

Sonoco Products Company

Reconciliation of Non-GAAP Financial Measures

In accordance with the SEC's Regulation G, the following provides definitions of the non-GAAP financial measures used by the Company, together with the most directly comparable financial measures calculated in accordance with U.S. generally accepted accounting principles ("GAAP"), and a reconciliation of the differences between the non-GAAP financial measures disclosed and the most directly comparable financial measures calculated in accordance with GAAP.

Definition and Reconciliation of Non-GAAP Financial Measures

The Company's results, determined in accordance with U.S. generally accepted accounting principles ("GAAP"), are referred to as "as reported" or "GAAP" results. The Company uses certain financial performance measures, both internally and externally, that are not in conformity with GAAP (referred to as "non-GAAP financial measures") to assess and communicate the financial performance of the Company. These non-GAAP financial measures, which are identified using the term "Adjusted" (for example, "Adjusted Operating Profit", "Adjusted Net Income Attributable to Sonoco", and "Adjusted Diluted earnings per share ("EPS")), reflect adjustments to the Company's GAAP operating results to exclude amounts, including the associated tax effects, relating to:

- restructuring/asset impairment charges¹;
- acquisition, integration, and divestiture-related costs;
- gains or losses from the divestiture of businesses;
- losses from the early extinguishment of debt;
- non-operating pension costs;
- amortization expense on acquisition intangibles;
- changes in last-in, first-out ("LIFO") inventory reserves;
- certain income tax events and adjustments;
- derivative gains/losses;
- other non-operating income and losses; and
- certain other items, if any.

¹ Restructuring and restructuring-related asset impairment charges are a recurring item as the Company's restructuring programs usually require several years to fully implement, and the Company is continually seeking to take actions that could enhance its efficiency. Although recurring, these charges are subject to significant fluctuations from period to period due to the varying levels of restructuring activity, the inherent imprecision in the estimates used to recognize the impairment of assets and the wide variety of costs and taxes associated with severance and termination benefits in the countries in which the restructuring actions occur.

The Company's management believes the exclusion of the amounts related to the above-listed items improves the period-to-period comparability and analysis of the underlying financial performance of the business.

In addition to the "Adjusted" results described above, the Company also uses Adjusted EBITDA, Adjusted EBITDA Margin, Segment Adjusted EBITDA, Segment Adjusted EBITDA Margin, Net Debt, Net Leverage, Unlevered Free Cash Flow ("UFCF"), and UFCF Conversion. These non-GAAP financial measures are defined as follows:

Adjusted EBITDA - net income excluding the following: interest expense; interest income; provision for income taxes; depreciation and amortization expense; non-operating pension costs; net income/loss attributable to noncontrolling interests; restructuring/asset impairment charges; changes in LIFO inventory reserves; gains/losses from the divestiture of businesses; acquisition, integration and divestiture-related costs; other income; derivative gains/losses; and other non-GAAP adjustments, if any, that may arise from time to time.

Adjusted EBITDA Margin - Adjusted EBITDA divided by net sales.

Segment Adjusted EBITDA - Segment operating profit plus depreciation and amortization expense and equity in earnings of affiliates, net of tax.

Segment Adjusted EBITDA Margin - Segment Adjusted EBITDA divided by segment net sales.

Net Debt - the total of the Company's short and long-term debt less cash and cash equivalents.

Net Leverage - Net Debt divided by Adjusted EBITDA.

UFCF - Adjusted EBITDA minus net capital expenditures. Net capital expenditures are defined as purchases of property, plant and equipment minus proceeds from the disposition of capital assets.

UFCF Conversion - UFCF divided by Adjusted EBITDA.

Segment Adjusted EBITDA is reconciled to the closest GAAP measure of segment profitability, segment operating profit as the Company does not calculate net income by segment. Segment operating profit is the measure of segment profit or loss reported to the chief operating decision maker for purposes of making decisions about allocating resources to the segments and assessing their performance in accordance with Accounting Standards Codification 280 - "Segment Reporting," as prescribed by the Financial Accounting Standards Board.

Segment results, which are reviewed by the Company's management to evaluate segment performance, do not include the following: restructuring/asset impairment charges; amortization of acquisition intangibles; acquisition, integration and divestiture-related costs; changes in LIFO inventory reserves; gains/losses from the sale of businesses; gains/losses from derivatives; or certain other items, if any, the exclusion of which the Company believes improves the comparability and analysis of the ongoing operating performance of the business. Accordingly, the term "segment operating profit" is defined as the segment's portion of "operating profit" excluding those items. All other general corporate expenses have been allocated as operating costs to each of the Company's reportable segments and All Other, except for costs related to discontinued operations.

The Company's non-GAAP financial measures are not calculated in accordance with, nor are they an alternative for, measures conforming to GAAP, and they may be different from non-GAAP financial measures used by other companies. In addition, these non-GAAP financial measures are not based on any comprehensive set of accounting rules or principles.

The Company presents these non-GAAP financial measures to provide investors with information to evaluate Sonoco's operating results in a manner similar to how management evaluates business performance. The Company consistently applies its non-GAAP financial measures presented herein and uses them for internal planning and forecasting purposes, to evaluate its ongoing operations, and to evaluate the ultimate performance of management and each business unit against plans/forecasts. In addition, these same non-GAAP financial measures are used in determining incentive compensation for the entire management team and in providing earnings guidance to the investing community.

Material limitations associated with the use of such measures include that they do not reflect all period costs included in operating expenses and may not be comparable with similarly named financial measures of other companies. Furthermore, the calculations of these non-GAAP financial measures are based on subjective determinations of management regarding the nature and classification of events and circumstances that the investor may find material and view differently.

To compensate for any limitations in such non-GAAP financial measures, management believes that it is useful in evaluating the Company's results to review both GAAP information, which includes all of the items impacting financial results, and the related non-GAAP financial measures that exclude certain elements, as described above. Further, Sonoco management does not, nor does it suggest that investors should, consider any non-GAAP financial measures in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. Whenever reviewing a non-GAAP financial measure, investors are encouraged to review and consider the related reconciliation to understand how it differs from the most directly comparable GAAP measure.

The following table sets forth the reconciliation of the GAAP financial measure of “Net income attributable to Sonoco” to Adjusted EBITDA and Adjusted EBITDA Margin for each of the years presented:

Adjusted EBITDA¹ and Adjusted EBITDA Margin

| <i>Dollars in thousands</i> | Twelve Months Ended | | | |
|------------------------------------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | December 31, 2025 | December 31, 2024 | December 31, 2023 | December 31, 2022 |
| Net income attributable to Sonoco | \$ 1,003,011 | \$ 163,949 | \$ 474,959 | \$ 466,437 |
| Adjustments: | | | | |
| Interest expense | 258,396 | 186,015 | 136,686 | 101,662 |
| Interest income | (20,828) | (29,238) | (10,383) | (4,621) |
| Provision for income taxes | 390,850 | 25,443 | 149,278 | 118,509 |
| Depreciation and amortization | 519,356 | 374,859 | 340,988 | 308,824 |
| Non-operating pension costs | 12,215 | 13,842 | 14,312 | 7,073 |
| Net income/(loss) attributable to noncontrolling interests | 375 | (9) | 942 | 543 |
| Restructuring/Asset impairment charges | 66,641 | 69,110 | 56,933 | 56,910 |
| Changes in LIFO inventory reserves | 58 | (6,263) | (11,817) | 28,445 |
| (Gain)/Loss on divestiture of business | (978,350) | 23,452 | (78,929) | — |
| Acquisition, integration and divestiture-related costs | 66,834 | 110,883 | 26,254 | 70,210 |
| Other income, net | — | 104,200 | (39,657) | — |
| Net loss/(gain) from derivatives | 1,730 | (7,225) | (1,912) | 8,767 |
| Other non-GAAP adjustments | 3,722 | 6,154 | 10,142 | (290) |
| Adjusted EBITDA | \$ 1,324,010 | \$ 1,035,172 | \$ 1,067,796 | \$ 1,162,469 |
| Net Sales | \$ 7,518,753 | \$ 5,305,365 | \$ 5,441,426 | \$ 5,859,327 |
| Net Sales from Discontinued Operations | 320,678 | 1,291,461 | 1,339,866 | 1,391,225 |
| Net Sales including Discontinued Operations | \$ 7,839,431 | \$ 6,596,826 | \$ 6,781,292 | \$ 7,250,552 |
| Adjusted EBITDA Margin | 16.9 % | 15.7 % | 15.7 % | 16.0 % |

¹Adjusted EBITDA is calculated on a total Company basis, including both continuing and discontinued operations.

The following table sets forth the reconciliation of the GAAP financial measure of Diluted EPS to the Non-GAAP financial measure of Adjusted Diluted EPS for each of the years presented:

| | Twelve Months Ended | | | |
|---------------------------------------------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | December 31, 2025 | December 31, 2024 | December 31, 2023 | December 31, 2022 |
| Diluted EPS (GAAP) | \$ 10.07 | \$ 1.65 | \$ 4.80 | \$ 4.72 |
| Acquisition, integration and divestiture-related costs ² | 0.52 | 1.16 | 0.20 | 0.53 |
| Changes in LIFO inventory reserves | — | (0.05) | (0.09) | 0.22 |
| Amortization of acquisition intangibles | 1.43 | 0.76 | 0.66 | 0.62 |
| Restructuring/Asset impairment charges | 0.49 | 0.56 | 0.44 | 0.46 |
| (Gain)/Loss on divestiture of business | (7.33) | 0.22 | (0.60) | — |
| Other expenses, net | — | 0.77 | (0.30) | — |
| Non-operating pension costs | 0.09 | 0.11 | 0.11 | 0.05 |
| Net losses/(gains) from derivatives | 0.01 | (0.05) | (0.01) | 0.07 |
| Other adjustments | 0.43 | (0.24) | 0.05 | (0.19) |
| Total adjustments | (4.36) | 3.24 | 0.46 | 1.76 |
| Adjusted Diluted EPS | \$ 5.71 | \$ 4.89 | \$ 5.26 | \$ 6.48 |

Due to rounding, individual items may not sum appropriately.

The following tables reconcile segment operating profit, the closest GAAP measure of profitability, to Segment Adjusted EBITDA.

**Segment Adjusted EBITDA and All Other Adjusted EBITDA, Adjusted EBITDA Margin Reconciliation
For the Twelve Months Ended December 31, 2025**

Excludes results of discontinued operations

| <i>Dollars in thousands</i> | Consumer Packaging segment | Industrial Paper Packaging segment | All Other | Corporate | Total |
|---------------------------------------------------------------------|-------------------------------------------|-------------------------------------------------------|------------------|--------------------|---------------------|
| Segment and Total Operating Profit | \$ 626,920 | \$ 312,454 | \$ 50,813 | \$ 27,548 | \$ 1,017,735 |
| Adjustments: | | | | | |
| Depreciation and amortization ¹ | 209,618 | 118,889 | 8,729 | 182,431 | 519,667 |
| Other expense ² | — | — | — | (27,481) | (27,481) |
| Equity in earnings of affiliates, net of tax | 226 | 9,297 | — | — | 9,523 |
| Restructuring/Asset impairment charges, net ³ | — | — | — | 66,215 | 66,215 |
| Changes in LIFO inventory reserves ⁴ | — | — | — | 58 | 58 |
| Acquisition, integration and divestiture-related costs ⁵ | — | — | — | 54,158 | 54,158 |
| Gain on divestiture of business ⁶ | — | — | — | (371,717) | (371,717) |
| Net loss from derivatives ⁷ | — | — | — | 1,730 | 1,730 |
| Other non-GAAP adjustments | — | — | — | 4,335 | 4,335 |
| Segment Adjusted EBITDA | \$ 836,764 | \$ 440,640 | \$ 59,542 | \$ (62,723) | \$ 1,274,223 |
| Net Sales | \$4,874,291 | \$2,299,233 | \$345,229 | | |
| Segment Operating Profit Margin | 12.9 % | 13.6 % | 14.7 % | | |
| Segment Adjusted EBITDA Margin | 17.2 % | 19.2 % | 17.2 % | | |

¹Included in Corporate is the amortization of acquisition intangibles associated with the Consumer segment of \$160,272, the Industrial segment of \$21,585, and All Other of \$574.

²These expenses relate to charges from third-party financial institutions related to our centralized treasury program under which the Company sells certain trade accounts receivables in order to accelerate its cash collection cycle primarily within the Consumer segment.

³Included in Corporate are restructuring/asset impairment charges associated with the Consumer segment of \$54,200, the Industrial segment of \$8,307, and All Other of \$5.

⁴Included in Corporate are changes in LIFO inventory reserves associated with the Consumer segment of \$1,062 and the Industrial segment of \$(1,004).

⁵Included in Corporate are acquisition, integration and divestiture-related costs associated with the Consumer segment of \$21,992 and the Industrial segment of \$623.

⁶Included in Corporate are net gains on divestiture of businesses associated with All Other of \$(378,014) from the sale of ThermoSafe and a gain associated with the Industrial segment of \$(1,207) from the sale of a production facility in France. These gains were partially offset by losses of \$5,390 related to the sale of the Company's operations in Venezuela and \$2,114 from the sale of a recycling facility in Asheville, North Carolina, both part of the Industrial segment.

⁷Included in Corporate are net losses from derivatives associated with the Consumer segment of \$166, the Industrial segment of \$1,497, and All Other of \$67.

**Segment Adjusted EBITDA and All Other Adjusted EBITDA, Adjusted EBITDA Margin Reconciliation
For the Twelve Months Ended December 31, 2024**

Excludes results of discontinued operations

| <i>Dollars in thousands</i> | Consumer Packaging segment | Industrial Paper Packaging segment | All Other | Corporate | Total |
|---------------------------------------------------------------------|-------------------------------------------|-------------------------------------------------------|------------------|--------------------|-------------------|
| Segment and Total Operating Profit | 294,832 | 271,654 | 53,278 | (293,186) | \$ 326,578 |
| Adjustments: | | | | | |
| Depreciation and amortization ¹ | 109,355 | 116,149 | 11,962 | 78,595 | 316,061 |
| Equity in earnings of affiliates, net of tax | 365 | 9,223 | — | — | 9,588 |
| Restructuring/Asset impairment charges, net ² | — | — | — | 65,370 | 65,370 |
| Changes in LIFO inventory reserves ³ | — | — | — | (6,263) | (6,263) |
| Acquisition, integration and divestiture-related costs ⁴ | — | — | — | 91,600 | 91,600 |
| Loss on divestiture of business and other assets ⁵ | — | — | — | 23,452 | 23,452 |
| Net gains from derivatives ⁶ | — | — | — | (7,225) | (7,225) |
| Other non-GAAP adjustments | — | — | — | 982 | 982 |
| Segment Adjusted EBITDA | \$ 404,552 | \$ 397,026 | \$ 65,240 | \$ (46,675) | \$ 820,143 |
| Net Sales | 2,531,852 | 2,349,488 | 424,025 | | |
| Segment Operating Profit Margin | 11.6 % | 11.6 % | 12.6 % | | |
| Segment Adjusted EBITDA Margin | 16.0 % | 16.9 % | 15.4 % | | |

¹Included in Corporate is the amortization of acquisition intangibles associated with the Consumer segment of \$52,144, the Industrial segment of \$25,619, and All Other of \$832.

²Included in Corporate are restructuring/asset impairment charges associated with the Consumer segment of \$19,259, the Industrial segment of \$33,923, and All Other of \$1,434.

³Included in Corporate are changes in LIFO inventory reserves associated with the Consumer segment of \$(5,780) and the Industrial segment of \$(483).

⁴Included in Corporate are acquisition, integration and divestiture-related costs associated with the Consumer segment of \$9,052 and the Industrial segment of \$(3,600).

⁵Included in Corporate are net losses from the divestiture of businesses within the Industrial segment of \$24,357, including a loss of \$25,607 from the sale of two production facilities in China, partially offset by a gain of \$(1,250) from the sale of the S3 business, and a gain on divestiture of businesses associated with All Other of \$(905) related to the sale of Protexic.

⁶Included in Corporate are net gains from derivatives associated with the Consumer segment of \$(1,202), the Industrial segment of \$(5,174), and All Other of \$(849).

**Segment Adjusted EBITDA and All Other Adjusted EBITDA, Adjusted EBITDA Margin Reconciliation
For the Twelve Months Ended December 31, 2023**

Excludes results of discontinued operations

| <i>Dollars in thousands</i> | Consumer Packaging segment | Industrial Paper Packaging segment | All Other | Corporate | Total |
|---------------------------------------------------------------------|-------------------------------------------|-------------------------------------------------------|------------------|--------------------|-------------------|
| Segment and Total Operating Profit | 285,762 | 317,917 | 85,148 | (99,778) | 589,049 |
| Adjustments: | | | | | |
| Depreciation, depletion and amortization ¹ | 95,340 | 104,723 | 14,643 | 67,323 | 282,029 |
| Equity in earnings of affiliates, net of tax | 564 | 9,783 | — | — | 10,347 |
| Restructuring/Asset impairment charges ² | — | — | — | 47,909 | 47,909 |
| Changes in LIFO inventory reserves ³ | — | — | — | (11,817) | (11,817) |
| Acquisition, integration and divestiture-related costs ⁴ | — | — | — | 24,624 | 24,624 |
| Gain on divestiture of business and other assets ⁵ | — | — | — | (78,929) | (78,929) |
| Net gains from derivatives ⁶ | — | — | — | (1,912) | (1,912) |
| Other non-GAAP adjustments ⁷ | — | — | — | 10,326 | 10,326 |
| Segment Adjusted EBITDA | \$ 381,666 | \$ 432,423 | \$ 99,791 | \$ (42,254) | \$ 871,626 |
| Net Sales | 2,471,048 | 2,374,113 | 596,265 | | |
| Segment Operating Profit Margin | 11.6 % | 13.4 % | 14.3 % | | |
| Segment Adjusted EBITDA Margin | 15.4 % | 18.2 % | 16.7 % | | |

¹ Included in Corporate is the amortization of acquisition intangibles associated with the Consumer segment of \$44,250, the Industrial segment of \$16,121, and All Other of \$6,952.

² Included in Corporate are restructuring/asset impairment charges associated with the Consumer segment of \$4,111, the Industrial segment of \$38,754, and All Other of \$2,547.

³ Included in Corporate are changes in LIFO inventory reserves associated with the Consumer segment of \$(10,915) and the Industrial segment of \$(902).

⁴ Included in Corporate are acquisition, integration, and divestiture-related costs associated with the Consumer segment of \$1,171 and the Industrial segment of \$5,810.

⁵ Included in Corporate are gains from the sale of the Company's timberland properties in the amount of \$(60,945), the sale of its S3 business in the amount of \$(11,065), and the sales of its BulkSak businesses in the amount of \$(6,919), all of which are associated with the Industrial segment.

⁶ Included in Corporate are net gains from derivatives associated with the Consumer segment of \$(257), the Industrial segment of \$(1,290), and All Other of \$(365).

⁷ Included in Corporate are other non-GAAP adjustments associated with the Industrial segment of \$3,762 and All Other of \$3,249.

**Segment Adjusted EBITDA and All Other Adjusted EBITDA, Adjusted EBITDA Margin Reconciliation
For the Twelve Months Ended December 31, 2022**

Excludes results of discontinued operations

| <i>Dollars in thousands</i> | Consumer Packaging segment | Industrial Paper Packaging segment | All Other | Corporate | Total |
|---------------------------------------------------------------------|-------------------------------------------|-------------------------------------------------------|------------------|--------------------|-------------------|
| Segment and Total Operating Profit | 442,156 | 327,859 | 58,240 | (264,900) | 563,355 |
| Adjustments: | | | | | |
| Depreciation, depletion and amortization ¹ | 84,049 | 91,944 | 14,277 | 60,263 | 250,533 |
| Equity in earnings of affiliates, net of tax | 485 | 13,722 | — | — | 14,207 |
| Restructuring/Asset impairment charges ² | — | — | — | 52,385 | 52,385 |
| Changes in LIFO inventory reserves ³ | — | — | — | 28,445 | 28,445 |
| Acquisition, integration and divestiture-related costs ⁴ | — | — | — | 70,210 | 70,210 |
| Net gains from derivatives ⁵ | — | — | — | 8,767 | 8,767 |
| Other non-GAAP adjustments | — | — | — | (380) | (380) |
| Segment Adjusted EBITDA | \$ 526,690 | \$ 433,525 | \$ 72,517 | \$ (45,210) | \$ 987,522 |
| Net Sales | 2,564,004 | 2,684,563 | 610,760 | | |
| Segment Operating Profit Margin | 17.2 % | 12.2 % | 9.5 % | | |
| Segment Adjusted EBITDA Margin | 20.5 % | 16.1 % | 11.9 % | | |

¹ Included in Corporate is the amortization of acquisition intangibles associated with the Consumer segment of \$42,058, the Industrial segment of \$8,053, and All Other of \$10,152.

² Included in Corporate are restructuring/asset impairment charges associated with the Consumer segment of \$9,180, the Industrial segment of \$24,745, and All Other of \$(69).

³ Included in Corporate are changes in LIFO inventory reserves associated with the Consumer segment of \$26,753 and the Industrial segment of \$1,692.

⁴ Included in Corporate are acquisition, integration, and divestiture-related costs associated with the Consumer segment of \$38,690 and the Industrial segment of \$1,885.

⁵ Included in Corporate are net gains from derivatives associated with the Consumer segment of \$1,332, the Industrial segment of \$5,788, and All Other of \$1,646.

UFCF and UFCF Conversion

The reconciliation of the GAAP measure “Purchases of property, plant and equipment” and “Proceeds from the sale of assets, net” to the non-GAAP measure of “Net capital expenditures,” along with the inputs for calculating “UFCF” and “UFCF Conversion” are set forth in the table below:

| | Twelve Months Ended | | | |
|--------------------------------------------|----------------------|----------------------|----------------------|----------------------|
| | December 31, 2025 | December 31, 2024 | December 31, 2023 | December 31, 2022 |
| Adjusted EBITDA | \$ 1,324,010 | \$ 1,035,172 | \$ 1,067,796 | \$ 1,162,469 |
| Purchases of property, plant and equipment | (344,023) | (393,235) | (363,077) | (328,769) |
| Proceeds from the sale of assets, net | 46,968 | 15,649 | 80,339 | 9,621 |
| Net capital expenditures | (297,055) | (377,586) | (282,738) | (319,148) |
| UFCF | \$ 1,026,955 | \$ 657,586 | \$ 785,058 | \$ 843,321 |
| UFCF Conversion | 78 % | 64 % | 74 % | 73 % |

UFCF is a measure of cash generated by the Company available to all capital providers, both debt and equity holders. It may not represent the amount of cash flow available for general discretionary use because it excludes interest expense and debt repayments.

Net Leverage

The reconciliation of the GAAP measure “Total Debt” to the non-GAAP measure of “Net Debt,” along with the inputs for calculating “Net Leverage” are set forth in the table below:

| | December 31, 2025 | December 31, 2024 | December 31, 2023 | December 31, 2022 |
|------------------------------|----------------------|----------------------|----------------------|----------------------|
| Total Debt | \$ 4,326,925 | \$ 7,040,021 | \$ 3,036,936 | \$ 3,222,223 |
| Less: Cash | 378,398 | 431,010 | 138,895 | 227,438 |
| Net Debt | \$ 3,948,527 | \$ 6,609,011 | \$ 2,898,041 | \$ 2,994,785 |
| Adjusted EBITDA ¹ | \$ 1,324,010 | \$ 1,035,172 | \$ 1,067,796 | \$ 1,162,469 |
| Net Leverage | 3.0 | 6.4 | 2.7 | 2.6 |

¹ The reconciliation of the GAAP measure “Net income attributable to Sonoco” to the non-GAAP measure “Adjusted EBITDA” is provided herein.