Instructions

Applicable as from 17 June 2015
FORWARD

The purpose of these instructions is to provide you with support and assistance in fulfilling your producer responsibility as regards paper, plastic, and metal packaging.

We have compiled information regarding producer responsibility, different types of packaging, reporting packaging volumes, and current fees which your company pays to cover the costs for collection and recovery, etc.

Please visit our website, www.ftiab.se, where you will find these instructions and more information.

You will find additional information on your customer pages, which you can access via FTI’s website.

You are also welcome to contact our customer service by emailing kund@ftiab.se or calling 0200-88 03 10.

Yours sincerely,

Förpacknings- och Tidningsinsamlingen (FTI) AB
# TABLE OF CONTENTS

| SECTION |
|-----------------|------------------|
| 1. GENERALLY    | Page 5           |
| 1.1. Producer responsibility for packaging | Page 5 |
| 1.2. Targets for recovery and recycling | Page 6 |
| 1.3. Producer responsibility in practice | Page 6 |
| 1.3.1. The FTI system | Page 6 |
| 1.3.2. Financing of the material companies | Page 7 |
| 2. WHAT IS COVERED | Page 7 |
| 2.1. Affected producers | Page 7 |
| 2.1.1. "Filler" of packaging | Page 7 |
| 2.1.2. Contract manufacturers and contract packers | Page 7 |
| 2.1.3. Companies which import packaged goods | Page 8 |
| 2.1.4 Agents | Page 8 |
| 2.1.5 Manufacturer or importer of so-called manufacturer packaging, including grower packaging | Page 8 |
| 2.1.6. Companies which report for other companies | Page 8 |
| 2.1.7. Disclosure obligation as regards foreign customers | Page 8 |
| 2.2. Different types of packaging | Page 8 |
| 2.2.1 What is packaging | Page 8 |
| 2.2.2. Paper packaging | Page 8 |
| 2.2.3. Plastic packaging | Page 8 |
| 2.2.4. Metal packaging | Page 9 |
| 2.2.5. Laminate packaging | Page 9 |
| 2.3. Packaging-like products | Page 9 |
| 3. REPORTING | Page 9 |
| 3.1. Generally | Page 9 |
| 3.1.1. Packaging which must be included in your packaging reporting | Page 9 |
| 3.2. Reporting categories | Page 10 |
| 3.2.1 Household packaging | Page 10 |
| 3.2.2. Business packaging | Page 10 |
| 3.2.3. Manufacturer packing (previously service and grower packaging) | Page 10 |
| 3.2.4. Distinguishing between household and business | Page 10 |
| 3.2.5. Not to be reported – exceptions | Page 10 |
| 3.3. Calculate packaging volumes | Page 12 |
| 3.3.1. Packaging formula | Page 12 |
| 3.3.2. Based on purchased packaging volumes | Page 12 |
| 3.3.3. Documentation from foreign suppliers | Page 12 |
| 3.3.4. Key ratios regarding representative types of articles and product groups | Page 12 |
| 3.3.6. Standard rates | Page 12 |
| 3.4. Reporting periods | Page 13 |
| 4. INVOICING AND PAYMENT | Page 13 |
| 4.1 Invoice and payment dates | Page 13 |
| 5. MANUFACTURER PACKAGING (PREVIOUSLY SERVICE AND GROWER PACKAGING) | Page 14 |
| 5.1. Relevant packaging | Page 14 |
| 5.2. Reporting and paying for manufacturer packaging | Page 15 |
| 5.3 Changes to the regulatory framework | Page 16 |
| 6. THE GREEN DOT | Page 17 |
| 6.1. Background | Page 17 |
| 6.2. The Green Dot in Sweden | Page 17 |
| 6.3. The Green Dot and export | Page 17 |
| 6.4. Terms and conditions and graphic instructions for Green Dot | Page 17 |
| 7. MISCELLANEOUS | Page 17 |
| 7.1. Inform your customers | Page 17 |
| 7.1.1. Text to use on invoices, sales material, etc. | Page 18 |
| 7.1.2. Use FTI's logo | Page 18 |
| 7.1.3. Report the packaging fee on invoices, etc. | Page 18 |
7.2. LABEL YOUR PACKAGING .............................................................................................................. 18

Texts and pictograms .......................................................................................................................... 18
1. GENERALLY

1.1. Producer responsibility for packaging

Since 1994, all producers, i.e. companies which manufacture, import (from non-EU countries), bring in (from another EU member state) or sell packaging or packaged goods, have a statutory responsibility for recovery of the packaging which placed onto the Swedish market. The packaging responsibility covers all types of packaging – including consumer, group, and transportation packaging – and applies to all types of material, such as paper, plastic, metal, glass and wood. The responsibility is governed by the Packaging (Producer Responsibility) Ordinance (SFS 2014:1073), adopted by the Government and hereinafter referred to as the Packaging Ordinance.

In summary, the producer must:

1. provide a collection system which makes it easier for households and others who use the producer's packaging and packaging material to return such material for recovery;
2. take care of packaging which is turned in to the collection system in a health-wise and environmentally acceptable manner (recovery, energy recovery, bio-treatment, etc.; not landfill);
3. ensure that collection takes place in a way which does not render it more difficult to recycle material;
4. consult with, among others, all municipalities in Sweden regarding how the system is to be organised, run, and coordinated;
5. inform (apart from households) regarding collection systems and sorting; municipalities are responsible for information to households;
6. report its results, i.e. the volume of packaging introduced onto the Swedish market, how much of this packaging is collected, how collected material is taken care of, the recovery rates which have been reached, etc., to the Swedish Environmental Protection Agency.

The producers’ obligations under the Packaging Ordinance also include:

- applying for authorisation if the company intends to operate a collection system. Authorisation applications are reviewed by the Environmental Protection Agency. This applies to all collection systems which are intended to be operated as from 1 April 2017;
- providing information to the Environmental Protection Agency stating which producers have allowed their packaging to be included in the system, etc.

In addition, there are rules regarding how packaging is to be designed, presented and sold in such a manner that it is reusable or recoverable. The environmental impact of packaging must also be limited.
1.2. Targets for recovery and recycling

The recycling rate for all packaging waste must be 55%. As from 1 January 2020, the target will be increased to at least 65%. The targets under the Packaging Ordinance, broken down by type of material, are as follows:

<table>
<thead>
<tr>
<th>Type of material</th>
<th>Recycling rate target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board, paper, cardboard and corrugated board</td>
<td>At least 65% before 1 January 2020 and thereafter at least 85%</td>
</tr>
<tr>
<td>Plastic (excluding beverage containers)</td>
<td>At least 30% before 1 January 2020 and thereafter at least 50%</td>
</tr>
<tr>
<td>Metal (excluding beverage containers)</td>
<td>At least 70% before 1 January 2020 and thereafter at least 85%</td>
</tr>
<tr>
<td>Glass</td>
<td>At least 70% before 1 January 2020 and thereafter at least 90%</td>
</tr>
<tr>
<td>Newspapers</td>
<td>At least 75% before 1 January 2020 and thereafter at least 90%</td>
</tr>
</tbody>
</table>

Reuse (= refilling) is not included in the recycling rate.

1.3. Producer responsibility in practice

In order to solve the practical issues of producer responsibility, in 1994 the Confederation of Swedish Enterprise (Industry and Trade) formed what are known as material companies (Sw. materialbolag) which, in turn, engaged FTI to develop and provide coordinated systems for collection and material recovery of packaging and newspapers. The material companies are Svenska MetallKretsen AB, Plastkretsen AB, Returkartong AB, Svensk GlasÅtervinning AB and Pressretur AB. FTI is non-profit and its mandate is to ensure that producer responsibility is fulfilled for each type of material as cost-effectively as possible.

The only types of material which we address in these instructions are paper, plastic and metal. As regards glass containers, please see Svensk GlasÅtervinning AB, www.glasatervinning.se and, for newspapers, Pressretur AB, www.pressretur.se. For beverage containers with deposit, please see Returpack, www.pantamera.nu.

1.3.1. The FTI system

Through FTI, the material companies offer affiliated companies a national collection and recovery system for the companies' packaging. Companies affiliate to FTI, pay packaging fees to FTI, and in return gain access to FTI's system for collection and recovery of packaging. The fees finance collection and recovery of packaging from Sweden's households and businesses. Collection from households takes place via recycling stations and curb-side collection. FTI has a number of free collection points for businesses.

FTI also consults with municipalities and reports packaging volumes to the Swedish Environmental Protection Agency. FTI provides support for its customers and the general public regarding questions related to packaging and also provides a web-based accounting system for reporting and invoicing packaging volumes.
1.3.2. Financing of the material companies
The FTI system is primarily financed through packaging fees, whereby the affiliated companies share the costs of the collection system based on the volumes of material which each producer places onto the market, all in accordance with the "polluter pays" principle. It is also financed through revenue from sales generated by collected material. Each type of material carries its own collection and recovery costs.

2. WHAT IS COVERED

2.1. Affected producers
"Producer" under the Packaging Ordinance means a party which, in the course of business, manufactures, sells, or brings into Sweden packaging or goods which are enclosed in, protected by, or presented by packaging.

All companies – regardless of whether they are manufacturers, importers, wholesalers, stores, pizzerias, snack bars, or suchlike – which fall within the parameters of the definition above are producers. In order to ensure that the packaging fee is paid, FTI has chosen to charge fees pursuant to the following main principles:

- Packaging is reported by the filler (2.1.1-2.1.2) or the importer (2.1.3-2.1.4), unless otherwise agreed. The packaging is reported as household and/or business packaging;
- Packaging-like products made of paper, plastic and metal are reported, following separate agreement with FTI, by the filler or importer;
- Manufacturer packaging, including grower packaging, is reported by the Swedish packaging manufacturer or the importer of that type of packaging (2.1.5) unless otherwise agreed.

2.1.1. "Filler" of packaging
Each and every company which packages goods is a filler/packer. Someone who repackages goods or packs goods together in new bulk packaging or suchlike at a later stage (such as certain wholesalers) are also to be included. The crucial question is whether packaging or any packaging material is added to goods or already packaged goods. A packaging manufacturer which packs its packaging together (which is sold as a product) in any packaging is thus also a filler.

2.1.2. Contract manufacturers and contract packers
Contract manufacturers are seen as fillers if, at any stage, they own the goods and/or packaging. Companies which own neither goods nor packaging but, instead, provide only a filling service (known as contract packers), are not regarded as fillers. In these cases, the client is seen as the filler. It is important that the client and the manufacturer/contract packer ascertain which of them is to report to FTI.
2.1.3. Companies which import packaged goods
For goods which are packaged or filled abroad, the importer or the party which brings in the goods must affiliate and pay the packaging fee. This also applies to a company from another EU member state which brings goods into Sweden. Ordinarily, the importer is the company which first becomes the owner of the goods in Sweden.

2.1.4 Agents
Agents are classified as importers if they own the goods, at any stage during or after import or introduction, even if they do not have physical possession of the goods. The agent in such case is responsible for reporting and payment. In those cases where the agent only acts as an intermediary, the agent’s customer is regarded as the importer in accordance with section 2.1.3 above.

2.1.5 Manufacturer or importer of so-called manufacturer packaging, including grower packaging
Special conditions apply to manufacturer packaging. These are described in Chapter 5 Manufacturer packaging (previously service and grower packaging).

2.1.6. Companies which report for other companies
Following agreement with FTI, an affiliated company can report, in whole or in part, for other affiliated companies. The reporting company must ensure that the companies for which it is reporting receive the information which is necessary to allow accurate reporting to take place. The reporting company is responsible for the accuracy of the information which is provided on these companies’ behalf. FTI must be notified immediately of any changes to the group for which the company reports. This applies both to changes in respect of the companies to whom the reporting relates and, where applicable, to changes in respect of the parts of the companies’ operations which are reported.

The agreement is memorialised in a supplemental agreement between the reporting company and FTI.

2.1.7. Disclosure obligation as regards foreign customers
Foreign producers which are affiliated to FTI must report all packaging which is delivered to the Swedish market. The producer must inform its Swedish customers that they are paying packaging fees.

2.2. Different types of packaging

2.2.1 What is packaging
According to the Packaging Ordinance, any product which has been produced to contain, protect, handle, deliver, or present goods is regarded as packaging.

This includes consumer packaging, group packaging and transportation packaging. The rules also apply to packaging accessories such as covers and capsules, as well as shock absorbing packaging material such as chips, plastic foam, styrofoam, etc.

2.2.2. Paper packaging
All board, paper, cardboard, and corrugated board packaging.

Examples: cartons for liquid, cereal packages, spools, shoeboxes, paper carrier bags and paper bags, etc.

2.2.3. Plastic packaging
All polymer-based packaging, including packaging made of cellophane, cornstarch, and other plastic-like materials. Other solid packaging material which contains the aforementioned constituent elements is also regarded as plastic packaging, even if they also contain other material as filler, e.g. chalk.

Examples: plastic containers, plastic bottles, plastic carrier bags, plastic lids, plastic plates, spools, cases, stretch film and cling film, plastic chips, "big bags", styrofoam encasing electronics and white goods, etc.
2.2.4. Metal packaging
This means packaging made from sheet steel and aluminum. The identifying characteristic of sheet steel is that it is magnetic, and of aluminum that it is not magnetic.

Examples: food cans, metal lids, capsules, tin cans, sheet steel bands, tins, metal barrels ("oil barrels"), spray cans, etc.

2.2.5. Laminate packaging
If packaging is a composite of several different types of material, each type of material which can be easily separated is regarded individually. A metal aerosol can with a plastic cap thus consists of two types of material (metal and plastic). On the other hand, laminates or packaging which cannot be easily separated are classified as the type of material which, by weight, is dominant in the packaging. Juice package without a cap which, by weight, is 85% cardboard is thus reported as paper packaging.

2.3. Packaging-like products
FTI offers Affiliation Agreements for certain packaging-like products, even if they are not defined as packaging under the Packaging Ordinance. These can, followed agreement with FTI, be reported as plastic, paper, or metal packaging in accordance with the rules applicable from time to time. The prerequisite for such an agreement is that they can be naturally handled in the current recovery process.

Examples of packaging-like products:
- Manufacturer packaging which is marketed empty to households, such as muffin forms, disposable table top products, wrapping paper and gift packaging, plastic bags and freezer bags, aluminum foil and plastic wrap, etc. (formerly regarded as a service packaging).
- Certain coffee capsules
- Moving boxes
- Miscellaneous

3. REPORTING

3.1. Generally
Paper, plastic and metal packaging are reported by kilogram (kg), without decimals, on the customer page. You can access the customer page via FTI's website.

Volume reporting for smaller packaging volumes can be replaced by fixed standard rates, in accordance with the General Terms and Conditions appendix (GTC) and after checking and separate agreement with FTI. A variable standard rate is also possible following separate agreement, for example in connection with large quantities of import articles. See section 3.3.6.

3.1.1. Packaging which must be included in your packaging reporting:
- Packaging which your company packs or fills and then sells on, adds to, the Swedish market.
- Packaging which accompanies goods which you import.
- Packaging which your company adds to already packaged goods.
- Packaging which is included in the company's own return system. The packaging is reported when it is used for the first time; it is not to be reported when it is refilled. Example: bread trays which bakeries use in transportation.
- Packaging which is used internally for deliveries within your company, notwithstanding that it does not then come onto the market.
- Manufacturer packaging which your company manufactures, imports, or for which you have assumed reporting responsibility after a separate agreement. Note that the wrapping material for manufacturer packaging must also be reported.
- Packaging-like products, see section 2.3.

We wish to emphasise out that export is not to be reported. For this and other exceptions, see section 3.2.5.
3.2. Reporting categories

Packaging made of paper, plastic and metal is reported as household packaging or business packaging, depending on the ultimate destination of the packaging.

Manufacturer packaging is reported as such, subject to certain exceptions, regardless of the ultimate destination or final point of use of the packaging. See section 5.3.

Packaging-like products made of paper, plastic and metal may, following separate agreement with FTI, depending on the ultimate destination of the packaging.

3.2.1 Household packaging

Packaging which ultimately reaches or ends up with consumers or households. Examples: boxes, spray cans, spools, cans, bottles, cases, cartons, bags, trays, tubes, cardboard boxes from Internet shopping, etc.

310 Paper, household
410 Plastic, household
511 Aluminum, household
512 Sheet steel, household

3.2.2. Business packaging

Packaging which ultimately reaches or ends up with companies, industry or other businesses. Examples: transportation packaging such as cardboard boxes, load pallets, stretch film and cling film, plastic and metal bands, edge protection, sacks, etc., as well as barrels, "big bags", buckets, cases, etc.

320 Paper, business
420 Plastic, business
521 Aluminum, business
522 Sheet steel, business
523 Sheet metal barrels, business
524 Sheet steel bands and wires, business

3.2.3. Manufacturer packaging (previously service and grower packaging)

Packaging which is primarily use for packing in stores, restaurants or suchlike (not in industry) or which is primarily used for packaging unprocessed products from agriculture, commercial nurseries, or suchlike. The packaging primarily ultimately reaches consumers/households but also reaches, in part, companies/industry/other businesses.

Examples: carrier bags, pizza boxes, bags, aluminum foil and plastic film for foodstuffs, etc.

330 Paper, manufacturer packaging
430 Plastic, manufacturer packaging
531 Aluminum, manufacturer packaging

Reporters of manufacturer packaging will find in-depth information in Chapter 5.

3.2.4. Distinguishing between household and business

In most cases, it is clear whether packaging is household packaging or business packaging. However, there may be borderline cases; the crucial element is where the packaging is sorted for recovery. It is simplest sometimes to proceed based the identity of the product's end user.

3.2.5. Not to be reported – exceptions

In the following cases, packaging volumes are not to be reported:
• **Export**
The packaging volumes which are exported (or taken to another EU member state) are not to be reported. Packaging for goods which are delivered for sale to "tax-free shops" at airports, on ferries, etc., are deemed exports.

• **Packaging for which the fee has been paid in an earlier phase**
Where the packaging fee has been paid in an earlier phase, it is not to be reported and paid again. This is ordinarily the case as regards packaging of goods from Swedish suppliers and also the purchase of packaging from Swedish packaging suppliers. The packaging fee must be stated on the invoice for manufacturer packaging.

• **Packaging which is included in a deposit and account system for return crates/trays, loading pallets, etc.**
Example: packaging which is provided by Svenska Retursystem, www.retursystem.se.

• **Beverage containers with deposit**
Containers with deposit are regulated by other legislation and are not to be reported to FTI. Examples: aluminum and steel cans for beer and carbonated soft drinks, as well as PET bottles for ready for consumption beverages. Companies which import or fill such packaging are referred to Svenska Returpack AB and the Swedish Board of Agriculture, see section 1.3.
The deposit requirement does not apply to beverages which consist primarily of dairy products or juice. These are to continue to be reported to FTI.

• **Large containers (approx. 1,000 litres), specifically IBC, OWC, Cipax and suchlike**
These are handled in their own return systems or reconditioning systems

• **Packaging labeled as hazardous**
For packaging labeled as hazardous, please see www.kemikalieinspektionen.se.

• **Packaging containing cytostatic, immunosuppressive, or immunostimulant pharmaceuticals, as well as strong corticosteroids**

• **Hazardous waste**
Packaging which is certain to become hazardous waste as defined in AFS 2005:1. For more information, please see www.av.se.

• **Silage film and plastic packaging for agriculture**
For more information, we refer companies and operations to Svepretur, www.svepretur.se.

• **Manufacturer packaging which is sold empty to households** (applicable as from 1 April 2015).
Examples: disposable table top products, wrapping paper, freezer bags, greaseproof paper, baking moulds (single-use), moving boxes, etc.

• **Rolls, tubes and cylinders** (applicable as from 1 April 2015)
Rolls, tubes and cylinders on which pliable material is wound, in such cases where they are intended to be used as parts for manufacturing equipment and not to be used to present goods as sales items.

• **Gas cartridges** (explosion risk)

• **Dialysis bags** (risk of having come into contact with bodily fluids)

• **Miscellaneous material which is not to be reported as packaging to FTI**
Envelopes, non-padded pleated envelopes (bellows 30 mm or less), string, wire, tape, clips, clothes hangers which are marketed separately, archive drawers, tyre bags, flowerpots which are intended to be used with the plant throughout its life, CD and cassette cases, match boxes (flammable), quality jewelry boxes which are not single use, grave lanterns which are candleholders, storage material for games, bin liners and bags for waste, sausage skins, baking parchment paper, toner cassettes (toner containers which are not installed in the printer/fax machine etc. but which contain toner sold loose for refill
are, however, packaging), printer cartridges, water-soluble bags for cleaning products and production waste, etc.

3.3. Calculate packaging volumes
Each company may choose the way in which it calculates its packaging volumes. The important thing is that the method gives an accurate result, that the volumes can be verified, and that the company's auditor, when necessary, can certify that submitted reports are correct. You will find a number of suggestions below for how to do this in practice. The documentation for packaging volumes states, for each article and type of material, the weight in kilograms (kg), to four decimal places.

3.3.1. Packaging formula
Larger companies with sophisticated data administration can enter so-called packaging formulas in their databases, where the weight of each type of material is stated at the article level. This type of method allows a simple conversion of sales data to total packaging weights.

3.3.2. Based on purchased packaging volumes
Companies which purchase unfilled packaging for their own use can proceed on the basis of packaging volumes purchased during the period in question, adjusted for changes in stock and waste.

3.3.3. Documentation from foreign suppliers
Companies which import packaged goods may contact their foreign suppliers for information regarding packaging volumes and packaging weights. Most European countries have packaging fees similar to those in Sweden and thus information may be easily available from the supplier. The responsibility for accuracy of the information rests, however, with the reporting company.

3.3.4. Key ratios regarding representative types of articles and product groups
A company with a very large number of articles with varying types of packaging material and packaging weights and which cannot apply the methods set forth above can, in consultation with its auditor or FTI, attempt to assign key ratios to representative article types, which are weighed together in a correct manner.

NOTE! It is important to document the basis on which you calculate your packaging volumes so that you can show the documentation in the event of inspection.

3.3.5. FTI's spot test model
FTI can, following separate agreement, offer its customers a statistically certain spot test model for calculating packaging volumes. This is appropriate for companies which have a large number of import articles and which have difficulty defining, weighing, and reporting packaging for each individual article.

3.3.6. Standard rates
In order to make things easier for our customers, we also have the following standardised solutions for reporting packaging volumes. Standard rates may be used following separate agreement with FTI:

Fixed standard rates
A company whose packaging fees are less than SEK 7,000/calendar year may select a fixed standard rate instead of reporting actual volumes. The fixed standard rate is invoiced annually and is divided into three levels (excluding annual fee, Green Dot fee, and VAT):

- SEK 500
- SEK 2,500
- SEK 7,000

FTI bases its determination of the level on the company's earlier packaging reports or other relevant information which can be used to ascertain the annual packaging fee. The standard rate level can be determined after calculating the packaging volumes and taking packaging fees into consideration. If the producer's operations or sales change, the standard rate will be adjusted. This can also take place in the event of a fee change from FTI.

Variable standard rate based on sales
A company which has been affiliated for at least one year may, following application, use a variable standard rate. The standard rate is based on the company's actual reports for the most recent 12-
month period. Reporting is linked to the company's sales or another key ratio, changes to which affect
the kilogram value in the standard rate.

The standard rate is suitable for companies which have a large number of import articles and which
have difficulty defining, weighing and reporting packaging for each individual article.

NOTE! The standard rates do not apply to companies which manufacture/import manufacturer
packaging.

3.4. Reporting periods
The main principles are as follows:

Annual reporting
A company whose packaging fees are less than SEK 20,000/calendar year reports in January, the
month after a completed period. Companies which are entitled to report annually pay an average of
the packaging fee if the packaging fee for a specific type/specific types of packaging material has
changed during the year (does not apply to manufacturer packaging).

Quarterly reporting
A company whose packaging fees are between SEK 20,000/calendar year and SEK
120,000/calendar year reports quarterly, the month after a completed quarter (i.e. April, July, October
and January) unless otherwise agreed.

Monthly reporting
A company whose packaging fees exceed SEK 120,000/calendar year reports monthly, after the end
of the month. Quarterly reporting with a monthly pro forma invoice may be used after separate
agreement with FTI.

FTI gives notice, by email, of reporting deadlines in ample time.
The packaging is to be reported to FTI not later than the 25th of the month after a completed reporting
period.

4. INVOICING AND PAYMENT
All companies pay an annual fee of SEK 1,500, inclusive of the Green Dot fee. Additional packaging
fees may apply, based on the reported kilograms (kg), with the exception of fixed standard rates.
Statutory value added tax is added.

4.1 Invoice and payment dates
Invoicing takes place annually, quarterly or monthly, depending on the reporting period, after the
packaging volumes have been reported. Invoicing takes place either in hard copy sent by post or as a
PDF sent by email, whichever is your preference. A company which pays a standard rate in
accordance with section 3.3.6 is invoiced during the calendar year.

FTI must receive payment not later than 30 days after the invoice date.

4.1.1 Late fee for late reporting
The packaging must be reported to FTI not later than the 25th of the month after a completed
reporting period. If packaging volumes are not reported on time, FTI is entitled to charge a fee for late
reporting, which is equivalent to the interest payable in the event of late payment pursuant to section 6
of the current Swedish Interest Act (i.e. the reference interest rate plus 8%), based on the packaging
fee for the relevant volume, however always at least SEK 60/invoicing occasion.

4.1.2. Late fee for late payment
FTI is entitled to charge penalty interest on arrears pursuant to the current Interest Act in respect of
payments which are not made in a timely fashion.

4.1.3 Payment of standard rate fees
Companies which pay a variable standard rate fee are invoiced quarterly or annually for the current
period, pursuant to a supplemental agreement.
Companies which pay a **fixed standard rate fee** are invoiced annually for the current year.

### 4.2. Minimum payment amount

The minimum payment amount has been set at SEK 2,000 per calendar year, including annual fees and the Green Dot fee, exclusive of VAT. See also www.ftiab.se and the Packaging Fees appendix.

### 5. MANUFACTURER PACKAGING (previously service and grower packaging)

#### 5.1. Relevant packaging

According to FTI’s main principle, a packaging fee is paid by the filler and by the party which imports packaged goods.

In order to avoid all stores, industrial kitchens, restaurants, pizzerias, hot dog stands, bakeries, commercial laundries, banks, offices, growers, berry pickers, egg producers, etc. needing to affiliate solely because they fill packaging, FTI has chosen to create separate conditions for certain packaging. This packaging is called manufacturer packaging and also includes grower packaging. A common feature of all manufacturer packaging is that it is reported by the packaging manufacturer or the importer unless otherwise agreed (see section 5.2.1-5.2.2).

Packaging comprising the following types of material is regarded as manufacturer packaging: plastic, EPS, cellophane, paper, board, corrugated board and aluminum. They fill a packaging function and are often designed to be filled at the point of sale.

1. All carrier bags, even if they are later used for waste or sorting recycling.

2. All bags, canisters, sacks, bag inserts, vacuum bags, zipper bags, padded bags, jiffy bags, foam bags, cushioned bags, bubble wrap bags, mail-order bags, sample bags/sample sacks, non-padded mailing bags with pleats (bellows) over 30 mm, and plastic tubes for dry-cleaning, etc. See further under section 5.3.2

**Exceptions:**

- Waste bags/sacks, sanitary bags, motion sickness bags, dog waste bags and bin liners, as well as oven-roasting bags and cake piping bags. No packaging fee is charged for these. They are also not to be included in the packaging report.
- For antistatic and rust protection bags, the filler pays the fee. This also applies to liner bags and bags used solely for meat tenderizing.
- For bags and sacks which are customer-unique and manufactured only to be used for industrial packing, the filler must pay the fee. Examples: bags for sugar, flour, chips, peanuts, soup and sauce powders, diapers and sanitary napkins, toilet paper, cotton and other hygiene products.

Packaging listed in the foregoing exceptions are to be reported and paid by the filler either as household packaging or business packaging, depending on the end customer.

**Example 1:** A generic bread bag (unprinted or printed with the word *bread*, *baguette*, or suchlike) which can be used by a number of fillers is manufacturer packaging and the fee is to be paid by the manufacturer/importer. However, a bread bag marked, for example, *Anderssons bröd* is not manufacturer packaging since it is customer-unique and is manufactured only to be used for industrial packing. *Anderssons Bröd*, which is thus the filler, must pay the fee.

**Example 2:** An ordinary standard bag is manufacturer packaging regardless of where it is sold. However, a custom-made bag which is only sold to, for example, industry is not manufacturer packaging since it is customer-unique and manufactured to be used only for industrial packing. In such case, the individual company which is the filler is to pay the fee.

3. Film, sheets of paper, or foil for packing foodstuffs (including greaseproof paper) which is used in conjunction with sale of a product, see further under section 5.3.2.
**Exceptions:**
Baking parchment. No packaging fee is paid for baking parchment and it is not to be included in packaging reporting.

4. Gift packaging which is used in conjunction with sale of a product; see further under section 5.3.2. Example: gift cartons and boxes, gift bags.

5. All wrapping paper (on a roll and in sheet form) which is used in conjunction with sale of a product, see further under section 5.3.2. Examples of wrapping paper include silk paper, greaseproof paper, white wrapping paper, lining paper, gift paper, pattern paper, flower paper, brown paper and suchlike.

**Exceptions:**
Impregnated paper and paraffin-coated brown paper (used only industrially and fees are to be paid by the filler), brown paper on a roll with a surface weight of 40 g/m² and less (normally used for protection when lacquering; in those instances when used as packaging material, the fee shall be paid by the filler).

6. All cartons, forms, trays, cups, cans, etc. with appurtenant inserts or covers, which are used for home delivery, take-away or store packaging, such as pizza boxes, snack bar trays, salad containers, carry bags and aluminum baking pans.

7. All bakery packaging, such as cake trays, cake paper and doilies, butter cake rings, cake blister packs, pastry cartons, semla cartons, candy boxes and bakery bags.

8. Disposables that are used in conjunction with sales of a product, see further under section 5.3.2. Examples: disposable packaging for serving food, drinks and suchlike such as plates, cups, glasses, mugs, straws, and serving platters.

**Exceptions:** Napkins, tablecloths, coasters, coffee filters, placemats and disposable cutlery, drink stirrers and skewers. No packaging fee is charged for these items. They are also not to be included in the packaging reporting.

9. Grower packaging which, to a significant extent, is used for packing primarily unprocessed products from agriculture, commercial nurseries and suchlike, such as potatoes, root vegetables, vegetables, fruit, berries and eggs.

Examples: egg cartons, egg trays (for fewer than 30 eggs), berry cartons, berry trays, bags for potatoes, carrots, vegetables, fruits, etc., so-called angle film (Sw. vinkelfilm), cucumber film, sacks including net bags for wood, net socks, dividers, solid board boxes, salad film.

**Exceptions:** The following packaging is regarded as packaging and not as grower packaging. Accordingly, the packaging is reported by the filler:
- Packaging for flowers, such as flower bags, flower cones, plug trays, flower rings, etc.
- Packaging for honey, such as buckets and lids.
- 30-trays (egg trays).
- Corrugated cardboard grower packaging.
- Pallet packaging materials such as stretch film and plastic and metal pallet bands.

**5.2. Reporting and paying for manufacturer packaging**
Anyone who manufactures or imports manufacturer packaging is primarily responsible.

**5.2.1. Reporting according to the main rule (primary responsibility)**
Manufacturer packaging must be reported by the **primarily responsible party** unless otherwise agreed. Corrugated cardboard grower packaging must, however, be reported by the filler, i.e. the grower or the party that packs the grower's products.

**NOTE!** There is packaging as described above which is sold to industry and the conditions regarding manufacturer packaging apply to such packaging as well.
5.2.2 Assumption of reporting and payment responsibility (secondary responsibility)
In exceptional cases, the reporting and payment responsibility for manufacturer packaging may be
assumed by a company at a later stage, following separate agreement with FTI. This requires the
company which is taking over, known as the secondary responsible party, to be affiliated to FTI or
to meet its producer responsibility in another acceptable manner. The primarily responsible party is
then discharged from the reporting and payment responsibility.
See further under Separate terms and conditions for manufacturer packaging.

5.2.3. Report packaging fees to the customer
The Primarily Responsible Party must report the packaging fee to the Secondary Responsible Party
on the invoice, preferably in plain language clearly specifying the size of the fee (in kilograms and
kronor) in the text of the invoice, or, alternatively, by using an asterisk on the invoice so that it is clear
for which articles he is paying the packaging fee. If it is not possible to provide information regarding
the packaging fee on the invoice in this way, corresponding information may, following FTI's approval,
be reported instead on an article level on price lists or other sales material. This also applies to a
secondarily responsible party which assumes the reporting responsibility for its supplier's
manufacturer packaging.

5.2.4. Information to customers
A company which is affiliated to FTI and which manufactures, imports and sells manufacturer
packaging may use the following text on invoices, sales material or price lists:

"Our company is affiliated to FTI. Packaging fees are paid for packaging for our products. The fees
paid for manufacturer packaging are specified on the invoice."

Companies which sell manufacturer packaging which they purchased from Swedish suppliers need
not be affiliated if they do not have their own manufacturing, own import or if they do not pack or
repack any goods.

These companies can use the following text, provided that the company's packaging supplier is
affiliated to FTI:

"Our suppliers are affiliated to FTI. Packaging fees are paid for packaging for our products and for our
manufacturer packaging."

Where applicable, the company is responsible for verifying that its suppliers are affiliated.

5.3 Changes to the regulatory framework

5.3.1. Manufacturer packaging which is proven to end up at businesses
In the following two cases it is possible, as from 1 April 2014 and following agreement with FTI
pursuant to separate terms and conditions, instead to report as business packaging such
manufacturer packaging which unquestionably ends up and is finally used at a business.

1. The business (the customer) has a closed collection system where all packaging ends up.
   Examples: air, rail, and ferry services, school kitchens, hospital kitchens with delivery
   exclusively to wards, hotel chains, etc. The packaging is to be reported by the packaging
   supplier, after certification from the customer that it involves only business packaging.

2. The business (the customer) has a closed collection system where only part of the packaging
   ends up.
   Example: restaurant chains with take-away service. In order to be able to verify the volume of
   packaging which ends up in the company's closed collection system, it must be possible to
   report this as business packaging. The packaging is to be reported by the filler, i.e. the
customer, either as business packaging or household packaging. This presupposes that the
customer is affiliated to FTI and has assumed reporting responsibility through an agreement
with FTI.
If neither 1 nor 2 above is relevant and/or it is deemed impossible to determine where the packaging ends up, it is to be reported pursuant to the main rule as manufacturer packaging. Examples: pizzerias, snack bars, individual restaurants, etc.

5.3.2. Manufacturer packaging which is sold empty to households
As from 1 April 2015, manufacturer packaging which is marketed and sold separately and empty to consumers/households is no longer classified as packaging.

Examples of packaging to households:
Freezer bags, ice cube bags, storage bags, aluminum foil, cling film, freezer containers, moulds for toffee, buns, and cookies, gift paper, disposable place settings for serving food, drink, and suchlike, such as plates, cups, glasses, straws, stirrers and serving platters.

5.3.3. Moving boxes
As from 1 April 2015, moving boxes which are sold empty to households are no longer classified as packaging. This also applies to moving boxes which are used by removal firms, cash and carry stores and suchlike.

5.3.4. Reporting of packaging-like products
Packaging-like products from 5.3.2 and 5.3.3 can advantageous be reported to FTI pursuant to section 2.3 regarding packaging-like products.

6. THE GREEN DOT

6.1. Background
The Green Dot is a trade mark which was launched in Germany in the beginning of the 1990s. Later on, companies in other countries began to use the trade mark to show that the packaging fees had been paid, although there are significant differences between the countries. Currently, the mark is used in many countries both within and outside of Europe. The Green Dot is one of the most internationally used trade marks.

6.2. The Green Dot in Sweden
FTI holds the rights to The Green Dot trade mark in Sweden and the trade mark shows that packaging fees have been paid in accordance with the requirements set forth in the producer responsibility legislation.

6.3. The Green Dot and export
Affiliation to FTI confers the right to use the Green Dot only in Sweden. Any fee for goods with Green Dot labeling which are exported must, where applicable, be paid in accordance with the rules of the country of import. See PRO Europa's website for more information: www.proeurope.info.

It is not unusual for large foreign companies (e.g. department store chains and grocery chains) to require their suppliers to be registered with each national recycling systems and pay packaging fees for export to these companies. We therefore recommend that you decide with your customer who is to apply for the right to use relevant logos and be responsible for any packaging fees.

6.4. Terms and conditions and graphic instructions for Green Dot
Terms and conditions for the use of Green Dot and graphic instructions are set forth on the relevant affiliate company’s website (www.ftiab.se).

7. MISCELLANEOUS

7.1. Inform your customers
We recommend that affiliated companies inform their customers that the company is affiliated to FTI. The company chooses how to do this, but we recommend using FTI's logo, either alone or together with one of the texts set forth below, however not on packaging.
7.1.1. Text to use on invoices, sales material, etc.

Fillers/packers, importers and wholesalers who sell packaged goods may find the following text suitable:

“Our company is affiliated to FTI or “Our company is affiliated to FTI. We pay packaging fees which cover the cost of being able to recycle the packaging into new products.”.

Packaging suppliers (manufacturers, importers or wholesalers) who sell empty packaging are recommended to use the following text:

“Our company is affiliated to FTI. Packaging fees are paid for the packaging of our products.”.

Special conditions apply to manufacturer packaging, see sections 5.2.3-5.2.4.

7.1.2. Use FTI’s logo

FTI’s logo may be used only by FTI’s customers. It is a proof that your company is affiliated to FTI and may be used on sales material, invoices, packing slips, brochures, and suchlike, but not on packaging. The logo can be downloaded from your customer page at www.ftiab.se.

7.1.3. Report the packaging fee on invoices, etc.

The packaging fee is a matter between the affiliated company and FTI (with the exception of manufacturer packaging). We recommend that the packaging fee be specified on the invoice where possible. However, with respect to manufacturer packaging, the packaging fee must be reported on the invoice (see section 5.2.3 Report packaging fee to customer).

7.2. LABEL YOUR PACKAGING

Make it easier for your customers to recycle by labeling your plastic, cardboard/paper and metal household packaging with recycling instructions. We recommend the following wordings, preferably combined with pictograms for illustration.

The pictogram is reproduced on FTI’s decals at the recycling stations, in brochures, and on other informational material. By labeling packaging, you help your customers sort your packaging correctly. This eliminates any uncertainty regarding the type or types of material in the packaging and makes it easier to do the right thing.

Texts and pictograms

<table>
<thead>
<tr>
<th>Packaging material:</th>
<th>Recommended wording:</th>
<th>Pictogram:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paper</td>
<td>Recycle as paper packaging</td>
<td><img src="image" alt="Pictogram" /></td>
</tr>
</tbody>
</table>
Plastic  Recycle as plastic packaging

Metal  Recycle as metal packaging

Symbols are available on the relevant company's customer page (www.ftlab.se).

**Note!**
Pictograms are protected by design rights. The pictogram may only be used with the correct material colour or in black and white.