SIG
for better

2025

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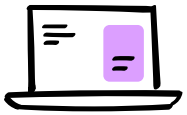

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Who we are

SIG is a leading system solutions provider of packaging for better – better for our customers, for consumers, and for the world. With our unique portfolio of carton, bag-in-box, and spouted pouch, we work in partnership with our customers to bring food and beverage products to consumers around the world in a safe, sustainable, and affordable way.

Number of packs produced in 2025

53.9bn

2024: 56.5 billion

Valued customers[1]

750+

1 Includes all customers for carton, bag-in-box and spouted pouch.
2 Company estimate based on data from Euromonitor passport and Global Data.
3 Represents spouted pouch systems.
4 Excludes Group Functions.

Leading market positions across packaging systems

Carton
65ml – 2ltr packs

Fruit juices, non-carbonated soft drinks, liquid dairy and plant-based alternatives, liquid food

Aseptic carton: **no. 2 global[2]**

Chilled carton: **no. 1 Asia[2]**

Spouted pouch
50ml – 500ml+ packs

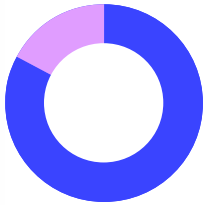
Dairy & yogurt drinks, fruit purées, baby food, sauces

no. 2 global[2,3]

Bag-in-box
2ltr – 1,300ltr packs

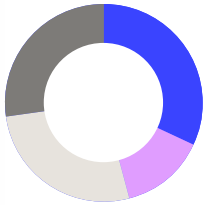
Food service, smart dispensing in dairy, beverage concentrates, liquid food, tomato products, wine, water.

no. 1 global[2]



Revenue by product 2025

Carton	83%
Bag-in-box and spouted pouch	17%



Total revenue 2025[4] by segment

Europe	32%
IMEA	14%
APAC	27%
Americas	27%

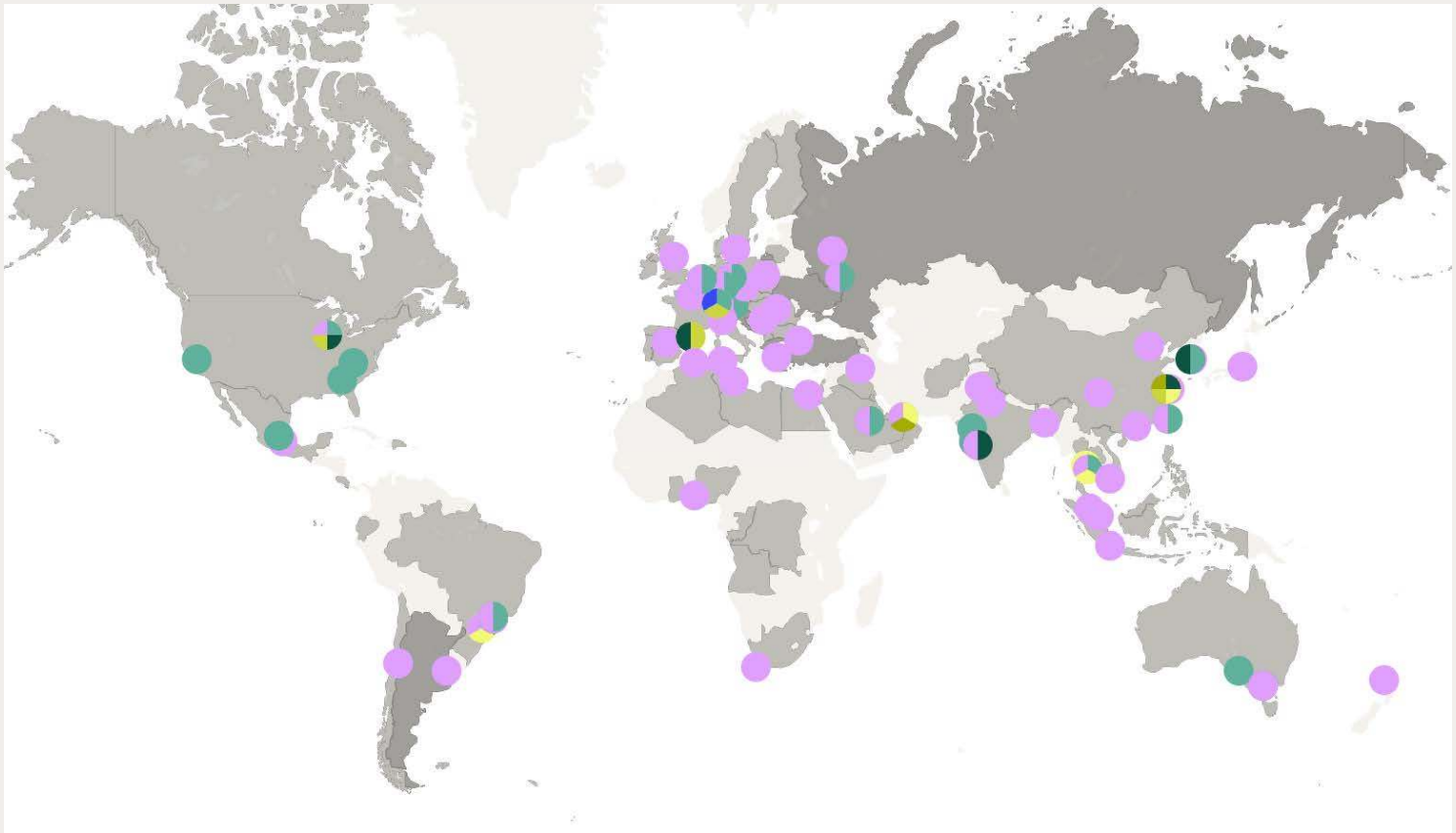
Our diversified global footprint

We have a diversified global footprint with a strong presence in both established and emerging markets. Aseptic carton in particular is well positioned in emerging markets and we are leveraging this to further expand the penetration of bag-in-box and spouted pouch.

We offer our global customer base outstanding levels of technical engineering and service. Customers are also able to visit our global R&D centers where they experience firsthand the power of our innovation and where we are able to co-create exciting new offerings together.

Our unique offering:

- Strong presence in **emerging markets**
- Functional expertise with knowledge sharing globally
- Technical engineering and service
- Commercial synergies across packaging types
- Significant **global R&D** network
- Global People and Culture approach **for one SIG culture**



Sales & services: 55	Production plants: 27	Equipment assembly plants and parts: 8	Training centers: 5	R&D centers: 5	Technology centers: 3

Financial highlights 2025

Revenue
€3.25bn
2024: €3.33bn

Revenue growth at constant currency[6]
0.4%
2024: 4.3%

Adjusted EBITDA
€718m
Excluding non-recurring charges: €788m
2024: €820m

Adjusted EBITDA margin
22.1%
Excluding non-recurring charges: 24.2%
2024: 24.6%

Adjusted EBIT
€442m
Excluding non-recurring charges: €511m
2024: €550m

Adjusted net income
€231m
Excluding non-recurring charges: €285m
2024: €308m

Adjusted EPS (diluted)
€0.60
Excluding non-recurring charges: €0.75
2024: €0.81

ROCE[1]
25.5%
Excluding non-recurring charges: 29.9%
2024: 27.5%

Leverage
3.0x
2024: 2.6x

Free cash flow
€191m
2024: €290m

Non-financial highlights 2025

Nutritious food delivered in SIG packaging (liters)[2]
16.8bn
2024: 16.4bn

Food packed with SIG Terra packaging materials[3] (liters packed)
1,976.3m
2024: 1,683.6m

Food packed with SIG Terra packaging materials (% of total liters packed in SIG packs)
6.7%
2024: 5.5%

Scope 1 and 2 greenhouse gas emissions (thousand metric tons of CO_2 equivalent)
20.4
2024: 20.1[4]

Renewable energy for production
100%
2024: 100%

Total recordable case rate[5] (per 200,000 hours worked)
0.89
2024: 0.63

Women in leadership
25%
2024: 25%

Area of improved forest management targeted by our WWF partnership projects
300,000ha
2024: 330,000ha

EcoVadis rating[7]
Platinum
Platinum with a record score of 99/100 in 2025 vs Platinum with score of 96/100 in 2024

S&P Global Corporate Sustainability Assessment
76/100
2024: 71/100

1 Based on adjusted effective tax rate.
2 Defined by the independent Health Star Rating System, as food and drinks that contribute to a balanced diet and lead to better health healthstarrating.gov.au.
3 Our SIG Terra portfolio showcases our most sustainable innovations – including aseptic cartons with no aluminum layer, polymers linked to forest-based and recycled materials (via an independently certified mass balance system) and recycle-ready bag-in-box and spouted pouch solutions.
4 Includes retrospective adjustment of emission factors.
5 Total recordable cases include lost-time, medical treatment and restricted work cases.
6 Revenue growth at constant currency and constant resin: 0.1%
7 The use of the EcoVadis platinum badge is NOT a certification or an endorsement of a company or its products or services, and it does not indicate that the company's products or services are specifically sustainable or more sustainable than another company's products or services.

Our value creation model

Our distinctive model for superior value creation

SIG is an established player in an attractive industry in which long term growth is driven by an increasing global population, higher disposable income and demand for safe food. We are a leader in aseptic packaging systems in carton, bag-in-box and spouted pouch.

Our proprietary aseptic packaging process allows beverages and liquid food to maintain their taste, appearance and nutritional qualities for up to 12 months without the use of refrigeration or preservatives.

Across all three substrates, SIG is an industry leader in Total Cost of Ownership (TCO) and environmental performance. Our packaging substrates are resource efficient with the lowest carbon footprint compared to competing substrates, while filling systems and after-sales technical services enable our customers to run their operations smoothly and with a competitive total cost of operations.

We believe our razor/razor blade operating model leads to recurring revenue streams and, when combined with our innovation capabilities, allows the Group to generate superior returns for shareholders with above market growth and best-in-class profitability.

Explore our **interactive model:**

Online Report →

Attractive industry and end-markets

Established platform

Industry-leading innovations

Superior value creation for all our stakeholders

Click on cards to get more information

Attractive industry and end-markets

Our end markets are characterized by structural drivers to capture food and beverage growth.

Population growth: every year the global population increases by approximately 70 million people[1]. Rising disposable income: economic growth is leading to higher disposable incomes and a growing middle class in urban areas who demand packaged food. Consumers demand safe and hygienic food and beverages.

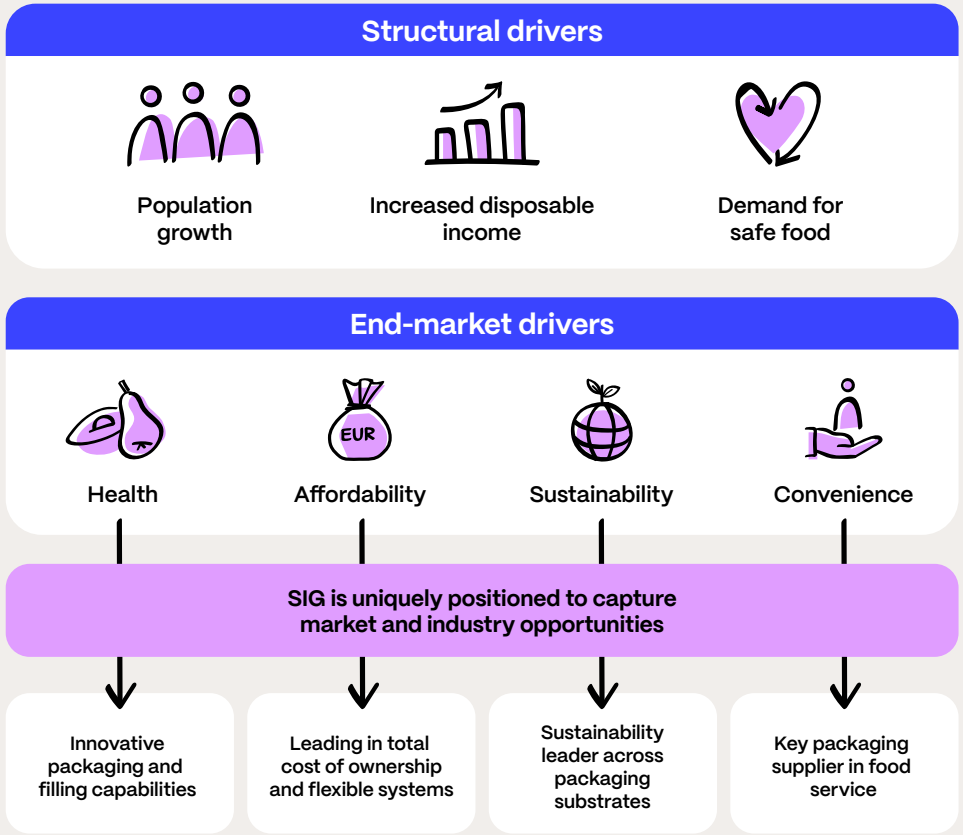
On top of the structural drivers, we consider four key consumer trends that shape the growth of the food and beverage market:

Healthy nutrition
There is increasing demand for healthier food and beverage products, for example products which are low in sugar, high in vitamins, high in protein or plant based. SIG's unique filling capabilities including our drinksplus technology allow us to partner with our customers to identify and launch new products that expand the customers core portfolio e.g. protein drinks, drinking yoghurts.

Affordability
Affordability remains a major purchase driver, especially in emerging markets and value segments. Through the SIG NEO platform, SIG further strengthens its leading position in Total Cost of Ownership (TCO), enabling customers to optimize production costs and introduce entry-level products. This flexibility supports volume growth while keeping products accessible for consumers.

Sustainability
Sustainable packaging is a key purpose at SIG. We believe in better. Through our SIG Terra portfolio, we are an industry leader in low-carbon packaging, higher renewable content, and improved design for recycling, all while remaining fully compatible with our global installed machine base – enabling customers to transition without operational disruption or major investments.

Convenience
Changing lifestyles and the growth of out-of-home consumption are reshaping demand. SIG's differentiated packaging systems support on-the-go formats and foodservice channels, enabling brands to expand into new consumption occasions with convenient, easy-to-use packs.



1 www.worldometers.info.

Our established platform

For many decades we have been combining our innovative packaging materials, aseptic filling technology, versatile packaging solutions, technical and digital services and strong global R&D network, to create one of the few true aseptic system suppliers in the world.

- By creating our systems with a TCO-mindset, our solutions offer best-in-class economics.
- We offer a unique packaging solutions portfolio providing filling machines and associated packaging materials for carton, bag-in-box and spouted pouch packaging. This portfolio enables our customers to broaden their core offering and enter new categories and channels.
- We are pioneers in sustainable packaging. That includes sourcing of certified raw materials, using renewable energy in our processes, and achieving numerous industry firsts with our packaging innovations including alu-free aseptic cartons. Our alu-free aseptic cartons have a carbon footprint that is approximately 25% lower than our standard carton (which are already best in class).
- Our in-depth commercial excellence framework allows us to understand customer demand and rigorously apply value-based solution selling, pricing, and deal structuring.

Developments in 2025

- Placed 68 aseptic carton filling machines
- Used our volume flexibility to offer customers entry level products in markets with soft demand.
- Start of production in our new aseptic carton plant in India.

Leader in aseptic packaging solutions

Unique set of packaging types and materials

Flexible and TCO-efficient filling technology

Digital and technical services

Pioneers in sustainability

Strong global operational and commercial foothold

Commercial excellence and system-based business model

Industry-leading innovations

For decades, we have led the food and beverage packaging industry through groundbreaking innovations, driven by our in-depth R&D capabilities, aseptic expertise and a track record of industry firsts. Our aim is to redefine the boundaries of packaging solutions, so that they are not only cutting-edge but also ahead of the evolving demands of the market.

Aseptic technology is at the core of our innovation, where we continuously aim to set new performance benchmarks for the highest levels of hygiene and product safety. Our focus on Total Cost of Ownership (TCO) and filling capabilities enables our customers to fill a variety of products with leading operational efficiency.

Innovation stems from deep consumer insights, rigorous testing, and continuous refinement. At SIG, we embrace a consumer-centric approach – discovering needs, generating ideas, testing concepts, and refining solutions until a breakthrough emerges that genuinely addresses customer and consumer demands.

Material science is key to creating differentiated and sustainable packaging. We develop next-generation materials that enhance recyclability, lower carbon footprints, and maximize renewability – ensuring our packaging solutions contribute more to people and the planet than they take from it.

Leverage R&D capabilities across packaging types

Aseptic technology
Reaching new levels of aseptic performance

Filling capabilities
TCO advancements and product versatility

Packaging differentiation
Consumer centricity

Material science & sustainability
Next-level structure development

Industry-leading innovations

Developments in 2025

SIG NEO – filling systems innovation and TCO excellence

SIG NEO represents our commitment to delivering best-in-class filling performance across all platforms. Our innovation efforts are centered on increasing output, improving line efficiency and reducing operational complexity for customers. By continuously enhancing machine performance, lowering energy consumption and optimizing maintenance requirements, SIG strengthens its position as an industry leader in Total Cost of Ownership. This enables customers to scale production efficiently, respond faster to market demand and operate with greater cost competitiveness.

SIG Terra – sustainable material leadership

SIG Terra focuses on innovative sustainable packaging materials across our portfolio. This includes expanding aluminum-layer-free aseptic carton structures and increasing renewable content while maintaining full barrier performance for oxygen-sensitive products. These innovations support SIG's sustainability strategy and enable customers to reduce their environmental footprint without compromising product protection. Designed for plug-and-play use on existing SIG filling lines, SIG Terra delivers sustainable innovation without operational trade-offs – turning installed base compatibility into a genuine competitive advantage.

Packaging differentiation – convenience and shelf impact

We continue to innovate in packaging formats that combine consumer convenience with strong on-shelf differentiation. Through innovative formats and designs, SIG enables customers to differentiate their products at the point of sale and respond to evolving consumer needs for convenience.

Superior value creation

In 2025, after completing a thorough strategic review, the Company established foundations to support future value creation.

Our value creation model is anchored in three core pillars: multiple growth drivers, an attractive margin profile, and a robust return profile.

Multiple Growth Drivers

We are positioned to benefit from long term secular consumer trends that continue to shape global demand for safe, convenient, and sustainable packaging solutions. Our differentiated product offering enables us to address a broad range of customer needs, while ongoing developments in our aseptic spouted pouch and bag-in-box (BIB) platforms provide further avenues for structural, category driven growth. These drivers collectively underpin a strong and diversified growth outlook.

Attractive Margin Profile

Our focus on asset efficiency and continuous performance improvement supports our ability to maintain and enhance industry leading margins. Innovation remains a key contributor to margin resilience, allowing us to offer premium solutions. This combination strengthens our long term profitability and reinforces our competitive position.

Robust Return Profile

A rigorous and disciplined capital allocation supports sustainable value creation for shareholders. Our business model benefits from low working capital intensity, enabling strong cash conversion and operational flexibility. Our commitment to further reduce leverage and re establish dividends reflects confidence in our cash-generation capabilities and long term financial outlook.

Progress in 2025

In a challenging market environment, revenue growth remained stable at 0.4% on a constant currency basis and 0.1% when measured in both constant currency and constant resin.

Adjusted EBITDA margin for 2025 was 22.1%, 24.2% excluding non-recurring charges (2024: 24.6%). Adjusted EBIT margin, introduced in 2025, was 13.6%, 15.7% excluding non-recurring charges (2024: 16.5%). The introduction of adjusted EBIT emphasized the Group's commitment to measuring its capital returns.

Free cash flow amounted to €191 million, attributable to a decrease in adjusted EBITDA and increased volume rebate payments, resulting from strong volume growth in 2024.

Net leverage at 3.0 times as of December 31, 2025 was impacted by our non-recurring charges (December 31, 2024: 2.6x). Net leverage for our debt covenants, as calculated under the credit agreements, was 2.8x as of December 31, 2025.

The Group achieved a record Ecovadis score in 2025 of 99 and our status as among the top 1% of all companies assed was confirmed by Ecovadis.[2]

Adjusted EBITDA margin

22.1%

Excluding non-recurring charges: 24.2%
2024: 24.6%

ROCE[1]

25.5%

Excluding non-recurring charges: 29.9%
2024: 27.5%

Net debt to adjusted EBITDA December 31, 2025

3.0x

2024: 2.6x

Free cash flow

€191m

2024: €290m

1 Based on adjusted effective tax rate.
2 The use of the EcoVadis platinum badge is NOT a certification or an endorsement of a company or its products or services, and it does not indicate that the company's products or services are specifically sustainable or more sustainable than another company's products or services.

Letter from the Chairman

Ola Rollén
Chairman

Dear Shareholders,

Having joined SIG in April 2025, I was impressed by the strength of SIG's core business, its technology leadership in aseptic system solutions and the deep commitment of its people. At the same time, it became clear to me and the Board that a thorough review of the Group's strategic priorities was required to ensure sustainable performance in a more challenging market environment.

In 2025, SIG therefore took decisive steps to sharpen its strategic focus. Following an intensive strategy review process, the Board defined a clear roadmap to improve business performance, focusing on portfolio optimization, operational improvement and a more rigorous approach to capital discipline. We are convinced that these priorities, together with SIG's unique business model, provide a solid foundation for long-term value creation.

Mikko Keto
CEO appointed,
as of March 1, 2026

Leadership changes

At the Annual General Meeting in April 2025, I was elected as Chair of the Board of Directors of SIG Group, succeeding Andreas Umbach. Urs Riedener and Niren Chaudhary were elected as new members of the Board, while Andreas Umbach, Matthias Währen, Wah-Hui Chu, and Laurens Last stepped down.

In August 2025, the Board and Samuel Sigrist mutually agreed that Mr. Sigrist would step down from his position as CEO of the Company. Anne Erkens assumed the CEO role ad interim in addition to her responsibilities as CFO, ensuring continuity during this transition period. In November 2025, SIG announced the appointment of Mikko Keto as its new CEO, who assumed his role on March 1, 2026. The Board is convinced that Mr. Keto's experience and leadership will be instrumental in guiding SIG through its next phase of development.

Strategic review

The Board conducted a comprehensive review of the Group's strategy considering the current market environment and SIG's long-term ambitions. This review resulted in three clear priorities going forward:

Portfolio optimization towards highly differentiated aseptic system solutions
The review confirmed SIG's competitive advantage and unique capabilities, particularly in the aseptic carton business. A clear pathway has been defined to migrate non-aseptic spouted pouch applications into newly developed aseptic systems, the Board has introduced a more differentiated approach to capital allocation, while for the chilled carton business, various options involving strategic partnerships are being explored.

Driving performance improvement through self-help initiatives
The Group has launched a series of self-help measures to improve financial performance in a challenging market environment. These initiatives include targeted reductions in SG&A and R&D costs, optimization of procurement structures, and improvements in manufacturing efficiency, including the closure of two production sites.

Disciplined capital allocation and enhanced performance focus
The Board has established a clear capital allocation framework with a stronger emphasis on operational performance and value creation. As part of this approach, EBIT has been introduced as a key performance indicator, replacing EBITDA. While investments in capital expenditure will continue, they will do so at a reduced rate and be more selective level. At the same time, the Board is firmly committed to strengthening the balance sheet and reducing debt levels targeting a net leverage of 2.5x by the end of 2027. In this context, the Board has decided to propose to shareholders the suspension of the dividend for the 2025 financial year. This decision reflects a deliberate and temporary measure to support balance sheet strength and financial flexibility. Beyond this period, the Board remains committed to a shareholder-friendly capital return policy.

The strategic review resulted in non-recurring charges of €350.7 million pre-tax, primarily related to impairments. Further details on these charges are provided in the financial review and consolidated financial statements sections of this Annual Report.

Based on the outcome of the strategic review, the Group updated its mid-term financial guidance. This includes an organic revenue growth of 3–5% per year, an adjusted EBIT margin above 16.5%, a net capex ratio (including lease payments) of 6–8% of revenue, a net leverage ratio of around 2x and a dividend payout ratio of 30–50% of adjusted net income.

Financial performance

In 2025, Group revenue increased by 0.4% on a constant currency basis and by 0.1% on a constant currency and constant resin basis. The adjusted EBITDA margin amounted to 22.1%, or 24.2% excluding non-recurring charges (2024: 24.6%). The adjusted EBIT margin reached 13.6%, or 15.7% excluding non-recurring charges (2024: 16.5%).

Free cash flow amounted to €191 million, reflecting lower EBITDA and higher rebates paid to customers. In a subdued market environment, characterised by lower consumer spending, the aseptic carton business grew by 1.2%. This performance underlines the resilience of SIG's core business, based on the value we deliver to our customers through unmatched packaging flexibility, competitive total cost of ownership and our best-in-class sustainability offering. During 2025, we placed 68 new aseptic carton filling machines, increasing the net number of aseptic carton filling machines in the field by 1% to 1,448.

Revenue in the Bag-in-Box and Spouted Pouch businesses declined by 3.4% on a constant currency and constant resin basis. The Chilled Carton business declined by 5.3%, with encouraging mid-single-digit growth recorded in the fourth quarter.

Business highlights

Following the successful start of operations in early 2023, SIG began expanding its new plant in Mexico, reinforcing its long-term commitment to markets in Canada, the United States, Mexico, and Central America. The expansion, scheduled to begin production in the second half of 2026, is expected to boost the plant's output by 50% and support growing demand for small-volume packaging solutions, ranging from 80ml to 350ml. The Company's filling technology offers unmatched flexibility for customers – enabling rapid changeovers between formats, volumes, and designs – allowing them to stay agile in a dynamic and competitive marketplace.

In summer 2025, SIG launched its first SIG Terra Alu-free + Full barrier aseptic carton solutions in Germany.

By replacing the aluminum layer with an ultra-thin polymer coating, this innovation reduces the number of raw materials from three to two and can lower the carbon footprint of multi-serve aseptic cartons by up to 61% when combined with forest-based polymers[1], without compromising full barrier function, shelf life or filling performance. The rollout of this solution is progressing and includes markets beyond Europe, such as China and South Korea.

We have also successfully introduced our new product line of aseptic spouted pouch solutions, addressing attractive growth segments such as fruit purée and baby food.

In the first half of 2025, SIG completed the refinancing of the 2020 Eurobond through the issuance of a new €625 million Eurobond with a coupon of 3.75% and a maturity in March 2030, listed on the SIX Swiss Exchange. SIG continues to be rated investment grade by both S&P (BBB-) and Moody's (Baa3).

We were also delighted to having received EcoVadis Platinum status for the seventh consecutive year with a record score of 99 out of 100 points.

Closing remarks

On behalf of the Board, I would like to thank you: our shareholders, for your continued trust and support; our customers, for your partnership and confidence in SIG's solutions; and our employees, for your dedication and commitment, particularly in a challenging environment. I would also like to thank Anne Erkens for her leadership and commitment in her dual role as interim CEO and CFO during a demanding transition period.

With a clear strategic direction, a strengthened focus on performance and capital discipline, and a strong foundation in aseptic system solutions, SIG is well positioned to create sustainable long-term value and to continue innovating while contributing to a more sustainable future for liquid food and beverage packaging.

With a clear strategic direction, a strengthened focus on performance and capital discipline, SIG is well positioned to create sustainable long-term value.

1 European average, based on an independent ISO-compliant life-cycle assessment for Europe (EU 27+3).

Regional review:

Europe

Revenue:

€1,036m

Revenue growth:

(0.8%)

constant currency[1]

412

aseptic carton filling machines in field

Key growth drivers

- **Expanding into new customers, product segments, consumption occasions, and channels – enabled by the breadth and uniqueness of our portfolio.**
- **Leveraging our proprietary aseptic technology to deliver superior total cost of ownership for customers, while enabling healthier products for consumers by reducing the need for preservatives, salt, and sugar.**
- **Well positioned to capture the continued strong demand for sustainable packaging solutions.**

Summary of 2025

The region reported revenue growth of (0.8%) for the year at constant currency.[1]

Europe's performance in 2025 has been broadly stable, following a significant step-up in 2024, with a relatively low supply of raw milk for aseptic processing, especially in the first half of the year.

Filling machine placement has continued to normalize after an increase in filling machine changes driven by the single-use plastics regulation, which took effect on July 1, 2024. Around 50% of new filling machines in 2025 have been placed outside of the liquid dairy segment.

We have continued to grow successfully with existing customers, while further increasing our share of lower carbon-intensive packaging. In 2025, we launched a mid-size carton format with an aluminum-layer-free structure, while maintaining a 12-month shelf life (SIG Terra Alu-free + Full barrier). Sales of all alu-free packaging increased by 27% in 2025 compared to 2024. While the aluminum makes up only around 5% of a standard aseptic carton, it accounts for about 25% of the carbon footprint in a full-barrier package. By replacing the aluminum with a lower energy-intensive alternative barrier material, it offers customers a powerful instant lever to achieve a significant reduction in their Scope 3 emissions and additionally supports our Climate+ commitment. SIG remains the only market player able to offer this plug-and-play solution across its installed filling machine base with only minor adjustments. We will continue to grow the share of aluminum-free packaging formats and roll them out to other formats over the coming years.

In spouted pouch and bag-in-box, the region is making good progress across both substrates, including monolayer film and pouches.

Even though consumption has remained stable across our main product categories, we delivered moderate revenue growth and drove innovation – boosting alu-layer-free packaging sales by 27% and expanding alu-layer-free packaging formats. Our commitment to lower carbon solutions positions us as leaders in shaping packaging for better.

José Matthijsse
President and General Manager Europe at SIG

1 Constant currency and constant resin growth of (0.9%).

Case studies

SalzburgMilch

Pioneering the European dairy industry

SalzburgMilch, a premium dairy company in Austria, is pioneering the European dairy industry as it has installed a SIG DomeMini 12 Aseptic filling machine to become the first company in Europe to launch products in our unique SIG DomeMini on-the-go carton bottle.

With SIG DomeMini, SalzburgMilch is offering a smart solution for on-the-go dairy products and exciting co-packing and private label opportunities for brands and retail partners.

SodaStream

Breaking new ground with fruit spritzer mixes in SIG Dome carton bottles

SodaStream, a leading global brand in sparkling water makers, has chosen the SIG Dome 500ml carton bottle for its new apple and grape spritzer syrups (Apfel Schorlen-Mix and Trauben Schorlen-Mix). This marks SodaStream's entry into the fruit spritzer segment and its first use of aseptic carton packs as part of SodaStream's continued commitment to sustainability.

The SIG Dome carton bottle stands out for uniquely combining the best of two worlds. It offers all the protective, environmental, and logistical benefits of a carton pack and at the same time the convenience of a bottle thanks to its light weight and central closure position.

Aldi and Quargentan

World's first aseptic 1-liter carton pack offering full-barrier protection without an aluminum layer.

Following the success of this packaging material innovation in the field of single-serve aseptic cartons, we are now expanding the alu-free option into the juice category and a multi-serve format for the first time. In a first step, ALDI will offer grape juice under its own brand Rio d'oro in this innovative packaging solution in parts of Germany, thereby reducing the carbon footprint of conventional multi-serve cartons by 29%[1]. The products are produced and filled at the Italian beverage and food producer Quargentan, utilizing its existing SIG Midi 12 Aseptic filling machine with full performance.

1 Result based on an independent ISO-compliant life-cycle assessment.

Regional review:

India, Middle East and Africa (IMEA)

Revenue:

€445m

Revenue growth:

0.4%

constant currency[1]

333

aseptic carton filling machines in field

Key growth drivers

- **Easing inflation and policy reforms.**
- **Continued shift from loose to packaged milk and growth in value-added dairy beverages driven by nutrition-led choices.**
- **Rising demand for ambient, single-serve, affordable beverages.**
- **Young populations and rising incomes driving consumption.**

Summary of 2025

The region reported revenue growth of 0.4% for the year at constant currency[1], following a strong growth of above 13% in the prior year.

In the Middle East and Africa, the year was marked by several commercial and operational milestones. In Saudi Arabia, the first commercial deployment of SIG Neo Slimline 15 Aseptic was completed, delivering a 25% increase in output, waste rates below 0.5% and up to 15% lower total filling costs, while maintaining pack size flexibility within the same factory footprint. In Egypt, SIG secured the first global order for the SIG Mini 26 Aseptic filling machine and signed its first field test agreement for SIG XSlim 32 Aseptic, targeting affordability and on-the-go consumption. Expansion beyond dairy continued with the first deployment of SIG XSlim 24 Aseptic for tomato paste in Jordan. Operational performance remained strong, supported by improved overall equipment effectiveness, and market share increased.

Additional milestones included recognition from the Sharjah Royal Family in the UAE for SIG's contribution to the dairy sector, the launch of Egypt's first end-to-end recycling system for used aseptic beverage cartons, and the commissioning of a 2-megawatt rooftop solar plant at the Riyadh factory.

In India, the strategy remained anchored in innovation-led partnerships, aseptic packaging solutions and strong local execution. Dairy remained the core focus, with customers including GCMMF (Amul), MilkyMist, Heritage, Creamline and regional cooperatives expanding shelf life and value-added offerings, including the world's first aseptic probiotic buttermilk with MilkyMist. Beyond dairy, partnerships with Parle Agro, PepsiCo, Coca-Cola, Dabur and ITC, supported by investments in co-packing infrastructure, accelerated aseptic, affordable beverage launches.

The fully operational aseptic carton plant in Ahmedabad strengthened supply for customers in India and neighboring Asian markets and further underlined SIG's long-term commitment to the region, complemented by growing sustainability collaborations across the value chain.

"In 2025, we scaled innovation with the first commercial SIG Neo Slimline-15 Aseptic filling machine, delivering 25% higher capacity, and strengthened customer partnerships across the region. With the aseptic carton plant in India now fully operational, we are well positioned to drive growth in high-potential markets.

Abdelghany Eladib
President and General Manager IMEA at SIG

1 Constant currency and constant resin growth of 0.4%.

Case studies

Introducing spouted pouch with Al Nasseem

Al Nasseem is a growing dairy producer in Libya, serving the local market with a focus on accessible and convenient dairy products.

In 2025, Al Nasseem partnered with SIG to introduce drinking yogurt in spouted pouch format for the first time, marking a significant milestone in the company's product portfolio and in the local market. The deployment of SIG's spouted pouch technology enables Al Nasseem to diversify its offering, enhance consumer convenience, and address evolving consumption preferences, while supporting continued growth in Libya.

"2025 marks an exciting milestone for Al Nasseem as we diversify our portfolio and introduce drinking yogurt in spouted pouch format for the very first time. Investing in SIG's Spouted Pouch technology opens a new chapter for our brand – one driven by innovation, consumer convenience, and a commitment to keep expanding our offering in the Libyan market. We see this as a strategic step forward and look forward to strengthening our partnership with SIG as we bring this category to life."
Mr. Moneer, Operations Director – Al Nasseem (Libya)

MilkyMist Probiotic

In January 2025, MilkyMist introduced the world's first shelf-stable probiotic buttermilk in aseptic carton packaging, representing a notable development in functional dairy processing. Probiotic beverages are typically dependent on cold-chain distribution due to the sensitivity of live cultures to UHT treatment.

This innovation demonstrates the technical feasibility of delivering probiotics in an ambient, long-life format without compromising food safety, sensory quality, or functional performance, and scalability.

SIG supported the development through a close collaboration with MilkyMist and ingredient partner AnaBio Technologies. The project combined SIG's aseptic filling technology with AnaBio's probiotic protection solution to enable stable integration of probiotics in UHT dairy beverage. The product was commercialized in SIG XSlimBloc aseptic cartons, ensuring consistent quality and scalability. This launch demonstrates how innovation-led partnerships can unlock new categories within aseptic packaging and highlights India's role as an emerging hub for globally relevant food innovation.

SIG sold 9 filling lines and won Best Packaging Innovation Award at Gulfood Manufacturing 2025

SIG concluded contracts to sell 9 filling lines during its participation in Gulfood Manufacturing 2025, held between November 4–6 in Dubai World Trade Centre. The deals highlight SIG's commitment to providing innovative solutions that support the food and beverage industry's growth and sustainability goals. During the event, SIG was also awarded the Best Packaging Innovation for its SIG Terra Alu-free + Full barrier packaging material.

Pioneering spouted pouch for liquid cough and cold medication

Zydus Lifesciences Ltd., a global innovation-driven lifesciences company, and SIG, a leading packaging solutions provider, entered into an agreement to pioneer packaging of liquid cough and cold medication in single-serve spouted pouches featuring the tethered spout solution SIG StrawCap 30 Linked and the SIG Motion Servo 3.2 filling technology. This launch marks a significant advancement in pharmaceutical packaging, delivering precisely dosed medicine, improved hygiene, and reduced product waste.

"Our goal at Zydus is to make effective medication more accessible and consumer-friendly," said **Dr. Sharvil P. Patel, Managing Director, Zydus Lifesciences Limited**. "Continuing with our patient-centric approaches, we are introducing Deriphyllin CoughGo in single-serve spouted pouches utilizing SIG's advanced filling technology."

Regional review:

Asia Pacific (APAC)

Revenue:

€892m

Revenue growth:

(1.7%)

constant currency[1]

524

aseptic carton filling machines in field

Key growth drivers

- **Customer new product launches leveraging SIG's unique pack size flexibility.**
- **Growth of functional nutrition in innovative packaging.**
- **Drinkable desserts/snacking continue to expand in the region.**

Summary of 2025

The region reported a revenue decline of (1.7%) for the year at constant currency.[1]

China's FMCG retail market continues to experience a structural shift, with increasingly fragmented consumption occasions. Against this backdrop, the flexibility of size options across SIG's portfolio enabled customers to respond with agility, launching new products adapted to evolving market dynamics.

Amid ongoing pressure in core categories, SIG partnered with dairy customers to introduce differentiated products using innovative packaging formats, addressing rising consumer expectations for value and supporting renewed purchasing interest. SIG also entered high-growth segments, including 100% NFC (not from concentrate juice) juice and particulates-containing drinkable desserts, positioning the business for further category expansion.

Beyond China, dairy and other beverage categories experienced muted growth as consumers moderated spending. Despite this environment, SIG continued to grow through the deployment of new filling machines. Health and wellness remained a key growth driver, with increasing launches of protein drinks and other functional beverages, particularly in South Korea and Japan, and with growing traction in Southeast Asia.

Demand for multi-sensorial experiences and healthy snacking continued to support growth of SIG Drinksplus in Vietnam, as liquid dairy players capitalized on the jelly drinks trend among children and teenagers.

As sustainability gained importance across the region, Seoul Dairy Cooperative in South Korea introduced its first aluminum-layer-free aseptic carton, SIG Terra Alu-free + Full barrier, the first aseptic carton recognized as recyclable under Korean regulations.

"Despite the soft market environment in Asia, SIG outperformed the market by partnering with customers on innovation and leveraging volume and format flexibility to capture new consumer channels and demands. This also enabled strong filling project pipeline across APAC markets.

Angela Lu
President & General Manager Asia Pacific at SIG

1 Constant currency and constant resin growth of (1.7%).

Case studies

Agile adapt to channel dynamics reshaping

Mengniu launched a customized pack size – 211ml for JingDong and Adopt a cow exclusively on e-commerce and quickly launched a Chinese New Year version – 125ml with SIG sharing-cylinder printing.

Differentiated package for new innovative product launch

Yili Satine "Fresh" milk is launched in the SIG DomeMini, which gives the plain milk a fresh taste, even at ambient temperatures.

Customers riding the high-protein trend with SIG packaging

Daesang launched its campaign to promote the Nucare range that caters to the entire family, offering nutrition from kids to seniors. The Nucare All Protein series is available in the SIG SmileSmall 245ml carton.

Lactasoy launched 'Benefitt', the first high-protein UHT milk in Thailand! This achievement is a major milestone for our customer, and a powerful validation of the expertise and capabilities housed within our SIG product test filling center in Suzhou since the early stages of product development that transforms an ambitious idea into a market reality.

Brands leveraging SIG Drinksplus to expand into fast growing categories

Yili's new "Chew series" with SIG Drinksplus helped the brand get involved in the growing beverage trend. Xiduoduo Grass jelly herbal drink chose SIG SmileSmall with Drinksplus.

Driven by its strong success in Vietnam, NuVi Jelly Milk continues to scale its growth by innovating within the kids' dairy category – introducing new flavors that combine fun and nutrition, reinforcing its long-term vision of becoming a trusted daily choice for children, available in SIG XSlimBloc carton.

Riding on the success of its previous snack drink launch, Vietnamese brand TH continues to innovate by introducing new juicy milk products with nata de coco to add more choices to Mistori's portfolio. The new products are available in SIG MiniBloc 200ml carton.

Regional review:

Americas

Revenue:

€874m

Revenue growth:

4.4%

constant currency[1]

179

aseptic carton filling machines in field

Key growth drivers

- **Resilient performance despite foodservice headwinds.**
- **Continued category expansion.**
- **Geographical expansion in South America.**
- **Portfolio strength across substrates and go-to-market with cross-selling approach.**
- **Capacity as a growth enabler.**

The Americas continue to offer significant long-term potential for SIG, even in a more challenging market environment.

Our recent investments, particularly in Mexico, are enabling us to capture new business across North America, while in South America we are successfully extending our market model established in Brazil to the neighboring countries.

Ricardo Rodriguez
President & General Manager Americas at SIG

Summary 2025

Across the Americas, SIG demonstrated the strength of its multi-substrate portfolio, with solid performance across carton, spouted pouch and bag-in-box, and a revenue growth of 4.4% at constant currency.[1]

In South America, growth was broad-based across all packaging types. In Brazil, carton performance was driven by new filling line installations in core categories with both existing and new customers. Outside Brazil, carton results continued to consolidate as new customers ramped up, particularly in Colombia, and as dairy and beverage volumes expanded in Chile. Spouted pouches gained momentum, supported by key customers in fruit purée, yoghurt and other dairy products, while bag-in-box expanded primarily in foodservice through aseptic dairy solutions, enabled by cross-selling with carton customers.

Customer-led innovation remained an important growth lever, including new small-size carton formats, entry into categories such as fermented milk, and the launch of aseptic pouches with Alca at Anuga.

In the United States of America, foodservice demand remained constrained. Despite this environment, opportunities emerged in selected segments, including desserts, dairy limited-time offers, coffee-adjacent beverages, boba teas and "dirty sodas" at large QSRs (Quick Service Restaurants), reflecting a shift towards affordable indulgence. Retail demand increased, particularly in dairy, supported by in-home consumption trends, private-label growth and capacity expansion at the Querétaro aseptic carton plant.

Overall, SIG's performance in the Americas was supported by portfolio breadth and disciplined capacity investments, positioning the region to capture growth opportunities despite ongoing market volatility.

1 Constant currency and constant resin growth of 3.0%.

Case studies

Cooperoeste

Cooperoeste, one of Brazil's leading dairy cooperatives, and SIG customer in carton, expanded its portfolio by launching a range of dairy products in SIG spouted pouches — leveraging SIG's end-to-end systems and support to enter a new segment, alongside growing with carton year over year.

This success underlines how our integrated solutions help customers innovate within adjacent categories, reinforcing Cooperoeste's competitive position in the Brazilian market.

ALCA Corp

ALCA Corp entered the aseptic pouch segment with SIG's support, bringing innovative packaging to market that meets consumer demand for convenience and extended shelf life.

This launch showcases how SIG's innovation in packaging and aseptic solution enable customers to embrace new formats and enter new markets while ensuring high-quality products and consumer confidence.

Petite Palates

In the United States, Petite Palates introduced the first shelf-stable baby meals in SIG's aseptic spouted pouches — a significant milestone for both the customer and the pouch format.

This innovation highlights how SIG technology enables differentiated products in emerging categories, enhancing both customer value and consumer experience.

Celema

SIG expanded its presence in South America with Celema, a new aseptic carton customer in Colombia and important copacker in the region. SIG's flexible filling technology allows Celema to develop concepts and volumes that are currently new to the Colombian market, incorporating differentiated and value-added products that are relevant for them as a copack hub for strategic brands in the region. This partnership marks strategic geographic expansion and growth beyond established markets.

Financial review

Stable revenue in a challenging market environment; clear roadmap to drive future value creation.

In 2025, the market environment continued to be subdued as a result of weak consumer sentiment. Despite these conditions, the Group achieved a revenue increase of 0.4% on a constant currency basis and 0.1% on both a constant currency and constant resin basis. The adjusted EBITDA margin for the year was 22.1% (24.2% excluding non-recurring charges).

In 2025, SIG operated in a challenging economic environment, particularly on the consumer side, resulting in more volatile demand. In response, we took decisive action to sharpen our strategic focus. Following an in-depth strategy review, we defined a clear roadmap to improve business performance, focusing on portfolio optimization, operational improvement and a more rigorous approach to capital discipline. We are confident that these priorities, combined with SIG's unique business model and strong innovation capabilities, provide a solid foundation for long-term value creation.

For 2026, we anticipate market conditions to remain broadly similar to 2025. We expect total revenue growth at constant currency and constant resin for 2026 to be in the range of 0–2% with an adjusted EBIT margin between 15.7% and 16.2%. In line with our usual seasonality, we expect revenue and adjusted EBIT margins to be stronger in the second half of the year. Our guidance remains subject to input cost developments and foreign exchange volatility.

Anne Erkens
CFO

Key events in 2025 impacting the performance of the Group

Refinancing transactions

The Group issued €625 million of senior unsecured bonds in March 2025. Proceeds from the issue of bonds, together with draw-downs of the Group's revolving credit facilities, were used to repay €550 million of senior unsecured notes and €85.5 million of unsecured *Schuldscheindarlehen* ("SSD", a private German debt placement) that were due in June 2025. See note 23 of the consolidated financial statements for the year ended December 31, 2025 for additional details.

Impact of strategic review and soft market conditions

In 2025, SIG's performance has been impacted by weak consumer sentiment, with prices remaining at an elevated level, the Euro strengthening across most major currencies and overall market turbulence with heightened uncertainty on tariffs and fiscal policies.

In light of these prevailing soft market conditions and latest market outlook, the Board of Directors initiated a review of the Group's strategic direction. As per the outcome of the strategic review, SIG will focus on its higher-margin, higher-growth aseptic businesses. In line with this, SIG will initiate a divestment of smaller non-aseptic businesses and address various non-core parts of the portfolio. SIG will also undertake various performance improvement activities and implement a more rigorous approach to capital investments.

Considering the soft market conditions, the updated growth forecasts and the refined strategy, a number of individual assets and cash generating units were tested for impairment in the third quarter of 2025.

The total pre-tax impact of impairment losses and other charges resulting from various assessments and actions undertaken by management is €350.7 million (€295.3 million post-tax) for the year ended December 31, 2025. The majority of these charges are non-cash. Cash outflows of around €25 million are expected in 2026.

The table below provides an overview of the charges recognized for the year ended December 31, 2025 following the strategic review and soft market conditions.

	Year ended December 31, 2025					
(In € million, pre-tax)	Bag-in-box and spouted pouch	Chilled carton	Markets and capacity	Innovation	Restructuring and other	Total impairment losses and other charges
Customer relationships	63.0	43.6	–	–	–	**106.6**
Technology assets	16.2	6.8	–	–	–	**23.0**
Trademarks	5.8	–	–	–	–	**5.8**
Capitalized development costs	–	–	–	13.5	–	**13.5**
Right-of-use assets	–	11.5	24.4	3.2	–	**39.1**
Production equipment	20.3	23.8	29.5	0.3	–	**73.9**
Filling lines	–	–	21.2	28.4	–	**49.6**
Total impairment losses	**105.3**	**85.7**	**75.1**	**45.4**	**0.0**	**311.5**
Restructuring costs	–	–	–	–	8.6	**8.6**
Other charges	2.0	–	7.2	16.4	5.0	**30.6**
Total other charges	**2.0**	**0.0**	**7.2**	**16.4**	**13.6**	**39.2**
Total charges	**107.3**	**85.7**	**82.3**	**61.8**	**13.6**	**350.7**

Of the total charges recognized as part of "Markets and capacity", impairment losses of €37.6 million and other charges of €5.6 million relate to the Indian aseptic carton business.

The other charges of €30.6 million include penalties for pausing further expansion of the aseptic carton production plant in India, costs associated with recent innovations (including the Ultima project and new product releases), termination benefits relating to the former Chief Executive Officer and consulting costs relating to 2025 strategic review topics.

Bag-in-box and spouted pouch
The bag-in-box and spouted pouch businesses have experienced a slowdown in their end markets. Subdued consumer demand, driven by persistently high prices in the end markets we serve, has lowered the growth expectations compared to previous forecasts.

Chilled carton
The chilled carton market is currently experiencing a decline driven by the down-turn of the economy, subdued consumer demand and increased competition. Considering these factors, the Board of Directors decided in its review of the Group's strategy to find a strategic partner for this business.

Markets and capacity
In the context of the current weaker market environment and the recently updated strategic direction of the Group, management has re-assessed the required operating needs of the Group (for both the aseptic carton business in India and its aseptic carton production plants outside India) as well as of the current and future customer use and demand of filling lines presented as property plant and equipment on the statement of financial position.

Regarding the aseptic carton business in India, it is currently experiencing lower consumer demand and strong competition. Considering the low price points and the projected outlook for the region, management has decided to pause further expansion until the Indian aseptic carton business can meet sizable economies of scale.

Innovation
The Board of Directors decided in September 2025 to cease further marketing of and investments in the Ultima filling machine and related assets. The non-recurring charges relate to costs associated with recent innovations, including the Ultima project and new product releases.

Restructuring and other
The Group has initiated a performance improvement program, which includes footprint rationalization and the alignment of headcounts to the Group's reassessed needs. Expenses for termination benefits relating to the former Chief Executive Officer and consulting costs relating to 2025 strategic review topics were also incurred.

See note 4 of the consolidated financial statements for the year ended December 31, 2025 for additional details.

Sale of production plant completed

The Group moved its production of chilled carton from Shanghai to Suzhou in 2024. The sale of the production plant in Shanghai was completed in October 2025. The assets were sold for €16.2 million, with a resulting pre-tax gain of €2.0 million.

Financial performance

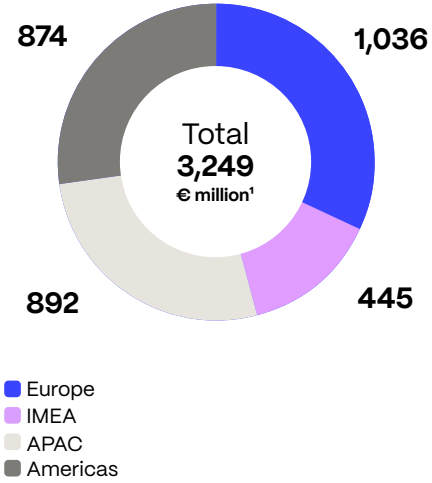
Revenue

Revenue in 2025 increased by 0.4% on a constant currency basis (decline 2.4% reported and 0.1% at constant currency and constant resin) to €3,248.7 million (2024: €3,328.5 million).

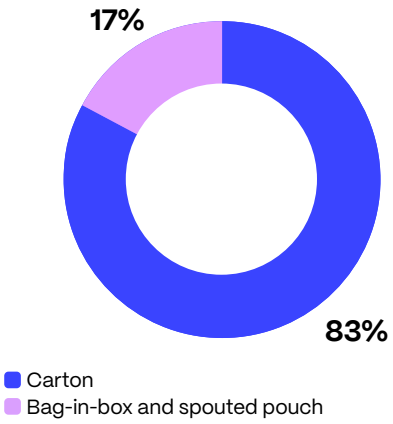
Aseptic carton revenue increased by 1.2% at constant currency, driven by annual price adjustments and favorable product mix, though partially offset by a reduction in volume. Chilled carton experienced a decline of 5.3% at constant currency in a competitive market. However, performance improved sequentially over the course of the year resulting in stable revenues in the second half. Bag-in-box and spouted pouch sales fell by 3.4% at constant currency and constant resin, reflecting higher comparables in the second half. While out-of-home dining was slightly growing in subdued markets, the retail category saw a double-digit decline.

Revenue growth in the segments

Total revenue 2025
by segment



Revenue by product 2025
Carton vs bag-in-box and spouted pouch



Europe
For the financial year 2025, European revenue declined by 0.9% at a constant currency and constant resin basis and declined by 0.8% at a constant currency basis. Growth in the region has been normalizing following exceptional growth of 6.4% at a constant currency and constant resin for the financial year 2024.

Performance was impacted by lower raw milk availability for aseptic processing particularly around the middle of the year. This abated in Q4 as raw milk prices came down. Export volumes of UHT milk into other regions such as Asia were softer in 2025, impacting revenue growth. The juice category in the region has also declined, impacted by a weak summer season.

India, Middle East and Africa ("IMEA")
For the financial year 2025, revenue growth in IMEA was 0.4% both at a constant currency and at a constant currency and constant resin basis. The growth rate in the region has been influenced by high comparables following exceptional growth of 13.5% at a constant currency and constant resin basis for the financial year 2024.

Carton volumes have been impacted by lower consumer demand across the region as well as higher competition and the monsoon season in India.

Bag-in-box and spouted pouch revenue growth has been strong, driven by growth in India.

Asia Pacific ("APAC")
For the financial year 2025, revenue for APAC declined by 1.7% both at a constant currency basis and at a constant currency and constant resin basis. Continued market softness the region and the competitive environment in chilled carton impacted revenue performance.

The later occurrence of the Chinese New Year in 2026 had an impact on volumes in China, particularly during the fourth quarter. Market outperformance in China was underpinned by product innovation and flexibility.

Southeast Asia, Japan and Korea continued their growth momentum despite market down-turn, supported by strong filling machine sales and pipeline.

Americas
For the financial year 2025, revenue growth in the Americas was 3.0% at a constant currency and constant resin basis, and 4.4% at a constant currency basis.

Aseptic carton growth was positively impacted by liquid dairy in Mexico, and price increases in Brazil. SIG's system solution service offering also reflected growth in the region.

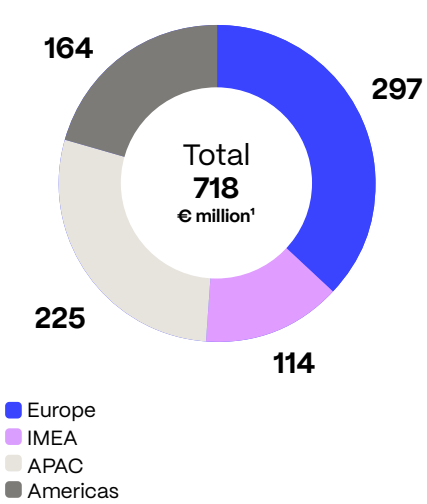
In the United States, the largest market for the bag-in-box and spouted pouch business, share gains in dairy and syrup mostly offset declines in wine and non-system business. Spouted pouch in Brazil and Chile showed strong growth.

1 Total includes Group Functions.

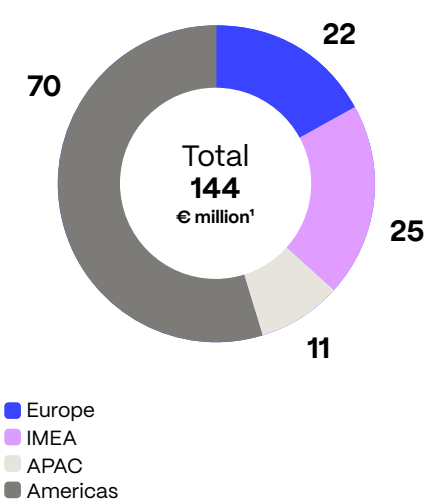
Seasonality
The Group's aseptic carton business experiences moderate seasonal fluctuations, primarily due to seasonal consumption patterns and performance incentive programs relating to carton sleeves that generally end in the fourth quarter. Customers tend to purchase additional carton sleeves prior to the end of the year to meet seasonal demand and to avail themselves of annual volume rebates, typically resulting in higher sales during the fourth quarter. Historically, this has resulted in relatively low sales in the first quarter. The bag-in-box, spouted pouch and chilled carton businesses are not significantly exposed to seasonality.

Revenue split 2025

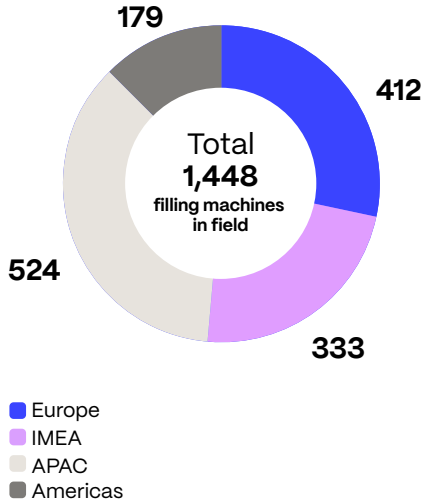
Adjusted EBITDA 2025
by segment



Net capex 2025
by segment



SIG aseptic filling machines 2025
by segment



1 Total includes Group Functions.

Adjusted EBITDA

The following table reconciles profit or loss for the period to EBITDA and adjusted EBITDA.

(In € million)	Year ended Dec. 31, 2024	Year ended Dec. 31, 2025 excl. non-recurring charges	Non-recurring charges	Year ended Dec. 31, 2025
Profit/(loss) for the period	**194.5**	**208.3**	**(295.3)**	**(87.0)**
Net finance expense	143.1	126.3		126.3
Income tax expense	86.5	95.6	(55.4)	40.2
Depreciation and amortization	419.5	340.6		340.6
EBITDA	**843.6**	**770.8**	**(350.7)**	**420.1**
Adjustments to EBITDA:				
Unrealized (gain)/loss on operating derivatives	(9.6)	5.9		5.9
Impairment losses	21.3	1.3	261.9	263.2
Restructuring costs, net of reversals	9.9	1.3	8.7	10.0
Gain on sale of property, plant and equipment and other assets	(1.6)	(5.0)		(5.0)
Transaction- and acquisition-related costs	3.4	3.2		3.2
Change in fair value of contingent consideration	(51.3)	(3.7)		(3.7)
Other	3.8	13.8	10.8	24.6
Adjusted EBITDA	**819.5**	**787.6**	**(69.3)**	**718.3**

Adjusted EBITDA decreased by €101.2 million, from €819.5 million in 2024 to €718.3 million in 2025. The adjusted EBITDA for the year ended December 31, 2025 was impacted by impairment losses and other non-recurring charges of €69.3 million described above. Excluding these non-recurring charges, adjusted EBITDA was €787.6 million, or €31.9 million lower than the prior year. At constant currency and excluding non-recurring charges, adjusted EBITDA increased 1.6% compared with the prior year. Improvements to adjusted EBITDA compared with 2024 were driven by price increases and lower raw material costs mostly due to a favourable polymer price environment.

In accordance with SIG's definition of adjusted EBITDA, charges where regional management is held accountable for the delivery of returns on customer projects, such as filling line investments or new product launches, remain included as part of adjusted EBITDA. Impairment of intangible assets, impairment of production-related assets and restructuring costs are excluded from adjusted EBITDA.

Adjusted EBITDA margin[1]

	As of Dec. 31, 2025	As of Dec. 31, 2025 excl. non-recurring charges	As of Dec. 31, 2024
Europe	28.7%	31.9%	29.5%
IMEA	25.5%	26.8%	26.7%
APAC	25.2%	26.4%	27.7%
Americas	18.8%	19.6%	23.5%
Total	**22.1%**	**24.2%**	**24.6%**

The **adjusted EBITDA margin** was 22.1% compared with 24.6% for 2024. Excluding the non-recurring charges, adjusted EBITDA margin was 24.2%. For 2025, the appreciation of the Euro, particularly against the Brazilian Real, Mexican Peso, US Dollar and Chinese Renminbi has reduced the adjusted EBITDA margin by 60 basis points. The adjusted EBITDA margin, excluding foreign currency fluctuations and excluding non-recurring charges was stable compared to the prior year.

Higher production costs reflected unabsorbed fixed costs and lower production efficiencies. SG&A costs were impacted by wage inflation and growth investments in the first half of the year, which slowed down in the second half of 2025.

SG&A as a percentage of revenue was 13.6% compared to 12.4% in 2024. Excluding non-recurring charges, SG&A was 12.0% of revenue. The cessation of the Onex PPA positively impacted SG&A by €31.3 million. R&D spend (excluding depreciation, amortization and impairment losses) remained stable as a percentage of revenue in 2025 at 2.2% (2024: 2.1%).

Compared to the prior year, **segment adjusted EBITDA margins** were influenced by the following third-party factors: In **Europe** margins were positively impacted by price and favorable customer mix due to export volumes. Positive pricing in **IMEA** was partially offset by currency headwinds. **APAC** was negatively impacted by product mix and higher SG&A. In the **Americas**, the decrease in margin was driven by unfavorable movements in foreign currencies, investments to enhance capabilities and wage inflation.

EBITDA decreased by €423.5 million to €420.1 million in 2025. Excluding the non-recurring charges, EBITDA decreased by €72.8 million to €770.8 million. The decrease was primarily related to the lower adjusted EBITDA, negative change in unrealized gains/losses on operating derivatives and a large positive change in the fair value of the contingent consideration that did not recur in the current year. These negative impacts were partially offset by the impairment losses and restructuring costs for the chilled carton production plant in China in the prior year.

1 Adjusted EBITDA divided by revenue from transactions with external customers.

EBIT

(In € million or %)	Year ended Dec. 31, 2024	Year ended Dec. 31, 2025 excl. non-recurring charges	Non-recurring charges	Year ended Dec. 31, 2025
EBIT	**424.1**	**430.2**	**(350.7)**	**79.5**
Adjustments to EBITDA[1]	(24.1)	16.8	281.4	298.2
PPA depreciation and amortization – Onex	103.4	23.1		23.1
PPA depreciation and amortization – Other acquisitions	47.1	41.4		41.4
Adjusted EBIT	**550.5**	**511.5**	**(69.3)**	**442.2**
Adjusted EBIT margin	**16.5%**	**15.7%**		**13.6%**

Adjusted EBIT was impacted by higher depreciation relating to the new production plants in both India and China.

EBIT was positively impacted by the cessation of the Onex PPA amortization after the first quarter of 2025.

Net income

Adjusted net income in 2025 was €231.1 million (2024: €308.1 million). Excluding the non-recurring charges described above, adjusted net income was €285.3 million, €22.8 million below the prior year. This decrease was attributable to lower adjusted EBITDA and higher depreciation, which was partly offset by lower tax and finance expense.

The loss for the period was €87.0 million, driven by the non-recurring charges. Excluding those non-recurring charges, profit for the period was €208.3 million.

The **effective tax rate** in 2025 was impacted by the non-recurring charges described above and changed from 30.8% in 2024 to (86.0)%. The decrease reflected the relative mix of profits and losses taxed at varying tax rates in the jurisdictions SIG operates.

The **adjusted effective tax rate** increased from 27.7% in 2024 to 28.4% in 2025 (decreased to 27.2% excluding non-recurring charges).

1 For the different adjustments to EBITDA, refer to the adjusted EBITDA table at the beginning of this section.

The following table reconciles profit or loss for the period to adjusted net income.

(In € million)	Year ended Dec. 31, 2024	Year ended Dec. 31, 2025 excl. non-recurring charges	Non-recurring charges	Year ended Dec. 31, 2025
Profit/(loss) for the period	**194.5**	**208.3**	**(295.3)**	**(87.0)**
Non-cash foreign exchange impact of non-functional currency loans and realized foreign exchange impact due to refinancing	9.6	0.7		0.7
Amortization of transaction costs	2.8	3.5		3.5
Net change in fair value of financing-related derivatives	3.6	2.4		2.4
PPA depreciation and amortization – Onex acquisition[1]	103.4	23.1		23.1
PPA amortization – Other acquisitions	47.1	41.4		41.4
Net effect of early repayment of loan	1.6	–		–
Other	1.3	–		–
Adjustments to EBITDA[2]	(24.1)	16.8	281.4	298.2
Tax effect on above items	(31.7)	(10.9)	(40.3)	(51.2)
Adjusted net income	**308.1**	**285.3**	**(54.2)**	**231.1**

1 PPA amortization relating to the Onex acquisition ceased in the first quarter of 2025.
2 For the different adjustments to EBITDA, refer to the adjusted EBITDA table at the beginning of this section.

Return on capital employed (ROCE)

The **ROCE**, determined at a reference tax rate of 30%, was 24.9% in 2025 (28.8% excluding non-recurring charges), compared with 26.6% in 2024. The year-on-year change is primarily due to the impairment losses of the current year, partially offset by lower ROCE EBITA.

The ROCE at the adjusted effective tax rate of 28.4% was 25.5% in 2025 (excluding non-recurring charges 29.9% at an adjusted effective tax rate of 27.2%).

(In € million)	2025	2024
Income statement items		
Adjusted EBITDA	718.3	819.5
Depreciation of PP&E and right-of-use assets	(274.7)	(267.6)
Amortization of capitalized development and IT costs	(3.1)	(3.0)
ROCE EBITA	**440.5**	**548.9**
Balance sheet items		
Current assets (excl. cash and cash equivalents)	867.8	938.1
Current liabilities (excl. interest-bearing liabilities)	(1,256.5)	(1,355.8)
PP&E	1,683.6	1,874.0
Right-of-use assets	277.6	322.0
Capitalized development and IT costs	20.6	25.1
Non-current deferred revenue	(353.1)	(360.0)
Capital employed	**1,240.0**	**1,443.4**
Pre-tax ROCE	35.5%	38.0%
ROCE tax rate of 30%	30.0%	30.0%
Post-tax ROCE at 30% tax rate	**24.9%**	**26.6%**
Adjusted effective tax rate	28.4%	27.7%
Post-tax ROCE at adjusted effective tax rate	**25.5%**	**27.5%**

Capital expenditure

To better reflect the Group's investments in production plants and production equipment via leases, management has updated its definition of capital expenditure to include lease payments. The following table presents capital expenditure with and without lease payments.

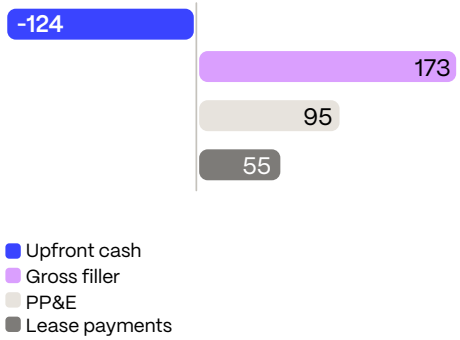
(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
PP&E and intangible assets (net of sales[1] and excluding filling lines and other related equipment)	94.8	126.6
Filling lines and other related equipment	173.3	180.6
Capital expenditure	**268.1**	**307.2**
Upfront cash	(123.6)	(143.3)
Net capital expenditure	**144.5**	**163.9**
Lease payments	55.2	51.7
Net capital expenditure, including lease payments	**199.7**	**215.6**
Net capital expenditure, incl. lease payments as a % of revenue	6.1%	6.5%

Net capital expenditure, including lease payments decreased by €15.9 million to €199.7 million in 2025 (2024: €215.6 million), representing 6.1% of revenue (6.5% in 2024). The decrease reflected the completion of the production plant in India. This was offset by investments in the further expansion of the production plant in Mexico. Capital expenditure includes the proceeds from the sale of the former chilled production plant in China as well as land in Europe (€16.9 million).

Upfront cash received for filling lines, which is included in net cash from operating activities, was at a lower absolute level to the prior year and decreased as a percentage of filling line and other related equipment expenditure to 71% (2024: 79%). Upfront cash as a percentage of filling line and other related equipment expenditure can vary depending on the type of contract and location.

Despite the challenging market environment, SIG placed 68 aseptic carton filling machines in field in 2025 (75 in 2024). Taking account of withdrawals, the number of SIG aseptic carton filling machines globally reached 1,448 (1,434 in 2024), a net increase of 14. Some of the filling machines that were retired during the year will be overhauled and redeployed. In general, new filling machines placed in field have significantly higher capacity than retired filling machines.

NET CAPEX 2025 (€ million)



1 Includes proceeds received relating to the sale of the chilled carton production plant in Shanghai in 2025.

Cash flows

Net cash from operating activities decreased by €134.9 million from €649.2 million in 2024 to €514.3 million in 2025. The decease was primarily driven by lower EBITDA compared with the prior year, including unfavorable currency movements against the Euro and an increase in customer incentive payments for strong growth in 2024. This was partially offset by lower tax and interest payments of €38.2 million.

Net cash used in investing activities in 2025 decreased by €44.1 million compared to 2024. The movements in capital expenditure and cash inflows from sales of land are described under "Capital expenditure" above.

Free cash flow was €191.0 million compared with €290.3 million in 2024. The decrease in free cash flow was primarily driven by lower EBITDA compared with the prior year and an increase in customer incentive payments for strong volume growth in 2024.

The **net cash used in financing activities** of €183.1 million reflects dividends paid of €202.7 million, €78.1 million net increase in debt and €55.2 million of lease payments.

Net debt and leverage

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Gross debt	2,498.1	2,474.9
Cash and cash equivalents	354.3	(303.4)
Net debt	**2,143.8**	**2,171.5**
Net leverage ratio	**3.0x**	**2.6x**

Net leverage as of 2025 was 3.0x (2024: 2.6x). The net debt as of December 31, 2025 broadly remained at the same level as of December 31, 2024. The adjusted EBTIDA performance negatively impacted the net leverage ratio.

The Group's debt covenants stipulate a net leverage ratio of no more than 4.0x, reported bi-annually. The calculation is based on net debt to adjusted EBITDA, excluding asset impairments. Based on this calculation, the leverage ratio as of December 31, 2025 was 2.8x.

Debt rating

	Company rating	Outlook	As of
Moody's	Baa3	Stable	March 2025
S&P	BBB-	Stable	March 2020

Other

Dividend

As announced on September 18, 2025, the Board of Directors has decided to pause the dividend payment for the year ended December 31, 2025, and will therefore not propose a distribution of a dividend at its 2026 Annual General Meeting to be held on April 16, 2026.

A dividend of CHF 0.49 per share, totaling CHF 187.3 million (€202.7 million), was paid to shareholders from the capital contribution reserve (additional paid-in capital) in April 2025. A dividend of CHF 0.48 per share, totaling CHF 183.5 million (€187.8 million), was paid from the capital contribution reserve in April 2024.

Foreign currencies

We operate internationally and transact business in a range of currencies. Whilst our reporting currency is the Euro, we generate a significant portion of our revenue and costs in currencies other than the Euro. Changes in the value of the Euro against other currencies in countries where we operate can affect our results and the value of balance sheet items denominated in foreign currencies. Our strategy is to reduce this exposure through the natural hedging that arises from the localisation of our operations. In addition, we systematically hedge all key currencies against the Euro using a twelve-month rolling layered approach.

We supply semi-finished and finished goods to certain of our non-European operations in Euros, and a number of our key raw material suppliers charge us for raw materials in Euros or US Dollars. As a result, a greater portion of our costs is denominated in Euros and, to a lesser extent, US Dollars compared with the related revenue generated in those currencies. Accordingly, changes in the exchange rates of the Euro and the US Dollar compared with the currencies in which we sell our products could adversely affect the results of operations. We expect to mitigate some of these cost mismatches through the opening and expansion of local production facilities in certain markets, ongoing efforts to qualify local suppliers and by using foreign currency derivatives.

2026 guidance

The Company expects total revenue growth at constant currency and constant resin for 2026 to be within a range of 0–2%. This reflects a similar market environment as in 2025.

The adjusted EBIT margin is expected to be between 15.7% and 16.2%.

Guidance is subject to input costs and foreign currency volatility.

Net capital expenditure, including lease payments, is projected to be within the range of 6–8% of revenue.

The adjusted effective tax rate is forecast to be between 26% and 28%.

Mid-term guidance

The Company expects revenue growth of 3–5%, at constant currency and constant resin, assuming a normalization of market conditions in the medium term. The adjusted EBIT margin is expected to be above 16.5% in the medium term.

Net capital expenditure, including lease payments, is expected to be in the range of 6–8% of revenue, whilst ensuring that investments are made in the most accretive areas.

Net leverage is expected to reach 2.5x by 2027, with further improvement to around 2.0x in the medium term.

After the pause in the dividend payment for the year ended December 31, 2025, the Company expects to re-instate dividends for the year ending December 31, 2026 with a payout ratio of 30–50% of adjusted net income.

Alternative performance measures
Definitions of the alternative performance measures used by SIG management and their related reconciliations are posted under the following link: Alternative performance measures

Additional information about alternative performance measures used by SIG management is included in the consolidated financial statements for the year ended December 31, 2025.

Enterprise risk management

The Group's enterprise risk management (ERM) process is designed to identify, assess, and mitigate actual and potential as well as emerging risks to our business in order to protect the Group from negative financial and/or reputational impact.

Furthermore, the ERM process facilitates the disclosure of risks to key stakeholders. It also raises internal awareness and provides a basis for informed decision-making. Our ERM process is an integral part of our strategy process and the results of our risk assessment are taken into account when defining our strategic initiatives. The ERM process, which is periodically reviewed by the Audit and Risk Committee and approved by the Board of Directors, is led by the Group General Counsel & Chief Compliance Officer.

Our ERM process is carried out in accordance with the Swiss Code of Best Practice for Corporate Governance. Our risk assessment takes into account the material topics we have identified based on the Global Reporting Initiative (GRI) Standards and our preliminary double materiality assessment under the Corporate Sustainability Reporting Directive (CSRD), for further information see **Our material topics** →. Climate change is one of our material topics, and climate-related risks and opportunities are identified following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), see our **TCFD report** →. Our approach to addressing climate-related risks and opportunities is integrated in our ERM process and includes transition risks in fast-moving consumer goods markets and physical climate risks to our assets and supply chain, as well as opportunities related to our low carbon footprint innovations. For more information on identified climate-related risks and opportunities, see **Climate+** → and our **TCFD report** →.

Management is responsible for identifying and reporting risks and for implementing and tracking mitigation measures. Each top risk, including the respective mitigation actions, is owned by a member of the Group Executive Board. Each mitigation action has an owner at Group level who works closely with the respective regional functions to ensure local implementation.

At least annually, we review our top risks and mitigation actions in workshops with our regional and functional leadership teams. The results of these workshops are then discussed with the Group Executive Board. The top risks and mitigation actions are subsequently reviewed by the Audit and Risk Committee and ultimately by the Board of Directors, which also sets the risk profile and the risk capacities of the Group.

Mitigation actions and their implementation status are also tracked and reviewed throughout the year as part of our strategic initiatives and management processes.

The Audit and Risk Committee reviews the implementation of the risk management system and the integrity and accountability of the risk management function on an annual basis. As part of the ERM process, the Audit and Risk Committee also regularly discusses risks that could materially impact our business and financial position, as well as the development of internal controls to mitigate such risks. In addition, the Audit and Risk Committee periodically reviews the internal policies and procedures designed to secure compliance with laws, regulations, and internal rules regarding insider information, confidentiality, bribery and corruption, sanctions, and adherence to ethical standards, and assesses the effectiveness thereof.

The Audit and Risk Committee also discusses with the Group CFO and the Group General Counsel & Chief Compliance Officer any legal matters that may have a material impact on the Group's business or financial position and any material reports or inquiries by regulatory or governmental agencies that could materially impact the Group's business or financial position. The Audit and Risk Committee reports material matters to the Board of Directors on a regular basis.

The risks that we may be exposed to lie particularly in the areas of strategy, operations, sustainability, regulatory, legal and compliance, as well as finance.

Strategic risks

Description

We are exposed to several strategic risks, such as:

- The risk that our business model no longer adequately addresses the needs of customers and consumers.
- The risk of changing customer or consumer preferences.
- The risk of existing competitors or new market players.
- The risk that we do not keep up with new technology trends.
- The risk of geopolitical instability.

How we mitigate risk

- We regularly review our strategy.
- We constantly seek feedback from our customers, suppliers and other stakeholders.
- We monitor and assess the competitive landscape.
- We monitor technology trends and invest in development of new technology.
- We closely monitor the geopolitical developments.
- Our business is diversified regarding both geographies and products.

How we turn risk into opportunity

- We adapt our strategy where appropriate to be a pioneer in our industry.
- We explore new markets and business opportunities to expand our business.
- We implement new technology to meet and exceed customer and consumer expectations.

Operational risks

Description

We are exposed to several operational risks, such as:

- The risk that our supply chains are disrupted (e.g. due to geopolitical tensions and conflicts caused by regional instability).
- The risk of loss of production, including due to damage to key manufacturing facilities (e.g. caused by natural disasters, including flooding), IT failures, severe power blackout or energy shortages.
- The risk that we do not meet our high product quality standards or that our products do not comply with product food safety regulations.
- The risk that we do not meet our high standards to ensure the health and safety of our employees.
- The risk that our employees cannot perform their duties due to events such as a pandemic.
- The risk that we are not able to attract and retain employees (e.g. due to appearing to not sufficiently drive diversity and inclusion), resulting in limitations to maintaining, developing and growing the business.

How we mitigate risk

- We expand our supply base where appropriate, including new suppliers and materials to further increase supply chain resilience.
- We have implemented processes to ensure business continuity planning, including a pandemic contingency plan.
- We embrace renewable energy and technology advancements to decouple from traditional energy sources.
- We implement adaptation solutions for both existing and newly built manufacturing facilities to reduce identified climate-related physical risks.
- We constantly monitor cybersecurity risks and have implemented an information security management system to prevent, detect and swiftly remediate security incidents (including cyber-attacks and phishing attempts).
- We have a quality management system and invest to continuously improve the quality of our products.
- We take measures and foster a culture that prevents people incidents and work-related illness.
- We regularly review, and adapt as appropriate, our compensation structure and working conditions to remain an employer of choice, alongside initiatives aimed at strengthening organisational culture and supporting sustained employee engagement.

How we turn risk into opportunity

- Our responsible sourcing program offers opportunities to develop sustainable suppliers that are more resilient towards climate change impacts.
- Our employer branding and employee wellbeing programs help us to remain an employer of choice for our existing and new talent.

Sustainability risks

Description

We are exposed to several sustainability risks, such as:

- The risk that acute or chronic impacts resulting from climate change affect forests, jeopardizing the availability of and costs for paperboard, one of our key raw materials.
- The risk of stricter climate-related regulations (e.g. on recyclability of packaging materials or on waste) or requirements for low-carbon products.
- The risk of potential negative impacts caused by our operations or our supply chain on the environment or communities, including human rights.

How we mitigate risk

- We have set near- and long-term emission reduction targets approved by the Science Based Targets initiative, aiming to achieve net-zero emissions by 2050.
- We drive innovation that promotes substantial reductions in the negative environmental impact (such as the carbon footprint) of our packaging solutions.
- Through our partnerships (e.g. with WWF Switzerland), we help to mitigate negative environmental impacts and enhance positive ones, such as initiatives to create additional sustainably managed forest land and foster the collection and recycling of used beverage cartons.
- We source 100% of our carton paperboard from SC™ certified suppliers.
- We source 100% of the aluminum for our aseptic carton packs from ASI certified suppliers.
- We are a signatory to the United Nations Global Compact and committed to adhering to the standards encompassed within the International Bill of Human Rights, the International Labor Organization's core labor standards and the Ethical Trading Initiative Base Code.
- We have systems in place to minimize negative environmental impacts for both our operations and within our supply chain, and we conduct human rights due diligence.

How we turn risk into opportunity

- We invest in research and development to better meet the needs of customers and consumers, including enhancing the environmental performance of our packaging solutions.
- An increasing demand for sustainable products offers great business opportunities.
- We are committed to further reducing the carbon footprint of all our packaging and pioneering carbon-negative packaging concepts.
- Our focus on corporate social responsibility is recognized with high scores in various ESG ratings.

Regulatory, legal and compliance risks

Description

We are exposed to several regulatory, legal and compliance risks, such as:

- The risk of increasing regulatory requirements regarding, e.g. the environmental performance of our products throughout their life cycle.
- The risk of stricter trade restrictions, including export controls, new or rising tariffs, and economic sanctions, prohibiting or restricting us from doing business in certain countries or with certain designated persons.
- The risk that our employees fail to act with integrity, in compliance with applicable laws and regulations and in accordance with our internal policies and processes (e.g. regarding anti-bribery and anti-corruption), which could result in negative reputational and financial impacts for the Group.
- The risk that our financial reporting is inadequate.
- The risk of legal disputes.

How we mitigate risk

- We maintain a compliance management system, including regular compliance risk assessments and process-oriented controls.
- We provide guidance to our employees on acting with integrity through our compliance policies and training. For employees in high-risk roles, we regularly provide dedicated additional training on special compliance topics, such as anti-bribery and anti-corruption.
- We have implemented control systems to ensure compliance with applicable trade restrictions.
- We have implemented an internal control system for financial reporting.
- We operate a grievance mechanism for reporting any compliance issues or concerns including an Integrity & Compliance Hotline which is available to all our employees, as well as to external stakeholders.
- We monitor legislative developments and take action to comply with upcoming applicable laws and regulations.

How we turn risk into opportunity

- Acting with integrity, also beyond compliance with applicable laws and regulations, and conducting business based on values, enhances our Group's reputation.
- We invest in research and development of sustainable and environmentally friendly products to meet and exceed regulatory requirements and customer expectations.

Financial risks

Description

We are exposed to several financial risks, such as:

- The risk of increasing costs (including commodity, freight, energy and other input costs) due to, e.g. inflation.
- The risk of fluctuations in exchange rates.
- The risk of increasing interest rates.
- The risk that we do not have sufficient financial resources and liquidity.

How we mitigate risk

- We have processes in place to monitor and manage our costs.
- We have implemented hedging policies to manage the risk of fluctuations in exchange rates and commodity prices.
- We have established treasury policies that identify risks faced by the Group and set out policies and procedures to mitigate those risks.
- We maintain a broad network of financing sources, including bank financing and debt capital markets, in different geographies, and we maintain adequate cash and liquidity reserves.

How we turn risk into opportunity

- Our reporting of risks and opportunities adds transparency, permitting investors to make informed decisions.

Emerging risks

Description

In 2025 we continued to assess emerging risks that might become relevant for our business, including:

- The risk of increasing regulations related to plastics packaging.
- The risk of contributions to the loss of biodiversity along our value chain, including raw material supply, operations and product end of life, and the related risk of reputational damage driven by negative external perception.
- The risk of new technologies, such as blockchain, quantum computing and artificial intelligence (AI) being used to attack our IT infrastructure, potentially resulting in business interruption and impacting our ability to supply our customers.

How we address such emerging risks

- We closely monitor the regulatory environment and engage in product innovation and product circularity.
- We pursue a strategy of mitigating nature related risks along our value chain, e.g., responsible sourcing of our raw materials and proactively engaging in landscape restoration.
- We assess, and where necessary improve, our IT security layers to prepare for and defend against cyber attacks with new technologies (such as blockchain, quantum computing and AI). Our Security Operations Centre leverages AI technology to detect, prevent and counter efficiently against outside threats.

How we turn risk into opportunity

- An increasing demand for products with an improved sustainability performance contributing to a to low-carbon, biobased and circular economy transition offers great business opportunities.
- Providing information about the results of the performance assessment of our products along the life cycle supports customers and consumers in making informed choices.
- We have developed solutions based on new technologies such as AI to improve our internal operations resulting in efficiency gains, and lower waste and lower energy consumption. In addition, we deploy AI tools to optimize our packaging supply chain management and filler assembly ensuring shorter fulfillment cycles and higher quality products.

Sustainability

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Introduction

Our sustainability reporting

Sustainability is one of four strategic priorities in SIG's Corporate Compass and is closely linked to each of the other priorities – people, customers and growth. This chapter of our Annual Report outlines our ambition, commitments, approach, performance and outlook in each of our four key areas of sustainability (**Climate+** →, **Nature+** →, **Resource+** → and **Food+** →), as well as our responsible culture underpinning it all.

At SIG we continually strive for better. As many of our current targets conclude in 2025, we are establishing new milestones and commitments to 2030 to address global sustainability challenges and support our growing product portfolio. This chapter has been updated to reflect our renewed goal of advancing a regenerative packaging system.

Additional environmental, social and governance (ESG) disclosures can be found in the appendix, including our reporting in line with:

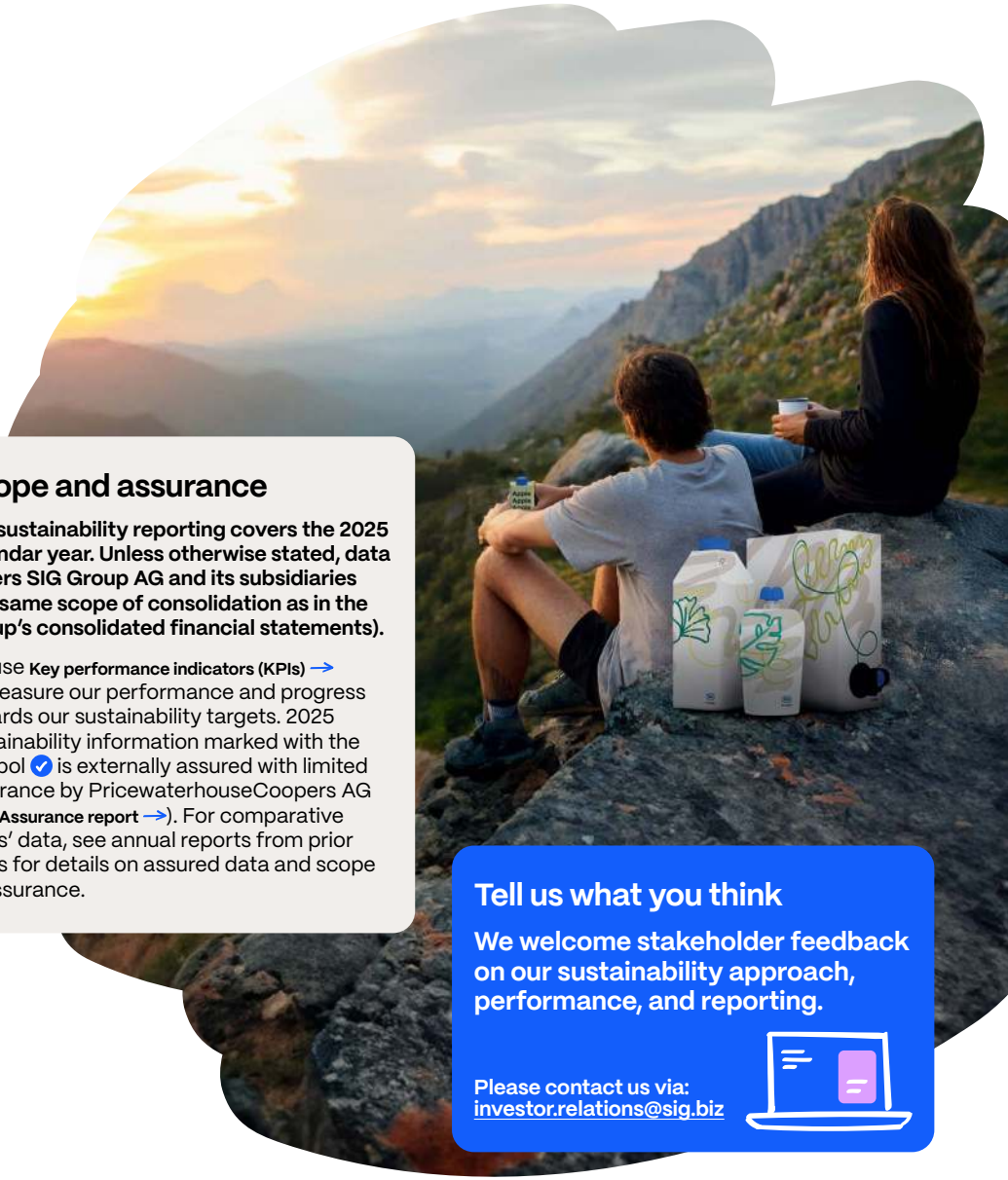
- Swiss law on reporting obligations on non-financial matters (Swiss Code of Obligations art. 964) and Swiss ordinance on climate disclosures.
- Global Reporting Initiative (GRI) Standards.
- Task Force on Climate-related Financial Disclosures (TCFD).
- EU Taxonomy.
- United Nations Sustainable Development Goals.

We also follow the requirements of art. 964j-l of the Swiss Code of Obligations (Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour). We have concluded that SIG is exempt from the Swiss requirements on due diligence and reporting on minerals and metals (see also **Appendix: Reporting regulations and frameworks** →). Our reporting related to due diligence on child labor is presented as a separate report in the appendix.

We also track and report our progress through external assessments. We submit in-depth ESG disclosures specifically for investors and customers, including our annual submissions to CDP, EcoVadis, and the S&P Global Corporate Sustainability Assessment (used to inform the Dow Jones sustainability indices).

We are continually evolving our reporting to align with best practices, regulations, and stakeholder expectations for enhanced disclosures.

For further information on our ESG disclosures and the reporting regulations and frameworks we follow, see **Our key policies** → and **Appendix: Reporting regulations and frameworks** →.



Scope and assurance

Our sustainability reporting covers the 2025 calendar year. Unless otherwise stated, data covers SIG Group AG and its subsidiaries (the same scope of consolidation as in the Group's consolidated financial statements).

We use **Key performance indicators (KPIs)** → to measure our performance and progress towards our sustainability targets. 2025 sustainability information marked with the symbol ✓ is externally assured with limited assurance by PricewaterhouseCoopers AG (see **Assurance report** →). For comparative years' data, see annual reports from prior years for details on assured data and scope of assurance.

Tell us what you think

We welcome stakeholder feedback on our sustainability approach, performance, and reporting.

Please contact us via:
investor.relations@sig.biz

Our 2020 to 2025 roadmap

Our 2025 sustainability strategy was built on our **Net Positive ambition**[1] – to contribute more to society and the environment than we take out. This approach meant moving beyond reducing negative impacts toward creating measurable positive outcomes across climate, nature, resources and people. Through our four pillars, **Climate+**, **Forests+**[2], **Resources+**, and **Food+,** we set out to enable environmental and social benefits that exceed our operational footprint while creating value for customers and the wider system.

In **Climate+**, we pursued a science-based pathway toward net zero, significantly reducing Scope 1, 2 and 3 emissions, and transitioned new production to 100% renewable energy[3]. Through **Forests+**[2], we maintained 100% FSC™[4] certified paperboard procurement[5], continued our ambition for 100% FSC™[4] labelled cartons, and partnered with WWF to enhance forest landscapes and biodiversity. In **Resource+**, we advanced circularity by further increasing renewable content, improving recyclability, and supporting infrastructure for collection and recycling. Through **Food+**, we enabled safe, shelf-stable nutrition delivery, helped minimize food waste, and upheld rigorous food safety and quality standards.

Alongside these pillars, we continued to invest in **sustainable innovation –** designing packaging solutions that empower customers to further reduce emissions, increase renewability, and support responsible end-of-life pathways. Our **Responsible culture** reinforced ethical sourcing, supply chain transparency, and a values-driven workplace that prioritizes human rights, inclusion, safety and community engagement – all underpinned by strong governance and integrity.

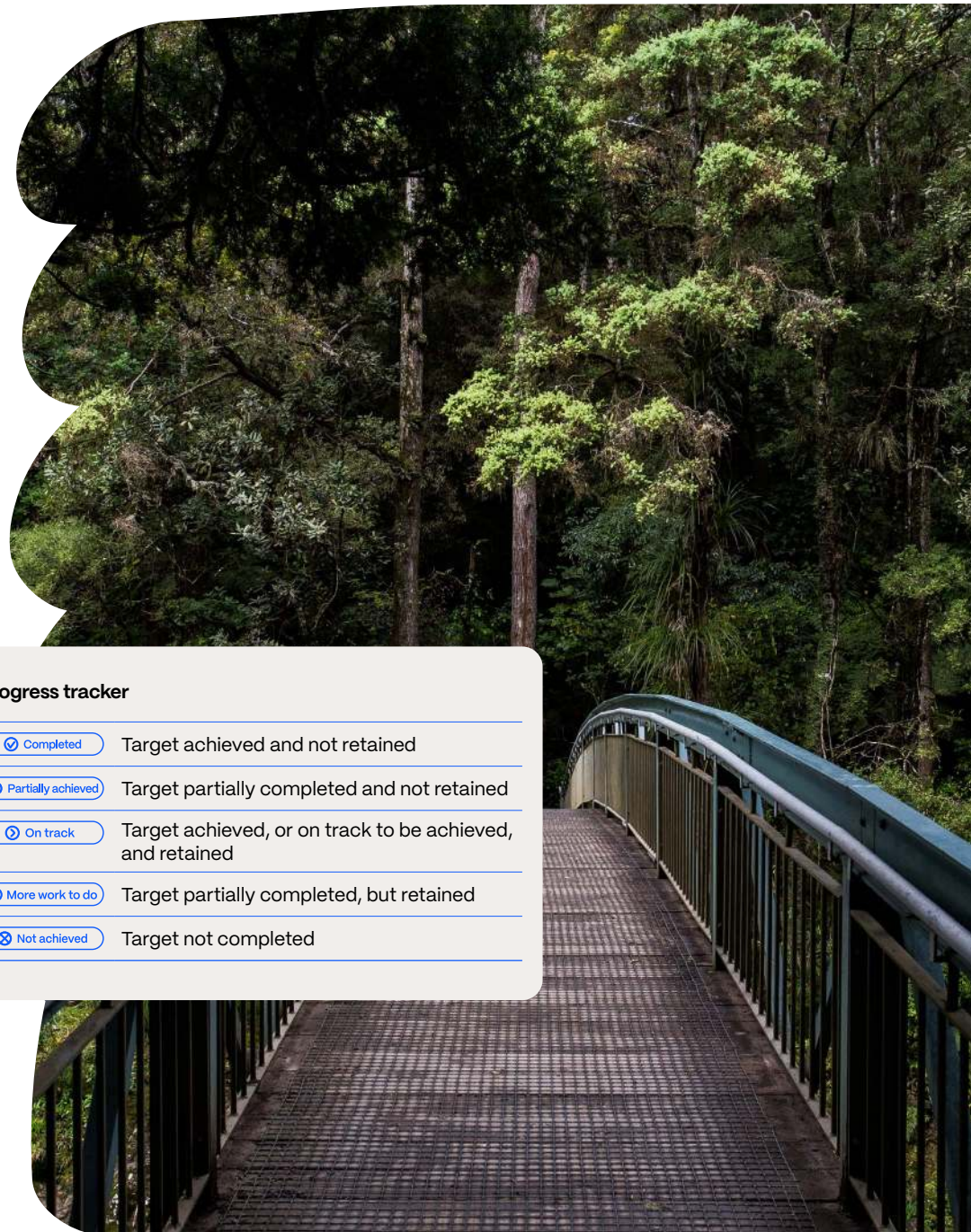
Building on the learnings of our Net Positive ambition[1], we are now evolving our strategy toward a regenerative packaging system – one that minimizes harm and actively supports the restoration of climate, nature, and resources. We will focus on packaging that leaves the entire system better off through renewable and responsibly sourced materials, deliver lowest carbon footprint options, circular product design, and partnerships that strengthen collection, recycling and reuse globally.

Our 2025 performance

Several of our 2025 targets have been successfully achieved, while others have been retained, adapted or discontinued to reflect our evolving strategic priorities. In some instances, this transition has led to the reclassification or discontinuation of specific targets to better align with our 2030 regenerative packaging ambitions. Our 2025 progress, performance and the rationale behind the transition of individual targets can be found in each of the chapters under **Our targets and performance**.

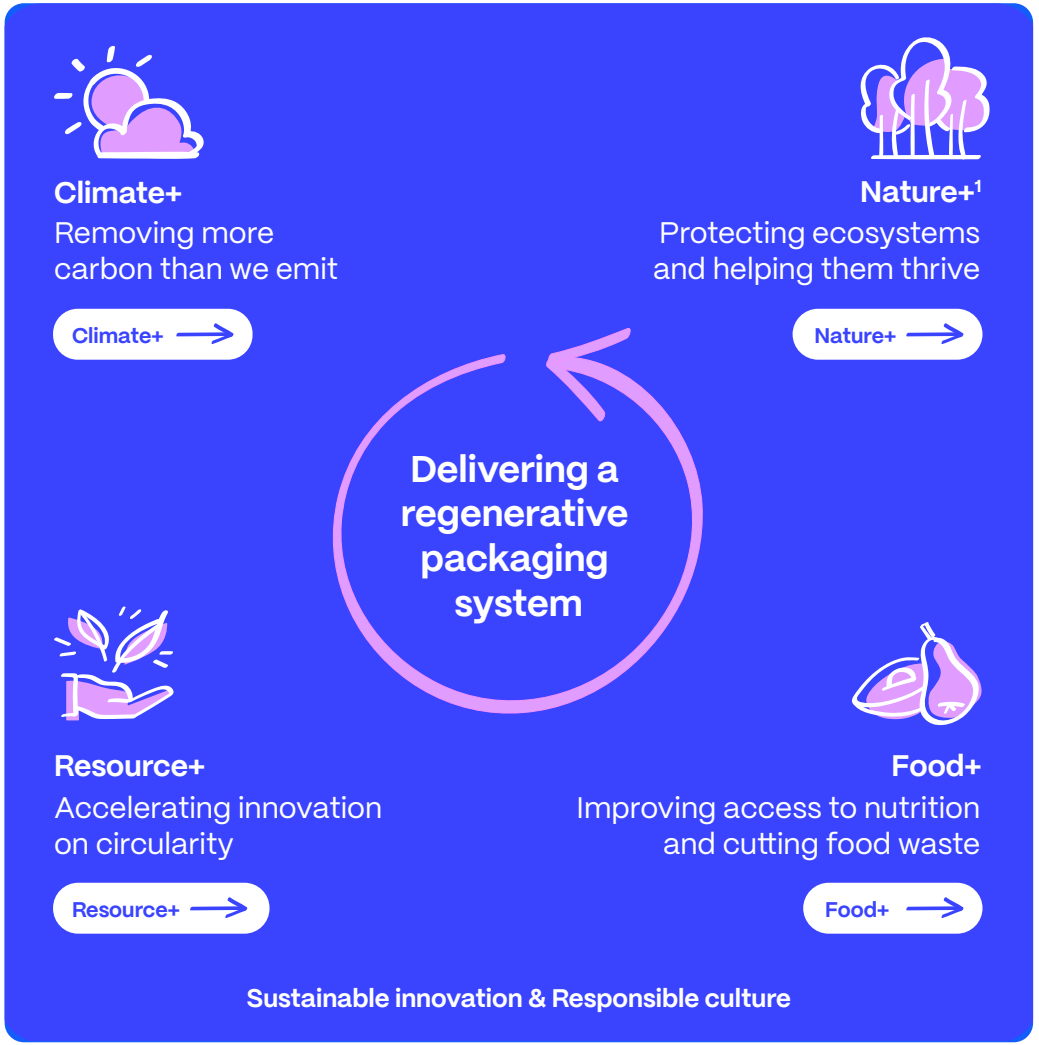
Progress tracker

Completed	Target achieved and not retained
Partially achieved	Target partially completed and not retained
On track	Target achieved, or on track to be achieved, and retained
More work to do	Target partially completed, but retained
Not achieved	Target not completed



1 Aligned with the principles developed in the Net Positive Project.
2 Updated to Nature+ in the advancement towards our ambition of a regenerative packaging system.
3 We source 100% renewable electricity for our production and compensate for all remaining non-renewable energy through Gold Standard CO_2 offsets.
4 FSC™ license code FSC™ C020428.
5 SIG uses FSC™ Mix material that allows the mixing of FSC™ certified wood with FSC™ controlled wood and ensures that an equivalent amount of FSC™ certified wood is procured at the beginning of the value chain.

Our sustainability approach



From nature to nutrition: Building a regenerative food packaging system

The world faces increasingly complex challenges: protecting our climate, preserving nature, managing finite resources, and ensuring access to safe, nutritious, and affordable food. At SIG, we have an opportunity to be part of the solution. **Our ambition is to build a regenerative food packaging system – one that supports people's health, heals nature, and creates a better future for generations to come.**

This ambition is what drives SIG into the future. From providing on-the-go solutions and helping much-loved restaurants serve their customers, to reaching homes and supporting remote communities across the globe, our packaging systems make nutrition accessible and affordable everywhere.

To do this successfully and sustainably, we need to pioneer systemic shifts. By prioritizing renewable materials, accelerating paperization, and bringing aseptic technology to more packaging solutions, SIG will create long-term value – for customers, for society, and for our business. We are fully committed to continuous innovation, making packaging a key enabler of a more sustainable food system while ensuring the resilience and growth of SIG.

We focus our efforts on creating long-term value and a regenerative packaging system on four action areas where we have the biggest levers for systemic change: **Nature+**, **Resource+**, **Climate+**, and **Food+**.

1. Shifting the economy toward one that is nature-positive, by restoring ecosystems and protecting biodiversity.
2. Innovating our products to decouple our growth from finite resources.
3. Supporting the climate by creating food packaging systems that remove more carbon than they emit.
4. Using our aseptic technology to enable access to safe, affordable and nutritious food.

Our sustainability strategy is not an add-on; it is fundamental to our long-term success. By transforming our sustainability action from good to great, we will future-proof our business against resource scarcity and seize the opportunities from regulatory changes and shifting market demands.

Our commitment to regenerative packaging – not only minimizing our impact on the environment, but helping to leave it better than we found it – enhances our competitiveness, drives customer loyalty, and attracts investment. Our journey from good to great will ensure SIG continues to grow while delivering value to people, the planet, and our stakeholders for generations to come.

1 Updated from Forest+ in the advancement towards our ambition of a regenerative packaging system.

Our sustainable packaging journey

At SIG, sustainability has long been central to our strategy – from responsible sourcing to world-first innovations, we are actively designing packaging systems that contribute to a regenerative future.

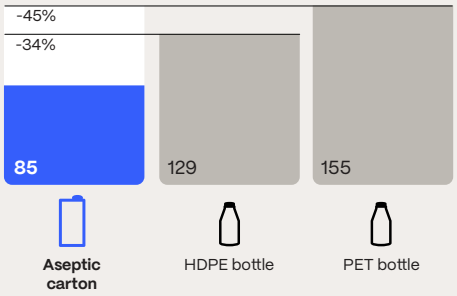
Our aseptic carton, bag-in-box, and spouted pouch solutions are designed to reduce food waste, lower energy and resource use, and expand access to nutrition – especially in regions with limited cold chain infrastructure.

We are the only company offering aseptic technology across all three formats. Aseptic packaging does not require constant refrigeration during storage or transport, eliminating the need for energy-intensive cold chains. When combined with a low pack-to-product ratio, a lightweight, resource-efficient design and produced with renewable electricity, our standard packaging solutions consistently outperform alternatives with similar functionality across key environmental indicators.

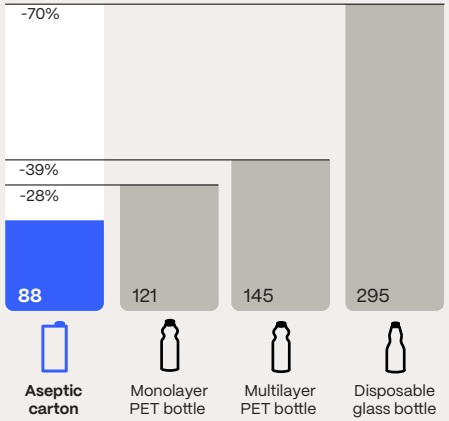
Independent life-cycle assessments (LCAs) show that our cartons, produced with renewable raw materials, outperform other packaging options[1]:

Aseptic Cartons

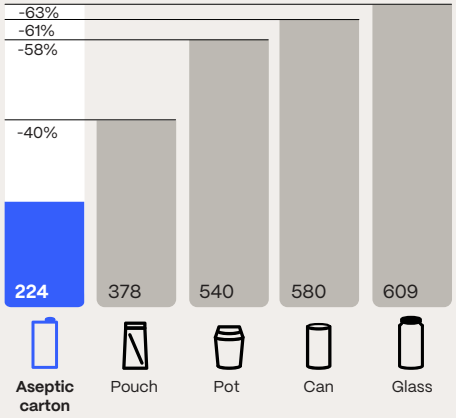
Liquid dairy
kg CO_2 equivalent per packaging required for 1,000 liters UHT milk



Non-carbonated soft drinks
kg CO_2 equivalent per packaging required for 1,000 liters non-carbonated soft drinks

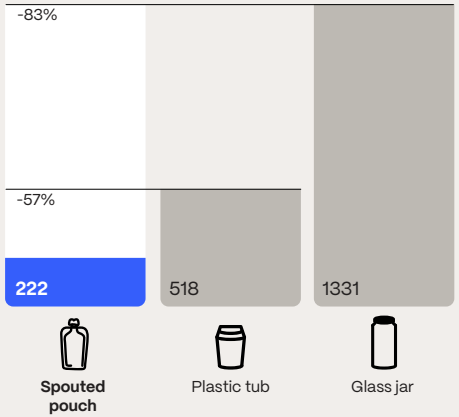


Food
kg CO_2 equivalent per packaging required for 1,000 liters food



A recent LCA study[2] we conducted for the United States market, confirming our 2024 European study, proves that our spouted pouches outperform alternative packaging delivering similar functionality.

Spouted pouches: fruit purée
kg CO_2 equivalent per packaging required for 1,000 kilograms of fruit purée



1 Based on life-cycle assessments for Europe using the ISO 14040 and ISO 14044 international standards and critically reviewed by an independent expert panel.
2 Based on life-cycle assessments using the ISO 14040 and ISO 14044 international standards and critically reviewed by an independent expert panel for an average SIG Terra Spouted Pouch CB-100738 for the United States.

With our SIG Terra solutions, we are driving even deeper reductions in climate emissions, further increasing renewable and recycled feedstock[1] use and paving the way to easier recycling. Our SIG Terra Alu-free + Full barrier aseptic carton material unlocks even greater sustainability gains – and we are setting a new standard by rapidly scaling availability to maximize impact.

2010

SIG Terra Alu-free[2]

- World's first packaging material for aseptic cartons with no aluminum layer.
- 82% renewable paperboard.[3]
- Up to 23% less carbon than standard SIG packaging material for aseptic cartons.[4]
- For use with dairy products.

1st

2013

SIG Dome[5]

- Looks and pours like a bottle.
- Environmental benefits of a carton.

2016

RS structure

- Reduces plastic use while improving the robustness of our aseptic cartons during processing and distribution.

2017

SIG Terra Alu-free + Forest-based polymers[6]

- World's first aseptic carton with all main materials linked to forest-based renewable resources.[7]
- No aluminum foil layer.
- Up to 63% less carbon than standard SIG packaging material for aseptic cartons.[4]
- For use with dairy products.

1st

2018

SIG Terra Forest-based polymers[8]

- Polymers linked to renewable resources.[7]
- Ultra-thin aluminum foil layer to protect oxygen-sensitive products, such as orange juice.
- Up to 41% less carbon than standard SIG packaging material for aseptic cartons.[4]

2019

Paper straw solution

- World's first paper straw for use with aseptic carton packs.
- Straight, U-shaped, and telescopic options.
- FSC™ Mix certified.

1st

2019

ASI-labeled packs

- World's first aseptic carton packaging materials with ASI aluminum foil.
- First product with ASI aluminum foil.
- First, and only cartons globally that can carry the ASI Responsible Aluminium Sourcing logo.

1st

1 Renewable and recycled polymers are linked to tall oil and post-consumer recycled plastics through certified mass balancing.
2 First launched as combibloc ECOPLUS.
3 Sleeve without closure.
4 Based on independent ISO-compliant life-cycle assessments.
5 First launched as combidome.
6 First launched as SIGNATURE 100.
7 Polymers linked to tall oil, a wood residue from paper making via an independently certified mass balance system.
8 First launched as SIGNATURE FULL BARRIER.

2020 SIG Terra Circular polymers[1]

- World's first aseptic carton solution offered with post-consumer recycled content.
- Polymers linked to post-consumer recycled plastics.[2]

2022 Bag-in-box and spouted pouch solutions join our portfolio

- High product-to-packaging ratio and evacuation rates.
- Less carbon than alternatives, such as plastic and glass bottles, tubs and jars.[3]
- Recycle-ready mono-material spouted pouch.
- First APR recognized recycle-ready bag-in-box.
- World's first bag-in-box linked to recycled content.

2023 SIG DomeMini

- Portion size.
- Looks and pours like a bottle.
- Environmental benefits of a carton.

2023 SIG Terra Alu-free + Full barrier commercially available

- World's first full barrier solution for aseptic cartons with no aluminum foil layer initially available in portion-size.
- Up to 25% less carbon[3] than standard SIG packaging material for aseptic cartons.

2025 Recycle-ready bag-in-box for wine

- World's first APR[4]-recognized bag-in-box for wine.

2025 SIG Terra Alu-free + Full barrier available in family-size

- World's first full barrier solution for aseptic cartons in family-size with no aluminum foil layer.
- Up to 61% less carbon[3] than standard SIG packaging material for aseptic cartons when linked to forest-based polymers[2].
- Up to 81% paper[5].
- Up to 12 months shelf-life for all main beverage categories.

2025 Full-barrier aseptic carton with 85% paper recycling feasibility confirmed

- One-sided lamination proven recyclable in a standard paper mill in Indonesia.
- Unlocking access to paper recycling, one of the world's most established recycling systems.
- Higher fiber yield and approximately half the pulping time than standard beverage carton packaging.
- A fundamental step toward at least 90% paper content by 2030.

References to SIG as "industry leader", "industry-leading", or "world's first" throughout our sustainability reporting are made in good faith according to SIG's global commercial intelligence.

1 First launched as SIGNATURE CIRCULAR.
2 Via an independently certified mass balance system.
3 Based on independent ISO-compliant life-cycle assessments.
4 Association of Plastic Recyclers (APR).
5 Sleeve without closure.

SIG Terra Alu-free + Full barrier brings CO_2 reduction at scale

SIG is a pioneer in aluminum-layer-free aseptic cartons for plain liquid dairy products since 2010, having sold over 4 billion packs to date.

Drawing on this experience and the success of SIG Terra Alu-free, our latest innovation – SIG Terra Alu-free + Full barrier, the world's first full-barrier aseptic carton without an aluminum layer – now makes it possible to scale decarbonization across all major beverage categories. And importantly, it is ready for immediate customer uptake, running seamlessly on existing SIG carton filling lines with full performance, including at high-speed of up to 24,000 packs per hour and over 500 million packs have already been sold.

The SIG Terra Alu-free + Full barrier packaging material replaces the aluminum layer with a polymer-based barrier film and delivers the same full product shelf life of up to 12 months and the same product protection as standard full-barrier materials with an aluminum layer. This applies across all main beverage categories, such as liquid dairy, fruit juices, nectars and plant-based beverages.

The already low carbon footprint of our aseptic cartons is reduced by up to 61%[1] when linking SIG Terra Alu-free + Full barrier to renewable forest-based polymers[2]. While the aluminum makes up only around 5% of a standard aseptic carton, it accounts for about 25% of the carbon footprint in a full-barrier package. By replacing the aluminum with a lower energy-intensive alternative barrier material, it offers customers a powerful instant lever to achieve a significant reduction in their Scope 3 emissions and additionally supports our Climate+ commitment to **Decarbonize our value chain** →.

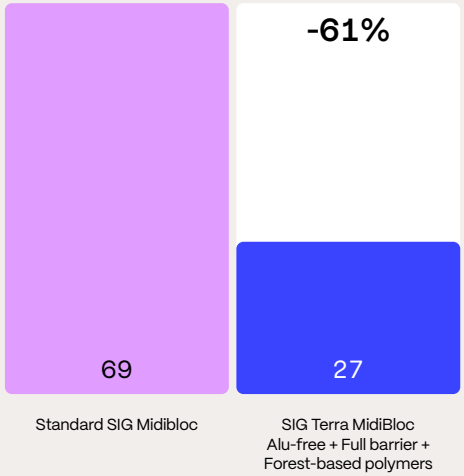
Composed of up to 81% paper[3], the SIG Terra Alu-free + Full barrier material simplifies the packaging structure down to only two main raw materials, with the potential to streamline the recycling process for aseptic cartons. By further simplifying the design, we also take an important step towards **Recycling at scale** → globally, per our Resource+ commitment.

SIG Terra Alu-free + Full barrier is already available in single-serve format with SIG MiniBloc and in multi-serve with SIG MidiBloc, and we will expand to further formats going forward – enabling our customers and us to impact at scale across different pack sizes and product categories.

Each advancement brings us closer to realizing our vision of a packaging system that not only minimizes impact but actively regenerates resources and strengthens the circular economy – by furthering our material strategy to simplify structures, reduce reliance on finite resources and enable recycling at scale.

Life-cycle carbon footprint: additional savings with SIG Terra Alu-free + Full barrier + Forest-based polymer solutions for aseptic cartons

kg CO_2 equivalent per packaging required for 1,000 liters of milk or juice in 1 liter SIG MidiBloc with SIG SwiftCap Linked/ Linked LP[1]



1 Based on life-cycle assessment using the ISO 14040 and ISO 14044 international standards and critically reviewed by an independent expert panel for an aseptic carton CB-100740 for Europe.
2 Polymers linked to tall oil, a wood residue from papermaking via an independently certified mass balance system.
3 Sleeve without closure.

World's first alu layer-free full barrier solution for multi-serve aseptic cartons – and first in juice

After the successful launch in single-serve packs in 2023 with China's leading dairies Yili and Mengniu, we have expanded SIG Terra Alu-free + Full barrier into the juice category and a multi-serve format for the first time.

- **ALDI** was the **first to launch juice** in SIG Terra MidiBloc Alu-free + Full barrier – Rio d'oro grape juice, filled by Quargentan – and the first to introduce SIG Terra Alu-free + Full barrier in Germany.
- **Berglandmilch**, Austria's leading dairy, was the first in Austria to adopt SIG Terra MidiBloc Alu-free + Full barrier, offering 1-liter aseptic carton packs for white milk under its premium brand "Schärdinger Formil."

Enabling higher recycling rates in South Korea

SIG set a new benchmark for sustainability in South Korea by launching SIG Terra Alu-free + Full barrier together with Seoul Dairy, bringing it to shelves as the first aseptic carton to comply with Korea's recyclability grading system and receive a 'Recyclable' grade. Thanks to its simplified structure, with only two main materials to separate instead of three, brands can now use the official 'Recyclable' label, enabling significantly higher recycling rates in South Korea – up to ten times higher than conventional aseptic cartons[1].

1 Based on recycling rates for aseptic carton packs and gable top cartons for chilled products in South Korea: http://www.kora.or.kr/epr/record.do

Ratings and awards

Dow Jones Best-in-Class indices

SIG is included in two S&P Dow Jones Best-in-Class Indices (DJBIC). The inclusion in the DJBIC World and DJBIC Europe indices highlights our commitment to long-term shareholder value and leadership in sustainability.[1]

S&P Global Sustainability Yearbook

SIG was included in the S&P Global Sustainability Yearbook for the fourth time. Only 15% of participating companies assessed by the S&P Global Corporate Sustainability Assessment survey in each industry are included.

EcoVadis

SIG was again awarded the highest sustainability status in the EcoVadis rating for Corporate Social Responsibility (CSR) and exceeded its previously strong performance of 96/100 in 2024, achieving an outstanding score of 99/100 in 2025. Our platinum rating again puts SIG in the top 1% of businesses participating in the EcoVadis sustainability assessment[2].

CDP

In 2025, we achieved a B rating in the CDP assessment for our disclosures on climate, forest and water. For water we achieved a score improvement from B– in 2024. B is the highest score attainable for companies that do not publicly disclose their questionnaire.

1 Effective on February 10, 2025, S&P Dow Jones Indices ("S&P DJI") renamed some sustainability and ESG related indices. DJSI World is renamed into Dow Jones Best-in-Class World Index and DJSI Europe into Dow Jones Best-in-Class Europe Index.
2 The use of the EcoVadis platinum badge is NOT a certification or an endorsement of a company or its products or services, and it does not indicate that the company's products or services are specifically sustainable or more sustainable than another company's products or services.
3 The use by SIG Group AG of any MSCI ESG research llc or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of SIG Group AG by MSCI. MSCI services and data are the property of MSCI or its information providers and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.
4 Copyright ©2025 Sustainalytics, a Morningstar company. All rights reserved. This Annual Report includes information and data provided by Sustainalytics and/or its content providers. Information provided by Sustainalytics is not directed to or intended for use or distribution to India-based clients or users and its distribution to Indian resident individuals or entities is not permitted. Morningstar/Sustainalytics accepts no responsibility or liability whatsoever for the actions of third parties in this respect. Use of such data is subject to conditions available at https://www.sustainalytics.com/legal-disclaimers/
5 FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that SIG Group AG has been independently assessed according to the FTSE4Good criteria and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

MSCI ESG

MSCI ESG Research provides MSCI ESG Ratings on global public and a few private companies on a scale of AAA (leader) to CCC (laggard), according to exposure to industry-specific ESG risks and the ability to manage those risks relative to peers. In 2025, SIG Group AG maintained a rating of AAA in the MSCI ESG Ratings assessment.[3]

Sustainalytics

SIG Group received an ESG Risk Rating of 10.8 in 2025 (10.5 in 2024) and was assessed by Morningstar Sustainalytics to be at low risk of experiencing material financial impacts from ESG factors.[4]

SXI Switzerland Sustainability 25® Index

We maintained our position among the top 25 most sustainable companies listed on the SIX Swiss Exchange based on a third-party assessment.

FTSE4Good Index Series

SIG Group AG is a constituent of the FTSE4Good Index Series, created by the global index provider FTSE Russell to measure the performance of companies demonstrating strong ESG practices.[5]

Awards and recognition in 2025

Zero-Carbon Factory

The combined SIG Suzhou aseptic carton plants have been recognized as a "Zero-Carbon Factory in Suzhou 2025" by the Bureau of Industry and Information Technology of Suzhou City. This distinction marks the plants' third major sustainability accolade in three years, following "Jiangsu Provincial Green Factory" (2023) and "Near-Zero Carbon Factory in Suzhou" (2024).

Best Packaging Innovation

Awarded at Gulfood Manufacturing Industry Excellence Awards in Dubai for SIG Terra Alu-free + Full barrier packaging material.

Our material topics

Our sustainability approach is built on our material topics

Our material topics influence our strategy and business model, determine the scope of sustainability reporting and impact the implementation of policies, actions and allocation of resources.

Identification of material topics

Our material topics were identified through our 2024 double material assessment (DMA), performed in accordance with the European Sustainability Reporting Standards (ESRS) 2023[1,2] and the European Financial Reporting Advisory Group (EFRAG) Implementation Guidance. The double materiality assessment was performed at SIG Group level to identify material impacts, risks and opportunities in SIG's value chain. The ESRS double materiality assessment is more granular compared to an assessment of material topics under the Global Reporting Initiative (GRI) Standards 2021[3]. Additional information on the ESRS double materiality assessment can be found in the SIG 2024 Annual Report.

In 2025, we reviewed the 2024 double materiality assessment results, considering changes in our activities or business relationships, and determined that they remain accurate for the reporting year 2025[2]. Hence, the material topics identified for the reporting year 2024 are still relevant in 2025.

Other sections in this Annual Report include additional information on how we manage our material topics. An explanation of the material topics and how they map to our sustainability chapters are presented in the **Overview of our material topics**.

We continue to report in line within the GRI Standards 2021. Our adjusted timeline for the full adoption of the Corporate Sustainability Reporting Directive (CSRD) is included in **Appendix: Reporting regulations and frameworks** →.

Overview of our material topics

An overview of our ESRS aligned material topics, reported against the GRI Standards 2021 are presented below with a link to the relevant chapters of the Sustainability Report. The relation of material topics to our key performance indicators can be found in **Appendix: Key performance indicators** →.

Topics		Chapters
Climate change	Climate change	Climate+ → Resource+ →
Biodiversity and ecosystems	Biodiversity and forest ecosystems	Nature+ → Resource+ →
Water and marine resources	Water	Nature+ →
Pollution		
Resource use and circular economy	Waste and circular economy	Nature+ → Resource+ →
	Sustainable raw materials	
	Innovation in products and services	Resource+ →
Consumers and end-users	Product safety and integrity	Food+ →
Own workforce	Health, safety and wellbeing	Our people →
	Diversity, equity and inclusion	
	Employee satisfaction, development and working environment	
Business conduct	Business conduct	
	Responsible suppliers	Nature+ →
Workers in the value chain		Our suppliers →
	Human rights	

1 ESRS 1 General requirements. Established under the Corporate Sustainability Reporting Directive (CSRD) issued by the European Union and applicable for large companies with significant operations in the EU.
2 The assessment and review of material topics has also been used for the **Swiss non-financial matter report** → to satisfy the due diligence requirements.
3 GRI 3-1 Process to determine material topics.

Climate change

- **Climate change:** Greenhouse gas emissions, energy use and fossil fuel reliance drive climate change, with most emissions occurring outside our direct control in sourcing, logistics and end-of-life treatment. Physical risks and regulatory changes could lead to incremental costs, but investing in physical risk adaptation measures and low-carbon packaging solutions mitigate risks and increase our competitiveness. Climate impacts on supply chains, distribution systems and food security may increase the demand for shelf stable packaging under ambient conditions such as our aseptic packaging portfolio.

Biodiversity and ecosystems

- **Biodiversity and forest ecosystems:** Raw material extraction and related transportation impact biodiversity, such as through habitat destruction and pollution. Packaging disposal can release pollutants and affect ecosystems, if not properly managed. Regulatory changes could lead to incremental costs. Responsible sourcing, design for recycling, and fostering collection and recycling initiatives help mitigate these impacts.

Water and marine resources

- **Water:** Extracting raw materials like bauxite for aluminum and wood for paperboard is water-intensive, leading to significant water withdrawals, depleting local resources, and wastewater generation.

Pollution

- **Water:** Wastewater, such as from aluminum extraction and paperboard production, can contain pollutants, while incorrect disposal can impact water quality at end-of-life.

- **Waste and circular economy:** Raw material sourcing and production can reduce air, soil and water quality through the release of air pollutants.

Resource use and circular economy

- **Waste and circular economy:** Waste can be generated through sourcing and production of our raw materials, unrecyclable products and end-of-life treatment. Reliance on non-renewable resources perpetuates a linear economy. Product innovation, and fostering collection and recycling initiatives enhance circularity and reduce waste.

- **Sustainable raw materials:** Using non-renewable resources may cause resource depletion. Renewable sourcing, and renewable and recycle-linked sourcing, mitigates waste impacts and capitalizes on opportunities like resource efficiency, new market demand, green financing, resilience, and enhanced reputation.

- **Innovation in products and services:** All our packaging is designed for recycling, with bag-in-box and spouted pouches offered as designed-for-recycling alternatives based on customer choice. Aseptic packaging, innovative fitments and efficient filling machines support waste reduction and improve resource efficiency.

Consumers and end-users

- **Product safety and integrity:** Food safety certifications across all production plants help ensure consumer safety, while a residual risk remains if products do not meet our stringent quality standards.

Own workforce

- **Health, safety and wellbeing:** Strict, continuously improving health and safety standards significantly reduce risks, yet workplace injuries remain a possibility in manufacturing operations. We improve health and wellbeing through targeted initiatives.

- **Diversity, equity and inclusion:** We maintain strong policies and preventive measures to address potential incidents of workplace violence and harassment.

- **Employee satisfaction, development and working environment:** Extensive learning and development opportunities are provided for all employees.

Business conduct

- **Business conduct:** Our culture of corporate integrity strongly supports compliance and ethical business conduct. Operating globally exposures us to risks of corruption and bribery, mitigated through our compliance systems, analysis, training and our grievance mechanism.

- **Responsible suppliers:** We are committed to responsible purchasing practices, which foster sustainable and ethical actions at our suppliers.

Workers in the value chain

- **Responsible suppliers:** Operating globally presents inherent challenges, including the potential for forced labor within the wider supply chain, but our sourcing and supplier commitments help foster safe working practices and ethical actions, enforce human rights standards and prohibit forced and child labor.

- **Human rights:** Our supply chain faces challenges related to gender inequality, workplace violence and harassment, and disability inclusion. Health and safety concerns and job insecurity persist in the chemical and raw materials extraction industries.

Key business risks relating to material topics

Our material sustainability topics and risks – including climate-related risks – are closely aligned with our Enterprise Risk Management (ERM) framework and additionally informed by our Task Force on Climate-related Financial Disclosures (TCFD) report. Material sustainability topics are integrated with several of the main business risks, mitigation actions and opportunities identified in our latest enterprise risk assessment.

Each top risk, including the respective mitigation actions, is owned by a member of the Group Executive Board. Each mitigation action has an owner at Group level who works closely with the respective regional functions to ensure local implementation.

For additional details, see our **ERM section** → and **Appendix: TCFD report** →.

Our key policies

Information on our commitments and our activities and measures to implement our policies on environmental matters, social issues, employee-related matters, respect for human rights and combating corruption throughout our value chain is included in the relevant sustainability chapters. Additional information in relation to various sustainability-related matters can be found in SIG's key policies, which provide further details on our commitments, targets, implementation approach and specific responsibilities. We aim to reduce the negative sustainability-related impacts of our business and maximize climate-positive outcomes by adhering to our key policies. The key sustainability-related policies and the SIG Code of Conduct are approved by the Board of Directors.

The table below provides an overview of SIG's key policies. The key policies are available on our website. See our website: https://www.sig.biz/en/sustainability/esg

SIG key policies

	Environmental matters						Social matters		Employee-related matters			Respect for human rights	Combating corruption
Topic	Climate change	Waste and circular economy	Biodiversity and forest ecosystems	Sustainable raw materials	Water	Innovation in products and services	Responsible suppliers	Product safety and integrity	Health, safety, and wellbeing	Diversity, equity, and inclusion	Employee satisfaction, development, and working environment	Human rights	Anti-corruption/ Business conduct
Sustainability chapter	Climate+ Resource+	Nature+ Resource+	Nature+ Resource+	Nature+ Resource+	Nature+ Resource+	Resource+	Nature+ Our suppliers	Food+	Our people	Our people	Our people	Our people Our suppliers	Our people Our suppliers
SIG's key policies *(with chapter references)*													
Overview of SIG's ESG commitments	●	●	●	●	●	●	●	●	●	●	●	●	
Code of Conduct									3	2		4	6 7
Supplier Code of Conduct							●					●	●
Corporate Governance Policy													3 4.2 4.4

● The whole key policy is relevant.

SIG key policies

	Environmental matters						Social matters		Employee-related matters			Respect for human rights	Combating corruption
Topic	Climate change	Waste and circular economy	Biodiversity and forest ecosystems	Sustainable raw materials	Water	Innovation in products and services	Responsible suppliers	Product safety and integrity	Health, safety, and wellbeing	Diversity, equity, and inclusion	Employee satisfaction, development, and working environment	Human rights	Anti-corruption/ Business conduct
Sustainability chapter	Climate+ Resource+	Nature+ Resource+	Nature+ Resource+	Nature+ Resource+	Nature+ Resource+	Resource+	Nature+ Our suppliers	Food+	Our people	Our people	Our people	Our people Our suppliers	Our people Our suppliers
SIG's key policies *(with chapter references)*													
Environment, Health and Safety Policy (EHS)	4.1 4.2	4.5 4.6 4.8	4.7	4.1 4.2 4.4	4.3	4.8 4.9	4.5	4.9	5.1 5.2 5.3				
Responsible Sourcing Policy	4.3 4.4		4.2	4.2			4.1 4.2					4.1	
Human Rights, Labor and Community Engagement Policy							5.1			5.4	5.5 5.6 5.7	5.1 5.2 5.3 5.4	
Product Stewardship Policy	4.1 4.2	4.1	4.1	4.1	4.1 4.2	4.1 4.2		4.1					
Product Safety and Quality Policy								4.1 4.2					
Liquid Packaging Board Purchasing Policy			4 5				4					4	
Anti-Bribery and Anti-Corruption Policy (internal only)													●

● The whole key policy is relevant.

Our sustainability governance

The Board of Directors (Board) reviews and approves SIG's sustainability strategy, governance, and reporting, including the annual sustainability reporting. The Board's Nomination and Governance Committee (NGC) oversees the Company's strategy and governance on corporate responsibility for environmental, social and governance (ESG) matters, in particular, key issues that may affect the Group's business and reputation, including climate and nature-related risks and opportunities. The NGC advises the Board on such matters.

The Group Executive Board (GEB) is accountable for the responsibility roadmap, and along with the Board, receive regular updates regarding the Group's sustainability initiatives and Environmental, Social and Governance (ESG) performance. This ensures that the Board maintains oversight of these matters and key performance indicators (KPIs) that are relevant to the Group's business. The Director Group Corporate Responsibility provided the Board with an annual update where they approved our refocused strategy and targets.

The Audit and Risk Committee (ARC) reviews and discusses the Group's sustainability reports with management and, to the extent applicable and relevant, with the Group's assurance providers. It monitors the Group's performance against the Group's sustainability KPIs. It also makes recommendations to the Board on the Group's public reporting on ESG matters. The Director Group Corporate Responsibility provides an update to the ARC on an annual basis.

In 2024, we briefed the Board on the strategic evolution of SIG's sustainability approach, including our transition toward regenerative packaging solutions. Following this engagement, the Board formally endorsed the revised commitments and targets in 2025, as outlined in this report. The ARC was also updated on the risk and governance implications of these changes.

Ultimate accountability for the Group's ESG performance and progress lies with the CEO and the GEB. This accountability is underpinned by an ESG-related element incorporated in the GEB members' Short-Term Incentive Plan. GEB meetings cover, where relevant, items on sustainability and ESG topics. The GEB approves the Group's annual sustainability report before approval by the ARC and ultimate approval by the Board.

GEB members are part of the Responsibility Steering Group (RSG), which also includes other senior representatives of key functions. The RSG meets twice a year to review strategic proposals and progress and ensure alignment of ESG-related work across the company.

Each focus area of the Group's sustainability approach, including the related commitments outlined in our policies, is owned by a member of the RSG, who is accountable for setting goals and delivering progress through targeted workstreams. Leaders from relevant business functions and regions are responsible for implementing the Group's sustainability commitments, with support from their teams and subject matter experts.

We publish our policies on ESG topics to clearly set out our commitments and targets, except for certain internal policies such as our anti-bribery and anti-corruption policy. Accompanying in-depth internal operating procedures support effective implementation across the business. Employees are provided with training on topics relevant to their role. We also strive to inform and engage all our people on sustainability, with support from our network of Future+ Ambassadors. As part of the SIG Academy, 12 e-training modules on sustainability have been launched and are available to all employees. Interactive webinars on sustainability were also delivered as part of our Upskill sessions, to further build awareness on sustainability topics.

The SIG Foundation also supports our ambitions through targeted charitable projects and partnerships that strengthen civil society and create positive impacts for the environment. Members of the leadership team sit on the SIG Foundation's Board of Trustees.

For more on the SIG Foundation and an overview of its activities in 2025, see **Responsible culture: Communities** →.

Due diligence approach

The Group applies a due diligence approach to address environmental matters, social matters, employee-related matters, human rights and anti-corruption. Relevant impacts, risks and opportunities are regularly assessed and policies implemented and regularly updated. The policies define commitments and targets, as well as measures (implementation approach) and responsibilities in relation to these matters. Measures in place are aimed at reducing negative impacts or increasing positive impacts, where possible.

Measurement and effectiveness

The Group has different management approaches in place to implement measures and ensure their effectiveness. The Group defines KPIs in relation to various matters such as environmental matters, social matters, employee-related matters, human rights and anti-corruption which are regularly reviewed and help us to also quantitatively assess effectiveness and performance over the years against targets. In cases of a negative development of KPIs or in cases of non-achievement of targets, counter measures can be taken, or measures may be adjusted to enhance effectiveness.

Specific measures can be found in our **Climate+** →, **Nature+** →, **Resource+** →, **Food+** → and **Responsible culture: Our people** →, **Our suppliers** → and **Communities** → sections.

The responsibility and accountability of the sustainability commitments and targets have been allocated to sponsors from the GEB to ensure robust integration into the business functions and alignment throughout the organization. Details of the responsibilities are outlined throughout this Annual Report.

SIG sustainability governance structure

Board of Directors (Board)
Role: Reviews and approves SIG's sustainability governance, strategy, and communication

Group Executive Board (GEB)
Role: Accountable for responsibility roadmap

External Responsibility Advisory Group (RAG)
Role: Provide strategic input in the development of SIG's CR agenda and provide feedback on SIG's approach and performance

Responsibility Steering Group (RSG)
Role: Ensure alignment and cross-functional collaboration in the implementation of SIG's sustainability goals and responsibility roadmap

Chair: Director Group Corporate Responsibility[1]

- Chief Executive Officer (CEO)
- Chief Financial Officer (CFO)
- Chief Supply Chain Officer (CSO)
- Chief Technology Officer (CTO)
- Chief Markets Officer (CMO)
- Chief People & Culture Officer (CPCO)
- President & General Manager Europe
- President & General Manager Asia Pacific
- President & General Manager Americas
- President & General Manager India, Middle East & Africa
- Senior Vice President Group Legal & Compliance
- Vice President Global Product Marketing
- Vice President Global Sourcing & Procurement
- Vice President Global Research & Development
- Director Group Corporate Responsibility
- Finance Director Group Accounting & Reporting
- Director Investor Relations
- Head of Corporate Communications
- Managing Director SIG Foundation

Executives of business functions/regions
Role: Responsible for implementing the strategy and delivering must-wins

Future+ Ambassadors
Role: Engage employees on key sustainability topics

SIG Foundation
Role: Drive activities and projects that strengthen civil society and create positive impacts for the environment

1 Promoted to the RSG chair in March 2025.

Integrating external insight

Members of the GEB meet twice a year with our independent Responsibility Advisory Group (RAG), a group of external experts who provide strategic input to the RSG and GEB and challenge us to improve.

In 2025, the RAG helped shape SIG's strategic refocus toward a regenerative packaging system, aligning on a clear set of commitments and targets that respond to escalating global sustainability challenges. Recognizing the need for systemic change, the RAG supported SIG's integrated approach across Climate+, Resource+ Nature+, Food+ and Responsible culture, and emphasizing innovation as a key driver of this change. Members acknowledged that SIG's impact extends beyond packaging, contributing meaningfully to broader environmental and social goals.

From Left to Right: Fabio Grazioli, Gregory Norris, Gail Klintworth, Gavin Steiner, Samuel Sigrist, Anne Erkens, Matthew Sherwood, Thomas Vellacott, Isabelle Riege, Karina Boers, Veronique Cremades-Mathis, Christian Bauer.

SIG's goal to build a regenerative food packaging system is a major step forward. The focus on restoring ecosystems and improving forest landscapes respects the link between packaging and nature, and how that link can be harmful but can also be beneficial. It's encouraging to see investments in biodiversity preservation and partnerships such as WWF. Combined with science-based climate targets and a clear Scope 3 strategy, SIG continues to walk the talk of pursuing systemic change. The approach maintains SIG's leadership in integrating nature-positive outcomes with business goals. Scaling these efforts will require persistence and collaboration, and SIG has good track records on both of those as well. And I believe that employee engagement on these topics can provide an extra lever to turn ambition into action.

Greg Norris (RAG Chair)
Co-Director of the Sustainability and Health Initiative for NetPositive Enterprise (SHINE)

A global vision must translate into solutions that work locally and address customer challenges. SIG's focus on renewable materials, paperization, and aseptic technology aligns innovation with customer needs and consumer expectations for safe, sustainable products. These solutions also support nutrition and health goals. The four action areas – Nature+, Resource+, Climate+, and Food+ – provide a framework for systemic change, but success depends on practical outcomes and partnerships. Regional differences mean collaboration with customers and local stakeholders is essential.

Gail Klintworth
Chair, Non-Executive Director, and (Board) Advisor: Rabobank, Shell Foundation, MAS Holdings, Globescan, Takeda Pharmaceuticals, Al Dabbagh Group, Savo Project Developers

Capital markets reward companies that combine sustainability with growth. SIG's strategy update aligns with global trends and creates business opportunities. Its priorities increasingly support customers' ESG goals and regulatory compliance. Progress in formats like bag-in-box and spouted pouch strengthens competitive advantage, while aseptic technology offers benefits as regulations tighten – safe distribution without preservatives. Companies leveraging these shifts will be well positioned for growth. SIG's science-based targets signal resilience and long-term value creation.

Matt Sherwood
Chief Executive Officer Pothos Partners & Chief Investment Officer for the Pothos Climate Fund

The era of commitments without clear pathways is over – credible transition plans matter. SIG's net-zero roadmap, backed by science-based targets, reflects this shift. At the same time, partnerships like WWF's Forests Forward program deliver real impact by restoring forests, protecting biodiversity, and engaging communities. These actions can trigger systemic change. Transformation must accelerate exponentially, not progress linearly. SIG's strategy shows an understanding of this dynamic and a willingness to lead on climate and nature.

Thomas Vellacot
Chief Executive Officer, WWF Switzerland

Building a regenerative packaging system is about people: employees, customers and consumers as much as technology.

Companies that succeed, attract the right talent, anticipate consumer expectations for sustainable, safe, and easy-to-use packaging as they respect our natural environment.

SIG definitely embeds sustainability into its core business and drives innovation in recyclability, renewable materials, reducing plastics, responding to the needs of emerging food and health trends. These milestones meet both environmental goals and market demands. Preparing for future trends, such as Gen Z expectations, will require greater collaboration across regions and systems: SIG is well positioned to lead on both people and innovation.

Véronique Cremades-Mathis
Independent Board Director at Terracycle, The Pure Food Co and Executive Director at Mathis Consulting

Stakeholder engagement

We engage with stakeholders to understand what matters most to them, and we respond to their feedback. Based on their feedback, we continually review and update the Group's key policies on sustainability-related topics (see **Our key policies**).

How we engage with stakeholders

How we engage	Key topics and concerns	Our response
Customers		
• Regular interactions with customers through sales and service • Partnerships, including developing new products, supporting recycling initiatives and workplace safety • Thematic campaigns on product innovation and sustainability during trade shows and through the SIG Terra Experience customer webinars • Dedicated meetings and workshops on sustainability topics with SIG's sustainability experts • Customer questionnaires • Net Promoter Score Customer questionnaires	• Environmental and social issues • Compliance with regulations related to packaging • How we can support progress towards their sustainability goals, notably related to carbon emissions, recyclability of products, recycling infrastructure • Use of renewable and recycled materials and responsible sourcing traceability • New nutritional offerings	• Established industry platforms e.g. SEDEX and EcoVadis, to demonstrate compliance • Product innovation • ISO-compliant life-cycle assessments of our packaging solutions • Customized product carbon emission calculations provided on request • FSC™ and ASI certifications and on-pack label use, with support for customer reporting on responsible sourcing • Customer support for Scope 3 emissions reporting • ISCC PLUS certification for mass balanced forest-based renewable and recycled polymers • Engagement in AIM Progress to promote responsible sourcing practices and sustainable supply chains
Employees		
• Global employee survey • Pulse surveys • SIGer internal social app • Regular day-to-day dialogue • Formal appraisals • Consultation with employee representatives • Townhall meetings • Recognition schemes • Future+ Day • Community engagement programs • Health and safety committees • Upskill sessions • SIG Academy • Employee interviews and focus groups • Hiring Manager experience surveys	2025 global employee engagement survey results: • Overall engagement remained strong, reflecting a strong sense of connection, purpose, and motivation across SIG • We outperformed the industry benchmark in all categories	• Employee survey results shared with managers and employees at global and local levels • Action plans to address specific concerns

How we engage	Key topics and concerns	Our response
Industry		
• Industry associations and platforms including our newly founded global Food and Beverage Carton Alliance (FBCA) (see **Appendix: Partnerships and memberships** →) • The Consumer Goods Forum • The Alliance to End Plastic Waste	• Common advocacy goals • Shared industry challenges e.g. increasing collection and recycling rates for used packaging • Aligned Design for Recycling guidelines and assessment protocols on recyclability	• Helped set up the FBCA • Contributed to the newest 4evergreen publications on Circularity by Design guidance and Evaluation protocols for UBC specialized recycling mills • Within the FBCA we worked on an assessment protocol for fiber-based packaging entering the used beverage carton waste stream • SIG Director Group Corporate Responsibility was appointed to the FBCA Board of Directors in January 2025
Investors		
• Annual General Meeting • Quarterly reporting and investor calls • At least twice-yearly management roadshows • A capital markets day or a strategic investor update at least every 18 months • Regular dialogue with investors and interested parties • Investor conferences (13 in 2025)	Investors seek sustainable, long-term returns. The main ESG topics they raised continue to be: • Interconnection between sustainability initiatives and returns • Recycling and circularity • Further paperization of SIG's packaging products and expected returns • Alignment with EU Taxonomy, TCFD, TNFD	• Driving progress on recycling and circularity with product innovation • Reporting uptake of our most sustainable products • Sustainability strategy update • Investor meetings with sustainability experts
Suppliers		
• Regular engagement and partnerships • Communication of our expectations on ethical, social and environmental topics • Compliance assessments and audits • Supplier Engagement Program	Suppliers need to know what our requirements are on responsibility, so they can understand how to meet them.	• Supplier Code of Conduct • Encourage suppliers to maintain certification to standards on responsible sourcing • Engage with key suppliers to support our Net Positive ambitions[1] • Partnerships to identify and source materials that enable us to develop lower-carbon packaging solutions • Signed letters of intent for Nature+ projects with aseptic carton liquid packaging board suppliers

1 Developed in the Net Positive Project.

How we engage	Key topics and concerns	Our response
Sustainability experts and non-governmental organizations (NGOs)		
• Responsibility Advisory Group (RAG) • Regular conversations with experts from academia, institutes, government, and NGOs • Participation in multi-stakeholder initiatives • Engagement with experts e.g. Institute for Energy and Environmental Research (ifeu) and Forum for the Future • Partnerships with NGOs e.g. WWF Switzerland • Ellen McArthur Foundation	• Understanding future trends • Management of our most material topics • Setting ambitious targets • Transparent reporting on our performance following recognized international standards • Circularity	• Sustainability built into our Corporate Compass and key business processes • Clear governance structure • Reporting in accordance with the Global Reporting Initiative (GRI) Standards • External assurance for key data • Use of international protocols and standards in the management of specific focus areas • Joined the Ellen McArthur Foundation to engage in the circularity of our bag-in-box and spouted pouch solutions globally • Joined the Food Cluster of the Climate & Health Coalition hosted by Forum for the Future • Joined the Science Based Targets Network (SBTN) Corporate Engagement Program
Policymakers and regulators		
• Engagement through relevant industry associations	Broad range of topics including: • Responsible production • Sustainable consumption • Recycling and circular economy • Pathway to net zero greenhouse gas emissions • Human rights due diligence • Contributions to global goals • Corporate sustainability reporting	• Identification of material topics • Topics relevant to public policy addressed through our sustainability action areas and enablers • Support for EU Packaging and Packaging Waste Regulation (PPWR): helping to ensure beverage cartons are collected and recycled in an easy and simple way in the EU • Following developments regarding sustainability reporting legislation and standards
Local communities around SIG production sites		
• Community engagement program • Family days and open days at our sites • Recycling initiatives • SIG Foundation • Future+ Ambassadors	Issues raised by communities are generally specific to a local area.	• Expansion of SIG Foundation projects • Employee-led community engagement initiatives • Community recycling programs • Global engagement day • Volunteering for better

Employees, suppliers, customers and any third parties can report issues or concerns via our Integrity & Compliance Hotline.

Climate+

We aim for climate-positive packaging by designing solutions that actively reduce emissions and remove carbon, and commit to decarbonizing our value chain in line with climate science, while enabling carbon emission savings beyond our value chain.

To achieve this, our focus within our value chain lies on:

- Accelerating decarbonization through the use of renewable, low carbon and regenerative materials across all packaging formats and the whole value chain.
- Phasing out fossil-based inputs by shifting to bio-based alternatives and renewable energy throughout the value chain.
- Enabling circularity as a complementary strategy such as keeping materials in use longer to further reduce carbon emissions and resource extraction.
- Paving the way to capturing carbon inside the SIG value chain in view of the role nature and forest can play.

Beyond our value chain we focus on:

- Helping customers and consumers reduce food loss and waste.
- Helping customers and consumers to use packaging with a significantly lower carbon footprint than conventional alternatives[1] in the segments we serve.

Through this approach, our packaging will go beyond minimizing impact. It will actively contribute to decarbonizing the food distribution system and deliver positive climate outcomes inside and outside our value chain.

Our targets and climate transition plan – which address both physical and transition-related risks, outline mitigation and prevention measures, and identify opportunities – are comparable with Swiss climate goals as set out in the Swiss Climate Protection Ordinance and the Climate and Innovation Act. See our **TCFD report** →, the **Key performance indicators** →, and the **Greenhouse gas emissions basis for reporting** → in the Appendix.

1 See **Our sustainability approach** → for details of our packaging life-cycle assessments.

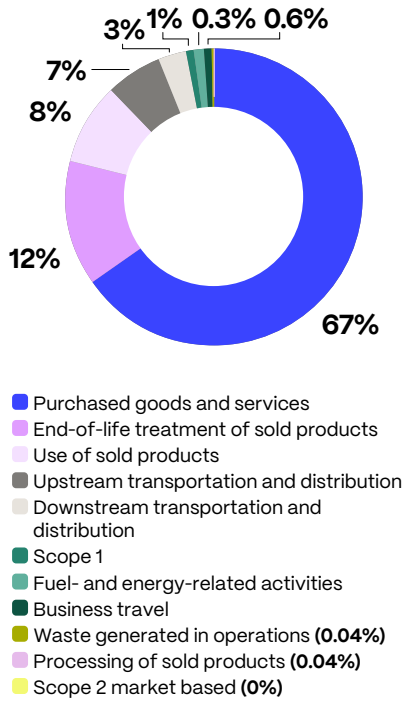
Our commitments

We will drive the transition to a regenerative packaging solution that will help to remove more carbon than is emitted for production. We will achieve this in line with our 2050 Net Zero value chain commitment, with clear and ambitious SBTi-approved targets, sub-targets and collaborative actions:

- **Decarbonizing our operations:** As near-term targets, SIG commits to reduce absolute Scope 1 and 2 greenhouse gas emissions by 42% by 2030 from a 2020 base year and to continue annually sourcing 100% renewable electricity through 2030. And as a long-term target, SIG commits to reduce absolute Scope 1 and 2 greenhouse gas emissions by 90% by 2050 from a 2020 base year.
- **Decarbonizing our value chain:** SIG further commits to reduce Scope 3 greenhouse gas emissions by 51.6% per liter packed by 2030 from a 2020 base year. SIG also commits to reduce Scope 3 greenhouse gas emissions by 97% per liter packed by 2050 from a 2020 base year.

SIG is also committed to **reducing climate impacts beyond our value chain** by helping our customers and consumers reduce their carbon footprint.

SIG Group emissions
by category in 2025[2]



2 Due to rounding, the sum of individual percentages may not precisely equal 100%.

Our approach

Measures taken and responsibilities

Decarbonizing our operations

Chief Supply Chain Officer

Eliminating fossil-based inputs will accelerate our own operational decarbonization and support our efforts to deploy a regenerative packaging solution. The following targets are driving the decarbonization of Scope 1 and 2 greenhouse gas (GHG) emissions of 42% by 2030 (from 2020).

Reduce 42% of our absolute Scope 1 emissions, by 2030 (from 2020)

Maintain 100% renewable electricity (at production plants)[1]

Maintain at least 25% of our global electricity consumption for our production covered by PPAs, thereof at least 10% should come from on-site solar generation

Scope 1

- We are continuing to transition our on-site fleet to electric vehicles powered by renewable electricity from our production facilities[1].
- Biomaterials continue to be used for printing, and we have advanced further by adopting water-based inks.
- Natural gas is being phased out through the electrification of operations and the investigation of sustainable fuel alternatives such as biogas and green hydrogen.

Scope 2

- We implemented energy-saving technologies across our factories and offices to improve efficiency and reduce consumption.
- Renewable electricity continues to be directly sourced through either on-site solar installations, Power Purchase Agreements (PPAs) or Renewable Energy Certificates (RECs) at all production plants.
- We are exploring on-site battery storage solutions to maximize the capture and use of solar energy generated at our facilities.

Operational efficiency and solar initiatives

In 2025, we accelerated our efforts to reduce our operational energy use through targeted efficiency initiatives, while continuously increasing our on- and off-site Purchase Power Agreements[1].

At our Linnich plant in **Germany**, a series of upgrades are expected to avoid 4,700MWh in natural gas and 1,600MWh in electricity use annually:

- Installation of heat recovery compressors and a heat recovery folder and sealer.
- Implementation of a weekend production plant shutdown.
- Installation of an adsorption plant for waste gas treatment.

Operating efficiency improvements in air compressor systems (a high electricity consumer) at our **Thailand** and Suzhou, **China** plants are projected to avoid energy waste of 720MWh.

Our continued rollout of on-site solar panels at our facilities in **Saudi Arabia**, **China**, **India**, **Mexico** and **Austria** are estimated to transition a combined 5.15MWp (Megawatt peak) capacity addition to on-site renewable energy.

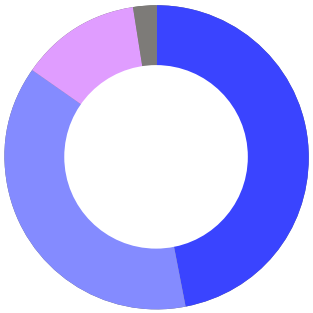
1 We source 100% renewable electricity for our production and compensate for all remaining non-renewable energy through Gold Standard CO_2 offsets.

Decarbonizing our value chain

Scope 3

The efforts needed to decarbonize our value chain will need to be varied and impactful. In developing the pathway to our 2030 and 2050 targeted Scope 3 greenhouse gas reductions per liter packed of 51.6% and 97% respectively (from 2020), we have identified key areas that will continue to drive us forward on our efforts thus far and additionally support our **Nature+** → commitments.

Targeted 2030 greenhouse gas Scope 3 reductions



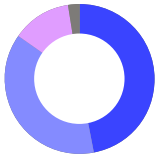
- Suppliers, including A-Materials[1]
- Eco-innovation
- Customers and other downstream activities
- Inbound and outbound logistics

Suppliers, including A-materials[1]

VP Global Sourcing & Procurement

Reducing emissions from our suppliers is critical, as they represent a significant share of our supply chain footprint. By collaborating on low-carbon materials and processes, we can drive deep reductions at the source.

Targeted 2030 greenhouse gas Scope 3 reductions – suppliers



Reduce 35% of CO_2 emissions from our A-material[1] suppliers, by 2030 (from 2020)

- We seek optimal impact on supplier collaborations by scoping and priority setting to identify key suppliers with the capacity to strengthen emissions measurement and reduction and enhance energy and resource efficiency.
- Targeted collaboration is provided to suppliers through capacity building, tailored resources, and expert guidance to help them adopt sustainability practices aligned with climate science.
- Our collaboration with suppliers to implement low-carbon technologies includes three areas:
  - energy efficiency upgrades such as process optimization and high efficiency equipment;
  - renewable electricity adoption through PPAs or on-site generation; and
  - sustainable production methods such as low-carbon materials, closed-loop systems, and ISO-aligned management practices.
- Suppliers are encouraged to optimize sourcing practices by improving material efficiency, minimizing waste and selecting more sustainable alternatives if available.
- With our aluminum suppliers, we encourage them to use green ingots in their production, or by partnering with suppliers who operate green smelters powered by renewable energy.
- We shift to low-carbon and recycled materials by sourcing sustainable alternatives produced with renewable energy and incorporating recycled content into packaging.
- Our Climate+ tendering process is being deployed to further embed sustainability into procurement decisions.
- Where possible, we include binding clauses on GHG emission reduction into supplier contracts.

Suppliers with Science-Based Reduction Targets

We prioritize suppliers that have aligned their greenhouse gas reduction targets with the Science Based Target Initiative (SBTi) or other established scientific methods. 36% of our A-material[1] suppliers have SBTs, and a further 25% have commitments aligned with a 1.5°C decarbonization pathway.

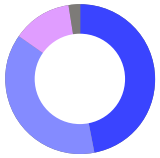
1 See **Responsible culture: Our suppliers** → for our A-materials definition.

Product innovation

VP Global Research & Development and VP Global Product Marketing

Innovating our product portfolio not only advances our targets to lower emissions even further but also supports a more resource-efficient future. By rethinking how our packaging is sourced, designed, and recovered, we can drive a significant reduction in our value chain emissions.

Targeted 2030 greenhouse gas Scope 3 reductions – product innovation



Reduce 15% of Scope 3 greenhouse gas emission through SIG Product Innovation, by 2030 (from 2020)

Our product innovation efforts are closely aligned with the ambitions outlined in our **Resource+** → commitments which focus on maximizing renewable content, reducing raw material use and designing packaging for effective recycling.

Optimizing material use not only conserves resources but also minimizes emissions associated with extraction, processing, and transport. Furthermore, designing packaging for effective recycling helps close the loop, reducing the need for virgin materials and the emissions tied to their production.

One of the significant drivers in both decarbonization and resource minimization is the continued rollout of our SIG Terra Alu-free + Full barrier aseptic carton as part of our SIG Terra solutions.

SIG Terra portfolio

Our SIG Terra portfolio solutions lower the carbon footprint of our aseptic cartons even further, compared with standard SIG aseptic cartons, including by up to 61%[1] for our SIG Terra Alu-free + Full barrier + Forest-based polymers[2] solution.

By accelerating the global rollout of our SIG Terra portfolio, we estimate a cumulative reduction potential of ~139.7 $ktCO_2e$ by 2030[3] in our Scope 3 upstream emissions (materials and packaging components). In parallel, our customers can achieve an additional reduction of approximately 25% in cradle-to-SIG-gate emissions[4], supporting their own science-based targets and decarbonization roadmaps.

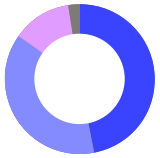
1 Life-cycle assessment for CB-100740 in Europe.
2 Via an independently certified mass balance system.
3 Based on our 2024 LEAP Forecast.
4 Illustrative figures referring to the climate change impact of an average 1 liter SIG aseptic beverage carton in Europe based on indicative results from our internal life-cycle assessment tool.

Customers and other downstream activities

VP Global Research & Development supported by VP Global Product Marketing

Partnering with customers to reduce downstream emissions helps extend our impact beyond our operations. By enabling more sustainable use and end-of-life solutions, we support a low-carbon value chain.

Targeted 2030 greenhouse gas Scope 3 reductions – other downstream activities



Reduce 35% of CO_2 emissions from other downstream activities by 2030 (from 2020)

- We are transitioning our aseptic carton portfolio to innovative, low-carbon, aluminum-layer-free packaging solutions (see **Our sustainable packaging journey** →), helping customers significantly reduce Scope 3 emissions.
- Every new machine is designed to use resources more efficiently, helping reduce the amount of energy, compressed air, hydrogen peroxide and water needed to run equipment at our customers' factories.
- Through our SIG EcoFill Consulting program, we support aseptic carton customers in identifying opportunities to reduce resource use in their filling lines.
- We provide tools and resources to help all our customers measure the carbon footprint of our products, supporting their transition to more sustainable operations.
- Assistance is offered for energy efficiency projects, including process optimization, advanced monitoring and high-efficiency equipment to help customers cut emissions.
- Strengthening circularity through our **Resource+: Recycling at scale** → commitment contributes significantly to Scope 3 reductions in end-of-life treatment by diverting used packaging from landfill into recycling.

SIG EcoFill Consulting program

The SIG EcoFill Consulting program continues to deliver value chain GHG, energy and water reduction for our customers and supports our ambition to decarbonize our value chain.

Key to the program are semi-automated cleaning machines, which cut water use by 54% compared with manual cleaning, and water reduction kits, designed to cut water consumption by up to 50%.

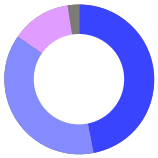
In 2025, the installation of 53 upgrade kits through the SIG EcoFill Consulting program helped our customers to reduce resource use, enabling annual savings of around 36 million liters of water, 1.09 million m^3 of compressed air, 207 MWh of energy, and approximately 75 metric tons of CO_2 emissions.

Inbound and outbound logistics

VP Global Sourcing & Procurement

Optimizing logistics is essential to cut transport-related emissions across our supply chain. Shifting to lower-emission modes and improving efficiency will reduce our footprint while enhancing resilience.

Targeted 2030 greenhouse gas Scope 3 reductions – inbound and outbound logistics



Reduce 25% of CO_2 emissions from inbound and outbound logistics[1], by 2030 (from 2020)

- Inbound logistics have been optimized to cut transport emissions by streamlining supply chain design, reducing empty miles, and partnering with certified low-carbon logistics providers.
- We have begun fleet electrification in collaboration with suppliers and logistics partners by deploying electric trucks, installing charging infrastructure, and implementing energy management systems.
- Intermodal transportation is being expanded through modal shifts to rail, inland waterways, and other lower-carbon alternatives.
- We have deployed route optimization and load consolidation technologies to improve transport efficiency and maintain a high truck utilization rate, thereby minimizing emissions.
- Truck utilization rates are monitored monthly to identify and enhance our efficiency in outbound logistics.
- Sustainable fuel options, including mass balancing for road fleets and maritime transport, are being assessed and piloted as complementary pathways where electrification is not yet feasible.

Optimizing logistics efficiency through pallet scheme conversion

In 2025, SIG continued its shift from one-way pallets to pooled solutions, which includes pallet conversion through the recovery, repair, and redistribution of pallets in a supply chain. Reflecting our commitment to sustainable logistics and circular supply chain practices, our aseptic business in Europe achieved a conversion rate of about 77% to the CHEP company pooled pallet scheme (approximately 74% in 2024).

Reducing climate impacts beyond our value chain[2]

Director Group Corporate Responsibility

To achieve climate-positive outcomes, we extend our efforts beyond our own value chain by supporting broader system transformation. This includes initiatives that strengthen ecosystem resilience, accelerate sector-wide decarbonization and empower informed decision-making – helping to reduce emissions across the wider food and beverage value chain.

- Together with our customer Nestlé, we partner with public institutions to support cross-sector decarbonization, such as co-funding the Chair in Sustainable Materials at the Institute of Materials School of Engineering at EPFL (École Polytechnique Fédérale de Lausanne), which researches renewable and underutilized bio-based resources as substitutes for fossil polymer feedstocks. In 2025, this collaboration yielded four scientific publications on nanocellulose films, mycelium composites, lignin-based materials, and aerogels from waste streams.
- Evidence of our lowest carbon footprint solutions are provided through publicly available, critically reviewed life-cycle assessment studies aligned with ISO 14040 standards, enabling informed and factual decision-making (see **Our sustainable packaging journey** →)
- Through our **Resource+** → commitments, we enhance sector-wide end-of-life collection and recycling by embedding design-for-recycling principles and expanding recycling capacity at scale through global collaborations.
- We support nature-based solutions by investing in land restoration and improved landscape management programs that strengthen ecosystem resilience (see **Nature+: Support thriving forests** →).
- Partnerships with NGOs, governments, and industry groups help us drive innovation in sustainability and promote climate-positive initiatives beyond our immediate footprint, such as the Food Cluster in the Climate-Health Coalition hosted by Forum for the Future (see **Food+: Help transform the food system** →)

Empowering informed choices

In 2025, we advanced our commitment to transparency by completing independent life-cycle assessments (LCAs) for our **Bag-in-Box** and **Spouted Pouch**[3] solutions in the United States, aligned with ISO 14040 and 14044 standards, and confirmed consistency with our 2024 European LCAs. The results are publicly available, enabling consumers, retailers, and brand owners to make informed, climate impact product choices based on verified data.

The findings were compelling:

- Bag-in-Box for wine showed up to an 83% reduction in CO_2-eq. emissions compared to lightweight glass bottles, and up to 87% compared to standard glass.
- Spouted Pouches for fruit-based purées delivered up to 57% less than plastic tubs and up to 83% lower CO_2-eq. emissions than glass jars.

By making this data accessible, we empower consumers to choose packaging that aligns with their sustainability values, helping reduce climate impacts far beyond our own value chain.

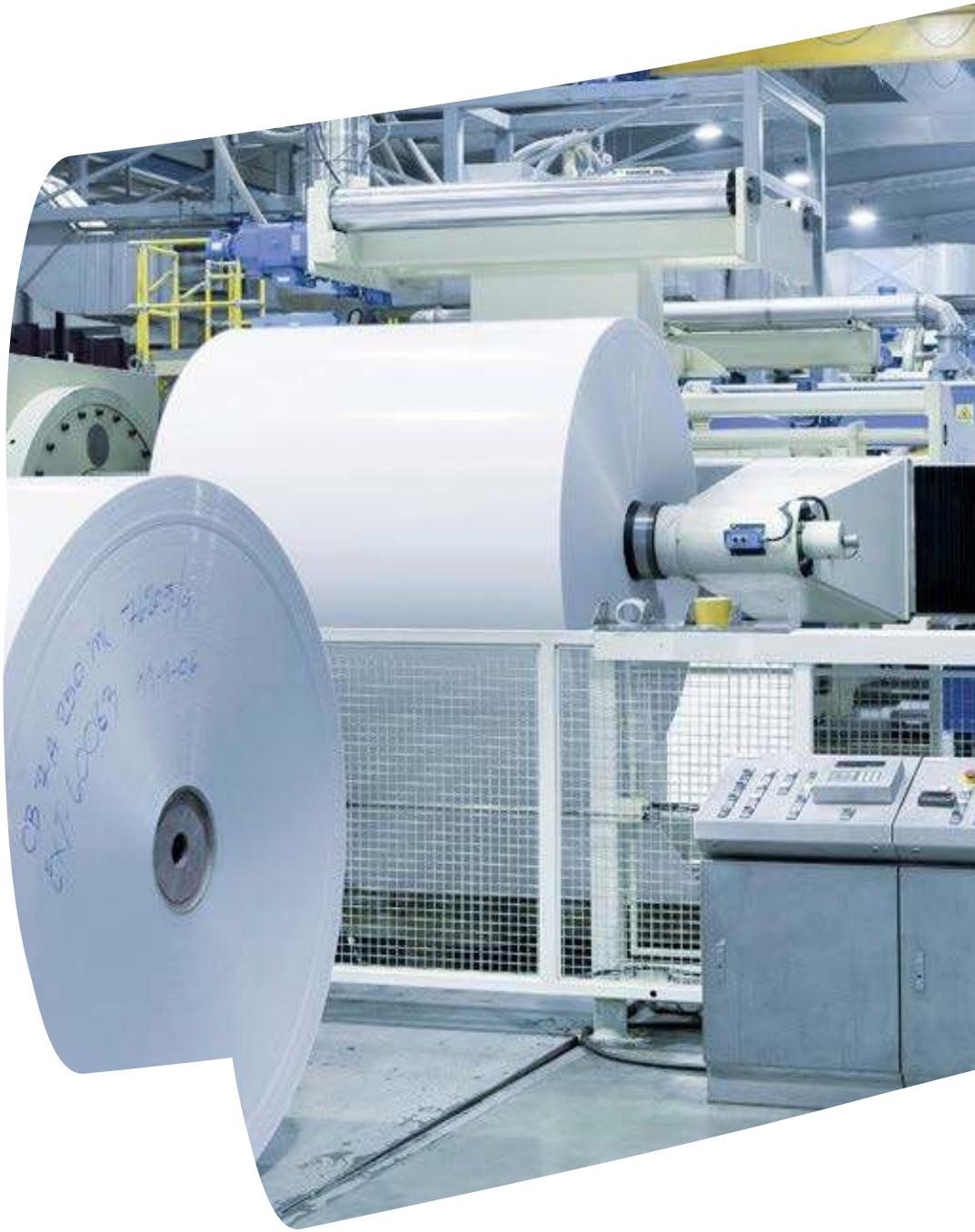
1 Reduction of greenhouse gas Scope 3 categories 4 and 9.
2 Reducing climate impacts beyond our value chain refers to climate benefits and impact reductions that other actors can achieve related to our products, services and action. Agreed methods to capture and account for positive outcomes are in development.
3 Based on life-cycle assessments using the ISO 14040 and ISO 14044 international standards and critically reviewed by an independent expert panel of an average SIG Bag-in-Box CB-100736 and a SIG Terra Spouted Pouch CB-100738 for the United States and Europe.

Assessing effectiveness

In addition to the performance assessment of our targets and **Key performance indicators** →, we assess the effectiveness of our Climate+ policies and actions through our Climate Positive program reporting listed below. The program has been established to develop emission reduction milestones, closely monitor progress and make adjustments as needed to ensure we meet our mid- and long-term goals, as well as customer expectations.

Reducing climate impacts beyond our value chain is assessed in line with actions on **Resource+** →, **Nature+** → and **Food+** →.

Reporting	Department	Responsible	Regularity
Decarbonizing our value chain (including operations in the Climate Positive program)			
Energy consumption Direct emissions	• Manufacturing plants	Chief Supply Chain Officer	Monthly
Raw materials for packaging Energy sourcing	• Global Sourcing and Procurement	Chief Supply Chain Officer	Quarterly
Raw materials for equipment	• Equipment Sourcing and Procurement		
Upstream transportation Downstream transportation	• Global Supply Chain Management		
Processing and use of sold products	• Product Management Equipment		
Treatment of sold products	• Group Corporate Responsibility		
Sustainable product portfolio development and deployment	• Global Product Marketing	Chief Marketing Officer	Quarterly



Our targets and performance

2020 to 2025 targets and performance

Target	Material topics	Progress tracker	2025 performance	Next steps
Net zero value chain greenhouse gas emissions by 2050	• Climate change	More work to do	We redesigned our decarbonization strategy to strengthen progress through 2030, ensure alignment with our Science-Based Targets, and set a clearer long-term pathway toward 2050 that extends beyond our operations and value chain. While this redesign improves strategic clarity and direction, additional work is still needed to accelerate implementation and progress toward Net Zero.	Retained in our **Climate+** → and Science Based Target Initiative (SBTi) commitments.
Reduce Scope 1 and 2 greenhouse gas emissions by 42% by 2030, and by 90% by 2050 (from 2020)		On track	Scope 1 and 2 absolute reductions have remained stable (78% in 2025), supported by continued execution of our operational decarbonization plan to sustain progress against our 2030 pathway and maintain momentum toward our longer-term targets.	Retained in our **Decarbonizing our operations** → and SBTi commitments.
Maintain 100% renewable electricity and Gold Standard CO_2 offset for all non-renewable energy (at production plants)		On track	We continue to source 100% renewable electricity for our production and compensate for all remaining non-renewable energy through Gold Standard CO_2 offsets.	We have retained our renewable electricity target, while non-renewable energy is covered under our Scope 1 reduction target in our **Decarbonizing our operations** → commitment.
Expand use of on-site solar power to meet at least 10% of our global electricity use as part of overall renewable power purchase agreements (PPAs) to meet 25% of our global electricity use by 2025		More work to do	We have expanded our total on-site solar capacity to 38.9 MWp. On-site solar power met 7.3% of our global electricity needs for production this year and, overall, renewable PPAs (both on- and off-site) met 24.7%.	Retained in our **Decarbonizing our operations** → commitment.
Transition to 100% bioethanol or other biomaterials for printing our aseptic cartons by 2025		Completed	Since January 2024 all of our aseptic plants only purchase plant-based ethanol for printing purposes.	With the target now completed, we are focusing on more strategically impactful initiatives.

Target	Material topics	Progress tracker	2025 performance	Next steps
Reduce Scope 3 greenhouse gas emissions by 51.6% per liter packed by 2030, and by 97% by 2050 (from 2020)	• Climate change	More work to do	Our Scope 3 emissions per liter packed decreased by 9% from 2020, slightly behind our reduction pathway.	Retained in our **Decarbonizing our value chain** → and SBTi commitments
Reduce CO_2 emissions from inbound and out bound logistics[1] by 18% (from 2020) by 2025		More work to do	Inbound and outbound logistics emissions have remained at 2020 levels, putting us slightly behind target; however, we strengthened the enablers needed to accelerate reductions going forward.	Updated in our **Decarbonizing our value chain** → commitment.
Reduce energy use by 20%, hydrogen peroxide use by 35%, and water use by 25% per hour of runtime in our next-generation filling machine for mid-size format aseptic carton packs[2] by 2025	• Innovation in products and services	Partially achieved	Progress was made towards intended efficiency targets with the launch of SIG Neo Slim 15 in 2025.	We will continue to reduce consumable use in our machines in line with our **Decarbonizing our value chain** → commitment.
Reduce use of consumables by 25% for the next-generation filling machine for small format aseptic carton packs by 2025		Partially achieved	We are continuing to work on a single serve filling machine that will reduce the use of consumables.	We will continue to reduce consumable use in our machines in line with our **Decarbonizing our value chain** → commitment.

See **Appendix: Key performance indicators** → for related key performance indicators.

1 Reduction of greenhouse gas Scope 3 categories 4 and 9.
2 Targeted reductions compared with our previous generation filling machines.

2026 to 2030 targets

Target	Material topics	2025 performance
Net zero value chain greenhouse gas emissions by 2050	• Climate change	We redesigned our decarbonization strategy to strengthen progress through 2030, ensure alignment with our Science-Based Targets, and set a clearer long-term pathway toward 2050 that extends beyond our operations and value chain. While this redesign improves strategic clarity and direction, additional work is still needed to accelerate implementation and progress toward Net Zero.
Decarbonizing our Operations		
Reduce absolute Scope 1 and 2 greenhouse gas emissions by 42% by 2030, and by 90% by 2050 (from 2020)	• Climate change	Scope 1 and 2 absolute reductions have remained stable (78% in 2025), supported by continued execution of our operational decarbonization plan to sustain progress against our 2030 pathway and maintain momentum toward our longer-term targets.
Reduce 42% of our absolute Scope 1 emissions, by 2030 (from 2020)		Our Scope 1 emissions reduction remains on track, with an absolute reduction of 29% to date.
Maintain 100% renewable electricity (at production plants)[1]		We sourced 100% renewable electricity for our production in 2025.
Maintain at least 25% of our global electricity consumption for our production covered by PPAs, thereof at least 10% should come from on-site solar generation		We have expanded our total on-site solar capacity to 38.9 MWp. On-site solar power met 7.3% of our global electricity needs for production this year and, overall, renewable PPAs (both on- and off-site) met 24.7%.
Decarbonizing our Value Chain		
Reduce Scope 3 greenhouse gas emissions by 51.6% per liter packed by 2030, and by 97% by 2050 (from 2020)	• Climate change	Our Scope 3 emissions per liter packed decreased by 9% from 2020, slightly behind our reduction pathway.
Reduce 35% of CO_2 emissions from our A-material[2] suppliers, by 2030 (from 2020)		Reporting from 2026
Reduce 15% of Scope 3 greenhouse gas emission through SIG Product Innovation, by 2030 (from 2020)		Reporting from 2026
Reduce 35% of CO_2 emissions from other downstream activities, by 2030 (from 2020)		Reporting from 2026
Reduce 25% of CO_2 emissions from inbound and outbound logistics[3], by 2030 (from 2020)		Inbound and outbound logistics emissions have remained at 2020 levels, putting us slightly behind target; however, we strengthened the enablers needed to accelerate reductions going forward.

See **Appendix: Key performance indicators** → for related key performance indicators.

1 We source 100% renewable electricity for our production.
2 See **Responsible culture: Our suppliers** → for our A-materials definition.
3 Reduction of greenhouse gas Scope 3 categories 4 and 9.

Outlook

Our path towards net zero

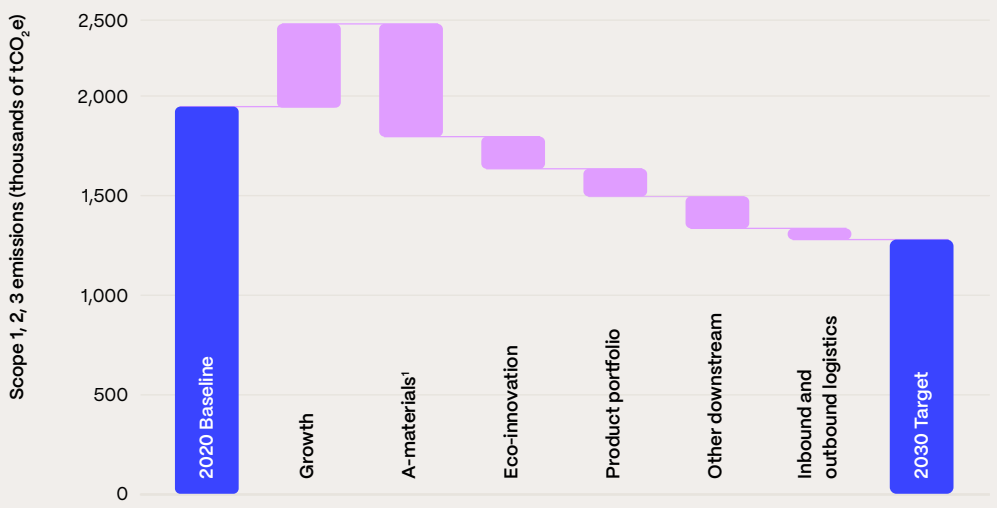
From Baseline to Transformation

Our 2020 baseline serves as the foundation for our long-term reduction pathway. Between 2020 and 2030, business growth is expected to increase emissions due to higher production volumes and expanding markets. This growth effect sets a realistic benchmark for the scale of decarbonization required to achieve our SBTi-aligned target.

Decarbonization Levers and 2030 Target

By 2025, we have already identified over 40 projects across five primary decarbonization levers with quantified reduction potential and defined financial implications. Each project was assessed for emission impact, implementation feasibility, and financial performance, ensuring that our roadmap is both scientifically robust and economically sound.

Decarbonizing our operations and value chain on our path to net zero



To meet our 2030 ambition, we will continue to operate, pilot, or deploy these projects over the next 5 years. Each lever corresponds to one of the reduction steps in our roadmap and collectively drives our transition toward science-based targets.

The cumulative effect of these actions leads to our 2030 target aligned with climate science, representing a substantial reduction in absolute emissions despite business growth. This pathway demonstrates that decarbonization and business expansion can coexist when driven by innovation, collaboration, and disciplined execution.

Decarbonizing our operations

Decarbonizing our operations will continue in earnest by phasing out fossil fuel by modernizing equipment to lower gas consumption, substituting materials that require thermal energy, and transitioning key production processes toward electricity-based solutions, and research of on-site carbon capture. Across our sites, we will continue to improve energy efficiency and source renewable electricity, while exploring battery storage to maximize solar energy use, as well as electrifying our fleet.

Suppliers, including A-materials[1]

As a key enabler of our reduction target, we are launching the SIG Climate+ Accelerator program to strengthen collaboration with our suppliers and accelerate measurable decarbonization across our value chain. Through this program, we will support suppliers in building the necessary capabilities, developing science-based reduction pathways, and implementing practical solutions that enable a shift from commitment to tangible progress. The program is underpinned by our extensive experience in deploying 100% renewable electricity and energy-efficiency projects, and it will be further supported by the Institut für Energie- und Umweltforschung Heidelberg gGmbH (ifeu) to bring expert know-how for the development of climate-ready execution plans. These efforts are complemented by Climate+ tendering, tailored guidance, and binding GHG reduction clauses to ensure accountability and alignment with our long-term net zero ambition.

We are also advancing procurement strategies that integrate emissions forecasts aligned with our sales goals and sourcing plans, ensuring future growth remains consistent with our decarbonization pathway. This includes a targeted shift toward sustainable, low-carbon, and recycled materials, developed in close partnership with our suppliers. Together, we are driving the development of commercially ready, lower-carbon packaging solutions that support the broader transition toward circular, climate-aligned and regenerative value chains.

1 See **Responsible culture: Our suppliers** → for our A-materials definition.

Product portfolio

Our product innovation journey is entering a pivotal phase, with the scale-up of our alu-layer-free aseptic carton as a central driver of decarbonization and circularity. By phasing out the aluminum layer with our SIG Terra Alu-free + Full barrier portfolio, we will not only be reducing Scope 3 emissions but also unlock access to more efficient recycling systems – further complemented by our push to increase paper content (see **Resource+** →). These innovations significantly lower the carbon footprint of our aseptic cartons and support our customers in meeting their own climate goals.

Eco-innovation

Alongside material innovation, we continue optimizing filling line operations to reduce energy consumption at customer sites and advancing the recyclability and reduced carbon impact of our spouted pouches and bag-in-box.

Customers and other downstream activities

Building on the continued enhancement of our packaging recyclability, we are broadening our recycling initiatives to further mitigate emissions associated with product end-of-life. This includes reinforcing industry collaborations, investing in advanced recycling technologies, and expanding programs that strengthen collection systems and improve recycling rates across key markets.

In parallel, through our Climate+ Accelerator, we are expanding our customer service offerings to actively support their energy transition. This involves assisting customers in the identification, integration, and deployment of commercially viable energy-efficiency measures and renewable electricity projects. Together, these initiatives create shared value by reducing emissions throughout the entire packaging life cycle and enabling our customers to advance toward their decarbonization and net zero objectives.

Inbound and outbound logistics

As part of the Climate+ Accelerator, we are also introducing Climate+ tendering for transport suppliers and collaborating with strategic partners to evaluate alternative fuel options that can accelerate the transition to low-carbon logistics. We are also enhancing the efficiency of our inbound and outbound transport through fleet electrification, intermodal solutions, load optimization projects, and improved route planning. These initiatives aim to reduce transport-related emissions while promoting circular supply chain practices, such as pooled pallet systems and shared logistics infrastructure, to maximize resource efficiency across our network.

Nature+

SIG is committed to leading the way in providing regenerative packaging solutions which contribute to halting and reversing of biodiversity loss, **fostering a shift to a nature-positive economy.**[1]

This includes:

- forest landscape restoration and improved landscape management in hotspot areas of biodiversity loss beyond our value chain;
- assessing and mitigating biodiversity loss drivers and adverse nature impact along our supply and value chain;
- responsible sourcing of raw materials; and
- robust communication options for our customers, brands and retailers; for example, through the Forest Stewardship Council (FSC™) label use on 100% of SIG cartons[2].

SIG will achieve this by:

- working toward improved management of forest landscapes and restoring forest ecosystems to a state that supports resilient, self-sustaining natural processes, reducing climate change impacts and enabling thriving nature and biodiversity for future generations;
- delivering full traceability of our main raw material supply chains to understand and create knowledge regarding raw material extraction; and
- avoiding biodiversity reduction and degradation of ecosystems in our value chain through:
  - maintaining responsible sourcing based on the highest standards available for all our A-materials[3];
  - preventing pollution; and
  - introducing water stewardship.

Together with our action on **Climate+** → and **Resource+** →, this approach will contribute to packaging solutions designed to deliver nature-positive outcomes.

1 Referenced in the Kunming-Montreal Global Biodiversity Framework.
2 The FSC™ label that customers can include on SIG packs is the FSC™ Mix label, which means the product is made with a mixture of materials from FSC™ certified forests, and/or FSC™ controlled wood.
3 See **Responsible culture: Our suppliers** → for our A-materials definition.

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Our commitments

The commitments below represent targeted action to regenerate ecosystems, halt biodiversity loss, and drive a just transition that delivers positive outcomes for both nature and people across our value chain:

- Improve forest landscape management and **support thriving forests** to provide resilient, self-sustaining natural processes, enabling thriving nature and biodiversity for future generations.
- **Halt biodiversity loss** and reverse our contribution to biodiversity and nature loss in alignment with the guidance of the Science Based Targets Network (SBTN), by 2030.
- **Prevent pollution** through setting comprehensive A-material[3] sourcing requirements for upstream low pollution raw materials, water stewardship and related impact mitigation roadmaps, by 2030.

Our approach

Measures taken and responsibilities

Support thriving forests

Director Group Corporate Responsibility

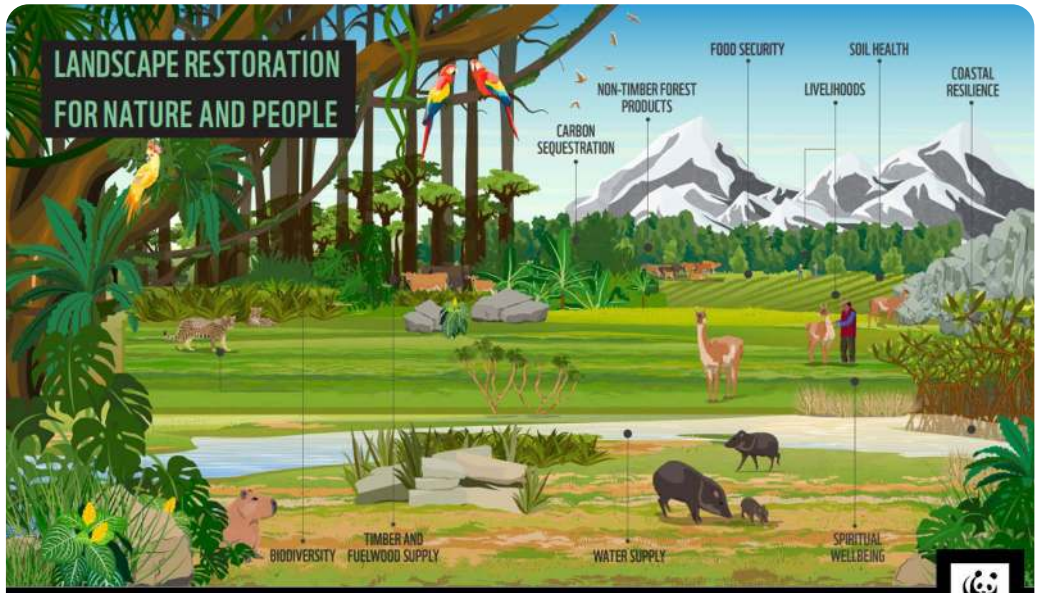
Improving forest landscape management and restoration helps secure the renewable resources essential to a planet and ensures long-term material availability from nature-based systems. This approach supports a just transition by protecting ecosystem services and strengthening the resilience of communities that depend on forest landscapes.

Partner to create, protect, restore or improve management of at least 650,000 additional hectares of forest beyond what we need to make our products[1], by 2030 (from 2020)

Work with customers to include the Forest Stewardship Council (FSC™) label on 100% of the cartons we sell, by 2030

Our approach for forests contains responsible sourcing elements and actions in projects that matter.

- We partner with WWF in the Forests Forward program, committing to a series of actions that go beyond FSC™ and connect to our Science Based Targets Network (SBTN) commitment. For further information on the Forest Forward program, see **Appendix: Partnerships and memberships** →.
- In partnership with WWF Switzerland, we are improving the management of forest landscapes in key biodiversity hotspots, outside of the SIG value chain and in addition to the FSC™ certified forest area in our paperboard sourcing.
- As a long-standing member of FSC™ International, we actively support the development and implementation of its rigorous certification standard.
- Beyond our 100% FSC™ certified sourcing, we partner with a key Liquid Packaging Board (LPB) supplier on increasing the FSC™ group certification for small private forest owners.
- Through customer encouragement, we aim to place the FSC™ label on 100% of customer beverage cartons (96% share in 2025), showcasing packaging that is sourced without forest destruction or conversion and raising consumer awareness of the link between beverage cartons and sustainable forestry.
- Our remaining low deforestation risk is mitigated through engaging suppliers and maintaining a robust due diligence system on our LPB sourcing.
- We are continuing with our robust on-pack labeling approach which enables consumers to make choices based on accurate and substantiated information.



Forest landscape restoration isn't just about planting trees: it's about restoring ecological functions across whole landscapes and enhancing human well-being across deforested and degraded landscapes, so that people and nature can thrive together.

1 Based on the equivalent forest area needed to continually regenerate the wood needed to produce all the SIG cartons made in 2020 (the year we set the commitment). For details see www.sig.biz/en/sustainability/forest/

SIG and WWF Switzerland: A shared mission to preserve forest ecosystems

Through partnership projects with WWF, SIG is targeting improved management of 330,000 hectares of forest land in **Mexico**, **Malaysia** and **Thailand**, counting toward over 50% of our target to create, restore, protect or improve the management of 650,000 hectares of forest by 2030. We are working to support the other 50% through joint projects with our key paperboard suppliers.

These projects are not measured simply through reforestation but instead focus on improved management and restoration of forest landscapes (see SIG blog), protecting biodiversity, and supporting local communities in some of the world's most ecologically significant landscapes. Together, they demonstrate how landscape-scale restoration can deliver improved climate change resilience, species protection, and sustainable livelihoods.

Malaysia: Strengthening the biodiversity and resilience of the Ulu Muda forest

In Malaysia, with the support of local partners, the project targets an improved management of the Ulu Muda Forest Complex, a vital water catchment and biodiversity hotspot. This includes restoration measures and strengthening of the community's stewardship.

Restoration progressed this year through close engagement with the Forestry Department, site selection and development of restoration strategies. Camera trapping fieldwork within the ecological linkage connecting Ulu Muda to adjacent forest complexes revealed rich biodiversity, providing essential data to strengthen the protection and functionality of this corridor. Community engagement efforts included a carnival and a school program that highlighted the importance of the Ulu Muda forest, fostered conservation participation, explored alternative livelihoods, and supported community water-system mapping.

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Mexico: Reconnecting jaguar habitats in the Central Pacific

In Mexico, the project focuses on landscape restoration for jaguar corridors in the Central Pacific Landscape. Restoration activities were performed in Nayarit and in Jalisco, including soil restoration, reforestation with 82,500 native plants in Nayarit alone, and fire prevention measures.

© naturepl.com / Andy Rouse / WWF

Community engagement was central, with 340 workshops held across 70 communities to promote holistic livestock management and coexistence with jaguars, with more than 700 producers participating in these activities. The installation of 31 electric fences helped prevent predation, avoided plant damage from livestock in the landscape corridor and provided a higher income for the farmers. Three training courses with over 80 participants were delivered to community forest fire brigades, focusing on forest fire prevention and suppression.

Wildlife monitoring using 329 camera traps confirmed jaguar presence in three key sites and more broadly across the landscape. Governance and education efforts included workshops with local "Jaguarundis"[1] and environmental events to foster stewardship.

1 The Jaguarundis are an inter-community group involved in biological monitoring and surveillance activities, composed of 14 members from 9 communities surrounding the Marismas Nacionales Biosphere Reserve.

Thailand: Forest protection and connectivity in three important areas

Thailand's project spans three landscapes: the Mae Ping–Omkoi Corridor, Lower Songkhram River Basin, and Thap Lan National Park.

Conservation work began in the Dawna Tessarim Landscape, with training on community engagement in designating new protected areas, and biodiversity monitoring using camera traps and management of a native tree seedling nursery. Pilot farmers adopted agroforestry training and six community forests began forest fire protection and improved forest management practices training.

In the Songkhram Basin, work began to help restore flooded forests and improve fish conservation zones, with twenty-three community groups mobilized to improve forest and fish conservation practices. Two nurseries were constructed in which local native trees will be cultivated for next year's restoration activities, along with training on restoration techniques and seed collection.

For detailed information on the milestones and progress of the three Forest Landscape Restoration projects, please visit the SIG website. For information about the collective impact of the Forest Forward program see the WWF Forest Forward impact report.

Halt biodiversity loss

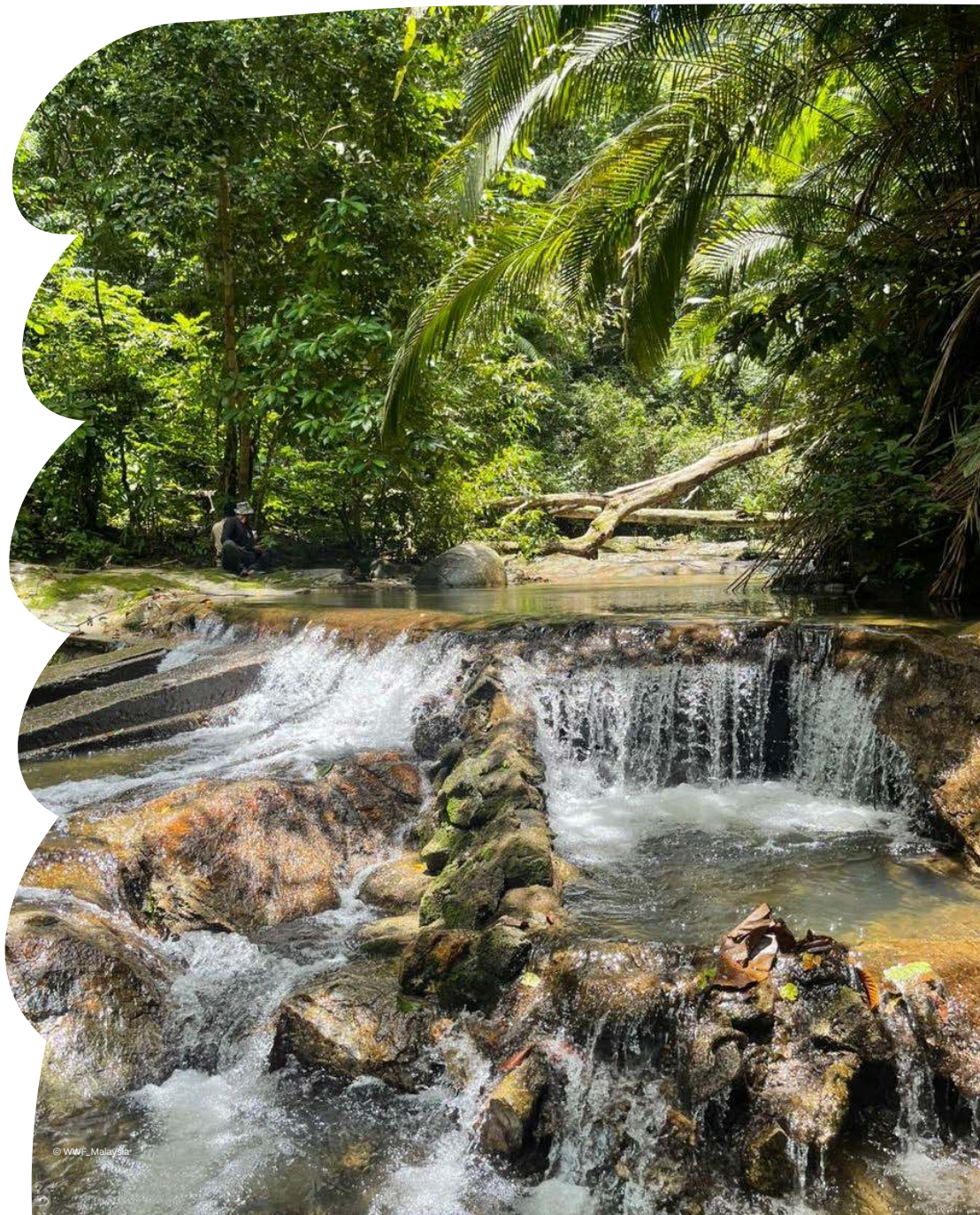
Director Group Corporate Responsibility

Halting biodiversity loss is essential for us to build a regenerative packaging system that protects nature across SIG's entire value chain – from sourcing raw materials to end-of-life impacts. By identifying biodiversity loss drivers and prioritizing action where it matters most, such as preventing pollution, this commitment supports a just transition that safeguards ecosystems and communities reliant on them.

Assess SIG impacts and dependencies on nature and set targets for nature in line with the Science Based Targets Network (SBTN) framework, by 2027 (from 2026)

Collaborate with key A-materials[1] suppliers to meet our science-based targets for nature, by 2030, representing two thirds of the A-materials procurement spend (from 2026)

- For our operations, which are predominantly situated in industrial zones, we safeguard biodiversity protection through our local EHS environmental assessments under ISO 14001 and the WWF Risk Filters on Water and Biodiversity.
- We joined the Science Based Targets Network (SBTN) in 2023 to align our approach with the Kunming-Montreal Biodiversity Framework and its goals (see **Appendix: Partnerships and memberships** →).
- We performed an in-depth assessment of potential value chain impacts on the five nature pressures (land use and land use change, water use, soil pollution and water pollution) for our supply chain to effectively address impact reduction at scale, in line with the guidance of the SBTN.
- We are reviewing our nature-related sourcing requirements in line with identified nature pressures (see **Preventing pollution** → and **Responsible sourcing** →).
- To enhance consumer choice through improved information, we partner with SHINE (see **Appendix: Partnerships and memberships** →) to advance the life-cycle assessment process, including the integration of biodiversity loss data in alignment with the Kunming-Montreal Global Biodiversity Framework.
- All efforts toward our **Resource+** → commitments additionally contribute to our efforts to reduce biodiversity loss primarily by delivering products with a lower environmental impact, but also by diverting used packaging from ending up in nature through collection and recycling.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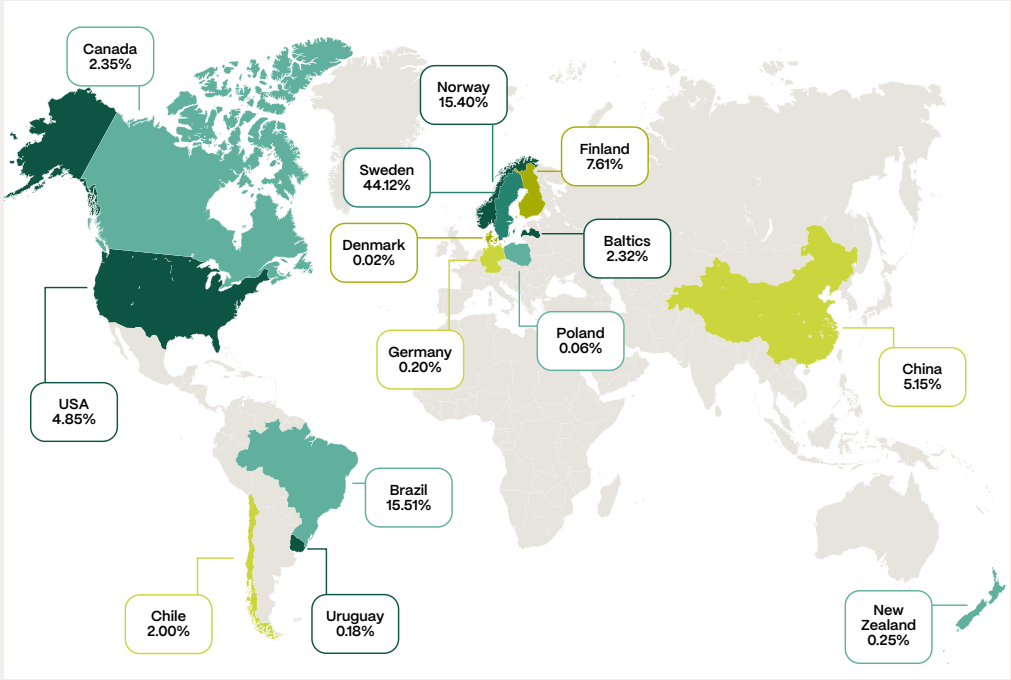
1 See **Responsible culture: Our suppliers** → for our A-materials definition.

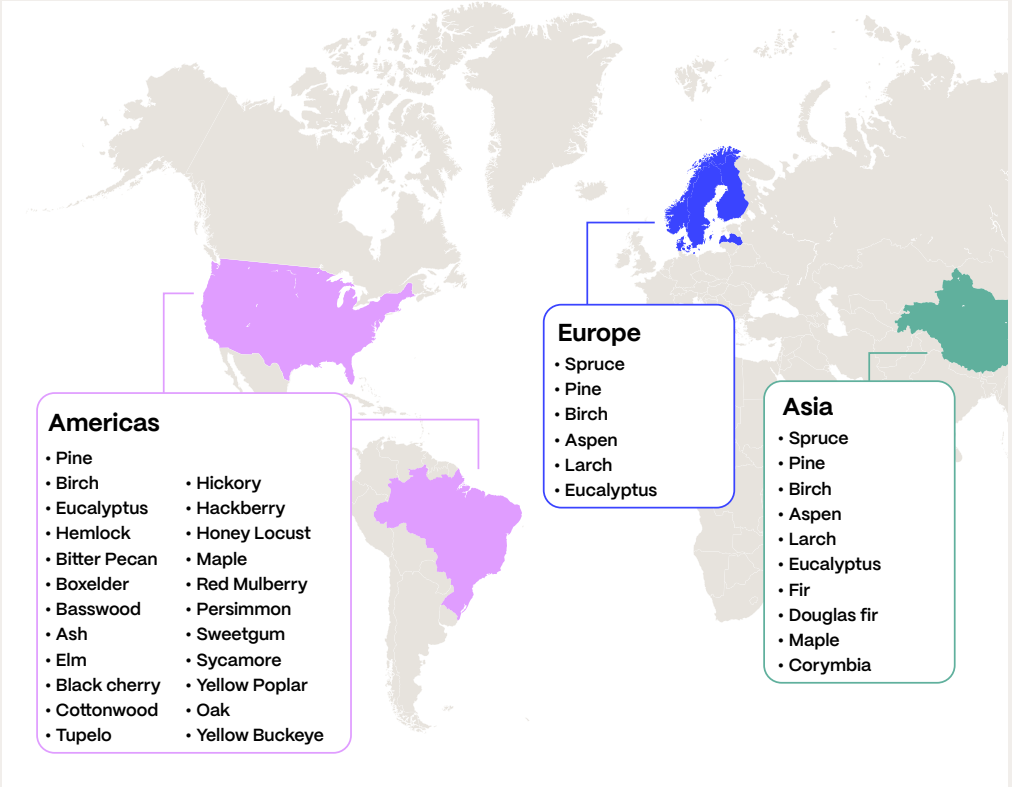
Land Use Assessment

As part of SIG's in-depth assessment of potential value chain impacts on nature from our supply chain, we used the Locate, Evaluate, Assess, Prepare (LEAP) approach to identify sourcing regions and pressures for our main Liquid Packaging Board (LPB) and aluminum. The insights from this assessment will help us to refine our approach, set targets in line with the SBTN and guide supplier engagement on potential restoration projects that directly combat biodiversity loss. Our initial findings of LPB sourcing regions and predominant tree species are presented below.
The wood we use – SIG – for better

Sourcing regions



Tree species



LPB supplier data on wood supply reflects 2024 figures, as 2025 data was unavailable at the time of publication. The latest infographic and updated data will be published online at https://www.sig.biz

Prevent pollution

Preventing pollution is a key mitigation strategy addressing biodiversity loss drivers and reducing harm to human health and ecosystems across our value chain. SIG product life-cycle assessments cover all relevant environmental impacts including air and water emissions allowing us to detect hotspots along the value chain and react. By tackling major pollution sources – from raw material sourcing to water and waste management – our commitment supports a just transition that protects both nature and the communities connected to it.

Upstream

Director Group Corporate Responsibility

With a significant portion of pollution impacts occurring upstream, supplier engagement is vital to the success of commitment.

Engage with suppliers regarding pollution mitigation roadmaps (avoid, reduce, restore and regenerate) and monitor progress annually, until 2027 (from 2026)

- The certifications used for our A-materials[1], as outlined in the **Nature+: Responsible Sourcing** → target, include standards that prevent pollution.
- Supplier collaborations established under our **Climate+: Decarbonizing our value chain** → measures drive the adoption of sustainability practices, including support for pollution reduction.

Downstream

Director Group Corporate Responsibility

Our efforts to prevent pollution in the downstream value chain include both internal, customer and community actions.

- Every new filling machine is designed to use less electricity and resources, including water, therefore reducing the potential output of pollutant by our customers (see **Climate+: Decarbonizing our value chain** →).
- We support customers to reduce emissions through the SIG EcoFill Consulting program, tools and support on their product footprint and efficiency projects, including direct investments (see **Climate+: Decarbonizing our value chain** →).
- To support the prevention of downstream pollution, such as macro- and microplastics from used packaging where household waste is not properly managed, we commit to:
  - Designing our packaging for recyclability, enabling integration into traditional recycling systems (see **Resource+: Designing for recycling** →).
  - Enhancing end-of-life collection and recycling at scale (see **Resource+: Recycling at scale** →).

In our operations – *Chief Supply Chain Officer implemented by EHS Lead*

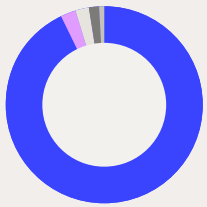
While the majority of pollution impacts stem from other parts of our value chain, we remain committed to improving by continuously implementing robust measures across our operations. We use relatively little water, and it is not identified as a material topic for our operations, however we ensure the responsible use and discharge of water.

- We conduct regular SEDEX SMETA audits and maintain ISO 14001 certifications to uphold environmental standards (see **Appendix: Certifications** →).
- Our responsible water use is maintained by assessing water quantity, quality, and stress risks, while striving to minimize consumption in all possible cases, including:
  - the installation of flow meters at all production plants allows monitoring of specific water usage and identifying of high-consumption areas;
  - water management systems at sites in water-stressed areas identified via the WWF Water Risk Filter;
  - monthly tracking of water consumption and withdrawal data, including fresh surface water (lakes, rivers), fresh groundwater and water discharge (returned at equal or better quality);
  - limiting water storage to fire water tanks, with minimal environmental impact unless refilling is needed; and
  - enforcement of a minimum effluent discharge quality standard, measuring chemical oxygen demand (COD) against legal limits at all sites.
- Waste reduction at SIG focuses on:
  - eliminating landfill waste through reuse, recycling, or energy recovery when other options are not feasible; and
  - ensuring responsible disposal of hazardous and electronic waste to prevent environmental harm, including from macro- and microplastics in areas where household waste is not properly managed.
- The measures taken to **Decarbonize our operations** →, particularly those that include renewable energy generation, electrification and intensity reduction, also contribute to our efforts to prevent pollution.

Water use in our operations

A total 568,249m³ of water was supplied to SIG Group in 2025, including 327,576m³ in water-stressed areas[2]. We discharged 369,735m³ of waste water in 2025 (around 65% of the total supply), including 178,926m³ in water stressed regions.

Production waste by disposal method in 2025



Recycled	92.8%
Reused	2.6%
Recovered for energy	2.3%
Landfill	1.7%
Other disposal options[3]	0.6%

1 See **Responsible culture: Our suppliers** → for our A-materials definition.
2 Based on an assessment using the WWF Water Risk Filter, plants in water-stressed areas include Merced, USA; Queretaro, Mexico; Riyadh, Saudi Arabia and Suzhou, China.
3 Such as incineration without energy recovery.

Responsible sourcing

VP Global Sourcing & Procurement

Responsible sourcing plays a major role in restoring forests, halting biodiversity loss and preventing pollution, therefore mitigating negative impacts on biodiversity and achieving nature positive outcomes.

Maintain 100% certified A-materials[1] (FSC™, ASI and ISCC PLUS[2])

Sourcing of our A-materials[1] from certified sources (FSC™, ASI and ISCC PLUS) contributes to all our commitments in Nature+ and further contributes to the commitments of **Resource+** → and **Responsible culture: Communities** →.

- **Paperboard[3]:** FSC™ (Forest Stewardship Council™) certification ensures all our paperboard originates from sustainably managed forests and controlled sources[4]. The certification additionally provides guarantees that biodiversity is safeguarded, deforestation is prevented, water is used efficiently, water pollution is avoided, local communities, Indigenous peoples and workers' rights are protected, and forest carbon storage and ecosystem services are maintained. Paperboard production additionally makes use of sawmill wood chips and saw dust residues.
- **Aluminum foil:** All of our aluminum foil supply chain meets Aluminium Stewardship Initiative (ASI) Performance Standards and Chain of Custody Certification, promoting responsible sourcing and production. This includes criteria for labor rights, greenhouse gas emissions, water and waste management, and a material accounting system – with links to industry waste input.
- **Polymers and films[5]:** We apply a mass balance system verified by International Sustainability & Carbon Certification (ISCC) PLUS for polymers and films, supporting the shift from fossil-based to recycled and renewable forest-based feedstocks. This certification ensures full traceability of certified materials across the supply chain and aligns with our goal to increase recycled and renewable forest-based polymers in packaging. Available for all our aseptic cartons, our renewable forest-based polymers solution is linked to tall oil, a wood component and residue in papermaking, while our circular polymer solutions are linked to post-consumer recycled plastics.

Customers are encouraged to include the Aluminium Stewardship Initiative (ASI) Responsible Aluminium Sourcing logo on their packaging designs, enhancing information and allowing customers to choose responsibly sourced materials.

Supporting forests beyond our A-materials[1]

At SIG, all paperboard used in our carton beverage packaging is 100% FSC™ certified[4], demonstrating our commitment to responsible sourcing. But our efforts extend beyond our own supply chain.

In key sourcing regions like Sweden, up to 48% of managed forest land is held by small and private owners who often face barriers to FSC™ certification. These include financial constraints, administrative complexity, and limited awareness of the benefits.

In 2025, we started a collaboration with a key supplier to help inform and engage the small and private forest owners on the value of FSC™ certification. Together, we supported efforts to raise awareness of its environmental benefits and promote simplified group certification schemes to encourage broader adoption.

By promoting responsible forest management beyond our direct sourcing, we help protect biodiversity, water quality, and climate resilience – ensuring our packaging contributes to a thriving planet.

Assessing effectiveness

In addition to the performance assessment of our Nature+ targets and **Key performance indicators** → we assess the effectiveness of our policies and actions through the below reporting and monitoring by responsible parties:

Reporting	Department	Responsible	Regularity
Support thriving forests			
FSC™ label reporting	• Global Sustainability and Digital Marketing	Global Product Marketing	Monthly
Projects update	• WWF Switzerland	Group Corporate Responsibility	Quarterly
Target update	• WWF Forests Forward		Annual
Halt biodiversity loss			
Supplier engagement	• Global Sourcing and Procurement	Group Corporate Responsibility	Quarterly
Prevent pollution			
Waste KPIs	• Manufacturing Plants	Global EHS Lead	Monthly
Water use and release			Monthly
Water Risk Management System review			1–3 years
Environmental non-conformity reporting			Situation related
Responsible sourcing			
ASI label reporting	• Global Sustainability and Digital Marketing	Global Product Marketing	Monthly
FSC™, ISCC Plus and ASI audits by internal specialists	• Manufacturing Plants	Group Corporate Responsibility	Annual

1 See **Responsible culture: Our suppliers** → for our A-materials definition.
2 This target only includes ISCC PLUS certification of polymers linked to forest-based renewable or recycled polymers through mass balancing, as there are currently no certification schemes available, or expected in the near term, for other polymers that meet our high sustainability standards.
3 Our cartons use paper-based liquid packaging board, referred to throughout as "paperboard".
4 SIG uses FSC™ Mix material that allows the mixing of FSC™ certified wood with FSC™ controlled wood and ensures that an equivalent amount of FSC™ certified wood is procured at the beginning of the value chain.
5 SIG currently uses ISCC PLUS certified bio circular polymers which are mass balanced and where it is ensured that a corresponding amount of fossil feedstock is replaced with the wood component tall oil in the polymer production.

Our targets and performance

2020 to 2025 targets and performance

Target	Material topics	Progress tracker	2025 performance	Next steps
Partner to create, protect, restore, or improve management of at least 650,000 additional hectares of forest beyond what we need to make our products[1] by 2030	• Biodiversity and forest ecosystems	On track	Our three partnership projects with WWF are continuing in Mexico, Malaysia and Thailand. In 2025, we launched a project in Sweden to boost FSC™ group certification of small private forest owners.	Retained in our **Support thriving forests** → commitment.
Partner with a non-governmental organization (NGO) to develop a methodology to measure the impact of FSC™ certification by 2025		Not achieved	At the request of our business partners, with whom we were jointly pursuing this topic, this project was put on hold pending the results of an external scientific research project.	We are shifting to more targeted action on biodiversity and ecosystems through setting targets aligned with the Science Based Targets Network (SBTN) and collaboration directly with suppliers in line with our **Halt biodiversity loss** → commitment.
Work with customers to include the FSC™ label on 100% of the cartons we sell by 2025 (up from 97% in 2020)	• Biodiversity and forest ecosystems • Water • Waste and circular economy • Sustainable raw materials • Responsible suppliers	More work to do	We remain committed to promoting the on-pack use of the FSC™ label. Progress to 100% is not entirely in our control and our customers own the final decision regarding their on-pack design.	Retained in our **Support thriving forests** → commitment.
100% A-materials[2] from certified sources[3]		Partially achieved	We maintained the proportion of A-materials sourced from certified suppliers at 69%, consistent with our performance in prior years.	We have amended our **Responsible sourcing** → target moving forward as there are currently no certification schemes available, or expected in the near term, for virgin polymers that meet our high sustainability standards.
Maintain 100% FSC™ certified supply of paperboard for our cartons[4]		Completed	We purchased 100% of the paperboard for our aseptic and chilled cartons with FSC™ Mix certification in 2025.	Our focus has shifted to 100% certification of all A-materials[2], which includes the paperboard for our cartons in our **Responsible sourcing** → commitment.

See **Appendix: Key performance indicators** → for related key performance indicators.

1 Based on the equivalent forest area needed to continually regenerate the wood needed to produce all the SIG cartons made in 2020 (the year we set the commitment).
2 See **Responsible culture: Our suppliers** → for our A-materials definition.
3 FSC™, ASI and ISCC PLUS. This target includes both ISCC PLUS certified polymers linked to renewable or recycled polymers through mass balancing and other polymers in our A-materials.
4 Our cartons use paper-based liquid packaging board, referred to throughout as "paperboard". Our supply chains for bag-in-box and spouted pouch solutions are not connected to forest-based materials as we do not manufacture or sell the cardboard box of our bag-in-box solutions.

2026 to 2030 targets

Target	Material topics	2025 performance
Support thriving forests		
Partner to create, protect, restore, or improve management of at least 650,000 additional hectares of forest beyond what we need to make our products[1], by 2030 (from 2020)	• Biodiversity and forest ecosystems	Our three partnership projects with WWF are continuing in Mexico, Malaysia and Thailand. In 2025, we launched a project in Sweden to boost FSC™ group certification of small private forest owners.
Work with customers to include the Forest Stewardship Council (FSC™) label on 100% of the cartons we sell, by 2030	• Biodiversity and forest ecosystems • Water • Waste and circular economy • Sustainable raw materials • Responsible suppliers	We remain dedicated to promote the on-pack use of the FSC™ label. Progress to 100% is not entirely in our control and our customers own the final decision regarding their on-pack design.
Halt biodiversity loss		
Assess SIG impacts and dependencies on nature and set targets for nature in line with the Science Based Targets Network (SBTN) framework, by 2027	• Biodiversity and forest ecosystems	Reporting from 2026
Collaborate with key A-material[2] suppliers to meet our science-based targets for nature, by 2030, representing two thirds of the A-materials procurement spend	• Biodiversity and forest ecosystems • Water • Waste and circular economy	Reporting from 2026
Prevent pollution		
Engage with suppliers regarding pollution mitigation roadmaps (avoid, reduce, restore and regenerate) and monitor progress annually, until 2027	• Biodiversity and forest ecosystems • Water • Waste and circular economy	Reporting from 2026
Responsible sourcing		
Maintain 100% certified A-materials[2] (FSC™, ASI and ISCC PLUS[3])	• Biodiversity and forest ecosystems • Water • Waste and circular economy • Sustainable raw materials • Responsible suppliers	Reporting from 2026

See **Appendix: Key performance indicators** → for related key performance indicators.

Outlook

In the years ahead, SIG will accelerate Nature+ by regenerating nature – working both within our value chain and beyond it.

Together with our suppliers and the WWF, we will advance thriving forest projects that contribute to our target of creating, restoring, or improving the management of 650,000 hectares of forest landscapes by 2030. These efforts will enhance biodiversity, strengthen ecosystem services, and secure renewable resources essential to our regenerative packaging approach.

In parallel, we will further align our efforts and targets with the Kunming-Montreal Biodiversity Framework, in line with the requirements set by Science Based Targets Network (SBTN). At the same time, we will further expand traceability of key raw materials and reinforce responsible sourcing to address the main drivers of nature loss.

Building on these efforts, we will deepen our work on pollution prevention and water stewardship with suppliers and at our own sites.

Through these actions – and in close collaboration with WWF and other partners – SIG will help restore ecosystems, enable resilient communities, and advance a regenerative, nature-positive economy.

1 Based on the equivalent forest area needed to continually regenerate the wood needed to produce all the SIG cartons made in 2020 (the year we set the commitment).
2 See **Responsible culture: Our suppliers** → for our A-materials definition.
3 This target only includes ISCC PLUS certification of polymers linked to forest-based renewable or recycled polymers through mass balancing as there are currently no certification schemes available, or expected in the near term, for other polymers that meet our high sustainability standards.

Resource+

From resource use to resource regeneration

Our journey toward a regenerative packaging system starts with how we source, design, and recover materials. With Resource+, we are advancing our material strategy to transform the life cycle of packaging – restoring nature, strengthening circularity, and ensuring our packaging contributes more to the planet than it takes, thereby also meeting customer demands for sustainable packaging solutions.

Our ambition is that all SIG packaging will be resource-positive by design: maximizing renewable content, accelerating material recovery, and driving innovation so materials remain in use through effective recycling pathways.

To achieve this, we will:

- Prioritize **renewable, forest-based materials**.
- Reduce dependence on **fossil-based and finite resources**.
- Design for circularity so materials can be **transformed into new products**, preserving value beyond first use.
- Collaborate across the value chain to **scale collection and recycling** in key markets.
- Advance a **just transition** through inclusive partnerships and innovation.

Through this approach, our packaging will go beyond minimizing impact – it will actively contribute to regenerating natural systems, supporting resilient communities, and strengthening the circular economy.

Our commitments

We are transforming packaging from resource use to resource regeneration. Our commitments underpin our ambition for regenerative packaging systems that are resource-positive by design and inclusive by approach, advancing a just transition across the value chain.

- **Lead in renewability** by further increasing the share of renewable materials in our packaging – raising paper content by reducing fossil-based resources – and by replacing finite inputs with responsibly sourced alternatives.
- **Design for recycling** by simplifying material structures so every pack can be easily collected, separated and transformed into new products.
- **Recycle at scale** by collaborating closely with industry partners, NGOs, governments, and communities to accelerate collection and recycling, eliminate packaging litter, and build the infrastructure and incentives that keep materials in use and out of nature.

Through **Resource+**, our material strategy focuses on these three essential shifts. By delivering them together, we will move beyond minimizing impact to creating regenerative packaging systems that strengthen ecosystems, empower communities, and unlock systemic change.

Our approach

Our journey toward regenerative packaging starts with rethinking our materials, innovating to decouple growth from finite resources while ensuring our packs are designed for a circular, nature-positive future.

The first step on this journey is to phase out the aluminum layer. Removing the aluminum layer is a key innovation that simplifies recycling by eliminating the need to separate aluminum from polymers.

The next step in our regenerative packaging journey is to further increase paper share, reducing reliance on fossil-based materials. We have successfully conducted a feasibility test showing that our 85% paper-content carton (without closure) can be pulped in a standard paper mill. In the next two years we aim to commence an in-market pilot of the 85% paper content carton. This marks an important step toward the next milestone of achieving at least 90% paper content, including the closure by 2030.

Building on this further, transitioning from double-sided to single-sided lamination will significantly improve the pulpability of our cartons. This advancement will enable our future aseptic cartons to be recycled in standard paper mills – one of the world's most established and efficient recycling systems.

Additionally, each step will contribute significantly to lowering the carbon footprint of our aseptic cartons even further, supporting our customers and our own efforts in **Decarbonizing our value chain** →.

We aim for one in four aseptic cartons we sell to be aluminum-layer-free by 2030, representing a major step forward in expanding recycling opportunities and driving the transition to a more circular, low-carbon economy.

Measures taken and responsibilities

Leading in renewability

VP Global Research & Development

Leading in renewability reduces dependence on finite resources while strengthening the responsibly managed forests we source from. By simplifying the structure of our cartons, we can further cut the carbon footprint of our value chain, improve recyclability, and keep valuable materials in circulation.

Commence an in-market pilot of a full barrier aseptic carton with at least 85% paper content (without closure) in 2027

Develop a full barrier aseptic carton with at least 90% paper content (including closure), by 2030

Expand the use of certified recycled polymers, reaching a minimum of 10% recycled plastic content in all packaging sold in EU, by 2030

Develop a paper pouch for liquids, suitable for recycling, by 2030

- **Responsible sourcing** →, per our Nature+ commitment on A-materials[1], is an important measure where we ensure:
  - Sourcing of our paperboard is 100% Forest Stewardship Council™ certified and includes the use of production residues and industry waste, such as wood chips (varies per paper mill – currently up to 36%).
  - We source 100% Aluminium Stewardship Initiative Certified aluminum foil, of which about 95% is linked to industry waste input.
  - For all our aseptic cartons, we offer a renewable forest-based or circular polymer solution, via the International Sustainability and Carbon Certification PLUS mass balance system.
- Our plants purchase only plant-based ethanol for printing purposes, and we are working to transition to bio-based alternatives where we use fossil-based inks and solvents.
- For all our packaging, including transport packaging, we continually research ways to introduce renewable or recycled alternatives to replace virgin fossil-based polymers.
- Globally, we use corrugated cardboard as secondary packaging for our aseptic cartons, with 100% sourced from Forest Stewardship Council (FSC)™ certified suppliers across India, the Middle East, Africa, the Americas, Europe, and Asia Pacific (excluding China).
- We work with customers to ensure that our filling machines, and their parts, are recycled or disposed of responsibly at end-of-life.
- SIG is a project partner in developing a digital platform for designing renewable, sustainable lightweight composite materials based on wood fibers. The project, led by the University of Wuppertal and funded by the German Federal Ministry for Economic Affairs and Energy, focuses on integrating packaging requirements and sustainability criteria for resource-efficient material design.
- For our aseptic carton filling machines, we provide guidance to our customers on target water and offer water reduction kits (see **Nature+: Preventing pollution** →).

SIG and PulPac: Developing and scaling production of paper-based closures

SIG has entered a strategic partnership with PulPac, a global leader in Dry Molded Fiber technology. This collaboration aims to develop and scale up the production of fully paper-based closures – both base and cap – for SIG's aseptic cartons. These closures will be designed to deliver the same functionality and performance as traditional plastic closures.

This innovation represents a potentially significant step toward achieving our target of at least 90% paper content, including the closure.

PulPac's Dry Molded Fiber technology offers a renewable, resource-efficient alternative to plastic, using minimal water and delivering lower CO_2 emissions. Designed for high-volume production, it also provides exceptional design flexibility. Thanks to SIG's post-application technology, these closures can be seamlessly integrated into existing filling lines, enabling a "plug-and-play" solution without disrupting aseptic processes.

1 See **Responsible culture: Our suppliers** → for our A-materials definition.

Designing for recycling

Director Group Corporate Responsibility

SIG cartons are already designed for recycling, and we also offer designed-for-recycling bag-in-box and spouted pouch alternatives for all our market segments. We are now going further by simplifying material structures to make recycling even more efficient.

Maintain all of our carton packaging as designed for recycling[1]

Offer a designed for recycling[2] alternative for all our bag-in-box and spouted pouch market segments

25% of all our SIG aseptic cartons (by liters packed) will be alu-layer free, by 2030 (from 2026)

- We continue to obtain independent recyclability certification of our standard beverage cartons, for our SIG Terra portfolio, which includes our SIG Terra Alu-free + Full barrier carton, and our designed for recycling bag-in-box and spouted pouch[2].
- The SIG Terra designed-for-recycling range of bag-in-box and spouted pouch solutions[2] are being expanded to all our market segments with a focus on solutions that are made mostly from a single type of polymer (structure and fitment) to facilitate recycling, or have been proven to pass rigorous third-party testing.
- SIG packaging innovations are evaluated for environmental impacts through robust life-cycle assessments (LCAs) carried out by a credible independent third parties, using the ISO 14040 and ISO 14044 international standards (see **Appendix: Certifications** →) and critically reviewed by an independent expert panel.
- We actively contribute to the development of industry standards that support packaging recyclability and circularity:
  - Participated in the creation of the 4evergreen Paper and Board – Recyclability Laboratory Test Method – Part III, enabling harmonized recyclability assessments for specialized recycling mills.
  - Contributed to the update of the Design for Recycling (DfR) guidelines to reinforce best practices in sustainable packaging.
  - Supported the European Committee for Standardisation (CEN) process to help establish protocols and guidelines as future EU standards in preparation for the Packaging and Packaging Waste Regulation (PPWR) delegated acts.
- We provide continuous training for relevant SIG teams on our sustainable packaging design guidelines.

Sales of SIG Terra portfolio accelerate in 2025

SIG has packaged nearly 2 billion liters of food in SIG's most sustainable packaging innovations, with double-digit growth in alu-layer-free aseptic cartons:

- **Sales of alu-layer-free aseptic cartons** grew approximately 24% vs. 2024, demonstrating the unbroken increase in market demand for more sustainable packaging solutions without an aluminum layer. Since 2010, we have sold enough packs to fill more than 4 billion liters of food. In 2025, these solutions represented 4% of the liters of food packed in SIG aseptic cartons worldwide, and 9% in Europe.
- **Overall sales of our SIG Terra** packaging materials for aseptic cartons grew more than 17% in 2025, driven by expansion in Europe of our range of alu-layer free packs and the global ramp-up of SIG Terra Alu-free + Full barrier – marking a milestone in SIG's mission to drive sustainable innovation. SIG Terra solutions accounted for 11.3% of food packed in SIG aseptic cartons in Europe, where uptake has remained strong, and 5% globally.
- **Across our portfolio** (including Bag-in-box and Spouted pouch), SIG Terra packs have filled more than 7 billion liters of food to date. This includes nearly 2 billion liters in 2025, or 6.7% of all food packed in SIG packaging worldwide, highlighting the growing preference for SIG's even more sustainable offerings.

1 Our evaluation of recyclability of cartons is based on the relevant EN643 standard.
2 In line with Design for Recycling criteria developed by APR (Association of Plastic Recyclers), Recyclass and CEFLEX.

Recycling at scale

Director Group Corporate Responsibility

At SIG, we are dedicated to collaborating closely with industry partners, customers, policymakers, and communities to accelerate recycling at scale and eliminate packaging litter, ensuring that beverage cartons, spouted pouches, and bag-in-box packaging are collected, effectively recycled, and kept in circulation – not in nature.

Partner with stakeholders to maintain country-specific roadmaps to increase collection and recycling in priority markets covering over 90% of our global packaging volume (sales by weight), by 2030

Together with the industry, ensure all our packaging is recycled to at least 55% in Europe, by 2035

- Our annual country-specific roadmap assessments review the local advocacy strategy to support regulatory developments, the steps needed to boost collection and recycling rates, and SIG flagship projects aimed at raising awareness and demonstrating best practices.
- Close collaboration with pan-European and national associations helps strengthen Extended Producer Responsibility (EPR) implementation for beverage cartons across Europe, helping improve existing schemes and securing adequate funding for collection, sorting, and recycling.
- We are part of national Producer Responsibility Organizations (PROs), industry associations, and other interest groups that seek to promote recycling for all our packaging solutions and across all our priority countries.
- With European recycling capacity expected to triple to over 225,000 tons annually by 2030, we invest in advancing the recycling of PolyAl – the polymer and aluminum fractional by-product of beverage carton recycling – through partnerships with recyclers like Palurec in Germany and innovators such as Fych in Spain.
- We foster local collection and raise consumer awareness to strengthen recycling systems in priority markets:
  - Establishing partnerships through our Going Circular roadmaps to improve collection rates and promote responsible recycling practices.
  - Carefully selecting and monitoring collection and recycling partners to avoid negative impacts, including adherence to human rights policies.
  - Exploring streamlined processes to enhance the efficiency of partner assessments and ensure alignment with our sustainability standards.
- We work with global partners and industry bodies to actively monitor the development of new recycling technologies and independently developed facilities, while also collaborating to drive systemic change in recycling (see **Appendix: Partnerships and memberships** →).
- We are continuing our Recycle for Good initiative with a focus on used beverage cartons and spouted pouches (see **Responsible culture: Communities** →).

Breakthrough: New one-sided lamination enables cartons to be recycled in standard paper mill

Recycling success proven in Indonesia

SIG has achieved a major breakthrough in circular packaging with the development of a full-barrier aseptic carton containing 85% paper. The new one-sided laminated structure was successfully tested at Eco Paper, a standard paper mill in Indonesia, confirming that it can be pulped and recycled just like paper and cardboard within their existing paper streams.

Two key innovation steps

The first key innovation is the removal of the aluminum layer, which fundamentally simplifies the delamination process in carton recycling. Conventional aseptic cartons require two steps: fiber recovery followed by separation of polymers from aluminum. Without the aluminum, only a single step is needed: fiber recovery in standard paper mills. This avoids aluminum residues in the pulp, reduces the carton's carbon footprint, and allows the remaining polymers to be recycled through existing plastic systems.

The second step was to increase the paper content to 85% and move from double-sided to single-sided lamination. This structure reduced standard carton pulping time by half and increased fiber yield, producing more high-quality pulp per carton. It is also widely recognized that single-sided lamination is a fundamental requirement for enabling cartons to be processed in standard paper mills globally.

Impact

This innovation proves that SIG's one-sided, full-barrier aseptic carton with 85% paper content can be efficiently processed in standard paper mills, unlocking access to one of the world's most established recycling systems. It marks a significant step toward at least 90% paper content (with closure) by 2030 and supports the transition to a more circular, low-carbon packaging future.

Green Jobs from a Box: Egypt's first fully operational end-to-end beverage carton recycling system

In September 2025, SIG, together with its partners Plastic Bank, GIZ Egypt, Carta Misr, and TileGreen, launched "Green Jobs from a Box", Egypt's first fully operational, closed-loop recycling system for used beverage cartons.

The initiative marked a regional milestone by recovering both paper fiber and PolyAl locally, while generating over 1,000 green jobs and empowering waste-collecting communities through traceable collection and inclusive infrastructure. A high-level event in Cairo brought together government officials, industry leaders, and media to celebrate the milestone and demonstrate the power of public–private collaboration in driving circularity and sustainable development. This pioneering model is now serving as a blueprint for scalable packaging recovery across the region.

From pack to purpose: Public-private action for packaging circularity in Egypt

On the left: Moderator Salem Massalha with Abdelghany Eladib, Ahmed Abdelaleem, Ghada Fouad, and Hussein El Masry

Below: Group photo of the launch event attended by government officials, diplomatic representatives, media representatives, key customers, and project partners including Plastic Bank, GIZ Egypt, Carta Misr, and TileGreen

Assessing effectiveness

In addition to the performance assessment of our Resource+ targets and **Key performance indicators** → we assess the effectiveness of our policies and actions through the below reporting and monitoring by responsible parties:

Reporting	Department	Responsible	Regularity
Leading in renewability			
Key project status updates	• Global Marketing and Product Development	Responsibility Steering Group	Monthly
Designing for recycling			
Key project status updates	• Group Corporate Responsibility	Chief Technology Officer	Annually
Recycling at scale			
Country-specific roadmap assessments	• Regional Sustainability	Group Corporate Responsibility	Annually

Our targets and performance

2020 to 2025 targets and performance

Target	Material topics	Progress tracker	2025 performance	Next steps
Develop a full barrier aseptic carton with at least 85% paper content (excluding closure) by 2025, and at least 90% paper content (including closure) by 2030	• Climate change • Biodiversity and forest ecosystems • Waste and circular economy • Sustainable raw materials • Innovation in products and services	On track	We have conducted a feasibility study for a full-barrier aseptic carton with 85% paper and one-sided lamination. The material proved recyclable in a standard paper mill in Indonesia, halving pulping time compared to standard beverage cartons.	The 2025 target has been updated to reflect the commerical application of the product development, while the 90% target is retained in our **Leading in renewability** → commitment.
Launch a full barrier carton with all main materials linked to renewable resources by 2025 [1,2]	• Climate change • Biodiversity and forest ecosystems • Waste and circular economy • Sustainable raw materials • Innovation in products and services	Completed	The SIG Terra Alu-free + Full barrier + Forest-based polymers was commercially available in 2024, thereby achieving the target one year early.	The completion of this target was an important step toward our regenerative packaging ambition. Our new targets to drive us further are found in our **Leading in renewability** → commitment.
Offer a recycle-ready[3] bag-in-box and spouted pouch solution in all our relevant market segments by 2025	• Climate change • Biodiversity and forest ecosystems • Waste and circular economy • Sustainable raw materials	More work to do	Through innovations and recyclability testing since 2023, we have increased our offering of designed-for-recycling (previously "recycle ready") solutions for bag-in-box and spouted pouch from 76% to 97%, covering all our relevant market segments. We have additionally received Association of Plastics Recyclers Design® for Recyclability Recognition for bag-in-box and spouted pouch solutions covering our major markets.	The target has been reworded in line with the updated definitions of the Ellen McArthur Foundation and retained in our **Designing for recycling** → commitment.

1 Excluding negligible constituents, such as inks and pigments. Minor elements (representing less than 1% of a beverage carton) are not linked to forest-based resources.
2 Polymers linked via an independently certified mass balance system.
3 In line with Design for Recycling criteria developed by APR (Association of Plastic Recyclers), Recyclass and CEFLEX.

Target	Material topics	Progress tracker	2025 performance	Next steps
Partner with stakeholders to implement dedicated and country-specific roadmaps to support increased collection and recycling of beverage cartons, bag-in-box, and spouted pouches in priority countries that account for more than 90% of our global packaging sales (by weight) by 2025	• Climate change • Biodiversity and forest ecosystems • Water • Waste and circular economy	On track	We have Going Circular local roadmaps in priority countries that together account for 90% of our global packaging sales (by weight).	Retained in our **Recycling at scale** → commitment.
25% reduction in grams of waste per m² of packaging material used to produce our aseptic cartons by 2025 (from 2016)		Partially achieved	Our waste rate reduced by 1.7% versus 2016. Since the target was set in 2020, our greenfield expansion of three aseptic carton production plants has been a factor restricting our ability to impact the rate due to ramp-up activities.	While we continue to pursue internal targets on production waste reduction, we are focusing on the material topics of waste in our value chain.
Zero landfill – all waste to be recycled or used as renewable biofuel by 2025		Partially achieved	Our waste footprint has evolved since the target was set, as our portfolio expanded to include bag-in-box and spouted pouch formats, which introduced new waste streams not previously in scope. In addition, regulatory and market constraints in several countries limit the use of waste as biofuel because incineration for energy recovery is not a common or permitted practice.	While we continue to pursue internal targets on production waste reduction, we are focusing on the material topics of waste in our value chain.
Maintain certification to ISO 14001:2015 at all production plants		Completed	We maintained our global ISO 14001 certification in all plants.	We will maintain existing ISO 14001 certification at all plants as a commitment in our EHS policy while we pursue the material environmental topics in our value chain.

See **Appendix: Key performance indicators** → for related key performance indicators.

2026 to 2030 targets

Target	Material topics	2025 performance
Leading in renewability		
Commence an in-market pilot of a full barrier aseptic carton with at least 85% paper content (without closure) in 2027	• Climate change • Biodiversity and forest ecosystems • Waste and circular economy • Sustainable raw materials • Innovation in products and services	We have conducted a feasibility study for a Full-barrier aseptic carton with 85% paper and one-sided lamination, proven recyclable in a standard paper mill in Indonesia, halving pulping time compared to standard beverage cartons.
Develop a full barrier aseptic carton with at least 90% paper content (including closure), by 2030		
Develop a paper pouch for liquids, suitable for recycling, by 2030		Reporting from 2026
Expand the use of certified recycled polymers, reaching a minimum of 10% recycled plastic content in all packaging sold in EU, by 2030	• Waste and circular economy • Sustainable raw materials • Innovation in products and services	Reporting from 2026
Designing for recycling		
Maintain all of our carton packaging as designed for recycling[1]	• Climate change • Biodiversity and forest ecosystems • Waste and circular economy • Sustainable raw materials	Reporting from 2026
Offer a designed for recycling[2] alternative for all our Bag-in-Box and Spouted Pouch market segments		Through innovations and recyclability testing since 2023, we have increased our offering of designed-for-recycling solutions for bag-in-box and spouted pouch from 76% to 97%, covering all our relevant market segments.
25% of all our SIG aseptic cartons (by liters packed) will be alu-layer free, by 2030	• Climate change • Biodiversity and forest ecosystems • Waste and circular economy • Sustainable raw materials • Innovation in products and services	Reporting from 2026
Recycling at scale		
Partner with stakeholders to maintain country-specific roadmaps in priority markets covering over 90% of our global packaging volume (sales by weight), by 2030	• Climate change • Biodiversity and forest ecosystems • Water • Waste and circular economy	We have Going Circular local roadmaps in priority countries that together account for 90% of our global packaging sales (by weight).
Together with the industry, ensure all our packaging categories are recycled to at least 55% in Europe, by 2035		Reporting from 2026

See **Appendix: Key performance indicators** → for related key performance indicators.

1 Our evaluation of recyclability of cartons is based on the relevant EN643 standard.
2 In line with Design for Recycling criteria developed by APR (Association of Plastic Recyclers), Recyclass and CEFLEX.

Recycling initiatives

Mexico

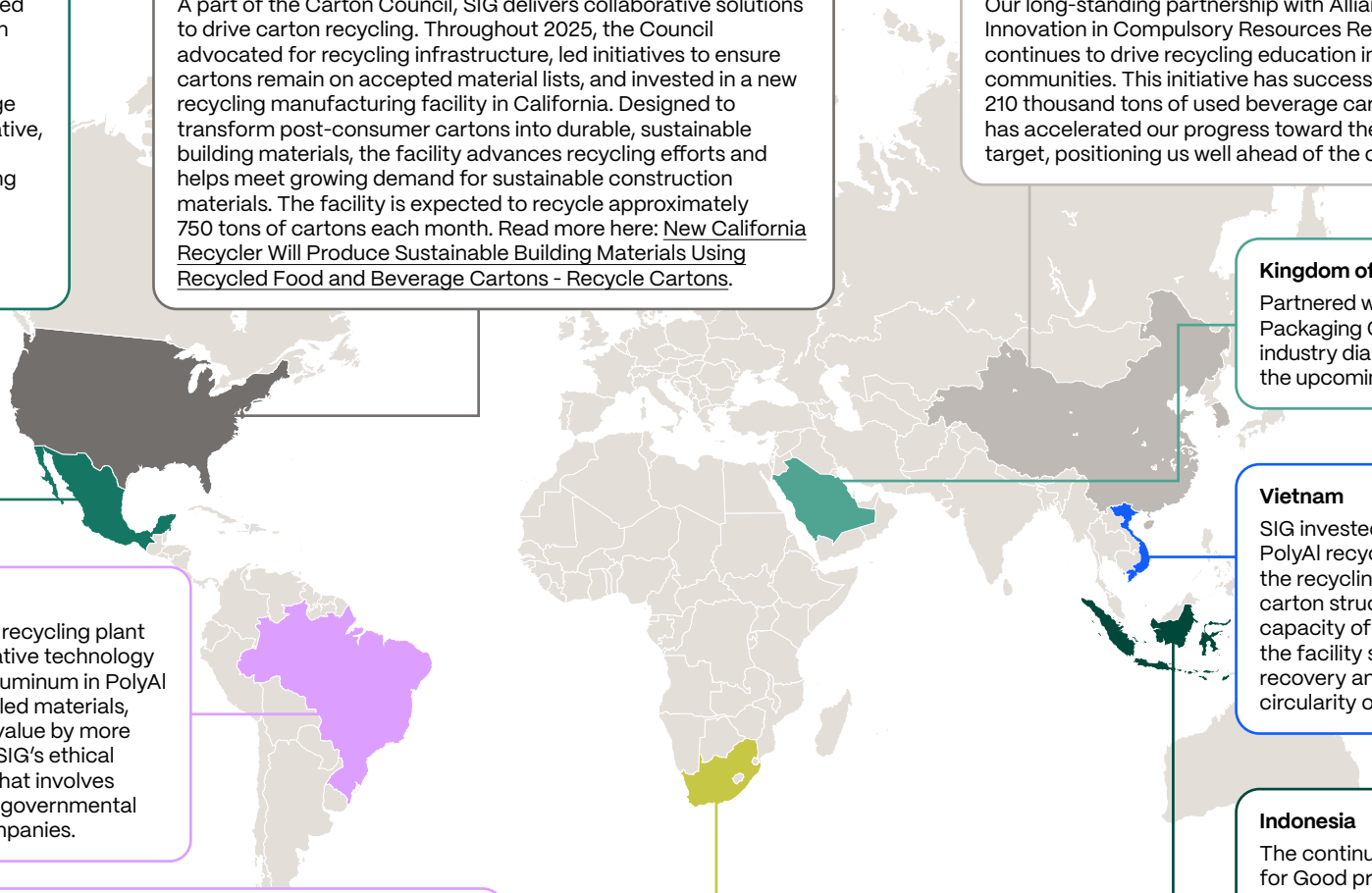
Along with a local customer, SIG partnered with Fundación CADENA, a humanitarian nonprofit, and Grupo PROMESA, an environmental nonprofit, to increase the collection and recycling of used beverage cartons (UBC). The project is a collaborative, multi-material initiative that educated and engaged 15,000 people by partnering with 250 schools and cafeterias to drive collection efforts. Together, they transformed over 40 tons of UBCs into rooftops for disadvantaged families.

United States

A part of the Carton Council, SIG delivers collaborative solutions to drive carton recycling. Throughout 2025, the Council advocated for recycling infrastructure, led initiatives to ensure cartons remain on accepted material lists, and invested in a new recycling manufacturing facility in California. Designed to transform post-consumer cartons into durable, sustainable building materials, the facility advances recycling efforts and helps meet growing demand for sustainable construction materials. The facility is expected to recycle approximately 750 tons of cartons each month. Read more here: New California Recycler Will Produce Sustainable Building Materials Using Recycled Food and Beverage Cartons - Recycle Cartons.

China

Our long-standing partnership with Alliance of Technological Innovation in Compulsory Resources Recycling Industry (ATCRR) continues to drive recycling education in schools and communities. This initiative has successfully collected approx. 210 thousand tons of used beverage cartons – a milestone that has accelerated our progress toward the 40% utilization rate target, positioning us well ahead of the original timeline.



Kingdom of Saudi Arabia

Partnered with the National Circular Packaging Committee to support industry dialogue and preparation for the upcoming EPR implementation.

Vietnam

SIG invested in Vietnam's first PolyAl recycling facility to enable the recycling of the full beverage carton structure. With an annual capacity of around 300 tons, the facility strengthens material recovery and supports the circularity of beverage cartons.

Brazil

We continued the construction of a new recycling plant for beverage cartons that will use innovative technology to separate the polyethylene from the aluminum in PolyAl to create a wider market for these recycled materials, with the expectation of increasing their value by more than 50%. The recycling plant is part of SIG's ethical recycling strategy in Brazil, an initiative that involves collaboration with the government, non-governmental organizations, customers, and other companies.

Brazil

Together with our partner Recicleiros, we launched the Waste Picker Academy, training 176 waste pickers, and expanded the Public Manager Academy through a partnership with the State of Pernambuco, reaching 89 municipalities. The Vox Lab conducted research on recycling engagement in 12 municipalities with over 4,000 respondents, culminating in a published eBook. In parallel, we partnered with the ABIA Institute to train 16 technicians who will implement the Ethical Protocol in more than 80 waste picker cooperatives in early 2026.

South Africa

Expanded collaboration with PRO Fibre Circle to enhance beverage carton recycling and industry awareness through a school collection campaign, engaging students in learning about and practicing beverage carton recycling.

Indonesia

The continuation of the Recycle for Good program in partnership with the SIG Foundation saw further network expansion to include 201 drop off points. In 2025, we collected 80 tons of used Beverage Cartons, 50 tons of plastic packaging, and welcomed more than 23,800 visitors to our education seminars during the community outreach activities.

Outlook

SIG will accelerate the transition toward regenerative packaging systems that are resource-positive by design.

A key priority is the global rollout of aluminum-layer-free aseptic cartons, expanding their availability across all market segments to advance renewable, low carbon packaging and simplify recycling. In parallel, we will deploy our designed-for-recycling bag-in-box and spouted pouch solutions to drive the shift toward mono-material packaging that keeps materials in circulation. At the same time, we will continue to increase the paper content of our cartons and expand the use of renewable and recycled polymers to further reduce dependence on fossil-based resources.

Alongside innovation, SIG will strengthen collection and recycling systems in all priority markets, covering over 90% of our global business, through collaboration, advocacy, and investment.

Together, these actions will accelerate our progress toward a truly circular economy that regenerates natural systems and preserves value for future generations.

Food+

Access to affordable, safe, and nutritious food and beverages is a fundamental human right. A regenerative packaging solution can sustainably serve this fundamental right by transforming the food system to:

- Support a decrease in food loss and waste.
- Ensure access to safe, affordable nutrition, contributing to better health for a growing population.
- Minimize the food supply system's impact on climate and nature and help to restore natural resources.

Our regenerative packaging solution contributes significantly to this transformation.

- We are providing an aseptic food packaging system that enables delivery of affordable and safe nutrition and relies on renewable or recycled materials that replenish ecosystems and natural resources[1].
- Our packaging solutions enable a resilient, shelf-stable, secure food supply with a positive impact on nutrition and health.
- We are providing tailored packaging for different needs and distribution conditions. This enables our customers to extend the reach of nutritious products to areas with limited infrastructure.
- We are supporting our customers with lightweight packaging systems that require low logistics efforts and offer a long shelf life, thereby resulting in less food waste.

Our commitments

We commit to providing access to affordable, safe and nutritious food and beverages:

- **Deliver nutritious food** through increasing access to safe, affordable nutritious food without preservatives and contributing to better health;
- **Help transform the food system** via a regenerative packaging solution where innovation minimizes food loss/waste and increases the nutritional value of food and beverages; and
- **Ensure product and food safety** and maintain the nutritious quality of packed products.

1 Aseptic packaging extends shelf life without refrigeration and preserves product quality and nutrients. It reduces energy consumption during processing and transport, causing less food waste, and uses lighter, more efficient packaging materials, thereby reducing costs.

Our approach

Measures taken and responsibilities

Deliver nutritious food – *Chief Markets Officer*

Access to safe and nutritious food is a growing global challenge, intensified by climate change, food waste, and unequal distribution.

We recognize the vital role packaging plays in enabling food security, reducing waste, and extending shelf life, especially in regions where infrastructure is limited. Through our technologies, partnerships, and global reach, we are uniquely positioned to support both people and planet through our commitment to delivering nutritious food.

To measure and advance this impact, SIG follows independent Health Star Rating (HSR) guidelines to identify nutritious food and beverages packed in SIG packaging. The HSR system evaluates products based on both risks, such as sugar and saturated fat, and beneficial nutrients, including protein or fiber content. This allows us to track and increase the proportion of nutritious products we help bring to market.

In addition, we place a special focus on protein sources, essential for a healthy and balanced diet. By aligning with the HSR framework and guidelines on foods containing protein, we aim to ensure our packaging contributes not only to healthier choices but also to improved access to essential nutrients.

Increase the yearly volume of nutritious[1] food and beverage products brought to consumers in all SIG packs by greater than 50%, by 2030 (from 2020)

Deliver 14 billion liters per year of nutritious[1] protein sources, by 2030

- Our newly defined product innovation strategy, used in customer collaborations, is a framework for our future category innovations and centers on four key areas: protein enrichment, gut health, sugar reduction, and efficient hydration.
- SIG partners in the SenSpores project, led by Hochschule Niederrhein and funded by the EU, to advance rapid, on-site detection of microbial spores in liquid foods and reduce spoilage-related waste.
- We are continuing to run the SIG Incubator program which supports food-tech and food and beverage start-ups by providing access to advice, expertise and consumer-focused insights – as well as by enabling them to use our filling machines, either at our own SIG Test-filling Centers or at existing SIG customers' plants to create and launch next-gen product solutions faster on the market.
- SIG is a Diamond Partner of MassChallenge Switzerland, supporting its Sustainable Food Systems Program to accelerate start-ups driving innovation in renewable packaging and sustainable food solutions. Celebrating 10 years of impact in 2025, MassChallenge Switzerland has helped 1,175 start-ups raise CHF 2.9 billion and create over 86,000 jobs, with SIG contributing expertise and resources to foster a global ecosystem of climate-resilient and resource-efficient innovations that help to transform the food system.
- SIG is a member of U.S.-based food innovation platform MISTA, which brings together leaders from the global food and beverage industry to explore collaborative ways to accelerate the transformation of the global food system into a more regenerative one.
- We are scaling up the SIG Foundation's "Cartons for Good" initiative. Further details can be found in **Responsible culture: Communities** →.

Bringing more nutritious food to people everywhere

From superfood acai bowls to plant-based milks and protein-packed yogurts, SIG packaging is helping brands bring more nutritious choices to consumers worldwide.

In Japan, Asahi is using its fermentation expertise to launch its first **plant-based milk** in **SIG SmallBloc** cartons.

In Latin America, **Cooperoeste** is expanding into healthy dairy options with **SIG spouted pouches** – perfect for yogurt drinks, and other nutritious snacks on the move or at home.

Together, these innovations bring us closer to our 2030 goals: increasing nutritious food and beverage volumes in SIG packs and expanding access to nutritious protein sources.

1 Different types of products are categorized according to their nutritional profile based on the independent Health Star Rating System.

Help transform the food system – *Chief Markets Officer*

Transforming the food system is an essential commitment to building a more sustainable, equitable future – and a fundamental shift is needed.

At the heart of this transformation lies a regenerative packaging solution, which is enabled through innovation and collaboration. Today, around 30% of all food produced globally is lost or wasted along the value chain. Our aseptic technology helps tackle this challenge by enabling safe, affordable, and nutritious food to be stored and distributed without refrigeration for up to 12 months – protecting nutrition, reducing waste, and cutting energy use.

Through our product innovation strategy, developed in close collaboration with customers, we aim to further increase nutritional value and reduce food waste by expanding aseptic solutions across our portfolio. This includes scaling up bag-in-box smart dispensing systems to minimize product losses, integrating aseptic technology into spouted pouches, and converting chilled packaging to aseptic formats in emerging markets to enhance accessibility.

Run 5 innovation projects to increase nutrition across SIG regions in partnership with our industry partner ecosystem[1], and the SIG Foundation "Cartons for Good" initiative, by 2030 (from 2026)

Increase food system yield through total avoided food loss/waste of 250 million liters, utilizing our packaging and moving from chilled to aseptic packaging and smart dispensing, by 2030 (from 2026)

- We are a founding member of the Food Cluster as part of the Climate and Health Coalition, hosted by Forum for the Future, aiming to accelerate the transformation of our food and agricultural systems through partnerships and sharing of best practices (see **Appendix: Partnerships and memberships** →).
  - Together with the Food Cluster we partnered to build a toolkit for food and drink system businesses that provides information and guidance on intersection of climate, health and food.
- Our highly efficient filling machines cut the waste rate of packs (and associated food content) during filling to an industry-leading 0.5% or less for aseptic cartons, and as little as 0.7% for bag-in-box and spouted pouches.
- We aim to minimize food waste from residues left in the pack after consumer use by offering very high evacuation rates for our bag-in-box and spouted pouch solutions and innovating to further improve pourability from our cartons.

Smart dispensing of dairy in practice

"Lattiz empowers coffee houses to consistently deliver barista-quality milk foam, enhancing workflow efficiency and elevating the customer experience. Its innovative bag-in-box system reduces milk waste and lowers carbon emissions, aligning with our commitment to operational excellence and environmental sustainability.

FrieslandCampina

Global launch of aseptically filled banana purée

ALCA Corp leverages advanced processing and SIG's aseptic spouted pouch system to transform bananas into high-quality, shelf-stable products with enhanced nutritional value. By extending the product shelf life while preserving the natural benefits of the fruit, ALCA Corp exemplifies how innovation can unlock new opportunities for nutritious, value-added food solutions. This makes ALCA Corp a strong partner in developing sustainable and commercially scalable products that meet the growing demand for healthy, long-lasting and aseptically filled nutrition.

Driving climate and health impact through collaboration

We participated in the Food Cluster activities at the New York and London Climate Action Weeks in 2025, to highlight the critical link between climate and health, and the power of collective action.

During New York Climate Week, the focus was on unlocking consumer health as a driver for climate action, scaling of promising local pilots and embedding prevention in policy and practice. In London, we explored how food system businesses can deliver co-benefits for climate and health, with practical guidance and real-world examples shared by leaders across retail, packaging, and investment.

As Hannah Pathak, CEO of Forum for the Future, noted:

"Our partnership with SIG exemplifies the kind of bold, purpose-driven collaboration needed to tackle the complex challenges at the intersection of climate, health, and food. SIG's leadership in sustainability and its practical contributions to the Climate & Health Coalition have helped bring our shared vision to life, demonstrating how businesses can drive meaningful change and deliver co-benefits for people and planet.

1 Such as MISTA, SIG customers, the SIG Incubator.

Ensure product and food safety – *Chief Supply Chain Officer*

Ensuring uncompromising product and food safety through our packaging is foundational to our role in the food system. As we work to transform the food system, safeguarding this role by delivering our regenerative packaging solution is non-negotiable.

Continue to elevate all packaging plants to the highest possible Global Food Safety Initiative (GFSI) recognized food safety certification standards, by 2030 (from 2026)

- Our plants are certified to Global Food Safety Initiative (GFSI) recognized standards[1] that deliver uncompromising product safety and quality through a robust, integrated management system that proactively identifies, mitigates, and eliminates risks across the entire value chain.
- Understanding the critical importance of Hazard Analysis and Critical Control Points (HACCP) and other risk management standards to our customers' operations, we align our systems and expertise to not only meet, but actively support their compliance and quality goals, and strengthen their reputation.
- Using digital tools, we are expanding our real-time, process-based and predictive quality control to all production facilities, safeguarding food safety while driving waste reduction through early detection.
- We have a system and associated processes established to ensure backward traceability from our final products (package material and closures), through logistics and manufacturing, up to the raw materials used.
- We treat customer complaints as valuable insights and through structured analysis and root cause investigation, we transform this feedback into actionable enhancements to drive continuous improvement.
- Recognizing that employee engagement drives high quality, we embed a product safety and quality mindset and culture into daily operations, across all levels of our organization, through:
  - Empowering every employee to take ownership, act responsibly, and contribute to our shared standards of excellence; and
  - Targeted training, transparent communication, and leadership engagement.
- We drive quality standards by continuing to review and update our SIG Excellence System, which is an audit by our internal global quality management experts.
- We maintain an established process for product recalls or withdrawals, if required.

1 Except for our chilled carton plant in Hsinchu City, Taiwan, which is currently certified to ISO 22000:2018 and working towards certification to a GFSI-recognized standard, and our production plant in Voronezh, Russia, due to limitations in respect of data access.

Product and food safety at SIG

- For the past ten years – since the start of externally reported tracking – SIG has had zero consumer product recalls, underscoring our commitment to product safety and compliance.
- Global Quality Weeks held across all plants celebrated and strengthened product safety and quality culture through engaging activities like quizzes, games, and targeted training.
- Transition is underway to the latest Brand Reputation through Compliance Global Standards (BRCGS) and SIG has already received top-level ratings in unannounced and announced audits regarding the new standard, demonstrating our continued excellence in food safety performance.

Assessing effectiveness

In addition to the performance assessment of our Food+ targets and **Key performance indicators** → we assess the effectiveness of our policies and actions through the below reporting and monitoring by responsible parties:

Reporting	Department	Responsible	Regularity
Deliver nutritious food and help transform the food system			
SIG Incubator and Food Cluster Project Review	• Group Corporate Responsibility • Global Customer Marketing and Positioning • SIG Foundation	Chief Markets Officer	Quarterly
Ensure product & food safety			
Integrated Complaint and Claim Management process (ICCM)	• Global Quality Management • Global Research & Development • Global Operations	Head of Global Quality Management	Monthly
Product withdrawal simulation	• Plant Quality Management Departments	Plant Quality Management Heads	Annual
Technical Management Team Meeting (including industry and regulatory insights)	• Global Quality Management • Global Research & Development • Group Corporate Responsibility • Global Marketing	VP Global Research & Development	Monthly

Our targets and performance

2020 to 2025 targets and performance

Target	Material topics	Progress tracker	2025 performance	Next steps
Increase the total volume of nutritious[1] food and beverage products brought to consumers in SIG packs by 50% by 2030 (from 2020)		On track	We delivered 16.8 billion liters of nutritious[1] food and beverage products to consumers in our packaging in 2025 - a 49% increase. This places us close to achieving our target five years ahead of schedule. Our carton packaging accounted for 13.9 billion liters, a 23% increase compared with 2020, while bag-in-box and spouted pouches contributed an additional 2.9 billion liters in 2025.	Retained in our **Deliver nutritious food** → commitment.
Use SIG's position within a more sustainable food supply system to create demonstrable positive impacts on nutrition and hydration by 2025		Completed	Through our participation in MISTA, we helped accelerate regenerative and nutrition-enhancing solutions. Our engagement in the Climate & Health Coalition's Food Cluster strengthened industry action linking climate, health, and nutrition. We also progressed affordable protein innovation with Nutrition from Water (NXW), developing algae-based concepts aimed at closing nutrition gaps in rapidly growing economies.	Our **Deliver nutritious food** → commitment focuses on more specific, measurable and impactful actions going forward.
Support two start-ups per year through our SIG Incubator program to share unused filling capacity to deliver nutritious food safely and efficiently by 2025		Completed	We supported AnaBio Technologies and Nutrition from Water (NXW) to co-design shelf-stable, aseptic drinking concepts in SIG's global test filling network. Since 2021 SIG supported and co-created 12 innovation projects together with start-ups and food tech companies.	The SIG Incubator program continues in our **Help transform the food system** → commitment with other similar programs, where we can remain flexible to focus on the programs that deliver the best outcomes to help transform the food system.

1 Different types of products are categorized according to their nutritional profile based on the independent Health Star Rating System.

Target	Material topics	Progress tracker	2025 performance	Next steps
Intensify partnerships with customers to scale SIG Foundation's Cartons for Good initiative by 2025		Completed	In 2025, Cartons for Good transformed 10.7 tons of surplus fruits and vegetables into more than 50,000 nutritious meal packs for underprivileged children, adults with oral health challenges, and people in need. The initiative continues to scale: following successful projects in Bangladesh and Thailand, implementation in Egypt is underway, with additional projects currently in the exploration phase.	The Cartons for Good program continues in our **Help transform the food system** → commitment with other similar programs, where we can remain flexible to focus on the programs that deliver the best outcomes to help transform the food system.
Maintain top level GFSI[1]-recognized certification at all packaging production plants	• Product safety and integrity	Partially achieved	25 of 26[2] plants achieved top level certification to GFSI-recognized food safety standards, with high or highest possible ratings. The remaining plant maintained certification to ISO 22000:2018 and is working towards certification to a GFSI-recognized standard in 2026. 14 of our 16 packaging plants (88%) certified under the Brand Reputation through Compliance Global Standards (BRCGS) achieved the highest possible rating, whereas globally, only 45% of all BRCGS certified plants of other companies in the packaging industry reached that level.	We have elevated our ambition of plant certification from "top level" to the "highest possible" rating in our **Ensure product and food safety** → commitment.
Maintain existing ISO 9001:2015 certifications at production plants (including all aseptic carton plants)		Completed	We maintained certification to the ISO 9001:2015 quality management standard across our operational aseptic carton business (aseptic carton production plants, closure plant, assembly plants, development), and at eleven of our bag-in-box, spouted pouch, and chilled carton production plants.	We will maintain existing ISO 9001:2015 certifications at production plants, while focusing on our **Ensure product and food safety** → commitment.

See **Appendix: Key performance indicators** → for related key performance indicators.

1 GFSI-recognized certifications include the Brand Reputation Compliance Global Standards (BRCGS) packaging standard, Safe Quality Food (SQF), Food Safety System Certification (FSSC 22000), and International Featured Standard (IFS).
2 Excludes our production plant in Voronezh, Russia, due to limitations in respect of data access.

2026 to 2030 targets

Target	Material topics	2025 performance
Deliver nutritious food		
Increase the yearly volume of nutritious[1] food and beverage products brought to consumers in all SIG packs by greater than 50%, by 2030 (from 2020)		We have delivered 16.8 billion liters of nutritious food and beverage products to consumers in our packaging in 2025 – representing a 49% increase and placing us close to achieving our target five years ahead of schedule.
Deliver 14 billion liters per year of nutritious[1] protein sources, by 2030 (from 2020)		Reporting from 2026
Help transform the food system		
Run 5 innovation projects to increase nutrition across SIG regions in partnership with our industry partner ecosystem[2], and the SIG Foundation "Cartons for Good" initiative, by 2030		Reporting from 2026
Increase food system yield through total avoided food loss/waste of 250 million liters, utilizing our packaging and moving from chilled to aseptic packaging and smart dispensing, by 2030		Reporting from 2026
Ensure product & food safety		
Continue to elevate all packaging plants to the highest possible Global Food Safety Initiative (GFSI)[3] recognized food safety certification standards, by 2030	• Product safety and integrity	Reporting from 2026

See **Appendix: Key performance indicators** → for related key performance indicators.

Outlook

SIG will continue to drive transformation across the food system through innovation, safety and nutrition.

We are rolling out smart dispensing solutions for bag-in-box in the food service industry. Engineered for the future, SIG's sterile, closed-loop systems offer clean, consistent, and automated dispensing with up to 99% product evacuation – reducing food waste, improving cost efficiency, and extending shelf life. Our connector technology ensures fast, easy integration with a wide range of dispensing equipment, supporting a more sustainable and streamlined food service experience.

To deliver more nutritious food, we continue to advance our pipeline of product innovations and investigate natural sugar reduction, working with food tech partners to maintain taste and texture across diverse categories. At the same time, we are strengthening product and food safety by expanding real-time, predictive quality control systems to all production facilities from 2026 onward.

These combined efforts will continue to ensure resilient, secure, and safe nutrition for all.

Continuing product innovations partnerships

- Algae-based protein concept development: SIG and Nutrition from Water (NXW) joined forces in 2025 to develop integrated, affordable product concepts that combine algae-based protein concentrates with SIG's advanced aseptic carton and spouted pouches. Algae-based protein is a previously unused and affordable protein source. The initiative is designed to help close the nutrition gap in rapidly growing economies, delivering protein-rich nutrition to communities where it is needed most.
- Exploring options for probiotics: Following our successful collaboration with our customer AnaBio Technologies in 2024, we are continuing to explore rollout options with our customers to incorporate probiotics into shelf-stable drinks in aseptic cartons and spouted pouches.

Due to the complex and multi-phased process that typically spans several years from initial concept through to commercialization, these projects are in various stages of development.

1 Different types of products are categorized according to their nutritional profile based on the independent Health Star Rating System.
2 The SIG industry ecosystem includes partners such as MISTA, SIG customers, the SIG Incubator.
3 Global Food Safety Initiative (GFSI)-recognized certifications include the Brand Reputation Compliance Global Standards (BRCGS) packaging standard, Safe Quality Food (SQF), Food Safety System Certification (FSSC 22000), and International Featured Standard (IFS).

Responsible culture

A **regenerative and just transition** delivers benefits fairly, inclusively, and equitably for our people, across the value chain and beyond, including mindset shifts and capability development.

Within our sustainability approach, we safeguard our contribution to a regenerative and just transition by:

- Respecting human rights by ensuring safe, fair, and respectful working conditions across our operations and supply chain.
- Supporting our workforce to remain resilient and adaptable as business needs evolve.
- Engaging with suppliers to drive systemic change and support regenerative practices across the value chain.
- Being a responsible and inclusive business partner in communities – either directly or indirectly connected to our operations and sustainability initiatives.

Responsible culture:

Our people

At SIG, we believe that lasting impact begins with our people.

A regenerative and just transition means creating safe, fair, and inclusive conditions for everyone – upholding human rights, fostering a respectful workplace, supporting health, safety, and wellbeing, developing and attracting talent, and ensuring strong governance and integrity in everything we do. These foundations are non-negotiable and guide how we operate across all regions and functions.

Our commitments

We are committed to **fair working conditions** and an inclusive, respectful environment where all our employees can thrive. This commitment is reflected in how we treat our employees, how we lead, and how we do business – every day, everywhere.

We protect human rights and fair working conditions, ensuring safe workplaces, fair pay, freedom of association, and zero tolerance for child labor, forced labor, or discrimination. Regular audits, risk assessments, and corrective actions help us uphold these standards across all our operations and suppliers.

Keeping people safe is non-negotiable. Through our "Take Care" safety culture, ISO 45001-certified systems and continuous training, we aim for zero harm. At the same time, we support physical, mental, social, and financial wellbeing – because health goes beyond safety.

We are building an inclusive and engaging culture where everyone belongs, can speak up, and is heard. We value varied perspectives and experiences, run employee groups, encourage open dialogue, and recognize contributions – because inclusion drives innovation, trust, and better decisions.

To secure our future, we focus on attracting and developing talent. That means fair hiring, transparent career paths, continuous learning, mentoring, leadership development, and strong internal mobility – so people don't just work at SIG; they grow with SIG.

All of this is grounded in strong governance and ethics. Our Code of Conduct sets clear expectations, and our Integrity & Compliance Hotline allows employees and external partners to report concerns safely and anonymously. We act transparently, with zero tolerance for misconduct.

These commitments guide how we support our people, strengthen trust, and ensure that our business creates more value for society and the planet than it takes. They are embedded across our strategies, policies, and day-to-day actions.

Human rights

Our approach: measures taken and responsibilities

Chief People & Culture Officer and Director Corporate Responsibility

Our measures on human rights support a regenerative and just transition by ensuring safe, fair, and respectful working conditions across operations (and supply chains), with audits, risk assessments, and action plans driving accountability.

Conduct SEDEX Members Ethical Trade Audits (SMETA) at all our production sites every two years

- We uphold the respect and protection of human rights in line with internationally recognized standards, the International Bill of Human Rights, the International Labour Organization (ILO) Core Labour Standards, the Ethical Trade Initiative Base Code, and the UN Global Compact.
- SIG recognizes the right to freedom of association and collective bargaining and ensures working conditions and terms of employment for employees who are not covered by collective bargaining agreements are in line with our standards and local requirements.
- We uphold human right consistently across all production sites, with strict standards reinforced through regular SEDEX SMETA audits (see **Appendix: Certifications** →).
- At our non-production sites, human rights risks are assessed through SEDEX Self-Assessment Questionnaires (SAQs) reviewed by internal experts, with corrective actions taken where needed (see **Appendix: Certifications** →).
- Through analyses and audits, such as SEDEX, we identified key areas and implemented targeted initiatives focusing on health, safety, wellbeing, and working hours within our operations.
- We ensure safe and reliable access to water, sanitation, and hygiene (WASH) services for all employees by:
  - guaranteeing on-site availability of drinking water, sanitation, and hygiene facilities, monitored daily for functionality and cleanliness; and
  - maintaining compliance with national water quality standards and reinforcing safety through regular checks, anonymous feedback channels, and independent SMETA audits.
- We provide a dedicated human rights knowledge base to build awareness of our commitments, our due diligence approach, and each employee's role in upholding them.
- Employees are trained on child and forced labor through the annual Code of Conduct program.
- Our Integrity & Compliance Hotline enables anonymous reporting by stakeholders on potential human rights issues in our own or suppliers operations (see **Governance and ethics** →).

Human rights are a core part of how we work with suppliers – see **Responsible culture: Our suppliers** → for more details.

Upholding labor standards across our sites

Most of our production sites (28 out of 30[1]) have completed SEDEX SMETA audits.

We rolled out human rights risk assessments at our non-production sites using the SEDEX SAQ, with 36 of 40 sites completing the assessment.

We launched a dedicated human rights knowledge base and communications campaign to raise awareness of our commitments, due diligence approach, and each employee's responsibility in upholding human rights.

Outlook

We will continue to strengthen our human rights agenda through regular risk analysis, SEDEX and EcoVadis assessments. Any gaps identified will be addressed with corrective actions, while supplier due diligence will be reinforced to raise standards across our value chain. Additionally, we plan to expand training programs to ensure employees and partners alike are well-equipped to uphold our commitments on human rights.

1 Excludes our production plant in Voronezh, Russia, due to limitations in respect of data access.

Health and safety

Our approach: measures taken and responsibilities

Chief Supply Chain Officer, implemented by EHS Lead

At the heart of everything we do is a simple truth: people matter. Keeping our employees safe and healthy is not just a requirement; it's a reflection of who we are and what we stand for. When people feel protected, cared for, and empowered to make safe choices, they carry that mindset beyond the workplace – to their families, their communities, their everyday lives. That is why we believe in promoting a culture of safety and wellbeing that lasts 24 hours a day.

Achieve a 15% reduction in our Total Recordable Case Rate[1] (per 200,000 hours worked), by 2030 (from 2026)

- Risk management is legally required at all SIG production sites with each site completing Environmental, Health and Safety (EHS) compliance forms aligned with national laws, and undergoing SEDEX Members Ethical Trade Audits (SMETA) every two years (see **Appendix: Certifications** →).
- ISO 45001 certification for health and safety management is maintained at all operations, which includes Global Assembly, Global Research & Development, and Technical Service (see **Appendix: Certifications** →), covering the largest of SIG risks and all employees and contractors at those sites.
- All employees, contractors and visitors to any SIG site are required to adhere to policies and procedures set out by the management systems, and technical customer employees are instructed on the safe operation of our filling machines.
- Annual risk assessments are conducted at each site, with root cause analysis of incidents and near misses driving local corrective actions.
- EHS is a key pillar of the SIG Excellence System (SES)[2] maturity assessment, performed annually, which improves safety processes through global best practice sharing and validates ISO certification and compliance requirements.
- Workgroups are established to identify and implement technical protective measures on machinery, including folder sealers, extrusion lines, and finishing machines, enhancing operational safety.
- Health and safety steering committees meet regularly and include plant management, EHS managers, People & Culture teams, works councils, and medical staff, ensuring broad engagement.
- With active support from our team, plant and shift leaders to ensure local engagement, we address risks through our training and safety initiatives – covering our offices, remote work environments, and customer sites:
  - Comprehensive training for all employees on SIG's Life Saving Rules and role-specific risk management and "The Golden Principle": Stop work if conditions or behavior are unsafe.
  - "Keeping the conversation going on safety" to promote open dialogue and continuous awareness.
  - Safety observation programs at all plants, encouraging personal accountability and leadership by example.
  - Targeted education campaigns addressing specific safety concerns.
  - EHS Days to educate and share best practices on safety, health, and sustainability throughout SIG.

With over 9,700 employees across more than 100 countries, our responsibility is global – but deeply personal. A failure to ensure safety and health can have devastating consequences: injuries that change lives, or illnesses that silently take hold over time. That's why our commitment is unwavering. By focusing on prevention, care, and wellbeing, we not only protect the rights and dignity of every person in our organization – we also strengthen our shared future.

Because when people thrive, so does our company. Fewer accidents. Healthier teams. Stronger engagement. It's all connected. And it all starts with putting people first.

Fabio Grazioli
Chief Supply Chain Officer

1 Total recordable cases include lost-time, medical treatment, and restricted work cases.
2 The SIG Excellence System (SES) is a company specific structure of foundations and pillars highlighting the interaction of specific tasks, which supports analysis and methodical improvement of our systems.

Life-Saving Rules review

In 2025, we took a fresh look at our Life-Saving Rules to ensure they continue to protect our people in the most effective way possible. As part of this important update, we carefully reviewed the content of our former five Standard Operating Procedures (SOPs), refining what works and enhancing elsewhere where needed.

A key addition this year was to include new rules, supported by a focused education campaign, addressing "Moving and Rotating Objects" (MORO) – a critical risk area that deserves focused attention. Work on machinery is permitted only when it is safely shut down, with guards in place, personal safety measures observed and performed by trained personnel; any irregularities must be reported immediately.

Alongside the content update, we also introduced a refreshed visual design aligned with our new corporate branding – helping to increase visibility, clarity, and impact. Because safety isn't just about rules; it's about making sure they're understood, remembered, and lived every day.

Mobile and Rotating Objects (MORO) campaign

Following a concerning rise in incidents involving moving and rotating machinery parts across several plants in 2024, we were reminded that even the smallest oversight can have serious consequences. To address this, we launched the MORO campaign, aimed at strengthening awareness and reinforcing safe practices around our machines.

The campaign highlighted the critical risks linked to moving equipment – such as entrapment, cuts, impacts, and burns from friction or overheated parts – and that protecting our hands and preventing injuries is not only a priority but also a daily responsibility. Plant managers were actively engaged to lead these discussions within their sites, using the campaign as an opportunity to engage teams, raise awareness, and emphasize the importance of safe behavior when working with MORO risks.

By remaining vigilant, following established procedures, and supporting one another, we can continue to reduce risks and build a safer workplace for everyone.

Outlook

In 2025, we will continue to strengthen our global safety culture and drive operational excellence by building on key initiatives across all regions and functions.

A central focus will be the rollout of a standardized observation and feedback program across all sites, designed to promote proactive safety behavior, increase awareness, and foster continuous learning through consistent engagement.

To standardize our safety management systems, we will implement unified methodologies, including a global Occupational Health and Safety (OHS) risk assessment framework and an enhanced incident and near-miss reporting system. These tools will improve transparency, data quality, and risk mitigation.

Digitalization will continue to be a key enabler, helping streamline administrative processes through smart digital tools that allow teams to focus more on prevention, analysis, and continuous improvement.

We will deepen the integration of Field Service Engineers into our global safety framework, recognizing their critical role in driving safety performance in the field. A strong example of this was in America North, where collaboration with customers led to enhanced safety training, the introduction of shared tools such as the Lockout–Tagout–Testout (LOTOTO) kit for energy isolation and built of a culture of joint responsibility.

Together, these initiatives will move us closer to our vision of a strong and proactive safety culture – one that protects our people and enables sustainable operational excellence.

Employee wellbeing

Our approach: measures taken and responsibilities

Chief People & Culture Officer

Our wellbeing programs reinforce a just transition by addressing the whole person: physical, mental, social and financial.

Improve employee wellbeing by reaching an average score across wellbeing indicators that exceeds the industry benchmark[1]

Achieve and maintain a health rate of greater than 97% annually across the organization (from 2026)

- We ensure colleagues at larger sites can benefit directly from on-site care, providing access to medical professionals, health checks, and fitness programs, with information on offers and opening times via the SIGer app and other on-site communications.
- Our global ergonomics training and adapted workstations improve working conditions and help to mitigate musculoskeletal and other health risks.
- Clear guidelines have been implemented to support work-life balance for both production and office employees, while managers receive training to recognize and support colleagues facing mental health challenges.
- BeWell is an established SIG year-round program, embedding physical, mental, social, and financial wellbeing into daily life.
- We continuously create spaces for open dialogue through psychological safety training, coffee roulette, and assistance programs.

Psychological Safety

In 2025, SIG strengthened its focus on psychological safety as a foundation for trust, collaboration, and wellbeing. Through leadership learning, employee engagement, and wellbeing initiatives, the company helped teams create environments where people feel safe to share ideas, take risks, and learn from mistakes.

A new Psychological Safety learning series – including an e-learning module, workshops, and a month of upskill sessions – equipped leaders with practical tools to foster open, high-performing teams. At the same time, the BeWell program continued to translate wellbeing into action through stress, sleep, and nutrition workshops, mindfulness challenges, and employee-led activities.

This adds to our already high engagement, with scores above the industry norm[1], and highlights the continued actions taken toward building a culture of openness, respect, and shared growth across SIG.

Outlook

Wellbeing at SIG will increasingly focus on resilience and mental health. We will deepen awareness through campaigns, peer support networks, and access to assistance programs. Wellbeing will also be embedded more closely into everyday ways of working, linking flexibility and balance directly to sustainable performance. To ensure progress, we will strengthen measurement by tracking not only participation levels but also the impact of wellbeing activities on employee outcomes.

1 The Industry benchmark defined as norms for manufacturing companies participating in the Willis Towers Watson employee engagement survey.

Shaping an inclusive and engaging culture

Our approach: measures taken and responsibilities

Chief People & Culture Officer

Our engagement and workplace culture measures advance a just transition by building a supportive workplace where all voices are represented, employees can speak up safely, and recognition practices ensure fairness and belonging.

Achieve engagement score above industry benchmark[1]

- Our engagement survey provides colleagues with a structured way to voice feedback and influence decisions.
- We run recognition and fair pay programs including the Shine Awards, and development of a five-year roadmap toward fair pay.
- The monthly SipConnect initiative fosters inclusivity through a global pairing of colleagues for online coffee breaks.
- Through our storytelling platforms like SIGers on the Move, we highlight mobility, share experiences and personal growth.
- Our global reverse mentoring initiatives complement our global mentoring program, giving senior leaders fresh perspectives while helping colleagues build leadership skills and networks.
- Our recruitment practices utilize standardized interview questions and diverse interview panels where possible.
- We train recruiters and hiring managers on unconscious bias and cultural awareness.
- Campaigns ensure visibility and celebration of diverse communities throughout the year.
- Together we celebrate and raise awareness at a global and local level on international celebration days.

Employee Engagement and Recognition

In 2025, we strengthened recognition and fostered a sense of belonging across our global workforce. This progress is reflected in our strong employee survey participation rate of 84% and an engagement score of 86% favorable responses, with DEI, retention, and learning highlighted as top strengths.

We also advanced our pay and living wage analysis to cover 46% of our workforce, a significant increase from 28% in 2024.

Outlook

Looking ahead, we remain committed to building a culture where people feel valued, supported, and heard. In 2026, we will run our next global survey and strengthen transparency around action planning. We will also launch a global recognition program and expand fair-pay coverage, while embedding psychological safety into leadership routines and maintaining an inclusive calendar. Together, these actions will ensure colleagues continue to see SIG as an inclusive and engaging workplace during times of change.

1 The Industry benchmark defined as norms for manufacturing companies participating in the Willis Towers Watson employee engagement survey.

Attracting and developing talent

Our approach: measures taken and responsibilities

Chief People & Culture Officer

We are committed to fostering a workplace where people thrive and contribute meaningfully to a regenerative and just transition. Through merit-based recruitment and forward-looking talent development, we ensure fair access to opportunities, cultivate diverse perspectives, and equip our employees with future-fit skills and transparent career paths.

Achieve and maintain an average of at least 30 training hours per employee per year (from 2026)

Increase internal hire rate to 50%, by 2030 (from 2026)

- Our globally standardized recruitment process ensures that both internal and external candidates experience a consistent hiring journey, regardless of region or country.
- We have enhanced the capabilities of our recruitment system by introducing new features for employee referrals, interview scheduling, candidate application, and candidate review.
- The Talent Acquisition teams receive upskilling sessions to help focus on identifying the most effective talent channels, refining sourcing strategies, reaching qualified candidates, and mitigating bias in recruitment.
- By providing diverse training and learning options to all employees, we support continuous development:
  - Practical upskilling sessions aligned with our competency framework, such as communication and storytelling skills focused on presentation and narrative-building.
  - On-demand learning through platforms Bookboon and Speexx.
  - Global sales training sessions to strengthen commercial capabilities across markets.
  - Over 50 e-learning modules on the SIG Academy, covering key business pillars.
- We foster professional growth through coaching and mentoring opportunities for all employees:
  - Regular performance and career development reviews delivered.
  - Talent coffee breaks with the Group Executive Board and mentoring with senior leadership.
  - The Global Mentoring Program, which pairs cross functional professionals and includes reverse mentoring.
  - Coaching opportunities delivered via Bettercoach and independent providers.
- Our targeted leadership development programs help build strategic and change leadership capabilities:
  - New Leaders Program combining emerging leader coaching and real-world challenges.
  - Leadership Accelerator helping middle managers with strategy execution and fostering high-performing teams.
  - Transformational Leadership Program building capacity to lead change and drive growth.
- We enable internal communication and knowledge sharing through monthly Leadership & Wellbeing podcasts, featuring leader insights, and the learning and development news channel, sharing curated learning opportunities.

Investing in people

Some of the key highlights in 2025 reflect SIG's continued investment in structured career development, leadership engagement and development, and employee upskilling:

- We completed the company-wide rollout of our Career Path Framework, mapping 100% of senior roles.
- The launch of our new mentoring program began with the pairing of Group Executive Board members with high-potential talents.
- Upskill sessions became one of SIG's most recognized initiatives, engaging over 3,300 participants across 49 sessions.
- We ran a pilot of our Leadership Accelerator with 14 participants to bridge strategy and execution.

Outlook

We will continue to evolve our approach to attracting talent by automating recruitment processes to improve speed and candidate experience, while refining sourcing strategies to reach more diverse talent pools and enhance internal mobility. At the same time, we will strengthen our employer branding by showcasing life at SIG and the opportunities for career growth available to colleagues across the organization.

In 2026, we will roll out the Career Path Framework to all generic roles, ensuring clarity and consistency in career development across SIG. Building on this, we will implement a new Talent Strategy with the goal of tripling the leadership pipeline strength by 2028. AI-enabled tools will play a central role in succession planning and career mobility, while continued investment in leadership programs, coaching, and experiential learning will ensure our people have the skills to thrive in a changing business environment.

Governance and ethics

Our approach: measures taken and responsibilities

Senior Vice President Legal & Compliance

We act with professionalism and integrity in all our business dealings, guided by the ethical principles set out in the SIG Code of Conduct. These principles include ethical and compliant behavior including promoting fair and respectful treatment and ensuring responsible, transparent engagement with all stakeholders.

Maintain mandatory annual Code of Conduct training for all employees

- The SIG Code of Conduct, approved by our Board of Directors, complemented by policies and guidelines on specific topics and available in 19 languages, sets out our ethical principles in regard to:
  - ethical and compliant behavior, including anti-bribery and anti-corruption;
  - fair, respectful, and courteous treatment of fellow employees and others with whom we interact, including equal employment opportunity, anti-harassment and anti-discrimination;
  - fair and appropriate consideration of the interests of all stakeholders as well as of the environment, including avoidance of conflicts of interest and human rights compliance; and
  - professionalism and good business practice, including anti-trust compliance and privacy and data protection.
- Our zero-tolerance approach to bribery and corruption in any form is stipulated in the SIG Code of Conduct, detailed in our Anti-bribery and Anti-corruption Policy, and reinforced through training.
- We maintain an Integrity and Compliance Hotline whereby;
  - employees and all external stakeholders can report anonymously (where permitted by local legislations) any concerns related to bribery, corruption, unethical conduct, human rights violations or the environment in our own operations or our business partners' activities;
  - all reports are investigated and appropriate action taken, including, but not limited to, disciplinary measures;
  - the effectiveness of the grievance mechanism is regularly assessed, including by statistical analysis of the reports and other controls; and
  - reports containing critical concerns are communicated to the Board of Directors, at its quarterly meetings or on an ad-hoc basis, if required.
- All our production plans undergo a SEDEX SMETA audit every two years which includes business ethics (see **Appendix: Certifications** →).
- We safeguard personal data and educate our employees on IT security to combat the increasing threat of global cyberattacks;
  - The international ISO 27001 standard on information security management is maintained in China, Germany and Romania covering the provision of Information Communication Technology Infrastructure, related applications, data centers and production operations.
  - To improve our security awareness culture, we require all employees to participate in data protection and cybersecurity training, and provide continuous education through a survey, case examples, personal tips, sharing experiences, "dos and don'ts" and phishing simulations.
- We train our people and raise awareness on governance topics:
  - We require all employees to complete mandatory training on the SIG Code of Conduct every year.
  - We provide additional in-depth training, including on anti-bribery, anti-corruption, anti-trust and data privacy, for employees in high-risk roles such as Sales, Procurement, Finance and People & Culture.
- We encourage people to speak up without fear of retaliation if they have any questions or concerns, including those related to bribery and corruption, via their line managers, our People & Culture teams, global and regional Legal & Compliance Officers or via our Integrity and Compliance Hotline.
- We engage responsibly and transparently with all relevant and affected stakeholders in developing, managing and communicating governance topics and activities, including by developing channels (such as our Integrity and Compliance Hotline) to enable them to voice their complaints and grievances.
- We engage with a wide range of stakeholders, which includes discussions on our approach to governance (see **Introduction: Stakeholder engagement** →).

Investigating and acting on reports received

Reports received via our Integrity and Compliance Hotline and other channels in 2025 mainly related to workplace and employee matters, of which none were considered critical. We investigated all reports received and took disciplinary action, including reprimands and dismissals, where appropriate.

We have not identified cases of significant non-compliance with applicable laws and regulations during the reporting period and there were no cases in which monetary fines were incurred[1]. During the reporting period there were no confirmed incidents where contracts with business partners were terminated or not renewed due to violations related to corruption, nor were there any confirmed public legal cases regarding corruption brought against the organization or our employees.

If reports containing critical concerns are received, they are communicated to the Board of Directors, the Group's highest governance body, at its quarterly meetings or on an ad-hoc basis, if required. During the reporting period there were no concerns considered critical.

1 We define significant instances by reference to a value exceeding €30 million, in line with the materiality threshold applied in connection with our consolidated financial statements 2025.

Outlook

Governance and ethics remain the foundation of how we operate. We will continue to strengthen compliance monitoring globally and enhance transparency through regular reporting to the Board of Directors. By embedding compliant and ethical behavior into every level of our organization, we protect trust with our employees, customers and partners alike.

Our approach: assessing effectiveness

In addition to the performance assessment of Our people targets and **Key performance indicators**, we assess the effectiveness of our policies and actions through the below reporting and monitoring by responsible parties, as well as SEDEX SMETA audits detailed in the **Appendix: Certifications**:

Category	Reporting	Department	Responsible	Regularity
Human rights	Human Rights Risk Assessments	• Global Environment, Health & Safety • Global People & Culture	Chief People & Culture Officer	Annually
Health and safety	Health and Safety KPIs	• Global Supply Chain	Global Executive Board	Monthly
	Incident Reports	• Manufacturing plants	Global Environment, Health & Safety Lead	As occurring
	Risk Assessments			Annual
Shaping an inclusive and engaging culture	Engagement and Diversity Data	• Group Culture & Engagement	Global Executive Board, Chief People & Culture Officer	Quarterly
Attracting and developing talent	Succession Health KPI	• Global Talent Development	Chief People & Culture Officer	Quarterly
	Internal Fill Rate for CKPs			
	Individual Development Plans (IDPs)			
	Other Talent KPIs			
Governance and ethics	Compliance Matter Updates and Statistics	• Group Legal & Compliance	Audit and Risk Committee (a committee of the Board of Directors)	Quarterly or ad hoc (as appropriate)
	Internal Audit Report	• Internal Audit		Five times annually
	Internal Audits	• All sites	Internal Audit	Regular schedule

Our targets and performance

2020 to 2025 targets and performance

Target	Material topics	Progress tracker	2025 performance	Next steps
Human rights				
Maintain SEDEX Members Ethical Trade Audit (SMETA) at all production sites	• Health, safety and wellbeing • Diversity, equity and inclusion • Business conduct	More work to do	We conducted an assessment of potential human rights risks and impacts through SEDEX SMETA audits at 28 out of 30[1] of our production sites. Our new production site in Ahmedabad, India, commenced operations in 2025, and its audit was conducted in January 2026.	Retained in our **Human rights** → commitment.
Conduct assessments of potential human rights risks and impacts in 50% of our own plants every two years		Completed		Retained as part of our **Human rights** → commitment to conduct SEDEX SMETA audits at all production entities every two years. We additionally complete SEDEX Self-Assessment Questionnaires at non-production sites.
Advance our human rights risk identification and assessment processes in our own operations and supply chain to define salient human rights issues		Completed	We completed two-yearly SEDEX SMETA audits of our production plants and have conducted further human rights risk assessments using SEDEX. In our supply chain, we updated our assessment methodology using EcoVadis.	Our human rights risk assessment process is embedded within our Human Rights, Labour and Community Engagement Policy as well as in our Responsible Sourcing Policy and is assessed through SEDEX SMETA audits, EcoVadis methodology and self-assessment questionnaires.
Health and safety				
Zero recordable cases[2]	• Health, safety and wellbeing	Not achieved	While we have made progress in recent years – improving the overall recordable case rate to 0.63 in 2024 – our 2025 performance of 79 total recordable cases and overall recordable case rate of 0.89 reflects the ongoing challenge of a significantly expanded global footprint and multiple production technologies, following the integration of our bag-in-box, spouted pouch and chilled carton packaging businesses.	Our ambition to prevent all health and safety incidents and work-related illnesses is retained in our Environment, Health and Safety (EHS) Policy while our ongoing commitment to health and safety is operationally focused (see **Health and safety** →).
Employee wellbeing				
Define a holistic strategy and roadmap to foster wellbeing at SIG	• Health, safety and wellbeing	Completed	We completed the rollout of a holistic wellbeing program, delivering global awareness activities, guides, training (e.g., psychological safety), and a podcast to strengthen leadership and wellbeing while equipping employees and managers with practical support skills.	Following our roadmap definition, we are now benchmarking our wellbeing to track our performance in a more quantifiable manner (see **Employee wellbeing** →).

1 Excludes our production plant in Voronezh, Russia, due to limitations in respect of data access.
2 Recordable cases include lost-time, medical treatment, and restricted work cases.

Target	Material topics	Progress tracker	2025 performance	Next steps
Shaping an inclusive and engaging culture				
Increase percentage of women in leadership positions to 30%		Partially achieved	After a strong upward trend from 17% to 25% women in leadership since the baseline year, the share remained stable in 2024 and 2025. This plateau reflects the impact of structural changes within the leadership group and the gender mix of hires and exits.	We remain committed to advancing initiatives that support all employees, and we will continue to track and transparently report on the representation of women in management roles.
Maintain survey score linked to inclusive environment above industry benchmark[1]	• Diversity, equity and inclusion	Completed	Our inclusivity scored 86%, up one point from 2023 and nine points above the industry benchmark, reflecting strong results in dignity and respect, a harassment-free workplace, and equal opportunities.	Our Code of Conduct commitment reinforces our inclusive environment annually (see **Shaping an inclusive and engaging culture** →).
Achieve engagement level above industry benchmark[1]		On track	We continued to improve our engagement level by achieving a score of 86%, one point above our 2023 result and two points above the industry benchmark.	Retained in our **Shaping an inclusive and engaging culture** → commitment.
Increase percentage of employees who feel SIG has responded to their feedback based on the last survey		Completed	64% of employees feel that we responded to their feedback, an increase of 2 points compared to 2023.	We continue to listen to our people and respond to their concerns, and consider this an important aspect in our continued commitment to improve employee wellbeing (see **Employee wellbeing** →).
Increase percentage of employees who feel SIG makes adequate use of recognition and reward other than money		Completed	With a score of 65%, and an increase by 2 points on 2023, employees continue to see an improvement in our non-monetary recognition programs.	We continue to recognize our employee achievements, and consider this an important aspect in our continued commitment to improve employee wellbeing (see **Employee wellbeing** →).
Attracting and developing talent				
Sustain our training and development investment above industry benchmark	• Employee satisfaction, development and working environment	Completed	We continued to invest in training and development, achieving an average of 25.7 hours of training per employee, 1.7 hours above the industry benchmark.	Updated in **Employee wellbeing** → with a more quantitative commitment.
Governance and ethics				
Mandatory annual Code of Conduct[2] training for all employees	• Health, safety and wellbeing • Diversity, equity and inclusion • Business conduct	On track	Approximately 99% of our employees completed an annual certification on the SIG Code of Conduct and approximately 99% completed additional in-person or virtual training on the SIG Code of Conduct.	Retained in our **Governance and ethics** → commitment.

See **Appendix: Key performance indicators** → for related key performance indicators.

1 Industry benchmark defined as norms for manufacturing companies participating in the Willis Towers Watson employee engagement survey.
2 The topics addressed in the SIG Code of Conduct extend beyond the related material topics listed above.

2026 to 2030 targets

Target	Material topics	2025 performance
Human rights		
Conduct SEDEX Members Ethical Trade Audits (SMETA) at all our production sites every two years	• Health, safety and wellbeing • Diversity, equity and inclusion • Business conduct	We conducted an assessment of potential human rights risks and impacts through SEDEX SMETA audits at 28 out of 30[1] of our production sites. Our new production site in Ahmedabad, India, commenced operations in 2025, and its audit was conducted in January 2026.
Health and safety		
Achieve a 15% reduction in our Total Recordable Case[2] Rate (per 200,000 hours worked), by 2030	• Health, safety and wellbeing	Reporting from 2026
Achieve and maintain a health rate of greater than 97% annually across the organization		Reporting from 2026
Employee wellbeing		
Improve employee wellbeing by reaching an average score across wellbeing indicators that exceeds the industry benchmark[3]	• Health, safety and wellbeing	Employee wellbeing was measured through the employee survey recording a score of 82%, four points above the industry benchmark, providing clear visibility of progress toward a sustainable and healthy work environment across the organization.
Shaping an inclusive and engaging culture		
Achieve engagement score above industry benchmark[3]		We continued to improve our engagement level by achieving a score of 86%, one point above our 2023 result and two points above the industry benchmark.
Attracting and developing talent		
Achieve and maintain an average of at least 30 training hours per employee per year	• Employee satisfaction, development and working environment	Our achievment of an average of 25.7 hours of training per employee in 2025 reflects a 5-hour increase per employee compared to 2024, already indicating strong progress toward our target of 30 hours of training per employee.
Increase internal hire rate to 50%, by 2030		Reporting from 2026
Governance and ethics		
Maintain mandatory annual Code of Conduct[4] training for all employees	• Health, safety and wellbeing • Diversity, equity and inclusion • Business conduct	Approximately 99% of our employees completed an annual certification on the SIG Code of Conduct and approximately 99% completed additional in-person or virtual training on the SIG Code of Conduct.

See **Appendix: Key performance indicators** → for related key performance indicators.

1 Excludes our production plant in Voronezh, Russia, due to limitations in respect of data access.
2 Total recordable cases include lost-time, medical treatment, and restricted work cases.
3 Industry benchmark defined as norms for manufacturing companies participating in the Willis Towers Watson employee engagement survey.
4 The topics addressed in the SIG Code of Conduct extend beyond the related material topics listed above.

Responsible culture:

Our suppliers

Our suppliers play a vital role in the success of our ambition for a regenerative and just transition.

We expect our suppliers to uphold high standards in ethics, labor practices, health and safety and environmental stewardship – reflecting the expectations of our customers and investors.

Sourcing raw materials sustainably is essential to ensuring a reliable supply for our customers today and in the future, and directly supports our Nature+, Resource+ and Climate+ commitments. By prioritizing materials certified to the highest responsible sourcing standards, we strengthen the environmental credentials of our packaging and advance our sustainability goals.

~11,500
suppliers around the world[1]

€2.2 bn
annual spend

of which →

~50%
on raw materials

1 Excluding suppliers with spend less than €100.

Our commitments

We are committed to engaging with suppliers to **drive systematic change and support regenerative practices**, including the promotion of human rights.

Our approach

Measures taken and responsibilities

Chief Supply Chain Officer

We have taken concrete steps to embed ethical, environmental, and human rights considerations across our supply chain. Through robust due diligence, supplier engagement and internal training, we are building a more transparent and resilient sourcing model that supports regenerative practices and respects human rights.

100% of our significant suppliers[1] to have signed our Supplier Code of Conduct or have an equivalent code for respecting human rights in place, by 2030

Ensure 50% of our significant suppliers[1] will have participated in Human Rights training, by 2030 (from 2026)

Provide regular training (at least every two years) on ethical supplier standards and sustainable sourcing to all employees who interact frequently with suppliers, by 2030

- We ensure sourcing of A-materials[2] from certified and responsible sources, in line with our **Responsible sourcing** commitment in **Nature+** →.
- Our Supplier Code of Conduct sets out our expectations on topics such as human and labor rights, health and safety, corruption and bribery and environmental protection. Suppliers are expected to communicate and apply the principles throughout their supply chain, supporting compliance with human rights due diligence regulations.
- A risk assessment is conducted for all suppliers using the EcoVadis IQ platform to screen against social, environmental and governance criteria which considers the business relevance of the supplier and available supplier data as well as country and industry risk data.

1 See **How we define our significant suppliers** → below.
2 See **How we define our A-materials** → below.

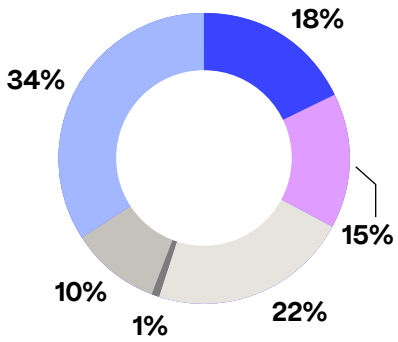
- Our 246 significant suppliers undergo additional due diligence on responsible sourcing requiring formal acceptance of our Supplier Code of Conduct at a minimum, and monitoring compliance through risk performance assessments.
- We encourage suppliers to undergo third-party assessments, such as SEDEX Members Ethical Trade Audits or EcoVadis. Criteria for our audits of high-risk suppliers include human and labor rights.
- We require equipment suppliers providing parts for our filling machines to comply with all applicable laws and regulations related to conflict minerals from conflict-affected or high-risk areas.
- We ask all equipment suppliers to complete a survey on critical and sustainable raw materials and all relevant suppliers to our conflict minerals due diligence process to complete a Conflict Minerals Reporting Template (CMRT).
- Statements made on conflict-free sourcing in supplier surveys and CMRTs by equipment suppliers are validated against EcoVadis industry definitions of potential conflict minerals, and where incomplete, are remediated with the supplier through corrective actions.
- Our sourcing category leads provide training to, and conduct internal audits of, the Accounts Payable department to ensure traceability and accuracy of certification claims on supplier invoicing.
- We maintain an Integrity and Compliance Hotline which extends beyond our own operations to our suppliers' business activities. For further details see **Responsible culture: Our people** →.
- Our responsible sourcing directives, and accompanying training, provide procurement teams with detailed guidance on how to implement our responsible sourcing approach.
- Senior management is provided with additional training on responsible procurement from the EcoVadis Academy.
- A-materials are the key raw materials used in our packaging, and we prioritize sourcing them from sustainable sources. To mitigate human rights and ESG (environmental, social, and governance) risks, we separately identify significant suppliers – this may include A-material suppliers – based on their potential impact and relevance.

How we define our significant suppliers

In 2025, we have updated our approach on how we identify significant suppliers for our packaging, focusing our efforts on higher risk suppliers where we can drive a bigger change to supplier responsibility.

Significant suppliers are those identified through EcoVadis IQ Plus as having elevated human rights and environmental, social and governance risks, taking into account factors such as overall risk level, regulatory relevance, their business relevance to SIG (e.g. supply chain due diligence), and priority for action on issues such as modern slavery.

Rating significant suppliers on responsible sourcing standards



- **Advanced**
  Demonstrated strong performance through SEDEX audit findings, EcoVadis Silver/Gold/Platinum, or equivalent evidence (status valid for up to two years)
- **Compliant**
  Demonstrated compliance through SEDEX audit, EcoVadis Bronze, or equivalent evidence (status valid for two years)
- **Accepted**
  Signed up to the SIG Supplier Code of Conduct (or equivalent code) and achieved minimum standard in our assessment. Depending on the type of supplier, some are expected to improve their performance and submit plans to achieve certification to recognized standards or third-party assessments (status valid for two years)
- **Escalated**
  Failed to sign up to our Supplier Code of Conduct (or equivalent code), or provide evidence of third-party assessments (status valid for one year)
- **Re-assessment running**
  Currently undergoing re-assessment
- **Under review**
  Currently undergoing initial assessment

How we define our A-materials

A-materials are the raw materials that go directly into our packs.

Aseptic cartons
paperboard, polymers, films, aluminum foil, ink and solvents

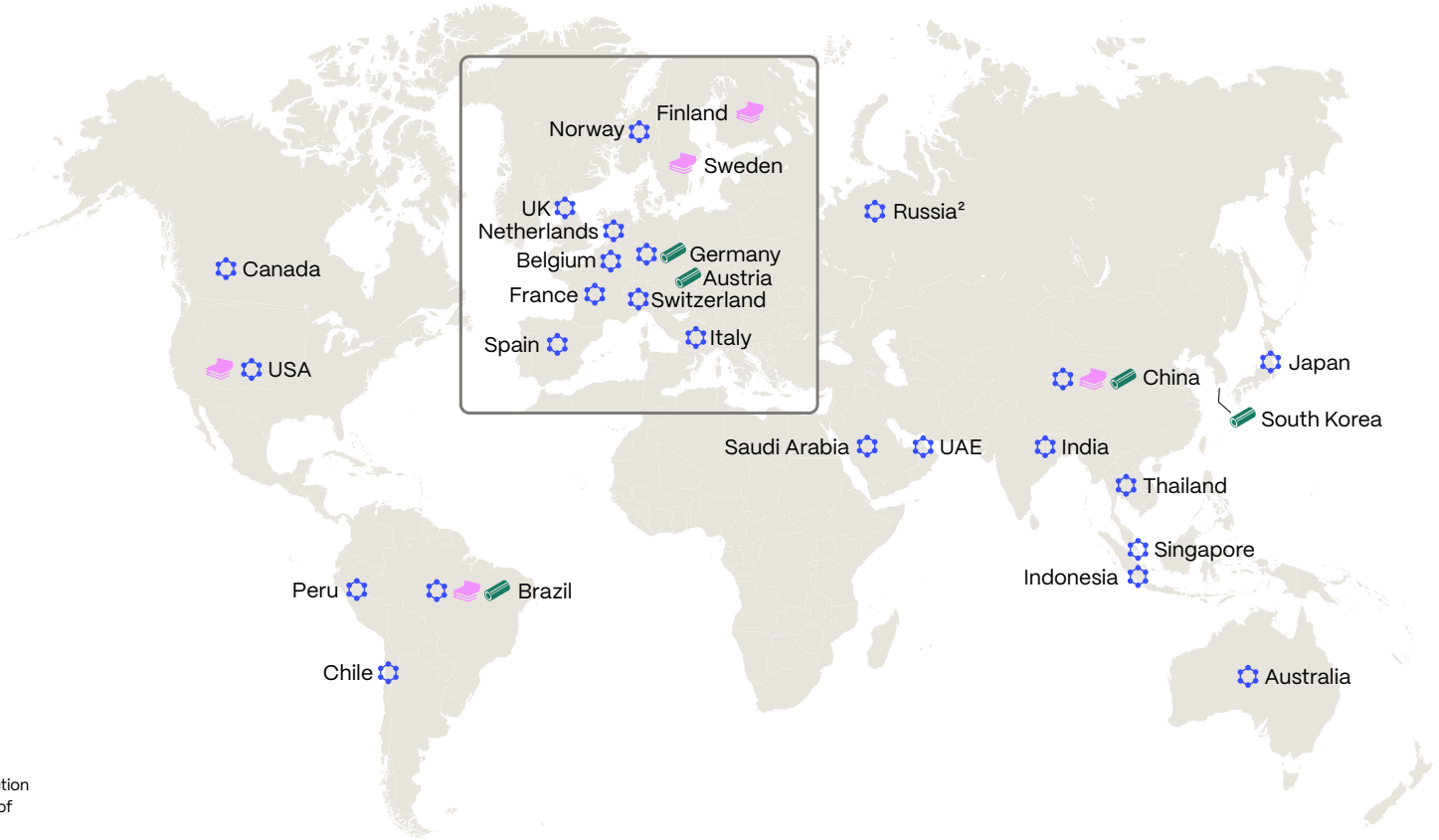
Chilled cartons
paperboard, polymers, ink and solvents

Bag-in-box and spouted pouches
polymers and films

SIG does not manufacture or sell the cardboard box of our bag-in-box solutions.

Where our A-materials come from

We source the main[1] A-materials for our packs from around 150 suppliers – ranging from local paper mills that source wood from their own forests to major multinational mining and chemical companies.



Polymers (including films)
Paperboard
Aluminum foil

1 Excludes inks and solvents which we source in negligible volumes compared to our other A-materials.
2 This relates to one local polymer supplier that only provides polymers to our production plant in Voronezh, Russia. The supplied volume corresponds to approximately 0.1% of the global polymers volume purchased by SIG.

Assessing effectiveness

In addition to the performance assessment of our Resource+ targets and **Key performance indicators** → we assess the effectiveness of our policies and actions through the below reporting and monitoring by responsible parties:

Reporting	Department	Responsible	Regularity
Significant supplier responsible sourcing status	• Global Sourcing and Procurement	VP Global Sourcing and Procurement	Quarterly

Our targets and performance

2020 to 2025 targets and performance

Target	Material topics	Progress tracker	2025 performance	Next steps
Ensure 100% of significant suppliers[1] accept our Supplier Code of Conduct or have an equivalent code in place	• Responsible suppliers • Human rights	More work to do	65% of our significant suppliers[1] accepted our Supplier Code of Conduct or have an equivalent code in place. The 2025 performance is provided based on our updated definition of **Significant suppliers** →. The comparative percentage for 2024 is 44% (vs 80% under our previous definition).	Retained in our **Responsible culture: Our suppliers** → commitment.
Audit 50% of high-risk significant suppliers each year		Partially achieved	Under our previous definition of significant suppliers, we identified three suppliers (representing less than 1%) as high-risk[2] through self-assessments in 2024. One supplier has accepted our Supplier Code of Conduct in the meantime and an audit for another supplier is planned for early 2026. We are continuing discussions with the third supplier to obtain sufficient information and decide on next steps.	Our updated definition of significant suppliers[1], coupled with the related code of conduct target, will allow us to better incorporate all potential risks.
Provide regular training (at least every two years) on ethical supplier standards and sustainable sourcing to all employees who interact frequently with suppliers	• Responsible suppliers	On track	We provided training for all global, regional, and local procurement teams in 2025.	Retained in our **Responsible culture: Our suppliers** → commitment.

See **Appendix: Key performance indicators** → for related key performance indicators.

1 Our significant supplier definition has been updated in 2025 to focusing our efforts on higher risk suppliers. See **How we define our significant suppliers** → above.
2 Identified as "escalated" in our updated definition of significant suppliers.

2026 to 2030 targets

Target	Material topics	2025 performance
Drive systematic change and support regenerative practices		
100% of our significant suppliers[1] to have signed our Supplier Code of Conduct or have an equivalent code for respecting human rights in place, by 2030	• Responsible suppliers • Human rights	65% of our significant suppliers1 accepted our Supplier Code of Conduct or have an equivalent code in place.
Ensure 50% of our significant suppliers[1] will have participated in Human Rights training, by 2030	• Responsible suppliers • Human rights	Reporting from 2026
Provide regular training (at least every two years) on ethical supplier standards and sustainable sourcing to all employees who interact frequently with suppliers, by 2030	• Responsible suppliers	We provided training for all global, regional, and local procurement teams in 2025.

See **Appendix: Key performance indicators** → for related key performance indicators.

Outlook

Fostering responsible suppliers is an ongoing journey that requires continuous improvement and collaboration, in line with evolving global expectations for supply chain transparency and accountability.

We believe our updated targets and significant supplier definition will help us to support suppliers with the greatest potential for change to adopt regenerative practices and uphold the highest standards. Internally, we are expanding the continuous training of our staff and the application of our Responsible Supplier and Sustainable Raw Material Directives to bag-in-box and spouted pouch filling machine suppliers, empowering our employees to become drivers of change.

1 See **How we define our significant suppliers** → above.

Responsible culture:

Communities

Being a responsible and inclusive partner in communities means supporting the people around our operations, vulnerable and local communities in need, and those connected to our value chain.

It also includes the individuals who benefit from our collection and recycling initiatives, as well as everyone positively impacted by our sustainability initiatives.

By being a responsible and inclusive partner, we not only create meaningful impact, but also strengthen our business, unlock new opportunities, and build trust as an employer and partner of choice – leaving the world better for future generations.

Our commitment

We are committed to **engaging and supporting our communities** to deliver positive impact for people and the planet.

Our approach

Measures taken and responsibilities

Director Group Corporate Responsibility

Our measures encompass direct actions tailored to communities in need and to communities where we operate, and further measures incorporated into other areas of our regenerative packaging ambition.

SIG Foundation

SIG channels support through the SIG Foundation (over €2.3m since 2018), whose purpose is to identify, drive and promote activities and projects that strengthen civil society and create positive impacts for the environment.

- The "Cartons for Good" initiative, led by the SIG Foundation, is an innovative partnership model with SIG customers that helps to improve nutrition and hydration for people in need. Surplus food crops that would otherwise be lost are processed and packed. SIG further fosters partnerships with key industry stakeholders, such as recyclers to create a closed loop of sustainable impact to local communities.
- The "Recycle for Good" initiative, led by the SIG Foundation, seeks to change behavior by encouraging people to drop off their recyclable waste at collection points or arrange for home pickup, promoting the circular economy while also providing social support for low-income people by offering rewards in exchange. Recycle for Good aligns with the Resource+ commitment to foster sustainable practices.

Cartons for Good

The SIG Foundation has expanded its flagship initiative, "Cartons for Good," to Thailand in 2025, building on the success of its pilot project in Bangladesh. In collaboration with our customer Ampol Food, a leading food and beverage innovator in Thailand, the project uses SIG's filling technology to process surplus mangoes into nutritious pudding for elderly people in need.

The project aims to process around 15 tons of surplus fruit per year – packaged in 288,000 SIG carton packs. Through the extensive network of Village Health Volunteers (VHVs), the project will reach 1,000 households every day, providing elderly people with essential nutrients. After use, the empty carton packs will be collected and recycled by Eco-Friendly Thailand, a key partner specializing in beverage carton recycling, to ensure a circular approach to packaging. The raw cardboard used for the packs is donated by Stora Enso.

Future + Ambassadors

The Future+ Ambassadors Network empowers SIG employees to lead community initiatives that address local needs and environmental priorities, supported by dedicated volunteers. Over time, the focus has evolved from one-off global campaigns to locally driven, long-term programs that build lasting partnerships and create meaningful impact in the communities where we operate. We foster volunteering of our employees by providing incentives for engagement.

In 2025, SIG and our employees reinforced our commitment to responsible culture and community engagement through many initiatives.

#volunteerforbetter
Volunteering is at the heart of SIG's culture, with employees worldwide contributing to education, healthcare, environmental conservation, and community support. From Bangkok to São Paulo, SIGers shared many inspiring stories under the #volunteerforbetter initiative. Through our 'Volunteering for Better' initiative, SIG also empower employees to lead community-focused projects that create tangible social impact.

South Africa
Multiple social and environmental initiatives occurred in South Africa:

- Employees joined the Food Forward SA Nelson Mandela 67 Minutes campaign to pack and distribute food parcels to vulnerable communities.
- Together with Faircape and Fibre Circle, we launched the Zithande Mzansi Schools Outreach Program, bringing recycling infrastructure and environmental education to 21 primary schools.
- SIGs supported Recycle First through the provision of a baling machine to help improve carton collection and create fair employment opportunities for waste collectors.

Egypt
A significant milestone was reached in Egypt with the successful pulping of 205 tons of SIG beverage cartons at the Carta Misr paper mill – the highest amount recycled in the country so far. Enabled by Plastic Bank's collection efforts, this trial will be followed by further testing to demonstrate the benefits of virgin fiber in paper manufacturing. Additionally, 630 kg of PolyAl waste was repurposed into durable interlock tiles by TileGreen, showcasing the potential of circular innovation to reduce emissions and landfill waste.

United Arab Emirates (UAE)
The SIG Dubai office launched a recycling Initiative featuring dedicated bins for used beverage cartons across the site. In partnership with REE, the UAE's first household carton collection service was introduced through the REE app, allowing residents to recycle directly from home. Supported by Recycling Ambassadors, the initiative is being promoted as a simple and impactful way for individuals to contribute to a more sustainable future.

Further measures

Communities are an integral part of the planning and outcomes of our other regenerative packaging commitments and actions:

- All aspects of the **Nature+** → strategy also improve lives and livelihoods of communities, through actions such as restoring and protecting natural habitats and certified sourcing.
- Collection and recycling targets in **Resource+** → incorporate community programs and deliver positive outcomes for people and the planet.
- We continue to positively influence our waste and recycling partners by extending our streamlined human rights due diligence approach.
- Our **Food+** → ambition to enable access to safe, sustainable and affordable nutrition supports communities as a whole and directly through the SIG Incubator and MISTA programs.
- Our Supplier Responsible Sourcing Directives helps to protect communities across our supply chain.

SIG's partnership with WWF goes beyond protecting, improved management and forest landscape restoration – it helps safeguard the lives and livelihoods of communities who depend on them. To understand more about the partnership please see **Nature+: Support thriving forests** →.

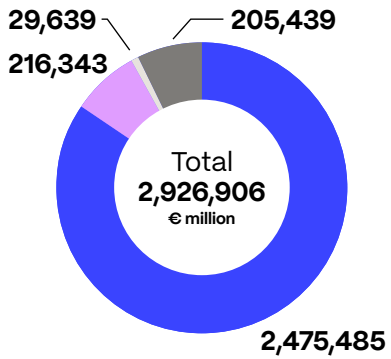
- In Mexico, improved forest landscape management and restoration aim to connect key jaguar habitats and preserve biodiversity, supporting ecotourism and cultural values for local communities. Securing income for communities is essential to ensuring wildlife can thrive.
- In Malaysia, the improved management of Ulu Muda Forest supports the livelihoods of over 4,900 villagers by ensuring drinking water security, economic opportunities and water supply for one of the country's most important rice production areas downstream. The project also empowers communities to be actors in the conservation of Ulu Muda.
- In Thailand, engaging local communities in community forestry, agroforestry, forest restoration and protected area management provides new livelihood opportunities and secures vital resources, while preserving biodiversity.

Assessing effectiveness

Overall, community engagement programs run by employees achieved a total impact score of 17,946 during 2025.

We contributed €225 thousand in grants in 2025 to support the work of the SIG Foundation, including its flagship Cartons for Good initiative and Recycle for Good initiative.

SIG's community contributions in 2025



- Cash contributions
- Time: employee volunteering during paid working hours
- In-kind giving: donations of products or services, projects or partnerships
- Management overheads

Our targets and performance

2020 to 2025 targets and performance

Target	Material topics	Progress tracker	2025 performance	Next steps
Increase the impact[1] of community engagement programs by 50% (from 2020)		Partially achieved	The target of increasing impact by 50% from the 2020 baseline was exceeded in 2024. In 2025, impact levels remained above the 2020 baseline, reflecting a shift from expansion to strengthening existing programs following the successful completion of the target.	We will continue to engage with local communities, including through our SIG Foundation and the Cartons for Good program, and our employee-led Volunteer for Better initiatives.
Create scalable models for the SIG Foundation's Cartons for Good initiative		Completed	In 2025, Cartons for Good transformed 10.7 tons of surplus fruits and vegetables into more than 50,000 nutritious meal packs for underprivileged children, adults with oral health challenges, and people in need. The initiative continues to scale: following successful projects in Bangladesh and Thailand, implementation in Egypt is underway, with additional projects currently in the exploration phase.	The Cartons for Good program continues in our **Food+: Help transform the food system** → commitment with other similar programs, where we can remain flexible to focus on the programs that deliver the best outcomes to help transform the food system.
Scale up and expand our community recycling model by 2025		Completed	Our "Recycle for Good" project in Indonesia was expanded to 200 collection points where end consumers, encouraged by an incentive program, can drop off their used packaging throughout Jakarta. Another project in Southeast Asia is in the preparatory phase for 2026.	The community recycling model will continue to be assessed for scalability in line with our **Resource+: Recycle at scale** → commitment.

While we have not set 2030 targets for Communities as it is not a material topic (see **Introduction: Our material topics** →), we will continue creating positive impact through our community initiatives outlined in this section and through our WWF partnership (see **Nature+: Support thriving forests** →).

1 Impact score is derived through a survey assessment of our employee-led community engagement projects, by the employees and communities involved in them, based on who benefits from each project, the type of impact it has and its potential to contribute to the United Nations Sustainable Development Goals.

Outlook

Taking Cartons for Good to the next level

The Cartons for Good initiative has defined the next way forward with a roadmap of transition from the pilot project to Cartons for Good 2.0. The initiative is focusing on partnering with SIG customers to achieve its goals, with SIG technology already installed at customer sites to be used to pack nutritional products. The first project is already underway in Thailand, with the next scheduled to launch in Egypt, and additional projects currently in the exploration phase.

Volunteering

Looking ahead, we will focus on 'volunteering for better' as the cornerstone of our community engagement. By placing greater emphasis on this program, we will continue to create opportunities that are inclusive, impactful, and sustainable – ensuring that every hour volunteered drives meaningful change.

Independent practitioner's limited assurance report

on selected aspects in the Sustainability Section in the annual report 2025
to the Board of Directors of SIG Group AG, Neuhausen am Rheinfall

We have been engaged by the Board of Directors to perform assurance procedures to provide limited assurance on the preparation of selected Key Performance Indicators 2025 (Annex A) as well as on the preparation of the non-financial disclosures as required by Art. 964b Swiss Code of Obligations (CO) applying Art. 964b para. 3 CO (as included in Appendix "Swiss non-financial matter report" on pages 134 to 135), and article 3 of the Ordinance for climate-related disclosures (the Appendix "TCFD report" on pages 136 to 143) (together referred to as the "Subject Matter") as disclosed in the Sustainability Section (pages 36 to 176) of SIG Group AG annual report for the period ended December 31, 2025. All Subject Matters are identifiable by the symbol ✓.

The Sustainability Section (including the GHG emissions) was prepared by the Board of Directors of SIG Group AG (the "Company") based on the following criteria as explained in the "Appendix–Reporting regulations and frameworks" which explains the application of Swiss Code Obligation Regulation, among others, in the Sustainability Section (the "Reporting Criteria"):

- Global Reporting Initiative (GRI) Version 2021
- the Greenhouse Gas Protocol Initiative Corporate Standards (Revised Edition)
- requirements of Article 964b CO applying Article 964b, para. 3 CO
- requirements of Article 3 of the Ordinance for climate-related disclosures
- description in the related footnotes for the internally developed KPIs identified as "own disclosure" in the GRI content index on pages 147 to 161

Inherent limitations

The accuracy and completeness of the Sustainability Section (including the GHG emissions) are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. In addition, the quantification of the Sustainability Section (including the GHG emissions) is subject to inherent uncertainty because of incomplete scientific knowledge used to determine factors and the values needed to combine e.g. emissions of different gases.

Carbon offsets are subject to inherent limitations, including but not limited to the extent of social impact, the risk of double counting, lack of additionality, leakage, permanence, and uncertainties as to whether the expected reductions or removals will occur. This could impact the estimated reduction or removal of CO_2e assigned to those offsets.

Some of the climate-related disclosures will include prospective information prepared for setting and preparing the implementation of such metrics, targets, and transition plans, using a set of assumptions that include hypothetical assumptions about future events and management's actions that are not necessarily expected to occur. Consequently, readers are cautioned that the prospective information is not used for purposes other than that described. Therefore, the climate metrics, projections, forecasts and other forward-looking statements used in your climate-related disclosures should be treated with special caution, in particular as they are more uncertain than, for example, historical financial information, and given the wider uncertainty around the evolution and impact of climate change.

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PricewaterhouseCoopers AG is a member of the global PricewaterhouseCoopers network of firms, each of which is a separate and independent legal entity.

Our assurance report will therefore have to be read in connection with the Reporting Criteria applied by SIG Group AG, its definitions and procedures as described in the "Appendix-Reporting regulations and frameworks" subsection.

Board of Directors' responsibility

The Board of Directors of the SIG Group AG is responsible for preparing and presenting the Sustainability Section (including the GHG emissions) in accordance with the Reporting Criteria stated in the in the "Appendix-Reporting regulations and frameworks" in the Sustainability Section. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and presentation of the Sustainability Section, selecting and applying appropriate policies and making estimates that are reasonable in the circumstances as well as the prevention and detection of fraud, other irregularities and errors and non-compliance with law or regulations and the related record keeping.

Independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and relevant independence and ethical requirements as transposed in Switzerland by EXPERTsuisse.

PricewaterhouseCoopers AG applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's responsibility

Our responsibility is to perform an assurance limited engagement and to express a conclusion on the Subject Matter. We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) 'Assurance engagements other than audits or reviews of historical financial information' and the International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements ('ISAE 3410'), issued by the International Auditing and Assurance Standards Board. Those standards require that we plan and perform our procedures to obtain limited assurance whether anything has come to our attention that causes us to believe that the Subject Matter was not prepared and presented, in all material aspects, in accordance with the Reporting Criteria for the period ended December 31, 2025.

Based on risk and materiality considerations, we performed our procedures to obtain sufficient and appropriate assurance evidence. The procedures selected depend on the assurance practitioner's judgement. A limited assurance engagement under ISAE 3000 (Revised) and ISAE 3410 is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement and therefore less assurance is obtained with a limited assurance engagement than for a reasonable assurance engagement.

We performed the following procedures:

- Obtaining an understanding of the structure of the sustainability organization and of the stakeholder engagement;
- Inquiries of personnel and executive directors involved in the preparation of the Sustainability Section regarding the preparation process;
- Evaluating the appropriateness and consistency of the Reporting Criteria used and selected Key Performance Indicators 2025 (Annex A) in the Sustainability Section subject to our limited assurance engagement. This includes the evaluation and the reasonableness of estimates made by management;
- Identification of the likely risks of material misstatement of the Sustainability Section under consideration of the GRI-Criteria;
- Analytical evaluation of Subject Matter in the Sustainability Section;
- Evaluation of the presentation of the Subject Matter regarding sustainability performance;
- Performance of site visits as part of the inspection of processes and guidelines for data collection at the following locations: Linnich, Neuhausen, Rayong, Suzhou, Riyadh, Chilhowie, Merced, Curitiba, Eisfeld.
- Assessment of CO_2 compensation certificates exclusively with regard to their existence, but not with regard to their effect Assurance Conclusion;
- Evaluated whether the Sustainability Section contains the minimum required information as per article 964b CO, applying article 964b para. 3 CO;
- Assessment of the process in place and activities undertaken in the preparation of the non-financial disclosures as included in Appendix "Swiss non-financial matter report" on pages 134 to 135 and for the Appendix "TCFD report" on pages 136 to 143;
- Evaluating the disclosures in, and overall presentation of, the Subject Matter information through critical reading of the Sustainability Section in the Annual Report.

The scope of our work did not extend to information in respect of earlier periods or to any other information included in, or linked from, the Sustainability Section 2025.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on the work we performed, nothing has come to our attention that causes us to believe that the preparation of the Subject Matter identifiable by the symbol ✓ is not, in all material aspect, in accordance with the Reporting Criteria as explained in the section "Appendix–Reporting regulations and frameworks" of the Sustainability Section of SIG Group AG annual report for the period ended December 31, 2025.

Reporting on Other Information

The other information comprises all information in the Sustainability Section other than the Subject Matter Information in the annual report 2025 and our assurance report. The Board of Directors are responsible for the other information. As explained above, our assurance conclusions do not extend to the other information and, accordingly, we do not express any form of assurance thereon.

Intended users and purpose of the report

This report is prepared for, and only for, the Board of Directors of SIG Group AG, and solely for the purpose of reporting to them on aspects in the Sustainability Section (including the GHG emissions) and no other purpose. We do not, in giving our conclusion, accept or assume responsibility (legal or otherwise) or accept liability for, or in connection with, any other purpose for which our report including the conclusion may be used, or to any other person to whom our report is shown or into whose hands it may come, and no other persons shall be entitled to rely on our conclusion.

We permit the disclosure of our report, in full only and in combination with the Reporting Criteria, to enable the Board of Directors to demonstrate that they have discharged their governance responsibilities by commissioning an independent assurance report over the Sustainability Section on the Subject Matter, without assuming or accepting any responsibility or liability to any third parties on our part. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors of SIG Group AG for our work or this report.

PricewaterhouseCoopers AG

Joanne Burgener Mara Steffan

Basel, 27 February 2026

Enclosure: Annex A – Selected Key Performance Indicators in scope

The maintenance and integrity of SIG Group AG's website and its content are the responsibility of the Board of Directors. The work we have performed as the independent assurance practitioner does not involve consideration of the maintenance and integrity of the SIG Group AG's website. Accordingly, we accept no responsibility for any changes that may have occurred to the reported Sustainability Section (including the GHG emissions) or Reporting Criteria since they were initially presented on the website.

Annex A – Selected Key Performance Indicators in scope

Area in Scope	Reporting Criteria
Climate+	
1. Scope 1 greenhouse gas emissions for production (thousands of metric tons of CO_2e)	305-1 Direct (Scope 1) GHG emissions
2. Scope 2 greenhouse gas emissions for production (market based) (thousands of metric tons of CO_2e)	305-2 Energy indirect (Scope 2) GHG emissions
3. Total Scope 1 and 2 greenhouse gas emissions (thousands of metric tons of CO_2e)	Own disclosure
4. Electricity used for production from renewable sources (Power Purchase Agreements or Energy Attribute Certificates) (%)	302-1 Energy consumption within the organization
5. Energy used for production from renewable sources (Power Purchase Agreements or Energy Attribute Certificates) or compensated using Gold Standard CO_2 offset (%)	302-1 Energy consumption within the organization
6. Energy intensity for carton production (MWh per million m^2 of sleeves produced)	302-3 Energy intensity
7. Energy intensity for bag-in-box and spouted pouch production (MWh per thousand tons produced)	302-3 Energy intensity
8. Scope 3 greenhouse gas emissions (millions of metric tons of CO_2e)	305-3 Other indirect (Scope 3) GHG emissions
9. Scope 3 greenhouse gas emissions intensity (grams of CO_2e per liter of food packed)	305-4 GHG emissions intensity
10. Greenhouse gas emissions from inbound and outbound logistics (thousands of metric tons of CO_2e)	305-3 Other indirect (Scope 3) GHG emissions
11. Scope 1, 2, and 3 greenhouse gas emissions intensity (grams CO_2e per liter of food packed)	305-4 GHG emissions intensity
12. Aseptic packaging sold (% of packaging revenue)	Own disclosure

Area in Scope	Reporting Criteria
Nature+	
1. SIG carton packs sold labeled with Forest Stewardship Council (FSC™) logo (%)	Own disclosure
2. Waste rate for carton production (grams of waste per m^2 of packaging material)	Own disclosure
3. Waste rate for bag-in-box and spouted pouch production (tons of waste per thousand tons produced)	Own disclosure
4. A-materials from certified sources (FSC™, ASI and ISCC PLUS) for all our packaging (% of A-material volume)	Own disclosure
5. SIG aseptic carton packs sold labeled with ASI logo (millions of packs)	Own disclosure
Resource+	
1. SIG carton packaging that is designed for recycling (%)	Own disclosure
2. SIG bag-in-box and spouted pouch packaging alternatives that are designed for recycling (%)	Own disclosure
3. Food packed with SIG Terra packaging materials (millions of liters)	Own disclosure
4. Food packed in SIG Terra packaging materials (% of total liters packed)	Own disclosure
Food+	
1. Packaging production plants with top level Global Food Safety Initiative (GFSI) recognized food safety certification standards	Own disclosure

Area in Scope	Reporting Criteria
Our people	
1. Production sites that completed SEDEX Members Ethical Trade Audit	Own Disclosure
2. Total recordable cases	403-9 Work-related injuries
3. Total recordable case rate (per 200,000 hours worked)	403-9 Work-related injuries
4. Lost-time cases	403-9 Work-related injuries
5. Lost-time case rate (per 200,000 hours worked)	403-9 Work-related injuries
6. Employee survey wellbeing score (% favorable responses)	Own disclosure
7. Women in leadership positions (%)	405-1 Diversity of governance bodies and employees
8. Training per employee (average hours)	404-1 Average hours of training per year per employee
9. Significant suppliers who have signed our Supplier Code of Conduct or have an equivalent code for respecting human rights in place (%)	Own Disclosure

Appendix

Key performance indicators

Climate+

Indicator	Unit	2020	2024	2025	Material topics	Reporting index
Decarbonizing our operations						
Scope 1 greenhouse gas emissions for production	thousands of metric tons of CO_2e	28.6	20.1[1]	20.4 ✓	Climate change	Climate+ GRI content index 305-1 Greenhouse gas emissions reporting
Scope 2 greenhouse gas emissions for production (market based)	thousands of metric tons of CO_2e	62.5	0.0	0.0 ✓		Climate+ GRI content index 305-2 Greenhouse gas emissions reporting
Total Scope 1 and 2 greenhouse gas emissions	thousands of metric tons of CO_2e	91.1	20.1[1]	20.4 ✓		Climate+ Greenhouse gas emissions reporting
Electricity used for production from renewable sources (Power Purchase Agreements or Energy Attribute Certificates)	%	100[2]	100	100 ✓		Climate+ GRI content index 302-1
Electricity used for production from renewable Power Purchase Agreements	%		22.6	24.7		Climate+
Electricity used for production from on-site solar	%		6.5	7.3		
On-site solar capacity	megawatt peak		37.7	38.9		
Energy used for production from renewable sources (Power Purchase Agreements or Energy Attribute Certificates) or compensated using Gold Standard CO_2 offset	%	100[2]	100	100 ✓	Climate change	GRI content index 302-1
Operational energy use for our production	gigawatt hours	383[2]	530	543		GRI content index 302-1

1 Includes retrospective adjustment of emission factors.
2 Aseptic carton business only.

Climate+

Indicator	Unit	2020	2024	2025	Material topics	Reporting index
Energy intensity for carton production	MWh per million m^2 of sleeves produced	201	180	177 ✓	Climate change	GRI content index 302-3
Energy intensity for bag-in-box and spouted pouch production	MWh per thousand tons produced	–	364[1]	425 ✓		
Decarbonizing our value chain						
Scope 3 greenhouse gas emissions	millions of metric tons of CO_2e	1.96[2]	2.03[2]	1.94 ✓	Climate change	GRI content index 305-3 Greenhouse gas emissions reporting
Scope 3 greenhouse gas emissions intensity	grams of CO_2e per liter of food packed	70[2]	67[2]	64 ✓		Climate+ GRI content index 305-4
Greenhouse gas emissions from inbound and outbound logistics[3]	thousands of metric tons of CO_2e	206[2]	209[2]	209 ✓		Climate+ GRI content index 305-3 Greenhouse gas emissions reporting
Scope 1, 2, and 3 greenhouse gas emissions intensity	grams of CO_2e per liter of food packed	74[2]	67[2]	65 ✓		GRI content index 305-4
Bioethanol or other biomaterials for printing our aseptic cartons	%		100	100		Climate+
Reducing climate impacts beyond our value chain						
Aseptic packaging sold	% of packaging revenue		82	83 ✓	Innovation in products and services Climate change	GRI content index

1 Restated following correction to the bag-in-box and spouted pouch production weight. See **GRI content index** → for further details.
2 Includes retrospective adjustment of emission factors.
3 Scope 3 categories 4 and 9.

Nature+

Indicator	Unit	2020[1]	2024	2025	Material topics	Reporting index
Support thriving forests						
SIG carton packs sold labeled with Forest Stewardship Council (FSC™) logo	%	97	95	96 ✓	Biodiversity and forest ecosystems Responsible suppliers Sustainable raw materials Waste and circular economy Water	Nature+ GRI content index
Prevent pollution						
Water in operations						Nature+ GRI content index 303-5
Total water withdrawn	*thousands of m³*		*557*	*568*		
Total water withdrawn in water-stressed areas	*thousands of m³*		*315*	*328*		
Total water discharged	*thousands of m³*		*331*	*370*		
Total water discharged in water-stressed areas	*thousands of m³*		*128*	*179*		
Waste rate for carton production	grams of waste per m² of packaging material	32	35	35 ✓		GRI content index
Waste rate for bag-in-box and spouted pouch production	tons of waste per thousand tons produced	–	36.3[2]	45.5 ✓		
Production waste by type	thousands of metric tons	53.1	92.5	94.7		GRI content index 306-3
Raw and laminated carton	*thousands of metric tons*	*48.4*	*71.1*	*70.7*		
Polyethylene	*thousands of metric tons*	*1.6*	*10.1*	*11.9*		
Others	*thousands of metric tons*	*0.2*	*9.2*	*10.0*		
Hazardous waste	*thousands of metric tons*	*2.9*	*1.7*	*1.7*		
Aluminum (<1%)	*thousands of metric tons*	–	*0.4*	*0.4*		

1 Aseptic carton business only.
2 Restated following correction to the total bag-in-box and spouted pouch production weight and waste. See **GRI content index** → for further details.

Nature+

Indicator	Unit	Non-hazardous	Hazardous	Total	Material topics	Reporting index
Production waste by disposal method	metric tons	93,290	1,742	95,032		GRI content index 306-4 GRI content index 306-5
Recycled	*metric tons*	*88,019*	*216*	*88,235*		
Reused	*metric tons*	*2,010*	*461*	*2,471*		
Recovery from energy	*metric tons*	*1,550*	*633*	*2,183*		
Landfill	*metric tons*	*1,321*	*253*	*1,574*		
Other disposal options[1]	*metric tons*	*390*	*179*	*569*		

Indicator	Unit	2020[2]	2024	2025	Material topics	Reporting index
Responsible sourcing						
A-materials[3] from certified sources (FSC™, ASI and ISCC PLUS[4]) for all our packaging	% of A-material volume	62	69	69 ✓	Responsible suppliers Sustainable raw materials Waste and circular economy Water Biodiversity and forest ecosystems	Nature+ GRI content index
A-materials[3] purchased	thousands of metric tons	594	876	852		GRI content index 301-1
A-materials[3] from renewable sources (by volume)	%	72	65	65	Sustainable raw materials	
FSC™ certified liquid packaging board	%		100	100	Responsible suppliers Sustainable raw materials Waste and circular economy Water Biodiversity and forest ecosystems	Nature+
SIG aseptic carton packs sold labeled with ASI logo	millions of packs	80.0	4,564.5	5,474.4 ✓		GRI content index

1 Such as incineration without energy recovery.
2 Aseptic carton business only.
3 See **Responsible culture: Our suppliers** → for our A-materials definition.
4 FSC™, ASI and ISCC PLUS. ISCC PLUS certification is available for polymers linked to renewable or recycled polymers through mass balancing.

Resource+

Indicator	Unit	2020[1]	2024	2025	Material topics	Reporting index
Designed for recycling						
SIG carton packaging that is designed for recycling[2]	%	100	100	100 ✓	Sustainable raw materials Waste and circular economy Biodiversity and forest ecosystems Climate change	Resource+ GRI content index
SIG bag-in-box and spouted pouch packaging alternatives that are designed for recycling[3]	%	–	76	97 ✓		
Food packed with SIG Terra packaging materials	millions of liters	457.2	1,683.6	1,976.3 ✓	Innovation in products and services Waste and circular economy	GRI content index
Food packed in SIG Terra packaging materials	% of total liters packed	3.1	5.5	6.7 ✓		
Recycling at scale						
Coverage of priority countries with Going Circular roadmaps	% of our global packaging volume (sales by weight)		90	90	Waste and circular economy Water Biodiversity and forest ecosystems Climate change	Resource+

1 Aseptic carton business only.
2 Our evaluation of recyclability of cartons is based on the relevant EN643 standard.
3 In line with Design for Recycling criteria developed by APR (Association of Plastic Recyclers), Recyclass and CEFLEX. Covers packaging sold as designed-for-recycling or for which such an option is available for the customer's market segment.

Food+

Indicator	Unit	2020	2024	2025	Material topics	Reporting index
Deliver nutritious food						
Nutritious food and beverage products[1] brought to consumers in SIG packaging	billions of liters	11.3[2,3]	16.4	16.8		Food+
Ensure product and food safety						
Packaging production plants with top level Global Food Safety Initiative (GFSI)[4] recognized food safety certification standards	ratio	8 of 8[5]	26 of 27[6]	25 of 26[6] ✓	Product safety and integrity	Food+ GRI content index
Significant product and service categories which health and safety impacts are assessed for improvement	%	100[5]	100	100		GRI content index 416-1
Non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services	number of incidents	0[5]	0	0		GRI content index 416-2

1 Defined by the independent Health Star Rating System as food and drinks that contribute to a balanced diet and lead to better health.
2 Includes aseptic and chilled cartons.
3 Data adjusted in line with Health Star Rating methodology.
4 GFSI-recognized certifications include the Brand Reputation Compliance Global Standards (BRCGS) packaging standard, Safe Quality Food (SQF), Food Safety System Certification (FSSC 22000), and International Featured Standard (IFS).
5 Aseptic carton business only.
6 Excludes our production plant in Voronezh, Russia, due to limitations in respect of data access.

Responsible culture: Our people

Indicator	Unit	2020[1]	2024	2025	Material topics	Reporting index
Human rights						
Production sites that completed SEDEX Members Ethical Trade Audit	ratio	8 of 9	29 of 30[2]	28 of 30[2] ✓	Health, safety and wellbeing Diversity, equity and inclusion Business conduct	Our people GRI content index
Employees covered by collective bargaining agreements	%		47	47		GRI content index 2-30
Health and safety						
Total recordable cases[3]	number of cases	33	52	79 ✓	Health, safety and wellbeing	Our people GRI content index 403-9
Total recordable case[3] rate	per 200,000 hours worked	0.83	0.63	0.89 ✓		
Lost-time cases[4]	number of cases	13	27	36 ✓		
Lost-time case[4] rate	per 200,000 hours worked	0.31	0.33	0.41 ✓		
Severity rate of lost-time cases	Absence days per 1,000 days worked		1.26	0.91		GRI content index 403-9
Lost-time cases[4] of contractors	number of cases		12	6		
Lost-time case[4] rate of contractors	per 200,000 hours worked		0.77	0.38		
Near misses	number of cases		774	1,325		
Near miss rate	per 200,000 hours worked		9.46	14.99		
Employee observations	number (% of employees reporting)		45,043 (19%)	79,084 (12%)		
Barriers to safe behavior removed	number		4,320	3,676		

1 Aseptic carton business only.
2 Excludes our production plant in Voronezh, Russia, due to limitations in respect of data access.
3 Total recordable cases include lost-time, medical treatment, and restricted work cases.
4 A lost-time case is defined as absence for one or more shifts or loss of one or more working days.

Responsible culture: Our people

Indicator	Unit	2020	2024	2025	Material topics	Reporting index
Injuries by type						
Hand or finger	*%*		*45*	*50*	Health, safety and wellbeing	GRI content index 403-9
Foot or leg	*%*		*16*	*14*		
Head	*%*		*8*	*7*		
Back/lower back	*%*		*2*	*4*		
Others	*%*		*29*	*25*		
Injuries by cause						
Cut	*%*		*11*	*24*	Health, safety and wellbeing	GRI content index 403-9
Moving rotating equipment	*%*		*30*	*15*		
Slip, trip or fall	*%*		*23*	*15*		
Equipment handling	*%*		*11*	*15*		
Vehicle safety	*%*		*3*	*5*		
Work at height	*%*		*2*	*1*		
Other	*%*		*20*	*25*		
Employee wellbeing						
Employee survey wellbeing score	% of favorable responses		80[1]	82 ✓	Health, safety and wellbeing	Our people GRI content index

1 2023 employee survey result. The 2024 survey was completed in 2025.

Responsible culture: Our people

Indicator	Unit	2020	2024	2025	Material topics	Reporting index
Shaping an inclusive and engaging culture						
Women in management						Our people GRI content index 405-1
Women in leadership positions	%	*18*	*25*	*25* ✓		
Group Executive Board	%	*0*	*33 (3 of 9)*	*44 (4 of 9)*		GRI content index 405-1
Senior management	%	*22*	*10*	*13*		
Middle management	%	*18*	*25*	*26*		
Junior management	%	*24*	*25*	*27*		
All management	%	*19*	*24*	*26*		
Revenue generating roles	%		*22*	*23*		
Science, Technology, Engineering and Mathematics (STEM) roles	%		*7*	*8*		
Employees covered by a pay and living wage analysis	%		28	46		

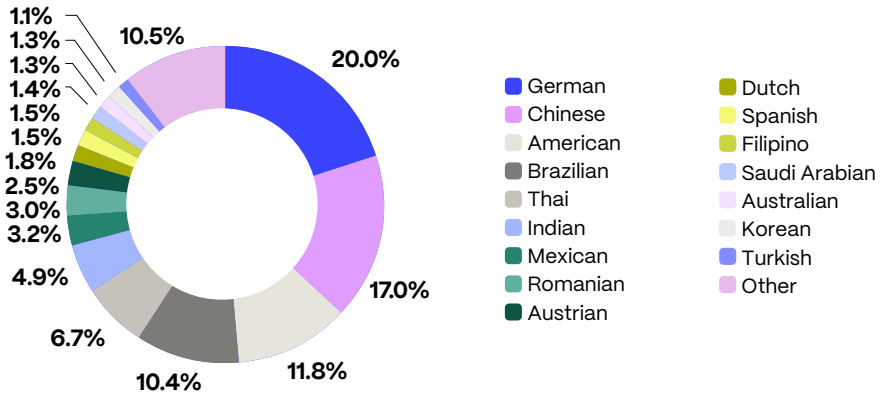
		2023[1]	2025		
Employees participating in the employee survey	%	80	84		
Employee survey engagement score	% of favorable responses	85	86		Our people
Diversity, equity and inclusivity score	% of favorable responses	85	86	Diversity, equity and inclusion	
Employees who feel SIG has responded to their feedback based on the last survey	% of favorable responses	62	64		
Employees who feel SIG makes adequate use of recognition and reward other than money	% of favorable responses	63	65		

1 The 2024 survey was completed in 2025.

Indicator	Unit	2020[1]	2024	2025	Material topics	Reporting index
Attracting and developing talent						
Training per employee	average hours	19.4	20.5	25.7 ✓	Employee satisfaction, development and working environment	Our people GRI content index 404-1
Male	*average hours*	*19.4*	*20.5*	*24.8*		GRI content index 404-1
Female	*average hours*	*19.5*	*21.0*	*28.5*		
Management	*average hours*	*26.3*	*34.4*	*36.6*		
Non-management	*average hours*	*18.4*	*18.6*	*24.1*		
Employees receiving regular performance and career development reviews	%		68	82		GRI content index 404-3
Governance and ethics						
Employees who completed Code of Conduct[2] training	%		99	99	Business conduct Diversity, equity and inclusion Health, safety and wellbeing	Our people GRI content index 205-2

1 Aseptic carton business only.
2 The topics addressed in the SIG Code of Conduct extend beyond the related material topics listed above.

Employees by nationality in 2025



Our workforce in 2025

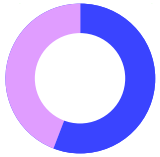
	Asia Pacific	Americas	Europe	India, Middle East and Africa	Total	%
Total number of employees:[1]	**2,739**	**2,563**	**3,370**	**1,029**	**9,701**	
Male	2,034	1,731	2,675	907	7,347	76%
Female	705	832	695	122	2,354	24%
Employees with a permanent contract:	**1,982**	**2,485**	**3,107**	**1,029**	**8,603**	
Male	1,520	1,690	2,460	907	6,577	76%
Female	462	795	647	122	2,026	24%
aged up to 30	207	593	397	269	1,466	17%
aged 31 to 50	1,478	1,460	1,489	663	5,090	59%
aged above 50	297	432	1,221	97	2,047	24%
Full-time employees:	**1,968**	**2,479**	**2,864**	**1,028**	**8,339**	
Male	1,516	1,687	2,307	907	6,417	77%
Female	452	792	557	121	1,922	23%
Part-time employees:	**14**	**6**	**243**	**1**	**264**	
Male	4	3	153	0	160	61%
Female	10	3	90	1	104	39%
Employees with a fixed-term contract:	**757**	**78**	**263**	**0**	**1,098**	
Male	514	41	215	0	770	70%
Female	243	37	48	0	328	30%
thereof Apprentices	**0**	**31**	**134**	**0**	**165**	**15%**

Governance bodies by age group in 2025

Board of Directors

- Aged above 50 – **9** **100%**
- Aged 31 to 50 – **0** **0%**
- Aged up to 30 – **0** **0%**

Group Executive Board



- Aged above 50 – **5** **56%**
- Aged 31 to 50 – **4** **44%**
- Aged up to 30 – **0** **0%**

Hiring in 2025

	Asia Pacific	Americas	Europe	India, Middle East and Africa	Total
Total number of new hires:	**118**	**691**	**194**	**175**	**1,178**
Male	90	485	139	143	857
Female	28	206	55	32	321
aged up to 30	29	255	67	94	445
aged 31 to 50	82	368	106	78	634
aged above 50	7	68	21	3	99
Rate of new hires:	**6%**	**28%**	**6%**	**17%**	**14%**
Male	1%	6%	2%	2%	10%
Female	0%	2%	1%	0%	4%
aged up to 30	14%	43%	17%	35%	30%
aged 31 to 50	6%	25%	7%	12%	12%
aged above 50	2%	16%	2%	3%	5%

Employee turnover in 2025

	Asia Pacific	Americas	Europe	India, Middle East and Africa	Total
Total employee turnover	**9%**	**25%**	**7%**	**14%**	**13%**
Voluntary employee turnover rate	**5%**	**10%**	**3%**	**10%**	**6%**
Total employee turnover:	**178**	**623**	**212**	**140**	**1,153**
aged up to 30	22	195	47	47	311 (21%)
aged 31 to 50	120	348	81	78	627 (12%)
aged above 50	36	80	84	15	215 (11%)
Male	132	450	169	119	870 (13%)
Female	46	173	43	21	283 (14%)

1 An employee is any individual in an employment relationship with the organization under applicable national laws. The headcount includes both active and inactive employees but excludes manpower leasing. Active employees are individuals with an active contract, including apprentices. Inactive employees are individuals on parental leave, sick leave, garden leave, or partial retirement free periods. The number of employees is reported as headcount as of December 31, 2025.

Responsible culture: Our suppliers

Indicator	Unit	2020	2024	2025	Material topics	Reporting index
Significant suppliers[1] who have signed our Supplier Code of Conduct or have an equivalent code for respecting human rights in place	%		44	65 ✓	Human rights Responsible suppliers	Our suppliers GRI content index
New suppliers screened using environmental and social responsibility criteria	%		95	95	Responsible suppliers	GRI content index 308-1

1 Our **significant suppliers** → definition has been updated in 2025 to focus our efforts on higher risk suppliers. The 2024 comparative has been updated to reflect this change.

Reporting regulations and frameworks

We align our sustainability reporting with (or are preparing to follow or align with) recognized external regulations or frameworks, covering a broad range of sustainability and ESG topics including:

- **CDP:** We disclose detailed information for investors and customers on our management and performance on climate, forests and water through CDP.
- **Dow Jones Best-in-Class Indices (DJBIC):** In 2025, we responded to the S&P Global Corporate Sustainability Assessment survey for an investor audience for the fifth time.
- **EcoVadis:** We submit extensive information to support our annual assessment by EcoVadis for customers.
- **EU Corporate Sustainability Reporting Directive (CSRD):** Considering the 2025 regulatory developments, SIG has adjusted its timeline for full implementation of the CSRD and the associated European Sustainability Reporting Standards (ESRS). Following the European Commission's Omnibus I reform package, and formal adoption of legislation to amend the ESRS in July 2025, SIG has elected to defer disclosures originally scheduled for 2025. This decision reflects the evolving scope and timing of the ESRS framework and acknowledges the need for a phased and pragmatic approach to ensure continuity, comparability and transparency for our stakeholders during the transition, while allowing us to prepare thoroughly for future implementation. The Group remains committed to transparency and will continue to report in line with the Global Reporting Initiative (GRI) standards. The ESRS double materiality assessment from 2024, and the 2025 review, continue supplement our GRI materiality assessment (see **Introduction: Our material topics** →).
- **EU Deforestation Regulation (EUDR):** We have prepared systems to link beverage carton batch production to suppliers' due diligence submissions in TRACES, in line with EUDR requirements. Despite proposed delays to the regulation's application, we continue readiness efforts with suppliers to ensure compliance.
- **EU Taxonomy:** We have voluntarily reported on our taxonomy eligibility for the aseptic carton business since 2022 and the bag-in-box, spouted pouch and chilled carton businesses since 2023. We have begun taxonomy alignment in our aseptic carton business and will align completion with our CSRD implementation. See our **EU Taxonomy** →.
- **Global Reporting Initiative (GRI):** We report annually in accordance with the GRI Standards. Our GRI reporting is integrated in this Annual Report. See our **GRI content index** →.
- **Greenhouse Gas (GHG) Protocol:** Our greenhouse gas emissions are reported in accordance with the GHG Protocol (see our **GHG emissions basis for reporting** →). We are continuing to review the ongoing developments of the GHG Protocol on Carbon Removals and Land Sector as a basis to establish a FLAG (forest land and agriculture) target once robust data is available, in line with the Science Based Targets initiative's requirements.
- **Human rights due diligence and transparency:** As part of our workstream on human rights, we regularly conduct evaluations of due diligence activities, including related reporting required to meet regulations on this topic, such as the Swiss Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (DDTrO) (see below) and the German Supply Chain Due Diligence Law (Lieferkettensorgfaltspflichtengesetz).
- **Science Based Targets Network:** SIG is a member of the Science Based Targets Network Corporate Engagement Program and we follow the requirements and report on progress. For further details, see **Partnerships and memberships: Science Based Targets Network (SBTN)** →.
- **Swiss Code of Obligations art. 964j-l (Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour):** Based on an assessment of our obligations regarding minerals and metals for 2025, we have concluded that SIG falls below the quantitative thresholds and therefore is exempt from the Swiss requirements on due diligence and reporting on minerals and metals from conflict-affected areas. The outcome of our assessment of our due diligence and reporting obligations regarding child labor is presented separately, see our **Report on child labor due diligence in the supply chain** →.
- **Swiss law on reporting obligations on non-financial matters:** We report in line with the requirements of the Swiss law on reporting obligations on non-financial matters (Swiss Code of Obligations art. 964b) in the form of an index, with references to relevant sections in the Annual Report. See our **Swiss non-financial matter report** →.
- **Swiss Ordinance on Climate Reporting:** We report in line with the Swiss Ordinance on Climate Reporting, which is based on TCFD. See our **TCFD Report** →.
- **Task Force on Climate-related Financial Disclosures (TCFD):** We report in line with the TCFD recommendations, including scenario analysis, to address climate-related risks and opportunities. See our **TCFD Report** →.
- **Taskforce on Nature-related Financial Disclosures (TNFD):** Building on our commitments in **Nature+** →, we are using the TNFD framework to inform our assessment of risks and opportunities for our business and are reviewing our disclosure practice to achieve an improved alignment with TNFD requirements.
- **United Nations Global Compact:** As a signatory to the United Nations Global Compact, we submit an annual Communication on Progress.
- **United Nations Sustainable Development Goals (SDGs):** We describe how we are contributing to the SDGs in this report. See **Contribution to the United Nations Sustainable Development Goals** →.

Swiss non-financial matter report

The information contained in the sections referenced in the index below constitutes the report of SIG on non-financial matters in accordance with art. 964b of the Swiss Code of Obligations (CO).[1] The shareholder vote on the non-financial matter report required by art. 964c of CO is limited to information contained in these referenced sections.

Art. 964b requirement	Topic	Annual Report section	Page ref.
Description of business model		Strategic report:	
		• Our business	4–6
		• Our value creation model	7–12
Sustainability approach – overview		Sustainability / Introduction:	
		• Our 2020 to 2025 roadmap	38
		• Our sustainability approach	39
		• Our sustainable packaging journey	40–44
		• Our key policies	48–49
		• Our sustainability governance	50–53
		• Our sustainability governance / Measurement and effectiveness	50
		• Stakeholder engagement	54–56
		Sustainability / Appendix / Contribution to United Nations Sustainable Development Goals	165–166
Coverage of subsidiaries and assurance		• Sustainability / Introduction / Our sustainability reporting / Scope and assurance	37
		• Consolidated financial statements (note 27)	272–274
References to reporting regulations and frameworks		• Sustainability / Introduction / Our sustainability reporting	37
		• Sustainability / Appendix / Reporting regulations and frameworks	133
Material topics and risk overview	• Our material topics	• Sustainability / Introduction / Our material topics	46–47
	• Risk management	• Sustainability / Introduction / Our material topics / Key business risks related to material topics	47
		• Strategic report / Enterprise risk management	32–35
		• Sustainability / Appendix / TCFD report	136–143
	• Due diligence	• Sustainability / Introduction / Our sustainability governance / Due diligence approach	50
		• Sustainability / Introduction / Our material topics	46–47

1 The sections and pages referenced in the above and below index with respect to a particular non-financial matter pursuant to art. 964b CO primarily contain disclosures relating to that non-financial matter. However, the disclosures within these sections and pages may also be relevant to non-financial matters pursuant to art. 964b CO referenced in other sections and pages of the above and below index.

Art. 964b requirement	Topic	Annual Report section	Page ref.
Environmental matters (incl. CO_2 goals)	Climate change	• Sustainability / Climate+ (incl. climate transition plan) • Sustainability / Resource+ • Sustainability / Appendix / TCFD report	57–67 77–87 136–143
	Biodiversity and ecosystems	• Sustainability / Nature+ • Sustainability / Resource+	68–76 77–87
	Water and marine resources	• Sustainability / Nature+	68–76
	Pollution	• Sustainability / Nature+ • Sustainability / Resource+	68–76 77–87
	Resource use and circular economy	• Sustainability / Nature+ • Sustainability / Resource+	68–76 77–87
	Business conduct	• Sustainability / Nature+	68–76
Social matters	Consumers and end-users	• Sustainability / Food+	88–95
	Business conduct	• Sustainability / Responsible culture / Our people • Sustainability / Responsible culture / Our suppliers	96–107 108–112
Employee-related matters	Own workforce	• Sustainability / Responsible culture / Our people	96–107
	Business conduct	• Sustainability / Responsible culture / Our people • Sustainability / Responsible culture / Our suppliers	96–107 108–112
	Workers in the value chain	• Sustainability / Responsible culture / Our suppliers	108–112
Respect for human rights		• Sustainability / Responsible culture / Our people	96–107
	Workers in the value chain	• Sustainability / Responsible culture / Our suppliers	108–112
Combating corruption	Business conduct	• Sustainability / Responsible culture / Our people	96–107
		• Sustainability / Responsible culture / Our suppliers	108–112
Main performance indicators	KPIs	• Sustainability / Appendix / Key performance indicators	121–132

TCFD report

This report covers our disclosures aligned with the Swiss Climate Ordinance under art. 964b. It follows the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) from 2017 and the annex "Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures" (October 2021). It considers cross-sectoral and sector-specific recommendations as well as the "Guidance on Metrics, Targets and Transition Plans" (October 2021). The report also covers our climate transition plan, which is comparable with the Swiss climate goals.

Governance

The Board of Directors (BoD), acting collectively, has the ultimate responsibility for the conduct of business of SIG Group AG (the Company or SIG) and for delivering sustainable value for shareholders and other stakeholders. The BoD sets the Company's strategic aims, ensures that the necessary financial and human resources are in place to meet the Company's objectives, and supervises the management of the Company. The BoD responsibilities cover climate-related targets and measures and other sustainability topics. The BoD also approves the Group's ESG-related key policies. For further details, see **Introduction: Our key policies** →.

Our sustainability approach consists of four key action areas, supported by our Responsible culture, that together deliver our ambition of a regenerative packaging solution: Climate+, Nature+, Resource+ and Food+. The projects and activities covered aim, among other things, to address potential impacts of SIG's value chain on climate change and to assess risks and opportunities of climate change on our business. Activities in the Climate+ area specifically cover climate change mitigation and adaptation measures. Activities in the other action areas aim to mitigate climate change both in our value chain and by proactively delivering positive impact beyond our value chain.

Climate-related matters are incorporated into our governance processes over sustainability matters. For the organizational chart of the SIG sustainability governance structure and a description of our processes, see **Introduction; Our sustainability governance** → and **Integrating external insight** →. Climate-related risks and opportunities are among the sustainability matters discussed by the different governance bodies. For more information on corporate governance-related topics, see our Corporate Governance Report.

Strategy

The insights from our Net Positive ambition[1] serve as a springboard for advancing our strategy toward a regenerative packaging system, which includes a defined roadmap to decarbonize our value chain. Our regular assessment of potential climate-related impacts on our business and strategy helps us to better understand how the Group may be affected by climate-related events, both in terms of risks and opportunities. The assessment enables us to better position ourselves to navigate risks and challenges and to explore opportunities arising due to climate change.

Following the TCFD's categorization, we have performed an assessment of climate-related risks and opportunities based on scenario analysis covering acute and chronic physical risks (i.e. short-term and extreme weather events and longer-term shifts in climate patterns) as well as transition risks arising from policy, legal, technology and market changes required to address mitigation and adaptation requirements in the transition to a lower-carbon economy. The assessment covers potential risks and opportunities occurring over the short term (2026), medium term (2030) and long term (2050). In 2023, we conducted a detailed assessment of direct physical risks to our owned and leased production sites. In 2024, we conducted a higher-level assessment of direct and indirect physical and transition risks and opportunities across our value chain. This higher-level assessment expanded on the risk and opportunity assessment performed in 2023. In 2025, we reviewed our prior assessments of risks and opportunities and no significant changes to our climate-related risks and opportunities were identified.

The rationale for the choice of time horizons and climate scenarios used in our 2025 assessment is outlined below.

Time horizon	Description
Short term (2026)	Aligned with SIG's business cycle.
Medium term (2030)	Aligned with international targets, as well as SIG's near-term commitment.
Long term (2050)	Aligned with international targets, as well as SIG's long-term commitment.

Scenario	Physical risks		Transition risks	
≥3°C warming	IPCC RCP 8.5	Emissions continue to rise at current rates, no policy changes	IEA STEPS	Reflects current policy settings based on a sector-by-sector assessment of the specific policies that are in place, as well as those that have been announced by governments around the world.
2–3°C warming	IPCC RCP 4.5	Emissions stabilize at half of today's emission by 2080	IEA APS	Assumes that all climate commitments made by governments around the world, including Nationally Determined Contributions (NDCs) and longer-term net zero targets, will be met in full and on time.
1.5° warming	IPCC RCP 1.9[2]	Describes the lowest IPCC emission trajectory and lowest global physical risk	IEA Net Zero 2050	Sets out a narrow but achievable pathway for the global energy sector to achieve net zero CO_2 emissions by 2050.

1 Aligned with the principles developed in the Net Positive Project.
2 The quantitative physical risk assessment of the Group's production sites considered the IPCC RCP 2.6 as the low emissions scenario, which is also aligned with a 1.5°C pathway.

Climate-related risks

Our assessment of climate-related physical and transition risks, summarized below, indicates that some of the identified risks may have a potential financial impact on the Group's business along the whole value chain. The overview tables on the following pages provide additional details about the impacts of climate-related risks on the Group.

Within the three parts of the value chain, physical and transition risks intensify over time, while no risks in the value chain had a high risk rating in the short term. However, eight risks were identified as high risks in the long term.

In our upstream value chain, flooding was considered medium risk across all time horizons and scenarios, potentially leading to increased operational expenditure due to disruptions in the distribution of raw materials. In the medium to long term, the occurrence and intensity of wildfires, coastal floods and storms/cyclones is expected to increase, particularly under the 2–3°C and ≥3°C scenarios. Transition risks related to new or increased regulations were rated as medium risk in the short term given that new or increased regulations are already introduced in the key countries assessed. Risks related to regulation increase over time, particularly under the 1.5°C and 2–3°C scenarios.

Within our own operations, with one exception, physical risk was assessed as low in the short term for all scenarios. Extreme heating was considered medium risk across all time horizons and scenarios due to the current occurrence of extreme heating in the countries assessed. Extreme heating and other physical risks may intensify over time, leading to direct and indirect impact on SIG. SIG may directly be impacted by potential losses in value of SIG's production sites caused by structural damages. SIG may indirectly be impacted by reduced revenue due to disruptions in production caused by the inability of workers to access their workplace, or by workers impacted by health and safety issues. Direct physical risk impacts increase to high risk in the long term, mainly caused by flooding in United States, Brazil and China. Most indirect physical risks remain as medium risk in the long term apart from flooding, which increases to high risk in the medium- to long-term under the ≥3°C scenario. Transition risks related to new or increased regulations were assessed as medium for all time horizons and scenarios. Risk related to adoption of new technologies was assessed as medium for most time horizons and scenarios except under the 1.5°C and 2–3°C scenarios, where this risk increases to high risk over time due to intensification of decarbonization actions worldwide. Reputational risk associated with increased stakeholder concern and sentiment related to environmental or sustainability matters increases to high in the medium term under the 1.5°C scenario and in the long term under the 2–3°C scenario.

In our downstream value chain, physical risks were assessed as low to medium risk, with flooding and coastal floods as the main physical risk drivers in the medium term under the 2–3°C and ≥3°C scenarios. Transition risks related to new or increased regulations and increased customer preferences for eco-friendly alternatives were considered medium in the short and medium term for all scenarios. These risks can result in a reduction of revenue if products do not meet regulatory requirements, or if the demand for SIG products decreases due to the products not being considered the most eco-friendly alternative. Both transition risks increase to high in the long term under the 1.5°C and 2–3°C scenarios.

Climate-related opportunities

Our assessment of climate-related opportunities, summarized below, indicates that some of the identified opportunities may have a potential financial impact on the Group's business. The overview tables on the following pages provide additional details about the impacts of climate-related opportunities on the Group.

Opportunities in our upstream value chain predominately arise in the long-term in the form of avoided costs from increased reliability of our supply chain due to a diversification of suppliers and integrated transportation planning that reduce disruptions in critical supply chains. In our downstream value chain, opportunities also emerge from a growing demand for products and services related to long-life consumables in markets highly exposed to physical climate risks, access to new and emerging markets driven by a shift in consumer preferences toward low-carbon products and an enhanced market positioning for these products. No significant opportunities were noted within our own operations.

SIG's business strategy and resilience

The process of developing our strategy for regenerative packaging reaffirmed the findings of our assessment and confirmed that the measures identified to manage physical and transition risks are fully integrated into our business strategy and financial planning. To assess the materiality and prioritize climate-related risks and opportunities in the value chain, we give each risk and opportunity a rating based on likelihood and financial impact. The consideration of three different scenarios allows us to better understand plausible futures and to ensure long-term business resilience.

We have already introduced a broad set of actions to mitigate climate-related risks and ensure resilience. The Climate+ action area includes our Climate+ Program that is designed to reduce the emissions in our operations and throughout the value chain. Our low-carbon packaging solutions enable us to help our customers and consumers lower their own carbon emissions. This ability to offer low-carbon alternatives to other types of packaging is a key differentiator and value driver that not only mitigates climate-related risks but also enables SIG to capitalize on climate-related opportunities. Our products offer a variety of features that are associated with climate benefits for consumers, such as renewable content or recyclability – in addition to the advantages of ambient packaging with excellent shelf-life performance, which contributes to reducing food waste.

For more information on our climate strategy, see **Climate+: Our approach** →.

Climate-related risks[1]

UPSTREAM

Risk	Description	Financial impact	Time horizon	1.5°C warming	2–3°C warming	≥3°C warming
Indirect physical - Acute: Wildfires	Increased intensity and occurrence of wildfires, leading to the need to find alternative suppliers	Increased operational expenditure due to the use of airfreight to get the supply	**2026**	Low	Low	Low
			2030	Low	Low	Low
			2050	Low	Medium	Medium
Indirect physical - Acute: Coastal floods	Increased intensity and occurrence of coastal floods, leading to the need to find alternative suppliers	Increased operational expenditure due to the use of airfreight to get the supply	**2026**	Low	Low	Low
			2030	Low	Medium	Medium
			2050	Medium	Medium	Medium
Indirect physical - Acute: Flooding	Increased intensity and occurrence of flooding events, leading to the need to find alternative suppliers	Increased operational expenditure due to the use of airfreight to get the supply	**2026**	Medium	Medium	Medium
			2030	Medium	Medium	Medium
			2050	Medium	Medium	Medium
Indirect physical - Acute: Storms/cyclones	Increased intensity and occurrence of storms/cyclones, leading to the need to find alternative suppliers	Increased operational expenditure due to the use of airfreight to get the supply	**2026**	Low	Low	Low
			2030	Low	Low	Low
			2050	Low	Medium	Medium
Transition - Policy & Legal	Increased price of GHG emissions related to raw material supply chain leading to increase on raw material costs	Increased operational expenditure caused by increase in raw material costs	**2026**	Medium	Medium	Medium
			2030	Medium	Medium	Medium
			2050	High	High	Medium
Transition - Policy & Legal	Import regulations (such as EUDR, CBAM) and other regulations related to resource protection may result in supply shortages, or raw material price increases due to supply chain disruptions	Increased operational expenditure due to higher investments needed to secure sustainable commodities, increasing primary raw material costs	**2026**	Medium	Medium	Medium
			2030	High	Medium	Medium
			2050	High	High	High

● High ● Medium ● Low

1 The results provided are based on the highest risk value identified among the geographies analyzed. This is chosen as a cautionary approach, but these results may not reflect the risks in all geographies where SIG operates. Direct physical risks are mostly caused by fluvial flooding in United States, Brazil, and China.

OWN OPERATIONS

Risk	Description	Financial impact	Time horizon	1.5°C warming	2–3°C warming	≥3°C warming
Direct physical - Acute & chronic	Increased intensity and occurrence of climate hazards, leading to damages to SIG production sites	Loss in asset value due to structural damages	2030	Low	–	Low
			2050	High	–	High
Indirect physical - Acute: Wildfires	Increased intensity and occurrence of wildfires, leading to indirect impact in production, such as the inability to access workplace or impacts to employee's health and safety	Reduced revenue due to disruption in production	2026	Low	Low	Low
			2030	Low	Low	Medium
			2050	Low	Medium	Medium
Indirect physical - Acute: Coastal floods	Increased intensity and occurrence of coastal floods, leading to indirect impact in production, such as the inability to access workplace or impacts to employee's health and safety	Reduced revenue due to disruption in production	2026	Low	Low	Low
			2030	Low	Medium	Medium
			2050	Low	Medium	Medium
Indirect physical - Acute: Flooding	Increased intensity and occurrence of flooding events, leading to indirect impact in production, such as the inability to access workplace or impacts to employee's health and safety	Reduced revenue due to disruption in production	2026	Low	Low	Low
			2030	Low	Medium	High
			2050	Medium	Medium	High
Indirect physical - Acute: Storms/cyclones	Increased intensity and occurrence of storms and cyclones, leading to indirect impact in production, such as the inability to access workplace or impacts to employee's health and safety	Reduced revenue due to disruption in production	2026	Low	Low	Low
			2030	Low	Low	Medium
			2050	Low	Medium	Medium
Indirect physical - Acute: Extreme heating	Increased intensity and occurrence of extreme heating events, leading to indirect impact in production, such as the inability to access workplace or impacts to employee's health and safety	Reduced revenue due to disruption in production	2026	Medium	Medium	Medium
			2030	Medium	Medium	Medium
			2050	Medium	Medium	Medium
Transition - Policy & Legal	Increase in local climate-related regulation might impact specific regions where SIG is located	Increased costs/investments needed to meet regulatory requirements	2026	Medium	Medium	Medium
			2030	Medium	Medium	Medium
			2050	Medium	Medium	Medium
Transition - Technology	Increased costs of new technologies to be adopted to meet transition to low carbon future	Increased capital investments for technology development	2026	Medium	Medium	Medium
			2030	Medium	Medium	Medium
			2050	High	High	Medium
Transition - Reputation	Increased stakeholder concern and sentiment related to environmental or sustainability matters, leading to potential decrease in sales	Reduced revenue due decrease in sales related to loss in reputation	2026	Medium	Low	Low
			2030	High	Medium	Low
			2050	High	High	Medium

● High ● Medium ● Low

DOWNSTREAM

Risk	Description	Financial impact	Time horizon	1.5°C warming	2-3°C warming	≥3°C warming
Indirect physical - Acute: Wildfires	Increased intensity and occurrence of wildfires, leading to delays in downstream distribution	Reduced revenue from lower sales/output	**2026**	Low	Low	Low
			2030	Low	Low	Medium
			2050	Low	Medium	Medium
Indirect physical - Acute: Coastal floods	Increased intensity and occurrence of coastal floods, leading to delays in downstream distribution	Reduced revenue from lower sales/output	**2026**	Low	Low	Low
			2030	Low	Medium	Medium
			2050	Medium	Medium	Medium
Indirect physical - Acute: Flooding	Increased intensity and occurrence of flooding events, leading to delays in downstream distribution	Reduced revenue from lower sales/output	**2026**	Low	Low	Low
			2030	Low	Medium	Medium
			2050	Medium	Medium	Medium
Indirect physical - Acute: Storms/cyclones	Increased intensity and occurrence of storms and cyclones, leading to delays in downstream distribution	Reduced revenue from lower sales/output	**2026**	Low	Low	Low
			2030	Low	Low	Medium
			2050	Low	Medium	Medium
Transition - Policy & Legal	Strengthened ESG regulation on product performance (e.g. EU Green Claims Directive; Env. Product Footprint etc) and on waste disposal, recyclability and circularity of products	Reduced revenue if products do not meet the new requirements	**2026**	Medium	Medium	Medium
			2030	Medium	Medium	Medium
			2050	High	High	Medium
Transition - Market	Increased customer preferences for eco-friendly alternatives , e.g. in case alternative products to SIG's would have lower carbon footprint or be 100% recyclable around the world	Reduced revenue due to lower demand for products and services	**2026**	Medium	Medium	Medium
			2030	Medium	Medium	Medium
			2050	High	High	Medium

● High ● Medium ● Low

Climate-related opportunities

UPSTREAM

Opportunity	Description	Financial impact	Time horizon	1.5°C warming	2–3°C warming	≥3°C warming
Resource substitutes / diversification	Diversification of LPB, aluminum, and polymer suppliers, as well as other commodity supply chains, including the adoption of responsible sourcing standards, to support the transition and enhance SIG's resilience	Avoided carbon costs from low-carbon intensity raw material alternatives	2030	Low	Low	Low
			2050	High	High	Low
Resilience of supply chain	Integrated transportation planning and development of alternative routes, leading to reduced disruptions in critical supply chains thereby avoiding product shortages	Avoided costs through increased reliability of supply chain and ability to operate under various conditions	2030	Low	Low	Low
			2050	Low	Low	High

DOWNSTREAM

Opportunity	Description	Financial impact	Time horizon	1.5°C warming	2–3°C warming	≥3°C warming
Products and services	Increased demand for product and services related to long-life consumable in markets highly exposed to physical climate risks	Increased revenue through new products and services related to ensuring resiliency	2030	Low	Low	Low
			2050	Medium	High	High
Resilience of the supply chain	Integrated transportation planning and development of alternative routes, leading to reduced disruptions in critical supply chains thereby avoiding product shortages	Avoided costs from an increased reliability of supply chain and ability to operate under various conditions	2030	Low	Low	Low
			2050	Low	High	High
Access to new markets	Enhanced market positioning for SIG low-carbon solutions in new markets with carbon-related regulations in place or emerging	Increased revenue through access to new and emerging markets	2030	High	High	High
			2050	–	–	–
Shift in consumer preferences	Reduced carbon footprints compared to conventional alternatives through the incorporation of renewable materials and their recyclability, aligning with the new market trends and consumer preferences	Increased revenue through demand for lower emissions products and services	2030	Low	Low	Low
			2050	High	High	Low

● High ● Medium ● Low

Risk management

We conducted the 2024 climate-related risk and opportunities assessment through scenario analysis. As mentioned under the Strategy section above, the assessment was completed in two phases. Phase 1 was focused on a detailed assessment of direct physical risks to our owned and leased production sites. Phase 2 was focused on a higher-level assessment of direct and indirect physical and transition risks as well as opportunities across our value chain. Depending on the type of impact, the assessments under Phase 2 were done at key locations or at global level. Physical risks include acute and chronic physical risks. Transition risks include technology, market, reputational and legal risks. Opportunities relate to resource efficiencies and cost savings, development of new products and services, access to new markets and creating resilience.

Phase 1 assessed the exposure (i.e. the level to which an asset is potentially affected by a hazard) and the vulnerability (i.e. the loss of net asset value, resulting from the exposure analysis combined with the potential amount of damage of a hazard) of our production sites. Phase 2 was performed selectively for the business areas and locations within the value chain that are most likely to present significant risks. Key considerations for the risk assessment included the supply of raw materials, the location of our production sites, their share of emissions, exposure to emerging regulations and sales from large customers. To assess climate-related risks and opportunities along the value chain, we assigned a rating to the likelihood (i.e. probability of occurrence for each chosen location, scenario and time horizon) and impact (i.e. financial consequences for the business) of risks and opportunities. The final risk rating allocation process is based on both the likelihood and the financial impact rating, aligned with our annual enterprise risk management (ERM) and the double materiality assessment processes. By analyzing the convergence of likelihood and impact, we determined a final risk category for each type of risk. The three possible risk categories (low, medium, high) were then used to prioritize each climate issue and assess their materiality. Opportunities were rated only based on impact.

The process for managing climate-related risks and opportunities is linked to our annual ERM process, with additional consideration of longer-term climate-specific time horizons. Management is responsible for identifying and reporting risks and for implementing and tracking mitigation measures. The material climate-related risks resulting from our scenario analysis are implemented in the ERM risk catalog and financial implications are also embedded within potential impact for that risk. At least annually, top ERM risks and mitigation actions are reviewed in workshops with regional and functional leadership teams. During these workshops, we review the top risks from the previous cycle, discuss potential emerging risks and review the status of our mitigating measures. The results of these workshops are then discussed with the Group Executive Board (GEB). Each ERM risk, including the respective mitigation actions, is owned by a member of the GEB. The top risks and mitigation actions are subsequently reviewed by the Audit and Risk Committee (ARC) and ultimately by the Board of Directors, who is also setting the risk profile and the risk capacities of the Group.

Each mitigation action has an owner at Group level who works closely with the respective regional functions to ensure local implementation. Moreover, each focus area of the Group's sustainability approach (Climate+, Nature+, Resource+ and Food+), including their related commitments, is owned by a member of the Responsibility Steering Group, who is accountable for setting goals and delivering progress through targeted workstreams. Leaders from relevant business functions and regions are responsible for implementing the Group's sustainability commitments with support from their teams and subject matter experts. The Group follows a range of different measures to manage and reduce identified climate-related risks as well as to capitalize on climate-related opportunities.

Measures to manage or mitigate physical risks across production sites

Examples of physical relevant risk mitigating measures implemented and continuing at our own, and leased, production sites include:

- Upgraded all facilities to withstand harsh conditions, including the use of fire-resistant materials and infrastructure improvements to handle increased temperatures.
- Developed comprehensive emergency plans for various climate-related events at all sites.
- Waterproofed the lower levels of assets and elevated valuable equipment to protect against flooding.
- Reviewed and improved the drainage systems of buildings to mitigate the impact of flooding.
- Developed specific response plans for floods and snow removal.
- All employees are trained in safety procedures, firefighting measures, evacuation procedures, and general safety.
- Maintaining trees and green spaces to prevent hazards during high winds and to increase water absorption, creating protective barriers.
- Ensuring regular maintenance and servicing of equipment and buildings to adapt to rising temperatures.
- Upgrading building infrastructure to ensure it can withstand increased temperature, particularly for temperature-sensitive equipment.

Measures to manage or mitigate transition risks and take advantage of opportunities

Examples of existing and ongoing measures taken to manage transition risk and opportunities include:

- Refinement of our strategies for the main Scope 3 categories, adjusting the impact and timing of critical projects such as the transition to aluminum-free packaging.
- Prioritization of strengthening partnerships with key suppliers and working together to reduce emissions throughout our supply chain.
- Identification of carbon removal solutions within our supply chains, including logistics and commodity sourcing.
- Development of interim emission reduction milestones to closely monitor progress and make adjustments to ensure that we remain on track to meet our mid- and long-term goals, as well as customer expectations, through our **Climate+** program.
- Continuous innovation of lower carbon footprint packaging solutions and intensification of efforts to boost collection and recycling rates in key regions through our **Resource+** program.

For more information on our ERM, see **Enterprise risk management** →.

For additional details on our climate-related mitigation and adaptation measures, refer to **Climate+** →, **Nature+** →, **Resource+** →, **Food+** → and **Responsible culture: Our suppliers** →.

Metrics and targets

The management of climate-related risks and opportunities is supported by key metrics and targets which allow us to monitor our performance to address and mitigate the effects of climate change. We are striving to minimize our footprint at every stage of the value chain – from sourcing to production, filling, use and recycling of our packs. We are going further to bring positive impact beyond our value chain, helping our customers and consumers to further lower their own carbon footprint with our low-carbon packaging solutions. We are already among the group of leading companies that have developed a transition plan and set greenhouse gas (GHG) reduction targets approved by the Science Based Targets initiative (SBTi) in line with the latest climate science to keep global warming below 1.5°C, which are comparable to Switzerland's climate goals (as per the Swiss Climate Protection Ordinance and Climate and Innovation Act).

For our climate-related targets and KPIs, see **Climate+: Our targets and performance**, **Nature+: Our targets and performance**, **Resource+: Our targets and performance** and **Key performance indicators**.

For more details on our greenhouse gas reporting, see **Greenhouse gas emissions basis for reporting**.

Report on child labor due diligence in the supply chain

This report of SIG Group AG ("SIG" or the "Company") relates to the due diligence and reporting obligations covering child labor required by Art. 964j-k of the Swiss Code of Obligations and the Swiss Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour. It covers the period January 1, 2025, to December 31, 2025. During the reported period, SIG Group AG, Neuhausen, Switzerland, complied with the due diligence obligations regarding child labor, as further detailed below.

About SIG

SIG is a leading provider of sustainable, innovative, versatile packaging solutions. We work in partnership with our customers to bring food products to consumers around the world in a safe, sustainable, and affordable way. We are the only system supplier covering carton, pouch, and bag-in-box. Our versatile technology and product innovation capacity enable us to provide our customers with solutions across categories and channels, addressing consumer and market needs with flexibility and speed. Founded in 1853, SIG is headquartered in Neuhausen, Switzerland. The skills and experience of our approximately 9,700 employees worldwide enable us to respond quickly and effectively to the needs of our customers in over 100 countries.

Our commitment to respecting human rights

We are committed to respecting human rights in our operations, supply chain, and with respect to our major business relationships. In doing so, we can contribute to global respect for human rights and support our ambition to have a scalable, systemic and positive impact on society, as well as meeting growing regulatory demand for human rights due diligence. Our approach is guided by the United Nations Guiding Principles on Business and Human Rights, and the relevant Organization for Economic Co-operation and Development (OECD) frameworks. Also, SIG is a signatory to the United Nations Global Compact. We are committed to adhering to the standards encompassed by the International Bill of Human Rights, the International Labor Organization's (ILO) core labor standards, and the Ethical Trading Initiative (ETI) Base Code.

Governance

In 2023, we established a steering committee to oversee implementation of our human rights due diligence roadmap. Members include our Chief People & Culture Officer (with designated responsibility for human rights) and senior leaders from relevant business functions. Our human rights taskforce, including functions such as Legal & Compliance, Procurement, People & Culture and Corporate Responsibility, undertook extensive activities both in the prior and current year to strengthen our human rights due diligence, including a review and update of our human rights policy in 2025. For more information, see **Responsible culture: Our suppliers** → and **Our people: Human rights** →.

The Board's Nomination and Governance Committee (NGC) oversees the Company's strategy and governance on corporate responsibility for ESG matters and advises the Board of Directors on key issues that may affect the Group's business and reputation. For more information, see **Introduction: Our sustainability governance** →.

Our policies on child labor

Ethics and compliance are key factors in achieving our business goals and securing SIG's long-term business success.

SIG's Code of Conduct (CoC), publicly available on our website, demonstrates our commitment to act in accordance with nationally and internationally recognized human rights. As stated in the CoC, SIG does not tolerate, engage in or support child and forced labor, including prison labor, slavery and any other form of labor that poses a threat to adults or children. SIG is committed to prevent, mitigate and address the risks of child and forced labor in its global value chains.[1] All of our employees regularly complete trainings on the CoC. Our commitment to promoting fair labor practices and upholding labor rights for our employees, is embedded in our Human Rights, Labor and Community Engagement Policy, including the prevention of child labor. This policy was last updated in 2025 and is publicly available on our website. Our approach to human rights due diligence is described in section 5.1.4.

We expect our suppliers to respect all human rights including child labor. Our Supplier Code of Conduct, is publicly available on our website, forms an integral part of any agreements between SIG and its suppliers and sets out our expectations. Our suppliers are provided with up-to-date information in relation to any changes to our Supplier Code of Conduct. In regard to child labor, it explicitly states: Suppliers shall neither use nor tolerate child labor. They shall observe the relevant ILO standards, United Nations Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises. Young persons under 18 shall not be employed at night, in hazardous conditions or work overtime.[2] In addition, SIG expects suppliers to communicate and apply the principles set out in the Supplier Code of Conduct throughout their supply chain. Significant suppliers[3] must formally acknowledge our Supplier Code of Conduct (or have an equivalent in place, such as SMETA audits or EcoVadis ratings).

Should indications of child labor be alleged or found, we strive to address and resolve them within our own operations and aim to prevent or mitigate them in our supply chain. We engage with our suppliers to help them improve through corrective action plans. If a supplier fails to respond to our requests or shows no willingness to improve, we reserve the right to terminate our business relationship with them in accordance with our contracts. Any remedial actions should be consistent with ILO standards and the latest best practice guidance.

1 SIG Code of Conduct, Human Rights Compliance (section 4), available at https://www.sig.biz/en/investors/governance/code-of-conduct.
2 SIG Supplier Code of Conduct, section "No child labor", p. 2, available at https://cms.sig.biz/media/zcnhu2qr/sig-supplier-code-of-conduct.pdf.
3 See **Responsible culture: Our suppliers** → for our definition of significant suppliers.

Our own operations risk management system

Understanding and managing risks starts with our own operations. We are an active member of SEDEX, one of the world's leading ethical trade membership organizations that provides independent verification against human rights, labor, health and safety, environmental, and business ethics standards.

We conduct SEDEX SMETA audits at our production sites every two years, which include an assessment of potential child labor and human rights risks and impacts. If the SMETA audit findings identify any issues, corrective action plans help us to remediate these and establish mechanisms to prevent similar issues in the future. As of December 31, 2025, 28 out of 30 production sites[1] had completed the four pillar SMETA audit.

At all non-production sites, we conduct SEDEX Self-Assessment Questionnaires (SAQ) on human rights risks with the same regularity. In 2025, 36 of 40 entities completed the assessment.

In addition, we perform annual human rights risk assessments, covering also the topic of child labor. The risk of child labor is also incorporated in our assessment of material topics (see **Introduction: Our material topics** →).

Our supply chain risk management

SIG expects suppliers to meet our responsibility requirements to help mitigate social and environmental risks in our supply chain. Our Supplier Code of Conduct sets out our expectations on topics such as labor (including no tolerance for child labor), health and safety, and environmental protection. In 2025, we performed a risk screening of our suppliers[2] to identify suppliers with an increased risk of using child labor. Our screening evaluates potential adverse impacts (including child labor) based on the UNICEF Children's Rights in the Workplace Index and the EcoVadis IQ Plus platform risk data. The screening also takes into account the suppliers' geographic location and industry. Additionally, the analysis considers the supplier's potential to affect our ability to meet our customer demands and the volumes we purchase from them and eventually results in a list of suppliers that will undergo further checks.

For the suppliers identified as having an increased risk of using child labor, we conducted a more in-depth assessment using available information from sources such as EcoVadis assessments and SEDEX SMETA audits, which both include aspects on child labor. In addition, we conducted media screening and searched the internet (by reviewing available live news on the EcoVadis IQ Plus platform) for insights on key ESG risks in the supply chain and controversies in the media including any evidence of child labor.

To date, we have not identified any case of suspected child labor in our supply chain. Based on our human rights risk analysis, we conclude that the risk of child labor in our supply chain is low. For information about risk management measures undertaken on other supply chain sustainability risks, see **Responsible culture: Our suppliers** → and our **TCFD report** →.

SIG conducts in-depth assessments through requiring self-assessments, external assessments or SEDEX and EcoVadis assessments. Our SEDEX and EcoVadis assessments both include aspects on child labor. The Company also has a grievance procedure in place (see Reporting mechanism below) where reports on suspected child labor can be made, such as via the SIG Integrity and Compliance Hotline.

Should gaps or any indications of child labor be identified, our procurement teams follow up with the suppliers directly to resolve and monitor any issues. Responsible sourcing for us entails that we must educate our procurement teams. To do so we use the EcoVadis Academy, our Responsible Sourcing Directives, and accompanying training, providing buyers with detailed guidance to support implementation of our responsible sourcing approach, which also supports human rights due diligence in our supply chain.

Supply chain traceability system

Names and addresses of our suppliers are recorded systematically in our enterprise resource planning (ERP) systems. We also record, where available, product and service categories on the EcoVadis IQ Plus platform. We keep records of our monitoring activities, assessments, and completed EcoVadis assessments and SEDEX audits.

Reporting mechanism

Concerns, including those related to human rights and child labor, may be reported through any available channel, including supervisors and managers, representatives of People & Culture, Legal & Compliance, Internal Audit or the SIG Integrity and Compliance Hotline. Our grievance mechanism is communicated to employees through the Code of Conduct, our Code of Conduct trainings and with posters on site advertising our Integrity and Compliance Hotline.

In addition, there is a separate subsection in our Compliance site within SIG's employee application about our Integrity and Compliance Hotline. Employees can access information in the local language and be informed about local phone numbers and the link to the web-based grievance mechanism.

Reports received through these channels are subsequently investigated. Each case is handled with a systematic approach to address and resolve the reports received and is concluded by a subsequent analysis and evaluation of potential root causes. We seek to find solutions in an individual process tailored to the grievance reported and as deemed appropriate, together with the affected person.

1 Excludes our production plant in Voronezh, Russia, due to limitations in respect of data access.
2 Not including suppliers to sales entities. SIG's main business is where it has production sites, and where SIG's highest risk, spending and leverage are concentrated. Sales entities' suppliers provide office equipment, services, rentals and spare parts. Regarding spare parts, they are mainly provided by SIG's internal warehouse and covered in our screening described above. We apply a best-effort approach to ensure that all our suppliers are included, achieving a coverage of approximately 99% (by spend).

The Compliance team responsible for the Integrity and Compliance Hotline provides quarterly updates on cases to the Audit and Risk Committee.

In 2023, we updated our grievance procedure and launched a new case management tool. Our case management tool makes it easier for both employees and external parties to speak up. It also makes case management and reporting more efficient and increases oversight of grievances.

During 2025, no allegations were made about child labor in our own operations or our supply chain.

Continuous improvement and additional information

Putting our policies into practice means working continuously to identify human rights impacts, including any impacts that are child labor-related, mitigating and addressing them, continuously monitoring the effectiveness of our measures and periodically reporting on our performance. We seek continuous improvement and regularly review the way we respond in a constantly changing operating environment. One way to do so is our continuous engagement in the Association des Industries de Marque (AIM) Progress Initiative (see **Partnerships and memberships** →), a forum of leading fast-moving consumer goods manufacturers and common suppliers to promote responsible sourcing practices and sustainable supply chains. We use its established methodology to assess, and identify opportunities to strengthen, human rights due diligence related to our supply chain.

For more information, we encourage you to also refer to other sections in this Annual Report and to our website.

GRI content index

Statement of use	SIG Group AG has reported in accordance with the GRI Standards for the period of January 1, 2025 to December 31, 2025.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI Standard/ Other Source	Disclosure	Information/Reference/Omission
General disclosures		
GRI 2: General Disclosures 2021	**The organization and its reporting practices**	
	2-1 Organizational details	SIG Group AG, domiciled in Switzerland and listed on SIX Swiss Exchange. See **note 27** → of the consolidated financial statements for the year ended December 31, 2025 for the address of SIG Group AG and details about the subsidiaries included in its consolidated financial statements.
	2-2 Entities included in the organization's sustainability reporting	Unless otherwise stated, data covers SIG Group AG and its subsidiaries (same scope of consolidation as in the Group's consolidated financial statements).
	2-3 Reporting period, frequency and contact point	Sustainability reporting is an integral part of SIG's Annual Reports. Reporting period: January 1, 2025 to December 31, 2025, corresponding to the financial year of SIG Group AG.
	2-4 Restatements of information	The structure of our GRI reporting complies with the GRI Universal Standards 2021 and covers the GRI Topic Standards where relevant. In 2025, we restated three 2024 key performance indicators: two following corrections to bag-in-box and spouted pouch production weight and total waste reporting, and one resulting from an updated definition of significant suppliers. Each restatement is clearly indicated.
	2-5 External assurance	PricewaterhouseCoopers AG, Switzerland, has provided limited assurance on the data points related to our sustainability key performance indicators **Introduction: Our sustainability reporting: Scope and assurance** → **Independent practitioner's limited assurance report** →
	Activities and workers	
	2-6 Activities, value chain and other business relationships	See **p. 4–12** → for information on our business. Our supply chain business relationships are described in **Responsible culture: Our suppliers** →
	2-7 Employees	**Appendix: Key performance indicators** →
	2-8 Workers who are not employees	Omission: Information unavailable/incomplete Information is currently stored in various local systems that don't allow for global reporting. We're improving data collection and upgrading IT systems to enable accurate reporting, with an integrated global HR application planned to go live by end of 2026.
	2-9 Governance structure and composition	**Governance: Board of Directors** →, and **Group Executive Board** → **Corporate Governance Report: 3. Board of Directors** →, and **4. Committees** → Committees and Corporate Governance Policy, 4.3 Board composition and selection

GRI Standard/ Other Source	Disclosure	Information/Reference/Omission
GRI 2: General Disclosures 2021	2-10 Nomination and selection of the highest governance body	**Corporate Governance Report: 3. Board of Directors →, 3.3 Election and term of office →** and **4.3 Nomination and Governance Committee →**
	2-11 Chair of the highest governance body	The chair of the Board of Directors is not a member of the executive management of the organization.
	2-12 Role of the highest governance body in overseeing the management of impacts	**Introduction: Our sustainability governance →**
	2-13 Delegation of responsibility for managing impacts	**Introduction: Our sustainability governance →** **Corporate Governance Report: 5. Frequency of meetings of the Board of Directors and its Committees →, 6. Areas of responsibility →** and **7. Information and control instruments vis-à-vis the Group Executive Board →**
	2-14 Role of the highest governance body in sustainability reporting	**Introduction: Our sustainability governance →**
	2-15 Conflicts of interest	**Corporate Governance Report: 8.2 Number of Permissible Activities →**
	2-16 Communication of critical concerns	**Corporate Governance Report: 4.2 Audit and Risk Committee →** **Responsible culture: Our people: Governance and ethics →**
	2-17 Collective knowledge of the highest governance body	**Corporate Governance Report: 3.1 Members of the Board of Directors: Board skill matrix →** **Introduction: Our sustainability governance →**
	2-18 Evaluation of the performance of the highest governance body	Organizational Regulations section 2.7 **Corporate Governance Report: 4.3 Nomination and Governance Committee →**
	2-19 Remuneration policies	**Compensation Report: Compensation governance →** Articles of Association, 4. Compensation of the Board of Directors and the Group Executive Board
	2-20 Process to determine remuneration	**Compensation: Compensation Report, esp. Figure 3: Authority table regarding compensation →** All voting results from the 2025 Annual General Meeting are publicly available on our website: pages 4–16 of the Minutes of the ordinary general meeting of shareholders
	2-21 Annual total compensation ratio	Omission: Information unavailable/incomplete Information is currently stored in various local systems that don't allow for global reporting. We are improving data collection and upgrading IT systems to enable accurate reporting, with an integrated global HR application planned to go live by end of 2026.
	Strategy, policies, and practices	
	2-22 Statement on sustainable development strategy	**Letter from the Chairman →**
	2-23 Policy commitments	**Introduction: Our key policies →** ESG Policies online **Introduction: Our sustainability governance →** 'Our commitments' in **Climate+ →, Nature+ →, Resource+ →, Food+ →, Responsible culture: Our people** and **Our suppliers →**
	2-24 Embedding policy commitments	**Introduction: Our sustainability governance →**

GRI Standard/ Other Source	Disclosure	Information/Reference/Omission
GRI 2: General Disclosures 2021	2-25 Processes to remediate negative impacts	**Responsible culture: Our people: Governance and ethics** →
	2-26 Mechanisms for seeking advice and raising concerns	**Responsible culture: Our people: Governance and ethics** →
	2-27 Compliance with laws and regulations	**Introduction: Our sustainability governance** → and **Responsible culture: Our people: Governance and ethics** →
	2-28 Membership associations	**Appendix: Partnerships and memberships** →
	Stakeholder engagement	
	2-29 Approach to stakeholder engagement	**Introduction: Our sustainability governance** → and **Stakeholder engagement** →
	2-30 Collective bargaining agreements	**Appendix: Key performance indicators** → **Responsible culture: Our people: Human rights** →

Material topics

GRI 3: Material Topics 2021	3-1 Process to determine material topics	Information on our materiality assessment can be found in the SIG 2024 Annual Report Details on our review in 2025: **Introduction: Our material topics** →
	3-2 List of material topics	**Introduction: Our material topics** →

Climate change

GRI 3: Material Topics 2021	3-3 Management of material topics	**Impacts:** • **Introduction: Our material topics** → • Positive contribution to UN SDGs 2, 7, 9, 12, 13, and 17. **Appendix: Contribution to the United Nations Sustainable Development Goals** → • SIG Group AG is voluntarily reporting Taxonomy eligibility for the fourth consecutive year. **Appendix: EU Taxonomy** → • **Appendix: TCFD report** → • **Introduction: Our sustainable packaging journey** → • More details: **Climate+** → and **Appendix: Greenhouse gas emissions basis for reporting** → **Commitments, actions and their effectiveness:** • **Climate+: Our commitments** → and **Our approach** → **Policies:** • **Introduction: Our key policies** → and our ESG Policies online **Engagement with our stakeholders:** • **Introduction: Stakeholder engagement** →

GRI Standard/ Other Source	Disclosure	Information/Reference/Omission
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	**Appendix: Key performance indicators** → and **Greenhouse gas emissions basis for reporting** →
	305-2 Energy indirect (Scope 2) GHG emissions	**Appendix: Key performance indicators** → and **Greenhouse gas emissions basis for reporting** →
	305-3 Other indirect (Scope 3) GHG emissions	**Appendix: Key performance indicators** → and **Greenhouse gas emissions basis for reporting** →
	305-4 GHG emissions intensity	**Appendix: Key performance indicators** → and **Greenhouse gas emissions basis for reporting** →
	305-5 Reduction of GHG emissions	**Climate+: Our targets and performance** → and **Appendix: Greenhouse gas emissions basis for reporting** →
GRI 302: Energy 2016	302-1 Energy consumption within the organization	**Appendix: Key performance indicators** →
	302-2 Energy consumption outside of the organization	Omission: Not applicable The main energy demand in SIG's value chain occurs upstream (category Goods and Services). For this category, we relate activity data to factors from recognized emission factor databases or relate to supplier-specific data – which contribute more than 60% of the GHG emissions in this category. We work with suppliers to decarbonize in line with our pathway to net zero – which typically includes the reduction of energy demand and a switch to renewable energy carriers. Thus, we consider the collection of energy consumption data as not applicable as this is embedded in our disclosures and management approach related to emissions (**Appendix: Greenhouse gas emissions basis for reporting** →). Energy consumption and energy carriers used are also typically confidential data points in the supply chain and we do not therefore have access to this type of information. The second largest energy consumption in our value chain occurs during the operation of the filling machines and the equipment we manufacture. We work towards the reduction of energy consumption for installed machines and for each new generation of machine. As for our supply chain we use a climate footprint metric to address this; thus, we consider energy use of our filling machines and equipment as both not applicable and confidential.
	302-3 Energy intensity	**Appendix: Key performance indicators** → The "Energy intensity for bag-in-box and spouted pouch production" key performance indicator (KPI) for 2024 was restated after identifying incorrect item weights were used in the calculation of total production weight. Applying the corrected item weights resulted in a material increase of the 2024 KPI (from 18 to 364 MWh per thousand tons produced).
	302-4 Reduction of energy consumption	Omission: Not applicable We measure and report data on energy consumption related to our production as intensity, disclosed in 302-3.
	302-5 Reductions in energy requirements of products and services	Omission: Information unavailable/incomplete For our packaging material products this disclosure is not applicable as the packaging does not require energy during its use phase. For our filling machines and other related equipment we report Greenhouse gas emissions. **Appendix: Greenhouse gas emissions basis for reporting** →
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	See **Enterprise risk management** → on material financial risks in relation to climate change. See **Appendix: TCFD report** → for a description of identified climate-related risks and opportunities and of the associated impact as well as our governance and risk management approaches.

GRI Standard/ Other Source	Disclosure	Information/Reference/Omission
Waste and circular economy		
GRI 3: Material Topics 2021	3-3 Management of material topics	**Impacts:** • **Introduction: Our material topics** → • Positive contribution to UN SDGs 2, 6, 9, 12, 13, 14, 15 and 17. **Appendix: Contribution to the United Nations Sustainable Development Goals** → • More details: **Resource+** → and **Nature+** → **Commitments, actions and their effectiveness:** • **Resource+: Our commitments** → and **Our approach** → • **Nature+: Our commitments** → and **Our approach** → **Policies:** • **Introduction: Our key policies** → and our ESG Policies online **Engagement with our stakeholders:** • **Introduction: Stakeholder engagement** →
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	**Introduction: Our material topics** → **Resource+** → **Nature+** →
	306-2 Management of significant waste-related impacts	**Resource+** → **Nature+** →
	306-3 Waste generated	**Appendix: Key performance indicators** →
	306-4 Waste diverted from disposal	**Appendix: Key performance indicators** →
	306-5 Waste directed to disposal	**Appendix: Key performance indicators** →
Own disclosure	Waste rate for carton production (grams of waste per m² of packaging material)	**Appendix: Key performance indicators** →
	Waste rate for bag-in-box and spouted pouch production (tons of waste per thousand tons produced)	**Appendix: Key performance indicators** → The key performance indicator (KPI) for 2024 was restated after identifying two errors. Incorrect item weights were used in the calculation of total production weight, while total waste included incorrect amendments. Applying the corrected item weights and total waste resulted in a material increase of the 2024 KPI (from 3.0 to 36.3 tons of waste per thousand tons produced).
	SIG carton packaging that is designed for recycling[1] (%)	**Appendix: Key performance indicators** →
	SIG bag-in-box and spouted pouch packaging alternatives that are designed for recycling[1]	**Appendix: Key performance indicators** →

1 Our evaluation of recyclability of cartons is based on the relevant EN643 standard and our evaluation of recycle-readiness for bag-in-box and spouted pouch is in line with Design for Recycling criteria developed by APR (Association of Plastic Recyclers), Recyclass and CEFLEX.

GRI Standard/ Other Source	Disclosure	Information/Reference/Omission
Biodiversity and forest ecosystems		
GRI 3: Material Topics 2021	3-3 Management of material topics	**Impacts:** • **Introduction: Our material topics** → • Positive contribution to UN SDGs 2, 6, 9, 12, 13, 14, 15 and 17. **Appendix: Contribution to the United Nations Sustainable Development Goals** → • More details: **Nature+** → **Commitments, actions and their effectiveness:** • **Nature+: Our commitments** → and **Our approach** → **Policies:** • **Introduction: Our key policies** → and our ESG Policies online **Engagement with our stakeholders:** • **Introduction: Stakeholder engagement** →
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	**Introduction: Our key policies** →, **Nature+: Our approach** → and **Resource+: Our approach** →
	101-2 Management of biodiversity impacts	**Nature+: Our approach** → and **Resource+: Our approach** →
	101-4 Identification of biodiversity impacts	Omission: Information incomplete Biodiversity-related risks and impacts are assessed through our Enterprise Risk Management, the WWF Biodiversity Risk Filter, ISO 14001 certification, and land-use assessments using the Locate, Evaluate, Assess, Prepare (LEAP) approach. Looking ahead, we are collaborating with suppliers to set and meet targets in line with the Science Based Targets Network (SBTN) framework and are contributing to the advancement of life-cycle assessment (LCA) methodologies to include biodiversity impact.
	101-5 Locations with biodiversity impacts	Omission: Information incomplete **Nature+: Our approach** → We are currently targeting improved management of 330,000 hectares of forest landscape for our WWF projects in Mexico, Malaysia, Thailand, as part of our 650,000 hectare target. We will build on our LEAP based land-use assessments and provide further details on supply chain impacts following development of our science-based targets.
	101-6 Direct drivers of biodiversity loss	Omission: Information incomplete **Nature+: Our approach** → We are targeting improved management of 330,000 hectares of forest landscape for our WWF projects in Mexico, Malaysia, Thailand. We will build on our LEAP based land-use assessments and provide further details on supply chain impacts following development of our science-based targets.

GRI Standard/ Other Source	Disclosure	Information/Reference/Omission
GRI 101: Biodiversity 2024	101-7 Changes to the state of biodiversity	Omission: Information incomplete **Nature+: Our approach** → We are targeting improved management of 330,000 hectares of forest landscape for our WWF projects in Mexico, Malaysia, Thailand. We will build on our LEAP based land-use assessments and provide further details on supply chain impacts following development of our science-based targets.
	101-8 Ecosystem services	Omission: Information incomplete **Nature+: Our approach** → and **Responsible culture: Communities** → We are targeting improved management of 330,000 hectares of forest for our WWF projects in Mexico, Malaysia, Thailand which includes benefits for local communities. We will build on our LEAP based land-use assessments and provide further details on supply chain impacts following development of our science-based targets.
Own disclosure	FSC™ certified liquid packaging board (%)	**Appendix: Key performance indicators** →
	SIG carton packs sold labeled with Forest Stewardship Council (FSC™) logo (%)	**Appendix: Key performance indicators** →

Sustainable raw materials

GRI 3: Material Topics 2021	3-3 Management of material topics	**Impacts:** • **Introduction: Our material topics** → • Positive contribution to UN SDGs 2, 6, 7, 9, 12, 13, 14, 15 and 17. **Appendix: Contribution to the United Nations Sustainable Development Goals** → • More details: **Resource+** → and **Nature+** → **Commitments, actions and their effectiveness:** • **Nature+: Our commitments** → and **Our approach** → **Policies:** • **Introduction: Our key policies** → and our ESG Policies online **Engagement with our stakeholders:** • **Introduction: Stakeholder engagement** →
GRI 301: Materials 2016	301-1 Materials used by weight or volume	**Appendix: Key performance indicators** →
Own disclosure	A-materials from certified sources (FSC™, ASI and ISCC PLUS) for all our packaging (% by volume)	**Appendix: Key performance indicators** →

GRI Standard/ Other Source	Disclosure	Information/Reference/Omission
Water		
GRI 3: Material Topics 2021	3-3 Management of material topics	**Impacts:** • **Introduction: Our material topics** → • Positive contribution to UN SDGs 6, 12, 14 and 15. **Appendix: Contribution to the United Nations Sustainable Development Goals** → • More details: **Nature+** → **Commitments, actions and their effectiveness:** • **Nature+: Our commitments** → and **Our approach** → **Policies:** • **Introduction: Our key policies** → and our ESG Policies online **Engagement with our stakeholders:** • **Introduction: Stakeholder engagement** →
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	**Nature+: Our approach** →
	303-2 Management of water discharge-related impacts	**Nature+: Our approach** →
	303-5 Water consumption	**Appendix: Key performance indicators** →
Health, safety, and wellbeing		
GRI 3: Material Topics 2021	3-3 Management of material topics	**Impacts:** • **Introduction: Our material topics** → • Positive contribution to UN SDG 8. • More details: **Responsible culture: Our people: Health and safety** → and **Employee wellbeing** → **Commitments, actions and their effectiveness:** **Responsible culture: Our people:** • **Our commitments** → • **Health and safety** → • **Employee wellbeing** → • **Our approach: assessing effectiveness** → **Policies:** • **Introduction: Our key policies** → and our ESG Policies online **Engagement with our stakeholders:** • **Introduction: Stakeholder engagement** →

GRI Standard/ Other Source	Disclosure	Information/Reference/Omission
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	**Responsible culture: Our people: Health and safety** →
	403-2 Hazard identification, risk assessment, and incident investigation	See our EHS Policy **Responsible culture: Our people: Health and safety** →
	403-3 Occupational health services	See our EHS Policy **Responsible culture: Our people: Health and safety** → and **Employee wellbeing** →
	403-4 Worker participation, consultation, and communication on occupational health and safety	See our EHS Policy **Responsible culture: Our people: Health and safety** → and **Employee wellbeing** →
	403-5 Worker training on occupational health and safety	See our EHS Policy **Responsible culture: Our people: Health and safety** → and **Employee wellbeing** →
	403-6 Promotion of worker health	See our EHS Policy **Responsible culture: Our people: Health and safety** → and **Employee wellbeing** →
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	See our EHS Policy **Responsible culture: Our people: Health and safety** → and **Employee wellbeing** →
	403-8 Workers covered by an occupational health and safety management system	Omission: Information unavailable/incomplete 100% coverage at production sites and at Global Assembly, Global Research & Development and Technical Service functions. The data necessary to accurately report on 'workers who are not employees' is not maintained in a global human resource application.
	403-9 Work-related injuries	Omission: confidentiality constraints **Appendix: Key performance indicators** → We provide all data as required for GRI 403-9, except working hours of employees and working hours of contractors, as this information is business confidential.
	403-10 Work-related ill health	Omission: Information unavailable/incomplete **Appendix: Key performance indicators** → We continued to have no fatalities across SIG Group for all employees. The data necessary to report on 'Work-related ill health' is not maintained in a global system. We are improving data collection and upgrading IT systems to enable accurate reporting, with an integrated global HR application planned to go live by end of 2026.
Own disclosure	Employee survey wellbeing rating (% favorable responses)	**Appendix: Key performance indicators** →

GRI Standard/ Other Source	Disclosure	Information/Reference/Omission
Diversity, equity and inclusion		
GRI 3: Material Topics 2021	3-3 Management of material topics	**Impacts:** • **Introduction: Our material topics →** • Positive contribution to UN SDG 5 and 10. • More details: **Responsible culture: Our people: Shaping an inclusive and engaging culture →** and **Governance and ethics →** **Commitments, actions and their effectiveness:** **Responsible culture: Our people:** • **Our commitments →** • **Shaping an inclusive and engaging culture →** • **Governance and ethics →** • **Our approach: assessing effectiveness →** **Policies:** • **Introduction: Our key policies →** and our ESG Policies online **Engagement with our stakeholders:** • **Introduction: Stakeholder engagement →**
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	**Appendix: Key performance indicators →**
	405-2 Ratio of basic salary and remuneration of women to men	Omission: Information unavailable/incomplete **Responsible culture: Our people: Shaping an inclusive and engaging culture →** Information is currently stored in various local systems that do not allow for global reporting. We are improving data collection and upgrading IT systems to enable accurate reporting, with an integrated global HR application planned to go live by end of 2026.
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	**Responsible culture: Our people: Governance and ethics →**

GRI Standard/ Other Source	Disclosure	Information/Reference/Omission
Employee satisfaction, development and working environment		
GRI 3: Material Topics 2021	3-3 Management of material topics	**Impacts:** • **Introduction: Our material topics →** • Positive contribution to UN SDG 8. • More details: **Responsible culture: Our people: Attracting and developing talent →** **Commitments, actions and their effectiveness:** **Responsible culture: Our people:** • **Our commitments →** • **Attracting and developing talent →** • **Our approach: assessing effectiveness →** **Policies:** • **Introduction: Our key policies →** and our ESG Policies online **Engagement with our stakeholders:** • **Introduction: Stakeholder engagement →**
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	**Appendix: Key performance indicators →**
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Omission: Information unavailable/incomplete Information is currently stored in various local systems that do not allow for global reporting. We are improving data collection and upgrading IT systems to enable accurate reporting going forward.
	401-3 Parental leave	Omission: Information unavailable/incomplete Information is currently stored in various local systems that do not allow for global reporting. We are improving data collection and upgrading IT systems to enable accurate reporting, with an integrated global HR application planned to go live by end of 2026.
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	**Appendix: Key performance indicators →**
	404-2 Programs for upgrading employee skills and transition assistance programs	**Responsible culture: Our people: Attracting and developing talent →**
	404-3 Percentage of employees receiving regular performance and career development reviews	**Appendix: Key performance indicators →**

GRI Standard/ Other Source	Disclosure	Information/Reference/Omission
Responsible suppliers		
GRI 3: Material Topics 2021	3-3 Management of material topics	**Impacts:** • **Introduction: Our material topics** → • Positive contribution to UN SDG 2, 6, 8, 9, 12, 13, 14, 15, and 17. **Appendix: Contribution to the United Nations Sustainable Development Goals** → • More details: **Nature+** → and **Responsible culture: Our suppliers** → **Commitments, actions and their effectiveness:** • **Nature+: Our commitments** → and **Our approach** → • **Responsible culture: Our suppliers: Our commitments** → and **Our approach** → **Policies:** • **Introduction: Our key policies** → and our ESG Policies online **Engagement with our stakeholders:** • **Introduction: Stakeholder engagement** →
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	**Appendix: Key performance indicators** →
	308-2 Negative environmental impacts in the supply chain and actions taken	Omission: Information unavailable/incomplete **Nature+: Our approach** → and **Responsible culture: Our suppliers** → We screen suppliers for potential negative environmental impacts and not for actual environmental impacts as part of our risk assessment. Significant suppliers are then further evaluated by requesting EcoVadis assessments or SEDEX audits (or equivalent) or the acceptance of our Supplier Code of Conduct as a minimum.
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	**Appendix: Key performance indicators** →
	414-2 Negative social impacts in the supply chain and actions taken	Omission: Information unavailable/incomplete **Nature+: Our approach** → and **Responsible culture: Our suppliers** → We screen suppliers for potential negative social impacts and not for actual social impacts as part of our risk assessment. Significant suppliers are then further evaluated by requesting EcoVadis assessments or SEDEX audits (or equivalent) or the acceptance of our Supplier Code of Conduct as a minimum.

GRI Standard/ Other Source	Disclosure	Information/Reference/Omission
Human rights		
GRI 3: Material Topics 2021	3-3 Management of material topics	**Impacts:** • **Introduction: Our material topics** → • By integrating human rights into our operations, we contribute to UN SDG 16. • More details: **Responsible culture: Our suppliers** → **Commitments, actions and their effectiveness:** • **Responsible culture: Our people: Our commitments** →, **Human rights** → and **Our approach: assessing effectiveness** → • **Responsible culture: Our suppliers: Our commitments** → and **Our approach** → **Policies:** • **Introduction: Our key policies** → and our ESG Policies online **Engagement with our stakeholders:** • **Introduction: Stakeholder engagement** →
Own disclosure	Production sites that completed SEDEX Members Ethical Trade Audit	SEDEX audits are a suitable indicator to address the topic of human rights issues. **Appendix: Certifications** → and **Key performance indicators** →
	Percentage of our significant suppliers who have signed our Supplier Code of Conduct or have an equivalent code for respecting human rights in place	**Appendix: Key performance indicators** → Our definition of **significant suppliers** → was updated in 2025 to better focus on higher-risk suppliers. As a result, the 2024 key performance indicator has been restated from 80% to 44% to reflect this revised methodology.
Product safety and integrity		
GRI 3: Material Topics 2021	3-3 Management of material topics	**Impacts:** • **Introduction: Our material topics** → • Positive contribution to UN SDG 2 and 12. **Appendix: Contribution to the United Nations Sustainable Development Goals** → • More details: **Food+** → **Commitments, actions and their effectiveness:** • **Food+: Our commitments** → and **Our approach** → **Policies:** • **Introduction: Our key policies** → and our ESG Policies online **Engagement with our stakeholders:** • **Introduction: Stakeholder engagement** →

GRI Standard/ Other Source	Disclosure	Information/Reference/Omission
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	**Appendix: Key performance indicators** →
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	**Appendix: Key performance indicators** →
Own disclosure	Packaging production plants with top level Global Food Safety Initiative (GFSI) recognized food safety certification standards	**Appendix: Key performance indicators** →

Innovation in products and services

GRI 3: Material Topics 2021	3-3 Management of material topics	**Impacts:** • **Introduction: Our material topics** → • Positive contribution to UN SDG 12, 13 and 17. **Appendix: Contribution to the United Nations Sustainable Development Goals** → • More details: **Introduction: Our sustainable packaging journey** → and **Resource+** → **Commitments, actions and their effectiveness:** • **Introduction: Our sustainable packaging journey** → • **Resource+: Our commitments** → and **Our approach** → **Policies:** • **Introduction: Our key policies** → and our ESG Policies online **Engagement with our stakeholders:** • **Introduction: Stakeholder engagement** →
Own disclosure	Food packed with SIG Terra packaging materials (millions of liters)	**Appendix: Key performance indicators** →
	Food packed in SIG Terra packaging materials (% of total liters packed)	**Appendix: Key performance indicators** →
	SIG aseptic carton packs sold labeled with ASI logo (millions of packs)	**Appendix: Key performance indicators** →
	Aseptic packaging sold (% of packaging revenue)	**Appendix: Key performance indicators** →

GRI Standard/ Other Source	Disclosure	Information/Reference/Omission
Business conduct		
GRI 3: Material Topics 2021	3-3 Management of material topics	**Impacts:** • **Introduction: Our material topics** → • Positive contribution to UN SDG 16. • More details: **Responsible culture: Our people: Governance and ethics** → **Commitments, actions and their effectiveness:** • **Responsible culture: Our people: Our commitments** → and **Governance and ethics: Our approach** → **Policies:** • **Introduction: Our key policies** → and our ESG Policies online **Engagement with our stakeholders:** • **Introduction: Stakeholder engagement** → • **Responsible culture: Our people: Governance and ethics** →
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Omission: Information unavailable/incomplete **Appendix: Key performance indicators** → **Responsible culture: Our people: Governance and ethics: Our approach** → Excludes our production plant in Voronezh, Russia, due to limitations in respect of data access.
	205-2 Communication and training about anti-corruption policies and procedures	Omission: Information regarding business partners unavailable/incomplete **Responsible culture: Our people: Governance and ethics: Our approach** → **Responsible culture: Our suppliers: Our approach** → **Appendix: Key performance indicators** → Our Supplier Code of Conduct is provided to all suppliers, however specific details on communication, other than to our significant suppliers, and training measures with business partners are not available.
	205-3 Confirmed incidents of corruption and actions taken	**Responsible culture: Our people: Governance and ethics: Our approach** →
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There were no legal actions for anti-competitive behavior, antitrust or monopoly practices in 2025.

Greenhouse gas emissions reporting

Greenhouse gas emissions basis of reporting

Our greenhouse gas (GHG) emissions are reported in accordance with the GHG Protocol. Accurate and transparent GHG reporting is also an essential prerequisite to meet the criteria of the Science Based Targets initiative (SBTi).

This section provides a detailed description of GHG reporting boundaries and other relevant aspects, including a breakdown of emissions by reporting category. Additional information related to our management approach and performance targets is included elsewhere in this Annual Report (see **Climate+** →).

Reporting boundaries

The reporting boundary for our Scope 1, 2, and 3 GHG emissions covers all production facilities under SIG Group's operational control, excluding smaller production units such as our special filling machine parts plants in Aachen (Germany), our joint venture, and offices (unless they are directly attached to a production facility).

In line with the GHG Protocol, we have restated our Scope 3 GHG emissions data for previous years in line with our recalculation policy, which follows GHG Protocol requirements.

Data related to the bag-in-box, spouted pouch, and chilled carton businesses has been incorporated into our GHG reporting, starting from our 2020 baseline. This is the baseline year for our science-based net zero target and accompanying targets on near- and long-term GHG emissions reductions for SIG Group that were approved by the SBTi in 2023. Some categories of Scope 3 emissions cannot be supported with measured activity data, and, in these cases, we estimated emissions based on spend or assumptions based on equivalence with other operations or technologies where more accurate data is available. Additional sources that inform our data collection and materiality assessment of relevant GHG categories include: our internal life-cycle assessment (LCA) tool, following the ISO 14040 and ISO 14044 international standards, and the LCA studies for bag-in-box and spouted pouch that we finalized in recent years.

Inventory boundaries

The inventory boundaries of our GHG accounting take into consideration all relevant GHG Protocol standards.

Our GHG accounting includes all six GHGs covered by the Kyoto Protocol as required by the GHG Protocol: carbon dioxide (CO_2), methane (CH_2), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF_2), and nitrogen trifluoride (NF_2). These are typically included in the emissions factors we use and converted using IPCC 2021 conversion factors.

Scope 2 emissions from purchased electricity are reported using a market-based approach. We also report Scope 2 emissions according to the location-based approach using grid average emissions factors for each country[1].

Scope 1 and 2 data are collected and reported for the production of sleeves and spouts for aseptic and chilled cartons, and packaging materials for spouted pouch and bag-in-box solutions. Assembly, offices, and training centers are excluded due to their limited relevance for Scope 1 and 2.

Scope 1 and 2 emissions for SIG Group (thousand metric tons of CO_2 equivalent)

	2020	2024	✓ 2025
Scope 1	28.6	20.0	20.4
Scope 2 (market-based)[1]	62.5	0.0	0.0
Total	**91.1**	**20.0**	20.4

Our data collection and calculation procedures for Scope 3 follow a materiality assessment for each category.

For emissions related to recycling, we use the A 0:100 allocation as recommended by the GHG Protocol, which means that recycled materials such as production waste (Category 5) or used products (Category 12) are cut off at the sorting plant/next processing step. The same applies to waste that is incinerated for energy recovery. Biogenic carbon emissions can be released from the liquid packaging board or laminated carton board used in our carton packs, depending on their treatment after use, and these are reported separately.

We use emissions factors to convert activity data into GHG emissions in all cases where we do not receive GHG emissions from third parties (such as travel agents). The emissions factors are checked for completeness and accuracy annually and are updated regularly. The sources of emissions factors that we use are; authorities, such as the International Energy Agency (IEA) or the UK Department for Environmental and Rural Affairs (DEFRA): life-cycle inventory databases, such as ecoinvent: life-cycle inventory information used in our LCA tool: and average datasets from industry associations. For purchased goods we collect supplier specific emission factors for A-materials[2] where possible to increase the share of supplier-specific data (see details on Category 1 below).

1 Location-based emissions (based on the electricity grid average amount) totaled 174.2 thousand metric tons of CO_2 equivalent in 2025.
2 See **Responsible culture: Our suppliers** → for our A-materials definition.

Our Scope 3 emissions include the following categories:[1]

Category 1: Purchased goods and services

Category 1 emissions account for the largest share of our value chain GHG emissions. This category includes all materials used to produce and ship our cartons (including sleeves, closures, and straws) and our bag-in-box and spouted pouch solutions (including film, bags, pouch, and fitments), as well as the materials used to manufacture filling machines and other related equipment.

Services, information and communications technology, and items such as office equipment are excluded as they represent a very small share in this category.

We aim to increase the share of specific emissions factors from suppliers. The share of specific data in this category for SIG Group is 54% in 2025 (57% in 2024).

Category 3: Fuel and energy-related activities

Category 3 covers the upstream emissions related to purchased electricity and energy carriers at the production facilities that are reported under Scope 1 and 2. Purchased electricity is reported under Scope 2. All other energy carriers, including small amounts of diesel purchased to fuel our own trucks and cars, are reported under Scope 1.

Category 4: Upstream transportation and distribution

Category 4 covers all transportation activities for materials delivered to our production plants and all purchased outbound transportation. In some cases, customers arrange this transportation themselves, and the resulting emissions are reported in Category 9 accordingly.

For our aseptic carton business, packs are shipped as empty sleeves to SIG customers. Deliveries of straws and closures do not contribute significantly to this category and are not reported. Inter-company transportation is considered to be negligible.

We have not established an inventory of transportation activities related to raw material shipments for our bag-in-box, spouted pouch, and chilled carton businesses. Instead, we use best available estimates informed by the transportation data that is available for the main commodities for our aseptic carton business.

For our bag-in-box and spouted pouch businesses, we exclude some limited inter-company transportation from our reporting as the contribution to Category 4 is small. For the shipment of relevant products – bag-in-box, pouches, and films – to customers, we estimate distances for overland transportation and use a conservative assumption for sea freight. Based on our materiality analysis, we also include transportation of fitments. In most cases, customers arrange this transportation themselves, and the resulting emissions are reported accordingly in Category 9.

For our chilled carton business, we calculate emissions from transportation of materials to our production plants and transportation of our sleeves to customers based on weight, average transportation distances, and means of transportation (such as road, rail, or sea).

Filling machines, equipment and spare parts are excluded from Category 4 for all our businesses, as well as closures for our chilled carton business, as they do not significantly contribute to this category.

Category 5: Waste generated in operations

Category 5 includes emissions related to recycling, thermal treatment, or landfill of waste from our operations (measured as non-product output), and hazardous waste.

For our aseptic carton business, all production waste (>99%) undergo further treatment and recycling as they are well sorted. Emissions related to the transportation of waste material from our plants to waste processing facilities are included.

For our bag-in-box and spouted pouch businesses, we determine an average waste volume that is considered to undergo further treatment.

For our chilled carton business, data on non-product output in waste categories and treatments paths is available and used in our calculations.

Category 6: Business travel

Category 6 includes flights, public transportation, and the use of rental cars for business travel. Data on business travel is well documented in Europe, but less so in other regions. The number of employees per region is used as a basis for extrapolation. Flights are relatively well documented and account for 0.6% for SIG Group.

For our bag-in-box and spouted pouch businesses, we have collected data on business travel and used the approach we already established for our aseptic carton business to report reasonable estimates for all flights based on number of employees.

Category 9: Downstream transportation and distribution

For our carton business, Category 9 covers transportation of our packs from our plants to customers' facilities that are not purchased by us, the distribution of filled packs from customers' facilities to retailers, and onward transportation from retailers to end-consumers.

For our bag-in-box and spouted pouch businesses, we have used a similar model for both food service and household applications.

Secondary and tertiary packaging for packed products are excluded as this relates predominantly to the product and not its primary packaging.

1 Other categories are excluded because they are either not material or not applicable to our business: Category 2 (capital goods), Category 7 (employee commuting), Category 8 (upstream leased assets), Category 13 (downstream leased assets), Category 14 (franchises), Category 15 (investments).

Category 10: Processing of sold products

For our aseptic and chilled carton businesses, we have an established system-based business model whereby the packs that we produce (including sleeves, closures, and fitments) are filled and packed on SIG machines (which we report in Category 11), with service solutions also provided by SIG.

A similar system-based model is not widely established for our bag-in-box and spouted pouch businesses. Therefore, we have added Category 10 to our GHG inventory to capture all emissions related to the processing of packaging materials produced in our bag-in-box and spouted pouch operations.

For the entire packaging material product portfolio of our bag-in-box and spouted pouch businesses, we estimate emissions for product treatment related to the processing depth of the product (how close it is to the end product).

For products delivered as formed bag-in-box and spouted pouches, this is the filling and closing process. For laminates and films delivered to customers to make bag-in-box and spouted pouch products, this is filling. For laminates and films delivered for use by customers for other purposes, emissions are based on the production of bags.

The bag-in-box and spouted pouch production process includes the application of fitments. The share of fitments delivered for applications other than bag-in-box and spouted pouch production is minor, and related emissions are excluded from reporting as they are not material.

The emissions factors for the treatment steps are taken from utility consumptions from the produced equipment and from preliminary results of the LCAs we commissioned from 2022 to 2025.

We calculate and report Category 10 emissions based on sales data.

Category 11: Use of sold products

For our aseptic and chilled carton businesses, Category 11 covers the use of our filling machines and applicators to mount closures on the filled cartons, which occurs at customers' facilities. All new and refurbished filling machines that are manufactured and sold for the reporting year are characterized by average electricity demand and the need for pressurized air, steam, and hydrogen peroxide for the estimated lifetime capacity of the machine/device using the emissions factors of the reporting year.

Emissions from the use phase of our cartons relate primarily to the food products inside the cartons and are excluded. Filling machines for our aseptic cartons that are installed in SIG service centers for demonstration purposes are not included, nor are add-on units (e.g., for sleeve-feeding) with negligible energy demand.

For our bag-in-box and spouted pouch businesses, we provide filling machines and other related equipment. These machines fill pre-made bag-in-box packaging which already includes spouts and fitments when it arrives at a customer's filling location. We also provide horizontal form-fill-seal equipment. These machines combine film and fitments and fill product in a single machine at a customer's manufacturing site. For both these types of machines, average consumption data has been used to approximate lifetime emissions.

For machines or equipment which are sold to customers with a publicly available RE100 or Science Based Targets initiative 1.5°C pledge, an adjustment is made by subtracting the difference of the lifetime and the customer's target year for achieving 100% renewable electricity for electricity-related emissions.

Category 12: End-of-life treatment of sold products

For our aseptic and chilled carton businesses, used beverage cartons usually end up in household waste streams or collection and recycling schemes, which both vary locally. For each country that SIG cartons are shipped to, we compile data covering recycling rates, landfill rates (managed or unmanaged), and incineration rates (with or without energy recovery). The amount of waste is allocated to different forms of treatment based on the weight of delivered packages and spouts per country and the rates for the respective country. Biogenic greenhouse gas emissions related to the different end-of-life treatments for the liquid packaging board in our cartons are determined and reported separately.

For our bag-in-box and spouted pouch businesses, we use scenarios based on our household waste model as a conservative proxy for industrial and food service applications to estimate emissions from end-of-life treatment where we cannot assume household waste is the endpoint. For semi-manufactured products (films and fitments), we also apply our household model since we consider this the more conservative estimation.

SIG filling machines and equipment are generally in use for decades and are mainly refurbished or recycled at end-of-life so their contribution to this category is considered to be negligible.

Scope 3 emissions for SIG Group by category (metric tons CO_2 equivalent)

Category	2020	2024	✓ 2025
1 Purchased goods and services	1,252,737	1,368,365	1,312,489
3 Fuel and energy-related activities	23,720	5,138	5,129
4 Upstream transportation and distribution	139,557	145,330	145,131
5 Waste generated in operations	769	909	921
6 Business travel	7,900	10,996	12,047
9 Downstream transportation and distribution	66,082	63,530	63,642
10 Processing of sold products	1,494	729	737
11 Use of sold products	188,684	196,478	166,057
12 End-of-life treatment of sold products	276,185	237,325	233,547
12 Biogenic carbon	*153,496*	*153,943*	*149,048*

Contribution to United Nations Sustainable Development Goals

Governments, businesses, and others must all do their part to achieve the United Nations Sustainable Development Goals (SDGs) for 2030. We are determined to do ours.

We focus our support on the SDGs (and specific targets) where we see opportunities for our business and partnerships to make a meaningful contribution by supporting systemic change at scale (see right). These are closely aligned with the areas where we have the most significant impact. We are driving progress through the four action areas of our sustainability approach.

This targeted approach – focusing on the biggest risks to people or the environment, and the greatest benefits our packaging solutions and partnerships can have – is in line with the guidelines for business reporting on the SDGs from the Global Reporting Initiative and the United Nations Global Compact.

We also contribute to other SDGs through our sustainability approach. For example:

- Our commitment to health and safety, diversity, equity, and inclusion, and fair labor practices for employees and people in our supply chain (through responsible sourcing) aligns with SDG 5, 8 and 10.
- By promoting the use of FSC™ certification, we are supporting progress towards 11 of the SDGs (and 35 of the accompanying targets).[1]
- On our way to scale up our SIG foundation led projects Cartons for Good and Recycle for Good, we can strengthen our support for additional global goals such as SDG 1 on poverty and SDG 3 on promoting good health and wellbeing (as well as SDGs 2, 10, 12, and 17).
- Our methodology for measuring the impact of our community engagement programs considers their alignment with the full range of SDGs.

Our code of conduct and our business ethics code for suppliers is aligned with SDG 16 related to targets addressing a fair and equitable ways to conduct our business.

The table shows the most relevant SDG targets where our action contributes. The relevant SDG targets are listed with the related SIG sustainability action area.

Targeted support for the SDGs

SDG	Most relevant SDG targets where our action contributes*	Sustainability action area
2 ZERO HUNGER	**2.1** By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round	Food+
	2.3 By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous people, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment	Food+
	2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality	Climate+ Nature+ Resource+
6 CLEAN WATER AND SANITATION	**6.3** By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally	Nature+ Resource+
	6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity	Nature+ Resource+
	6.6 By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes	Nature+
7 AFFORDABLE AND CLEAN ENERGY	**7.2** By 2030, increase substantially the share of renewable energy in the global energy mix	Climate+
	7.3 By 2030, double the global rate of improvement in energy efficiency	Climate+ Resource+

1 Based on analysis by the Forest Stewardship Council™ in 2018.

* Relevant targets identified through an analysis based on the methodology outlined in the UNSC/GRI publication Business Reporting on the SDGs: An Analysis of Goals and Targets.

Targeted support for the SDGs

SDG	Most relevant SDG targets where our action contributes*	Sustainability action area
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	**9.4** By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities	Climate+ Nature+ Resource+ Food+
	9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending	Climate+ Nature+ Resource+ Food+
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**12.1** Implement the 10-year framework of programs on sustainable consumption and production, all countries taking action, with developed countries taking the lead, taking into account the development and capabilities of developing countries	Resource+ Nature+ Climate+
	12.2 By 2030, achieve the sustainable management and efficient use of natural resources	Resource+ Nature+
	12.3 By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses	Food+
	12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment	Nature+ Resource+
	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse	Resource+ Nature+
	12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	Nature+ Climate+
	12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities	Nature+ Climate+

SDG	Most relevant SDG targets where our action contributes*	Sustainability action area
13 CLIMATE ACTION	**13.1** Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	Climate+ Nature+
	13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	Climate+
14 LIFE BELOW WATER	**14.1** By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution	Nature+ Resource+
15 LIFE ON LAND	**15.1** By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements	Nature+
	15.2 By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally	Nature+
	15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species	Nature+
	15.7 Take urgent action to end poaching and trafficking of protected species of flora and fauna and address both demand and supply of illegal wildlife products	Nature+
17 PARTNERSHIPS FOR THE GOALS	**17.16** Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries	Climate+ Food+ Resource+ Nature+

* Relevant targets identified through an analysis based on the methodology outlined in the UNSC/GRI publication Business Reporting on the SDGs: An Analysis of Goals and Targets.

EU Taxonomy

Overview

As part of the European Green Deal, the European Union (EU) aims to enable a sustainable transition of the economy and to reach net zero greenhouse gas (GHG) emissions by 2050. In this context, the European Commission developed an action plan on financing sustainable growth aimed at directing investments towards more sustainable projects and activities. A key cornerstone of the action plan is the EU's Taxonomy Regulation 2020/852, which establishes a classification system of environmentally sustainable economic activities.

Under the EU Taxonomy Regulation, an economic activity is considered Taxonomy-eligible if it can potentially contribute to at least one of the EU's six climate and environmental objectives in the EU Taxonomy's delegated acts. An economic activity is considered environmentally sustainable, or Taxonomy-aligned, if it makes a substantial contribution to at least one of the six climate and environmental objectives by meeting certain technical screening criteria, while at the same time not significantly harming any of these objectives and meeting minimum social safeguards.

The six climate and environmental objectives to which an activity can contribute are:

- climate change mitigation,
- climate change adaptation,
- sustainable use and protection of water and marine resources,
- transition to a circular economy,
- pollution prevention and control, and
- protection and restoration of biodiversity and ecosystems.

SIG Group AG ("SIG" or the "Company", and together with its subsidiaries, "SIG Group") voluntarily reports taxonomy eligibility for the fourth consecutive year. For information on the SIG Group's progress towards Taxonomy-alignment, refer to "Our advancement towards Taxonomy alignment".

The disclosures in our EU Taxonomy report are prepared based on the Taxonomy Regulation article 8 and the related delegated acts. The legal framework of the EU Taxonomy currently consists of the following: the Taxonomy Regulation, the Climate Delegated Act (as amended in June 2023), the Disclosures Delegated Act (as amended in June 2023), the Complementary Climate Delegated Act, and the Environmental Delegated Act. In addition, the EU Taxonomy FAQs and Notices published by the European Commission have been taken into consideration where relevant. The terminology in the Taxonomy Regulation is new and may be subject to ongoing changes and uncertainty in interpretation. Therefore, this document presents our interpretation to date and this year's reporting may not be applied in the same way in the future.

Eligibility assessment

Our products play a key role by offering customers the lowest carbon packaging solutions in each relevant market segment. Aseptic cartons, bag-in-box and spouted pouches also help reduce carbon emissions by preserving food for long periods without the need for refrigerated delivery or storage. Our cartons are designed to be fully recyclable. The SIG Terra portfolio already includes recycle-ready bag-in-box and spouted pouch solutions, and we are innovating to expand the recycle-ready range. See **Climate+** →, **Resource+** → and **Our sustainable packaging journey** → for further details.

We began voluntarily disclosing EU Taxonomy eligibility in 2022 on our aseptic carton business and expanded coverage to include our bag-in-box, spouted pouch, and chilled carton businesses in 2023. This included more detailed mapping of our products and services, including packaging materials, filling lines and related equipment, and after-sales services, against Taxonomy activities and relevant Nomenclature of Economic Activities (NACE) codes. Our assessment remained consistent throughout 2024, and the year ended December 31, 2025.

The table below provides an overview of the allocation of our activities to the economic activities listed in the EU Taxonomy. Changes may be made to the classification of economic activities in the future as the rules around the EU Taxonomy evolve.

Economic activity in accordance with the EU Taxonomy	Description of economic activity	Application to SIG business
Objective: Climate change mitigation		
3.6 Manufacture of other low carbon technologies	Manufacture of technologies aimed at substantial GHG emission reductions in other sectors of the economy, where those technologies are not covered by activities 3.1 to 3.5	Aseptic carton Chilled carton
Objective: Transition to a circular economy		
1.1 Manufacture of plastic packaging goods	Manufacture of plastic packaging goods	Bag-in-box Spouted pouch

Activity 3.6 – Manufacture of other low carbon technologies

We consider our aseptic and chilled carton packaging solutions, which are able to substantially reduce GHG emissions for our clients in comparison to other packaging formats, to be Taxonomy-eligible under activity 3.6. With this, we assess the manufacturing and provision of filling lines and aseptic and chilled carton sleeves as one combined technology. Our provision of after-sales services is currently not included in the EU Taxonomy and considered non-eligible. We are continuously monitoring the inclusion of new activities and may re-assess the inclusion of after-sale services in the future.

Activity 1.1 – Manufacture of plastic packaging goods

We consider our manufacturing and sale of bag-in-box and spouted pouch-related products as Taxonomy-eligible under activity 1.1. Activity 1.1 focuses on the manufacturing of plastic packaging goods. Therefore, we have excluded our provision of filling lines and other related equipment in the bag-in-box and spouted pouch businesses. Our provision of after-sales services is currently not included in the EU Taxonomy and considered non-eligible.

Our Taxonomy KPIs and accounting policies

Our Taxonomy disclosures follow the Taxonomy Regulation and relevant delegated acts and publications as listed above. We use a simplified version of the Taxonomy's reporting template to report on our Taxonomy-eligibility. All key performance indicators (KPIs) disclosed cover the year ended December 31, 2025.

Our progress towards Taxonomy-alignment is described in below.

Turnover KPI

The proportion of Taxonomy-eligible turnover has been calculated as the net turnover (revenue) derived from products associated with Taxonomy-eligible economic activities (numerator) divided by the total net turnover (denominator).

The denominator is net turnover as presented in the SIG Group's consolidated statement of profit and loss and other comprehensive income under the line item "Revenue". For further details on our revenue accounting policy, see **note 6** → of the consolidated financial statements for the year ended December 31, 2025.

The numerator is the revenue derived from provision of products associated with Taxonomy-eligible economic activities.

For the year ended December 31, 2025, 92.8% of the SIG Group's revenue was Taxonomy-eligible under the objectives of climate change mitigation and transition to a circular economy (vs. 92.3% in 2024).

The following table provides an overview of our Taxonomy-eligible turnover.

Year ended December 31, 2025				Substantial contribution criteria					
Economic activities (1)	**Code(s) (2)**	**Turnover (3)**	**Proportion of Turnover (4)**	**Climate Change mitigation (5)**	**Climate change adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular economy (9)**	**Biodiversity and ecosystems (10)**
		(In € million)	%	EL, N/EL[1]	EL, N/EL[1]	EL, N/EL[1]	EL, N/EL[1]	EL, N/EL[1]	EL, N/EL[1]
A. Taxonomy-eligible activities									
Manufacture of other low carbon technologies	CCM 3.6	2,494.0	76.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacturing of plastic packaging goods	CE 1.1	519.7	16.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
Turnover of Taxonomy eligible activities		**3,013.7**	**92.8%**	**76.8%**	**0.0%**	**0.0%**	**0.0%**	**16.0%**	**0.0%**
B. Taxonomy-non-eligible activities									
Turnover of Taxonomy-non-eligible activities		**235.0**	**7.2%**						
Total		**3,248.7**	**100.0%**						

1 EL = Taxonomy eligible activity for the relevant objective.
N/EL = Taxonomy non-eligible activity for the relevant objective.

Capital expenditure (CapEx) KPI

The CapEx KPI is defined as Taxonomy-eligible CapEx (numerator) divided by total CapEx (denominator).

The denominator consists of additions to tangible and intangible assets, before depreciation, amortization and any re-measurements as well as additions to tangible and intangible assets resulting from business combinations (excluding goodwill) as presented in **note 12** → Property, plant and equipment, **note 13** → Right-of-use assets and **note 14** → Intangible assets of the consolidated financial statements for the year ended December 31, 2025.

The numerator consists of CapEx that is related to assets or processes that are associated with Taxonomy-eligible economic activities. We allocated the Taxonomy-eligible CapEx based on the percentage of our Taxonomy-eligible turnover by type of packaging solution. By doing this, we also ensured that no double counting of eligible CapEx occurs.

For the year ended December 31, 2025, 92.6% of the SIG Group's CapEx was Taxonomy-eligible under the objectives of climate change mitigation and transition to a circular economy (vs. 92.7% in 2024).

The following table provides an overview of our Taxonomy-eligible CapEx.

Year ended December 31, 2025				**Substantial contribution criteria**					
Economic activities (1)	**Code(s) (2)**	**CapEx (3)**	**Proportion of CapEx (4)**	**Climate Change mitigation (5)**	**Climate change adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular economy (9)**	**Biodiversity and ecosystems (10)**
		(In € million)	%	EL, N/EL[1]	EL, N/EL[1]	EL, N/EL[1]	EL, N/EL[1]	EL, N/EL[1]	EL, N/EL[1]
A. Taxonomy-eligible activities									
Manufacture of other low carbon technologies	CCM 3.6	280.5	80.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacturing of plastic packaging goods	CE 1.1	43.0	12.3%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
CapEx of Taxonomy eligible activities		**323.5**	**92.6%**	**80.3%**	**0.0%**	**0.0%**	**0.0%**	**12.3%**	**0.0%**
B. Taxonomy-non-eligible activities									
CapEx of Taxonomy-non-eligible activities		**25.8**	**7.4%**						
Total		**349.3**	**100.0%**						

1 EL = Taxonomy eligible activity for the relevant objective.
N/EL = Taxonomy non-eligible activity for the relevant objective.

Operating expenditure (OpEx) KPI

The OpEx KPI is defined as Taxonomy-eligible OpEx (numerator) divided by total OpEx (denominator).

The denominator consists of direct non-capitalized costs related to research and development, maintenance and repair costs, expenses for short-term leases and expenses related to day-to-day servicing of property, plant and equipment. Direct costs for training and other human resource needs are not included in the denominator (or the numerator). Research and development costs recognized as an expense are included in **note 14** → of the consolidated financial statements for the year ended December 31, 2025. This amount includes all non-capitalized research and development costs that are directly attributable to research and development activities (and excludes depreciation and amortization expense). Other values of the denominator are derived from internal reporting systems, which are not directly reconcilable with the consolidated financial statements. Short-term leases are not significant (see **note 5.5.2** → of the consolidated financial statements for the year ended December 31, 2025).

The numerator consists of the OpEx related to assets or processes that are associated with Taxonomy-eligible activities. We allocated the Taxonomy-eligible OpEx based on the percentage of our Taxonomy-eligible turnover by type of packaging solution. By doing this, we also ensured that no double counting of eligible OpEx occurs.

For the year ended December 31, 2025, 92.8% of the SIG Group's OpEx were Taxonomy-eligible under the objectives of climate change mitigation and transition to a circular economy (vs. 92.3% in 2024).

The following table provides an overview of our Taxonomy-eligible OpEx.

Year ended December 31, 2025				**Substantial contribution criteria**					
Economic activities (1)	**Code(s) (2)**	**OpEx (3)**	**Proportion of OpEx (4)**	**Climate Change mitigation (5)**	**Climate change adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular economy (9)**	**Biodiversity and ecosystems (10)**
		(In € million)	%	EL, N/EL[1]	EL, N/EL[1]	EL, N/EL[1]	EL, N/EL[1]	EL, N/EL[1]	EL, N/EL[1]
A. Taxonomy-eligible activities									
Manufacture of other low carbon technologies	CCM 3.6	107.7	74.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacturing of plastic packaging goods	CE 1.1	26.7	18.4%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
OpEx of Taxonomy eligible activities		**134.4**	**92.8%**	**74.4%**	**0.0%**	**0.0%**	**0.0%**	**18.4%**	**0.0%**
B. Taxonomy-non-eligible activities									
OpEx of Taxonomy-non-eligible activities		**10.4**	**7.2%**						
Total		**144.9**	**100.0%**						

1 EL = Taxonomy eligible activity for the relevant objective.
N/EL = Taxonomy non-eligible activity for the relevant objective.

Taxonomy-alignment

Given the recent delays and clarifications introduced through the Corporate Sustainability Reporting Directive (CSRD) Omnibus package, our alignment efforts are being paced to coincide with the expected applicability of CSRD to our reporting obligations – currently anticipated for the 2027 financial year. We believe this phased approach ensures that our reporting is both robust and consistent with regulatory expectations, while allowing us the necessary time to refine our internal processes and data systems to support high-quality disclosures. A summary of the next steps in relation to our substantial contribution, do no significant harm and minimum safeguards is included below.

Further details about our commitments, targets, progress and performance in relation to topics described below are included in the sustainability part of our Annual Reports in the subsections **Climate+** →, **Resource+** →, **Nature+** → and **Responsible culture: Our people** → and **Our suppliers** →.

Additional information can also be found in our published environmental, social and governance ("ESG") policies covering various ESG matters (https://www.sig.biz/en/sustainability/esg).

Substantial contribution

We continue to advance the alignment for all eligible activities in our carton business with 3.6 Manufacture of other low carbon technologies under the climate change mitigation objective. Our methodology for quantifying and assessing substantial greenhouse gas (GHG) emission reductions is being further refined to ensure robust comparison against the best-performing alternatives available on the market. This approach is underpinned by comprehensive life-cycle assessments (LCAs), conducted in accordance with internationally recognized standards such as ISO 14040, and subject to an ongoing program of independent verification.

In relation to Activity 1.1 – Manufacture of plastic packaging goods, we are continuing to research the introduction of circular polymers suitable for food contact, additionally supporting customers in meeting forthcoming regulations regarding recycled content in plastic packaging.

Do no significant harm (DNSH)

In 2025, we automated our data collection system and updated accompanying process documentation at our production facilities to support the assessment and review of compliance with the other five climate and environmental objectives.

Our other efforts so far have included:

- **Climate change adaptation:** A comprehensive physical climate risk assessment of our owned and leased production sites, with asset-level quantification of climate-related physical risks conducted through scenario analysis and based on Representative Concentration Pathway (RCP) scenarios 2.6 and 8.5 by 2030 and 2050. Adaptation measures have either been implemented or are continuing as required (see **Appendix: TCFD report: Risk management** →).
- **Sustainable use and protection of water and marine resources:** Assessment in line with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), analyzing the requirements regarding water quality preservation (WFD), water stress avoidance and water impact assessment (e.g. environmental impact assessment (EIA) or comparable process). This included our ISO 14001 certification for an environmental management system, using the WWF Water Risk Filter (WWF WRF).
- **Transition to a circular economy:** Evaluated the degree of fulfillment of the criteria, where relevant, such as the reuse and use of secondary raw materials and/or reused components in our manufactured products, or the durability, recyclability, disassembly, and adaptability of products manufactured.
- **Pollution prevention and control:** Screening and monitoring processes regarding the production, use or trade of chemical substances listed in certain EU regulations and directives (e.g. EU regulation 2019/1021, 2017/852, EC 1907/2006 Annex XVII and the REACH directive).
- **Protection and restoration of biodiversity and ecosystems:** Identification of sites in or near biodiversity-sensitive or protected areas in line with the TNFD's recommendations as well as the principles and methodology of the Science Based Targets Network (SBTN), based on our self-assessment on the WWF Biodiversity Risk Filter (WWF BRF) and ISO 14001 certification.

Building on this foundation, we are now working to formalize the surrounding controls to ensure consistency, traceability, and alignment with each of the other five environmental objectives. Additionally, we will begin developing targeted mitigation measures for the 'Protection and restoration of biodiversity and ecosystems' objective in line with our Nature+ goal to establish biodiversity-related targets by 2027.

Minimum safeguards

We have used a structured assessment to document our compliance with the minimum safeguards at group level. The assessment covers the SIG Group and considers the recommendations for the operationalization of the minimum safeguards as set forth in the Final Report on Minimum Safeguards from the EU Platform on Sustainable Finance.

The minimum safeguards are drawn from principles expressed by the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the Fundamental Conventions of the International Labor Organization and the International Bill of Human Rights. Their objective is to ensure that any activity labeled as Taxonomy-aligned meets minimum governance standards and does not violate specific social norms, including human and labor rights.

Certifications

Certified or verified to highest recognized standards

We use independent third-party certifications to highest recognized external standards to demonstrate our robust management of sustainability and ESG topics and support continuous improvement in line with best practice. These certifications include:

- **ASI (Aluminium Stewardship Initiative):** Our aseptic carton business is ASI Performance Standard Certified, all associated SIG production plants are ASI Chain of Custody Certified, and all aluminum foil for our aseptic cartons is purchased from ASI Certified suppliers.
- **FSC™ (Forest Stewardship Council™):** Chain of Custody certification is in place at all our aseptic and chilled carton production plants, and related sales offices (FSC™ license code FSC™ C020428). All the paperboard for our cartons is purchased with FSC™ Mix certification[1].
- **GFSI (Global Food Safety Initiative) recognized standards:** Our packaging production plants maintain top level certification with GFSI-recognized standards (except for Voronezh, Russia, due to limitations in respect of data access, and Hsinchu City, Taiwan). These standards include Brand Reputation Compliance Global Standards (BRCGS) packaging standard, Safe Quality Food (SQF) and Food Safety System Certification (FSSC 22000). Our Hsinchu City, Taiwan plant is currently certified to ISO 22000:2018 and working towards certification to a GFSI-recognized standard.
- **ISCC (International Sustainability and Carbon Certification) Plus:** Certification to handle ISCC Plus certified renewable forest-based (linked to tall oil) and recycled polymers is in place at all our aseptic carton sleeve production plants (except Ahmedabad, India) and at the spout production of allCap in Switzerland.
- **ISO 14001:** ISO 14001 is a structured framework for organizations to manage and improve their environmental performance, and SIG maintains global certification. The standard supports our commitment to minimizing environmental impact through systematic planning, implementation, and continuous improvement. Key objectives include ensuring compliance with legal and regulatory requirements, reducing resource consumption and waste, and integrating sustainability into core business strategies. Through its core components – such as environmental policy, performance evaluation, and corrective actions – ISO 14001 enables SIG to enhance operational efficiency, strengthen stakeholder trust, and drive measurable progress toward our environmental goals.
- **ISO 14040 and ISO 14044:** Independent experts use these standards to carry out ISO-conformant life-cycle assessments of our packaging solutions that are critically reviewed by an independent panel for additional verification. In addition to greenhouse gas emissions, these assessments take a more comprehensive view – capturing a wide range of environmental impacts such as resource use, pollution, and effects on ecosystems and human health.
- **ISO 27001:** Certification to ISO 27001 for information security management is maintained in China, Germany, and Romania, scoping the provision of Information Communication Technology Infrastructure, related applications, data centers, and production operations.
- **ISO 45001:** ISO 45001 certification requires the integration of health and safety into strategic planning, leadership, and operational processes, with a strong emphasis on worker participation, risk assessment, legal compliance, and continuous improvement. By maintaining this certification for all plants, SIG proactively improves employee safety, reduces workplace risks, and fosters a culture of well-being and engagement, while strengthening organizational resilience and reputation.
- **ISO 50001:** Certification to ISO 50001 for energy management is maintained at our three aseptic carton production plants in Europe and at our bag-in-box and spouted pouch plant in Eisfeld (Germany).
- **ISO 9001:** Certification to ISO 9001 for quality management is in place for our aseptic carton production globally, and for some bag-in-box and spouted pouch production plants.
- **LEED:** Our Middle East and Africa headquarters and Tech Center in Dubai have achieved Platinum LEED certification for sustainable buildings, as has our Tech Center in China. Our second plant in Suzhou (China) and our new plant in Querétaro (Mexico) have achieved Gold.
- **SEDEX Members Ethical Trade Audit (SMETA):** SIG undergoes regular SEDEX SMETA audits to verify and enhance sustainable and responsible practices across its operations and supply chain, encouraging suppliers to join us in applying the same framework. Every two years, we conduct SMETA audits at all production sites[2], with SEDEX Self-Assessment Questionnaires on human rights risks completed at all other non-production sites with the same regularity. The audits combine policy reviews, site inspections, risk and impact assessments and confidential worker interviews to assess:

Audit topic	Annual report section
Human rights risks, including child labor, forced labor, wages and working hours, discrimination, and unsafe working conditions.	Responsible culture: Our people Responsible culture: Our suppliers Report on child labor due diligence in the supply chain
Labor standards, aligned with ILO conventions.	Responsible culture: Our people Responsible culture: Our suppliers
Health and safety conditions.	Responsible culture: Our people Responsible culture: Our suppliers
Environmental impact and compliance, including biodiversity related activities.	Climate+ Nature+ Responsible culture: Our suppliers
Business ethics, including anti-bribery and anti-corruption practices.	Responsible culture: Our people Responsible culture: Our suppliers

1 Our cartons use paper-based liquid packaging board, referred to throughout as "paperboard". SIG uses FSC™ Mix material that allows the mixing of FSC™ certified wood with FSC™ controlled wood and ensures that an equivalent amount of FSC™ certified wood is procured at the beginning of the value chain.
2 Excludes our production plant in Voronezh, Russia, due to limitations in respect of data access.

Partnerships and memberships

We collaborate through memberships and industry partnerships at country, regional and global levels.

AIM Progress

SIG is a member of AIM-Progress, a forum of leading fast-moving consumer goods manufacturers and common suppliers to promote responsible sourcing practices and sustainable supply chains. Through this collaboration, we strengthen our human rights and responsible sourcing practices by leveraging shared knowledge, tools, and capability-building initiatives. SIG also participates in the AIM-Progress Mutual Recognition of Audits Framework, which governs the mutual recognition of four-pillar social compliance audits among participating members. In addition, AIM-Progress enables us to benchmark our performance through its Responsible Sourcing Journey framework, helping us assess the maturity of our human rights due diligence practices and drive continuous improvement across our operations.

Alliance to End Plastic Waste

As a member of Alliance to End Plastic Waste (AEPW), SIG reinforces its commitment to building a circular economy for plastic packaging, collaborating with global industry leaders, waste-management stakeholders and governments to drive scalable solutions. In 2025, the Alliance reported that since its launch in 2019 it has reduced nearly 240,000 tons of unmanaged plastic waste and valorized over 253,000 tons through recycling and reuse[1]. It has also introduced its new "Strategy 2030" to shift from smaller projects to large-scale, integrated programs focused on systemic change, particularly in priority geographies such as India, Indonesia and South Africa, and thematic areas like flexible plastics[2].

Through our membership, SIG supports this strategic trajectory by leveraging its packaging innovation, and global presence, with regional sustainability managers contributing to country program implementation.

Aluminium Stewardship Initiative (ASI)

SIG has joined the Aluminium Stewardship Initiative (ASI) – a global, multi-stakeholder, non-profit standards setting and certification organisation – to enhance sustainability along the aluminum supply chain.

The ASI brings together producers, users and other stakeholders to promote the responsible production, sourcing and stewardship of aluminum. SIG supports the ASI's objectives to improve environmental and social aspects of the aluminum value chain as part of the company's strong commitment to responsible sourcing.

By joining the ASI, SIG has the opportunity to enhance the environmental credentials of our cartons through the ASI certification on the responsible production, sourcing and stewardship of aluminum.

Business Coalition for a Global Plastics Treaty

As part of the Business Coalition for a Global Plastics Treaty, SIG joined leaders in calling for a binding global treaty to harmonize policies, strengthen legislation, and scale proven solutions in sectors like packaging.

1 Alliance to End Plastic Waste Releases Progress Report 2024, Announces Strategy 2030 and Reflects on Five Years of Impact | AEPW
2 Alliance to End Plastic Waste unveils 'larger-scale' Strategy 2030 – letsrecycle.com

A Circular Economy for Flexible Packaging (CEFLEX)

We continue to actively contribute to CEFLEX, the collaborative initiative driving a circular economy for flexible packaging in Europe. Our participation allows us to work alongside industry partners to advance design-for-recycling guidelines, improve collection and sorting systems, and scale end-market solutions for recycled materials. This collaboration is particularly important for our bag-in-box and spouted pouch packaging, where shared innovation and aligned standards help accelerate practical recycling pathways and increase circularity across the value chain. Through CEFLEX, we strengthen our commitment to shaping sustainable packaging systems that keep materials in use and reduce environmental impact.

Consumer Goods Forum (CGF)

As a long-standing member of the CGF Plastic Waste Coalition of Action, SIG continues to play an active role in driving collective progress toward a circular economy for packaging. We contribute to the Golden Design Rules, helping align global design standards to enhance packaging recyclability; the Extended Producer Responsibility (EPR) workstream, which promotes effective and harmonized systems for end-of-life management; and the Flexibles workstream, focused on advancing scalable solutions for one of the most challenging packaging types. Through this collaboration, SIG helps accelerate systemic change across the consumer goods industry.

Ellen MacArthur Foundation

SIG's collaboration with the Ellen MacArthur Foundation aims to accelerate the transition to fully circular packaging solutions worldwide. By leveraging the Foundation's expertise and network, SIG will focus on reducing waste, improving recyclability and promoting the use of renewable materials. The partnership is a key step in SIG's broader strategy to innovate and scale sustainable packaging practices, driving meaningful progress toward a waste-free, low-carbon future for the packaging industry.

Food and Beverage Carton Alliance (FBCA) and the European Alliance for Beverage Cartons and the Environment (ACE)

Together with industry partners Tetra Pak, Elopak and Lamipak, and key paper board suppliers Stora Enso and Billerud, SIG formed the Food and Beverage Carton Alliance. This global association builds upon the strong foundation of the former European Alliance for Beverage Cartons and the Environment (ACE) and integrates the expertise of EXTR:ACT, its technical arm.

The alliance is structured around three core components:

- Advocacy: to engage policymakers worldwide to help solve global policy challenges and advocate for public policies that recognize the essential role of food and beverage packaging, support green innovation, and encourage the transition to low-carbon, circular economies.
- Communication: to ensure that information about our solutions – whether related to climate mitigation, circular economies, or food system resilience – is accessible to all. Our goal is to increase awareness of the benefits we bring.
- Center of Expertise: technical solutions, innovations and industry data globally and locally, will provide evidence-based insights. Consolidated research and non-competitive industry data will set benchmarks for progress and action across the sector.

Forest Stewardship Council (FSC™): Forests for All Forever

FSC™ is a non-profit organization, providing trusted solutions to help safeguard the world's forests and tackle today's deforestation, climate, and biodiversity challenges. FSC™ is the only global forest certification system which is supported by all major and critical pressure groups, guaranteeing the highest credibility.

Forum for the Future

Forum for the Future which is a leading international sustainability organization working in partnership with business, governments and civil society to accelerate the shift towards a just and regenerative future in which both people and the planet thrive. SIG has a long-standing partnership with the Forum for the Future and contributed to the Business Transformation Compass 1.0 which provides guidance for a regenerative and just transition.

Within the forum, SIG is a founding member of the Food Cluster of the Climate and Health Coalition, which aims to partner with other members of the food and drink industry to accelerate the transformation of our food and agricultural systems through sharing of best practices, such as our SIG Incubator.

Together with the Food Cluster, we helped build a toolkit for food and drink system businesses that:
- highlights current activity at the intersection of climate, health and food;
- generates case studies to inspire and accelerate action for others; and
- provides guidance on key topics and opportunities for action, including starting or accelerating business action on climate, health and food.

Science Based Target Network (SBTN)

We joined Science Based Target Network in 2023 to ensure that our approach is aligned with the latest guidance and requirements on action and target setting with the Kunming-Montreal protocol on Biodiversity, which in essence contains goals to halt biodiversity loss by 2030 and achieve nature positive by 2050.

This alignment requires an in-depth assessment of potential value chain impacts on nature for the supply chain following the LEAP (Locate, Evaluate, Asses, Prepare) approach (which is almost identical with the TNFD – Taskforce on nature related financial disclosures – framework). This will form the basis for us to define targets which effectively address impact reduction at an appropriate scale in line with our **Nature+: Halt biodiversity** → commitment.

Sustainability and Health Initiative for NetPositive Enterprise (SHINE)

SIG is member of the Sustainability and Health Initiative for NetPositive Enterprise (SHINE) at Massachusetts Institute of Technology (MIT). This initiative spans across the Massachusetts Institute of Technology and a consortium of industry members. SHINE at MIT focuses on research into Handprints and Net Positivity. Based on the work with SHINE, SIG has co-authored a white paper "Approaching Systemic Transformation – Learnings from applying Net Positive Principles: The case of beverage carton recycling". Recent research related to nature and biodiversity related footprints and handprints.

WWF Forests Forward

We joined Forests Forward, a signature WWF program for corporate action in support of nature, climate, and people. As well as investing in forest landscapes through Forests Forward, we committed to ambitious goals on the responsible sourcing of forest-based material and to working with suppliers, customers, and other stakeholders to support the halting and reversing of forest loss and degradation globally.

SIG is making good progress on the public commitments we have made, including increased transparency on our sourcing geographies, co-organizing a roundtable with actors from the Swedish forest value chain and supporting FSC™ group certification.

WWF SIG Partnership

Through a five-year partnership with WWF Switzerland, we are investing directly in field projects to create, protect, restore, or improve the management of forest land, with a strong focus on biodiversity.

4evergreen

We actively contribute to 4evergreen, the cross-industry alliance working to boost the recycling rate of fiber-based packaging to 90% by 2030. Our involvement enables collaboration with partners across the value chain to develop recyclability evaluation protocols, circular design guidelines, and improved collection and sorting systems. This work is particularly relevant for our carton packaging, where harmonized standards and shared innovation accelerate practical recycling solutions and enhance circularity. Through 4evergreen, we reinforce our commitment to advancing sustainable packaging systems that keep materials in use and support a low-carbon, circular economy.

Governance

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Ola Rollén

Chair of the Board

Read the CV

Werner Bauer

C T

Read the CV

Niren Chaudhary

C N

Read the CV

Thomas Dittrich

A N

Read the CV

Mariel Hoch

A N

Read the CV

Florence Jeantet

A T

Read the CV

Abdallah al Obeikan

T

Read the CV

Urs Riedener

C A

Read the CV

Martine Snels

N T

Read the CV

Key to committee membership: N Nomination and Governance Committee / A Audit and Risk Committee / C Compensation Committee / T Technology and Innovation Committee
(Underlined = Chair of Committee)

Ann-Kristin Erkens
Interim Chief Executive Officer and Chief Financial Officer

Read the CV

Fabio Grazioli
Chief Supply Chain Officer

Read the CV

Gavin Steiner
Chief Technology Officer

Read the CV

Christoph Wegener
Chief Markets Officer

Read the CV

Abdelghany Eladib
President and General Manager, IMEA

Read the CV

Angela Lu
President and General Manager, Asia Pacific

Read the CV

José Matthijsse
President and General Manager, Europe

Read the CV

Ricardo Rodríguez
President and General Manager, Americas

Read the CV

Corporate Governance Report

This Corporate Governance Report contains the information that is stipulated by the directive on information relating to corporate governance issued by SIX Swiss Exchange AG ("SIX Swiss Exchange") and follows its structure.

Unless expressly stated otherwise, this Corporate Governance Report presents the circumstances and legal position as of the balance sheet date (December 31, 2025).

1 Group structure and shareholders

1.1 Group structure

SIG Group AG, Neuhausen am Rheinfall ("**Company**"), is the parent company of SIG Group[1], which directly or indirectly holds all other Group companies and interests in joint venture companies. The shares of the Company are listed on SIX Swiss Exchange (symbol: SIGN, valor symbol: 43 537 795, ISIN: CH0435377954). The market capitalization of the Company amounted to CHF 4,335 million as of December 31, 2025.

Please see note 27 of the consolidated financial statements for the year ended December 31, 2025 for a comprehensive list of the Group's subsidiaries and of its joint venture. Except for the Company, the Group does not include any listed companies. The Group has effective oversight and efficient management structures at all levels. The operational Group structure as of December 31, 2025 is as follows:

The Company's board of directors ("**Board of Directors**" or "**Board**"), acting collectively, has the ultimate responsibility for the conduct of business of the Company and for delivering sustainable shareholder and stakeholder value. The Board sets the Company's strategic aims, ensures that the necessary financial and human resources are in place to meet the Company's objectives, and supervises and controls the management of the Company. There are four permanent Board committees: an audit and risk committee ("**Audit and Risk Committee**"), a compensation committee ("**Compensation Committee**"), a nomination and governance committee ("**Nomination and Governance Committee**"), and a technology and innovation committee ("**Technology and Innovation Committee**"; collectively "**Committees**").

Subject to Swiss law and in accordance with the Company's articles of association ("**Articles of Association**") and the Company's organizational regulations ("**Organizational Regulations**"), the Board of Directors has delegated the executive management of the Company's business (*Geschäftsleitung*) to the group executive board ("**Group Executive Board**"), which is headed by the chief executive officer ("**Chief Executive Officer**" or "**CEO**") pursuant to the Organizational Regulations.[2] As of December 31, 2025, the Group Executive Board comprises eight members, specifically the chief financial officer ("**Chief Financial Officer**" or "**CFO**") who also holds the position of interim CEO, the chief supply chain officer ("**Chief Supply Chain Officer**" or "**CSO**"), the chief technology officer ("**Chief Technology Officer**" or "**CTO**"), the chief markets officer ("**Chief Markets Officer**" or "**CMO**"), the president and general manager of Europe ("**President and General Manager Europe**"), the president and general manager of Asia Pacific ("**President and General Manager Asia Pacific**"), the president and general manager of Americas ("**President and General Manager Americas**"), and the president and general manager of India, Middle East and Africa ("**President and General Manager IMEA**").[3] For further information on the Group's segments, please refer to note 7 of the consolidated financial statements for the year ended December 31, 2025. The Group Executive Board is directly supervised by the Board of Directors and its Committees. The Organizational Regulations can be accessed under https://www.sig.biz/en-gb/investors/governance/organizational-regulations.

1.2 Significant shareholders

According to the disclosure notifications reported to the Company during 2025 and published by the Company via the electronic publishing platform of SIX Swiss Exchange, the following shareholders had holdings of 3% or more of the voting rights or purchase positions for securities of the Company as of December 31, 2025:[4]

Significant shareholders	% of voting rights	Number of shares
Laurens Last, Christopher Lawrence Last, India Louisa Last, Lyam Last, Lorenzo Last, Roque Last[5]	11.724%	44,818,420
UBS Fund Management (Switzerland) AG	10.288%	39,328,337
Haldor Foundation[6]	9.95%	38,035,955
BlackRock, Inc.	3.919% / 0.073%[7]	11,893,094[8]
Swisscanto Fondsleitung AG	3.126%	10,549,237
Lars Förberg, Christer Gardell, Göran Casserlöv, Paine & Partners Capital Fund III GP Ltd[9]	3.053%	11,672,453

1 References to "SIG Group", "Group" or "we" are to the Company and its consolidated subsidiaries.
2 For a comprehensive description of the delegation, please refer to art. 19 of the Articles of Association and sections 2.3 and 4.1 of the Organisational Regulations.
3 The position of Chief People and Culture Officer ("**CPCO**") is currently not represented in the Group Executive Board.
4 The number of shares shown here as well as the holding percentages are based on the last disclosure of shareholdings communicated by the shareholder to the Company and the Disclosure Office of SIX Swiss Exchange. The number of shares held by the relevant shareholder may have changed since the date of such shareholder's notification. The percentage of voting rights is calculated based on the share capital registered with the commercial register as at the date of the last disclosure of shareholdings; such number may have changed due to changes in the share capital registered with the commercial register.
5 Direct shareholder: Clean Holding B.V. (formerly CLIL Holding B.V.).
6 Direct shareholder: Winder Pte Ltd.
7 The 0.073% refers to the notified selling positions.
8 Of which the following voting rights were delegated by a third party and can be exercised at BlackRock, Inc.'s own discretion: 1,325,144 company shares.
9 Direct shareholder: Cevian Capital II Master Fund L.P.

Notifications made in 2025 in accordance with art. 120 et seqq. of the Financial Market Infrastructure Act ("**FMIA**") can be viewed at: https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/

As regards the value of the percentage of voting rights shown, it should be noted that any changes in the percentage voting rights between the notifiable threshold values are not subject to disclosure requirements.

As of December 31, 2025, the Company held 173,734 treasury shares.

1.3 Cross-shareholdings

The Company has no cross-shareholdings exceeding 5% in any company outside the Group.

2 Capital structure

2.1 Ordinary share capital

The ordinary share capital of the Company as registered with the commercial register of the Canton of Schaffhausen amounts to CHF 3,822,708.72 as of December 31, 2025.

It currently consists of 382,270,872 fully paid-up registered shares with a nominal value of CHF 0.01 per share.

2.2 Capital band and conditional share capital

The Company has a capital band ranging from CHF 3,440,437.85 (lower limit) to CHF 4,587,250.46 (upper limit). The Board of Directors is authorized to increase or reduce the share capital within the capital band at any time or from time to time and in any (partial) amounts, or to cause the Company or any of its Group companies to acquire (including under a share repurchase program) shares directly or indirectly until the earlier of April 20, 2026 or the full use of the capital band. Within the capital band, a capital increase may be affected by issuing up to 76,454,174 fully paid-up registered shares, each with a nominal value of CHF 0.01, and a capital reduction by way of canceling up to 38,227,087 registered shares, each with a nominal value of CHF 0.01. A capital increase or capital reduction may further be affected with the capital band by way of an increase or a reduction of the par value of the existing shares or by a simultaneous reduction and re-increase of the share capital.

The Company furthermore has a conditional share capital of CHF 640,106.48 as of December 31, 2025. The conditional share capital of CHF 640,106.48 (i.e., 64,010,648 shares of CHF 0.01 nominal value each) is divided into the following amounts:

- CHF 160,026.62 for employee benefit plans
- CHF 480,079.86 for equity-linked financing instruments

If the share capital increases as a result of a conditional capital increase pursuant to art. 4 or art. 5 of the Articles of Association, the upper and lower limits of the capital band shall increase in an amount corresponding to such increase in the share capital. In the event of a reduction of the share capital within the capital band, the Board of Directors shall, to the extent necessary, determine the use of the reduction amount. The Board of Directors may also use the reduction amount for the partial or full elimination of a share capital shortfall as provided for in art. 653p of the Swiss Code of Obligations ("**CO**") or may, as provided for in art. 653q CO, simultaneously reduce and increase the share capital to at least the previous amount.

The total number of registered shares issued from (i) the capital band according to art. 6 of the Articles of Association where the shareholders' subscription rights are excluded and (ii) the conditional share capital according to art. 5 of the Articles of Association where the shareholders' advance subscription rights for Equity-Linked Financing Instruments are excluded, may not exceed 38,227,087 registered shares up to April 20, 2026. Within the limit outlined above, the proportion of new shares assigned to each of the categories is stipulated by the Board of Directors. Any newly issued shares are subject to the restrictions set out in art. 7 of the Articles of Association.

Reference is made to the Articles of Association for the precise wording of provisions relating to conditional share capital and capital band, in particular art. 4, 5 and 6 of the Articles of Association. Among other matters, these contain details regarding the beneficiaries of the employee benefit plan and the entitlements to withdraw or restrict shareholders' subscription rights. The Articles of Association can be downloaded as a PDF document at https://api.sig.biz/media/e33d0ovl/sig-group-ag-articles-of-association.pdf.

2.3 Changes in capital

There were no changes in capital in the years 2023, 2024 and 2025.

2.4 Shares, participation certificates and profit-sharing certificates

The shares are registered shares with a nominal value of CHF 0.01 each and are fully paid-up. Each share carries one vote at a shareholders' meeting. The shares rank pari passu with each other in all respects, including in respect of entitlements to dividends, to a share in the liquidation proceeds in the case of a liquidation of the Company, and to subscription and advance subscription rights.

The Company issues its shares as uncertificated securities (*Wertrechte*), within the meaning of art. 973c para. 1 CO, and in accordance with art. 973c para. 2 CO the Company maintains a register of uncertificated securities (*Wertrechtebuch*).

The shares which are entered into the main register of SIX SIS AG consequently constitute book-entry securities (*Bucheffekten*) within the meaning of the Federal Act on Intermediated Securities ("**FISA**").

The Company has neither outstanding participation certificates nor shares with preferential rights.

2.5 Dividend-right certificates (*Genussscheine*)

The Company has not issued any profit-sharing certificates (*Genussscheine*).

2.6 Limitations on transferability and nominee registrations

According to art. 7 of the Articles of Association, any person holding shares will, upon application, be entered in the share register without limitation as a shareholder with voting rights, provided they expressly declare that they have acquired the shares in their own name and for their own account.

Any person who does not expressly state in their application to the Company that the relevant shares were acquired for their own account may be entered in the share register as a shareholder with voting rights without further inquiry up to a maximum of 5% of the issued share capital outstanding at that time. Above this limit, shares held by nominees are entered in the share register with voting rights only if the nominee in question makes known the names, addresses and shareholdings of the persons for whose account it is holding 1% or more of the outstanding share capital available at the time, and provided that the disclosure requirement stipulated in the FMIA is complied with. In addition, the Board of Directors has the right to conclude agreements with nominees concerning their disclosure requirements. Such agreements may further specify the disclosure of beneficial owners and contain rules on the representation of shareholders and the voting rights. The percentage limit mentioned above also applies if shares are acquired by way of exercising subscription, advance subscription, option or conversion rights arising from shares or any other securities issued by the Company or any third party.[1]

The setting and canceling of the limitation on transferability in the Articles of Association require a resolution of the shareholders' meeting of the Company passed by at least two-thirds of the represented share votes and an absolute majority of the par value of represented shares.

2.7 Convertible bonds and warrants/options

As of December 31, 2025, the Company had no outstanding bonds or debt instruments convertible into, or option rights in, the Company's securities.

As of December 31, 2025, a total of 1,113,359 performance share units ("**PSUs**") and restricted share units ("**RSUs**") awards were outstanding. Each awarded PSU and RSU represents the contingent right to receive one share of the Company subject to fulfilment of pre-defined vesting conditions. The Group expects to settle its obligation under these plans and arrangements by using own shares (treasury shares) or, alternatively, by using shares issued from conditional share capital or cash. If the PSUs and RSUs were fully vested and exclusively shares from conditional share capital were used, this would increase the existing share capital by approximately 0.3%. Please refer to the **Compensation Report** → for further information pertaining to any PSUs and RSUs awarded as an element of executive compensation.

Furthermore, in 2020 the Group introduced an equity investment plan ("**EIP**") for a wider group of management in leadership positions, other key employees and talents, under which the participants may choose to invest in shares in the Company at market value. The number of employees invited to participate in the EIP is limited per year to 2% of the Group's employees. The amount a participant may invest per year is limited to the value of the annual short-term incentive target amount of such participant for the relevant year. The shares are blocked for three years. For each purchased share, the Group grants the participants two matching options to purchase another two shares at a pre-defined exercise price at the end of a three-year vesting period. The Group expects to settle its obligations under these plans and arrangements by using own shares (treasury shares) or, alternatively, by using shares issued from conditional share capital. If the options were fully vested and exclusively shares from conditional share capital were used, this would increase the existing share capital by approximately 0.1%. Please refer to note 30 of the consolidated financial statements for the year ended December 31, 2025 for additional information about the EIP options.

3 Board of Directors

3.1 Members of the Board of Directors

Art. 18 of the Articles of Association provides that the Board of Directors shall consist of a minimum of three members, including the chair of the Board ("**Chair**"). Currently, the Board consists of the following nine members:

Name	Nationality	Position	Since	Expires[2]
Ola Rollén	Swedish	Chair	2025	AGM 2026
Werner Bauer	Swiss and German	Member	2018	AGM 2026
Niren Chaudhary	US and British	Member	2025	AGM 2026
Thomas Dittrich	Swiss and German	Member	2024	AGM 2026
Mariel Hoch	Swiss and German	Member	2018	AGM 2026
Florence Jeantet	French	Member	2023	AGM 2026
Abdallah al Obeikan	Saudi Arabian	Member	2021	AGM 2026
Urs Riedener	Swiss	Member	2025	AGM 2026
Martine Snels	Belgian	Member	2021	AGM 2026

At the annual general meeting of the Company ("**Annual General Meeting**" or "**AGM**") on April 8, 2025 ("**Annual General Meeting 2025**" or "**AGM 2025**"), six of the previous members of the Board were re-elected[3] and three new members were elected, each for a one-year term of office.

All current members of the Board of Directors are non-executive directors. No members of the Board of Directors were members of the management of the Company or a subsidiary of the Group in the three years preceding the year under review. The Board of Directors determines independence annually in accordance with the Company's independence criteria set forth in the Organizational Regulations. Pursuant to the Company's independence criteria and based on the last assessment performed before the AGM 2026, all members of the Board of Directors are deemed to be independent, except for Abdallah al Obeikan.

1 For a comprehensive description of the limitations to transferability and nominee registration, refer to art. 7 of the Articles of Association.
2 All Board members are elected annually in accordance with Swiss corporate law and the Articles of Association.
3 Wah-Hui Chu, Laurens Last, Andreas Umbach and Matthias Währen did not stand for re-election at the AGM 2025 and, hence, their tenure ended on April 8, 2025. The relevant details relating to Wah-Hui Chu, Laurens Last, Andreas Umbach and Matthias Währen can be found at https://reports.sig.biz/annual-report-2024/_assets/downloads/entire-sig-ar24.pdf.

Ola Rollén is a Swedish citizen and has served as Chair of the Board of Directors since April 2025. He is also the founder and chief executive officer of Greenbridge Holdings (since 2024). Mr. Rollén has further served as chair of the board of directors of Hexagon AB (STO:HEXA B) (since 2023) and Nstech (since 2022), as well as a member of the board of directors of Neo4J (since 2024) and of Divergent 3D Technologies (since 2022). Previously, Mr. Rollén served as chair of the board of directors of Greenbridge Holdings (from 2016 to 2024) and as president and chief executive officer of Hexagon AB (STO:HEXA B) (from 2000 to 2023). Prior to that, he served as president of Sandvik Materials Technology and as a member of the group management of Sandvik Group (STO:SAND) (from 1999 to 2000). He also served as a member of the board of directors of Vestas Wind Systems (from 2009 to 2011). Mr. Rollén holds a BSc in business administration and economics from the University of Stockholm, Sweden.

Werner Bauer is a Swiss and German citizen and has served as a member of the Board of Directors since the IPO. From 2015 until the IPO, he served as an advisory member of the Board for the Company. Mr. Bauer has also served as vice chair of the board of directors of Bertelsmann SE & Co. KGaA (BTG4: FRA) (since 2012). Previously, Mr. Bauer served as member and vice chair of the board of directors of Givaudan SA (SIX: GIVN) (from 2014 to 2023) and as chair of the board of trustees of the Bertelsmann Foundation (from 2011 to 2025). He further served as a member of the board of directors of Lonza Group AG (SIX: LONN) (from 2013 to 2022), as a member of the advisory board of SIG Combibloc Group (from 2015 to 2018) and as a member of the board of directors of GEA-Group AG (from 2011 to 2018). Prior to that, he served as chair of the board of directors of Nestlé Deutschland AG (from 2005 to 2017) as well as chair of the board of directors of Galderma Pharma SA (from 2011 to 2014). Additionally, Mr. Bauer was executive vice president and head of innovation, technology, research & development at Nestlé SA (SIX: NESN) (from 2007 to 2013), and prior to that he served as executive vice president and head of technical, production, environment, research & development for Nestlé SA and held other positions within Nestlé. Furthermore, Mr. Bauer served as chair of the board of directors of Sofinol S.A. (from 2006 to 2012), as a member of the board of directors of L'Oréal SA (XFRA: LOR) (from 2005 to 2012) and as a member of the board of Alcon Inc. (NYSE: ALC) (from 2002 to 2010). Mr. Bauer holds a diploma and a PhD in chemical engineering from the University of Erlangen-Nürnberg, Germany.

Niren Chaudhary is a US and British citizen and has served as a member of the Board of Directors since April 2025. He is also the founder and chief executive officer of RA-inspired leadership LLC (since 2024). Mr. Chaudhary has further served as a member of the advisory board of the Global Peter Drucker Forum (since 2024), as an executive coach at The ExCo Group (since 2024), and as an executive in residence at Columbia Business School (since 2023). Prior to this, Mr. Chaudhary served as chair of the board of directors of Panera Brands (from 2023 to 2024) and as a member of the board of directors of DKMS Group (from 2023 to 2024) and of Tufts Hospital (from 2021 to 2023). He also served as chief executive officer of Panera Brands (from 2019 to 2023) and previously held the position of chief operating officer and president international of Krispy Kreme (from 2017 to 2019). Earlier in his career, Mr. Chaudhary held various roles at Yum! Brands, including president international of KFC (from 2015 to 2017) and president of Yum India (from 2007 to 2015). Mr. Chaudhary holds a BA in Economics and an MBA from Delhi University, India. He also completed the advanced leadership initiative at Harvard University, USA, and the advanced management program at Harvard Business School, USA.

Thomas Dittrich is a Swiss and German citizen and has served as a member of the Board of Directors since April 2024. He currently holds the position of chief financial officer of Galderma Group AG (SIX: GALD) (since 2019). Mr. Dittrich has also served as a member of the board of the Förderverein des Instituts für Finanzdienstleistungen Zug (IFZ) at Lucerne University of Applied Sciences and Arts (since 2022). Prior to this, Mr. Dittrich served as chief financial officer and executive member of the board of directors of Shire plc (LON: SHP) (from 2018 to 2019). He also served as chief financial officer and member of the executive committee, as well as chief executive officer ad interim of Sulzer AG (SIX: SUN) (from 2014 to 2018). In addition, Mr. Dittrich served as vice president, finance corporate planning and chief accounting officer of Amgen Inc. (NASDAQ: AMGN), and as chief financial officer of Amgen International (from 2006 to 2014). Mr. Dittrich further held various finance and general manager positions at Dell Technologies Inc (NYSE: DELL) (from 1998 to 2006). Mr. Dittrich holds an MSc in mechanical engineering and robotics from Munich Technical University, Germany and a Master's in finance, controlling and accounting from the University of St. Gallen, Switzerland.

Mariel Hoch is a Swiss and German citizen and has served as a member of the Board of Directors since the IPO. Ms. Hoch has been a partner at the Swiss law firm Bär & Karrer since 2012. She has further served as a member and vice chair of the board of directors of Comet Holding AG (SIX: COTN) (since 2016), where she also chairs the nomination and compensation committee. Furthermore, she has served as a member of the board of directors of Komax Holding AG (SIX: KOMN) (since 2019), where she also serves as a member of the audit committee, and has further served as a member of the board of directors of MEXAB AG (since 2014). Additionally, she has also served as a member of the foundation board of The Schörling Foundation (since 2013), as a member of the foundation board of the Irene M Staehelin Foundation (since 2020), as a member of the Law and Economics Foundation St. Gallen (since 2020), and as a member of the foundation board of the Orpheum Foundation (since 2023). Previously, Ms. Hoch served as a member of the board of directors of Adunic AG (from 2015 to 2018). Ms. Hoch also served as co-chair of the Zurich Committee of Human Rights Watch (from 2017 to 2021). Ms. Hoch was admitted to the Zurich bar in 2005 and holds a law degree and a PhD from the University of Zurich, Switzerland.

Florence Jeantet is a French citizen and has served as a member of the Board of Directors since April 2023. She has further served as a member of the Association des Conseillers du Commerce Exterieure de la France (since 2013), where she has served in various functions including as chair of the Ethics Committee (Comité d'Éthique) (since 2021 as member, since 2024 as chair) and previously as chair of the national Dutch Committee (Comité des Pays Bas) (from 2017 to 2021). Ms. Jeantet has further served as a member of the board of directors of Mérieux NutriSciences (since 2024) and as a member of the supervisory board of Atlantic Grupa (ATGR-R-A) (since 2025). Additionally, she has served as official representative (chef d'exploitation) of SCEA La Calmontaise (since 2023) , as well as a member of the mission committee of Citwell (since 2025), and has acted as an independent advisor in the field of ESG/sustainability. Prior to that, Ms. Jeantet was with Danone SA (XPAR.: BN) (from 2004 to 2023), where she held various leadership positions including SVP-OP2B general manager, SVP Danone 2025 & health mission, chief growth officer, Danone worldwide business unit early life nutrition, vice president medical, quality and R&D, Danone early life nutrition, vice president, R&D, Danone baby nutrition, vice president, R&D, Danone waters division and ultimately senior vice president, chief sustainability officer. Before that, Ms. Jeantet held various leadership positions at Unilever NV (XAMS: UNAT) in France, the Netherlands, and Russia (from 1991 to 2004). Ms. Jeantet holds a Master's in food science and technology engineering from Polytech Montpellier, France. Ms. Jeantet further holds a Certificate d'Administrateur de Sociétés from Sciences Po-IFA, Paris, France, as well as a European Board Diploma from ecoDa/ICGN, France/UK. She also completed the Women on Boards Program at Harvard Business School, USA. She was further awarded the title of Knight of the Order of Merit in France.

Abdallah al Obeikan is a Saudi Arabian citizen and has served as a member of the Board of Directors since April 2021. Mr. al Obeikan has also served as a member of the board of directors of Arabian Shield Cooperative Insurance Company (TADAWUL: 8070) (since 2012) and as a member of the board of directors and CEO of the Obeikan Investment Group (OIG) (since 2000). In addition, Mr. al Obeikan has served as chair of Obeikan AGC Glass Company (TADAWUL: OBEIKAN GLASS) (since 2011), as chair of Riyadh Polytechnic Institute (since 2009), as member of the board of directors of National Water Company (since 2018), and as chairman of the Riyadh Chamber of Commerce (since 2024). Prior to that, Mr. al Obeikan served as member of the board of directors of Social Development Bank (from 2017 to 2022). Furthermore, he served as CEO of the SIG Combibloc Obeikan joint venture companies (from 2000 to 2021). Mr. al Obeikan holds a BSc in electrical engineering from King Saud University, Riyadh, K.S.A.

Urs Riedener is a Swiss citizen and has served as a member of the Board of Directors since April 2025. He has further served as chair of the board of directors of Emmi AG (XSWX: EMMN) (since 2023) and as a member of the board of directors of Sandoz Group AG (XSWX: SDZ) (since 2023) and of Bystronic AG (SIX:BYS) (since 2014). In addition, Mr. Riedener has served as a member of the board of directors of Tischlein deck dich Association (since 2024) and as a member of the supervisory board of Schwarz Gruppe (Schwarz Unternehmenstreuhand KG) (since 2022). He has also served as a member of the advisory board of the Institute for Marketing and Customer Insight (since 2008) and the Institute of Management and Strategy (since 2025) at the University of St. Gallen. Previously, Mr. Riedener served as chief executive officer of Emmi AG (XSWX: EMMN) (from 2008 to 2022) and held various roles at Migros-Genossenschafts-Bund (from 2000 to 2008), including head of marketing and member of the executive board, as well as head of marketing food & near food. Before that, he held various positions at Lindt & Sprüngli (XSWX: LISN) (from 1995 to 2000) and at Kraft Jacobs Suchard (from 1992 to 1995). Mr. Riedener holds a lic.oec. HSG from the University of St. Gallen, Switzerland and completed the executive program at Stanford University, USA.

Martine Snels is a Belgian citizen and has served as a member of the Board of Directors since April 2021. Ms. Snels has also served as a member of the supervisory board of Prodrive Technologies (since 2023) and as a member of the board of directors of Electrolux Professional AB (XSTO: EPRO B) (since 2019). In addition, Ms. Snels is the founder and CEO of L'Advance BV (since 2020) and has served as a member of the advisory board (Beiratsmitglied) of Zentis Fruchtwelt GmbH & Co. KG (since 2021) and as a member of the advisory board (Beiratsmitglied) of Viega Holding GmbH & Co. KG (since 2025). Previously, Ms. Snels served as a member of the supervisory board of URUS Group LLC (from 2021 to 2023). She also served as a member of the supervisory board of VION Food Group NV (from 2020 to 2022) and as a member of the board of directors of Resilux NV (from 2019 to 2022). Prior to that, she served as a member of the executive board of GEA Group AG (from 2017 to 2020) and held various leadership roles at Royal Friesland Campina NV (from 2012 to 2017), including member of the executive board as C.O.O. Ingredients (from 2015 to 2017), Nutreco NV (from 2003 to 2012) and Kemin Industries (from 1996 to 2003). Ms. Snels holds an MSc in agricultural engineering from K.U. Leuven, Belgium.

As of December 31, 2025, there are no material business relationships of any Board member with the Company or with any subsidiary or joint venture company.

The Company aims to have a well-balanced Board of Directors with individuals who bring a variety of perspectives, backgrounds, and skills, and who apply them to permit the Board of Directors to offer informed stewardship. The Board skill matrix below summarizes the current set of skills/traits grouped into 13 categories:

Board skill matrix

	Board member								
Qualifications and Experience	Ola Rollén	Werner Bauer	Niren Chaudhary	Thomas Dittrich	Mariel Hoch	Florence Jeantet	Abdallah Al Obeikan	Urs Riedener	Martine Snels
Customer: Fast Moving Consumers Goods (FMCG)	○	●	●	○	○	●	●	●	●
Sector: Packaging Industry		●	○		○	●	●	●	●
Financial Proficiency	●	○	○	●	○	○	●	●	○
Enterprise Risk Management	●	○	○	●	●	○	○	●	○
Leadership incl. Human Capital Development	●	●	●	●	○	●	●	●	●
Growth: Strategy and Business Development / Entrepreneurial experience	●	●	●	●	○	●	●	●	●
Technology and Innovation Management	●	●	○	○		●	●	●	●
Operational Excellence (incl. Quality Management, Supply Chain)	●	●	○	●		●	●	●	●
Digitalization incl. Cyber Security	●	○		●	○	○	●	○	○
Environmental, Social and Governance (ESG)	○	○		○	●	●	○	●	○
International & Global Perspective	●	●	●	●	○	●	●	○	●
Mergers and Acquisitions, Integrations	●	○	○	●	●	○	○	●	○
Legal & Regulatory Affairs	○	○	○	○	●	○	○	○	○
Independence	▲	▲	▲	▲	▲	▲		▲	▲

● Expert/very experienced ○ Proficient/relevant experience ▲ Independent

3.2 Number of permissible activities

In the interest of good governance, art. 28 para. 1 of the Articles of Association limits the number of outside mandates of the members of our Board as follows:

i. up to four mandates in listed firms; and
ii. up to ten mandates in non-listed firms.[1]

Such a mandate is deemed to be any activity in superior governing or administrative bodies of legal entities that are required to be registered in the commercial register or any comparable foreign register, other than the Company and any entity controlled by or controlling the Company. The Board of Directors shall ensure that such activities do not conflict with the exercise of their duties for the Group. Functions in various legal entities that are under joint control, or in entities in which this legal entity has a material interest, are counted as one function.

3.3 Election and term of office

The members of the Board of Directors are elected individually each year by the Annual General Meeting of the Company for a term of office of one year and can be re-elected. The Chair of the Board of Directors is also elected each year by the Annual General Meeting for a period of office of one year. There is no limit on the term in office. The initial election year of each Board member is shown in the table in section 3.1.

3.4 Internal organization – division of roles within the Board of Directors and working methods

The Board of Directors represents the Company vis-à-vis third parties and attends to all matters which have not been delegated to or reserved for another corporate body of the Company. The Chair convenes meetings of the Board of Directors as often as the Group's business requires, but at least four times a year. The Chair prepares the meetings, draws up the agenda, and chairs the meetings. Any member of the Board can ask for a meeting to be convened and for the inclusion of an item on the agenda. In order to pass resolutions, not less than a majority of the Board members must be attending the meeting. Except as required by mandatory law, the Board will adopt resolutions by a simple majority of the votes cast. In case of a tie, the Chair has no casting vote. Board resolutions may also be passed in writing by way of circular resolution, provided that no member of the Board of Directors requests oral deliberation (in writing, including by email) of the Chair or the secretary. Board resolutions by means of a written resolution require the affirmative vote of a majority of all the members of the Board.

4 Committees

The Board of Directors may delegate the preparation and execution of its decisions to Committees or to its individual members. The Board of Directors has appointed four standing Committees: the Audit and Risk Committee, the Compensation Committee, the Nomination and Governance Committee, and the Technology and Innovation Committee. For each of the Committees, the Board of Directors elects a chair from the members of the Board of Directors. The period of office of all Committee members is one year. Re-election is possible.

Subject to the provisions of the Articles of Association[2] and the Committee charters, the Audit and Risk Committee, the Compensation Committee, and the Technology and Innovation Committee shall generally comprise three or more members of the Board of Directors. The Nomination and Governance Committee shall generally comprise two or more members of the Board of Directors.

4.1 Compensation Committee

As required by Swiss law, the members of the Compensation Committee are elected each year by the Annual General Meeting. As of December 31, 2025, the members of the Compensation Committee were Werner Bauer (chair), Niren Chaudhary, and Urs Riedener.

Meetings of the Compensation Committee are held as often as required, but in any event at least three times a year, or as requested by any of its members.

The members of the Compensation Committee shall be non-executive and independent, and a majority of the members of the Compensation Committee, including its chair, should be experienced in the areas of succession planning and performance evaluation, as well as the compensation of members of boards of directors and executive management boards.

The Compensation Committee shall assist the Board in fulfilling its responsibilities relating to the compensation of the members of the Board of Directors and the Group Executive Board. The Compensation Committee's responsibilities include:

- issuance and review of the compensation policy and the performance criteria, and periodic review of the implementation and submission of suggestions and recommendations to the Board, including as regards compliance with applicable laws;
- preparation of the Board of Directors' proposals to the Annual General Meeting regarding the compensation of the Board of Directors and the Group Executive Board;
- review of the principles and design of compensation plans, long-term incentive and equity plans, pension arrangements and further benefits for the Group Executive Board, including review of the contractual terms of the members of the Group Executive Board and submission of adjustments to the Board of Directors for approval;
- for each performance period, preparation of the decisions for the Board of Directors regarding the compensation of the members of the Board of Directors and the Group Executive Board, including the breakdown of compensation elements (within the amount approved by the Annual General Meeting);
- submission of suggestions to the Board of Directors regarding the recipients of performance-related and/or long-term incentive compensation, and submission of suggestions to the Board of Directors regarding the definition of the annual or other targets for performance-related and/or long-term incentive compensation; and
- review of the Compensation Report and submission to the Board of Directors for approval.

The Board of Directors may entrust the Compensation Committee with additional duties in related matters. The Compensation Committee is required to report its activities to the Board of Directors on a regular basis and to make recommendations and propose appropriate measures to the Board of Directors.[3]

1 Pursuant to art. 727 para. 1 number 1 CO.
2 https://www.sig.biz/investors/en/governance/articles-of-association
3 The organisation and responsibilities of the Compensation Committee are stipulated in the Articles of Association (art. 21).

4.2 Audit and Risk Committee

The members and the chair of the Audit and Risk Committee are appointed by the Board of Directors. As of December 31, 2025, the members of the Audit and Risk Committee were Thomas Dittrich (chair), Mariel Hoch, Florence Jeantet, and Urs Riedener.

Meetings of the Audit and Risk Committee are held as often as required, but in any event at least four times a year, or as requested by any of its members.

The members of the Audit and Risk Committee shall be non-executive and independent, and a majority of the members of the Audit and Risk Committee, including its chair, must be experienced in financial and accounting matters.

The Audit and Risk Committee: (i) assists the Board in fulfilling its supervisory responsibilities with respect to (a) the integrity of the Company's financial statements and financial reporting process, (b) the Company's compliance with legal, regulatory and compliance requirements, (c) the system of internal controls, and (d) the audit process; (ii) monitors the performance of the Company's internal auditors and the performance, qualification and independence of the Company's independent auditors; and (iii) considers the proper assessment and professional management of risks by supervising the Company's risk management system and processes.

The responsibilities of the Audit and Risk Committee include, in particular, reviewing and discussing with the CFO and, both together with the CFO and separately, with the auditors the Company's annual and semi-annual and quarterly (if quarterly financial statements are prepared) financial statements and reports intended for publication, as well as any other financial statements intended for publication. The Audit and Risk Committee also recommends the annual financial statements for approval by the Board of Directors for submission to the Annual General Meeting, recommends the semi-annual financial statements for approval by the Board of Directors and approves quarterly (if quarterly financial statements are prepared) financial statements for publication. In addition, the Audit and Risk Committee discusses with the CFO and the auditors significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's accounting policies, the selection and disclosure of significant accounting estimates, and the effect of alternative assumptions, estimates or accounting policies on the Company's financial statements.

The Audit and Risk Committee also reviews and discusses with management and, to the extent applicable and relevant, with the Group's assurance providers, the Group's sustainability reports. In this context, it also recommends the sustainability reports for approval by the Board of Directors and, with respect to the statutory non-financial matter reporting pursuant to art. 964a et seq. CO, for submission to the Annual General Meeting for approval by the Company's shareholders.

In connection with the risk management of the Company, the Audit and Risk Committee discusses with the CFO and, if appropriate, the Group General Counsel any legal matters (including the status of pending or threatened litigation) that may have a material impact on the Company's business or financial statements and any material reports or inquiries from regulatory or governmental agencies that could materially impact the Company's business or contingent liabilities and risks. Its members periodically review the Company's policies and procedures designed to secure compliance with laws, regulations, and internal rules regarding insider information, confidentiality, bribery and corruption, sanctions, and adherence to ethical standards, and assess the effectiveness thereof. The Audit and Risk Committee obtains and reviews reports submitted at least annually by the Group General Counsel and any other persons the committee has designated as being responsible for assuring the Company's compliance with laws and regulations. In this context, it informs the Board at least annually about the most significant risks for the Company and the Group, and how such risks are managed or mitigated.

The Board of Directors may entrust the Audit and Risk Committee with additional duties in financial matters. In discharging its responsibilities, the Audit and Risk Committee has unrestricted and direct access to all relevant information in relation to the Company and the Group. The Audit and Risk Committee ensures that it is informed by the independent auditors on a regular basis. The Audit and Risk Committee is required to report its activities to the Board of Directors on a regular basis and to make recommendations and propose appropriate measures to the Board of Directors.

4.3 Nomination and Governance Committee

The members and the chair of the Nomination and Governance Committee are appointed by the Board of Directors. As of December 31, 2025, the members were Mariel Hoch (chair), Niren Chaudhary, Thomas Dittrich, and Martine Snels.

Meetings of the Nomination and Governance Committee are held as often as required, but in any event at least two times a year, or as requested by any of its members.

The majority of the members of the Nomination and Governance Committee shall be non-executive, and a majority of the members of the Nomination and Governance Committee, including its chair, must be experienced in nomination of members of boards of directors and executive management boards and in corporate governance matters.

The Nomination and Governance Committee assists the Board of Directors in fulfilling its responsibilities and discharging the Board's responsibility to (i) establish and maintain a process relating to nomination of the members of the Board and the Group Executive Board, and (ii) establish sound practices in corporate governance across the Group. Its responsibilities include assisting the Board in identifying individuals who are qualified to become members of the Board or qualified to become CEO when vacancies arise and, in consultation with the CEO, members of the Group Executive Board. Furthermore, the Nomination and Governance Committee reviews the performance of each current member of the Board of Directors, the CEO and each of the other members of the Group Executive Board. It also provides recommendations to the Board of Directors as to how the Board's performance can be improved.

The Nomination and Governance Committee also develops and makes recommendations to the Board of Directors regarding corporate governance matters and practices, including the effectiveness of the Board of Directors, its Committees, and individual directors. It also oversees the Company's strategy and governance in relation to corporate responsibility for environmental, social, and governance (ESG) matters, in particular regarding key issues that may affect the Company's business and reputation. In doing so, the Nomination and Governance Committee may consult with the Responsibility Advisory Group, which consists of external ESG experts who support the Group Executive Board with the development of SIG's ESG strategy by providing an external perspective.

The Board of Directors may entrust the Nomination and Governance Committee with additional duties in related matters. The Nomination and Governance Committee is required to report its activities to the Board of Directors on a regular basis and to make recommendations and propose appropriate measures to the Board of Directors.

4.4 Technology and Innovation Committee

The members and the chair of the Technology and Innovation Committee are appointed by the Board of Directors. As of December 31, 2025, the members of the Technology and Innovation Committee were Abdallah al Obeikan (chair), Werner Bauer, Florence Jeantet, and Martine Snels.

Meetings of the Technology and Innovation Committee are held as often as required, but in any event at least twice a year, or as requested by any of its members.

The majority of the members of the Technology and Innovation Committee shall be non-executive and independent, and the members must possess the necessary knowledge, experience, and time to effectively fulfill the Technology and Innovation Committee's responsibilities.

While the decision-making power remains with the Board, the Technology and Innovation Committee assists the Board of Directors in overseeing the Company's strategy and performance with respect to technology and innovation. Its responsibilities include (i) providing strategic guidance on the Group's technology, digital and innovation initiatives, (ii) monitoring innovative technology projects within the Group's market environment that could represent significant long-term business opportunities, and (iii) encouraging the implementation of the established strategy of the Group regarding technological development by supporting management in driving innovation projects both within and outside of the Group. Additionally, the Technology and Innovation Committee advises the Board on emerging trends, opportunities, and challenges in the fields of technology and innovation relevant to the Group's business and stakeholders. The Technology and Innovation Committee further ensures that the Group leverages its technological capabilities to create sustainable value for shareholders and other stakeholders.

The Technology and Innovation Committee is required to report its activities to the Board of Directors regularly, providing recommendations and proposing appropriate measures to support the Company's technology and innovation strategy.

5 Frequency of meetings of the Board of Directors and its Committees

The Chair convenes meetings of the Board of Directors as often as the Group's business requires, but at least four times a year, and whenever a member of the Board or the CEO requests a meeting of the Board indicating the reasons for such meeting in writing.

The Board of Directors usually convenes four full-day ordinary meetings as well as an annual two-day joint strategy meeting with the Group Executive Board. The task at these meetings is to analyze the positioning of the Group in the light of the current macroeconomic and competitive environment, and to review and, if necessary, redefine the strategic orientation.

In the period under review, the Board held seven ordinary meetings, of which (i) six were in-person meetings, including three meetings lasting two full days, and (ii) one was a virtual meeting. In addition, the Board held four extraordinary virtual meetings. All Board members participated in all Board meetings except one Board member missing one Board meeting, resulting in an attendance rate of 99.02% in the period under review. Furthermore, the Board held one mandatory regulatory compliance training session. Attendance at the Board meetings in 2025 can be summarized as follows:

Meetings of the Board of Directors, January 1, 2025 to December 31, 2025

Dates	Feb 20, 2025	Feb 24, 2025	Apr 7/8, 2025	Apr 8, 2025	May 22/23, 2025	Jul 24, 2025	Aug 2, 2025	Sept 16/17, 2025	Oct 16, 2025	Nov 15, 2025	Dec 9, 2025
Ola Rollén[1]	n/a	n/a	n/a	●	●	●	●	●	●	●	●
Werner Bauer	●	●	●	●	●	●	●	●	●	●	●
Niren Chaudhary[1]	n/a	n/a	n/a	●	●	●	●	●	●	●	●
Thomas Dittrich	●	●	●	●	●	●	●	●	●	●	●
Mariel Hoch	●	●	●	●	●	●	●	●	●	●	●
Florence Jeantet	●	●	●	●	●	●	●	●	●	excused	●
Abdallah Al Obeikan	●	●	●	●	●	●	●	●	●	●	●
Urs Riedener[1]	n/a	n/a	n/a	●	●	●	●	●	●	●	●
Martine Snels	●	●	●	●	●	●	●	●	●	●	●
Wah-Hui Chu[2]	●	●	●	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Laurens Last[2]	●	●	●	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Andreas Umbach[2]	●	●	●	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Matthias Währen[2]	●	●	●	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

1 Newly elected at the AGM 2025.
2 Did not stand for re-election at the AGM 2025.

For the period under review, the Compensation Committee held five ordinary meetings with an average duration of approximately three hours, of which four were in-person meetings and one was a virtual meeting. Furthermore, the Compensation Committee held six extraordinary meetings, with an average duration of approximately one hour, of which five were in person and one was a virtual meeting. All Compensation Committee members participated in all meetings, resulting in an attendance rate of 100%.

Meetings of the Compensation Committee, January 1, 2025 to December 31, 2025

Dates	Jan 23, 2025	Feb 19, 2025	Apr 7, 2025	Jul 23, 2025	Aug 8, 2025	Aug 20, 2025	Sept 8, 2025	Sept 15, 2025	Oct 28, 2025	Nov 3, 2025	Dec 8, 2025
Werner Bauer	●	●	●	●	●	●	●	●	●	●	●
Niren Chaudhary[1]	n/a	n/a	n/a	●	●	●	●	●	●	●	●
Urs Riedener[1]	n/a	n/a	n/a	●	●	●	●	●	●	●	●
Wah-Hui Chu[2]	●	●	●	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Matthias Währen[2]	●	●	●	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

The Nomination and Governance Committee held three ordinary meetings with an average duration of approximately three hours, all of which were in-person meetings. Furthermore, the Nomination and Governance Committee held 16 extraordinary meetings with an average duration of approximately one hour, all of which were virtual meetings. All Nomination and Governance Committee members participated in all meetings, except one Nomination and Governance Committee member missing one Nomination and Governance Committee meeting, resulting in an attendance rate of 98.68%.

Meetings of the Nomination and Governance Committee, January 1, 2025 to December 31, 2025

Dates	Jan 3, 2025	Jan 8, 2025	Jan 17, 2025	Jan 24, 2025	Feb 4, 2025	Feb 12, 2025	Feb 18, 2025	May 5, 2025	May 14, 2025	Jun 2, 2025
Mariel Hoch	●	●	●	●	●	●	●	●	●	●
Niren Chaudhary[1]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	●	●	●
Thomas Dittrich[1]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	●	●	●
Martine Snels	●	●	●	●	●	●	●	●	●	●
Werner Bauer[2]	●	●	●	●	●	●	●	n/a	n/a	n/a
Florence Jeantet[2]	●	●	●	●	●	●	●	n/a	n/a	n/a

1 Served as member since the AGM 2025.
2 Served as member until the AGM 2025.

Meetings of the Nomination and Governance Committee, January 1, 2025 to December 31, 2025 – *continued*

Dates	Jul 15, 2025	Aug 2, 2025	Aug 20, 2025	Sept 1, 2025	Sept 5, 2025	Sept 16, 2025	Sept 26, 2025	Oct 16, 2025	Dec 8, 2025
Mariel Hoch	●	●	●	●	●	●	●	●	●
Niren Chaudhary[1]	●	●	●	●	●	●	●	●	●
Thomas Dittrich[1]	excused	●	●	●	●	●	●	●	●
Martine Snels	●	●	●	●	●	●	●	●	●
Werner Bauer[2]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Florence Jeantet[2]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

The Audit and Risk Committee held five ordinary meetings with an average duration of approximately three hours, of which two were in-person meetings and three were virtual meetings. The Audit and Risk Committee held no extraordinary virtual meetings. All Audit and Risk Committee members participated in all meetings, except one Audit and Risk Committee member missing one Audit and Risk Committee meeting, resulting in an attendance rate of 95.24%. All meetings of the Audit and Risk Committee were partially attended by the external auditors.

Meetings of the Audit and Risk Committee, January 1, 2025 to December 31, 2025

Dates	Feb 19, 2025	Apr 24, 2025	Jul 23, 2025	Oct 23, 2025	Dec 8, 2025
Thomas Dittrich	●	●	●	●	●
Mariel Hoch	●	●	●	●	●
Florence Jeantet	●	●	●	●	●
Urs Riedener[1]	n/a	●	●	excused	●
Martine Snels[2]	●	n/a	n/a	n/a	n/a
Matthias Währen[2]	●	n/a	n/a	n/a	n/a

1 Served as member since the AGM 2025.
2 Served as member until the AGM 2025.

The Technology and Innovation Committee held two ordinary meetings with an average duration of approximately four hours, both of which were in-person meetings. The Technology and Innovation Committee held no extraordinary meetings. All Technology and Innovation Committee members participated in both meetings, resulting in an attendance rate of 100%.

Meetings of the Technology and Innovation Committee, January 1, 2025 to December 31, 2025

Dates	Apr 9, 2025	Dec 10, 2025
Abdallah al Obeikan	●	●
Werner Bauer	●	●
Florence Jeantet	●	●
Martine Snels	●	●
Laurens Last[1]	n/a	n/a

With the exception of certain directors-only sessions, the Board meetings were usually attended by the CEO (resp. interim CEO) and other members of the Group Executive Board and other representatives of senior management. Some meetings of the Board of Directors were partially attended by external advisers. Meetings of the Audit and Risk Committee were attended by the CEO, the CFO and the Group General Counsel & Chief Compliance Officer. Meetings of the Compensation Committee were regularly attended by an external adviser to the Compensation Committee, the CEO, the Chief People & Culture Officer, the Group's Global Compensation and Benefits Manager and the Company Secretary. The Nomination and Governance Committee meetings were regularly attended by the CEO and by the Company Secretary. Meetings of the Technology and Innovation Committee were attended by the CEO, the CTO and other representatives of senior management.

1 Served as member until the AGM 2025.

6 Areas of responsibility

The Board, acting collectively, has the ultimate responsibility for the conduct of business of the Company and for delivering sustainable shareholder and stakeholder value. The Board sets the Company's strategic aims, ensures that the necessary financial and human resources are in place to meet the Company's objectives, and supervises and controls the management of the Company. Further, the Board monitors progress of previously defined strategic initiatives and priorities. In addition, the Board is also responsible for maintaining a corporate culture with high ethical standards which emphasizes the integrity of the Group and its employees. It may take decisions on all matters that are not expressly reserved to the shareholders' meeting or to another corporate body by law, by the Articles of Association or by the Organizational Regulations. The Board's non-transferable and irrevocable duties, as set out in the CO and art. 19 para. 4 of the Articles of Association, include:[1]

- the supreme managerial responsibility for the Company and for issuing the necessary directives;
- determining the Company organization;
- the overall structure of the accounting system, financial control and financial planning;
- the appointment and dismissal of those persons responsible for the conduct of business and for representing the Company, the regulation of signatory authorities and the determination of their other authorities;
- the supervision of those persons responsible for the conduct of business, especially in terms of their compliance with the law, with the Articles of Association and with regulations and directives;
- the production of the Annual Report and of the Compensation Report, and the preparation of the General Meeting and the implementation of its resolutions;
- all decisions relating to the subsequent paying-in of non-fully-paid-up shares;
- all decisions relating to capital increases and the consequent amendments to the Articles of Association;
- filing an application for a debt restructuring moratorium and notifying the court in the event that the Company is overindebted;
- all other non-transferable and inalienable responsibilities attributed to the Board of Directors by law or these Articles of Association.

In addition, Swiss law and the Organizational Regulations reserve to the Board the following powers, among others:

- to determine the overall business strategy, taking into account the information, proposals, and alternatives presented by the CEO;
- to set financial objectives and approve, via the budget and financial planning process, the necessary means to achieve these objectives, including approving a capital allocation framework;
- to decide on the Group entering into substantial new business areas or exiting from a substantial existing business area, insofar as this is not covered by the current approved strategic framework;
- to appoint and remove the CEO and the other members of the Group Executive Board;
- to set the risk profile and the risk capacities of the Group; and
- to approve all matters and business decisions where such decisions exceed the authority delegated by the Board to its Committees, the CEO, or the Group Executive Board.

The Board of Directors has delegated the operational management of the Company and the Group to the Group Executive Board headed by the CEO, subject to the duties and powers reserved to the Board by Swiss law, the Articles of Association, and the Organizational Regulations. The Group Executive Board is responsible for implementing and achieving the Company's corporate objectives, and for the management and control of all Group companies.[2] The Group Executive Board is directly supervised by the Board of Directors and its Committees.

Pursuant to the Organizational Regulations, the CEO is appointed by the Board of Directors on recommendation of the Nomination and Governance Committee and may be removed by the Board of Directors. The other members of the Group Executive Board are appointed by the Board of Directors on the recommendation of the Nomination and Governance Committee in consultation with the CEO and may be removed by the Board of Directors.

7 Information and control instruments vis-à-vis the Group Executive Board

The Board of Directors supervises the Group Executive Board and uses reporting and controlling processes to monitor its operating methods. At each of its meetings, the Board of Directors is informed by the CEO, or by another member of the Group Executive Board, of the current business and significant events. At these meetings, members of the Board of Directors may ask other members of the Board of Directors or the CEO to provide information about the Group that they require in order to carry out their duties. The Chair has regular interaction with the CEO between Board meetings. The course of business and all major issues of corporate relevance are discussed at least once a month. Executive management provides monthly reports to the Board regarding the financial and operational performance of the business. All members of the Board of Directors are notified immediately of any exceptional occurrences.

The Head of Internal Audit, the General Counsel and auditing bodies assist the Board of Directors in carrying out its controlling and supervisory duties. In addition, the Committees monitor the performance of the Group Executive Board. The scope of this remit is agreed with the Board of Directors.

The Committees regularly receive information in the form of Group reports relevant to their needs. These reports are typically discussed in depth at regular meetings of the Committees involved. The Group Executive Board defines and evaluates the Group's most significant risks based on a coordinated and consistent approach to risk management and control. Based on a list of the most important risks, the Group Executive Board establishes a list of measures to prevent and mitigate potential loss and damage. The list is presented to the Audit and Risk Committee at least annually. After review and discussion, the Audit and Risk Committee informs the Board of Directors, which directs the Group Executive Board to ensure that the measures are put into practice.

In addition, the Board of Directors is supported by Internal Audit. The Audit and Risk Committee reviews and discusses with the Head of Internal Audit material matters arising in internal audit reports provided to the Audit and Risk Committee. Internal Audit has an unrestricted right to demand information and examine the records of all Group companies and departments. In addition, after consultation with the Audit and Risk Committee, the Group Executive Board may ask Internal Audit to carry out special investigations above and beyond its usual remit. The Head of Internal Audit submits a report to the Audit and Risk Committee at least annually. The Audit and Risk Committee is responsible for reviewing and discussing such reports, the internal audit plan for the Company and budgeted resources for Internal Audit.

1 A detailed description of these responsibilities and duties of the Board of Directors, its Committees and the Group Executive Board can be found in the Articles of Association (https://www.sig.biz/investors/en/governance/articles-of-association) and the Organizational Regulations (https://www.sig.biz/investors/en/governance/organizational-regulations).
2 The Group Executive Board exercises those duties which the Board of Directors has delegated to the management in accordance with the Company's Articles of Association, the Organizational Regulations and Swiss law.

SIG Group has risk management systems in place at all its Group companies. Potential risks are reviewed periodically and significant risks to which the Company is exposed are identified and assessed for probability of occurrence and impact. Action to manage and contain these risks is approved by the Board of Directors.

8 Group Executive Board

8.1 Members of the Group Executive Board

As of December 31, 2025, the Group Executive Board is headed by the interim CEO (who continues to serve as the CFO) and comprises eight members, specifically the interim CEO/CFO, the CTO, the CSO, the CMO, the President and General Manager Europe, the President and General Manager Asia Pacific, the President and General Manager Americas and the President and General Manager IMEA.

The Company announced on August 4, 2025, that the Board of Directors and Samuel Sigrist have mutually agreed on Mr. Sigrist stepping down from his position as CEO and member of the Group Executive Board of the Company with immediate effect. The Board of Directors has appointed Ann-Kristin Erkens as interim CEO. She assumed this position with immediate effect while continuing to serve as the Company's CFO.

The Company further announced on November 17, 2025, that, following an extensive global search, the Board of Directors has appointed Mikko Keto as the Company's CEO. He will assume office on March 1, 2026.

The Group Executive Board comprised the following members on December 31, 2025:

Name	Nationality	Position
Ann-Kristin Erkens	German	Interim CEO and CFO
Fabio Grazioli	Italian	CSO
Gavin Steiner	Swiss and South African	CTO
Christoph Wegener	German	CMO
Abdelghany Eladib	Egyptian	President and General Manager IMEA
Angela Lu	Singaporean	President and General Manager Asia Pacific
José Matthijsse	Dutch	President and General Manager Europe
Ricardo Rodríguez	Brazilian and Spanish	President and General Manager Americas

The biographies on the following pages provide information about the Group Executive Board members in office on December 31, 2025.

Ann-Kristin Erkens is a German citizen and joined SIG in November 2023 as CFO. Additionally, she has served as interim CEO since August 2025. Ms. Erkens has also served as a member of the supervisory board of Schott Pharma AG & Co KGaA (since 2023). Prior to that, Ms. Erkens spent 21 years at Henkel AG & Co KGaA (from 2002 to 2023), where she held various roles. In addition to her role as financial director of adhesives technologies, she was responsible for global operations and supply chain adhesive technologies with more than 100 factories worldwide (from 2019 to 2023, and for the Europe region as of 2023). Prior to that, she served as financial commercial director for the packaging adhesives business for the India, Middle East, and Africa region. Within the broader Henkel Group, she previously served as corporate director of group strategy. Ms. Erkens holds a degree in business management and industrial engineering from the University of Applied Sciences, Wedel, Germany, and an MSc in operations management from the University of Buckingham, UK.

Fabio Grazioli is an Italian citizen and joined SIG in November 2024 as CSO. Prior to joining the Company, Mr. Grazioli served as vice president supply chain, procurement, E2E cost leadership and CTO – EMEA at Haier Group (from 2022 to 2024). Before that, he gained over a decade of experience in the home appliances sector, having held various senior leadership roles at BSH Home Appliances (Bosch) (from 2018 to 2022) and at Whirlpool (from 2012 to 2018). Before that, Mr. Grazioli gained experience at Otis Elevator (from 2004 to 2012) and at SC Johnson (from 2002 to 2004). Mr. Grazioli holds a degree in management and production engineering from Politecnico di Milano, Italy.

Gavin Steiner is a Swiss and South African citizen and joined SIG in 2023 as CTO. Prior to joining the Company, Mr. Steiner spent 28 years at Nestlé, where he served as vice president global R&D packaging and technology (from 2018 to 2023). Before that, he served as operations and technical director for the Eastern Southern Africa region, global confectionary R&D manager and operations director for South Korea. Mr. Steiner has many years of international experience in senior R&D, production and innovation roles covering a wide range of food quality and safety systems. Mr. Steiner holds a BSc in microbiology and biochemistry from the University of Natal, South Africa, and an Executive MBA from IMD Lausanne, Switzerland.

Christoph Wegener is a German citizen and has served as Chief Markets Officer since 2023. Before his current role, he held various other positions within SIG, including Senior Vice President Commercial (from 2022 to 2023), Chief Markets Officer Middle East and Africa (from 2018 to 2021), and Head of Global Sales and Business Development (from 2015 to 2018). Prior to joining the Company, Mr. Wegener worked as principal at The Boston Consulting Group, Germany (from 2007 to 2015). Mr. Wegener holds a BSc in business informatics from the University of Rostock, Germany, and a Master's in business administration from the University of Oxford, UK.

Abdelghany Eladib is an Egyptian citizen and has served as President and General Manager IMEA since 2023. Before his current role, he held various other positions within SIG, including President and General Manager Middle East and Africa (from 2021 to 2023) and Chief Operating Officer in the SIG Combibloc Obeikan joint venture companies (from 2017 to 2021). Prior to joining the Company, Mr. Eladib held various positions at Procter & Gamble (from 1992 to 2006) and gained experience at other leading FMCG companies in the region. He holds a BSc in mechanical engineering and an MBA from ESLSCA University, Egypt, as well as various degrees in digital transformation from MIT, USA, and a diploma in strategic management from the Jack Welsh Institute, USA.

Angela Lu is a Singaporean citizen and has served as President and General Manager Asia Pacific since 2023. Ms. Lu previously served as President and General Manager Asia-Pacific South at SIG (from 2022 to 2023). Prior to joining the Company, Ms. Lu served as group chief growth officer at Yeo Hiap Seng (from 2020 to 2021). She further spent more than ten years at Nestlé, where she held various leadership positions in Switzerland and several Asia Pacific key markets, including Singapore, Thailand, China, and Australia (from 2007 to 2011, and again from 2014 to 2020). Ms. Lu also gained experience in leading multinational FMCG companies, including The Coca-Cola Company (from 2011 to 2014), Fonterra (from 2006 to 2007), and Gillette (from 1999 to 2005). Ms. Lu holds a Bachelor's in industrial management engineering (marketing) from Tongji University, China, and an MBA from Nanyang Technological University, Singapore.

José Matthijsse is a Dutch citizen and has held the position of President and General Manager Europe since 2021. She has further served as a member of the board of Vreugdenhil Dairy Food (since 2021). Previously, Ms. Matthijsse gained considerable experience in the food and beverage industry, having held senior and general management positions at FrieslandCampina (from 2018 to 2021) and Heineken (from 2003 to 2018) in a number of countries in Europe, the Americas and Africa. Ms. Matthijsse holds a Master's in food science technology from Wageningen Agricultural University, the Netherlands.

Ricardo Rodríguez is a Brazilian and Spanish citizen and has served as President and General Manager Americas since 2015. Mr. Rodríguez joined SIG in 2003 and previously served as Director and General Manager, South America, and Technical Service Director, South America. Prior to joining the Company, Mr. Rodríguez held several roles at Tetra Pak (from 1994 to 2003), including general manager of the Belo Horizonte branch, key account manager and technical service manager. He holds a BSc in aeronautical/mechanical engineering from the Technological Institute of Aeronautics, Brazil, and an MBA from the Getúlio Vargas Foundation, Brazil. Furthermore, Mr. Rodríguez completed an executive extension course at IMD Lausanne, Switzerland.

8.2 Number of permissible activities

In the interest of good governance, art. 28 para. 2 of the Articles of Association limits the number of outside mandates of the members of the Group Executive Board as follows:

i. one mandate in listed firms;[1] and
ii. up to five mandates in non-listed firms.

Such a mandate is deemed to be any activity in senior governing or administrative bodies of legal entities that are required to register in the commercial register or any comparable foreign register, other than the Company and any entity controlled by or controlling the Company. The Board of Directors shall ensure that such activities do not conflict with the exercise of their duties for the Group. Functions in various legal entities that are under joint control, or in entities in which this legal entity has a material interest, are counted as one function.

8.3 Management contracts

The Company has not entered into any management contracts with persons outside the Group for the delegation of executive management tasks.

9 Compensation, shareholdings and loans

All details of compensation, shareholdings and loans are listed in the **Compensation Report** →.

10 Shareholders' rights of participation

10.1 Restrictions of voting rights and representation

Each share that is entered in the share register entitles the shareholder to one vote. The voting rights may be exercised only after a shareholder has been registered in the Company's share register as a shareholder with voting rights up to a specific qualifying day (record date) designated by the Board of Directors. On application, persons acquiring shares are entered in the share register as shareholders with voting rights without limitations, provided they expressly declare that they have acquired the shares in their own name and for their own account and that they comply with the disclosure requirement stipulated by the FMIA. Entry in the share register of registered shares with voting rights is subject to the approval of the Company.

Entry may be refused based on the grounds set forth in art. 7 paras. 3, 4, 5 and 6 of the Articles of Association. The respective rules have been described in Section 2.6 "Limitations on transferability and nominee registrations" of this Corporate Governance Report. If the Company does not refuse to register the applicant acquirer as a shareholder with voting rights within 20 calendar days on receipt of the application, the acquirer is deemed to be a shareholder with voting rights. Acquirers who are not eligible for registration are entered in the share register as shareholders without voting rights. The corresponding shares are considered as not represented at the shareholders' meeting. A revocation of the statutory restrictions of voting rights requires the approval of a simple majority of votes cast, regardless of the number of shareholders present or shares represented. Abstentions and invalid votes do not count as votes cast.

The rights of shareholders to participate in shareholders' meetings comply with legal requirements and the Articles of Association (https://www.sig.biz/investors/en/governance/articles-of-association). Every shareholder may personally participate in the shareholders' meetings and cast their vote(s), or be represented by a proxy appointed in writing, who need not be a shareholder, or be represented by the independent proxy. Shareholders may issue their power of attorney and instructions to the independent proxy by post or electronically. The independent proxy is obligated to exercise the voting rights that are delegated to them by shareholders according to their instructions. Should they have received no instructions, they shall abstain from voting.

On an annual basis, the Annual General Meeting elects the independent proxy with the right of substitution. Their term of office terminates at the conclusion of the next Annual General Meeting. Re-election is possible. Should the Company have no independent proxy, the Board of Directors shall appoint an independent proxy for the next Annual General Meeting.

1 Pursuant to art. 727 para. 1 number 1 CO.

10.2 Quorum requirements

Unless a qualified majority is stipulated by law or the Articles of Association, the Annual General Meeting makes its decisions based on the relative majority of valid votes cast, regardless of the number of shareholders present or shares represented. Resolutions require the approval of a simple majority of votes represented.

10.3 Convening the Annual General Meeting

The Annual General Meeting is convened by the Board of Directors or, if necessary, by the Company's independent auditors. Extraordinary shareholders' meetings may be held when deemed necessary by the Board of Directors or the Company's auditors. Liquidators may also call a shareholders' meeting. Furthermore, extraordinary shareholders' meetings must be convened if resolved at a shareholders' meeting or upon written request by one or more shareholder(s) representing in aggregate at least 5% of the Company's share capital or votes.

Shareholders' meetings are convened by publication in the Swiss Official Gazette of Commerce (*Schweizerisches Handelsamtsblatt*) at least 20 days prior to the date of the meeting. Such publication and letters of invitation must indicate the date, time and venue of the meeting, the items on the agenda, and the wording of any motions proposed by the Board of Directors or by shareholders who have requested the convening of a shareholders' meeting or the inclusion of an item on the meeting's agenda.

10.4 Inclusion of agenda items

The Board of Directors is responsible for specifying the agenda. Registered shareholders with voting rights individually or jointly representing at least 0.5% of the Company's share capital or votes may request that an item be placed on the agenda of a shareholders' meeting of the Company, provided they submit details thereof to the Company in writing at least 45 calendar days in advance of the shareholders' meeting concerned. If an explanatory statement is to be included in the notice of meeting, it must be submitted within the same period and be brief, clear and concise.

10.5 Registration in the share register

Only shareholders who are registered in the share register as shareholders with voting rights on a specific qualifying day (record date) designated by the Board of Directors are entitled to attend a shareholders' meeting and to exercise their voting rights. In the absence of a record date designated by the Board of Directors, the record date shall be ten days prior to the shareholders' meeting.

11 Change of control and defense measures

11.1 Duty to make an offer

The Company does not have a provision on opting out or opting up in its Articles of Association. Thus, the provisions regarding the legally prescribed threshold of $33^1/_3$% of the voting rights for making a public takeover offer set out in art. 135 para. 1 FMIA are applicable.

11.2 Change of control clauses

There are no change of control provisions in favor of any member of the Board of Directors and/or the Group Executive Board and/or other management personnel. However, in the event of a change of control, restricted share units, performance share units and shares subject to transfer restrictions or vesting periods granted to members of the Board and the Group Executive Board may be subject to accelerated vesting or early lifting of restrictions under the applicable plans.[1]

12 Auditors

12.1 Duration of the mandate and term of office of the auditor in charge

The auditors are elected annually at the Annual General Meeting for a term of one year. The grounds for selection of external auditors are customary criteria such as independence, quality, reputation, and cost of services. PricewaterhouseCoopers AG, St. Jakobstrasse 25, 4002 Basel, Switzerland ("**PwC**"), have been the statutory auditors of the Company since its relocation from Luxembourg to Switzerland on September 27, 2018 and were re-elected at the AGM in 2025. Prior to the Company's relocation, the independent registered auditors (*réviseur d'entreprises agréé*) of SIG Group AG (formerly SIG Combibloc Group AG and, before that, SIG Combibloc Group Holdings S.à r.l.) were PricewaterhouseCoopers, *Société cooperative*, Luxembourg, who had been the independent registered auditors of the Company since the period ended December 31, 2015. The main Group companies are also audited by PwC.

Joanne Burgener (audit expert) as auditor-in-charge has been responsible for auditing the financial statements of the Company as well as the consolidated financial statements of the Group since July 24, 2024. The lead auditor has to rotate every seven years in accordance with Swiss law.

1 For further information on compensation with respect to a change of control, please refer to the Compensation Report.

12.2 Fees

The fees charged by PwC as the auditors of the Company and of the Group companies audited by it, as well as its fees for audit-related and additional services, are as follows:

in CHF 1,000	2025
Audit	2,347
Audit-related services	53
Tax and other services (primarily consisting of tax consultancy and support, and sustainability-related support)	256
Total	**2,656**

12.3 Informational instruments pertaining to the auditors

The Board exercises its responsibilities for supervision and control of the external auditors through the Audit and Risk Committee. The Audit and Risk Committee assesses the professional qualifications, independence, quality, and expertise of the auditors as well as the fees paid to them each year and prepares an annual appraisal. It recommends to the Board proposals for the shareholders' meeting regarding the election or dismissal of the Company's independent auditors. The assessment of the performance of the external auditors is based on key criteria, such as efficiency in the audit process, validity of the priorities addressed in the audit, objectivity, scope of the audit focus, quality and results of the audit reports, resources used, and the overall communication and coordination with the Audit and Risk Committee and the Group Executive Board, as well as the audit fees. The Audit and Risk Committee further coordinates cooperation between the external auditors and the internal auditors.

Prior to the audit, the auditors agree the proposed audit plan and scope, approach, staffing and fees of the audit with the Audit and Risk Committee. Special assignments from the Board of Directors are also included in the scope of the audit.

PwC presents to the Audit and Risk Committee, on an annual basis, a comprehensive report on the results of the audit of the consolidated financial statements, the findings on significant accounting and reporting matters, and findings on the internal control system, including any significant changes in the Company's accounting principles, the selection and disclosure of significant accounting estimates, and the effect of alternative assumptions, estimates or accounting principles on the Company's financial statements as well as the status of findings and recommendations from previous audits. The results and findings of this report are discussed in detail with the CFO and the Audit and Risk Committee, with representatives of the auditor explaining their activities and responding to questions. The Audit and Risk Committee also monitors whether and how the Group Executive Board implements measures based on the auditor's findings.

Each year, the Audit and Risk Committee evaluates the effectiveness of the external audit, performance, fees, and independence of the auditors and the audit strategy. The Board of Directors discusses and reviews the scope of the audits and the resulting reports. On this basis, it decides on any changes or improvements to be made. Representatives of the auditor attend individual meetings or individual agenda items of meetings of the Audit and Risk Committee. There is also regular contact between the auditors, the Group Executive Board and the Audit and Risk Committee outside of meetings. PwC as external auditor of the Group partially attended the five ordinary meetings of the Audit and Risk Committee in 2025 at which they discussed, amongst other topics, the scope and certain results of the audit and reviews.

Additional services or consulting assignments are delegated to the auditors only if they are permitted by law and the auditor's code of independence. The auditors are required to confirm that their performance of these additional services will not affect the independence of their auditing mandate. The Audit and Risk Committee pre-approves all permitted non-audit services performed by the auditors and reviews the compatibility of non-audit services performed by them with their independence requirements. This procedure is aimed at ensuring PwC's independence in its capacity as auditors to the Group. PwC monitors its independence throughout the year and confirms its independence to the Audit and Risk Committee annually.

13 Information policy

The Group is committed to communicating in a timely and transparent way to shareholders, potential investors, financial analysts, and customers. To this end, the Board of Directors takes an active interest in fostering good relations and engagement with shareholders and other stakeholders. In addition, the Company complies with its obligations under the rules of SIX Swiss Exchange, including the requirements on the dissemination of material and price-sensitive information.

The Group publishes an annual report that provides audited consolidated financial statements, audited financial statements and information about the Company, including the business results, strategy, products and services, corporate governance, corporate responsibility, and executive compensation. The annual report is published within four months of the December 31 balance sheet date. The annual results are also summarized in the form of a press release. In addition, the Company releases results for the first half of each year within three months of the June 30 balance sheet date. The published half-year and annual consolidated financial statements comply with the requirements of Swiss company law, the listing rules of SIX Swiss Exchange and IFRS. Furthermore, the Group publishes trading statements for the first and third quarters in the form of a press release. The quarterly press releases contain unaudited financial information prepared in accordance with IFRS.

The Company's annual report, half-year report and quarterly releases are distributed pursuant to the rules and regulations of SIX Swiss Exchange and are announced via press releases and investor conferences in person or via telephone. An archive containing annual reports, half-year reports, quarterly releases and related presentations can be found at https://investor.sig.biz.

The CEO, CFO and Investor Relations are responsible for communicating with investors and representatives of the financial community, media and other stakeholders. In addition to the publication of results and the Annual General Meeting, the Company also regularly participates in country or sector (non-deal) conferences. Whenever possible and appropriate, meetings with investors are organized via video conferencing technology to reduce carbon emissions and travel costs. In between, however, physical meetings are also held at the investors' premises (roadshow) or at the Group's headquarters. An overview of upcoming events as well as a list of bank analysts covering the share and consensus figures can be found on the Company's website.

The corporate responsibility section of the annual report is prepared in accordance with the reporting on non-financial matters according to art. 964a et. seq. CO. An archive containing the corporate responsibility reports that have been prepared in previous years can be found at https://www.sig.biz/en/sustainability/cr-reports.

The Group reports in accordance with the disclosure requirements of art. 124 FMIA and the ad hoc publication requirements of art. 53 of the listing rules of SIX Swiss Exchange. At https://www.sig.biz/en/investors/contact, interested parties can register for the free Company email distribution list to receive direct, up-to-date information at the time of any potentially price-sensitive event (ad hoc announcements). Ad hoc announcements may be viewed at https://www.sig.biz/investors/en/news-events/media-releases at the time of notification to SIX Swiss Exchange and for three years thereafter.

Notices to shareholders are made by publication in the Swiss Official Gazette of Commerce (*Schweizerisches Handelsamtsblatt*). To the extent the Company communicates to its shareholders by mail, such communications will be sent by ordinary mail to the recipient and address recorded in the share register or in such other form as the Board of Directors deems fit.

14 General blackout periods

All directors, officers and employees of any Group company are subject to general blackout periods between the last day of the period for which financial performance data for public release are established and the close of trading on SIX Swiss Exchange one trading day after the public release of the financial performance data for such period. During general blackout periods, these persons are prohibited from trading in any shares of the Company and in any option or conversion rights or any other financial instruments whose price is materially dependent (meaning a degree of more than 33%) on the shares of the Company (together the "**Relevant Securities**").

Furthermore, members of the Board of Directors, the Group Executive Board as well as certain employees of the Group notified by the Group General Counsel may only make transactions in Relevant Securities during designated trading windows, subject to pre-clearance by the Group General Counsel. The opening and closing of a trading window are determined by the CEO in consultation with the CFO and the Group General Counsel.

Any exception to the aforementioned rules must be cleared through the Group General Counsel. No such exemption was granted in the reporting year.

15 Significant changes since December 31, 2025

As part of regular Board succession planning, Werner Bauer, who has been a member of the Board since the IPO, has decided not to stand for re-election at the Annual General Meeting 2026.

The Board of Directors decided to discontinue the Technology and Innovation Committee as of the Annual General Meeting 2026. The respective tasks and responsibilities will be assumed by the entire Board of Directors.

The Company's website:

https://www.sig.biz

Ad hoc messages (pull system):

https://www.sig.biz/investors/en/news-events/media-releases

Subscription for ad hoc announcements (push system):

https://www.sig.biz/investors/en/contact

Financial reports:

https://www.sig.biz/en/investors/results-reports-presentations

Corporate responsibility reports:

https://www.sig.biz/en/sustainability/cr-reports

Corporate calendar:

https://www.sig.biz/en/investors/news-events

Contact address:

The SIG Group Investor Relations Department can be contacted through the website or by telephone, email, or letter.

SIG Group AG
Attn. Ann-Kristin Erkens
Laufengasse 18
8212 Neuhausen am Rheinfall
Switzerland
+41 52 543 1208
investor.relations@sig.biz

Financial calendar

The important dates for 2026 include:

Publication of 2025 full-year results and date of earnings call	March 3, 2026
Annual General Meeting 2026	April 16, 2026
Publication of Q1 2026 trading statement	April 28, 2026
Publication of 2026 half-year report	July 28, 2026
Publication of Q3 2026 trading statement	October 27, 2026

Compensation

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Letter from the Chair of the Compensation Committee

On behalf of the Board of Directors and the Compensation Committee, I am pleased to introduce the Compensation Report of SIG Group AG ("SIG" or the "Company") for the year ended December 31, 2025. This report on compensation complements our business, financial, social responsibility and corporate governance reports, and describes SIG's compensation system and its governance.

The principles guiding SIG's compensation framework are to attract, engage and retain executives and employees, to drive sustainable performance and to encourage behaviors that are in line with SIG's values as well as with the long-term interests of shareholders and other relevant stakeholders. The Compensation Committee regularly assesses, reviews and develops the compensation framework to ensure that it is aligned with these principles.

Key outcomes of the 2025 Annual General Meeting
I would like to thank you for the very positive vote on the 2024 Compensation Report. The approval rate of more than 90% is a clear acknowledgement of the high level of transparency of the report as well as of the strong and solid compensation structure. As part of its yearly duties, the Compensation Committee reviews and updates the compensation framework to foster sustainable performance, taking market trends and insights into account for future improvements.

Shareholder engagement and general design adjustments
A recurring topic from the shareholder outreach is the ESG component in the variable compensation which was further reassessed by the Compensation Committee in the course of 2025. A strong focus on ESG matters is integral to SIG's business strategy and activities, and the compensation framework has for some years included a sustainability metric linked to our EcoVadis score. This score reflects SIG's policies, actions and results based on a tailored risk profile for SIG's sector. Performance is assessed and rated in the areas of environment including climate change and greenhouse gas emission reductions along the value chain, labor and human rights, ethics and sustainable procurement, and encompasses a comprehensive view on ESG matters with relevance for all SIG stakeholders. The Compensation Committee decided to keep the ESG KPI with the EcoVadis score as a part of our Short-Term Incentive Plan. This rating reflects the broad scope of overarching ESG activities of the Company and requires reaching high performance levels to enable our leading position.

Furthermore, the Compensation Committee regularly reviews and adjusts the general principles, elements and processes to ensure they remain appropriate for SIG. In this context the Compensation Committee has implemented the following changes, which became effective in 2025:

- For the Short-Term Incentive Plan, as announced in the 2024 Compensation Report, the adjusted EBITDA target at global and regional level has been replaced by adjusted EBIT and adjusted EBIT margin. The change in the KPI reflects an increased focus on return on assets and represents a more meaningful indicator for assessing operating performance in relation to the investments made. For the Long-Term Incentive Plan, the Compensation Committee discussed in detail the performance share unit framework and decided to keep the strong external focus (50% relative TSR) of this incentive scheme unchanged and to review the design principles for the 2026 grant.
- The SPI® ICB Industry 2000 "Industrials" Total Return, used for the relative TSR calculation, was discontinued by the provider in December 2024. The Compensation Committee discussed alternative measurements and methodologies and concluded that an index-based measurement continued to be appropriate for the 2025 grant and that the SMI MID (SMIM) Total Return shall be used.

Specific considerations for 2025
In light of prevailing soft market conditions in 2025 and latest market outlook, the Board of Directors initiated a strategic review, to reassess the Group's medium-term positioning. The review reaffirmed SIG's core positioning and long-term ambitions in sustainable aseptic system solutions and resulted in an updated outlook communicated in September 2025. Reflecting the revised growth assumptions and the outcome of the strategic review, the Group recognized impairment losses and other non-recurring charges in the second half of 2025. As a result, all financial KPIs for the full year were below target. In determining the 2025 Short-Term Incentive outcome, the Board of Directors carefully considered the overall SIG performance, including management's response to the challenging environment and the implementation of strategic priorities. Any payout to members of the Group Executive Board will therefore be determined on a discretionary basis. For more details about the performance assessment and the payout, please refer to the respective section in this Compensation Report.

In addition, in the context of the ongoing transformation and recent leadership changes, the Compensation Committee initiated a one-time Leadership Continuity Plan. The purpose of this equity-based award is to reinforce stability within the core leadership team including the Group Executive Board during a period of strategic repositioning and to support the consistent execution of the Company's long-term strategic priorities. The award is designed to align management with sustainable value creation and to mitigate retention risks in critical leadership roles during this transitional phase. For details about the Leadership Continuity Plan, please refer to the respective section in this Compensation Report.

Upcoming 2026 Annual General Meeting
At the upcoming Annual General Meeting, we will ask our shareholders to approve prospectively, in binding votes, the maximum aggregate amount of compensation for the Board of Directors until the next Annual General Meeting in 2027 and the maximum aggregate amount of compensation for the Group Executive Board for the year 2027. Furthermore, this Compensation Report will be submitted to shareholders for a non-binding, consultative vote.

We believe that this report provides a comprehensive overview of SIG's compensation philosophy and approach. We are convinced that our remuneration system rewards performance in a balanced and sustainable manner that is well aligned with the interests of shareholders and other relevant stakeholders and equips SIG with effective tools in a competitive work environment.

On behalf of SIG, the Compensation Committee and the entire Board of Directors, I would like to thank you, our shareholders, for your contribution and for your continued trust in SIG.

Werner Bauer
Chair of the Compensation Committee
Neuhausen am Rheinfall, December 31, 2025

Information marked with the check mark ✓ has been audited by PricewaterhouseCoopers AG.

Introduction

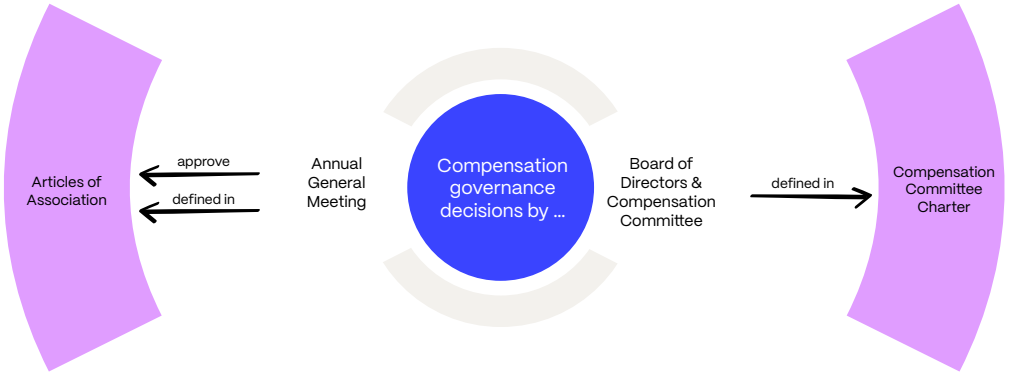
This Compensation Report has been prepared in compliance with Swiss laws and regulations. The report is in line with the relevant section of the Swiss Code of Obligations ("Obligationenrecht"), particularly articles 734–734f, and the SIX Directive on Information relating to Corporate Governance. It also takes into account the recommendations set out in the Swiss Code of Best Practice for Corporate Governance published by economiesuisse.

The Compensation Report contains the following information:

- A description of the compensation governance and compensation framework at SIG
- The compensation of the members of the Board of Directors ("Board") for 2025
- The compensation of the Group Executive Board ("GEB") for 2025

Compensation governance

Figure 1: Compensation governance at SIG.



The compensation governance structure at SIG involves three primary bodies, as depicted in Figure 1: (1) the Board, (2) the Compensation Committee, acting in an advisory capacity for the Board, and (3) SIG's shareholders at the Annual General Meeting ("AGM"). The Compensation Committee Charter and the Articles of Association outline and define the roles and responsibilities of these bodies. Figure 2 shows the most relevant provisions on compensation in the Articles of Association.

Figure 2: Relevant provisions on compensation in the Articles of Association of SIG.

Principles for the compensation of the members of the Board and the Group Executive Board **(art. 24 to 26)**	Members of the Board of Directors receive fixed compensation, while members of the Group Executive Board receive fixed and variable compensation. The variable compensation may include short-term and long-term variable compensation components. These are governed by quantitative and qualitative performance criteria that take into account the performance of the Company and the group and/or operating units thereof, and/or individual targets.
Compensation approvals by the General Meeting **(art. 27)**	The AGM has the authority to approve the maximum aggregate amount of compensation for the Board of Directors for the ensuing term of office and the maximum aggregate amount of compensation for the Group Executive Board for the following year.
Supplementary amounts available for members joining the Group Executive Board after the relevant approval of compensation by the AGM **(art. 27, para. 4)**	SIG is authorized to pay compensation to such members of the Group Executive Board without further approval even in excess of the maximum aggregate amount approved by the AGM for the relevant year, provided that the sum of such excess amount is not greater than 40% of the approved maximum aggregate amount of compensation for the Group Executive Board for such year.
Rules on loans, credit facilities and post-employment benefits **(art. 29, para. 2)**	SIG may enter into compensated non-competition agreements with members of the Group Executive Board with a duration of up to 18 months after termination of the employment.
Retirement benefits **(art. 30)**	SIG may establish or join one or more independent pension funds for occupational pension benefits. Instead, or in addition, SIG may directly offer retirement benefits (such as pensions, purchase of healthcare insurances, etc.) outside of the scope of occupational pension benefit regulations to members of the Group Executive Board and may pay them out after retirement.

The Articles of Association can be found on the SIG home page for investors: https://www.sig.biz/investors/en/governance/articles-of-association, or downloaded directly here: https://api.sig.biz/media/e33d0ovl/sig-group-ag-articles-of-association.pdf

The roles of the AGM and the Compensation Committee are described in more detail in the following paragraphs. The general split and delegation of responsibilities and authorities between the Board, the Compensation Committee and the AGM is illustrated in Figure 3.

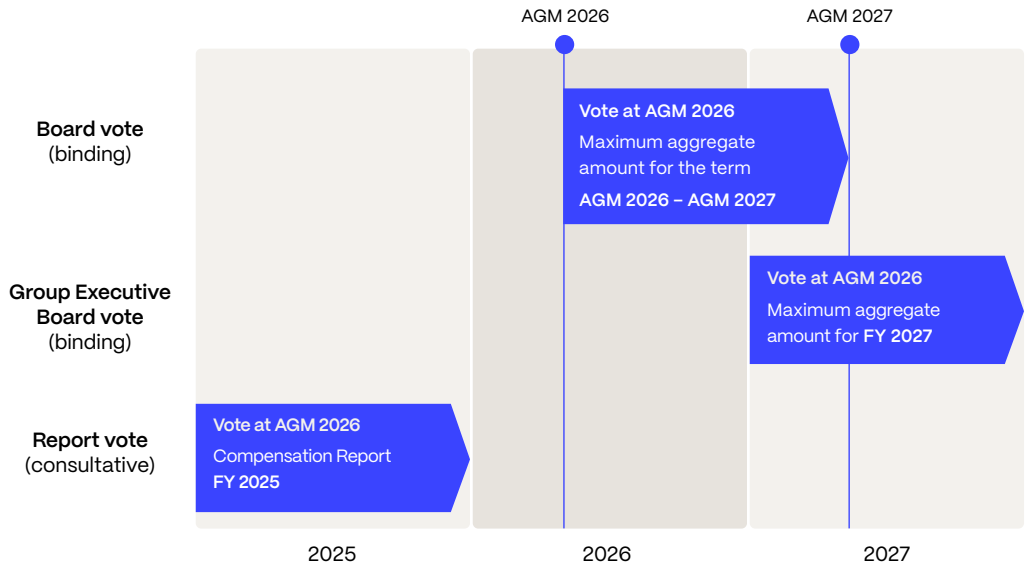
Figure 3: Authority table regarding compensation.

	CEO	Compensation Committee	Board of Directors	AGM
Compensation principles (Articles of Association)			Approval (subject to AGM approval)	Approval (in case of changes, binding vote)
Compensation strategy and guidelines		Proposal	Approval	
Key terms of compensation plans and programs for members of the Board of Directors and Group Executive Board		Proposal	Approval	
Maximum aggregate compensation for members of the Board of Directors		Proposal	Approval (subject to AGM approval)	Approval (binding vote)
Maximum aggregate compensation and benefits for members of the Group Executive Board		Proposal	Approval (subject to AGM approval)	Approval (binding vote)
Employment and termination agreements for the CEO		Proposal	Approval	
Employment and termination agreements for members of the Group Executive Board, other than the CEO	Proposal	Review	Approval	
Compensation Report		Proposal	Approval	Approval (consultative vote)
Individual total compensation of the CEO		Proposal	Approval	
Individual total compensation of other members of the Group Executive Board, other than the CEO	Proposal	Review	Approval	

Role of the shareholders – shareholder engagement

In line with SIG's Articles of Association, particularly Art. 11 and Art. 27, the Board will submit three separate compensation-related resolutions for shareholder approval at the AGM in April 2026, as illustrated in Figure 4:

Figure 4: Overview of votes at the 2026 AGM.



Board of Directors and Executive Management
The Corporate Governance report provides a detailed overview of the composition of the Board of Directors as well as the Group Executive Board, including biographies of the current members.

Composition of the Compensation Committee
The Compensation Committee consists of three independent, non-executive Board members who are elected annually and individually by the Annual General Meeting for a one-year term until the following Annual General Meeting.

At the Annual General Meeting 2025, Werner Bauer was re-elected and the Board of Directors confirmed him to be the Chair of the Compensation Committee for the term from the AGM 2025 to the AGM 2026. Wah-Hui Chu and Matthias Währen did not stand for re-election as members of the Compensation Committee. Their seats in the Compensation Committee have been taken over by Niren Chaudhary and Urs Riedener, who were elected as new members of the Compensation Committee by the Annual General Meeting 2025.

Role of the Compensation Committee and activities during 2025
The main role of the Compensation Committee is to assist the Board in fulfilling its responsibilities relating to the compensation of the members of the Board and the Group Executive Board of SIG. The Compensation Committee supports the Board in discharging its duties; proposes guidelines regarding the compensation of the members of the Board, the Chief Executive Officer ("CEO") and the other members of the Group Executive Board; proposes the maximum aggregate amounts of compensation to be submitted to the Annual General Meeting for approval; and assists the Board in preparing the related motions for the Annual General Meeting.

The Compensation Committee Chair ensures that the Board members are kept informed in a timely and appropriate manner of all material matters within the Compensation Committee's area of responsibility.

The Compensation Committee Chair convenes the meetings of the Compensation Committee as often as the business affairs of SIG require, but at least three times a year. In 2025, the Compensation Committee held eleven meetings. Some of the meetings were held as video conferences or hybrid meetings. All meetings in 2025 had full attendance by all members of the Compensation Committee. The topics covered in the meetings are described in Figure 5. The Corporate Governance Report provides a detailed overview of the timing of the meetings.

Figure 5: Topics covered by the Compensation Committee in 2025.

Agenda Item	Jan.	Feb.	Apr.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
Principles and design of compensation plans									
Market intelligence (recent developments in compensation, legal, governance landscapes)				●					
Review of general target framework for Short-Term Incentive and Long-Term Incentive Plan				●					
Short-Term Incentive Plan									
Definition of framework and KPI measures for 2026						●			●
Long-Term Incentive Plan									
Review of KPI definition for PSU grant 2025	●	●							
General review of LTIP designs						●			●
Review and update of: – Performance Share Unit Plan Regulations – Compensation Committee Charter		● ●							
Compensation Group Executive Board									
Short-Term Incentive Plan – Target achievement 2024 – Target setting 2025 – Target achievement 2025	 ● 	● ● 				 ●			 ●
Long-Term Incentive Plan – Recommendation of plan participants and target setting for grant 2025 – Plan 2022–2025: target achievement and vesting multiple		 ● ●	 ●						
Review of compensation for members of the Group Executive Board	●	●							
Review of compensation principle, design and composition for the Group Executive Board				●		●			
Employment matters related to succession planning							●	●	
One-time Leadership Continuity Plan					●	●			
Compensation Board of Directors									
Review of compensation for members of the Board of Directors	●	●							
General Framework									
Shareholding Guidelines Assessment	●								
Pay equity roadmap – status update									●
Communication									
AGM invitation, including determination of the maximum amounts of compensation for the Board of Directors (for the term AGM 2025 to AGM 2026) and the Group Executive Board (year 2026)		●							
Analysis of the compensation voting results of the AGM and the proxy advisors' feedback				●					
Compensation Report	●	●							●

A performance review of the Board, the Committees and the Group Executive Board was conducted by the Nomination and Governance Committee during 2025, with some members of the Compensation Committee in attendance to ensure close coordination.

The Compensation Committee may ask members of the Group Executive Board, one or more senior managers in the People & Culture function and third parties to attend meetings in an advisory capacity and may provide them with appropriate information. However, the Compensation Committee also regularly holds private sessions (i.e. without the presence of members of the Group Executive Board, senior managers or third parties). Further, all members of the Board may attend any Compensation Committee meeting as guests. The Chair of the Board and the members of the Group Executive Board did not attend the meeting when their own compensation and/or performance was discussed. The Chair of the Compensation Committee reported to the Board after each meeting on the substance of the meeting and explained the proposals of the Compensation Committee to the Board. The documents and minutes of Compensation Committee meetings are available to all members of the Board.

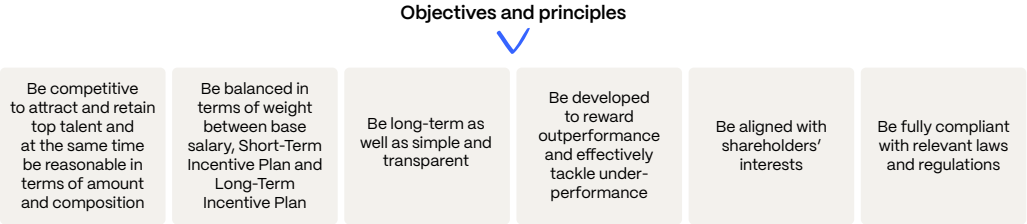
The Compensation Committee may decide to consult external advisers on specific compensation matters. In 2025, the Compensation Committee appointed HCM International Ltd. ("HCM") as an external independent adviser on certain compensation matters including on target setting for the Long-Term Incentive Plan, as described in the section Long-Term Incentive Plan. Furthermore, Algofin AG ("Algofin") was engaged in numerous design and valuation matters with regard to the relative TSR for the Long-Term Incentive Plan. Apart from the aforementioned advice, HCM or Algofin were not appointed for any other mandates in 2025.

Shareholder engagement
A recurring topic from the shareholder outreach is the ESG component in the variable compensation which was further reviewed by the Compensation Committee in the course of 2025. A strong focus on ESG matters is integral to SIG's business strategy and activities, and the compensation framework has for some years included a sustainability metric linked to our EcoVadis score[1]. This score reflects SIG's performance in the areas of environment including climate change and greenhouse gas emission reductions along the value chain, labor and human rights, ethics and sustainable procurement, and encompasses a comprehensive view on ESG matters with relevance for all SIG stakeholders. The Compensation Committee decided to keep the ESG KPI with the EcoVadis score as part of our STIP. This rating reflects the broad scope of overarching ESG activities of the Company and requires reaching high performance levels to enable the leading position.

Compensation principles

The compensation framework of SIG reflects the commitment to attract, engage and retain top talent globally and to align the interests of SIG leaders with those of shareholders. SIG's overall compensation framework is long-term in nature and designed to reward outperformance and effectively address underperformance, with performance defined relative to targets and, in some cases, relative to peers. SIG endeavors to make its compensation principles simple and transparent for the benefit of shareholders, Board and management. The compensation principles are illustrated in Figure 6.

Figure 6: SIG compensation framework, objectives and principles.



To evaluate SIG's compensation system in terms of both internal equity and external competitiveness, remuneration is periodically benchmarked against comparable positions in similar organizations. The Compensation Committee uses such analysis to regularly review the composition, level and structure of the approach to compensation for the Board and the Group Executive Board.

For the Board of Directors, the peer group for the benchmarking consists of the constituents of the SMI MID Index[2] (SMIM as of September 30, 2023). For the Group Executive Board, a broader industry-related Swiss and European peer group[3] has been considered by applying the defined principles and considering SIG's positioning at the median of the peer group.

1 EcoVadis is regarded as a global leader in business sustainability assessments and has rated over 150,000 companies (https://ecovadis.com/). For further information on the EcoVadis Medals and methodology, please start at SIG's recognition page https://recognition.ecovadis.com/CZvKdybObUqy8pIBfhc1AQ. SIG chose to use the EcoVadis aggregated score methodology, rather than selected KPIs, as it reflects the impact of all ESG-related KPIs and the sustainability approach related to implemented policies, actions and results. The SIG-specific KPIs influencing the score are aligned with strategic priorities across the value chain and operations. In the value chain, examples include reducing greenhouse gas emissions in line with climate science for Scope 1, 2 and 3 emissions and maintaining high standards of responsible sourcing for key commodities. Within the operations, KPIs include sustaining 100% renewable electricity usage and reducing lost-time injury cases. For People and Culture, they encompass metrics such as increasing diversity in leadership positions and employee training programs.
2 The peer group used for the compensation benchmarking analysis of the Board, conducted in 2023, consisted of the following SMI MID (SMIM) companies: Adecco Group AG; ams-OSRAM AG; Bachem Holding AG; Baloise Holding AG; Barry Callebaut AG; BELIMO Holding AG; BKW AG; Ch. Lindt & Sprüngli AG; Clariant AG; Avolta AG (former Dufry AG); EMS-CHEMIE Holding AG; Flughafen Zürich AG; Galenica AG; Georg Fischer AG; Helvetia Holding AG; Julius Bär Gruppe AG; Meyer Burger Technology AG; PSP Swiss Property AG; Schindler Holding AG; SGS AG; Straumann Holding AG; The Swatch Group AG; Swiss Prime Site AG; Tecan Group AG; Temenos AG; VAT Group AG.
3 The peer group used for the compensation benchmarking analysis of the Group Executive Board, conducted in 2023, consisted of the following companies: Alfa Laval; Barry Callebaut AG; Billerud; Bucher; Ch. Lindt & Sprüngli; Dürr AG; Geberit AG; Georg Fischer AG; Gerresheimer AG; Givaudan SA; Huhtamäki Oyi; IMI plc; Mayr-Melnhof Karton AG; Mondi plc; OC Oerlikon; Schindler; SFS Group; Stora Enso; Straumann; Svenska Cellulosa; Tecan Group AG; Weir Group PLC; VAT Group AG.

Compensation framework for the Board of Directors

Compensation overview for the Board of Directors

To emphasize the Board's responsibility for independent oversight and supervision of SIG, all Board compensation is set as fixed, with no variable pay elements included.

The compensation for the members of the Board of Directors has two components: a fixed annual base fee and one or more fixed annual Committee fees for assuming the role of Chair of a Board Committee or member of a Board Committee. Only ordinary members of the Board are entitled to the additional Committee fees. The compensation of the Chair of the Board consists of the annual base fee only. Required employee social security contributions under the relevant country's applicable law are included in the compensation.

Where required by Swiss law, members of the Board of Directors are insured via the Company's pension plan. However, the employer pension contribution is entirely funded by the respective member of the Board of Directors. This means that the member of the Board pays for the totality of the pension contributions (employee and employer portion), while the Company does not make any contributions. In 2025, only the Chair, who stepped down at the AGM in April 2025, was insured via the Company's pension plan and paid for the totality of the pension contributions. At the end of the reporting year, no member was insured via the Company's pension plan. No additional compensation components such as lump-sum expenses or attendance fees are awarded to any member of the Board.

Apart from adding the compensation for the new Technology and Innovation Committee in 2024, the compensation levels for the members of the Board of Directors remained unchanged from those set in 2018.

The amounts of the annual base fee and annual Committee fees for the Chair and the members of the respective Committees set by the Board are illustrated in Figure 7.

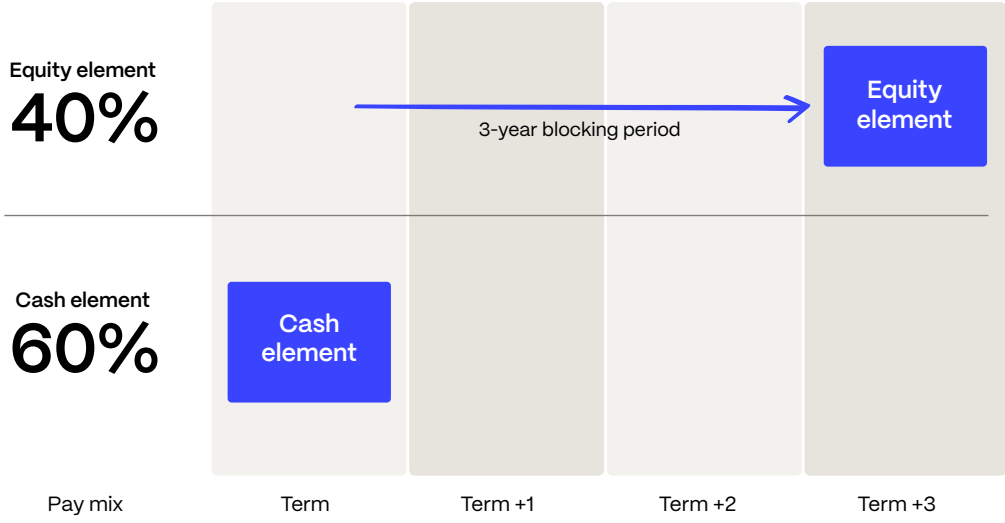
Figure 7: Overview of the Board of Directors' fees.

	Annual base fee (in CHF, gross)	Annual committee fees (in CHF, gross)							
		Audit and Risk		Compensation		Nomination and Governance		Technology and Innovation	
		Chair	Member	Chair	Member	Chair	Member	Chair	Member
Chair-person	550,000	Not entitled							
Other member	175,000	50,000	25,000	40,000	15,000	40,000	15,000	40,000	15,000

The individual sum of the annual base fee and, where applicable, annual Committee fee(s) per member are paid 60% in cash and 40% in equity (blocked SIG shares).

The equity component is intended to further strengthen the long-term focus of the Board in performing its duties and to align the Board members' interests with those of SIG's shareholders. Both the cash and equity elements are paid out on a quarterly basis in four equal installments. A three-year blocking period is applied to the SIG shares, expiring at the third anniversary of each allocation. During this blocking period shares cannot be sold, transferred, donated, pledged or otherwise disposed of. The approach is illustrated in Figure 8.

Figure 8: Compensation approach for the Board of Directors.



Compensation awarded to the Board of Directors
The following tables summarize the compensation for 2025 and 2024 of the nine members (2024: ten members) of the Board, all of whom are non-executive members.

Table 1: Total compensation of the Board of Directors in 2025 (January 1 – December 31).

Members of the Board of Directors during 2025	Board membership	ARC[1]	CC[2]	NGC[3]	TIC[4]	Settled in cash, CHF[5]	Settled in SIG shares, CHF[6]	Social security payments, CHF[7]	Total compensation earned in 2025, CHF
Ola Rollén[8]	Chair[8]					240,247	160,176	26,085	426,508
Werner Bauer	•		Chair	•[9]	•	140,448	93,651	13,393	247,493
Niren Chaudhary[10]	•[10]		•[10]	•[10]		89,547	59,718	–	149,265
Thomas Dittrich	•	Chair[11]		•[11]		137,473	91,682	15,948	245,103
Mariel Hoch	•	•		Chair		144,000	96,026	16,622	256,648
Florence Jeantet	•	•		•[12]	•	131,448	87,642	–	219,090
Abdallah al Obeikan	•				Chair	129,000	86,023	15,072	230,095
Urs Riedener[13]	•[13]	•[13]	•[13]			93,915	62,628	10,973	167,516
Martine Snels	•	•[14]		•	•	127,080	84,733	–	211,812
Andreas Umbach[15]	Chair[15]					89,753[16]	59,855	8,832	158,439
Wah-Hui Chu[15]	•[15]		•[15]	•[15]		31,006	20,687	–	51,693
Laurens Last[15]	•[15]				•[15]	31,006	20,687	3,679	55,372
Matthias Währen[15]	•[15]	Chair[15]	•[15]			39,165	26,117	3,674	68,956
Total						**1,424,086**	**949,626**	**114,278**	**2,487,990**

1 Audit and Risk Committee.
2 Compensation Committee.
3 Nomination and Governance Committee.
4 Technology and Innovation Committee.
5 Represents gross amounts paid prior to any deductions such as employee social security and income withholding tax.
6 Represents gross amounts settled in blocked SIG shares, prior to any deductions such as employee social security and income withholding tax. The number of blocked SIG shares is determined by dividing each Board member's individual compensation amount (settled in shares) for one award cycle by the volume-weighted average closing price of a share on the SIX Swiss Exchange over the last 10 trading days of the second month of the quarter plus the first 10 trading days of the third month of the quarter for which the blocked SIG shares are granted.
7 Employer social security contributions.
8 Ola Rollén was elected as Chair of the Board at the Annual General Meeting on April 8, 2025. The respective numbers disclosed reflect the remuneration as Chair of the Board of Directors for the period from April 8, 2025 to December 31, 2025.
9 Werner Bauer stepped down as a member of the Nomination and Governance Committee at the Annual General Meeting on April 8, 2025. The respective numbers disclosed reflect the remuneration as a member of the Nomination and Governance Committee for the period from January 1, 2025 to April 8, 2025.
10 Niren Chaudhary was elected as a member of the Board and a member of the Compensation Committee at the Annual General Meeting on April 8, 2025 and was appointed as a member of the Nomination and Governance Committee on the same date. The respective numbers disclosed reflect the remuneration as a member of the Board of Directors and a member of the Compensation Committee as well as a member of the Nomination and Governance Committee for the period from April 8, 2025 to December 31, 2025.
11 Thomas Dittrich was appointed as the Chair of the Audit and Risk Committee and as a member of the Nomination and Governance Committee at the Annual General Meeting on April 8, 2025. The respective numbers disclosed reflect the remuneration as a member of the Audit and Risk Committee for the period from January 1, 2025 to April 8, 2025 and as a Chair of the Audit and Risk Committee and as a member of the Nomination and Governance Committee for the period of April 8, 2025 to December 31, 2025.
12 Florence Jeantet stepped down as a member of the Nomination and Governance Committee at the Annual General Meeting on April 8, 2025. The respective numbers disclosed reflect the remuneration as a member of the Nomination and Governance Committee for the period from January 1, 2025 to April 8, 2025.
13 Urs Riedener was elected as a member of the Board and a member of the Compensation Committee at the Annual General Meeting on April 8, 2025 and was appointed as a member of the Audit and Risk Committee on the same date. The respective numbers disclosed reflect the remuneration as a member of the Board of Directors and a member of the Compensation Committee as well as a member of the Audit and Risk Committee for the period from April 8, 2025 to December 31, 2025.
14 Martine Snels stepped down as a member of the Audit and Risk Committee at the Annual General Meeting on April 8, 2025. The respective numbers disclosed reflect the remuneration as a member of the Audit and Risk Committee for the period from January 1, 2025 to April 8, 2025.
15 Andreas Umbach, Wah-Hui Chu, Laurens Last and Matthias Währen stepped down as members of the Board and the respective Committees at the Annual General Meeting on April 8, 2025. The respective numbers disclosed reflect the remuneration for the period from January 1, 2025 to April 8, 2025.
16 Includes employer pension contributions of CHF 13,813 funded by the former Chair through a reduction of the cash portion of the fee.

Table 2: Total compensation of the Board of Directors in 2024 (January 1 – December 31).

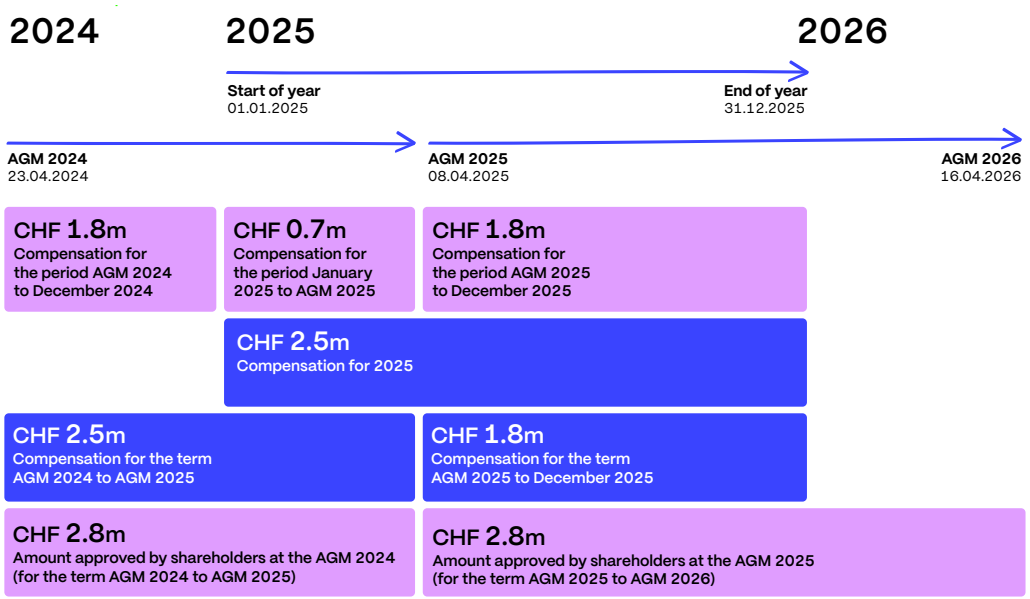
Members of the Board of Directors during 2024	Board membership	ARC[1]	CC[2]	NGC[3]	TIC[4]	Settled in cash, CHF[5]	Settled in SIG shares, CHF[6]	Social security payments, CHF[7]	Total compensation earned in 2024, CHF
Andreas Umbach	Chair			Chair[8]		330,000[9]	220,019	33,322	583,341
Werner Bauer	•	•[10]	Chair[10]	•	•	141,231	94,185	13,576	248,992
Wah-Hui Chu	•		•	•[11]		116,820	77,924	–	194,744
Thomas Dittrich[12]	•[12]	•[12]				82,400	54,976	9,781	147,157
Mariel Hoch	•	•	Chair[13]	Chair[13]		144,000	96,048	16,735	256,783
Florence Jeantet	•	•		•[14]	•	127,531	85,065	–	212,596
Laurens Last	•				•	111,051	74,076	13,306	198,433
Abdallah al Obeikan	•				Chair	121,480	81,026	14,391	216,897
Martine Snels	•	•		•	•	135,051	90,075	–	225,126
Matthias Währen	•	Chair	•			144,000	96,048	13,865	253,913
Total						1,453,564	969,442	114,976	2,537,982

1 Audit and Risk Committee.
2 Compensation Committee.
3 Nomination and Governance Committee.
4 Technology and Innovation Committee. This committee was officially established as of the AGM in April 2024. Respective committee fees disclosed reflect the period from April 23, 2024 to December 31, 2024.
5 Represents gross amounts paid, prior to any deductions such as employee social security and income withholding tax.
6 Represents gross amounts settled in blocked SIG shares, prior to any deductions such as employee social security and income withholding tax. The number of blocked SIG shares is determined by dividing each Board member's individual compensation amount (settled in shares) for one award cycle by the volume-weighted average closing price of a share on the SIX Swiss Exchange over the last 10 trading days of the second month of the quarter plus the first 10 trading days of the third month of the quarter for which the blocked SIG shares are granted.
7 Employer social security contributions.
8 Andreas Umbach stepped down from the mandate as Chair of the Nomination and Governance Committee as of the Annual General Meeting on April 23, 2024.
9 Includes employer pension contributions of CHF 41,440 funded by the Chair through a reduction of the cash portion of the fee.
10 Werner Bauer stepped down as a member of the Audit and Risk Committee and was elected as member of the Compensation Committee at the Annual General Meeting on April 23, 2024. He was appointed as Chair of the Committee by the Board of Directors on the same date. The respective numbers disclosed reflect the remuneration as a member of the Audit and Risk Committee for the period from January 1, 2024 to April 23, 2024 and the remuneration as Chair of the Compensation Committee for the period from April 23, 2024 to December 31, 2024.
11 Wah-Hui Chu stepped down as a member of the Nomination and Governance Committee as of the Annual General Meeting 2024. The respective numbers disclosed reflect the remuneration as a member of the Nomination and Governance Committee for the period from January 1, 2024 to April 23, 2024.
12 Thomas Dittrich was elected as a member of the Board at the Annual General Meeting on April 23, 2024 and was appointed as a member of the Audit and Risk Committee on the same date. The respective numbers disclosed reflect the remuneration as a member of the Board of Directors and a member of the Audit and Risk Committee for the period from April 23, 2024 to December 31, 2024.
13 Mariel Hoch stepped down as Chair of the Compensation Committee and took over the Chair position in the Nomination and Governance Committee as of the Annual General Meeting on April 23, 2024. The respective numbers disclosed reflect the remuneration as Chair of the Compensation Committee for the period from January 1, 2024 to April 23, 2024 and the remuneration as Chair of the Nomination and Governance Committee for the period from April 23, 2024 to December 31, 2024.
14 Florence Jeantet became a member of the Nomination and Governance Committee at the Annual General Meeting on April 23, 2024. The respective numbers disclosed reflect the remuneration as a member of the Nomination and Governance Committee for the period from April 23, 2024 to December 31, 2024.

Reconciliation of compensation approved for and paid to the Board of Directors
The overall total compensation paid to the Board of Directors in 2025 slightly decreased given the reduction of members of the Board of Directors, effective with the AGM 2025. The compensation levels for basic remuneration and the committee fees have remained at the same level versus previous years.

The reconciliation of the approved and granted amounts is illustrated in Figure 9.

Figure 9: Reconciliation of compensation of the Board of Directors.

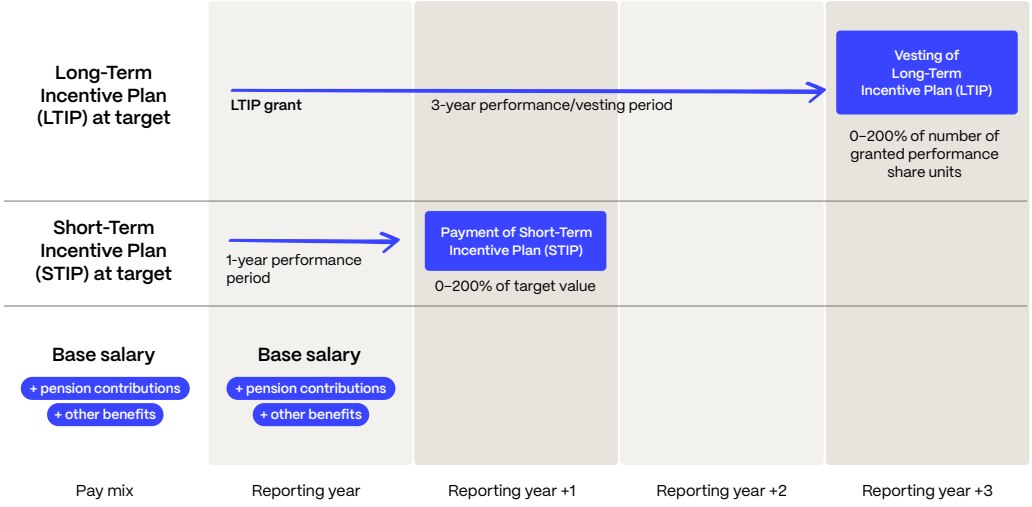


Compensation framework for the Group Executive Board

Compensation overview for the Group Executive Board

Compensation for the members of the Group Executive Board is provided through the following main components: an annual base salary and pension benefits/other benefits, which together form the fixed compensation component; a Short-Term Incentive Plan ("STIP") and a Long-Term Incentive Plan ("LTIP"), which together form the variable compensation component (see Figure 10).

Figure 10: Illustrative overview of the compensation framework of the Group Executive Board in 2025.



Fixed compensation components:
Annual base salary
The base salary is the main fixed compensation component paid to the members of the Group Executive Board at SIG. It is paid in cash in 12 equal monthly installments unless local law requires otherwise. The level of base salary is determined by the Board of Directors taking into account the specific role performed, and the responsibilities accepted within that role. It rewards the experience, expertise and know-how necessary to fulfil the demands of a specific position. In addition, the market value of the role in the location where the Company competes for talent is considered.

Pension benefits and other benefits
As the Group Executive Board is international in its nature, the members participate in the benefit plans available in the country of employment. Benefits mainly include insurance and health care plans as well as pension coverage, where applicable. SIG's pension benefits for members of the Group Executive Board employed under a Swiss employment contract exceed the legal requirements of the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG) and are in line with the benefits offered by other international companies. Members of the Group Executive Board who are under a foreign employment contract are insured commensurately with market conditions and with their positions. The plans vary in accordance with the local competitive and legal environment and are structured in accordance with local practice and in line with local legal requirements.

In line with general market practice and Swiss law, new members joining the SIG Group Executive Board may be granted replacement awards to compensate for any resulting forfeited compensation at prior employers. Such replacement awards are structured on a "like-for-like" basis regarding instrument and performance conditions and never exceed the forfeited amount at the prior employer, which is verified based on written documentation provided by the recipient and, where needed, a third-party validation of the forfeiting value. If applicable, replacement awards are reported accordingly in the compensation table for the relevant financial year. In the reporting year, no replacement award has been granted.

In addition, the Group Executive Board members receive certain executive perquisites and benefits in kind according to competitive market practice in the country of their employment (e.g. company cars) as well as cash premiums on share-based payments according to local law. The fair value of these benefits is disclosed in Table 3.

Variable compensation components:
The variable compensation consists of a short-term incentive and a long-term incentive component.

Short-Term Incentive Plan ("STIP")
Under the STIP, the members of the Group Executive Board are rewarded for the achievement of pre-defined annual targets for multiple key performance indicators ("KPIs"), including financial aspects (for details see Figure 11) as well as an ESG element. In deviation to 2024, for 2025, the Board of Directors replaced the adjusted EBITDA target by an adjusted EBIT and adjusted EBIT margin, on group as well as regional level. Adjusted EBIT is weighted with 30% while EBIT margin is weighted with 20%.

The ESG KPI criteria in the STIP underpins the ongoing commitment to sustainability rooted in SIG's business strategy and activities. The assessment of achievements relating to the ESG element is based on the Company's EcoVadis score, enabling an objective and independent measurement approach. Essentially, EcoVadis assesses the quality of a company's sustainability management system through its policies, actions and results.

Every year and for each Group Executive Board member, the Board of Directors determines, based on a proposal by the Compensation Committee, an individual target amount under the STIP as a percentage of each member's base salary, which is paid out if the targets for the KPIs are achieved at 100%. To determine the actual payout under the STIP, the performance of each KPI is assessed individually against pre-determined targets and is expressed as a target achievement rate in a range from 0% to 200% and then combined according to the assigned weightings (see Figure 11). The overall payout is capped at 200% of the target amount and can fall to zero should the minimum performance achievement level for each KPI not be attained. In exceptional cases, the actual payout under the STIP can be adjusted as proposed by the Compensation Committee and approval by the Board. Detailed information regarding the target amounts, KPI targets and achievements of those targets is provided in the section "Short-Term Incentive Plan 2025" further below.

Group Executive Board members with regional responsibilities have KPIs reflecting their regional as well as Group performance. To strengthen the focus of members with regional responsibility on their region's KPIs, the weighting of regional targets is set at 60%, while the weighting of Group KPIs is 40%.

For other Group Executive Board members with a primary Group Function focus, including the CEO and the CFO, performance is assessed based on Group performance only. The framework is illustrated in Figure 11.

Figure 11: Overview of the Group Executive Board STIP compensation framework in 2025.

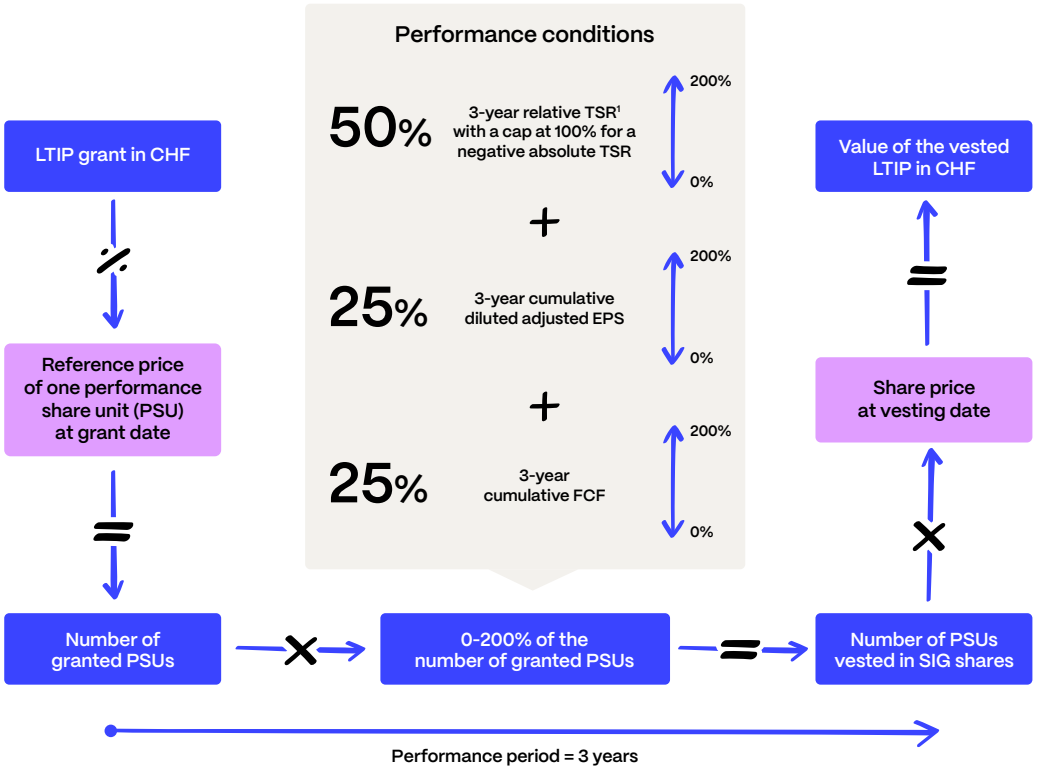
	KPIs	Weight 2025	Members of the Group Executive Board *without regional responsibility*	Members of the Group Executive Board *with regional responsibility*
Group	Group adjusted EBIT	30%	100%	40%
	Group adjusted EBIT margin	20%		
	Group revenue	20%		
	Group free cash flow	20%		
	EcoVadis score (sustainability metric)	10%		
Regional	Regional adjusted EBIT	30%		60%
	Regional adjusted EBIT margin	20%		
	Regional revenue	30%		
	Regional free cash flow	20%		

The Chief Markets Officer also acts as President of Bag-in-Box and Spouted Pouch. To take account of this responsibility, the short-term incentive compensation for this position is calculated on 60% Group targets and 40% Bag-in-Box and Spouted Pouch targets, as an exception to the framework illustrated in Figure 11.

Long-Term Incentive Plan ("LTIP")
The LTIP offers eligible employees the opportunity to participate in the long-term success of SIG, thereby reinforcing their focus on longer-term performance and aligning their interests with those of shareholders. The following provides an outline of the plan specifics.

The mechanics behind the LTIP are illustrated in Figure 12. At the beginning of each three-year vesting period, a certain number of performance share units ("PSUs") is granted to each participant, which represents a contingent entitlement to receive SIG shares in the future. The number of granted PSUs depends on (i) the individual LTIP grant level in CHF, determined by the Board each year but never exceeding 204% of the base salary of any member of the Group Executive Board, including the former CEO, and (ii) the reference price of one PSU. The reference price reflects the 20-day volume-weighted share price before the grant date.

Figure 12: Overview of the principles of the LTIP.



After the three-year vesting period, a certain number of the granted PSUs vest, depending on the performance of SIG during that period. The number of PSUs vested in SIG shares may vary between 0% and 200% of the granted PSUs and is based on the achievement of the following three weighted KPIs.

KPIs	Relative total shareholder return (rTSR)	Diluted adjusted earnings per share (EPS)	Free cash flow (FCF)
Weight	**50%**	**25%**	**25%**
Description	Total shareholder return measured relative to the SMI MID (SMIM) Total Return[2]	SIG's cumulative diluted adjusted earnings per share	SIG's cumulative free cash flow

To determine the multiple of the granted PSUs ultimately vesting into SIG shares, the performance against each KPI is assessed individually in a range from 0% to 200% and then combined according to the assigned weightings. This means that a low performance on one performance measure can be balanced by a higher performance on another performance measure. Overall, the combined vesting multiple will never exceed 200%. If the performance on each of the three KPIs lies below the respective minimum performance requirement, the resulting combined vesting multiple is 0% and consequently no granted PSUs vest. Furthermore, if the absolute TSR falls below zero over the relevant performance period, the vesting factor of the relative TSR metric would be capped at 100%. Detailed information about the grants, targets and their achievements are provided in the section "Long-Term Incentive Plan 2025" further below.

Since the introduction of the LTIP in 2019, PSUs have been granted to the members of the Group Executive Board and selected other senior members of management on a yearly basis. For an overview of the annual PSU allocations and the outstanding PSUs, see note 30 of the consolidated financial statements for the year ended December 31, 2025 as well as the respective shareholding overview in this report.

In addition to failure to meet the threshold performance level, other circumstances under which no PSUs vest include various forfeiture clauses relating to termination of employment during the vesting period of the LTIP.

The LTIP awards are subject to a clawback provision. In the event of a financial restatement due to a material non-compliance of the Company with applicable financial reporting requirements, or in the event of fraudulent behavior or other willful misconduct by a plan participant, the Board of Directors may review the specific facts and circumstances and take clawback actions.

The Board has the right to allocate other, potentially non-recurring, equity-based awards to employees. Any such awards allocated to members of the Group Executive Board are reported accordingly in the compensation table for the relevant financial year.

1 SMI MID (SMIM) Total Return.

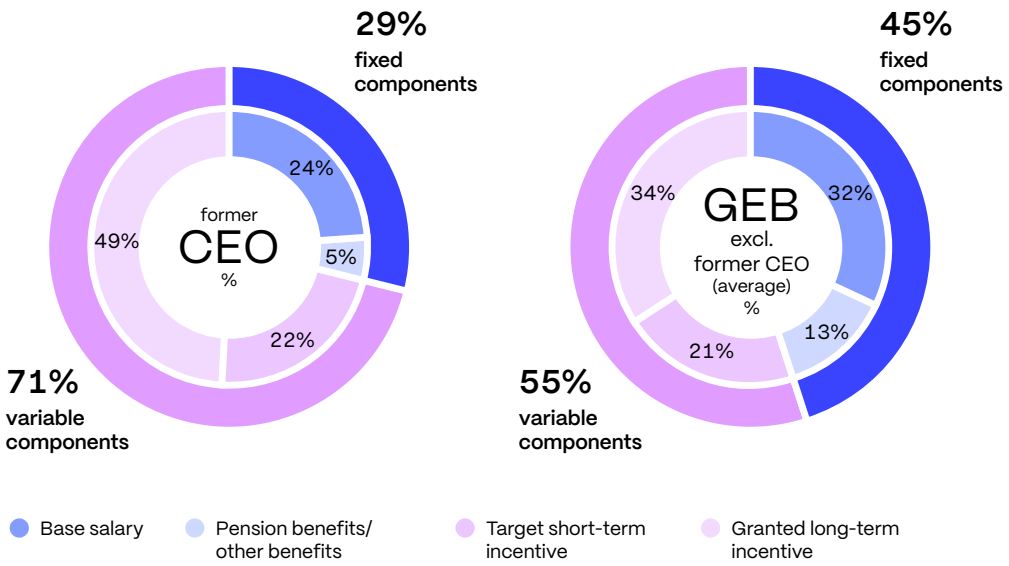
2 Given the discontinuation of the SPI® ICB Industry 2000 "Industrials" Total Return by end of 2024, the index was replaced by the SMI MID (SMIM) Total Return for the relative TSR calculation.

One-time Leadership Continuity Plan
In light of the Company's ongoing transformation and recent leadership changes, the Board of Directors, upon recommendation of the Compensation Committee, approved a targeted, one-time Leadership Continuity Plan in 2025. The Plan is designed to safeguard execution of the Company's strategic priorities during a period of heightened change and to retain individuals in roles critical to operational and strategic stability. The award consists of restricted share units ("RSUs") granted in October 2025 to a defined core leadership team, including members of the Group Executive Board. The RSUs are subject to a service and restriction period and will convert into shares after three years, thereby reinforcing retention and alignment with shareholders during this transformation phase.

Compensation mix

Figure 13 illustrates the compensation mix for the former CEO and the Group Executive Board at target level in 2025. This compensation mix reflects SIG's high-performance orientation and represents the Company's strong emphasis on aligning the interests of the Group Executive Board and shareholders to create long-term shareholder value, by making a large part of compensation dependent on the achievement of long-term goals.

Figure 13: Overview of the compensation mix for the former CEO and the Group Executive Board (excl. former CEO) at target level in 2025.



For the Group Executive Board members excluding the former CEO, the fixed components (annual base salary and pension benefits/other benefits, excluding any one-off items) vary between 39% and 55% (45% on average) of the total target compensation and the variable components vary between 45% and 61% (55% on average) of total regular target compensation (without any one-off compensation elements) in 2025.

Holistic approach to align performance and long-term orientation of the compensation structure
SIG's compensation framework is designed to align with its values of accountability, long-term growth and ethical leadership. Accordingly, the higher portion of compensation for the members of the Group Executive Board is variable and performance-based, with 71% for the former CEO and 55% of total regular target compensation for other members of the Group Executive Board on average. This ensures that remuneration is closely linked to delivery of tangible results that drive sustainable growth without promoting excessive risk-taking. SIG believes that this approach encourages performance differentiation and excellence among the members of the Group Executive Board for the benefit of the Company and its stakeholders.

The compensation design principles at SIG are long-term oriented with a substantial portion of the overall compensation based on the LTIP. The share-based variable compensation is deferred for three years which is in line with the long-term horizon of the business strategies. The Company believes that this underpins the strong focus on long-term orientation. By integrating these perspectives into the compensation framework, the Company aims to establish alignment and foster a culture of responsible leadership and shared success. The design principles demonstrate the Company's commitment to delivering consistent and enduring value to its shareholders.

Employment conditions for the Group Executive Board
All members of the Group Executive Board have employment contracts of unlimited duration and a notice period of 12 months, ensuring compliance with applicable laws and regulations. The employment contracts may provide, for a period of up to one year, post-termination compensation for adherence to non-compete clauses. Payment for the non-compete period, if any, amounts to a maximum of one year's compensation, but in any event no more than the average compensation of the respective member during the three preceding financial years, unless otherwise required by local law. Such contracts do not include any contractual severance payments or any change of control provisions other than accelerated vesting and/or unblocking of unvested share awards from the LTIP.

In the event of a change of control, the LTIP will be terminated while settling contractual claims as of the date of the change of control (which will be defined by the Board if unclear). There are generally no special arrangements in place from which Group Executive Board members (as well as Board members) could benefit in divergence from other plan participants.

Compensation awarded to the Group Executive Board (audited)
Table 3 summarizes the total compensation for the nine members of the Group Executive Board active during 2025. The total regular compensation for the Group Executive Board amounted to CHF 14.6 million. This amount includes CHF 2.5 million (including full LTIP grant as of April 1, 2025 which partly forfeited due to the exit), relating to payments to the former CEO, Samuel Sigrist, who ceased to be CEO and member of the Group Executive Board on August 2, 2025. Ann-Kristin Erkens was appointed interim CEO, in addition to her current role as CFO.

Table 3: Total compensation of the Group Executive Board in 2025, including figures for the prior year.

CHF[1] gross amounts	Group Executive Board (including the former CEO) 2025	Group Executive Board (including the former CEO) 2024	Highest payment 2025 Samuel Sigrist (former CEO)	Highest payment 2024 Samuel Sigrist (former CEO)
Annual base salary	3,257,957	3,132,065	408,333	700,000
Pension benefits	463,746	499,985	75,040	124,760
Short-term variable compensation[2]	2,132,874	2,204,784	408,334	603,120
Long-term variable compensation (granted)[3]	6,361,367[4]	4,028,750	1,425,000	1,425,000
Other benefits[5]	1,248,317[6]	524,966	19,075	40,772
Social security contributions[7]	1,094,720	677,585	165,685	216,317
Total regular compensation	**14,558,981**	**11,068,134**	**2,501,468**	**3,109,969**
Payments to former executives	688,805[9]	242,225[8]	688,805[9]	–
Accruals for non-compete agreements	759,500	–	759,500	–
Total compensation	16,007,286	11,310,359	3,949,773	3,109,969

1 Exchange rates 2025: AED/CHF 0.2263091; BRL/CHF 0.1486815; CNY/CHF 0.1156378; EUR/CHF 0.9371; SGD/CHF 0.6357202. Exchange rates 2024: AED/CHF 0.2397985; BRL/CHF 0.1641914; CNY/CHF 0.1223468; EUR/CHF 0.95260; SGD/CHF 0.6589216.
2 Represents an estimate of effective short-term variable compensation for 2025 which will be paid in 2026, after the publication of SIG's audited consolidated financial statements.
3 Amount granted under the LTIP. The number of granted units is equal to the participants' granted amounts under the LTIP divided by the volume-weighted average of the closing prices of the SIG share over the last 20 trading days prior to the grant date as per LTIP regulations. The number of PSUs that vest depends on achievement of the performance targets. See note 30 of the consolidated financial statements for additional details.
4 In addition to explanation in footnote 3, this amount includes the conversion of a one-time grant of PSUs, granted in 2023 to the value of CHF 340,000 to one of the members of the Group Executive Board into a new RSU grant with a grant date in 2025. The PSUs were initially granted to partly compensate forfeited awards from the former employer. Additionally, this amount includes a special one-time RSU grant of CHF 186,667 to reward the extra responsibility of the interim CEO. Above this, the position includes the granted amount of CHF 1,469,700 for the one-time Leadership Continuity Plan as outlined on pages 212 and 215 of the Compensation Report.
5 Comprises payments related to additional insurances, car benefits and other allowances and benefits.
6 In addition to the items described in footnote 5, this amount includes a one-time cash payment in 2025 to the value of CHF 300,000 to one of the members of the Group Executive Board. This special payment is subject to a repayment clause.
7 Employer social security contributions include estimates for the Short-Term Incentive Plan as well as for the Long-Term Incentive Plan at target level on an accrual basis.
8 Includes payment to one former member of the Group Executive Board who left the Group Executive Board on December 31, 2023. The amount includes base salary (CHF 88,751), pension benefits (CHF 33,341), short-term variable compensation (CHF 103,646), other benefits (CHF 6,463) and employer social security contributions (CHF 10,025).
9 Includes payments to the former CEO who ceased to be CEO and member of the Group Executive Board on August 2, 2025. The amount includes base salary (CHF 291,667), pension benefits (CHF 53,600), short-term variable compensation (CHF 291,667), other benefits (CHF 6,125) and employer social security contributions (CHF 45,746).

Approved versus total regular compensation for the Group Executive Board
The total compensation for the Group Executive Board for 2025 is CHF 16.0 million (including social security contributions), which is below the maximum aggregate compensation amount of CHF 18.0 million approved for 2025 at the Annual General Meeting on April 23, 2024.

The personnel change in the Group Executive Board in 2025 led to a forfeiture of 132,817 PSUs out of the 2023, 2024 and 2025 grants, representing a total value (at grant fair value) of CHF 2.5 million.

Short-Term Incentive Plan ("STIP") 2025
In 2025, the individual short-term incentive target amount equals 100% of the base salary for the former CEO and lies between 60% and 83% of the respective base salaries for other members of the Group Executive Board.

The threshold, target and cap (together the "targets") for both the financial KPIs and the ESG KPI are determined by the Board, based on the recommendation of the Compensation Committee each year following a well-established process. To calibrate the achievement curve for financial KPIs, in general a financial target achievement level is identified based on the budget of the respective year. Minimum and maximum performance achievement levels are defined taking various factors into consideration, including the previous year's performance level as well as the notion that higher payouts should require proportionally higher levels of performance achievement. This leads to more ambitious target curves to achieve the maximum payout. In line with this, achieving the target payout for the ESG KPI requires an improvement in the Company's EcoVadis score, thereby aligning compensation with the Company's ambition to remain a leader in ESG matters.

Figure 14 illustrates the targets set for the financial year 2025, including threshold and cap for the payout.

Figure 14: Target setting for the Short-Term Incentive Plan for the financial year 2025.

Performance measures	Weight	Threshold (0% payout)	Target (100% payout)	Cap (200% payout)
Group adjusted EBIT	30%	544.3m EUR	567.0m EUR	601.1m EUR
Group adjusted EBIT margin	20%	15.7%	16.4%	17.4%
Group revenue first half year (growth)	6%	–2.4%	–0.4%	2.6%
Group revenue full year (growth)	14%	2.1%	4.2%	7.3%
Group free cash flow	20%	227.4m EUR	249.9m EUR	283.7m EUR
EcoVadis score[1]	10%	86 points	96 points	98 points

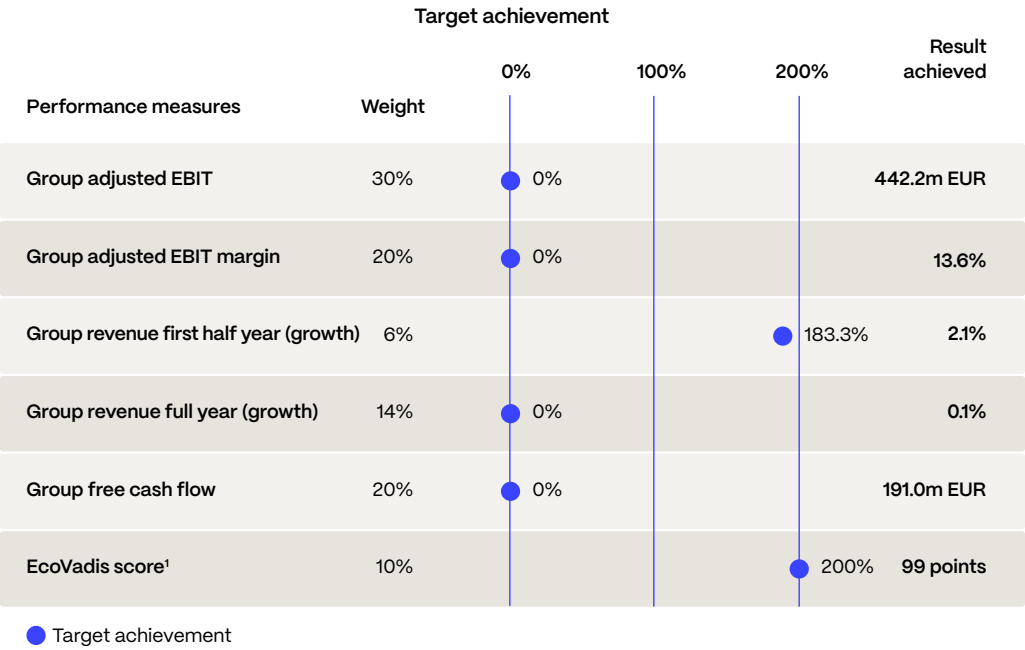
Considering the soft market conditions, updated growth forecasts and the strategy review, the Group recognized impairment losses and other non-recurring charges in the second half of 2025. As a result, all financial KPIs for the full year were missed.

1 The EcoVadis score is a third-party assessment of our environmental, social and governance performance, measured relatively.

For the sustainability metric, the EcoVadis score[1], the company achieved a record score of 99/100 in 2025 and was awarded with the platinum medal for the seventh consecutive year, again placing the Company in the top 1% of companies assessed. For the second year in a row, SIG scored 100/100 in both Environment and Labor & Human Rights. Please refer to the Sustainability section of our Annual Report for details on our sustainability performance and EcoVadis platinum rating.

The achievement based on the initially set targets is outlined in Figure 15.

Figure 15: 2025 performance at Group level relevant for STIP performance assessment.



To appropriately reflect the exceptional circumstances in 2025 and management's contributions during this period, the Board of Directors determined that any STIP payout for members of the Group Executive Board would be assessed on a discretionary basis. This approach was adopted to ensure that outcomes adequately reflect performance in a year marked by significant transformation and factors that were not fully captured by the pre-defined formulaic metrics. In exercising its discretion, the Board considered a balanced set of internal quantitative and qualitative criteria, including progress against key operational and financial priorities as well as transformation initiatives aimed at strengthening the Company's long-term positioning.

The overall payout for the 2025 STIP corresponds to 90.0% for the interim CEO (86.2% to the former CEO in 2024) and between 70.0% and 90.0% for the other members of the Group Executive Board (41.9% to 148.8% in 2024).

1 The EcoVadis score is a third-party assessment of our environmental, social and governance performance, measured relatively.

Long-Term Incentive Plan ("LTIP") 2025

In 2025, the LTIP grant in CHF amounted to 204% of the base salary for the former CEO and was between 74% and 158% of the respective base salaries for other members of the Group Executive Board.

The threshold, target and cap (together the "targets") performance levels for the three LTIP performance measures for the 2025 grant are illustrated in Figure 16 and were set by the Board, based on the recommendation of the Compensation Committee applying a robust, stringent approach supported by HCM International Ltd. The vesting curves for each KPI under the LTIP are defined to support balanced performance and payout situations below and above the target and allow for a realistic performance-related chance to realize vesting.

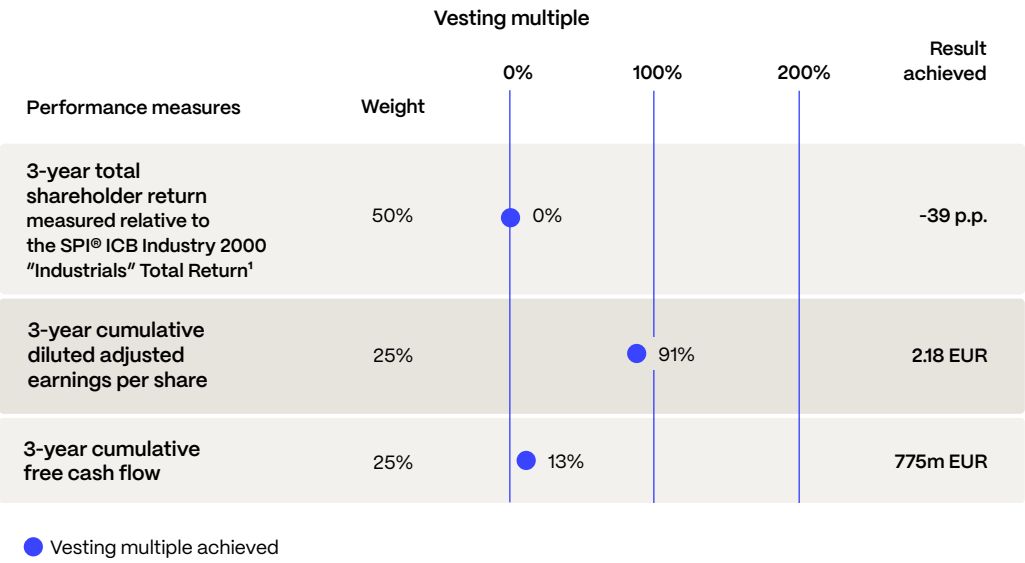
Figure 16: Overview of the vesting curve of the LTIP 2025.

Performance measures	Weight	Threshold (0% vesting)	Target (100% vesting)	Cap (200% vesting)
3-year total shareholder return measured relative to the SMI MID (SMIM) Total Return	50%	–16% of index	–0% compared with index	+10% of index
3-year cumulative diluted adjusted earnings per share	25%	64.4% of target	100% target as set by the Board of Directors	135.6% of target
3-years cumulative free cash flow	25%	83.0% of target	100% target as set by the Board of Directors	117.0% of target

Given the market sensitivity of the diluted adjusted earnings per share (EPS) and FCF targets, and the fact that the plan runs until 2028, the targets for these measures are disclosed on a relative basis. Investors' return expectations on market value, stock risk profile, investment projections and current profitability levels were taken as a starting point and translated into EPS and FCF targets, using multifactor valuation models and statistical analyses in order to establish an appropriate link between LTIP payouts and the value created for investors. The results of the outside-in approach were assessed against historical company performance, as well as equity analysts' expectations and the strategic plan as approved by the Board, in order to reinforce the Compensation Committee's and Board's confidence in the overall quality and robustness of the EPS and FCF targets. The Compensation Committee discussed different options for target setting and the corresponding vesting curves for each performance measure and submitted a recommendation to the Board, which approved the respective vesting curves for the LTIP 2025 grant.

The 2022 LTIP grant vested on April 1, 2025 with a 26% payout. This reflects below-target achievement of all three performance measures. The composition of the total vesting multiple is illustrated in Figure 17.

Figure 17: Vesting multiple of the performance share unit grant 2022 for the period 2022 to 2025.



The Compensation Committee has defined a robust process to assess the materiality of major events, such as acquisitions completed during the three-year performance period of the plan. Based on the assessment, results achieved are adjusted to consider the influence of these events.

One-time Leadership Continuity Plan:
In 2025, the one-time individual RSU grants amounted to 50-60% of the respective annual base salaries for the members of the Group Executive Board, including the interim CEO.

For an overview of the 2025 equity grants and outstanding equity awards, please refer to note 30 of the consolidated financial statements for the year ended December 31, 2025 as well as the respective shareholding overview in this report.

Assessment of actual compensation paid/granted to the Group Executive Board
In comparison with the previous year, the total regular compensation of the entire Group Executive Board increased by 31.5%. The overall movement is mainly driven by the changes to the Group Executive Board and grants made under the one-time Leadership Continuity Plan and exchange rate movements.

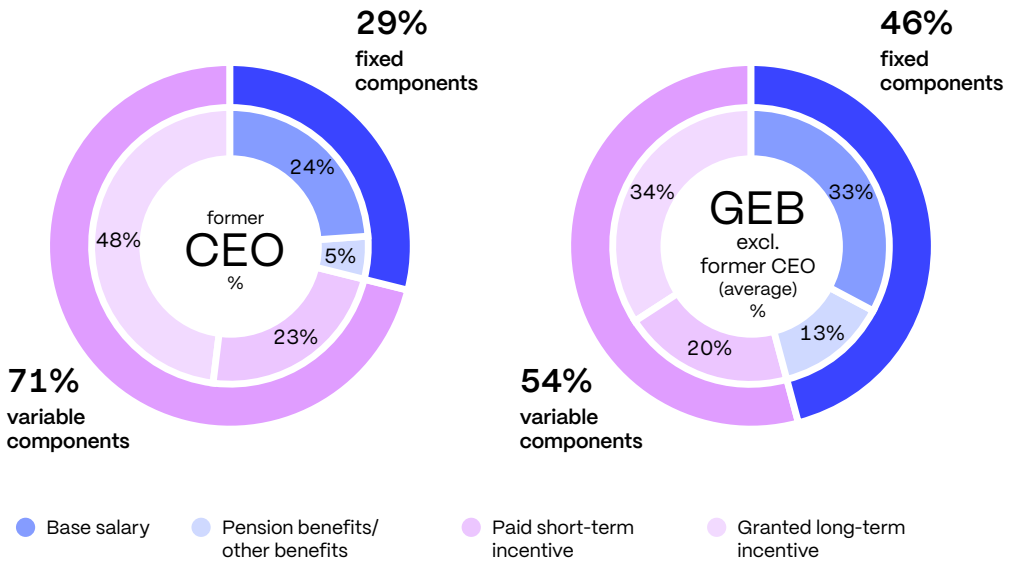
1 Given to the discontinuation of the SPI® ICB Industry 2000 "Industrials" Total Return by end of 2024, the index was manually validated by an independent third party.

Impact of personnel changes in the Group Executive Board:
In the prior year, the Group Executive Board was not fully staffed throughout the entire period, which affected the comparability of the reported figures. In addition, the composition of the Group Executive Board changed during the reporting period again. Following the departure of the former CEO, the CFO assumed the position of interim CEO from August 2025. Considering the expanded responsibilities, the CFO received proportionate additional remuneration for the duration of the interim mandate. These transitional arrangements led to temporary overlaps and impacted on the reported compensation figures for the reporting period.

Impact of currency exchange rates:
Four members of the Group Executive Board received their compensation in foreign currencies in 2025. For disclosure purposes, these amounts have been tanslated into Swiss francs. Reported figures therefore reflect exchange rate movements, while compensation in local currency increased marginally to offset inflation. This results in minor differencies compared with the previous reporting period.

Figure 18 illustrates the actual compensation mixes for the former CEO and the Group Executive Board in 2025, highlighting the strong focus on short- and long-term variable compensation elements.

Figure 18: Overview of the actual compensation mix in 2025 for the former CEO and the Group Executive Board excl. former CEO (reflects the amount granted under the LTIP).



For the Group Executive Board members excluding the former CEO, the fixed components (annual base salary and pension benefits/other benefits, excluding any one-off items) vary between 40% and 49% (46% on average) of the total compensation paid and the variable components vary between 51% and 60% (54% on average) of total regular compensation paid (without any one-off compensation elements) in 2025.

Shareholding Guidelines

In order to further strengthen the long-term focus of the members of the Board and the Group Executive Board and to align their interests more closely with those of SIG's shareholders, Shareholding Guidelines are in place. These guidelines complement the long-term vesting periods under the LTIP and essentially ensure a high level of alignment beyond a limited number of years (i.e. instead of post-vest holding requirements) and extending over the entire term of office of each Board or Group Executive Board member.

Members of the Board (including the Chair) are required to build up an investment in SIG shares worth the equivalent of 200% of their annual base fees within a five-year build-up period from the first equity grant date.

Similarly, members of the Group Executive Board are required to build up an investment in SIG shares worth the equivalent of 120% of their annual base salary, or 300% for the CEO and 150% for the CFO, within a five-year build-up period, starting with their first grant under the equity-based compensation plan.

To assess whether the thresholds have been met, all blocked or unblocked SIG shares and vested or unvested entitlements to SIG shares (excluding PSUs granted) are considered. Additionally, SIG shares acquired privately, either outright or beneficially, by the members of the Board or Group Executive Board or their immediate family members count towards meeting the thresholds.

Adherence with the Shareholding Guidelines is assessed annually by the Compensation Committee.

The annual shareholding assessment showed full compliance with the regulation for all members of the Board of Directors and Group Executive Board, considering that for some members the build-up period is still ongoing.

Shareholdings

The following tables show the shareholdings as well as holdings of option rights of the members of the Board of Directors as well as the members of the Group Executive Board as of December 31, 2025 and December 31, 2024.

Board of Directors

Table 4: Shareholdings[1] of the Board of Directors as of December 31, 2025, including figures for the prior year.

	Number of shares[2] held by members[3]	Number of shares[2] held by members' close associates[4]	Total number of shares[2] on Dec. 31, 2025	Total number of shares[2] on Dec. 31, 2024
Ola Rollén (Chair)	127,154	–	127,154	n/a[5]
Werner Bauer (Member)	84,328	–	84,328	73,328
Niren Chaudhary (Member)	4,904	–	4,904	n/a[6]
Thomas Dittrich (Member)	142,541	–	142,541	3,117
Mariel Hoch (Member)	47,558	–	47,558	29,698
Florence Jeantet (Member)	13,491	–	13,491	6,989
Abdallah al Obeikan (Member)	25,680	16,538[7]	42,218[8]	15,830,448[8]
Urs Riedener (Member)	15,643	–	15,643	n/a[6]
Martine Snels (Member)	20,855	–	20,855	14,592
Andreas Umbach (former Chair)	–	–	n/a[9]	122,604
Wah-Hui Chu (former Member)	–	–	n/a[9]	59,958
Laurens Last (former Member)	–	–	n/a[9]	38,234,390[10]
Matthias Währen (former Member)	–	–	n/a[9]	44,024
Total	**482,154**	**16,538**	**498,692**	54,419,148

1 According to the disclosures made by the members of the Board of Directors as of December 31, 2025.
2 Ordinary registered shares of SIG Group AG, including blocked shares.
3 Shares beneficially held by members of the Board of Directors (directly or indirectly).
4 Shares held by close associates of the members of the Board of Directors in accordance with art. 734d of the Swiss Code of Obligations.
5 Ola Rollén was elected as Chair of the Board of Directors at the 2025 AGM and was not in office on December 31, 2024.
6 Niren Chaudhary and Urs Riedener were elected as members of the Board of Director at the 2025 AGM and were not in office on December 31, 2024.
7 Shares held by Al Obeikan Group for Investment Company CJS.
8 Includes shares held by Al Obeikan Group for Investment Company CJS.
9 Andreas Umbach, Wah-Hui Chu, Laurens Last and Matthias Währen did not stand for re-election at the 2025 AGM. The Shareholding Guidelines and disclosure obligations therefore no longer apply to them.
10 Includes shares held by Clean Holding B.V.

Group Executive Board

Table 5: Shareholdings[1] of the members of the Group Executive Board as of December 31, 2025, including figures for the prior year.

	Number of shares[2] held by members[3]	Number of shares[2] held by members' close associates[4]	Total shareholdings on Dec. 31, 2025	Total shareholdings on Dec. 31, 2024	Number of RSUs[5] held on Dec. 31, 2025	Number of RSUs[5] held on Dec. 31, 2024	Number of PSUs[6] held on Dec. 31, 2025	Number of PSUs[6] held on Dec. 31, 2024	Total options[7] held on Dec. 31, 2025	Total options[7] held on Dec. 31, 2024
Ann-Kristin Erkens (Interim CEO and CFO)	–	–	–	–	60,059	–	69,256	50,629	–	–
Gavin Steiner (CTO)	–	–	–	–	21,316	–	45,867	29,107	–	–
Fabio Grazioli (CSO)	–	–	–	–	18,422	–	16,881	1,797	–	–
Christoph Wegener (CMO)	24,167	–	24,167	23,278	17,369	–	44,304	32,636	18,640[8]	24,640[8]
Abdelghany Eladib (President & General Manager, India Middle East and Africa)	34,234	–	34,234	16,721	15,569	–	53,512	47,620	–	–
Angela Lu (President & General Manager, Asia Pacific)	3,481	–	3,481	–	17,464	–	51,322	45,430	–	–
José Matthijsse (President & General Manager, Europe)	5,095	–	5,095	3,216	15,127	–	53,512	47,620	–	–
Ricardo Rodriguez (President & General Manager, Americas)	–	107,862[9]	107,862[9]	205,000[9]	14,706	–	68,800	64,152	–	–
Samuel Sigrist (former CEO)	–[10]	–[10]	–[10]	200,000	–[10]	–	–[10]	198,594	–[10]	–
Total	**66,977**	**107,862**	**174,839**	**448,215**	**180,032**	**–**	**403,454**	**517,585**	**18,640**	**24,640**

1 According to the disclosures made by the members of the Group Executive Board as of December 31, 2025.
2 Ordinary registered shares of SIG Group AG.
3 Shares beneficially held by members of the Group Executive Board (directly or indirectly).
4 Shares held by close associates of the members of the Group Executive Board in accordance with art. 734d of the Swiss Code of Obligations.
5 The RSUs will vest in SIG shares, based on the terms and conditions of the respective grant.
6 The PSUs will vest, based on performance conditions, in SIG shares.
7 Options to purchase ordinary registered shares of SIG Group AG.
8 Options were granted within the Equity Investment Plan before promotion to the Group Executive Board.
9 Shares indirectly held by Artmat.
10 Samuel Sigrist (former CEO) ceased to be CEO and member of the Group Executive Board on August 2, 2025, so the Shareholding Guidelines and disclosure obligations no longer apply to him.

Functions of the members of the Board of Directors and members of the Group Executive Board

Further activities and functions of the members of the Board of Directors and of the members of the Group Executive Board are listed in the relevant sections for each body in the Corporate Governance Report.

For a summary of mandates with a business purpose of members of the Board of Directors and of the Group Executive Board, acting during 2025 and 2024, please refer to the following tables.

Table 6: Mandates[1] of the members of the Board of Directors in 2025 (including previous years information).

Board of Directors	Mandates in year 2025	Mandates in year 2024
Ola Rollén (Chair)	Founder and CEO Greenbridge Holdings Chair of the board of directors of Hexagon Chair of the board of directors Nstech Member of the board of directors of Neo4J Member of the board of directors Divergent 3D Technologies	n/a[2]
Werner Bauer (Member)	Vice chair of the board of directors of Bertelsmann SE & Co. KGaA	Vice chair of the board of directors of Bertelsmann SE & Co. KGaA Chair of the board of trustees at the Bertelsmann Foundation
Niren Chaudhary (Member)	Founder and chief executive officer of RA-inspired leadership LLC Member of the advisory board of the Global Peter Drucker Forum Executive coach at The ExCo Group Executive in residence at Columbia Business School	n/a[2]
Thomas Dittrich (Member)	Chief Financial Officer of Galderma Group AG	Chief Financial Officer of Galderma Group AG
Mariel Hoch (Member)	Partner at Bär & Karrer Vice chair of the board of directors of Comet Holding AG Member of the board of directors of Komax Holding AG Member of the board of directors of MEXAB AG	Partner at Bär & Karrer Vice chair of the board of directors of Comet Holding AG Member of the board of directors of Komax Holding AG Member of the board of directors of MEXAB AG
Florence Jeantet (Member)	Independent Advisor in the field of ESG/sustainability Member of the board of directors of Mérieux NutriSciences Advisor to the Economic Council in France Member of the Ethics Committee of the French National Association Member of the supervisory board of Atlantic Grupa Member of the Mission Committee Citwell Official representative (chef d'exploitation) of SCEA La Calmontaise	Member of the board of directors of Mérieux NutriSciences Advisor to the Economic Council in France Member of the Ethics Committee of the French National Association
Abdallah al Obeikan (Member)	Member of the board of directors of Arabian Shield Cooperative Insurance Company Member of the board of directors and CEO of Obeikan Investment Group Chair of Obeikan AGC Glass Company Chair of Riyadh Polytechnic Institute Member of the board of directors of National Water Company	Member of the board of directors of Arabian Shield Cooperative Insurance Company Member of the board of directors and CEO of Obeikan Investment Group Chair of Obeikan AGC Glass Company Chair of Riyadh Polytechnic Institute Member of the board of directors of National Water Company Member of the board of directors of Social Development Bank Member of the advisory boards of KSA agencies

1 According to the disclosures made by the members of the Board as of December 31, 2025.
2 Ola Rollén and Niren Chaudhary were elected as members of the Board at the Annual General Meeting in April 2025. The mandates are therefore provided for the period from April 8, 2025 until December 31, 2025.

Board of Directors	Mandates in year 2025	Mandates in year 2024
Urs Riedener (Member)	Chair of the board of directors Emmi AG Member of the board of directors of Sandoz Group AG Member of the board of directors Bystronic AG Member of the supervisory board of Schwarz Gruppe (Schwarz Unternehmenstreuhand KG)	n/a[1]
Martine Snels (Member)	CEO of L'Advance BV Member of the supervisory board of Prodrive Technologies Member of the board of directors of Electrolux Professional AB Member of the advisory board of Zentis Fruchtwelt GmbH & Co. KG Member of the advisory board (Beiratsmitglied) of Viega Holding GmbH & Co. KG	CEO of L'Advance BV Member of the supervisory board of Prodrive Technologies Member of the board of directors of Electrolux Professional AB Member of the advisory board of Zentis Fruchtwelt GmbH & Co. KG
Andreas Umbach (former Chair)[2]	Chair of the board of directors of Landis+Gyr Group AG Chair of the supervisory board of Techem Energy Services GmbH Chair of the board of directors of Schurter Group AG	Chair of the board of directors of Landis+Gyr Group AG Chair of the supervisory board of Techem Energy Services GmbH Chair of the board of directors of Schurter Group AG President of the Zug Chamber of Commerce
Wah-Hui Chu (former Member)[2]	Chair of iBridget TT International Limited	Chair of iBridget TT International Limited
Laurens Last (former Member)[2]	Member of the board of TSAL Family Office B.V. Member of the board of Lorenzo Marine Ltd. Member of the board of Roque Marine Ltd.	Member of the board of TSAL Family Office B.V. Member of the board of Lorenzo Marine Ltd. Member of the board of Roque Marine Ltd.
Matthias Währen (former Member)[2]	Member of the board of trustees of the HBM Foundation	Member of the board of trustees of the HBM Foundation Member of the board of directors of Bloom Biorenewables SA Member of the board of trustees of the Givaudan Foundation

For more details on the members of the Board of Directors' curriculum vitae, please refer to the Governance section in this Annual Report.

Table 7: Mandates[3] of the members of the Group Executive Board in 2025 (including previous years information).

Group Executive Board	Mandates in year 2025	Mandates in year 2024
Ann-Kristin Erkens (interim CEO and CFO)	Member of the supervisory board of SCHOTT Pharma AG & Co. KGaA	Member of the supervisory board of SCHOTT Pharma AG & Co. KGaA
José Matthijsse (President & General Manager, Europe)	Member of the board of Vreugdenhil Dairy Food	–

Gavin Steiner, Fabio Grazioli, Christoph Wegener, Abdelghany Eladib, Angela Lu, Ricardo Rodriguez and Samuel Sigrist (former CEO) held no external mandates during the reporting year and in year 2024. José Matthijsse did not report any mandate for year 2024.

For more details on the members of the Group Executive Boards' curriculum vitae, please refer to the Governance section in this Annual Report.

1 Urs Riedener was elected as member of the Board at the Annual General Meeting in April 2025. The mandates are therefore provided for the period from April 8, 2025 until December 31, 2025.
2 Andreas Umbach, Wah-Hui Chu, Laurens Last and Matthias Währen left the Board of Directors at the Annual General Meeting in April 2025. The mandates are therefore provided only for the period from January 1, 2025 until April 8, 2025.
3 According to the disclosures made by the members of the Group Executive Board as of December 31, 2025.

Loans granted to members of the Board of Directors or the Group Executive Board

SIG's Articles of Association do not foresee loans to be granted by the Group or its consolidated subsidiaries to members of the Board or the Group Executive Board. As a consequence, no loans were granted to or are outstanding from either Board or Group Executive Board members.

Outlook

The Compensation Committee decided to review the performance share unit plan and introduce an individual peer group for relative TSR measurement as of grant 2026 instead of the index-based measuring.

Effective 2026, the STI revenue target will no longer be divided between the first half and the full year; rather, it will be defined solely based on one annual target.

Report of the statutory auditor

**to the General Meeting of SIG Group AG,
Neuhausen am Rheinfall**

Report on the audit of the Compensation Report

Opinion
We have audited the compensation report of SIG Group AG (the Company) for the year ended December 31, 2025. The audit was limited to the information pursuant to article 734a-734f of the Swiss Code of Obligations (CO) in the tables marked 'audited', identifiable by the check mark ✓.

In our opinion, the information pursuant to article 734a-734f CO in the compensation report (pages 202 to 220) complies with Swiss law and the Company's articles of incorporation.

Basis for opinion
We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the compensation report' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information
The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked 'audited' in the compensation report, the consolidated financial statements, the financial statements and our auditor's reports thereon.

Our opinion on the compensation report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the compensation report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the compensation report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the compensation report
The Board of Directors is responsible for the preparation of a compensation report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a compensation report that is free from material misstatement, whether due to fraud or error. It is also charged with structuring the remuneration principles and specifying the individual remuneration components.

Auditor's responsibilities for the audit of the compensation report
Our objectives are to obtain reasonable assurance about whether the information pursuant to article 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this compensation report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the compensation report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

PricewaterhouseCoopers AG

Joanne Burgener
Licensed audit expert
Auditor in charge

Tobias Handschin
Licensed audit expert

Basel, February 27, 2026

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See note 3 for further details on the consolidated financial statements.

Consolidated statement of profit or loss and other comprehensive income

(In € million)	Note	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Revenue	6, 7	3,248.7	3,328.5
Cost of sales		(2,708.3)	(2,557.3)
Gross profit		**540.4**	**771.2**
Other income	8	16.3	76.9
Selling, marketing and distribution expenses		(142.4)	(133.8)
General and administrative expenses		(299.1)	(279.6)
Other expenses	8	(36.2)	(10.9)
Share of profit of joint venture		0.5	0.3
Profit from operating activities		**79.5**	**424.1**
Finance income		8.7	11.1
Finance expenses		(135.0)	(154.2)
Net finance expense	24	**(126.3)**	**(143.1)**
(Loss)/profit before income tax		**(46.8)**	**281.0**
Income tax expense	31	(40.2)	(86.5)
(Loss)/profit for the period	9	**(87.0)**	**194.5**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Currency translations of foreign operations:			
– recognized in translation reserve	26	(202.8)	26.6
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans	29	18.6	1.5
Net change in fair value of equity instruments	27	(1.8)	–
Total other comprehensive income, net of income tax		**(186.0)**	**28.1**
Total comprehensive income		**(273.0)**	**222.6**
Basic earnings per share (in €)	10	(0.23)	0.51
Diluted earnings per share (in €)	10	(0.23)	0.51

Consolidated statement of financial position

(In € million)	Note	As of Dec. 31, 2025	As of Dec. 31, 2024
Cash and cash equivalents	17	354.3	303.4
Trade and other receivables	16	446.0	500.2
Inventories	15	369.5	376.7
Current tax assets	31	17.4	13.9
Other current assets	9, 21	34.9	47.3
Total current assets		**1,222.1**	**1,241.5**
Non-current receivables	16	10.3	9.1
Investment in joint venture	27	1.0	0.7
Deferred tax assets	31	66.9	68.7
Property, plant and equipment	12	1,683.6	1,874.0
Right-of-use assets	13	277.6	322.0
Intangible assets	14	3,592.3	3,962.1
Employee benefits	29	194.1	181.8
Other non-current assets	21	23.5	29.3
Total non-current assets		**5,849.3**	**6,447.7**
Total assets		**7,071.4**	**7,689.2**

(In € million)	Note	As of Dec. 31, 2025	As of Dec. 31, 2024
Trade and other payables	18	1,001.3	1,096.4
Loans and borrowings	23	162.4	776.7
Current tax liabilities	31	35.7	50.3
Employee benefits	29	75.0	73.1
Provisions	19	31.8	14.6
Deferred revenue	20	98.0	112.4
Other current liabilities	21	14.7	9.0
Total current liabilities		**1,418.9**	**2,132.5**
Non-current payables	18	18.4	14.2
Loans and borrowings	23	2,330.3	1,694.4
Deferred tax liabilities	31	170.1	223.0
Employee benefits	29	97.6	104.2
Provisions	19	25.4	25.1
Deferred revenue	20	353.1	360.0
Other non-current liabilities	21	–	3.7
Total non-current liabilities		**2,994.9**	**2,424.6**
Total liabilities		**4,413.8**	**4,557.1**
Share capital	25	3.4	3.4
Additional paid-in capital		2,297.5	2,498.6
Translation reserve		(325.2)	(122.4)
Treasury shares	25	(1.6)	(1.0)
Retained earnings		683.5	753.5
Total equity		**2,657.6**	**3,132.1**
Total liabilities and equity		**7,071.4**	**7,689.2**

Consolidated statement of changes in equity

(In € million)	Note	Share capital	Additional paid-in capital	Translation reserve	Treasury shares	Retained earnings	Total equity
Equity as of January 1, 2025		**3.4**	**2,498.6**	**(122.4)**	**(1.0)**	**753.5**	**3,132.1**
Loss for the period						**(87.0)**	**(87.0)**
Other comprehensive income							
Items that may be reclassified to profit or loss							
Currency translations of foreign operations:							
– recognized in translation reserve	26			(202.8)			**(202.8)**
Items that will not be reclassified to profit or loss							
Remeasurement of defined benefit plans	29					18.6	**18.6**
Net change in fair value of equity instruments	27					(1.8)	**(1.8)**
Total other comprehensive income, net of income tax		**–**	**–**	**(202.8)**	**–**	**16.8**	**(186.0)**
Total comprehensive income for the period		**–**	**–**	**(202.8)**	**–**	**(70.2)**	**(273.0)**
Share-based payments	30					4.3	**4.3**
Purchase of treasury shares	25				(3.1)		**(3.1)**
Settlement of share-based payment plans and arrangements	25, 30		1.6		2.5	(4.1)	**–**
Dividends	25		(202.7)				**(202.7)**
Total transactions with owners		**–**	**(201.1)**	**–**	**(0.6)**	**0.2**	**(201.5)**
Equity as of December 31, 2025		**3.4**	**2,297.5**	**(325.2)**	**(1.6)**	**683.5**	**2,657.6**

Consolidated statement of changes in equity continued

(In € million)	Note	Share capital	Additional paid-in capital	Translation reserve	Treasury shares	Retained earnings	Total equity
Equity as of January 1, 2024		**3.4**	**2,684.9**	**(149.0)**	**(1.5)**	**559.3**	**3,097.1**
Profit for the period						**194.5**	**194.5**
Other comprehensive income							
Items that may be reclassified to profit or loss							
Currency translations of foreign operations:							
– recognized in translation reserve				26.6			**26.6**
Items that will not be reclassified to profit or loss							
Remeasurement of defined benefit plans	29					1.5	**1.5**
Total other comprehensive income, net of income tax		**–**	**–**	**26.6**	**–**	**1.5**	**28.1**
Total comprehensive income for the period		**–**	**–**	**26.6**	**–**	**196.0**	**222.6**
Share-based payments	30					3.2	**3.2**
Purchase of treasury shares	25				(4.6)		**(4.6)**
Settlement of share-based payment plans and arrangements	25, 30		1.5		5.1	(5.0)	**1.6**
Dividends	25		(187.8)				**(187.8)**
Total transactions with owners		**–**	**(186.3)**	**–**	**0.5**	**(1.8)**	**(187.6)**
Equity as of December 31, 2024		**3.4**	**2,498.6**	**(122.4)**	**(1.0)**	**753.5**	**3,132.1**

Consolidated statement of cash flows

(In € million)	Note	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Cash flows from operating activities			
(Loss)/profit for the period		(87.0)	194.5
Adjustments for:			
Depreciation and amortization	12, 13, 14	340.6	419.5
Impairment losses	12, 13, 14	315.2	26.6
Net change in fair value of operating derivatives		5.5	(9.6)
Share-based payment expense	30	4.3	3.2
Gain on sale of property, plant and equipment and other assets		(5.0)	(1.6)
Share of profit of joint venture		(0.5)	(0.3)
Net finance expense	24	126.3	143.1
Interest paid		(107.8)	(135.1)
Payment of transaction and other costs relating to financing		(3.8)	(1.8)
Income tax expense	31	40.2	86.5
Income taxes paid, net of refunds received		(112.2)	(123.1)
		515.8	**601.9**
Change in trade and other receivables		35.9	(89.5)
Change in inventories		(2.2)	9.1
Change in trade and other payables, including advance payments		(70.6)	80.2
Change in provisions and employee benefits		25.2	9.5
Change in other assets and liabilities, including deferred revenue		10.2	38.0
Net cash from operating activities	11	**514.3**	**649.2**

(In € million)	Note	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Cash flows from investing activities			
Acquisition of property, plant and equipment and intangible assets	12, 14	(285.3)	(310.0)
Sale of property, plant and equipment and other assets	9, 12, 21	17.2	2.8
Investment in securities		(0.5)	(4.4)
Interest received		4.9	3.8
Net cash used in investing activities	11	**(263.7)**	**(307.8)**
Cash flows from financing activities			
Proceeds from loans and borrowings	23	1,059.5	1,173.8
Repayment of loans and borrowings	23	(981.4)	(1,247.3)
Payment of lease liabilities	23	(55.2)	(51.7)
Purchase of treasury shares	25	(3.1)	(4.6)
Sale of treasury shares	25, 30	–	1.6
Payment of dividends	25	(202.7)	(187.8)
Other		(0.2)	(4.2)
Net cash used in financing activities	11	**(183.1)**	**(320.2)**
Net increase in cash and cash equivalents		**67.5**	**21.2**
Cash and cash equivalents as of the beginning of the period		303.4	280.9
Effect of exchange rate fluctuations on cash and cash equivalents		(16.6)	1.3
Cash and cash equivalents as of the end of the period	17	**354.3**	**303.4**

Basis of preparation

This section includes information on the parent company and the Group. It further contains details about the preparation of the consolidated financial statements, including general accounting policies and topics. An overview of the structure of the consolidated financial statements is also provided. In addition, the key events and transactions in the year are highlighted.

1 Reporting entity and overview of the Group

SIG Group AG ("SIG" or the "Company") is domiciled in Switzerland and is listed on SIX Swiss Exchange.

The consolidated financial statements for the year ended December 31, 2025 comprise the Company and its subsidiaries (together referred to as the "Group" or the "SIG Group"). The subsidiaries and joint venture reflected in the consolidated financial statements are listed in note 27.

SIG is a leading packaging solutions provider, offering carton, bag-in-box and spouted pouch packaging solutions. The packaging solution offerings consist of filling lines and other related equipment, packaging material and after-sales services.

2 Preparation of the consolidated financial statements

The consolidated financial statements for the year ended December 31, 2025 have been prepared in accordance with IFRS Accounting Standards. They were approved by the Company's Board of Directors on February 27, 2026. They also comply with the Listing Rules of SIX Swiss Exchange and with Swiss company law.

The consolidated financial statements are presented in Euros ("€" or "EUR") as the Euro is deemed to be the currency most representative of the Group's activities. The functional currency of the Company is the Swiss Franc.

The consolidated financial statements are prepared on a historical cost basis except for certain financial instruments such as derivatives and equity securities, contingent purchase price obligations relating to business combinations and liabilities for cash-settled share-based payment plans that are measured at fair value. Furthermore, certain components of inventory are measured at net realizable value and defined benefit obligations are measured under the projected unit credit method. Assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

3 Structure of the consolidated financial statements

The consolidated financial statements are structured into different sections that should facilitate an overview and understanding of the Group's operations, financial position and performance. The notes are included in these sections based on their relevance and provide information that is material and relevant to the consolidated financial statements.

Basis of preparation	Our operating performance	Our operating assets and liabilities	Our financing and financial risk management	Our group structure and related parties	Our people	Other
1 Reporting entity and overview of the Group	6 Revenue	12 Property, plant and equipment	22 Capital management	27 Group entities	29 Employee benefits	31 Income tax
2 Preparation of the consolidated financial statements	7 Segment information	13 Right-of-use assets	23 Loans and borrowings	28 Related parties	30 Share-based payment plans and arrangements	32 Financial instruments and fair value information
3 Structure of the consolidated financial statements	8 Other income and expenses	14 Intangible assets	24 Finance income and expenses			33 Contingent liabilities
4 Key events and transactions	9 Alternative performance measures	15 Inventories	25 Equity			34 Subsequent events
5 General accounting policies and topics	10 Earnings per share	16 Trade and other receivables	26 Financial risk management			
	11 Cash flow information	17 Cash and cash equivalents				
		18 Trade and other payables				
		19 Provisions				
		20 Deferred revenue				
		21 Other assets and liabilities				

Potentially material accounting policies and information about management judgments, estimates and assumptions are provided in the respective notes throughout the consolidated financial statements. Potentially material accounting policies that relate to the financial statements as a whole or are relevant for several notes are included in this "Basis of preparation" section.

4 Key events and transactions

The following key events and transactions took place in the year ended December 31, 2025.

Refinancing transactions

On March 19, 2025, the Group issued €625 million of senior unsecured bonds. Proceeds from the issue of bonds, together with draw-downs of the Group's revolving credit facilities, were used to repay €550 million of senior unsecured notes and €85.5 million of unsecured *Schuldscheindarlehen* ("SSD", a private German debt placement) that were due in June 2025. See note 23 for additional details.

Changes in the Board of Directors and the Group Executive Board

Ola Rollén was elected as a member and chair of the Board of Directors at the Annual General Meeting on April 8, 2025. The former chair, Andreas Umbach, did not stand for re-election. Matthias Währen, Wah-Hui Chu and Laurens Last did also not stand for re-election. Niren Chaudhary and Urs Riedener were elected as new members of the Board of Directors.

On August 4, 2025, the Board of Directors and Samuel Sigrist mutually agreed on Mr. Sigrist stepping down from his position as Chief Executive Officer and member of the Group Executive Board with immediate effect. Ann-Kristin Erkens was appointed interim Chief Executive Officer, while continuing in her current role as Chief Financial Officer. On November 17, 2025, the Board of Directors announced that it has appointed Mikko Keto as the Group's new Chief Executive Officer. He is expected to join SIG on March 1, 2026.

Impacts of strategic review and soft market conditions

in 2025, SIG's performance has been impacted by weak consumer sentiment, with prices remaining at an elevated level, the Euro strengthening across most major currencies and overall market turbulence with heightened uncertainty on tariffs and fiscal policies.

In light of these prevailing soft market conditions and latest market outlook, the Board of Directors initiated a review of the Group's strategic direction. As per the outcome of the strategic review, SIG will focus on its higher-margin, higher-growth aseptic businesses. In line with this, SIG will initiate a divestment of smaller non-aseptic businesses and address various non-core parts of the portfolio. SIG will also undertake various performance improvement activities and implement a more rigorous approach to capital investments.

Considering the soft market conditions, the updated growth forecasts and the refined strategy, a number of individual assets and cash generating units ("CGUs") were tested for impairment in the third quarter of 2025.

The total pre-tax impact of impairment losses and other charges resulting from various assessments and actions undertaken by management is €350.7 million (€295.3 million post-tax) for the year ended December 31, 2025. The majority of these charges are non-cash.

The table below provides an overview of the charges recognized for the year ended December 31, 2025 following the strategic review and soft market conditions.

	Year ended December 31, 2025					
(In € million, pre-tax)	**Bag-in-box and spouted pouch**	**Chilled carton**	**Markets and capacity**	**Innovation**	**Restructuring and other**	**Total impairment losses and other charges**
Customer relationships	63.0	43.6	–	–	–	**106.6**
Technology assets	16.2	6.8	–	–	–	**23.0**
Trademarks	5.8	–	–	–	–	**5.8**
Capitalized development costs	–	–	–	13.5	–	**13.5**
Right-of-use assets	–	11.5	24.4	3.2	–	**39.1**
Production equipment	20.3	23.8	29.5	0.3	–	**73.9**
Filling lines	–	–	21.2	28.4	–	**49.6**
Total impairment losses	**105.3**	**85.7**	**75.1**	**45.4**	**0.0**	**311.5**
Restructuring costs	–	–	–	–	8.6	**8.6**
Other charges	2.0	–	7.2	16.4	5.0	**30.6**
Total other charges	**2.0**	**0.0**	**7.2**	**16.4**	**13.6**	**39.2**
Total charges	**107.3**	**85.7**	**82.3**	**61.8**	**13.6**	**350.7**

A more detailed description of the impacts on the Group of the impairment assessments is provided below. Additional details are presented in notes 5.4, 7, 9 and 12–14. Note 14 also includes information about the Group's 2025 annual impairment test of goodwill and SIG trademarks with indefinite useful lives, which are not impaired.

Bag-in-box and spouted pouch

The bag-in-box and spouted pouch businesses have experienced a slowdown in their end markets. Subdued consumer demand, driven by persistently high prices in the end markets we serve, has lowered the growth expectations compared to previous forecasts.

The recoverable amount, calculated in accordance with IAS 36 *Impairment of Assets*, of the bag-in-box and spouted pouch businesses (identified as the CGU tested for impairment) was assessed based on its value in use (applying a discount rate of 7.4%) and approximated €120 million (including debt).

Based on the recoverable amounts of the individual assets in the CGU, an impairment loss of €95.0 million (pre-tax) was recognized for the CGU for the year ended December 31, 2025. It mainly relates to acquisition-related assets: customer relationships (€63.0 million), technology assets (€16.2 million) and production equipment (€15.8 million). In addition, an impairment loss of €5.8 million (pre-tax) was recognized for trademarks, which were tested for impairment on an individual asset basis.

Besides the trademarks, certain production equipment of the bag-in-box and spouted pouch businesses was also tested separately for impairment. An impairment loss of €4.5 million was recognized for this production equipment. The assets tested for impairment on an individual asset basis were deemed fully impaired.

In addition, other charges of €2.0 million relating to inventory write-offs were recognized for the year ended December 31, 2025.

Chilled carton

The chilled carton market is currently experiencing a decline driven by the down-turn of the economy, subdued consumer demand and increased competition. Considering these factors, the Board of Directors decided in its review of the Group's strategy to find a strategic partner for this business.

The recoverable amount, calculated in accordance with IAS 36 *Impairment of Assets*, of the chilled carton business (identified as the CGU tested for impairment) was assessed based on its value in use (applying a discount rate of 7.6%) and approximated €72.6 million (including debt).

Based on the recoverable amounts of the individual assets in the CGU, an impairment loss of €85.7 million (pre-tax) was recognized for the CGU for the year ended December 31, 2025. It relates to both acquisition- and production-related assets: customer relationships (€43.6 million), technology assets (€6.8 million), the leased chilled carton production plant in the form of a right-of-use asset (€11.5 million) and production equipment (€23.8 million).

Sale of production plant completed

The Group moved its production of chilled carton from Shanghai to Suzhou in 2024. The sale of the production plant in Shanghai was completed in October 2025. The assets were sold for €16.2 million, with a resulting pre-tax gain of €2.0 million. See note 9 for additional information about the impacts of the production changes on the Group in the years ended December 31, 2025 and 2024.

Markets and capacity

In the context of the current weaker market environment and the recently updated strategic direction of the Group, management has re-assessed the required operating needs of the Group as well as the current and future customer use and demand of filling lines.

Indian aseptic carton

The aseptic carton business in India is currently experiencing lower consumer demand and strong competition. Considering the low price points and the projected outlook for the region, management has decided to pause further expansion until the Indian aseptic carton business can meet sizable economies of scale.

The recoverable amount, calculated in accordance with IAS 36 *Impairment of Assets*, of the Indian aseptic carton business (identified as the CGU tested for impairment) was assessed based on its value in use (applying a discount rate of 7.3%) and was negative. The Board of Directors still see a market opportunity in India and will focus the business on attaining economies of scale.

Based on the recoverable amounts of the individual assets in the CGU, an impairment loss of €37.6 million (pre-tax) was recognized for the CGU for the year ended December 31, 2025. It relates to production-related assets: the leased aseptic carton production plant in the form of a right-of-use asset (€21.8 million) and production equipment (€15.8 million).

In addition, other charges of €5.6 million were recognized for the year ended December 31, 2025, primarily relating to penalties for pausing further expansion of the production plant.

Production equipment (own and leased)

Management has performed an assessment of its required operating capacities in its aseptic carton production plants (outside India – see above). The assessment resulted in an impairment loss of €13.7 million (pre-tax) relating to own production equipment and an impairment loss of €2.6 million (pre-tax) relating to leased production equipment (right-of-use assets) for the year ended December 31, 2025. The impairment losses relate to a number of individual pieces of production equipment.

Filling lines

Management has performed an assessment of the recoverability of the filling lines presented as property plant and equipment on the statement of financial position. The assessment considered the current subdued market conditions and resulted in an impairment loss of €21.2 million (pre-tax) for the year ended December 31, 2025.

Innovation

The Board of Directors decided in September 2025 to cease further marketing of and investments in the Ultima filling machine and related assets. This has resulted in an impairment loss of €45.4 million (pre-tax) for the year ended December 31, 2025, relating to capitalized development costs (€13.5 million), filling line assets (€28.4 million), and own and leased production equipment (€3.5 million in total).

In addition, other charges of €16.4 million were recognized for the year ended December 31, 2025. They relate to costs associated with recent innovations, including the Ultima project and new product releases.

Restructuring and other

The Group has initiated a performance improvement program, which includes footprint rationalization and the alignment of headcounts to the Group's reassessed needs. Restructuring costs of €8.6 million have been recognized for the year ended December 31, 2025. These costs relate to relocation of bag-in-box and spouted pouch production from the Netherlands and Chile to other plants along with severance payments as well as to other performance improvement programs initiated in several regions of the Group.

Expenses for termination benefits of €2.5 million relating to the former Chief Executive Officer (see section "Changes in the Board of Directors and the Group Executive Board" above and note 28) and consulting costs of €2.5 million relating to 2025 strategic review topics were also incurred in the year ended December 31, 2025.

5 General accounting policies and topics

5.1 Application of material accounting policies

The accounting policies applied by the Group in the consolidated financial statements for the year ended December 31, 2025 are consistent with those applied in the consolidated financial statements for the year ended December 31, 2024.

5.2 Impact of new or amended standards and interpretations

One amended standard became effective for annual periods beginning on January 1, 2025. The amendment relates to the exchangeability of foreign currencies. It had no impact on the consolidated financial statements for the year ended December 31, 2025.

5.3 Adoption of standards and interpretations in 2026 and beyond

A number of new or amended standards and interpretations are effective for annual periods beginning on or after January 1, 2026 or later, and have not been applied in preparing these consolidated financial statements. The Group does not plan to adopt these standards and interpretations before their effective dates. Many of them are not applicable to the Group or are expected to have no, or no material, impact on the consolidated financial statements.

IFRS 18 *Presentation and Disclosure in the Financial Statements* is effective from January 1, 2027 on a retrospective basis. The adoption of this standard introduces some changes to notably the presentation of items in the statement of profit and loss and other comprehensive income but also to the presentation of items in statement of financial position and the statement of cash flows. There is also additional guidance on aggregation/disaggregation of information and requirements on disclosure and audit of certain management-defined performance measures.

The Group is in the process of finalizing its assessment of the impact of adopting IFRS 18. It is awaiting the final outcome of discussions on different interpretations of the guidance regarding presentation of items in the statement of profit and loss and other comprehensive income, including the presentation of foreign currency exchange gains and losses on intra-group positions.

In the statement of cash flows, interest payments on the Group's loans and borrowings will upon adoption of IFRS 18 be presented as net cash flows from financing activities rather than as net cash flows from operating activities. Moreover, additional disclosures will be required for each reconciling item in the Group's management-defined performance measures.

5.4 Significant accounting judgments, estimates and assumptions

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses and disclosure of contingent assets and liabilities. The estimates and associated assumptions are based on historical experience and various other assumptions that are believed to be reasonable under the circumstances. Actual results may differ from estimates and assumptions made. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both the current and future periods.

Management believes that the following accounting policies involve the most significant judgments, estimates and assumptions:

- Liabilities for various customer incentive programs – see notes 6 and 18.
- Impairment testing and recognition of impairment losses – see notes 4, 7, 12–14 and the section below.
- Fair value assessment of contingent consideration – see note 32.
- Measurement of obligations under defined benefit plans – see note 29.
- Determination of income tax liabilities – see note 31.
- Realization of deferred tax assets – see note 31.

The impacts of global economic uncertainty on the SIG Group are described in the following section.

Subdued consumer confidence and challenging market dynamics

In 2025, subdued markets, lower consumer purchasing power and overall market turbulence have impacted the growth trajectory and profitability of the Group, specifically the bag-in-box, spouted pouch and chilled carton businesses. This resulted in the recognition of impairment losses for the year ended December 31, 2025 relating to both property, plant and equipment, right-of-use assets and intangible assets. See note 4 for additional details.

The assessment of recoverable amounts of assets, including goodwill, and recognition of impairment losses is associated with significant judgments, estimates and assumptions. A change in management's assumptions or changed market conditions could result in additional impairment losses or reversals of already recognized impairment losses.

5.5 Material accounting policies and other topics relating to the consolidated financial statements

5.5.1 Foreign currency

Items included in the financial statements of individual Group entities are recognized in their respective functional currency, which is the currency of the primary economic environment in which each Group entity operates.

Foreign currency transactions

Foreign currency transactions are translated into the respective functional currency of the Group entity at the exchange rates at the dates of the transactions, or at average rates that approximate the exchange rates at the dates of the transactions. Monetary assets and liabilities in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Non-monetary assets and liabilities in foreign currencies that are measured based on historical cost are translated at the exchange rates at the dates of the transactions. Foreign currency exchange gains or losses are generally recognized in profit or loss.

Foreign operations

Assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisitions, are translated into Euro at the exchange rates at the reporting date. The income and expenses of foreign operations are generally translated into Euro at average rates for the reported periods as these rates generally approximate the exchange rates at the dates of the transactions. This also applies to the statement of cash flows and all movements in assets and liabilities as well as any items of other comprehensive income. The foreign currency exchange gains and losses arising on the translation of the net assets of foreign operations are recognized in other comprehensive income, in the translation reserve.

When a foreign operation is disposed of or liquidated, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal (or liquidation).

The Group does not apply hedge accounting to the foreign currency exchange differences arising between the functional currency of the foreign operation and the Euro.

Significant exchange rates

The following significant exchange rates against the Euro applied during the periods presented:

	Average rate for the year		Spot rate as of	
	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
Brazilian Real (BRL)	6.30273	5.80177	6.43640	6.42530
Chinese Renminbi (CNY)	8.10375	7.78606	8.22620	7.58330
Mexican Peso (MXN)	21.66785	19.70209	21.11798	21.55038
Saudi Riyal (SAR)	4.22917	4.05845	4.39921	3.89941
Swiss Franc (CHF)	0.93710	0.95260	0.93140	0.94120
Thai Baht (THB)	37.08071	38.15161	37.21804	35.67597
US Dollar ($ or USD)	1.12699	1.08182	1.17500	1.03890

5.5.2 Lease accounting

The Group as lessor

The Group deploys filling lines and other related equipment at its customers' sites under both lease and sale contracts.

The aseptic carton filling line contracts generally contain certain terms showing that the Group retains control of the filling line and does not transfer the significant risks and rewards of ownership to the customer. Due to these contractual terms, the majority of the Group's aseptic carton filling line contracts qualify to be accounted for as operating leases in accordance with IFRS 16 *Leases*. See also notes 6, 12, 18 and 20. Sale contracts that do not contain such terms are accounted for in accordance with IFRS 15 *Revenue from Contracts with Customers*.

The Group's aseptic carton filling line lease contracts do not include unconditional rights for customers to extend the lease or to purchase the filling line at the end of the stated lease term. Due to the Group's long-term relationships with its customers and changing customer needs, contracts can be modified or terminated at any time. Customers may, for example, want to change to a different filling machine model. Filling lines taken back from customers are generally overhauled and redeployed with other existing or new customers.

Lease contracts in the bag-in-box, spouted pouch and chilled carton businesses are accounted for as operating or finance leases in accordance with IFRS 16 *Leases*. The impact of these lease contracts is not material for the Group.

The Group as lessee

The Group leases office buildings, production-related buildings and equipment, warehouses and cars.

The majority of the Group's leased assets are recognized as right-of-use assets with corresponding lease liabilities. See notes 13 and 23 for details about the accounting for right-of-use assets and lease liabilities.

Leases of low-value assets and short-term leases (leases with a lease term of 12 months or less) are accounted for off-balance sheet. The lease payments are recognized as an expense on a straight-line basis over the lease term. Variable lease payments that are not included in the measurement of lease liabilities are also accounted for off-balance sheet and are recognized as an expense when incurred. The Group's off-balance sheet leases have an insignificant impact on the Group's result.

5.5.3 Impairment of non-financial assets

The carrying amounts of the Group's property, plant and equipment, right-of-use assets and intangible assets with finite useful lives are reviewed regularly and at least annually to identify whether there is an indication of impairment. If an impairment indicator exists, the asset's recoverable amount is estimated. Goodwill and the SIG trademarks with indefinite useful lives are tested for impairment on an annual basis and whenever there is an indication that they may be impaired.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("CGU").

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized in profit or loss if the carrying amount of an asset or CGU exceeds its recoverable amount. For a CGU, an impairment loss is allocated to first reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU. Assets are not impaired below the higher of their fair value less costs of disposal, value in use and zero.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss may be reversed. The Group reviews regularly and at least annually whether there is an indication that a previously recognized impairment loss should be reversed.

Additional details on impairment testing are provided in the respective notes on property, plant and equipment, right-of-use assets and intangible assets (see notes 12, 13 and 14).

5.5.4 Contingent assets

Contingent assets are possible assets arising from a past event to be confirmed by future events not wholly within the control of the Group. Contingent assets are not recognized in the statement of financial position but are disclosed separately. If realization of a contingent asset becomes virtually certain, it is no longer considered contingent and is recognized as an asset.

5.5.5 Non-current assets or disposal groups held for sale

Non-current assets (or disposal groups) are classified as held for sale if it is highly probable that they will be recovered principally through a sale transaction rather than through continuing use. The asset (or disposal group) must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups). Subject to limited exceptions, the sale must also be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (or disposal group) classified as held for sale are measured at the lower of the carrying amount and fair value less costs to sell, except for deferred tax assets, assets arising from employee benefits and financial assets that are carried at fair value. They are no longer depreciated or amortized. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognized in profit or loss.

Our operating performance

This section covers our operating performance at Group as well as at segment level. It includes alternative performance measures that management believes are relevant in evaluating the Group's performance and liquidity.

6 Revenue

Revenue derives from the sale of goods such as carton sleeves, closures, bag-in-box and spouted pouches with associated materials (barrier film and fitments), filling lines and other related equipment as well as the provision of after-sales services. Revenue is presented net of returns, trade discounts, volume rebates and other customer incentives. In addition, the Group presents income from the deployment of filling lines and other related equipment under contracts that are accounted for as leases as part of revenue.

Composition of revenue

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Revenue from sale of packaging material, sale of filling lines and other related equipment, and service contracts	3,076.5	3,160.3
Revenue from filling line and other related equipment contracts accounted for as leases	172.2	168.2
Total revenue	**3,248.7**	**3,328.5**

Revenue from filling line and other related equipment contracts accounted for as leases is mainly composed of equipment for the aseptic carton business that is accounted for as operating leases. The impact of finance lease contracts is not material for the Group.

The Group's total revenue is disaggregated by major product/service line in the table below.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Revenue from the sale of carton, bag-in-box and spouted pouch	2,828.4	2,889.6
Filling line and other related equipment revenue	209.8	226.7
Service revenue	210.3	212.0
Other revenue	0.2	0.2
Total revenue	**3,248.7**	**3,328.5**

Revenue from the sale of carton, bag-in-box and spouted pouch is mainly composed of revenue from the sale of aseptic carton sleeves and closures.

Filling line and other related equipment revenue is composed of revenue from the deployment of equipment under contracts that qualify to be accounted for as leases as well as revenue from the sale of equipment.

Service revenue relates to after-sales services in relation to the Group's equipment.

The Group's revenue is disaggregated by type of business in the table below.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Revenue from the carton business	2,697.7	2,748.9
Revenue from the bag-in-box and spouted pouch businesses	551.0	579.6
Total revenue	**3,248.7**	**3,328.5**

Revenue from the carton business mainly relates to the provision of aseptic carton packaging solutions but also to the provision of chilled carton packaging solutions in Asia.

Notes 18 and 20 include information about the Group's liabilities relating to various incentive programs, advance payments from customers and deferred revenue, which had or will have an impact on the amount of revenue recognized.

Accounting policy, significant judgments and estimates

Revenue from sale of carton, bag-in-box and spouted pouches with associated products, deployment of filling lines and other related equipment under contracts accounted for as sale contracts and provision of service is measured at the fair value of the consideration received or receivable net of returns, trade discounts, volume rebates and other customer sales incentives.

Revenue is recognized when the Group transfers control over a product or service to a customer. Transfer of control varies depending on the individual contract terms. Revenue from the sale of carton, bag-in-box and spouted pouches with associated products as well as the deployment of filling lines and other related equipment under contracts accounted for as sale contracts is recognized at a point in time, while revenue from service contracts is recognized over time.

Lease payments for filling lines and other related equipment that are deployed under operating lease contracts are recognized as revenue on a straight-line basis over the lease term. The payment (i.e. the sale price) for the use of aseptic carton filling lines that are deployed under sale contracts that qualify to be accounted for as operating leases is recognized as a deferred revenue liability in the statement of financial position, and recognized as revenue on a straight-line basis over the shorter of the period over which the customer relationship is expected to last and the ten-year estimated useful life of a filling line. The control and significant risks and rewards of ownership are retained by the Group in respect of such sale contracts (see also note 5.5.2). The present value of future lease payments for filling lines and other related equipment that are deployed under finance lease contracts is recognized as revenue at the deployment date (against a lease receivable). Interest income is recognized over the lease term.

When sales incentives are offered to customers, only the amount of revenue that is highly probable not to be reversed is recognized. The amount of sales incentives expected to be earned or taken by customers in conjunction with incentive programs is therefore estimated and deducted from revenue. Estimates in respect of the incentives are based on historical and current sales trends, which are affected by the business seasonality and competitiveness of promotional programs being offered. Estimates are reviewed quarterly for possible revisions.

7 Segment information

The Group has four operating segments, which are also the reportable segments: Europe; India, Middle East and Africa ("IMEA"); Asia Pacific ("APAC") and Americas. The packaging solution offered by the segments consists of filling lines and other related equipment, packaging material and after-sales services.

Overview of the segments and Group Functions

Europe includes production of aseptic carton sleeves and closures, pouches as well as barrier film and fitments for bag-in-box and spouted pouches for the Group's customers in Europe. Europe also supplies the other segments with aseptic carton sleeves and, to a lesser extent, closures from its plants in Europe. In addition, Europe includes an assembly plant for equipment used for spouted pouches. The Group's central procurement activities, including commodity hedging, are part of Europe, with the European production entities being the main internal customers.

IMEA includes production of aseptic carton sleeves and closures as well as barrier film and fitments for bag-in-box and spouted pouches for the Group's customers in India, Middle East and Africa. In addition, IMEA includes an assembly plant for equipment used for bag-in-box and spouted pouches.

APAC includes production of aseptic carton sleeves, carton sleeves for the chilled market, pouches as well as barrier film and fitments for bag-in-box and spouted pouches for the Group's customers in China, Southeast Asia and Oceania. In addition, APAC supplies the other segments with aseptic carton sleeves. APAC also includes the aseptic carton filling machine assembly plant in China and the assembly of filling machines for the chilled market in Asia.

Americas includes production of aseptic carton sleeves, pouches as well as barrier film and fitments for bag-in-box and spouted pouches for the Group's customers in North and South America. Americas also includes an assembly plant for equipment used for bag-in-box.

The **Group Functions** include activities that support the Group's business, such as the global aseptic carton filling machine assembly, global technology (including R&D), information technology, marketing, finance, legal, human resources and other global support functions. Global filling machine assembly sells aseptic carton filling machines and spare parts, and provides assembly-related services, to all segments. The Group Functions are not involved in any significant transactions with third parties.

Inter-company transactions between the segments, and between the segments and the Group Functions, are eliminated in consolidation. These mainly relate to the sale of aseptic carton filling machines, aseptic carton sleeves and closures. Pricing is determined on a cost-plus basis. The Group has limited inter-segment sales of products related to the chilled carton business.

Information about the Group's segments is reported to the Chief Operating Decision Maker ("CODM") on a regular basis for the purposes of resource allocation and assessment of performance of the segments. The performance of the segments in 2025 has been assessed by the CODM on the basis of both adjusted EBITDA and adjusted EBIT (both measures as defined in note 9). In prior years, the performance was primarily assessed on the basis of adjusted EBITDA.

Segment financial information

The following tables present financial information about the Group's segments and Group Functions. The same measurement basis is used when presenting the segment information as is used in the Group's consolidated financial statements.

	Year ended December 31, 2025							
(In € million)	Europe	IMEA	APAC	Americas	Total segments	Group Functions	Reconciling items	Total
Revenue from transactions with external customers	1,035.7	445.4	892.4	874.5	**3,248.0**	0.7	–	**3,248.7**
Revenue from inter-segment transactions	389.9	9.7	45.4	6.1	**451.1**	80.2	(531.3)	**–**
Segment revenue	1,425.6	455.1	937.8	880.6	**3,699.1**	80.9	(531.3)	**3,248.7**
Cost of sales	(1,206.9)	(401.2)	(833.7)	(727.6)	**(3,169.4)**	(70.2)	531.3	**(2,708.3)**
Adjusted EBITDA[1]	296.9	113.5	224.5	164.4	**799.3**	(81.0)	–	**718.3**
of which charges due to strategic review and soft market conditions	*33.5*	*5.8*	*11.3*	*6.9*	***57.5***	*11.8*	–	***69.3***
Depreciation and amortization[1]	(84.7)	(42.5)	(99.7)	(50.9)	**(277.8)**	1.7	–	**(276.1)**
Adjusted EBIT[1]	212.2	71.0	124.8	113.5	**521.5**	(79.3)	–	**442.2**
of which charges due to strategic review and soft market conditions	*33.5*	*5.8*	*11.3*	*6.9*	***57.5***	*11.8*	–	***69.3***
Capital expenditure:[2]	(58.7)	(49.7)	(60.7)	(82.9)	**(252.0)**	(16.1)	–	**(268.1)**
PP&E and intangible assets[3,4]	(14.5)	(22.9)	(5.5)	(36.7)	**(79.6)**	(15.2)	–	**(94.8)**
Net filling lines and other related equipment[4]	(7.9)	(2.4)	(5.1)	(33.4)	**(48.8)**	(0.9)	–	**(49.7)**
Net capital expenditure[2]	(22.4)	(25.3)	(10.6)	(70.1)	**(128.4)**	(16.1)	–	**(144.5)**
Impairment losses:[5]								
Bag-in-box and spouted pouch (CGU)	(31.9)	(3.6)	(16.6)	(26.7)	**(78.8)**	(16.2)	–	**(95.0)**
Chilled carton (CGU)	–	–	(80.6)	–	**(80.6)**	(5.1)	–	**(85.7)**
Aseptic carton – India (CGU)	–	(37.6)	–	–	**(37.6)**	–	–	**(37.6)**
Individual assets[5]	(38.6)	(5.4)	(13.4)	(5.8)	**(63.2)**	(34.2)	4.2	**(93.2)**
Impairment losses due to strategic review and soft market conditions[5]	(70.5)	(46.6)	(110.6)	(32.5)	**(260.2)**	(55.5)	4.2	**(311.5)**
Other individual asset impairment losses	(0.3)	(2.6)	(1.1)	–	**(4.0)**	–	0.3	**(3.7)**
Total impairment losses	(70.8)	(49.2)	(111.7)	(32.5)	**(264.2)**	(55.5)	4.5	**(315.2)**

1 The performance of the segments for the year ended December 31, 2025 is presented with reference to both adjusted EBITDA and adjusted EBIT, excluding intra-group trademark and royalty payments. Refer to note 9 for additional details about adjusted EBITDA and adjusted EBIT (including the treatment of depreciation and amortization). In prior years, the performance of the segments was presented with reference to adjusted EBITDA only. However, adjusted EBIT is presented also for the comparative period.
2 Refer to note 11 for additional details about capital expenditure and net capital expenditure.
3 PP&E (excluding filling lines and other related equipment) and intangible assets.
4 Group Functions may report positive net filling lines and other related equipment capital expenditure if the capital expenditure of the global aseptic carton filling machine assembly during a period is smaller than the payments it received under intra-group sales of filling machines. This could also happen occasionally in the case of PP&E and intangible asset capital expenditure, excluding filling lines and other related equipment.
5 See notes 4, 9 and 12–14 for additional information about the impairment losses. The impairment losses relating to individual assets tested separately for impairment are recognized in all segments and in Group Functions. The impairment loss of the capitalized development costs (€13.5 million) is recognized in Group Functions.

(In € million)	Year ended December 31, 2024							
	Europe	IMEA	APAC	Americas	Total segments	Group Functions	Reconciling items	Total
Revenue from transactions with external customers	1,044.7	456.4	938.1	888.6	**3,327.8**	0.7	–	**3,328.5**
Revenue from inter-segment transactions	379.6	17.6	48.5	5.7	**451.4**	84.9	(536.3)	**–**
Segment revenue	1,424.3	474.0	986.6	894.3	**3,779.2**	85.6	(536.3)	**3,328.5**
Cost of sales	(1,175.4)	(370.0)	(791.6)	(682.0)	**(3,019.0)**	(74.6)	536.3	**(2,557.3)**
Adjusted EBITDA[1]	308.4	122.0	259.7	208.7	**898.8**	(79.3)	–	**819.5**
Depreciation and amortization[1]	(83.0)	(42.1)	(93.8)	(50.0)	**(268.9)**	(0.1)	–	**(269.0)**
Adjusted EBIT[1]	225.4	79.9	165.9	158.7	**629.9**	(79.4)	–	**550.5**
Capital expenditure:[2]	(79.1)	(52.9)	(110.2)	(74.8)	**(317.0)**	9.8	–	**(307.2)**
PP&E and intangible assets[3,4]	(27.5)	(29.5)	(35.5)	(32.0)	**(124.5)**	(2.1)	–	**(126.6)**
Net filling lines and other related equipment[4]	(6.6)	(3.6)	(16.4)	(22.7)	**(49.3)**	12.0	–	**(37.3)**
Net capital expenditure[2]	(34.1)	(33.1)	(51.9)	(54.7)	**(173.8)**	9.9	–	**(163.9)**
Impairment losses								
Chilled carton	–	–	(17.3)	–	**(17.3)**	–	–	**(17.3)**
Other	(1.6)	(2.8)	(4.3)	(0.6)	**(9.3)**	–	–	**(9.3)**
Total impairment losses	(1.6)	(2.8)	(21.6)	(0.6)	**(26.6)**	–	–	**(26.6)**

1 The performance of the segments for the year ended December 31, 2025 is presented with reference to both adjusted EBITDA and adjusted EBIT, excluding intra-group trademark and royalty payments. Refer to note 9 for additional details about adjusted EBITDA and adjusted EBIT (including the treatment of depreciation and amortization). In prior years, the performance of the segments was presented with reference to adjusted EBITDA only. However, adjusted EBIT is presented also for the comparative period.
2 Refer to note 11 for additional details about capital expenditure and net capital expenditure.
3 PP&E (excluding filling lines and other related equipment) and intangible assets.
4 Group Functions may report positive net filling lines and other related equipment capital expenditure if the capital expenditure of the global aseptic carton filling machine assembly during a period is smaller than the payments it received under intra-group sales of filling machines. This could also happen occasionally in the case of PP&E and intangible asset capital expenditure, excluding filling lines and other related equipment.

Disaggregation of segment revenue

The following tables present revenue from transactions with external customers for the segments, split by major product/service line.

	Year ended December 31, 2025						
(In € million)	Europe	IMEA	APAC	Americas	Total segments	Group Functions	Total
Revenue from the sale of carton, bag-in-box and spouted pouch	923.1	367.4	760.1	777.8	**2,828.4**	–	**2,828.4**
Filling line and other related equipment revenue	49.1	41.0	73.0	46.7	**209.8**	–	**209.8**
Service revenue	63.5	37.0	59.3	50.0	**209.8**	0.5	**210.3**
Other revenue	–	–	–	–	**–**	0.2	**0.2**
Total revenue	**1,035.7**	**445.4**	**892.4**	**874.5**	**3,248.0**	**0.7**	**3,248.7**

	Year ended December 31, 2024						
(In € million)	Europe	IMEA	APAC	Americas	Total segments	Group Functions	Total
Revenue from the sale of cartons, bag-in-boxes and spouted pouch	910.3	391.7	799.0	788.6	**2,889.6**	–	**2,889.6**
Filling line and other related equipment revenue	72.7	29.3	75.2	49.3	**226.5**	0.2	**226.7**
Service revenue	61.7	35.4	63.9	50.7	**211.7**	0.3	**212.0**
Other revenue	–	–	–	–	**–**	0.2	**0.2**
Total revenue	**1,044.7**	**456.4**	**938.1**	**888.6**	**3,327.8**	**0.7**	**3,328.5**

Geographic information

The Group operates in total 27 plants worldwide that mainly produce aseptic carton sleeves and film and fitments for bag-in-box and spouted pouches, but also chilled carton sleeves, closures and pouches. It also has a number of equipment assembly plants and training- and development-related centers.

The following table provides an overview of the location of the Group's production and equipment assembly plants and its different centers as of December 31, 2025.

	Production plants	Equipment assembly plants	Training centers	R&D centers	Technology centers	Packaging development centers
China	4	2	1	1	1	
USA	4	1		1		
Germany	3	1	1	1	1	1
India	3	1				
Brazil	2		1			
Netherlands	2					
Australia	1					
Austria	1					
Mexico	1					
Russia	1					
Saudi Arabia	1					
South Korea	1					
Switzerland	1			1		
Taiwan	1					
Thailand	1		1			
Spain		1		1		
UAE			1		1	
Total Group	**27**	**6**	**5**	**5**	**3**	**1**

The construction of the Group's first aseptic carton production plant in India was completed in December 2024. Production started in January 2025. In the second quarter of 2024, the Group moved its production of chilled carton in China from Shanghai to a new plant in Suzhou. These production plants are all leased by the Group.

In the third quarter of 2025, the Group initiated the closure of one of the two bag-in-box production plants in the Netherlands to streamline the European bag-in-box operations. The plant is expected to be vacated in the second half of 2026. The bag-in-box and spouted pouch production in the leased production plant in Chile was relocated to Brazil in 2025. See also notes 4, 9, 11 and 13.

The following table includes information about the Group's non-current assets on a country basis. Non-current assets exclude financial instruments, deferred tax assets and net defined benefit assets.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Germany	911.5	926.6
USA	876.3	1,022.7
China	831.0	1,012.7
United Arab Emirates	576.0	587.4
Thailand	503.5	532.0
Switzerland[1]	459.5	499.9
Other countries	1,415.1	1,600.1
Total non-current assets	**5,572.9**	**6,181.4**

1 The Company's country of domicile is Switzerland.

The non-current assets are reported based on the geographic location of the business operations. The non-current assets are predominantly located in the countries in which the Group's production and assembly plants are located. The Group's intellectual property is primarily held by a company based in Switzerland.

The following table includes information about the Group's revenue from external customers on a country basis.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
USA	392.8	429.4
China	372.0	408.6
Germany	277.6	289.3
Switzerland	17.4	15.1
Other countries	2,188.9	2,186.1
Total revenue from external customers	**3,248.7**	**3,328.5**

Revenue is reported based on the geographic location of customers. The customer base of the Group includes international companies, large national and regional companies as well as small local companies.

Information about major customers

The Group does not have revenue from transactions with a single external customer amounting to 10% or more of the Group's revenue in any of the periods presented.

8 Other income and expenses

Other income and expenses relate to activities and transactions that are outside the Group's principal revenue-generating activities. Foreign currency exchange gains and losses as well as fair value changes on commodity and foreign currency derivatives entered into as part of the operating business are also presented as other income and expenses. Activities and transactions of a significant or unusual nature are generally excluded in the calculation of the performance measures adjusted EBITDA, adjusted EBIT and adjusted net income used by management (see note 9).

Composition of other income and expenses

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Net change in fair value of operating derivatives	–	9.6
Change in fair value of contingent consideration	3.4	52.8
Gain on sale of property, plant and equipment and other assets	5.0	1.6
Income from miscellaneous services, including rental income	2.9	3.1
Other	5.0	9.8
Total other income	**16.3**	**76.9**
Net foreign currency exchange loss	(10.4)	(2.9)
Net change in fair value of operating derivatives	(5.9)	–
Transaction- and acquisition-related costs	(3.2)	(3.4)
Other	(16.7)	(4.6)
Total other expenses	**(36.2)**	**(10.9)**

The Group recognized an unrealized net loss on commodity and foreign currency derivatives of €5.9 million for the year ended December 31, 2025 (an unrealized net gain of 9.6 million for the year ended December 31, 2024). This arose primarily because the Group entered into commodity derivative contracts fixing prices for polymers at levels above the current forward prices (below the current forward prices for polymers for the year ended December 31, 2024).

The "Other income" category includes governmental subsidies and, for the year ended December 31, 2024, also insurance claims.

See note 9 for information about the change in the fair value of the contingent consideration, the gain on sale of property, plant and equipment and other assets, and the "Other expense" category for the year ended December 31, 2025. These items are excluded in the calculation of adjusted EBITDA, adjusted EBIT and adjusted net income.

9 Alternative performance measures

Management uses a number of measures to assess the performance of the Group that are not defined in IFRS Accounting Standards, including adjusted EBITDA, adjusted EBIT, adjusted net income, adjusted earnings per share, net capital expenditure, free cash flow and net leverage ratio.

These alternative non-IFRS performance measures are presented as management believes that they are important supplemental measures of the Group's performance. Management believes that they are useful and widely used in the markets in which the Group operates as a means of evaluating performance. In certain cases, these alternative performance measures are also used to determine compliance with covenants in the Group's credit agreements and compensation of certain members of management. However, these alternative performance measures should not be considered as substitutes for the information contained elsewhere in these consolidated financial statements.

Adjusted EBITDA, adjusted EBIT and adjusted net income are presented in this note. See note 10 for adjusted earnings per share, note 11 for net capital expenditure and free cash flow and note 23 for the Group's net leverage ratio.

Adjusted EBITDA

Adjusted EBITDA is used by management for business planning and to measure operational performance. Management believes that adjusted EBITDA provides investors with further transparency on the Group's operational performance and facilitates comparison of the performance of the Group on a period-to-period basis and versus peers.

EBITDA is defined by the Group as profit or loss before net finance expense, income tax expense, depreciation of property, plant and equipment and right-of-use assets, and amortization of intangible assets. Adjusted EBITDA is defined by the Group as EBITDA, adjusted to exclude certain non-cash transactions and items of a significant or unusual nature including, but not limited to, transaction- and acquisition-related costs, integration costs, restructuring costs, unrealized gains or losses on operating derivatives, gains or losses on the sale of non-strategic assets, asset impairments and write-downs, and share of profit or loss of joint ventures, and to include the cash impact of dividends received from joint ventures.

The following table reconciles profit or loss for the period to EBITDA and adjusted EBITDA.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
(Loss)/profit for the period	**(87.0)**	**194.5**
Net finance expense	126.3	143.1
Income tax expense	40.2	86.5
Depreciation and amortization	340.6	419.5
EBITDA	**420.1**	**843.6**
Adjustments to EBITDA:		
Unrealized loss/(gain) on operating derivatives	5.9	(9.6)
Impairment losses	263.2	21.3
Restructuring costs, net of reversals	10.0	9.9
Gain on sale of property, plant and equipment and other assets	(5.0)	(1.6)
Transaction- and acquisition-related costs	3.2	3.4
Change in fair value of contingent consideration	(3.7)	(51.3)
Other	24.6	3.8
Adjusted EBITDA	**718.3**	**819.5**
of which charges due to strategic review and soft market conditions	*69.3*	–
Adjusted EBITDA, excluding charges due to strategic review and soft market conditions	**787.6**	**819.5**

The impairment losses for the year ended December 31, 2025 relate to management's assessment of the recoverable amounts of a number of individual assets and CGUs triggered by the prevailing soft market conditions and the outcome of the review of the Group's strategic direction (see note 4 for additional details). Of the total amount of impairment losses of €315.2 million (pre-tax) recognized for the year ended December 31, 2025, an amount of €263.2 million (pre-tax) has been excluded from adjusted EBITDA. Impairment losses relating to projects for which regional management is held accountable, such as filling line investments or new product launches, are included in adjusted EBITDA.

The restructuring costs for the year ended December 31, 2025 mainly relate to restructuring measures undertaken as an outcome of the recent strategic review carried out by the Board of Directors (see notes 4 and 19).

The change in the fair value of the contingent consideration (including unrealized foreign currency exchange impacts) in the year ended December 31, 2025 and December 31, 2024 relates to the remeasurement of the US Dollar contingent consideration for Scholle IPN at fair value as of December 31, 2025 and December 31, 2024. See note 32 for further information.

The impairment losses and restructuring costs for the year ended December 31, 2024 mainly related to the transfer of the Group's chilled carton production in Shanghai to a new, leased production plant in the same location as its aseptic carton facilities in Suzhou in China (all in the APAC segment). Production at the new production plant started in the second quarter of 2024. The Group recognized an impairment loss of €17.3 million (pre-tax), split between an impairment of the production building and production equipment (€8.1 million) and related right-of-use assets (€9.2 million, mainly concerning a pre-paid land right-of-use) for the year ended December 31, 2024. The impairment was mainly an effect of the decline in real estate values in China.

After the initiation of a sale process and the recognition of impairment losses in the first half of 2024, the production building and the related right-of-use assets were classified as held for sale and depreciation stopped. Due to materiality reasons, these assets held for sale at the amount of €13.1 million as of December 31, 2024 were presented as part of "Other current assets" (see note 21). They were categorized as Level 3 fair value measurements in the fair value hierarchy. The Group continues to use the production equipment.

The production building and the land right-of-use were sold for €16.2 million in October 2025, resulting in a pre-tax gain of €2.0 million. As of December 31, 2025, the Group had received the majority of the sale price in cash.

In addition to the gain from the sale of the Chinese production-related assets, the Group also recognized pre-tax gains of €3.0 million in the year ended December 31, 2025, mainly relating to sales of land in Europe.

The "Other" category for the year ended December 31, 2025 primarily includes consulting costs relating to group companies' renewal of their IT systems, including the bag-in-box and spouted pouch system integration (€6.4 million), consulting costs for strategic review topics (€6.1 million), penalties for pausing further expansion of the leased aseptic carton production plant in India (€4.9 million) and termination benefits relating to the former Chief Executive Officer (€2.5 million). See also note 4.

Adjusted EBIT

Adjusted EBIT is used by management to measure operational performance. Management believes that adjusted EBIT is a good supplementary measure as it reflects the Group's operational performance, considering also its capital investments.

EBIT is defined by the Group as profit or loss before net finance expense and income tax expense. Adjusted EBIT is defined by the Group as EBIT, adjusted to exclude adjustments made to reconcile EBITDA to adjusted EBITDA, purchase price allocation ("PPA") depreciation and amortization from the acquisition of the Group by Onex in 2015 and PPA amortization from other acquisitions.

The following table reconciles EBIT to adjusted EBIT.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
EBIT (Profit from operating activities)	**79.5**	**424.1**
Adjustments to EBITDA[1]	298.2	(24.1)
PPA depreciation and amortization – Onex acquisition[2]	23.1	103.4
PPA amortization – Other acquisitions	41.4	47.1
Adjusted EBIT	**442.2**	**550.5**
of which charges due to strategic review and soft market conditions	*69.3*	–
Adjusted EBIT, excluding charges due to strategic review and soft market conditions	**511.5**	**550.5**

1 For the different adjustments to EBITDA, refer to the adjusted EBITDA table at the beginning of this note.
2 PPA amortization relating to the Onex acquisition ceased in the first quarter of 2025.

Adjusted net income

Adjusted net income is used by management to measure performance. Management believes that adjusted net income is a meaningful measure because by removing certain non-recurring charges and non-cash expenses, the Group's operating result directly associated with the period's performance is presented. The use of adjusted net income may also be helpful to investors because it provides better consistency and comparability with past performance and facilitates period-to-period comparisons of results of operations.

Adjusted net income is defined by the Group as profit or loss adjusted to exclude certain items of a significant or unusual nature including, but not limited to, the non-cash foreign currency exchange impact of non-functional currency loans, amortization of transaction costs, the net change in fair value of financing-related derivatives, purchase price allocation ("PPA") depreciation and amortization, adjustments made to reconcile EBITDA to adjusted EBITDA and the estimated tax impact of the foregoing adjustments. The PPA depreciation arose due to the acquisition accounting that was performed when the Group was acquired by Onex in 2015. The PPA amortization relates to all acquisitions of the Group.

The following table reconciles profit or loss for the period to adjusted net income.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
(Loss)/profit for the period	**(87.0)**	**194.5**
Non-cash foreign currency exchange impact of non-functional currency loans and realized foreign currency exchange impact due to refinancing	0.7	9.6
Amortization of transaction costs	3.5	2.8
Net change in fair value of financing-related derivatives	2.4	3.6
PPA depreciation and amortization – Onex acquisition[1]	23.1	103.4
PPA amortization – other acquisitions	41.4	47.1
Net effect of early repayment of loan	–	1.6
Other	–	1.3
Adjustments to EBITDA[2]	298.2	(24.1)
Tax effect on above items	(51.2)	(31.7)
Adjusted net income	**231.1**	**308.1**
of which charges due to strategic review and soft market conditions	*54.2*	–
Adjusted net income, excluding charges due to strategic review and soft market conditions	**285.3**	**308.1**

1 PPA amortization relating to the Onex acquisition ceased in the first quarter of 2025.
2 For the different adjustments to EBITDA, refer to the adjusted EBITDA table at the beginning of this note.

10 Earnings per share

Basic and diluted earnings per share

Basic earnings per share is calculated by dividing the consolidated profit for the period by the weighted average number of shares in issue during the period, excluding the weighted average number of treasury shares.

Diluted earnings per share reflects the effect of dilutive potential (registered) shares under the Group's equity-settled share-based payment plans and arrangements. Awards granted under these equity-settled plans and arrangements have been included in the determination of diluted earnings per share considering the level of achievement of the set targets (see note 30) at the reporting date, and to the extent to which they are dilutive. Awards granted with only a service condition are included in the determination of diluted earnings per share to the extent to which they are dilutive. For the year ended December 31, 2025, the Group reported a loss. All potential ordinary shares are therefore anti-dilutive and diluted earnings per share equals earnings per share.

The following table shows the weighted average number of shares outstanding before and after adjustments for the effect of all dilutive potential shares.

	Weighted average number of registered shares
Issued shares as of January 1, 2024	382,270,872
Effect of treasury shares held	(58,324)
Weighted average number of shares as of December 31, 2024 – basic	**382,212,548**
Effect of share-based payment plans and arrangements	–
Weighted average number of shares as of December 31, 2024 – diluted	**382,212,548**
Issued shares as of January 1, 2025	382,270,872
Effect of treasury shares held	(41,937)
Weighted average number of shares as of December 31, 2025 – basic	**382,228,935**
Effect of share-based payment plans and arrangements[1]	82,979
Weighted average number of shares as of December 31, 2025 – diluted	**382,311,914**

1 These potential ordinary shares relating to the leadership continuity plan were excluded from diluted earnings per share calculation for the year ended December 31, 2025 because they are anti-dilutive. However, they are considered in the calculation of diluted adjusted earnings per share.

The following table shows basic and diluted earnings per share.

(In € million unless indicated)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
(Loss)/profit for the period	(87.0)	194.5
Weighted average number of shares for the period – basic (in numbers)	382,228,935	382,212,548
Basic earnings per share (in €)	**(0.23)**	**0.51**
(Loss)/profit for the period	(87.0)	194.5
Weighted average number of shares for the period – diluted (in numbers)	382,228,935	382,212,548
Diluted earnings per share (in €)	**(0.23)**	**0.51**

Adjusted earnings per share

Adjusted earnings per share is defined by the Group as adjusted net income divided by the weighted average number of shares. Management believes that adjusted earnings per share is a useful measure as adjusted net income is used to measure performance. Adjusted net income and adjusted earnings per share are not defined performance measures in IFRS (see note 9).

The following table shows basic and diluted adjusted earnings per share.

(In € million unless indicated)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Adjusted net income	231.1	308.1
Weighted average number of shares for the period – basic (in numbers)	382,228,935	382,212,548
Adjusted earnings per share – basic (in €)	**0.60**	**0.81**
Adjusted net income	231.1	308.1
Weighted average number of shares for the period – diluted (in numbers)	382,311,914	382,212,548
Adjusted earnings per share – diluted (in €)	**0.60**	**0.81**

11 Cash flow information

This note includes information about the Group's cash flows as well as non-cash transactions. Where more relevant for the understanding of a transaction, cash inflows and outflows are described in the notes on the respective assets or liabilities to which the cash flows relate. The same applies to non-cash transactions.

Net capital expenditure

The Group's capital expenditure primarily relates to investments in own production, plant and equipment (PP&E capital expenditure, excluding filling lines and other related equipment) and to the assembly and deployment of filling lines and other related equipment with customers under contracts accounted for as operating leases (filling lines and other related equipment capital expenditure). The Group's investments in intangible assets are less significant. To better reflect the Group's investments in production plants and production equipment via leases, management also considers lease payments as part of capital expenditure. Lease payments are defined as payment of lease liabilities.

Net capital expenditure is defined by the Group as capital expenditure (net of proceeds from sales of PP&E, other than filling lines and other related equipment, and intangible assets) less upfront cash. Upfront cash is defined as consideration received as an upfront payment for filling lines and other related equipment from customers. Net capital expenditure is not a defined performance measure in IFRS (see note 9).

Management uses net capital expenditure as it demonstrates better than capital expenditure how cash-generative the business is. As the Group typically receives a portion of the total consideration for a filling line and other related equipment as an upfront payment from the customer (see also notes 18 and 20), the cash outflow relating to filling lines and other related equipment is generally lower than implied by the gross filling lines and other related equipment capital expenditure figure. Payments received for filling lines and other related equipment (including upfront payments) are included in cash flows from operating activities.

The following table reconciles capital expenditure to net capital expenditure and to net capital expenditure, including lease payments.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
PP&E and intangible assets (net of sales[1] and excluding filling lines and other related equipment)	94.8	126.6
Filling lines and other related equipment	173.3	180.6
Capital expenditure	**268.1**	**307.2**
Upfront cash	(123.6)	(143.3)
Net capital expenditure	**144.5**	**163.9**
Payment of lease liabilities	55.2	51.7
Net capital expenditure, including lease payments	**199.7**	**215.6**

1 Includes proceeds received relating to the sale of the chilled carton production plant in Shanghai in the year ended December 31, 2025 (see notes 9 and 21).

Free cash flow

Free cash flow is used by management to evaluate the performance of the Group. Free cash flow is defined by the Group as net cash from operating activities plus dividends received from joint ventures less capital expenditure (net of proceeds from sales of PP&E, other than filling lines and other related equipment, and intangible assets) and payments of lease liabilities. Free cash flow is not a defined performance measure in IFRS (see note 9).

The following table reconciles net cash from operating activities to free cash flow.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Net cash from operating activities	**514.3**	**649.2**
Acquisition of property, plant and equipment and intangible assets (net of sales[1])	(268.1)	(307.2)
Payment of lease liabilities	(55.2)	(51.7)
Free cash flow	**191.0**	**290.3**

1 Includes proceeds received relating to the sale of the chilled carton production plant in Shanghai in the year ended December 31, 2025 (see notes 9 and 21).

The decrease in free cash flow for the year ended December 31, 2025 was primarily driven by lower EBITDA (see note 9) compared with the year ended December 31, 2024 and an increase in payments for customer incentive programs.

Non-cash transactions

Non-cash transactions include the initial recognition of leases on the statement of financial position (see notes 13 and 23) and the granting of instruments under the Group's 2025 and 2024 share-based plans and arrangements (see note 30). Note 18 includes information about non-cash payments relating to the Group's supplier finance arrangement.

New leases mainly relate to production equipment for closures. Notably for the year ended December 31, 2024, the lease of the Group's new chilled carton production plant in China (with an initial lease liability and related right-of-use asset recognized of approximately €39 million each) and the lease of the Group's first aseptic carton production plant in India (with an initial lease liability and related right-of-use asset recognized of approximately €37 million each) commenced. These two right-of-use assets have subsequently been impaired (see note 4).

There are no other material non-cash transactions for the years ended December 31, 2025 and December 31, 2024.

Cash outflows under lease contracts

The total cash outflow for the Group's lease contracts for the year ended December 31, 2025 was €82.5 million (€76.7 million for the year ended December 31, 2024).

Our operating assets and liabilities

This section includes information about the Group's operating assets and liabilities. The main operating assets relate to the Group's production equipment and its deployed filling lines and other related equipment accounted for as operating leases. The Group also has right-of-use assets resulting from lease contracts entered into as a lessee. The Group's trade receivables balance is reduced by selling trade receivables under securitization and factoring programs. A substantial part of the Group's assets relates to goodwill and other intangible assets. Impairment testing of goodwill and trademarks with indefinite useful lives is described in this section. The main operating liabilities relate to trade payables, accruals for various incentive programs and deferred revenue relating to advance payments received for filling lines deployed under contracts accounted for as operating leases.

12 Property, plant and equipment

Property, plant and equipment ("PP&E") is mainly composed of filling lines that are deployed at customers' sites under contracts that qualify to be accounted for as operating leases (see note 5.5.2) and the Group's plant and production equipment. PP&E also includes work in progress, which relates to construction of filling machines and to filling lines and other related equipment under installation at customers' sites as well as to construction of various types of production equipment used by the Group in its production and assembly plants. The Group is a lessor in respect of its filling lines and other related equipment deployed with its customers.

Composition of PP&E

(In € million)	Land	Buildings	Plant and equipment	Work in progress	Filling lines	Total
Cost	104.9	291.2	1,231.9	299.2	1,655.5	**3,582.7**
Accumulated depreciation and impairment losses	(4.3)	(111.9)	(698.8)	(2.0)	(891.7)	**(1,708.7)**
Carrying amount as of December 31, 2024	**100.6**	**179.3**	**533.1**	**297.2**	**763.8**	**1,874.0**
Cost	95.6	289.2	1,265.1	273.2	1,688.8	**3,611.9**
Accumulated depreciation and impairment losses	(2.2)	(118.6)	(804.5)	(14.0)	(989.0)	**(1,928.3)**
Carrying amount as of December 31, 2025	**93.4**	**170.6**	**460.6**	**259.2**	**699.8**	**1,683.6**
Carrying amount as of January 1, 2024	**100.3**	**193.5**	**451.1**	**366.0**	**684.5**	**1,795.4**
Additions	–	0.6	38.6	241.0	25.0	**305.2**
Disposals	(0.3)	(0.3)	–	(0.6)	–	**(1.2)**
Depreciation	–	(15.1)	(62.0)	–	(142.8)	**(219.9)**
Impairment losses	–	(4.6)	(7.2)	(2.0)	(3.6)	**(17.4)**
Transfer to assets held for sale	–	(4.8)	–	–	–	**(4.8)**
Other transfers	–	8.8	101.6	(309.7)	195.4	**(3.9)**
Effect of movements in exchange rates	0.6	1.2	11.0	2.5	5.3	**20.6**
Carrying amount as of December 31, 2024	**100.6**	**179.3**	**533.1**	**297.2**	**763.8**	**1,874.0**

(In € million)	Land	Buildings	Plant and equipment	Work in progress	Filling lines	Total
Carrying amount as of January 1, 2025	**100.6**	**179.3**	**533.1**	**297.2**	**763.8**	**1,874.0**
Additions	–	3.5	43.4	216.2	11.7	**274.8**
Disposals	(0.8)	(0.2)	(0.2)	–	–	**(1.2)**
Depreciation	–	(14.8)	(64.8)	–	(143.7)	**(223.3)**
Impairment losses	–	(0.4)	(72.6)	(16.9)	(36.4)	**(126.3)**
Transfers	–	11.3	59.4	(223.6)	139.9	**(13.0)**
Effect of movements in exchange rates	(6.4)	(8.1)	(37.7)	(13.7)	(35.5)	**(101.4)**
Carrying amount as of December 31, 2025	**93.4**	**170.6**	**460.6**	**259.2**	**699.8**	**1,683.6**

Notes 4, 7 and 9 include further information about the impairment losses. The impairment losses recognized for the year ended December 31, 2025 relating to production equipment are included in the category "Plant and equipment" in the table above. The impairment losses relating to filling line assets for the Ultima project are mainly included in the category "Work in progress" but also in "Filling lines", where impairment losses relating to other filling lines are also included.

Notes 7 and 11 include further information about the Group's capital expenditure with regard to its production equipment and filling lines and other related equipment. See note 9 for information about the chilled carton production plant in Shanghai that is classified as held for sale as of December 31, 2024.

Depreciation of PP&E

Depreciation of PP&E is recognized in the following components in the statement of profit or loss and other comprehensive income.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Cost of sales	214.8	211.1
Selling, marketing and distribution expenses	1.7	1.7
General and administrative expenses	6.8	7.1
Total depreciation	**223.3**	**219.9**

Impairment of PP&E

Impairment losses of PP&E are recognized in the following components in the statement of profit or loss and other comprehensive income (see notes 4 and 9 for additional information).

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Cost of sales	125.5	17.4
Selling, marketing and distribution expenses	0.1	–
General and administrative expenses	0.7	–
Total impairment losses	**126.3**	**17.4**

Capital expenditure commitments

As of December 31, 2025, the Group had entered into contracts to incur capital expenditure of €66.6 million for the acquisition of PP&E (€94.2 million as of December 31, 2024). The commitments relate to filling machine and other related equipment assembly, certain downstream equipment and various equipment for the Group's production plants and similar facilities.

Accounting policy, significant judgments and estimates

Items of PP&E are measured at cost less accumulated depreciation and accumulated impairment losses. Gains and losses on disposals of items of PP&E are recognized as part of other income or expenses.

The cost of an acquired or self-constructed item of PP&E includes any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset. The cost of the Group's filling lines and other related equipment also includes the estimated cost of dismantling, to the extent such an amount is recognized as a provision. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost can be measured reliably. The costs of the day-to-day servicing of PP&E are recognized in profit or loss as incurred.

Items of PP&E are depreciated on a straight-line basis over their estimated useful lives, with depreciation generally recognized in profit or loss. Land is not depreciated. The estimated useful lives for the current and comparative periods are as follows:

Buildings	15 to 40 years
Plant and equipment:	
Production-related equipment and machinery	4 to 25 years
Furniture and fixtures	3 to 8 years
Filling lines (leased assets, SIG as lessor)	10 years

The Group as lessor – filling lines

The Group mainly deploys aseptic carton filling lines under contracts that qualify to be accounted for as operating leases (see note 5.5.2 for additional details). These filling lines are measured at cost and depreciated from the deployment date over their estimated useful life of ten years and tested for impairment when there is an impairment indicator.

Impairment of PP&E

Items of PP&E are reviewed regularly and at least annually to identify whether there is an impairment indicator, or an indicator that a previously recognized impairment loss should be reversed. See note 5.5.3 for further details.

A change in the Group's intended use of certain assets or changed market conditions may trigger a future impairment or a reversal of an impairment loss. Value in use calculations require management to estimate the future cash flows expected to arise from an individual asset or CGU and to determine a suitable discount rate to calculate present value. See note 5.4 for additional remarks.

13 Right-of-use assets

The Group generally purchases its production-related buildings and equipment (see note 12). However, it also enters into lease contracts. Right-of-use assets relate to lease contracts that the Group has entered into as lessee. The contracts mainly cover leases of assets such as office buildings, production-related buildings and equipment, warehouses and cars.

Composition of right-of-use assets

(In € million)	Land and buildings	Plant and equipment	Cars	Total
Cost	290.6	174.2	21.1	**485.9**
Accumulated depreciation and impairment losses	(76.6)	(73.4)	(13.9)	**(163.9)**
Carrying amount as of Dec. 31, 2024	**214.0**	**100.8**	**7.2**	**322.0**
Cost	288.5	212.9	25.0	**526.4**
Accumulated depreciation and impairment losses	(127.6)	(103.5)	(17.7)	**(248.8)**
Carrying amount as of Dec. 31, 2025	**160.9**	**109.4**	**7.3**	**277.6**
Carrying amount as of January 1, 2024	**170.2**	**91.3**	**5.8**	**267.3**
Additions	81.7	36.1	5.0	**122.8**
Depreciation	(19.8)	(24.6)	(3.3)	**(47.7)**
Impairment losses	(8.8)	(0.4)	–	**(9.2)**
Transfer to assets held for sale	(8.0)	–	–	**(8.0)**
Effect of movements in exchange rates	(1.3)	(1.6)	(0.3)	**(3.2)**
Carrying amount as of Dec. 31, 2024	**214.0**	**100.8**	**7.2**	**322.0**
Carrying amount as of January 1, 2025	**214.0**	**100.8**	**7.2**	**322.0**
Additions	18.1	39.6	3.9	**61.6**
Depreciation	(22.8)	(24.7)	(3.9)	**(51.4)**
Impairment losses	(34.1)	(5.9)	–	**(40.0)**
Effect of movements in exchange rates	(14.3)	(0.4)	0.1	**(14.6)**
Carrying amount as of Dec. 31, 2025	**160.9**	**109.4**	**7.3**	**277.6**

Notes 4, 7 and 9 include further information about the impairment losses. The impairment losses recognized for the year ended December 31, 2025 relating to the new leased chilled carton production plant in Suzhou, China and the leased aseptic carton production plant in India are included in the category "Land and buildings" in the table above.

See note 9 for information about a pre-paid land right-of-use in Shanghai that was classified as held for sale as of December 31, 2024, and subsequently sold as part of the sale of the chilled carton production plant in Shanghai in the year ended December 31, 2025.

The Group's most significant leases relate to its production plants in China (two of its plants), Saudi Arabia, India (one of its plants) and Mexico as well as its technology center in China. These six leases, with a remaining lease term of between 10 and 25 years, make up the larger part of the carrying amount of leased land and buildings. A purchase option, exercisable by the Group after 15 years, has been considered when estimating the lease term and the lease liability for the production plant in Mexico.

The larger part of the plant and equipment category relates to leases of production equipment for closures with a lease term of four to five years. The lease term of other assets is most commonly in the range of three to five years.

Depreciation of right-of-use assets

Depreciation of right-of-use assets is recognized in the following components in the statement of profit or loss and other comprehensive income.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Cost of sales	40.3	37.8
Selling, marketing and distribution expenses	6.3	6.0
General and administrative expenses	4.8	3.9
Total depreciation	**51.4**	**47.7**

Impairment of right-of-use assets

Impairment losses of right-of-use assets are recognized in the following components in the statement of profit or loss and other comprehensive income (see notes 4 and 9 for additional information).

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Cost of sales	39.2	9.2
Selling, marketing and distribution expenses	0.8	–
Total impairment losses	**40.0**	**9.2**

Lease commitments

The Group has entered into lease contracts that have not yet commenced. The present value of estimated future lease payments under these lease contracts was approximately €19 million as of December 31, 2025 (€28 million as of December 31, 2024).

These contracts mainly relate to leases of production equipment for closures that are expected to commence within the next six to eighteen months.

Accounting policy, significant judgments and estimates

At the lease commencement date, the Group recognizes a lease liability and a related right-of-use asset. The accounting for lease liabilities is described in note 23.

The right-of-use asset represents the Group's right to use the leased asset. A right-of-use asset is initially measured at cost, which in many cases will equal the amount recognized as a lease liability. However, adjustments are required for any lease payments made at or before the lease commencement date and any initial direct costs incurred. The cost also includes the estimated cost to dismantle and remove the leased asset, to restore it to the condition required under the lease contract or to restore the site on which it is located, to the extent such an amount is recognized as a provision.

Subsequent to initial recognition, a right-of-use asset is measured at cost less accumulated depreciation and impairment losses. A right-of-use asset is subsequently also adjusted for certain remeasurements of the related lease liability.

Right-of-use assets are depreciated on a straight-line basis from the lease commencement date over the shorter of the lease term and their useful lives, unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

Right-of-use assets are reviewed regularly and at least annually to identify whether there is an impairment indicator, or an indicator that a previously recognized impairment loss should be reversed. See note 5.5.3 for further details.

A change in the Group's intended use of certain leased assets or changed market conditions may trigger a future impairment or a reversal of an impairment loss. Value in use calculations require management to estimate the future cash flows expected to arise from an individual asset or CGU and to determine a suitable discount rate to calculate present value. See note 5.4 for additional remarks.

14 Intangible assets

The largest portion of the Group's intangible assets is goodwill. Around half of the goodwill arose as a result of the acquisition of the SIG Group by Onex in 2015. The remaining half of the goodwill mainly arose as a result of the acquisitions of the bag-in-box and spouted pouch businesses (Scholle IPN) in 2022, Evergreen's chilled carton business in Asia Pacific ("Evergreen Asia") in 2022 and the remaining shares of the joint ventures in the Middle East in 2021. The other intangible assets mainly consist of trademarks, customer relationships and technology-related assets. The SIG trademarks have indefinite useful lives.

Composition of intangible assets

(In € million)	Goodwill	Trade-marks	Customer relation-ships	Technology and other assets	Total
Cost	3,185.3	373.8	1,025.6	263.1	**4,847.8**
Accumulated amortization and impairment losses	–	(7.9)	(715.9)	(161.9)	**(885.7)**
Carrying amount as of December 31, 2024	**3,185.3**	**365.9**	**309.7**	**101.2**	**3,962.1**
Cost	3,034.8	376.1	385.8	169.2	**3,965.9**
Accumulated amortization and impairment losses	–	(15.3)	(241.4)	(116.9)	**(373.6)**
Carrying amount as of December 31, 2025	**3,034.8**	**360.8**	**144.4**	**52.3**	**3,592.3**
Carrying amount as of January 1, 2024	**3,127.3**	**374.7**	**401.9**	**150.5**	**4,054.4**
Additions	–	–	–	1.4	**1.4**
Amortization	–	(3.4)	(96.2)	(52.3)	**(151.9)**
Effect of movements in exchange rates	58.0	(5.4)	4.0	1.6	**58.2**
Carrying amount as of December 31, 2024	**3,185.3**	**365.9**	**309.7**	**101.2**	**3,962.1**
Carrying amount as of January 1, 2025	**3,185.3**	**365.9**	**309.7**	**101.2**	**3,962.1**
Additions	–	–	–	12.9	**12.9**
Amortization	–	(2.5)	(43.7)	(19.7)	**(65.9)**
Impairment losses		(5.8)	(106.6)	(36.5)	**(148.9)**
Effect of movements in exchange rates	(150.5)	3.2	(15.0)	(5.6)	**(167.9)**
Carrying amount as of December 31, 2025	**3,034.8**	**360.8**	**144.4**	**52.3**	**3,592.3**

Notes 4, 7 and 9 include further information about the impairment losses. The impairment losses recognized for the year ended December 31, 2025 relating to technology assets and capitalized development costs are included in the category "Technology and other assets". The impairment losses on trademarks relate to the bag-in-box and spouted pouch trademarks.

The additions to "Technology and other assets" in the year ended December 31, 2025 are mainly due to capitalization of costs relating to the ongoing renewal of the Group's IT-systems.

Research and development

Research and development costs (excluding depreciation and amortization expense) recognized as a component of general and administrative expenses amount to €107.5 million (€70.3 million excluding also impairment losses) for the year ended December 31, 2025 (€67.5 million for the year ended December 31, 2024).

In the year ended December 31, 2025, the Group has capitalized development costs of €1.5 million (€1.1 million in the year ended December 31, 2024). The capitalized costs (included in "Technology and other assets" in the table above) relate to minor projects. In the year ended December 31, 2025, the Group fully impaired the capitalized development cost relating to the Ultima filling machine project (see notes 4 and 7 for additional details).

Amortization of intangible assets

Amortization of intangible assets is recognized in the following components in the statement of profit or loss and other comprehensive income.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Cost of sales	44.2	96.9
Selling, marketing and distribution expenses	2.8	3.7
General and administrative expenses	18.9	51.3
Total amortization	**65.9**	**151.9**

Impairment of intangible assets

Impairment losses of intangible assets are recognized in the following components in the statement of profit or loss and other comprehensive income (see note 4 for additional information).

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Cost of sales	106.6	–
Selling, marketing and distribution expenses	5.8	–
General and administrative expenses	36.5	–
Total impairment losses	**148.9**	**–**

Annual impairment tests of goodwill and SIG trademarks with indefinite useful lives

Goodwill with a carrying amount of €3,034.8 million as of December 31, 2025 (€3,185.3 million as of December 31, 2024) and the SIG trademarks with indefinite useful lives with a carrying amount of €360.8 million as of December 31, 2025 (€357.1 million as of December 31, 2024) are tested for impairment on an annual basis and whenever there is an impairment indicator. The annual impairment tests are performed in the fourth quarter each year.

Goodwill

The Group does not monitor goodwill at a lower level than Group level for internal management purposes but, for impairment testing purposes, goodwill must be allocated to a CGU, or group of CGUs, that is not larger than an operating segment before aggregation. The Group has allocated the goodwill for impairment testing purposes to its four operating (and reportable) segments.

The table below shows the allocation of goodwill to the Group's four segments as well as the key assumptions used in the impairment test.

	Year ended December 31, 2025			Year ended December 31, 2024		
(In € million or %)	Carrying amount	Growth rate	Pre-tax discount rate	Carrying amount	Growth rate	Pre-tax discount rate
Europe	999.0	2.50%	11.1%	999.0	2.50%	10.5%
IMEA	560.5	2.50%	11.2%	582.6	2.50%	11.1%
APAC	839.2	2.50%	9.7%	896.9	2.50%	8.7%
Americas	636.1	2.50%	11.9%	706.8	2.50%	10.5%
Total goodwill	**3,034.8**			**3,185.3**		

For the impairment test of goodwill, the recoverable amount of the respective segments has been estimated with reference to value in use. In assessing the value in use, the estimated future cash flows (in Euros) have been discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money as well as the risks specific to each segment. The weighted average cost of capital ("WACC") is used to determine the discount rate. Cash flows for the first five years are based on financial plans approved by management. Cash flows after the five-year internal planning period are extrapolated using terminal growth rates that are aligned with the estimated long-term inflation. The terminal growth rates used by the Group for impairment testing purposes do not exceed the estimated long-term growth rates in the packaging industry.

No impairment of goodwill was identified in either of the periods. For both the years ended December 31, 2025 and 2024, the estimated recoverable amounts of the segments significantly exceeded the respective carrying amounts. Management considers it unlikely that any reasonably possible change in the key assumptions used, including changes in the assessed future cash in- and outflows (revenue growth and EBITDA margin), terminal growth rate and WACC, would result in an impairment loss of goodwill in any of the segments. There is no assurance that the Group's experience to date, which has been reflected in the assessment of future cash flows and other assumptions, will be representative of future periods.

SIG trademarks with indefinite useful lives

The value of the SIG trademarks with indefinite useful lives is associated with the Group as a whole. Trademarks are tested for impairment at Group level as all SIG entities benefit from the trademarks. The entities are charged a royalty fee for the use of the SIG trademarks.

For the impairment test, the recoverable amount has been estimated with reference to value in use. The assessed royalty fees have been discounted to their present value using a pre-tax discount rate at Group level of 11.2% (9.9% in the 2024 annual impairment test) and a terminal growth rate at Group level of 2.5% (2.5% in the 2024 annual impairment test). The royalty fees for the first five years are based on financial plans approved by management. The same methodology as for the goodwill impairment test is used to extrapolate cash flows after the five-year internal planning period and to determine the discount rate.

No impairment of the SIG trademarks with indefinite useful lives was identified in either of the periods. Management considers it unlikely that any reasonably possible change in the assumptions used (royalty fees, terminal growth rate and WACC) would result in an impairment loss.

Accounting policy

Goodwill arising on business combinations is measured at cost less accumulated impairment losses. The SIG trademarks are assessed to have indefinite useful lives considering the long history of the SIG brand and its expected future continuous use. They are measured at cost less accumulated impairment losses. Other intangible assets, including customer relationships, Scholle trademarks and technology assets, have finite useful lives and are measured at cost less accumulated amortization and accumulated impairment losses. Gains and losses on disposals of intangible assets are recognized in profit or loss as part of other income or expenses.

Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technologically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete the development and to use or sell the asset. If the capitalization criteria are not met, development expenditure is recognized in profit or loss as incurred. Expenditure on research activities is recognized in profit or loss as incurred.

Intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives, with amortization generally recognized in profit or loss. The estimated useful lives of amortizable intangible assets for the current and comparative periods are as follows:

Customer relationships	10 to 15 years
Technology assets (including patented and non-patented technology and know-how)	6 to 10 years
Other intangible assets (including software)	3 to 6 years

Capitalized development costs are amortized over the period that is assessed to reflect the expected useful life of the particular innovation (up to 15 years).

Impairment of goodwill and other intangible assets

Intangible assets with finite useful lives are reviewed regularly and at least annually to identify whether there is an impairment indicator, or an indicator that a previously recognized impairment loss should be reversed. Goodwill and the SIG trademarks with indefinite useful lives are tested for impairment on an annual basis and whenever there is an impairment indicator. See note 5.5.3 for further details.

Significant judgments and estimates

Significant judgment is involved in the annual impairment testing of goodwill and the SIG trademarks with indefinite useful lives. The judgments and assumptions used in estimating the recoverable amount are included above under "Annual impairment tests of goodwill and trademarks with indefinite useful lives", where the outcome of the annual impairment tests is also described.

A change in the Group's intended use of other intangible assets or changed market conditions may trigger a future impairment or a reversal of an impairment loss. Value in use calculations require management to estimate the future cash flows expected to arise from an individual asset or CGU and to determine a suitable discount rate to calculate present value. See note 5.4 for additional remarks.

15 Inventories

Composition of inventories and other financial information

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Raw materials and consumables	122.2	130.7
Work in progress	88.2	90.3
Finished goods	159.1	155.7
Total inventories	**369.5**	**376.7**

As of December 31, 2025, inventories include a provision of €32.8 million due to write-downs to net realizable value (€33.2 million as of December 31, 2024).

Raw materials and consumables recognized as an expense in cost of sales in the statement of profit or loss and other comprehensive income amount to €1,346.1 million in the year ended December 31, 2025 (€1,416.8 million in the year ended December 31, 2024).

Accounting policy

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted average cost formula and includes costs incurred in acquiring the inventories and bringing them to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realizable value is the estimated selling price less the estimated costs of completion and estimated costs necessary to make the sale.

16 Trade and other receivables

Trade and other receivables mainly comprise trade receivables. The Group has a securitization program under which it sells a portion of its packaging material-related trade receivables without recourse. It also has a small number of minor factoring programs.

Composition of trade and other receivables

The table below provides an overview of the Group's current and non-current trade and other receivables. Trade receivables that will be sold under the securitization and factoring programs are presented as trade receivables at fair value. Trade receivables that will not be sold are presented as trade receivables at amortized cost.

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Trade receivables at amortized cost	285.0	333.7
Trade receivables at fair value	27.8	49.7
Related party trade receivables	1.6	0.6
Note receivables	8.6	–
VAT receivables	68.9	57.3
Other receivables	54.1	58.9
Total current trade and other receivables	**446.0**	**500.2**
Other non-current receivables	10.3	9.1
Non-current receivables	**10.3**	**9.1**
Total current and non-current receivables	**456.3**	**509.3**

The payment terms for the Group's trade receivables for packaging material are on general an average of 35 to 70 days (35 to 60 days in the comparative period).

Trade receivables at amortized cost – loss allowance and ageing

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Current	198.9	253.6
Past due up to 29 days	36.1	38.4
Past due 30 days to 89 days	24.3	17.0
Past due 90 days or more	25.7	24.7
Trade receivables at amortized cost, net of loss allowance	**285.0**	**333.7**
Loss allowance	**(35.6)**	**(22.9)**
Trade receivables at amortized cost, gross	**320.6**	**356.6**

The loss allowance represents the Group's estimate of individually impaired trade receivables as well as expected credit losses on trade receivables that are not individually impaired. It primarily relates to trade receivables past due more than 90 days. The expected credit losses are calculated using a provision matrix based on historical credit loss experience and assessments of current and future conditions. The expected loss rate for trade receivables past due more than 90 days that are not individually impaired is between 25% and 100% (with an expected loss rate of 100% when past due more than 270 days). For trade receivables past due 30 to 89 days that are not individually impaired, the expected loss rate is around 5%.

Management believes that the recognized loss allowance sufficiently covers the risk of default based on historical payment behavior and assessments of future expectations of credit losses, including regular analysis of customer credit risk. See also the section "Credit risk" in note 26.

The table below shows the movements in the loss allowance for trade receivables at amortized cost.

(In € million)	2025	2024
Loss allowance as of January 1	**22.9**	**20.8**
Change in loss allowance recognized in profit or loss during the year	13.4	2.8
Foreign currency exchange differences	(0.7)	(0.7)
Loss allowance as of December 31	**35.6**	**22.9**

The increase in the loss allowance in the year ended December 31, 2025 was mainly due to additional loss allowances recognized mainly due to the current market conditions.

Securitization program

The Group has an asset-backed securitization program under which it sells without recourse a portion of its packaging material-related trade receivables.

The trade receivables are sold to a special purpose entity. This entity is not controlled by the Group and therefore not consolidated. The trade receivables sold qualify for derecognition by the Group. The Group transfers the contractual rights to the cash flows of the trade receivables at their nominal value less a retained reserve in exchange for cash. The net amount is presented as part of other current receivables and represents the Group's right to receive this amount once the sold trade receivables have been settled by the customers.

Trade receivables sold under the securitization program amounted to €226.2 million as of December 31, 2025 (€224.3 million as of December 31, 2024), of which €202.8 million (€201.0 million as of December 31, 2024) has been derecognized and €23.4 million (€23.3 million as of December 31, 2024), representing the retained reserve, is presented as part of other current receivables. The retained reserve represents the Group's maximum exposure to any losses in respect of trade receivables previously sold under the program.

The securitization expense under the asset-backed securitization program amounted to €9.4 million for the year ended December 31, 2025 (€12.0 million for the year ended December 31, 2024) and is presented as part of other finance expenses (see note 24).

Factoring programs

The Group has a small number of minor factoring programs under which trade receivables sold by the Group qualify for derecognition. The factored amounts totaled €43.0 million as of December 31, 2025 (€37.7 million as of December 31, 2024).

Accounting policy

Trade and other receivables at amortized cost

Trade and other receivables that will not be sold under the Group's securitization and factoring programs are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these receivables are measured at amortized cost using the effective interest method less a loss allowance. Any subsequent recoveries of amounts previously written off relating to individually impaired trade receivables are credited to the same line item in profit or loss where the original write-off was recognized. The Group holds these trade receivables to collect the contractual cash flows, and these cash flows are solely payments of principal and interest on the principal outstanding.

Trade receivables at fair value through profit or loss

Trade receivables that will be sold under the Group's securitization and factoring programs are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are recognized at fair value. These trade receivables are sold and derecognized shortly after their initial recognition in the statement of financial position. Any change in fair value is recognized through profit or loss. The objective of these trade receivables is to realize the cash flows primarily through selling them.

Derecognition of trade receivables

A financial asset is derecognized when the contractual rights to the cash flows from the asset have expired, when the contractual rights to receive the cash flows have been transferred and the Group has transferred substantially all of the risks and rewards of ownership, or when the Group transfers a financial asset but retains the contractual rights to receive the cash flows but at the same time assumes a contractual obligation to pay the cash flows to another recipient (and remits the cash flows to the other recipient without material delay once it has collected an amount from the original asset, and is also prohibited from selling or pledging the original asset). Any interest in such a derecognized financial asset that is retained by the Group is recognized as a separate asset or liability.

17 Cash and cash equivalents

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Cash and cash equivalents (unrestricted)	350.4	287.8
Restricted cash	3.9	15.6
Total cash and cash equivalents	**354.3**	**303.4**

Cash and cash equivalents mainly consist of cash at bank but may, from time to time, also include short-term bank deposits (€3.6 million as of December 31, 2025 and €18.8 million as of December 31, 2024) with maturities of three months or less that are subject to an insignificant risk of changes in value. The restricted cash mainly relates to cash collected for the benefit of the Group's securitization partner.

18 Trade and other payables

Trade and other payables mainly comprise trade payables, accruals for various customer incentives and other accrued expenses.

Composition of trade and other payables

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Trade payables	342.8	381.1
Liability for various customer incentive programs	383.0	422.1
Advance payments	133.1	131.8
VAT payables	21.0	21.7
Note payables	16.9	21.0
Accrued interest, third parties	25.4	8.0
Other current payables and accrued expenses	79.1	110.7
Current trade and other payables	**1,001.3**	**1,096.4**
Other non-current payables	18.4	14.2
Non-current payables	**18.4**	**14.2**
Total current and non-current trade and other payables	**1,019.7**	**1,110.6**

Liabilities with an impact on the Group's revenue

The Group has refund and contract liabilities in respect of liabilities relating to contracts with customers accounted for under the revenue standard.

The Group's incentive programs relate to trade discounts, volume rebates and other customer incentives linked primarily to aseptic carton sleeves volumes (see also note 6). These programs generally run over a calendar year, resulting in a gradual build-up over the year of an accrual liability against revenue from the sale of aseptic carton sleeves. As of December 31, 2025 and December 31, 2024, the liabilities for customer incentive programs mainly represent incentives earned by customers under programs running over a calendar year that have not yet been settled by the Group. The remaining part represents accruals built up for incentive programs running over periods other than a calendar year (i.e. refund liabilities). The Group has recognized €10 million as revenue in the current period that was included in the balance of liabilities for customer incentive programs at the beginning of the period but was never paid out as the conditions for the incentive payments were not met (an insignificant amount in the comparative period).

The Group's contract liabilities mainly comprise advance payments received from customers in relation to the sale of aseptic carton sleeves and the sale of aseptic carton filling lines under contracts accounted for under the revenue standard, but also advance payments in relation to the bag-in-box, spouted pouch and chilled carton businesses. These advance payments are recognized as revenue within a short time frame from their initial recognition in the statement of financial position. As of December 31, 2025, the Group had contract liabilities of €30.3 million (€35.4 million as of December 31, 2024). These advance payments are presented as part of the advance payments in the table above (see also the section below). Excluding an insignificant amount, the advance payments as of December 31, 2023 and December 31, 2024 relating to contracts accounted for under the revenue standard have been recognized as revenue in 2024 and 2025 respectively.

The Group also has advance payments received from customers relating to aseptic carton filling lines that will be deployed under contracts that qualify to be accounted for as operating leases. If payments are received from customers before the filling line deployment date, they are initially recognized as part of "Trade and other payables" and presented as part of the advance payments in the table above (€102.8 million as of December 31, 2025 and €96.4 million as of December 31, 2024). On deployment of a filling line, the related advance payments received are reclassified to "Deferred revenue". These deferred revenue liabilities are then released and recognized as revenue over a certain period (see note 20).

Other current and non-current payables include liabilities of a total of €14.9 million as of December 31, 2025 (€16.3 million as of December 31, 2024) that relate to aseptic carton filling lines that, via the involvement of a financing partner, are deployed with the Group's customers. Under such a sale and lease arrangement, the financing partner pays the Group for a filling line and enters into a filling line lease contract, generally over six years, with the Group's customer. The Group has an obligation to purchase the filling line from the financing partner at the end of the lease term. The liability towards the financing partner initially reduces the amount that is recognized as a deferred revenue liability (see the section above and note 20). The liability gets settled on the repurchase of the filling line by the Group. These arrangements qualify to be accounted for as operating leases (see also note 5.5.2). The Group generally enters into new customer contracts for the filling lines that are purchased from the financing partner at the end of these arrangements.

Supplier finance arrangement

Trade payables include €13.9 million of trade payables as of December 31, 2025 (€6.0 million as of January 1, 2025) that have been factored in a supplier finance arrangement under which extended payment terms are offered. Of the December 31, 2025 amount, the supplier has received a payment of €3.4 million from the finance provider (these payments are considered non-cash transactions for the Group). For the trade payables that are part of the supplier finance arrangement, the payment terms are 90 days after the invoice date for the year ended December 31, 2025. Payment terms for comparable trade payables in the same country are on average 60 days after the invoice date. The cost of the arrangement is insignificant.

Accounting policy and significant estimates

Trade and other payables are initially recognized at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are carried at amortized cost using the effective interest method.

The liability for accruals for various customer incentives is estimated based on historical and current market trends as further described in note 6. The accruals are presented against revenue.

Trade payables under supplier finance arrangements are presented as trade payables as the Group considers the nature and function of such payables similar to other trade payables. Payments to the finance provider are presented as part of net cash from operating activities in the statement of cash flows as the Group considers the principal nature of these payments being related to the purchase of goods.

19 Provisions

The Group's provisions mainly relate to dismantling costs, warranties, restructuring programs as well as legal and regulatory matters.

Composition of provisions

(In € million)	Dismantling	Product warranty	Restructuring	Other	Total
Carrying amount as of January 1, 2024	**19.2**	**10.4**	**4.2**	**7.0**	**40.8**
Provisions made	2.4	11.6	10.3	1.3	**25.6**
Provisions used	(0.4)	(4.2)	(10.4)	(0.6)	**(15.6)**
Provisions reversed	(2.9)	(8.0)	(0.4)	(0.3)	**(11.6)**
Effect of movements in exchange rates	0.7	(0.1)	0.1	(0.2)	**0.5**
Carrying amount as of December 31, 2024	**19.0**	**9.7**	**3.8**	**7.2**	**39.7**
Current	–	9.7	3.3	1.6	**14.6**
Non-current	19.0	–	0.5	5.6	**25.1**
Carrying amount as of December 31, 2024	**19.0**	**9.7**	**3.8**	**7.2**	**39.7**
Carrying amount as of January 1, 2025	**19.0**	**9.7**	**3.8**	**7.2**	**39.7**
Provisions made	3.9	24.2	10.2	5.3	**43.6**
Provisions used	(0.2)	(8.3)	(6.5)	(0.8)	**(15.8)**
Provisions reversed	(1.9)	(4.4)	(0.2)	(2.0)	**(8.5)**
Effect of movements in exchange rates	(1.0)	(0.5)	(0.1)	(0.2)	**(1.8)**
Carrying amount as of December 31, 2025	**19.8**	**20.7**	**7.2**	**9.5**	**57.2**
Current	1.5	20.7	6.8	2.8	**31.8**
Non-current	18.3	–	0.4	6.7	**25.4**
Carrying amount as of December 31, 2025	**19.8**	**20.7**	**7.2**	**9.5**	**57.2**

The provision for product warranties in the year ended December 31, 2025 includes costs related to new product releases. See note 4.

Restructuring provision

The Group's restructuring programs are generally focused on reducing costs, streamlining the organization and adjusting headcount to be more closely aligned with the Group's needs and changing market demands. Payments are usually expected to be executed within the next one or two years.

The increase in the restructuring provision in the year ended December 31, 2025 is mainly due to the restructuring programs introduced after the recent review of the Group's strategic direction. See notes 4 and 9.

Other provisions

Other provisions mainly relate to legal and regulatory matters.

Accounting policy

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be reliably estimated and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are discounted if the time value of money is material. The unwinding of the discount is recognized as part of finance expenses. A provision is classified as current or non-current depending on whether the expected timing of the payment of the amounts provided for is more than 12 months after the reporting date.

A provision for dismantling is recognized when the Group has an obligation to pay for dismantling costs arising on the return of a filling line and other related equipment. This obligation typically arises upon deployment of aseptic carton filling lines (see also note 12). As such, the majority of the obligations are non-current.

A provision for warranties is recognized for products under warranty as of the reporting date based on known failures and defects as well as sales volumes and past experience of the level of problems reported and products returned. Warranty claims are expected to be settled within 12 months.

A provision for restructuring is recognized when the Group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been publicly announced. The provision only includes direct costs that are necessarily entailed by the restructuring and not associated with ongoing activities. No provision is made for future operating costs.

A provision for onerous contracts is recognized when the benefits expected to be derived by an entity from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

A provision for legal and regulatory matters reflects management's best estimate of the outcome based on the facts known as of the reporting date.

20 Deferred revenue

Deferred revenue mainly relates to aseptic carton filling lines deployed under lease and sale contracts that qualify to be accounted for as operating leases (see notes 5.5.2, 6, 12 and 18 for further details). Advance payments received under such contracts vary between contracts and customers but are recognized as a deferred revenue liability in the statement of financial position at the deployment date and released to profit or loss to achieve recognition of revenue on a straight-line basis, generally over ten years for sale contracts, and over six years for lease contracts and sale and lease arrangements. Advance payments received before the filling line deployment date are initially presented as part of "Trade and other payables" and reclassified to this balance sheet position at the deployment date (see note 18).

The table below provides an overview of the deferred revenue liability.

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Current deferred revenue	98.0	112.4
Non-current deferred revenue	353.1	360.0
Total deferred revenue	**451.1**	**472.4**

21 Other assets and liabilities

Other assets mainly comprise accrued income, prepaid expenses and deferred expenditure but also smaller investments made by the Group (via SIG InnoVentures AG) in early-stage companies to support the development of future packaging solutions (see note 27). The Group's derivative assets and liabilities are presented as part of other assets or other liabilities. The derivatives primarily relate to commodity and foreign currency derivatives but also to an interest rate swap. See notes 26 and 32 for additional details about the Group's derivatives.

Composition of other assets

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Derivative assets	8.8	11.1
Assets held for sale	–	13.1
Other current assets	26.1	23.1
Other current assets	**34.9**	**47.3**
Derivative assets	–	0.2
Other non-current assets	23.5	29.1
Other non-current assets	**23.5**	**29.3**
Total other current and non-current assets	**58.4**	**76.6**

See note 9 for details about the Group's chilled carton production plant in Shanghai that was classified as held for sale as of December 31, 2024, and subsequently sold in October 2025.

Composition of other liabilities

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Derivative liabilities	14.7	9.0
Other current liabilities	**14.7**	**9.0**
Contingent consideration	–	3.7
Other non-current liabilities	**–**	**3.7**
Total other current and non-current liabilities	**14.7**	**12.7**

See notes 9 and 32 for details about the contingent consideration, which relates to the acquisition of Scholle IPN.

Our financing and financial risk management

This section includes information about the Group's financing in the form of loans and borrowings and equity. The expenses for financing are also presented in this section. Lastly, the Group's financial risk management policy and exposure to liquidity, market and credit risks are described.

22 Capital management

The Board of Directors is responsible for monitoring and managing the Group's capital structure, which comprises equity (share capital and additional paid-in capital) as well as loans and borrowings.

The policy of the Board of Directors is to maintain an acceptable capital base to give confidence to the Group's shareholders and debtholders, and to sustain the future development of the business. The Board of Directors monitors the Group's financial position to ensure that it complies at all times with its financial and other covenants as set out in the indenture governing the senior unsecured bonds, two unsecured *Schuldscheindarlehen* ("SSD", a private German debt placement) agreements and the other credit agreements, as well as to ensure the payment of an appropriate level of dividends to the shareholders.

The Company purchases its own shares on the market. The repurchased shares are intended to be used to settle obligations under the Group's equity-settled share-based payment plans and arrangements (see also notes 25 and 30).

In order to maintain or adjust the capital structure, the Board of Directors may elect to take a number of measures, for example disposing of assets of the business, altering its short- to medium-term plans with respect to capital projects and working capital levels, or rebalancing the level of equity and debt in place.

As part of monitoring the Group's financial position, the Board of Directors evaluates the Group's net debt and development of its net leverage ratio. See "Net debt and net leverage" in note 23 for additional details about the loan covenants relating to the Group's loans and borrowings.

23 Loans and borrowings

The Group's loans and borrowings consist of senior unsecured Euro-denominated bonds, senior unsecured credit facilities, an unsecured US Dollar term loan and two unsecured Euro *Schuldscheindarlehen* ("SSD", a private German debt placement). The senior unsecured credit facilities consist of a Euro-denominated term loan and two committed Euro revolving credit facilities. In addition, the Group has access to local credit facilities in various locations. Liabilities under lease contracts where the Group is the lessee are also included in loans and borrowings.

Composition of loans and borrowings

The table below shows the carrying amount of the Group's loans and borrowings.

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Senior unsecured notes	–	549.5
Unsecured SSD	–	85.5
Local credit lines	115.9	89.7
Lease liabilities	46.5	52.0
Current loans and borrowings	**162.4**	**776.7**
Senior unsecured bonds	621.8	–
Senior unsecured Euro term loan	49.8	49.7
Unsecured US Dollar term loan	229.6	259.5
Unsecured SSDs	1,012.7	1,011.9
Unsecured committed revolving credit facilities	140.0	100.0
Local credit lines	12.8	3.5
Lease liabilities	263.6	269.8
Non-current loans and borrowings	**2,330.3**	**1,694.4**
Total loans and borrowings	**2,492.7**	**2,471.1**

Overview of recent financing transactions

On March 19, 2025, the Group issued €625 million of senior unsecured bonds at a fixed interest of 3.75%. The bonds are listed on SIX Swiss Exchange and mature in March 2030.

Proceeds from the issue of bonds, together with draw-downs of the Group's revolving credit facilities, were used to repay €550 million of senior unsecured notes and two tranches of a total of €85.5 million unsecured SSD that were due in June 2025. The €550 million unsecured bridge loan facility agreement that the Group signed in 2024 has been cancelled due to the timely issue of the bonds.

On April 28, 2025, SIG extended the maturity date for €490 million of its €500 million committed Euro revolving credit facilities by one year from 2029 to 2030.

On May 8, 2024, the Group issued six tranches of a total of €450 million unsecured SSD with maturities of four, five and seven years at both fixed and variable interest rates. The two largest tranches are due in 2028 and 2029.

On June 28, 2024, the Group accessed new senior unsecured credit facilities consisting of a five-year €50 million term loan and two committed Euro revolving credit facilities in the total amount of €500 million. The interest rates are variable.

The proceeds from the SSD and the new term loan, together with available cash, were used on June 28, 2024 to prepay, without premium or penalty, the Group's €550 million term loan from 2020 that was due in June 2025. In connection with this, the related €300 million committed multi-currency revolving credit facility was terminated.

On September 18, 2024, the Group repaid the €100.0 million draw-down of an unsecured credit facility, using available cash.

Additional loans and borrowings details

The table below provides an overview of the main terms of the Group's long-term financing (excluding lease liabilities) as of December 31, 2025. Additional details about some of these loans and borrowings and more short-term financing solutions are provided below the table.

	Principal amount	Maturity date	Interest rate
US Dollar term loan	$270 million	July 2027	Variable
Euro term loan	€50 million	June 2029	Variable
Euro revolving credit facilities	€10 million	June 2029	Variable
	€490 million	June 2030	Variable
SSD tranches (two, from 2022)	€481 million	June 2027–June 2029	Variable
SSD tranches (two, from 2022)	€83.5 million	June 2027–June 2029	Fixed 3.18%–3.66%
SSD tranches (two, from 2024)	€38 million	May 2028–May 2029	Fixed 4.24%–4.31%
SSD tranches (four, from 2024)	€412 million	May 2028–May 2031	Variable
Bonds	€625 million	March 2030	Fixed 3.75%

SIG issued a number of tranches of *Schuldscheindarlehen* ("SSD", a private German debt placement) in 2022 and 2024. The largest SSD tranche of €423.5 million from the 2022 issue is due in June 2027. Of the SSDs issued in May 2024, €282.0 million is due in May 2029. Two tranches from the 2022 issue of SSDs were repaid in June 2025 (see above).

The total amount available under the revolving credit facilities was €359.5 million as of December 31, 2025 (€398.4 million as of December 31, 2024) due to €0.5 million in letters of credits that were outstanding under an ancillary facility (€1.6 million as of December 31, 2024) and draw-downs of €140.0 million to cover cash requirements in the current year (€100.0 million as of December 31, 2024). The draw-downs are expected to be repaid within one year (see also note 26).

The Group also has access to local credit facilities in various locations. As of December 31, 2025, €128.7 million of unsecured unguaranteed local credit lines had mainly been used to cover local working capital needs (€93.2 million as of December 31, 2024).

The margins on the Group's variable interest rate loans are generally subject to adjustments based on the Group's net leverage (as defined in the respective credit agreements) and, in one case, also subject to adjustments based on the achievement of certain annual sustainability-linked targets (with reference to the Group's EcoVadis score). Interest is generally paid on a semi-annual basis.

See section "Interest rate risk" in note 26 for information on derivative contracts entered into by the Group to hedge the cash flow exposure arising on some of the debt at variable interest rates.

The obligations under the bonds, the senior unsecured credit facilities, the US Dollar term loan and the two SSDs are guaranteed by the Company on a stand-alone basis.

Net debt and net leverage

As part of monitoring the Group's financial position, the Board of Directors evaluates the Group's net debt and development of its net leverage ratio. Net leverage is defined by the Group as net debt divided by adjusted EBITDA. Net debt comprises the Group's current and non-current loans and borrowings (including lease liabilities, and with notes and credit facilities at principal amounts) less cash and cash equivalents (including any restricted cash). See note 9 for the definition of adjusted EBITDA.

The table below presents the components of net debt and the net leverage ratio.

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Gross debt	2,498.1	2,474.9
Cash and cash equivalents	(354.3)	(303.4)
Net debt	**2,143.8**	**2,171.5**
Net leverage ratio	**3.0x**	**2.6x**

The net debt as of December 31, 2025 broadly remained at the same level as of December 31, 2024. The adjusted EBITDA performance negatively impacted the net leverage ratio.

Under the credit agreements for the Group's senior unsecured credit facilities and the US Dollar term loan, the Group is required not to exceed a net leverage ratio of 4.0x (defined as net debt divided by adjusted EBITDA, excluding asset impairments). If the Group were not to comply with these covenants, the borrowings would become repayable on demand.

The Group was in compliance with all covenants and there were no events of default as of December 31, 2025 and December 31, 2024. The net leverage ratio as of December 31, 2025 was 2.8x as per the definition under the credit agreements (3.0x as per the Group's definition).

The above borrowings are classified as non-current liabilities. The Group expects to comply with the covenants for at least 12 months after the reporting date. The covenants are tested on an annual and semi-annual basis.

Lease liabilities

A maturity analysis of the Group's lease liabilities (relating mainly to office buildings, production-related buildings and equipment, warehouses and cars) is provided below.

	Carrying amount of lease liabilities		Interest payments		Contractual undiscounted cash flows	
(In € million)	2025	2024	2025	2024	2025	2024
Less than 1 year	46.5	52.0	20.8	21.2	67.3	73.2
Between 1 and 5 years	108.4	118.4	64.2	69.7	172.6	188.1
More than 5 years	155.2	151.4	105.6	146.0	260.8	297.4
	310.1	**321.8**	**190.6**	**236.9**	**500.7**	**558.7**

Note 13 includes information about lease contracts to which the Group has committed but where the lease has not yet commenced.

Changes in liabilities arising from financing activities

The following two tables present changes in liabilities arising from financing activities.

(In € million)	Jan. 1, 2025	Cash flows from/(used in): Financing activities	Cash flows from/(used in): Operating activities	Non-cash movements	Effect of movements in exchange rates	Dec. 31, 2025
Principal amount[1]	**2,153.1**	78.1	–	–	(43.2)	**2,188.0**
Transaction costs	**(3.8)**	–	(3.8)	2.2	–	**(5.4)**
Loans and borrowings, excl. lease liabilities	**2,149.3**	**78.1**	**(3.8)**	**2.2**	**(43.2)**	**2,182.6**
Lease liabilities	**321.8**	(55.2)	–	61.6	(18.1)	**310.1**
Total loans and borrowings	**2,471.1**	**22.9**	**(3.8)**	**63.8**	**(61.3)**	**2,492.7**
Capitalized cost for revolving credit facility	**(2.5)**	(0.4)	–	1.5	–	**(1.4)**
Interest: Accrued/(paid)	**8.0**	–	(107.8)	125.4	(0.2)	**25.4**
	2,476.6	**22.5**	**(111.6)**	**190.7**	**(61.5)**	**2,516.7**
Derivative (assets)/liabilities from financing activities	**(3.3)**	–	–	2.4	0.3	**(0.6)**
Total (assets)/liabilities from financing activities and cash/non-cash changes	**2,473.3**	**22.5**	**(111.6)**	**193.1**	**(61.2)**	**2,516.1**

1 The net financing cash inflow of €78.1 million relating to the principal amount of loans and borrowings (excluding lease liabilities) shows the net effect of the issue of bonds in March 2025 (€625.0 million of cash inflow), the repayment of senior unsecured notes in June 2025 (€550.0 million of cash outflow), the repayment of two tranches of unsecured SSD in June 2025 (€85.5 million of cash outflow), draw-downs of the committed Euro revolving credit facilities and subsequent repayments (€259.2 million of cash inflows and €219.2 million of cash outflows) and draw-downs of local unsecured credit lines and subsequent repayments (€175.3 million of cash inflows and €126.7 million of cash outflows).

(In € million)	Jan. 1, 2024	Cash flows from/(used in): Financing activities	Cash flows from/(used in): Operating activities	Net effect of early repayment of loans	Non-cash movements	Effect of movements in exchange rates	Dec. 31, 2024
Principal amount[1]	**2,206.4**	(73.5)	–	–	–	20.2	**2,153.1**
Transaction costs	**(5.2)**	–	(1.8)	0.9	2.4	(0.1)	**(3.8)**
Original issue discount	**(0.5)**	–	–	0.3	0.2	–	**–**
Loans and borrowings, excl. lease liabilities	**2,200.7**	**(73.5)**	**(1.8)**	**1.2**	**2.6**	**20.1**	**2,149.3**
Lease liabilities	**251.1**	(51.7)	–	–	122.8	(0.4)	**321.8**
Total loans and borrowings	**2,451.8**	**(125.2)**	**(1.8)**	**1.2**	**125.4**	**19.7**	**2,471.1**
Capitalized cost for revolving credit facility	**(0.5)**	(2.6)	–	0.4	0.2	–	**(2.5)**
Interest: Accrued/(paid)	**8.2**	–	(135.1)	–	134.7	0.2	**8.0**
	2,459.5	**(127.8)**	**(136.9)**	**1.6**	**260.3**	**19.9**	**2,476.6**
Derivative (assets)/liabilities from financing activities	**(6.6)**	–	–	–	3.6	(0.3)	**(3.3)**
Total (assets)/liabilities from financing activities and cash/non-cash changes	**2,452.9**	**(127.8)**	**(136.9)**	**1.6**	**263.9**	**19.6**	**2,473.3**

1 The financing cash outflow of €73.5 million relating to the principal amount of loans and borrowings (excluding lease liabilities) shows the net effect of the issue of six tranches of unsecured SSD in May 2024 (€450.0 million of cash inflow), the new unsecured Euro term loan from June 2024 (€50.0 million of cash inflow), the repayment in June 2024 of the Euro term loan that was due in 2025 (€550.0 million of cash outflow), the repayment in September 2024 of a draw-down of an unsecured credit facility (€100.0 million of cash outflow), draw-downs and the repayment of the committed multi-currency revolving credit facility that was terminated in June 2024 (€290.0 million of cash inflows and €290.0 million of cash outflows), draw-downs of the new committed Euro revolving credit facilities that were accessed in June 2024 and subsequent repayments (€284.4 million of cash inflows and €184.4 million of cash outflows) and draw-downs of local unsecured credit lines and subsequent repayments (€99.4 million of cash inflows and €122.9 million of cash outflows).

Accounting policy

Loans and borrowings (excluding lease liabilities) are initially recognized at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method. Loans and other borrowings are classified as current or non-current liabilities depending on whether the Group has a right to defer settlement at the reporting date for at least twelve months after the reporting period. The right to defer must also have substance. The classification of liabilities as current or non-current is not impacted by the Group's intentions or expectations about whether it will exercise a right to defer settlement or will choose to settle early.

The accounting for a change to the cash flows of a financial liability measured at amortized cost (such as the Group's notes, SSDs and term loans) depends on the nature of the change. If a floating-rate debt instrument is modified to change its interest rate, the modification is regarded as a repricing to the new market interest rate, which is accounted for prospectively by adjusting the effective interest over the remaining life of the debt instrument. A floating-rate instrument is one whose original contractual terms contain a provision such that the cash flows will (or might) be reset to reflect movements in market interest rates. If a change in cash flows arises due to renegotiation or other modifications (including modifications that do not reflect movements in market interest rates), and the renegotiation or modification does not result in the derecognition of the financial liability, the gross carrying amount is recalculated and any gain or loss recognized in profit or loss as part of the net finance expense. If a renegotiation or modification represents a settlement of the original debt, it is accounted for as being extinguished.

A financial liability (or a part of it) is derecognized when it is extinguished, i.e. when the contractual obligations are discharged, cancelled, expired or replaced by a new liability with substantially modified terms. The difference between the carrying amount of the financial liability (or part of a financial liability) extinguished and the consideration paid is recognized in profit or loss as part of the net finance expense. Any costs or fees incurred are recognized as part of the gain or loss on extinguishment.

Lease liabilities

The Group's lease liabilities are initially measured at the present value of the lease payments outstanding as of the lease commencement date, discounted at the interest rate implicit in the lease or, if that rate cannot be determined (which is normally the case), at the incremental borrowing rate. Lease payments included in the measurement of the lease liabilities include fixed lease payments and variable lease payments that depend on an index. Other variable lease payments are recognized in profit or loss. The Group does not separate non-lease components from lease components in its lease contracts. Extension, termination and purchase options that, at the lease commencement date, are reasonably certain to be exercised are considered when assessing the lease term and/or measuring the lease liability.

Subsequent to initial recognition, the lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liability (applying the effective interest method); reducing the carrying amount to reflect lease payments made; and remeasuring the carrying amount to reflect any contract modifications or reassessments relating to, for example, changed future lease payments linked to changes in an index and changes in the assessment of whether an extension, termination or purchase option will be exercised. When a lease liability is remeasured, the corresponding adjustment is generally made to the carrying amount of the related right-of-use asset (see note 13).

24 Finance income and expenses

The Group's finance income and expenses are mainly related to finance expenses for its loans and borrowings, fair value changes on associated derivative instruments and foreign currency exchange gains and losses relating to the loans and borrowings.

Composition of net finance expense

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Interest income	4.8	4.6
Net foreign currency exchange gain	0.4	–
Net interest income on interest rate swap	3.5	6.5
Finance income	**8.7**	**11.1**
Interest expense on:		
– Loan and borrowings (excluding lease liabilities)	(88.2)	(104.7)
– Lease liabilities	(22.8)	(18.9)
Amortization of transaction costs	(3.5)	(2.8)
Net foreign currency exchange loss	–	(3.8)
Net change in fair value of financing-related derivatives	(2.4)	(3.6)
Net effect of early repayment of loan	–	(1.6)
Securitization expense	(9.4)	(12.0)
Other	(8.7)	(6.8)
Finance expenses	**(135.0)**	**(154.2)**
Net finance expense	**(126.3)**	**(143.1)**

See notes 26 and 32 for details about the net change in fair value of financing-related derivatives (an interest rate swap and forward interest rate agreements) and the net interest income on the interest rate swap.

Other finance expenses primarily consist of revolver commitment fees, factoring expenses and interest expense on current tax liabilities.

25 Equity

This note includes information about the Company's share capital and dividend payments. The other components of equity consist of additional paid-in capital, the translation reserve, treasury shares and retained earnings.

Issued share capital

The Company had 382,270,872 shares in issue as of December 31, 2025 and December 31, 2024, all fully paid and with a nominal value of CHF 0.01 per share. The shares in issue as of December 31, 2025 represent €3.4 million (CHF 3.8 million) of share capital (€3.4 million as of December 31, 2024).

Capital band and conditional share capital

As of December 31, 2025 and December 31, 2024, the Company had conditional share capital of CHF 640,106.48 and a capital band ranging from CHF 3,440,437.85 (lower limit) to CHF 4,587,250.46 (upper limit).

The Board of Directors is authorized to increase the share capital by up to 20% of the current share capital if shareholders' subscription rights are granted, and by up to 10% if shareholders' subscription rights are excluded. The Board of Directors may also reduce the share capital by up to 10% through cancellation of shares or nominal value reduction or by a simultaneous reduction and re-increase of the share capital. The authorization under the capital band is limited until April 20, 2026 or the full use of the capital band.

The total number of registered shares issued from (i) the capital band, where the shareholders' subscription rights are excluded, and (ii) the conditional share capital, where the shareholders' advance subscription rights for equity-linked financing instruments are excluded, may not exceed 38,227,087 registered shares. Within the limit outlined above, the proportion of new shares assigned to each of the categories is stipulated by the Board of Directors.

The proceeds from an issue of new shares under the capital band can be used for various purposes. This provides flexibility to seek additional capital, if required, for investment and acquisition opportunities or to take advantage of favorable market conditions to further improve the Group's capital position.

The conditional share capital is divided into CHF 160,026.62 for employee benefit plans and CHF 480,079.86 for equity-linked financing instruments as of December 31, 2025 (also as of December 31, 2024).

Treasury shares

The Company purchases its own shares on the market to settle its obligations under the Group's equity-settled share-based payment plans and arrangements (see note 30). The Company held 173,734 shares for this purpose as of December 31, 2025 (39,172 shares as of December 31, 2024), representing an amount of €1.8 million, or €1.6 million including foreign currency exchange movements (€0.8 million as of December 31, 2024, or €1.0 million including foreign currency exchange movements). All treasury shares are carried at acquisition cost.

In the year ended December 31, 2025, the Company transferred 120,438 treasury shares (225,111 treasury shares in the year ended December 31, 2024), representing €2.5 million (€5.1 million for the year ended December 31, 2024) to participants in the Group's equity-settled share-based payment plans and arrangements.

The table below provides an overview of the Group's treasury shares.

	2025		2024	
(Number of treasury shares or in € million)	Number	Amount	Number	Amount
Balance as of January 1	**39,172**	**(1.0)**	**39,985**	**(1.5)**
Purchases	255,000	(3.1)	224,298	(4.6)
Transfer under equity-settled share-based payment plans and arrangements	(120,438)	2.5	(225,111)	5.1
Balance as of December 31	**173,734**	**(1.6)**	**39,172**	**(1.0)**

Dividends

The Board of Directors has decided to pause the dividend payment for the year ended December 31, 2025, and will therefore not propose a distribution of a dividend at its 2026 Annual General Meeting to be held on April 16, 2026.

A dividend of CHF 0.49 per share, totaling CHF 187.3 million (€202.7 million), was paid to shareholders from the capital contribution reserve (additional paid-in capital) in April 2025. A dividend of CHF 0.48 per share, totaling CHF 183.5 million (€187.8 million), was paid from the capital contribution reserve in April 2024.

Accounting policy

Incremental costs directly attributable to the issue of shares and purchase of treasury shares are recognized as a deduction from equity. Any resulting tax effects of any transaction costs that are recognized in equity are also reflected in equity.

Treasury shares

The cost of repurchased shares is presented as a deduction from equity, in the separate category treasury shares. When treasury shares are subsequently transferred to settle the Group's obligations under its equity-settled share-based payment plans and arrangements (or sold, if applicable), the related amount recognized as a share-based payment expense (or any amount received under a sale) is recognized as an increase in equity. Any resulting surplus or deficit is presented as an adjustment to additional paid-in capital. The Group applies the average cost method to calculate the surplus or deficit on the transfer or sale of treasury shares.

26 Financial risk management

In the course of its business, the Group is exposed to a number of financial risks: liquidity risk, market risk (including currency risk, commodity risk and interest rate risk) and credit risk. This note presents the Group's objectives, policies and processes for managing its exposure to these financial risks. Note 32 includes an overview of the derivative financial instruments that the Group has entered into to mitigate its market risk exposure.

Exposure to liquidity, market and credit risks arises in the normal course of the Group's business. Management and the Board of Directors have overall responsibility for the establishment and oversight of the Group's financial risk management framework. Management has established a treasury policy that identifies risks faced by the Group and sets out policies and procedures to mitigate those risks. Financial risk management is primarily carried out by the Group's Treasury function. Management has delegated authority levels and authorized the use of various financial instruments to a restricted number of personnel within the Treasury function.

Liquidity risk

Liquidity risk is the risk that the Group will not meet its contractual obligations as they fall due. The Group evaluates its liquidity requirements on an ongoing basis using various cash and financial planning analyses and ensures that it has sufficient cash to meet expected operating expenses, repayments of and interest payments on its debt and lease payments.

The Group generates sufficient cash flows from its operating activities to meet obligations arising from its financial liabilities. The Group had unrestricted cash and cash equivalents of €350.4 million as of December 31, 2025 (€287.8 million as of December 31, 2024). It has two committed Euro revolving credit facilities in place to cover potential shortfalls and access to local credit facilities in various locations, which are available if needed to support the cash management of local operations. In the year ended December, 2025, the Group refinanced its loans and borrowings that matured in June 2025. See also notes 4 and 23.

The following table includes information about the remaining contractual maturities for the Group's non-derivative financial liabilities as of December 31, 2025. The table includes both interest and principal cash flows.

(In € million)	Carrying amount	Contractual cash flows				
		Total	Up to 1 year	1–2 years	2–5 years	More than 5 years
As of December 31, 2025						
Trade and other payables	(998.7)	**(998.7)**	(980.3)	(6.5)	(8.6)	(3.3)
Loans and borrowings:						
– Senior unsecured bonds	(621.8)	**(742.2)**	(23.4)	(23.5)	(695.3)	–
– Senior unsecured Euro term loan	(49.8)	**(55.9)**	(1.7)	(1.7)	(52.5)	–
– Unsecured US Dollar term loan	(229.6)	**(249.4)**	(11.2)	(238.2)	–	–
– Unsecured SSDs	(1,012.7)	**(1,108.7)**	(35.9)	(507.0)	(518.9)	(46.9)
– Unsecured committed revolving credit facilities	(140.0)	**(148.3)**	(142.1)	(1.8)	(4.4)	–
– Local credit lines	(128.7)	**(136.5)**	(120.7)	(1.0)	(14.8)	–
– Lease liabilities	(310.1)	**(500.7)**	(67.3)	(58.5)	(114.1)	(260.8)
Total non-derivative financial liabilities	**(3,491.4)**	**(3,940.4)**	**(1,382.6)**	**(838.2)**	**(1,408.6)**	**(311.0)**

The agreements with the Group's bond holders and other lenders contain covenants and/or certain clauses that may require repayments earlier than indicated in the table above. The Group monitors the covenants as well as the aforementioned clauses on a regular basis to ensure that it is in compliance with the agreements at all times.

The interest payments on the two term loans, six of the SSD tranches and draw-downs of the revolving credit facilities and local credit lines are variable. The interest rate amounts included in the table above that relate to those borrowings will therefore change if the market interest rates (Euribor or SOFR) change. The interest rate amounts are also subject to change depending on the Group's net leverage or the achievement of sustainability-linked targets. See note 23.

The Group has entered into an interest rate swap that fixes the variable interest rate on its US Dollar term loan for one year, which is not considered in the table above (see also section "Interest rate risk" in this note). As of December 31, 2025, the interest rate swap is estimated to reduce the interest payments on the US Dollar term loan by approximately €0.8 million until it matures in July 2026.

Amounts used under the Group's unsecured committed revolving credit facilities are classified as non-current as the Group has the right to roll-over the used amount for more than twelve months. However, the related cash outflows are presented in the table above as occurring within one year as the Group uses the facilities for short-term net working capital needs. The cash outflows after one year relate to commitment fees.

Trade and other payables include liabilities that relate to arrangements where aseptic carton filling lines are deployed with customers via the involvement of a financing partner (see note 18). The majority of the outstanding obligations for the Group to repurchase the filling lines from the financing partners are expected to be settled within two to five years.

The future cash flows relating to the contingent consideration for Scholle IPN is assessed to be zero as of December 31, 2025 (see note 32).

The Group enters into derivative contracts as part of operating the business and may, from time to time, also enter into financing-related derivatives. Commodity derivative contracts are net cash-settled. Foreign currency derivative contracts and financing-related derivative contracts are net or gross cash-settled. The related derivative assets and liabilities recognized as of December 31, 2025 and December 31, 2024 represent the Group's liquidity exposure as of that date (see note 32). The cash flows resulting from a settlement of the derivative contracts may change as commodity prices, exchange rates and interest rates change. However, the overall impact on the Group's liquidity from the derivative contracts is not deemed to be significant. The expected impact of the Group's interest rate swap is described above. See sections "Currency risk" and "Commodity price risk" in this note for additional details about the Group's outstanding foreign currency and commodity derivative contracts.

See note 18 for information about the Group's participation in a supplier finance arrangement, which provides the Group with extended payment terms with one supplier.

The following table includes information about the remaining contractual maturities for the Group's non-derivative financial liabilities as of December 31, 2024.

(In € million)	Carrying amount	Contractual cash flows				
		Total	Up to 1 year	1–2 years	2–5 years	More than 5 years
As of December 31, 2024						
Trade and other payables	(1,088.9)	**(1,088.9)**	(1,074.8)	(1.5)	(9.5)	(3.1)
Loans and borrowings:						
– Senior unsecured notes	(549.5)	**(555.5)**	(555.5)	–	–	–
– Senior unsecured Euro term loan	(49.7)	**(58.9)**	(2.0)	(2.0)	(54.9)	–
– Unsecured US Dollar term loan	(259.5)	**(300.6)**	(14.8)	(14.8)	(271.0)	–
– Unsecured SSD	(1,097.4)	**(1,253.0)**	(128.8)	(41.6)	(1,033.4)	(49.2)
– Unsecured committed revolving credit facilities	(100.0)	**(109.0)**	(102.6)	(1.7)	(4.7)	–
– Local credit lines	(93.2)	**(97.4)**	(92.8)	(0.3)	(4.3)	–
– Lease liabilities	(321.8)	**(558.7)**	(73.2)	(67.8)	(120.3)	(297.4)
Contingent consideration	(3.7)	**–**	–	–	–	–
Total non-derivative financial liabilities	**(3,563.7)**	**(4,022.0)**	**(2,044.5)**	**(129.7)**	**(1,498.1)**	**(349.7)**

Market risk

Market risk is the risk that changes in market prices, such as foreign currency exchange rates, commodity prices and interest rates, will affect the cash flows or the fair value of the Group's holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

The Group buys and sells derivatives in the ordinary course of business to manage market risks. The Group does not enter into derivative contracts for speculative purposes. Hedge accounting under IFRS 9 is not applied.

Currency risk

As a result of the Group's international operations, it is exposed to foreign currency risk on sales, purchases, borrowings and dividend payments that are denominated in currencies that are not the functional currency of the entity involved in the transaction (see notes 8 and 24). The Group is also exposed to translation currency risk arising from the translation of the assets, liabilities and results of its foreign entities from their respective functional currencies into Euro, the Group's presentation currency. The functional currencies of the subsidiaries are mainly Euro, US Dollar, Swiss Franc, Chinese Renminbi, Thai Baht, Brazilian Real and Mexican Peso. Notably for year ended December 31, 2025, the strengthening of the Euro against the US Dollar, Chinese Renminbi, Thai Baht and Saudi Riyal negatively impacted the Group's translation reserve in equity.

In accordance with the Group's treasury policy, the Group seeks to minimize transaction currency risk via natural offsets wherever possible. Therefore, when commercially feasible, the Group incurs costs in the same currencies in which cash flows are generated. In addition, the Group systematically hedges its major transactional currency exposures (by entering into foreign currency derivative contracts), using a 12-month rolling layered approach. See also note 8. The Group does not hedge its exposure to translation gains or losses related to the results of its entities with a functional currency other than the Euro.

The following table provides an overview of the outstanding foreign currency derivative contracts entered into as part of the operating business as of December 31, 2025.

Type	Contract type	Currency	Contracted volume	Counter-currency	Contracted conversion range	Contracted date of maturity
Non-deliverable forwards	Buy	EUR	16,240,000	BRL	6.3710–7.1134	Jan. 2026–Oct. 2026
Non-deliverable forwards	Sell	USD	13,300,000	BRL	5.4811–5.8145	Feb. 2026–Nov. 2026
Currency forwards	Buy	EUR	38,398,437	THB	35.2263–38.0343	Jan. 2026–Dec. 2026
Currency swaps	Buy	USD	17,600,000	THB	31.3720–31.3720	Jan. 2026–Jan. 2026
Currency forwards	Sell	USD	53,900,000	THB	30.4350–33.1889	Jan. 2026–Dec. 2026
Currency forwards	Buy	EUR	5,819,000	AUD	1.7721–1.8041	Jan. 2026–Dec. 2026
Currency forwards	Buy	EUR	15,000,000	CNY	8.2188–8.3637	Apr. 2026–Apr. 2026
Currency forwards	Buy	EUR	56,450,000	USD	1.0580–1.1945	Jan. 2026–Dec. 2026
Currency forwards	Buy	USD	577,000	AUD	0.6484–0.6486	Jan. 2026–Mar. 2026
Currency forwards	Buy	USD	51,750,000	MXN	18.3032–21.3001	Jan. 2026–Dec. 2026
Currency swaps	Sell	EUR	15,000,000	USD	1.1788–1.1788	Jan. 2026–Jan. 2026

The following table provides an overview of the outstanding foreign currency derivative contracts entered into as part of the operating business as of December 31, 2024.

Type	Contract type	Currency	Contracted volume	Counter-currency	Contracted conversion range	Contracted date of maturity
Non-deliverable forwards	Buy	EUR	16,240,000	BRL	5.6325–6.7070	Jan. 2025–Nov. 2025
Non-deliverable forwards	Sell	USD	8,400,000	BRL	5.4616–6.5075	Jan. 2025–Sep. 2025
Currency forwards	Buy	EUR	53,930,000	THB	35.4194–39.5778	Jan. 2025–Dec. 2025
Currency swaps	Buy	USD	12,300,000	THB	34.0750–34.0750	Jan. 2025–Jan. 2025
Currency forwards	Sell	USD	21,500,000	THB	31.7127–36.2377	Jan. 2025–Dec. 2025
Currency forwards	Buy	EUR	1,900,000	CNY	7.7405–7.7605	Feb. 2025–Mar. 2025
Currency forwards	Buy	USD	15,870,000	CNY	7.0230–7.2978	Apr. 2025–Apr. 2025
Currency swaps	Buy	CNY	200,000,000	EUR	7.6432–7.6477	Feb. 2025–Feb. 2025
Currency forwards	Buy	EUR	3,780,000	AUD	1.6169–1.6216	Jan. 2025–Mar. 2025
Currency forwards	Buy	EUR	59,450,000	USD	1.0602–1.1329	Jan. 2025–Dec. 2025
Currency forwards	Buy	USD	750,000	AUD	0.6515–0.6517	Jan. 2025–Mar. 2025
Currency swaps	Buy	USD	13,700,000	EUR	1.0418–1.0436	Jan. 2025–Jan. 2025
Currency forwards	Buy	USD	43,000,000	MXN	17.4952–21.8298	Jan. 2025–Dec. 2025

The Group's primary unhedged transaction currency exposure as of December 31, 2025 relates to intra-group Euro-denominated loan receivables of entities with the Swiss Franc as their functional currency. A 5% weakening of the Euro against the Swiss Franc as of December 31, 2025 would have resulted in an unrealized foreign currency exchange loss of €16.2 million as of December 31, 2025.

The Group's primary unhedged transaction currency exposure as of December 31, 2024 relates to intra-group Euro-denominated loan receivables of entities with the Swiss Franc as their functional currency. A 5% weakening of the Euro against the Swiss Franc as of December 31, 2024 would have resulted in an unrealized foreign currency exchange loss of €47.2 million as of December 31, 2024.

Commodity price risk

Commodity price risk is the risk that changes in the prices of commodities purchased by the Group and used as inputs in the production process may impact the Group, as such commodity price changes cannot always be passed on to the customers on a timely basis. The majority of the customer contracts in the bag-in-box and spouted pouch businesses include clauses that enable commodity price fluctuations to be passed on to the customers. This is normally not the case for the customer contracts in the carton business, where there is generally a time lag between increased commodity prices and the implementation of higher customer prices.

The Group's exposure to commodity price risk arises principally from the purchase of polymers and aluminum. The Group's objective is to ensure that the commodity price risk exposure in the current year is kept at an acceptable level. The Group generally purchases commodities at spot market prices and uses derivatives to hedge the exposure in relation to the cost of polymers (and their feedstocks) and aluminum. This strategy means that the Group is able to fix the raw material prices for the majority of its anticipated polymer and aluminum purchases, which substantially reduces the exposure to raw material price fluctuations over that period. The Group also hedges a part of its electricity price exposure in continental Europe.

The realized gain or loss arising from derivative commodity contracts is recognized in cost of sales, while the unrealized gain or loss associated with derivative commodity contracts is recognized in other income or expenses.

The Group recognized an unrealized loss of €4.2 million for the year ended December 31, 2025 and an unrealized gain of €8.9 million for the year ended December 31, 2024 relating to its derivative commodity contracts as a component of other income. It recognized a realized loss of €4.7 million for the year ended December 31, 2025 and a realized loss of €7.7 million for the year ended December 31, 2024 relating to its derivative commodity contracts as a component of cost of sales.

The following table provides an overview of the outstanding commodity derivative contracts as of December 31, 2025.

Type	Unit of measure	Contracted volume	Contracted price range	Contracted date of maturity
Aluminum swaps	metric ton	26,250	$2,467–$2,912	Jan. 2026–Dec. 2026
Aluminum premium swaps	metric ton	7,160	$277.50–$325	Jan. 2026–Dec. 2026
Polymer swaps	metric ton	17,400	€2,055–€2,161	Jan. 2026–Dec. 2026
Polymer swaps	metric ton	8,400	€1,440–€1,490	Jan. 2026–Dec. 2026
Polymer swaps	metric ton	32,520	$960–$1,215	Jan. 2026–Dec. 2026
Monomer swaps	metric ton	42,420	€1,127–€1,230	Jan. 2026–Dec. 2026
Electricity swaps	megawatt hour	49,342	€74.80–€102.50	Jan. 2026–Jan. 2027

The following table provides an overview of the outstanding commodity derivative contracts as of December 31, 2024.

Type	Unit of measure	Contracted volume	Contracted price range	Contracted date of maturity
Aluminum swaps	metric ton	23,040	$2,350–$2,710	Jan. 2025–Dec. 2025
Aluminum premium swaps	metric ton	5,400	$291–$334	Jan. 2025–Dec. 2025
Polymer swaps	metric ton	16,680	€1,936–€2,108	Jan. 2025–Dec. 2025
Polymer swaps	metric ton	6,720	€1,525–€1,615	Jan. 2025–Dec. 2025
Polymer swaps	metric ton	28,920	$1,109–$1,325	Jan. 2025–Dec. 2025
Monomer swaps	metric ton	33,360	€1,180–€1,230	Jan. 2025–Dec. 2025
Electricity swaps	megawatt hour	51,304	€74.80–€150.00	Jan. 2025–Jan. 2027

Assuming a 10% parallel upward or downward movement in the price curve used to value the commodity derivative contracts with all other variables remaining constant, a remeasurement of commodity derivative contracts as of December 31, 2025 would have had an impact of €19.1 million on the Group's profit before income tax (an impact of €18.1 million on the profit before income tax as of December 31, 2024).

Interest rate risk

The Group's interest rate risk arises primarily from variable interest rates on its Euro and US Dollar term loans, six of the tranches of its two SSDs, and draw-downs of its revolving credit facilities and local credit lines, but also from cash and cash equivalents. The Group pays a fixed interest rate on its bonds and four of the tranches of its two SSDs.

In July 2025, the Group entered into an interest rate swap that hedges the cash flow exposure arising on the US Dollar term loan at variable interest rate. It replaced an interest rate swap that matured at the same date. The Group's forward interest rate agreements that hedged the cash flow exposure arising on the Euro term loan and the SSD tranches at variable interest rates matured in the second quarter of 2025. The interest-rate derivatives are presented as financing-related derivatives as part of other current assets. The fair value changes are recognized in finance income or finance expenses. See section "Liquidity risk" and note 32 for additional details.

The interest rate profile of the Group's significant interest-bearing financial instruments as of December 31, 2025 and December 31, 2024 is presented in the following table.

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Fixed rate instruments		
Financial assets	3.1	2.6
Financial liabilities	(1,056.6)	(1,002.3)
	(1,053.5)	**(999.7)**
Effect of interest rate derivatives	(134.0)	(623.1)
	(1,187.5)	**(1,622.8)**
Variable rate instruments		
Financial assets	354.3	303.4
Financial liabilities	(1,441.5)	(1,472.6)
	(1,087.2)	**(1,169.2)**
Effect of interest rate derivatives	134.0	623.1
	(953.2)	**(546.1)**

A 100 basis point increase in the variable component of the interest rate on the Euro term loan, the SSD tranches at variable interest rates and the draw-downs of the revolving credit facilities and local credit lines would have increased the annual interest expense by €13.1 million as of December 31, 2025.

A 100 basis point increase in the variable component of the interest rate on the Euro term loan, the SSD tranches at variable interest rates and the draw-downs of the revolving credit facilities and local credit lines would have increased the annual interest expense by €8.5 million as of December 31, 2024.

The effect of the Group's interest rate derivative contracts is considered in the above analyses.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets represents the maximum credit exposure.

Credit risk arises principally from the Group's receivables from its customers. Historically, there has been a low level of losses resulting from default by customers. This is also the case in the current market environment (see note 5.4).

The credit risk relating to trade receivables is influenced mainly by the individual characteristics of each customer. Given the diverse global operations and customers across the Group, credit control procedures are jointly managed by the Group's Treasury function and each of the operating businesses within the Group. These joint responsibilities include, but are not limited to, reviewing the individual characteristics of new customers for creditworthiness before accepting the customer and agreeing on purchase limits and terms of trade as well as regularly reviewing the creditworthiness of existing customers and previously agreed purchase limits and terms of trade.

The Group limits its exposure to credit risk by executing a credit limit policy, requiring advance payments in certain instances, taking out insurance for specific debtors as well as utilizing securitization and non-recourse factoring programs. See also note 16.

In addition, concentration of credit risk is limited due to the customers comprising a diversified mix of international companies, large national and regional companies as well as small local companies, most of which have been customers of the Group for many years.

Management believes that the recognized loss allowance sufficiently covers the risk of default based on historical payment behavior and assessments of future expectations of credit losses, including regular analysis of customer credit risk.

In line with its treasury policy, the Group generally enters into transactions only with banks and financial institutions having a credit rating of at least investment grade (long term: BBB or Baa rating or higher and short term: A-2 or P-2 rating or higher as per Standard & Poor's or Moody's).

Our group structure and related parties

This section provides information about the Group's subsidiaries and other related parties.

27 Group entities

Overview of Group entities

The following table provides an overview of all the Group's subsidiaries and joint venture. The ownership interests are the same as of December 31, 2025 and December 31, 2024, unless specifically stated. The ownership and voting interests are the same for all Group entities. The Group owns 100% of the shares and the reporting date of the entities is December 31, unless specifically stated. The joint venture does not have any subsidiaries.

Companies and countries	As of December 31, 2025		
	Share capital[1]		Interest
Parent company			
Switzerland			
SIG Group AG, Neuhausen am Rheinfall[2]	3,822,709	CHF	100%
Subsidiaries			
Algeria			
EURL SIG Combibloc Algeria, Algiers	1,500,000	DZD	100%
Argentina			
Combibloc S.R.L., Buenos Aires[3]	6,765,005,520	ARS	100%
Australia			
Scholle IPN Pty Ltd., Edinburgh North	2	AUD	100%
SIG Australia Holding Pty Ltd., Canberra	32,100,000	AUD	100%
SIG Combibloc Australia Pty Ltd., Broadmeadows Moonee Ponds	40,000,001	AUD	100%
Austria			
SIG Austria GmbH, Saalfelden[4,5]	1,000,000	EUR	100%
SIG Combibloc GmbH, Saalfelden	35,000	EUR	100%
SIG Combibloc GmbH & Co. KG, Saalfelden[4]			–
Bangladesh			
SIG Combibloc Bangladesh Ltd., Dhaka	50,000,000	BDT	100%
Brazil			
Scholle Ltda., Vinhedo	86,258,020	BRL	100%
SIG Beverages Brasil Ltda., São Paulo	109,327,434	BRL	100%
SIG Combibloc do Brasil Ltda., São Paulo	722,386,462	BRL	100%
Canada			
Scholle IPN Canada Ltd., Toronto	1,000	CAD	100%
Chile			
Scholle IPN SpA, Santiago	9,006,501,235	CLP	100%
SIG Combibloc Chile SpA, Santiago	5,016,722,134	CLP	100%
China			
Scholle IPN Packaging (Suzhou) Co. Ltd., Suzhou	15,400,000	USD	100%
SIG Combibloc (Suzhou) Co. Ltd., Suzhou	283,000,000	USD	100%
SIG Combibloc (Suzhou) Technology Co. Ltd., Suzhou	3,800,000	USD	100%
SIG Packaging (Shanghai) Co., Ltd., Shanghai	98,374,102	CNY	100%
Czechia			
SIG Combibloc s.r.o., Hradec Králové	200,000	CZK	100%
Egypt			
SIG Combibloc Egypt LLC, Cairo	10,000	EGP	100%
France			
SIG Combibloc S.à.r.l., Courbevoie	31,000	EUR	100%
Germany			
Scholle IPN Germany GmbH, Eisfeld	25,000	EUR	100%
SIG Combibloc GmbH, Linnich	34,494,382	EUR	100%
SIG Combibloc Systems GmbH, Linnich	1,000,000	EUR	100%
SIG Combibloc Zerspanungstechnik GmbH, Alsdorf	256,000	EUR	100%
SIG Euro Holding GmbH, Linnich	10,000,000	EUR	100%
SIG Information Technology GmbH, Linnich	500,000	EUR	100%
SIG International Services GmbH, Linnich	1,000,000	EUR	100%
India			
Bossar Packaging Private Ltd., Pune[6,7,8]	17,649,000	INR	99.7%
Scholle IPN India Packaging Private Ltd., Palghar[6]	15,290,240	INR	100%
Scholle Packaging (India) Private Ltd., Palghar[9]			–
SIG Combibloc India Private Ltd., Gurgaon, Haryana[6]	964,721,600	INR	100%
Indonesia			
P.T. SIG Combibloc Indonesia, Jakarta Selatan	13,549,682,000	IDR	100%
Italy			
SIG Combibloc S.r.l., Parma	101,400	EUR	100%
Luxembourg			
SIG Combibloc Holdings S.à r.l., Munsbach	2,000,001	EUR	100%
SIG Combibloc PurchaseCo S.à r.l., Munsbach	4,012,500	EUR	100%

Companies and countries	As of December 31, 2025 Share capital[1]		Interest
Malaysia			
Scholle IPN Packaging (SEA) SDN. BHD, Kuala Lumpur	445,500	MYR	100%
SIG Combibloc Malaysia SDN. BHD, Kuala Lumpur	1,000,000	MYR	100%
Mexico			
SIG Combibloc Manufacturing México, S. de R.L. de C.V., Queretaro	142,010,000	MXN	100%
SIG Combibloc México, S.A. de C.V., Mexico City	1,000,000	MXN	100%
Netherlands			
Clean Flexible Packaging B.V., Tilburg[10]			–
SIG Netherlands Solutions, B.V., Tilburg[10, 11]	2	EUR	100%
Scholle IPN Europe B.V., Tilburg[10]			–
Scholle IPN Europe Holding B.V., Tilburg	18,000	EUR	100%
Scholle IPN Holding B.V., Tilburg	20,220	EUR	100%
Scholle IPN IP B.V., Tilburg[10]			–
Scholle IPN Netherlands B.V., Tilburg	18,000	EUR	100%
SIG Combibloc B.V., Tilburg	40,000	EUR	100%
New Zealand			
Scholle IPN New Zealand Ltd., Auckland	10	NZD	100%
SIG Combibloc New Zealand Ltd., Auckland	100	NZD	100%
Nigeria			
SIG Combibloc Nigeria Ltd., Lagos	100,000,000	NGN	100%
Pakistan			
SIG Combibloc Pakistan (SMC – Private) Ltd., Lahore	100,000	PKR	100%
Poland			
SIG Combibloc Sp. z o.o., Warsaw	249,934	PLN	100%
Romania			
SIG Combibloc Services S.R.L., Cluj	1,000,000	RON	100%
Russia			
OOO SIG Combibloc, Moscow	5,000,000	RUB	100%
Scholle IPN Eastern Europe LLC, Voronezh[8]	221,331,321	RUB	99.9%
Saudi Arabia			
Al Obeikan SIG Combibloc Company Ltd., Riyadh	75,000,000	SAR	100%
Serbia			
SIG South East Europe d.o.o. Beograd, Beograd	939,200	RSD	100%
Singapore			
SIG Combibloc Singapore Private Ltd., Singapore	1,000	SGD	100%
South Africa			
SIG Combibloc (South Africa) Pty. Ltd., Cape Town	1,000	ZAR	100%

Companies and countries	As of December 31, 2025 Share capital[1]		Interest
South Korea			
SIG Combibloc Korea Ltd., Seoul	260,000,000	KRW	100%
SIG Packaging Korea Ltd., Seoul	899,480,000	KRW	100%
Spain			
Bossar Packaging S.L.U., Barbera del Valles	1,248,000	EUR	100%
SIG Combibloc S.A.U., Madrid	330,550	EUR	100%
Sweden			
SIG Combibloc AB, Eslöv	100,000	SEK	100%
Switzerland			
SIG allCap AG, Neuhausen am Rheinfall	7,000,000	CHF	100%
SIG InnoVentures AG, Neuhausen am Rheinfall[12]	1,000,000	CHF	100%
SIG Procurement AG, Neuhausen am Rheinfall	2,000,000	CHF	100%
SIG Receivables Management AG, Neuhausen am Rheinfall[13]			–
SIG Services AG, Neuhausen am Rheinfall	37,931,400	CHF	100%
SIG Schweizerische Industrie-Gesellschaft GmbH, Neuhausen am Rheinfall[13]	20,000	CHF	100%
Taiwan			
SIG Combibloc Taiwan Ltd., Taipei	15,000,000	TWD	100%
SIG Packaging (Taiwan) Co., Ltd., Hsinchu Hsien	1,000,000	TWD	100%
Thailand			
SIG Combibloc Ltd., Rayong	3,070,693,000	THB	100%
Turkey			
SIG Combibloc Paketleme ve Ticaret Ltd. Şirketi, Istanbul[3]	170,000	TRY	100%
United Kingdom			
Scholle IPN UK Ltd., Gateshead	1	GBP	100%
SIG Combibloc Ltd., Gateshead	250,000	GBP	100%
UAE			
SIG Combibloc FZCO, Dubai	24,000,000	AED	100%
SIG Packaging Materials Trading LLC, Dubai	10,000	AED	100%
USA			
Clean Flexible Packaging Inc., Northlake[14]			–
Scholle IPN Atlanta Corporation, Peachtree City	0	USD	100%
SIG Combibloc Inc., Northlake[15]	27,000,000	USD	100%
SIG Combibloc US Acquisition Inc., Northlake[16]			–
SIG Combibloc US Acquisition II Inc., Northlake	10	USD	100%
SIG Holding USA, LLC, Northlake[15]			–

Companies and countries	As of December 31, 2025 Share capital[1]		Interest
USA continued			
SIG Packaging LLC, Northlake	10,000	USD	100%
SIG US LLC, Northlake[14]	10,000	USD	100%
Vietnam			
SIG Vietnam Ltd., Ho Chi Minh City	2,000,000,000	VND	100%
Joint venture			
Japan			
DNP • SIG Combibloc Co. Ltd., Tokyo	75,000,000	JPY	50%

1 Unaudited.
2 The registered address of SIG Group AG is Laufengasse 18, 8212 Neuhausen am Rheinfall, Switzerland.
3 Argentina and Turkey are regarded as hyperinflationary as of December 31, 2025 and 2024. The impacts of applying hyperinflationary accounting as per IAS 29 *Financial Reporting in Hyperinflationary Economies* are not material to the Group.
4 SIG Combibloc GmbH & Co KG was merged into SIG Austria Holding GmbH in the third quarter of 2025 (now SIG Austria GmbH).
5 Previously SIG Austria Holding GmbH. The name was changed to SIG Austria GmbH in the third quarter of 2025.
6 The reporting date is March 31. Financial information prepared as of December 31 is used for consolidation purposes.
7 In the acquisition of Scholle IPN in 2022, the Group initially only acquired 84.71% of the shares of Bossar Packaging Private Ltd. It acquired 14.99% of the shares for an insignificant amount in the second quarter of 2024
8 The non-controlling interests are not significant, which is why the Group does not make a distinction between profit or loss, total comprehensive income and equity attributable to the owners of the Company and the non-controlling interests.
9 Scholle Packaging (India) Private Ltd. was liquidated in the second quarter of 2025.
10 Clean Flexible Packaging B.V., Scholle IPN Europe B.V. and Scholle IPN IP B.V. were merged into Clean Flexible Packaging Holding B.V. in the third quarter of 2025.
11 Previously Clean Flexible Packaging Holding B.V. The name was changed to SIG Netherlands Solutions, B.V. in the third quarter of 2025.
12 SIG InnoVentures AG invests in early-stage companies to support the development of future packaging solutions. The investments are not significant. They are presented as part of other non-current assets (see note 21) and measured at fair value. The Group has elected to present fair value changes on these investments in other comprehensive income. The net fair value changes are presented as part of the retained earnings in the statement of changes in equity. The investments are categorized as Level 3 fair value measurements in the fair value hierarchy.
13 SIG Receivables Management AG was merged into SIG Schweizerische Industrie-Gesellschaft GmbH in the second quarter of 2025.
14 Clean Flexible Packaging Inc. was merged into SIG US LLC in the second quarter of 2025.
15 SIG Holding USA LLC was merged into SIG Combibloc Inc. in the second quarter of 2025.
16 SIG Combibloc US Acquisition Inc. was liquidated in the second quarter of 2025.

Joint venture in Japan

The Group has a small investment in a joint venture in Japan (DNP • SIG Combibloc Co. Ltd). It is accounted for using the equity method.

The Japanese joint venture was formed in 2018 with the joint venture partner DNP and provides aseptic carton packaging solutions in Japan. There have been no significant transactions with the joint venture in the years ended December 31, 2025 and December 31, 2024. Its net assets are also not significant.

Accounting policy/basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from their respective acquisition date, which is the date on which the Group obtains control, until the Group loses control.

Intra-group transactions and balances

Intra-group transactions and balances are eliminated on consolidation.

28 Related parties

The Company has related party relationships with its shareholders, subsidiaries, joint venture in Japan and key management. Certain information and updates about the Company's related parties are provided in this note.

Shareholders

The members of the Group Executive Board directly held 0.02% and indirectly held 0.03% of the Company's shares as of December 31, 2025 (directly 0.06% and indirectly 0.05% as of December 31, 2024). The members of the Board of Directors directly held 0.13% of the Company's shares as of December 31, 2025 (directly 0.10% and indirectly 10.3% as of December 31, 2024).

Laurens Last (via CLIL Holding B.V., subsequently renamed Clean Holding B.V) received 33.75 million shares in the Company as part of the consideration for Scholle IPN in 2022. Laurens Last was a related party to the Company via his representation on the Company's Board of Directors until the Annual General Meeting on April 8, 2025, when he did not stand for re-election. Accordingly, the ownership percentages as of December 31, 2025 in the section above do not include his shareholding in the Company as of that date.

Laurens Last indirectly held 10.0% of the Company's shares as of December 31, 2024 according to the disclosure notifications reported to the Company by Laurens Last. As of December 31, 2024, he also directly held blocked shares received as compensation for being a member of the Company's Board of Directors (0.003%). He received an insignificant number of blocked shares as compensation for his time as a member of the Board of Directors in 2025.

Key management

The Company's key management includes the members of the Group Executive Board and the Board of Directors.

See note 4 for organizational changes in the Group Executive Board and the Board of Directors that took place in the year ended December 31, 2025.

The table below includes information about compensation to the Group Executive Board.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Short-term employee benefits	7.8	6.8
Post-employment benefits	0.5	0.5
Share-based payments	1.6	1.7
Termination benefits	2.5	–
Total compensation to the Group Executive Board	**12.4**	**9.0**

The termination benefits for the year ended December 31, 2025 relate to the former Chief Executive Officer. The termination has been reflected in the measurement of the amount recognized as a share-based payment expense, considering the good and bad leaver clauses in the share-based payment plans in which the former Chief Executive Officer participated.

Compensation to the members of the Board of Directors totaled €2.7 million for the year ended December 31, 2025 (€2.7 million for the year ended December 31, 2024). The members of the Board of Directors receive part of their compensation in blocked shares.

Information about the participation of the members of the Group Executive Board and the Board of Directors in share-based payment plans and arrangements is included in note 30. Further information about compensation paid to the members of the Group Executive Board and the Board of Directors can be found in the Compensation Report included in the 2025 Annual Report. Details about these persons' SIG shareholdings are included in the section "Shareholders" above and in the Compensation Report.

Other related parties

The Group's subsidiaries are listed in note 27. Certain information about the Group's joint venture is also included in note 27.

Related party transactions

The nature of the Company's related party relationships, balances and transactions for the year ended December 31, 2025 has not changed compared with information disclosed in the consolidated financial statements for the year ended December 31, 2024 except for the Company's relation with Laurens Last (see section "Shareholders" above).

Note 32 includes information about the contingent portion of the consideration for Scholle IPN. There were no significant transactions and there were no outstanding balances as of December 31, 2024 relating to companies controlled or jointly controlled by Laurens Last.

In the year ended December 31, 2025, the Group recognized revenue of €8.2 million for sales of goods and provision of services to its joint venture in Japan (€2.8 million in the year ended December 31, 2024). It had an outstanding trade receivable balance of €1.6 million relating to the joint venture as of December 31, 2025 (€0.6 million as of December 31, 2024).

In the year ended December 31, 2024, the Group acquired 14.99% of the non-controlling interest of one of the acquired Scholle IPN Indian entities on an arm's length basis. See note 27.

There were no other significant related party transactions during the years ended December 31, 2025 and December 31, 2024.

As of December 31, 2025 and December 31, 2024, the Group had no commitments to incur capital expenditure with related parties.

Our people

This section covers information about the Group's employee-related expenses and pension plans as well as the Group's share-based payment plans and arrangements. Details about compensation concerning the Group's key management are included in note 28 on related parties.

29 Employee benefits

The Group operates various defined benefit plans. The largest defined benefit plan is in Switzerland. In addition, the Group has a number of defined contribution plans.

Overview of employee benefits

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Salaries and wages accrued	60.9	57.3
Provision for annual leave	14.1	15.8
Provision for other employee benefits	5.6	6.0
Net defined benefit obligations:		
Pension benefit liabilities	92.0	98.2
Total employee benefit liabilities	**172.6**	**177.3**
Current	75.0	73.1
Non-current	97.6	104.2
Total employee benefit liabilities	**172.6**	**177.3**

The Group had a net defined benefit asset of €194.1 million as of December 31, 2025 (€181.8 million as of December 31, 2024). This relates to the defined benefit pension plan in Switzerland. The Group's net defined benefit liabilities relate to defined benefit pension plans in other countries.

Personnel expenses

Personnel expenses recognized in the statement of profit or loss and other comprehensive income were €640.7 million in the year ended December 31, 2025 (€620.8 million in the year ended December 31, 2024), of which €41.4 million relates to contributions to defined contribution plans (€35.9 million in the year ended December 31, 2024).

Defined benefit pension plans

The Group makes contributions to defined benefit pension plans. It operates defined benefit pension plans in countries including Austria, France, Germany, India, Indonesia, Saudi Arabia, Switzerland, Taiwan, Thailand, the UAE and the USA. The majority of the Group's pension obligations are in Switzerland. The retirement plans are subject to governmental regulations relating to how they are funded. The Group usually funds its retirement plans at an amount equal to the annual minimum funding requirements specified by the government regulations covering each plan.

This note generally includes aggregated disclosures in respect of the Group's pension plans as the plans are not exposed to materially different risks. However, certain information relating to the Swiss retirement plan is disclosed separately as it is the Group's largest pension plan.

As of December 31, 2025, the Swiss retirement plan comprised 73% of the present value of the Group's pension plan obligations (72% as of December 31, 2024). As of December 31, 2025, the fair value of the assets of the Swiss retirement plan exceeded the present value of its pension obligations by €194.1 million (€181.8 million as of December 31, 2024). See also the section "Expense recognized in other comprehensive income" below. For the years ended December 31, 2025 and December 31, 2024, the amount recognized as a net defined benefit asset did not exceed the asset ceiling.

Expected annual contributions to the Group's defined benefit pension plans during the year ending December 31, 2026 are estimated to be €6.5 million. The Group's pension plans had a weighted average duration of 14 years as of December 31, 2025 (14 years as of December 31, 2024).

Movement in net defined benefit obligation

Information about the net defined benefit obligation as of and for the years ended December 31, 2025 and December 31, 2024 is included below.

	Defined benefit obligation		Fair value of plan assets		Net defined benefit liability/(asset)	
(In € million)	2025	2024	2025	2024	2025	2024
Carrying amount as of the beginning of the year	**538.4**	**532.6**	**(622.0)**	**(620.1)**	**(83.6)**	**(87.5)**
Service cost	11.2	9.2	–	–	11.2	9.2
Interest expense/(income)	9.1	11.5	(7.5)	(10.7)	1.6	0.8
Administrative expenses	–	–	0.6	0.6	0.6	0.6
Curtailments and settlements	–	0.2	–	–	–	0.2
Total expense/(income) recognized in profit or loss	**20.3**	**20.9**	**(6.9)**	**(10.1)**	**13.4**	**10.8**
Actuarial losses arising from:						
Demographic assumptions	9.9	14.5	–	–	9.9	14.5
Financial assumptions	(11.0)	5.0	–	–	(11.0)	5.0
Return on plan assets, excluding interest income	–	–	(21.6)	(22.9)	(21.6)	(22.9)
Total remeasurement (gains)/losses included in other comprehensive income	**(1.1)**	**19.5**	**(21.6)**	**(22.9)**	**(22.7)**	**(3.4)**
Contributions by the Group	–	–	(5.6)	(7.6)	(5.6)	(7.6)
Contributions by plan participants	2.0	1.9	(2.0)	(1.9)	–	–
Benefits paid by the plans	(45.3)	(34.0)	45.3	34.0	–	–
Settlement of plan	(1.7)	–	1.9	–	0.2	–
Effect of movements in exchange rates	(2.9)	(2.5)	(0.9)	6.6	(3.8)	4.1
Total other movements	**(47.9)**	**(34.6)**	**38.7**	**31.1**	**(9.2)**	**(3.5)**
Carrying amount as of the end of the year	**509.7**	**538.4**	**(611.8)**	**(622.0)**	**(102.1)**	**(83.6)**
Comprised of:						
Swiss retirement plan	374.2	389.3	(568.3)	(571.1)	(194.1)	(181.8)
All other plans	135.5	149.1	(43.5)	(50.9)	92.0	98.2
Carrying amount as of the end of the year	**509.7**	**538.4**	**(611.8)**	**(622.0)**	**(102.1)**	**(83.6)**
Included in the statement of financial position as:						
Employee benefits (asset)					(194.1)	(181.8)
Employee benefits liability					92.0	98.2
Total net defined pension benefits					**(102.1)**	**(83.6)**

Expense recognized in profit or loss

The net pension expense is recognized in the following components in the statement of profit or loss and comprehensive income.

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Cost of sales	6.1	5.0
Selling, marketing and distribution expenses	1.5	1.7
General and administrative expenses	5.8	4.1
Total net pension expense	**13.4**	**10.8**
thereof the Swiss retirement plan	6.7	4.0

Expense recognized in other comprehensive income

The remeasurement of the Group's defined benefit pension plans as of December 31, 2025 resulted in a €18.6 million net increase (a €1.5 million net increase as of December 31, 2024) in other comprehensive income (net of tax), of which a €14.6 million increase relates to the Group's Swiss retirement plan (€2.3 million decrease as of December 31, 2024).

Plan assets

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Equity instruments	164.2	147.0
Debt instruments	252.0	274.2
Real estate	170.8	164.5
Other	24.8	36.3
Total plan assets	**611.8**	**622.0**

Approximately 93% of total plan assets were held by the Swiss retirement plan as of December 31, 2025 (92% as of December 31, 2024). The debt instruments consist principally of corporate and government bonds. The equity and debt instrument values are based on quoted market prices in active markets. The real estate is held through unlisted funds. The investment policy of the Swiss retirement plan is to target an asset mix of around 30% equity instruments, 40% debt instruments and 25% real estate funds, and to hold 5% in cash. An assessment of the investment policy for the Swiss retirement plan is performed yearly.

Actuarial assumptions

The amounts recognized under the Group's defined benefit pension plans are determined using actuarial methods. The actuarial valuations involve assumptions regarding discount rates, expected salary increases and the retirement age of employees. These assumptions are reviewed at least annually and reflect estimates as of the measurement date. Any change in these assumptions will impact the amounts reported in the statement of financial position, plus the net pension expense or income that may be recognized in future years. The mortality table used for the Swiss retirement plan for 2025 and for 2024 was BVG 2020 GT.

While the Swiss retirement plan does not provide for compulsory benefit increases for pensioners, increases have been granted from time to time at the discretion of the foundation board, depending on the funding situation at the time.

The discount rate and future salary increases are the assumptions with the most significant effect on the defined benefit obligation. They are presented in the table below.

	Swiss retirement plan		All plans	
(In %)	As of Dec. 31, 2025	As of Dec. 31, 2024	As of Dec. 31, 2025	As of Dec. 31, 2024
Discount rates	1.3%	0.95%	1.2%–6.9%	0.95%–7.0%
Future salary increases	1.5%	1.5%	0.0%–9.0%	0.0%–9.0%

The table below shows the effect on the defined benefit obligation of a change in the discount rate and future salary increases.

	Swiss retirement plan		All plans	
(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024	As of Dec. 31, 2025	As of Dec. 31, 2024
Discount rates				
50 basis points increase	(7.9)	(7.4)	(14.9)	(15.8)
50 basis points decrease	8.6	8.1	16.2	17.2
Future salary increases				
50 basis points increase	1.5	1.5	3.0	3.2
50 basis points decrease	(1.4)	(1.4)	(2.8)	(2.9)

Accounting policy

Short-term employee benefits

Short-term employee benefits are expensed in profit or loss as the related services are provided. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans and outstanding annual leave balances if the Group has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be estimated reliably.

Defined benefit plans

The Group's obligation with respect to its defined benefit plans is calculated separately for each plan by estimating the amount of the future benefits to which employees are entitled in return for their services in the current and prior years, discounting that amount to determine the present value of the Group's obligation and then deducting the fair value of any plan assets. The discount rate used is the yield on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have maturity dates approximating the terms of the Group's obligations. The calculations are performed annually by qualified actuaries using the projected unit credit method.

If the calculation results in a potential asset for the Group (such as for the Group's Swiss retirement plan), the recognized asset is limited to the present value of economic benefits available in the form of reductions in future contributions to the plan (the case for the Swiss retirement plan) or any future refunds from the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined liability, comprising actuarial gains and losses, the return on plan assets (excluding interest) and, if any, the effects of the asset ceiling (excluding interest), are recognized immediately in other comprehensive income.

The net interest expense/(income) on the net defined benefit liability/(asset) for the period is determined by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined liability/(asset) as of that time, taking into account any changes from contributions and benefit payments. Net interest expense and other plan expenses are recognized in profit or loss.

If the benefits of a plan are changed or a plan is curtailed, the resulting change in benefit that relates to past services or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Defined contribution plans

The Group's obligation for contributions to defined contribution plans is expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available. The Group has no further obligations once the contributions have been paid.

Termination benefits

Termination benefits, when applicable, are payable when employment is terminated by the Group before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for such benefits. Termination costs are expensed when the Group can no longer withdraw the offer of the benefits or when the Group recognizes any related restructuring costs, whichever occurs earlier.

Significant judgments and estimates

Amounts recognized under the Group's defined benefit pension plans are determined using actuarial methods. These actuarial valuations involve various assumptions that reflect estimates as of the measurement date. See the section "Actuarial assumptions" above for an overview of the impact of any change in these assumptions.

30 Share-based payment plans and arrangements

The Group has share-based long-term incentive plans for certain members of management and other key employees and talents. The members of the Board of Directors receive a part of their total compensation under share-based payment arrangements. These plans and arrangements have an insignificant impact on the Group's result.

The Group expects to settle its obligations under its equity-settled plans and arrangements using own shares (treasury shares) or, alternatively, using shares issued from its conditional share capital (see note 25). The majority of the Group's share-based payment plans and arrangements are equity-settled.

Share-based long-term incentive plans for SIG employees

Performance share unit plan

The Group grants performance share units ("PSUs") to the members of the Group Executive Board and certain other members of management on an annual basis. The PSU plans have equivalent terms and vesting conditions, including a three-year service vesting condition.

One PSU represents the contingent right to receive one SIG share. The number of granted PSUs is determined by dividing each participant's award under the plan by the volume-weighted average of the closing prices of the SIG share over the last 20 trading days prior to the grant date as per the PSU regulations. The number of PSUs that vest depends on the Group's long-term performance over the three-year vesting period. The plans include the following vesting conditions:

- Service condition: Continuous employment through to the vesting date.
- Two non-market performance conditions: Achievement of a cumulative diluted adjusted earnings per share target and a cumulative free cash flow target.
- One market performance condition: Achievement of a relative total shareholder return target, measured relative to the SMI MID (SMIM) Total Return Index (with a vesting factor capped at 1.0 for a negative absolute TSR).

At vesting, the three performance conditions are first assessed individually to determine the level of achievement of the set targets (in a range from 0% to 200%). The achievement percentage of each performance condition is then combined based on a relative weighting of the performance conditions (50% for the relative total shareholder return target and 25% each for the earnings per share and cash flow targets). The combined vesting multiple determines how many shares the plan participants are entitled to receive at the end of the vesting period.

The fair value of one PSU is calculated based on a Monte Carlo simulation model, which reflects the probability of over- or underachieving the market performance condition. The model also takes into account various inputs such as the closing share price of one SIG share on the grant date and adjusts for expected dividends (discounted at a risk-free interest rate) to which the plan participants are not entitled until the PSUs vest after three years.

The table below provides an overview of the annual management PSU plans.

	Overview of PSU plans				
	2025	2024	2023	2022	2021
Grant date	April 1, 2025	April 2, 2024	April 3, 2023	June 13, 2022	April 1, 2021
Vesting date	April 1, 2028	April 1, 2027	April 1, 2026	March 31, 2025	March 31, 2024
Grant date fair value (one PSU)	15.32 CHF	19.99 CHF	23.35 CHF	19.56 CHF	22.31 CHF
Number of participants	18	17	16	15	9
Granted number of PSUs	281,293	240,757	231,648	234,753	201,707
thereof to members of the Group Executive Board	243,859	214,412	217,846	215,169	187,139
Vested number of PSUs	–	–	–	174,415	154,642
thereof to members of the Group Executive Board at vesting date	–	–	–	125,231	109,818
Shares transferred	–	–	–	45,359	71,139
thereof to members of the Group Executive Board at vesting date	–	–	–	32,562	50,518

The Group settled its obligation under the 2022 and 2021 PSU plans by delivering treasury shares (see note 25). The total amount of €2.5 million recognized as a share-based payment expense for the 2022 PSU plan has been recognized as a decrease in equity (€3.5 million for the 2021 PSU plan). The difference between this amount and the cost of the delivered treasury shares is presented as an adjustment of additional paid-in capital.

The table below provides a reconciliation of the outstanding management PSUs.

	Outstanding PSUs	
Number of PSUs	2025	2024
As of January 1	**608,679**	**524,024**
Granted PSUs	281,293	240,757
Vested PSUs (2022 plan)	(174,415)	–
Vested PSUs (2021 plan)	–	(154,642)
Forfeited PSUs	(155,693)	(1,460)
As of December 31	**559,864**	**608,679**
thereof held by members of the Group Executive Board	392,985	507,116

Any resignation of members of the Group Executive Board results in forfeitures of a certain number of granted PSUs as per the good and bad leaver clauses in the PSU plan regulations. 132,817 of the forfeited PSUs in 2025 relate to a member of the Group Executive Board.

14,893 of the forfeited PSUs in 2025 relate to a conversion of a one-time grant of PSUs to a member of the Group Executive Board in 2023 into a new RSU grant in 2025 (see the section below).

Restricted share unit plan

The Group grants a small number of restricted share units ("RSUs") to a limited number of employees on an annual basis. One RSU represents the contingent right to receive one SIG share, subject to the fulfilment of an in general three-year service vesting condition.

RSUs under the 2022 and 2021 RSU plans vested on March 31, 2025 and March 31, 2024, respectively. The Group settled its obligation by delivering treasury shares. In the year ended December 31, 2025, two employees were granted in total 42,082 RSUs, of which 25,322 RSUs relate to a member of the Group Executive Board (none under the 2024 RSU plan).

Equity investment plan

The Group has an annual equity investment plan ("EIP") for a wider group of management in leadership positions and other key employees and talents, under which the participants may choose to invest in SIG shares at market value. The shares are blocked for three years. For each purchased share, the Group grants the participants two matching options to purchase another two shares at a predefined exercise price at the end of a three-year vesting period. The options can be exercised during a ten-month period after the vesting date. The fair value of one option is calculated using the Black-Scholes model.

The table below provides an overview of the annual EIPs.

	Overview of EIP plans				
	2025	**2024**	**2023**	**2022**	**2021**
Grant date	May 30, 2025	May 31, 2024	June 2, 2023	May 27, 2022	May 31, 2021
Vesting date	June 1, 2028	June 1, 2027	June 1, 2026	June 1, 2025	June 1, 2024
Grant date fair value (one option)	2.55 CHF	3.06 CHF	4.58 CHF	2.74 CHF	3.63 CHF
Number of participants	53	51	60	69	64
Granted number of options	125,366	123,536	130,212	149,450	124,680
Vested number of options	–	–	–	117,840	97,112
Exercised options as of December 31	–	–	–	0	0
Exercised options within the ten-month exercise period after the vesting date	–	–	–	0	0

A total of 353,194 not yet vested options under all EIPs were outstanding as of December 31, 2025, of which 9,150 options were held by a member of the Group Executive Board (369,758 options as of December 31, 2024, of which 18,640 options were held by a member of the Group Executive Board).

Integration plans

As part of the integration of Scholle IPN and Evergreen Asia into the Group, 41 employees who are key to the integration were granted a total of 302,792 PSUs under two smaller PSU integration plans in August 2022. One of the plans is cash-settled. One PSU represents the contingent right to receive one SIG share. The number of PSUs that vest depends on the achievement of certain targets, including targets linked to the performance and integration of the two acquired businesses.

A total of 221,866 PSUs under the integration plans were outstanding as of the vesting date of December 31, 2025, of which 10,469 PSUs were held by a member of the Group Executive Board (234,128 PSUs as of December 31, 2024, of which 10,469 PSUs were held by a member of the Group Executive Board). No shares vested as the set targets were not achieved.

Leadership continuity plan

In the context of the ongoing transformation and recent leadership changes (see note 4), the Board of Directors has approved a RSU grant for the core leadership team, including the Group Executive Board. The purpose of this one-off RSU plan is to reinforce stability during a period of strategic repositioning and to support the consistent execution of the Company's long-term strategic priorities. One RSU represents the contingent right to receive one SIG share, subject to the fulfilment of a one-year service vesting condition. Vested shares are blocked for two years.

25 employees were granted a total of 264,348 RSUs under the leadership continuity plan on October 1, 2025, of which 154,710 RSUs relate to members of the Group Executive Board. The fair value of one RSU was CHF 8.04 as of the grant date. The RSUs outstanding as of December 31, 2025 remain unchanged compared to the grant date.

Share-based payment arrangements for members of the Board of Directors

The members of the Board of Directors receive 40% of their total compensation in SIG shares that are blocked for three years. The grant date is the date of the Annual General Meeting (normally held in April), when the total compensation package for the next term of office is approved. The compensation is paid out four times during the one-year term of office (i.e. there are four award dates, each relating to work performed during the quarter before the respective award date). The fair value of one blocked share is calculated based on the closing share price of one SIG share on the grant date.

The Group granted 70,333 blocked shares to the members of the Board of Directors in the year ended December 31, 2025 (54,740 blocked shares in the year ended December 31, 2024). The fair value of one granted instrument was CHF 15.09 as of the grant date in the year ended December 31, 2025 (CHF 19.36 in the year ended December 31, 2024). The blocked shares have been delivered using treasury shares.

Share-based payment expense

The share-based payment expense recognized as a personnel expense for the year ended December 31, 2025 relating to the PSU, RSU, equity investment, integration and leadership continuity plans for SIG employees amounts to €3.0 million, of which €1.6 million relates to members of the Group Executive Board.

The share-based payment expense (including adjustments due to varying plan performance) recognized as a personnel expense for the year ended December 31, 2024 relating to the above plans for all SIG employees totaled €1.5 million. The share-based payment expense for only the members of the Group Executive Board amounted to €1.7 million.

The share-based payment expense recognized as part of general and administrative expenses for the year ended December 31, 2025 relating to the arrangement for the Board of Directors amounts to €1.0 million (€1.0 million for the year ended December 31, 2024).

Accounting policy

The Group's share-based payment plans and arrangements are primarily equity-settled payment arrangements.

For the equity-settled plans, the grant date fair value of the awards is recognized as an expense, with a corresponding increase in equity (retained earnings), over the vesting period. The amount recognized as an expense is adjusted to reflect the number of instruments awarded for which the related service and any non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of instruments awarded that meet the related service and any non-market performance conditions at the vesting date. Any market performance conditions are reflected in the grant date fair valuation of the instruments awarded and there is no true-up during the vesting period or at the vesting date for differences between expected and actual outcomes.

For cash-settled plans, the fair value of the amounts payable to employees is recognized as an expense, with a corresponding increase in liabilities (employee benefits), over the vesting period. The liability is remeasured at each reporting date and at the settlement date so that the ultimate liability equals the cash payment on the settlement date. Any changes in the fair value of the liability are recognized in profit or loss.

Other

This section provides details about the Group's income tax exposure and different categories of financial instruments (including derivative instruments). It further covers fair value information, off-balance sheet items and subsequent events.

31 Income tax

This note covers the Group's current and deferred income tax exposure, with corresponding impacts on the statement of profit or loss and other comprehensive income and the statement of financial position.

Management believes that its accruals for tax liabilities are sufficient for all open tax years based on its assessment of existing facts, prior experiences and interpretations of tax laws.

Amounts recognized in profit or loss

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Current year	(94.1)	(124.4)
Adjustments for prior years	1.0	7.2
Current tax expense	**(93.1)**	**(117.2)**
Origination and reversal of temporary differences	55.4	38.8
Tax rate modifications	–	(0.1)
Recognition of previously unrecognized tax losses	0.4	0.2
Adjustments for prior years	(2.9)	(8.2)
Deferred tax benefit	**52.9**	**30.7**
Income tax expense	**(40.2)**	**(86.5)**

Amounts recognized in other comprehensive income

The Group has recognized in other comprehensive income a deferred tax expense of €4.1 million relating to the remeasurement of defined benefit plans for the year ended December 31, 2025 (a deferred tax expense of €1.9 million for the year ended December 31, 2024).

Reconciliation of effective tax expense

The following table presents the Group's reconciliation between profit before income tax and the income tax expense. The reconciliation is based on the Company's applicable Swiss tax rate and adjusts for the effect of tax rates applied by Group companies in other jurisdictions because the Group's business activities and taxable income are mostly located outside Switzerland. The effect of tax rates in foreign jurisdictions comprises the difference between the Company's applicable Swiss tax rate and the statutory tax rates per each individual jurisdiction. The Company's applicable Swiss tax rate changed to 15.08% for the year ended December 31, 2025 compared to the comparative period (15.19%).

(In € million)	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
(Loss)/profit before income tax	**(46.8)**	**281.0**
Income tax using the Swiss tax rate of 15.08% (2024: 15.19%)	7.1	(42.7)
Effect of tax rates in foreign jurisdictions	1.4	(31.1)
Non-deductible expenses	(19.6)	(10.2)
Tax-exempt income	70.9	19.8
Withholding tax	(9.8)	(12.6)
Tax rate modifications	–	(0.1)
Recognition of previously unrecognized tax losses	0.4	0.2
Unrecognized tax losses and temporary differences	(85.8)	(4.4)
Tax uncertainties	(5.9)	0.9
Tax on undistributed profits	5.7	(3.4)
Adjustments for prior years	(1.9)	(1.0)
Current tax expense from global minimum top-up tax	(2.7)	(1.9)
Income tax expense	**(40.2)**	**(86.5)**

The effective rate for the year ended December 31, 2025 was –86.0% (30.8% for the year ended December 31, 2024).

Current tax assets and liabilities

Current tax assets of €17.4 million as of December 31, 2025 (€13.9 million as of December 31, 2024) represent the amount of income taxes recoverable with respect to current and prior periods and arise from the payment of tax in excess of the amounts due to the relevant tax authorities. Current tax liabilities of €35.7 million as of December 31, 2025 (€50.3 million as of December 31, 2024) represent the amount of income taxes payable with respect to current and prior periods.

Recognized deferred tax assets and liabilities

(In € million)	As of Dec. 31, 2025	As of Dec. 31, 2024
Included in the statement of financial position as:		
Deferred tax assets	66.9	68.7
Deferred tax liabilities	(170.1)	(223.0)
Total recognized net deferred tax liabilities	**(103.2)**	**(154.3)**

The following table provides details about the components of deferred tax assets and liabilities.

(In € million)	PP&E and right-of-use assets	Intangible assets	Inventories	Receivables	Other payables	Deferred revenue	Unremitted earnings	Other items	Net deferred tax assets/ (liabilities)
Carrying amount as of January 1, 2024	**(145.6)**	**(132.6)**	**32.0**	**0.9**	**37.2**	**74.1**	**(46.1)**	**(3.5)**	**(183.6)**
Recognized in profit or loss	(24.8)	23.6	(4.3)	(3.1)	(6.4)	17.7	(3.3)	31.3	**30.7**
Recognized in other comprehensive income	–	–	–	–	–	–	–	(1.9)	**(1.9)**
Effect of movements in exchange rates	(2.4)	(1.0)	(0.1)	–	0.8	2.0	–	1.2	**0.5**
Carrying amount as of December 31, 2024	**(172.8)**	**(110.0)**	**27.6**	**(2.2)**	**31.6**	**93.8**	**(49.4)**	**27.1**	**(154.3)**
Carrying amount as of January 1, 2025	**(172.8)**	**(110.0)**	**27.6**	**(2.2)**	**31.6**	**93.8**	**(49.4)**	**27.1**	**(154.3)**
Recognized in profit or loss	19.0	35.4	(2.6)	6.0	1.4	(7.6)	5.6	(4.3)	**52.9**
Recognized in other comprehensive income	–	–	–	–	–	–	–	(4.1)	**(4.1)**
Effect of movements in exchange rates	7.3	4.5	(0.4)	–	(2.3)	(3.3)	–	(3.5)	**2.3**
Carrying amount as of December 31, 2025	**(146.5)**	**(70.1)**	**24.6**	**3.8**	**30.7**	**82.9**	**(43.8)**	**15.2**	**(103.2)**

Other payables mainly include a deferred tax asset relating to liabilities for various customer incentive programs. Other items mainly include net deferred tax assets or liabilities relating to employee benefits and tax loss carry-forwards. Tax loss carry-forwards recognized as a deferred tax asset amount to €9.9 million as of December 31, 2025 (€20.5 million as of December 31, 2024).

Unrecognized deferred tax assets

Deferred tax assets of €107.3 million have not been recognized as of December 31, 2025 with respect to mainly tax losses (€12.1 million as of December 31, 2024) because management has assessed that it is not probable that future taxable profit will be available against which the Group can utilize the benefits therefrom.

The increase of unrecognized deferred tax assets in the year ended December 31, 2025 is mainly due the write-off of current and prior-year tax losses in the aseptic carton business in India that no longer qualify to be recognized as deferred tax assets. Impairment of assets in the year ended December 31, 2025 (see note 4) also had an impact on the recognition of deferred tax assets as well as downward value adjustments in the statutory financial statements of certain of the Company's subsidiaries in the bag-in-bag box, spouted pouch and chilled carton businesses.

Under the current applicable tax legislation, €121.2 million of the unrecognized tax losses as of December 31, 2025 does not expire while €5.3 million expires in two to five years and €385.4 million expires after more than five years.

OECD Pillar Two model rules

In 2021, the OECD published a regulatory framework for a global minimum top-up income tax (the OECD Pillar Two model rules). The rules are designed to ensure that multinational companies within the scope of the rules pay a minimum tax rate of 15% in each jurisdiction where they operate.

The Group became subject to the global minimum 15% top-up tax under the OECD Pillar Two Model Rules from January 1, 2024. The Group applies the transitional safe harbor rules for the jurisdiction it operates. It recognized a current tax expense of €2.7 million for the year ended December 31, 2025 (€1.9 million for the year ended December 31, 2024) relating to top-up tax in UAE (statutory tax rate of 9%). The top-up tax for 2024 was levied on one of the Group's subsidiaries in Luxembourg. For 2025, the top-up tax is paid in UAE.

The Group applies the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

Accounting policy

Income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income.

For subsidiaries in which the profits are not considered to be permanently reinvested, the additional tax consequences of future dividend distributions are recognized as income tax expense.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or receivable in respect of previous years. Current tax assets and liabilities are only offset if certain criteria are met.

Deferred tax

Deferred tax is recognized, using the balance sheet method, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future and the Group is in a position to control the timing of the reversal of the temporary differences. Deferred tax is also not recognized in relation to Pillar Two income taxes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for individual subsidiaries in the Group. The recoverability of deferred tax assets is reviewed at each reporting date. Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are only offset if certain criteria are met.

Significant judgments and estimates

Determining the Group's worldwide income tax liability requires significant judgment and the use of estimates and assumptions, some of which are highly uncertain. Each tax jurisdiction's laws are complex and subject to different interpretations by the taxpayer and the respective tax authorities. Significant judgment is required in evaluating the Group's tax positions, including evaluating uncertainties. To the extent actual results differ from these estimates relating to future periods and depending on the tax strategies that the Group may implement, the Group's financial position may be directly affected.

Deferred tax assets represent deductions available to reduce taxable income in future years. The Group evaluates the recoverability of deferred tax assets by assessing the adequacy of future taxable income, including reversal of taxable temporary differences, forecasted earnings and available tax planning strategies. Determining the sources of future taxable income relies heavily on the use of estimates. The Group recognizes deferred tax assets when the Group considers it probable that the deferred tax assets will be recoverable.

32 Financial instruments and fair value information

This note provides an overview of the Group's financial instruments, including derivative financial instruments, and their categorization under IFRS. Further details about the different types of financial assets and financial liabilities are provided throughout these consolidated financial statements. This note also contains information about the fair value of the Group's financial instruments and some general accounting policies covering more than one type of financial assets and liabilities.

Categories of financial instruments and fair value information

The following tables present the carrying amounts of the Group's different categories of financial assets and liabilities as of December 31, 2025 and December 31, 2024. They also present the respective levels in the fair value hierarchy for financial assets and liabilities measured at fair value.

	Carrying amount as of December 31, 2025			Fair value hierarchy Level		
(In € million)	At amortized cost	At fair value through profit or loss (mandatorily)	Total	1	2	3
Cash and cash equivalents	354.3		**354.3**			
Trade and other receivables	357.6	27.8	**385.4**		x	
Derivatives		8.8	**8.8**		x	
Other financial assets		7.2	**7.2**			x
Total financial assets	**711.9**	**43.8**	**755.7**			
Trade and other payables	(998.7)		**(998.7)**			
Loans and borrowings:						
– Senior unsecured bonds	(621.8)		**(621.8)**			
– Senior unsecured Euro term loan	(49.8)		**(49.8)**			
– Unsecured US Dollar term loan	(229.6)		**(229.6)**			
– Unsecured SSDs	(1,012.7)		**(1,012.7)**			
– Unsecured committed revolving credit facilities	(140.0)		**(140.0)**			
– Local credit lines	(128.7)		**(128.7)**			
– Lease liabilities	(310.1)		**(310.1)**			
Derivatives		(14.7)	**(14.7)**		x	
Total financial liabilities	**(3,491.4)**	**(14.7)**	**(3,506.1)**			

	Carrying amount as of December 31, 2024			Fair value hierarchy Level		
(In € million)	At amortized cost	At fair value through profit or loss (mandatorily)	Total	1	2	3
Cash and cash equivalents	303.4		**303.4**			
Trade and other receivables	400.8	49.7	**450.5**		x	
Derivatives		11.3	**11.3**		x	
Other financial assets		8.1	**8.1**			x
Total financial assets	**704.2**	**69.1**	**773.3**			
Trade and other payables	(1,088.9)		**(1,088.9)**			
Loans and borrowings:						
– Senior unsecured notes	(549.5)		**(549.5)**			
– Senior unsecured Euro term loan	(49.7)		**(49.7)**			
– Unsecured US Dollar term loan	(259.5)		**(259.5)**			
– Unsecured SSD	(1,097.4)		**(1,097.4)**			
– Multi-currency revolving credit facility	(100.0)		**(100.0)**			
– Local credit lines	(93.2)		**(93.2)**			
– Lease liabilities	(321.8)		**(321.8)**			
Derivatives		(9.0)	**(9.0)**		x	
Contingent consideration		(3.7)	**(3.7)**			x
Total financial liabilities	**(3,560.0)**	**(12.7)**	**(3,572.7)**			

Fair value of financial assets and liabilities at amortized cost

The carrying amount of the financial assets and liabilities that are not measured at fair value is a reasonable approximation of fair value. Excluding transaction costs, this is also the case for the Euro and US Dollar term loans, the two SSDs and draw-downs of the Group's revolving credit facilities and local credit lines. The fair value of the Group's bonds due in 2030 was €633 million as of December 31, 2025 (€545 million as of December 31, 2024 for the notes that were repaid in June 2025).

Fair value of trade receivables to be sold under securitization and factoring programs

Trade receivables that will be sold under the Group's securitization and factoring programs are categorized as measured at fair value through profit or loss. They are sold shortly after being recognized by the Group and the amount initially recognized for these trade receivables is representative of their fair value. These trade receivables are categorized as Level 2 fair value measurements in the fair value hierarchy.

Fair value of derivatives

The following tables show the types of derivatives the Group had as of December 31, 2025 and December 31, 2024, and their presentation in the statement of financial position. The derivatives have been entered into as part of the Group's strategy to mitigate operational risks (commodity and foreign currency derivatives) and to mitigate financing risks (interest rate swap and forward interest rate agreements).

(In € million)	Current assets	Non-current assets	Total derivative assets	Current liabilities	Non-current liabilities	Total derivative liabilities
Commodity derivatives	6.7	–	**6.7**	(11.1)	–	**(11.1)**
Foreign currency derivatives	1.5	–	**1.5**	(3.6)	–	**(3.6)**
Total operating derivatives	**8.2**	**–**	**8.2**	**(14.7)**	**–**	**(14.7)**
Interest rate derivatives	0.6	–	**0.6**	–	–	**–**
Total financing-related derivatives	**0.6**	**–**	**0.6**	–	–	**–**
Total derivatives as of December 31, 2025	**8.8**	**–**	**8.8**	**(14.7)**	**–**	**(14.7)**

(In € million)	Current assets	Non-current assets	Total derivative assets	Current liabilities	Non-current liabilities	Total derivative liabilities
Commodity derivatives	3.1	0.2	**3.3**	(3.5)	–	**(3.5)**
Foreign currency derivatives	4.7	–	**4.7**	(5.5)	–	**(5.5)**
Total operating derivatives	**7.8**	**0.2**	**8.0**	**(9.0)**	**–**	**(9.0)**
Interest rate derivatives	3.3	–	**3.3**	–	–	**–**
Total financing-related derivatives	**3.3**	**–**	**3.3**	**–**	**–**	**–**
Total derivatives as of December 31, 2024	**11.1**	**0.2**	**11.3**	**(9.0)**	**–**	**(9.0)**

The Group measures derivative assets and liabilities at fair value. The fair value is calculated based on valuation models commonly used in the market. These include consideration of credit risk, where applicable, and discount the estimated future cash flows based on the terms and maturity of each contract, using forward interest rates extracted from observable yield curves and forward market exchange rates at the reporting date.

The derivatives are categorized as Level 2 fair value measurements in the fair value hierarchy because the measurements of fair value are based on significant observable market data, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Changes in fair value are recognized in profit or loss as the Group generally does not apply hedge accounting under IFRS 9.

Fair value of contingent consideration

The consideration for Scholle IPN (acquired in 2022) was split between cash payments, SIG shares and contingent consideration. The contingent consideration of maximum $300 million was dependent on the acquired bag-in-box and spouted pouch businesses outperforming the top end of the Group's mid-term revenue growth guidance of 4-6% per year for the years ended December 31, 2023, 2024 and 2025. The performance of the bag-in-box and spouted pouch businesses during these years did not exceed a revenue growth of 6%. Accordingly, no liability for contingent consideration is recognized as of December 31, 2025.

The fair value of the contingent consideration was €3.7 million as of December 31, 2024. The unrealized gain of €3.7 million for the year ended December 31, 2025 (an unrealized gain of €51.3 million for the year ended December 31, 2024) is presented as part of other income and expenses (see notes 8 and 9). See also notes 26 and 33.

Significant judgments and estimates were made by management relating to the assessments of the fair value of the contingent consideration in prior periods. As significant unobservable inputs were used in the assessment of the fair value, the contingent consideration was categorized as a Level 3 fair value measurement in the fair value hierarchy. The fair value was assessed using a Monte Carlo simulation, under which the simulated contingent consideration payments (for each of the three payment streams) were discounted to present value at a corresponding risk-free rate.

Accounting policy

The specific accounting policies for the Group's different types of financial assets and liabilities are included in other sections of these consolidated financial statements. This section includes the accounting policy for topics that are covered in more than one note.

Initial recognition of financial assets and liabilities

The Group initially recognizes loans and receivables and any debt issued on the date when they are originated. All other financial assets and liabilities are initially recognized on the trade date when the entity becomes party to the contractual provisions of the financial instrument.

Offsetting

Financial assets and financial liabilities are only offset and the net amount presented in the statement of financial position if the Group currently has a legally enforceable right to offset the amounts and intends to either settle them on a net basis or realize the asset and settle the liability simultaneously.

Derivatives

Derivatives are measured at fair value with any related transaction costs expensed as incurred. Derivatives with a positive fair value are presented as other current or non-current assets in the statement of financial position, while derivatives with a negative fair value are presented as other current or non-current liabilities.

The gain or loss on remeasurement to fair value is recognized in profit or loss. Net changes in the fair value of derivatives entered into as part of the operating business are presented as part of profit from operating activities, while net changes in the fair value of derivatives entered into in relation to the financing of the Group (if any) are presented in other finance income or expenses. The Group does not generally apply hedge accounting under IFRS 9.

A derivative embedded in another contract is separated and accounted for separately if its economic characteristics and risks are not closely related to those of its host contract, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the host contract is not measured at fair value with the fair value changes recognized in profit or loss. Changes in the fair value of a separated embedded derivative are recognized immediately in profit or loss.

Contingent consideration

Contingent consideration for acquired subsidiaries is measured at fair value at the acquisition date. When contingent consideration is payable in cash, and therefore recognized as a financial liability, it is remeasured to fair value at each reporting date until it is settled. Any changes in the fair value are recognized as part of other income and expenses.

33 Contingent liabilities

The Group has contingent liabilities relating to legal, tax and other matters arising in the ordinary course of business. Based on legal and other advice, management is of the view that the outcome of any such proceedings will have no significant effect on the financial position of the Group beyond the recognized provision.

Clean Holding B.V., owned by Laurens Last, has filed a request for arbitration with regard to the contingent consideration for the Scholle IPN acquisition in 2022. Refer to note 32 for further information on the contingent consideration, which is limited to a maximum of $100 million per year for the years ended December 31, 2023, 2024 and 2025.

Accounting policy

Contingent liabilities are possible obligations arising from a past event to be confirmed by future events not wholly within the control of the Group, or present obligations arising from a past event for which an outflow of economic benefits is not probable, or which cannot be measured reliably. Contingent liabilities are not recognized in the statement of financial position, except for certain items assumed in a business combination, but are disclosed separately. If it becomes probable that an outflow of economic benefits will be required for an item previously disclosed as a contingent liability, a provision is recognized when the change in probability occurs.

34 Subsequent events

There have been no events between December 31, 2025 and February 27, 2026 (the date these consolidated financial statements were approved) that would require an adjustment to or disclosure in these consolidated financial statements.

Report of the statutory auditor
to the General Meeting of SIG Group AG, Neuhausen am Rheinfall

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of SIG Group AG and its subsidiaries (the Group), which comprise the consolidated statement of profit or loss and other comprehensive income for the year ended December 31, 2025, the consolidated statement of financial position as at December 31, 2025, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 223 to 289) give a true and fair view of the consolidated financial position of the Group as at December 31, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Our audit approach

Overview

Overall group materiality: €32 million

The entities addressed by our full scope audit work as well as specified procedures contribute to 83% of the Group's revenues

As key audit matters the following areas of focus have been identified:

- Recoverability of goodwill
- Impairment of intangible and other long-lived assets

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

Overall group materiality	€32 million
Benchmark applied	Revenue
Rationale for the materiality benchmark applied	We chose revenue as the benchmark as, in our view, it is the most appropriate measure considering the Group's current year's result is impacted by effects from purchase price accounting and impairment losses as well as other charges. It is further a generally accepted benchmark.

We agreed with the Audit and Risk Committee that we would report to them misstatements above €3 million identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of goodwill

Key audit matter	How our audit addressed the key audit matter
As at December 31, 2025, the carrying amount of goodwill was €3,034.8 million, allocated to different groups of cash generating units (CGUs), which for impairment testing purpose are the four operating (and reportable) segments. The recoverable amounts of the respective group of CGUs are calculated based on their value in use. Deriving the value in use requires significant management judgement specifically in determining future cash flows, discount rates and terminal growth rates. Management also used third-party valuation support. We consider the recoverability of goodwill to be a key audit matter, as management applies significant judgement in this area. Refer to the consolidated financial statements Note 14 – Intangible assets and Note 5.4 – Significant accounting judgements, estimates and assumptions as well as Note 5.5.3 Impairment of non-financial assets.	We assessed whether the CGUs identified by Management are appropriate. We further assessed whether the allocation of goodwill to the respective group of CGUs is the appropriate basis for impairment testing. With the involvement of our internal valuation experts, we assessed the methodology used to perform the impairment test in accordance with the provisions of IAS 36 and evaluated and challenged Management's value in use calculation for each group of CGUs. This included an assessment of the appropriateness of the model used, as well as challenging the key assumptions made by Management. • With the involvement of our internal valuation experts, we evaluated the reasonableness of the discount rates and terminal growth rates, as determined by Management. • We ensured consistency of Management's cash flow assumptions by comparing them to the Group's 5-year business plan as approved by the Board of Directors. • We challenged Management's cash flow assumptions and sensitivity analyses. • We evaluated the planning accuracy of Management's forecast model by comparing historical forecasts to actual results. • We verified the mathematical accuracy of the model and recalculated the headroom for each group of CGUs. We further performed independent sensitivity analyses around the key assumptions to ascertain the extent of changes in those assumptions that either individually or collectively would be required for the goodwill to be impaired and verified proper disclosure of these sensitivities in the notes. We also considered the market capitalisation of the Group in comparison with the Group's equity value.

Impairment of intangible and other long-lived assets

Key audit matter	How our audit addressed the key audit matter
As announced on September 18, 2025, following a strategic review of the business and in light of the prevailing soft market conditions, the Group has recognized impairment losses and other charges of €350.7 million pre-tax. The total charges include an impairment of € 95 million to the value of the bag-in-box and spouted pouch business reflecting weak consumer sentiment and business performance, an impairment of €85.7 million to the value of the chilled carton business principally reflecting weak market conditions in China. Another €37.6 million impairment related to the Indian aseptic carton business. The recoverable amounts of the related businesses and operating capacities are calculated based on the higher of their value in use and fair value less costs of disposal. Deriving the value in use or fair value less costs of disposal requires significant management judgement specifically in determining future cash flows, discount rates and terminal growth rates. Management also used third-party valuation support. We consider the impairment of intangible and other long-lived assets to be a key audit matter, as management applies significant judgement in this area. Refer to the consolidated financial statements Note 4 – Key events and transactions, Note 12 – Property, plant and equipment, Note 13 – Right-of-use assets, Note 14 – Intangible assets and Note 5.4 – Significant accounting judgements, estimates and assumptions.	We assessed whether the businesses identified by Management are the appropriate basis for impairment testing. With the involvement of our internal valuation experts, we assessed the methodology used to perform the impairment test in accordance with the provisions of IAS 36 and evaluated and challenged Management's value in use calculation for each business, identified as a cash generating unit. This included an assessment of the appropriateness of the model used, as well as challenging the key assumptions made by Management. • With the involvement of our internal valuation experts, we evaluated the reasonableness of the discount rates and terminal growth rates, as determined by Management, by assessing the cost of capital for the business, as well as by considering regional specific factors. • We challenged Management's cash flow assumptions. • We evaluated the planning accuracy of Management's forecast model by comparing historical forecasts to actual results. • We verified the mathematical accuracy of the model. We also involved our internal valuation experts to evaluate Management's fair value less costs of disposal calculation for individual assets. We verified whether the allocation of the impairment charges to intangible assets, property, plant and equipment and right-of-use assets categories have been in accordance with IAS 36, and we also verified that the disclosures in the consolidated financial statements are in accordance with IFRS Accounting Standards.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the compensation report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of consolidated financial statements, that give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website: http://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the consolidated financial statements.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Joanne Burgener	Tobias Handschin
Licensed audit expert Auditor in charge	Licensed audit expert

Basel, February 27, 2026

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Financial statements
for the year ended December 31, 2025

SIG Group AG

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Income statement

(in CHF thousand)	Note	Year ended Dec. 31, 2025	Year ended Dec. 31, 2024
Income from investments	3.1	184,951.8	194,396.4
Other income	3.2	8,829.9	6,484.6
Total income		**193,781.7**	**200,881.0**
Personnel expenses	3.8	(8,229.5)	(4,251.7)
Other operating expenses	3.2	(16,606.2)	(11,941.6)
Total operating expenses		**(24,835.7)**	**(16,193.3)**
Profit from operating activities		**168,946.0**	**184,687.7**
Finance income		333.1	268.4
Finance expenses		(414.3)	(403.4)
Profit before income tax		**168,864.8**	**184,552.7**
Income tax expense		–	–
Profit for the period		**168,864.8**	**184,552.7**

Balance sheet

(in CHF thousand)	Note	As of Dec. 31, 2025	As of Dec. 31, 2024
Cash and cash equivalents		186.2	106.0
Trade receivables		1,420.7	4.8
– Due from Group companies	3.3	1,420.7	4.8
Current interest-bearing receivables		103,954.3	136,779.1
– Due from Group companies	3.4	103,954.3	136,779.1
Other current receivables		7.8	17.3
– Due from third parties		7.8	17.3
Accrued income and prepaid expenses		636.0	518.2
Total current assets		**106,205.0**	**137,425.4**
Investments	3.5	3,456,752.9	3,456,752.9
Total non-current assets		**3,456,752.9**	**3,456,752.9**
Total assets		**3,562,957.9**	**3,594,178.3**
Trade payables		2,281.4	3,605.4
– Due to third parties		2,147.4	3,320.2
– Due to Group companies	3.6	134.0	285.2
Current interest-bearing liabilities		154.4	12,759.8
– Due to Group companies	3.7	154.4	12,759.8
Other current liabilities		2,862.1	1,439.3
– Due to third parties	3.8	2,862.1	1,439.3
Accrued expenses	3.9	2,679.6	2,235.3
Total current liabilities		**7,977.5**	**20,039.8**
Non-current liabilities		2,101.9	1,940.0
– Due to third parties	3.10	2,101.9	1,940.0
Total non-current liabilities		**2,101.9**	**1,940.0**
Total liabilities		**10,079.4**	**21,979.8**
Share capital	3.11	3,822.7	3,822.7
Legal reserves		2,638,333.9	2,825,631.7
– Capital contribution reserve	3.12	2,638,333.9	2,825,631.7
Retained earnings		912,388.9	743,524.1
– Profit brought forward		743,524.1	558,971.4
– Profit for the period		168,864.8	184,552.7
Treasury shares	3.13	(1,667.0)	(780.0)
Total shareholders' equity		**3,552,878.5**	**3,572,198.5**
Total liabilities and shareholders' equity		**3,562,957.9**	**3,594,178.3**

Notes

1 General information

SIG Group AG ("SIG" or the "Company") is domiciled in Neuhausen am Rheinfall, Switzerland, and is listed on SIX Swiss Exchange. References to the "Group" are to the Company and its consolidated subsidiaries.

2 Summary of significant accounting policies

The financial statements of the Company for the year ended December 31, 2025 have been prepared in accordance with Swiss law. Where not prescribed by law, the significant accounting and valuation policies applied are described below.

2.1 Exclusion of a cash flow statement and certain note disclosures

SIG Group AG prepares its annual consolidated financial statements in accordance with IFRS Accounting Standards. It further includes a management report (Financial review) in its annual report. In accordance with Swiss law (Art. 961d para 1 of the Swiss Code of Obligations), the Company has therefore elected not to include a cash flow statement and a management report in its financial statements.

2.2 Foreign currency translation

The Company maintains its accounting in Swiss Francs (CHF), which is also its functional currency. The balance sheet and income statement are also presented in this currency.

The exchange rates used for the balance sheet items are the closing rates as of December 31, 2025 and December 31, 2024. Balances denominated in foreign currencies are translated into CHF as follows:

- Investments expressed in a currency other than CHF are translated into CHF at the exchange rate at the date of their acquisition. At the balance sheet date, such investments are maintained at their historical exchange rate. Liabilities which are economically linked to investments and expressed in a currency other than CHF are maintained at their historical exchange rate at the end of the year.
- All other monetary assets and liabilities expressed in a currency other than CHF are translated into CHF at the exchange rate prevailing at year-end. All exchange differences resulting from this translation are presented in the income statement. Any unrealized exchange gains included therein are not considered significant.

Income and expenses denominated in foreign currencies are translated into CHF at the rate at the transaction date.

The following significant exchange rates have been applied.

	Average rate for the year		Spot rate as of	
	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
EUR to CHF	0.93710	0.95260	0.93140	0.94120
USD to CHF	0.83151	0.88055	0.79268	0.90596

2.3 Investments

The Company's Investments are initially recognized at acquisition cost plus any directly attributable transaction costs. They are subsequently carried at acquisition cost and adjusted for additional capital contributions and impairment losses. The investments are analyzed on an annual basis for impairment indicators and are, if needed, adjusted to their recoverable amount. The recoverable amount is the higher of the net realizable value (estimated sale price) and the value in use (discounted expected future cash flows).

2.4 Treasury shares

Own shares held by the Company are accounted for as treasury shares. Treasury shares are initially recognized at acquisition cost and deducted from equity with no subsequent remeasurement. If the treasury shares are disposed of, the resulting gain or loss is recognized in the income statement.

3 Information relating to income statement and balance sheet items

3.1 Income from investments

Income from investments for the year ended December 31, 2025 consists of a dividend of CHF 184,951.8 thousand from SIG Combibloc Holdings S.à r.l. (a dividend of CHF 194,396.4 thousand for the year ended December 31, 2024).

3.2 Other income and other operating expenses

Other income primarily consists of management fees charged to direct or indirect subsidiaries. Other operating expenses primarily consist of compensation paid to the Board of Directors and consultancy costs.

3.3 Trade receivables

Trade receivables due from Group companies mainly consist of management fees charged to direct or indirect subsidiaries.

3.4 Current interest-bearing receivables

As of December 31, 2025, current interest-bearing receivables due from Group companies consist of an interest-bearing intercompany Swiss Franc loan of CHF 102,632.1 thousand (CHF 136,779.1 thousand as of December 31, 2024) due from SIG Schweizerische Industrie-Gesellschaft GmbH and an interest-bearing intercompany Swiss Franc loan of CHF 1,322.2 thousand (nil as of December 31, 2024) due from SIG Services AG.

3.5 Investments

The following subsidiary is directly held by the Company.

		As of Dec. 31, 2025		As of Dec. 31, 2024	
Name and legal form	Registered office	Capital	Votes	Capital	Votes
SIG Combibloc Holdings S.à r.l.	6C, rue Gabriel Lippmann L-5365 Munsbach Grand Duchy of Luxembourg	100%	100%	100%	100%

The subsidiaries indirectly held by the Company are listed in note 27 of the consolidated financial statements of the Company for the year ended December 31, 2025.

3.6 Trade payables

Trade payables due to Group companies as of December 31, 2025 and December 31, 2024 mainly relate to intragroup recharges.

3.7 Current interest-bearing liabilities

As of December 31, 2025, current interest-bearing liabilities due to Group companies consist of an interest-bearing intercompany Euro loan of CHF 154.4 thousand (CHF 5,627.3 thousand as of December 31, 2024) from SIG Services AG. As of December 31, 2024, there was also an interest-bearing intercompany Swiss Franc loan of CHF 7,132.5 thousand from SIG Services AG.

3.8 Other current liabilities

Other current liabilities primarily consist of liabilities arising due to share-based payment plans and arrangements for certain members of management and the Board of Directors and, for the year ended December 2025, also of the current portion of a liability for termination benefits to the former Chief Executive Officer of the Group (see note 4 of the consolidated financial statements of the Company for the year ended December 31, 2025). In the year ended December 31, 2025, the Company recognized an expense for termination benefits relating to the former Chief Executive Officer of CHF 2,359.7 thousand as part of personnel expenses.

In the year ended December 31, 2025, the performance share units ("PSUs") that were granted to current and former members of management of the Company under the 2022 PSU plan vested. The settlement of this 2022 PSU plan in April 2025 resulted in an expense reduction of CHF 673.0 thousand (excluding social charges) recognized as part of personnel expenses for the year ended December 31, 2025. The settlement of the vested PSUs under the 2021 PSU plan in April 2024 resulted in an expense reduction of CHF 1,159.1 thousand (excluding social charges) for the year ended December 31, 2024.

For additional information about the share-based payment plans and arrangements, see note 30 of the consolidated financial statements of the Company for the year ended December 31, 2025. See also notes 3.10 and 4.3.

3.9 Accrued expenses

Accrued expenses for the year ended December 31, 2025 include employee benefit obligations of CHF 1,733.2 thousand (CHF 1,858.2 thousand as of December 31, 2024). There were no payments outstanding to the pension funds as of December 31, 2025 or December 31, 2024.

3.10 Non-current liabilities

Non-current liabilities primarily consist of liabilities arising due to share-based payment plans (granted in prior years) for certain members of management and, for the year ended December 2025, the non-current portion of a liability for termination benefits to the former Chief Executive Officer of the Group. See also notes 3.8 and 4.3.

3.11 Share capital

As of December 31, 2025 and December 31, 2024, the share capital consisted of 382,270,872 shares, issued and fully paid, representing CHF 3.8 million of share capital.

Capital band and conditional share capital

As of December 31, 2025 and December 31, 2024, the Company had conditional share capital of CHF 640,106.48 and a capital band ranging from CHF 3,440,437.85 (lower limit) to CHF 4,587,250.46 (upper limit).

The Board of Directors is authorized to increase the share capital by up to 20% of the current share capital if shareholders' subscription rights are granted, and by up to 10% if shareholders' subscription rights are excluded. The Board of Directors may also reduce the share capital by up to 10% through cancellation of shares or nominal value reduction or by a simultaneous reduction and re-increase of the share capital. The authorization under the capital band is limited until April 20, 2026 or the full use of the capital band.

The total number of registered shares issued from (i) the capital band, where the shareholders' subscription rights are excluded, and (ii) the conditional share capital, where the shareholders' advance subscription rights for equity-linked financing instruments are excluded, may not exceed 38,227,087 registered shares. Within the limit outlined above, the proportion of new shares assigned to each of the categories is stipulated by the Board of Directors.

The proceeds from an issue of new shares under the capital band can be used for various purposes. This provides flexibility to seek additional capital, if required, for investment and acquisition opportunities or to take advantage of favorable market conditions to further improve the Group's capital position.

The conditional share capital is divided into CHF 160,026.62 for employee benefit plans and CHF 480,079.86 for equity-linked financing instruments as of December 31, 2025 (also as of December 31, 2024).

3.12 Capital contribution reserve

The capital contribution reserve consists of the following:

(In CHF thousand)	Balance
Capital contribution reserve as of January 1, 2024	**3,009,082.5**
Dividend payment of CHF 0.48 per share from the capital contribution reserve	(183,490.0)
Dividend not paid on treasury shares held by the Company	39.2
Capital contribution reserve as of December 31, 2024	**2,825,631.7**
Capital contribution reserve as of January 1, 2025	**2,825,631.7**
Dividend payment of CHF 0.49 per share from the capital contribution reserve	(187,312.7)
Dividend not paid on treasury shares held by the Company	14.9
Capital contribution reserve as of December 31, 2025	**2,638,333.9**

Withholding tax-exempt distributions from the capital contribution reserve of Swiss listed companies are generally only permissible to the extent that at least the same amount is distributed from other reserves. These provisions do not apply to repayments of "foreign capital contribution reserves".

The Company has a capital contribution reserve of CHF 2,638.3 million as of December 31, 2025 (CHF 2,825.6 million as of December 31, 2024), which is confirmed by the Swiss Federal Tax Administration. Foreign capital contribution reserves included in the capital contribution reserve amount to CHF 1,404.3 million (CHF 1,591.6 million as of December 31, 2024).

The whole dividend paid in 2024 and 2025 was distributed from foreign capital contribution reserves.

The Board of Directors has decided to pause the dividend payment for the year ended December 31, 2025, and will therefore not propose a distribution of a dividend at its 2026 Annual General Meeting to be held on April 16, 2026.

3.13 Treasury shares

The Company purchases its own shares on the market to settle its obligations under the Group's equity-settled share-based payment plans and arrangements. The Company held 173,734 shares for this purpose as of December 31, 2025 (39,172 shares as of December 31, 2024), representing an amount of CHF 1,667.0 thousand (CHF 780.0 thousand as of December 31, 2024).

In the year ended December 31, 2025, the Company transferred 120,438 treasury shares (225,111 treasury shares in the year ended December 31, 2024), representing CHF 1,978.7 thousand (CHF 4,480.0 thousand for the year ended December 31, 2024) to participants in the Group's equity-settled share-based payment plans and arrangements.

The table below provides an overview of the Group's treasury shares.

(Number of treasury shares or in CHF thousand)	2025		2024	
	Number	Amount	Number	Amount
Balance as of January 1	**39,172**	**(780.0)**	**39,985**	**(923.1)**
Purchases	255,000	(2,865.7)	224,298	(4,336.9)
Transfer under equity-settled share-based payment plans and arrangements	(120,438)	1,978.7	(225,111)	4,480.0
Balance as of December 31	**173,734**	**(1,667.0)**	**39,172**	**(780.0)**

No treasury shares are held by the Company's subsidiaries or joint venture.

4 Other information

4.1 Employees

The number of full-time equivalent employees in 2025 and 2024 did not exceed ten on an annual average basis.

4.2 Significant shareholders

According to the disclosure notifications reported to the Company and published by the Company via the electronic publishing platform of SIX Swiss Exchange, the following shareholders had holdings of 3% or more of the voting rights or purchase positions for shares of the Company as of December 31, 2025 and December 31, 2024.

Significant shareholders	Voting rights/ purchase positions as of	
	Dec. 31, 2025	Dec. 31, 2024
Laurens Last, Christopher Lawrence Last, India Louisa Last, Lyam Last, Lorenzo Last, Roque Last[1]	11.72%	10.00%
UBS Fund Management (Switzerland) AG	10.29%	10.00%
Haldor Foundation[2]	9.95%	9.95%
BlackRock Inc	3.92%/0.07%	5.0%/0.24%
Swisscanto Fondsleitung AG	3.13%	3.13%
Lars Förberg, Christer Gardell, Göran Casserlöv, Paine & Partners Capital Fund III GP Ltd[3]	3.05%	<3%
al Obeikan Fahad[4]	<3%	5.00%

1 The direct shareholder is Clean Holding B.V. (formerly CLIL Holding B.V., "CLIL"), which is 100% owned by Laurens Last. Laurens Last was a related party to the Company via his representation on the Company's Board of Directors until the Annual General Meeting on April 8, 2025, when he did not stand for re-election. The Company acquired its bag-in-box and spouted pouch businesses from CLIL in 2022.
Laurens Last indirectly held 38,224,658 shares as of December 31, 2024 via his 100% shareholding in Clean Holding B.V. according to the disclosure notifications reported to the Company. As of December 31, 2024, he also directly held blocked shares received as compensation for being a member of the Company's Board of Directors (9,732 shares). He received an insignificant number of blocked shares as compensation for his time as a member of the Board of Directors in 2025.
2 The direct shareholder is Winder Pte Ltd.
3 The direct shareholder is Cevian Capital II Master Fund L.P.
4 The direct shareholder was Al Obeikan Group for Investment Company CJS.

For further details about the significant shareholders as of December 31, 2025, refer to section 1.2 of the Corporate Governance Report. To the best of the Company's knowledge, no other shareholder held 3% or more of SIG Group AG's total share capital and voting rights as of December 31, 2025 and 2024.

4.3 Granting of instruments under share-based payment plans

The members of the Board of Directors receive 40% of their total compensation in SIG shares that are blocked for three years. The Company granted 70,333 blocked shares to the members of the Board of Directors in the year ended December 31, 2025 (54,740 blocked shares in the year ended December 31, 2024), representing a value of CHF 1,061.3 thousand based on the grant date fair value (CHF 1,060.0 thousand for the year ended December 31, 2024).

The members of the Group Executive Board participate in a management share-based long-term incentive plan under which they are granted PSUs on an annual basis. One PSU represents the contingent right to receive one SIG share after a three-year vesting period. In the year ended December 31, 2025, the Company granted 80,448 PSUs under the 2025 PSU plan to members of the Group Executive Board employed by the Company, representing a value of CHF 1,232.4 thousand based on the grant date fair value. In the year ended December 31, 2024, 134,582 PSUs were granted under the 2024 PSU plan to members of the Group Executive Board employed by the Company, representing a value of CHF 2,690.3 thousand.

In the year ended December 31, 2025, 113,319 restricted share units ("RSUs") were granted under the Group's one-off leadership continuity plan to employees of the Company, of which 91,844 RSUs relate to members of the Group Executive Board employed by the Company, representing a total value of CHF 911.1 thousand based on the grant date fair value. One RSU represents the contingent right to receive one SIG share, subject to the fulfilment of a one-year service vesting condition. Vested shares are blocked for two years.

In the year ended December 31, 2025, 25,322 RSUs were also granted under the Group's 2025 RSU plan to a member of the Group Executive Board employed by the Company, representing a value of CHF 385.9 thousand based on the grant date fair value.

Further details about compensation and shareholdings of the Board of Directors and Group Executive Board are included in the Compensation Report (see the sections marked as "audited"). Additional information about the share-based payment plans and arrangements is included in note 30 of the consolidated financial statements for the year ended December 31, 2025. Note 4 of the consolidated financial statements for the year ended December 31, 2025 includes information about organizational changes in the Group Executive Board and the Board of Directors.

4.4 Other

Guarantee obligations

The Company is the guarantor on a stand-alone basis for the Group's obligations under its bonds, its senior unsecured credit facilities (including outstanding letters of credit), its US Dollar term loan and its two unsecured *Schuldscheindarlehen* ("SSD"). As of December 31, 2025, the guaranteed debt totaling €2,059.8 million (€2,061.5 million as of December 31, 2024) is taken up by indirectly held subsidiaries of the Company. For further details, see note 23 of the consolidated financial statements of the Company for the year ended December 31, 2025.

Contingent liabilities

Clean Holding B.V., owned by Laurens Last, has filed a request for arbitration with regard to the contingent consideration for the Scholle IPN acquisition in 2022. Refer to note 32 of the consolidated financial statements of the Company for the year ended December 31, 2025 for further information on the contingent consideration, which is limited to a maximum of $100 million per year for the years ended December 31, 2023, 2024 and 2025.

Impacts of strategic review and soft market conditions

In 2025, subdued markets, lower consumer purchasing power and overall market turbulence have impacted the growth trajectory and profitability of the Group. With these impacts in mind, the Board of Directors initiated a review of the Group's strategic direction. As a consequence of updated growth projections and a refined strategy for SIG, impairment losses and other charges were recognized in subsidiaries in the Group for the year ended December 31, 2025. See note 4 of the consolidated financial statements of the Company for the year ended December 31, 2025 for additional details. With the exception of the expense incurred for termination benefits relating to the former Chief Executive Officer and increased consulting charges compared to the prior year, the Company was not significantly impacted by the strategic review and the soft market conditions (see notes 3.2 and 3.8).

Subsequent events

There have been no events subsequent to December 31, 2025 that would require an adjustment to or disclosure in these financial statements.

There are no further items to disclose according to Art. 959c of the Swiss Code of Obligations.

Proposal of the Board of Directors for the appropriation of the retained earnings

(In CHF thousand)	As of Dec. 31, 2025	As of Dec. 31, 2024
Profit brought forward from previous period	743,524.1	558,971.4
Profit for the period	168,864.8	184,552.7
Retained earnings at the end of the period	**912,388.9**	**743,524.1**
Retained earnings to be carried forward	**912,388.9**	**743,524.1**

The Board of Directors will propose to the Annual General Meeting to be held on April 16, 2026 to carry forward retained earnings of CHF 912.4 million.

Proposal of the Board of Directors for the appropriation of the capital contribution reserve

(In CHF thousand)	
Capital contribution reserve as of December 31, 2024	**2,825,631.7**
Dividend payment of CHF 0.49 per share in April 2025 from the capital contribution reserve	(187,312.7)
Dividend not paid in April 2025 on treasury shares held by the Company	14.9
Proposed dividend of CHF 0.00 per share in April 2026	–
Capital contribution reserve carried forward	**2,638,333.9**

The Board of Directors has decided to pause the dividend payment for the year ended December 31, 2025, and will therefore not propose a distribution of a dividend at its 2026 Annual General Meeting to be held on April 16, 2026. See also note 3.12.

Report of the statutory auditor
to the General Meeting of SIG Group AG, Neuhausen am Rheinfall

Report on the audit of the financial statements

Opinion

We have audited the financial statements of SIG Group AG (the Company), which comprise the income statement for the year ended December 31, 2025, the balance sheet as at December 31, 2025, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 294 to 300) comply with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall materiality	CHF 17.8 million
Benchmark applied	Total assets
Rationale for the materiality benchmark applied	We chose total assets as the benchmark because it is a relevant and generally accepted measure for materiality considerations relating to a holding company.

We agreed with the Audit and Risk Committee that we would report to them misstatements above CHF 1.78 million identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

Key audit matters

We have determined that there are no key audit matters to communicate in our report.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the compensation report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website: http://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

Based on our audit according to article 728a para. 1 item 2 CO, we confirm that the Board of Directors' proposal complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Joanne Burgener	Tobias Handschin
Licensed audit expert Auditor in charge	Licensed audit expert

Basel, February 27, 2026

Disclaimer and cautionary statement

The information contained in the Annual Report and in any link to our website indicated herein is not for use within any country or jurisdiction or by any persons where such use would constitute a violation of law. If this applies to you, you are not authorized to access or use any such information.

The Annual Report contains certain "forward-looking statements" that are based on our current expectations, assumptions, estimates and projections about us and our industry. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain the words "may", "will", "should", "continue", "believe", "anticipate", "expect", "estimate", "intend", "project", "plan", "will likely continue", "will likely result", or words or phrases with similar meaning. The sustainability-related information in this Annual Report also contains certain forward-looking statements based on management's current assumptions and expectations such as targets, commitments, actions and initiatives. Undue reliance should not be placed on any such forward-looking statements because, by their nature, forward-looking statements involve risks and uncertainties, including, without limitation, economic, competitive, governmental, technological and climate-related factors outside of the control of SIG Group AG ("SIG", the "Company" or the "Group"), that may cause SIG's business, strategy or actual results to differ materially from the forward-looking statements (or from past results). For any factors that could cause actual results to differ materially from the forward-looking statements contained in this Annual Report, please see our prospectus for the offering and listing of senior bonds in March 2025.

SIG undertakes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise. It should further be noted that past performance is not a guide to future performance. Persons requiring advice should consult an independent adviser.

The declaration and payment by the Company of any future dividends and the amounts of any such dividends will depend upon SIG's ability to maintain its credit rating, its investments, results, financial condition, future prospects, profits being available for distribution, consideration of certain covenants under the terms of outstanding indebtedness and any other factors deemed by the Directors to be relevant at the time, subject always to the requirements of applicable laws.

The information contained in the Annual Report is not an offer to sell or a solicitation of offers to purchase or subscribe for securities. The Annual Report is not a prospectus within the meaning of the Swiss Financial Services Act nor a prospectus under any other applicable laws.

For additional information about alternative performance measures used by management that are not defined in IFRS Accounting Standards, including definitions and reconciliations to measures defined in IFRS Accounting Standards, please refer to the link below:

https://www.sig.biz/en/investors/financial-definitions

Some financial information in this Annual Report has been rounded and, as a result, the figures shown as totals may vary slightly from the exact arithmetical aggregation of the figures that precede them.