Sustainability Report

2024

Returnpack Svenska AB

RETURPACK

About our 2024 Sustainability Report

The 2024 Sustainability Report constitutes Returpack Svenska AB's fifth statutory sustainability report and satisfies the requirements in the Annual Accounts Act regarding sustainability reporting. The report is made on a consolidated level and thus also refers to the two subsidiaries, Returpack-Burk Svenska AB and Returpack-PET Svenska AB. The report has the same scope as the report for Returpack Svenska AB, hereinafter referred to as "Returpack". The report therefore follows the financial year and summarises the company's sustainability work during the financial year running from 1 January 2024 to 31 December 2024. The 2024 Sustainability Report has been inspired by the European Sustainability Reporting Standards (ESRS). This means that the report has been partially aligned with ESRS requirements. Previous years' sustainability reports were prepared with reference to the GRI Standards 2021. As Returpack will be subject to the CSRD from next year and thus needs to report according to the ESRS, the 2024 Sustainability Report was drafted with inspiration from the ESRS instead of with reference to the GRI Standards 2021.

The statutory Sustainability Report has been reviewed by an external auditor, whose opinion on the report in accordance with RevR 12 can be found on page 98. Other than this, no third-party review has been carried out. Our report contains information on the statutory requirements in the areas of the environment, social responsibility, human resources, respect for human rights and anti-corruption. In addition, we provide information on our entire value chain as described on page 25, as well as our work on selected material sustainability topics: Climate Change, Environmental Pollution, Circular Material Flows, Our Workforce and Business conduct. For the material sustainability topics for which policies, measures, metrics and targets are established, our value chain is also included. Returpack has not used the option of omitting information relating to intellectual property rights, know-how or innovation results. Returpack has not used the possibility to omit disclosure requirements regarding topics under negotiation or development. During the year, our Board of Directors gained a new Chairperson and a new member. Beyond that, there were no significant changes in our ownership structure or value chain during the 2024 reporting year.

The report is intended for all our stakeholders and constitutes part of our Annual Report, but is presented as a standalone report. The Sustainability Report was published in Swedish on pantamera.nu on 27 March 2025.

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Sustainability Report Returpack 2024

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3 Social Responsibility

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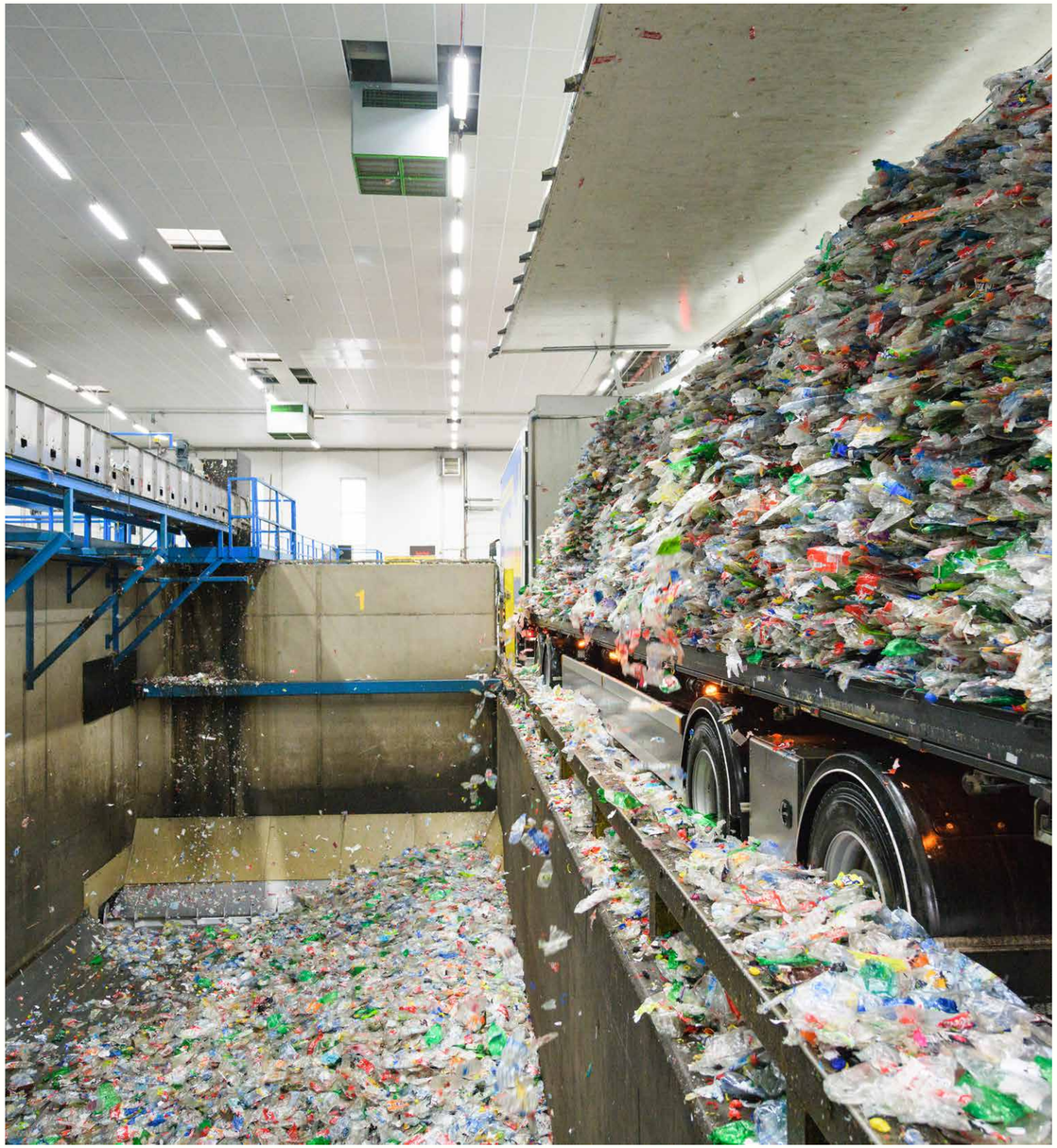
Other Information

1

General Information

Here you can find information about Returpack's activities and mission. We present our business model, our strategic areas and objectives. In this chapter, we review our double materiality assessment, which forms the basis for the sustainability topics on which we have chosen to focus. We also highlight the governance of our sustainability work.



OUR OPERATIONS

This is Returpack

Sweden was the first country in the world to have a nationwide deposit system. Returpack started collecting and recovering aluminium beverage cans as early as 1984, and ten years later PET bottles were added to the system. Since then, our business has continued to grow, and we are still the country's only approved return system for beverage containers with a deposit. Together with other actors in the value chain, we are constantly developing our deposit system.

Returpack is responsible for collecting all deposit containers from collection points such as grocery stores, restaurants and recycling centres. We are also present at festivals, campsites, sporting events and other places where beverages are consumed. It should be easy for consumers to do the right thing and return their empty beverage containers back into the recycling stream.

All deposit containers are transported to our sorting facility in Norrköping. We procure transporters to handle the collection, and for the past year or so all our transport has been fossil-free. In our plant, the materials are sorted, baled and then sold onwards for the production of raw materials for new cans and bottles.

We set high standards, both for ourselves and our partners. Packaging design is one example; both the shape and materials are important for optimal recycling. Our buyers of aluminium and PET must guarantee that these materials are primarily used for new beverage containers.

For us, the key is to keep the material in a circular flow with maintained quality and thus reduce the need for virgin raw material and its extraction.

The national recycling target for bottles and cans is 90%, and we are getting close to reaching it. To achieve this goal, we are taking a two-pronged approach: On the one hand, we are increasing the accessibility and simplicity of the deposit system, and on the other, we strive to influence attitudes and behaviours. The latter includes informing, inspiring and designing campaigns aimed at various target groups. Our popular music videos - featuring famous artists interpreting our Pantamera song - are just one of many ways to influence attitudes towards the deposit system and our brand. When communicating with consumers, we always use the name Pantamera as the sender. What started as a call to action in an advertisement became our consumer brand.

Returpack has long been a pioneer in both recycling and deposit containers. Thanks to the deposit system, everyone in Sweden is used to recycling; it is a natural part of our everyday lives. Returpack often acts as a sounding board and helps other countries start their own deposit systems. It is important for us to be transparent and share our challenges and experiences. For example, that's precisely what we do here, in our Sustainability Report.

Returpack in figures

2.87
collected
cans and bottles, in billions

87.6%
collection rate

14,906
registered items in the deposit system

12,652
collecting customers

100%
fossil-free transport

214,000
deposits/day

4.1
BSEK
in sales

SEK
40
million
in annual investments

1
plant

87
employees

88 NMI
(Employee satisfaction index) 100-point scale

5.9 CSI
(Customer Satisfaction Index)

A Word from Our CEO

In 2024, we received more than 2.87 billion containers and reached a deposit rate of 87.6% – fantastic figures! In Sweden, we are good at returning our deposit beverage containers, and are just below the target of a 90% collection rate. But our ambition is to meet both the national collection targets and the targets of the EU Packaging Regulation. In December 2024, the decision was taken to increase the deposit for beverage containers in Sweden. The deposit is to be increased by SEK 1 per container. For small PET bottles and cans, this means that the deposit is increasing from SEK 1 to SEK 2, and the deposit for large PET bottles is increasing from SEK 2 to SEK 3.

Our mission is to get more people to use the deposit system more, so that we meet and beat the collection targets, and our assessment is that an increased deposit amount, together with the constant further development of our other Pantamera activities and efforts to increase accessibility is the right way to go.

As food-grade material, the materials in our beverage containers is uniquely valuable, and we always strive to keep them in a circular flow, so that used cans and bottles can become new cans and bottles again, thus helping to reduce the CO2 load in society. With an increased deposit a mount, we hope to make clear the value of our containers and hence the importance of returning them for their deposit.

Our deposit-based return system is world-leading and unique, and many eyes are on us. The fact that we are viewed as a role model is perhaps not so strange – we have 40 years' experience of successful collaboration with beverage producers and the grocery trade. In Sweden, we were pioneers and the first in the world to create a deposit system, and are therefore a role model and a source of inspiration for all the deposit systems that have been started up since then in other countries.

For us, this is a matter of genuine sustainability, where the materials we collect have to be recycled in the circular process. And sustainability should permeate everything we do – from how our employees feel, how we ensure safe and healthy business relationships and are a reliable partner, to how we continue the journey towards emission-free transport by 2030. During 2024, great focus was placed on achieving a safer, more efficient and cleaner process and workenvironment in our plant, which is ultimately reflected in higher material quality and a more pleasant workplace. You can read about this and much more in our Sustainability Report for the year 2024.

However, we are not building our deposit-based return system on our own. It is the result of a successful collaboration between a large number of parties. These include producers and importers, sales and collection points, as well as authorities and stakeholders – and all the people throughout Sweden who return deposit containers.

Thank you for using the deposit system!

Thomas Kjellker
CEO, Returpack

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Our mission

Returpack's mission is to collect and recycle all containers in the deposit system and to continuously develop the system. We must ensure that it is easy to return deposit containers and inform various target groups about the benefits of using the deposit system.

Since 2003, our head office and our plant are located in Norrköping. In 2024, more than 2.87 billion beverage containers from the Swedish market were collected and handled at our plant. The containers are collected, sorted into various material flows and then sold on for the production of raw materials for new cans and bottles.

Running a deposit system also means administering the deposit refunds for these packages. The deposit is the financial instrument that encourages consumers to return their packaging to the correct collection system.

Returpack also ensures that the deposit system is accessible to consumers. This entails everything from in-store deposit container collection to supporting our municipalities by providing them with collection bins. Our mission also involves informing and communicating about the deposit system and its benefits from an environmental perspective.

It was the Swedish Government that commissioned Returpack to create a deposit system and then run it. It is thus the Government, via the Swedish Environmental Protection Agency, that sets our material recycling targets. The Swedish Environmental Protection Agency is also our supervisory authority.

Returpack is currently Sweden's only approved deposit-based return system for beverage containers. The company is a Producer Responsibility Organisation (PRO), in accordance with Ordinance SFS 2022:1274 on Producer Responsibility for Packaging.

Under "Our Responsibilities" on page 14, you can read more about the Ordinance that governs our operations.

NATUR VÅRDS VERKET

is our supervisory authority

In 2024, we handled

2.87 billions

of containers in our facility

OUR OWNERS

Returpack Svenska AB is jointly owned by Sveriges Bryggerier AB, Svensk Dagligvaruhandel Ekonomisk Förening, and Livsmedelshandlarna SSLF AB. The Group consists of the parent company Returpack Svenska AB and the subsidiaries Returpack-Burk Svenska AB and Returpack-PET Svenska AB. This report refers to the Returpack Svenska AB group, hereinafter referred to as "Returpack".

THE OWNER DIRECTIVE IN BRIEF

The Owner Directive states that Returpack shall operate the Swedish deposit return system and be responsible for ensuring that it functions at all levels in accordance with the permit held by the company. The company aims to achieve cost-effective and highly circular material recycling. As the system manager, Returpack is responsible for the administration of deposits and fees, container collection, processing and material recycling. We are also responsible for ensuring the properties of the circular materials and conformance with the specifications for beverage containers, in collaboration with producers, importers, trade actors, and other partners.

50%
Sveriges Bryggerier AB

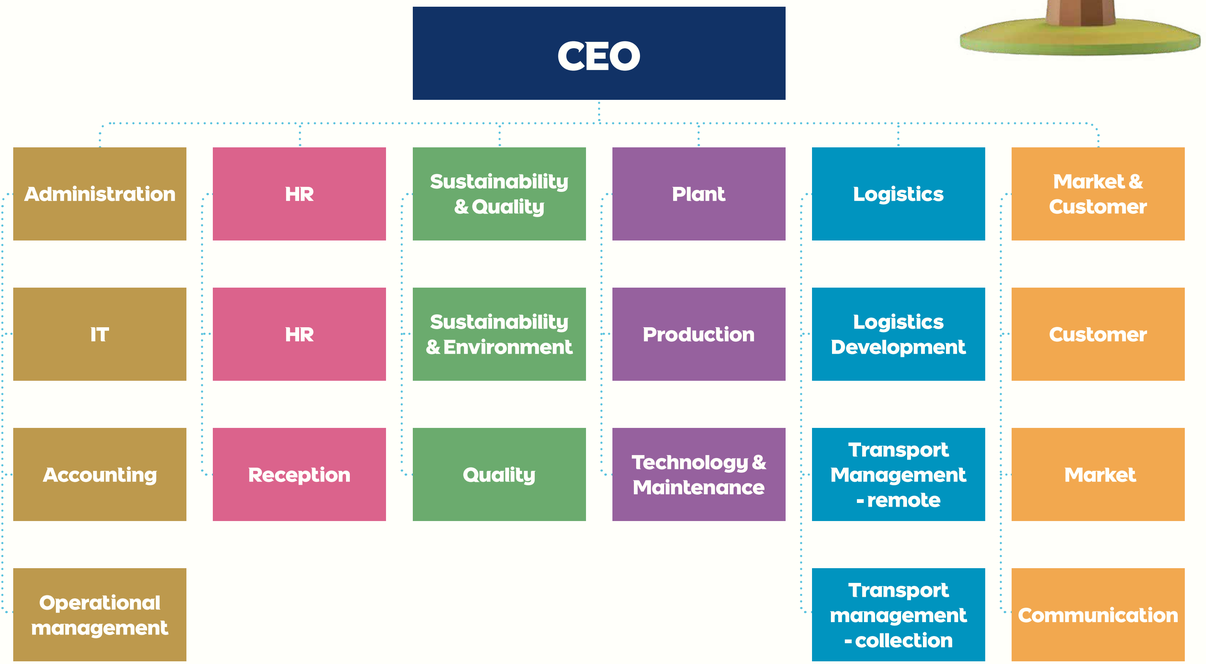
25%
Svensk Dagligvaruhandel Ekonomisk Förening

25%
Livsmedelshandlarna SSLF AB

Returpack Svenska AB
consists of
Returpack-Burk Svenska AB
and
Returpack-PET Svenska AB

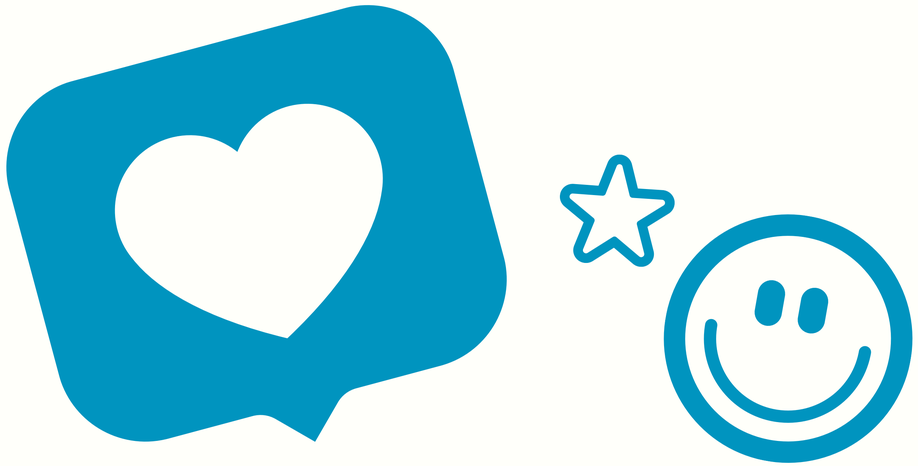
OUR ORGANISATION

Our operations are organised into six departments centred around our key missions: Administration, HR, Sustainability & Quality, Plant, Logistics and Marketing & Customer Service. These in turn consist of groups focusing on different elements of our mission - including IT, operational management, production and marketing communications.



OUR EMPLOYEES

87 people work at Returpack. They range from parents of small children, logistics developers, operators and esports players – to marketing staff, grandmothers, product specialists and economists, to name just a few. The average age is 44, and the gender distribution is 59% men and 41% women. For us, it is important that employees can fit in all aspects of their lives, whether it is picking up children from preschool, training sessions on the running track, or rehearsals with their choir. We believe in a sustainable workplace in all its forms.



EMPLOYEES IN FIGURES

Total number of employees: **87**

Average age: **44**

Salaried employees: **80%**

Employed under collective agreement: **20%**

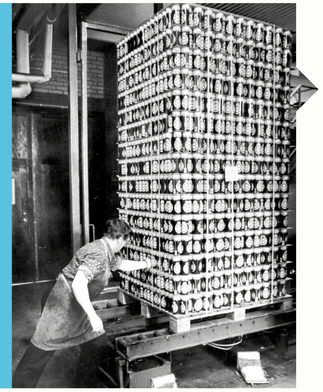
Men: **59%**

Women: **41%**

THE HISTORY OF RETURPACK

1955

Sweden gained the nationwide Systembolaget



1955

The beer can comes to Sweden

The first cans consisted of three pieces and were made of steel.

End of the 1970s

The two-piece can arrives in Sweden

And the aluminium can. We wanted to switch to the fully aluminium can.

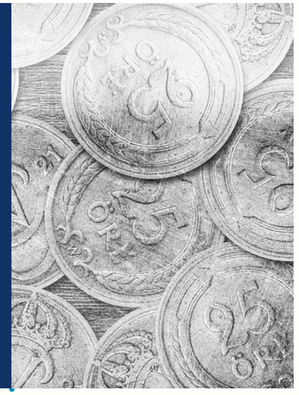
1982

Returpack was established, and the decision was made to establish a deposit system for aluminium cans

1984

The deposit system was launched! The deposit was SEK 0.25 per can

Returpack had offices in Malmö and Spånga.



1985

By 1985 at the latest, 75% of Sweden's aluminium cans were to be recycled

1987

The first increase in the deposit amount

The deposit was doubled to SEK 0.50, and the requirement for recycling was raised to 90% by 1993.

1987

The office in Spånga moved to Mariahissen on Söder Mälarstrand

1991

The animated character Linus på Linjen shows how to use the deposit system in the TV programme "Anslagstavlan"

1994

Deposit system for PET containers is launched

1995

Producer responsibility was introduced for packaging and recycled paper, but Returpack was already a decade ahead.

2000

Direct credit was launched, and it took about 3 years to develop the system

Returpack paid the deposit directly to the merchant and the breweries could be removed from the process. The reverse vending machine was used to read what containers had actually been returned for their deposit.

2003

The ground was broken for the plant in Norrköping. In October of the same year, the first trucks carrying packaging arrived at the new plant.

2004

The Pantamera brand was created through the music video Pant a mera (Guantanamera), featuring the Cuban group Buena Vista Social Club.

Continued on the next page ...

THE HISTORY OF RETURPACK

2005-2006

The entire company moves to Norrköping

2006

New Ordinance, 2005:220. All metal cans and plastic bottles that are put onto the Swedish market must be included in a deposit system. Pantresan was launched.

2007

New ownership structure

The can manufacturer was bought out, and from then, on the breweries and the retail sector each owned half of the shares in the company.

2009

A new collection method, bulk, was introduced. After two years, it had been rolled out in all 21 of the country's regions.

2010

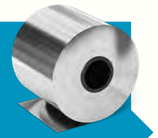
The deposit is raised again, from SEK 0.50 to SEK 1 per can

2011

We started collaborating with esports, with the aim of reaching young recyclers

2012

Investment in the plant, aimed at improving the quality of the aluminium material



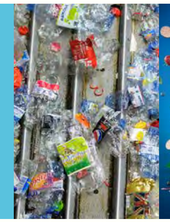
2014

Bulk 2.0

Focus on internal inspections and the environment. Fossil-free fuel and in-house transport management were built up.

2015

Plastic sorting was moved to optimise the space in the plant. Optional registration of fruit syrup containers was introduced. The first Pantamera Express reverse vending machine was installed. The collaboration with the Swedish Floorball Federation was launched.



2017

Our first sustainability report

Bottle caps start to be recycled

2018

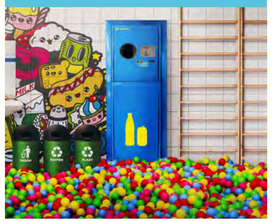
Pantamera Humour is launched

2018

Optional registration of juice containers is introduced

2019

The competition The Deposit Store of the Year was launched.



2020

The pandemic affects deposits. Cross-border trade decreased, and more packaging stayed within our borders. We tended to drink larger bottles more often and fewer "on the go".

2022

We opened a deposit station with two reverse vending machines in the heart of the City of Stockholm.

2023

All fruit syrup and fruit-juicecontainers are included in the deposit system.

2024

Bottle caps must remain attached to PET bottles

(EU directive)

2025

Increase of the deposit by SEK 1 on all beverage containers with a deposit

Business & Strategy

OUR BUSINESS MODEL

OUR RESPONSIBILITY

In Sweden, breweries, producers and importers of beverages are obliged to register their plastic and metal containers in an approved deposit return system. They are subject to producer responsibility, which means they must ensure that their containers can be collected and recycled after use.

Producer responsibility is regulated by the Ordinance (2022:1274) on Producer Responsibility for Packaging, and Returpack is a producer responsibility organisation under this ordinance. A producer responsibility organisation is responsible for the practical work of collecting and ensuring material recycling of packaging waste and reporting statistics to the authorities.

The ordinance also imposes requirements on beverage producers: Bottle caps must remain attached to bottles, there are mandatory deposits on juice containers, and forthcoming requirements will mean that they must use at least 25% recycled plastic in PET bottles. From 2029, beverage containers for dairy products will also be included in the deposit system.

CREATED VALUE

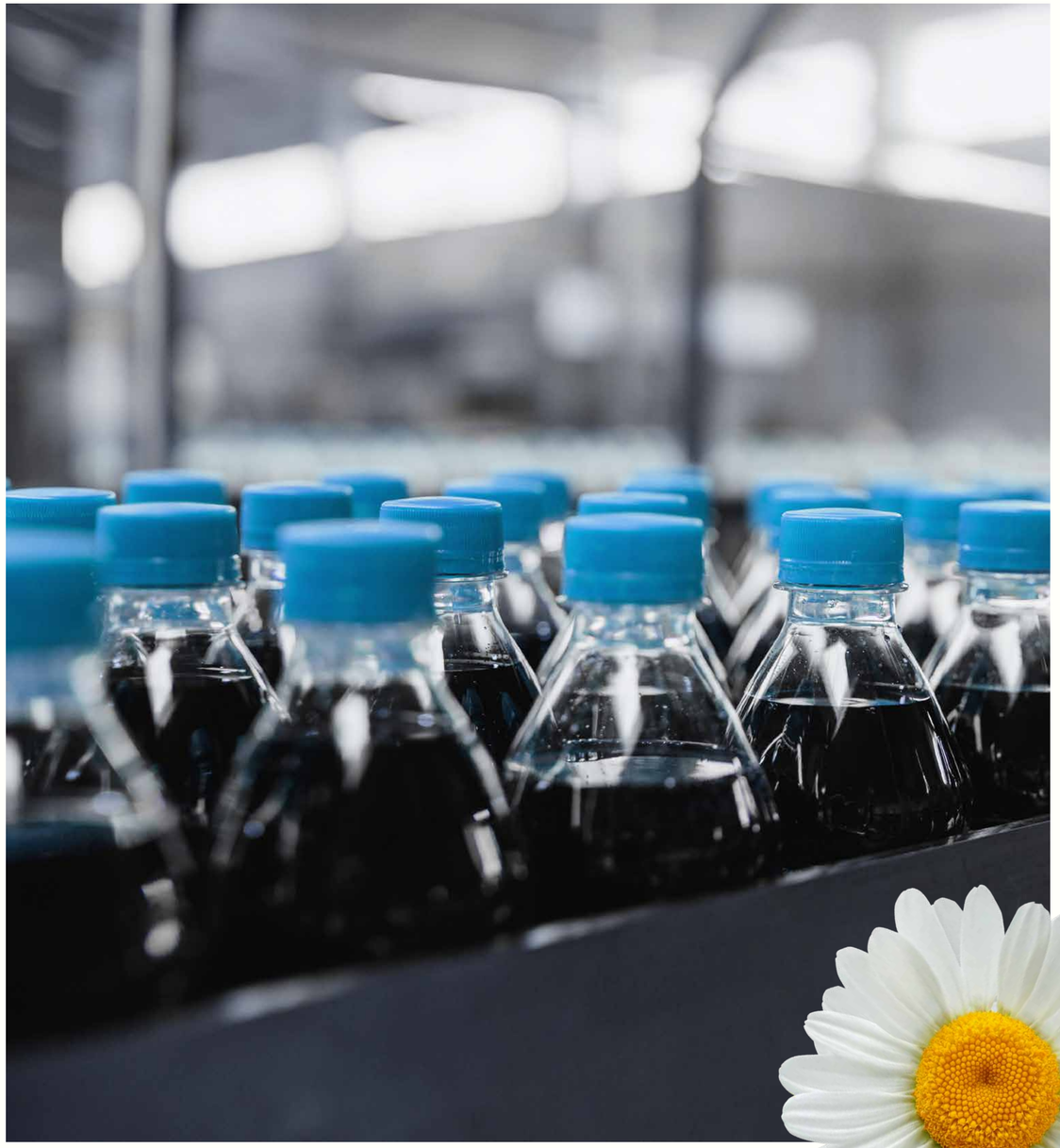
By registering their beverage products in the return system, producers fulfil their producer responsibility. Returpack ensures that the requirements of the ordinance are met. In addition, we enable the recycler to easily and efficiently return their container after the product has been consumed and then get their deposit back. Our business contributes to a circular flow of materials, thereby reducing the extraction of virgin raw materials for the production of new packaging. This reduces the negative impact on the environment and is positive from a resource use perspective.

Ordinance-driven requirements for beverage producers (applicable from 2025):

25% **recycled plastic in PET**

Attached cap on PET bottles

Mandatory deposit on fruit syrup and fruit juice containers



OUR CUSTOMERS

Returpack has different types of customers, and we usually divide them into four categories:

1

RECYCLERS

All those consumers who return their beverage containers for a deposit.

2

STORES WITH RVMS, ETC.

The shops or recycling-centres that accept packaging via reverse vending machines (RVMs). Also restaurants, cafés, ski resorts, festivals, camp-sites and sports associations that collect containers.

3

PRODUCERS AND IMPORTERS

Those parties that put the containers on the market, such as breweries and wholesalers.

4

MATERIAL BUYERS

Those who buy the sorted material from Returpack and follow us in the recycling chain.

OUR REVENUE

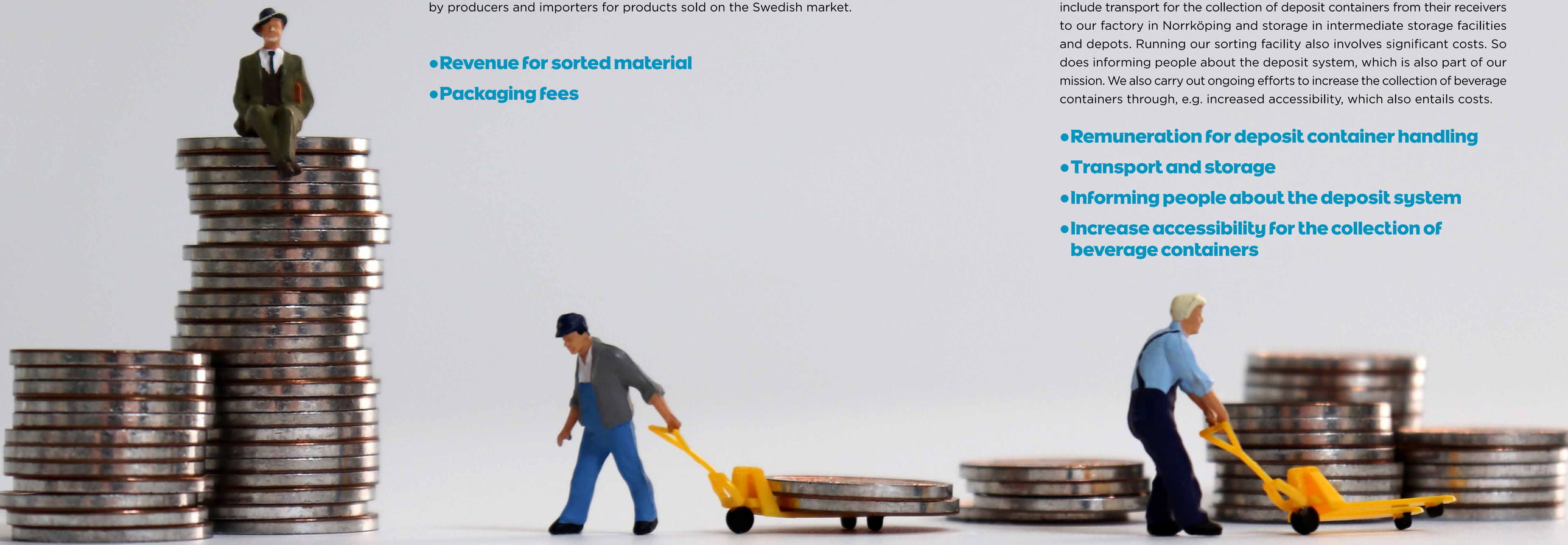
Returpack brings in revenue for the sorted material that we sell to our material buyers. We also get revenue from the packaging fees paid to us by producers and importers for products sold on the Swedish market.

- **Revenue for sorted material**
- **Packaging fees**

OUR COSTS

Our biggest costs are mainly linked to the remuneration that deposit container recipients receive for collecting and handling containers. Other major costs include transport for the collection of deposit containers from their receivers to our factory in Norrköping and storage in intermediate storage facilities and depots. Running our sorting facility also involves significant costs. So does informing people about the deposit system, which is also part of our mission. We also carry out ongoing efforts to increase the collection of beverage containers through, e.g. increased accessibility, which also entails costs.

- **Remuneration for deposit container handling**
- **Transport and storage**
- **Informing people about the deposit system**
- **Increase accessibility for the collection of beverage containers**



KEY ACTIVITIES

REGISTRATION & DEPOSIT PAY-IN

The beverage containers included in the Ordinance on Producer Responsibility are registered in our deposit system. So are certain other beverage containers not covered by the Ordinance, where the producer or importer chooses to join the system voluntarily.

The producer or importer enters into a registration-agreement with us that includes rights and obligations regarding packaging fees, deposits, labelling and packaging requirements. The producer reports the number of containers sold to us monthly and pays the packaging fee and deposit for the containers they put on the market.

Our PET company and our can company must be able to bear their own costs. This is because the collection process and yields differ between PET bottles and aluminium cans. The principle behind the separation of the two material companies is that our PET company and our can company should be able to cover their own costs for collection and sorting through material revenues and packaging fees. Material revenues for aluminium have historically been higher than for PET, and as a result PET bottles have had a higher packaging fee than aluminium cans. For aluminium cans, there has been no need for a packaging fee, except for steel cans.

Through the registration process, we ensure that the packaging permitted into our system meets our requirements for design, labelling and material composition. The requirements are in place to ensure that all packaging can be collected via reverse vending machines and recycled. This is an important function to achieve our goals for increased collection and circular material flows.

COLLECTION & DEPOSIT PAY-OUT

Once the product has been consumed, the container must be collected. We will do this by setting up a collection structure with deposit container receiver where consumers can return their containers. Here we also have an informational mission aimed at helping consumers understand the benefits of using the deposit system and recycling. When the container is returned, the deposit is returned from the deposit container receiver to the consumer. We reimburse deposit container receivers for the deposits they pay out, as well as for their handling of collected containers, through a so-called “handling fee”. We compensate our transport suppliers for ensuring that the packaging is collected from the deposit container recipients and transported to our factory in Norrköping. This must be done in such a way as to avoid contamination of the material.

PROCESSING & RESELLING

When the packaging arrives at our plant in Norrköping , the material is sorted and quality-assured before it is pressed into bales and sold onwards to our material buyers for material recycling. It is important to ensure that the material is of high quality - so that as much material as possible can become new beverage packaging.

OUR PARTNERS

To operate the deposit system and contribute to circular material flows in society, we work with several different actors. Here is an overview of the stakeholders with whom we work closely, how we collaborate, and what our collaboration aims to achieve.

Owners & Board of Directors

Producers & importers

Suppliers

Grocery stores

Consumers

Material buyers

Authorities

OWNERS & BOARD OF DIRECTORS

Our owners have described our mission in their Owner Directive. By following the Owner Directive, we uphold their producer responsibility. The Board of Directors has ultimate responsibility for steering our operations towards alignment with the Owner Directive and ensuring that this is done in a sustainable way. They are responsible for shaping the long-term strategic direction of the company, which means ensuring that its operations are in line with the long-term objectives set out in the Owner Directive. Such governance and monitoring of the objectives is done mainly through the Board of Directors' meetings held during the year. Returpack plays an important role in sharing results, trends and information about decided activities.

PRODUCERS & IMPORTERS

It is important that containers are designed correctly. They must work in all reverse vending machines and be made of materials that allow for high-quality recycling. To this end, we maintain a close dialogue with producers and importers. We collaborate on the development of new packaging, to promote circular material flows and reduce the negative impact on the environment. For example, we help determine the color, shape and material content of containers. We interact with producers and importers through our registration process, which sets out our packaging specifications. Before these requirements are implemented, they must be approved by the Swedish Brewers Association, Sveriges Bryggerier. If there are major changes in packaging requirements, these must have the prior support of our supervisory authority, the Swedish Environmental Protection Agency, and our Board of Directors. That way, we can ensure that the containers registered in our system meet the qualifications required for circular material flows.

SUPPLIERS

Our reverse vending machine suppliers play an important role in the deposit system. The largest flow of deposit containers is received via deposit machines. These are designed to handle the containers according to our technical specifications. They are safe to operate, accessible to consumers, energy efficient and connected to our systems. All this is a prerequisite for a high collection rate and for us to continue to be a leading deposit system.

Our transporters help us collect all the returned deposit containers throughout Sweden, from south to north. To minimise the negative environmental impact of transport we set clear requirements regarding fuel in our contracts. We also ensure good working conditions for drivers. We work together on issues such as energy efficiency, fuel substitution, eco-driving and data sharing.

GROCERY STORES

When it comes to collection, grocery stores are important partners. The majority of our inflow of materials comes via these stores' reverse vending machines. Without the commitment of retailers to the collection and handling of deposit containers, we would not be able to operate.

We collaborate on issues such as the design of their deposit container spaces and the so-called "deposit moment". For consumers to be willing and able to return their deposit containers, it must be pleasant and efficient for them to do so. We also have a close dialogue with grocery stores about the remuneration they receive from us for collecting and handling returned containers and their deposits. Every two years, we carry out a customer survey in which we ask stores about their overall perception of us and whether they feel proud to be part of the deposit system. Read more about our collaboration with grocery stores and the latest customer survey on pages 60 and 67.

CONSUMERS

Consumers who consume beverages in returnable containers are also key players in making the system work. We need their help to deliver the containers to a deposit container receiver. Here, we are working on raising awareness about how and where people can return their deposit containers and why it is important from an environmental and resource perspective that they do so. We also strive to ensure that the experience of using the deposit system is as positive and self-evident as possible. One way we do this is through communication activities aimed at children and young people. Pantresan is one example of such an effort. It is an activity that aims to teach children from preschool to Grade 6 about recycling, energy and sustainable consumption. You can read more about Pantresan on pages 62 and 87. Every two years, we conduct a consumer survey in which we map consumers' deposit patterns and attitudes towards the deposit system.

MATERIAL BUYERS

Our mission is to ensure that as much recycled material as possible is returned to a product of origin and to contribute to circular material flows. In order for our material buyers to extract as much food-grade material as possible for the production of new bottles and cans, we need to supply high-quality material. High quality materials also yield higher remuneration.

To meet the expectations of our material buyers and to fulfil our mission, we may need to adapt our collection or sorting process or the requirements we impose on containers upon their registration in our deposit system. We require our material buyers to work actively to enable a circular material flow as much as possible. We meet regularly with material buyers to monitor contract requirements and material quality.

AUTHORITIES

We work with authorities to meet national collection and recycling targets, as well as to fulfil permit-related requirements. Our responsibilities include complying with Swedish and European environmental legislation, as well as fulfilling reporting requirements and ensuring transparency for the authorities' supervision and control. We actively participate in consultation processes and keep up to date with new legislation - to ensure we comply with current regulations, contribute to sustainable development and promote circular material flows in society.

Strategic areas and objectives

To live up to our mission and pursue our vision, we have identified four strategic areas. The strategic areas are discussed and agreed each year at the Board of Director's Strategy Meeting. Within each area, there are strategic KPIs and targets, to steer the organisation in the desired direction. Key figures and targets are in some cases set by the Board of Directors, while in other cases decisions are made by Returpack's Management Team. The targets are monitored monthly by both the Board of Directors and the Management Team.

Our business planning process covers all the work done at strategic, tactical and operational levels to plan the work of the business towards our goals. The result is a strategic plan containing activities that contribute to the achievement of the company's strategic objectives, as well as a number of operational plans containing the departments' contributions towards the Strategic Plan, the development and continuous improvement of operational responsibilities, and ensuring business continuity.

The Strategic Plan and Operational Plans are provisionally decided by Returpack's Management Team in November, as a result of budget dialogues, and finally by the Board of Directors in December. Follow-up of the Strategic Plan is done quarterly by the Management Team, while each Head of Department is responsible for following up their department's Operational Plan.

All strategic areas' links to or impact on our material sustainability topics are described under each strategic area. Read more about our material sustainability topics and our process for determining them on pages 24-35.

OUR VISION

We will contribute to a more sustainable society through the world's best deposit system, where we collect all the deposit containers sold and recycle them to make new returnable beverage containers.

OUR BUSINESS IDEA

We offer a deposit-based return system for the recycling of beverage containers made of plastic and metal in Sweden, a system that is a world-leading packaging cycle and that is highly attractive to both consumers and stakeholders.

INCREASED COLLECTION

Our vision is that all returnable deposit containers sold will be collected by us and then recycled. To increase collection, we must make it easier for consumers to return their deposit containers. We must also remind consumers to return more deposit containers – everyone should return everything, always.

This strategic area is tied to one of our material sustainability topics, Circular Material Flows. This is because the collection of containers is a prerequisite for a circular flow of packaging materials. Our systematic work on the strategic area of Increased Collection, promotes our positive impact on the environment and the Earth's resources, as less new raw material needs to be extracted. The targets and our work to increase collection are described in more detail in the Circular Material Flows chapter and the Deposit System Use section on page 60. The same chapter also provides a more detailed analysis of the year's outcomes.

Strategic key performance indicators

TARGET, 2024

90.2%

Collection rate, cans: 90.9%
Collection rate, PET: 88.6%

RESULT, 2024

87.6%*

Collection rate, cans: 88.2%*
Collection rate, PET: 86.3%

* For the collection rate taking into account the foreign countries adjustment, see the Deposit System Use chapter on page 60.

CIRCULAR MATERIAL FLOWS

The Owner Directive contains a mandate for the business to strive to recycle collected containers primarily into the original product, secondly into other forms of consumer-packaging, and thirdly into a recyclable product. Increasing and maintaining circular material flows requires good material quality throughout the chain – from packaging design, through collection, sorting and recycling.

The Circular Material Flows strategic area is tied to the material sustainability topic of the same name. This is because a high quality of material promotes the possibility of recycling the material back to its original product – which is the best type of recycling. Through our work in the strategic area of Circular Material Flows, we are increasing our ability to contribute to a more circular society, wherein new raw materials can be avoided as much as possible. The objectives and our work on circular material flows are described in more detail in the Circular Material Flows chapter and the Recycling section on page 74. The same chapter also provides a more detailed analysis of the year's outcomes.

Strategic key performance indicators	Target, 2024	Results
MATERIAL RECYCLING	99.20 %	99.04%
IMPURITIES IN SORTED ALUMINIUM (%)	0.20%	0.06%
IMPURITIES IN SORTED CLEAR PET (%)	0.20%	0.10%
NEW CANS, BY VOLUME OF ALUMINIUM DISPENSED (%)	95.00%	89.00%
NEW BOTTLES, BY VOLUME OF CLEAR PET DISPENSED (%)	42.80%	37.20%
L-VALUE, CLEAR PET (%)	64.00%	68.00%
IV VALUE, CLEAR PET (DL/G)	0.74	0.76

SUSTAINABLE OPERATIONS

Sustainability should permeate everything we do. According to the Owner Directive, we must conduct our operations cost-effectively and sustainably for people, the environment and society. We aim to limit our greenhouse gas emissions from our own operations and emissions in the value chain, taking full responsibility as a regulator, towards suppliers and customers.

This strategic area is closely linked to our material sustainability topic, Climate Change. This is because sustainable operations help limit climate impact. Through the activities in the Strategic and Operational Plan that address the strategic area of Sustainable Operations, we contribute to reducing greenhouse gas emissions from our operations. The targets and our work on sustainable operations are described in more detail in the Climate Change and Circular Material Flows chapters in the Collection section on pages 43 and 69. The same chapter also provides a more detailed analysis of the year's outcomes.

Strategic key performance indicators	Target, 2024	Results
FOSSIL-FREE TRANSPORT (%)	100%	100%
REDUCED CLIMATE IMPACT OF COMPACTOR TRUCKS COMPARED TO 2015 (%)*	95.0 %	97.7 %
REDUCED CLIMATE IMPACT OF LONG-DISTANCE CARS COMPARED TO 2015 (%)*	89.0%	89.0%
PROFIT MARGIN (%)	1.0%	2.0%
COST PER CONTAINER (ÖRE)	41.9 öre	42.8 öre

*Targets and outcomes are based on 2023 emission factors for CBG, LBG and electricity. Outcomes with updated emission factors are presented in the Climate Change chapter on page 43.

Strategic key performance indicators	Customer Satisfaction Index - deposit container receiver/store	Confidence in the deposit system KANTAR
Target, 2023 *No survey in 2024*	5.6	Confidence should be high and consistent
Results	5.9	80%

HIGH ATTRACTIVENESS AT THE CONSUMER AND STAKEHOLDER LEVEL

Our business concept is based on being highly attractive to consumers and stakeholders. This can mean different things to different stakeholder groups. A common theme for all groups is that Returpack must always act in a sustainable way and deliver quality at all stages.

Those who work with us should feel that they are contributing to a more sustainable society. To operate and develop the deposit system responsibly, it is important to have a continuous dialogue with our stakeholders.

This strategic area is tied to several of our material sustainability topics, notably consumers and end users but, also Circular Material Flows. Through our work on high attractiveness at the consumer and stakeholder level confidence in the deposit system is increasing. This benefits the collection rate and the quality of the material coming into our plant. Our collaboration with stores is important for collecting materials, as over 90% of deposit containers are returned that way. When retailers are satisfied with our collaboration, it promotes the collection of packaging. The objectives and our work on high attractiveness at the consumer and stakeholder level are described in more detail in the Deposit System Use section of the Circular Material Flows chapter, on pages 58-68. The same chapter also provides a more detailed analysis of the year's outcomes.

OUR VALUES

Our values are responsibility, innovation and cooperation. They form the basis for the way we work, both strategically and operationally, and they help us achieve our goals and our vision. Our corporate culture is based on our values and guides us, so that we act honestly and responsibly in all our relations within and outside of the company. It is important to have a clear corporate culture with common values, as well as committed employees who are aware of their role in maintaining these values. Everyone should be familiar with the company's values and be able to stand up for them.
Our values are also reflected in the company's Code of Conduct and Sustainable Development Policy.

Double Materiality Assessment
– an introduction

In 2025, Returpack will become subject to the new EU directive for uniform sustainability reports, the Corporate Sustainability Reporting Directive (CSRD). In our efforts to prepare for compliance with the Directive and the European Sustainability Reporting Standards (ESRS) requirements, in 2024 we carried out a Double Materiality Assessment, with reference to the Delegated Act published in July 2023. This is to identify our material sustainability topics.

The ESRS requires companies to identify the impacts they have on the world around them from an environmental, social and business ethical perspective and determine whether the impact is positive or negative. Put simply, they must identify the consequences of the company's activities on the outside world. It is also important to consider where this impact occurs: Does it takes place in the company's own operations, or through activities upstream or downstream in the value chain? It is also important to consider which stakeholders are affected and whether the impact is expected in the short, medium or long term.

In addition to identifying the company's impacts, risks and opportunities should also be determined, based on how the business is financially affected by the occurrence of sustainability-related risks and opportunities. Once the impacts, risks and opportunities have been identified, they should be assessed to determine what is material for the company. This is done by performing an impact materiality assessment and a financial materiality assessment.

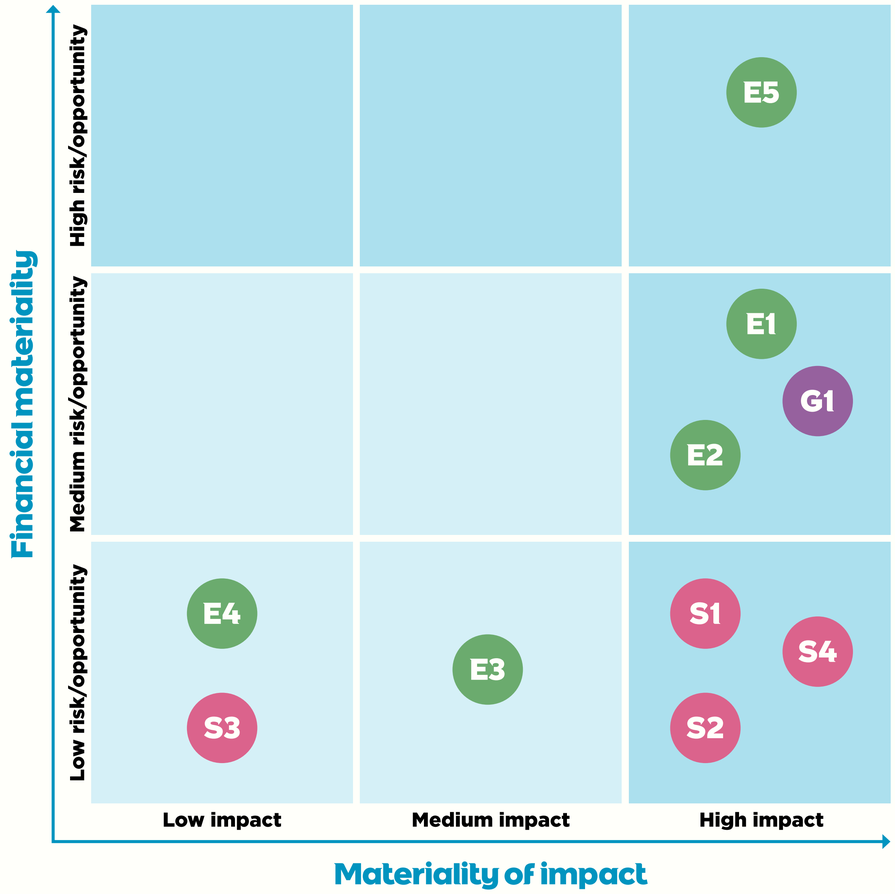
The assessment from these two perspectives is also known as a "double materiality assessment" and forms the basis for the company's material sustainability topics and thus the standards to be used for sustainability reporting. A more detailed description of how our material sustainability topics were identified can be found on pages 33-35.

OUR MATERIAL SUSTAINABILITY TOPICS

In spring 2024, we carried out a double materiality assessment, as required by the ESRS. The results show that we have seven material sustainability topics: E1 - Climate change, E2 - Environmental pollution, E5 - Resource use and circular economy, S1 - Own workforce, S2 - Workers in the value chain, S4 - Consumers and end users and G1 - Corporate responsibility. The results of the assessment can be seen in the illustration on the opposite page. The impacts, risks and opportunities that have been assessed as material and thus formed the basis for the identification of our material sustainability topics are presented in the tables on pages 27-31. The same table indicates where in our value chain our material impacts, risks and opportunities occur.

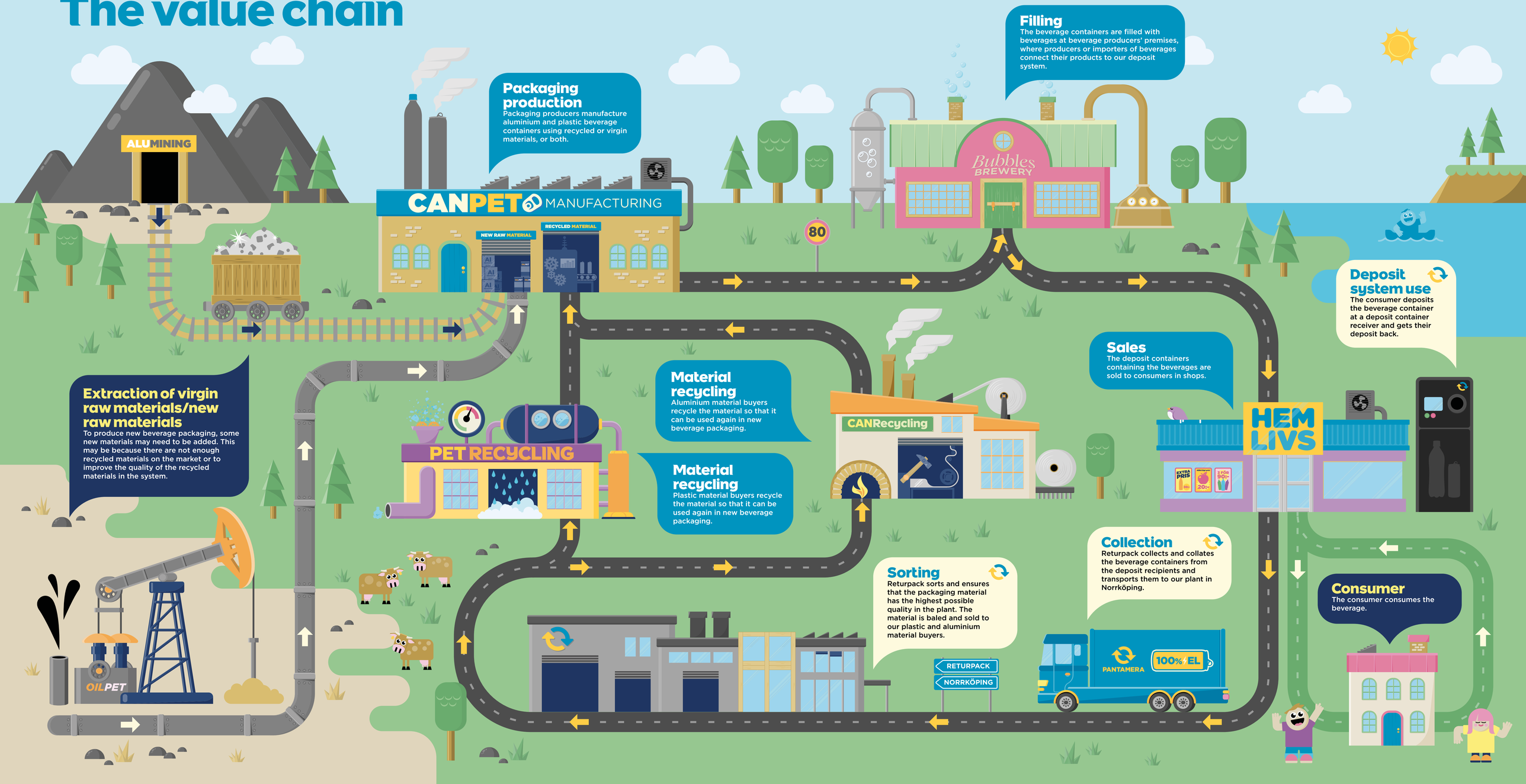
The 2024 Sustainability Report is inspired by the ESRS. This means that we are gradually aligning our accounts with ESRS requirements. We therefore do not meet the requirements of the standards, as we expect to do with next year's Sustainability Report, but have endeavoured to adapt the structure and content of the report to the ESRS as much as possible. Previous years' sustainability reports have been prepared with reference to the GRI Standards 2021. As we will become subject to the CSRD in 2025 and thus need to report according to the ESRS, we have chosen to draft our 2024 report with inspiration from the ESRS, instead of with reference to the GRI Standards 2021.

In this year's report, we present information on a few selected material sustainability topics: Climate Change, Environmental Pollution, Circular Material Flows, Our Workforce and Corporate responsibility. We have thus excluded information on Workers in the value chain and Consumers and End Users. In 2025, we will decide whether to also include these two areas in the 2025 Sustainability Report, or whether to use the phase-in rules described in ESRS 1.



Environment	Social responsibility	Corporate governance
E1 Climate change	S1 Own workforce	G1 Business conduct
E2 Environmental pollution	S2 Workers in the value chain	
E3 Water and marine resources	S3 Affected communities	
E4 Biodiversity	S4 Consumers and end users	
E5 Resource use and circular economy		

The value chain



THE ROLE OF RETURNABLE CONTAINERS IN THE VALUE CHAIN

Our value chain goes further than the deposit system itself. Initially, it requires the manufacture of containers for beverages. This is done by aluminium and plastic packaging manufacturers, where the containers are either made of recycled material, virgin raw materials, or a combination of the two. For a beverage container to be eligible for the deposit system, we set requirements for, e.g. the container's design, hardness, material type and labelling. Once the container has been produced, it is then filled with beverage by the producers and sold to consumers through, e.g. retailers or wholesalers. Once the consumer has consumed their drink, it is time to return the container to a deposit container receiver. The container is then collected and transported by us to our plant in Norrköping. In the plant, the material is sorted and quality-assured before being packaged and delivered to our material buyers. Our material buyers ensure that the material can be used primarily as material for new beverage containers, secondarily for food-grade packaging, or thirdly for other packaging or products. And so it goes, over and over again.

Returpack's operations have both positive and negative impacts on the environment and people upstream and downstream in the value chain. In our value chain, we are also exposed to financial risks and opportunities tied to environmental, social or business ethical events in the world around us.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

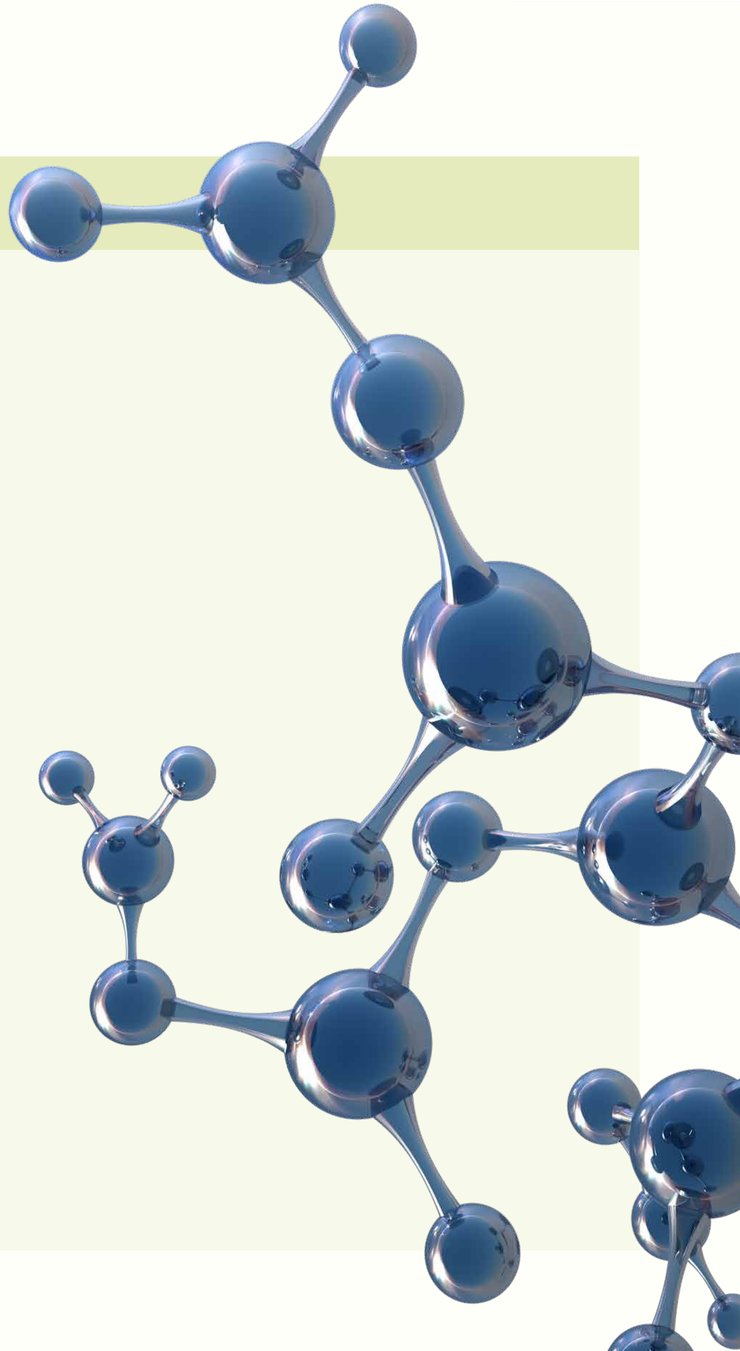
The following tables list the impacts, risks and opportunities that we have assessed as material through the Double Materiality Assessment. As the matrix on page 24 shows, we have identified seven material sustainability topics. The tables present material positive and negative impacts, risks and opportunities per material sustainability topics, categorised by the sub-topics of the sustainability topics. In the tables, we clarify whether these take place in our own operations or in the value chain, and if so, where. More information on each impact, risk or opportunity can be found in the chapters on the respective material sustainability topics.

E1 - CLIMATE CHANGE

CLIMATE CHANGE	OUR OWN OPERATIONS OR VALUE CHAIN	MATERIAL IMPACT, RISK OR OPPORTUNITY	DESCRIPTION
ADAPTING TO CLIMATE CHANGE			
Risk	Our own operations and Collection	Extreme rainfall and increased temperatures	Returpack has intermediate storage facilities in the form of tents located around the country. For these, no vulnerability analysis regarding extreme rainfall or flooding has been conducted. However, there may be a risk of the material in the tent spreading to the surrounding environment or being destroyed in the event of heavy rain. From 2029, dairy products will be included in the deposit system. At high temperatures, this entails that a risk of odour problems in the tents. With a warmer climate, the handling and design of our storage facilities may need to be adjusted to avoid odour and bacterial-problems. Our factory is located on Händelö in Norrköping, close to Bråviken Bay and the Motala Ström river system. If the sea level were to rise by two metres, our facility would suffer severe flooding. However, according to SMHI's analysis of projected mean water flows in the year 2100, the water level would only rise by 31 to 86 cm in the worst climate scenario (SSP5-8.5). In the event of a 100-year rainfall or extreme cloudburst, there is a risk that our site would be affected by flooding. This is according to the mapping done by Norrköping Municipality. It could mean damage to equipment, but it could also affect our ability to receive and deliver materials - and thus affect us financially.
CLIMATE CHANGE MITIGATION			
Positive impact	Extraction of virgin raw material	Contributing to the reduction of greenhouse gas emissions by increasing the supply of recycled materials	The production of plastic and aluminium packaging from virgin material generates greenhouse gas emissions. Through the deposit system, plastic and aluminium materials can be recycled and replace virgin raw materials in the production of packaging materials and other plastic and aluminium products.
Negative impact	Our own operations and Material recycling, Deposit system use, Collection	Greenhouse gas emissions in Scope 1, 2 and 3	In our own operations and in the value chain, Returpack contributes to greenhouse gas emissions. As we are in an ongoing climate crisis, greenhouse gas emissions are considered to be a serious issue. Significant emissions from our own operations come mainly from energy use in the plant and business travel. Emissions upstream in the value chain come mainly from the production of capital goods and purchased products and services, electricity use in reverse vending machines and compactors, and collection transport. Emissions downstream in the value chain come mainly from the transport and processing of sold materials.
ENERGY			
Negative impact	Our own operations and Material recycling, Deposit system use, Collection	Energy and fuel use	Returpack contributes to energy and fuel use in our own operations and in the value chain. The company's own operations mainly use electricity and district heating for the plant and office. Upstream in the value chain, energy is used for the production of capital goods and purchased products, electricity for the operation of reverse vending machines and compactors, and fuel for collection transport. Downstream in the value chain, energy and fuel are used for the transport and processing of sold materials.

E2 - ENVIRONMENTAL POLLUTION

ENVIRONMENTAL POLLUTION	OUR OWN OPERATIONS OR VALUE CHAIN	MATERIAL IMPACT, RISK OR OPPORTUNITY	DESCRIPTION
AIR POLLUTION			
Negative impact	Collection	Particulate matter and NOx	Part of our deposit collection fleet uses liquid biofuels as fuel. Combustion of liquid biogas contributes to the dispersion of particles and nitrogen oxides (NOx). Although these vehicles have a high Euro classification, the impact is considered significant, as in large parts of Sweden where transport takes place, the proportion of transport run on liquid biofuels is still relatively high.
WATER POLLUTION			
Negative impact	Our own activities	Process water discharge	Discharge of water to the municipal wastewater network in Norrköping occurs as a result of our bottle cap processing. Washing the material releases heavy metals and organic substances from printing inks and beverage residues, among other things. Concentrations of zinc, chromium and nickel have exceeded the limits set in our operating permit. High concentrations of heavy metals have a negative impact on the environment and the municipal wastewater treatment plant, which has difficulties purifying the water and using the sludge from the treatment process as fertiliser.
Risk	Our own activities	Process water discharge	If the limit values for the concentration of heavy metals in outgoing process water continue to be exceeded, Returpack risks fines which affect the company's financial results. We also risk having our operating permit rescinded.
SOIL CONTAMINATION			
Positive impact	Deposit system use	Reduced littering	The deposit system creates incentives for consumers to return their beverage containers. Through the collection of beverage containers, littering and soil pollution can be reduced across Sweden.
Negative impact	Our own operations	Littering of labelling material	When handling cans and bottles, some littering occurs in and around our facility in Norrköping. Residues from labelling material are a major concern, as they risk being spread to the surrounding environment in the event of strong winds. The littering of labelling material has a negative impact on the surrounding environment, as plastics take a very long time to degrade in nature. Microplastics have a negative impact on living organisms and arelikely to be spread through the littering of labelling material. The material risks being spread to grazing animals in the vicinity of our facility. If eaten, it could endanger their health.
MICROPLASTICS			
Negative impact	Our own activities	Dispersion of microplastics	When discharging process water from our factory in Norrköping (including water used in cleaning the plant), there is a risk that microplastics could spread to the stormwater network and the surrounding environment. This is due to the large volume of plastic material handled in the plant each year, as well as the washing and processing of bottle cap material. Microplastics can harm living organisms and lead to reduced reproductive capacity, among other things. The level of microplastics in the water that goes into the municipal wastewater network is not currently measured by either Returpack or the municipal treatment plant. Therefore, the degree of impact cannot be determined. However, Returpack assumes that emissions do occur to some extent and that negative impacts on the environment should be considered, measured and managed in the future.
Positive impact	Deposit system use	Reduced dispersion of microplastics	The deposit system creates incentives for consumers to return their beverage containers. Through the collection of beverage containers, littering and microplastic emissions can be reduced.



E5 - CIRCULAR MATERIAL FLOWS

CIRCULAR MATERIAL FLOWS	OUR OWN OPERATIONS OR VALUE CHAIN	SIGNIFICANT IMPACT, RISK OR OPPORTUNITY	DESCRIPTION
RESOURCE INFLOWS			
Positive impact	Extraction of virgin raw material	Replacement of virgin raw material	The production of plastic and aluminium packaging from virgin material has a negative impact on the environment, including land use, soil and water pollution, chemical and greenhouse gas emissions, and depletion of fossil raw materials. Through the deposit system, plastic and aluminium materials can be collected, recycled and substituted for virgin raw materials in the production of packaging materials and other plastic and aluminium products.
RESOURCE OUTFLOWS			
Positive impact	Extraction of virgin raw material	Replacement of virgin raw material	The production of plastic and aluminium packaging from virgin material has a negative impact on the environment, including land use, soil and water pollution, chemical and greenhouse gas emissions, and depletion of fossil raw materials. Through the deposit system, plastic and aluminium materials can be collected, recycled and substituted for virgin raw materials in the production of packaging materials and other plastic and aluminium products.
Risk	Material recycling	Reduced revenue from sales of recycled materials	Our PET company and our can company must be able to bear their own costs. This is because the collection process and yields differ between PET bottles and aluminium cans. In the case of aluminium, material revenues can cover a large part of the costs of handling aluminium. When it comes to plastics, the remuneration for recycled materials has fallen in recent years. In addition, it is often cheaper for producers to buy new raw materials than to use recycled plastic. If the revenues for the plastic material are low, we need to increase the packaging fee that we charge to producers. An increased packaging fee ultimately affects the consumer of the product, which could lead to reduced demand for the product or prompt producers to switch to using other materials, including plastics made from new raw materials.
Opportunity	Material recycling	Increased revenue from sales of recycled materials	Legislation at the EU level requires, among other things, that packaging materials contain an increased share of recycled materials. There is thus a possibility that demand for recycled materials will increase in the market, which would affect Returpack positively from a financial perspective. This is partly due to increased sales volumes and partly due to increased market-regulated material prices.
WASTE			
Negative impact	Our own activities	Waste from the sorting process	Sorting materials generates some waste that cannot be recycled. These include shavings, sludge residues, some labelling material and aluminium flakes. In addition, some of the material arriving at the sorting plant through the manual flow is incorrectly sorted by the customer. Most of the waste is incinerated, which generates greenhouse gas emissions.
Positive impact	Deposit system use	Less waste ends up in low-quality recycling processes	The deposit system ensures good quality of the material sold, so that it can be used for, e.g. food packaging. If the packaging is sorted through other recycling methods, the possibility of achieving the same quality when recycling the material is reduced. The deposit system thus reduces the amount of waste that goes to other, lower-quality recycling processes, such as household recycling or energy recovery.

S1 - OWN WORKFORCE

OUR OWN WORKFORCE	OUR OWN OPERATIONS OR VALUE CHAIN	MATERIAL IMPACT, RISK OR OPPORTUNITY	DESCRIPTION
WORKING CONDITIONS – HEALTH AND SAFETY			
Negative impact	Our own operations	Hazardous working conditions	Sorting the material in the plant involves employees operating large machines, driving forklifts and working in strenuous positions. This may pose a risk of negative impact on the health and safety of the company's employees.
Positive impact	Our own operations	Job security	Returpack's operations create jobs for both permanent and temporary workers. We have collective agreements that create security for both employers and employees. Having collective agreements provides clear and negotiated conditions for wages, working hours, holidays, pensions and other benefits. Collective agreements also help by providing standardised rules for overtime, sick pay and parental leave, for example.

S2 - WORKERS IN THE VALUE CHAIN

THE WORKFORCE IN THE VALUE CHAIN	OUR OWN OPERATIONS OR VALUE CHAIN	MATERIAL IMPACT, RISK OR OPPORTUNITY	DESCRIPTION
WORKING CONDITIONS – HEALTH AND SAFETY			
Negative impact	Collection	Working conditions for employees in the value chain	Returpack is a business that requires large and frequent road transports. These are carried out by our suppliers. Being in road traffic is risky for the drivers' health and safety, which is why this is a material topic for Returpack.

S4 - CONSUMERS AND END USERS

CONSUMERS AND END USERS	OUR OWN OPERATIONS OR VALUE CHAIN	MATERIAL IMPACT, RISK OR OPPORTUNITY	DESCRIPTION
Positive impact	Deposit system use	Access to quality information on the effects and benefits of the deposit system	Returpack's core business involves, among other things, providing consumers with access to quality information through our informational social outreach mission. Returpack actively works to ensure that consumers and end users have access to high-quality information about the benefits of the deposit system. If the deposit system is not marketed to end users, there is a risk that people will not return as many deposit containers. The information thus facilitates other positive impacts on the environment.
Positive impact	Deposit system use	Geographical and informational access to the deposit system	Returpack works actively to ensure that consumers and end users have access to the deposit system through geographical accessibility.

G1 - BUSINESS CONDUCT

BUSINESS CONDUCT	OUR OWN OPERATIONS OR VALUE CHAIN	MATERIAL IMPACT, RISK OR OPPORTUNITY	DESCRIPTION
Risk	Our own activities	Corporate culture, corruption and bribes	Returpack has a solid process and an established way of working to minimise corruption and bribery and to promote a healthy corporate culture among our employees and in our business relationships. Had we not worked the way we do, there would be a risk that our reputation would be damaged and that trust in the deposit system among consumers would decrease. According to the stakeholder analysis carried out in 2021, our most prioritised stakeholders admitted that they expect us to act ethically in all situations, to have good business relationships, and for our partners and suppliers to have high sustainability standards. Judging from the 2021 stakeholder analysis, corporate responsibility is a key sustainability issue for our stakeholders. Although no stakeholder dialogue was conducted in 2024 to confirm this, our assessment is that the topics is material for us and for our stakeholders.

No material impacts, risks or opportunities were identified for standards E3 – Water and marine resources and E4 – Biodiversity. When it comes to water use and marine resources, Returpack has a limited impact. This is because the volumes of water used in our bottle cap cleaning facility are relatively small, and the impact on nearby drinking water sources is limited.

Our site is located close to the Baltic Sea, but there are no emissions from our operations to the sea. Process water is discharged into the municipality's wastewater network, where the water is cleaned of any contaminants before being discharged into the Motala Ström river system.

Our operations are not linked to the exploitation of marine resources, such as fish or other marine species. The business is not dependent on water. As mentioned earlier, we use a limited amount of water each year for our bottle cap cleaning facility. If the water supply in the area were to decrease, our operations could still be carried out. The bottle cap material represents a limited amount of our total material volume. Therefore, water and marine resources have not been assessed as a material sustainability topic for us.

When it comes to biodiversity, our operations have both a negative and positive impact. The negative one is mainly indirect, through the greenhouse gas emissions we generate. Greenhouse gas emissions contribute to global warming, and biodiversity is highly dependent on climate. In our value chain, we also have a positive impact on biodiversity. This is because our recycled material helps to limit the extraction of virgin raw materials for packaging production. This means that mining and oil extraction for new materials are not needed to the same extent - and these processes otherwise have a strong negative impact on land use and biodiversity.

Our work to limit our greenhouse gas emissions takes place in the context of climate change, which is a material sustainability topic for us. The positive impact on biodiversity, through the limitation of mining and oil extraction, is addressed in the Circular Material Flows area. The more material that goes to high-quality recycling, the more we can avoid impacting land use and biodiversity. Therefore, biodiversity is not a specific material sustainability topic for us.

IDENTIFICATION AND ASSESSMENT OF IMPACTS, RISKS AND OPPORTUNITIES

To ensure long-term sustainability and operate responsibly, it is crucial that we identify and assess our impacts, risks and opportunities.

Identifying and analysing these factors gives us a clearer picture of how our activities affect the environment, society and the economy. It helps us prioritise actions that reduce negative impacts and enhance our positive contributions. This work lays the foundation for making strategic decisions that are sustainable for us, people, the environment and society.

DOUBLE MATERIALITY ASSESSMENT

The process of defining our material sustainability topics took place in spring 2024, in close collaboration with the consultancy firm 2050. The process started with a CSRD training and double materiality assessment for the internal project team responsible for driving CSRD implementation in the company, the Management Team and selected key persons.

1. MAPPING THE CONTEXT

In order to understand our business, 2050 was given access to essential information about us, such as information on our value chain, our business relationships, the results of recent risk and opportunity analyses, measurements taken in our plant, descriptions of our operations, a list of our stakeholders, and customer surveys.

2. IDENTIFICATION OF IMPACTS, RISKS AND OPPORTUNITIES

To get support and inspiration about which aspects are important to consider when identifying impacts, risks and opportunities, the entirety of the ESRS and the topics and sub-topics described in each standard were used. Based on the information received from us and with the support of the ESRS, 2050 produced a draft of identified impacts, risks and opportunities in our own operations and value chain.

3. ASSESSMENT OF THE MATERIALITY OF IMPACT

After identifying impacts, risks and opportunities, 2050 made an initial assessment of what is material for us from an impact perspective. The scale (severity), extent, reversibility (if the impact is negative) and probability were considered and determined. The assessment categories were graded and assigned values, where the values of the first three categories mentioned above were summed up and the sum was multiplied by the value of the degree of probability. To nuance the assessment, the timing of whether and when impacts occur or are expected to occur (in the short, medium and long term) was also determined. “Short term” means one year, “medium term” between one and five years and “long term” means five years. For each impact, the availability of the evidence used in the assessment was also assessed – whether there was good availability of qualitative evidence, some lack of evidence, or a high lack of evidence. This is to get an indication of the validity and uncertainty of the assessment. The table opposite describes the impact assessment and the values used for each assessment of scale, extent, reversability and probability.

Scale	Extent	Reversability	Probability	Value
Very small	Very limited	< 1 year	0-24%	1
Small	Limited	1 - 3 years	25-49%	2
Medium	Medium	3 - 5 years	50-74%	3
High	Widespread	5 - 10 years	75-99%	4
Very high	Very widespread	10 years or permanent	100% (definitive)	5

To draw a line between what constitutes a material impact, a threshold of above or equal to 24 for positive impact and above or equal to 25 for negative impact was set. Results below these values were considered not material.

Results	For positive impact	For negative impact
High impact (material)	<= 24	<= 25
Medium impact (immaterial)	11 - 23	11 - 24
Low impact (immaterial)	0 - 10	0 - 10

During a first workshop, 2050’s identification and impact assessment was validated and completed by the internal project team. Impacts assessed as high and medium were checked and validated once more, to ensure that the assessment was made correctly.

4. ASSESSMENT OF FINANCIAL MATERIALITY

When it comes to the assessment of financial materiality, the probability and impact of the risks and opportunities were determined. Again, the assessment categories were assigned values, which were then multiplied by each other. In addition to probability and impact, the time horizon in which the risk or opportunity is expected to occur – short, medium or long term – was also assessed. As for impacts, the availability of qualitative assessment data was also assessed. The tables below describe the assessment of identified risks and opportunities and the values used for each probability and impact assessment.

Probability	Definition	Points
Very low	0-10% probability that it will occur	1
Low	11 - 30% probability that it will occur	2
Medium	31-50% probability that it will occur	3
High	51-75% probability that it will occur	4
Very high	76-100% probability that it will occur/is already occurring	5

Consequence	Definition - financial impact	Points
Very low	Cost equivalent to 0-5% of the sum of materials and administrative revenues	1
Low	Cost equivalent to 5-10% of the sum of materials and administrative revenues	2
Medium	Cost equivalent to 10-15% of the sum of materials and administrative revenues	3
High	Cost equivalent to 15-20% of the sum of material and administrative revenues	4
Very high	Cost equivalent to 20% of the sum of materials and administrative revenues	5

If the product of the impact and the probability of the risks and opportunities scored between 11 and 25, the financial risk or opportunity was assessed as material.

Value	Definition (risk)	Definition (possibility)
11-25	High risk (financially material)	High opportunity (financially material)
5-10	Medium risk (immaterial)	Medium opportunity (immaterial)
1-4	Low risk (immaterial)	Small possibility (immaterial)

The financial materiality assessment was carried out by 2050, with validation and completion during a second workshop with the Project Team, and the Management Team, as well as representatives from the Executive Team and from our Finance Department.

5. VALIDATION WITH STAKEHOLDERS

The results of our Double Materiality Assessment have been shared with our Board of Directors and staff. In autumn 2024, they received introductory training on CSRD, double materiality assessment and a review of our performance. Engagement with other affected stakeholders is expected in spring 2025.

The results and the process for identifying material sustainability topics have also been shared with our auditors, who carried out an overall review. In this respect, the auditors considered that the identification and assessment of CSR impacts, risks and opportunities should be revised. From a quantitative perspective, G1 – Business conduct – was not initially deemed material to us. The assessment was updated by the Project Team, whereupon the sub-topics of Corporate Culture, Whistleblower Protection, and Bribery Corruption were identified as essential, but from a qualitative perspective. The qualitative assessment was based on the fact that Returpack has a solid process and an established approach to minimise corruption and bribery and promote a healthy corporate culture among our employees and in our business relationships. Had we not worked the way we do, there could be a risk that our reputation would be damaged and that consumer confidence in the deposit system would decrease. According to the stakeholder analysis carried out in 2021, our most prioritised stakeholders said that they expect us to act ethically in all situations, to have good business relationships, and to have high sustainability standards for our partners and suppliers. Judging

from the 2021 stakeholder analysis, corporate responsibility is a key sustainability topic for our stakeholders. Although no stakeholder dialogue has been conducted in 2024 to confirm this, our assessment is that the topic is material for us and for our stakeholders. The new assessment was supported by our Board during the December board meeting. A more detailed audit review conducted according to the ESRS principles will be carried out in 2025.

6. UPDATING OF THE DOUBLE MATERIALITY ASSESSMENT

To ensure that we comply with the updated Annual Accounts Act and the requirements of the ESRS, we are implementing a project. It extends until the first annual report under the new legal requirements is produced. In the fall of 2024, various working groups were initiated and assigned responsibility for each material sustainability issue. This responsibility means that the working group must ensure that all the ESRS requirements for each sustainability issue are met. This is to ensure that more people are familiar with the ESRS requirements and with the work of producing information for the Sustainability Report. The working groups also have a responsibility to review the identification and assessment of impacts, risks and opportunities related to each material sustainability issue. If the assessment needs to be modified or new impacts, risks or opportunities are identified, updates must be made. This is done by the Working Group together with the ProjectTeam, the Management Team, and possibly selected key persons. The review and possible updating of other sustainability topics that were not assessed as material in this year's Double Materiality Assessment is planned to be carried out by the Project Team and the Management Team in spring 2025.

Identifying, assessing and managing risks and opportunities in the business

Each function within the organisation conducts semi-annual risk analyses in its area. The analyses identify and assess business, legal, environmental, financial and operational risks. These are classified according to probability and impact (severity). The risks identified as significant and prioritised are forwarded to Returpack's Management Team for management. As part of the integrated risk management process, the Management Team carries out an annual SWOT and business environment analysis. The results of these analyses, together with the most significant risks from the semi-annual risk analyses, are compiled and reported to the Board of Directors via the CEO. Reporting takes place in the context of the annual Strategy Meeting, at which the Board of Directors decides which risks are to be considered strategically significant. These prioritised risks then form a central part of the basis for the design of our Strategic Plan. The plan sets out clear objectives, specific actions, responsibilities and a timetable for their implementation.

We are certified under the ISO 14001 environmental management system. Within that framework, significant environmental aspects must be identified. This is to formulate environmental objectives and develop action plans to steer towards them. When determining significant environmental aspects, the activities of the business upstream and downstream in the value chain are mapped. Then the environmental impact of each activity is described. Next, the environmental impact is assessed based on its severity, extent, probability, ties to legal requirements, and importance to stakeholders. The results for each environmental impact are then summed up and our significant environmental aspects can be identified. For each significant environmental aspect, the opportunities to limit negative impacts on the environment are then identified. Significant environmental aspects and efforts to mitigate negative environmental impacts are reported to the Management Team twice a year as part of the management review – an important part of the environmental management system.

The results of the 2023 functional risk analysis, SWOT analysis, business environment analysis and identification of significant environmental aspects were used to inform the double materiality assessment carried out in spring 2024.

Identification and assessment of impacts, risks and opportunities related to circular material flows

We meet regularly with our material buyers to identify and manage impacts, risks and opportunities. Every month we have meetings with Veolia, and once a quarter we meet with Novelis, Constellium and Reelab. During these meetings, we follow up on the product quality of supplied materials, the material quality of recycled materials from their processes, the supply and demand of/for materials, and common sustainability issues. At least once a year, we follow up with our buyers about the end products our materials have been used to produce after leaving their processes. Through close collaboration and dialogue with our material buyers, we can clearly see the impact of our quality on their product and the possibility of high-quality recycling.

During these meetings, any risks or opportunities linked to each material flow are also identified. For example, we discuss the supply and demand of/for recycled materials, quality deficiencies, expectations of producers and packaging manufacturers, and changes in legislation. Risks and opportunities deemed material are included in the risk analysis and SWOT analysis for the preparation of the Strategic Plan. In addition to the meetings with our material buyers, we have a Materials Council that meets at least twice a year. The Materials Council includes representatives from the three largest producers in Sweden and from two trade organisations, the Swedish Brewers Association (Sveriges Bryggerier) and the Swedish Food Retailers Federation (Svensk Dagligvaruhandel). The purpose of the Materials Council is to act as an advisory body to Returpack and Returpack's Board of Directors with regard to following the current and future development of the packaging materials included in our deposit system, issues relating to the incorporation of recycled materials, and the quality of collected materials and processed sold materials. Current issues arising from the meetings with our materials buyers and the Materials Council in the previous year were used to inform the double materiality assessment.

Governance of our sustainability work

MISSION OF THE BOARD OF DIRECTORS

Returpack's senior decision-making body is our Board of Directors. It bears ultimate responsibility for ensuring that our operations are managed in a cost-effective and sustainable way, and that we contribute to circular material flows. The Board of Directors is responsible for setting our long-term strategic direction, overseeing the work of management, and deciding on key issues that affect our operations. These issues may include our budget, investments and major business decisions. The Board of Directors must also ensure that impacts, risks and opportunities in our own operations and the value chain are identified and effectively managed.

The Board of Directors oversees and monitors our progress in relation to our strategies and ensures that targets (including sustainability-related targets) are met. Environmental, social and governance priorities are an integral part of the Board of Director's decision-making. Updates on our objectives and selected sustainability targets are presented during each meeting of the Board of Directors.

COMPOSITION OF THE BOARD OF DIRECTORS

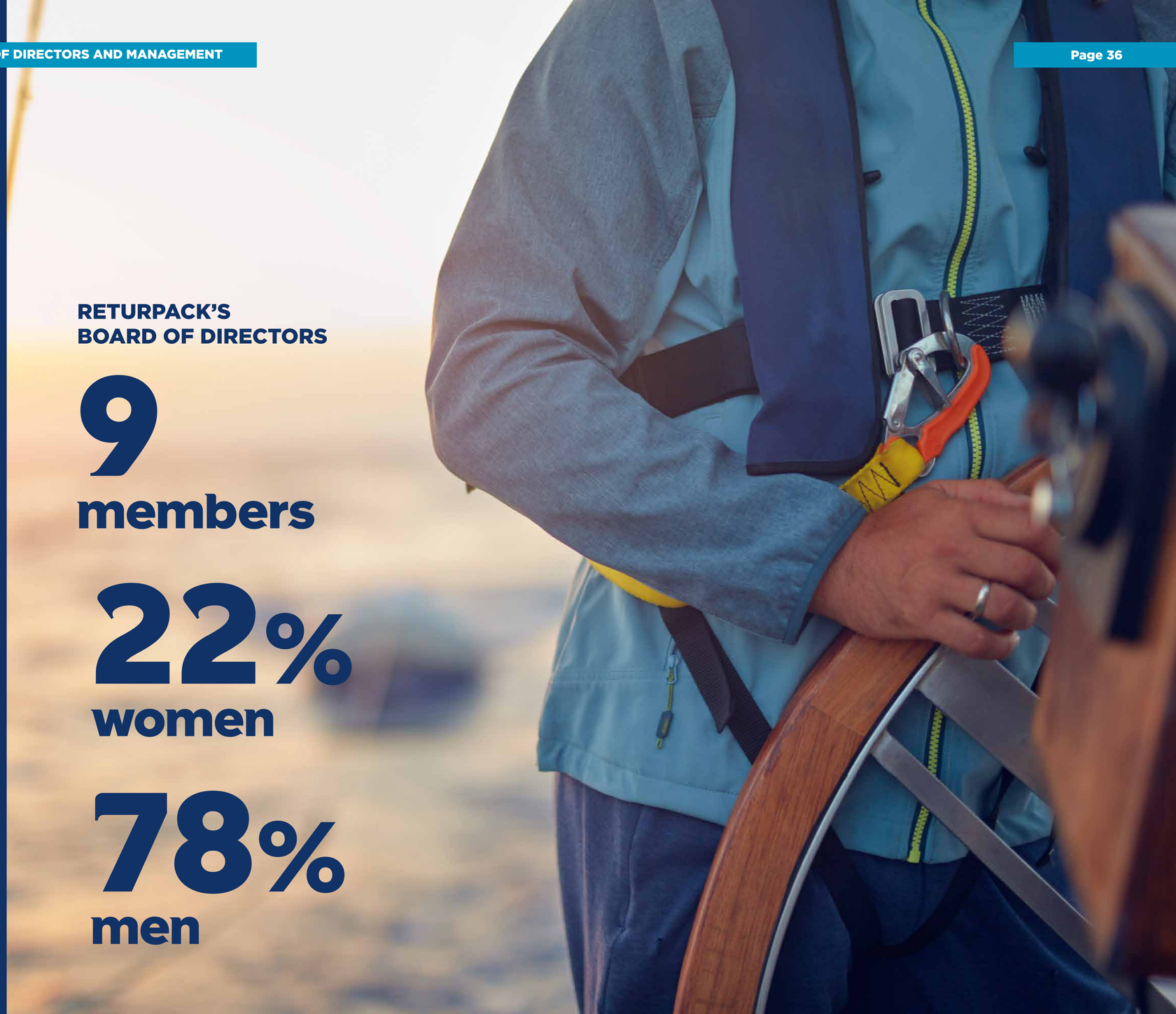
The Board of Directors consists of nine members, including the Chair-person. The members are appointed at the Annual General Meeting following proposals from Returpack's owners, and represent the various skills, experiences, stakeholders and sector knowledge necessary to govern and follow up Returpack's operations in a strategic fashion. All the Board members are non-executive and independent from the rest of Returpack's organisation. Around 22% of the board members are women, the rest are men, and they range in age from 51 to 74. The members have different educational backgrounds and work experience, in fields such as civil engineering, economics and industrial economics. They have experience from working in the beverage industry, packaging industry, recycling industry and business management. A more detailed description of each Board member can be found on page 37.

RETURPACK'S BOARD OF DIRECTORS

9
members

22%
women

78%
men



RETURPACK'S BOARD OF DIRECTORS

Peter Jhaveri

Chairman of the Board

Board member since: 2024

Current position: Board work and self-employment

Education: Master of Science in Engineering Physics from Lund University, further education at Wharton, London Business School and IMD

Relevant qualifications for governance of Returpack: Business management in several industries in Sweden and internationally, many years of board work in various companies

Other board commitments: His own company

Anna-Karin Fondberg

Board member

Board member since: 2018

Current position: CEO of Sveriges Bryggerier AB

Education: IHM Business School

Relevant qualifications for governance of Returpack: Good knowledge of the beverage industry in general and the brewing industry

Other board commitments: Svensk Glasåtervinning AB, Svenska Returglas 33 cl AB, Svenska Returglas 50 cl AB, Svenska Brettbolaget AB, Fondberg Business Consulting, Virtuous Spirits AB, A&A Fondberg Consulting AB, SayHey AB

Merlin Poljak

Board member

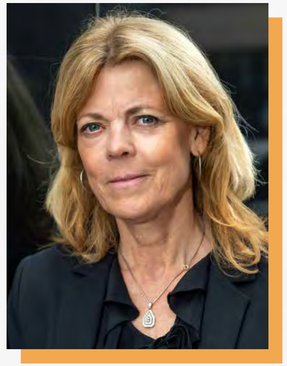
Board member since: 2021

Current position: CFO of Systembolaget

Education: Master of Science in Business and Economics at Örebro University

Relevant qualifications for governance of Returpack: Economics in general, as well as experience from the grocery and specialist trade (ICA/Systembolaget)

Other board commitments: –



Karin Brynell

Board member

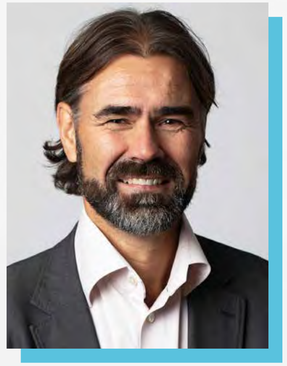
Board member since: 2014

Current position: CEO of the Swedish Food Retailers Federation (Svensk Dagligvaruhandel)

Education: Stockholm School of Economics

Relevant qualifications for governance of Returpack: Experience from the food sector and other assignments within packaging and recycling

Other board commitments: Svenska Retursystem, Svenskmärkning, Svensk Plaståtervinning, Metallkretsen, Returkartong, Svensk Glasåtervinning, Sweden Food Arena, GS1



Peter Nilsson

Board member

Board member since: 2022

Current position: Business Area Director North – Asker Healthcare Group

Education: Master of Science in Mechanical Engineering, Industrial Economics and Organisation at KTH Royal Institute of Technology

Relevant qualifications for governance of Returpack: Experience from the brewery and medical technology sectors, supply chain and purchasing.

Other board commitments: Evercare Medical AB, OneMed Sverige AB, OneMed AS, OneMed Services AS, Ascan AS

Håkon Langen

Board member

Board member since: 2024

Current position: Packaging and sustainability consultant

Education: Master of Science in Environmental Engineering from the Norwegian University of Science and Technology

Relevant qualifications for governance of Returpack: Experience from the brewing and beverage industry, within the areas of packaging, sustainability and innovation

Other board commitments: –

Pär Bygdeson

Board member

Board member since: 2008

Current position: CEO of Livsmedelshandlarna

Education: Horticultural economist and journalist

Relevant qualifications for governance of Returpack: Management positions and board work

Other board commitments: Returkartong, Svenska Metallkretsen

Andreas Norlin

Board member

Board member since: 2014-2019, 2023

Current position: Hemköp trader

Education: Marketing economics

Relevant qualifications for governance of Returpack: In-store and trading skills

Other board commitments: His own company, Livsmedelshandlarna and Visbohammar Utveckling AB

Tomas Westergren

Board member

Board member since: 2022

Current position: Consultant

Education: Master of Science in Engineering from the Faculty of Engineering at Lund University

Relevant qualifications for governance of Returpack: Experience from the packaging sector in relation to the beverage industry

Other board commitments: –

THE ANNUAL WORK OF THE BOARD OF DIRECTORS

Each year, at least four Board meetings are held. Each meeting has a specific focus. The first meeting is held in March, at which the Annual Report and Sustainability Report are adopted by the Board and the auditors' Audit Report is presented. The General Meeting also takes place on the same day.

In May or early June each year, Returpack's Board of Directors and Management Team gather for a Strategy Meeting at which the company's direction for the next three years is determined. Solid supporting information is used as a basis for this determination, and it is presented by our CEO. The supporting information includes risk analyses, business environment analyses, SWOT analyses, three-year forecasts and a review of our past strategic objectives and performance.

The Strategy Meeting sets out the long-term direction and strategic areas that will guide our operations for the year, as well as for the next three years. This decision forms the basis for developing our Strategic Plan, which defines concrete objectives, actions and timelines.

At the September meeting, the preconditions for the next year's Strategic Plan (such as our budget and resources) are presented. The Board of Directors approves the final Strategic Plan in December, thus ensuring that we have a clear and well thought-out direction for the coming year and beyond. The December meeting also sets the budget and packaging fees for the coming year.

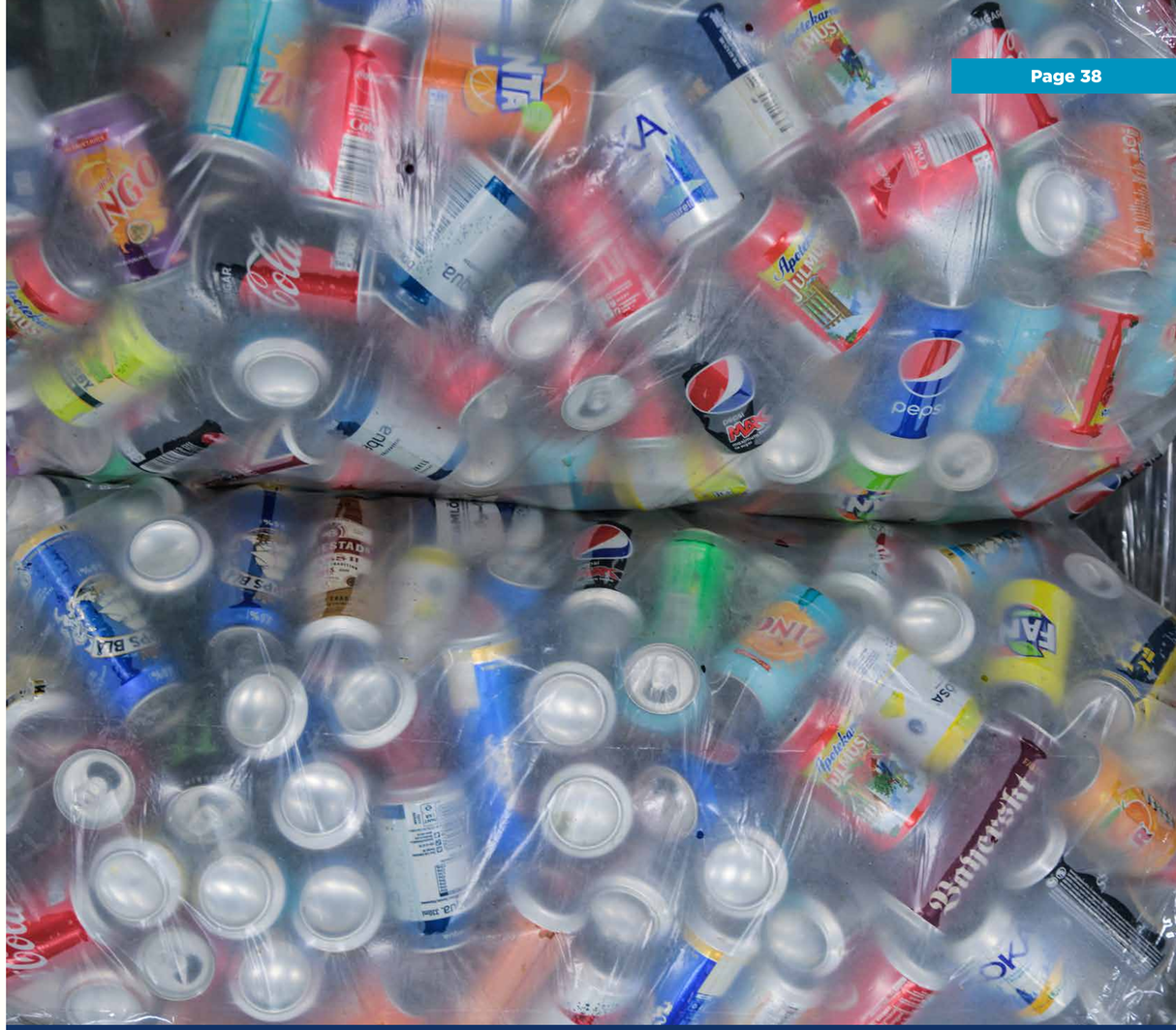
GOVERNANCE OF OUR MATERIAL SUSTAINABILITY TOPICS

Our strategic areas are closely tied to our material sustainability topics. The Board of Directors' active involvement in defining these areas ensures that sustainability issues are integrated into the strategic governance of the business. In this way, we help to ensure that part of our long-term development is about driving progress in sustainability.

An overview of our strategic areas and how they relate to our material sustainability topics can be found at pages 20-23.

In 2024, we carried out a double materiality assessment for the first time, and the results were presented to the Board of Directors in September of that year. Going forward, our identified material impacts, risks and opportunities – i.e. the results of our Double Materiality Assessment – will constitute a central part of the decision-making basis used by the Board of Directors at the Strategy Meeting. This ensures that sustainability aspects are integrated into the establishment of the strategic direction and priorities of the business for the coming years. A description of our process for defining and supporting our material sustainability topics can be found on pages 33-35.

In 2024, the Board of Directors appointed a person responsible for serving as our primary contact on all sustainability-related issues, environment, social responsibility and corporate governance. We have not yet decided on the process for oversight, monitoring and reporting to other Board members on sustainability-related issues, impacts, risks and opportunities. This is planned to be established in early 2025.

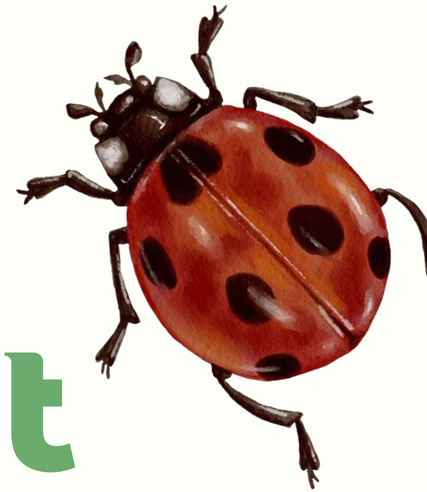


SUSTAINABILITY-RELATED RESULTS IN INCENTIVE SCHEMES

In 2024, we introduced a bonus system that covers all Returpack employees. Starting in 2025, this bonus is to be paid out in February of each year, provided that we reached the collection target set for the previous year. The aim is to collect 90% of the containers put on the market through our deposit system.

Achieving this goal will help increase high-quality material flows in society and reduce the need to extract new raw materials – a process that generates high greenhouse gas emissions. The Board of Directors does not receive any remuneration tied to our collection target or other sustainability-related targets.

2



Environment

Returpack plays a central role in Swedish society by promoting circular material flows and reducing the need for new resources. We combat littering, streamline transportation and work actively to reduce our climate impact. In this chapter, we describe how we impact and are impacted by climate change, our efforts to reduce environmental pollution, and how we promote circular material flows throughout our value chain.

Climate change

The deposit system as a whole helps to limit our greenhouse gas emissions, mainly by recovering aluminium and PET and circulating these materials in a closed recycling loop. At the same time, each step of the value chain contributes to greenhouse gas emissions. Thanks to our climate accounting, Returpack has a better understanding of how our operations affect the climate and how we can improve.

Impacts – positive and negative

The deposit system ensures that used beverage containers can be turned into:

- **Primarily, new beverage packaging**
- **Secondarily, packaging intended for food products**
- **Thirdly, raw materials for other products**

We offer recycled materials on the market and contribute to reducing the need for virgin raw materials. Producing plastic bottles and aluminium cans from virgin materials generates high greenhouse gas emissions. In most cases, fossil crude oil is used to make plastic bottles, and producing cans from new aluminium requires 95% more energy compared to producing them from recycled aluminium.

Plastic food packaging has specific quality requirements that are difficult to meet with conventional plastic sorting. The supply of recycled food-grade packaging materials is therefore relatively low, which means that food packaging is currently largely produced from virgin plastic raw materials. The deposit system offers a closed loop that ensures that plastic from beverage containers can be recycled into new beverage containers or food packaging.

In the case of aluminium cans, the deposit system is also important, as it guarantees the recycling of high-quality aluminium for new cans. In this way, the deposit system helps to limit the greenhouse gas emissions generated by the production of food packaging from virgin material.

Compared to in the past, today there are better conditions for recycling plastic packaging from households. Europe's largest plastic packaging sorting facility has opened its doors in Motala. However, our deposit system is the only one that can ensure that the plastics recycled from beverage containers are food-grade.

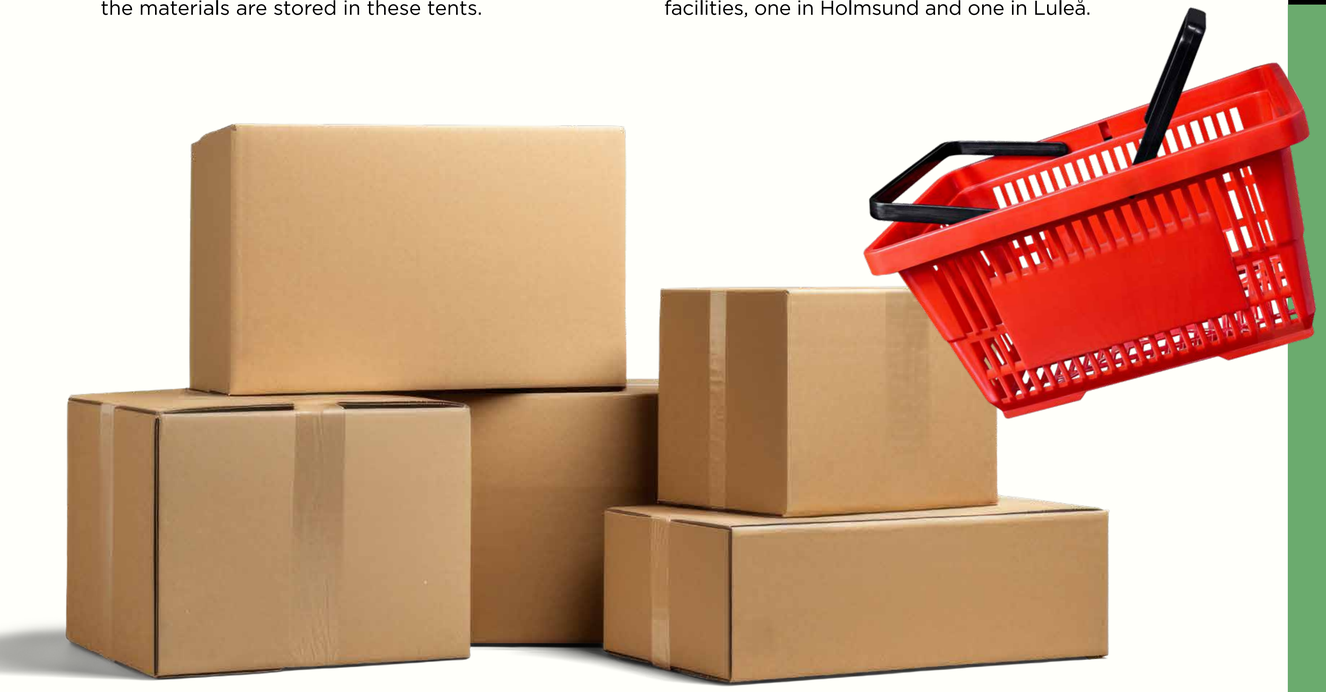
Although from a systemic perspective we contribute to limiting greenhouse gas emissions, greenhouse gas emissions are still generated from our operations and along our value chain. Spring 2024 was the first time that we produced comprehensive climate accounting for 2023, pursuant to the Greenhouse Gas Protocol. In previous years, we calculated and reported the climate impact of the parts of our value chain and operations we are most able to influence and control. We have now taken a holistic approach and included significant emissions throughout our value chain. Climate accounting has also been conducted for 2024, and the calculations are based on operational control. The results of the 2023 and 2024 projections are presented in the Results section on pages 44-47.

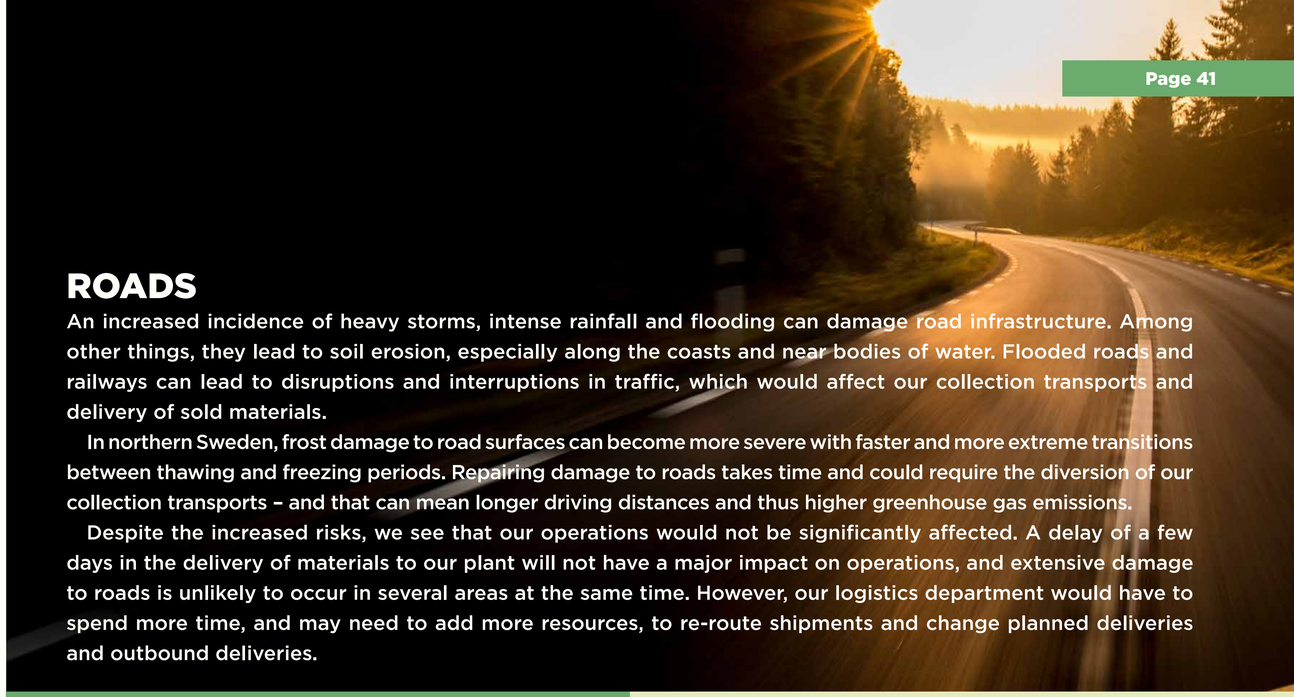
Risks
PHYSICAL RISKS

INTERMEDIATE STORAGE

Throughout Sweden, Returpack has numerous intermediate storage facilitiesin the form of tents. This is where we store the material after it has been deposited in stores and before we transport it to our factory in Norrköping. At high outdoor temperatures, we see an increased risk of bacterial growth and the spread of spores from the material in the tents. This causes odours and work environment problems for staff working in and around the tents. After 2029, dairy products will be part of the deposit system, increasing the risk of odours in our tents. In a warmer climate, we should therefore limit the time for which the materials are stored in these tents.

There is also a risk of flooding. During high flows, there is a risk that water will carry materials out of the tents and spread them into the surrounding environment. If torrential and heavy rains become more frequent, our tents would have to be moved to areas where the risk of flooding is lower. We have not conducted any specific vulnerability analyses on our intermediate storage facilities, other than that we have taken coastal locations into account and that the municipalities have considered the location of the tents with regard to water flows when assessing our permit applications. Today, we only have two coastal intermediate storage facilities, one in Holmsund and one in Luleå.





ROADS

An increased incidence of heavy storms, intense rainfall and flooding can damage road infrastructure. Among other things, they lead to soil erosion, especially along the coasts and near bodies of water. Flooded roads and railways can lead to disruptions and interruptions in traffic, which would affect our collection transports and delivery of sold materials.

In northern Sweden, frost damage to road surfaces can become more severe with faster and more extreme transitions between thawing and freezing periods. Repairing damage to roads takes time and could require the diversion of our collection transports – and that can mean longer driving distances and thus higher greenhouse gas emissions.

Despite the increased risks, we see that our operations would not be significantly affected. A delay of a few days in the delivery of materials to our plant will not have a major impact on operations, and extensive damage to roads is unlikely to occur in several areas at the same time. However, our logistics department would have to spend more time, and may need to add more resources, to re-route shipments and change planned deliveries and outbound deliveries.

STORES

Around 92% of the collected deposit containers come to us via grocery stores' reverse vending machines. Stores thus account for our largest collection flow. These can be at risk from torrential rain and rising sea levels, which in turn can cause flooding and affect the consumer's ability to deposit containers. If a shop is so badly affected by the flooding that it has to close or the deposit machine is unavailable, we see an opportunity for consumers to leave their containers elsewhere. For example, they could deliver them to another shop or via another deposit container receiver, such as Pantamera Express at recycling centers. After 2029, dairy products will be included in the deposit system, which will increase the risk of odours in and around the deposit area in stores. Ensuring good conditions for in-store collection requires close cooperation with the stores.

PLANT

Our plant is located on Händelö in Norrköping, close to Bråviken Bay and the Motala Ström river system. If the sea level were to rise by two metres, our site would suffer severe flooding. According to the Swedish Meteorological and Hydrological Institute's analysis of mean water flows in 2100, the water level is projected to rise by only 31 to 86 cm in the worst climate scenario (SSP5-8.5). In the event of a 100-year rainfall or extreme cloudburst, there is a risk that our site would be affected by flooding. This is according to the mapping done by Norrköping Municipality. It could mean damage to equipment, but it could also affect our ability to receive and deliver materials - and thus affect us financially.

TRANSITION RISKS

The transition to a more sustainable economy may involve a risk of higher electricity prices. This is due to increased demand in connection with the electrification of a large portion of our society, as well as capacity shortages in the electricity grid. Despite rising electricity prices, the impact on our business is relatively small, as the cost increase primarily affects the variable part of our energy cost. The fixed cost of electricity is significantly higher than the variable cost, which provides stability.

During the year, students from Linköping University helped us develop a methodology for designing an electrified logistics system. Among other things, this work involved the estimation of costs with associated sensitivity analyses for the full electrification of our heavy transport. The students concluded that an electrified vehicle fleet would mean lower costs in some areas, especially those with high resource efficiency and utilisation rates. Areas such as northern Norrland showed increased costs. However, a 20% reduction of the current average electricity price would mean profitability in almost all our collection areas. This suggests that the transition to a more electrified vehicle fleet does not pose a significant financial risk for us. However, to some extent, investments in electric and hydrogen vehicles can lock us into using such technology, as these vehicles cannot be powered by other fuels. In the event of grid disturbances or power shortages, there is a risk that these vehicles will be unable to operate as planned, if no battery storage or other back-up systems exist.

As the market for electric and hydrogen vehicles is still relatively new, there is a risk that suppliers will disappear from the market, resulting, e.g. in supply problems.

GOAL

In connection with the preparation of our full climate accounting for 2023, which was carried out in 2024, work began on establishing a short-term and a long-term climate target for all our emissions in Scopes 1, 2 and 3. This is in accordance with what is required to align with the Paris Agreement – that is, to limit global warming to a maximum of 1.5 degrees compared to pre-Industrial times. In spring 2025, these targets will be presented and approved by our management and board. In 2025, we plan to work on breaking down our short-term and long-term climate targets into sub-targets for different parts of our value chain.

So far, we have engaged in ambitious climate work when it comes to our collection transports. In 2024, we achieved our goal of making them fossil-free, a year earlier than the target date for that accomplishment. In 2024, our goal was to reduce the climate impact of our compactor truck transports by 95% and our transportation by long-distance trucks by 89% compared to 2015.

TO REDUCE ENERGY USE IN OUR PLANT, WE HAVE ADOPTED A TARGET OF 0.69 W/CONTAINER. IN 2024, WE ACHIEVED A RESULT OF:

0.62 W /container

THIS YEAR'S RESULTS SHOW THAT WE REDUCED EMISSIONS FROM OUR COMPACTOR TRUCKS BY 97.7% COMPARED TO 2015. WITH UPDATED EMISSION FACTORS FOR CBG, LBG AND ELECTRICITY, THE RESULT WAS 87.5%. SEE THE CALCULATION METHOD AND CHANGES SECTION ON PAGE 48 FOR FURTHER DETAILS. WHEN IT COMES TO LONG-DISTANCE TRUCKS, THE 2024 RESULTS SHOWED THAT WE REDUCED EMISSIONS BY 89.0%. WITH THE UPDATED EMISSION FACTORS, THE RESULT WAS A DECREASE OF 86.3% COMPARED TO 2015.

MEASURES

As part of our efforts to set new climate targets and milestones, the development of an action plan is planned for 2025. The entire organisation will be involved in this work.

During 2024, we worked in particular to reduce the climate impact of our collection transports. Read more about our work in the Circular Material Flows chapter and the Collection section on pages 69 and 70.

Through our solar panels, we have continued to produce our own renewable electricity, equivalent to 12.7% of our electricity needs. Read more about our measures to reduce the amount of purchased energy in the factory in the Circular Material Flows chapter and the Sorting section on pages 71 and 72.

Self-produced renewable electricity in 2024:

12.7% of our electricity needs

RESULTS

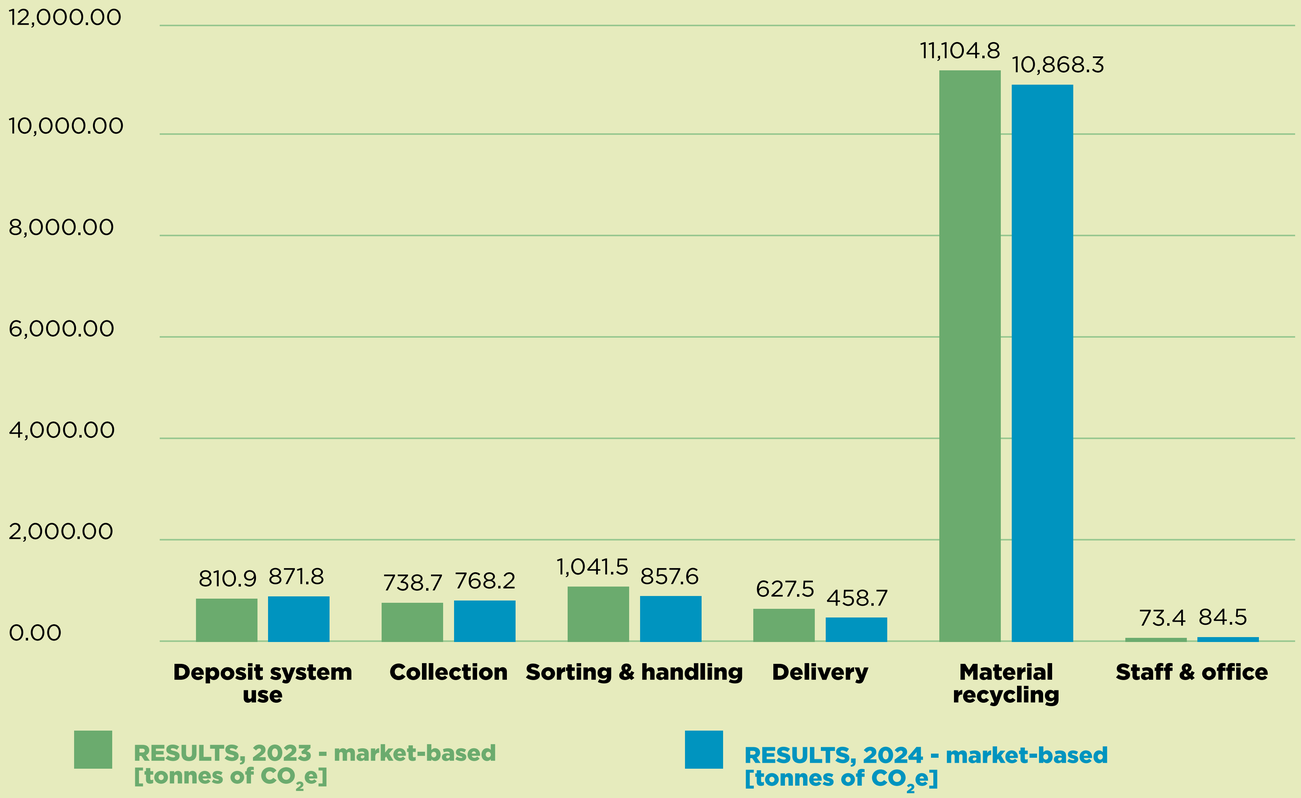
Our 2024 carbon footprint shows that our total climate impact amounted to 13,909.2 tonnes of CO_2e, calculated using the market-based approach. In 2024, our greenhouse gas emissions decreased by 3.4% compared to the previous year.

The results of our 2023 and 2024 carbon footprints show that the largest emissions occur in our value chain, in particular in the processing of the materials supplied to our aluminium material buyers. The aluminium recycling process is energy-intensive, although it requires significantly less energy than the production of new aluminium. Other significant sources of emissions include electricity use in all reverse vending machines in Sweden, the production of purchased deposit bins and our own deposit machines, as well as energy consumption and the purchase of goods and machinery for the plant. Transportation for the collection of materials also generates significant emissions. In 2024, we bought fewer reverse vending machines than in 2023, contributing to a reduced climate impact. At the same time, purchases of deposit containers by shops increased and purchases of returnable container tubes increased significantly. Collection transports increased in 2024, resulting in higher emissions. The main reason was increased material flows requiring more transportation, as well a certain shift from HVO to biogas, which affected emission levels. From an accounting perspective, biogas generates higher emissions, but from a system perspective, the impact is lower. In the plant, energy use decreased compared to 2023, thanks to efficiency improvements in our aluminium sorting flow and a warmer autumn and winter. However, purchases of consumables such as big bags increased, while fewer machines and less baling wire were purchased. We have streamlined the transportation of materials deliveries to our material buyers, which is reflected in our delivery performance. In material recycling, more materials were delivered in 2024 than in 2023, but emissions still decreased. This is partly due to the fact that one of our material buyers has reduced the climate impact of its aluminium machining process. Finally, emissions from staff and offices increased in 2024, mainly due to an increase in business travel compared to 2023.

MARKET-BASED
Total, 2023
14,396.7
[tonnes of CO_2e]

MARKET-BASED
Total, 2024
13,909.2
[tonnes of CO_2e]

CLIMATE IMPACT, 2023 AND 2024 [TONNES OF CO_2e]



DEPOSIT SYSTEM USE

This section reports the emissions resulting from electricity use in our own reverse vending machines, compactors and reverse vending machines that we do not own. Emissions resulting from the production of our own reverse vending machines are reported here, as well as those from the production of our own compactors, tipping containers, containers for Pantamera Express, store containers, and igloos. It also includes the collection containers and bags purchased through our webshop, the energy required in the premises we rent for our deposit container reception stations, as well as the transportation for servicing the reverse vending machines and transport at the Källa Drycker recycling centre.

The largest emissions in deposit system use come from electricity use in the reverse vending machines and compactors. These are followed by emissions tied to the production of reverse vending machines and compactors, and then by the production of collection bins and bags purchased via our webshop.

To reduce the climate impact of deposit system use, we need to work with the owners of reverse vending machines to ensure that renewable electricity is used for their operation. We should do more detailed energy measurements on some reverse vending machines, as specific data could not be provided by the supplier. Working with the suppliers of the reverse vending machines to identify energy efficiency measures would also be a way to reduce energy demand. The same applies to the production of reverse vending machines, where environmental product declarations would need to be developed and reverse vending machines designed with as low a climate impact as possible.

SORTING & HANDLING

This includes emissions from energy use in the factory, electricity, district heating, and refrigerant leakage. Emissions from the purchase of goods and services such as baling wire and sacks for our bottle cap material are also included. Emissions resulting from the production of investments in the factory are also reported here. These include sorting machines, presses and lighting fixtures, as well as the extension of the building. It also includes emissions from the transport and management of our waste.

To reduce the climate impact of Sorting, we can increase our own electricity production. In addition, we can carry out updated energy mapping and implement energy-saving measures in the plant. Asking for environmental product declarations for the goods and machinery we buy for the factory is also a way to influence suppliers to reduce the climate impact of these products.

MATERIAL RECYCLING

This section reports the emissions that occur as a result of the processing of our sold materials by our material buyers. There, tinplate is made from the aluminium we sell, and flakes or pellets from the PET material.

Through dialogue and collaboration with our material buyers, we can help reduce the climate impact of their processes. Regularly monitoring the climate impact of their recycling process can be a positive way to influence material buyers.

COLLECTION

This includes emissions from our long-distance transport, bulk transport, and transport for picking up materials from festivals, tourist resorts and associations, among others. Emissions from emptying and loading vehicles are also included . The majority of emissions from Collection come from bulk transport - i.e. transport with compactor trucks and bulk trucks, as well as the loading and emptying of compactors and Pantamera Express.

Measures to reduce the climate impact of Collection are described in more detail in the Circular Material Flows chapter and the Collection section.

DELIVERY

Emissions from truck and rail transports to our material buyers are reported here. Measures to reduce the climate impact of Delivery are described in greater detail in the Circular Material Flows chapter and the Delivery section.

STAFF & OFFICE

This section reports the emissions resulting from staff business travel - in our company-owned vehicles, company cars, and private cars, as well as rail and air travel. Emissions resulting from staff commuting and the purchase of office electronics are also reported here.

CLIMATE IMPACT

GROSS GREENHOUSE GAS EMISSIONS IN SCOPE 1, 2 AND 3 AND TOTAL GREENHOUSE GAS EMISSIONS	OUTCOME, 2024	OUTCOME, 2023
Scope 1		
Gross greenhouse gas emissions, Scope 1 [tonnes of CO2e]	4.6	6.5
Percentage of Scope 1 GHG emissions from regulated ETSs [%]	0.0	0.0
Biogenic carbon dioxide emissions - biomass combustion or biodegradation [tonnes of CO2e]	-	-
Scope 2		
Scope 2 gross greenhouse gas emissions, by location [tonnes of CO2e]	76.1	88.8%
Gross market-based greenhouse gas emissions, Scope 2 [tonnes of CO2e]	1.4	1.8
Biogenic carbon dioxide emissions - biomass combustion or biodegradation [tonnes of CO2e]	-	-
Scope 3		
Total gross indirect emissions, Scope 3 [tonnes of CO2e]	13,903.7	14,388.5
Share of emissions calculated with primary data - significant categories [%]	-	-
Biogenic carbon dioxide emissions - biomass combustion or biodegradation [tonnes of CO2e]	-	-
Upstream		
1. Purchased goods and services [tonnes of CO2e]	1,041.6	877.7
If significant: Cloud and data centre services [tonnes of CO2e]	-	-
2. Capital goods [tonnes of CO2e]	297.0	623.0
3. Fuel and energy-related activities [tonnes of CO2e]	24.8	27.1
4. Upstream transport and distribution [tonnes of CO2e]	794.1	782.2
5. Waste management - own operations [tonnes of CO2e]	18.9	19.0
6. Business travel [tonnes of CO2e]	34.4	22.4
7. Employee commuting [tonnes of CO2e]	29.7	29.7
8. Upstream leased assets [tonnes of CO2e]	332.5	267.7
Downstream		
9. Downstream transport and distribution [tonnes of CO2e]	461.9	634.5
10. Processing of sold products [tonnes of CO2e]	10,868.3	11,104.8
11. Use of sold products [tonnes of CO2e]	0.0	0.0
12. Final disposal of sold products [tonnes of CO2e]	0.0	0.0
13. Downstream leased assets [tonnes of CO2e]	0.0	0.0
14. Franchises [tonnes of CO2e]	0.0	0.0
15. Investments [tonnes of CO2e]	0.0	0.0
Total greenhouse gas emissions		
Total greenhouse gas emissions - location-based [tonnes of CO2e]	13,782.5	14,361.4
Total greenhouse gas emissions - market-based [tonnes of CO2e]	13,909.2	14,396.7

EMISSION INTENSITY, BASED ON NET SALES	2024	2023
Total greenhouse gas emissions per net sales - location-based calculation method [tonnes of CO2e/MSEK]	**3.4**	**3.8**
Total greenhouse gas emissions per net sales - market-based calculation method [tonnes of CO2e/MSEK]	**3.4**	**3.8**
Net sales [MSEK]	**4,075**	**3,787**

SCOPE 1

Our Scope 1 emissions come from the fuel consumption of our owned and leased vehicles. In 2024, we reduced the number of business trips by car compared to 2023, resulting in a 29% reduction in emissions.

REPORTING PRINCIPLES

Scope 1 covers direct greenhouse gas emissions from sources that we own or control. This includes emissions from the combustion of fuel in our owned and leased vehicles. The emission calculations are based on emission factors from the Swedish Energy Agency. In some cases, these have been recalculated to ensure compliance with the Greenhouse Gas Protocol (GHGP). In these calculations, avoided or negative emissions have been excluded.

SCOPE 2

Our Scope 2 emissions come from electricity and district heating use in our plant and in our office. In 2024, our location-based emissions decreased by 14%, from 88.8 to 76.1 tonnes of CO_2e compared to the previous year. The decrease was mainly due to energy efficiency improvements in our aluminium sorting flow and a mild autumn and winter. Our market-based Scope 2 emissions also decreased, from 1.8 to 1.4 tonnes of CO_2e, a decrease of 22%. In 2023 and 2024, we only purchased origin-labelled wind power and renewably produced district heating. The emission factor for district heating had lower emissions in 2024 compared to 2023, which affected the results.

REPORTING PRINCIPLES

Scope 2 covers indirect emissions from purchased energy used in our factory. As these emissions occur at the energy production facility, they are classified as indirect. The calculations are based on emission factors from our electricity supplier, the grid mix in Sweden, and specific data from the local district heating company.

Market-based approach: Emissions are calculated based on the specific energy sources we use, including the purchase of guarantees of origin for electricity and district heating.

Location-based approach: The calculations are based on average emission factors for the electricity grid in which the energy is consumed, without taking into account guarantees of origin or the purchase of renewable energy.

SCOPE 3

Our total Scope 3 emissions decreased by 4% in 2024 compared to 2023. Among other things, this decrease is due to fewer goods and capital goods being purchased for the plant in 2024, and despite the completion of an extension to the property in 2024 to increase the recycling capacity of food-grade materials for our material buyers. Emissions also decreased for the processing of sold material, thanks to efficiency improvements at one of our aluminium recyclers. More efficient delivery of sold materials has also helped to limit emissions.

Scope 3 covers both upstream and downstream emissions. We report in the following categories:

1. PURCHASED GOODS AND SERVICES

Emissions in this category increased by 19% in 2024 compared to 2023. The increase is mainly due to larger purchases of consumables (i.e. baling wire and big bags) in the plant, as well as increased purchases and sales of deposit bins. During the year, we also improved the data quality of some purchases for the plant, which had a marginal impact on the results.

To calculate emissions, we have primarily used Environmental Product Declarations (EPDs) for the products we purchase. If these are not available, we have instead carried out our own climate calculations, based on purchased volumes and generic emissionfactors for each material. As a third option, we have used spend-based calculations, with emission factors from the National Agency for Public Procurement.

2. CAPITAL GOODS

In 2024, we completed an extension to our property. The year before, in 2023, we made major investments in new equipment for our factory, resulting in significant emissions, as these are largely composed of emission-intensive materials.

In both 2023 and 2024, we invested in new LED lighting fixtures – in 2023, they were installed inside the factory and in 2024, in the yard area. On the other hand, we bought fewer reverse vending machines and compactors in 2024 compared to the previous year, which contributed to a reduction in emissions.

The calculations of emissions from capital goods are primarily based on EPDs and product declarations, supplemented by generic emission factors for each material. For the building extension, the calculations have mostly been made using EPDs for constituent building products.

3. FUEL AND ENERGY-RELATED ACTIVITIES

Emissions decreased in 2024 compared to 2023. These emissions are directly linked to Scope 1 and Scope 2 and the evolution of these emissions, using the same sources of emission factors.

4. UPSTREAM TRANSPORT AND DISTRIBUTION

Emissions in 2024 increased by 2% compared to 2023. The increase is mainly due to the fact that we increased the number of kilometres we drove to meet the increased need for the collection of deposit containers. At the same time, we used vehicles with lower-emission fuels in operation, such as biogas or electricity.

Emissions are based on information about the number of kilometres driven per vehicle, fuel type and fuel consumption per vehicle. The emission factors are taken from the Swedish Energy Agency, and have in some cases been recalculated for certain fuels based on GHGP principles, where avoided or negative emissions have been excluded.

5. WASTE MANAGEMENT – OUR OWN OPERATIONS

Emissions from this category were basically unchanged between 2023 and 2024. Emissions are calculated by our waste contractor and the emissions included are those generated by the transport and handling of waste to, on and from their facility. Waste processing (e.g. energy recovery or material recycling) has been excluded. The calculations are based on measured waste volumes from our operations.

6. BUSINESS TRIPS

In 2024, emissions from our business travel increased by 54% compared to 2023, mainly due to more air and rail travel.

The calculations for air travel are based on the number of passenger kilometres compiled by our travel agency. Emissions are calculated using emission factors from a database provided by our consultants, where the high-altitude effect is included. SJ (Swedish State Railways) calculates the climate impact of rail travel based on the average energy use of their entire fleet, applying average occupancy and emission factors for origin-labeled hydropower electricity. These calculations also include emissions from refrigerant leakage.

For leased company cars, emissions are based on reported kilometres driven, fuel type and fuel consumption per kilometre for average cars. For private cars owned by our staff, tank specifications are used as the basis for the calculations. Electricity use at EV charging points is included in Scope 2 under the category “purchased electricity”.

7. EMPLOYEE COMMUTING

Emissions from employee commuting are based on a survey conducted in spring 2024. Our plant and office are located about four kilometres outside the city centre, with limited public transport. Many employees therefore choose to drive to work. During the summer months, however, the proportion of cyclists increases.

As no new measures have been taken to influence travel patterns in the years between 2023 and 2024, the same survey results are used for both years. The response rate for the survey was 75%.

8. UPSTREAM LEASED ASSETS

We rent premises for our deposit container reception and deposit container reception stations. Our emissions are calculated on the basis of measured energy use and emission factors. These calculations assume the use of renewable energy produced with guarantees of origin. The energy use of our and the stores’ reverse vending machines and compactors is calculated based on measured energy use per deposited container and the total number of deposited containers per machine type. Where information on renewable electricity was lacking, the Swedish residual mix has been used as the basis for the calculations. In 2024, emissions in this category increased as a result of a rise in the volumes of collected containers.

9. DOWNSTREAM TRANSPORT AND DISTRIBUTION

Emissions from the transport of sold materials decreased in 2024. The reduction is mainly due to transport efficiency improvements. Our suppliers of transport to our aluminium buyers in Europe carry out climate calculations for us. Among other things, these are based on the number of train wagons containing our materials, the fill rate of the wagons, the distance travelled, and energy use per distance. We buy origin-labeled renewable electricity for these rail transports. The shipping of bottle cap and labelmaterials is calculated based on the number of kilometres driven per vehicle, fuel type and fuel consumption per vehicle. The emission factors are taken from the Swedish Energy Agency and in some cases have been recalculated based on GHGP principles.

10. PROCESSING OF SOLD MATERIAL

Emissions from the processing of our sold processed aluminium material decreased in 2024 compared to 2023. This is despite increased quantities of sold materials. The decrease is mainly due to the fact that one of our material buyers streamlined its recycling processes in 2024, which contributed to reduced emissions.

ENERGY USE

In 2024, we reached our goal of reduced energy consumption per container, with a result of 0.62 W. We achieved this goal by streamlining our flow of aluminium, among other things. The machines have reduced idling and stop faster when there is no material in the flow. We only use origin-labelled renewable electricity and district heating in our plant. Our forklifts in the plant run on electricity, and no other fuel is used in the plant. We also produce our own renewable electricity through the solar panels on our roof.

Energy use and energy mix	Results, 2023	Results, 2024
Fuel consumption from coal and coal products	0 MWh	0 MWh
Fuel consumption from crude oil and petroleum products	0 MWh	0 MWh
Fuel consumption from natural gas	0 MWh	0 MWh
Fuel consumption from other fossil sources	**0 MWh**	**0 MWh**
Consumption of purchased or acquired electricity, heating, steam and cooling from fossil sources	**0 MWh**	**0 MWh**
Total fossil energy use	**0 MWh**	**0 MWh**
Share of fossil sources in total energy use	**0%**	**0%**
Use of energy from nuclear sources	0 MWh	0 MWh
Share of nuclear energy sources in total energy use	0%	0%
Fuel consumption of renewable energy sources, including biomass (incl. industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.)	0 MWh	0 MWh
Consumption of purchased or acquired electricity, heating, steam and cooling from renewable sources	22,231.1 MWh	2,058.4 MWh
Consumption of self-produced renewable non-fuel energy	254.9 MWh	240.1 MWh
Total renewable energy use	**2,478.0 MWh**	**2,298.5 MWh**
Share of renewable sources in total energy use	**100%**	**100%**
Total energy use (Total use of fossil energy, Use of energy from nuclear sources and Total use of renewable energy)	**2,478.0 MWh**	**2,298.5 MWh**

CALCULATION METHOD AND CHANGES

Spring 2024 was the first time that we produced a comprehensive Greenhouse Gas Protocol (GHGP) climate inventory for 2023. In previous years, we calculated and reported the climate impact of the elements that we can most influence and control. We have now taken a holistic approach and included significant emissions throughout our value chain. The calculations in the 2023 and 2024 climate accounts are based on operational control. This is in contrast to the previous year's calculation method, which was financial control. We changed the method in order to follow the practice set out in ESRS E1. The change mainly affects the scope in which the emissions are reported and has not significantly affected pur overall results. In the 2023 climate accounting, most emission factors were updated from those used in the 2023 Sustainability Report. This means that the emissions reported in the 2023 Sustainability Report differ from the calculations made in the comprehensive climate accounting for 2023 and thus from those presented in this report. The altered emission factors relate to CBG, LBG and electricity and represent an increase in emissions, as the emission factors have been adapted to an accounting perspective and GHGP principles.

GOVERNANCE

Our efforts to contribute to reducing the climate impact of packaging from a system perspective, as well as reducing the climate impact of our own operations and value chain, are guided by our Sustainable Development Policy. The policy covers all parts of our value chain and stipulates that we must take active responsibility for our employees, the environment and society. We must strive to maximise the benefits of the deposit system from an environmental impact perspective and minimise negative environmental impacts of our operations and in our value chain. We must also consider environmental impacts in our investment decisions and minimise waste from our operations. We must achieve a high level of circular efficiency in which containers are recycled primarily into new beverage containers, secondly into other food packaging, and thirdly into raw materials for other products. Our Sustainability and Quality Manager is responsible for drawing up the policy, and all our staff are responsible for ensuring compliance with it. The policy is reviewed and updated as necessary once a year and approved by our Management Team.

Environmental pollution

The deposit system helps reduce littering and provides incentives to recycle beverage containers instead of throwing them away. However, the recycling process itself generates litter, the spread of microplastics, and some pollutants in the process water. This is how we work at Returpack to keep our negative environmental impact as low as possible..

IMPACTS, RISKS AND OPPORTUNITIES

PROCESS WATER DISCHARGE

We use water in the processing of our bottle cap material, in which we grind, wash and dry the material. In addition, the plant premises are flushed and cleaned of spills, beverage residues and sugar. Our process water is treated internally before being sent to the municipal sewer system and on to the municipal wastewater treatment plant. Stormwater from hard outdoor surfaces is channelled through a stormwater pond.

Our process water contains contaminants mainly from heavy metals, suspended solids and oxygen-depleting substances. These come from printing inks used in beverage packaging and beverage residues. Discharge of this water into the municipal wastewater network poses a risk of spreading heavy metals and contributes to reduced oxygen levels in nearby bodies of water. Although municipal wastewater treatment plants reduce the negative environmental impact, high concentrations of pollutants from both our operations and other surrounding sources can complicate the treatment process.

It is a particular problem that contaminated sludge resulting from treatment may need to be incinerated or digested instead of being reused as fertiliser. It is therefore crucial that we ensure that our effluents are always within the established limits, both in terms of concentration and accumulated amounts.

LITTERING

The handling of beverage packaging poses an increased risk of littering of plastic and metal materials, especially in the plant area. The immediate effect of littering is a litter-strewn appearance and the risk of injury to animals, for example from broken aluminium cans. In the longer term, plastic bottles break down into micro- and nanoparticles that are dispersed into nature. Litter can also release substances that are transported to lakes and rivers via rainwater and groundwater. Litter poses a risk to the environment and wildlife around our facility.

DISPERSION OF MICROPLASTICS IN THE VALUE CHAIN

The production of plastic pellets is a significant source of microplastic pollution in Sweden. Risks of point source emissions arise both during the manufacturing process and when plastic pellets are used as raw material in further manufacturing. A particularly critical element is the transport chain, in which plastic pellets can spread and cause losses during transportation between different facilities.

The mechanical recycling of plastics is also a source of microplastic pollution. At recycling facilities, the process usually starts with grinding/shredding, separation and washing of the plastic waste. The processing of plastics, in particular during mechanical steps such as grinding, poses the risk of releasing smaller plastic fragments, such as shavings. Washing processes can also be a significant source of microplastic emissions. During washing, microplastic particles are released from the treated material, for example from polymer-based adhesives. These particles end up in the used wash water, which is sent onwards to wastewater treatment plants.

The treatment plant in Norrköping is not designed to effectively remove small particles, such as microplastics. This means that some microplastics pass through the treatment systems and reach rivers, lakes and oceans, where they contribute to the pollution of our ecosystems.

Tyre and road wear is one of the largest sources of microplastic pollution in Sweden. As a large part of our business involves the transport of containers, this is an important issue for us. When a tyre tread wears down, plastic particles are released into the air and then wind up on the ground. In urban areas, many of these particles are transported by rain and meltwater to storm drains. In addition to tyre treads, road markings and asphalt binders also contribute to microplastic emissions. The continuous interaction between tyres and road surfaces creates both plastic and rubber particles that negatively affect the environment and wildlife.

GOALS AND RESULTS

We aim to be below the limits set out in our operating permit for the concentration and accumulation of heavy metals, pH and flow. We currently lack methods to measure and analyse the amount of microplastics in our outgoing process water. Measures to investigate the feasibility of measurement will be implemented in 2025.

In 2024, we exceeded the permit limits for chromium and nickel in every month except October for nickel, and the limits for zinc in January, June, September, October, November and December. In terms of the accumulated amount over the year, we remained within the specified limits for all parameters.

In terms of flow and pH, we exceeded the limit value for maximum pH in January and November and were below the limit value for minimum pH in January, February, August and November.

The measurement of the concentration of heavy metals is done via dailywater samples and monthly samples. A sampler takes water samples continuously during the production hours when the water flow is running. Every day, 10% of the water is saved and frozen. At the end of the month, the collected water is thawed and sent to SGS Analytics for analysis. At the end of the month, water is taken from the sampler's water tank to be sent to SGS Analytics for analysis of our daily collection sample. The results of the analysis are compiled in monthly reports that we follow up and share with the municipality's environmental and community planning office and Nodra once a quarter.

As for flow and pH, these are measured using equipment installed in our water works in the plant. This equipment is connected and warns if the flow rate or pH is about to deviate from the permitted limits. Warnings are provided via email notifications sent to the plant manager, quality engineer and plant technician.

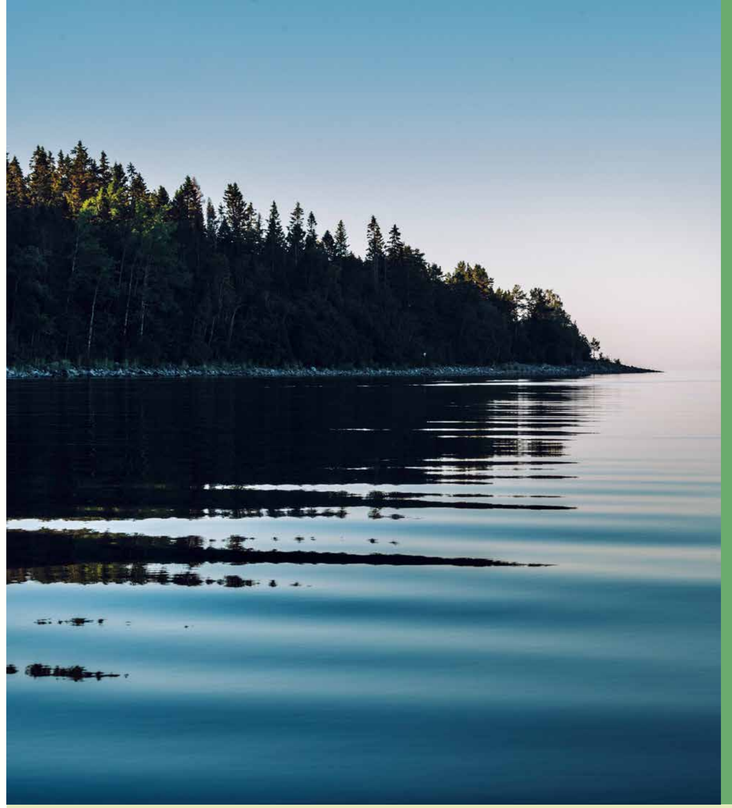
We aim to stay below the limits set out in our operating permit for heavy metal concentration and accumulation, pH and flow.

Emissions of heavy metals

	Limit value concentration [µ/l]	Jan	Feb	March	April	May	June	July	Aug	Sep	Oct	Nov	Dec	Accumulated amount in 2024	Permitted quantity/year [kg]
LEAD	**25**	1.9	2.3	1.5	1.9	3.3	6.4	8.5	5.6	6.1	4.8	6.1	4.3	**0.028**	**0.7**
CADMIUM	**0.15**	0.03	0.032	0.03	0.03	0.045	0.088	0.05	0.03	0.5	0.03	0.059	0.05	**0.000**	**0.01**
COPPER	**200**	49	42	35	35	50	59	33	50	54	40	53	35	**0.298**	**6**
CHROMIUM	**25**	69	51	42	42	41	62	48	46	49	37	41	37	**0.301**	**0.7**
NICKEL	**25**	67	53	39	39	28	37	35	36	33	25	30	31	**0.241**	**0.7**
ZINC	**200**	220	200	150	150	190	450	160	180	330	210	240	210	**1.427**	**6**
MERCURY	**0.15**	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	**0.001**	**-**
SILVER	**10**	0.1	0.1	0.1	0.1	0.1	0.12	0.1	0.1	0.1	0.1	0.1	0.1	**0.001**	**-**

Water flow and pH

	Limit value	Jan	Feb	March	April	May	June	July	Aug	Sep	Oct	Nov	Dec
PH (MAX)	**11**	11.05	10.28	9.59	10.19	9.77	10.72	10.28	10.96	9.36	10.37	11.35	10.92
PH (MIN)	**6.5**	4.55	6.16	6.79	6.84	6.87	6.63	6.67	5.75	6.68	6.8	5.92	6.81
MAX FLOW RATE (M3/H)	**4**	3.17	3.56	3.7	3.7	3.61	3.4	2.99	3.35	3.2	3.72	3.25	3.62
MAX FLOW (M3/DAY)	**90**	24.87	31.39	36.55	39.54	47.81	35.57	32.33	46.56	36.48	36.99	41.67	40.23



MEASURES

PROCESS WATER

In 2024, we carried out extensive tests to identify the best technology to purify our process water and reduce the levels of heavy metals and organic substances.

These tests have provided valuable insights, and a decision on investment in a new treatmentplant is planned for early 2025. The plant is planned to be installed during the summer of 2025 and is expected to minimise the dispersion of heavy metals, suspended solids and oxygen-demanding substances in our outgoing process water.

When it comes to measures to minimise the spread of environmental pollution upstream in the value chain, collaboration with producers is an important step in reducing harmful substances in printing inks on cans, caps and labels. We set requirements for packaging design that prohibit the use of certain harmful substances in printing inks. We also follow developments in the industry, enabling us to adapt and further tighten our requirements in order to reduce emissions of environmental pollutants in the sorting and recycling process.

LITTERING

We work continuously and systematically to keep our area of operations clean and prevent littering. This applies both within our own premises and along the access roads to the facility. To improve the efficiency of cleaning, we have created new procedures adapted to different zones, classified according to the risk of littering. The area is also surrounded by a fence to reduce the risk of littering. To further reduce the risk of littering, we have installed a fine mesh net on the fence.

During 2024, we also collaborated with associations in Norrköping that helped to pick up litter in animal pens around the plant. At national level, we help reduce littering by collecting cans and bottles, which helps keep the environment clean and protect wildlife. Returpack is also the founder of the organisation Keep Sweden Tidy and a sponsor of Clean Sweden.

DISPERSION OF MICROPLASTICS IN THE VALUE

Studies have shown that collection systems and recycling infrastructure play a key role in preventing plastic leakage and reducing microplastic emissions. The deposit system therefore reduces the risk of plastics breaking down into microplastics that are then released into the environment.

In 2024, a student from Linköping University completed their internship with us.

Their work aimed to identify risks of microplastics spreading in our value chain, investigate potential measures to minimise these risks and identify relevant methods to measure the amount of microplastics from our process water. It was concluded that filter technology was one of several important elements in limiting microplastic emissions. With our new treatment plant planned to be installed in 2025, we hope that this will be possible. We have also initiated a dialogue with SGS Analytics, to be able to track differences in the amount of microplastics in our outgoing process water. When it comes to microplastic emissions from our transport, minimising tyre wear is an important aspect. Working with our transporters on this issue could be a way to reduce the spread of microplastics. At present, we have not planned this type of cooperation.

GOVERNANCE

Our efforts to limit the amount of environmental pollution from our operations are guided by our sustainable development policy. The policy is described in the Climate Change chapter.

Circular material flows

Unrecycled packaging is a major social problem in both Europe and Sweden. It means that packaging material either ends up in nature or is incinerated – and completely new raw material must thus be produced to be used for new packaging. Returpack ensures that beverage containers with deposits are recycled and stay in a circular flow.

IMPACTS, RISKS AND OPPORTUNITIES

IMPACTS – POSITIVE AND NEGATIVE

In Sweden, Returpack plays an important role in minimising the amount of waste going to incineration and in ensuring the availability of recycled materials on the market. It can then be used to make beverage and other food-grade packaging. The process for registering an item in our system and our packaging requirements ensure that all cans and bottles in the return system are made with the right materials and design to enable high-quality recycling. We work closely with deposit container receivers and are constantly working to inform consumers about the importance of depositing containers and how and where to do so. This helps to increase the collection of deposit containers. Plastic and metal packaging is collected, transported, stored and sorted in separate streams. To ensure the food safety of recycled materials, the containers are handled in accordance with current legislation. The core of Returpack's work is a high collection rate and maintaining good material and product quality throughout the value chain. This allows for high-quality recycling, reducing the amount of waste and avoiding the unnecessary extraction of virgin materials.

Although most of the material collected can be recycled, our operations do generate some waste. Waste mainly comes from mis-sorted material that arrives through our manual flows, shavings, adhesive residues, sludge and labelling material that cannot be recycled. This waste currently mostly goes to energy recovery, generating greenhouse gas emissions.

RISKS AND OPPORTUNITIES

In terms of circular material flows, Returpack's material risks and opportunities are linked to the market for recycled materials. This applies to the remuneration we receive for the materials we sell to material buyers, but also to fluctuations in exchange rates. If market demand for recycled materials is high, there is a possibility that revenues will increase and vice versa. Our goal is that our subsidiaries Returpack-Burk Svenska AB and Returpack-PET Svenska AB should bear their own costs. Material revenues are a major source of our income, and in the case of aluminium, revenues can account for a large part of the costs of running the deposit system for cans, collection and administration. When it comes to plastics, the remuneration for recycled materials has fallen in recent years. In addition, it is often cheaper for producers to buy new raw materials than to use recycled plastic. If the revenues from the plastic material are too low, we need to increase the packaging fee that we charge producers in order to operate the deposit system. An increased packaging fee ultimately affects the consumer of the product. This could lead to a reduction in demand for the product or drive producers to switch to other types of materials, including plastics from new raw materials that have a greater negative environmental impact.

A functioning market is a prerequisite for Returpack's operations to work and for us to be able to contribute to circular material flows in society. We need a market where the demand for recycled materials for food packaging is high and the price is high enough to cover costs and drive the development of the deposit system. New legislation on a higher proportion of recycled material in beverage and food packaging may contribute to increased demand for recycled, food-grade packaging material, and is therefore a financial opportunity for us.

We have the opportunity to increase our revenue and reduce our negative environmental impact by recycling a greater proportion of labels and bottle caps. We do not currently have the possibility to recycle labelling material to the extent we would like; a large portion ends up as combustible waste. When it comes to bottle cap material, we have work to do. At present, the bottle cap material cannot be recycled into new bottle caps, but instead becomes other plastic products. We are currently working with our bottle cap material buyer on how the process can be developed to enable a circular flow of bottle cap material. In addition, improving the process of recycling labels and bottle cap material will reduce the cost of managing combustible waste and its negative environmental impact. You can read more about our work on increasing label recycling and our Cap-to-Cap collaboration on pages 72 and 76.

NEW PACKAGING LEGISLATION AT THE EU LEVEL

At the EU level, a major overhaul of packaging and packaging waste legislation is underway as part of the European Green Deal and circular economy initiatives. The new legislation, the Packaging and Packaging Waste Regulation (PPWR), highlights both reuse and recycling of packaging as key solutions to reduce waste.

For Returpack, this entails both risks and opportunities. On the one hand, harmonised standards and recyclability requirements provide a clearer direction for the European packaging industry. On the other hand, we risk losing the possibility to set our own packaging requirements for items registered in the deposit system, as we do today. That's why we actively participate in the standardisation efforts, both nationally and at the EU level, allowing us to influence developments and ensure that our needs are taken into account.

Another requirement of the PPWR is that Member States introduce deposit systems for beverage bottles and cans by 2029. For Returpack, this is an opportunity to consolidate our position as a pioneer in deposit systems. At the same time, achieving a collection rate of at least 90% for aluminium and PET is crucial to achieving the targets set in the legislation.

GOAL

Increasing and maintaining circular material flows requires high collection rates and good material quality throughout the chain, from packaging design and on through collection, sorting and recycling. Returnpack has set several targets to ensure this. These targets relate to collection rates, the proportion of materials for recycling, the proportion of delivered materials that go back to the original product, and various targets for materialquality. The material quality targets are described in the chapter on Material Recycling on page 75.

We are governed by Regulation (2022:1274), in which the national recycling target is set at 90% for beverage cans and PET bottles with deposits. For us, this means that of all the beverage packaging that has been put on the market, at least 90% must be collected and then proceed to the material recycling processes. Our 2024 target is a total collection rate of 90.2% and a collection rate of 90.9% for cans and 88.6% for PET bottles. Our collection efforts and this year's results are described in the Deposit System Use chapter on pages 58-68.

The owner directive contains a mandate for the business to strive to recycle collected packaging primarily into the original product, secondly into another food-approved consumer packaging, and thirdly into a recyclable product. Our goal is to send 99.2% of all materials collected at our facility onwards for recycling. For aluminium, the percentage of recycled material is calculated based on the amount of material put on the market relative to the amount of material delivered to the smelters, which are our material buyers for recycled aluminium. For plastics, the share is calculated based on the amount placed on the market relative to the amount of material sorted, ground down and washed a first time by our plastic material buyers. Our efforts to increase recycling and the results for 2024 are described in the Material Recycling chapter on page 74. The recycling rate for aluminium and plastic is reported annually to the Swedish Environmental Protection Agency and is presented and evaluated once a month in the management group. These objectives are also closely monitored by our board at each board meeting. The role of the board in overseeing and setting targets related to circular material flows is described in greater detail on page in the chapter Governance of Our Sustainability Work, on page 36.

The material recycling target is set once a year, in consultation with our material buyers. In line with our owner directive, we aim to turn as much of our material as possible into new beverage bottles or cans. Together with our material buyers, we monitor the proportion of our material that goes back to the original product. Our target for 2024 was for 95% of our can material to become new cans again and 42.8% of our PET material to become new bottles. These targets and the year's results are described in more detail in the Material Recycling chapter on page 74.

Collection target, 2024

TOTAL

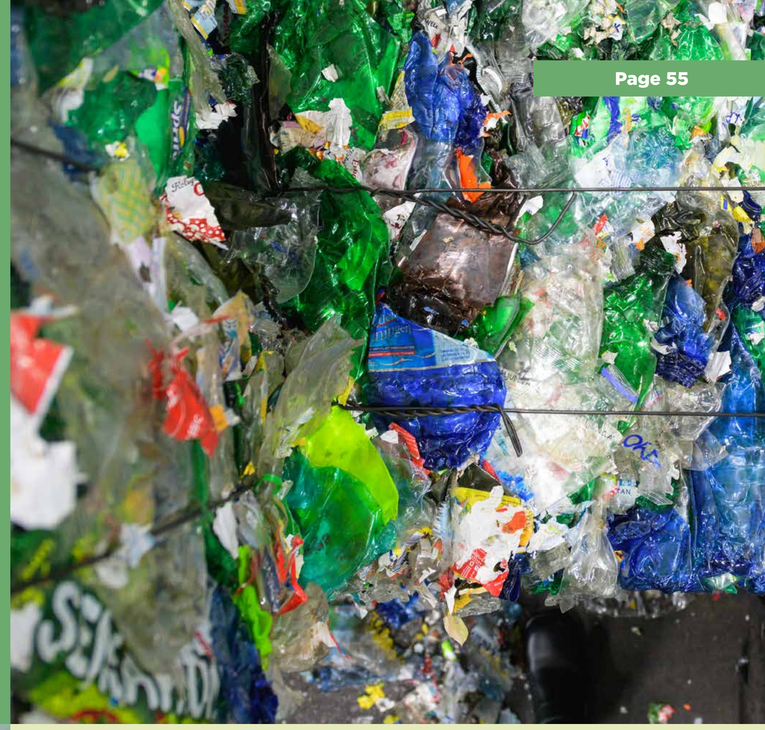
90.2%

CANS

90.9%

PET BOTTLES

88.6%



Recycling target for 2024

99.2%

of all materials collected will be recycled

MEASURES

We promote circular material flows in various ways throughout our value chain. The measures we took in 2024 to increase circular material flows, as well as those planned for the future, are presented in more detail in the following chapters: Packaging Production, Deposit System Use, Collection, Sorting, Material Recycling, and Delivery.

GOVERNANCE

Our work to increase circular material flows in society is guided by our Sustainable Development Policy and our Materials and Product Quality Policy. Our Sustainable Development Policy is described in more detail in the Climate Change chapter on page 48. Our Materials and Product Quality Policy extends from the inclusion of products in our system and our packaging requirements, through collection and sorting, and onwards to our material buyers and what happens to the materials after they purchase them. In broad terms, the policy covers the following:

ONE **Circular material flow and recycling:** Returpack works to ensure that all deposit containers are collected and recycled into new deposit containers, with a focus on circular material flows – primarily in the Swedish market and secondarily in Europe.

TWO **High material and product quality:** Careful packaging requirements and a structured process for registering an item in our return system ensure that materials in the system maintain high quality and can be handled efficiently in the collection and recycling process.

THREE **Resource efficiency and food safety:** To reduce material losses and ensure that recycled materials are safe for food, plastics and metals are handled separately, comply with EU standards, and meet and exceed market requirements for material quality and safety.

The policy is an extension of our owner directive and the national collection and recycling targets. However, our policy goes beyond what is required under these targets, as the national targets do not consider high-quality recycling. Through our policy, we have tried to take into account the interests of the actors in our value chain: to enable producers to use recycled materials in the manufacture of their packaging, create conditions for the consumer to return containers and receive their deposit through packaging requirements and requirements for reverse vending machines, labelling, communication and accessibility, and to meet and exceed the requirements of our material buyers for the materials we sell to them. The policy does not explicitly describe the waste hierarchy, but it does address the promotion of recycling. Our Sustainability and Quality Manager is responsible for drawing up the policy and all staff are responsible for ensuring compliance. The policy is reviewed and updated when necessary, and communicated to our staff at yearly staffmeetings. Our Management Team reviews and approves the policy annually.

Packaging Production

When a producer or beverage importer wants to sell a new product on the Swedish market, they contact Returpack. Each new beverage container must be checked and approved before it can be included in our deposit system. This is to ensure that the material in the container can be recycled and become the basis for new packaging. At the end of 2024, 616 producers and importers were connected to the deposit system, with 10,941 active items, of which 3,283 were added in 2024.

We test the material used in the packaging, as well as how it should be compacted and recycled. The containers are carefully measured and weighed to ensure that they works in all types of reverse vending machines. It is important that the label and the bottle work together throughout the process and that only approved adhesive is used. The item's actual barcode must be visible and legible in all reverse vending machines, and it must be clear to the consumer that it is a deposit container. It is also important to take a closer look at the colour of the plastic bottle. The clear ones can be used to make new bottles. Those that are coloured are recycled to make other plastic products.

We also perform random checks to ensure that all products already registered in the deposit system still meet all the material requirements.

In the case of PET bottles, the adhesive on the label is a common issue. Returpack's requirements state that the adhesive must be water-soluble at 65° Celsius and that it must not become sticky after the washing process. Otherwise, labels, adhesives, and PET flakes get stuck in pipes and other equipment and clog up the PET recyclers' facilities.

Rejected cans usually have problems with the legibility of barcode, and some bottles can occasionally be too hard for the reverse vending machine to compact.

At Returpack, the requirements for packaging recycling are often higher than the standard in the rest of Europe. There are high requirements for us to be able to maintain the quality of the material and continue to use it for beverage containers.

GOAL

The goal of our packaging requirements is for the material to be recyclable. The agreements that we have entered into with our material buyers contain various limits as regards what the material we supply may contain. The limit values have been set to ensure that the material buyers can recycle the material in a resource-efficient manner and with a high level of quality in their end product.

Our objective is obviously to meet or exceed the requirements of the material buyers. This means that we need to have full control over the containers included in the deposit system. From the addition of a new container to the system, on through our collection flows and to the final sorting that takes place in our plant.

ACTIONS

Through the process for registering items in our return system, we ensure that they meet the requirements of our technical specification. In 2024, we updated it, to include stricter requirements for the share of recycled material in plastic containers. Read more about our stricter requirements for recycled materials in plastic containers in the chapter on Material Recycling on page 76. The requirements for adhesive quality have also been tightened. In 2024, we did extensive work to check existing articles in the system to ensure that they meet the same requirements. We strive to make registering items in the deposit system as easy and efficient as possible, and measure and monitor the number of applications and our average processing time.

Deposit system use

Once the recycler has consumed their beverage, it's time to collect the container. To meet the challenge of maintaining and increasing our collection, Returpack applies two interconnected strategies that must work together. On the one hand, we need to influence people's willingness to recycle and their understanding of why they should do it. At the same time, we facilitate deposit system use by making it easy and accessible for consumers to return their deposit containers.

It is most common for people to deposit their deposit containers in a reverse vending machine adjacent to a grocery store. Currently, 3,176 stores in Sweden have some form of reverse vending machine. The next most common method is to use our own Pantamera Express bulk reverse vending machines, which can be found at recycling centres throughout Sweden. There are also other collection channels, for example in cafés or restaurants, ski resorts, or via our offer for sports associations – Pantamera with Sports. There are currently 4,307 active reverse vending machines in the deposit system and 12,652 collecting customers.

There are currently

4,307

active reverse vending machines in the deposit system

We have 2 strategies:

1.

Influence attitudes and behaviours to encourage deposit system use

2.

Increase accessibility

1. Influence attitudes and behaviours to encourage deposit system use

People who return their containers are essential to the functioning of the deposit system. Without them, we cannot do our business. It is therefore part of our mission to inform the public about the Swedish deposit system and actively work to increase its use. Our communication is based on experience and knowledge. We conduct regular surveys to ensure we are up to date on changing behaviours, so we can implement the right actions and activities. We also have collection statistics and sales data that show trends and influences.

TARGETS AND RESULTS

Through our communication efforts, we aim to reach the overall target of a 90% collection rate.

Every year, we compile statistics on how much is submitted to the deposit system in Sweden and thus can be recycled into new cans and bottles. In 2024, more containers were sold than ever before in Sweden - almost 3.28 billion of them. Of these, 2.87 billion beverage containers were returned for a deposit. The overall collection rate for 2024 was 87.6%, with a collection rate of 88.2% for cans and 86.3% for PET bottles. The extensive border trade with Norway negatively affects our collection rate. Norwegian consumers buy beverages in Sweden but consume them in Norway, which means that these containers are not returned in Sweden to the same extent. We estimate that this reduces our collection rate by almost four percentage points for cans and one percentage point for PET bottles.

At the same time, cans brought privately into Sweden are included in the statistics, even though they were not sold here. This makes the collection rate for cans appear to be about 2.5 percentage points higher than it actually is.

If we adjust for both the containers that are returned for a deposit in Norway instead of Sweden and those that are privately brought into Sweden, the collection rate ends up at 88.9% in total – 89.6% for cans and 87.4% for PET bottles.

Our follow-up shows that the use of the deposit system varies between different municipalities and different types of municipalities. More packaging is generally recycled per inhabitant in border municipalities and tourist municipalities than in other municipalities of a comparable size. In other municipalities where use of the system has increased, one common denominator is the fact that they all installed bulk reverse vending machines during the year.

Our ongoing surveys also show differences between different demographic groups. The last Kantar SIFO survey was conducted in 2023. In the survey, 97% of respondents said that they return containers for their deposit, but not for everything and not always. They themselves were asked to estimate their own consumption and use of the deposit system – and the estimated deposit container return rate for all respondents was 91%. When we study the 16–29 year age group, we see that young men have increased their estimated deposit container return rate from 74% in 2013 to 80% in 2023. For young women, the corresponding increase is from 83 to 89%. Both groups thus show a shift of 6 percentage points.

The survey also indicates that 80% of the respondents say that they have confidence in the deposit system.

Through our campaign surveys and follow-ups of our communication efforts, we can see how such communication is received, understood, and appreciated. This is important for us to gain in-depth knowledge and see what we need to adjust in our communication. Here we measure against ourselves over time and against benchmarks.

Our initiatives targeting young adults are monitored in several ways. For example, we keep track of the number of classes participating in Pantresan. We also follow surveys from the Swedish Internet Foundation and the Swedish Youth Barometer to better understand where our target group is, how they define themselves, and what the trends are. We conduct regular campaign surveys to study how our campaigns aimed specifically at the target audience perform and deliver. Here too, we measure both against ourselves over time and against benchmarks.

Returpack regularly conducts CSI surveys among our collecting stores. In this way, we can follow their perception of Returpack as a partner, of the deposit system as a whole, and of their own role as an actor in the system. In the latest survey from 2023, it appears that grocery stores have a highly positive perception of Returpack. They feel proud to be part of the deposit chain. The responses to the question: “What is your overall perception of Returpack?” show that the stores have a very positive view of us; their average rating was 5.9 out of 7. The next CSI survey will be conducted in 2025.

Every year, we run a competition in which consumers have the opportunity to nominate the stores with the best deposit container handling. It serves as an important gauge of how consumers perceive the deposit system.

We have several initiatives aimed at sports associations, with a focus on young people. Here we follow up the recruitment of new associations, how many deposit containers the affiliated associations collect in a year, and where in Sweden we have the most affiliated associations through the activity Föreningskampen.

Collection rate, 2024

TOTAL

87.6%

Taking the foreign countries adjustment into account*: 88.9%

CANS

88.2%

Taking the foreign countries adjustment into account*: 89.6%

PET BOTTLES

86.3%

Taking the foreign countries adjustment into account*: 87.4%

*See Goals and Results for further description

97%

state that they return deposit containers

(But not all, or always)

80%

Confidence in the deposit system

Source: Kantar SIFO survey, 2023

Overall perception of Returpack.

5.9 on a 7-point scale

Source: CSI survey conducted in 2023

MEASURES

The foundation for Returpack's marketing communication is based on the analysis of existing and collected data. In addition to the data we already possess, a number of market surveys are being conducted. The Kantar-SIFO survey is carried out every two years to monitor trends in relation to recycling behaviour and attitudes towards the deposit system. In order to delve deeper into the Young Adults target group (16-29 years), targeted studies are also being conducted in respect of young people, together with the Swedish Youth Barometer.

The Pantamera brand was launched in 2004 with the help of its very own interpretation of the Cuban song "Guantanamera". Since then, a large number of artists have been given the opportunity to make their own versions of the Pantamera song. In 2024, it was the Hässelby musician BELL's turn.

Young adults aged 15 to 29 consume the most canned and bottled beverages, but are less likely than the rest of the population to return deposit containers. This is thus a target group with which we need to work extra hard to increase the collection rate in Sweden. With new EU directives and legislation, it is now more important than ever to increase our collection rates - to meet targets and for the climate.

"For us, it is important to put our message across in places where people actually are, although without intruding. We want to give people a positive feeling about returning their deposit containers, with music taking center stage. When choosing Pantamera artist, we want to find someone everyone likes and who is beloved by our target group of young adults. We also want the artist to be genuinely committed to our issues. With BELL, we really feel that we found the right fit."

- Katarina Lundell, Marketing and Communications Manager for Pantamera at Returpack

YOUNG ADULTS

To reach the target audience Young Adults, we focus on a lot of humour-based content that is relatable and engaging. Here we build positive associations with the deposit system and influence young people's attitudes towards using it. This mainly involves our long-running Pantamera Humour social media campaign and our latest venture, Pantagrammet. We also target the esports community, through the Pantamera with Esports fund-raising campaign. It started as an attempt to target a hard-to-please audience, and has steadily grown. Today, it's a movement – one in which the gaming and esports scene meets recycling and charity.

We engage with young people in different ways. To arouse interest in the deposit system and recycling, Pantamera invites children and young people to participate in Pantresan. This activity is adapted to LGR22, and everyone from preschool up to Year 6 can participate. With humour and joy, we offer up filmic stories - in 2024, they focused on the Lopez-Ström family.

A SELECTION OF INITIATIVES FOR THE YOUNG ADULTS TARGET GROUP

Pantamera Humour

Pantagrammet

Pantamera with Esports

Pantresan

GROCERY STORES

Grocery stores play a very important role in the Swedish deposit system. Of all the deposit containers that are collected, as much as 92% come from the country's stores.

One important initiative is the Deposit Store of the Year competition, which draws attention to stores throughout Sweden that go the extra mile to get more people to increase their use of the deposit system.

Returpack also provides stores with statistics and materials they can use in their own sustainability work and in their marketing. For example, unique figures on how much has been recycled in the store, also converted into how much carbon dioxide savings this means.

92%

of all deposit containers are collected through the country's stores

KERBSIDE COLLECTION

Since 1 January 2024, Swedish municipalities are responsible for collecting household packaging waste and informing households about preventive measures and sorting of packaging waste. By on later than 1 January 2027, all municipalities must have introduced kerbside collection.

Kerbside collection presents new challenges for the deposit system, as it makes it much easier to sort deposit containers into the wrong flow. In 2024, Returpack has begun insight work to tackle the new challenge – how do we maintain correct deposit behaviour when it becomes so easy to make mistakes? The Ordinance requires us to provide annual information about the new requirements for correct sorting. It is not only households that will have an obligation to sort correctly, but also businesses. During 2024, Returpack activated a campaign aimed at businesses and workplaces, informiung them about their obligation to sort out deposit containers from other waste.

2. Increase accessibility

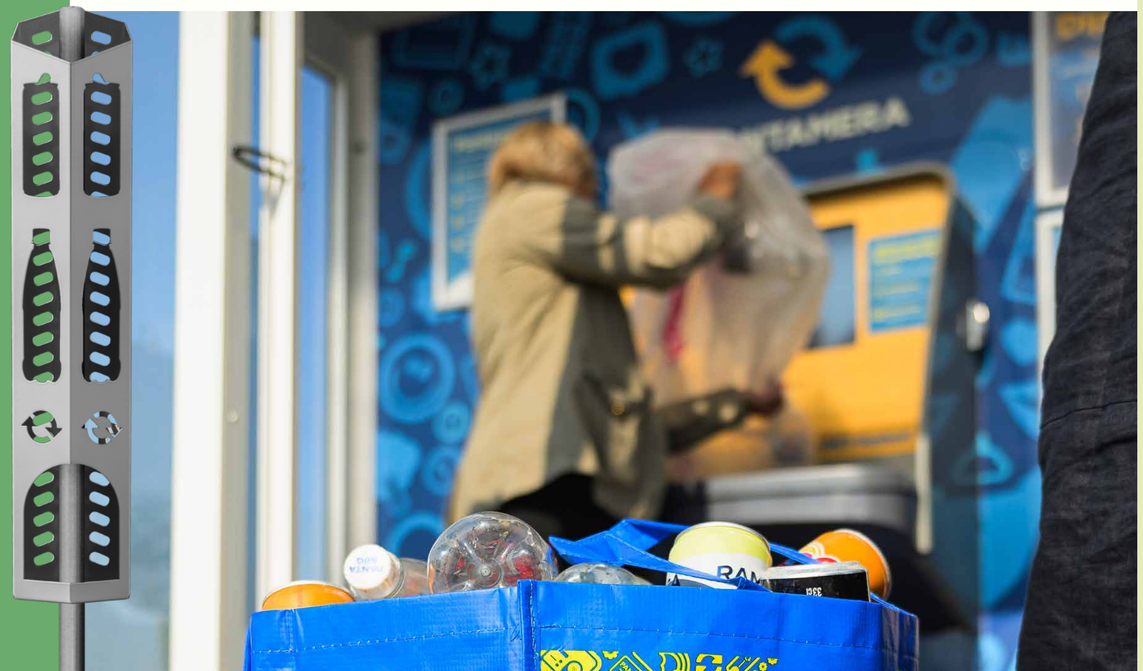
To make it easy and accessible for consumers to return deposit containers, we need to match our communication with a deposit system that meets the expectations of its users. Again, our market research and data collection informs our development decisions.

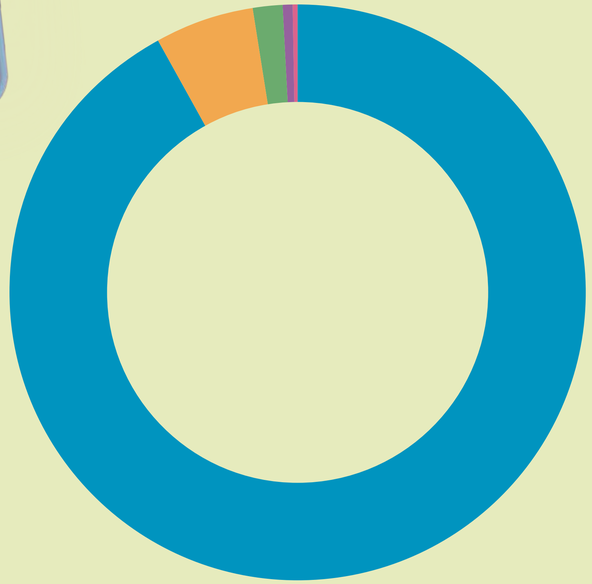
WE WILL INCREASE ACCESSIBILITY BY:

- *Make it easy to use the deposit system*
- *Work to make it obvious that it should be possible to return deposit containers in environments where beverages are consumed*
- *Develop different types of deposit solutions as an opportunity to inform people about using the system*
- *Collect more deposit containers via existing deposit solutions, by improving, simplifying and informing*

GOALS AND RESULTS

The overall goal of our efforts to increase accessibility and make it easier to deposit is the same as for our communication efforts: to reach a 90% deposit container return rate. We continuously monitor our flows and the amount of deposit containers that come in.





Deposit container flows in 2024

Approximately 92% (2.6 billion)
Shops with reverse vending machines

Approximately 5.7% (163 million)
Pantamera Express

Approximately 1.7% (50 million)
Manual flow
(restaurants, cafés, street food, small shops, etc.)

Approximately 0.6% (16 million)
Pantamera with Sports

Approximately 0.2% (6.8 million)
Other fundraising activities
(campsites, mountain resorts, festivals, etc.)

PANTAMERA EXPRESS

Returpack's own bulk reverse vending machines, Pantamera Express, received almost 163 million containers in 2024, which corresponds to 5.7% of the total collection flow. Here, recyclers can empty entire bags of containers in one go and have the money paid out in several different ways, for example via Swish. There are 73 Pantamera Express reverse vending machines installed at recycling centres throughout Sweden.

73 Pantamera Express reverse vending machines

THE MANUAL FLOW

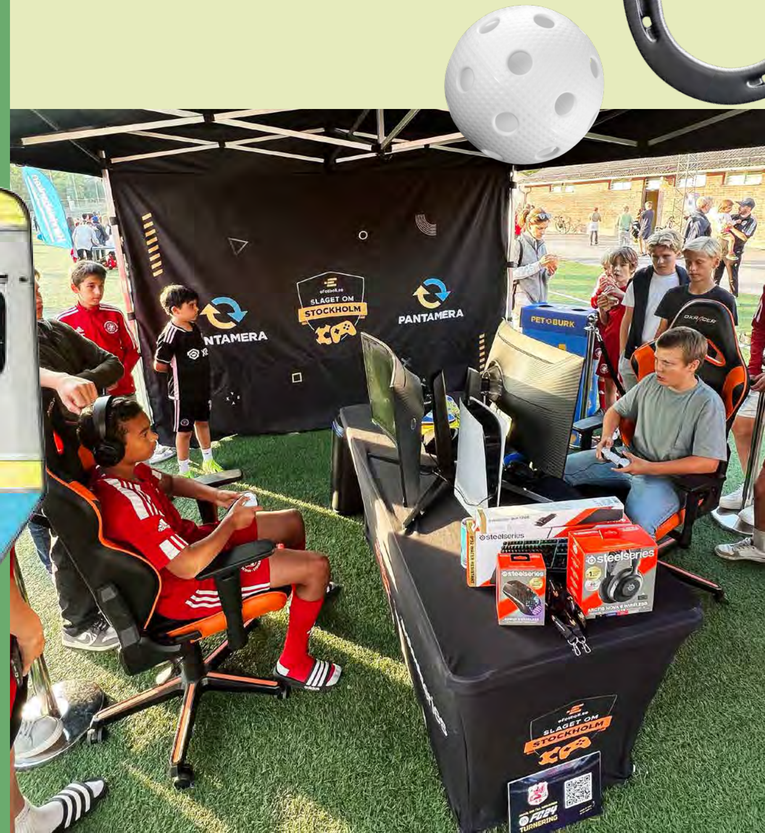
This includes restaurants, cafés, street food, small shops and the like. The deposit containers are collected via their wholesalers or beverage suppliers and then counted in our facility.

OTHER COLLECTION ACTIVITIES

We work with campsites, mountain resorts, festivals, amusement parks and fairs. There are also concepts for collecting deposits at workplaces, to name a few activities.

PANTAMERA WITH SPORTS

Includes non-profit organisations affiliated with the Swedish Sports Confederation and focuses on children and youth sports. All affiliated associations can be selected on our Pantamera Express machines. It is also possible to hand in association bags with a deposit in selected shops. Returpack contributes a little extra to club life by allowing associations to receive compensation for damaged cans and imported cans.



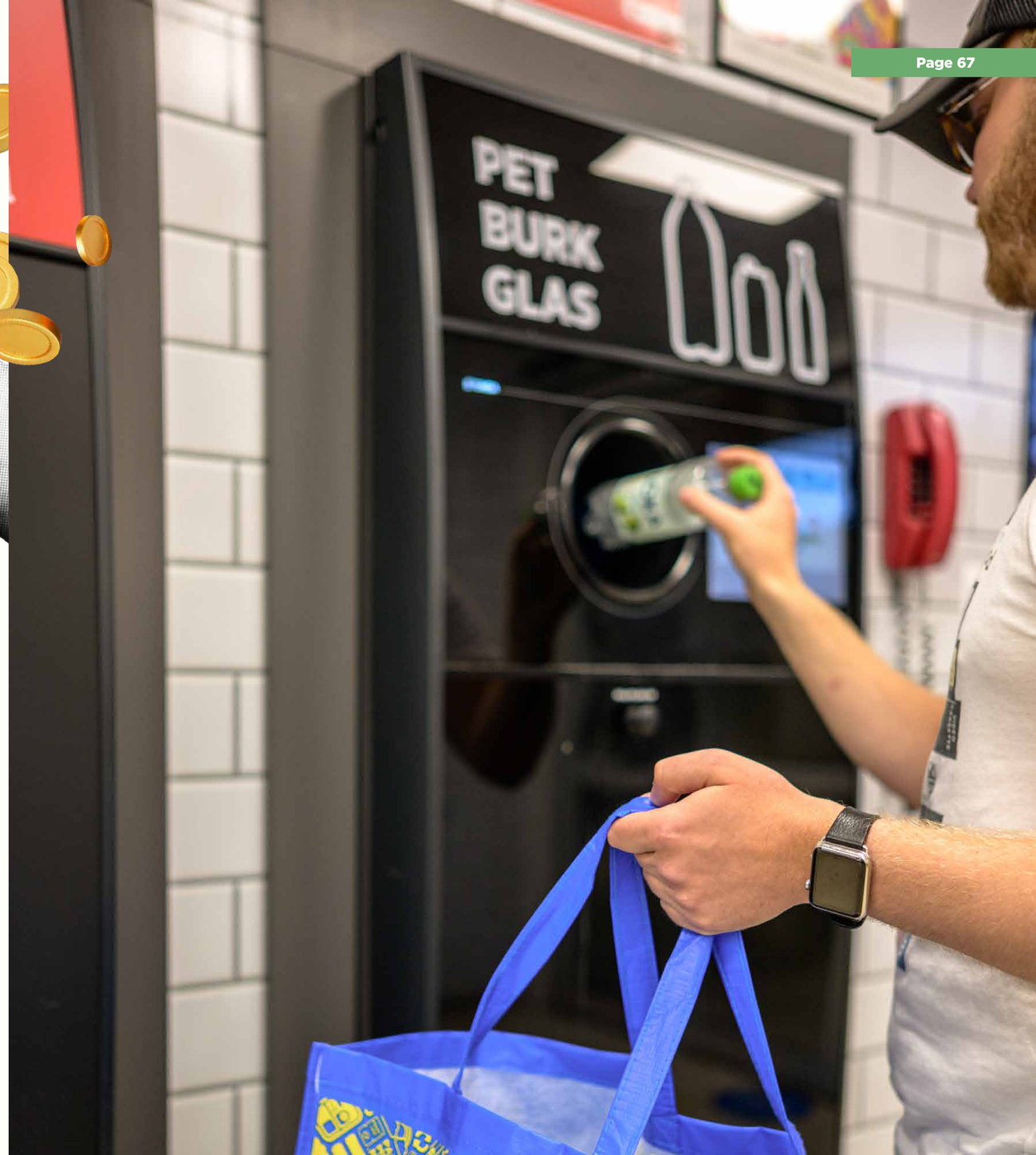
MEASURES

Grocery store vending machines are the backbone of our accessibility and account for the vast majority of our collection. Consumers can choose to receive their deposit money in two different ways. They can either get a voucher to shop in the store, or they can donate their deposit money to the store's chosen charity. In October 2024, we completed a project that allows the recycler to also receive their money via Swish. Developing payment solutions is one way to increase the simplicity and accessibility of the deposit system. Shops own their own reverse vending machines, and more and more are investing in bulk reverse vending machines to meet their customers' needs.

We have supplemented the store deposit system with our own bulk reverse vending machines, Pantamera Express, to make matters even easier for recyclers who want to deposit a lot of containers at once. With these machines, the recycler can easily pour in whole bags of deposit containers. On the Pantamera Express machine, the recycler can choose to receive their deposit money in the form of a voucher to use in the shop, donate the money to a charity organisation or have it deposited into their bank account via Swish, through the Pantamera app. It is also possible to donate to any sports association that is affiliated with our association concept, Pantamera with Sports. All of these sports associations are selectable on all Pantamera Express machines.

To meet the need for deposit options beyond in-store machines or via Pantamera Express, we have also developed solutions for consumers to return their deposit containers "on the go". Among other things, we collaborate with festivals and major events, with ski resorts and campsites, and in other contexts where people consume beverages. In line with the Ordinance and in consultation with municipalities, we are planning to place deposit container receptacles and similar solutions in popular locations.

Additional ways to relieve and supplement the grocery trade are with external deposit container receivers, deposit container reception stations, and deposit container lorries in large cities.



DEFINITION OF A DEPOSIT

What do we actually mean by deposit? Our definition of a deposit means that a deposit or premium is paid when a container is purchased. This amount is then refunded when the container is returned. The aim is to encourage people to return empty containers to the deposit system.

Containers in Returpack's system must be marked with special **deposit symbols**. The deposit symbol indicates that they belong to Returpack's system, as well as the applicable deposit

The deposit on metal cans and small plastic bottles is **SEK 1**, and on large plastic bottles it is **SEK 2**. In 2025, the deposit amount will be increased by 1 krona.

The plastic bottles that are currently part of the deposit system are almost exclusively PET bottles. The bottle caps are always made of HDPE (high density polyethylene) or PP (polypropylene).

The metal cans in the deposit system are almost exclusively made of **aluminium**. Steel cans are present but to a very small extent.

The size and shape of the bottles and cans vary, although one thing they all have in common is that they can be accepted by a **reverse vending machine**.

CALCULATION - COLLECTION RATE

Returpack has its own key figures for increased collection in the form of collection rates for metal cans and PET bottles. Returpack's internal objective includes all containers that are registered in the deposit system, i.e. both those covered by the Ordinance on Producer Responsibility for Packages and those that are optionally registered. The collection rate is calculated based on the number of returned containers divided by the number of containers sold. The number of returned containers is primarily based on the reading of barcodes in reverse vending machines or reading conducted in Returpack's plant, or alternatively by weighing materials or using a flat rate.The number of containers sold is based on reported sales from producers and importers. When calculating the collection rate for metal containers, the number of imported cans that have been collected and recycled via Returpack is also included in the number of returned containers. Data management takes place in the Pandum business system.

Collection

When the deposit container receiver's storage facility is full – we come and collect the material. We pick it up with chartered trucks throughout Sweden, from Trelleborg in the south to Haparanda in the north. In most cases, the material is picked up by so-called compactor trucks.These can compact the material during the journey, making transport as efficient as possible. We also have compactors located in different parts of the country, to which materials can be transported to be properly packed before continuing their journey.

The compactor trucks transport the material to one of our intermediate storage facilities, where it is then collected by bulk trucks. In these trucks, the material is loaded in bulk, allowing larger volumes to be transported, as no bulky packaging is required. We have 23 intermediate storage facilities in Sweden from which bulk trucks transport materials to our factory in Norrköping.

Around 17 to 19 truckloads of loose material arrive at our plant every day, around 120 tonnes of PET and 130 tonnes of aluminium. In addition to these trucks, materials that are not collected through our bulk flow, for example from restaurants, cafés, tourist resorts and campsites, are also collected.

Incoming bulk material per day

PET
120
TONNES

Aluminium
130
TONNES

GOALS AND RESULTS

We have set a target of zero direct greenhouse gas emissions from our transport by 2030. This means that transport must be carried out by vehicles that are emission-free during operation, such as electric or hydrogen vehicles. As an interim target, we have decided that 5% of our transport kilometres in 2025 will be carried out by vehicles with no direct emissions during operation. The transports included in the target are our compactor trucks, volume transports, and emptying of Pantamera Express machines and compactors.

In 2024, 65% of our collection transport was carried out by vehicles powered with biogas and 2% by vehicles with no direct emissions.

We also aimed to have a completely fossil-free vehicle fleet by 2025, and by May 2024, we had already achieved that goal.

MEASURES

Reaching our goal of emission-free transport by 2030 demands close cooperation with our hauliers. They take great financial risks when they invest in new and expensive technologies. That's why our relationship needs to be good and agreements need to last longer than usual. Our strategy is to focus on long-term contracts and good relationships. This strategy is enabling the transition to a more sustainable economy and has produced good results so far. Together with Alltransport in Östergötland, we were the first in Sweden to launch the world's first electric-powered Flexoekipage truck. This would not have been possible without our courage and close cooperation with our suppliers. We therefore play an important role in the transport industry, by showing that the transition is possible. There are several examples of actors that our approach has inspired to invest in transport with the least possible climate impact.

During 2024, we implemented several measures to make our transport more efficient and reduce its climate impact. One important effort was the introduction of level sensors in our igloos, which are a kind of collection station for deposit containers. That work had been ongoing for several years, but was completed in 2024. The level sensors make it possible to optimise the emptying of these collection stations according to their actual fill level. Since we share this sensor data with our hauliers, they can now plan pick ups based on actual needs. This has reduced both emissions and transport costs.

We have also taken important steps towards going fossil-free, and since May 2024, 100% of our transport contracts are fossil-free. This means that we have phased out fossil fuels in our transport, which is a significant step forward in our efforts to reduce greenhouse gas emissions.

During 2024, we adjusted the capacity of our two-compartment trucks to handle an increased aluminium flow. The previous distribution in the trucks was 60 percent PET and 40 percent aluminium, but now we have adapted the distribution to 50/50, which meets the needs better.

To continue moving towards a zero-emission transport system, we are also investing in electric and hydrogen vehicles. In early 2025, we will introduce a compressorcar powered by hydrogen to be used in Dalarna, as well as two electric vehicles to be used in Jämtland and Västerbotten, for testing their use in cold climates. In November 2024, one of the first electrified High Capacity Vehicles (HCT) in Sweden was put into operation. This makes it possible to transport 220 cubic metres of material per vehicle, up from the current 160 cubic metres. Although these vehicles are larger, they do not weigh much more. This contributes to further efficiency gains and reduced climate impact.

Vehicles connected to our optimisation and route planning systems allow us to plan routes better and minimise environmental impact. Connected vehicles measure various parameters that affect fuel consumption, such as typography, climate, driving style and braking. During the year, we reviewed 16 connected vehicles to learn how we can use the information from them as easily as possible in our systems.

Since May 2024,

100%

of our transport contracts are fossil-free

Sorting

Once deposit containers have been collected and arrived at Returpack's plant in Norrköping, it is time for us to start sorting. The plant sorts all collected materials from all over Sweden, but also PET material from Finland. When the trucks of bulk materials arrive at the plant, they empty their contents into three different pits: two for bottles and one for cans.

A so-called "walking floor" moves the material from the pit to the conveyor belts, which we call conveyors. In the case of cans, the iron and steel are separated from the aluminium material using a magnet. The deposit system still includes some steel cans, although they are rare. After undergoing the magnet, the material is sorted twice more through a so-called "eddy current separator". The material is then compressed into bales. The bales are weighed and recorded before being transported to our material buyers. It takes no more than one to two minutes from the time the material is transported from the pit until it reaches the presses. Approximately every six minutes, an aluminium bale weighing about 0.44 tonnes is produced. In 2024, we delivered 27,134 tonnes of aluminium material to our material buyers. This figure refers to the invoiced quantity.

When it comes to PET material, it is separated from loose labels and bottle caps in a disk screener. The plastic is then separated from impurities and sorted by colour using optical sorting technology and compressed air. Clear PET material continues on the conveyor, and coloured PET material goes through the same colour sorting step again. This is to ensure that all clear material is sorted out correctly, as it is best suited for high-quality recycling. The PET material is then pressed and baled in the same way as aluminium. The vast majority is clear material, and the rest is coloured. A PET bale weighs between 0.22-0.27 tonnes. Our PET material buyer rents the premises right next to our factory, so the bales only need to travel a few metres by electric forklift. In 2024, we delivered 24,561 tonnes of PET material to the material buyer, 22,784 tonnes of clear and 1,777 tonnes of coloured material. These figures also refer to the invoiced quantity.

From the disk screener, bottle caps and some labels are sorted out for our bottle cap processing. Here, contaminants are separated in a water bath in which the bottle cap and labelling material float to the top and other materials sink. Then the material is chopped, separated once again from impurities using a water bath, and dried by slushing. The material is then packed into large sacks, with the bottle cap material and labelling material packed separately. The moisture content of each sack is measured and the amount of impurities in the bottle cap material is measured three times before it is approved and can be delivered to our material buyers. In 2024, we delivered 1,471 tonnes of bottle cap material and 83 tonnes of labelling material to our buyers. These figures also refer to the invoiced quantity.

GOALS AND RESULTS

Our goal is to recycle 99.2% of all materials that enter our plant. Last year, we achieved a result of 99.04%. In 2024, we had no buyers for our unwashed labelling material, which contributed to our failure to reach our target. In 2025, we will look into the possibility of taking better care of labelling material. Although most of the material collected can be recycled, some waste is generated by our operations. Waste mainly comes from mis-sorted material that arrives through our manual flows, shavings, adhesive residues, sludge and labelling material that cannot be recycled. The "Generation of waste" table shows the amount of waste generated by our operations, and the "Recycled Materials" shows the amount of recycled materials in tonnes. The tables show the amount of material passing through our facility, which may differ slightly from the invoiced amount. In our reporting to the Swedish EPA, we report the amount of material that actually passes through the plant. To enable comparisons with our financial accounting, we also present the invoiced amount; see text on the left.

Generation of waste	Results, 2023	Results, 2024
Share of non-recycled waste in total waste[%]	1.6	1.7
Total amount of non-hazardous waste that goes to recycling [tonnes]	56,620.7	57,728.5
Total amount of non-hazardous waste that goes to incineration [tonnes]	943.7	980.0
Total amount of non-hazardous waste that goes to a landfill [tonnes]	0.00	0.02
Total amount of hazardous waste that goes to recycling[tons]	8.9	3.5
Total amount of hazardous waste that goes to incineration [tons]	1.0	1.1
Total amount of hazardous waste that goes to a landfill[tons]	0.0	0.0

Recycled materials	Results, 2023	Results, 2024
Aluminium [tonnes]	25,675	26,956
Clear PET [tonnes]	22,596	22,784
Coloured PET [tonnes]	1,605	1,780
Clear PET - foreign [tonnes]	4,731	4,356
Coloured PET - foreign [tonnes]	318	344
Bottle cap material - Swedish [tonnes]	1,210	1,144
Bottle cap material - foreign [tonnes]	287	259
HDPE[tonnes]	10	-
Steel [tonnes]	29	32
Labelling material [tonnes]	67	84

Our goal is for

99.2%

of all materials coming into our plant to be recycled

Approximately every six minutes, an aluminium bale weighing about 0.44 tonnes is produced

MEASURES

NEW SORTING UNIT FOR ALUMINIUM

In 2024, we invested in new sorting machines and increased our aluminium sorting capacity by 40%. This means that we can sort more material per unit of time and therefore do not need to extend our shifts to handle a larger amount of material. Since these investments in the plant were made, the energy use per containerhas decreased. This is partly because idling has been reduced and machines stop faster when there is no material in the flow. Less energy is required in the sorting process of aluminium compared to PET. Since we handled a larger proportion of aluminium material this year than in the past, this is also a reason why energy use per container has decreased.

PROCESSING OF BOTTLE CAP MATERIAL

Our bottle cap material contains some aluminium residues and other impurities that make recycling difficult. In 2024, the decision was made to invest in a more efficient way to separate the aluminium and other impurities from the material. These sorting stages will be installed in the first quarter of 2025. The bottle cap material has also been certified according to Recyclass, to allow it to be included in high-quality material flows. Read more about our cooperation with our bottle cap material buyer on page 76.

LABEL RECYCLING

At present, it is difficult to recycle labels into new labels. A big reason is the printing inks. They contribute to the over-pigmentation of the recycled material, preventing the production of bright label stock.

Our bottle cap processing allows us to sort out and wash a subset of the labels. In 2024, we were able to recycle 84 tonnes of labelling, which was used for plastic pipes and automotive parts, among others things. Unwashed labelling material that comes loose in our plant goes to incineration, because there is currently no market for unwashed label material. In 2025, we plan to look at different options for recycling labels.

Delivery

Once our material has been compressed into bales, it is transported to our PET and aluminium material buyers. Our PET material buyer rents the premises next door to our plant, so transport to them is done via electric forklift. The journey for our aluminium material is all the longer. The aluminium is transported first by lorry to Katrineholm or Oxelösund, depending on the material buyer. The material is then transported south by rail.

The bales going to Noveli's plant in Germany can be transported by rail all the way to their destination. The material going to Constellium in France needs to be transported by lorry for the last leg.

In addition to our PET material and aluminium that we sell to our material buyers, our bottle cap material and labelling material are collected by our material buyers. They are transported by lorry. Our facility also generates waste, including non-recyclable labels, mis-sorted materials, sludge and shavings, and possibly scrap machinery or construction waste. This is collected by lorry by our waste supplier, which ensures that the waste is handled in the best way from an environmental and resource perspective.

MEASURES

We customise the size of the bales to fit the train wagons as optimally as possible. By packing larger bales at the bottom and smaller bales at the top, we can fit even more material into each wagon. In 2023, we bought new aluminium balers. They can compress the material better than before. The bales shipped now are therefore heavier, meaning fewer transports are required to deliver the material. In addition, we have started work on removing the fork grooves in the aluminium bales, which further increases the weight of the bales.

Electricity production in Europe, especially Germany, generates higher greenhouse gas emissions than in Sweden. This is due to the high proportion of fossil coal and oil used for electricity generation. To reduce greenhouse gas emissions from rail transport in Europe, we have purchased certificates for renewable electricity in 2024. In this way, we stimulate demand for renewable energy sources in Europe and support renewable electricity generation.

Material recycling

We have five different customers who buy our materials. Novelis in France and Constellium in Germany buy our bales of aluminium, Veolia Svenska PET AB buys our clear and coloured PET material, Reelab buys the bottle cap material, and Novoplast our labelling material. These buyers are carefully selected, because they enable high-quality recycling of our sorted materials. The reason why we don't have Swedish material buyers of aluminium is because Novelis and Constellium specialise in manufacturing can sheets from recycled aluminium. Unfortunately, none of the Swedish aluminium smelters can currently do the same.

The material is sorted in our facility, and before it is delivered to our material buyers, we ensure that it is of the required quality. We perform quality tests during different process steps in the plant. We conduct regular checks of the machines in the sorting process and measurements of the materials themselves. At least twice a day, or more frequently if necessary, we measure the amount of impurities in the aluminium and PET materials. This applies to both clear PET and coloured PET. Twice a day, we measure the moisture content of the aluminium material. Each sack produced through our bottle cap processing is tested three times for moisture content and contamination levels before it is approved and can be delivered to our material buyers.

CONTROL OF PET MATERIAL

Together with Veolia PET Svenska AB, we follow up monthly on the quality parameters of the outgoing material they produced from our collected and sorted material. In addition to food safety, there are two quality parameters that are important for the material to be used for new bottles: the colour value (L) and the intrinsic viscosity (IV) value. The color value is presented as an L-value on a scale of 0 to 100, where 0 represents black, opaque – and 100 a completely transparent material. To meet its customers' expectations of the material, Veolia has specifications for a limit value for the L-value of its final product. In order for our material to meet their specification, we require a certain level of clarity in the bottles that we register in the deposit system. However, the L-value can be affected by other parameters. For example, this includes particles from pollutants generated during the consumption, collection and manufacturing phases.

The IV value is related to the molecular weight of the polymer. In simple terms, it describes the molecularchain length. With each meltdown and recycling cycle, the PET molecular chains break down. To use the material to make new bottles, these chains need to be of a certain length - to withstand the stress of being blown into a bottle. Veolia measures the IV value of its final product, to ensure that the material meets the specification it has agreed with its customers.

Today, it is difficult to recycle coloured PET material into new beverage bottles on a large scale. We have carried out tests, but certain technical conditions that would make it possible are still lacking. For high-quality recycling, a clear PET material with long molecular chains is ideal. Such material can circulate many times in the system. This means that we place a high priority on these quality parameters, to meet or exceed our material buyers' requirements and their customers' expectations.

GOALS AND RESULTS

The material quality targets for the aluminium, PET and bottle cap materials have been established together with our material buyers. This way, they can make the highest quality end product from the material. We have a goal to minimise the amount of impurities in aluminium and clear PET material to a maximum of 0.2%. During 2024, we achieved a result of 0.06% for aluminium and 0.10% for PET. When it comes to the proportion of aluminium material that becomes new beverage cans, our goal is for this to exceed 95%. For the PET material, our target is 42.8%. In 2024, the results were 89.0% for aluminium and 37.2% for PET. The reason why the target for PETmaterial is much lower compared to aluminium is because it is a much more complicated process to recycle plastic into a high-quality end product compared to aluminium. In the past, our material buyer has not had the production capacity to recycle all clear PET into food-grade material, due to a lack of demand from bottle manufacturers and beverage producers. In recent years, demand for recycled PET has increased and Veolia expanded its capacity in 2024 to produce increased volumes of food-grade recycled PET. This means that the share of PET material used for new bottles is likely to increase in the future. In terms of L-value and IV-value, our goal is for these to exceed 64% and exceed 0.74 dl per gramme of Veolia's final product, respectively. In 2024, the L-value was 68% and the IV-value was 0.757 dl per gramme, where the values are calculated as an average of each month's average.

We meet our material buyer for PET once a month and our material buyers for aluminium and bottle cap materials once a quarter. During these meetings, we follow up on the results for each target and discuss any measures that need to be taken to improve performance. The targets are also followed up in the Executive and Management teams on a monthly basis.

We have a goal to minimise the amount of impurities in aluminium and clear PET material to

max 0.2%

IN 2024, WE ACHIEVED A RESULT OF

0.06%
FOR ALUMINIUM

0.10%
FOR PET

When it comes to the share of aluminium materials that become new beverage cans, our goal is for this to exceed 95%. For the PET material, our target is 42.8%.

IN 2024, WE ACHIEVED A RESULT OF

89.0%
FOR ALUMINIUM

37.2%
FOR PET

MEASURES

INCREASED PRODUCTION OF RECYCLED FOOD-GRADE PET MATERIAL

Veolia has its premises for material recycling adjacent to our factory. They rent the property from us, and during the year we completed an extension to their premises. The expansion aims to increase their capacity to produce even more recycled and food-grade PET material. The new process is planned to start in January 2025 and is expected to contribute 6,000-8,000 tonnes of material annually to the Swedish market. This material has become other packaging in the past, but can now become new beverage bottles instead. The expansion is an example of how important it is for us to work with our material buyers to provide the best-quality recycled materials on the market.

LIMITED AMOUNT OF RECYCLED PET IN NEW PET BOTTLES

We aim to contribute to circular material flows at the system level. It is important to us that our deposit system helps to increase the amount of high-quality recycled material on the market. This means that we sometimes need to make decisions that may seem counterproductive at first glance. Let us explain: In recent years, we have seen an increasing number of bottles made from 100% recycled PET material. In this context, we could see a downward trend in our quality of PET material. We were able to track this, among other things, through the limit value for the colour of the bottles. The colour is related to several aspects of the recycling process, but above all it gives an indication of the amount of particles accumulated in the material. The amount of particles in recycled PET material is greater compared to material made from virgin raw material. This affects the possibility of recycling, and if the amount of particles is too large, in the worst case the material can become unusable. Then it cannot be recycled at all, but must be incinerated or used for low-quality products. We therefore saw a risk that our high-quality material would degrade and that it would become impossible to recycle it for use in new beverage bottles. This would reduce the supply of recycled high-quality PET material on the market. It would also increase the demand for virgin PET, which is mostly made from fossil crude oil. It was therefore necessary for us to decide to limit the proportion of recycled PET material in the bottles. During 2024, we carried out extensive analysis on the limit that minimises the risk of degradation of the high-quality material. The limit was set at a maximum of 80% recycled PET material in beverage bottles, with the requirement coming into force in May 2025. We will follow up this requirement through the item registration process for inclusion in the deposit system. Through this decision, we expect to ensure that the material quality will remain high and sustainable over time, so that more producers can use high proportions of recycled PET in their bottles.

HIGH-QUALITY BOTTLE CAP RECYCLING

We have a partnership with our material buyer of bottle cap material, in a project we call “Cap-to-Cap”. As the name reveals, the project aims to turn the bottle cap material into new, recycled caps. Currently, the bottle cap material is recycled but used for low-quality recycled products such as bins, pallets or cable drums. Just as we work with PET and aluminium, we want to increase the quality of the bottle cap material so that it can be included in more high-quality material flows.

The colour of the bottle cap plays an important role in recycling. Dark and black bottle caps contribute to the dark brown colour of the recycled, mixed material. This colour is difficult to adapt to producers’packaging designs and requirements. Part of the project focuses on working with producers and importers in the early stages of the supply chain, to bring about change. It is also important to further reduce the presence of contaminants in bottle cap materials and to increase both the volumes and availability of this material. To support this effort, two key actions are planned for 2025. The Cap-to-Cap project has a clear plan to make the ambition of a circular bottle cap flow a reality, and extends until 2027.

The customers of our material buyer have requested a certified bottle cap material. Therefore, we have chosen to certify the material according to the Recyclass protocol. A certified bottle cap material can increase end-user confidence, verify compliance with legal requirements, and show the source and origin of the material in a transparent and clear way. We believe this will make the material more attractive on the market. During the year, we also decided to make investments that will enable an improved bottle cap recycling process.

3

Social responsibility

Returpack reaches out to large parts of Sweden – everyone who deposits their beverage containers has a relationship with us. To promote circular material flows, we are engaging society to recycle more and increase collection rates. Our people are our most important resource, and we strive to create a work environment where they thrive and develop. In this chapter, we tell you about our community activities and how we support our employees so that they can thrive.

Our workforce

IMPACTS, RISKS AND OPPORTUNITIES

In our facility, the sorting of all collected beverage containers with a deposit in Sweden takes place. This means that large quantities of material flow through the facility every day, and that our staff have a great responsibility to ensure that sorting is done as efficiently as possible. Working in an environment with large machinery can pose some risks and negative impacts for our employees.

Our sorting machines require regular maintenance and repairs, which can involve strenuous working positions when such actions are taken. In the facility, our employees use forklifts, which may pose a risk of collision accidents. We have designated places for pedestrians, but in some places interaction between pedestrians and forklifts is required. Most of our materials are already compressed, counted and sorted when they arrive at our facility. Some materials are not, and arrive at our facility in sacks. These therefore need to be counted and checked before they can be compressed and mixed with our other flow. Our manual handling of the bags is a task that requires repetitive movement patterns for our employees. This can pose a risk of repetitive strain injuries. In our plant, we offer jobs to people who have difficulties entering or re-entering the labor market and who in some cases have a reduced working capacity. In this way, we contribute to positive impacts for these individuals and society at large, by offering them work with us.

Most of the occupational health and safety cases received from our plant have to do with crushing hazards, heavy lifting, and ergonomically challenging working positions.

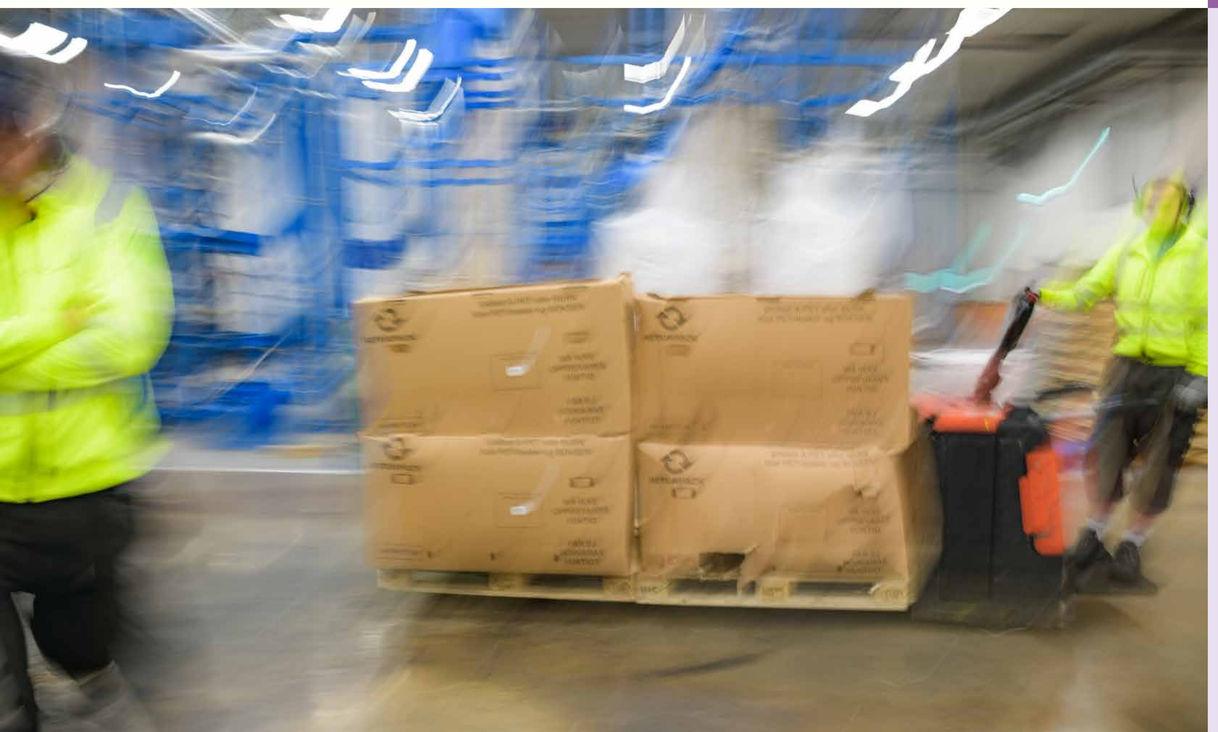
Our office is located next to our plant. Here, the risk of our employees being exposed to physical hazards is significantly lower compared to our plant. However, we see a risk of psychosocial risks, such as stress, among our office workers.

We are members of the employers' association IKEM (Innovation- och kemiarbetsgivarna) and are bound by the collective agreements to which IKEM has agreed with the trade union organisations. For staff employed under a collective agreement, the agreement between IKEM - the recycling industry and IF Metall applies. The agreement between IKEM and Unionen, Sveriges Ingenjörer and Ledarna applies to salaried employees. Having a collective agreement provides clear and negotiated conditions for wages, working hours, holidays, pensions and other benefits, which creates security for both employers and employees. It helps ensure fair and transparent payroll management and makes us more attractive on the labour market.

Collective agreements also help by standardising rules for overtime, sick pay and parental leave, for example. By having collective agreements, we help make a positive impact on our employees and their job security.

GOALS AND RESULTS

We had several goals to minimise risks and reduce negative impacts on our employees and reinforce positive ones. These goals were divided among our four target areas: Safety should come first; the work situation of our employees should be characterised by good cohesion and good collaboration; our work environment should be positive for employee health, job satisfaction and efficiency, and stress issues should be taken seriously at Returpack.



Safety first

IN 2024, OUR GOALS WERE TO:

Have zero accidents resulting in sick leave among our employees and contractors

Results for 2024:

0

Have zero accidents resulting in sick leave among our visitors

Results for 2024:

0

Have zero accidents in transport resulting in sick leave

Results for 2024:

0

Accidents, risk observations and incidents must be reported and handled promptly according to procedures

The work situation must be characterised by good cohesion and good collaboration

IN 2024, OUR GOALS WERE TO:

Our employees would recommend us as an employer to others, earning us an eNPS (Employee Net Promoter Score) of **at least 47 in our employee survey**.

Results for 2024:

Employee surveys are conducted every two years. In the 2023 survey, our score was 68.

(2021: **46**, 2019: **37**)

The total results of our employee survey should show an Employee Satisfaction Index score of **at least 86** (on a 100-point scale).

Results for 2024:

Employee surveys are conducted every two years. The results of the 2023 survey showed a score of 88

(2021: **85**, 2019: **84**)

Our work environment should be positive for the health, job satisfaction and efficiency of our employees

IN 2024, OUR GOALS WERE TO:

Our short-term sickness absence rate should be lower than 1.9%.

The share of respondents reporting good perceived health in the health survey should have increased compared to the 2022 results, when 78% reported that they were in good health.

Increase participation in the voluntary health check-up to at least 50%.

Results for 2024:

1.5%

Results for 2024:

78%

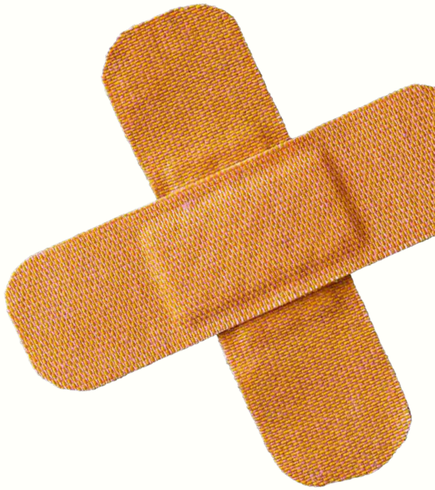
Results for 2024:

69%

Issues relating to stress are taken seriously at Returpack

IN 2024, OUR GOALS WERE TO:

The share of respondents reporting perceived stress in the health survey should have decreased compared to the 2022 results, when 28% reported perceived stress.



Results for 2024:

44%

The results of the latest staff survey and the eNPS survey show that we have achieved our objectives of good cohesion and collaboration. The latest staff survey showed that our staff feel that they are part of the community, that it is alright to make mistakes, and that difficulties can be discussed openly. It also shows that they feel their efforts are valued, differences are respected, and that their colleagues show appreciation for what they do. Good cross-functional collaboration is evident, and employees feel that their improvement suggestions, innovation ideas and risk observations are taken seriously. This, together with the sense that everyone has an important role and place in the organisation, createsa strong foundation for an inclusive and innovative working environment. The results confirm that our commitment to good cohesion and cooperation is having a positive impact and strengthening our work going forward.

In this year's health survey, we reached our target of 78% of participants experiencing good health. To improve our employees' perception of their health, they receive a wellness allowance, which was also increased for 2024. Employees are offered massages at the workplace at a favourable price, various chances to try out physical activities, and are offered support in the event of perceived physical or mental illness or difficulties, among other things. These efforts may have contributed to achieving our goal.

We are highly ambitious and driven to deliver results that meet our lofty goals and priorities. At the same time, increased reporting, new legal requirements and administration make the workload difficult to balance, especially in key roles with unique expertise. This may explain the high levels of perceived stress reported in our survey. We see a need for further analysis in this area, and are working proactively to provide more relief and support in key roles, as well as clearer priorities, in order to ensure a sustainable work environment for our employees.

METRICS

In addition to our goals of minimising negative impacts and risks and enhancing and promoting positive impacts, we monitor several key metrics. These include statistics about our staff, such as gender distribution, average age and staff turnover. They also include metrics about our working conditions, such as the number of risk observations, accident rates and equal pay. Our metrics are central to our safety and gender equality work and give our stakeholders a clear and transparent picture of us as an employer.

Our employees

	Results for 2024:
Number of people employed by Returpack	87
Number of Returpack employees employed under a collective agreement, by gender	16 men 1 woman
Number of salaried employees at Returpack, by gender	35 men 35 women
Gender distribution in the Management Team	1 man 4 women
Total number of permanent employees, by gender	49 men 36 women
Total number of fixed-term employees, by gender	2 men 0 women
Average age of all employees at Returpack	44 years
Total number of employees who left during the year	2
Staff turnover during the year	2.35%

WORK ENVIRONMENT

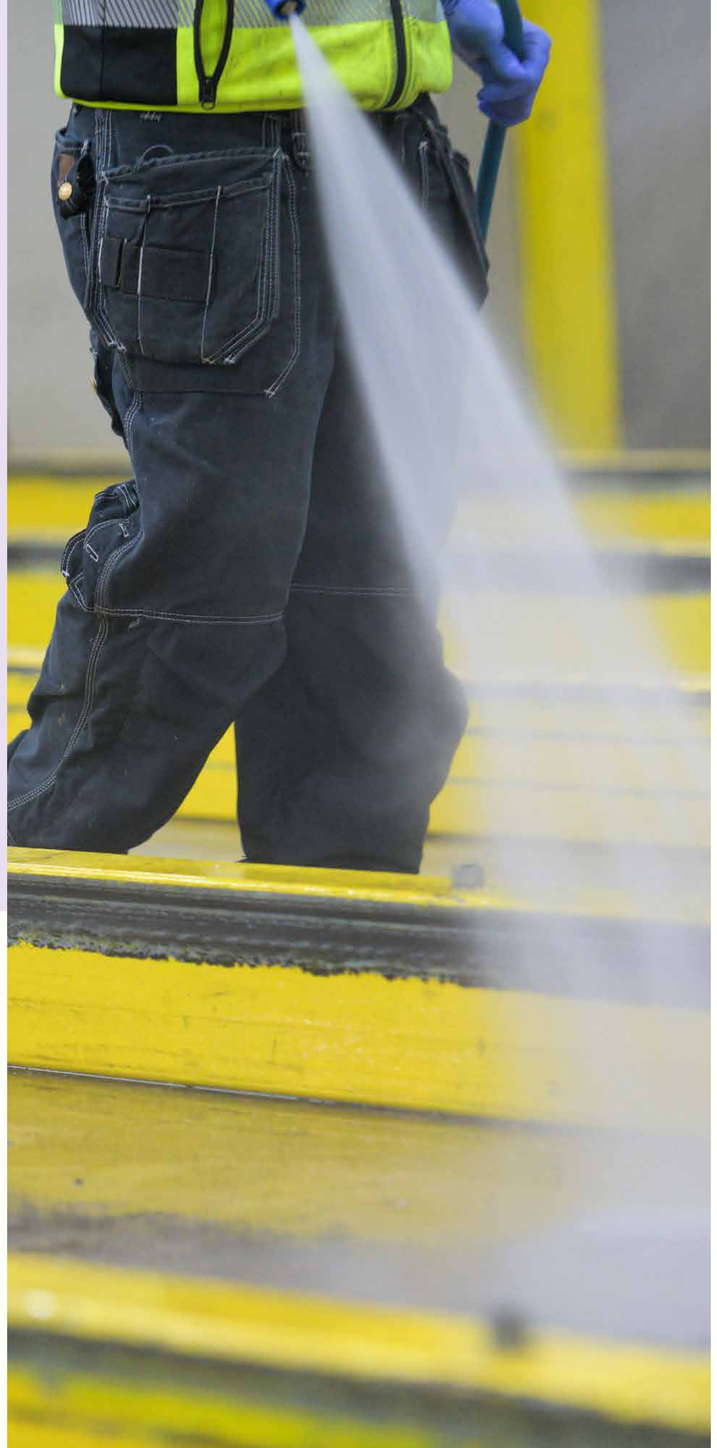
During the year, 38 incidents and 48 risk observations were reported. The incidents reported during the year mainly concerned work environment issues related to order, safety and the handling of equipment in the plant. Common incidents include obstacles in the work environment, such as objects on the floor and blocked protective equipment, as well as instances in which the correct protective equipment was not used or where work operations were carried out alone rather than in pairs. Other reported incidents include physical strains such as stretching and crushing injuries, working under time pressure, and deficiencies in safety devices, such as blocked emergency exits or chemical showers. Read more about our preventive measures to strengthen safety and order in the factory in the “Measures” section on pages 82 and 83.

There were no workplace accidents or fatalities during the year, either among our employees or non-employees. The accident rate for 2024 was thus zero. Furthermore, no cases of work-related ill health leading to legal action were reported. As a result, no working days were lost due to work-related injuries or illness, either for employees or non-employees. There were no reported cases of discrimination during the year. 100% of our 87 employees are covered by our work environment management system.

SALARIES AND REMUNERATION

100% of our 87 employees receive salaries that are in line with or exceed the current reference salaries. All employees are covered by a collective agreement that ensures adequate and competitive pay and employment conditions.

The highest-paid person earns 4.9 times more than the median salary of the other employees (excluding themselves). In 2024, male employees earned 17% less on average than female employees at Returpack. This difference is mainly due to the fact that salaried employees are generally paid more than those employed under a collective agreement, and that there are more men in the company who are employed under a collective agreement than there are women. In addition, more women occupy more senior positions with higher salaries, further contributing to the fact that female employees are paid more than male employees, on average.



MEASURES

SAFETY INSPECTIONS – WORK ENVIRONMENT & FIRE

To reduce the number of incidents and accidents and to minimise risks in our plant, we conduct regular work environment inspections. These are carried out 11 times a year, with the participation of safety representatives, the plant manager, and selected key staff. The plant is divided into different areas, and each inspection focuses on one area at a time. During the inspection, a template of what to review and check is followed. This includes checking the functionality of equipment, checking emergency stops, as well as the analysis of noise levels, ventilation and lighting, work postures, and work operations. The template should also document any problem description, injury or risk, the cause of the incident, the action to be taken to address it, when, and by whom. For risks, probability and impact must also be assessed. These actions are documented in our IA system, a web-based system for deviations in the work environment, where an incident manager is designated. Measures must be undertaken within three working days, and the safety representative is responsible for checking that they are implemented as planned. In addition to work environment inspections, monthly fire safety inspections are carried out by our safety representative and our plant manager. It checks fire hydrants, escape routes, fire extinguishers, and first aid equipment.

Our Chemicals Group handles the identification and management of adverse impacts and risks related to chemicals in the plant. The Chemical Team meets quarterly and consists of the Quality Engineer, Plant Manager, Technology and Development Manager, Support Technician, and Safety Representative. Before a chemical is purchased, an assessment must be made based on its properties and the information in the safety data sheet. If it is decided that the chemical should be brought in, the work operation in which the chemical will be used must first be risk-assessed. The risk assessment must cover the potential risks associated with the chemical and the work operation, the impact on the environment, and the risks to human health and safety. This assessment is carried out by representatives from the Chemicals Team. Before each meeting, our Quality Engineer conducts a walk-through of our facility toidentify any new chemicals, whether the chemicals are in their intended location, and whether there are any other risks associated with handling the chemicals. If risks are identified, they are raised during the group’s meeting, where an action plan is developed and the person responsible for the implementation of measures is appointed.

RISK ASSESSMENT OF WORK OPERATIONS

During the fall, we started an effort to make detailed risk assessments for each work operation in the plant that involves the use of machinery, and this work will continue in 2025. The aim is to ensure that all work operations involving the use of machinery are carried out in a safe manner, that the machines themselves do not pose any health and safety risks to our staff, and that measures are taken if risks are identified. Identified risks must also be communicated to the staff concerned.

In December, staff working in our plant underwent production safety training. The training covered the management of risk observations, incident and accident planning, and the importance of active work environment management. The aim of the training was to inform our employees and give them the opportunity to practise building a safe work environment together. The training was conducted in cooperation with our occupational health care provider.

PROJECT:
QUALITY IMPROVEMENT IN THE PLANT

In early 2024, a project was launched in our plant and is planned to continue until summer 2025. The project aims to achieve high and consistent product quality and increase productivity in a safer, cleaner and more pleasant work environment. Since the start of the project, we have created the conditions for our employees to engage in standardised systematic improvement work and be more involved in preventive maintenance. As a result, we have implemented more than 125 improvements in the plant according to our new process, and we now have clear procedures for cleaning on a daily, monthly and annual basis. Improvements have been made in areas such as safety, efficiency, procedures, and orderliness. Our employees have a cleaner and more orderly work environment, and this creates the conditions for a more efficient flow of materials, minimising accidents and creating a more pleasant workplace.

WORKING CONDITIONS

To minimise risks linked to stress and psychosocial ill health, our managers will undergo training in 2025. The training aims to raise awareness about the causes of stress, how to prevent it, and how to manage it when it occurs. It is also intended to increase managers' competence about their work environment-related responsibilities, organisational security, equal treatment, and diversity. Our employees have the opportunity to participate in an optional health, work environment and lifestyle survey every two years. Participants complete a questionnaire, talk to a nurse or doctor, and undergo physical tests of, i.e. their fitness and blood counts. The results of the surveys are followed up by our Work Envionment Committee, which develops an action plan to reduce negative trends and reinforce positive ones.

When employees join us, they receive an ergonomic review of their workplace conducted by our occupational health care provider. Any equipment necessary for the employee to carry out their work in an ergonomic fashion is purchased. We regularly carry out noise measurements in our plant, to prevent hearing loss among our employees. Our employees are also offered regular hearing tests. Our employees are also offered vision tests and terminal glasses when needed.

CHANNELS FOR DRAWING ATTENTION TO PROBLEMS

Our staff can draw attention to problems or needs in a number of ways. In the case of deviations or suggestions for improvement, they can register these in our deviation management system. Here, the administrator and extinguisher for the deviation or improvement proposal are indicated, as well as the time for handling these. The administrator is responsible for implementing measures within the specified timeframe, and the extinguisher is responsible for checking that the actions specified in the system are completed as planned before the case is closed. If the case concerns accidents, risk observations or incidents, these must be recorded in our IA system. Similarly, the person responsible for addressing the observation or incident is indicated here. Safety representatives can be involved if necessary. In addition to being responsible for implementing appropriate measures, the same person is also responsible for informing the staff working with or in connection with the observed situation about planned or implemented measures and how to avoid risks.

Our employees can also contact their line manager or our health and safety representatives to draw attention to problems or needs relating to the work environment. Our Work Environment Committee is made up of the HR Manager, HR Administrator, Plant Manager, and Health and Safety Representatives. The Work Environment Committee meets once a quarter and takes up cases received through its members. An action plan is drawn up for each case and the person who registered the case with the HR function or the Work Environment Committee is informed of the measures planned to be taken. If the measures affect several employees or functions, information about these actions is provided on an ongoing basis at company-wide staff information meetings.

Our staff can also use our whistleblowing service to warn about serious risks of irregularities. A more detailed description of our whistleblowingservice can be found in the “Corporate Responsibility” chapter on page 95.

GOVERNANCE

WORK ENVIRONMENT POLICY

Through our Work Environment Policy, we engage in systematic work environment and health-related efforts to create a safe, inclusive and pleasant workplace. The policy covers the entire business and takes into account the physical, mental and social work environments of our employees. The aim of the policy is to minimise risks of occupational injuries and accidents while promoting health, job satisfaction and efficiency. Through our policy, we strive to achieve a discrimination-free work environment.

Our work environment management is preventative and carried out in close cooperation between managers and employees. Everyone is given the opportunity to contribute and exercise influence. The company complies with laws and regulatory requirements, identifies risks, and undertakes both short-term and long-term measures to continuously improve the work environment. Managers are responsible for ensuring that employees have the right knowledge and conditions to work safely and effectively. At the same time, every employee is expected to take personal responsibility and actively contribute to achieving a safe and healthy workplace.

The HR function is responsible for drafting the policy, and the Management Team adopts it. The policy is reviewed and updated once a year and is available on our intranet and in our management system, along with our other governing documents.

Each employee is responsible for reading and understanding theWork Environment Policy as part of their onboarding. Information on the policy and any updates are provided on an ongoing basis at during the year, in connection with staff information meetings.

POLICY ON EQUALITY AND DIVERSITY AND COMBATTING VICTIMISATION

Through our policy, we ensure that equality and diversity are a natural and integral part of our business. We actively strive to create a work environment in which all employees have equal conditions, rights and opportunities to develop, regardless of their gender, transgender identity or expression, ethnicity, religion or other beliefs, disability, sexual orientation or age. We also safeguard our employees' ability to combine parenthood and work by offering supportive practices and flexible working hours where possible.

No form of discrimination, harassment or victimisation is tolerated. If an employee feels that they have been subjected to such treatment, we immediately launch an investigation together with HR, the employee's manager, the individual or group concerned and, where appropriate, our occupational health care provider or other external parties. Managers have a particular responsibility to act immediately and ensure a safe and inclusive work environment. All staff members are also expected to actively foster a positive work environment and to combat harassment.

To promote diversity and gender equality in our recruitment and skills development, we aim to achieve an equalgender distribution, both overall and in management positions. In cases of equal merit, we apply affirmative action to empower underrepresented groups. To ensure a diverse workplace, HR supports managers throughout the entire recruitment process. We offer all employees the opportunity to develop their skills in order to maintain their employability and provide opportunities for advancement.

Our HR function is responsible for establishing and keeping the policy updated. The policy is reviewed annually and communicated throughout the year via staff information meetings. All employees are introduced to the policy as part of the hiring process and are expected to absorb and understand its content.

To support a balance between work and parenting, we ensure that parental leave is treated equally in salary reviews and included in information flows, development initiatives and workplace activities. Before an employee's parental leave begins, a joint agreement is drawn up between the manager and the employee about how the company's information will reach the person on parental leave. To make life easier for parents, flexible working hours are offered where possible. Managers receive ongoing guidance from HR on procedures tied to parental leave and related issues, and we aim to create a culture in which both men and women feel they can stay at home with a sick child without negative consequences.

Managers receive regular training about the company's Policy on Equality and Diversity and Combatting Victimisation. They receive guidance from our HR function on how to implement the policy's principles in their daily work and how to respond to any incidents. By integrating equality, diversity and parenting issues into our policies and practices, we ensure that our workplace is respectful, inclusive and offers everyone equal opportunities. Our policy and procedures are a central part of our work to ensure sustainable development and promote a positive work environment.

PAY POLICY

Through this policy, we ensure that salary setting is individualised, differentiated and based on systematic assessments of the requirements, objectives and work tasks of our business. It takes into account individual responsibilities, skills, qualifications and achievements. Every year, market salary statistics are monitored to ensure that our salaries are competitive and in line with the market.

We maintain a salary spread that stimulates development, because our employees can influence their salary development by progressing at work and improving their performance. There must be a clear link between pay progression and the evolution of work tasks and performance.
Regardless of gender, age or other individual factors, the same principles for salary setting apply.

The HR function is responsible for drafting the policy, and the Management Team decides on the policy. The policy is reviewed and updated once a year and is available on our intranet and in our management system, along with our other governing documents.

Information on the policy and any updates are provided throughout the year in connection with staff information meetings.

Returpack as a social actor

Ever since Returpack started, we have been part of Swedish society. It has been crucial to get people to understand how and why it is important to deposit containers and recycle. Our target audience is very broad: anyone who consumes beverages. That's why we show up in all sorts of contexts - and meet people of different ages.

Examples of where we encounter people who make con-

AT SCHOOL

Since 2006, we have educated children and young people regarding recycling and environmental issues through our “Pantresan” school activity. It is a way to inculcate young people from preschool onwards and make recycling and depositing containers a matter of course. In 2024, 1,060 classes participated in Pantresan, and since its launch in 2006, almost 250,000 pupils have completed its various challenges.

OUT IN NATURE

Returpack also supports Städa Sverige (Clean Sweden), which is Swedish sport’s environmental organisation for young people and clubs. Young people are given the task of picking up litter in their local area to earn money for their sports association/ club. Together with the Swedish Environmental Protection Agency, we are also one of the founders of the Keep Sweden Tidy Foundation, through which we collaborate on targeted initiatives aimed at preschools and schools.

WITH ESPORTS

For the eighth time, we have organised the fundraising campaign Pantamera with eSports. It started as an attempt to strike a chord with a tough target group. Young adults consume a lot of beverages, but they are less likely than others to deposit their containers. Today, our collaboration is something of a movement - in which gaming and esports meet recycling and charity. Pantamera with Esports has had various campaigns over the years, but our fundraising for the Music Aid televised benefit performance radio show marathon has remained constant.

IN FLOORBALL

Returpack has been the main sponsor of the Swedish Floorball Federation (SIBF) since 2015. In recent years, this sponsorship has also involved the Swedish Super League (FSSL). The collaboration has included exposure through the national team and in arenas, the development of websites with tips and tricks, Fair Play awards, and the latest collaborations with Schysst Lag, Schysst Match and Schysst Förebild.

Floorball clubs all over the country are affiliated with our sports association collaboration concept. In this way, they do their part for the environment while simultaneously earning extra money for their club.

AT RETURPACK

Our collaborations with students can involve offering them the opportunity to do work placements and degree projects with us.

In 2024,

1,060

school classes

participated in our Pantresan (“Container Deposit Journey”) activity,

and since its inception, nearly **250,000 pupils** have completed its various challenges.

We are one of the founders of

HÅLL SVERIGE RENT®

together with the Swedish Environmental Protection Agency

In 2024,

2,520

sports clubs

affiliated with the Swedish Sports Confederation active in the sports association collaboration concept

and

15,760,758

containers

were collected through Föreningskampen

GOALS AND RESULTS

Every year, we monitor, evaluate and develop our partnerships and engagements.

SWEDISH FLOORBALL FEDERATION

We aim to increase the number of affiliated floorball clubs and their collected containers. In 2024, 163 floorball clubs were affiliated with our sports association collaboration concept, Pantamera with Sports. Together, they collected 665,111 cans and bottles.

PANTAMERA WITH SPORTS

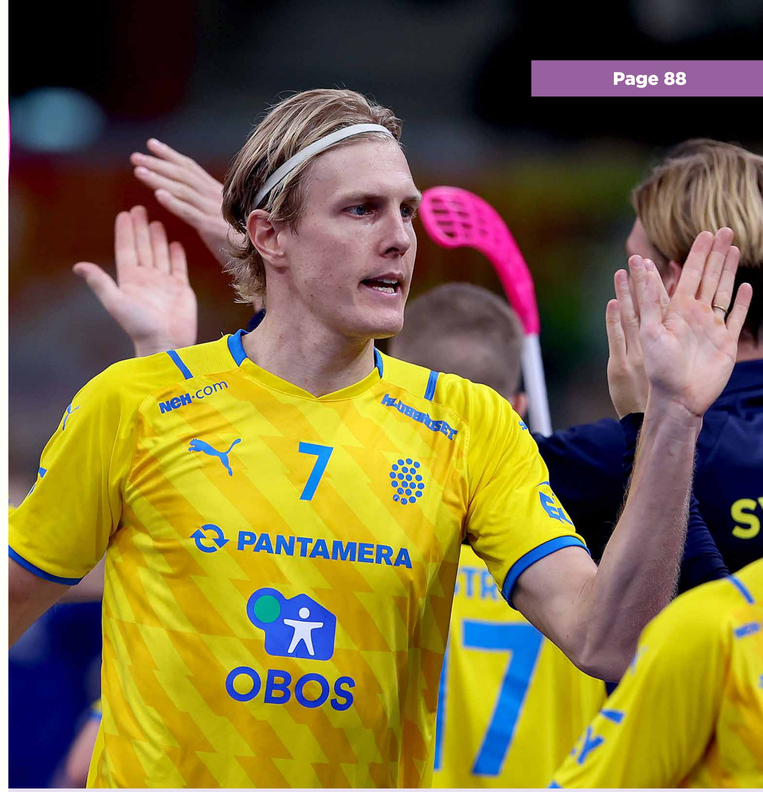
We also monitor the number of sports clubs that are affiliated with the sports association collaboration concept. We also keep track of how many containers they collect during the Föreningskampen collection competition. In 2024, 2,520 sports clubs affiliated with the Swedish Sports Confederation participated in the sports association collaboration concept. Through the Campaign, 15 760 758 packages were collected. In 2024, deposits totalling SEK 14,321,424 were distributed to sports associations across the country. The association competition consists of a deposit championship where the associations that deposit the most in each county compete for the podium places and the prize money. In addition to county winners, a Sweden winner is also appointed, i.e. the organization that has collected the most throughout Sweden. The association match also consists of a separate pledge prize where we have the opportunity to give even more associations the chance to win prize money. The deposit prize is awarded to the associations that have been the most creative or resourceful in finding ways to collect deposit containers.

PANTAMERA WITH ESPORTS

In the Pantamera with Esports concept, we target the exposure via Music Aid event and focus on how much is collected for the benefit of Music Aid.

The 2024 bucket landed on

435 395 SEK



MEASURES TO BE TAKEN

Our sponsorship policy clarifies how we view sponsorship. For us, it is crucial for our commitment to include social responsibility and environmental benefits, and to be clearly linked to the collection of deposits and/or the acquisition of knowledge. We only sponsor initiatives that are consistent with our values and other policies. Examples of sponsorship can include recycling bins, bags, help with transport or marketing materials. As a customer of the deposit system, you can apply for support for activities that contribute to the increased collection of deposit containers.

Our sponsorship collaboration with the Swedish Floorball Federation and FSSL aims to influence attitudes and behaviour regarding recycling in the target group of children and young adults. The collaboration is taking place at club level.

4

Corporate governance

Through our activities, we work closely with many stakeholders and suppliers. For our collaboration to work in the long term, both we and our partners must work on sound terms and with great regard for business ethics. In this chapter, we describe how we take responsibility as a company, both towards society and our suppliers.

Corporate responsibility

Returpack's operations involve both small, local companies and large international players. This means that risks and negative impacts can occur at several levels - especially in long and complex supply chains where we have limited transparency. In this section, we describe how we work with risks, requirements and governance to determine that our procurement is sustainable.

IMPACTS, RISKS AND OPPORTUNITIES

Although our deposit system is national, Returpack's operations extend beyond Sweden's borders. Like other companies, we need to work actively to minimise the risks surrounding our purchases and partnerships. There are challenges related to products produced in high-risk countries, or in industries that are particularly vulnerable to corruption or that have poor environmental legislation.

MEASURES

IDENTIFICATION AND CATEGORISATION OF RISKS

To minimise the risks linked to our purchases, we have established a systematic risk management process. All suppliers undergo a risk analysis in which several factors are examined: country of production, the sector or industry in which the supplier operates, and whether the supplier is known for having any form of sustainability-related problems, such as negative environmental impact or poor working conditions. The analysis also includes an assessment of whether there are personal relationships between the client and the supplier that may involve conflicts of interest or a risk of corruption.

Based on this analysis, suppliers are categorised according to the risk of negative impacts on people, the environment and our organisation. This determines how extensive our requirements and follow-ups need to be. The assessment of the risk of adverse impacts related to the country of production is based on the Amfori Country Risk Classification. We use the IFC's environmental and social categorisation process to assess risks and impacts related to environmental and social factors, including human rights, for the sectors or industries in which our suppliers operate.

To determine whether a purchase is "sustainable" for us, a risk assessment must be carried out as described above. We must also evaluate the amount of the purchase and the complexity of the product. A credit check of the supplier must be carried out, and the supplier must agree to meet the requirements we set out in our Code of Conduct.

DETERMINING THE TYPE OF PURCHASE

Once we have gone through our risk management process and evaluated the amount and complexity of the purchase, the type of purchase is determined.

Purchase Type A

These purchases have an elevated risk of negative impacts on people, the environment or our organisation, is highly complex, and has a purchase value of more than SEK 200,000.

Purchase Type B

These purchases have a low risk of negative impacts and low complexity, but the purchase value exceeds SEK 200,000.

Purchase Type C

These purchases have an increased risk of negative impacts and are highly complex, but the purchase value is less than SEK 200,000.

Purchase Type D

These purchases are low-risk and low-complexity, with a purchase value below SEK 200,000.

STRATEGY FOR EACH PURCHASE TYPE

At Returpack, we work actively to ensure that our suppliers share our values and ambition in terms of sustainability and business ethics. Our goal is to create long-term partnerships characterised by openness, mutual development and pride. For us, it is important to be at the forefront of sustainability – but we also want to support our suppliers and inspire them to develop their sustainability work. To this end, we prioritise the supplier's ambition and willingness to improve, rather than always choosing those who have already achieved the most. In this way, we can help more companies, including smaller players, to strengthen their sustainability efforts.

Before we sign contracts with suppliers, they must guarantee that they meet the requirements of our Code of Conduct. It sets out clear requirements regarding business ethics, human rights, health and safety, labour law and environmental responsibility.

For Purchase Types A and C, a full supplier assessment is carried out. This includes filling in a self-assessment questionnaire. It contains questions about their compliance with our Code of Conduct, as well as management systems for handling environmental, social, and business ethical aspects. It also includes questions on certifications in social responsibility, environment or quality, risk assessment and management of supply chain risks and processes to ensure continuous improvement among our suppliers. In order to quickly identify discrepancies in the survey and act if necessary, we use a digitalised function that automatically marks the answers that do not meet our requirements. The self-assessment questionnaire is available in two versions, one detailed and one simplified. Unlike A and C, a simplified version is used for Purchase Type B.

ANNUAL AUDITS

We carry out regular audits of our suppliers. Together, we develop an action plan with time-bound actions to be taken to meet our ambitions and the suppliers' targets. These measures are documented in our deviation management system and followed up when the deadline for implementing the measure is about to expire. During our supplier audits, we check, e.g. that working conditions and safety at our suppliers' premises are in compliance with legal requirements. We check that suppliers are living up to the demands contained in our Code of Conduct and that they are working in accordance with the procedures they have described in our self-evaluation form.

The aim of our audits is to check our suppliers, but it is also in part to spread new ideas about sustainability and to find small areas for improvement that suppliers can develop over time in order to become more sustainable. We conduct surveys that are sent to our suppliers. They include questions about how they feel about their relationship with us, whether they have any suggestions for improvements, and their experiences of specific communication and purchasing processes. Through these surveys, we get a good picture of our suppliers' perception of us and what measures we need to take to improve the relationship and collaboration.

CONTINUOUS IMPROVEMENT AND FUTURE FOCUS

We continuously measure the percentage of our suppliers and purchases that are classified as “sustainable”. This is work that started five years ago and has led to a significant improvement in our supply chain controls.

We continue to develop our process to ensure that business ethical risks are identified and managed effectively. Our long-term goal is for all our suppliers to be classified as sustainable and to further improve our monitoring, especially in high-risk sectors. By integrating these measures throughout our operations, we can reduce the risk of corruption and bribery while ensuring sustainable and ethical business relationships.

INFORMATION ABOUT SUPPLIERS AND PURCHASING

In 2024, Returpack made purchases and investments worth

SEK 530 million.

Of these,

59%
went to transport and logistics services

14%
to production machines & reverse vending machines

14%
to information & marketing.

GOALS AND RESULTS

Our goal was to have 96% of our Type A and B suppliers integrated into the sustainable procurement process by the end of 2024. The target for Type C and D suppliers was **90%**.

Results, 2024

A and B suppliers

98%

C and D suppliers

84%

GOVERNANCE

Our policy on undue influence aims to safeguard the highest standards of business ethics and transparency. The policy strictly prohibits price fixing, cartels, bribery and all forms of undue influence in relation to customers, suppliers, authorities and other decision-makers. Employees and contractors must avoid situations that may lead to conflicts of interest and report the receipt of gifts, invitations or other potentially questionable benefits. Permitted benefits are strictly regulated and may only be accepted if they comply with good business practice and stay within set value limits. The policy also describes the types of benefits that should never be accepted - such as cash, gift cards and kickbacks - and provides guidelines for handling invitations to external events.

RESPONSIBILITY AND COMPLIANCE

Our HR Manager is responsible for establishing and updating our Undue Influence Policy, and all managers and employees are responsible for complying with it. To ensure compliance, anti-corruption training is included in the induction of new employees. In addition, all those with purchasing or business relations responsibilities receive continuous updates. Invoices are checked by at least two people in the business. In addition, all staff members are allocated a maximum amount they can spend, which regulates purchases. Each employee is responsible for raising any suspicions of bribery or corruption incidents with their line manager or via our whistleblowing service, which is managed by an external party.

Our purchasing function also conducts internal audits of our purchases. During these audits, prices are checked to ensure that they are correct in the invoices, according to the contract and the person who approved them.

GUIDELINES FOR THE WHISTLEBLOWING SERVICE

Our whistleblowing service provides an opportunity to confidentially bring to the organisation's attention any suspicions of irregularities or deviations from our business ethical guidelines. It is important to mitigate risks and to promote a high standard of business ethics, thereby maintaining the confidence of our stakeholders and the public in our business.

The whistleblowing service is managed and provided by an external and independent party. It is completely independent from our intranet and external website, and reports can be filed around the clock.

The whistleblowing service can be used to warn about serious risks of irregularities that could negatively affect people, our organisation, society or the environment. Reports must relate to wrongdoing that is in the public interest. The whistleblowing service should not be used for general expressions of dissatisfaction; in these cases, matters should be communicated to the line manager or to the HR function.

Reported cases may contain information about crimes, irregularities and infringements or other acts that violate EU or national law in a work-related context, such as:

- *Corruption and financial irregularities such as bribery, unfair competition, money laundering, fraud and conflicts of interest*
- *Health and safety violations relating to, e.g. work environment, product safety, serious discrimination, and harassment in violation of the law*
- *Environmental crimes, such as illegal handling of hazardous waste*
- *Privacy violations, such as misuse of personal data.*

The persons protected by the Whistleblowing Act are those who have a so-called work-related connection to the business. These are workers or other persons involved in or tied the operations in which the misconduct occurs, in one way or another. They can also be part-time employees, jobseekers and people who have left employment. The protection prohibits Returpack from preventing or attempting to prevent reporting and from taking reprisals on the basis of whistleblowers' reports. It does not matter if the suspicion turns out to be wrong, provided that the whistleblower has acted in good faith. The protection also consists of immunity from liability and the right to damages for breach of the prohibitions. Reporting can be done anonymously or openly. For those who report anonymously, the messages and all metadata, including IP addresses, are encrypted and deleted by our external whistleblowing service provider. If further dialogue is desired or if the status of the case is to be followed, the reporting person is assigned a unique case number and password.

When a report is submitted, an initial assessment of the case is made by our external provider. The latter then sends the initial assessment and the report to the pre-determined contact persons within Returpack for further handling and action planning. Within three months of receiving a report, the external provider will get back to the reporting person about what actions have been taken and why.

Training about our whistleblowing service is provided to all staff once a year as part of our staff briefing.

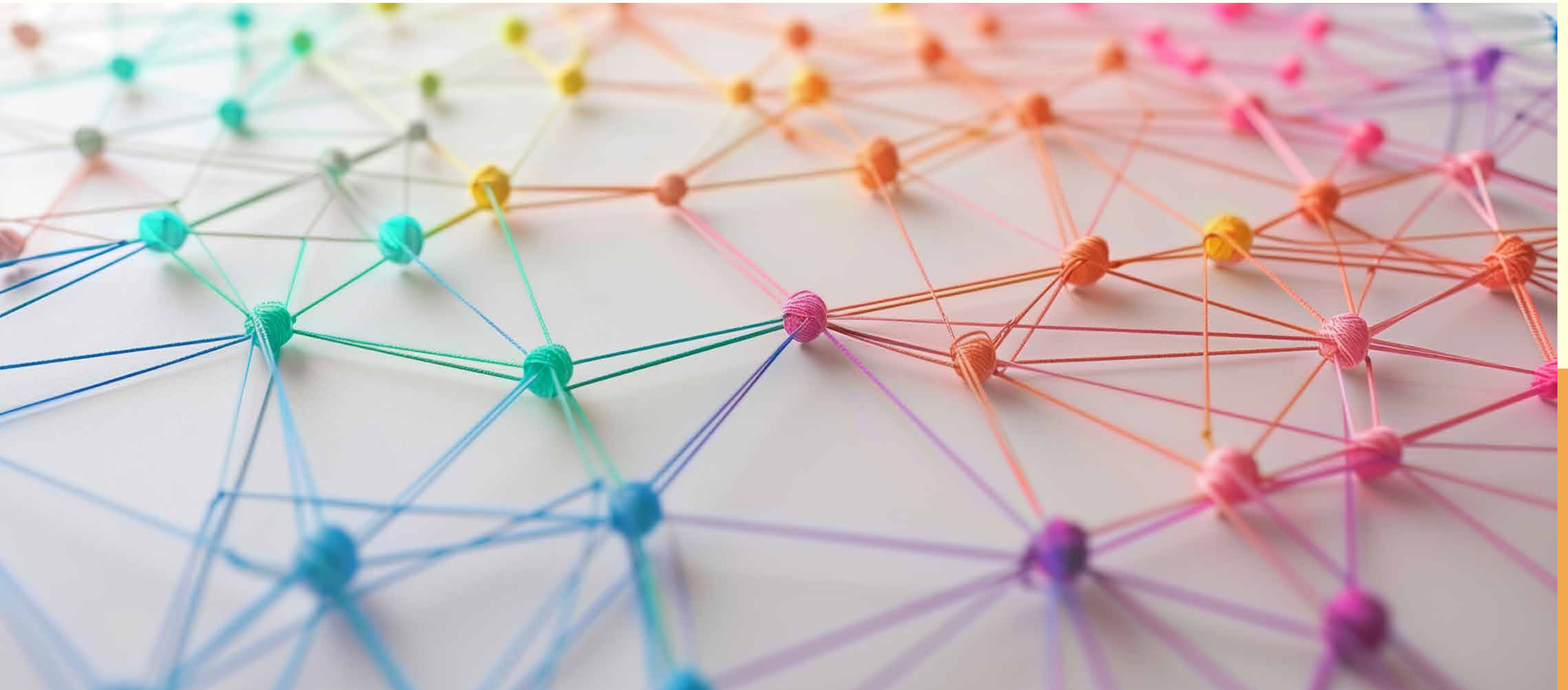
Whistleblowers do not have to use our whistleblowing service; they can report their concerns externally to authorities instead. These authorities have been designated by the Swedish Government, and have established reporting channels to deal with the reporting of breaches that fall within the remit of a particular authority. For example, reporting directly to the authorities can be used if the whistleblower does not believe that their report to the internal whistleblowing service will be handled fairly and objectively. Whatever the reporting channel, whistleblower protection is not compromised, even if the report concerns a matter that falls outside the authority's remit.

Links to and information about our internal whistleblowing service and the reporting channels for the authorities can be found on our website.

MANAGEMENT OF SUPPLIER RELATIONS

Our Purchasing Manual sets out how we should behave in our business relationships. It is designed to support the day-to-day work of purchasing goods and services and is regularly updated by the Purchasing Manager together with the Purchasing Team. It provides our staff with practical guidance on the different elements of the purchasing process and the extent to which they should be applied depending on the type of purchase. The Purchasing Manual includes concrete instructions, tips and examples, checklists and templates.

For those products that are critical to our business, we ensure that we have good stock levels of the product and that we have multiple suppliers for their delivery.



CASES OF CORRUPTION AND BRIBERY

In 2024, no confirmed cases of corruption or bribery were reported within the organisation. No charges have been brought against us or any of our staff, and we have not been convicted of any penalties or fines for breaches of laws in this area. Furthermore, no staff member has been dismissed or disciplined as a result of corruption or bribery-related incidents, nor have we terminated any contracts with business partners or refrained from renewing contracts due to corruption or bribery offences.

0 **cases of corruption or bribery were reported in 2024**

Auditor's statement

Other information

The auditor's statement regarding the statutory sustainability report

To the Annual General Meeting of Returpack Svenska AB, Co. reg. no. 556753-4259

MISSION AND DIVISION OF RESPONSIBILITY

The Board of Directors is responsible for the sustainability report for 2024 and for its preparation in accordance with the Annual Accounts Act.

FOCUS AND SCOPE OF THE AUDIT

My review has been performed in accordance with FAR's recommendation RevR 12, The Auditor's Statement on the Statutory Sustainability Report. This means that my review of the sustainability report has a different focus and is significantly smaller in scope compared to the focus and scope of an audit according to the International Standards on Auditing and good auditing practice in Sweden. I consider that this review provides me with sufficient grounds for my statement.

STATEMENT

A sustainability report has been prepared.

Norrköping, 19 March 2025.

PETER VON KNORRING
Authorised Public Accountant

EY
Building a better working world

RETURPACK

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