SIG CORPORATE RESPONSIBILITY POLICIES

SIG Environmental, Social, Governance (ESG)

ENVIRONMENT, HEALTH AND SAFETY POLICY

SIG

CONTENT

1 PREAMBLE

SIG strives to be a leader in environment, health and safety (EHS) in the packaging industry. We are leading the industry by pioneering sustainable innovations to deliver scalable, systemic net positive impacts – for society, the environment and our business.

The SIG Global Environment, Health and Safety (EHS) Policy has been developed to outline our commitments, goals and approaches for sustainability topics identified as strategic or material. In this sense, it defines the basis for our journey to go *Way Beyond Good*.

2 SCOPE

The principles and commitments outlined in this Policy apply to SIG Combibloc Group AG and its subsidiaries. The policy addresses both operational environmental and occupational health and safety topics, as well as all topics in the full value chain identified as material or strategic in the materiality assessment and the development of the Corporate Responsibility Strategy of SIG.

3 CORE PRINCIPLES

- **Ensure** rigorous compliance with all applicable laws on EHS issues, along related corporate policies, wherever the company operates.
- Clearly **allocate** roles and responsibilities within the company for managing material EHS topics.
- **Identify**, systematically analyse, regularly review, and responsibly manage all relevant (material and strategic) EHS topics as well as risks and hazards.
- **Define** a corporate policy position on all relevant EHS topics.
- **Set** goals on relevant EHS topics, measure performance against SMART targets and ensure continuous improvement.
- **Implement** effective measures to achieve targets, to protect the environment and the health and safety of people working on behalf of SIG, as well as neighbour communities that could be affected by any SIG activity, and to prevent or minimise the risk of negative impacts and incidents.
- **Establish** emergency and contingency plans to deal with residual risks.
- Responsibly and transparently **engage** with all relevant stakeholders in developing, managing and communicating on corporate EHS standards, processes and activities, including through the provision of complaints and grievance mechanisms.

4 TOPICS: ENVIRONMENT

4.1   TACKLING CLIMATE CHANGE

4.1.1   RELEVANCE

Climate change resulting from man-made greenhouse gas emissions (GHGs) is a global challenge for the living conditions on our planet. Tackling climate change requires bold action from governments, businesses and individuals.

SIG, as a global leading provider of aseptic food packaging solutions, affects and is affected by climate change. We emit GHGs in our operations and along the lifecycle of our products, although almost 80% are outside of our direct operational control. Our direct emissions mostly relate to the energy we consume. Being an important buyer of paper board made from wood, SIG has influence on how wood is produced and how forests, as important carbon stocks and sinks, are managed. Changes to the climate and the expected regulation for a low carbon economy hold physical as well as transition-related risks that SIG might need to mitigate in the future. They will, for instance, influence the long-term availability of important raw materials for SIG, such as wood for paper board, aluminium or polymers made from oil.

SIG is well positioned to grow its market share in a low carbon economy. Our packaging materials are largely made from renewable resources and we actively reduce the footprint of our products and services. Supplying these environmentally friendly packaging solutions to customers from the FMCG-sector (Fast Moving Consumer Goods) with a strong sensitivity to consumer expectations for climate friendly products helps us to differentiate in the market.

4.1.2   OVERARCHING COMMITMENT

We are committed to tackle climate change through both mitigation and adaptation solutions at every stage of our value chain in line with climate science. We are supporting the transition to a lower-carbon economy by reducing the environmental impact of our company, our sourcing and our products. Additionally, we aim to decouple emissions and production growth. To further address the exposure to climate-related risks, we strive to improve climate resilience in our value chain, which is the basis for giving SIG a valuable competitive advantage in the industry. In addition to our clear commitment to decarbonize our value chain we are committed to increase climate positive outcomes in our sector by the way we source, design, produce and deliver our products.

4.1.3   TARGETS

SIG's publicly stated goals for tackling climate change are:
- Reduce Scope 1, 2 and 3 greenhouse gas emissions by 25% per litre of food packed by 2030 (from 2016)
- Reduce Scope 1 and 2 greenhouse gas emissions by 50% by 2025 and by 60% by 2030 (from 2016)
- Maintain 100% renewable energy and Gold Standard CO_2 offset for all non renewable energy (at production plants)
- Expand use of on-site solar power to meet at least 10% of our global electricity

use as part of overall renewable power purchase agreements to meet 25% of our global electricity use by 2025
- Transition to 100% bioethanol or other bio-materials for printing by 2025
- Reduce CO2 emissions from inbound and outbound logistics by 25% (from 2016)

4.1.4 IMPLEMENTATION APPROACH

We have implemented an integrated approach to tackling climate change. This approach is informed by climate related risks and opportunities that are identified in line with established techniques such as the GHG-protocol (relevance), ISO 14040 (performance) and ISO 140001 (operations) and the recommendations of the Task Force for Climate related Financial Disclosures (TCFD).

This approach follows major trajectories for value chain de-carbonization covering physical and transition risks and opportunities for our own operations and our value chain:
- Reducing direct GHG emissions and emissions from electricity demand (Scope 1 and 2), including activities related to employee behaviour. reducing
- Reducing GHG emissions in our supply chain within our responsible sourcing approach and our forest + action area **(see responsible sourcing policy)**.
- Sustainable product innovation to further reduce the carbon footprint of our beverage cartons along the life cycle **(see product stewardship policy)**
- Sustainable product innovation to further reduce utility demand of our existing filling machines and new machine generation **(see product stewardship policy)**
- Contribute to a more circular economy by effectively increasing the amount of beverage cartons being collected and recycled in our markets and delivered by the resource + action area **(See Circularity in EHS Policy)**.
- Reducing GHG emissions from outbound transportation (sustainable logistics) **(see responsible sourcing policy)**

Our GHG targets are approved by the Science Based Targets Initiative and we are regularly reviewing the ambition and coherence with latest climate science. By establishing scenarios short term (1-3years), mid-term (3-5 years) and long term (5-25 years) projects and impacts can be monitored and adjusted based on different uncertainties.

Additionally, we identify value chain related opportunities by climate change for SIG and develop methodologies to measure positive climate impacts as outcomes of our responsibility strategy.

4.2 ENERGY CONSUMPTION

4.2.1 RELEVANCE

The planet's finite energy resources are being used heavily by industries around the world. Countries and companies are increasingly held accountable for a sustainable energy management, meaning the shift to source renewable energy and hereby preserving the finite energy resources as well as reducing the emissions induced therefrom.

The most significant environmental impact of SIG's operations used to be the greenhouse gas emissions from the energy we use in production. Switching to 100% renewable energy in our production plants worldwide in 2017 has significantly cut the carbon footprint and effectively eliminated

greenhouse gas emissions from manufacturing our packs. We have the opportunity to tackle climate change and set a strong example for others to also target 100% renewable energy. What is more, our support for renewable energy projects that are certified to the GoldPower® standard delivers wide positive social impacts as well as environmental savings. The use of innovative and clean technologies is a further lever to reduce energy consumption in production, for example the use of FSC labelled and plant-based polymer materials for our SIGNATURE PACK. Another opportunity to contribute to the reduction in energy use and emissions lies in establishing energy efficient green buildings, which also have positive impacts on other environmental topics like emissions.

4.2.2   OVERARCHING COMMITMENT

We are committed to consciously using energy resources by reducing our energy consumption, increasing the degree of renewable sources for the energy used and saving the energy that is being created. This commitment is supported by our ambition to lead the industry in sourcing 100% of the energy for production from renewables, increasing energy efficiency and cutting the environmental footprint of our packs.

4.2.3   TARGETS

SIG's goals for energy consumption are:

- Sourcing renewable alternatives for gas indirectly through GoldPower® certified projects, e.g. using landfill gas to produce renewable energy.
- Investing in on-site renewable electricity
- Expand use of on-site solar power to meet at least 10% of our global electricity use as part of overall renewable power purchase agreements to meet 25% of our global electricity use by 2025
- Reduce energy use by 20% per hour of runtime in our next generation filling machine
- Maintain 100% renewable energy and Gold Standard CO2 offset for all nonrenewable energy (at production plants)

4.2.4   IMPLEMENTATION APPROACH

To ensure responsible energy consumption, we address different aspects, from sustainable energy sourcing to the efficient use of various energy carriers (gas, electricity, fuels). Whenever the local market allows it, we increase the use of renewable energies by purchasing renewable electricity from the grid, as we do in Europe and Brazil. In markets where renewable energies are not available, we source them indirectly by buying GoldPower® standard certificates to compensate for any remaining non-renewable energy (gas) required for production. Moreover, we invest in own on-site renewable energy plants, like rooftop solar installations. Additionally, we are constantly striving to reduce energy use and improve energy efficiency by applying innovative clean technologies in our production methods. Therefore, we are implementing heat recovery systems across our sites and integrating environmental considerations into the design and development of new facilities ("green buildings").

4.3 WATER

4.3.1 RELEVANCE

SIG's operations use relatively little water, which is why water use is not considered a material impact for us. Hence, our main focus for reducing water use is on improving the efficiency of our SIG filling machines, which use water in the sterilisation and packaging processes that are usually operated by customers. However, we recognise that water is an increasingly important issue for stakeholders, particularly in water-scarce regions.

4.3.2 OVERARCHING COMMITMENT

We are committed to conservative water use throughout the product supply chain and business operations. Furthermore, we strive to consciously using water resources by considering water quantity, quality aspects and water stress risks. Our engagement to address water scarcity and stress in certain regions focuses on reducing the water use and consumption of our filling machines. Additionally, we aim to pass on our commitment to our customers by supporting them in improving their water-efficiency and water stewardship.

4.3.3 TARGET

SIG's goal for the responsible handling of water resources is:
- Reduce water consumption by 25% per hour of runtime in our next generation filling machine by 2021

4.3.4 IMPLEMENTATION APPROACH

SIG is focusing on water use and consumption within its own production as well as during the customer's use of SIG filling machines. This is why SIG constantly improves the water efficiency of its next generation filling machines and offers specific machine maintenance services, which inevitably dams the water consumption of machines currently installed with customers. We in addition assess the water stress risk for our production sites' locations. For production sites located in regions with high water stress risk we develop and implement a local water consumption reduction management plan, which also includes measures helping to reduce the stress level.

4.4 RAW MATERIALS

4.4.1 RELEVANCE

Sourcing more renewable, forest-based materials that are certified as responsibly managed contributes to our efforts to mitigate and adapt to climate change, all while supporting thriving forests. We ensure that these renewable raw materials are replenished responsibly by using certification, which cuts the environmental footprint of our packs and supports the transition to a circular economy. This has a positive impact within our own value chain and beyond by enhancing environmental and social responsibility, stewardship and traceability, and raising consumer awareness as well as demand for certified products through recognised product labelling.

Furthermore, wherever the replacement of virgin materials is possible and makes sense, we try to use recycled materials. We are enhancing the environmental credentials of our packs and creating broader net positive effects by increasing demand for recycled feedstocks. This in turn can lead to suppliers making them more widely available for our industry and beyond. In this sense, we are mitigating the risk of losing a reliable source of supply for materials by sourcing them sustainably in the long term. In this sense, we aim to meet customer needs now and in the future by offering sustainable solutions and products. Where we cannot avoid using non-renewable raw materials such as aluminium, we move supply to the best available technologies.

4.4.2   OVERARCHING COMMITMENT

Our ambition is to make all our packs exclusively with renewable or recycled materials, using only renewable energy, and make sure every carton is recycled – all to help create more resources for future generations. We are committed to sourcing our main raw materials from certified responsible sources. We aim to increasingly substitute our consumption of non-renewable resources, including fossil and mineral feedstocks, with renewable resources. For renewable resources, we are ensuring that they are replenished responsibly by using certification. Where substitution of non-renewables cannot be achieved, product stewardship approaches support us in fulfilling our commitment.

4.4.3   TARGETS

SIG's goals for the responsible handling of renewable and non-renewable raw materials are:
- 100% A-materials from certified sources by 2025
- Launch a pack made with 100% recycled content by 2025
- Add an additional hectare of sustainable forests for every hectare of sustainable forests we sourced from in 2020 – that's at least 650,000 additional hectares of forests we will restore or create – by 2025
- Establish a partnership with Brainforest, an NGO, to contribute to restoring or creating resilient and sustainable forests by 2025
- Partner with an NGO to develop a methodology to measure the impact of FSC™ certification by 2025
- Work with customers to include the FSC™ label on 100% of the packs we sell, closing the remaining 3% gap by 2025
- Maintain 100% FSC™-certified supply of liquid packaging board for our packs

4.4.4   IMPLEMENTATION APPROACH

SIG uses raw materials from renewable as well as non-renewable resources, including liquid packaging board (LPB), polymers, aluminium, ink, solvents, mineral and fossil feedstock. We aim to move from fossil-based to renewable raw materials. In sourcing our materials, we opt for such with third-party verified certifications that enable us to trace them to responsible sources, while independent auditors check for compliance. The environmental and social requirements for our main raw materials are defined in our purchasing policies for LPB, aluminium and polymers (for our **SIG**NATURE pack). Furthermore, we apply strict social, environmental and ethical standards to every supplier we work with and we have strengthened our procedures to check compliance among our significant suppliers. At the same time, we are implementing a new Aluminium Stewardship Initiative (ASI) standard for responsible aluminium sourcing through a similar chain of custody certification and a group-wide performance

standard. In the upcoming years, we aim to increase the supply of responsibly sourced ink used in our production.

4.5 PRODUCTION WASTE AND POLLUTION

4.5.1 RELEVANCE

Our operations in seven countries contribute to our environmental impact through the generation of production waste and pollution to air, land and water. We consider waste and pollution an unnecessary cost to our business and the environment, and we aim to make our manufacturing processes lean and efficient. The amount of material waste generated from our production plants has remained fairly flat over the past few years, with a total of 51,045 tonnes of waste produced in 2018. Most of this waste is made up of offcuts of the raw materials we use to manufacture our packs. For hazardous and electronic waste, we have implemented a responsible disposal to avoid putting the ecological and social environment at risk.

4.5.2 OVERARCHING COMMITMENT

We are committed to reducing materials waste, including from electronics. To tackle environmental pollution, we minimise emissions to air, land and water from our operations applying the BAT principle (Best Available Technology). We are equally committed to keeping hazardous waste at a minimum by adhering to legal regulations and to eliminating hazardous waste that is non-recyclable or non-reusable to zero.

4.5.3 TARGET

SIG's goal for responsible handling of waste and pollution is:
- Maintain legal compliance through hazardous waste management and strive to reduce hazardous waste that is non-recyclable or non-reusable to zero
- 25% reduction in grams of waste per m2 of packaging material (from 2016) by 2025
- Zero landfill – all waste to be recycled or used as renewable biofuel by 2025

4.5.4 IMPLEMENTATION APPROACH

We have a range of projects to reduce waste at our production plants by using more efficient processes and increasing opportunities to reuse and recycle materials. Where it is not feasible to reuse or recycle waste, we work with our waste management service providers to choose the next best option, such as energy recovery. In our efforts to elaborate policies for the reduction of material waste during production, we also include guidelines for the responsible disposal of hazardous waste, such as inks, oil and contaminated cans.

Pollution, in the form of emissions to air, land and water, is managed within the scope of legal compliance and conformity. We are developing and implementing internal standards which are applicable throughout the whole company to provide standardised protection levels that at least match, if not exceed the local requirements of the various countries. We monitor regulatory requirements and consider necessary changes, including for legal permits and authorisations. In case thresholds are exceeded, an escalation process is induced and followed by the Global EHS as well as Legal and Compliance departments. For any new production plant, we strive to achieve the LEED (Leadership in Energy

and Environmental Design) certification to further pursue our vision for outstanding EHS performance.

4.6 BIODIVERSITY

4.6.1 RELEVANCE

Protecting, restoring and promoting the variety of genes, species, habitats and ecosystems is central for maintaining human health and the functionality of our environment. SIG's own operations do not have a significant impact on biodiversity. The main biodiversity impact of our business is in the forests we source raw materials from. Forest-based liquid packaging board makes up around 70-80% of each SIG pack on average. Responsibly managed forests help to store carbon, regulate the climate and provide a renewable alternative to fossil-based feedstocks. Through our engagement for thriving forests, SIG is contributing to the prevention of deforestation and forest degradation, thereby supporting ecosystem functions and biodiversity.

4.6.2 OVERARCHING COMMITMENT

We are committed to maintaining and promoting biodiversity by supporting FSC certification and calling on others to do so. Thereby, we aim to work together to drive progress towards sustainable production and consumption through market transformation.

4.6.3 TARGETS

Our targets for maintaining and promoting biodiversity are:
- 100% A-materials from certified sources.
- Launch a pack made with 100% recycled content by 2025
- Add an additional hectare of sustainable forests for every hectare of sustainable forests we sourced from in 2020 – that's at least 650,000 additional hectares of forests we will restore or create – by 2025
- Establish a partnership with Brainforest, an NGO, to contribute to restoring or creating resilient and sustainable forests by 2025.Partner with an NGO to develop a methodology to measure the impact of FSC™ certification by 2025
- Work with customers to include the FSC™ label
- on 100% of the packs we sell, closing the remaining 3% gap by 2025
- Maintain 100% FSC™-certified supply of liquid packaging board for our packs

4.6.4 IMPLEMENTATION APPROACH

We minimise any potential impacts through our environmental management systems. We manage our impact on biodiversity through our approaches on raw materials, e.g. by setting strict standards for suppliers through FSC certification. Additionally, we partner with peers to develop recommendations on how life-cycle assessment can be used to better address land use impacts on biodiversity.

4.7 CONSUMER WASTE, RECYCLING AND CIRCULAR ECONOMY

4.7.1 RELEVANCE

A transition to a circular economy is necessary to address global resource scarcity and the planet's limited capacity to absorb waste, as well as to minimise negative effects on the environment. As a packaging systems provider to the food industry and one of the leading producers of beverage cartons, SIG has an important role to support the transition to a circular food packaging system. With growing stakeholder expectations, regulation and public debate, we have recognised waste reduction, recycling and circular economy models as core priorities in maintaining sustainability leadership in the industry. By collaborating with stakeholders to enhance the rate of cartons collected and recycled across our markets, we see a strong opportunity to support our customers. Additionally, we can bring societal benefits through the development of recycling programmes that support people in need.

4.7.2 OVERARCHING COMMITMENT

We are committed to further strengthening the good environmental performance of our products and we aim at moving our value chain toward the circular economy of the future.
We ensure all our packs are fully recyclable and, because recycling is outside our direct control, we work with industry and NGO partners to increase the number of aseptic cartons – and other packaging – collected from consumers and recycled after use.

4.7.3 TARGETS

SIG's goals for addressing consumer waste, recycling and circular economy are:
- Maintaining 100% recyclability of products.
- Steadily increasing the proportion of input materials from recycled sources.
- Launch a pack made of 100% renewable materials by 2025
- Launch a pack made with 100% recycled content by 2025
- Partner with stakeholders to implement dedicated and country specific roadmaps to support increased collection and recycling of beverage cartons by 2025

4.7.4 IMPLEMENTATION APPROACH

SIG is systematically integrating environmental factors, alongside product safety and commercial considerations, as core value drivers in product development to promote sustainable product innovation and support the principles of the circular economy. Thereby, we are also following our ambition to take responsibility for our products and their environmental impacts through product stewardship.

We are engaging with stakeholders across our value chain to support the development of appropriate infrastructure and raise awareness on the need to recycle. Through the European Alliance for Beverage Cartons and the Environment (ACE), we monitor rates of recycling for beverage cartons across Europe and launched the EXTR:ACT platform together with industry partners to coordinate and drive solutions to enhance collection, sorting and recycling of beverage cartons throughout Europe. We are also supporting our customers in finding ways to improve their products' packaging and implementing recycling programmes worldwide.

We have established a system to work with teams in each of our regions to identify which individual countries are most in need of support to boost recycling rates, based on criteria such as national recycling rates, business volume and market share, risk assessments and customer requirements. In the identified priority countries, we work with local stakeholders, either directly or indirectly through industry organisations, to develop a strategy to implement tailored solutions. We have created a mapping questionnaire and we have begun to provide online training for local teams to help them do this.

4.8   ENVIRONMENTAL PRODUCT PERFORMANCE

4.8.1   RELEVANCE

With growing stakeholder interest in the impacts of packaging, the strength of SIG's packs' environmental credentials is an increasingly important differentiator across our markets. Our sustainable product innovation enables us to help customers respond to new regulatory requirements and meet their own targets for sustainable packaging. With our requirements for the environmental performance of our products, we raise the bar in the industry for reducing climate impacts and supporting a transition to a circular economy. Customers in several markets are already using our latest innovations to enhance the sustainability credentials of their own products.

4.8.2   OVERARCHING COMMITMENT

We aim to be the leader in sustainable packaging. We are committed to investing in research and development to better meet the needs of consumers and customers, including enhancing the environmental credentials and performance of the company's packaging products and filling machines.

4.8.3   TARGETS

SIG's goals for environmental product performance are:
- 100% A-materials from certified sources
- Work with customers to include the FSC™ label on 100% of the packs we sell, closing the remaining 3% gap by 2025
- Maintain 100% FSC™-certified supply of liquid packaging board for our packs
- Launch a pack made of 100% renewable materials by 2025
- Launch a pack made with 100% recycled content by 2025
- Reduce energy use by 20%, hydrogen peroxide use by 35% and water use by 25% per hour of runtime in our next generation filling machine for mid size format packs by 2021
- Reduce use of consumables by 25% for the next generation filling machine for small format packs by 2025

4.8.4   IMPLEMENTATION APPROACH

We are systematically integrating environmental factors as core value drivers in our product development to promote sustainable product innovation and support the principles of the circular economy. The latter are addressed within our approach to consumer waste, recycling and circular economy. As part of our responsible sourcing and sustainable raw material approaches, we produce a large part of our cartons from renewable materials and we are exploring ways to increase our use of renewable

content further. An example is our SIGNATURE PACK, the first aseptic carton that is 100% linked to plant-based materials. Some of the content in our packs uses waste materials from other industries and, to promote further use of materials, we make sure all our packs are fully recyclable by design. These considerations are reflected in our sustainable product innovations such as SIG's EcoPlus packs or Heat & Go, both aluminium-free and with a 28% lower life-cycle climate impact than our standard packs. SIG is also the first in the industry to offer a market-ready alternative to plastic straws to be attached to beverage cartons.

4.9 ADVOCACY

4.9.1 RELEVANCE

Advocacy is a means for us to engage and partner with external stakeholders to create knowledge, awareness and broader recognition of sustainability topics that are important to SIG. Furthermore, we aim to co-create conditions under which our system can perform even better. Regulators, for example, deal with a range of topics relevant to our business, including e.g. responsible production, sustainable consumption, waste and recycling, and contributions to broader global goals, such as the United Nations Sustainable Development Goals. Effectively increasing knowledge and awareness of and engagement for these issues to support the transition to a net positive food supply system is critical for SIG. One area of focus for advocacy is circularity. As a packaging systems provider to the food industry, and as one of the leading producers of beverage cartons, SIG has an important role to support the transition to a circular food packaging system. Therefore, when new regulations on packaging products or recycling thereof are considered, it is important for us to ensure that meaningful provisions for the recycling of beverage cartons are included in these regulations.

4.9.2 OVERARCHING COMMITMENT

We are committed to engaging and partnering with relevant stakeholders to strengthen the environmental performance of our products and support the collection and recycling of beverage cartons. Our aim is to seek opportunities for systemic change by driving the net positive agenda beyond our own business, in line with our Way Beyond Good engagement programme. We strive to base our approach on scientific knowledge and transparency.

4.9.3 TARGETS

SIG's goals for advocacy are:
- Disseminate scientific knowledge and provide transparency to our external stakeholders on our approach to relevant sustainability topics, e.g. through our annual CR reporting.
- Work with stakeholders such as customers, trade associations and industry initiatives to drive the net positive agenda.
- Maintaining 100% recyclability of products.
- Steadily increasing the proportion of input materials from recycled sources.
- Launch a pack made of 100% renewable materials by 2025
- Launch a pack made with 100% recycled content by 2025
- Partner with stakeholders to implement dedicated and country specific roadmaps to support increased collection and recycling of beverage cartons by 2025

- 100% A-materials from certified sources
- Add an additional hectare of sustainable forests for every hectare of sustainable forests we sourced from in 2020 – that's at least 650,000 additional hectares of forests we will restore or create – by 2025
- Establish a partnership with Brainforest, an NGO, to contribute to restoring or creating resilient and sustainable forests by 2025.Partner with an NGO to develop a methodology to measure the impact of FSC™ certification by 2025
- Work with customers to include the FSC™ label on 100% of the packs we sell, closing the remaining 3% gap by 2025
- Maintain 100% FSC™-certified supply of liquid packaging board for our packs

4.9.4   IMPLEMENTATION APPROACH

Our approach to advocacy relates to issues such as waste, EPR, collection and recycling (e.g. targets, deposits, recycled content), low-carbon circular economy, SUP/plastics, renewables, and climate, as far as relevant for packaging and materials. We are advocating our positions alone or alongside our industry competitors towards policymakers and other stakeholders on these issues.
SIG typically engages with policymakers and regulators via trade associations and industry initiatives. These include e.g. the Alliance for Beverage Cartons and the Environment (ACE); Aluminium Stewardship Initiative (ASI); The Consumer Goods Forum; European Bioplastics Association; European Organisation for Packaging and the Environment (EUROPEN); Flexible Packaging Europe (FPE); Forum for the Future; Forest Stewardship Council (FSC) International; The Net Positive Project; The Science Based Targets Initiative; and the Technical Association of the Pulp and Paper Industry (TAPPI). In addition, SIG is member of numerous national alliances and initiatives in our core markets.

Participation in external multi-stakeholder initiatives are further ways to speak up on behalf of SIG and the beverage carton industry with the aim of driving systemic change. We support the United Nations Global Compact and the United Nations Sustainable Development Goals and are a member of the Supplier Ethical Data Exchange (SEDEX). We are also members of certification initiatives run by the Forest Stewardship Council (FSC) and Aluminium Stewardship Initiative (ASI) and engaged in the International Sustainability and Carbon Certification (ISCC) to support the transition to a net positive food supply system.

Opportunities for improving recycling in the regions vary from one country to another. That's why we manage this issue, including advocacy, at a local level and in partnership with other stakeholders – either directly or through industry organisations. By working together, we aim to enhance the rate of carton packs that are recycled overall in each region by strengthening programmes for collecting and segregating household waste for recycling and raising awareness of the need to recycle. In priority countries, we will work with local stakeholders to develop a strategy to implement tailored solutions.

5 TOPICS: HEALTH & SAFETY

5.1 WORKPLACE SAFETY

5.1.1 RELEVANCE

Workplace safety is a vital prerequisite for any responsible company to protect employees from occupational injuries and empower them to adopt safer behaviours both at work and home. SIG, as a global employer operating in more than 60 countries, has an impact on the health and safety of its over 5,000 employees. These are the key assets of our company.

A majority of our employees work at SIG's production sites, where most incidents occur. One of the root causes of many of these incidents is incorrect behaviour. By focusing on behaviour-based safety and adopting a "Take Care" culture, we will reduce occupational incidents and additionally achieve positive spill-over effects in other areas (e.g., production efficiency, energy efficiency, lower cost, better quality). Consequently, our efforts to reduce lost time, enhance productivity and improve employee engagement will help us to support the success of our business, outperform competitors and meet stakeholder expectations.

5.1.2 OVERARCHING COMMITMENT

We are committed to adopting a preventive safety and health strategy through our "Take Care" culture for workplace safety by striving to prevent all people incidents and work-related illnesses. Thereby, we aim to provide a safe and healthy work environment to our employees and every person that works on our premises. In addition to our commitment to investigate and correct any workplace safety violations complaints on an ad hoc basis, we also commit to regularly conduct workplace and task-based risk assessments as part of our proactive approach to the workplace safety protocol and our "Take Care" culture.

5.1.3 TARGETS

SIG's goals for providing workplace safety are:
- Zero lost-time cases
- Achieve a lost-time case rate in the top 20% of industry peers by 2025

5.1.4 IMPLEMENTATION APPROACH

The SIG safety programme focuses on addressing unsafe behaviours to prevent accidents and promote workplace safety through two pillars: First, life-saving rules, applicable when working under unsafe conditions or adopting unsafe behaviour. Second, behaviour-based safety, supporting adoption of safe behaviour to avoid future incidents. Both pillars are in the scope of our "Take Care" programme. To support our employees to take care of their safety, we provide regular safety trainings. Complementary to these people safety programmes, we address process safety, e.g. by establishing a fire reduction team responsible for all global fire incidents. We partner with our customers to extend our engagement for workplace safety to their operations. Our life-saving rules are also applicable for contractors and visitors at each SIG site.

5.2   CHEMICAL SAFETY

5.2.1   RELEVANCE

SIG recognises its responsibility to inform and instruct its employees on chemical hazards at the workplace. Thereby, we intent to prevent and minimise incidents and health risks and ultimately, provide a safe work environment.

5.2.2   OVERARCHING COMMITMENT

We are committed to eliminating hazardous chemicals that are non-recyclable or non-reusable to zero. Furthermore, safe handling of chemicals is ensured by high global standards.

5.2.3   TARGET

SIG's goal for providing chemical safety is:
- Maintain legal compliance through chemical safety management and strive to reduce hazardous chemicals that are non-recyclable or non-reusable to zero.

5.2.4   IMPLEMENTATION APPROACH

Our risk assessments and corresponding operating instructions form the basis of our approach towards chemical safety at the workplace. They provide relevant information on the safe use, storage and disposal of chemical substances. We do not permit to bring or order chemical substances without previous examination by our EHS department. Additionally, we demand correct labelling of all chemicals. We inform our employees by disseminating instructions in the relevant workplaces and train them to ensure all issues and requirements are understood and can consequently be met.

5.3   EMPLOYEE HEALTH AND WELL-BEING

5.3.1   RELEVANCE

As a responsible company, SIG recognises health and well-being as key topics for its employees and the success of its business. Taking care of our employee's well-being is an essential part of SIG's culture. By placing great emphasis on our employee's health and well-being we not only seek to improve our employee satisfaction and productivity but also decrease SIG's reputational risks and operational costs. Our health and well-being approach covers the mental, social and physical well-being of our employees. One focus is on musculoskeletal health issues, such as back problems, as these can be an indicator of wider health and well-being with root causes ranging from poor ergonomics to workload and stress. By adopting this holistic approach, we enable our employees to lead fuller, more productive lives both at work and at home. Employee well-being has also been identified as a key driver to improve employee engagement levels.

5.3.2   OVERARCHING COMMITMENT

We are committed to improving the physical, mental and social health of our employees and the surrounding community. We aim to shape a work environment where our employees feel more connected and healthier and in consequence improve our employee's satisfaction. To promote this target, we aim

to extend our offer to flexible working hours and working from home opportunities to improve the work-life balance of our employees. We also aim to supporting ergonomics and preventing work-related chronic illnesses.

5.3.3   TARGET

SIG's goals for employee health and well-being are:
- Zero lost-time cases
- Achieve a lost-time case rate in the top 20% of industry peers by 2025
- Define a holistic strategy and roadmap to foster well-being at SIG to enable our employees to lead fuller, more productive lives at work and home

5.3.4   IMPLEMENTATION APPROACH

Our approach on employee's well-being is based on three dimensions: mental, social and physical well-being. The mental dimension covers the wayan individual can cope with the normal stresses in life and can work productively and fruitfully. The social dimension includes the ability to form satisfying interpersonal relationships, to adapt comfortably to different social situations and to act appropriately in a variety of settings whereas the physical dimension of employee well-being focuses on workplace safety and ways to protect the physical health of employees. As part of our net positive approach, we focus on improving employee health and well-being by addressing the root causes for occupational illness with greater emphasis on work-life balance, a healthy work environment, mindfulness, happiness and smart time management to combat stress. We are applying the behaviour-based model we use for employee safety to musculoskeletal health issues, with an initial focus on ergonomics. We are also developing advanced training on ergonomics to help people improve their posture. To better understand employee needs and perceptions, and to establish a baseline, we will include one or more question(s) about wellbeing in the employee survey and hold focus groups. Our holistic approach will inform the development of a leading indicator to monitor the health rate of our employees.

6 CHANGES TO THIS POLICY

The Global Environment, Health and Safety Policy will be regularly reviewed by the respective policy owner. Any changes or updates will be communicated. This policy was last updated on May 31, 2021.