

# Protects What's Good™

Sustainability Report 2022

The Araucaria Conservation Programme in Brazil

 **Tetra Pak**®  
PROTECTS WHAT'S GOOD



# Executive Summary

We believe that businesses can be a catalyst for positive change and create long-term value for society. Sustainability has always been front and centre in what we do at Tetra Pak. Our founder, Dr. Ruben Rausing, once said, “a package should save more than it costs.”

More than 70 years later, we continue to uphold this philosophy, working with our partners to achieve sustainable growth that protects food, people, and the planet. We are constantly building on our solutions, both in food and beverage packaging and processing, to further support food availability, safety, and reduce food loss and waste without compromising the health of our planet. We focus on initiatives that are making tangible impact in communities around the world as a core pillar of our business.

Our ambition is to lead the sustainability transformation, which means contributing to sustainable development and positive impact through our products and services in the industries and communities where we operate.

It is important for us to establish clear ambitions, meaningful targets and actions, and concrete plans on how to move forward to ensure we meet our sustainability goals. We continuously monitor our progress and review our targets and actions to make sure they stay relevant to stakeholders and are in line with best practices and the latest science.

The table on the following page illustrates our ambitions across food, people, and planet as well as the targets and actions we set ourselves to achieve these. Likewise, it evidences the progress we have made so far to attain our ambitions and our focus moving forward.

This report outlines our integrated approach to sustainability and how we continued to progress on our ambition to lead the sustainability transformation in 2021 by:

- Contributing to Secure, Resilient, and Sustainable Food Systems
- Acting for Nature
- Taking Action on Climate
- Driving Circular Solutions
- Creating Positive Impact for People and Communities
- Securing Responsible Business Practices

Each chapter describes the work we are doing to address these most pressing sustainability issues, including our related objectives, achievements from the past year, and “Way Forward” action plans to continue our progress and expand our positive impact.

We remain committed to monitoring, managing, and reporting on our sustainability performance. We look forward to continuing our engagement with you as we progress on our sustainability journey.



**Lars Holmquist,**  
Executive Vice President,  
Sustainability & Communications,  
Tetra Pak





	Ambitions	Actions & Targets	Progress	Looking Ahead
<b>Contributing to Secure, Resilient and Sustainable Food Systems</b>	Contribute to secure, resilient, and sustainable food systems that provide access to safe, affordable, and nutritious food, and minimise food loss and food waste across our value chain.	<ul style="list-style-type: none"> <li>Advocate for secure, resilient, and sustainable food system solutions and form or join alliances supporting systems-level change</li> <li>Continue to deliver high-performance food processing technology and packaging solutions that play a role in giving more people access to safe and nutritious food, and in reducing food loss and waste</li> <li>Keep leveraging new technologies such as digitalisation and connectivity in aseptic technology to further contribute to less food waste</li> <li>Reduce food waste of our best practice processing lines by 50% by 2030 compared to 2019</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>Develop innovative food processing technologies to support food and beverage manufacturers create nutritious and safe foods by, for example, reducing sugar content, and reducing food loss and waste</li> <li>Engage with stakeholders/work in partnership to drive the transition to sustainable, resilient food systems, in line with the objectives of the UN Food Systems Summit</li> <li>Drive sustainable practices in our sector and beyond, leveraging our unique position to impact the food value chain both upwards and downwards</li> </ul>
<b>Acting for Nature</b>	Act for nature through responsible sourcing practices and strategic partnerships to conserve and restore biodiversity, mitigate and adapt to climate change, and contribute to global water resilience.	<ul style="list-style-type: none"> <li>Source 100% of our paperboard from Forest Stewardship Council™ (FSC™) certified sustainably managed forests and other controlled sources</li> <li>Drive a positive impact on biodiversity through forest conservation and nature-based solutions</li> <li>Ensure that 100% of the paperboard in our packages is traceable to FSC™ Chain of Custody (CoC) certified paperboard processing facilities</li> <li>Maintain our CDP Forest and Climate A-List leadership ranking</li> <li>Implement CDP Water reporting by 2023 and reduce water use in our own operations by 2030</li> <li>Reduce water consumption of the best practice processing lines by 50% by 2030 compared to 2019</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>Accelerate collaboration with our base materials suppliers<sup>8</sup> to achieve the 20 actions for 2030 in the 'Join Us in Protecting the Planet' sustainability initiative</li> <li>Contribute to various initiatives, including the Corporate Engagement Programme of the Science Based Targets for Nature, Alliance for Water Stewardship, and the Sustainable Procurement Pledge</li> <li>Progress on the Araucaria Conservation Programme goals in Brazil</li> <li>Conduct a value chain Nature and Water assessment and set company targets on Nature and Water by the end of 2022</li> </ul>
<b>Taking Action on Climate</b>	Take action on mitigating climate change by decarbonising <sup>9</sup> our operations, products, and our value chain.	<ul style="list-style-type: none"> <li>Reach net-zero GHG target in our operations by 2030 compared to our 2019 baseline (Scopes 1 and 2 and business travel)</li> <li>Reach net-zero GHG ambition across our value chain by 2050 (Scopes 1, 2 and 3)</li> <li>Reach -46% GHG reduction across our value chain by 2030, in line with 1.5°C SBTi commitment, with a 2019 baseline</li> <li>Source 100% renewable electricity in our operations by 2030 in line with RE100 commitment</li> <li>Reduce carbon footprint of our best practice processing lines by 50% by 2030 compared to 2019</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>⊖</li> <li>⊖</li> <li>✓</li> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>Work with our base materials suppliers to get certified against the new SBTi Corporate Net-Zero Standard</li> <li>Support our base materials suppliers in reducing their GHG emissions by 50% by 2030 with a 2019 baseline</li> <li>Phase out the use of fossil fuels in our onsite vehicles and offsite global car fleet</li> <li>Reduce energy demand through proactive energy management enabled by a Common Energy Monitoring Platform (CEMP)</li> <li>Increase our renewable solar photovoltaic (PV) capacity</li> <li>Focus on four steps to deliver on the 50% reduction goals related to food processing lines: Avoid, Optimise, Recover and Neutralise</li> </ul>

Ambitions	Actions & Targets	Progress	Looking Ahead	
<p><b>Driving Circular Solutions</b></p>	<p>Drive circular solutions by designing recyclable liquid food packaging, using recycled and renewable materials, and expanding collection and recycling to keep materials in use and out of landfills.</p>	<ul style="list-style-type: none"> <li>• Put aseptic packaging with fibre-based barrier replacing aluminium foil layer on market starting 2022</li> <li>• Continue deploying tethered caps in Europe towards 100% tethered by, latest, 2024</li> <li>• Continue deployment of attributed recycled polymers to achieve a minimum of 10% recycled plastics in packages sold in Europe by 2025</li> <li>• Take a leading role in industry collaborations to create a standard definition and assessment of what is a recyclable packaging, with third party certification, to enable homogeneity in design for recycling guidelines across local markets</li> <li>• Plan to invest<sup>10</sup> around €120 million in the collection and recycling local ecosystems in the coming 3 years to increase the effective recycling rate</li> <li>• Build upon a dedicated team of around 70 employees across countries to advise local authorities on collection and sorting schemes, co-invest with industrial partners in new recycling capacities, and implement various activities across the recycling value chain</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>⊖</li> <li>✓</li> <li>✓</li> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>• Invest a total of up to €100 million per year over the next 5-10 years to further enhance the environmental performance of our packaging portfolio, including reducing use of plastics and aluminium, while innovating on paper functionality with our existing and new value chain partners</li> <li>• Increase activities with relevant players in the value chain towards the use of recycled fibres and recycled plastics, with the ambition to close the loop</li> <li>• Get more granularity in science-based assessments of the sustainability of attributed recycled polymers versus virgin polymers</li> <li>• Secure supply of attributed recycled polymers</li> </ul>
<p><b>Creating Positive Impact for People &amp; Communities</b></p>	<p>Create positive social impact for employees and people across our value chain by providing a safe and inclusive work environment and securing responsible business practices.</p>	<ul style="list-style-type: none"> <li>• Continue to deliver wellbeing programmes for employees, support a positive and open safety culture across the company, and work towards reducing accidents and work-related ill health, with zero as the ultimate goal</li> <li>• Continue to invest in training on inclusive leadership for managers and mentoring programmes driving gender equity and inclusiveness</li> <li>• Sustain investment in Future Talent Programmes and enable world-class training and development for all our employees</li> <li>• Further collaborate with our partners in the development of School Feeding Programmes to provide millions of children globally access to safe nutrition every year</li> <li>• Continue to expand our projects through the Dairy Hub model<sup>11</sup> to increase income for smallholder farmers and secure a supply of locally produced quality milk</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>• Introduce a standardised OHS induction at all Tetra Pak sites and a global safe driving program and a travel safety program</li> <li>• Ensure all voices in the company are heard and considered to enhance our culture of inclusion and diversity</li> <li>• Further improve the gender balance and diversity within our organisation by, for example, increasing the number of women in senior positions</li> <li>• Ensure equitable development opportunities to empower everyone at Tetra Pak through our training and mentoring initiatives</li> <li>• Review and update our social sustainability strategy, supporting our overall ambition for creating positive impact</li> </ul>

- ✓ On track to meet target
- ⊖ Deviation but we have a plan/ action to get to green
- ✗ Off track to meet target

<sup>8</sup> Base materials suppliers include suppliers for paperboard, plastics, plastic films, aluminum foil, and inks.  
<sup>9</sup> Our decarbonisation efforts focus on avoiding and mitigating GHG emissions correlated to our products and company, and carbon compensation to balance unavoidable residual emissions through nature-based solutions and other initiatives.  
<sup>10</sup> Both operational and capital expenditures.  
<sup>11</sup> Through the Dairy Hub model, we are helping train smallholder farmers. Find more information on our website <https://www.tetrapak.com/en-gb/sustainability/food/food-availability/dairy-hubs>

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