven primarily by Paper NA and Reels
- Favorable productivity of **\$5.1M**



Sales (\$M)



Adj. EBITDA (\$M)



Sales Volume/Mix (y/y)

Americas

Q2 2025

-MSD

Q3 2025 Outlook

Flat

EMEA

-MSD

-LSD

Reels

+HSD

+HSD



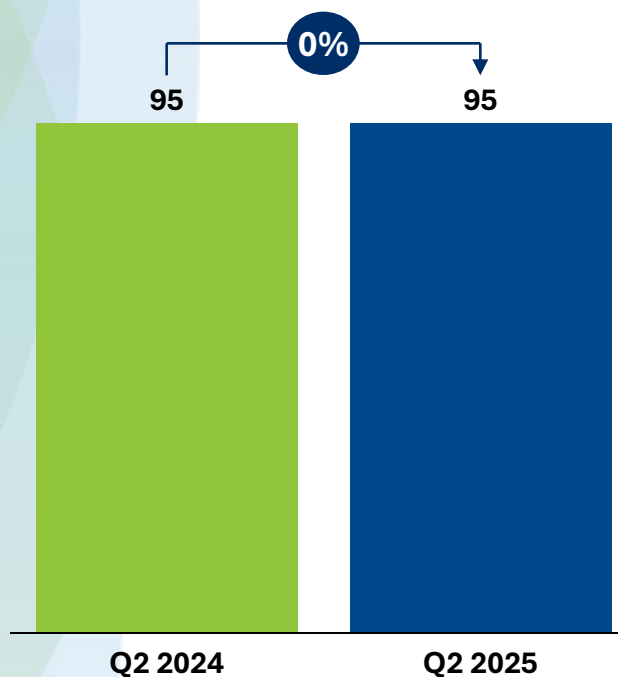
Delivering On Costs Savings

All Other Segment: Q2-25 Results

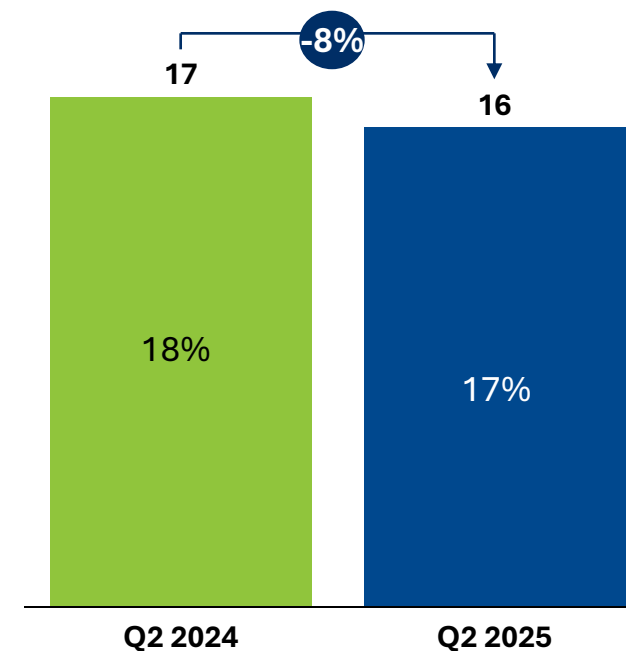
- Higher volumes in Thermosafe partially offset by volume softness in Industrial Plastics
- Favorable purchasing and fixed productivity
- Execution on S&A and fixed costs control



Sales (\$M)



Adj. EBITDA (\$M)





Business Update

Paul Joachimczyk

Chief Financial Officer



Full Year Financial Outlook

Upside/Downside Risk

- + Weaker US Dollar
- + Price/Cost Outlook
- + Fixed Cost Controls
- Sales Volumes
- Interest Expense
- Net Working Capital

	Update	2025 Guidance
Net Revenue	Maintained	\$7.75 - \$8B
Adjusted EBITDA	Maintained	\$1.3B - \$1.4B
Adjusted EPS	Updated	~\$6.00
Operating Cash Flow	Updated	~\$800

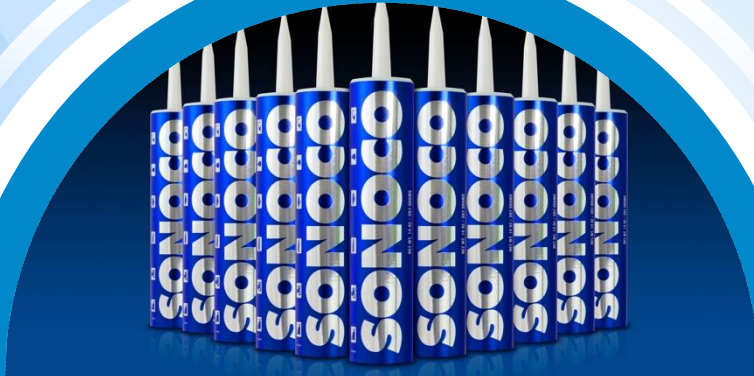
\$ in Millions (except EPS)

Investing In Ourselves



Gross Capital Spending YTD \$188 Million

- Project \$360 million for 2025
- Projected productivity ~\$65M
- Drive future sales growth



Growth Projects

- \$30 million investment for adhesive & sealants tubes
- Florida; Kentucky; Ohio
- Add 100 million new unit capacity for fiber/plastic tubes



Upfitting Automation For Productivity Savings

- Autonomous forklifts and robotic assembly (Jackson, TN)
- Robotic reels assembly (Hartselle, AL)

New Consumer Growth Projects

**SMP U.S. projecting 12%
food can/15% aerosol
growth in 2025**

**SMP EMEA
Growth Projects**

**RPC launching new
all-paper and paper-
bottom cans
for substituting for plastic
packaging in Europe**



Sonoco Named Sustainable Packaging Company of the Year



Won three awards for Packaging Business, Sustainable Brand and Sustainable Investment Projects



Recognized for helping major brands transition to more sustainable packaging solutions

Why Invest In Sonoco?



We have #1 global positions in all three of our core franchises

- Metal and Paper Cans, Industrial Paper Products
- Best suited to service the complex needs of our large global customers
- Ability to leverage global scale and position to deliver value
- Two-thirds of our revenue now in packaged food markets



Demonstrated track-record of leveraging our competitive strengths to grow and improve profitability

- 10% CAGR EBITDA growth in Metal Packaging US under our ownership (executing same strategy with SMP EMEA)
- Secular growth in Rigid Paper Cans (stacked chips and substrate replacement trends)
- Seven consecutive quarters of Industrial EBITDA margin improvement (19% in 2Q 2024)
- Sonoco demonstrated significant EBITDA margin improvement since 2021 (13.8% vs. 17.2% in 2Q 2025)



Strong cash flow conversion

- Record \$1.7B OCF last 2 years
- \$1B FCF last 2 years
- Addition of SMP EMEA and divestment of TFP further enhances cash flow conversion



Capital allocation strategy oriented to shareholders

- Portfolio realignment to optimize capital allocation
- “Invest in ourselves” to drive productivity and grow alongside our customers
- Debt repayment accelerates EPS growth (3.3x – 3.0x by end of 2026)
- Return cash to shareholders (~4.6% dividend yield) – 100 consecutive years of dividends

Looking Forward: The New SONOCO

Proforma 2025

Sales

\$7.75 - \$8.0B*

Employees

23,400

Plants

285

Countries

40



*Includes 1Q of TFP and full year ThermoSafe

Q & A

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Better Packaging. Better Life.

SON
LISTED
NYSE

Appendix

Quarter-ending: June 30, 2025

EPS Summary | 2025 vs. 2024

	Second Quarter		Year To Date	
	2025	2024	2025	2024
GAAP EPS	\$ 4.96	\$ 0.92	\$ 5.51	\$ 1.57
Addback for:				
Acquisition and divestiture related costs, net	0.09	0.17	0.40	0.21
LIFO Reserve change	0.01	(0.01)	0.01	(0.01)
Acquisition intangibles amortization expense	0.35	0.17	0.67	0.35
Restructuring, net	0.07	0.16	0.18	0.41
Loss / (Gain) on disposition and other	(4.25)	(0.06)	(4.21)	(0.06)
Other income/(loss)		(0.06)		(0.06)
Non-operating pension costs	0.02	0.03	0.05	0.06
Other Items	0.12	(0.04)	0.13	(0.07)
Adjusted EPS*	\$ 1.37	\$ 1.28	\$ 2.74	\$ 2.40

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

P&L Summary (Adjusted) | Second Quarter: 2025 vs. 2024

(Dollars in millions)

			Better / (Worse)	
	2025	2024	\$	%
Net sales	\$ 1,910	\$ 1,279	\$ 631	49.3 %
Gross profit	407	284	123	43.3 %
SG&A Expenses	(160)	(142)	(18)	(12.7)%
Operating profit	\$ 247	\$ 142	\$ 105	73.9 %
Other non-operating expense	(6)	—	(6)	(100.0)%
Net interest	(60)	(25)	(35)	(140.0)%
Income before income taxes	\$ 181	\$ 117	\$ 64	54.7 %
Provision for income taxes	(46)	(31)	(15)	(48.4)%
Income before equity in earnings of affiliates	\$ 135	\$ 86	\$ 49	57.0 %
Equity in Affiliates and Minority Interest	2	2	—	NM ¹
Net income from continuing operations	\$ 137	\$ 88	\$ 49	55.7 %
Net income from discontinued operations	\$ —	\$ 38	\$ (38)	(100.0)%
ADJ. EBITDA	\$ 328	\$ 262	\$ 66	25.2 %
Gross profit %	21.3 %	22.2 %		
SG&A, net of Other Income %	8.4 %	11.1 %		
Operating profit %	12.9 %	11.1 %		
ADJ. EBITDA %	17.2 %	16.2 %		
Effective tax rate	25.6 %	26.2 %		

NOTE: Due to rounding individual items may not sum down



Sales and Adj. EBITDA Bridge | Second Quarter: 2025 vs. 2024

(Dollars in millions)

Sales

	Consumer	Industrial	All Other	DO/Stranded Adj.	Total
Q2 2024 Sales	\$583	\$601	\$95	\$0	\$1,279
Volume / Mix	24	-25	1	0	(0)
Price	15	30	1	0	45
Acq / Divestitures	585	-13	0	0	573
FX / Other	20	-5	-1	0	14
Q2 2025 Sales	\$1,227	\$588	\$95	\$0	\$1,910

Adj. EBITDA

Q2 2024 Adj. EBITDA	\$99	\$98	\$17	-\$13	\$201
Volume / Mix	3	-8	-3	0	-8
Price / Cost	-1	20	-2	0	18
Productivity	9	5	1	0	15
Acq / Divestitures	90	0	0	0	90
FX / Other	13	-1	3	-1	14
Q2 2025 Adj. EBITDA	\$213	\$113	\$16	\$(14)	\$328

Q2 2024 does not agree with Consolidated Adj EBITDA of \$262 since the number excludes Discontinued Operations for a total of \$61M
Due to rounding numbers might not sum properly

Segment Analysis | Second Quarter: 2025 vs. 2024

(Dollars in millions)

		Net Sales ¹			Segment Operating Profit ¹		
		2025	2024	% Chg	2025	2024	% Chg
Consumer Packaging	\$	1,227	\$ 583	110.5 %	\$ 160	\$ 74	116.8 %
Industrial Paper Packaging		588	601	(2.1)%	81	67	21.3 %
All Other		95	95	0.2 %	13	14	(5.5)%
Total Sonoco	\$	1,910	\$ 1,279	49.3 %	\$ 254	\$ 155	63.9 %

	Segment Operating Profit as a % of Sales		Margin Change
Consumer Packaging	13.1 %	12.7 %	0.4 %
Industrial Paper Packaging	13.8 %	11.1 %	2.7 %
All Other	13.8 %	14.6 %	(0.8)%
Total Sonoco	13.3 %	12.1 %	1.2 %

NOTE: Totals are based on unrounded amounts

¹ Excludes discontinued operations

Balance Sheet

(Dollars in millions)

	6/29/2025	12/31/2024	Change \$
Cash and cash equivalents	\$ 330	\$ 431	\$ (101)
Trade accounts receivable, net of allowances	1,056	908	148
Other receivables	212	176	36
Inventories	1,283	1,016	267
Prepaid expenses	156	197	(41)
Current assets of discontinued operations	—	451	(451)
Current Assets	\$ 3,037	\$ 3,179	\$ (142)
Property, plant and equipment, net	2,883	2,719	164
Goodwill	2,678	2,526	152
Other intangible assets, net	2,755	2,587	168
Long-term deferred income taxes	94	17	77
Right of use asset - operating leases	318	308	10
Other assets	205	209	(4)
Non-current assets of discontinued operations	—	964	(964)
Total Assets	\$ 11,970	\$ 12,508	\$ (538)
Payable to suppliers and others	1,815	1,735	80
Income taxes payable	171	7	164
Current liabilities of discontinued operations	—	242	(242)
Total debt	5,424	7,040	(1,616)
Pension and other postretirement benefits	184	181	3
Noncurrent operating lease liabilities	268	259	9
Deferred income taxes and other	858	644	214
Non-current liabilities of discontinued operations	—	114	(114)
Total equity	3,251	2,286	965
Total Liabilities and Shareholders' Equity	\$ 11,970	\$ 12,508	\$ (538)
Net debt / Total capital	61.0 %	74.3 %	

Net debt = Total debt minus cash and cash equivalents

Total capital = Net debt plus total equity

NOTE: Due to rounding individual items may not sum down

