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Media release

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Aluflexpack publishes its Sustainability Report 2021 and announces a new Head of Sustainability

- Scope 1 & 2 CO₂ emission intensity reduced by 11% y-o-y¹
- Close to 100% of new product developments were recyclable and more than 80% of the product portfolio had a recycle-ready solution²
- 94% and 77% of non-hazardous and hazardous waste was recycled or recovered, respectively
- Structured decarbonisation and energy management project initiated
- New Head of Sustainability with experience in packaging industry joins Aluflexpack

Aluflexpack AG (hereinafter referred to as "Aluflexpack" or the "Group"), a leading European manufacturer of premium circular flexible packaging and barrier solutions publishes today its Sustainability Report 2021, detailing the company's ESG performance. Scope 1 & 2 emission intensity was reduced by 11% to 323 kt CO₂ / Aluflexpack unit (FY 2020: 364 kt CO₂ / Aluflexpack unit). The Group recorded a strong product innovation profile with close to 100% of new products developments being recyclable and over 80% of the product portfolio having a recycle-ready solution. Meanwhile, recycling and recovery rates of non-hazardous and hazardous waste stood at 94% and 77%, respectively. The Group initiated a decarbonisation and energy management project to reduce carbon emissions and optimise energy efficiency. Together with the publication of the Sustainability Report 2021, the Group announces that a new Head of Sustainability with experience in packaging industry has joined Aluflexpack.

Aluflexpack's CEO, Johannes Steurer says: "As one of the leading aluminium flexible packaging companies in Europe, our commitment to sustainable and circular

² Product innovation figures are based on assessments and definitions of recyclability from Interzero and Cyclos.















¹ Emission intensity is calculated as total scope 1 and scope 2 emissions divided by a specifically defined production unit, which considers differences in product technology, product shape and other features of product types - the so-called "Aluflexpack unit".

packaging is an integral part of our strategy. This time, we are happy to announce that we have initiated a structured decarbonisation and energy efficiency process in order to create an emission and energy efficiency roadmap based on the Group's industrial requirements. We are also delighted to share our strong figures in recyclability of new product developments, which is driven by our ambition to serve our customers in the most sustainable way."

Environment and circularity at the forefront of agenda

Aluflexpack recorded a 11% reduction in scope 1 & 2 emissions intensity to 323 kt CO₂ / Aluflexpack unit (FY 2020: 364 kt CO₂ / Aluflexpack unit). This equates to a reduction in absolute levels of 3% to 25,848 tons CO₂ (FY 2020: 26,572 tons CO₂).

The Group recorded a strong product innovation profile in 2021 with nearly 100% of new product developments being recyclable and over 80% of product portfolio having a recycle-ready solution. Aluflexpack's environmental focus is also well reflected in its quest to produce an increasing number of mono material products. In 2021, the use of mono material structures increased by 50% compared to the previous year. This increase is a result of the prompt response of Aluflexpack to sustainability megatrends, which are shaping the future of packaging. In addition, the Group started a partnership with Saperatec, a company working on delamination of multilayer foils and returning them to the production stream as a secondary raw material. Aluflexpack expects that in the future the majority of its internal multilayer packaging waste will be separated using the technology from Saperatec.

An important part of Aluflexpack sustainable strategy is also management of waste from production processes. In 2021, 94% (FY 2020: 92%) and 77% (FY 2020: 75%) of non-hazardous and hazardous waste was recycled or recovered, respectively. The main reason for a lower figure for hazardous waste is the high amount of disposed waste in Aluflexpack's production plant in Omis (Croatia), where pretreatment of aluminium takes place. Nonetheless, the improvement compared to the previous year, and generally high recycling and recovery rates, highlight Aluflexpack commitment towards the reuse, reduce and recycle approach.

At the end of 2021, Aluflexpack initiated a decarbonisation and energy management project with the aim of creating an emission and energy efficiency roadmap based on the Group's industrial requirements. The scope of the project includes audits in production plants to assess the status quo, calculation of scope 1, 2 and 3 emissions, targets on carbon footprint reduction, scenario analysis comprising different measure-options, definition of a global company strategy on decarbonization as well as a definition of a roadmap and implementation of defined targets. The project will help to further elevate the Group's sustainability standards and significantly reduce its CO₂ emissions.

Empowering people and shaping a sustainable organisation

During 2021, the Group commenced the Great Place to Work initiative to capture valuable employee experience. As part of this process, questionnaires, interviews and workshops were conducted on a group-wide level to uncover actionable insights that can make Aluflexpack an even better place to work for its employees. Based on these insights, concrete action plans are already being implemented at all production plants and offices. Furthermore, Aluflexpack started a branding project to define its future brand positioning and measures to strengthen its brand positioning in the industry.

Further underlining the Group's sustainability commitment and responsible sourcing was the achievement of ASI Performance and Chain of Custody Standards for production sites in Croatia and Switzerland. With aluminium being Aluflexpack's primary raw material, sustainability issues in the aluminium value chain are a pivotal concern of the daily operations. While the ASI Performance Standard sets out ESG principles and criteria aiming to address sustainability issues in the aluminium value chain, the Chain of Custody standard complements it by providing assurance on responsible production and sourcing of aluminium to all Group stakeholders. Both these certifications stress the importance of sustainability at Aluflexpack.

Moreover, in 2021, the Group was granted the EcoVadis Gold Medal, placing it in the top 1% of companies rated by EcoVadis in the printing industry.³ EcoVadis conducts a comprehensive sustainability assessment on four pillars, namely Environment, Labour & Human Rights, Sustainable Procurement and Ethics. The overall score of 70, achieved by Aluflexpack puts it in the 96th percentile of all rated companies. The largest improvements were recorded is ethics segment, where the Group's score increased from 50 to 70 points and environment where the score increased from 70 to 80 points.

A new Head of Sustainability joins Aluflexpack

Driving the Group's ambitious sustainability strategy in the future, will be Mr. Andreas Streit, who joined Aluflexpack as new Head of Sustainability, a position which was newly established.

Andreas Streit has many years of professional experience in the fields of sustainability, energy, and quality management. Previously, he worked for Stora Enso, where he held positions related to sustainability and was responsible for different project and topics such as implementation of an IMS system, environmental & climate matters, community investments and divisional sustainability reporting. He is also a member of the environmental committee of Austrian Industry Association in relation to environment, energy, and climate policy.

³ In the general printing industry is included also packaging printing

Mr. Streit has a bachelor's degree in engineering in Sustainable Resource Management and a Master study in Packaging Technology and Sustainability at Vienna University of Applied Science FH Campus Wien.

Andreas Streit comments: "I am very excited to join and be a part of Aluflexpack! In this new role, I will drive sustainability as one of the key pillars of Aluflexpack's growth strategy. As one of the key industry players, the Group has shown tremendous progress over the last years, growing in the most sustainable way – with the environment, people and community in mind. I am looking forward to contributing to the Groups future success."

Download Aluflexpack's Sustainability Report 2021:

https://www.aluflexpack.com/downloads/

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About Aluflexpack AG

Aluflexpack produces flexible packaging solutions for end markets such as Coffee & Tea, Pharmaceuticals, Pet food, Confectionery and Dairy. Its long-lasting customer relationships with locally operating companies and large international corporations alike are underpinned by well-established industry insights, flexibility in customer service and development competence. Headquartered in Reinach (Aargau), Switzerland, Aluflexpack has production facilities in Switzerland, France, Poland, Turkey and Croatia. It had 1,462 employees as of 30 June 2022.

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