

PEOPLE AND PACKAGING

WITH A PURPOSE

At Sonoco, we bring more to packaging than just the package. Our integrated packaging solutions help define brand personalities, create unique customer interactions and improve the quality of products and the quality of life for people around the world. We do all of this in the service of our purpose: *Better Packaging. Better Life.* We take our corporate responsibility seriously, and our purpose helps define our commitments to enhancing the experiences of our customers, colleagues, communities and shareholders.

Sonoco has used the Global Reporting Initiative (GRI) standards to define the content of our 2021-22 *Corporate Responsibility Report*. These guidelines form a voluntary framework of principles and indicators used to measure and report economic, environmental and social standards of the Company. They also provide a standard of comparison among Sonoco and our peers.

We have performed a quantitative, stakeholder-driven materiality assessment to identify and prioritize the sustainability issues that impact Sonoco and its stakeholders. This report reflects our materiality assessment and the progress we have made in meeting our stakeholder commitments. We have carefully considered Company data and projects from 2021 and 2022 and how those projects affect our customers, shareholders, associates, suppliers and the communities we serve.

We are incorporating the 17 Sustainable Development Goals established by the United Nations in their 2030 Agenda for Sustainable Development as a benchmark for our progress across a spectrum of initiatives to promote prosperity, while protecting our planet. Where applicable, our efforts will be identified by using the graphic icons developed by the UN to represent a focus on one of the 17 different goals.

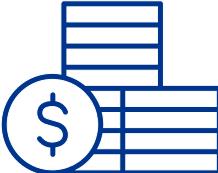
SONOCO 2021-2022 CORPORATE RESPONSIBILITY REPORT



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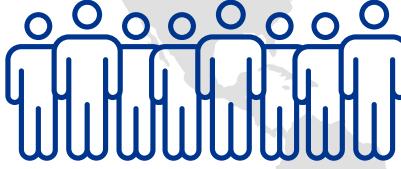
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SONOCO OVERVIEW

 **\$5.6 BILLION
2021 NET SALES**

**\$7.25-\$7.5 BILLION
PROJECTED 2022 NET SALES**



22,000+ GLOBAL TEAMMATES  IN **32** COUNTRIES 

300+ OPERATIONS

FINANCIAL REPORTING SEGMENTS
 CONSUMER PACKAGING  INDUSTRIAL/PAPER PACKAGING  ALL OTHER

MARKETS WE SERVE

FOOD & BEVERAGE
BEAUTY & PERSONAL CARE
HOUSEHOLD
HEALTHCARE

CONSTRUCTION
TEXTILES
AUTOMOTIVE
ELECTRONICS & APPLIANCES

ONE SONOCO OPERATING PRINCIPLES

Guiding Principle:

People Build Businesses
by Doing the Right Thing

Better Packaging. Better Life.®

Mission: To create sustainable packaging solutions that help build our customers' brands, enhance the quality of their products, and improve the quality of life for people around the world

Our Core Values

We are only as strong as our people

Respect: We value and celebrate the unique perspectives of everyone

Teamwork: We win together by hard work, persistence and trusting each other

Service: We will place the needs of others before our own

Integrity: We will treat people the way we hope to be treated

Accountability: We believe actions speak louder than words

Promises

Customers: We will stand by our commitments and our products

Teammates: We will create caring, safe and fulfilling work environments

Shareholders: We will protect their investment and provide for them a reasonable return

Suppliers: We will base our relationships on fairness and performance

Communities: We will be good neighbors

Key Focus Areas

People

- Talented and Engaged
- Diverse and Included



Safety

- Create a safe working environment



Customer Experience and Quality

- Value creating solutions



Process Excellence

- Drive continuous improvement
 - Sonoco Performance System
 - Optimal supply chain



Sustainability

- Increase recyclability of our products
- Address global climate change

Financial Priorities

Target average annual double-digit total return to shareholders through:

- Dividend growth
- Profitable revenue growth and margin expansion
- Focused working capital management
- Strong return on invested capital
- Maintain investment grade credit rating and dividend elite status

STATEMENT OF INTENT

Become the acknowledged packaging industry leader in creating and enhancing a sustainable future that benefits all of Sonoco's stakeholders through improvement of economic performance, social responsibility and environmental stewardship.

PRINCIPLES OF CORPORATE RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT

- Customer commitment
- Governance and integrity
- Financial performance
- Strategic leadership
- Environmental responsibility
- Employee health, safety and development
- Stakeholder engagement and communication
- Community support and philanthropy

SUSTAINABLE DEVELOPMENT GOALS



Forward-looking Statements: Any statements of the Company's or management's expectations, beliefs, goals and forecasts in this document, including but not limited to our ability to reach certain sustainability targets and goals, levels of production and efficiency, new product development and talent acquisition and performance targets, constitute "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Such statements are based on currently available information and are subject to various risks and uncertainties that could cause actual results to differ materially from the Company's present expectations. These risks and uncertainties include, but are not limited to, inflation and volatility in raw material and energy costs, cutbacks in consumer spending that reduce demand for the Company's products, continuing pressure for lower cost and recyclable products, the Company's ability to implement its business strategies, including productivity initiatives, cost reduction plans and integration activities. Undue reliance should not be placed on such forward-looking statements, as such statements speak only as of the date on which they are made, and the Company undertakes no obligation to update such statements except as required by law. Additional information regarding these and other risks is contained in the Company's periodic filings with the Securities and Exchange Commission.

COMMITMENT TO OUR STAKEHOLDERS

OUR JOURNEY TO GROW OUR GLOBAL SUSTAINABLE PACKAGING BUSINESS CONTINUES WHILE WE WORK TO LESSEN OUR IMPACT ON THE ENVIRONMENT



Howard Coker, President and Chief Executive Officer

COMMITMENT TO OUR STAKEHOLDERS

Sonoco's purpose is *Better Packaging, Better Life*. This means we are committed to creating sustainable packaging solutions that help build our customers' brands, enhance the quality of their products and improve the quality of life for our stakeholders around the world. We believe our value-creation strategy—to be the benchmark company for yield and stability in the packaging industry—will make Sonoco *Better than Ever*.

Packaging plays an essential role in providing sustainable and safe delivery systems for food and other essential products around the world. We believe that we can grow our global sustainable packaging business while we work to lessen our impact on the environment. Our journey to achieve these mutually beneficial goals continued over the past year despite unprecedented headwinds from supply chain disruptions, inflation and the continuing effects of the COVID-19 pandemic.

Sonoco is dedicated to operating with sustainability at the forefront of our strategy and committed to making investments to expand our circular-adapted products. On January 26, 2022, we completed the \$1.35 billion acquisition of Ball Metalpack, a leading manufacturer of sustainable, steel tinplate food and aerosol containers, along with closures and packaging components. This complementary addition fits our strategy by increasing our can-making franchise, expanding into more recession-resistant consumer markets and growing Sonoco's already established sustainable packaging portfolio to include tinplate packaging—the world's most recycled substrate. To help fund the acquisition, we successfully issued \$1.2 billion in certified Green Bonds, one of the largest sustainable bond offerings ever made in the US packaging sector.

COMMITMENT TO OUR STAKEHOLDERS

The Science Based Targets initiative (SBTi) is a partnership between CDP, the United Nations Global Compact, World Resources Institute and the World Wildlife Fund for Nature. According to the SBTi, their science-based targets show organizations how much and how quickly they need to reduce their greenhouse gas (GHG) emissions to prevent the worst effects of climate change. A company's targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement - limiting global warming to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C. By having our GHG reduction targets approved by SBTi, Sonoco joins over 1,500 companies taking action with science-based targets for emission reduction goals.

OUR SUSTAINABILITY JOURNEY

Since we first started tracking our environmental performance in 2009, we have reduced normalized greenhouse gas emissions by 25% while decreasing both water usage and solid waste.

Last year, we stepped up our commitment by setting new targets to reduce our global greenhouse gas emissions in line with the Paris Climate Agreement —to limit global temperatures to warming to well-below 2-degrees above pre-industrial levels. Our targets, approved by the Science Based Targets initiatives (SBTi), are focused on reducing absolute Scope 1 and 2 greenhouse gas emissions by 25% and absolute Scope 3 greenhouse gas emissions by 13.5% by 2030. In addition, we are actively studying necessary operational changes, technology developments and market changes required to achieve net-zero greenhouse gas emission by 2050. In order to meet these targets, each of our more than 300 global manufacturing operations are working to reduce greenhouse gas emission by investing in energy efficiency and renewable energy projects, purchasing power from



certified green energy sources and implementing operational excellence processes to continuously reduce energy usage.

As the economy and the markets we serve rebounded following the COVID-19 lockdowns, we saw customer demand and our revenues increase 7% in 2021. We continued to make progress toward our long-term targets to significantly lower carbon emissions. We made investments to improve the efficiency of plant boilers, compressed air, LED lighting, vacuum systems, HVAC systems and process chillers. We started building renewable energy installations and we are entering programs to purchase lower carbon power in both the US and Europe. These actions are projected to cumulatively reduce Scope 1 and 2 GHG emissions by 25% by 2030. Furthermore, we are making targeted investments to reduce water usage and are conducting a water risk study at certain manufacturing facilities using World Resource Institute (WRI) Aqueduct, World Wildlife Fund (WWF) Water Risk Filter or similar tools.

INVESTING IN SUSTAINABILITY

A key focus of our strategy is to increase investment in our people and technology to better drive organic growth and improve the efficiency of our operations while reducing their environmental impact.

COMMITMENT TO OUR STAKEHOLDERS



Project Horizon

Creating A Brighter Future For Our URB System

In 2022, we expect to increase these ‘investing in ourselves’ actions to \$325 million, a nearly one-third increase from 2021. We are nearing the completion of our \$125 million investment in Project Horizon which is converting our Hartsville corrugated medium machine into a state-of-the-art 180,000 ton-per-year uncoated recycled paperboard mill, the largest and most efficient uncoated recycled board (URB) machine in the US. This new paper machine will increase Sonoco’s use of 100% recycled fiber, reduce water usage by approximately 1 million gallons annually and lower greenhouse gas emissions.

In addition, we are making new investments in renewable energy to further drive reductions of greenhouse gas emissions. We have used solar power in several of our operations in Europe and the US over the years and are installing new solar panels at our New Jersey paper can plant in 2022. We expect to add several solar power projects to our facilities globally over the next few years which we expect to not only reduce carbon emission but generate returns greater than our cost of capital.



CIRCULAR ECONOMY ACTIONS

As a top 10 recycler in the US, with recycling capabilities across the globe, Sonoco is uniquely positioned to understand the challenges of packaging associated with both the beginning and end of life. We are improving packaging design and developing new products and manufacturing capabilities to bring sustainable products to our customers. We also are investing in infrastructure within our material recovery facilities (MRFs) and mills to expand the slate of packaging that can be successfully collected, sorted and processed. As a result, we recycled or caused to be recycled more than 101%, equivalent by weight, of products we put in the marketplace.

By working across the value chain, we have used innovation and partnerships to build a proprietary fit-for-purpose packaging line, EnviroSense®. This portfolio includes packaging with increased recycled content and recyclability, among other sustainable attributes, and is represented across our portfolio from our iconic steel tinplate and paper-based containers to mono-material flexible packaging and recyclable thermoformed plastic containers. It also includes packaging with bio-based materials such as our partnership with Tellus, a producer of the Natrellis™ line of dual-ovenable, sugar cane pulp bowls and trays. You will find more examples of our EnviroSense® products later in this report.



COMMITMENT TO OUR STAKEHOLDERS

DIVERSITY AND INCLUSION

Our core values of Respect, Teamwork, Service, Integrity and Accountability are built around the premise that “we are only as strong as our people.” Sonoco embraces Diversity and Inclusion, and we strive to translate our values and beliefs about people into an organization that reflects the diversity of our customers and the communities where we live and work. Our global workforce is 26% female, and 34% of our US employees identify as a racial minority. Our Diversity and Inclusion goals are focused on increasing representation of women and racial minorities into more salaried and senior leadership positions. We are working toward this



goal by increasing hiring, development and promotion, as well as focusing on retention efforts. We made significant progress in talent acquisition during 2021, despite a challenging labor market. In the US, 44% of hires were female and 34% were a member of a minority group. In addition, we have had a dedicated Supplier Diversity program since 2004, and since 2010, we have spent approximately \$1.9 billion with certified, diverse suppliers.

ESG RECOGNITIONS

We were pleased that our efforts to reduce environmental, social and governance (ESG) risks have led to Sonoco being ranked first in the Packaging sector on *Fortune's* World's Most Admired Companies, recognized on Barron's 100



Most Sustainable Companies for the fourth consecutive year, and listed by *Newsweek* as one of America's Most Responsible Companies, to name a few. Sonoco also has been accepted by the UN Global Compact and joins more than 14,000 companies globally that are supporting the agency's Sustainable Development Goals.

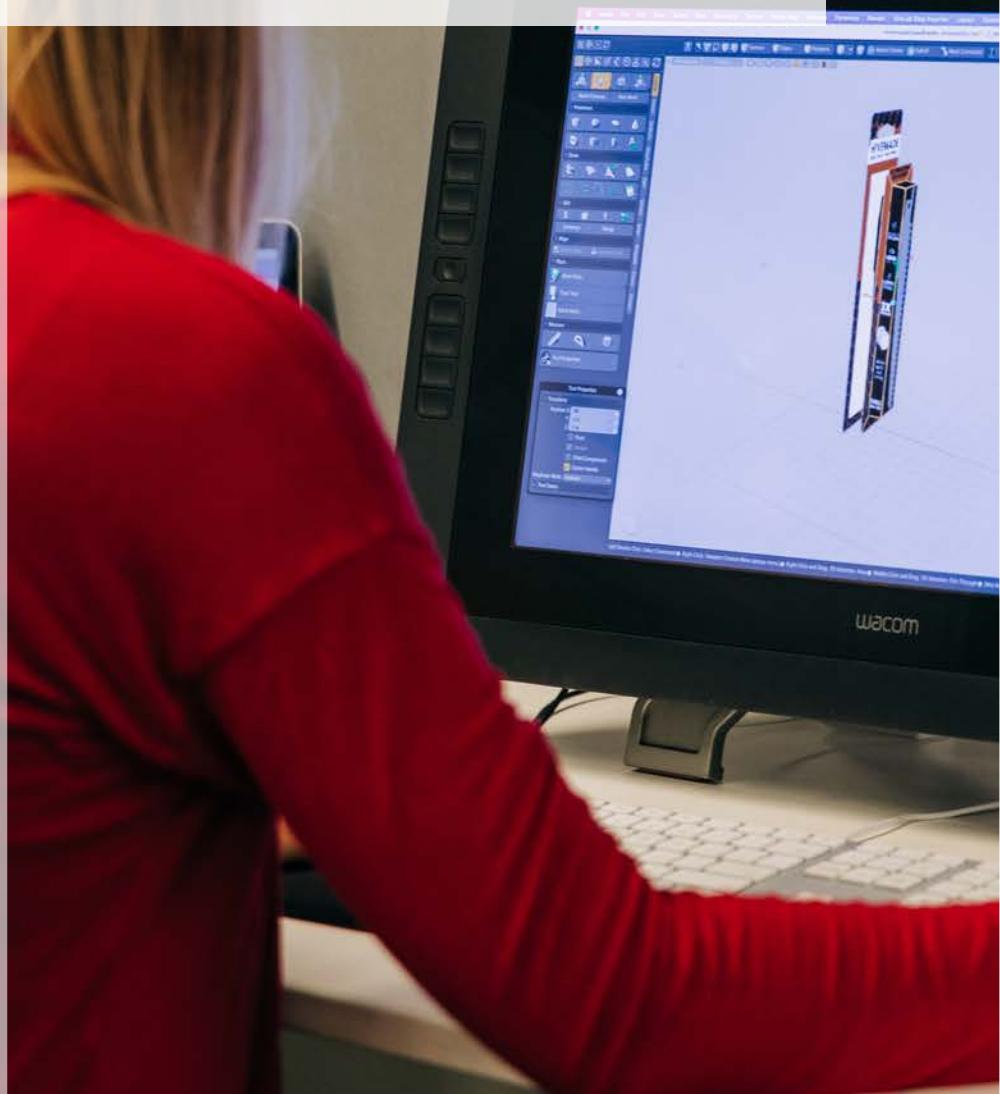
Achieving our dual targets of business growth and environmental improvement can only be achieved with the continued dedication and support of our people, our customers and the communities where we live and work. There are no simple solutions, but we are focused on attacking the problem and taking appropriate actions over the next decade. If you would like to know more about Sonoco's sustainability journey and how we can work together to achieve our sustainability targets, please contact us at sonoco.sustainability@sonoco.com or review our sustainability hub at www.sonoco.com/sustainability.

A handwritten signature in black ink that reads "Howard Coker".

Howard Coker
President and Chief Executive Officer
August 3, 2022

BRINGING SUSTAINABILITY FULL CIRCLE

WE BUILD SUSTAINABILITY INTO EVERY AREA OF OUR BUSINESS
AND EXPLAIN OUR PRACTICES IN TERMS OF CIRCULARITY.



BRINGING SUSTAINABILITY FULL CIRCLE

AT SONOCO, WE BELIEVE A HOLISTIC SUSTAINABILITY APPROACH LEADS TO SUCCESSFUL EXECUTION

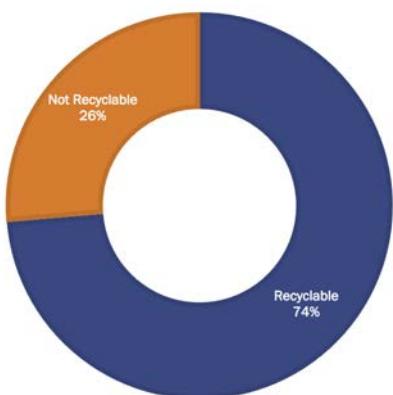
In order to drive our sustainability strategy, we have established a number of metrics to ensure we are continuing to make progress towards our vision of leading the world's transition to more sustainable packaging. These key metrics include our Science Based

Targets initiative validated greenhouse gas emission reduction targets.

However, beyond our vigorous emissions reductions targets and product strategies, we have also incorporated life cycle assessments (LCA) in our development process to ensure we make educated decisions to inform future sustainable innovations.

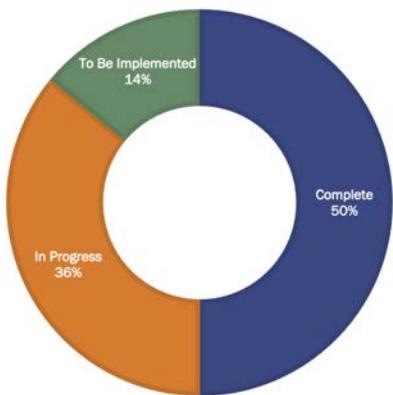
Take a moment to review our 2025 and newly established 2030 targets along with additional guiding metrics as we work to bring sustainability full circle.

RIGID PLASTICS RECYCLABILITY METRIC



This graph is representative of our rigid plastics portfolio of products, demonstrating 74% of products are eligible for a recyclability claim / label.

OPERATION CLEAN SWEEP IMPLEMENTATION STATUS



One of our 2025 goals was to recycle or cause to be recycled 85% equivalent by weight, of products we put into the marketplace.

We have already exceeded this goal, hitting 101% in 2021.



BRINGING SUSTAINABILITY FULL CIRCLE

MANUFACTURING TO ENSURE A SUSTAINABLE FUTURE

2025 CORPORATE SUSTAINABILITY COMMITMENTS



We will increase the equivalent, by weight, the amount we recycle or cause to be recycled from 65% to 85% relative to the volume of product we put into the marketplace by 2025.



We will ensure approximately 75% of our global rigid plastic packaging is capable of making the relevant on-package recyclable claim by 2025.



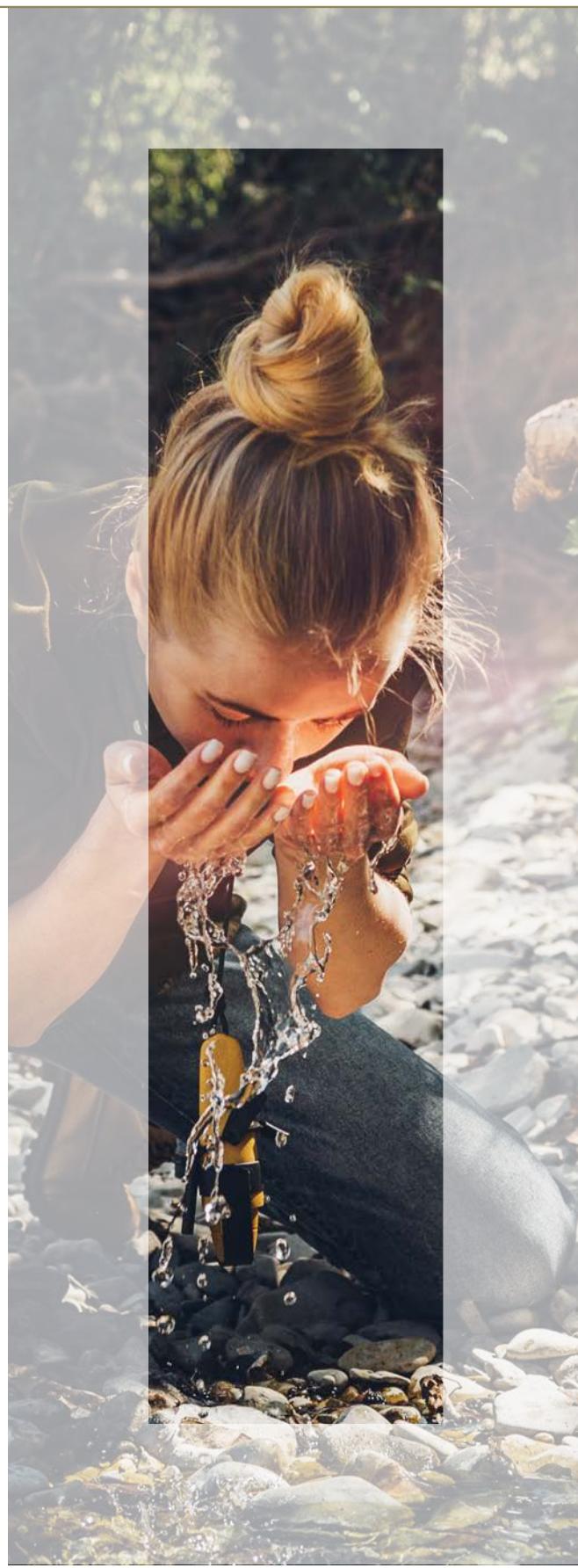
We will ensure all our production facilities utilizing plastic pellets have systems to prevent environmental discharges. Additionally, we will not utilize resin additives that purport to degrade in landfills or waterways by simply breaking up into smaller pieces.



We are committed to work closely with our customers to help them achieve their post-consumer recycled content commitments.



By 2024, Sonoco will conduct water risk studies at our manufacturing facilities, which account for at least 90% of our water usage using WRI Aqueduct, WWF Water Rich Filter or similar tools.





BRINGING SUSTAINABILITY FULL CIRCLE

CHALLENGING OURSELVES TO CREATE A BETTER WORLD

2030 CORPORATE SUSTAINABILITY COMMITMENTS



Sonoco will reduce its absolute Scope 1 and 2 emissions at least 25% by 2030 (2020 baseline).



Sonoco, in cooperation with its suppliers and customers, will reduce its Scope 3 emissions in line with the 2°C Absolute Contraction Approach resulting in 13.5% absolute Scope 3 emissions reduction by 2030 (2019 baseline).

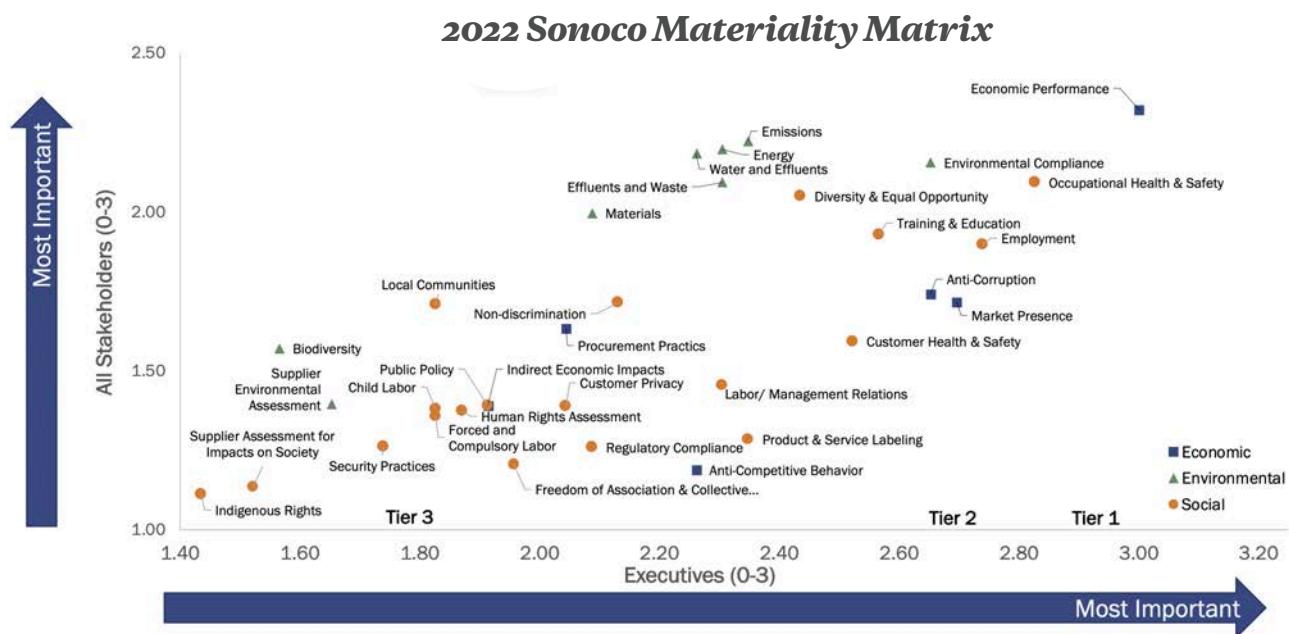


Sonoco will continue energy efficiency improvement in its manufacturing plants and reduce energy usage by at least 8% by 2030 (2020 baseline).

BRINGING SUSTAINABILITY FULL CIRCLE

MATERIALITY AND RISK ASSESSMENT

Sonoco completed a materiality assessment this year to ensure stakeholder groups, customers, suppliers, peers, shareholders, non-government organizations, community leaders, regulators/governmental, and employees are informed and engaged in Sonoco's focus and operations regarding issues that are a top priority for stakeholders. This assessment is conducted every few years and topics found to be most material to Sonoco are shared in the Corporate Responsibility Report and GRI Content Index.



In congruence with the materiality assessment, an Enterprise Risk Management (ERM) Program is conducted to determine issues that pose the greatest risk to Sonoco. Every 5 years, including 2021, Sonoco engages an outside firm to perform an independent assessment of the ERM Program. During an ERM survey of Sonoco's leaders in 2022, 10 top risks were identified as presented to the right.

Enterprise Risk Management

RISK CATEGORY	RISK
Information Technology Risks	<ul style="list-style-type: none"> - Cyber Security - IT Infrastructure
Operational Risks	<ul style="list-style-type: none"> - Political instability - Business continuity - Commodity price volatility - Energy price volatility - Production facilities/employee safety
Legal & Compliance Risks	<ul style="list-style-type: none"> - Data Privacy Risk
Strategic Risks	<ul style="list-style-type: none"> - Reputation & investor confidence - Diversification of geographic production

Top 10 risks as identified in the 2022 ERM assessment. Sonoco continues to monitor all aspects of risk annually and proactively mitigate them.

LEADERSHIP

**AT SONOCO, SUSTAINABILITY
STARTS AT THE TOP.**



Our packaging begins its sustainability journey as the product of an ethos. We envision a cradle-to-cradle product life cycle that's better for our planet and better for you and your customers. That's why we've made sustainability a part of everything we do.



**Elizabeth Rhue, Vice President
Global Environmental, Sustainability,
and Technical Services**

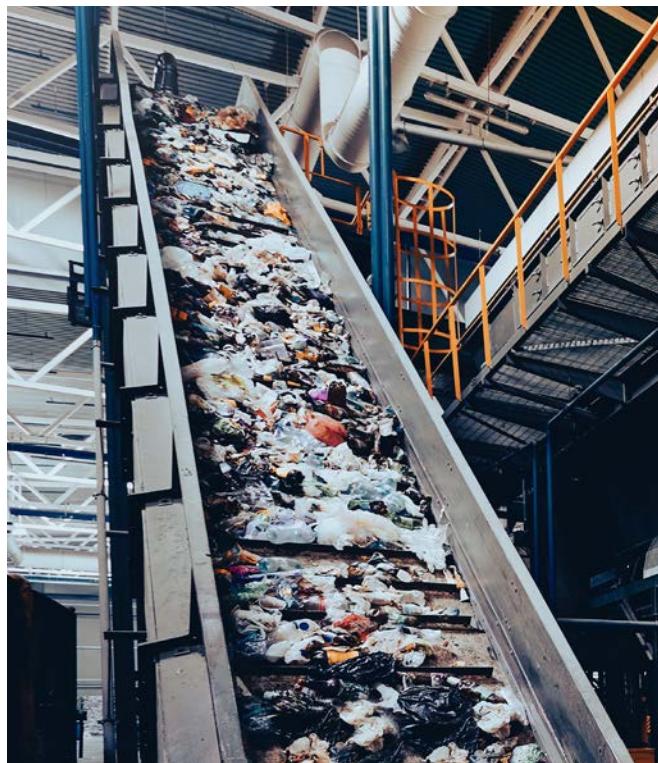
Vision: to lead the world's transition to more sustainable packaging. This short sentence represents so much to Sonoco and our sustainability teams as we look to understand what commitments, data collection systems, risk mitigation plans, and technical and operational changes we, in fact, must put in place to ensure that are leading a transition to more sustainable packaging. It also means we must show leadership - leading our teammates, our customers, our suppliers, and other stakeholders towards this vision.

When we revamped our sustainability organization and leadership in late 2020, we recognized we had the desire to reduce our environmental impact of our products and operations and were willing to make those commitments, but we ultimately had to determine how to best put those commitments into action. For much of 2021, our sustainability and environmental teams along with our teammates in our more than 300 operations across the globe have been doing just that - putting our commitments to action.

Some of those actions are strategic in nature - identifying risks and opportunities and prioritizing efforts based on those risks and/or opportunities; identifying strategic focus areas; and establishing the right internal and external collaboration partners. Some of our actions have been organizational, including establishing a team structure to support the global needs of the Company, establishing regular communication channels with key stakeholders, and establishing the appropriate data collection systems.



LEADERSHIP



Our efforts extend into each of our business units, ensuring robust sustainability roadmaps that address risks and opportunities for our business, as well as project funnels for energy savings and GHG reduction. For the first time, starting in 2022, we are setting aside capital, specifically for sustainability-related capital expenses to ensure that sustainability needs were prioritized and not competing with other projects for funding. And of course, we continue to innovate around our packaging with expansion of our rigid paper containers, growth in our fiber-based protective packaging, and use of NIR detectable colorants in our thermoform packaging to name a few areas of focus.

While we continue to strive to put our plans into action, we recognize that we must ensure both our internal and external stakeholders are educated. To that end, we have launched an internal education series, In the Loop, which aims to



educate our internal teammates on sustainability-related projects so that they are better equipped to support our initiatives and those of our customers. We have also launched Sustainability Unpacked, a myth-busting series that aims to educate an external audience on a number of packaging and sustainability “myths.” In addition, we have provided customized training for our customers on a number of topics including marketing claims, recyclability, and policy trends.



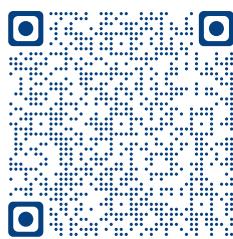
As we continue into 2022, our efforts will continue to evolve and our steps to meeting our 2025 and 2030 goals will become even more clear. We recognize that leading the world’s transition to more sustainable packaging is not easy, but we’re certainly up for the challenge.

Elizabeth Rhue
Vice President, Global Environmental and Sustainability

August 3, 2022

SUSTAINABILITY UNPACKED: EXPLORING AND DISCUSSING PACKAGING MYTHS AND MISCONCEPTIONS

Can you really find a package that protects the product, pops on the shelf, successfully passes all performance criteria, and has a strong sustainability claim? Can you design with sustainability in mind? And if you're a global brand, how do you procure a package that can adhere to recycling infrastructures at a global level? These are questions the industry faces every day and, believe it or not, there are a lot of myths and misconceptions about what packaging



**Scan the QR Code
above to view
the episode.**

formats are sustainable, what sustainability means, and if end-of-life considerations are the most critical component of



design. It can be challenging to navigate, so we decided to do the leg work in our myth-busting series Sustainability Unpacked.

Sonoco launched the pilot episode on May 4, 2022, with the second premiering on July 6 of the same year. Sonoco has finalized the filming of three additional episodes to premier through January 2023 so be on the lookout to learn more about packaging trends and industry initiatives and to see if those myths are true.

Key Environmental Metrics

KEY METRICS - ABSOLUTE AND NORMALIZED BY REVENUE	UNIT OF MEASURE	YEAR-OVER-YEAR PERCENTAGE CHANGE	2021 DATA
Total Energy Usage	MMBtu	-2.2%	19,257,312
Total Energy Usage (normalized)	MMBtu/\$1,000	-8.3%	3.445
Total Greenhouse Gas Emissions	mtons CO2e	2.6%	1,315,091
Total Greenhouse Gas Emissions (normalized)	mtton CO2e/\$1,000	-4.1%	0.235
Direct Emissions (Scope 1)	mttons CO2e	4.5%	737,266
Direct Emissions (Scope 1) (normalized)	mtton CO2e/\$1,000	-2.2%	0.132
Indirect Emissions (Scope 2 – Market based)	mttons CO2e	0.2%	577,825
Indirect Emissions (Scope 2 – Market based) (normalized)	mtton CO2e/\$1,000	-6.4%	0.103
Total Landfill Disposed	mttons	6.9%	260,177
Total Landfill Disposed (normalized)	mtton/\$1,000	2.2%	0.047
Total Water Usage	m3	-1.4%	23,647,692
Total Water Usage (normalized)	m3/\$1,000	-7.6%	4.230

Historical data referenced in this chart has been retrospectively revised to reflect changes in business structure (acquisitions and divestitures), and improvements in data collection, and so may differ from previously published reports. In addition to showing total usage of energy consumption, total greenhouse gas emissions (Scope 1 and Scope 2), total water usage and total landfill disposal, we compare these key environmental data points utilizing a normalized benchmark of measure across our diverse business mix to provide a more accurate comparison.



SONOCO'S BIODIVERSITY POLICY

SONOCO RECOGNIZES THE IMPORTANCE OF CONSERVING BIODIVERSITY AND IS COMMITTED TO BEING A RESPONSIBLE STEWARD OF THE LAND WE MANAGE AND TO CONDUCTING OUR OPERATIONS IN A SUSTAINABLE MANNER. SONOCO IS COMMITTED TO PRESERVING OR ENHANCING BIODIVERSITY BY OPERATING IN A MANNER THAT AIMS TO MINIMIZE OUR ENVIRONMENTAL IMPACTS AND PROMOTE SUSTAINABLE LAND USE.

To meet this Commitment, we will ensure the following:

Our forest land operations are certified under the Sustainability Forestry Initiative Standard 2015-2019 Forest Management Standard

Our paper mills use 100% recycled fiber and many of Sonoco's global mills are certified by one or more fiber certification programs, which are: the Forest Stewardship Council® (FSC®), Sustainable Forestry Initiative® (SFI®) and the Program for the Endorsement of Forest Certification® (PEFC®) Chain of Custody and Due Diligence System Standards

We engage local communities and other relevant stakeholders when addressing biodiversity issues including those related to operational changes or siting of new facilities.

Reduction of absolute scope 1 and 2 greenhouse gas emissions by 25% by 2030 from a 2020 base year and to reduce our Scope 3 emissions by 13.5% by 2030 (using 2019 baseline). These commitments have been validated by the SBTi.

Reduction of normalized energy use by at least 8% by 2030 in our manufacturing plants (using 2020 baseline).

Water risk studies will be conducted at our manufacturing facilities which account for at least 90% of our water usage by 2024.

Operation Clean Sweep will be fully implemented at all facilities using plastic pellets to prevent environmental discharge of the pellets by 2025.

Include consideration of biodiversity impacts in capital expenditure reviews and avoid or minimize the overall environmental impact that may result from new site construction, facility expansion activities, and operations.

Ensure our facilities operate in accordance with all applicable environmental laws and regulations

WE WILL REVIEW OUR PROGRESS IN CONSERVING BIODIVERSITY AND THESE LISTED ACTIVITIES ON AN ANNUAL BASIS AND MAKE NECESSARY MODIFICATIONS OR IMPROVEMENTS.

AWARD-WINNING SUSTAINABILITY PRACTICES

Sonoco has been repeatedly recognized for our sustainability practices within the industry. One of the accolades include being selected in 2021 to Barron's 100 Most Sustainable Companies in the US for the third consecutive year. Selection involves a rigorous review by Calvert Research and Management of the 230 indicators of 1,000 companies to arrive at the Barron's list. Those indicators involve economic, environmental, governance, and social attributes.

Sonoco also earned a "BBB" rating on the MSCI ESG Rating, which measures a company's resilience to long-term industry material, environmental, social and governance (ESG) risks. The rating examines 37 ESG key issues divided into three pillars and ten themes: climate change, natural resources, pollution, environmental opportunities, human capital, product liability stakeholder opposition, social opportunities, corporate governance, and corporate behavior.

A few of our recent sustainability recognitions include:



SONOCO FRESH SUMMIT

On March 3, Sonoco FRESH hosted a virtual event, FRESH Perspectives on Sustainability, that featured leaders from three global corporations who shared how their companies are addressing sustainability throughout the food value chain. Also included in the event were presentations from Clemson faculty and students and updates on upcoming events, including the FRESH 2022 Food, Packaging & Sustainability Summit.

Elizabeth Rhue, VP Global Environmental & Sustainability at Sonoco, joined other FRESH advisory board members in sharing insights on the industry's journey towards developing and implementing a robust sustainability strategy.

Sonoco FRESH will be hosting the third annual Food, Packaging & Sustainability Summit in-person at Clemson University on Sept. 19 - 21, 2022.



DESIGN

**WE'RE PACKAGING
PROBLEM SOLVERS.**



Before a package even makes it to prototype, we're thinking through all aspects of how to create the best solution for the product while keeping sustainability top-of-mind.

TRANSPARENT LIFE CYCLE ASSESSMENTS FOR PRODUCT DESIGN

Sonoco strives for every life cycle assessment (LCA) to be transparent, prove itself reliable, and generate actionable results. We use the LCA data we generate to support all product lines globally. To further support these goals, we onboarded a dedicated LCA expert as part of our expanded

Sustainability team in 2021. We currently have streamlined LCAs covering 65% of our products and aim to raise that number throughout 2022 and beyond.

A few of the guiding principles behind our LCA program:

- We strive to be ISO14040 series compliant and never publish without third-party review
- We include a QR code on every LCA result graphic that links to a description of our best practices and an LCA orientation portal
- We use streamlined LCAs to identify benchmark design improvements, indicate environmental hotspots, and supply customers with product emissions data



NOT YOUR MOTHER'S FLEXIBLE SHAMPOO POUCH

When Not Your Mother's was searching for a packaging alternative for its line of wash and care products, they selected to move from a rigid plastic bottle with a pump to a flexible packaging format in the form of an inverted pouch.

Utilizing 33% less plastic and providing a 25% reduction in the energy to produce and ship this package, the inverted pouch significantly advances packaging sustainability. Additionally, the inverted pouch improves customer experience and maintains brand equity by allowing the consumer to squeeze every last drop of product.

Supplying a high-performance lamination with high-impact graphics, Sonoco has supported Not Your Mother's in this packaging conversion. Additional supply chain partners include Cheer Pack North America and Berlin Packaging.



Natural Dual-Ovenable PET Launch

Sonoco is uniquely positioned as a leading recycler to help deliver end-of-life solutions across our consumer and industrial packaging platforms. The newest extension of the EnviroServe™ Dual-Ovenable PET trays and bowls now includes a natural substrate. By eliminating carbon black, the PET container can be detected by near-infrared technologies and successfully sorted and processed through the PET stream. This upgrade to one of Sonoco's heritage product lines alleviates the impact to landfill previously created by its carbon black counterparts and reinforces Sonoco's commitment to ensuring 75% of our rigid plastic packing is eligible for on pack recyclability claims.



SMART SEAL OFFERS RECYCLABLE PRODUCE PACKAGING THAT KEEPS GREENS FRESH LONGER

Designed for growers, EnviroServe™ Leafy Greens, Sonoco's leafy greens package, delivers farm-fresh taste in a sustainable package, enabling growers the flexibility and resources to deliver on their brand promise to their consumers. Our integrated container and SmartSeal® FRESH produce lidding film use a scientifically tested method to seal in crispness, reduce waste, enable automation, and deliver an enhanced consumer experience.

Sonoco's lidding film also makes it easy for consumers to use, reseal and reopen their produce with the convenience of SmartSeal technology, which also allows for tamper evidence and high-impact graphics without the need of a secondary label to be applied.

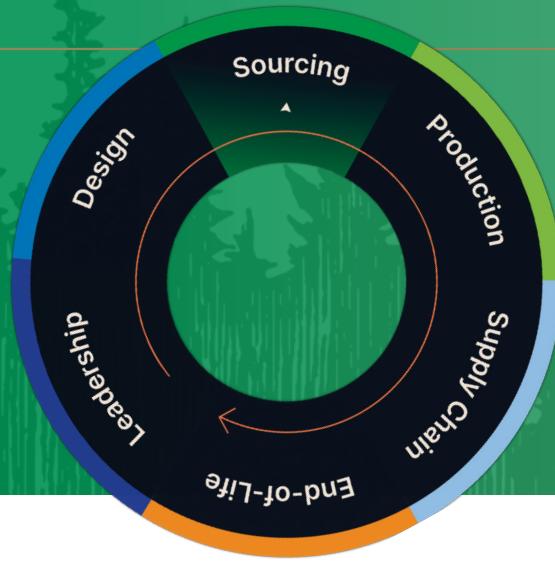
Sonoco's EnviroServe Leafy Greens packaging is manufactured in the United States. The PET trays use a minimum of 30% less packaging than traditional lettuce clamshells, and an average of 70% post-consumer recycled content, primarily produced from recycled water bottles. At every step of the process – from manufacturing to shipping – we are constantly seeking new ways to reduce energy consumption, emissions, and waste.

When brands choose a tray with lidding film, they don't have to use a sticker with an adhesive label that contaminates the recycling stream. Instead, consumers can peel off the lidding film and recycle the tray. Our recyclable produce packaging gives consumers the sustainable option they want, and it keeps their salad greens fresher longer. It's a win-win.



SOURCING

WE SOURCE MATERIALS THAT PROMOTE A GREENER FUTURE.



Sonoco uses packaging materials that are made and sourced responsibly. We strive to find the best solution using the most sustainable materials possible.

HOW MATERIAL DESIGN CONSIDERATIONS DRIVE MATERIAL SELECTION

Sonoco products are designed and created to meet market and consumer needs. Products are designed for strength, appearance, ease of handling, distribution, product protection, and shelf life. Alongside these performance concerns, our customers want to be assured that they have the most sustainable product to support their environmental goals. So, designing for sustainability is an essential part of the product design process.

With this in mind, Sonoco developed its EnviroSense® line of more sustainable packaging. Our EnviroSense® products are designed to incorporate many different sustainable attributes including design for recyclability, reuse, or compostability; use of bio-based materials, post-consumer recycled content, or certified materials; and package optimization in terms of material selection, size, and fit-for-use. To help guide our design efforts, we incorporate the use of life cycle assessment (LCA) to determine the impact of our proposed product designs on a range of environmental factors including carbon footprint, water and land use.

As more brand owners aim to inform consumers of the proper disposition of packaging, the need for on-pack recyclability labels has increased. To be considered recyclable, packaging



should be compatible with existing collection systems, sortation technologies, and recycling processes in addition to having a viable end market for the recycled product.

Sonoco works with several global labeling organizations, such as How2Recycle®, OPRL, and APCO, to assess, test, and modify products for recyclability; thus, providing a valuable service to our customers to facilitate on-pack recyclability claims.

Today, many of our products are designed for mechanical recycling. However, as new sortation and chemical recycling processes advance, product developers see many more possibilities to achieve product performance, recyclability, and lowered environmental impact with a variety of material designs.

FOODSAFE BARRIER COATINGS YOU CAN RECYCLE, REPULP, AND COMPOST

Foodservice container applications that require scoring, folding, and heat-sealing create unique challenges often solved through the incorporation of non-recyclable materials. This year, Cascades Sonoco, a joint venture between Cascades Inc. and Sonoco Products Company, was able to announce that its FlexSHIELD® coatings received third-party certification for compostability from TÜV Austria, and achieved recyclability and repulpability certifications from the Fiber Box Association.



As the first fully compostable product that provides polyethylene-like protection and ease of conversion at an economical price point, FlexSHIELD's aqueous-based barrier coatings are designed for use in folding carton, cup, and foodservice container applications. Along with the sustainability certifications this coating received, it was also imperative that packaging treated with FlexSHIELD is also deemed FDA, CFIA, and EUR compliant for direct food contact.

This unique solution to an industry-wide problem is another example of Sonoco's commitment to creating more sustainable packaging solutions for our customers and represents years of research and development efforts.

CONTINUING TO ENSURE SUSTAINABLE SOURCING THROUGH NEW FIBER CERTIFICATIONS

Sonoco is committed to the goals of sustainable development and promoting responsible resource management and utilization. The success of this goal is supported by our Triple Chain of Custody, Certified Sourcing, and Forest Management programs. In 2021 Sonoco added facilities in Batavia, IL; Edinburgh, IN; and Morristown, TN to our Triple COC certification scheme.

Chain of Custody Certification

Each link of the supply chain must be certified. From forest to mill, then on to converters and eventually the final product, this certification program ensures that every step of the supply chain meets our sustainability goals. Even third-party suppliers in the supply chain are part of the Chain of Custody.

SFI Forest Management

This certification began as a means to certify the supply chain link that our forests fulfilled in providing our Hartsville corrugating machine with virgin fiber. As of November 2021, our Hartsville mill only sources recycled fiber.

However, we continue to certify our forests to demonstrate our commitment to ethical forestry and to provide our timber customers with the certification that they require.

Beyond our Triple Chain of Custody certification scheme, Sonoco also has several sites that have obtained FSC certification under unique individual certificates.

PAPER MILL TRIALS DEMONSTRATE RIGID PAPER CONTAINER RECOVERY POSSIBILITIES

As produced today, the rigid paper container is comprised of paperboard that is 100% recycled fiber, making this can an integral driver of the circularity story. Moreover, when the rigid paper container is placed in paper collection bins for recycling, it is diverted to existing paper pulping mills where fiber is recovered and converted into paperboard for new products, even new rigid paper containers.

To validate successful repulping of rigid paper containers, seven distinct pulping trials were conducted in Europe and the US. These successful trials were conducted with both:

1. Standard pulpers designed for mixed paper, OCC, newspapers, and single-side poly-coated materials
2. Specialty pulpers designed for double-side poly-coated materials such as aseptic beverage cartons

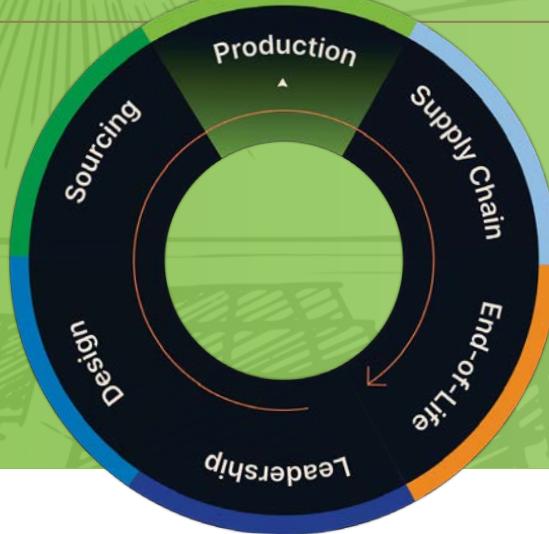


Adding rigid paper container material to the recycling process has shown no negative impact on paper production or quality. This is consistent with Sonoco's experience in recycling paper container scrap in our US-based mills today.



PRODUCTION

**WE'RE COMMITTED TO
CLEAN MANUFACTURING.**



We're focused on reducing energy usage, water usage and air emissions through targeted facility investments and other sustainable manufacturing initiatives.

SONOCO'S PROJECT HORIZON BENEFITS CUSTOMERS, COMMUNITIES, AND THE PLANET

Sonoco's \$125 million Project Horizon investment updates our corrugated medium machine in Hartsville, SC, to a state-of-the-art uncoated recycled paperboard (URB) operation with an annual production capacity of 180,000 tons. In just a few months, we will celebrate Project Horizon's completion, currently slated for the end of Q3 2022.

The new machine is set to be the world's largest producer of URB. In addition, there are a number of construction projects underway that will modernize the infrastructure of the entire complex.

Project Horizon secures the future of the 100-year-old Hartsville Mill Complex, ensuring that the mill is globally competitive and that Sonoco can provide manufacturing jobs in the area for decades to come, as we also expand capacity to better serve our customers.

During the conversion process, we've also focused on utilizing local vendors and contractors for the project and have committed to spend at least \$71 million in South Carolina along the way.



Not only does Project Horizon represent a move to 100% recycled fibers, but the conversion also allows Sonoco to eliminate the manufacturing complex's virgin pulp mill and chemical recovery operation.

By moving toward 100% recycled fiber, Sonoco is reducing electricity consumption, which drives reductions in greenhouse gas emissions and total water use. It's all part of our overall sustainability commitment.

As Phase 2 of our North American Asset Optimization System, Project Horizon represents the contributions of hundreds of team members, thousands of hours of planning and collaboration, and a commitment that will span decades in its community and environmental impact.

WATER EFFICIENCY PROJECTS

Reducing our water consumption is part of being responsible stewards of our planet's resources. Many of our actions to reduce water usage involve our global paper mills, which account for over 90% of our global water usage. We have conducted water risk studies at these manufacturing facilities using the WRI Aqueduct Water Risk Atlas.

While we strive to reduce water use at all sites, we will place a priority on those in water-stressed areas. At our Subang, Indonesia mill, we now collect and use rainwater for processing to further reduce our intake of river water. Our mill in Dezhou, China has worked with local authorities to switch from groundwater to river water supply to reduce the stress on the groundwater table. We have also installed a wastewater surge tank at our Cali, Columbia mill. This improves the amount of paper fiber recovered and allows more water to be recycled within the process, reducing our water intake and discharge volumes.



EMISSIONS REDUCTION PROJECTS

Sonoco recognizes our responsibility to address the challenges of global climate change. We are committed to measuring, reporting, and reducing our greenhouse gas emissions as well as energy and water consumption and waste generation in our operations around the world.

While we have reduced normalized greenhouse gas ("GHG") emissions by approximately 25% since 2009, we are committed to further reducing our environmental impact by setting ambitious new targets to reduce our global greenhouse gas emissions in line with the Paris Agreement, which is aimed at limiting the warming of global temperatures to well below 2°C above pre-industrial levels.

Specifically, Sonoco aims to reduce absolute scope 1 and 2 GHG emissions by 25% by 2030 from a 2020 base year. We have also set a goal to reduce absolute scope 3 GHG emissions by 13.5% by 2030 from a 2019 base year by working with our customers and suppliers to develop innovative packaging solutions that reduce packaging waste and improve recyclability. These goals were validated by the Science-Based Target initiative in June 2021. In addition, we are actively studying necessary operational changes, technology developments, and market changes that would

be required to achieve net-zero GHG emissions by 2050.

To meet our Science Based Targets initiatives over the next decade, each of our more than 300 global operations is focused on reducing greenhouse gas emissions by investing in energy efficiency and renewable energy projects along with purchasing electricity from certified green and reduced-carbon energy sources.



PRODUCTION

Sonoco Recycling Acquires American Recycling of Western North Carolina

Sonoco Recycling, a unit of Sonoco, announced the acquisition of American Recycling of Western North Carolina, a privately owned recycler located in Asheville, NC. With this acquisition, Sonoco expands its existing material recovery facility (MRF) footprint throughout North and South Carolina.



American Recycling of Western North Carolina processes approximately 30,000 tons of recovered fiber annually and is located approximately 65 miles from Sonoco's Newport, TN, uncoated recycled paperboard mill. The acquisition provides a stable, lower-cost supply of recovered fiber for Sonoco's mill operations and an opportunity for growth in the region and adds to Sonoco's position as a leading recycler in the United States.

ONE EUROPEAN PLASTICS MACHINE DOING THE WORK OF TWO WITH LESS ENERGY EXPENDITURE

Mark Wadsworth, European Safety Director, Sonoco Consumer Products Europe is dialed into how replacing inefficient machines increases productivity while saving energy. His latest case study shows promising results.



At Sonoco-Bradford, two existing injection molding machines were running 24 hours per day, 5 days per week at 32 kWh for both machines combined.

Bradford's new injection molding machine runs at 9.87 kWh. Today, this machine generates the required output across a period of 24 hours per 3 days per week.

Over a 12-month period, this change is expected to drive a savings of approximately 156,000 kWh annually, which is a huge energy saving.

POWER (kWh)	HOURS	DAYS	WEEKS	ANNUAL ENERGY CONSUMPTION (kWh)
9.87	24	3	50	35532
32	24	5	50	192000
ANNUAL ENERGY SAVINGS (kWh)				156468

SONOCO DRIVES POLYPROPYLENE CURBSIDE ACCEPTANCE THROUGH GRANT FUNDING

The Recycling Partnership released a fourth round of grant funding through its Polypropylene Recycling Coalition, distributing an additional \$1.8 million to help grant recipients advance curbside polypropylene (PP) recycling. To date, the coalition estimates it has positively impacted nearly 18 million Americans through grant funding, driving a 6.9% increase in curbside acceptance of PP materials.

Sonoco-Raleigh, Sonoco-Onslow, Sonoco-Columbia, and our most recently acquired Western North Carolina MRF, were all awarded funding, ensuring that all of Sonoco's North American MRFs will now be equipped to collect and sort PP packaging.

The program is designed to target consumer education efforts to increase recycling of various food and non-food packaging made from PP, which is in strong demand as a recycled material.

The Polypropylene Recycling Coalition is a cross-industry effort supported by steering committee members Keurig Dr Pepper, Braskem, NextGen Consortium, and the Walmart Foundation, along with other members of the polypropylene value chain.

The coalition is part of The Recycling Partnership's Pathway to Circularity, an initiative to create scalable solutions to packaging and system challenges.



Sonoco Sponsored ABRE Survey to Gain Insights in Brazilian Recycling

In partnership with the Brazil Packaging Association (ABRE), Sonoco had the opportunity to sponsor and participate in the 2021 Recycling Observatory in Brazil study. Working alongside important industry peers, we were able to gain enriching insights into the Brazilian recycling workflow. The outcomes of the survey provided Sonoco with a better understanding of how the products we make are best absorbed into the recycling system in Brazil in support of our sustainability goals.

Covering 22 Brazilian state capitals and 84 total cities, the survey included 137 waste picker associations to identify the technical and financial viability of the different types of packaging solutions in the recycling chain in Brazil. We also sought to understand how the packaging produced by Sonoco in Brazil (rigid paper containers and flexible packaging) is perceived by the waste pickers and sorted in the associations.

For Sonoco products in particular, we learned that all of the surveyed associations accept Sonoco rigid paper containers.



Energy Efficiency Projects

In support of our greenhouse gas emission reductions, Sonoco aims to continue energy efficiency improvements in our manufacturing plants targeted to reduce energy use by at least 8% by 2030 from a 2020 baseline through investing in energy efficiency projects such as plant boiler efficiency, compressed air, LED lighting, vacuum systems, HVAC systems and process chillers, in addition to renewable energy.

For example, we are installing solar panels on the roof of our Jamesburg, NJ facility. We also plan to enter into power purchase agreements in 2022, which will provide renewable energy for up to 40% of our electrical purchases in the US and 30% in Europe.



PRODUCTION



Global Rigid Paper Container Expansion As a Sustainable Alternative

Sonoco's iconic paper container doubles as the company's most global product. Iconic brands producing consumer packaged goods such as snacks, powdered infant formula, coffee, and nuts for consumers around the world are partnering with Sonoco to utilize rigid paper containers for their sustainable packaging needs. As a result, Sonoco's facilities are setting forth to expand operations.



Within the US, a major global snack brand chose Sonoco's rigid paper container for their chips and salty snacks to meet their sustainability goals. Meanwhile, a major natural pet food brand selected the rigid paper container, converting away from plastic packaging.



Continued growth can be seen within Europe and the UK as well. The provider of some of the United Kingdom's most beloved snacks utilizes the rigid paper container with paperboard ends to meet the recycling requirements of the UK.



South America has recognized remarkable growth due to the sustainable solution with over 100% growth in the last two years with an additional 50% projected growth across 2023 and 2024. Due to both the realized and projected growth affecting Sonoco's South America facilities including Brazil and Chile, additional production lines will be installed.



ADVANCING SUSTAINABLE PRACTICES IN ASIAN MARKETS

Over the past year, Sonoco created a new functional group focused specifically on advancing sustainability practices in Asia, including key markets in Australia, Vietnam, Malaysia, Thailand, Japan, and South Korea.

Working closely with Sonoco's regional and global Sustainability team, the new functional group acts as a liaison between Sonoco's Consumer Asia group and the Company's global Sustainability leadership to drive strategy based on gathered insights and to address customer engagement, voice of customer, market regulations, and innovation workshop opportunities.



Team members are currently working closely with APCO (Australia), MONRE (Vietnam) and MREA (Malaysia) to understand our pathways to gaining recyclable recognition.

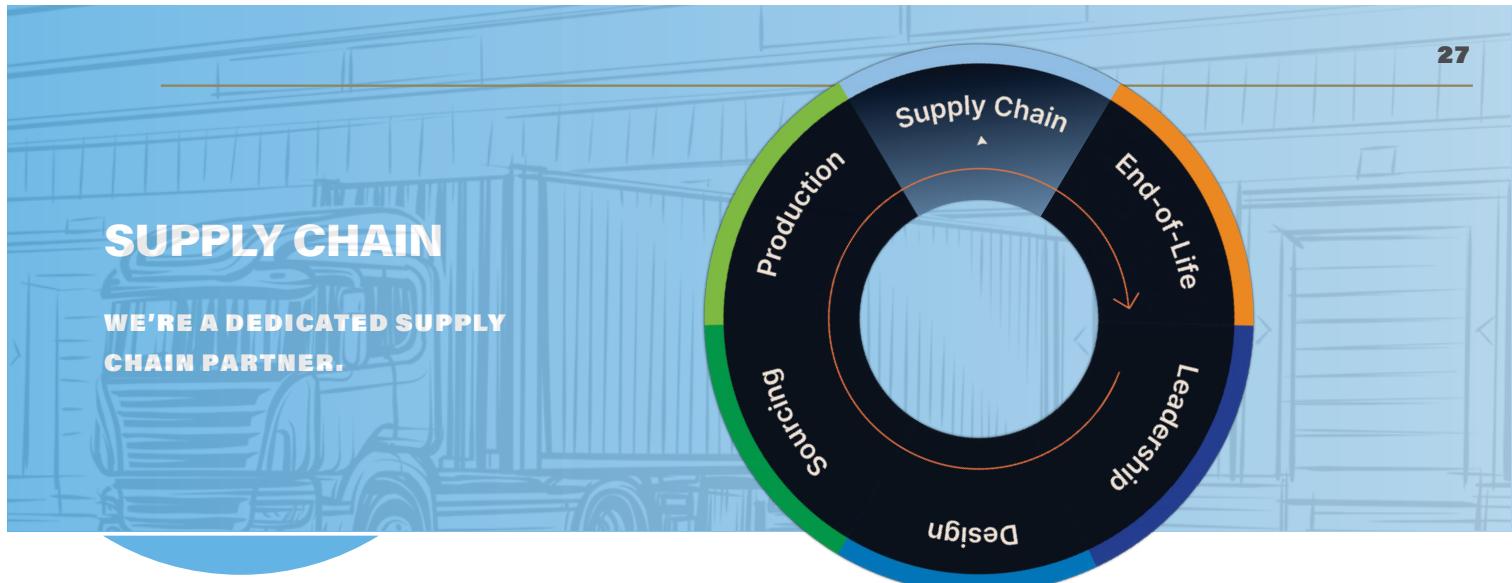
The group also collaborates closely with the technology and commercial teams to address each market's targets for recyclability, supporting customers to achieve compliance, and growing market shares based on our strategic vision.

FIBER PROTECTIVE EXPANSION IN EUROPE

European appliance manufacturing market leaders are actively seeking to transition away from single use plastics within the white goods market. This global sustainability initiative has created a significant opportunity for fiber-based growth, and Sonoco is making significant investments in technology and infrastructure to support this growing platform.

Sonoco Europe's Sochaczew, Poland facility successfully launched Sonopost® production in the fourth quarter of 2021 in support of growing demand from key customers for sustainable packaging solutions.

Sonoco's Bursa, Turkey location is currently constructing a new facility dedicated to future Sonopost production in both Turkey and Western Europe. This new site will eventually house two, state-of-the-art Sonopost production lines in support of Sonoco's growing relationships with several key market leaders. The group's anticipated launch of this facility is late third quarter of 2022.



SUPPLY CHAIN

WE'RE A DEDICATED SUPPLY CHAIN PARTNER.

At Sonoco we're proud to be part of the supply chain for thousands of companies and millions of products. We take this role seriously and aim to lead by example, pouring our energies into the latest sustainability technology and understanding the future desires of our environmentally conscious consumers.

CRITICAL PHARMACEUTICAL SUPPLY CHAINS FIND AGILITY AND SCALABILITY WITH THERMOSAFE

Packaging is not made in a vacuum. Packaging is instead forged through the push of legal requirements, brand owner goals and performance, and the pull of consumer liking, shelf presence, and convenience.

On the other hand, packaging is made for a purpose. That purpose is illustrated by our motto: *Better Packaging. Better Life.*, as packaging is a critical component of many of the processes that make modern life possible. Most of these processes and purposes happen behind the scenes, like the packaging that helps get products to your local big-box store, while others, like the berry clamshell that protects fruit during transportation, are front and center in a consumer's shopping experience, but likely are never recognized.

Regardless of the purpose, the process, and the push and pull that helped us arrive at a packaging design, one attribute that stands above all else is safety. That commitment to safety begins with the safety of our 22,000 associates across the globe who help to design, manufacture and recycle packaging. From there it extends to the packages themselves. As a manufacturer



of food contact packaging, we take great pride in rigorously testing packaging designs to ensure the products inside are as safe and fresh when they get to your home as when they left our brand owner partner's facility.

Safety has taken on a new meaning over the last few years as we have all faced challenges related to the COVID pandemic. As the world's largest temperature assurance packaging company for pharmaceuticals Sonoco's Thermosafe division has had a unique role to play in the health and safety of the entire globe. Working through logistic and supply chain challenges as well as the challenges related to transporting many vaccines at -20C Sonoco Thermosafe has helped pharmaceutical supply chains become more agile and scalable to safely get vaccines where they are needed most.





EASA-approved passive bulk, temperature-controlled ULD containers for pharmaceutical use. The Pegasus ULD® containers can speed through international air freight handling and customs processes at the lowest possible cost, due to being engineered with composite materials.

Not only are the Pegasus ULD® containers more sustainable, they also offer a lighter solution that's more damage-resistant than traditional metal containers. By partnering with Singapore Airlines and Korean Air, sensitive pharmaceutical cargo can be quickly transported across the world with a FAA-approved telemetry system that can provide real-time, cloud-based data on payload, ambient temperature, environmental factors, and GPS location tracking synchronization.



Sonoco ThermoSafe Leases Temperature Controlled Containers to Korean Air and Singapore Airlines

Sonoco ThermoSafe leases Pegasus ULD® containers, temperature-controlled bulk shipping containers, to Korean Air and Singapore Airlines. These innovative containers are the world's first FAA and

Sonoco Supplier Diversity Provides \$183M Impact

At Sonoco, diversity is a key component of our winning strategy. We are committed to partnerships with innovative, process-focused suppliers with a passion for excellence.



Sonoco views Supplier Diversity as the intentional objective of promoting access to economic equality for all parts of society. We measure Supplier Diversity success as a percentage of spend

with certified diversity suppliers. Certification comes via third-party assessments to ensure ownership and accountability of the diverse company.

Sonoco accounts for an estimated \$183 million total diversity impact in 2021.





SONOCO SUPPLIER SUSTAINABILITY AWARDS

Each year, Sonoco's Supply Management Sustainability team solicits our suppliers to self-nominate for our Sustainability Awards. Sonoco's sustainability story is a critical part of our success, and we target three key areas of supply chain sustainability: social, economic, and environmental. Each year, Sonoco's Supplier Sustainability team reviews the self-nominations in search of suppliers that have implemented new sustainable ideas in their operations, partnered with Sonoco on key sustainability initiatives, showed a targeted plan to reduce GHGs, and impacted their communities. The winners are announced at our annual Supplier Business Conference as well as in a corporate press release.

CONFLICT MINERALS

Subject to a deeper review through our conflict minerals process are suppliers that manufacture in high conflict areas.

CODE OF CONDUCT

Sonoco expects suppliers to abide by Sonoco standard policies on business conduct as well as our Supplier Standards. Our Supplier Standards are therefore posted in every contract, sourcing event, and on our website to ensure compliance. Visit the [supplier standards page](#), which includes the code of conduct.

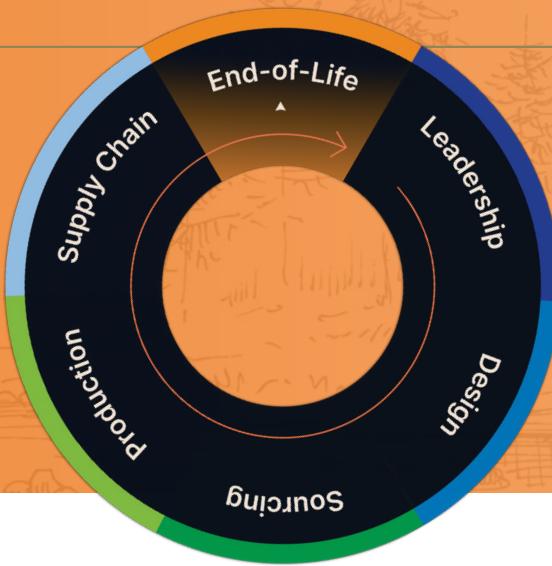
DIVERSITY

Sonoco is committed to lifting-up historically disadvantaged businesses in an effort to make a positive economic impact on society and the communities in which we operate. Sonoco has had a dedicated Supplier Diversity program since 2004, and since 2010 we have spent more than \$1.6 billion with diverse suppliers. In 2021, the Company's diversity spend was approximately 8.2% of our total supplier spend in the US and Canada.

Sonoco received the Excellence in Supplier Diversity Award from the Carolinas LGBT Chamber of Commerce in 2021 and continued to serve on the Boards of Directors for the Carolinas and Virginia Minority Supplier Development Council (CVMSDC), the Greater Women's Business Council (GWBC), and the National Veterans Business Development Council.

END-OF-LIFE

**COLLABORATION LEADS
TO CIRCULARITY.**



We believe our products' end-of-life is as important to long-term sustainability as how they're created. Whether through repurposing or recycling, we focus on comprehensive programs that provide clear guidance and strong economic incentive to reduce impact to landfill and increase post-consumer content opportunities.

SONOCO ACQUISITION EXPANDS AEROSOL RECYCLING CAPABILITIES

With the acquisition of Ball Metalpack in early 2022 Sonoco not only warmly welcomed 1,300 experienced metal packaging associates, but we also warmly welcomed a portfolio of sustainable metal packaging for applications ranging from food and household products to steel aerosol cans. Sonoco has long recognized steel as one of today's top solutions for moving to a circular economy as it can easily be collected and sorted at residential material recovery facilities as well as processed into new products with no loss of performance.

As we dug into the portfolio, we were surprised to learn that while aerosol cans were easily recycled, a significant number of US recycling programs still did not accept the material. With that challenge highlighted, we were excited to continue Metalpack's history of environmental stewardship by joining the Aerosol Recycling Initiative.

Led by The Can Manufacturers Institute (CMI) and the Household & Commercial Products Association (HCPA), Sonoco joined almost 20 other companies across the aerosol value chain to develop two quantitative, time-bound goals; to

achieve by 2030 at least an 85 percent recycling access rate for all aerosol cans and label at least 90 percent of aerosols as recyclable with messaging about how to properly recycle them.

While Sonoco is new to the steel aerosol space, we are confident that our expertise in residential recycling along with our experience expanding access to recycling for other packaging formats will be valuable assets to the Initiative. We look forward to doing our part to ensure aerosol cans stay out of landfills and remain a bedrock of the circular economy.



SONOCO, SUSTANA COLLABORATION DEMONSTRATES RIGID PAPER CONTAINER RECYCLABILITY

Sonoco recently demonstrated new opportunities to recycle rigid paper containers through a trial with Sustana in collaboration with Kellogg's, highlighting the circular economy journey of



Sonoco's rigid paper containers. Through three third-party sorting trials, it was found that steel

bottoms of rigid paper containers can be recycled in the steel stream, and Sonoco also confirmed that these cans could be recycled in Sonoco's standard paper mills. However, it was

important to prove that recycling rigid paper containers was feasible outside of the Sonoco mill network. Sonoco and Sustana confirmed that during the pulping process, the fiber components and non-fiber components do separate from each other. The fiber can then be made into usable paper board for new products.

These findings demonstrate additional ways to close the loop and enable Sonoco and other paper mills to accept their paper products back for recycling and decrease impact to landfills.



Scan the QR Code to watch the video about these recycling efforts.

"It's no easy task, but we believe closing the loop is always worth our time, talent, and resources," said Scott Byrne, Associate Director of Global Sustainability for Sonoco. "Ultimately, through strategic collaboration, it's more possible than ever to reduce the impact of our packaging on the environment."



Sustainable Flexible Packaging with Store Drop-off Recyclability

As an industry leader in value-added flexible packaging, Sonoco takes pride in developing solutions that match our customers' high speed filling lines and high barrier product protection. However, we also recognize the critical importance of developing sustainable packaging solutions that will better

protect and preserve the planet for future generations. The EnviroSense® line delivers on expectations while advancing Sonoco's purpose of *Better Packaging. Better Life.*

In 2022, Sonoco achieved pre-qualification for How2Recycle® Store Drop-off labels for the EnviroFlex™ PE line of mono-material flexible packaging products within our EnviroSense® sustainable packaging portfolio. Our suite of sustainable flexible packaging solutions includes options for recyclability, compostability, and the use of post-consumer recycled content.

The following recycle-ready solutions have received the How2Recycle pre-qualification for the Store Drop-off recyclable label:

- EnviroFlex™ PE Premade Pouches and Rollstock
- EnviroFlex™ PE Bags
- EnviroFlex™ PE Cold Seal Flow Wrap

Within each of these products, specific solutions are available in pre-qualified structures including clear, opaque, and monolayer with high barrier options available.



END-OF-LIFE**HOLYGRAIL 2.0 SORTING
TECHNOLOGY VALIDATED**

Through the HolyGrail 2.0 initiative, semi-industrial trials successfully validated using NIR and digital watermarks detection to sort packaging waste with a 99 percent detection rate. This validation also demonstrated the potential to develop new, more granular post-consumer recycling streams.

Sonoco participated in a live trial in Copenhagen and found that 96 percent of rigid paper containers were correctly detected and ejected among five other packaging types of various brands. This shows an additional approach to sorting Sonoco's rigid paper containers into the paper recycling stream.



Conventional sorting technologies sometimes misidentify material packaging resulting in items ending up in the wrong recycling stream or dropped altogether. The new digital watermarking technology allows for more accurate separation, even in cases of multi-material packaging.

The Digital Watermarks Initiative HolyGrail 2.0 driven by AIM - European Brands Association, and powered by the Alliance to End Plastic Waste, seeks to continue enabling better sorting and higher-quality recycling rates for packaging in the EU. With these findings, they are on track to impact global initiatives, and Sonoco can show compatibility of its rigid paper containers with this technology.

Polycoated Fiber Container Acceptance Advances at Sonoco Mills with Rigid Paper Containers and Cans

Heraclitus, a Greek philosopher, has been quoted as saying "change is the only constant in life." This observation can also extend to the world of packaging and packaging recycling. Since Woodbury, NJ, set up the first curbside recycling program in 1980 there have been dramatic changes in the volumes and types of materials moving through stores, into homes and eventually into recycling facilities and end markets. Even today we are witnessing some once common materials like office paper and newsprint slowly disappearing while other formats, such as small card-board boxes and poly-coated rigid paper containers continue to grow as they find new use cases. Sonoco believes that the recycling

infrastructure and end markets must change and adapt with the times. We began this journey in July of 2021 when we announced that our paper mills would accept poly-coated scrap materials from our rigid paper container production sites. While this was a positive first step, we knew we needed to do more and by October we had validated and announced that our 10 US paper mills would also accept rigid paper containers in bales of residential mixed paper. In 2022 our focus has now begun to turn outward. We have been exploring what other common poly-coated fiber containers exist on the market and whether our mills can recycle them. With the guidance of



several industry associations, our attention has next turned to paper cups. Recently we were proud to announce that as of June 2022 our Hartsville, SC, mill joined a growing list of end markets that can accept and recycle this poly-coated fiber container.



SONOCO ECOREEL® RECYCLING STILL GOES STRONG AFTER 20 YEARS

Sonoco continues 20 years of its EcoReel® Recycling program, offering free pickup of thousands of truckloads of viable used reels. Through this program, we help contractors, utility companies, and distributors across the US eliminate disposal costs, decrease worksite clutter, fulfill their commitments to environmental stewardship, and support sustainable processes.

Because of the easy and free process, the EcoReel® Recycling program has become the best solution in the industry for recycling wire and cable reels and aids in cutting down disposal costs and investment recovery. Nailed wood and polyfiber reels are picked up, repaired, refurbished, and returned to circulation for reuse, all by Sonoco. Those who use the program can also learn the number of trees or amount of landfill space saved by recycling their reels with a thorough environmental analysis and use the analysis in their own sustainability reports.

Twenty years in, Sonoco continues to deliver on its sustainability promise.

TUBE AND CORE SCRAP RECYCLING

Sonoco offers our customers the opportunity to participate in a tube and core recycling program. Returning scrap cores to our facilities is an economical and sustainable way of helping customers reduce their overall cost. Companies that choose to participate in the program can highlight their efforts in reducing their landfill costs. Tube and core scrap that is returned to Sonoco is shredded, baled, and then returned to paper mills and recycled into new paperboard.



How the program works:

- Customers need to advise that they would like to participate. It is a completely voluntary program.**

- Tube and core scrap must be stripped of the customer's material, contaminate-free, and securely packaged in an orderly fashion.**

