

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

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 2022

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: 001-39528

PACTIV EVERGREEN INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

98-1538656
(I.R.S. Employer
Identification Number)

1900 W. Field Court
Lake Forest, Illinois 60045
(Address of principal executive offices) (Zip Code)
Telephone: (847) 482-2000
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, \$0.001 par value	PTVE	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 definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

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

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

The registrant had 177,668,402 shares of common stock, \$0.001 par value per share, outstanding as of April 29, 2022.

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FORWARD-LOOKING STATEMENTS

This report 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, anticipated trends in our business and anticipated growth in the markets served by 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 factors discussed under the caption entitled “Risk Factors” section in our Annual Report on Form 10-K for the year ended December 31, 2021. You should specifically consider these numerous risks. These risks include, among others, those related to:

- fluctuations in raw material, energy and freight costs;
- labor shortages and increased labor costs;
- our ability to meet demand for our products;
- the uncertain economic, operational and financial impacts of the coronavirus pandemic;
- failure to maintain satisfactory relationships with our major customers;
- our dependence on suppliers of raw materials and any interruption to our supply of raw materials;
- the impact of natural disasters, public health crises and catastrophic events outside of our control;
- our ability to realize the benefits of our capital investment, acquisitions, restructuring and other cost savings programs;
- our safety performance;
- uncertain global economic conditions;
- competition in the markets in which we operate;
- changes in consumer lifestyle, eating habits, nutritional preferences and health-related, environmental and sustainability concerns;
- the impact of our significant debt on our financial condition and ability to operate our business;
- compliance with, and liabilities related to, applicable laws and regulations;
- the ownership of a majority of the voting power of our common stock by Packaging Finance Limited, our parent company, which we refer to as PFL, and another entity affiliated with Mr. Graeme Hart, which, together with PFL, we refer to as the Hart Stockholders; and
- our ability to establish independent financial, administrative and other support functions.

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. We are under no duty to update any of these forward-looking statements after the date of this report to conform our prior statements to actual results or revised expectations.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

Pactiv Evergreen Inc.

Condensed Consolidated Statements of Income (Loss)
(In millions, except per share amounts)
(Unaudited)

	For the Three Months Ended March 31,	
	2022	2021
Net revenues	\$ 1,495	\$ 1,164
Cost of sales	(1,263)	(1,056)
Gross profit	232	108
Selling, general and administrative expenses	(142)	(126)
Restructuring, asset impairment and other related charges	—	2
Other income, net	28	6
Operating income (loss) from continuing operations	118	(10)
Non-operating income, net	10	23
Interest expense, net	(49)	(42)
Income (loss) from continuing operations before tax	79	(29)
Income tax (expense) benefit	(36)	18
Income (loss) from continuing operations	43	(11)
Loss from discontinued operations, net of income taxes	—	(3)
Net income (loss)	43	(14)
Income attributable to non-controlling interests	—	(1)
Net income (loss) attributable to Pactiv Evergreen Inc. common shareholders	\$ 43	\$ (15)
Earnings (loss) per share attributable to Pactiv Evergreen Inc. common shareholders		
From continuing operations		
Basic	\$ 0.24	\$ (0.07)
Diluted	\$ 0.24	\$ (0.07)
From discontinued operations		
Basic	\$ —	\$ (0.02)
Diluted	\$ —	\$ (0.02)
Total		
Basic	\$ 0.24	\$ (0.09)
Diluted	\$ 0.24	\$ (0.09)

See accompanying notes to the condensed consolidated financial statements.

Pactiv Evergreen Inc.
Condensed Consolidated Statements of Comprehensive Loss
(In millions)
(Unaudited)

	For the Three Months Ended March 31,	
	2022	2021
Net income (loss)	\$ 43	\$ (14)
Other comprehensive loss, net of income taxes:		
Currency translation adjustments	4	(20)
Defined benefit plans	(103)	—
Other comprehensive loss	(99)	(20)
Comprehensive loss	(56)	(34)
Comprehensive income attributable to non-controlling interests	—	(1)
Comprehensive loss attributable to Pactiv Evergreen Inc. common shareholders	\$ (56)	\$ (35)

See accompanying notes to the condensed consolidated financial statements.

Pactiv Evergreen Inc.
Condensed Consolidated Balance Sheets
(In millions, except share amounts)
(Unaudited)

	As of March 31, 2022	As of December 31, 2021
Assets		
Cash and cash equivalents	\$ 283	\$ 197
Accounts receivable, net of allowances for doubtful accounts of \$4 and \$3	502	474
Related party receivables	41	48
Inventories	968	854
Other current assets	113	127
Assets held for sale	134	162
Total current assets	2,041	1,862
Property, plant and equipment, net	1,771	1,786
Operating lease right-of-use assets, net	272	278
Goodwill	1,812	1,812
Intangible assets, net	1,112	1,127
Deferred income taxes	7	7
Other noncurrent assets	147	149
Total assets	\$ 7,162	\$ 7,021
Liabilities		
Accounts payable	\$ 433	\$ 364
Related party payables	11	10
Current portion of long-term debt	30	30
Current portion of operating lease liabilities	62	61
Income taxes payable	5	8
Accrued and other current liabilities	373	315
Liabilities held for sale	27	31
Total current liabilities	941	819
Long-term debt	4,213	4,220
Long-term operating lease liabilities	222	229
Deferred income taxes	231	246
Long-term employee benefit obligations	194	79
Other noncurrent liabilities	144	140
Total liabilities	\$ 5,945	\$ 5,733
Commitments and contingencies (Note 12)		
Equity		
Common stock, \$0.001 par value; 2,000,000,000 shares authorized; 177,668,402 and 177,250,974 shares issued and outstanding as of March 31, 2022 and December 31, 2021, respectively	\$ —	\$ —
Preferred stock, \$0.001 par value; 200,000,000 shares authorized; no shares issued or outstanding	—	—
Additional paid in capital	628	625
Accumulated other comprehensive loss	(198)	(99)
Retained earnings	783	758
Total equity attributable to Pactiv Evergreen Inc. common shareholders	1,213	1,284
Non-controlling interests	4	4
Total equity	1,217	1,288
Total liabilities and equity	\$ 7,162	\$ 7,021

See accompanying notes to the condensed consolidated financial statements.

Pactiv Evergreen Inc.

Condensed Consolidated Statements of Equity
(In millions, except per share amounts)
(Unaudited)

	Common Stock		Additional Paid In Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Non- Controlling Interests	Total Equity
	Shares	Amount					
For the Three Months Ended March 31, 2021							
Balance as of December 31, 2020	177.2	\$ —	\$ 614	\$ (349)	\$ 806	\$ 3	\$ 1,074
Net (loss) income	—	—	—	—	(15)	1	(14)
Other comprehensive loss, net of income taxes	—	—	—	(20)	—	—	(20)
Equity based compensation	—	—	4	—	—	—	4
Dividends declared - common shareholders (\$0.10 per share)	—	—	—	—	(18)	—	(18)
Balance as of March 31, 2021	177.2	\$ —	\$ 618	\$ (369)	\$ 773	\$ 4	\$ 1,026
For the Three Months Ended March 31, 2022							
Balance as of December 31, 2021	177.3	\$ —	\$ 625	\$ (99)	\$ 758	\$ 4	\$ 1,288
Net income	—	—	—	—	43	—	43
Other comprehensive loss, net of income taxes	—	—	—	(99)	—	—	(99)
Equity based compensation	—	—	4	—	—	—	4
Vesting of restricted stock units, net of tax withholdings	0.4	—	(1)	—	—	—	(1)
Dividends declared - common shareholders (\$0.10 per share)	—	—	—	—	(18)	—	(18)
Balance as of March 31, 2022	177.7	\$ —	\$ 628	\$ (198)	\$ 783	\$ 4	\$ 1,217

See accompanying notes to the condensed consolidated financial statements.

Pactiv Evergreen Inc.
Condensed Consolidated Statements of Cash Flows
(In millions)
(Unaudited)

	For the Three Months Ended March 31,	
	2022	2021
Cash provided by operating activities		
Net income (loss)	\$ 43	\$ (14)
Adjustments to reconcile net income (loss) to operating cash flows:		
Depreciation and amortization	84	73
Deferred income taxes	18	(27)
Unrealized (gain) loss on derivatives	(5)	1
Other asset impairment charges	—	(2)
Gain on sale of businesses and noncurrent assets	(27)	—
Non-cash portion of employee benefit obligations	(10)	(21)
Non-cash portion of operating lease expense	19	20
Amortization of OID and DIC	1	1
Loss on extinguishment of debt	—	1
Equity based compensation	4	4
Other non-cash items, net	2	(2)
Change in assets and liabilities:		
Accounts receivable, net	(11)	(51)
Inventories	(115)	(35)
Other current assets	9	(3)
Accounts payable	66	41
Operating lease payments	(19)	(19)
Income taxes payable/receivable	(1)	25
Accrued and other current liabilities	59	13
Employee benefit obligation contributions	(1)	—
Other assets and liabilities	4	4
Net cash provided by operating activities	120	9
Cash used in investing activities		
Acquisition of property, plant and equipment	(50)	(60)
Acquisition of business, net of cash acquired	(2)	—
Disposal of businesses and joint venture equity interests, net of cash disposed	47	(6)
Net cash used in investing activities	(5)	(66)
Cash used in financing activities		
Long-term debt repayments	(6)	(62)
Premium on redemption of long-term debt	—	(1)
Dividends paid to common shareholders	(18)	(18)
Other financing activities	(3)	—
Net cash used in financing activities	(27)	(81)
Effect of exchange rate changes on cash and cash equivalents	—	(2)
Increase (decrease) in cash and cash equivalents	88	(140)
Cash and cash equivalents, including amounts classified as held for sale, as of beginning of the period	214	468
Cash and cash equivalents as of end of the period	\$ 302	\$ 328
Cash and cash equivalents are comprised of:		
Cash and cash equivalents	\$ 283	\$ 328
Cash and cash equivalents classified as assets held for sale	19	—
Cash and cash equivalents as of end of the period	\$ 302	\$ 328
Cash paid (received):		
Interest	\$ 22	\$ 20
Income taxes paid (refunded), net	19	(16)

Significant non-cash investing and financing activities

During the three months ended March 31, 2022 and 2021, we recognized operating lease right-of-use assets and lease liabilities of \$10 million and \$33 million, respectively.

See accompanying notes to the condensed consolidated financial statements.

Pactiv Evergreen Inc.
Notes to the Condensed Consolidated Financial Statements
(In millions, except per share data and unless otherwise indicated)
(Unaudited)

Note 1. Nature of Operations and Basis of Presentation

The accompanying condensed consolidated financial statements comprise the accounts of Pactiv Evergreen Inc. (“PTVE”) and its subsidiaries (“we”, “us”, “our” or the “Company”) and have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial information and in accordance with the rules and regulations of the United States Securities and Exchange Commission (the “SEC”). Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. These unaudited condensed consolidated interim financial statements reflect all normal and recurring adjustments that are, in the opinion of management, necessary for a fair presentation of the results for the interim periods and should be read in conjunction with the consolidated financial statements and the related notes thereto included in our latest Annual Report on Form 10-K for the year ended December 31, 2021 filed with the SEC on February 24, 2022. Operating results for interim periods are not necessarily indicative of the results that may be expected for the fiscal year ending December 31, 2022. All intercompany transactions and balances have been eliminated in consolidation.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements and accompanying notes. Although our current estimates contemplate current conditions and how we expect them to change in the future, as appropriate, it is reasonably possible that actual conditions could differ from what was anticipated in those estimates, which could materially affect our results of operations and balance sheet. Among other effects, such changes could result in future impairments of goodwill, intangibles and long-lived assets, and adjustments to reserves for employee benefits and income taxes. The estimated recoverable amounts associated with asset impairments represent Level 3 measurements in the fair value hierarchy, which include inputs that are not based on observable market data.

The worldwide COVID-19 pandemic has had, and will continue to have, a significant impact on our results of operations, and it may also have additional far-reaching impacts on many aspects of our operations including the impact on customer behaviors, business and manufacturing operations, our employees and the market in general. The extent to which the COVID-19 pandemic impacts our business, financial condition, results of operations, cash flows and liquidity may differ from management’s current estimates due to inherent uncertainties regarding the progress of the pandemic, actions taken to contain the virus, the implementation and effectiveness of vaccinations and how quickly and to what extent normal economic and operating conditions can resume.

Accounting Guidance Issued but Not Yet Adopted as of March 31, 2022

In October 2021, the FASB issued ASU 2021-08, Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers, which requires contract assets and contract liabilities acquired in a business combination to be recognized and measured by the acquirer on the acquisition date in accordance with Accounting Standards Codification Topic 606: Revenue from Contracts with Customers (“ASC 606”). Under current GAAP, an acquirer generally recognizes assets acquired and liabilities assumed in a business combination, including contract assets and contract liabilities arising from revenue contracts with customers, at fair value on the acquisition date. This ASU will result in the acquirer recording acquired contract assets and liabilities on the same basis that would have been recorded by the acquiree before the acquisition under ASC 606. This ASU is effective for annual and interim periods beginning after December 15, 2022. Early adoption is permitted, including in interim periods, for any financial statements that have not yet been issued. This ASU should be applied prospectively to business combinations occurring on or after the effective date of the amendments. We are currently evaluating the impact of the new guidance on our condensed consolidated financial statements.

In March 2020, the FASB issued ASU 2020-04, Reference Rate Reform - Facilitation of the Effects of Reference Rate Reform on Financial Reporting (Topic 848). This ASU provides temporary optional expedients and exceptions to the guidance on contract modifications and hedge accounting to ease the financial reporting burdens of the expected market transition from LIBOR and other interbank offered rates to alternative reference rates. This ASU is effective upon issuance and generally can

Pactiv Evergreen Inc.
Notes to the Condensed Consolidated Financial Statements
(In millions, except per share data and unless otherwise indicated)
(Unaudited)

be applied through the end of calendar year 2022. We are currently evaluating the impact and whether we plan to adopt the optional expedients and exceptions provided under this new standard.

We reviewed all other recently issued accounting pronouncements and concluded that they were either not applicable or not expected to have a significant impact on our condensed consolidated financial statements.

Note 2. Acquisitions and Dispositions

Acquisitions

On October 1, 2021, we acquired 100% of the outstanding ownership interests of Fabri-Kal LLC, Monarch Mill Pond LLC and Pure Pulp Products LLC (collectively, “Fabri-Kal”) for a purchase price of \$378 million, including final adjustments for cash, indebtedness and working capital of \$2 million which was paid during the three months ended March 31, 2022. Fabri-Kal is a U.S. manufacturer of thermoformed plastic packaging products. Its products include portion cups, lids, clamshells, drink cups and yogurt containers for the consumer packaging goods and institutional foodservice markets. The acquisition includes four manufacturing facilities in the United States. The acquisition is expected to broaden our portfolio of sustainable packaging products and expand our manufacturing capacity to better serve our customers. The acquisition was funded with our existing cash resources and a portion of the U.S. term loans Tranche B-3 incurred in September 2021.

The Fabri-Kal acquisition was accounted for under the acquisition method of accounting and the results of operations were included in our condensed consolidated financial statements from the date of acquisition. Included in our condensed consolidated statements of income (loss) are Fabri-Kal’s net revenues of \$102 million for the three months ended March 31, 2022.

The following table summarizes the preliminary purchase price allocation of the fair value of net tangible and intangible assets acquired and liabilities assumed:

	As of October 1, 2021	
Cash and cash equivalents	\$	3
Accounts receivable		46
Inventories		86
Other current assets		2
Property, plant and equipment		126
Operating lease right-of-use assets		31
Goodwill		66
Customer relationships		56
Trademarks		34
Deferred income taxes		8
Assets acquired	\$	458
Accounts payable	\$	17
Current portion of long-term debt		1
Current portion of operating lease liabilities		3
Accrued and other current liabilities		26
Long-term debt		1
Long-term operating lease liabilities		25
Long-term employee benefit obligations		6
Other noncurrent liabilities		1
Liabilities assumed	\$	80
Total purchase price	\$	378

We allocated the intangible assets acquired to the Foodservice segment which included \$56 million of customer relationships with an estimated life of 8 years and \$34 million of definite-lived trademarks with an estimated life of 10 years. We increased the cost of acquired inventories by \$12 million, all of which was expensed as a component of cost of sales during the year ended December 31, 2021. We allocated \$66 million of goodwill to the Foodservice segment, of which \$42 million is expected to be tax deductible. Goodwill arises principally as a result of expansion opportunities provided by Fabri-Kal’s manufacturing

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Notes to the Condensed Consolidated Financial Statements
(In millions, except per share data and unless otherwise indicated)
(Unaudited)

capacity to better serve our customers and plant operation synergies. The purchase price allocation in the table above is preliminary and subject to the finalization of our valuation analysis.

Real property and personal property fair values were determined using the cost approach. The fair values for customer relationships at the acquisition date were determined using the multi-period excess earnings method under the income approach. Significant assumptions used in assessing the fair value of the customer relationships intangible asset were forecasted Adjusted EBITDA margins and contributory asset charges. Trademark fair values were determined using the relief from royalty method. The fair value measurements of intangible assets are based on significant unobservable inputs and thus represent Level 3 inputs.

Dispositions

During the fourth quarter of 2021, we committed to a plan to sell our carton packaging and filling machinery businesses in China, Korea and Taiwan (“Beverage Merchandising Asia”) included in the Beverage Merchandising segment. As a result, we classified the assets and liabilities of Beverage Merchandising Asia as held for sale as of December 31, 2021. The operations of Beverage Merchandising Asia did not meet the criteria to be presented as discontinued operations.

On January 4, 2022, we entered into a definitive agreement with SIG Schweizerische Industrie-Gesellschaft GmbH to sell Beverage Merchandising Asia. We expect to receive proceeds from the transaction of approximately \$335 million, adjusted for cash, indebtedness and working capital as of the date of completion. The transaction is expected to close in the second or third quarter of 2022, subject to customary closing conditions, including regulatory approvals.

The carrying amounts of the major classes of Beverage Merchandising Asia’s assets and liabilities as of March 31, 2022 and December 31, 2021 comprised the following:

	<u>As of March 31, 2022</u>	<u>As of December 31, 2021</u>
Cash and cash equivalents	\$ 19	\$ 17
Accounts receivable	22	27
Inventories	23	23
Other current assets	2	3
Property, plant and equipment	47	48
Goodwill	14	14
Deferred income taxes	3	3
Other noncurrent assets	4	4
Total current assets held for sale	\$ 134	\$ 139
Accounts payable	\$ 4	\$ 7
Income taxes payable	3	3
Accrued and other current liabilities	17	18
Long-term employee benefit obligations	1	1
Deferred income taxes	2	2
Total current liabilities held for sale	\$ 27	\$ 31

Income from operations before income taxes for Beverage Merchandising Asia for the three months ended March 31, 2022 and 2021 were \$5 million and \$6 million, respectively.

On October 12, 2021, we entered into a definitive agreement for the sale of our equity interests in Naturepak Beverage Packaging Co. Ltd., our 50% joint venture with Naturepak Limited, to affiliates of Elopak ASA. As a result, as of December 31, 2021, we reclassified the carrying value of our interests in Naturepak Beverage Packaging Co. Ltd. to assets held for sale. The transaction closed on March 29, 2022, and we received preliminary proceeds of \$47 million, which are subject to adjustments for cash, indebtedness and working capital as of the date of completion, resulting in a preliminary gain on the sale of our equity interests of \$27 million during the three months ended March 31, 2022 which was reflected in other income, net. Our interests in Naturepak Beverage Packaging Co. Ltd. did not meet the criteria to be presented as discontinued operations.

During the third quarter of 2020, we committed to a plan to sell the South American closures businesses included in the Other operating segment. In December 2020, we entered into an agreement to sell the businesses. On March 31, 2021, we completed the sale of the South American closures businesses for an immaterial amount and recognized a partial reversal of the initial impairment charge of \$2 million during the three months ended March 31, 2021 which was reflected in restructuring, asset

Pactiv Evergreen Inc.
Notes to the Condensed Consolidated Financial Statements
(In millions, except per share data and unless otherwise indicated)
(Unaudited)

impairment and other related charges. This partial reversal was driven by a change in the carrying value of the assets held for sale as of the disposal date. The operations of the South American closures businesses did not meet the criteria to be presented as discontinued operations. The South American closures businesses' income from operations before income taxes for the three months ended March 31, 2021 was insignificant.

Note 3. Restructuring, Asset Impairment and Other Related Charges

There were no restructuring, asset impairment and other related charges recorded during the three months ended March 31, 2022. During the three months ended March 31, 2021, we recorded the following restructuring, asset impairment and other related charges:

	<u>Other Asset Impairment</u>	<u>Total</u>
Other	\$ (2)	\$ (2)
Total	\$ (2)	\$ (2)

For the three months ended March 31, 2021, we recorded a partial reversal of the initial impairment charge relating to the sale of the South American closures businesses of \$2 million. Refer to Note 2, *Acquisitions and Dispositions*, for additional details.

The following table summarizes the changes to our restructuring liability for the three months ended March 31, 2022:

	<u>December 31, 2021</u>	<u>Charges to Earnings</u>	<u>Cash Paid</u>	<u>March 31, 2022</u>
Employee termination costs	\$ 2	\$ —	\$ —	\$ 2
Total	\$ 2	\$ —	\$ —	\$ 2

We expect to settle our restructuring liability within twelve months.

Note 4. Inventories

The components of inventories consisted of the following:

	<u>As of March 31, 2022</u>	<u>As of December 31, 2021</u>
Raw materials	\$ 243	\$ 226
Work in progress	114	102
Finished goods	512	427
Spare parts	99	99
Inventories	\$ 968	\$ 854

Note 5. Property, Plant and Equipment, Net

Property, plant and equipment, net consisted of the following:

	<u>As of March 31, 2022</u>	<u>As of December 31, 2021</u>
Land and land improvements	\$ 72	\$ 72
Buildings and building improvements	641	638
Machinery and equipment	3,395	3,383
Construction in progress	193	170
Property, plant and equipment, at cost	4,301	4,263
Less: accumulated depreciation	(2,530)	(2,477)
Property, plant and equipment, net	\$ 1,771	\$ 1,786

Pactiv Evergreen Inc.
Notes to the Condensed Consolidated Financial Statements
(In millions, except per share data and unless otherwise indicated)
(Unaudited)

Depreciation expense related to property, plant and equipment was recognized in the following components in the condensed consolidated statements of income (loss):

	For the Three Months Ended March 31,	
	2022	2021
Cost of sales	\$ 63	\$ 54
Selling, general and administrative expenses	6	6
Total depreciation expense	\$ 69	\$ 60

Note 6. Goodwill and Intangible Assets

Goodwill by reportable segment was as follows:

	Foodservice	Food Merchandising	Beverage Merchandising	Other (1)	Total
Balance as of December 31, 2021	\$ 990	\$ 770	\$ 52	\$ —	\$ 1,812
Movements	—	—	—	—	—
Balance as of March 31, 2022	\$ 990	\$ 770	\$ 52	\$ —	\$ 1,812
Accumulated impairment losses	\$ —	\$ —	\$ —	\$ 15	\$ 15

(1) Other includes operations that do not meet the quantitative threshold for reportable segments.

Intangible assets, net consisted of the following:

	As of March 31, 2022			As of December 31, 2021		
	Gross Carrying Amount	Accumulated Amortization	Net	Gross Carrying Amount	Accumulated Amortization	Net
Finite-lived intangible assets						
Customer relationships	\$ 1,075	\$ (609)	\$ 466	\$ 1,075	\$ (594)	\$ 481
Trademarks	\$ 42	\$ (9)	\$ 33	\$ 42	\$ (9)	\$ 33
Other	12	(12)	—	12	(12)	—
Total finite-lived intangible assets	\$ 1,129	\$ (630)	\$ 499	\$ 1,129	\$ (615)	\$ 514
Indefinite-lived intangible assets						
Trademarks	\$ 554	\$ —	\$ 554	\$ 554	\$ —	\$ 554
Other	59	—	59	59	—	59
Total indefinite-lived intangible assets	\$ 613	\$ —	\$ 613	\$ 613	\$ —	\$ 613
Total intangible assets	\$ 1,742	\$ (630)	\$ 1,112	\$ 1,742	\$ (615)	\$ 1,127

Amortization expense for intangible assets of \$15 million and \$13 million for the three months ended March 31, 2022 and 2021, respectively, was recognized in selling, general and administrative expenses.

Note 7. Accrued and Other Current Liabilities

Accrued and other current liabilities consisted of the following:

	As of March 31, 2022	As of December 31, 2021
Accrued personnel costs	\$ 92	\$ 86
Accrued rebates and credits	98	87
Accrued interest	44	19
Other(1)	139	123
Accrued and other current liabilities	\$ 373	\$ 315

(1) Other includes items such as accruals for freight, utilities and property and other non-income related taxes.

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Note 8. Debt

Debt consisted of the following:

	As of March 31, 2022	As of December 31, 2021
Credit Agreement	\$ 2,244	\$ 2,250
Notes:		
4.000% Senior Secured Notes due 2027	1,000	1,000
4.375% Senior Secured Notes due 2028	500	500
Pactiv Debentures:		
7.950% Debentures due 2025	276	276
8.375% Debentures due 2027	200	200
Other	51	53
Total principal amount of borrowings	<u>4,271</u>	<u>4,279</u>
Deferred financing transaction costs ("DIC")	(16)	(17)
Original issue discounts, net of premiums ("OID")	(12)	(12)
	<u>4,243</u>	<u>4,250</u>
Less: current portion	(30)	(30)
Long-term debt	<u>\$ 4,213</u>	<u>\$ 4,220</u>

We were in compliance with all debt covenants during the three months ended March 31, 2022 and the year ended December 31, 2021.

On September 24, 2021, we incurred \$1,015 million of term loans ("U.S. term loans tranche B-3") and issued \$500 million aggregate principal amount of 4.375% senior secured notes ("4.375% Notes"). A portion of the net proceeds from the U.S. term loans Tranche B-3, along with the net proceeds from the 4.375% Notes, was used to repay the \$1,207 million of existing U.S. term loans Tranche B-1 maturing in February 2023, including accrued interest, extinguishing this tranche of borrowings. The balance of the net proceeds from the U.S. term loans Tranche B-3 was used to partially fund the acquisition of Fabri-Kal. During the three months ended March 31, 2021, we repaid the remaining \$59 million of the 5.125% senior secured notes at a price of 101.281%. The early repayment of these senior secured notes resulted in a loss on extinguishment of debt of \$1 million in respect of the premium on redemption, which was recognized in interest expense, net.

Credit Agreement

PTVE and certain of its U.S. subsidiaries are parties to a senior secured credit agreement dated August 5, 2016 as amended (the "Credit Agreement"). The Credit Agreement comprises the following term and revolving tranches:

	Maturity Date	Value Drawn or Utilized as of March 31, 2022	Applicable Interest Rate as of March 31, 2022
Term Tranches			
U.S. term loans Tranche B-2	February 5, 2026	\$ 1,234	LIBOR (floor of 0.000%) + 3.250%
U.S. term loans Tranche B-3	September 24, 2028	\$ 1,010	LIBOR (floor of 0.500%) + 3.500%
Revolving Tranche⁽¹⁾			
U.S. Revolving Loans	August 5, 2024	\$ 44	—

(1) The Revolving Tranche represents a \$250 million facility. The amount utilized is in the form of letters of credit.

The weighted average contractual interest rates related to our U.S. term loans Tranche B-2 and Tranche B-3 for the three months ended March 31, 2022 were 3.39% and 4.00%, respectively. The weighted average contractual interest rates related to our U.S. term loans Tranche B-1 and B-2 for the three months ended March 31, 2021 were 2.88% and 3.38%, respectively. The effective interest rates of our debt obligations under the Credit Agreement are not materially different from the contractual interest rates.

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PTVE and certain of its U.S. subsidiaries have guaranteed on a senior basis the obligations under the Credit Agreement to the extent permitted by law. The borrowers and the guarantors have granted security over substantially all of their assets to support the obligations under the Credit Agreement. This security is expected to be shared on a first priority basis with the holders of the Notes.

Indebtedness under the Credit Agreement may be voluntarily repaid, in whole or in part, and must be mandatorily repaid in certain circumstances. We are required to make quarterly amortization payments of 0.25% of the principal amount of U.S. term loans. Additionally, we are required to make annual prepayments of term loans with up to 50% of excess cash flow (which will be reduced to 25% or 0% if specified senior secured first lien leverage ratios are met) as determined in accordance with the Credit Agreement. No excess cash flow prepayments were due in 2021 or are due in 2022 for the year ended December 31, 2021.

The Credit Agreement contains customary covenants which restrict us from certain activities including, among other things, incurring debt, creating liens over assets, selling assets and making restricted payments, in each case except as permitted under the Credit Agreement.

Notes

Outstanding Notes, as of March 31, 2022, are summarized below:

	Maturity Date	Interest Payment Dates
4.000% Senior Secured Notes due 2027	October 15, 2027	April 15 and October 15
4.375% Senior Secured Notes due 2028	October 15, 2028	April 15 and October 15, commencing April 15, 2022

The effective interest rates of our debt obligations under the Notes are not materially different from the contractual interest rates.

PTVE and certain of its U.S. subsidiaries have guaranteed on a senior basis the obligations under the Notes to the extent permitted by law. The issuers and the guarantors have granted security over substantially all of their assets to support the obligations under the Notes. This security is expected to be shared on a first priority basis with the creditors under the Credit Agreement.

The respective indentures governing the 4.000% Senior Secured Notes due 2027 (“4.000% Notes”) and the 4.375% Notes (together with the 4.000% Notes, the “Notes”) contain customary covenants which restrict us from certain activities including, among other things, incurring debt, creating liens over assets, selling assets and making restricted payments, in each case except as permitted under the respective indentures governing the Notes.

Under the respective indentures governing the Notes, we can, at our option, elect to redeem the Notes under terms and conditions specified in the indentures. Under the respective indentures governing the Notes, in certain circumstances which would constitute a change in control, the holders of the Notes have the right to require us to repurchase the Notes at a premium.

Pactiv Debentures

As of March 31, 2022, we had outstanding the following debentures (together, the “Pactiv Debentures”):

	Maturity Date	Interest Payment Dates
7.950% Debentures due 2025	December 15, 2025	June 15 and December 15
8.375% Debentures due 2027	April 15, 2027	April 15 and October 15

The effective interest rates of our debt obligations under the Pactiv Debentures are not materially different from the contractual interest rates.

The Pactiv Debentures are not guaranteed and are unsecured.

The indentures governing the Pactiv Debentures contain a negative pledge clause limiting the ability of certain of our entities, subject to certain exceptions, to (i) incur or guarantee debt that is secured by liens on “Principal Manufacturing Properties” (as such term is defined in the indentures governing the Pactiv Debentures) or on the capital stock or debt of certain subsidiaries that own or lease any such Principal Manufacturing Property and (ii) sell and then take an immediate lease back of such Principal Manufacturing Property.

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The 8.375% Debentures due 2027 may be redeemed at any time at our option, in whole or in part, at a redemption price equal to 100% of the principal amount thereof plus a make-whole premium, if any, plus accrued and unpaid interest to the date of the redemption.

Other borrowings

Other borrowings represented finance lease obligations of \$51 million and \$53 million as of March 31, 2022 and December 31, 2021, respectively.

Scheduled Maturities

Below is a schedule of required future repayments on our debt outstanding as of March 31, 2022:

2022	\$	23
2023		30
2024		29
2025		304
2026		1,202
Thereafter		2,683
Total principal amount of borrowings	\$	4,271

Fair value of our long-term debt

The fair value of our long-term debt as of March 31, 2022 and December 31, 2021 is a Level 2 fair value measurement. Below is a schedule of carrying values and fair values of our debt outstanding:

	As of March 31, 2022		As of December 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Credit Agreement	\$ 2,233	\$ 2,188	\$ 2,239	\$ 2,243
Notes:				
4.000% Senior Secured Notes due 2027	992	930	991	975
4.375% Senior Secured Notes due 2028	495	461	495	497
Pactiv Debentures:				
7.950% Debentures due 2025	273	283	273	305
8.375% Debentures due 2027	199	207	199	222
Other	51	51	53	53
Total	\$ 4,243	\$ 4,120	\$ 4,250	\$ 4,295

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Interest expense, net

Interest expense, net consisted of the following:

	For the Three Months Ended March 31,	
	2022	2021
Interest expense:		
Credit Agreement	\$ 21	\$ 19
Notes	15	10
Pactiv Debentures	10	10
Interest income	—	(1)
Amortization:		
DIC	1	1
Net foreign currency exchange losses	1	1
Loss on extinguishment of debt:		
Redemption premiums	—	1
Other	1	1
Interest expense, net	\$ 49	\$ 42

Note 9. Financial Instruments

We had the following derivative instruments recorded at fair value in our condensed consolidated balance sheets:

	As of March 31, 2022		As of December 31, 2021	
	Asset Derivatives	Liability Derivatives	Asset Derivatives	Liability Derivatives
Commodity swap contracts	\$ 5	\$ —	\$ 1	\$ (1)
Total fair value	\$ 5	\$ —	\$ 1	\$ (1)
Recorded in:				
Other current assets	\$ 5	\$ —	\$ 1	\$ —
Accrued and other current liabilities	—	—	—	(1)
Total fair value	\$ 5	\$ —	\$ 1	\$ (1)

Our derivatives are comprised of commodity swaps. All derivatives represent Level 2 financial assets and liabilities. Our derivatives are valued using an income approach based on the observable market index prices less the contract rate multiplied by the notional amount or based on pricing models that rely on market observable inputs such as commodity prices. Our calculation of the fair value of these financial instruments takes into consideration the risk of non-performance, including counterparty credit risk. The majority of our derivative contracts do not have a legal right of set-off. We manage the credit risk in connection with our derivatives by limiting the amount of exposure with each counterparty and monitoring the financial condition of our counterparties.

During the three months ended March 31, 2022 and 2021, we recognized an unrealized gain of \$5 million and an unrealized loss of \$1 million, respectively, in cost of sales.

The following table provides the detail of outstanding commodity derivative contracts as of March 31, 2022:

Type	Unit of Measure	Contracted Volume	Contracted Price Range	Contracted Date of Maturity
Benzene swaps	U.S. liquid gallon	5,518,856	\$3.12 - \$4.05	May 2022 - Dec 2022
Natural gas swaps	Million BTU	224,024	\$2.81 - \$2.81	May 2022 - Sep 2022

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Note 10. Employee Benefits

Net periodic benefit income for defined benefit pension plans and other post-employment benefit plans consisted of the following:

	For the Three Months Ended March 31,	
	2022	2021
Service cost	\$ —	\$ (2)
Interest cost	(21)	(27)
Expected return on plan assets	21	50
Ongoing net periodic benefit income	—	21
Income due to settlement ⁽¹⁾	10	—
Total net periodic benefit income	\$ 10	\$ 21

(1) Refer to the *Pension Partial Settlement Transactions* section below for additional details.

Net periodic benefit income for defined benefit pension plans and other post-employment benefit plans was recognized as follows:

	For the Three Months Ended March 31,	
	2022	2021
Cost of sales	\$ —	\$ (2)
Non-operating income, net	10	23
Total net periodic benefit income	\$ 10	\$ 21

No contributions to the Pactiv Evergreen Pension Plan (“PEPP”) are expected to be made in 2022.

Pension Partial Settlement Transactions

On February 24, 2022, we purchased with \$1,260 million of PEPP assets a non-participating group annuity contract from an insurance company and transferred \$1,257 million of the PEPP’s projected benefit obligations. Under the transaction, the insurance company assumed responsibility for pension benefits and annuity administration for approximately 13,300 retirees or their beneficiaries. As a result of this transaction, the PEPP’s projected benefit obligations and plan assets were remeasured, and we recognized a non-cash pre-tax pension settlement gain of \$10 million in the three months ended March 31, 2022.

On July 21, 2021, we purchased with \$941 million of PEPP assets a non-participating group annuity contract from an insurance company and transferred \$959 million of the PEPP’s projected benefit obligations. Under the transaction, the insurance company will assume responsibility for pension benefits and annuity administration for approximately 16,300 retirees or their beneficiaries. As a result of this transaction, the PEPP’s projected benefit obligations and plan assets were remeasured, and we recognized a non-cash pre-tax pension settlement gain of \$22 million in the third quarter of 2021.

Note 11. Other Income, Net

Other income, net consisted of the following:

	For the Three Months Ended March 31,	
	2022	2021
Gain on sale of businesses and noncurrent assets	\$ 27	\$ —
Foreign exchange losses on cash ⁽¹⁾	(2)	—
Transition service agreement income ⁽²⁾	1	4
Other	2	2
Other income, net	\$ 28	\$ 6

(1) Primarily arose from holding U.S. dollars in non-U.S. dollar functional currency entities.

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(2) Refer to Note 15, *Related Party Transactions*, for additional details. The transition services agreement income is primarily attributable to services provided to our former segments, Reynolds Consumer Products Inc. (“RCPI”) and Graham Packaging Company Inc. (“GPCI”), and our former closures businesses.

Note 12. Commitments and Contingencies

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, 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, we do not believe any of these matters, individually or in the aggregate, will have a material adverse effect on our balance sheet, results of operations or cash flows. However, actual outcomes may differ from those expected and could have a material effect on our balance sheet, results of operations or cash flows in a future period. Except for amounts provided, there were no legal proceedings pending other than those for which we have determined that the possibility of a material outflow is remote.

Legal Proceedings

On April 14, 2021, MP2 Energy LLC (“MP2”) filed a lawsuit against Pactiv LLC (“Pactiv”), one of our indirect subsidiaries, in state court in Montgomery County, Texas. In this lawsuit, MP2 seeks to collect approximately \$50 million from Pactiv that MP2 claims that Pactiv owes MP2 under an energy management services agreement (“EMSA”). Under the EMSA, including Transaction Confirmation No. 4, Pactiv agreed, among other things, to sell MP2 a certain contract quantity of energy at a specified price. If this contract quantity of energy became unavailable for Pactiv to sell to MP2, the EMSA granted MP2 the right to contract for the purchase of the shortfall in the contract quantity, and to charge Pactiv for the cost incurred by MP2 in contracting for that shortfall, “unless due to an event of Force Majeure.” Pactiv notified MP2 that Pactiv was excused by Force Majeure under the EMSA to the extent that the contract quantity of energy was not available for Pactiv to sell to MP2 because of the winter weather emergency caused by Winter Storm Uri. Even though MP2 does not dispute that Winter Storm Uri constituted an event of Force Majeure under the EMSA and Transaction Confirmation No. 4, MP2 nevertheless seeks to hold Pactiv responsible in this lawsuit for approximately \$50 million in costs that MP2 claims it incurred in contracting for a shortfall in Pactiv’s contract quantity of energy during the event of Force Majeure. Pactiv disputes any liability to MP2 and maintains that Pactiv acted reasonably at all times and that the event of Force Majeure excused any obligation Pactiv had to supply the contract quantity under the EMSA and Transaction Confirmation No. 4 or to reimburse MP2 for its cost in contracting for any shortfall in the contract quantity. Pactiv believes that MP2’s claim is without merit and that Pactiv has strong defenses against MP2’s claim, including, but not limited to, Force Majeure. Pactiv intends to vigorously defend itself against MP2’s claim in this lawsuit. Although we are confident of Pactiv’s legal position in this matter and do not consider it probable that this matter will result in a material loss, we can offer no assurance that Pactiv will in fact obtain a favorable outcome.

Indemnities

As part of the agreements for the sale of various businesses, we have provided certain warranties and indemnities to the respective purchasers as set out in the respective sale agreements. These warranties and indemnities are subject to various terms and conditions affecting the duration and total amount of the indemnities. As of March 31, 2022, we are not aware of any material claims under these agreements that would give rise to an additional liability. However, if such claims arise in the future, they could have a material effect on our balance sheet, results of operations or cash flows.

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Note 13. Accumulated Other Comprehensive Loss

The following table summarizes the changes in our balances of each component of accumulated other comprehensive loss (“AOCL”):

	For the Three Months Ended March 31,	
	2022	2021
Currency translation adjustments:		
Balance as of beginning of period	\$ (207)	\$ (189)
Currency translation adjustments	4	(9)
Amounts reclassified from AOCL ⁽¹⁾	—	(11)
Other comprehensive income (loss)	4	(20)
Balance as of end of period	\$ (203)	\$ (209)
Defined benefit plans:		
Balance as of beginning of period	\$ 108	\$ (160)
Net actuarial loss arising during year ⁽²⁾	(126)	—
Deferred tax expense on net actuarial loss	31	—
Gain reclassified from AOCL		
Defined benefit plan settlement gain	(10)	—
Deferred tax expense on reclassification	2	—
Other comprehensive loss	(103)	—
Balance as of end of period	\$ 5	\$ (160)
AOCL		
Balance as of beginning of period	\$ (99)	\$ (349)
Other comprehensive loss	(99)	(20)
Balance as of end of period	\$ (198)	\$ (369)

- (1) The reclassification of currency translation adjustment amounts to earnings during the three months ended March 31, 2021 relates to the sale of the South American closures businesses. Refer to Note 2, *Acquisitions and Dispositions*, for additional details.
- (2) Net actuarial loss arising during the three months ended March 31, 2022 relates to the interim remeasurement of the PEPP due to the pension partial settlement transaction. The net actuarial loss for the three months ended March 31, 2022 was primarily due to asset returns, partially offset by an increase in the discount rate utilized in measuring plan obligations, reflecting changes in market rates. Refer to Note 10, *Employee Benefits*, for additional details.

Note 14. Income Taxes

The effective tax rates for the three months ended March 31, 2022 and 2021 represent our estimate of the annual effective tax rates expected to be applicable for the respective full fiscal years, adjusted for any discrete events which are recorded in the period that they occur.

During the three months ended March 31, 2022, we recognized a tax expense of \$36 million on income from continuing operations before tax of \$79 million. The effective tax rate was driven primarily by a \$14 million discrete expense from the sale of our equity interests in Naturepak Beverage Packaging Co. Ltd.

During the three months ended March 31, 2021, we recognized a tax benefit of \$18 million on a loss from continuing operations before tax of \$29 million. The effective tax rate was driven primarily by a \$10 million discrete benefit from the partial release of our valuation allowance for deferred interest deductions, which was partially offset by certain nondeductible expenses and varying rates among the jurisdictions in which we operate.

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We are under audit by the Internal Revenue Service (“IRS”) and other taxing authorities. The IRS is currently auditing our U.S. income tax returns for 2016-2017. As of March 31, 2022, we have not received any proposed adjustments from taxing authorities that would be material. Although the ultimate timing is uncertain, it is reasonably possible that a reduction of up to \$10 million of unrecognized tax benefits could occur within the next twelve months due to changes in audit status, settlements of tax assessments and other events.

Note 15. Related Party Transactions

As of March 31, 2022, 78% of our shares are owned by PFL or another entity of which Mr. Graeme Hart is the ultimate shareholder (together with PFL, the “Hart Stockholders”).

The related party entities and types of transactions we entered into with them are detailed below. All related parties detailed below have a common ultimate controlling shareholder, except for the joint ventures.

	Transaction Value for the Three Months Ended March 31,		Balance Outstanding as of	
	2022	2021	March 31, 2022	December 31, 2021
Balances and transactions with joint ventures				
Included in other current assets			\$ 2	\$ 9
Sale of goods and services(1)	\$ 7	\$ 10		
Balances and transactions with other entities controlled by Mr. Graeme Hart				
Current related party receivables(2)			41	48
Sale of goods and services(2)	100	78		
Transition services agreements and rental income(2)	1	4		
Charges(3)	—	5		
Related party payables(2)			(11)	(10)
Purchase of goods(2)	(27)	(25)		
Charges(3)	(3)	(6)		

- (1) All transactions with joint ventures are settled in cash. Sales of goods and services are negotiated based on market rates. All amounts are unsecured, non-interest bearing and repayable on demand.
- (2) Following the distribution of RCPI on February 4, 2020, we continue to trade with them, selling and purchasing various goods and services under contractual arrangements that expire over a variety of periods through December 31, 2024. As part of the separation process, among other agreements, we have entered into two lease arrangements with RCPI and entered into a transition services agreement to provide ongoing agreed services to RCPI, as requested. We do not trade with GPCI on an ongoing basis. We have entered into a transition services agreement to provide ongoing agreed services to GPCI, as requested. We have also entered into a tax matters agreement with GPCI. We have recognized a payable of \$1 million under the tax matters agreement in relation to GPCI’s share of U.S. state tax refunds in respect of the periods through to September 16, 2020.
- (3) These charges are for various costs incurred including services provided, financing and other activities. All amounts are unsecured, non-interest bearing and settled on normal trade terms. As part of our IPO, we have entered into a transition services agreement with Rank Group Limited (“Rank”), an entity controlled by Mr. Graeme Hart, under which Rank will, upon our request, continue to provide certain administrative and support services to us, and we will provide support services to Rank upon request. All services provided will be charged at an agreed hourly rate plus any third party costs. The agreements with Rank and affiliated entities also include an insurance sharing agreement and an investment advisory agreement in respect of our pension plan investment committee.

Note 16. Equity Based Compensation

In conjunction with our IPO, we established the Pactiv Evergreen Inc. Equity Incentive Plan (the “Equity Incentive Plan”) for purposes of granting stock or other equity based compensation awards to our employees (including our senior management), directors, consultants and advisors. The maximum number of shares of common stock initially available for issuance under our Equity Incentive Plan was 9,079,395 shares.

Equity based compensation expense of \$4 million and \$4 million for the three months ended March 31, 2022 and 2021, respectively, was recognized in selling, general and administrative expenses.

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Restricted Stock Units

During the three months ended March 31, 2022, we granted restricted stock units (“RSUs”) to certain members of management. These RSUs required future service to be provided and vest in annual installments over a period ranging from 1 to 3 years beginning on the first anniversary of the grant date. During the vesting period, the RSUs carry dividend-equivalent rights, but the RSUs do not have voting rights. The RSUs and any related dividend-equivalent rights are forfeited in the event the holder is no longer an employee on the vesting date, unless the holder satisfies certain retirement-eligibility criteria. The following table summarizes RSU activity during 2022:

<i>(In thousands, except per share amounts)</i>	Number of Stock Units	Weighted Average Grant Date Fair Value
Non-vested, at January 1	1,491	\$ 14.67
Granted ⁽¹⁾	1,091	\$ 9.18
Forfeited	(6)	\$ 14.55
Vested	(332)	\$ 15.22
Non-vested, at March 31	<u>2,244</u>	<u>\$ 11.92</u>

(1) Includes 11 thousand shares reserved for issuance upon the settlement of dividend-equivalent rights carried by the reported RSUs concurrently with the settlement of such RSUs for shares.

Unrecognized compensation cost related to unvested RSUs as of March 31, 2022 was \$19 million, which is expected to be recognized over a weighted average period of 2.4 years. The total vest date fair value of shares that vested during the three months ended March 31, 2022 was \$3 million.

Performance Share Units

During the three months ended March 31, 2022, we granted performance share units (“PSUs”) to certain members of management which vest on the third anniversary of the grant date. Based on the achievement of various company performance targets during a performance period set by our Compensation Committee, upon vesting, the PSUs are exchanged for a number of shares of common stock equal to the number of PSUs multiplied by a factor between 0% and 200%. We use our stock price on the grant date to estimate the fair value of our PSUs. We adjust the expense based on the likelihood of future achievement of performance metrics. If any of the performance targets are not achieved, the awards are forfeited. During the vesting period, the PSUs carry dividend-equivalent rights, but the PSUs do not have voting rights. The PSUs and any related dividend-equivalent rights are forfeited in the event the holder is no longer an employee on the vesting date, unless the holder satisfies certain retirement-eligibility criteria. The following table summarizes PSU activity during 2022:

<i>(In thousands, except per share amounts)</i>	Number of Stock Units	Weighted Average Grant Date Fair Value
Non-vested, at January 1	—	\$ —
Granted ⁽¹⁾	1,042	\$ 9.18
Non-vested, at March 31	<u>1,042</u>	<u>\$ 9.18</u>

(1) Includes 11 thousand shares reserved for issuance upon the settlement of dividend-equivalent rights carried by the reported PSUs concurrently with the settlement of such PSUs for shares.

Unrecognized compensation cost related to unvested PSUs as of March 31, 2022 was \$9 million, which is expected to be recognized over a weighted average period of 2.4 years.

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Note 17. Earnings Per Share

Earnings (loss) per share, including a reconciliation of the number of shares used for our earnings (loss) per share calculation, was as follows:

	For the Three Months Ended March 31,	
	2022	2021
Net earnings (loss) attributable to Pactiv Evergreen Inc. common shareholders		
From continuing operations	\$ 43	\$ (12)
From discontinued operations	—	(3)
Total	<u>\$ 43</u>	<u>\$ (15)</u>
Weighted average number of shares outstanding		
Basic	177.6	177.2
Effect of dilutive securities	0.4	—
Diluted	<u>178.0</u>	<u>177.2</u>
Earnings (loss) per share attributable to Pactiv Evergreen Inc. common shareholders		
From continuing operations		
Basic	\$ 0.24	\$ (0.07)
Diluted	\$ 0.24	\$ (0.07)
From discontinued operations		
Basic	\$ —	\$ (0.02)
Diluted	\$ —	\$ (0.02)
Total		
Basic	\$ 0.24	\$ (0.09)
Diluted	\$ 0.24	\$ (0.09)

The weighted average number of anti-dilutive potential common shares excluded from the calculation above was 0.7 million shares and 0.2 million shares for the three months ended March 31, 2022 and 2021, respectively.

Our Board of Directors declared a dividend of \$0.10 per share on May 3, 2022 to be paid on June 15, 2022 to shareholders of record as of May 31, 2022.

Note 18. Segment Information

ASC 280 Segment Reporting establishes the standards for reporting information about segments in financial statements. In applying the criteria set forth in ASC 280, we have three reportable segments: Foodservice, Food Merchandising and Beverage Merchandising. These reportable segments reflect our operating structure and the manner in which our Chief Operating Decision Maker (“CODM”), who is our President and Chief Executive Officer, assesses information for decision-making purposes.

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 reportable segments are described as follows:

Foodservice - Manufactures a broad range of products that enable consumers to eat and drink where they want and when they want with convenience. Foodservice manufactures food containers, drinkware (hot and cold cups and lids), tableware, serveware and other products which make eating on-the-go more enjoyable and easy to do.

Food Merchandising - Manufactures products that protect and attractively display food while preserving freshness. Food Merchandising products include clear rigid-display containers, containers for prepared and ready-to-eat food, trays for meat and poultry and egg cartons.

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(In millions, except per share data and unless otherwise indicated)
(Unaudited)

Beverage Merchandising - Manufactures cartons for fresh refrigerated beverage products, primarily serving dairy (including plant-based, organic and specialties), juice and other specialty beverage end-markets. Beverage Merchandising manufactures and supplies integrated fresh carton systems, which include printed cartons, spouts and filling machinery. It also produces fiber-based liquid packaging board for its internal requirements and to sell to other fresh beverage carton manufacturers as well as a range of paper-based products which it sells to paper and packaging converters.

Other/Unallocated - In addition to our reportable segments, we have other operating segments that do not meet the threshold for presentation as a reportable segment. These operating segments include the remaining components of our former closures business, which generate revenue from the sale of caps and closures, and are presented as "Other" in the reconciliation between total reportable segment amounts and the equivalent consolidated measure. Unallocated includes corporate costs, primarily relating to companywide functions such as finance, tax and legal and the effects of the PEPP and equity based compensation.

Information by Segment

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

A segment's Adjusted EBITDA represents its earnings before interest, tax, depreciation and amortization and is further adjusted to exclude certain items, including but not limited to, restructuring, asset impairment and other related charges, gains or losses on the sale of businesses and noncurrent assets, non-cash pension income or expense, operational process engineering-related consultancy costs, business acquisition and integration costs and purchase accounting adjustments, unrealized gains or losses on derivatives, foreign exchange gains or losses on cash and executive transition charges.

Reportable segment assets represent trade receivables, inventory and property, plant and equipment.

	Foodservice	Food Merchandising	Beverage Merchandising	Reportable Segment Total
For the Three Months Ended March 31, 2022				
Net revenues	\$ 697	\$ 404	\$ 372	\$ 1,473
Intersegment revenues	—	—	31	31
Total reportable segment net revenues	\$ 697	\$ 404	\$ 403	\$ 1,504
Adjusted EBITDA	\$ 116	\$ 60	\$ 24	\$ 200
For the Three Months Ended March 31, 2021				
Net revenues	\$ 454	\$ 342	\$ 339	\$ 1,135
Intersegment revenues	—	—	18	18
Total reportable segment net revenues	\$ 454	\$ 342	\$ 357	\$ 1,153
Adjusted EBITDA	\$ 61	\$ 55	\$ (32)	\$ 84

Reportable segment assets consisted of the following:

	Foodservice	Food Merchandising	Beverage Merchandising	Reportable Segment Total
As of March 31, 2022	\$ 1,434	\$ 776	\$ 981	\$ 3,191
As of December 31, 2021	1,380	737	951	3,068

Pactiv Evergreen Inc.
Notes to the Condensed Consolidated Financial Statements
(In millions, except per share data and unless otherwise indicated)
(Unaudited)

The following table presents a reconciliation of reportable segment Adjusted EBITDA to consolidated GAAP income (loss) from continuing operations before income taxes:

	For the Three Months Ended	
	March 31,	
	2022	2021
Reportable segment Adjusted EBITDA	\$ 200	\$ 84
Other	—	1
Unallocated	(18)	(8)
	<u>182</u>	<u>77</u>
<i>Adjustments to reconcile to GAAP income (loss) from continuing operations before income taxes</i>		
Interest expense, net	(49)	(42)
Depreciation and amortization	(84)	(73)
Restructuring, asset impairment and other related charges	—	2
Gain on sale of businesses and noncurrent assets	27	—
Non-cash pension income	10	23
Operational process engineering-related consultancy costs	(3)	(3)
Business acquisition and integration costs and purchase accounting adjustments	(4)	—
Unrealized gains (losses) on derivatives	5	(1)
Foreign exchange losses on cash	(2)	—
Executive transition charges	—	(10)
Costs associated with legacy sold facility	(3)	—
Other	—	(2)
Income (loss) from continuing operations before tax	<u><u>\$ 79</u></u>	<u><u>\$ (29)</u></u>

The following table presents a reconciliation of reportable segment assets to consolidated assets:

	As of	As of
	March 31, 2022	December 31, 2021
Reportable segment assets	\$ 3,191	\$ 3,068
Other	44	37
Unallocated ⁽¹⁾	3,927	3,916
Total assets	<u><u>\$ 7,162</u></u>	<u><u>\$ 7,021</u></u>

(1) Unallocated is comprised of cash and cash equivalents, other current assets, assets held for sale, entity-wide property, plant and equipment, operating lease right-of-use assets, goodwill, intangible assets, deferred income taxes, related party receivables and other noncurrent assets.

Pactiv Evergreen Inc.
Notes to the Condensed Consolidated Financial Statements
(In millions, except per share data and unless otherwise indicated)
(Unaudited)

Information in Relation to Products

Net revenues by product line are as follows:

	For the Three Months Ended March 31,	
	2022	2021
Foodservice		
Containers	\$ 308	\$ 209
Drinkware	268	165
Tableware	65	38
Serviceware and other	56	42
Food Merchandising		
Tableware	102	82
Bakery/snack/produce/fruit containers	91	69
Meat trays	85	87
Prepared food trays	41	34
Egg cartons	28	26
Other	57	44
Beverage Merchandising		
Cartons for fresh beverage products	217	192
Liquid packaging board	115	91
Paper products	71	74
Reportable segment net revenues	1,504	1,153
Other / Unallocated		
Other	22	29
Inter-segment eliminations	(31)	(18)
Net revenues	\$ 1,495	\$ 1,164

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.

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

Our 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.

Description of the Company and its Business Segments

We are a leading manufacturer and distributor of fresh foodservice and food merchandising products and fresh beverage cartons in North America. We produce a broad range of on-trend and feature-rich products that protect, package and display food and beverages for today's consumers. Our products, many of which are made with recycled, recyclable or renewable materials, are sold to a diversified mix of customers, including restaurants, foodservice distributors, retailers, food and beverage producers, packers and processors. We report our business in three reportable segments: Foodservice, Food Merchandising and Beverage Merchandising. Our Foodservice segment manufactures a broad range of products that enable consumers to eat and drink where they want and when they want with convenience. Our Food Merchandising segment manufactures products that protect and attractively display food while preserving freshness. Our Beverage Merchandising segment manufactures cartons for fresh refrigerated beverage products, primarily serving dairy (including plant-based, organic and specialties), juice and other specialty beverage end-markets.

Recent Developments and Items Impacting Comparability

Pension Partial Settlement Transactions

On February 24, 2022, we purchased with \$1,260 million of PEPP assets a non-participating group annuity contract from an insurance company and transferred \$1,257 million of the PEPP's projected benefit obligations. Under the transaction, the insurance company assumed responsibility for pension benefits and annuity administration for approximately 13,300 retirees or their beneficiaries. As a result of this transaction, the PEPP's projected benefit obligations and plan assets were remeasured, and we recognized a non-cash pre-tax pension settlement gain of \$10 million in the three months ended March 31, 2022.

On July 21, 2021, we purchased with \$941 million of PEPP assets a non-participating group annuity contract from an insurance company and transferred \$959 million of the PEPP's projected benefit obligations. Under the transaction, the insurance company will assume responsibility for pension benefits and annuity administration for approximately 16,300 retirees or their beneficiaries. As a result of this transaction, the PEPP's projected benefit obligations and plan assets were remeasured, and we recognized a non-cash pre-tax pension settlement gain of \$22 million in the third quarter of 2021.

Fabri-Kal Acquisition

On October 1, 2021, we acquired 100% of the outstanding ownership interests of Fabri-Kal for a purchase price of \$378 million, including final adjustments for cash, indebtedness and working capital of \$2 million paid during the three months ended March 31, 2022. Fabri-Kal is a U.S. manufacturer of thermoformed plastic packaging products. Its products include portion cups, lids, clamshells, drink cups and yogurt containers for the consumer packaged goods and industrial food markets. The acquisition includes four manufacturing facilities in the United States. The acquisition is expected to broaden our portfolio of sustainable packaging products and expand our manufacturing capacity to better serve our customers. The acquisition was funded with our existing cash resources and a portion of the U.S. term loans Tranche B-3 incurred in September 2021.

Dispositions

On October 12, 2021, we entered into a definitive agreement for the sale of our equity interests in Naturepak Beverage Packaging Co. Ltd., our 50% joint venture with Naturepak Limited, to affiliates of Elopak ASA. The transaction closed on March 29, 2022, and we received preliminary proceeds of \$47 million, which are subject to adjustments for cash, indebtedness and working capital as of the date of completion. We recognized a pre-tax gain on the sale of our equity interests of \$27 million during the three months ended March 31, 2022. On January 4, 2022, we entered into a definitive agreement with SIG Schweizerische Industrie-Gesellschaft GmbH to sell our carton packaging and filling machinery businesses in China, Korea and Taiwan. We expect to receive proceeds from the transaction of approximately \$335 million, adjusted for cash, indebtedness and working capital as of the date of completion. The transaction is expected to close in the second or third quarter of 2022, subject to customary closing conditions, including regulatory approvals. Neither of these dispositions qualifies for presentation as discontinued operations.

Coated Groundwood Paper Business Exit

On July 28, 2021, we announced the decision to close our coated groundwood paper production line located in our Pine Bluff, Arkansas mill. With the decline in the coated groundwood market, our decision to exit this business enables us to re-invest resources into our strategic core competency of liquid packaging board, as well as other more profitable segments across the enterprise. On October 31, 2021, we ceased manufacturing coated groundwood paper, and we substantially completed our exit from this business during the fourth quarter of 2021.

Winter Storm Uri

During February 2021, the Southern portion of the United States was impacted by Winter Storm Uri which brought record low temperatures, snow and ice and resulted in power failures, hazardous road conditions, damage to property and death and injury to individuals in those states. During most of this weather event, we were unable to fully operate some of our mills, plants and warehouses in Texas and Arkansas. During the first half of 2021, we incurred approximately \$50 million of incremental costs including energy costs, primarily related to natural gas, shut-down costs and some property damage during the storm, of which \$39 million was incurred during the three months ended March 31, 2021. Our Beverage Merchandising segment was impacted to the greatest degree with total incremental costs of \$37 million incurred by our paper mill in Pine Bluff, Arkansas, of which \$34 million was incurred during the three months ended March 31, 2021.

As a result of the storm, certain of our suppliers with locations in the impacted areas were also unable to operate which subsequently resulted in their declaration of force majeure on meeting the supply quantities due to us. In particular, our supply of various resin types was limited, and we were required to purchase from other suppliers, and at a higher price, in order to meet our production demands for March and April of 2021.

COVID-19

We have been actively responding to the COVID-19 pandemic and its impact. Our highest priorities continue to be the safety of our employees and working with our employees and network of suppliers and customers to help maintain the food supply chain as an essential business. As we are a part of the global food supply chain, we have taken a number of actions to promote the health and safety of our employees and customers in order to maintain the availability of our products to meet the needs of our customers. To date, we have not experienced significant issues within our supply chain due to the COVID-19 pandemic, including the sourcing of materials and logistics service providers.

During the first three months of 2021, prior to the widespread availability of vaccines during which various measures restricted consumer mobility, we experienced lower demand for our products and, as a result, decreased revenues. Our Foodservice segment experienced lower net revenues due to the closure or reduced activity of restaurants and other food-serving institutions. Within our Beverage Merchandising segment, sales of fresh beverage cartons remained relatively constant with declines in sales of school milk cartons offset by higher demand in the retail segment, while sales in the paper markets declined due to a decrease in demand of printed publications and advertising and demand for liquid packaging board softened. As the availability of vaccines and inoculation rates improved and measures that restricted consumer mobility were lifted throughout 2021 and 2022, volumes steadily improved in our business, most significantly in our Foodservice segment, as consumer mobility increased and the economies in which we operate started to recover. Additionally, we have adapted along with our customers as COVID-19 restrictions were lifted, or subsequently reinstated, and as consumer behavior required more take-out and online ordering options.

As the general effects of the COVID-19 pandemic continue to change and remain unpredictable, the COVID-19 pandemic will continue to impact our results of operations in future periods as the macroeconomic environment changes and consumer behavior continues to evolve. We continue to proactively manage our business in response to the evolving impacts of the pandemic, and we will continue to communicate with and support our employees and customers, to monitor and take steps to further safeguard our supply chain, operations and assets, to protect our liquidity and financial position, to work toward our strategic priorities and to monitor our financial performance as we seek to position ourselves to withstand the current uncertainty related to this pandemic.

How We Assess the Performance of Our Business and Use of Non-GAAP Measures

In addition to financial measures determined in accordance with GAAP, we make use of the non-GAAP financial measure Adjusted EBITDA from continuing operations to evaluate and manage our business and to plan and make near-term and long-term operating and strategic decisions.

Non-GAAP Measures – Adjusted EBITDA from Continuing Operations

Adjusted EBITDA from continuing operations is defined as net income (loss) from continuing operations calculated in accordance with GAAP, plus the sum of income tax expense, net interest expense, depreciation and amortization and further adjusted to exclude certain items, including but not limited to restructuring, asset impairment and other related charges, gains or losses on the sale of businesses and noncurrent assets, non-cash pension income or expense, operational process engineering-related consultancy costs, business acquisition and integration costs and purchase accounting adjustments, unrealized gains or losses on derivatives, foreign exchange gains or losses on cash and executive transition charges.

We present Adjusted EBITDA from continuing operations because it is a key measure used by our management team to evaluate our operating performance, generate future operating plans, make strategic decisions and incentivize and reward our employees. Accordingly, we believe that Adjusted EBITDA from continuing operations 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. We also believe that using Adjusted EBITDA from continuing operations facilitates operating performance comparisons on a period-to-period basis because it excludes variations primarily caused by changes in the items noted above. In addition, our chief operating decision maker, who is our President and Chief Executive Officer, uses Adjusted EBITDA of each reportable segment to evaluate the operating performance of such segments.

Our use of Adjusted EBITDA from continuing operations has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under GAAP. Instead, you should consider it alongside other financial performance measures, including our net income (loss) and other GAAP results. In addition, in evaluating Adjusted EBITDA from continuing operations, you should be aware that in the future we will incur expenses such as those that are the subject of adjustments made in deriving Adjusted EBITDA from continuing operations, and you should not infer from our presentation of Adjusted EBITDA from continuing operations that our future results will not be affected by these expenses or any unusual or non-recurring items. The following is a reconciliation of our net income (loss) from continuing operations, the most directly comparable GAAP financial measure, to Adjusted EBITDA from continuing operations for each of the periods indicated:

(In millions)	For the Three Months Ended			
	March 31,			
	2022		2021	
Net income (loss) from continuing operations (GAAP)	\$	43	\$	(11)
Income tax expense (benefit)		36		(18)
Interest expense, net		49		42
Depreciation and amortization		84		73
Restructuring, asset impairment and other related charges ⁽¹⁾		—		(2)
Gain on sale of businesses and noncurrent assets ⁽²⁾		(27)		—
Non-cash pension income ⁽³⁾		(10)		(23)
Operational process engineering-related consultancy costs ⁽⁴⁾		3		3
Business acquisition and integration costs and purchase accounting adjustments ⁽⁵⁾		4		—
Unrealized (gains) losses on derivatives ⁽⁶⁾		(5)		1
Foreign exchange losses on cash ⁽⁷⁾		2		—
Executive transition charges ⁽⁸⁾		—		10
Costs associated with legacy sold facility ⁽⁹⁾		3		—
Other		—		2
Adjusted EBITDA from continuing operations (Non-GAAP)	\$	182	\$	77

(1) Reflects restructuring, asset impairment and other related charges (net of reversals) primarily associated with our remaining closures businesses. Refer to Note 3, *Restructuring, Asset Impairment and Other Related Charges*, for additional details.

(2) Reflects the gain from the sale of businesses and noncurrent assets, primarily related to the sale of our equity interests in Naturepak Beverage Packaging Co. Ltd. Refer to Note 2, *Acquisitions and Dispositions*, for additional details.

(3) Reflects the non-cash pension income related to our employee benefit plans, including the pension settlement gain of \$10 million recognized during the three months ended March 31, 2022. Refer to Note 10, *Employee Benefits*, for additional details.

(4) Reflects the costs incurred to evaluate and improve the efficiencies of our manufacturing and distribution operations.

(5) Reflects integration costs related to the acquisition of Fabri-Kal. Refer to Note 2, *Acquisitions and Dispositions*, for additional details.

(6) Reflects the mark-to-market movements in our commodity derivatives. Refer to Note 9, *Financial Instruments*, for additional details.

(7) Reflects foreign exchange losses on cash, primarily on U.S. dollar amounts held in non-U.S. dollar functional currency entities.

(8) Reflects charges relating to key executive retirement and separation agreements in the first quarter of 2021.

(9) Reflects costs related to a closed facility, sold prior to our acquisition of the entity.

Results of Operations

Three Months Ended March 31, 2022 compared with the Three Months Ended March 31, 2021

Consolidated Results

(In millions, except for %)	For the Three Months Ended March 31,					
	2022	% of Revenue	2021	% of Revenue	Change	% Change
Net revenues	\$ 1,495	100%	\$ 1,164	100%	\$ 331	28%
Cost of sales	(1,263)	(84)%	(1,056)	(91)%	(207)	(20)%
Gross profit	232	16%	108	9%	124	NM
Selling, general and administrative expenses	(142)	(9)%	(126)	(11)%	(16)	(13)%
Restructuring, asset impairment and other related charges	—	—%	2	—%	(2)	NM
Other income, net	28	2%	6	1%	22	NM
Operating income (loss) from continuing operations	118	8%	(10)	(1)%	128	NM
Non-operating income, net	10	1%	23	2%	(13)	57%
Interest expense, net	(49)	(3)%	(42)	(4)%	(7)	(17)%
Income (loss) from continuing operations before tax	79	5%	(29)	(2)%	108	NM
Income tax (expense) benefit	(36)	(2)%	18	2%	(54)	NM
Income (loss) from continuing operations	43	3%	(11)	(1)%	54	NM
Loss from discontinued operations, net of income taxes	—	—%	(3)	—%	3	—%
Net income (loss)	\$ 43		\$ (14)		\$ 57	
Adjusted EBITDA from continuing operations⁽¹⁾	\$ 182	12%	\$ 77	7%	\$ 105	NM

(1) Adjusted EBITDA from continuing operations is a non-GAAP measure. For details, refer to *Non-GAAP Measures - Adjusted EBITDA from continuing operations*, including a reconciliation between net income (loss) from continuing operations and Adjusted EBITDA from continuing operations.

NM indicates that the calculation is “not meaningful”.

Components of Change in Reportable Segment Net Revenues for the Three Months Ended March 31, 2022 Compared with the Three Months Ended March 31, 2021

	Price/Mix	Volume	Acquisitions	Dispositions	FX	Total
Net revenues	26%	(5)%	9%	(1)%	(1)%	28%
By reportable segment:						
Foodservice	34%	(2)%	22%	—%	—%	54%
Food Merchandising	24%	(6)%	—%	—%	—%	18%
Beverage Merchandising	18%	(4)%	—%	—%	(1)%	13%

Net Revenues. Net revenues for the three months ended March 31, 2022 increased by \$331 million, or 28%, to \$1,495 million compared to the three months ended March 31, 2021. The increase was primarily due to favorable pricing, due to the contractual pass-through of higher material costs and pricing actions across all of our segments. In addition, the Foodservice segment’s acquisition of Fabri-Kal on October 1, 2021 contributed \$102 million of incremental sales for the three months ended March 31, 2022 as compared to the three months ended March 31, 2021. These increases were partially offset by lower sales volume, primarily due to labor shortages in our Food Merchandising segment as well as our strategic exit, in December 2021, from the coated groundwood business in our Beverage Merchandising segment.

Cost of Sales. Cost of sales for the three months ended March 31, 2022 increased by \$207 million, or 20%, to \$1,263 million compared to the three months ended March 31, 2021. The increase was primarily due to higher material, manufacturing and logistics costs across all of our segments, partially offset by the benefit related to prior year period costs of \$39 million from Winter Storm Uri and \$16 million due to a scheduled cold mill outage that did not recur, as well as the Foodservice segment’s acquisition of Fabri-Kal. These increases were partially offset by lower sales volume.

Selling, General and Administrative Expenses. Selling, general and administrative expenses for the three months ended March 31, 2022 increased by \$16 million, or 13%, to \$142 million compared to the three months ended March 31, 2021. The increase was primarily due to higher costs related to the Foodservice segment’s acquisition of Fabri-Kal and higher employee-related costs.

Restructuring, Asset Impairment and Other Related Charges. Restructuring, asset impairment and other related charges for the three months ended March 31, 2021 comprised a \$2 million benefit related to our remaining closures businesses. Refer to Note 3, *Restructuring, Asset Impairment and Other Related Charges*, for additional details.

Other Income, Net. Other income, net for the three months ended March 31, 2022 increased by \$22 million to \$28 million compared to the three months ended March 31, 2021. The increase was primarily attributable to the \$27 million gain on the sale of our equity interests in Naturepak Beverage Packaging Co. Ltd.

Non-operating Income, Net. Non-operating income, net, for the three months ended March 31, 2022 decreased by \$13 million, or 57%, to \$10 million compared to \$23 million for the three months ended March 31, 2021. The decrease was primarily due to a decrease in the expected return on plan assets, partially offset by a decrease in the interest cost on benefit plans. The decreases in the expected return on plan assets and interest cost on benefit plans were primarily the result of pension partial settlement transactions completed in the third quarter of 2021 and the first quarter of 2022 which, in the aggregate, reduced the gross amount of plan assets and plan liabilities by \$2,201 million and \$2,216 million, respectively. Non-operating income, net for the three months ended March 31, 2022 also included a \$10 million pension settlement gain.

Interest Expense, Net. Interest expense, net, for the three months ended March 31, 2022 increased by \$7 million, or 17%, to \$49 million, compared to the three months ended March 31, 2021, primarily due to a net increase in principal amounts outstanding under our senior secured notes. Refer to Note 8, *Debt*, for additional details.

Income Tax (Expense) Benefit. During the three months ended March 31, 2022, we recognized a tax expense of \$36 million on income from continuing operations before tax of \$79 million, compared to tax benefit of \$18 million on a loss from continuing operations before tax of \$29 million for the three months ended March 31, 2021. The effective tax rate during the three months ended March 31, 2022 was primarily attributable to a \$14 million discrete expense from the sale of our equity interests in Naturepak Beverage Packaging Co. Ltd. The effective tax rate during the three months ended March 31, 2021 was primarily attributable to a \$10 million discrete benefit from the partial release of our valuation allowance for deferred interest deductions, which was partially offset by certain nondeductible expenses and varying rates among the jurisdictions in which we operate.

Adjusted EBITDA from Continuing Operations. Adjusted EBITDA from continuing operations for the three months ended March 31, 2022 increased by \$105 million to \$182 million compared to the three months ended March 31, 2021. The increase reflects favorable pricing, due to the contractual pass-through of higher material costs and pricing actions, and the impact from the acquisition of Fabri-Kal, partially offset by higher material, manufacturing and logistics costs. The increase in Adjusted EBITDA also includes the benefit related to prior year period costs of \$39 million from Winter Storm Uri and \$16 million due to a scheduled cold mill outage that did not recur in the current year period.

Segment Information

Foodservice

<i>(In millions, except for %)</i>	For the Three Months Ended March 31,				
	2022	2021	Change	% Change	
Total segment net revenues	\$ 697	\$ 454	\$ 243	54%	
Segment Adjusted EBITDA	\$ 116	\$ 61	\$ 55	90%	
Segment Adjusted EBITDA margin	17%	13%			

Total Segment Net Revenues. Foodservice total segment net revenues for the three months ended March 31, 2022 increased by \$243 million, or 54%, to \$697 million compared to the three months ended March 31, 2021. The increase was primarily due to favorable pricing, due to the contractual pass-through of higher material costs and pricing actions. In addition, the acquisition of Fabri-Kal on October 1, 2021 contributed \$102 million of incremental sales for the three months ended March 31, 2022 as compared to the three months ended March 31, 2021. These increases were partially offset by lower sales volume.

Adjusted EBITDA. Foodservice Adjusted EBITDA for the three months ended March 31, 2022 increased by \$55 million, or 90%, to \$116 million compared to the three months ended March 31, 2021. The increase was primarily due to favorable pricing and the impact from the acquisition of Fabri-Kal, partially offset by higher material, manufacturing and logistics costs.

Food Merchandising

(In millions, except for %)	For the Three Months Ended March 31,			
	2022	2021	Change	% Change
Total segment net revenues	\$ 404	\$ 342	\$ 62	18%
Segment Adjusted EBITDA	\$ 60	\$ 55	\$ 5	9%
Segment Adjusted EBITDA margin	15%	16%		

Total Segment Net Revenues. Food Merchandising total segment net revenues for the three months ended March 31, 2022 increased by \$62 million, or 18%, to \$404 million compared to the three months ended March 31, 2021. The increase was primarily due to favorable pricing, due to the contractual pass-through of higher material costs and pricing actions, partially offset by lower sales volume, primarily due to labor shortages.

Adjusted EBITDA. Food Merchandising Adjusted EBITDA for the three months ended March 31, 2022 increased by \$5 million, or 9%, to \$60 million compared to the three months ended March 31, 2021. The increase was primarily due to favorable pricing, partially offset by higher material and manufacturing costs, lower sales volume and higher logistics costs.

Beverage Merchandising

(In millions, except for %)	For the Three Months Ended March 31,			
	2022	2021	Change	% Change
Total segment net revenues	\$ 403	\$ 357	\$ 46	13%
Segment Adjusted EBITDA	\$ 24	\$ (32)	\$ 56	NM
Segment Adjusted EBITDA margin	6%	(9)%		

Total Segment Net Revenues. Beverage Merchandising total segment net revenues for the three months ended March 31, 2022 increased by \$46 million, or 13%, to \$403 million compared to the three months ended March 31, 2021. The increase was primarily due to favorable pricing, due to pricing actions and the contractual pass-through of higher material costs, and favorable product mix. These increases were partially offset by lower sales volume, primarily due to our strategic exit, in December 2021, from the coated groundwood business.

Adjusted EBITDA. Beverage Merchandising Adjusted EBITDA for the three months ended March 31, 2022 increased by \$56 million to \$24 million compared to the three months ended March 31, 2021. The increase reflects favorable pricing and the benefit related to prior year period costs of \$34 million from Winter Storm Uri and \$16 million due to a scheduled cold mill outage that did not recur. These items were partially offset by higher material, manufacturing and logistics costs.

Liquidity and Capital Resources

We believe that we have sufficient liquidity to support our ongoing operations and to invest in future growth to create value for our shareholders. Our projected operating cash flows, existing cash balances and available capacity under our revolving credit facility are our primary sources of liquidity for the next 12 months and are expected to be used for, among other things, capital expenditures, payment of interest and principal on our long-term debt obligations and distributions to shareholders that require approval by our Board of Directors. Additionally, we may continue to utilize long-term debt issuances for our funding requirements.

Cash provided by operating activities

Net cash provided by operating activities increased by \$111 million to \$120 million for the three months ended March 31, 2022 compared to \$9 million for the three months ended March 31, 2021. The increase was primarily driven by higher cash earnings and favorable changes in accounts receivable, accrued expenses and accounts payable balances. These increases were partially offset by planned inventory build activity as well as \$35 million of higher tax payments due to the comparative period including the receipt of a refund.

Cash used in investing activities

Net cash used in investing activities decreased by \$61 million to \$5 million for the three months ended March 31, 2022, compared to \$66 million for the three months ended March 31, 2021. The decrease was primarily attributable to \$47 million of cash received on the disposal of our equity interests in Naturepak Beverage Packaging Co. Ltd. Property, plant and equipment additions were \$50 million during the three months ended March 31, 2022, compared to \$60 million during the three months ended March 31, 2021, with the decrease reflecting the timing of spend.

Cash used in financing activities

Net cash used in financing activities decreased by \$54 million to \$27 million for the three months ended March 31, 2022 compared to \$81 million for the three months ended March 31, 2021. The decrease was primarily attributable to the \$59 million redemption of the remaining portion of our 5.125% senior secured notes during the three months ended March 31, 2021.

Dividends

We paid cash dividends of \$18 million and \$18 million during the three months ended March 31, 2022 and 2021, respectively. Our Board of Directors declared a dividend of \$0.10 per share on May 3, 2022 to be paid on June 15, 2022 to shareholders of record as of May 31, 2022.

Our Credit Agreement and Notes limit the ability to make dividend payments, subject to specified exceptions. Our Board of Directors must review and approve future dividend payments and will determine whether to declare additional dividends based on our operating performance, expected future cash flows, debt levels, liquidity needs and investment opportunities.

Debt and Liquidity

As of March 31, 2022, we had \$4,271 million of total principal amount of borrowings. Refer to Note 8, *Debt*, for additional details.

Our 2022 annual cash interest obligations on our borrowings are expected to be approximately \$186 million. As of March 31, 2022, the underlying one month LIBO rate for amounts borrowed under our Credit Agreement was 0.46%.

As of March 31, 2022, we had \$283 million of cash and cash equivalents on hand, with a further \$19 million of cash and cash equivalents classified within current assets held for sale. We also had \$206 million available for drawing under our revolving credit facility. We believe that our existing cash balances, projected operating cash flows together with our available capacity under our revolving credit facility are sufficient to fund our principal debt payments, interest expense, working capital needs and expected capital expenditures for the next 12 months. Our next significant near term maturity of borrowings is \$276 million of Pactiv Debentures due in December 2025. We currently anticipate incurring approximately \$290 million of capital expenditures during fiscal year 2022.

Our ability to borrow under our revolving credit facility or our local working capital facilities or to incur additional indebtedness may be limited by the terms of such indebtedness or other indebtedness, including the Credit Agreement and the Notes. The Credit Agreement and the respective indentures governing the Notes generally allow our subsidiaries to transfer funds in the form of cash dividends, loans or advances within the Company.

Under the Credit Agreement, we may incur additional indebtedness either by satisfying certain incurrence tests or by incurring such additional indebtedness under certain specific categories of permitted debt. Incremental senior secured indebtedness under the Credit Agreement and senior secured or unsecured notes in lieu thereof are permitted to be incurred up to an aggregate principal amount of \$750 million subject to pro forma compliance with the Credit Agreement's total secured leverage ratio covenant. In addition, we may incur senior secured indebtedness in an unlimited amount as long as our total secured leverage ratio does not exceed 4.50 to 1.00 on a pro forma basis and (in the case of incremental senior secured indebtedness under the Credit Agreement only) we are in pro forma compliance with the Credit Agreement's total secured leverage ratio covenant. The incurrence of unsecured indebtedness, including the issuance of senior notes, and unsecured subordinated indebtedness is also permitted (subject to the terms of the Credit Agreement) if the fixed charge coverage ratio is at least 2.00 to 1.00 on a pro forma basis.

Under the respective indentures governing the Notes, we may incur additional indebtedness either by satisfying certain incurrence tests or by incurring such additional indebtedness under certain specific categories of permitted debt. Indebtedness may be incurred under the incurrence tests if the fixed charge coverage ratio is at least 2.00 to 1.00 on a pro forma basis or the consolidated total leverage ratio is no greater than 5.50 to 1.00 and the liens securing first lien secured indebtedness do not exceed a 4.10 to 1.00 consolidated secured first lien leverage ratio.

We are required to make annual prepayments of term loans with up to 50% of excess cash flow (which will be reduced to 25% or 0% if specified senior secured first lien leverage ratios are met) as determined in accordance with the Credit Agreement. No excess cash flow prepayments were made in 2021 or will be due in 2022 for the year ended December 31, 2021.

Other than short-term leases entered into in the normal course of business, we have no material off-balance sheet obligations.

Critical Accounting Policies, Estimates and Assumptions

The most critical accounting policies and estimates are those that are most important to the portrayal of our financial condition and results of operations and require us to make the most difficult and subjective judgments, often estimating the outcome of future events that are inherently uncertain. Our significant accounting policies are described in Note 2, *Summary of Significant Accounting Policies*, to our consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2021. Our critical accounting estimates are described in Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the year ended December 31, 2021.

Recent Accounting Pronouncements

New accounting guidance that we have recently adopted, as well as accounting guidance that has been recently issued but not yet adopted by us, is included in Note 1, *Nature of Operations and Basis of Presentation*.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

There have been no material changes to our market risk during the three months ended March 31, 2022. For additional information, refer to Item 7A, *Quantitative and Qualitative Disclosures about Market Risk*, in our Annual Report on Form 10-K for the year ended December 31, 2021.

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 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 March 31, 2022. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of March 31, 2022, our disclosure controls and procedures were effective.

b) Changes in Internal Control over Financial Reporting

There were no material changes in our internal control over financial reporting that occurred during the three months ended March 31, 2022 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 12, *Commitments and Contingencies*, to the interim Condensed Consolidated Financial Statements included in Part I, Item 1.

Item 1A. Risk Factors.

There have been no material changes to the risk factors described in our Annual Report on Form 10-K for the year ended December 31, 2021.

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.

None.

Item 6. Exhibits.

The following exhibits are filed as part of, or are incorporated by reference in, this report:

Exhibit	Exhibit Title	Filed Here-With?	Incorporated by Reference		
			Form	Exhibit No.	Date Filed
10.1#	Group Annuity Contract Offer and Acceptance Agreement by and among Pactiv LLC, Pactiv North America Pension Plans Investment Committee and Metropolitan Tower Life Insurance Company, dated as of February 16, 2022.	X			
10.2*	Form of Restricted Stock Unit Award and Agreement under the Pactiv Evergreen Inc. Equity Incentive Plan.	X			
10.3*	Form of Performance Share Unit Award and Agreement under the Pactiv Evergreen Inc. Equity Incentive Plan.	X			
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.	X			
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.	X			
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.	X			
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.	X			
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.				
101.SCH	Inline XBRL Taxonomy Extension Schema Document				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document				
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document				
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document				
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document				
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)				

Portions of this exhibit have been omitted pursuant to Item 601(b)(10)(iv) of Regulation S-K because they are not material and are of the type that the registrant treats as private or confidential. The registrant agrees to furnish an unredacted copy of this exhibit and the registrant’s materiality and privacy or confidentiality analyses on a supplemental basis to the SEC or its staff upon request.

* Indicates a management contract or compensatory plan.

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.

PACTIV EVERGREEN INC.
(Registrant)

By: /s/ Michael J. Ragen
Michael J. Ragen
Chief Financial Officer (principal financial officer and principal
accounting officer)
May 5, 2022

*** Text omitted pursuant to Item 601(b)(10)(iv) of Regulation S-K because it is not material and is of the type that the registrant treats as private or confidential.

Dear Megan:

Subject to the terms and conditions set forth in Metropolitan Tower Life Insurance Company's (directly or through its affiliates, "Met Tower Life"), a direct, wholly owned subsidiary of MetLife Inc., final proposal dated February 16, 2022 (the "Proposal"), which are incorporated herein by reference, Met Tower Life will issue a single premium non-participating group annuity contract, supported by a commingled separate account (the "Contract") to Pactiv LLC (the "Company") covering the Pactiv Evergreen Pension Plan (the "Plan") benefits as described in the Proposal in return for the consideration amount of \$[***] payable on February 24, 2022. The Contract Effective Date is the date Met Tower Life receives the total consideration, and for purposes of this offer is assumed to be February 24, 2022. The total consideration does not include a commission as outlined on page 3 of our Proposal.

Met Tower Life's offer is contingent upon receipt of this signed Commitment Agreement by no later than 3:30 PM ET on February 16, 2022. By signing this Commitment Agreement, Met Tower Life, the Company and the Pactiv Evergreen Inc. Pension Plans Investment Committee ("Committee"), acting solely in its capacity as named fiduciary for the Plan, agree as follows.

As described in the Proposal, if the consideration is paid prior to or after February 24, 2022, an interest credit or charge will be made to the consideration at a rate which when compounded daily results in an annual effective rate of [***]%. This interest rate applies to March 28, 2022. If the consideration is not received by March 28, 2022, the interest charge will be calculated based on a revised interest rate determined on a reasonable basis by Met Tower Life. [***].

As described in the Proposal, the Committee will direct the Plan's trustee to transfer the following to Met Tower Life on the Contract Effective Date:

- cash equal to the difference between (i) the consideration due on the Contract Effective Date, and (ii) the fair market value of the AIK Portfolio determined at the end of business on February 15, 2022;
- the securities in the AIK Portfolio (All securities must be delivered in good deliverable form. "Good deliverable form" means securities in defined round lot sizes that are permissible for transfer and transactions equal to or larger than the minimum trade size and in increments equal to multiples of the minimum trade size); and
- the AIK Portfolio cash flows such as coupons calls, and maturities, that occurred between February 16, 2022 and the business day before the Contract Effective Date, inclusive of both days.

By written notice to the other party on or before the fifth business day following the Contract Effective Date, the Committee or Met Tower Life may identify an asset in the AIK Portfolio as a possible excluded security ("Ineligible Asset") which was not identified as a security that Met Tower Life was willing to accept in the AIK Portfolio. Met Tower Life and the Committee will work in good faith for seven business days following such notice to agree on which assets in the AIK Portfolio are Ineligible Assets. If the parties agree that an asset is an Ineligible Asset then on or before the date that is three business days following such agreement, the Committee will cause to be paid to Met Tower Life an amount, in cash, equal to the asset market value of each such asset, [***], and, simultaneously with receipt of such payment, Met Tower Life will return each such asset to the Plan's trust together with any cash flows associated with such asset. If the parties cannot come to an

agreement on whether an asset is an Ineligible Asset, then the parties will work together in good faith to resolve such dispute.

Met Tower Life hereby represents and warrants as of the date of this Commitment Agreement and as of the Contract Effective Date:

1. Met Tower Life is a life insurance company duly organized, validly existing and in good standing under the laws of the State of Nebraska. Met Tower Life has all requisite power and authority to enter into and carry out its obligations under this Commitment Agreement and to consummate the transactions contemplated to be undertaken by Met Tower Life herein. Met Tower Life is duly qualified or licensed to do business and is in good standing in each jurisdiction in which its performance of its obligations contemplated by the Commitment Agreement and the Contract makes such qualification or licensing necessary, except in such jurisdictions where the failure to be in good standing or so qualified or licensed would not be material.
 2. Met Tower Life has received all necessary corporate approvals and no other action on the part of Met Tower Life is necessary to authorize the execution, delivery and performance of this Commitment Agreement, the Contract and the consummation of the transactions to be consummated under this Commitment Agreement. This Commitment Agreement has been duly executed and delivered by Met Tower Life, and is (or when duly executed by all parties thereto will be) a valid and binding obligation of Met Tower Life, enforceable against Met Tower Life in accordance with its terms, subject to the applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the enforcement of creditors' rights generally and by general equitable principles ("Enforceability Exceptions").
 3. The execution and delivery of this Commitment Agreement by Met Tower Life, and the consummation by Met Tower Life of the transactions contemplated to be undertaken by Met Tower Life pursuant to this Commitment Agreement, do not (a) violate or conflict with any provision of its certificate or articles of incorporation, bylaws, code of regulations, or the comparable governing documents, (b) violate or conflict with any law or order of any governmental authority applicable to Met Tower Life, (c) require any governmental or governmental agency approval except as set forth below, or (d) require any consent of or other action by any person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit under, any provision of any contract to which Met Tower Life is a party, to the extent the absence or occurrence of any of the foregoing would have a material adverse effect on Met Tower Life's ability to consummate the transactions contemplated by this Commitment Agreement. The Contract will be filed for approval with the Insurance Product Regulation Commission (the "IIPRC") if changes are made to Met Tower Life's pre-approved form. Met Tower Life will also file for approval with IIPRC and the state insurance departments, as required, certificates that are to be issued for the Contract.
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4. Met Tower Life acknowledges and agrees that, if the consideration is paid to Met Tower Life in accordance with this Commitment Agreement, then, from and after the Commitment Agreement Date, Met Tower Life bears any and all risks associated with each asset transferred to Met Tower Life as part of the consideration.
 5. The insurance business of Met Tower Life has been and is being conducted in material compliance with applicable laws, and none of the licenses, permits or governmental approvals required for the continued conduct of the business of Met Tower Life as such business is currently being conducted will lapse, terminate, expire or otherwise be impaired as a result of the consummation of the transactions contemplated to be undertaken by Met Tower Life or its affiliates under this Commitment Agreement, except as, in either case, would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the ability of Met Tower Life to perform its obligations under this Commitment Agreement.
 6. No fees, commissions or payments are or will be owed by Met Tower Life to any individual or entity in connection with the transactions contemplated by this Commitment Agreement or the Contract for which any other party, or its respective affiliates or representatives, could be liable.
 7. Following the receipt by Met Tower Life of the consideration contemplated by this Commitment Agreement and the payment of any true-up amount, Met Tower Life, and not the Plan, Committee or the Company (or any of their respective affiliates or representatives), shall be responsible for the annuity payments under the Contract for which such consideration was paid. The Plan, Committee, the Company and their respective affiliates and representatives will not have any liability to pay any annuity payment under the Contract, subject to the following sentence. [***].
 8. Met Tower Life is not (a) a trustee of the Plan (other than a non-discretionary trustee who does not render investment advice with respect to any assets of the Plan), (b) a plan administrator (within the meaning of § 3(16)(A) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) and §414(g) Internal Revenue Code of 1986, as amended (the “Code”)) with respect to the Plan or (c) an employer any of whose employees are covered by the Plan.
 9. The Contract, when executed, will be duly executed and delivered by Met Tower Life and will be a valid and binding obligation of Met Tower Life and enforceable against Met Tower Life by the Company and each annuitant, contingent annuitant and beneficiary, in accordance with its terms, subject to the Enforceability Exceptions. At all times, the right to a benefit under the Contract, in accordance with its terms, will be enforceable by the annuitant, contingent annuitant or beneficiary to whom the benefit is owed under the Contract by the sole choice of such person, subject to the Enforceability Exceptions. If the Company ceases to exist, or the Company notifies Met Tower Life that it will cease to perform its obligations under the Contract, the Contract will remain a valid and binding obligation of Met Tower Life and enforceable against Met Tower Life by each annuitant, contingent annuitant or beneficiary in accordance with its terms, subject to the Enforceability Exceptions.
 10. There is no action pending or, to Met Tower Life’s knowledge, threatened against Met Tower Life that in any manner challenges or seeks to prevent, enjoin or materially alter or delay the transactions contemplated by this Commitment Agreement or that could reasonably be expected to materially impair or restrict such Insurer’s ability to consummate the transactions contemplated by this Commitment Agreement and to perform its obligations hereunder.
 11. Met Tower Life will comply in good faith and in all material respects, and will ensure that all of its affiliates, agents and subcontractors comply in good faith and in all material respects, with all applicable laws and
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regulations governing the confidential information of all annuitants, contingent annuitants or beneficiaries, including those laws relating to privacy, data security and protection and the safeguarding of such information, and its maintenance, disclosure and use. Met Tower Life will maintain commercially reasonable administrative, technical and physical safeguards to protect the privacy and security of the confidential information related to annuitants, contingent annuitants and beneficiaries. Met Tower Life has established and will maintain commercially reasonable internal written policies relating to the confidential information of any applicable payee in its custody or under its control. Met Tower Life will comply in all material respects with any internal written policies relating to the confidential information of any annuitant, contingent annuitant or beneficiary as in effect from time to time. Met Tower Life acknowledges that it is solely responsible from and after February 24, 2022 for any Data Breach. For purposes of this paragraph 11, "Data Breach" means any act or omission by Met Tower Life or its agents, subcontractors or service providers ("Authorized Persons") that compromises either the security, confidentiality or integrity of any data related to annuitants, contingent annuitants or beneficiaries in its custody or under its control.

12. From and after the date the consideration is paid, Met Tower Life agrees to indemnify, defend and hold the Company, the Plan, the Committee and their respective affiliates, officers, directors, employees, Plan fiduciaries, agents and other representatives (each, an "Indemnified Party") harmless from and against any and all actual, but not alleged, potential or contingent, losses, damages, costs and expenses (in each case, including reasonable out of pocket expenses and reasonable fees and expenses of counsel) to the extent arising out of or relating to the portion of any action, lawsuit, proceeding, investigation, demand or other claim against such Indemnified Party by a third party that is brought against an Indemnified Party and that arises out of or relates to (a) any breach by Met Tower Life of a representation, warranty or covenant under this Commitment Agreement or the Contract or (b) any failure by Met Tower Life to make, or cause to be made, any payments required to be made by such Insurer pursuant to the Contract or the annuity certificates issued thereunder ("Indemnified Claims"). Met Tower Life will have the right at any time to assume the defense with counsel of its choice reasonably satisfactory to the Indemnified Party and to control the defense of such Indemnified Claims, provided, however, that Met Tower Life will not consent to the entry of any judgment or proposed settlement without the prior written consent of the Indemnified Party unless the judgment or proposed settlement involves only the payment of money by Met Tower Life and does not admit liability on the part of the Indemnified Party.

The Company and Committee hereby represent and warrant as of the date of this Commitment Agreement and as of the Contract Effective Date:

1. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Illinois. The Company and Committee have all requisite power and authority to enter into and carry out its obligations under this Commitment Agreement and to consummate the transactions contemplated to be undertaken by the Company and Committee herein (including the negotiation, sale and issuance of a group annuity contract to the Plan). The Company is duly qualified or licensed to do business and is in good standing in each jurisdiction in which its performance of its obligations in this Commitment Agreement and the Contract makes such qualification or licensing necessary, except in such jurisdictions where the failure to be in good standing or so qualified or licensed would not be material.
 2. The Company and Committee have received all appropriate approvals and no other action on the part of the Company, Committee or their affiliates is necessary to authorize the execution, delivery and performance of this Commitment Agreement, the Contract, and the consummation of the transactions contemplated to be undertaken by the Company or Committee under this Commitment Agreement (including the negotiation, sale and issuance of a group annuity contract to the Plan). This Commitment
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Agreement is duly executed and delivered by the Company and Committee, and is (or when duly executed by all parties thereto will be) a valid and binding obligation of the Company and Committee and enforceable against the Company in accordance with its terms, subject to the Enforceability Exceptions.

3. To Company's and Committee's knowledge, the execution, delivery and performance of this Commitment Agreement by the Company and Committee and the consummation by the Company and Committee of the transactions contemplated to be undertaken by the Company or Committee pursuant to this Commitment Agreement do not (a) violate or conflict with any provision of the Plan or any documents or instruments governing the Plan as contemplated under ERISA § 404(a)(1)(D) (the "Plan Governing Documents"), the certificate or articles of incorporation, bylaws or code of regulations, or the comparable governing documents of the Company or the Committee, (b) violate or conflict with any law or order of any governmental authority applicable to the Company, the Plan, the Plan Trustee, the Committee or the Plan Governing Documents, (c) require any additional governmental or governmental agency approvals, or (d) require any consent of or other action by any person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit under, any provision of any contract to which the Company is a party, to the extent that the absence or occurrence of any of the foregoing would have a material adverse impact on the Company's ability to consummate the transactions contemplated by this Commitment Agreement.
 4. There are no commingled investment vehicles that hold Plan assets, the units of which are or will be Plan assets involved in the transactions contemplated by this Commitment Agreement.
 5. The Plan and the Plan Trust are maintained under and are subject to ERISA and, to the Committee's knowledge, is operated in compliance with ERISA in all material respects and are operated in compliance therewith in all material respects. The Plan's most recent favorable IRS determination letter is dated October 19, 2021 and, to the Committee's knowledge, no event has occurred since such date that is reasonably likely to result in the Plan losing its status as qualified by the Code for purposes of tax treatment under Code §§ 401(a) and 501(a). All Plan amendments necessary to effect the transactions contemplated by this Commitment Agreement, and all other written agreements, documents or certificates to be delivered by a party on the Contract Effective Date, to the extent that they require authorization by the Company or the Committee, have been, or will be by the Contract Effective Date, duly authorized and made by the Company and the Committee. The Plan Trustee has been duly appointed as the directed trustee of the Plan Trust.
 6. No fees, commissions or payments are or will be owed by the Company to any individual or entity in connection with the transactions contemplated by this Commitment Agreement or the Contract for which any other party, or its respective affiliates or representatives, could be liable.
 7. To the Committee's knowledge and upon consultation with its agents, actuaries and advisors, (a) the mortality experience file(s) provided by or on behalf of the Committee to Met Tower Life did not contain any misstatements or omissions, and the mortality experience data was generated using prudent actuarial judgment with regard to systemic assumptions and data inclusions or omissions, and (b) the data in respect of benefit amounts, forms of annuities, lump sum solicitation status and the census data for date of birth, date of death, state of residence or gender, in each case, with respect to the annuitants or survivor annuitants that is furnished on behalf of the Committee to Met Tower Life, is accurate and was not generated using any materially incorrect systemic assumptions or material omissions.
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8. There is no action pending or, to the Company's knowledge, threatened against the Company, or the Plan that in any manner challenges or seeks to prevent, enjoin or materially alter or delay the transactions or that could reasonably be expected to materially impair or restrict the such party's ability to consummate the transactions and to perform its obligations thereunder.
9. To Committee's knowledge, neither Met Tower Life nor any of Met Tower Life's affiliates is a fiduciary of the Plan who either (a) has or exercises any discretionary authority or control with respect to the investment of the Plan's assets that are or will be involved in the transactions contemplated by this Commitment Agreement or the Contract, or (b) renders investment advice (within the meaning of § 3(21)(A)(ii) of the ERISA, or § 4975(e)(3)(B) of the Code) with respect to such assets. The Committee understands and acknowledges that in the negotiation, sale, and issuance of a group annuity contract to the Plan, Met Tower Life is acting in its capacity as an issuer of a group annuity contract and is not providing investment advice or giving advice in a fiduciary capacity.
10. The Plan's applicable fiduciary has determined that the transactions contemplated by this Commitment Agreement and the purchase of the Contract do not result in a transaction prohibited by ERISA § 406 or Code § 4975, provided that Met Tower Life's representations in paragraph 7 are true and correct in all material respects as of the Premium Due Date.
11. The Plan Trustee has been duly appointed as the directed trustee of the Plan Trust and is obligated to follow the Company's or Committee's directions to effectuate and consummate the transactions contemplated by this Commitment Agreement consistent with the Plan Trust Agreement.
12. If the Company concludes that disclosure of this Commitment Agreement and/or the Contract is required by the rules of the Securities and Exchange Commission ("SEC"), (i) the Company will cooperate with Met Tower Life in good faith to make a request to the SEC for confidential treatment of information relating to the pricing of the Contract and such other information as the Company and Met Tower Life mutually conclude is competitively sensitive from the perspective of the Company or Met Tower Life or otherwise merits confidential treatment and (ii) the Company will include Met Tower Life in any material correspondence (written or oral) with the SEC regarding any such application for confidential treatment, and the Company and Met Tower Life will otherwise reasonably cooperate in connection with such request, including by the Company proposing to redact confidential portions of documents as to which the SEC staff seeks disclosure.

By signing this Commitment Agreement, the Company and Committee, as applicable (1) acknowledge receipt of any applicable commission and fee disclosures, (2) attest to the accuracy of the foregoing representations, and (3) approve the purchase of this group annuity contract on behalf of the Plan. Acceptance of this offer by the Company shall constitute an irrevocable and binding agreement between the parties to enter into the Contract, as defined in Met Tower Life's Proposal, incorporated herein by reference.

Met Tower Life, Company and Committee agree to negotiate in good faith to finalize the group annuity contract, which will be substantially in the form of the group annuity contract provided to the Company. Met Tower Life and the Company will execute, and Met Tower Life will issue the group annuity contract with an effective date as of the Contract Effective Date, defined in Met Tower Life's Proposal, within [***] following the later of (a) approval by the Interstate Insurance Product Regulation Commission, and (b) [***]. The group annuity contract will be delivered to an authorized representative of the Company for execution in Illinois.

If you would like further information, please contact me.

Met Tower Life Contact: [**]
Address: [**]
Phone Number: [**]
Email: [**]

Sincerely,

[**]

**Redacted pursuant to Item 601(a)(6) of Regulation S-K.

Pactiv LLC

Metropolitan Tower Life Insurance Company

ACCEPTED AND AGREED TO:

ACCEPTED AND AGREED TO:

By: /s/ Michael J. Ragen

By: /s/ [**]

Name: Michael J. Ragen

Name: [**]

Title: CFO and Treasurer

Title: [**]

**Pactiv Evergreen Inc. Pension Plans Investment
Committee**

ACCEPTED AND AGREED TO:

By: /s/ Michael J. Ragen

Name: Michael J. Ragen

Title: Authorized Signatory

**Redacted pursuant to Item 601(a)(6) of
Regulation S-K.

**PACTIV EVERGREEN INC.
EQUITY INCENTIVE PLAN**

NOTICE OF RESTRICTED STOCK UNIT AWARD

Month XX, 20XX

Pactiv Evergreen Inc., a Delaware corporation (the "**Company**"), has granted the Participant, effective as of the Grant Date (as set forth below), a Restricted Stock Unit Award (the "**Award**") under the Pactiv Evergreen Inc. Equity Incentive Plan (as amended from time to time, the "**Plan**"). The Award is subject to the terms and conditions set forth in this award grant letter (this "**Grant Letter**"), the Restricted Stock Unit award agreement attached hereto as Exhibit A (and all exhibits and appendices thereto) (the "**Award Agreement**" and, together with this Grant Letter, this "**Agreement**") and the Plan.

Unless otherwise defined in this Agreement, capitalized terms shall have the meanings assigned to them in the Plan. In the event of a conflict among the provisions of the Plan, this Agreement and any descriptive materials provided to the Participant, the provisions of the Plan will prevail.

AWARD TERMS

Participant: First Name Last Name

**Number
Restricted
Stock
Units:** XX,XXX

Grant Date: Month XX, 20XX (the "**Grant Date**")

Vesting: Subject to the terms and conditions of the Award Agreement, the Restricted Stock Units shall vest ratably on each of the first three anniversaries of the Grant Date (each, a "**Vesting Date**", and each such one-year period, a "**Vesting Period**"); *provided*, that the Participant does not experience a Termination of Service at any time prior to the applicable Vesting Date, except as specifically set forth in the Award Agreement.

Please review this Agreement and let us know if you have any questions about this Agreement, the Award or the Plan. You are advised to consult with your own tax advisors in respect of any tax consequences arising in connection with this Award.

If you have questions please contact JD Bowlin, the Company's CHRO, via email at jd.bowlin@pactivevergreen.com. Otherwise, please provide your signature, address and the date for this Agreement where indicated below.

**PACTIV EVERGREEN INC.
EQUITY INCENTIVE PLAN**

RESTRICTED STOCK UNIT AWARD AGREEMENT

This Restricted Stock Unit Award Agreement (together with all exhibits and appendices hereto, this "**Award Agreement**"), dated as of the date of the Grant Letter, is by and between the Company and the individual listed in the Grant Letter as the Participant.

WHEREAS, the Company hereby grants the Award to the Participant under the Plan, and the Participant hereby accepts the Award, in each case, subject to the terms and conditions of the Plan and this Agreement; and

WHEREAS, by accepting the Award and entering into this Agreement, the Participant acknowledges having received and read a copy of the Plan and agrees to comply with it, this Agreement and all applicable laws and regulations.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the parties hereto agree as follows.

1. *Grant of Award.* The Company hereby grants to the Participant on the Grant Date the aggregate number of restricted stock units ("**RSUs**") as set forth in the Grant Letter, subject to the terms and conditions of the Plan and this Agreement. This Award is granted under the Plan, the provisions of which are incorporated herein by reference and made a part of this Agreement.

2. *Issuance of RSUs.* Each RSU shall represent the right to receive one Share upon the vesting of such RSU, as determined in accordance with and subject to the terms of this Agreement and the Plan.

3. *Terms and Conditions.* It is understood and agreed that the Award evidenced hereby is subject to the following terms and conditions:

(a) *Vesting of Award.* Subject to Sections 4, 5, 6 and 11, the Award shall vest and become non-forfeitable in accordance with the vesting schedule set forth in the Grant Letter.

(b) *Voting Rights.* The Participant shall have no voting rights or any other rights as a shareholder of the Company with respect to the RSUs unless and until the Participant becomes the record owner of the Shares, including Dividend Shares (as defined below) to the extent applicable, underlying such RSUs.

(c) *Dividend Shares.* If a dividend is paid to holders of Shares during the period commencing on the Grant Date and ending on the date on which the Shares underlying the RSUs are distributed to the Participant pursuant to Section 3(d), the Participant shall receive, at the time that the Shares underlying the RSUs are distributed to the Participant pursuant to Section 3(d), (i) in the case of a dividend paid in cash, an additional number of Shares determined by dividing (x) the total cash dividend that the Participant would have received had the Shares underlying the RSUs been distributed to the Participant immediately prior to the record date with respect to such dividend payment by (y) the closing price of the Shares on the date that the dividend is paid; and (ii) in the case of a dividend paid in Shares or other property other than cash, the number of Shares or amount of such other property that the Participant would have received had the Shares underlying the RSUs been distributed to the Participant immediately prior to the record date

with respect to such dividend payment; *provided, however*, that the Participant shall receive nothing pursuant to this Section 3(c) with respect to any RSUs that are forfeited. Any Shares that the Participant is eligible to receive pursuant to this Section 3(c) are referred to herein as “**Dividend Shares**,” and if the aggregate number of Dividend Shares that this Section 3(c) entitles the Participant to receive at any time that a distribution of Shares is to be made to the Participant pursuant to Section 3(d) is not a whole number of Shares, then such number of Dividend Shares shall be rounded down to the nearest whole Share before such distribution pursuant to Section 3(d).

(d) *Distribution on Vesting.* Subject to the provisions of this Agreement, upon the vesting of any of the RSUs, the Company shall deliver to the Participant, as soon as reasonably practicable after the applicable Vesting Date (or the date of the triggering event, if vesting is accelerated pursuant to Section 5(a) or Section 6), one Share for each such RSU and the number of any Dividend Shares (as determined in accordance with Section 3(c)); *provided* that such delivery of Shares shall be made no later than the later of (i) the end of the calendar year in which the applicable Vesting Date (or the date of the triggering event, if vesting is accelerated pursuant to Section 5(a) or Section 6, such event being referred to as the “**Acceleration Event**”) occurs, or (ii) the date that is 60 days after the applicable Vesting Date or Acceleration Event. For purposes of compliance with Section 409A of the Code and for the avoidance of doubt, (a) the applicable “Vesting Date” shall be the specific original dates and anniversaries set forth in the Award, without regard to any discretion to accelerate, (b) the Acceleration Event shall only be a payment event if such event represents a death or a “change in control event,” in each case for purposes of Section 409A of the Code (a “**Qualifying Acceleration Event**”), and if an Acceleration Event is not a Qualifying Acceleration Event, payment of the Award shall be made within 60 days the first Vesting Date or Qualifying Acceleration Event to occur following such time. Upon such delivery, such Shares (including any Dividend Shares) shall be fully assignable, alienable, saleable and transferrable by the Participant; *provided*, that any such assignment, alienation, sale, transfer or other alienation with respect to such Shares shall be in accordance with applicable securities laws and any applicable Company policy.

(e) *Adjustment in Capitalization.* If, as a result of any dividend (other than ordinary cash dividends) or other distribution (whether in the form of cash, Shares or other securities), recapitalization, share split (share subdivision), reverse share split (share consolidation), reorganization, merger, amalgamation, consolidation, split-up, spin-off, combination, repurchase or exchange of Shares or other securities of the Company, issuance of warrants or other rights to acquire Shares or other securities of the Company, issuance of Shares pursuant to the anti-dilution provisions of securities of the Company, or other similar corporate transaction or event affecting the Shares, or of changes in applicable laws, regulations or accounting principles, an adjustment is necessary in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or this Agreement, then the Committee shall adjust the terms of this Agreement and this Award, to the extent necessary, in its sole discretion, but in no event shall the Committee adjust the terms of this Agreement or the RSUs in a manner which would cause the RSUs to be subject to the provisions of Section 409A or 457A of the Code.

(f) *Restrictions on Transferability.* Except as may be permitted by the Committee, neither this Award nor any right under this Award shall be assignable, alienable, saleable or transferable by the Participant otherwise than by will or pursuant to the laws of descent and distribution or to a designated Beneficiary. This provision shall not apply to any portion of this Award for which Shares have been fully distributed and shall not preclude forfeiture of any portion of this Award in accordance with the terms herein.

(g) *No Right to Continued Service.* The grant of an Award shall not be construed as giving the Participant the right to be retained in the employ of, or to continue

to provide services to, the Company or any of its Affiliates. The receipt of any Award under the Plan is not intended to confer any rights on the receiving Participant except as set forth in the applicable Agreement.

(h) *No Right to Future Awards.* Any Award granted under the Plan shall be a one-time Award that does not constitute a promise of future grants. The Company, in its sole discretion, maintains the right to make available future grants under the Plan.

4. *Termination of Service.* Except as otherwise provided in Section 5, in the event of the Participant's Termination of Service for any reason, prior to the date on which the Award otherwise becomes vested, the unvested portion of the Award shall immediately be forfeited by the Participant and become the property of the Company, without any payment or consideration being due to the Participant.

5. *Vesting Acceleration Upon Termination Due to Death or Retirement.* Notwithstanding any provisions of this Agreement that would otherwise result in the forfeiture of this Award:

(a) Death. If a Termination of Service occurs due to the Participant's death (i) on or after the first anniversary of the Grant Date but before the second anniversary of the Grant Date, then a number of Shares shall be delivered to the Participant pursuant to Section 3(d) equal to the sum of (x) the amount obtained by multiplying the number of shares that would have vested on the second anniversary of the Grant Date by the fraction obtained by dividing by 24 the number of full calendar months the Participant was employed between the Grant Date and the Participant's death and (y) the amount obtained by multiplying the number of shares that would have vested on the third anniversary of the Grant Date by the fraction obtained by dividing by 36 the number of full calendar months the Participant was employed between the Grant Date and the Participant's death, or (ii) on or after the second anniversary of the Grant Date, then a number of Shares shall be delivered to the Participant pursuant to Section 3(d) equal to the amount obtained by multiplying the number of shares that would have vested on the third anniversary of the Grant Date by the fraction obtained by dividing by 36 the number of full calendar months the Participant was employed between the Grant Date and the Participant's death.

(b) Retirement. In the event of the Participant's Termination of Service due to a Qualifying Retirement (as defined below) (subject to (i) the Participant's execution of the Company's standard form waiver and general release of claims in favor of the Company and its Affiliates no later than 45 days following such Termination of Service and (ii) such waiver and release becoming effective in accordance with its terms no later than 60 days after such Termination of Service (collectively, the "**Release Requirement**")), any unvested RSUs granted pursuant to this Agreement shall continue to vest as if the Participant had not experienced a Termination in Service. A "**Qualifying Retirement**" is a retirement that meets each of the following conditions:

(i) (x) Employee is age 62, (y) Employee is at least age 55 with at least 15 years of service to the Company and its Affiliates or their predecessors or (z) the sum of the number of whole years in Employee's age plus the number of whole years of service that Employee has provided to the Company and its Affiliates or their predecessors equals at least 75, in each case, at time of retirement;

(ii) Employee enters into an agreement within 60 days after such Termination of Service to extend the duration of the restrictive covenants contained in the Restrictive Covenant Agreement (as defined below) through the remaining vesting period;

- Date; and
- (iii) Employee has been employed by the Company for at least six months following the Grant
 - (iv) Employee notified the Company of the retirement at least six months in advance of the retirement date.

6. *Change in Control.* Notwithstanding any provision of this Agreement to the contrary, subject to the satisfaction of the Release Requirement, in the event of a Change in Control, any unvested RSUs that remain outstanding at such time shall immediately become fully vested and non forfeitable and the Shares underlying the RSUs shall be distributed to the Participant pursuant to Section 3(d).

7. *Tax Liability; Withholding Requirements.*

(a) The Participant shall be solely responsible for any applicable taxes (including, without limitation, income and excise taxes) and penalties, and any interest that accrues thereon, that the Participant incurs in connection with the receipt, vesting or distribution of any RSU granted hereunder.

(b) The Company may withhold any tax (or other governmental obligation) that becomes due with respect to the RSUs (or any dividend distribution thereon) and take such action as it deems appropriate to ensure that all applicable withholding, income or other taxes, which are the sole and absolute responsibility of the Participant, are withheld or collected from the Participant and to the extent such withholding would not result in liability classification of any portion of the Award pursuant to FASB ASC Subtopic 718-10. The Participant shall make arrangements satisfactory to the Company to enable the Company to satisfy all such withholding requirements. Notwithstanding the foregoing, the Company may, in its sole discretion, permit the Participant to satisfy any such withholding requirement by transferring to the Company pursuant to such procedures as the Company may require, effective as of the date on which such requirement arises, a number of vested Shares owned and designated by the Participant having an aggregate Fair Market Value as of such date that is at least equal to the minimum, and not more than the maximum, amount required to be withheld (including by the Company's withholding of Shares that would otherwise be issuable or deliverable to the Participant as a result of the vesting of the Award), to the extent such withholding would not result in liability classification of any portion of the Award pursuant to FASB ASC Subtopic 718-10. If the Company permits the Participant to satisfy any such withholding requirement pursuant to the preceding sentence, the Company shall remit to the Internal Revenue Service and appropriate state and local revenue agencies, for the credit of the Participant, an amount of cash withholding equal to the Fair Market Value of the Shares transferred to the Company as provided above.

8. *Not Salary, Pensionable Earnings or Base Pay.* The Participant acknowledges that the Award shall not be included in or deemed to be a part of (a) salary, normal salary or other ordinary compensation, (b) any definition of pensionable or other earnings (however defined) for the purpose of calculating any benefits payable to or on behalf of the Participant under any pension, retirement, termination or dismissal indemnity, severance benefit, retirement indemnity or other benefit arrangement of the Company or any Subsidiary or (c) any calculation of base pay or regular pay for any purpose.

9. *Whistleblower Protection.* The Participant has the right under federal law to certain protections for cooperating with or reporting legal violations to the SEC or its Office of the Whistleblower, as well as certain other governmental entities and self-regulatory organizations. As such, nothing in this Agreement or otherwise is intended to prohibit the Participant from disclosing this Agreement to, or from cooperating with or reporting violations to, the SEC or any such governmental entity or self-regulatory organization, and the Participant may do so without notifying the Company. The Company may not retaliate against the Participant for any of these activities,

and nothing in this Agreement or otherwise requires the Participant to waive any monetary award or other payment that the Participant might become entitled to from the SEC or any such governmental entity or self-regulatory organization.

10. *Restrictive Covenants.* The Company's obligations under this Agreement are conditioned on the Participant signing and returning to the Company a Restrictive Covenant Agreement in the form of Exhibit A (the "**Restrictive Covenant Agreement**") within 40 days of the Grant Date. The Participant is advised to consult with counsel before signing the Restrictive Covenants Agreement.

11. *Recoupment/Clawback.* This Award (including any amounts or benefits arising from this Award) shall be subject to recoupment or "clawback" as may be required by applicable law, stock exchange rules or by any applicable Company policy or arrangement the Company has in place from time to time.

12. *References.* References herein to rights and obligations of the Participant shall apply, where appropriate, to the Participant's legal representative or estate without regard to whether specific reference to such legal representative or estate is contained in a particular provision of this Agreement.

13. *Miscellaneous.*

(a) *Notices.* Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given when delivered personally or by courier, or sent by certified or registered mail, postage prepaid, return receipt requested, duly addressed to the party concerned at the address indicated below or to such changed address as such party may subsequently by similar process give notice of:

If to the Company:

Pactiv Evergreen Inc.
1900 W. Field Court
Lake Forest, Illinois 60045
Attention: CHRO
Email: jd.bowlin@pactivevergreen.com

If to the Participant:

At the Participant's most recent address shown on the signature page of this Award Agreement, or at any other address which the Participant may specify in a notice delivered to the Company in the manner set forth herein.

(b) *Entire Agreement.* This Agreement, the Plan and any other agreements, schedules, exhibits and other documents referred to herein or therein constitute the entire agreement and understanding between the parties in respect of the subject matter hereof and supersede all prior and contemporaneous arrangements, agreements and understandings, both oral and written, whether in term sheets, presentations or otherwise, between the parties with respect to the subject matter hereof, *provided* that the restrictions set forth in this Agreement are in addition to, not in lieu of, any other obligation and/or restriction that the Participant may have with respect to the Company or any of its Affiliates, whether by operation of law, contract, or otherwise, including, without limitation, any non-solicitation obligations contained in an employment agreement, consulting agreement or other similar agreement entered into by and between the Participant and the Company or

one of its Affiliates, which shall survive the termination of any such agreements, and be enforceable independently of such other agreements.

(c) *Sections 409A and 457A of the Code.* For the avoidance of doubt, to the extent that this Award is subject to Section 409A and/or Section 457A of the Code, the Award is intended to comply with the requirements of Sections 409A and 457A of the Code, and the provisions of the Award shall be interpreted in a manner that satisfies the requirements of Sections 409A and 457A of the Code.

(d) *Severability.* If any provision of this Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction, or would disqualify the Plan or this Agreement under any law deemed applicable by the Board, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Board, materially altering the intent of this Agreement, such provision shall be stricken as to such jurisdiction, and the remainder of this Agreement shall remain in full force and effect.

(e) *Amendment; Waiver.* No amendment or modification of any provision of this Agreement that has a material adverse effect on the Participant shall be effective unless signed in writing by or on behalf of the Company and the Participant; *provided* that the Company may amend or modify this Agreement without the Participant's consent in accordance with the provisions of the Plan or as otherwise set forth in this Agreement. No waiver of any breach or condition of this Agreement shall be deemed to be a waiver of any other or subsequent breach or condition, whether of like or different nature. Any amendment or modification of or to any provision of this Agreement, or any waiver of any provision of this Agreement, shall be effective only in the specific instance and for the specific purpose for which made or given.

(f) *Assignment.* Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by the Participant.

(g) *Successors and Assigns; No Third-Party Beneficiaries.* This Agreement shall inure to the benefit of and be binding upon the Company and the Participant and their respective heirs, successors, legal representatives and permitted assigns. Nothing in this Agreement, express or implied, is intended to confer on any Person other than the Company and the Participant, and their respective heirs, successors, legal representatives and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

(h) *Governing Law; Waiver of Jury Trial.* This Agreement shall be governed by the laws of the State of Delaware, without application of the conflicts of law principles thereof. TO THE EXTENT ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY IS NOT GOVERNED BY THE ARBITRATION AGREEMENT, EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH LEGAL PROCEEDING.

(i) *Participant Undertaking; Acceptance.* The Participant agrees to take whatever additional action and execute whatever additional documents the Company may deem necessary or advisable to carry out or give effect to any of the obligations or restrictions imposed on either the Participant or the Award pursuant to this Agreement. The Participant acknowledges receipt of a copy of the Plan and this Agreement and understands that material definitions and provisions concerning the Award and the Participant's rights and obligations with respect thereto are set forth in the Plan. The Participant has read carefully, and understands, the provisions of this Agreement and the Plan.

(j) *Captions.* Captions provided herein are for convenience only and shall not affect the scope, meaning, intent or interpretation of the provisions of this Award Agreement.

(k) *Counterparts.* This Agreement may be executed in two counterparts, each of which shall constitute one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

PACTIV EVERGREEN INC.

By: _____
J.D. Bowlin
Chief Human Resources Officer

AGREED AND ACCEPTED:

PARTICIPANT

By: _____
First Name Last Name
Address: _____

Exhibit A

Restrictive Covenant Agreement

Restrictive Covenants Agreement (this "**Agreement**") retroactive and effective as of Month XX, 20XX (the "**Effective Date**"), between Pactiv Evergreen Inc. (the "**Company**") and First Name Last Name ("**Participant**"). The Company and its direct and indirect subsidiaries, as they may exist from time to time, are referred to in this Agreement at times as the "**PEI Group**". The PEI Group are intended third party beneficiaries of the Company under this Agreement with the rights, but not the obligations, of the Company. The Board of Directors of the Company (the "**Board**") may elect to exercise or waive certain rights on behalf of the Company or any other member of the PEI Group as provided in this Agreement.

Preliminary Statement

A. Participant is a director, officer, employee or other representative of the Company or one or more other members of the PEI Group. The total period during which Participant serves as a director, officer, employee or other representative of the Company and other members of the PEI Group is referred to as the "**Service Period**". The Service Period will end for purposes of this Agreement when Participant is no longer a director, officer, employee or other representative of any member of the PEI Group.

B. To encourage performance and retention, the Board has granted Participant certain equity awards in the Company under the Pactiv Evergreen Equity Incentive Plan (the "**Award**").

C. The execution of this Agreement is a condition to Participant receiving the Award.

NOW, THEREFORE, the Company and Participant agree as follows:

1. Definitions. As used in this Agreement:

(a) "**Company Product**" means any product developed, manufactured, produced or distributed by the Company or any other member of the PEI Group during the Service Period. For purpose of complying with, and enforcing, the restrictive covenants in Subsections 4(a) through 4(d) during the 12-month period after the Service Period has ended, however, such a product shall only constitute a Company Product for purposes of this Agreement if, as a result of Participant's employment with, or Participant's service to, or representation of, the Company or any other member of the PEI Group, Participant had access to Proprietary Information related to the product or Participant designed, marketed, advised on or interacted with Customers, Prospective Customers or industry representatives regarding the product during the last 24-month period of the Service Period.

(b) "**Competitive Activity**" means the marketing, distribution, promotion, sales, development, delivery, financing or servicing of any Company Product. For the avoidance of doubt, "**Competitive Activity**" includes any actions which may result in any entity becoming a Competitor Company, including any preparation, financing or other actions in which an entity may enter into the business of marketing, distributing, promoting, selling, developing, delivering, financing or servicing any Company Product.

(c) "**Competitor Company**" means (i) those entities listed on Schedule 1 plus (ii) such other entities that the Company reasonably determines are or may reasonably become engaged in a Competitive Activity, minus (iii) such entities that the Company reasonably determines are no longer engaged in a Competitive Activity.

(d) "**Customer**" means any business, including without limitation customers or distributors, with whom the Company or any other member of the PEI Group transacted business during the Service Period. For purpose of complying with, and enforcing, the restrictive covenants in Subsections 4(a) through 4(d) during the 12-month period after the Service Period has ended, however, such a person or entity shall only constitute a Customer for purposes of this Agreement if, as a result of Participant's

employment with, or Participant's service to, or representation of, the Company or any other member of the PEI Group, Participant had Material Contact with, or knew Proprietary Information of or about, or advised on, the Customer during the last 24-month period of the Service Period.

(e) **"Material Contact"** means any contact between Participant and any Customer or Prospective Customer:

- (1) with whom or with which Participant dealt on behalf of the Company or any other member of the PEI Group;
- (2) whose dealings with the Company or any other member of the PEI Group were coordinated or supervised by Participant;
- (3) who receives products or services sold or provided by the Company or any other member of the PEI Group, the sale or provision of which results or resulted in compensation, commissions, or earnings for Participant ; or
- (4) that resulted in Participant obtaining Proprietary Information about a Customer or Prospective Customer.

(f) **"Proprietary Information"** means confidential or proprietary information or trade secrets of the Company or any other member of the PEI Group, or of any customer, supplier or other person who entrust their confidential or proprietary information or trade secreted to the Company or any other member of the PEI Group (each being a **"Protected Party"**), including, but not limited to, materials and information, whether written, electronic, or otherwise: (1) disclosed to Participant or known by Participant as a result of his or her employment with, or provision of other service to, or representation of, the Company and any other member of the PEI Group, (2) which is not generally known, and (3) which relates to or concerns the Protected Party's: innovations; ideas; plans; processes; structures; systems; know-how; algorithms; computer programs; software; code; publications; designs; methods; techniques; drawings; apparatuses; government filings; patents; patent applications; materials; devices; research activities; reports and plans; specifications; promotional methods; financial information; forecasts; sales, profit and loss figures; personal identifying information of employees; marketing and sales methods and strategies; plans and systems; customer protocols and training programs; customer, prospective customer, vendor, licensee and client lists; information about customers, prospective customers, vendors, licensees and clients; information about relationships between Protected Party or its affiliates and their business partners, acquisition prospects, vendors, suppliers, prospective customers, customers, employees, owners, licensees and clients; information about deals and prospective deals; information about products, including but not limited strengths, weaknesses and vulnerabilities of existing products, as well as product strategies and roadmaps for future products and releases; and information about pricing including but not limited to license types, models, implementation costs, discounts and tolerance for discounts. Proprietary Information shall also include all information and matters specifically designated as proprietary and/or confidential by the Protected Party or its affiliates or their customers or other business partners. The following information will not be considered Proprietary Information under this Agreement: (1) information that has become generally available to the public through no wrongful act of Participant; (2) information that Participant identified prior to Participant's employment with the Company; and (3) information that is disclosed to the public pursuant to the binding order of a government agency or court.

(g) **"Prospective Customer"** means any prospective business, including without limitation prospective customers and prospective distributors, with whom the Company or any other member of the PEI Group was attempting to transact business during the Service Period. For purpose of complying with, and enforcing, the restrictive covenants in Subsections 4(a) through 4(d) during the 12-month period after the Service Period has ended, however, such a person or entity shall only constitute a Prospective Customer for purposes of this Agreement if, as a result of Participant's employment with, or provision of service to, or representation of, the Company and any other members

of the PEI Group, Participant had Material Contact with, or knew Proprietary Information of or about, or advised on, the Prospective Customer during the last 24 months of the Service Period.

2. Legitimate Interest. Due to the nature of the business of the Company and other members of the PEI Group, certain of the directors, officers, employees and other representatives of the Company and other members of the PEI Group, including Participant, have access to Proprietary Information. Likewise, via their employment or provision of services to, or other representation of, the Company and other members of the PEI Group, certain of the directors, officers, employees and other representatives of the Company and other members of the PEI Group, including Participant, receive specialized training and/or shall be introduced to, given the opportunity to develop personal contacts with, and actually develop an advantageous familiarity as to the Customers and Prospective Customers. If the confidential or "trade secret" information, specialized training, or contacts and familiarity were made available to the competitors of the Company or other members of the PEI Group or other individuals outside of the directors, officers, employees and other representatives of the Company and other members of the PEI Group, or otherwise used against the interests of the Company or other members of the PEI Group, it would undoubtedly result in a loss of business or competitive position for the Company and other members of the PEI Group or harm the goodwill of the Company or other members of the PEI Group and their investment in developing and maintaining these business relationships. Participant also agrees that Participant holds a position uniquely essential to the management, organization, and/or service of the Company or one or more other members of the PEI Group and the business of the PEI Group is inherently global in character.

3. Work Made for Hire – Assignment of Inventions.

(a) Participant understands and agrees all "Work" (defined to mean all concepts, data, databases, inventions, formulas, discoveries, improvements, trade secrets, original works of authorship, know-how, algorithms, computer programs, software, code, publications, websites, designs, proposals, strategies, processes, methodologies and techniques, and any and all other information, materials and intellectual property, in any medium) that Participant, alone or jointly, creates, conceives, develops, or reduces to practice or causes another to create, conceive, develop, or reduce to practice, during the Service Period shall be a "work made for hire" within the meaning of that term under United States Copyright Act, 17 U.S.C. §§101 et seq. Participant agrees that Participant shall promptly disclose to the Company, or any persons designated by it, all Work. Participant agrees to and hereby assigns and transfers to the Company, effective as of the date of its creation, any and all rights, title and interest Participant may have or may acquire in any Work (including any Work not deemed, for whatever reason, to have been created as a work made for hire), effective as of the date of its creation, including any and all intellectual property rights in the Work, and the right to prosecute and recover damages for all infringements or other violations of the Work.

(b) Participant hereby gives the Company or any other member of the PEI Group the unrestricted right to use, display, distribute, modify, combine with other information or materials, create derivative works based on, sell, or otherwise exploit for any purpose, the Work and any portion thereof, in any manner and medium throughout the world. Participant irrevocably waives and assigns to the Company any and all so-called moral rights Participant may have in or with respect to any Work. Upon the Company's request, Participant shall promptly execute and deliver to the Company any and all further assignments, patent applications, or such other documents as the Company may deem necessary to effectuate the purposes of this Agreement. Participant hereby irrevocably designates and appoints the Company and its officers and agents as Participant's agent and attorney-in-fact, with full powers of substitution, to act for and on Participant's behalf to execute, verify and file any such documents and to do all other lawfully permitted acts as permitted in the preceding paragraph with the same legal effect as if executed by Participant. The foregoing agency and power shall only be used by the Company if Participant fails to execute within five business days after the Company's request related to any document or instrument described above. Participant hereby waives and quitclaims to the Company all claims of any nature which Participant now has or may later obtain for infringement of any intellectual property rights assigned under this Agreement or otherwise to the Company.

(c) Participant has identified on Schedule 2 all inventions or improvements relevant to the subject matter of Participant's engagement with the Company or any other member of the PEI Group that Participant desires to remove from the operation of this Agreement, and Participant's restrictions. If there is no such list on Schedule 2, Participant represents that Participant has made no such inventions and improvements at the time of signing this Agreement.

(d) The provisions of this Agreement requiring the assignment to the Company of Participant's rights to certain inventions do not apply to an invention for which no equipment, supplies, facility, or trade secret information of the Company or any other member of the PEI Group was used and which was developed entirely on the Participant's own time, unless (1) the invention relates directly to the business of the Company or any other member of the PEI Group, or (2) to the actual or demonstrably anticipated research or development of the Company or other members of the PEI Group, or (3) the invention results from any work performed by the Participant for the Company or other members of the PEI Group.

4. **Restrictive Covenants.**

(a) Non-Solicitation of Customers. Participant agrees that, during the Service Period and for a period of 12 months following the final date of the Service Period, Participant shall not, on behalf of any entity or person other than the Company or any other member of the PEI Group, directly or indirectly, contact or solicit any Customer, for the purpose of delivering, selling, or otherwise offering a product that is the same or similar to that of a Company Product.

(b) Non-Solicitation of Prospective Customers. Participant agrees that, during the Service Period and for a period of 12 months following the final date of the Service Period, Participant shall not, on behalf of any entity or person other than the Company or any other member of the PEI Group, directly or indirectly, contact or solicit any Prospective Customer, for the purpose of delivering, selling, or otherwise offering a product that is the same or similar to that of a Company Product.

(c) Non-Competition. Participant agrees that, during the Service Period and for a period of 12 months following the final date of the Service Period, Participant shall not, directly or indirectly, (1) provide services to any Competitor Company as an employee, officer, director, Participant, advisor, contractor, agent or other role, whether or not for consideration, or (2) anywhere in North America (United States, Mexico or Canada) or in any other country in which a member of the PEI Group manufactures, distributes or sells Company Products: (i) act in any capacity, including, without limitation, as an employee, officer, director, Participant, advisor, contractor, agent or other role, whether or not for consideration, for any person or entity that is engaged in a Competitive Activity, or is actively planning to engage in a Competitive Activity with the Company or any other member of the PEI Group, to the extent Participant would inevitably rely upon the Proprietary Information in his work for that person or entity; (ii) act in the same or substantially similar capacity that Participant acted in for the Company or any other member of the PEI Group, including, without limitation, as an employee, officer, director, Participant, advisor, contractor, agent or other role, whether or not for consideration, for any person or entity that is engaged in a Competitive Activity, or is actively planning to engage in a Competitive Activity with the Company or any other member of the PEI Group; (iii) act in any capacity, including, without limitation, as an employee, officer, director, Participant, advisor, contractor, agent or other role, whether or not for consideration, for any person or entity that is engaged in any activity that could, in the reasonable determination of the Company or Board, result in such person or entity to become engaged in a Competitive Activity or to acquire, finance or otherwise engage in a transaction with person or entity that may be engaged in a Competitive Activity; (iv) act in any capacity, including, without limitation, as an employee, officer, director, Participant, advisor, contractor, agent or other role, whether or not for consideration, for any person or entity engaged in the practice of venture capital, hedge fund, private equity, special purpose acquisition company or similar person or entity to the extent such person or entity is engaged in, or through a transaction would reasonably engage in, a Competitive Activity; (v) finance, invest in or otherwise take any ownership stake in any entity engaged in the activities set forth in this Subsection; *provided, however*, that minority ownership of no more than 5% of the outstanding shares of a publicly-traded company that may be engaged in a Competitive

Activity shall not violate this clause as long as Participant is in compliance with the other provisions of this Subsection or (vi) take, facilitate, or encourage any action the purpose or effect of which is to evade the intent of this Subsection. Notwithstanding the global nature of the business of the PEI Group, the extent to which Participant has been (or will be) exposed to the Company's Proprietary Information, and the ability of Participant to carry out Participant's work remotely, regardless of physical location, Participant acknowledges the geographic scope of the restriction in this Subsection is reasonable and appropriate.

(d) Noninterference. Participant agrees that, during the Service Period and for a period of 12 months following the final date of the Service Period, Participant shall not, on behalf of any entity or person other than the Company or any other member of the PEI Group, directly or indirectly, interfere, or aid or induce any other person or entity in interfering, with the relationship between the Company or any member of the PEI Group and any of their respective Customers, Prospective Customers, suppliers, vendors, joint venturers or licensors or any other third-party with a relationship with the Company or any member of the PEI Group.

(e) Non-Solicitation of Employees. Participant agrees that, during the Service Period and for a period of 12 months following the final date of the Service Period, Participant shall not, directly or indirectly: (1) induce or attempt to induce any director, officer, employee or other representative of the Company or any other member of the PEI Group or of any of their respective affiliates with whom Participant had a working relationship during the Service Period to terminate his or her employment with, service to, or representation of, the Company or any other member of the PEI Group; (2) hire or employ, or attempt to hire or employ, any director, officer, employee or other representative of the Company or of any other member of the PEI Group or of any of their respective affiliates with whom Participant had a working relationship during the Service Period; or (iii) assist any other person or entity in doing any of the foregoing. For purpose of compliance with, and enforcement of, the restrictive covenants in this Subsection during the 12-month period after the Service Period has ended, however, this Subsection will only apply to directors, officers, employees and other representatives of the Company and other members of the PEI Group with whom Participant interacted during the last 24-month period of the Service Period

(f) Confidentiality Covenant. During the Service Period and at all times following the final date of the Service Period:

- (1)** Participant will not disclose or transfer, directly or indirectly, any Proprietary Information to any person or entity other than as expressly authorized by the Company. Participant understands and agrees that disclosures authorized by the Company or the Board for the benefit of the Company or any other member of the PEI Group must be made in accordance with the policies and practices of the Company and Board designed to maintain the confidentiality of Proprietary Information, for example providing information after obtaining signed non-disclosure or confidentiality agreements;
 - (2)** Participant will not use, directly or indirectly, any Proprietary Information for the benefit or profit of any person or organization, including Participant, other than the Company or any other member of the PEI Group;
 - (3)** Participant will not remove or transfer from any of the Company's offices, premises or computer systems any materials or property of the Company or any other member of the PEI Group (including, without limitation, materials and property containing Proprietary Information), except as is strictly necessary in the performance of Participant's assigned duties as a Participant;
 - (4)** Participant will not copy any Proprietary Information except as needed in furtherance of and for use in the business of the Company or any other member of the PEI Group. Participant agrees that copies of Proprietary
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Information must be treated with the same degree of confidentiality as the original information and are subject to the same restrictions contained in this Agreement;

- (5) Participant will promptly upon the Company's or Board's request, and in any event promptly upon the termination of Participant's services with the Company, return all materials and property removed from or belonging to the Company or any other member of the PEI Group and Participant will not retain copies of any of such materials and property;
- (6) Participant agrees to take all reasonable steps to preserve the confidential and proprietary nature of Proprietary Information and to prevent the inadvertent or accidental disclosure of Proprietary Information; and
- (7) Participant will not use or rely on the confidential or proprietary information or trade secrets of a third party in the performance of Participant's work for the Company or any other member of the PEI Group except when obtained through lawful means such as contractual teaming agreements, purchase of copyrights, or other written permission for use of such information.

(g) Nondisparagement. Employee shall not disparage, place in a false or negative light or criticize, or make any false statements that may damage the reputation of, orally or in writing, the Company or any member of the PEI Group, its business practices, products, policies, services, decisions, directors, officers, employees, agents, representatives, advisors or any other entity or person covered by this Agreement.

(h) Scope of Covenants. The parties desire for the restrictive covenants, including any time period and geographic scope, to be construed as broadly as permitted by applicable law. It is the parties' intent, and a critical inducement to the Company entering into this Agreement, to protect and preserve the legitimate interests of the Company or any other member of the PEI Group, and thus the parties agree that the time period and the geographic coverage and scope of the restrictions herein are reasonable and necessary. However, if a court of competent jurisdiction finds that the time period of any of the foregoing restrictions is too lengthy, the geographic scope is too broad, or the agreement overreaches in any way, the parties authorize and respectfully ask the court to modify or, if modification is not possible, strike the offending portion, but only that portion, and grant the relief reasonably necessary to protect the interests of the Company or any other member of the PEI Group so as to achieve the original intent of the parties.

(i) Remedies. Participant agrees that a threatened or existing violation of any of the restrictions contained in this Agreement or any other breach of this Agreement would cause the Company irreparable injury to one or more of the Company or any other member of the PEI Group for which such person(s) would have any adequate remedy at law and agrees that the Company or any other member of the PEI Group will be entitled to obtain injunctive relief prohibiting such violation, including, without limitation, in the form of a temporary restraining order or preliminary injunction. In addition, if the Participant violates any restrictions in the Agreement or otherwise breaches any obligation of Participant under this Agreement, the Company or other members of the PEI Group may:

- (1) Suspend, terminate, revoke, rescind or otherwise end the employment, service or other representation of the Participant by, to or of the Company and other members of the PEI Group. Such a suspension, termination, revocation, rescission or other ending of the Participant's employment, service or presentation by, to or of the Company and other members of the PEI Group will be deemed for good cause.
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- (2) Suspend, terminate, revoke, rescind or otherwise end the grants of any outstanding and unvested equity awards of Participant in the Company or other members of the PEI Group, including, without limitation to, the Award.
- (3) Suspend, terminate, revoke, rescind or otherwise end payment of any severance benefits being received by Participant under any severance benefits plan or agreement with the Company or other members of the PEI Group.
- (4) Require Participant to repay to the Company an amount equal to aggregate value, less one hundred U.S. dollars (\$100), of the severance benefits and equity awards (valued as of their vesting dates) received by the Participant from and in the Company and other members of the PEI Group during the 24-month period immediately prior to the violation of the restrictions in this Agreement or any other breach of this Agreement. Participant acknowledges that (i) the actual damages of the Company and other members of the PEI Group may be extremely difficult to ascertain with precision in the event of a breach by Employee of this Agreement, (ii) the repayment of all but \$100 of the aforementioned consideration received by Participant will represent a reasonable approximation of the actual damages that the Company and other members of the PEI Group will incur in the event such a breach by Participant and (iii) the Company's election to require repayment of all but \$100 of the aforementioned consideration received by Participant is intended as, and will represent, lawful liquidated damages and not an unlawful penalty. Liquidated damages under this Subsection may only be elected by the Company with the approval of the Board. Unless the Company elects liquidated damages under this Subsection, nothing in this provision shall prevent the Company and other members of the PEI Group from seeking other forms of damages caused by a breach.
- (5) Exercise all other rights and remedies available to the Company and other members of the PEI Group at law or in equity.

Participant also agrees that Participant will be liable to the Company or any other member of the PEI Group for the attorneys' fees, expert witness fees, and costs incurred by such person as a result of: (1) any action by the Company or other members of the PEI Group against Participant to enforce any of the restrictions contained in this Agreement in which the Company or any other member of the PEI Group prevails in any respect, or (2) any action by Participant against the Company or any other member of the PEI Group challenging the legal enforceability of any such restriction in which Participant does not prevail. Participant's obligations under each subsection of this Section 3(d) of this Agreement are distinct, separable, and independently enforceable. The real or perceived existence of any claim or cause of action against the Company or any other member of the PEI Group, whether predicated on this Agreement or some other basis, will not alleviate Participant of Participant's obligations under this Agreement and will not constitute a defense to the enforcement by the Company or other members of the PEI Group of restrictions contained herein.

(j) Tolling of Time Periods. Participant agrees that, in the event Participant violates any subsection of Section 3(d) of this Agreement as to which there is a specific time period during which Participant is prohibited from certain actions and activities, such violation shall toll the running of such time period from the date of such violation until the date the violation ceases.

(k) Inevitable Use of Proprietary Information. Participant acknowledges and agrees that, following the termination of Participant's services, Participant will possess the Proprietary Information which Participant would inevitably use if Participant were to engage in the conduct prohibited by Section 3(d) (including each of its subsections), that such use would be unfair and extremely detrimental to the Company or any other member of the PEI Group and, in view of the benefits provided to Participant in

this Agreement, that such conduct on his or her part would be inequitable. Accordingly, Participant separately and severally agrees for the benefit of the Company and the other members of the PEI Group to be bound by each of the covenants described above.

5. Reasonable Restrictions. Participant acknowledges that it is necessary and appropriate for the Company or any other member of the PEI Group to protect their legitimate business interests by restricting Participant's ability to engage in certain competitive activities and any violation of such restrictions would result in irreparable injury to the legitimate business interests of the Company or any other member of the PEI Group. The parties agree that the restrictions contained in this Agreement are drafted narrowly to safeguard the legitimate business interests of the Company or any other member of the PEI Group while not unreasonably interfering with Participant's ability to obtain other employment.

6. Obligations to Inform Others of Restrictions.

(a) In order to protect the rights of the Company or any other member of the PEI Group under this Agreement, Participant agrees that:

- (1) During and for a period of 12 months following the last day of the Service Period, Participant shall provide the Company and Board with complete and accurate information concerning Participant's plans for employment or provision of other services (including, for the avoidance of doubt, consulting services) and shall inform any prospective or subsequent employer or entity of the restrictions contained in this Agreement or any other policy or agreement between Participant and the Company and any other member of the PEI Group that may be in effect during the Service Period. Participant understands that Participant has a duty to contact the Company and Board if Participant has any questions regarding whether or not conduct by Participant would be restricted by this Agreement; and
- (2) Participant shall make the terms and conditions of the restrictions in this Agreement known to any business, entity or persons engaged in activities competitive with the business of the Company or any other member of the PEI Group with which Participant becomes associated during Participant's provision of services to the Company, during the Service Period and for a period of 12 months following the final day of the Service Period.

(b) The Company or Board may, in its sole and absolute discretion, permit Participant to engage in work or activity that would otherwise be restricted by this Agreement, if Participant first provides the Company and Board with written evidence satisfactory to the Company and Board, including assurances from any new employer or entity, that the contribution of Participant's knowledge to that work or activity will not cause Participant to disclose, base judgment upon, or use Proprietary Information. Participant shall not engage in such work or activity unless and until Participant receives written consent from the Company and Board.

7. Assignment of Agreement. The Company may assign this Agreement, its rights, interests and remedies under this Agreement, and its obligations under this Agreement, at any time in the discretion of the Company and without notice to Participant. The validity of this Agreement will not be affected by the sale (whether via a stock or asset sale), merger, or any other change in ownership of the Company. Participant understands that Participant's obligations under this Agreement are personal, and that Participant may not assign this Agreement, or any of Participant's rights, interests, or obligations under this Agreement.

8. Non-Waiver. No failure or delay by any party to this Agreement in exercising any right, power or privilege hereunder, will operate as a waiver thereof, nor will any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The

rights and remedies provided herein will be cumulative and in addition to any rights or remedies provided by law or equity.

9. Governing Law; Agreed Venue. In all respects the rights and obligations of the parties under this Agreement will be interpreted, enforced and governed in accordance with the laws of the State of Delaware without regard to the principles of conflict of laws. Any and all lawsuits, legal actions or proceedings against either party arising out of this Agreement will be brought in the Illinois or federal court of competent jurisdiction sitting nearest to Lake County, Illinois, and each party hereby submits to and accepts the exclusive jurisdiction of such court for the purpose of such suit, legal action or proceeding. Each party hereby irrevocably waives any objection it may now have or hereinafter have to this choice of venue of any suit, legal action or proceedings in any such court and further waives any claim that any suit, legal action or proceeding brought in any such court has been brought in an inappropriate forum.

10. Consent to Jurisdiction. The parties expressly consent to the exclusive jurisdiction of the state or federal courts of Illinois to resolve any and all disputes arising under the restrictions contained in Section 3(d) of this Agreement and hereby waive any right that they might have to object to jurisdiction or venue within such court or any defense based on the doctrine of forum non conveniens.

11. Entire Agreement. This Agreement represent the entire agreement and understanding between Participant and the Company with respect to the subject matters contained in this Agreement and supersedes any and all prior discussions, communications and agreements with respect to those subject matters; *provided, however*, that (i) this Agreement will supplement, and will not supersede, any written agreements between the Participant and the Company or other members of the PEI Group on the same subject matters entered into prior to the Effective Date (a "**Prior Agreement**") and (ii) where the terms of this Agreement and the terms of a Prior Agreement conflict, this Agreement shall control. No representation, promise, understanding, or warranty not set forth herein has been made or relied upon by either party in making this Agreement. No modification, amendment or addition will be valid, unless set forth in writing and signed by the party against whom enforcement of any such modification, amendment or addition is sought.

12. Counterparts & Signatures. This Agreement may be executed in duplicate counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument. Facsimile, electronic (PDF, etc.) and other copies or duplicates of this Agreement are valid and enforceable as originals. Similarly, Agreements signed by hand, electronically (DocuSign or similar service), or, on behalf of the Company, by signature stamp, are valid and enforceable as original signatures.

13. Notice of Immunity. Participant understands that nothing in this Agreement is intended to prohibit Participant from disclosing information, including Proprietary Information, which is permitted to be disclosed by the Federal Defend Trade Secrets Act, which provides that an individual may not be held criminally or civilly liable under any federal or state trade secret law for disclosure of a trade secret (a) made in confidence to a government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law or (b) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, Participant understands that if Participant files a lawsuit against the Company for retaliation based on the reporting of a suspected violation of law, Participant may disclose a trade secret to Participant's attorney and use the trade secret information in the court proceeding, so long as any document containing the trade secret is filed under seal and the trade secret is not disclosed except pursuant to court order. To the extent Participant suspects a violation of the law, Participant should report their suspicion to an officer of the Company or in accordance with relevant the Company policies.

14. Whistleblower Protection. Notwithstanding anything in this Agreement or otherwise, it is understood that Participant has the right under federal law to certain protections for communicating directly with and providing information to the Company, Participant's supervisor(s), the Securities and Exchange Commission (the "**SEC**") and/or its Office of the Whistleblower, as well as certain other

governmental authorities and self-regulatory organizations. As such, nothing in this Agreement nor otherwise is intended to prohibit Participant from disclosing this Agreement to, or from communicating directly with or providing information to Participant's supervisor(s), the SEC or any other such governmental authority or self-regulatory organization. Participant may communicate directly with or provide information, including documents, not otherwise protected from disclosure by any applicable law or privilege to the SEC or any other such governmental authority or self-regulatory organization without notifying the Company. The Company may not retaliate against Participant for any of these activities, and nothing in this Agreement or otherwise would require Participant to waive any monetary award or other payment that Participant might become entitled to from the Company, the SEC or any other governmental authority.

15. Return of the Property or the Company or Any Other Member of PEI Group. At the request of the Company or Board (or, without any request, upon termination of the Service Period), Participant will immediately deliver to the Company (a) all property of the Company or any other member of the PEI Group that is then in Participant's possession, custody or control, including, without limitation, all keys, access cards, cell phones, tablets, computer hardware including but not limited to any hard drives, external storage devices, diskettes, fobs, laptops, tablets, computers and personal data assistants (and the contents thereof), internet connectivity devices, computer software and programs, data, materials, papers, books, files, documents, records; (b) any and all documents or other items containing, summarizing, or describing any Proprietary Information, including all originals and copies in whatever form; (c) any personal device that Participant synced with or used to access any of the systems of the Company or any other member of the PEI Group for purpose of inspection and copying; and (d) a list of passwords or codes needed to operate or access any of the items referenced in this Section 15.

16. Promotional Materials. Participant authorizes and consents to the creation and/or use of Participant's likeness as well as Participant's name by the Company or any other member of the PEI Group, and persons or organizations authorized by it, without reservation or limitation and without further consideration. Pursuant to this authorization and consent, the Company or any other member of the PEI Group may, for example, use Participant's likeness on its website, and publish and distribute advertising, sales, or other promotional literature containing a likeness of Participant in the course of performing Participant's job duties. Participant also waives any cause of action for personal injury and/or property damage by virtue of the creation and use of such a likeness. Property rights to any likeness of Participant produced or prepared by the Company or any other member of the PEI Group, or any person or organization authorized by it, shall vest in and remain with the Company or any other member of the PEI Group. As used herein, "likeness" shall include a photograph, photographic reproduction, audio transmission, audio recording, video transmission and/or video recording, as well as any other similar medium.

17. Fair Meaning. The language of this Agreement shall be construed as a whole, according to its fair meaning, and not strictly for or against any party.

18. Additional Consideration. Participant understands that receipt of the Award is conditioned upon Participant signing this Agreement. Further, as a result of Participant's services as a director, officer, employee or other representative of the Company or other members of the PEI Group, Participant shall be (or has been) given access to the Proprietary Information, opportunities for advancement, and opportunities to participate in confidential meetings and specialized training, which shall constitute independent consideration for the restrictions contained in this Agreement and would not be (or would not have been) given to Participant without Participant's agreement to abide by the terms and conditions of this Agreement, including without limitation the ancillary obligations of confidentiality and non-disclosure. By initialing below, Participant specifically acknowledges that Participant has read, understands and agrees to this Section 18.

Participant Initial

[Signature Page and Schedules Follow]

By executing this Agreement below, the parties confirm they have read, understood, and voluntarily agreed to be bound by the entire Agreement.



PACTIV EVERGREEN INC.

By:
JD Bowlin
Chief Human Resources Officer

PARTICIPANT

First Name Last Name

Schedule 1
Non-Exclusive List of Competitor Companies

- Anchor
 - Berry Plastics
 - Cascade
 - CKF
 - Cool-Pak
 - D&W Fine Pak
 - Dart Container Corporation
 - Direct Pack
 - Dolco
 - Dyne-a-Pak
 - Elopak
 - Genpak
 - Georgia Pacific
 - Grupo Convernex
 - Hartmann
 - Huhtamaki
 - Inline Plastics
 - International Paper/IP Foodservice
 - LBP
 - Paper Excellence Group
 - Peninsula Packaging
 - Sabert
 - Sealed Air
 - Seda
 - SIG Combibloc
 - Silgan Holdings
 - Solo Cup Company
 - Sonoco
 - Stora Enso Oyj
 - Tetra Pak
 - The Waddington Group
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Schedule 2
List of Prior Inventions or Improvements

None

**PACTIV EVERGREEN INC.
EQUITY INCENTIVE PLAN
NOTICE OF PERFORMANCE SHARE UNIT AWARD**

MONTH XX, 20XX

Pactiv Evergreen Inc., a Delaware corporation (the “**Company**”), has granted the Participant, effective as of the Grant Date (as set forth below), a Performance Share Unit Award (the “**Award**”) under the Pactiv Evergreen Inc. Equity Incentive Plan (as amended from time to time, the “**Plan**”). The Award is subject to the terms and conditions set forth in this award grant letter (this “**Grant Letter**”), the Performance Share Unit award agreement attached hereto as Exhibit A (and all exhibits and appendices thereto) (the “**Award Agreement**”) and, together with this Grant Letter, this “**Agreement**”) and the Plan. Unless otherwise defined in this Agreement, capitalized terms shall have the meanings assigned to them in the Plan. In the event of a conflict among the provisions of the Plan, this Agreement and any descriptive materials provided to the Participant, the provisions of the Plan will prevail.

AWARD TERMS

- Participant:** First Name Last Name
- Target Number of Performance Share Units:** XX,XXX is the target number of performance share units (the “**PSUs**”) granted under this Award. Each PSU shall be settled in Shares at a range from 50% to 200% of target based on the achieved results against the Performance Condition set forth on Attachment 1 to the Award Agreement (such percentage, the “**Settlement Percentage**”); *provided, however*, that no settlement shall occur unless both (i) Participant does not experience a Termination of Service at any time prior to the applicable Vesting Date and (ii) the minimum Performance Condition (as set forth in Attachment 1) is satisfied.
- Grant Date:** Month XX, 20XX (the “**Grant Date**”)
- Performance Period:** The Performance Period shall be the period from and including January 1, 2022 through and including December 31, 2024.
- Performance Condition:** The Award shall be subject to satisfaction of the Performance Condition as set forth on Attachment 1 to the Award Agreement, subject to the terms set forth in the Award Agreement.
- Vesting:** Subject to the terms and conditions of the Award Agreement (including the satisfaction of the Performance Condition), the Shares subject to the Award shall vest on the third anniversary of the Grant Date (the “**Vesting Date**”); *provided*, that the Participant does not experience a Termination of Service at any time prior to the Vesting Date, except as specifically set forth in the Award Agreement.

Please review this Agreement and let us know if you have any questions about this Agreement, the Award or the Plan. You are advised to consult with your own tax advisors in respect of any tax consequences arising in connection with this Award.

If you have questions please contact JD Bowlin, the Company’s CHRO, via email at jd.bowlin@pactivevergreen.com. Otherwise, please provide your signature, address and the date for this Agreement where indicated below.

EXHIBIT A
PACTIV EVERGREEN INC.
EQUITY INCENTIVE PLAN
PERFORMANCE SHARE UNIT AWARD AGREEMENT

This Performance Share Unit Award Agreement (together with all exhibits and appendices hereto, this "**Award Agreement**"), dated as of the date of the Grant Letter, is by and between the Company and the individual listed in the Grant Letter as the Participant.

WHEREAS, the Company hereby grants the Award to the Participant under the Plan, and the Participant hereby accepts the Award, in each case, subject to the terms and conditions of the Plan and this Agreement; and

WHEREAS, by accepting the Award and entering into this Agreement, the Participant acknowledges having received and read a copy of the Plan and agrees to comply with it, this Agreement and all applicable laws and regulations.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the parties hereto agree as follows.

1. Grant of Award. The Company hereby grants to the Participant on the Grant Date the aggregate number of performance share units ("**PSUs**") as set forth in the Grant Letter, subject to the terms and conditions of the Plan and this Agreement. The PSUs granted hereunder constitute Performance Awards within the meaning of Section 9 of the Plan. This Award is granted under the Plan, the provisions of which are incorporated herein by reference and made a part of this Agreement.

2. Issuance of PSUs. To the extent that the Award has vested, the PSUs associated with such Award shall be settled based on the level of attainment of the "**Performance Condition**" (as detailed in this Agreement or Attachment 1 to this Agreement), determined in accordance with and subject to the terms of this Award Agreement and the Plan.

3. Terms and Conditions. It is understood and agreed that the Award evidenced hereby is subject to the following terms and conditions:

(a) Vesting of Award. Subject to Sections 4, 5, 6 and 11, the Award shall vest and become non-forfeitable in accordance with the vesting schedule set forth in the Grant Letter, subject to (i) the satisfaction of the Performance Condition and (ii) the Participant's continuous service with the Company or any of its Affiliates through the Vesting Date.

(b) Voting Rights. The Participant shall have no voting rights or any other rights as a shareholder of the Company with respect to the PSUs unless and until the Participant becomes the record owner of the Shares, including Dividend Shares (as defined below) to the extent applicable, underlying such PSUs.

(c) Dividend Shares.

(i) If a dividend is paid to holders of Shares during the period commencing on the Grant Date and ending on the date on which the Shares underlying the PSUs are distributed to the Participant pursuant to Section 3(d), the Participant shall receive, at the time that the Shares underlying the PSUs are distributed to the Participant pursuant to Section 3(d), subject to adjustment pursuant to Section 3(c)(iii), (A) in the case of a dividend paid in cash, an additional number of Shares determined by dividing (x) the total cash dividend that the Participant would have received had the Shares underlying the PSUs been distributed to the Participant immediately prior to the record date with respect to such dividend payment by (y) the closing price of the Shares on the date that the dividend is paid; and (B) in the case of a dividend paid in Shares or other property other than cash, the number of Shares or amount of such other property that the Participant would have received had the Shares underlying the

RSUs been distributed to the Participant immediately prior to the record date with respect to such dividend payment; *provided, however*, that the Participant shall receive nothing pursuant to this Section 3(c) with respect to any PSUs that are forfeited.

(ii) Any Shares that the Participant is eligible to receive pursuant to this Section 3(c) are referred to herein as “**Dividend Shares**,” and if the aggregate number of Dividend Shares that this Section 3(c) entitles the Participant to receive at any time that a distribution of Shares is to be made to the Participant pursuant to Section 3(d) is not a whole number of Shares, then such number of Dividend Shares shall be rounded down to the nearest whole Share before such distribution pursuant to Section 3(d).

(iii) If, for any reason, the Settlement Percentage is not 100% of target, then any Dividend Shares or other property that the Participant is eligible to receive pursuant to this Section 3(c) shall, before distribution pursuant to Section 3(d), be increased or decreased, as the case may be, by the Settlement Percentage.

(d) *Distribution on Vesting.* Subject to the provisions of this Agreement, upon the vesting of any of the PSUs, the Company shall deliver to the Participant, as soon as reasonably practicable after the Vesting Date (or the date of the triggering event, if vesting is accelerated pursuant to Section 5(a) or Section 6), a number of Shares for each such PSUs equal to the total number of such PSUs multiplied by the Settlement Percentage and the number of any Dividend Shares (as determined in accordance with Section 3(c), including clause (iii) thereof); *provided* that such delivery of Shares shall be made upon the earlier of (i) as soon as reasonably practicably following the end of the Performance Period and the Vesting Date that the Committee determines the level at which the Performance Condition is satisfied, but in any event within calendar year 2025 or (ii) within 60 days following the date of the triggering event, if vesting is accelerated pursuant to Section 5(a) or Section 6 (such event an “**Acceleration Event**”). For purposes of compliance with Section 409A of the Code and for the avoidance of doubt, the Acceleration Event shall only be a payment event if such event represents a death or a “change in control event,” in each case for purposes of Section 409A of the Code (a “**Qualifying Acceleration Event**”), and if an Acceleration Event is not a Qualifying Acceleration Event, payment of the Award shall be made within 60 days after the first Qualifying Acceleration Event to occur after such time or, if earlier, during calendar year 2025. Upon such delivery, such Shares (including any Dividend Shares) shall be fully assignable, alienable, saleable and transferrable by the Participant; *provided*, that any such assignment, alienation, sale, transfer or other alienation with respect to such Shares shall be in accordance with applicable securities laws and any applicable Company policy.

(e) *Adjustment in Capitalization.* If, as a result of any dividend (other than ordinary cash dividends) or other distribution (whether in the form of cash, Shares or other securities), recapitalization, share split (share subdivision), reverse share split (share consolidation), reorganization, merger, amalgamation, consolidation, split-up, spin-off, combination, repurchase or exchange of Shares or other securities of the Company, issuance of warrants or other rights to acquire Shares or other securities of the Company, issuance of Shares pursuant to the anti-dilution provisions of securities of the Company, or other similar corporate transaction or event affecting the Shares, or of changes in applicable laws, regulations or accounting principles, an adjustment is necessary in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or this Agreement, then the Committee shall adjust the terms of this Agreement and this Award, to the extent necessary, in its sole discretion, but in no event shall the Committee adjust the terms of this Agreement or the PSUs in a manner which would cause the PSUs to be subject to the provisions of Section 409A or 457A of the Code.

(f) *Restrictions on Transferability.* Except as may be permitted by the Committee, neither this Award nor any right under this Award shall be assignable, alienable, saleable or transferable by the Participant otherwise than by will or pursuant to the laws of descent and distribution or to a designated Beneficiary. This provision shall not apply to any portion of this Award for which Shares

have been fully distributed and shall not preclude forfeiture of any portion of this Award in accordance with the terms herein.

(g) *No Right to Continued Service.* The grant of an Award shall not be construed as giving the Participant the right to be retained in the employ of, or to continue to provide services to, the Company or any of its Affiliates. The receipt of any Award under the Plan is not intended to confer any rights on the receiving Participant except as set forth in the applicable Agreement.

(h) *No Right to Future Awards.* Any Award granted under the Plan shall be a one-time Award that does not constitute a promise of future grants. The Company, in its sole discretion, maintains the right to make available future grants under the Plan.

4. *Termination of Service.* Except as otherwise provided in Section 5, in the event of the Participant's Termination of Service for any reason, prior to the date on which the Award otherwise becomes vested, the unvested portion of the Award shall immediately be forfeited by the Participant and become the property of the Company, without any payment or consideration being due to the Participant.

5. *Vesting Acceleration Upon Termination Due to Death or Retirement.* Notwithstanding any provisions of this Agreement that would otherwise result in the forfeiture of this Award:

(a) Death. If the Participant dies after the first anniversary of the Grant Date but before the Vesting Date, a prorated number of the PSUs shall vest effective as of the date of death based on the likely level of achievement of the Performance Condition, as determined in the sole discretion of the Committee, prorated based on a fraction, the numerator of which is the number of full calendar months the Participant has been employed from the Grant Date through the date of death, and the denominator of which is 36. The Shares underlying the PSUs shall be distributed to the Participant pursuant to Section 3(d).

(b) Retirement. In the event of the Participant's Termination of Service due to a Qualifying Retirement (as defined below) (subject to (i) the Participant's execution of the Company's standard form waiver and general release of claims in favor of the Company and its Affiliates no later than 45 days following such Termination of Service and (ii) such waiver and release becoming effective in accordance with its terms no later than 60 days after such Termination of Service (collectively, the "**Release Requirement**")), any unvested PSUs granted pursuant to this Agreement shall vest following the Vesting Date as if the Participant's Termination of Service had not occurred. A "**Qualifying Retirement**" is a retirement that meets each of the following conditions:

(i) (x) Employee is age 62, (y) Employee is at least age 55 with at least 15 years of service to the Company and its Affiliates or their predecessors or (z) the sum of the number of whole years in Employee's age plus the number of whole years of service that Employee has provided to the Company and its Affiliates or their predecessors equals at least 75, in each case, at time of retirement;

(ii) Employee enters into an agreement within 60 days after such Termination of Service to extend the duration of the restrictive covenants contained in the Restrictive Covenant Agreement (as defined below) through the remaining vesting period;

(iii) Employee has been employed by the Company for at least six months following the Grant Date; and

(iv) Employee notified the Company of the retirement at least six months in advance of the retirement date.

6. *Change in Control.* Notwithstanding any provision of this Agreement to the contrary, subject to the satisfaction of the Release Requirement, in the event of a Change in Control, any unvested PSUs shall vest effective as of the date of such Change in Control based on the likely level of achievement of the Performance

Condition, as determined in the sole discretion of the Committee, and the Shares underlying the PSUs shall be distributed to the Participant pursuant to Section 3(d).

7. Tax Liability; Withholding Requirements.

(a) The Participant shall be solely responsible for any applicable taxes (including, without limitation, income and excise taxes) and penalties, and any interest that accrues thereon, that the Participant incurs in connection with the receipt, vesting or distribution of any PSU granted hereunder.

(b) The Company may withhold any tax (or other governmental obligation) that becomes due with respect to the RSUs (or any dividend distribution thereon) and take such action as it deems appropriate to ensure that all applicable withholding, income or other taxes, which are the sole and absolute responsibility of the Participant, are withheld or collected from the Participant and to the extent such withholding would not result in liability classification of any portion of the Award pursuant to FASB ASC Subtopic 718-10. The Participant shall make arrangements satisfactory to the Company to enable the Company to satisfy all such withholding requirements. Notwithstanding the foregoing, the Company may, in its sole discretion, permit the Participant to satisfy any such withholding requirement by transferring to the Company pursuant to such procedures as the Company may require, effective as of the date on which such requirement arises, a number of vested Shares owned and designated by the Participant having an aggregate Fair Market Value as of such date that is at least equal to the minimum, and not more than the maximum, amount required to be withheld (including by the Company's withholding of Shares that would otherwise be issuable or deliverable to the Participant as a result of the vesting of the Award), to the extent such withholding would not result in liability classification of any portion of the Award pursuant to FASB ASC Subtopic 718-10. If the Company permits the Participant to satisfy any such withholding requirement pursuant to the preceding sentence, the Company shall remit to the Internal Revenue Service and appropriate state and local revenue agencies, for the credit of the Participant, an amount of cash withholding equal to the Fair Market Value of the Shares transferred to the Company as provided above.

8. Not Salary, Pensionable Earnings or Base Pay. The Participant acknowledges that the Award shall not be included in or deemed to be a part of (a) salary, normal salary or other ordinary compensation, (b) any definition of pensionable or other earnings (however defined) for the purpose of calculating any benefits payable to or on behalf of the Participant under any pension, retirement, termination or dismissal indemnity, severance benefit, retirement indemnity or other benefit arrangement of the Company or any Subsidiary or (c) any calculation of base pay or regular pay for any purpose.

9. Whistleblower Protection. The Participant has the right under federal law to certain protections for cooperating with or reporting legal violations to the SEC or its Office of the Whistleblower, as well as certain other governmental entities and self-regulatory organizations. As such, nothing in this Agreement or otherwise is intended to prohibit the Participant from disclosing this Agreement to, or from cooperating with or reporting violations to, the SEC or any such governmental entity or self-regulatory organization, and the Participant may do so without notifying the Company. The Company may not retaliate against the Participant for any of these activities, and nothing in this Agreement or otherwise requires the Participant to waive any monetary award or other payment that the Participant might become entitled to from the SEC or any such governmental entity or self-regulatory organization.

10. Restrictive Covenants. The Company's obligations under this Agreement are conditioned on the Participant signing and returning to the Company a Restrictive Covenant Agreement with the Company in the form appended as Attachment 2 (the "**Restrictive Covenant Agreement**") within 40 days of the Grant Date. The Participant is advised to consult with counsel before signing the Restrictive Covenants Agreement.

11. Recoupment/Clawback. This Award (including any amounts or benefits arising from this Award) shall be subject to recoupment or "clawback" as may be required by applicable law, stock exchange rules or by any applicable Company policy or arrangement the Company has in place from time to time.

12. *References.* References herein to rights and obligations of the Participant shall apply, where appropriate, to the Participant's legal representative or estate without regard to whether specific reference to such legal representative or estate is contained in a particular provision of this Agreement.

13. *Miscellaneous.*

(a) *Notices.* Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given when delivered personally or by courier, or sent by certified or registered mail, postage prepaid, return receipt requested, duly addressed to the party concerned at the address indicated below or to such changed address as such party may subsequently by similar process give notice of:

If to the Company:
Pactiv Evergreen Inc.
1900 W. Field Court
Lake Forest, Illinois 60045
Attention: CHRO
Email: jd.bowlin@pactivevergreen.com

If to the Participant:

At the Participant's most recent address shown on the signature page of this Award Agreement, or at any other address which the Participant may specify in a notice delivered to the Company in the manner set forth herein.

(b) *Entire Agreement.* This Agreement, the Plan and any other agreements, schedules, exhibits and other documents referred to herein or therein constitute the entire agreement and understanding between the parties in respect of the subject matter hereof and supersede all prior and contemporaneous arrangements, agreements and understandings, both oral and written, whether in term sheets, presentations or otherwise, between the parties with respect to the subject matter hereof, *provided* that the restrictions set forth in this Agreement are in addition to, not in lieu of, any other obligation and/or restriction that the Participant may have with respect to the Company or any of its Affiliates, whether by operation of law, contract, or otherwise, including, without limitation, any non-solicitation obligations contained in an employment agreement, consulting agreement or other similar agreement entered into by and between the Participant and the Company or one of its Affiliates, which shall survive the termination of any such agreements, and be enforceable independently of such other agreements.

(c) *Sections 409A and 457A of the Code.* For the avoidance of doubt, to the extent that this Award is subject to Section 409A and/or Section 457A of the Code, the Award is intended to comply with the requirements of Sections 409A and 457A of the Code, and the provisions of the Award shall be interpreted in a manner that satisfies the requirements of Sections 409A and 457A of the Code.

(d) *Severability.* If any provision of this Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction, or would disqualify the Plan or this Agreement under any law deemed applicable by the Board, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Board, materially altering the intent of this Agreement, such provision shall be stricken as to such jurisdiction, and the remainder of this Agreement shall remain in full force and effect.

(e) *Amendment; Waiver.* No amendment or modification of any provision of this Agreement that has a material adverse effect on the Participant shall be effective unless signed in writing by or on behalf of the Company and the Participant; *provided* that the Company may amend or modify this Agreement without the Participant's consent in accordance with the provisions of the Plan or as otherwise set forth in this Agreement. No waiver of any breach or condition of this Agreement shall be deemed to be a waiver of any other or subsequent breach or condition, whether of like or

different nature. Any amendment or modification of or to any provision of this Agreement, or any waiver of any provision of this Agreement, shall be effective only in the specific instance and for the specific purpose for which made or given.

(f) *Assignment.* Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by the Participant.

(g) *Successors and Assigns; No Third-Party Beneficiaries.* This Agreement shall inure to the benefit of and be binding upon the Company and the Participant and their respective heirs, successors, legal representatives and permitted assigns. Nothing in this Agreement, express or implied, is intended to confer on any Person other than the Company and the Participant, and their respective heirs, successors, legal representatives and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

(h) *Governing Law; Waiver of Jury Trial.* This Agreement shall be governed by the laws of the State of Delaware, without application of the conflicts of law principles thereof. TO THE EXTENT ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY IS NOT GOVERNED BY THE ARBITRATION AGREEMENT, EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH LEGAL PROCEEDING.

(i) *Participant Undertaking; Acceptance.* The Participant agrees to take whatever additional action and execute whatever additional documents the Company may deem necessary or advisable to carry out or give effect to any of the obligations or restrictions imposed on either the Participant or the Award pursuant to this Agreement. The Participant acknowledges receipt of a copy of the Plan and this Agreement and understands that material definitions and provisions concerning the Award and the Participant's rights and obligations with respect thereto are set forth in the Plan. The Participant has read carefully, and understands, the provisions of this Agreement and the Plan.

(j) *Captions.* Captions provided herein are for convenience only and shall not affect the scope, meaning, intent or interpretation of the provisions of this Award Agreement.

(k) *Counterparts.* This Agreement may be executed in two counterparts, each of which shall constitute one and the same instrument.

[Signature Page and Attachments Follow]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

PACTIV EVERGREEN INC.

By: _____
JD Bowlin
Chief Human Resources Officer

AGREED AND ACCEPTED:

PARTICIPANT

By: _____
First Name Last Name
Address: _____

Attachment 1
Performance Conditions

The Settlement Percentage is a percentage between 0% and 200%, determined as follows:

- If the Adjusted EBITDA is less than \$720 million, then the Settlement Percentage is 0%.
- If the Adjusted EBITDA is greater than or equal to \$880 million, then the Settlement Percentage is 200%.
- If the Adjusted EBITDA is greater than or equal to \$720 million, but less than \$880 million, then the Settlement Percentage will increase from a base of 50% at an Adjusted EBITDA of \$720 million at a rate of 5 percentage points for each \$8 million increase in Adjusted EBITDA until the Settlement Percentage hits 100% at an Adjusted EBITDA of \$800 million, at which time the Settlement Percentage will begin to increase at a rate of 10 percentage points for each \$8 million increase in Adjusted EBITDA, in each case with exact amounts being determined by linear interpolation, as shown in greater detail on the following chart:

	EBITDA		
	Achievement \$	Achievement %	Payout %
Threshold	\$720	90%	50%
	\$728	91%	55%
	\$736	92%	60%
	\$744	93%	65%
	\$752	94%	70%
	\$760	95%	75%
	\$768	96%	80%
	\$776	97%	85%
	\$784	98%	90%
	\$792	99%	95%
Target FY24	\$800	100%	100%
	\$808	101%	110%
	\$816	102%	120%
	\$824	103%	130%
	\$832	104%	140%
	\$840	105%	150%
	\$848	106%	160%
	\$856	107%	170%
	\$864	108%	180%
	\$872	109%	190%
Maximum	\$880	110%	200%

“**Adjusted EBITDA**” means the Adjusted EBITDA of the Company during the Company’s 2024 fiscal year, calculated in the same manner as the Company calculates that metric for purposes of its filings with the SEC; provided, that if the Company consummates a Divestiture during the Performance Period, Adjusted EBITDA for purposes of this Award shall be adjusted to include the amount that the subsidiaries or assets subject to the Divestiture contributed to the Company’s Adjusted EBITDA during the most recently completed fiscal year during which such subsidiaries’ or assets’ contributions were included in the Company’s reported Adjusted EBITDA, increased by the percentage by which the Company’s Adjusted EBITDA (excluding the contribution of such divested subsidiaries or assets) increased between such most recently completed fiscal year and the Company’s 2024 fiscal year, as determined by the Committee. The Committee may make such further similar adjustments as the Committee deems appropriate, for example in connection with acts of God or acquisitions.

“**Divestiture**” means the sale, disposal or divestiture by the Company or any of its direct or indirect subsidiaries of one or more subsidiaries, or any of its or their respective assets, in each case that contributes a more than de minimis amount to the Company’s Adjusted EBITDA.

For purposes of example only, if (1) the Company announces a divestiture of Indirect Subsidiary “X” on October 15, 2023 and consummates the divestiture on January 15, 2024, (2) X is treated as a discontinued operation under accounting rules as of October 15, 2023, (3) X contributed \$50 million of Adjusted EBITDA in 2022 and (4) the rest of the Company produced \$650 million of Adjusted EBITDA in 2022 and \$800 million in 2024, then if Adjusted EBITDA is measured as of the end of the Performance Period (i.e., for calendar year 2024), X’s Adjusted EBITDA contribution in calendar year 2022 of \$50 million will be multiplied by 1.231, representing the increase in Adjusted EBITDA between 2022 and 2024 of the business ex-X, resulting in \$61.55 million, and added to \$800 million for a total Adjusted EBITDA achievement for purposes of this Award of \$861.55 million. By linear interpolation, this would result in a Settlement Percentage of 176.94%.

Attachment 2
Restrictive Covenant Agreement

Restrictive Covenants Agreement (this “**Agreement**”) retroactive and effective as of Month XX, 20XX (the “**Effective Date**”), between Pactiv Evergreen Inc. (the “**Company**”) and First Name Last Name (“**Participant**”). The Company and its direct and indirect subsidiaries, as they may exist from time to time, are referred to in this Agreement at times as the “**PEI Group**”. The PEI Group are intended third party beneficiaries of the Company under this Agreement with the rights, but not the obligations, of the Company. The Board of Directors of the Company (the “**Board**”) may elect to exercise or waive certain rights on behalf of the Company or any other member of the PEI Group as provided in this Agreement.

Preliminary Statement

A. Participant is a director, officer, employee or other representative of the Company or one or more other members of the PEI Group. The total period during which Participant serves as a director, officer, employee or other representative of the Company and other members of the PEI Group is referred to as the “**Service Period**”. The Service Period will end for purposes of this Agreement when Participant is no longer a director, officer, employee or other representative of any member of the PEI Group.

B. To encourage performance and retention, the Board has granted Participant certain equity awards in the Company under the Pactiv Evergreen Equity Incentive Plan (the “**Award**”).

C. The execution of this Agreement is a condition to Participant receiving the Award.

NOW, THEREFORE, the Company and Participant agree as follows:

1. **Definitions.** As used in this Agreement:

(a) “**Company Product**” means any product developed, manufactured, produced or distributed by the Company or any other member of the PEI Group during the Service Period. For purpose of complying with, and enforcing, the restrictive covenants in Subsections 4(a) through 4(d) during the 12-month period after the Service Period has ended, however, such a product shall only constitute a Company Product for purposes of this Agreement if, as a result of Participant’s employment with, or Participant’s service to, or representation of, the Company or any other member of the PEI Group, Participant had access to Proprietary Information related to the product or Participant designed, marketed, advised on or interacted with Customers, Prospective Customers or industry representatives regarding the product during the last 24-month period of the Service Period.

(b) “**Competitive Activity**” means the marketing, distribution, promotion, sales, development, delivery, financing or servicing of any Company Product. For the avoidance of doubt, “**Competitive Activity**” includes any actions which may result in any entity becoming a Competitor Company, including any preparation, financing or other actions in which an entity may enter into the business of marketing, distributing, promoting, selling, developing, delivering, financing or servicing any Company Product.

(c) “**Competitor Company**” means (i) those entities listed on Schedule 1 plus (ii) such other entities that the Company reasonably determines are or may reasonably become engaged in a Competitive Activity, minus (iii) such entities that the Company reasonably determines are no longer engaged in a Competitive Activity.

(d) “**Customer**” means any business, including without limitation customers or distributors, with whom the Company or any other member of the PEI Group transacted business during the Service Period. For purpose of complying with, and enforcing, the restrictive covenants in Subsections 4(a) through 4(d) during the 12-month period after the Service Period has ended, however, such a person or entity shall only constitute a Customer for purposes of this Agreement if, as a result of Participant’s employment with, or Participant’s service to, or representation of, the Company or any other member of the PEI Group, Participant had Material Contact

with, or knew Proprietary Information of or about, or advised on, the Customer during the last 24-month period of the Service Period.

- (e) **“Material Contact”** means any contact between Participant and any Customer or Prospective Customer:
- (1) with whom or with which Participant dealt on behalf of the Company or any other member of the PEI Group;
 - (2) whose dealings with the Company or any other member of the PEI Group were coordinated or supervised by Participant;
 - (3) who receives products or services sold or provided by the Company or any other member of the PEI Group, the sale or provision of which results or resulted in compensation, commissions, or earnings for Participant ;
or
 - (4) that resulted in Participant obtaining Proprietary Information about a Customer or Prospective Customer.

(f) **“Proprietary Information”** means confidential or proprietary information or trade secrets of the Company or any other member of the PEI Group, or of any customer, supplier or other person who entrust their confidential or proprietary information or trade secreted to the Company or any other member of the PEI Group (each being a **“Protected Party”**), including, but not limited to, materials and information, whether written, electronic, or otherwise: (1) disclosed to Participant or known by Participant as a result of his or her employment with, or provision of other service to, or representation of, the Company and any other member of the PEI Group, (2) which is not generally known, and (3) which relates to or concerns the Protected Party’s: innovations; ideas; plans; processes; structures; systems; know-how; algorithms; computer programs; software; code; publications; designs; methods; techniques; drawings; apparatuses; government filings; patents; patent applications; materials; devices; research activities; reports and plans; specifications; promotional methods; financial information; forecasts; sales, profit and loss figures; personal identifying information of employees; marketing and sales methods and strategies; plans and systems; customer protocols and training programs; customer, prospective customer, vendor, licensee and client lists; information about customers, prospective customers, vendors, licensees and clients; information about relationships between Protected Party or its affiliates and their business partners, acquisition prospects, vendors, suppliers, prospective customers, customers, employees, owners, licensees and clients; information about deals and prospective deals; information about products, including but not limited strengths, weaknesses and vulnerabilities of existing products, as well as product strategies and roadmaps for future products and releases; and information about pricing including but not limited to license types, models, implementation costs, discounts and tolerance for discounts. Proprietary Information shall also include all information and matters specifically designated as proprietary and/or confidential by the Protected Party or its affiliates or their customers or other business partners. The following information will not be considered Proprietary Information under this Agreement: (1) information that has become generally available to the public through no wrongful act of Participant; (2) information that Participant identified prior to Participant’s employment with the Company; and (3) information that is disclosed to the public pursuant to the binding order of a government agency or court.

(g) **“Prospective Customer”** means any prospective business, including without limitation prospective customers and prospective distributors, with whom the Company or any other member of the PEI Group was attempting to transact business during the Service Period. For purpose of complying with, and enforcing, the restrictive covenants in Subsections 4(a) through 4(d) during the 12-month period after the Service Period has ended, however, such a person or entity shall only constitute a Prospective Customer for purposes of this Agreement if, as a result of Participant’s employment with, or provision of service to, or representation of, the Company and any other members of the PEI Group, Participant had Material Contact with, or knew Proprietary Information of or about, or advised on, the Prospective Customer during the last 24 months of the Service Period.

2. Legitimate Interest. Due to the nature of the business of the Company and other members of the PEI Group, certain of the directors, officers, employees and other representatives of the Company and other members of the PEI Group, including Participant, have access to Proprietary Information. Likewise, via their employment or provision of services to, or other representation of, the Company and other members of the PEI Group, certain of the directors, officers, employees and other representatives of the Company and other members of the PEI Group, including Participant, receive specialized training and/or shall be introduced to, given the opportunity to develop personal contacts with, and actually develop an advantageous familiarity as to the Customers and Prospective Customers. If the confidential or "trade secret" information, specialized training, or contacts and familiarity were made available to the competitors of the Company or other members of the PEI Group or other individuals outside of the directors, officers, employees and other representatives of the Company and other members of the PEI Group, or otherwise used against the interests of the Company or other members of the PEI Group, it would undoubtedly result in a loss of business or competitive position for the Company and other members of the PEI Group or harm the goodwill of the Company or other members of the PEI Group and their investment in developing and maintaining these business relationships. Participant also agrees that Participant holds a position uniquely essential to the management, organization, and/or service of the Company or one or more other members of the PEI Group and the business of the PEI Group is inherently global in character.

3. Work Made for Hire – Assignment of Inventions.

(a) Participant understands and agrees all "Work" (defined to mean all concepts, data, databases, inventions, formulas, discoveries, improvements, trade secrets, original works of authorship, know-how, algorithms, computer programs, software, code, publications, websites, designs, proposals, strategies, processes, methodologies and techniques, and any and all other information, materials and intellectual property, in any medium) that Participant, alone or jointly, creates, conceives, develops, or reduces to practice or causes another to create, conceive, develop, or reduce to practice, during the Service Period shall be a "work made for hire" within the meaning of that term under United States Copyright Act, 17 U.S.C. §§101 et seq. Participant agrees that Participant shall promptly disclose to the Company, or any persons designated by it, all Work. Participant agrees to and hereby assigns and transfers to the Company, effective as of the date of its creation, any and all rights, title and interest Participant may have or may acquire in any Work (including any Work not deemed, for whatever reason, to have been created as a work made for hire), effective as of the date of its creation, including any and all intellectual property rights in the Work, and the right to prosecute and recover damages for all infringements or other violations of the Work.

(b) Participant hereby gives the Company or any other member of the PEI Group the unrestricted right to use, display, distribute, modify, combine with other information or materials, create derivative works based on, sell, or otherwise exploit for any purpose, the Work and any portion thereof, in any manner and medium throughout the world. Participant irrevocably waives and assigns to the Company any and all so-called moral rights Participant may have in or with respect to any Work. Upon the Company's request, Participant shall promptly execute and deliver to the Company any and all further assignments, patent applications, or such other documents as the Company may deem necessary to effectuate the purposes of this Agreement. Participant hereby irrevocably designates and appoints the Company and its officers and agents as Participant's agent and attorney-in-fact, with full powers of substitution, to act for and on Participant's behalf to execute, verify and file any such documents and to do all other lawfully permitted acts as permitted in the preceding paragraph with the same legal effect as if executed by Participant. The foregoing agency and power shall only be used by the Company if Participant fails to execute within five business days after the Company's request related to any document or instrument described above. Participant hereby waives and quitclaims to the Company all claims of any nature which Participant now has or may later obtain for infringement of any intellectual property rights assigned under this Agreement or otherwise to the Company.

(c) Participant has identified on Schedule 2 all inventions or improvements relevant to the subject matter of Participant's engagement with the Company or any other member of the PEI Group that Participant desires to remove from the operation of this Agreement, and Participant's restrictions. If there is no such list on Schedule 2, Participant represents that Participant has made no such inventions and improvements at the time of signing this Agreement.

(d) The provisions of this Agreement requiring the assignment to the Company of Participant's rights to certain inventions do not apply to an invention for which no equipment, supplies, facility, or trade secret information of the Company or any other member of the PEI Group was used and which was developed entirely on the Participant's own time, unless (1) the invention relates directly to the business of the Company or any other member of the PEI Group, or (2) to the actual or demonstrably anticipated research or development of the Company or other members of the PEI Group, or (3) the invention results from any work performed by the Participant for the Company or other members of the PEI Group.

4. Restrictive Covenants.

(a) Non-Solicitation of Customers. Participant agrees that, during the Service Period and for a period of 12 months following the final date of the Service Period, Participant shall not, on behalf of any entity or person other than the Company or any other member of the PEI Group, directly or indirectly, contact or solicit any Customer, for the purpose of delivering, selling, or otherwise offering a product that is the same or similar to that of a Company Product.

(b) Non-Solicitation of Prospective Customers. Participant agrees that, during the Service Period and for a period of 12 months following the final date of the Service Period, Participant shall not, on behalf of any entity or person other than the Company or any other member of the PEI Group, directly or indirectly, contact or solicit any Prospective Customer, for the purpose of delivering, selling, or otherwise offering a product that is the same or similar to that of a Company Product.

(c) Non-Competition. Participant agrees that, during the Service Period and for a period of 12 months following the final date of the Service Period, Participant shall not, directly or indirectly, (1) provide services to any Competitor Company as an employee, officer, director, Participant, advisor, contractor, agent or other role, whether or not for consideration, or (2) anywhere in North America (United States, Mexico or Canada) or in any other country in which a member of the PEI Group manufactures, distributes or sells Company Products: (i) act in any capacity, including, without limitation, as an employee, officer, director, Participant, advisor, contractor, agent or other role, whether or not for consideration, for any person or entity that is engaged in a Competitive Activity, or is actively planning to engage in a Competitive Activity with the Company or any other member of the PEI Group, to the extent Participant would inevitably rely upon the Proprietary Information in his work for that person or entity; (ii) act in the same or substantially similar capacity that Participant acted in for the Company or any other member of the PEI Group, including, without limitation, as an employee, officer, director, Participant, advisor, contractor, agent or other role, whether or not for consideration, for any person or entity that is engaged in a Competitive Activity, or is actively planning to engage in a Competitive Activity with the Company or any other member of the PEI Group; (iii) act in any capacity, including, without limitation, as an employee, officer, director, Participant, advisor, contractor, agent or other role, whether or not for consideration, for any person or entity that is engaged in any activity that could, in the reasonable determination of the Company or Board, result in such person or entity to become engaged in a Competitive Activity or to acquire, finance or otherwise engage in a transaction with person or entity that may be engaged in a Competitive Activity; (iv) act in any capacity, including, without limitation, as an employee, officer, director, Participant, advisor, contractor, agent or other role, whether or not for consideration, for any person or entity engaged in the practice of venture capital, hedge fund, private equity, special purpose acquisition company or similar person or entity to the extent such person or entity is engaged in, or through a transaction would reasonably engage in, a Competitive Activity; (v) finance, invest in or otherwise take any ownership stake in any entity engaged in the activities set forth in this Subsection; *provided, however*, that minority ownership of no more than 5% of the outstanding shares of a publicly-traded company that may be engaged in a Competitive Activity shall not violate this clause as long as Participant is in compliance with the other provisions of this Subsection or (vi) take, facilitate, or encourage any action the purpose or effect of which is to evade the intent of this Subsection. Notwithstanding the global nature of the business of the PEI Group, the extent to which Participant has been (or will be) exposed to the Company's Proprietary Information, and the ability of Participant to carry out Participant's work remotely, regardless of physical location, Participant acknowledges the geographic scope of the restriction in this Subsection is reasonable and appropriate.

(d) Noninterference. Participant agrees that, during the Service Period and for a period of 12 months following the final date of the Service Period, Participant shall not, on behalf of any entity or person

other than the Company or any other member of the PEI Group, directly or indirectly, interfere, or aid or induce any other person or entity in interfering, with the relationship between the Company or any member of the PEI Group and any of their respective Customers, Prospective Customers, suppliers, vendors, joint venturers or licensors or any other third-party with a relationship with the Company or any member of the PEI Group.

(e) Non-Solicitation of Employees. Participant agrees that, during the Service Period and for a period of 12 months following the final date of the Service Period, Participant shall not, directly or indirectly: (1) induce or attempt to induce any director, officer, employee or other representative of the Company or any other member of the PEI Group or of any of their respective affiliates with whom Participant had a working relationship during the Service Period to terminate his or her employment with, service to, or representation of, the Company or any other member of the PEI Group; (2) hire or employ, or attempt to hire or employ, any director, officer, employee or other representative of the Company or of any other member of the PEI Group or of any of their respective affiliates with whom Participant had a working relationship during the Service Period; or (iii) assist any other person or entity in doing any of the foregoing. For purpose of compliance with, and enforcement of, the restrictive covenants in this Subsection during the 12-month period after the Service Period has ended, however, this Subsection will only apply to directors, officers, employees and other representatives of the Company and other members of the PEI Group with whom Participant interacted during the last 24-month period of the Service Period

(f) Confidentiality Covenant. During the Service Period and at all times following the final date of the Service Period:

- (1) Participant will not disclose or transfer, directly or indirectly, any Proprietary Information to any person or entity other than as expressly authorized by the Company. Participant understands and agrees that disclosures authorized by the Company or the Board for the benefit of the Company or any other member of the PEI Group must be made in accordance with the policies and practices of the Company and Board designed to maintain the confidentiality of Proprietary Information, for example providing information after obtaining signed non-disclosure or confidentiality agreements;
 - (2) Participant will not use, directly or indirectly, any Proprietary Information for the benefit or profit of any person or organization, including Participant, other than the Company or any other member of the PEI Group;
 - (3) Participant will not remove or transfer from any of the Company's offices, premises or computer systems any materials or property of the Company or any other member of the PEI Group (including, without limitation, materials and property containing Proprietary Information), except as is strictly necessary in the performance of Participant's assigned duties as a Participant;
 - (4) Participant will not copy any Proprietary Information except as needed in furtherance of and for use in the business of the Company or any other member of the PEI Group. Participant agrees that copies of Proprietary Information must be treated with the same degree of confidentiality as the original information and are subject to the same restrictions contained in this Agreement;
 - (5) Participant will promptly upon the Company's or Board's request, and in any event promptly upon the termination of Participant's services with the Company, return all materials and property removed from or belonging to the Company or any other member of the PEI Group and Participant will not retain copies of any of such materials and property;
 - (6) Participant agrees to take all reasonable steps to preserve the confidential and proprietary nature of Proprietary Information and to prevent the inadvertent or accidental disclosure of Proprietary Information; and
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(7) Participant will not use or rely on the confidential or proprietary information or trade secrets of a third party in the performance of Participant's work for the Company or any other member of the PEI Group except when obtained through lawful means such as contractual teaming agreements, purchase of copyrights, or other written permission for use of such information.

(g) Nondisparagement. Employee shall not disparage, place in a false or negative light or criticize, or make any false statements that may damage the reputation of, orally or in writing, the Company or any member of the PEI Group, its business practices, products, policies, services, decisions, directors, officers, employees, agents, representatives, advisors or any other entity or person covered by this Agreement.

(h) Scope of Covenants. The parties desire for the restrictive covenants, including any time period and geographic scope, to be construed as broadly as permitted by applicable law. It is the parties' intent, and a critical inducement to the Company entering into this Agreement, to protect and preserve the legitimate interests of the Company or any other member of the PEI Group, and thus the parties agree that the time period and the geographic coverage and scope of the restrictions herein are reasonable and necessary. However, if a court of competent jurisdiction finds that the time period of any of the foregoing restrictions is too lengthy, the geographic scope is too broad, or the agreement overreaches in any way, the parties authorize and respectfully ask the court to modify or, if modification is not possible, strike the offending portion, but only that portion, and grant the relief reasonably necessary to protect the interests of the Company or any other member of the PEI Group so as to achieve the original intent of the parties.

(i) Remedies. Participant agrees that a threatened or existing violation of any of the restrictions contained in this Agreement or any other breach of this Agreement would cause the Company irreparable injury to one or more of the Company or any other member of the PEI Group for which such person(s) would have any adequate remedy at law and agrees that the Company or any other member of the PEI Group will be entitled to obtain injunctive relief prohibiting such violation, including, without limitation, in the form of a temporary restraining order or preliminary injunction. In addition, if the Participant violates any restrictions in the Agreement or otherwise breaches any obligation of Participant under this Agreement, the Company or other members of the PEI Group may:

- (1) Suspend, terminate, revoke, rescind or otherwise end the employment, service or other representation of the Participant by, to or of the Company and other members of the PEI Group. Such a suspension, termination, revocation, rescission or other ending of the Participant's employment, service or presentation by, to or of the Company and other members of the PEI Group will be deemed for good cause.
 - (2) Suspend, terminate, revoke, rescind or otherwise end the grants of any outstanding and unvested equity awards of Participant in the Company or other members of the PEI Group, including, without limitation to, the Award.
 - (3) Suspend, terminate, revoke, rescind or otherwise end payment of any severance benefits being received by Participant under any severance benefits plan or agreement with the Company or other members of the PEI Group.
 - (4) Require Participant to repay to the Company an amount equal to aggregate value, less one hundred U.S. dollars (\$100), of the severance benefits and equity awards (valued as of their vesting dates) received by the Participant from and in the Company and other members of the PEI Group during the 24-month period immediately prior to the violation of the restrictions in this Agreement or any other breach of this Agreement. Participant acknowledges that (i) the actual damages of the Company and other members of the PEI Group may be extremely difficult to ascertain with precision in the event of a breach by Employee of this Agreement, (ii) the repayment of all but \$100 of the aforementioned consideration received by Participant will represent a reasonable approximation of the actual damages that the Company and other members of the PEI
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Group will incur in the event such a breach by Participant and (iii) the Company's election to require repayment of all but \$100 of the aforementioned consideration received by Participant is intended as, and will represent, lawful liquidated damages and not an unlawful penalty. Liquidated damages under this Subsection may only be elected by the Company with the approval of the Board. Unless the Company elects liquidated damages under this Subsection, nothing in this provision shall prevent the Company and other members of the PEI Group from seeking other forms of damages caused by a breach.

- (5) Exercise all other rights and remedies available to the Company and other members of the PEI Group at law or in equity.

Participant also agrees that Participant will be liable to the Company or any other member of the PEI Group for the attorneys' fees, expert witness fees, and costs incurred by such person as a result of: (1) any action by the Company or other members of the PEI Group against Participant to enforce any of the restrictions contained in this Agreement in which the Company or any other member of the PEI Group prevails in any respect, or (2) any action by Participant against the Company or any other member of the PEI Group challenging the legal enforceability of any such restriction in which Participant does not prevail. Participant's obligations under each subsection of this Section 3(d) of this Agreement are distinct, separable, and independently enforceable. The real or perceived existence of any claim or cause of action against the Company or any other member of the PEI Group, whether predicated on this Agreement or some other basis, will not alleviate Participant of Participant's obligations under this Agreement and will not constitute a defense to the enforcement by the Company or other members of the PEI Group of restrictions contained herein.

(j) Tolling of Time Periods. Participant agrees that, in the event Participant violates any subsection of Section 3(d) of this Agreement as to which there is a specific time period during which Participant is prohibited from certain actions and activities, such violation shall toll the running of such time period from the date of such violation until the date the violation ceases.

(k) Inevitable Use of Proprietary Information. Participant acknowledges and agrees that, following the termination of Participant's services, Participant will possess the Proprietary Information which Participant would inevitably use if Participant were to engage in the conduct prohibited by Section 3(d) (including each of its subsections), that such use would be unfair and extremely detrimental to the Company or any other member of the PEI Group and, in view of the benefits provided to Participant in this Agreement, that such conduct on his or her part would be inequitable. Accordingly, Participant separately and severally agrees for the benefit of the Company and the other members of the PEI Group to be bound by each of the covenants described above.

5. **Reasonable Restrictions**. Participant acknowledges that it is necessary and appropriate for the Company or any other member of the PEI Group to protect their legitimate business interests by restricting Participant's ability to engage in certain competitive activities and any violation of such restrictions would result in irreparable injury to the legitimate business interests of the Company or any other member of the PEI Group. The parties agree that the restrictions contained in this Agreement are drafted narrowly to safeguard the legitimate business interests of the Company or any other member of the PEI Group while not unreasonably interfering with Participant's ability to obtain other employment.

6. **Obligations to Inform Others of Restrictions**.

(a) In order to protect the rights of the Company or any other member of the PEI Group under this Agreement, Participant agrees that:

- (1) During and for a period of 12 months following the last day of the Service Period, Participant shall provide the Company and Board with complete and accurate information concerning Participant's plans for employment or provision of other services (including, for the avoidance of doubt, consulting services) and shall inform any prospective or subsequent employer or entity of the restrictions contained in this

Agreement or any other policy or agreement between Participant and the Company and any other member of the PEI Group that may be in effect during the Service Period. Participant understands that Participant has a duty to contact the Company and Board if Participant has any questions regarding whether or not conduct by Participant would be restricted by this Agreement; and

- (2) Participant shall make the terms and conditions of the restrictions in this Agreement known to any business, entity or persons engaged in activities competitive with the business of the Company or any other member of the PEI Group with which Participant becomes associated during Participant's provision of services to the Company, during the Service Period and for a period of 12 months following the final day of the Service Period.

(b) The Company or Board may, in its sole and absolute discretion, permit Participant to engage in work or activity that would otherwise be restricted by this Agreement, if Participant first provides the Company and Board with written evidence satisfactory to the Company and Board, including assurances from any new employer or entity, that the contribution of Participant's knowledge to that work or activity will not cause Participant to disclose, base judgment upon, or use Proprietary Information. Participant shall not engage in such work or activity unless and until Participant receives written consent from the Company and Board.

7. **Assignment of Agreement.** The Company may assign this Agreement, its rights, interests and remedies under this Agreement, and its obligations under this Agreement, at any time in the discretion of the Company and without notice to Participant. The validity of this Agreement will not be affected by the sale (whether via a stock or asset sale), merger, or any other change in ownership of the Company. Participant understands that Participant's obligations under this Agreement are personal, and that Participant may not assign this Agreement, or any of Participant's rights, interests, or obligations under this Agreement.

8. **Non-Waiver.** No failure or delay by any party to this Agreement in exercising any right, power or privilege hereunder, will operate as a waiver thereof, nor will any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies provided herein will be cumulative and in addition to any rights or remedies provided by law or equity.

9. **Governing Law; Agreed Venue.** In all respects the rights and obligations of the parties under this Agreement will be interpreted, enforced and governed in accordance with the laws of the State of Delaware without regard to the principles of conflict of laws. Any and all lawsuits, legal actions or proceedings against either party arising out of this Agreement will be brought in the Illinois or federal court of competent jurisdiction sitting nearest to Lake County, Illinois, and each party hereby submits to and accepts the exclusive jurisdiction of such court for the purpose of such suit, legal action or proceeding. Each party hereby irrevocably waives any objection it may now have or hereinafter have to this choice of venue of any suit, legal action or proceedings in any such court and further waives any claim that any suit, legal action or proceeding brought in any such court has been brought in an inappropriate forum.

10. **Consent to Jurisdiction.** The parties expressly consent to the exclusive jurisdiction of the state or federal courts of Illinois to resolve any and all disputes arising under the restrictions contained in Section 3(d) of this Agreement and hereby waive any right that they might have to object to jurisdiction or venue within such court or any defense based on the doctrine of forum non conveniens.

11. **Entire Agreement.** This Agreement represent the entire agreement and understanding between Participant and the Company with respect to the subject matters contained in this Agreement and supersedes any and all prior discussions, communications and agreements with respect to those subject matters; *provided, however*, that (i) this Agreement will supplement, and will not supersede, any written agreements between the Participant and the Company or other members of the PEI Group on the same subject matters entered into prior to the Effective Date (a "**Prior Agreement**") and (ii) where the terms of this Agreement and the terms of a Prior Agreement conflict, this Agreement shall control. No representation, promise, understanding, or warranty not set forth herein has been made or relied upon by either party in making this Agreement. No

modification, amendment or addition will be valid, unless set forth in writing and signed by the party against whom enforcement of any such modification, amendment or addition is sought.

12. Counterparts & Signatures. This Agreement may be executed in duplicate counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument. Facsimile, electronic (PDF, etc.) and other copies or duplicates of this Agreement are valid and enforceable as originals. Similarly, Agreements signed by hand, electronically (DocuSign or similar service), or, on behalf of the Company, by signature stamp, are valid and enforceable as original signatures.

13. Notice of Immunity. Participant understands that nothing in this Agreement is intended to prohibit Participant from disclosing information, including Proprietary Information, which is permitted to be disclosed by the Federal Defend Trade Secrets Act, which provides that an individual may not be held criminally or civilly liable under any federal or state trade secret law for disclosure of a trade secret (a) made in confidence to a government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law or (b) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, Participant understands that if Participant files a lawsuit against the Company for retaliation based on the reporting of a suspected violation of law, Participant may disclose a trade secret to Participant's attorney and use the trade secret information in the court proceeding, so long as any document containing the trade secret is filed under seal and the trade secret is not disclosed except pursuant to court order. To the extent Participant suspects a violation of the law, Participant should report their suspicion to an officer of the Company or in accordance with relevant the Company policies.

14. Whistleblower Protection. Notwithstanding anything in this Agreement or otherwise, it is understood that Participant has the right under federal law to certain protections for communicating directly with and providing information to the Company, Participant's supervisor(s), the Securities and Exchange Commission (the "SEC") and/or its Office of the Whistleblower, as well as certain other governmental authorities and self-regulatory organizations. As such, nothing in this Agreement nor otherwise is intended to prohibit Participant from disclosing this Agreement to, or from communicating directly with or providing information to Participant's supervisor(s), the SEC or any other such governmental authority or self-regulatory organization. Participant may communicate directly with or provide information, including documents, not otherwise protected from disclosure by any applicable law or privilege to the SEC or any other such governmental authority or self-regulatory organization without notifying the Company. The Company may not retaliate against Participant for any of these activities, and nothing in this Agreement or otherwise would require Participant to waive any monetary award or other payment that Participant might become entitled to from the Company, the SEC or any other governmental authority.

15. Return of the Property or the Company or Any Other Member of PEI Group. At the request of the Company or Board (or, without any request, upon termination of the Service Period), Participant will immediately deliver to the Company (a) all property of the Company or any other member of the PEI Group that is then in Participant's possession, custody or control, including, without limitation, all keys, access cards, cell phones, tablets, computer hardware including but not limited to any hard drives, external storage devices, diskettes, fobs, laptops, tablets, computers and personal data assistants (and the contents thereof), internet connectivity devices, computer software and programs, data, materials, papers, books, files, documents, records; (b) any and all documents or other items containing, summarizing, or describing any Proprietary Information, including all originals and copies in whatever form; (c) any personal device that Participant synced with or used to access any of the systems of the Company or any other member of the PEI Group for purpose of inspection and copying; and (d) a list of passwords or codes needed to operate or access any of the items referenced in this Section 15.

16. Promotional Materials. Participant authorizes and consents to the creation and/or use of Participant's likeness as well as Participant's name by the Company or any other member of the PEI Group, and persons or organizations authorized by it, without reservation or limitation and without further consideration. Pursuant to this authorization and consent, the Company or any other member of the PEI Group may, for example, use Participant's likeness on its website, and publish and distribute advertising, sales, or other promotional literature containing a likeness of Participant in the course of performing Participant's job duties. Participant also waives any cause of action for personal injury and/or property damage by virtue of the creation and use of such a

likeness. Property rights to any likeness of Participant produced or prepared by the Company or any other member of the PEI Group, or any person or organization authorized by it, shall vest in and remain with the Company or any other member of the PEI Group. As used herein, "likeness" shall include a photograph, photographic reproduction, audio transmission, audio recording, video transmission and/or video recording, as well as any other similar medium.

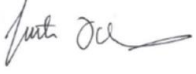
17. **Fair Meaning.** The language of this Agreement shall be construed as a whole, according to its fair meaning, and not strictly for or against any party.

18. **Additional Consideration.** Participant understands that receipt of the Award is conditioned upon Participant signing this Agreement. Further, as a result of Participant's services as a director, officer, employee or other representative of the Company or other members of the PEI Group, Participant shall be (or has been) given access to the Proprietary Information, opportunities for advancement, and opportunities to participate in confidential meetings and specialized training, which shall constitute independent consideration for the restrictions contained in this Agreement and would not be (or would not have been) given to Participant without Participant's agreement to abide by the terms and conditions of this Agreement, including without limitation the ancillary obligations of confidentiality and non-disclosure. By initialing below, Participant specifically acknowledges that Participant has read, understands and agrees to this Section 18.

Participant Initial

[Signature Page and Schedules Follow]

By executing this Agreement below, the parties confirm they have read, understood, and voluntarily agreed to be bound by the entire Agreement.



PACTIV EVERGREEN INC.

By:

JD Bowlin
Chief Human Resources Officer

PARTICIPANT

First Name Last Name

Schedule 1
Non-Exclusive List of Competitor Companies

- Anchor
 - Berry Plastics
 - Cascade
 - CKF
 - Cool-Pak
 - D&W Fine Pak
 - Dart Container Corporation
 - Direct Pack
 - Dolco
 - Dyne-a-Pak
 - Elopak
 - Genpak
 - Georgia Pacific
 - Grupo Convernex
 - Hartmann
 - Huhtamaki
 - Inline Plastics
 - International Paper/IP Foodservice
 - LBP
 - Paper Excellence Group
 - Peninsula Packaging
 - Sabert
 - Sealed Air
 - Seda
 - SIG Combibloc
 - Silgan Holdings
 - Solo Cup Company
 - Sonoco
 - Stora Enso Oyj
 - Tetra Pak
 - The Waddington Group
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Schedule 2
List of Prior Inventions or Improvements

None

**CERTIFICATION 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**

I, Michael King, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Pactiv Evergreen 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.
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Date: May 5, 2022

By: _____ /s/ Michael J. King
Michael J. King
President and Chief Executive Officer

**CERTIFICATION 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**

I, Michael J. Ragen, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Pactiv Evergreen 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.
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Date: May 5, 2022

By: _____ /s/ Michael J. Ragen
Michael J. Ragen
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 Pactiv Evergreen Inc (the "Company") on Form 10-Q for the period ending March 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I 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: May 5, 2022

By: _____ /s/ Michael J. King
Michael J. King
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 Pactiv Evergreen Inc (the "Company") on Form 10-Q for the period ending March 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I 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: May 5, 2022

By: _____ /s/ Michael J. Ragen
Michael J. Ragen
Chief Financial Officer