



Industrials & Materials Conference

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Ted Doheny, President & CEO

Jim Sullivan, SVP & CFO

Lori Chaitman, VP Investor Relations

# Safe Harbor and Regulation G Statement

This presentation contains “forward-looking statements” within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 concerning our business, consolidated financial condition and results of operations. Forward-looking statements are subject to risks and uncertainties, many of which are outside our control, which could cause actual results to differ materially from these statements. Therefore, you should not rely on any of these forward-looking statements. Forward-looking statements can be identified by such words as “anticipate,” “believe,” “plan,” “assume,” “could,” “should,” “estimate,” “expect,” “intend,” “potential,” “seek,” “predict,” “may,” “will” and similar references to future periods. All statements other than statements of historical facts included in this presentation regarding our strategies, prospects, financial condition, operations, costs, plans and objectives are forward-looking statements. Examples of forward-looking statements include, among others, statements we make regarding expected future operating results, expectations regarding the results of restructuring and other programs, anticipated levels of capital expenditures and expectations of the effect on our financial condition of claims, litigation, environmental costs, contingent liabilities and governmental and regulatory investigations and proceedings. The following are important factors that we believe could cause actual results to differ materially from those in our forward looking statements: global economic and political conditions, currency translation and devaluation effects, changes in raw material pricing and availability, competitive conditions, the success of new product offerings, consumer preferences, the effects of animal and food-related health issues, the effects of epidemics or pandemics, including the Coronavirus Disease 2019 (COVID-19), changes in energy costs, environmental matters, the success of our restructuring activities, the success of our financial growth, profitability, cash generation and manufacturing strategies and our cost reduction and productivity efforts, changes in our credit ratings, the tax benefit associated with the Settlement agreement (as defined in our most recent Annual Report on Form 10-K), regulatory actions and legal matters, and the other information referenced in the “Risk Factors” section appearing in our most recent Annual Report on Form 10-K, and as revised and updated by our Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. Any forward-looking statement made by us is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

Our management uses non-U.S. GAAP financial measures to evaluate the Company’s performance, which exclude items we consider unusual or special items. We believe the use of such financial measures and information may be useful to investors. We believe that the use of non-U.S. GAAP measures helps investors to gain a better understanding of core operating results and future prospects, consistent with how management measures and forecasts the Company’s performance, especially when comparing such results to previous periods or forecasts. Please see Sealed Air’s May 5, 2020 earnings press release and the appendix of this presentation for important information about the use of non-U.S. GAAP financial measures relevant to this presentation, including applicable reconciliations to U.S. GAAP financial measures. Information reconciling forward-looking U.S. GAAP measures to non-U.S. GAAP measures is not available without unreasonable effort. Values in this presentation are approximate due to rounding. Additionally, the individual components of bridges or the individual quarterly components presented in the current or prior quarter earnings presentation may not sum to the full year amount due to rounding.

## Website Information

We routinely post important information for investors on our website, [www.sealedair.com](http://www.sealedair.com), in the “Investors” section. We use this website as a means of disclosing material, non-public information and for complying with our disclosure obligations under Regulation FD. Accordingly, investors should monitor the Investors section of our website, in addition to following our press releases, SEC filings, public conference calls, presentations and webcasts. The information contained on, or that may be accessed through, our website is not incorporated by reference into, and is not a part of, this document.



We are in business to protect,  
to solve critical packaging challenges,  
and to leave our world better than we found it.

# Leading through Crisis with our 4P'S<sup>SM</sup> of Reinvent SEE<sup>TM</sup>

Ensure employee safety, business continuity, and accelerate innovation

**Performance:** World-class

**People:** **One SEE** High performance culture

**Products:** Best products, right price, make them sustainable

**Processes:** **One SEE** Operational Excellence

**Sustainability:** Leave our world better than we found it



 Sealed Air<sup>®</sup>

My Sealed Air



| Operating Model



| Academy



| Shop

**Sealed Air<sup>®</sup>**  
BRAND PROTECTIVE PACKAGING

**CRYOVAC<sup>®</sup>**  
BRAND FOOD PACKAGING

**Autobag<sup>®</sup>**  
BRAND AUTOMATED SYSTEMS

  
**BubbleWrap<sup>®</sup>**  
BRAND PACKAGING

SealedAir.com



| Automation



| Smart Service



| OpEx



**ALLIANCE TO  
END PLASTIC WASTE**

Board Member 2019



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*We are in business to protect, to solve critical packaging challenges,  
and to leave our world better than we found it*

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# Leadership Actions through COVID-19 Pandemic

Eliminate waste → simplify process → remove people from harm's way → automate

## Lead through Crisis → Accelerate Transformation → Stronger post Crisis

Keep people out of harm's way

Supporting peak customer demands

Activated **crisis management**

Global leadership collaboration

Keep people out of harm's way

Reinvent SEE 4P'S based playbook

Innovation speed; partnerships **"at the table"**

Capital allocation strategy guides decisions

Keep people out of harm's way

Adopt flexible work place practices

Best equipment, service, materials, **automation**

On track to achieve 2025 Sustainability Pledge



Thermal scanning  
and face protection  
at all facilities



Sealed Air® Korrvu® brand  
Retention Packaging  
COVID-19 ventilators



Cryovac® brand  
Darfresh® On Tray



Bubble Wrap® brand  
On-Demand Systems



Cryovac® brand Bag-Over-Bag design  
Patent pending for shelf-life extension of  
seafood and fresh "red" meat



Autobag® brand  
Bagging Systems

*Leading to a "new normal", creating a touchless, digital world*

# SEE Solving Critical Packaging Challenges

Rapid response to global pandemic with innovative, sustainable & essential packaging

Sales by End Market <sup>1</sup>	65%	22%	13%
	<b>Protein, Foods, Fluids, Medical &amp; Life Sciences</b>	<b>Industrial, Transportation, Electronics &amp; Other Protective</b>	<b>Consumer, Retail &amp; 3PL</b>
<b>Positive Impact</b>	Retail packaged proteins fresh & frozen, produce, pantry items, meal kits & pet care  Medical supplies, pharmaceuticals, personal protective equipment	Consumer electronics for e-Learning, remote working, home theater & gaming	eCommerce to support stay- at-home environment
<b>Negative Impact</b>	Food service & restaurant industry	Industrial & general manufacturing	Non-essential retail
<b>Q1 2020</b>	<b>Net positive</b>	<b>Net negative</b>	<b>Net positive</b>

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*> 75% end markets essential or support stay-at-home environment*

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<sup>1</sup> Estimated based on 2019 results

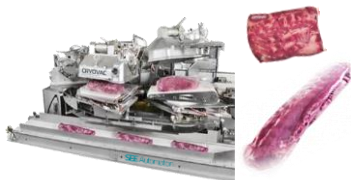


# Best Products, Right Price, Make Them Sustainable



Leading solutions partner: equipment • service • materials • automated systems

## High Performance



### Cryovac® brand Barrier Bags

> 30% materials reduction



### Cryovac® brand Darfresh® On Tray

Zero film-scrap  
30-40% less film usage  
Post consumer recyclable tray

## Waste Reduction



### Cryovac® brand FlexPrep™

2-5% yield improvement,  
food waste by >20%



### Integrated Fabrication

> 80% waste reduction  
100% recycled content

## Renewable Materials



### Sealed Air® brand Paper Systems

100% fiber-based  
100% curbside recyclable



**Cryovac® brand  
Darfresh® with  
Plant-based Rollstock**  
~ 90% renewable/recycled  
content

## Recycled Content



**Autobag® brand  
EarthAware® Air Pillows**  
90% + recycled content



**Sealed Air® brand  
TempGuard™ Liners**  
Fiber-based with  
recycled content,  
100% curbside recyclable

## Weight & Freight Savings



### Sealed Air® brand Stealthwrap® Automated Film Cartoning System

Up to 60% cube reduction,  
95% lighter than boxes



**Autobag® brand Bagging System**  
Size optimization, minimal waste  
100% recyclable via Store Drop-Off

**Bubble Wrap® brand  
On-Demand Inflatable Cushioning**  
Up to 90% space savings,  
97% less truckloads

# Cryovac Darfresh® Delivers Automation, Services & Materials



Innovative platform with higher performance & waste reduction for proteins across value chain



**Cryovac® brand Darfresh® On Tray**  
for all proteins, high performance skin film



Protein Solutions  
**SEE Automated Equipment,  
Service & Materials**

## Post consumer recyclable protein package

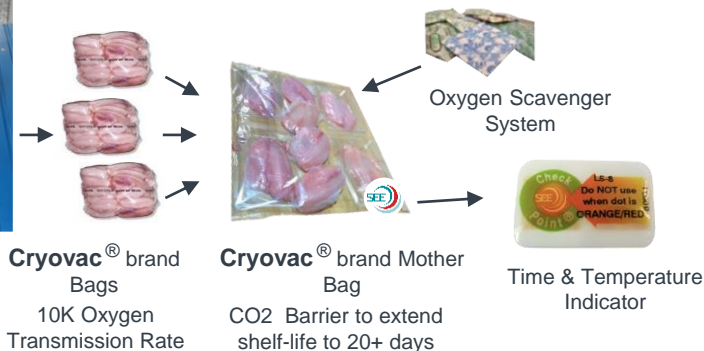
- > 90% Contains post consumer recycled materials
- 100% Zero scrap process, resulting in 40% less plastics
- ~ 15% Productivity improvement
- > 20% Less trucks on the road due to vacuum skin packaging
- ~ 30% Food waste reduction

Leak proof packaging ideal for e-Food & home deliveries

*Lowers environmental impact for processors, while addressing consumers' freshness & sustainability needs*



Seafood Solutions  
**SEE Automated Equipment,  
Service & Materials**



## Reinventing fresh seafood distribution

- > 20 days, 3x+ Shelf-life extension
- > 60% Cost savings by avoiding air shipment
- 10 - 25% Retail spoilage reduction
- > 50% Lower carbon footprint

Replaces EPS coolers with easy to recycle boxes



# Automated Packaging Systems

One SEE's innovative automated equipment, services and materials



**Autobag®**  
BRAND AUTOMATED SYSTEMS



SEE Automated  
Autobag® 850 system

## Work cell automation in eCommerce fulfillment

- > 200% Reduction in labor dependency with only 1 operator per automated system
- ~ 300% Increase in speed per pack, 8 bags per minute per operator
- > 30% Footprint reduction, seamless installation with Warehouse Mgt. System readiness
- ~ 10% Cost savings by eliminating adhesive labeling; Autobag prints directly on bag
- 100% How2Recycle compliant and recyclable via Store Drop-Off

*Automation driving > 5x productivity improvements with < 12-month payback*



SEE Automated  
Autobag SidePouch® system

## Automation in bagging applications in Food, eCommerce

- > \$1B Addressable market for frozen foods and fresh produce
- > 300% Reduction in labor dependency with only 1 operator per automated system
  - Designed for ease of sanitation and operator ergonomics vs. other packaging alternatives
- ~ 200% Increase in speed per pack, 15 bags per minute per operator
  - 8 Unique bag & pouch formats without requiring equipment tooling changes
- 100% How2Recycle compliant and recyclable via Store Drop-Off

# eFood Packaging

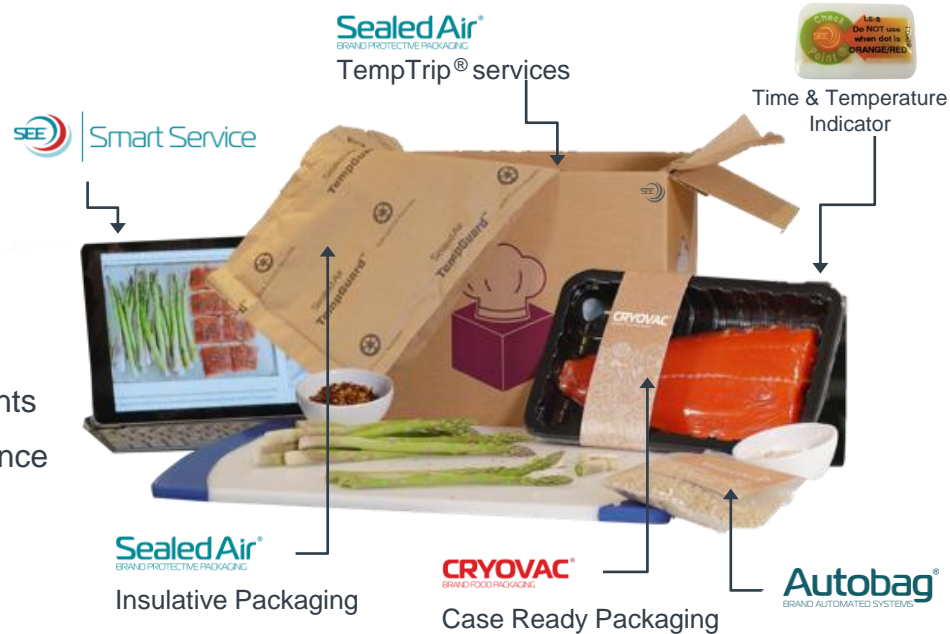
One SEE's innovative automated equipment, services and materials

## Fast Growing Channel

10x faster market growth  
Surging online grocery sales  
20% + CAGR

## Customer Challenges

New regulatory frameworks  
Complex cold-chain requirements  
Food safety and quality assurance  
Sustainable packaging  
Digitally enhanced packaging  
Enabling to SEE Inside



*Leading to a touchless ... digital world*



# Our Operational Processes

Minimizing waste & carbon footprint in our operations reduces costs & risk

## SEE Operations Sustainability Metrics

### 25% Resource Intensity Reduction by 2020

Achieved goal two-years ahead of schedule <sup>1</sup>

- ✓ Greenhouse gas emissions reduced by ~ 35%
- ✓ Energy intensity reduced by > 25%
- ✓ Water intensity reduced by > 25%

### Waste Diversion

Diverted nearly 80% of waste from landfills <sup>1</sup>

> 50% facilities achieving 100% waste diversion

Goal to achieve 100% by 2020

### Employee Safety

TRIR <sup>2</sup> down 10% YTD vs 2018

> 65% facilities achieving zero harm

GOAL: Reduce the greenhouse gas intensity of our operations by 25%



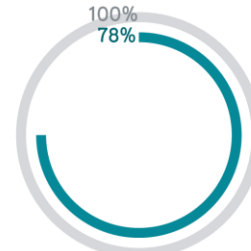
GOAL: Reduce the energy intensity of our operations by 25%



GOAL: Reduce the water intensity of our operations by 25%



GOAL: Divert 100% of our product and process waste from landfills



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*Eliminate waste → simplify the process → remove people from harm's way → automate*

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<sup>1</sup> GHG Emissions, Energy, Water and Waste internal metrics are measured over the period of 2012 to 2018

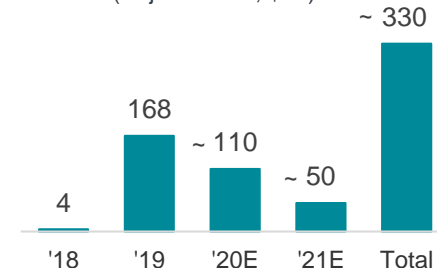
<sup>2</sup> TRIR = Total Recordable Incident Rate

# Reinvent SEE Creating Structural Change

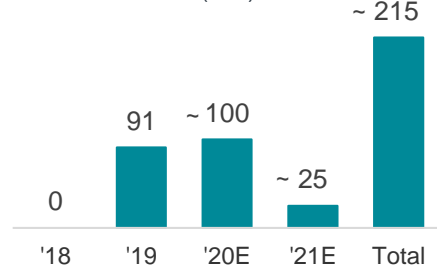
New growth workstream to accelerate innovation and penetrate adjacent markets

	'18 & '19	Q1 '20	
<b>Total YoY Benefits</b>	<b>\$172 M</b>	<b>\$30 M</b>	<b>Reinventing how we innovate to solve</b>
<b>Price / Cost Spread YoY Benefits</b>	<b>\$37 M</b>	<b>\$5 M</b>	Logistics rate improvements Strategic value capture Non-market price movements Procurement savings
<b>Total Oper. Costs YoY Benefits</b>	<b>\$135 M</b>	<b>\$25 M</b>	SG&A efficiency and savings on indirect spend
<b>Operating Costs YoY Benefits</b>	<b>\$64 M</b>	<b>\$11 M</b>	Manufacturing network efficiencies
<b>Restructuring YoY Savings</b>	<b>\$71 M</b>	<b>\$14 M</b>	Yield improvements and gauge optimization
			Material substitution & alt. raw material qualifications
			Delaying & simplifying organization

**Reinvent SEE Benefits**  
(Adj. EBITDA, \$ M)



**Reinvent SEE Cash Payments**  
(\$ M)



*SEE Operational Excellence engine driving profitable growth above inflation*

# Capital Allocation Strategy

ROIC > cost of capital, industry-leading operating leverage

## Investing in:

### Attractive markets, disruptive products and technologies

Automated Packaging Systems acquisition completed in 2019

Platforms for automation and service

Convert rigids to sustainable flexibles, fluids & liquids packaging

Sustainable solutions & plastics circular economy

eCommerce technologies

### 2020E Capital expenditures ~ \$175 M

Investing in breakthrough processes, innovation & automation

## Returning Capital to Shareholders:

### Capital Allocation Discipline

2020 Net Debt / Adj. EBITDA Ratio Target < 3.5x

*Proforma Q1 Net Debt / Adj. EBITDA Ratio*<sup>1</sup> 3.5x

FCF Conversion Rate<sup>2</sup> Long-Term Target ~ 40%

### Dividends

Q1 cash dividend \$26M or \$0.16 per share

### Share Repurchase

Repurchased 1.56 M shares for \$67 M in 2019

\$708 M remaining under current authorization

<sup>1</sup> Proforma Net Debt / LTM Adj EBITDA Ratio includes 12-months ended March 31, 2020 Adj. EBITDA for Automated Packaging Systems

<sup>2</sup> FCF Conversion Rate defined as Free Cash Flow / Adj. EBITDA, excluding restructuring



# Healthy Balance Sheet Position

Well positioned to support business in COVID-19 environment

**Q1 2020 Proforma Net Debt / LTM Adj. EBITDA<sup>1</sup> 3.5x** (Q4 2019: 3.6x)

Priority is to continue to de-lever the balance sheet

**\$1.24B of liquidity available, including:**

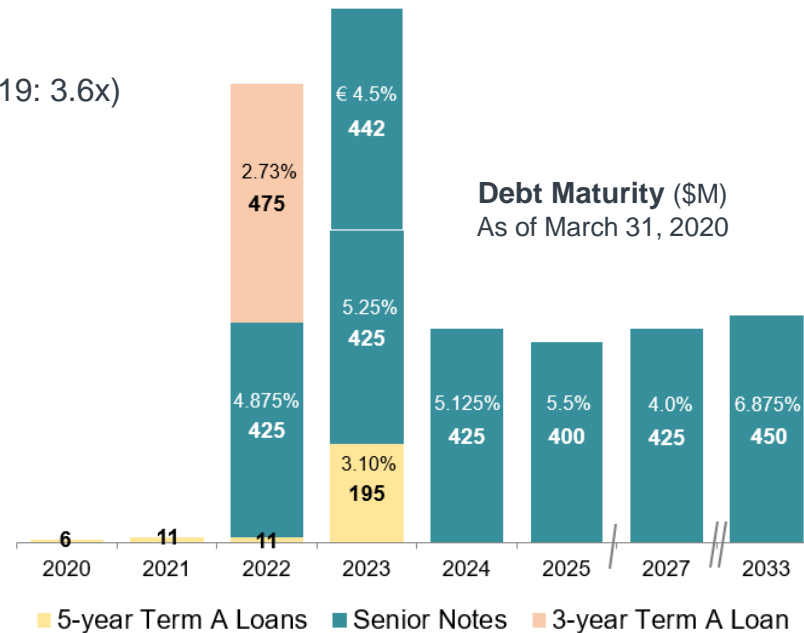
Cash \$275M, undrawn, committed credit facilities \$968M

Maximum leverage covenant in credit facility 5.0x due to  
APS acquisition, returns to 4.5x Q4 2020

Q1 2020 covenant leverage ~ 3.2x

**No debt maturities until August 2022**

Weighted average cost of debt 4.7%



*Strong liquidity and maturity profile provide financial flexibility;  
maintaining dividend at current level*



## Appendix

# Q1 2020 Financial Results



Higher volumes, Reinvent SEE and Automated Packaging Systems drives profitable growth

## **Net Sales** \$1.2B; +6% as Reported, +8% constant dollar

Food +5% constant dollar, volume +5% led by North & South America and EMEA, acquisition +1%

Protective +13% constant dollar, acquisition +16% offset by volume decline of 2%

## **Adj. EBITDA** \$253M; +17% as Reported, +20% constant dollar

EBITDA growth primarily driven by Reinvent SEE, acquisition, and Food volume

Margins expanded 220 bps to 21.6%

## **Adj. EPS** \$0.73; +24% growth

D&A of \$52M vs \$40M in Q1 2019, including \$6M related to Automated Packaging Systems acquisition

Based on 155M diluted shares outstanding and adjusted tax rate of 28%

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*Solid performance across all key metrics*

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# Q1 2020 YoY Regional Sales Performance



Growth led by Food volume, e-Commerce and Automated Packaging Systems acquisition

	* North America	Europe, Middle East & Africa	Asia Pacific	South America
As Reported % Change	9 %	4 %	- 5 %	- 3 %
Constant Dollar % Change	10 %	7 %	- 1 %	24 %
% of Sales	61 %	21 %	14 %	4 %

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Q1 2020 Net Sales: \$1.2 B

As Reported % Change: + 6 %

Constant Dollar % Change: + 8 %

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# YoY Sales Trends

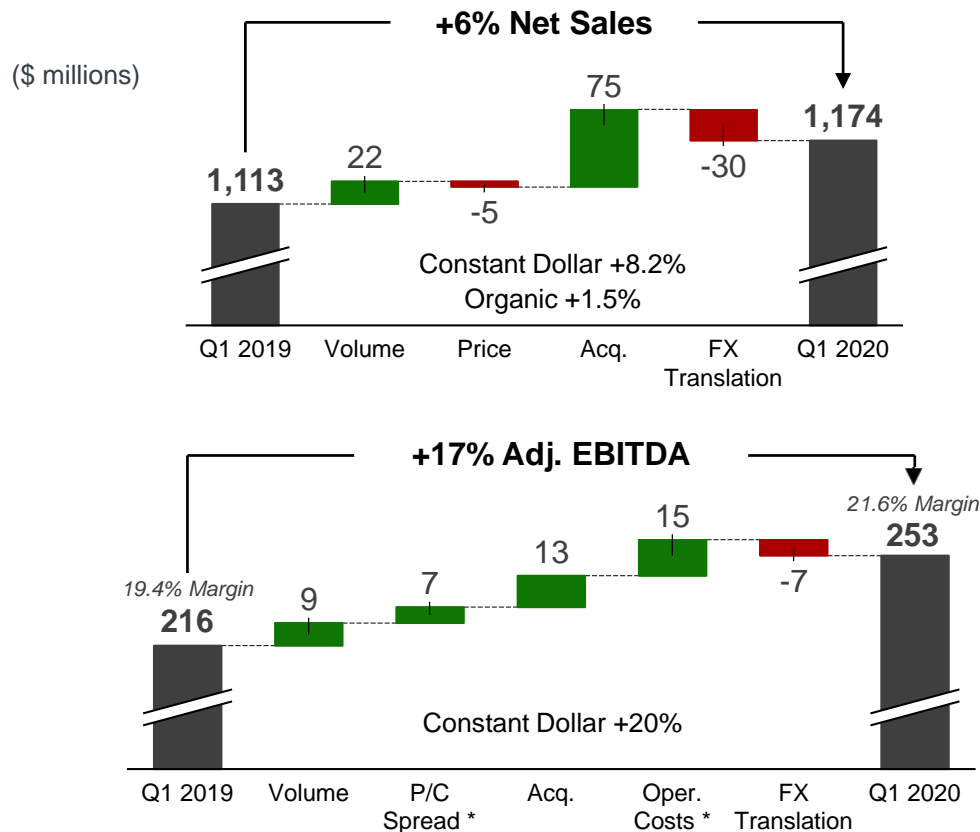
2019		Growth (%)					Growth (%)					Volume (%)					Price (%)				
		As Reported					Constant Dollar					Excluding Acquisitions					Excluding Acquisitions				
2020		Q1	Q2	Q3	Q4	Q1	Q1	Q2	Q3	Q4	Q1	Q1	Q2	Q3	Q4	Q1	Q1	Q2	Q3	Q4	Q1
Food		(2)	(0.3)	0.3	(2)	2	3	4	3	1	5	0.4	2	2	(0.4)	5	3	1	0.4	(0.1)	(0.2)
Protective		(0.5)	2	7	10	12	2	4	8	11	13	(4)	(3)	(5)	(4)	(2)	1	1	0.4	0.3	(1)
SEE		(2)	1	3	3	6	3	4	5	5	8	(1)	1	(1)	(2)	2	2	1	0.4	0.1	(0.5)
NA		2	4	4	4	9	3	4	4	3	10	(2)	2	(2)	(4)	3	1	(0.4)	(1)	(1)	(2)
EMEA		(9)	(6)	1	2	4	(1)	(0.3)	5	4	7	(1)	(1)	1	(1)	1	1	0.3	0.0	(0.4)	(0.3)
APAC		(3)	(4)	1	0.5	(5)	3	1	3	2	(1)	0.3	(4)	(0.2)	(0.1)	(2)	0.1	0.1	0.1	(1)	(0.3)
SA		(7)	2	4	9	(3)	25	30	21	31	24	(0.1)	5	3	12	7	25	25	18	18	16
SEE		(2)	1	3	3	6	3	4	5	5	8	(1)	1	(1)	(2)	2	2	1	0.4	0.1	(0.5)

*Acceleration largely driven by surge in packaged foods for retail market and strength in e-Comm, partially offset by declines in food service and industrial packaging*



# SEE Q1 Net Sales & Adj. EBITDA

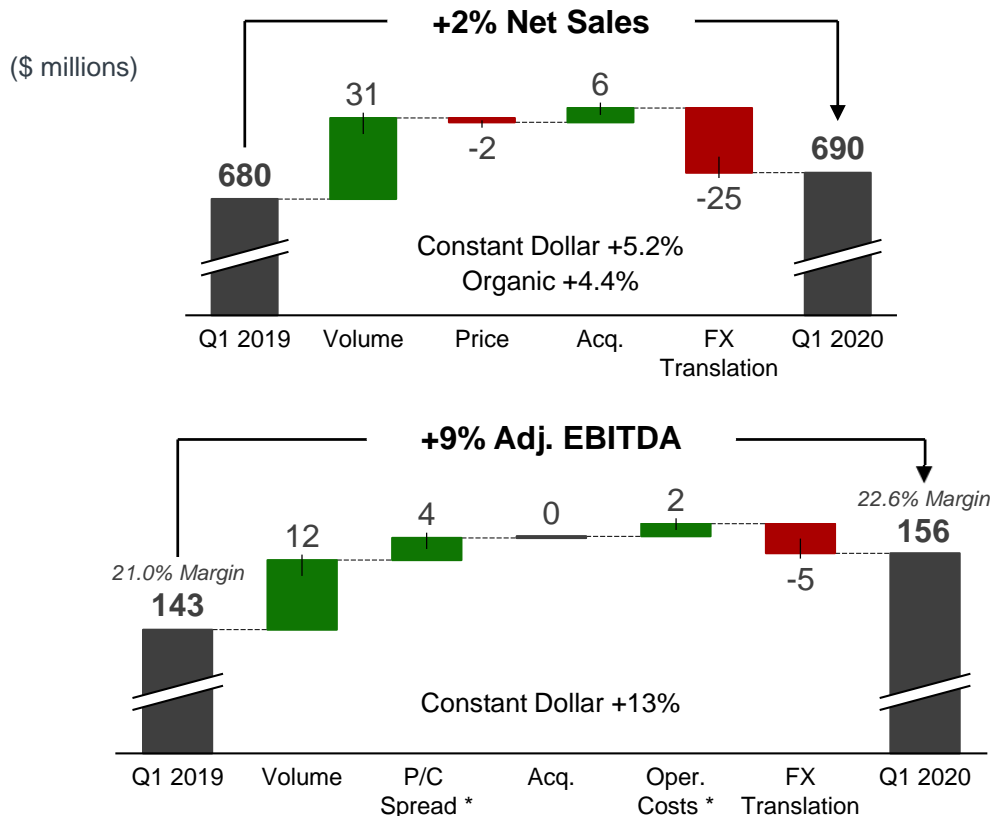
Performance driven by higher volume, Reinvent SEE, lower input costs and acquisitions



# Food Care Q1 Net Sales & Adj. EBITDA



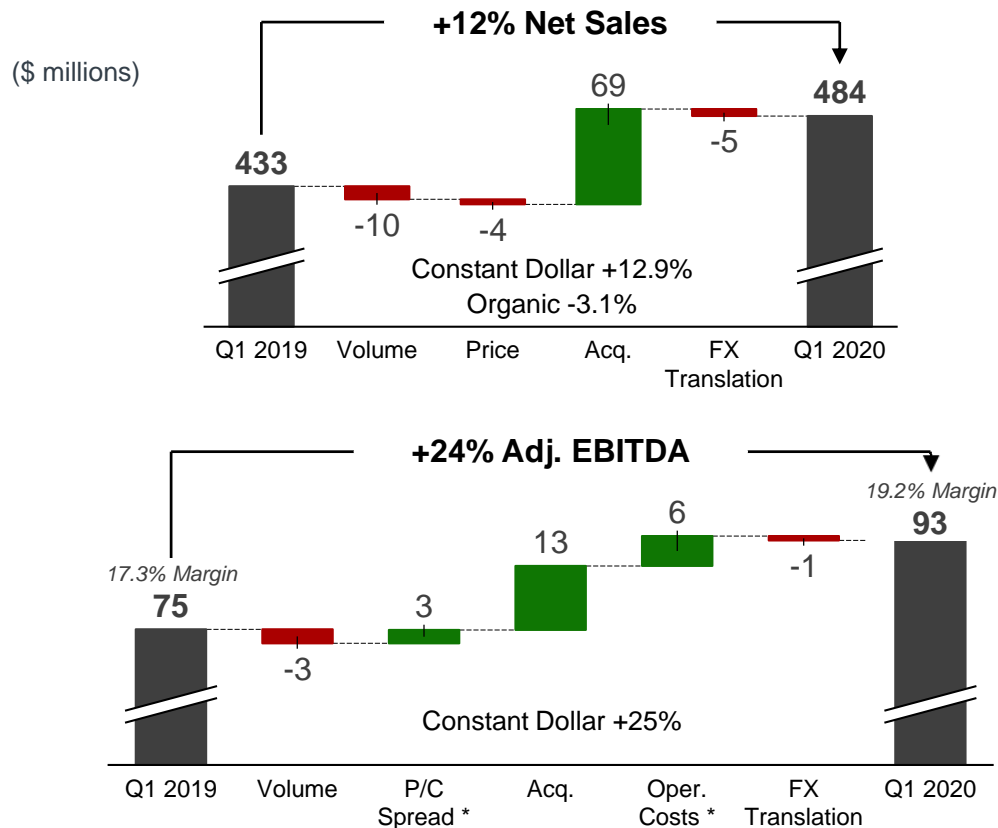
Higher volume, Reinvent SEE & favorable price cost spread, partially offset by FX translation



\* Q1 Reinvent SEE benefits \$20 M: \$4 M P/C Spread; \$16 M Operating Costs, including \$9 M Restructuring Savings

# Product Care Q1 Net Sales & Adj. EBITDA

APS acquisition, Reinvent SEE & lower input costs, partially offset by lower volume



# Free Cash Flow



Higher Adj. EBITDA offset by seasonal trade working capital increase & higher incentive comp. payments

(\$ millions)	Three Months Ended March 31,	
	2020	2019
Adjusted EBITDA	253	216
Interest payments, net of interest income	(47)	(40)
Income tax payments	(16)	(13)
Reinvent SEE, restructuring & assoc. payments	(26)	(25)
Change in trade working capital, net *	(61)	(31)
Change in other assets/liabilities	(62)	(42)
Cash flow provided by operating activities	41	65
Capital expenditures	(49)	(49)
<b>Free Cash Flow</b>	<b>(8)</b>	<b>16</b>

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*Reducing 2020 capex from \$200 M to \$175 M, protecting growth investments*

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\* Includes cash (used) from trade receivables, inventory, accounts payable net

# U.S. GAAP Summary & Reconciliations



	Three Months Ended Mar. 31,	
	<u>2020</u>	<u>2019</u>
Net Sales	\$1.2 billion	\$1.1 billion
Pre-tax Earnings from Continuing Operations	\$147.2 million	\$94.7 million
Net Earnings From Continuing Operations	\$114.5 million	\$64.3 million
EPS From Continuing Operations	\$0.74	\$0.41
Effective Tax Rate	22.2%	32.1%
Operating Cash Flow	\$41.0 million	\$65.1 million

	Three Months Ended Mar. 31,	
(\$ millions)	<u>2020</u>	<u>2019</u>
<b>U.S. GAAP Net earnings from continuing operations</b>	<b>114.5</b>	<b>64.3</b>
Interest expense, net	44.4	44.9
Income tax provision	32.7	30.4
Depreciation and amortization, net of adjustments	51.5	40.2
<i>Special items</i>		
Restructuring charges	0.6	7.4
Other restructuring associated costs	4.0	16.7
Foreign currency exchange loss due to highly inflationary economies	0.9	0.8
Charges related to acquisition and divestiture activity	2.9	3.7
Other Special Items	<u>1.7</u>	<u>7.4</u>
Pre-tax impact of Special Items	<u>10.1</u>	<u>36.0</u>
<b>Non-U.S. GAAP Total Company Adj EBITDA from continuing operations</b>	<b><u>253.2</u></b>	<b><u>215.8</u></b>



# U.S. GAAP Summary & Reconciliations



(\$ millions, except per share data)	Three Months Ended Mar. 31,			
	2020		2019	
	Net Earnings	Diluted EPS	Net Earnings	Diluted EPS
<b>U.S. GAAP net earnings and diluted EPS from continuing operations</b>	<b>\$ 114.5</b>	<b>\$ 0.74</b>	<b>\$ 64.3</b>	<b>\$ 0.41</b>
Special Items	(1.1)	(0.01)	27.9	0.18
<b>Non-U.S. GAAP Adjusted net earnings and adjusted diluted EPS from continuing operations</b>	<b>\$ 113.4</b>	<b>\$ 0.73</b>	<b>\$ 92.2</b>	<b>\$ 0.59</b>
Weighted average number of common shares outstanding - Diluted		154.8		155.4

(\$ millions)	Mar. 31, 2020 (unaudited)
Total debt	\$ 3,874.4
Less: cash and cash equivalents	(274.6)
<b>Net Debt</b>	<b>\$ 3,599.8</b>

# ROIC Calculation



## *Q1 2020 Trailing Twelve Months*

Adjusted EBITDA (Non-GAAP)	\$ 1,002 M
Less: Depreciation and Amortization	<u>(196 M)</u>
Adjusted Operating Profit	806 M
Adjusted Tax Rate (Non-GAAP)	26%
Tax on Adjusted Operating Profit	<u>(210 M)</u>
<b>Net Adjusted Operating Profit After Tax</b>	<b>\$ 597M</b>

## *One-year average (Q1 '20 and Q1 '19)*

Book value of Equity	\$ (237 M)
Current and Long-Term Debt	3,721 M
Other Long-Term Liabilities	710 M
Less: Non-Operating Assets *	<u>(257 M)</u>
<b>Total Capital</b>	<b>\$ 3,936 M</b>
<b>Return on Invested Capital</b>	<b>15%</b>

\* Primarily represents cash balance