



Sustainability Highlights 2023

BoxonTech Group AB

Version 1.4

Date: 2024-05-21

Revised every year. Next revision on 2025-04-30

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We are the packaging company with a 100% closed loop.

BoxonTech Group AB develops and offers innovative and sustainable packaging solutions.

We are aware of our responsibility as an internationally active company in the packaging industry. It is important for us to proactively drive and communicate socially and environmentally sustainable changes within the framework of our corporate responsibility.

BoxonTech offers cost-effective and environmentally friendly packaging solutions, with primarily focus on the automotive industry. By conducting a thorough analysis of the flow chain, combined with creative use of injection-moulding technology, we can work with customers to produce custom-made trays that are used as single-use or returnable packaging.

In this sustainability summary, we will present our sustainability highlights within Environment, Labour & Human Rights, Ethical Business & Supply chain.

BoxonTech

4400 000 kg in closed loop.

The FrameTray system is a successful and innovative packaging solution. BoxonTech has used it for more than 10 years for various automotive brands in their global supply chains. This solution has not only opened for financial, logistical, and environmental efficiencies but also developed a closed loop of material recovery, ensuring 100% plastic re-use throughout the entire supply chain. The FrameTray is an optimized injection moulded tray system designed specifically for

each component, enabling the delivery of a leaner packaging solution.

Today there is a fast switch towards developing trays for the many electrification - and vehicle parts. One example is our new recycling hub in Turkey, where various automotive parts will be shipped in our trays. In 2023, BoxonTech in total reused approximately 4400 tonnes of plastic material into new frame trays.



"We have a very exciting journey ahead of us with an increased demand from our global customers. The uniqueness with this concept is that we support our customers to reuse all packaging material in a closed loop, at the same time as we reduce transportation cost significantly. Of course, this also reduces CO₂e both due to efficient transport utilisation and reuse of material."

Tobias Rasmusson, Sales Director at BoxonTech

Reuse and Zero waste - what we put in the loop, stays in the loop.

BoxonTech aims to take responsibility for people, planet, and prosperity.



FrameTray

FrameTray presents a revolutionary approach to packaging, offering significant advantages in efficiency, cost-effectiveness, and environmental sustainability. This innovative concept not only enhances packing capacity but also integrates seamlessly into existing logistics flows, driving down costs and promoting eco-friendly practices.

We can take full responsibility, as we have control over most of our value chain. We operate our own production plants, we ensure that our employees receive a living wage and benefit from collective agreements, and we maintain our own global recycling hubs, allowing us to reuse all the materials we put on the market. Plastic is a material that can be used repeatedly, provided we keep the material clean and only add as much virgin plastic as needed to maintain its strengths and quality. All these aspects of our value chain ensure that we, as a company, are in a prosperous condition from the perspectives of people, planet, and economy.

The benefits with a closed loop.

Closed material loop aligns with both environmental stewardship and economic efficiency, making it a compelling strategy for companies that want to adapt the packaging solutions for the future. The benefits with a closed loop are several:

- 1. Resource Efficiency:** By designing products with reusable materials, we and our customers can reduce the consumption of raw materials. This not only conserves natural resources but also minimizes the environmental impact associated with extraction, processing, and transportation.
- 2. Cost efficiency:** Adopting a closed material loop leads to cost savings over time. By reusing materials instead of constantly sourcing new ones, we can offer cost-efficient solutions.
- 3. Zero Waste:** With our system, we can eliminate waste as we keep materials in circulation. This helps reduce landfill waste and pollution, contributing to a healthier environment and a more sustainable future.
- 4. Improved Brand Image:** We and our customers that embrace closed material loops, can benefit from enhanced brand reputation and consumer loyalty. End-consumers increasingly value environmentally responsible businesses and are more likely to support companies that demonstrate a commitment to sustainability.

5. Regulatory Compliance: As governments around the world implement stricter environmental regulations, we and our customers may find ourselves better positioned to comply with these regulations as we already have adopted our business to a closed material loop.

6. Innovation Opportunities: Embracing a circular economy model can spur innovation within the company. Designing products with recyclability and reusability in mind may require creative solutions and novel approaches, driving technological advancements and differentiation in the market.

Chapter 1: Environment

1.1 Our reusable offer

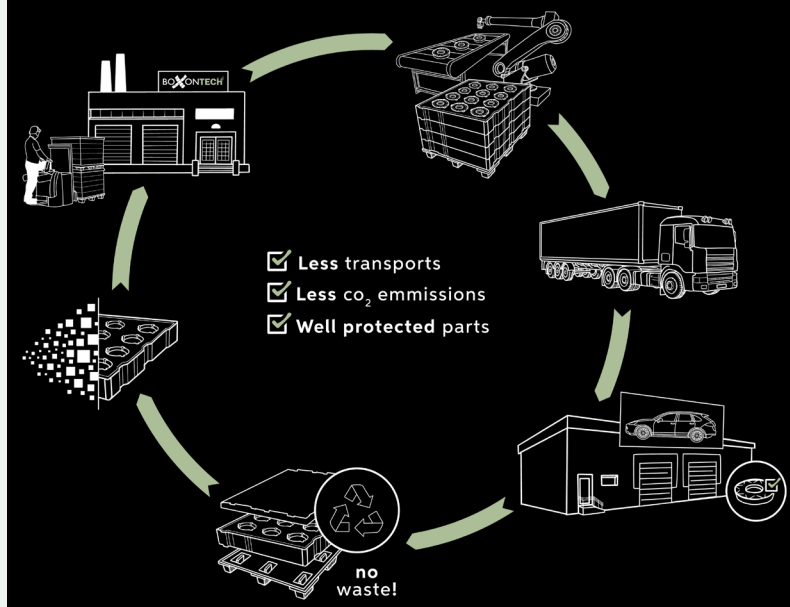
BoxonTech offers three different solutions, and all are tailor-made for closed loop and reuse of material and solutions. Through our FrameTray™ system and reusable pallets and lids, we are proud to say that we have a 100% closed loop. The material that is put into the system, will stay in the system, and be reused repeatedly through our global system of recycling hubs or through our own pallet pool system.

1. FrameTray™ = 100% closed loop, reuse and zero waste

Our unique packaging concept, FrameTray™, is produced from reused plastics collected through our global network of recycling hubs. We have a closed material loop, where 100% of all plastic we add remain in the material loop and are reused repeatedly. In 2023, we experienced a sales growth of 50%, which necessitated addition of virgin materials to our FrameTray™ system.

2. Durable special packaging solution

25% of BoxonTech's volume comes from



durable special packaging solutions made of 100% virgin plastic. These packaging solutions are tailor-made to our customers' specifications and are designed to last through flows between customer plants and/or suppliers. When the special packaging can no longer be used, we offer to buy back the used packaging to reuse the materials in our global system of recycling hubs.

3. Reusable pallets and lids

These pallets and lids are customized for the FrameTray™ system and designed to meet the ongoing need to deliver the FrameTray™ volumes. They are produced and managed within BoxonTech's pool system, establishing a closed loop where the products are reused repeatedly. When the pallets and lids can no longer be reused, they will be recycled in our global system of recycling hubs and repurposed into material for new FrameTray™ systems.

Short fact about our production and recycling hubs:

BoxonTech Manufacturing site Sweden
 * 4 Large 2 100 tonne machines
 * 17 machines for 250 - 1 000 tonne machines

BoxonTech Manufacturing site Slovakia
 * 1 Large 2 100 tonne machines
 * 12 machines for 250 - 1 000 tonne

Our recycling Hubs:
 * 5 000 000 kg reused material from our hubs during 2023
 * 10 running in Europe
 * US, South Africa, India and Turkey

1.2 Our solutions are designed for optimised logistics

Our offerings with the FrameTray™ system and reusable solutions are designed to optimize logistics and increase the loading rate, which also has a significant positive environmental impact. For 98% of our volumes, we always deliver full trailers or 40ft HC containers. Increased business volumes in various markets could provide further opportunities to improve the setup by producing more locally for our customers.

1.3 Key performance environmental indicators

Material usage - BoxonTech Group

8558 tons plastics, with 51,7% recycled material

4 133 tons Virgin plastics - 48,3%

Dalby: 3 282 tons

Bratislava: 850 tons

4 425 tons Recycled plastics - 51,7%

Dalby: 2 983 tons

Bratislava: 1 442 tons

As BoxonTech is growing with new customers and markets, the volume is increasing. To meet increased demands, BoxonTech adds virgin material in each new solution. **Each gram of added virgin plastics stays in the loop and is reused repeatedly.**

Energy usage - BoxonTech Group

- Total energy consumption: 5 648 517 kWh - 71% is renewable energy
- Total energy consumption per kilo plastic material processed: 0,66 kWh

Dalby:

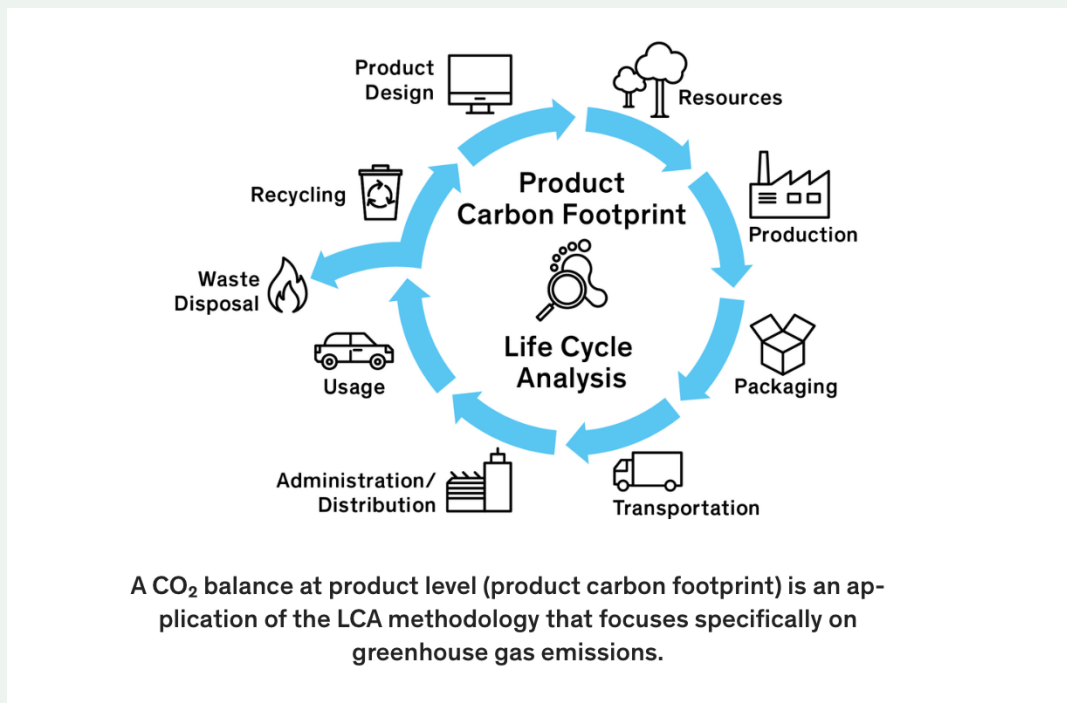
- Total consumption: 4 014 394 kWh - 100 % renewable energy
- 0,64 kWh/kg plastic material processed

Bratislava

- Total consumption: 1 634 124 kWh - 0 % renewable energy
- 0,71 kWh/kg plastic material processed

1.4 Product Carbon Footprint

In 2023, we initiated a project to map the Product Carbon Footprint of our FrameTray™ system. We have analysed our supply chain and assessed the full impact of delivering newly produced FrameTray™ systems, based on our global network of recycling hubs and our global customer map.



When we compare the Product Carbon Footprint of FrameTray™ with a conventional virgin plastic solution, our FrameTray™ system saves 76% of CO₂e per kilogram compared to a packaging solution made entirely of virgin plastic. The calculator and emission factors have been developed by the Foundation MyClimate, a nonprofit climate protection organization based in Switzerland, dedicated to enabling climate protection through economic mechanisms. We will continue to analyse the data in comparison to our competitors' packaging systems and assess the overall impact on customers' supply chains.



Our team

With extensive experience in the industry, we are more than happy to help you find solutions for your packaging needs.

Contact us today, and let's take the first step towards a new innovative packaging solution.

Chapter 2: Labour & Human Rights

2.1 Engaging workplaces

We strive to create diverse and inclusive workplaces where good leadership and development opportunities enable employees to feel respected, appreciated, and contribute effectively. At BoxonTech, we conduct annual development discussions with all employees and invite them to participate in confidential and anonymous employee surveys.

2.2 Policies

We strive to provide safe and engaging working environments where employees can thrive. In 2023, we updated our policies related to Labour & Human Rights, including Health and Safety, to ensure they remain relevant to our factories and operations across different countries. These policies are outlined in our Group Code of Conduct.

2.3 Health & Safety first

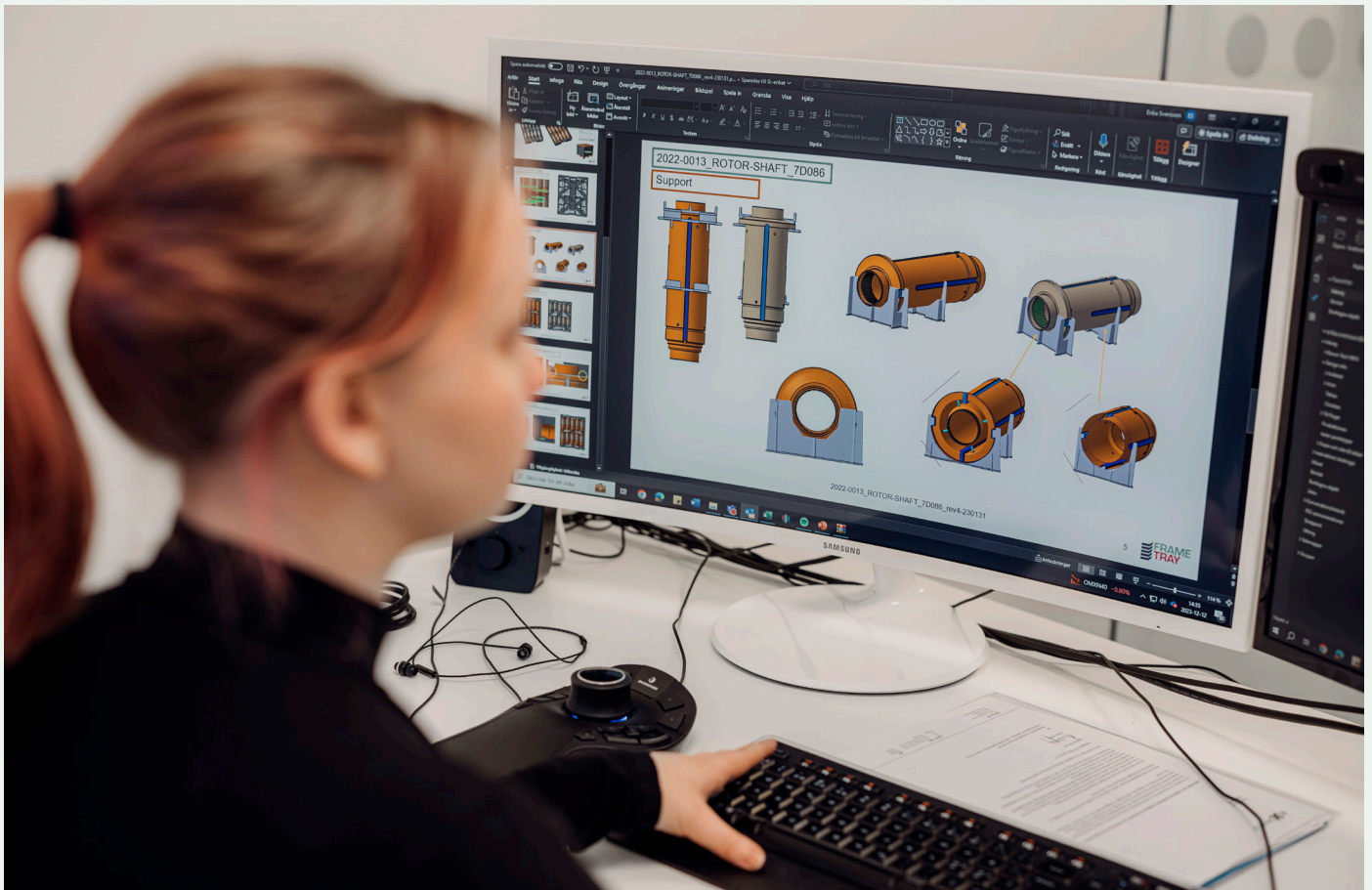
Health and Safety are top priorities at BoxonTech. We believe that no one should be injured or suffer ill health due to their work. Recognizing that a healthy and safe workplace is a fundamental right, we continuously work to identify and eliminate risks. Our commitment includes maintaining updated requirements, performing ongoing risk assessments, and fostering a culture that always opts for safety over risk. Our Safety Committee continuously evaluates our health and safety practices and closely monitor incidents and injuries. No incidents or severe injuries were reported in 2023. Key safety initiatives in 2023 included carrying out Fire and Evacuation training in June, conducting an internal fire protection inspection in August, ensuring external inspections of fire alarms and extinguishers as per agreements, and holding safety inspections in February and November.

2.4 100% employees covered by collective agreements

For us, it's important to have collective agreements in the markets where we operate, and 100% of our employees are covered. Collective agreements effectively regulate working conditions in the labour market. They provide employees with security and influence, while granting employers industry-specific flexibility.

2.5 Diversity & Inclusion

We are aware of that women are underrepresented in the industrial packaging sector and understand that immediate improvements may not be feasible. However, we are committed to continuing our efforts to increase diversity. In 2023, 19.4% of our permanent employees were female, and the proportion of female managers stood at 11%.



Chapter 3: Ethical Business & Supply Chain

At BoxonTech, we are committed to ethical behaviour, conducting all our business fairly and with integrity. We treat all stakeholders with fairness, demand honesty within our operations, and expect the same from our business partners. We collaborate with suppliers who adhere to our Group Code of Conduct and require them to comply with relevant legislation regarding the environment, human rights, and working conditions.

3.1 Anti-corruption

All our employees in the Helsingborg office participated in anti-corruption training during 2023. In 2024, we will also conduct training for all employees.

3.2 Data protection and information security

Our approach is to protect the confidentiality, integrity, and availability of the sensitive information we handle. We ensure the secure collection, processing, and storage of third-party business information and personal data. We adhere to our common information security policy and, when appropriate, develop company-specific information security guidelines. We have initiated the process to become TISAX certified, which will be completed in 2025.

3.3 Supply chain

As we operate our own production facilities and reuse materials from our recycling hubs, our supply chain primarily involves sourcing virgin plastics, moulds, machines, and transportation, including the collection of grinded raw materials. In 2023, we sourced raw material from both Europe and Asia.

If you have any questions about BoxonTech’s sustainability highlights in 2023, please contact Roger Persson Kruse at roger.persson@boxontech.com.

| Number of Key suppliers per category | |
|--------------------------------------|--------------|
| Moulds | 8 suppliers |
| Machines | 5 suppliers |
| Transport | 15 suppliers |