Strategic report

Who we are

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

Number of packs produced in 2024

56.5bn

2023: 53.4 billion

Valued customers[4]

750+

Leading market positions across packaging substrates

Spouted pouch

50ml – 500ml+ packs

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

no. 2 global[1,2]

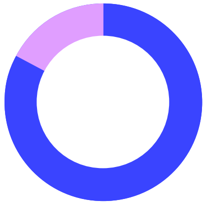
Carton

65ml – 2ltr packs

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

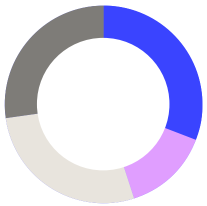
Aseptic carton: **no. 2 global[1]**

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



Revenue by product 2024

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



Total revenue 2024[3] by segment

Europe	31%
IMEA	14%
APAC	28%
Americas	27%

Bag-in-box

2ltr – 1,300ltr packs

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

no. 1 global[1]

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

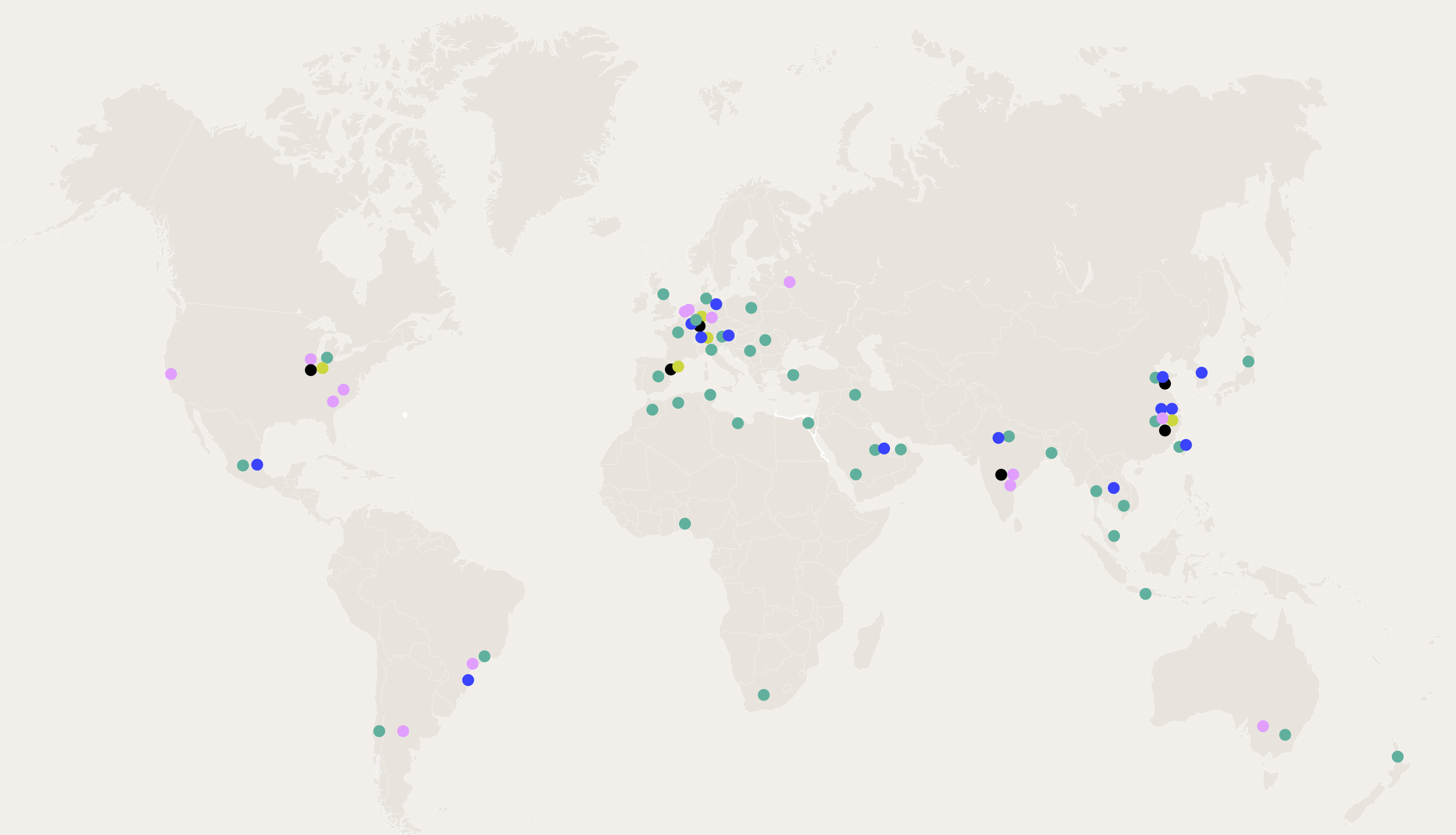
Our diversified global footprint

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

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

Our unique offering:

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



Sales & service offices:	Aseptic and chilled carton production sites:	Bag-in-Box and spouted pouch production sites:	Machine assembly sites:	R&D Centers:
39	14	14	6	5

Financial highlights 2024

Revenue
€3.33bn
2023: €3.23bn

Revenue growth at constant currency
4.3%
2023: 18.5%

Adjusted EBITDA
€820m
2023: €803m

Adjusted EBITDA margin
24.6%
2023: 24.9%

Adjusted net income
€308m
2023: €318m

Adjusted EPS diluted
€0.81
2023: €0.83

Free cash flow
€290m
2023: €219m

Leverage
2.6x
2023: 2.7x

ROCE[1]
26.6%
2023: 27.3%

Non-financial highlights 2024

Nutritious food delivered in SIG packaging (liters)[2]
16.4bn
2023: 15.5bn

Food packed with SIG Terra packaging materials[3] (liters packed)
1,683.6m
2023: 1,544.2m

Food packed with SIG Terra packaging materials (% of total liters packed in SIG packs)
5.5%
2023: 5.3%

Scope 1 and 2 greenhouse gas emissions (thousand metric tons of CO_2 equivalent)[4]
20.1
2023: 19.5

Renewable energy for production
100%
2023: 100%

Total recordable case rate[5] (per 200,000 hours worked)
0.63
2023: 0.80

Area of improved forest management targeted by our WWF partnership projects
330,000ha
2023: 100,000ha

EcoVadis rating
Platinum
Platinum with a record score of 96/100 in 2024 vs Platinum with score of 86/100 in 2023

Women in leadership
25%
2023: 25%

1 Based on standard 30% tax rate.
2 Defined by the independent Health Star Rating System, as food and drinks that contribute to a balanced diet and lead to better health healthstarrating.gov.au.
3 Our SIG Terra portfolio showcases our most sustainable innovations – including aseptic cartons with no aluminum layer, polymers linked to forest-based and recycled materials (via an independently certified mass balance system) and recycle-ready bag-in-box and spouted pouch solutions.
4 All Scope 1, 2, and 3: Retrospective adjustment of emission factors 2020-2023.
5 Total recordable cases include medical treatment and restricted work cases as well as lost-time cases.

Our value creation model

Click on cards to get more information

Attractive industry and end-markets

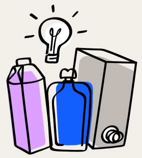
Structural drivers
- → Population growth
- → Increased disposable income
- → Demand for safe food

End-market trends
- → Health
- → Affordability
- → Sustainability
- → Convenience

Established platform

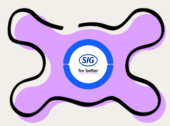
Leader in aseptic packaging solutions
- → Unique set of packaging types and materials
- → Flexible and TCO-efficient filling technology
- → Digital and technical services
- → Pioneers in sustainability

Industry-leading innovations



Leverage R&D capabilities across packaging types
- → **Aseptic technology** new levels of aseptic performance
- → **Filling capabilities** TCO advancements and product versatility
- → **Packaging differentiation** consumer centricity
- → **Material science & sustainability** next-level structure development

Strategic priorities



Customer
- → Create total customer satisfaction
- → Improve their experience through operational excellence
- → Apply solution-selling approach
- → Position SIG as the industry's innovation and sustainability leader

People
- → Shape a culture of diversity, equity and inclusion
- → Continuously increase employee engagement
- → Foster health and safety
- → Attract and develop talent

Sustainability
- → Create more thriving forests
- → Remove more carbon than we emit
- → Accelerate innovation on circularity
- → Improve access to nutrition & cut food waste

Growth
- → Grow our core business
- → Win new customers
- → Enter new and emerging categories
- → Leverage environmental benefits within packaging solutions

Superior value creation for all our stakeholders

Customers
- → **31** Net Promoter Score (NPS[1])
- → **35** NPS delta to competition[2]
- → **48%** of respondents were promoters

People
- → **85%** global sustainable engagement score
- → **25%** women in leadership positions
- → **0.33** lost-time case rate[3] (per 200,000 hours worked)

Environment
- → **Net Zero** target for 2050 approved by SBTi
- → **100%** Renewable electricity for production
- → **90%** Paper content in a full-barrier aseptic carton by 2030

Investors
- → **3.9%** revenue growth at constant currency and constant resin
- → **24.6%** adjusted EBITDA margin
- → **26.6%** ROCE[4]

1 NPS is calculated by asking customers: "How likely are you to recommend our product/service to a colleague or business partner?" on a scale of 0 to 10. Based on their responses, customers are categorized into three groups: Promoters (9-10), Passives (7-8), Detractors (0-6). The score ranges from -100 to +100.
2 SIG NPS minus NPS of next best alternative at a customer.
3 A lost-time case is defined as absence for one or more shift or loss of one or more working days.
4 Based on standard 30% tax rate.

Our distinctive model for superior value creation

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

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

Our packaging substrates are resource efficient with the lowest carbon footprint compared to competing substrates, while are filling machines and after-sales technical services enable our customers to run their operations smoothly and with a competitive total cost of operations.

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

Explore our **interactive model:**

Online Report →

Attractive industry and end-markets

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

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

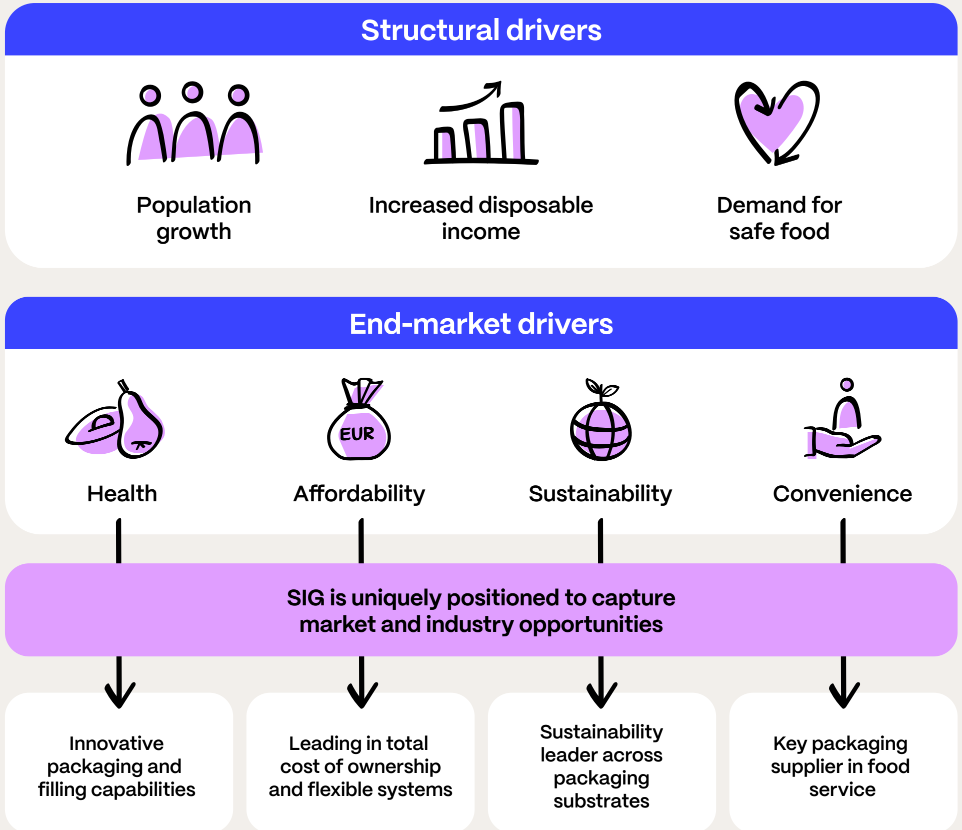
On top of the structural drivers, we consider four key consumer trends that shape the growth of the food and beverage market:

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

Affordability
By using our filling flexibility to change packaging sizes we can offer our customers growth opportunities in smaller pack sizes and entry level products to offer consumers affordable products.

Sustainability
Sustainable packaging is key purpose at SIG. We believe in better. We are a leader in sustainability across all our substrates, We offer the lowest carbon packaging options on the market – all of them ready to be filled on our installed filling machine base worldwide.

Convenience
Growth in out-of-home dining whether for food service or on-the-go consumption is an exciting opportunity for customers to expand their offering through new channels to market.



1 www.worldometers.info.

Our established platform

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

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

Developments in 2024

- Placed 75 aseptic carton filling machines
- Sold 30.4 billion liters of food packed
- Used our volume flexibility to offer customers entry level products in markets with soft demand
- Commenced production at our new chilled plant in China
- Completed construction of our new aseptic sleeves plant in India
- Addressed production challenges in the bag-in-box operations in North America

Leader in aseptic packaging solutions

- Unique set of packaging types and materials
- Flexible and TCO-efficient filling technology
- Digital and technical services
- Pioneers in sustainability

Strong global operational and commercial foothold

Commercial excellence and system-based business model

Industry-leading innovations

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

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

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

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

Leverage R&D capabilities across packaging types

Aseptic technology
Reaching new levels of aseptic performance

Filling capabilities
TCO advancements and product versatility

Packaging differentiation
Consumer centricity

Material science & sustainability
Next-level structure development

Industry-leading innovations

Developments in 2024

Aseptic technology

Commercial validation of the second-generation spouted pouch filling machine featuring new aseptic technology

Filling capabilities

Introduction of speed-up kits for single-serve aseptic carton filling machines, enabling a 10% increase in output for existing installations. Over the year, we successfully upgraded 10 lines across India. With their compact design, these kits ensure a minimal facility footprint, an ideal solution for producers looking to scale operations efficiently without substantial infrastructure investments. This innovation reinforces SIG's position as a leader in the aseptic packaging sector, where speed, efficiency, and flexibility seamlessly converge to deliver exceptional value.

Expansion of the SIG Neo filling machine portfolio to include standard one-liter carton shapes. The SIG Neo Slimline 15 Aseptic can fill up to 15,000 SIG SlimlineBloc packs per hour – a 25% increase in output compared to SIG's standard filling machines for family-sized formats.

Packaging differentiation

Global roll-out of our on-the-go carton bottle SIG DomeMini. The small-size carton pack offers all the convenience of a plastic bottle and the sustainability benefits of a carton pack.
See our video: SIG DomeMini - SIG – for better →

Material science and sustainability

Launch of SIG Terra Alu-free + full barrier
SIG Terra Alu-free Full barrier further extends SIG's lower-carbon packaging materials without aluminum layer for wider use with oxygen-sensitive products such as fruit juices, nectars, flavored milk and plant-based beverages. This provides better access to healthy nutrition and reduces food waste, even in countries with complex supply chains. **See our video: SIG alu free full barrier →**

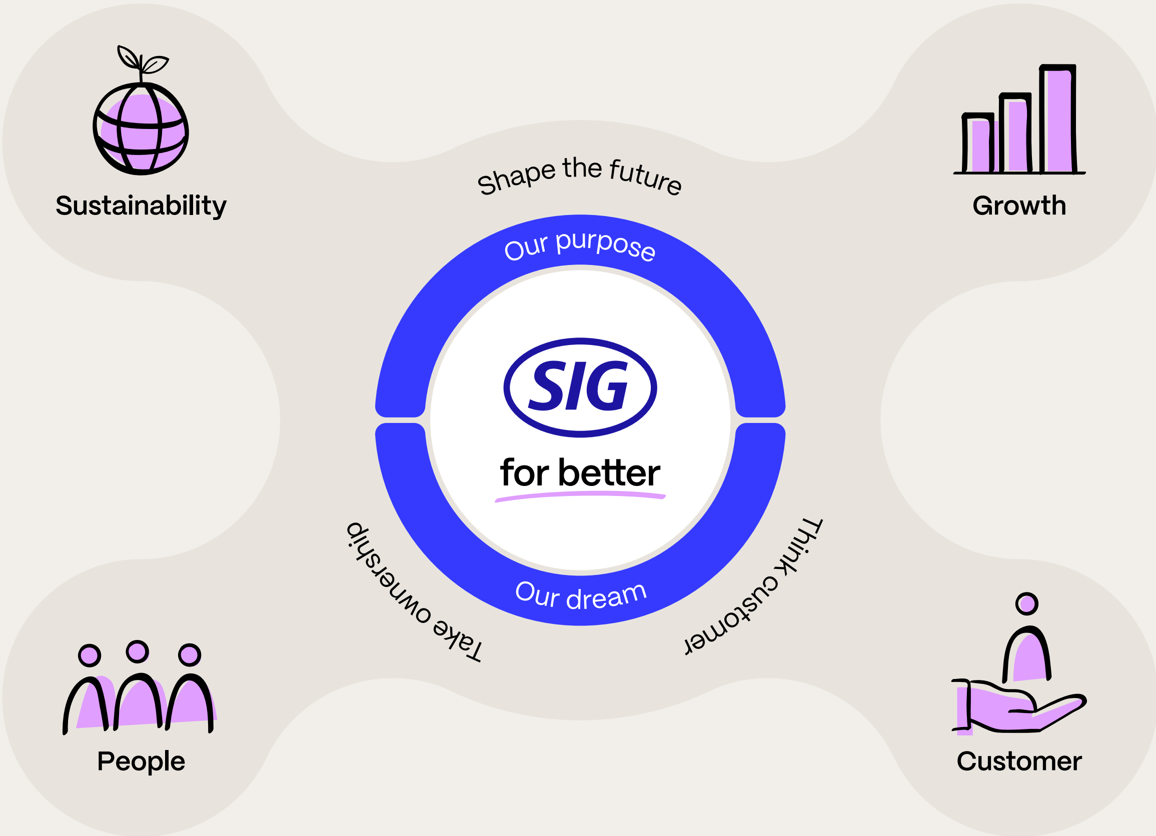
Strategic priorities

Our Corporate Compass

SIG is working in partnership with its customers to bring food products to consumers around the world in a safe, sustainable and affordable way. That's our role for people and society; that's our purpose as a company.

We want to fulfill our role for ever more people, following our dream to see every consumer in the world with an SIG packed product in their hand and a smile on their face, every single day.

For better, our dream and our purpose are at the heart of our Corporate Compass – a strategy made for growth. Founded on three clear principles - Think customer, Take ownership, Shape the future -, our compass guides the choices we make every day. The choices for our people who always strive for better. For our customers who can expect packaging solutions for better, every time. For more growth to come closer to our dream and to create sustainable value for our stakeholders. For creating food packaging that makes the world a better place.



Find out more about **strategic priorities:**

Read more →

Sustainability

Strategic priorities:
- **Forest+**
  Creating more thriving forests.
- **Climate+**
  Removing more carbon than we emit.
- **Resource+**
  Accelerating innovation on circularity.
- **Food+**
  Improving access to nutrition & cutting food waste.

Our progress:

Total Scope 1 and 2 greenhouse gas emissions for our production (thousand tonnes CO_2 equivalent)

2024	20.1[1]
2023	19.5
2022	72.2

See our Sustainability section for more on our sustainability

1 All Scope 1, 2, and 3: Retrospective adjustment of emission factors 2020-2023.

Growth

Strategic priorities:
- Grow our core business by increasing market share in established markets and categories.
- Win new customers by bringing choice, differentiation and added value through our unique packaging systems in chilled and aseptic carton, bag-in-box and spouted pouch.
- Enter new and emerging categories with our innovative and sustainable packaging solutions.
- Leverage the environmental benefits of the beverage carton, bag-in-box and spouted pouch and SIG's innovative edge in sustainability.

Our progress:

Aseptic carton filling machine placements

2024	75
2023	91
2022	91

See Financial Review for more on our revenue growth and financial performance

SIG
for better

People

Strategic priorities:
- Shape a culture of diversity, equity and inclusion.
- Continuously increase employee engagement.
- Foster health and safety.
- Attract and develop talent.

Our progress:

Percentage of women in leadership positions

2024	25%
2023	25%
2022	23%

See the Our people section for more on our culture and offering for our people

Customer

Strategic priorities:
- Position SIG as the industry's innovation and sustainability leader and win business from new and existing customers with our innovation portfolio.
- Continuously improve customer experience through operational excellence by rigorously executing the SIG Excellence System (SES)
- Consistently apply our solution-selling approach to create added value for customers.

Our progress:

Net Promoter Score (NPS[1]) - Delta to competition[2]

	Delta to competition	NPS
2024[3]	-4	31
2023	-8	44
2022	-5	38
2021	-10	30

See our regional sections for more on our customer offering

1 NPS is calculated by asking customers: "How likely are you to recommend our product/service to a colleague or business partner?" on a scale of 0 to 10. Based on their responses, customers are categorized into three groups: Promoters (9-10), Passives (7-8), Detractors (0-6). The score ranges from -100 to +100.
2 SIG NPS minus NPS of next best alternative at a customer.
3 After an all-time high NPS result in 2023, the 2024 result set a new baseline after the full integration of bag-in-box and spouted pouch customer portfolio into the NPS survey. It was further impacted by global supply chain challenges (operational challenges bag-in-box North America, Red Sea shipping crises).

Superior value creation

We have a multi-faceted growth strategy which aims to deliver above market growth and best in-class profitability.

The strategy builds on our strong technology platform and commercial footprint, and the attractive end-markets in which we operate.

We have a well invested asset base with 26 production locations around the world. The majority of which are in low-cost countries and well positioned to service high growth markets. We manage our production network to deliver the lowest cost to serve our customers.

Our strategy is anchored by a strong focus on sustainability across all packaging substrates, ensuring that we deliver superior value to our customers, consumers, and the environment.

Progress in 2024

In 2024, Group revenue increased by 4.3% on a constant currency basis and by 3.9% on a constant currency and constant resin basis. The adjusted EBITDA margin for 2024 was 24.6% (2023: 24.9%).

Free cash flow was €290 million, 32% ahead of 2023 primarily due to lower capital expenditure after a high level of investment in the prior year.

Net leverage slightly reduced to 2.6 times as of December 31, 2024 (December 31, 2023: 2.7x). Given strong fundamentals of our business, we are proposing to increase the dividend to CHF 0.49 per share, compared with CHF 0.48 per share in 2023.

The Group achieved a record Ecovadis score in 2024 and our status as among the top 1% of all companies assed was confirmed by Ecovadis.

Adjusted EBITDA margin

24.6%

2023: 24.9%

Free cash flow

€290m

2023: €219m

Net debt to adjusted EBITDA December 31, 2024

2.6x

December 31, 2023: 2.7x

ROCE[1]

26.6%

2023: 27.3%

1 Based on standard 30% tax rate.

Chairman and CEO statement

In 2024, SIG continued to outperform the market and gain share, demonstrating the resilience of our business model and strategy despite a challenging economic environment, particularly for consumers. Our ongoing focus on innovation and customer-centric solutions drives our progress. With a solid track we look to the future with optimism.

Andreas Umbach
Chairman

Samuel Sigrist
CEO

Financial performance

In 2024, Group revenue increased by 4.3% on a constant currency basis and by 3.9% on a constant currency and constant resin basis. The adjusted EBITDA margin for 2024 was 24.6%. (2023: 24.9%).

Free cash flow was €290 million, 32% ahead of 2023 primarily due to lower capital expenditure after a high level of investment in the prior year. This included geographic expansion into high growth markets, such as India, and delivery of a high number of filling machines.

We are very pleased with the 6.0%[1] revenue growth of our carton packaging. This performance highlights the value we deliver to our customers through our unmatched packaging flexibility, competitive total cost of ownership and our best-in-class sustainability offering.

In 2024, we placed 75 aseptic carton filling machines which was another strong performance after two years of exceptional placements exceeding 90 fillers annually.

1 At constant currency.

Bag-in-box and spouted pouch revenue declined by 5.0% for the year, at constant currency and constant resin. This reflected a weak first half performance given subdued market conditions, particularly in North America, and operational challenges at our US production facilities. These operational challenges were addressed, and we were pleased to report revenue growth of 2.5% in the second half of the year.

Growth strategy

We continue to develop the business organically along geographies, categories and channels, leading to market share gains across our portfolio.

Geographically, we are successfully expanding into India. In December 2024 we completed the construction of our first aseptic sleeves plant in the country. The Company has approved the next phase of expansion with an investment for a local extrusion line expected to be completed by 2027. The expansion will increase our local capabilities, further shorten supply chains and enable local sourcing of raw materials.

In category expansion, our unique capability to fill different types of products, including products with high viscosity and with particulates, means we can offer our customers a diverse range of solutions, enabling a single product, such as milk, to evolve into multiple dairy-based categories During. 2024, SIG successfully launched long-life probiotic milk products in the IMEA region. This is a new market category created by SIG.

With our expanded packaging portfolio, including spouted pouch and bag-in-box solutions, we are providing customers with greater go-to-market opportunities in both retail and out-of-home dining channels. We are pleased to report a significant increase in new contract wins for both packaging formats in 2024. SIG is successfully transforming the portfolio to increase the share of systems-based solutions with recurring packaging revenue as well as expanding the share of aseptic technology. Many of these successes are with our established aseptic carton customers, who recognize the potential to diversify into new market segments.

Innovation strategy

Advancements in aseptic technology and material sciences drives growth of our packaging portfolio. In 2024, utilizing our aseptic carton filling technology, we launched our second-generation aseptic spouted pouch filling machine. It significantly reduces the total cost of ownership for the customer, and importantly enables access to new markets previously reliant on cold chain distribution. This is an industry first in the spouted pouch market.

As part of the rollout of our next-generation aseptic carton filling machine platform, SIG Neo—initially launched for our multi-serve carton format—we have successfully transferred knowledge and technology to our single-serve filling machines. This has enabled us to increase the speed of installed lines, boosting output per line by 10%. This is a strong example of how we continue to deliver added value to our customers in a capital-efficient manner.

Sustainability

SIG has consistently embraced a regenerative approach to sustainability, addressing every aspect of the value chain, from sourcing to end-of-life.

Our paperboard is FSC™ certified, and we are actively restoring ecosystems through partnerships with WWF Switzerland in Mexico, Thailand, and Malaysia. All of our packaging substrates have the lowest carbon footprint among competing substrates and are designed for recycling.

Furthermore, we are steadily increasing the regenerative content of our cartons, with targets to raise the fiber content from approximately 75% today to 85% by 2025 and to 90% by 2030.

Importantly, our aseptic technology minimizes food waste by protecting the nutritional value for up to 12 months and ensures safe food delivery to remote areas of the world, without an energy intensive cold chain distribution system.

> **We continue to develop the business organically along geographies, categories and channels leading to market share gains across our portfolio.**

Our packaging materials can be recycled into valuable resources like paper, cardboard boxes and other paper-based products. While the polymer and aluminum components can be recycled either separately into recycled polymer and aluminum or together into building materials.

We are delighted that our sustainability efforts have been recognized with the first-time inclusion of SIG in the Dow Jones Sustainability Index and reconfirmation from Ecovadis that SIG remains amongst the top 1% of all companies assessed. This applies to all our packing substrates which were included for the first time. We are also proud to have achieved an improved MSCI ESG rating of AAA for 2024, up from AA in 2023, reinforcing our leadership in sustainability.

Capital allocation

To leverage future growth opportunities, we have continued to expand our manufacturing footprint around the world. This included greenfield aseptic carton plants in Mexico (2023) and India (2024) and a new chilled carton plant in China (2024) as well as plant extensions for example in the United States (2023). In terms of capital expenditure for the construction of our filling machines, we anticipate maintaining a level that is largely consistent with previous years.

For the year ended December 31, 2024, we slightly reduced our net leverage ratio from 2.7 times as of December 31, 2023 to 2.6 times. We are committed to achieving our net leverage target of towards two times in the mid-term.

In 2024, SIG's outlook was upgraded to positive by Moodys (Ba1 positive) and our investment grade rating was confirmed by S&P (BBB- stable). We successfully extended the Group's debt maturity profile during the year with competitive pricing and terms and saw a high level of demand from a wide range of investors.

Given the strong fundamentals of our business, we are proposing to increase the dividend to CHF 0.49 per share, compared with CHF 0.48 per share in 2023.

Finally, we would like to sincerely thank all of our employees, customers and shareholders for their support and trust in SIG. Without their commitment we would not have been able to build a resilient business that can continue to deliver industry leading growth even in difficult macro-economic circumstances. With the ever-increasing need for more nutrition, together we will continue to innovate and sustainably drive the future of packaging for liquid food and beverages. We look forward to welcoming Ola Rollén, whom the Board has nominated for election as the new Chair, given Andreas has decided not to stand for reelection, as previously announced. Andreas would like to wish Ola all the best in this new role. Samuel and his management team thank Andreas for his leadership and look forward to working with Ola to continue creating value for our stakeholders – for better.

Regional review:

Europe

Revenue:

€1,045m

Revenue growth:

6.2%

constant currency[1]

428

aseptic carton filling machines in field

Key growth drivers

- **Expansion of customer base to new segments and substrates**
- **Proprietary filling advantages including competitive total cost of ownership, while providing flexible filling options and the most sustainable packaging substrates.**
- **Well-positioned to capture demand for even more sustainable solutions**

Our filling technology offers the unique opportunity to achieve maximum levels of flexibility for our customers, in terms of products, formats and volumes fillable on the same machine. Being able to fill different products into different packaging types on our aseptic filling machines means customers can adapt quickly to changing needs of consumers and retailers.

José Matthijsse
President and General Manager Europe at SIG

Summary of 2024

The region reported revenue growth of 6.2% for the year at constant currency.[1]

Europe's performance in 2024 was driven by the ramp-up of previous filler placements together with higher demand from an increase in raw milk supply for aseptic processing.

Over the past three years, the region has placed 56 filling machines, driven by customers accelerating the replacement cycle of their filling lines in response to the implementation of the Single-Use Plastics Directive, which mandated tethered caps by July 1, 2024. Compared to our peer group, SIG successfully capitalized on this event, given our competitive total cost of ownership, the packaging flexibility of our filling machines, and our ability to provide tethered caps without requiring significant overhauls to existing lines.

Another driver of the region's outperformance is the ongoing sustainability shift towards lower carbon-intensive packaging. Sales of alu-free packaging increased 10.5% in 2024 compared with 2023. The region has seen a growing number of customers start to transition their liquid dairy packaging from an aluminum barrier to an aluminum-free barrier on their existing SIG lines. This change reduces the carbon intensity of the packaging by approximately 25%, and SIG is the only market player capable of offering this solution on our installed filler base. Looking ahead, we anticipate further advancements as we introduce our next generation of aluminum-free full-barrier packaging, designed to guarantee the shelf life for all product categories we pack—not just liquid dairy products.

In spouted pouch and bag-in-box, the region experienced subdued growth for the first half of the year, largely due to one off equipment sales in H1 2023. In H2 2024, the bag-in-box and spouted pouch business returned to positive growth primarily reflecting the ramp-up of new synergy projects and lower prior year comparatives.

1 Constant currency and constant resin growth of 6.4%.

Case studies

Berglandmilch dairy

Expanding its reach to the convenience sector

- Berglandmilch, Austria's biggest dairy, first became a customer of SIG for 1 litre milk packaging.
- SIG has expanded the partnership with a new aseptic filling machine focused on the convenience category.
- Our filling machine can fill 24,000 carton packs per hour in five different volumes (200, 250, 300, 330, 350ml) and can run SIG Terra or standard packaging materials.
- This new investment by Berglandmilch enables it to offer busy consumers a highly convenient and stylish packaging solution for on-the-go or at-home consumption.

We've chosen SIG because it provides a lifestyle pack that meets modern consumers' needs. We're excited to be the first to offer our Austrian customers this new pack that provides a unique on-the-go drinking experience in one of the most sustainable packaging solutions available. At Berglandmilch, we are committed to providing the best products in the most convenient and environmentally friendly way. Our partnership with SIG brings together our shared focus and beliefs, from recycling and plastic reduction, to using responsibly sourced materials. Working closely with SIG helps us to achieve our goals, including increasing the renewable materials used in our packaging.

Josef Braunshofer
CEO at Berglandmilch

Delafruit

Delafruit
HEALTHY FOOD MANUFACTURER

Complete packaging solution for spouted pouch

Delafruit, a leading Spanish fruit processor, was looking to become more cost competitive producing their own pouches with an SIG pouch maker and move to SIG mono-material film

SIG delivered a complete solution including equipment, fitments and film to meet their needs. This included:

- SIG recycle-ready film structure
- Utilisation of SIG fitments like the CloverCap and the RLI spout, which are specifically designed for recycle-ready structures
- Sourcing of all equipment and consumables from a single supplier and produce their own pouches in-house

The result:

Recycle-ready material	Improved total cost of ownership performance

Regional review:

IMEA

Revenue:

€456m

Revenue growth:

13.4%

constant currency[1]

323

aseptic carton filling machines in field

Key growth drivers

- **Geographic expansion**
- **Growing demand for aseptic solutions driven by population growth and increasing urbanization**
- **Strong customer base to grow across segments and substrates**
- **Affordability, innovation and nutrition**

IMEA remains a key growth driver for SIG, as we expand our presence and deliver flexible, sustainable solutions to meet the needs of an increasingly urbanized population. Our continued investment in high-speed filling machines, aseptic packaging, and emerging technologies ensures that we are ready to meet the demands of the future while fostering long-term customer partnerships.

Abdelghany Eladib
President and General Manager IMEA at SIG

Summary of 2024

The region reported revenue growth of 13.4% for the year at constant currency[1].

The Middle East and Africa, experienced strong carton revenue growth for the year driven by the ramp-up of filler placements across the region, as well as a market recovery in Egypt and the GCC.

In India, we continued to experience high double-digit revenue growth as we expand our operations in the country.

As the world's largest milk market[2], India consumes predominantly unpackaged milk, with packaged milk accounting for less than 10% of total consumption. This presents a significant growth opportunity, and we are well positioned to capitalize on it.

Our first sleeves production facility in the country, was completed in December 2024 with initial production in January 2025. The Group has approved the next phase of expansion with the construction of a local extrusion line, which is expected to be completed by 2027. The expansion will increase our local capabilities, shorten supply chains and enable local sourcing of raw materials.

Affordability remains a significant challenge across many markets in the region. SIG is well-positioned to provide solutions for these concerns with its volume flexibility, enabling smaller carton pack sizes while maintaining essential price points.

We were delighted to sign a significant number of new contracts for bag-in-box and spouted pouch filling machines in 2024, in many different countries across the region. This was a result of leveraging our cross-selling capabilities across the region.

1 Constant currency and constant resin growth of 13.5%.
2 Source: International Market Analysis Research and Consulting Group (IMARC). Annual production capacity of 221 million tons was recorded in the year 2021-22, contributing 23% of global milk production.

Case studies

Growing with Amul Dairy

Dr. Amit Vyas, Managing Director of Amul Dairy said, "The dairy market is currently undergoing a massive transition.

The emerging market trends and changing consumer needs make it essential to expand our offering and leverage excellent technologies. The flexibility offered by SIG's filling lines to fill packages of different volumes on the same filling line makes them an excellent choice for Amul Dairy to meet the growing market needs. The commissioning of two additional state-of-the-art SIG filling lines at Amul Dairy's Kheda Satellite Dairy plant will help to enhance our packaging capacity and tap into markets with different price points with new product lines."

In addition to the five SIG aseptic carton lines in operation at Amul we were pleased to sign a contract during the year for sweetened condensed milk in spouted pouch. This is a can to spouted pouch conversion which includes sale of a spouted pouch filling machine and recycle-ready packaging material.

Pioneering with Almarai for 20 years

Almarai is the world's largest vertically integrated dairy company and the biggest food and beverage manufacturer in the Middle East North Africa (MENA) region. Based in Saudi Arabia, it is ranked as the top FMCG brand in MENA and leads all its categories in the GCC[1].

Throughout SIG's long-standing partnership with Almarai, we have introduced innovative products, such as the first-to-market 150ml portion packs for juice, which appealed to consumers and later evolved into a popular 140ml format. In 2021, Almarai was the first to use SIG Asset Health Monitoring, a solution for condition-based maintenance designed to measure the wear and tear of parts and equipment and provide online monitoring to anticipate issues, recommend preventative measures, and offer solutions to optimize availability and reduce unplanned downtime. Earlier in 2008, Almarai was the first to introduce a white cheese delicacy in SIG carton packs. Through these efforts, Almarai has been able to reach diverse consumer segments, expand its market footprint and ensure product quality and the trust of millions of loyal customers.

> **The 20-year journey with SIG has been integral to our growth. Hand in hand, we've been able to deliver sustainable packaging solutions that enhance the consumer experience and reinforce our joint commitment to innovation and adaptability in packaging solutions across our expanding product lines.**
>
> **Ramesh Nair**
> Head of Central Procurement at Almarai

1 GCC is the Gulf Corporation Council including Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and United Arab Emirates.

Regional review:

Asia Pacific

Revenue:

€938m

Revenue growth:

1.6%

constant currency[1]

504

aseptic carton filling machines in field

Key growth drivers

- **Liquid dairy growth and affordable nutrition**
- **Demand for value added, differentiated and sustainable packaging**
- **Strong customer base to grow across segments and substrates**

SIG offers comprehensive solutions that enable customers to explore new market segments. With our agile and flexible filling system, we offer customers unmatched volume and format flexibility, enabling them to meet the rapidly changing demands of consumers.

Angela Lu,
President & General Manager Asia Pacific at SIG

Summary of 2024

The region reported revenue growth of 1.6% for the year at constant currency[1].

Despite a challenging economic environment in China due to soft consumer spending, SIG successfully increased its share of the carton market by adapting packaging sizes to meet affordable price points for consumers. This was particularly notable in the plain white milk category, where we introduced 125ml and 200ml packaging formats. Additionally, we collaborated with our customers to launch flavoured milk products for on-the-go consumption which was well received by consumers.

In the more premium end of the market, SIG rolled out its alu-free packaging with positive customer feedback.

Growth in Thailand, Vietnam, Indonesia, and Malaysia was driven by the ramp up of filler placements leading to share gains across all countries. Growth in the region was also supported by innovative product launches. The SIG DrinksPlus technology, which enables the packaging of larger ingredients such as coconut jelly cubes and aloe vera, has driven growth in the healthy snacking category.

In Thailand our new carton format, SIG Dome Mini, is gaining traction with customers, thanks to its premium on-shelf appearance and ability to stand out.

In terms of bag-in-box, our recycle ready bag-in-box offering is expanding, especially in Australia and New Zealand. This development is in line with the Australian 2025 National Packaging Targets which aim to further advance sustainable packaging practices. Besides recyclability, our bag-in-box packaging offers lower overall plastic use.

1 Constant currency and constant resin growth of 1.7%.

Case studies

Condensed Milk in Spouted Pouch

Asian customer widens range of condensed milk focusing on convenience and affordability

- Evolving consumer preference requires a variety of pack types, sizes and pricing to cater to different consumer segments.
- Sweetened condensed milk is commonly used in Southeast Asia to mix with beverages such as tea and coffee, or even as a spread.

Beverages with multi-sensorial excitement

Brands leverage on Drinksplus to win consumers

- Driven by the bubble-tea trend in SEA, SIG customers can now bring a similar experience to the consumer in the Ready-To-Drink segment through SIG's drinksplus technology.
- Brands are using particulates for child and adult beverages, while balancing nutrition with an indulgent multi-sensorial experience

Regional review:
Americas

Revenue:
€889m

Revenue growth:
0.8%
constant currency[1]

179
aseptic carton filling machines in field

Key growth drivers

- **Foodservice growth through smart systems/ automation of foodservice**
- **Continued category expansion in US, Mexico and Brazil.**
- **Geographical expansion in South America**

"We are excited about the growth opportunities we see in the Americas. The United States is home to the largest food service market in the world and Brazil and Mexico are two of the top ten aseptic milk markets worldwide. It is a vast continent with significant food and beverage consumption. Our recent investment in an aseptic production facility in Mexico has accelerated new business in North America while in Brazil we are successfully exporting our market offering to neighboring countries.

Our unmatched speed, format and size flexibility, and our ability to fill high viscose products allows customers to respond to changing market opportunities. Customers can efficiently use the same aseptic filling machine to fill liquid dairy products such as chocolate milk as well as high viscose products like sweetened condensed milk.

Ricardo Rodriguez
President & General Manager Americas at SIG

Summary of 2024

Revenue increased by 0.8% at constant currency for the year[1] reflecting a steady recovery of the bag-in-box and spouted pouch business after reaching a low in quarter one.

The bag-in-box business was impacted by weakness in the out-of-home dining market in the United States. This was primarily driven by rising menu prices. In response to the decline in demand, quick service restaurants intensified their promotional activities during the second half of the year.

Together with a high prior year comparison, revenue performance was also exacerbated by operational challenges at our U.S. bag-in-box facilities. These production disruptions were addressed and we were pleased to report positive revenue growth in the second half of the year.

Aseptic carton volumes gained from the ramp-up of filling machines in Canada, the United States and Mexico.

Brazil also saw good volume growth from filler ramp-ups mostly in single serve liquid dairy cartons, while we continued to expand geographically into the surrounding countries. We were pleased to sign our first two carton customers in Colombia, and we gained new business in Chile with the largest dairy in the region outside of Brazil.

1 Constant currency and constant resin growth of (0.7)%.

Case studies

Lactalis expands into spouted pouches for yoghurt

- Lactalis, one of the largest dairies in Brazil and a current SIG carton and bag-in-box customer, has expanded its portfolio to included yoghurt packed with an SIG spouted pouch line.
- In 2024, Lactalis more than doubled its volume in this fast-growing category and has plans to launch new SKUs.
- SIG has agreed a full systems solution providing the filling line and the associated packaging materials.

Innovating with Elmhurst: Leveraging a multi-substrate packaging success

Elmhurst 1925, a fast-growing plant-based beverage company, has expanded its product portfolio with SIG packaging.

In 2024, it launched the first shelf-stable, dairy-free sour cream in SIG aseptic pouches.

SIG also provides Elmhurst with SIG Dome aseptic carton packaging for its plant-based Lattes. SIG Dome packaging combines the benefits of aseptic cartons with the convenience of a bottle.

These innovative solutions reinforce Elmhurst's dedication to innovation, product quality and sustainability, growing together with SIG as a trusted partner.

Image: Elmhurst

Financial review

2024 financial results highlight resilient revenue profile

In 2024, the market environment remained muted due to subdued consumer sentiment. Nevertheless the Group increased revenue by 4.3% on a constant currency basis and by 3.9% on a constant currency and constant resin basis. The adjusted EBITDA margin for the year was 24.6%.

Free cash flow was €290 million, 32% ahead of 2023 primarily due to lower capital expenditure after a high level of investment in 2023.

Revenue growth of our carton business was 6.0% for the year. This performance highlights the value we deliver to our customers through our unmatched packaging flexibility, competitive total cost of ownership and our best-in-class sustainability offering.

In 2024, we placed 75 aseptic carton filling machines, which was another strong performance after two years of exceptional placements exceeding 90 fillers annually.

Revenue declined at our bag-in-box and spouted pouch business by 5.0% at constant currency and constant resin. This reflected subdued market conditions in foodservice and operational challenges at our US production facilities. These challenges were addressed, and we were pleased to report revenue growth of 2.5% in the second half of the year.

Key events in 2024 impacting the performance of the Group

Chilled carton production changes in China

The Group has moved its production of chilled carton from Shanghai to the same location as its aseptic carton facilities in Suzhou. Production at the Group's new, leased chilled carton production plant started in the second quarter of 2024. The move of the chilled carton production has resulted in the recognition of impairment losses and restructuring expenses in the total amount of €22.0 million (pre-tax) in the year ended December 31, 2024.

The Group is in the process of selling the production plant in Shanghai. The sale is expected to complete in 2025.

Refinancing

In 2024, the Group issued an unsecured *Schuldscheindarlehen* totaling €450 million and accessed new senior unsecured credit facilities consisting of a five-year €50 million term loan and two committed Euro revolving credit facilities in the total amount of €500 million. The Group also repaid its €550 million term loan that was due in June 2025 and, at the same time, a related €300 million committed multi-currency revolving credit facility was terminated. The current year refinancing has improved the maturity profile of the Group's debt structure.

In November the Group signed a €550 million unsecured bridge loan facility agreement. The facility can be accessed until June 2025, when the Group's €550 million of senior unsecured notes is due for repayment.

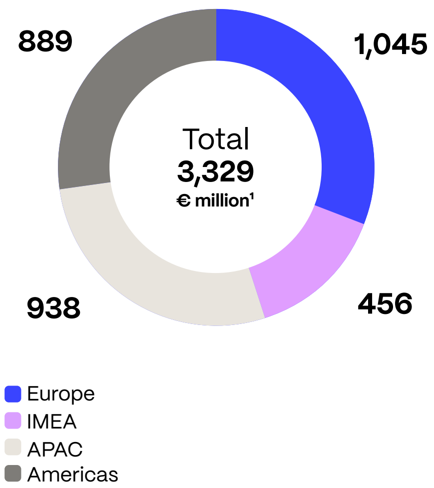
Financial performance

Revenue

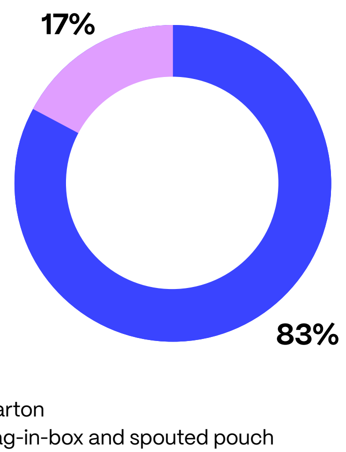
Revenue in 2024 increased by 4.3% on a constant currency basis (3.0% reported and 3.9% at constant currency constant resin) to €3,328.5 million (2023: €3,230.3 million). The bag-in-box and spouted pouch business contributed €579.6 million to Group revenue in 2024 (€604.0 million in 2023).

Revenue growth in the segments

Total revenue 2024
by segment



Revenue by product 2024
Carton vs bag-in-box and spouted pouch



Europe
Europe reported revenue growth of 6.2% for 2024 at constant currency and 6.4% at constant currency and constant resin.

The aseptic carton market was supported by higher raw milk availability for aseptic processing while SIG also gained market share as it ramped-up previous filler placements. The region has placed 56 fillers over the last 3 years.

After a decline in revenue in H1 2024, impacted by a high comparable base, bag-in-box and spouted pouch reported positive revenue growth in H2 2024. This was supported by the ramp-up of cross-selling projects in both packaging substrates. These projects are structured as system solutions with recurring packaging revenue.

India, Middle East and Africa ("IMEA")
IMEA reported revenue growth of 13.4% for 2024 at constant currency and 13.5% at constant currency and constant resin.

The Middle East and Africa, experienced strong carton revenue growth for the year driven by the ramp-up of filler placements across the region, as well as a market recovery in Egypt and the GCC.

In India, we continued to experience high double-digit revenue growth as we expanded our commercial presence and captured share of the growing packaging market.

Asia Pacific ("APAC")
Asia Pacific reported revenue growth of 1.6% on a constant currency basis, or 1.7% on both a constant currency and constant resin basis.

The market environment in China was challenging in 2024 due to soft consumer spending. However, SIG successfully increased its share of the carton market by adapting packaging sizes to offer affordable price points for consumers. Additionally, we partnered with customers to launch flavored milk products which was well-received by consumers in the on-the-go market.

Growth in Thailand, Vietnam, Indonesia, and Malaysia was driven by the ramp up of filler placements leading to share gains across all countries. Growth in the region was also supported by innovative product launches.

Americas
The Americas reported revenue growth of 0.8% on a constant currency basis, or a decrease of 0.7% on both a constant currency and constant resin basis.

In the United States, the bag-in-box business was impacted by weakness in the out-of-home dining market. This slowdown was primarily driven by rising menu prices. In response to the decline in demand, quick service restaurants intensified their promotional activities during the second half of the year.

Revenue performance was further impacted by operational challenges at our U.S. bag-in-box facilities and a high prior year comparable base. The production bottlenecks have been addressed, and we were pleased to report positive revenue growth in the second half of the year.

Aseptic carton volumes benefitted from the ramp-up of filling machines in Canada, the United States and Mexico.

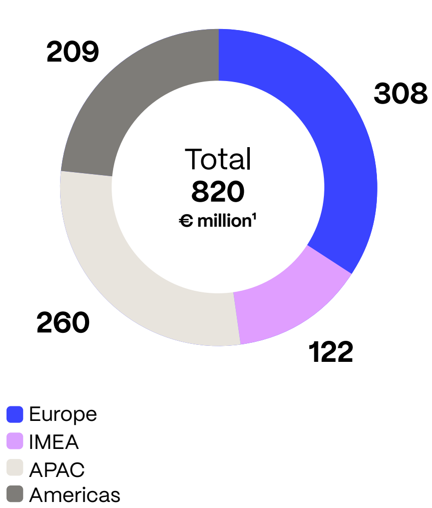
Brazil saw good volume growth from filler ramp-ups mostly in single serve liquid dairy cartons, while we continued to expand into the surrounding countries.

1 Includes Group Functions.

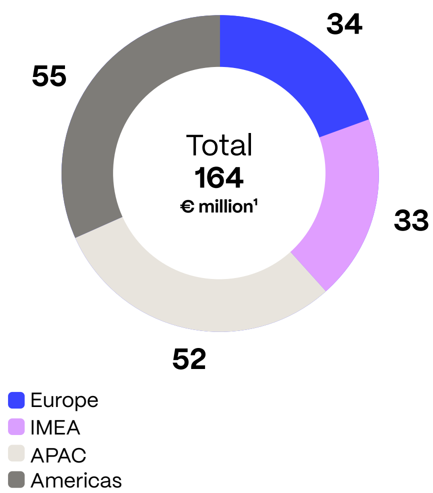
Seasonality
The Group's aseptic carton business experiences moderate seasonal fluctuations, primarily due to seasonal consumption patterns and performance incentive programs relating to carton sleeves that generally end in the fourth quarter. Customers tend to purchase additional carton sleeves prior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

Revenue split 2024

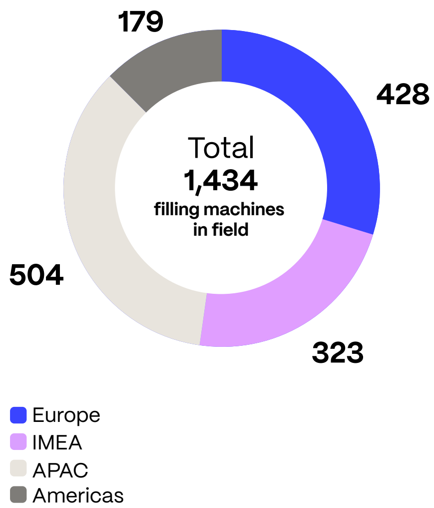
Adjusted EBITDA 2024
by segment



Net capex 2024
by segment



SIG aseptic filling machines 2024
by segment



1 Total includes Group functions.

Adjusted EBITDA

Adjusted EBITDA margin[1]

	As of Dec. 31, 2024	As of Dec. 31, 2023
Europe	29.5%	28.3%
IMEA	26.7%	26.4%
APAC	27.7%	29.5%
Americas	23.5%	23.2%
Total	**24.6%**	**24.9%**

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

(In € million)	Year ended Dec. 31, 2024	Year ended Dec. 31, 2023
Profit for the period	**194.5**	**243.2**
Net finance expense	143.1	125.1
Income tax expense	86.5	80.8
Depreciation and amortization	419.5	412.2
EBITDA	**843.6**	**861.3**
Adjustments to EBITDA:		
Unrealized gain on operating derivatives	(9.6)	(9.2)
Restructuring costs, net of reversals	9.9	6.0
Transaction- and acquisition-related costs	3.4	1.4
Integration costs	(0.5)	12.9
Change in fair value of contingent consideration	(51.3)	(58.2)
Impairment losses	21.3	4.8
Other	2.7	(16.0)
Adjusted EBITDA	**819.5**	**803.0**

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

Adjusted EBITDA increased by €16.5 million, from €803.0 million in 2023 to €819.5 million in 2024. Adjusted EBITDA growth was driven by lower raw material costs as our hedged prices aligned closer to market rates and a higher revenue contribution of €22.8 million. This was offset by higher selling, general and administrative ("SG&A") costs of €22.3 million, negative impacts from foreign currency fluctuations (€16.3 million) and negative production costs (€13.8 million).

The **adjusted EBITDA margin** was 24.6% compared with 24.9% for 2023.

The adjusted EBITDA margin, excluding foreign currency fluctuations, was stable compared to the prior year. Higher revenue contribution was primarily from volume growth while mix was unfavorable. Raw material costs positively impacted margin by 140 basis points compared to the prior year, especially driven by lower polymer costs. This positive impact was offset by higher SG&A expenses driven by investments in growth, and wage inflation. Higher production costs were as a result of operational challenges in bag-in-box facilities in North America.

SG&A as a percentage of revenue was 12.4% compared to 12.2% in 2023. R&D spend remained stable as a percentage of revenue in 2024 at 2.1% (2023: 2.2%).

Compared to the prior year **segment adjusted EBITDA margins** were all positively impacted by raw material costs. The **IMEA** margin was positively impacted by topline contribution, offset by higher SG&A costs. In the **Americas**, the margin was negatively impacted by production costs in the North American bag-in-box facilities. In **APAC**, the margin was negatively impacted by topline contributions for reasons explained in the "revenue" section above.

EBITDA decreased by €17.7 million to €843.6 million in 2024, the decrease was primarily related to impairment losses and restructuring expenses for the chilled carton plant in China and a release in 2023 of an acquisition-related provision that did not recur in the current period. These negative impacts were offset by higher adjusted EBITDA, described above and lower integration costs.

EBITDA was positively impacted by the fair value change of €51.3 million for the Scholle IPN contingent consideration in 2024. The fair value of the contingent consideration is derived from an estimated growth rate for the business in 2025 that is below the Company's mid-term guidance. See further note 32 of the consolidated financial statements.

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

Additional information about alternative performance measures used by SIG management is included in the consolidated financial statements for the year ended December 31, 2024.

Net income

Adjusted net income in 2024 was €308.1 million compared with €318.2 million in 2023. The decrease of €10.1 million was primarily due to higher depreciation, interest and tax expense partially offset by higher adjusted EBITDA.

Net income was €194.5 million in 2024 compared with €243.2 million in 2023. The decrease of €48.7 million was mainly due to impairment losses and restructuring expenses and a release of an acquisition-related provision that did not recur in the current period.

The **effective tax rate** increased from 24.9% in 2023 to 30.8% in 2024. The implementation of the OECD Pillar Two model rules, the introduction of a 9% corporate tax rate in Dubai and the relative mix of profits and losses taxed at varying tax rates in the jurisdictions we operate in, contributed to an increase in the effective tax rate.

The **adjusted effective tax rate** increased from 24.7% in 2023 to 27.7% in 2024. The increase was driven by the items discussed in the "effective tax rate" paragraph above.

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

(In € million)	Year ended Dec. 31, 2024	Year ended Dec. 31, 2023
Profit for the period	**194.5**	**243.2**
Non-cash foreign currency exchange impact of non-functional currency loans and realized foreign currency exchange impact due to refinancing	9.6	(1.3)
Amortization of transaction costs	2.8	4.8
Net change in fair value of financing-related derivative	3.6	2.0
PPA depreciation and amortization – Onex acquisition	103.4	103.4
PPA amortization – other acquisitions	47.1	47.7
Net effect of early repayment of loan	1.6	–
Other	1.3	–
Adjustments to EBITDA[1]	(24.1)	(58.3)
Tax effect on above items	(31.7)	(23.3)
Adjusted net income	**308.1**	**318.2**

Return on capital employed (ROCE)

The ROCE, computed at a reference tax rate of 30%, was 26.6% in 2024, compared with 27.3% in 2023. The year-on-year change is primarily due to capital investments and the recognition of lease liabilities. The ROCE at the adjusted effective tax rate of 27.7% was 27.5% in 2024.

(In € million)	2024	2023
Income statement items		
Adjusted EBITDA	819.5	803.0
Depreciation of PP&E and right-of-use assets	(267.6)	(257.7)
Amortization of capitalized development and IT costs	(3.0)	(2.5)
ROCE EBITA	**548.9**	**542.8**
Balance sheet items		
Current assets (excl. cash and cash equivalents)	938.1	836.4
Current liabilities (excl. interest-bearing liabilities)	(1,355.8)	(1,249.4)
PP&E	1,874.0	1,795.4
Right-of-use assets	322.0	267.3
Capitalized development and IT costs	25.1	26.5
Non-current deferred revenue	(360.0)	(284.4)
Capital employed	**1,443.4**	**1,391.8**
Pre-tax ROCE	38.0%	39.0%
ROCE tax rate of 30%	30.0%	30.0%
Post-tax ROCE at 30% tax rate	**26.6%**	**27.3%**
Adjusted effective tax rate	27.7%	24.7%
Post-tax ROCE at adjusted effective tax rate	**27.5%**	**29.4%**

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

Capital expenditure

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

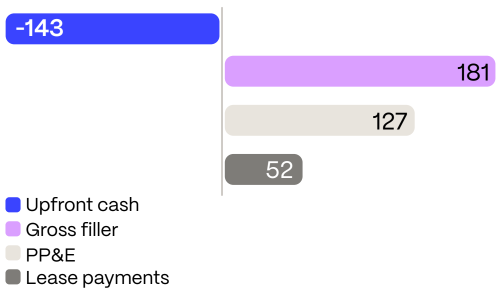
(In € million)	Year ended Dec. 31, 2024	Year ended Dec. 31, 2023
PP&E and intangible assets (net of sales and excluding filling lines and other related equipment)	126.6	163.7
Filling lines and other related equipment	180.6	232.9
Capital expenditure	**307.2**	**396.6**
Upfront cash	(143.3)	(146.0)
Net capital expenditure	**163.9**	**250.6**
Net capital expenditure as a % of revenue	*4.9%*	*7.8%*
Lease payments	51.7	47.2
Net capital expenditure, including lease payments	**215.6**	**297.8**
Net capital expenditure, incl. lease payments as a % of revenue	*6.5%*	*9.2%*

Net capital expenditure, including lease payments, decreased by €82.2 million to €215.6 million in 2024 (2023: €297.8 million), representing 6.5% of revenue (9.2% in 2023). The reduction in capital expenditure partly reflects completion of capital projects. This includes the construction of a new aseptic sleeve plant in Mexico, a chilled carton production facility in China and the expansion of bag-in-box capacity in the USA. The remaining reduction in net capital expenditure reflects lower filler capex, including a one-off benefit from lower filler inventory.

Upfront cash received for filling lines, presented in net cash from operating activities, was at a similar absolute level to the prior period but increased as a percentage of filling line and other related equipment expenditure to 79% (2023: 63%). Upfront cash as a percentage of filling line and other related equipment expenditure can vary depending on contract type and location.

SIG placed 75 aseptic carton filling machines in field in 2024. Taking account of withdrawals, the number of SIG aseptic carton filling machines globally reached 1,434, a net increase of 46. Some of the filling machines retired during the year will be reconfigured and redeployed. New filling machines placed in field have significantly higher capacity than retired filling machines.

NET CAPEX 2024 (€ million)



Cash flows

Net cash from operating activities decreased by €14.1 million to €649.2 million in 2024 from €663.3 million in 2023. This was impacted by increased tax and interest payments of €39.4 million. Overall net working capital items offset each other as we managed inventory levels while we continued to securitize our receivables. The gross amount of receivables sold into the program did not materially change compared to 2023, however, we were able to reduce our retained reserve. Net working capital was also positively impacted by higher volume incentives which are generally paid in the following year.

Cash used in investing activities in 2024 decreased by €88.1 million compared to 2023. The movements in capital expenditure is described under "Capital expenditure".

Free cash flow was €290.3 million compared with €219.5 million in 2023. It was primarily driven by the lower capital expenditure in the period, including a one-off benefit from lower filler inventory, and offsetting movements in net working capital positions.

The **net cash used in financing activities** of €320.2 million reflects dividends paid of €187.8 million, €73.5 million of debt repayments and €51.7 million of lease payments.

Net debt and leverage

(In € million)	As of Dec. 31, 2024	As of Dec. 31, 2023
Gross debt	2,474.9	2,457.5
Cash and cash equivalents	(303.4)	(280.9)
Net debt	**2,171.5**	**2,176.6**
Net leverage ratio	**2.6x**	**2.7x**

The net debt as of December 31, 2024 remained at a similar level to December 31, 2023. The adjusted EBITDA performance positively contributed to the net leverage ratio, which slightly decreased to 2.6x (2023: 2.7x).

Debt rating

	Company rating	Outlook	As of
Moody's	Ba1	Positive	March 2024
S&P	BBB-	Stable	March 2020

Other

Dividend

To allow our shareholders to participate in the cash-generative nature of our business, we have set a dividend pay-out target of 50-60% of adjusted net income.

At the Annual General Meeting to be held on April 8, 2025, the Board of Directors will propose a dividend of CHF 0.49 per share (2023: CHF 0.48 per share), totalling CHF 187.3 million (equivalent to €199.0 million as per the exchange rate as of December 31, 2024). This represents a dividend pay-out ratio of 65% of adjusted net income. If approved by the shareholders, the dividend will be paid from the foreign capital contribution reserve.

Foreign currencies

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

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

2025 guidance

For 2025, the Group anticipates a broadly similar market environment as in 2024. The Company expects total revenue growth at constant currency and constant resin[1] of 3 to 5% in 2025.

The adjusted EBITDA margin is expected to be within the range of 24.5% and 25.5%. In line with its usual seasonality, the Group expects revenue growth and adjusted EBTIDA margins to be higher in the second half of the year. This is subject to input costs and foreign currency volatility.

Net capital expenditure, including lease payments, is projected to be within the Group's target range of 7-9% of revenue and the dividend pay-out ratio within a range of 50-60% of adjusted net income.

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

Mid-term guidance

The Company confirms its mid-term revenue growth guidance of 4-6% at constant currency and constant resin with growth expected in the upper half of this range. Adjusted EBITDA margin is expected to be above 27% in the mid-term, driven by continued margin expansion in the aseptic carton business and the acquired businesses of chilled carton, bag-in-box and spouted pouch.

Net capital expenditure, including lease payments, is forecast to be within a range of 7-9% of revenue and the dividend pay-out ratio is expected to be within a range of 50-60% of adjusted net income.

SIG's business is expected to continue to be strongly cash generative, and the Company maintains its mid-term leverage guidance of towards 2x.

1 The resin escalator for the bag-in-box and spouted pouch businesses, which passes on movements in resin costs directly to customers, is not included in the guidance.

Enterprise risk management

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

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

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

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

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

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

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

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

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

Strategic risks

Description

We are exposed to several strategic risks, such as:

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

How we mitigate risk

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

How we turn risk into opportunity

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

Operational risks

Description

We are exposed to several operational risks, such as:

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

How we mitigate risk

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

How we turn risk into opportunity

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

Sustainability risks

Description

We are exposed to several sustainability risks, such as:

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

How we mitigate risk

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

How we turn risk into opportunity

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

Regulatory, legal and compliance risks

Description

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

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

How we mitigate risk

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

How we turn risk into opportunity

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

Financial risks

Description

We are exposed to several financial risks, such as:

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

How we mitigate risk

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

How we turn risk into opportunity

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

Emerging risks

Description

In 2024, we continued to assess emerging risks that might become relevant for our business, including:

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

How we address such emerging risks

- We closely monitor the regulatory environment and engage in product innovation and product circularity.
- We pursue a strategy of responsible sourcing, which supports the building of resilient forests and the protection of biodiversity along our value chain including our operations.
- We assess, and where necessary improve, our IT security layers to prepare for and defend against cyber attacks with new technologies (such as blockchain, quantum computing and AI).

How we turn risk into opportunity

- An increasing demand for sustainable and more circular products offers great business opportunities.
- Providing information about the results of the performance assessment of our products along the life-cycle supports customers and consumers in making informed choices.