



2024/2025

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The future of food production

In a world faced with a growing global population and food insecurity, the need for increasingly innovative and cost-efficient food production systems has never been greater. Tetra Laval's three industry groups – Tetra Pak, Sidel and DeLaval – are all leading the way in shaping the future of food production.

Tetra Pak

With a growing portfolio of industry-leading solutions, Tetra Pak is shaping the future of food production by empowering customers through automation, digitalisation and innovation. Its unique offering and expertise enable customers to constantly improve their businesses and invest in innovative food systems of the future.

Read more on page 28.

Sidel

The future of food production for Sidel means enabling its customers to produce nutritionally rich and functional beverages that are protected by sustainable aseptic packaging. Sidel is delivering in these areas to address the global challenges of food safety, nutrition and environmental impact.

Read more on page 38.

DeLaval

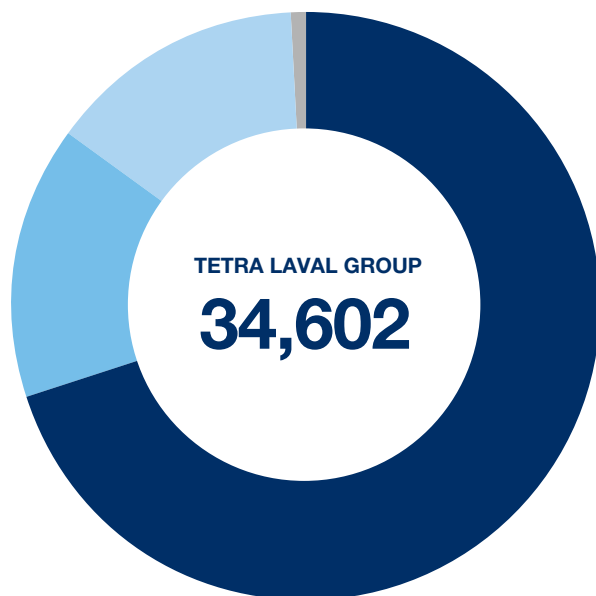
With a vision to make sustainable food production possible, DeLaval is constantly innovating to empower farmers to produce milk as efficiently as possible and in consideration of animals and people. This helps dairy farmers reduce their impact and contribute to more sustainable food production.

Read more on page 48.



IN BRIEF

The Tetra Laval Group consists of three industry groups, Tetra Pak, Sidel and DeLaval, all focused on technologies and services for the efficient and sustainable production, processing, packaging and distribution of food. The head of each industry group has operational management responsibility for the respective industry group and reports directly to the Tetra Laval Group Board. The Group Board is responsible for the overall strategy of the Group and for controlling and supervising all of its business operations. The Chairman ensures the implementation of the Group Board decisions and the implementation of strategy and policy for the Group.



NET SALES 2024, MILLION EURO

TETRA LAVAL GROUP

15,855



NUMBER OF EMPLOYEES, DECEMBER 2024





Protects What's Good™

Tetra Pak is a world leading food processing and packaging solutions company, providing a broad range of products, technologies and services. Working with its customers and suppliers, the company commits to making food safe and available, everywhere, and promises to protect what's good: food, people and the planet.



Performance through understanding

Sidel is a leading provider of equipment and services solutions for packaging beverage, food, home and personal care products in PET, can, glass and other materials.



We live milk

DeLaval is a full-service supplier to dairy farmers. The company develops, manufactures and markets equipment and complete systems for milk production and animal husbandry.

Exceeding expectations

The past 12 months have been characterised by geopolitical instability, inflation and lower consumption, affecting economies and supply chains worldwide. Nonetheless, despite these challenging trading conditions, the group achieved revenue growth, excellent profitability and good cash flow for 2024, with our performance positively impacted also by lower material costs and mix effects.

Revenue increased by 0.9% in 2024 to €15.9 billion with overall revenue growth of 2.6% at comparable rates and scope. Despite declining consumption due to lower consumer purchasing power, we delivered good growth.

During 2024, we donated power generators to the value of EUR 10 million as humanitarian aid to the people of Ukraine, ahead of the winter season, while continuing to do our utmost to help Ukrainian customers maintain their operations. We continue to condemn the Russian invasion of Ukraine, we stand with those affected by the violence, and we support calls for an immediate ceasefire and for Ukraine to remain a sovereign and democratic state.

On behalf of the board, I would like to express our gratitude to all our employees for the outstanding performance and their commitment and dedication in challenging times.

Tetra Pak – excellent performance

Revenue rose to €12.8 billion at prevailing rates, an increase of 2.6% at comparable rates and scope. Packaging Solutions sales rose by 2%, to deliver 178 billion packs globally, while Processing Solutions and Services grew by 4% and 7%, respectively. The US & Canada and Brazil markets delivered very good growth that well compensated for the decline in China due to the lower consumer demand.

Innovation is at the forefront of our activities, and we continued to invest in the global deployment of our paper-based barrier. This brings Tetra Pak one step closer to its ambition of a beverage carton made solely from responsibly sourced renewable or recycled materials, fully recyclable and carbon neutral. Further, the demand for our Tetra Pak® E3/Speed Hyper, the world's fastest carton packaging machine producing up to 40,000 packages per hour, accelerated globally.

The converting factory in Vietnam is operating at full capacity and the decision was taken to further expand the capacity to accommodate increased volumes. We also accelerated our recycling activities, with a 7% increase in carton packages collected and sent for recycling globally, and a 14% increase in the volume of polyAl sent for recycling.

In 2025, we expect Tetra Pak to increase sales but deliver slightly lower operating profit and cash flow following an excellent 2024.

DeLaval – solid performance

Total net sales declined by 5% to €1.3 billion. At comparable rates and scope, revenue decreased by 4%. The aftermarket delivered growth while capital sales declined by double digits. The weak demand was due to low milk prices for dairy farmers but during the second half of the year order intake recovered significantly, mainly driven by automated milking systems in Europe and large rotaries in the US. During the trough of the business cycle, DeLaval successfully confirmed its ability to deliver an operating margin at the level established during recent years.

We innovate to enable farmers to operate more efficiently by producing more milk with less resources – to make dairy production more sustainable and profitable. In particular this drives demand for automation and digital services resulting in healthier herds. An exciting example of this is the Milk Sustainability Center (MSC) digital ecosystem, which we run together with Deere & Company (John Deere). We launched a pilot version of the MSC during the year to help farmers improve their operations by automating and consolidating farm data flows as well as provide valuable insights into how they can enhance both sustainability and profitability. Another example is DeLaval Plus, our farm management platform designed to turn data into actionable insights, with improved applications that detect diseases, optimise milking performance and safeguard milk hygiene on farms.

The significant investment programme at Milkrite | InterPuls was completed, finalising the separation from its previous owner. In 2025, we expect increased sales and a stable operating margin.



COMMENTS BY THE CHAIRMAN OF THE BOARD

Sidel – at a new level

Revenue increased by 9% to €1.7 billion, an increase of 13% at comparable rates and scope. Services grew by an excellent 15% and the operating margin exceeded expectations reaching a new level. In 2024, we were in the second year of our three-year transformation programme, Leading Excellence. The results of the programme in combination with a favourable backlog at the beginning of the year contributed to an excellent performance.

Sidel is favoured by several trends. Firstly, the macrotrend of sustainability works in Sidel's favour, with collection rates, recyclability and recycled content making PET and the aseptic solution an attractive packaging alternative. Secondly, the technology conversion from hot fill to aseptic has gained momentum and is likely to continue. Finally, aseptic PET improved its competitiveness versus other packaging alternatives in 2024 thanks to the lower cost of resin and lightweighting. With world-class expertise in the design, blowing, filling and labelling of PET bottles, Sidel is well placed to benefit from these trends.

2024 marked the industrial readiness of our breakthrough laser technology thanks to the launch of a successful customer field test during the year. This disruptive innovation enables a better

packaging experience with less materials thanks to its precision and control over the material thickness throughout the container. It also brings a new level of performance and productivity to packaging lines even for packaging made of 100% recycled PET.

During the year, we developed a dedicated aseptic training centre in Atlanta, US, which will be opened in 2025 for customers and Sidel employees.

Midyear, the President & CEO Monica Gimre retired after five successful years during very challenging external conditions. On behalf of the board, I thank Monica for her excellent contributions and achievements. At the same time, we had the privilege of welcoming Pietro Cassani as the new President & CEO. Pietro arrives with solid CEO experience from several adjacent businesses.

In 2025, we expect Sidel to increase sales, continue to improve the operating margin and deliver strong cash flow.

Growth, sustainability and innovation remain the focus for 2025

At the time of writing April 2025 there have been various escalating global tariff and other trade announcements made, which will likely impact the macroeconomic environment going forward. While these

developments have not had a material impact on demand to date, it is too early to draw any conclusions as to how they will affect our industries and supply chains going forward. Nonetheless, we continue to forecast good revenue growth in 2025, although product volume growth will be more challenging given the decline in global consumer purchasing power.

By continuing to focus on value, and by introducing new innovative products in 2025 and beyond, we will continue to support our customers to give retailers and consumers an outstanding offer – and ultimately drive volume growth. During 2025, therefore, we forecast a moderate sales growth, stable profitability and good cash flow.

Lars Renström

“By continuing to focus on value, and by introducing new innovative products in 2025 and beyond, we will continue to support our customers to give retailers and consumers an outstanding offer – and ultimately drive volume growth.”

GROUP BOARD

A supervisory board to all Tetra Laval units

The Tetra Laval Group has operations and representatives in more than 160 countries. It is a decentralised organisation but with clear rules and guidelines. The framework for Corporate Governance establishes the Board's requirements and expectations for the industry groups, and communicates governance guidelines throughout the organisation.

The Tetra Laval Group Board has five primary areas of responsibility:

- Development and definition of overall strategies and policies.
- The appointment and succession planning of senior management.
- Corporate governance.
- Financial and operational control. An Audit Committee and a Remuneration Committee support the Board in these functions.
- The Board defines financial targets for the Group's different operations and for total resource allocation within the industry groups.

The Tetra Laval Group Board schedules four regular meetings each year and when circumstances require, additional meetings are held.



Lars Renström



Niels Björn Christiansen



Paul Conway



Nigel Higgins



Ola Källenius



Dr. Mohsen M. Sohi



Finn Rausing



Jörn Rausing

GROUP BOARD**Lars Renström**

Chairman of the Board since 10 June 2016.

Lars Renström joined the Board as non-executive director in 2013. Lars Renström was President and CEO of the Alfa Laval Group 2004 – 2016. He has previously held positions as President and CEO of Seco Tools, President and head of Atlas Copco's Rock Drilling Tools division and head of Ericsson's Telecom Cables Division.

Niels Björn Christiansen

A non-executive director since June 2021.

Niels B. Christiansen is Chief Executive Officer of the LEGO Group. He joined the company in October 2017.

As CEO, Niels B. Christiansen manages the executive leadership team in the Group's mission to bring LEGO® play to children all over the world. During his tenure, the company has expanded retail stores across the world, launched the first sustainably sourced LEGO elements, created innovative play experiences combining the physical brick and digital experiences, and maintained its ranking as a highly reputable and loved brand globally.

Niels B. Christiansen is Chairman of the Board of Demant A/S.

He holds a Master of Science degree in Engineering from the Technical University of Denmark (DTU) and holds an MBA from INSEAD in France. His international experience from the management of major, global, industrial hi-tech corporations is comprehensive. He has extensive board experience from listed companies as well as comprehensive insight into industrial policy.

Paul Conway

A non-executive director since 2014.

Paul Conway OBE. Former Vice Chairman of Cargill Inc and Chairman of Carval Investors Llc.

Vice Chairman of the US-China Business Council and board member of the US-India business council. In his 36 year Cargill career, Paul Conway worked mainly in Food & Agriculture supply chain businesses in East & West Europe, Asia and the USA. He had Executive supervision of Asia-Pacific as well as Strategy & Capital allocation and approval. Paul Conway has been a frequent external speaker on Food Security & Sustainability issues worldwide.

Nigel Higgins

A non-executive director since August 2016.

Nigel Higgins is Group Chairman of Barclays plc. Prior to Barclays Nigel had a 36-year career at Rothschild & Co, with a decade as Chief Executive. He worked at Rothschild upon graduating from Oxford University in 1982. He is Chairman of Sadler's Wells, the world's No. 1 venue dedicated to international dance and a Director of Garsington Opera. He is a member of, and former co-head of the UK group of, the Trilateral Commission.

Ola Källenius

A non-executive director since June 2016.

Ola Källenius is Chairman of the Board of Management of Mercedes-Benz Group AG and Mercedes-Benz AG. He has been a Member of the Board of Management of Daimler AG – now Mercedes-Benz Group AG – since 1 January 2015. Before he became Chairman of the Board of Management on 22 May 2019, he was leading Group Research & Mercedes-Benz Cars Development and until 1 January 2017 Marketing & Sales. Before his assignment in Marketing & Sales, he was the CEO of the performance and sports car division Mercedes-AMG GmbH for three years after having led Mercedes-Benz U.S. International, Inc. and the Mercedes-Benz production plant in Alabama in 2009. From 2005 – 2009, Ola Källenius was the Managing Director of Mercedes-Benz High Performance Engines Ltd. in Brixworth, UK - the company's Formula 1 powertrain operation. He assumed this position after his role as Executive Director of Operations for McLaren Automotive Ltd. and after holding several Management positions within the Procurement and Controlling organisation of Mercedes-Benz Cars.

Dr. Mohsen M. Sohi

A non-executive director since June 2021.

Dr. Mohsen M. Sohi is the Chief Executive Officer of Freudenberg SE, Weinheim, Germany, since 2012. From July 2010 to June 2012, Dr. Sohi served as Managing Partner of Freudenberg & Co. From March 2003 through June 2010, he served as President and Chief Executive Officer of Freudenberg-NOK in Plymouth, USA. From January 2001 to March 2003, Dr. Sohi was with NCR Corporation, a leading global technology company and managed its global Store Automation business. Prior to NCR, Dr. Sohi was with Honeywell International Inc. and its pre-merger constituent, Allied Signal, Inc. for 14 years, serving in positions of increasing responsibility in the aerospace, automotive, commercial vehicle, and engineered materials segments. His last position with Honeywell was President of Honeywell Electronic Materials. Dr. Sohi previously served as a director of Aviat Networks, Inc. (formerly known as Harris Stratex Networks, Inc.) from 2007 until January 2015 and Hayes Lemmerz International from 2004 until 2009. He is Chairman of the Board of Directors of STERIS since 2018, member of the Supervisory Board of Baker Hughes and Chairman of Freudenberg Foundation.

Finn Rausing

A non-executive director of the Tetra Pak Group Board from 1985 to 1989 and of the Tetra Laval Group Board from 1995.

Finn Rausing, who is the chairman of the Audit Committee of the Tetra Laval Group Board, is also a board member of Alfa Laval AB, DeLaval Holding AB and Excillum AB. Mr. Rausing is also chairman of the Stockholm Institute of Transition Economics (SITE).

Jörn Rausing

A non-executive director of the Tetra Laval Group Board since 1991.

He was an alternate director of the Tetra Pak Group Board 1985 – 1991. Jörn Rausing is also a board member of Alfa Laval AB, DeLaval Holding AB, Ocado PLC and a trustee of the Institute of Advanced Studies, NJ. He is the Tetra Laval Group's head of Mergers and Acquisitions. He is also the chairman of the Remuneration Committee of the Tetra Laval Group Board.

Tetra Pak Protects What's Good™

Tetra Pak is a world leading food processing and packaging solutions company. Working with our customers and suppliers, we provide access to safe food for millions of people in more than 160 countries every day.

Our purpose

As a global company with over 24,000 employees working with local customers worldwide, our purpose is fundamental to driving our business decisions and is the reason we come to work every day. Our purpose is: We commit to making food safe and available, everywhere, and we promise to protect what's good: food, people and the planet.

Our strategy

Strategy 2030 is how we continue to fulfil our purpose, by creating value for customers, for employees and for others in society. Helping society face the interconnected challenges of feeding a growing population while protecting natural resources, combating climate change and achieving economic growth. Our strategy is to deliver food safety and the best quality, lead the sustainability transformation, integrate and optimise customer operations, and innovate for customer growth, while becoming a more dynamic, productive and capable Tetra Pak.

Our customers

We create value for customers with complete food production solutions for a wide variety of food and beverage categories, including cheese; dairy; ice cream; juices, nectars and still drinks; new food; plant-based products; powder; and other food and beverages.

Tetra Pak is uniquely equipped to provide solutions that meet our customers' entire needs. We provide solutions for processing, packaging and distributing a wide range of food and beverage products. We are experts in minimising raw material and energy consumption during manufacturing and distribution – to maximise operational and environmental performance.

Our solutions

Tetra Pak's portfolio is broad, and includes:

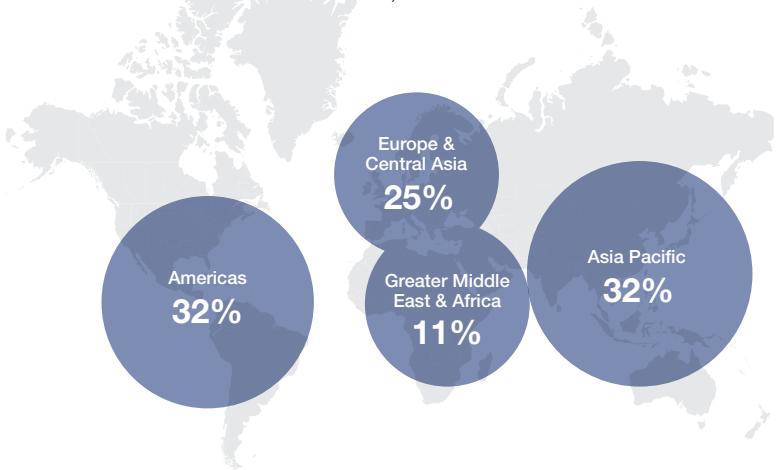
- Carton packaging
- Processing equipment
- Packaging equipment
- Distribution equipment
- Automation and digital solutions
- Services
- Complete integrated solutions









FACTS

<div>NET SALES 2024</div> <div>€12,820</div> <div>MILLION</div>	<div>TECHNICAL TRAINING CENTRES</div> <div>8</div>
<div>SALES IN</div> <div>>160</div> <div>COUNTRIES</div>	<div>CUSTOMER INNOVATION CENTRES</div> <div>8</div>
<div>NUMBER OF EMPLOYEES DEC 2024</div> <div>24,546</div>	<div>R&D CENTRES</div> <div>6</div>
<div>PRODUCTION PLANTS</div> <div>51¹</div> <div><small>¹ Number of packaging material converting factories: 29. Number of closures (caps) factories: 4 stand alone. Number of additional material strips and film factories: 3. Number of additional material straws (stand-alone) factories: 2 stand alone. Number of processing solutions and packaging equipment production facilities: 13.</small></div>	

TETRA PAK NET SALES BY GEOGRAPHY, 2024



TETRA PAK PACKAGING MATERIAL NET SALES PER CATEGORY, 2024

Liquid Dairy Products 56.9% 	Plant-based products 8.8% 
Juice & Nectar 19.7% 	Food 5.0% 
Other beverages 5.4% 	Others 4.2% 

Market

The food and beverage industry continuously evolves to meet ever-changing consumer preferences and needs. Understanding consumer behaviour is essential for remaining competitive in a challenging market.



LIQUID DAIRY PRODUCTS

Global white milk consumption is projected to grow at an annual rate of 2.2% until 2027. Flavoured milk accounts for a smaller proportion of the market and is expected to increase by 1.6% annually during the same period. The growth of white milk is primarily driven by factors such as health benefits, naturalness and sustainability.



JUICES AND NECTARS

After a few challenging years of decline, the category has recovered. Navigating the rise in ingredient prices and reducing sugar content drive innovation in functionality and new consumption occasions.



CULINARY CATEGORIES

The increasing interest in nutrient-rich products with functional benefits that enhance wellbeing while emphasising value through quality ingredients and affordability drives culinary category growth. The category is projected to grow at an annual rate of 1.6% through 2027.



PLANT-BASED PRODUCTS

After steady growth in recent years, the consumption of plant-based beverages and non-dairy creams has stabilised. The category will continue to grow at an annual rate of 1.0% until 2027.



ICE CREAM

Annual ice cream consumption is projected to annually grow by 2.2% through 2026. Innovations in flavours and textures are driven by the trends of comfort and permissible indulgence, as well as functionality and sustainability.



FOOD SUPPLEMENT AND NUTRITION

The category is being driven by the increasing consumer demand for products that boost nutrition. The ready-to-drink sports nutrition segment is expected to expand by 17.3%, while products aimed at weight management, special dietary and protein lifestyles are projected to annually grow by around 5% through 2027.



READY-TO-DRINK (RTD) TEA AND COFFEE

RTD coffee is growing rapidly, with a projected 2.0% annual growth through 2027. Key trends such as convenience, premiumisation, indulgence and health functionality are fuelling this demand. RTD coffee comes in diverse packaging and caters to various preferences with coffee-based, milk-based and plant-based options. Tea drinks are expected to grow at an annual rate of 1.2% until 2027.

Tetra Pak's advanced services take customer efficiency and savings to the next level

Tetra Pak's advanced services set it apart by helping customers optimise equipment performance from day one. Leveraging more than 70 years of industry data and expertise, Tetra Pak identifies areas for improvement, to achieve overall equipment effectiveness increases of up to 15%.

"We promise customers a certain level of performance and operational cost, and we stand by our promise by sharing both the risks and rewards," said Sasha Ilyukhin, Vice President Processing Services Solutions at Tetra Pak. "Improved productivity, quality, sustainability and total cost of ownership all go hand in hand."

In 2024, Tetra Pak helped a US customer identify US\$1.7 million in savings and reduced its annual water use by 324 million litres (equivalent to 120 Olympic swimming pools). For another customer in the Middle East, energy savings of 2.5 GWh per year were achieved.

Tetra Pak's remote services that draw on comprehensive equipment sensors resolved 94% of cases remotely in 2024, minimising customer downtime and the need to travel. In 2025, Tetra Pak plans to expand its advanced capacity-as-a-service model, securing customers an outcome measured in litres or packages produced per year.



New Swedish biotech lab paves way for Tetra Pak's future capabilities

Tetra Pak has established a biotech lab at Lund University in southern Sweden to enhance knowledge and create new collaboration opportunities on the processing of new foods. A team of Tetra Pak's senior microbiology and biotechnology experts are based at the lab to manage various biotech trials.

"Our biotech lab will help us to better understand the behaviour of different types of microbes for food production under certain circumstances, such as what happens when we increase or decrease oxygen levels or change carbon source in the bioreactors," said Lena de Maré, Core and Novel Food Technology Manager at Tetra Pak. "Besides being a hub for knowledge building and future troubleshooting in fermentation and processing new types of food ingredients, the lab at Lund University will enable us to collaborate and share knowledge in the innovative food biotech sector."

Lund University is a leading global centre for food technology with state-of-the-art infrastructure, capabilities and expertise. The biotech lab is an important step on Tetra Pak's journey to develop world-leading capabilities in food biotechnology.



Sidel High-performing and innovative packaging solutions

Sidel provides end-to-end packaging solutions that meet the needs of customers and consumers around the world, by delivering products, services and designs that boost performance, sustainability and flexibility – now and into the future.

Sidel is a leading global provider of packaging solutions for beverage, food, home and personal care products in PET, can, glass and other materials. Leveraging over 170 years of proven experience, we help shape the future of the packaging industry through advanced systems and services, line engineering, eco-solutions and other innovations.

Sidel has over 40,000 machines installed in around 170 countries, and more than 5,000 employees worldwide who are passionate about providing equipment and service solutions that fulfil its customers' needs. As a long-term partner, we apply vast technical knowledge, packaging expertise and smart data analytics and automation to bring performance to new heights.

Our strategy

Our customer-driven strategy has a comprehensive and innovative portfolio and high-performance orientation. Our aim is to always deliver the value our customers need to achieve their goals by first understanding each challenge they face. We are known in the industry as a knowledgeable partner – addressing market needs and individual customer goals with our innovation capabilities and longstanding expertise.

Sidel draws on its customer-focused and widespread expertise to deliver new levels of performance for the industry with a focus on digitalisation, sustainability and optimising customer total cost of ownership. Our packaging is designed to minimise environmental impact, and our solutions help reduce water, energy and material use. Our approach to reducing costs and increasing competitiveness never compromises food safety and security to give our customers and consumers peace of mind.

Our solutions

Sidel serves brand owners, manufacturers, co-packers, and other customers in the beverage, food, home and personal care industries.

We are a leading provider of complete lines, blowing, filling, labelling, material-handling, end-of-line, engineering and packaging design solutions for multiple applications.

We offer processing equipment supplied by Tetra Pak and leverage a wide range of partnerships to meet our customers' full needs. Within the Sidel Group, we deliver value-added services for both Sidel and non-Sidel equipment, with the latter served by Competek, which is part of our Group. Other parts of the Sidel Group include Gentlebrand and Makro Labelling. Gentlebrand provides branding and design services. Makro, which is our most recent addition to the Group, delivers cutting edge modular labelling machines.

Our customers

We support both non-alcoholic beverage producers (water, carbonated soft drinks, liquid dairy and non-dairy products, juices, nectars, isotonic, soft drinks and teas) and alcoholic beverage producers (beer, wine and spirits), as well as food (edible oils, sauces and dressings, coffee, biscuits, pet food and more) and home and personal care producers across diverse categories around the globe.



FACTS

NET SALES 2024

€1,720

MILLION

TECHNICAL TRAINING CENTRES

15

SALES IN

>90

COUNTRIES

R&D CENTRES

12

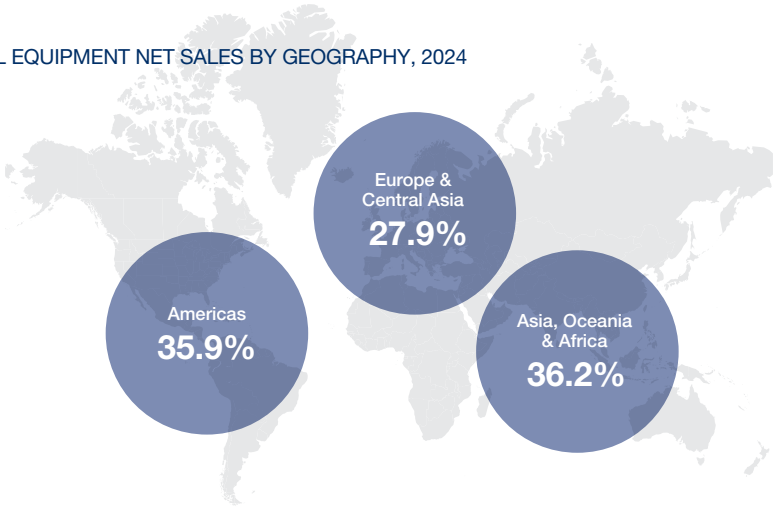
NUMBER OF EMPLOYEES DEC 2024

5,144










PRODUCTION PLANTS

14

SIDEL EQUIPMENT NET SALES BY GEOGRAPHY, 2024



SIDEL EQUIPMENT NET SALES BY MARKET SEGMENT, 2024

Water 20.0% 	Juices, Nectars, Soft Drinks, Isotonics & Teas 22.8% 	Wine & Spirits 2.3% 
Carbonated Soft Drinks 22.5% 	Liquid Dairy and Plant-Based Beverages 12.4% 	Food 9.5% 
Beer 6.3% 	Home and Personal Care 2.9% 	Other 1.3% 

Market

In 2024, the beverage, food, home, and personal care industries were all about innovation, championing sustainability, health, and variety while keeping pace with the ever-evolving tastes of consumers. To stand out in a competitive landscape, understanding consumer behaviour is the name of the game.



LIQUID DAIRY PRODUCTS (LDP) AND PLANT-BASED ALTERNATIVES

The LDP and plant-based alternatives market is dynamic, driven by population and spending growth. Significant growth is expected in drinking yogurt in China, as well as milk in India. The liquid dairy products and plant-based alternatives market is anticipated to expand at a CAGR of 2.5% by 2027.



JUICES, NECTARS, SOFT DRINKS, ISOTONICS AND TEAS

In response to evolving consumer preferences and lifestyle changes, the consumption of energy drinks is growing overall, and at an even higher rate in Asia. Tea consumption is also growing in China. The juices, nectars, soft drinks, isotonic and teas market is projected to increase at a CAGR of 3.7% by 2027.



WATER

Water is expected to account for the greatest proportion of consumption growth in the coming years due to the shortage of potable tap water in several regions along with continued consumer health consciousness. The market is expected to grow by 5.4% CAGR by 2027.



CARBONATED SOFT DRINKS

Despite concerns over high sugar content, the industry is expected to experience volume growth in Africa, Asia, Eastern Europe and Latin America. The market for these beverages is projected to increase at a CAGR of 2.1% by 2027.



BEER, WINE AND SPIRITS

The trends of health and eco-responsibility are driving innovation in the industry with more low or non-alcoholic offerings, although these are not offsetting the alcoholic ones. Due to various factors, the wine industry has been significantly challenged. The demand for 'refillable' glass options is rising significantly in response to sustainability regulations, mainly in Europe. The market is expected to grow by 1.1% CAGR until 2027.



FOOD, HOME AND PERSONAL CARE

Following the challenging times during heightened inflation, food, home and personal care goods are now growing again in volume. The food market is anticipated to expand at a CAGR of 1.8% by 2027. Meanwhile, the home and personal care sector is projected to grow at a CAGR of 2.2% through 2027.

TECHNOLOGY

Introducing the ultimate in-line PET bottle quality control

Sidel has unveiled IntelliADJUST™, a revolutionary quality control technology for PET bottles that ensures consistent quality and high efficiency. This smart bottle blowing control system enhances production capabilities, allowing superior bottle quality while supporting the use of recycled PET (rPET).

The easy-to-use blowing solution maximises the number of marketable bottles by ensuring that quality control is consistently high. IntelliADJUST™ offsets any production line variations by using algorithms to identify measured thickness deviations and automatically correcting the heating and blowing parameters to ensure consistent quality without any interruptions.

The solution uses advanced interferometric sensor technology to guarantee optimal material distribution and uniformity. With autonomous in-line control and real-time adjustments, it effortlessly reduces the impact of production changes on bottle quality.



Qual-IS™ – the intelligent aseptic quality supervisor

Sidel has launched Qual-IS™, an advanced digital quality control and food safety solution that boosts traceability and data analytics in aseptic production. This innovative system combines laboratory testing, traceability and sampling into a single platform. With Qual-IS™, customers can ensure food safety and product quality, enhancing consumer satisfaction and protecting brand reputation while driving profitability.

Each bottle is assigned a unique code that tracks its entire manufacturing journey, including details about the preform, cap, recipe and production parameters. By integrating quality control across the aseptic production line, Qual-IS™ sets a new standard in quality management.

"Qual-IS™ is our latest digital solution – a smart, dynamic quality control system, specifically designed to sustain a high level of quality control at all times thanks to its advanced traceability and data analytics," explained Enrico Savani, Product Manager for Sensitive Product Filling at Sidel.



DeLaval We live milk

DeLaval is a market leader and trusted partner for dairy farmers globally – providing integrated milking solutions, advanced software and services to improve dairy production, all while promoting high animal welfare and overall quality of life.

Our vision and purpose

As a market leader, we take great pride in providing dairy farmers with sustainable and efficient milking solutions that prioritise the welfare of their animals. By focusing our efforts on dairy farms, we support farmers to achieve their sustainability goals by transforming agriculture for the better, one farm at a time. We do this by helping dairy farmers to become more efficient through increased automation, digital services and expert advice.

This is our purpose. This is why we do what we do – to ensure the world continues to have access to milk, one of nature's most nutritious foods.

Products and solutions

Driven by innovation, we continually strive to provide dairy farmers with world-class milking equipment and solutions. We offer efficient systems that enhance milking and other on-farm operations.

DeLaval customers can benefit from advisory and digital services to improve their performance. They can also choose from all-inclusive service plans and consumables including liners and tubes, farm supplies, and original parts to ensure milk quality and animal welfare. By providing better conditions for animals, farmers can improve animal welfare and longevity while at the same time maintain or improve farm profitability. After all, a healthy animal provides more milk, of better quality, and for a longer period.

Automation and digital services

Globally, more and more farms are utilising automated solutions and digital services on their farms. One example of this is DeLaval Bio-Sensors that gather highly precise data from each individual cow and provide the farmer with real-time analysis. This allows the farmer to optimise the timing of insemination, or if she is getting sick, enabling them to care for the animal early on.

These advanced digital services are powered by DeepBlue, our artificial intelligence. DeepBlue models of cow behaviour are trained on cow events, and through deep learning (utilising multi-layered neural networks) identify patterns in cow data, from farms around the world, to provide predictive insights.

With these insights farms can work on improving their performance by introducing updated working methods, better hygiene practices, or investing in deeper insights by installing new BioSensors and increasing their farm automation. The aim is to empower farmers by using more data to support better decision-making on farms.

Automated solutions enable farmers to shift their focus from manual labour to other important tasks on the farm, such as animal care and overall management. In regions experiencing labour shortages, automation ensures that dairy farms can still operate efficiently.

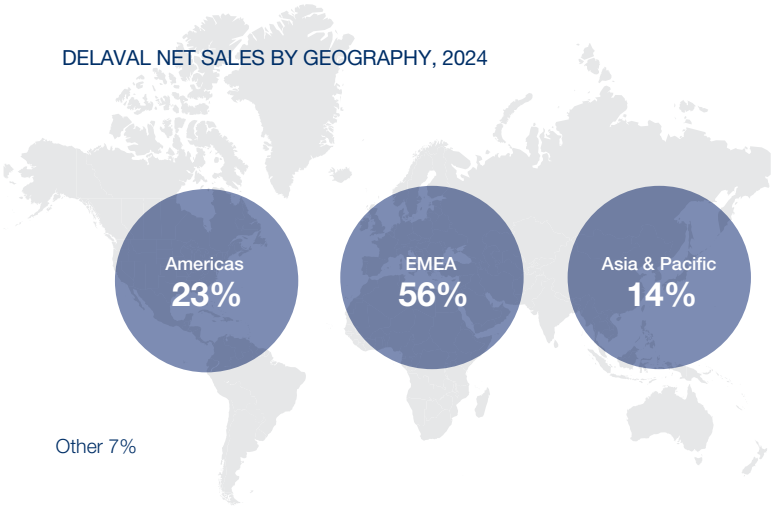
Sustainability

Every time we help a farmer find a way to produce more milk from the same herd, we make food production more sustainable – doing more with less. We are guided by the United Nations Sustainable Development Goals (SDGs) and we set targets to become better in our own operations as well as in the products we offer our customers.

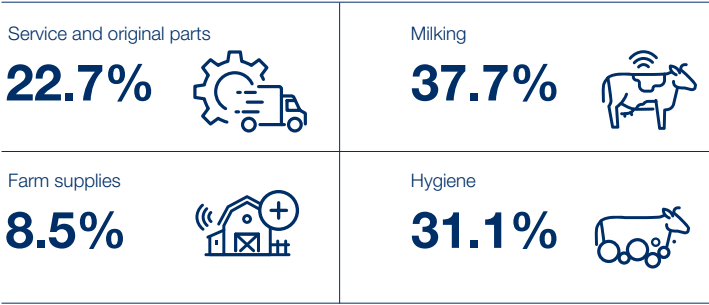


FACTS

<div>NET SALES 2024</div> <div>€1,320</div> <div>MILLION</div>	<div>TECHNICAL TRAINING CENTRES</div> <div>14</div>
<div>SALES IN</div> <div>>100</div> <div>COUNTRIES</div>	<div>DISTRIBUTION CENTRES</div> <div>6</div>
<div>NUMBER OF EMPLOYEES DEC 2024</div> <div>4,813</div>	<div>R&D CENTRES</div> <div>7</div>
<div>PRODUCTION PLANTS</div> <div>13</div>	



DELAVAL NET SALES BY PRODUCT SECTOR, 2024



Market

The dairy industry is shaped by global trends, which create both opportunities and challenges for DeLaval's market. The current major trends include:



DEMAND FOR DAIRY CONTINUES TO INCREASE, WHILE SUPPLY GROWTH REMAINS LIMITED

As income and population increase, more dairy products are expected to be consumed globally, especially in dairy deficit regions. Milk production growth in key dairy export regions such as EU and New Zealand is limited due to environmental policies and regulations. US milk production growth has the highest potential among the traditional export regions. Future growth in milk production will come mainly from increased cow yield rather than herd growth.



MACROECONOMICS REMAIN CHALLENGING

Slow economic growth, geopolitical instability and on-going conflicts, protectionism and potential trade barriers, increased cost of living and high interest rates are all challenges for DeLaval and the wider dairy industry. On a positive note, dairy farmers are seeing improved margins and cash flow thanks to lower milk production costs and higher milk prices.



FARM CONSOLIDATION

Global farm consolidation continues. The continued global shift towards large-scale operations is mitigating escalating costs and increasing efficiency. New opportunities will emerge for progressive farmers who are growth-oriented and invest in an efficient and sustainable production. There is a growing demand for solutions that promote automation, digitalisation and sustainability in the dairy industry.



SUSTAINABILITY

Consumer expectations on sustainability are increasingly reflected in agricultural policies, subsidies and incentives from dairy processing companies and retailers. This will continue to trigger sustainability investments by farmers. Dairy farmers' 'social license' to produce milk in developed countries will be tied to reducing the sector's carbon footprint. The biggest impact DeLaval can have on sustainability is by bringing innovations to farms.



DIGITALISATION

Digitalisation is changing the competitive landscape and creating new business opportunities. Digital solutions are enabling dairy farmers to improve nutritional security, animal health and increase productivity by providing valuable insights that enable informed decisions. Data is becoming critical for farmers to demonstrate improvements, comply with regulations and benefit from incentives.



LABOUR COSTS AND SHORTAGES

Investments in automation and milking robots will continue to increase driven by high labour costs and low availability. Such investments in automation are often a prerequisite for new generations on family-owned farms.

Revolutionising cow health: artificial intelligence-powered solution unlocks advanced disease risk prediction

The DeLaval Plus Predictions Disease Risk application was refined and scaled up in 2024 to further enhance its disease risk prediction capabilities.

Accurately predicting the risk of disease

The Disease Risk application is part of the DeLaval Plus Predictions service and can support farmers by quickly identifying animals at risk of having a disease. The application helps make efficient data-driven decisions, to manage the cows' health – and ultimately produce more milk.

"Disease Risk combines huge amounts of constantly updated data from DeLaval milking systems and sensors to support farmers in detecting diseases early," said Martina Dadomo, Product Manager in Digital Services. "The neural network artificial intelligence model used to analyse this data will continuously improve as more cows and farms worldwide are connected."

Enhanced prediction capabilities

Disease Risk was refined and scaled up in 2024 as more farms began using the application, which further enhances how it predicts the risk of cows having a disease. Additionally, the frequency of updates increased from once a day to eight times a day and new types of diseases were added to the risk analysis to provide even greater insight for farmers.

"I believe the application will become an essential tool that will help farmers to optimise the efficiency of their operations," claimed Dadomo. "Our progress with Disease Risk in 2024 was an important step on our DeLaval Plus journey that will include more powerful prediction tools in the years ahead."

The DeLaval Plus: Disease Risk application was among the finalists for the International Dairy Federation (IDF) Dairy Innovation Awards 2024 for how it improves animal health and welfare and contributes towards the United Nations Sustainable Development Goals.



What is DeLaval Plus?

DeLaval Plus is an advanced customer portal that turns farm data into easy-to-understand actionable insights to enable farmers to make fast, accurate decisions that improve sustainability and profitability. The portal is powered by DeepBlue, DeLaval's unique artificial intelligence system that collects and analyses herd data from various farm sensors and milking systems.



World trends



TETRA PAK

Savvy and cost-conscious consumers

Even as the cost-of-living crisis shows signs of easing, consumers remain price-conscious in their spending. They prioritise value-for-money deals while insisting on quality and transparency from brands. In fact, a quarter of consumers are opting for larger packs of food items that deliver better value for money.

Brand loyalty is being tested as shoppers explore alternatives and call out brands on issues like 'shrinkflation' and 'skimpflation'. Brands can make consumers feel like they made a smart choice by offering different packaging sizes to cater to different target groups, occasions and needs.



TETRA PAK

The rise of the mindful wellness movement

Consumers are taking charge of their food and beverage choices, focusing on healthy ingredients and wellness benefits. This movement is fuelled by a 'back-to-basics' approach to nutrition, with 76% of consumers expressing a desire for greater control over their health decisions.

Mindful wellness represents a growing demand for products that feature natural ingredients that are free from additives and low on sugar to provide health benefits. Functional nutrition is also in the spotlight, with an emphasis on foods that deliver specific health-enhancing benefits through their ingredients. Clear and transparent labelling is essential for empowering consumers to make quick, informed choices based on messaging around health benefits, portion awareness and nutritional education.

WORLD TRENDS

SIDEL

Designed for recycling

Circularity in the food and beverage industry is being driven by legislative demands. The European Union is setting the standard through its Circular Economy Action Plan, which spans the entire product life cycle to emphasise product design and promote circular economy processes.

For the packaging industry, these enhanced regulations mean an even greater focus on recycled content, optimised packaging design, increased recyclability and waste minimisation. Meeting circularity objectives will require substantial investments in research, development and innovation. Collaboration with customers will be key to ensuring readiness for the upcoming legislative challenges.



SIDEL

Driving performance through digitalisation

The adoption of increasingly advanced digital solutions is transforming industries by enabling faster and smarter decision-making in an increasingly dynamic world. These technologies empower businesses to maximise production performance while balancing operational costs, maintaining product quality and minimising environmental impact.

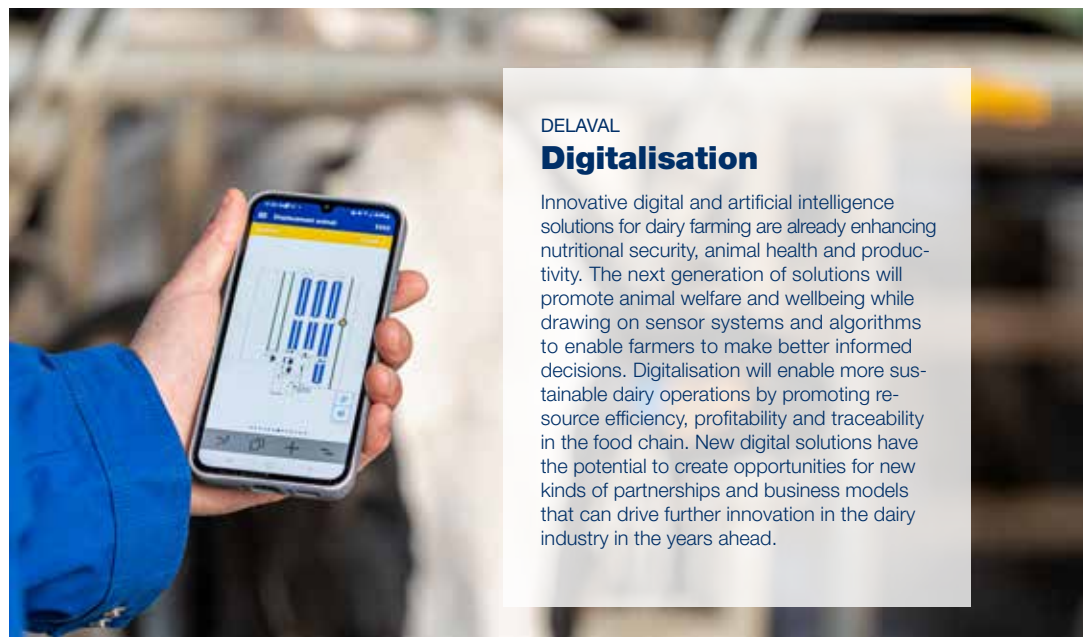
Various digital solutions are easing the workload on machine operators, allowing them to oversee and manage broader operations or enabling them to focus on higher-value tasks elsewhere. Intuitive machine interfaces and advanced digitalisation are revolutionising performance monitoring and quality control, often through 'control-room' capabilities that centralise and streamline oversight. The goal is clear: achieving exceptional quality with less effort.



DELAVAL

Farm automation

The automation of farm processes is an ongoing trend around the world. Greater automation is being driven by shortages in skilled labour and rising labour costs, such as wage increases. At the same time, many family-owned farms experience difficulties with generational shifts. In response to these challenges, dairy farmers are increasingly investing in automated milking, feeding and other farm processes, such as effluent management. The investment in automation or semi-automation is also often a prerequisite for new generations taking over family-owned farms.



DELAVAL

Digitalisation

Innovative digital and artificial intelligence solutions for dairy farming are already enhancing nutritional security, animal health and productivity. The next generation of solutions will promote animal welfare and wellbeing while drawing on sensor systems and algorithms to enable farmers to make better informed decisions. Digitalisation will enable more sustainable dairy operations by promoting resource efficiency, profitability and traceability in the food chain. New digital solutions have the potential to create opportunities for new kinds of partnerships and business models that can drive further innovation in the dairy industry in the years ahead.



Future value

Last year, we concluded our comments here noting the expected evolution of our industry in 2024. We forecasted prolonged inflation, lower consumption, regionalisation, supply chain constraints, and a continued cost-focused value chain. Our planned response was to maximise sales opportunities, control costs, and allocate resources selectively. These forecasts became a reality, as did our response, which leveraged our position as a global company with a local presence to succeed in regional markets with varying conditions. We realised net sales growth of 2.0%¹ in 2024, with growth across our three businesses, supporting good profitability and cash flow. We achieved total net sales of €12.8 billion, delivering over 178 billion carton packages globally, which is equivalent to 72 billion litres of food and beverages. Our three businesses – Packaging Solutions, Processing Solutions, and Services – grew by 1.7%, 3.6%, and 7.2%, respectively. I thank our customers for their continued trust, and our employees for their commitment and performance in 2024.

Strategy 2030 and the future of food production

Forecasting is critical in our industry to create future value. Our customers invest in food production systems that must deliver value over decades, while adapting to changing consumer trends. This is why our Strategy 2030 is delivering the next generation of food production, with quality, sustainability, integration, and

innovation creating value across our customers' entire operations. At the end of 2024, we reached the halfway point of this strategy. Over the past 12 months, we delivered new proof points of its success. We released new packaging innovations, such as the Tetra Top® 330 Midi and 500 Midi with plant-based Eifel™ C38 Translucent Top, Tetra Prisma® Aseptic 300 Edge, Tetra Top® AD 150 Mini Garda™ and Idum™ C38 Pro, while continuing to invest in the global deployment of our paper-based barrier starting with the Tetra Brik® Aseptic 200 Slim Leaf. On the equipment side, we released our Tetra Pak® TT/3 UHH filling machine, our new Tetra Pak® Industrial Protein Mixer, and our Tetra Pak® Homogenizer with Circle Green® Stainless Steel, while the adoption of our Tetra Pak® E3/Speed Hyper, the world's fastest carton packaging machine producing up to 40,000 packages per hour, accelerated globally. We also expanded access to advanced services and solutions that create continuous value for customers, including our Tetra Pak® Plant Perform contracts, Asset Health Monitoring and revamped maintenance management services. We also supported our customers with the creation of new concepts that engage and delight consumers, with our network of customer innovation and product development centres. And we prepared for future innovations, with successful field tests of various products that we look forward to announcing when we launch globally.

“Our customers invest in food production systems that must deliver value over decades, while adapting to changing consumer trends. This is why our Strategy 2030 is delivering the next generation of food production, with quality, sustainability, integration, and innovation creating value across our customers' entire operations.”



PRESIDENT & CEO COMMENT

Beyond the latest innovations, we also know food safety forever remains non-negotiable, and our customers have the highest standards of quality. This is why we work every day to maintaining our focus on continually improving quality for them.

While the above innovations each create value, it is important they do so as a system. Because the future is integration. A great example of this in 2024 was our customer Mengniu receiving the 'Factory Lighthouse' certification from the World Economic Forum for its world-first, fully intelligent dairy factory in Ningxia, China. The site was recognised for its innovation, utilising Tetra Pak's end-to-end solutions. The factory – co-designed by Mengniu and Tetra Pak – uses our digital platform and state-of-the-art production equipment, and has reduced operational costs by 32%, delivery lead times by 55%, and quality defects by 60%. It exemplifies where we want to take our industry with next-generation food production.

Food systems transformation

The future is also about mitigating the impacts of the past. In 2024, we continued our efforts to help our industry transition to a more sustainable food system. Last year, we reported a 20% reduction in value chain² greenhouse gas (GHG) emissions and a 47% reduction in GHG emissions across our operations since 2019. This puts us on track to meet our target of net-zero GHG emissions in our operations by 2030³, supporting our long-term ambition to achieve net-zero GHG emissions across the value chain by 2050⁴. We also accelerated our recycling activities, with a 7% increase in carton packages collected and sent for recycling globally, and a 14% increase in the volume of polyAl⁵ sent for recycling⁶. In addition, we expanded our School Feeding Programmes in 2024, helping 64 million children in 49 countries access milk and other nutritious beverages. All of this is part of our aim for a world in which everyone has access to safe food.

At the time of writing in early 2025, Tetra Pak has received two external recognitions for our sustainability contributions in 2024. We were recognised for leadership in corporate transparency and performance on climate change by the global environmental

non-profit CDP (Carbon Disclosure Project), securing a place on its annual 'A List'. Tetra Pak was among the few companies to achieve an 'A' score, which it has done for the fourth time in five years. We also reported on forests and water security, earning an 'A-' score in both categories and cementing our inclusion in the CDP leadership band. Additionally, we received the Environmental Initiatives Award at the 2025 SEAL Business Sustainability Awards for our Approach to Nature framework that was launched in 2024.

Empowering our teams

Delivering safe food to everyone, everywhere requires top-class teams. In the past 12 months, we have continued to make Tetra Pak a workplace that empowers all colleagues to make an impact. Our Learning Conference is now an annual fixture, and employees were given access to generative artificial intelligence tools, supported by training and education programmes. It was also pleasing to see in 2024 that our biannual, full employee engagement survey showed we are above benchmarks for engagement in many areas. We know we cannot create value for customers without being the best we can be as individuals and as teams internally. This is why we will continue to invest in our people.

The road to 2030

As we reflect on the first half of our Strategy 2030, we can be pleased, but not complacent about our successes. Our vision of a food production system that provides greater quality, sustainability, integration, and innovation, delivered by a more dynamic, productive and capable Tetra Pak, is becoming a reality. As our industry and world continue to evolve – bringing both opportunities and challenges – we expect our operating environment to remain volatile. However, we take confidence from our successes last year and from the trust that our customers place in us to continue building the future of food production.

Adolfo Orive



“Our vision of a food production system that provides greater quality, sustainability, integration, and innovation, delivered by a more dynamic, productive and capable Tetra Pak, is becoming a reality.”

¹ Amounts at prevailing rates, growth at comparable 2024 rates

² Scopes 1, 2 and 3. Scope 1 covers direct emissions from owned or controlled sources. Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company. Scope 3 includes all other indirect emissions that occur in a company's value chain.

³ Scopes 1, 2 and business travel, compared to 2019

⁴ Scopes 1, 2 and 3, compared to 2019

⁵ The non-fibre component of carton packages is known as polyAl, which designates the layers of polyethylene and aluminium being used as barrier against oxygen and humidity to protect the food content in aseptic carton packages.

⁶ For the reported carton packages collected for recycling, we use, where available, official publicly available data from renowned sources, such as government agencies, registered recovery organisations, nationwide industry associations, non-governmental organisations, etc., reported on a regular basis using a consistent approach.

EXECUTIVE LEADERSHIP TEAM



Adolfo Orive
President & CEO



Tatiana Liceti
Executive Vice President
Market Operations



Ola Elmqvist
Executive Vice President
Packaging Solutions



Charles Brand
Executive Vice President
Processing Solutions & Equipment



Roberto Franchitti
Executive Vice President
Services



Sara De Simoni
Executive Vice President
Development & Technology



Lars Holmquist
Executive Vice President
Sustainability



Martin Scott
Executive Vice President
Communications



Bruce Burrows
Executive Vice President
Finance & Supplier Management



Phil Read
Executive Vice President
Human Resources & Transformation



Sébastien Thierry
Executive Vice President
Legal Affairs & General Counsel

Shaping the future of food production solutions

At Tetra Pak, we're already shaping the future of food production by empowering our customers through automation, digitalisation and innovation.

Automation and digitalisation unlock continuous improvement

Imagine if food and beverage companies always knew the best way to optimise their operations. With a growing portfolio of industry-leading automation and digital solutions, Tetra Pak empowers customers worldwide with actionable insights to enhance production efficiency.

"Our advanced automation and digital solutions take the guesswork out of everyday decision making, providing data at every stage in our customers' operations – from raw ingredient intake and production, to product packaging, warehousing and beyond," explained Sean Sims, VP Automation & Solutions at Tetra Pak. "We ensure our customers get the right data at the right time so they can avoid mistakes, get better returns and continuously improve their business."

By minimising production variability and enhancing quality, Tetra Pak has consistently shown that automation and digitalisation solutions can boost Overall Equipment Effectiveness by up to 20% – while also improving operator safety. The market is expanding too, with McKinsey & Company predicting a 25% increase in customer investment in automation and digitalisation in the coming years.

"Our unique offering combines deep expertise in the food and beverage industry, in-depth knowledge of processing and packaging equipment, and specialised automation and digitalisation capabilities," said Sims. "With few industry actors offering all three, we play a crucial role in shaping the future of food production."



Innovating food systems of the future

Tetra Pak is committed to driving change and being a positive influence on the way food systems can work in the future through four pathways:

- Enabling the transition towards more sustainable dairy
- Innovating for new food sources
- Reducing food loss and waste
- Scaling access to safe nutrition through sustainable food packaging

"Our overall objective is to collectively shape more sustainable, resilient, and secure global food systems for generations to come," explained Rodrigo Godoi, Vice President Processing Portfolio Management at Tetra Pak. "Yes, it's about developing new solutions, but it's also about doing what we do more sustainably, such as by reducing waste and further optimising dairy production through concrete actions."

Decoding consumer insight

Understanding consumer preferences and behaviour is also essential, for developing future foods that are safe, nutritious, and affordable.

"If we don't understand consumer behaviour, we risk falling out of sync with their needs – ultimately making it harder to support our customers effectively."

"If we don't understand consumer behaviour, we risk falling out of sync with their needs – ultimately making it harder to support our customers effectively," claimed Godoi. "Consumer insight is particularly important when designing new products and solutions or developing alternative proteins, for example."

In fact, Tetra Pak plays a crucial role in helping our customers enhance their production efficiency, meet evolving consumer demands, and drive innovation in food and beverage processing. By leveraging data-driven insights, our customers can create products that truly resonate with their target audience, while reducing operating costs and improving quality and manufacturing sustainability.

Tetra Pak helps Mengniu become a 'lighthouse factory'

In 2024, Tetra Pak customer Mengniu was awarded a 'lighthouse' certification from the World Economic Forum for its excellent technology-driven performance at its new factory in Ningxia, China.

As a supplier of processing and packaging equipment with unique digital platform capabilities, Tetra Pak helped Mengniu to increase packaging efficiency by 67%, while reducing energy consumption by 23% and space utilisation by 37%. The factory now has nine filling lines – including the Tetra Pak® E3/Speed Hyper and an advanced digital control room.

A Tetra Pak-created ecosystem based on digitalisation and artificial intelligence

Early in the project, it became clear that an ecosystem of companies was needed to provide the total solution that would transform Mengniu's

factory. Tetra Pak, therefore, played the crucial role in creating that ecosystem of different suppliers and partners that could bring their unique expertise to the project.

Automated digital systems control everything from the factory's reception to the processing, packaging and final warehousing. Operators receive instructions via tablets throughout their shift and are alerted to any events that require their attention. Production instructions are automatically routed to the most suitable equipment and materials are circulated along the most optimal path. This optimises energy use scheduling and ensures the highest quality control standards.



Building the future of the plant-based category

As a global leader with a long history in plant-based beverage processing solutions, Tetra Pak has delivered more than 130 plant-based lines around the world since the 1980s. Today, the company is taking the plant-based category to the next level by launching disruptive innovations that are healthier and more sustainable.

"Our innovative 'whole' plant-based beverages differ from 'regular' beverages as they contain 100% of the bean or grain," said Ola Funkquist, Line Solution Manager at Tetra Pak. "Importantly, this results in beverages with higher nutrition, no ingredient waste and lower overall environmental footprint."

Tetra Pak's whole soyabean beverage lines have been well-received in Asia – particularly in China and Vietnam. Building on this expertise, whole soyabean beverages are now gaining traction in Europe with growing

interest from customers. New whole oat grain beverage processing lines will be launched in 2025.

End-to-end solutions optimised for plant-based production

Tetra Pak's unique plant-based offering includes end-to-end solutions that combine both food processing and packaging lines – to convert plant-based raw materials into final product on the pallet.

"Our comprehensive solutions, based on proven technologies, optimise raw material throughput, minimise environmental impact and reduce the total cost of ownership for our customers," explained Jaume Reig, Global Director Business Stream Prepared Food and Plant Based at Tetra Pak. "By helping customers to build more efficient production operations, we support more resilient food systems and drive innovation to revitalise the industry."



HIGHLIGHTS

New carton redefines sustainability and consumer experience

Tetra Pak has partnered with a leading European juice brand to launch the revolutionary Tetra Prisma® Aseptic 300 Edge beverage carton. By maximising the proportion of renewable material – including paperboard and plant-based polymers derived from responsibly sourced sugarcane – this new carton reduces its carbon footprint by up to 76%. With its eye-catching design, the carton not only attracts consumers but also enhances convenience for on-the-go enjoyment. Plus, the integrated tethered DreamCap™ 26 Pro closure helps combat litter, making it a win for both the environment and consumers.



New pioneering solution boosts customer efficiency

Introducing the Tetra Pak® Industrial Protein Mixer – a revolutionary innovation tackling the age-old challenge of foaming during the mixing phase of liquid food products. This pioneering solution enhances operational efficiency for customers by eliminating foaming, which can cost food and beverage producers over €250,000 annually in lost product. With its cutting-edge design and multi-step process, the mixer utilises advanced automation to streamline the mixing procedure. The result is a foam-free mixing experience that reduces cleaning time, minimises equipment maintenance, and extends product shelf life.



Tetra Pak wins Resource Efficiency award for paper-based barrier innovation

Tetra Pak has won the Resource Efficiency award at the Sustainable Packaging News Awards 2024 for its breakthrough paper-based barrier in aseptic cartons, launched in collaboration with Lactogal. A world-first in the carton industry, this innovation increases paperboard content from 70% to 80% and reduces the carbon footprint by up to one-third, as verified by the Carbon Trust. Combined with plant-based polymers, renewable content reaches 90%, which reflects Tetra Pak's commitment to sustainable, low-carbon food packaging.

Tetra Pak® Custom Printing helps connect with consumers

Tetra Pak and Mengniu Group have launched an exclusive Milk Deluxe Pure Milk range in China, featuring 30 stunning designs inspired by masterpieces from Van Gogh and Monet. Packaged in striking Tetra Prisma® Aseptic 250 Edge cartons with a DreamCap™ 26 closure, this special edition range was created in collaboration with Meet You Museum. "Tetra Pak® Custom Printing, with its high-quality printing capabilities and versatility in handling multiple, diverse packaging designs has helped us reach new heights in terms of mass customisation," said Xiaoyan He, Senior Brand Manager of Milk Deluxe.



HIGHLIGHTS



New offering empowers customers to save energy and water

Tetra Pak proudly launched its 'Factory Sustainable Solutions', a groundbreaking, factory-wide approach to optimising energy, water and cleaning-in-place (CIP) processes. This comprehensive offering combines cutting-edge technologies with advanced plant integration capabilities, enabling food and beverage producers to maximise their resource efficiency. "By working with our customers and understanding their individual needs and objectives, we're providing them fit-for-purpose equipment enriched with our holistic application knowledge to address their challenges," explained Fiona Liebehenz, Vice President Key Components, Plant Solutions and Channel Management at Tetra Pak.

Joining forces to boost carton recycling in EU

Tetra Pak and Yellow Dreams, a leader in the dairy market, are investing €3 million in a new recycling plant in Ittervoort, the Netherlands, to boost the EU's capacity to recycle beverage cartons. Set to commence operations in late 2025, the plant will annually process up to 20,000 tonnes of polyAl, the non-fibre component of cartons. Strategically located near Belgium and Germany, the plant will handle all polyAl recycled in Belgium and the Netherlands, and part of Germany's output. Complementing the existing 8,000-tonne capacity at Roosendaal, this facility will enhance the EU's recycling network, which includes 20 paper mills and ten polyAl facilities.



Pioneering packaging uses material from used beverage cartons

Tetra Pak teamed up with Lactalis, a world leading dairy group, to develop a new kind of recycled packaging material that is partially made from used beverage cartons. The recycled material, which includes a mix of recycled and non-recycled virgin fossil feedstock, is certified by the International Sustainability and Carbon Certification (ISCC) PLUS. The recycled polymers come from used beverage cartons in Spain. This industry-first initiative contributes to material circularity by reducing reliance on virgin, fossil-based material and helping to shift away from finite resources.

Tetra Pak unveils groundbreaking renewable thermal energy solution

In partnership with Swedish solar thermal innovator Absolicon, Tetra Pak has introduced a standardised solution for industrial equipment powered by renewable thermal energy. This cutting-edge solution can seamlessly integrate into both new and existing production lines, slashing greenhouse gas emissions by up to 40%. Tetra Pak's UHT processing line, designed for the high-temperature sterilisation of dairy products, was the first to feature this solar thermal supply. "Tetra Pak once again proves it is a pioneer and can be a change driver for the sector's transition from fossil fuels to renewable heat," said Joakim Byström, CEO, Absolicon.



Our commitment towards sustainable food systems

At Tetra Pak, our sustainability agenda is shaped by our purpose 'We commit to making food safe and available, everywhere and we promise to protect what's good: protecting food, people and the planet.'

Our sustainability agenda

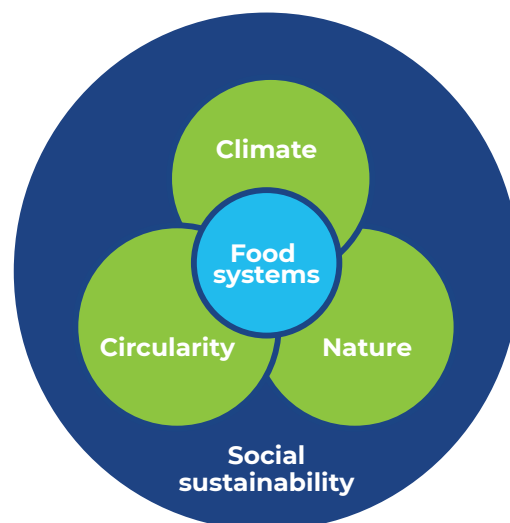
With a world-leading position in food processing and packaging, backed by more than 70 years of trusted experience, we aim to lead the sustainability transformation within our industry. To do that, our sustainability agenda focuses on five interconnected areas where we have the greatest impact, risks and opportunities: Food systems, Climate, Circularity, Nature and Social sustainability.

Food systems lie at the heart of our sustainability agenda. As a producer of 178 billion paper-based carton packages in 2024, Tetra Pak has a role to play in helping to feed the growing global population by minimising food loss and waste, reducing climate impact, acting for nature and promoting circularity – while respecting human rights across our own operations and the value chain.

Committed to openness and transparency

We are committed to monitoring, managing and transparently reporting on our performance and progress.

Our sustainability agenda is based on our double materiality assessment, which is aligned with the requirements of the European Sustainability Reporting Standards (ESRS). The assessment considered Tetra Pak's impacts on people and the environment, as well as the material risks and opportunities that various environmental, social and governance topics have on our business.



Food.
People.
Planet.

Sustainability highlights

Below are some of our 2024 sustainability highlights. For the full story, see our latest Sustainability Report. www.tetrapak.com/sustainability/sustainability-updates

FOOD SYSTEMS

From farm to fork: Transforming the hidden middle

In 2024, we highlighted the crucial role of the 'hidden middle' in agri-food value chains, which includes activities like processing, packaging, storage, transportation and distribution. While often overlooked, this segment is essential for transforming food systems, reducing greenhouse gas emissions, and improving food security.

By investing in midstream infrastructure and technologies, these losses can be substantially decreased, leading to better resource efficiency and the improved availability of food. We advocate for increased investment and policy focus in this segment to reduce food loss, improve resource efficiency, and support economic growth, particularly for smallholder farmers and marginalised groups.



SUSTAINABILITY

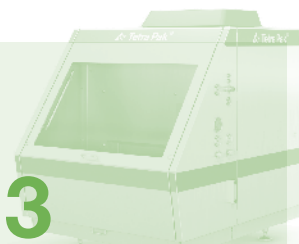
CLIMATE

Our new homogenizer range incorporates low-carbon steel

We have enhanced our homogenizer range by incorporating Outokumpu Circle Green® stainless steel, a material with a carbon footprint up to 93% lower than the global industry average for stainless steel.¹ Depending on model, using Circle Green on a homogenizer can reduce embodied CO₂e emissions by up to 1.3 tonnes per machine.²

This innovation aligns with our commitment to sustainability and reducing environmental impact in food processing and packaging solutions. The new homogenizers not only enhance environmental benefits but also maintain the high performance and reliability expected from Tetra Pak equipment. The use of Circle Green stainless steel will help us to work towards our ambitious climate goals and support the global transition to a low-carbon economy.

Up to

1.3 tonnesreduction of CO₂e emissions per machine

NATURE

Realising customer water, chemicals and energy savings

We helped Dairygold Co-operative, one of Ireland's leading dairy companies, to make its production more efficient and sustainable. In 2024, this included improvements in cleaning-in-place (CIP) processes and reducing water and chemical consumption.

New filtration technology has made it possible for Dairygold to recover and reuse up to 90% of the caustic soda used for CIP. Using less caustic soda also decreases the need to add acid, which is needed to neutralise the wastewater. In addition, Dairygold implemented solutions to reduce water consumption and heating load.



CIRCULARITY

Shaping the future of recycled beverage carton packaging

Together with Lactalis, a world leading dairy group, we introduced the world's first carton package made from certified recycled polymers derived from used beverage cartons. This initiative, certified by the International Sustainability and Carbon Certification (ISCC) PLUS, aims to enhance material circularity by reducing the reliance on virgin, fossil-based materials. The recycled polymers are produced through a chemical recycling process that maintains the quality and safety of the packaging.

**Tetra Pak and Yellow Dreams join forces to boost carton recycling capacity in EU**

With a joint investment of around €3 million together with Yellow Dreams, a new recycling plant in the Netherlands will handle the non-fibre component (polyAl) from used beverage cartons to boost the recycling capacity in the EU.

The collaboration will draw on Yellow Dreams' expertise in waste management and our innovative packaging solutions. By focusing on improving collection, sorting and recycling processes, the initiative will promote more efficient and sustainable recycling practices. This partnership underscores our commitment to environmental sustainability and the circular economy, aiming to reduce waste and promote the reuse of valuable materials.

€3 million

joint investment

**Recognised for transparency on forests for the ninth year running**

We were recognised for our leadership in corporate transparency and performance on forests by the global environmental non-profit CDP, again securing a place on its annual 'A List'. The recognition highlights our commitment to sustainable practices and our efforts to reduce the environmental impact of our operations.

Tetra Pak is among the top 2% of the over 21,000 companies assessed, demonstrating our dedication to transparency and environmental stewardship. Our approach to nature is closely related to our ambitions on climate, circularity, social sustainability and food systems.



¹ Global average CO₂e emissions (2023): 7 kg CO₂e per kg of stainless steel (Outokumpu's calculation based on data provided by CRU, worldstainless and Kobilde & Partners AB). Outokumpu Circle Green CO₂e emissions: down to 0.5 kg of CO₂e per kg of stainless steel.

² Outokumpu's calculation based on data from CRU and Worldstainless: European average of 2.8t/1CO₂ and Circle Green of 0.57t/1CO₂.



Exceeding our targets and taking our performance to a new level

Since taking over as CEO in the summer 2024, I have greatly appreciated the passion and expertise I have encountered throughout Sidel. As a multi-faceted organisation with a rich history, diverse local presence around the world and innovation leadership, I believe we are perfectly positioned to grow in the industry.

Key financial targets exceeded

I am proud to report that we surpassed all our main targets in 2024. This includes record sales of €1.7 billion, which is a growth of 13% compared with 2023. We experienced a strong order intake in both equipment and services for complete lines and stand-alone packaging solutions, with notable growth in the Middle East, China and South America. We grew our services revenue by more than 15% and will strive to maintain this positive momentum in 2025.

In a constantly changing market, our performance is dependent on our ability to transform and adapt to challenges. Our Leading Excellence programme has been crucial in driving our financial performance during the year by improving our execution of projects, enhancing quality and reducing costs, as well as making us a more sustainable company. Importantly, the programme has helped us learn how to transform as a company, a capability that will serve us well in the future.

A disruptive laser solution realised

2024 marked the industrial readiness of our breakthrough laser technology thanks to the launch of a successful customer field test during the year. This disruptive innovation enables a better packaging experience with less materials thanks to its precision and control over the material thickness and throughout the container.

It also brings a new level of performance and productivity to packaging lines thanks to its inherent stability, reliability, efficiency and ease, even for packaging made of 100% recycled PET. We will offer this technology to customers in 2025.

Other innovations, like our Hydra Ultrasonic bottle washer, are also enabling customers to achieve their performance and sustainability goals by using 20% less heat and 15% less water¹, while increasing the production rate by 15%².

We've boosted our innovation and engineering capabilities too with the inauguration of our new engineering hub in India that is staffed by 100 passionate and capable engineers, and is growing rapidly. The hub, which we will continue to expand in 2025, will drive our growth in India while supporting our teams all around the world with technological expertise and best practices.

Meeting customer needs through digitalisation, partnership and services

Digitalisation is key to help customers meet their cost, efficiency and flexibility objectives. It also enables our customers to unlock the increasing benefits of data and artificial intelligence throughout their operations. Our unique Evo-On® cloud suite with built-in intelligence makes it easier to supervise and optimise any aspect of a customer's production line, enabling us to proactively anticipate customer needs and prevent downtime.



PRESIDENT AND CEO COMMENT

We also continue to co-create and co-innovate with our customers and others. Examples include our collaborations with Husky, a world leader in injection moulding, and AROL capping systems. In general, by integrating data and expertise, we look forward to unlocking new opportunities in packaging design, blowing and line performance.

Our 365 Technical Assistance services provided support to our customers throughout 2024 both on site and remotely, around the clock, 7 days a week. Combined with our digital artificial intelligence-enabled remote services, we can identify issues in advance, optimise performance and even work with preventative maintenance without physical visits. We will continue to innovate our service solutions to further drive our performance in 2025.

Synergies with Makro Labelling

Since acquiring Makro Labelling in 2023, we have leveraged synergies and further developed our customer offering. Makro complements our business by providing labelling solutions in potential growth markets for Sidel, such as the wine and spirits, food and personal care segments. In 2024, Makro continued to innovate with their state-of-the-art visioning and quality control systems, which involves synergies for us driven by customer needs.

Creating a strategic advantage while protecting the planet

We were proud to receive the EcoVadis Gold sustainability rating during the year, granted to the top 5% of participating companies. This rating is an increasingly important benchmark for our customers as well as our own suppliers. We are also working to achieve net-zero emissions across our value chain by 2050 with concrete actions and targets.

At Sidel, we aspire to be the sustainability leader in the market and see many opportunities for sustainability to be a strategic

advantage. Through our solutions, we can enable customers to use less energy and material, and incorporate more recycled materials into their products, while reducing cost.

In fact, this is how we contribute to this year's Tetra Laval Annual Report theme – with the future of food production. Through constant innovation with a focus on delivering more sustainable packaging and aseptic solutions, we can meet the needs of the food and beverage industry, both now and in the future.

Opportunities in 2025 and beyond

We see major opportunities in aseptic packaging with the potential for us to support customers with our comprehensive expertise as they realise the benefits related to enhance taste and quality, while ensuring food safety and minimising packaging materials. In 2024, we developed a dedicated aseptic training centre in Atlanta, US, which will be opened in 2025. The centre will provide enhanced hands-on training on our aseptic solutions for customers and Sidel employees. The training will accelerate awareness and understanding while we continue to research, develop and validate solutions in our dedicated aseptic laboratories in China, France and Italy.

Other opportunities include more sustainable packaging solutions and services that help customers enhance their performance, such as through more modular and flexible solutions. Innovation will continue to drive our business along with a focus on total quality management to drive customer value.

We look forward to unlocking these opportunities in collaboration with our customers and value chain partners in 2025 and beyond. Together, we have the capabilities and expertise to not only enhance the performance and profitability of our individual customers, but also bring about positive change throughout the global food and beverage value chain.

Pietro Cassani



“Innovation will continue to drive our business along with a focus on total quality management to drive customer value.”

¹ Comparison with previous model. Calculation hypothesis: Formats: 330 ml – 250 g – 60,000 bph, 660 ml – 450 g – 40,000 bph, freshwater temperature 20°C, bottle infeed temperature 25°C, bottle outfeed temperature 35°C.

² Suitable for +10/15% production rate increase (with 75°C washing).

“We were proud to receive the EcoVadis Gold sustainability rating during the year, granted to the top 5% of participating companies. This rating is an increasingly important benchmark for our customers as well as our own suppliers.”

GLOBAL LEADERSHIP TEAM



Pietro Cassani
President & CEO



Clive Smith
Executive Vice President
Customer Management
Asia, Oceania & Africa



Simone Mondini
Executive Vice President
Customer Management
Americas



Marina de Barros
Executive Vice President
Customer Management
Europe & Central Asia



Riccardo Codega
Executive Vice President
Go to Market



Ko Hoepman
Executive Vice President
Equipment Portfolio & Innovation



Paulo Picca
Executive Vice President
Supply Chain



François Lejard
Executive Vice President
Services Portfolio & Solutions



Igor Glaser
Executive Vice President
Finance & Business Transformation



Deepak Kumar
Executive Vice President
Human Resources



Christer Carling
Executive Vice President
Legal Affairs

Sidel's vision for delivering the future of food production

The future of the food and beverage industry is already upon us, driven by sustainability, biotechnology, digitalisation and the democratisation of technology.

Redefining the future of food and beverage production

For Sidel, the future of food production means enabling its customers to produce safe, essential, and nutritionally beneficial beverages and food that are protected by sustainable packaging and are universally accessible. It means supporting customers to do this in easier ways and with higher performance, for their business, their products, people and the planet. Sidel is already delivering in these areas to address the global challenges of food safety, nutrition and environmental impact.

As a leader in packaging solutions and lifecycle services, including a longstanding expertise in aseptic technology and sustainable packaging, Sidel's approach supports a market that champions responsible operations across the supply chain. These efforts promote improved accessibility of essential goods, including the packaging and protection of functional beverages, for example, that promote physical and mental wellbeing.

"Continually raising the bar in terms of state-of-the-art aseptic PET technologies is a cornerstone of our strategy," said Rossana Borgese, Technology & Open Innovation Project Leader at Sidel. "We ensure food safety by mitigating risks from pathogens and harmful preservatives, and preserving nutritionally active beverages that benefit health. This is done in harmony with facilitating the use of lighter, recycled, or more sustainable packaging solutions."

Driving sustainability innovation

"At Sidel, we leverage a long history of knowledge and continue to foster and grow our teams, including sustainability experts, food technologists and innovation engineers, as well as collaborations with research institutions and universities to further our expertise," explained Borgese. "Our application of Life Cycle Assessment (LCA) methodologies ensures the environmental viability of our products and processes from both cost and sustainability perspectives."

Sidel's innovations enable the development of 'future-proof' packaging solutions that adapt to evolving regulations and consumer preferences. This includes solutions for 100% recycled PET packaging, returnable glass bottles and reusable PET to support a circular economy, reduced reliance on raw materials and lower environmental impact.

Transforming processes through digitalisation

The digital transformation at Sidel enables enhanced data collection and analysis, optimal productivity, reduced waste and greater product safety – all across the lifetime of our solutions. Equipment intelligence enhances operations and predictive maintenance to minimise disruptions and optimise efficiency. Sidel's vision extends beyond the factory, as it explores tracking systems to manage recalls efficiently, deliver transparency and safeguard consumer trust.

Democratising advanced technologies

Sidel makes advanced technologies available to markets around the world. Through innovations, continuous improvement, worldwide 24/7 technical support and production centres across four continents, Sidel empowers companies in developing regions to adopt cutting-edge production solutions. Sidel's cloud-connected systems also facilitate global collaboration, ensuring that expertise and resources are shared across borders.

Shaping a more sustainable tomorrow

"Our holistic approach to food and beverage innovation demonstrates our commitment to delivering the future of food production," stated Mattia Cenci, VP Innovation & Programme Management at Sidel. "Through sustainability, solutions design, digitalisation and by increasing our speed to market for new innovations, we not only address today's challenges but also pave the way for a more sustainable, inclusive and healthier tomorrow."



Sidel enhances customer productivity with three high-speed aseptic lines

CR Beverage, a leading bottled water brand in China, installed three Sidel high-speed aseptic complete lines to expand its tea, juice and carbonated drink production. The lines, located at plants in Yixing and Chengdu, produce 54,000 bottles per hour for 450 ml and 27,000 bph for 1L formats.

The Aseptic Combi Predis lines ensure product integrity, extend shelf life and promote sustainability by minimising water, energy and chemical use. The aseptic validation achieved a 100% one-time pass rate, with the lines fully operational in just 90 days. This milestone underscores Sidel's expertise and leadership in aseptic technology, reinforcing its commitment to innovation and sustainability in China's growing beverage market.



Orkla enhances ketchup production with Sidel's ultra-clean combi technology

Orkla has boosted ketchup production by switching to in-house PET bottle blowing with Sidel's blow-fill-cap solution. This has improved safety, capacity and sustainability while meeting consumer demand for healthier, more convenient products.

Orkla replaced cylindrical polypropylene bottles with lightweight, squeezable PET designs, reducing waste and cutting CO₂ emissions by 90% through local preform sourcing. The bottles now contain 25% r-PET, with plans to reach 50%.

Orkla also transitioned from hot filling to ultra-clean ambient filling, eliminating preservatives while maintaining product quality. Sidel's combi solution integrates preform sterilisation and dry cap decontamination, which ensures hygiene and efficiency. This upgrade also increased production from six to nine tonnes per hour, while enabling new formats and recipes as well as reducing energy and water use.



HIGHLIGHTS

Futureproof robotic palletising system delivered for Unilever

With volumes tripling at Unilever's nutrition factory in Ploiesti, Romania, they needed a new system to handle their diverse range of brands. Sidel stepped in to install a centralised palletising system featuring eight robotic cells, hundreds of meters of conveyors, and four pallet handling shuttles. The setup serves 28 packing lines and can produce up to 98 pallets an hour. "We've been impressed by Sidel's design capability to fit the detailed palletising specifications we required in a compact area and simultaneously oversee the complexity and high throughput coming from the packing lines," said Iuliana Popescu Colt, Operations Manager at Unilever.



Cost-effective case packing solutions for Miswa Chemicals in the UK

Sidel automated three case packers for Miswa Chemicals UK, enhancing their operations for home-care, automotive and insecticide products. This up-grade boosted overall productivity by 40% by significantly reducing manual loading. Sidel delivered a cost-effective solution from its ready-to-go portfolio, capable of handling various primary and secondary packaging shapes and types. With multiple production configurations, the automatic case packer can efficiently manage up to 28 cases per minute, streamlining Miswa's packaging process. "The Sidel project team perfectly understood our needs and was reactive in providing us with good technical recommendations," explained Oren Patel-Champion, Director at Miswa Chemicals UK.



Sidel joins forces with Twellium to launch state-of-the-art packaging hub

Twellium Industrial Company, West Africa's fastest-growing manufacturing company, partnered with Sidel to develop a new ultra-modern facility in Kumasi, Ghana. Sidel installed two cutting-edge processing and packaging lines capable of bottling different products in a variety of PET bottle sizes to optimise flexibility. The Kumasi site is now home to a complete PET water line with a production output of 80,000 bottles per hour. Utilising Sidel's signature Combi solution, the system seamlessly integrates blow moulding, filling and capping into one compact integrated solution.



Empowering Chinese water brand to produce large bottle formats

China Resources C'estbon Beverage Co. Ltd (C'estbon Beverage), one of China's leading bottled water brands, teamed up with Sidel to expand into big format water production. With Sidel's cutting-edge complete line packaging solution, the new setup features the state-of-the-art EvoBLOW XL blower and can produce, label, pack and palletise 12,000 4.5L or 6L bottles per hour. Equipped with a de-duster and no-contact filling, this system ensures the highest water quality. This bold investment positions C'estbon to meet the soaring demand for bottled water across China.



HIGHLIGHTS

Innovative labelling solutions from Makro Labelling

In 2024, two years after joining Sidel Group, Makro Labelling continued to bring customer-focused innovations to market. These include advances in their state-of-the-art visioning systems: RAPTOR - for precise container orientation prior to labelling, and ALICE - for controlling the quality of the label and self-adjusting to prevent deviations. Makro also developed its exclusive partnership with ACTEGA to apply their new Signite decoration technology, which produces significantly lower waste than traditional pressure sensitive labels.



Sidel's Actis barrier coating receives APR Design® for Recyclability Recognition

Sidel's Actis barrier coating met – and surpassed – the Association of Plastic Recyclers (APR) Design® criteria for the Recyclability Recognition pathway. After thorough rigorous independent testing, Sidel's Actis coating received this prestigious recognition, evaluated against the industry's toughest criteria that include various design features and plastics recycling. Sidel Actis (Amorphous Carbon Treatment on Internal Surface) is a pioneering plasma coating technology applied inside PET bottles to extend shelf life and improve lightweighting.



Sidel launches new service to boost customer environmental performance

Leveraging more than 40 years of experience with PET, Sidel has launched its groundbreaking Eco-Audit service to help customers optimise the environmental performance of their Sidel equipment. This comprehensive service begins with an in-depth audit of the container production process, followed by expert guidance to dramatically and swiftly cut down on resource consumption associated with PET containers and blow moulding. An initial Eco-Audit helped one customer to annually reduce its greenhouse gas emissions by 157 tonnes CO₂e and achieve savings of more than €180,000. In this instance, the pay-back period was just a few months.

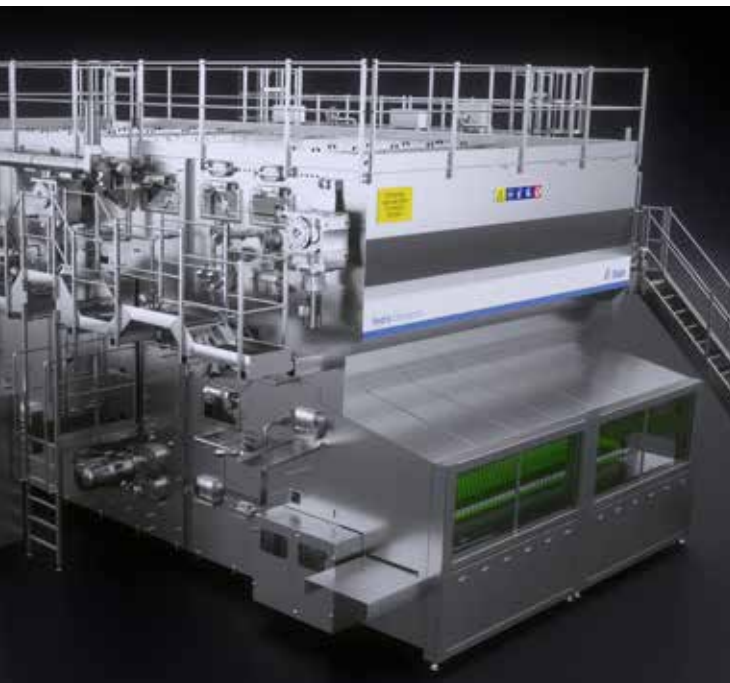
Sidel develops turnkey PET packaging line for AQua Vera

To ramp up production of its premium Vera water in PET bottles, AQua Vera teamed up with Sidel to create an exciting new turnkey bottling line. This state-of-the-art system boosts production capacity for their high-quality still water in 0.5L, 25cl and 1L formats, with an output of up to 20,000 bottles per hour. This collaboration marks the second time AQua Vera has partnered with Sidel at their Castrocielo site in Italy, reinforcing their trust in Sidel's expertise and the proven performance of the Combi line installed in 2016. The new turnkey line also enhances efficiency and sustainability by optimising water, energy, air and plastic usage.



Sustainability at the heart of our business

Sustainability is not only related to the environment, but also to social and governance topics. This is why at Sidel, we have set ambitious ESG (Environmental, Social, Governance) targets to ensure we proactively contribute to combatting climate change, enforce human rights and promote responsible governance.



Environmental

We are aiming to be net-zero by 2050, and all our production sites are certified to the ISO 14001 environmental management system that provides us with a framework to continually reduce our environmental footprint. In 2024, we developed a comprehensive strategy to decarbonise our company as well as our value chain. Our near-term targets have been approved by the Science Based Targets initiative (SBTi), while our net-zero target by 2050 is under validation.

We also have an important role to play in helping our customers to reduce their environmental footprint. We do this through our solutions, such as the Hydra Ultrasonic bottle washer that reduces heat and water use, and our expertise in areas such as recycled PET and lightweighting.

Social

People are always at the centre of what we do, both within our own organisation, at customer sites and in the communities we engage globally. Our strong commitment to safety is demonstrated by our aim to achieve zero work-related accidents and includes a focus on mental health. This safety culture extends to cover our customers to proactively prevent accidents related to Sidel machines at their sites.

We fully support international human rights principles and are dedicated to diversity and inclusion, such as by raising awareness and providing management training. We also prioritise employee well-being and provide personal development opportunities to ensure Sidel employees are life-long learners.

Our SustainabilityBuilders employee network is instrumental in embedding our ESG strategy across our organisation. The network spans 23 Sidel sites and includes all functions and levels of the company.

Governance

Sidel's Corporate Governance Framework provides us with a moral compass to guide our decision making and run an ethical business. It also helps us to abide by our values and engage with stakeholders throughout the value chain on a broad range of topics.

In terms of responsible sourcing, we work closely with our suppliers to build a culture of climate action and environmental responsibility through our Responsible Sourcing Procedure. Responsible governance also covers our products and our unique ability to meet customer needs as sustainably as possible through innovation.

Through training programmes and awareness campaigns, Sidel empowers colleagues to play their part in contributing to its decarbonisation goals, its work to create a more inclusive workplace and to drive sustainability throughout the supply chain. In 2024, we integrated customer perspectives by engaging with a small group of strategic long-term customers, which helped to prioritise our ESG work.



SUSTAINABILITY

Sidel's sustainability work strikes gold!

– We were awarded EcoVadis Gold in December 2024, which ranks us among the top 5% of companies rated by the EcoVadis sustainability platform globally.

Top 5%



More than 4,000 solar panels installed at our plants

– As part of our decarbonisation strategy, we aim to reduce our dependency on non-renewable energy. We installed solar panels at our plants in Parma, Pune, Beijing and Guadalajara during the year.

More than

4,000

solar panels installed



59% of Sidel suppliers are rated by the EcoVadis sustainability rating platform (by spend)

– We are committed to support the sustainability and decarbonisation journey of our suppliers.

59%

EcoVadis rated suppliers



75% product energy efficiency improvement in 2024

– We carefully monitor the status of our roadmap to market our innovation projects, with a special focus on those with a sustainability profile.

75%

product efficiency improvement



26% women in senior leadership positions

– We aim to create an inclusive environment with real equity in terms of gender, sexual identity, disability, age, nationality and ethnicity.

26%

women in leadership positions



181 initiatives to support the UN Sustainable Development Goals

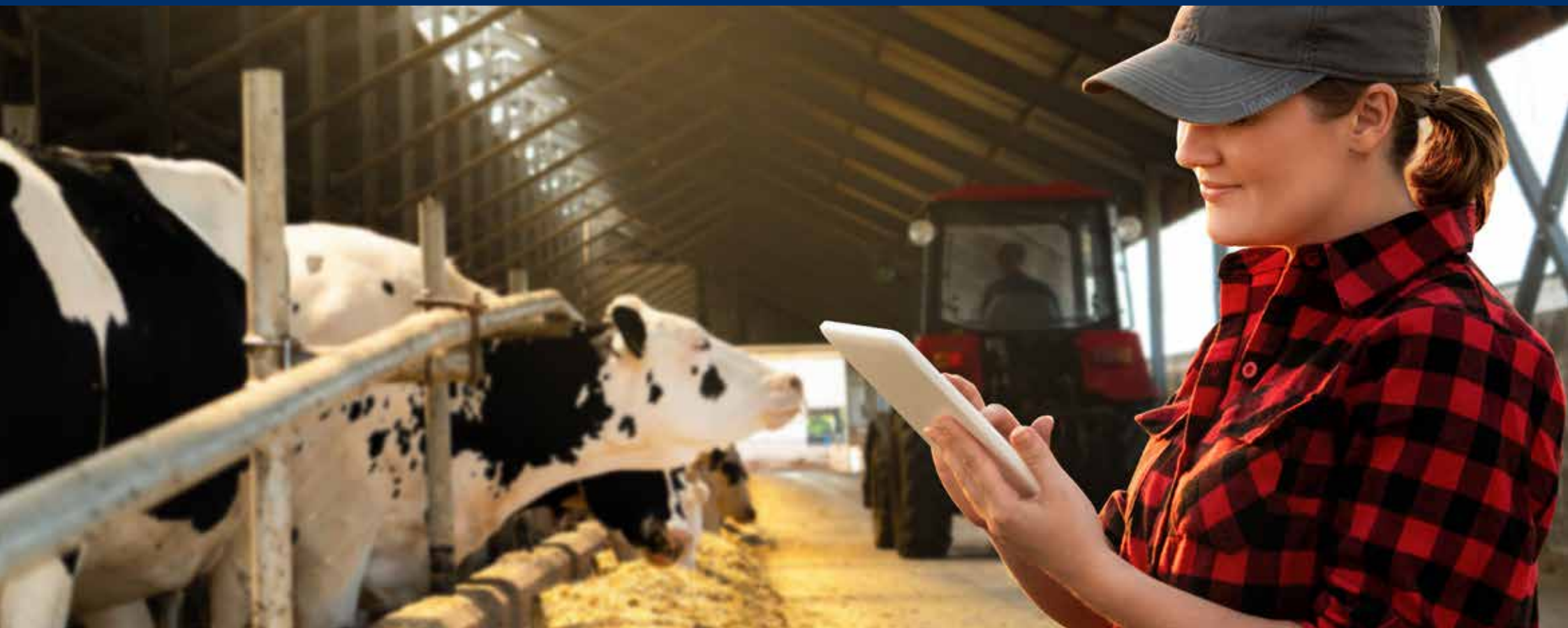
– We organised and participated in various activities to promote sustainability throughout our business all around the world.



Net Zero Ambition for 2020

– We are working to reduce our emissions across our value chain with concrete actions and targets.





Creating the future of dairy farming

We performed better than expected during a challenging year to achieve good profitability, while investing heavily in the future of DeLaval – and the dairy industry in general.

Despite the challenges of inflation, supply chain disruption and geopolitical tension in 2024, our dedicated team at DeLaval found innovative solutions to deliver strong results while enhancing our own internal efficiency. Market conditions improved during the year with higher milk prices and lower feed costs, which drove the demand for our offering among farmers in the second half of the year. I am proud of the resilience we demonstrated to manage a slight decrease in sales and maintain healthy profitability.

We achieved net sales of €1.3 billion and a sales decrease of 5.3% at prevailing rates. Our performance was particularly impressive when considering the heavy investments we made in the future of our company. This included continued R&D investments with a focus on sustainability innovation and enabling our farmers to do more with less. We also invested in our Enterprise and Resource Planning (ERP) system to future proof our business by making DeLaval easier to do business with and a great place to work.

Enabling the future of the dairy industry today

Global demand for dairy is at an all-time high, and so are the expectations for how milk is produced. These factors will continue to create significant opportunities for DeLaval's products and solutions – particularly in terms of automation and digital services.

The theme of this Tetra Laval Annual Report is 'The future of food production', and DeLaval has a clear role to play in shaping the dairy industry. We innovate to enable farmers to operate more

efficiently by producing more milk with less resources – to make dairy production more sustainable and profitable.

The redevelopment of our dedicated R&D and demonstration facility, Hamra Farm, offers another insight into the future of the dairy industry. A new maternity and calf barn was completed in 2024, and we continued to develop two other barns – a state-of-the-art VMS milking barn with five DeLaval VMS™ robotic milking systems (V300 and V310 models) and a heifer barn. We are looking forward to our inaugural event later in 2025.

Product innovation drives sustainability and animal welfare

The driving force behind our product innovations is making dairy production more sustainable in every aspect. This means ensuring the welfare of both animals and farmers, minimising environmental impact and supporting dairy farm profitability – all at once. By achieving this balance, we help farmers build more profitable, sustainable operations with healthier herds. This is the future of dairy farming, and it's what inspires us to keep innovating.

As most of our value chain greenhouse gas emissions are generated by our products during their use phase, innovation in product efficiency is an essential part of what we do. We are also incorporating more recycled materials into our products, and are designing them to both have a long lifespan and be easy to service and maintain during their entire lifecycle, as well as recycle at their end-of-life.



PRESIDENT & CEO COMMENT

During the year, we enhanced DeLaval Plus, our farm management platform designed to turn data into actionable insights, with improved applications that detect diseases, optimise milking performance and safeguard milk hygiene on farms. New physical products included our Titan™ teat disinfectant for automated spray systems, which use advanced technology to take udder health management to the next level.

Investing in our people

We continued to invest in a strong employer brand through structured employee training programmes to ensure we remain a knowledgeable and reliable business partner to dairy farmers around the world. We also implemented action plans in response to employee feedback from our bi-annual Employee Engagement Survey.

Our other strategic people topics include physical and mental wellbeing, health and safety, and our ability to track and retain a diverse workforce. Diversity and inclusion will continue to be an important strategic area for us as we believe that having a variety of people with different backgrounds and experiences makes us stronger by enabling better decision making and driving innovation. We increased our proportion of female employees during the year, but we still have work to do to meet our target of 30% by 2030. We will continue to promote our women's networks, as well as providing awareness training on diversity and inclusion and in recruitment.

Facing challenges as a strong company

Together with the wider industry, we are faced with slow economic growth, geopolitical instability and trade barriers in the foreseeable future. On a positive note, dairy farmers are seeing improved margins and cash flow thanks to lower milk production costs and higher milk prices. We expect market growth during 2025, especially in the US and Europe.

We remain committed to making sustainable food production possible. We have knowledgeable and passionate people, but we cannot do this alone and must increasingly collaborate with other actors throughout the value chain. An exciting example of this is the Milk Sustainability Center (MSC) platform, which we run together with Deere & Company (John Deere). We launched a pilot version of the MSC during the year to help farmers improve their operations by automating and consolidating farm data flows as well as provide valuable insights into how they can enhance both sustainability and profitability. We will ramp up the MSC in 2025 to benefit more customers, partners and other value chain players.

We look forward to continuing to support the dairy value chain in 2025 and beyond to make sustainable food production possible.

Paul Löfgren



“Dairy farmers are seeing improved margins and cash flow thanks to lower milk production costs and higher milk prices. We expect market growth during 2025, especially in the US and Europe.”

“We remain committed to making sustainable food production possible. We have knowledgeable and passionate people, but we cannot do this alone and must increasingly collaborate with other actors throughout the value chain.”

GLOBAL LEADERSHIP TEAM



Paul Löfgren
President & CEO



Jonas Hällman
Executive Vice President
Cluster Europe, the Middle East and Africa



Fernando Cuccioli
Executive Vice President
Cluster Americas



Yunfei Sha
Executive Vice President
Cluster Asia & Pacific



Magnus Berg
Executive Vice President
Product Management &
Development



Lars Bergmann
Executive Vice President
Digital Services



John-Erik Hermanson
Executive Vice President
Supply Chain



Christian Poggensee
Chief Financial Officer



Anna-Pia Järnfors-Dixner
Senior Vice President
Corporate Communications &
Sustainability



Valerie Binner
Senior Vice President
Human Resources



Johan Swahn
Senior Vice President
Legal Affairs

Pioneering the future of dairy

With a vision to make sustainable food production possible, DeLaval is constantly innovating to empower farmers to produce milk as efficiently as possible and in consideration of animals and people.



The importance of dairy – now and in the future

Dairy foods are rich in high-quality protein and essential nutrients, making the dairy sector a significant contributor to the Sustainable Development Goals (SDGs) on zero hunger, and health and wellbeing. Additionally, dairy cows play a crucial role in converting inedible or less nutritious foodstuffs into valuable, nutrient-dense products.

Like all foods, dairy has an environmental impact. However, advancements in dairy farming technology are transforming the industry, enabling farmers today to optimise their production, produce more with fewer resources and significantly reduce their environmental footprint. In many ways, the future of the dairy industry is already here.

Innovating for a more sustainable dairy industry

“At DeLaval, we strive to make our products and solutions as sustainable as we possibly can – to help dairy farmers reduce their impact and contribute to more sustainable food production,” declared Anna Lindquist, Director Strategic Program Office at DeLaval, who works with strategy and sustainability in the product development department at DeLaval. “With approximately 70% of our climate footprint coming from the use phase of our products, continuously developing more efficient products and solutions is where we can have the greatest positive impact.”

Developing products that enhance farm efficiency must go hand in hand with promoting animal welfare. Healthy, calm cows naturally produce more milk, boosting farm productivity while reducing environmental impact – a win for farmers, animals and the planet.

“It is so important that we develop products and solutions that do not stress or hurt cows and that we consider animal behaviour.”

“It is so important that we develop products and solutions that do not stress or hurt cows and that we consider animal behaviour,” said Cecilia Bågenvik, Vice President Animal Intelligence & Welfare Solutions at DeLaval. “We know that when we focus on animal welfare, our customers can run more sustainable dairy farms with higher milk production.”

Digitalisation – a key trend shaping the future dairy industry

The dairy industry is being increasingly influenced by digital technology, which is transforming practices through automation and optimising processes such as milking, feeding and monitoring. These advancements enhance resource efficiency, improve animal welfare, save time and money, and empower farmers with smarter decision-making and greater collaboration.



“Digitalisation offers huge opportunities to not only ensure food safety and milk quality, but to also monitor cow health and even identify the risk of cows at risk of disease.”

“Digitalisation offers huge opportunities to not only ensure food safety and milk quality, but to also monitor cow health and even identify the risk of cows at risk of disease,” said Kieran Fitzgerald, Vice President Digital Services Product Management at DeLaval.

The DeLaval Plus Predictions Disease Risk application that accurately predicts the risk individual cows are at from diseases is set to become an essential tool for farmers. How DeLaval is partnering with Deere & Company (John Deere) on the Milk Sustainability Center is another example of how a digital ecosystem can help farmers to reduce their climate impact.

“We are gathering more and more data from various farm sensors to measure everything from milking to cow behaviour, to help calculate disease risk with the help of artificial intelligence algorithms,” said Fitzgerald. “This will allow our tools to become increasingly accurate as we continue to add more disease screening and functions to our digital services in the future.”

Laying the foundations for the dairy industry

“Collaboration and sharing data with new and existing partners – and even our competitors – is also driving the development of the industry,” claimed Bågenvik. “Working together in areas such as feed nutrition, genetics and milk processes creates mutual benefit for all parties.”

Another important step has been DeLaval’s lifecycle analysis (LCA) tool that was implemented in 2024 to identify opportunities to reduce its own environmental footprint and develop more sustainable products.

“Drawing on such innovative partnerships and advanced tools are helping us to lay the foundations for the dairy industry of the future that enables farmers to both be more profitable and sustainable,” concluded Lindquist.

Farms shaping the future

At DeLaval, we are dedicated to helping dairy farms excel in both sustainability and profitability. After all, these farms not only help us enhance our customer offering but also help shape the industry of the future. Here are a couple of examples of such DeLaval customers.

Country Aire Farms, Wisconsin, USA

The fourth-generation family farm established in 1923 has embraced state-of-the-art dairy solutions to enhance both technological and labour efficiency. Country Aire Farms uses the DeLaval Rotary E500, DeLaval teat spray robot TSR, DeLaval Eanza™ milking clusters and DeLaval Flow-Responsive™ Milking to milk their 4,300 cows.

The team can also run everything from fans to lights, pumps and sprinklers with their phones.

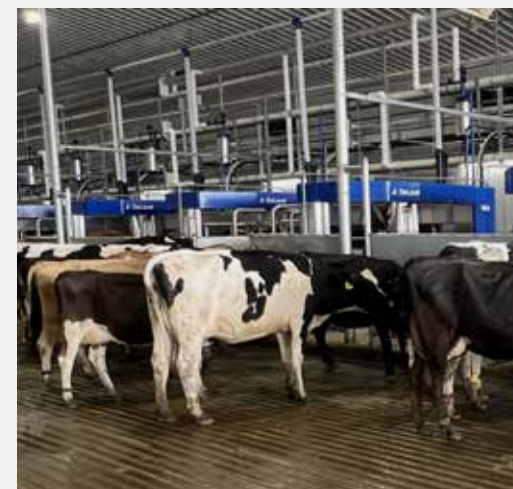
Country Aire Farms grows alfalfa, wheat and corn on 7,400 acres that it uses to feed its herd. Manure is processed in a digester to reduce waste and greenhouse gas emissions before being used to irrigate the fields.



Pepper Dairy, Texas, USA

Owned by Aurora Organic Dairy, the farm was the first in the USA to adopt VMS Batch Milking and installed 22 DeLaval VMS™ V300 units in 2022 to efficiently milk 2,000 cows. The farm has invested in automated milking robotics in recent years to help overcome labour costs and shortages, while promoting udder health and providing the team with actionable cow data.

As a Quality Assurance International (QAI) Certified Organic and pasture-based farm, it aims to reduce its environmental impacts and aspires to help protect, renew and restore the planet’s resources while delivering benefits to its business, animals, people and communities. Through an on-site solar array installed in 2024 and by supporting third-party off-site renewable energy and carbon reduction projects, the farm has achieved its carbon-neutral energy goal since 2020. Pepper Dairy is also Validus Certified for Animal Welfare, Worker Care and Environmental Stewardship.



HIGHLIGHTS

Advancing the dairy industry through university partnerships

During 2024, DeLaval deepened its collaboration with two leading universities – KTH Royal Institute of Technology in Stockholm, Sweden, and the Rakuno Gakuen University in Ebetsu, Japan. At KTH, DeLaval has helped create a new mechatronics master's programme that provides students with in-demand skills such as the use of artificial intelligence and automation in the dairy industry. Meanwhile, at the Rakuno Gakuen University, DeLaval provided students with hands-on industry insights into calf care practices and dairy farming equipment as part of an ongoing collaboration.



Pioneering innovations in udder health

In 2024, DeLaval launched Titan™, a revolutionary teat disinfectant that marks a major leap forward in udder health management, enhancing milk production, quality and animal welfare. Additionally, two of DeLaval's standout products received prestigious industry innovation awards. The DeLaval teat spray robot TSR2, which is 20% faster than its predecessor, has redefined efficiency in the field, earning the title of 'Overall Agriculture Robotics Solution of the Year' at the 2024 AgTech Breakthrough Awards. Meanwhile, DeLaval's OceanBlu™ won Gold at the Elmia Agricultural Innovation Awards, showcasing its superior udder health benefits through advanced cleaning and pathogen control.



Pioneering rubber recycling in France

DeLaval is breaking new ground by recycling rubber consumables from the dairy industry in France. Each year, the company sells 90 tonnes of rubber liners and tubes that were not previously recycled due to high recycling costs. To tackle this issue, DeLaval launched an innovative pilot project in partnership with Aliapur, a leading recycling company with 25 collection points and 16 processing centres across the nation. In September 2024, this groundbreaking initiative was officially rolled out throughout France. This project is the first of its kind in the dairy industry and stands as a powerful testament to DeLaval's commitment to sustainability.

World's largest VMS batch milking setup being built in Poland

The Fortune Cieszymowo dairy farm in Cieszymowo, set to open in mid 2025, will be home to the world's largest VMS batch milking setup. This dairy facility is a groundbreaking collaboration between Fortune Sp. z o.o., a leader in dairy cattle breeding and crop cultivation in Poland, and DeLaval. Equipped with 25 DeLaval VMS™ V300 robots, the farm will milk cows in batches rather than individually. Additionally, Fortune Cieszymowo will feature a suite of advanced DeLaval technologies, including effluent management solutions, milk cooling systems, water troughs, floor mats, and climate control systems, ensuring optimal efficiency and animal welfare.



HIGHLIGHTS

Hamra Farm celebrates 130 years and continues to innovate for the future

DeLaval's R&D farm, Hamra Farm, south of Stockholm, adjacent to the DeLaval headquarters, marked 130 years in operation in 2024. Since it was bought by Gustaf de Laval in 1894, the farm has been an innovation hub where he tested pioneering technologies that shaped modern dairy farming, such as the centrifugal separator and milking machine. Today, DeLaval is building on this legacy with the largest investment in Hamra Farm's history, including advanced DeLaval VMS™ V300 milking robots, increased capacity and a strong focus on animal welfare and sustainability. The new facilities, officially opening in September 2025, will honour Hamra Farm's rich history of leading innovation while shaping the future of sustainable dairy farming.



1894-2024

DeLaval clinches the coveted Golden HofGenie Innovation Award

DeLaval Plus took home first place in the digitalisation category at the prestigious Golden HofGenie Innovation Award during AgroTier in Wels, Austria. This cutting-edge, artificial intelligence-driven platform analyses farm data to deliver powerful insights and tools that optimise performance and enhance animal health. "With DeLaval Plus, our goal is to assist farmers in making better decisions for their operations through advanced data processing and artificial intelligence, thereby enabling long-term success and improved animal welfare," said Martin Huber, Managing Director of DeLaval Austria.



Driving more sustainable operations in Poland and China

DeLaval installed photovoltaic panels at its Dobre Miasto factory in Poland during the year. The system will annually meet around 30% of the factory's electricity needs and avoid almost 78 tonnes of greenhouse gas emissions – equivalent to planting more than 3,580 trees. The factory has also switched to a renewable energy contract together with all DeLaval facilities in Poland. Across the globe in Tianjin, China, DeLaval proudly received the prestigious 'Green Factory' award from the Chinese government, recognising its exceptional commitment to sustainability. This accolade is grounded in International Organization for Standardization (ISO) standards, showcasing DeLaval's dedication to global best practices in environmental stewardship.



Shaping a more sustainable future for dairy farmers

Our commitment is clear: by advancing our sustainability priorities and fostering collaboration, we aim to secure the future of our business. Together, we are shaping a sustainable tomorrow for dairy farmers.

Sustainability is at the heart of everything we do – it shapes our actions, informs our decisions, and reflects our responsibility to create long-term value for farmers, their animals and the communities they serve.

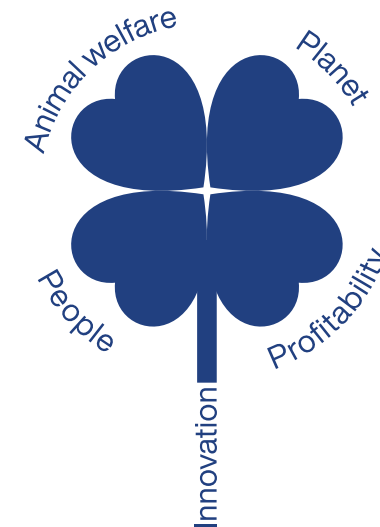
By focusing on smarter resource use and operational efficiency, we help farmers produce milk with less environmental impact while improving animal welfare and working conditions. Together with our partners and employees, we build a resilient business that delivers value for all our stakeholders while safeguarding the planet. Sustainability is a shared responsibility, and we are proud to lead progress across the dairy value chain.

Advancing a sustainable future

We amended our sustainability model in 2024 to focus on what we can do to enhance our positive impact. Our updated sustainability model is structured around five Sustainability Focus Areas: Innovations, Animal Welfare, Planet, People and Profitability. Everything is connected to governance, which serves as the natural foundation for our focus areas. In addition, we have topics that were defined through our Double Material Assessment. Our main focus going forward is on these areas and topics – always with our customers in the centre.

Our sustainability topics

- Research and development, innovation and digital services
- Milk quality
- Animal welfare
- Product safety, quality and compliance
- Greenhouse gas emissions and climate action
- Energy efficiency
- Water management
- Employee safety and wellbeing
- Collaboration and partnership
- Customer satisfaction



We make sustainable food production possible

DeLaval and the UN Sustainable Development Goals

To us, sustainable food production is more than an ambition, it is the cornerstone of our entire business strategy. We have aligned our sustainability work with the UN Sustainable Development Goals and concentrated on the goals where we believe we make the greatest contribution.



“We aim to make sustainability a practical and measurable part of everything we do – not just a guiding principle, but an operational focus throughout the business.”

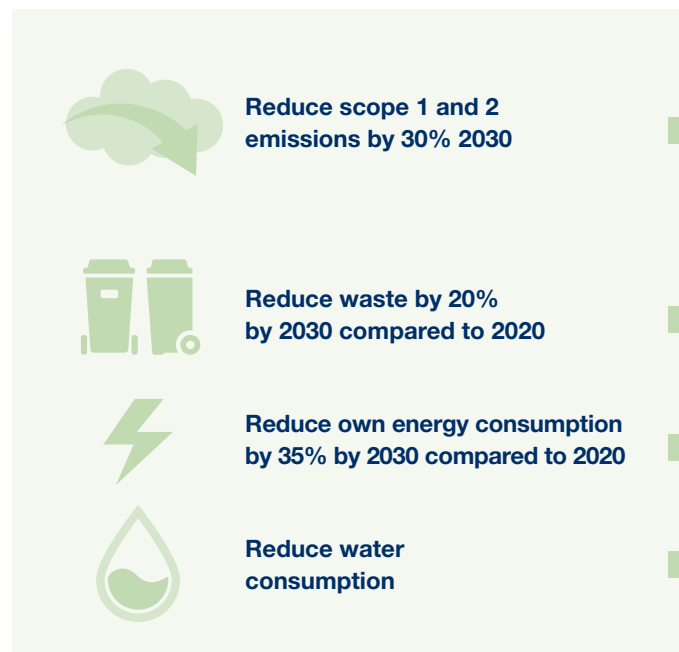
Maria Collin, Head of Group Sustainability at DeLaval.

SUSTAINABILITY

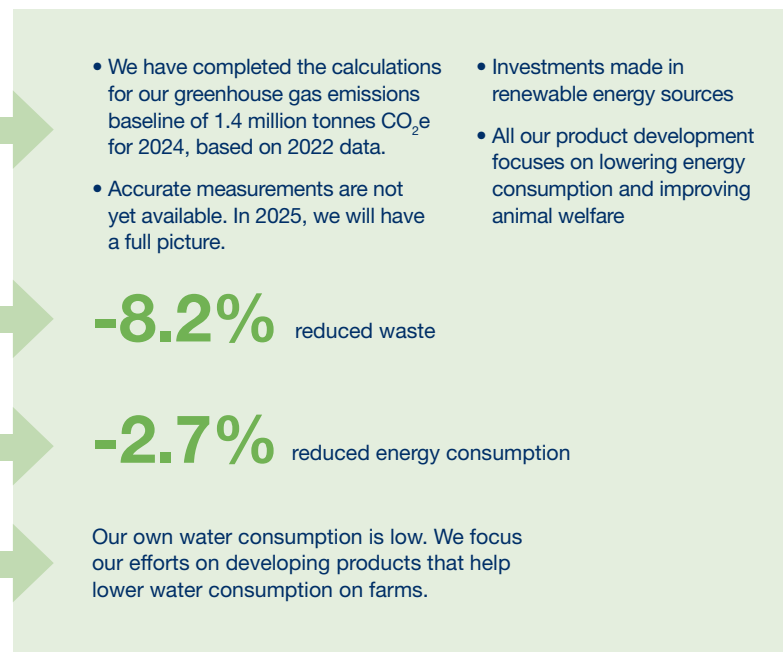
Our sustainability targets, KPIs and progress

We made progress on our sustainability targets and KPIs in 2024. For the full story, see our latest Sustainability Report at <https://corporate.delaval.com/sustainability/>

Key planet targets



Key planet progress in 2024



Innovations

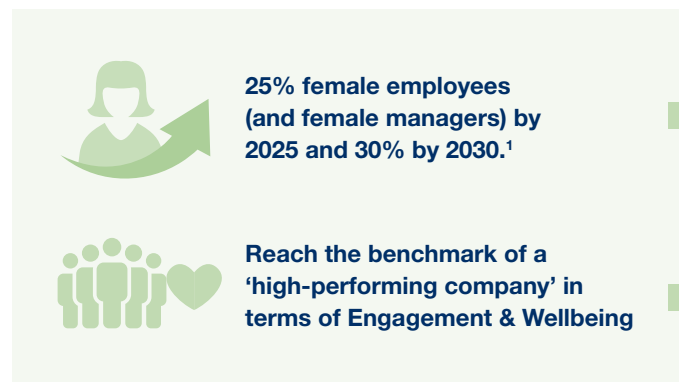
We focus our innovation efforts on delivering maximum impact and value for our customers. We have a process where every new product development undergoes an 'improvement assessment' to ensure that each product directly contributes to our sustainability targets. An integrated approach to product development builds a culture of innovation that addresses challenges for our customers, our business and the planet.

Our continuous work with animal welfare

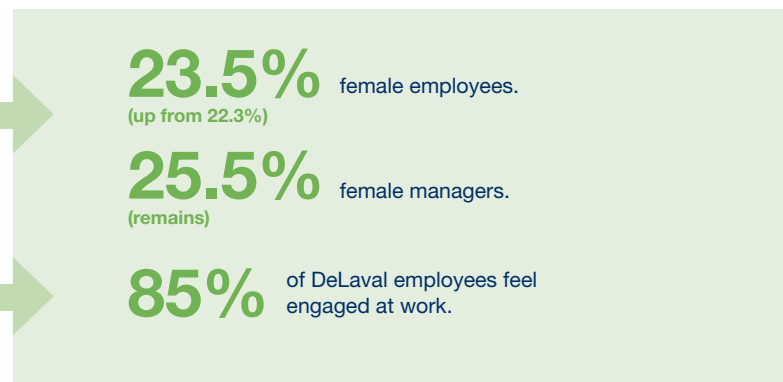
Healthy animals are productive animals, and we strive to develop products that are good for the herd through our product development and customer advisory services. In 2024, we launched several new products that have been developed to make farmers' and cows' lives better. We continuously invest in R&D to improve cow wellbeing when interacting with DeLaval products and we remain committed to making sustainable food production possible.



Key social targets



Key social progress in 2024



¹ DeLaval excluding adjacent businesses. When adjacent businesses are included, the figures are 26.2% (24% in 2023) female employees and 25.7% (25.3% in 2023) female managers.

Tetra Laval International

Tetra Laval International (TLI) is the financial support and control function for the Board. This includes responsibility for areas such as corporate governance, Group financing and treasury, financial planning and reporting, mergers and acquisitions, tax, internal audit, insurance, leasing and holdings administration. TLI manages the internal control aspects of these responsibilities by means of policies applicable throughout the Group. These policies are approved by the Board and reviewed on an annual basis. TLI manages Group financing, foreign exchange and interest rate risks of the Group within a mandate approved by the Board. This continues to be important in the context of continued major market volatility impacting the global economy.



TETRA LAVAL INTERNATIONAL MANAGEMENT AND TETRA LAVAL GROUP SUPPORT FUNCTIONS

TETRA LAVAL INTERNATIONAL MANAGEMENT 2024



Martyn Zedgitt
President



Robert Norris
Group Financial Planning
and Reporting



Jörn Rausing
Mergers and Acquisitions



Antoine Jomini
Finance



Tim Bishton
Audit



Tuomo Rautiainen
Tax



Maurizio Proietti
Operations, Data Science and Holdings

TETRA LAVAL GROUP SUPPORT FUNCTIONS

These functions are responsible for their respective area throughout the Tetra Laval Group.



Phil Read
Group Human Resources



Martin Scott
Group Corporate Affairs

Collaborating to combat childhood malnutrition in Rwanda

Tetra Pak East Africa is supporting its customer Inyange Industries, in collaboration with Rwanda's National Child Development Agency, to improve access to safe nutrition among children and boost the local economy.

The fight against childhood malnutrition

Childhood malnutrition is a pressing issue in Rwanda, with 38% of children under five facing chronic malnutrition and 37% suffering from anaemia.¹ These statistics highlight a significant barrier to the nation's future economic productivity and development. For policymakers, addressing childhood malnutrition is a critical step towards securing the wellbeing of future generations and promoting national growth.

In response, the Rwandan government has prioritised child nutrition as a cornerstone of its strategy to combat malnutrition and hunger. Its National Comprehensive School Feeding Policy aims to provide educational opportunities, especially for disadvantaged children from low-income families, while supporting local agricultural development.

UHT technology promotes nutritional access

To tackle the dual challenges of food safety and access to safe nutrition, Tetra Pak East Africa customer Inyange Industries signed an agreement with Rwanda's National Child Development Agency to address food safety issues and access to safe nutrition for children. Tetra Pak Food for Development is providing technical assistance and sharing best practices used in school feeding programmes worldwide. The collaboration aims to deliver two million litres of Ultra-High Temperature (UHT) milk to schools and early childhood development centres throughout the country.

UHT technology is a key enabler. By processing and packaging milk in Tetra Fino® Aseptic cartons, milk can be stored without refrigeration for six months, while still retaining vital nutrients such as protein, calcium and vitamin D. This is particularly important in regions with unreliable electricity and a lack of cold chain infrastructure to ensure that even children in remote areas have access to safe, nutritious milk.

Healthier kids, brighter futures and thriving local economies

Regular access to nutritious milk not only improves children's health but also encourages school attendance and helps to boost literacy rates. Additionally, the development of the local dairy value chain creates jobs and sustainable livelihoods for smallholder farmers and helps reduce rural poverty.

"The challenge of providing all Rwanda's children with safe, adequate nutrition is no small task," said Jonathan Kinisu, Managing Director – Tetra Pak East Africa. "To be effective, it requires cooperation between the public and the private sectors. Each organisation participating in this collaborative initiative has something valuable to contribute."

Expanding access to safe nutrition

With a vision to serve UHT milk to 100,000 children across Rwanda, this initiative is just the beginning. The next phase plans to diversify the variety of food products for children by developing innovative and affordable nutritious formulations. Through public and private collaboration, Rwanda is taking a significant step to improve childhood nutrition, ultimately building a brighter, healthier tomorrow for its youngest citizens.

¹ *Demographic and Health Survey by the National Institute of Statistics of Rwanda, the Ministry of Health, and ICF International (2015).*



Enhancing smallholder dairy productivity and self-sufficiency in Colombia

Following successful Dairy Hub projects around the world for many years, a new project in Colombia is helping Tetra Pak customers to connect with local smallholder farmers – to build a more sustainable dairy value chain.

In the Cauca Department, Southwestern Colombia, only around 10% of the milk produced is formally collected, which is a major challenge for the regional dairy industry. The three-year Cauca Dairy Hub project together with a public-private partnership, aims to support the development of the region's dairy sector.

The public-private partnership will improve the economic conditions of smallholder farmers by providing technical training and access to the formal market through Tetra Pak customers. The partnership includes local dairy processors Alpina and Alival, the Embassy of Sweden, Swedish International Development Agency (Sida), the UN Food and Agriculture Organization (FAO), Tetra Pak Colombia and Tetra Pak Food for Development.

Strengthening the local dairy industry

"This joint programme promotes sustainable cattle farming that avoids deforestation, improves the quality and productivity of milk thereby improving quality of life of indigenous and peasant communities in a conflict affected region, while promoting stable suppliers for the dairy industry," explained Helena Storm, Ambassador of Sweden in Colombia.

The first phase of the project was initiated in 2024 with baseline data showing that more than half of the 338 farms in the scope of the project belong to indigenous families and 42% are led by women. The objective of the project is to increase farm productivity and income by 20%.

The three-year Cauca Dairy Hub project together with a public-private partnership, aims to support the development of region's dairy sector.



Dairy value chain collaboration tackles child malnutrition in India

A new school milk programme has been initiated in Chandigarh, northern India, with milk supplied in Tetra Pak packages.

Chandigarh has among the highest proportion of undernutrition among children below the age of five in the region, with around 27% suffering from stunting (low height for age).¹

Collaborating on child nutrition

To provide supplementary nutrition to children in schools, the school education department introduced the distribution of UHT milk from local dairy processor Verka Dairy in Tetra Fino® Aseptic 130 ml cartons. An initial trial involving 100,000 school-children at 118 government schools in Chandigarh has been extended for one year to include more schools.

Tetra Pak supports Verka Dairy with a Dairy Hub project by providing technical assistance and support to smallholder farmers to increase their productivity. The initiative also improves market access for farmers.

“We are proud to collaborate with Verka Dairy and the local government to address child malnutrition in Chandigarh. By providing safe and nutritious UHT milk through our school milk programme, we aim to support the health and development of children, ensuring they have the opportunity to thrive,” said Cassio Simões, Managing Director at Tetra Pak, South Asia Markets. “This initiative nourishes young minds, and also instils a sense of environmental responsibility among students. Together, we are making a meaningful impact on the lives of many, and we are proud to uphold our commitment to protecting what’s good – food, people, and the planet.”

Cartons recycled into school furniture

The programme also promotes environmental responsibility among students by encouraging them to deposit their empty cartons at recycling stations at participating schools. The cartons are collected and recycled into benches, desks and stationery to be used in the schools.



¹ According to the Poshan tracker submitted to India's Parliament in 2024 by the Ministry of Women and Child Welfare.

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