

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended July 2, 2022

OR

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 001-35672



**BERRY GLOBAL GROUP, INC.**

A Delaware corporation

101 Oakley Street, Evansville, Indiana, 47710  
(812) 424-2904

IRS employer identification number  
20-5234618

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value per share	BERY	New York Stock Exchange LLC

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 the 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 125.1 million shares of common stock outstanding at August 4, 2022.

## CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

Information included or incorporated by reference in Berry Global Group, Inc.'s filings with the U.S. Securities and Exchange Commission (the "SEC") and press releases or other public statements contains or may contain forward-looking statements. This report includes "forward-looking" statements with respect to our financial condition, results of operations and business and our expectations or beliefs concerning future events. These statements contain words such as "believes," "expects," "may," "will," "should," "would," "could," "seeks," "approximately," "intends," "plans," "estimates," "project," "outlook," "anticipates" or "looking forward" or similar expressions that relate to our strategy, plans, intentions, or expectations. All statements we make relating to our estimated and projected earnings, margins, costs, expenditures, cash flows, growth rates, and financial results or to our expectations regarding future industry trends are forward-looking statements. In addition, we, through our senior management, from time to time make forward-looking public statements concerning our expected future operations and performance and other developments. These forward-looking statements are subject to risks and uncertainties that may change at any time, and, therefore, our actual results may differ materially from those that we expected. All forward-looking statements are made only as of the date hereof, and we undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

Additionally, we caution readers that the list of important factors discussed in our most recent Form 10-K in the section titled "Risk Factors" may not contain all of the material factors that are important to you. In addition, in light of these risks and uncertainties, the matters referred to in the forward-looking statements contained in this report may not in fact occur. Accordingly, readers should not place undue reliance on those statements.

**Berry Global Group, Inc.**  
**Form 10-Q Index**  
**For Quarterly Period Ended July 2, 2022**

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**Part I. Financial Information**
**Item 1. Financial Statements**

**Berry Global Group, Inc.**  
**Consolidated Statements of Income**  
(Unaudited)  
(in millions of dollars, except per share amounts)

	Quarterly Period Ended		Three Quarterly Periods Ended	
	July 2, 2022	July 3, 2021	July 2, 2022	July 3, 2021
<b>Net sales</b>	<b>\$ 3,726</b>	<b>\$ 3,675</b>	<b>\$ 11,074</b>	<b>\$ 10,181</b>
Costs and expenses:				
Cost of goods sold	3,105	3,049	9,297	8,273
Selling, general and administrative	215	207	657	668
Amortization of intangibles	63	72	196	219
Restructuring and transaction activities	7	4	18	41
<b>Operating income</b>	<b>336</b>	<b>343</b>	<b>906</b>	<b>980</b>
Other expense	7	14	13	45
Interest expense	70	76	212	257
<b>Income before income taxes</b>	<b>259</b>	<b>253</b>	<b>681</b>	<b>678</b>
Income tax expense	52	59	148	173
<b>Net income</b>	<b>\$ 207</b>	<b>\$ 194</b>	<b>\$ 533</b>	<b>\$ 505</b>
Net income per share:				
Basic	\$ 1.61	\$ 1.44	\$ 4.02	\$ 3.76
Diluted	1.58	1.40	3.93	3.67

**Consolidated Statements of Comprehensive Income**  
(Unaudited)  
(in millions of dollars)

	Quarterly Period Ended		Three Quarterly Periods Ended	
	July 2, 2022	July 3, 2021	July 2, 2022	July 3, 2021
Net income	\$ 207	\$ 194	\$ 533	\$ 505
Other comprehensive income, net of tax:				
Currency translation	(159)	91	(144)	196
Derivative instruments	19	(2)	119	69
Other comprehensive (loss) income	(140)	89	(25)	265
Comprehensive income	<b>\$ 67</b>	<b>\$ 283</b>	<b>\$ 508</b>	<b>\$ 770</b>

*See notes to consolidated financial statements.*

**Berry Global Group, Inc.**  
**Consolidated Balance Sheets**  
(in millions of dollars)

	<u>July 2, 2022</u>	<u>October 2,</u>
	(Unaudited)	2021
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 527	\$ 1,091
Accounts receivable	1,974	1,879
Finished goods	1,027	960
Raw materials and supplies	951	947
Prepaid expenses and other current assets	237	217
<b>Total current assets</b>	<b>4,716</b>	<b>5,094</b>
Noncurrent assets:		
Property, plant and equipment	4,560	4,677
Goodwill and intangible assets	6,942	7,434
Right-of-use assets	522	562
Other assets	145	115
<b>Total assets</b>	<b>\$ 16,885</b>	<b>\$ 17,882</b>
<b>Liabilities and stockholders' equity</b>		
Current liabilities:		
Accounts payable	\$ 1,518	\$ 2,041
Accrued employee costs	260	336
Other current liabilities	837	788
Current portion of long-term debt	15	21
<b>Total current liabilities</b>	<b>2,630</b>	<b>3,186</b>
Noncurrent liabilities:		
Long-term debt	9,488	9,439
Deferred income taxes	606	568
Employee benefit obligations	223	276
Operating lease liabilities	432	466
Other long-term liabilities	397	767
<b>Total liabilities</b>	<b>13,776</b>	<b>14,702</b>
Stockholders' equity:		
Common stock (125.4 and 135.5 million shares issued, respectively)	1	1
Additional paid-in capital	1,171	1,134
Retained earnings	2,258	2,341
Accumulated other comprehensive loss	(321)	(296)
<b>Total stockholders' equity</b>	<b>3,109</b>	<b>3,180</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 16,885</b>	<b>\$ 17,882</b>

*See notes to consolidated financial statements.*

**Berry Global Group, Inc.**  
**Consolidated Statements of Cash Flows**  
(Unaudited)  
(in millions of dollars)

	<b>Three Quarterly Periods Ended</b>	
	<b>July 2, 2022</b>	<b>July 3, 2021</b>
<b>Cash Flows from Operating Activities:</b>		
Net income	\$ 533	\$ 505
Adjustments to reconcile net cash from operating activities:		
Depreciation	424	420
Amortization of intangibles	196	219
Non-cash interest expense	11	26
Deferred income tax	(66)	(53)
Share-based compensation expense	34	34
Other non-cash operating activities, net	(2)	60
Settlement of derivatives	69	—
Changes in working capital	(800)	(278)
Changes in other assets and liabilities	(54)	(21)
Net cash from operating activities	<u>345</u>	<u>912</u>
<b>Cash Flows from Investing Activities:</b>		
Additions to property, plant and equipment, net	(556)	(520)
Divestiture of businesses	125	165
Other investing activities	6	—
Net cash from investing activities	<u>(425)</u>	<u>(355)</u>
<b>Cash Flows from Financing Activities:</b>		
Proceeds from long-term borrowings	170	2,716
Repayments on long-term borrowings	(16)	(3,287)
Proceeds from issuance of common stock	24	57
Repurchase of common stock	(637)	—
Debt financing costs	—	(20)
Net cash from financing activities	<u>(459)</u>	<u>(534)</u>
Effect of currency translation on cash	<u>(25)</u>	<u>31</u>
Net change in cash and cash equivalents	<u>(564)</u>	<u>54</u>
Cash and cash equivalents at beginning of period	<u>1,091</u>	<u>750</u>
Cash and cash equivalents at end of period	<u>\$ 527</u>	<u>\$ 804</u>

*See notes to consolidated financial statements.*

**Berry Global Group, Inc.**  
**Consolidated Statements of Changes in Stockholders' Equity**  
(Unaudited)  
(in millions of dollars)

<b>Quarterly Period Ended</b>	<b>Common Stock</b>	<b>Additional Paid-in Capital</b>	<b>Accumulated Other Comprehensive Loss</b>	<b>Retained Earnings</b>	<b>Total</b>
Balance at April 2, 2022	\$ 1	\$ 1,174	\$ (181)	\$ 2,326	\$ 3,320
Net income	—	—	—	207	207
Other comprehensive income	—	—	(140)	—	(140)
Share-based compensation	—	6	—	—	6
Proceeds from issuance of common stock	—	2	—	—	2
Common stock repurchased and retired	—	(11)	—	(275)	(286)
<b>Balance at July 2, 2022</b>	<b>\$ 1</b>	<b>\$ 1,171</b>	<b>\$ (321)</b>	<b>\$ 2,258</b>	<b>\$ 3,109</b>
Balance at April 3, 2021	\$ 1	\$ 1,101	\$ (375)	\$ 1,919	\$ 2,646
Net income	—	—	—	194	194
Other comprehensive loss	—	—	89	—	89
Share-based compensation	—	6	—	—	6
Proceeds from issuance of common stock	—	18	—	—	18
Balance at July 3, 2021	\$ 1	\$ 1,125	\$ (286)	\$ 2,113	\$ 2,953
<b>Three Quarterly Periods Ended</b>	<b>Common Stock</b>	<b>Additional Paid-in Capital</b>	<b>Accumulated Other Comprehensive Loss</b>	<b>Retained Earnings</b>	<b>Total</b>
Balance at October 2, 2021	\$ 1	\$ 1,134	\$ (296)	\$ 2,341	\$ 3,180
Net income	—	—	—	533	533
Other comprehensive income	—	—	(25)	—	(25)
Share-based compensation	—	34	—	—	34
Proceeds from issuance of common stock	—	24	—	—	24
Common stock repurchased and retired	—	(21)	—	(616)	(637)
<b>Balance at July 2, 2022</b>	<b>\$ 1</b>	<b>\$ 1,171</b>	<b>\$ (321)</b>	<b>\$ 2,258</b>	<b>\$ 3,109</b>
Balance at September 26, 2020	\$ 1	\$ 1,034	\$ (551)	\$ 1,608	\$ 2,092
Net income	—	—	—	505	505
Other comprehensive income	—	—	265	—	265
Share-based compensation	—	34	—	—	34
Proceeds from issuance of common stock	—	57	—	—	57
Balance at July 3, 2021	\$ 1	\$ 1,125	\$ (286)	\$ 2,113	\$ 2,953

*See notes to consolidated financial statements.*

**Berry Global Group, Inc.**  
**Notes to Consolidated Financial Statements**  
(Unaudited)  
(tables in millions of dollars, except per share data)

## 1. Basis of Presentation

The accompanying unaudited Condensed Consolidated Financial Statements of Berry Global Group, Inc. (“the Company,” “we,” or “Berry”) have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) pursuant to the rules and regulations of the Securities and Exchange Commission for interim reporting. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In preparing financial statements in conformity with GAAP, we must make estimates and assumptions that affect the reported amounts and disclosures at the date of the financial statements and during the reporting period. Actual results could differ from those estimates. The Company’s U.S. based results for fiscal 2022 and fiscal 2021 are based on a fifty-two and fifty-three week period, respectively. The extra week in fiscal 2021 occurred in the first quarter. The Company has recast certain prior period amounts to conform to current reporting. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included, and all subsequent events up to the time of the filing have been evaluated. For further information, refer to the Company’s most recent Form 10-K filed with the Securities and Exchange Commission.

## 2. Recent Accounting Pronouncements

### *Reference Rate Reform*

In 2020, the FASB issued ASU 2020-04, Reference Rate Reform - Facilitation of the Effects of Reference Rate Reform on Financial Reporting (Topic 848). This standard provides temporary optional expedients and exceptions to the GAAP guidance on contract modifications and hedge accounting to ease the financial reporting burdens of the expected market transition from LIBOR and other interbank offered rates to alternative reference rates, such as SOFR. ASU 2020-04 is effective upon issuance and generally can be applied through the end of calendar year 2022. The Company is currently evaluating the impact and does not anticipate a material impact on consolidated financial statements or disclosures.

## 3. Revenue and Accounts Receivable

Our revenues are primarily derived from the sale of non-woven, flexible and rigid products to customers. Revenue is recognized when performance obligations are satisfied, in an amount reflecting the consideration to which the Company expects to be entitled. We consider the promise to transfer products to be our sole performance obligation. If the consideration agreed to in a contract includes a variable amount, we estimate the amount of consideration we expect to be entitled to in exchange for transferring the promised goods to the customer using the most likely amount method. Our main source of variable consideration is customer rebates. There are no material instances where variable consideration is constrained and not recorded at the initial time of sale. Generally, our revenue is recognized at a point in time for standard promised goods at the time of shipment, when title and risk of loss pass to the customer. The accrual for customer rebates was \$101 million and \$104 million at July 2, 2022 and October 2, 2021, respectively, and is included in Other current liabilities on the Consolidated Balance Sheets. The Company disaggregates revenue based on reportable business segment, geography, and significant product line. Refer to Note 10. Segment and Geographic Data for further information.

Accounts receivable are presented net of allowance for credit losses of \$19 million and \$21 million at July 2, 2022 and October 2, 2021, respectively. The Company records its current expected credit losses based on a variety of factors including historical loss experience and current customer financial condition. The changes to our current expected credit losses, write-off activity, and recoveries were not material for any of the periods presented.

The Company has entered into various factoring agreements, including customer-based supply chain financing programs, to sell certain receivables to third-party financial institutions. Agreements which result in true sales of the transferred receivables, which occur when receivables are transferred without recourse to the Company, are reflected as a reduction of accounts receivable on the consolidated balance sheets and the proceeds are included in the cash flows from operating activities in the consolidated statements of cash flows. The fees associated with the transfer of receivables for all programs were not material for any of the periods presented.

## 4. Disposition

During fiscal 2022, the Company completed the sale of its rotational molding business, which was operated in the Consumer Packaging International segment for net proceeds of \$108 million. In fiscal 2021, the rotational molding business recorded net sales of \$146 million.



## 5. Restructuring and Transaction Activities

The table below includes the significant components of restructuring and transaction activities, by reporting segment:

	Quarterly Period Ended		Three Quarterly Periods Ended	
	July 2, 2022	July 3, 2021	July 2, 2022	July 3, 2021
Consumer Packaging International	\$ 3	\$ 3	\$ 10	\$ 44
Consumer Packaging North America	1	—	4	1
Health, Hygiene & Specialties	3	—	2	—
Engineered Materials	—	1	2	(4)
Consolidated	\$ 7	\$ 4	\$ 18	\$ 41

The table below sets forth the activity with respect to the restructuring and transaction activities accrual at July 2, 2022:

	Restructuring		Transaction Activities	Total
	Employee Severance and Benefits	Facility Exit Costs		
Balance as of October 2, 2021	\$ 6	\$ 5	\$ —	\$ 11
Charges	4	7	7	18
Cash	(6)	(9)	(7)	(22)
Balance as of July 2, 2022	\$ 4	\$ 3	\$ —	\$ 7

## 6. Leases

The Company leases certain manufacturing facilities, warehouses, office space, manufacturing equipment, office equipment, and automobiles.

We recognize right-of-use assets and lease liabilities for leases with original lease terms greater than one year based on the present value of lease payments over the lease term using our incremental borrowing rate on a collateralized basis. Short-term leases, with original lease terms of less than one year, are not recognized on the balance sheet. We are party to certain leases, namely for manufacturing facilities, which offer renewal options to extend the original lease term. Renewal options are included in the right-of-use asset and lease liability based on our assessment of the probability that the options will be exercised.

Supplemental lease information is as follows:

Leases	Classification	July 2, 2022	October 2, 2021
Operating leases:			
Operating lease right-of-use assets	Right-of-use assets	\$ 522	\$ 562
Current operating lease liabilities	Other current liabilities	107	113
Noncurrent operating lease liabilities	Operating lease liability	432	466
Finance leases:			
Finance lease right-of-use assets	Property, plant, and equipment, net	\$ 40	\$ 57
Current finance lease liability	Current portion of long-term debt	10	14
Noncurrent finance lease liabilities	Long-term debt, less current portion	27	38

Lease Type	Cash Flow Classification	Lease Expense Category	Three Quarterly Periods Ended	
			July 2, 2022	July 3, 2021
Operating	Operating	Lease cost	\$ 100	\$ 85
Finance	Operating	Interest expense	1	2
Finance	Financing	-	14	19
Finance	-	Amortization of right-of-use assets	7	9

Right-of-use assets obtained in exchange for new operating lease liabilities were \$5 million and \$26 million for the quarterly and three quarterly periods ended July 2, 2022, respectively.

## 7. Long-Term Debt

Long-term debt consists of the following:

Facility	Maturity Date	July 2, 2022	October 2, 2021
Term loan	July 2026	\$ 3,440	3,440
Revolving line of credit	May 2024	170	—
0.95% First Priority Senior Secured Notes	February 2024	800	800
1.00% First Priority Senior Secured Notes <sup>(a)</sup>	July 2025	734	810
1.57% First Priority Senior Secured Notes	January 2026	1,525	1,525
4.875% First Priority Senior Secured Notes	July 2026	1,250	1,250
1.65% First Priority Senior Secured Notes	January 2027	400	400
1.50% First Priority Senior Secured Notes <sup>(a)</sup>	July 2027	393	434
4.50% Second Priority Senior Secured Notes	February 2026	300	300
5.625% Second Priority Senior Secured Notes	July 2027	500	500
Debt discounts and deferred fees		(65)	(77)
Finance leases and other	Various	56	78
<b>Total long-term debt</b>		<b>9,503</b>	<b>9,460</b>
Current portion of long-term debt		(15)	(21)
<b>Long-term debt, less current portion</b>		<b>\$ 9,488</b>	<b>9,439</b>

(a) Euro denominated

Debt discounts and deferred financing fees are presented net of Long-term debt, less the current portion on the Consolidated Balance Sheets and are amortized to Interest expense, net on the Consolidated Statements of Income through maturity.

## 8. Financial Instruments and Fair Value Measurements

In the normal course of business, the Company is exposed to certain risks arising from business operations and economic factors. The Company may use derivative financial instruments to help manage market risk and reduce the exposure to fluctuations in interest rates and foreign currencies. These financial instruments are not used for trading or other speculative purposes.

### Cross-Currency Swaps

The Company is party to certain cross-currency swaps to hedge a portion of our foreign currency risk. The Company settled its €250 million swap agreement which matured May 2022 for proceeds of \$6 million. As of July 2, 2022, the swap agreements mature June 2024 (€1,625 million) and July 2027 (£700 million). In addition to cross-currency swaps, we hedge a portion of our foreign currency risk by designating foreign currency denominated long-term debt as net investment hedges of certain foreign operations. As of July 2, 2022, we had outstanding long-term debt of €785 million that was designated as a hedge of our net investment in certain euro-denominated foreign subsidiaries. When valuing cross-currency swaps the Company utilizes Level 2 inputs (substantially observable).

### Interest Rate Swaps

The primary purpose of the Company's interest rate swap activities is to manage interest expense variability associated with our outstanding variable rate term loan debt. When valuing interest rate swaps the Company utilizes Level 2 inputs (substantially observable).

During fiscal 2022, the Company elected to cash settle existing interest rate swaps and received net proceeds of \$69 million. The offset is included in Accumulated other comprehensive loss and is being amortized to Interest expense through the term of the original swaps. Additionally, the Company entered into \$450 million and \$400 million interest rate swap transactions that swap a one-month variable LIBOR contract for a fixed annual rate.

As of July 2, 2022, the Company effectively had (i) a \$450 million interest rate swap transaction that swaps a one-month variable LIBOR contract for a fixed annual rate of 2.765%, with an expiration in June 2026, (ii) a \$400 million interest rate swap transaction that swaps a one-month variable LIBOR contract for a fixed annual rate of 2.733% with an expiration in June 2026, (iii) a \$884 million interest rate swap transaction that swaps a one-month variable LIBOR contract for a fixed annual rate of 1.857%, with an expiration in June 2024, and (iv) a \$473 million interest rate swap transaction that swaps a one-month variable LIBOR contract for a fixed annual rate of 2.050%, with an expiration in June 2024.

The Company records the fair value positions of all derivative financial instruments on a net basis by counterparty for which a master netting arrangement is utilized. Balances on a gross basis are as follows:

Derivative Instruments	Hedge Designation	Balance Sheet Location	July 2, 2022	October 2, 2021
			\$	\$
Cross-currency swaps	Designated	Other assets	18	—
Cross-currency swaps	Designated	Other long-term liabilities	40	323
Interest rate swaps	Designated	Other assets	34	—
Interest rate swaps	Designated	Other long-term liabilities	—	82
Interest rate swaps	Not designated	Other assets	7	—
Interest rate swaps	Not designated	Other long-term liabilities	81	49

The effect of the Company's derivative instruments on the Consolidated Statements of Income is as follows:

Derivative Instruments	Statements of Income Location	Quarterly Period Ended		Three Quarterly Periods Ended	
		July 2, 2022	July 3, 2021	July 2, 2022	July 3, 2021
Cross-currency swaps	Interest expense	\$ (5)	\$ (2)	\$ (12)	\$ (6)
Interest rate swaps	Interest expense	11	18	35	52

#### Non-recurring Fair Value Measurements

The Company has certain assets that are measured at fair value on a non-recurring basis when impairment indicators are present or when the Company completes an acquisition. The Company adjusts certain long-lived assets to fair value only when the carrying values exceed the fair values. The categorization of the framework used to value the assets is considered Level 3, due to the subjective nature of the unobservable inputs used to determine the fair value. These assets that are subject to our annual impairment analysis primarily include our definite lived and indefinite lived intangible assets, including Goodwill and our property, plant and equipment. The Company reviews Goodwill and other indefinite lived assets for impairment as of the first day of the fourth fiscal quarter each year and more frequently if impairment indicators exist. The Company determined Goodwill and other indefinite lived assets were not impaired in our annual fiscal 2021 assessment. No impairment indicators were identified in the current quarter.

Included in the following table are the major categories of assets measured at fair value on a non-recurring basis as of July 2, 2022 and October 2, 2021, along with the impairment loss recognized on the fair value measurement during the period:

	As of July 2, 2022				
	Level 1	Level 2	Level 3	Total	Impairment
Indefinite-lived trademarks	\$ —	\$ —	\$ 248	\$ 248	\$ —
Goodwill	—	—	4,969	4,969	—
Definite lived intangible assets	—	—	1,725	1,725	—
Property, plant, and equipment	—	—	4,560	4,560	—
Total	\$ —	\$ —	\$ 11,502	\$ 11,502	\$ —

  

	As of October 2, 2021				
	Level 1	Level 2	Level 3	Total	Impairment
Indefinite-lived trademarks	\$ —	\$ —	\$ 248	\$ 248	\$ —
Goodwill	—	—	5,192	5,192	—
Definite lived intangible assets	—	—	1,994	1,994	—
Property, plant, and equipment	—	—	4,677	4,677	1
Total	\$ —	\$ —	\$ 12,111	\$ 12,111	\$ 1

The Company's financial instruments consist primarily of cash and cash equivalents, long-term debt, interest rate and cross-currency swap agreements, and finance lease obligations. The book value of our marketable long-term indebtedness exceeded fair value by \$456 million as of July 2, 2022. The Company's long-term debt fair values were determined using Level 2 inputs (substantially observable).

#### 9. Income Taxes

On a year-to-date comparison to the statutory rate, the higher effective tax rate was negatively impacted by state taxes and global intangible low-taxed income provisions, partially offset by other discrete items.

## 10. Segment and Geographic Data

The Company's operations are organized into four reporting segments: Consumer Packaging International, Consumer Packaging North America, Health, Hygiene & Specialties, and Engineered Materials. The structure is designed to align us with our customers, provide optimal service, drive future growth, and to facilitate synergies realization.

Selected information by reportable segment is presented in the following tables:

	Quarterly Period Ended		Three Quarterly Periods Ended	
	July 2, 2022	July 3, 2021	July 2, 2022	July 3, 2021
Net sales:				
Consumer Packaging International	\$ 1,096	\$ 1,095	\$ 3,290	\$ 3,143
Consumer Packaging North America	927	847	2,659	2,264
Health, Hygiene & Specialties	788	828	2,429	2,349
Engineered Materials	915	905	2,696	2,425
Total net sales	<u>\$ 3,726</u>	<u>\$ 3,675</u>	<u>\$ 11,074</u>	<u>\$ 10,181</u>
Operating income:				
Consumer Packaging International	\$ 82	\$ 79	\$ 248	\$ 214
Consumer Packaging North America	104	76	235	212
Health, Hygiene & Specialties	56	113	186	323
Engineered Materials	94	75	237	231
Total operating income	<u>\$ 336</u>	<u>\$ 343</u>	<u>\$ 906</u>	<u>\$ 980</u>
Depreciation and amortization:				
Consumer Packaging International	\$ 78	\$ 88	\$ 242	\$ 258
Consumer Packaging North America	53	53	160	164
Health, Hygiene & Specialties	44	43	133	130
Engineered Materials	28	28	85	87
Total depreciation and amortization	<u>\$ 203</u>	<u>\$ 212</u>	<u>\$ 620</u>	<u>\$ 639</u>

Selected information by geographical region is presented in the following tables:

	Quarterly Period Ended		Three Quarterly Periods Ended	
	July 2, 2022	July 3, 2021	July 2, 2022	July 3, 2021
Net sales:				
United States and Canada	\$ 2,030	\$ 1,937	\$ 5,978	\$ 5,342
Europe	1,320	1,308	3,937	3,658
Rest of world	376	430	1,160	1,181
Total net sales	<u>\$ 3,726</u>	<u>\$ 3,675</u>	<u>\$ 11,074</u>	<u>\$ 10,181</u>

## 11. Contingencies and Commitments

The Company is party to various legal proceedings involving routine claims which are incidental to its business. Although the Company's legal and financial liability with respect to such proceedings cannot be estimated with certainty, we believe that any ultimate liability would not be material to our financial statements.

The Company has various purchase commitments for raw materials, supplies, and property and equipment incidental to the ordinary conduct of business.

## 12. Share Repurchase Program

During the quarterly period ended July 2, 2022, the Company repurchased and retired 5,114 thousand shares for \$286 million. For the three quarterly periods ended July 2, 2022, the Company repurchased and retired 10,870 thousand shares for \$637 million. Authorized share repurchases of \$414 million remain available to the Company.

## 13. Basic and Diluted Earnings Per Share

Basic net income or earnings per share ("EPS") is calculated by dividing the net income attributable to common stockholders by the weighted-average number of common shares outstanding during the period, without consideration for common stock equivalents.

Diluted EPS includes the effects of options and restricted stock units, if dilutive.

The following tables provide a reconciliation of the numerator and denominator of the basic and diluted EPS calculations:

(in millions, except per share amounts)	Quarterly Period Ended		Three Quarterly Periods Ended	
	July 2, 2022	July 3, 2021	July 2, 2022	July 3, 2021
<b>Numerator</b>				
Consolidated net income	\$ 207	\$ 194	\$ 533	\$ 505
<b>Denominator</b>				
Weighted average common shares outstanding - basic	128.6	135.1	132.6	134.3
Dilutive shares	2.1	3.4	3.0	3.4
Weighted average common and common equivalent shares outstanding - diluted	130.7	138.5	135.6	137.7
<b>Per common share earnings</b>				
Basic	\$ 1.61	\$ 1.44	\$ 4.02	\$ 3.76
Diluted	\$ 1.58	\$ 1.40	\$ 3.93	\$ 3.67

1.2 million shares were excluded from the diluted EPS calculation for the quarterly and three quarterly periods ended July 2, 2022 as their effect would be anti-dilutive. No shares were excluded for the quarterly and three quarterly periods ended July 3, 2021.

#### 14. Accumulated Other Comprehensive Loss

The components and activity of Accumulated other comprehensive loss are as follows:

Quarterly Period Ended	Currency Translation	Defined Benefit	Derivative Instruments	Accumulated Other Comprehensive Loss
		Pension and Retiree Health Benefit Plans		
Balance at April 2, 2022	\$ (139)	\$ (67)	\$ 25	\$ (181)
Other comprehensive income (loss) before reclassifications	(159)	—	18	(141)
Net amount reclassified	—	—	1	1
Balance at July 2, 2022	\$ (298)	\$ (67)	\$ 44	\$ (321)

	Currency Translation	Defined Benefit	Derivative Instruments	Accumulated Other Comprehensive Loss
		Pension and Retiree Health Benefit Plans		
Balance at April 3, 2021	\$ (173)	\$ (116)	\$ (86)	\$ (375)
Other comprehensive income (loss) before reclassifications	91	—	(5)	86
Net amount reclassified	—	—	3	3
Balance at July 3, 2021	\$ (82)	\$ (116)	\$ (88)	\$ (286)

Three Quarterly Periods Ended	Currency Translation	Defined Benefit	Derivative Instruments	Accumulated Other Comprehensive Loss
		Pension and Retiree Health Benefit Plans		
Balance at October 2, 2021	\$ (154)	\$ (67)	\$ (75)	\$ (296)
Other comprehensive income (loss) before reclassifications	(144)	—	113	(31)
Net amount reclassified	—	—	6	6
Balance at July 2, 2022	\$ (298)	\$ (67)	\$ 44	\$ (321)

	Currency Translation	Defined Benefit	Derivative Instruments	Accumulated Other Comprehensive Loss
		Pension and Retiree Health Benefit Plans		
Balance at September 26, 2020	\$ (278)	\$ (116)	\$ (157)	\$ (551)
Other comprehensive income before reclassifications	196	—	62	258
Net amount reclassified	—	—	7	7
Balance at July 3, 2021	\$ (82)	\$ (116)	\$ (88)	\$ (286)

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

### Executive Summary

**Business.** The Company's operations are organized into four operating segments: Consumer Packaging International, Consumer Packaging North America, Health, Hygiene & Specialties, and Engineered Materials. The structure is designed to align us with our customers, provide improved service, drive future growth, and to facilitate synergies realization. The Consumer Packaging International segment primarily consists of containers, closures and dispensing systems, pharmaceutical devices and packaging, bottles and canisters, and technical components. The Consumer Packaging North America segment primarily consists of containers and pails, foodservice, closures, overcaps, bottles, prescription vials, and tubes. The Health, Hygiene & Specialties segment primarily consists of nonwoven specialty materials, tapes and adhesives, and films used in hygiene, infection prevention, personal care, industrial, construction, and filtration applications. The Engineered Materials segment primarily consists of stretch and shrink films, converter films, institutional can liners, food and consumer films, retail bags, and agriculture films.

**Raw Material Trends.** Our primary raw material is polymer resin. In addition, we use other materials such as butyl rubber, adhesives, paper and packaging materials, linerboard, rayon, polyester fiber, and foil, in various manufacturing processes. While temporary industry-wide shortages of raw materials have occurred, we have historically been able to manage the supply chain disruption by working closely with our suppliers and customers. Supply shortages can lead to increased raw material price volatility, which we have experienced in recent quarters. Raw material price changes are generally passed on to customers through contractual price mechanisms over time and other means. We expect supply chain challenges to continue throughout fiscal 2022 and will continue to work closely with our suppliers and customers in an effort to minimize any impact.

**Outlook.** The Company is affected by general economic and industrial growth, raw material availability, cost inflation, supply chain disruptions, and general industrial production. The COVID-19 pandemic has resulted in both advantaged and disadvantaged products within all segments. During fiscal 2022, we have experienced a headwind as the advantaged products, particularly in our Health, Hygiene & Specialties segment, related to the COVID-19 pandemic moderated while recovery of disadvantaged products lags with the ultimate impact being affected by both the duration certain products remain advantaged and timing of when disadvantaged products normalize. Our business has both geographic and end market diversity, which reduces the effect of any one of these factors on our overall performance. Our results are affected by our ability to pass through raw material and other cost changes to our customers, improve manufacturing productivity and adapt to volume changes of our customers. We believe that by providing advantaged products in targeted markets, our underlying long-term demand fundamental in all divisions will remain strong as we focus on delivering protective solutions that enhance consumer safety and execute on the Company's mission statement of "Always Advancing to Protect What's Important." For fiscal 2022, we project cash flow from operations of \$1.5 billion, which assumes the benefit from the lag in recovery of inflation, an investment in working capital from inflation and additional inventory due to supply chain disruptions, and free cash flow of \$750 million. Projected fiscal 2022 free cash flow assumes \$750 million of capital spending. In addition, we repurchased approximately 11 million shares for \$637 million in fiscal 2022 YTD and expect to purchase at least \$700 million of shares in fiscal 2022. For the calculation of free cash flow and further information related to free cash flow as a non-GAAP financial measure, see "Liquidity and Capital Resources."

**Results of Operations****Comparison of the Quarterly Period Ended July 2, 2022 (the “Quarter”) and the Quarterly Period Ended July 3, 2021 (the “Prior Quarter”)**

Business integration expenses consist of restructuring and impairment charges, divestiture related costs, and other business optimization costs. Tables present dollars in millions.

**Consolidated Overview**

	<b>Quarter</b>	Prior Quarter	\$ Change	% Change
Net sales	\$ 3,726	\$ 3,675	\$ 51	1%
Cost of goods sold	3,105	3,049	56	2%
Other operating expenses	285	283	2	1%
Operating income	\$ 336	\$ 343	\$ (7)	(2)%

**Net Sales:** The net sales growth is primarily attributed to increased selling prices of \$301 million due to the pass through of inflation. This increase was partially offset by an organic volume decline of 2%, a \$151 million unfavorable impact from foreign currency changes, and Prior Quarter divestiture sales of \$16 million. The volume decline is primarily attributed to general market softness in industrial markets and the moderation of advantaged products related to the COVID-19 pandemic.

**Cost of goods sold:** The cost of goods sold increase is attributed to inflation, partially offset by the volume decline, a decrease from foreign currency changes, and Prior Quarter divestiture cost of goods sold of \$12 million.

**Operating Income:** The operating income decrease is primarily attributed to a \$22 million unfavorable impact from foreign currency, and an \$11 million unfavorable impact from the volume decline, partially offset by a \$28 million favorable impact from price cost spread and product mix.

**Consumer Packaging International**

	<b>Quarter</b>	Prior Quarter	\$ Change	% Change
Net sales	\$ 1,096	\$ 1,095	\$ 1	—
Operating income	\$ 82	\$ 79	\$ 3	4%

**Net Sales:** The net sales growth in the Consumer Packaging International segment is primarily attributed to increased selling prices of \$138 million due to the pass through of inflation, partially offset by a \$99 million unfavorable impact from foreign currency changes, an organic volume decline of 2%, and Prior Quarter divestiture sales of \$16 million. The volume decline is primarily attributed to market softness in industrial markets.

**Operating Income:** The operating income increase is primarily attributed to a \$15 million favorable impact from price cost spread and product mix, and a decrease in depreciation and amortization expense, partially offset by a \$15 million unfavorable impact from foreign currency.

**Consumer Packaging North America**

	<b>Quarter</b>	Prior Quarter	\$ Change	% Change
Net sales	\$ 927	\$ 847	\$ 80	9%
Operating income	\$ 104	\$ 76	\$ 28	37%

**Net Sales:** The net sales growth in the Consumer Packaging North America segment is primarily attributed to increased selling prices of \$80 million due to the pass through of inflation.

**Operating Income:** The operating income increase is primarily attributed to a \$30 million favorable impact from price cost spread.

**Health, Hygiene & Specialties**

	<u>Quarter</u>	<u>Prior Quarter</u>	<u>\$ Change</u>	<u>% Change</u>
Net sales	\$ 788	\$ 828	\$ (40)	(5)%
Operating income	\$ 56	\$ 113	\$ (57)	(50)%

*Net Sales:* The net sales decline in the Health, Hygiene & Specialties segment is primarily attributed to a 3% volume decline and a \$17 million unfavorable impact from foreign currency changes. The volume decline is primarily attributed to the moderation of advantaged products related to the COVID-19 pandemic.

*Operating Income:* The operating income decrease is primarily attributed to a \$49 million unfavorable impact from negative product mix, lag in recovering inflation, and an unfavorable impact from foreign currency changes.

**Engineered Materials**

	<u>Quarter</u>	<u>Prior Quarter</u>	<u>\$ Change</u>	<u>% Change</u>
Net sales	\$ 915	\$ 905	\$ 10	1%
Operating income	\$ 94	\$ 75	\$ 19	25%

*Net Sales:* The net sales growth in the Engineered Materials segment is primarily attributed to increased selling prices of \$81 million due to the pass through of inflation, partially offset by a volume decline of 4% and a \$35 million unfavorable impact from foreign currency changes. The volume decline is primarily attributed to pivoting the sales mix to higher value categories and general market softness.

*Operating Income:* The operating income increase is primarily attributed to a \$29 million favorable impact from price cost spread, partially offset by an unfavorable impact from foreign currency changes and the volume decline.

**Other expense, net**

	<u>Quarter</u>	<u>Prior Quarter</u>	<u>\$ Change</u>	<u>% Change</u>
Other expense, net	\$ 7	\$ 14	\$ (7)	(50)%

The other expense decrease is primarily attributed to debt extinguishment expense in the Prior Quarter, partially offset by unfavorable foreign currency changes related to the remeasurement of non-operating intercompany balances in the Quarter.

**Interest expense, net**

	<u>Quarter</u>	<u>Prior Quarter</u>	<u>\$ Change</u>	<u>% Change</u>
Interest expense, net	\$ 70	\$ 76	\$ (6)	(8)%

The interest expense decrease is primarily the result of refinancing activities and repayment of borrowings in fiscal 2021.

**Changes in Comprehensive Income**

The \$216 million decline in comprehensive income from the Prior Quarter is primarily attributed to a \$250 million unfavorable change in currency translation, partially offset by a \$13 million improvement in net income, and a \$21 million favorable change in the fair value of derivative instruments, net of tax. Currency translation gains and losses are primarily related to non-U.S. subsidiaries with a functional currency other than U.S. dollars whereby assets and liabilities are translated from the respective functional currency into U.S. dollars using period-end exchange rates. The change in currency translation in the QTD was primarily attributed to locations utilizing the euro, British pound sterling, Brazilian real, Canadian dollar, Chinese renminbi and Mexican peso as the functional currency. As part of the overall risk management, the Company uses derivative instruments to (i) reduce our exposure to changes in interest rates attributed to the Company's borrowings and (ii) reduce foreign currency exposure to translation of certain foreign operations. The Company records changes to the fair value of these instruments in Accumulated other comprehensive loss. The change in fair value of these instruments in fiscal 2022 versus fiscal 2021 is primarily attributed to the change in the forward interest and foreign exchange curves between measurement dates.



## Comparison of the Three Quarterly Periods Ended July 2, 2022 (the “YTD”) and the Three Quarterly Periods Ended July 3, 2021 (the “Prior YTD”)

The Company’s U.S. based results for the YTD and Prior YTD are based on a twenty-six and twenty-seven week period, respectively. Business integration expenses consist of restructuring and impairment charges, divestiture related costs, and other business optimization costs. Tables present dollars in millions.

### Consolidated Overview

	YTD	Prior YTD	\$ Change	% Change
Net sales	\$ 11,074	\$ 10,181	\$ 893	9%
Cost of goods sold	9,297	8,273	1,024	12%
Other operating expenses	871	928	(57)	(6)%
Operating income	\$ 906	\$ 980	\$ (74)	(8)%

**Net Sales:** The net sales growth is primarily attributed to increased selling prices of \$1.6 billion due to the pass through of inflation. This increase was partially offset by an organic volume decline of 2%, a \$232 million unfavorable impact from foreign currency changes, extra shipping days in the Prior YTD of \$131 million, and Prior YTD divestiture sales of \$78 million. The volume decline is primarily attributed to supply chain disruptions, general market softness and the moderation of advantaged products related to the COVID-19 pandemic.

**Cost of goods sold:** The cost of goods sold increase is attributed to inflation, partially offset by the volume decline, a decrease from foreign currency changes, extra shipping days in the Prior YTD, and Prior YTD divestiture cost of goods sold of \$62 million.

**Other operating expenses:** The other operating expenses decrease is primarily attributed to a decrease in business integration expense, amortization expense, and selling, general, and administrative expense.

**Operating Income:** The operating income decrease is primarily attributed to a \$37 million unfavorable impact from foreign currency, a \$36 million unfavorable impact from the volume decline, a \$12 million unfavorable impact from price cost spread, a \$22 million decrease from extra shipping days in the Prior YTD, and a negative impact from Prior YTD divestiture operating income, partially offset by a \$29 million decrease in business integration expense, and a decrease in depreciation and amortization expense.

### Consumer Packaging International

	YTD	Prior YTD	\$ Change	% Change
Net sales	\$ 3,290	\$ 3,143	\$ 147	5%
Operating income	\$ 248	\$ 214	\$ 34	16%

**Net Sales:** The net sales growth in the Consumer Packaging International segment is primarily attributed to increased selling prices of \$398 million due to the pass through of inflation, partially offset by a \$166 million unfavorable impact from foreign currency changes, and Prior YTD divestiture sales of \$44 million.

**Operating Income:** The operating income increase is primarily attributed to a \$34 million decrease in business integration expense, a \$20 million favorable impact from price cost spread, and a decrease in depreciation and amortization expense, partially offset by a \$26 million unfavorable impact from foreign currency.

### Consumer Packaging North America

	YTD	Prior YTD	\$ Change	% Change
Net sales	\$ 2,659	\$ 2,264	\$ 395	17%
Operating income	\$ 235	\$ 212	\$ 23	11%

**Net Sales:** The net sales growth in the Consumer Packaging North America segment is primarily attributed to increased selling prices of \$451 million due to the pass through of inflation, partially offset by a \$40 million decrease from extra shipping days in the Prior YTD.

**Operating Income:** The operating income increase is primarily attributed to a \$34 million favorable impact from price cost spread, partially offset by a \$7 million decrease from extra shipping days in the Prior YTD.

**Health, Hygiene & Specialties**

	<u>YTD</u>	<u>Prior YTD</u>	<u>\$ Change</u>	<u>% Change</u>
Net sales	\$ 2,429	\$ 2,349	\$ 80	3%
Operating income	\$ 186	\$ 323	\$ (137)	(42)%

*Net Sales:* The net sales growth in the Health, Hygiene & Specialties segment is primarily attributed to increased selling prices of \$227 million due to the pass through of inflation, partially offset by a 3% volume decline, a \$42 million decrease from extra shipping days in the Prior YTD, and a \$25 million unfavorable impact from foreign currency changes. The volume decline is primarily attributed to the moderation of advantaged products related to the COVID-19 pandemic.

*Operating Income:* The operating income decrease is primarily attributed to a \$121 million unfavorable impact from price cost spread and negative product mix, and a decrease from extra shipping days in the Prior YTD.

**Engineered Materials**

	<u>YTD</u>	<u>Prior YTD</u>	<u>\$ Change</u>	<u>% Change</u>
Net sales	\$ 2,696	\$ 2,425	\$ 271	11%
Operating income	\$ 237	\$ 231	\$ 6	3%

*Net Sales:* The net sales growth in the Engineered Materials segment is primarily attributed to increased selling prices of \$507 million due to the pass through of inflation, partially offset by a volume decline of 5%, a \$44 million decrease from extra shipping days in the Prior YTD, a \$41 million unfavorable impact from foreign currency changes, and Prior YTD divestiture sales of \$34 million. The volume decline is primarily attributed to supply chain disruptions.

*Operating Income:* The operating income increase is primarily attributed to a \$42 million favorable impact from price cost spread, partially offset by a \$14 million unfavorable impact from the volume decline, a \$13 million impact from Prior YTD divestiture operating income, and a decrease from extra shipping days in the Prior YTD.

**Other expense**

	<u>YTD</u>	<u>Prior YTD</u>	<u>\$ Change</u>	<u>% Change</u>
Other expense	\$ 13	\$ 45	\$ (32)	(71)%

The other expense decrease is primarily attributed to foreign currency changes related to the remeasurement of non-operating intercompany balances and debt extinguishment expense in the Prior YTD.

**Interest expense**

	<u>YTD</u>	<u>Prior YTD</u>	<u>\$ Change</u>	<u>% Change</u>
Interest expense	\$ 212	\$ 257	\$ (45)	(18)%

The interest expense decrease is primarily the result of refinancing activities and repayments of borrowings in fiscal 2021.

**Changes in Comprehensive Income**

The \$262 million decline in comprehensive income from the Prior YTD was primarily attributed to a \$340 million unfavorable change in currency translation, partially offset by a \$28 million improvement in net income, and a \$50 million favorable change in the fair value of derivative instruments, net of tax. Currency translation gains and losses are primarily related to non-U.S. subsidiaries with a functional currency other than U.S. dollars whereby assets and liabilities are translated from the respective functional currency into U.S. dollars using period-end exchange rates. The change in currency translation in the YTD was primarily attributed to locations utilizing the euro, British pound sterling, Brazilian real, Canadian dollar, Chinese renminbi and Mexican peso as the functional currency. As part of the overall risk management, the Company uses derivative instruments to (i) reduce our exposure to changes in interest rates attributed to the Company's borrowings and (ii) reduce foreign currency exposure to translation of certain foreign operations. The Company records changes to the fair value of these instruments in Accumulated other comprehensive loss. The change in fair value of these instruments in fiscal 2022 versus fiscal 2021 is primarily attributed to the change in the forward interest and foreign exchange curves between measurement dates.

## Liquidity and Capital Resources

### Senior Secured Credit Facility

We manage our global cash requirements considering (i) available funds among the many subsidiaries through which we conduct business, (ii) the geographic location of our liquidity needs, and (iii) the cost to access international cash balances. At the end of the Quarter, the Company had an outstanding balance of \$170 million on its \$1,050 million asset-based revolving line of credit that matures in May 2024. The Company was in compliance with all covenants at the end of the Quarter.

### Cash Flows

Net cash from operating activities decreased \$567 million from the Prior YTD primarily attributed to working capital inflation and timing of payables in the YTD.

Net cash used in investing activities increased \$70 million from the Prior YTD primarily attributed to fewer proceeds from business divestitures and increased property, plant and equipment spending.

Net cash used in financing activities decreased \$75 million from the Prior YTD primarily attributed to higher net borrowings, partially offset by repurchases of common stock in the YTD.

### Share Repurchases

During fiscal 2022, the Company repurchased approximately 11 million shares for \$637 million. Authorized share repurchases of \$414 million remain available to the Company.

### Free Cash Flow

Our consolidated free cash flow for the YTD and Fiscal 2022 Outlook are summarized as follows:

	<b>July 2, 2022</b>	<b>Fiscal 2022 Outlook</b>
Cash flow from operating activities	\$ 345	\$ 1,500
Additions to property, plant and equipment, net	(556)	(750)
Free cash flow	<u>\$ (211)</u>	<u>\$ 750</u>

We use free cash flow as a supplemental measure of liquidity as it assists us in assessing our ability to fund growth through generation of cash. Free cash flow may be calculated differently by other companies, including other companies in our industry or peer group, limiting its usefulness on a comparative basis. Free cash flow is not a financial measure presented in accordance with generally accepted accounting principles ("GAAP") and should not be considered as an alternative to any other measure determined in accordance with GAAP.

### Liquidity Outlook

At July 2, 2022, our cash balance was \$527 million, which was primarily located outside the U.S. We believe our existing U.S. based cash and cash flow from U.S. operations, together with available borrowings under our senior secured credit facilities, will be adequate to meet our short-term and long-term liquidity needs with the exception of funds needed to cover all long-term debt obligations, which we intend to refinance prior to maturity. The Company has the ability to repatriate the cash located outside the U.S. to the extent not needed to meet operational and capital needs without significant restrictions.

**Summarized Guarantor Financial Information**

Berry Global, Inc. (“Issuer”) has notes outstanding which are fully, jointly, severally, and unconditionally guaranteed by its parent, Berry Global Group, Inc. (for purposes of this section, “Parent”) and substantially all of Issuer’s domestic subsidiaries. Separate narrative information or financial statements of the guarantor subsidiaries have not been included because they are 100% owned by Parent and the guarantor subsidiaries unconditionally guarantee such debt on a joint and several basis. A guarantee of a guarantor subsidiary of the securities will terminate upon the following customary circumstances: the sale of the capital stock of such guarantor if such sale complies with the indentures, the designation of such guarantor as an unrestricted subsidiary, the defeasance or discharge of the indenture or in the case of a restricted subsidiary that is required to guarantee after the relevant issuance date, if such guarantor no longer guarantees certain other indebtedness of Issuer. The guarantees of the guarantor subsidiaries are also limited as necessary to prevent them from constituting a fraudulent conveyance under applicable law and any guarantees guaranteeing subordinated debt are subordinated to certain other of the Company’s debts. Parent also guarantees Issuer’s term loans and revolving credit facilities. The guarantor subsidiaries guarantee our term loans and are co-borrowers under our revolving credit facility.

Presented below is summarized financial information for the Parent, Issuer and guarantor subsidiaries on a combined basis, after intercompany transactions have been eliminated.

	<b>Three Quarterly Periods Ended July 2, 2022</b>
Net sales	\$ 5,772
Gross profit	956
Earnings from continuing operations	319
Net income	\$ 319

Includes \$2 million of income associated with intercompany activity with non-guarantor subsidiaries.

	<b>July 2, 2022</b>	<b>October 2, 2021</b>
<b>Assets</b>		
Current assets	\$ 2,008	\$ 2,293
Noncurrent assets	6,040	5,979
<b>Liabilities</b>		
Current liabilities	\$ 1,225	\$ 1,533
Intercompany payable	634	629
Noncurrent liabilities	10,812	11,083

### **Item 3. Quantitative and Qualitative Disclosures about Market Risk**

#### *Interest Rate Risk*

We are exposed to market risk from changes in interest rates primarily through our senior secured credit facilities. Our senior secured credit facilities are comprised of (i) \$3.4 billion term loans and (ii) a \$1,050 million revolving credit facility with \$170 million outstanding. Borrowings under our senior secured credit facilities bear interest at a rate equal to an applicable margin plus LIBOR or SOFR. The applicable margin for borrowings under the revolving credit facility ranges from 1.25% to 1.50%, and the margin for term loans is 1.75% per annum. As of period end, the LIBOR rate of approximately 1.80% was applicable to the term loans. A 0.25% change in LIBOR would increase our annual interest expense by \$3 million on variable rate term loans.

We seek to minimize interest rate volatility risk through regular operating and financing activities and, when deemed appropriate, through the use of derivative financial instruments. These financial instruments are not used for trading or other speculative purposes. (See Note 8.)

#### *Foreign Currency Risk*

As a global company, we face foreign currency risk exposure from fluctuating currency exchange rates, primarily the U.S. dollar against the euro, British pound sterling, Brazilian real, Chinese renminbi, Canadian dollar and Mexican peso. Significant fluctuations in currency rates can have a substantial impact, either positive or negative, on our revenue, cost of sales, and operating expenses. Currency translation gains and losses are primarily related to non-U.S. subsidiaries with a functional currency other than U.S. dollars whereby assets and liabilities are translated from the respective functional currency into U.S. dollars using period-end exchange rates and impact our Comprehensive income. A 10% decline in foreign currency exchange rates would have had a \$15 million unfavorable impact on our Net income for the three quarterly periods ended July 2, 2022. (See Note 8.)

### **Item 4. Controls and Procedures**

#### **(a) Evaluation of disclosure controls and procedures.**

Under applicable Securities and Exchange Commission regulations, management of a reporting company, with the participation of the principal executive officer and principal financial officer, must periodically evaluate the company's "disclosure controls and procedures," which are defined generally as controls and other procedures of a reporting company designed to ensure that information required to be disclosed by the reporting company in its periodic reports filed with the commission (such as this Form 10-Q) is recorded, processed, summarized, and reported on a timely basis.

The Company's management, with the participation of the Chief Executive Officer and the Chief Financial Officer, carried out an evaluation of the effectiveness of the design and operation of the disclosure controls and procedures as of the end of the period covered by this report. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that the design and operation of our disclosure controls and procedures were effective at the reasonable assurance level as of the end of the period covered by this report.

#### **(b) Changes in internal control over financial reporting.**

There were no changes in our internal control over financial reporting that occurred during the Quarter 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**

There have been no material changes in legal proceedings from the items disclosed in our Form 10-K filed with the Securities and Exchange Commission.

**Item 1A. Risk Factors**

On February 24, 2022, Russia launched an invasion of Ukraine which has resulted in increased volatility in various sectors and markets. The extent and duration of the military action, resulting sanctions and future market disruptions in the region are not currently known. While the Company's sales and assets in Russia are immaterial, the effects of the hostilities and sanctions may spill over to our customers and negatively impact their operations. Additionally, the ongoing military action along with the potential for a wider conflict could further increase market volatility and cause negative effects on regional and global economic markets, industries, and companies.

Before investing in our securities, we recommend that investors carefully consider the risks described in our most recent Form 10-K and other periodic reports filed with the Securities and Exchange Commission, including those under the heading "Risk Factors" and other information contained in this Quarterly Report. Realization of any of these risks could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Additionally, we caution readers that the list of risk factors discussed in our most recent Form 10-K and other periodic reports may not contain all of the material factors that are important to you. In addition, in light of these risks and uncertainties, the matters referred to in the forward-looking statements contained in this report may not in fact occur. Accordingly, readers should not place undue reliance on those statements.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds****Issuer Repurchases of Equity Securities**

The following table summarizes the Company's repurchases of its common stock during the Quarterly Period ended July 2, 2022.

<b>Fiscal Period</b>	<b>Total Number of Shares Purchased</b>	<b>Average Price Paid Per Share</b>	<b>Total Number of Shares Purchased as Part of Publicly Announced Programs</b>	<b>Dollar Value of Shares that May Yet be Purchased Under the Program (in millions) <sup>(a)</sup></b>
April	147,000	\$ 59.03	147,000	\$ 691
May	2,912,000	55.93	2,912,000	528
June	2,055,150	55.51	2,055,150	414
Total	<u>5,114,150</u>	\$ 55.85	<u>5,114,150</u>	\$ 414

(a) All open market purchases during the quarter were made under the fiscal 2022 authorization from our board of directors to purchase up to \$1 billion of shares of common stock. (See Note 12.)

**Item 6. Exhibits**

<b>Exhibit No.</b>	<b>Description of Exhibit</b>
<a href="#">22.1</a> *	Subsidiary Guarantors
<a href="#">31.1</a> *	Rule 13a-14(a)/15d-14(a) Certification of the Chief Executive Officer.
<a href="#">31.2</a> *	Rule 13a-14(a)/15d-14(a) Certification of the Chief Financial Officer.
<a href="#">32.1</a> **	Section 1350 Certification of the Chief Executive Officer.
<a href="#">32.2</a> **	Section 1350 Certification of the Chief Financial Officer.
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document).
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Date File (formatted as Inline XBRL and contained in Exhibit 101).

\* Filed herewith

\*\* Furnished herewith

**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.

**Berry Global Group, Inc.**

August 4, 2022

By: /s/ Mark W. Miles

Mark W. Miles  
Chief Financial Officer



Guaranteed Securities

The following securities (collectively, the “Berry Global Senior Secured Notes”) issued by Berry Global, Inc., a Delaware corporation and wholly-owned subsidiary of Berry Global Group, Inc., a Delaware corporation (the “Company”), were outstanding as of July 2, 2022.

Description of Notes
0.95% First Priority Senior Secured Notes due 2024
1.00% First Priority Senior Secured Notes due 2025
4.875% First Priority Senior Secured Notes due 2026
1.57% First Priority Senior Secured Notes due 2026
1.50% First Priority Senior Secured Notes due 2027
1.65% First Priority Senior Secured Notes due 2027
4.500% Second Priority Senior Secured Notes due 2026
5.625% Second Priority Senior Secured Notes due 2027

Obligors

As of July 2, 2022, the obligors under the Berry Global Senior Secured Notes consisted of the Company, as a guarantor, and its subsidiaries listed in the following table:

Name	Jurisdiction	Obligor Type
AeroCon, LLC	Delaware	Guarantor
AVINTIV Acquisition Corporation	Delaware	Guarantor
AVINTIV Inc.	Delaware	Guarantor
AVINTIV Specialty Materials Inc.	Delaware	Guarantor
Berry Film Products Acquisition Company, Inc.	Delaware	Guarantor
Berry Film Products Company, Inc.	Delaware	Guarantor
Berry Global Films, LLC	Delaware	Guarantor
Berry Global, Inc.	Delaware	Issuer
Berry Plastics Acquisition Corporation V	Delaware	Guarantor
Berry Plastics Acquisition Corporation XII	Delaware	Guarantor
Berry Plastics Acquisition Corporation XIII	Delaware	Guarantor
Berry Plastics Acquisition LLC X	Delaware	Guarantor
Berry Plastics Design, LLC	Delaware	Guarantor
Berry Plastics Filmco, Inc.	Delaware	Guarantor
Berry Plastics IK, LLC	Delaware	Guarantor
Berry Plastics Opco, Inc.	Delaware	Guarantor
Berry Plastics SP, Inc.	Delaware	Guarantor
Berry Plastics Technical Services, Inc.	Delaware	Guarantor
Berry Specialty Tapes, LLC	Delaware	Guarantor
Berry Sterling Corporation	Delaware	Guarantor
BPRex Brazil Holding Inc.	Delaware	Guarantor
BPRex Closure Systems, LLC	Delaware	Guarantor
BPRex Closures Kentucky Inc.	Delaware	Guarantor
BPRex Closures, LLC	Delaware	Guarantor
BPRex Delta Inc.	Delaware	Guarantor
BPRex Healthcare Brookville Inc.	Delaware	Guarantor
BPRex Healthcare Packaging, Inc.	Delaware	Guarantor
BPRex Plastic Packaging, Inc.	Delaware	Guarantor
BPRex Plastics Services Company, Inc.	Delaware	Guarantor
BPRex Product Design and Engineering Inc.	Minnesota	Guarantor
BPRex Specialty Products Puerto Rico Inc.	New Jersey	Guarantor
Caplas LLC	Delaware	Guarantor
Caplas Neptune, LLC	Delaware	Guarantor
Captive Plastics Holdings, LLC	Delaware	Guarantor
Captive Plastics, LLC	Delaware	Guarantor
Cardinal Packaging, Inc.	Delaware	Guarantor
Chicopee, Inc.	Delaware	Guarantor
Chocksett Road Limited Partnership	Massachusetts	Guarantor
Chocksett Road Realty Trust	Massachusetts	Guarantor
Covalence Specialty Adhesives LLC	Delaware	Guarantor
Covalence Specialty Coatings LLC	Delaware	Guarantor
CPI Holding Corporation	Delaware	Guarantor
Dominion Textile (USA), L.L.C.	Delaware	Guarantor
Dumpling Rock, LLC	Massachusetts	Guarantor
Estero Porch, LLC	Delaware	Guarantor
Fabrene, L.L.C.	Delaware	Guarantor

Fiberweb GEOS, Inc.	Virginia	Guarantor
Fiberweb, LLC	Delaware	Guarantor
Global Closure Systems America 1, Inc.	Delaware	Guarantor
Grafco Industries Limited Partnership	Maryland	Guarantor
Kerr Group, LLC	Delaware	Guarantor
Knight Plastics, LLC	Delaware	Guarantor
Laddawn, Inc.	Massachusetts	Guarantor
Lamb's Grove, LLC	Delaware	Guarantor
Letica Corporation	Michigan	Guarantor
Letica Resources, Inc.	Michigan	Guarantor
M&H Plastics, Inc.	Virginia	Guarantor
Millham, LLC	Delaware	Guarantor
Old Hickory Steamworks, LLC	Delaware	Guarantor
Packerware, LLC	Delaware	Guarantor
Pescor, Inc.	Delaware	Guarantor
PGI Europe, Inc.	Delaware	Guarantor
PGI Polymer, Inc.	Delaware	Guarantor
Pliant International, LLC	Delaware	Guarantor
Pliant, LLC	Delaware	Guarantor
Poly-Seal, LLC	Delaware	Guarantor
Providencia USA, Inc.	North Carolina	Guarantor
Rollpak Corporation	Delaware	Guarantor
RPC Bramlage, Inc.	Pennsylvania	Guarantor
RPC Leopard Holdings, Inc.	Delaware	Guarantor
RPC Packaging Holdings (US), Inc.	Delaware	Guarantor
RPC Superfos US, Inc.	Delaware	Guarantor
RPC Zeller Plastik Libertyville, Inc.	Delaware	Guarantor
Saffron Acquisition, LLC	Delaware	Guarantor
Setco, LLC	Delaware	Guarantor
Sugden, LLC	Delaware	Guarantor
Sun Coast Industries, LLC	Delaware	Guarantor
Uniplast Holdings, LLC	Delaware	Guarantor
Uniplast U.S., Inc.	Delaware	Guarantor
Venture Packaging Midwest, Inc.	Delaware	Guarantor
Venture Packaging, Inc.	Delaware	Guarantor

Pledged Security Collateral

As of July 2, 2022, the obligations under the Berry Global Senior Secured Notes were secured by pledges of the capital stock of the following affiliates of the Company:

Name	Country	State	Owned by	Percentage of Outstanding Shares/ Membership/ Partnership Interests	Percentage of Owned Interests Pledged
AEP Canada Inc.	Canada		Berry Global Films, LLC	100.00%	65%
AEP Industries Finance Inc.	USA	DE	Berry Global Films, LLC	100.00%	100%
AeroCon, LLC	USA	DE	Berry Global, Inc.	100.00%	100%
Aspen Industrial S.A. de C.V.	Mexico		Pliant, LLC and Pliant Corporation International (1 share)	100.00%	65%
AVINTIV Inc.	USA	DE	Berry Global, Inc.	100.00%	100%
AVINTIV Acquisition Corporation	USA	DE	AVINTIV Inc.	100.00%	100%
AVINTIV Specialty Materials, Inc.	USA	DE	AVINTIV Acquisition Corporation	100.00%	100%
Berry Film Products Acquisition Company, Inc. (f/k/a Clopay Plastic Products Acquisition Company, Inc.)	USA	DE	Berry Film Products Company, Inc. (f/k/a Clopay Plastic Products Company, Inc.)	100.00%	100%
Berry Film Products Company, Inc. (f/k/a Clopay Plastic Products Company, Inc.)	USA	DE	Berry Global, Inc.	100.00%	100%
Berry Global Films, LLC (f/k/a Berry Plastics Acquisition Corporation XV, LLC)	USA	DE	Berry Global, Inc.	100.00%	100%
Berry Global International Financing Limited	UK		AVINTIV Inc.	100.00%	65%
Berry Global, Inc. (f/k/a Berry Plastics Corporation)	USA	DE	Berry Plastics Group, Inc.	100.00%	100%
Berry Plastics Acquisition Corporation V	USA	DE	Berry Global, Inc.	100.00%	100%
Berry Plastics Acquisition Corporation XII	USA	DE	Berry Global, Inc.	100.00%	100%
Berry Plastics Acquisition Corporation XIII	USA	DE	Berry Global, Inc.	100.00%	100%
Berry Plastics Acquisition Corporation XIV, LLC	USA	DE	Berry Global, Inc.	100.00%	100%
Berry Plastics Acquisition LLC II	USA	DE	Berry Global, Inc.	100.00%	100%
Berry Plastics Acquisition LLC X	USA	DE	Berry Global, Inc.	100.00%	100%
Berry Plastics Canada, Inc.	Canada		Berry Global, Inc.	100.00%	65%
Berry Plastics de Mexico, S. de R.L. de C.V.	Mexico		Berry Plastics Acquisition Corporation V	100.00%	65%
Berry Plastics Design, LLC	USA	DE	Berry Global, Inc.	100.00%	100%
Berry Plastics Escrow Corporation	USA	DE	Berry Global, Inc.	100.00%	100%
Berry Plastics Escrow, LLC	USA	DE	Berry Global, Inc.	100.00%	100%
Berry Plastics Filmco, Inc.	USA	DE	Berry Global, Inc.	100.00%	100%
Berry Plastics IK, LLC	USA	DE	Berry Global, Inc.	100.00%	100%
Berry Plastics International B.V.	Netherlands		Berry Global, Inc.	100.00%	65%
Berry Plastics Opco, Inc.	USA	DE	Berry Global, Inc.	100.00%	100%
Berry Plastics SP, Inc.	USA	DE	Berry Global, Inc.	100.00%	100%
Berry Plastics Technical Services, Inc.	USA	DE	Venture Packaging, Inc.	100.00%	100%
Berry Specialty Tapes, LLC (f/k/a Berry Plastics Acquisition Corporation XI)	USA	DE	Berry Global, Inc.	100.00%	100%
Berry Sterling Corporation	USA	DE	Berry Global, Inc.	100.00%	100%
Berry UK Holdings Limited	UK		AVINTIV Inc.	100.00%	65%
BP Parallel, LLC	USA	DE	Berry Global, Inc.	100.00%	100%
BPRex Brazil Holding Inc.	USA	DE	BPRex Healthcare Brookville, Inc.	100.00%	100%
BPRex Closure Systems, LLC	USA	DE	Berry Global, Inc.	100.00%	100%
BPRex Closures Kentucky Inc.	USA	DE	Berry Global, Inc.	100.00%	100%
BPRex Closures, LLC	USA	DE	Berry Global, Inc.	100.00%	100%
BPRex de Mexico S.A. de R.L. de CV	Mexico		Berry Global, Inc. and Berry Plastics Acquisition LLC X (1 share)	100.00%	65%
BPRex Delta Inc.	USA	DE	Berry Global, Inc.	100.00%	100%
BPRex Healthcare Brookville Inc.	USA	DE	BPRex Plastic Packaging, Inc.	100.00%	100%
BPRex Healthcare Packaging, Inc.	USA	DE	BPRex Plastic Packaging, Inc.	100.00%	100%
BPRex Plastic Packaging de Mexico S.A. de C.V.	Mexico		Berry Global, Inc.	50.00%	65% <sup>1</sup>
BPRex Plastic Packaging de Mexico S.A. de C.V.	Mexico		BPRex Healthcare Packaging, Inc.	50.00%	65%
BPRex Plastic Packaging, Inc.	USA	DE	Berry Global, Inc.	100.00%	100%
BPRex Plastic Services Company Inc.	USA	DE	BPRex Plastic Packaging, Inc.	100.00%	100%
BPRex Product Design & Engineering Inc.	USA	MN	BPRex Healthcare Brookville, Inc.	100.00%	100%
BPRex Specialty Products Puerto Rico Inc.	USA	NJ	BPRex Plastic Packaging, Inc.	100.00%	100%
Caplas LLC	USA	DE	Captive Plastics LLC	100.00%	100%
Caplas Neptune, LLC	USA	DE	Captive Plastics LLC	100.00%	100%
Captive Plastics Holdings, LLC	USA	DE	Berry Plastics SP, Inc.	100.00%	100%
Captive Plastics, LLC	USA	DE	Berry Plastics SP, Inc.	100.00%	100%

Cardinal Packaging, Inc.	USA	DE	CPI Holding Corporation	100.00%	100%
Chicopee Asia, Limited	Hong Kong		Chicopee, Inc.	100.00%	65%
Chicopee Holdings B.V.	Netherlands		PGI Europe, Inc.	100.00%	65%
Chicopee, Inc.	USA	DE	PGI Polymer, Inc.	100.00%	100%
Chocksett Road Limited Partnership	USA	MA	Berry Global, Inc.	98% Limited Partnership Interests 2% General Partnership Interests	100%
Chocksett Road Realty Trust	USA	MA	Chocksett Road Limited Partnership	Sole Beneficiary	100%
Berry Holding Company do Brasil Ltda.	Brazil		Berry Film Products Company, Inc. (f/k/a Clopay Plastic Products Company, Inc.)	99.99%	65% <sup>2</sup>
Berry Holding Company do Brasil Ltda.	Brazil		Berry Global, Inc.	0.01%	
Covalence Specialty Adhesives LLC	USA	DE	Berry Global, Inc.	100.00%	100%
Covalence Specialty Coatings LLC	USA	DE	Berry Global, Inc.	100.00%	100%
CPI Holding Corporation	USA	DE	Berry Global, Inc.	100.00%	100%
CSM Mexico SPV LLC	USA	DE	Berry Global, Inc.	100.00%	100%
Dominion Textile (USA), L.L.C.	USA	DE	Chicopee, Inc.	100.00%	100%
DT Acquisition Inc.	Canada		AVINTIV Specialty Materials, Inc.	100.00%	65%
Dumpling Rock, LLC	USA	MA	Berry Global, Inc.	100.00%	100%
Estero Porch, LLC	USA	DE	Berry Global, Inc.	100.00%	100%
Fabrene, L.L.C.	USA	DE	PGI Europe, Inc.	100.00%	100%
Fiberweb Geos, Inc.	USA	VA	PGI Europe, Inc.	100.00%	100%
Fiberweb, LLC f/k/a Fiberweb, Inc.	USA	DE	PGI Europe, Inc.	100.00%	100%
Global Closure Systems America 1, Inc.	USA	DE	RPC Packaging Holdings (US), Inc.	100.00%	100%
Grafco Industries Limited Partnership	USA	MD	Caplas LLC	99.00%	100%
Grafco Industries Limited Partnership	USA	MD	Caplas Neptune, LLC	1.00%	100%
Grupo de Servicios Berpla, S. de R.L. de C.V.	Mexico		Berry Plastics Acquisition Corporation V	65.00%	65%
Grupo de Servicios Berpla, S. de R.L. de C.V.	Mexico		Berry Plastics Acquisition Corporation XIV	35.00%	65%
Kerr Group, LLC	USA	DE	Berry Global, Inc.	100.00%	100%
Knight Plastics, LLC	USA	DE	Berry Plastics SP, Inc.	100.00%	100%
Laddawn, Inc.	USA	MA	Berry Global, Inc.	100.00%	100%
Lamb's Grove, LLC	USA	DE	Berry Global, Inc.	100.00%	100%
Letica Corporation	USA	DE	RPC Leopard Holdings, Inc.	100.00%	100%
Letica Resources, Inc.	USA	DE	RPC Leopard Holdings, Inc.	100.00%	100%
M&H Plastics, Inc.	USA	VA	AVINTIV Inc.	100.00%	100%
Millham, LLC	USA	DE	Berry Global, Inc.	100.00%	100%
Old Hickory Steamworks, LLC	USA	DE	Fiberweb, LLC	100.00%	100%
Packerware, LLC	USA	DE	Berry Plastics SP, Inc.	100.00%	100%
Pescor, Inc.	USA	DE	Berry Global, Inc.	100.00%	100%
PGI Acquisition Limited	UK		PGI Europe, Inc.	100.00%	65%
PGI Europe, Inc.	USA	DE	Chicopee, Inc.	100.00%	100%
PGI Nonwovens (Mauritius)	Mauritius		PGI Polymer, Inc.	100.00%	65%
PGI Polymer, Inc.	USA	DE	Avintiv Specialty Materials, Inc.	100.00%	100%
Pliant de Mexico S.A. de C.V.	Mexico		Pliant, LLC	36.03%	65%
Pliant International, LLC	USA	DE	Pliant, LLC	100.00%	100%
Pliant, LLC	USA	DE	Berry Global, Inc.	100.00%	100%
Poly-Seal, LLC	USA	DE	Berry Global, Inc.	100.00%	100%
Providencia USA, Inc.	USA	NC	Chicopee, Inc.	100.00%	100%
Rollpak Corporation	USA	DE	Berry Global, Inc.	100.00%	100%
RPC Bramlage, Inc.	USA	PA	RPC Packaging Holdings (US), Inc.	100.00%	100%
RPC Leopard Holdings, Inc.	USA	DE	RPC Packaging Holdings (US), Inc.	100.00%	100%
RPC Packaging Holdings (US), Inc.	USA	DE	AVINTIV Inc.	100.00%	100%
RPC Superfos US, Inc.	USA	DE	RPC Packaging Holdings (US), Inc.	100.00%	100%
RPC Zeller Plastik Libertyville, Inc.	USA	DE	Global Closure Systems America 1, Inc.	100.00%	100%
Saffron Acquisition, LLC	USA	DE	Kerr Group, LLC	100.00%	100%
Setco, LLC	USA	DE	Kerr Group, LLC	100.00%	100%
Sugden, LLC	USA	DE	Berry Global, Inc.	100.00%	100%
Sun Coast Industries, LLC	USA	DE	Saffron Acquisition, LLC	100.00%	100%
Uniplast Holdings, LLC	USA	DE	Pliant, LLC	100.00%	100%
Uniplast U.S., Inc.	USA	DE	Uniplast Holdings, Inc.	100.00%	100%
Venture Packaging Midwest, Inc.	USA	DE	Venture Packaging, Inc.	100.00%	100%
Venture Packaging, Inc.	USA	DE	Berry Global, Inc.	100.00%	100%

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- 1 65% of the aggregate stock of BPRex Plastic Packaging de Mexico S.A. de C.V. is pledged.
  - 2 65% of the aggregate stock of Berry Holding Company do Brasil Ltda. is pledged.
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## CHIEF EXECUTIVE OFFICER CERTIFICATION

I, Thomas E. Salmon, Chief Executive Officer of Berry Global Group, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Berry Global Group, Inc. (the "Registrant");
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 annual 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.

Date: August 4, 2022

By: /s/ Thomas E. Salmon

Thomas E. Salmon  
Chief Executive Officer

## CHIEF FINANCIAL OFFICER CERTIFICATION

I, Mark W. Miles, Chief Financial Officer of Berry Global Group, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Berry Global Group, Inc. (the "Registrant");
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 annual 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.

Date: August 4, 2022

By: /s/ Mark W. Miles

Mark W. Miles  
Chief Financial Officer

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**CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER 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 of Berry Global Group, Inc. (the "Registrant") on Form 10-Q for the quarter ended July 2, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Thomas E. Salmon, Chief Executive Officer of the Registrant, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

/s/ Thomas E. Salmon

Thomas E. Salmon  
Chief Executive Officer

Date: August 4, 2022

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**CERTIFICATION OF THE CHIEF FINANCIAL OFFICER 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 of Berry Global Group, Inc. (the "Registrant") on Form 10-Q for the quarter ended July 2, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark W. Miles, the Chief Financial Officer and Treasurer of the Registrant, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

/s/ Mark W. Miles

Mark W. Miles  
Chief Financial Officer

Date: August 4, 2022

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