

 Tetra Laval®



2025/2026

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Quality

Quality is an essential foundation for trust among our industry groups, safeguarding consumers, strengthening our brands, and enabling us to meet and exceed customer expectations. By striving for quality excellence across our operations and value chains, we not only meet the highest standards – we further enhance our performance and help shape the food and beverage industry of the future.

Tetra Pak

For Tetra Pak, quality is much more than reliable equipment or packaging. It is about empowering customers to create value with their entire food production systems. In 2025, the company continued to advance its portfolio towards solutions that are more integrated, efficient and future-ready.

Read more on page 28



Sidel

As part of its transformative journey to establish a quality culture, Sidel achieved a key milestone in 2025 – the creation of a unified global quality system. A consistent global approach to quality will enable Sidel to deliver the highest standards across its operations.

Read more on page 38



DeLaval

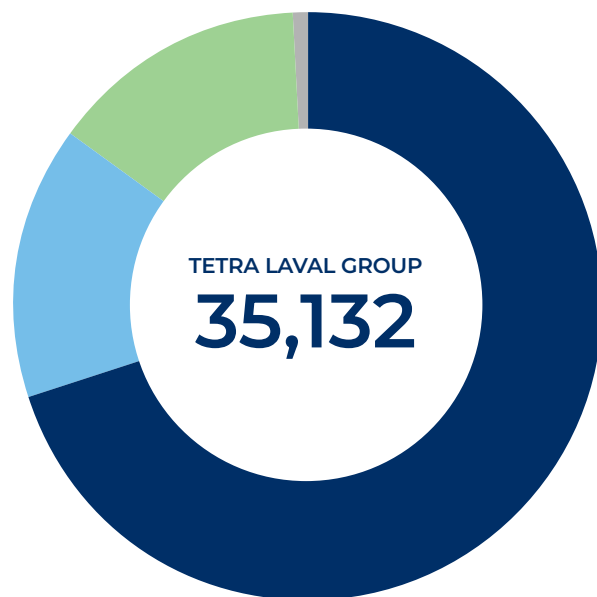
Milk quality extends far beyond taste and food safety to encompass animal welfare, sustainability and farm efficiency. DeLaval empowers dairy farmers to meet the highest customer, consumer and regulatory demands through its industry-leading products and services.

Read more on page 48



IN BRIEF

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



NET SALES 2025, MILLION EURO

TETRA LAVAL GROUP

15,545



NUMBER OF EMPLOYEES, DECEMBER 2025



* Finance corporate & holding functions



 Tetra Pak

Protects What's Good™

Tetra Pak is a world-leading provider of advanced food production systems. Working with its customers and suppliers, the company commits to making food safe and available, everywhere, and promises to protect what's good: food, people and the planet.



 Sidel

Performance through understanding

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



 DeLaval

We live milk

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

Managing the unexpected – the new normal

The year was characterised by geopolitical instability, escalating tariffs, other trade announcements and lower consumer purchasing power, affecting economies and supply chains worldwide.

The revenue decreased slightly, profitability was good and cash flow was excellent. The net impact of US tariffs was around €20 million, due to the lag between tariff costs and associated price increases.

During 2025, we donated power generators to the value of €10 million as humanitarian aid to the people of Ukraine. During the war, we have approved donations totalling €40 million. We continue to condemn the Russian invasion of Ukraine, we stand with those affected by the violence, and we support calls for an immediate ceasefire and for Ukraine to remain a sovereign and democratic state.

On behalf of the board, I would like to convey our gratitude and appreciation to our dedicated employees for their outstanding performance and commitment.

Tetra Pak – resilient performance

Revenue decreased to €12.4 billion at prevailing rates, a decline of 0.3% at comparable rates and scope. Packaging Solutions sales decreased by 1.6% at comparable rates to deliver 174 billion packs globally, while Processing Solutions grew 5.7%. The lower volume was mainly due to declining consumption in China and South East Asia.

Creating value for our customers through integrated food production is of utmost importance. A major milestone was the launch of Tetra Pak® Factory OS™, our next-generation automation and digitalisation platform designed to make food production factories AI ready. Built as an open, modular and scalable ecosystem, Tetra Pak® Factory OS™ connects equipment,

data and processes across plants to deliver real-time insights, increased efficiency and reduced waste. For customers facing rising costs and greater complexity, it provides a pathway to more agile, resilient and high-performing operations.

We also accelerated development of our paper-based barrier, developed to replace the aluminium foil layer in aseptic beverage cartons, taking further steps towards creating the world's most sustainable food package. We introduced the world's first juice packaging using this innovative barrier following on from our previous introduction of it for milk. This innovation will be supported by our continued investment in material development, including our recently announced new pilot facility in Lund, Sweden.

In 2026, we expect Tetra Pak to deliver a slight growth, but somewhat lower operating profit and good cash flow.

DeLaval – strong performance

Total net sales increased by 8% to €1.4 billion. An increase of 10% at comparable rates and scope. The aftermarket grew by 6% and the operating margin improved significantly despite increased investments in R&D, quality, market presence and a new business system. Order intake of capital goods reached an all-time high, mainly driven by automated milking systems in Europe and large rotary milking systems in the US. High milk prices and lower feed costs created favourable market conditions for many of our dairy farmer customers.

We innovate to enable farmers to operate more efficiently by producing more milk with less resources – to make dairy production more sustainable and profitable. In particular this drives demand for automation and digital services resulting in healthier herds. Our key product launch during the year was the DeLaval VMS™ V300 2025 model with Flow Responsive™



COMMENTS BY THE CHAIRMAN OF THE BOARD

milking, which further enhances the milking capacity of our automatic milking robot. We also introduced next-generation milk-quality monitoring with our new DeLaval BioSensors Milk Cell Analysis (MCA) solution to help farmers manage cow health even more effectively.

The rejuvenation of our demonstration farm in Sweden has taken sustainability, animal welfare and milk quality to new heights and showcases what is possible for farms around the world. In particular, the expansion further enhances our capabilities to develop and test new solutions that can improve dairy farming. Following the successful inauguration of the new barns at Hamra Farm, which brought together 30 journalists from 10 countries, the resulting media coverage reached millions across leading outlets and social media channels. This strong visibility reinforces our market position and highlights the significant interest in modern dairy farming.

We enter 2026 with a record order book and we expect DeLaval to increase sales and continue delivering a good operating margin.

Sidel – outstanding performance

Revenue rose by 3% to €1.8 billion, an increase of 5% at comparable rates and scope. Services grew by 7% and the operating margin exceeded expectations reaching yet another new level. In 2025,

we were in the final year of our three-year transformation programme, Leading Excellence. The results of the programme in combination with a favourable backlog at the beginning of the year contributed to an outstanding performance.

Sidel is favoured by several trends. Firstly, the macrotrend of sustainability works in Sidel's favour, with collection rates, recyclability and recycled content making PET and the aseptic solution an attractive packaging alternative. Secondly, the technology conversion from hot fill to aseptic has gained momentum and is likely to continue. Finally, aseptic PET improved its competitiveness versus other packaging alternatives in 2025 thanks to the lower cost of resin and lightweighting.

Our most important launch in 2025 was the EvoBLOW Laser, used to heat preforms during the blow-moulding of PET bottles, which is redefining what's possible in our industry today. The technology enables a new level of lightweighting, line efficiency and ease, while offering energy savings, increased bottle design flexibility and a major step forward for recycled PET (rPET). An exciting development was how we began combining our EvoBLOW Laser with our PET coating technology to deliver very lightweight bottles for carbonated beverages with an extended shelf life. In aseptic technology, our new Aseptic Predis X4™ dry-preform sterilisation solution has already been adopted by major brand owners.

In a world where data is everything, our services are becoming increasingly digitalised with 95% of our new lines sold in 2025 connected to our Evo-ON® software suite. Evo-ON is a unique cloud suite with built-in intelligence powered by AI that is designed to supervise and optimise any aspect of a customer's line performance in real time.

At the start of 2026, Sidel launched its new and ambitious Sustainable Excellence three-year transformation programme that is focused on the enablers of sustainable growth to further boost innovation and create value.

During 2026, we expect Sidel to increase sales, deliver good operating margin and cash flow.

Growth, sustainability and innovation remain the focus for 2026

By continuing to focus on value, and by introducing new innovative products in 2026 and beyond, we will continue to support our customers to give retailers and consumers an outstanding offer and ultimately drive volume growth. During 2026, we forecast moderate sales growth, at comparable rates, a stable operating margin and lower cash flow.

Lars Renström

“All three industry groups have quality at the top of their agenda, and it is a prerequisite for success in our industry. Our customers demand it, and we will remain dedicated to delivering it.”

A supervisory board to all Tetra Laval units

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

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

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

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



Lars Renström



Niels Björn Christiansen



Paul Conway



Nigel Higgins



Ola Källenius



Dr. Mohsen M. Sohi



Finn Rausing



Jörn Rausing

TETRA LAVAL GROUP BOARD

Lars Renström

Chairman of the Board since 10 June 2016.

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

Niels Björn Christiansen

A non-executive director since June 2021.

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

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

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

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

Paul Conway

A non-executive director since 2014.

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

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

Nigel Higgins

A non-executive director since August 2016.

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

Ola Källenius

A non-executive director since June 2016.

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

Dr. Mohsen M. Sohi

A non-executive director since June 2021.

Dr. Mohsen Sohi has served as the Chief Executive Officer of Freudenberg SE, Weinheim, from July 2012 through to June 2025. From July 2010 to June 2012, Dr. Sohi served as Managing Partner of Freudenberg & Co. From March 2003 through to June 2010, he served as President and Chief Executive Officer of Freudenberg-NOK in Plymouth, USA. From January 2001 to March 2003, Dr. Sohi was with NCR Corporation, a leading global technology company and managed its global Store Automation business. Prior to NCR, Dr. Sohi was with Honeywell International Inc. and its pre-merger constituent, Allied Signal, Inc. for 14 years, serving in positions of increasing responsibility in the aerospace, automotive, commercial vehicle, and engineered materials segments. His last position with Honeywell was President of Honeywell Electronic Materials. Dr. Sohi previously served as a director of Aviat Networks, Inc. (formerly known as Harris Stratex Networks, Inc.) from 2007 until January 2015 and Hayes Lemmerz International from 2004 until 2009. He is Chairman of the Board of Directors of STERIS since 2018, member of the Board of Directors of Baker Hughes since 2023 and Chairman of the Board of Directors at KION Group since 2025 and member of the Board of HERAEUS.

Finn Rausing

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

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

Jörn Rausing

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

He was an alternate director of the Tetra Pak Group Board 1985 –1991. Jörn Rausing, who is the chairman of the Remuneration Committee of the Tetra Laval Group Board, is also a board member of Alfa Laval AB, DeLaval Holding AB, Ocado PLC and a trustee of the Institute for Advanced Study, NJ. Jörn Rausing is also a member of the Board of Trustees for the Carnegie Endowment for International Peace.



Tetra Pak Protects What's Good™

We're here to make food safe and available. It's why we provide advanced food production systems from product creation and recipe testing to processing, filling, packaging, logistics, services and beyond. In collaboration with our customers and suppliers, driven by more than 24,000 dedicated employees worldwide, we protect food sustainably for hundreds of millions of people in more than 160 countries.

It all starts with food

Food is the foundation for health, education, economic growth, opportunity and social prosperity. It is more than nourishment, serving as a source of connection and culture. Yet food doesn't simply happen – it must be planted, produced, processed, packaged and protected before it reaches people around the world.

Our purpose

We commit to making food safe and available, everywhere, and we promise to protect what's good: food, people and the planet.

Our strategy

Strategy 2030 guides our company to tackle the interconnected challenges of feeding a growing population while protecting our natural resources and combating climate change. Our strategy is to deliver food safety and the best quality, lead the sustainability transformation, integrate and optimise customer operations, and innovate for customer growth, while becoming a more dynamic, productive and capable Tetra Pak.

Our customers

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

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

Our solutions

Tetra Pak's portfolio is broad, and includes:

- Carton packages
- Processing equipment
- Packaging equipment
- Distribution equipment
- Automation and digital solutions
- Services
- Complete integrated solutions
- Product innovation

FACTS

NET SALES 2025

€12,350

MILLION

TECHNICAL TRAINING CENTRES

8

SALES IN

>165

COUNTRIES

CUSTOMER INNOVATION CENTRES

6

NUMBER OF EMPLOYEES DEC 2025

24,617

R&D CENTRES

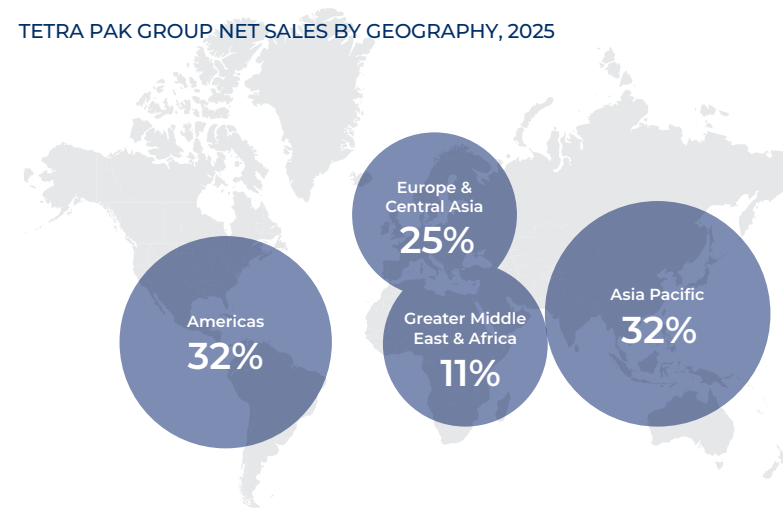
6

PRODUCTION PLANTS







52*

** Number of packaging material converting factories: 27 Number of closures (caps) factories: 4 stand alone. Number of additional material strips and film factories: 3. Number of additional material straws (stand-alone) factories: 2 stand alone. Number of processing solutions and packaging equipment production facilities: 13. Number of factories for new filling machines assembly 3*

TETRA PAK GROUP NET SALES BY GEOGRAPHY, 2025



PACKAGING MATERIALS NET SALES BY CATEGORY, 2025

Liquid Dairy Products 56.4%		Plant-based products 9.1%	
Juice & Nectar 18.9%		Food 5.1%	
Other beverages 5.4%		Others 5.1%	

Market

The food and beverage industry is continuously evolving to meet the ever-changing preferences and needs of consumers. Understanding consumer behaviour is essential for remaining competitive in a highly challenging market. The current major trends include:

Liquid dairy products

Global white milk consumption is projected to grow at an annual rate of 1.6% until 2028, with South Asia representing half the total demand. Flavoured milk is expected to increase by 1.5% annually during the same period. Sustainability, health benefits and naturalness shape the category.

Juices and nectars

The category shows signs of stabilisation after previous challenges, with an annual projected decrease of 1.9% through to 2028 but with growth opportunities across segments. Rising ingredient costs and the drive to reduce sugar content are fuelling innovation in functionality and inspiring cross-category hybrid solutions.

Culinary categories

With growing health awareness and lifestyle shifts, consumers are seeking clean-label culinary products with functional benefits, along with convenient formats, and a balance of affordability and premium quality. The category is projected to grow at an annual rate of 1.9% through to 2028.

Plant-based products

After strong growth in recent years, the consumption of plant-based beverages and non-dairy creams has stabilised. The category will continue to grow at an annual rate of 2.8% until 2028, driven by rice, nuts, grains and seed beverage consumption in Europe and non-dairy cream in the Americas.

Food supplement and nutrition

The consumer focus on health and wellness is creating strong demand for products that deliver functional benefits, with Lifestyle Nutrition and Medical Nutrition projected to annually grow by 5.3% and 6.4% respectively by 2028. Sports Nutrition products are set to grow significantly, led by Ready-to-Drink (RTD) products.

Ice cream

Annual ice cream consumption is projected to grow at a rate of 2.4% through to 2028. Innovations in flavours and textures are propelled by the themes of comfort and indulgence. Health trends, with low-sugar recipes and plant-based ingredients, are driving innovation in the market.

Ready-to-drink (RTD) tea and coffee

RTD coffee is growing, with a projected 1.3% annual growth through to 2028, driven by the trends of convenience, indulgence and functionality. RTD tea is already the third most consumed beverage globally and will grow at an annual rate of 3.2% until 2028.

Welcome to the future of food production

Tetra Pak® Factory OS™ combines modular, scalable smart technologies with deep industry and equipment expertise to drive consistent quality, higher productivity, and lower total cost of ownership.

Tetra Pak® Factory OS™ is our next-generation automation and digital platform – purpose-built for food and beverage production. It’s an open, modular and scalable ecosystem of hardware and software that connects equipment, data and people across the factory to help producers make smarter, faster decisions, every day. By enabling actionable insights and seamless integration, it helps producers lower total cost of ownership, boost productivity and maintain consistent product quality.

A unified, scalable platform for smarter food production and AI-ready factories

At its heart, there is a single scalable data integration platform that collects and contextualises data across the factory from any equipment, making it usable at higher levels – including applications, dashboards, analytics platforms or enterprise systems. A suite of smart business applications provides actionable insights to address

challenges across all areas of the factory – from production and assets to quality, knowledge and material management. A modern, unified and intuitive interface ensures consistent user experience.

“Our next-generation portfolio transforms complexity into clarity,” said Sean Sims, Vice President, Automation and Solutions at Tetra Pak. “By combining contextualised data – the foundation of effective AI adoption – with high performing equipment automation, Tetra Pak® Factory OS™ gives food and beverage producers the confidence to act decisively in an increasingly volatile market.”

Highly automated beverage factories can boost equipment effectiveness by 20%, lower product waste by 45% and ensure 20% fewer packaging line stops compared to less automated facilities.* Tetra Pak® Factory OS™ is purpose-built for the food and beverage industry, shaped by deep production insights and supported by a strong network of technology partners.

“This is the future of manufacturing, and we fully support customers who wish to get on board, from the smallest producer to the largest multinational enterprise.”

* Tetra Pak comparative study: How automation improves efficiency, quality and waste <https://www.tetrapak.com/content/dam/tetrapak/media-box/global/en/gated/automation/automation-digital-products/automation-digital-solutions/documents/comperative-study-improvements-through-automation-v2.pdf>





Sidel Delivering innovative next-level packaging solutions

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

Sidel has always been at the forefront of packaging innovation. We launched the world's first commercial blower for PET back in 1980, the first combi system that combined blowing, filling and capping in 1997, and the first laser solution for blowing in 2025.

Today, Sidel is a leading global provider of packaging solutions for beverage, food, home and personal care products in PET, can, glass and other materials. Leveraging 175 years of proven experience, we help shape the future of the packaging industry through advanced systems and services, line engineering and eco-solutions.

Sidel has over 40,000 machines installed in 170 countries, and more than 5,000 employees worldwide who are passionate about providing equipment and service solutions that fulfil its

customers' needs. As a long-term partner, we apply vast technical knowledge, packaging expertise and smart data analytics and automation to achieve next-level performance.

Our strategy

Our customer-driven strategy focuses on offering a comprehensive and innovative portfolio of solutions. Our aim is to always deliver the value our customers need to achieve their goals by first understanding the challenges they face. We are known in the industry as an innovative partner – addressing market needs and individual customer goals through our capabilities and longstanding expertise.

We draw on our customer-focused approach to deliver new levels of performance for the industry with an emphasis on digitalisation, sustainability and optimising customer total cost of ownership. Our drive to reduce costs and increase competitiveness never compromises food safety and security to give our customers and consumers peace of mind.

Our customers

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

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

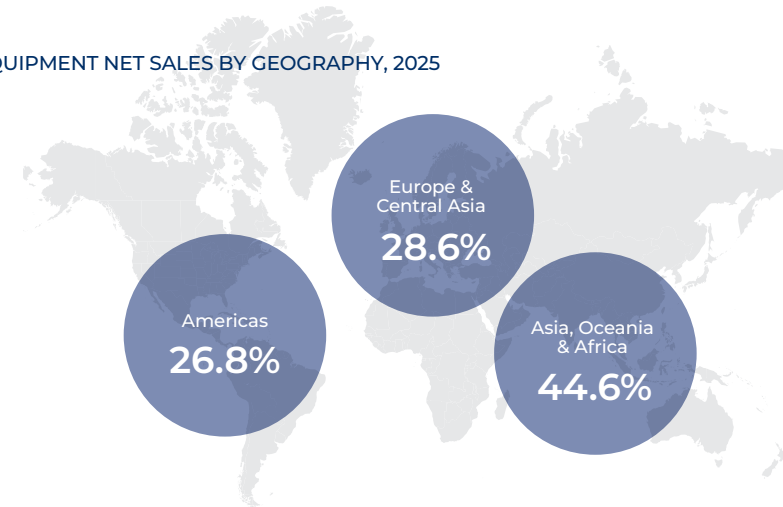
Our solutions

We are a leading provider of complete lines, blowing, filling, labelling, material-handling, end-of-line, engineering and packaging design solutions for multiple applications. Our solutions are designed to minimise environmental impact by helping to reduce water, energy and material use.










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



SIDEL EQUIPMENT NET SALES BY GEOGRAPHY, 2025



SIDEL EQUIPMENT NET SALES BY MARKET SEGMENT, 2025

<p>Water</p> <p>24.4%</p> 	<p>Juices, Nectars, Soft Drinks, Isotonics & Teas</p> <p>23.0%</p> 	<p>Wine & Spirits</p> <p>4.2%</p> 
<p>Carbonated Soft Drinks</p> <p>21.1%</p> 	<p>Liquid Dairy and Plant-Based Beverages</p> <p>12.9%</p> 	<p>Food</p> <p>6.1%</p> 
<p>Beer</p> <p>3.5%</p> 	<p>Home and Personal Care</p> <p>3.9%</p> 	<p>Other</p> <p>0.9%</p> 

Market

Sidel is a market thought leader, offering customers valuable insights into the global megatrends shaping the beverage, food, home, personal care and packaging industries. We help our partners to develop effective strategies to navigate these forces, which range from quality, innovation and sustainability to health, variety and the constantly evolving preferences of today's consumers. The current major trends include:

Liquid dairy products (LDP) and plant-based alternatives

The LDP and plant-based alternatives market is dynamic, with health benefits driving consumer appeal. Protein-rich and functional beverages cater to wellness-minded and active consumers, and flavoured dairy beverages offer dessert-like indulgence. Growth in this market is expected at a CAGR* of 1.5% by 2028.

Juice, nectar, soft drinks, isotonic and tea (JNSDIT)

The JNSDIT market, with high tea volumes in China, is responding to growing preferences for health, functionality and convenience. Enriched, lower-sugar drinks support wellness, and ready to drink tea and energy drinks accommodate busy lifestyles. Growth in JNSDIT is anticipated at a CAGR of 4.1% by 2028.

Water

Water is expected to account for the greatest proportion of growth in the coming years, with the fastest growth in India. Flavour innovation focuses on natural, exotic and sensory experiences, while functionality and eco-friendly packaging appeal to consumers. Growth is projected at a CAGR of 4.9% by 2028.

Carbonated soft drinks (CSD)

CSD trends show growing demand for healthier and sustainable options, bold flavours and premium experiences, with growth regions in Asia, Latin America and Africa. Alcohol moderation fuels alternatives, while category blurring creates new hybrid products. The market is projected to increase at a CAGR of 2.0% by 2028.

Beer, wine and spirits

Beer trends highlight low- and no-alcohol options with new and seasonal flavours attracting younger consumers, while premium and sustainable packaging enhance differentiation. Wine and spirits are evolving towards experience-led consumption in health-conscious moderation. Growth is expected at a CAGR of 1.4% by 2028.

Food, home and personal care

Consumers demand transparency, safety, sustainability and affordability in food, home and personal care markets, with engagement driven by health, sensory appeal and personalisation. Food market growth is expected at a CAGR of 2.0% by 2028, and home and personal care growth is expected at a CAGR of 2.1% by 2028.

A new era in blow moulding

The EvoBLOW Laser is a technological breakthrough that delivers lighter, yet stronger PET containers, setting new standards in lightweighting. At the same time, it enhances production line efficiency by eliminating warm-up or transition time and allowing for real-time speed modulation. Consistent quality comes with ease, as laser technology is not sensitive to variations in the environment, unlike traditional solutions.

This new blow moulding technology facilitates higher recycled PET content, reduces waste and provides energy saving opportunities. It also delivers design freedom through invisible Power Rings™ that replace the bulky ribs of traditional bottles to allow lightweight premium bottles.

“Sidel’s launch of the EvoBLOW Laser demonstrates three essential ingredients working in harmony – innovation, customer partnership and commitment,” said Pietro Cassani, Sidel President and CEO. “The EvoBLOW Laser not only lives up to Sidel’s name and pioneering history but is a timely answer to the increasing pressure faced by producers today – to reduce costs while at the same time increasing sustainability and performance.”



Meet Aseptic Predis X4® – the perfect match for today’s market needs

The Aseptic Predis X4 is an integrated blow-fill-cap solution that incorporates Predis® dry preform sterilisation, making it ideal for sensitive beverages in PET bottles. The system combines the highest food safety standards, ease of use, extreme flexibility and sustainability advantages.

The technology ensures a high level of decontamination, minimising the sterile zone while maintaining high performance. It includes features such as a ‘smart box’ for monitoring aseptic conditions without stopping production. Its sustainable design uses no water for sterilisation, minimises greenhouse gas emissions and chemical use, and reduces air consumption through 100% blow-air recycling.

Sidel’s offering for sensitive products extends well beyond the line equipment itself to achieving optimised performance over time. As partners, Sidel leverages its expertise in everything from product characterisation to modular services once the line is in production and provides state-of-the-art training globally.





DeLaval We make sustainable food production possible

Our vision is to make sustainable food production possible. As a company built on innovation, we constantly work to find ways of helping our customers, dairy farmers, do more with less by providing world-leading milking equipment and solutions.

As a market leader, we take great pride in providing dairy farmers with high-performing milking solutions that prioritise animal welfare and sustainability. We are committed to supporting our customers in improving productivity through increased automation, digital services and expert advice.

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

Products and solutions

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

DeLaval customers can benefit from advisory and digital services to improve their performance. They can also choose from all-inclusive service plans and consumables including liners and tubes, farm supplies and original parts designed to promote milk quality and animal welfare – and ultimately improve farm profitability.

Digital services

Digital services play an increasingly important role in DeLaval's strategy as dairy farming becomes more sophisticated. DeLaval Plus is DeLaval's digital services offering, comprising an ever-growing set of applications and services that transform farm-collected data into actionable insights to support day-to-day decision-making for farmers and dealers.

One example is DeLaval BioSensors Milk Cell Analysis (MCA), a sensor that can be integrated into the DeLaval VMS™ milking

system to measure the somatic cell count – white blood cells naturally present in milk and a proven indicator of udder health. This solution helps farmers maintain milk quality and manage disease risks more effectively.

Powering our digital services is DeepBlue, DeLaval's artificial intelligence, which uses deep learning and multi-layered neural networks to analyse cow behaviour and detect patterns in global farm data. This helps farmers identify potential issues early and take proactive steps to improve performance and animal welfare.

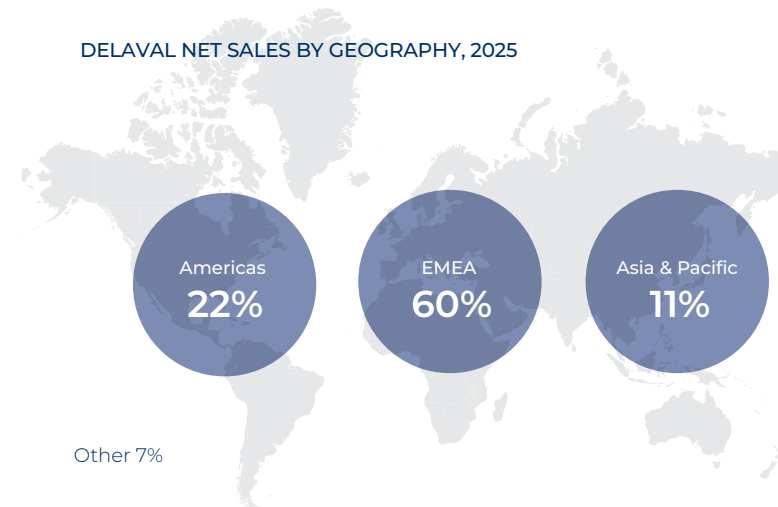
By leveraging these insights, farms can adopt more sustainable and efficient practices, while dealers benefit from dedicated tools within DeLaval Plus services that strengthen their ability to support farms and work more efficiently.

Sustainability

Every time we help a farmer find a way to produce more milk from the same herd, we make food production more sustainable – by doing more with less. We support this work through a clear strategy with four sustainability focus areas and aligned targets, contributing especially to the Sustainable Development Goals (SDGs) 2, 4, 8 and 12.

FACTS

<p>NET SALES 2025</p> <p>€1,425</p> <p>MILLION</p>	<p>TECHNICAL TRAINING CENTRES</p> <p>16</p>
<p>SALES IN</p> <p>>90</p> <p>COUNTRIES</p>	<p>DISTRIBUTION CENTRES</p> <p>6</p>
<p>NUMBER OF EMPLOYEES DEC 2025</p> <p>4,900</p>	<p>R&D CENTRES</p> <p>7</p>
<p>PRODUCTION PLANTS</p> <p>12</p>	



DELAVAL NET SALES BY PRODUCT SECTOR, 2025



Market

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

Long-term dairy demand continues to grow, while supply may struggle to keep pace

As income and populations increase, the demand for dairy products increases globally, especially in dairy-deficient regions. With environmental policies and regulations limiting herd expansion in major dairy-exporting regions, future growth in milk production will rely more on improved yields per cow than on increasing herd size.

Macroeconomic challenges

Slow economic growth, geopolitical instability, protectionism and potential trade barriers, increased cost of living and high interest rates are all challenges for DeLaval and the wider dairy industry. The year 2025 stands out as one of the strongest for milk prices and farmer profitability, driving higher milk production. This favourable trend is now easing as supply has begun to exceed demand.

Ongoing farm consolidation

Ongoing consolidation into larger-scale operations is reducing cost pressures while improving operational efficiency. New opportunities will emerge for progressive farmers who are growth-oriented and invest in more efficient and sustainable production. There is a growing demand for solutions that promote automation, digitalisation and sustainability in the dairy industry.

Sustainability

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

Digitalisation

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

Labour costs and shortages

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

DeLaval's smartest milking robot yet

The updated DeLaval VMS™ V300 milking system incorporates new technologies designed to support smarter, faster and gentler robotic milking. Developed in close collaboration with farmers, the system includes several innovative capabilities such as Flow-Responsive™ Milking and DeLaval BioSensors Milk Cell Analysis (MCA).

It also has a larger box to accommodate a wider range of cow breeds and sizes, helping to improve comfort during milking.

“Our new model focuses on the key needs of modern dairy farmers, with features intended to enhance productivity, animal welfare and more sustainable farming practices,” claimed Thibault Burg, EMEA Solution Manager for VMS at DeLaval. “Overall, it helps customers to milk better than ever – that’s what we call milking without compromise.”

Flow-Responsive Milking

Flow-Responsive Milking sets a new standard for robotic milking by maintaining a steady preset teat-end vacuum, resulting in a more gentle and consistent milking process and reduced milking time – with farmers reporting up to 40 seconds saved per cow per milking.

This technology received industry recognition during 2025, including the Innovation Award in the Sustainability & Technology category at the Rundvee & Mechanisatie



Vakdagen (RMV) Hardenberg exhibition in the Netherlands, and the Innov'Space Award at the SPACE exhibition in Rennes, France.

Enhancing milk quality with a breakthrough sensor

Milk Cell Analysis (MCA) can be added as an optional feature to further enhance the milking experience. This revolutionary, compact sensor uses advanced optical technology to monitor udder health and count somatic cells in milk, helping farmers improve udder health management, milk quality and overall herd health.

It also helps to make dry-off decisions to reduce unnecessary antibiotic treatments and promote

responsible dairy farming practices. The MCA is part of DeLaval's comprehensive suite of solutions aimed at improving dairy farm productivity and animal welfare. These support a holistic approach by focusing on animal health, milking efficiency and data-driven decision-making.

Get the most out of your VMS with advanced digital services

During 2025, new DeLaval Plus applications and features were added, further complementing DeLaval's latest VMS and helping farmers get more value through data-driven insights and smarter day-to-day management.

New DeLaval Plus applications include Milking Queue, designed to streamline and optimise the VMS milking process, and cooling monitoring applications, which give farmers remote access to their milk cooling tank. By continuing to enhance DeLaval Plus with new capabilities and functionalities, we are helping dairy farmers to meet higher demands for efficiency, animal welfare and environmental responsibility – now and in the future.

“Our new model focuses on the key needs of modern dairy farmers, with features intended to enhance productivity, animal welfare and more sustainable farming practices.”

World trends

TETRA PAK

Consumers seek hyper convenience

The trend of hyper convenience is driven by an increasingly affluent and urbanised population where more people live alone and lack the time or resources to prepare food. Ready-to-eat and ready-to-drink options – from fast food to quick snacks – continue to be popular, offering instant satisfaction.

Expectations are growing on how technology can make our lives easier. Generative AI is at the forefront of this development, such as by promising to manage tasks like replenishing household supplies with minimal human supervision.

In Asia, the popularity of 'everything apps' that combine payments, travel, shopping and more into a single platform shows no sign of slowing. This creates new challenges for brands to maintain their visibility.

TETRA PAK

Amplified food and beverage experiences

Consumers around the world continue to focus on enjoying small luxuries and experiences, turning to food and beverages for novelty and innovation. This thirst for the new is driving interest in limited-edition products sold in 'blind box' formats that provide an element of surprise.

At the same time, people crave new sources of inspiration, favouring real-life experiences and the 'behind the scenes' perspective on how their food is made and with what ingredients. Physical stores and restaurants are being reinvented as spaces for inspiration and fun, while the demand for digital detoxing grows.

Cultural influence is also broadening, with China, Southeast Asia and the Gulf states emerging as major trendsetters.

WORLD TRENDS

SIDEL

Circularity and resource management

The new EU Packaging and Packaging Waste Regulation (PPWR) represents an important step toward circularity by placing specific targets on reducing packaging waste and driving the adoption of more sustainable materials and solutions.

For the food and beverage industry, regulatory compliance will mean reducing, reusing and recycling more resources at every stage by adopting new technologies. This may involve the use of recycled PET, reusable systems, the advanced lightweighting of containers and the integration of paper-based secondary packaging.



SIDEL

Data to value

As packaging and production technologies become increasingly digitalised, converting data into actionable value has become a necessity. Market trends such as sustainability, personalisation and operational resilience are driving producers to leverage real-time insights to enable smarter decision making and operations.

From energy optimisation and quality control to predictive maintenance and consumer trend analysis, data is driving greater agility and innovation. By increasingly connecting equipment, processes and systems, producers can transform data into measurable value – to enhance efficiency, ensure quality and accelerate sustainability.



DELAVAL

The increasingly important role of digital services in dairy

As farming becomes more digital, with tools such as sensors increasingly used to monitor milking, reproduction, behaviour and body condition, farmers need digital services to manage and interpret the growing volume of data – particularly as herd sizes increase. Digital services powered by artificial intelligence process vast amounts of data in real time, delivering actionable insights that help farmers make informed decisions and focus their attention on the cows that need it most.

Digitalisation also supports more sustainable dairy operations by improving resource use, profitability and traceability. To enable this transformation, a strong ecosystem of partners, advisors and technology specialists is essential to support farmers, improve business efficiency and build lasting partnerships that strengthen collaboration across the dairy value chain.



DELAVAL

DeLaval VMS™ Batch Milking is reshaping dairy operations

VMS Batch Milking is gaining popularity worldwide as dairy farmers look for new ways to manage larger herds. Designed for medium- to large-scale operations – typically more than 300 cows – it helps address industry challenges such as labour shortages, rising costs and the growing need for flexibility and scalability.

Unlike a traditional VMS set-up, where cows are milked autonomously, or a parlour or rotary system that relies on fixed schedules and manual labour, VMS Batch Milking allows farmers to benefit from automation while maintaining a structured milking routine – helping to improve cow comfort, milk quality, cow flow and both production and labour efficiency.





Making food safe and available

In 2025, the global food and beverage industry continued to evolve. Consumption patterns shifted under economic pressure and evolving consumer preferences. Technological progress accelerated innovation, while increasing regionalisation reshaped supply chains. At the same time, food producers faced rising volatility in freight, energy costs and regulatory requirements. In this context, the long-term value we deliver to our customers is built on quality. Because at Tetra Pak, quality means providing resilient and reliable food production systems that our customers can depend on. To make food safe and available, today and tomorrow.

Our 2025 performance reflected industry challenges. Total net sales were €12.4 billion, a 0.3% decline from the previous year, driven by reduced consumption in core categories across some larger markets. This resulted in a 1.6% decrease in Packaging Solutions. Our broader portfolio demonstrated strength, however. Processing Solutions grew 5.7%, and Services grew 4.7%.

In total, we delivered 174 billion carton packages, equivalent to more than 70 billion litres of safe food and beverages. I thank the people and partners who make this possible: Our customers for their continued trust, our suppliers for their expertise, and our employees for their relentless focus on delivering quality in everything we do. Thank you.

“For our customers, quality is more than reliable equipment or packaging. It means confidence in their entire food-production system.”

Creating value with integrated food production

For our customers, quality is more than reliable equipment or packaging. It means confidence in their entire food-production system. In 2025, we continued advancing our portfolio toward solutions that are more integrated, efficient and future-ready.

A major milestone was the launch of Tetra Pak® Factory OS™, our next-generation automation and digitalisation platform designed to make factories AI ready. Built as an open, modular and scalable ecosystem, Tetra Pak® Factory OS™ connects equipment, data and processes across plants to deliver real-time insights, increased efficiency and reduced waste. For customers facing rising costs and greater complexity, it provides a pathway to more agile, resilient and high-performing operations.

We also accelerated development of our paper-based barrier, taking steps toward creating the world's most sustainable food package'. We introduced the world's first juice packaging using this innovative barrier (following on from our previous introduction of it for milk in 2024). The combination of the paper-based barrier with plant-based polymers in this package pushes the renewable content to a remarkable 92%, while reducing the carbon footprint by 43% compared with an aseptic package using aluminium foil and fossil-based polymers, as verified by the Carbon Trust™. These advances are supported by our continued investment in material development, including our recently announced new pilot facility in Lund, Sweden.

Our advanced services portfolio gained momentum. Tetra Pak was named Servitization Innovation Leader of the Year 2025 by ASG, recognising our leadership in outcome-based models such as Plant Perform and Plant Secure. These agreements help customers improve efficiency, reduce variability and optimise resource use, while ensuring predictable performance.

Innovation progressed across our portfolio. We introduced high-efficiency heat-pump systems that electrify pasteurization and reduce energy use by up to 77%. We expanded our



PRESIDENT AND CEO COMMENT

homogenizer range, reducing energy consumption by up to 25% as well as lowering maintenance costs. We strengthened our capabilities through the acquisition of Bioreactors.net, enabling biomass and precision fermentation solutions for new food categories. Our Tetra Pak® Air Jet Cleaning System for Powder received the Food Manufacturing Innovation Award from Fi Europe.

As part of our strategy to innovate for customer growth, we also expanded our global capability network. We opened a new product development centre in Cholet, France, and a new food technology development centre in Karlshamn, Sweden. We also launched a new service for sunflower protein. All done to support formulation, concept testing and scale-up for food producers worldwide.

Strengthening tomorrow's food systems

Quality must also extend beyond individual operations to the broader systems that sustain global nutrition. In 2025, we accelerated efforts to support more secure and sustainable food systems, ensuring that safe food remains available to communities everywhere.

Our leadership was recognised across multiple external evaluations. For 2025, Tetra Pak achieved the highest EcoVadis sustainability rating, earning the Platinum medal. This placed us among the top 1% of over 130,000 companies assessed. We were recognised by CDP for continued transparency and action on environmental issues. Tetra Pak achieved an A- score for forests, marking ten consecutive years in CDP's leadership band (A or A-), and an A- score for water security for the third year running. We also disclosed progress on climate change, receiving a B score. We were also honoured with the SEAL Environmental Initiatives Award 2025. These recognitions reflect our commitment to helping our customers lead the sustainability transformation of our industry, as well as our commitment to measurable progress.

Reducing climate impact across the value chain remained a priority. Last year, we reported a 25% reduction in total value chain greenhouse gas (GHG) emissions^{***} since 2019 and a 54% reduction in own operations GHG emissions^{****} as well as 94% renewable electricity use in our own operations. These achievements keep us on track toward net-zero operations by 2030 and reinforce our ambition of net-zero value-chain emissions by 2050.^{*****}

We also contributed to strengthening value-chain resilience. The launch of our Dairy Hub Handbook showcased our commitment to supporting local customers and collaborating with non-government organisations and international development aid agencies to build resilient dairy value chains.

Together, these actions reflect our belief that food systems must deliver safe, affordable nutrition while protecting natural resources.

Unlocking our full potential

Making food safe and available in a dynamic world requires empowered, capable and engaged people. In 2025, we continued investing in skills, our culture and ways of working that enable colleagues to perform at their best.

Our global Learning Conference offered employees new opportunities to build technical, leadership and other capabilities. Our volunteering programmes enabled colleagues to contribute meaningfully to communities around the world. We expanded the adoption of next-generation digital tools, including the latest GPT-5-powered iteration of Microsoft Copilot, to help teams work more productively, creatively and responsibly.

At the start of 2026 we also began the introduction of our next generation enterprise resource planning system, which will be the future foundation for how we work, adopt new technologies and deliver greater value to customers in the years ahead.

Internally our Excellence Awards continued to celebrate teams whose breakthroughs in innovation, operations and customer value set new standards of excellence, while externally Tetra Pak was named one of Europe's Best Employers 2025 by the Financial Times.

Building a resilient future for long-term value

Looking ahead, we remain focused on building the next generation of food-production systems that are more integrated, resource-efficient and sustainable, while continuing to help our customers grow with their own new products. Our Strategy 2030 continues to guide this transformation, supporting long-term value creation as consumer expectations, technologies and operating conditions evolve.

We recognise that current global conditions demand greater focus and productivity. Lower structural growth, persistent inflation and rising investment needs, especially in transformations that create long-term value for our customers, require disciplined choices and sharper execution.

As we move forward, therefore, our purpose to make food safe and available while protecting what's good will continue to define our actions.

Adolfo Orive



“Looking ahead, we remain focused on building the next generation of food-production systems that are more integrated, resource-efficient and sustainable, while continuing to help our customers grow with their own new products.”

* This means creating cartons that are fully made of renewable or recycled materials, that are responsibly sourced, therefore helping to protect and restore our planet's climate, resources and biodiversity; contributing towards low-carbon production and distribution; are convenient and safe, therefore helping to enable a resilient food system; are fully recyclable.

** Source: Carbon Trust™- verified Tetra Pak 'Carton CO₂ Calculator' model version 11 (valid from 2025-01-01). Scope: cradle-to-grave measurement of a Tetra Brik® Aseptic 200 Slim Leaf carton with plant-based polymers in coating and paper-based barrier compared to a Tetra Brik® Aseptic 200 Slim Leaf package with aluminium foil layer and fossil-based polymers. Geography: EU Industry data.

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

**** Scopes 1, 2 and business travel, compared to 2019.

***** Scopes 1, 2 and 3, compared to 2019.

EXECUTIVE LEADERSHIP TEAM



Adolfo Orive
President & CEO



Marco Dorna
Executive Vice President
Market Operations



Tatiana Liceti
Executive Vice President
Packaging Solutions



Roberto Franchitti
Executive Vice President
Processing Solutions & Equipment



Ola Elmqvist
Executive Vice President
Services



Sara De Simoni
Executive Vice President
Development & Technology



Martin Scott
Executive Vice President
Sustainability & Communications



Phil Read
Executive Vice President
Human Resources & Transformation



Bruce Burrows
Executive Vice President
Finance & Supplier Management



Sébastien Thierry
Executive Vice President
Legal Affairs & General Counsel

QUALITY



Creating value through quality

Following its good progress on further enhancing quality in recent years, Tetra Pak is now implementing a global quality approach to deliver even greater value across the value chain.

A strategic foundation

“Quality is the foundation of our commitment to make food safe and available, everywhere, while protecting what’s good: food, people and the planet,” explained Roberto Mastri, Vice President System Engineering & Quality. “Embedded into every Tetra Pak solution, quality promotes safety, sustainability, reliability and trust across the entire value chain. This holistic approach is essential for driving our innovation, resilience and long-term performance.”

For producers, quality is measured through reliable system performance, regulatory compliance and competitive total cost of ownership. For consumers, quality means safe, great-tasting food available when and where it is needed.

Leading the quality evolution

“As quality continues to evolve with customer expectations, technological advancements and global challenges, it is important that we lead this quality evolution at every level,” said Mastri.

A proof point of this is that many Tetra Pak factories operate with Total Productive Maintenance (TPM) certified manufacturing standards, reflecting the company’s commitment to world class operational excellence and continuous improvement.

“Since 2023, for example, we have adopted an even stronger preventative approach to strengthen stability across our installed base for some of our most sold packages,” added Mastri. “This progress was enabled by installing upgrade kits globally and introducing a new early warning system that identifies top site risks before they escalate.”

The early warning system sends an alert when it identifies an emerging risk, which allows Tetra Pak to take quick action to support its customers – even when the issue is not directly related to Tetra Pak solutions.

Quality and societal impact

Tetra Pak’s work with quality also has positive impacts on society. By working with quality together with its sustainability strategy, Tetra Pak drives a positive impact on a society faced with demographic challenges, resource constraints, food loss and waste, and climate change.

“Our commitment to quality extends far beyond the factory floor as we address the entire value chain to promote food security, resilience and environmental stewardship,” said Mastri. “Our societal impact is also closely linked to how we take care of our people, such as through our strong health and safety culture, and high levels of employee engagement.”

Towards a unified global quality management system

Tetra Pak is now broadening its perspective on quality to cover the end-to-end global value chain. By strengthening preventative practices and embedding quality earlier in the process, the company reinforces the reliability and performance of its solutions worldwide. As part of this transformation, Tetra Pak is moving toward a unified global quality management approach that will further harmonise standards and enhance customer experience across markets.

“By focusing on the customer experience and a full-solution perspective, we continue to create value for our customers,” said Mastri. “This is part of our continuous improvement journey that will continue to evolve as our customers’ needs and the world around us change.”

QUALITY

How World Class Manufacturing benefits customer quality

Since 1999, Tetra Pak has applied the World Class Manufacturing (WCM) methodology – a globally recognised framework focused on the continuous optimisation of safety, quality, efficiency and resource use. WCM promotes steady, data-driven enhancements to existing processes to refine operations over time and strive for ambitious goals such as zero material and resource losses, zero accidents and zero quality issues.

“Today’s package should not look different from yesterday’s, or it will affect brand image,” said Uday Chouhan, Director of World Class Manufacturing & Quality Supply at Tetra Pak. “We have to ensure everything from appearance to functionality is consistent.”

Delivering measurable benefits

“For us, it’s always about each customer’s unique needs. If you’re in a constrained market, you can’t sell more even if you produce more, so the focus is on increasing quality and becoming more cost competitive,” added Chouhan.

Tetra Pak identifies local process improvements and scales them globally, ensuring consistent, system-level quality and efficiency across all operations. Ultimately, the WCM philosophy emphasises disciplined improvement, organisational alignment and customer value – proving that small, systematic changes can produce transformative results at scale.

“At the end of the day, we want to achieve more than just internal improvement – it’s about empowering customers to reach their own safety, sustainability and quality goals,” said Chouhan.



Ensuring food safety and quality everywhere

Tetra Pak’s approach to food packaging safety and quality combines materials science, microbiology, regulatory compliance and advanced processing technologies to ensure packaged food remains safe and consistent throughout its shelf life.

“Our job is to make sure every layer of material works together to protect what’s inside,” said Davide Marchesi, Director of Food Packaging Safety & Interaction. “How we do that differs from food to food, whether it’s milk or a very acidic product like juice, the product type dictates the requirements for the food package.”

Quality assurance

Hygienic equipment design, sterilisation technologies and digitised process controls are essential for food quality assurance. Through end-to-end traceability and connected packaging solutions, Tetra Pak further enhances quality by enabling full visibility across the value chain and the rapid identification of deviations. These digital tools elevate both product protection and responsiveness to not only contribute to food safety but also to more resilient, sustainable food systems – key priorities highlighted across Tetra Pak’s global quality and sustainability agenda.

Reliability and transparency are also essential in building customer trust by ensuring accountability and confidence in Tetra Pak’s ability to deliver. By combining rigorous material safety standards, hygienic processing solutions and traceability, Tetra Pak solutions not only help preserve food, they safeguard customer confidence in every package.

New Food Technology Development Centre inaugurated

The centre in Karlshamn, Sweden, helps producers of biomass and precision fermentation-based foods to scale from prototype to full production. The centre offers tailored expert support to optimise processes, design efficient equipment and reduce investment risks. With advanced pilot plant facilities and modular setups, the centre can support both start-ups and established brands. Supported by Tetra Pak's food and biotech specialists, the centre enables faster, cost-effective scale-up and innovation in emerging sustainable food categories.



Tetra Pak and Swan Neck Bio collaborate to simplify scaling of 'new food'

The new collaboration with Swan Neck Bio, a Denmark-based biotechnology company, will simplify and expand scaling opportunities for customers developing biomass or precision fermentation-derived food products. The collaboration enhances Tetra Pak's offering by giving manufacturers a turnkey solution for commercial fermentation processes within the 'new food' space. Through the collaboration, Swan Neck's DIRINOC™ technology has been integrated into Tetra Pak's product-development ecosystem to lower contamination risk, and reduce development time and cost for manufacturers.



Tetra Pak named Servitization Innovation Leader of the Year

Tetra Pak was named the inaugural Servitization Innovation Leader of the Year by the Advanced Services Group (ASG), the world's leading authority on servitization based at Aston Business School, United Kingdom. The recognition highlights Tetra Pak's pioneering role in applying advanced, outcome-based service models to the food and beverage sector. Such models provide customers with increased operational flexibility, predictable production costs and access to resource-efficient technologies. The Servitization Awards celebrate excellence in transforming business models through advanced services and share best practices for wider industry transformation.



New plant-based protein empowers producers to meet consumer demands

Tetra Pak launched a sunflower protein designed to help food and beverage producers meet the rising consumer demand for plant-based products. Sunflower protein is particularly versatile due to its neutral flavour, smooth texture and off-white colouring - making it suitable for everything from plant-based iced coffee to yoghurt. With high protein, along with fibre, vitamins and antioxidants, sunflower protein is also an ideal ingredient for fortified products. Through its Product Development Centres, Tetra Pak helps producers accelerate time-to-market and optimise product creation to meet the needs of health-conscious consumers.



World-first paper-based barrier for juice packaging

Tetra Pak has launched the world's first juice carton with its paper-based barrier technology, in collaboration with drink company García Carrión. The Tetra Brik® Aseptic 200 ml Slim Leaf carton replaces the traditional aluminium layer with a renewable paper barrier, increasing renewable content to 92% and reducing the carbon footprint by 43% compared with conventional aseptic cartons, as verified by the Carbon Trust. The new packaging maintains food safety and shelf life while improving recyclability and supports the industry's shift to low-carbon, renewable materials.



Investing in the next generation of sustainable packaging materials

Tetra Pak has invested €60 million in a new pilot plant for its paper-based barrier technology in Lund, Sweden. The plant will enable Tetra Pak to accelerate the development of its innovative aseptic packaging material, which replaces the traditional aluminium foil layer with a paper-based barrier. The barrier increases the renewable content in aseptic cartons and can reduce their carbon footprint by up to 43%.* Simplifying the material structure of the barrier also simplifies the recycling process of carton packages to improve recycling rates.

* Compared to the same reference package. Source: Carbon Trust-verified Tetra Pak 'Carton CO₂ Calculator' model version 11 (valid from 2025-01-01). Scope: cradle-to-grave measurement of a Tetra Brik® Aseptic 200 Slim Leaf carton with plant-based polymers in coating and paper-based barrier compared to a standard Tetra Brik® Aseptic 200 Slim Leaf package with fossil-based polymers in coating and aluminium foil layer. Geography: EU Industry data.

New facility in France gives producers scale-up advantage

Tetra Pak's new Product Development Centre for Powder Process and Technology in Cholet, France, is designed to accelerate innovation and optimise processes for powder-formulated products. The facility helps food and beverage powder producers validate powder-formulated products and processes at industrial scale, cut development costs and meet their sustainability targets. The 340m² facility features a fully equipped pilot plant with modular production lines and the latest powder-handling technologies. It also includes a dedicated testing laboratory to ensure quality, compliance and optimisation.



Tetra Pak acquires Bioreactors.net to accelerate solutions for New Food

Tetra Pak has acquired Bioreactors.net, a Latvia-based bioreactor design and manufacturing company with nearly 30 years of experience in biomass and precision fermentation for New Food applications. The acquisition strengthens Tetra Pak's processing expertise and expands its bioreactor equipment portfolio, enabling it to offer more advanced fermentation production systems for foods and ingredients. Tetra Pak aims to draw on Bioreactors.net's technology to accelerate the development of next-generation bioreactors and help producers scale sustainably – to ultimately drive more circular and resilient food systems.



Our commitment towards sustainable food systems

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

Our approach to sustainability

We provide advanced food systems – from product creation and recipe testing to processing, filling, packaging, logistics, services and beyond. In today's world, where we face the immense, interconnected challenges of feeding a growing population while protecting our natural resources and combating climate change, our Strategy 2030, guided by our purpose, is essential in shaping the company we want to be in the future. We are committed to leading the sustainability transformation of our industry through low-carbon circular-economy solutions and by enhancing sustainability across the supply chain.

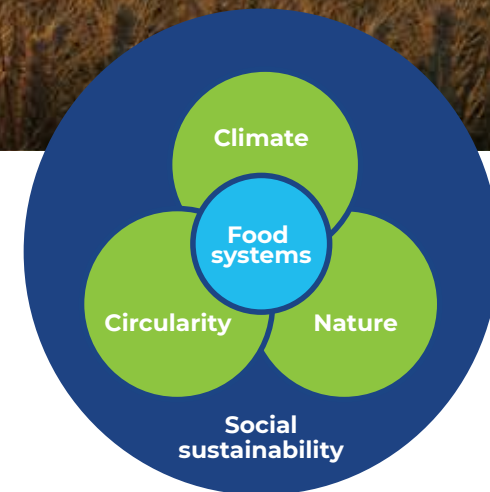
In the same way that sustainability must drive value to people and planet, we also take our responsibility to customers

and the agri-supply chain seriously by embedding sustainability into the core of the business to create value for all.

Committed to openness and transparency

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

Our sustainability agenda is based on our double materiality assessment, which was refined in 2025 and is aligned with the requirements of the European Sustainability Reporting Standards (ESRS). The assessment considers our impacts on people and the environment, as well as the material risks and opportunities that various environmental, social and governance topics have on our business.



THE TETRA PAK SUSTAINABILITY AGENDA

SUSTAINABILITY

Sustainability highlights

Get the full story on our sustainability work at www.tetrapak.com/sustainability.

Tetra Pak helps customers make their factories AI-ready



Tetra Pak's next-generation Automation and Digitalisation portfolio, Tetra Pak® Factory OS™, delivers contextualised, real-time insights for smarter, faster decision-making in food and beverage production. Tetra Pak® Factory OS™ connects processes, data and user experience in one scalable, configurable platform – turning fragmented data into actionable insights that drive real results. This new suite of modular, open and scalable smart factory technologies will transform food and beverage production and lay the foundation for AI-ready factories.

New heat pump system revolutionises pasteurization efficiency

Tetra Pak's new Integrated Heat Pump system is designed to electrify pasteurization and reduce energy consumption by up to 77%. The system reduces the use of fossil fuels in the conventional boiler, and the electricity use in the chiller system by combining heating and cooling into one efficient electric solution. It recovers waste heat from pasteurization – converting 1 kWh of electricity into up to 2 kWh of usable heat – making it around three times more efficient than conventional systems. The system can enable large-scale dairy or juice operations to save around €230,000 per year in operating costs and cut CO₂ emissions by up to 650 tonnes annually.**



External recognition

Acknowledgement from international organisations helps us to benchmark our sustainability efforts. 2025 highlights included:

EcoVadis

We received a platinum medal in 2025, putting us in the top 1% of all companies assessed.



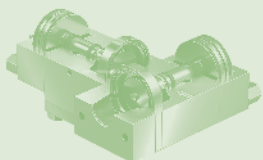
CDP

We were recognised by CDP, the global environmental disclosure system, for our continued transparency and action on environmental issues. Tetra Pak achieved an A- score for Forests, marking ten consecutive years in CDP's leadership band (A or A-), and an A- score for Water Security for the third year running.

Innovative homogenizer reduces energy consumption and costs

With traditional homogenization often requiring two separate devices, Tetra Pak has created a homogenizer that combines both devices into a single homogenization unit. The Tetra Pak(R) Homogenizers 15C and 20C can reduce energy consumption by up to 25%* thanks to the innovative HD21 device. The new solution offers manufacturers a streamlined and efficient solution with a lower initial investment. In addition, the unit makes long-term maintenance savings as it is designed to minimise the wear of parts to make them last longer.

With a compact design, simplified installation and plug-and-play set up, the Tetra Pak(R) Homogenizers 15C and 20C are easy to integrate and operate in existing lines.



-25%
energy consumption reduction

24FY Sustainability Report Highlights***

- 178 billion food and beverage packages delivered worldwide
- 94% renewable electricity consumption in Tetra Pak operations (on track to meet our 2030 target)
- 87% employee engagement score
- €42 million invested to support collection, sorting and recycling of our packages globally
- €100 million invested in research and development addressing packages sustainability
- -25% in total value chain GHG emissions (scope 1, 2 and 3) since 2019 (-7% reduction since 2023)
- -54% in own operations GHG emissions (scope 1, 2 and business travel) since 2019



SEAL Business Sustainability Awards
Our comprehensive Approach to Nature Framework won the Environmental Initiatives Award and was recognised as an industry-leading strategy for addressing biodiversity loss and water security across the entire value chain.

Financial Times Best Employers 2025
We were named one of Europe's Best Employers 2025 by the Financial Times, ranking in the top ten for our sector, in recognition of our ability to provide a workplace experience that empowers employees to make an impact.

Top ten
2025



* Based on the following production scenario: "Pasteurized milk, NIZO 66%, 14 days of shelf life, 2000 L/h and compared to alternative homogenization devices in the market."

** Example savings scenario for a typical dairy line in France, producing 60,000 litres of milk/hour, operating 6,000 hours/year. Actual savings will vary based on specific conditions in your market, including electricity costs, fossil fuel costs and taxes or fees related to greenhouse gas emissions.

*** Published June 2025.



Moving forward together

We once again surpassed our financial objectives, while offering revolutionary product innovations and services that help our customers to do more with less, enhance quality and increase efficiency.

Our net sales reached €1.78 billion, which is a new record, complemented by a 10% increase in our order intake. I believe the key success factors were our deep customer understanding and working as a unified team with clear goals. A collaboration mindset where we freely exchange expertise globally has been fundamental – not only for our financial performance, but also for bringing value-based innovations to market worldwide.

Redefining what's possible in our industry today

Our most important launch in 2025 was the EvoBLOW Laser, which marked a significant market breakthrough for PET packaging and line performance. The technology enables a new level of lightweighting, line efficiency and ease, while offering energy savings, increased bottle design flexibility and a major step forward for recycled PET (rPET). An exciting development was how we began combining EvoBLOW Laser with our PET coating technology to deliver very lightweight bottles for carbonated beverages with an extended shelf life.

Other launches included our CoboREEL® collaborative robot to automate and optimise the label reel-loading process, and the StarLITE®-R STILL bottle base that ensures 100% rPET integration, lightweighting and high-speed production. We also released EvoFILL Can Compact, which is a high-performance filling solution that provides exceptional product quality and reduced total cost of ownership. In aseptic technology, our new Aseptic Predis X4® dry-preform sterilisation solution has already been adopted by major brand owners, leveraging five decades of expertise in sensitive products to deliver on quality, sustainability and food safety, while drastically improving flexibility and efficiency.

In food, homecare and personal care markets, we strengthened our reach across complete line solutions, leveraging our packaging and line engineering and integration expertise, and continuing to respond to the vast complexities and variable needs in these markets.

“Our most important launch in 2025 was the EvoBLOW Laser, which marked a significant market breakthrough for PET packaging and line performance.”



PRESIDENT AND CEO COMMENT

Meeting customer demands on sustainability

With sustainability remaining top of mind, our products and services help customers to use less energy, material and water, while incorporating more recycled PET. The newly launched products mentioned above all offer our customers industry-leading sustainability benefits, and we were pleased to win two SEAL (Sustainability, Environmental Achievement and Leadership) Awards – for the EvoBLOW Laser and the SWING Evo pasteurizer.

In terms of our own sustainability footprint, our decarbonisation roadmap was validated by the Science Based Targets initiative (SBTi) in 2025, including our path to net-zero emissions by 2050 and ambitious emission reductions by 2030. We increased the electricity we generate from solar power during the year and our dedicated employee network of Sustainability Builders advanced awareness and sustainability-related activities.

The continued rise of digital services

In a world where data is everything, our services are becoming increasingly digitalised with 95% of our new lines sold in 2025 connected to our Evo-ON® software suite. Evo-ON is a unique cloud suite with built-in intelligence powered by AI that is designed to supervise and optimise any aspect of a customer's line performance in real time.

Helping our customers to embrace digitalisation through our digital services is proving essential to boost line performance, enable remote and proactive servicing, minimise downtime and reduce their overall costs. By empowering line operators to better monitor and enhance performance, we can offer performance-based services that are tailored to the customer's specific objectives.

Our quality culture

Quality is part of everything we do – from how we develop products and engage with customers to supply chain collaboration. Our three-pillar strategy includes corrective action, preventive action and quality management, to prevent issues and maintain performance and trust with customers.

We promote a quality mentality throughout our global business and constantly follow up our performance. Our work with quality is fully supported by our leaders, Quality & Continuous Improvement Network, and quality ambassadors that extend across all functions and regions to foster quality in everything we do.

Positive outlook for Sidel

In a world of continued geopolitical uncertainties and competition from uncertainties and new-entry competitors with aggressive pricing strategies, we will remain focused on doing what we do best – offering industry-leading products and services that enable customers to do more with less.

Going forward, I see significant opportunities in aseptic products, sustainable packaging, performance services and digital tools. Our ambition is to continue to grow responsibly, addressing and anticipating evolving customer needs as a true partner at every step. We will also continue to invest in growth markets in Asia, South America and Africa.

We launched our new Sustainable Excellence three-year transformation programme in 2026 that is focused on the enablers of sustainable growth to further fuel innovation and create value. This programme gives us the basis to continue to move the industry forward together with our employees, customers and supply chain partners in 2026 and beyond.

Pietro Cassani



“I see significant opportunities in aseptic products, sustainable packaging, performance services and digital tools.”

“Quality is part of everything we do – from how we develop products and engage with customers to supply chain collaboration.”

GLOBAL LEADERSHIP TEAM



Pietro Cassani
President & CEO



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



Simone Mondini
Executive Vice President
Customer Management Americas



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



Riccardo Codega
Executive Vice President
Go to Market



Ko Hoepman
Executive Vice President
Equipment Portfolio & Innovation



Paulo Picca
Executive Vice President
Supply Chain



François Lejard
Executive Vice President
Services Portfolio & Solutions



Igor Glaser
Executive Vice President
Finance & Business Transformation



Deepak Kumar
Executive Vice President
Human Resources



Christer Carling
Executive Vice President
Legal Affairs

Establishing a culture of quality throughout Sidel

Quality is a critical component of Sidel's business. With the aim of consistently delivering the highest quality in everything we do, Sidel has embarked on a transformative quality journey. 2025 marked the achievement of a key milestone in this journey – the creation of a global quality system.

“Our global quality management system strengthens internal processes and promotes a culture of sustained quality management and continuous improvement,” said Marco Martinelli, Vice President Group Quality & Continuous Improvement at Sidel.

Global approach enabled by processes and tools

Sidel's approach to quality includes three elements: corrective action, preventive action and robust quality management. Sidel has for example implemented various internal initiatives and stepped up its data-driven audits with the goal of preventing quality issues from occurring in the first place.

One key step was the standardisation of processes and tools across all functions – to improve efficiency, collaboration and outcomes. A supporting digital platform and quality dashboard have been launched to enable end-to-end visibility and company-wide transparency.

Building a company-defining quality culture

To achieve its ambition, Sidel is building a robust quality culture, supported by strong leadership, targeted training and a unified global organisational structure.

In addition to Sidel's core quality and continuous improvement team, an extended network of 70 quality experts has been formed to ensure Quality Management System deployment and drive continuous improvement across the organisation. In addition, Sidel has 24 volunteer quality champions who

proactively share how the Quality Principles help them do their everyday job. This hands-on approach to engage employees across functions and sites is essential for embedding quality into Sidel's culture.

“Our work with quality goes beyond product quality and food safety – it's about embracing a fact-based approach and ensuring excellence in our processes, decision-making and strategy. In doing so, we're making quality a key principle that defines Sidel,” said Martinelli.

Achieving business goals through sustained quality

While Sidel's journey continues, recent results already show significant improvements, including reduced time to contain issues compared to previous years.

“Looking ahead, we aim to verify our progress on quality through externally validated audits, by further embedding preventive actions and continuing to drive operational excellence,” concluded Martinelli. “Our ambitions are clear: to deliver quality at every level that ensures customer trust and long-term business growth.”

“Our ambitions are clear: to deliver quality at every level that ensures customer trust and long-term business growth.”



Celebrating aseptic PET packaging line quality at Hauser Weinimport

Fifteen years on from installing Germany's first aseptic Combi Predis line, Hauser Weinimport and Sidel are celebrating an extraordinary milestone – over 600 million bottles produced with perfect consistency. For the Bavarian family-owned beverage manufacturer, this achievement demonstrates Sidel's contribution to Hauser's unwavering focus on quality.

Installed at Hauser's Fischbach plant, the aseptic PET packaging line continues to deliver flawless results for the company's popular soft drinks and teas. The system's ability to manage multiple bottle formats gives Hauser exceptional flexibility and operational efficiency.

Guaranteed product quality and smooth operations

At the heart of this success is Sidel's patented Predis® dry preform sterilisation technology, which uses hydrogen peroxide mist to ensure aseptic conditions without the need for rinsing with water or any other chemicals. Thanks to

Sidel's cutting-edge technology, the aseptic line has provided Hauser with guaranteed product quality, ensuring smooth operations and consumer confidence.

"We have enjoyed consistent performance and long-term operational efficiency over the years thanks to Sidel's comprehensive maintenance services and advanced care systems," said Florian Kotnig, Head of Production at Hauser Weinimport. "Above all, product quality is a must for Hauser, and it is with this in mind that we originally installed the aseptic packaging line from Sidel."

Beyond technology, the collaboration between Sidel and Hauser has grown into a model of technical excellence and shared innovation. With continuous quality, support and proactive maintenance, the line remains as high performing as the day it was launched.



EvoFILL Can Compact ensures more quality with less space

Sidel has introduced EvoFILL Can Compact – a high-performance, space-saving filler for premium beer and carbonated soft drinks, designed for low-to-medium speeds up to 40,000 cans per hour. Its compact, plug-and-play design ensures rapid installation, high hygiene and minimal footprint.

"EvoFILL Can Compact extends our product range to offer a highly compact and efficient solution that meets the demands of the low volume premium beverage market," commented Tommaso Tegoni, Product Manager – Filling at Sidel. "Its ability to accommodate frequent changeovers with minimal downtime, coupled with advanced automation and modular design, ensures reliable, top-tier performance across both carbonated and non-carbonated beverages – including hot fill products – while maintaining speed and precision."

High-precision filling promotes quality

With a high-precision filling accuracy of +/- 1 ml standard deviation, up to the 500 ml format, the machine offers exceptional accuracy and minimal product losses (less than 0.1%). EvoFILL Can Compact also offers ambient temperature filling for carbonated soft drinks with minimal CO₂ losses.

In addition, this latest can filling machine achieves an impressive 98.5% efficiency, ensuring seamless operation with minimal downtime. Designed for reliability and precision, it optimises productivity while maintaining superior quality in beverage canning.



>600 million

Hauser Weinimport and Sidel are celebrating an extraordinary milestone – over 600 million bottles produced with perfect consistency.

New customer aseptic training centre in North America

Sidel opened a new aseptic training centre in Atlanta, GA, USA, in August 2025 to boost PET aseptic line expertise and increase productivity across the Americas. The facility empowers Sidel's customers and technicians with practical skills in maintenance, troubleshooting and operational excellence by replicating real production scenarios. It does this through fully customised customer courses in Sidel's Aseptic Combi systems. The courses blend classroom, digital and practical modules with a 30:70 theory-to-practice ratio. The Atlanta site complements Sidel's global aseptic training network that includes China, France and Italy.



Sidel helps PepsiCo bottler to boost sustainability

Grupo GEPP, PepsiCo's exclusive bottler in Mexico, is accelerating its sustainability journey with Sidel's returnable PET and glass bottling lines. Innovations installed on lines across multiple sites included EvoFILL Glass, an advanced level probe filler that combines optimal hygienic conditions with greater flexibility, and Hydra bottle washer, which enhances washing effectiveness while reducing chemical and water consumption. Since 2018, GEPP has boosted its returnable packaging volume by over 70% to cut virgin resin use and has expanded recycled PET content to 26%. Partnering with Sidel has enabled GEPP to work towards PepsiCo's ambitious goals for reusability and carbon reduction by 2040.

New CoboREEL® combines labelling with cobotics

CoboREEL is an automated reel loading solution for beverage packaging labels with three times the reel capacity of any other solution on the market. By integrating cobots, CoboREEL's 18-reel capacity delivers 100% accuracy, optimises efficiency, boosts productivity and increases profitability. "Our customers are looking for ways to work smarter, with fewer resources and in a more efficient and intelligent way," explained Antonio Mancino, Portfolio Director – PET Solutions, at Sidel. Automating this repetitive task allows manufacturers to reduce downtime caused by manually changing individual label reels and enables operators to focus on more complex and interesting tasks.



Super Combi overcomes customer space constraints

Coca-Cola FEMSA has boosted its production in Jundiai, Brazil, with Sidel's Super Combi, achieving 39,000 bottles an hour while reducing the line footprint by up to 30%. The all-in-one system integrates blowing, filling, capping and labelling in a compact design, enabling the flexible handling of up to ten bottle formats and lightweight recycled PET bottles. Closed-system engineering minimises contamination, and the BlendFILL system, which integrates the mixer and filler tanks into a single unit, lowers space, water and CO₂ use. Evo-ON® Care and Performance apps optimise efficiency, enhancing Overall Equipment Effectiveness (OEE). The collaboration showcases high productivity, space savings and sustainability in one smart solution.



EvoBLOW Laser sets new standard at Refresco

Refresco, in Bruchsal, Germany, has used the EvoBLOW Laser for over one year to redefine PET bottle lightweighting while bringing efficiency to its packaging line operations. Unlike traditional halogen-powered preform heating, Sidel's EvoBLOW Laser enables precise, pinpoint preform heating on up to 36 heating lines. Lightweighting without sacrificing bottle performance is a significant advantage of the EvoBLOW Laser, and Refresco has been able to reduce its material use by up to 15%. Refresco has successfully tested the solution with 100% rPET and now produces bottles with more than 50% rPET.



Sibeg Coca-Cola relies on Sidel's aseptic PET complete line

Sidel is partnering with Sibeg, Coca-Cola's Sicilian bottler, to install its first ever aseptic PET line in Catania – a major move to bring sensitive beverage production in-house. The new line that can produce 18,000 bottles per hour, integrates Sidel's Aseptic Combi Predis, EvoFilm Stretch and digital solutions to drive sustainability. This involves cutting water, energy, chemical and plastic use while allowing flexible production across ten bottle formats. By switching to 100% recycled PET and cutting transport emissions, Sibeg reinforces its commitment to more sustainable production. The project aligns with its long-term climate goals of zero emissions in its operations by 2030 (scope 1 and 2 emissions) and full carbon neutrality by 2032.



New West African hub to accelerate regional growth

Sidel has opened a new regional office in Phoenix, Ikeja (Lagos), Nigeria – its third in Africa after South Africa and Kenya. The office will serve as a West African hub for project management, engineering, after-sales service and customer engagement across PET, can and glass packaging formats. The expansion reflects Sidel's long-term commitment to help manufacturers in Nigeria, Ghana, Côte d'Ivoire and nearby markets innovate with sustainable packing technologies. The launch was marked by a customer innovation seminar to discuss efficiency, sustainability, and adapting packaging systems to West Africa's unique market needs.



Makro Labelling chosen to enhance cleaning brand

Dasty, a global leader in cleaning innovation since the 1970s, partnered with Makro Labelling to support its international expansion. Known for combining performance with sensory experience, Dasty has installed Makro Labelling's Mak 4 Rotary adhesive labeller to process up to 9,000 bottles per hour. The line features ALICE – Advanced Label Inspection & Control Environment – developed by Makro for perfect label placement with real-time inspection and automatic adjustment. This intelligent solution ensures precision, efficiency and consistency to preserve Dasty's distinctive brand identity worldwide.

Sustainability at the heart of our business

We shape the future of the packaging industry by providing our customers with high-performance solutions for product protection, desirability, availability and sustainability.

Our ambitious ESG (Environmental, Social, Governance) targets ensure we proactively contribute to combatting climate change, enforce human rights and promote responsible governance.

Climate change

In 2025, our decarbonisation roadmap was validated by the Science Based Targets initiative (SBTi), charting a clear path to achieving net-zero greenhouse gas emissions by 2050. By 2030, we are committed to reducing the emissions from our operations (scope 1 and 2) by 72.8%, and the emissions from our products and suppliers (scope 3) by 30% compared with 2019 levels.



Customer solutions for sustainability

We play a key role in helping our customers reduce their environmental footprint. Our groundbreaking EvoBLOW Laser launched in 2025 enables 10% PET material reduction without sacrificing performance, enhances efficiency, reduces waste, and makes it easier to leverage recycled PET. Our EvoFilm Stretch halves the amount of plastic film, and a new roll-fed labelling solution allows for labels as small as 20 mm in length.

We also innovate to support refillable and returnable solutions, with returnable PET packaging that can withstand up to 25 usage cycles, and technologies including our latest bottle washer and new tunnel pasteurizer that minimise consumption while improving efficiency.

Greening our own operations

Solar PV systems were completed at our Beijing and Guadalajara sites in 2025. We now generate our own electricity at four sites – including Parma and Pune.

Electric vehicle charging stations were installed during the year as part of a project to install 80 stations on Sidel sites in France and 14 in Italy that will be completed in 2026. We also installed efficient lighting and replaced gas heating systems with energy-efficient heat pumps at numerous sites worldwide, along with many other actions to reduce emissions.

EcoVadis

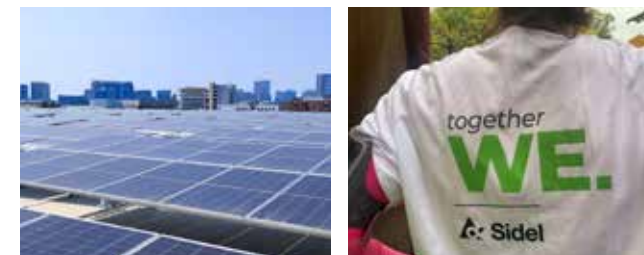
We use the EcoVadis sustainability assessment to enhance how we work and received the EcoVadis Gold rating at our Octeville site. We are actively working to improve our silver rating on a Group level through a comprehensive plan, while encouraging EcoVadis certification for our suppliers.

EcoVadis is also a useful tool to improve the performance of our suppliers, and we actively encourage them to become certified. We launched a new supplier award in December to recognise our supply chain partners that promote sustainability.

Human rights and biodiversity assessments

We recently carried out a human rights assessment across our business and among our direct top-tier suppliers. While no critical issues were found, the process helped shape efforts to further strengthen how we address and promote human rights.

Recognising the wide importance of biodiversity for the environment, we assessed and confirmed that all Sidel sites are located in areas with low biodiversity risk. Our assessment also inspired new actions to further protect local ecosystems.



Employee engagement

In 2025, we continued to develop our 'togetherWE GROW' platform and launched a new training module on a specific topic each month. Our SustainabilityBuilders employee network continued to help embed our ESG strategy across our organisation. We also launched a 'Life at Sidel' initiative, helping to recognise, strengthen, and celebrate the values of working at Sidel.

SUSTAINABILITY

Sustainability highlights

Get the full story on our sustainability work in our latest Sustainability Report – www.sidel.com/sustainability/esg-at-sidel/sustainability-reports.

The SBTi approved our climate target Net Zero Ambition for 2050

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

2050



72%

72% of Sidel suppliers are rated by the EcoVadis sustainability rating platform (by spend)

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

2026 SEAL Business Sustainability Awards

Sidel won two SEAL awards for the EvoBLOW Laser and SWING Evo pasteurizer – solutions that were recognised for their substantial contribution to sustainability.



40% lost time accident reduction in 2025

With our safety-first culture, we achieved a strong reduction in lost time accidents with several sites achieving zero lost time accidents in 2025.

40%



28%



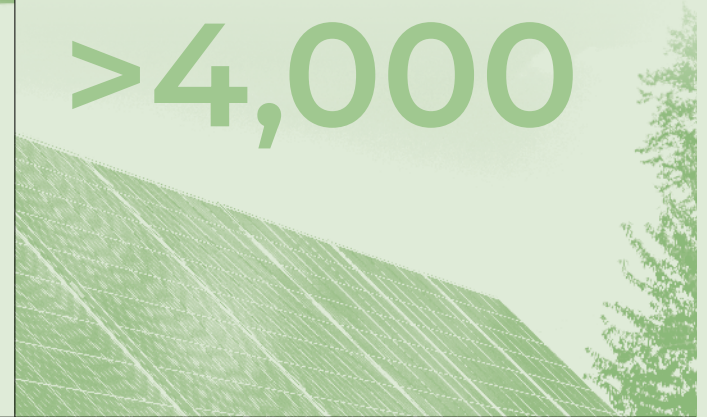
28% women in senior leadership positions

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

More than 4,000 solar panels installed at our plants

As part of our decarbonisation strategy, we aim to reduce our dependency on non-renewable energy.

>4,000



185



185 initiatives to support the UN Sustainable Development Goals

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



Record sales despite geopolitical uncertainties

DeLaval delivered a strong performance in 2025, surpassing our key financial targets and building on several years of steady results. These outcomes were made possible by the trust our customers place in us and the close cooperation with our partners, for which we are sincerely grateful.

Strong milk prices and lower feed costs created a favourable market for many of our dairy farmer customers in 2025, which accelerated investments across the dairy sector. This strong market demand and our attractive product offering resulted in extraordinarily strong sales growth.

Helping the dairy value chain overcome challenges and thrive

Geopolitical uncertainties and changes in the global economic environment affected our performance during the year, and without these external factors it could have been even stronger. Nevertheless, we adjusted our operations and supply chain to ensure we were able to continue to support our customers effectively.

Global dairy demand and production are forecast to continue to grow in the coming years driven by projected higher income

per capita, population growth and urbanisation. DeLaval is well positioned to continue to lead the way in automation, digitalisation, productivity and animal welfare – to promote a more sustainable global dairy production.

Our contribution to quality

With 'quality' as the theme of this report, DeLaval plays an important role not only in ensuring milk quality around the world, but also in animal welfare, sustainability and efficiency in the dairy industry. By combining equipment, digital tools, hygiene solutions and animal health technologies, we help dairy farmers produce higher quality dairy operations.

As described on page 49 of this report, the expansion of our commercial dairy farm and Research and Development Centre, Hamra Farm, showcases what is possible for farms around the world. In particular, the expansion further enhances our capabilities to develop and test new solutions that can improve dairy farming.

“DeLaval plays an important role not only in ensuring milk quality around the world, but also animal welfare, sustainability and efficiency in the dairy industry.”



PRESIDENT AND CEO COMMENT

Innovation and sustainability – the cornerstones of our business

Innovation at DeLaval is guided by our vision ‘We make sustainable food production possible’ and we see ourselves as an enabler to make the dairy industry more sustainable, profitable and resilient. We do this by making products that do ‘more with less’ and by ensuring they promote animal welfare as healthy cows deliver more milk. We also invest significant resources in helping our customers to ensure high milk quality and food safety.

But we do not work with innovation and sustainability on our own. By working with academia and dairy federations, we can help advance dairy standards, and collaboration with our partners and customers around the world is essential to drive progress. A great example is our award-winning Milk Sustainability Center (MSC) partnership, which we founded together with John Deere, and was joined by several other partners during the year. The MSC aims to support farmers in improving their operations and reducing environmental impact.

Our key product launch during the year was the DeLaval VMS™ V300 with Flow-Responsive™ Milking, which further enhances the milking capacity of our automatic milking robot. We also introduced next-generation milk-quality monitoring with our new DeLaval BioSensors Milk Cell Analysis (MCA) solution to help farmers manage cow health even more effectively. In addition, we expanded our digital services to further optimise herd and farm performance.

Investing in our people

Our employees play an essential role in DeLaval’s success. Across the organisation, we are focusing on developing competence in sustainability, digitalisation and technology, communication and leadership, change management, personal effectiveness, and project and problem management. Ensuring all our HR processes are infused with a diversity and inclusion perspective is also key to raising awareness of the business benefits of a diverse workforce among our managers and employees.

After reaching our goal of 25% female employees and managers in 2025 across the DeLaval Group, we focused on identifying and addressing the gaps in our 2030 gender diversity goal of 30%. During the year, we also prepared for the EU Pay Transparency Act, which aims to promote gender pay equality and transparency.

Prepared for a challenging outlook

We expect global dairy production growth to gradually slow down in 2026 with lower milk prices due to over-supply before stabilising. But with a strong order book in the first half of 2026 and our attractive product offering, we are well-positioned to cope with market and geopolitical uncertainty going forward. Together with the wider dairy value chain, we will continue to shape a resilient and sustainable future for dairy farmers and ensure the world continues to meet the high global demand for milk.

Paul Löfgren



“With a strong order book in the first half of 2026 and our attractive product offering, we are well-positioned to cope with market and geopolitical uncertainty going forward.”

“Innovation at DeLaval is guided by our vision ‘We make sustainable food production possible’ and we see ourselves as an enabler to make the dairy industry more sustainable, profitable and resilient.”

GLOBAL LEADERSHIP TEAM



Paul Löfgren
President & CEO



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



Fernando Cuccioli
Executive Vice President
Cluster Americas



Yunfei Sha
Executive Vice President
Cluster Asia & Pacific



Magnus Berg
Executive Vice President
Product Management &
Development



Lars Bergmann
Executive Vice President
Digital Services



John-Erik Hermanson
Executive Vice President
Supply Chain



Christian Poggensee
Chief Financial Officer



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



Valerie Binner
Senior Vice President
Human Resources



Johan Swahn
Senior Vice President
Legal Affairs



Ensuring milk quality from cow to cup

Milk quality today means much more than taste and food safety – it's also about animal welfare, sustainability and farm efficiency. DeLaval is empowering dairy farmers to meet the highest customer, consumer and regulatory demands through its industry-leading products and services.

As customers and consumers increasingly expect the dairy industry to optimise animal welfare and reduce environmental impact, farmers are finding that cow wellbeing and sustainability go hand in hand with productivity. Healthier cows and more efficient practices don't just meet modern standards – they also ensure better quality milk.

Milk quality – the visible result of invisible systems

While cleaning and disinfection lay the groundwork, today's farms go further with innovative systems that boost efficiency, protect animal health and ensure premium milk quality. Take, for example, the various sensors used to monitor cow behaviour, reproduction and the milking process, which help promote better cow health, reduce illness and support greater longevity.



“Our sensors monitor everything from how much each cow is eating, drinking and laying down to alert the farmer to any deviations in her behaviour that may indicate she is at risk of disease,” said Dragana Lazovic, Senior Specialist, Milking Performance at DeLaval. When it comes to robotic milking, the DeLaval VMS™ can be equipped with DeLaval BioSensor Milk Cell Analysis (MCA), which measures a cow's somatic cell count during milking to provide farmers with key indicators of milk quality and udder health, helping them respond more quickly.

DeLaval Flow-Responsive™ Milking in the VMS is the latest innovation designed to promote cow health and improve milk quality. By automatically adjusting to the milk flow, it enables faster and gentler milking that improves cow welfare and increases the potential for greater farm profitability by being able to milk more cows per robot each day.

“Faster and more precise milking means a lower risk of teat damage and consequently udder health issues,” explained Lazovic. “This results in happier, more relaxed cows that can spend more time resting and socialising, which is good for cow wellbeing, production efficiency and ultimately milk quality by helping to reduce the risk of ill health. After all, a healthy cow provides more milk, of better quality, and for a longer period.”

Making life easier for farmers

Another aspect of quality relates to people and the importance of helping dairy farmers and workers to find a good work-life balance. DeLaval provides comprehensive training to its personnel and dealers, who help farmers to get the most out of DeLaval products and services.

“We are increasing our customer advisory efforts by establishing a dedicated department focused entirely on helping farmers understand how to interpret and make the best use of their data,” added Lazovic. “These services will become increasingly important in the future as farms become even more data driven, which will make life easier for farmers.”

Shaping the future of dairy quality

DeLaval's holistic approach to dairy farming with the cow firmly in the centre gives farmers everything they need to optimise milk quality.

“We will continue to shape the future of dairy quality by consistently improving our market-leading products and services,” concluded Lazovic. “Our focus on quality is not only good for dairy customers and consumers, but also the cows, farmer success and the environment.”

Enhancing quality at Hamra Farm and beyond

Milk quality is a central pillar of our recent expansion of DeLaval's commercial dairy farm and Research and Development Centre in Tumba, Sweden, where improvements made on site are intended to inform and inspire farms worldwide.



Animal welfare was a top priority from the outset of the Hamra Farm expansion. Every detail – from barn layout and milking system to bedding, swinging cow brushes and ventilation – has been designed to promote cow comfort, which in turn supports sustainable and productive farming.

The barns are equipped with DeLaval's advanced digital solutions that support cow health and reproduction, using artificial intelligence (AI) to identify cows at risk of illness and to monitor behaviour, rumination and feeding patterns – all contributing to improved milk quality and udder health.

A trailblazer to lead the way on quality throughout the dairy value chain

"The expansion of Hamra Farm enables us to create optimal conditions for our animals, make wise use of our own resources, and enhance both efficiency and productivity," said Johan

Bjurevall, Managing Director of Hamra Farm. "The new systems are already making a positive impact – our cows are adapting well, and early results are encouraging. By sharing our experience at Hamra Farm, we hope to inspire and support other farmers who come to visit."

Hamra Farm plays a vital role in DeLaval's innovation efforts and is home to our dedicated Research and Development Centre. Here, new dairy technologies are developed and tested, in many cases in collaboration with leading universities. The farm complements this work by providing a real-world setting where the solutions are used operationally and demonstrated to customers.

Ultimately, the enhanced capabilities and capacity brought by the expansion significantly strengthen DeLaval's ability to drive quality and progress across the dairy value chain.

KEY UPGRADES AT HAMRA FARM

- New VMS barn housing up to 350 cows, also serving as a visitor centre.
- Purpose-built maternity and calf barn designed for 200 calves aged 0-5 months.
- Dedicated heifer barn with space for 350 heifers aged 5-24 months.
- Refurbished original VMS barn accommodating 60 dry cows.
- Equipped with DeLaval's latest digital technologies, including AI-powered disease risk models, behaviour analysis tools and automated somatic cell counters.



Hamra Farm inauguration marks new era for innovation

DeLaval inaugurated its Hamra Farm expansion project in Tumba, Sweden, home to the company's commercial dairy farm and Research and Development Centre. The new facilities will enable Hamra Farm to nearly double the number of milking cows – from 260 to 550 – bringing the total herd to over 1,000 animals. The development includes three new barns: a maternity and calf barn, a heifer barn and a VMS barn that doubles as a visitor centre. The VMS barn features four DeLaval VMS™ V310 and one DeLaval VMS™ V300. "Hamra Farm plays a key role in demonstrating what's possible in modern dairy farming – well beyond its own gates," said Paul Löfgren, President & CEO of DeLaval.



Launch of ground-breaking new solutions

A strong focus on efficiency, sustainability and animal welfare underpinned DeLaval's new solutions in 2025. These included the latest model in the DeLaval VMS™ V300 series, featuring innovative upgrades such as DeLaval Flow-Responsive™ Milking for faster, gentler milking. The system can also be equipped with DeLaval BioSensor Milk Cell Analysis (MCA) to monitor udder health by measuring somatic cell count in the milk, along with new DeLaval Plus applications to support overall herd health and management. Read more about these solutions in the Technology section on page 21.

Milk Sustainability Center wins prestigious award

The Milk Sustainability Center, which is a partnership between DeLaval and John Deere, was announced as a winner of the AE50 Award. Presented annually by the American Society of Agricultural and Biological Engineers (ASABE), the award celebrates technological advancements that increase efficiency, enhance quality, improve safety and boost profitability. The MSC integrates data on crop and animal performance to help farmers improve their operations and reduce environmental impact, by tracking nutrient use efficiency (NUE) and carbon dioxide equivalent (CO₂e) emissions across their farm, herd and fields. In addition, new strategic partners and locations with new test customers joined the MSC in 2025.



Elevating exhibitions: cheese and the latest VMS technology

From live demonstrations to customer engagement, DeLaval continued to make its mark at agricultural exhibitions. One standout example was the Tarmstedter Ausstellung, northern Germany's largest agricultural fair. DeLaval Germany showcased the first commercially manufactured systems from the latest DeLaval VMS™ V300 lineup in both left- and right-hand configurations, each bearing the serial number 0001. Milk was collected from live milking demonstrations with Fleckvieh cows – around 2,000 litres in total – and handed over to a mobile dairy, which started the process of turning the milk into cheese onsite. The finished cheese was sent out to customers – a tasty slice of innovation indeed.





Celebrating a century of progress, partnership and pride in Finland

DeLaval Finland celebrated its 100th anniversary – a century of working hand in hand with Finnish farmers. From the early days of the centrifugal cream separator to pioneering technologies that improve animal welfare, this journey has been built on trust and continuous development. To mark the occasion, DeLaval Finland hosted a series of celebrations, including a family day at a local amusement park for customers, employees and business partners with their families (almost 3,000 guests in total!) and an evening reception featuring guest speakers from the dairy industry, including the Finnish Minister of Agriculture and Forestry. Finland's openness to innovation – from automation to unique service concepts – has made it a strong reference point for modern dairy farming. This spirit of progress will continue to shape the future.

Strengthening research ties and creating career pathways

Collaboration with leading universities continued to play an important role for DeLaval in 2025. These partnerships are essential because they help ensure that our products and solutions are rigorously validated for performance and sustainability. Notably, DeLaval Japan reached an important milestone in 2025 by launching its first internship programme for new university graduates, developed together with institutions such as Rakuno Gakuen University. The DeLaval Scientific Committee also continued to advance research and innovation through the Gustaf De Laval Fund, which supports PhD and master's students around the world.



More farms choose DeLaval VMS™ Batch Milking

VMS Batch Milking saw increased adoption in 2025.

In Cieszymowo, Poland, Fortune Sp. z o.o. opened the world's largest VMS Batch Milking farm, operating 25 DeLaval VMS™ V300 robots and managing up to 1,500 cows daily. Sweden also saw its second installation at Fridene Stommen in Hjo, where eight VMS V300 units were commissioned.

Today, more than 25 farms worldwide have adopted this approach – a figure that is set to double in 2026. VMS Batch Milking combines the fixed milking schedule of parlour or rotary systems with the automation of robotic milking. Read more about how it's reshaping dairy operations worldwide on page 23.



Japan's first live-streamed robotic milking installation

Kalm Kakuyama Co., Ltd., a leading Japanese dairy farm, partnered with DeLaval to live-stream its upgrade to the DeLaval VMS™ V300 robotic milking system. The live-streamed installation was widely praised by the industry for its transparency and forward-thinking approach, and serves as a valuable reference for other farms considering similar upgrades.

Kalm Kakuyama and DeLaval Japan have made headlines before: in 2015, the farm installed eight VMS units, becoming the first in Asia to adopt large-scale robotic milking – a bold move that set a new standard for the industry.



Shaping a more sustainable future for dairy farmers

Helping our customers become more productive is one of the most meaningful ways we contribute to a more sustainable world. Through our sustainability focus areas, we aim to secure the future of our business while shaping a more sustainable tomorrow for dairy farmers.

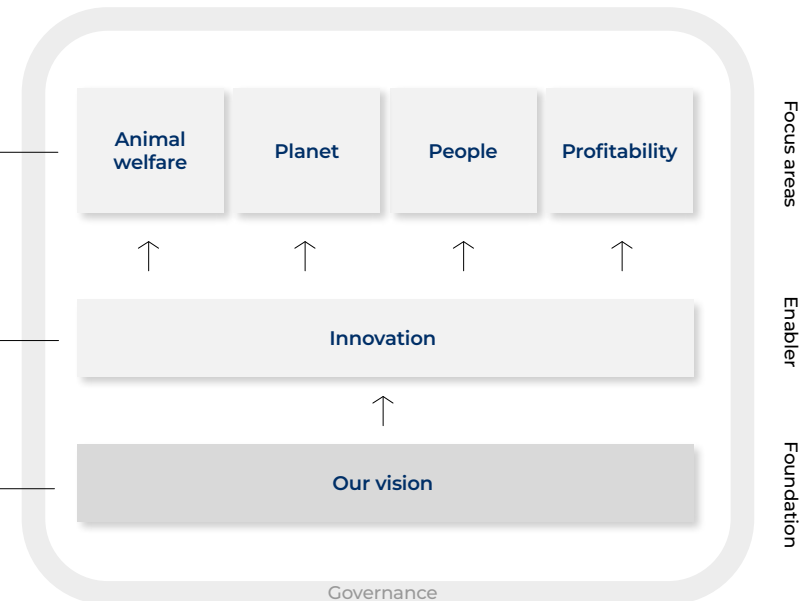
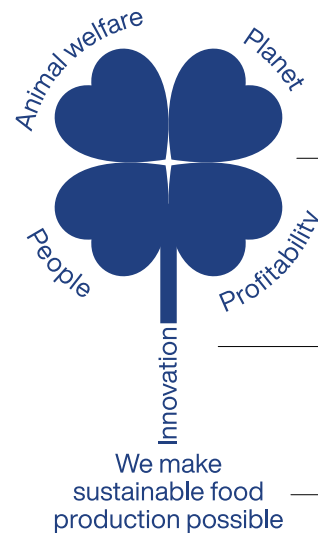
Sustainability is an integral part of everything we do – it shapes our actions, informs our decisions and reflects our responsibility to create long-term value for farmers, their animals and the communities they serve. By focusing on improved farm productivity, we help farmers improve cow health and longevity, which in turn increases milk yield per cow and reduces methane emissions per kilogram of milk.

Together with our partners and employees, we build a resilient business that delivers value for all our stakeholders while safeguarding the planet. Sustainability is a shared responsibility, and we are proud to lead progress across the dairy value chain.

Advancing a sustainable future

Last year, our focus was on translating strategy into action to deliver tangible impact. Through our solutions, services and ways of working, we are moving beyond intent to become enablers of more sustainable dairy farming. By supporting higher productivity through improved animal welfare, smarter use of data and increased automation, we make it possible for dairy farmers around the world to reduce their environmental footprint while strengthening the long-term viability of their operations. This is where our greatest impact lies, and it is how our actions contribute to a more resilient, efficient and sustainable dairy industry.


Our sustainability model is structured around the sustainability focus areas of: animal welfare, planet, people and profitability. Innovation is our key sustainability enabler, and our vision serves as the foundation for our focus areas and work with sustainability. We developed and launched new global sustainability targets for the DeLaval Group in 2025. As part of this, we have set a new pathway to net-zero emissions by 2050 and in addition, started implementing a Responsible Sourcing Programme to steer our sustainability work with our suppliers.



SUSTAINABILITY

Some of our sustainability targets

Get the full story on our sustainability work at www.delaval.com/en-gb/sustainability

Focus area	Targets	Sustainable Development Goals
<p>Animal welfare</p> <p> Employee animal welfare training</p>	<p>80% of eligible employees will take a basic animal welfare training module by the end of 2026.</p>	<p> </p>
<p>Planet</p> <p> Greenhouse gas emissions</p> <hr/> <p> Energy efficiency</p> <hr/> <p> Waste and recycling</p> <hr/> <p> Circularity</p>	<p>60% Scope 1 and 2 reduction by 60% by 2030.</p> <p>30% Scope 3 reduction by 30% by 2030. Net-zero emissions by 2050.</p> <hr/> <p>2% annual energy reduction between 2025 and 2030. 60% renewable/low-emission electricity by 2030.</p> <hr/> <p>15% waste reduction by 2030.</p> <hr/> <p>Circularity of packaging – setting reduction targets. Sustainable materials – setting reduction targets in prioritised areas. Life cycle assessment – Conducting life cycle assessments (LCA) for core products.</p>	<p> </p>
<p>People</p> <p> Diversity, equity, and inclusion (DE&I)</p> <hr/> <p> Responsible sourcing</p>	<p>30% female employees and managers by 2030.</p> <hr/> <p>100% of suppliers sign the Ethics & Sustainability Principles.</p>	

Tetra Laval International

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



Tetra Laval International Management 2025



Martyn Zedgitt
President



Tim Bishton
Group Financial Planning & Reporting and Group Chief Risk Officer



Måns Stendahl
Mergers & Acquisitions



Antoine Jomini
Finance and Group Information Security Officer



Meghna Poojary
Audit



Tuomo Rautiainen
Tax



Maurizio Proietti
Operations, Data Science and Holdings

Tetra Laval Group support functions

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



Phil Read
Group Human Resources



Martin Scott
Group Corporate Affairs

Delivering greater dairy farm profitability in Kenya

After boosting farm profitability and productivity since 2022, a new partnership is taking the Dairy Hub project in Kiambu County to the next level.



The Dairy Hub project, supported by Tetra Pak East Africa and Tetra Pak Food for Development, ensures Tetra Pak's customer – Githunguri Dairy Farmers Cooperative Society (GDFCS) – receives a reliable supply of quality milk from local smallholder farmers. The hub provides farmers with a stable market and hands-on technical training.

Between September 2022 and December 2024, the hub increased farm profitability by 26%, milk yield per cow by 17%, milk collected per farm by 92%, and the margin above feed cost by 103%, while the amount of rejected milk was reduced by 71%.

Boosting profitability and quality

Following the success of the Dairy Hub project, the partners launched a new two-year Public-Private-Development Partnership (PPDP) – Pathways to Profitable Dairy Farming – in May 2025. The initiative brings together Tetra Pak, the United Nations Industrial Development Organization (UNIDO), GDFCS and the Kenya Dairy Board, with US\$ 3.5 million in funding from the Swedish International Development Cooperation Agency (Sida).

The programme aims to make dairy farming more profitable through increased milk production, raise milk quality, promote environmentally sustainable farming practices, and expand opportunities for women and youth across the dairy value chain. A key milestone will be the creation of a Dairy Academy to serve as a centre of excellence for farm advisors and smallholder farmers. Early results are promising, with GDFCS milk deliveries growing from 90,000 to 250,000 litres per day and a projection of 350,000 litres by 2027.

“Building the capacity of customers via farm advisors and smallholder farmers through targeted training and collaboration is essential for creating a sustainable and inclusive dairy industry in Kenya,” said Jonathan Kinisu, Managing Director at Tetra Pak East Africa.

Over the next two years, the project plans to train more than 10,000 smallholder farmers in animal health, farm management, business skills and sustainable practices to strengthen long-term resilience.



FARM PROFITABILITY

+26%

MILK COLLECTION/FARM

+92%

MILK PRODUCTION YIELD PER COW

+17%

MARGIN ABOVE FEED COST

+103%



New initiative in Pakistan to tackle childhood malnutrition

Tetra Pak has supported its customer Fauji Foods to establish a Sustainable School Nutrition Programme to combat child malnutrition and improve academic achievement throughout Pakistan.

Launched in February 2025, the initiative will deliver nutrient-rich UHT milk in aseptic packaging to thousands of school children nationwide. As UHT milk does not require refrigeration and has a long shelf life, it can be easily stored and transported in areas with limited infrastructure.

Child malnutrition remains a major public health challenge in Pakistan. The 2018 National Nutrition Survey reported that 40% of children under five were stunted, 20% wasted and 11.4% underweight, with anaemia affecting over half of adolescent girls. Milk can be part of the solution, providing essential nutrients such as calcium and protein.

Nourishing young bodies and minds

Through the programme, 42,000 children at 118 schools across more than 100 towns will receive milk, with Fauji Foods providing around 160,000 litres each month. Ongoing child health assessments will track key child health metrics to measure the progress and impact of the programme. Besides improving nutrition, the Sustainable School Nutrition Programme will strengthen communities by promoting child health, learning and long-term development.

In addition, the programme includes public awareness campaigns on the benefits of UHT milk, the creation of resilient supply chains and transparent data reporting to guide broader policy efforts. Tetra Pak is contributing technical expertise and global best practices to promote success.

Securing long-term impact

“Safe and healthy milk is a wonderful way to provide nourishment to young school children, fostering better health and encouraging school attendance,” said Awasin Bin Nasim, Managing Director, Tetra Pak Pakistan. “It is also crucial that the milk remains safe from bacteria and contamination. This is made possible through both UHT treatment and aseptic packaging technology, which maintains the milk’s nutritional integrity and safety without chemicals or preservatives, even when no refrigeration is available.”



Strengthening the regional dairy value chain in Punjab, India

A new regional Dairy Hub has been established to help more smallholder dairy farmers to access the formal dairy market in Punjab while improving their productivity, profitability and milk quality.



Tetra Pak India and Tetra Pak Food for Development have partnered with the customer Verka Dairy, the Punjab State Cooperative Milk Producers' Federation, to launch the Punjab Dairy Hub.

Although Punjab has a long tradition of village-level milk cooperatives, much of the state's milk is unprocessed, which leads to inconsistent supply and seasonal shortages. Additionally, the demand for processed, high-quality milk continues to rise, which means that Verka Dairy needs additional reliable suppliers of milk.

The Dairy Hub model supports the entire value chain

Tetra Pak's Dairy Hub model connects smallholders to processors and provides comprehensive services and technical expertise, including training in farm management, animal health, hygienic milking and feeding practices. By applying best practices and technical training, the Punjab Dairy Hub aims to increase yields per cow, boost milk quality and improve incomes for smallholder farmers while ensuring Verka Dairy can source more consistent volumes throughout the year.

The Punjab Dairy Hub will begin with two milk collection centres and 25

reference farms to demonstrate how both milk quality and output can be increased, with plans to scale up to 650 farms during the 28-month project. Higher collection volumes are expected to justify investments in staff, cooling facilities and transport to support a more resilient supply chain.

Improving lives through socio-economic benefit

"We believe deeply in the Dairy Hub model, not only as a way to increase the availability of safe, nutritious milk, but also due to the social and economic benefits it can bring," explained Cassio Simoes, Managing Director, Tetra Pak India. "There are so many livelihoods that depend on the dairy industry, and so many lives that can be improved by establishing strong relationships between smallholder farms and processing plants."

"There are so many livelihoods that depend on the dairy industry, and so many lives that can be improved by establishing strong relationships between smallholder farms and processing plants."

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