



WELCOME TO THE ECOLEAN SUSTAINABILITY REPORT 2023

The Earth's temperature was off the charts in 2023, and scientists confirmed the year was officially the hottest on record. The European Union's Copernicus Climate Change Service¹ found that the global temperature in 2023 was 1.48 degrees Celsius warmer than pre-industrial levels. This is worryingly close to the 1.5-degree threshold in the Paris climate agreement, a treaty in which 195 nations pledged to tackle climate change. Working towards our science-based targets has never been more important.

For the packaging industry, 2023 was an intense year. The EU Commission's proposal for a Packaging and Packaging Waste Regulation was discussed by the EU Parliament and the EU Council and amended versions were presented at the end of the year. In order to pass legislation, the Parliament, representing the EU citizens, and the Council, representing the governments of the EU Member States, have to agree on an identical text, which requires time and negotiations. The packaging industry is following this development carefully and is preparing for the coming legislative changes that will have a major impact on the packaging industry in the coming years. The most important objective for Ecolean is to design packaging that will fulfill the coming legal requirements and contributes to circular resource use.

This report describes our approach to sustainability and the progress we made during the year. It covers how we work with sustainability in our business and our production, as well as the consumption and end-of-life stages for our packaging solutions.

During the year, we implemented our new Ecolean Strategy plan 2028, which sets the direction for the company the coming five years. Sustainability is one of the four focus areas of the strategy, which is aligned with our Sustainability Roadmap 2030. All the topics in our roadmap continue to be material for Ecolean.

This report follows our progress based on our Sustainability Roadmap 2030 targets.

All our annual Sustainability Reports can be found on our [website](#).

Please do not hesitate to contact us with any queries.

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¹) <https://climate.copernicus.eu/copernicus-2023-hottest-year-record>

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THE WORLD URGENTLY NEEDS TO STOP WASTING RESOURCES

Our wasteful and inefficient societies are driving climate change, biodiversity loss and pollution on a global scale. At the same time, huge quantities of food are wasted in a world where millions do not have enough food to eat.

With an innovative lightweight packaging solution that promotes resource efficiency, Ecolean can help the world use less resources. Our packaging not only uses less materials and energy, it also helps to minimise

food waste and ensure food safety. In short – our lightweight packaging solution ensures more food with less resources.

SAFE FOOD FOR ALL

According to the World Health Organisation, almost 600 million people fall ill after eating contaminated food each year.² Safe and convenient food packages are an important part of the solution.

Food safety is fundamental to Ecolean. We take pride in helping our customers deliver packages that promote food safety for consumers. Our unique aseptic system with pre-sterilised and ready-to-fill-packages helps our customers bring safe food to

people around the world. Furthermore, the Ecolean aseptic packaging range allows food to be transported long distances in harsh environments and ensures long-term storage at ambient temperatures without refrigeration.



2) World Health Organisation – Food safety.

LESS FOOD WASTE

One third of all food produced globally goes to waste – including 17 percent that is wasted at consumer level.³ At the same time, around 10 percent of the global population do not have enough food to eat according to the United Nations Food and Agriculture Organization (FAO).⁴ What's more, an estimated 8 to 10 percent of global greenhouse gas emissions are associated with food waste.⁵

Our lightweight squeezable packages make every drop count. By ensuring more of the food produced reaches somebody's mouth, Ecolean packages help to promote resource efficiency and reduce food waste.



3) UN Environment Programme - 17% of all food available at consumer levels is wasted.

4) UN Food and Agriculture Organization – UN Report: Global hunger numbers rose to as many as 828 million in 2021.

5) UNEP Food Waste Index Report 2021.

CLIMATE ACTION

We must act urgently to mitigate the most severe impacts of human-induced climate change. Resource-efficient packaging that promotes lower life-cycle climate impact is part of the solution.

Our lightweight packaging uses less raw materials and leads to a lower carbon footprint. With raw materials accounting for 85 percent of our total carbon footprint, our ambition is to begin the switch

to renewable or recycled polymers by 2030. We already source 100 percent renewable electricity in all our production sites globally.



TOWARDS CIRCULARITY

Most food packages today follow a take-make-waste material flow and landfills around the world are inevitably growing. Customer demands, consumer preferences, coming legislation as well as our own sustainability ambitions call for more sustainable packaging solutions based on circularity and recycling. Innovative packaging solutions are crucial in the transition towards circularity.

Plastic packaging is lightweight and durable, as well as having excellent food safety properties. By choosing less components and high-quality materials, our

packaging shall be efficiently produced and easy to recycle. We aim to future-proof our product so that it contributes to the transition to a circular future.



TRANSPARENCY THROUGH A LIFE-CYCLE APPROACH

The lack of available sustainability data prevents ambitious companies from making the best possible choices. Access to comparable data enables more sustainable decisions and encourages innovation throughout the value chain.

At Ecolean, we believe that full transparency from cradle to grave promotes innovation, sustainability and trust. Our principle of full transparency ensures

full oversight of our own sustainability data, which allows us to optimise the use of raw materials and energy throughout the entire value chain.



FAIR, EQUAL AND INCLUSIVE

An open and transparent value chain is key to building a fair, equal and inclusive business. Everyone who works with us – from our own employees to our value chain partners – contributes towards a more sustainable packaging industry.

Our employees are our most valuable asset. We would not be successful without hard working, brave individuals with innovative minds and ground-

breaking ideas. Together with our partners, we work to ensure a sound and safe environment where everyone can grow.





"Ecolean has and will always optimise resource use – from efficient production processes to providing packages that are lightweight and can keep food safe regardless of local conditions."

MESSAGE FROM THE CEO

Since Ecolean was founded in 1996 with our lightweight philosophy, we have challenged the food packaging industry – and saved resources along the way. This has always been our guiding star and we continue to provide the world with our lightweight and resource-efficient packaging solution that minimises food waste and ensures food safety.

Faced with the impacts of climate change, biodiversity loss, pollution and hunger, the world urgently needs to stop wasting materials, energy and food. However, 2023 presented the world with additional challenges in the form of high inflation and interest rates, and war in Ukraine and in the Middle East.

I firmly believe Ecolean has an important role to play in creating a more sustainable world. This is reflected in our new business strategy with the four strategic pillars of **profitable growth, customer focus, operational efficiency and sustainability**. These four pillars provide a strong foundation to develop our business going forward. The strategy will also continue to ensure that sustainability remains a core part of our business and all the decisions we make.

2023 was the first year of our five-year strategy plan and saw the implementation of our new organisation with a geographic focus on Southeast Asia and China. This required some tough decisions during the year and the withdrawal from selected markets. While this involved implementing redundancies in parts of our organisation, we grew in our core markets. During the year, we deconsolidated our Russian entity and business – towards divesting the business entirely from the Ecolean Group.

During the year, we continued to drive progress in our six sustainability areas: Safe food for all, Less food waste, Climate action, Towards circularity, Transparency through a life-cycle approach, and Fair, equal and inclusive.

Ecolean has and will always optimise resource use – from efficient production processes to providing packages that are lightweight and can keep food safe regardless of local conditions. Plastics offer lightweight and durable packaging that promote food safety. However, we are all aware of the environmental challenges related to packaging waste due to limited waste management and recycling opportunities in some markets. This is a challenge for the entire packaging industry.

Recycling is a prerequisite for a sustainable future and a top priority for Ecolean. During 2023, we took several important steps towards our target to have all our packages designed for recycling by 2030. Developing fully recyclable packaging material is our most important strategic objective in the coming years.

We continued to reduce the climate footprint of our operations during the year. The amount of goods sent by air was further reduced and we began using a fully electric truck for almost all our container transports between our plant in Helsingborg and the harbour. During the year, Ecolean purchased 100 percent renewable electricity for all its production sites for the fourth year in a row.

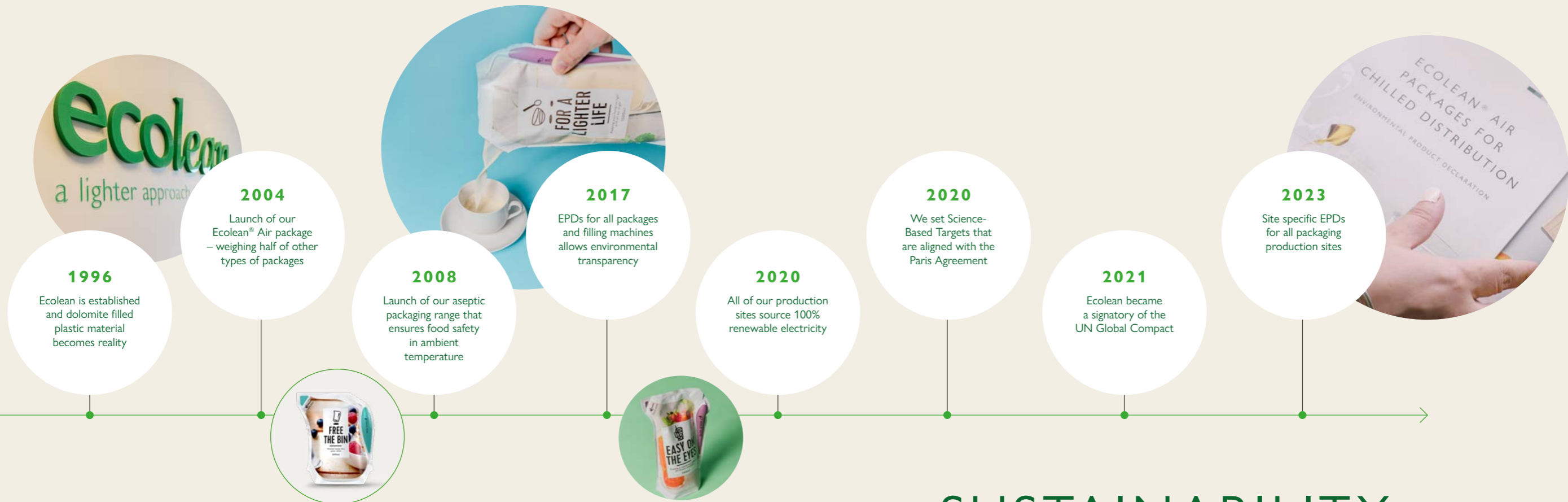
We use third-party verified Environmental Product Declarations (EPDs), which enable full transparency on

the environmental impact of our packaging solutions throughout the product life cycle. These are essential to provide our customers with reliable information to support them in their sustainability journeys. During the year, we published new individual EPDs for all our packaging production sites to further promote transparency. We also initiated a collaboration to promote more sustainable practices in the liquid food industry in China together with the IVL Swedish Environmental Research Institute in Beijing.

International sustainability frameworks are important to Ecolean and we continue to support the ten principles of the UN Global Compact on human rights, labour practices, environmental protection and anti-corruption. Each of our sustainability focus areas contribute to specific UN Sustainable Development Goals (SDGs).

I am grateful for the trust our customers continue to place in us to meet their sustainability ambitions. As we continue our close collaboration, I am convinced we will achieve great things in the coming years – particularly by providing safe food for all, creating less food waste, reducing climate impact and promoting circularity.

Marie Samuelsson
CEO, Ecolean Group



SUSTAINABILITY ROADMAP 2030

Our Sustainability Roadmap 2030 serves as a cornerstone of our journey to become a more circular business. The roadmap centres around a set of actionable goals that align with the principles of United Nations Global Compact, the Paris climate agreement ambitions and the SDGs.



2030 TARGETS

TAKING CLIMATE ACTION

We have set science-based climate targets that are aligned with the Paris agreement. By 2030, we aim to:

- Reduce our scope 1 and scope 2 GHG absolute emissions by 50 percent, and measure and reduce our scope 3 emissions, with 2018 as the base year.
- Continue to source 100 percent renewable electricity for our production.
- Transport 100 percent of our products by sea or land.

TOWARDS A CIRCULAR BUSINESS

Becoming part of the circular economy is central to our transition. Our 2030 targets are to:

- Source 10 percent renewable or recycled polymers for our packages.
- Maximise the recycling of waste even when scaling up production.
- Ensure all our packages comply with 'Designed for recycling guidelines'.
- Support and establish partnerships to develop recycling infrastructure in all our markets.

FAIR, EQUAL AND INCLUSIVE

Our targets also relate to the people in our company and throughout our supply chain and are guided by our Code of Conduct and the principles of UN Global Compact. Our 2030 targets are to:

- Achieve a 50/50 gender balance.
- Ensure 5 percent of our employees are part of work rotation programmes.
- Provide every employee with an average of one-week training per year.
- Achieve zero injuries and work-related illnesses.
- Zero corruption and zero breaches of human rights.

Our Sustainability Roadmap 2030 targets set high ambitions going forward. We also constantly work to improve the quality of our packaging solutions to maintain zero liability claims and provide transparent information.



Our Sustainability Policy ensures that we have a holistic and effective approach to sustainability throughout our business.

Ecolean delivers unique lightweight packaging solutions to liquid food producers around the world. We believe in resource-efficiency – both in terms of our innovative products and in the way we conduct our business. We develop products and solutions in an ongoing dialogue with our stakeholders in order to meet their demands in the most efficient way.

In a world of growing population and customer demands, we offer safe and innovative packaging that reduces waste

and can be used anywhere, regardless of local distribution channels and climatic conditions. In everything we do, we strive to exceed quality expectations and create value for all our key stakeholders, from our employees to the end-users of the packaged liquid food.

The Sustainability Policy covers our approach to economic, environmental and social aspects. The effective management of these aspects enhances Ecolean's performance and the quality of our products. We acknowledge that quality is essential to a sustainable business. Our target is always to strive for zero defects and to reduce our production waste. We continuously improve our management system and processes to strengthen our operational efficiency.

ECONOMIC SUSTAINABILITY

- We always follow our Code of Conduct in terms of business ethics, and we have zero tolerance towards all forms of corruption.

ENVIRONMENTAL SUSTAINABILITY

- Ecolean's packaging solutions shall have the lowest possible environmental impact. Our design and manufacturing processes are based on a life-cycle perspective.
- Ecolean strives to improve its sustainability performance by focusing on its most material topics and by working to prevent and reduce our negative impacts.
- We reduce, monitor and follow up on our impact from greenhouse gases, energy, waste, raw materials and water use.

SOCIAL SUSTAINABILITY

- As a signatory of the United Nations (UN) Global Compact, we respect human rights as set out in the UN Guiding Principles on Business and Human Rights. We are committed to respect all internationally recognized human rights standards.
- Our entire business abides by our Code of Conduct, which covers the areas of human rights, diversity, equality and non-discrimination.
- We support our employees and provide equal opportunities for career development.

- Ecolean has a zero injury and ill health target that we strive to meet by systematically improving work environments and the physical, mental and social health of our employees.
- Food safety and superior quality packaging solutions is part of our core business. By reducing risk through continuous improvements, and following standards and audits, we safeguard food safety and quality within our part of the value chain.
- We always provide our stakeholders with accurate and transparent information about our operations. All our environmental data is based on life-cycle assessments.

COMPLIANCE

Ecolean fulfils compliance obligations and relevant voluntary standards that apply to our operations and packaging solutions in each country we operate in. We constantly work to raise awareness of sustainability and quality and encourage our employees and business partners to respect people and the environment in their day-to-day activities. We also expect our suppliers to aspire to the same standards in their business operations, by signing and following the Ecolean Supplier Code of Conduct. We communicate the policy to our stakeholders and raise awareness among our suppliers.

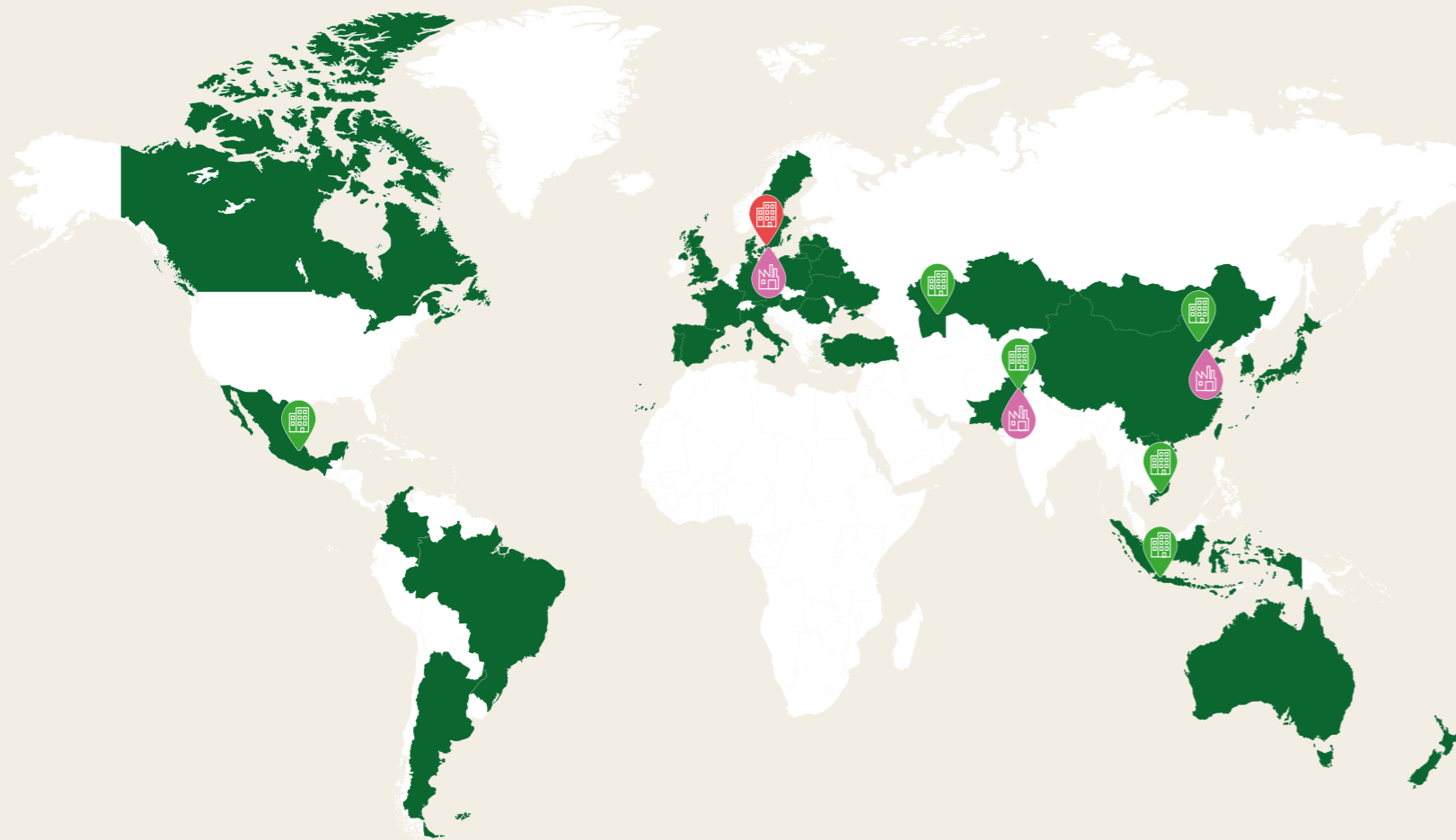
The Sustainability Policy is aligned with Ecolean's Code of Conduct and is supported and complemented by the Ecolean Whistleblowing Policy.

Through our commitment to reduce environmental and social impacts and improve performance, we contribute to a more sustainable world.

[Our vision, mission and core values](#)

[Safe and convenient packaging solutions for liquid food](#)

[Providing safe packaging solutions](#)



- Head office
- Sales offices
- Production plants
- Commercially active areas

Ecolean is a privately-owned company with its head-quarters in Sweden. Established in 1996, the company has commercial activities in over 20 countries, with China, Pakistan and Vietnam being its largest markets. Our largest customer base is in Asia, and this is where our new strategy focuses. Ecolean has identified opportunities to grow together with existing and new customers in the Asian market and we established a legal entity in Vietnam to support growth in South-East Asia region during the year.

To promote profitable growth, Ecolean worked to reduce costs during the year and various initiatives to right-size the organisation. This led to the decision to close some sales offices in some non-core markets and a relocation of some customer support points.

During 2023, Ecolean restructured its sales organisation and now has six sales offices distributed throughout Asia and the Americas. A new sales office was opened during the year in Kazakhstan, serving Eastern Europe and Central Asia.

Ecolean has production plants in Sweden, China and Pakistan. All our production plants in Sweden, China and Pakistan are certified according to the ISO 14001 environmental management system. We have a long history of monitoring environmental data, and we apply the precautionary principle to sustainability.

PROFITABLE GROWTH

THE BEST GROWTH IS WHEN WE CAN GROW TOGETHER WITH OUR CUSTOMERS.

Ecolean develops and manufactures innovative packaging systems for the beverage, dairy and liquid food industry. Our modern lightweight packaging solutions and resource-efficient filling lines offer both customer and consumer convenience while promoting environmental responsibility.

OUR VISION

To be the best packaging company in the world in the eyes of all our stakeholders.

OUR MISSION

To provide the world with safe and convenient packaging solutions for liquid food with minimal environmental impact.

OUR CORE VALUES

We are brave.

We always strive to be bolder and better than we were yesterday. We are quick on our feet, and our drive to do better than all others is limitless.

We are **innovative**. The known is already known and done. Different means a change for the better.

We create less. The world doesn't need more. It needs less. That is what we bring – a **lighter** solution for the good of the planet.

And yes, this includes **you**.

SAFE AND CONVENIENT PACKAGING SOLUTIONS FOR LIQUID FOOD

Ecolean is committed to contributing to everyone’s right to safe food. Food safety is critical at every stage of the food chain from processing and storage to distribution and consumption. Ecolean’s packages bring safe food products to people all over the world – regardless of local distribution channels and climatic conditions.

Every year, 600 million people fall ill from unsafe food according to the World Health Organisation. At the same time, it is estimated that a third of all food produced globally (equivalent to 1.3 billion tonnes worth around \$1 trillion each year) is wasted. Food may be wasted due to packages not fulfilling food safety requirements, or being difficult to fully empty, especially when it comes to viscous products.

CUSTOMER FOCUS

Ecolean packages catch the consumer’s eye on the shelf, but we need to continuously innovate to remain relevant for the future. Our product roadmap was stepped up during the year with several defined initiatives to develop innovative packaging systems.

In 2023, Ecolean performed two consumer insight studies, one in Vietnam and one in China. Consumer highlights included the microwaveable nature of Ecolean packages and their suitability for thick and viscous food such as yoghurt. The fact that the consumer can squeeze all the food from the package was often seen as bene-

ficial in reducing food waste. Our lightweight flexible package was also appreciated for promoting food safety and convenience while minimising the use of plastic. By working closely with customers and understanding their needs, we can join forces on a growth journey. During the year, we invested in value-based sales training for our personnel with direct customer contact to ensure they are able to support customers with value-creating services.

ECOLEAN PACKAGING SOLUTIONS

Ecolean offers a complete system of filling line solutions and flexible lightweight packages for liquid food. Ecolean filling lines are designed for efficient operation. We develop and produce our filling line equipment in Helsingborg, Sweden, and assemble the components and equipment for Ecolean filling line equipment together with our suppliers. These partners work closely with our technical departments and global technical service teams.

Our filling line technical service teams provide customers with support and expertise on optimising the performance

Each year, almost 600 million people fall ill after eating contaminated food. Safe and convenient food packages are part of the solution.

Our unique system with ready-to-fill-packages, helps our customers bring safe food to the market.

of the Ecolean packaging system. We continuously work to reduce food waste by minimising product waste during the filling process at the customer production plant. Systematic performance assessments, customised training programmes and technical upgrades maximise performance and minimise downtime.

In 2023, the Ecolean filling machines EL1+ and EL2+ for chilled distribution and EL3+, EL4+ and EL6 for ambient distribution were available. Two refurbished filling machines were sold during the year.

Ecolean packaging materials are produced in our production plant in Sweden and are formed into ready-to-fill packages at our plants in Sweden, China and Pakistan. We deliver a range of hermetically sealed ready-to-fill packages in a variety of different sizes to our customers. Ecolean’s packages for ambient distribution are sterilised using electron beam treatment, or e-beam, at our production plants. In 2023, we sold 2.4 billion packages.



PROVIDING SAFE PACKAGING SOLUTIONS

OPPORTUNITIES AND CHALLENGES

Ecolean provides packaging solutions for liquid food with a focus on food safety and convenience. Products produced and marketed by Ecolean must comply with all laws and rules relating to product safety. Beyond this, we also comply with voluntary certification schemes.

Customer and consumer health and safety is Ecolean's main priority. A potential product safety or integrity incident could have adverse consequences to consumer health and harm the company's reputation and financial performance. By continuously working with quality and management systems, we safeguard the integrity of our packaging system.

PROGRESS

As part of our technical service work to provide safe packaging solutions, our technical service engineers continued to perform a safety audit every time they performed maintenance work at customer sites. The audits follow up on safety, machine operator and technician training, and optimise machine performance. Customers gain higher equipment efficiency, lower operating costs and better skilled operators. During 2023, Ecolean performed 46 service activities and audits at customer sites with a focus on personnel and food safety performance.

Producing and packaging liquid food products is complex, and our customers have the ultimate responsibility to ensure compliance with the relevant health and safety regulations. If regulations are violated and the customer believes the packaging system is at fault, they can issue a product liability claim. In 2023, no product liability claims

or product recalls related to the Ecolean packaging system were reported by our customers.

HOW WE WORK

Customer health and safety

We follow the ISO 22000 food safety management system. We also follow the global BRC Packaging Standard, which verifies technical performance, supports manufacturer legal obligations and helps to ensure consumer protection. The FSSC 22000 Food Safety System Certification provides us with a framework for effectively managing food safety responsibilities.

Our production plants continuously work with quality inspections and audits. All our processes have documented instructions to follow including quality checks and hygiene rounds. The performance of our management systems is regularly audited, both by internal and external experts.

Claims process

In the event of a customer claim on one of our products, including anything from a minor issue to a liability claim, they first approach our regional market office. All claims follow our deviation process, and a claim investigation is coordinated by the quality department to assure relevant actions are taken. The actions are communicated with the customer and further activities are agreed, depending on the claim.

As part of our continuous improvement work, we use the Ecolean Ticket System to report and track incidents, including environmental, health and safety incidents and customer complaints. The system is a useful tool to drive continuous improvement throughout our business.

During the year, our Pakistan technical team achieved a 98.98 percent Mechanical Machine Efficiency (MME) and a 0.32 percent wastage rate when servicing Ecolean filling machines at customer sites in the country. The MME is a measure of how effectively a machine converts input energy into output work and these figures compare well with global benchmarks.

PRODUCTION PLANT CERTIFICATES

Packaging material and packaging forming production, Sweden	ISO 14001, BRC Packaging, ISO 22000, Halal, FDA/IMS, Normpack
Production of filling line equipment, Sweden	ISO 9001, ISO 14001
Packaging forming production, China	ISO 9001, ISO 14001, ISO/FSSC 22000, QS-Mark
Packaging forming production, Pakistan	ISO 9001, ISO 14001, ISO 45001, ISO/FSSC 22000, Halal

Customer training

The Ecolean technical service team provides external training for customers. During the year, several on-site trainings took place held by Ecolean trainers as well as technicians. These external trainings amounted to more than 333 individual trainings days in total. This highlights the focus our technical service team has on working together with our customers to improve customer operators and technician knowledge of the Ecolean offering.

European Hygienic Engineering & Design Group membership

Ecolean is a member of the European Hygienic Engineering & Design Group (EHEDG), which is a consortium of

equipment manufacturers, food producers, suppliers to the food industry, research institutes and universities, public health authorities and governmental organisations. As a company member of EHEDG, Ecolean contributes to the promotion of food safety by improving hygienic engineering and design in all aspects of food manufacturing – from establishing guidelines and design processes to producing our filling line equipment.

POLICIES

Ecolean has several policies that are relevant for the production of safe packaging solutions, including the Ecolean Food Safety and Quality Policy. Our policies are linked to our various management systems.

Reducing environmental impact

Reducing greenhouse gas emissions

Reducing environmental impacts from raw materials and waste

Recyclability of packages

Reducing environmental impact

Reducing greenhouse gas emissions

Reducing environmental impacts from raw materials and waste

Recyclability of packages

Our philosophy has always been to ensure our packages are light-weight – to use less raw materials and energy in production and transportation.

One of the Ecolean Strategy 2028 focus areas is operational efficiency. Ecolean provides a complete system of filling line solutions and flexible lightweight packages for liquid food. Being able to bring superior quality to our customers requires optimised operations – from the choice of raw materials to the final distribution of the packages before installing the filling machine at the customer’s site. Optimising operations also aligns with our sustainability targets related to energy, resource use and waste generation.

All production and products have consequences for the environment, and we always strive to minimise our direct impacts as much as possible. By working with a life-cycle approach for all our products, Ecolean contributes to resource efficiency and reduced environmental impact.

Our Sustainability Programme consists of a set of focus areas and defined targets to address our material environmental risks and opportunities. Our programme guides our organisation and is further enhanced by a set of Sustainability Roadmap 2030 targets.

Ecolean is a signatory of the UN Global Compact. The environmental aspects of our Sustainability Programme are covered by the following three of the ten UN Global Compact principles:

- **Principle 7:** Businesses should support a precautionary approach to environmental challenges;
- **Principle 8:** undertake initiatives to promote greater environmental responsibility; and
- **Principle 9:** encourage the development and diffusion of environmentally friendly technologies.



ECOLEAN SUSTAINABILITY OBJECTIVES

PLANET

By 2030, we will reduce our scope 1 and scope 2 GHG absolute emissions by 50 percent, and measure and reduce our scope 3 emissions, with 2018 as the base year.

Key Performance Indicator

2023

2022

Progress

ACHIEVED

Reduction of CO₂-eq (Scope 1 and 2) compared to 2018

-94%/-84%⁶

-92%

Reduction of CO₂-eq (Scope 3) compared to 2018

-30%

-26%

IN PROGRESS

100 percent of our products will be transported by sea or on land by 2030.

Share of transports by sea or on land (%)

99.76%

99.56%

IN PROGRESS

Share of air transports (%)

0.24%

0.44%

We continue to purchase 100 percent renewable electricity for our production sites.

Share of renewable electricity in production sites (%)

100%

100%

ACHIEVED

Share of renewable energy in production sites (%)

96%

96%

We will have 10 percent renewable or recycled polymers in our packages by 2030.

Share of renewable or recycled polymer in our raw material mix (%)

0%

New target

NOT ACHIEVED

We will continuously decrease the amount of generated waste from our packaging solutions.

Amount of generated waste within our production (tonne)

4,962 tonnes

5,843 tonnes

IN PROGRESS

Share of waste sent to recycling

94%

95%

IN PROGRESS

We will continue to send zero waste to landfill.

Amount of waste sent to landfill (tonne)

0 tonnes

0 tonnes

ACHIEVED

By 2030, all of our packages will comply with 'Designed for recycling guidelines'.

Number of packaging ranges assessed to relevant guideline

0

0

IN PROGRESS

We will work in partnerships to establish recycling infrastructure for our packaging solutions in all our markets by 2030.

Markets with infrastructure initiatives

1

2

IN PROGRESS

⁶ Including fugitive emissions from 2023.

REDUCING GREENHOUSE GAS EMISSIONS

OPPORTUNITIES AND CHALLENGES

Climate change is a major challenge for society in general and using products with a low-carbon footprint is more important than ever. Ecolean's approach to using minimal raw materials and energy in production and distribution enables us to offer low-carbon packaging solutions.

Climate change can also pose risks to our operations. Warmer weather might increase the need for cooling in our facilities, and climate change increases the risk of heavy rain and flooding. Such eventualities can increase costs and disrupt our operations and logistics. We monitor and work to decrease our emissions, and life-cycle assessments help to identify our most urgent areas for improvement. By switching to renewable electricity and renewable raw materials, we can reduce the climate impact of our production, and help drive the demand for more low-carbon solutions in society.

PROGRESS

Science-based climate targets

In 2023, our direct and indirect scope 1, 2 and 3 GHG emissions according to the GHG Protocol amounted to 45,434 tonnes CO₂-eq, which is a decrease of 32 percent compared with the base year (2018).

During the year, we added fugitive emissions to our scope 1 inventory. Fugitive emissions from air conditioning result from leakages and servicing over the operational life of the equipment and from the disposal at the end

of the useful life of the equipment. The leakage of refrigerant gas is a small but significant source of GHG emissions because of the high Global Warming Potential (GWP) associated with these GHGs. Even if the leakages are small, our fugitive emissions result in 360 tonnes CO₂-eq and have significantly increased our reported scope 1 emissions. Fugitive emissions accounted for almost 65 percent of our scope 1 and 2 emissions in 2023. However, even with the addition of these fugitive emissions to our scope 1 emission data for the first time in 2023, our total scope 1 and 2 emissions have still decreased by 84 percent since 2018. When excluding fugitive emissions, our scope 1 and 2 emissions have reduced by 94 percent compared to our base year of 2018.

Our scope 3 emissions decreased by 4 percent compared to the previous year and 30 percent compared with the base year. Of the year's total emissions, 87 percent were derived from the raw materials for film and packaging production and filling machines, including spare parts and printing ink. The downstream transportation of packaging material, filling line equipment and spare parts from Ecolean in Sweden to customers around the world was responsible for 9 percent of the total emissions. Our remaining emissions were related to business travel (2 percent), facilities and waste (2 percent).

The use of renewable biogas for production heating processes at our Helsingborg plant generated biogenic carbon dioxide emissions amounting to 85 tonnes CO₂-eq in 2023.



In 2023, we conducted a review of our previous GHG calculations and updated the calculation tool with updated emission factors, which is still based on the GHG protocol and verified by a third party. Following the review, GHG emission data from 2023 was calculated with new emission factors, which reduces the ability to make comparisons with previous years.

Renewable electricity

During 2023, we used a total of 98,845 GJ of energy at our production plants, which is a decrease of 10 percent compared with 2022. All our production sites have worked with various energy saving projects and reduced their energy use. Electricity accounted for 95 percent of the total energy we used.

In 2023, Ecolean purchased 100 percent renewable electricity for all its production sites for the fourth year

in a row. Globally, the proportion of total renewable energy used in our operations remained at 96 percent.

Emissions from downstream transport

Our logistics department is working to further reduce the amount of goods sent by air. We have the target to only transport by sea or on land. In 2023, we further reduced our air freight, accounted for 0.24 percent of our goods (by weight).

Each year, we make around 2,500 container trips between our production facility and the harbour in Helsingborg, which is a distance of 6 km. Since the summer 2023, a fully electric truck has been used for the transportation between Ecolean's plant and the harbour in Helsingborg. The truck reduces our transport carbon footprint and air pollution in Helsingborg.

Cont.



Resource efficiency is at the heart of climate action. Lightweight packaging uses less raw materials and reduces the carbon footprint.

Cont. ▶

HOW WE WORK

Science-based climate targets

As part of our work to tackle climate change, our climate targets have been approved by the Science Based Targets initiative (SBTi) since 2020. Our targets are to reduce our scope 1 and 2 greenhouse gas (GHG) emissions by 50 percent by 2030 compared with 2018 and to measure and reduce our scope 3 emissions. Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris climate agreement – limiting global warming to well-below 2°C, above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.

Renewable electricity

We have committed to using 100 percent renewable electricity for all our production plants, according to the RE100 definition. Since 2017, Ecolean has sourced renewable hydropower electricity for its production plants in Sweden, and renewable biogas for production heating processes at our Helsingborg plant through a Guarantee of Origin. Since 2020, we have purchased renewable energy by buying International Renewable Energy Certificates (I-RECs) for our production sites in Pakistan and China. Similar to a Guarantee of Origin, each I-REC represents proof that 1 MWh of renewable energy has been produced from renewable sources and includes the environmental benefits of this renewable energy. I-REC is recognised by the Greenhouse Gas Protocol Scope 2 Guidance as a tool to document

electricity consumption from renewable energy sources. We will continue to monitor and maintain this objective as the establishment of new plants can have an impact. This market-based approach with certificates for renewable electricity saved almost 4,000 tonne CO₂-eq compared to the location-based method.

Emissions from downstream transport

As a provider of packaging solutions that are distributed in many markets, the transportation of materials and products is unavoidable. Our Sustainability Roadmap 2030 includes a specific target to avoid transport by air. But air freight can be unavoidable in certain circumstances. By planning production and lead times, the amount of goods transported by air can be minimised. We are cooperating with our transport suppliers to optimise transport and reduce air freight.

In 2023, the Ecolean plant in Sweden replaced three older production machines with more efficient equipment. This improved our energy efficiency and production quality.

POLICIES

The Ecolean Sustainability Policy and the Sustainability Roadmap 2030 guide how we work to reduce our carbon emissions.

REDUCING ENVIRONMENTAL IMPACTS FROM RAW MATERIALS

OPPORTUNITIES AND CHALLENGES

The fundamental premise behind our production process is the optimisation of both the use of raw materials and energy while maintaining food safety. By making resource-efficient packages, and helping our customers use less packaging material, we reduce environmental impact.

Ecolean currently uses polymers made from fossil oil due to the quality and safety requirements for food packaging. We need to find more sustainable alternatives to be able to reduce our greenhouse gas emissions. The main challenge is that the supply of renewable plastics remains limited. We have set a target to start replace our polymers (polyolefins) with renewable or recycled materials by 2030. Renewable plastics are being developed that have the potential to become an alternative to fossil-based plastics.

PROGRESS

In 2023, Ecolean used 22,933 tonnes of materials in total, mainly for the production and printing of packages, and secondary packaging materials used to pack packages and filling line equipment when shipping to customers. This is a decrease of 9 percent compared to the previous year, where materials for filling machines show the largest decrease. Raw materials are purchased from external suppliers and the procurement data is sourced from our Enterprise Resource Planning (ERP) system.

During the year, 95 percent of the raw materials in our secondary packaging came from renewable sources. This

renewable material equated to 6 percent of all the materials we used at Ecolean in 2023. We did not purchase any renewable or recycled polymers during the year.

We use water at all our offices and production plants. The 26,803 m³ of water used in 2023 was mainly used for drinking, sanitary purposes and air conditioning. This is a 10 percent reduction compared with the previous year, and the lowest since we began reporting on water. Our production plants have been working with different behavioural changes and implemented energy efficiency projects have also helped to reduce water usage. Our packaging film production recycles water to minimise water usage.

HOW WE WORK

Renewable and recycled polymers

The emerging opportunity to purchase renewable or chemically recycled plastics through the mass balance principle creates new opportunities to use renewable and recycled content in plastic packaging.

The targets in the Sustainability Roadmap 2030 related to renewable and recycled polymers were reviewed during the year. The previous target of replacing 100 percent of the fossil-based polymers with renewable and/or recycled polymers by 2030 was adjusted. After analysing and reviewing the availability and cost of renewable and recycled polymers, a new target was set. The new target is 'We will have 10 percent renewable or recycled polymers in our packages by 2030'. This target may need to be aligned with the requirements set in the upcoming EU legislation, PPWR.

The main challenge is that the supply of renewable plastics remains limited. Ecolean has close dialogue with suppliers regarding opportunities for renewable materials and by setting this target we will be part of developing the market for alternatives to fossil-based virgin polymers. We are developing a step-by-step plan for this shift, but progress is dependent on the availability of alternative polymers.

Chemical use

We handle chemicals in our operations that might pose risks to the environment and our employees. All the chemicals we use are registered in a web-based system and employees handling chemicals in their daily work are trained on chemical use. To decrease possible health, safety and environmental impact, our ongoing work involves reviewing and conducting risk assessments and substituting certain chemicals.

Use of raw materials in filling machines

Our filling machines mainly consist of stainless steel, aluminium, glass, rubber and copper. The amount of raw materials used are documented in our EPDs for Ecolean filling machines. Our circular approach involves refurbishing filling line equipment for use in new applications, which reduces the use of raw materials and creates greater resource efficiency. We are also investigating the possibilities to increase the proportion of recycled materials in our filling line equipment.

POLICIES

The Ecolean Sustainability Policy, the Sustainability Roadmap 2030 and the Ecolean Health and Safety Policy guide how we work with reducing the impact from raw materials and chemicals used for our products.



Introducing reusable plastic pallets in distribution. Our team in Pakistan joined forces with a local partner to recycle Ecolean plastic production waste into reusable plastics pallets. Ecolean's sustainability agenda centres around the responsible use of resources, minimising waste in our production and our overall impact from a life-cycle perspective. By actively recycling production waste into plastic pallets, which in turn are used in our supply chain, we demonstrate more sustainable practices. The shift to reusable plastic pallets reduced our use of wooden pallets in Pakistan by almost 25 percent in 2023.

UPSTREAM IN VALUE CHAIN

OWN ACTIVITIES

DOWNSTREAM IN VALUE CHAIN

REDUCING THE IMPACT OF WASTE

OPPORTUNITIES AND CHALLENGES

Our focus on continuously decreasing the amount of waste from our packaging solutions includes waste generated downstream in the value chain at our customers' sites. All production waste involves a waste of resources, energy and production time. By focusing on reducing waste during filling, we can further improve the performance of our filling lines.

PROGRESS

Our total amount of waste decreased by 15 percent, compared to the previous year. All our manufacturing plants work intensively to reduce production waste through continuous improvements and standardisation work. For example, our Pakistan plant reduced the total amount of waste it generated for the second year in a row, this time by 25 percent compared to the previous year.

94 percent of the waste we generated within our organisation was sent for recycling, with the remaining 4 percent treated as hazardous waste and 2 percent sent for energy recovery. We sent no waste to landfill in 2023.

HOW WE WORK

The waste hierarchy defined in the EU Directive 2008/98/EC provides a framework for how Ecolan handles waste that is generated within our organisation.

We have direct control over our production waste, in contrast to upstream or post-consumer waste downstream where Ecolan has no or very limited control in its different markets. We have operational control of the waste generated within our own activities.

Waste generated in our production is processed by different waste contractors in each country according to local regulations. Our waste contractors are part of our supplier self-assessment and audit process. Our waste standard defines what elements the waste contractors need to fulfil to be contracted.

Reduce production waste

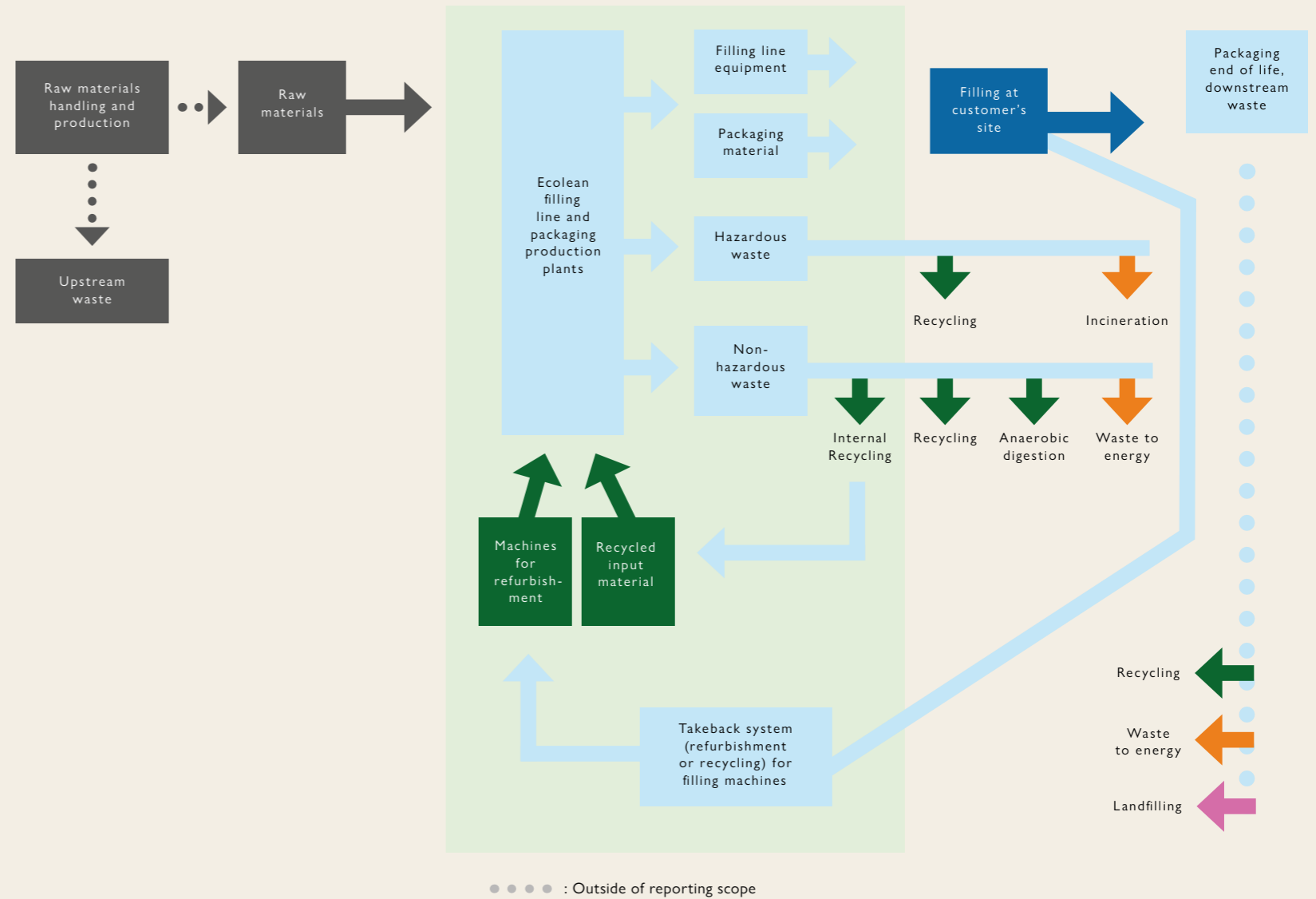
Our packaging production plants focus on reducing production waste through continuous improvements and standardisation work.

Internal recycling

Ecolan uses 22-30 percent internally recycled material in the production of packaging film. Edge trims from packaging film production are reground and granulated internally and mixed with our virgin raw material. This reduces waste, carbon emissions and the need for virgin materials.

POLICIES

The Ecolan Sustainability Policy and the Sustainability Roadmap 2030 guide how we work with reducing the impact from waste generated within our operations.



THE RECYCLABILITY OF OUR PACKAGES

OPPORTUNITIES AND CHALLENGES

Customer demands, consumer preferences, coming legislation as well as our own sustainability ambitions call for more sustainable packaging solutions based on circularity and recycling.

At Ecolan, we are faced with the challenge of adapting our packages to the proposed EU Packaging and Packaging Waste Regulation requirements on recyclable packaging from 2030. The proposal establishes that all packaging must comply with design for recycling criteria by 2030 and be recycled at scale from 2035. We follow the developments closely and predict similar legislation to spread around the world once it comes into effect.

We welcome this clarified approach to drive the entire packaging industry towards circularity in a common direction. This will ultimately make it a lot easier for consumers to choose packaging based on its actual sustainability credentials.

Ecolan has already committed to design all its packages for recycling and manufacture them with 10 percent recycled and/or renewable polymers by 2030.

Another challenge is at the packaging end of life as waste will be generated when the consumer has emptied the package. The impact of this waste depends on the local market. Many countries have inadequate collection and waste management systems for packaging. Some countries even lack proper waste management in general, with approximately two billion people worldwide⁷ lacking access to waste management. We need to address and downsize the risk of packaging being mismanaged and ending up in the environment – both on a national and international level as well as through the entire packaging value chain. This is one of the main reasons for Ecolan's focus on greater package recyclability.

PROGRESS

Designing for recycling

By 2030, all our packages will comply with 'Designed for recycling guidelines'. To be able to fulfil this target, we need to closely follow the development of design guidelines and legislation in the markets in which we operate. Developing new materials is complex and it is important to ensure that the material works throughout the entire product process – from material production to filling machine.

The coming design criteria is expected to encourage a shift from mixed materials towards more mono materials, for all packaging materials to enable greater packaging recycling.

Ecolan is developing solutions to adapt its packages to the proposed EU Packaging and Packaging Waste Regulation requirements on recyclable packaging from 2030. We continue to focus on material development to be able to fulfil our 2030 target.

Circular economy in the Chinese market

Plastic pollution is a growing concern in the Chinese market. Flexible packaging is one of the most common packaging formats in China, but the recycling rate remains very low. In its '14th Five-Year Plan', the Chinese government highlights the importance of waste management and recycling infrastructure. Our Chinese market team has joined three different circular economy associations to engage in and support the reuse of plastics, recycling and the circular economy in the market.

We attend forums organised by the associations and are promoting our sustainability credentials such as being lightweight, reducing plastic usage, and using life-cycle assessments and EPDs.

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HOW WE WORK

Monitoring coming EU legislation

Each European generates almost 190 kg of packaging waste every year and this is something that the European Union addresses in its packaging and packaging waste regulation. In November 2022, the European Commission published the second part of its Circular Economy package, which included the introduction of its proposal for revision of the Packaging and Packaging Waste Directive (PPWD). It incorporates a proposed legal change that would turn the current Directive into a Regulation. As part of its sustainability requirements, the proposal establishes that all packaging on the European market shall be recyclable. This means that all packages would need to comply with design for recycling criteria from 1 January 2030, and be recycled at scale from 1 January 2035. The recyclability assessment would be done on the basis of the 'Design for recycling' criteria, which are to be set out by the Commission in secondary legislation. During 2023, the proposal has been processed by the European parliament together with the European Council.

In November 2023, the European Parliament adopted its negotiating position on the Commission proposal for a Regulation on Packaging and Packaging Waste (PPWR). This is part of the legislative process that will provide the legislation that will change the way we package products for decades to come. Ecolean is closely monitoring the outcome of this process.

Designed for recycling

Designing packages for recycling means they are composed of material that can be easily sorted and recycled where suitable collection and sorting systems are available. Recycling infrastructure currently varies around the world. In recent years, we have seen an

increased focus on the development of recycling guidelines for flexible packaging but there is no international standard to date.

Recycling is essential for the sustainable use of packaging and is a priority for Ecolean. Due to material composition, some packaging ranges can be diverted in the recycling process in some markets, depending on local recycling technologies. It is important for us to work closely with our customers and local recycling organisations to improve the opportunities to recycle our packages.

By 2030, all our packages will comply with 'Designed for recycling guidelines'. Ecolean participates in the development of guidelines and standardisation to always stay ahead of the latest developments. This target will require innovative solutions to maintain packaging quality and the adaptation of filling line equipment.

Partnerships

CEFLEX

By engaging and sharing knowledge with the recycling industry and dedicated recycling projects, we enhance the opportunities to recycle our packaging solutions. Ecolean is member of the European project CEFLEX (a Circular Economy for Flexible Packaging), which includes a growing group of over 180 companies in the flexible packaging value chain. CEFLEX's 'Mission Circular' commits to the collection of all flexible packaging and over 80 percent of the recycled materials are channelled into valuable new market applications that substitute virgin materials. The project has the goal to establish collection, sorting and reprocessing infrastructure throughout Europe for flexible packaging by 2025.

STANDARDISATION FOR INCREASED RECYCLING

Ecolean is a member of the Swedish Institute for Standards (SIS). In the technical committee for plastics,

Ecolean is involved in formulating standards for plastic recycling. Being a member also gives Ecolean the opportunity to follow and impact of the ongoing standardisation work at CEN and CENELECT, the European Committee for Standardisation, which is an association that brings together the National Standardisation Bodies of 34 European countries.

One of the main goals of the EU Strategy for Plastics in a Circular Economy is to facilitate greater recycled content in plastic products. To achieve this goal, the strategy calls for a series of actions, including a stronger focus on design-for-recycling for plastic products and on the quality of plastic waste and recyclates. The European Commission addresses this need through the Standardisation Request. The request mandates CEN and CENELEC to revise 11 European Standards and develop around 45 new deliverables on quality grades for sorted plastic waste. It also involves the revision of the characterisation of recyclates and design-for-recycling guidelines for a wide range of products used in different applications – such as packaging, construction, electronic and electrical equipment, road vehicles and agriculture. The deadline for all these standards is August 2025.

CORE PAKISTAN

Ecolean is a member of the recycling initiative Collect & Recycle (CoRe) in Pakistan, which aims to enable packaging recycling in this market.

During the year, Pakistan implemented legislation in the two regions of Islamabad and Punjab, banning several single-use plastic products. The products are similar to those already banned in EU and some other countries, for example cotton buds, plastic cutlery and crockery including plates, bowls, cups and glasses. The legislation also initiates the concept of Extended Producer Responsibility for plastic packaging.



Innovative packaging solutions are crucial in the transition towards circularity. During the year, we initiated important partnerships on recyclability and continued to develop packaging that is efficiently produced and easy to recycle.

A circular solution for filling lines

We have the manufacturer responsibility to provide information on the recycling of our equipment, which is included in the equipment documentation. For filling line equipment, we have already implemented a circular solution, included in our manufacturer responsibility and related to the CE-marking.

This is also emphasised through filling line equipment agreements that usually include a paragraph that regulates what happens at the end-of-life of the machine. When filling line equipment is taken out of service, Ecolean offers to refurbish or recycle it.

POLICIES

The Ecolean Sustainability Policy and the Sustainability Roadmap 2030 guide how we work with reducing the impact from waste at end of life.

Our social impact

Diverse workforce and
equal opportunities

Employee training
and education

Health and
safety

Ethical business

Accurate and transparent
information

Responsible
supply chain

Our social impact

Diverse workforce and equal opportunities

Employee training and education

Health and safety

Ethical business

Accurate and transparent information

Responsible supply chain

We have the ambition to be the best packaging company in the world in the eyes of all our stakeholders and we care about how we achieve this.

We respect human rights as defined by the UN Global Compact, and we take responsibility for our employees and the societies in which we operate. We believe that a culture of respect, openness and accountability is essential for our success. Our Code of Conduct is applied throughout Ecolan to protect human rights, and promote fair employment conditions, safe working conditions, responsible environmental management and high ethical standards.

Our Sustainability Programme consists of a set of focus areas and defined targets to address our material social and economic risks and opportunities. The programme guides our organisation on what to focus on in our daily operations and in various situations.

Ecolan is a signatory to the UN Global Compact. The social and economic aspects of our Sustainability Programme are covered by the following seven of the ten UN Global Compact's principles:

- **Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and
- **Principle 2:** make sure that they are not complicit in human rights abuses.
- **Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- **Principle 4:** the elimination of all forms of forced and compulsory labour;
- **Principle 5:** the effective abolition of child labour; and
- **Principle 6:** the elimination of discrimination in respect of employment and occupation.
- **Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.



ECOLEAN SUSTAINABILITY OBJECTIVES

PEOPLE	Key Performance Indicator	2023	2022	Progress
We have zero tolerance for corruption.	Number of reported cases	0	0	ACHIEVED
We have zero tolerance for breaches of human rights.	Number of reported cases	0	0	ACHIEVED
By 2030, we will have a 50/50 gender balance.	Gender balance (%)	Female: 20 % Male: 80%	Female: 21 % Male: 79%	IN PROGRESS
5 percent of our employees will be part of work rotation programmes by 2030.	Share of employees in rotation programmes (%)	Not monitored yet	Not monitored yet	
We have zero injuries and work-related illnesses by 2030.	Total Recordable Incident frequency (TRIF) <small>(Number of incidents among our own employees per one million hours worked)</small>	10.6	11.2	IN PROGRESS
By 2030, our employees will spend an average of one week annually on training.	Number of hours spent in training per employee	17 hours	8 hours	IN PROGRESS⁸
We constantly improve the quality of our packaging solutions to maintain zero liability claims.	Number of liability claims	0	0	ACHIEVED⁹
We comply with relevant marketing regulations and good practice, by maintaining zero incidents of non-compliance.	Number of reported incidents of non-compliance	0	0	ACHIEVED
We drive sustainability throughout our supply chain.	Share of selected suppliers that signed Supplier Code of Conduct (%)	92%	41%	IN PROGRESS¹⁰

⁸ The monitoring is under development, only training within Ecolan Academy is covered. A new function to make it possible to report local and/or external courses into the Ecolan Academy platform was implemented in Q1 2023.
⁹ No liability claims or product recalls made by customers.
¹⁰ The SRM system has been implemented globally and more suppliers are now covered in the SRM system.

DIVERSE WORKFORCE AND EQUAL OPPORTUNITIES

OPPORTUNITIES AND CHALLENGES

We are dependent on our ability to attract and retain key talent and competences to maintain Ecolean’s operating and financial performance in the long term. Our human resources team works together with our line management to identify the competences we need as well as to develop and retain our existing employees, to ensure that our future business needs are met. Ecolean offers its employees the opportunity to develop personally and professionally – and to be part of a journey to change the world of packaging for the better.

As a responsible company, it is important to maintain employee engagement and transparency. We do this by promoting our core values and a common Ecolean culture in all our markets and offices. Our core values help us find a balance between an international and regional approach.

PROGRESS

During 2023, our focus was on delivering the fundamentals of our new strategy and aligning our organisation accordingly. As with any technology-driven company, Ecolean must ensure it has the necessary competence and expertise to remain competitive.

This led to the following activities at Ecolean during 2023:

1. A re-organisation with the separation of our Technology & Research function from our global operations. This will strengthen our focus on ongoing and future development projects.

2. An adjustment of our people competence and cost-base that resulted in a redundancy process in our Swedish organisation, where less than ten percent of employees left the company in the spring. Our local offices around the world were also restructured following the decision to leave markets with low profitability and volumes. At the same time and to further strengthen our capabilities, investments were made in the identified core markets of China and South-East Asia.
3. We also deconsolidated our Russian entity and business – towards divesting the business entirely from the Ecolean Group.

At the end of 2023, Ecolean had 427 employees, 20 percent of all employees and 27 percent of our managers or directors were women. We are working to reach our target of a 50/50 gender balance by 2030, and we know that a more diverse workforce will bring many benefits to our company.

Ecolean works to ensure that all employees develop through their daily work and feel secure in their professional roles. We demand that personal differences are respected to avoid discrimination and harassment. At Ecolean, all employees have the same rights, obligations and opportunities regardless of their gender, gender identity or gender expression, age, sexual orientation, disability, ethnicity, religion or nationality. Any cases of discrimination should be reported to the Ecolean management or via our whistle-blowing function. In 2023, no cases of discrimination were reported.

Everyone who works with us – from our own employees to our value chain partners – contributes towards a more sustainable packaging industry.

An open and transparent value chain is key to building a fair, equal and inclusive business.



HOW WE WORK

Equal opportunities

Equality in the workplace addresses our ambition to break down the barriers that could block opportunities in our business for certain groups of people. We risk unintentionally excluding highly competent and talented people, so it is important that we identify and remove the barriers that prevent equal opportunities for all.

Our employment terms and conditions

The employment terms and conditions offered to our employees are easy to understand and comply with national law and/or collective agreements as well as relevant International Labour Organisation (ILO) Conventions. We respect our employees’ right to

bargain collectively. Our employees have the right to form or join unions and we respect the right of our employees and their unions to negotiate collective agreements. All our employees in Sweden are covered by collective bargaining agreements, which equates to 49 percent of our total global workforce covered. All employees receive a living wage, calculated in accordance with best practices as determined in collaboration with external experts.

Ecolean offers employees several benefits, with minor differences due to local regulations. At the end of 2023, 97 percent of all employees within Ecolean were offered life insurance, 99 percent healthcare, 95 percent disability and invalidity coverage, 99 percent parental leave and 96 percent retirement provision.

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Our social impact

Diverse workforce and equal opportunities

Employee training and education

Health and safety

Ethical business

Accurate and transparent information

Responsible supply chain



Cont. ▶

Performance review

We use a common company-wide performance review template, and all our employees have regular discussions with their manager on relevant individual objectives for the year that support Ecolean’s overall business, as well as personal development objectives. Furthermore, we want to ensure a simple and qualitative approach in the discussions as well as a continuous follow-up mechanism that goes beyond the standard annual review format. Each manager has the responsibility to have performance review discussions with their team members four times a year. We measure the follow-through rate of those discussions in an annual survey. Performance reviews are implemented in all our markets.

Peakon

We use the employee engagement tool ‘Peakon’ throughout our global organisation. The tool provides continuous, regular feedback and tracking of each department’s overall engagement as well as more detailed performance on several ‘drivers’ that indicate wellbeing and effectiveness. Another important aspect of feedback provided by Peakon is the open and anonymous comments that all employees are invited to submit, either related to questions asked in surveys or on more general topics.

With the ongoing strategic focus at Ecolean and changes that were required from our people throughout the year, we decided in the spring to change the question-base in Peakon. Having focused on generic questions related to Engagement in recent years, we switched to a focus on questions related to Transformation & Change. This is an existing set of questions in the Peakon tool. At the same time, we changed the survey frequency from once a week to once a month, as the set of questions to answers is smaller and easier to process. Despite updating Peakon, the global index remained fairly stable around 7 on the 10-point scale.

Employee development

As part of promoting employee development, Ecolean offers work rotation opportunities. We facilitate internal horizontal or vertical movement within our constantly evolving organisation and operations. Our ambition is to expand this exchange and development of competence, within the Ecolean Group. In the coming years, a rotation programme will be developed and implemented.

A two-week exchange programme involving two package production operators from Pakistan and one from China took place in 2023. The programme helped to exchange knowledge and share good practice between our plant teams in the different countries – to promote individual personal development and improve efficiency and quality in our operations.

Workers who are not employees

During the year, 35 consultants were involved in various activities in our operations. 29 of the consultants were part-time consultants supporting with specific matters and projects and six were full-time consultants in specific functions within the company. These activities are not a significant portion of our activities.

POLICIES

Key documents applied in Ecolean people and safety management include:

- Ecolean Code of Conduct
- Ecolean Whistleblowing Policy
- Ecolean Sustainability Policy
- Ecolean Health and Safety Policy
- Ecolean People Policy

Our social impact

Diverse workforce and equal opportunities

Employee training and education

Health and safety

Ethical business

Accurate and transparent information

Responsible supply chain

EMPLOYEE TRAINING AND EDUCATION

OPPORTUNITIES AND CHALLENGES

To be able to promote our packaging system, we all need to share common ground and have the same knowledge. By offering training, we can retain skilled employees and reduce knowledge gaps. Our training platform Ecolean Academy shall provide the necessary training opportunities to ensure the sustainable and profitable growth of our business as well as organisational and personal development.

PROGRESS

Our Sustainability Roadmap 2030 target highlights the importance of training and education. Most of the training is provided through our Ecolean Academy but also through external training sessions. At the end of 2023, we had 427 active users of the Ecolean Academy. During 2023, each of these 427 employees completed 17 hours of training on average via the Ecolean Academy, which was twice as much as the previous year. Employees also attended locally hosted and/or external trainings that are not registered in the Ecolean Academy platform. During the year, we began reporting local and external courses that employees completed in the Ecolean Academy in order to better track overall training activities at Ecolean.

The range of courses in the Ecolean Academy has increased during 2023, which in total offered 237 courses on various topics by the end of the year. Each course had been completed by 27 employees on average at year end.

We conducted a series of webinar/live presentations (for example Scout of the month, Market presentations, Sustainability presentations) to engage and increase general knowledge about ongoing activities within the company. All employees globally were invited to participate. This initiative will continue during 2024.

New courses launched during 2023 include topics such as cyber security, safety, sustainability, quality, sales, process-oriented work and work efficiency. The majority of courses were e-learnings and digital courses, but we also offered several training sessions in classroom settings.

In addition, the Ecolean technical service team provides external training for customer operators and technicians. During the year, several on-site trainings took place, held by Ecolean trainers as well as technicians. These external trainings covered 333 individual training days in total. This highlights the focus our technical service team has on working together with our customers to improve customer operator and technician knowledge of the Ecolean offering.

In addition to these global training sessions, several market offices provide various training sessions adapted to identified local needs and when new employees join the company. Most of these training sessions are now reported in our Academy system.

Many of the local courses focus on skill improvement, health and safety, fire safety and operational efficiency.



HOW WE WORK

Since 2019, the Ecolean Academy has offered a Group-wide portal and platform that provides our employees around the world with education and training, orientation courses and e-learning on a range of topics.

The Ecolean Academy includes several mandatory e-learning courses that reoccur every two or three years, for example on the Whistleblowing Policy and Ecolean Code of Conduct. Our employees who completed our e-learnings in the Code of Conduct two years ago and Whistleblowing Policy three years ago were asked to retake these courses.

At Ecolean, we want to ensure the long-term employability of our employees, which involves focusing on the uniqueness of our technology, product development and production processes. Following a needs analysis, we have invested in substantial employee training to ensure

that we have the right competence now and in the future. On-the-job training ensures that employees keep up to speed with developments in our technology, products and production. The Ecolean Academy supports this by promoting training for our employees.

Ecolean provides transition assistance programmes to support employees who are retiring or have had their employment terminated. The support offered can differ between our offices but includes for example pre-retirement planning for intended retirees, severance pay and the offering of job placement services in the event of termination.

POLICIES

The Ecolean Sustainability Policy and the Sustainability Roadmap 2030 guide how we work with training and education.

Our social impact

Diverse workforce and equal opportunities

Employee training and education

Health and safety

Ethical business

Accurate and transparent information

Responsible supply chain



HEALTH AND SAFETY

OPPORTUNITIES AND CHALLENGES

One of our most material sustainability aspects is health and safety. Ecolean has identified work-related hazards that pose a risk of high-consequence injury, based on risk assessments and analysis of reported incidents. The top hazards are moving machine parts, fire caused by flammable solvents, chemical exposure, traffic incidents, forklift incidents and working at height, which are all linked to our production sites.

Ecolean has set a zero injury and work-related illness target, that highlights the importance of this area. We work towards this target through continuous risk management, incident reporting, scheduled employee training, implementing critical safety procedures and by promoting a culture of zero injuries.

PROGRESS

Work-related injuries

We maintained a good reporting culture in our operations during 2023. The ratio between all incidents with a personal injury consequence (for example lost time injury, medical treatment case, restricted work case and first aid or less serious injury) and the number of

reported near misses was 1:10 (ten near misses reported per injury).

Our Total Recordable Injury Frequency (TRIF) was 10.6 injuries per million work hours, which is a small decrease compared with last year. The number of first aid injuries decreased by 57 percent. Our most frequent work-related injury categories are slips/trips/falls, hit by objects or moving machinery, and injuries caused by sharp objects.

Actions to eliminate high-consequence hazards during 2023 included:

- Establishing standards for sharp objects
- Job-hazard assessments
- Machine safety upgrades
- Training and safety drills

None of the top hazards identified (moving machine parts, fire caused by flammable solvents, chemical exposure, traffic incidents, forklift incidents and working at height) resulted in high-consequence injuries during 2023 (i.e. resulting in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months).

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HOW WE WORK

Occupational health and safety management system

Our production plant in Pakistan is certified to the ISO 45001 occupational health and safety system. This certification provides us with guidance as we implement the system at our other plants.

Meanwhile, we have global safety policies, procedures and standards in place that are mandatory for all our employees. Our work with health and safety includes management reviews, incident reporting and incident investigation, root cause analysis, risk analysis and detailed topic specific standards. The different elements in our safety management are inspired by the ISO systems we are certified to, such as ISO 22000, ISO 14001, ISO 9001 and ISO 45001. The line organisation is responsible for all safety related activities, supported by experts on Environment, Health and Safety.

Hazard identification, risk assessment and incident investigation

Work-related hazards are identified either proactively through risk analyses or in our global incident reporting system. Safety risk assessments are performed on all processes and formal health and safety committees conduct safety inspections/safety walks on a regular basis, attended by employees, management and external safety engineers in some cases. All our plants conduct regular safety inspections and safety observations.

The risk assessment methods used range from ‘What-if’ to Failure Mode and Effects Analysis. We use standardised procedures and forms, and the risk rating matrix is standardised globally. Training in risk assessment methods is provided to key stakeholders.

Our incident reporting process follows a global procedure that ensures notification to key stakeholders, case ownership and incident investigation with mandatory time requirements for root-cause analysis. All managers are trained in incident reporting procedures and requirements, and all employees are trained by their managers on how to report. Reports are consolidated at local and Group levels for statistical analysis and to identify future improvement actions and programmes.

Monthly safety reports are sent to senior management for further discussion within their organisations. Every Group Management Team meeting and Board meeting starts with a safety review of recent incidents and a statistical review. The key performance information, including all reporting data and investigations within the safety area, are also available to all employees through our intranet.

The reporting process is simple with the employee submitting a report in the Ecolan Ticket System. Incident notifications for all injury cases are automatically sent to both the direct manager and Group functions. Having dual receivers of the report ensures transparency and protects against reprisals.

Cont. ▶



Our social impact

Diverse workforce and equal opportunities

Employee training and education

Health and safety

Ethical business

Accurate and transparent information

Responsible supply chain

Cont. ▶

Occupational health services

The identification and elimination of hazards and the minimisation of risks are mainly addressed by formal health and safety committees or functional management teams. Health services can differ between geographic locations due to local arrangement but are mainly handled by external occupational health care service providers. Depending on different job descriptions, regular health checks are offered by occupational health services. The service providers have doctors, nurses, psychologists and work environment engineers to support our employees when needed. The service can also be included in employee health insurance.

In addition, Ecolan offers employees several benefits, with minor variation due to different local regulations. At the end of 2023, 97 percent of all full-time employees within Ecolan were offered life insurance, 99 percent occupational health care service, and 95 percent disability and invalidity coverage.

Employee engagement in occupational health and safety

Regardless of location, employee participation in health and safety is either organised through departmental meetings, safety walks, risk assessments or incident investigations. Employees are always informed by their direct managers about work-related incidents in their areas of work, and what actions are taken in response. Local trade union agreements in Sweden require a

unionised safety representative to be part of safety committees that meet at least four times each year.

Occupational health and safety training

Employee training is managed both locally at our sites and globally, to ensure we fulfil all legal requirements and can identify particular safety competence needs. The Ecolan Academy platform, which offers training in different areas based on local and global needs, is increasingly managing safety-related topics. Training methods range from e-learnings to offsite external classroom trainings.

In 2023, several health and safety training sessions were conducted. The topics covered ranged from emergency response drills, sharp objects safety to office safety. We also held our first ever global safety day to train and highlight the focus on safety in every unit in the company.

Promotion of employee health

Ecolan offers various programmes to promote employee health. Typically, these initiatives are described and accessed through our intranet sites. Our Chinese organisation offers annual health checks at hospitals to promote employee health and the Swedish organisation has the same offering every second year.

Other local examples include local sports clubs, programmes to quit smoking, how to prevent psychosocial illness and wellness allowances for employees to promote physical activity outside the workplace.



Mitigating customer occupational health and safety impacts

Ecolan works closely with its customers on site, and we have a technical service organisation that supports and trains machine operators on customer sites. Reported near misses and incidents from our engineers on site increased during the year due to an increased focus on site safety awareness.

During 2023, Ecolan's technical service organisation

performed 46 audits, including health and safety, at customer sites. The safety audits focused on both safe operations and a safe working environment around the filling line equipment at customer sites.

POLICIES

Our Health and Safety Policy applies globally and states that employees should not conduct work if it is unsafe. We also strive to take the same care of our contractors and people working within our facilities.

Our social impact

Diverse workforce and equal opportunities

Employee training and education

Health and safety

Ethical business

Accurate and transparent information

Responsible supply chain

ETHICAL BUSINESS

OPPORTUNITIES AND CHALLENGES

Ethical breaches in our operations and supply chain can potentially have severe detrimental impacts on individuals and society, as well as potential negative impacts on our business. The risk of ethical violations within Ecolean is very low, but we need a comprehensive risk assessment system as our global supply chain continues to grow. Ecolean is a company operating in many markets and entering a new market can pose risks. Ethical breaches of our Code of Conduct might relate to human rights, corruption or bribery, which are all detrimental to society and can damage a company's brand and reputation.

PROGRESS

Risk assessments, control processes and monitoring are fundamental to any compliance management system. Ecolean's risk assessment procedures are outlined in the Enterprise Risk Management (ERM) procedure. The procedures cover all parts of the company and are carried out regularly.

Ecolean performs a mandatory Ecolean Code of Conduct e-learning every second year. During 2023, 86 Ecolean employees participated in an Ecolean Code of Conduct e-learning and 20 employees received additional training on the Code of Conduct during the year. The e-learning covers business ethics, human rights, fair employment conditions and safe working conditions, environmental responsibility and high ethical standards. All suspected ethical breaches should be reported to the Ecolean

Group Management Team or through our whistleblowing system.

Our whistleblowing function is in place to report any suspected corruption and human rights violations. Five cases were reported via the whistleblowing function during 2023, although none of these cases were directly related to any of our sustainability objectives. The cases were related to operative matters and the local management solved the cases through discussions with the involved parties.

No ethical breaches relating to human rights violations or corruption were reported in 2023.

HOW WE WORK

All Ecolean employees responsible for personnel are obligated to introduce new employees to our Code of Conduct as well as regularly update current employees. Furthermore, we strive to ensure that our business partners also comply with our Code of Conduct and other policies. A specific Supplier Code of Conduct is shared with all suppliers. Employees can find information regarding bribery and corruption in our Code of Conduct on the Ecolean intranet.

Before entering a new market, we conduct a risk assessment that includes human rights and corruption related risks. We continuously identify and evaluate risks and the Ecolean Group Management Team is ultimately responsible for this work. This is also part of our suppliers and consultant due diligence, and is

particularly relevant for some of the high-risk markets we operate in.

All companies have a responsibility to respect human rights, which involves avoiding infringing on the human rights of others and to address these impacts where they occur. Ecolean respects human rights as set out in the UN Guiding Principles on Business and Human Rights and are committed to respect all internationally recognised human rights standards, for example the International Bill of Rights and the ILO's Declaration on the Fundamental Principles and Rights at Work.

Ecolean is a signatory to the United Nations (UN) Global Compact, committing itself to upholding the Compact's ten principles governing human rights, labour standards, environmental responsibility and anti-corruption.

POLICIES

Ecolean Code of Conduct

We apply our Code of Conduct throughout Ecolean. The code covers business ethics, human rights, fair employment conditions and safe working conditions, environmental responsibility and high ethical standards.

The Code of Conduct is supported by more detailed global company policies, which are statements of mandatory behaviour concerning areas such as whistleblowing, IT, HR, confidentiality and authorisation. All global policies are approved by the Ecolean Group

Management Team. All employees shall comply with our Code of Conduct, which sometimes exceeds the applicable laws, regulations and standards in the countries we operate in.

Whistleblowing Policy

Several of our sustainability objectives within our People focus area are related to how we interact with each other, both as colleagues and as business partners. As misconduct in these interactions can damage Ecolean's reputation, it is important that any misconduct is reported, either to Ecolean management or through our reporting systems. Being an organisation with streamlined decision-making processes, we can quickly address potential problems. The reporting of deviations is also part of our management systems, and we have a Whistleblowing Policy and an external online whistleblowing function. Our whistleblowing function provides a mechanism for reporting, investigating and remedying any wrongdoing in the workplace. We strive to maintain a transparent business climate and high business ethics. The openness between colleagues and management often helps to address issues and find solutions before any serious harm is done.

Ecolean Supplier Code of Conduct

An important part of our supplier dialogue is related to our Supplier Code of Conduct. The Supplier Code of Conduct covers all the expectations Ecolean has on its suppliers, including anti-corruption, environmental awareness, human rights, and health and safety.

Our social impact

Diverse workforce and equal opportunities

Employee training and education

Health and safety

Ethical business

Accurate and transparent information

Responsible supply chain

ACCURATE AND TRANSPARENT INFORMATION

OPPORTUNITIES AND CHALLENGES

We believe in a life-cycle approach where all life-cycle stages must be evaluated and accounted for when analysing the overall environmental impact of products. In a world where environmental claims and messages are increasingly important, transparent communication based on facts is essential. This is why we are committed to always base our environmental communication on life-cycle assessments. We only make claims that we can back up with solid proof – which helps to strengthen our brand and avoids ‘greenwashing’.

By working with a life-cycle approach on all our products, Ecolean contributes to resource efficiency and reduced environmental impact. Ecolean’s product life-cycle approach measures the full impact of our products from raw material to end of life.

The EPDs are part of our work to shift the focus to the entire life-cycle of a product. While some packaging suppliers only focus on the materials used in a package life-cycle, Ecolean offers transparent environmental data for both its packaging and filling machines.

We believe that this transparent and holistic philosophy is the way forward for the entire industry. We can drive the entire industry forward in a more transparent and sustainable direction by taking the lead on adopting EPDs.

PROGRESS

In 2023, Ecolean published new EPDs for its packaging production sites in Pakistan and China and updated our two EPDs for packaging production in Sweden. To be truly transparent means not working with estimations and average numbers for our packaging production. In the summer 2023, we published EPDs for each separate packaging plant to show the impact of our different production sites. We also provide downstream data for our core markets.

During the year, we initiated a collaboration to promote more sustainable practices in the liquid food industry in China. The ‘International Action Initiative for Life Cycle Thinking’ was jointly launched together with the China Association for Standardisation, the All-China Environment Federation and the IVL Swedish Environmental Research Institute. The initiative aims to integrate life-cycle thinking around ‘low-carbon, environmental protection, and sustainability’, and builds on international cooperation. The collaboration highlights the advantages of third-party verified EPDs and how they can drive sustainability.

Any complaints regarding the quality of our communications are reported to the communication department and are managed by the Chief Marketing Officer. The reasons for the complaint are investigated and corrected if necessary. No complaints or incidents of non-compliance concerning marketing communications were reported during the year.

In 2023, Ecolean was honoured with a prestigious Member Achievement Award from the European Chamber in China. This recognition acknowledged Ecolean’s outstanding work to spearhead the transition towards a greener, decarbonised future, both by using renewable electricity and by providing third-party verified EPDs for the entire packaging system in the Chinese market.

Access to comparable data enables sustainable decisions.

We believe that full transparency from cradle to grave contributes to innovation, sustainability and trust.

HOW WE WORK

We believe that our customers should have access to accurate and transparent information regarding our systems to base their decisions upon. We follow all relevant laws and regulations regarding marketing and use the International Chamber of Commerce (ICC) Framework for Responsible Environmental Marketing Communications as guidance in our environmental communications. We use standardised programmes to give customers environmental data from a full life-cycle perspective and allow them to request the same type of documents from other suppliers. Our EPDs follow the ISO 14025 standard, which is widely accepted as the most transparent way to communicate the environmental impact of products. The documents are based on full life-cycle assessments and are third-party verified.

They are also publicly available at the International EPD® System (www.environdec.com) and on our website.

Annual assessments by independent sustainability ratings provider EcoVadis assess our performance within this field. EcoVadis also helps us to identify potential improvements as well as benchmarking our performance against other companies. During 2023, Ecolean was rated in the top 1 percent of 130,000 assessed companies, which awarded us the EcoVadis Platinum medal.



POLICIES

The Ecolean Communication Policy guides how we work with communication and transparent information.

Our social impact

Diverse workforce and equal opportunities

Employee training and education

Health and safety

Ethical business

Accurate and transparent information

Responsible supply chain



RESPONSIBLE SUPPLY CHAIN

OPPORTUNITIES AND CHALLENGES

Managing supply chain risk and resilience is a continuous and essential process for transparency and understanding throughout the supply chain. This became even more important for companies with global operations during the pandemic. In 2023, disruption and uncertainty continued to shape global supply chains in terms of how the macroeconomic and geo-political situation continues to evolve.

Maintaining close and regular engagement with suppliers helps to minimise vulnerability but also creates new opportunities to evolve and further improve the supply chain.

PROGRESS

During 2023, the global implementation was ongoing and the work to include more suppliers in the Supplier Relations Management (SRM) system. This involved adding more suppliers to the system and the work to collect supplier information is ongoing. No significant changes to our supply chain occurred during the reporting period.

HOW WE WORK

Assessing new suppliers before signing supplier contracts, both through self-assessments and on-site audits, is part of our procurement process as part of our SRM system.

Ecolean works with suppliers to produce packaging material and filling line equipment. Our main raw material suppliers are large, international companies in the chemicals sector, located in Europe, that provide us with the necessary intermediates we need to produce our packaging material. We have several additional suppliers delivering indirect materials and services.

In filling line equipment production, Ecolean mainly works with European and global suppliers that provide parts and components for machine assembly. Some of the equipment assembly is done by European suppliers. Our production plants use both local and European suppliers for non-raw material products and services.

Ecolean focuses on the following defined supplier categories, which we refer to as our ‘selected suppliers’ in this report:

- Strategic suppliers
- Contract suppliers
- Capex suppliers

These selected suppliers are included in our SRM system and are the suppliers we monitor regularly. 339 suppliers were active in the SRM system at the end of 2023. Suppliers were re-categorised in 2023, which resulted in a lower number of categorised selected suppliers than the previous year.

An additional detailed supplier self-assessment is conducted if applicable, along with an on-site audit if necessary. All our new suppliers that were asked to perform the supplier self-assessment complied with the request and were screened using criteria that included environmental and social topics. All our commodity suppliers have been assessed on sustainability criteria along with most of our other strategic suppliers. As more suppliers have been included into the SRM system, we still have work to do to encourage them to use our self-assessment process. As of the end of 2023, 48 percent of our suppliers included in the SRM platform had taken part in environmental and social screening. Of the selected suppliers that have done the self-assessment, 22 percent are certified according to the ISO 14001 environmental management system.

POLICIES

Supplier Code of Conduct

An important part of our supplier dialogue is related to our Supplier Code of Conduct. The Supplier Code of Conduct covers all the expectations Ecolean has on its suppliers, including anti-corruption, environmental responsibility, human rights, and health and safety. Abiding by our Supplier Code of Conduct is mandatory for our suppliers to be able to sign a supplier agreement with Ecolean. In 2023, we continued to raise awareness and deepen the understanding of our Supplier Code of Conduct through dialogue with suppliers. This dialogue includes signing the Supplier Code of Conduct and by the end of the year, 92 percent of our selected suppliers in the SRM system had signed the code. Ecolean has set a target that by 2025 that 100 percent of its selected suppliers will have signed the Supplier Code of Conduct.

Governance

External initiatives

GOVERNANCE

We have comprehensive governance structures to ensure the effective management of our sustainability efforts and work proactively with our stakeholders to ensure we focus on the topics that are most material to our business.

The Ecolean AB Board of Directors is responsible for the governance of the overall Ecolean Group. There are four sub committees to the Board of Directors – the Audit Committee, the Remuneration Committee, the Sales and Marketing Committee and the Technology and Innovation Committee. The Board of Directors has the ultimate authority in strategic decision making within the Ecolean Group and is responsible for the Sustainability Report. The outcomes from our sustainability work are presented twice a year at Board meetings.

The Ecolean Group Management Team is responsible for the operational governance of the company, including decision making on economic, environmental and social topics. The team is responsible for developing, approving and updating the organisation's purpose, value or mission statements, strategies, policies and goals related to sustainable development. The Ecolean Group Management Team consists of the CEO and the Chief Officers for Sustainability, Marketing, Human Resources, Finance, Operations, Technology and Research, Services and Regional directors.

SUSTAINABILITY GOVERNANCE AT ECOLEAN

Ecolean has 12 defined sustainability objectives covering the material topics identified by its materiality assessment. We have defined our long-term targets and related projects in the Ecolean Sustainability Roadmap 2030, which uses the data from our previous Sustainability

Reports as baselines. The roadmap has been defined by the Ecolean Group Management Team together with additional working groups and decided upon by the Ecolean Board. The roadmap further strengthens our comprehensive Sustainability Programme and covers all our material topics.

The effectiveness of our sustainability management is annually reviewed by the Ecolean Group Management Team, including the materiality analysis. Any compliance deviations related to laws and legal obligations are communicated to the Ecolean Group Management Team and reported in our annual Sustainability Report.

Critical concerns reported in the Ecolean Ticket deviation system are reported to the Ecolean Group Management Team and discussed at monthly meetings.

Our sustainability objectives have been linked to appropriate GRI Standard topics and disclosures have been chosen to ensure the completeness of the report. Our objectives are arranged in two focus areas: People, which includes our objectives related to social topics, and Planet, which relates to environmental topics.

The responsibility to achieve the objectives follows our organisational structure where each function has identified relevant actions to address their impact.

The objectives related to People and Planet have a wide responsibility and are managed by all relevant positions

within the organisation. The organisation uses the necessary resources to run projects and implement activities.

STAKEHOLDER ENGAGEMENT

Interest in plastics and plastic packaging particularly from media and society in general remains high. In fact, the importance of plastic packaging recycling is increasing in all our markets as a solution to plastic littering. Since the pandemic, the importance of packaging and food safety has increased, and several retailers report that consumers are increasingly choosing packaged food instead of unpackaged. Ecolean closely follows the increasing regulations in several markets regarding circular economy, single use products, recycling rates, recyclability and recycled content.

The increased attention on plastic packaging, littering and recycling were identified in our materiality assessment and sustainability objectives are in place to focus on these topics. All our offices continue to report on the recyclability of packaging as the most material sustainability issue in our markets.

We use various sources to identify the relevant topics for Ecolean and our stakeholders:

- Media
- Input from industry organisations
- New laws and regulations relating to our industry and raw materials
- Environmental organisations
- The SDGs
- The UN Global Compact principles
- Direct communication with stakeholders during the reporting period

These sources provide us with a list of relevant topics that reflect Ecolean's greatest sustainability impacts and the interests of our stakeholders. Our stakeholders are those directly or indirectly impacted by our business, including our owner, employees, customers, consumers, suppliers, auditors, governments, local authorities and neighbours of our operations. Input for the analysis was provided by customers, employees, industry organisations, media and regulators. Input was collected through surveys, conferences and industry meetings.

Sustainability is a common discussion topic at our regular meetings with various stakeholders, such as our Board, owners, customers and suppliers, which provides valuable input for our continuous materiality analysis and reporting.

MATERIALITY

The proposal for the revision of the PPWD published by the European Commission in November 2022 establishes that all packaging on the European market shall be recyclable, which means being designed for recycling from 1 January 2030, and be recycled at scale from 1 January 2035. The recyclability assessment would be done based on 'Design for recycling' criteria to be set out by the Commission in secondary legislation. During the year, the proposal was processed by the European parliament together with the Council. Ecolean will closely monitor the outcome of this process. The importance of recyclability on all markets is growing and the challenge remains to determine how the packages should be designed to be truly recyclable and still fulfil all packaging requirements for food safety. During the year, we had several discussions with global brand owners regarding our packaging system. Both a from legal and a brand owner perspective, the importance of recyclability has further increased in its materiality.

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In recent years, we have also seen increasing evidence of climate change and that we all need to work together to build a low-carbon society. Ecolean's new strategy focuses on reducing climate impact and the company has had a science-based climate target approved by the Science Based Targets initiative (SBTi) since 2020.

We have incorporated the key topics and concerns raised by our stakeholders in our materiality assessment. The material topics and concerns raised have been adopted into our approach and constitute the foundation for our sustainability objectives and how we work. The materiality matrix has been approved by the Ecolean Group Management Team. Our Sustainability programme consist of a set of focus areas and defined targets to address our material environmental, social and economic risks and opportunities. Our programme helps us to guide our organisation and is reinforced with a set of Sustainability Roadmap 2030 targets.

One of the targets in the Sustainability Roadmap 2030 was reviewed during the year. The previous target of replacing 100 percent of the fossil-based polymers with renewable and/or recycled polymers by 2030 has been adjusted. After analysing and reviewing the availability and cost of renewable and recycled polymers, a new target was defined. The new target is 'We will have 10 percent renewable or recycled polymers in our packages by 2030'. This target will also need to be aligned with the requirements set up in the coming EU legislation, PPWR.

SUSTAINABILITY REPORTING

The annual Ecolean Sustainability Report describes our approach to sustainability and the progress we made between 1 January and 31 December 2023 (the same

period as our Annual Report). The report covers how we work with sustainability in our business and our production, as well as the consumption and end-of-life stages for our packaging solutions.

The Ecolean Sustainability Report covers all activities within the Ecolean Group during 2023. This includes Ecolean AB and the subsidiaries Ecolean (Tianjin) Co. Ltd., Ecolean Pakistan (Pvt) Ltd., Ecolean SE Asia SDN. BHD, Ecolean Vietnam LLC and Ecolean Kazakhstan LLP. The subsidiaries Ecolean Japan Co.Ltd, and Ecolean Inc. do not have any personnel and are excluded from the sustainability reporting, except from financial data. UMZ Ecolean Ltd is deconsolidated from the Group and is excluded from our sustainability reporting as it is to be divested.

The report is prepared with reference to the GRI Standards. No restatements are made for the reporting period. In 2023, no deviations related to laws and legal obligations resulting in significant fines were reported.

In 2023, we conducted a review of our previous GHG calculations and updated the calculation tool with updated emission factors, which are still based on the GHG protocol and verified by a third party. Following the review, GHG emission data from 2023 was calculated with new emission factors, which reduces opportunities to make comparisons with previous years. From 2023, we have also included fugitive emissions (cooling media) in the scope 1 inventory, which increased our reported emissions.

Our external assurance provider PwC has performed a limited assurance on Ecolean's Sustainability Report for 2023.



- IDENTIFIED MATERIAL TOPICS (PRIORITY)**
- 1. Occupational Health and Safety
 - 1. Customer Health and Safety
 - 2. Anti-corruption
 - 3. Marketing and Labelling
 - 3. Diversity and Equal Opportunity
 - 3. Non-discrimination
 - 4. Human Rights Assessment
 - 5. Training and Education
 - 6. Effluents and Waste
 - 7. Recyclable packaging
 - 8. Emissions
 - 9. Materials
 - 10. Energy

- OTHER IMPORTANT TOPICS (NOT PRIORITY)**
- A. Operational water in filling machines
 - B. Market presence
 - C. Energy use in filling machines
 - D. Human rights in supply chain
 - D. Environmental impact in supply chain
 - E. Employee turnover

ECOLEAN SUSTAINABILITY PROGRAMME

PEOPLE

Ecolean Sustainability Objectives	Action	GRI standard disclosure	Boundary/Specific interest to stakeholders	Management approach/Covered by
<i>We have zero tolerance for corruption.</i>	Ecolean has zero tolerance concerning all forms of corruption and will work to maintain continuous non-existence within the Ecolean Group.	205, Anti-corruption	Ecolean	Ecolean Code of Conduct
			Customers	Sustainability Policy
			Suppliers	Ecolean Supplier Code of Conduct
<i>We have zero tolerance for breaches of human rights.</i>	We respect human rights as defined in the UN Global Compact, and we desire to take that responsibility towards our employees and the societies within which we work.		Ecolean	Ecolean Code of Conduct
			Society	Sustainability Policy
				Ecolean Supplier Code of Conduct
<i>By 2030, we will have a 50/50 gender balance. 5 percent of our employees will be part of work rotation programmes by 2030.</i>	We offer all individuals equal opportunities regardless of gender, nationality, religion, age, ethnic background or other distinctive characteristics.	405, Diversity and Equal Opportunity	Ecolean	Ecolean Code of Conduct
				Sustainability Policy
	We will work actively for a company culture and a working community free from discrimination and harassment.	406, Non-discrimination	Ecolean	Ecolean People Policy
<i>We have zero injuries and work-related illnesses by 2030.</i>	Appropriate health and safety information and training are provided to employees.	403, Occupational Health and Safety	Ecolean	Ecolean Code of Conduct
				Ecolean Health and Safety Policy
<i>By 2030, our employees will spend an average of one week annually on training.</i>	We will strive to develop and retain qualified and motivated employees in a professional environment.	404, Training and Education	Ecolean	Ecolean Code of Conduct
				Sustainability Policy
				Ecolean People Policy
<i>We constantly improve the quality of our packaging solutions to maintain zero liability claims.</i>	The products produced and marketed by Ecolean comply with all laws and rules relating to product safety, throughout the value chain.	416, Customer Health and Safety	Ecolean	Ecolean Code of Conduct
			Customers	Ecolean Food Safety and Quality Policy
			Consumers	
			Suppliers	
<i>We comply with relevant marketing regulations and good practice, by maintaining zero incidents of non-compliance.</i>	Information regarding our systems will always be fact-based and transparent, by following relevant standards and guidelines.	417, Marketing and Labeling	Customers	Ecolean Code of Conduct
				Ecolean Communication Policy

PLANET

Ecolean Sustainability Objectives	Action	GRI standard disclosure	Boundary/Specific interest to stakeholders	Management approach/Covered by
<i>By 2030, we will reduce our scope 1 and scope 2 GHG absolute emissions by 50 percent, and measure and reduce our scope 3 emissions, with 2018 as the base year. 100 percent of our products will be transported by sea or land by 2030.</i>	Reducing GHG emissions by reducing use, shift to renewable energy sources, optimising production, transports, etc.	305, Emissions	Ecolean	Ecolean Code of Conduct
			Customers	Sustainability Policy
			Suppliers	
			Logistics	
<i>We continue to purchase 100 percent renewable electricity for our production sites.</i>	We will use renewable electricity, by using the RE100 definitions.	302, Energy	Ecolean	Ecolean Code of Conduct
				Sustainability Policy
<i>We will have 10 percent renewable or recycled polymers in our packages by 2030.</i>	By monitoring raw material usage and research progress, we will reduce the impact from materials used in a life-cycle perspective.	301, Materials	Ecolean	Ecolean Code of Conduct
			Suppliers	Sustainability Policy
<i>We will continuously decrease the amount of generated waste from our packaging solutions. We will continue to send zero waste to landfill.</i>	Use the waste hierarchy (EU Directive 2008/98/EC) as a guideline for our waste handling and work with waste contractors to find better treatment options than landfill for all our production sites.	306, Waste	Ecolean	Ecolean Code of Conduct
				Sustainability Policy
<i>By 2030, all of our packages will comply with 'Designed for recycling guidelines'. We will work in partnerships to establish recycling infrastructure for our packaging solutions in all our markets by 2030.</i>	Work in upstream innovation projects to develop materials to comply with recycling guidelines. Support different initiatives for recycling of flexible plastic packaging and offer circular solutions for our filling line equipment.	306, Waste	Ecolean	Ecolean Code of Conduct
			Customers	Sustainability Policy
			Consumers/ Society	
			Industry/ Partners	

IMPACT ON UN SUSTAINABLE DEVELOPMENT GOALS

UN SDG	Relevance	Ecolean contribution and impact
	High	<ul style="list-style-type: none"> + Ecolean packages bring safe food products to people all over the world – regardless of local distribution channels and climatic conditions. + Ecolean packages allow food products to be transported long distances, handle harsh environments and withstand long-term storage at ambient temperatures without access to refrigeration.
	Medium	<ul style="list-style-type: none"> - Ecolean's operations involve health and safety risks. + Through our work with health and safety, we work to minimise and manage risks and educate employees. + Through our work with audits on customer sites, we promote health and safety, and the safe operation of filling machines. + Through the design of our filling line equipment, we reduce exposure to chemicals and risks during the filling operation for customer personnel.
	Medium	<ul style="list-style-type: none"> + Ecolean promotes a diverse workforce and works towards a gender balance in our workforce. + Through our Code of Conduct we promote an inclusive culture and tolerate no discrimination.
	Low	<ul style="list-style-type: none"> + Ecolean filling machines do not require water during filling, only during cleaning.
	High	<ul style="list-style-type: none"> - The manufacturing of packaging material requires energy and Ecolean works to promote energy efficiency and the use of renewable energy in our most energy consuming processes. + We work to increase the proportion of renewable energy at our production sites. + We work to reduce energy use, both at our production sites and in our filling line equipment.
	High	<ul style="list-style-type: none"> + Ecolean works to safeguard employee labour and human rights, both in our own operations and in our supply chain through the Ecolean Code of Conduct. + We contribute to economic growth by paying taxes and fees in the countries in which we operate.
	Medium	<ul style="list-style-type: none"> + Ecolean works continuously to reduce the environmental impact of our system and adopts sustainable practices throughout the value chain. + Ecolean provides jobs and helps build infrastructure in the countries in which we operate. + Ecolean promotes product innovation.
	High	<ul style="list-style-type: none"> - The use of packaging can create waste that needs to be addressed by proper waste management systems and recycling infrastructure. - Ecolean's production involves emissions to air. Emissions are regulated by environmental permits in the countries where we operate and we constantly work to reduce our emissions. + Ecolean promotes recycling opportunities for flexible plastic packaging.

UN SDG	Relevance	Ecolean contribution and impact
	High	<ul style="list-style-type: none"> - With the use of packages, waste is created. Proper waste management systems and the availability of recycling infrastructure is a prerequisite in all markets. - Ecolean's production today uses finite resources. We work to increase the use of renewable materials in our production. + Ecolean's packaging solutions prevent food waste. Our packages are flexible and easy to empty. + Ecolean packaging prevents food waste by prolonging the shelf life of the products inside. + We work with sustainability as part of our business concept by promoting product innovation and driving a life-cycle perspective. + Ecolean is part of creating increased recycling opportunities for flexible plastic packaging.
	High	<ul style="list-style-type: none"> - Any manufacturing process or produced products generate carbon emissions. + Ecolean's lightweight approach and efficient production process results in packages with a low carbon footprint. + Ecolean provides full environmental data for the entire packaging system, to help customers make fact-based decisions. + Ecolean works to increase the use of renewable energy at our production sites. + Ecolean works to reduce energy use, both at our production sites and when optimising our filling line equipment.
	Medium	<ul style="list-style-type: none"> - With the use of packages, waste is created. Proper waste management systems and the availability of recycling infrastructure is a prerequisite in all markets. - The risk of plastic littering is high in some of the markets, where Ecolean operates. + Ecolean takes action to increase recycling opportunities for flexible plastic packaging.
	Low	<ul style="list-style-type: none"> - As the demand for renewable materials increases, the risk of these materials being produced in a non-sustainable way increases. + As part of our sustainability work, we always evaluate new raw materials with a life-cycle perspective.
	Low	<ul style="list-style-type: none"> + Ecolean's Code of Conduct and supplier Code of Conduct set the rules regarding sustainability aspects such as corruption and human rights.
	Medium	<ul style="list-style-type: none"> + Ecolean works to increase the value of flexible packaging and promote a circular economy. By promoting recycling infrastructure, Ecolean helps to reduce littering and the mismanagement of plastic waste. + Ecolean engages with relevant partners to address any challenges and collaborate with stakeholders to constantly improve performance.

Excluded SDGs, due to negligible impact: SDG 1 – No poverty, SDG 4 – Quality education, and SDG 10 – Reduced inequalities.

2-7 SCALE OF THE ORGANISATION

Data compiled and reported by all offices, by the end of the year, 31 December 2023. The data corresponds to head count data in human resource management systems.

TOTAL NUMBER OF EMPLOYEES							
Region	Gender	2018	2019	2020	2021	2022	2023
<i>Europe</i>	Female	31	43	45	46	53	42
	Male	168	186	184	184	184	167
	Total	199	229	229	230	237	209
<i>Americas</i>	Female	0	1	1	0	0	0
	Male	1	4	3	3	3	3
	Total	1	5	4	3	3	3
<i>East Europe and Central Asia</i>	Female	12	13	12	12	10	3
	Male	17	17	16	18	19	2
	Total	29	30	28	30	29	5
<i>Asia and Oceania</i>	Female	35	33	33	40	43	41
	Male	137	172	190	199	195	169
	Total	172	205	223	239	238	210

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT, BY REGION							
Region	Employment contract	2018	2019	2020	2021	2022	2023
<i>Europe</i>	Permanent	184	228	226	223	231	206
	Temporary	15	1	3	7	6	3
	Total	199	229	229	230	237	209
<i>Americas</i>	Permanent	1	5	4	3	3	3
	Temporary	0	0	0	0	0	0
	Total	1	5	4	3	3	3
<i>East Europe and Central Asia</i>	Permanent	29	30	28	29	28	5
	Temporary	0	0	0	1	1	0
	Total	29	30	28	30	29	5
<i>Asia and Oceania</i>	Permanent	172	199	214	233	233	208
	Temporary	0	6	9	6	5	2
	Total	172	205	223	239	238	210

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT, BY GENDER							
Employment contract	Gender	2018	2019	2020	2021	2022	2023
<i>Permanent</i>	Female	73	90	91	94	102	83
	Male	313	372	381	394	393	339
<i>Temporary</i>	Female	5	0	1	4	4	2
	Male	10	7	11	10	8	3

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT TYPE, BY GENDER							
Employment type	Gender	2018	2019	2020	2021	2022	2023
<i>Full time</i>	Female	69	86	86	94	103	84
	Male	315	374	387	400	397	340
<i>Part time</i>	Female	9	4	6	4	3	1
	Male	8	5	5	4	4	2

301-1 MATERIALS USED BY WEIGHT OR VOLUME

In 2023, Ecolean used 22,933 tonnes of materials in total, mainly for the production and printing of packages, but also for filling machines and secondary packaging materials used to pack packages and filling line equipment when shipping to customers.

USED RAW MATERIALS (TONNES)						
	2018	2019	2020	2021	2022	2023
<i>Packaging material production*</i>	27,340	26,060	23,131	23,910	23,683	21,537
<i>Secondary (transport) packaging</i>	1,847	1,820	1,771	1,736	1,558	1,396
<i>Filling machine production</i>	139	100	142	81	25	0

* including inks from 2020

TOTAL AMOUNT OF RAW MATERIALS (TONNES)						
	2018	2019	2020	2021	2022	2023
<i>Renewable</i>	1,776	1,720	1,664	1,660	1,467	1,320
<i>Non-renewable</i>	27,550	26,260	23,381	24,067	23,799	21,613

302-1 ENERGY CONSUMPTION WITHIN THE ORGANISATION

Our reporting covers the energy use of our filling line equipment production in Helsingborg, Sweden, and our three packaging production plants in Sweden, Pakistan (from 2019) and China.

All energy data is obtained from suppliers. The consumption of steam and cooling are excluded since they are not used or bought from suppliers. Ecolean does not produce or sell energy.

ENERGY CONSUMPTION (GJ)						
	2018	2019	2020	2021	2022	2023
<i>Electricity</i>	108,965	103,854	105,566	101,085	104,141	93,626
<i>Natural gas</i>	1,105	0	0	0	0	0
<i>District heating</i>	1,858	2,721	3,067	4,102	4,519	3,609
<i>Biogas</i>	473	1,525	1,109	1,172	1,168	1,530
<i>Diesel for electricity generation</i>		1,645	141	163	120	80
Total	112,401	109,745	109,883	106,522	109,948	98,845

RENEWABLE ENERGY (GJ)						
	2018	2019	2020	2021	2022	2023
<i>Renewable energy</i>	91,681	86,968	106,675	102,257	105,309	95,156
<i>Non-renewable energy</i>	20,720	22,777	3,209	4,265	4,639	3,689
Share	82%	79%	97%	96%	96%	96%

305-1 DIRECT (SCOPE 1) GHG EMISSIONS, 305-2 ENERGY INDIRECT (SCOPE 2) GHG EMISSIONS, 305-3 OTHER INDIRECT (SCOPE 3) GHG EMISSIONS

In 2023, we conducted a review of our previous GHG calculations and updated the calculation tool with updated emission factors, which is still based on the GHG protocol and verified by a third party. Following the review, GHG emission data from 2023 was calculated with new emission factors, which reduces the ability to make comparisons with previous years. In 2023, we added fugitive emissions, which also reduced comparability with previous years. 2018 is our base year.

Scope 1: Emissions from sources that are owned or controlled by the organisation.

Scope 2: Emissions from the consumption of purchased electricity, steam, or other sources of energy generated upstream from the organisation.

Scope 3: Emissions that are a consequence of the operations of Ecolean but are not directly owned or controlled by the organisation.

Biogenic carbon dioxide emissions are defined as emissions from a stationary source directly resulting from the combustion or decomposition of biologically based materials other than fossil fuels.

EMISSIONS (TONNE CO ₂ -EQ/ GHG SCOPE AND YEAR)						
	2018	2019	2020	2021	2022	2023
<i>Scope 1</i>	122	165	63	74	45	379
<i>Scope 2</i>	3,343	3,448	169	226	249	180
<i>Scope 3</i>	63,745	66,062	48,851	54,711	47,137	44,875
Total	67,210	69,675	49,083	55,011	47,430	45,434

BIOGENIC CARBON (TONNE CO ₂ -EQ)						
	2018	2019	2020	2021	2022	2023
<i>Biogenic carbon</i>	53	148	111	118	114	85

305-4 GHG EMISSIONS INTENSITY

To be able to monitor our progress in reducing our climate impact, we monitor GHG intensity, which is the total GHG emissions from scope 1, 2 and 3 divided by the total weight of sold packages during the year.

GHG INTENSITY (KG CO ₂ -EQ/KG SOLD PACKAGES)						
	2018	2019	2020	2021	2022	2023
<i>Scope 1-2</i>	0.17	0.18	0.01	0.02	0.02	0.04
<i>Scope 3</i>	3.16	3.33	2.68	3.02	2.72	2.98
<i>Scope 1-3</i>	3.33	3.51	2.69	3.04	2.73	3.01

306-3 WASTE GENERATED

Our reporting covers the waste generated in our filling line equipment production in Helsingborg, Sweden, and our three packaging production plants in Sweden, Pakistan (from 2019) and China.

WASTE (TONNES)						
	2018	2019	2020	2021	2022	2023
<i>Hazardous waste</i>	88	81	125	171	192	186
<i>Energy recovery</i>	67	68	67	122	110	121
<i>Landfill</i>	0	0	0	0	0	0
<i>Organic treatment</i>	5	1	6	2	1	0
<i>Recycling</i>	5,187	6,172	5,751	4,832	5,540	4,655
Total	5,347	6,322	5,949	5,127	5,843	4,962

403-9 WORK-RELATED INJURIES

A new reporting system and monitoring of work-related injuries was implemented during 2020, which means there is an absence of data for previous years. No fatalities or high-consequence work-related injuries occurred in 2023.

WORK-RELATED INJURIES				
	2020	2021	2022	2023
<i>Number of Recordable injuries</i>	11	5	10	8
<i>Number of Lost Time Injuries (LTI)</i>	7	1	2	4
<i>Number of days lost due to LTI</i>	101	1	8	14
<i>Number of hours worked</i>	800,800	883,520	894,080	751,520

CALCULATED FREQUENCIES				
	2020	2021	2022	2023
<i>Total Recordable Injury Frequency (TRIF) per million work hours</i>	13.7	5.7	11.2	10.6
<i>Lost Time Injury Frequency (LTIF) per million work hours</i>	8.7	1.1	2.2	5.3
<i>Lost Time Injury Severity Rate (LTISR)</i>	0.12610	0.00113	0.00895	0.01863

The above numbers include all employee and contractor injuries, but only employee working hours. Rates have been calculated per million hours worked.

405-1 DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES

AGE DIVERSITY BY EMPLOYMENT CATEGORY							
Employment category	Age	2018	2019	2020	2021	2022	2023
<i>Production</i>	<30	37%	38%	35%	31%	26%	24%
	30–50	54%	53%	54%	55%	61%	64%
	>50	9%	9%	11%	14%	13%	12%
<i>Commercial/ Technical/ General</i>	<30	20%	14%	11%	9%	10%	7%
	30–50	58%	65%	64%	65%	65%	62%
	>50	22%	21%	25%	26%	25%	31%
<i>Management</i>	<30	0%	2%	0%	0%	0%	0%
	30–50	76%	73%	66%	63%	63%	64%
	>50	24%	25%	34%	37%	37%	36%
<i>Total</i>	<30	22%	20%	17%	16%	14%	13%
	30–50	60%	62%	61%	61%	63%	63%
	>50	18%	18%	22%	23%	23%	24%

GENDER DIVERSITY BY EMPLOYMENT CATEGORY							
Employment category	Gender	2018	2019	2020	2021	2022	2023
<i>Production</i>	Female	7%	6%	6%	10%	8%	9%
	Male	93%	94%	94%	90%	92%	91%
<i>Commercial/ Technical/ General</i>	Female	27%	25%	25%	25%	27%	28%
	Male	73%	75%	75%	75%	73%	72%
<i>Management</i>	Female	26%	25%	27%	25%	30%	27%
	Male	74%	75%	73%	75%	70%	73%
<i>Total</i>	Female	19%	19%	19%	20%	21%	20%
	Male	81%	81%	81%	80%	79%	80%



United Nations Global Compact Index

United Nations Global Compact index	Page
PRINCIPLE 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	9, 31, 37
PRINCIPLE 2: make sure that they are not complicit in human rights abuses.	10, 31, 33, 37
PRINCIPLE 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	25
PRINCIPLE 4: the elimination of all forms of forced and compulsory labour;	10, 31, 33
PRINCIPLE 5: the effective abolition of child labour; and	10, 31, 33
PRINCIPLE 6: the elimination of discrimination in respect of employment and occupation.	24, 25, 26
PRINCIPLE 7: Businesses should support a precautionary approach to environmental challenges;	16-22, 32, 37
PRINCIPLE 8: undertake initiatives to promote greater environmental responsibility; and	16-22, 32
PRINCIPLE 9: encourage the development and diffusion of environmentally friendly technologies.	19, 21, 22, 32
PRINCIPLE 10: Businesses should work against corruption in all its forms, including extortion and bribery.	31, 33, 37

GRI Content Index

Statement of use	Ecolean has reported the information cited in this GRI content index for the period 230101-231231 with reference to the GRI Standards				
GRI 1 used	GRI 1: Foundation 2021				
GRI Standard Title	Disclosure Number	Disclosure Title Individual disclosure items ('a', 'b', 'c', etc.) are not listed here	Page Number	Omissions	Explanation/ Information
GRI 2: General Disclosures 2021	2-1	Organizational details	2, 12, 35		
	2-2	Entities included in the organization's sustainability reporting	36		
	2-3	Reporting period, frequency and contact point	2, 36		Last report published 2023-06-30
	2-4	Restatements of information	36		
	2-5	External assurance	36, 44		
	2-6	Activities, value chain and other business relationships	12, 13, 33		In 2023, Ecolean had net sales of SEK 935.2 (1,047.0) million. No changes of the share capital structure occurred during the year.
	2-7	Employees	25, 41		
	2-8	Workers who are not employees	26		
	2-9	Governance structure and composition	35		
	2-10	Nomination and selection of the highest governance body			Information unavailable
	2-11	Chair of the highest governance body			Information unavailable
	2-12	Role of the highest governance body in overseeing the management of impacts	35		
	2-13	Delegation of responsibility for managing impacts	35		
	2-14	Role of the highest governance body in sustainability reporting	35		
	2-15	Conflicts of interest			Information unavailable
	2-16	Communication of critical concerns	14, 35		
	2-17	Collective knowledge of the highest governance body	35		
	2-18	Evaluation of the performance of the highest governance body			Information unavailable
	2-19	Remuneration policies			Information unavailable
	2-20	Process to determine remuneration			Information unavailable
	2-21	Annual total compensation ratio			Information unavailable
	2-22	Statement on sustainable development strategy	7		
	2-23	Policy commitments	10, 12, 16, 24, 31, 33, 38		
	2-24	Embedding policy commitments	31, 33		
	2-25	Processes to remediate negative impacts			Information unavailable
	2-26	Mechanisms for seeking advice and raising concerns	31		
	2-27	Compliance with laws and regulations	32, 35, 36		
	2-28	Membership associations	14, 39		
	2-29	Approach to stakeholder engagement	35		
	2-30	Collective bargaining agreements	25		

GRI Content Index

GRI Standard Title	Disclosure Number	Disclosure Title Individual disclosure items ('a', 'b', 'c', etc.) are not listed here	Page Number	Omissions	Explanation/ Information
GRI 205 Anti-corruption 2016	Management approach 205-3	Confirmed incidents of corruption and actions taken	31		
GRI 301 Materials 2016	Management approach 301-1	Materials used by weight or volume	16, 19, 41	No data available for associated process materials. Only raw materials, inks and transport packaging materials are reported on.	
GRI 302 Energy 2016	Management approach 302-1	Energy consumption within the organization	16, 17, 42		Ecolean does not produce or sell energy.
GRI 305 Emissions 2016	Management approach 305-1	Direct (Scope 1) GHG emissions	16, 17, 42		Emissions are consolidated from entities over which Ecolean has operational control.
	305-2	Energy indirect (Scope 2) GHG emissions			
	305-3	Other indirect (Scope 3) GHG emissions			
	305-4	GHG emissions intensity			
GRI 306 Effluents and Waste 2020	Management approach 306-2	Waste by type and disposal method	16, 20, 21, 22, 43		
GRI 403 Occupational Health and Safety 2018	Management approach 403-1	Occupational health and safety management system	24, 28, 29, 30, 43		
	403-2	Hazard identification, risk assessment, and incident investigation			
	403-3	Occupational health services			
	403-4	Worker participation, consultation, and communication on occupational health and safety			
	403-5	Worker training on occupational health and safety			
	403-6	Promotion of worker health			

GRI Content Index

GRI Standard Title	Disclosure Number	Disclosure Title Individual disclosure items ('a', 'b', 'c', etc.) are not listed here	Page Number	Omissions	Explanation/ Information
GRI 403 Occupational Health and Safety 2018	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships			
	403-9	Work-related injuries		No available data for workers others than Ecolean employees. Frequency numbers are related to this fact.	Lost days refers to scheduled working days and is counted as actual days when employees are unable to work.
GRI 404 Training and Education 2016	Management approach		24, 27		
	404-2	Programs for upgrading employee skills and transition assistance programs			
GRI 405 Diversity and Equal Opportunity 2016	Management approach 405-1	Diversity of governance bodies and employees	24, 25, 26, 43		
GRI 406 Non-discrimination 2016	Management approach 406-1	Incidents of discrimination and corrective actions taken	24, 25, 26		
GRI 416 Customer Health and Safety 2016	Management approach 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	14		
GRI 417 Marketing and Labeling 2016	Management approach 417-3	Incidents of non-compliance concerning marketing communications	24, 32		
We are taking action in increasing the possibilities for a circular economy for our packaging solutions	Management approach No topic specific GRI standard	Report on initiatives taken to increase recycling and circular economy for our products	16, 21, 22		Data on availability of circular solutions for flexible plastic packaging is not available.

ECOLEAN EMISSIONS REPORTING

ECOLEAN EMISSIONS REPORTING

In 2020, we conducted a review of our previous GHG calculations and updated our calculation tool, which is based on the GHG protocol and verified by a third party. Comparing data from different years is difficult as we have continued to broaden the scope of our data. From 2020, we have included emissions from printing inks and secondary packaging materials, which were not included in 2017-2019 as the data was not previously collected. These changes in boundaries reduce the comparability of historical data.

In 2023, we conducted a review of our previous GHG calculations and updated the calculation tool with updated emission factors, which is still based on the GHG protocol and verified by a third party. Following the review, GHG emission data from 2023 was calculated with new emission factors, which reduces the ability to make comparisons with previous years.

GHG EMISSIONS – SCOPE 1, 2 AND 3

We use 2018 as the base year for our data as it was set when we submitted our climate targets to the Science Based Targets initiative (SBTi). We report on the

emissions from our production plants by using common boundaries for GHG calculations related to energy and waste. In 2019, we broadened the scope for the reporting and the new packaging material production plant in Pakistan was added to our emissions data. This impacted our scope 1 emissions due to the need to generate some electricity on site with a diesel generator and it added electricity and waste from the new production plant. For business travel, we include data from all Ecolean subsidiaries, including data from our smaller market offices from 2019.

Data from business travel by car, train and air is used when available. The proportion of renewable fuels in petrol and diesel are unknown in many markets. Spare part transportation has been included in the scope since 2019.

In 2020, a review of our previous GHG calculations was made and we updated our calculation tool, which was verified by an external partner and is based on the GHG protocol. Data from recent years has been recalculated in the new and improved calculation tool. This means that previous GHG emission data has been updated and previous reported emissions are no longer valid. We use both generic and company specific emission factors.

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SCOPE 1 AND 2

The Greenhouse Gas Protocol has been used to calculate emissions. The emissions of greenhouse gases are limited to carbon dioxide, nitrous oxide and methane. The calculation model has been conducted and reviewed by an independent consultancy. For scope 1 and 2 emissions, we use operational control as a consolidation approach. For scope 2, we report according to the market-based method. The market-based method calculates 249 tonnes of GHG emissions from our electricity use compared with 6,177 tonnes GHG emissions using the location-based method. The emission factors from EPDs from Vattenfall for hydro and wind power are used for all three markets due to limited information from Chinese and Pakistani suppliers.

Scope 1 emission factors for natural gas are based on values from Swedenergy and emission factors from fuel for company-owned cars are based on data from the Swedish Transport Agency. In Sweden, vehicle fuels contain a proportion of renewable content, but it is unknown if this is the case in our other markets.

The proportion of biogenic carbon dioxide emissions is therefore unknown. Emission factors for scope 2 are based on data for electricity and district heating in China and Pakistan from Werner, International review of district heating and cooling, Scope 3: Swedenergy (2017), IVL (2017). Emission data for Swedish electricity is based on data from EPDs from Vattenfall. The Swedish Environmental Protection Agency Emission data has been used

to calculate biogenic carbon dioxide emissions from bio-gas and for the calculation of emissions from the combustion of diesel for electricity in scope 1: Greenhouse Gas Protocol Emission factors from cross sectors tool.

From 2023, we have also included fugitive emissions in the scope 1 inventory.

SCOPE 3

Scope 3 emissions cover all other indirect emissions in a company's value chain. In scope 3, Ecolan reports according to the GHG Protocol Corporate Value Chain Standard using the following categories: 1) Purchased goods and services, 3) Fuel and energy use, 5) Waste generated in operations, 6) Business travel and 9) Downstream transportation and distribution.

Emission factors for business trips by air are derived from a model by NTM and 2050. Business trip factors by train and car were obtained from NTM, DEFRA, WRI and IPCC.

Impacts from raw materials are based on background data from life-cycle assessments performed during 2020, to be published in the four Ecolan Environmental Product Declarations. Energy from renewable sources can be used in scope 3 but the data is not provided from suppliers, which means there is no specific reporting of biogenic carbon emissions.

GHG MASTER TABLE		
Scope	Category	2023 (tonne CO ₂ e)
Scope 1	Fugitive emissions	360
	Mobile combustion	13
	Stationary combustion	6
Total CO₂e emissions, scope 1		379
Scope 2 – Market-based method	Purchased electricity (market-based)	0
	Purchased heating	180
	Purchased cooling	0
	Scope 2 – emissions from owned electric car (charged outside company site)	0
Total CO₂e emissions, scope 2 – Market-based method		180
Scope 2 – Location-based method	Purchased electricity	5,376
	Purchased heating	180
	Scope 2 – emissions from owned electric car (charged outside company site)	0
Total CO₂e emissions, scope 2 – Location-based method		5,556
Scope 3	Category 1: Purchased goods and services	39,343
	Category 3: Fuel- and energy-related activities	304
	Category 5: Waste generated in operations	137
	Category 6: Business travel	812
	Category 9: Downstream transportation and distribution	4,279
Total CO₂e emissions, scope 3		44,875

ecolean
a lighter approach to packaging

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