

# Product Stewardship Policy

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# 1 Preamble

SIG is a leading systems and solutions provider for aseptic packaging. We work in partnership with our customers and further stakeholders (e.g., suppliers) to deliver food and beverages to consumers across the world in a safe, sustainable, and affordable way.

Our unique technology and outstanding innovation capacity enable us to provide our customers with a complete range of packs, opening solutions, flexible filling machines and solutions for operating smarter factories, all to address the ever-changing needs of consumers.

The SIG Product Stewardship, Innovation and Promotion Policy has been developed to outline our commitments, goals and approach to our holistic product stewardship understanding. It is an important foundation of our sustainability approach.

## 2 Scope

The principles and commitments outlined in this Policy apply to SIG Group AG, all of its subsidiaries and controlled entities ("SIG").

## 3 Core principles

This policy addresses how we ensure to minimise customers' environmental impacts; details our approach with respect to the environmental impacts along the life cycle of our products; and covers our approach to enhancing the positive impact of our solutions regarding Product Stewardship.

**We strive to provide leading system quality in the industry as we:**

Ensure to minimize customers' environmental impacts by integrating considerations for sustainability in the design of our products;

Implement recycling upfront in the design phase of our products, enhancing the recyclability of the company's packaging products;

Ensure organisation-wide compliance with and adherence to (all applicable) product stewardship standards and laws;

Respond efficiently and effectively to any customer requests, complaints, and challenges; and

Work in partnership with our stakeholders in order to provide safe, sustainable and affordable food products to consumers around the world.



# 4 Topics: Product Stewardship

## 4.1.1 Product stewardship, innovation and promotion

### 4.1.2 Relevance

Natural resources are increasingly scarce, and the planet has limited capacity to absorb waste. We are committed to supporting the transition to a circular and responsible economy through the integrated management of the environmental and social impacts of our products. Innovation towards higher recyclability of products or less resource-intensive products will positively impact SIG's entire value chain and reduce the number of virgin products used in the three main components of the products: paper, plastic and metal. Through a continuous innovation effort, we mitigate/reduce negative impacts on the environment and on society and avoid human rights violations. We consider the environmental impacts of our packaging innovations at each stage of the value chain and product life-cycle through robust life-cycle assessments (LCAs) carried out by independent experts using the ISO 14040 international standard and critically reviewed by an independent panel. Our mainly renewable and fully recyclable carton packaging solutions for beverages and liquid food can help to regenerate and preserve resources and support the transition to a circular economy that is needed to address these global challenges. Our newly acquired bag-in-box and spouted pouch packaging solutions offer significant sustainability benefits by design. Both offer strong product-to-packaging ratios, optimizing material use while still effectively protecting the food inside. Food is preserved in all our packs for long periods of time without the need for refrigeration or preservatives. We see opportunities to support wider efforts to use our technology and expertise to tackle food loss in the value chain, reduce consumer food waste, avoid the extra pressure this puts on resources and deliver nutrition to more people. As a leading systems and solutions provider for carton packages, bag-in-box solutions and spouted pouches, opening solutions and filling machines, our customers and consumers expect and rely on us to ensure product stewardship.

### 4.1.3 Overarching commitment

Our ambition is to make all our packs exclusively with renewable or recycled materials, using only renewable energy, and make sure every carton is recycled – all to help create more resources for future generations. We are committed to sourcing our main raw materials from certified responsible sources. Our packing solutions are already made mainly with renewable raw materials and we are continually innovating to further increase use of renewable content that regenerates natural resources.

Our commitment to product stewardship includes our commitments to safeguard the environment including but not limited to impacts related to climate change, biodiversity.

We work in partnership with our customers to deliver food to consumers around the world in a safe, sustainable and affordable way. We are working to ensure all our packing solutions are fully recyclable and, because recycling is outside our direct control, we work with industry and NGO partners to increase the number of aseptic cartons – and other packaging – collected from consumers and recycled after use. We aim to pass on our commitment to our customers by supporting them in improving their



environmental footprint. We also take the safety of our products extremely seriously at each stage of our lifecycle, as covered by our product safety and quality policy.

#### 4.1.4 Targets

SIG's goals for Product Stewardship, Innovation and Promotion are:

- Launch a full barrier carton pack linked to 100% renewable materials by 2025<sup>1</sup>
- Partner with stakeholders to implement dedicated and country specific roadmaps to support increased collection and recycling of beverage cartons, bag-in-box, and spouted pouches in priority countries that account for more than 90% of our global packaging sales (by weight).
- Use SIG's position within a more sustainable food supply system to create demonstrable positive impacts on nutrition and hydration by 2025.
- Support two start-ups per year through our SIG Incubator program to share unused filling capacity to deliver nutritious food safely and efficiently<sup>2</sup>
- Develop a full barrier aseptic carton with at least 85% paper content (excluding closure) by 2025 – and at least 90% paper content (including closure) by 2030

Offer a recycle-ready<sup>3</sup> bag-in-box and spouted pouch solution in all our relevant market segments

#### 4.1.5 Implementation approach

We work continually to develop the most sustainable packaging system that can provide safe and affordable nutrition in countries around the world, including those with a risk of food or water scarcity as well as limited refrigeration possibilities. To do so, we take a holistic view across the entire lifecycle of our products including the specific circumstances of consumers in different regions of the world. With this in mind, we drive progress through product innovation in our packing solutions, filling machines and technical service. We minimise customers' environmental impacts by integrating considerations for sustainability in the design of products and by enhancing the recyclability of the company's packaging products. We take responsibility for and manage the environmental and social risks and impacts of our products by:

- Sourcing sustainably, using renewable and recycled materials
- Designing out waste, designing for recyclability and designing for circularity
- Driving recycling through industry collaboration and advocacy
- Partnering to support collection and recycling of used beverage cartons
- Partnering on local collection and recycling programmes
- Supporting better recycling infrastructure

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1 Excluding negligible constituents, such as inks and pigments.

2 Target amended to include any unused filling capacity and reflect the new name of the SIG Incubator program (formerly SIGCUBATOR).

3 In line with Design for Recycling criteria developed by APR (Association of Plastic Recyclers) and Recyclclass.



## 4.1.6 Filling machine innovation

### 4.1.7 Relevance

Through our sustainable product innovation, we are raising the bar for the industry while helping customers and retailers respond to new regulatory requirements and achieve their own targets on sustainable packaging. By innovating to make our filling machines more energy and water efficient and ensuring our machines do not produce excessive waste, we can also enable customers to reduce resource consumption, emissions and running costs from packing products in their factories.

### 4.1.8 Overarching commitment

We strive to be the leader in sustainable packaging. We are committed to investing in research and development to better meet the needs of customers and consumers, including enhancing the environmental performance of our packaging solutions. Our sustainable product innovations support our commitments to reduce the carbon footprint of our packs at every stage of the life-cycle, including filling by our filling machines, regenerate resources and contribute to a circular economy, as well as minimise food loss and waste. With continued innovation we aim to further improve the environmental footprint of our filling machines, in turn aiming to mitigate climate related risks. We continuously evaluate and improve the efficiency of our filling machines with every new generation, and our technical service teams help customers minimise the energy needed to operate our existing machines.

### 4.1.9 Targets

SIG's goals for filling machine innovation are:

- Reduce energy use by 20%, hydrogen peroxide use by 35% and water use by 25% per hour of runtime in our next-generation filling machine for mid-size aseptic format packs<sup>4</sup> (by 2024)
- Reduce use of consumables by 25% for the next-generation filling machine for small format aseptic packs<sup>5</sup> by 2025

### 4.1.10 Implementation approach

We aim to improve the efficiency of each new generation of filling machine to help customers reduce energy use and associated greenhouse gas emissions in their factories. Our technical service solutions also include energy reduction kits that can be retrofitted to existing machines, which often remain in operation for decades. Customers can cut emissions from their filling machines by installing our range of upgrade kits for reducing energy, water and compressed air. We also offer remote and digital service solutions that help to prevent downtime and reduce greenhouse gas emissions from our technical service engineers travelling to customer sites. We minimise customers' environmental impacts by ensuring that the company's filling machines are energy and water efficient and do not produce

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<sup>4</sup> Targeted reductions compared with our previous generation filling machines. Target wording changed to clarify this refers to filling of aseptic cartons.

<sup>5</sup> Target wording changed to clarify this refers to filling of aseptic cartons.

excessive waste. Our filling machines or parts can be re-used and if necessary, they are directed to responsible disposal. We are continuing to gradually include our bag-in-box and spouted pouch business units, they are not yet fully integrated into our approach and the scope of our targets.

## 5 Changes to this Policy

The Product Stewardship Policy will be regularly reviewed by the respective policy owner. Any changes or updates will be communicated. This Policy was last updated on February 27, 2024.

