



SUSTAINABILITY REPORT 2022

TMR
TAILOR-MADE RESPONSIBILITY

TMR's sustainability report 2022

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About the sustainability report

TMR's sustainability report for 2022 summarizes our work in the sustainability area during the business year of 2022.

The sustainability report encompasses the Swedish companies TMRresponsibility AB, TMRresponsibility Production AB and Omni Polymers AB.

New accounting and new accounting standards

This is TMR's first sustainability report, established voluntarily and separately based on the requirements for statutory sustainability reports according to the Annual Accounts Act (1995:1554), chapter 6. The sustainability report includes information about issues concerning environment, social conditions, personnel, respect for human rights and countering corruption. We explain our policies, risks and risk management processes.

In the next few years, legislation such as the Corporate Sustainability Reporting Directive (CSRD) will enter into force. An increasing number of companies will be subject to requirements for sustainability reporting in accordance with the European Sustainability Reporting Standards (ESRS). In particular, this applies to producer clients affiliated with TMR. Our ambition is to develop this sustainability report in line with new legal requirements and developments in the surrounding world.

The board's and the company management's responsibility for the sustainability report

The board and the company management have the responsibility to establish a sustainability report in accordance with applicable criteria, as outlined on pages 8–9 and 28 in the sustainability report, consisting of the Greenhouse Gas Protocol and the Global Goals 2030 Agenda, along with the accounting and calculation principles developed by the company itself. This responsibility also includes the internal control deemed necessary to establish a sustainability report that does not include material misstatements, whether these are due to irregularities or mistakes.

TMR's development in the sustainability area

The sustainability report includes information to increase our stakeholders' understanding of TMR's development. We wish to be transparent about how our business affect people and the environment, and how we are affected by changes in the surrounding world. We hope it will inspire and engage our clients, employees and stakeholders to a continued dialog and cooperation in the future development work.



"TMR will administer and support our producer clients' sustainability and business objectives in a clear and precise manner. Especially now, with all the news regarding the producer responsibility, we wish to show our commitment in the continuous development of our efforts in the sustainability area.

We hope for a continued dialog and cooperation to achieve our common goals within the area of circular economy and climate change",

**Sandreen Shaul, Marketing and
Communication Manager TMR**

Highlights & events in 2022

FEBRUARY

The first TMR-Returen collection system in place. Local hosting and commitment create more collection points for plastic, paper and metal packaging in the countryside.

MARCH

The Pick-Up Service Loop starts. A joint venture between TMR and Nestlé to enable a closed system for Zoégas Professional's coffee bags collected for recycling. In addition, Nestlé and Zoégas provide support with investments in a new recycling facility.

THE SUMMER

Material sorting on islands. A pilot project in cooperation with Roslagsvatten, where TMR's Pick-Up Service is offered to island residents without a fixed road connection in the Stockholm archipelago. In 2022, we collected 144 kg of metal, 2,176 kg of paper and 1,390 kg of plastic packaging near the residents' homes, which reduces the amount of packaging to end up as residual waste.

JUNE

The government decides on a new packaging ordinance. TMR equips the organization to manage substantial changes to the activities. The municipalities will take over the collection system and a system for kerbside collection of packaging will be ready in 2027.

AUGUST

TMR Productions' metal sorting facility is established in Markaryd, Sweden. The metal sorting line is a semi-mobile facility for sorting household metal packaging into iron, non-magnetic metals and other waste.

OCTOBER

The Omni Polymers plastic recycling facility is inaugurated in Ängelholm, Sweden. 130 people from 7 countries participated. Thanks to an innovative process, the facility can convert thousands of tons of household plastic packaging into high-quality granule and new plastic products on a yearly basis.

NOVEMBER

The EU commission presents a proposal for a new packaging ordinance. Among other things, the ordinance includes targets for recyclable packaging and a minimum share of recycled raw material in plastic packaging, starting from 2030. The proposal also includes news with regard to e.g. marking, bans against certain types of packaging and reusability.

A circular vision takes shape

Sweden's packaging system is going through a change. Since TMR was founded 18 years ago, few years have been as eventful as 2022. At the intersection between new legislation, innovations and the industry's increased sustainability ambitions, an increasingly clear circular vision for the future is taking shape.

Times of change provide opportunity for reflection – on what we have done and the work that awaits. We are proud to present TMR's first sustainability report. It lets us share with you our development and progress during the year, the obstacles we face and what we can expect from the future.

This summer, the government decided on a new ordinance regarding producer responsibility for packaging. This will result in new roles for municipalities and producers when the recycling stations that have existed since the 1990s will be phased out and replaced with near-household collection. Doing the right thing will be made easier. Collection and recycling will increase and the circular economy will develop.

As producer responsibility is being modified, our clients become more ambitious. An increasing number of clients wish to take on a leading role in the environment work and sustainability is becoming one of the main means of competition of our time. And that is exactly how we want to strengthen our business. With this insight, we confirmed our direction anew in 2022: TMR will maintain the high sustainability ambitions of the producers that hire us. Clients whose unique prerequisites and requirements challenge and inspire us every day.

The global 2030 goals, and Sweden's and the EU's ambitious goals provide our industry with a clear direction and a significant role in connection with Sweden's circular transition. Our work is based on the conviction that the way ahead is paved with transparency, collaboration and development of new, innovative technology. The goal is clear, all collected packaging will, as far as possible, be material recycled and turned into new packaging.

During 2022, we continued our journey towards the realization of our vision – to contribute to a circular economy. We initiated a survey of our climate emissions which eventually resulted in the most comprehensive account of our material flows so far. The plastic recycling facility Omni Polymers in Ängelholm was inaugurated in the autumn. It was made possible through a sponsor agreement with Nestlé and with support from Naturvårdsverket's (Swedish Environmental Protection Agency) Climate Leap. The work is a good example of successful collaboration between the private and the public in support of the green transition.



"We wish to thank our coworkers, clients and partners for their commitment during the year. We are convinced that we, together, can drive development towards a more sustainable future for all",

**Peter Mellgren & Carl Lundqvist,
TMR's founders**

About TMR

- **15,000 tons of plastic granule per year** – expected maximum production capacity at the new plastic recycling facility Omni Polymers.
- **10-15 percent** –TMR's approximate share of collected household packaging on the Swedish market.
- **31 people** – average number of employees in the company group during 2022.

TMRresponsibility AB (TMR) is a producer responsibility organization that works daily to simplify and improve collection and recycling of packaging of all material types in the Nordics.

TMR takes care of everything related to producer responsibility, with tailored terms and smart innovations. Since 2005, we have been the obvious partner for our clients and assisted them with their producer responsibility, including administration, reporting and development of more easily recycled packaging. The producer responsibility organization TMR, TMR Production and Omni Polymers are companies within the same company group.

TMR's owners and founders: Peter Mellgren and Carl Lundqvist

TMR AB

The TMR AB producer responsibility organization owns the producer client agreements. TMR AB's assignment is to collect packaging from households, through procurement and own resources, ensuring that all collected packaging material is transported, sorted, processed and recycled with full traceability. Waste that has undergone all process steps and cannot be recycled goes to energy recovery.

TMR Production AB

Logistics hub that runs a baling facility in Helsingborg, Sweden, and a metal sorting facility opened in Markaryd during 2022. Based in Helsingborg.

Omni Polymers AB

Plastic recycling facility in Ängelholm, Sweden, opened in autumn 2022. Owned 51 percent by TMR.

TMR's management team, consisting of five representatives from different functions in the organization, meet regularly and decide about the strategic business development within e.g.:

- Sales
- Collection
- Recycling/Material sales
- Economy
- Market/Communication
- Compliance
- Procurement

Our nationwide system for kerbside collection of packaging (FNI), collection points and recycling let us contribute to your customers and all households in the country being able to always leave their packaging for recycling in a location close to where they live. In addition, TMR manages all administration linked to your producer responsibility, such as reporting to concerned authorities and consultation with municipalities.

We work together with our clients for a transition to more easily recycled packaging, prevention of the occurrence of packaging waste and littering through smart packaging design. We run facilities for baling, sorting and recycling to enable packaging to be recycled and turned into new packaging to the greatest extent. We work with newly established systems for reuse and new projects to facilitate reuse of e.g. plastic packaging such as cups and food containers.

The foundation of TMR's business is the statutory producer responsibility for packaging, which has been developed in several steps since it was introduced in 1994. During 2022, we conducted our business according to the 2006 ordinance and the 2018 ordinance for producer responsibility for packaging, simultaneously applicable for different parts of the producer responsibility.

Vision

TMR contributes to a circular economy by being the obvious partner in the Nordics for all companies with producer responsibility.

Core values

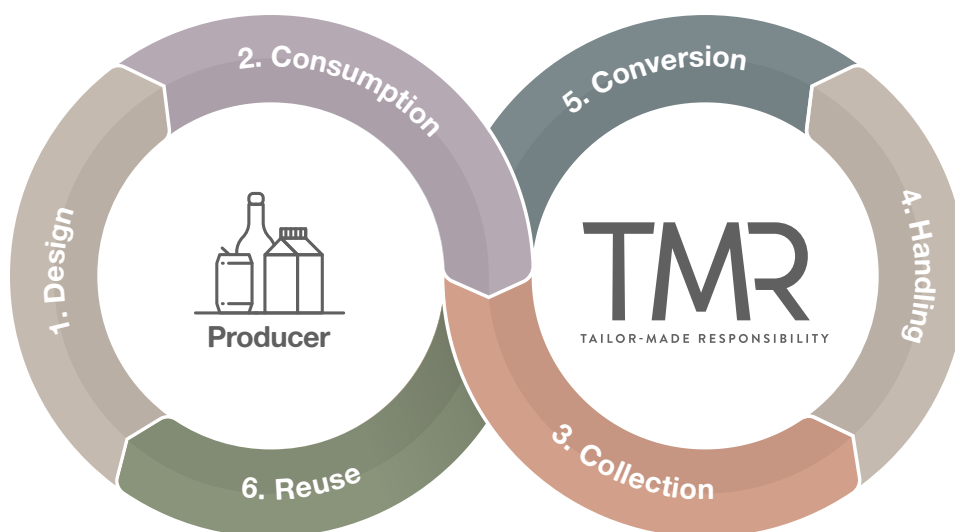
Personal

Competent

Sustainable

Inspiring

TMR in the packaging value chain



1. Design:

Companies distribute packaged goods on the Swedish market. TMR assists the client with advice on design for recycling and packaging strategies.

2. Consumption:

The consumer uses the goods and leaves the packaging for recycling. TMR shall inspire and motivate everybody to leave as much packaging as possible for recycling.

3. Collection:

TMR is responsible for collecting packaging made of paper, metal and plastic left for recycling. TMR's nationwide and easily accessible collection system consists of several different collection methods where the local conditions govern the choice of method.

4. Handling:

TMR sorts and handles all collected packaging according to the waste hierarchy.

5. Conversion:

Using existing technology and new smart processes, we ensure that as much waste as possible can be turned into new raw material.

6. Packaging to packaging:

We work to recycle as much packaging waste as possible into raw material for new packaging – which in turn can be recycled in our system for packaging collection and recycling.

TMR's prioritized sustainability areas

This section presents areas of strategic importance for business development and relevant for long-term sustainability work.

TMR's work to prevent and manage packaging waste is performed in interaction with a range of operators in the value chain. Our activities both contribute to and is affected by development in the surrounding world, where new legislation and technical development play a decisive role.

Our materiality analysis considers ecological, social and financial aspects that affect us and our stakeholders. It forms the structure for our account of the 2022 sustainability year and our prioritized development areas.

Stakeholders

As part of ensuring that our sustainability work is relevant and focused on the most essential issues, we carried out a structured mapping of our stakeholders in 2022. We have identified those who have the greatest impact on our business, as well as those who are most affected by our work. This includes:

- Companies with producer responsibility for packaging
- Households and businesses that consume packaging
- Coworkers, management team and owners
- Municipalities and waste management companies
- Suppliers and procurers of recycled raw material
- Authorities
- Legislators
- Researchers and the academy

Stakeholder dialog structure

TMR has actively conducted business intelligence and a continuous stakeholder dialog for a long time, in order to develop and ensure the right focus for the business. By working close to our stakeholders and actively engaging them in our processes, the sustainability work becomes more relevant, efficient and in line with needs and expectations.

During 2023, a number of structured stakeholder dialogs were conducted as part of the materiality analysis. The purpose was to gather insight and knowledge about the stakeholders' sustainability work and TMR's role in supporting their goals. The result of the dialog, in combination with TMR's own analysis of opportunities to influence, is an important part of how we prioritize our efforts and how we report the previous year's sustainability work.

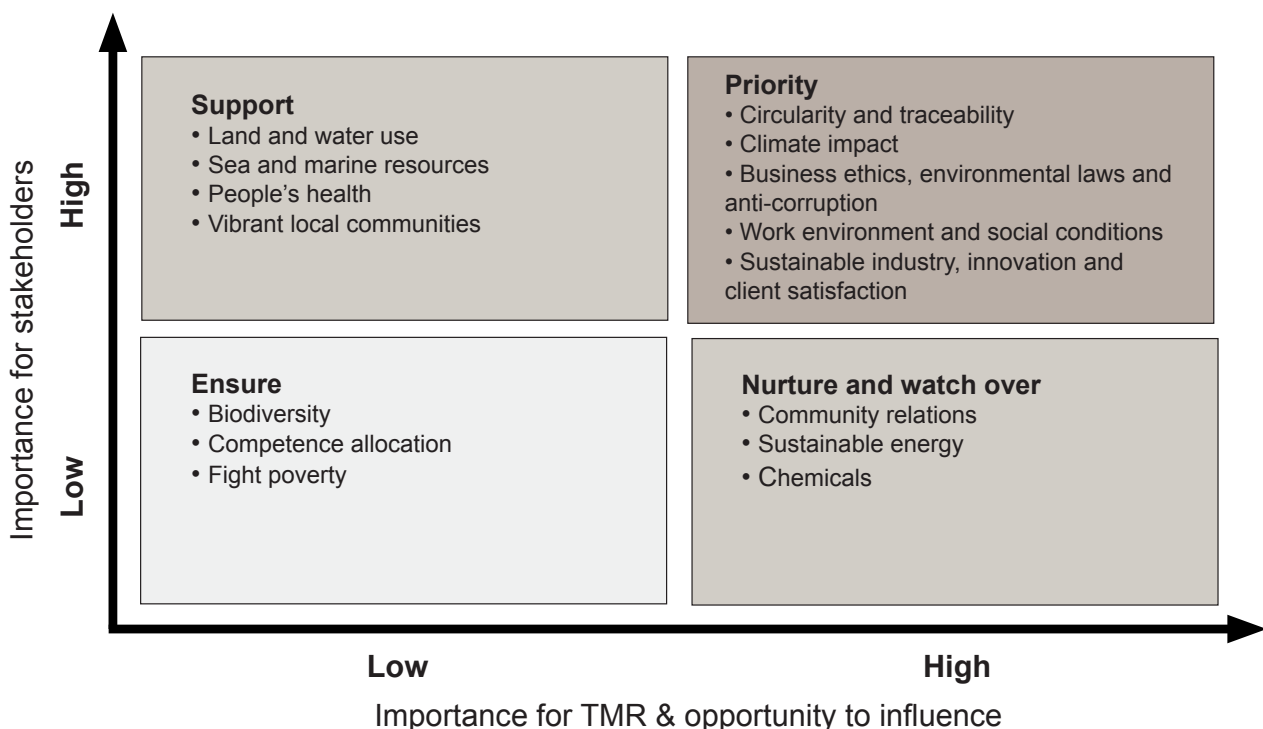
Five priority focus areas

The materiality analysis has resulted in five priority focus areas for TMR's sustainability work, which are also linked to the global goals for sustainable development. The five focus areas constitute the structure of TMR's goals, strategies and accounting of the development in the sustainability area.

TMR's five priority focus areas

Link to global goal

<p>1. Circularity and traceability TMR shall promote the transition to a circular economy and work for full traceability in the value chain.</p>	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 
<p>2. Climate impact TMR shall minimize climate impact from its own activities and create climate benefit for clients by replacing virgin material.</p>	<p>13 CLIMATE ACTION</p> 
<p>3. Business ethics, environmental laws and anti-corruption TMR shall ensure that the highest standards for business ethics, anti-corruption and good business practice are being followed. The work shall be characterized by transparency.</p>	<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> 
<p>4. Work environment and social conditions TMR shall create a sound and safe work environment and maintain a culture characterized by inclusion and respect in the workplace.</p>	<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 
<p>5. Sustainable industry, innovation and client satisfaction TMR shall continuously develop by investing in innovation and technology that support better recycling.</p>	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 



Risks and governance

Collecting and managing packaging waste are activities that entail different risks. The company group's governance shall ensure that we fulfil our commitments towards our stakeholders and support our long-term strategy in accordance with applicable legislation.

New legislation, changed market conditions, operational, environmental and social risks are all factors that affect our business. We monitor and analyze these on an ongoing basis and take appropriate measures.

Our risk management process

TMR has established a risk management process where the management team, consisting of five representatives from the organization, sets an overall strategic direction and goals. The management team monitors and evaluates the strategy regularly. We carry out annual risk analyses and adapt our strategy based on the results.

In addition, TMR employs an internal workgroup for procurement, regulatory compliance and internal audits, e.g. for follow-up of supplier agreements, traceability and audits of processing facilities.

Follow-up

To ensure that we reach our goals and strategies, we monitor and report our progress regularly, both internally and externally. We work step by step by letting third parties review our performance and progress.

We are committed to continuously improving and adapting our strategies and goals, as well as being transparent in our communication and engaging in dialog with our stakeholders, including clients, suppliers, authorities and the public. We carry out sample analyses and have the right to have third parties audit our suppliers and their sub-suppliers.

Code of conduct and management system

A Code of conduct has been established to ensure that procured products and services are produced under sustainable and responsible conditions. The newly opened plastic recycling facility Omni Polymers has established integrated management systems during its first months and aims to be certified according to EUCertPlast and the ISO standards 9001 (quality), 14 001 (environment) and 45 001 (occupational health and safety) during 2023.

TMR's strategies for sustainability, risk management and governance ensure that we identify and manage risks effectively, both for our clients and our organization.

Important governing documents


Code of conduct – includes precise requirements for suppliers, with regard to the environment, anti-corruption and human rights, including evaluation and follow-up. Applies for all companies in the group.



Personnel handbook – includes guidelines to address important staff-related concerns and promote satisfying social conditions, including an equality policy. Applies for TMR and TMR Production. Work environment policies will be established for TMR and TMR Production during 2023. A work environment policy for Omni Polymers was established during 2022 and will be further developed during 2023.

Environmental policy – includes guidelines to minimize the environmental impact of the activities, including requirements on suppliers, governance, training and climate reporting. Applies for Omni Polymers.

Quality policy – includes principles and procedures for production of high-quality plastic granule and continuous product and service improvement. Includes commitments to promote a culture of quality assurance in all processes, in accordance with ISO 9001. Applies for Omni Polymers.

Procedures for risk observations, incident & accident reporting – Provides instructions for active work with risk observations, incidents and accidents, including measures to minimize risks of illness and accidents in connection with operations. Applies for Omni Polymers..

TMR's priority sustainability areas	Risk	TMR's action
<p data-bbox="272 1249 480 1328">Circularity and traceability</p> 	<p data-bbox="608 1249 831 1328">Low collection and recycling rate.</p>	<p data-bbox="922 1249 1394 1368">Support producers with packaging design, including an increased share of reusable packaging.</p> <p data-bbox="922 1420 1401 1498">Support municipalities in the takeover of the collection system.</p> <p data-bbox="922 1550 1378 1628">Develop and invest in new sorting and recycling technologies.</p> <p data-bbox="922 1680 1329 1713">Use differentiated packaging fees.</p> <p data-bbox="922 1765 1294 1798">Ensure high recycling capacity.</p>
	<p data-bbox="608 1827 855 1906">Littering in cities and nature.</p>	<p data-bbox="922 1827 1331 1906">Support producers with packaging design.</p> <p data-bbox="922 1957 1366 2076">Cooperation with non-profit organizations and municipalities to influence consumer behavior.</p>

	<p>Deficient traceability.</p>	<p>Continuous monitoring of all steps in the refinement process of our material flows.</p> <p>Make traceability visible for our clients and other stakeholders.</p> <p>Third-party review of all stages in our handling process.</p>
	<p>Low supply and/or demand for high-quality recycled raw material.</p>	<p>Develop new, innovative sorting and recycling techniques for increased access to high-quality raw material for new packaging, with the goal to become food secure.</p> <p>Provide guidance in sustainable packaging design, with consideration to e.g. food security.</p> <p>Production according to ISO 9001 and quality policy.</p>
	<p>Noise, chemicals, emissions in air, land and water.</p>	<p>Permits and applications according to national and local environmental legislation.</p>
<p>Emission of greenhouse gas</p> 	<p>Emissions from the use of fossil fuels in work machines and facilities.</p>	<p>Exchange diesel for HVO in work machines.</p>
	<p>Incomplete picture of the largest sources of emission.</p>	<p>Map emission in Scope 1–3 with external expert assistance.</p>
	<p>Emission in connection with own transports and supplier transports.</p>	<p>Switch to electric or biofuel-driven vehicles. Dialog with suppliers about fuel used in their vehicles. Work to increase resource efficiency in the entire value chain.</p>
<p>Business ethics, environmental laws and anti-corruption</p> 	<p>New legislation.</p>	<p>Monitor, evaluate and predict new legislation.</p> <p>Active dialog with decision makers to contribute with competence and solutions.</p>

	Corruption and ethical violations.	Regular follow-up of compliance with code of conduct. Regular risk evaluations.
	Waste dumping and environmental crime with TMR's volumes.	Approval process for new suppliers. Systematic and regular follow-up of compliance with code of conduct. Regular risk evaluations.
<p>Work environment and social conditions</p> 	Unfair wage setting or other discrimination based on sex, age, ethnicity, sexual orientation or religion.	Personnel handbook with equality policy. Systematic evaluation and addressing of unjustified differences. Fair, meritocratic, open and impartial recruitment.
	High competition for qualified and motivated employees.	Continuous work to make TMR an attractive employer.
	Ill health or accidents in the workplace.	Systematic occupational environment work where health and safety are prioritized. Work with ISO 45001 certification. Establishment of work environment policies. Active work with risk observations in accordance with established procedures, including first aid and crisis support. Flexible working hours and wellness allowance.

**Sustainable industry,
innovation and
client satisfaction**



GDP development and economy affect investments.

Manage effects of economic fluctuations, increase efficiency, reduce costs. Innovation work for greater client satisfaction.

Injuries in production facilities.

Continuous investments in preventive measures, including maintenance and training.

Procedures for risk observations, incidents and accident reporting.

Dependency on large clients.

Work for a dispersed customer structure within different areas. Maintain high client satisfaction with strong and long-term relations.

Loss of suppliers, e.g. due to bankruptcy.

Systematic and regular evaluation and follow-up of signed agreements.

Strategy and goals

As a leading producer responsibility organization, we are committed to supporting our clients in fulfilling their producer responsibility, while continuously improving our operations. In this section, we describe strategies and goals for our sustainability work.

Our operations shall contribute to sustainable development and create circularity. With this focus, we not only create positive environmental effects, we also strengthen our clients whose own sustainability goals depend on us providing the right support and high-quality services at competitive prices.

TMR shall integrate sustainability in all aspects of the business, from internal processes to customer relations and partners. We work with the understanding that resources are finite and that our impact on the environment and climate is local, regional and global. We strive to be an inclusive and safe workplace where all employees have the opportunity to grow.

Packaging to packaging

TMR works for packaging waste to be recycled to raw material for new packaging to the greatest possible extent – a closed cycle in a strategy we call "Packaging to packaging". A basic prerequisite is to sort correctly and ensure that the sorted raw material is of the highest possible quality.

The role as a producer responsibility organization

As a producer responsibility organization, one important aspect is to look at the whole value chain for packaging. We evaluate the conditions for the product, the market and the recycling system and help our clients find the best solution for them.

We understand and listen to our clients and work to tailor innovative solutions. As a safe and reliable partner, we not only have knowledge of producer responsibility, consumer behavior and recycling, but also the producers' business and daily operations.

Investing in, developing and making our sustainability work visible ensures that we are well equipped to meet the common challenges and opportunities that lie ahead when producer responsibility changes and expands.

We promote continuous improvement

TMR strives to be a leader in our field and contribute to creating a more sustainable and circular economy. We promote innovation, streamlining and continuous improvement to achieve sustainability goals, in accordance with applicable laws and regulations. We are attracted by challenges and use our knowledge to inspire and create commitment to the issue of circularity.

We work in the short term to adapt circular solutions to the reality of today and in the long term to support the transition of the industry. In 2023, TMR intends to specify additional targets for sustainability work under the new packaging ordinance.

TMR contributes to national goals for packaging

Material recycling

The EU's packaging directive states that all EU countries must collect and material recycle packaging. For certain materials, Sweden has set higher national targets than the EU requires.

TMR shall effectively contribute to the national material recycling goals set forth in regulation (2022:1274) regarding producer responsibility for packaging.

National material recycling goal	Sweden's results for 2021
All packaging waste: A minimum of 65 percent per year up to 2029, then 70 percent	62 percent
Paper, paperboard, cardboard and corrugated cardboard: A minimum of 85 percent per year	85 percent*
Plastic from plastic bottles in deposit systems (PET bottles): A minimum of 90 percent per year	82 percent
Other plastic (including deposit PET bottles): A minimum of 50 percent per year up to 2029, then 55 percent	33 percent**
Glass: A minimum of 90 percent per year	83 percent
Iron: A minimum of 70 percent per year up to 2029, then 80 percent	81 percent*
Aluminium from metal cans in deposit system: A minimum of 90 percent per year	90 percent*
Other aluminium (including deposit cans): A minimum of 50 percent per year up to 2029, then a minimum of 60 percent	85 percent*

* The goal was achieved in 2021

** Today, businesses' packaging waste is primarily collected via market driven systems, the recycling of which is not fully reflected in national statistics. When the new packaging ordinance is in effect, this type of packaging will be included and most likely increase the national material recycling rate.

Reduced littering

The EU's single-use plastic directive aims to reduce littering and the amount of waste. Outdoor littering of single-use plastic packaging shall decrease with 50 percent in 2030 compared to 2023. Producers of such packaging, and thereby TMR as a producer responsibility organization, shall effectively contribute to reaching the goal.

Use of recycled plastic in plastic packaging

Packaging consisting of more than 50 percent plastic shall by 2030 consist of an average of 30 percent recycled plastic. Producers of such packaging, and thereby TMR as a producer responsibility organization, shall effectively contribute to reaching the goal.

TMR promotes the national goals through:

- Collaboration, consultation and training
- Differentiated packaging fees
- Innovation
- Awareness-raising measures and social dialog

Naturvårdsverket's four areas for sustainable use of plastic

TMR works based on the national plastic coordination's four sub-areas for sustainable plastic use:

- Smart use of resources
- Raw material with minimal environmental impact
- Significantly increased material recycling
- No leakage – plastic shall not end up in nature

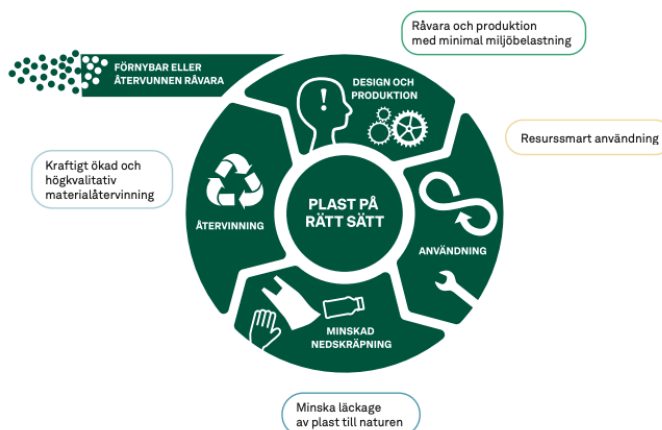
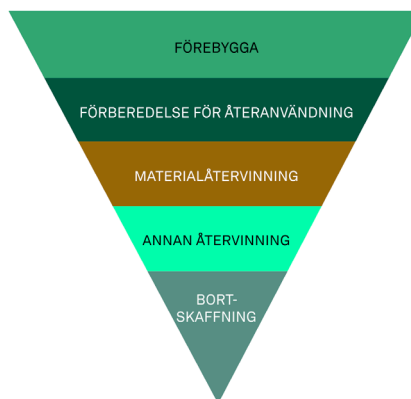


Bild: [Naturvårdsverket \(2021\)](#)

The EU's waste hierarchy

TMR works in accordance with the common priority order for efforts within the waste area for the entire EU.

- Prevent
- Preparation for reuse
- Material recycling
- Other recycling
- Disposal



TMR's goals and strategy per prioritized sustainability area

TMR works based on specific objectives and strategies for the five sustainability areas that have been identified in our materiality analysis.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Circularity and traceability

Strategy:

TMR pushes the transition to a circular economy by promoting reuse, design for recycling, prevention of littering, waste reduction, collecting, sorting and material recycling with high quality and promoting traceability in the whole value chain.

Goals:

- Contribute to the national goals for material recycling, reduced littering and increased content of recycled plastic.
- All packaging waste collected separately must undergo a complete processing procedure according to the waste hierarchy.
- Collected packaging shall, as far as possible, become new packaging.
- Sorted material shall, to the greatest possible extent, be refined to ready-to-use raw material in Sweden.
- Maintain full traceability for packaging in our operations.

13 CLIMATE ACTION



Climate impact

Strategy:

We shall minimize our climate impact by optimizing logistics and transport, increasing the use of renewable fuels and energy sources, minimizing the climate impact from packaging materials and work for increased resource efficiency in the entire value chain. We shall create climate benefit for our clients by recycling what was previously burned and replacing virgin raw material in new products.

Goals:

- Work towards zero net emissions of greenhouse gas in 2045.
- A complete picture of TMR's climate impact (scope 1–3).
- Increased resource efficiency in the form of reduced greenhouse gas emissions per ton of handled waste.
- Increase the share of renewable energy and phase out fossil fuels in work machines, company vehicles, facilities and transport.
- Reduce CO2 emission of Omni Polymers' clients with a minimum of 50% compared to the use of virgin polymers.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



Business ethics, environmental laws and anti-corruption

Strategy:

TMR shall ensure that the highest standards for business ethics, anti-corruption and good business practice are being followed. Environmental laws are followed through continuous training of our employees, internal checks and follow-ups with suppliers and partners. The work shall be characterized by transparency and withstand scrutiny.

Goals:

- No incidents with regard to corruption, non-compliance with environmental laws and regulations, or ethical violations within our business or that of our suppliers.
- Maintain a positive dialog with suppliers and ensure full compliance with TMR's code of conduct and agreement.

8 DECENT WORK AND ECONOMIC GROWTH



Work environment and social conditions

Strategy:

We shall create a sound and safe work environment and promote positive social conditions by offering competitive employment terms, continuous competence development and by maintaining a culture of inclusion and respect in the workplace.

Goals:

- No documented cases of discrimination.
- Low sickness absence and staff turnover.
- Even gender distribution among the staff and in the management team.
- Zero vision on workplace accidents. Follow-up of all incidents.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Sustainable industry, innovation and client satisfaction

Strategy:

We shall constantly improve by investing in innovation and technology that supports improved processing and recycling of packaging. We shall work closely with our clients to understand their needs and offer solutions and services that contribute to their sustainability and business goals.

Goals:

- Develop new technology and innovations that support sustainable packaging solutions and recycling processes.
- Establish new strategic partnerships to support our own and our clients' sustainability and business goals.
- Become certified according to the ISO standards 9001 (quality), 14 001 (environment) and 45 001 (occupational health and safety).

Omni Polymers: The next step in circular plastic recycling

Our sorted plastic shall to the greatest possible extent be refined and turned into ready-to-use raw material in Sweden. We were proud to inaugurate a unique facility for recycling of household plastic packaging in autumn 2022: Omni Polymers in Ängelholm, Sweden.

This is the first facility in the Nordics that can recycle flexible plastic packaging from households, a common but particularly complicated fraction that was previously mainly burned. Using innovative technology, thousands of tons of plastic can replace virgin raw material in new products every year.

Omni Polymers is currently authorized to receive 10,000 tons of material on an annual basis. In 2023, the permit will be extended to 30,000 tons. The goal is a recycling rate of 80 percent of incoming plastic and to reduce the clients' climate impact with 50 percent. Thanks to the strategic location in Ängelholm and the role in the collection system, there is a guaranteed supply of input material.

Events at Omni Polymers 2022:

- February to September: Installation period.
- September: First-time production of granule.
- September to December: Test run.
- October: 130 people from 7 countries participated in the inauguration.
- December: Final section of the production line was installed.

Omni Polymers increases recycling and reduces emissions:

- **15,000 tons of plastic granule:** Annual production capacity at Omni Polymers.
- **80 percent:** The recycling rate target at Omni Polymers.
- **21,000 tons of carbon dioxide:** Expected yearly reduction of emissions from recycling.

Josef Tapper, CEO Omni Polymers: "We shared a vision"



Why did you start Omni Polymers?

To increase Sweden's recycling rate of household plastic packaging, especially the mixed flexible fraction. A few of years ago, it was considered that this type of plastic was not recyclable, so it was passed on to incineration. But in our investigations we realized that there was potential for recycling and a great demand for the recycled raw material.

We had a common vision, and thanks to the support from the Climate Leap and Nestlé it is now becoming a reality.

Why do you focus on flexible plastic packaging?

Approximately 40 percent of household plastic packaging consists of flexible plastic. That is about 100,000 tons, which almost exclusively go directly to incineration today. Obviously, this causes large carbon dioxide emissions.

However, our recycling line is being developed to be able to recycle more than mixed film. Our goal is to offer recycled plastic raw material such as PP, rigid PP and HDPE to the market for new, recyclable consumer packaging during 2023-2024.

What is circular recycling to you?

Step one is for us to receive 100 percent recyclable material. When our recycled raw material replaces virgin plastic in a product that most likely will be recycled again, it can be considered circular. This however does not make it comparable to completely closed cycles, where the same product is circulated over and over again.

It is important to keep two thoughts in your head at the same time. At the same time as you are working towards a long-term vision, you have to focus on what you can do here and now. At the moment, Sweden's recycling of household plastic packaging is very low. Plastic incineration causes high emissions and costs the taxpayers money in the form of higher EU fees. We will remedy that.



Circularity and traceability

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



TMR's goals:

- Contribute to the national goals for material recycling of packaging, reduced littering and an increased share of recycled plastic.
 - All packaging waste collected separately shall undergo a complete treatment procedure according to the waste hierarchy.
-
- Packaging shall, to the largest possible extent, be converted into new packaging.
 - Sorted material shall, to the largest possible extent, be refined and turned into ready-to-use raw material in Sweden.
 - Maintain full traceability for packaging in our operations.

TMR's collection rate 2022, household packaging (2021 in parentheses)*

- Paper 128 % (116%)
- Plastic 67 % (67 %)
- Metal 57 % (62 %)

TMR's recycling rate 2022, household packaging (2021 in parentheses)**

- Paper 97 % (99 %)
- Plastic 22 % (22%)
- Metal 52 % (61%)

* Collection rate is calculated according to practice, the volume brought to the market by TMR's clients compared to the collected volume before sorting.

** Material recycling rate is calculated in accordance with NFS 2020:8. In practice, this means the volume brought to the market by TMR's clients compared to the volume at the End-of-Waste point.

TMR contributes to the transition to a circular economy by promoting reuse, design for recycling, collection, sorting and high-quality material recycling and working for full traceability.

National collection system

TMR provides an approved national collection system. In 2022, the system consisted of several different collection methods:

- Pick Up Service, kerbside collection (FNI)
- TMR-Returen (neighborhood collection)
- Kerbside collection through municipality agreements
- Kerbside collection through agreements with private collection entrepreneurs

The absolute majority of the material collected by TMR during 2022 consisted of paper, plastic and metal packaging from households. TMR's Pick-Up Service enables private citizens in the whole of Sweden to have paper, plastic and metal packaging collected at their doorsteps. TMR's sorting guide helps the households to sort their waste correctly.

In 2022, we also continued to collect packaging waste from businesses, the majority of which was corrugated cardboard. The local conditions govern the choice of collection method.

With the decision on a new packaging ordinance made by the government in 2022, the municipalities will take over our operative responsibility for household collection from 2024. From this date, TMR will continue to sort and process all packaging collected throughout the country. Existing technology and new smart processes ensure that as much packaging as possible can be turned into new raw material in new products

Traceability

TMR's system for traceability spans the whole chain, from collection to processed raw material sent straight to the manufacturing process for new products or packaging. This means that we have the opportunity to follow up every single step in the process. We are looking for certified material recyclers at all stages. TMR is a member of RecyClass, an industry initiative to promote traceability of plastic waste and recycled plastic waste in Europe.

We enjoy full traceability of all our material flows. In 2022, we started a project to make all this visible to our clients and stakeholders. All collected packaging is sorted in Sweden. In addition, TMR refines household plastic packaging into ready-to-use plastic raw material in Sweden, currently without competition from any other operator.

We have decided that all recipients of sorted plastic material must be certified plastic recyclers according to EU-CertPlus, the only recognized certification for plastic recyclers. The system focuses on traceability through the entire recycling process and the quality of the end product's recycled content. Newly opened Omni Polymers aims to become certified according to EU-CertPlus during 2023.

"Traceability is a condition for a sustainable value chain, and thus it's an ongoing and prioritized effort for us. We already have full knowledge of where and how our collected volumes are handled. Every step in the chain is followed up and reported internally.

In 2023, we will procure a third-party review of all stages of our handling process. It will be an important next step in the development work",

Johanna Haapanen, Procurement Manager TMR

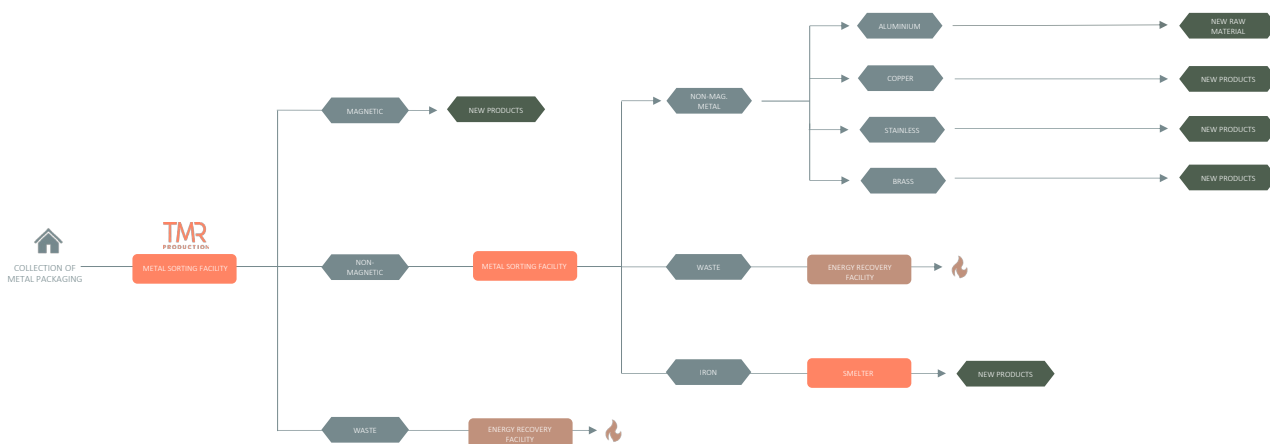


Metal packaging

In August 2022, TMR Production opened a metal sorting line in Markaryd, Sweden. Collected metal packaging began to be transported to the facility during the autumn and winter of 2022, activities that will continue in the future. The metal sorting line is semi-mobile and sorts iron, non-magnetic metal and other household packaging waste.

The recycling rate of 52 percent is somewhat lower compared to the previous year. This is mainly due to a collected stock of metal at the end of 2022 and the run-in of the new metal sorting line.

Flow chart for metal packaging:



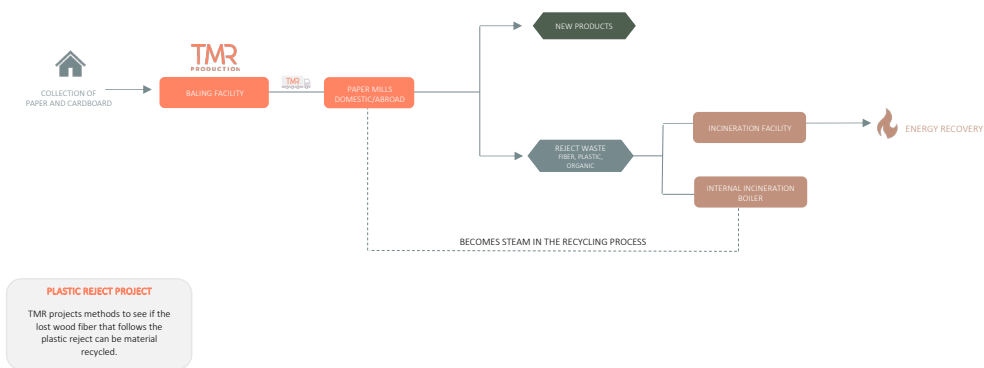
Paper packaging

TMR Production in Helsingborg packs collected paper packaging in bales and deliver them to paper mills. A mix of e.g. liquid cartons and corrugated cardboard ends up directly in the pulp of the paper mills, where paper fiber is separated from plastic and other material.

Plastic reject resulting from processing of household paper packaging goes to energy recovery, e.g. at Fiskeby Board. However, TMR will shortly start large-scale testing with the purpose to recycle these plastics at Omni Polymers instead.

In 2022, TMR had a material recycling rate of 97 percent for household paper packaging, well above the national material recycling target (85 percent). A slightly lower rate compared to 2021 (99 percent) is a consequence of a large stock of baled paper at the end of 2022.

Flow chart for paper and cardboard packaging:



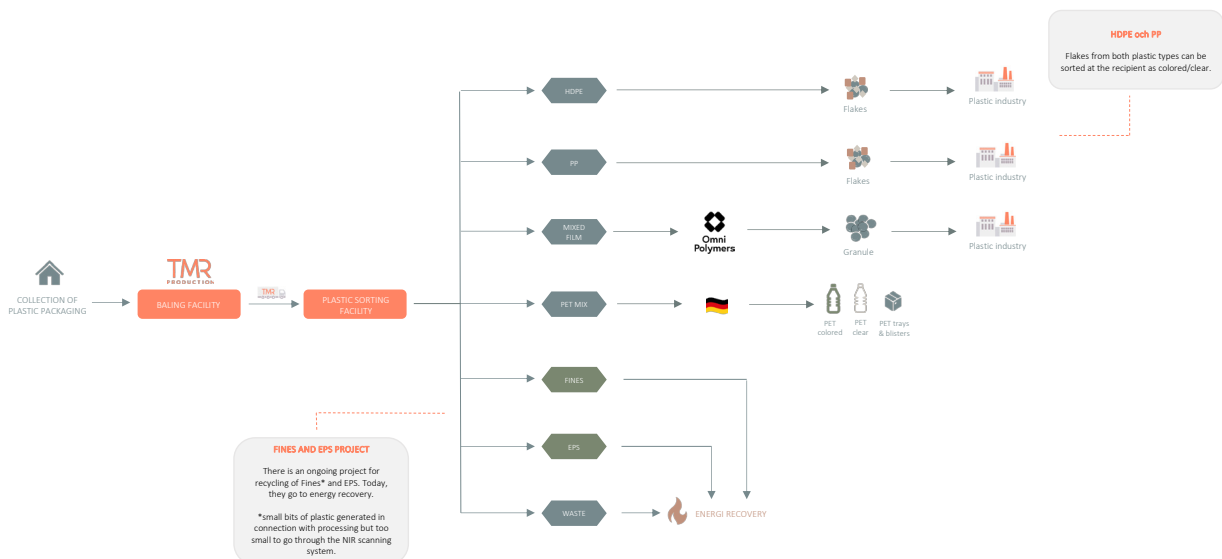
Plastic packaging

After collection and baling, plastic packaging is delivered directly to Stena Recycling’s sorting facility in Lanna. Efficient sorting is a basic requirement to be able to recycle the waste to raw material with the highest possible quality. Modern technology separates the different types of plastics left by the households to TMR for recycling. Fractions that cannot be recycled for various reasons go to energy recovery.

In 2022, the following types of plastic were sorted: HDPE, PP, clear PET bottles, colored PET bottles, PET trays mono, PET trays mix, mixed film, Fines, and to some extent EPS/styrofoam. We also investigate solutions for rigid PS. Large investments at Stena Recycling’s sorting facility in Lanna are expected to lead to higher efficiency and that 3–4 additional plastics can be sorted.

The material recycling rate in 2022 (22 percent) was unchanged compared to 2021. The recycling rate is expected to increase in the future, especially since our new plastic recycling facility Omni Polymer’s last production line sections were installed in December 2022. The facility is expected to be fully operational from 2023, with an extended permit to receive 30,000 tons of material.

Flow chart for plastic packaging:



Glass, wood and other packaging

In 2023, we intend to complete negotiations with reception and sorting facilities for glass packaging. As with other types of material, an important focus will be to turn as much glass packaging waste as possible into material for new packaging. With the new packaging ordinance, even more material types will be collected in separate streams, e.g. wood, porcelain, ceramics and cork. TMR manages these material types as well in accordance with EU's common waste hierarchy.

Reuse and reduced amount of packaging waste

To manage waste in accordance with the waste hierarchy means that recycling must be combined with other efforts. First and foremost to prevent waste. For waste that inevitably arises, the priority is to prepare for reuse.

In 2022, TMR carried out several pilot projects together with producers to adapt collection systems for reuse and recycling. The goal was to utilize available resources, also in terms of e.g. transport capacity. We worked to facilitate reuse of plastic packaging such as cups and food containers.

No leakage – prevent littering

Littering is the leakage from the circular economy and reducing littering is part of the producer responsibility for packaging. In 2022, talks began with the Keep Sweden Tidy foundation about collaboration for reduced littering, a dialog that will be intensified in 2023. The aim is to increase awareness and drive behavioral changes in the public, in combination with concrete activities such as litter picking. Contributing to achieve the national goals for reduced littering will guide collaboration.

Packaging design is also an important factor for reduced littering. TMR kept a dialog with affiliated producers in 2022 to guide and drive change towards solutions with less plastic, and packaging that is informative and intuitive in terms of how it should be handled and sorted after emptying.

Climate impact and emission of greenhouse gas

13 CLIMATE ACTION



TMR's goals:

- Work towards zero net emissions of greenhouse gas by 2045.
- Obtain a complete picture of TMR's climate impact (Scope 1–3).
- Increased resource efficiency in the form of reduced emission per ton of managed waste.

- Increase the share of renewable energy and phase out fossil fuels in work machines, company vehicles, facilities and transports.
- Reduce CO2 emission of Omni Polymers' clients with a minimum of 50% compared to the use of virgin polymers.

TMR shall minimize its climate impact by obtaining a complete picture of its emission sources and work for increased resource efficiency in the entire value chain. We create climate benefit by giving new life to what was previously burned.

Calculation of TMR's emission 2022

To minimize emission of greenhouse gas is a priority for TMR. We believe that emissions need to be measured in order to be remedied. That is why we, during 2022, started to map the emissions from TMR's operations (Scope 1 and 2).

By measuring our direct and indirect emissions, both TMR and our stakeholders will get a clearer picture of our climate impact and what measures should be taken to minimize it. The insights contribute to the development of concrete action plans and strategies to prioritize the right measures.

TMR's emission of CO2-eq, Scope 1 and Scope 2 for 2022, according to GHG protocols

	Scope 1 (tons CO2-eq)	Scope 2 (tons CO2-eq)	
		Market-based	Location-based
Omni Polymers	21,6	154	29
TMR Production	0	43	31
Metal sorting facility	0	0	0,2
Company vehicles	5,5	-	-
Offices	-	1	1
Total 2022	27,1	199	61,2

Intensive work will continue in 2023 to address the main emission sources in Scope 1 and 2. Specifically, this means e.g. replacing diesel in work machines at Omni Polymers with HVO100. All TMR Production's work machines were fueled with HVO100 during 2022. In 2022, the largest sources of emissions in Scope 2 are the use of electricity in the facilities in Ängelholm and Helsingborg.

The largest part of TMR's emissions is expected to consist of emissions in Scope 3, something we will have calculated in the autumn of 2023. This concerns e.g. emissions generated by transport and at facilities that receive, sort and use the collected materials. After that, we intend to draw up a plan for sustainable procurement of transport for 2024.

Accounting principles

Calculation of TMR's emissions during 2022 was carried out by Miljö & Avfallsbyrån (Environment & Waste Agency) in accordance with Green House Gas Protocols Corporate Standard (GHG Protocols). The calculation is based on the consolidation method Operational Control Approach, where all greenhouse gas emissions operationally controlled by the business are included. Naturvårdsverket's tool has been used to calculate emissions from transport.

Scope 1 includes all emissions from vehicles at TMR's facilities, including emissions from owned and leased company vehicles. Emissions from vehicles are calculated according to Tank to Wheel (TTW), i.e. emissions from fuel combustion when the vehicle is driven.

Calculation of emissions in Scope 2 is market-based, i.e. emissions generated by the supplier selected by the operations for electricity, heating, cooling or steam supply, and location-based, where emissions are represented by general emissions in the region.

TMR's resource efficiency work

TMR's work with resource efficient transports and production continued during 2022. We intend to streamline our energy and water use, minimize waste and rejects and switch to renewable and fossil-free energy sources. A measure of our resource efficiency is our emission of carbon dioxide equivalents per ton of collected packaging material.

TMR's emission of CO2-eq, Scope 1 and Scope 2 in 2022, per ton of collected packaging material

	Scope 1 (kg CO2-eq/ton material)	Scope 2 (kg CO2-eq/ton material)	
		Market-based	Location-based
Plastic	2	15	3
Metal	0,15	1,2	0,95
Paper	0,15	0,75	0,95

TMR strives to conduct more resource-efficient recycling and manufacturing in Sweden, such as that at Omni Polymers. This is because the Swedish electricity mix, with its high proportion of renewable electricity, is a better alternative compared to the European electricity mix. Omni Polymers aims to buy only renewable electricity, which will further reduce the company's environmental footprint.

Climate gains with recycled raw material

There are great climate gains to reap when virgin plastic raw material is replaced with recycled plastic raw material. Prior to the development of Omni Polymers, the expected climate benefit at system level with the expected operation was calculated. The calculation showed that the facility's recycled raw material can save clients 1.41 tons of carbon dioxide per ton produced, compared to manufacturing using virgin raw materials. This results in an expected reduction of emissions of 21,000 tons of carbon dioxide per year.

Intensive work is underway to develop the calculations of climate benefits with material recycling of household packaging from a lifecycle perspective.

The desire to use recycled raw material is increasing, not least among TMR's clients. However, there are many challenges from a lifecycle perspective. Entire production lines may need to be replaced and food packaging needs to meet food security requirements. During 2022, TMR acted advisory to producers and in dialog with decision makers to safeguard that use of recycled raw material should not be achieved at the cost of food security or a shorter best-before-date, which could cause an increase of the climate footprint for products whose emissions are mainly generated during production.

Business ethics, environmental laws and anti-corruption

16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



TMR's goals:

- No incidents with regard to corruption, non-compliance with environmental laws and regulations, or ethical violations within our business or that of our suppliers.
- Maintain a positive dialog with suppliers and ensure full compliance with TMR's code of conduct and agreement.

Naturvårdsverket approves TMR's national collection system

In June 2022, Naturvårdsverket announced that TMR's has a suitable collection system according to the ordinance (2006:1273) regarding producer responsibility for packaging. TMR thus became the only national collection system that Naturvårdsverket has deemed suitable.

The purpose of good business ethics is to ensure that TMR's business is conducted in a clear and transparent manner in accordance with applicable laws and conventions. We make clear demands on suppliers and promote competition in our industry.

TMR's operations shall be conducted in a way that promotes sustainable and responsible development. We buy the majority of goods and services, such as transport and sorting, from other operators. Ecological and social responsibility therefore requires us to look beyond our own operations.

We work with both suppliers and clients to drive development towards our vision of a circular future. Part of this includes working to ensure that purchased goods and services are produced under sustainable and responsible conditions.

Downstream and upstream impact

TMR's code of conduct sets clear requirements for suppliers with regard to the environment, anti-corruption and human rights. To ensure compliance with the code of conduct, TMR conducts a special supplier agreement follow-up, requests documentation, executes onsite audits, reviews and approves action plans and checks the implementation of the action plans. In connection with new suppliers being contracted, a check is made to ensure that the supplier has the required permits. Checks are also made in connection with loading and ordering.

TMR's code of conduct

TMR's code of conduct is a central governing document that is applied by all companies in the group. The code of conduct includes minimum requirements for the suppliers' sustainability work. We often set even higher requirements in our agreements, in which case the agreement's requirements take precedence before the code of conduct.

Products and services delivered to us must be produced under conditions that are consistent with local and national environmental legislation, the UN's general declaration of human rights, ILO's core conventions, the UN's child convention, and the UN's convention against corruption.

The supplier shall encourage the development and spread of environmentally friendly technology and continuously minimize resource consumption and emission. The supplier shall aim towards a lifecycle perspective and put environmental requirements on its subcontractors.

TMR has appointed an internal workgroup with the responsibility to continuously ensure that suppliers execute their work according to the agreement and applicable legislation. Among other things, this concerns:

- Implementation of new legislation
- Training (internal and external)
- Procurement and evaluation of external services
- Audit of processing facilities
- Material traceability
- Internal audits

Upstream, we have for a long time applied differentiated packaging fees for producers with regard to material recyclability. Incentives for recyclability and inclusion of recycled material drive the transition to more circular packaging and increased use of renewable and recycled raw materials.

"The new ordinance creates a more goal-oriented and clear set of rules for collection of packaging. It is our assessment that it will steer towards increased material recycling and reduced littering.

A new thing is that producers, from November 2023, must be affiliated to a producer responsibility organization approved by Naturvårdsverket. In 2023, TMR applied for approval under the new ordinance. We continue to assist our affiliated producers with everything regarding producer responsibility",

Jan Troell, Legal Expert TMR



Environmental laws and the producer responsibility

TMR is independent of industry and raw material interests and is under the supervision of Naturvårdsverket. Our operations are based on the regulations in the statutory producer responsibility. Other relevant regulations are the Swedish environmental code, the Swedish waste ordinance and Naturvårdsverket's regulations.

It is critical that TMR and our suppliers comply with current environmental legislation and that our stakeholders perceive us as transparent and responsible. During 2022, TMR has not received any sanctions, injunctions or fines for violations of applicable environmental laws. In 2022, Omni Polymers operated under NSR's environmental permit. A decision for Omni Polymer's own permit is expected at the end of 2023.

TMR conducts active business intelligence to evaluate and predict new legislation. We contribute with expertise and solutions through an active dialog with legislators and authorities as well as consultation with municipalities and the industry to find common solutions.

Countering corruption and cartel formation

Guidelines for countering corruption in the relationship with our suppliers can be found in TMR's code of conduct. Suppliers shall not offer or give improper payment or other compensation with the purpose of obtaining, retaining or influencing business or obtaining another improper advantage within the scope of their business. TMR's employees shall follow the procedures stated in TMR's personnel handbook. No known cases of corruption linked to TMR, its employees or its suppliers were reported in 2022.

TMR believes that competition benefits everyone in our industry, not least producers who depend on their producer responsibility being fulfilled effectively. Competition drives technology development, promotes investment and increases resource efficiency. We work actively to counteract monopolistic behavior and cartel formation in our endeavor to promote a healthy market. This is a fact that we have raised repeatedly in 2022 in our dialog with legislators and authorities.

Work environment and personnel

8 DECENT WORK AND ECONOMIC GROWTH



TMR's goals:

- No documented cases of discrimination.
- Low sickness absence and staff turnover.
- Even gender distribution among the staff and in the management team.
- Zero vision on workplace accidents. Follow-up of all incidents.

We create a sound and safe work environment and promote positive social conditions by offering competitive employment terms, competence development and by maintaining a culture of inclusion and respect in the workplace.

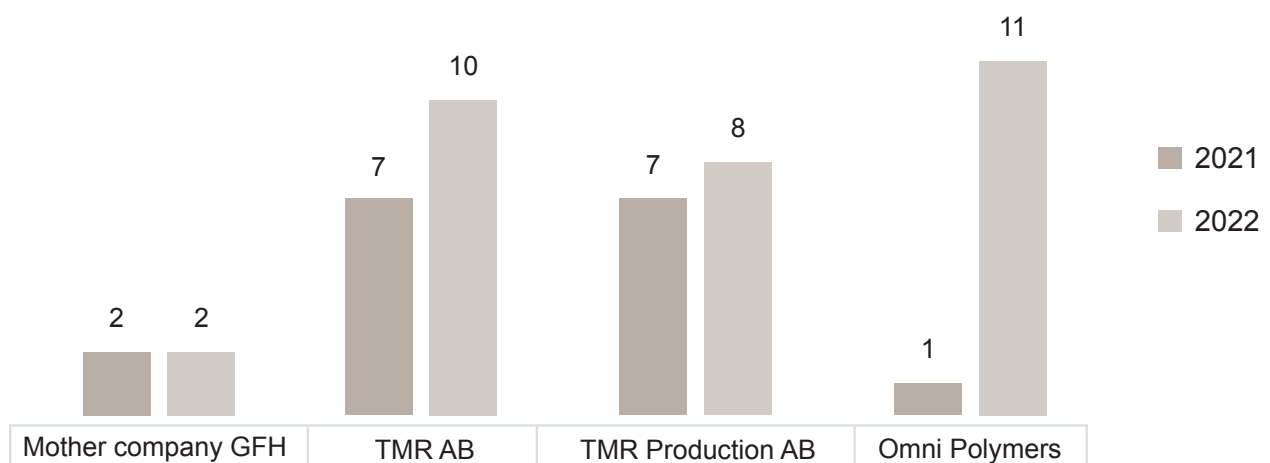
Our employees are our most important asset. TMR being an attractive workplace ensures that we attract the best competence to carry out our mission, offer high quality services and develop our sustainability work.

TMR's company group included 47 full-time resources in 2022, distributed across the whole of Sweden. Up to and including 2022, many of these have had assignments for several companies in the group. The number of employees in the group increased from 17 during 2021 to 31 in 2022. The increase is mainly due to the inauguration of Omni Polymers in October, where an additional number of employees is expected in connection with upscaling the operations.

TMR's employees are organized in six departments:

- Clients and reporting
- Collection and processing
- Procurement, regulatory compliance and internal audits
- Research and development
- Internal support
- Management

Average number of employees in TMR's companies 2021-2022



At the turn of the year 2022/2023, a reorganization took place where all employees in TMR AB were moved to the newly formed company TMR Nordic AB. This was done with the purpose to streamline the organization and enable a wide range of services within the framework of the new producer responsibility ordinance.

During 2022, TMR enjoyed a substitute collective agreement via Svensk Handel's white-collar worker agreement/Unionen. In 2023, TMR became a member of the IKEM industry and employer organization. Environment workers at TMR Production are connected to the Swedish Transport Workers union. Omni Polymers are connected to IKEM, which means they have a collective agreement with the IF Metall union.

Equality

TMR's management team consists of five people, of which three are men and two are women. Our belief is that mutual differences are an asset in our endeavor to be a strong and competitive company and an attractive employer. TMR's business is based on an equality policy which states that TMR shall be an inclusive, equal and non-discriminatory company where everyone has equal rights, obligations and opportunities.

TMR does not under any circumstances accept discrimination, offensive special treatment or harassment. We apply fair, meritocratic, open and impartial recruitment. We focus on the candidate's skills, experience and qualifications relevant to the job, with interview questions designed to objectively assess the candidate's abilities.

Work environment, health and safety

We make high demands on good working conditions and terms. No one should be injured or suffer ill health because of their work. We conduct systematic occupational environment work to ensure a safe, healthy and pleasant workplace for all employees in the company group. All employees at TMR and Omni Polymers are included by a safety insurance in case of work injury (TFA) and an accident insurance. In 2022, TMR decided to hire an external consultant to support development of the occupational environment work, a project that will result in a new work environment policy during 2023.

In 2022, the total sickness absence in relation to the total number of worked hours was 0.25 percent at TMR AB, 11.35 percent at TMR Production AB and 6.44 percent at Omni Polymers.

Reporting accidents and incidents is an important part of our preventive occupational environment work. Five work environment incidents occurred at Omni Polymers during 2022. They were handled in accordance with the company's routines for risk observations, incidents and accident reporting. Omni Polymers aims to be certified according to ISO 45001 (occupational health and safety), during the coming year.

Sustainable industry, innovation and client satisfaction

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



TMR's goals:

- Develop new technology and innovations supporting sustainable packaging solutions and recycling processes.
- Establish new strategic partnerships to support our own and our clients' sustainability and business goals.
- Become certified according to ISO standards 9001 (quality), 14 001 (environment) and 45 001 (occupational health and safety).

We shall constantly improve by investing in innovation and technology that supports improved processing of packaging and high client satisfaction. We work closely with our clients to understand their needs and tailor solutions that contribute to their sustainability and business goals.

During 2022, TMR continued to work hard to develop innovative solutions and help our clients find smart ways to contribute to a more sustainable world. At TMR, a special workgroup is responsible for research and development. Among other things, the group is responsible for:

- Design and testing of new packaging material
- Development of processing methods for packaging material
- Methods for inclusion of recycled raw material
- Methods for reuse of packaging

Innovation also continued to be a driving force in our approach to our clients. We are a partner with expertise in tailoring packaging solutions. An important part of TMR's work in 2022 was the very idea to guide producers as to whether different types of packaging fit into the recycling system.

However, TMR does not stop there. We develop our solutions even further, to achieve more efficient collection, sorting and material recycling of the packaging solutions that our producers need to use. We have started collaborations for reuse and we are actively looking for more collaborations.

We developed collection

In 2022, we initiated the Pick Up Service Loop project together with Zoégas Professionals and the Beans in Cup coffee supplier. Used soft-plastic coffee packaging was collected at office clients for transport to Omni Polymers where it was recycled into high-quality plastic granule.

"During 2022, we developed several innovative collection solutions. Among other things, we launched a new collection service for the countryside: TMR-Return. Together with local enthusiasts, we could create more collection points for packaging in the whole of Sweden.

Our Pick-Up Service in the Stockholm archipelago was another project, where island residents without a fixed road connection were offered easier ways of sorting their packaging. Only in 2022, we collected more than 3,700 kilograms of metal, paper and plastic packaging near the residents' homes",

Louise Thörn, Collection Manager TMR



We developed sorting

In 2022, Stena Recycling bought Swerec's plastic sorting facility in Lanna, one of TMR's long-term partners for sorting household plastic packaging. Stena Recycling intends to invest large amounts to develop their washing facility, flake sorter and afterwash. In 2022, we initiated a common project for sorting PP film. We also develop sorting solutions and deposition of PET trays together with our partners in Germany.

TMR Production initiated several development projects at their paper, and metal sorting facilities. In 2023, we intend to invest in a new bale press and make the paper facility a reception point for storage of packaging from the Pick-Up Service Loop. The metal sorting facility will enjoy an investment in a density separator, which will improve the quality of the sorted material and reduce the waste fraction.

We developed recycling

Omni Polymers is the result of a completely new process to recycle household plastic packaging waste that was previously incinerated. As early as during the inauguration in the autumn of 2022, the work continued with the next step of the development process, to widen the offer to manufacturers of new consumer packaging. Starting in 2023 and 2024, Omni Polymers will be able to deliver high-quality PCR plastic (Post-Consumer Recycled) raw material in HDPE, LDPE, PP and film quality PP to manufacturers of consumer packaging. Another goal in the development work is to make the mixed film material at Omni Polymers reusable for production of new film material.

Many businesses use fiber-based material such as paper, cardboard and corrugated cardboard as replacement for plastic packaging, often with a bio-based barrier on the inside. To ensure recycling of these fiber-based materials, we cooperated with e.g. Fiskeby Board during 2022. Fiskeby Board receives samples of the material and executes tests that clearly shows if it can actually be recycled.

We help municipalities with administration

Under the new ordinance, municipalities will distribute collected packaging waste to approved producer responsibility organizations based on market share. TMR has set up a new open IT portal where municipalities and other approved producer responsibility organizations can manage market shares, reporting to Naturvårdsverket and call off collection to the producer responsibility organizations.

We helped producers with design for recycling

Our ability to recycle is greatly influenced by how packaging is designed. Our role in the value chain makes guidance for packaging design a particularly important task. During 2022, we supported some forty producer clients with different concerns regarding design for recycling. The most common type of advice by far, is our assessment whether a certain type of packaging fits into the recycling system. We also support clients in the design of long-term packaging strategies.

Standardization is another important part of the work for increased recyclability. During 2022, TMR's packaging expert took part in the Swedish Standards Institute's (SIS) workgroup for material recycling and design for recycling of plastic packaging, a commitment to be extended during 2023. TMR's membership in RecyClass enables us to contribute to promotion of recyclability work on a European level.

TMR's packaging expert: "It's crucial to look at the big picture"



Christian Håkansson, TMR's packaging expert and member of SIS' workgroup for design for recycling, provides answers to three questions about the work with design for recycling in 2022.

How do you help clients with packaging design?

We don't work with standard solutions. We tailor support for the producer's specific challenges. A continuous dialog and a positive relation are central.

What is absolutely most common is that we look at the customer's packaging, either existing or a concept, and assess whether it is recyclable and meets legal requirements. We also participate in workshops and provide our opinion on entire packaging strategies. Clients often make decisions right away, based on TMR's advice, which helps us recycle even more.

What type of support is requested by the producers?

It typically concerns advice on plastic and paper packaging, for example if black plastic packaging can be sorted in the Swedish system. Producers with goals of recyclable packaging may require support to understand how and when the packaging can reach the goal. Others strive to use recycled raw material. In this case, our advice may include ensuring that the recycled raw material is not generated at the cost of increased material consumption or reduced food security.

There is an increasing number of questions concerning the new littering fees and who is affected by the requirements. We provide advice on regulatory compliance and how packaging can be designed so that the consumer intuitively understands how it should be sorted in Sweden.

What is the most important message to a producer who wants to be more sustainable?

Look at the big picture. Don't just focus on material, collection or recycling. The overall conditions for the product's lifecycle, the market and the recycling system must be taken into account.

A typical example is compostable plastic packaging. It sounds sustainable but is downright bad in a Swedish system that lacks industrial composting. Instead, both plastic and food waste flows deteriorate. You have to look at the real conditions on the market, not achieve a sustainability goal at the cost of another. This type of support is one of TMR's most important means to help our clients realize their sustainability goals in our system.

A look at the future 2023

A new ordinance, upcoming EU legislation and rapid technological development create new opportunities and challenges for TMR, our clients and our industry. Let us take a closer look at these changes and how we prepare to face them.

In 2023 and onwards, a series of new requirements and goals will affect our industry. The ordinance regarding producer responsibility for packaging (2022:1274) as decided by the government in 2022 means, among other things, that the municipalities will take over our operative responsibility for collection of packaging from 2024. Intensive collaboration is ongoing between Naturvårdsverket, municipalities and producer responsibility organizations in the implementation.

All households will get access to kerbside collection of their packaging waste from January 2027. Businesses will get more opportunities to free-of-charge handling of their packaging waste. Furthermore, there will be new requirements on the municipalities to collect additional types of packaging in separate streams, e.g. wood, ceramics, textile and cork. As a producer responsibility organization, TMR will support the municipalities in their information efforts to motivate consumers and businesses to sort more packaging and to sort it right.

We expect that both the collection and recycling rate will increase significantly when the new ordinance begins to apply. This is for several reasons:

- The expansion of kerbside collection is expected to increase collection into separate waste streams and consequently increase recycling
- Businesses' packaging waste will be included in the recycling statistics
- Increased investments in Omni Polymers and similar ventures that increase Sweden's recycling capacity

At the same time, we see that the system costs for collection of packaging will also increase. TMR will continue working to hold pricing at a reasonable level for our clients. We will create the best possible environmental benefit at the least possible cost. We will do this by:

- Providing a good deal with low overhead costs
- Increasing incentives for cost-effective collection
- Efficient transports and clear procurements requirements
- Managing material in a manner of resource efficiency and value creation

Besides national changes within producer responsibility, negotiations are ongoing about a new EU ordinance for packaging and packaging waste (PPWR), as part of a broader EU strategy to promote a more circular economy. TMR works actively to prepare ourselves and our clients for new expected EU goals. For example, these consist of:

- Reduced generation of packaging waste with 15% per capita in 2040 at the latest, compared to 2018, with sub-goals of 5% up to 2030 and 10% up to 2035
- Promote reuse and reusable packaging alternatives
- Support the goal that all packaging put on the EU's inner market shall be material recyclable in a financially favorable way by 2030 at the latest
- Support the goal to increase utilization of recycled raw material in plastic packaging and replace virgin material

Furthermore, we are awaiting new requirements on sustainability reporting, according to the so-called Corporate Sustainability Reporting Directive (CSRD). We welcome the new requirements for transparency and liability and look forward to managing them.

Closing the circle continues to be a big challenge. We work continuously to get there and have already come a long way. We are optimistic and passionate about creating a more sustainable future by utilizing the power of a circular economy. We would like to thank you for keeping us company on this journey.

Revisors rapport från översiktlig granskning av TMRresponsibility Nordic AB hållbarhetsredovisning

Till TMRresponsibility Nordic AB (TMR), organisationsnummer 559351-2436

Inledning

Vi har fått i uppdrag av styrelsen i TMRresponsibility Nordic AB att översiktligt granska TMRresponsibility Nordic ABs hållbarhetsredovisning för år 2022.

Styrelsens och företagsledningens ansvar för hållbarhetsredovisningen

Det är styrelsen och företagsledningen som har ansvaret för att upprätta hållbarhetsredovisningen i enlighet med tillämpliga kriterier, vilka framgår på sidorna 8 - 9 samt 29 i hållbarhetsredovisningen, och utgörs av Greenhouse Gas Protocol samt Globala Målen Agenda 2030, samt av företagets egna framtagna redovisnings- och beräkningsprinciper. Detta ansvar innefattar även den interna kontroll som bedöms nödvändig för att upprätta en hållbarhetsredovisning som inte innehåller väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Revisorns ansvar

Vårt ansvar är att uttala en slutsats om hållbarhetsredovisningen grundad på vår översiktliga granskning.

Vi har utfört vår översiktliga granskning i enlighet med ISAE 3000 (omarbetad) *Andra bestyrkandeuppdrag än revisioner och översiktliga granskningar av historisk finansiell information*. En översiktlig granskning består av att göra förfrågningar, i första hand till personer som är ansvariga för upprättandet av hållbarhetsredovisningen, att utföra analytisk granskning och att vidta andra översiktliga granskningsåtgärder. En översiktlig granskning har en annan inriktning och en betydligt mindre omfattning jämfört med den inriktning och omfattning som en revision enligt International Standards on Auditing och god revisionssed i övrigt har.

Revisionsföretaget tillämpar International Standard on Quality Management 1, som kräver att företaget utformar, implementerar och hanterar ett system för kvalitetsstyrning inklusive riktlinjer eller rutiner avseende efterlevnad av yrkesetiska krav, standarder för yrkesutövningen och tillämpliga krav i lagar och andra författningar. Vi är oberoende i förhållande till TMR enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

De granskningsåtgärder som vidtas vid en översiktlig granskning gör det inte möjligt för oss att skaffa oss en sådan säkerhet att vi blir medvetna om alla viktiga omständigheter som skulle kunna ha blivit identifierade om en revision utförts. Den uttalade slutsatsen grundad på en översiktlig granskning har därför inte den säkerhet som en uttalad slutsats grundad på en revision har.

Vår granskning utgår från de av styrelsen och företagsledningen valda kriterier, som definieras ovan. Vi anser att dessa kriterier är lämpliga för upprättande av hållbarhetsredovisningen.

Vi anser att de bevis som vi skaffat under vår granskning är tillräckliga och ändamålsenliga i syfte att ge oss grund för vårt uttalande nedan.

Uttalande

Grundat på vår översiktliga granskning har det inte kommit fram några omständigheter som ger oss anledning att anse att hållbarhetsredovisningen inte, i allt väsentligt, är upprättad i enlighet med de ovan av styrelsen och företagsledningen angivna kriterierna.

Stockholm, digital underskrift daterat enligt nedan

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