

TETRA PAK NORDICS

PROTECTS WHAT'S GOOD

SUSTAINABILITY REPORT 2015



CONTENT

- Good packaging for a good life
- The Road to Fully Renewable Packaging
- FSC® Spreads to the East
- Sweden's Largest School Competition
- Trendspotting



CONTENTS

CLIMATE GOAL	19
GOOD PACKAGING FOR A GOOD LIFE	22
THE ROAD TO FULLY RENEWABLE PACKAGING	31
FSC® SPREADS TO THE EAST	45
SWEDEN'S LARGEST SCHOOL COMPETITION	46
TRENDSPOTTING	54

Editor: Lina Kristoffersen Wiles
Graphic design: Sustainable Studio
Words: Tetra Pak, Jesper Yngvesson/Sustainable Studio
Translation: Chad Henderson
Photos: Andreas Lind, Johan Bävman, Paul Köhlhorn, Erik Grönlund, Tetra Pak
Paper: Omslag Cyclus Offset, 250 g
Omslag Cyclus Offset, 140 g
Print: TMG Tabergs



GOOD PACKAGING FOR A GOOD LIFE



Welcome to the 2015 Sustainability Report for Tetra Pak Nordics. This Report is for the 2014 business year.

Since 1999, we have been publishing annual Sustainability Reports, in which we talk about our work with sustainability, both with environment and social issues, and report key figures in these areas. The report takes its inspiration from the Global Reporting Initiative (GRI) guidelines for sustainability reporting.

Our worldwide initiatives in environmental and social responsibility are primarily conducted

by global divisions within the Tetra Pak Group and reported in our global sustainability report, Sustainability Update 2014. Read it online at sustainability.tetrapak.com.

What do you think of our Sustainability Report? Write us at info.se@tetrapak.com and let us know! Please write "Sustainability Report 2015" in the subject line.

Happy reading!



A HEAD START IS A GOOD START

Our time is now. Increased commitment to our focus areas and good results on home turf means that the future is bright. It is time to let the better choices take even greater space among us, our partners and the consumers.

Consumer awareness of the environment has in recent years moved from a passionate conviction among the most invested, to a gnawing anxiety and matter of conscience for the masses. We are becoming increasingly aware that the choices we make every day affect our environment, our climate and the future of the planet. I want Tetra Pak to help consumers make these choices by making it clearer than ever before what Tetra Pak stands for. I know that we can offer the best packaging for the environment and all the demands of modern life. We represent packaging with minimal environmental impact, made of renewable materials. Packaging that is easy to recycle, easy to use,

and that protects the good in the food in a natural way.

The success we have achieved with our environmental initiatives on the Nordic markets – which you can read more about in this Sustainability Report – is not a signal for us to stop and take a breather. Quite the contrary, in fact. The race has begun, we've made it through the first lap, and now it's time to switch into high gear, push ahead over that first hill and increase our lead.

Bio-based materials will take more and more space in our portfolio. We will sell even more caps made of bio-based plastic. Having now launched the world's first fully renewable package, we will be making sure to also launch the second, third and

fourth completely renewable packages on the market. In the Baltics, we're off to a flying start for FSC®, and we've also got a foot in the door for FSC in Finland. It's now time to open the doors wide and step up the pace. We have to keep working to get the recycling of our packaging up and running in Denmark, to get those who haven't already joined us in Sweden on board to help the recycling of plastic content move to the next rung in waste hierarchy – from energy recovery to material recycling.

Tetra Pak is a household name in Sweden. A lot of Swedes believe that all beverage cartons are Tetra Pak. For me, this is a sign that it's time for us to expand the Tetra Pak name for the average person,

to talk about what we stand for and what sets our packaging apart from others.

Our motto – PROTECTS WHAT'S GOOD – has been translated into 40 languages, including Finnish, Icelandic, Faeroese, Latvian and Lithuanian, but not into Swedish. Until now. As we now reach out to Swedish consumers in their day-to-day lives, we are introducing the motto BEVARAR DET GODA. It is this message that we want

consumers to associate with us when they are standing in the store choosing their packaging. Tetra Pak is, quite simply, good packaging for a good life. 💧



Johan Rabe
Managing Director
Tetra Pak Nordics



Erik Lindroth
Environment Director
Tetra Pak Nordics



»Environmental work at Tetra Pak is not just something the environment department does«



OUR GOOD CHOICES WILL DO GOOD FOR MORE

When we contribute to our customers' success, we can take greater responsibility together. Combine this with a curiosity that drives innovation and an increased internal commitment, and we can achieve even more.

Environmental and sustainability initiatives must add value for our customers and thereby for us, or this part of our business will only be temporary. To reach this goal, we have to have an understanding of our customers' situation and what creates value for them from a broad perspective. If we can use this knowledge to create solutions that make them even more competitive, then we've hit the mark.

In 2014, we've seen a number of examples of products from Tetra Pak that have helped our customers advance their positions in the area of sustainability. A packaging solution from us has to fit both the food product and the customer's brand. We want a carton from Tetra Pak to be a good environmental choice that strengthens the entire product concept.

FSC®-labelled packaging sales increased dramatically, recycling reached record levels,

renewable plastic screw caps were launched, and the world's first fully renewable beverage carton was introduced – all in 2014. But we're also continuing to work on other new ideas. Our involvement in "Locally Produced Plastics" is one example of this. Good can get even better.

At the same time, communicating renewability is a challenge. Many people confuse renewable with recyclable, and we want to be able to communicate the benefits of both. And even if recycling in Sweden is increasing dramatically, we are still below the European average. We have to find ways to get even better.

Besides the products themselves, it's important to also broaden the knowledge base among our colleagues. Environmental work at Tetra Pak is not just something the environment department does, but we do have the task of creating engagement and curiosity surrounding these questions. We have a sales mission to highlight sustainability opportunities to our colleagues, and we have to begin with their perspectives – start out from what drives them. The first sale is always internal. If we succeed here, our environmental and sustainability work will get stronger and stronger. 💧

A HISTORY AND A FUTURE TO PROTECT

A good idea followed by innovation. This is how it started and this is how Tetra Pak continues to grow, with concern for food, people and our common future.

New companies often start out by marketing a technological invention. Our founder Ruben Rausing instead started by studying the market and then identifying and designing a business concept for his future company. Then he looked into the technical requirements. In September 1952, the first Tetra Pak machine was delivered to local dairy association Lundaortens Mejeriförening. In November of the same year, milk shops started selling cream in tetrahedron-shaped decilitre packages.

Tetra Pak is the world's leading company in processing and packaging solutions for food products. We work with

our customers and suppliers to offer safe, innovative and environmentally sound products for millions of consumers in more than 170 countries around the world.

With over 23,500 employees worldwide, we take a long-term and sustainable approach to our business activities and take our responsibility as an industry leader seriously.

In 2014, over 180 billion standard packages were produced worldwide, and 78.2 billion litres of food products were delivered in packages from Tetra Pak.

Tetra Pak in Lund is the cradle of the company. Today, Lund is our largest site in the world, and about 3700 people work here. Activities include

research and development, manufacturing of processing equipment and turnkey packaging lines, as well as a training unit for technical service and a spare parts centre. There is also a showcase factory here.

Protecting Food – People – Futures

Our motto PROTECTS WHAT'S GOOD covers the entire value chain, from suppliers to customers, distribution, employees, consumers and society at large. We protect food with our packaging and do our best to help and protect the environment. We work with and for our customers to develop rational processing and packaging

»Doing something that no one has done before is actually quite difficult«

Dr Ruben Rausing

solutions for food. We apply our commitment to innovation, our understanding of customer needs and our relationships with our suppliers to deliver these solutions, wherever and whenever food is consumed. We believe in responsible leadership, creating profitable growth in harmony with environmental sustainability and good corporate citizenship.

Our promise rests on three pillars:

Protecting food

With our innovative market-leading processing and packaging solutions, we make food safe and available everywhere.

Protecting people

We support and create opportunities for our employees across the globe. We take social responsibility in all we do, supporting the communities we operate in.

Protecting futures

Our insight and expertise deliver superior performance, competitive advantages, value for money, and peace of mind. We're committed to driving environmental excellence.

CONSIDERATION AND STANDARDS ALL THE WAY

Only when we maintain the highest of standards in all areas do we really make a difference. That is why everything we do – all the services and products we represent – are included in our environmental and sustainability work. Throughout the entire life of the product.

We strive to reduce environmental impact throughout the entire life cycle of the products without compromising on the customers' demands for safe, functional and cost-effective products. Our packages and processing equipment maintain the highest standards for hygiene, quality, and safety, while at the same time causing as little environmental impact as possible during production, use and disposal.

Packaging

For pasteurised foods that must be refrigerated, we manufacture laminated packaging materials of paperboard and plastic. For aseptic packaging and packaging with a long shelf life, we also include a thin aluminium film. So far aluminium has proven to be the best barrier to ensure that sensitive food products such as milk, juice and wine can be transported and stored without the need for refrigeration or additives.

Tetra Recart® is a package made from paperboard that is designed for prepared food, such as vegetables, beans, soups and tomatoes. This packaging and its contents are sterilised through autoclaving, i.e. high-pressure steam preserving, which is the same method used for tin cans.

Packaging Machines

We develop packaging materials and packaging machines for pasteurised and aseptic products. Packaging machines and distribution equipment are assembled and quality-tested in Lund before delivery to the customer. The packaging machines fill the

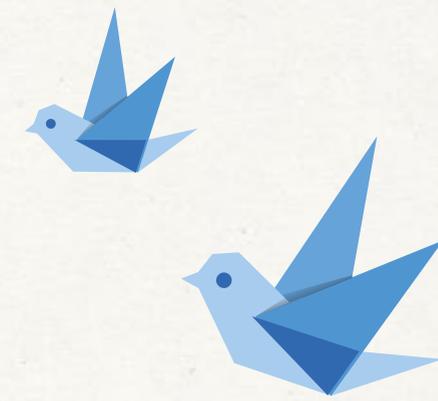
packaging materials with liquid and solid products at the customer's premises and then seal the packages. We also develop, produce and market various types of distribution equipment.

Processing equipment

In addition to packaging and packaging machines, we also manufacture and sell processing equipment to customers in the food industry that produce milk products, fruit drinks, cheese, ice cream, prepared food, carbonated beverages and water. We can therefore offer complete production lines and facilities to customers worldwide.

Technical service

We also assist with knowledge, technical expertise, spare parts, tools and methods to produce and support our processing lines and packaging and distribution solutions.



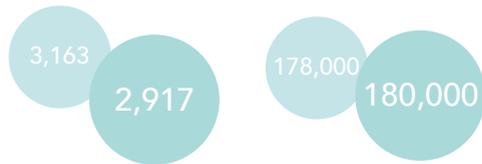
ABOUT TETRA PAK NORDICS

TETRA PAK NORDICS works from local market offices with marketing, sales and service for our customers in the Baltic countries, Denmark, Finland, Iceland, Norway and Sweden.

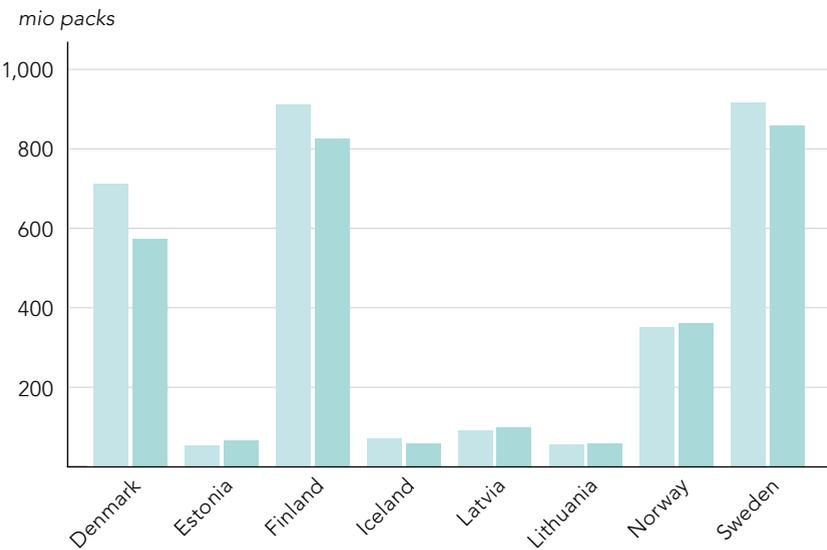
Turnover
Tetra Pak Nordics,
in million EUR

▼ -3.15
235.26

Delivered packages
in millions

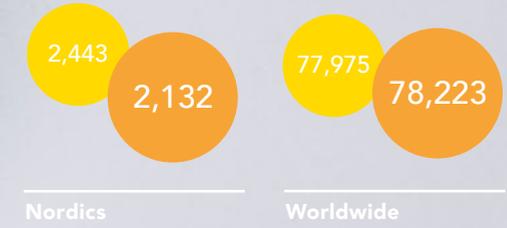


Nordics Worldwide



▲ = change from 2013
■ 2013 ■ 2014

Delivered packages
million litres



Nordics Worldwide

Finland:
679 (772)

Denmark:
230 (387)

Estonia:
61 (51)

Iceland:
41 (49)

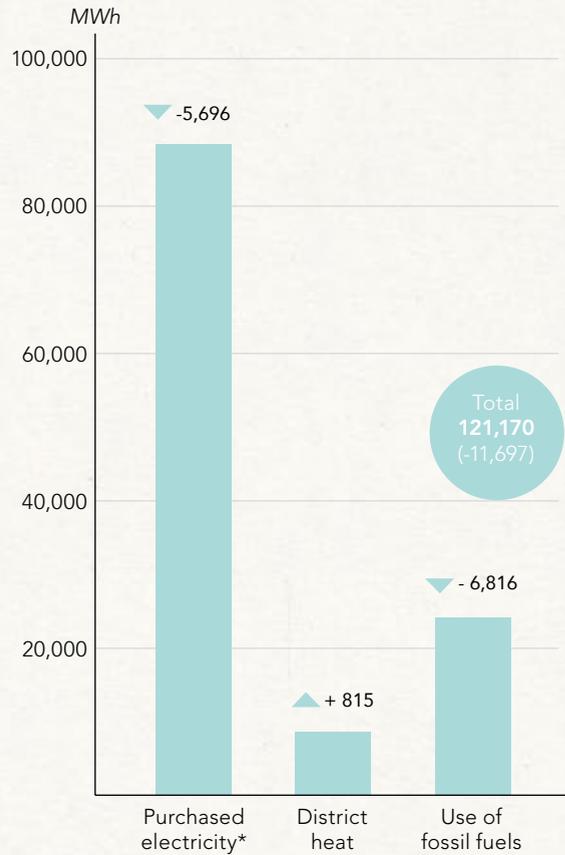
Lithuania:
50 (50)

Norway:
358 (347)

Latvia:
58 (54)

Sweden:
655 (732)

Energy use
total for all facilities and factories in Tetra Pak Nordics.



Figures for 2013 in parentheses.
▲ = change from 2013

Tetra Pak has production units in four locations in Sweden: Lund, Fjällbacka, Sunne and Skoghall. A factory has also been in place since 2012 in Imatra, Finland. The factory in Fjällbacka produces additional materials.

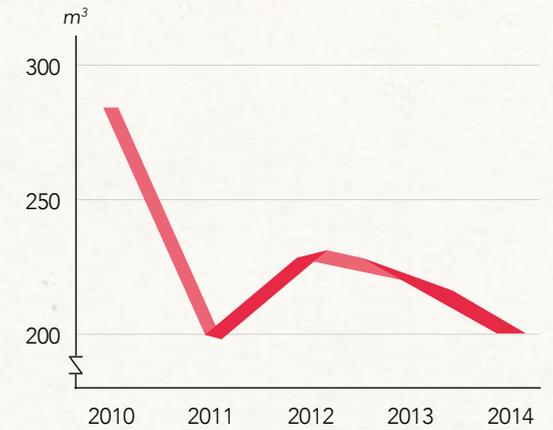
* Of which renewable energy 5.7% (+0.2)

Material consumption at converting plants, in tonnes

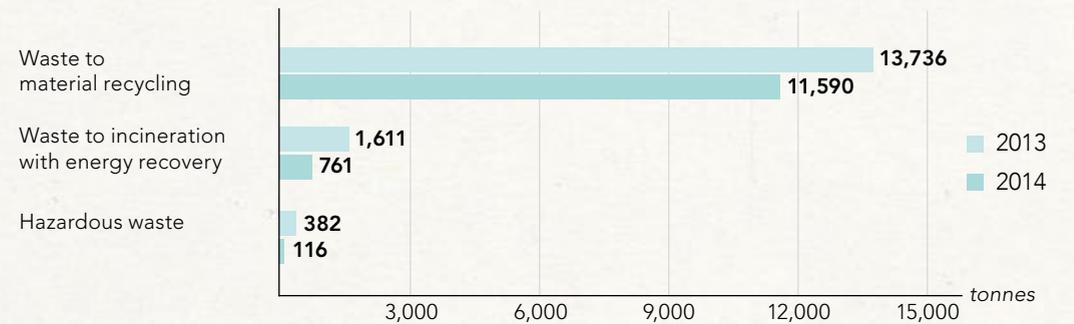
	Imatra	Lund	Sunne	Skoghall	TOTAL
Beverage carton		60,498		44,750	105,248
Semi-coated board	12,398		40,659		54,057
Polyethylene		14,635		6,405	21,040
Aluminium foil		2,558		986	3,544
Plastic film		509		289	798
Printing ink	24	370	167		561
Shrink wrap	17	521	59		597
Volume of standard packages produced, in millions	466	2,721	1,365	1,910	6,462



Water use
total for all facilities and factories in Tetra Pak Nordics.

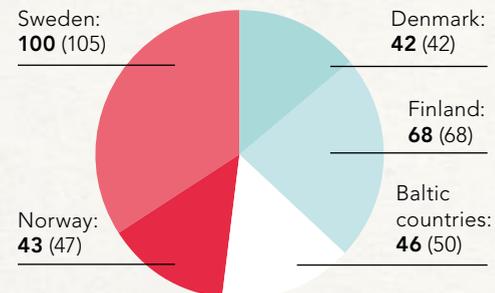


Waste from our factories

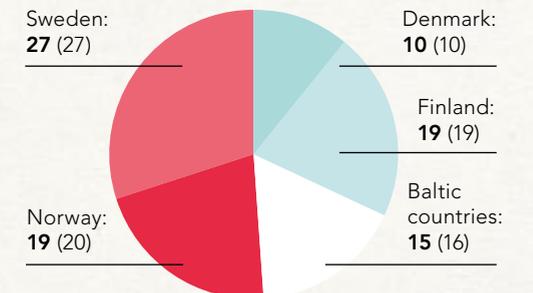


Packaging machines in operation

Tetra Pak Nordics total: **299** (312)



Operating sites at customer locations: **90** (92)





Lean-praised work

Tetra Pak Packaging Solutions testing and assembly hall in Lund won the Swedish Lean award for 2014. The jury saw us as an inspirational role model for anyone aspiring to world class, with a positive culture and systematic improvements in the value chain.

ENERGY-EFFICIENT ADVANCES IN LUND

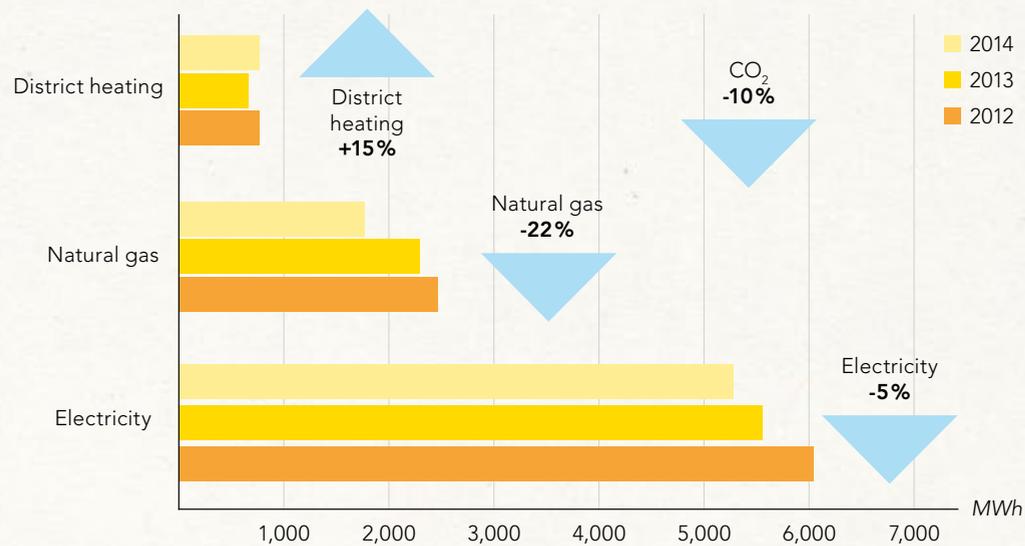
IN 2014, THE TETRA PAK Facility Management company worked with a number of tenants to even further reduce our total energy consumption in Lund by over 7 million kilowatt-hours and more than 1100 metric tons of CO₂.

Energy efficiency improvements in compressed air, ventilation and steam are important factors behind this reduction, but decreased use of electric heating fans and switching to LED lighting have also contributed to the reduction.

Energy efficiency improvements reduced CO₂ emissions by 104 tonnes. Switching from natural gas boilers to district heating has also reduced CO₂ emissions. 💧

Energy efficiency improvements include:

- Reduced compressed air leakage
- Reduced steam pressure
- Shorter operating times for ventilation
- Switch to efficient lighting
- Replacement of older ventilation
- Replacement of neon with LED in exterior building signs



*All figures are degree day-corrected.

WHEN THE JOURNEY IS THE GOAL

It's about the big picture and about placing demands on both ourselves and others. The right technology and combined modes of transport are important ingredients in reducing our environmental impact from travel and transport.

Tetra Laval Group Transport & Travel contracts transport and travel services across the globe for the entire Tetra Laval Group. In the area of transport and travel, we follow our global climate goal – to cap greenhouse gas emissions at 2010 levels by 2020. Per Nilsson, Supply Manager, SCO SM Group Travel & Transport, explains:

In the Tetra Pak Nordics region, we estimate emissions in 2014 to total 14,700 tonnes CO₂, a 2% increase from 14,400 tonnes in 2010. Of this, 8,700 tonnes of carbon dioxide emissions will come from transports and the rest from passenger travel. This is 2.9% of the company's total emissions within transports and travel.

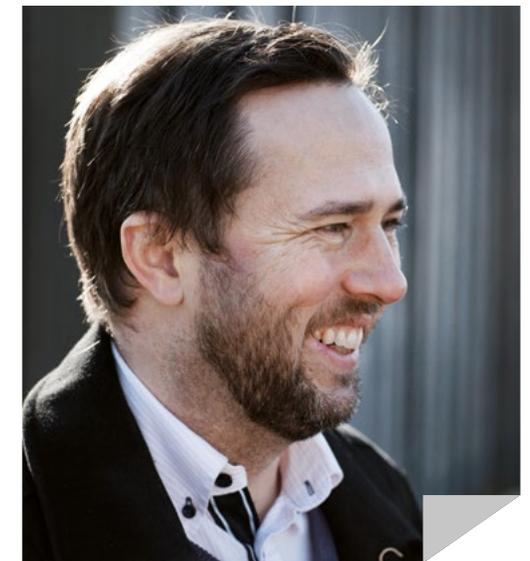
What is your best advice for reducing emissions from transports?

The most effective solution is to change our modes of transport to significantly greener alternatives, from air to sea and from road to sea or rail, or to combined modes of transport, so-called intermodal transports. These usually mean longer lead times and require the customer to order full loads, which can be seen as negative. The positive, however, is drastically reduced emissions, up to 80%, and often lower transport costs.

What about our passenger travel?

Increased focus on costs and a range of video conference facilities and web meetings have helped reduce travel. We are now seeing 60% less emissions linked to travel in comparison with 2010.

Tetra Pak is a member of Clean Shipping Index and NTM, organisations in which we, along with other major companies, drive different environmental issues and place demands on our transport suppliers to continuously improve their environmental performance. We are also continuing our own efforts to classify and improve all of our suppliers in the areas of health, safety, quality and environment. 💧



Per Nilsson
Supply Manager, Supply Chain Operations, Supplier Management, Group Travel & Transport

SYSTEMATIC AND INTEGRATED RESPONSIBILITY

Systems for monitoring and clearly structured work covering all operations. This is how we ensure that our environmental and sustainability initiatives produce results.

Tetra Pak uses integrated management systems to ensure continuous improvement in its environment and quality work. In 2011, all production activities in the Nordic countries were certified in accor-

dance with ISO 14001, ISO 9001 and hygiene standard BRC/IOP. The environment is also part of our improvement system, World Class Manufacturing (WCM).

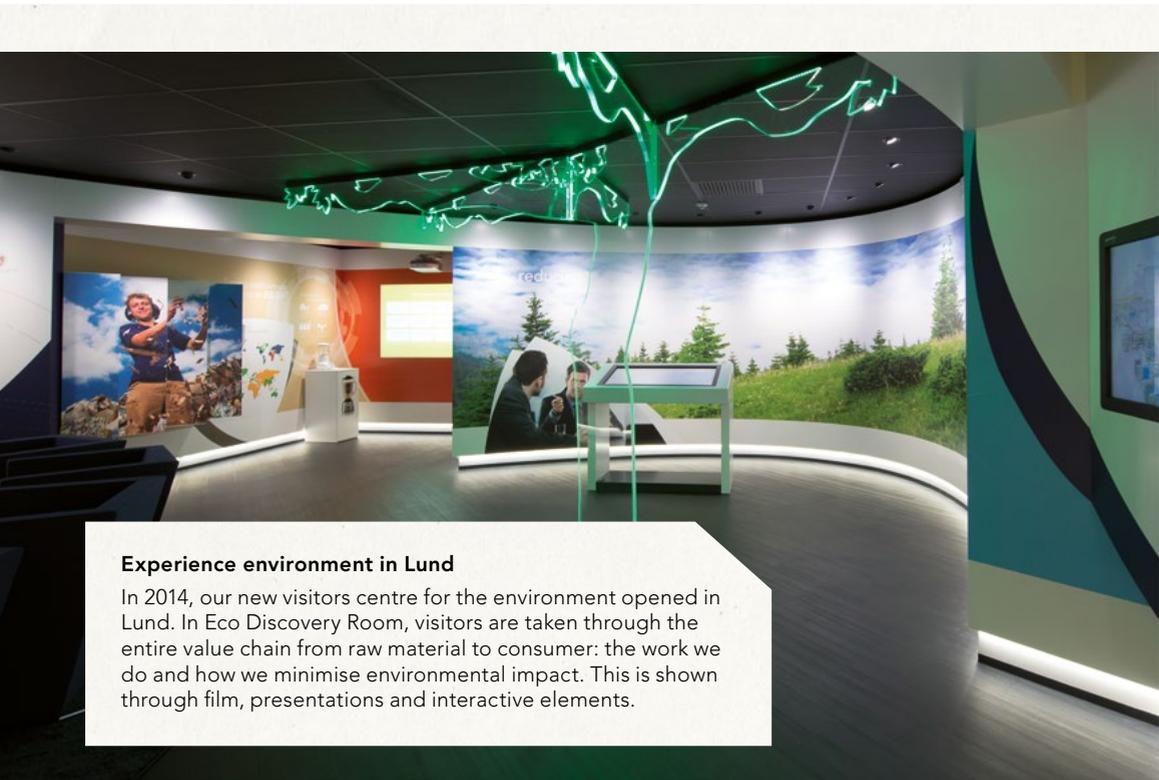
Our global environment department supports the entire Group with its specialist expertise.

The environment director for Tetra Pak Sverige AB is responsible for market-related environmental issues in the Nordics and for the coordination of Swedish environmental work. Our Swedish environmental controller is responsible for contacts with authorities regarding common environ-

mental issues, primarily for the Råbyholm and Öresund facilities in Lund.

Company and local factory managers are responsible for environmental issues in their own operations, by setting company-specific environmental targets, for example. Environmental officers in each company are responsible for managing and coordinating our environmental work.

All divisions work systematically with the working environment and occupational healthcare is available for all employees. 💧



Experience environment in Lund

In 2014, our new visitors centre for the environment opened in Lund. In Eco Discovery Room, visitors are taken through the entire value chain from raw material to consumer: the work we do and how we minimise environmental impact. This is shown through film, presentations and interactive elements.

TARGETS THAT SHOW THE WAY

Our primary environmental targets comprise three important areas that cover the entire life of a product, and pave the way for the next. These targets give us a clearer focus and better conditions for development.

Develop sustainable products

We will continue to increase the use of renewable and certified raw materials in our products. We will offer packaging with the least possible environmental impact for every level of functionality and convenience.

Reduce environmental impact throughout the value chain

Our global climate goal for 2020 is to cap emissions at the 2010 level, while the business continues to grow. Our climate goal covers the entire value chain, from suppliers and raw material production, to both our own and our customers' processes, to recycling after consumers have used the packages.

Increase recycling

Our global target for 2020 is that 40% of all packaging from Tetra Pak will be recycled, a doubling of 2010 figures. Yet because the market is growing, this will actually require the volume of recycled beverage cartons to triple. 💧

»Our global climate goal for 2020 is to cap emissions at the 2010 level, while the business continues to grow«

40%

Our 2020 global target is for 40% of all packaging from Tetra Pak to be recycled.

CLIMATE GOAL – WHERE WE'RE AT

*Growth without increased greenhouse emissions
– is it possible? Initial follow-ups on our global
climate targets show positive signs.*



Mari Ovaskainen
Environmental Specialist
Tetra Pak

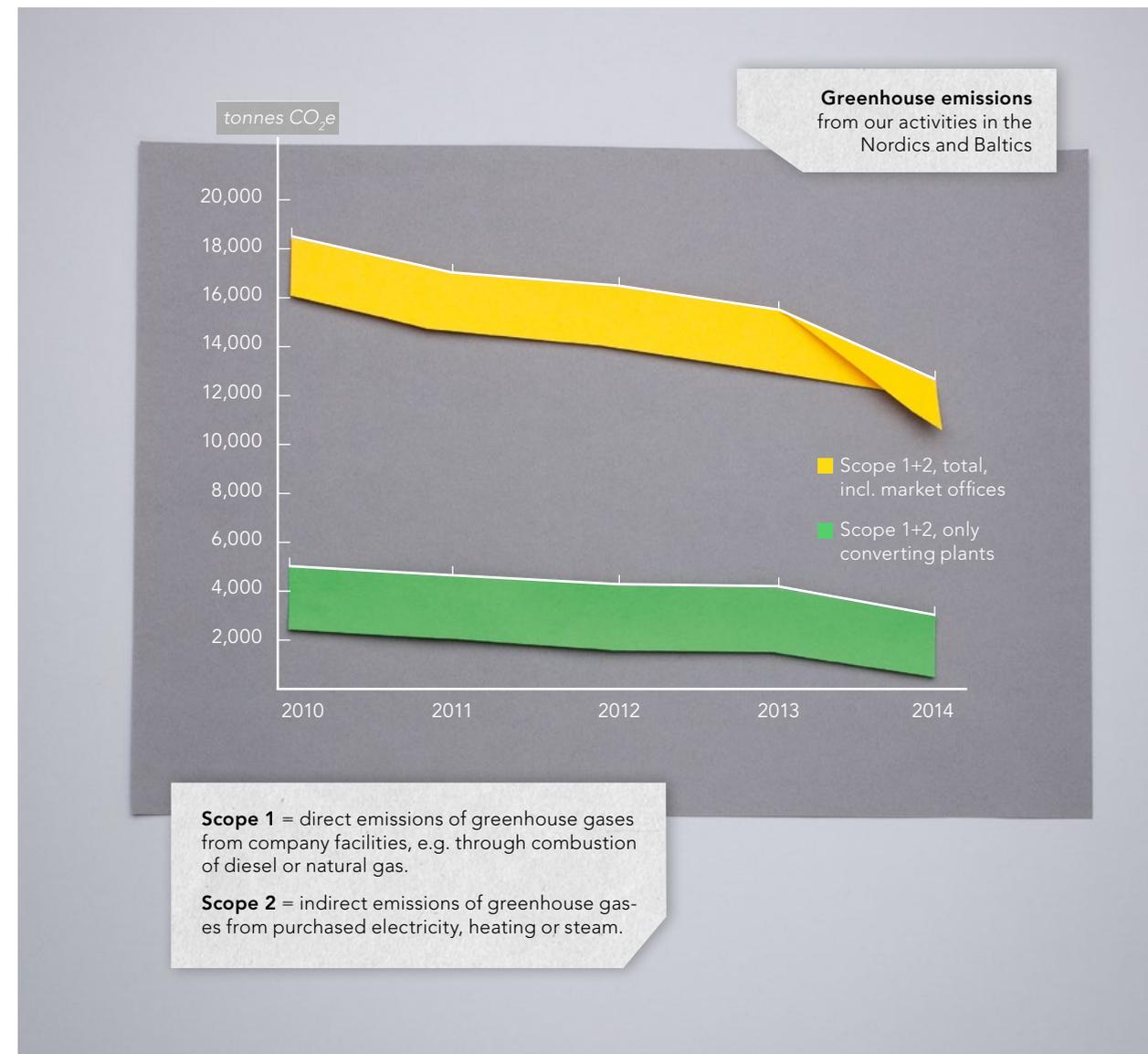
Our climate goal is for greenhouse emission levels to remain at or below 2010 figures, while simultaneously continuing to develop our business. This goal comprises climate impact throughout the value chain and many of our biggest customers have set similar goals. It is therefore important that we are proactive in this area in order to strengthen our competitiveness.

To do this, we have to measure carbon dioxide emissions generated throughout the value chain.

“We’re taking on the entire chain. Everything from what we purchase from our suppliers, to what we produce ourselves, to how these products are used by our customers. We’re also including emissions from the handling of our products after they have been used,” says Mari Ovaskainen, Environmental Specialist responsible for our global climate reporting.

In 2014, Tetra Pak reported the first follow-up on our global climate goal, which shows a clear positive trend: our greenhouse gases are at the same level as they were in 2010.

Read more: sustainability.tetrapak.com/managing-our-climate-impact



Scope 1 = direct emissions of greenhouse gases from company facilities, e.g. through combustion of diesel or natural gas.

Scope 2 = indirect emissions of greenhouse gases from purchased electricity, heating or steam.

To reach the 2020 climate goal, we are working in several areas:

1. Development of sustainable materials – Tetra Pak is focusing on reducing packaging weight and increasing the use of bio-based plastics.
2. An active collaboration with suppliers to follow up on their efforts to reduce their carbon dioxide emissions and encourage them to invest in renewable energy.
3. Improvement of our work processes in all areas by using less energy, more renewable energy and eliminating waste.
4. Helping our customers reduce their carbon dioxide emissions by continuously developing packaging and processing solutions that can contribute to reduced energy consumption and waste for our customers.
5. Increased recycling of our packaging and reduced emissions from carton packaging during the disposal process. ♻️

GOOD PACKAGING FOR A GOOD LIFE



Life is full of choices. What we eat and drink – and how our food products are packaged – matters to our health, quality of life, and the world around us.

Here at Tetra Pak, we've always believed that the raw materials of life can be packaged in a smart way, that we can protect the good in a natural way, and that the resources we choose to use make this possible.

Tetra Pak is, quite simply, good packaging for a good life.



TIME TO TAKE A CLEARER ROLE



In 2014, we started a journey towards a new presence in our markets. We are going to highlight what makes A GOOD PACKAGE, in terms of environment, health and functionality. And we want to make package choice a conscious choice. During spring 2015, we will kick off our biggest push ever.

2014 was an eventful year at Tetra Pak Nordics. We got a new internal organisation in place and a new Managing Director. The world's first entirely renewable beverage carton made an entrance and we accelerated sales of bio-based screw caps. FSC®-labelled packages from Tetra Pak appeared for the first time on store shelves in the Baltic countries and in Finland. The recycling system was in the political limelight in both Sweden and the EU. Negotiations began to close our mother factory in Lund. Juice and milk consumption continued to slowly decline in our part of the world. We are seeing more and more plastic on store shelves, even though consumers agree with us that carton packaging is the best environmental choice.

Our long history of inno-

vation and smart solutions for daily life have their foundation in Ruben Rausing's motto, "A package should save more than it costs". With this as our base, we have been well equipped to meet the ever-increasing environmental challenges that we have tackled over the decades. Today, strong sustainability work and a clear environmental responsibility don't just mean bonus points; they're essential for a business to remain competitive.

Tetra Pak has been silent for a long time in Sweden. Everyone knows who we are, but few know us deep down.

In light of everything that is happening, in the industry, in society, in our markets, and in the awareness of consumers – who in the end are who our products are meant for – we felt in the summer of 2014 that

it was about time we spoke out. We have so much to tell.

"Our customers and other stakeholders in our society have been asking for a long time for clearer and more active communication from our side. Cartons have many benefits that we must become better at communicating, not least sustainability and efficiency in the value chain," says Anders Gustafsson, Marketing Director.

"In this project, we worked together across functions toward a common goal, in which the environment is one of several key components that we want to emphasise," says Erik Lindroth, Environment Director.

"We want to enable consumers and the industry itself to make more informed choices," continues Gustafsson, *"which will lead to a more sustainable society. We want to work*



together with our customers to strengthen the role and significance of the packaging and help consumers make more active choices."

"We've had an ongoing dialogue with our customers in this effort. They appreciate us clarifying the benefits of the carton packaging by describing what a good package is, and they want to cooperate to meet the increasing demands of consumers."

»In this project, we worked together across functions toward a common goal, in which the environment is one of several key components that we want to emphasise«

»We want to enable consumers and the industry itself to make more informed choices, which will lead to a more sustainable society«



The core team behind the new direction (from the left), Christina Appelgren, Communications Director, Erik Lindroth, Environment Director, Anders Gustafsson, Marketing Director, Johan Rabe, Managing Director and Lina Kristoffersen Wiles, Project Leader.



“Tetra Pak has been around since the 1950s and our packages have stood the test of time through the decades, which is the sign of really great innovation and a smart idea,” says Christina Appelgren, Communications Director. “With the dedication and interest in smart solutions and sustainability among consumers today, it is important for us to build close relationships. Most Swedish people recognise Tetra Pak as a large Swedish company and I hope that many more will begin to understand the role carton packaging plays and what our company stands for.”

Starting in spring 2015, Tetra Pak will become a significantly more visible player on the Swedish market. We will be talking more about what we stand for and what our packaging stands for. We will share our experience and knowledge. And we hope to be

able to help consumers make good, informed choices in their daily lives. 🌱

Find out more at godforpackning.se



FLYING START FOR BIOPLASTIC SCREW CAPS



One of Arla Food's ads for the launch of the new caps.

Our Nordic markets are at the forefront of all environmental innovations. Environmental performance weighs heavily among our customers and consumers. There is considerable interest and desire for bio-based materials, which is evident in the rapid progress of our bio-based screw caps.

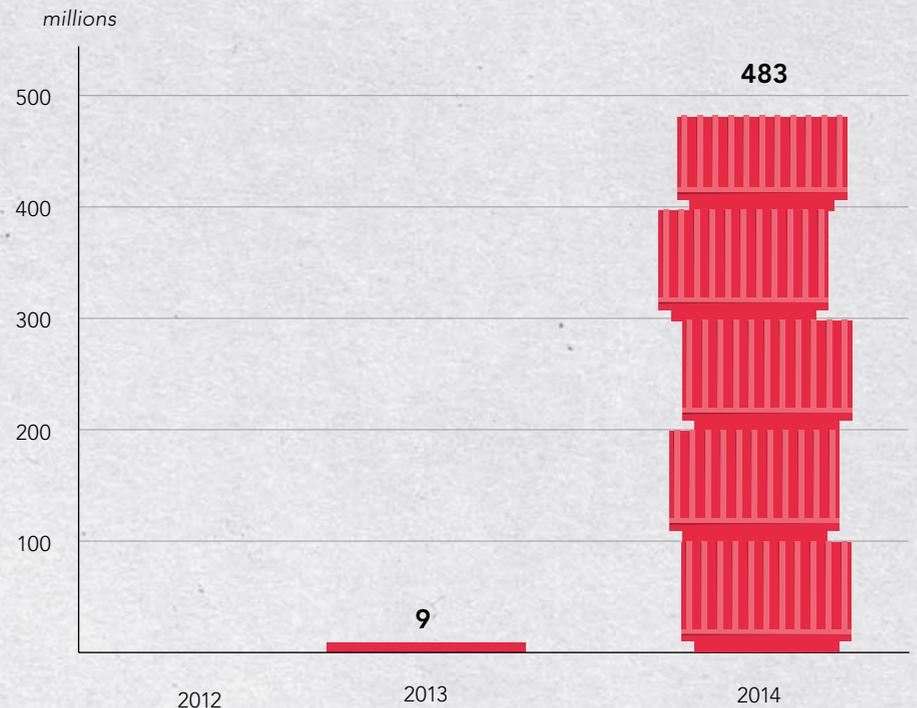


Michael Aly
Key Account Director for
Arla Foods
Tetra Pak Nordics

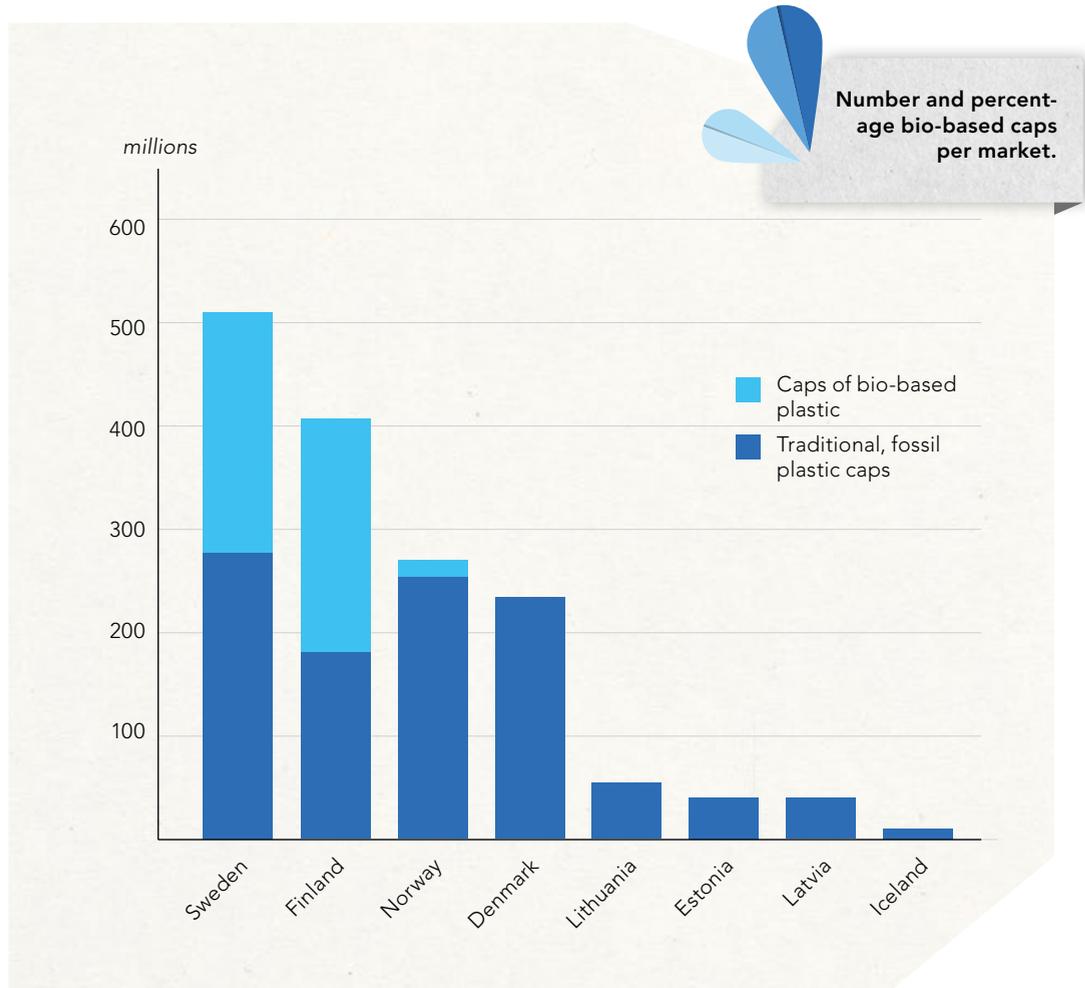
Our Nordic customer TINE was first out in Europe with bio-based caps in 2013, and several customers have followed suit since then. In shops today, you will find packaging with Tetra Pak bio-based caps from Arla Foods and Oatly in Sweden and Valio in Finland. Michael Aly, Key Account Director for Arla Foods, says: "From the customer's – in my case Arla Foods' – perspective, implementation went off without a hitch. It's in line with their own ambitious environmental targets and because

the plastic is functionally identical, there are no obstacles to moving to bio-based caps. Switching to bio-based caps is embarking on a journey toward increasingly more sustainable packaging. Arla Foods made a successful launch on the market, also introducing them in their organic line. Organic foods continue to steadily increase their share of the market, and the introduction of screw caps did not slow down this increase. Quite the opposite, in fact."

Number of bio-based caps in our markets



We have gone from 9 million bio-based screw caps sold in 2013 to **483 million** sold in 2014. **This represents nearly one-third of the screw caps we sold over the year.** Our determination to increase our percentage of bio-based materials is as strong as ever, and we predict a continued dramatic increase over the coming years.



Finnish dairy company Valio has the same reasoning. Tanja Virtanen-Leppä, Packaging Technology Manager, Valio Oy, comments:

“Valio wants to increase the percentage of renewable raw materials in our packaging. The goal is for Valio to use packaging of 100% renewable materials on a large scale and the renewable screw cap is the first step in this direction.”

“The biggest challenge,” continues Michael Aly, “is getting the message out so that consumers understand what this is and what value it has. What renewable plastic is, what distinguishes it from both degradable plastic and ‘regular’ plastic from fossil raw materials, and why this plastic is better for the environment. There is also an ongoing public debate about ‘food for

fuel’ – the controversial use of agricultural crops for things other than food. Even if this isn’t a problem for our bioplastic, we and our customers still have to clearly explain this.”



THE ROAD TO FULLY RENEWABLE PACKAGING

In October 2014, Tetra Pak launched a package made entirely of renewable packaging materials. The new Tetra Rex® package was the first of its kind on the market, with a plastic layer of bio-based low-density polyethylene (LDPE), a screw cap of bio-based high-density polyethylene (HDPE) and LDPE, and FSC®-certified paperboard from responsibly managed forests. **All of the polyethylene in the carton is made from sugar cane; the juice from the sugar cane is converted into ethanol, which in turn is used to produce polyethylene.**

“We believe that renewable resources is the only sustainable solution in the long term. We also believe that a higher renewable content in the packaging increases our customers’ competitiveness, and we are seeing a strong interest from customers. For us, it was also



an incentive to be the first out on the market,” says Christina Chester, Product Director Carton Gable Top.

The new Tetra Rex package was produced in collabo-

ration with Braskem in Brazil, one of the world’s leading manufacturers of polyethylene plastic from renewable sources. Tetra Pak and Braskem have been collaborating on renewable materials for a number of years, and key steps are taken continuously. This close collaboration was crucial to the rapid development of the fully renewable packaging.

Back in 2011, Tetra Pak introduced screw caps made of renewable plastic, and they were first launched on the market by Nestlé in Brazil. First out in Europe was Norwegian customer TINE, who launched bio-based screw caps in 2013 on selected products in Norway. In 2013, the next important step was taken in the innovation towards fully renewable packaging when Tetra Pak and Braskem made an agreement to also

SUGAR CANE SHOWS THE WAY



begin using bio-based plastic as part of the laminate in the beverage cartons and not just in the screw caps.

In February 2014, Coca-Cola Brazil became the first company to launch cartons with bio-plastic in the laminate. The launch was a success and Tetra Pak Brazil now uses renewable plastic in all packaging produced – a total of more than 13 billion packages a year.

On 16 October, we reached the next milestone when we presented the world's first packaging completely free of fossil plastic.

“2014 was a very eventful year for us. First we launched renewable screw caps for Tetra Rex in March and then a fully renewable package in October,” says Chester. *“The project has really engaged us, and we feel that we have been part of an important development towards increased sustainability. Now we’re pushing on, both by*

rolling out the new packaging and by evaluating the possibilities for materials that are not currently available in renewable variants.”

Tetra Pak customers using the standard Tetra Rex 1-litre packaging with TwistCap™ OSO 34 can easily switch to the new version without needing to invest more or adapt existing filling machines.

World premiere in Finland

The fully renewable Tetra Rex made its retail debut in January 2015, making Finnish company Valio the first in the world to offer products in a beverage carton made entirely of plant-based raw materials. In spring 2015, the same type of packaging will be launched in Sweden with Arla Foods. 💧



Christina Chester & Erika Kloow
Product Director Carton Gable Top
& Senior Environmental Specialist
Tetra Pak

We’ve had a vision of being able to offer packaging made of fully renewable materials. In 2014, that vision became a reality with the launch of the entirely bio-based Tetra Rex®.

Understanding the environmental aspects of the bioplastic we use is important. Braskem, our bioplastic supplier, has investigated the environmental impact of bio-based polyethylene (PE) through a life cycle assessment (LCA), which was published in 2013.

“An LCA aims to quantify the environmental impact of a product or process from cradle to grave, and includes many types of environmental impact,” says Erika Kloow, Senior Environment Specialist at Tetra Pak.

Braskem’s LCA follows the production of bioplastic through the value chain and analyses the environmental impact from sugar cane production in Brazil, transports, ethanol and ethylene production, and polymerisation. The production of fossil plastics at Braskem was also included in the LCA.

*“The study investigated several scenarios, evaluating different calculation methods and assumptions. The results vary between the different scenarios, but the conclusions in terms of climate impact are the same: **bio-based PE have a lower impact than fossil PE.** The study shows that the*

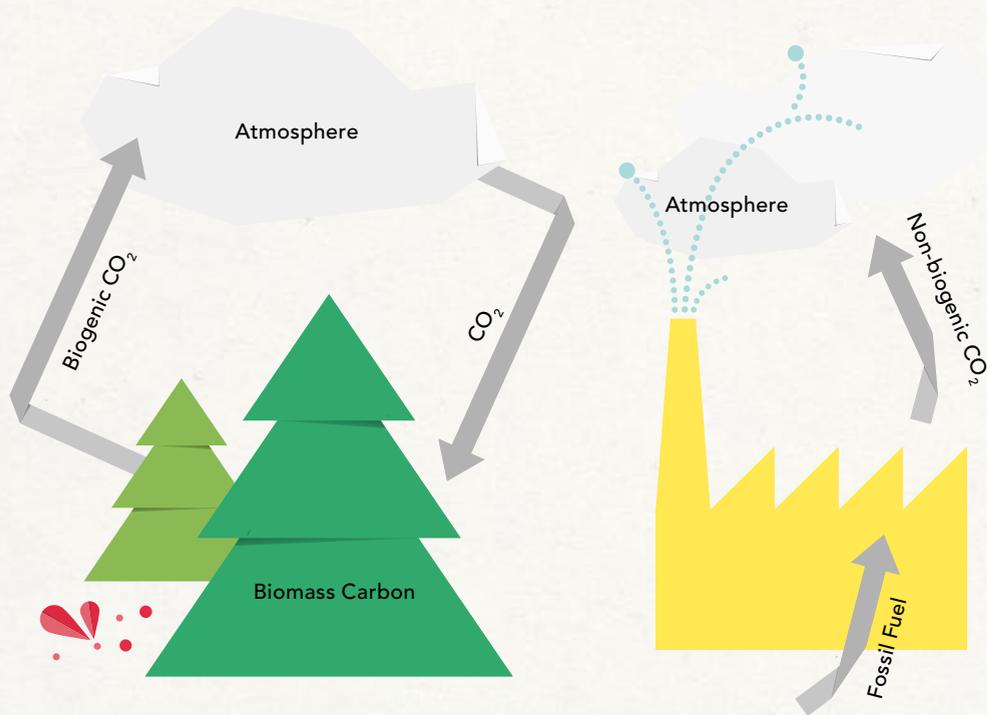
primary benefit of bioplastic is that the carbon content is biogenic, i.e. the carbon in the plastic has been absorbed from the atmosphere by the sugar cane during photosynthesis, because the plant uses carbon dioxide, sunlight and water to grow,” explains Erika Kloow.

But the study also points to the challenges for bio-based plastic. One ‘hotspot’ identified in the LCA is combustion, both of the sugar cane before harvest and of bagasse (a bi-product of fibres from the sugar cane) in ethanol production. The emissions from combustion dominate the environmental impact in the LCA categories of acidification and eutrophication.

An understanding of the environmental impact along the value chain is a prerequisite for

effective environmental performance, and LCA studies are a powerful tool in this. In its code of conduct for ethanol suppliers, Braskem has defined targets for the burning of sugar cane fields. In 2014, cultivation must have stopped on lands with a slope of less than 12 %. This will lead to an improved environmental profile for the sugar cane.

“We are also following the development of the second and third generations of bio-based plastics. We believe it will be possible in the future to make bio-based plastics from, for example, forest and agricultural waste, household waste, or algae. Using sugar cane as a raw material is an important start of the journey towards more sustainable products,” concludes Erika Kloow. 💧



Biogenic carbon is part of a relatively rapid natural cycle that impacts atmospheric CO₂ only if the cycle is out of balance, e.g. if there is no re-planting.

Fossil fuel combustion transfers geologic carbon into the atmosphere. It is a one-way process, yielding a net addition of CO₂ and other greenhouse gasses to the atmosphere.

20% MORE ENERGY-EFFICIENT PASTEURISATION

Our development projects for more energy-efficient pasteurisation have produced results for our customers. Valio can now pasteurise orange juice with the same great taste, but by using less energy.

Supporting our customers by continuously streamlining and improving our processing equipment is central to our development work. In 2014, Tetra Pak introduced new recommendations for juice pasteurisation, and Valio in Finland was the first to implement the new process.

The new pasteurisation process is based on a development project started at Tetra Pak in 2012. The objective of the project was to investigate if, and how, the industry’s guidelines for juice pasteurisation could be improved.

Juice is pasteurised in two stages: the first stage takes place immediately after the juice is pressed, and the second stage just before the juice is packaged. Tests and simulations showed that for the second stage, the pasteurisation temperature for products with low pH values could be decreased from 95 °C to 80 °C.

Commercial tests were conducted in 2012 at Valio on orange juice, and a tasting panel who evaluated the products over six months found no abnormal changes in taste or appearance in comparison with the control group.

“The extensive testing showed that the quality of the juice was not affected by the new guidelines,” says Micael Simonsson, Manager Centre



of Expertise at Tetra Pak. “With the implementation of the new process, we are working closely with the customer to ensure quality through rigorous testing and assessments.”

Lowering the temperature in the second pasteurisation stage increases energy efficiency by up to 20%, leading to both cost and environmental benefits for the customer. This development is an important example of how innovations in processing technology can help juice producers monitor and reduce operating costs while also benefiting the environment. 💧



Micael Simonsson
Manager Centre of Expertise
Tetra Pak

A GLOBAL PROBLEM IN YOUR KITCHEN

Today's food waste is a challenge that encompasses everything from raw material to consumed product, and will require everything from new and innovative products to educational initiatives to tackle. At Tetra Pak, the challenge to protect the contents and reduce food waste is in our DNA.

One of the biggest challenges, both today and tomorrow, is making the food stretch to cover the population of the entire planet. There will be about nine billion people on Earth by the middle of the century, and nearly ten billion by 2100. This means 30-40% more people who need food, while arable land cannot possibly be increased at the same rate.

At the same time, we see examples where half of the food produced is wasted. In Sweden, figures of about 25% food waste are reported, which means that every fourth bag of groceries goes straight into the bin.

This development is not sustainable and is a huge challenge for all players in the value chain. For us at Tetra Pak, this is not a new area, but the rising urgency means that efforts must be increased even further.

Tetra Pak was founded on the premise that "a package should save more than it costs." This premise includes reduced food waste. When Ruben Rausing founded Tetra Pak and our first packages hit the market at the beginning of the 1950s,



»An important component of our sustainability efforts is to push both ourselves and consumers to reduce food waste and increase recycling«





milk in Sweden was sold loose in milk shops. Unprocessed and unpackaged milk has a very short shelf life, which meant that a great deal of milk had to be thrown away.

In the 1960s, we launched aseptic packaging. With this innovation, shelf life could be significantly extended, and the need for refrigerated transport and storage was eliminated. This solution enables better utilisation of the food that is produced.

In recent years, we've launched further innovations, such as Tetra Top® Separable Top. This package works just like previous packages, except that the plastic top can be removed with a simple thumb press. This makes it easier to recycle and easier to empty thicker fluid products like yoghurt.

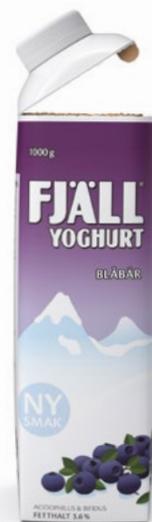
This type of packaging was launched in August 2014 by Norrmejerier in Sweden for all of their yoghurt products.

“An important component of our sustainability efforts is to encourage both ourselves and consumers to reduce food waste and increase recycling. That’s why we’re so pleased that we can

now switch to new and smarter yoghurt packaging that also has a one-step opening, something that many consumers have requested,” said Anna-Karin Karlsson, Marketing and Innovation Manager at Norrmejerier, at launch.

The challenge involved with food waste will require innovation and improvements throughout the entire handling chain, from raw material production to end consumer and household. The latter will require a carefully executed education initiative.

At Tetra Pak, we see this challenge as a call for new development. The food waste issue will only rise in importance, and we want to offer our customers the opportunity to utilise the best solutions for both processing equipment and packaging. For there is, after all, reason to cry over spilt milk. 💧



ZERO – FOR MORE AND BETTER ALTERNATIVES

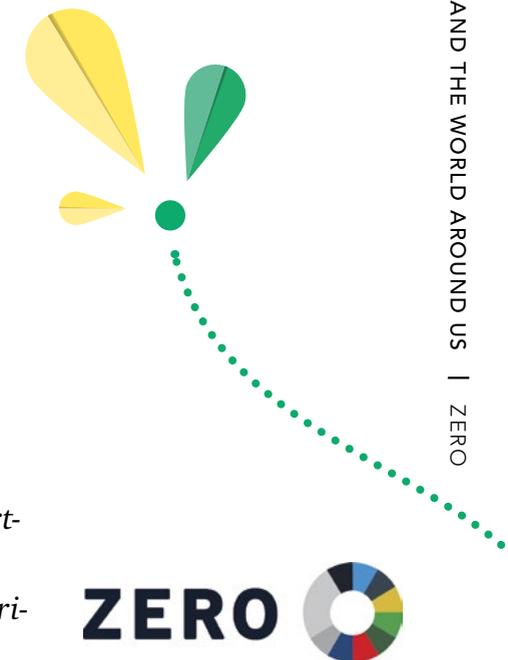
The way forward is about listening, contributing and exchanging knowledge. As a commercial partner, Tetra Pak participates and discusses human climate impact and the future of renewable materials at the Zero Emission Conference in Norway.

The Norwegian Zero Emission Resource Organisation is an independent, non-profit foundation dedicated to promoting a limitation of human impact on the climate. In recent years, Zero has worked extensively to highlight the benefits of renewable plastics as an alternative to fossil plastics.

The Zero Emission Conference is Zero’s main annual event, which has grown to be one of the Nordic region’s most important forums for those working on solutions to the climate challenge. The conference is held in October every year, and 2014 was the first time Tetra Pak participated as one of Zero’s commercial partners.

In 2013, TINE was the first to launch plastic caps made of bio-plastics, so Norway is a pioneer in this area. At the same time, it is important to emphasise the problems associated with bioplastics and discuss how the raw material supply for bioethanol can be further developed. In this, Zero is a valuable partner for Tetra Pak in conducting unbiased evaluations of alternatives while simultaneously strengthening the products that are already available on the market today.

Participation in the Zero Emission Conference is the first step in a longer journey aimed at highlighting the benefits of renewable raw materials over fossil raw materials. Renewable raw materials have the advantage in that they “recycle” the carbon dioxide in the atmosphere instead of using the carbon dioxide that has been stored in the earth’s crust since long ago. 💧



»Renewable raw materials have the advantage in that they “recycle” the carbon dioxide in the atmosphere instead of using the carbon dioxide that is has been stored in the earth’s crust since long ago«



EAT – COMMON PERSPECTIVE ON IMPORTANT ISSUES

Find out more at eatforum.org!



Anders Gustafsson
Marketing Director
Tetra Pak Nordics

Many perspectives are needed to tackle complex global sustainability challenges. That is why it was an obvious decision for Tetra Pak to participate as a Main Business Partner when the world's first EAT forum was arranged.

In May 2014, the first EAT Forum was held in Stockholm. EAT is an initiative founded in 2014 by Gunhild A Stordalen, aimed at bringing together politics, science and industry under the three issues of food, health and sustainability. These are issues and challenges close to our core, and

it was therefore a natural step for us to participate as a Main Business Partner.

Anders Gustafsson, Marketing Director at Tetra Pak Nordics explains why Tetra Pak decided to get involved:

“We know that it is absolutely imperative to get involved in sustainability issues for the long term, not only from the company's perspective, but also as citizens of the world. EAT gives us the opportunity to better understand and influence global developments, and open up areas where we can cooperate with our customers and other partners.”

Bill Clinton was one of the speakers at EAT Forum, along with a large number of leading experts in the areas of food, health and sustainability. The conclusions are that these areas are closely linked and

will require integrated solutions to result in significant progress. Progress that is necessary to ensure the survival of the human race. From a positive point of view, this is an excellent area for innovation and development, and thus as a source of competitiveness.

In conjunction with EAT Forum, Tetra Pak arranged a breakfast seminar, “A sustainable value chain – cooperation and trends”, in which representatives from the Swedish food industry emphasised that cooperation throughout the value chain is an important part of corporate responsibility. The seminar took the form of a panel discussion with participants from Arla Foods, ICA, Lantmännen and the World Wide Fund for Nature, WWF.

The panel came to the conclusion that making the sustainability issue an external issue would force companies to adapt to prevailing circumstances. The problem can then be turned into an opportunity, in which new, sometimes unorthodox, collaborations can call attention to the matter and bring in new perspectives.

LOCALLY PRODUCED PLASTICS – WORKING TOGETHER FOR A SOLUTION

Bioplastics are gaining ground and we see a lot of potential in this renewable material. But how can we find sustainable material solutions in our neighbourhood?

Renewability is a key component in our environmental strategy and the goal is to increase the percentage of renewable raw materials in our packaging solutions. The transition to bioplastics is already underway, and we are now a major purchaser of plastic made of bioethanol from sugar cane, which is the solution that is available on the market today.

The next step for us is to find a raw material that is closer geographically. With this objective in mind, we became involved in Närodlat Plast, or Locally Produced Plastic, a project aimed at producing plastic from Swedish forest products. This is a collaboration with an entire value chain of stakeholders that are key to making this vision a reality. Stakeholders include Sveaskog, Holmen, Södra, SEKAB, Borealis, Trioplast and Tetra Pak.



GOOD GETS BETTER



The mark of responsible forestry

We continue focussing on increasing our proportion of FSC®-certified carton packaging. But is it a sustainable solution? Along with other major buyers, we've been evaluating the effects and strengthened our conviction that our choices make a difference.

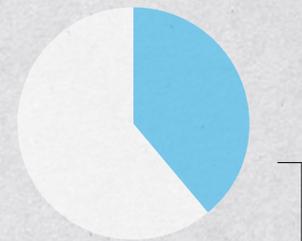
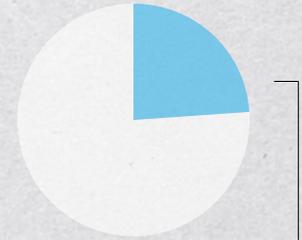
Forest Stewardship Council® is a politically independent, non-profit, global membership-based organisation that promotes environmentally appropriate, socially beneficial and economically viable management of the world's forests. Over the past two decades, the FSC system has become known for robust processes

involving many stakeholders and their clearly defined social and environmental criteria for forest management. But despite this, it's been a challenge for companies that manufacture FSC-certified products to quantify and demonstrate the value the system has in promoting better forest management. »

100% of our factories and market companies worldwide are FSC Chain of Custody Certified in 2014.

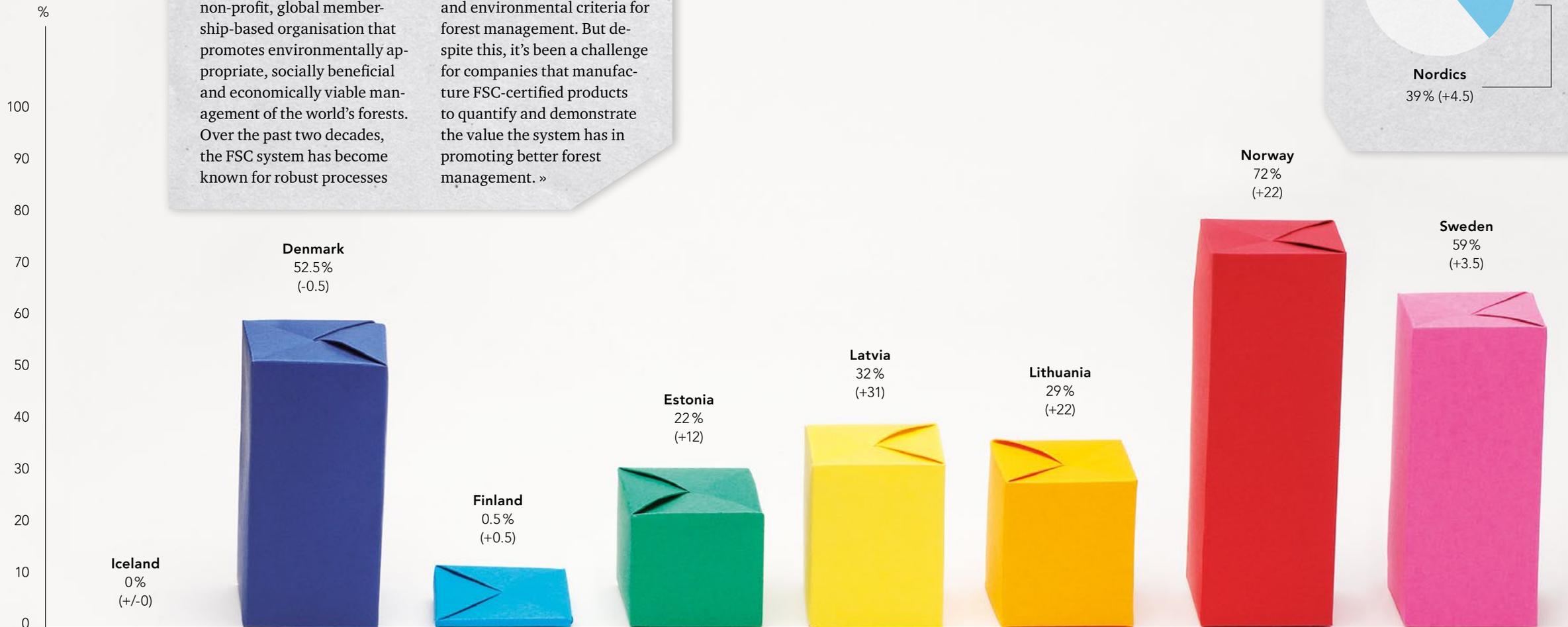
Share of FSC-labelled packages (%)

Change since 2013 in parentheses.



Number of FSC-labelled packages

Change since 2013 in parentheses.



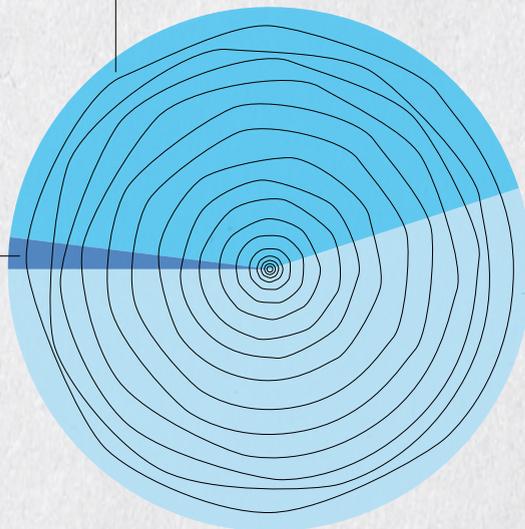
In autumn 2014, three of FSC's major global member companies – Tetra Pak, Kingfisher and IKEA – therefore launched a two-year initiative aimed at developing a method for analysing the impact of FSC certification. The objective is to help companies understand the benefits of choosing FSC-certified wood in their purchasing processes.

Our position

FSC occasionally comes under fire in the media and public debate when deficiencies are exposed in the management of certain forest areas. Even at Tetra Pak, we have to deal with questions and in some cases direct criticism because we support FSC.

98% of the paperboard we bought in 2014 came from FSC Chain of Custody-certified suppliers:

43% (+2)
From FSC-certified forests.



55% (+5)
From Controlled Wood.*

* Minimum requirements: not from illegally harvested wood, not from areas where forestry threatens High Conservation Values, not from areas where forest ecosystems are being converted to plantations or non-forest use, not from genetically modified trees.

2% (-7)
From forests in which management is regulated by national legislation.

The hunt for certified paperboard

Our long-term global goal is to use 100% FSC-certified paperboard. In 2014, this percentage increased to 43% from 41% the year before. 43.7 billion FSC-labelled packages from Tetra Pak reached consumers in 2014, an increase of over 11 billion from 32 billion in 2013.

We are one of the largest purchasers of paperboard in the world. As an FSC-certified company, we are required to only use wood-based raw materials from traceable sources. Because only a fraction of the world's forests are currently FSC-certified, we require that our suppliers, as a minimum, use only traceable and legal sources. 💧

Our position is clear. FSC has the strictest and most comprehensive requirements for certification today and is the only forest certification system supported by the World Wide Fund for Nature, WWF. Our engagement in FSC ensures that our raw packaging materials have the highest quality certification possible, and that we have the ability to drive developments toward even better forest management and certification. No system is perfect, but by becoming involved, we are taking responsibility and can make an impact. We are a catalyst for the entire value chain.

FSC – NOW IN THE BALTICS AND FINLAND!

Since 2014, FSC®-labelled packages have also been on the shelves in the Baltic countries and Finland.

The Baltics

“The implementation of FSC labelling was the result of persistent teamwork, in which we informed our customers of the value of FSC and the benefits of putting the label on our packaging,” says Laura Latisonoka, Key Account Manager, for Tetra Pak in the Baltic States. “The biggest challenge has been the low level of awareness about the label and the customers’ costs to change their packaging designs. But we are happy that all of our Baltic customers now have the FSC label on their packages.”

“The percentage of FSC-labelled packaging will increase in 2015, due largely to our introduction of changed terms for design changes, which make it less of a cost issue for customers,” says Latisonoka.

Finland

In Finland, the challenge is different. About 95% of Finland's forests – which are largely privately owned – are affiliated with PEFC, Programme for the Endorsement of Forest Certification. PEFC is a forest certification that the forestry industry is responsible for.

“Because of this, FSC is relatively unknown in Finland and there is no real domestic demand for FSC-labelled products in Finland today,” says Rico Kaartinen, Key Account Manager in Finland. “But Finns are slowly becoming accustomed to seeing the FSC logo on various wood-based products. And now we’re seeing them on the juice shelves in grocery stores, too!”

In spring 2014, Eckes-Granini became the first customer in Finland to launch FSC-labelled packaging, on Marli juice in one-litre Tetra Brik® Aseptic Edge packages.

“It is important for us that the fibre in our packaging comes from certified forests that are managed in a sustainable way,” says Torsti Hurmerinta, Commercial Director, Eckes-Granini Finland Oy Ab.

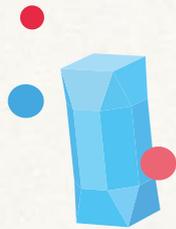
“We are now planning the launch of the next FSC-labelled package with Eckes-Granini for autumn 2015. These will be portion packs, Tetra Brik® Aseptic Edge 200 ml with straws and 250 ml with screw caps,” says Rico Kaartinen. 💧



Rico Kaartinen
Key Account Manager
Tetra Pak in Finland



THE HUNT FOR THE FORGOTTEN CARTONS



For three autumn terms, “The Hunt for the Forgotten Cartons” has taught nearly 130,000 children and their families more about the recycling of beverage cartons. When Tetra Pak and the World Wide Fund for Nature, WWF, began their collaboration on recycling three years ago, less than one-quarter of beverage cartons were recycled in Sweden. As we tally up the figures for 2014, we come in at nearly 39%.

“This has been by far Sweden’s largest school competition ever, and we believe that it was a strongly contributing factor in the dramatic increase in recycling we have seen over the past few years. The key to its success was that it didn’t only reach children and schools, but also the homes,” says Lina Kristoffersen Wiles, Environment Executive at Tetra Pak Nordics and Project Manager for the competition.

How we did it

The recipe for success is flexible educational materi-

als that made it easy for the teachers to participate; a very popular welcome package with tattoos, posters, stickers, magnets and an illustrated story for the youngest children; a wide-scale launch in a number of channels; the partnership with WWF and a highly topical subject.

Voices from schools

Participating teachers say that they have rarely, if ever, had such a positive response from the children’s parents for an activity that also involved the homes.

Cia Grandelius at Mariehage preschool in Malmö says that her preschool teaches that there are many ways to reuse. The concepts of reuse and recycle are central at the preschool and they try to work as concretely as possible with the children. The competition inspired the educators to think of new ways to work with recycling and the environment. The parents also say that they now have little “recycling police officers” at home, that remind them to sort properly. At school, the children



talk about what they have recycled at home and if they have been to the recycling stations.

The pupils at Kulparkskolan in Lund also have a lot of expertise in recycling. This is clear when they talk about what they’ve reused and what recycling means.

“Reusing means that you use things over and over again,” says Emma and continues:

“When you recycle, you utilise the original raw materials of the products by separating them into their various components and then you can make new things again. This saves money, reduces energy consumption and is good for the environment.”

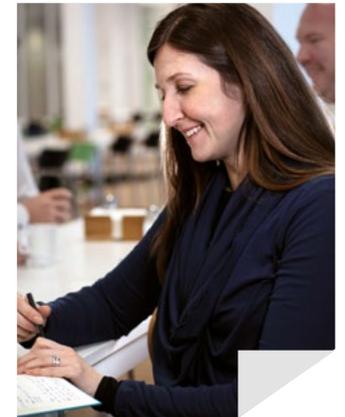
Other pupils in the class agree, and add that recycling is when you separate used materials and then use them to make something new, maybe something completely different than what they were the first time.

“A beverage carton can become a cereal box,” says Hugo.

Viktor and his friends at Kulparkskolan primary school think that it is important to recycle for the environment.

“If no one recycled, they’d have to cut down more trees. You have to sort your rubbish so that you don’t waste resources and so that we don’t run out of raw materials. And it takes more energy to make something new from scratch than it does to make something new through recycling.”

Both classes think that it is easy to recycle beverage cartons. Arvid says that his family separates rubbish in different compartments in the bin. His classmates say that it is often clearly marked what should be placed in different containers. Through the competition, they’ve learned that after their beverage cartons are collected, they are mixed in water in a gigantic “blender”. In the mixture that is formed, the beverage carton can then be separated into paper, plastic and aluminium and use the material to make



Lina Kristoffersen Wiles
Environment Executive
Tetra Pak Nordics

new cartons. Not new beverage cartons, however, but pizza boxes, biscuit packages, kitchen rolls, and so on.

And the winners are...

Over the first two years, the competition was aimed at pupils in primary and secondary schools, but in autumn 2014, it was expanded to include preschool children. With some adaptation and specially designed educational materials,



Recycling rates for beverage cartons

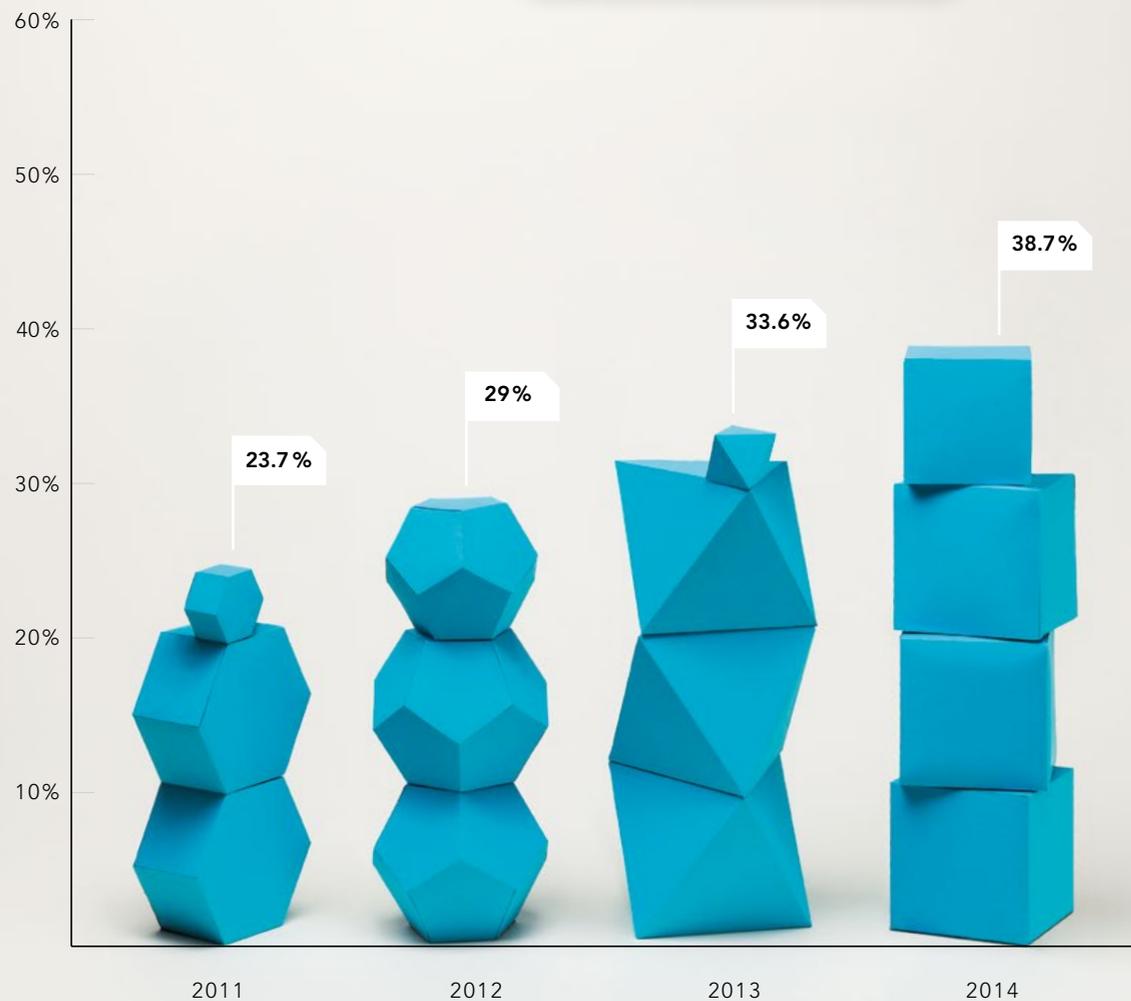
Globally**	25.7 % (+1.2)
EU+NO+CH****	42 % (+3)
Tetra Pak Nordics**	37.8 % (+6.3)
Sweden*	38.7 % (+5)
Norway***	52.5 % (-3.8)
Denmark	0%

Sources:

*FTI (Sweden),
 **Tetra Pak,
 ***Grönt Punkt (Norway),
 ****The Alliance for Beverage
 Cartons and the Environment,
 ACE (2013).

Change since previous year
 in parentheses.

Recycling rate beverage cartons in Sweden (%)



2012
61,264

In 2012, 123 municipalities participated with children/pupils in age groups 0-6.

2014
41,327

Number of participating children/pupils

In 2014, 224 municipalities, 50 recycling schools and 238 recycling preschools with children/pupils in age groups preschool + 0-6.

2013
24,285

In 2013, 161 municipalities and 61 recycling schools participated with children/pupils in age groups 0-9.

A "Recyclers" school or preschool is a school in which all classes participated in the competition in the same year.

it was a huge success, and even the very smallest children could now participate.

In the competition, the entire class monitors and reports on the recycling of beverage cartons at home for two weeks. The classes that reach a recycling rate of over 50%, which is also our national target for 2020, were entered into the prize lottery. The week before Christmas, the first prizes were awarded to the year's winners:

- Preschool: Kransen Blå at Mjölaren preschool in Järfälla
- Years 0-3: Class Alfa 2, Geijerskolan primary school in Limhamn
- Years 4-6: Class 5b, Hemmestaskolan primary school in Värmdö

The winning class in years 4-6 received a contribution to a class trip and the winning classes in years 0-3 and preschool received contri-

butions to a greener school environment. The winners also got to select one of three WWF conservation projects to support with a donation of SEK 1000 per child.

Commitment and hope for the future

"The children show amazing commitment and often influence their parents and other adults to change their behaviour. Younger generations have an important role to play

in climate issues,” says Håkan Wirtén, Secretary General for WWF in Sweden.

The competition is also popular among teachers, who see an increased interest in environmental issues and recycling among their pupils.

“I think that the recycling project fit in well with the work we’ve been doing this autumn on sustainable development. The material in the competition was adapted to the national curriculum and engages the pu-

pils,” says Pia Sahlin, teacher in class 5B at Hemmestaskolan primary school in Värmdö.

“The materials were perfectly in line with the preschool’s mission to work with the environment and sustainable development,” says Cia Grandelius, preschool teacher at Mariehage preschool in Malmö.

“I am full of admiration for the results that all of these schoolchildren managed to achieve, and an average recycling rate among participants this year of 84% shows that it is possible to significantly increase recycling on a national level, with the right knowledge. A used beverage carton is not rubbish, but a valuable raw material for new products. It’s easy to recycle beverage cartons and it’s the right thing to do for the environment,” says

Erik Lindroth, Environment Director for Tetra Pak Nordics.

Shared responsibility

For the first time, we involved several of our customers in the project this year. In three voluntary monthly challenges during the autumn, pupils had the chance to win cinema tickets and surprises from Kiviks Musteri, Arla Foods and Oatly, which became a particularly popular feature, but also something of an educational bonus. The teachers say that the link to the companies that use Tetra Pak® products have shown the pupils that many people are working together to do their best for the environment. It reinforces the argument that we must all take responsibility, as individuals by recycling more. 💧

Recyclers on Facebook!

With nearly 20,000 followers, Återvinnarna (“The Recyclers”) is an important channel for us for spreading facts, killing myths and sharing inspiration about recycling. Would you like to join us? Like us on Facebook at [facebook.com/Atervinnarna](https://www.facebook.com/Atervinnarna)



Pupils in Year 5-6 at Kulparksskolan primary school in Lund

OUTSIDE PERSPECTIVE – WWF ABOUT TETRA PAK AS PARTNER



Q&A with Mats Landén, World Wide Fund for Nature, WWF.



Mats Landén
World Wide Fund for Nature, WWF

Q: Briefly describe your role at WWF.

A: I work as Manager Corporate Partnerships. In practice, this is about developing and managing WWF’s collaborations with companies, such as the one we have with Tetra Pak.

Q: WWF and Tetra Pak collaborated on beverage carton recycling from 2012 to 2014, during which time recycling increased by a full 15 percentage points. We’ve just made the joint decision to extend this collaboration and expand

it to also include renewable materials. What do you think are the keys to a successful collaboration?

A: The most important is that both parties share the same common view of what the sustainability challenges are, and have the ability to “see around the corner” so that they are setting challenging and relevant goals. It is important to have the courage and desire to challenge each other and tighten the bowstring even further.

Q: For Tetra Pak, the collaboration with WWF brings weight and credibility because WWF is a respected, independent operator with clear values. What does WWF get out of the partnership with Tetra Pak?

A: Tetra Pak is the leading company in its sector. Through the influence Tetra Pak has, you can provide conservation benefits in our focus areas, such as sustainable forestry and recycling of resources.

Q: How is Tetra Pak as a partner?

A: You are open and eager to carry out a constructive dialogue in our collaboration, which is energising.

You also have a clear focus on the future, which makes the collaboration exciting.

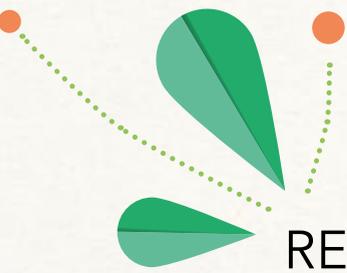
Q: In what issues would WWF like to challenge Tetra Pak to make greater efforts?

A: The recycling of materials in beverage cartons is a huge challenge worldwide. Far too few of the cartons sold on the market today are recycled. Another area in which we need to see progress is renewable alternatives to aluminium and fossil plastic used in packaging.

Q: What are your hopes for the collaboration in the coming years?

A: I expect that we will set yet another record in beverage carton recycling in Sweden! I also look forward to the mutual benefits in the expansion of our partnership and hope that this can inspire other companies to work just as hard with sustainability issues. 💧





REVITALISING RECYCLING

Fiskeby Board in Norrköping is driving technological advancements to recycle the plastic in beverage cartons



Sten Christoffersson
Manager Strategic Supply
Fiskeby Board

Paper board mill Fiskeby Board in Norrköping recycles beverage cartons collected in the Nordic market. Fiskeby mill has a long history. In 1637, they began manufacturing paper from textile rags. Recycling of cartons and paper is nothing new for Fiskeby, though. Paper fibres have been given new life here since the mid-1950s.

The recovered fibres of the cartons are used to manufacture products such as cereal boxes, frozen food boxes, match boxes and many other paper-based products.

“Ecocycle thinking is central for us, and we often say that Fiskeby is part of several different ecocycles,” says Sten Christoffersson, Manager Strategic Supply at Fiskeby. “Carton recycling is one, but also energy recovery, in which we use residual products from the manufacturing of cartons and other recycled products as fuel to produce electricity and steam for our processing. We have also invested in a biogas factory, and from 2015 will be able to recycle our biosludge into biogas to use in carton manufacturing.”

Currently, the fibre content in beverage cartons is recycled.

“The inflow of new fibres from liquid packaging board is important because the quality is high in these fibres,” says Sten. “Paper fibres can only be recycled a limited number of times, so the inflow of strong fibres is important for the quality of our products.”

The plastic content of beverage cartons is currently used for energy recovery, but for the past few years, Fiskeby and Tetra Pak have been conducting a joint project to find ways to also recycle this material.

“The recycling of the plastic fraction into new products allows us to optimally utilise our raw materials and help complete yet another ecocycle”, says Sten. “Once plastic recycling is in place, we will begin using bio-based waste and other industrial waste that is currently landfilled as a replacement fuel, so we see many environmental benefits with this project”



Tommy Nyström
Technical Recycling Manager
Tetra Pak Europe & Central Asia



In 2014, Fiskeby has made a number of attempts to recycle plastics, and several recyclers have moved into test production. The outcome has been very positive, and industrial recycling of plastic fractions will be in place in the near future.

“Fiskeby is a very good partner – they are knowledgeable and have a lot of drive when it comes to new solutions. By refining yet another material flow and giving the plastic in our packaging a second life, virtually the entire beverage carton is recycled.

The environmental benefits of recycling are increasing, and we hope that this can give an extra boost to the recycling of beverage cartons,” says Tommy Nyström, Technical Recycling Manager at Tetra Pak Europe & Central Asia. ♡



GREEN WORRY AND HOPE – GLOBAL TRENDSPOTTING



Anna Larsson & Ingrid Collin
Associate Manager Consumer Intelligence, Tetra Pak, & Marketing Manager, Tetra Pak Nordics

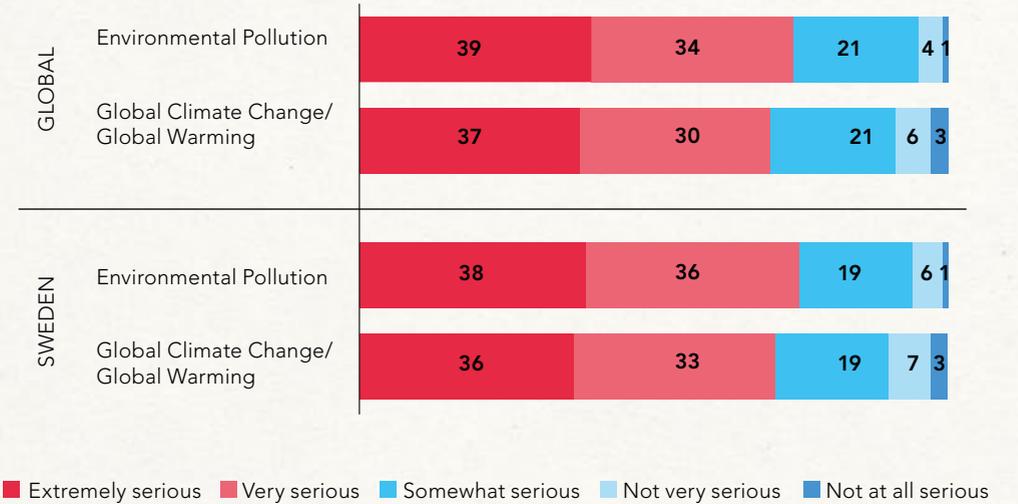
What is going on around us? Our work depends on us listening and trying to understand the world around us. Not least how consumers think and feel. Here are some of the trends we've spotted regarding increased awareness, worry and possibilities.

Consumer Intelligence is a central division in the Marketing department in both Modena, Italy and Lund, Sweden, supporting both our development and our market companies. We asked Anna Larsson, Associate Manager Consumer Intelligence, about the latest trends in consumer attitudes on sustainability.

Tell us a bit about your job and your responsibilities.

“Consumer Intelligence is the consumer’s voice at Tetra Pak. This means that I work with everything from inspiring and guiding our development based on consumer trends and ethnographic home visits, in which we create a deeper understanding of the consumer’s actual needs in various contexts, to major quantitative packaging surveys aimed at ensuring that a new

Concerns about the environment



packaging solution will actually meet the consumer’s needs.”

What are the most important global consumer trends from a sustainability perspective?

“We’re currently seeing a trend that we call ‘Green Worriers’. This is expressed in different ways in different parts of the world. First and foremost, what we’re seeing is that consumers are more informed than ever before that our environment is changing, which they find very worrying. But where personal survival is an immediate concern, the environment is not as much of a priority.”

“Changing ingrained patterns takes time and effort. Consumers therefore expect that companies will take a greater responsibility and help the consumer live more environmentally friendly by offering climate-smart solutions that are also convenient in everyday life. This makes it easy for the consumer to go green.”

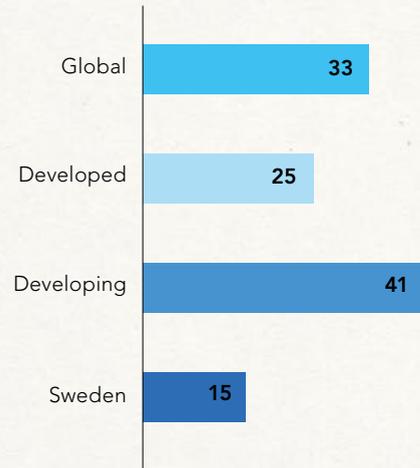
Are these trends the same for consumers in the Nordic countries?

Tetra Pak has partnered up with Roper Reports (GfK) to analyse the most relevant consumer trends for the beverage industry, based on annual market surveys of 25,000 consumers in 25 countries.

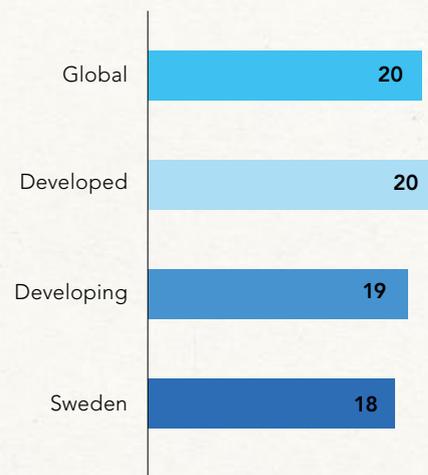
“The Nordic countries have reached a general standard of living that makes us able to be more engaged in environmental and sustainability issues. The society here has also set up a good infrastructure for initiatives such as recycling, which help consumers live more environmentally friendly. ‘Green’ is becoming increasingly associated with good health here in Europe. This puts a bit of a different spin on environmental awareness – it becomes more personal and closer to our hearts when it is connected to a healthier lifestyle.”

“Markets experiencing strong development and a rapidly growing middle class have begun their environmental work at a higher starting

Percent who agree that they feel guilty when they do something that is not environmentally friendly



Percent who plan to become more "green" or environmentally responsible in the next year or two



position and with a greater urgency than in our part of the world. Two examples of this are China and India, where environmental issues are manifest in a completely different way than they are here."

How does this affect people's attitudes to environmental issues?
 "When the environment starts to have a direct impact on your daily life, consumers become more anxious to see change. Swedes have clearer consciences than the global average when they do something that isn't environmentally friendly because our environment is so clean and unspoiled that it doesn't significantly affect our daily lives. Compare this with a big city in China where people have to have air purifiers in their homes because the air is so polluted. Guilt is a good incentive to change behaviours."

In what way do consumer trends affect how Tetra Pak works? Can you give a few examples?

"Consumer trends are used in strategic efforts at Tetra Pak and are outwardly visible in things like our focus on the environment. Another example is when we get visits from customers. Consumer trends then become an inspiration, for new product launches for example."

If you look into the future, what will be the next trend? What do you think will become more important to consumers?

"Because climate changes may start to directly affect personal survival to a greater extent than today, I think that climate-smart alternatives will become par for the course in the future. They will simply become a fundamental requirement from increasingly demanding consumers."



CARTON IS BETTER THAN PLASTIC SAY NORDIC CONSUMERS



Every year, we survey Nordic consumers' attitudes toward carton packages and brands from an environmental perspective. Here is a selection of results from the 2014 Tetra Pak Nordic Environmental Study (based on about 1000 consumers each in Sweden, Denmark, Norway and Finland) and the Tetra Pak Eating and Drinking Study from October 2014 (Baltics n=3005, Nordics n=3755)

The only parameter in which plastic bottles can measure up to carton packaging in their eyes is user-friendliness, where the results for the two types of packaging are basically the same.

"By and large, Swedes and Finns are real champions of the carton. They think that beverage cartons are environmentally friendly, easy to recycle and convenient to use," says Ingrid Collin, Marketing Manager at Tetra Pak Nordics.

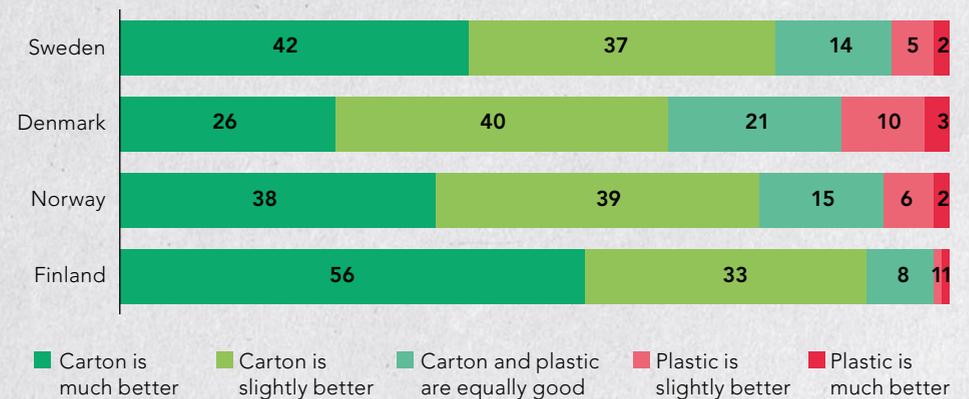
Danish consumers are generally a bit more undecided about the environmental performance of beverage cartons, and Norwegians usually land somewhere in between. Denmark is the only country in Europe that doesn't have a system in place for recycling beverage cartons, which probably colours Danish attitudes toward beverage cartons.

"But even the sceptic Danes believe that carton is a greener choice than plastic," says Ingrid Collin.

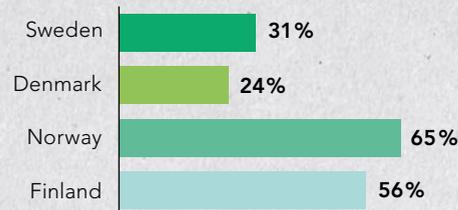
BEVERAGE CARTONS ARE A GREENER choice than plastic bottles. This is what an overwhelming majority of consumers in Sweden, Norway, Denmark and Finland believe.

What do consumers think?

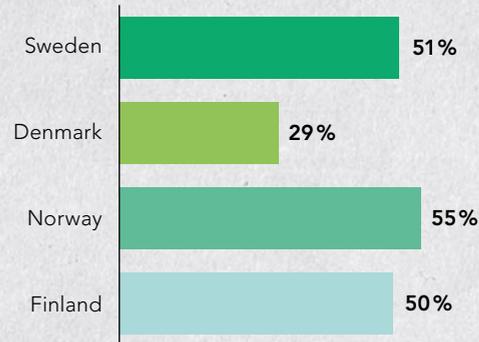
Overall environmental comparison between carton and plastic packages, 2014



Percent who agrees with the statement "Beverage cartons for milk and juice are difficult to recycle because they are made of both plastic and carton".



What percentage of carton packages for milk and juice do you think is recycled into new products in your country?



Persistent myths about recycling

"Misconceptions are unfortunately not uncommon when it comes to environmental issues. Many people think find recycling beverage cartons tricky because they are made of both plastic and paper. At the same time, it's interesting to note that, while a full 64% of Norwegians share this belief, Norway is the best recycler of the Nordic countries, with a recycling rate of 52.3%. What this tells us is that we need to get even better at explaining that it is a technically simple process, based solely on dissolving the cartons in water while stirring and filtering," explains Erik Lindroth, Environment Director at Tetra Pak Nordics.

"The biggest motivator for recycling is the conviction that it is good for the environment to recycle, something that we showed most recently in a life cycle assessment from 2013 in which we demonstrated that material recycling is better for the environment than energy recovery," says Lindroth.

Everyone except the Norwegians drastically overestimate how many beverage cartons are actually recycled. Swedes believe that half of them are recycled, while the truth is less than 39%. We must, in other words, continue to re-mind everyone to remember cartons when we recycle.

The concerned consumer and a good package

About 80% of Nordic consumers believe that climate and environmental issues will become increasingly important over the next five years.

This confirms our conviction that strong environmental performance is absolutely essential in order to be able to compete on the market, both now and in the future.

The personal health perspective is becoming increasingly integrated with the environmental issue. Juice consumption is steadily declining in our part of the world. But juice drinkers see juice as a good and healthy beverage, and about 60% prefer juice in carton packaging. Only 23% say they prefer juice in plastic bottles.

"More than half of the Nordic and two thirds of the Baltic consumers are concerned about additives and chemicals in food and beverages. Eight of ten people think it is important to not needlessly throw away food," says Ingrid Collin.

Our aseptic packaging, i.e. packaging that can preserve its contents for a long time without needing refrigeration or preservatives and additives in the contents, meets all consumer demands. Our packages are climate-smart, preserve the contents in a natural way, and protect the contents from both light and oxygen.

"These results tell us that we need to help consumers understand that the juice out on the store shelves is just as good as the juice in the refrigerated cases – thanks to its good packaging," says Ingrid. 💧

LIFE AT TETRA PAK

IT IS WE, THE EMPLOYEES, who do the work that enables the company to reach its business targets, raise the bar, and develop them even further. Employee satisfaction has a direct impact on the company's ability to meet its customers' expectations. Tetra Pak invests heavily in competence and career development, preventive health measures, job satisfaction and feel-good factors.

All employees in the Nordic and Baltic countries

4 858

of which belonging to Tetra Pak Nordics incl the factories **861**
of which belonging to the market company **150**

All employees in Sweden

4 037

men **72%**
women **28%**

managers, men **73%**
managers, women **27%**

Number who took parental leave in 2014



Men



Women

Number who took parental leave of at least 25% in 2014

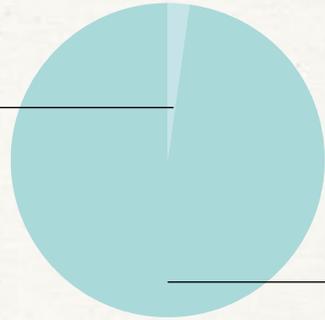


Number who took parental leave of at least 50% in 2014



Sick leave

2%



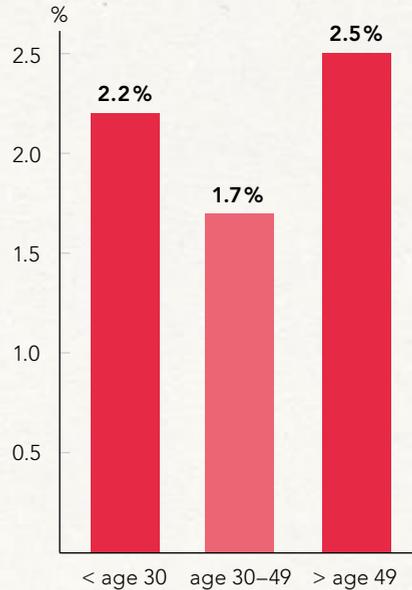
Attendance rate

98%

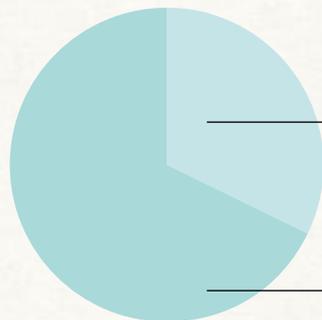
Absence due to illness by gender



Absence due to illness by age



Oasen - our occupational health service in Lund offers a range of services for employees, such as preventative healthcare, vaccinations, advice on ergonomics, personal diet and health counselling, coaching, support and stress-management sessions, and various courses in health and first aid. Oasen also runs our gym and arranges popular sports competitions for employees.



Long-term sick leave

32.2%

Short-term sick leave

67.8%

CARTON SUMMER - SUMMER JOB AT TETRA PAK



What's it like? Is it fun, exciting, or maybe a bit confusing?

As a major employer in the university town of Lund, we see it as our responsibility to offer opportunities for internships to students. It also gives us an influx of creative and engaged young employees, so we see it as a win-win. We have over 300 summer workers at Tetra Pak in Lund every year.

Anja and Linda, two Lund students, used to sitting with our noses in books and listening to professors, worked at Tetra Pak in the summer 2014. "Tetra Pak was really bigger than we thought - just finding our way to the right building on our first day was an adventure", says Anja.

"We both thought that Tetra Pak mostly 'just made packaging.' But all the different kinds of

machines and combinations of packages, caps and straws that Tetra Pak makes - that was new to us. We didn't know how many customers Tetra Pak had either - everything from large dairies to smaller brands", says Linda.

Anja continues: "We both agreed that we saw Tetra Pak as a green company, maybe because we learned how to fold up their packages when we were growing up. But there was also a lot about the environmental work that we didn't know, like their cooperation with WWF and the development of bio-based plastic."

"We worked with both large and small projects for people in different areas such as the environment, customers, and communication. It was a friendly working environment among the employees and a relaxed atmosphere at the office", concludes Linda. 💧

»Tetra Pak was really bigger than we thought - just finding our way to the right building on our first day was an adventure«



SUSTAINABILITY DESIGN IN FINALS

Our popular 2014 Sustainability Report was nominated this autumn for the Swedish design award Svenska Designpriset. The award ceremony was held at Moderna Museet on 2 October, and we came in at a respectable third place in our category, and second in the people's choice.



CONTACT

Tetra Pak Sverige AB

Ruben Rausing's gata
221 86 Lund
Phone: +46 46 361 000

Erik Lindroth

Environment Director
Tetra Pak Nordics

Lina Kristoffersen Wiles

Environment Executive
Tetra Pak Nordics

Christina Appelgren

Communications Director
Tetra Pak Nordics



This sustainability report is
printed on recycled paper.

Tetra Pak,  , PROTECTS WHAT'S GOOD,
Tetra Brik, Tetra Recart, Tetra Classic,
Tetra Prisma and Tetra Thermo are some
of the trademarks belonging to the
Tetra Pak Group.

www.tetrapak.com

 **Tetra Pak**[®]