

# TETRA PAK 2024 ACCOUNT OF DUE DILIGENCE FOR NORWAY TRANSPARENCY ACT



This statement sets out the steps taken by the Tetra Pak Group to undertake human rights due diligence in our operations and supply chains. It is intended to meet the obligations of, and is lodged on behalf of Tetra Pak Norge AS, pursuant to the Norway Transparency Act 2022.

## General description of the company's structure, area of operations

Tetra Pak is a leading food processing and packaging solutions group with more than 24,000 employees and net sales of approximately € 12.7 billion. We have 51 production plants, 100 sales offices and 27 market companies around the world including Tetra Pak Norge AS. Tetra Pak Norge AS, based in Lysaker, has 18 employees and markets a range of our portfolio of packages, packaging equipment and processing equipment. Tetra Pak Norge AS does not have any production facilities, nor does it have subsidiaries.

The Tetra Pak Group operates as three businesses: Packaging Solutions (carton packages and packaging equipment), Processing Solutions and Equipment and Services. Each day we help to make food safe and available to meet the needs of hundreds of millions of people in more than 160 countries. We believe in responsible industry leadership and a sustainable approach to business.

Tetra Pak supply chains are global, and we manage over 15,000 suppliers in 110 countries. The top 10 countries for supplier spend are Sweden, United States, China, Brazil, Italy, Switzerland, Germany, Austria, Denmark and Hong Kong.

The goods and services procured by Tetra Pak are organised in three main categories:

- The base materials used in our packages (paperboard, polymer, aluminium foil, inks and films) are procured centrally.
- The modules, components, parts and services used in relation to our equipment sold to customers, are procured by global, regional and local procurement teams.
- The goods and services used for our own operations (IT, logistics, travel, HR, professional services, facility management, etc.) are also procured at global, regional and local level.

The reporting entity adheres to the Tetra Pak global processes and corporate governance framework, which integrate the activities aimed at preventing, mitigating and otherwise addressing human rights risks through human rights due diligence as described in this Statement.

## Guidelines and procedures for handling actual and potential adverse impacts on fundamental human rights and decent working conditions

Tetra Pak is committed to conducting every aspect of its business with integrity, complying with the rule of law and respecting the human rights across our operations and value chain, in line with the UN Guiding Principles on Business and Human Rights. We expect the same level of ethical business conduct within our own operations and among our business partners, including suppliers. This means having policies and processes in place to ensure that business is conducted in a responsible and ethical way.

The [Tetra Laval Group Code of Business Conduct](#) establishes a set of rules and non-negotiable standards in key areas, which must be followed by all companies and employees. It details our commitment to ensuring a working environment that promotes diversity, inclusion, equal opportunity, and respect for human rights - and recognizes the rights of freedom of association. Employees will not be penalised for any loss of business resulting from adherence to this code, or for reporting any actual or suspected breaches of the code.

We have stringent labour standards that apply to our own employees and across our supply chain. The Tetra Pak Workplace Conduct Policy sets out mandatory rules of workplace conduct consistent with Tetra Pak's Core Values. It forms the foundation to protect our employees from discrimination,

harassment and bullying, and outlines the procedures to be followed in the event of a grievance. All of our sites have been subject to [Sedex Members Ethical Trade Audits](#) (SMETA). These audits have not shown any signs of forced labour or child labour.

We have a [whistle-blowing platform](#) that may be used by employees or external stakeholders to report concerns related to business ethics (confidentially and anonymously) regarding possible discrimination, harassment and bullying, or other unacceptable behaviour. Employees may raise concerns to their line manager, or a senior manager, who must then report the issue further to the Corporate Governance Officer and Head of Audit, to conduct an investigation. Reports made through the whistle blowing channel are reviewed and investigated accordingly. An alternative option is the anonymous Tetra Laval Whistle Blowing platform. Employees and external parties may also directly contact the Corporate Governance Officer, Head of Audit or send an email to [ethics@tetrapak.com](mailto:ethics@tetrapak.com).

We use a systematic risk identification process, to assess and prioritise risks to people across our value chain. The most severe human rights risks that we have identified are in our supply chain and in our collection and recycling value chain. Therefore, we elaborate on our focus and risk management practices in these parts of our value chain in the following two sections.

## **1. Impacts, risks and related actions in our supply chain**

Tetra Pak sees its suppliers as key partners, but also recognises that supply chains are a potential source of human rights risks. We have developed a structured approach to assess and address such risks. Our ambition is to continuously improve supplier performance and secure a sustainable and resilient supplier base.

### ***Our Supplier Code and responsible sourcing procedure***

Our [Supplier Code](#) is an integral part of our supplier onboarding process and purchasing agreements, setting mandatory requirements for our suppliers and their sub-suppliers. It defines our requirements in the areas of human rights and labour practices, occupational health and safety, environmental management, and business integrity. It includes information on monitoring and audits, remediation, training and engagement.

In case of non-compliance, we collaborate with suppliers that acknowledge their impacts and seek to reasonably address them. Where suppliers show a consistent or significant lack of commitment to complying with our requirements, we reserve the right to end the relationship.

The Tetra Pak Responsible Sourcing Procedure sets out the requirements for all purchasing categories to manage risks in relation to human rights, labour practices, Occupational Health & Safety (OHS), environment, biodiversity and business integrity.

We require suppliers to adhere to our [Supplier Code](#) and we undertake desk-based evaluations to assess suppliers' compliance and sustainability maturity. Regular risk mapping is carried out using [EcoVadis IQ](#) with online indices of Environmental, Social and Governance (ESG) risks related to the countries and industries in which our suppliers operate. This helps determine the scope of supplier desk-based evaluations and ethical audits. Based on the risk assessment, we ask our suppliers to conduct either a site-specific [Sedex Members Ethical Trade Audits](#) (SMETA) for critical sites or an [EcoVadis](#) assessment.

For our base materials we aim to ensure that environmental and social aspects are covered for each material using leading sustainability standards (FSC™, Bonsucro, ASI and ISSC). Our specific Responsible Sourcing Procedure for [Liquid Packaging Board](#) is publicly available, as is our [Responsible Sourcing Procedure of Renewable Polymers](#). The relevant verification and assurance activities are governed by these standards and procedures, aiming at addressing specific human rights risks, including land rights, deforestation and biodiversity risks.

For Contractors, we have developed an OHS handbook, which sets out the minimum OHS requirements to be understood and followed by all our contractors. We continuously enhance our training programmes and e-learning to enable all employees involved in procurement to effectively integrate Responsible Sourcing and sustainability considerations.

### ***Identifying and prioritising human rights risks***

Identifying and prioritising human rights risks in our supply chain involves desk research, including reviewing suppliers' disclosures, relevant reports from civil society, international institutions and the media, and assessing information on suppliers from EcoVadis, Sedex audits, and industry schemes. This is complemented by interviews with a selection of external experts and credible proxies from NGOs and international institutions to provide expertise and insight into the risks to human rights in key supply chains, through dialogue with strategic suppliers, as well as internal stakeholder interviews.

- For our main base material suppliers, we request information on their overarching human rights due diligence processes, as well as on their management of human rights risks in the supply chains that are relevant to the specific material (paperboard, polymer, aluminium and inks). We assess the quality of their human rights risk identification process, with the results contributing to the overall assessment of supplier performance. The material specific information helps us build better understanding of risks to people in specific supply chains.

***Salient risks of adverse impacts and actions to prevent and mitigate these***

Following the identification and prioritisation of the salient human rights risks in our supply chain, we have developed action plans to prevent and mitigate these risks by collaborating with suppliers, industry peers, multi-stakeholder associations, and civil society. See table below for salient risks and actions taken during 2023.

Salient risk	Prioritised category	Action
<b>Extraction and cultivation of our raw materials:</b>  <b>Forced labour and working conditions</b>  <b>Impacts on livelihoods of communities and indigenous peoples</b>	Aluminium	<ul style="list-style-type: none"> <li>• Expanded audits of suppliers to include an assessment of accommodation conditions.</li> <li>• Increased the traceability in our bauxite mining supply chain through supplier assessments.</li> <li>• Assessed the maturity of the risk identification and prioritisation process of all aluminium suppliers.</li> </ul>
	Polymer	<ul style="list-style-type: none"> <li>• Prioritised suppliers for further due diligence based on assessment of supplier maturity on human rights and geographical risk of forced labour.</li> <li>• Training for quality and technical auditors on the risk of workers paying recruitment fees.</li> </ul>
	Paperboard	<ul style="list-style-type: none"> <li>• Engaged with key suppliers on the human rights risks in kaolin mining.</li> </ul>
	Renewable polymer	<ul style="list-style-type: none"> <li>• In collaboration with AIM-Progress, began to explore new models for grievance mechanisms that are tailored to stakeholders at smallholder farm levels.</li> </ul>
	Inks	<ul style="list-style-type: none"> <li>• Initiated a human rights impact assessment in pigment production.</li> </ul>
<b>Working conditions in corporate services supply chain</b>	Logistics	<ul style="list-style-type: none"> <li>• Engaged with warehousing suppliers to assess human rights management systems.</li> <li>• Established partnership with third party to undertake worker surveys with road freight and warehousing suppliers.</li> </ul>
	Installation Services	<ul style="list-style-type: none"> <li>• Established partnership with third party to undertake worker surveys.</li> </ul>
	Facilities management	<ul style="list-style-type: none"> <li>• Engaged with key suppliers to assess implementation of human rights commitments.</li> </ul>

**2. Impacts, risks and related actions in downstream value chain**

### ***Salient risks of adverse impacts and actions to prevent and mitigate these***

In our downstream value chain, the most salient risk is the working and living conditions of workers in the informal waste sector, who play a vital role in collecting packaging for recycling in countries that lack formal waste management infrastructure. To prevent and mitigate these risks, requires a country- and context-specific approach.

We are therefore mapping local collection and recycling value chains for our packaging to identify potential impacts on people and develop country-specific action plans based on engagement with informal waste collectors.

In Brazil, Colombia and Vietnam, we have partnered with expert NGOs to engage with informal waste collection workers to better understand the most severe impacts they face in order to inform our actions to support them. During 2023, we commissioned local NGOs to interview hundreds of waste collectors in Brazil and Vietnam. In India, we have relied on our expert local partners to provide insight into the perspectives of informal waste collection workers.

These engagements have helped us to better understand human rights risks that are specific for the different context in which these informal waste workers operate and enable us to design suitably tailored preventive and remedial actions and to track the effectiveness of those actions.

In each of the four countries, we plan to undertake actions to address the priority risks to informal waste collection workers as well as participating in dialogue with actors across the food and beverage industry to develop collective actions to address the systemic issues identified. In Brazil, India and Vietnam, we have initiated discussions about collective actions with customers and other stakeholders in 2023. Additionally, in several markets we are working on local projects to support and empower informal waste collectors during their daily jobs.

The table below outlines the actions that we have undertaken in 2023 to prevent and mitigate human rights risks related to the working and living conditions of informal waste collection workers.

<b>Salient risk</b>	<b>Pilot country</b>	<b>Action</b>
<b>The working and living conditions of informal waste collection workers</b>	Brazil	<ul style="list-style-type: none"><li>Established project to support waste collection workers obtaining ID documentation and access to social security and health care.</li><li>Provided financial subsidies to informal waste workers collecting used beverage cartons and provided them with protective equipment.</li></ul>
	India	<ul style="list-style-type: none"><li>Supported Bal Vikas Dhara, an NGO that works in the South-West areas of Delhi and Haryana to empower marginalized women and children. The initiative aims to improve the livelihoods of waste-collecting communities through a variety of interventions related to child protection and maternal health.</li></ul>

### ***Building awareness and assessing the effectiveness of our actions***

In 2023, we undertook training and awareness building exercises for a series of teams on human rights. We are members of and participated in working groups with a number of external initiatives with the aim of building our expertise to take appropriate action on human rights risks to workers in the value chain and affected communities, and assess the effectiveness of our actions:

- [AIM-Progress](#), a forum of leading Fast Moving Consumer Goods (FMCG) manufacturers and common suppliers, assembled to enable and promote responsible sourcing practices and sustainable supply chains.
- Shift's Business Learning Program: [Business Learning Program - Shift \(shiftproject.org\)](https://www.shiftproject.org/)

- The Nordic Business Network on Human Rights, facilitated by the [Danish Institute of Human Rights](#);
- The World Business Council for Sustainable Development (WBCSD) [Tackling Inequality initiative](#)
- [Business Network on Civic Freedoms and Human Rights Defenders](#)
- [Sustainable Procurement Pledge](#): Through the Champions Program, we participated in a number of sessions with the Sustainable Procurement Pledge in 2023 to support the development of common tools and resources and increase the organisation's reach.
- EcoVadis assessment, with a score 75/100, is placing us in the top 1% of companies rated by EcoVadis in our industry category, and for which we received a Gold medal.
- Our production sites undergo regular SMETA (Sedex Members Ethical Trade Audit) audits based on a rolling schedule, allowing us to provide detailed assurance to our customers and stakeholders.
- In 2024, Tetra Pak will work with the support of Shift, the leading centre of expertise on the United Nations Guiding Principles on Business and Human Rights, to develop targets and indicators for our Human Rights Due Diligence process and salient human rights risks.
- Tetra Pak's [Sustainability Advisory Panel](#) provides independent strategic insight, guidance and assistance focused on sustainability and innovation in pursuit of our purpose. The panel currently has five independent external advisors who inform the management and business on ways to develop and operationalise an integrated sustainability agenda. In 2024, leading Business and Human Rights expert John Morrison joined the panel.