UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2023

Or ☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________

Commission File Number: 1-12139

SEALED AIR CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**65-0654331**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**
2415 Cascade Pointe Boulevard	
Charlotte North Carolina	**28208**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (980) 221-3235

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value $0.10 per share	SEE	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

There were 144,386,418 shares of the registrant's common stock, par value $0.10 per share, issued and outstanding as of April 28, 2023.

SEALED AIR CORPORATION AND SUBSIDIARIES
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Cautionary Notice Regarding Forward-Looking Statements

This report 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, results of operations and cash flows. The Securities and Exchange Commission (“SEC”) encourages companies to disclose forward-looking statements so that investors can better understand a company’s future prospects and make informed investment decisions. 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 report 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, expectations regarding future impacts resulting from the Liquibox acquisition, 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, including recessionary and inflationary pressures, currency translation and devaluation effects, changes in raw material pricing and availability, competitive conditions, the success of new product offerings, failure to realize synergies and other financial benefits from the acquisition of Liquibox within the expected time frames, greater than expected costs or difficulties related to the integration of Liquibox, consumer preferences, the effects of animal and food-related health issues, the effects of epidemics or pandemics, including the Coronavirus Disease 2019 (COVID-19), negative impacts related to the ongoing conflict between Russia and Ukraine and related sanctions, export restrictions and other counteractions thereto, changes in energy costs, environmental matters, the success of our restructuring activities, the success of our merger, acquisition and equity investment strategies, 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 Note 18 to our Condensed Consolidated Financial Statements included in Part I, Item 1 of this report), regulatory actions and legal matters, and the other information referenced in Part I, Item 1A, "Risk Factors", of our Annual Report on Form 10-K for the year ended December 31, 2022 as filed with the SEC, and in any of our subsequent SEC filings. 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 statements, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

SEALED AIR CORPORATION AND SUBSIDIARIES

Condensed Consolidated Balance Sheets
(Unaudited)

(In USD millions, except share and per share data)	March 31, 2023	December 31, 2022
ASSETS		
Current assets:		
Cash and cash equivalents	$ 303.1	$ 456.1
Trade receivables, net of allowance for credit losses of $12.4 in 2023 and $11.5 in 2022	481.8	592.4
Income tax receivables	32.2	40.3
Other receivables	94.5	104.2
Inventories, net of inventory reserves of $31.4 in 2023 and $28.9 in 2022 (Note 7)	961.7	866.3
Prepaid expenses and other current assets	193.8	57.5
Total current assets	2,067.1	2,116.8
Property and equipment, net (Note 8)	1,396.5	1,275.9
Goodwill (Note 9)	2,908.9	2,174.5
Identifiable intangible assets, net (Note 9)	472.0	138.4
Deferred taxes	123.7	141.5
Operating lease right-of-use-assets (Note 4)	82.4	70.2
Other non-current assets	305.6	297.4
Total assets	**$ 7,356.2**	**$ 6,214.7**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term borrowings (Note 13)	$ 175.7	$ 6.6
Current portion of long-term debt (Note 13)	14.0	434.0
Current portion of operating lease liabilities (Note 4)	27.1	24.0
Accounts payable	826.3	865.6
Accrued restructuring costs (Note 12)	11.8	14.7
Income tax payable	24.6	19.9
Other current liabilities	653.3	717.0
Total current liabilities	1,732.8	2,081.8
Long-term debt, less current portion (Note 13)	4,640.4	3,237.9
Long-term operating lease liabilities, less current portion (Note 4)	58.2	49.6
Deferred taxes	97.0	33.4
Other non-current liabilities	481.3	467.9
Total liabilities	**7,009.7**	**5,870.6**
Commitments and contingencies (Note 18)		
Stockholders' equity:		
Preferred stock, $0.10 par value per share, 50,000,000 shares authorized; no shares issued in 2023 and 2022	—	—
Common stock, $0.10 par value per share, 400,000,000 shares authorized; shares issued: 233,971,693 in 2023 and 233,233,456 in 2022; shares outstanding: 144,385,401 in 2023 and 144,672,113 in 2022	23.4	23.3
Additional paid-in capital	2,152.8	2,155.3
Retained earnings	3,195.5	3,163.4
Common stock in treasury, 89,586,292 shares in 2023 and 88,561,343 shares in 2022	(4,076.0)	(4,019.1)
Accumulated other comprehensive loss, net of taxes (Note 20)	(949.2)	(978.8)
Total stockholders' equity	**346.5**	**344.1**
Total liabilities and stockholders' equity	**$ 7,356.2**	**$ 6,214.7**

See accompanying Notes to Condensed Consolidated Financial Statements.

SEALED AIR CORPORATION AND SUBSIDIARIES

Condensed Consolidated Statements of Operations
(Unaudited)

(In USD millions, except per share data)	Three Months Ended March 31, 2023	2022
Net sales	$ 1,348.8	$ 1,417.6
Cost of sales	943.7	940.6
Gross profit	405.1	477.0
Selling, general and administrative expenses	221.6	205.0
Amortization expense of intangible assets	15.2	9.4
Restructuring charges (Note 12)	(1.2)	0.5
Operating profit	169.5	262.1
Interest expense, net	(57.8)	(38.9)
Other expense, net (Note 21)	(15.0)	(14.2)
Earnings before income tax provision	96.7	209.0
Income tax provision (Note 17)	33.8	59.4
Net earnings from continuing operations	62.9	149.6
Loss on sale of discontinued operations, net of tax	(1.0)	(0.4)
Net earnings	**$ 61.9**	**$ 149.2**
Basic:		
Continuing operations	$ 0.44	$ 1.01
Discontinued operations	(0.01)	—
Net earnings per common share - basic (Note 22)	**$ 0.43**	**$ 1.01**
Diluted:		
Continuing operations	$ 0.44	$ 1.00
Discontinued operations	(0.01)	—
Net earnings per common share - diluted (Note 22)	**$ 0.43**	**$ 1.00**
Weighted average number of common shares outstanding: (Note 22)		
Basic	**144.1**	**147.6**
Diluted	**144.8**	**149.5**

See accompanying Notes to Condensed Consolidated Financial Statements.

Condensed Consolidated Statements of Comprehensive Income
(Unaudited)

(In USD millions)	Three Months Ended March 31, 2023 Gross	2023 Taxes	2023 Net	2022 Gross	2022 Taxes	2022 Net
Net earnings			**$ 61.9**			**$ 149.2**
Other comprehensive income (loss):						
Recognition of pension items	$ 1.7	$ (0.4)	**1.3**	$ 1.1	$ (0.3)	**0.8**
Unrealized (losses) gains on derivative instruments for net investment hedge	(7.3)	1.8	**(5.5)**	6.7	(1.7)	**5.0**
Unrealized losses on derivative instruments for cash flow hedge	(3.8)	1.0	**(2.8)**	(2.1)	0.6	**(1.5)**
Foreign currency translation adjustments	36.6	—	**36.6**	3.5	—	**3.5**
Other comprehensive income	$ 27.2	$ 2.4	**29.6**	$ 9.2	$ (1.4)	**7.8**
Comprehensive income, net of taxes			**$ 91.5**			**$ 157.0**

See accompanying Notes to Condensed Consolidated Financial Statements.

Condensed Consolidated Statements of Stockholders' Equity
(Unaudited)

(In USD millions)	Common Stock	Additional Paid-in Capital	Retained Earnings	Common Stock in Treasury	Accumulated Other Comprehensive Loss, Net of Taxes	Total Stockholders' Equity
Balance at December 31, 2022	$ 23.3	$ 2,155.3	$ 3,163.4	$ (4,019.1)	$ (978.8)	$ 344.1
Effect of share-based incentive compensation	0.1	(3.4)	—	—	—	(3.3)
Stock issued for profit sharing contribution paid in stock	—	0.9	—	23.0	—	23.9
Repurchases of common stock	—	—	—	(79.9)	—	(79.9)
Recognition of pension items, net of taxes	—	—	—	—	1.3	1.3
Foreign currency translation adjustments	—	—	—	—	36.6	36.6
Unrealized loss on derivative instruments, net of taxes	—	—	—	—	(8.3)	(8.3)
Net earnings	—	—	61.9	—	—	61.9
Dividends on common stock ($0.20 per share)	—	—	(29.8)	—	—	(29.8)
Balance at March 31, 2023	**$ 23.4**	**$ 2,152.8**	**$ 3,195.5**	**$ (4,076.0)**	**$ (949.2)**	**$ 346.5**
Balance at December 31, 2021	$ 23.2	$ 2,123.4	$ 2,790.7	$ (3,754.7)	$ (933.9)	$ 248.7
Effect of share-based incentive compensation	0.1	(7.4)	—	—	—	(7.3)
Stock issued for profit sharing contribution paid in stock	—	6.9	—	15.8	—	22.7
Repurchases of common stock	—	—	—	(200.1)	—	(200.1)
Recognition of pension items, net of taxes	—	—	—	—	0.8	0.8
Foreign currency translation adjustments	—	—	—	—	3.5	3.5
Unrealized gain on derivative instruments, net of taxes	—	—	—	—	3.5	3.5
Net earnings	—	—	149.2	—	—	149.2
Dividends on common stock ($0.20 per share)	—	—	(30.6)	—	—	(30.6)
Balance at March 31, 2022	**$ 23.3**	**$ 2,122.9**	**$ 2,909.3**	**$ (3,939.0)**	**$ (926.1)**	**$ 190.4**

See accompanying Notes to Condensed Consolidated Financial Statements.

SEALED AIR CORPORATION AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows
(Unaudited)

(In USD millions)	Three Months Ended March 31, 2023	2022
Net earnings	$ 61.9	$ 149.2
Adjustments to reconcile net earnings to net cash provided by operating activities		
Depreciation and amortization	55.9	45.3
Share-based incentive compensation	17.6	17.3
Profit sharing expense	6.8	8.6
Loss on debt redemption and refinancing activities	4.9	0.7
Provision for allowance for credit losses on trade receivables	2.2	1.8
Provisions for inventory obsolescence	5.4	4.5
Deferred taxes, net	(2.8)	(2.3)
Net loss on sale of business	1.0	0.4
Impairment loss on equity investments	—	15.5
Other non-cash items	11.6	(3.1)
Changes in operating assets and liabilities:		
Trade receivables, net	30.1	(57.1)
Inventories, net	(32.0)	(119.9)
Accounts payable	(62.8)	10.5
Customer advance payments	4.7	1.7
Income tax receivable/payable	12.7	30.2
Other assets and liabilities	(65.3)	(54.9)
Net cash provided by operating activities	**$ 51.9**	**$ 48.4**
Cash flows from investing activities:		
Capital expenditures	(64.9)	(67.0)
Proceeds related to sale of business and property and equipment, net	0.6	7.1
Businesses acquired in purchase transactions, net of cash acquired	(1,148.0)	(9.1)
Payments associated with debt, equity and equity method investments	—	(1.3)
Settlement of foreign currency forward contracts	5.4	1.0
Net cash used in investing activities	**$ (1,206.9)**	**$ (69.3)**
Cash flows from financing activities:		
Net proceeds (payments) of short-term borrowings	167.9	(0.1)
Proceeds from long-term debt	1,411.4	0.8
Payments of long-term debt	(432.8)	—
Payments of debt modification/extinguishment costs and other	(13.1)	(4.1)
Dividends paid on common stock	(31.1)	(31.1)
Impact of tax withholding on share-based compensation	(21.0)	(24.8)
Repurchases of common stock	(79.9)	(200.1)
Principal payments related to financing leases	(2.3)	(2.7)
Net cash provided by (used in) financing activities	**$ 999.1**	**$ (262.1)**
Effect of foreign currency exchange rate changes on cash and cash equivalents	**$ 2.9**	**$ 0.2**
Cash Reconciliation:		
Cash and cash equivalents	456.1	561.0
Restricted cash and cash equivalents	—	—
Balance, beginning of period	**$ 456.1**	**$ 561.0**
Net change during the period	**(153.0)**	**(282.8)**
Cash and cash equivalents	303.1	278.2
Restricted cash and cash equivalents	—	—
Balance, end of period	**$ 303.1**	**$ 278.2**
Supplemental Cash Flow Information:		
Interest payments, net of amounts capitalized	$ 50.8	$ 41.0
Income tax payments, net of cash refunds	$ 14.0	$ 24.7
Restructuring payments including associated costs	$ 3.1	$ 12.0
Non-cash items:		
Transfers of shares of common stock from treasury for profit-sharing contributions	$ 23.9	$ 22.7

See accompanying Notes to Condensed Consolidated Financial Statements.

Note 1 Organization and Basis of Presentation

Organization

We are a leading global provider of packaging solutions integrating high-performance materials, automation, equipment, and services. Sealed Air Corporation designs and delivers packaging solutions that preserve food, protect goods, automate packaging processes, and enable e-commerce and digital connectivity for packaged goods. Our packaging solutions help customers automate their operations to be increasingly touchless and more resilient, safer, less wasteful, and enhance brand engagement with consumers. We deliver our packaging solutions to an array of end markets including fresh proteins, foods, fluids, medical and healthcare, e-commerce, logistics and omnichannel fulfillment operations, and industrials.

Our portfolio of packaging solutions includes CRYOVAC® brand food packaging, LIQUIBOX® fluids and liquids systems, SEALED AIR® brand protective packaging, AUTOBAG® brand automated systems, BUBBLE WRAP® brand packaging, SEE Touchless Automation™ solutions and prismiq™ digital packaging and printing. We have established leading market positions through our differentiated packaging solutions, well-established customer relationships, iconic brands, and global scale and market access.

We conduct substantially all of our business through two wholly-owned subsidiaries, Cryovac, LLC and Sealed Air Corporation (US). Throughout this report, when we refer to “Sealed Air,” “SEE,” the “Company,” “we,” “our,” or “us,” we are referring to Sealed Air Corporation and all of our subsidiaries, except where the context indicates otherwise.

Basis of Presentation

Our Condensed Consolidated Financial Statements include all of the accounts of the Company and our subsidiaries. We have eliminated all significant intercompany transactions and balances in consolidation. In management’s opinion, all adjustments, consisting only of normal recurring accruals, necessary for a fair statement of our Condensed Consolidated Balance Sheet as of March 31, 2023 and our Condensed Consolidated Statements of Operations for the three months ended March 31, 2023 and 2022 have been made. The results set forth in our Condensed Consolidated Statements of Operations for the three months ended March 31, 2023 and in our Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2023 are not necessarily indicative of the results to be expected for the full year. The Condensed Consolidated Balance Sheet as of December 31, 2022 was derived from audited financial statements but does not include all disclosures required by U.S. GAAP. All amounts are in millions, except per share amounts, and approximate due to rounding. All amounts are presented in U.S. dollar, unless otherwise specified.

Our Condensed Consolidated Financial Statements were prepared in accordance with the interim reporting requirements of the SEC. As permitted under those rules, annual footnotes or other financial information that are normally required by U.S. GAAP have been condensed or omitted. The preparation of Condensed Consolidated Financial Statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts and the disclosure of contingent amounts in our Condensed Consolidated Financial Statements and accompanying notes. Actual results could differ from these estimates.

We are responsible for the unaudited Condensed Consolidated Financial Statements and notes included in this report. As these are condensed financial statements, they should be read in conjunction with the audited consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 (“2022 Form 10-K”), which was filed with the SEC on February 21, 2023, and with the information contained in our other publicly available filings with the SEC.

When we cross reference to a “Note,” we are referring to our “Notes to Condensed Consolidated Financial Statements,” unless the context indicates otherwise.

There were no significant changes to our significant accounting policies as disclosed in “Note 2 – Summary of Significant Accounting Policies and Recently Issued Accounting Standards” of our audited consolidated financial statements and notes thereto included in our 2022 Form 10-K.

Impact of Highly Inflationary Economy

Argentina

Economic and political events in Argentina have continued to expose us to heightened levels of foreign currency exchange risk. As of July 1, 2018, Argentina was designated as a highly inflationary economy under U.S. GAAP, and the U.S. dollar replaced the Argentine peso as the functional currency for our subsidiaries in Argentina. All Argentine peso-denominated monetary assets and liabilities were remeasured into U.S. dollars using the current exchange rate available to us. The impact of any changes in the exchange rate are reflected within Other expense, net on the Condensed Consolidated Statements of Operations. The Company recorded $2.6 million and $1.0 million of remeasurement losses for the three months ended March 31, 2023 and 2022, respectively, related to our subsidiaries in Argentina.

Note 2 Recently Adopted and Issued Accounting Standards

Recently Adopted Accounting Standards

In September 2022, the Financial Accounting Standards Board (“FASB”) issued ASU 2022-04, Liabilities - Supplier Finance Programs (Subtopic 405-50): Disclosure of Supplier Finance Program Obligations ("ASU 2022-04"). ASU 2022-04 requires the buyer in a supplier finance program to disclose qualitative and quantitative information about the program. The Company adopted ASU 2022-04 on January 1, 2023, except for the amendment on rollforward information, which is effective for fiscal years beginning after December 15, 2023. The adoption did not materially impact the Company's Condensed Consolidated Financial Statements.

We facilitate a voluntary supply chain financing program to provide some of our suppliers with the opportunity to sell receivables due from us (our accounts payables) to participating financial institutions at the sole discretion of both the suppliers and the financial institutions. This program is administered by participating financial institutions. When a supplier utilizes the supply chain financing program, the supplier receives a payment in advance of agreed payment terms from the financial institution, net of a discount charged. Our responsibility is limited to making payments to the respective financial institutions on the terms originally negotiated with our supplier. No assets are pledged as collateral by the Company or any of our subsidiaries under the program. The majority of suppliers using the program are on 120 day payment terms after the end of the month in which the invoice was issued. We monitor our days payable outstanding relative to our peers and industry trends in order to assess our conclusion that the program continues to be a trade payable program and not indicative of a borrowing arrangement. The liabilities continue to be presented as Accounts payable in our Condensed Consolidated Balance Sheets until they are paid, and they are reflected as Cash flows from operating activities when settled. At March 31, 2023 and December 31, 2022, our accounts payable balances included $118 million and $140 million, respectively, related to invoices from suppliers participating in the program.

In October 2021, the FASB issued ASU 2021-08, Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers ("ASU 2021-08"). The new guidance requires contract assets and contract liabilities acquired in a business combination to be recognized and measured by the acquirer on the acquisition date in accordance with Topic 606, Revenue from Contracts with Customers. The standard will not impact acquired contract assets or liabilities from business combinations occurring prior to the adoption date. The Company adopted ASU 2021-08 on January 1, 2023. The adoption did not have a material impact on the Company's Condensed Consolidated Financial Statements.

Note 3 Revenue Recognition, Contracts with Customers

Description of Revenue Generating Activities

We employ sales, marketing and customer service personnel throughout the world who sell and market our equipment and systems, products, and services to and/or through a large number of distributors, fabricators, converters, e-commerce and mail order fulfillment firms, and contract packaging firms as well as directly to end-users such as food processors, food service businesses, supermarket retailers, pharmaceutical companies, healthcare facilities, medical device manufacturers, and other manufacturers.

As discussed in Note 6, “Segments,” our reporting segments are Food and Protective. Our Food applications are largely sold directly to end customers, while our Protective products are sold through business supply distributors and directly to end customers.

Food:

Food solutions are sold to food processors in fresh red meat, smoked and processed meats, poultry, seafood, plant-based, fluids and liquids, and cheese markets worldwide. Food offers integrated packaging materials and automated equipment solutions to increase food safety, extend shelf life, reduce food waste, automate processes and optimize total cost. Its materials, automated equipment and service enables customers to reduce costs and enhance their brands in the marketplace.

Food solutions are utilized by food service businesses (such as restaurants and entertainment venues) ("food service") and food retailers (such as grocery stores and supermarkets) ("food retail"), among others. Solutions serving the food service market include products such as barrier bags and pouches, and are primarily marketed under the CRYOVAC® trademark and other highly recognized trade names including CRYOVAC® brand Barrier Bags, CRYOVAC® brand Form-Fill-Seal Films, CRYOVAC® brand Auto Pouch Systems and LIQUIBOX® fluids and liquids systems. Solutions serving the food retail market include products such as barrier bags, film, and trays, and are primarily marketed under the CRYOVAC® trademark and other highly recognized trade names including CRYOVAC® brand Grip & Tear™, CRYOVAC® brand Darfresh®, OptiDure™, Simple Steps®, and CRYOVAC® brand Barrier Bags.

Protective:

Protective packaging solutions are utilized across many global markets to protect goods during transit and are especially valuable to e-commerce, consumer goods, pharmaceutical and medical devices and industrial manufacturing. Protective solutions are designed to increase our customers' packaging velocity, minimize packaging waste, reduce labor dependencies and address dimensional weight challenges.

Protective solutions are sold through a strategic network of distributors as well as directly to our customers, including, but not limited to, fabricators, original equipment manufacturers, contract manufacturers, logistics partners and e-commerce/fulfillment operations. Protective solutions are marketed under SEALED AIR® brand, BUBBLE WRAP® brand, AUTOBAG® brand and other highly recognized trade names and product families including BUBBLE WRAP® brand inflatable packaging, SEALED AIR® brand performance shrink films, AUTOBAG® brand bagging systems, Instapak® polyurethane foam packaging solutions and Korrvu® suspension and retention packaging. In addition, we provide temperature assurance packaging solutions under the Kevothermal™ and TempGuard™ brands.

Other Revenue Recognition Considerations:

Charges for rebates and other allowances are recognized as a deduction from revenue on an accrual basis in the period in which the associated revenue is recorded. Revenue recognized from performance obligations satisfied in previous reporting periods was $0.8 million and $0.2 million for the three months ended March 31, 2023 and 2022, respectively.

The Company does not adjust consideration in contracts with customers for the effects of a significant financing component if the Company expects that the period between transfer of a good or service and payment for that good or service will be one year or less. This is expected to be the case for the majority of the Company's contracts.

Lease components within contracts with customers are recognized in accordance with Accounting Standards Codification ("ASC") Topic 842.

Disaggregated Revenue

For the three months ended March 31, 2023 and 2022, revenues from contracts with customers summarized by Segment and Geography were as follows:

	Three Months Ended March 31, 2023		
(In millions)	**Food**	**Protective**	**Total**
Americas	$ 566.1	$ 306.2	$ 872.3
EMEA	169.2	119.6	288.8
APAC	112.3	68.6	180.9
Topic 606 Segment Revenue	**847.6**	**494.4**	**1,342.0**
Non-Topic 606 Revenue (Leasing: Sales-type and Operating)	5.5	1.3	6.8
Total	**$ 853.1**	**$ 495.7**	**$ 1,348.8**

(In millions)	Three Months Ended March 31, 2022		
	Food	Protective	Total
Americas	$ 524.9	$ 399.9	$ 924.8
EMEA	166.6	123.8	290.4
APAC	110.4	84.6	195.0
Topic 606 Segment Revenue	**801.9**	**608.3**	**1,410.2**
Non-Topic 606 Revenue (Leasing: Sales-type and Operating)	5.8	1.6	7.4
Total	**$ 807.7**	**$ 609.9**	**$ 1,417.6**

Contract Balances

The time when a performance obligation is satisfied and the time when billing and payment occur are generally closely aligned, subject to agreed payment terms, with the exception of equipment accruals, which can be used to purchase both automated and standard range equipment. An equipment accrual is a contract offering, whereby a customer is incentivized to use a portion of the materials transaction price for future equipment purchases. Long-term contracts that include an equipment accrual create a timing difference between when cash is collected and when the performance obligation is satisfied, resulting in a contract liability (unearned revenue). The following contract assets and liabilities are included within Prepaid expenses and other current assets and Other current liabilities, or Other non-current liabilities on our Condensed Consolidated Balance Sheets as of March 31, 2023 and December 31, 2022:

(In millions)	March 31, 2023	December 31, 2022
Contract assets	$ 0.4	$ 0.5
Contract liabilities	$ 18.2	$ 18.2

The contract liability balances represent deferred revenue, primarily related to equipment accruals. Revenue recognized in the three months ended March 31, 2023 and 2022 that was included in the contract liability balance at the beginning of the period was $4.6 million and $4.4 million, respectively. This revenue was driven primarily by equipment performance obligations being satisfied.

Remaining Performance Obligations

The following table summarizes the estimated transaction price from contracts with customers allocated to performance obligations or portions of performance obligations that have not yet been satisfied as of March 31, 2023 and December 31, 2022, as well as the expected timing of recognition of that transaction price.

(In millions)	March 31, 2023	December 31, 2022
Short-Term (12 months or less)[1]	$ 13.0	$ 13.0
Long-Term	5.2	5.2
Total transaction price	**$ 18.2**	**$ 18.2**

[1] Our enforceable contractual obligations tend to be short term in nature. The table above does not include the transaction price of any remaining performance obligations that are part of the contracts with expected durations of one year or less.

Note 4 Leases

Lessor

SEE has contractual obligations as a lessor with respect to some of our automated and equipment solutions including "free on loan" equipment and leased equipment, both sales-type and operating. The consideration in a contract that contains both lease and non-lease components is allocated based on the standalone selling price.

Our contractual obligations for operating leases can include termination and renewal options. Our contractual obligations for sales-type leases tend to have fixed terms and can include purchase options. We utilize the reasonably certain threshold criteria in determining which options our customers will exercise.

All lease payments are primarily fixed in nature and therefore captured in the lease receivable. Our sales-type lease receivable balances at March 31, 2023 and December 31, 2022 were as follows:

(In millions)	March 31, 2023	December 31, 2022
Short-Term (12 months or less)	$ 6.4	$ 6.5
Long-Term	18.6	18.6
Lease receivables	**$ 25.0**	**$ 25.1**

Sales-type and operating lease revenue was less than 1% of net trade sales for the three months ended March 31, 2023 and year ended December 31, 2022.

Lessee

SEE has contractual obligations as a lessee with respect to warehouses, offices and manufacturing facilities, IT equipment, automobiles, and material production equipment.

The following table details our lease obligations included in our Condensed Consolidated Balance Sheets.

(In millions)	March 31, 2023	December 31, 2022
Other non-current assets:		
Finance leases - ROU assets	$ 59.4	$ 55.0
Finance leases - Accumulated depreciation	(32.6)	(31.7)
Operating lease right-of-use-assets:		
Operating leases - ROU assets	174.9	156.7
Operating leases - Accumulated depreciation	(92.5)	(86.5)
Total lease assets	**$ 109.2**	**$ 93.5**
Current portion of long-term debt:		
Finance leases	$ (6.8)	(7.6)
Current portion of operating lease liabilities:		
Operating leases	(27.1)	(24.0)
Long-term debt, less current portion:		
Finance leases	(20.6)	(16.1)
Long-term operating lease liabilities, less current portion:		
Operating leases	(58.2)	(49.6)
Total lease liabilities	**$ (112.7)**	**$ (97.3)**

At March 31, 2023, estimated future minimum annual rental commitments under non-cancelable real and personal property leases were as follows:

(In millions)	Finance leases	Operating leases
Remainder of 2023	$ 6.8	$ 23.4
2024	5.2	24.3
2025	3.6	17.8
2026	2.8	13.0
2027	2.6	6.4
Thereafter	16.6	11.1
Total lease payments	37.6	96.0
Less: Interest	(10.2)	(10.7)
Present value of lease liabilities	**$ 27.4**	**$ 85.3**

The following lease cost is included in our Condensed Consolidated Statements of Operations:

(In millions)	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Lease cost[1]		
Finance leases		
Amortization of ROU assets	$ 2.5	$ 2.7
Interest on lease liabilities	0.4	0.3
Operating leases	9.0	8.5
Short-term lease cost	0.6	0.4
Variable lease cost	1.8	1.6
Total lease cost	**$ 14.3**	**$ 13.5**

(1) With the exception of Interest on lease liabilities, we record lease costs to Cost of sales or Selling, general and administrative expenses on the Condensed Consolidated Statements of Operations, depending on the use of the leased asset. Interest on lease liabilities is recorded to Interest expense, net on the Condensed Consolidated Statements of Operations.

The following table details cash paid related to operating and finance leases included in our Condensed Consolidated Statements of Cash Flows and new right-of-use ("ROU") assets included in our Condensed Consolidated Balance Sheets:

(In millions)	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Other information:		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows - finance leases	$ 1.1	$ 1.1
Operating cash flows - operating leases	$ 9.1	$ 8.7
Financing cash flows - finance leases	$ 2.3	$ 2.7
ROU assets obtained in exchange for new finance lease liabilities	$ 5.9	$ 1.4
ROU assets obtained in exchange for new operating lease liabilities	$ 20.8	$ 9.2

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Weighted average information:		
Finance leases		
Remaining lease term (in years)	8.3	5.9
Discount rate	6.3 %	4.6 %
Operating leases		
Remaining lease term (in years)	4.4	4.3
Discount rate	5.3 %	4.5 %

Note 5 Acquisitions

LB Holdco, Inc. Acquisition

On February 1, 2023, SEE acquired 100% of the outstanding shares of capital stock of LB Holdco, Inc., the parent company of Liquibox, Inc. (collectively, "Liquibox"), a pioneer, innovator and manufacturer of Bag-in-Box sustainable fluids & liquids packaging and dispensing solutions for fresh food, beverage, consumer goods and industrial end-markets. The acquisition is included in our Food reporting segment. This acquisition accelerates our CRYOVAC® brand Fluids & Liquids business. CRYOVAC® technology, scale and market access provide a significant source of synergies. This acquisition contributes to and fast tracks SEE’s transformation to become a world-class, digitally driven company automating sustainable packaging solutions.

Consideration paid was approximately $1.17 billion in cash, subject to customary adjustments. We financed the consideration paid and related fees and expenses through borrowings under our senior secured credit facility, proceeds from the issuance of senior notes, and cash on hand. See Note 13, "Debt and Credit Facilities," for additional details. For the three months ended March 31, 2023, acquisition related expenses recognized for the Liquibox acquisition were $11.9 million. These expenses are included within Selling, general and administrative expenses in the Condensed Consolidated Statements of Operations.

The following table summarizes the consideration transferred to acquire Liquibox and the preliminary allocation of the purchase price among the assets acquired and liabilities assumed. The allocation of purchase price is still preliminary as the Company finalizes the final purchase price adjustment with the seller and finalizes other aspects of the valuation including deferred taxes and intangible valuations. Preliminary estimates will be finalized within one year of the date of acquisition.

(In millions)	**Preliminary Allocation As of February 1, 2023**
Total consideration transferred	$ 1,169.2
Assets acquired:	
Cash and cash equivalents	21.2
Trade receivables	48.6
Inventories	61.6
Prepaid expenses and other current assets	15.8
Property and equipment	101.1
Identifiable intangible assets	342.1
Operating lease right-of-use-assets	15.1
Other non-current assets	9.5
Total assets acquired	**$ 615.0**
Liabilities assumed:	
Accounts payable	27.0
Current portion of long-term debt	0.1
Current portion of operating lease liabilities	3.7
Other current liabilities	28.4
Long-term debt, less current portion	5.1
Long-term operating lease liabilities, less current portion	11.4
Deferred taxes	92.2
Other non-current liabilities	6.6
Total liabilities assumed	**$ 174.5**
Net assets acquired	**440.5**
Goodwill	**$ 728.7**

The following table summarizes the identifiable intangible assets and their useful lives.

	Amount ***(In millions)***	**Useful life** ***(In years)***
Customer relationships	$ 180.7	11.0
Trademarks and tradenames	26.0	10.0
Software	5.2	2.0
Technology	130.2	12.0
Total intangible assets with definite lives	**$ 342.1**	

Goodwill is a result of the expected synergies that are expected to originate from the combination of Cryovac and Liquibox solutions for the Company, as well as growth of our sustainable packaging portfolio. Goodwill is not deductible for tax purposes. The goodwill balance associated with Liquibox is included in the Food reportable segment.

Liquibox Supplemental Information

The following table presents the amounts of net sales and loss attributed to Liquibox since the acquisition date that are included in our Condensed Consolidated Statements of Operations for the three months ended March 31, 2023:

(In millions)		February 1, 2023 through March 31, 2023
Net sales	$	57.3
Net loss	$	(5.4)

Pro Forma Financial Information

The following table presents the Company's unaudited pro forma financial information for the three months ended March 31, 2023 and 2022, assuming the acquisition of Liquibox had occurred on January 1, 2022. The information below reflects pro forma adjustments based on available information and certain assumptions that SEE believes are factual and supportable. The unaudited pro forma information is not necessarily indicative of the results that might have occurred had the transaction actually taken place on January 1, 2022 and is not intended to be a projection of future results and gives no effect to any future synergistic benefits that may result from the combination or the costs of integrating the acquired operations with those of the Company.

	Three Months Ended March 31,			
(In millions)		2023		2022
Net sales	$	1,374.4	$	1,504.3
Net earnings	$	70.0	$	113.7

The unaudited pro forma financial information includes, where applicable, adjustments for (i) additional expense from the fair value step-up of inventory, (ii) additional amortization expense related to acquired intangible assets, (iii) additional depreciation expense related to acquired property and equipment, (iv) transaction costs and other one-time non-recurring costs, (v) additional interest expense for borrowings related to the acquisition and amortization associated with fair value adjustments of debt assumed, and (vi) associated tax-related impacts of adjustments.

Acquisition of Foxpak Flexibles Ltd.

On February 2, 2022, SEE acquired Foxpak Flexibles Ltd. ("Foxpak"), a privately-owned Irish packaging solutions company. Foxpak is a digital printing pioneer that partners with brands to deliver highly decorated packaging solutions; stand-up and spout pouches, and sachets that serve a variety of markets including food retail, pet food, seafood, and snacks. This transaction resulted in a purchase price paid of $9.7 million, including the final purchase price adjustments that were recorded in the second and fourth quarters of 2022. The Company allocated the consideration transferred to the fair value of assets acquired and liabilities assumed, resulting in an allocation to goodwill of $5.2 million and an allocation to identifiable intangible assets of $2.7 million. The acquisition is included in our Food reporting segment. Goodwill is not deductible for tax purposes. A deferred tax liability of $0.3 million on identifiable intangible assets was recorded on the opening balance sheet. The Foxpak acquisition was not material to our condensed consolidated financial statements.

Note 6 Segments

The Company's segment reporting structure consists of two reportable segments as follows and a Corporate category:

- Food
- Protective

The Company's Food and Protective segments are considered reportable segments under FASB ASC Topic 280. Our reportable segments are aligned with similar groups of products. Corporate includes certain costs that are not allocated to the reportable segments. The Company evaluates performance of the reportable segments based on the results of each segment. The performance metric used by the Company's chief operating decision maker to evaluate performance of our reportable segments is Segment Adjusted EBITDA. The Company allocates expense to each segment based on various factors including direct usage of resources, allocation of headcount, allocation of software licenses or, in cases where costs are not clearly delineated, costs may be allocated on portion of either net trade sales or an expense factor such as cost of sales.

We allocate and disclose depreciation and amortization expense to our segments, although depreciation and amortization are not included in the segment performance metric Segment Adjusted EBITDA. We also allocate and disclose restructuring charges by segment, although they are not included in the segment performance metric Segment Adjusted EBITDA since restructuring charges are categorized as Special Items (as identified below). The accounting policies of the reportable segments and Corporate are the same as those applied to the Condensed Consolidated Financial Statements.

The following tables show Net sales and Segment Adjusted EBITDA by reportable segment:

	Three Months Ended March 31,	
(In millions)	**2023**	**2022**
Net sales:		
Food	$ 853.1	$ 807.7
As a % of Consolidated net sales	*63.2 %*	*57.0 %*
Protective	495.7	609.9
As a % of Consolidated net sales	*36.8 %*	*43.0 %*
Consolidated Net sales	**$ 1,348.8**	**$ 1,417.6**

	Three Months Ended March 31,	
(In millions)	**2023**	**2022**
Segment Adjusted EBITDA:		
Food	$ 194.8	$ 200.4
Adjusted EBITDA Margin	*22.8 %*	*24.8 %*
Protective	80.4	127.4
Adjusted EBITDA Margin	*16.2 %*	*20.9 %*
Total Segment Adjusted EBITDA	**$ 275.2**	**$ 327.8**

The following table shows a reconciliation of Segment Adjusted EBITDA to Earnings before income tax provision:

(In millions)	Three Months Ended March 31, 2023	2022
Food Adjusted EBITDA	$ 194.8	$ 200.4
Protective Adjusted EBITDA	80.4	127.4
Corporate Adjusted EBITDA	(7.9)	(0.9)
Interest expense, net	(57.8)	(38.9)
Depreciation and amortization, net of adjustments[1]	(68.9)	(63.2)
Special Items:		
Liquibox intangible amortization	(5.0)	—
Liquibox inventory step-up expense	(8.4)	—
Restructuring charges[2]	1.2	(0.5)
Other restructuring associated costs	0.2	(3.1)
Foreign currency exchange loss due to highly inflationary economies	(2.6)	(1.0)
Loss on debt redemption and refinancing activities	(4.9)	(0.7)
Impairment loss on equity investments	—	(15.5)
Charges related to acquisition and divestiture activity	(16.9)	0.9
Other Special Items[3]	(7.5)	4.1
Pre-tax impact of Special Items	(43.9)	(15.8)
Earnings before income tax provision	**$ 96.7**	**$ 209.0**

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[1] Depreciation and amortization by segment were as follows:

(In millions)	Three Months Ended March 31, 2023	2022
Food	$ 46.7	$ 36.5
Protective	27.2	26.7
Total Company depreciation and amortization[i]	**$ 73.9**	**$ 63.2**
Depreciation and amortization adjustments	(5.0)	—
Depreciation and amortization, net of adjustments	**$ 68.9**	**$ 63.2**

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[i] Includes share-based incentive compensation of $18.0 million and $17.9 million for the three months ended March 31, 2023 and 2022, respectively.

[2] Restructuring charges by segment were as follows:

(In millions)	Three Months Ended March 31, 2023	2022
Food	$ (0.9)	$ 0.6
Protective	(0.3)	(0.1)
Total Company restructuring charges	**$ (1.2)**	**$ 0.5**

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[3] Other Special Items for the three months ended March 31, 2023 primarily relate to a one-time, non-cash cumulative translation adjustment (CTA) loss recognized due to the wind-up of one of our legal entities. Other Special Items for the three months ended March 31, 2022, primarily relate to a one-time gain on the disposal of land in the United Kingdom (UK).

Assets by Reportable Segments

The following table shows assets allocated by reportable segment. Assets allocated by reportable segment include: trade receivables, net; inventory, net; property and equipment, net; goodwill; intangible assets, net; and leased systems, net.

(In millions)	March 31, 2023	December 31, 2022
Assets allocated to segments:		
Food	$ 3,581.2	$ 2,342.6
Protective	2,731.9	2,795.7
Total segments	**6,313.1**	**5,138.3**
Assets not allocated:		
Cash and cash equivalents	$ 303.1	$ 456.1
Income tax receivables	32.2	40.3
Other receivables	94.5	104.2
Deferred taxes	123.7	141.5
Other	489.6	334.3
Total	**$ 7,356.2**	**$ 6,214.7**

Note 7 Inventories, net

The following table details our inventories, net.

(In millions)	March 31, 2023	December 31, 2022
Raw materials	$ 240.3	$ 229.9
Work in process	216.2	187.1
Finished goods	505.2	449.3
Total	**$ 961.7**	**$ 866.3**

Note 8 Property and Equipment, net

The following table details our property and equipment, net.

(In millions)	March 31, 2023	December 31, 2022
Land and improvements	$ 44.9	$ 44.1
Buildings	809.2	783.1
Machinery and equipment	2,731.1	2,612.3
Other property and equipment	138.7	124.5
Construction-in-progress	228.8	222.4
Property and equipment, gross	3,952.7	3,786.4
Accumulated depreciation and amortization	(2,556.2)	(2,510.5)
Property and equipment, net	**$ 1,396.5**	**$ 1,275.9**

The following table details our interest cost capitalized and depreciation and amortization expense for property and equipment and finance lease ROU assets.

	Three Months Ended March 31,	
(In millions)	2023	2022
Interest cost capitalized	$ 2.5	$ 1.7
Depreciation and amortization expense[(1)]	$ 40.7	$ 35.9

(1) Includes amortization expense of finance lease ROU assets of $2.5 million and $2.7 million for the three months ended March 31, 2023 and 2022, respectively.

Note 9 Goodwill and Identifiable Intangible Assets, net

Goodwill

We review goodwill for impairment on a reporting unit basis annually during the fourth quarter of each year and whenever events or changes in circumstances indicate the carrying value of goodwill may not be recoverable. Since the date of our last annual goodwill impairment assessment, we have not identified any changes in circumstances that would indicate the carrying value of goodwill is not recoverable.

Allocation of Goodwill to Reporting Segment

The following table shows our goodwill balances by reportable segment:

(In millions)	**Food**	**Protective**	**Total**
Gross Carrying Value at December 31, 2022	$ 572.2	$ 1,792.0	$ 2,364.2
Accumulated amortization[(1)]	(49.0)	(140.7)	(189.7)
Carrying Value at December 31, 2022	**$ 523.2**	**$ 1,651.3**	**$ 2,174.5**
Acquisition[(2)]	728.7	—	728.7
Currency translation	2.2	3.5	5.7
Carrying Value at March 31, 2023	**$ 1,254.1**	**$ 1,654.8**	**$ 2,908.9**

(1) There was no change to our accumulated amortization balance during the three months ended March 31, 2023.

(2) Represents the allocation of goodwill related to our acquisition of Liquibox. See Note 5, "Acquisitions," for further details.

Identifiable Intangible Assets, net

The following tables summarize our identifiable intangible assets, net with definite and indefinite useful lives. As of March 31, 2023, there were no impairment indicators present.

	March 31, 2023			**December 31, 2022**		
(In millions)	**Gross Carrying Value**	**Accumulated Amortization**	**Net**	**Gross Carrying Value**	**Accumulated Amortization**	**Net**
Customer relationships	$ 281.5	$ (51.7)	$ 229.8	$ 99.5	$ (47.1)	$ 52.4
Trademarks and tradenames	57.1	(15.7)	41.4	30.8	(14.4)	16.4
Software	157.5	(116.9)	40.6	147.7	(111.3)	36.4
Technology	197.6	(47.8)	149.8	67.0	(44.3)	22.7
Contracts	11.4	(9.9)	1.5	11.4	(9.8)	1.6
Total intangible assets with definite lives	**705.1**	**(242.0)**	**463.1**	**356.4**	**(226.9)**	**129.5**
Trademarks and tradenames with indefinite lives	8.9	—	8.9	8.9	—	8.9
Total identifiable intangible assets, net	**$ 714.0**	**$ (242.0)**	**$ 472.0**	**$ 365.3**	**$ (226.9)**	**$ 138.4**

The following table shows the remaining estimated future amortization expense at March 31, 2023.

Year	**Amount** ***(In millions)***
Remainder of 2023	$ 49.8
2024	59.3
2025	51.4
2026	40.5
2027	38.9
Thereafter	223.2
Total	**$ 463.1**

Expected future cash flows associated with the Company's intangible assets are not expected to be materially affected by the Company's intent or ability to renew or extend the arrangements. Based on our experience with similar agreements, we expect to continue to renew contracts held as intangibles through the end of their remaining useful lives.

Note 10 Accounts Receivable Securitization Programs

U.S. Accounts Receivable Securitization Program

We and a group of our U.S. operating subsidiaries maintain an accounts receivable securitization program under which they sell eligible U.S. accounts receivable to a wholly-owned subsidiary that was formed for the sole purpose of entering into this program. The wholly-owned subsidiary in turn may sell an undivided fractional ownership interest in these receivables to two banks and issuers of commercial paper administered by these banks. The wholly-owned subsidiary retains the receivables it purchases from the operating subsidiaries. Any transfers of fractional ownership interests of receivables under the U.S. receivables securitization program to the two banks and issuers of commercial paper administered by these banks are considered secured borrowings with the underlying receivables as collateral and will be classified as Short-term borrowings on our Condensed Consolidated Balance Sheets. These banks do not have any recourse against the general credit of the Company. The net trade receivables that served as collateral for these borrowings are reclassified from Trade receivables, net to Prepaid expenses and other current assets on the Condensed Consolidated Balance Sheets. There were $47.0 million of borrowings or corresponding net trade receivables maintained as collateral as of March 31, 2023. As of December 31, 2022, there were no borrowings or corresponding net trade receivables maintained as collateral.

As of March 31, 2023, the maximum purchase limit for receivable interests was $50.0 million, subject to the availability limits described below.

The amounts available from time to time under this program may be less than $50.0 million due to a number of factors, including but not limited to our credit ratings, trade receivable balances, the creditworthiness of our customers and our receivables collection experience. As of March 31, 2023, the amount available to us under the program before utilization was $50.0 million. Although we do not believe restrictions under this program presently materially restrict our operations, if an additional event occurs that triggers one of these restrictive provisions, we could experience a decline in the amounts available to us under the program or termination of the program.

The program expires annually and is renewable.

European Accounts Receivable Securitization Program

We and a group of our European subsidiaries maintain an accounts receivable securitization program with a special purpose vehicle, or SPV, two banks, and issuers of commercial paper administered by these banks. The European program is structured to be a securitization of certain trade receivables that are originated by certain of our European subsidiaries. The SPV borrows funds from the banks to fund its acquisition of the receivables and provides the banks with a first priority perfected security interest in the accounts receivable. We do not have an equity interest in the SPV. We concluded the SPV is a variable interest entity because its total equity investment at risk is not sufficient to permit the SPV to finance its activities without additional subordinated financial support from the bank via loans or via the collections from accounts receivable already purchased. Additionally, we are considered the primary beneficiary of the SPV since we control the activities of the SPV and are exposed to the risk of uncollectible receivables held by the SPV. Therefore, the SPV is consolidated in our Condensed Consolidated Financial Statements. Any activity between the participating subsidiaries and the SPV is eliminated in consolidation. Loans from the banks to the SPV will be classified as Short-term borrowings on our Condensed Consolidated Balance Sheets. The net trade receivables that served as collateral for these borrowings are reclassified from Trade receivables, net to Prepaid expenses and other current assets on the Condensed Consolidated Balance Sheets. There were €79.3 million ($86.5 million equivalent at March 31, 2023) of borrowings or corresponding net trade receivables maintained as collateral as of March 31, 2023. As of December 31, 2022, there were no borrowings or corresponding net trade receivables maintained as collateral.

As of March 31, 2023, the maximum purchase limit for receivable interests was €80.0 million ($87.2 million equivalent at March 31, 2023), subject to availability limits. The terms and provisions of this program are similar to our U.S. program discussed above. As of March 31, 2023, the amount available under this program before utilization was €80.0 million ($87.2 million equivalent as of March 31, 2023).

This program expires annually and is renewable.

Utilization of Our Accounts Receivable Securitization Programs

As of March 31, 2023, there were $47.0 million and €79.3 million ($86.5 million equivalent at March 31, 2023) of outstanding borrowings under our U.S. or European programs, respectively. As of December 31, 2022, there were no outstanding borrowings under our U.S. or European programs. We continue to service the trade receivables supporting the programs, and the banks are permitted to re-pledge this collateral. The total interest paid for these programs was $0.9 million for the three months ended March 31, 2023 and there was no interest paid for these programs in the three months ended March 31, 2022.

Under limited circumstances, the banks and the issuers of commercial paper can end purchases of receivables interests before the above expiration dates. A failure to comply with debt leverage or various other ratios related to our receivables collection experience could result in termination of the receivables programs. We were in compliance with these ratios at March 31, 2023.

Note 11 Accounts Receivable Factoring Agreements

The Company has entered into factoring agreements and customers' supply chain financing arrangements to sell certain trade receivables to unrelated third-party financial institutions. These programs are entered into in the normal course of business. We account for these transactions in accordance with ASC 860, "Transfers and Servicing" ("ASC 860"). ASC 860 allows for the ownership transfer of accounts receivable to qualify for true-sale treatment when the appropriate criteria is met, which permits the Company to present the balances sold under the program to be excluded from Trade receivables, net on the Condensed Consolidated Balance Sheets. Receivables are considered sold when (i) they are transferred beyond the reach of the Company and its creditors, (ii) the purchaser has the right to pledge or exchange the receivables, and (iii) the Company has no continuing involvement in the transferred receivables. In addition, the Company provides no other forms of continued financial support to the purchaser of the receivables once the receivables are sold.

Gross amounts factored under this program for the three months ended March 31, 2023 and 2022 were $194.5 million and $172.1 million, respectively. The fees associated with transfer of receivables for all programs were approximately $3.0 million and $1.3 million for the three months ended March 31, 2023 and 2022, respectively.

Note 12 Restructuring Activities

In December 2018, the Board of Directors approved our Reinvent SEE business transformation, including the related restructuring program (“Program”), which concluded as of the end of calendar year 2022.

For the three months ended March 31, 2023, the Company recorded $1.2 million and $0.2 million of income within restructuring charges and other associated costs, respectively. This income primarily relates to reversals of previously accrued expenses associated with the Program.

The following table details our aggregate restructuring activities incurred under the Program as reflected in the Condensed Consolidated Statements of Operations.

	Three Months Ended March 31,	
(In millions)	**2023**	**2022**
Other associated costs	$ (0.2)	$ 3.1
Restructuring charges	(1.2)	0.5
Total charges	**$ (1.4)**	**$ 3.6**
Capital expenditures	$ —	$ 1.9

The aggregate restructuring accrual, spending and other activity for the three months ended March 31, 2023 and the accrual balance remaining at March 31, 2023 related to the Program were as follows:

(In millions)	
Restructuring accrual at December 31, 2022	$ 14.7
Accrual and accrual adjustments	(1.2)
Cash payments during 2023	(3.3)
Restructuring accrual at March 31, 2023	**$ 10.2**

We expect to pay $10.2 million of the accrual balance remaining at March 31, 2023 within the next twelve months. This amount is included in Accrued restructuring costs on the Condensed Consolidated Balance Sheets at March 31, 2023.

One of the components of the Reinvent SEE business transformation was to enhance the operational efficiency of the Company by acting as “One SEE.” The Program was approved by our Board of Directors as a consolidated program benefiting both Food and Protective. Of the total remaining restructuring accrual of $10.2 million as of March 31, 2023, $3.8 million was attributable to Food and $6.4 million was attributable to Protective.

In addition to the Program, the Company has an additional $1.6 million of restructuring accruals related to the Liquibox acquisition, which is included in Accrued restructuring costs on the Condensed Consolidated Balance Sheets at March 31, 2023. The $1.6 million accrual balance at March 31, 2023 is attributable to Food and is expected to be paid within the next twelve months.

Note 13 Debt and Credit Facilities

Our total debt outstanding consisted of the amounts set forth in the following table:

(In millions)	**Interest rate**	**March 31, 2023**	**December 31, 2022**
Short-term borrowings[1]		$ 175.7	$ 6.6
Current portion of long-term debt[2]		14.0	434.0
Total current debt		**189.7**	**440.6**
Term Loan A due March 2027		1,139.8	506.6
Senior Notes due December 2024	5.125 %	423.7	423.5
Senior Notes due September 2025	5.500 %	398.8	398.7
Senior Secured Notes due October 2026	1.573 %	596.2	596.0
Senior Notes due December 2027	4.000 %	422.1	421.9
Senior Notes due February 2028	6.125 %	763.5	—
Senior Notes due April 2029	5.000 %	421.3	421.2
Senior Notes due July 2033	6.875 %	446.5	446.4
Other[2]		28.5	23.6
Total long-term debt, less current portion[3]		**4,640.4**	**3,237.9**
Total debt[4]		**$ 4,830.1**	**$ 3,678.5**

(1) Short-term borrowings of $175.7 million at March 31, 2023, were comprised of $39.0 million under our revolving credit facility, $47.0 million under our U.S. securitization program, $86.5 million under our European securitization program and $3.2 million of short-term borrowings from various lines of credit. Short-term borrowings of $6.6 million at December 31, 2022, were comprised of various lines of credit.

(2) As of March 31, 2023, Current portion of long-term debt included finance lease liabilities of $6.8 million. As of December 31, 2022, Current portion of long-term debt included 4.500% senior notes due September 2023 of $426 million and finance lease liabilities of $7.6 million. Other debt includes long-term liabilities associated with our finance leases of $20.6 million and $16.1 million at March 31, 2023 and December 31, 2022, respectively. See Note 4, "Leases," for additional information on finance and operating lease liabilities.

(3) Amounts are shown net of unamortized discounts and issuance costs of $39.6 million as of March 31, 2023 and $18.9 million as of December 31, 2022.

(4) As of March 31, 2023, our weighted average interest rate on our short-term borrowings outstanding was 4.8% and on our long-term debt outstanding was 5.2%. As of December 31, 2022, our weighted average interest rate on our short-term borrowings outstanding was 2.8% and on our long-term debt outstanding was 4.6%.

Lines of Credit

The following table summarizes our available lines of credit and committed and uncommitted lines of credit, including our revolving credit facility, and the amounts available under our accounts receivable securitization programs.

(In millions)	March 31, 2023	December 31, 2022
Used lines of credit[1]	$ 175.7	$ 6.6
Unused lines of credit	1,093.4	1,261.0
Total available lines of credit[2]	**$ 1,269.1**	**$ 1,267.6**

[1] Includes total borrowings under the accounts receivable securitization programs, the revolving credit facility and borrowings under lines of credit available to several subsidiaries.

[2] Of the total available lines of credit, $1,122.0 million was committed as of March 31, 2023.

Amended and Restated Senior Secured Credit Facility

2023 Activity

On February 1, 2023, the Company used proceeds from the new incremental term facility, as described below, to finance the Liquibox acquisition. We incurred $11.0 million of lender and third party fees included in carrying amounts of outstanding debt. See Note 5, "Acquisitions," for further details related to the Liquibox acquisition.

2022 Activity

On December 8, 2022, the Company and certain of its subsidiaries entered into an amendment to the fourth amended and restated syndicated facility agreement and incremental assumption agreement ("the Amendment") further amending its existing senior secured credit facility (the "Fourth Amended and Restated Credit Agreement"), as described below. The Amendment provides for a new incremental term facility in an aggregate principal amount of $650.0 million, to be used, in part, to finance the Company's acquisition of Liquibox. See Note 5, "Acquisitions," for further details related to the Liquibox acquisition.

On March 25, 2022, the Company and certain of its subsidiaries entered into the Fourth Amended and Restated Credit Agreement with Bank of America, N.A., as agent, and the other financial institutions party thereto. The changes include (i) the refinancing of the term loan A facilities and revolving credit facilities with a new U.S. dollar term loan A facility in an aggregate principal amount of approximately $475.0 million, a new pounds sterling term loan A facility in an aggregate principal amount of approximately £27.2 million, and revolving credit facilities of $1.0 billion (including revolving facilities available in U.S. dollars, euros, pounds sterling, Canadian dollars, Australian dollars, Japanese yen, New Zealand dollars and Mexican pesos), (ii) the conversion of the facilities rate from a London Interbank Offered Rate -based rate to a Secured Overnight Financing Rate ("SOFR")-based rate, (iii) improved pricing terms which will range from 100 to 175 basis points (bps) in the case of SOFR loans, subject to the achievement of certain leverage tests, (iv) the extension of the final maturity of the term loan A facilities and revolving credit commitment to March 25, 2027, (v) the release of all non-U.S. collateral previously pledged by the Company's subsidiaries and the release of all existing guarantees for non-U.S., non-borrower Company subsidiaries, (vi) the adjustment of certain covenants to provide flexibility to incur additional indebtedness and take other actions and (vii) other amendments.

As a result of the Fourth Amended and Restated Credit Agreement, we recognized a $0.7 million loss on debt redemption and refinancing activities in Other expense, net in our Condensed Consolidated Statements of Operations during the first quarter of 2022. This amount includes $0.4 million of accelerated amortization of original issuance discount related to the term loan A and lender and non-lender fees related to the entire credit facility. Also included in the loss on debt redemption and refinancing activities was $0.3 million of non-lender fees incurred in connection with the Fourth Amended and Restated Credit Agreement. In addition, we incurred $1.2 million of lender and third-party fees that are included in the carrying amounts of the outstanding debt under the credit facility. We also capitalized $3.0 million of fees that are included in Other assets on our Condensed Consolidated Balance Sheets. The amortization expense related to original issuance discount and lender and non-lender fees is calculated using the effective interest rate method over the lives of the respective debt instruments.

Total amortization expense related to the senior secured credit facility was $0.7 million and $0.4 million for the three months ended March 31, 2023 and 2022, respectively, and is included in Interest expense, net in our Condensed Consolidated Statements of Operations.

Senior Notes

2023 Activity

On January 31, 2023, the Company issued $775.0 million aggregate principal amount of 6.125% senior notes due 2028 (the "2028 Notes"). The 2028 Notes will mature on February 1, 2028. Interest is payable on February 1 and August 1 of each year, commencing on August 1, 2023. The 2028 Notes are guaranteed on a senior unsecured basis by each of the Company’s existing and future wholly-owned domestic subsidiaries that guarantee its senior secured credit facilities, subject to release under certain circumstances. We capitalized $11.8 million of fees incurred in connection with the 2028 Notes, which are included in Long-term debt, less current portion on our Condensed Consolidated Balance Sheets.

We may redeem the 2028 Notes, in whole or in part, at any time prior to February 1, 2025, at a redemption price equal to 100% of the principal amount of the 2028 Notes redeemed, plus accrued and unpaid interest, if any, to, but not including, the redemption date, plus a "make-whole premium". On or after February 1, 2025, we may redeem the 2028 Notes, in whole or in part, at specified redemption prices, plus accrued and unpaid interest, if any, to, but not including the redemption date. In addition, at any time prior to February 1, 2025, we may redeem up to 40% of the 2028 Notes using the proceeds of certain equity offerings.

The net proceeds from the 2028 Notes offering were used (i) together with a borrowing under the Company’s incremental term loan facility and cash on hand, to finance the acquisition of all of the issued and outstanding shares of capital stock of Liquibox, including related fees and expenses, (ii) to repurchase all of the Company’s outstanding 4.500% senior notes due 2023 (the “2023 Euro Notes”) pursuant to the tender offer commenced by the Company on January 27, 2023 and satisfy and discharge all of the Company’s outstanding 2023 Euro Notes in accordance with the terms of the indenture governing the 2023 Euro Notes and to pay related premiums, fees and expenses in connection therewith and (iii) to the extent of any remaining proceeds after giving effect to the foregoing transactions, for general corporate purposes. We recognized a pre-tax loss of $4.9 million on the repurchase and cancellation of the 2023 Euro Notes, including a premium of $4.5 million and accelerated amortization of non-lender fees of $0.4 million, within Other expense, net on our Condensed Consolidated Statements of Operations during the first quarter of 2023. See Note 5, "Acquisitions," for further details related to the Liquibox acquisition.

2022 Activity

On April 19, 2022, the Company issued $425.0 million aggregate principal amount of 5.000% senior notes due 2029 (the "2029 Notes"). The 2029 Notes will mature on April 15, 2029. Interest is payable on April 15 and October 15 of each year, commencing on October 15, 2022. The 2029 Notes are guaranteed on a senior unsecured basis by each of the Company’s existing and future wholly owned domestic subsidiaries that guarantee its senior secured credit facilities, subject to release under certain circumstances. We also capitalized $4.2 million of fees incurred in connection with the 2029 Notes, which are included in Long-term debt, less current portion on our Condensed Consolidated Balance Sheets.

We may redeem the 2029 Notes, in whole or in part, at any time prior to April 15, 2025, at a redemption price equal to 100% of the principal amount of the 2029 Notes redeemed, plus accrued and unpaid interest, if any, to, but not including, the redemption date, plus a "make-whole premium". On or after April 15, 2025, we may redeem the 2029 Notes, in whole or in part, at specified redemption prices, plus accrued and unpaid interest, if any, to, but not including the redemption date. In addition, at any time prior to April 15, 2025, we may redeem up to 40% of the 2029 Notes using the proceeds of certain equity offerings.

The net proceeds from the 2029 Notes offering were used to repurchase the 5.250% senior notes due 2023 (the “2023 Notes”) tendered pursuant to the tender offer commenced by the Company on April 5, 2022 and satisfy and discharge all remaining 2023 Notes in accordance with the terms of the indenture governing the 2023 Notes. The aggregate repurchase price was $435.9 million, which included the principal amount of $425.0 million, a premium of $9.6 million and accrued interest of $1.3 million. We recognized a pre-tax loss of $10.5 million on the extinguishment, including the premium mentioned above and $0.9 million of accelerated amortization of non-lender fees, included within Other expense, net on our Condensed Consolidated Statements of Operations during the second quarter of 2022.

Covenants

Each issue of our outstanding senior notes imposes limitations on our operations and those of specified subsidiaries. Our Senior Secured Credit Facility contains customary affirmative and negative covenants for credit facilities of this type, including limitations on our indebtedness, liens, investments, restricted payments, mergers and acquisitions, dispositions of assets, transactions with affiliates, amendment of documents and sale leasebacks, and a covenant specifying a maximum leverage ratio to EBITDA. We were in compliance with the above financial covenants and limitations at March 31, 2023.

Note 14 Derivatives and Hedging Activities

We report all derivative instruments on our Condensed Consolidated Balance Sheets at fair value and establish criteria for designation and effectiveness of transactions entered into for hedging purposes.

As a global organization, we face exposure to market risks, such as fluctuations in foreign currency exchange rates and interest rates. To manage the volatility relating to these exposures, we enter into various derivative instruments from time to time under our risk management policies. We designate derivative instruments as hedges on a transaction basis to support hedge accounting. The changes in fair value of these hedging instruments offset in part or in whole corresponding changes in the fair value or cash flows of the underlying exposures being hedged. We assess the initial and ongoing effectiveness of our hedging relationships in accordance with our policy. We do not purchase, hold or sell derivative financial instruments for trading purposes. Our practice is to terminate derivative transactions if the underlying asset or liability matures or is sold or terminated, or if we determine the underlying forecasted transaction is no longer probable of occurring.

We record the fair value positions of all derivative financial instruments on a net basis by counterparty for which a master netting arrangement is utilized.

Foreign Currency Forward Contracts Designated as Cash Flow Hedges

The primary purpose of our cash flow hedging activities is to manage the potential changes in value associated with the amounts receivable or payable on equipment and raw material purchases that are denominated in foreign currencies in order to minimize the impact of the changes in foreign currencies. We record gains and losses on foreign currency forward contracts qualifying as cash flow hedges in Accumulated Other Comprehensive Loss (“AOCL”) to the extent that these hedges are effective and until we recognize the underlying transactions in net earnings, at which time we recognize these gains and losses in Cost of sales, on our Condensed Consolidated Statements of Operations. Cash flows from derivative financial instruments designated as cash flow hedges are classified as Cash flows from operating activities in the Condensed Consolidated Statements of Cash Flows. These contracts generally have original maturities of less than 12 months.

Net unrealized after-tax gains/losses related to cash flow hedging activities that were included in AOCL were a $1.1 million gain and a $1.5 million loss for the three months ended March 31, 2023 and 2022, respectively. The unrealized amount in AOCL will fluctuate based on changes in the fair value of open contracts during each reporting period.

We estimate that $0.3 million of net unrealized losses related to cash flow hedging activities included in AOCL will be reclassified into earnings within the next twelve months.

Foreign Currency Forward Contracts Not Designated as Hedges

Our subsidiaries have foreign currency exchange exposure from buying and selling in currencies other than their functional currencies. The primary purposes of our foreign currency hedging activities are to manage the potential changes in value associated with the amounts receivable or payable on transactions denominated in foreign currencies and to minimize the impact of the changes in foreign currencies related to foreign currency-denominated interest-bearing intercompany loans and receivables and payables. The changes in fair value of these derivative contracts are recognized in Other expense, net, on our Condensed Consolidated Statements of Operations and are largely offset by the remeasurement of the underlying foreign currency-denominated items indicated above. Cash flows from derivative financial instruments not designated as hedges are classified as Cash flows from investing activities in the Condensed Consolidated Statements of Cash Flows. These contracts generally have original maturities of less than 12 months.

Interest Rate Swaps

From time to time, we may use interest rate swaps to manage our fixed and floating interest rates on our outstanding indebtedness. At March 31, 2023 and December 31, 2022, we had no outstanding interest rate swaps.

Net Investment Hedge

In February 2023, the €400.0 million 4.500% senior notes issued in June 2015 that were previously designated as a net investment hedge, hedging a portion of our net investment in a certain European subsidiary against fluctuations in foreign exchange rates, was repaid, which settled the net investment hedge. See Note 13, "Debt and Credit Facilities," for additional information about the repayment of the notes.

In the first quarter of 2023, we entered into a series of cross-currency swaps with a combined notional amount of $432.8 million. Each of these cross-currency swaps were designated as net investment hedges of the Company's foreign currency exposure of its net investment in certain Euro-functional currency subsidiaries with Euro-denominated net assets, and the Company pays a fixed rate of Euro-based interest and receives a fixed rate of U.S. dollar interest. The Company has elected the spot method for assessing the effectiveness of these contracts. The maturity date for this series of cross-currency swaps is February 1, 2028. The fair value of this hedge as of March 31, 2023 was a $0.9 million loss and is included within Other non-current liabilities on our Condensed Consolidated Balance Sheets. Interest amounts related to the cross-currency swap as of March 31, 2023 resulted in $0.5 million of interest income and is reflected in Interest expense, net on the Condensed Consolidated Statements of Operations.

For derivative instruments that are designated and qualify as hedges of net investments in foreign operations, changes in fair values of the derivative instruments are recognized in unrealized net gain or loss on derivative instruments for net investment hedge, a component of AOCL, net of taxes, to offset the changes in the values of the net investments being hedged. Any portion of the net investment hedge that is determined to be ineffective is recorded in Other expense, net on the Condensed Consolidated Statements of Operations.

Other Derivative Instruments

We may use other derivative instruments from time to time to manage exposure to foreign exchange rates and to access international financing transactions. These instruments can potentially limit foreign exchange exposure by swapping borrowings denominated in one currency for borrowings denominated in another currency.

Fair Value of Derivative Instruments

See Note 15, “Fair Value Measurements, Equity Investments and Other Financial Instruments,” for a discussion of the inputs and valuation techniques used to determine the fair value of our outstanding derivative instruments.

The following table details the fair value of our derivative instruments included on our Condensed Consolidated Balance Sheets.

	Cash Flow Hedge		Net Investment Hedge		Non-Designated as Hedging Instruments		Total	
(In millions)	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Derivative Assets								
Foreign currency forward contracts and options	$ 0.9	$ 2.1	$ —	$ —	$ 3.2	$ 5.8	$ 4.1	$ 7.9
Total Derivative Assets	**$ 0.9**	**$ 2.1**	**$ —**	**$ —**	**$ 3.2**	**$ 5.8**	**$ 4.1**	**$ 7.9**
Derivative Liabilities								
Foreign currency forward contracts	$ (1.4)	$ (0.8)	$ —	$ —	$ (1.9)	$ (2.4)	$ (3.3)	$ (3.2)
Cross-currency swaps	—	—	(0.9)	—	—	—	(0.9)	—
Total Derivative Liabilities[(1)]	**$ (1.4)**	**$ (0.8)**	**$ (0.9)**	**$ —**	**$ (1.9)**	**$ (2.4)**	**$ (4.2)**	**$ (3.2)**
Net Derivatives[(2)]	**$ (0.5)**	**$ 1.3**	**$ (0.9)**	**$ —**	**$ 1.3**	**$ 3.4**	**$ (0.1)**	**$ 4.7**

(1) Excludes €400.0 million of euro-denominated debt that was repaid in February 2023 ($426.0 million equivalent at December 31, 2022), which was designated as a net investment hedge. See Note 13, "Debt and Credit Facilities," for additional details.

(2) The following table reconciles gross positions without the impact of master netting agreements to the balance sheet classification:

(In millions)	Other Current Assets		Other Current Liabilities		Other Non-current Liabilities	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Gross position	$ 4.1	$ 7.9	$ (3.3)	$ (3.2)	$ (0.9)	$ —
Impact of master netting agreements	(2.2)	(1.1)	2.2	1.1	—	—
Net amounts recognized on the Condensed Consolidated Balance Sheets	**$ 1.9**	**$ 6.8**	**$ (1.1)**	**$ (2.1)**	**$ (0.9)**	**$ —**

The following table details the effect of our derivative instruments on our Condensed Consolidated Statements of Operations.

(In millions)	Location of Gain (Loss) Recognized on Condensed Consolidated Statements of Operations	Amount of Gain (Loss) Recognized in Earnings on Derivatives — Three Months Ended March 31, 2023	2022
Derivatives designated as hedging instruments:			
Cash Flow Hedges:			
Foreign currency forward contracts	Cost of sales	$ 1.1	$ 1.9
Treasury locks	Interest expense, net	—	0.1
Sub-total cash flow hedges		**1.1**	**2.0**
Derivatives not designated as hedging instruments:			
Foreign currency forward contracts	Other expense, net	3.3	(0.1)
Total		**$ 4.4**	**$ 1.9**

Note 15 Fair Value Measurements, Equity Investments and Other Financial Instruments

Fair Value Measurements

Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. There are three levels to the fair value hierarchy as follows:

Level 1 - observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly; and

Level 3 - unobservable inputs for which there is little or no market data, which may require the reporting entity to develop its own assumptions.

The fair value, measured on a recurring basis, of our financial instruments, using the fair value hierarchy under U.S. GAAP, are included in the table below.

(In millions)	March 31, 2023 — Total Fair Value	Level 1	Level 2	Level 3
Cash equivalents	**$ 38.0**	$ 38.0	$ —	$ —
Derivative financial and hedging instruments net asset (liability):				
Foreign currency forward contracts	**$ 0.8**	$ —	$ 0.8	$ —
Cross-currency swaps	**$ (0.9)**	$ —	$ (0.9)	$ —

(In millions)	December 31, 2022			
	Total Fair Value	**Level 1**	**Level 2**	**Level 3**
Cash equivalents	**$ 122.5**	$ 122.5	$ —	$ —
Derivative financial and hedging instruments net asset:				
Foreign currency forward contracts	**$ 4.7**	$ —	$ 4.7	$ —

Cash equivalents - Our cash equivalents consisted of bank time deposits. Since these are short-term highly liquid investments with remaining maturities of 3 months or less, they present negligible risk of changes in fair value due to changes in interest rates and are classified as Level 1 financial instruments.

Derivative financial instruments - Our foreign currency forward contracts, foreign currency options, interest rate swaps and cross-currency swaps are recorded at fair value on our Condensed Consolidated Balance Sheets using a discounted cash flow analysis that incorporates observable market inputs. These market inputs include foreign currency spot and forward rates, and various interest rate curves, and are obtained from pricing data quoted by various banks, third-party sources and foreign currency dealers involving identical or comparable instruments. Such financial instruments are classified as Level 2.

Counterparties to these foreign currency forward contracts have at least an investment grade rating. Credit ratings on some of our counterparties may change during the term of our financial instruments. We closely monitor our counterparties' credit ratings and, if necessary, will make any appropriate changes to our financial instruments. The fair value generally reflects the estimated amounts that we would receive or pay to terminate the contracts at the reporting date.

Foreign currency forward contracts are included in Prepaid expenses and other current assets and Other current liabilities on the Condensed Consolidated Balance Sheets as of March 31, 2023 and December 31, 2022.

Equity Investments

SEE maintains equity investments in companies which are accounted for under the measurement alternative described in ASC 321-10-35-2 ("ASC 321") for equity investments that do not have readily determinable fair values. We do not exercise significant influence over these companies. The following carrying value of these investments were included within Other non-current assets in our Condensed Consolidated Balance Sheets as of March 31, 2023 and December 31, 2022:

(In millions)	March 31, 2023	December 31, 2022
Carrying value at the beginning of period	$ 13.3	$ 45.8
Purchases	—	—
Impairments or downward adjustments	—	(31.6)
Upward adjustments	—	—
Currency translation on investments	0.3	(0.9)
Carrying value at the end of period	**$ 13.6**	**$ 13.3**

We hold an equity investment in an investee that was valued at $31.6 million as of December 31, 2021. The investment is accounted for under the measurement alternative in accordance with ASC 321. It is made up of cash investments of $7.5 million and $9.0 million made in 2018 and 2021, respectively, and an upward fair value adjustment of $15.1 million, which was recorded in the fourth quarter of 2020 based on the valuation of additional equity issued by the investee that was deemed to be an observable transaction of a similar investment under ASC 321. During the first quarter of 2022, we recorded a $15.5 million impairment on the equity investment arising from the announced termination of a planned merger between the investee and a special purpose acquisition company due to unfavorable capital market conditions. This impairment loss was recorded within Other expense, net on the Condensed Consolidated Statements of Operations. In connection with our second quarter review of the investee's financial performance, we obtained the investee's latest financial forecast, which showed deterioration across several key operating and liquidity metrics. This was deemed to be a triggering event for potential impairment. Accordingly, we performed a quantitative impairment test as of June 30, 2022 to determine the fair value of the equity investment. Based on discounted cash flow and market participant data as of June 30, 2022, and our projections related to the investee's ability to remain a going concern, we concluded that the fair value of the investment was zero. SEE recorded an impairment loss of $16.1 million equal to the difference between the fair value of the investment as of June 30, 2022 and its carrying value at March 31, 2022. The $16.1 million impairment loss was recorded within Other expense, net on the Condensed Consolidated Statements of Operations during the second quarter of 2022.

As of March 31, 2023, cumulative upward adjustments to our equity investments were $21.7 million and cumulative impairments or downward adjustments were $31.6 million, resulting in net cumulative impairments or downward adjustments of $9.9 million. As of December 31, 2022, cumulative upward adjustments to our equity investments were $21.7 million and there were $31.6 million cumulative impairments or downward adjustments.

Other Financial Instruments

The following financial instruments are recorded at fair value or at amounts that approximate fair value: (1) trade receivables, net, (2) certain other current assets, (3) accounts payable and (4) other current liabilities. The carrying amounts reported on our Condensed Consolidated Balance Sheets for the above financial instruments closely approximate their fair value due to the short-term nature of these assets and liabilities.

Other liabilities that are recorded at carrying value on our Condensed Consolidated Balance Sheets include our credit facilities and senior notes. We utilize a market approach to calculate the fair value of our senior notes. Due to their limited investor base and the face value of some of our senior notes, they may not be actively traded on the date we calculate their fair value. Therefore, we may utilize prices and other relevant information generated by market transactions involving similar securities, reflecting U.S. Treasury yields to calculate the yield to maturity and the price on some of our senior notes. These inputs are provided by an independent third party and are considered to be Level 2 inputs.

We derive our fair value estimates of our various other debt instruments by evaluating the nature and terms of each instrument, considering prevailing economic and market conditions, and examining the cost of similar debt offered at the balance sheet date. We also incorporated our credit default swap rates and currency specific swap rates in the valuation of each debt instrument, as applicable.

These estimates are subjective and involve uncertainties and matters of significant judgment, and therefore we cannot determine them with precision. Changes in assumptions could significantly affect our estimates.

The table below shows the carrying amounts and estimated fair values of our debt, excluding our lease liabilities.

		March 31, 2023		December 31, 2022	
(In millions)	**Interest rate**	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**
Term Loan A due March 2027[1]		$ 1,147.0	$ 1,147.0	$ 506.6	$ 506.6
Senior Notes due September 2023[1]	4.500 %	—	—	426.0	427.3
Senior Notes due December 2024	5.125 %	423.7	424.4	423.5	419.7
Senior Notes due September 2025	5.500 %	398.8	398.6	398.7	398.6
Senior Secured Notes due October 2026	1.573 %	596.2	527.9	596.0	521.7
Senior Notes due December 2027	4.000 %	422.1	396.4	421.9	386.6
Senior Notes due February 2028	6.125 %	763.5	782.2	—	—
Senior Notes due April 2029	5.000 %	421.3	405.4	421.2	400.2
Senior Notes due July 2033	6.875 %	446.5	461.9	446.4	448.8
Other foreign borrowings[1]		89.7	89.7	6.6	6.6
Other domestic borrowings		93.9	93.3	7.9	7.9
Total debt[2]		**$ 4,802.7**	**$ 4,726.8**	**$ 3,654.8**	**$ 3,524.0**

(1) Includes borrowings denominated in currencies other than U.S. dollars.

(2) The carrying amount and estimated fair value of debt exclude lease liabilities.

Included among our non-financial assets and liabilities that are not required to be measured at fair value on a recurring basis are inventories, property and equipment, goodwill, intangible assets and asset retirement obligations.

Note 16 Defined Benefit Pension Plans and Other Post-Employment Benefit Plans

The following tables show the components of net periodic benefit cost (income) for our defined benefit pension plans for the three months ended March 31, 2023 and 2022:

	Three Months Ended March 31, 2023			Three Months Ended March 31, 2022		
(In millions)	U.S.	International	Total	U.S.	International	Total
Components of net periodic benefit cost (income):						
Service cost	$ —	$ 0.8	$ 0.8	$ —	$ 1.1	$ 1.1
Interest cost	1.8	5.2	7.0	1.0	3.0	4.0
Expected return on plan assets	(1.8)	(5.3)	(7.1)	(2.2)	(5.0)	(7.2)
Amortization of net prior service cost	—	0.1	0.1	—	0.1	0.1
Amortization of net actuarial loss	0.4	0.8	1.2	0.4	1.0	1.4
Net periodic cost (income)	**0.4**	**1.6**	**2.0**	**(0.8)**	**0.2**	**(0.6)**
Settlement cost (credit)	—	0.2	0.2	—	(0.1)	(0.1)
Total benefit cost (income)	**$ 0.4**	**$ 1.8**	**$ 2.2**	**$ (0.8)**	**$ 0.1**	**$ (0.7)**

The following table shows the components of net periodic benefit cost for our other post-retirement employee benefit plans for the three months ended March 31, 2023 and 2022:

	Three Months Ended March 31,	
(In millions)	2023	2022
Components of net periodic benefit cost:		
Interest cost	$ 0.4	$ 0.2
Amortization of net prior service credit and net actuarial gain	(0.1)	(0.1)
Net periodic benefit cost	**$ 0.3**	**$ 0.1**

Note 17 Income Taxes

U.S. Legislation

The Inflation Reduction Act ("IRA") was signed into law on August 16, 2022. The IRA includes climate and energy provisions and introduces a 15% corporate alternative minimum tax, among other items. The enactment of the IRA did not result in any adjustments to our income tax provision for the three months ended March 31, 2023. We continue to evaluate the impact of this law on our operations and currently do not believe the legislation will have a material impact on our Condensed Consolidated Financial Statements.

Effective Income Tax Rate and Income Tax Provision

For interim tax reporting, we estimate one annual effective tax rate for tax jurisdictions not subject to a valuation allowance and apply that rate to the year-to-date ordinary income/(loss). Tax effects of significant unusual or infrequently occurring items are excluded from the estimated annual effective tax rate calculation and recognized in the interim period in which they occur.

State income taxes, foreign earnings subject to higher tax rates and non-deductible expenses increase the Company's effective income tax rate compared to the U.S. statutory rate of 21.0%. Research and development credits decrease the Company's effective tax rate compared to the U.S. statutory rate of 21.0%.

Our effective income tax rate was 35.0% for the three months ended March 31, 2023. In addition to the above referenced items, the three-month period was unfavorably impacted by accruals for unresolved controversy which had a disproportionate impact on the rate due to lower earnings before income tax provision.

Our effective income tax rate was 28.4% for the three months ended March 31, 2022. In addition to the above referenced items, the Company's effective income tax rate for the three months ended March 31, 2022 was favorably impacted by share price accretion in equity compensation and unfavorably impacted by accruals for unresolved controversy and nonrecurring intercompany dividend distributions.

There was no significant change in our valuation allowances for the three months ended March 31, 2023 and 2022.

Net increases in unrecognized tax positions of $6.8 million and $6.3 million for the three months ended March 31, 2023 and 2022, respectively, were primarily related to interest accruals on existing uncertain tax positions. We are not currently able to reasonably estimate the amount by which the liability for unrecognized tax positions may increase or decrease as a result of future tax controversy developments or resolution. Interest and penalties on tax assessments are included in Income tax provision on our Condensed Consolidated Statements of Operations.

The IRS completed its field examination of the U.S. federal income tax returns for the 2011-2014 tax years in the third quarter of 2020. As previously disclosed, the IRS has proposed to disallow, for the 2014 taxable year, the entirety of the deduction of the approximately $1.49 billion settlement payment made pursuant to the Settlement agreement (as defined in Note 18, "Commitments and Contingencies") and the resulting reduction of our U.S. federal tax liability by approximately $525 million. The proposed disallowance is being reviewed by the IRS Independent Office of Appeals ("Appeals"). Although we believe we have meritorious defenses to the proposed disallowance, we have reached a tentative agreement to settle this matter with the IRS, which is subject to further review, approval and execution of a definitive agreement by both parties. There can be no assurance that a definitive agreement will be executed and we cannot predict the outcome of this matter or when it will be concluded. We have revised our uncertain tax position to reflect the tentative agreement. On April 20, 2023, we deposited $175 million with the IRS based on an estimate of the federal tax owed per the tentative agreement. Our final settlement amount could differ from the $175 million deposited. Future developments in this matter could have a material impact on the Company's uncertain tax position balances and results of operations, including cash flows, within the next twelve months.

There is no outstanding liability with respect to the one-time mandatory tax on previously deferred foreign earnings of foreign subsidiaries provision associated with the Tax Cuts and Jobs Act of 2017.

Note 18 Commitments and Contingencies

Settlement Agreement Tax Deduction

On March 31, 1998, the Company completed a multi-step transaction (the "Cryovac transaction") involving W.R. Grace & Co. ("Grace") which brought the Cryovac packaging business and the former Sealed Air's business under the common ownership of the Company. As part of that transaction, Grace and its subsidiaries retained all liabilities arising out of their operations before the Cryovac transaction (including asbestos-related liabilities), other than liabilities relating to Cryovac's operations, and agreed to indemnify the Company with respect to such retained liabilities. Beginning in 2000, we were served with a number of lawsuits alleging that the Cryovac transaction was a fraudulent transfer or gave rise to successor liability or both, and that, as a result, we were responsible for alleged asbestos liabilities of Grace and its subsidiaries. On April 2, 2001, Grace and a number of its subsidiaries filed petitions for reorganization under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). In connection with Grace's Chapter 11 case, the Bankruptcy Court granted the official committees appointed to represent asbestos claimants in Grace's Chapter 11 case (the "Committees") permission to pursue against the Company and its subsidiary Cryovac, Inc. fraudulent transfer, successor liability, and other claims based upon the Cryovac transaction. In November 2002, we reached an agreement in principle with the Committees to resolve all current and future asbestos-related claims made against us and our affiliates, as well as indemnification claims by Fresenius Medical Care Holdings, Inc. and affiliated companies, in each case, in connection with the Cryovac transaction. A definitive settlement agreement was entered into in 2003 and approved by the Bankruptcy Court in 2005 (such agreement, the "Settlement agreement"). The Settlement agreement was subsequently incorporated into the plan of reorganization for Grace (the "Plan") and the Plan was confirmed by the Bankruptcy Court in 2011 and the U.S. District Court in 2012.

On February 3, 2014 (the "Effective Date"), the Plan implementing the Settlement agreement became effective with Grace emerging from bankruptcy and the injunctions and releases provided by the Plan becoming effective. On the Effective Date, the Company's subsidiary, Cryovac, Inc., made the payments contemplated by the Settlement agreement, consisting of aggregate cash payments in the amount of $929.7 million to the WRG Asbestos PI Trust (the "PI Trust") and the WRG Asbestos PD Trust (the "PD Trust") and the transfer of 18 million shares of Sealed Air common stock (the "Settlement Shares") to the PI Trust, in each case, reflecting adjustments made in accordance with the Settlement agreement.

The IRS completed its field examination of our U.S. federal income tax returns for the years 2011 through 2014 in the third quarter of 2020. As previously disclosed, the IRS has proposed to disallow for the 2014 taxable year the entirety of the deduction of the approximately $1.49 billion settlement payments made pursuant to the Settlement agreement and the resulting reduction of our U.S. federal tax liability by approximately $525 million. The proposed disallowance is being reviewed by the IRS Independent Office of Appeals (“Appeals”). Although we believe we have meritorious defenses to the proposed disallowance, we have reached a tentative agreement to settle this matter with the IRS, which is subject to further review, approval and execution of a definitive agreement by both parties. There can be no assurance that a definitive agreement will be executed and we cannot predict the outcome of this matter or when it will be concluded. We have revised our uncertain tax position to reflect the tentative agreement. On April 20, 2023, we deposited $175 million with the IRS based on an estimate of the federal tax owed per the tentative agreement. Our final settlement amount could differ from the $175 million deposited. Future developments in this matter could have a material impact on the Company's uncertain tax position balances and results of operations, including cash flows, within the next twelve months.

Securities Class Action

On November 1, 2019, purported Company stockholder UA Local 13 & Employers Group Insurance Fund filed a putative class action complaint in the United States District Court for the Southern District of New York against the Company and certain of its current and former officers. On June 4, 2020, the complaint was amended to remove all individual defendants other than the Company’s former CFO and to add a plaintiff, and on July 13, 2020, the complaint was further amended to identify a total of four plaintiffs. The complaint alleged violations of Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 thereunder based on allegedly false and misleading statements and omissions concerning the Company’s hiring of Ernst & Young LLP as its independent auditors and concerning the Company's corporate policies and procedures. The plaintiffs sought to represent a class of purchasers of the Company’s common stock between November 17, 2014 and June 20, 2019. The complaint sought, among other things, unspecified compensatory damages, including interest, and attorneys’ fees and costs. On September 4, 2020, the Company filed a motion to dismiss the complaint, and on June 1, 2021, the court issued a ruling that granted in part and denied in part the motion to dismiss. The Company filed its answer to the complaint on July 15, 2021. On September 9, 2022, the parties signed a settlement agreement including a proposed settlement amount of $12.5 million, and on September 14, 2022, the Court issued an order preliminarily approving such settlement. The settlement was funded by the Company’s insurance carriers. In the third quarter of 2022, the Company recorded a liability of $12.5 million in Other current liabilities and a corresponding $12.5 million insurance receivable in Other receivables on the Condensed Consolidated Balance Sheets. On October 14, 2022, the Company’s insurance carriers funded the $12.5 million settlement via an escrow account established on behalf of the settlement class. On January 20, 2023, the Court certified a settlement class and issued an order granting final approval of the settlement. Accordingly, the Company reversed the $12.5 million in Other current liabilities and the corresponding insurance receivable in Other receivables on the Condensed Consolidated Balance Sheets that was recorded in the third quarter of 2022.

Environmental Matters

We are subject to loss contingencies resulting from environmental laws and regulations, and we accrue for anticipated costs associated with investigatory and remediation efforts when an assessment has indicated that a loss is probable and can be reasonably estimated. These accruals are not reduced by potential insurance recoveries, if any. We do not believe that it is reasonably possible that our liability in excess of the amounts that we have accrued for environmental matters will be material to our Condensed Consolidated Balance Sheets or Statements of Operations. Environmental liabilities are reassessed whenever circumstances become better defined or remediation efforts and their costs can be better estimated.

We evaluate these liabilities periodically based on available information, including the progress of remedial investigations at each site, the current status of discussions with regulatory authorities regarding the methods and extent of remediation and the apportionment of costs among potentially responsible parties. As some of these issues are decided (the outcomes of which are subject to uncertainties) or new sites are assessed and costs can be reasonably estimated, we adjust the recorded accruals, as necessary. We believe that these exposures are not material to our Condensed Consolidated Balance Sheets or Statements of Operations. We believe that we have adequately reserved for all probable and estimable environmental exposures.

Guarantees and Indemnification Obligations

We are a party to many contracts containing guarantees and indemnification obligations. These contracts primarily consist of:

- indemnities in connection with the sale of businesses, primarily related to the sale of Diversey in 2017. Our indemnity obligations under the relevant agreements may be limited in terms of time, amount or scope. As it relates to certain income tax related liabilities, the relevant agreements may not provide any cap for such liabilities, and the period in which we would be liable would lapse upon expiration of the statute of limitation for assessment of the underlying taxes. Because of the conditional nature of these obligations and the unique facts and circumstances involved in each particular agreement, we are unable to reasonably estimate the potential maximum exposure associated with these items;

- product warranties with respect to certain products sold to customers in the ordinary course of business. These warranties typically provide that products will conform to specifications. We generally do not establish a liability for product warranty based on a percentage of sales or other formula. We accrue a warranty liability on a transaction-specific basis depending on the individual facts and circumstances related to each sale. Both the liability and annual expense related to product warranties are immaterial to our consolidated financial position and results of operations; and
- licenses of intellectual property by us to third parties in which we have agreed to indemnify the licensee against third-party infringement claims.

As of March 31, 2023, the Company has no reason to believe a loss exceeding amounts already recognized would be incurred.

Other Matters

We are also involved in various other legal actions incidental to our business. We believe, after consulting with counsel, that the disposition of these other legal proceedings and matters will not have a material effect on our consolidated financial condition or results of operations including potential impact to cash flows.

Note 19 Stockholders’ Equity

Repurchase of Common Stock

On August 2, 2021, the Board of Directors approved a new share repurchase program of $1.0 billion. This current program has no expiration date and replaced all previous authorizations. As of March 31, 2023, there was $536.5 million remaining under the current authorized program. Share repurchases made prior to August 2, 2021 were under previous Board of Directors share repurchase authorizations, specifically the $1.5 billion authorization made in July 2015, the $1.5 billion authorization made in March 2017, and the $1.0 billion authorization made in May 2018.

During the three months ended March 31, 2023, we repurchased 1,529,575 shares, for approximately $79.8 million, at an average share price of $52.20.

During the three months ended March 31, 2022, we repurchased 3,042,696 shares, for approximately $200.0 million, at an average share price of $65.74.

These repurchases were made under open market transactions, including through plans complying with Rule 10b5-1 of the Securities Exchange Act of 1934, as amended, and pursuant to the share repurchase program previously authorized by our Board of Directors.

Dividends

On February 22, 2023, our Board of Directors declared a quarterly cash dividend of $0.20 per common share, or $28.9 million, which was paid on March 24, 2023, to stockholders of record at the close of business on March 10, 2023.

The dividends paid during the three months ended March 31, 2023 were recorded as a reduction to Cash and cash equivalents and Retained earnings on our Condensed Consolidated Balance Sheets. Our senior secured credit facility and our senior notes contain covenants that restrict our ability to declare or pay dividends. However, we do not believe these covenants are likely to materially limit the future payment of quarterly cash dividends on our common stock. From time to time, we may consider other means of returning value to our stockholders based on our Condensed Consolidated Statements of Operations. There is no guarantee that our Board of Directors will declare any future dividends.

Share-based Compensation

In 2014, the Board of Directors adopted, and our stockholders approved, the 2014 Omnibus Incentive Plan (“Omnibus Incentive Plan”). Under the Omnibus Incentive Plan, the maximum number of shares of Common Stock authorized was 4,250,000, plus total shares available to be issued as of May 22, 2014 under the 2002 Directors Stock Plan and the 2005 Contingent Stock Plan (collectively, the “Predecessor Plans”). The Omnibus Incentive Plan replaced the Predecessor Plans and no further awards were granted under the Predecessor Plans. The Omnibus Incentive Plan provides for the grant of stock options, stock appreciation rights, restricted stock, restricted stock units, unrestricted stock, performance share units known as PSU awards, other stock awards and cash awards to officers, non-employee directors, key employees, consultants and advisors.

In 2018, the Board of Directors adopted, and our shareholders approved, an amendment and restatement to the Omnibus Incentive Plan. The amendment added 2,199,114 shares of common stock to the share pool previously available under the Omnibus Incentive Plan.

Additionally, in 2021, the Board of Directors adopted, and our shareholders approved, an additional amendment and restatement to the Omnibus Incentive Plan. The amended plan added 2,999,054 shares of common stock to the share pool previously available under the Omnibus Incentive Plan.

We record share-based incentive compensation expense in Selling, general and administrative expenses and Cost of sales on our Condensed Consolidated Statements of Operations for both equity-classified and liability-classified awards. We record a corresponding credit to Additional paid-in capital within stockholders' equity for equity-classified awards, and to either Other current liabilities or Other non-current liabilities for liability-classified awards based on the fair value of the share-based incentive compensation awards at the date of grant. Total expense for the liability-classified awards continues to be remeasured to fair value at the end of each reporting period. We recognize an expense or credit reflecting the straight-line recognition, net of estimated forfeitures, of the expected cost of the program. The number of PSUs earned may equal, exceed, or be less than the targeted number of shares depending on whether the performance criteria are met, surpassed, or not met.

The table below shows our total share-based incentive compensation expense:

	Three Months Ended March 31,	
(In millions)	2023	2022
Total share-based incentive compensation expense[1]	**$ 18.0**	**$ 17.9**

[1] The amounts presented above do not include the expense related to our U.S. profit sharing contributions made in the form of our common stock. However, the amounts include the expense related to share-based awards that are settled in cash.

Performance Share Units ("PSU") Awards

During the first 90 days of each year, the Organization and Compensation ("O&C") Committee of our Board of Directors approves PSU awards for our executive officers and other selected employees, which include for each participant a target number of shares of common stock and the performance goals and measures that will determine the percentage of the target award that is earned following the end of the three-year performance period. Following the end of the performance period, in addition to shares earned, participants will also receive a cash payment in the amount of the dividends (without interest) that would have been paid during the performance period on the number of shares that they have earned. Each PSU is subject to forfeiture if the recipient terminates employment with the Company prior to the end of the three-year award performance period for any reason other than death, disability or retirement. In the event of death, disability or retirement, a participant will receive a prorated payment based on such participant's number of days of service during the award performance period, further adjusted based on the achievement of the performance goals during the award performance period. PSUs are classified as equity in the Condensed Consolidated Balance Sheets, with the exception of awards that are required by local laws or regulations to be settled in cash. These are classified as either Other current liabilities or Other non-current liabilities in the Condensed Consolidated Balance Sheets.

2023 Three-year PSU Awards

During the first quarter of 2023, the O&C Committee approved awards with a three-year performance period beginning January 1, 2023 and ending December 31, 2025 for executive officers and other selected employees. The O&C Committee established performance goals, which are (i) three-year cumulative average growth rate ("CAGR") of consolidated Adjusted EBITDA weighted at 50%, and (ii) Return on Invested Capital ("ROIC") weighted at 50%. Calculation of final achievement on each performance metric is subject to an upward or downward adjustment of up to 25% of the overall combined achievement percentage, based on the results of a relative total shareholder return ("TSR") modifier. The comparator group for the relative TSR modifier is S&P 500 component companies as of the beginning of the performance period. Shareholder return in the top quartile of the comparator group increases overall achievement of performance metrics by 25%, while shareholder return in the bottom quartile of the comparator group decreases overall achievement of the performance metrics by 25%. The total number of shares to be issued, including the modifier, for these awards can range from zero to 250% of the target number of shares.

The target number of PSUs granted and the grant date fair value of the PSUs are shown in the following table:

	Adjusted EBITDA CAGR	ROIC
February 21, 2023 grant date		
Number of units granted	93,343	93,343
Fair value on grant date (per unit)	$ 48.46	$ 48.46
March 1, 2023 grant date		
Number of units granted	22,963	22,963
Fair value on grant date (per unit)	$ 49.05	$ 49.05

The assumptions used to calculate the grant date fair value of the PSUs are shown in the following table:

	February 21, 2023 grant date	March 1, 2023 grant date
Expected price volatility	32.9 %	31.7 %
Risk-free interest rate	4.4 %	4.6 %

2023 Five-year ESG Awards

During the first quarter of 2023, the O&C Committee approved awards with a five-year performance period beginning January 1, 2023 and ending December 31, 2027 for certain of our executive officers. The O&C Committee established performance goals, which are aligned with the Company's environmental, social, and governance ("ESG") commitments. A total of 75% of the target awards are weighted towards sustainability goals, including increased recycled and/or renewable content offerings and reductions in greenhouse gas intensity. The remaining 25% of the target awards are weighted towards social goals, including global gender representation, and belonging and inclusion. Calculation of final achievement on the awards is subject to upward adjustments in the event that (i) specified levels of SEE Automation and prismiq™ sales are realized and/or (ii) the target performance level for all goals is met. The total number of shares to be issued for these awards can range from zero to 187.5% of the target number of shares, inclusive of upward adjustments. For the three months ended March 31, 2023, we recognized stock based compensation expense associated with the ESG awards of $1.1 million. This expense is included within Cost of Sales and Selling, general and administrative expenses on our Condensed Consolidated Statements of Operations.

The target number of PSUs granted and the grant date fair value of the PSUs are shown in the following table:

	Environmental Goals	Social Goals
February 21, 2023 grant date		
Number of units granted	204,172	78,528
Fair value on grant date (per unit)	$ 48.55	$ 48.55

2020 Three-year PSU Awards

In February 2023, the O&C Committee reviewed the performance results for the 2020-2022 PSUs. Performance goals for these PSUs were based on Adjusted EBITDA CAGR, ROIC, and the Company's TSR ranking relative to a group of peer companies.

Based on overall performance for 2020-2022 PSUs, these awards paid out at 172.4% of target or 457,461 units. Of this, 183,654 units were withheld to cover employee tax withholding and 914 units were designated as cash-settled awards, resulting in net share issuances of 272,893.

Note 20 Accumulated Other Comprehensive Loss

The following table provides details of comprehensive income (loss) for the three months ended March 31, 2023 and 2022:

(In millions)	Unrecognized Pension Items	Cumulative Translation Adjustment[1]	Unrecognized Losses on Derivative Instruments for net investment hedge	Unrecognized Gains on Derivative Instruments for cash flow hedge	Accumulated Other Comprehensive Loss, Net of Taxes
Balance at December 31, 2022	$ (126.3)	$ (837.5)	$ (18.3)	$ 3.3	$ (978.8)
Other comprehensive income (loss) before reclassifications	0.2	36.6	(5.5)	(1.9)	29.4
Less: amounts reclassified from accumulated other comprehensive loss	1.1	—	—	(0.9)	0.2
Net current period other comprehensive income (loss)	1.3	36.6	(5.5)	(2.8)	29.6
Balance at March 31, 2023	**$ (125.0)**	**$ (800.9)**	**$ (23.8)**	**$ 0.5**	**$ (949.2)**
Balance at December 31, 2021	$ (137.5)	$ (760.5)	$ (38.3)	$ 2.4	$ (933.9)
Other comprehensive (loss) income before reclassifications	(0.2)	3.5	5.0	0.2	8.5
Less: amounts reclassified from accumulated other comprehensive loss	1.0	—	—	(1.7)	(0.7)
Net current period other comprehensive income (loss)	0.8	3.5	5.0	(1.5)	7.8
Balance at March 31, 2022	**$ (136.7)**	**$ (757.0)**	**$ (33.3)**	**$ 0.9**	**$ (926.1)**

(1) Includes gains and losses on intra-entity foreign currency transactions. The intra-entity currency translation adjustment was $7.9 million and $16.9 million for the three months ended March 31, 2023 and 2022, respectively.

The following table provides detail of amounts reclassified from AOCL:

(In millions)	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	Location of Amount Reclassified from AOCL
Defined benefit pension plans and other post-employment benefits:			
Net settlement (cost) credit	$ (0.2)	$ 0.1	
Actuarial losses	(1.2)	(1.4)	
Total pre-tax amount	(1.4)	(1.3)	Other expense, net
Tax benefit	0.3	0.3	
Net of tax	(1.1)	(1.0)	
Net gains on cash flow hedging derivatives:[1]			
Foreign currency forward contracts	1.1	1.9	Cost of sales
Treasury locks	—	0.1	Interest expense, net
Total pre-tax amount	1.1	2.0	
Tax expense	(0.2)	(0.3)	
Net of tax	0.9	1.7	
Total reclassifications for the period	**$ (0.2)**	**$ 0.7**	

(1) These accumulated other comprehensive components are included in our derivative and hedging activities. See Note 14, “Derivatives and Hedging Activities,” for additional details.

Note 21 Other Expense, net

The following table provides details of other expense, net:

(In millions)	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Net foreign exchange transaction loss	$ (4.9)	$ (0.5)
Bank fee expense	(1.4)	(1.1)
Pension (cost) income other than service costs	(2.1)	1.3
Fair value impairment loss on equity investments[1]	—	(15.5)
Foreign currency exchange loss due to highly inflationary economies	(2.6)	(1.0)
Loss on debt redemption and refinancing activities	(4.9)	(0.7)
Other income	2.6	4.7
Other expense	(1.7)	(1.4)
Other expense, net	**$ (15.0)**	**$ (14.2)**

(1) See Note 15, "Fair Value Measurements, Equity Investments and Other Financial Instruments," for further details.

Note 22 Net Earnings Per Common Share

The following table shows the calculation of basic and diluted net earnings per common share:

(In millions, except per share amounts)	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Basic Net Earnings Per Common Share:		
Numerator:		
Net earnings	$ 61.9	$ 149.2
Distributed and allocated undistributed net earnings to unvested restricted stockholders	—	—
Net earnings available to common stockholders	**$ 61.9**	**$ 149.2**
Denominator:		
Weighted average number of common shares outstanding - basic	144.1	147.6
Basic net earnings per common share:		
Basic net earnings per common share	**$ 0.43**	**$ 1.01**
Diluted Net Earnings Per Common Share:		
Numerator:		
Net earnings available to common stockholders	**$ 61.9**	**$ 149.2**
Denominator:		
Weighted average number of common shares outstanding - basic	144.1	147.6
Effect of dilutive stock shares and units	0.7	1.9
Weighted average number of common shares outstanding - diluted under treasury stock	**144.8**	**149.5**
Diluted net earnings per common share	**$ 0.43**	**$ 1.00**

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The information in our Management’s Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”) should be read together with our Condensed Consolidated Financial Statements and related notes set forth in Item 1 of Part I of this Quarterly Report on Form 10-Q, our MD&A set forth in Item 7 of Part II of our 2022 Form 10-K and our Consolidated Financial Statements and related notes set forth in Item 8 of Part II of our 2022 Form 10-K. See “Cautionary Notice Regarding Forward-Looking Statements” above, and the information referenced therein, for a description of risks that we face and important factors that we believe could cause actual results to differ materially from those in our forward-looking statements. All amounts and percentages are approximate due to rounding and all dollars are in millions, except per share amounts or where otherwise noted. When we cross-reference to a “Note,” we are referring to our “Notes to Condensed Consolidated Financial Statements,” unless the context indicates otherwise.

Recent Events and Trends

Reinvent SEE 2.0

The Reinvent SEE 2.0 initiative, which began in 2023, will advance the next phase of our transformation as we continue to build on the success of Reinvent SEE. Reinvent SEE 2.0 will focus on:

- *Expanding the Fluids & Liquids Vertical Leveraging **Cryovac** and **Liquibox** Competitive Capabilities:* Combining highly complementary solutions within SEE’s fast growing fluids & liquids business while generating strong synergies and accelerating innovation.

- *Accelerating Growth Platforms from Product to Customer First Solutions Approach:* Expand and grow our portfolio of automation solutions, advance our **prismiq™** digital packaging and printing solutions and broaden and diversify with new sustainable innovations while expanding our digital e-commerce platform.

- *SEE Operational Excellence with Automating & Digitizing the Global Network with SEE Touchless Automation:* Heightened focus on world-class operations, operating leverage, productivity, zero-harm and flawless quality in everything we do while making every customer a reference.

- *SEE Operating Model / Engine:* Focus on high-quality growth to grow faster than the markets we serve as we simplify and digitize our organizational structure to withstand global slowdowns.

Supply Chain Disruptions, Inflation and Recessionary Pressures

Throughout 2022, the Company experienced supply chain disruptions such as limited availability of certain raw materials and equipment components. During the first quarter of 2023, many of these shortages related to raw materials have lessened. However, we are still experiencing supply shortages for certain equipment components and long lead times to procure these equipment components. We have also continued to experience inflationary pressures through the first quarter of 2023. While we have seen prices normalize for resins, we are continuing to experience higher costs related to other operating costs, including labor.

The current environment continues to negatively impact the supply of certain equipment components. The supply disruptions may result in longer lead times for some of our customers, the loss and/or delay of sales, or the inability to fulfill customer orders. Any of these developments may have a material adverse impact on our consolidated financial condition, results of operations, or cash flows.

The Company has also experienced recessionary pressures through the first quarter of 2023. In Food, we have seen lower retail demand driven by higher protein prices. Protective has continued to be impacted from recessionary pressures in industrial and fulfillment markets through the first quarter of 2023.

Refer to Part I, Item 1A, “Risk Factors,” in our 2022 Form 10-K for information concerning operational risks, including customer responses to price increases, raw material pricing and availability.

Impact of COVID-19

Our diverse end-markets and geographies continue to experience varying degrees of impact from COVID-19. We cannot predict the impact on the markets we serve due to the continued impact of the COVID-19 pandemic, including new variants. The recent roll back of China’s zero-COVID restrictions have led to an increase of COVID-19 cases in certain regions in China which has negatively impacted our operations in this region. Future developments of the pandemic, including disparity in areas of significant regional spread compared to areas with higher vaccination availability and rates, may cause uneven impacts to our geographies around the world.

Non-U.S. GAAP Information

We present financial information that conforms to U.S. GAAP. We also present financial information that does not conform to U.S. GAAP, as our management believes it is useful to investors. In addition, non-U.S. GAAP financial measures are used by management to review and analyze our operating performance and, along with other data, as internal measures for setting annual budgets and forecasts, assessing financial performance, providing guidance and comparing our financial performance with our peers. Non-U.S. GAAP financial measures also provide management with additional means to understand and evaluate the core operating results and trends in our ongoing business by eliminating certain expenses and/or gains (which may not occur in each period presented) and other items that management believes might otherwise make comparisons of our ongoing business with prior periods and peers more difficult, obscure trends in ongoing operations or reduce management’s ability to make useful forecasts. Non-U.S. GAAP information does not purport to represent any similarly titled U.S. GAAP information and is not an indicator of our performance under U.S. GAAP. Investors are cautioned against placing undue reliance on these non-U.S. GAAP financial measures. Further, investors are urged to review and consider carefully the adjustments made by management to the most directly comparable U.S. GAAP financial measure to arrive at these non-U.S. GAAP financial measures, described below.

The non-U.S. GAAP financial metrics exclude certain specified items (“Special Items”), including restructuring charges and restructuring associated costs related to the Reinvent SEE program that concluded as of the end of calendar year 2022, amortization of intangible assets and inventory step-up expense related to the acquisition of Liquibox, adjustments in the valuation of our "SEE Ventures" portfolio (which may include debt, equity method or equity investments), and other charges related to acquisitions and divestitures, gains and losses related to acquisitions and divestitures, special tax items or tax benefits (collectively, “Tax Special Items”) and certain other items. We evaluate unusual or Special Items on an individual basis. Our evaluation of whether to exclude an unusual or special item for purposes of determining our non-U.S. GAAP financial measures considers both the quantitative and qualitative aspects of the item, including among other things (i) its nature, (ii) whether or not it relates to our ongoing business operations, and (iii) whether or not we expect it to occur as part of our normal business on a regular basis. Beginning in 2023, the Company is now including adjustments for amortization-related expense related to the Liquibox acquired intangibles. The change will be prospective and will not impact previously presented results. This change was made to better align the Company's definitions of Special Items with those of its peers, to better reflect the Company's operating performance, and to increase the usefulness of such measures for our stakeholders.

When we present non-U.S. GAAP forward-looking guidance, we do not also provide guidance for the most directly comparable U.S. GAAP financial measures, as they are not available without unreasonable effort due to the high variability, complexity, and low visibility with respect to certain Special Items, including gains and losses on the disposition of businesses, the ultimate outcome of certain legal or tax proceedings, foreign currency gains or losses resulting from the volatile currency market in Argentina, and other unusual gains and losses. These items are uncertain, depend on various factors, and could be material to our results computed in accordance with U.S. GAAP.

Adjusted EBITDA and Adjusted EBITDA Margin

Adjusted EBITDA is defined as Earnings before Interest Expense, Taxes, Depreciation and Amortization, adjusted to exclude the impact of Special Items. Management uses Adjusted EBITDA as one of many measures to assess the performance of the business. Additionally, Adjusted EBITDA is the performance metric used by the Company's chief operating decision maker to evaluate performance of our reportable segments. Adjusted EBITDA is also a metric used to determine performance in the Company's Annual Incentive Plan. We do not believe there are estimates underlying the calculation of Adjusted EBITDA, other than those inherent in our U.S. GAAP results of operations, which would render the use and presentation of Adjusted EBITDA misleading. While the nature and amount of individual Special Items vary from period to period, we believe our calculation of Adjusted EBITDA is applied consistently to all periods and, in conjunction with other U.S. GAAP and non-U.S. GAAP financial measures, Adjusted EBITDA provides a useful and consistent comparison of our Company's performance to other periods.

The following table shows a reconciliation of U.S. GAAP Net Earnings from continuing operations to non-U.S. GAAP Consolidated Adjusted EBITDA from continuing operations:

(In millions)	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Net earnings from continuing operations	$ 62.9	$ 149.6
Interest expense, net	57.8	38.9
Income tax provision	33.8	59.4
Depreciation and amortization, net of adjustments[1]	68.9	63.2
Special Items:		
Liquibox intangible amortization[2]	5.0	—
Liquibox inventory step-up expense	8.4	—
Restructuring charges	(1.2)	0.5
Other restructuring associated costs	(0.2)	3.1
Foreign currency exchange loss due to highly inflationary economies	2.6	1.0
Loss on debt redemption and refinancing activities	4.9	0.7
Impairment loss on equity investments	—	15.5
Charges related to acquisition and divestiture activity	16.9	(0.9)
Other Special Items[3]	7.5	(4.1)
Pre-tax impact of Special Items	43.9	15.8
Non-U.S. GAAP Consolidated Adjusted EBITDA from continuing operations	**$ 267.3**	**$ 326.9**

(1) Includes depreciation and amortization adjustments of $5.0 million for the three months ended March 31, 2023.

(2) Beginning in 2023, the Company redefined Special Items to include amortization of the Liquibox acquired intangibles. The change is prospective and only applies to the amortization of Liquibox acquired intangibles.

(3) Other Special Items for the three months ended March 31, 2023 primarily relate to a one-time, non-cash CTA loss recognized due to the wind-up of one of our legal entities. Other Special Items for the three months ended March 31, 2022, primarily relate to a one-time gain on the disposal of land in the UK.

The Company may also assess performance using Adjusted EBITDA Margin. Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by net sales. We believe that Adjusted EBITDA Margin is a useful measure to assess the profitability of sales made to third parties and the efficiency of our core operations.

Adjusted Net Earnings and Adjusted Earnings Per Share

Adjusted Net Earnings and Adjusted Earnings Per Share (“Adjusted EPS”) are also used by the Company to measure total company performance. Adjusted Net Earnings is defined as U.S. GAAP net earnings from continuing operations excluding the impact of Special Items. Adjusted EPS is defined as our Adjusted Net Earnings divided by the number of diluted shares outstanding. We believe that Adjusted Net Earnings and Adjusted EPS are useful measurements of Company performance, along with other U.S. GAAP and non-U.S. GAAP financial measures, because they incorporate non-cash items of depreciation and amortization, including stock-based compensation, which impact the overall performance and net earnings of our business. Additionally, Adjusted Net Earnings and Adjusted EPS reflect the impact of our Adjusted Tax Rate and interest expense on a net and per share basis. While the nature and amount of individual Special Items vary from period to period, we believe our calculation of Adjusted Net Earnings and Adjusted EPS is applied consistently to all periods and, in conjunction with other U.S. GAAP and non-U.S. GAAP financial measures, Adjusted Net Earnings and Adjusted EPS provide a useful and consistent comparison of our Company's performance to other periods.

The following table shows a reconciliation of U.S. GAAP Net Earnings and Diluted Earnings per Share from continuing operations to non-U.S. GAAP Adjusted Net Earnings and Adjusted EPS from continuing operations.

(In millions, except per share data)	Three Months Ended March 31, 2023 Net Earnings	2023 Diluted EPS	2022 Net Earnings	2022 Diluted EPS
U.S. GAAP Net earnings and diluted EPS from continuing operations	**$ 62.9**	**$ 0.44**	**$ 149.6**	**$ 1.00**
Special Items[(1)]	44.0	0.30	18.5	0.12
Non-U.S. GAAP Adjusted net earnings and adjusted diluted EPS from continuing operations	**$ 106.9**	**$ 0.74**	**$ 168.1**	**$ 1.12**
Weighted average number of common shares outstanding - Diluted		**144.8**		**149.5**

(1) Includes pre-tax Special Items, plus/less Tax Special Items and the tax impact of Special Items as seen in the following calculation of non-U.S. GAAP Adjusted income tax rate.

Adjusted Tax Rate

We also present our adjusted income tax rate ("Adjusted Tax Rate"). The Adjusted Tax Rate is a measure of our U.S. GAAP effective tax rate, adjusted to exclude the tax impact from the Special Items that are excluded from our Adjusted Net Earnings and Adjusted EPS metrics as well as expense or benefit from any special taxes or Tax Special Items. The Adjusted Tax Rate is an indicator of the taxes on our core business. The tax circumstances and effective tax rate in the specific countries where the Special Items occur will determine the impact (positive or negative) to the Adjusted Tax Rate. While the nature and amount of Tax Special Items vary from period to period, we believe our calculation of the Adjusted Tax Rate is applied consistently to all periods and, in conjunction with our U.S. GAAP effective income tax rate, the Adjusted Tax Rate provides a useful and consistent comparison of the impact that tax expense has on our Company's performance.

The following table shows our calculation of the non-U.S. GAAP Adjusted income tax rate:

(In millions)	Three Months Ended March 31, 2023	2022
U.S. GAAP Earnings before income tax provision from continuing operations	$ 96.7	$ 209.0
Pre-tax impact of Special Items	43.9	15.8
Non-U.S. GAAP Adjusted Earnings before income tax provision from continuing operations	**$ 140.6**	**$ 224.8**
U.S. GAAP Income tax provision from continuing operations	$ 33.8	$ 59.4
Tax Special Items[(1)]	(6.3)	(6.7)
Tax impact of Special Items[(2)]	6.2	4.0
Non-U.S. GAAP Adjusted Income tax provision from continuing operations	**$ 33.7**	**$ 56.7**
U.S. GAAP Effective income tax rate	35.0 %	28.4 %
Non-U.S. GAAP Adjusted income tax rate	24.0 %	25.2 %

(1) For the three months ended March 31, 2023, Tax Special Items reflect accruals for unresolved controversy. For the three months ended March 31, 2022, Tax Special Items reflect accruals for unresolved controversy and nonrecurring intercompany dividend distributions.

(2) The tax rate used to calculate the tax impact of Special Items is based on the jurisdiction in which the item was recorded.

Organic and Constant Dollar Measures

In our "Net Sales by Geographic Region," "Net Sales by Segment," and in some of the discussions and tables that follow, we exclude the impact of foreign currency translation when presenting net sales information, which we define as "constant dollar", and we exclude acquisitions in the first year after closing, divestiture activity from the time of sale, and the impact of foreign currency translation when presenting net sales information, which we define as "organic." Changes in net sales excluding the impact of foreign currency translation and/or acquisition and divestiture activity are non-U.S. GAAP financial measures. As a worldwide business, it is important that we consider the effects of foreign currency translation when we view our results and plan our strategies. Nonetheless, we cannot control changes in foreign currency exchange rates. Consequently, when our management analyzes our financial results including performance metrics such as sales, cost of sales or selling, general and administrative expense, to measure the core performance of our business, we may exclude the impact of foreign currency translation by translating our current period results at prior period foreign currency exchange rates. We also may exclude the impact of foreign currency translation when making incentive compensation determinations. As a result, our management believes that these presentations are useful internally and may be useful to investors.

Refer to these specific tables presented later in our MD&A for reconciliations of these non-U.S. GAAP financial measures to their most directly comparable U.S. GAAP measures.

Free Cash Flow

In addition to net cash provided by operating activities, we use free cash flow as a useful measure of performance and an indication of the strength and ability of our operations to generate cash. We define free cash flow as cash provided by operating activities less capital expenditures (which is classified as an investing activity). Free cash flow is not defined under U.S. GAAP. Therefore, free cash flow should not be considered a substitute for net income or cash flow data prepared in accordance with U.S. GAAP and may not be comparable to similarly titled measures used by other companies. Free cash flow does not represent residual cash available for discretionary expenditures, as certain debt servicing requirements or other non-discretionary expenditures are not deducted from this measure.

Refer to the specific tables presented later in our MD&A under *Analysis of Historical Cash Flow* for reconciliations of this non-U.S. GAAP financial measure to its most directly comparable U.S. GAAP measure.

Net Debt

In addition to total debt, we use Net Debt, which we define as total debt less cash and cash equivalents, as a useful measure of our total debt exposure. Net Debt is not defined under U.S. GAAP. Therefore, Net Debt should not be considered a substitute for amounts owed to creditors or other balance sheet information prepared in accordance with U.S. GAAP, and it may not be comparable to similarly titled measures used by other companies.

Refer to the specific table presented later in our MD&A under *Outstanding Indebtedness* for reconciliation of this non-U.S. GAAP financial measure to its most directly comparable U.S. GAAP measure.

Highlights of Financial Performance

Below are the highlights of our financial performance for the three months ended March 31, 2023 and 2022:

(In millions, except per share amounts)	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	% Change
Net sales	$ 1,348.8	$ 1,417.6	(4.9)%
Gross profit	$ 405.1	$ 477.0	(15.1)%
As a % of net sales	*30.0 %*	*33.6 %*	
Operating profit	$ 169.5	$ 262.1	(35.3)%
As a % of net sales	*12.6 %*	*18.5 %*	
Net earnings from continuing operations	$ 62.9	$ 149.6	(58.0)%
Loss on sale of discontinued operations, net of tax	(1.0)	(0.4)	#
Net earnings	**$ 61.9**	**$ 149.2**	(58.5)%
Basic:			
Continuing operations	$ 0.44	$ 1.01	(56.4)%
Discontinued operations	(0.01)	—	#
Net earnings per common share - basic	**$ 0.43**	**$ 1.01**	(57.4)%
Diluted:			
Continuing operations	$ 0.44	$ 1.00	(56.0)%
Discontinued operations	(0.01)	—	#
Net earnings per common share - diluted	**$ 0.43**	**$ 1.00**	(57.0)%
Weighted average number of common shares outstanding:			
Basic	144.1	147.6	
Diluted	144.8	149.5	
Non-U.S. GAAP Consolidated Adjusted EBITDA from continuing operations(1)	$ 267.3	$ 326.9	(18.2)%
Non-U.S. GAAP Adjusted EPS from continuing operations(2)	$ 0.74	$ 1.12	(33.9)%

\# Denotes where percentage change is not meaningful.

(1) See “Non-U.S. GAAP Information” for a reconciliation of U.S. GAAP Net earnings from continuing operations to non-U.S. GAAP Consolidated Adjusted EBITDA from continuing operations.

(2) See “Non-U.S. GAAP Information” for a reconciliation of U.S. GAAP Net earnings and diluted earnings per share from continuing operations to non-U.S. GAAP Adjusted Net Earnings and Adjusted EPS from continuing operations.

Foreign Currency Translation Impact on Condensed Consolidated Financial Results

Since we are a U.S. domiciled company, we translate our foreign currency-denominated financial results into U.S. dollars. Due to the changes in the value of foreign currencies relative to the U.S. dollar, translating our financial results from foreign currencies to U.S. dollars may result in a favorable or unfavorable impact. Historically, the most significant currencies that have impacted the translation of our condensed consolidated financial results are the euro, the Australian dollar, the Mexican peso, the Canadian dollar, the British pound, the Chinese Renminbi, the Brazilian real and the New Zealand dollar.

The following table presents the approximate favorable or (unfavorable) impact that foreign currency translation had on certain components of our condensed consolidated financial results:

(In millions)		Three Months Ended March 31, 2023
Net sales	$	(37.2)
Cost of sales		27.5
Selling, general and administrative expenses		3.7
Net earnings		(1.7)
Non-U.S. GAAP Adjusted EBITDA		(3.3)

Net Sales by Geographic Region

The following table presents the components of the change in net sales by geographic region for the three months ended March 31, 2023 compared with 2022.

(In millions)	Americas		EMEA		APAC		Total	
2022 Net Sales	$ 930.2	*65.6 %*	$ 291.2	*20.6 %*	$ 196.2	*13.8 %*	$ 1,417.6	*100.0 %*
Price	11.0	1.2 %	23.5	8.0 %	8.3	4.2 %	42.8	3.0 %
Volume[1]	(91.4)	(9.8) %	(23.7)	(8.1) %	(17.2)	(8.7) %	(132.3)	(9.3) %
Total organic change (non-U.S. GAAP)	(80.4)	(8.6) %	(0.2)	(0.1) %	(8.9)	(4.5) %	(89.5)	(6.3) %
Acquisition	40.8	4.3 %	10.8	3.7 %	6.3	3.2 %	57.9	4.1 %
Total constant dollar change (non-U.S. GAAP)	(39.6)	(4.3) %	10.6	3.6 %	(2.6)	(1.3) %	(31.6)	(2.2) %
Foreign currency translation	(12.5)	(1.3) %	(12.3)	(4.2) %	(12.4)	(6.3) %	(37.2)	(2.7) %
Total change (U.S. GAAP)	**(52.1)**	**(5.6)%**	**(1.7)**	**(0.6)%**	**(15.0)**	**(7.6)%**	**(68.8)**	**(4.9)%**
2023 Net Sales	**$ 878.1**	*65.1 %*	**$ 289.5**	*21.5 %*	**$ 181.2**	*13.4 %*	**$ 1,348.8**	*100.0 %*

(1) Our volume reported above includes the net impact of changes in unit volume as well as the period-to-period change in the mix of products sold.

Net Sales by Segment

The following table presents the components of change in net sales by reportable segment for the three months ended March 31, 2023 compared with 2022.

(In millions)	Food		Protective		Total Company	
2022 Net Sales	$ 807.7	*57.0 %*	$ 609.9	*43.0 %*	$ 1,417.6	*100.0 %*
Price	32.8	4.1 %	10.0	1.6 %	42.8	3.0 %
Volume[1]	(20.9)	(2.6) %	(111.4)	(18.2) %	(132.3)	(9.3) %
Total organic change (non-U.S. GAAP)	11.9	1.5 %	(101.4)	(16.6) %	(89.5)	(6.3) %
Acquisition	57.9	7.1 %	—	— %	57.9	4.1 %
Total constant dollar change (non-U.S. GAAP)	69.8	8.6 %	(101.4)	(16.6) %	(31.6)	(2.2) %
Foreign currency translation	(24.4)	(3.0) %	(12.8)	(2.1) %	(37.2)	(2.7) %
Total change (U.S. GAAP)	**45.4**	**5.6 %**	**(114.2)**	**(18.7)%**	**(68.8)**	**(4.9)%**
2023 Net Sales	**$ 853.1**	*63.2 %*	**$ 495.7**	*36.8 %*	**$ 1,348.8**	*100.0 %*

(1) Our volume reported above includes the net impact of changes in unit volume as well as the period-to-period change in the mix of products sold.

The following net sales discussion is on a reported and constant dollar basis.

Food

Three Months Ended March 31, 2023 Compared with the Same Period in 2022

As reported, net sales increased by $45 million, or 6%, in 2023 compared with 2022. Foreign currency had a negative impact of $24 million, or 3%. On a constant dollar basis, net sales increased by $70 million, or 9%, compared with 2022, primarily due to the following:

- $57 million related to the Liquibox acquisition, and
- favorable price realization of $33 million, with increases across all regions in response to the current inflationary environment.

These increases were partially offset by:

- lower volumes of $21 million, primarily due to food retail market declines and the adverse impact from prior supply disruptions.

Protective

Three Months Ended March 31, 2023 Compared with the Same Period in 2022

As reported, net sales decreased by $114 million, or 19%, in 2023 as compared to 2022. Foreign currency had a negative impact of $13 million, or 2%. On a constant dollar basis, net sales decreased by $101 million, or 17%, in 2023 compared with 2022, primarily due to the following:

- lower volumes of $111 million across all regions, primarily due to recessionary pressures in the industrial and fulfillment markets and destocking throughout the value chain.

This decrease was partially offset by:

- favorable price realization of $10 million.

Cost of Sales

Cost of sales for the three months ended March 31, 2023 and 2022 were as follows:

(In millions)	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	% Change
Cost of sales	$ 943.7	$ 940.6	0.3 %
As a % of net sales	70.0 %	66.4 %	

Three Months Ended March 31, 2023 Compared with the Same Period in 2022

As reported, cost of sales increased by $3 million, or less than 1%, in 2023 compared to 2022. Cost of sales was impacted by favorable foreign currency translation of $28 million. As a percentage of net sales, cost of sales increased by 360 basis points, from 66.4% in 2022 to 70.0% in 2023, primarily driven by continued inflation on input costs, non-material and labor costs as well as fixed cost under absorption driven by lower sales volume.

Selling, General and Administrative Expenses

Selling, general and administrative expenses (“SG&A”) for the three months ended March 31, 2023 and 2022 were as follows:

(In millions)	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	% Change
Selling, general and administrative expenses	$ 221.6	$ 205.0	8.1 %
As a % of net sales	16.4 %	14.5 %	

Three Months Ended March 31, 2023 Compared with the Same Period in 2022

As reported, SG&A expenses increased by $17 million, or 8%, in 2023 compared to 2022. SG&A expenses were favorably impacted by foreign currency translation of $4 million. On a constant dollar basis, SG&A expenses increased by approximately $20 million, or 10%. The increase in SG&A expenses was primarily due to higher SG&A expenses associated with acquisition and divestiture activity and a CTA loss recognized due to the wind-up of one of our legal entities in the first quarter of 2023, partially offset by lower incentive compensation expenses.

Amortization Expense of Intangible Assets

Amortization expense of intangible assets for the three months ended March 31, 2023 and 2022 was as follows:

(In millions)	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	% Change
Amortization expense of intangible assets	$ 15.2	$ 9.4	61.7 %
As a % of net sales	1.1 %	0.7 %	

Three Months Ended March 31, 2023 Compared with the Same Periods in 2022

Amortization expense of intangible assets increased $6 million in the three months ended March 31, 2023, compared to 2022. The increase was primarily due to the amortization of Liquibox intangible assets.

Interest Expense, net

Interest expense, net includes the interest expense on our outstanding debt, as well as the net impact of capitalized interest, interest income, the effects of terminated interest rate swaps and the amortization of capitalized senior debt issuance costs and credit facility fees, bond discounts, and terminated treasury locks.

Interest expense, net for the three months ended March 31, 2023 and 2022 was as follows:

(In millions)	Three Months Ended March 31, 2023	2022	Change
Interest expense on our various debt instruments:			
Term Loan A due August 2022	$ —	$ 1.4	$ (1.4)
Term Loan A due July 2023	—	0.2	(0.2)
Term Loan A due March 2027[1]	7.4	0.2	7.2
Term Loan A2 due March 2027[2]	7.3	—	7.3
Revolving credit facility due July 2023	—	0.3	(0.3)
Revolving credit facility due March 2027[1]	0.2	—	0.2
5.250% Senior Notes due April 2023[3]	—	5.8	(5.8)
4.500% Senior Notes due September 2023	1.7	5.2	(3.5)
5.125% Senior Notes due December 2024	5.6	5.6	—
5.500% Senior Notes due September 2025	5.6	5.6	—
1.573% Senior Secured Notes due October 2026	2.6	2.6	—
4.000% Senior Notes due December 2027	4.4	4.4	—
6.125% Senior Notes due February 2028[4]	8.2	—	8.2
5.000% Senior Notes due April 2029[3]	5.4	—	5.4
6.875% Senior Notes due July 2033	7.8	7.8	—
Other interest expense	7.1	2.9	4.2
Less: capitalized interest	(2.5)	(1.7)	(0.8)
Less: interest income	(3.0)	(1.4)	(1.6)
Total	**$ 57.8**	**$ 38.9**	**$ 18.9**

[1] On March 25, 2022, the Company and certain of its subsidiaries entered into the Fourth Amended and Restated Credit Agreement with Bank of America, N.A., as agent, and the other financial institutions party thereto, which extended the maturity of the Term Loan A facilities and revolving credit commitment to March 2027. See Note 13, “Debt and Credit Facilities,” for further details.

[2] On February 1, 2023, the Company used proceeds from the new incremental term facility to finance the Liquibox acquisition. On December 8, 2022, the Company and certain of its subsidiaries entered into an amendment to the Fourth Amended and Restated Credit Agreement whereby the Company's existing senior secured credit facility was amended and provided for a new $650 million incremental term facility.

[3] On April 19, 2022, the Company issued $425 million of 5.000% senior notes due April 2029. The proceeds were used to repurchase the Company's 5.250% senior notes due April 2023. See Note 13, “Debt and Credit Facilities,” for further details.

[4] On January 31, 2023, the Company issued $775 million of 6.125% senior notes due February 2028. The proceeds were used to finance the Liquibox acquisition. See Note 13, "Debt and Credit Facilities," for further details.

Other Expense, net

Fair value impairment loss on equity investments

SEE recorded an impairment loss of $16 million for the three months ended March 31, 2022, related to SEE Ventures equity investments. See Note 15, “Fair Value Measurements, Equity Investments and Other Financial Instruments,” for further details.

Loss on debt redemption and refinancing activities

SEE recorded losses on debt redemption and refinancing activities of $5 million and $1 million for the three months ended March 31, 2023 and 2022, respectively. See Note 13, “Debt and Credit Facilities,” for further details.

See Note 21, “Other Expense, net,” for the remaining components of Other expense, net.

Income Taxes

Our effective income tax rate for the three months ended March 31, 2023 was 35%. The three-month period was unfavorably impacted by accruals for unresolved controversy which had a disproportionate impact on the rate as a result of lower earnings before income tax provision.

Our effective income tax rate for the three months ended March 31, 2022 was 28%, and was favorably impacted by the tax impact of share price accretion in equity compensation vesting and unfavorably impacted by accruals for unresolved controversy and nonrecurring intercompany dividend distributions.

The actual annual effective tax rate could vary as a result of many factors, including but not limited to the following:

- The actual mix of earnings by jurisdiction, which could fluctuate from the Company’s projection;
- The tax effects of other discrete items, including accruals related to tax contingencies, the resolution of worldwide tax matters, tax audit settlements, statute of limitations expirations and changes in tax regulations, which are reflected in the period in which they occur; and
- Any future legislative changes, and any related additional tax optimization to address these changes.

Our effective income tax rate depends upon the realization of our net deferred tax assets. We have deferred tax assets related to accruals not yet deductible for tax purposes, state and foreign net operating loss carryforwards and tax credits, employee benefit items, intangible assets and other items.

The IRS completed its field examination of our U.S. federal income tax returns for the years 2011 through 2014 in the third quarter of 2020. As previously disclosed, the IRS has proposed to disallow for the 2014 taxable year the entirety of the deduction of the approximately $1.49 billion in settlement payments made pursuant to the Settlement agreement (as defined in Note 18, “Commitments and Contingencies”) and the resulting reduction of our U.S. federal tax liability by approximately $525 million. The proposed disallowance is being reviewed by the IRS Independent Office of Appeals (“Appeals”). Although we believe we have meritorious defenses to the proposed disallowance, we have reached a tentative agreement to settle this matter with the IRS, which is subject to further review, approval and execution of a definitive agreement by both parties. There can be no assurance that a definitive agreement will be executed and we cannot predict the outcome of this matter or when it will be concluded. We have revised our uncertain tax position to reflect the tentative agreement. On April 20, 2023, we deposited $175 million with the IRS based on an estimate of the federal tax owed per the tentative agreement. Our final settlement amount could differ from the $175 million deposited. Future developments in this matter could have a material impact on the Company's uncertain tax position balances and results of operations, including cash flows, within the next twelve months.

We have established valuation allowances to reduce our deferred tax assets to an amount that is more likely than not to be realized. Our ability to utilize our deferred tax assets depends in part upon our ability to carryback any losses created by the deduction of these temporary differences, the future income from existing temporary differences, and the ability to generate future taxable income within the respective jurisdictions during the periods in which these temporary differences reverse. If we are unable to generate sufficient future taxable income in the U.S. and certain foreign jurisdictions, or if there is a significant change in the time period within which the underlying temporary differences become taxable or deductible, we could be required to increase our valuation allowances against our deferred tax assets. Conversely, if we have sufficient future taxable income in jurisdictions where we have valuation allowances, we may be able to reduce those valuation allowances.

There was no significant change in our valuation allowances for the three months ended March 31, 2023 and 2022.

Net increases in unrecognized tax positions of $7 million and $6 million for the three months ended March 31, 2023 and 2022, respectively, were primarily related to interest accruals on existing uncertain tax positions. We are not currently able to reasonably estimate the amount by which the liability for unrecognized tax positions may increase or decrease during the next 12 months as a result of future tax controversy developments or resolution. Interest and penalties on tax assessments are included in Income tax provision on our Condensed Consolidated Statements of Operations

Net Earnings from Continuing Operations

Net earnings from continuing operations for the three months ended March 31, 2023 and 2022 are included in the table below.

(In millions)	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	% Change
Net earnings from continuing operations	$ 62.9	$ 149.6	(58.0)%

Three Months Ended March 31, 2023 Compared with the Same Period in 2022

Net earnings in 2023 were unfavorably impacted by $44 million of Special Items, including:

- charges related to acquisitions and divestiture activity of $17 million ($15 million, net of taxes);
- Liquibox inventory step-up expense of $8 million ($6 million, net of taxes);
- Liquibox intangible amortization of $5 million ($4 million, net of taxes);
- loss on debt redemption and refinancing activities of $5 million ($4 million, net of taxes); and
- foreign currency loss on highly inflationary economies of $3 million ($3 million, net of taxes).

Net earnings in 2022 were unfavorably impacted by $19 million of Special Items, primarily due to:

- impairment of an equity investment of $16 million ($12 million, net of taxes);
- one-time tax expenses ("Tax Special Items") of $7 million; and
- restructuring and associated costs of $4 million ($3 million, net of taxes).

These expenses were partially offset by:

- $6 million ($5 million, net of taxes) gain on sale of land in the UK.

Adjusted EBITDA by Segment

The Company evaluates performance of the reportable segments based on the results of each segment. The performance metric used by the Company's chief operating decision maker to evaluate the performance of our reportable segments is Segment Adjusted EBITDA. We allocate and disclose depreciation and amortization expense to our segments, although depreciation and amortization are not included in the segment performance metric Segment Adjusted EBITDA. We also allocate and disclose restructuring and other charges and impairment of goodwill and other intangible assets by segment, although these items are not included in the segment performance metric Segment Adjusted EBITDA since restructuring and other charges and impairment of goodwill and other intangible assets are categorized as Special Items. The accounting policies of the reportable segments and Corporate are the same as those applied to the Condensed Consolidated Financial Statements.

See "Non-U.S. GAAP Information" for a reconciliation of U.S. GAAP net earnings from continuing operations to non-U.S. GAAP Consolidated Adjusted EBITDA from continuing operations.

The table below sets forth the Segment Adjusted EBITDA for the three months ended March 31, 2023 and 2022.

(In millions)	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	% Change
Food	$ 194.8	$ 200.4	(2.8) %
Adjusted EBITDA Margin	*22.8 %*	*24.8 %*	
Protective	80.4	127.4	(36.9) %
Adjusted EBITDA Margin	*16.2 %*	*20.9 %*	
Corporate	(7.9)	(0.9)	(777.8) %
Non-U.S. GAAP Consolidated Adjusted EBITDA	**$ 267.3**	**$ 326.9**	**(18.2)%**
Adjusted EBITDA Margin	19.8 %	23.1 %	

The following is a discussion of the factors that contributed to the change in Segment Adjusted EBITDA during the three months ended March 31, 2023, as compared to the same period in 2022.

Food

Three Months Ended March 31, 2023 Compared with the Same Period in 2022

On a reported currency basis, Segment Adjusted EBITDA decreased by $6 million in 2023 compared to 2022. Segment Adjusted EBITDA was impacted by unfavorable foreign currency translation of $5 million. On a constant dollar basis, Segment Adjusted EBITDA decreased by approximately $1 million, or less than 1%, in 2023 compared to 2022, primarily as a result of:

- unfavorable volume/mix of $9 million, primarily due to food retail market declines and the adverse impact from prior supply disruptions; and
- unfavorable net price realization of $3 million.

These decreases were partially offset by:

- contributions from the Liquibox acquisition of $13 million.

Protective

Three Months Ended March 31, 2023 Compared with the Same Period in 2022

On a reported currency basis, Segment Adjusted EBITDA decreased by $47 million in 2023 compared to 2022. Segment Adjusted EBITDA was impacted by unfavorable foreign currency translation of $2 million. On a constant dollar basis, Segment Adjusted EBITDA decreased by $45 million, or 35%, in 2023 compared to 2022, primarily as a result of:

- the unfavorable impact from lower sales volume of $46 million, primarily due to recessionary pressures in the industrial and fulfillment markets and destocking throughout the value chain.

Corporate

Three Months Ended March 31, 2023 Compared with the Same Period in 2022

On a reported basis, Corporate Adjusted EBITDA decreased by $7 million in 2023 compared with the same period in 2022, driven by foreign currency losses and higher pension expense.

Liquidity and Capital Resources

Principal Sources of Liquidity

Our primary sources of cash are the collection of trade receivables generated from the sales of our products and services to our customers and amounts available under our existing lines of credit, including our senior secured credit facility, and our accounts receivable securitization programs. Our primary uses of cash are payments for operating expenses, investments in working capital, capital expenditures, interest, taxes, stock repurchases, dividends, debt obligations, restructuring expenses and other long-term liabilities. We believe that our current liquidity position and future cash flows from operations will enable us to fund our operations, including all of the items mentioned above, in the next twelve months.

As of March 31, 2023, we had cash and cash equivalents of $303 million, of which approximately $259 million, or 85%, was located outside of the U.S. We believe our U.S. cash balances and committed liquidity facilities available to U.S. borrowers are sufficient to fund our U.S. operating requirements and capital expenditures, current debt obligations and dividends. The Company does not expect that, in the near term, cash located outside of the U.S. will be needed to satisfy our obligations, dividends and other demands for cash in the U.S. Of the cash balances located outside of the U.S., approximately $8 million are in the Company's subsidiaries in Russia and Ukraine. We have no other material cash balances deemed to be trapped as of March 31, 2023.

Cash and Cash Equivalents

The following table summarizes our accumulated cash and cash equivalents:

(In millions)	**March 31, 2023**	**December 31, 2022**
Cash and cash equivalents	$ 303.1	$ 456.1

See “Analysis of Historical Cash Flow” below.

Accounts Receivable Securitization Programs

At March 31, 2023, we had $137 million available to us and $134 million of outstanding borrowings under our U.S. and European accounts receivable securitization programs. At December 31, 2022, we had $135 million available to us and no outstanding borrowings under the such programs.

Our trade receivable securitization programs represent borrowings secured by outstanding customer receivables. Therefore, the use and repayment of borrowings under such programs are classified as financing activities in our Condensed Consolidated Statements of Cash Flows. We do not recognize the cash flow within operating activities until the underlying invoices have been paid by our customer. The trade receivables that served as collateral for these borrowings are reclassified from Trade receivables, net to Prepaid expenses and other current assets on the Condensed Consolidated Balance Sheets. See Note 10, “Accounts Receivable Securitization Programs” for further details.

Accounts Receivable Factoring Agreements

We account for our participation in our customers' supply chain financing arrangements and our trade receivable factoring program in accordance with ASC Topic 860, which allows the ownership transfer of accounts receivable to qualify for sale treatment when the appropriate criteria are met. As such, the Company excludes the balances sold under such programs from Trade receivables, net on the Condensed Consolidated Balance Sheets. We recognize cash flow from operating activities at the point the receivables are sold under such programs. See Note 11, “Accounts Receivable Factoring Agreements” for further details.

Gross amounts received under these programs for the three months ended March 31, 2023 and 2022, were $195 million and $172 million, respectively. If these programs had not been in effect for the three months ended March 31, 2023, we would have been required to collect the invoice amounts directly from the relevant customers in accordance with the agreed payment terms. Approximately $134 million in incremental trade receivables would have been outstanding at March 31, 2023 if collection on such invoice amounts were made directly from our customers on the invoice due date and not through our customers' supply chain financing arrangements or our factoring program.

Lines of Credit

At March 31, 2023 and December 31, 2022, we had a $1.0 billion revolving credit facility, with $985 million available as part of our senior secured credit facility. We had $39 million and no outstanding borrowings under the facility at March 31, 2023 and December 31, 2022, respectively. There was $3 million and $7 million outstanding under various lines of credit extended to our subsidiaries at March 31, 2023 and December 31, 2022, respectively. See Note 13, “Debt and Credit Facilities” for further details.

Covenants

At March 31, 2023, we were in compliance with our financial covenants and limitations, as discussed in “Covenants” within Note 13, “Debt and Credit Facilities”, which require us, among other things, to maintain a maximum leverage ratio of debt to EBITDA of 5.00 to 1.00. At March 31, 2023, as calculated under the covenant, our leverage ratio was 3.48 to 1.00. We expect to be in continued compliance with our debt covenants including the covenant leverage ratio over the next 12 months.

Supply Chain Financing Programs

As part of our ongoing efforts to manage our working capital and improve our cash flow, we work with suppliers to optimize our purchasing terms and conditions, including extending payment terms. We also facilitate a voluntary supply chain financing program to provide some of our suppliers with the opportunity to sell receivables due from us (our accounts payables) to participating financial institutions at the sole discretion of both the suppliers and the financial institutions.

At March 31, 2023 and December 31, 2022, our accounts payable balances included $118 million and $140 million, respectively, related to invoices from suppliers participating in the program. The cumulative amounts settled through the supply chain financing program for the three months ended March 31, 2023 were $99 million, compared to $114 million for the three months ended March 31, 2022. The program did not significantly impact our cash provided by operating activities or free cash flow for the three months ended March 31, 2023 as compared to the three months ended March 31, 2022. See Note 2, "Recently Adopted and Issued Accounting Standards" for further details.

Debt Ratings

Our cost of capital and ability to obtain external financing may be affected by our debt ratings, which the credit rating agencies review periodically. Below is a table that details our credit ratings by the various types of debt by rating agency.

	Moody's Investor Services	**Standard & Poor's**
Corporate Rating	Ba1	BB+
Senior Unsecured Rating	Ba2	BB+
Senior Secured Rating	Baa2	BBB-
Outlook	Stable	Stable

These credit ratings are considered to be below investment grade (with the exception of the Baa2 and BBB- Senior Secured Rating from Moody's Investor Services and Standard & Poor's, respectively, which are classified as investment grade). A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the rating organization. Each rating should be evaluated independently of any other rating.

Outstanding Indebtedness

At March 31, 2023 and December 31, 2022, our total debt outstanding and our non-U.S. GAAP net debt consisted of the amounts set forth in the following table.

(In millions)	**March 31, 2023**	**December 31, 2022**
Short-term borrowings	$ 175.7	$ 6.6
Current portion of long-term debt	14.0	434.0
Total current debt	189.7	440.6
Total long-term debt, less current portion[1]	4,640.4	3,237.9
Total debt	**4,830.1**	**3,678.5**
Less: Cash and cash equivalents	(303.1)	(456.1)
Non-U.S. GAAP net debt	**$ 4,527.0**	**$ 3,222.4**

(1) Amounts are net of unamortized discounts and debt issuance costs of $40 million and $19 million at March 31, 2023 and December 31, 2022, respectively. See Note 13, "Debt and Credit Facilities" for further details.

Analysis of Historical Cash Flow

The following table shows the changes in our Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2023 and 2022.

	Three Months Ended March 31,		
(In millions)	**2023**	**2022**	**Change**
Net cash provided by operating activities	$ 51.9	$ 48.4	$ 3.5
Net cash used in investing activities	(1,206.9)	(69.3)	(1,137.6)
Net cash provided by (used in) financing activities	999.1	(262.1)	1,261.2
Effect of foreign currency exchange rate changes on cash and cash equivalents	2.9	0.2	2.7

In addition to net cash provided by operating activities, we use free cash flow as a useful measure of performance and an indication of the strength and ability of our operations to generate cash. We define free cash flow as cash provided by operating activities less capital expenditures (which is classified as an investing activity). Free cash flow is not defined under U.S. GAAP. Therefore, free cash flow should not be considered a substitute for net income or cash flow data prepared in accordance with U.S. GAAP and may not be comparable to similarly titled measures used by other companies. Free cash flow does not represent residual cash available for discretionary expenditures, as certain debt servicing requirements or other non-discretionary expenditures are not deducted from this measure. We historically have generated the majority of our annual free cash flow in the second half of the year. Below are the details of non-U.S. GAAP free cash flow for the three months ended March 31, 2023 and 2022.

(In millions)	Three Months Ended March 31, 2023	2022	Change
Cash flow provided by operating activities	$ 51.9	$ 48.4	$ 3.5
Capital expenditures	(64.9)	(67.0)	2.1
Non-U.S. GAAP free cash flow	**$ (13.0)**	**$ (18.6)**	**$ 5.6**

Operating Activities

Three Months Ended March 31, 2023 Compared with the Same Period in 2022

Net cash provided by operating activities was $52 million in the three months ended March 31, 2023, compared to $48 million in 2022. The increase in cash provided by operating activities was primarily driven by lower net cash used by our working capital accounts (inventories, trade receivables and accounts payables), which was $102 million favorable in 2023 compared to 2022. The impact of trade receivables on cash flow from operating activities was $87 million favorable compared to 2022, as a result of the year over year impact of our accounts receivable factoring program and an increase in collections from our customers. There was a lower use of cash for inventory of $88 million compared to 2022, primarily due to planned stock build in 2022 compared to inventory reduction efforts in 2023. The favorable cash flow impact of trade receivables and inventory was partially offset by accounts payable, which was unfavorable by $73 million compared to 2022, which was primarily due to lower purchases related to the current year inventory reduction efforts and lower sales volume.

This was partially offset by lower earnings and adjustments to reconcile net earnings to net cash provided by operating activities ("non-cash adjustments") recorded in 2023 compared to the same period in 2022. Net earnings plus non-cash adjustments was a source of cash of $165 million in the three months ended March 31, 2023 compared to $238 million in 2022.

Other assets and liabilities unfavorably impacted cash flow by $10 million compared to 2022. This was primarily due to the impact of incentive compensation, including higher cash payments made during the first quarter 2023, as compared to the prior year, coupled with a lower accrual as of March 31, 2023, as compared to the prior year.

Investing Activities

Three Months Ended March 31, 2023 Compared with the Same Period in 2022

Net cash used in investing activities was $1,207 million in 2023 compared to a use of $69 million in 2022.

The increase in net cash used in investing activities was primarily due to acquisition activities. During the first quarter of 2023, we completed the acquisition of Liquibox for $1,148 million, net of cash acquired. See Note 5, "Acquisitions," for further details.

Proceeds received from the disposal of property and equipment was $7 million lower in 2023 as compared to the prior year, primarily due to the sale of land in the UK in the prior year.

Financing Activities

Three Months Ended March 31, 2023 Compared with the Same Period in 2022

Net cash provided by financing activities was $999 million in 2023, compared to a use of $262 million in 2022. During the three months ended March 31, 2023, the increase in cash inflows from financing activities were primarily related to debt related activities, which generated $1,133 million of cash in 2023, including the issuance of $775 million 6.125% Senior Notes due 2028, less $11 million in capitalized issuance costs, $650 million of proceeds from Term Loan A due 2027, less $11 million in capitalized issuance costs and $168 million of net proceeds from short-term borrowings, partially offset by the extinguishment of 4.500% Senior Notes due 2023, resulting in cash outflow of $437 million (including the early payment premium of $5 million).

In addition, cash used for share repurchases was $80 million, compared to $200 million in the prior year.

Changes in Working Capital

(In millions)	March 31, 2023	December 31, 2022	Change
Working capital (current assets less current liabilities)	$ 334.3	$ 35.0	$ 299.3
Current ratio (current assets divided by current liabilities)	1.2x	1.0x	
Quick ratio (current assets, less inventories divided by current liabilities)	0.6x	0.6x	

The $299 million, or 855%, increase in working capital during the three months ended March 31, 2023 was primarily due the following:

- decrease in current portion of long-term debt of $420 million, primarily due to the repurchase of $426 million 4.500% Senior Notes due September 2023;
- increase in prepaid expenses and other current assets of $136 million, primarily related to the reclassification of trade receivables that serve as collateral for borrowings in our accounts receivable securitization programs;
- increase in inventories, net of $95 million, due to inventory acquired in the Liquibox acquisition and inventory stock build;
- decrease in other current liabilities of $64 million, reflecting the payment of performance-based compensation and profit sharing in the first quarter 2023, offset by current year accruals; and
- decrease in accounts payable of $39 million.

The increases in working capital were partially offset by:

- increase in short-term borrowings of $169 million;
- decrease in cash and cash equivalents of $153 million; and
- decrease in trade receivables, net of $111 million, primarily due to the reclassification to prepaid expenses and other current assets related to our accounts receivable securitization programs.

Changes in Stockholders' Equity

The $2 million, or 1%, increase in stockholders' equity in the three months ended March 31, 2023 was primarily due to the following:

- net earnings of $62 million;
- CTA gain of $37 million; and
- stock issued for profit sharing contribution paid in stock of $24 million.

These increases were partially offset by:

- repurchases of 1,529,575 shares of our common stock for $80 million, including commissions paid (See Note 19, "Stockholders' Equity" for further details);
- dividends paid on our common stock and dividend equivalent accruals related to unvested equity awards of $30 million.
- unrealized losses on derivative instruments of $8 million; and
- the effect of share-based incentive compensation of $3 million, including the impact of share-based compensation expense and shares withheld on vested share-based compensation to cover the employee tax withholding obligations.

Derivative Financial Instruments

Interest Rate Swaps

The information set forth in Part I, Item 1 of this Quarterly Report on Form 10-Q in Note 14, "Derivatives and Hedging Activities," under the caption "Interest Rate Swaps" is incorporated herein by reference.

Net Investment Hedge

The information set forth in Part I, Item 1 of this Quarterly Report on Form 10-Q in Note 14, "Derivatives and Hedging Activities," under the caption "Net Investment Hedge" is incorporated herein by reference.

Other Derivative Instruments

The information set forth in Part I, Item 1 of this Quarterly Report on Form 10-Q in Note 14, "Derivatives and Hedging Activities," under the caption "Other Derivative Instruments" is incorporated herein by reference.

Foreign Currency Forward Contracts

At March 31, 2023, we were party to foreign currency forward contracts, which did not have a significant impact on our liquidity.

The information set forth in Part I, Item 1 of this Quarterly Report on Form 10-Q in Note 14, "Derivatives and Hedging Activities," under the caption "Foreign Currency Forward Contracts Designated as Cash Flow Hedges" and "Foreign Currency Forward Contracts Not Designated as Hedges" is incorporated herein by reference. For further discussion about these contracts and other financial instruments, see Part I, Item 3, "Quantitative and Qualitative Disclosures About Market Risk."

Recently Issued Statements of Financial Accounting Standards, Accounting Guidance and Disclosure Requirements

We are subject to recently issued statements of financial accounting standards, accounting guidance and disclosure requirements. Note 2, "Recently Adopted and Issued Accounting Standards" which is contained in Part I, Item 1 of this Quarterly Report on Form 10-Q, describes these new accounting standards and is incorporated herein by reference.

Critical Accounting Policies and Estimates

There have been no material changes in our critical accounting policies and estimates from those disclosed in our 2022 Form 10-K. For a discussion of our critical accounting policies and estimates, refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Policies and Estimates" in Part II, Item 7 of our 2022 Form 10-K.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risk from changes in the conditions in the global financial markets, interest rates, foreign currency exchange rates and commodity prices and the creditworthiness of our customers and suppliers, which may adversely affect our consolidated financial condition and results of operations. We seek to minimize these risks through regular operating and financing activities and, when deemed appropriate, through the use of derivative financial instruments. We do not purchase, hold or sell derivative financial instruments for trading purposes.

Interest Rates

From time to time, we may use interest rate swaps, collars or options to manage our exposure to fluctuations in interest rates. At March 31, 2023, we had no outstanding interest rate swaps, collars or options.

The information set forth in Part I, Item 1 of this Quarterly Report on Form 10-Q in Note 14, "Derivatives and Hedging Activities," under the caption "Interest Rate Swaps," is incorporated herein by reference.

See Note 15, "Fair Value Measurements, Equity Investments and Other Financial Instruments," for details of the methodology and inputs used to determine the fair value of our fixed rate debt. The fair value of our fixed rate debt varies with changes in interest rates. Generally, the fair value of fixed rate debt will increase as interest rates fall and decrease as interest rates rise. A hypothetical 10% increase in interest rates would result in a decrease of $80 million in the fair value of the total debt balance at March 31, 2023. These changes in the fair value of our fixed rate debt do not alter our obligations to repay the outstanding principal amount or any related interest of such debt.

Foreign Exchange Rates

Operations

As a large global organization, we face exposure to changes in foreign currency exchange rates. These exposures may change over time as business practices evolve and could materially impact our consolidated financial condition and results of operations in the future. See Item 2, “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” above for the impacts that foreign currency translation had on our operations.

Argentina

Economic events in Argentina, including the default on some of its international debt obligations, which have subsequently been renegotiated, exposed us to heightened levels of foreign currency exchange risks. Despite some recent debt restructuring, fluctuations in foreign exchange rates on the Argentine Peso continue to impact our financial results. As of July 1, 2018, Argentina was designated as a highly inflationary economy. We recognized a net foreign currency exchange loss of $3 million and $1 million in three months ended March 31, 2023 and 2022, respectively, within Other expense, net on the Condensed Consolidated Statements of Operations, related to the designation of Argentina as a highly inflationary economy under U.S. GAAP. See Note 1, "Organization and Basis of Presentation," for additional information. As of March 31, 2023, approximately 1% of our consolidated net sales were derived from our products sold in Argentina and our net assets include $6 million of cash and cash equivalents domiciled in Argentina. Also, as of March 31, 2023, our Argentina subsidiaries had cumulative translation losses of $22 million.

Russia

Recent fluctuations of the ruble have exposed us to heightened levels of foreign currency exchange risks. As of March 31, 2023, approximately 1% of our consolidated net sales were derived from products sold in Russia. Assets include $5 million of cash and cash equivalents domiciled in Russia. Also, as of March 31, 2023, our Russia subsidiary had cumulative translation losses of $39 million.

Brazil

Recent economic events in Brazil, including changes in the benchmark interest rate set by the Brazilian Central Bank, have exposed us to heightened levels of foreign currency exchange risks. However, as of March 31, 2023, we do not anticipate these events will have a material impact on our 2023 results of operations. As of March 31, 2023, approximately 2% of our consolidated net sales were derived from products sold in Brazil and net assets include $21 million of cash and cash equivalents domiciled in Brazil. Also, as of March 31, 2023, our Brazil subsidiaries had cumulative translation losses of $63 million.

Foreign Currency Forward Contracts

We use foreign currency forward contracts to fix the amounts payable or receivable on some transactions denominated in foreign currencies. A hypothetical 10% adverse change in foreign exchange rates at March 31, 2023 would have caused us to pay approximately $37 million to terminate these contracts. Based on our overall foreign exchange exposure, we estimate this change would not materially affect our financial position and liquidity. The effect on our results of operations would be substantially offset by the impact of the hedged items.

Our foreign currency forward contracts are described in Note 14, “Derivatives and Hedging Activities,” which is incorporated herein by reference.

Net Investment Hedge

In February 2023, the €400.0 million 4.500% senior notes issued in June 2015 that were previously designated as a net investment hedge, hedging a portion of our net investment in a certain European subsidiary against fluctuations in foreign exchange rates, was repaid.

In the first quarter of 2023, we entered into a series of cross-currency swaps with a combined notional amount of $432.8 million. Each of these cross-currency swaps were designated as net investment hedges of the Company's foreign currency exposure of its net investment in certain Euro-functional currency subsidiaries with Euro-denominated net assets, and the Company pays a fixed rate of Euro-based interest and receives a fixed rate of U.S. dollar interest. The Company has elected the spot method for assessing the effectiveness of these contracts. The maturity date for this series of cross-currency swaps is February 1, 2028. The fair value of this hedge as of March 31, 2023 was a $0.9 million loss and is included within Other non-current liabilities on our Condensed Consolidated Balance Sheets. Interest amounts related to the cross-currency swap as of March 31, 2023 resulted in $0.5 million of interest income and is reflected in Interest expense, net on the Condensed Consolidated Statements of Operations.

For derivative instruments that are designated and qualify as hedges of net investments in foreign operations, settlements and changes in fair values of the derivative instruments are recognized in unrealized gains (losses) on derivative instruments for net investment hedge, a component of AOCL, net of taxes, to offset the changes in the values of the net investments being hedged. Any portion of the net investment hedge that is determined to be ineffective is recorded in Other expense, net on the Condensed Consolidated Statements of Operations.

Other Derivative Instruments

We may use other derivative instruments from time to time to manage exposure to foreign exchange rates and to access international financing transactions. These instruments can potentially limit foreign exchange exposure by swapping borrowings denominated in one currency for borrowings denominated in another currency.

Outstanding Debt

Our outstanding debt is generally denominated in the functional currency of the borrower. We believe that this enables us to better match operating cash flows with debt service requirements and to better match the currency of assets and liabilities. The U.S. dollar equivalent amount of outstanding debt denominated in a functional currency other than the U.S. dollar was $125 million and $467 million at March 31, 2023 and December 31, 2022, respectively.

Customer Credit

We are exposed to credit risk from our customers. In the normal course of business, we extend credit to our customers if they satisfy pre-defined credit criteria. We maintain an allowance for credit losses on trade receivables for estimated losses resulting from the failure of our customers to make required payments. An additional allowance may be required if the financial condition of our customers deteriorates. Our customers may default on their obligations to us due to bankruptcy, lack of liquidity, operational failure or other reasons.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

We maintain disclosure controls and procedures, as defined in Rule 13a-15 under the Securities Exchange Act of 1934, as amended, or the Exchange Act, that are designed to ensure that information required to be disclosed in our reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that our employees accumulate this information and communicate it to our management, including our Chief Executive Officer (our principal executive officer) and our Chief Financial Officer (our principal financial officer), as appropriate, to allow timely decisions regarding the required disclosure. In designing and evaluating the disclosure controls and procedures, our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only "reasonable assurance" of achieving the desired control objectives, and management necessarily must apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this report, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures under Rule 13a-15. Our management, including our Chief Executive Officer and Chief Financial Officer, supervised and participated in this evaluation. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective at the "reasonable assurance" level.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting during the quarter ended March 31, 2023 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The information set forth in Item 1 of Part I of this Quarterly Report on Form 10-Q in Note 18, “Commitments and Contingencies” under the captions “Settlement Agreement Tax Deduction,” “Securities Class Action,” and “Environmental Matters” is incorporated herein by reference. See also Part I, Item 3, “Legal Proceedings,” of our 2022 Form 10-K, as subsequently updated by our Quarterly Report on Form 10-Q.

Item 1A. Risk Factors

Reference is made to Part I, Item 1A, “Risk Factors,” in our 2022 Form 10-K for information concerning risks that may materially affect our business, financial condition or results of operations. There have been no significant changes to our risk factors since December 31, 2022.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

(a) In March 2023, we transferred 504,626 shares of our common stock, par value $0.10 per share, from treasury to our 401(K) and Profit Sharing Plan as part of our 2022 profit sharing contribution. The issuance of such shares to the plan was not registered under the Securities Act of 1933, as amended, because such transaction did not involve an “offer” or “sale” of securities under Section 2(a)(3) of the Securities Act.

(c) Issuer Purchases of Equity Securities

The table below sets forth the total number of shares of our common stock, par value $0.10 per share, that we repurchased in each month of the quarter ended March 31, 2023, the average price paid per share and the maximum approximate dollar value of shares that may yet be purchased under our publicly announced plans or programs.

Period	Total Number of Shares Purchased [(1)]	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Announced Plans or Programs	Maximum Approximate Dollar Value of Shares that May Yet be Purchased Under the Plans or Programs [(1)]
Balance as of December 31, 2022				$ 616,358,188
January 1, 2023 through January 31, 2023	833,810	$ 52.68	833,810	572,436,495
February 1, 2023 through February 28, 2023	695,765	$ 51.64	695,765	536,509,713
March 1, 2023 through March 31, 2023	—		—	536,509,713
Total	**1,529,575**		**1,529,575**	**$ 536,509,713**

(1) On August 2, 2021, the Board of Directors approved a new share repurchase program of $1.0 billion. This program has no expiration and replaced the previous authorization. As of March 31, 2023, there was $537 million remaining under the currently authorized repurchase program. From time to time we acquire shares by means of open-market transactions, including through plans complying with Rule 10b5-1 under the Securities Exchange Act of 1934, as amended, and privately negotiated transactions, including accelerated share repurchase programs, pursuant to our publicly announced program described above. In addition, we have historically withheld shares from awards under our Omnibus Incentive Plan pursuant to the provision thereof that permits tax withholding obligations or other legally required charges to be satisfied by having us withhold shares from an award under that plan. During the three months ended March 31, 2023, no shares were withheld pursuant to this provision.

Item 6. Exhibits

Exhibit Number	Description
3.1	Unofficial Composite Amended and Restated Certificate of Incorporation of the Company as currently in effect. (Exhibit 3.1 to the Company’s Registration Statement on Form S-3, Registration No. 333-108544, is incorporated herein by reference.)
3.2	Amended and Restated By-Laws of the Company as currently in effect. (Exhibit 3.1 to the Company’s Current Report on Form 8-K, Date of Report February 12, 2020, File No. 1-12139, is incorporated herein by reference.)
4.1	Indenture, dated as of January 31, 2023, by and among Sealed Air Corporation, Sealed Air Corporation (US), Guarantors party thereto and U.S. Bank Trust Company, National Association. (Exhibit 4.1 to the Company's Current Report on Form 8-K, Date of Report January 27, 2023, File No. 1-12139, is incorporated herein by reference.)
4.2	Form of 6.125% Senior Note due 2028. (Exhibit 4.2 to the Company's Current Report on Form 8-K, Date of Report January 27, 2023, File No. 1-12139, is incorporated herein by reference.)
10.1	Form of Notice of Grant of Restricted Stock Unit Award (ESG Performance Vesting) under the Sealed Air Corporation 2014 Omnibus Incentive Plan, approved February 21, 2023 *
10.2	Offer letter, dated March 15, 2023, between Dustin Semach and Sealed Air Corporation (Exhibit 10.1 to the Company's Current Report on Form 8-K, Date of Report March 15, 2023, File No. 1-12139, is incorporated herein by reference.)*
10.3	Offer Letter Amendment, dated March 20, 2023, between Dustin Semach and Sealed Air Corporation (Exhibit 10.2 to the Company's Current Report on Form 8-K, Date of Report March 15, 2023, File No. 1-12139, is incorporated herein by reference.)*
31.1	Certification of Edward L. Doheny II pursuant to Rule 13a-14(a), dated May 4, 2023.
31.2	Certification of Christopher J. Stephens, Jr. pursuant to Rule 13a-14(a), dated May 4, 2023.
32	Certification of Edward L. Doheny II and Christopher J. Stephens, Jr. pursuant to 18 U.S.C. § 1350, dated May 4, 2023.
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained within Exhibit 101)

*Compensatory plan or arrangement of management.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Sealed Air Corporation

Date: May 4, 2023	By:	/S/ Christopher J. Stephens, Jr.
		Christopher J. Stephens, Jr. Senior Vice President and Chief Financial Officer (Duly Authorized Officer)

NOTICE OF GRANT OF RESTRICTED STOCK UNIT AWARD
(ESG PERFORMANCE-VESTING)

SEALED AIR CORPORATION
2014 OMNIBUS INCENTIVE PLAN

FOR GOOD AND VALUABLE CONSIDERATION, Sealed Air Corporation (the "**Company**") hereby grants this Restricted Stock Unit Award (the "**Award**") of the number of Restricted Stock Units set forth in this Notice of Grant of Restricted Stock Unit Award (the "**Notice**") to the Grantee designated in this Notice, pursuant to the provisions of the Company's 2014 Omnibus Incentive Plan (the "**Plan**") and subject to certain restrictions as outlined below in this Notice and the additional provisions set forth in the attached Terms and Conditions of Restricted Stock Units Award (the "**Terms**"). Together, this Notice, the attached Terms, and all Exhibits and Appendices to this Notice and the Terms constitute the "**Agreement**." The terms and conditions of the Plan are incorporated by reference in their entirety into this Agreement. When used in this Agreement, the terms that are defined in the Plan shall have the meanings given to them in the Plan, as modified herein (if applicable).

Grantee: **#ParticipantName#**

Grant Date: **#GrantDate#**

Number of Restricted Stock Units (at target performance) (the "Target Award"): ___________

Performance Period: January 1, 2023 - December 31, 2027

Certification Date: The date the performance results under Exhibit A for the Performance Period are certified in writing by the Committee.

Vesting Schedule: Subject to the terms of the Plan and this Agreement, the Restricted Stock Units shall become earned and vested, and shares of Stock shall be issued in settlement of vested Restricted Stock Units, in accordance with the following schedule, in the event the Grantee does not have a Separation from Service prior to the applicable vesting date(s):

(a) Performance-Vesting Conditions. The number of Restricted Stock Units that become earned and vested (if any) will be determined based on performance during the Performance Period in accordance with the performance measures, targets, and methodology set forth in Exhibit A.

(b) Time-Vesting Conditions. In addition to the performance-vesting conditions stated above, and except as expressly provided in this Notice below, as applicable, or as otherwise provided pursuant to the terms of the Plan, the Grantee must remain continuously employed with the Company through the following date(s) to become earned and vested in any Restricted Stock Units (after adjustment for performance):

Date Vested	% Vesting
December 31, 2027	100%

No Restricted Stock Units shall become earned and vested following the Grantee's Separation from Service, except as expressly provided in this Notice below, as applicable, or as otherwise provided pursuant to the terms of the Plan. Restricted Stock Units that become earned and vested shall be settled as soon as practicable following the end of the Performance Period (no later than March 15, 2028), subject to written certification of the performance results under Exhibit A by the Committee.

Impact of Separation from Service on Vesting: See Exhibit B

Acceleration of Vesting on or following a Change in Control: See Exhibit B

The Grantee must accept this Agreement electronically pursuant to the online acceptance procedure established by the Company within ninety (90) days of receipt of this Notice; otherwise, the Company may, in its sole discretion, rescind the Award in its entirety.

By signing below, the Grantee agrees that this Award is granted under and governed by the terms and conditions of the Plan and this Agreement.

GRANTEE

____
Name:

Date:__________

By providing an additional signature below, the Grantee declares that he or she expressly agrees with the data processing practices described in Section A1 of Appendix A and consents to the collection, processing and use of Data by the Company and the transfer of Data to the recipients mentioned in Section A1 of Appendix A, including recipients located in countries which do not provide an adequate level of protection from a European (or other non-U.S.) data protection law perspective, for the purposes described in Section A1 of Appendix A. The Grantee understands that providing his or her signature below is a condition of receiving this Award and that the Company may forfeit the Award if a signature is not obtained. The Grantee understands that he or she may withdraw consent at any time with future effect for any or no reason as described in Section A1 of Appendix A.

GRANTEE: ___________________________________

EXHIBIT A

Performance-Vesting Conditions

(a) Definitions. For purposes of this Exhibit A, the following terms shall have the following meanings:

"**Belonging/Inclusion Portion**" means the portion of the Target Award to be earned based on the Company's belonging and inclusion survey scores as described in paragraph (f) below and accounts for 10% of the Target Award.

"**Climate Change Portion**" means the portion of the Target Award to be earned based on the Company's greenhouse gas ("**GHG**") intensity reduction as described in paragraph (d) below and accounts for 25% of the Target Award.

"**Diversity Portion**" means the portion of the Target Award to be earned based on the Company's global gender representation as described in paragraph (e) below and accounts for 15% of the Target Award.

"**ESG Achievement Factor**" means the modifier that may be appliable to the Target Award as described in paragraph (g) below.

"**Primary Performance Metrics**" means the performance goals described in this Exhibit A related to the Sustainable Solutions Portion, the Climate Change Portion, the Diversity Portion, and the Belonging/Inclusion Portion.

"**SEE Automation + prismiq™ Sales**" means net trade sales from all equipment, systems, and services including off-line and on-line services designed to improve quality and operating efficiency, inks/other consumables associated with in-line printing equipment that SEE includes under its "Automation" portfolio, plus prismiq™ design services, digital printing, and connected digital packaging solutions under the prismiq portfolio™ as well as materials that are created with prismiq™ digital design services for all Company's packaging solutions and materials (such as bubble mailers, bags, pouches, film etc.).

"**Sustainable Solutions Portion**" means the portion of the Target Award to be earned based on the Company's recycled or renewable content offering as described in paragraph (c) below and accounts for 50% of the Target Award.

(b) Performance Goals Summary: The performance for each Primary Performance Metric will be calculated separately based on the targets set forth below. The results of each Primary Performance Metric will determine the portion of the Target Award (if any) earned for that metric. The total amount earned will be the addition of the total number of Restricted Stock Units earned for each of the Primary Performance Metrics, multiplied by the applicable ESG Achievement Factor modifier and SEE Automation + prismiq Sales modifier, if any, as provided below. Illustrative examples are provided in paragraph (k) below.

(c) Recyclable/Renewable Content Offering: The Sustainable Solutions Portion is determined based on the offering an amount of recycled or renewable content across all of the Company's material solutions and measured for the last year in the Performance Period by the sum of (i) actual recycled or renewable content sold plus (ii) the volume of recycled or renewable content made available for purchase in accordance with supplier agreements and memorandum of understanding, such sum expressed as a percentage of total weight sold. Recycled/renewable content offering at threshold and target for the Sustainable Solutions Portion shall be as follows:

[Insert Sustainable Solutions Performance Targets]

Award levels based on recycled/renewable content offering between threshold and target will be interpolated on a straight-line basis.

[Insert Sustainable Solutions Acquisition/Divestiture Adjustments]

(d) GHG Intensity Reduction: The Climate Change Portion is determined by the decrease in GHG intensity of operations as compared to the Company's GHG intensity in 2019 (used as a base year). GHG intensity is calculated by dividing the total metric tons of CO_2 equivalent by the net trade sales normalized to 2019. GHG intensity reduction at threshold and target for the Climate Change Portion shall be as follows:

[Insert Climate Change Performance Targets]

Award levels based on GHG intensity reduction between threshold and target will be interpolated on a straight-line basis.

[Insert Climate Change Acquisition/Divestiture Adjustments]

(e) Global Gender Representation: The Diversity Portion is determined by the percentage of females in professional roles within the global workforce. "Professional roles" are defined as roles not classified as Supply Chain Direct Labor or Indirect Labor within the Company's "My Sealed Air" system of record. Global gender representation is measured by dividing the total global number of female employees (not classified as direct or indirect labor) by the total global non-direct/indirect labor population. Global gender representation at threshold and target for the Diversity Portion shall be as follows:

[Insert Diversity Performance Targets]

Award levels based on global gender representation between threshold and target will be interpolated on a straight-line basis.

[Insert Diversity Acquisition/Divestiture Adjustments]

(f) Belonging Survey Score: The Belonging/Inclusion Portion is determined based on the belonging and inclusion index score from the Company's annual belonging survey. The belonging survey score is measured by the average score of the following four (4) questions each year during the Performance Period:

- I feel connected to my work and fully engaged.
- My work gives me a feeling of personal accomplishment.
- I would recommend Sealed Air as a good place to work.
- I can be myself at this company without worrying about how I will be accepted.

The belonging survey score at threshold and target for the Belonging/Inclusion Portion shall be as follows:

[Insert Belonging/Inclusion Performance Targets]

Award levels based on the belonging survey score between threshold and target will be interpolated on a straight-line basis.

[Insert Belonging/Inclusion Acquisition/Divestiture Adjustments]

(g) ESG Achievement Factor: If the achievement payout for all four Primary Performance Metrics is equal to target (100%), the Target Award shall be multiplied by 125%.

(h) SEE Automation + prismiq Sales (Modifier): The portion of the Target Award earned (if any) for the Primary Performance Metrics, as adjusted (if applicable) for the ESG Achievement Factor, shall be further multiplied by the following factor based on SEE Automation + prismiq Sales achieved for the final fiscal year of the Performance Period:

[Insert SEE Automation + prismiq Sales Performance Targets]

[Insert SEE Automation + prismiq Sales Acquisition/Divestiture Adjustments]

(i) Fractional Shares: Fractional Restricted Stock Units earned will be rounded up to the nearest whole share. No fractional shares will be issued.

(j) Discretion**:** Regardless of any provision of the Plan to the contrary, and unless otherwise expressly stated in Section (c) above for the Sustainable Solutions Portion, the Committee will not exercise its discretion to adjust any award downward below the amount that would otherwise be payable except in extraordinary circumstances.

(k) Examples: [Insert Illustrative Examples]

EXHIBIT B

Separation from Service and Change in Control

(a) Impact of Separation from Service; Change in Control. If the Grantee has a Separation from Service before any of the vesting date(s) specified under "Vesting Schedule" in the Notice, then any unearned Restricted Stock Units shall become earned and vested or be canceled depending on the reason for Separation from Service as follows:

(i) Death, Disability, or Retirement. Subject to Section (a)(ii), if the Grantee has a Separation from Service due to the Grantee's death, Disability, or Retirement, the Grantee shall receive a pro rata payout following the end of the Performance Period, based upon the portion of the Performance Period through the date of the Separation from Service. [Notwithstanding the foregoing, if the Grantee has a Separation from Service at any time on or after the Grantee's "Earliest Retirement Date" (as defined in the letter agreement between the Company and the Grantee dated August 30, 2022) other than by reason of the Grantee's death or Disability and other than a Separation of Service that was, or could have been, by the Company for Cause, then payout following the end of the Performance Period shall be full rather than pro rata.][1] The actual payout will not occur until after the end of the Performance Period, at which time the performance results under Exhibit A will be used to determine the number of Units that the Grantee would have earned if the Grantee had remained in Service for the entire Performance Period prior to applying the pro rata factor [(if applicable)][2]. Any such payout will be made at approximately the same time as payouts are made to other Grantees who are still in Service with the Company.

(ii) Change in Control. Notwithstanding anything in this Agreement to the contrary but subject to the provisions of Section 16.3.1(i) of the Plan, if (A) a Change in Control occurs and (B) on or after the Change in Control and on or before the second anniversary of the Change in Control either (1) the Grantee has a Separation from Service by action of the Company or the Grantee's employing Subsidiary for any reason other than Cause (including due to the Grantee's death or Disability) or (2) the Grantee has a Separation from Service for Good Reason, then the Restricted Stock Units shall become immediately earned and vested as of the date of such Separation from Service at the greater of (y) target or (z) the actual level of performance under Exhibit A determined as if the Performance Period had ended as of the last trading day immediately preceding the Change in Control. For avoidance of doubt, if the Grantee has a Separation from Service due to Retirement during the period set forth in this Section (a)(ii) that is also either a Separation from Service other than for Cause or for Good Reason as provided above, the provisions of this Section (a)(ii) shall control over Section (a)(i).

(iii) Any other Separation from Service. If the Grantee has a Separation from Service for any reason other than as specified in subparagraphs (i) or (ii) above, any Restricted Stock Units that were not already earned and vested pursuant to the schedule specified under "Vesting Schedule" in the Notice as of the date of the Separation from Service shall be immediately canceled as of the date of Separation from Service.

(b) Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

"**Cause**" shall be defined as that term is defined in the Grantee's offer letter or other applicable employment agreement; or, if there is no such definition, "Cause" means any conduct of a Grantee contained in the following list: (i) the Grantee engaging in fraud, embezzlement, or theft in connection with the Grantee's duties or in the course of his or her employment; (ii) an act or omission by the Grantee that is willfully or grossly negligent, contrary to the Company's or employing Subsidiary's established policies or practices, or materially harmful to the Company's or any Subsidiary's business or reputation or to the business of the Company's or any Subsidiary's customers or suppliers as it relates to the Company or any Subsidiary; (iii) the Grantee's plea of no contest to, or conviction of, a felony; (iv) the Grantee's substantial failure to perform his or her duties after receiving notice of the failure from the Company or employing Subsidiary, which failure has not been cured within thirty (30) days after the Grantee receives notice of the failure; or (v) the Grantee's breach of any non-competition or confidentiality covenant between the Grantee and the Company or any Subsidiary.

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[1] Language used for grants to the CEO only.
[2] Language used for grants to the CEO only.

"**Disability**" shall be defined as permanent and total disability as determined in each case by the Committee in its discretion, which determination shall be final. Notwithstanding the foregoing, if this Award constitutes nonqualified deferred compensation within the meaning of Section 409A(d) of the Code and provides for an accelerated payment in connection with any Disability, "Disability" shall have the same meaning as set forth in any regulations, revenue procedure, revenue rulings, or other pronouncements issued by the Secretary of the United States Treasury pursuant to Section 409A of the Code, applicable to such arrangements.

"**Good Reason**" shall be defined as that term is defined in the Grantee's offer letter or other applicable employment agreement; or, if there is no such definition, "Good Reason" means the Grantee's Separation from Service following the initial existence of one or more of the following conditions without the consent of the Grantee: (i) a material diminution in the Grantee's base compensation; (ii) a material diminution in the Grantee's authority, duties, or responsibilities; or (iii) a material change in the geographic location at which the Grantee must perform the services; provided, however, that a relocation of less than fifty (50) miles from the Grantee's then present location will not be considered a material change in geographic location. For a Separation from Service to be considered for Good Reason, the Grantee must provide notice to the Company of the existence of the condition described above within thirty (30) days of the initial existence of the condition, upon the notice of which the Company has thirty (30) days to remedy the condition. If the condition is not remedied by the Company within thirty (30) days of the notice, the Grantee must have a Separation from Service within thirty (30) days after the failure to remedy the condition.

"**Retirement**" means the Grantee's Separation from Service after the Grantee has at least ten (10) years of Service and the Grantee has attained an age of at least 55 years, but excluding Separation from Service due to the Grantee's death or Disability or Separation from Service by the Company for Cause.

TERMS AND CONDITIONS OF RESTRICTED STOCK UNIT AWARD

The Restricted Stock Unit Award (the "**Award**") granted by Sealed Air Corporation (the "**Company**") to the Grantee specified in the Notice of Grant of Restricted Stock Unit Award (the "**Notice**"), to which these Terms and Conditions of Restricted Stock Unit Award (the "**Terms**") are attached, is subject to the terms and conditions of the Plan, the Notice, these Terms, the general terms applicable to Awards granted to employees outside the U.S. set forth in Appendix A hereto, and any applicable country-specific provisions for Awards outside the U.S. set forth in Appendix B hereto. Together, the Notice, these Terms, and all Exhibits and Appendices to the Notice and these Terms constitute the "**Agreement**." The terms and conditions of the Plan are incorporated by reference in their entirety into these Terms. When used in this Agreement, the terms that are defined in the Plan shall have the meanings given to them in the Plan, as modified herein (if applicable). A Prospectus describing the Plan has been delivered to the Grantee. The Plan itself is available upon request.

1. Grant of Units.

(a) As of the Grant Date set forth in the Notice, the Company grants to the Grantee the number of Restricted Stock Units ("**Units**") set forth in the Notice. Each Unit represents the right to receive one share of Stock at a future date after the Unit has become earned and vested, subject to the terms and conditions of this Agreement.

(b) The Units covered by this Award shall become earned and vested in accordance with the schedule set forth in the Notice. Each earned and vested Unit shall be settled on the date(s) specified in the Notice by issuance of one share of Stock on or as soon as administratively practicable (but no more than 75 days) after the applicable vesting and/or settlement date specified in the Notice, subject to the requirements of (i) Section 4 (Responsibility for Taxes), Section 6 (Regulatory Restrictions on the Shares Issued Upon Settlement), Section 7(m) (Recovery of Compensation), and Section 7(n) (Restrictive Covenants) of these Terms; and (ii) Section 18.9 of the Plan (regarding a potential six-month delay in settlement for awards to certain Grantees to the extent determined by the Company to be necessary to comply with Section 409A).

(c) Units constitute an unfunded and unsecured obligation of the Company. The Grantee shall not have any rights of a stockholder of the Company with respect to the shares of Stock underlying the Units unless and until the Units become earned and vested and are settled by the issuance of shares of Stock. Upon issuance of shares of Stock in connection with the settlement of vested Units, the Grantee shall be the record owner of the shares of Stock unless and until such shares are sold or otherwise disposed of, and as record owner shall be entitled to all rights of a stockholder of the Company (including voting rights).

(d) The Grantee may designate a beneficiary to receive payment in connection with the Units in the event of the Grantee's death in accordance with the Company's beneficiary designation procedures, as in effect from time to time. If the Grantee does not designate a beneficiary, or if the Grantee's designated beneficiary does not survive the Grantee, then the Grantee's beneficiary will be the Grantee's estate.

(e) Units earned will accrue dividend equivalents (without interest) based on the dividend rates in effect during the Performance Period applied to the number of Units the Grantee earns, which will be subject to the performance goals and vesting provisions set forth in the Notice. Cash dividend equivalents accrued on the earned Units will be paid in cash on or about the same time the earned Units are settled.

2. Restrictions. Subject to any exceptions set forth in this Agreement, until such time as the Units become earned and vested and are settled in shares of Stock in accordance with Section 1, the Units or the rights relating thereto may not be assigned, alienated, pledged, attached, sold or otherwise transferred, or encumbered by the Grantee. Any attempt to assign, alienate, pledge, attach, sell or otherwise transfer, or encumber the Units or the rights relating thereto shall be wholly ineffective and, if any such attempt is made, the Units will be forfeited by the Grantee and

all of the Grantee's rights to such Units shall immediately terminate without any payment of consideration by the Company.

3. <u>Cancellation of Rights</u>. If any portion of the Units fail to become earned and vested (for example, because the Grantee fails to satisfy the vesting conditions specified in the Notice prior to a Separation from Service), then such Units shall be immediately forfeited as of the date of such failure and all of the Grantee's rights to such Units shall immediately terminate without any payment of consideration by the Company.

4. <u>Responsibility for Taxes</u>.

(a) Regardless of any action the Company or the Affiliate that employs the Grantee (the "**Employer**") takes with respect to any or all income tax, social insurance, payroll tax, fringe benefits tax, payment on account, or other tax-related items related to the Grantee's participation in the Plan and legally applicable to the Grantee ("**Tax-Related Items**"), the Grantee acknowledges that the ultimate liability for all Tax-Related Items owed by the Grantee is and remains the Grantee's responsibility and that such amount may exceed the amount actually withheld by the Company and/or the Employer. The Grantee further acknowledges that the Company and/or the Employer (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including the grant or vesting of the Units, the issuance of shares of Stock upon settlement of the Units, the subsequent sale of shares of Stock, and the receipt of any dividends or dividend equivalents; and (ii) does not commit and is under no obligation to structure the terms of the grant or any aspect of the Award to reduce or eliminate the Grantee's liability for Tax-Related Items or achieve any particular tax result. Further, if the Grantee becomes subject to tax in more than one jurisdiction, the Grantee acknowledges that the Company and/or the Employer (or former Employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to vesting of the Units, the Grantee shall pay or make adequate arrangements satisfactory to the Company to satisfy all withholding obligations of the Company. In this regard, the Grantee authorizes the Company to withhold all applicable Tax-Related Items legally payable by the Grantee (i) from the Grantee's wages or other cash compensation paid to the Grantee by the Company; (ii) from proceeds of the sale of the shares of Stock, either through a voluntary sale or through a mandatory sale arranged by the Company (on the Grantee's behalf pursuant to this authorization without further consent); and/or (iii) by the Company retaining a portion of the vested Units to be settled.

(c) Notwithstanding the foregoing, if the Grantee is subject to Section 16(b) of the Exchange Act, the Company will withhold shares of Stock from the shares of Stock to be issued upon payment of the Units, as described herein, and will not use the other means set forth in this Section 4.

(d) The Company may withhold or account for Tax-Related Items by considering statutory withholding amounts or other applicable withholding rates, including maximum applicable rates, in which case the Grantee may receive a refund of any over-withheld amount in cash and will have no entitlement to the Stock equivalent. If the obligation for Tax-Related Items is satisfied by withholding in Stock, for tax purposes, the Grantee is deemed to have been issued the full number of shares of Stock subject to the vested Units, notwithstanding that a number of shares are held back solely for purposes of paying the Tax-Related Items due as a result of any aspect of the Grantee's participation in the Plan.

(e) Finally, the Grantee shall pay to the Company any amount of Tax-Related Items that the Company may be required to withhold as a result of the Grantee's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue and deliver shares of Stock in payment of any earned and vested Units if the Grantee fails to comply with the Grantee's obligations in connection with the Tax-Related Items as described in this Section 4.

5. Grantee Representations. The Grantee hereby represents to the Company that the Grantee has read and fully understands the provisions of this Agreement, the Prospectus, and the Plan, and that the Grantee's decision to participate in the Plan is completely voluntary. Further, the Grantee acknowledges that the Grantee is relying solely on his or her own advisors with respect to the tax consequences of this Award.

6. Regulatory Restrictions on the Shares Issued Upon Settlement. Notwithstanding the other provisions of this Agreement, the Committee shall have the sole discretion to impose such conditions, restrictions and limitations on the issuance of shares of Stock with respect to this Award unless and until the Committee determines that such issuance complies with (i) any applicable registration requirements under the Securities Act (unless the Committee has determined that an exemption therefrom is available), (ii) any applicable listing requirement of any stock exchange on which the Stock is listed, (iii) any applicable Company policy or administrative rules, and (iv) any other applicable provision of state, federal, or foreign law, including foreign securities laws where applicable.

7. Miscellaneous.

(a) Notices. Any notice that either party hereto may be required or permitted to give to the other shall be in writing and may be delivered personally, by intraoffice mail, by fax, by electronic mail or other electronic means, or via a postal service, postage prepaid, to such electronic mail or postal address and directed to such person as the Company may notify the Grantee from time to time; and to the Grantee at the Grantee's electronic mail or postal address as shown on the records of the Company from time to time, or at such other electronic mail or postal address as the Grantee, by notice to the Company, may designate in writing from time to time.

(b) Waiver. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other or subsequent breach.

(c) Entire Agreement. This Agreement and the Plan constitute the entire agreement between the parties with respect to the subject matter hereof. Any prior agreements, commitments, or negotiations concerning the Award are superseded.

(d) Binding Effect; Successors. This Agreement shall inure to the benefit of and be binding upon the parties hereto and to the extent not prohibited herein, their respective heirs, successors, assigns, and representatives. Nothing in this Agreement, express or implied, is intended to confer on any person other than the parties hereto and as provided above, their respective heirs, successors, assigns, and representatives any rights, remedies, obligations, or liabilities.

(e) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to the principles of conflicts of law, and applicable federal law.

(f) Dispute Resolution. In the event of any dispute, claim, question, or disagreement arising out of or relating to this Award, the parties shall use their best efforts to settle such dispute, claim, question, or disagreement. To this effect, they shall consult and negotiate with each other, in good faith, and, recognizing their mutual interests, attempt to reach a just and equitable resolution satisfactory to both parties. If the parties do not reach such a resolution within a period of thirty (30) days, then any such unresolved dispute or claim, upon notice by any party to the other, shall be submitted to and finally settled by arbitration in accordance with the Commercial Arbitration Rules (the "Rules") of the American Arbitration Association ("AAA") in effect at the time demand for arbitration is made by any such party. The parties shall mutually agree upon a single arbitrator within thirty (30) days of such demand. In the event that the parties are unable to so agree within such 30-day period, then within the following 30-day period, one arbitrator shall be named by each party. A third arbitrator shall be named by the two arbitrators so chosen within ten (10) days after the appointment of the first two arbitrators. In the event that the third arbitrator is not agreed upon, he or she shall be named by the AAA. Arbitration shall occur in the State of North Carolina or such other location as may be mutually agreed to by the parties. The award made by all or a majority of the panel of arbitrators shall be final and binding, and judgment may be entered based upon such award in any court of law having competent jurisdiction. The award is subject to confirmation, modification, correction, or vacation only as explicitly provided in Title 9 of the United States Code. The parties acknowledge that this Agreement evidences a transaction involving interstate commerce. The United States Arbitration Act and the Rules shall govern the interpretation, enforcement, and proceedings pursuant to this Section 7(f). Any provisional remedy that would be available from a court of law shall be available from the arbitrators to the parties to this Agreement pending arbitration. Either party may make an application to the arbitrators seeking injunctive relief to maintain the status quo, or may seek from a court of competent jurisdiction any interim or provisional relief that may be necessary to protect the rights and property of that party, until such time as the arbitration award is rendered or the controversy is otherwise resolved. To the full extent permitted by law and upon presentation of appropriate documentation, all reasonable legal fees and expenses incurred by the Grantee as a result of any dispute under this Section 7(f) involving the validity or enforceability of, or liability under, any provision of this Agreement shall be paid by the Company if the Company unreasonably or maliciously contested the validity or enforceability of any provision of this Agreement. By agreeing to binding arbitration, the Grantee hereby waives his or her right to a jury trial.

(g) Venue. Any arbitration, legal or equitable action, or any proceeding arising directly, indirectly, or otherwise in connection with, out of, related to, or from the Agreement, or any provision hereof, shall exclusively be filed and adjudicated in Mecklenburg County, North Carolina and no other venue.

(h) Headings. The headings contained herein are for the sole purpose of convenience of reference, and shall not in any way limit or affect the meaning or interpretation of any of the terms or provisions of this Agreement.

(i) Conflicts; Amendment. The provisions of the Plan are incorporated in this Agreement in their entirety. In the event of any conflict between the provisions of this Agreement and the Plan, the provisions of the Plan shall control. This Agreement may be amended at any time by the Committee, provided that no amendment (including any action under Section 6.3 of the Plan) may, without the consent of the Grantee, materially impair the Grantee’s rights with respect to the Award. The Committee shall have full authority and discretion, subject only to the terms of the Plan, to decide all matters relating to the administration or interpretation of the Plan, the Award, and the Agreement, and all such action by the Committee shall be final, conclusive, and binding upon the Company and the Grantee.

(j) No Right to Continued Employment. Nothing in this Agreement shall confer upon the Grantee any right to continue in the employ or service of the Employer or affect the right of the Employer to terminate the Grantee’s employment or service at any time.

(k) Further Assurances. The Grantee agrees, upon demand of the Company or the Committee, to do all acts and execute, deliver and perform all additional documents, instruments and agreements which may be reasonably required by the Company or the Committee, as the case may be, to implement the provisions and purposes of this Agreement and the Plan.

(l) Additional Acknowledgments; Appendix A and Appendix B. By accepting this Award, the Grantee acknowledges and agrees that this Award is subject to the general terms applicable to Awards granted to employees outside the U.S. set forth in Appendix A hereto and any applicable country-specific provisions for Awards outside the U.S. set forth in Appendix B hereto. If the Grantee relocates to another country during the life of the Award, the special terms and conditions (if any) for such country will apply to the Grantee to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Appendix A and Appendix B constitute part of this Agreement. The Grantee acknowledges that he or she should review the provisions of Appendix A and Appendix

B carefully, as this Award will be null and void absent the Grantee's acceptance of such provisions.

The Company reserves the right to impose other requirements on the Award to the extent that the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Grantee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

(m) Recovery of Compensation. In accordance with Section 3.3 of the Plan, the Award is subject to the requirements of (i) Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (regarding recovery of erroneously awarded compensation) and any implementing rules and regulations thereunder, (ii) any policies adopted by the Company to implement such requirements, and (iii) the Company's Policy on Recoupment of Incentive Compensation, as in effect from time to time, all to the extent determined by the Committee to be applicable to the Grantee.

(n) Restrictive Covenants. If the Grantee is subject to any employment-related covenants (including covenants regarding non-competition, non-solicitation of customers/employees, and preservation of confidential information) under any agreement with the Company or any Affiliate, the vesting and receipt of benefits under this Award is specifically conditioned on the Grantee's compliance with such covenants. To the extent allowed by and consistent with applicable law and any applicable limitations period, if it is determined at any time that the Grantee has materially breached any such covenant, the Company will be entitled to (i) cause any unvested portion of the Award to be immediately canceled without any payment of consideration by the Company and (ii) recover from the Grantee in its sole discretion some or all of the shares of Stock (or proceeds received by the Grantee from such shares of Stock) paid to the Grantee pursuant to this Agreement. The Grantee recognizes that if the Grantee breaches any such covenant, the losses to the Company and/or any Affiliate may amount to the full value of any shares of Stock paid to the Grantee pursuant to this Agreement.

(o) Severability. The provisions of this Agreement are severable and, if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

APPENDIX A
TO THE TERMS AND CONDITIONS OF RESTRICTED STOCK UNIT AWARD

General Terms Applicable to Awards Granted to Employees Outside the U.S.

This Appendix A includes additional or different terms and conditions that govern the Award if the Grantee resides and/or works outside the U.S.

Capitalized terms used but not defined herein shall have the same meanings assigned to them in the Plan, as modified by the Notice or the Terms (if applicable).

A1. Data Privacy Information and Consent**.**

(a) Data Collection and Usage. The Company and the Employer collect, process and use certain personal information about the Grantee, including, but not limited to, the Grantee's name, home address and telephone number, email address, date of birth, social insurance, passport or other identification number, salary, nationality, job title, any Stock or directorships held in the Company, details of all Restricted Stock Units or any other entitlement to Stock or equivalent benefits awarded, canceled, exercised, vested, unvested or outstanding in the Grantee's favor ("Data"), for the purposes of implementing, administering and managing the Grantee's participation in the Plan. The legal basis, where required, for the processing of Data is the Grantee's consent.

(b) Stock Plan Administration Service Providers. The Company will transfer Data to Fidelity Stock Plan Services LLC, which is a service provider based in the United States assisting the Company with the implementation, administration and management of the Plan. The Grantee may be asked to agree on separate terms and data processing practices with the service provider, with such agreement being a condition to the ability to participate in the Plan.

(c) International Data Transfers. The Company and its service providers are based in the United States. The Grantee's country or jurisdiction may have different data privacy laws and protections than the United States. The Company's legal basis, where required, for the transfer of Data is the Grantee's consent.

(d) Data Retention. The Company will hold and use Data only as long as is necessary to implement, administer and manage the Grantee's participation in the Plan, or as required to comply with legal or regulatory obligations, including under tax and security laws.

(e) Voluntariness and Consequences of Consent Denial or Withdrawal. Participation in the Plan is voluntary, and the Grantee is providing the consents herein on a purely voluntary basis. If the Grantee does not consent, or if the Grantee later seeks to revoke consent, the Grantee's salary from or employment or service relationship with the Employer will not be affected; the only consequence of refusing or withdrawing consent is that the Company would not be able to grant this Award or other equity awards to the Grantee or administer or maintain such awards.

(f) Data Subject Rights. The Grantee may have a number of rights under data privacy laws in the Grantee's jurisdiction. Depending on where the Grantee is based, such rights may include the right to (i) request access to or copies of Data the Company processes, (ii) rectify incorrect Data, (iii) delete Data, (iv) restrict the processing of Data, (v) restrict the portability of Data, (vi) lodge complaints with competent authorities in the Grantee's jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, the Grantee can contact the local human resources representative.

A2. Additional Acknowledgements. By entering into this Agreement and accepting the grant of Units evidenced hereby, the Grantee acknowledges, understands, and agrees that:

(a) the Plan is established voluntarily by the Company, is discretionary in nature, and may be terminated by the Company at any time, except as otherwise set forth in the Plan;

(b) the grant of Units is voluntary and occasional and does not create any contractual or other right to receive future awards of Units or benefits in lieu of Units, even if such awards have been awarded in the past;

(c) all decisions with respect to future awards, if any, will be at the sole discretion of the Company;

(d) this Award and the underlying shares of Stock, and the income from and value of same, are not intended to replace any pension rights or compensation;

(e) this Award and the underlying shares of Stock, and the income from and value of same, are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, or end-of-service payments; bonuses; long-service awards; pension, retirement, or welfare benefits; or similar payments;

(f) unless otherwise agreed with the Company, this Award and the underlying shares of Stock, and the income from and value of same, are not granted as consideration for, or in connection with, any service the Grantee may provide as a director of any Affiliate;

(g) this Award is made solely by the Company, with principal offices at 2415 Cascade Pointe Boulevard, Charlotte, NC 28208, U.S.A., and the Company is solely responsible for the administration of the Plan and the Grantee's participation in the Plan;

(h) the future value of the shares of Stock that may be delivered in settlement of the Units (to the extent earned) is unknown, indeterminable, and cannot be predicted with certainty;

(i) no claim or entitlement to compensation or damages in favor of the Grantee (or any person claiming through the Grantee) shall arise from forfeiture of the Units resulting from a Separation from Service (for any reason whatsoever, whether or not such Separation from Service is later found to be invalid or in breach of the employment laws in the jurisdiction where the Grantee is employed or providing services or the terms of the Grantee's employment or service agreement, if any) or recoupment of all or any portion of any payment made pursuant to the Units as provided by the Company's Policy on Recoupment of Incentive Compensation;

(j) for purposes of the Units, the Grantee's Separation from Service occurs as of the date the Grantee is no longer actively employed and providing services to the Company or one of its Affiliates (for any reason whatsoever, whether or not such Separation from Service is later found to be invalid or in breach of the employment laws in the jurisdiction where the Grantee is employed or providing services or the terms of the Grantee's employment or service agreement, if any), and unless otherwise expressly provided in this Agreement or otherwise determined by the Company, the Grantee's right to vest in any portion of the Award under the Plan, if any, will terminate as of such date and will not be extended by any notice period (*e.g.*, the Grantee's active employment or period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under the employment laws in the jurisdiction where the Grantee is employed or providing services or the terms of the Grantee's employment or service agreement, if any); the Company, in its sole discretion, shall determine when the Grantee is no longer actively employed or providing services for purposes of the Award (including whether the Grantee may still be considered to be actively employed or providing services while on a leave of absence);

(k) unless otherwise provided in the Plan or by the Company in its discretion, the Units and the benefits evidenced by this Agreement do not create any entitlement to have the Units or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out, or substituted, in connection with any corporate transaction affecting the Stock; and

(l) neither the Company, the Employer, nor any other Affiliate shall be liable for any foreign exchange rate fluctuation between the Grantee's local currency and the United States Dollar that may affect the value of the Units, any payment made pursuant to the Units, or the subsequent sale of any shares of Stock acquired under the Plan.

A3. <u>No Advice Regarding Grant</u>. The Company is not providing any tax, legal, or financial advice, nor is the Company making any recommendations regarding the Grantee's participation in the Plan, acquisition of any shares of Stock under the Plan, or subsequent sale of such shares of Stock. The Grantee should consult with the Grantee's personal tax, legal, and financial advisors regarding the Grantee's participation in the Plan before taking any action in relation thereto.

A4. <u>Language</u>. The Grantee acknowledges that he or she is proficient in the English language and understands the content of this Agreement and other Plan-related materials. If the Grantee has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version differs from the English version, the English version shall control.

A5. <u>Electronic Delivery and Acceptance</u>. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Grantee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an online or electronic system established and maintained by the Company or a third party designated by the Company.

A6. <u>Insider-Trading/Market-Abuse Laws</u>. The Grantee acknowledge that, depending on his or her country, his or her broker's country, or the country in which the Stock is listed, the Grantee may be subject to insider-trading restrictions and/or market-abuse laws in applicable jurisdictions, which may affect his or her ability to accept, acquire, sell or attempt to sell, or otherwise dispose of the shares of Stock, rights to shares of Stock (*e.g.*, the Units), or rights linked to the value of Stock, during such times as the Grantee is considered to have "inside information" regarding the Company (as defined by the laws and regulations in applicable jurisdictions, including the United States and the Grantee's country). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Grantee placed before possessing inside information. Furthermore, the Grantee may be prohibited from (i) disclosing insider information to any third party, including fellow employees (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them to otherwise buy or sell securities. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Grantee is responsible for complying with any applicable restrictions, and the Grantee should speak to his or her personal legal advisor regarding this matter.

A7. <u>Foreign Asset/Account Reporting Requirements</u>. The Grantee acknowledges that there may be certain foreign asset and/or account reporting requirements that may affect the Grantee's ability to acquire or hold shares of Stock acquired under the Plan (or cash received from participating in the Plan) in a brokerage or bank account outside of the Grantee's country. The Grantee may be required to report such accounts, assets, or transactions to the tax or other authorities in his or her country. The Grantee may also be required to repatriate sale proceeds or other funds received as a result of participating in the Plan to the Grantee's country through a designated bank or broker within a certain time after receipt. The Grantee acknowledges that it is his or her responsibility to be compliant with such regulations and the Grantee should speak to his or her personal advisor on this matter.

APPENDIX B
TO THE TERMS AND CONDITIONS OF RESTRICTED STOCK UNIT AWARD

[Insert Country Specific Terms and Conditions]

Exhibit 31.1

CERTIFICATIONS

I, Edward L. Doheny II, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Sealed Air Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/S/ EDWARD L. DOHENY II

Edward L. Doheny II
President and Chief Executive Officer

Date: May 4, 2023

Exhibit 31.2

CERTIFICATIONS

I, Christopher J. Stephens, Jr., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Sealed Air Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/S/ CHRISTOPHER J. STEPHENS, JR.

Christopher J. Stephens, Jr.
Senior Vice President and Chief Financial Officer

Date: May 4, 2023

Exhibit 32

Certification of CEO and CFO Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of Sealed Air Corporation (the “Company”) for the quarterly period ended March 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Edward L. Doheny II, as President and Chief Executive Officer of the Company, and Christopher J. Stephens, Jr., as Senior Vice President and Chief Financial Officer of the Company, each hereby certifies pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his/her knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /S/ EDWARD L. DOHENY II
Edward L. Doheny II
President and Chief Executive Officer

Date: May 4, 2023

By: /S/ CHRISTOPHER J. STEPHENS, JR.
Christopher J. Stephens, Jr.
Senior Vice President and Chief Financial Officer

Date: May 4, 2023