

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 September 30, 2024

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: 001-39205

REYNOLDS CONSUMER PRODUCTS INC.

(Exact name of Registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

45-3464426
(I.R.S. Employer
Identification Number)

**1900 W. Field Court
Lake Forest, Illinois 60045**
(Address of principal executive offices) (Zip Code)

Telephone: (800) 879-5067
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common stock, \$0.001 par value	REYN	The Nasdaq Stock Market 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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

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

As of October 25, 2024, the registrant had 210,145,957 shares of common stock, \$0.001 par value per share, outstanding.

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FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains certain statements that constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. In some cases, you can identify these statements by forward-looking words such as “may,” “might,” “will,” “should,” “expects,” “intends,” “outlook,” “forecast,” “position,” “committed,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “model,” “assumes,” “confident,” “look forward,” “potential,” “on track,” or “continue,” or the negative of these terms and other comparable terminology. These forward-looking statements, which are subject to risks, uncertainties and assumptions about us, may include projections of our future financial performance, our anticipated growth strategies and anticipated trends in our business. These statements are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements, including those risks and uncertainties discussed in Item 1A. “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 and as updated in our Quarterly Reports on Form 10-Q. You should specifically consider the numerous risks outlined in the “Risk Factors” sections. These risks and uncertainties include factors related to:

- changes in consumer preferences, lifestyle, economic circumstances and environmental concerns;
- relationships with our major customers, consolidation of our customer bases and loss of a significant customer;
- competition and pricing pressures;
- loss of, or disruption at, any of our key manufacturing facilities;
- our suppliers of raw materials and any interruption in our supply of raw materials;
- loss due to an accident, labor issues, weather conditions, natural disaster, or disease outbreak, including epidemics, pandemics or similar widespread public health concerns;
- costs of raw materials, energy, labor and freight, including the impact of tariffs, trade sanctions and similar matters affecting our importation of certain raw materials;
- labor shortages and increased labor costs;
- our ability to develop and maintain brands that are critical to our success;
- economic downturns in our target markets;
- our ability to acquire businesses;
- impacts from inflationary trends;
- difficulty meeting our sales growth objectives and innovation goals; and
- changes in market interest rates and the availability of capital.

Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. Investors are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date they are made. We are under no duty to update any of these forward-looking statements after the date of this Quarterly Report on Form 10-Q to conform our prior statements to actual results or revised expectations.

Additional information about these factors and about the material factors or assumptions underlying such forward-looking statements is included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, which was filed on February 7, 2024, under Part I, Item 1A. “Risk Factors” and as updated in our Quarterly Reports on Form 10-Q.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements.

Reynolds Consumer Products Inc.
Condensed Consolidated Statements of Income
(in millions, except for per share data)
(Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Net revenues	\$ 892	\$ 914	\$ 2,618	\$ 2,689
Related party net revenues	18	21	57	61
Total net revenues	910	935	2,675	2,750
Cost of sales	(671)	(686)	(1,977)	(2,117)
Gross profit	239	249	698	633
Selling, general and administrative expenses	(101)	(115)	(329)	(327)
Other income (expense), net	—	—	—	—
Income from operations	138	134	369	306
Interest expense, net	(25)	(31)	(76)	(91)
Income before income taxes	113	103	293	215
Income tax expense	(27)	(25)	(62)	(54)
Net income	\$ 86	\$ 78	\$ 231	\$ 161
Earnings per share:				
Basic	\$ 0.41	\$ 0.37	\$ 1.10	\$ 0.77
Diluted	\$ 0.41	\$ 0.37	\$ 1.10	\$ 0.77
Weighted average shares outstanding:				
Basic	210.1	210.0	210.1	210.0
Effect of dilutive securities	0.2	—	0.1	—
Diluted	210.3	210.0	210.2	210.0

See accompanying notes to the condensed consolidated financial statements.

Reynolds Consumer Products Inc.
Condensed Consolidated Statements of Comprehensive Income
(in millions)
(Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Net income	\$ 86	\$ 78	\$ 231	\$ 161
Other comprehensive (loss) income, net of income taxes:				
Currency translation adjustment	1	—	—	—
Employee benefit plans	(1)	(1)	(4)	(3)
Derivative instruments	(17)	1	(12)	3
Other comprehensive loss, net of income taxes	(17)	—	(16)	—
Comprehensive income	\$ 69	\$ 78	\$ 215	\$ 161

See accompanying notes to the condensed consolidated financial statements.

Reynolds Consumer Products Inc.
Condensed Consolidated Balance Sheets
(in millions, except for per share data)

	(Unaudited) As of September 30, 2024	As of December 31, 2023
Assets		
Cash and cash equivalents	\$ 96	\$ 115
Accounts receivable (net of allowance for doubtful accounts of \$1 and \$1)	339	347
Other receivables	3	7
Related party receivables	6	7
Inventories	624	524
Other current assets	37	41
Total current assets	1,105	1,041
Property, plant and equipment (net of accumulated depreciation of \$946 and \$897)	734	732
Operating lease right-of-use assets, net	74	56
Goodwill	1,895	1,895
Intangible assets, net	980	1,001
Other assets	55	55
Total assets	\$ 4,843	\$ 4,780
Liabilities		
Accounts payable	\$ 335	\$ 219
Related party payables	28	34
Current operating lease liabilities	19	16
Income taxes payable	1	22
Accrued and other current liabilities	160	187
Total current liabilities	543	478
Long-term debt	1,735	1,832
Long-term operating lease liabilities	59	42
Deferred income taxes	344	357
Long-term postretirement benefit obligation	16	16
Other liabilities	81	72
Total liabilities	\$ 2,778	\$ 2,797
Commitments and contingencies (Note 7)		
Stockholders' equity		
Common stock, \$0.001 par value; 2,000 shares authorized; 210.1 shares issued and outstanding	—	—
Additional paid-in capital	1,409	1,396
Accumulated other comprehensive income	34	50
Retained earnings	622	537
Total stockholders' equity	2,065	1,983
Total liabilities and stockholders' equity	\$ 4,843	\$ 4,780

See accompanying notes to the condensed consolidated financial statements.

Reynolds Consumer Products Inc.
Condensed Consolidated Statements of Stockholders' Equity
(in millions, except for per share data)
(Unaudited)

	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income	Total Equity
Balance as of December 31, 2022	\$ —	\$ 1,385	\$ 431	\$ 52	\$ 1,868
Net income	—	—	17	—	17
Other comprehensive loss, net of income taxes	—	—	—	(13)	(13)
Dividends (\$0.23 per share declared and paid)	—	—	(48)	—	(48)
Other	—	1	—	—	1
Balance as of March 31, 2023	\$ —	\$ 1,386	\$ 400	\$ 39	\$ 1,825
Net income	—	—	66	—	66
Other comprehensive income, net of income taxes	—	—	—	13	13
Dividends (\$0.23 per share declared and paid)	—	—	(48)	—	(48)
Other	—	3	—	—	3
Balance as of June 30, 2023	\$ —	\$ 1,389	\$ 418	\$ 52	\$ 1,859
Net income	—	—	78	—	78
Dividends (\$0.23 per share declared and paid)	—	—	(48)	—	(48)
Other	—	3	—	—	3
Balance as of September 30, 2023	\$ —	\$ 1,392	\$ 448	\$ 52	\$ 1,892
Balance as of December 31, 2023	\$ —	\$ 1,396	\$ 537	\$ 50	\$ 1,983
Net income	—	—	49	—	49
Other comprehensive income, net of income taxes	—	—	—	3	3
Dividends (\$0.23 per share declared and paid)	—	—	(48)	—	(48)
Other	—	3	(1)	—	2
Balance as of March 31, 2024	\$ —	\$ 1,399	\$ 537	\$ 53	\$ 1,989
Net income	—	—	97	—	97
Other comprehensive loss, net of income taxes	—	—	—	(2)	(2)
Dividends (\$0.23 per share declared and paid)	—	—	(48)	—	(48)
Other	—	5	(1)	—	4
Balance as of June 30, 2024	\$ —	\$ 1,404	\$ 585	\$ 51	\$ 2,040
Net income	—	—	86	—	86
Other comprehensive loss, net of income taxes	—	—	—	(17)	(17)
Dividends (\$0.23 per share declared and paid)	—	—	(48)	—	(48)
Other	—	5	(1)	—	4
Balance as of September 30, 2024	\$ —	\$ 1,409	\$ 622	\$ 34	\$ 2,065

See accompanying notes to the condensed consolidated financial statements.

Reynolds Consumer Products Inc.
Condensed Consolidated Statements of Cash Flows
(in millions)
(Unaudited)

	Nine Months Ended September 30,	
	2024	2023
Cash provided by operating activities		
Net income	\$ 231	\$ 161
Adjustments to reconcile net income to operating cash flows:		
Depreciation and amortization	96	92
Deferred income taxes	(10)	(3)
Stock compensation expense	14	10
Change in assets and liabilities:		
Accounts receivable, net	8	3
Other receivables	4	11
Related party receivables	1	(2)
Inventories	(100)	146
Accounts payable	119	(5)
Related party payables	(6)	(16)
Income taxes payable / receivable	(20)	(11)
Accrued and other current liabilities	(26)	39
Other assets and liabilities	(4)	(2)
Net cash provided by operating activities	307	423
Cash used in investing activities		
Acquisition of property, plant and equipment	(79)	(77)
Net cash used in investing activities	(79)	(77)
Cash used in financing activities		
Repayment of long-term debt	(100)	(113)
Dividends paid	(144)	(144)
Other financing activities	(3)	(3)
Net cash used in financing activities	(247)	(260)
Net (decrease) increase in cash and cash equivalents	(19)	86
Cash and cash equivalents at beginning of period	115	38
Cash and cash equivalents at end of period	\$ 96	\$ 124
Cash paid:		
Interest - long-term debt, net of interest rate swaps	76	86
Income taxes	91	65

See accompanying notes to the condensed consolidated financial statements.

Note 1 – Description of Business and Basis of Presentation

Description of Business:

Reynolds Consumer Products Inc. and its subsidiaries (“we”, “us” or “our”) produce and sell products across three broad categories: cooking products, waste and storage products and tableware. We sell our products under brands such as Reynolds and Hefty, and also under store brands. Our product portfolio includes aluminum foil, wraps, disposable bakeware, trash bags, food storage bags and disposable tableware. We report four business segments: Reynolds Cooking & Baking; Hefty Waste & Storage; Hefty Tableware; and Presto Products.

Basis of Presentation:

We have prepared the accompanying unaudited condensed consolidated financial statements in accordance with United States generally accepted accounting principles (“GAAP”) for interim financial information and the instructions to the Quarterly Report on Form 10-Q and Article 10 of Regulation S-X issued by the U.S. Securities and Exchange Commission (“SEC”). Accordingly, they do not include all of the information and notes required by GAAP for comprehensive annual financial statements.

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting policies described in our Annual Report on Form 10-K for the year ended December 31, 2023, and should be read in conjunction with the disclosures therein. In our opinion, these interim condensed consolidated financial statements reflect all adjustments, consisting of normal recurring adjustments, necessary to state fairly the financial condition, results of operations and cash flows for the periods presented. Operating results for interim periods are not necessarily indicative of annual operating results.

Non-Cash Lease Transactions:

We recorded \$32 million in new operating lease right-of-use assets obtained in exchange for lease liabilities during the nine months ended September 30, 2024. New operating lease right-of-use assets obtained in exchange for lease liabilities during the nine months ended September 30, 2023, were not material.

New finance lease right-of-use assets obtained in exchange for lease liabilities for the nine months ended September 30, 2024 and 2023, were not material.

Supply Chain Financing:

In March 2023, we initiated a voluntary Supply Chain Finance program (the “SCF”) with a global financial institution (the “SCF Bank”). Under the SCF, qualifying suppliers may elect to sell their receivables from us to the SCF Bank. These participating suppliers negotiate their receivables sales arrangements directly with the SCF Bank. We are not party to those agreements, nor do we provide any security or other forms of guarantees to the SCF Bank. The participation in the program is at the sole discretion of the supplier, we have no economic interest in a supplier’s decision to enter into the agreement and have no direct financial relationship with the SCF Bank, as it relates to the SCF. Once a qualifying supplier elects to participate in the SCF and reaches an agreement with the SCF Bank, they elect which individual invoices they sell to the SCF Bank.

The terms of our payment obligations are not impacted by a supplier’s participation in the SCF and as such, the SCF has no impact on our balance sheets, cash flows, or liquidity. Our payment terms with our suppliers for similar services and materials within individual markets are consistent between suppliers that elect to participate in the SCF and those that do not participate.

All outstanding amounts related to suppliers participating in the SCF are recorded within accounts payable in our condensed consolidated balance sheet and associated payments are included as an operating cash flow in the condensed consolidated statement of cash flows. As of September 30, 2024, the amount of obligations outstanding that we have confirmed as valid under the SCF was \$8 million. As of December 31, 2023, the amount of obligations outstanding that we had confirmed as valid under the SCF was \$19 million.

Note 2 – New Accounting Standards

Recently Adopted Accounting Guidance:

In September 2022, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2022-04, *Liabilities - Supplier Finance Programs (Subtopic 405-50): Disclosure of Supplier Finance Program Obligations*. These amendments require disclosure of the key terms of outstanding supplier finance programs and a rollforward of the related obligations. These amendments were effective for fiscal years beginning after December 31, 2022, except for the amendment on rollforward information, which is effective for fiscal years beginning after December 31, 2023. We adopted the standard as of January 1, 2023, other than the amendment on rollforward information, which will be adopted prospectively in our Annual Report on Form 10-K for the year ending December 31, 2024 as required. The adoption relates to disclosure only, and does not have an impact on our condensed consolidated financial statements.

Accounting Guidance Issued But Not Yet Adopted:

In November 2023, FASB issued ASU 2023-07, *Segment Reporting (Topic 280)*, which enhances disclosures about significant segment expenses by requiring disclosure of incremental segment information on an annual and interim basis. This ASU is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. We are currently assessing the impact of this standard on our consolidated financial statements.

In December 2023, FASB issued ASU 2023-09, *Income Taxes (Topic 740)*, which enhances disclosures within the income tax rate reconciliation and information disclosed related to income taxes paid, and requires disaggregation of certain financial statement captions between domestic, foreign, federal and state. This ASU is effective for annual periods beginning after December 15, 2024, with early adoption permitted. We are currently assessing the impact of this standard on our consolidated financial statements.

In March 2024, the SEC adopted final rules under SEC Release No. 33-11275, *The Enhancement and Standardization of Climate-Related Disclosures for Investors*, which will require public companies to include climate-related disclosures in their annual reports and registration statements. The final rules will require, among other matters, information about climate-related risks that have materially impacted, or are reasonably likely to have a material impact on, a registrant, including on its strategy, results of operations, or financial condition. In addition, under the final rules, certain disclosures related to severe weather events and other natural conditions will be required in the audited financial statements. The disclosure requirements related to financial statements are expected to be effective for our Annual Report on Form 10-K for the fiscal year ended December 31, 2025. We are currently assessing the impact of these rules on our consolidated financial statements and related disclosures.

Note 3 – Inventories

Inventories consisted of the following:

	September 30, 2024	December 31, 2023
	(in millions)	
Raw materials	\$ 139	\$ 153
Work in progress	53	60
Finished goods	375	260
Spare parts	57	51
Inventories	\$ 624	\$ 524

Note 4 – Debt

Long-term debt consisted of the following:

	September 30, 2024	December 31, 2023
	(in millions)	
Term loan facility	\$ 1,745	\$ 1,845
Deferred financing transaction costs	(9)	(12)
Original issue discounts	(1)	(1)
	1,735	1,832
Less: current portion	—	—
Long-term debt	\$ 1,735	\$ 1,832

External Debt Facilities

In February 2020, we entered into new external debt facilities (“External Debt Facilities”), which consisted of (i) a \$2,475 million senior secured term loan facility (“Term Loan Facility”); and (ii) a \$250 million senior secured revolving credit facility (“Revolving Facility”). In February 2023, we amended the External Debt Facilities (“Amendment No.1”) which replaced the interest rate benchmark from the London Interbank Offered Rate (“LIBOR”) to the Secured Overnight Financing Rate (“SOFR”). Additionally, in November 2023, we further amended the External Debt Facilities (“Amendment No. 2”) to extend the maturity of the Revolving Facility by one year. Other than the foregoing, the material terms of the External Debt Facilities, as amended by Amendment No. 1 and Amendment No. 2 (“Amended External Debt Facilities”) remain unchanged, and our election to use practical expedients under ASU 2020-04 and ASU 2021-01 resulted in no material impacts on our condensed consolidated financial statements.

Borrowings under the Amended External Debt Facilities bear interest at a rate per annum equal to, at our option, either a base rate plus an applicable margin of 0.75% or a SOFR plus an applicable margin of 1.75%. We have entered into a series of interest rate swaps to hedge a portion of the interest rate exposure resulting from these borrowings. Refer to Note 5 – Financial Instruments for further details.

The Amended External Debt Facilities contain a springing financial covenant requiring compliance with a ratio of first lien net indebtedness to consolidated EBITDA, applicable solely to the Revolving Facility. The financial covenant is tested on the last day of any fiscal quarter only if the aggregate principal amount of borrowings under the Revolving Facility and drawn but unreimbursed letters of credit exceed 35% of the total amount of commitments under the Revolving Facility on such day. We are currently in compliance with the covenants contained in our Amended External Debt Facilities.

If an event of default occurs, the lenders under the Amended External Debt Facilities are entitled to take various actions, including the acceleration of amounts due under the Amended External Debt Facilities and all actions permitted to be taken by secured creditors.

Term Loan Facility

The Term Loan Facility matures in February 2027. The Term Loan Facility amortizes in equal quarterly installments of \$6 million, which commenced in June 2020, with the balance payable on maturity. During the year ended December 31, 2023, we made voluntary principal payments of \$250 million related to our Term Loan Facility, which were first applied to pay the remaining quarterly amortization payments in full, with the residual balance applied to the outstanding principal balance due at maturity. During the three and nine months ended September 30, 2024, we made voluntary principal payments of \$50 million and \$100 million, respectively, related to our Term Loan Facility, which were applied to the outstanding principal balance due at maturity.

Revolving Facility

In November 2023, we amended the External Debt Facilities to extend the maturity date of the Revolving Facility by one year. The Revolving Facility matures in February 2026 and includes a sub-facility for letters of credit. As of September 30, 2024, we had no outstanding borrowings under the Revolving Facility, and we had \$6 million of letters of credit outstanding, which reduces the borrowing capacity under the Revolving Facility.

Fair Value of Our Long-Term Debt

The fair value of our long-term debt as of September 30, 2024, which is a Level 2 fair value measurement, approximates the carrying value due to the variable market interest rate and the stability of our credit profile.

Note 5 - Financial Instruments

Interest Rate Derivatives

During 2020 and 2022, we entered into a series of interest rate swaps to fix the LIBOR of our External Debt Facilities. In February 2023, we amended our interest rate swaps to replace the interest rate benchmark from the LIBOR to SOFR. Other than the foregoing, the material terms of the interest rate swap agreements remained unchanged, and our election to use practical expedients under ASUs 2020-04 and 2021-01, resulted in no material impacts on our condensed consolidated financial statements. The aggregate notional amount of the interest rate swaps still in effect as of September 30, 2024 was \$1,150 million, and the SOFR is fixed at an annual rate of 0.40% to 3.40% (for an annual effective interest rate of 2.15% to 5.15%, including margin).

The interest rate swaps outstanding as of September 30, 2024 hedge a portion of the interest rate exposure resulting from our Term Loan Facility for a period of approximately one to two years. We classified these instruments as cash flow hedges. The effective portion of the gain or loss on the open hedging instrument is recorded in accumulated other comprehensive income and is reclassified into earnings as interest expense, net when settled. The associated asset or liability on the open hedges is recorded at its fair value in other assets or other liabilities, as applicable. The fair value of the interest rate swaps was determined using a discounted cash flow method based on market-based swap yield curves, taking into account current interest rates, and is classified as Level 2 within the fair value hierarchy.

The following table provides the notional amounts, the annual rates, the weighted average annual effective rates, and the fair value of our interest rate derivatives:

(In millions)	Notional Amount	Annual Rate	Weighted Average Annual Effective Rate	Fair Value - Other Current Assets	Fair Value - Other Assets
As of September 30, 2024	\$ 1,150	2.15% to 5.15%	4.38 %	\$ 14	\$ —
As of December 31, 2023	\$ 1,150	2.15% to 5.15%	4.38 %	\$ 23	\$ 7

Note 6 – Stock-based Compensation

Our equity incentive plan was established in 2020, for purposes of granting stock-based compensation awards to certain members of our senior management, our non-executive directors and to certain employees, to incentivize their performance and align their interests with ours. We have granted restricted stock units (“RSUs”) to certain employees and non-employee directors that have a service-based vesting condition. In addition, we have granted performance stock units (“PSUs”) to certain members of management that have a performance-based vesting condition. We account for forfeitures of outstanding but unvested grants in the period they occur. A maximum of 10.5 million shares of common stock were initially available for issuance under equity incentive awards granted pursuant to the plan. In the three and nine months ended September 30, 2024, zero and 0.3 million RSUs and zero and 0.3 million PSUs were granted, respectively.

As of September 30, 2024, there were stock-based compensation awards representing 1.4 million shares outstanding compared to 0.8 million shares outstanding as of December 31, 2023. Stock-based compensation expense was \$5 million and \$14 million for the three and nine months ended September 30, 2024, respectively, compared to \$3 million and \$10 million in the comparable prior year periods.

Note 7 – Commitments and Contingencies

Legal Proceedings:

We are from time to time party to litigation, legal proceedings and tax examinations arising from our operations. Most of these matters involve allegations of damages against us relating to employment matters, consumer complaints, advertising/labelling claims, personal injury and commercial or contractual disputes. We record estimates for claims and proceedings that constitute a present obligation when it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of such obligation can be made. While it is not possible to predict the outcome of any of these matters, based on our assessment of the facts and circumstances as of September 30, 2024, we do not believe any of these matters, individually or in the aggregate, will have a material adverse effect on our financial position, results of operations or cash flows. However, actual outcomes may differ from those expected and could have a material effect on our financial position, results of operations or cash flows in a future period.

Note 8 – Accumulated Other Comprehensive Income

The following table summarizes the changes in our balances of each component of accumulated other comprehensive income.

(In millions)	Currency Translation Adjustments	Employee Benefit Plans	Derivative Instruments	Accumulated Other Comprehensive Income
Balance as of December 31, 2022	\$ (7)	\$ 23	\$ 36	\$ 52
Loss arising during the period	—	—	(10)	(10)
Reclassification to earnings	—	(1)	(6)	(7)
Effect of deferred taxes	—	—	4	4
Balance as of March 31, 2023	\$ (7)	\$ 22	\$ 24	\$ 39
Gain arising during the period	—	—	25	25
Reclassification to earnings	—	(1)	(7)	(8)
Effect of deferred taxes	—	—	(4)	(4)
Balance as of June 30, 2023	\$ (7)	\$ 21	\$ 38	\$ 52
Gain arising during the period	—	—	9	9
Reclassification to earnings	—	(1)	(8)	(9)
Effect of deferred taxes	—	—	—	—
Balance as of September 30, 2023	\$ (7)	\$ 20	\$ 39	\$ 52
Balance as of December 31, 2023	\$ (7)	\$ 34	\$ 23	\$ 50
Gain (loss) arising during the period	(1)	—	15	14
Reclassification to earnings	—	(1)	(8)	(9)
Effect of deferred taxes	—	—	(2)	(2)
Balance as of March 31, 2024	(8)	33	28	53
Gain arising during the period	—	—	8	8
Reclassification to earnings	—	(2)	(8)	(10)
Effect of deferred taxes	—	—	—	—
Balance as of June 30, 2024	(8)	31	28	51
Gain (loss) arising during the period	1	—	(13)	(12)
Reclassification to earnings	—	(1)	(9)	(10)
Effect of deferred taxes	—	—	5	5
Balance as of September 30, 2024	\$ (7)	\$ 30	\$ 11	\$ 34

Note 9 - Income Taxes

For the three months ended September 30, 2024, we recorded income tax expense of \$27 million on income before income taxes of \$113 million, or an effective tax rate of 24.1%, compared to income tax expense of \$25 million on income before income taxes of \$103 million, or an effective tax rate of 24.5%, for the three months ended September 30, 2023.

For the nine months ended September 30, 2024, we recorded income tax expense of \$62 million on income before income taxes of \$293 million, or an effective tax rate of 21.1%, compared to income tax expense of \$54 million on income before income taxes of \$215 million, or an effective tax rate of 24.9% for the nine months ended September 30, 2023.

For the nine months ended September 30, 2024, our income tax expense included a discrete tax benefit for the remeasurement of deferred tax liabilities due to a change in our state tax rates after apportionment.

Note 10 – Segment Information

Our Chief Executive Officer, who has been identified as our Chief Operating Decision Maker (“CODM”), has evaluated how he views and measures our performance. In applying the criteria set forth in the standards for reporting information about segments in financial statements, we have determined that we have four reportable segments - Reynolds Cooking & Baking, Hefty Waste & Storage, Hefty Tableware and Presto Products. The key factors used to identify these reportable segments are the organization and alignment of our internal operations and the nature of our products. This reflects how our CODM monitors performance, allocates capital and makes strategic and operational decisions. Our segments are described as follows:

Reynolds Cooking & Baking

Our Reynolds Cooking & Baking segment produces branded and store brand aluminum foil, disposable aluminum pans, parchment paper, freezer paper, wax paper, butcher paper, plastic wrap, baking cups, oven bags and slow cooker liners. Our branded products are sold under the Reynolds Wrap, Reynolds KITCHENS and EZ Foil brands in the United States and selected international markets, under the ALCAN brand in Canada and under the Diamond brand outside of North America.

Hefty Waste & Storage

Our Hefty Waste & Storage segment produces both branded and store brand trash and food storage bags. Our branded products are sold under the Hefty Ultra Strong and Hefty Strong brands for trash bags, and as the Hefty and Baggies brands for our food storage bags.

Hefty Tableware

Our Hefty Tableware segment sells both branded and store brand disposable and compostable plates, bowls, platters, cups and cutlery. Our Hefty branded products include dishes and party cups.

Presto Products

Our Presto Products segment primarily sells store brand products in four main categories: food storage bags, trash bags, reusable storage containers and plastic wrap. Our Presto Products segment also includes our specialty business, which serves other consumer products companies by providing Fresh-Lock and Slide-Rite resealable closure systems.

Information by Segment

We present segment adjusted EBITDA (“Adjusted EBITDA”) as this is the financial measure by which management and our CODM allocate resources and analyze the performance of our reportable segments.

Adjusted EBITDA represents each segment’s earnings before interest, tax, depreciation and amortization and may be further adjusted to exclude certain non-recurring costs, if applicable.

Total assets by segment are those assets directly associated with the respective operating activities, comprising inventory, property, plant and equipment and operating lease right-of-use assets. Other assets, such as cash, accounts receivable and intangible assets, are monitored on an entity-wide basis and not included in segment information that is regularly reviewed by our CODM.

Transactions between segments are at negotiated prices.

	Reynolds Cooking & Baking	Hefty Waste & Storage	Hefty Tableware	Presto Products	Segment Total	Unallocated ⁽¹⁾	Total
Three Months Ended September 30, 2024							
	(in millions)						
Net revenues	\$ 305	\$ 245	\$ 217	\$ 146	\$ 913	\$ (3)	\$ 910
Intersegment revenues	—	3	—	3	6	(6)	—
Total segment net revenues	<u>\$ 305</u>	<u>\$ 248</u>	<u>\$ 217</u>	<u>\$ 149</u>	<u>\$ 919</u>	<u>\$ (9)</u>	<u>\$ 910</u>
Adjusted EBITDA	51	71	26	33	181		
Depreciation and amortization	8	6	6	5	25	8	33

	Reynolds Cooking & Baking	Hefty Waste & Storage	Hefty Tableware	Presto Products	Segment Total	Unallocated ⁽¹⁾	Total
Three Months Ended September 30, 2023							
	(in millions)						
Net revenues	\$ 312	\$ 241	\$ 233	\$ 147	\$ 933	\$ 2	\$ 935
Intersegment revenues	—	3	—	5	8	(8)	—
Total segment net revenues	<u>\$ 312</u>	<u>\$ 244</u>	<u>\$ 233</u>	<u>\$ 152</u>	<u>\$ 941</u>	<u>\$ (6)</u>	<u>\$ 935</u>
Adjusted EBITDA	51	71	41	31	194		
Depreciation and amortization	8	5	4	5	22	9	31

	Reynolds Cooking & Baking	Hefty Waste & Storage	Hefty Tableware	Presto Products	Segment Total	Unallocated ⁽¹⁾	Total
Nine Months Ended September 30, 2024							
	(in millions)						
Net revenues	\$ 873	\$ 707	\$ 667	\$ 434	\$ 2,681	\$ (6)	\$ 2,675
Intersegment revenues	—	8	—	9	17	(17)	—
Total segment net revenues	<u>\$ 873</u>	<u>\$ 715</u>	<u>\$ 667</u>	<u>\$ 443</u>	<u>\$ 2,698</u>	<u>\$ (23)</u>	<u>\$ 2,675</u>
Adjusted EBITDA	140	205	95	100	540		
Depreciation and amortization	24	16	14	16	70	26	96

	Reynolds Cooking & Baking	Hefty Waste & Storage	Hefty Tableware	Presto Products	Segment Total	Unallocated ⁽¹⁾	Total
Nine Months Ended September 30, 2023							
	(in millions)						
Net revenues	\$ 916	\$ 697	\$ 708	\$ 433	\$ 2,754	\$ (4)	\$ 2,750
Intersegment revenues	—	8	—	8	16	(16)	—
Total segment net revenues	<u>\$ 916</u>	<u>\$ 705</u>	<u>\$ 708</u>	<u>\$ 441</u>	<u>\$ 2,770</u>	<u>\$ (20)</u>	<u>\$ 2,750</u>
Adjusted EBITDA	94	188	117	78	477		
Depreciation and amortization	22	15	12	16	65	27	92

Segment assets consisted of the following:

	Reynolds Cooking & Baking	Hefty Waste & Storage	Hefty Tableware	Presto Products	Segment Total	Unallocated ⁽¹⁾	Total
	(in millions)						
As of September 30, 2024	\$ 596	\$ 279	\$ 247	\$ 251	\$ 1,373	\$ 3,470	\$ 4,843
As of December 31, 2023	556	267	216	239	1,278	3,502	4,780

(1) Unallocated includes the elimination of intersegment revenues, other revenue adjustments and certain corporate costs, depreciation and amortization and assets not allocated to segments. Unallocated assets are comprised of cash, accounts receivable, other receivables, entity-wide property, plant and equipment, entity-wide operating lease right-of-use assets, goodwill, intangible assets, related party receivables and other assets.

The following table presents a reconciliation of segment Adjusted EBITDA to GAAP income before income taxes:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
	(in millions)		(in millions)	
Segment Adjusted EBITDA	\$ 181	\$ 194	\$ 540	\$ 477
Corporate / unallocated expenses	(10)	(29)	(75)	(79)
	171	165	465	398
<i>Adjustments to reconcile to GAAP income before income taxes</i>				
Depreciation and amortization	(33)	(31)	(96)	(92)
Interest expense, net	(25)	(31)	(76)	(91)
Consolidated GAAP income before income taxes	\$ 113	\$ 103	\$ 293	\$ 215

Information in Relation to Products

Net revenues by product line are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
	(in millions)		(in millions)	
Waste and storage products ⁽¹⁾	\$ 397	\$ 396	\$ 1,158	\$ 1,146
Cooking products	305	312	873	916
Tableware	217	233	667	708
Unallocated	(9)	(6)	(23)	(20)
Net revenues	\$ 910	\$ 935	\$ 2,675	\$ 2,750

(1) Waste and storage products are comprised of our Hefty Waste & Storage and Presto Products segments.

Our different product lines are generally sold to a common group of customers. For all product lines, there is a relatively short time period between the receipt of the order and the transfer of control over the goods to the customer.

Note 11 – Related Party Transactions

Packaging Finance Limited (“PFL”) owns the majority of our outstanding common stock and owns the majority of the outstanding common stock of Pactiv Evergreen Inc. and its subsidiaries (“PEI Group”). We sell and purchase various goods and services with PEI Group under contractual arrangements that expire over a variety of periods through December 31, 2027. During the year ended December 31, 2023 and the nine months ended September 30, 2024, we amended these contractual arrangements with PEI Group, which, among other things, extended the expiration date for certain arrangements. Transactions between us and PEI Group are described below.

For each of the three and nine months ended September 30, 2024, revenues from products sold to PEI Group were \$18 million and \$57 million, respectively, compared to \$21 million and \$61 million in the comparable prior year periods. For the three and nine months ended September 30, 2024, products purchased from PEI Group were \$83 million and \$246 million, respectively, compared to \$92 million and \$291 million in the comparable prior year periods. For the three and nine months ended September 30, 2024, PEI Group charged us freight and warehousing costs of \$6 million and \$22 million, respectively, compared to \$9 million and \$28 million in the comparable prior year periods, which were included in cost of sales. The resulting related party receivables and payables are settled regularly in the normal course of business.

Furthermore, \$36 million of the dividends paid during each of the three months ended September 30, 2024 and September 30, 2023, and \$107 million of the dividends paid during each of the nine months ended September 30, 2024 and September 30, 2023, were paid to PFL.

Note 12 – Subsequent Events*Quarterly Cash Dividend*

On October 24, 2024, our Board of Directors approved a cash dividend of \$0.23 per common share to be paid on November 29, 2024 to shareholders of record on November 15, 2024.

External Debt Facilities

Subsequent to September 30, 2024, we made a voluntary principal payment of \$50 million related to our Term Loan Facility.

Additionally, we amended our Amended External Debt Facilities to replace the undrawn \$250 million revolving facility maturing in February 2026 with an undrawn \$700 million revolving facility maturing in October 2029. Our Term Loan Facility under the Credit Agreement continues to mature in February 2027.

Except as described above, there have been no events subsequent to September 30, 2024 which would require accrual or disclosure in these condensed consolidated financial statements.

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

Our management's discussion and analysis is intended to help the reader understand our results of operations and financial condition and is provided as an addition to, and should be read in connection with, our condensed consolidated financial statements and the accompanying notes included elsewhere in this Quarterly Report on Form 10-Q and our consolidated financial statements and the accompanying notes contained in our Annual Report on Form 10-K for the year ended December 31, 2023.

Description of the Company and its Business Segments

We are a market-leading consumer products company with a presence in 95% of households across the United States. We produce and sell products across three broad categories: cooking products, waste and storage products and tableware. We sell our products under iconic brands such as Reynolds and Hefty and also under store brands that are strategically important to our retail partners. Overall, across both our branded and store brand offerings, we hold the #1 or #2 U.S. market share position in the majority of product categories in which we participate. Over 65% of our revenue comes from products that are #1 in their respective categories. We have developed our market-leading position by investing in our product categories and consistently developing innovative products that meet the evolving needs and preferences of the modern consumer.

Our mix of branded and store brand products is a key competitive advantage that aligns our goal of growing the overall product categories where we have offerings. Our retail partners also measure their success in category growth, which positions us as a trusted strategic partner.

We manage our operations in four operating and reportable segments: Reynolds Cooking & Baking, Hefty Waste & Storage, Hefty Tableware and Presto Products:

- **Reynolds Cooking & Baking:** Through our Reynolds Cooking & Baking segment, we sell both branded and store brand aluminum foil, disposable aluminum pans, parchment paper, freezer paper, wax paper, butcher paper, plastic wrap, baking cups, oven bags and slow cooker liners. Our branded products are sold under the Reynolds Wrap, Reynolds KITCHENS and EZ Foil brands in the United States and selected international markets, under the ALCAN brand in Canada and under the Diamond brand outside of North America. With our flagship Reynolds Wrap products, we hold the #1 market position in the U.S. consumer foil market measured by retail sales and volume. We also hold the #1 market position in the Canadian branded foil market under the ALCAN brand. We have no significant branded competitor in this market. Reynolds is one of the most recognized household brands in the United States and has been the top trusted brand in the consumer foil market for over 75 years, with greater than 50% market share in most of its categories.
- **Hefty Waste & Storage:** Through our Hefty Waste & Storage segment, we produce both branded and store brand trash and food storage bags. Hefty is a well-recognized leader in the trash bag and food storage bag categories and our private label products offer value to our retail partners. Our branded products are sold under the Hefty Ultra Strong and Hefty Strong brands for trash bags, and as the Hefty and Baggies brands for our food storage bags. We have the #1 branded market share in the U.S. large black trash bag and slider bag segments, and the #2 branded market share in the tall kitchen trash bag segment. Our robust product portfolio in this segment includes a full suite of products, including sustainable solutions such as blue and clear recycling bags, compostable bags, bags made from recycled materials and orange bags through the Hefty ReNew™ Program.
- **Hefty Tableware:** Through our Hefty Tableware segment, we sell both branded and store brand disposable and compostable plates, bowls, platters, cups and cutlery. Our Hefty branded products include dishes and party cups. Hefty branded party cups are the #1 party cup in America measured by market share. Our branded products use our Hefty brand to represent both quality and great value, and we bring this same quality and value promise to all of our store brands as well. We sell across a broad range of materials and price points in all retail channels, allowing our consumers to select the product that best suits their price, function and aesthetic needs. These materials include sustainable solutions, such as Hefty ECOSAVE™ and Hefty Compostable Printed Paper Plates.
- **Presto Products:** Through our Presto Products segment, we primarily sell store brand products in four main categories: food storage bags, trash bags, reusable storage containers and plastic wrap. Presto Products is a market leader in food storage bags and differentiates itself by providing access to category management, consumer insights, marketing, merchandising and research and development ("R&D") resources. Presto Products was the first in the U.S. market to offer a store branded sandwich bag made with an approximately 20% proprietary blend of plant and ocean, renewable materials. Our Presto Products segment also includes our specialty business, which serves other consumer products companies by providing Fresh-Lock and Slide-Rite resealable closure systems.

Overview

Total net revenues decreased 3% in the three months ended September 30, 2024 compared to the same period in 2023. The revenue decrease was primarily due to lower volume.

Total net revenues decreased 3% in the nine months ended September 30, 2024 compared to the same period in 2023. The revenue decrease was primarily due to lower volume.

During the three months ended September 30, 2024, our net income increased by 10%, primarily driven by lower selling, general and administrative expenses, lower material and manufacturing costs and lower interest expense. These were partially offset by higher income tax expense as a result of higher pre-tax income.

During the nine months ended September 30, 2024, our net income increased by 43%, primarily driven by lower material and manufacturing costs and lower interest expense. These were partially offset by higher income tax expense as a result of higher pre-tax income.

Non-GAAP Measures

In this Quarterly Report on Form 10-Q we use the non-GAAP financial measure “Adjusted EBITDA”, which is a non- GAAP measure.

We define Adjusted EBITDA as net income calculated in accordance with GAAP, plus the sum of income tax expense, net interest expense, depreciation and amortization and as may be further adjusted to exclude certain non-recurring items, if applicable.

We present Adjusted EBITDA because it is a key measure used by our management team to evaluate our operating performance, generate future operating plans and make strategic decisions. In addition, our chief operating decision maker uses Adjusted EBITDA of each reportable segment to evaluate the operating performance of such segments. Accordingly, we believe presenting this measure provides useful information to investors and others in understanding and evaluating our operating results in the same manner as our management team and board of directors.

Non-GAAP information should be considered as supplemental in nature and is not meant to be considered in isolation or as a substitute for the related financial information prepared in accordance with GAAP. In addition, our non-GAAP financial measures may not be the same as or comparable to similar non-GAAP financial measures presented by other companies.

The following table presents a reconciliation of our net income, the most directly comparable GAAP financial measure, to Adjusted EBITDA:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
	(in millions)		(in millions)	
Net income – GAAP	\$ 86	\$ 78	\$ 231	\$ 161
Income tax expense	27	25	62	54
Interest expense, net	25	31	76	91
Depreciation and amortization	33	31	96	92
Adjusted EBITDA (Non-GAAP)	\$ 171	\$ 165	\$ 465	\$ 398

Results of Operations – Three Months Ended September 30, 2024

The following discussion should be read in conjunction with our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q. Detailed comparisons of revenue and results are presented in the discussions of the operating segments, which follow our consolidated results discussion.

Certain discussions in this section provide a breakdown of net revenues between our retail and non-retail businesses. Our retail business net revenues consist of sales to grocery stores, mass merchants, warehouse clubs, discount chains, dollar stores, drug stores, home improvement stores, military outlets and eCommerce retailers. Our non-retail business net revenues consist of aluminum sales to food service customers, which are classified as related party revenues, and industrial customers.

Aggregation of Segment Revenue and Adjusted EBITDA

(in millions)	Reynolds Cooking & Baking	Hefty Waste & Storage	Hefty Tableware	Presto Products	Unallocated ⁽¹⁾	Total Reynolds Consumer Products
Net revenues for the three months ended September 30:						
2024	\$ 305	\$ 248	\$ 217	\$ 149	\$ (9)	\$ 910
2023	312	244	233	152	(6)	935
Adjusted EBITDA ⁽²⁾ for the three months ended September 30:						
2024	\$ 51	\$ 71	\$ 26	\$ 33	\$ (10)	\$ 171
2023	51	71	41	31	(29)	165

(1) The unallocated net revenues include elimination of intersegment revenues and other revenue adjustments. The unallocated Adjusted EBITDA represents the combination of corporate expenses which are not allocated to our segments and other unallocated revenue adjustments.

(2) Adjusted EBITDA is a non-GAAP measure. See “Non-GAAP Measures” for details, including a reconciliation between net income and Adjusted EBITDA.

Three Months Ended September 30, 2024 Compared with the Three Months Ended September 30, 2023

Total Reynolds Consumer Products

(in millions, except for %)	For the Three Months Ended September 30,					
	2024	% of Revenue	2023	% of Revenue	Change	% Change
Net revenues	\$ 892	98 %	\$ 914	98 %	\$ (22)	(2) %
Related party net revenues	18	2 %	21	2 %	(3)	(14) %
Total net revenues	910	100 %	935	100 %	(25)	(3) %
Cost of sales	(671)	(74) %	(686)	(73) %	15	2 %
Gross profit	239	26 %	249	27 %	(10)	(4) %
Selling, general and administrative expenses	(101)	(11) %	(115)	(12) %	14	12 %
Other expense, net	—	— %	—	— %	—	NM
Income from operations	138	15 %	134	14 %	4	3 %
Interest expense, net	(25)	(3) %	(31)	(3) %	6	19 %
Income before income taxes	113	12 %	103	11 %	10	10 %
Income tax expense	(27)	(3) %	(25)	(3) %	(2)	(8) %
Net income	\$ 86	9 %	\$ 78	8 %	\$ 8	10 %
Adjusted EBITDA ⁽¹⁾	\$ 171	19 %	\$ 165	18 %	\$ 6	4 %

NM - Percentage change is not meaningful.

(1) Adjusted EBITDA is a non-GAAP measure. See “Non-GAAP Measures” for details, including a reconciliation between net income and Adjusted EBITDA.

Components of Change in Net Revenues for the Three Months Ended September 30, 2024 vs. the Three Months Ended September 30, 2023

	Price	Volume/Mix		Total
		Retail	Non-Retail	
Reynolds Cooking & Baking	— %	(3) %	1 %	(2) %
Hefty Waste & Storage	— %	2 %	— %	2 %
Hefty Tableware	(3) %	(4) %	— %	(7) %
Presto Products	— %	(2) %	— %	(2) %
Total RCP	(1) %	(2) %	— %	(3) %

Total Net Revenues. Total net revenues decreased by \$25 million, or 3%, to \$910 million. The decrease was primarily driven by lower volume.

Cost of Sales. Cost of sales decreased by \$15 million, or 2%, to \$671 million. The decrease was primarily driven by lower material and manufacturing costs, as well as lower volume.

Selling, General and Administrative Expenses. Selling, general and administrative expenses decreased by \$14 million, or 12%, to \$101 million, primarily due to lower personnel costs.

Other Expense, Net. Other expense, net was zero in each of the three months ended September 30, 2024 and 2023.

Interest Expense, Net. Interest expense, net decreased by \$6 million, or 19%, to \$25 million. The decrease was primarily due to a lower outstanding principal balance as a result of voluntary principal payments made on our term loan facility.

Income Tax Expense. We recognized income tax expense of \$27 million on income before income taxes of \$113 million (an effective tax rate of 24.1%) for the three months ended September 30, 2024 compared to income tax expense of \$25 million on income before income taxes of \$103 million (an effective tax rate of 24.5%) for the three months ended September 30, 2023.

Adjusted EBITDA. Adjusted EBITDA increased by \$6 million, or 4%, to \$171 million. The increase in Adjusted EBITDA was primarily due to lower selling, general and administrative expenses as well as lower material and manufacturing costs, partially offset by lower volume.

Segment Information

Reynolds Cooking & Baking

(in millions, except for %)	For the Three Months Ended September 30,			
	2024	2023	Change	% Change
Retail net revenues	\$ 251	\$ 261	(10)	(4) %
Non-retail net revenues	\$ 54	\$ 51	3	6 %
Total segment net revenues	\$ 305	\$ 312	\$ (7)	(2) %
Segment Adjusted EBITDA	51	51	—	— %
Segment Adjusted EBITDA Margin	17 %	16 %		

Total Segment Net Revenues. Reynolds Cooking & Baking total segment net revenues decreased by \$7 million, or 2%, to \$305 million. The decrease in net revenues was primarily due to lower retail volume.

Adjusted EBITDA. Reynolds Cooking & Baking Adjusted EBITDA was \$51 million in each period. This was driven by lower material and manufacturing costs, offset by the impact of lower revenue.

Hefty Waste & Storage

(in millions, except for %)	For the Three Months Ended September 30,			
	2024	2023	Change	% Change
Total segment net revenues	\$ 248	\$ 244	\$ 4	2 %
Segment Adjusted EBITDA	71	71	—	— %
Segment Adjusted EBITDA Margin	29 %	29 %		

Total Segment Net Revenues. Hefty Waste & Storage total segment net revenues increased \$4 million, or 2%, to \$248 million. The increase in net revenues was primarily due to higher volume.

Adjusted EBITDA. Hefty Waste & Storage Adjusted EBITDA was \$71 million in each period. This was driven by the benefit of increased revenue, offset by increased advertising costs.

Hefty Tableware

(in millions, except for %)	For the Three Months Ended September 30,			
	2024	2023	Change	% Change
Total segment net revenues	\$ 217	\$ 233	\$ (16)	(7) %
Segment Adjusted EBITDA	26	41	(15)	(37) %
Segment Adjusted EBITDA Margin	12 %	18 %		

Total Segment Net Revenues. Hefty Tableware total segment net revenues decreased by \$16 million, or 7%, to \$217 million. The decrease in net revenues was primarily due to lower foam volume and lower pricing, which was primarily related to the timing of promotional activities.

Adjusted EBITDA. Hefty Tableware Adjusted EBITDA decreased by \$15 million, or 37%, to \$26 million. The decrease in Adjusted EBITDA was primarily driven by the impact of lower revenue and higher material and manufacturing costs.

Presto Products

(in millions, except for %)	For the Three Months Ended September 30,			
	2024	2023	Change	% Change
Total segment net revenues	\$ 149	\$ 152	\$ (3)	(2) %
Segment Adjusted EBITDA	33	31	2	6 %
Segment Adjusted EBITDA Margin	22 %	20 %		

Total Segment Net Revenues. Presto Products total segment net revenues decreased by \$3 million, or 2%, to \$149 million. The decrease in net revenues was primarily due to lower volume.

Adjusted EBITDA. Presto Products Adjusted EBITDA increased by \$2 million, or 6%, to \$33 million. The increase in Adjusted EBITDA was primarily driven by product portfolio optimization.

Results of Operations – Nine Months Ended September 30, 2024

The following discussion should be read in conjunction with our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q. Detailed comparisons of revenue and results are presented in the discussions of the operating segments, which follow our consolidated results discussion.

Aggregation of Segment Revenue and Adjusted EBITDA

(in millions)	Reynolds Cooking & Baking	Hefty Waste & Storage	Hefty Tableware	Presto Products	Unallocated ⁽¹⁾	Total Reynolds Consumer Products
Net revenues for the nine months ended September 30:						
2024	\$ 873	\$ 715	\$ 667	\$ 443	\$ (23)	\$ 2,675
2023	916	705	708	441	(20)	2,750
Adjusted EBITDA ⁽²⁾ for the nine months ended September 30:						
2024	\$ 140	\$ 205	\$ 95	\$ 100	\$ (75)	\$ 465
2023	94	188	117	78	(79)	398

(1) The unallocated net revenues include elimination of intersegment revenues and other revenue adjustments. The unallocated Adjusted EBITDA represents the combination of corporate expenses which are not allocated to our segments and other unallocated revenue adjustments.

(2) Adjusted EBITDA is a non-GAAP measure. See “Non-GAAP Measures” for details, including a reconciliation between net income and Adjusted EBITDA.

Nine Months Ended September 30, 2024 Compared with the Nine Months Ended September 30, 2023

Total Reynolds Consumer Products

(in millions, except for %)	For the Nine Months Ended September 30,					
	2024	% of Revenue	2023	% of Revenue	Change	% Change
Net revenues	\$ 2,618	98 %	\$ 2,689	98 %	\$ (71)	(3) %
Related party net revenues	57	2 %	61	2 %	(4)	(7) %
Total net revenues	2,675	100 %	2,750	100 %	(75)	(3) %
Cost of sales	(1,977)	(74) %	(2,117)	(77) %	140	7 %
Gross profit	698	26 %	633	23 %	65	10 %
Selling, general and administrative expenses	(329)	(12) %	(327)	(12) %	(2)	(1) %
Other expense, net	—	— %	—	— %	—	NM %
Income from operations	369	14 %	306	11 %	63	21 %
Interest expense, net	(76)	(3) %	(91)	(3) %	15	16 %
Income before income taxes	293	11 %	215	8 %	78	36 %
Income tax expense	(62)	(2) %	(54)	(2) %	(8)	(15) %
Net income	\$ 231	9 %	\$ 161	6 %	\$ 70	43 %
Adjusted EBITDA ⁽¹⁾	\$ 465	17 %	\$ 398	14 %	\$ 67	17 %

NM - Percentage change is not meaningful.

(1) Adjusted EBITDA is a non-GAAP measure. See “Non-GAAP Measures” for details, including a reconciliation between net income and Adjusted EBITDA.

Components of Change in Net Revenues for the Nine Months Ended September 30, 2024 vs. the Nine Months Ended September 30, 2023

	Price	Volume/Mix		Total
		Retail	Non-Retail	
Reynolds Cooking & Baking	— %	(2) %	(3) %	(5) %
Hefty Waste & Storage	1 %	— %	— %	1 %
Hefty Tableware	(2) %	(4) %	— %	(6) %
Presto Products	1 %	(1) %	— %	— %
Total RCP	— %	(2) %	(1) %	(3) %

Total Net Revenues. Total net revenues decreased by \$75 million, or 3%, to \$2,675 million. The decrease was driven by lower volume in our retail and non-retail businesses.

Cost of Sales. Cost of sales decreased by \$140 million, or 7%, to \$1,977 million. The decrease was driven by the impact of lower revenue as well as lower material and manufacturing costs.

Selling, General and Administrative Expenses. Selling, general and administrative expenses increased by \$2 million, or 1%, to \$329 million primarily due to higher advertising costs.

Other Expense, Net. Other expense, net was zero in each of the nine months ended September 30, 2024 and 2023.

Interest Expense, Net. Interest expense, net decreased by \$15 million, or 16%, to \$76 million. The decrease was primarily due to a lower outstanding principal balance on our external debt facilities as a result of principal payments made on our term loan facility throughout 2023 and in the first nine months of 2024.

Income Tax Expense. Our effective tax rate declined by 3.8%, from 24.9% for the nine months ended September 30, 2023 to 21.1% for the nine months ended September 30, 2024. The decrease was primarily due to the recognition of a discrete tax benefit for the remeasurement of deferred tax liabilities in the second quarter of 2024.

Adjusted EBITDA. Adjusted EBITDA increased by \$67 million, or 17%, to \$465 million. The increase in Adjusted EBITDA was primarily attributable to lower material and manufacturing costs, partially offset by the impact of lower revenue and higher advertising costs.

Segment Information

Reynolds Cooking & Baking

(in millions, except for %)	For the Nine Months Ended September 30,			
	2024	2023	Change	% Change
Retail net revenues	\$ 742	\$ 753	\$ (11)	(1) %
Non-retail net revenues	131	163	(32)	(20) %
Total segment net revenues	\$ 873	\$ 916	\$ (43)	(5) %
Segment Adjusted EBITDA	140	94	46	49 %
Segment Adjusted EBITDA Margin	16 %	10 %		

Total Segment Net Revenues. Reynolds Cooking & Baking total segment net revenues decreased by \$43 million, or 5%, to \$873 million. The decrease in net revenues was primarily due to lower volume in the segment's non-retail and retail businesses.

Adjusted EBITDA. Reynolds Cooking & Baking Adjusted EBITDA increased by \$46 million, or 49%, to \$140 million. The increase in Adjusted EBITDA was primarily driven by lower material and manufacturing costs.

Hefty Waste & Storage

(in millions, except for %)	For the Nine Months Ended September 30,			
	2024	2023	Change	% Change
Total segment net revenues	\$ 715	\$ 705	\$ 10	1 %
Segment Adjusted EBITDA	205	188	17	9 %
Segment Adjusted EBITDA Margin	29 %	27 %		

Total Segment Net Revenues. Hefty Waste & Storage total segment net revenues increased by \$10 million, or 1%, to \$715 million. The increase in net revenues was primarily driven by higher pricing due to the timing of trade promotional activities.

Adjusted EBITDA. Hefty Waste & Storage Adjusted EBITDA increased by \$17 million, or 9%, to \$205 million. The increase in Adjusted EBITDA was primarily driven by lower material and manufacturing costs and the benefit of increased revenue.

Hefty Tableware

(in millions, except for %)	For the Nine Months Ended September 30,			
	2024	2023	Change	% Change
Total segment net revenues	\$ 667	\$ 708	\$ (41)	(6) %
Segment Adjusted EBITDA	95	117	(22)	(19) %
Segment Adjusted EBITDA Margin	14 %	17 %		

Total Segment Net Revenues. Hefty Tableware total segment net revenues decreased by \$41 million, or 6%, to \$667 million. The decrease in net revenues was primarily driven by lower volume as well as lower pricing, primarily driven by the timing of trade promotional activities.

Adjusted EBITDA. Hefty Tableware Adjusted EBITDA decreased by \$22 million, or 19%, to \$95 million. The decrease in Adjusted EBITDA was primarily driven by the impact of lower revenue.

Presto Products

(in millions, except for %)	For the Nine Months Ended September 30,			
	2024	2023	Change	% Change
Total segment net revenues	\$ 443	\$ 441	\$ 2	—%
Segment Adjusted EBITDA	100	78	22	28%
Segment Adjusted EBITDA Margin	23%	18%		

Total Segment Net Revenues. Presto Products total segment net revenues increased by \$2 million, to \$443 million. The increase in net revenues was primarily driven by higher pricing associated with the contractual pass through of commodity costs, partially offset by lower volume.

Adjusted EBITDA. Presto Products Adjusted EBITDA increased by \$22 million, or 28%, to \$100 million. The increase in Adjusted EBITDA was primarily driven by lower material and manufacturing costs and the benefit of product portfolio optimization.

Liquidity and Capital Resources

Our principal sources of liquidity are existing cash and cash equivalents, cash generated from operating activities and available borrowings under the Revolving Facility.

The following table discloses our cash flows for the periods presented:

(in millions)	For the Nine Months Ended September 30,	
	2024	2023
Net cash provided by operating activities	\$ 307	\$ 423
Net cash used in investing activities	(79)	(77)
Net cash used in financing activities	(247)	(260)
(Decrease) increase in cash and cash equivalents	\$ (19)	\$ 86

Cash provided by operating activities

Net cash from operating activities decreased by \$116 million to \$307 million in the nine months ended September 30, 2024. The decrease was primarily driven by higher net investment in inventory during the current period and higher income tax payments due to higher taxable income, partially offset by higher net income, higher accounts payable due to working capital initiatives and lower interest payments.

Cash used in investing activities

Net cash used in investing activities increased by \$2 million to \$79 million. The increase was driven by an increase in cash outlays for capital expenditures.

Cash used in financing activities

Net cash used in financing activities decreased by \$13 million to \$247 million. The decrease was primarily attributable to \$13 million of scheduled amortization payments made on our Term Loan Facility during the nine months ended September 30, 2023, which did not repeat in the current year period as a result of our voluntary prepayments.

External Debt Facilities

In February 2020, we entered into the External Debt Facilities which consist of a \$2,475 million Term Loan Facility and a Revolving Facility that provided for additional borrowing capacity of up to \$250 million, reduced by amounts used for letters of credit. In February 2023, we amended the External Debt Facilities (“Amendment No.1”) which replaced the interest rate benchmark from LIBOR to the SOFR. Additionally, in November 2023, we further amended the External Debt Facilities (“Amendment No. 2”) to extend the maturity of the Revolving Facility by one year. Other than the foregoing, the material terms of the agreement remained unchanged.

As of September 30, 2024, the outstanding balance under the Term Loan Facility was \$1,745 million. As of September 30, 2024, we had no outstanding borrowings under the Revolving Facility, and we had \$6 million of letters of credit outstanding, which reduces the borrowing capacity under the Revolving Facility.

The borrower under the Amended External Debt Facilities is Reynolds Consumer Products LLC (the “Borrower”). The Revolving Facility includes a sub-facility for letters of credit. In addition, the Amended External Debt Facilities provide that the Borrower has the right at any time, subject to customary conditions, to request incremental term loans or incremental revolving credit commitments in amounts and on terms set forth therein. The lenders under the Amended External Debt Facilities are not under any obligation to provide any such incremental loans or commitments, and any such addition of or increase in loans is subject to certain customary conditions precedent and other provisions.

Subsequent to September 30, 2024, we amended our Amended External Debt Facilities to replace the undrawn \$250 million revolving facility maturing in February 2026 with an undrawn \$700 million revolving facility maturing in October 2029. Our Term Loan Facility under the Credit Agreement continues to mature in February 2027.

Interest rate

Borrowings under the Amended External Debt Facilities bear interest at a rate per annum equal to, at our option, either a base rate plus an applicable margin of 0.75% or SOFR plus an applicable margin of 1.75%.

During 2020 and 2022, we entered into a series of interest rate swaps to fix the LIBOR of our External Debt Facilities. In February 2023, we amended our interest rate swaps to replace the interest rate benchmark from LIBOR to SOFR. Other than the foregoing, the material terms of the interest rate swap agreements remained unchanged, and our election to use practical expedients under ASUs 2020-04 and 2021-01 resulted in no material impacts on the condensed consolidated financial statements. The aggregate notional amount of the interest rate swaps still in effect as of September 30, 2024 was \$1,150 million, and the SOFR is fixed at an annual rate of 0.40% to 3.40% (for an annual effective interest rate of 2.15% to 5.15%, including margin). These interest rate swaps hedge a portion of the interest rate exposure resulting from our Term Loan Facility for periods ranging from one to two years.

Prepayments

The Term Loan Facility contains customary mandatory prepayments, including with respect to excess cash flow, asset sale proceeds and proceeds from certain incurrences of indebtedness.

The Borrower may voluntarily repay outstanding loans under the Term Loan Facility at any time without premium or penalty, other than customary breakage costs with respect to SOFR based loans.

During the three and nine months ended September 30, 2024, we made voluntary principal payments of \$50 million and \$100 million related to our Term Loan Facility, which was applied to the outstanding principal balance due at maturity. Subsequent to September 30, 2024, we made an additional voluntary principal payment of \$50 million related to the Term Loan Facility.

Amortization and maturity

The Term Loan Facility matures in February 2027. The Term Loan Facility amortizes in equal quarterly installments of \$6 million, which commenced in June 2020, with the balance payable on maturity. During the year ended December 31, 2023, we made voluntary principal payments of \$250 million related to our Term Loan Facility, which were first applied to pay the remaining quarterly amortization payments in full, with the residual balance applied to the outstanding principal balance due at maturity.

As amended effective October 17, 2024, the Revolving Facility matures in October 2029.

Guarantee and security

All obligations under the Amended External Debt Facilities and certain hedge agreements and cash management arrangements provided by any lender party to the Amended External Debt Facilities or any of its affiliates and certain other persons are unconditionally guaranteed by Reynolds Consumer Products Inc. ("RCPI"), the Borrower (with respect to hedge agreements and cash management arrangements not entered into by the Borrower) and certain of RCPI's existing and subsequently acquired or organized direct or indirect material wholly-owned U.S. restricted subsidiaries, with customary exceptions including, among other things, where providing such guarantees is not permitted by law, regulation or contract or would result in material adverse tax consequences.

All obligations under the Amended External Debt Facilities and certain hedge agreements and cash management arrangements provided by any lender party to the Amended External Debt Facilities or any of its affiliates and certain other persons, and the guarantees of such obligations, are secured, subject to permitted liens and other exceptions, by: (i) a perfected first-priority pledge of all the equity interests of each wholly-owned material restricted subsidiary of RCPI, the Borrower or a subsidiary guarantor, including the equity interests of the Borrower (limited to 65% of voting stock in the case of first-tier non-U.S. subsidiaries of RCPI, the Borrower or any subsidiary guarantor) and (ii) perfected first-priority security interests in substantially all tangible and intangible personal property of RCPI, the Borrower and the subsidiary guarantors (subject to certain other exclusions).

Certain covenants and events of default

The Amended External Debt Facilities contain a number of covenants that, among other things, restrict, subject to certain exceptions, our ability and the ability of the restricted subsidiaries of RCPI to:

- incur additional indebtedness and guarantee indebtedness;
- create or incur liens;
- engage in mergers or consolidations;
- sell, transfer or otherwise dispose of assets;
- pay dividends and distributions or repurchase capital stock;
- prepay, redeem or repurchase certain indebtedness;
- make investments, loans and advances;
- enter into certain transactions with affiliates;
- enter into agreements which limit the ability of our restricted subsidiaries to incur restrictions on their ability to make distributions; and
- enter into amendments to certain indebtedness in a manner materially adverse to the lenders.

The Amended External Debt Facilities contain a springing financial covenant requiring compliance with a ratio of first lien net indebtedness to consolidated EBITDA, applicable solely to the Revolving Facility. The financial covenant is tested on the last day of any fiscal quarter only if the aggregate principal amount of borrowings under the Revolving Facility and drawn but unreimbursed letters of credit exceed 35% of the total amount of commitments under the Revolving Facility on such day.

If an event of default occurs, the lenders under the Amended External Debt Facilities are entitled to take various actions, including the acceleration of amounts due under the Amended External Debt Facilities and all actions permitted to be taken by secured creditors.

We are currently in compliance with the covenants contained in our Amended External Debt Facilities.

Accounts Receivable Factoring

We are party to a factoring agreement with JP Morgan Chase Bank, N.A. to sell certain accounts receivable up to \$95 million. We had no outstanding balance owed under the factoring arrangement as of September 30, 2024. Transactions under this agreement are accounted for as sales of accounts receivable, and the receivables sold are removed from the condensed consolidated balance sheet at the time of the sales transaction. We classify the proceeds received from the sales of accounts receivable as an operating cash flow in the condensed consolidated statement of cash flows. We record the discount as other expense, net in the condensed consolidated statement of income.

Supply Chain Financing

In March 2023, we initiated a voluntary Supply Chain Finance program (the “SCF”) with a global financial institution (the “SCF Bank”). Under the SCF, qualifying suppliers may elect to sell their receivables from us to the SCF Bank. These participating suppliers negotiate their receivables sales arrangements directly with the SCF Bank. We are not party to those agreements, nor do we provide any security or other forms of guarantees to the SCF Bank. The participation in the program is at the sole discretion of the supplier, we have no economic interest in a supplier’s decision to enter into the agreement and have no direct financial relationship with the SCF Bank, as it relates to the SCF. Once a qualifying supplier elects to participate in the SCF and reaches an agreement with the SCF Bank, they elect which individual invoices they sell to the SCF Bank.

The terms of our payment obligations are not impacted by a supplier’s participation in the SCF and as such, the SCF has no direct impact on our balance sheets, cash flows, or liquidity. Our payment terms with our suppliers for similar services and materials within individual markets are consistent between suppliers that elect to participate in the SCF and those that do not participate.

All outstanding amounts related to suppliers participating in the SCF are recorded within accounts payable in our condensed consolidated balance sheet and associated payments are included as an operating cash flow in the condensed consolidated statement of cash flows. As of September 30, 2024, the amount of obligations outstanding that we have confirmed as valid under the SCF was \$8 million. As of December 31, 2023, the amount of obligations outstanding that we had confirmed as valid under the SCF was \$19 million.

Dividends

During the three and nine months ended September 30, 2024, cash dividends of \$0.23 and \$0.69 per share, respectively, were declared and paid. On October 24, 2024, a quarterly cash dividend of \$0.23 per share was declared and is to be paid on November 29, 2024. We expect to continue paying cash dividends on a quarterly basis; however, future dividends are at the discretion of our Board of Directors and will depend upon our earnings, capital requirements, financial condition, contractual limitations (including under the Amended External Debt Facilities) and other factors.

We believe that our projected cash position, cash flows from operations, including proceeds from factored receivables, and available borrowings under the Revolving Facility are sufficient to meet debt service, capital expenditures and working capital needs for the foreseeable future. However, we cannot ensure that our business will generate sufficient cash flow from operations or that future borrowings will be available under our borrowing agreements in amounts sufficient to pay indebtedness or fund other liquidity needs. Actual results of operations will depend on numerous factors, many of which are beyond our control as further discussed in “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

Critical Accounting Policies and Estimates

Accounting policies and estimates are considered critical when they require management to make subjective and complex judgments, estimates and assumptions about matters that have a material impact on the presentation of our financial statements and accompanying notes. For a description of our critical accounting policies and estimates, see our Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

See “Item 7A: Quantitative and Qualitative Disclosures About Market Risk” of our Annual Report on Form 10-K for the fiscal year ended December 31, 2023. During the nine months ended September 30, 2024, there have been no material changes in our exposure to market risk.

Item 4. Controls and Procedures.

a) Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC rules and forms, and that such information is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosures.

In connection with the preparation of this report, management, under the supervision and with the participation of the Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of September 30, 2024. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of September 30, 2024, our disclosure controls and procedures were effective.

b) Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the quarter ended September 30, 2024 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 required to be set forth under this heading is incorporated by reference from Note 7 - Commitments and Contingencies, to the condensed consolidated financial statements included in Part I, Item 1.

Item 1A. Risk Factors.

There have been no material changes from the risk factors disclosed in our Annual Report on Form 10-K for the year ended December 31, 2023.

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

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

During the three months ended September 30, 2024, none of our directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act or any non-Rule 10b5-1 trading arrangement (as identified in Item 408(c) of Regulation S-K).

Item 6. Exhibits.

Exhibit Number	Description
3.1	<u>Amended and Restated Certificate of Incorporation, conformed version that includes all amendments through April 25, 2024 (incorporated herein by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q filed with the SEC on August 7, 2024)</u>
3.2	<u>Amended and Restated By-Laws (incorporated herein by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed with the SEC on February 4, 2020)</u>
10.1	<u>Amendment No. 3, dated as of October 17, 2024, to the Credit Agreement, dated as of February 4, 2020, between Reynolds Consumer Products LLC, as borrower, Reynolds Consumer Products Inc., as parent, and certain lenders party thereto (incorporated herein by reference to Exhibit 10.1 to the Company's Form 8-K filed with the SEC on October 17, 2024)</u>
31.1*	<u>Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
31.2*	<u>Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
32.1*	<u>Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
32.2*	<u>Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because 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 Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

SIGNATURES

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.

REYNOLDS CONSUMER PRODUCTS INC.

(Registrant)

By: /s/ Chris Mayrhofer

Chris Mayrhofer

Senior Vice President and Controller

(Principal Accounting Officer)

October 30, 2024

CERTIFICATION

I, Lance Mitchell, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Reynolds Consumer Products Inc.;
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(s) 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(s) 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: October 30, 2024

By: _____ /s/ Lance Mitchell

Lance Mitchell
President and Chief Executive Officer

CERTIFICATION

I, Scott Huckins, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Reynolds Consumer Products Inc.;
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(s) 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(s) 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: October 30, 2024

By: _____ /s/ Scott Huckins

Scott Huckins
Chief Financial Officer

**CERTIFICATION 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 Reynolds Consumer Products Inc. (the "Company") on Form 10-Q for the period ended September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Lance Mitchell, President and Chief Executive Officer, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (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 result of operations of the Company.

Date: October 30, 2024

By: _____ /s/ Lance Mitchell
Lance Mitchell
President and Chief Executive Officer

**CERTIFICATION 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 Reynolds Consumer Products Inc. (the "Company") on Form 10-Q for the period ended September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Scott Huckins, Chief Financial Officer, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (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 result of operations of the Company.

Date: October 30, 2024

By: _____ /s/ Scott Huckins
Scott Huckins
Chief Financial Officer