

Sustainability Report FY23

U.S. and Canada



 **Tetra Pak**[®]
PROTECTS WHAT'S GOOD

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Introduction

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Letter From Our U.S. and Canada President and CEO

This year, as Tetra Pak marks the 40th anniversary of our campus in Denton, Texas, I have the welcome opportunity to reflect on our company's commitment to sustainability. Through the decades, we expanded a campus that began as a packaging material converting factory to include a Product Development Center, a Customer Innovation Center, and a Technical Training Center — all of which prioritize sustainability. The campus now also serves as the headquarters for the U.S. and Canada market.

While the campus has grown significantly since 1984, the core aspects of our purpose, **we commit to making food safe and available, everywhere and we promise to protect what's good: food, people and the planet**, have remained consistent.

Looking at some of the first packages produced in Denton, like this Tetra Brik® Aseptic carton of orange juice (pictured right), brings home how true to our purpose we have stayed. The on-pack message identifying the product as shelf-stable without the need for preservatives or refrigeration remains unchanged today. This demonstrates our unwavering focus on providing food that is safe and available in a shelf-stable carton that helps reduce food waste.

At the same time, I am struck by how many sustainability designations our cartons display today:

The Forest Stewardship Certification® (FSC®) logo. Ever since Tetra Pak became an active member of the FSC® in 2009, our cartons can carry the on-pack logo, attesting to the responsible sourcing of the paperboard we use for our cartons.

The recycling logo. Displaying the unqualified recycling icon became an option for our cartons in the U.S. in 2017, when carton recycling access to the “substantial majority,” which equates to 60% or more of households, as defined by the Federal Trade Commission's (FTC) Green Guides, became a reality.

The Bonsucro logo. When this carton was printed, using sugarcane to create polymers for caps and coatings was just an idea. Today, not only is it possible, but using plant-based materials is gaining momentum. Through Bonsucro's Chain of Custody program, we can trace the responsible sourcing of the sugarcane byproducts we use.



The first carton design to be produced at the Denton packaging converting factory in 1984.



Our industry has an incredible responsibility to create more sustainable food systems. I'm proud to share how Tetra Pak is rising to the challenge. Comparing our cartons today with the orange juice carton from 1984 shows how far we've come, and is a reminder that the investments we are making today across our packaging, processing and services businesses will help us continue to protect food, people and the planet for the next 40 years and beyond.

I am proud of the many other ways we've evolved to protect food, people and the planet in the last year. Our first employee resource group, ElevateHER, is empowering a community of women, giving them the tools, networking and support needed to unlock their maximum potential. Our newly expanded Technical Training Center in Denton is providing development opportunities for our Service Delivery Engineers and our customers so our customers can operate more efficiently. We are setting ambitious goals and making meaningful progress every day!

On behalf of our team of more than 1,700 employees in the U.S. and Canada, I am pleased to share the FY23 Tetra Pak U.S. and Canada Sustainability Report. The following pages highlight just a selection of the steps our team members are taking today to create a more sustainable tomorrow.

Sincerely,

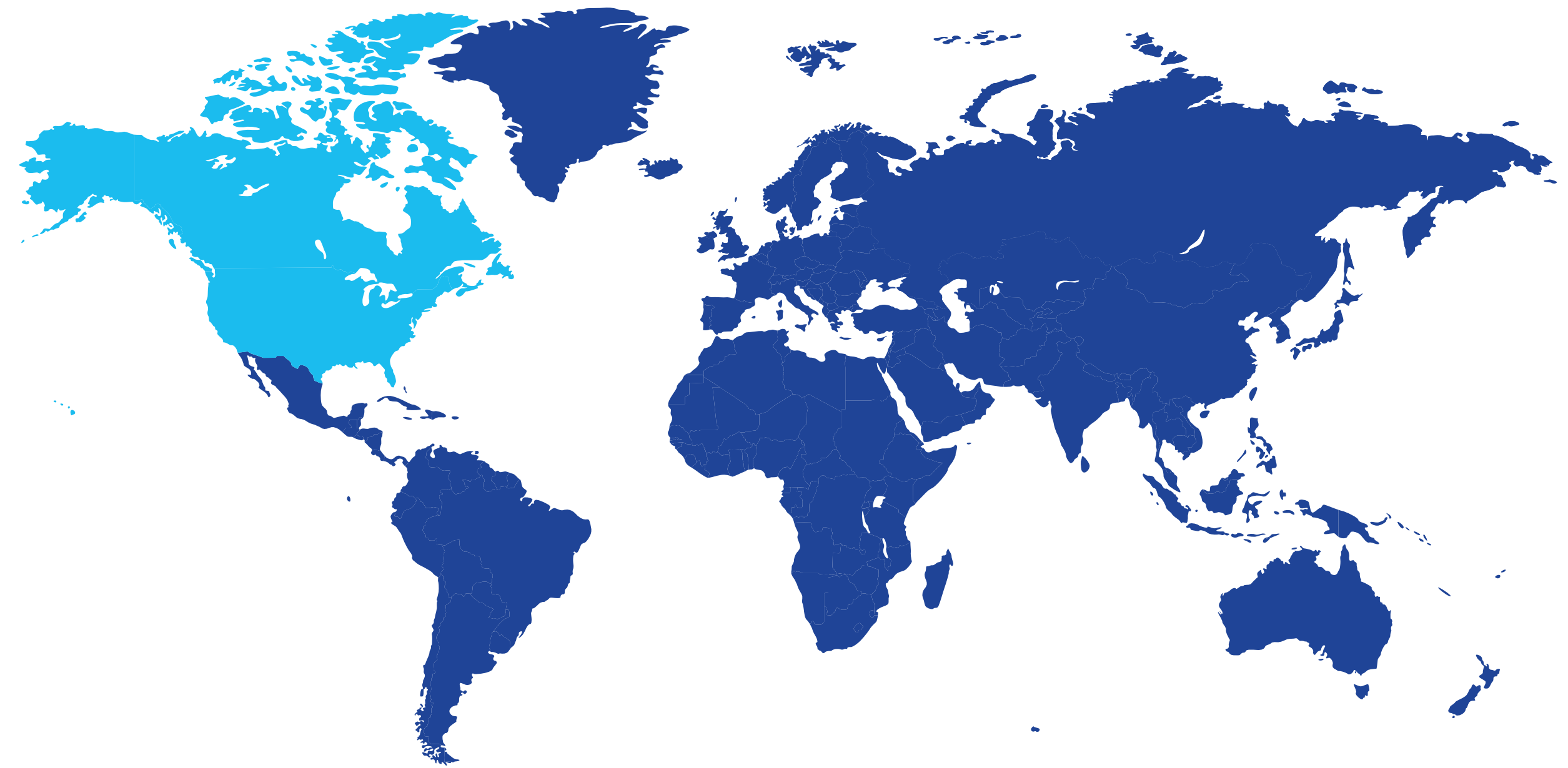
A handwritten signature in black ink, appearing to read 'Seth Teply', written over a white background.

Seth Teply
President and CEO
Tetra Pak U.S. and Canada

Facts and Figures

Tetra Pak U.S. and Canada in numbers

Figures as of January 1, 2024



6

Sales offices

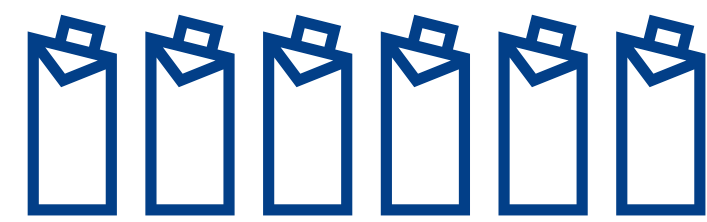
5

Production plants



1,700

Employees



11.3 billion

Tetra Pak® packages sold in 2023



12,000

Processing units in operation



342

Packaging machines in operation

Food



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Technical Training Center Expands

Our Technical Training Center in Denton, Texas, expanded to better serve the training needs of customers and Tetra Pak's technical field force. This investment is an important part of continuing our legacy of making food safe and available, everywhere. The Center facilitates robust in-person and virtual training across various topics and equipment lines, including operations, maintenance, automation and quality, covering our processing and packaging portfolios.

Now stocked with a new filling machine and a set of Key Components from our processing portfolio, the Technical Training Center offers hands-on training experience to increase operational efficiencies while minimizing downtime and production waste at our customers' sites.

In keeping with Tetra Pak's commitment to protect the planet, the Center uses fully digital training materials, eliminating the use of paper and reducing the facility's overall carbon footprint.



Tetra Pak® Technical Training Center

Supporting Disaster Relief on Maui

The Hawaiian island of Maui faced a series of devastating wildfires during the summer of 2023. In response, we worked with Tetra Pak customer Diversified Foods to donate shelf-stable milk to support the health and nutrition of impacted residents. Tetra Pak donated the packaging material for more than 45,000 cartons that were donated to Hawai'i Foodbank.

Sustainable On-Site Dining

On-site dining services at Tetra Pak U.S. and Canada's headquarters in Denton, Texas, received a sustainability-focused update at the beginning of 2024.

Tetra Pak leadership and facility management worked together to introduce several improvements, including more plant-based options, a hydroponic herb garden and changes aimed at providing guests with more sustainable selections.



People



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Engaging With the Community



In December 2023, Tetra Pak served as an official sponsor of the **BMW Dallas Marathon**, Dallas' largest single-day sporting event and Texas' oldest running event. Over the race weekend, local Tetra Pak employees volunteered to hand out water and engage with attendees at an outdoor water booth in Dallas' City Hall Plaza. They distributed over 26,000 cartons of water to racers and fans with messaging about the sustainability benefits of Tetra Pak® cartons. Guests also had the opportunity to walk through a

As one of the largest employers in Denton, Texas, Tetra Pak prioritizes participating in local events as an important way to support the wellbeing of our employees and the vibrancy of our communities. These events also give us an opportunity to educate attendees about our company and the sustainability benefits of our processing and packaging solutions.

larger-than-life carton lifecycle experience at the Health & Fitness Expo to learn about the many sustainable benefits of carton packaging.

Employees, along with their friends and families, could join Team Tetra Pak and run a race of their choice. Fifty-eight runners participated in the 5k, 10k, half marathon, full marathon or the Oncoor Kid's Race.

Tetra Pak served as the local sponsor for the **Denton Turkey Trot**, a Thanksgiving Day race that benefits the Denton Community Center. We provided 1,800 cartons of water with messaging about the sustainability benefits of Tetra Pak® cartons to runners via their race bags, along with an educational card encouraging carton recycling.



Tetra Pak is proud to support the **Denton Main Street Association**, which works to promote and preserve downtown Denton as a vital community asset. As part of our sponsorship, we provided recycling education and complimentary cartons of water to attendees of Twilight Tunes, a free weekly evening concert on the town's historic courtyard lawn.



CoreWellbeing



Our Core Wellbeing program promotes an inclusive environment that values our employees as unique individuals, helping them and their loved ones achieve, maintain, and protect personal health and wellbeing goals.

In 2023, we introduced iProtect, an employee website that encourages prioritizing wellbeing and understanding climate impact by engaging in actions and challenges, such as biking to work or choosing a plant-based meal.

Since launching iProtect, our U.S. and Canadian employees completed more than 7,700 actions to support their personal wellbeing goals, including more than 1,500 connected to sustainability. This resulted in a reduction of 580 lbs. of CO₂ emissions,

1,122 kwh of energy, and 92 lbs. of waste in 2023!

As part of Core Wellbeing, we hosted the third annual Wellbeing Week in May 2024 to coincide with Mental Health Awareness Month. Each pillar of wellbeing — physical, mental, financial, social and community — was highlighted throughout the week with trivia, webinars and a variety of hands-on activities like yoga and healthy meal sampling to encourage employees to take action on their personal wellbeing journeys.

In a post-event survey, 98% of respondents said they gained a better understanding of the importance of prioritizing their wellbeing, and that the week provided at least one new learning or resource that would help them better manage it.



As part of Wellbeing Week, employees wore green to break down barriers and stigma associated with mental health struggles.

Inclusion

At Tetra Pak U.S. and Canada, we strongly believe in fostering an environment where everyone feels they belong. Collectively, the following principles guide our commitment to creating an environment where our employees thrive and are empowered to achieve their full potential:

- We encourage our employees to model inclusion and aspire to create an environment where every employee feels valued as a unique individual.
- We believe that our employees, at all levels, should represent the diverse customers and communities we serve.
- We recognize that innovation is ignited in environments where employees with diverse backgrounds and perspectives feel safe to share their thoughts, ideas and perspectives.

To reinforce the importance of inclusion, we launched the Human-to-Human discussion series in 2023. During these virtual one-hour sessions, employees had the opportunity to tune in for a transparent conversation between the event host and a member of a marginalized community to better understand their lived experiences. Topics in 2023 included Loving Day, Pride, Neurodiversity, and Women in the Workplace.

Women in the Workplace

Tetra Pak is committed to increasing the share of women in leadership in our workforce.

In the U.S. and Canada, we're supporting the professional development of our female employees while also working to ensure women outside the organization are aware of the many career opportunities we offer.

Tetra Pak is a Supporter Member of the **Society for Women Engineers (SWE)**, which champions current and future generations of women who are working to solve critical and complex challenges such as food security. SWE's mission is to *Empower women to achieve their full potential in careers as engineers and leaders; expand the image of the engineering and technology professions as a positive force in improving the quality of life, and demonstrate the value of diversity and inclusion.*

We offer employees complimentary SWE memberships, opening the door for mentoring, training, networking, and personal and professional growth. Recently, **SWE's Diverse Podcast** featured two Tetra Pak

employees, Process Engineer Alexis Heldt and Processing Engineer Manager Samantha Bzdawka, talking about their experience as female engineers at Tetra Pak!

We're also a Corporate Member of **Females in Food**, which works to close the gender gap in the food and beverage industry. In addition to providing complimentary memberships for interested employees, Tetra Pak sponsored the organization's Mix & Mingle event at Natural Products Expo West in March 2023. This event brought together more than 70 women and their supporters from top food and beverage brands to network. The event highlighted several women-owned or women-led brands that use Tetra Pak® packaging including Revl Fruits, Bonafide Provisions and Maya Kaimal.



Marina Berzhanskaya, Tetra Pak U.S. and Canada sales manager, speaking about Tetra Pak at the Females in Food reception at Natural Products Expo West.



Tetra Pak's first employee resource group (ERG), **ElevateHER**, formally launched on International Women's Day in 2024. The group's mission is to build and empower a community of women at Tetra Pak, giving them the tools, networking and support needed to unlock their maximum potential.

In order to cultivate a truly inclusive workplace with diverse ideas, we're excited that our new ERG will amplify the voices of women, raising awareness of the realities that women face in the workforce and working to close gaps in opportunities and leadership. ElevateHER already has nearly 100 members working to elevate women's experiences in our workplace and in the greater community!





Ambassadors provided students with a hands-on carton recycling demonstration.

Tetra Pak Ambassador Program

Tetra Pak U.S. and Canada introduced the Tetra Pak Ambassador Program in early 2024. The program's goal is to introduce more individuals to Tetra Pak's purpose through dedicated and direct interactions. We currently have more than 30 Ambassadors representing a range of tenures, job roles and site locations.

Ambassadors can partake in professional development opportunities to learn presentation and public speaking skills, preparing them to represent Tetra Pak at community events, such as career fairs, site tours and school speaking opportunities. To date, Ambassadors have introduced Tetra Pak's sustainability ambitions and recycling education to more than 400 students.



Planet

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Educating Customers, Employees and the Industry on Sustainability

GrowXGood Fest

In October 2023, Tetra Pak hosted GrowXGood (“Grow by Good”) Fest, a sustainability-focused event for employees and their invited guests. From a larger-than-life packaging lifecycle display and recycling demonstrations to interactive booths from different parts of the business, guests could learn how Tetra Pak employees across the business are working to protect the planet.

To mark the occasion and recognize the impact of Tetra Pak in North Texas, Denton City Mayor Gerard Hudspeth attended the event and proclaimed Oct. 14, 2023 as Tetra Pak “PROTECTS WHAT’S GOOD®” Day in Denton. The city recognized

Tetra Pak for making food safe and available, everywhere; for protecting the health, safety and wellbeing of people; and for taking action to minimize our impact on the planet without compromising food safety or quality.

One of the best ways for people to learn is through tangible experiences. Thanks to a wide range of departments hosting memorable activities at GrowXGood, the event was both fun and informative. More than 1,000 guests attended GrowXGood, and 100% of attendees who responded to a post-event survey said they left the event with a better understanding of how Tetra Pak protects what’s good for food, people and the planet.



Sustainability Week

Following the launch of the FY22 Sustainability Report, Tetra Pak hosted a week of activities to help employees in the U.S. and Canada increase their sustainability knowledge. From Texas to Toronto, Tetra Pak locations organized employee tours of local materials recovery facilities (MRFs) to see where cartons and other recyclables go to be sorted. By seeing MRFs in person, our employees are better prepared to explain the sorting process to customers and stakeholders.

Additionally, our Denton, Texas, employees had the opportunity to volunteer at a community garden that donates produce to residents who are food insecure.

We hosted two virtual sessions for all employees. The first session focused on Loving Day, the June 12 anniversary of a historic court decision for interracial marriage. Employees heard from someone with lived experience about why Loving Day matters. The second session was led by Jason Pelz, Vice President of Sustainability - Tetra Pak U.S. and Canada. Pelz, whose family owned a MRF, educated employees on the history of recycling in the U.S., drawing on his family's experiences and his firsthand knowledge.



Employees across the market participated in hands-on activities during Sustainability Week, including MRF tours and community gardening.

America Recycles Day

Celebrated every November, America Recycles Day offers dedicated time to focus on recycling. At Tetra Pak, we celebrated the day with both our customers and employees, with a focus on carton recycling and sustainability.

Educating our customers about carton recycling is key to driving consumer action. We hosted our annual customer sustainability webinar, giving our customers an update on our sustainability efforts, a deep dive on carton recycling, and an opportunity to ask questions during an open Q&A session. Packaging brand customers also received an America Recycles Day social media kit to help them reinforce carton recycling messages.

Employees at sites across the market participated in games and activities designed to educate on carton recycling. From temporary tattoos promoting the importance of on-pack recycling logos to recycling trivia, our efforts paid off. Employees demonstrated increased recycling knowledge in our annual recycling quiz.



Fast Company Grill at SXSW

Tetra Pak was featured at the Fast Company Grill during South by Southwest®, Austin’s annual film, music and conference festival. The Fast Company Grill hosted business visionaries, diverse leaders and change agents for three days of compelling programming, novel experiences and uncommon connections.

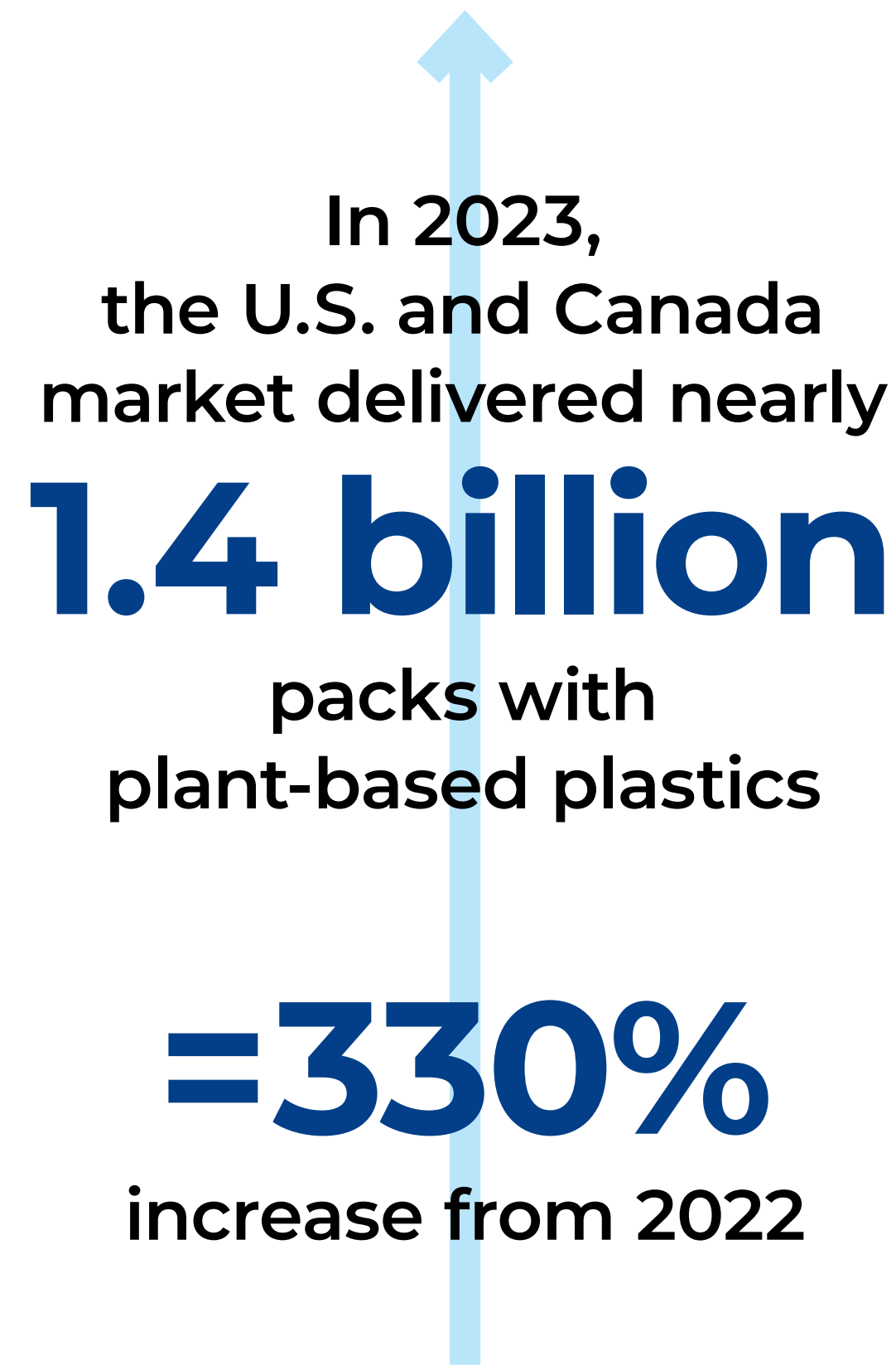
The event provided an opportunity to connect on innovation and sustainability topics with fellow industry professionals. We created a unique experience to tell the story of how Tetra Pak is addressing the global challenges of food scarcity and climate change through shelf-stable packaging and manufacturing efficiencies.

Tetra Pak also hosted a panel titled “The Future of Sustainable Food Innovation,” sharing how we help brands innovate. Panelists included Gigi Lee Chang, managing partner at BFY Capital; Christina Zwicky, head of Revl Fruits and Ocean Spray’s innovation ecosystem; and Pedro Gonçalves, vice president of marketing for Tetra Pak, U.S. and Canada. In a conversation moderated by Greg Lindsay of FastCo Works, the panel shared how founders and leaders are shaping the future of the evolving food and beverage industry. “Brands are looking for allies that can not only deliver new ideas but also collaborate to achieve more sustainable food systems that are good for people and the planet,” said Gonçalves.

“ There are a number of ways for food and beverage brands to become more sustainable. In our case, the low-hanging fruit was packaging. We opted to turn away from heavy glass or virgin plastic toward primarily plant-based and recyclable Tetra Pak® cartons. ”

Christina Zwicky
Head of Revl Fruits and Ocean Spray’s innovation ecosystem

[READ MORE](#)



Growing Interest in Sustainable Packaging Options

We've seen significant growth in brands choosing plant-based plastics made from sugarcane for select caps and carton coatings. In 2023, the U.S. and Canada market delivered nearly 1.4 billion packs with plant-based plastics, a 330% year-over-year increase representing more than 8% of all cartons sold by the market.

For comparison, in 2021 only 77 million packs with plant-based plastics were sold. We expect to see this growth continue as more brands in the U.S. and Canada seek ways to reduce their carbon emissions.

Renewable materials can help reduce packaging's carbon footprint by minimizing the need for fossil-based materials. On average, our paper-based carton packaging is made up of 70% paperboard, which is a renewable material when responsibly sourced.

To help ensure we meet all criteria for protecting biodiversity and natural environments when sourcing renewable materials, we adhere to voluntary certification standards, such as the Forest Stewardship Council® for paperboard and Bonsucro for plant-based plastics.

Supplier Sustainability Review

We are committed to making a positive impact along our value chain and meeting our customers' expectations. Our suppliers play an important role in this by sharing and upholding our values so we can work together to protect food, people and the planet. As we consider new suppliers, we ask for details on their sustainability initiatives to ensure their values and actions align with Tetra Pak's purpose.



Tetra Pak® Custom Printing

In 2023, Tetra Pak® Custom Printing debuted on a customer's package at PACK EXPO. This industry-first innovation applies digital printing technology to food and beverage cartons, which allows for more flexibility in design and messaging to increase consumer engagement.

Tetra Pak® Custom Printing gives brands new opportunities to convey their sustainability commitments and credentials directly on their packaging, a key source of information for consumers.

According to a 2022 Carton Council of North America survey of more than 7,500 adults, 74% of respondents said that, unless clearly communicated on the package, they assume a package cannot be recycled. Further, 60% indicated that, for food and beverage products, a brand's engagement with environmental causes impacts their loyalty to a brand.

74%

of adults surveyed said unless clearly communicated on the package, they assume a package cannot be recycled

Leading the Sustainability Transformation

As a leader in sustainable processing and packaging solutions, Tetra Pak leaders often share their expertise across the industry. Our experts attended several industry events throughout the year focused on sustainability:

At **GreenBiz Circularity**, we joined with representatives from Carton Council of North America and Tetra Pak customer nutpods® to discuss how suppliers, nongovernmental

organizations (NGOs) and brands are moving materials to the recycling finish line. Tetra Pak also hosted a session on how to speed up the recycling evolution from the viewpoint of leaders in materials recovery facilities, NGOs and end markets.

Tetra Pak's Packaging Solutions Director Davide Braghiroli took to the main stage in front of more than 600 guests at the **Sustainable Packaging Coalition Advance**

Conference. He shared Tetra Pak's journey to simplify carton material structures by using more fiber and less fossil-based plastic.

Larine Urbina, communications vice president for Tetra Pak U.S. and Canada and communications vice president for Carton Council of North America, shared the results of a Carton Council study on consumer recycling behaviors at **Sustainability in Packaging**. The study results are relevant to nearly all recyclable consumer packaged goods and formed the basis of recommendations Urbina shared to inspire more consumers to properly recycle. During two separate panels at the event, "Collaborating Toward Sustainable Packaging Success" and "Enhancing Recycling Access for Packaging," Jason Pelz, Tetra Pak U.S. and Canada sustainability vice president and Carton Council of North America recycling projects vice president, shared perspectives and best practices based on Tetra Pak and Carton Council experiences.

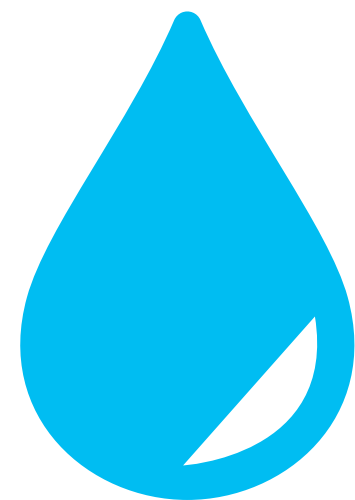


Factory Sets Zero Landfill Ambition

In January 2024, the Denton, Texas, converting factory launched a zero landfill ambition. Currently, between 81-85% of factory waste is recycled and an additional 3-6% is turned into energy.

The factory's goal is to prevent the remaining 9-16% from being landfilled.

One example of how waste is being reduced is through the management of ink cakes. By drying ink cakes more thoroughly with an improved system and retraining employees on the system, less ink cake wastewater is produced and sent to landfills.





Carton Council of North America

Since 2009, the Carton Council of North America — made up of the major producers of carton packaging, including Tetra Pak — has worked to deliver long-term, collaborative solutions that divert valuable cartons from landfills to recycling programs.

The Road to Recycling Podcast

Since its founding, the Carton Council has made a significant impact on carton recycling in the U.S., increasing the carton recycling rate by 200% and increasing household access to carton recycling by 240%. Because of this work, cartons can be categorized as a mainstream recyclable material and carry the recycling logo without qualification.

In 2023, the Carton Council created its own podcast series, “The Road to Recycling,” to inspire similar groups working to minimize valuable materials going to landfills. Each 25-minute episode examines a recycling challenge and its solution. Together, they reinforce the organization’s collaborative approach and share tips and best practices.

[LISTEN](#)

200%
increase in carton
recycling rate
since 2009

Poly Coated Paper Alliance

The Carton Council collaborates with other organizations to help increase recycling access and rates for cartons, while minimizing what is sent to landfills. To this end, the Council joined the Poly Coated Paper Alliance as a platinum founder.

The Poly Coated Paper Alliance is a group that brings together members representing a wide range of poly coated paper packaging, including foodservice items, food and beverage packaging such as cartons and ice cream tubs, flexibles and laminates, and household and personal care packaging.

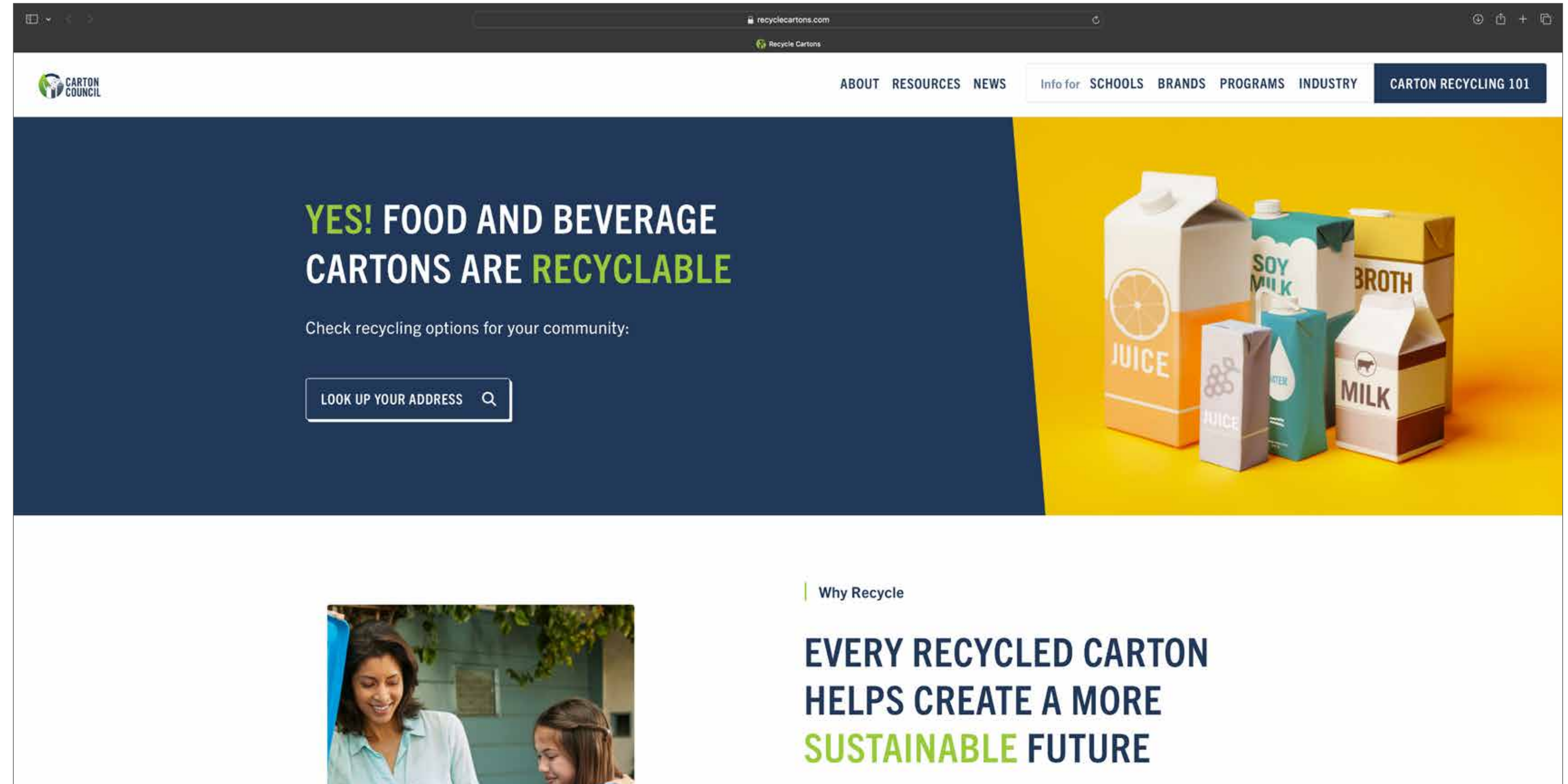
Jason Pelz, the Carton Council’s vice president of recycling and Tetra Pak’s vice president of sustainability, U.S. and Canada, is driving a core Alliance objective: expand end-market acceptance of poly coated paper packaging. By aligning with organizations and brands such as Kellanova, Proctor & Gamble, General Mills, Unilever, Chick-fil-A, Sonoco, Danone, Sustana and more, Carton Council is collaborating to make recycling work better for poly coated paper and food and beverage cartons, based on similarities of the two materials.

[READ MORE](#)

Improved Carton Council Website

The Carton Council's website received a complete renovation. The information previously housed on separate industry-focused and consumer-focused websites now shares a home at recyclecartons.com. The new site offers visitors simplified navigation and a more robust resource library that can be filtered by audience, with information for brands, consumers and the industry. For consumers, the improved carton recycling address locator tool makes it easier than ever to learn about carton recycling where visitors live and work.

Explore the Carton Council's resources, information and programs at recyclecartons.com.



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