UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2023

OR

o **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	**45-3464426**
(State or Other Jurisdiction of Incorporation or Organization)	**(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 o

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 o

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	o
Non-accelerated filer	o	Smaller reporting company	o
Emerging growth company	o		

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. o

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

As of July 31, 2023, the registrant had 210,009,231 shares of common stock, $0.001 par value per share, outstanding.

Table of Contents

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," "plans," "anticipates," "believes," "estimates," "predicts," "potential" or "continue," 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, 2022 and as updated in our Quarterly Reports on Form 10-Q. You should specifically consider the numerous risks outlined in those "Risk Factors" sections. These risks and uncertainties include factors related to:

- changes in consumer preferences, lifestyle 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, the emergence of a pandemic or disease outbreak, such as coronavirus or otherwise;
- the unknown duration and economic, operational and financial impacts of the global COVID-19 pandemic;
- 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;
- impacts from inflationary trends;
- difficulty meeting our sales growth objectives and innovation goals; and
- changes in market interest rates.

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, 2022, which was filed on February 8, 2023, 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 June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Net revenues	$ 922	$ 896	$ 1,774	$ 1,714
Related party net revenues	18	21	40	48
Total net revenues	**940**	**917**	**1,814**	**1,762**
Cost of sales	(712)	(733)	(1,430)	(1,410)
Gross profit	**228**	**184**	**384**	**352**
Selling, general and administrative expenses	(107)	(91)	(212)	(174)
Other expense, net	(1)	(7)	(1)	(12)
Income from operations	**120**	**86**	**171**	**166**
Interest expense, net	(31)	(16)	(60)	(28)
Income before income taxes	**89**	**70**	**111**	**138**
Income tax expense	(23)	(18)	(28)	(34)
Net income	**$ 66**	**$ 52**	**$ 83**	**$ 104**
Earnings per share:				
Basic	$ 0.32	$ 0.25	$ 0.40	$ 0.50
Diluted	$ 0.32	$ 0.25	$ 0.40	$ 0.50
Weighted average shares outstanding:				
Basic	210.0	209.9	210.0	209.8
Effect of dilutive securities	—	—	—	0.1
Diluted	210.0	209.9	210.0	209.9

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 June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Net income	$ 66	$ 52	$ 83	$ 104
Other comprehensive (loss) income, net of income taxes:				
Employee benefit plans	(1)	(1)	(2)	(1)
Interest rate derivatives	14	4	2	11
Other comprehensive income, net of income taxes	13	3	—	10
Comprehensive income	**$ 79**	**$ 55**	**$ 83**	**$ 114**

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 June 30, 2023	As of December 31, 2022
Assets		
Cash and cash equivalents	$ 83	$ 38
Accounts receivable (net of allowance for doubtful accounts of $1 and $1)	386	348
Other receivables	4	15
Related party receivables	7	7
Inventories	614	722
Other current assets	52	41
Total current assets	**1,146**	**1,171**
Property, plant and equipment (net of accumulated depreciation of $859 and $821)	716	722
Operating lease right-of-use assets, net	59	65
Goodwill	1,879	1,879
Intangible assets, net	1,016	1,031
Other assets	66	61
Total assets	**$ 4,882**	**$ 4,929**
Liabilities		
Accounts payable	$ 225	$ 252
Related party payables	34	46
Current portion of long-term debt	25	25
Current operating lease liabilities	15	14
Income taxes payable	2	14
Accrued and other current liabilities	164	145
Total current liabilities	**465**	**496**
Long-term debt	2,056	2,066
Long-term operating lease liabilities	46	53
Deferred income taxes	368	365
Long-term postretirement benefit obligation	34	34
Other liabilities	54	47
Total liabilities	**$ 3,023**	**$ 3,061**
Commitments and contingencies (Note 7)		
Stockholders' equity		
Common stock, $0.001 par value; 2,000 shares authorized; 210 shares issued and outstanding	—	—
Additional paid-in capital	1,389	1,385
Accumulated other comprehensive income	52	52
Retained earnings	418	431
Total stockholders' equity	**1,859**	**1,868**
Total liabilities and stockholders' equity	**$ 4,882**	**$ 4,929**

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, 2021	**$ —**	**$ 1,381**	**$ 365**	**$ 10**	**$ 1,756**
Net income	—	—	52	—	52
Other comprehensive income, net of income taxes	—	—	—	7	7
Dividends ($0.23 per share declared and paid)	—	—	(48)	—	(48)
Balance as of March 31, 2022	**$ —**	**$ 1,381**	**$ 369**	**$ 17**	**$ 1,767**
Net income	—	—	52	—	52
Other comprehensive income, net of income taxes	—	—	—	3	3
Dividends ($0.23 per share declared and paid)	—	—	(48)	—	(48)
Other	—	2	—	—	2
Balance as of June 30, 2022	**$ —**	**$ 1,383**	**$ 373**	**$ 20**	**$ 1,776**
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**

See accompanying notes to the condensed consolidated financial statements.

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

	Six Months Ended June 30,	
	2023	2022
Cash provided by operating activities		
Net income	$ 83	$ 104
Adjustments to reconcile net income to operating cash flows:		
Depreciation and amortization	61	57
Deferred income taxes	2	(3)
Stock compensation expense	6	4
Change in assets and liabilities:		
Accounts receivable, net	(38)	57
Other receivables	11	4
Related party receivables	—	3
Inventories	108	(151)
Accounts payable	(15)	22
Related party payables	(12)	8
Income taxes payable / receivable	(11)	(2)
Accrued and other current liabilities	19	12
Other assets and liabilities	(7)	(14)
Net cash provided by operating activities	**207**	**101**
Cash used in investing activities		
Acquisition of property, plant and equipment	(51)	(56)
Net cash used in investing activities	**(51)**	**(56)**
Cash used in financing activities		
Repayment of long-term debt	(12)	(12)
Dividends paid	(96)	(96)
Other financing activities	(3)	—
Net cash used in financing activities	**(111)**	**(108)**
Net increase (decrease) in cash and cash equivalents	45	(63)
Cash and cash equivalents at beginning of period	38	164
Cash and cash equivalents at end of period	**$ 83**	**$ 101**
Cash paid:		
Interest	58	24
Income taxes	36	37

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, 2022, 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.

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 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. Amounts due to suppliers who voluntarily participate in the SCF are included in accounts payable in our condensed consolidated balance sheet and our payments made under the SCF are reflected as an operating cash flow in the condensed consolidated statement of cash flows. As of June 30, 2023, the amount of obligations outstanding that we have confirmed as valid under the SCF was not material.

Note 2 – New Accounting Standards

Recently Adopted Accounting Guidance:

In March 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*, and subsequently in January 2021, FASB issued ASU 2021-01, *Reference Rate Reform (Topic 848): Scope*, both of which provide optional expedients and exceptions to applying the guidance on contract modifications, hedge accounting, and other transactions, to simplify the accounting for transitioning from the London Interbank Offered Rate ("LIBOR"), and other interbank offered rates expected to be discontinued, to alternative reference rates. Each of these ASUs were effective upon its issuance and could be applied prospectively through December 31, 2022. In December 2022, the FASB issued ASU 2022-06, *Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848,* which amended the sunset date of the guidance in Topic 848 to December 31, 2024 from December 31, 2022. We adopted the standards as of January 1, 2023. As a result of the planned phase out of the LIBOR as a reference rate and adoption of ASU 2020-04 and ASU 2021-01, we have amended our Credit Agreement and interest rate swaps and applied practical expedients under the guidance. The adoption did not have a material impact on our condensed consolidated financial statements.

In September 2022, FASB issued 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 are 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. The adoption relates to disclosure only, and does not have an impact on our condensed consolidated financial statements.

Note 3 – Inventories

Inventories consisted of the following:

	June 30, 2023	December 31, 2022
	(in millions)	
Raw materials	$ 180	$ 215
Work in progress	65	81
Finished goods	321	383
Spare parts	48	43
Inventories	**$ 614**	**$ 722**

Note 4 – Debt

Long-term debt consisted of the following:

	June 30, 2023	December 31, 2022
	(in millions)	
Term loan facility	$ 2,095	$ 2,107
Deferred financing transaction costs	(13)	(14)
Original issue discounts	(1)	(2)
	2,081	2,091
Less: current portion	(25)	(25)
Long-term debt	**$ 2,056**	**$ 2,066**

External Debt Facilities

In February 2020, we entered into external debt facilities (“External Debt Facilities”), which consist 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 (as amended, the “Amended External Debt Facilities”) which replaced the interest rate benchmark from the LIBOR to the Secured Overnight Financing Rate (“SOFR”). Other than the foregoing, the material terms of the External Debt Facilities remain unchanged, and our election to use practical expedients under ASU 2020-04 and ASU 2021-01, as described in Note 2 - New Accounting Standards, 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 SOFR plus an applicable margin of 1.75%. During September 2020, May 2022 and August 2022, we entered into a series of interest rate swaps to hedge a portion of the interest rate exposure resulting from these borrowings. In conjunction with the amendment of our External Debt Facilities, we amended the outstanding interest rate swaps to replace the interest rate benchmark from the LIBOR to SOFR. 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.

Revolving Facility

The Revolving Facility matures in February 2025 and includes a sub-facility for letters of credit. As of June 30, 2023, 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 June 30, 2023, 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, as described in Note 2 - New Accounting Standards, resulted in no material impacts on our condensed consolidated financial statements. After the amendments, the aggregate notional amount of the interest rate swaps still in effect as of June 30, 2023 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 June 30, 2023 hedge a portion of the interest rate exposure resulting from our Term Loan Facility for periods ranging from two to three 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 June 30, 2023	$ 1,150	2.15% to 5.15%	4.38 %	$ 30	$ 21
As of December 31, 2022[1]	$ 1,150	2.19% to 5.19%	4.42 %	$ 25	$ 23

(1) Based on the interest rate swaps prior to the amendments entered into in February 2023, which was based on the LIBOR as of December 31, 2022.

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 six months ended June 30, 2023, zero and 0.2 million RSUs and zero and 0.2 million PSUs were granted, respectively.

As of June 30, 2023, there were stock-based compensation awards representing 0.7 million shares outstanding compared to 0.4 million shares outstanding as of December 31, 2022. Stock-based compensation expense was $3 million and $6 million for the three and six months ended June 30, 2023, respectively, compared to $2 million and $3 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, 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 June 30, 2023, 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	Interest Rate Derivatives	Accumulated Other Comprehensive Income
Balance as of December 31, 2021	**$ (6)**	**$ 12**	**$ 4**	**$ 10**
Gain arising during the period	—	—	9	9
Reclassification to earnings	—	—	—	—
Effect of deferred taxes	—	—	(2)	(2)
Balance as of March 31, 2022	**$ (6)**	**$ 12**	**$ 11**	**$ 17**
Gain arising during the period	—	—	5	5
Reclassification to earnings	—	(1)	—	(1)
Effect of deferred taxes	—	—	(1)	(1)
Balance as of June 30, 2022	**$ (6)**	**$ 11**	**$ 15**	**$ 20**
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**

Note 9 – 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 is further adjusted to exclude IPO and separation-related costs.

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.

Three Months Ended June 30, 2023	**Reynolds Cooking & Baking**	**Hefty Waste & Storage**	**Hefty Tableware**	**Presto Products**	**Segment Total**	**Unallocated[(1)]**	**Total**
				(in millions)			
Net revenues	$ 321	$ 227	$ 251	$ 144	**$ 943**	$ (3)	**$ 940**
Intersegment revenues	—	2	—	1	**3**	(3)	**—**
Total segment net revenues	$ 321	$ 229	$ 251	$ 145	**$ 946**	$ (6)	**$ 940**
Adjusted EBITDA	40	62	45	28	**175**		
Depreciation and amortization	7	5	4	5	**21**	9	**30**

Three Months Ended June 30, 2022	**Reynolds Cooking & Baking**	**Hefty Waste & Storage**	**Hefty Tableware**	**Presto Products**	**Segment Total**	**Unallocated[(1)]**	**Total**
				(in millions)			
Net revenues	$ 294	$ 236	$ 240	$ 149	**$ 919**	$ (2)	**$ 917**
Intersegment revenues	—	2	—	1	**3**	(3)	**—**
Total segment net revenues	$ 294	$ 238	$ 240	$ 150	**$ 922**	$ (5)	**$ 917**
Adjusted EBITDA	36	46	25	25	**132**		
Depreciation and amortization	6	5	4	5	**20**	9	**29**

Six Months Ended June 30, 2023	Reynolds Cooking & Baking	Hefty Waste & Storage	Hefty Tableware	Presto Products	Segment Total	Unallocated[(1)]	Total
				(in millions)			
Net revenues	$ 604	$ 457	$ 475	$ 285	**$ 1,821**	$ (7)	**$ 1,814**
Intersegment revenues	—	6	—	3	**9**	(9)	—
Total segment net revenues	$ 604	$ 463	$ 475	$ 288	**$ 1,830**	$ (16)	$ 1,814
Adjusted EBITDA	43	117	76	47	**283**		
Depreciation and amortization	14	10	8	11	**43**	18	**61**

Six Months Ended June 30, 2022	Reynolds Cooking & Baking	Hefty Waste & Storage	Hefty Tableware	Presto Products	Segment Total	Unallocated[(1)]	Total
				(in millions)			
Net revenues	$ 562	$ 462	$ 450	$ 289	**$ 1,763**	$ (1)	**$ 1,762**
Intersegment revenues	—	4	—	3	**7**	(7)	—
Total segment net revenues	$ 562	$ 466	$ 450	$ 292	**$ 1,770**	$ (8)	**$ 1,762**
Adjusted EBITDA	64	91	48	44	**247**		
Depreciation and amortization	12	9	8	11	**40**	17	**57**

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 June 30, 2023	$ 609	$ 278	$ 217	$ 247	**$ 1,351**	$ 3,531	**$ 4,882**
As of December 31, 2022	646	314	226	274	**1,460**	3,469	**4,929**

(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 June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(in millions)		(in millions)	
Segment Adjusted EBITDA	$ 175	$ 132	$ 283	$ 247
Corporate / unallocated expenses	(25)	(14)	(51)	(17)
	150	118	232	230
Adjustments to reconcile to GAAP income before income taxes				
Depreciation and amortization	(30)	(29)	(61)	(57)
Interest expense, net	(31)	(16)	(60)	(28)
IPO and separation-related costs	—	(3)	—	(7)
Consolidated GAAP income before income taxes	**$ 89**	**$ 70**	**$ 111**	**$ 138**

Information in Relation to Products

Net revenues by product line are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(in millions)		(in millions)	
Waste and storage products [1]	$ 374	$ 388	$ 751	$ 758
Cooking products	321	294	604	562
Tableware	251	240	475	450
Unallocated	(6)	(5)	(16)	(8)
Net revenues	**$ 940**	**$ 917**	**$ 1,814**	**$ 1,762**

(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 10 – 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 six months ended June 30, 2023, 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 the three and six months ended June 30, 2023, revenues from products sold to PEI Group were $18 million and $40 million, respectively, compared to $21 million and $48 million in the comparable prior year periods. For the three and six months ended June 30, 2023, products purchased from PEI Group were $93 million and $199 million, respectively, compared to $100 million and $194 million in the comparable prior year periods. For the three and six months ended June 30, 2023, PEI Group charged us freight and warehousing costs of $9 million and $18 million, respectively, compared to $15 million and $29 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 June 30, 2023 and June 30, 2022, and $71 million of the dividends paid during each of the six months ended June 30, 2023 and June 30, 2022, were paid to PFL.

Note 11 – Subsequent Events

Quarterly Cash Dividend

On July 27, 2023, our Board of Directors approved a cash dividend of $0.23 per common share to be paid on August 31, 2023 to shareholders of record on August 17, 2023.

Term Loan Facility

Subsequent to June 30, 2023, we made a voluntary principal payment of $100 million related to our Term Loan Facility.

Except as described above, there have been no events subsequent to June 30, 2023 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, 2022.

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 customers. 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 with our customers’ goals and positions us as a trusted strategic partner to our retailers. Our Reynolds and Hefty brands have preeminent positions in their categories and carry strong brand recognition in household aisles.

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 produce 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 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, formerly the Hefty EnergyBag 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 price, 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. 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 increased 3% in each of the three and six months ended June 30, 2023, compared to the same periods in 2022. The revenue increase in both periods was primarily due to the timing of pricing actions taken in response to increased costs. Higher volume in our Reynolds Cooking & Baking segment was offset by lower volume in our other three segments for both the three and six months ended June 30, 2023.

During the three months ended June 30, 2023, our net income improved by 27%, primarily driven by higher pricing due to the timing of pricing actions implemented in the prior year period, as well as decreased material and logistics costs. These were partially offset by increases in manufacturing costs, selling, general and administrative ("SG&A") expenses, interest expense and tax expense.

During the six months ended June 30, 2023, our net income declined by 20%, primarily driven by higher material and manufacturing costs, SG&A expenses and interest expense, which were partially offset by higher pricing due to the timing of pricing actions implemented in the prior year period and decreased logistics costs.

Non-GAAP Measures

In this Quarterly Report on Form 10-Q we use the non-GAAP financial measures "Adjusted EBITDA", "Adjusted Net Income" and "Adjusted Diluted Earnings Per Share" ("Adjusted EPS"), which are measures adjusted for the impact of specified items and are not in accordance with GAAP.

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 further adjusted to exclude IPO and separation-related costs. We define Adjusted Net Income and Adjusted EPS as Net Income and Earnings Per Share calculated in accordance with GAAP, plus IPO and separation-related costs.

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. We use Adjusted Net Income and Adjusted EPS as supplemental measures to evaluate our business' performance in a way that also considers our ability to generate profit without the impact of certain items. Accordingly, we believe presenting these measures 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 June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(in millions)		(in millions)	
Net income – GAAP	**$ 66**	**$ 52**	**$ 83**	**$ 104**
Income tax expense	23	18	28	34
Interest expense, net	31	16	60	28
Depreciation and amortization	30	29	61	57
IPO and separation-related costs [(1)]	—	3	—	7
Adjusted EBITDA (Non-GAAP)	**$ 150**	**$ 118**	**$ 232**	**$ 230**

(1) Reflects costs related to the IPO process, as well as costs related to our separation to operate as a stand-alone public company. These costs are included in Other expense, net in our condensed consolidated statements of income.

The following tables present reconciliations of our net income and diluted EPS, the most directly comparable GAAP financial measures, to Adjusted Net Income and Adjusted EPS:

(in millions, except for per share data)	Three Months Ended June 30, 2023 Net Income	Three Months Ended June 30, 2023 Diluted Shares	Three Months Ended June 30, 2023 Diluted EPS	Three Months Ended June 30, 2022 Net Income	Three Months Ended June 30, 2022 Diluted Shares	Three Months Ended June 30, 2022 Diluted EPS
As Reported - GAAP	**$ 66**	**210**	**$ 0.32**	**$ 52**	**210**	**$ 0.25**
Adjustments:						
IPO and separation-related costs [(1)]	—	210	—	2	210	0.01
Adjusted (Non-GAAP)	**$ 66**	**210**	**$ 0.32**	**$ 54**	**210**	**$ 0.26**

(1) Amount is after tax, calculated using a tax rate of 25.2% for the three months ended June 30, 2022, which was our effective tax rate for the period presented.

(in millions, except for per share data)	Six Months Ended June 30, 2023 Net Income	Six Months Ended June 30, 2023 Diluted Shares	Six Months Ended June 30, 2023 Diluted EPS	Six Months Ended June 30, 2022 Net Income	Six Months Ended June 30, 2022 Diluted Shares	Six Months Ended June 30, 2022 Diluted EPS
As Reported - GAAP	**$ 83**	**$ 210**	**$ 0.40**	**$ 104**	**210**	**$ 0.50**
Adjustments:						
IPO and separation-related costs [(1)]	—	210	—	5	210	0.02
Adjusted (Non-GAAP)	**$ 83**	**$ 210**	**$ 0.40**	**$ 109**	**210**	**$ 0.52**

(1) Amount is after tax, calculated using a tax rate of 24.8% for the six months ended June 30, 2022, which was our effective tax rate for the period presented.

Results of Operations – Three Months Ended June 30, 2023

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 three months ended June 30:						
2023	$ 321	$ 229	$ 251	$ 145	$ (6)	$ 940
2022	294	238	240	150	(5)	917
Adjusted EBITDA[(2)] for the three months ended June 30:						
2023	$ 40	$ 62	$ 45	$ 28	$ (25)	$ 150
2022	36	46	25	25	(14)	118

(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 June 30, 2023 Compared with the Three Months Ended June 30, 2022

Total Reynolds Consumer Products

	For the Three Months Ended June 30,					
(in millions, except for %)	2023	% of Revenue	2022	% of Revenue	Change	% Change
Net revenues	$ 922	98 %	$ 896	98 %	$ 26	3 %
Related party net revenues	18	2 %	21	2 %	(3)	(14) %
Total net revenues	**940**	**100 %**	**917**	**100 %**	**23**	**3 %**
Cost of sales	(712)	(76) %	(733)	(80) %	21	3 %
Gross profit	**228**	**24 %**	**184**	**20 %**	**44**	**24 %**
Selling, general and administrative expenses	(107)	(11) %	(91)	(10) %	(16)	(18) %
Other expense, net	(1)	— %	(7)	(1) %	6	NM
Income from operations	**120**	**13 %**	**86**	**9 %**	**34**	**40 %**
Interest expense, net	(31)	(3) %	(16)	(2) %	(15)	(94) %
Income before income taxes	**89**	**9 %**	**70**	**8 %**	**19**	**27 %**
Income tax expense	(23)	(2) %	(18)	(2) %	(5)	(28) %
Net income	**$ 66**	**7 %**	**$ 52**	**6 %**	**$ 14**	**27 %**
Adjusted EBITDA (1)	**$ 150**	**16 %**	**$ 118**	**13 %**	**$ 32**	**27 %**

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 June 30, 2023 vs. the Three Months Ended June 30, 2022

	Price	Volume/Mix	Total
Reynolds Cooking & Baking	(3) %	12 %	9 %
Hefty Waste & Storage	4 %	(8) %	(4) %
Hefty Tableware	12 %	(7) %	5 %
Presto Products	— %	(3) %	(3) %
Total RCP	**3 %**	**— %**	**3 %**

Total Net Revenues. Total net revenues increased by $23 million, or 3%, to $940 million. The increase was primarily driven by the timing of pricing actions to recover increased costs. Increased volume in our Reynolds Cooking & Baking segment was offset by volume declines in our other three segments.

Cost of Sales. Cost of sales decreased by $21 million, or 3%, to $712 million. The decrease was primarily driven by lower material and logistics costs, partially offset by higher manufacturing costs.

Selling, General and Administrative Expenses. Selling, general and administrative expenses increased by $16 million, or 18%, to $107 million, primarily due to higher personnel costs, advertising costs and professional fees.

Other Expense, Net. Other expense, net was $1 million in the three months ended June 30, 2023 compared to $7 million in the three months ended June 30, 2022. The change was primarily due to IPO and separation-related costs in the prior year period that did not reoccur in the current year period.

Interest Expense, Net. Interest expense, net increased by $15 million, or 94%, to $31 million. The increase was due to higher interest rates.

Income Tax Expense. We recognized income tax expense of $23 million on income before income taxes of $89 million (an effective tax rate of 25.4%) for the three months ended June 30, 2023 compared to income tax expense of $18 million on income before income taxes of $70 million (an effective tax rate of 25.2%) for the three months ended June 30, 2022.

Adjusted EBITDA. Adjusted EBITDA increased by $32 million, or 27%, to $150 million. The increase in Adjusted EBITDA was primarily due to the timing of pricing actions, as well as lower material and logistics costs, partially offset by higher manufacturing costs and higher selling, general and administrative expenses.

Segment Information

Reynolds Cooking & Baking

	For the Three Months Ended June 30,			
(in millions, except for %)	**2023**	**2022**	**Change**	**% Change**
Total segment net revenues	$ 321	$ 294	$ 27	9 %
Segment Adjusted EBITDA	40	36	4	11 %
Segment Adjusted EBITDA Margin	12 %	12 %		

Total Segment Net Revenues. Reynolds Cooking & Baking total segment net revenues increased by $27 million, or 9%, to $321 million. The increase in net revenues was primarily due to higher volume, partially offset by lower pricing as a result of focused trade and promotional investments. Retail sales increased $33 million by comparison to the prior year period driven by a 15% volume increase while non-retail sales, which are consistently low margin, were down $6 million compared to the prior year period.

Adjusted EBITDA. Reynolds Cooking & Baking Adjusted EBITDA increased by $4 million, or 11%, to $40 million. The increase in Adjusted EBITDA was primarily driven by higher volume, partially offset by lower pricing.

Hefty Waste & Storage

	For the Three Months Ended June 30,			
(in millions, except for %)	**2023**	**2022**	**Change**	**% Change**
Total segment net revenues	$ 229	$ 238	$ (9)	(4) %
Segment Adjusted EBITDA	62	46	16	35 %
Segment Adjusted EBITDA Margin	27 %	19 %		

Total Segment Net Revenues. Hefty Waste & Storage total segment net revenues decreased $9 million, or 4%, to $229 million. The decrease in net revenues was primarily due to lower volume, partially offset by higher pricing.

Adjusted EBITDA. Hefty Waste & Storage Adjusted EBITDA increased by $16 million, or 35%, to $62 million. The increase in Adjusted EBITDA was primarily driven by lower material costs as well as higher pricing, partially offset by lower volume and higher manufacturing costs.

Hefty Tableware

	For the Three Months Ended June 30,			
(in millions, except for %)	**2023**	**2022**	**Change**	**% Change**
Total segment net revenues	$ 251	$ 240	$ 11	5 %
Segment Adjusted EBITDA	45	25	20	80 %
Segment Adjusted EBITDA Margin	18 %	10 %		

Total Segment Net Revenues. Hefty Tableware total segment net revenues increased by $11 million, or 5%, to $251 million. The increase in net revenues was primarily due to the timing of pricing actions to recover increased costs, partially offset by lower volume.

Adjusted EBITDA. Hefty Tableware Adjusted EBITDA increased by $20 million, or 80%, to $45 million. The increase in Adjusted EBITDA was primarily driven by the timing of pricing actions to recover increased costs, as well as lower logistics costs, partially offset by higher material and manufacturing costs and lower volume.

Presto Products

(in millions, except for %)	For the Three Months Ended June 30, 2023	2022	Change	% Change
Total segment net revenues	$ 145	$ 150	$ (5)	(3) %
Segment Adjusted EBITDA	28	25	3	12 %
Segment Adjusted EBITDA Margin	19 %	17 %		

Total Segment Net Revenues. Presto Products total segment net revenues decreased by $5 million, or 3%, to $145 million. The decrease in net revenues was primarily due to lower volume.

Adjusted EBITDA. Presto Products Adjusted EBITDA increased by $3 million, or 12%, to $28 million. The increase in Adjusted EBITDA was primarily driven by lower material and logistics costs, partially offset by higher manufacturing costs and lower volume.

Results of Operations – Six Months Ended June 30, 2023

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 six months ended June 30:						
2023	$ 604	$ 463	$ 475	$ 288	$ (16)	$ 1,814
2022	562	466	450	292	(8)	1,762
Adjusted EBITDA[2] for the six months ended June 30:						
2023	$ 43	$ 117	$ 76	$ 47	$ (51)	$ 232
2022	64	91	48	44	(17)	230

(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.

Six Months Ended June 30, 2023 Compared with the Six Months Ended June 30, 2022

Total Reynolds Consumer Products

	For the Six Months Ended June 30,					
(in millions, except for %)	2023	% of Revenue	2022	% of Revenue	Change	% Change
Net revenues	$ 1,774	98 %	$ 1,714	97 %	$ 60	4 %
Related party net revenues	40	2 %	48	3 %	(8)	(17) %
Total net revenues	**1,814**	**100 %**	**1,762**	**100 %**	**52**	**3 %**
Cost of sales	(1,430)	(79) %	(1,410)	(80) %	(20)	(1) %
Gross profit	**384**	**21 %**	**352**	**20 %**	**32**	**9 %**
Selling, general and administrative expenses	(212)	(12) %	(174)	(10) %	(38)	(22) %
Other expense, net	(1)	— %	(12)	(1) %	11	92 %
Income from operations	**171**	**9 %**	**166**	**9 %**	**5**	**3 %**
Interest expense, net	(60)	(3) %	(28)	(2) %	(32)	(114) %
Income before income taxes	**111**	**6 %**	**138**	**8 %**	**(27)**	**(20) %**
Income tax expense	(28)	(2) %	(34)	(2) %	6	18 %
Net income	**$ 83**	**5 %**	**$ 104**	**6 %**	**$ (21)**	**(20) %**
Adjusted EBITDA (1)	**$ 232**	**13 %**	**$ 230**	**13 %**	**$ 2**	**1 %**

(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 Six Months Ended June 30, 2023 vs. the Six Months Ended June 30, 2022

	Price	Volume/Mix	Total
Reynolds Cooking & Baking	— %	7 %	7 %
Hefty Waste & Storage	5 %	(6) %	(1) %
Hefty Tableware	13 %	(7) %	6 %
Presto Products	— %	(1) %	(1) %
Total RCP	**4 %**	**(1) %**	**3 %**

Total Net Revenues. Total net revenues increased by $52 million, or 3%, to $1,814 million. The increase was primarily driven by the timing of pricing actions to recover increased costs, partially offset by lower volume. Increased volume in our Reynolds Cooking & Baking segment was more than offset by volume declines in our other three segments.

Cost of Sales. Cost of sales increased by $20 million, or 1%, to $1,430 million. The increase was driven by higher material and manufacturing costs, partially offset by lower volume and lower logistics costs.

Selling, General and Administrative Expenses. Selling, general and administrative expenses increased by $38 million, or 22%, to $212 million primarily due to higher personnel costs, professional fees and advertising costs.

Other Expense, Net. Other expense, net decreased by $11 million, or 92%, to $1 million primarily due to IPO and separation-related costs in the prior year period that did not reoccur in the current year period.

Interest Expense, Net. Interest expense, net increased by $32 million, or 114%, to $60 million due to higher interest rates.

Income Tax Expense. We recognized income tax expense of $28 million on income before income taxes of $111 million (an effective tax rate of 25.3%) for the six months ended June 30, 2023 compared to income tax expense of $34 million on income before income taxes of $138 million (an effective tax rate of 24.8%) for the six months ended June 30, 2022.

Adjusted EBITDA. Adjusted EBITDA increased by $2 million, or 1%, to $232 million. The increase in Adjusted EBITDA was primarily attributable to the timing of pricing actions to recover increased costs, as well as lower logistics costs, partially offset by higher material and manufacturing costs and higher selling, general and administrative expenses.

Segment Information

Reynolds Cooking & Baking

	For the Six Months Ended June 30,			
(in millions, except for %)	**2023**	**2022**	**Change**	**% Change**
Total segment net revenues	$ 604	$ 562	$ 42	7 %
Segment Adjusted EBITDA	43	64	(21)	(33) %
Segment Adjusted EBITDA Margin	7 %	11 %		

Total Segment Net Revenues. Reynolds Cooking & Baking total segment net revenues increased by $42 million, or 7%, to $604 million. The increase in net revenues was primarily driven by higher volume. Retail sales increased $58 million in the comparative period, driven by a 10% volume increase while non-retail sales were down $16 million compared to the prior year period.

Adjusted EBITDA. Reynolds Cooking & Baking Adjusted EBITDA decreased by $21 million, or 33%, to $43 million. The decrease in Adjusted EBITDA was primarily driven by higher material and manufacturing costs, partially offset by higher volume.

Hefty Waste & Storage

	For the Six Months Ended June 30,			
(in millions, except for %)	**2023**	**2022**	**Change**	**% Change**
Total segment net revenues	$ 463	$ 466	$ (3)	(1) %
Segment Adjusted EBITDA	117	91	26	29 %
Segment Adjusted EBITDA Margin	25 %	20 %		

Total Segment Net Revenues. Hefty Waste & Storage total segment net revenues decreased by $3 million, or 1%, to $463 million. The decrease in net revenues was primarily driven by lower volume, partially offset by the timing of pricing actions to recover increased costs.

Adjusted EBITDA. Hefty Waste & Storage Adjusted EBITDA increased by $26 million, or 29%, to $117 million. The increase in Adjusted EBITDA was primarily driven by lower material costs and the timing of pricing actions to recover increased costs, partially offset by higher manufacturing costs, lower volume and higher advertising costs.

Hefty Tableware

	For the Six Months Ended June 30,			
(in millions, except for %)	**2023**	**2022**	**Change**	**% Change**
Total segment net revenues	$ 475	$ 450	$ 25	6 %
Segment Adjusted EBITDA	76	48	28	58 %
Segment Adjusted EBITDA Margin	16 %	11 %		

Total Segment Net Revenues. Hefty Tableware total segment net revenues increased by $25 million, or 6%, to $475 million. The increase in net revenues was primarily driven by the timing of pricing actions to recover increased costs, partially offset by lower volume.

Adjusted EBITDA. Hefty Tableware Adjusted EBITDA increased by $28 million, or 58%, to $76 million. The increase in Adjusted EBITDA was primarily driven by the timing of pricing actions to recover increased costs, as well as lower logistics costs, partially offset by higher material and manufacturing costs and lower volume.

Presto Products

(in millions, except for %)	For the Six Months Ended June 30, 2023	2022	Change	% Change
Total segment net revenues	$ 288	$ 292	$ (4)	(1) %
Segment Adjusted EBITDA	47	44	3	7 %
Segment Adjusted EBITDA Margin	16 %	15 %		

Total Segment Net Revenues. Presto Products total segment net revenues decreased by $4 million, or 1%, to $288 million. The decrease in net revenues was primarily driven by lower volume.

Adjusted EBITDA. Presto Products Adjusted EBITDA increased by $3 million, or 7%, to $47 million. The increase in Adjusted EBITDA was primarily driven by lower material and logistics costs, partially offset by higher manufacturing costs and lower volume.

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 Six Months Ended June 30, 2023	2022
Net cash provided by operating activities	$ 207	$ 101
Net cash used in investing activities	(51)	(56)
Net cash used in financing activities	(111)	(108)
Increase (decrease) in cash and cash equivalents	**$ 45**	**$ (63)**

Cash provided by operating activities

Net cash from operating activities increased by $106 million to $207 million in the six months ended June 30, 2023. The increase was primarily driven by reductions in working capital.

Cash used in investing activities

Net cash used in investing activities decreased by $5 million to $51 million. The decrease was driven primarily by decreased cash outlays for capital expenditures.

Cash used in financing activities

Net cash used in financing activities remained relatively flat.

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 provides 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 ("Amended External Debt Facilities") which replaced the benchmark from the London Interbank Offered Rate ("LIBOR") to the Secured Overnight Financing Rate ("SOFR"). Other than the foregoing, the material terms of the agreement remained unchanged.

As of June 30, 2023, the outstanding balance under the Term Loan Facility was $2,095 million. As of June 30, 2023, 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.

Interest rate and fees

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. On February 28, 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 the condensed consolidated financial statements. After the amendments, the aggregate notional amount of our interest rate swaps still in effect as of June 30, 2023 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 two to three 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. Subsequent to June 30, 2023, we made a voluntary principal payment of $100 million related to the Term Loan Facility, which was not subject to a prepayment premium.

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. The Revolving Facility matures in February 2025.

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

Our accounts receivable factoring agreement with JP Morgan Chase Bank, N.A. allows us to sell certain accounts receivable up to $190 million. We had no outstanding balance owed under the factoring arrangement as of June 30, 2023. 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 the condensed consolidated balance sheet and the associated payments are included as an operating cash flow in the condensed consolidated statement of cash flows. As of June 30, 2023, the amount of obligations outstanding that we have confirmed as valid under the SCF was not material.

Dividends

During the three and six months ended June 30, 2023, cash dividends of $0.23 and $0.46 per share, respectively, were declared and paid. On July 27, 2023, a quarterly cash dividend of $0.23 per share was declared and is to be paid on August 31, 2023. 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 Term Loan Facility) and other factors.

****

We believe that our projected cash position, cash flows from operations 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, 2022.

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, 2022.

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, 2022. During the six months ended June 30, 2023, 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 June 30, 2023. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of June 30, 2023, 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 June 30, 2023 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

The information 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, 2022.

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 June 30, 2023, 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	Amended and Restated Certificate of Incorporation (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on February 4, 2020)
3.2	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)
31.1*	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.
31.2*	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.
32.1*	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.
32.2*	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.
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)
August 9, 2023

Exhibit 31.1

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: August 9, 2023

By: /s/ Lance Mitchell

Lance Mitchell

President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Michael Graham, 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: August 9, 2023

By: /s/ Michael Graham
Michael Graham
Chief Financial Officer

Exhibit 32.1

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 June 30, 2023 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: August 9, 2023

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

Exhibit 32.2

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 June 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Michael Graham, 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: August 9, 2023

By: /s/ Michael Graham

Michael Graham
Chief Financial Officer