

2025

SUSTAINABILITY REPORT

FrontPac®



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Every page tells our story

Beyond numbers and strategies, this report captures who we are: a team committed to progress, creativity, and responsibility.





THE PACKAGING

CREATIVE PACKAGING BELLS
FRONTIERS

About us

Since 1982, FrontPac has been committed to designing and producing protective packaging solutions using cardboard and corrugated materials. Our products enhance product presentation, drive sales, and are built on a foundation of sustainability.

Sustainable production is not just a feature of our business but its core. Responsible practices are embedded at every stage of our operations, from sourcing to delivery. As a full-service packaging provider, we oversee the entire value chain under one roof, from procuring paper rolls to manufacturing finished packaging.

Operating across three Swedish sites Arlöv, Gävle and Simlångsdalen, FrontPac employs dedicated professionals and generates annual turnover of approximately SEK 470 million. Our Swedish base provides a strategic advantage, offering access to high-quality paper and comparatively clean energy sources. This enables us to reduce the environmental impact of our operations and offer packaging solutions with a lower carbon footprint.

With over 40 years of specialised expertise, we provide customised printed cardboard and corrugated packaging that is eco-friendly, fully recyclable, and tailored to meet our clients' specific needs. Our team is dedicated to developing sustainable and economically sound solutions for the future of packaging.



We begin sustainably, using only renewable and recyclable materials in our production.

By replacing fossil-based materials, we help future-proof our clients' sustainability initiatives.

Our solutions drive the circular economy, minimising waste and maximising reuse.

Every solution we create is thoughtfully engineered to balance environmental responsibility with practical functionality. We are committed to ensuring that each package meets our clients' needs while supporting a more sustainable future.

Our end-to-end process is fully integrated within our organisation. It begins with close collaboration between our creative sales professionals and innovative designers, who work together to understand each client's unique requirements. From there, our agile and precise production team brings these tailored concepts to life. Finally, our flexible logistics experts ensure that every order arrives on time and as expected.

At the core of our operations is a relentless focus on customer satisfaction. Our diverse client base spans industries such as e-commerce, wine and spirits, automotive, cosmetics, and toys, encompassing emerging start-ups to globally recognised brands. We proudly serve customers in more than 30 countries, with more than half of our deliveries destined for markets outside Sweden.

Our clients are not simply recipients of our products; they are partners in innovation. Their evolving needs and high standards inspire us to improve, challenge ourselves, and continuously refine our offerings. This ongoing dialogue with our customers drives our commitment to excellence in everything we do.

470

Turnover MSEK

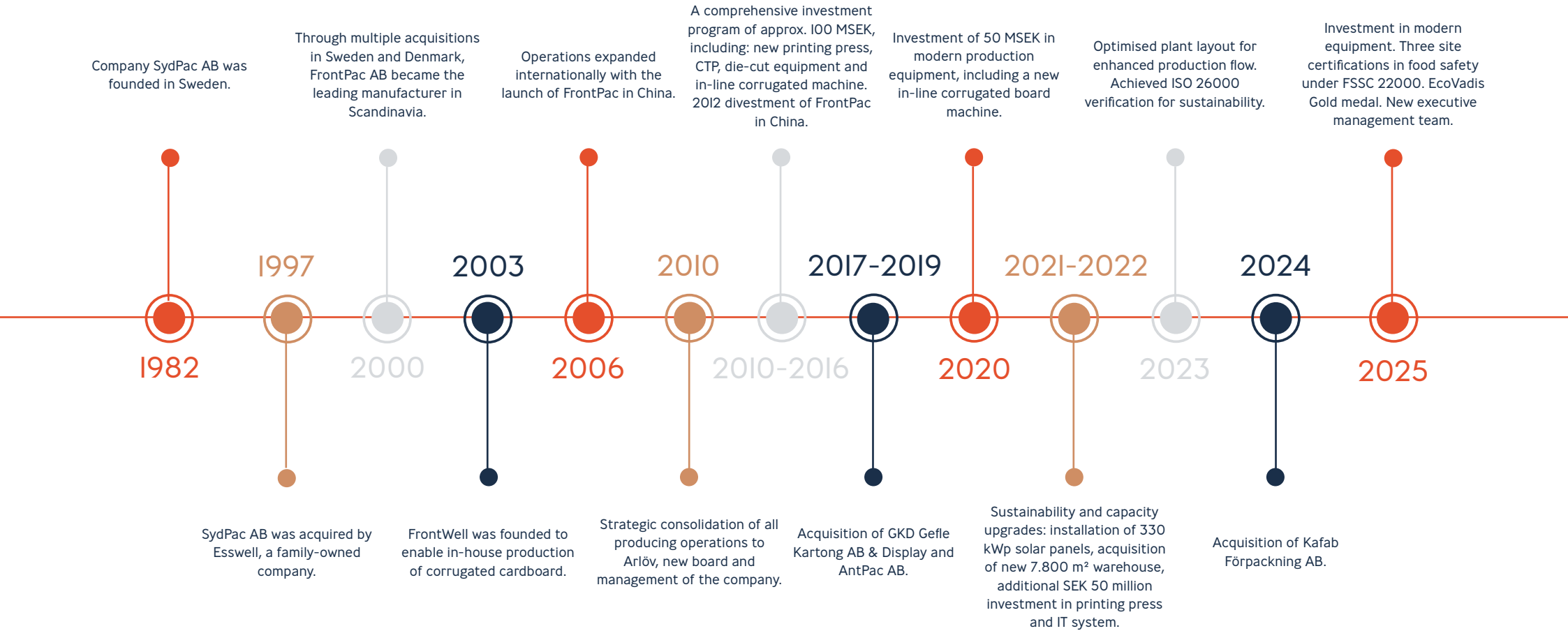
44

Years of experience

185

Employees

Timeline



Message from our CEO

Reflecting on the past year and looking ahead to the future

Dear Valued Stakeholders,

2025 was a year marked by continued development, investment, and stronger collaboration across the organisation.

A key focus during the year was the continued integration of our Simlångsdalen site into the wider business. By sharing knowledge, experience, and expertise across our sites, we have strengthened collaboration within the company and created better conditions for long-term development.

This integration has also reinforced our position in both cartonboard and corrugated packaging. Together with continued growth and investment in new machinery, we are now stronger in both segments and able to offer our customers a broader, more complete product offering. These initiatives also strengthen our supply chain by increasing capacity, improving flexibility, and enhancing our ability to meet customer needs efficiently and sustainably.

During the year, we also continued to develop the organisation and build a stable foundation for the future. The commitment, expertise, and willingness of our employees to collaborate across sites and functions have played an important role in the positive development we have seen.

At the end of 2025, I handed over the role of CEO to Cosimo Eck. Leading this company has been both a great responsibility and a privilege. I leave the role with deep respect for the people, culture, and potential within the organisation.

The company now enters its next chapter with a strong foundation, clear values, and a highly capable team. I have great confidence that the continued focus on care, expertise, and flexibility will guide the organisation forward and contribute to sustainable development in the years ahead.



“ I would like to extend my sincere thanks to our employees, customers, suppliers, and partners for your trust, commitment, and collaboration. Together, we have built something strong, and I look forward to following the company's continued journey in my new position as Chair of the Board of FrontPac AB.

Martin Enocson
CEO

The year in brief 2025

A year defined by integration, growth, and investment, strengthening our position and creating long-term value for our customers, employees, and partners.



1 **Integration creating strength**

The continued integration of our Simlångsdalen site has strengthened collaboration, encouraged the sharing of expertise, and created stronger foundations for long-term development.

2 **Strong in both segments**

The integration has strengthened our position in both cartonboard and corrugated packaging, enabling us to offer a broader and more complete range of solutions.

3 **Continued growth**

Turnover increased by 27% in 2025, reaching SEK 470 million, driven by both organic development and acquisition.

4 **Investments in new machinery**

We have invested SEK 15 million in new machinery to increase our production capacity, flexibility, and quality both today and for the future.

5 **A stronger supply chain**

Through increased collaboration between sites and functions, we have strengthened our delivery performance with shorter lead times and improved delivery reliability.

6 **Quality and responsibility in focus**

Our work in quality, food safety, and sustainability has continued to develop in line with customer requirements and future expectations.

7 **Our people make the difference**

Expertise, commitment, and collaboration are at the heart of our development. Together, we build FrontPac every day.

8 **A new chapter begins**

During the year, the role of CEO was handed over to Cosimo Eck. We are entering the next chapter with a strong foundation, clear values, and a highly capable team.

3
sites in Sweden

185
employees

Continued growth
strong development throughout the year

Investment in new technology
increased capacity and flexibility

FSSC 22000 certification
across all sites

EcoVadis Gold
among the top 5%

Our core values drive everything we do

They push us to care beyond expectations, to challenge ourselves to be better every day, and to act with agility when it matters most.

CARING

We care

We care about our customers, each other, and the environment. Caring permeates everything we do, from small details to big decisions, and we always approach it sustainably. It drives us, makes us responsive, and instills a constant desire to do our best. We strive for an open and honest climate where consideration is shown and everyone has a place. We aim for the same goal: to have fun together and cherish our internal and external relationships. Caring involves taking responsibility for our colleagues, surroundings, and future.

COMPETENCE

We challenge

We always strive to be knowledgeable, creative, and innovative in everything we do. We never settle for second best but constantly seek new ways to improve and develop our offerings. Our expertise and experience make us a reliable partner, confidently guiding customers to the best solutions. We pride ourselves on delivering quality that is both sustainable and cost-effective. We believe in continuously challenging ourselves to reach new heights, ensuring that every project we undertake is a testament to our commitment and expertise.

FLEXIBILITY

We do it now

We believe in acting quickly and efficiently, always focusing on delivering the highest quality and the smoothest shopping experience. Every day presents an opportunity to make a difference, and we ensure nothing is undone. With a strong drive, we set things in motion and maintain momentum. We understand that time is money, and opportunities should not be waited for but created and captured. We act with freedom and responsibility, ensuring every package becomes a solution that makes our customers' products stand out.



Statement on reporting

Reporting period: 01.01.2025 to 31.12.2025

Reporting frequency: annual

Reporting standard: this report is written in reference to the Global Reporting Initiative (GRI)

External assurance for this report will be verified according to ISO 26000 in June 2026

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Our packaging value chain



Our strategic priorities

FrontPac's strategy is based on the areas that are most important for long-term business resilience, responsible development and stable value creation. Our strategic priorities guide how we make decisions, plan investments, develop competence and follow up performance across the organisation.

The priorities reflect where FrontPac has the greatest ability to make a practical difference: in how we develop our people, use resources, manage operations and maintain trust in our products and processes. They also help us connect business development with the expectations of customers, employees, owners, suppliers and other stakeholders.

For FrontPac, strategy is not treated as a separate activity. It is integrated into management systems, investment planning, supplier requirements, risk assessments, audits and follow-up routines. This ensures that long-term ambitions are translated into daily work, clear responsibilities and measurable improvement.

The four priorities provide a common direction for the organisation and support a structured way of working across sites and functions. They help us focus on what matters most: a safe and competent workforce, efficient use of resources, reliable operations and packaging solutions that meet defined requirements.

By working consistently with these priorities, FrontPac strengthens its operational stability, internal capability and ability to adapt to changing market conditions. This creates a stronger foundation for long-term development and for meeting expectations across the value chain.

1 People and competence

Our employees are a key part of FrontPac's long-term development. We work to maintain a safe, inclusive and responsible workplace while supporting competence development, engagement and collaboration across the organisation. By combining operational experience with technical knowledge, we strengthen both daily performance and long-term capability.

2 Resource efficiency and circular flows

Efficient use of fibre-based materials is an important part of our operations. We work continuously to improve material utilisation, reduce waste and support packaging solutions adapted for established recycling systems. Through development in materials, production processes and packaging design, we aim to strengthen resource efficiency throughout the value chain.

3 Customer trust and product reliability

Customers rely on FrontPac for packaging solutions that combine functionality, print quality, protection and reliable performance. Through structured quality work, food safety management, traceability and documented processes, we aim to maintain consistent product quality and long-term trust across different industries and applications.

4 Environmental protection

FrontPac works to reduce the environmental impact of its operations through efficient use of energy, materials and resources. We monitor waste, emissions and other key environmental aspects to identify improvements in daily operations. Our focus includes reducing material waste, improving energy efficiency, making responsible material choices and strengthening routines that support long-term environmental performance.



Policies and governance in practice

Turning commitments into daily control

At FrontPac, policies are not treated as stand-alone documents. They form part of how we govern the business, manage risks and ensure that our commitments are reflected in daily decisions across the organisation.

Our policy framework supports key areas such as business ethics, quality, environmental responsibility, food safety, working conditions, supplier requirements and information security. Together, these policies provide a common foundation for how employees, managers and business partners are expected to act.

To make sure our policies are applied in practice, we connect them to routines, responsibilities and follow-up processes. This includes internal audits, external audits, risk assessments, supplier evaluations, deviation handling, management reviews and reporting to senior management and the board.

How we govern

Our Code of Conduct and business ethics principles set the foundation for responsible behaviour, integrity, human rights and compliance. These expectations apply to all employees and leaders and are supported by more detailed policies and procedures within each functional area.

The same structured approach applies to our management systems for quality, environment and food safety. Through certified systems and recurring audits, we ensure that requirements are translated into practical routines, documented responsibilities and continuous improvement.

How we apply

In daily operations, governance is applied through onboarding, training, production routines, supplier assessments, customer documentation, internal controls and corrective actions. This helps us ensure that sustainability, quality and responsibility are not separate ambitions, but part of how work is carried out. For example, environmental requirements are managed through our ISO 14001-based processes, quality requirements through our ISO 9001-based system, and food safety requirements through our FSSC 22000 work. Supplier expectations are managed through our Supplier Code of Conduct, responsible sourcing routines and ongoing dialogue with selected suppliers.

How we follow up

We follow up compliance and performance through audits, management reviews, customer feedback, deviation analysis, supplier evaluations and sustainability reporting. Identified improvement needs are documented and addressed through corrective and preventive actions.

This structured way of working helps FrontPac maintain trust with customers, employees, suppliers and other stakeholders. It also supports our ability to meet growing expectations on transparency, product safety, sustainability and responsible business conduct.



External verification, certifications and recognition

External assessments and recognised certifications provide an important foundation for trust, transparency and continuous improvement. They help us verify that our processes are structured, controlled and aligned with established standards for quality, environment, food safety and responsible business conduct.

For us, these frameworks are not only proof of compliance. They support daily decision-making, strengthen traceability and help us continuously improve how we work across our operations and value chain.



EcoVadis Gold 2025

FrontPac was awarded the EcoVadis Gold Medal, placing us among the top 5% of more than 130,000 companies assessed globally.



Verified according to ISO 26000

Our sustainability work has been independently verified according to ISO 26000, confirming our structured approach to social responsibility and sustainable business practices.

Certified management systems

Our certified management systems support operational control, traceability, risk reduction and continuous improvement.

<p>ISO 9001 Quality management Ensuring consistent quality, customer satisfaction and continuous improvement.</p>	<p>ISO 14001 Environmental management Systematic work to reduce environmental impact and improve resource efficiency.</p>	<p>FSSC 22000 Food safety management Ensuring safe products through robust food safety management and process control.</p>	<p>FSC Responsible forestry certification Ensuring sustainable sourcing through certified materials and responsible forest management</p>
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Packaging that protects, performs and communicates

Our packaging solutions are used across retail, food, beverages, industrial applications, e-commerce and premium segments where functionality, handling, visual communication and reliable quality are important parts of the overall solution.

Through internal competence in construction, prepress, printing, converting and logistics, we maintain control throughout the packaging flow from concept and material selection to finished product and delivery. Two strong packaging segments. One integrated production platform.

Two strong packaging segments, but one focus, creating value.

Cartonboard packaging

Packaging solutions where precision, finish and visual communication are central. Our cartonboard solutions are used for applications where form, print quality and attention to detail are important. The range includes folding cartons and speciality packaging for cosmetics, personal care, confectionery, premium food, pharma, retail and other consumer-oriented products.

Cartonboard packaging is often used in environments where both product presentation and efficient handling are important parts of the packaging function.

Typical applications: cosmetics, personal care, confectionery, premium food, pharma, retail and consumer products.

Corrugated packaging

Packaging solutions combining strength, functionality and visual quality. Corrugated packaging is today used in significantly more applications than traditional transport packaging. Many of our solutions are developed as premium printed packaging for retail, beverages, food, e-commerce, shelf-ready applications, displays and industrial products.

By combining structural design, material strength and high print quality, corrugated packaging can contribute both to efficient handling throughout the value chain and to strong visual communication at the point of sale and in product presentation.

Typical applications: retail, beverages, food, e-commerce, shelf-ready packaging, displays, transport and industrial products.



Design & construction

From idea to structure. We develop packaging solutions that combine functionality, material efficiency and strong shelf impact.

Printing & conversion

High-print and precise converting capacity give packaging the finish, consistency and expression brand deserves.

Cartonboard & corrugated

The right solution for every need, from premium cartons to high-performance corrugated packaging.

Documentation

Documentation ensures quality, compliance and transparency throughout the entire supply chain.

Logistics & delivery

Reliable delivery performance and flexible solutions keep your supply chain moving.

Solutions across different applications

Our solutions are adapted to different industries and needs, with focus on function, print quality, efficient handling and reliable delivery.



Different products
Different demands



A market in transition

Adapting to changing expectations and regulatory requirements.

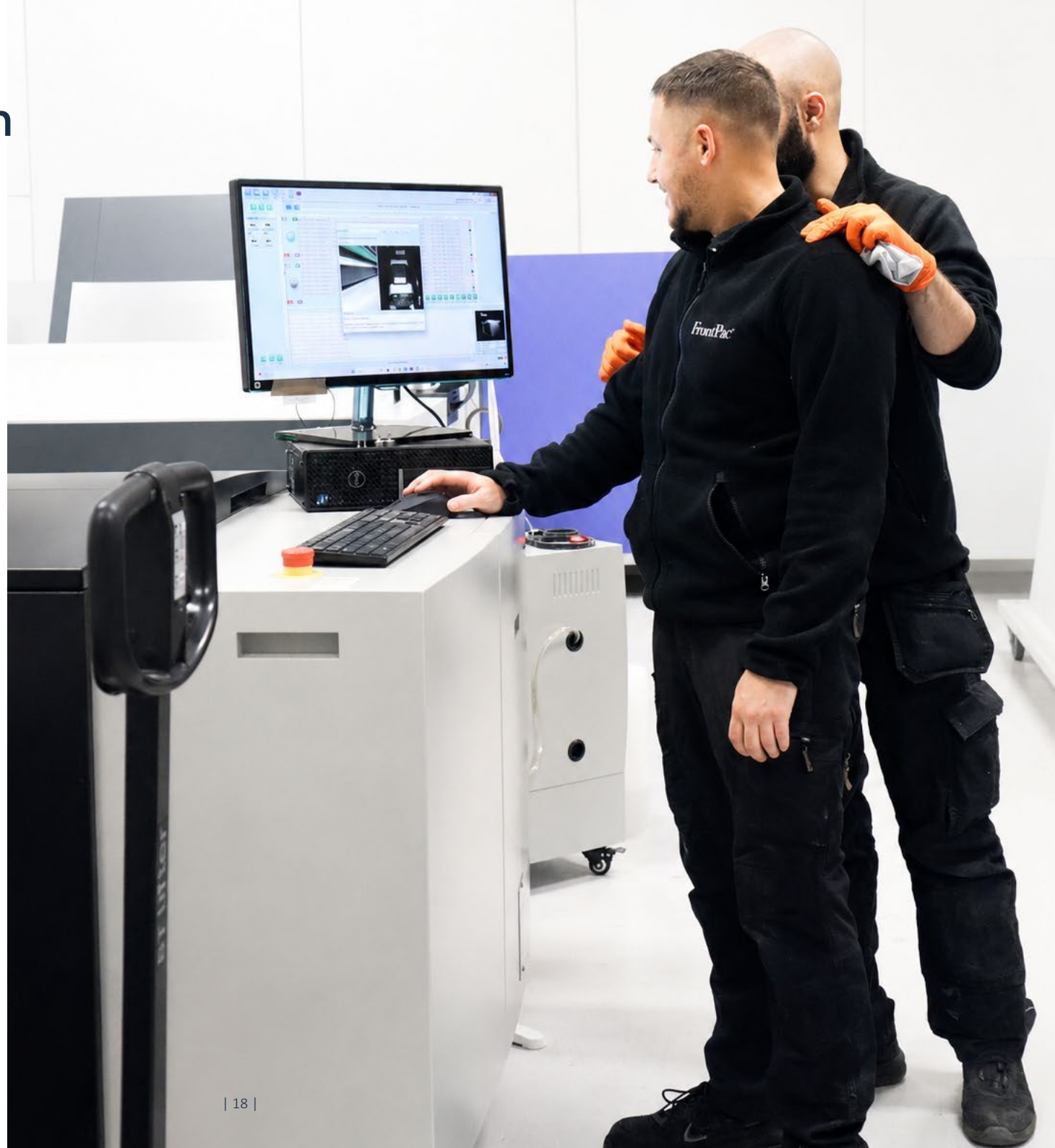
The packaging industry is undergoing significant change as customer expectations, market conditions and regulatory requirements continue to evolve. Packaging today is expected to fulfil several functions simultaneously protecting products, supporting logistics and automation, enabling efficient handling, communicating brand value and meeting increasing documentation and compliance expectations.

Within the European market, new and updated legislation is accelerating this development. Regulations such as the EU Packaging and Packaging Waste Regulation (PPWR), increasing requirements related to traceability and material information, as well as evolving expectations regarding food contact packaging, recyclability and documentation, are reshaping how packaging is developed, produced and managed throughout the value chain.

These developments place higher demands on packaging producers. It is no longer sufficient to focus only on appearance, format or production efficiency. Packaging solutions must also support operational reliability, documented material control, compliance, traceability and adaptability in more demanding market environments.

For FrontPac, this means continuing to strengthen our production capabilities, quality systems, documentation processes and technical expertise. We also work to improve internal traceability, material control and collaboration with suppliers to meet changing requirements in a structured way.

As demand increases for packaging adapted to automated flows, retail-ready presentation, e-commerce and food-related applications, flexibility and responsiveness become increasingly important. By combining operational capability with structured quality and documentation work, FrontPac is better prepared to meet the expectations of a rapidly changing market.



From requirements to practical packaging solutions

Translating requirements into workable solutions.

FrontPac works with customers across several industries where packaging must meet different commercial, technical, and operational requirements. For some customers, packaging is primarily about protection, transport efficiency, and stable handling throughout the supply chain. For others, it plays an important role in product presentation, shelf visibility, brand communication, food-related documentation, or adaptation to automated packing and logistics flows.

Our role is to translate these needs into practical packaging solutions. Through experience from design, construction, materials, print and production, we can contribute with practical packaging knowledge early in the process. This helps assess how different choices may affect function, handling, print result, production efficiency and final use. This includes understanding how the packaging will be used, handled, transported, stored, and presented before it enters production.

A packaging solution rarely has only one function. It must protect the product, support efficient handling, meet customer-specific requirements, and work in the customer's real production, logistics and market environment. By combining design, construction, material knowledge, repro, printing, and production expertise, we support customers from early idea and specification to finished packaging.

Customer feedback, claims, and improvement suggestions are followed up through our quality management system and used as input for continuous improvement. In this way, practical experience from customer projects also contributes to improvements in our processes, routines and service level.

By combining practical packaging expertise with structured quality work and transparent communication, FrontPac supports solutions that are functional, traceable and adapted to real requirements in production, logistics and the market.



Integrated production and process control

FrontPac's production is organised across three sites in Sweden: Arlööv, Gävle and Simlångsdalen. Together, these sites provide a broad and flexible production platform for packaging solutions within both cartonboard and corrugated packaging. Our production model is built on coordinated planning, shared processes and strong internal competence across the organisation. By connecting design, CAD and construction, sheeting, prepress and offset printing, corrugating and litho-laminating, die-cutting, gluing, finished goods handling and storage, we maintain control throughout the full packaging flow from first idea to finished product.

Having key production steps within our own organisation strengthens communication, reduces unnecessary handovers and improves our ability to identify and resolve quality-related issues efficiently. This integrated way of working also supports shorter lead times, stronger traceability and more consistent quality across the value chain.

Our production structure is designed to support flexibility and adaptability. By working across several sites and production processes, we can respond more effectively to changing customer needs, material requirements, formats, volumes and market conditions while maintaining structured quality control and delivery reliability.

Quality and sustainability are closely connected in our operations. Stable processes, clear routines and continuous follow-up help us prevent deviations, reduce unnecessary waste and improve resource efficiency. Internal and external quality deviations are measured, analysed and followed up through root cause analysis, production data and continuous improvement activities.

By combining production competence, process control and collaboration across our sites, FrontPac strengthens its ability to deliver packaging solutions that are reliable, traceable and adapted to real customer applications. This integrated production model is an important part of how we create long-term value through quality, operational stability and continuous improvement.



Food safety certification 2025

During 2025, FrontPac reached an important milestone by achieving FSSC 22000 certification across all three sites. This strengthened our common way of working with food safety and created a shared framework for routines, responsibilities and follow-up across the organisation.

The certification confirms that our food safety management system has been externally assessed against an internationally recognised standard. It supports our work with preventive controls, hygiene routines, traceability, documented procedures, risk assessment and continuous improvement.

For FrontPac, the certification is not only an external recognition. It is also a practical tool for strengthening internal control and consistency between sites. By working according to the same requirements, we improve alignment, reduce variation and create better conditions for safe and reliable production.

The certification is particularly important for customers with food-related applications and high requirements on documentation, traceability and product safety. It helps strengthen confidence in our processes and supports our ability to meet increasing expectations from customers and the market.

Achieving certification across all three sites reflects the effort and commitment of employees throughout the organisation. It also forms an important foundation for continued development of our quality and product safety work.



Preventive controls and risk management

Traceability and documented procedures

Hygiene standards and control

Systematic follow-up and verification

Continuous improvement and development

Investing in capability and control

Over recent years, FrontPac has carried out several investments to strengthen production capacity, flexibility and process control. This includes investments in a new laminating machine and a new printing press to further develop production within both cartonboard and printed corrugated packaging. During 2025, FrontPac continued strengthening its production platform through a major investment in a new sheeting machine at the Arlöv site. Although sheeting is often less visible than printing, die-cutting, laminating or gluing, it is an important step in the packaging production process.

The sheeting process enables us to convert paper and board delivered in rolls into sheets within our own production flow. By managing this process internally, we strengthen control over material preparation, production planning and the conditions for subsequent production stages.

The new machine improves our ability to handle thicker and more demanding paper and board qualities, which is becoming increasingly important as our product offering develops within both cartonboard and printed corrugated packaging. The investment also contributes to increased flexibility, shorter lead times and more stable production preparation.

An important technical advantage is the machine's advanced decurling capability. By improving how roll-based material is prepared before entering the next production stage, better conditions are created for stable handling, consistent production quality and efficient material usage. The investment also reflects our long-term work with production development. Alongside the new equipment, we continue modernising existing production assets to strengthen reliability, capacity and process control across the organisation.

For FrontPac, this is not only an investment in machinery. It is an investment in control, flexibility and product reliability, factors that support operational stability, resource efficiency and long-term value creation for customers and other parts of the value chain.



“Our production environment is constantly evolving. Small improvements in structure, communication and preparation make a significant difference over time, both for efficiency and for how we support our customers' expectations.

Claus Dalgaard
Production Manager

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Building long-term relationships

At FrontPac, stakeholder dialogue is an important part of how we develop our business, strengthen our operations, and identify future expectations and risks.

Through ongoing engagement with customers, employees, suppliers, owners, and local communities, we gain valuable insights that support strategic decisions, continuous improvement, and responsible business practices.

Stakeholder input contributes to our double materiality assessment and helps identify the topics that matter most for our business and for society.

Voices from our value chain

The voices of our stakeholders give us valuable insight into how we can improve and grow responsibly. By listening to their experiences, we strengthen our relationships and build a value chain based on trust, collaboration, and shared progress.

Their perspectives help us see our business from the outside in what works well, where we can improve, and what matters most in everyday cooperation. These conversations are important to us because they turn expectations into action and help us build partnerships that last.



“FrontPac is a customer with clear requirements and a structured way of working. Their sustainability commitment is reflected in purchasing, follow-up, requirement setting, and continuous improvement. Our collaboration is built on transparency, engagement, and a shared drive for long-term improvement.”

Björn Christoffersson
Sales Manager
Supplier



“Through a strong customer focus and a high level of quality awareness, FrontPac instils confidence in us as a customer in our quality-related work.”

Having a local partner is a significant advantage, both in terms of accessibility and from an environmental perspective.

Mikael Persson
Supplier Quality Engineer
Customer







Strong relationships
We listen, learn and build long-term trust.

Open dialogue
Regular engagement across all stakeholder groups.

Shared responsibilities
Working together for a more sustainable future.

Continuous Improvement
Stakeholder input drives our priorities and actions.

Our stakeholders, expectations and how we respond

STAKEHOLDER GROUP	MAIN EXPECTATIONS	HOW WE ENGAGE	FRONTPAC RESPONSE
 Customers	Product quality, traceability, sustainability, delivery reliability	Customer meetings, audits, surveys, development projects	Expanded documentation support, improved traceability, strengthened food safety and PPWR readiness
 Suppliers	Clear requirements, long-term cooperation, responsible sourcing	Supplier evaluations, audits, ongoing communication	Increased focus on sustainability data, supplier assessments and material transparency
 Employees	Safe workplace, development opportunities, communication	Employee surveys, training, meetings, safety work	Expanded training initiatives, BAM education, continuous workplace improvements
 Owners / Board	Long-term profitability, governance, risk management	Board meetings, reporting, strategy reviews	Investments in production, strengthened sustainability governance and operational efficiency
 Local communities	Responsible operations, employment, local engagement	Sponsorships, collaborations, local initiatives	Continued contribution through local employment and responsible business practices
 Authorities and regulatory bodies	Compliance, transparency, product safety	Regulatory monitoring, certifications, audits	Strengthened compliance work linked to food safety, sustainability and packaging legislation

Key stakeholder insights in 2025

1

Increased demand for documentation and material information

Customers requested clearer environmental information, documentation and support related to packaging materials and future regulatory requirements.

2

Higher expectations on traceability

The importance of transparency throughout the supply chain continued to increase, particularly regarding material origin, certifications and supplier documentation.

3

Increased focus on food safety

Demand for packaging suitable for food contact and higher expectations on hygiene, risk prevention and compliance continued to grow during the year.

4

Greater need for flexibility and supply security

Customers emphasised the importance of stable deliveries, shorter lead times and flexible production capacity in a changing market environment.

5

Strong focus on people and culture

Employees highlighted the importance of development opportunities, clear communication and a safe and supportive workplace.



How we responded

During 2025, FrontPac continued strengthening internal collaboration between sites, investing in production capability and developing documentation and traceability processes to better support customer and regulatory expectations. The company also continued investments in competence development, supplier dialogue and food safety management to strengthen long-term operational resilience and customer trust.

Strengthening our supply chain capabilities

During 2025, FrontPac continued to develop the organisation by strengthening expertise within supply chain management. This is an important step in creating stronger connections between purchasing, suppliers, production, logistics and customer requirements.

For us, supply chain is not only about material flows and deliveries. It is also about having the right information at the right time, clearer planning and better control over how materials, requirements and decisions move through the organisation.

The packaging industry is affected by increasing expectations related to delivery reliability, traceability, documentation and material transparency. This means that information flows, planning and follow-up need to function clearly across different parts of the business.

By strengthening internal competence within the area, we improve our ability to work more proactively with planning, risk assessment and supplier follow-up. This makes it easier to identify deviations or risks earlier and manage them before they affect production or delivery.

A more coordinated supply chain function also contributes to better internal communication, clearer responsibilities and more stable operational flows across the organisation. This strengthens our ability to meet both current needs and future expectations from customers, suppliers and other stakeholders.



“My motivation is to ensure that our supply chain is not only efficient, but also agile and future-ready. The goal is to enhance both customer value and our long-term resilience through smart, sustainable processes that continuously evolve.

Simon Nilsson
Supply Chain Manager

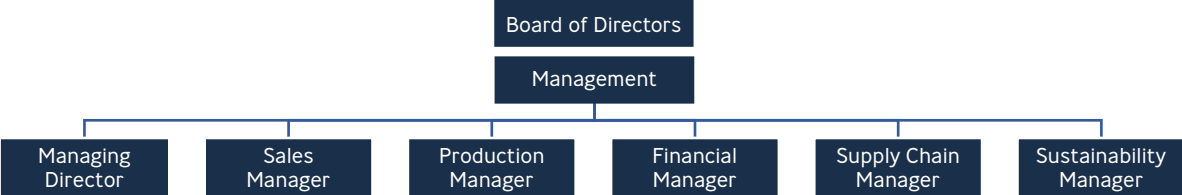
Governance

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Governance model



Sustainability under Governance

This Sustainability Report has been prepared with reference to the European Sustainability Reporting Standards (ESRS) and structured according to the ESRS framework to the greatest extent possible.

Although FrontPac is not currently subject to mandatory CSRD reporting requirements, the report has been prepared with reference to the ESRS framework to support transparency, stakeholder dialogue and continued development of sustainability governance.

The reporting approach may develop in future years as ESRS guidance, interpretations and reporting practices continue to evolve.

This work represents an important step in developing internal processes, improving data quality routines and strengthening governance structures related to sustainability reporting. It also reflects FrontPac’s ambition to increase transparency, support continuous improvement and integrate sustainability into the company’s overall governance and decision-making processes.

The Sustainability Manager is responsible for coordinating sustainability reporting at FrontPac. Information included in the report is collected and structured based on applicable requirements, internal data and available documentation.

The Managing Director (MD) and the Board of Directors review and approve the sustainability report to support its accuracy, reliability and alignment with applicable requirements. The final report is presented to the Board as part of FrontPac’s sustainability governance process, reflecting the importance of sustainability within the company’s overall governance and decision-making.

The Board of Directors

The Board of Directors plays an important role in shaping the company’s long-term direction, with sustainability considered as part of the overall business strategy. Through its work, the Board supports the company’s development, considering financial goals, social values and environmental commitments.

The Board establishes and monitors the company’s strategy and objectives, approves key governance documents and policies, and reviews the company’s financial performance and sustainability initiatives. This also includes oversight of internal control, risk management and regulatory compliance, including developments related to frameworks such as the CSRD.

Throughout the year, the Board holds regular meetings to discuss and review the company’s progress, significant investments and strategic initiatives.

The Board is also responsible for decisions related to significant acquisitions and divestments and for the appointment and remuneration of the Managing Director.

The Board’s work is led by the Chairman, who supports well-structured meetings, encourages open and constructive dialogue, and serves as a link between the Board and executive management. The Chairman also supports follow-up of Board decisions and sustainability-related priorities within the organisation.

The Board’s work with sustainability provides a foundation for the company’s ambition to combine business development with responsibility for people, society and the environment. Through governance and follow-up, the Board supports the integration of sustainability into the company’s operations.

During the year, the Board held two meetings focusing on the company’s strategic goals and sustainability work. The meetings addressed the company’s financial performance, ongoing development initiatives and broader topics related to sustainability, risk management and internal governance.

The Board followed up on the company’s progress and made decisions related to long-term value creation. The Managing Director participated in the meetings, providing reports and supporting dialogue between the Board and the company’s operations.

Management and Managing Director

FrontPac's management structure is designed to support clear leadership, operational governance and implementation of strategic goals.

The Managing Director leads the company's management, focusing on guiding its development and supporting decision-making. Together with a core team, the Managing Director addresses key strategic matters and prepares proposals for the Board of Directors. Day-to-day operations are handled with support from a broader team that includes the Financial Manager, Sustainability Manager, Supply Chain Manager, Production Manager and Sales Manager. This team structure allows management to combine strategic oversight with operational follow-up.

The Managing Director plays an important role in leading the company in line with the strategic direction set by the Board. His responsibilities include overseeing the management team's work, supporting the implementation of Board decisions, reviewing the company's sustainability work and maintaining communication between the Board and operational units. He focuses on strategic leadership, corporate development, financial supervision, risk and compliance management, and stakeholder engagement. Working closely with the management team, he supports a corporate culture based on responsibility, innovation and long-term development.

In his role, the Managing Director links governance and operations, supporting that FrontPac operates efficiently and responsibly and works towards long-term value creation for stakeholders.

Financial reporting and Information

FrontPac's financial statements are prepared in accordance with the Annual Accounts Act and relevant accounting regulations.

Compliance with these regulations supports the disclosure of relevant financial information in a structured and reliable manner.

FrontPac's financial reporting and sustainability reporting are provided in separate reports. While this Sustainability Report focuses on our environmental, social and governance-related performance, detailed information about the company's financial results and position is available in the Annual Financial Report.

The company provides updates on its financial performance, development and position through various channels, including:

- interim reports
- the annual financial report
- press releases covering significant events that may impact the company's valuation or strategic direction
- presentations for bank or other financial institutes
- FrontPac's official website, where news updates and key corporate information are available

Our reporting supports transparency and responsible communication with shareholders, stakeholders and the broader community.

Audit and Assurance

FrontPac's financial and sustainability information is subject to structured internal controls and external review processes to support transparency, accuracy and reliability. Financial and sustainability reports are presented separately and are governed by distinct review and assurance processes.

KPMG performs the financial audit, reviewing the annual financial statements in accordance with the Annual Accounts Act and relevant accounting standards. KPMG's audit supports confidence that the financial reporting has been prepared in accordance with applicable requirements and provides a fair presentation of FrontPac's financial position.

Vati of Sweden, a specialist in ESG compliance and sustainable business practices, independently reviews FrontPac's sustainability reporting. The review supports the reliability and consistency of sustainability data and disclosures, with reference to relevant frameworks.

Internal controls and reviews are applied separately for financial and sustainability reporting:

- sustainability data is collected and reported by FrontPac's Sustainability Manager. The reported data undergoes internal validation and is subsequently reviewed by the Managing Director and the Board of Directors to support accuracy, completeness and alignment with FrontPac's sustainability objectives and applicable requirements
- financial reporting is prepared by the Accounting Assistant and internally reviewed and controlled by the Financial Manager, supporting that the financial figures are complete, compliant and ready for external audit by KPMG

Through these structured processes, FrontPac supports reliable and transparent financial and non-financial reporting and strengthens governance related to responsible business practices.

Conflicts of Interest

At FrontPac, transparency, trust and ethical behaviour are important parts of our governance and leadership practices. Given that the Board of Directors brings together individuals with diverse backgrounds and ongoing professional commitments, it is important to remain attentive to potential conflicts of interest.

The Board is expected to act in the best interests of FrontPac and its stakeholders and in accordance with the Swedish Companies Act. If a potential conflict of interest arises, the concerned Board member is expected to inform the other members promptly and take appropriate steps to manage the situation openly.

A Board member must refrain from participating in discussions or decisions where their impartiality could be affected by a conflict of interest. By identifying and addressing such situations, FrontPac supports governance processes that are aligned with responsible business conduct.

Managing conflicts of interest transparently is an important part of maintaining trust, integrity and long-term value creation for stakeholders.

Evaluation

An internal evaluation process has been conducted to support the Board of Directors and the Managing Director in reviewing overall performance, governance and contributions to business development and sustainability-related work.

The evaluation may include areas such as adherence to ethical standards and company values, diversity-related considerations, the integration of environmental aspects into relevant decisions and operations, and the ability to identify and respond to relevant trends and developments.

The Sustainability Manager is responsible for coordinating the evaluation process.

Qualifications and experience	Lars Alvemar	Anders Sjögren	Ulf Pettersson	Martin Enocson
Governance and compliance	●	●	●	●
Sustainability, ESG		●		●
Finance and risk management	●	●	●	●
Business leadership	●	●	●	●
Industry experience	●	●	●	●
Strategic planning	●	●	●	●
Cybersecurity, IT and digitalisation	●		●	●
Branding and communications				●

Commissioner	Position	Elected year	Independent in relation to the company and company management	Independent in relation to the company's major shareholders
Lars Alvemar	Board member	2010	●	●
Anders Sjögren	Board member	1997		
Ulf Pettersson	Board member	2022	●	●
Martin Enocson	Managing Director	2003		

Board tenure years in current assignment



0-5 years 6-10 years >11 years

Management tenure years in current assignment



0-5 years 6-10 years >11 years

Management diversity gender



female male

Risk management

FrontPac's risk management is an important part of supporting sustainable growth, operational stability and responsible business conduct. By integrating risk management into strategic planning and daily operations, we support the identification, assessment and management of risks. Clear ownership of risks, structured processes and ongoing monitoring support our financial and operational goals as well as our broader environmental and social responsibility work.

At FrontPac, risk management helps protect the company, support innovation, strengthen stakeholder trust and contribute to long-term development.

Strategic risks

For FrontPac, strategic risks arise from changes in market conditions, customer expectations and industry trends that could impact the company's ability to meet its growth and development goals.

Other strategic risks include intensified competition, shifts in customer purchasing behaviours and the need to adapt production technologies to remain cost-efficient and innovative. Emerging regulations, particularly around packaging materials and recyclability standards, may also impact product development decisions.

Management approach: FrontPac addresses strategic risks by following market developments, strengthening its innovation capabilities, developing packaging solutions with improved environmental performance and maintaining close partnerships with key customers.

Strategic flexibility and early adaptation to customer and legislative demands are important components of the company's risk mitigation approach.

Operational risks

Operational risks at FrontPac are linked to the company's ability to deliver packaging solutions on time, with the required quality and cost efficiency. Interruptions in the supply chain, shortages or price volatility of raw materials, primarily paper and printing substrates, production downtime and quality deviations can affect customer satisfaction and profitability.

Workforce-related risks such as skill shortages in production, safety incidents and challenges in recruiting for technical roles may also present operational challenges for a manufacturing-driven business like FrontPac.

Management approach: FrontPac mitigates operational risks through supplier management, preventive machinery maintenance, production standards and workforce development. Collaboration with suppliers and investments in process efficiency and employee training support operational stability and resilience.

Compliance and regulatory risks

Compliance and regulatory risks are becoming more relevant for FrontPac due to the tightening of global and European standards regarding product safety, food contact materials, environmental impact and sustainability reporting.

Frameworks such as CSRD, ESRS and national packaging waste regulations require increased transparency and adaptation. Non-compliance could lead to operational disruptions, fines, reputational damage or challenges in maintaining key certifications such as FSSC 22000, which are important for customer trust and access to relevant market segments.

Management approach: FrontPac monitors regulatory developments through specialised functions within its management team, supports an organisational compliance culture and collaborates with third-party auditors to maintain relevant certifications. Training programmes and internal audits support compliance awareness at operational levels.

IT and cybersecurity risks

As FrontPac's reliance on digital platforms grows, IT and cybersecurity risks become more relevant for production management, customer interaction, financial reporting and sustainability data.

Potential threats include cyberattacks, ransomware incidents, data breaches and operational disruptions caused by system failures. Given the sensitivity of customer data and the need for operational continuity, digital security is an important part of FrontPac's risk management.

Management approach: FrontPac develops its cybersecurity framework through updated software protocols, secure backup systems, cybersecurity awareness training and incident response planning. External IT security reviews and routine system monitoring support the identification and management of cybersecurity risks.

Environmental and climate risks

Environmental and climate risks may affect FrontPac's ability to meet customer and stakeholder expectations related to lower-impact production. These risks include supply chain disruptions caused by extreme weather events, increasing costs of raw materials with improved environmental performance and changing customer demands for lower-carbon and recyclable packaging solutions.

Tightening regulations, such as the EU Green Deal initiatives and the Packaging and Packaging Waste Regulation (PPWR), increase compliance demands.

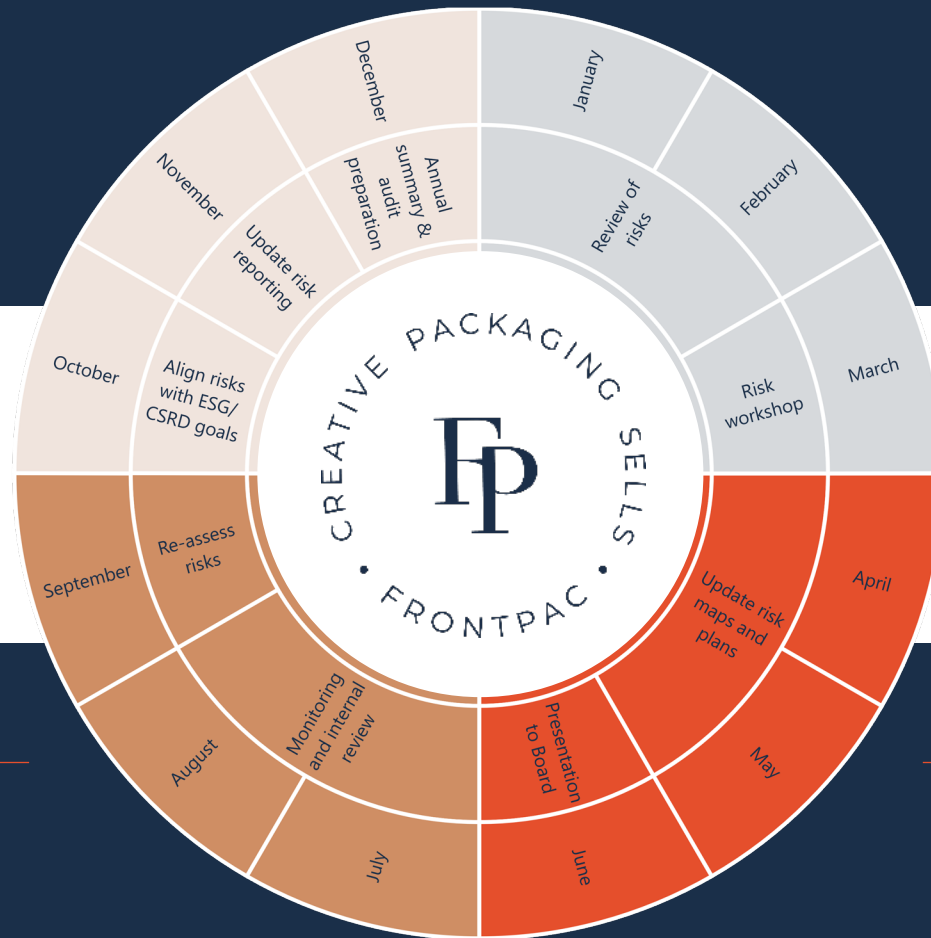
Management approach: FrontPac integrates climate and environmental considerations into product development, production and sourcing strategies. By working with renewable materials, energy efficiency, waste reduction initiatives and partnerships that support circular economy practices, FrontPac works to reduce its environmental impact while strengthening business resilience.

What we do

- Continuously identify, analyse and manage risks throughout the year
- Regularly review, and reassess risks to ensure proactive management
- Align risk management strategies with ESG and CSRD compliance requirements

Our risk management cycle

- JAN-MAR: review existing risks and conduct risk workshops
- APR-JUN: update risk maps and plans, prepare and present findings to the Board
- JUL-SEP: continuous monitoring, internal review, and reassessment of identified risks
- OCT-DEC: align risks with ESG and CSRD objectives, update reporting and prepare annual summaries



Main areas of focus

- Annual risk review and strategic planning
- Risk identification
- Updating and implementing risk mitigation plans
- Monitoring, review, and continuous improvement

Our way of working

- Systematic updates
- Strategic alignment

Sustainability statement

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One step further, our sustainability commitment

For us, sustainability reporting is not only about meeting external expectations. It is also a way to understand our impacts, improve data quality, follow up risks and opportunities, and make better decisions across the business. During the year, we have strengthened our work with climate data, supplier follow-up, resource efficiency, social responsibility and governance.

We also recognise that our reporting is still developing. Some areas, particularly Scope 3 emissions, supplier data and value chain information, require continued improvement. Our ambition is to be transparent about both our progress and our limitations, and to build a reporting process that is useful for the company, our customers and other stakeholders.

Looking ahead, we will continue to develop our sustainability governance, improve traceability and data quality, and integrate sustainability further into daily operations and strategic decision-making.

Looking ahead, we will continue to develop our sustainability governance, improve traceability and data quality, and integrate sustainability further into daily operations and strategic decision-making. We continue to prioritise progress over perfection by listening, learning and acting with responsibility. Meaningful change is supported when different perspectives are heard and decisions are made with integrity and a long-term view.

“Thank you to everyone who contributed and to you who read, question, and engage.”





Marijeta Ristic
Sustainability Manager



Sustainable strategy and goals

Our sustainability work is built on four strategic focus areas. Below we describe our priorities and how we follow up on progress toward our long-term goals.

	<p>PEOPLE AND WELL-BEING</p> <p>We foster a safe, inclusive, and growth-oriented workplace where all employees can thrive, irrespective of their role or background. Our personnel policy emphasises health and safety, diversity, and continuous development.</p>		<p>CIRCULARITY</p> <p>We design our packaging to support circular material flows, with a focus on recycling, responsible material selection, and collaboration across the value chain. By minimizing waste, increasing recycling rates, and carefully selecting resources, we take responsibility for the entire life cycle of our products.</p>
	<p>ENVIRONMENTAL PROTECTION</p> <p>We reduce our production's climate and resource impact by increasing energy efficiency, using renewable energy, and optimising resource utilisation. Our goal is climate-neutral production.</p>		<p>CUSTOMER TRUST AND PRODUCT SAFETY</p> <p>We ensure that our packaging consistently meets high safety and quality standards, particularly regarding food contact, reinforcing our position as a reliable partner for our customers.</p>

AREA	KPI (2030)	TARGET	RESULT	STATUS
 People and well-being	Sick leave	<4%	3.4%	● Completed
	Zero accidents	0	4	● Improvement needed
	Zero harassments	0	0	● Completed
 Circularity	Material recyclability	95%	94%	● On track
	Zero waste to landfill	0%	0%	● Completed
 Environmental protection	Scope 1 emissions	-50%	-9%	● On track
	Scope 2 emissions	0 CO2e	0 CO2e	● On track
	Scope 3 emissions	-25%	-22%	● On track
 Customer trust and product safety	Customer satisfaction	100%	100%	● Completed
	Customer recommendation	100%	100%	● Completed

● Completed ● On track ● Improvement needed ● Not on track



General information

General disclosures ESRS 2

This sustainability report has been voluntarily prepared with reference to the European Sustainability Reporting Standards (ESRS), as defined under the Corporate Sustainability Reporting Directive (CSRD). Although FrontPac is not currently subject to mandatory CSRD reporting requirements, we have chosen to use the ESRS framework to strengthen internal sustainability governance, support transparency and respond to expectations from customers, stakeholders and regulatory developments.

The sustainability statement is presented on an individual reporting basis, covering FrontPac AB's operations and relevant elements of the upstream and downstream value chain.

Our sustainability reporting framework has been developed separately from our financial reporting. It is based on internal processes, stakeholder dialogue and risk assessments, and supports continuous improvement.

This report covers the operations of FrontPac AB, including the site in Simlångsdalen, previously Kafab Förpackning AB. It does not include data or disclosures from GKD Gefle Kartong AB.

It is presented as a standalone report, separate from the financial statements, and supports continued alignment with CSRD and the ESRS framework.

Through this report, we aim to provide a credible and structured foundation for future sustainability reporting while supporting the development of a responsible and resilient business model.

List of disclosures requirements

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The role of the administrative, management and supervisory bodies GOV-1

The Corporate Governance section of this report describes the overall responsibility of the Board of Directors and management for sustainability matters, including their composition, allocation of responsibilities and sustainability-related expertise. This section outlines how sustainability governance is integrated into the company's overall governance structure, including the division of responsibilities between the Board, CEO, Sustainability Manager and other key functions.

Information to the board and management, and handling of sustainability matters GOV-2

Sustainability-related issues are reported in a structured manner to the management team and the Board of Directors. The Sustainability Manager is responsible for compiling and presenting key performance indicators, deviations, improvement initiatives and external ESG-related developments.

The Board is informed of changes in regulatory requirements, outcomes of stakeholder dialogues and follow-up on goals and KPIs in areas such as climate impact, occupational health and safety, supplier responsibility and product safety. This information supports strategic decision-making and monitoring of risk management and goal setting.

In daily operations, sustainability topics are integrated through internal meeting structures. The Sustainability Manager collaborates with those responsible for procurement, quality, production and HR to collect data and support the implementation of actions. This cross-functional model helps the organisation identify risks and opportunities and connects governance with operational realities.

Integration of ESG in remuneration GOV-3

The remuneration policy for the Board of Directors and executive management is designed to support the company's long-term strategy. It aims to establish a compensation framework that supports accountability and contributes to value creation for the business and its stakeholders.

As part of our short-term incentive programme, we have integrated key performance indicators linked to environmental sustainability, specifically focusing on resource efficiency and waste reduction. For 2025, a portion of variable remuneration is tied to progress towards our target to reduce residual production waste, one of the objectives within our circularity and Scope 3 climate impact work.

The incentive scheme includes defined performance indicators and constitutes a weighted portion of the total short-term variable compensation. The goal is to strengthen the connection between individual performance, sustainability targets and the company's overall results.

The remuneration principles are approved by the Board and reviewed annually. The CEO acts as an advisory party in defining the sustainability targets within the incentive programmes and supports alignment with the company's materiality assessment and sustainability strategy.



Core elements of due diligence GOV-4	Paragraphs in the sustainability statement	Disclosures relate to people and/or the environment?
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2	People and environment
	ESRS 2 GOV-3	People and environment
	ESRS 2 SBM-3	People and environment
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2	People and environment
	ESRS 2 SBM-2	People and environment
	ESRS 2 IRO-1	People and environment
	ESRS 2 MDR-P	People and environment
	ESRS 2 IRO-1	People and environment
c) Identifying and assessing adverse impacts	ESRS 2 SBM-3	People and environment
d) Taking actions to address those adverse impacts	ESRS 2 MDR-A	People and environment
e) Tracking effectiveness of these efforts and communicating	ESRS 2 MDR-M	People and environment
	ESRS 2 MDR-T	People and environment
f) Third-party certified management systems	ESRS EI-2, ESRS E4-3	Environment

Risk management and internal control related to sustainability reporting GOV-5

We have established internal processes and control systems to support reliable, accurate and traceable sustainability reporting. The Sustainability Manager coordinates the work in close collaboration with Health & Safety, HR, Procurement, Quality and Production. Each function is responsible for providing relevant key performance indicators and supporting data. Our controls include standardised templates, traceability routines, deviation handling and digital tools for documentation and data management.

Sustainability reporting risks are assessed through updates to our double materiality assessment and internal quality reviews. Risk prioritisation is based on factors such as data availability, accuracy, reliance on external sources and the sensitivity of estimates.

The primary reporting risks we have identified relate to supplier data in the value chain, particularly concerning environmental and social impacts. These risks are managed through traceability checks, supplier evaluations, KPI-based assessments and defined procedures for validating estimates.

Findings from risk assessments are integrated into our internal workflows through measures such as training, process updates and adjustments to documentation and role definitions. Cross-functional collaboration supports an operational response and helps connect risk controls with day-to-day management.

The results of internal control activities and related improvement actions are reported to the Board of Directors annually as part of the follow-up on sustainability targets and material risks. Additional updates are provided during the year if needed. The CEO reviews the sustainability reporting summary before it is submitted to the Board.

Business model, value creation and impact

Value creation and impact

Our value creation takes place in collaboration with our stakeholders. Through high-quality packaging with improved environmental performance and a strong focus on product safety, we support our customers' brands and contribute to more resource-efficient material use. At the same time, we create jobs and work to maintain a safe working environment for our employees.

Our operations primarily impact the environment through material consumption, energy use and transport, and socially through working conditions in our organisation and at suppliers.

Through our strategy and business model, we aim to meet increasing expectations from customers, regulators and society regarding sustainability, quality and safety while continuing to create business value.

UPSTREAM

Fibre-based material

- FSC-certified board and paper from reliable European suppliers
- designed for food safety, printing performance and recyclability

Inks, adhesives and coatings

- preference for water-based and lower-impact solutions
- reviewed against applicable REACH and food safety requirements

Supplier collaboration

- long-term partnerships in Sweden, Germany, Poland, and Norway
- sustainability assessments and ongoing dialogue
- Supplier Code of Conduct

OWN OPERATIONS

Purpose

- to provide high-performance, circular packaging that protects products, supports brand storytelling and aims to reduce environmental impact

Values

- customer trust and product safety
- people first
- environmental responsibility

Factory and capabilities

- based in southern Sweden
- advanced offset printing, die-cutting, gluing and conversion
- in-house design and compliance team for tailored solutions

Operational sustainability

- electricity sourced through renewable electricity agreements
- waste reduction and resource optimisation
- climate and energy goals integrated into daily operations
- focus on workplace safety and employee involvement

DOWNSTREAM

Customer segments

- food, cosmetics, lifestyle, and promotional packaging
- mainly northern and central Europe

Packaging value

- packaging designed for recyclability and high performance
- complies with EU regulations, incl. food contact standards
- supports visual impact, functionality and sustainability-related customer requirements

Recycling and circularity

- supports more circular material flows through recyclable design
- collaboration with customers on recovery and recycling
- tracking of market-specific recycling performance

Process for Identifying material impacts, risks and opportunities IRO-I

To support focused sustainability work, we have implemented a structured process for double materiality assessment. The aim is to identify and prioritise topics important to our stakeholders and financially significant to our business. The evaluation is based on two perspectives:

Impact materiality: how our business affects people and the environment across the value chain

Financial materiality: how sustainability-related issues may influence our economic development and long-term business resilience

The analysis covers the value chain from upstream suppliers to our production in Sweden and downstream activities.

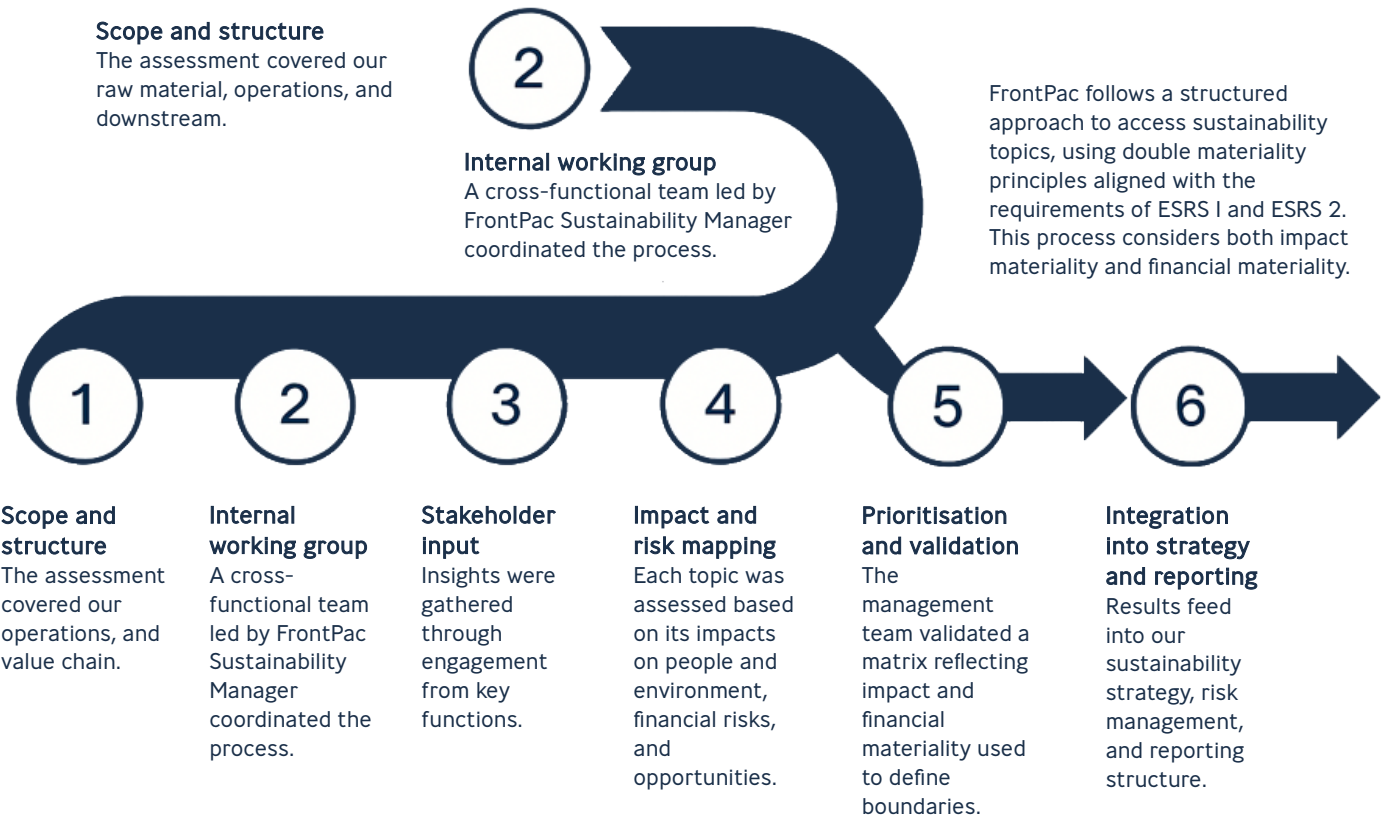
The process was led by our management team and based on internal expertise, insights from stakeholder dialogue, regulatory developments and established frameworks such as GRI, CSRD and the UN Sustainable Development Goals. This cross-functional approach supported a broad understanding of the sustainability issues most relevant to us.

Stakeholder perspectives were considered through information from employee surveys, customer and supplier dialogues, and owner engagement, which supported the prioritisation of topics and their relative importance. Each topic was assessed and scored using defined criteria, such as severity, scale, remediability, likelihood of impact, and the likelihood and magnitude of financial effects.

The results were consolidated and visualised in a materiality matrix. Topics scoring high in either or both dimensions were classified as material. The results were reviewed by management and form the basis for the focus areas in this report as well as for strategic decisions in our operations.

This analysis is not a one-off initiative but a continuous process that we regularly update in response to changing risks, business conditions, and stakeholder expectations.

The materiality assessment thus forms the foundation for sound governance, effective risk management, and transparent communication with our stakeholders.



Disclosure requirements in ESRS covered by the undertaking's sustainability statement IRO-2

The table below provides an overview of the most material impacts, risks, and opportunities (IRO) identified through a double materiality assessment. Its purpose is to highlight the sustainability topics with the most significant relevance to people, the environment, and the economy and their potential influence on strategy, business model, and long-term value creation.

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E-I	EI-7 GHG removals and GHG mitigation projects financed through carbon credits	47	S-I	SI-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	58
E-2	ESRS 2 IRO-I Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	47	S-I	SI-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	59
E-3	ESRS 2 IRO-I Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	47	S-I	SI-6 Characteristics of the undertaking's employees	60
E-4	IRO-I Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	41	S-I	SI-8 Collective bargaining coverage and social dialogue	60
E-5	ESRS 2 IRO-I Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	49	S-I	SI-9 Diversity metrics	60
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S-2	S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	63
S-2	S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	63
S-3	ESRS 2 SBM-2 Interests and views of stakeholders	25
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Environmental information

Environmental information

45



E1.SBM-3 Resilience of strategy and business model in relation to climate change

To assess the resilience of our strategy and business model in a changing climate, we have conducted a scenario-based analysis that covers both physical and transition risks across our value chain, from fibre-based material sourcing and in-house production to downstream customer delivery.

The assessment was performed in Q4 2024 and considers medium- and long-term time horizons (up to 2030 and 2050), taking into account climate scenarios related to the transition towards the objectives of the Paris Agreement.

For FrontPac, transition risks represent the most relevant challenge. These include stricter packaging legislation (such as the EU Packaging and Packaging Waste Regulation), increased demand for lower-carbon and recyclable packaging, shifts in preferred materials and printing technologies, and rising costs linked to emissions, energy and input materials. These factors directly influence procurement strategies, design choices, and customer expectations, requiring active adaptation.

Physical climate risks are currently considered to have a limited direct impact. Our production sites in Sweden use renewable electricity contracts and have so far shown limited exposure to historical weather variations. However, we acknowledge that extreme weather events may cause occasional disruptions in raw material logistics and outbound transport chains in the coming decades.

The scenario analysis results indicate that our current business model shows resilience under the climate-related assumptions assessed. Our focus on circular design, energy-efficient production, and traceable sourcing supports our adaptability to a tightening regulatory and climate-sensitive market environment.

Climate-related considerations are increasingly integrated into governance and risk management. The Board of Directors is regularly informed so that relevant climate trends and scenarios can be considered in strategic decisions and investment planning.

Time horizon		Location in value chain			Time horizon					
E1 Climate change		Impact			Upstream	Own operations	Downstream	Short-term	Mid-term	Long-term
Promoting climate adaption	Positive impact	●	●	●	●	●	●	●	●	●
Increased raw material costs and supply risks	Risk	●						●	●	●
Electrification of company cars	Positive impact		●					●	●	●
Scope 3 reduction through sustainable purchasing and supplier dialogue	Opportunity	●							●	●
Regulatory risks and requirements (CSRD, PPWR, emission targets)	Risk	●	●						●	●

Climate change ESRS EI

Transition plan (ESRS EI-I)

To address climate-related challenges and support the objectives of the Paris Agreement, we have adopted a long-term climate strategy with the ambition to reduce greenhouse gas emissions over time. Purchased electricity for our Swedish production sites is covered by renewable electricity agreements, including electricity from hydropower, wind power and our own solar energy facility. This provides a strong starting point for reducing market-based Scope 2 emissions, while also placing greater focus on emissions arising in our value chain.

Our primary climate impact comes from procuring raw materials such as paper, adhesives and inks from suppliers in Scandinavia, Poland and Germany. These purchases generate significant Scope 3 emissions and represent a key focus of our ongoing climate efforts. We map and analyse our suppliers' climate impacts to progressively increase the proportion of suppliers with documented climate targets and active measures to reduce their climate footprint.

We recognise the importance of contributing to the development of material solutions with lower climate impact, good recyclability and functional performance in use. These solutions need to be based on a balanced use of virgin and recycled fibres. Maintaining fibre quality and the functional durability of the material is crucial for an effective circular economy. Therefore, our material strategy aims to secure access to responsibly sourced virgin fibre while promoting efficient resource utilisation and recycling.

In addition to our material choices, we work to optimise our production processes and logistics flows to reduce our overall climate impact. Through collaboration with our transportation partners, we aim to increase the proportion of lower-emission transport solutions for both inbound and outbound logistics.

Climate considerations are integrated into our overall governance and risk management. The Board is informed of progress and climate-related aspects are considered in relevant strategic decisions. Developments are reported annually and form part of our commitment to long-term value creation.

Policies for mitigating and adapting to climate change (ESRS EI-2)

FrontPac's environmental policy outlines our commitment to climate-related action, including reducing emissions and adapting to long-term risks associated with climate change. We recognise that climate change may affect human, ecological and economic systems, and we aim to act responsibly, both in the short and long term.

Our policy is embedded in our ISO 14001-certified environmental management system and applies to all employees and operations. It forms the basis for structured, continuous improvement and clear department responsibilities. The policy is reviewed annually and updated to align with regulatory developments, internal performance, and stakeholder expectations.

Our mitigation approach focuses on reducing greenhouse gas emissions across Scope 1, 2 and 3. Key actions include:

- operating our Swedish production sites using renewable electricity agreements
- working to reduce energy, water, and raw material use through monitoring and optimisation
- collaborating with suppliers that have relevant climate-related certifications, targets or documented reduction measures
- promoting recycling and minimising operational waste
- prioritising logistics and transport partners with lower-emission options where available
- integrating environmental considerations into investments and procurement

Our adaptation efforts focus on increasing climate resilience across our operations and value chain. Through this policy and its implementation, FrontPac takes a structured approach to managing climate-related risks and opportunities. Climate is not treated as a separate issue; it is integrated into how we plan, manage risks and develop the business over time.

Achieved and expected emissions reductions (ESRS EI-3)

FrontPac has defined reduction targets for greenhouse gas emissions across Scope 1, 2 and 3, which support our long-term ambition to reduce the climate impact of our operations and value chain. These targets are embedded in our environmental management system (ISO 14001) and guide operational decisions and investments.

For Scope 1, we aim to reduce direct emissions by 50% by 2030, using 2022 as the baseline year. As of 2025, we have established a complete and more accurate dataset, enabling a stronger foundation for measuring progress. No reduction has yet been achieved compared to the baseline year. However, the improved data quality provides a clearer view of our emissions profile and supports more targeted reduction efforts.

Our Scope 2 target is to maintain low market-based emissions through renewable electricity agreements. This has been supported since 2019 through our switch to renewable electricity, including hydro, wind and solar power. Scope 2 emissions are reported using the applicable market-based method.

For Scope 3, we have set a target of 25% emissions reduction by 2030, with 2022 as the baseline year. This includes upstream emissions from purchased materials and downstream logistics. Data collection and supplier engagement are ongoing, with further development planned to improve traceability and reporting accuracy.

All targets are internal and not yet validated through the Science Based Targets initiative (SBTi). They are intended to support climate-related reduction efforts in line with the broader objectives of the Paris Agreement. Emissions performance is reviewed. Current data shows that Scope 1 requires continued reduction efforts, Scope 2 is supported by renewable electricity sourcing, and Scope 3 remains in progress, requiring further data quality improvement and supplier engagement.

Climate-related investments have primarily affected capital expenditure (CapEx) through installing on-site solar panels in 2019. Operational expenditure (OpEx) is expected to increase moderately in the coming years due to the transition towards lower-emission transport solutions and expanded supplier collaboration.

Tracking the effectiveness of policies and actions through targets (ESRS EI-4)

FrontPac uses climate targets to assess the effectiveness of our environmental policies and actions.

These targets are integrated into our ISO 14001-certified environmental management system and are reviewed annually by senior management and the Board of Directors to support the integration of climate-related considerations into strategic decision-making.

To measure the effectiveness of our policies, we have established 2022 as the reference year for greenhouse gas (GHG) emissions across Scope 1, 2, and 3. Each target is linked to specific actions, allowing us to assess whether our climate initiatives are contributing to the intended results.

For example, our Scope 1 reduction target is supported by the electrification of our company car fleet and increased energy efficiency in operations.

Our Scope 3 target is monitored through supplier engagement and the introduction of climate-related criteria in procurement. In logistics, we track the share of lower-emission transportation to evaluate progress over time.

FrontPac acknowledges that progress towards its climate targets may be influenced by external factors such as market developments, supply chain performance and technological advancements. The company remains focused on continuous improvement and transparent follow-up of its climate-related work.

Tracking text / targets:

We compare actual emissions data with the defined targets to assess whether our climate strategy remains relevant and effective. Scope 1 and 2 data have been reviewed for the 2022 baseline, while the quality of Scope 3 data is gradually improving through enhanced supplier reporting. As more detailed data becomes available, we will reassess performance and adjust our actions accordingly.

Short-term targets (to 2030):

- maintain low market-based Scope 2 emissions through renewable electricity sourcing
- reduce Scope 1 emissions by 50% from 49 tonnes CO₂e in 2022
- increase the share of lower-emission transport in our logistics operations
- aim for at least 70% of our critical and most significant suppliers to have documented climate targets or reduction measures linked to the objectives of the Paris Agreement

Long-term objective:

To stabilise or gradually reduce total emissions across Scope 1, 2 and 3 compared to the 2022 baseline, approximately 3.408 tonnes CO₂e, even as the company continues to grow. These targets serve as key indicators for tracking whether our policies contribute to measurable emissions reductions. Progress is reviewed annually as part of our sustainability reporting and internal management cycles.

Energy consumption and energy mix (ESRS EI-5)

FrontPac's electricity use is covered by renewable electricity agreements. In 2025, our total electricity consumption was approximately 3.563 MWh, sourced from certified renewable electricity from hydropower and other renewable sources. Additional on-site renewable electricity is generated through our solar panels installed in 2021, which produced approximately 263 MWh during the year. This on-site production is included in the total electricity figure.

In addition to electricity, FrontPac uses biogas for steam generation in production processes, supporting the transition away from fossil energy sources. In 2025, biogas consumption was estimated at approximately 3031 MWh, contributing to our renewable energy mix. Minor Scope 1 emissions remain due to the company car fleet, which is being gradually converted to electric vehicles as part of our ongoing transition.

Electricity	Consumption	Share
Renewable electricity: purchased	3.563 MWh	93%
Renewable electricity: own production	263 MWh	7%
Total renewable energy	3.826 MWh	100%

Greenhouse gas (GHG) emissions data (ESRS EI-6)

FrontPac monitors greenhouse gas emissions across Scope 1, Scope 2 and Scope 3 categories in accordance with the GHG Protocol. The baseline year for climate reporting is 2022, 4.506 tCO₂e, including 67 tCO₂e in Scope 1, 0 tCO₂e in Scope 2, and 4.439 tCO₂e in Scope 3.

In 2025, we continued strengthening our Scope 3 emissions reporting by improving coverage and data quality. While we have previously disclosed value chain emissions, this year's reporting is more complete and reflects an improved understanding of our climate impact. One key improvement is the more accurate inclusion of emissions from purchased direct material. During our base year, we did not have access to complete data on product-specific material flows. This gap has now been addressed to a greater extent, and our reporting is based on more detailed data, including material-specific emission factors. Scope 1 emissions amounted to 61 tCO₂e, Scope 2 market-based emissions were reported as 0 tCO₂e, and Scope 3 emissions amounted to 3.463 tCO₂e.

Carbon credits and removals (ESRS EI-7)

FrontPac does not currently purchase carbon credits or invest in carbon removal projects. The company focuses on reducing emissions within its own operations and value chain. Therefore, EI-7 disclosures are currently not applicable.

Pollution (ESRS E2, IRO-1)

Based on our double materiality assessment, pollution-related impacts, risks and opportunities are considered non-material to FrontPac. Our operations within packaging manufacturing are primarily mechanical and do not involve significant chemical transformation. FrontPac does not operate industrial processes that are expected to generate material emissions to air, discharges to water bodies or soil contamination. The company uses limited amounts of adhesives, inks and coatings, which are managed according to our ISO 14001-certified environmental management system. Based on available supplier documentation, no substances of very high concern under the REACH regulation have been identified in production materials. Monitoring and operational controls support compliance with applicable environmental legislation.

Given the limited use of regulated substances and the absence of activities with significant pollutant emissions, the disclosure requirements under ESRS E2 are currently assessed as not material to our operations. Should pollution-related factors become material in future assessments, FrontPac will report accordingly.

Water and marine resources (ESRS E3, IRO-1)

Water use and management are assessed as part of our broader environmental materiality process, carried out within the framework of our ISO 14001-certified environmental management system. The process includes internal reviews of water consumption data, risk screenings related to water availability and regulatory exposure, and ongoing compliance monitoring.

Additional input is gathered through operational audits, dialogue with service providers and site-level assessments of environmental dependencies and impacts. Based on these procedures, no material impacts, risks or opportunities related to water have been identified. Our operations involve limited water use, primarily for moisturising paper in corrugated board production and cleaning equipment such as glue and varnish rollers.

Used process water is collected and managed by licensed external waste service providers, supporting proper treatment and reducing the risk of direct discharge into natural water bodies. Our environmental management system monitors water consumption, with procedures in place to optimise usage and reduce unnecessary waste. Overall, water use remains limited in relation to the operational scale of the company, and no material risks related to water availability, quality or regulatory exposure have been identified. Based on this, water and marine resources have not been assessed as a material sustainability topic in our reporting under the ESRS framework.

Water	2025	2024	2023	2022	2021
Consumption m3	5.847	5.240	4.596	3.095	5.824

Biodiversity and Ecosystems (ESRS E4)

FrontPac has conducted a double materiality assessment evaluating potential impacts on biodiversity and ecosystems across its operations and relevant parts of the value chain. The results indicate that FrontPac’s direct operations do not have a significant impact on natural habitats, species populations or ecosystem services. In its sourcing practices, FrontPac prioritises suppliers certified under the Forest Stewardship Council (FSC), supporting responsible sourcing of fibre-based raw materials. In addition to FSC certification, several of our key paper suppliers are certified under ISO 14001 or equivalent environmental management systems, supporting systematic environmental management across the value chain.

FrontPac’s ISO 14001-certified environmental management system includes procedures for monitoring environmental impacts, including aspects related to supplier practices and raw material sourcing. The assessment of impacts, risks and opportunities related to biodiversity was conducted as part of our double materiality analysis. The analysis focused on identifying dependencies and potential impacts on ecosystems from our operations and upstream raw material flows. No material biodiversity-related issues were identified through this process.



Resource use and circular economy ESRS E5

SBM-3

FrontPac is aware of the key opportunities and limited risks associated with resource use and the circular economy. Our business model is built on efficient material use, where recycling, resource efficiency and responsible sourcing are central components.

Risks related to resource use may primarily arise from changes in the availability of recyclable materials or stricter legislation regarding waste management and circular practices. These factors could have a limited impact on our costs and material flows. However, FrontPac's direct risk is assessed as low, given our established recycling practices and partnerships with certified suppliers and recycling companies.

Opportunities are particularly found in developing more resource-efficient production methods, increased recycling rates and improved resource efficiency, all of which support our competitiveness and long-term value creation. These aspects are integrated into our overall strategy and guide our transition towards a more circular business model.

The materiality assessment conducted in 2024 indicates that resource efficiency and circularity are key sustainability issues for FrontPac and our stakeholders. Continuous improvement of our material flows and waste reduction remains a priority within our sustainability strategy.

Policies related to resource use and circular economy (ESRS E5-1)

FrontPac has established a structured waste management and resource efficiency policy integrated within our ISO 14001-certified environmental management system. Our policy emphasises the principles of a circular economy, focusing on reducing waste generation, improving material recycling and increasing the recovery of resources.

Time horizon		Location In value chain			Time horizon					
E5 Resource use and circular economy		Impact			Upstream	Own operations	Downstream	Short-term	Mid-term	Long-term
Policies to manage material impacts	Positive impact		●					●		●
Actions and resources related to resource use	Positive impact	●	●					●		●
Tracking effectiveness through targets	Positive impact		●					●		●
Resource inflows	Opportunity	●						●		●
Resource outflows and waste	Positive impact		●	●				●		●
Financial effects and risks	Risk		●							●

Our collaboration with Stena Recycling supports waste sorting, collection and treatment according to applicable environmental requirements and agreed procedures. We also apply the principles of the waste hierarchy, prioritising elimination, reduction, reuse, recycling, recovery and disposal only as a last resort.

Our commitment also covers purchasing of raw materials. We prioritise suppliers certified under FSC® standards, supporting responsible forestry and responsible sourcing practices in relevant parts of the supply chain.

Actions and resources related to resource use and circular economy (ESRS E5-2)

FrontPac works with resource efficiency and circular economy principles through practical actions across its production processes. Our initiatives focus on reducing waste generation, increasing recycling and improving material efficiency in partnership with qualified waste management providers.

We aim to optimise resource use and reduce environmental impacts throughout our operations by implementing systematic monitoring and targeted improvements.

To operationalise our policy commitments, FrontPac has implemented several practical initiatives:

- paper waste from corrugating and converting operations is recycled locally through Stena Recycling
- paper, plastic and aluminium waste was either recycled or used for energy recovery in 2025
- hazardous waste, primarily ink sludge from printing operations, is separated and sent for specialised treatment

Tracking effectiveness through targets (ESRS E5-3)

FrontPac has established targets linked to material recyclability and landfill diversion to support continuous improvement and follow-up. These targets are monitored within our ISO 14001-certified management system and are reviewed annually by the Sustainability Manager. They form part of our broader sustainability governance structure and support progress towards increased circularity in our business model.

FrontPac has established targets related to resource use and waste:

Circular economy	Target	Status
Material recyclability	95%	94%
Zero waste to landfill	0%	0%

Resource inflows (ESRS E5-4)

FrontPac's primary material input is corrugated paper, sourced predominantly from FSC®-certified suppliers in Sweden and Europe.

Additional materials include limited volumes of adhesives, inks, and aluminium plates for printing processes.

- main resource inputs: paper, adhesives, printing ink, aluminium plates
- plastics and metals: minor usage, recycled where possible

Given our scale, we focus on purchasing incoming materials from responsible sources and supporting circularity where feasible.

Resource outflows and waste (ESRS E5-5)

FrontPac monitors significant material outflows from production, including paper, plastics, hazardous waste, metals, electronics and other relevant fractions. These are recorded monthly in kilograms to track trends, identify hotspots and support continuous improvement.

Waste is managed within our ISO 14001-certified environmental management system and handled by licensed external partners. Paper, plastics and metals are directed to recycling where feasible, while hazardous waste is handled according to legal requirements.

Waste category	Share total waste	Treatment
Paper waste	93.2%	Recycled into new products
Hazardous waste	3.7%	Special treatment
Metal waste	0.6%	Recycled into new products
Plastic waste	0.1%	Recycled or energy recovery
Iron waste	0.4%	Recycled or energy recovery



When used packaging becomes a resource

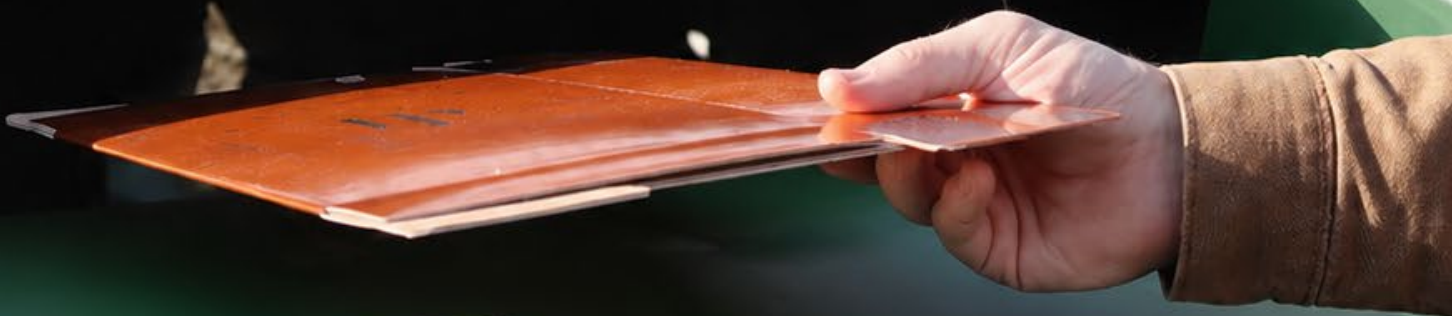
Pappersförpackningar

When our fibre-based packaging has fulfilled its purpose, the material does not automatically become waste, it becomes a resource for new processes and new products. Paper and paperboard packaging are part of well-established recycling systems and are among the packaging materials with the highest recycling rates across many markets.

For FrontPac, material efficiency and recyclability are important considerations already in the development stage of a packaging solution. Choices related to construction, materials and production influence how the packaging can be handled after use and how effectively the material can be returned to existing recycling systems.

Through established collection and recycling systems, fibre from used packaging can be recovered and used in new products several times. This contributes to a more resource-efficient material flow and reduces the need for virgin raw materials where recycled fibre is technically suitable for use.

At the same time, recycling depends on correct sorting, clean material streams and functioning infrastructure throughout the value chain. For this reason, we continuously work to develop packaging solutions that support practical handling, material recovery and clearer material information.



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We care about your packaging

At FrontPac, our people are at the centre of what we do. Behind every packaging solution, every delivery and every improvement, there are colleagues who contribute with knowledge, care and responsibility in their daily work.

Our production depends on machines, materials and processes, but it is our employees who make everything come together. Their experience, attention to detail and willingness to solve problems are essential for maintaining quality, safety and reliability across our operations.

We are proud of the competence and commitment that exists across the whole organisation. Every colleague contributes in their own way, and every part of FrontPac plays an important role in creating packaging solutions that work in practice and meet the requirements placed on us.

We want FrontPac to be a workplace where people feel safe, respected and able to grow. By listening to each other, sharing knowledge and taking responsibility together, we strengthen both our working environment and the company we are building for the future.

“ We look out for each other and take pride in our work. That’s what makes FrontPac a good place to be.



Taking care

We treat each other with respect and value every individual.

Safety first

We work proactively to prevent risks and create secure workplaces.

Stronger together

We collaborate across sites and teams to solve problems and improve every day.

Developing people

We invest in skills and opportunities so our people and the company can grow over time.

A workplace built on teamwork and responsibility

At FrontPac, no part of the business works in isolation. Our daily operations depend on collaboration between people with different experiences, responsibilities and areas of expertise.

From planning and production to logistics, quality, customer dialogue and technical support, we work closely together to keep operations moving forward and to solve challenges as they arise.

Learning through daily work

Much of the knowledge within FrontPac is built through practical experience and everyday collaboration. Employees support each other across teams and functions, sharing ideas, solving problems and contributing to continuous improvement throughout the organisation.

We believe that involvement, communication and shared responsibility create stronger teams and a more stable working environment.

Building long-term engagement

We want people to feel included in the development of the company and in the everyday improvements that shape our operations. Small changes, practical ideas and employee engagement are an important part of how we continue to develop as an organisation.

By creating a workplace built on trust, openness and cooperation, we strengthen both our culture and our long-term ability to deliver quality to our customers.



Collaboration across teams

We work together across functions and sites to find the best solutions.

Shared responsibility in daily work

We take ownership, support each other and do what it takes to get the job done.

Continuous improvement through people

Our employees' ideas and experience drive small changes that create big impact over time.

Growing together, for the long run

Skills development

FrontPac invests in skills development to ensure that employees have the knowledge and confidence needed to meet changing demands. Development takes place through a combination of practical experience, internal training and opportunities to build new capabilities over time.

By strengthening both professional and personal skills, we create better conditions for employees to succeed in their roles and contribute to the company's continued development.

Experience that matters

The knowledge and experience within FrontPac are important strengths in our everyday operations. Many employees have built deep understanding of their work through years of hands-on practice, problem-solving and close contact with production processes.

This experience supports quality, efficiency and sound decision-making, while also helping newer colleagues develop their own understanding of the business.

Well-being at work

A healthy workplace is essential for people to perform well and feel motivated. At FrontPac, we aim to create an environment where employees feel safe, respected and able to be themselves.

This includes promoting openness, inclusion and a sense of belonging across the organisation. When people feel valued, they are more likely to take initiative, share ideas and contribute positively to the workplace culture.

Opportunities to grow

We want FrontPac to be a place where people can develop, take on new challenges and see a future for themselves. Growth can mean building specialist knowledge, broadening one's role or gaining confidence through new responsibilities.

By encouraging development at different levels, we strengthen both individual potential and the company's ability to meet future needs.



“We started at FrontPac on the same day in 1999. 26 years later, we're still here working, learning and developing together. What keeps us here is the people, the teamwork and the chance to make a difference every day.”

A personal reflection on joining FrontPac

In May 2025, I joined FrontPac as Production Leader for the repro department. After many years in the graphic arts industry, FrontPac had been one of the companies I followed with particular interest. It had built a strong reputation in the market, and when the opportunity arose to become part of the organisation, the decision felt both exciting and entirely natural.

From my very first day, I felt genuinely welcomed. My introduction to the company was thoughtful, well planned, and highly structured, which gave me a strong start in my new role. It allowed me to gain valuable insight into FrontPac's production flow, internal processes, and business systems at an early stage, making it easier to understand both the wider operation and how my role contributes to it.

What has impressed me most during my time at FrontPac is the company's clear direction and strong sense of purpose. There is a tangible ambition here, supported by defined goals and values that are not only expressed in words, but also reflected in the way the business operates day to day. That creates a sense of confidence and consistency which is both motivating and reassuring.

Another great strength of FrontPac is the experience and expertise of the people who work here. Being surrounded by knowledgeable and committed colleagues has made a real difference during my first months in the role. Their support, combined with the company's clear vision for the future, has made me feel both secure and inspired as I settle into my responsibilities.

I look forward to contributing to FrontPac's continued development and to being part of a business that combines professionalism, long-term thinking, and a genuine drive to keep improving.



“What has impressed me most is the company's clear direction and strong sense of purpose.

Marie Hansson
Production Leader Prepress

Own workforce ESRS SI

Materiality Assessment and Connection to Strategy (IRO Process)

FrontPac has carried out a materiality assessment concerning the social aspects of its workforce (SI) in line with the European Sustainability Reporting Standards (ESRS) requirements. The objective has been to identify and prioritise the most significant impacts, risks and opportunities (IROs) that may affect our operations, employees and stakeholders over the short and long term. The process included the following steps:

- identifying potential impact areas through a review of internal policies, risk assessments and operational analyses
- input and dialogue from key internal functions such as HR, Sustainability, Production and Management
- assessment of the degree of impact, whether negative or positive, and its likelihood in relation to our strategic priorities
- prioritisation of the areas identified as most material for both our external impact and our business model
- evaluation of whether the effects are short-term or long-term and where they occur within the value chain

The table summarises the results of the materiality assessment, which is updated annually and serves as a tool to support that FrontPac's sustainability and social responsibility initiatives remain current, relevant and integrated into our business development.

Engagement and dialogue with the workforce (ESRS SI-I)

FrontPac works to maintain a responsible and inclusive working environment by systematically implementing internal policies and guidelines. All policies are reviewed at least biennially to support their continued relevance and alignment with regulatory requirements and stakeholder expectations. Each policy owner is accountable for maintaining and updating their policies within the defined review cycle.

Time horizon		Location In value chain			Time horizon			
S1 Own workforce		Impact	Upstream	Own operations	Downstream	Short-term	Mid-term	Long-term
Occupational health and safety	Negative impact		●			●		●
Mental health and work-life balance	Negative impact			●		●		●
Employment opportunities and skills supply	Positive impact			●		●		●
Discrimination and lack of inclusion	Risk			●		●		●
Inclusion of people with disabilities	Positive impact			●		●		●
Skills development and lifelong learning	Risk			●		●		●

Diversity policy

We are committed to supporting an inclusive workplace environment. We recognise individual differences and view diversity as an important contributor to innovation and organisational strength. Our policy supports equal opportunities in recruitment, professional development and daily workplace practices. We do not accept discrimination based on gender, age, ethnicity, disability, religion, sexual orientation or other protected characteristics.

Recruitment policy

Our recruitment policy supports transparent and fair hiring practices based on qualifications and merit. The primary goal of this policy is to reduce risks associated with bias or discrimination during recruitment and selection, while promoting organisational diversity and inclusion. The Human Resources department is responsible for implementing the recruitment policy.

Staff policy

We have established a structured approach for managing, developing and retaining employees throughout their professional journey. It covers essential areas, including onboarding procedures, ongoing professional development, performance management and fair employment practices.

This policy aims to support employee engagement and productivity by promoting a positive, inclusive and supportive work environment. The Human Resources department is responsible for implementing and following up on the policy.

Working environment policy

The working environment policy outlines FrontPac's approach to supporting a safe, healthy and supportive work environment. The policy addresses physical safety and psychosocial well-being and is integrated into operational planning and management systems.

Occupational health and safety risks are monitored and managed through preventive actions and continuous improvement initiatives. The Health and Safety Manager, in collaboration with the executive management team, is responsible for the policy.

Through implementing these policies, FrontPac seeks to prevent and mitigate potential negative impacts while supporting positive outcomes for its workforce.

Mechanisms are in place for employees to report concerns, and training initiatives are conducted to promote awareness, compliance and continuous development across the organisation.

Engagement and dialogue with the workforce (ESRS SI-2)

We view our employees as active participants in our efforts to create a fair and attractive workplace. Open engagement with our workforce is important for understanding their needs, identifying risks and opportunities, and continuously improving our working methods.

We have implemented several structured channels for dialogue and feedback to support the capture of employees' perspectives. These include employee surveys covering occupational health and safety, leadership, engagement, inclusion and work-life balance.

In addition to surveys, individual performance and development reviews are conducted. These reviews allow employees to engage in a structured dialogue with their manager about development goals and potential challenges.

This dialogue supports our work on competence development, employee satisfaction and long-term employee retention. We also maintain collaboration with trade union representatives and safety delegates.

Regular meetings and consultations support that union perspectives and workplace health and safety issues are considered, and that we act in accordance with collective agreements and labour law requirements.

The dialogue with employee representatives also helps identify issues affecting groups such as temporary workers, young employees or newly hired staff.

Engagement is not limited to formal processes. We work to build a corporate culture where open communication, mutual respect and active listening are part of daily operations. An organisation that involves employees in relevant decisions and change processes is better positioned to develop and adapt over time.

Grievance mechanisms and whistleblower channels (ESRS SI-3)

An important part of our work with a responsible workplace is providing employees with safe and accessible channels to raise concerns, report risks or highlight misconduct.

We work to build a culture where expressing concerns and reporting issues is encouraged, and where employees can raise concerns without fear of retaliation.

Our whistleblower system is designed to enable employees, suppliers and other stakeholders to report suspected violations of laws, ethical guidelines or internal policies anonymously.

The service is operated independently by an external party and is available through multiple communication channels, including online forms. Reports are handled confidentially and in accordance with applicable legal requirements, including GDPR. Upon receipt of a report, our whistleblower committee, comprising representatives from HR, management and external experts, is activated to conduct investigations where necessary.

Corrective action plans are implemented when violations are confirmed, and follow-up is conducted to address identified root causes. We view the whistleblower system as a risk management tool that supports continuous improvement and a culture of openness and integrity.

Employees receive training on how to use the system, what concerns should be reported and how protection against retaliation is managed. Reporting concerns is both a right and a shared responsibility, as it helps create a safe and ethical workplace.

Actions for addressing negative impacts and remedy (ESRS SI-4)

At FrontPac, we recognise that despite preventive measures, negative impacts affecting our workforce may occasionally occur. We are committed to addressing such incidents in a structured manner, reducing harm and supporting appropriate remedies for the parties involved.

To manage negative impacts such as discrimination, workplace accidents or breaches of human rights, FrontPac has established processes based on our internal policies and governance framework. When an incident is identified, it is documented, escalated through a defined response chain and investigated to determine its root causes.

Based on these investigations, corrective and preventive action plans are developed. These plans may include immediate interventions to support affected individuals, such as rehabilitation measures, work adjustments, as well as longer-term initiatives to strengthen preventive systems and reduce the likelihood of recurrence. Where applicable, incidents are reported to the relevant authorities in compliance with legal obligations.

Our grievance mechanisms provide employees and other stakeholders with accessible, safe and confidential channels to report concerns. Reports are handled according to clear procedures, supporting a fair and non-retaliatory process for the individuals involved.

Beyond individual incidents, FrontPac collects and analyses incident data at an aggregated level to identify trends, recurring risks and structural weaknesses. This supports continuous improvement of our health and safety management, diversity and inclusion efforts, and broader human rights due diligence processes.

The department managers responsible for managing negative impacts are supported by the Human Resources and Health & Safety functions. Senior management provides oversight so that relevant learnings can be considered in operational planning and policy development.

Our overarching ambition is to prevent adverse impacts. However, when incidents arise, we aim to act appropriately and transparently, using lessons learned to strengthen our organisation and support the well-being and trust of our workforce.

Engagement with own workforce and setting of targets (ESRS SI-5)

At FrontPac, we emphasise involving our employees in shaping the company's working environment and development initiatives. During the year, employees and staff representatives participated in interviews, workshops and open forums to highlight key areas of importance, such as health and well-being, workplace inclusion and employee satisfaction. This collaborative approach supports that our priorities reflect workforce needs and contributes to the company's long-term development.

Health and well-being

Supporting employee health and well-being is an important focus for FrontPac. We have set a target to keep the overall sick leave rate below 4% by the end of 2030, covering all departments and subsidiaries.

This objective is aligned with our Health and Safety Policy, Anti-Discrimination Guidelines and the FrontPac Code of Conduct, which support a safe and supportive work environment.

Sick leave	Target	2025	2024	2023	2022	2021
	< 4% (until 2030)	3.4%	4.9%	3.8%	-	-

Promoting gender balance

At FrontPac, we work to promote a balanced and diverse workforce. Our goal is to achieve a good balance between women and men across the organisation, taking into account the nature and requirements of the business.

Women in organisation	Target	2025	2024	2023	2022	2021
	< 20% (2030)	19%	18%	18%	17%	18%

Building an inclusive workplace culture

Inclusion is an important part of FrontPac's corporate culture. Based on results from our employee engagement survey, we have established a long-term ambition to improve results related to inclusion by 2030.

The survey focuses on employees' perceptions of fairness, diversity of viewpoints in decision-making, and sense of belonging within the workplace.

Enhancing employee engagement

At FrontPac, we recognise that employee engagement is an important part of building a motivated, responsible and sustainable organisation. Understanding how employees experience their workplace helps us identify strengths, areas for improvement and opportunities to further develop our working environment and company culture.

In 2025, FrontPac conducted a new employee survey to follow up on engagement, wellbeing and overall employee satisfaction across the organisation. The survey achieved a response rate of 83%, reflecting a high level of participation and providing valuable insight into the employee experience throughout the company.

The overall satisfaction result reached 79.5%, compared with our long-term target of 85% by 2030. The results show a stable level of employee satisfaction while also highlighting areas where continued development and improvements are important.

The survey results are used as part of our ongoing work to strengthen communication, leadership, collaboration and employee wellbeing. They also support our efforts to create an inclusive workplace where employees feel involved, respected and able to contribute to the company's long-term development.

Employee feedback remains an important tool in our continuous improvement process and forms part of FrontPac's broader sustainability and people strategy for 2030.

Inclusive	Target	Results
Employee survey response rate	90%	79.5%
Satisfaction survey	85%	83%

Characteristics of the undertaking's employees (ESRS SI-6)

Based on the disclosure requirements set out in ESRS SI-6, FrontPac provides an overview of the main characteristics of its workforce.

Employees	2025
Average number of permanent employees (ETF)	159
of which women	19%
of which labour employees	73%
of which office employees	27%
number of fixed-term employees	24
number of part-time employees	9
number of additional employees (summer work)	11
Percentage of female managers	20%
Average age, years	47
Average age, years (incl. summer work)	45

Staff turnover	2025
Number of people who ended their employment (VT & EXTRA excluded)	10
Number of new hires (VT & EXTRA excluded)	9
Staff turnover	10%
Staff turnover - voluntary (own termination)	7%
Number of positions filled by internal candidates	1

Collective bargaining coverage and social dialogue (ESRS SI-8)

FrontPac fully supports employees' fundamental rights to freedom of association and collective bargaining, which aligns with international labour standards and national legislation.

We view constructive social dialogue as essential to building a responsible, fair, and sustainable workplace. At the end of 2024, approximately 66% of FrontPac's employees were covered by collective agreements.

Regular engagement with employee representatives and unions ensures that key issues such as working conditions, health and safety, compensation, and organisational changes are addressed transparently and collaboratively.

FrontPac remains committed to maintaining open and respectful dialogue with its workforce and their representatives, aiming to promote mutual trust, strengthen employee participation, and improve working conditions across the company.

Diversity metrics (ESRS SI-9)

The data presented in this section has been collected from FrontPac's internal HR systems, ensuring a consistent and reliable basis for monitoring our progress.

Key diversity metrics include gender distribution across the organisation and within leadership positions, as well as the age structure of our employees.

Number of board of directors	2025
Male	4
Female	0

Number of employees of management	2025
Male	5
Female	1

Age distribution in workforce	2025
Under 30 years old	8.2%
30 - 50 years old	48.6%
Over 50 years old	43.2%

Adequate wages (ESRS SI-10)

All employees at FrontPac receive fair and competitive salaries aligned with relevant industry benchmarks and applicable reference indices.

Occupational health and safety, detailed monitoring (ESRS SI-14)

We aim for zero accidents and occupational illnesses and view every incident as an opportunity for learning and improvement.

Our occupational health and safety management system, aligned with ISO 45001 standards, is implemented across all our operations and applies to all employees regardless of their roles.

We carry out comprehensive risk assessments annually and whenever significant changes occur in operations. Key activities include:

- safety inspections and risk mapping,
- incident and near-miss reporting and investigation,
- workplace safety dialogues and leadership-driven safety culture programs

We track and report on key health and safety indicators, including:

- number of work-related accidents (recordable incidents),
- number of work-related illnesses detected,
- days lost due to occupational injuries or illnesses,
- share of employees covered by certified health and safety management systems

Health and safety metrics	2025
% of people in its own workforce who are covered by health and safety management system	100%
Total recordable work-related accidents for own workforce	4
Fatalities in own workforce as result of work-related injuries	0
Fatalities in non-employees as result of work-related injuries	0

**Remuneration metrics (pay gap and total remuneration)
(ESRS SI-16)**

At FrontPac, we work to support fair compensation practices. Through regular analysis and follow-up measures, we aim to assess whether employees are compensated fairly for comparable work, regardless of gender.

Equal pay for equal or equivalent work is an important part of our work with gender equality and fair employment conditions.

To support equal pay, employees are evaluated based on relevant and objective criteria. We will continue to monitor and assess wages regularly to identify and address unjustified pay differences. If pay differentials are identified, a review is conducted of factors that may influence pay setting, such as role, responsibility, performance, experience and education.

Gender pay gap	2025
Pay gap	2.7%

**Incidents, complaints and severe human rights impacts
(ESRS SI-18)**

Diversity and inclusion are important parts of our sustainability strategy and support a workplace with different perspectives and experiences.

We do not accept discrimination based on gender, age, ethnicity, disability, sexual orientation, religion or other personal characteristics.

This approach applies across employment-related areas, including recruitment, promotion, remuneration and daily operations.

We recruit from a broad candidate base and aim for selection processes based on qualifications, skills and relevant competencies.

Our onboarding programmes include introductions to our diversity and inclusion principles to support a common understanding of our values and expectations.

Incidents, reports and severe impacts on human rights	2025
Total number of incidents of discrimination, including harassment	0
Number of reports submitted through channels where the in-house workforce can raise issues (including grievance mechanisms)	0
Total amount of fines, penalties and compensation for damages resulting from incidents and reports (SEK)	0
Total number of serious human rights incidents related to the company's workforce	0



Workers in the value chain ESRS S2

Policy framework for workers in the value chain (ESRS S2-1)

Our business partners are expected to adhere to our key principles: safety, integrity and responsibility. Our Supplier Code of Conduct outlines these principles, defining the ethical, social and environmental standards we expect from business partners.

All new critical business partners are required to confirm that they either follow our Code or apply equivalent standards. These principles include, but are not limited to:

- respect for human rights and non-discrimination
- fair working hours and compensation
- a safe and secure working environment
- access to grievance mechanisms for workers and other stakeholders

Non-compliance with our Code of Conduct may result in appropriate actions, including the termination of the business relationship.

Responsible sourcing policy: in 2024, we implemented a dedicated Responsible Sourcing Policy, which builds upon our Supplier Code of Conduct and establishes requirements for suppliers to our company. The policy applies to direct suppliers across procurement categories.

The goal is to build long-term business relationships based on shared responsibility. The policy includes expectations in areas such as:

- health and safety
- working hours and employment conditions
- human rights
- environmental responsibility and climate impact
- responsible sourcing of raw materials

Time horizon		Location In value chain		
S2 Workers in the value chain		Upstream	Own operations	Downstream
Impact		Short-term	Mid-term	Long-term
Strong compliance with Supplier Code of Conduct	Positive impact	●	●	●
Lack of third-party assessments (ISO)	Risk	●	●	●
Lack of access to grievance mechanisms	Negative impact	●	●	●

This policy reflects our approach to the following international frameworks:

- the ILO Declaration on Fundamental Principles and Rights at Work
- the UN Guiding Principles on Business and Human Rights

Processes for engaging with workers in the value chain (ESRS S2-2)

FrontPac engages with suppliers through structured onboarding and monitoring processes. Suppliers are expected to demonstrate adherence to labour and human rights standards, either through certifications where applicable or by confirming alignment with our Supplier Code of Conduct.

As part of our engagement framework, we have established an anonymous grievance mechanism through our website, which is accessible to supplier workers and other relevant stakeholders.

This mechanism allows workers to raise concerns regarding labour rights or workplace conditions. Information about the mechanism is communicated during supplier onboarding.

Processes for addressing negative Impacts and grievance mechanisms for workers in the value chain (ESRS S2-3)

To address potential negative impacts on workers in our value chain, we provide access to a grievance mechanism open to employees and external stakeholders, including workers employed by our suppliers.

As part of our due diligence approach, we maintain a Speak Up function on our company website, where concerns related to labour rights, occupational safety, discrimination, harassment or other human rights violations can be submitted anonymously and confidentially. This channel does not require prior registration or internal access.

The grievance mechanism:

- is accessible via our public website
- is available to all workers in our value chain, including those employed by suppliers
- allows for anonymous reporting
- includes protection against retaliation
- ensures that reported cases are assessed and followed up where necessary, in line with our internal compliance process

All strategic suppliers will be informed about this mechanism during onboarding and are expected to communicate its availability to their workforce. We are committed to strengthening transparency and enabling workers to raise concerns safely and constructively, regardless of their contractual relationship with us.

Action plans and resources to manage impacts, risks, and opportunities related to workers in the value chain (ESRS S2-4)

Our focus is on strengthening supplier practices while adapting efforts to the size and complexity of our supply chain. Our core activities include:

- requiring suppliers to commit to the Supplier Code of Conduct, regardless of external certifications
- prioritising suppliers with credible third-party certifications, such as FSC®, where applicable
- conducting supplier reviews to monitor adherence to labour, health and human rights standards
- responding to grievances or identified risks with corrective action plans and follow-up

These measures are proportionate to FrontPac’s operational scale. They are designed to focus resources on areas with higher likelihood or severity of social risks.

Our aim is to develop supply chains where working conditions are monitored, issues can be identified at an early stage, and we work together with our partners to support responsible business practices.

Targets and monitoring, workers in the value chain (ESRS S2-5)

We apply a structured, risk-based approach to assessing new suppliers concerning labour and human rights. We aim to support that suppliers meet our minimum standards for responsible business conduct before approval.

As part of our onboarding process, new suppliers are required to:

- complete a self-assessment questionnaire covering key areas such as working hours, fair wages, occupational health and safety, and non-discrimination
- sign our Supplier Code of Conduct, which is based on the ILO core conventions, the UN Guiding Principles on Business and Human Rights, and applicable national labour laws

Strategic suppliers, particularly those delivering paper, adhesives and printing inks, may hold certifications such as OHSAS 18001 or ISO 45001, which support structured occupational health and safety management.

These suppliers may also be assessed via EcoVadis, which provides a structured third-party evaluation of labour and human rights performance. Targets for 2025:

- new suppliers should complete the self-assessment and sign the Supplier Code of Conduct prior to onboarding
- EcoVadis assessments should cover at least 80% of our total procurement spend

We track these indicators annually and engage in dialogue with suppliers that do not meet expectations. We aim to gradually expand third-party evaluations and strengthen our social due diligence across the supply chain.

By combining internal requirements, independent assessments and internationally recognised certifications where available, we establish a structured approach for identifying and managing potential risks to workers in our value chain.

Material Impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

Based on our double materiality assessment, we have not identified any negative impacts, risks or opportunities related to affected communities that are considered material in the context of our operations or value chain.

However, we see value in maintaining relationships with the local community and contributing to regional development, skills supply and collaboration between businesses, schools and local authorities. While this engagement is not considered material under the ESRS definition, it forms part of our local presence and role as a long-term actor in the area.

We acknowledge that community-related impacts may change over time, particularly as our operations evolve or local needs shift. While these impacts are not currently deemed material, we monitor developments and will reassess this area in future updates of our double materiality assessment.





The people behind our progress



Affected communities ESRS S3

Following a double materiality assessment in accordance with ESRS I section 3.2, we have assessed that our business does not have material actual or potential impacts on affected communities.

Our operations are located in Sweden and within the packaging manufacturing sector. Our main direct suppliers are primarily based in the Nordic region and Europe, and we have not identified raw material sourcing from areas where land use is subject to indigenous rights or where impacts on local communities have been identified as a material risk.

Furthermore, we have not identified material risks related to human rights impacts on communities within our direct or indirect value chain.

In cases where suppliers' sub-suppliers operate in regions potentially subject to indigenous rights or land use conflicts, we expect our suppliers to comply with applicable legislation and internationally recognised standards, such as FSC, the ILO core conventions and the UN Guiding Principles on Business and Human Rights. Suppliers are expected to apply appropriate due diligence processes to support responsible sourcing within their supply chains.

Based on this assessment, we have chosen not to report against the detailed disclosure requirements under ESRS S3, including S3-I, Policies related to affected communities. This is based on the conclusion that the topic has not been assessed as material in the current reporting period. This assessment will be reviewed annually or in the event of significant changes in our operations or supply chain that could affect materiality.

Our role in the local community

We are proud to be a stable and long-term employer in our municipality. With our production site located close to residential areas, we are not only an industrial operator but also a neighbour, a partner, and an integrated part of everyday life in the local community.

Our operations generate employment, skills development, and economic activity while contributing to safety, social cohesion, and local well-being. Through close collaboration with the municipality, local suppliers, and other community stakeholders, we aim to build a sustainable future for our industry and the entire place we call home.

We do not take for granted the trust placed in us by the local community. We nurture it every day through responsibility, transparency, and respect for the people around us.

Local community business development coordinators' announcement about FrontPac

FrontPac is a company with strong local roots in Burlöv Municipality and an important part of the local business community. As a Business Development Coordinator, I see a company that not only develops its own operations, but also contributes to the municipality through employment opportunities, competence development and active engagement in matters related to sustainability and the future of local business.

What distinguishes FrontPac is their willingness to take part in the dialogue between businesses, the municipality and society. They contribute valuable perspectives from the manufacturing industry and demonstrate a clear interest in collaboration, development and long-term solutions. Through participation in local networks and initiatives, FrontPac helps strengthen both the local business environment and the connection between companies and the municipality.

FrontPac also demonstrates that sustainability is not only about the environment, but also about people, competence and responsibility. Their work with development, learning and employee engagement contributes positively both to the company and to the local labour market.

For the municipality, it is valuable to have companies like FrontPac, companies that want to grow, develop and at the same time be an active and responsible part of the society in which they operate.



Krister Persson
Business Development Coordinator
Local Community



CREATIVE PACKAGING SELLS
FRONTPAC



Policies related to consumers and end-users (ESRS S4-1)

We have established policies and procedures to manage risks related to quality, safety, and compliance in the delivery of our packaging solutions. These policies address product quality, FSSC 22000 requirements, and risk management associated with potential impacts on consumers, particularly in cases involving food contact materials. The policy is communicated through our management system, onboarding, and continuous training of relevant personnel. It is reviewed annually and is integral to our group-level quality governance.

Although our operations do not involve direct interaction with consumers, we have identified that our role in the value chain may influence the safety of the final product. Accordingly, we have set a clear objective that no harm should result from using our packaging, and we strive to maintain zero serious customer complaints. In line with our broader commitment to human rights, we ensure that our operations:

- respect the rights of all stakeholders
- proactively protect consumer health and safety
- collaborate with customers and value chain partners to reduce risks
- maintain systems to manage potential impacts and enable corrective actions

Targets related to managing material impacts, risks and opportunities (ESRS S4-4)

We have established outcome-oriented targets to minimise negative impacts on consumers and end-users and manage related material risks. These include:

- ensuring zero serious customer complaints
- ensuring that 100% of relevant personnel are trained in food safety and quality procedures
- maintaining full FSSC 22000 certifications across all production sites

Time horizon		Location In value chain					
S4 Consumers and end-users		Impact			Upstream	Own operations	Downstream
					Short-term	Mid-term	Long-term
Incorrect labelling or product safety deficiencies can harm end consumers and lead to customer loss, legal penalties	Risk		●	●	●	●	●
Insufficient measures can lead to quality deficiencies, product damage or complaints	Risk		●	●	●	●	●
Certified and responsibly sourced materials (e.g., FCS, FSSC, EcoVadis)	Positive impact		●	●	●	●	●

Targets are tracked through internal audits, external third-party reviews, and deviation analysis, which are integrated into our FSSC 22000-certified quality management system.

Performance against these targets is reviewed periodically, and corrective actions are taken where necessary. These targets are directly linked to material risks, such as contamination, foreign object presence, or insufficient hygiene handling in packaging production. We aim to uphold safety throughout the packaging lifecycle by maintaining strict control over these risks, especially for food-contact materials.

We have not defined targets to generate direct positive impacts on end-users, as we operate in a B2B context. However, our role in protecting consumer safety is central to our purpose. The management team performs target-setting and tracking internally. While we do not directly engage with consumers or end-users, our targets and processes are informed by customer requirements, audits, and market standards, which serve as credible proxies for consumer expectations.

Taking action on material impacts on consumers and end-users (ESRS S4-5)

As a producer of packaging solutions used in sensitive applications such as food contact, we maintain comprehensive systems to prevent and manage potential negative impacts on consumers and end-users. Our certified food safety management system (FSSC 22000) governs how we identify, mitigate, and respond to quality risks throughout our production process. Actions include:

- in-process controls and hygiene management to reduce contamination risk
- traceability systems to identify and isolate affected product batches
- incident and complaint handling procedures, including root cause analysis and customer notification
- formal product recall procedures, coordinated through our customers, where applicable

We evaluate effectiveness through audit results, non-conformity trends, and customer feedback. Internal targets (see S4-4) include zero serious complaints and complete staff training in quality and food safety routines.

Governance information

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Governance information

Strong governance is a fundamental prerequisite for FrontPac’s responsible business conduct. Our governance structure supports ethical decision-making, regulatory compliance, and long-term value creation throughout the organisation. Governance is embedded in our daily leadership and is based on clear transparency, accountability, and control principles.

During the reporting period, we continued developing our internal business ethics and risk prevention frameworks. Governance practices are continuously adapted to reflect evolving stakeholder expectations, regulatory changes, and the external environment. This creates the foundation for a corporate culture built on trust, clarity, and sustainable decision-making.

Business conduct and corporate culture (G1-1)

FrontPac has established a clear and structured framework for business ethics that permeates the entire organisation. The company has a Code of Conduct and a Business Ethics Policy that applies to all employees, suppliers, and business partners. The policy includes principles on anti-corruption, fair competition, conflict of interest management, compliance with economic sanctions, protection of intellectual property rights, data protection, and financial responsibility.

The Business Ethics Policy is integrated into day-to-day operations and is supported by additional governance documents, such as the Communication Policy and the Anti-Discrimination and Harassment Policy. Together, these form the foundation for a corporate culture built on respect, transparency, and accountability.

To ensure a safe and ethical working environment, FrontPac has implemented a whistleblower system allowing anonymous reporting of misconduct. The service is managed by an independent external party, ensuring confidentiality and protection for the reporting individual.

Time horizon		Location In value chain								
G1 Governance		Impact			Upstream	Own operations	Downstream	Short-term	Mid-term	Long-term
Strengthens internal integrity, trust, and compliance culture; promotes transparency across all stakeholders		Positive impact			●	●		●	●	●
Failure to train risk-exposed roles or act on misconduct could damage trust		Risk			●	●			●	●
Preventive systems proven effective; supports stakeholder confidence and regulatory assurance		Positive impact			●	●		●	●	●

The reporting channel is available to both internal and external stakeholders. All reports are followed up per established procedures and reviewed by designated functions independent of the potentially involved operations.

FrontPac promotes an ethical corporate culture through ongoing communication, internal training, and leadership support. Policies and expectations are clearly communicated during onboarding, in leadership development programs, and through major internal communication initiatives. The corporate culture is monitored and evaluated through employee surveys and dialogue meetings.

Prevention and detection of corruption and bribery (G1-3)

FrontPac works systematically to prevent, detect, and manage corruption and bribery. These efforts are governed by the company’s Business Ethics Policy, which applies a zero-tolerance approach to all forms of undue influence. The company has identified risk-exposed functions, including procurement and sales, and provides targeted training for these roles.

Training in business ethics and anti-corruption is mandatory for new employees in risk-related functions and is conducted regularly. Training is delivered through digital modules to ensure both understanding and practical application.

At the end of the reporting period, 92% of employees in identified at-risk functions had completed the anti-corruption training. The board of directors and executive management are also included in the training programme and receive regular updates.

The company ensures its business ethics and anti-corruption policies are accessible to all relevant stakeholders. The policies are published on the company’s internal platform and actively communicated through onboarding programmes, internal newsletters, and leadership communications. Suspected or potential misconduct cases are investigated by designated individuals or external parties independent from the management line, who are potentially involved in the matter. Where necessary, internal governance procedures report investigation outcomes to the company’s supervisory bodies.

FrontPac reviews its procedures annually and updates relevant policy documents based on regulatory developments and internal experience. Although the company does not operate in or is registered in high-risk countries according to international anti-corruption indexes, it adheres to established best practices to maintain high integrity and trust throughout the value chain.

Incidents of corruption or bribery (G1-4)

During the reporting period, no one was subject to legal proceedings, convictions, or fines related to corruption or bribery. No internal cases have been reported that resulted in disciplinary action or termination of employment. There are also no documented instances where business relationships were terminated or contracts affected due to breaches of the company’s anti-corruption policy.

The procedures and processes described under G1-1 and G1-3 have proven effective in preventing incidents during the year and have not led to any confirmed cases. The company applies a “zero reporting” principle, meaning that the absence of incidents is also reported as part of its transparency in sustainability reporting.

Metrics related to confirmed incidents	2025
Number of confirmed incidents of corruption or bribery	0
Number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents	0



Our future

At the time of writing, we are opening a new chapter in FrontPac's journey. With a new CEO now in place, the business is entering a period of transition that not only marks change, but also brings fresh energy for the future. At the same time, there is a strong sense of continuity, as our CEO, Cosimo Eck, already has a broad and in-depth understanding of the business through his previous roles in both project management and finance.

This means the future is taking shape with both stability and momentum. Knowledge of FrontPac, its people, the business itself, and our customers' needs is already firmly in place. Combined with new perspectives, this creates strong foundations for continued development.

Looking ahead, our direction is clear. We will continue to strengthen our focus on customer value, responsible packaging solutions, and long-term customer relationships. Yet our future is about more than that. It is about continuing to evolve with care, making sound decisions over time, and building a company that remains resilient even in times of change.

We look to the future with optimism. With experience, commitment, and a shared ambition to improve every day, our belief is clear: the best is not behind us, but still ahead of us.



“We will build on what is already strong, while also having the courage to evolve in order to meet the demands and opportunities of tomorrow.”

Cosimo Eck
CEO

About this report

This report provides a comprehensive overview of FrontPac's sustainability performance from January 1st to December 31st 2025. It highlights key achievements and developments in environmental, social, and ethical areas deemed significant to our stakeholders. All individuals featured in photographs have consented to GDPR requirements.

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