



**pactiv**   
**evergreen**<sup>TM</sup>

**Investor Presentation**

August 2024

# Important Information

## Forward-Looking Statements and Other Information

This presentation contains forward-looking statements. All statements contained in this presentation other than statements of historical fact are forward-looking statements, including but not limited to statements regarding our guidance as to our future financial and operational results, the timing and magnitude of restructuring charges, and the timing of the closing of our recently announced divestiture of our Pine Bluff and Waynesville facilities and the effect of that divestiture on our capital intensity. In some cases, you can identify forward-looking statements because they contain words such as “anticipate,” “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “will” or “would” or the negative of these words or other similar terms or expressions. Forward-looking statements are subject to various risks and uncertainties. Accordingly, there are important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. Moreover, new risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this presentation. The results, events and circumstances reflected in the forward-looking statements made herein may not be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements. Given these risks and uncertainties, you are cautioned not to place undue reliance on any forward-looking statements. For additional information on these and other factors that could cause our actual results to differ materially from those set forth in this presentation, please see our Annual Report on Form 10-K for the year ended December 31, 2023 and our Quarterly Report on Form 10-Q for the quarters ended March 31, 2024 and June 30, 2024 filed with the Securities and Exchange Commission.

All information contained herein speaks only as of the date of this presentation, except where otherwise stated. Except as required by law, we undertake no duty to update or revise the information contained herein, publicly or otherwise, including any forward-looking statements.

## Non-GAAP Financial Measures

In addition to U.S. GAAP financial measures, this presentation includes references to Adjusted EBITDA, Free Cash Flow, Net Debt and the Net Leverage Ratio, which are non-GAAP financial measures. All references to Adjusted EBITDA refer to Adjusted EBITDA from continuing operations.

We define Adjusted EBITDA as our net income (loss) from continuing operations calculated in accordance with GAAP plus the sum of income tax expense (benefit), net interest expense, depreciation and amortization and further adjusted to exclude certain items, including but not limited to restructuring, asset impairment and other related charges, gains on the sale of businesses and noncurrent assets, non-cash pension income (expense), operational process engineering-related consultancy costs, business acquisition and integration costs and purchase accounting adjustments, unrealized gains or losses on derivatives, foreign exchange losses on cash, executive transition charges and gains or losses on certain legal settlements. We define Free Cash Flow as net cash provided by operating activities less capital expenditures. We define Net Debt as the sum of current and long-term debt, less cash and cash equivalents. We define the Net Leverage Ratio as Net Debt divided by Adjusted EBITDA for the last 12 months, which we refer to as LTM Adjusted EBITDA.

These non-GAAP measures are in addition to, and not a substitute for or superior to, measures prepared in accordance with GAAP.

A reconciliation of these non-GAAP measures to the most directly comparable GAAP measures is set forth in the Appendix to this presentation.

# Pactiv Evergreen's Unique Value Proposition



- 1** Market leading positions in growing, recession-resilient consumer end markets and **longstanding partnerships with blue chip customers**
- 2** Broad range of **product offerings, channels, and distribution network** to reach customers and consumers anywhere in North America
- 3** **Innovative and sustainability-focused** products to address evolving customer needs
- 4** **Strong and flexible** balance sheet with **clear capital allocation priorities**
- 5** World-class **leadership team** executing **transformational journey** with focus on operational excellence



# Company Overview

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# Pactiv Evergreen: At a Glance

## Key Statistics

<b>\$5.5B<sup>(1)</sup></b>	<b>\$840M</b>	<b>14,000+</b>	<b>56</b>	<b>42</b>
2023 Net Revenues	2023 Adj. EBITDA <sup>(2)</sup>	Products	Manufacturing Facilities <sup>(3)</sup>	Distribution Facilities <sup>(3)</sup>

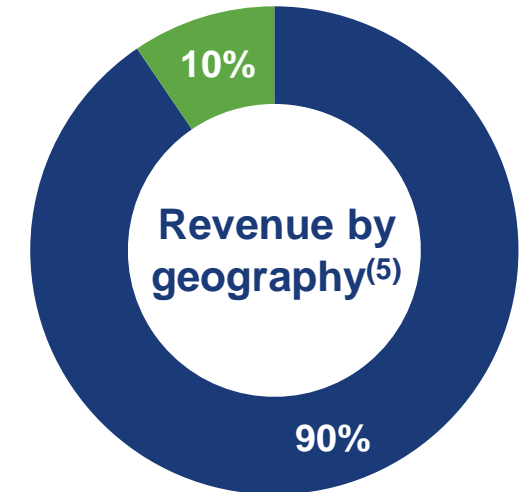
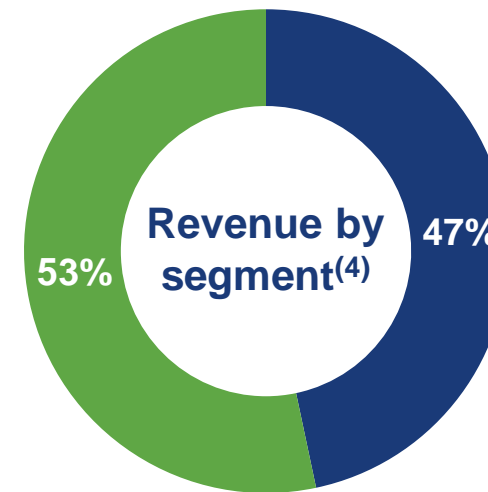
Purpose

**PACKAGING**  
A BETTER FUTURE

Mission

Delivering innovative food and beverage packaging solutions, designed to exceed the needs of consumers and the businesses that serve them

## North America Food and Beverage Packaging Leader



■ Foodservice  
■ Food and Beverage Merchandising

■ United States  
■ Rest of North America / Other

(1) Excludes \$83M of intersegment sales.

(2) Adj. EBITDA is a non-GAAP measure. See the reconciliation to GAAP measures in the Appendix.

(3) Manufacturing and Distribution facilities as of December 31, 2023.

(4) 2023 Net Revenues. Percentages exclude \$2M of other revenue.

(5) 2023 Net Revenues. Based on location of business operations.

# Foodservice Segment Overview

## 2023 Key Statistics

**\$2.6B**

Net Revenues

**\$463M**  
**18.0%**

Adj. EBITDA  
Adj. EBITDA Margin

Broad range of **convenient, on-the-go products** that let consumers eat and drink anywhere, anytime

### Takeout and Delivery Containers



## Products

### Serving Trays



### Film and Foil



### Hot and Cold Cups



### Lids



### Plates & Bowls / Cutlery



# Food and Beverage Merchandising Segment Overview

## 2023 Key Statistics

**\$3.0B<sup>(1)</sup>**

Net Revenues

**\$453M**  
**15.0%**

Adj. EBITDA  
Adj. EBITDA Margin

Prepared Food Trays



Protein Packaging



Fruit & Produce Trays / Containers



Plates & Bowls / Cutlery



Egg Cartons



Liquid Cartons



Bakery and Other Trays



Wide range of products that protect and display food and keep it fresh

(1) Financial data include \$83M of intersegment sales.

# Transformational Journey Positions Pactiv Evergreen for Future Growth and Returns

2020-2021	New Leadership Executing on Strategic Priorities	2024 & Beyond
 <b>Vertically Integrated</b>	<ul style="list-style-type: none"> <li>Focused on core converting operations <i>Restructuring of Beverage Merchandising business</i> May 2023 - closed Canton mill; July 2024 - announced pending sale of Pine Bluff mill and Waynesville extrusion facility</li> </ul>	 <b>Focused on Converting</b>
 <b>Global Footprint</b>	<ul style="list-style-type: none"> <li>Streamlined geographic footprint <i>Divested Beverage Merchandising Asia and Middle East and residual closures business</i></li> </ul>	 <b>Optimizing North America Footprint</b>
 <b>Decentralized Operations</b>	<ul style="list-style-type: none"> <li>Operational excellence initiatives building momentum <i>Established Operations Center of Excellence</i> <i>Location PEPS status as of July 2024: 24 Bronze, 5 Silver, 1 Gold</i></li> </ul>	 <b>Leveraging Centers of Excellence</b>
 <b>Heritage of Innovation &amp; Sustainability</b>	<ul style="list-style-type: none"> <li>Adopted science-based emissions reductions goals <i>Expected to decrease absolute Scope 1 and 2 emissions by 42% and absolute Scope 3 emissions by 25% by the end of 2030 from a 2022 base year</i></li> </ul>	 <b>Advancing Sustainability &amp; Innovation Initiatives</b>
 <b>Elevated Leverage Profile</b>	<ul style="list-style-type: none"> <li>Prioritized de-leveraging <i>Reduced total debt by \$544M since 2022 year-end; Net Leverage Ratio<sup>(1)</sup> of 4.5x as of June 30, 2024</i></li> </ul>	 <b>Reducing Leverage Profile</b>

(1) Net Leverage Ratio is a non-GAAP measure. See the reconciliation to GAAP measures in the Appendix.



# Pending Sale of Pine Bluff and Waynesville Represents Significant Milestone in Transformational Journey

Transaction Expected to Enhance Position as a Leader in Fresh Food and Beverage Packaging in North America

- Initiated Beverage Merchandising Restructuring plan; **goal of transitioning to a capital light business model**
- Announced closure of Canton, NC paper mill and converting facility in Olmsted Falls, OH. **Launched strategic alternatives review** for Pine Bluff mill and Waynesville extrusion facility
- **Identified party with deep mill operating** expertise and well suited to continue driving performance at Pine Bluff
- Announced sale is a great outcome and **supports the strategic objectives** of all stakeholders



Represents exit from paper mills



Enhances focus on core North American converting operations



Supports continuity of supply for critical raw materials



Reduces capital intensity



Improves cash flow profile

# Overview of Transaction to Sell Pine Bluff Mill and Waynesville Extrusion Facility to Suzano S.A.

## Transaction Overview

<b>Transaction Details</b>	<ul style="list-style-type: none"><li>▪ Purchase Price: \$110 million, subject to certain customary adjustments at closing such as working capital</li><li>▪ Non-Cash Impairment Charge: \$320 million - \$340 million in Q3 2024</li></ul>
<b>Supply Agreement</b>	<ul style="list-style-type: none"><li>▪ Long-term supply agreement for liquid packaging board for PTVE's converting operations</li><li>▪ Market-based pricing based on raw material and other input costs</li></ul>
<b>Strengthens Balance Sheet &amp; Capex Profile</b>	<ul style="list-style-type: none"><li>▪ Proceeds to further strengthen balance sheet</li><li>▪ Expected to reduce capital intensity going forward</li></ul>
<b>Closing Date</b>	<ul style="list-style-type: none"><li>▪ Anticipated to close in Q4 2024 <i>(subject to the satisfaction of customary closing conditions, including foreign antitrust approval)</i></li></ul>

Completes strategic alternatives review launched in 2023

# World-Class Leadership Team with Strong Track Record of Execution



**Mike King**  
President &  
Chief Executive Officer



**Jon Baksht**  
Chief Financial Officer



**Tim Levenda**  
President, Foodservice



**Eric Wulf**  
President, Food and  
Beverage Merchandising



**JD Bowlin**  
Chief Human Resources  
Officer



**Chandra Mitchell**  
Chief Legal Officer and  
Corporate Secretary



**Doug Owenby**  
Chief Operations Officer



**Beth Rettig**  
Chief Growth Officer



**Chuck Whittington**  
Senior Vice President,  
Business Transformation

Deep packaging  
industry expertise

Strong track record of  
driving transformation  
and leading change



# Investment Highlights

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# Leading Positions in Markets with Sustainable, Long-Term Growth and Addressing Evolving Market Trends

**Core Market:**  
*North America  
 packaging for foodservice and  
 food and beverage retail merchandising*  
**~\$25B**  
**Growing Low-Single Digits**

**PTVE  
 Total Share  
 ~20%**

## Evolving Customer Needs Driving Long-Term Growth

**Convenience**



- Ready-to-eat
- On-the-go
- Order-in

**Consumer Preferences**



- Fresh foods / beverages
- Healthy lifestyles
- Alternative protein / dairy

**Food Safety**



- Reclosable / Reusable
- Tamper-evident
- Food preservation

**Sustainability**



- Recyclable
- Compostable
- Made with recycled content
- Made with renewable content

Note: PTVE total share based on 2023 financial data. Source: Management data and industry research.

# Full Spectrum of Consumer Channels



Whether at home or on-the-go, we reach consumers wherever they purchase food and beverages  
 We estimate Pactiv Evergreen products are touched by end consumers **4.3 billion<sup>(1)</sup>** times each week

(1) Management estimate prepared using data for the last twelve months ended June 30, 2024.

# Longstanding Relationships with Blue Chip Customers

## Foodservice

**Top Supplier**

to **4** of the Largest QSR Groups

**Top Supplier**

of Exclusive Branded Items to US Broadline Distributors

## Food and Beverage Merchandising

Customers include **7** of Top 10

US Grocery Retailers

Customers include **8** of Top 10

Largest US Meat Companies

### Customer Base Includes:

- Chain restaurants (full service and quick service restaurants)
- Distributors
- Institutional foodservice (airports, schools, hospitals)
- Convenience stores



### Customer Base Includes:

- Grocery retailers
- Meat, egg, agricultural, and CPG processors
- Dairy, dairy-substitute and juice companies



Source: Company information and management estimates.

# Unrivaled Range of Product and Substrate Offerings for Food and Beverage Packaging

	Foodservice							Food and Beverage Merchandising					
	Containers	Cups	Lids	Wraps	Cafeteria trays	Dinnerware	Utensils	Meat trays/pads	Bakery/snack containers	Prepared food trays	Fruit/produce containers	Egg cartons	Fresh beverage cartons
PP	✓	✓	✓				✓	✓		✓	✓		
PET	✓	✓	✓					✓	✓	✓	✓	✓	
PS	✓	✓	✓		✓	✓	✓	✓	✓		✓		
PVC				✓									
Bioresin	✓	✓	✓						✓		✓		
Paper-based	✓	✓	✓			✓				✓			✓
Molded fiber (virgin)	✓					✓		✓	✓	✓	✓		
Molded fiber (recycled)	✓				✓	✓						✓	
Aluminum	✓			✓					✓	✓			

Note that boxes with no shading are products that do not exist (not made by Pactiv Evergreen or any other manufacturers)

Broad range of convenience-oriented food and beverage packaging products in North America made from fiber, resin and aluminum

- One-stop-shop for customers
- Products serve active lifestyles by giving consumers the ability to eat fresh food on-the-go or at home
- Convenient easy-to-use and reclosable products protect, display and keep food & beverages fresh
- Increasing number of recyclable and/or compostable products to meet customers' needs

Source: Management data and industry research.



# Distribution Network as a Differentiator<sup>(1)</sup>

**Significant investments in automation, operational efficiencies, and sustainable products over the last 4 years**

**23** Foodservice manufacturing sites

**33** Food & Beverage Merchandising facilities<sup>(2)</sup>

**34** Warehouses

**8** Regional Mixing Centers

**17** States

**3** Countries



## Preferred Supplier Status in North America

- Only foodservice manufacturer with extensive nationwide hub-and-spoke distribution network offering one face to the customer
- Low-cost manufacturing presence in US, strategically located close to food and beverage packaging customers
- Allows customers to order exactly what they need down to the case level

Unrivaled scale, distribution network and superior value proposition creates strategic partnerships with customers

(1) Distribution network as of December 31, 2023.

(2) Food & Beverage Merchandising Manufacturing business unit includes 28 manufacturing plants, 1 filling machinery plant, 2 extrusion plants, 1 paper mill, and 1 chip mill.

# Dedicated Team Driving Growth through Innovation



**40+**  
years heritage  
of innovation



**100+**  
Dedicated  
Employees

**~300**

Active patents



**300+**

New SKUs  
launched since  
2019

## PTVE innovation differentiators

Customers' **1<sup>ST</sup>** Choice

- ✓ Broad patent portfolio
- ✓ Customer-focused development
- ✓ Multiple substrates
- ✓ Unique insights into customers' needs
- ✓ Desired partner to bring new materials to market
- ✓ Speed to innovate and speed to market, at scale
- ✓ Internal tooling capabilities

### Sustainable Brands



# Innovative and Sustainable Products Driving Growth

## Drivers

### Compostable, Renewable, Recycled Content



Compostable Plates



PLA Cold Cup



RPET Sundae Cup

### Light weighting



Compostable Paper Cup



Recycled Plastic Cup

### Tamper-evident / home delivery



**NEW** Tamper Evident OneBox®



Tamper Evident Fry Cartons



SecuriTESmart lineup of PET Hinged Lids



### Shift from polystyrene to PET or polypropylene



PET Trays



Reduced Density PP Trays

### Reusable by consumers



**NEW** MFPP Hinged Lids



Dual Color Hinged Lids



DELITainer®



**NEW** Clear PP Hinged Lids

### Shift away from traditional plastic straws



Bioplastic Straws



Strawless Lids



# Focusing on Operational Excellence

## PEPS

### Pactiv Evergreen Production System

Rolled out in 2023



## PEPS is designed to deliver...

- ✓ Improved safety
- ✓ Better quality
- ✓ Higher productivity
- ✓ Less waste
- ✓ Improved on-time delivery

### Certification Levels



### Total Locations Certified as of July 2024

**24** Bronze Certified      **5** Silver Certified      **1** Gold Certified





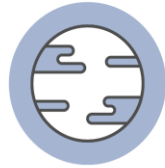
# Sustainability

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# Our ESG Strategy

- At Pactiv Evergreen, we strive to operate with respect for the environment, and we are committed to sustainability across our product portfolio, our manufacturing and supply chain and our communities.
- When we developed our ESG strategy, we focused on three areas: Planet, Products and People. We have established key work streams across these areas and have started setting goals to drive our action. In parallel, we also established strong ESG governance across the company, from our Sustainability Champions in our operations to our Board of Directors.



## Protect our Planet's Resources

- Reduce emissions and energy use
- Protect the sustainability of our forests
- Minimize water use
- Decrease waste going to the landfill
- Foster environmental stewardship across the enterprise



## Deliver Sustainable Products Essential to Consumers

- Offer a wide array of sustainable products and materials to exceed our customers' needs
- Design innovative materials and products
- Collaborate across the value chain to expand the opportunities to recycle or compost our products



## Value our People and Communities

- Champion safe products and operations
- Attract, empower and retain the best team
- Uphold ethical sourcing standards
- Embrace diversity, equity, inclusion and belonging
- Support the communities in which we work and live



## Establish Strong ESG Governance

- Own our culture of integrity and ethics
- Set high standards for compliance
- Identify and manage climate-related risks
- Implement effective data security and privacy
- Publish transparent and regular ESG disclosures

# ESG Highlights

## PLANET



**100%**  
applicable facilities  
**chain of custody certified** to promote responsible forest management



**21%**  
reduction of Scope 1 and 2 **greenhouse gas emissions** from 2015 to 2022



**100+**  
**sustainability champions** across our facilities through PEPS

## PRODUCTS



packaging products made from **recycled, recyclable or renewable materials**, by associated net revenue, in 2023



**40+**  
new certified **compostable products** launched in 2022



**99.9%**  
procured virgin fiber met **SFI\* Fiber Sourcing Standard** in 2022

## PEOPLE



**~300K**  
**pounds of non-perishable food donated** and 6,000 hours of volunteer service in 2023 Month of Action



Introduced **Tuition Assistant Program** for U.S. salaried and non-union hourly employees



Launched **Leading the Pack** leadership training

## GOVERNANCE



Published **climate-related risks and opportunities** in TCFD report



Aligned activities to **United Nations Sustainable Development Goals**



Analyzed **water risk exposure** through World Resources Institute

\*SFI marks are registered marks owned by the Sustainable Forestry Initiative, Inc®



# Delivering Sustainable Products Essential to Consumers

- One-stop-shop for a wide range of sustainable materials and products to meet customers' goals
- Our goal: 100% of the packaging products we sell will be made from recycled, recyclable or renewable materials by 2030, based on associated net revenue. In 2023, we reached approximately 66% of that goal.





# Collaborating for a Sustainable Future



Pactiv Evergreen holds Board positions within these organizations: Ameripen, BPI, Carton Council, FPI and SPC



# Financial Performance

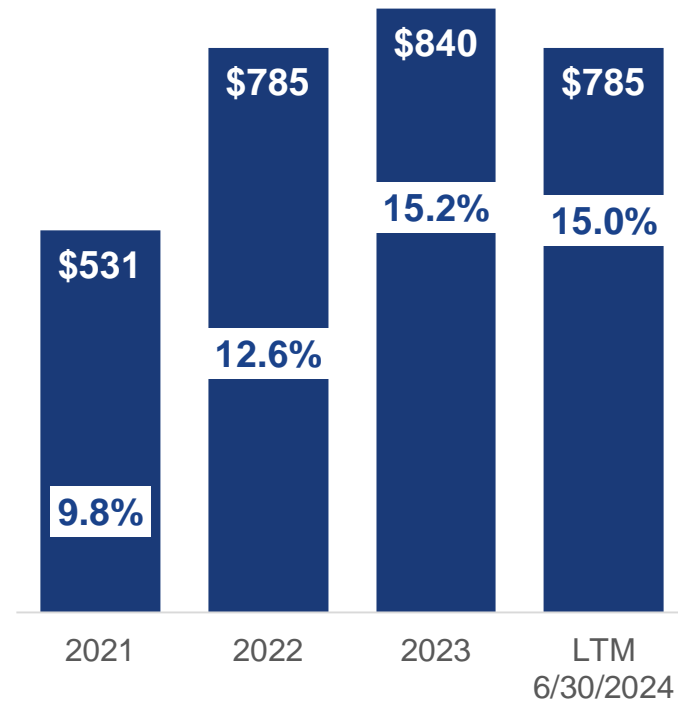
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# Significant Multi-Year Improvement in Financial Performance

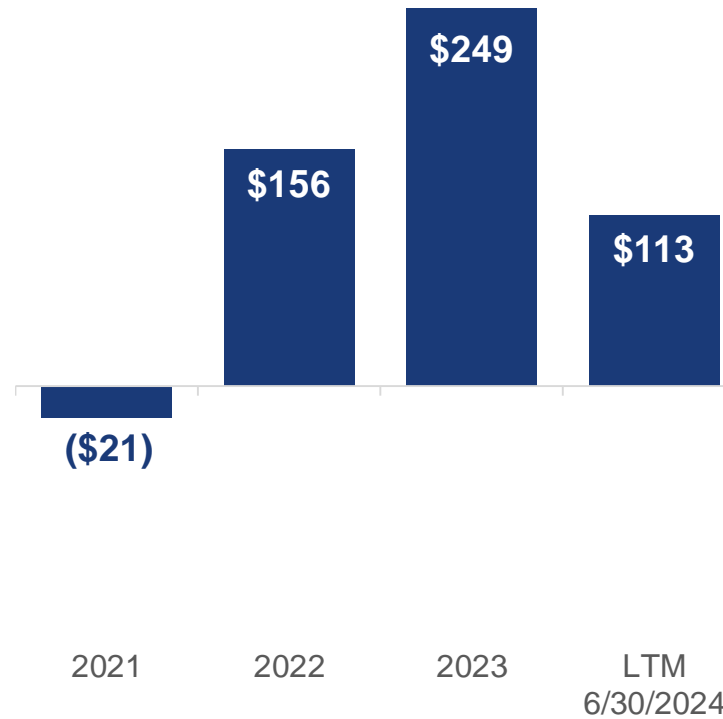
## Adj. EBITDA and Adj. EBITDA Margin<sup>(1,2,3)</sup>

(\$ in millions and %, respectively)

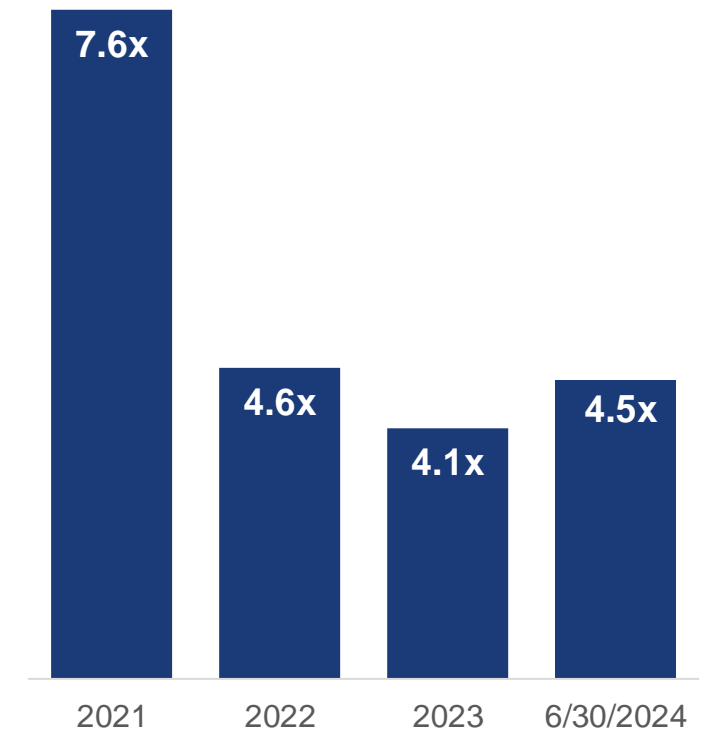


## Free Cash Flow<sup>(1,3)</sup>

(\$ in millions)



## Net Leverage Ratio<sup>(1,4)</sup>



(1) Adjusted EBITDA, Free Cash Flow, and Net Leverage Ratio are non-GAAP measures. See the reconciliations to GAAP measures in the Appendix.

(2) Adjusted EBITDA Margin is a non-GAAP financial measure, calculated as Adjusted EBITDA divided by Net Revenues.

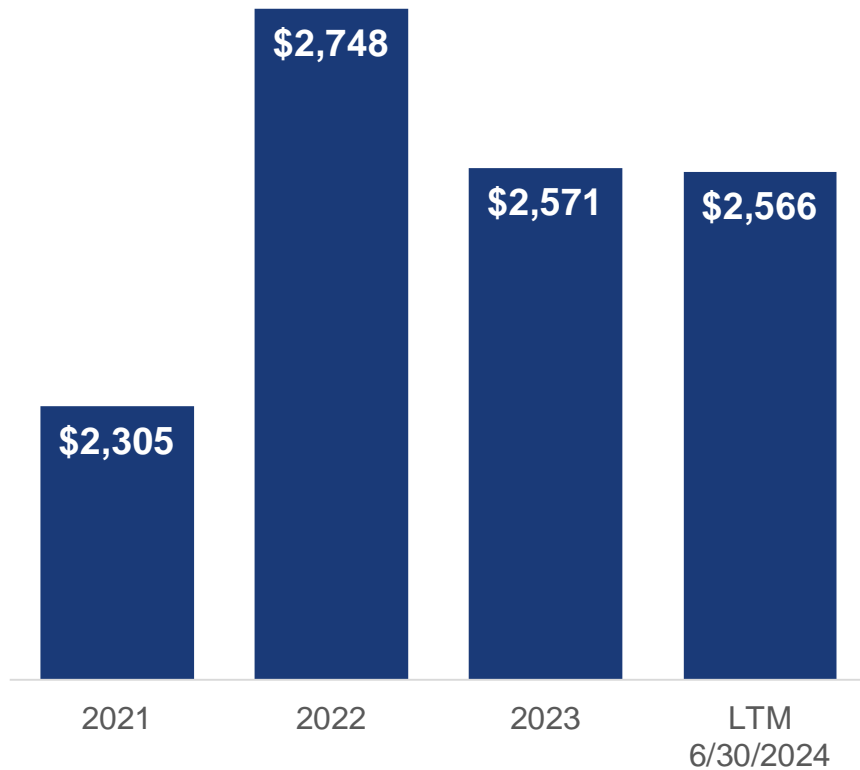
(3) For the years ended December 31, 2021, December 31, 2022, and December 31, 2023. For the last twelve months ended June 30, 2024.

(4) For the last twelve months ended December 31, 2021, 2022, and 2023, and June 30, 2024.

# Foodservice Segment Performance

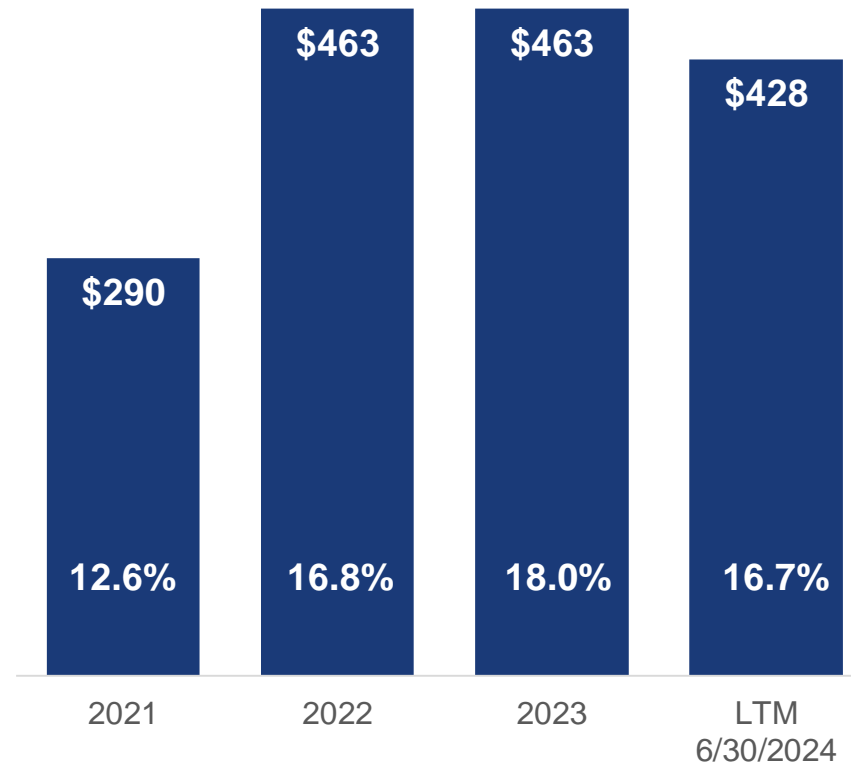
## Net Revenues

(\$ in millions)



## Adj. EBITDA and Margin

(\$ in millions and %, respectively)

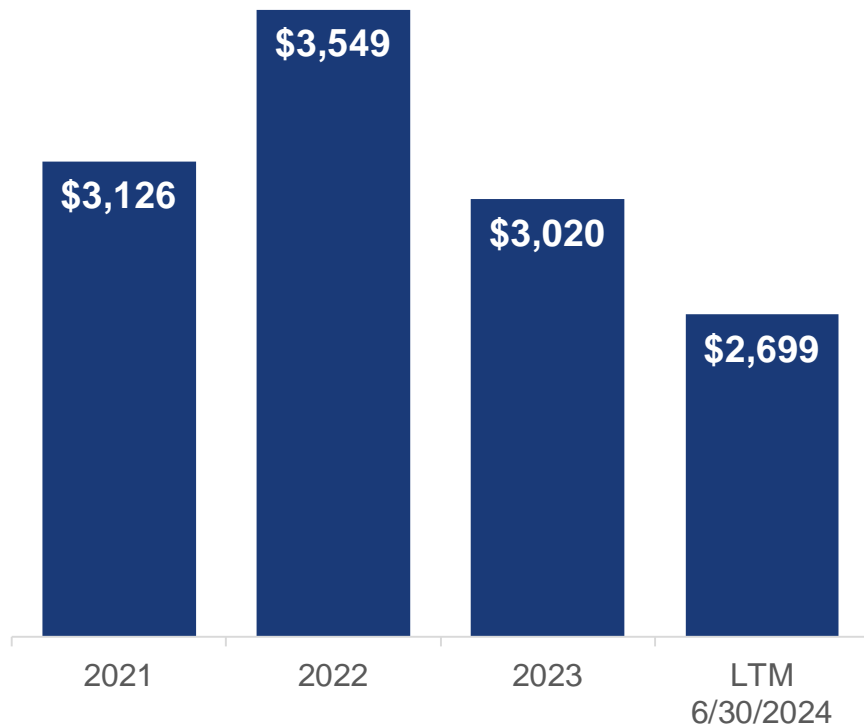


## Industry Growth Drivers

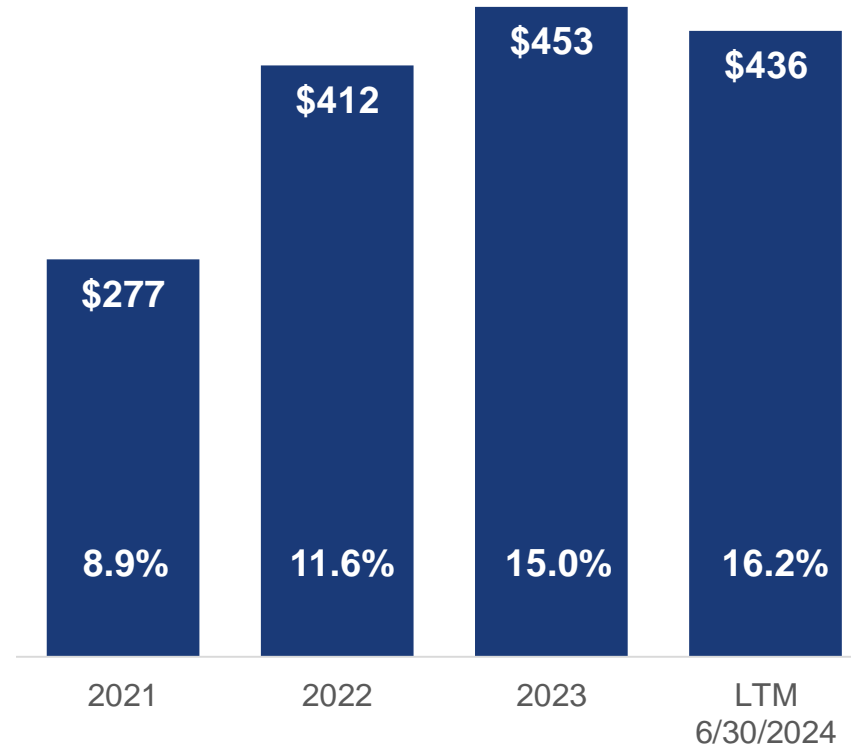
- Expansion of takeout, curbside pick-up and delivery facilitated by e-commerce
- Changing eating habits benefit retail outlet sales, including restaurants and convenience stores
- Foodservice trend towards products with better performance and environmental profile

# Food and Beverage Merchandising Segment Performance

## Net Revenues (\$ in millions)



## Adj. EBITDA and Margin (\$ in millions and %, respectively)



## Industry Growth Drivers

- Growing consumer demand for convenience and freshly prepared foods
- Consumer preferences for fresh over frozen meat products and red meat alternatives
- Consumption of fresh fruits / produce driven by a continuation of growing demand for healthy food

Note: Net Revenues includes intersegment sales.

# Pactiv Evergreen's Financial Framework

## Our Key Performance Indicators



Operational Performance



Capital Efficiency



Balance Sheet Management



Volatility Management

## Keys to Success

Drive Operational Performance

Focus on Cash Generation

Manage Working Capital

Deliver Consistent Results

# Revised 2024 Outlook



## FY 2024 Adj. EBITDA<sup>(1)</sup>

**\$800M - \$820M**

## Other Matters

FY 2024 CapEx

\$260M

Free Cash Flow<sup>(2)</sup>

\$180M - \$200M

Net Leverage Ratio<sup>(3)</sup>

~4.0x

## Total Restructuring Charges

Beverage Merchandising Restructuring (2023 – 2024)<sup>(4)</sup>

**Non-cash: \$650M - \$670M**  
**Cash: \$160M**

Footprint Optimization (2024 – 2025)

**Non-cash: \$20M - \$40M**  
**Cash: \$50M - \$65M**

(1) The Company has not reconciled the forward-looking non-GAAP measure Adjusted EBITDA to the GAAP measure net (loss) income from continuing operations in this presentation because the Company does not provide guidance for certain of the reconciling items on a consistent basis, including but not limited to items relating to restructuring, asset impairment and other related charges, depreciation and amortization expense, net interest expense and income taxes, which would be required to include a reconciliation of Adjusted EBITDA to GAAP net (loss) income from continuing operations, as the Company is unable to quantify these amounts without unreasonable efforts.

(2) Free Cash Flow is a non-GAAP measure. See the reconciliation to net cash provided by operating activities in the Appendix.

(3) Net Leverage Ratio is a non-GAAP measure. We are unable to provide a reconciliation of forward-looking Net Leverage Ratio without unreasonable effort because of the uncertainty and potential variability in amount and timing of the reconciling items between GAAP net (loss) income from continuing operations and Adjusted EBITDA, which is a component of Net Leverage Ratio, for the reasons described above in footnote 1.

(4) Revised 2024 guidance includes expected non-cash impairment charges related to Pine Bluff and Waynesville divestiture.

# Pactiv Evergreen's Unique Value Proposition



- 1** Market leading positions in growing, recession-resilient consumer end markets and **longstanding partnerships with blue chip customers**
- 2** Broad range of **product offerings, channels, and distribution network** to reach customers and consumers anywhere in North America
- 3** **Innovative and sustainability-focused** products to address evolving customer needs
- 4** **Strong and flexible** balance sheet with **clear capital allocation priorities**
- 5** World-class **leadership team** executing **transformational journey** with focus on **operational excellence**





# Appendix

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# Reconciliation of Segment Net Revenues and Adj. EBITDA to Consolidated Net Revenues and Adj. EBITDA

(in millions)

	Foodservice	Food and Beverage Merchandising	Intersegment Revenues	Other / Unallocated	Consolidated <sup>(1)</sup>
<b><u>For the Twelve Months Ended June 30, 2024</u></b>					
Net revenues	\$2,566	\$2,699	(\$22)		\$5,243
Adjusted EBITDA	428	436		(\$79)	785
<b><u>For the Year Ended December 31, 2023</u></b>					
Net revenues	\$2,571	\$3,020	(\$83)	\$2	\$5,510
Adjusted EBITDA	463	453		(76)	840
<b><u>For the Year Ended December 31, 2022</u></b>					
Net revenues	\$2,748	\$3,549	(\$158)	\$81	\$6,220
Adjusted EBITDA	463	412		(90)	785
<b><u>For the Year Ended December 31, 2021</u></b>					
Net revenues	\$2,305	\$3,126	(\$96)	\$102	\$5,437
Adjusted EBITDA	290	277		(36)	531

(1) Consolidated Adjusted EBITDA is a non-GAAP measure. See the reconciliations to the GAAP measure in this Appendix.

## Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow and to 2024 Free Cash Flow Outlook

	For the Last Twelve Months Ended	For the Years Ended		
	June 30, 2024	December 31, 2023	December 31, 2022	December 31, 2021
(in millions)				
Net cash provided by operating activities (GAAP)	\$380	\$534	\$414	\$261
Capital expenditures	(267)	(285)	(258)	(282)
<b>Free Cash Flow (Non-GAAP)</b>	<b>\$113</b>	<b>\$249</b>	<b>\$156</b>	<b>(\$21)</b>

	For the Year Ended
	December 31, 2024
(in millions)	
Net cash provided by operating activities (GAAP)	\$440 - \$460
Capital expenditures	(260)
<b>Free Cash Flow (Non-GAAP)</b>	<b>\$180 - \$200</b>

# Reconciliation of Total Debt to Net Debt and LTM Net Income (Loss) From Continuing Operations to LTM Adjusted EBITDA From Continuing Operations and Derivation of Net Leverage Ratio

(in millions)	As of June 30		As of December 31	
Net Debt:	2024	2023	2022	2021
Total Debt (GAAP)	\$3,592	\$3,586	\$4,136	\$4,250
Less cash and cash equivalents	95	164	531	197
<b>Net Debt (Non-GAAP)</b>	<b>\$3,497</b>	<b>\$3,422</b>	<b>\$3,605</b>	<b>\$4,053</b>

(in millions)	Last Twelve Months Ended			
LTM Adjusted EBITDA:	2Q 24	4Q 23	4Q 22	4Q 21
Net income (loss) from continuing operations (GAAP)	\$80	(\$222)	\$319	\$33
Income tax expense (benefit)	40	(3)	149	(4)
Interest expense, net	243	245	218	191
Depreciation and amortization (excluding Beverage-Merchandising Restructuring-related charges)	311	327	339	344
Beverage Merchandising Restructuring charges <sup>(1)</sup>	85	470	—	—
Footprint Optimization charges <sup>(2)</sup>	13	—	—	—
Other restructuring and asset impairment charges (reversals) <sup>(3)</sup>	8	6	58	9
Loss (gain) on sale of businesses and noncurrent assets <sup>(4)</sup>	1	2	(266)	—
Non-cash pension expense (income) <sup>(5)</sup>	4	8	(49)	(101)
Unrealized (gains) losses on commodity derivatives <sup>(6)</sup>	(2)	1	4	7
Foreign exchange losses on cash <sup>(7)</sup>	3	6	3	2
Gain on legal settlement <sup>(8)</sup>	—	—	(15)	—
Business acquisition and integration costs and purchase accounting adj. <sup>(9)</sup>	—	—	6	15
Operational process engineering-related consultancy costs <sup>(10)</sup>	—	—	9	21
Executive transition charges <sup>(11)</sup>	—	—	2	10
Costs associated with legacy sold facility <sup>(12)</sup>	—	—	6	—
Other	(1)	—	2	4
<b>LTM Adjusted EBITDA (Non-GAAP)</b>	<b>\$785</b>	<b>\$840</b>	<b>\$785</b>	<b>\$531</b>
<b>Net Leverage Ratio</b>	<b>4.5</b>	<b>4.1</b>	<b>4.6</b>	<b>7.6</b>

- (1) Reflects charges related to the Beverage Merchandising Restructuring, including \$274 million of accelerated depreciation expense during the year ended December 31, 2023.
- (2) Reflects charges related to the Footprint Optimization, including \$3 million of accelerated depreciation expense in 2024.
- (3) Reflects asset impairment, restructuring and other related charges (net of reversals) primarily associated with our decision to exit our remaining closures operations, the closure of our coated groundwood operations and the write-down of our equity interest in a joint venture located in the Middle East region.
- (4) Reflects the loss (gain) from the sale of businesses and noncurrent assets. For the year ended December 31, 2022 this primarily related to the sale of Beverage Merchandising Asia and the sale of our equity interests in Naturepak Beverage.
- (5) Reflects the non-cash pension income related to our employee benefit plans, including settlement gains.
- (6) Reflects the mark-to-market movements in our commodity derivatives.
- (7) Reflects foreign exchange losses on cash, primarily on U.S. dollar.
- (8) Reflects the gain, net of costs, arising from the settlement of a historical legal action.
- (9) Reflects amounts related to the acquisition of Fabri-Kal.
- (10) Reflects the costs incurred to evaluate and improve the efficiencies of our manufacturing and distribution operations.
- (11) Reflects charges relating to key executive retirement and separation agreements in the second quarter of 2022.
- (12) Reflects costs related to a closed facility, sold prior to our acquisition of the entity.



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