

ECOLEAN SUSTAINABILITY REPORT 2019



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WELCOME

For Ecolean, sustainability is truly in our DNA and has been since the start. Our ambitions are high because we know that we can make a difference. This Sustainability Report, which is a vital part of our sustainability framework, covers the areas that are most important for us to prioritise and improve on. Our sustainability objectives have been linked to appropriate GRI Standard topics and disclosures have been chosen to ensure the completeness of the report. The objectives are arranged in two focus areas – *People* includes our objectives related to social topics and society, and *Packaging Solutions* relates to the environmental impact of our production and products.

Our main focus is on keeping food safe and reducing food waste, to produce packaging solutions in a resource efficient way and to run a responsible business in every activity and operation globally. These focus areas make up our sustainability strategy and clearly connect it to the UN Sustainable Development Goals and to Ecolean's business strategy.

Ecolean strives to provide the world with optimal packaging solutions in terms of safety, convenience and environmental responsibility. The unique composition and design of Ecolean packages brings safe food products to people all over the world – regardless of local distribution channels and climatic conditions.

Our life-cycle approach means that we assess, understand and reduce our impacts. This includes both our carbon footprint in our own operations and our lightweight approach when providing the world with packaging solutions with minimal environmental impact. In fact, Ecolean is the only packaging system supplier that provides Environmental Product Declarations for its entire product range. Ecolean's sustainability programme also covers social responsibility, including our responsibilities towards employees, customers, suppliers and society.

This is Ecolean's third Sustainability Report, prepared in accordance with the GRI Standards Core option. No significant changes in information have occurred compared with our Sustainability Report 2018. In this year's reporting, we have added our new packaging material production plant in Lahore, Pakistan. The plant has an impact on all our KPIs.

All our annual Sustainability Reports can be found at: ecolean.com/sustainability. After reading this report, we hope you understand how we make a difference. Please don't hesitate to contact us with any queries.



Anna Palminger, Sustainability Manager
anna.palminger@ecolean.se



THIS IS ECOLEAN

Ecolean is a rapidly growing and globally expanding system supplier of both lightweight packaging and filling systems for liquid food products. Ecolean's approach to packaging is light – to the benefit of both consumers and the environment. Because we care.



HIGHLIGHTS IN 2019

GROWTH

Increased capacity

Our new production plant in Pakistan is Ecolean's third globally.

469

Increase in employees, from 401 employees in 2018 to 469 in 2019.



Sales representation in 15 countries. New market contacts in Mexico, Brazil and the United Arab Emirates in 2019.

2,000

We engaged with and received useful insights from almost 2,000 consumers at Coke Fest in Lahore and Karachi Eat in Karachi.

140%

The launch of EL1+ in August, Ecolean's fourth machine launch in two years, increases capacity by up to 140 percent while saving resources and reducing environmental impact.

BUSINESS



SUSTAINABILITY

Well on our way towards reaching our 2030 targets.

Top 5% in sustainability

Ecolean was rated Gold Medal Recognition Level in sustainability by EcoVadis, an independent global provider of sustainability ratings. The ranking puts Ecolean in the top 5 percent of 60,000 assessed companies around the world.

25%

We increased the proportion of women in senior positions to 25 percent in 2019, compared to 19 percent in 2017.

During 2019, over 5000 insights were shared in Peakon, our employee engagement survey tool.

81% Renewable electricity. The majority of the electricity we use originated from renewable sources.

In April 2019, Ecolean's Sustainability Manager was one of the speakers at the FBIF Food Beverage Innovation Forum in Hangzhou, China explaining how to evaluate the sustainability aspects of a packaging system.

Designed for recycling. Ecolean's clear packaging ranges are designed for recycling according SUEZ.Circpack®

OUR VISION, MISSION AND CORE VALUES – THE ECOLEAN WAY

VISION

To be the best packaging company in the world in the eyes of all our stakeholders.

MISSION

To provide the world with safe and convenient packaging solutions for liquid food with minimal environmental impact.

CORE VALUES

We are brave.

We always strive to be bolder and better than we were yesterday. We are quick on our feet, and our drive to do better than all others is limitless.

We are innovative.

The known is already known. And done. Different means a change for the better.





We create less. The world doesn't need more. It needs less. That is what we bring: a *lighter* solution for the good of the planet.

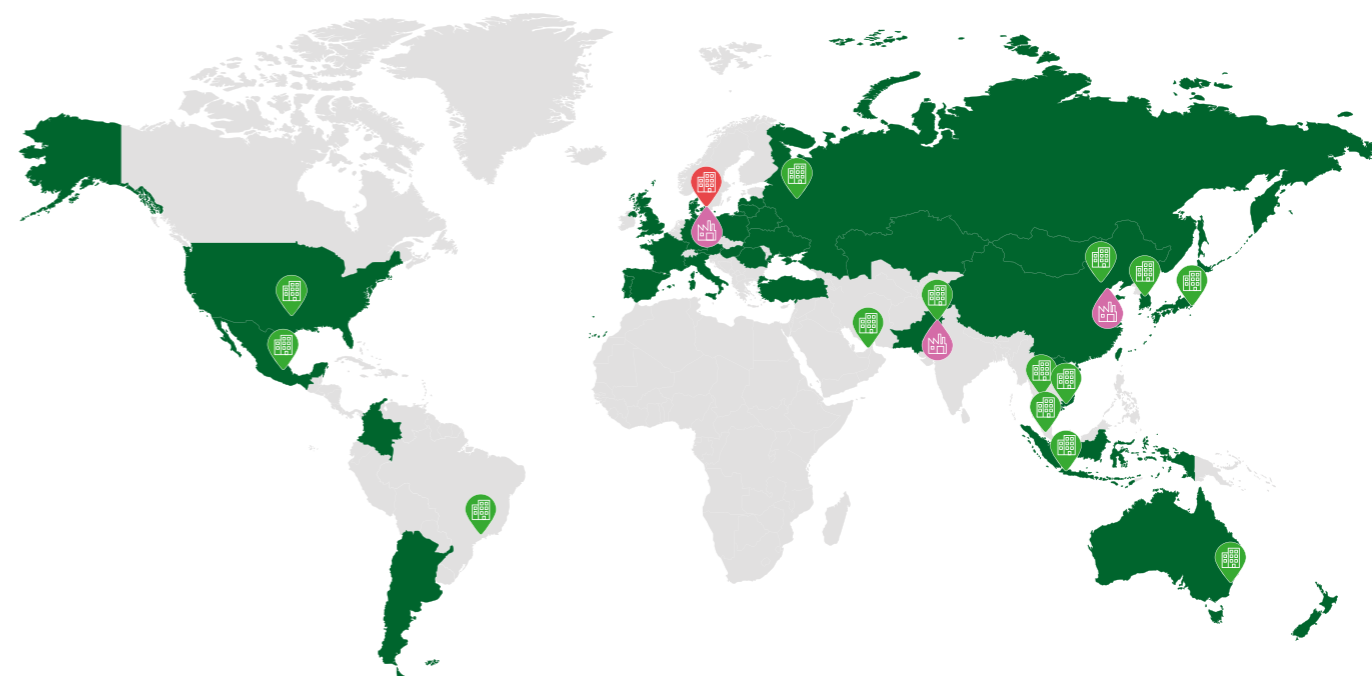
And yes, this includes *you.*

GLOBAL OUTLOOK

The Ecolean Sustainability Report covers all activities within the Ecolean Group during 2019. This includes Ecolean AB and the subsidiaries Ecolean (Tianjin) Co., Ltd., Ecolean Inc., Ecolean Pakistan (Pvt) Ltd., Ecolean SE Asia SDN. BHD, UMZ Ecolean Ltd and Ecolean Japan Co., Ltd.

Ecolean's headquarters is located in Helsingborg, Sweden. The company has production in Sweden, China and Pakistan. The machine production plant in Sweden and the packaging material production plants in Sweden and China are certified according to ISO 14001. We have a long history of monitoring environmental data and apply the precautionary principle.

-  Headquarter, sales office
-  Sales offices
-  Production sites
-  Markets served



CEO STATEMENT

WE PRODUCE PACKAGES FOR LIQUID FOOD FOR A REASON

At Ecolean, we work hard every day to provide a lighter solution for the good of the planet, and enable our customers and consumers around the world to make a difference. Every time a liquid food producer invests in our lightweight Ecolean packaging solutions or a consumer picks up our package at the supermarket – a small, but important choice is made. A choice not to waste food or resources, and to treat the world a little better.

We believe that produced food should reach somebody's mouth. It is simply too important and valuable not to. In a world where almost 1 in 10 people fall ill from unsafe food every year, according to WHO¹, packaging is essential and has an important job to do. By keeping food safe and available for many, regardless of local distribution channels and climatic conditions, packaging makes a difference. Our lightweight packaging solutions bring safe food products to people all over the world every day, whilst minimising the impact on nature's resources and not compromising on consumer convenience.

The global packaging industry is adapting to the shift in customer and consumer behaviour and their increasing demands for sustainable alternatives. I believe this change is positive and much needed. As the industry leader in providing honest and transparent environmental data from all of our operations and products, we set an example for others to follow. A fact-based and holistic approach is the way forward for the entire industry – to enable liquid food producers to compare the sustainability performance of different packaging solutions.

But by being completely transparent, companies also have to identify and address those aspects where progress can be made. Recycling is essential for the sustainable use of packaging, and is a priority for Ecolean. We work to enhance the recyclability of flexible packages within conventional recycling systems through CEFLEX² and work closely with our customers in markets that lack collection, sorting and waste handling systems to increase recycling opportunities. We have raised our own ambitions by setting the goal to offer a new range of packages designed for recycling no later than 2025.

Sustainability is part of our DNA – in every activity, department and in all our interactions with stakeholders. We have taken our economic, social and environmental impact seriously since the start in 1996, and continue to do so. Our efforts were recognised by EcoVadis, the third-party sustainability ratings provider that awarded Ecolean

Gold Medal Recognition for our strategic sustainability work. This puts Ecolean in the top 5 percent of 60,000 companies assessed from 195 different industries and 155 countries. The award reflects our commitment to reduce our environmental impact and and strengthen our position as a responsible packaging supplier.

In 2019, we continued to expand geographically – to make it easier for more markets to choose sustainable solutions. We have completed the construction of our third production plant, located in Lahore, Pakistan. The new plant meets the growing customer and consumer demands for lightweight, convenient packaging solutions in the region and is now being prepared for full commercial production. We established sales representation in Brazil and Mexico, which has led to several new customer launches. A strategic move into the MENA region was also made as we opened a new sales office in Dubai, in the United Arab Emirates.

The EL1+ machine was introduced during the year, which is our fourth machine launch in two years. With up to a 140 percent increase in capacity compared with previous models, this new machine focuses on resource efficiency and a lower utility consumption per filled package.

Looking at our organisation and the committed people contributing to making a difference every day, I see something unique. No matter their geographic location, age or time spent at Ecolean, everyone works hard to maintain and improve our high level of sustainability in all their actions. This dedication is embodied in this report.



Peter L Nilsson, CEO Ecolean Group



¹ WHO (World Health Organisation); information on food safety (<https://www.who.int/news-room/fact-sheets/detail/food-safety>)

² CEFLEX (Circular Economy for Flexible Packaging); a collaboration between companies representing the entire value chain of flexible packaging

THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The seventeen United Nations Sustainable Development Goals (SDGs), adopted by all United Nations Member States in 2015, addresses economic, social and environmental development issues on a global scale. The Sustainable Development Goals provide a powerful aspiration for improving our world – laying out where we collectively need to go and how to get there.

As a global supplier of packaging solutions for liquid food, we support all the SDGs. But we have identified the six goals that are most relevant to our operations and where we see the greatest potential for us to contribute. These six SDGs and how we contribute to them are briefly described below. See pages 64-65 for a full assessment of how relevant each SDG is to our business and how we contribute to them.

2 ZERO HUNGER





By providing safe packaging solutions, Ecolean brings safe food products to people all over the world – regardless of local distribution channels and climatic conditions.


7 AFFORDABLE AND CLEAN ENERGY






We work to reduce our energy use and have the objective to use 100 percent renewable electricity at our production plants. Ecolean produces and develops efficient filling machines in terms of filling capacity and energy use.

8 DECENT WORK AND ECONOMIC GROWTH





Ecolean aims to provide a good working environment and local employment where we operate. We also work to safeguard the rights of our employees – both in our own operations and our supply chain through our Code of Conduct, which sometimes exceeds local regulations.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION





We support efforts to increase recycling opportunities for flexible plastic packaging by collaborating with customers and local recycling systems. Ecolean's packaging solutions also help prevent unnecessary food waste as our packages are easy to empty.

13 CLIMATE ACTION





Ecolean's lightweight approach and resource efficient packaging systems result in packaging solutions with low carbon emissions. We provide fully transparent environmental data for the entire packaging system to help customers make fact-based decisions.

14 LIFE BELOW WATER





The use of packaging can create waste that needs to be addressed by proper waste management systems and recycling infrastructure. Ecolean supports efforts to increase recycling opportunities for flexible packaging.

SUSTAINABILITY POLICY

VISION

To be the best packaging company in the world in the eyes of all our stakeholders.

MISSION

To provide the world with safe and convenient packaging solutions for liquid food with minimal environmental impact.

DELIVERING RESOURCE EFFICIENT PACKAGING FOR A MORE SUSTAINABLE WORLD

Ecolean delivers unique lightweight packaging solutions to liquid food producers around the world. We believe in resource efficiency – both in terms of our innovative products and the way we conduct our business. We develop products and solutions in ongoing dialogue with our stakeholders in order to meet their demands in the most efficient way.

In a world of growing population and consumer demands, we offer safe and innovative packaging that reduces waste and can be used anywhere, regardless of local distribution channels and climate conditions. In everything we do, we strive to create value for all our key stakeholders, from our employees to the end-users of packaged liquid food.

OUR SUSTAINABILITY POLICY

Our Sustainability Policy covers Ecolean's approach to economic, environmental and social aspects. The effective management of these aspects enhances Ecolean's performance and the quality of our products. We continuously improve our management system and processes to strengthen our operational efficiency.



ECONOMIC SUSTAINABILITY

- We always follow our Code of Conduct in terms of business ethics, and we have zero tolerance toward all forms of corruption.

ENVIRONMENTAL SUSTAINABILITY

- Ecolean's packaging solutions shall have the lowest possible environmental impact. Our design and manufacturing processes are based on a life-cycle perspective.
- Ecolean strives to improve its sustainability performance by focusing on our most material topics and by working to reduce our negative impacts.

SOCIAL SUSTAINABILITY

- We support our employees and provide equal opportunities for career development.
- We follow our Code of Conduct, which covers the areas of human rights, diversity, equality and non-discrimination.
- Ecolean has a zero injury target that we strive to meet by systematically improving our work environments and promoting the physical, mental and social health of our employees.
- Food safety and high-quality packaging solutions are at our core.
- We always provide our stakeholders with accurate and transparent information about our operations. All our environmental data is based on life-cycle assessments.

COMPLIANCE

Ecolean complies with relevant legal obligations and voluntary standards that apply to our operations and packaging solutions. We constantly work to raise the awareness of sustainability and quality, and encourage our employees and business partners to respect people and the environment in their day-to-day activities.

The Sustainability Policy is in accordance with the Ecolean Code of Conduct and is supported and complemented by our Whistleblowing Policy. With our commitment to reduce environmental and social impacts and improve performance, we contribute to a more sustainable world.



DON'T WASTE FOOD — WE CARE

Food is the basis for health and well-being, contributes to economic prosperity and strong societies – and is a key part of achieving the UN Sustainable Development Goals. Liquid food requires good packages to keep it safe and fresh for longer. Flexible packaging also allows all the liquid food to be squeezed out, to eliminate food waste. Because we care.



2019 IN THE SPOTLIGHT

POSITIVE CONSUMER ENGAGEMENT

During 2019, Ecolean Pakistan conducted a series of consumer activities to engage with and learn from everyday users of Ecolean packages. For example, at Coke Fest in Lahore and Karachi Eat in Karachi, two festivals with over 250,000 visitors each, we engaged with almost 2,000 consumers and received lots of valuable insights. Visitors thought that the Ecolean package was easy to open and use. “95 percent of people had positive feedback after trying out the Ecolean package at our stand,” says Rifah Qadri, Marketing Manager, Ecolean Middle East & Africa. “‘Lean towards Ecolean, lean towards ease’ is a campaign that speaks to the Pakistani consumers. The convenience of the Ecolean package makes everyday life a little easier and the feedback we received was only positive when asked to rate our package against other types of packaging.”

We attracted consumers to our stall through games and a free tasting of our customer products. The games involved highlighting Ecolean’s key features – easy to open, easy to pour and the fact that the package becomes as flat as an envelope when emptied.



SAFE AND CONVENIENT PACKAGING SOLUTIONS FOR LIQUID FOOD

THE FUNDAMENTAL PREMISE BEHIND THE ECOLEAN PACKAGING SYSTEM FOR LIQUID FOOD IS THE OPTIMISATION AND EFFICIENT USE OF RAW MATERIALS AND ENERGY. USING LESS RAW MATERIALS, WHILE STILL KEEPING THE PRODUCT INSIDE SAFE, PROMOTES SUSTAINABILITY.

Every year, 600 million people fall ill from unsafe food, according to the World Health Organisation on Food Safety. At the same time, it is estimated that a third of all food produced globally (equivalent to 1.3 billion tonnes worth around \$1 trillion each year) is wasted³. This may be due to packages not fulfilling food safety requirements, or being hard to fully empty, especially when it comes to viscous products, which leads to food waste.

Ecolean is committed to contributing to everyone’s right to safe food. Food safety is critical at every stage of the food chain from processing, storage and distribution, to consumption. Ecolean’s packages bring safe food products to people all over the world – regardless of local distribution channels and climatic conditions.

Ecolean’s packages are designed to allow the user to easily squeeze out every last drop, no matter how viscous a product is. By providing packages in different sizes, we also enable consumers to buy exactly the quantity they need.

The packaging material is produced in our production plant in Sweden, and is formed at our plants in Sweden, China and in Pakistan. We deliver a range of hermetically sealed ready-to-fill packages in a variety of different sizes to our customers. Ecolean’s packages for ambient distribution are sterilised using electron beam treatment, or e-beam, at the Ecolean’s production plants. In 2019, we sold 3.1 billion packages.

CONVENIENT PACKAGING

Optimal packages combine consumer convenience with food safety and environmental concern. Packages need to be designed for convenience in order to make a difference in the everyday lives of consumers. Ecolean’s lightweight packages are approved by the Swedish Rheumatism Association (SRA) for being easy-to-open and easy-to-use by people with reduced hand function.



Ecolean® Air for chilled distribution



Ecolean® Air Aseptic for ambient distribution

³ <https://www.un.org/sustainabledevelopment/sustainable-consumption-production/>



ECOLEAN FILLING LINE EQUIPMENT

Ecolean filling lines are designed for efficient operation. We produce our filling line equipment in Helsingborg, Sweden, and produce and assemble the components and equipment for Ecolean filling machines together with our suppliers. These partners work closely with our technical departments and global technical service teams.

Our filling line technical teams provide customers with support and expertise on optimising the performance of the Ecolean packaging system. We continuously work to reduce any food waste by minimizing filled product waste during the filling process at the customer production plant. Systematic performance assessments, customised training programmes and technical upgrades maximise performance and minimise downtime.

In 2019, the Ecolean filling machines EL1/EL1+ and EL2/EL2+ for chilled distribution and EL3/EL3+, EL4/EL4+ and EL6 for ambient distribution were available. The EL1+ was launched during the year and we sold 22 filling machines in total.

PROVIDING SAFE PACKAGING SOLUTIONS

Ecolean provides packaging solutions for liquid food with a focus on food safety. A potential product safety or integrity incident could have adverse consequences on the company's reputation and financial performance. Products produced and marketed by Ecolean must comply with all laws and rules relating to product safety. Beyond this, we also comply with voluntary certification schemes.

We follow ISO 22000 that addresses food safety management. The BRC Packaging is also a leading global standard we follow that verifies technical performance, supports manufacturer legal obligations and helps provide consumer protection. The FSSC 22000 Food Safety System Certification provides us with a framework for effectively managing food safety responsibilities.

Our production plants continuously work with quality inspections and audits. All our processes have documented instructions to follow including quality checks and hygiene rounds. The performance of our management systems is regularly audited, both by internal and external audits. During the year, our new plant in Pakistan began production and the plant was certified according ISO 9001 and FSSC 22000.

As part of our work to provide safe packaging solutions, our engineers perform audits at customer sites. The audits follow up on safety, machine operator training and optimising machine performance. Customers gain greater equipment performance, lower operating costs and better skilled operators. During 2019, 16 external audits were performed focusing on improving the performance of filling line equipment at customer sites.

LIABILITY CLAIMS

Producing and packaging liquid food products is complex, and our customers have the ultimate responsibility to ensure compliance with relevant health and safety regulations. If regulations are violated and the customer believes the packaging system is at fault, they can issue a product liability claim. In 2019, no product liability claims or product recalls were reported by our customers.

In the event of a customer making a claim on one of our products, including anything from a minor issue to a liability claim, they first approach our regional market office. All claims follow our deviation process and a claim investigation is coordinated by the quality department to assure relevant actions are taken. The actions are communicated with the customer and further activities are agreed depending on the claim.

Production plant certificates

Packaging material production, Sweden	ISO 14001, BRC Packaging, ISO 22000, Halal, FDA/IMS, Normpack
Production of filling line equipment, Sweden	ISO 9001, ISO 14001
Packaging material production, China	ISO 9001, ISO 14001, ISO 22000, FSSC 22000, QS-Mark
Packaging material production, Pakistan	ISO 9001, FSSC 22000, Halal

DON'T WASTE RESOURCES – WE CARE

Lightweight packaging is crucial to minimise environmental impact. This approach reduces the amount of resources used and will benefit societies, economies and the environment. Our life-cycle approach is driving the industry forward.

Flexible plastic packaging is durable, resource-efficient and very easy to use. When recycled together with our partners, it creates even more value by promoting the circular use of resources – to promote a better future. Because we care.



2019 IN THE SPOTLIGHT

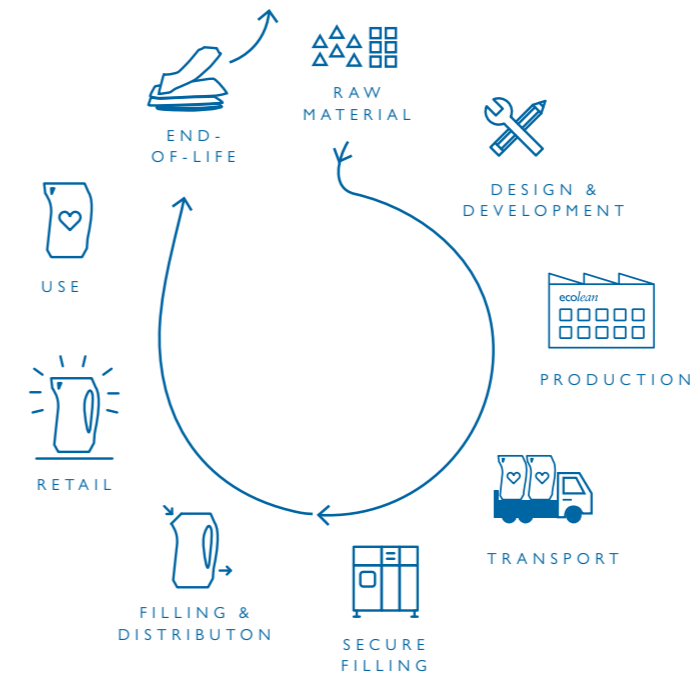


CREATING AWARENESS – THROUGH A LIFE-CYCLE APPROACH

The Food Beverage Innovation Forum (FBIF) was held in Hangzhou, China on 23-25 April, 2019 and was attended by over 4,000 business professionals. Ecolean's Sustainability Manager Anna Palminger was invited as one of the speakers, on how to choose sustainable packaging solutions. "The food and packaging industry needs to understand that a life-cycle approach with completely transparent environmental data in a comparable format is fundamental and something that should be mandatory for all packaging suppliers," says Anna Palminger. "I hope I inspired the FBIF attendees and provided insights into how to take environmental and sustainability aspects into consideration when assessing their packaging options, and also to urge other packaging suppliers to be as transparent as we are."

OUR LIFE-CYCLE APPROACH

Our philosophy has always been to keep our packages lightweight and simple – to use less energy in production and transportation. Ecolean packages ensure very high product to packaging ratios, which ensure minimal packaging material (by weight) is needed to provide optimal protection and functionality for a given amount of product. By working with a life-cycle approach for all our products, Ecolean contributes to resource efficiency and reduced environmental impact.



ECOLEAN SUSTAINABILITY OBJECTIVES

Our sustainability objectives have been defined by the Ecolean Group management team. The sustainability objectives mainly focusing on environmental aspects are clustered within our focus area *Packaging Solutions*, and aim to avoid wasting resources.

Responsibility to achieve the objectives follows our organisational structure where each director has identified relevant actions to address their impact. The objectives related to *Packaging Solutions* are primarily managed by the directors for material production and filling lines.

100 PERCENT RENEWABLE ELECTRICITY

WE WORK TO PROMOTE ENERGY EFFICIENCY BY REDUCING OUR ENERGY INTENSITY AND AIM TO USE 100 PERCENT RENEWABLE ELECTRICITY AT OUR PRODUCTION PLANTS BY 2030.

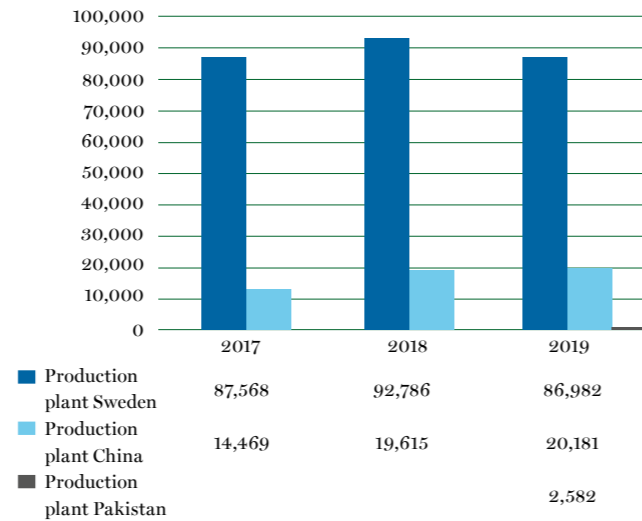
The Ecolean manufacturing process uses electricity as its main energy source, which can emit greenhouse gases. By switching to renewable electricity, we can reduce the climate impact of our production, and help drive the demand for more renewable energy in society. We have committed to sourcing 100 percent renewable electricity for all our production plants by 2030, according to the RE100 definition. In 2019, our production plants in Sweden were powered by 100 percent renewable energy, from hydropower and biogas (except for our emergency power system which was only used during regular tests).

Our reporting covers the energy use of our filling line equipment production in Helsingborg, Sweden and the packaging material production plants in Helsingborg, Sweden, and Tianjin, China, as well as our new packaging material production plant in Lahore, Pakistan, from the autumn 2019.

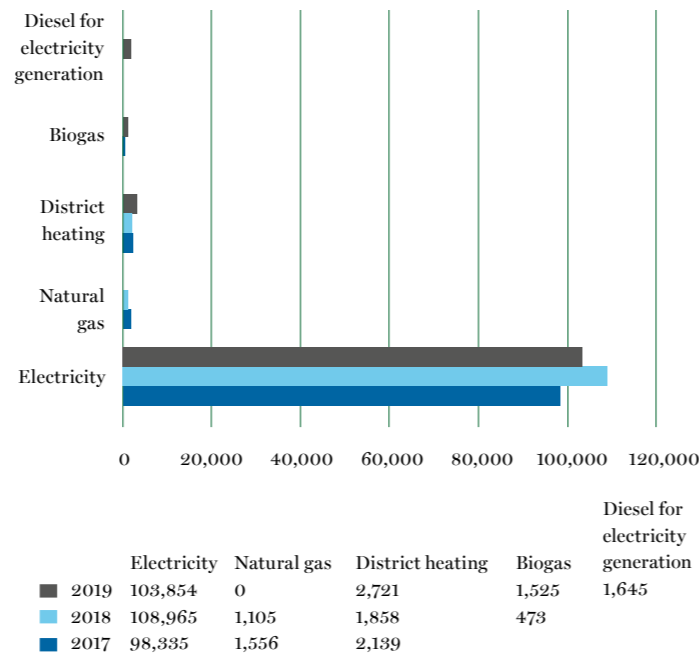
The addition of the energy consumption of our new plant in Lahore reduces opportunities for historical comparisons and adds diesel into our electricity generation mix. The electricity grid in Pakistan has a limited reliability and there is a need to generate electricity locally at the plant.

During 2019, we used a total of 109,745 gigajoules (GJ) of energy at our production plants, which is a decrease of 2 percent compared with 2018.

Energy consumption per site (GJ)



Energy consumption (GJ)



ENERGY EFFICIENCY

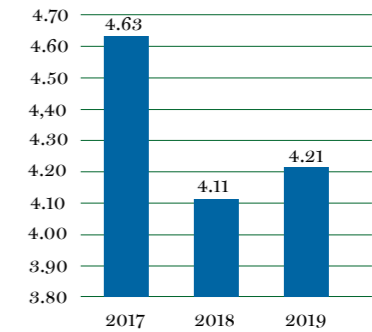
We monitor the energy efficiency of our production with an energy efficiency rate (total energy consumption divided by the total amount of incoming raw materials for packaging material production). Our energy efficiency for 2019 was 4.21 MJ/kg of raw materials, which is an increase of 2 percent from the previous year.

RENEWABLE ENERGY

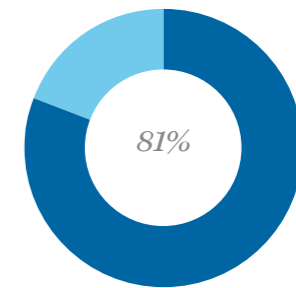
Ecolean sources renewable hydropower electricity for our production plants in Sweden, and renewable biogas for production heating processes at our Helsingborg plant. In total, 81 percent of the electricity used in our production plants was renewable in 2019. This is a decrease compared to the previous year as renewable electricity contracts are limited or not available for our plants in China and Pakistan.

79 percent of our total energy used in production originated from renewable sources in 2019. All energy data is obtained from suppliers.

Energy intensity (MJ/kg raw material packaging)

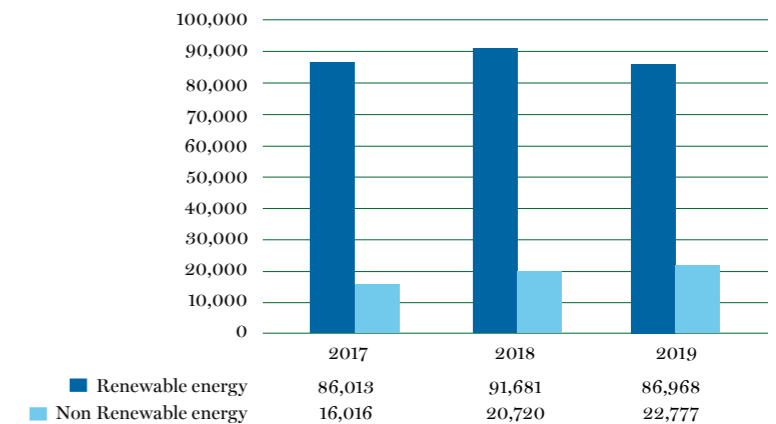


Renewable electricity



Non renewable electricity 19%
Renewable electricity 81%

Renewable energy (GJ)



REDUCING THE GHG INTENSITY OF OUR PACKAGING

AS PART OF OUR COMMITMENT TO REDUCE GHG EMISSIONS THROUGHOUT OUR VALUE CHAIN, WE PROMOTE ENERGY EFFICIENCY, USE RENEWABLE ENERGY AND REDUCE IMPACTS FROM LOGISTICS.

Climate change is a major challenge for all organisations and using products with a low-carbon footprint is more important than ever. Ecolean's approach to use minimal raw materials, and energy in production and distribution, enables us to offer packaging solutions with low carbon emissions.

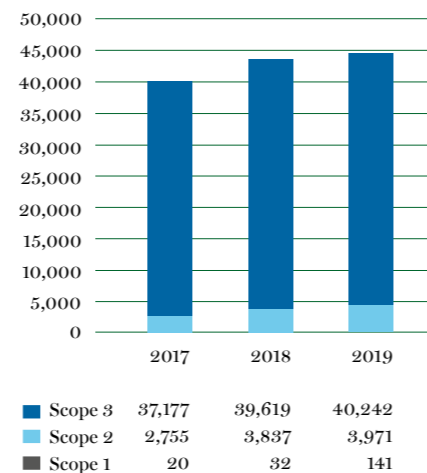
Climate change can also pose risks that can impact our operations. Warmer weather might increase the need for cooling in our facilities, and climate change increases the risk of heavy rain and flooding. Such eventualities can also increase costs, and disrupt our operations and logistics. We monitor and work to decrease our emissions, and life-cycle assessments help to identify our most urgent areas for improvement. In order to decrease the GHG intensity of our packaging, we continuously work on achieving an even more efficient production and increasing the share of renewable energy in our energy mix.

ECOLEAN EMISSIONS REPORTING

We report on the emissions from our production plants by using common boundaries for GHG calculations related to energy and waste. In 2019, we added data from our new packaging material production plant in Pakistan. This impacts our scope 1 emissions due to the need to generate some electricity on site with a diesel generator. It also reduces opportunities for historical data comparisons.

For business travel, we include data from all Ecolean subsidiaries, and from 2019 also data from our smaller market offices. Data from business travel with cars, trains and flights is used when available. The proportion of renewable fuels in petrol and diesel are unknown in many markets. Reporting is based on the GHG Protocol, and more information can be found in the appendix. The use of renewable biogas for production heating

Total GHG emissions Scope 1-3 (tonne)



Scope 1: Emissions from sources that are owned or controlled by the organisation.
 Scope 2: Emissions from the consumption of purchased electricity, steam, or other sources of energy generated upstream from the organisation.
 Scope 3: Emissions that are a consequence of the operations of an organisation, but are not directly owned or controlled by the organisation.

processes at our Helsingborg plant generated biogenic carbon dioxide emissions amounting to 142 tonnes CO₂-eq in 2019.

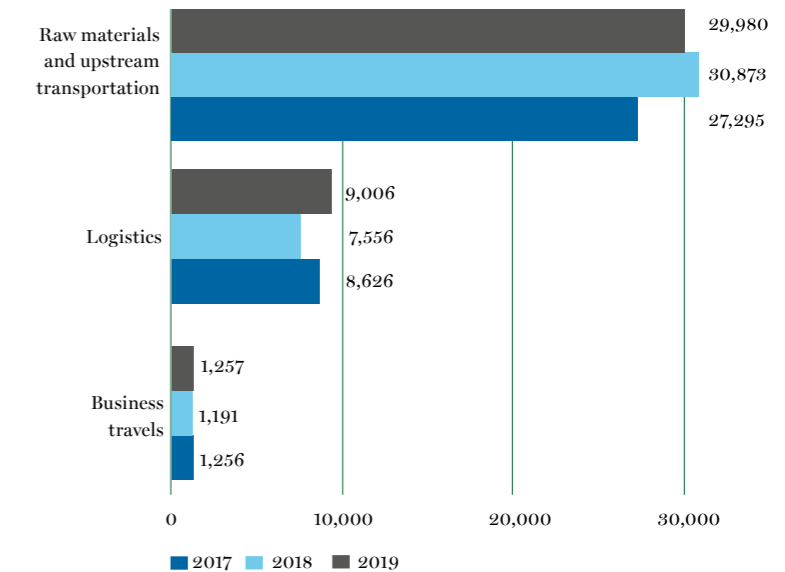
In 2019, our direct and indirect scope 1, 2 and 3 GHG emissions according to the GHG Protocol amounted to 44,354 tonnes CO₂-eq, which is an increase of 2 percent compared with 2018. However, the boundaries are different compared to previous years and we now collect more data. Scope 1 has increased due to electricity generation by diesel at our plant in Pakistan. Scope 2 has increased due to the addition of our new production plant in Pakistan and the increased use of central heating at our plant in China. Scope 3 emissions increased due to the collection of more business travel data and larger emissions from the transportation of packages to customers.

74 percent of our scope 3 emissions are derived from the extraction, processing and transport of raw materials for packaging production and filling machines to our site in Sweden. Most of the remaining scope 3 emissions are generated by the transportation of packaging and filling machines from Ecolean in Sweden to customers around the world. The reporting for 2019 includes the transportation of filling line spare parts. Our products are transported by sea, road, train and air. Emissions from logistics have increased due to the addition of data for spare parts and an increase in the amount of air freight for packaging during the year.

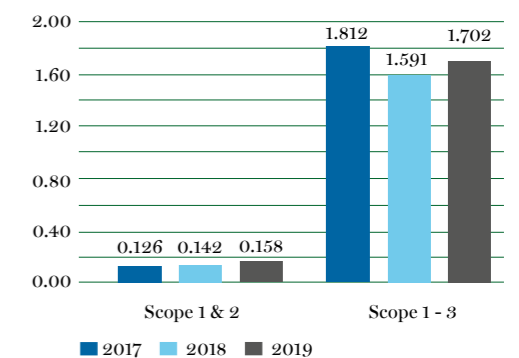
GHG INTENSITY

To be able to monitor our progress in reducing our climate impact, we monitor GHG intensity, which is the total GHG emissions from scope 1, 2 and 3 divided by the used amount of raw materials for packaging production. The GHG intensity comparison for 2019 shows an 11 percent increase for scope 1 and 2, and a 7 percent increase for scope 1-3. This is partly due to the new production plant in Pakistan, but also to more data included for business trips, the transportation of spare parts and increased emissions from logistics.

GHG emissions in Scope 3 (tonne CO₂-eq)



GHG intensity (kg CO₂-eq/kg raw material)



Biogenic carbon dioxide emissions are defined as emissions from a stationary source directly resulting from the combustion or decomposition of biologically-based materials other than fossil fuels.

A LIFE-CYCLE PERSPECTIVE ON RAW MATERIAL IMPACTS

A LIFE-CYCLE PERSPECTIVE ON RAW MATERIALS FOR PRODUCING PACKAGES AND FILLING MACHINES ENABLES US TO FURTHER IMPROVE THE OVERALL EFFICIENCY OF OUR OPERATIONS.

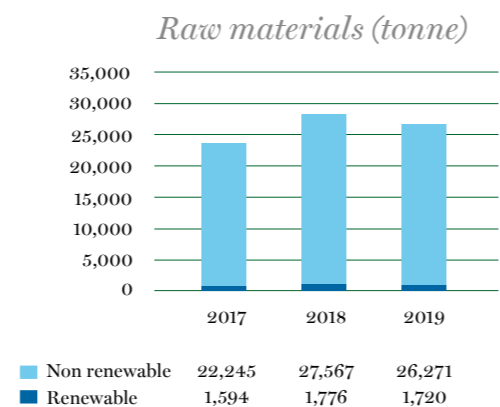
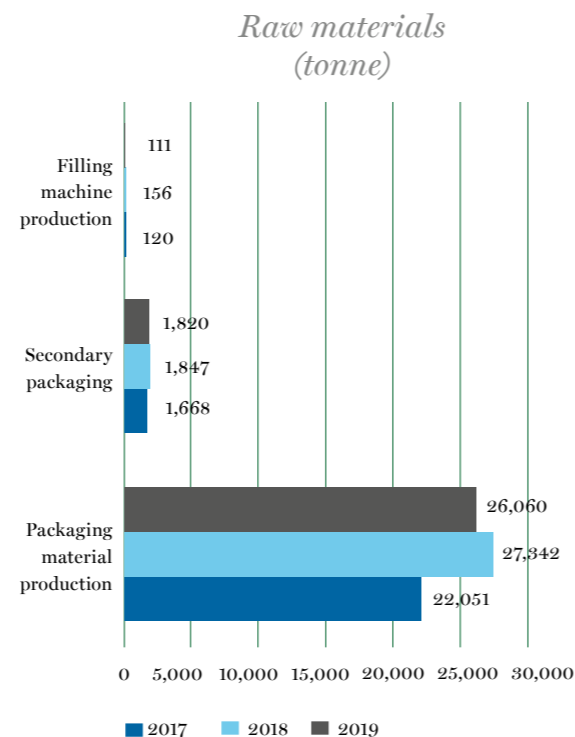
The fundamental premise behind our production process is the optimisation of raw materials and energy while maintaining food safety. By making resource efficient packages, and helping our customers to use less packaging material, we reduce environmental impact.

In 2019, Ecolean used 27,991 tonnes of materials in total, mainly for the production of packages, but also filling machines and secondary packaging materials, used to pack packages and filling line equipment shipping to customers. This is a decrease of 5 percent compared to the previous year, despite secondary packaging materials for shipping filling line equipment being included for the first time. Renewable materials amounted to 1,720 tonnes and non-renewable materials to 26,271 tonnes. Raw materials are purchased from external suppliers and the procurement data is sourced from our Enterprise Resource Planning system (ERP).

OUR USE OF PLASTICS

Ecolean uses polymers made from fossil oil, due to the quality and safety requirements for food packaging, and future restrictions on the use of fossil oil could impact our business. New bio-based plastics are becoming an alternative, but the supply of bio-based plastics still remains limited and the total environmental impact of using bioplastics has not been comprehensively studied. Ecolean has close dialogue with its suppliers regarding opportunities for bio-based materials.

Legislation and brand owner commitments can create greater demands on using recycled plastics in products. However, such rules would pose risks for the food packing industry, as most recycled plastics today do not meet the strong requirements for food contact materials. Ensuring a high quality of recycled plastic raw material for the food packaging industry is a key issue that needs to be addressed. Another challenge is to ensure that raw material changes actually have environmental benefits. Life-cycle assessments are needed to evaluate the environmental effects of switching to bio-based plastics and recycled materials.



INTERNAL RECYCLING OF PLASTIC MATERIAL

Ecolean uses approximately 25 percent internally recycled material in the production of packaging film. Edge trims from packaging film production are reground and granulated internally and mixed with our raw material. This reduces waste and the need for virgin materials.

RAW MATERIALS FOR OUR FILLING MACHINES

Our filling machines mainly consist of stainless steel, aluminium, glass, rubber and copper. The raw materials for filling machines vary from year to year depending on the quantity and type of machines sold. For example, an aseptic machine weighs almost four times as much as a filling machine for chilled distribution. The amount of raw materials used are based on our Environmental Product Declarations for Ecolean filling machines (EL1 and EL2+, EL3+ and EL4+).

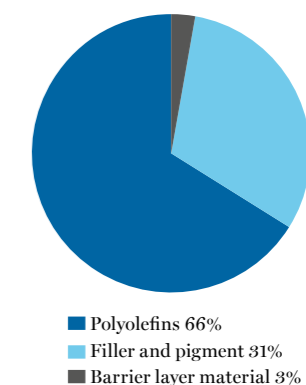
CHEMICAL USE

We handle chemicals in our operations that pose risks to the environment and our employees. All the chemicals we use are registered in a web-based system and employees handling chemicals in their daily work are trained on chemical use. Our ongoing work involves conducting risk assessments and substituting certain chemicals.

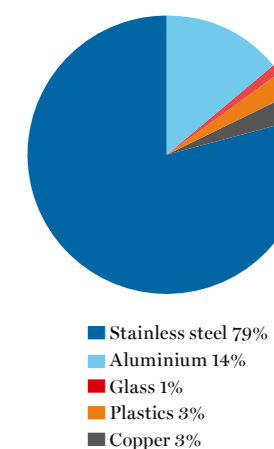
WATER

We use water at our offices and production plants. The 19,947 m³ of water used in 2019 was mainly used for drinking, sanitary purpose and air conditioning. No separate meters are used to specifically measure water consumption in production, but our packaging film production recycles water and requires only small amounts.

Raw materials used in the manufacture of packages in 2019



Raw materials used in the production of filling machines in 2019



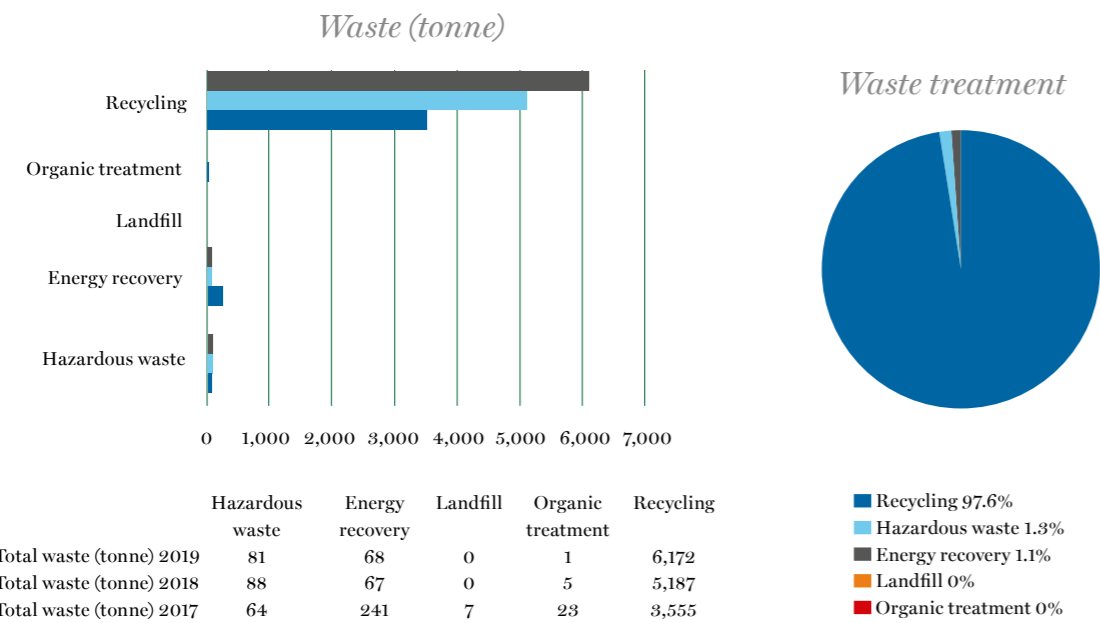
ZERO WASTE TO LANDFILL FROM OUR PRODUCTION PLANTS BY 2030

OUR APPROACH TO WASTE MANAGEMENT

The waste hierarchy defined in the EU Directive 2008/98/EC sets the rules for how Ecolan handles waste. We follow the waste hierarchy by striving to optimise the recycling of our production waste, sorting waste and finding solutions for waste to energy.

We sent no waste to landfill in 2019, with the majority of waste sent for recycling. We will continue to monitor this objective as the establishment of new plants can have an impact. During the data collection for this report we discovered that 2018's total amount of material sent for recycling should be adjusted from 3,708 tonnes to 5,187 tonnes.

Waste is processed by different waste contractors in each country according to local regulations. Hazardous waste in Sweden and China is primarily incinerated.



For the second year in a row, we sent no waste to landfill in 2019 and are committed to maintaining this target.

PROMOTING THE CIRCULARITY OF OUR PACKAGING SOLUTIONS

WASTE MISMANAGEMENT AND DISCARDING PLASTICS IN THE ENVIRONMENT IS ONE OF THE GREATEST RISKS FOR THE PLASTIC PACKAGING INDUSTRY.

DON'T WASTE PLASTIC

The public debate on plastic and littering is closely linked to inadequate waste management and recycling infrastructure in some markets. The risk of potential bans or taxes to reduce the use of plastic packaging and single use products exists in several markets.

In response to this, many brand owners are defining their commitments to introduce recyclable, reusable or compostable packaging within certain timespans. For Ecolean, it is crucial that we work with innovation and development to help fulfil these commitments. The incentive for recycling can be strengthened by improving the market and creating value for recycled plastics.

PROMOTING RECYCLING

Ecolean works to increase opportunities for recycling and enable circularity for flexible plastic packaging. Opportunities for recycling differ between markets and according to the Ellen MacArthur Foundation only 14 percent of plastic packaging is recycled globally.

Both our stakeholders and the Ecolean Group management team identified circularity and recycling as material topics in our materiality assessment. During the year, more knowledge has been collected, study visits have taken place at plastic recyclers and more information on chemical recycling technologies has been gathered. During 2019, Ecolean joined the Swedish Institute for Standards (SIS). In the technical committee for plastics, Ecolean is part of formulating standards for plastic recycling.



CHALLENGES RELATED TO RECYCLING PLASTIC PACKAGING

The main issues concerning recycling plastic packaging are:

- Inadequate infrastructure – many countries lack collection systems for plastic packaging. Some countries even lack proper waste management in general, with approximately 2 billion people worldwide⁴ lacking access to waste management.
- Recycling technologies – mechanical recycling is still the dominant recycling technique for plastic packaging, which involves sorting, grinding, washing and typically converting the recycled plastic into granulates. The quality of recycled plastic can be difficult to ensure, which limits its market potential.
- Limited demand for recycled plastic – recycled plastic raw material is currently limited to low-value products (trays, sacks, pots, etc.), while plastics with more advanced material properties are mainly derived from virgin raw material. The quality of plastics that Ecolean uses in its packaging is not currently available from recycled material and there is a limited amount of recycled plastic that fulfils food packaging demands.

All three areas need to be addressed, both on a national and international level but also in the entire packaging value chain.

CEFLEX PARTNERSHIP

By engaging and sharing knowledge with the recycling industry and dedicated recycling projects, Ecolean enhances the opportunities for recycling our packaging solutions. Ecolean has joined a European project called CEFLEX (a circular economy for flexible packaging), which is a growing group of over 140 companies in the flexible packaging value chain. Through CEFLEX, Ecolean attends stakeholder meetings and different work groups. The main objective in 2019 was to produce design guidelines for flexible packaging by collecting input from the entire value chain.

The CEFLEX Vision is that by 2020, there will be a comprehensive sustainability and circular economy roadmap for flexible packaging in Europe. This includes widely recognised design guidelines and a robust approach to measure, demonstrate and communicate the significant value flexible packaging adds to the circular economy. By 2025, there will also be an established collection, sorting and reprocessing infrastructure/economy throughout Europe for flexible packaging based on end-of-life technologies and processes that deliver the best economic and environmental outcomes for a circular economy.

⁴ UNEP Global Waste Management Outlook

DESIGNED FOR RECYCLING

The availability of collection systems for plastic packaging, as well as sorting and recycling processes vary between countries. Designing packages for recycling means that packages are composed of material that can be easily sorted and recycled where applicable collection and sorting systems are available. Different assessment can be made to ensure that any adaptations to existing packages promote recyclability. For example, the SUEZ.Circpack® solution is based on Suez' knowledge and expertise in the collection, sorting and recycling industry.

During 2019, SUEZ.Circpack® evaluated our transparent packaging ranges and both Ecolean® Air Clear and Ecolean® Air Aseptic Clear received the certification 'Designed for Recycling'. The certification provides third-party verification that the packages are recyclable where recycling systems for mixed polyolefin plastic are available in a particular market.

SUPPORTING LOCAL RECYCLING SCHEMES

In many markets, recycling infrastructure for flexible plastic packaging is inadequate. But local schemes are gaining ground in some markets, for example in Australia and New Zealand. The REDcycle and Soft Plastic Recycling schemes offer collection services at designated drop off locations often near stores to transport material to recyclers. The systems are developed and financed by a product stewardship model where manufacturers, retailers and consumers share responsibility to create a more sustainable future. Ecolean supports these schemes to enable end consumers to recycle Ecolean packages.

RECYCLING PROJECT

Recycling is essential for the sustainable use of packaging and is a priority for Ecolean. Due to material composition, our product range for white packages can in some markets be diverted in the recycling processes, depending on local recycling technologies. It is important for us to work closely with our customers and local recycling organisations to improve the opportunities to recycle our packages. But this is not enough. We as a producer of packaging material have set a goal aiming to offer a new range of packaging designed for easy recycling, by 2025 at the latest.

A CIRCULAR SOLUTION FOR FILLING LINES

We have an extended producer responsibility to provide information on the recycling of our equipment. For filling equipment, we have already implemented a circular solution, included in the producer responsibility and related to the CE-marking. This is emphasised through filling line equipment agreements that usually include a paragraph that regulates the end-of-life of the machine. Our regional directors and sales teams work to ensure that this paragraph is included and used. When a machine is taken out of production, Ecolean offers to refurbish or recycle it. In 2019, two old machines were returned to Ecolean to be recycled.

” 2019 IN THE SPOTLIGHT

WE ENABLE CIRCULARITY FOR OUR PACKAGES

Recycling is essential for the sustainable use of packaging and it is important for Ecolean to work closely with customers and local recycling organisations to improve the opportunities to easily recycle our packages. We are happy to see that the development of collection systems and recycling infrastructure is a top priority in our markets.

Our clear packages can be recycled where collection systems and recycling processes are available in the market. In 2019, Ecolean® Air Clear and Ecolean® Air Aseptic Clear were certified as 'Designed for Recycling' by SUEZ.Circpack®, which verified the recyclability of our packages in existing recycling systems where recycling systems for mixed polyolefin are available.

“We are happy to see that conventional recycling systems are able to process our clear packages, but we want to go further,” says Magnus Carlberg, Manager Material Development at Ecolean. “As a producer of packaging material, we have set a goal to offer a full range of packages that are designed to fit into present post-consumer recycling systems by 2025 at the latest. We will continue to update the progress of this development project in coming reports.”



RESPONSIBLE BUSINESS – WE CARE

Our company culture and our strong beliefs cover our entire business, regardless of geographic location. We are hard-working, brave individuals with innovative and ground-breaking ideas. We are a responsible and transparent company that works holistically with economic, social and environmental issues. Because we care.



”

2019 IN THE SPOTLIGHT



ENSURING A KNOWLEDGEABLE FUTURE

During the fall of 2019, Ecolean exhibited at the student fair ARKAD at the Faculty of Engineering at Lund University, in Sweden. “This is a way for Ecolean to reach out to the next generation of engineers and coming professionals in our industry and create an interest for Ecolean and our products” says Andreas Arnell, Manager, Mechanical Systems at Ecolean. “By being present at ARKAD and other student events, we maintain a high quality level of employees in the next few years, to ensure Ecolean’s continuous development of innovative and lightweight packaging solutions”.

With 190 exhibiting companies and over 300 volunteers, ARKAD is the largest career fair in Scandinavia. On the 13th and 14th of November, 2019, the Faculty of Engineering at Lund University were crowded with thousands of students and exhibitors eager to meet new people and seize future opportunities.

RESPONSIBLE EMPLOYER

The growing nature of our company impacts our employees, and it is important we maintain employee engagement and transparency. We do this by promoting our core values and a common Ecolean culture in all our markets and offices. During the year, we have continued to strengthen our culture by involving everyone in discussing and committing to our vision, mission and core values to create clarity of who we are, what we stand for and our purpose. All of our market offices employ local staff and are in tune with the regional cultures and conditions. Our core values help us to find a balance between an international and regional approach.

PERFORMANCE REVIEW

We use a common company-wide performance review template and all our employees have regular discussions with management on relevant individual objectives for the year that support Ecolean’s overall objectives. Furthermore, we want to ensure a simple and qualitative approach in the discussions as well as a continuous follow-up mechanism that goes beyond the standard annual review format. Each manager has the responsibility to have performance review discussions with their team members four times a year. Performance reviews are implemented in all our markets.

PEAKON

To follow up and promote engagement with our employees, we implemented the Peakon employee engagement survey tool in 2019. The system is used by hundreds of companies throughout Europe and the US, and its insights provide a more objective view of our performance as an employer and where we can improve. The feedback helps us improve our organisation and promote our culture. All feedback provided from employees is completely anonymous.

During 2019, we made Peakon available for all employees in our Swedish operations, covering 229 employees. Over 5,000 comments were shared with management. In 2020, we will involve all our employees around the world in the Peakon tool.



ECOLEAN CODE OF CONDUCT

We apply our Code of Conduct throughout Ecolean and it covers business ethics, human rights, fair employment conditions and safe working conditions, environmental responsibility and high ethical standards. The Code of Conduct is supported by more detailed company policies, which are statements of mandatory behaviour concerning areas such as whistleblowing, IT, HR, confidentiality and authorisation. All employees shall comply with our Code of Conduct, which sometimes exceeds the relevant laws, regulations and standards in the countries we operate in.

All Ecolean employees responsible for personnel are obligated to introduce new employees to our Code of Conduct as well as regularly update current employees. Furthermore, we will strive to ensure that our business partners comply with our Code of Conduct and other policies. Ecolean respects human rights as defined by the United Nations Global Compact.

WHISTLEBLOWING POLICY

Several of our sustainability objectives within our *People* focus area are related to how we interact with each other, both as colleagues and as business partners. As misconduct in these interactions can damage Ecolean's reputation, it is important that any misconduct is reported, either to Ecolean management or via our reporting systems.

Being an organisation with fast decision-making processes, we have the ability to quickly address potential problems. The reporting of deviations is also part of our environmental and quality management systems, and we have a whistleblowing policy and system in place with an external online whistleblowing function.

Our whistleblowing function provides a mechanism for reporting, investigating and remedying any wrongdoing in the workplace. We strive to maintain a transparent business climate and high business ethics. The openness between colleagues and management often results in addressing issues and finding solutions before any serious harm is done, which is demonstrated by the fact that our whistleblowing function is rarely used. One case was reported via the whistleblowing function during 2019, although this case was not related to any of our sustainability objectives. The case was solved through discussions with the involved parties.

OUR EMPLOYMENT TERMS AND CONDITIONS

At the end of 2019, Ecolean had 469 employees. During the year, 32 consultants have been involved in various activities at our market offices to support specific projects.

The employment terms and conditions offered to our employees must be easy to understand and comply with national law and/or collective agreements as well as relevant ILO Conventions. All our employees in Sweden are covered by collective bargaining agreements, with 49 percent of our total workforce covered.



TOTAL NUMBER OF EMPLOYEES

	Europe			Americas			Russia			Asia and Oceania		
	2017	2018	2019	2017	2018	2019	2017	2018	2019	2017	2018	2019
Female	31	31	43	0	0	1	12	12	13	31	35	33
Male	158	168	186	4	1	4	17	17	17	121	137	172
Total	189	199	229	4	1	5	29	29	30	152	172	205

TOTAL NUMBER OF EMPLOYEE BY EMPLOYMENT CONTRACT, BY GENDER

	Permanent			Temporary		
	2017	2018	2019	2017	2018	2019
Female	72	73	90	2	5	0
Male	293	313	372	7	10	7

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT, BY REGION

	Europe			Americas			Russia			Asia and Oceania		
	2017	2018	2019	2017	2018	2019	2017	2018	2019	2017	2018	2019
Permanent	181	184	228	4	1	5	28	29	30	152	172	199
Temporary	8	15	1	0	0	0	1	0	0	0	0	6
Total	189	199	229	4	1	5	29	29	30	152	172	205

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT TYPE, BY GENDER

	Full time			Part time		
	2017	2018	2019	2017	2018	2019
Female	70	69	86	4	9	4
Male	293	315	374	7	8	5

All figures refer to the number of employees 2019-12-31

PROMOTING A DIVERSE WORKFORCE AND EQUAL OPPORTUNITIES

We are dependent on our ability to attract and retain key talent and competences as losing key employees could impact Ecolean's operating and financial performance. Being a fast-growing company requires the continuous recruitment of skilled employees. Our Human Resources team works together with line management to identify the competences we need as well as developing and retaining existing employees, to ensure that our future business needs are met. Ecolean offers its employees the opportunity to develop personally and professionally – and to be part of a journey to change the world of packaging.

We have adopted a successful strategy of hiring locally in the markets where we are active, which has resulted in a very diverse global organisation.

Many of the positions within Ecolean are of technical nature and are traditionally male dominated. Ecolean considers several criteria for each individual recruitment, including the promotion of a better gender balance in our workforce.

PROMOTING EQUAL OPPORTUNITIES

Being perceived as an employer that provides equal employment opportunities is essential. For the past six years, Ecolean has cooperated with the Swedish organisation Tekniksprånget that offers internship opportunities to people under the age of 21 with the relevant technical education. Through internships, Ecolean has offered young persons opportunities to work as an engineer within the company for four months. In 2019, we had two interns, one female and one male.

Equality in the workplace addresses our ambition to break down the barriers that could block opportunities in our business for certain groups of people. We risk unintentionally excluding highly competent and talented people, so it is important we identify and remove the barriers that prevent equal opportunities for all.

Any cases of discrimination should be reported to the Ecolean management or via our whistleblowing function. The Code of Conduct is discussed at staff meetings and is part of our daily work. During the year, no cases of discrimination were reported.

EMPLOYEE DEVELOPMENT

Ecolean works to ensure that all employees develop through their daily work and feel secure in their professional roles. We demand that personal differences are respected to counteract discrimination and harassment. At Ecolean, all employees have the same rights, obligations and opportunities regardless of gender, gender identity or gender expression, age, sexual orientation, disability, ethnicity, religion or nationality.

GENDER DIVERSITY BY EMPLOYMENT CATEGORY

	Production/ Blue collar			Commercial/Technical/ General			Management			Total		
	2017	2018	2019	2017	2018	2019	2017	2018	2019	2017	2018	2019
Female	6%	7%	6%	30%	27%	25%	19%	26%	25%	20%	19%	19%
Male	94%	93%	94%	70%	73%	75%	81%	74%	75%	80%	81%	81%

AGE DIVERSITY BY EMPLOYMENT CATEGORY

	Production/ Blue collar			Commercial/Technical/ General			Management			Total		
	2017	2018	2019	2017	2018	2019	2017	2018	2019	2017	2018	2019
<30	34%	37%	38%	19%	20%	14%	3%	0%	2%	22%	22%	20%
30-50	60%	54%	53%	61%	58%	65%	72%	76%	73%	62%	60%	62%
>50	6%	9%	9%	20%	22%	21%	25%	24%	25%	16%	18%	18%

EMPLOYEE TRAINING AND EDUCATION

As the number of Ecolean employees grows, the need for a well-developed training offering increases. In 2019, a manager was appointed to further develop the Ecolean Academy. The academy is a common portal and platform that provides our employees around the world with internal education and training, orientation courses and e-learning on a range of topics. During 2019, we made an upgrade of the Ecolean Academy platform, which is our Learning Management System (LMS). The Ecolean Academy is a great tool for providing e-learning (eL) courses. In total, 175 individuals participated in different eL courses and 49 different eL courses were active in the system during the year.

We continue to provide the Ecolean orientation course to our employees around the world. The course provides information on our operations, ethics, Code of Conduct, strategies, sustainability and market activities. In 2019, the Ecolean orientation courses provided a total of 888 hours of training.

In 2019, we introduced a more formal five-day sales training where new sales representatives are invited to participate. The programme aims to provide a good understanding of Ecolean and our products, and importantly, it is a great opportunity for Ecolean employees to network and get to know new colleagues. Topics on the agenda include sustainability, HR, marketing activities, financial aspects, our production facilities, product development and R&D, safety and quality. In 2019, nine people completed the sales training, equating to 360 hours of training in total. In addition, a global sales conference, and local sales training for sales force and service engineers were arranged.



For our service engineering team, we continuously provide training to maintain and develop skills. During the year, seven technical training sessions covering different topics were held. This training covered 1,480 hours in total.

In addition to these global training sessions, several market offices provide various training adapted to identified local needs and when new employees join the company.

During 2019, the following e-learning modules were launched:

- Ecolean Quality Manual
- Whistleblowing Policy
- Code of Conduct
- Ecolean Sustainability objectives
- EL1+ launch training
- Shopper Marketing
- Ecolean Academy – How to navigate
- Peakon – have your say

At Ecolean, we want to ensure the long-term employability of our employees, which involves focusing on the uniqueness of our technology, product development and production processes. Following a needs analysis, we have invested in substantial employee training to ensure we have the right competence now and in the future. We also facilitate internal horizontal or vertical movement within our constantly evolving organisation and operations. Today we have employees from different Ecolean locations working at our headquarters in Helsingborg and our ambition is to increase this exchange and growth of competences. On-the-job training ensures employees keep up to speed with developments in our technology, products and production. The Ecolean Academy supports this by promoting internal training for our employees.



OUR ZERO INJURY TARGET

One of our most material sustainability aspects is health and safety in our operations, and our target is to achieve zero injuries throughout our operations. We work towards this target through continuous risk management, ongoing training, the implementation of critical procedures and by promoting a culture of zero injuries and instant incident reporting.

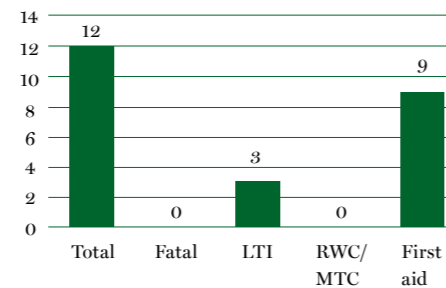
As Ecolean produces packaging and filling line equipment in an industrial environment, we constantly work to promote safety throughout our operations. Safety risk assessments are performed on all processes and formal health and safety committees conduct safety inspections attended by employees, management and external safety engineers. All 'near miss' incidents are reported, and action is taken to prevent injuries.

When an incident occurs, e.g. an injury or near miss, a report is filed locally for line management to drive root-cause analysis and corrective actions. The report is also sent directly to the director for material production, who informs Group management of the incidents reported.

Occupational health and safety reporting was reviewed during 2019 and actions have been taken to improve the reporting process and benchmarking in 2020 – to ensure our reporting will follow the new GRI Standard GRI 403:2018.

Ecolean reports all injuries that occur by gender and by region.

Personal injuries total and by severity 2019



*LTI Lost Time Injury
RWC Restricted Work Case
MTC Medical Treatment Case*

HEALTH AND SAFETY TRAINING

During 2019, focus areas included forklift and traffic safety standards, and a fire hazard assessment for our printing operations. Several health and safety training sessions were held at our market offices. At our plant in China, nine different external trainings all relating to health and safety training certificates were performed with an average of five participants per topic. Our office in Pakistan held training sessions in basic lifesaving, firefighting training and forklift operations. Our production plant in Sweden provided training sessions in sky lift and forklift operations, and additional first aid and defibrillator training was held for 104 employees.

	Europe				Americas			
	2018		2019		2018		2019	
	Women	Men	Women	Men	Women	Men	Women	Men
Number of injuries	0	9	0	7	0	0	0	0
Number of injuries/employee	0	0.054	0	0.038	0	0	0	0
Number of work related fatalities	0	0	0	0	0	0	0	0
Lost day rate (lost days/total days worked)	0	0.00081	0	0.00024	0	0	0	0

	Russia				Asia and Oceania			
	2018		2019		2018		2019	
	Women	Men	Women	Men	Women	Men	Women	Men
Number of injuries	0	0	0	0	0	4	0	5
Number of injuries/employee	0	0	0	0	0	0.029	0	0.029
Number of work related fatalities	0	0	0	0	0	0	0	0
Lost day rate (lost days/total days worked)	0	0	0	0	0	0.00050	0	0.00003

ZERO TOLERANCE FOR CORRUPTION

Ecolean is a global company operating in many markets, and entering a new market can pose risks. These might include breaches of our Code of Conduct related to corruption or bribery, which are detrimental to society and can damage a company's brand and reputation.

Before entering a new market, we conduct a risk assessment that includes corruption-related risks. We continuously discuss and evaluate corruption risks and Ecolean's corporate management is ultimately responsible. This is also part of our due diligence of suppliers and consultants, and is particularly relevant for some of the high-risk markets we operate in. All suspected cases should be reported to the Ecolean management. As a general rule, Ecolean does not give donations or sponsorships.

Our Code of Conduct makes our zero tolerance for corruption very clear. All new employees receive the Code of Conduct and are informed of its content and importance. Employees can find information regarding bribery and corruption on the Ecolean intranet and printed versions of our Code of Conduct are available at all our offices. We discuss our Code of Conduct at staff meetings and aim to make it part of our daily work. During the year, approximately 65 employees in our market offices received training, focusing on the Code of Conduct and the importance of zero tolerance for corruption. No cases of corruption were reported during the year.



ZERO TOLERANCE FOR HUMAN RIGHTS VIOLATIONS

Violations of human rights in our operations and supply chain can potentially have severe detrimental impacts on individuals and society, as well as potential negative impacts on our brand and reputation. The risk of human rights violations within Ecolean is considered to be very low, but we need a comprehensive risk assessment system as our global supply chain continues to grow.

Human rights are addressed in our Code of Conduct and in our Supplier Code of Conduct. Ecolean respects human rights as defined by the United Nations Global Compact.

We also provide human rights training as part of our Code of Conduct training. All new employees receive information on our Code of Conduct during their introduction and sign up to it. During 2019, 37 participants in the Ecolean Academy Orientation course were trained on the Code of Conduct and an additional 25 employees in China received training, in total 14 percent. During 2019, a new eLearning for the Code of Conduct was launched. Our whistleblowing function is in place to report any suspected human rights violations, although no cases relating to human rights violations were reported in 2019.

ACCURATE AND TRANSPARENT COMMUNICATION

In a world where environmental claims and messages are everywhere, transparent communication based on facts is more important than ever. This is why we have committed ourselves to always base our environmental communication on life-cycle assessments. We only make claims that we can back up with solid proof – which helps to avoid ‘greenwashing’ and strengthens our brand.

We believe that our customers should have access to accurate and transparent information regarding our systems to base their decisions upon. We follow all relevant laws and regulations regarding marketing, and use the International Chamber of Commerce (ICC) Framework for Responsible Environmental Marketing Communications as guidance in our environmental communication.

We use standardised programmes to give customers the big picture and allow them to request the same type of documents from other suppliers. Environmental Product Declarations (EPDs), follow the ISO 14025 standard, and are the most transparent way to communicate the environmental impact of our products. The documents are based on full life-cycle assessments and are third-party verified. They are also open sourced at the International EPD® System (www.environdec.com).

Ecolean has published four EPDs covering the packaging range for ambient and chilled distribution, and filling machines for ambient and chilled distribution. As far as we know, we are the only packaging supplier that provides such transparent documents for its entire product range.

In 2019, an internal sustainability communication project was launched, focusing on gathering arguments and proof to ensure that all the information we communicate is accurate and transparent. All relevant personnel in Sweden were educated in the platform in sessions during the year. The Sustainability sessions will be rolled out globally in 2020.

Any complaints regarding the quality of our communications are reported to the marketing department and are managed by the marketing manager. The reasons for the complaint will be investigated and corrected if necessary. No incidents of non-compliance concerning marketing communications were reported during the year.



SUPPLY CHAIN

ECOLEAN DEPENDS ON VARIOUS RAW MATERIAL SUPPLIERS THAT WE SEEK TO ESTABLISH LONG-TERM RELATIONSHIPS WITH.

There is always a risk that suppliers might go out of business, do not deliver in time or stop producing an important raw material or component. Our procurement department assesses new suppliers before signing supplier contracts, both through self-assessments and audits on site.

ECOLEAN SUPPLIER CODE OF CONDUCT

During 2019, a new Supplier Code of Conduct was launched that covers all the expectations Ecolean has on suppliers, including anti-corruption, environmental awareness, human rights, and health and safety. Accepting the Supplier Code of Conduct is mandatory for our suppliers to be able to sign a supplier agreement with Ecolean.

OUR SUPPLY CHAIN

Ecolean works with 238 raw material suppliers for packaging material production and the production of filling line equipment in Sweden, and a further 100 suppliers for our market offices and plants around the world. The monetary value of payments made to suppliers amounted to SEK 794 million in 2019. Our main suppliers are large, international companies in the chemical sector, located in Sweden and Europe, that provide us with the polymers and additives needed when producing packaging material.

In filling line equipment production, Ecolean mainly works with European and global suppliers that provide parts and components for machine assembly. Some of the equipment assembly is done by European suppliers. Our packaging production plants uses both local and European suppliers. No significant changes to our supply chain occurred during the reporting period.



2019 IN THE SPOTLIGHT

RECOGNISED AS A LEADING SUSTAINABILITY COMPANY

Ecolean was awarded the prestigious Gold Medal Recognition 2020 for our sustainability work. The certificate is awarded by the independent provider of business sustainability ratings, EcoVadis, which placed Ecolean in the top 5 percent of a total of 60,000 companies around the world.

“We are very pleased that our sustainability work is top rated in a global context. The demand for lightweight packages with minimal environmental impact for liquid food is increasing, and independent assessments such as EcoVadis helps us to showcase our commitment and successful work on developing packaging solutions with sustainability at the core of our business,” says Peter L Nilsson, CEO of Ecolean Group.

EcoVadis evaluates sustainability work in global supply chains by focusing on four key areas: environment, labour and human rights, ethics and sustainable procurement. EcoVadis uses international standards such as the Global Reporting Initiative and the UN Global Compact.



STRATEGY, STAKEHOLDERS, GOVERNANCE



MATERIALITY ASSESSMENT

THE ECOLEAN SUSTAINABILITY REPORT COVERS OUR MOST IMPORTANT SUSTAINABILITY TOPICS TO OUR ORGANISATION AND OUR STAKEHOLDERS.

Relevant or material topics are those that may be considered significant for our economic, environmental and social impacts, or that influence the decisions of our stakeholders. We have used the GRI Reporting Principles as a guideline to define the content of this report.

We use various sources to identify the relevant topics for Ecolean and our stakeholders:

- media
- input from industry organisations
- new laws and regulations relating to our industry and raw materials
- environmental organisations
- the United Nations Sustainable Development Goals
- direct communication with stakeholders during the reporting period

These sources provide us with a list of relevant topics that reflect Ecolean's greatest sustainability impacts and the interests of our stakeholders. Our stakeholders are those directly or indirectly impacted by our business, including our owner, employees, customers, consumers, suppliers, auditors, governments, local authorities and neighbours of our operations. Input for the analysis was provided by customers, employees, industry organisations, media and regulators. Sustainability is a regular discussion topic at our regular meetings with various stakeholders, which provides valuable input for our materiality analysis and reporting.



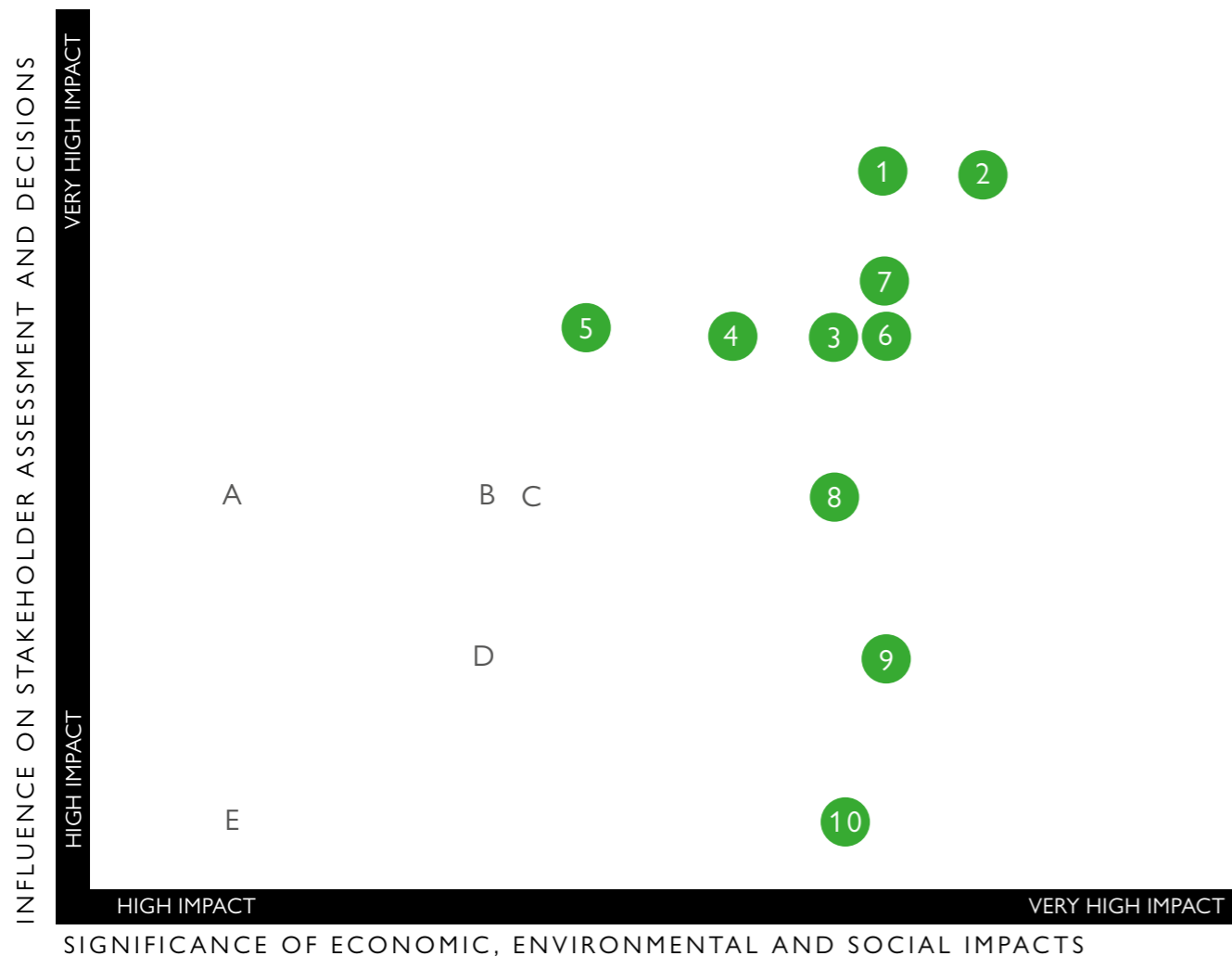
STAKEHOLDER TRENDS IN 2019

The interest in plastics and plastic packaging in particular from media and society remains high. However, media coverage of plastics and littering still lacks a holistic life-cycle perspective on the issue, and there is a need to raise awareness of the bigger picture. In fact, the importance of plastic packaging recycling is increasing in all our markets as a solution to plastic littering.

Ecolean also closely follows the increasing regulation in several markets regarding circular economy, single use products, recycling rates, recyclability and recycled content.

The increased attention on plastic packaging, littering and recycling were identified in our first materiality assessment and sustainability objectives are in place to focus on these topics. The increased importance of this topic is shown in our reviewed materiality matrix. The materiality matrix is approved by the Ecolean Group management team.

MATERIALITY TOPICS MATRIX



- IDENTIFIED MATERIAL TOPICS (PRIORITY)**
- 1. Occupational Health and Safety
 - 1. Customer Health and Safety
 - 2. Anti-corruption
 - 3. Marketing and Labeling
 - 3. Diversity and Equal Opportunity
 - 3. Non-discrimination
 - 4. Human Rights Assessment
 - 5. Training and Education
 - 6. Effluents and Waste
 - 7. Promote recycling
 - 8. Emissions
 - 9. Materials
 - 10. Energy

- OTHER IMPORTANT TOPICS (NOT PRIORITY)**
- A. Operational water in filling machines
 - B. Market presence
 - C. Energy use in filling machines
 - D. Human rights in supply chain
 - D. Environmental impact in supply chain
 - E. Employee turnover

MATERIALITY

A full materiality assessment was performed in 2017 to define our sustainability objectives, and is reviewed on a yearly basis by the Ecolean management team. During the last review in 2019, it was decided to move the importance of topic number 7 - Promote recycling (see matrix) even further up our topic prioritisation due to its very high impact.

We have incorporated the key topics and concerns raised by our stakeholders in the analysis. The material topics and concerns raised have been adopted into our approach and constitute the foundation for our sustainability objectives and how we work. Compliance with laws and legal obligations is of greatest importance to our organisation and any deviations will be reported in our annual Sustainability Report.

ECOLEAN SUSTAINABILITY OBJECTIVES

Ecolean has twelve defined sustainability objectives covering the material topics identified during the materiality assessment. The objectives have been defined and decided upon by the Ecolean Group management team. Responsibility to achieve the objectives follows our organisational structure where each director has identified relevant actions to address their impact.

Our sustainability objectives have been linked to appropriate GRI Standard topics and disclosures have been chosen to ensure completeness of the report. Our objectives are arranged in two focus areas – *People* includes our objectives related to social topics and *Packaging Solutions* relates to the environmental topics.

CHANGES DURING THE YEAR

Our materiality analysis is regularly confirmed by stakeholder input. In 2019, two of the objectives were renamed with minor changes. The objective *We have a zero-accident target in all our operations* was renamed to *We have a zero injury target in all our operations*. The objective *We take responsibility for fair and transparent information regarding our systems* was renamed to *We take responsibility for accurate and transparent information regarding our systems*.

GOVERNANCE STRUCTURE

Ecolean is a privately-owned company, founded in 1996 in Helsingborg, Sweden.

The Ecolean AB board of directors is responsible for the governance of the overall Ecolean Group. There are five sub committees to the Board of Directors – the Audit Committee, the Strategy Committee, the Remuneration Committee, the Sales and Marketing Committee and the Technology and Innovation Committee. The Board of Directors has the ultimate authority in strategic decision making within Ecolean Group and is also responsible for the sustainability report. The Ecolean Group management team, including the CEO and the functional and regional directors, is responsible for the operational governance of the company, including decision making on economic, environmental and social topics.

ECOLEAN SUSTAINABILITY OBJECTIVES

PEOPLE

Ecolean Sustainability Objective	Action	GRI Topic	Boundary/Specific interest to stakeholders
<i>We have zero tolerance for corruption.</i>	Ecolean has zero tolerance concerning all forms of corruption and will work actively to ensure a non-existence within the Ecolean Group.	Anti-corruption	Ecolean Customers Suppliers
<i>We have zero tolerance for breaches of human rights.</i>	We will respect human rights as defined in the United Nations Global Compact, and we desire to take that responsibility towards our employees and the societies within which we work.	Human Rights Assessment	Ecolean Society
<i>We promote a diverse workforce and equal opportunities.</i>	We offer all individuals equal opportunities regardless of gender, nationality, religion, age, ethnic background or other distinctive characteristics.	Diversity and Equal Opportunity	Ecolean
	We will work actively for a company culture and a working community free from discrimination and harassment.	Non-discrimination	Ecolean
<i>We have a zero injury target in all our operations.</i>	Appropriate health and safety information and training are provided to employees.	Occupational Health and Safety	Ecolean
<i>We invest in training and education for our personnel.</i>	We will strive to develop and retain qualified and motivated employees in a professional environment.	Training and Education	Ecolean
<i>We provide the world with safe and convenient packaging solutions for liquid food.</i>	The products produced and marketed by Ecolean comply with all laws and rules relating to product safety, throughout the value chain.	Customer Health and Safety	Ecolean Customers Consumers Suppliers
<i>We take responsibility for accurate and transparent information regarding our systems.</i>	Information regarding our systems will always be fact-based and transparent, by following relevant standards and guidelines.	Marketing and Labeling	Customers

PACKAGING SOLUTIONS

Ecolean Sustainability Objective	Action	GRI Topic	Boundary/Specific interest to stakeholders
<i>We will reduce the GHG intensity from our packages.</i>	Reducing GHG emissions by reducing use, shift to renewable energy sources, optimising production, transports, etc.	Emissions	Ecolean Customers Suppliers Logistics
<i>We will use 100% renewable electricity in all our production sites by 2030.</i>	We will use renewable electricity, by using the RE100 definitions.	Energy	Ecolean
<i>We will keep reducing the environmental impact from raw materials used in production, based on a life-cycle perspective.</i>	By monitoring raw material usage and research progress, we will reduce the impact from materials used in a life-cycle perspective.	Materials	Ecolean Suppliers
<i>We will have zero waste to landfill from our production sites by 2030.</i>	Use the waste hierarchy (EU Directive 2008/98/EC) as a guideline for our waste handling and work with waste contractors to find better treatment options than landfill for all our production sites.	Effluents and Waste	Ecolean
<i>We are taking action to increase the possibilities for a circular economy for our packaging solutions.</i>	Support different initiatives for recycling of flexible plastic packaging. To offer circular solutions for our filling line equipment.	No topic-specific GRI Standard – Circular Economy	Ecolean Customers Consumers/ Society Industry/ Partners

IMPACT ON UN SDGS

UN SDG	Relevance	Ecolean contribution and impact	Ecolean focus area and sustainability objectives
	High	<ul style="list-style-type: none"> + Ecolean packages bring safe food products to people all over the world – regardless of local distribution channels and climatic conditions. + Ecolean packages allow food products to be transported long distances, handle harsh environments and withstand long-term storage at ambient temperatures without access to refrigeration. 	<p>DON'T WASTE FOOD – WE CARE</p> <p>We provide the world with safe and convenient packaging solutions for liquid food.</p>
	Medium	<ul style="list-style-type: none"> - Ecolean's operations involve health and safety risks. + Through our work with health and safety, we work to minimise and manage risks and educate employees. + Through our work with audits on customer sites, we promote health and safety, and the safe operation of filling machines. + Through the design of our filling line equipment, we reduce exposure to chemicals and risks during the filling operation for customer personnel. 	<p>RESPONSIBLE BUSINESS – WE CARE</p> <p>We have a zero injury target in all our operations.</p>
	Medium	<ul style="list-style-type: none"> + Ecolean promotes a diverse workforce and works towards maintaining a gender balance in our workforce. + Through our Code of Conduct we promote an inclusive culture and tolerate no discrimination. 	<p>RESPONSIBLE BUSINESS – WE CARE</p> <p>We promote a diverse workforce and equal opportunities.</p>
	Low	<ul style="list-style-type: none"> + Ecolean filling machines do not require water during filling, only during cleaning. 	<p>DON'T WASTE RESOURCES – WE CARE</p>
	High	<ul style="list-style-type: none"> - The manufacturing of packaging material requires energy and Ecolean works to promote energy efficiency and the use of renewable energy in our most energy consuming processes. + We work to increase the proportion of renewable energy at our production sites + We work to reduce energy use, both at our production sites and in our filling line equipment. 	<p>DON'T WASTE RESOURCES – WE CARE</p> <p>We will use 100% renewable electricity in all our production sites by 2030. We will reduce the GHG intensity of our packages.</p>
	High	<ul style="list-style-type: none"> + Ecolean works to safeguard employee labour and human rights, both in our own operations and in our supply chain through the Ecolean Code of Conduct. + We contribute to economic growth by paying taxes and fees in the countries in which we operate. 	<p>RESPONSIBLE BUSINESS – WE CARE</p> <p>We have a zero injury target in all our operations. We invest in training and education of our personnel.</p>
	Medium	<ul style="list-style-type: none"> + Ecolean works continuously to reduce the environmental impact of our system and adopts sustainable practices throughout the value chain. + Ecolean provides jobs and helps build infrastructure in the countries in which we operate. + Ecolean promotes product innovation. 	<p>RESPONSIBLE BUSINESS – WE CARE</p>
	High	<ul style="list-style-type: none"> - The use of packaging can create waste that needs to be addressed by proper waste management systems and recycling infrastructure. - Ecolean's production involves emissions to air. Emissions are regulated by environmental permits in the countries where we operate and we constantly work to reduce our emissions. + Ecolean promotes recycling opportunities for flexible plastic packaging. 	<p>DON'T WASTE RESOURCES – WE CARE</p> <p>We are taking action to increase the possibilities for a circular economy for our packaging solutions. We will reduce the GHG intensity of our packages. We will send zero waste to landfill from our production sites by 2030.</p>

UN SDG	Relevance	Ecolean contribution and impact	Ecolean focus area and sustainability objectives
	High	<ul style="list-style-type: none"> - With the use of packages, waste is created. Proper waste management systems and the availability of recycling infrastructure is a prerequisite in all markets. - Ecolean's production today uses finite resources. We work to increase the use of renewable materials in our production. + Ecolean's packaging solutions prevent food waste. Our packages are flexible and easy to empty. + Ecolean packaging prevents food waste by prolonging the shelf life of the products inside. + We work with sustainability as part of our business concept by promoting product innovation and driving a life-cycle perspective + Ecolean is part of creating increased recycling opportunities for flexible plastic packaging. 	<p>DON'T WASTE FOOD – WE CARE DON'T WASTE RESOURCES – WE CARE</p> <p>We are taking action to increase the possibilities for a circular economy for our packaging solutions. We will keep reducing the environmental impact from raw materials used in production, based on a life-cycle perspective. We will send zero waste to landfill from our production sites by 2030. We take responsibility for accurate and transparent information regarding our systems.</p>
	High	<ul style="list-style-type: none"> - Any manufacturing process or produced products generate carbon emissions. + Ecolean's lightweight approach and efficient production process results in packages with a low carbon footprint. + Ecolean provides full environmental data for the entire packaging system, to help customers make fact-based decisions. + Ecolean works to increase the use of renewable energy at our production sites. + Ecolean works to reduce energy use, both at our production sites and when optimising our filling line equipment. 	<p>DON'T WASTE RESOURCES – WE CARE</p> <p>We will use 100% renewable electricity in all our production sites by 2030. We will reduce the GHG intensity from our packages. We take responsibility for accurate and transparent information regarding our systems.</p>
	Medium	<ul style="list-style-type: none"> - With the use of packages, waste is created. Proper waste management systems and the availability of recycling infrastructure is a prerequisite in all markets. - The risk of plastic littering is high in some of the markets, where Ecolean operates. + Ecolean takes action to increase recycling opportunities for flexible plastic packaging. 	<p>DON'T WASTE RESOURCES – WE CARE</p> <p>We are taking action to increase the possibilities for a circular economy for our packaging solutions.</p>
	Low	<ul style="list-style-type: none"> - As the demand for renewable materials increases, the risk of these materials being produced in a non-sustainable way increases. + As part of our sustainability work, we always evaluate new raw materials with a life-cycle perspective. 	<p>DON'T WASTE RESOURCES – WE CARE</p> <p>We will keep reducing the environmental impact from raw materials used in production, based on a life-cycle perspective.</p>
	Low	<ul style="list-style-type: none"> + Ecolean's Code of Conduct and supplier Code of Conduct set the rules regarding sustainability aspects such as corruption and human rights. 	<p>RESPONSIBLE BUSINESS – WE CARE</p> <p>We have zero tolerance for corruption. We have zero tolerance for breaches of human rights.</p>
	Medium	<ul style="list-style-type: none"> + Ecolean works to increase the value of flexible packaging and promote a circular economy. By promoting recycling infrastructure, Ecolean helps to reduce littering and the mismanagement of plastic waste. + Ecolean engages with relevant partners to address any challenges and collaborate with stakeholders to constantly improve performance. 	<p>RESPONSIBLE BUSINESS – WE CARE</p>

Excluded SDGs, due to negligible impact: 1 No poverty, 4 Quality education, 10 Reduced inequalities

EXTERNAL INITIATIVES

WE WORK WITH VARIOUS EXTERNAL INITIATIVES THAT PROVIDE US WITH GUIDANCE AND COLLABORATION OPPORTUNITIES TO FURTHER IMPROVE OUR OPERATIONS.

Our approach to sustainability is described in our Code of Conduct, which refers to the United Nations Global Compact guidelines. Our filling line equipment production plant and packaging production plants are certified according to ISO 14001 and several standards relevant to products for liquid food packaging. These standards are described in the relevant sections of this report.

Organisation	Membership	Geographic status area
CEFLEX	Member	Europe
EUROPEN	Member	Europe
Normpack	Member	Sweden
Swedish Association for Quality	Member	Sweden
FTI AB	Member	Sweden
IKEM	Member	Sweden
SWEFLEX	Member	Sweden
SIS	Member	Sweden
Normpack	Member	Sweden
The Confederation of Swedish Enterprise	Member	Sweden
Association of Russian dairy producers	Member	Russia
Association of Russian beverage producers	Member	Russia
Lahore Chamber of Commerce	Member	Pakistan
Swedish Business Council, Pakistan	Member	Pakistan
Environment Protection Agency	Member	Pakistan
Sundar Industrial Estate	Member	Pakistan
Pakistan Nuclear Regulatory authority	Member	Pakistan
Swedish Chambers of Commerce	Member	USA
HR Association, Tianjin	Member	China
China Dairy Industry Association	Member	China
IHR League, Tianjin	Member	China
Safety Production Association	Member	China
Dairy Association of China	Member	China
China Packaging Federation	Member	China
Sedex	Registered supplier	Global



EXTERNAL ASSURANCE



Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Ecolean AB, corporate identity number 556361-0212

Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the year 2019 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 12. The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion

A statutory sustainability report has been prepared.

Malmö, 12 March 2020

Öhrlings PricewaterhouseCoopers AB

Sofia Götmar Blomstedt
Authorised Public Accountant

My Lidén
Authorised Public Accountant

EXTERNAL ASSURANCE



Ecolean AB requested WSP Sverige AB to conduct an independent third-party assessment to verify the Ecolean 2019 sustainability report. This to assure fulfillment of the GRI Sustainability Reporting Standards (2016) requirements at the Core reporting level. The assessment process has involved desktop assessment of the written report in the final version of the report. The audit has been conducted and quality assured by WSP Sverige AB. The assessment does not include verification of the contents of the report.

We hereby confirm that Ecolean's 2019 sustainability report fulfill the GRI SRS requirements at the Core level.

Helsingborg 2020-02-24

WSP SVERIGE AB

Johan Fridh

Matilda Hildingsson

APPENDIX



GRI CONTENT

GRI Standard Title	Disclosure Number	Disclosure Title <i>Individual disclosure items ('a', 'b', 'c', etc.) are not listed here</i>	Page Number	Omissions	Explanation / Information	
GRI 102: General Disclosures 2016	102-1	Name of the organisation	3		Helsingborg, Sweden	
	102-2	Activities, brands, products, and services	9, 19, 20			
	102-3	Location of headquarters	9, 61, 72			
	102-4	Location of operations	9			
	102-5	Ownership and legal form	61			
	102-6	Markets served	9			
	102-7	Scale of the organisation	6-7, 9, 19, 20, 43			In 2019, Ecolean had net sales of SEK 1,097.6 (1,097.9) million and total capitalisation of SEK 2,067.7 (1,919.1) million (equity SEK 1,703.6 (1,573.6) million and debt SEK 364.1 (345.5) million).
	102-8	Information on employees and other workers	42, 43			Data compiled and reported by all offices, by the end of the year, 2019-12-31. The data corresponds to data in human resource management systems. The number of employees in Europe has previously been reported as an average number of employees over the year. In 2019, this was adjusted to head count at year end.
	102-9	Supply chain	54			
	102-10	Significant changes to the organisation and its supply chain	3, 6-7, 9, 54			
	102-11	Precautionary Principle or approach	9			
	102-12	External initiatives	12-13, 64-65, 66			
	102-13	Membership of associations	66			
	102-14	Statement from senior decision-maker	10-11			
	102-16	Values, principles, standards, and norms of behavior	8, 14-15			
	102-18	Governance structure	61			
	102-40	List of stakeholder groups	58-59			
	102-41	Collective bargaining agreements	42			
	102-42	Identifying and selecting stakeholders	58-59			
	102-43	Approach to stakeholder engagement	35, 58-59			
	102-44	Key topics and concerns raised	58-59, 60, 62-63			
	102-45	Entities included in the consolidated financial statements	9			
	102-46	Defining report content and topic Boundaries	58-59, 62-63			
	102-47	List of material topics	60			
	102-48	Restatements of information	3, 32, 42			
	102-49	Changes in reporting	3			
	102-50	Reporting period	3			
	102-51	Date of most recent report	3			
	102-52	Reporting cycle	3			
	102-53	Contact point for questions regarding the report	3			
102-54	Claims of reporting in accordance with the GRI Standards	3				
102-55	GRI content index	72-74				
102-56	External assurance	68-69				

GRI Standard Title	Disclosure Number	Disclosure Title <i>Individual disclosure items ('a', 'b', 'c', etc.) are not listed here</i>	Page Number	Omissions	Explanation / Information
GRI 205: Anti-corruption 2016	GRI 103: Management approach 2016 205-3	Confirmed incidents of corruption and actions taken	42, 50		
			50		
GRI 301: Materials 2016	GRI 103: Management approach 2016 301-1	Materials used by weight or volume	25, 30-31		
			30-31	No data available for associated process materials. Only raw materials are reported.	
GRI 302: Energy 2016	GRI 103: Management approach 2016 302-1	Energy consumption within the organisation	25, 26-27		
			26-27		Ecolean does not produce or sell energy.
GRI 305: Emissions 2016	GRI 103: Management approach 2016 305-1	Direct (Scope 1) GHG emissions	25, 28-29		Emissions are consolidated from entities over which Ecolean has operational control. Emissions are consolidated from entities over which Ecolean has operational control.
			28-29, 75		
			28-29, 75		
			28-29, 75	Energy from renewable sources can be used in scope 3 but the data is not provided from suppliers.	
GRI 306: Effluents and Waste 2016	GRI 103: Management approach 2016 306-2	Waste by type and disposal method	25, 32		
			32		
GRI 403: Occupational Health and Safety 2016	GRI 103: Management approach 2016 403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	42, 48-49		
			48-49	Consolidated data for absenteeism and total occupational diseases not available for Ecolean Group. No available data for workers other than Ecolean employees.	Lost days refers to scheduled working days and counts actual days when the employee is unable to work.

GRI Standard Title	Disclosure Number	Disclosure Title <i>Individual disclosure items ('a', 'b', 'c', etc.) are not listed here</i>	Page Number	Omissions	Explanation/ Information
GRI 404: Training and Education 2016	GRI 103: Management approach 2016 404-2	Programs for upgrading employee skills and transition assistance programs	42, 46-47 46-47		
GRI 405: Diversity and Equal Opportunity 2016	GRI 103: Management approach 2016 405-1	Diversity of governance bodies and employees	42, 44-45 44-45		
GRI 406: Non-discrimination 2016	GRI 103: Management approach 2016 406-1	Incidents of discrimination and corrective actions taken	42, 44-45 44-45		
GRI 412: Human Rights Assessment 2016	GRI 103: Management approach 2016 412-2	Employee training on human rights policies or procedures	42, 51 51	412-2a: No data available on total hours devoted to training on human rights.	The launch of the new Learning Management System occurred during end of 2019. Monitoring of devoted time will be further developed.
GRI 416: Customer Health and Safety 2016	GRI 103: Management approach 2016 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	21 21		
GRI 417: Marketing and Labeling 2016	GRI 103: Management approach 2016 417-3	Incidents of non-compliance concerning marketing communications	52 52		
We are taking action to increase the possibilities for a circular economy for our packaging solutions	GRI 103: Management approach 2016 No topic specific GRI standard	Report on initiatives taken to increase recycling and circular economy for our products	34-37 34-37	Data on availability of circular solutions for flexible plastic packaging solutions is missing.	Mapping of availability for separate collection and recycling possibilities for flexible plastic packaging will be further developed, as part of this objective.

APPENDIX – GHG EMISSIONS

• GHG EMISSIONS – SCOPE 1, 2 AND 3

Ecolean reports on the energy use from our production plants and the same boundaries are used in the GHG emissions calculations from energy and waste. For business travel, Ecolean AB, our subsidiaries and local market offices are included, and data on the impacts from cars, trains, and flights are used when available. We use both generic and company specific emission factors.

• SCOPE 1 AND 2

The Greenhouse Gas Protocol has been used to calculate emissions. Carbon dioxide is the dominating greenhouse gas, although others are included. The calculation model has been conducted by an independent consultancy. For scope 1 and 2 emissions, we use operational control as a consolidation approach. For scope 2, we report according to the market-based method. Location-based emission factors are however used for China as information from energy suppliers is not available. Since January 2017, Ecolean has purchased renewable electricity from hydropower plants for its production plants in Sweden. If we would use location-based method for Scope 2 electricity, emissions would increase by less than 3 percent, to 3,921 tonnes CO₂-eq. The reason for this is that the Swedish electricity mix uses small quantities of fossil fuel. Emission factors from the Gabi 7 LCA 2017 software have been used for the Swedish average electricity mix.

Scope 1 emission factors for natural gas are based on values from Miljöhandboken 2011 and emission factors from fuel for company-owned cars are based on data from the Swedish Transport Agency (Handbok för vägtrafikens luftföroreningar, 180208). In Sweden, vehicle fuels have a portion of renewable content but it is unknown if this is the case in our other markets. The proportion of biogenic carbon dioxide emissions is therefore unknown. Emission factors for scope 2 are based on data for electricity and district heating in China and Pakistan from the GHG Protocol, Purchased electricity v4.8 and the GHG Protocol's Stationary Combustion v4.1. Emission data for Swedish electricity are based on data from the Swedish electricity supplier. The Swedish Environmental Protection Agency Emission data has been used to calculate biogenic carbon dioxide emission from biogas and for calculation of emissions from the combustion of diesel for electricity.

• SCOPE 3

Scope 3 emissions cover all other indirect emissions in a company's value chain. In scope 3, Ecolean reports according to the GHG Protocol Corporate Value Chain Standard using the following categories: 1. Purchased goods and services, 4. Upstream transportation and distribution, 6. Business travels and 9. Downstream transportation and distribution.

Emission factors for business trips by air are derived from ICAO, and business trips by train and car from the GHG Protocol Average 2015.

Impacts from raw materials and upstream transportation are based on background data from life-cycle assessments performed during 2017, published in the four Ecolean Environmental Product Declarations in October 2017. Impacts from raw materials include upstream transportation and distribution. Energy from renewable sources can be used in scope 3 but the data is not provided from suppliers, which means there is no specific reporting of biogenic carbon emissions.

ecolean
a lighter approach to packaging

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