

# COMPANY PROFILE

---

TETRA PAK LA RIOJA

DECEMBER 2024  
LA RIOJA, CAPITAL  
ARGENTINA

## 1. COMPANY AND FACTORY PROFILE

Tetra Pak is one of the three companies in the Tetra Laval Group – a private group that started in Sweden. The other two companies are DeLaval and Sidel. Tetra Laval is headquartered in Switzerland.

In 1951 Tetra Pak was founded by Ruben Rausing in Lund Sweden, as one of the first packaging companies for liquid milk. Today, Tetra Pak is a world leading food processing and packaging solutions company supplying complete systems designed to optimize the use of resources.

### 1.1. TETRA PAK WORLDWIDE AND GLOBAL ORGANIZATION

Working closely with our customers and suppliers, we provide safe, innovative, and environmentally sound products that each day meet the needs of hundreds of millions of people in more than 160 countries and collaborating with more than 200 recycling facilities. With more than 24,000 employees around the world and producing 179 billion Tetra Pak packages sold in 2023.

Since 2021 aiming to simplify how we work and empower our teams to take quicker decisions, deliver better outcomes, and achieve our Strategy 2030 goals faster with more quality for the best customer experience we started to work in new operation model.

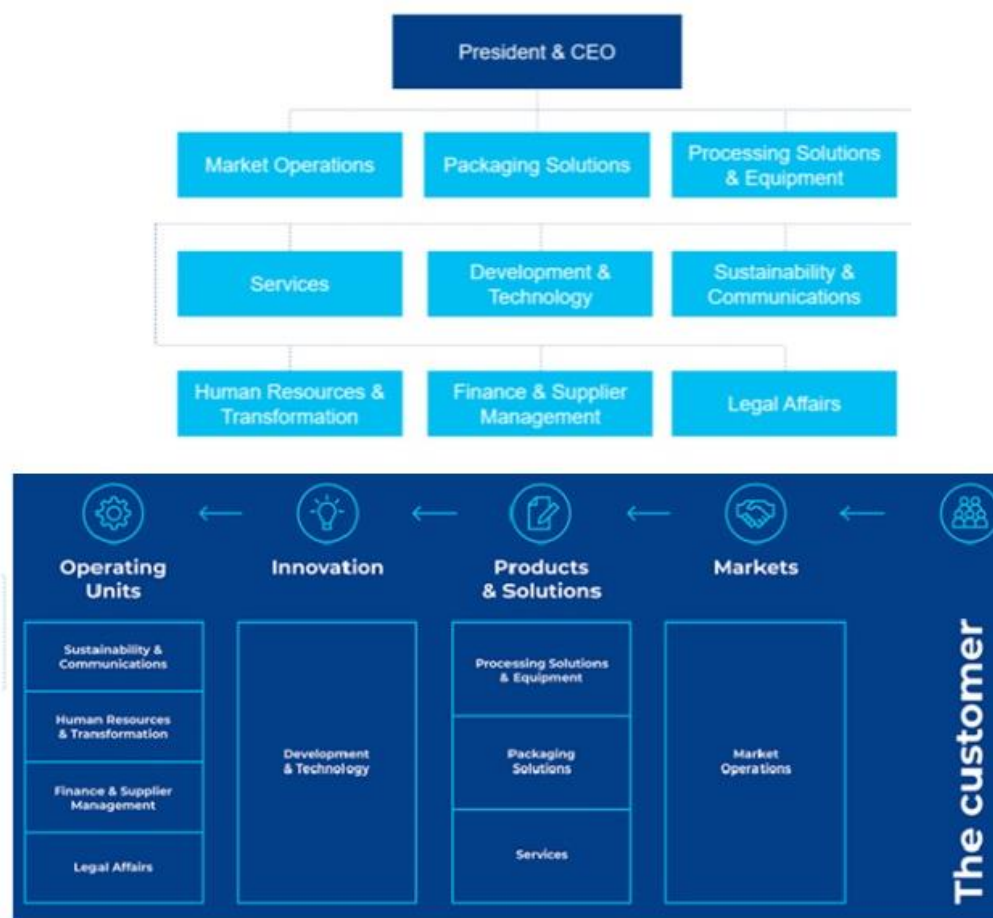


Figure 1 - Global organization structure and new operation model

All converting factories worldwide, including Argentine belongs to the Packaging Solutions (PS) unit in the new operating model.

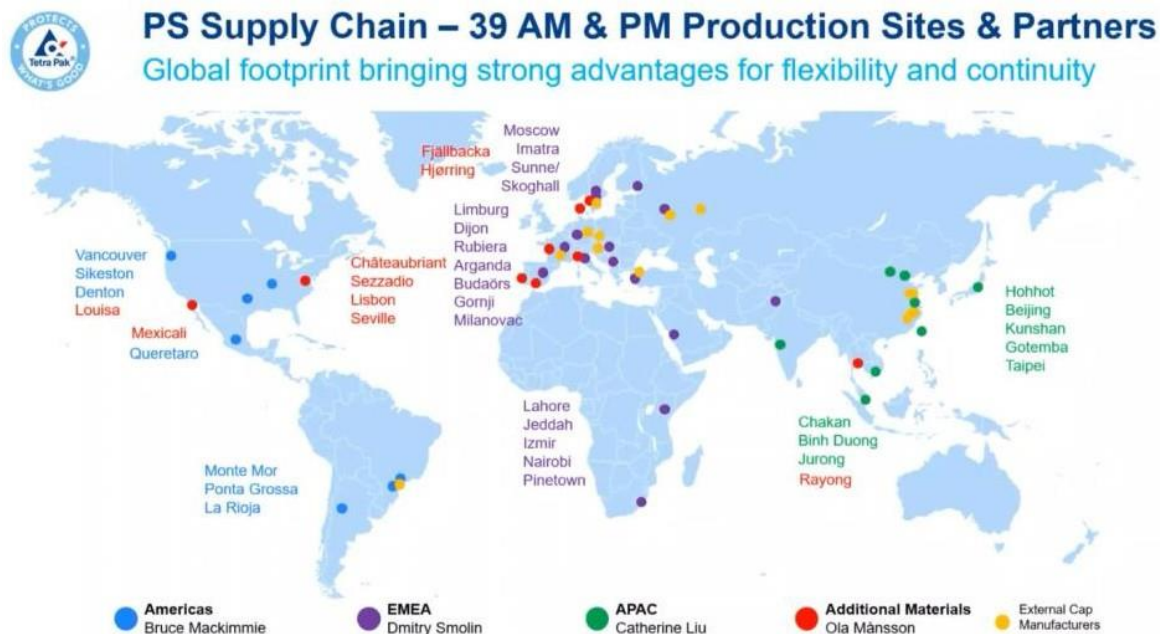


Figure 2 - 2021 Global regions

### 1.1.2 PACKAGING MATERIAL SUPPLY AMERICAS

Packaging Material Supply Americas is comprised of the Integrated Supply Chain, WCM & Engineering, and seven factories producing packaging material (PM) which are located in: United States, Mexico, Argentina and Brazil with approximately 1,845 employees. Total annual volume was 38,7 billion packs in 2023. Our three additional sites in La Rioja, Monte Mor, and Queretaro (Argentina, Brazil and Mexico) also include straws productions.

We are continuously improving our operations through our World Class Manufacturing principles to serve as a strong, competitive edge to the company in providing end-to-end solutions for packaging products.



Figure 3 – Americas factory production sites

## 1.2. TETRA PAK ARGENTINA

The first Tetra Pak® packages began to be seen in Argentina in the early 1960s, in their Tetra Classic package format, for "Las Tres Niñas" milk.

In 1979, after achieving a sustained acceptance of the different packaging systems, Tetra Pak had settled in the country and, finally in 1986, the local manufacturing plant for packaging material was established in the province of La Rioja. The factory was certified in ISO 9001 Quality in 1996, and the following year, ISO 14.001. By 2012 it had expanded its manufacture of packaging material with additional material, straws.

From Argentina, Tetra Pak also serves the Chilean and Uruguayan markets. In 2013, more than 4,300 million packages were produced in Argentina.

In 2024, Tetra Pak will be completing 38 years in Argentine. We are 187 employees, one converting factory. The company has a commercial office and a technical center in Victoria, province of Buenos Aires, inaugurated in April 2013. This building was built under the parameters of LEED (Leadership in Energy & Environmental Design) certification of building. The purpose of building it was to combine in a single location the commercial office that was in the City of Buenos Aires and the Technical Center in San Fernando, in order to provide our customers with the possibility of responding to their needs in just one place. In addition, we have a technical Centre in Mendoza.

With end-to-end solutions seamlessly integrate processing, packaging, automation and technical services. The result is not just added convenience to our customers, it is also increased efficiency, quality and reliability. Some of our key customers are Coca Cola, Danone, Unilever, PepsiCo and Nestlé.

## 1.3. TETRA PAK LA RIOJA

Our factory started the operations in 1986 as the first factory in South America; strategic placed in La Rioja northwest part country in Argentina, due to industrial politics law which have the aim of promote and extend the industrial activity in all over the city.

Nowadays, the factory is well organized with eight processes managers reporting directly to the factory Director plus HR and Factory Controller in dotted line. In fact, we are more than 130 people working 24 hours, 6 days per week in 3 operational shifts plus administrative staff in regular office hours from Mondays to Fridays.

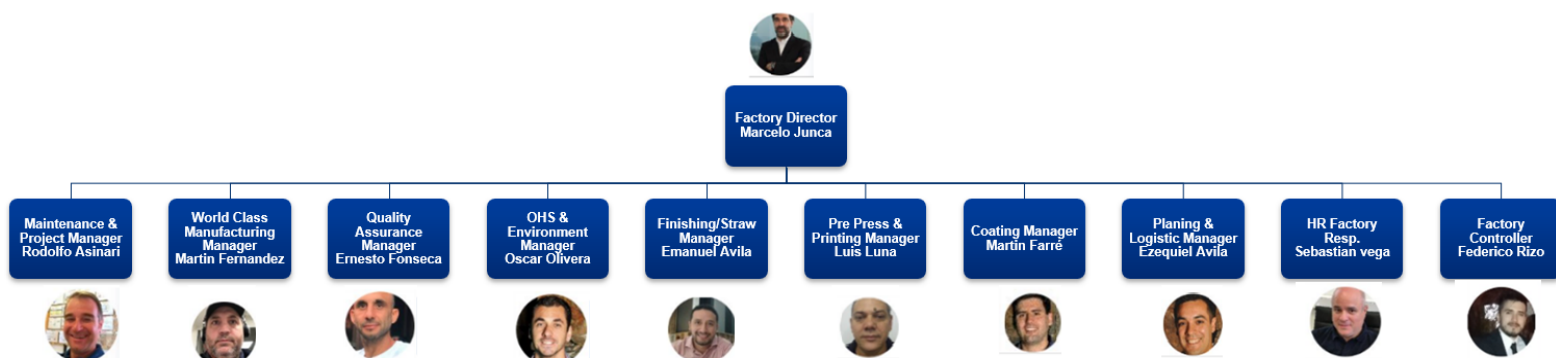


Figure 4 – La Rioja Factory Organization

## **2. MILESTONE ON THE JOURNEY OF MANUFACTURING EXCELLENCE**

TPM has been established in La Rioja since its foundation in 1999, in the kickoff WCM pilot phase. We adopted a wider version by the name of World Class Manufacturing (WCM), which has its foundation in the pillars of TPM and includes tools and methods from Lean and Six Sigma.

In the face of that, adopting a methodology focused on production efficiency, wide commitment from the shop floor to the executive boardroom, and continuous improvement was key to ensure that the new factory would be able to sustain not only the production levels of that year but keep its capacity to deliver quality and safe products for the next many years.

Since the beginning of our journey, WCM has been the force pushing this factory forward to improvements and achievements, and even through challenges or substantial changes. In the table below we describe the main ones:

### **2.1. FACTORY MILESTONES**

- 1983 Factory construction starts
- 1984 Start production Gable-top & Goebel press
- 1986 Start production of TBA Offset (Chambon Press)  
Start production of TBA Flexo (Alinaflex Press)
- 1987 Warehouse and Laminator Hall construction starts
- 1988 Laminator installation ready – ERWEPA – DLI) (manuf. year 1974).
- 1989 Rebuilding of Offset machine and Installation of the Schiavi printer
- 1990 Start up production in Laminator and Schiavi
- 1994 Second Offset Machine Starts
- 1998 2 VT Flex Press Starts (manuf. year 1996 – 1997).
- 1999 Kick off WCM Pilot Phase
- 2000 Expansion Phase
- 2008 Tetra Pak Southern Cone operates in Argentina, Chile & Uruguay as one Market Company since 2008. 220 customers

### **2.2. CERTIFICATIONS**

- 1996 – ISO 9001
- 1997 – ISO 14001
- 2007 – OSHAS 18001
- 2009– FSC, Chain of Custody
- 2011– BRC IoP Under certification
- 2015– FSSC 22000
- 2015– ISO 45001

## 2.3. TPM AWARDS

- 2004 – TPM Excellence Award
- 2006 – TPM Consistency Award
- 2008 – TPM Special Award
- 2012 – TPM Advanced Special Award

## 2.4. OUR PRODUCTS

### ➤ Since 1986

TBA 200 Slim  
TBA 1000 Slim  
TBA 1000 Mid  
TBA 500 Slim  
TBA 500 Baseline  
TBA 500 Square  
TBA 1000 Base  
TBA 1000 Square  
TBA 1000 Slim  
TBA 250 Baseline  
TBA 500 Base

### ➤ Since 2012

Straw's production

### ➤ Since 2020

TT 1000 CB

TT 200 Mini

### ➤ Since 2023

TPA 200 Square

TBA 1000 Edge.

## 3. BENEFITS ACHIEVED

Since the factory beginnings in 1986, several challenges and opportunities have raised such as new equipment, new people and behaviors causing impact in our culture and environment. Therefore, our WCM program has been even more vital to bring all the people and equipment to desired level. Having the correct mindset in our people, methodologies and tools is crucial to achieve the success and maintain the competitive advantage.

All factory people are involved with WCM activities in one way or another, either in the elaboration of WCM policies and Factory operation plan or during cleaning or inspection routines.

In October 2024 we have completed 2 years with no accidents in the factory.

Regarding quality, we are one of the three best roll fed factories among over the world in high performance and high improvements as you can observe in figure 5. To be positioned in that place, means we are achieving the wanted results regarding these key indicators: MTBI (Mid time between interventions in COATING), TW (TOTAL WASTE %), TRAR (TOTAL RECORDABLE ACCIDENTS RATE) and Technical issues Occurrence. Additionally, we are positioned in second place regarding Americas customer complaints and in third place in occurrence by millions of produced packages. Furthermore, we are proud of being the first factory globally in total waste of material.

We have been recognized by several factories and customers by sharing good practices and leading WCM and food safety networks for the Americas' Region.

## Tetra Pak La Rioja - Company Profile

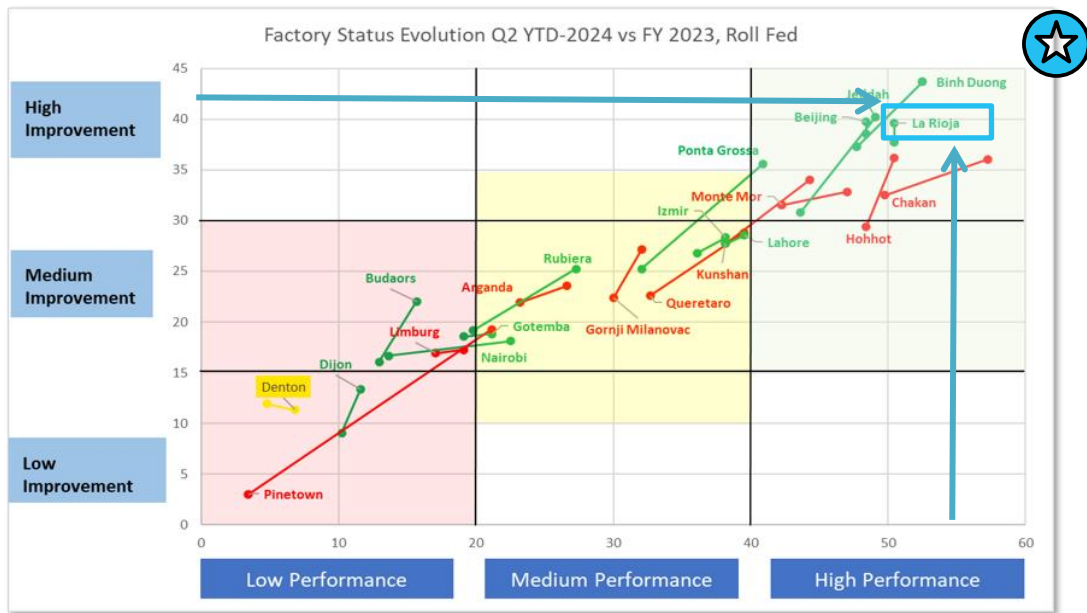


Figure 5 – Factory status evolution Q2 – 2024 vs FY 2023 – Roll fed



#### 4. KEY OF OUR MANUFACTURING EXCELLENCE

After more than 30 years applying TPM/WCM in our factory, we proudly say that WCM is our way of working and part of our culture, mindset.

The WCM is the main enabler for delivering results in Tetra Pak through continuous improvement and eradication of losses. It has its foundation in TPM (Total Productive Maintenance) but also has tools & methods incorporated from Lean and Six Sigma. Zero failure mindset is very important for WCM. It always challenges us to focus on something that could be further improved.

The WCM at Tetra Pak is based on the Infinite Loop, an approach which ensures we have sustainable improvements, continuously seeking gaps, eradicating most of them, and maintaining our improvements. Our infinite loop comprises three critical and important steps to guarantee we have sustainable changes in time:

- **Seek:** Loss intelligence is about capturing and monitoring losses.
- **Eradicate:** Loss eradication is the application of methodologies and tools.
- **Maintain:** Loss prevention is related to the maintenance of basic conditions.



Figure 6 - WCM infinity loop

This approach is a mindset in which there is no acceptable level of loss. That is, ZERO accidents, ZERO waste, ZERO delays, ZERO breakdowns, ZERO poor quality, and of course, ZERO customer complaints. The following temple figure details the 10 factory pillars: it is the global action model for all the pillars in Tetra Pak.

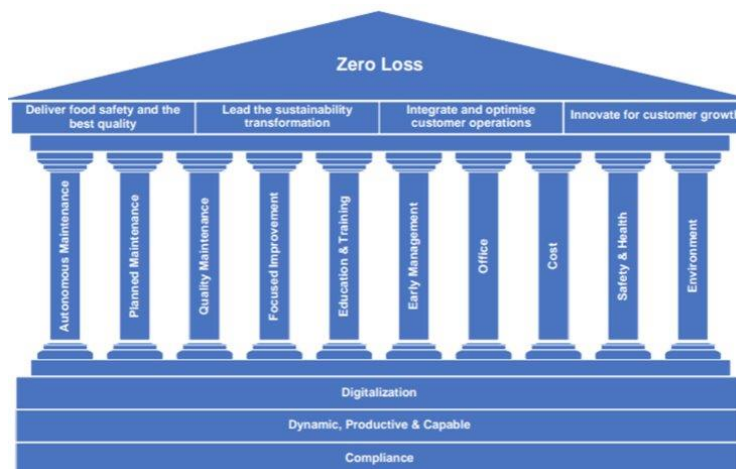


Figure 7 – Pillars global temple.





*Figure 8 – Tetra Pak La Rioja strategic temple*

To deploy Tetra Pak 2030 global strategy and pursue zero loss mindset, WCMpillars have key role in the strategy deployment. In the figure below, it's possible to identify our vision:

• Be and do autonomous management to reach outstanding results  
four main ambitions:

- Enhance the customer experience
- Deliver unbeatable quality
- Lead on safety and sustainability
- Unleash productivity

and expected behaviors from our people:

- Develop capability
- Create dynamism
- Boost productivity.

## 5. ACHIEVEMENT SHEET RECORD

Achievement Sheet (Submission at the time of application)							
Category	Index	Unit	Kick Off 1999	Advanced Special (last time awarded) 2012	Actual Status 2024 (YTD Sep)	Target 2024	Target 2025
S	Number of work-related accidents requiring days off work	Cases/ year	28	5	0	0	0
S	Number of work-related accidents not requiring days off work (Including First aids)	Cases/ year		6	4	0	0
P	Productivity for main products	Packs per head	674	934	842	960	845
	OEE (or Overall Plant Efficiency) EE bottle neck Machine - Coating	%	67.1	70.97	84.44	87.79	86.77
	Availability - Coating	%	NA	84.61	93.22	93.28	92.29
	Performance Rate % - Coating	%	NA	84.6	90.97	95.37	94.49
	Quality Products Rate - Coating	%	NA	99.2	99.56	99.6	99.5
	Number of breakdowns (Factory)	Breakdowns/year	840	336	144	120	100
	MTBF (Factory)	Hour	26	84	177	175	200
	MTTR (MDT Factory)	Hour	1.51	0.9	0.87	0.85	0.80
Q	Number of customer complaints (TIs)	Number/year	486	52	5	13	7
	In-line defect (Scrap) (Material Defect waste)	%	3.13	1.11	0.38	0.43	0.35
	In- line defect rate (Scrap and rework) (Dr rate)	%	NA	23	16	19	13
C	Cost index (CTC - Converting transformation Cost )	%	NA	100	127	117	136
D	Production Lead time	Days	21	6	6.57	3.20	3.20
D	Delivery performance (Perfect Delivery / Perfect Order)	%	85.5 PD	91 PD	87.4 PO	84.2 PO	89.6 PO
S	Safety index (ex Lost Time Incident Rate)	#accidents/work hours*10 <sup>6</sup>	NA	5.54	0	0	0
M	Number of employees Suggestions	number/year	45	244	780	700	800
E	Energy index (electricity, gas, water)	Metros cubicos/million std packs Mwatt hora/ million std packs	NA	Water: 27.8 Energy: 19.6	Water: 14.17 Energy: 7.23	Water: 14 Energy: 6.82	Water: 14 Energy: 6.91
1. Do you have a program where all employees can participate in TPM? Yes, we do.							
2. Do you have a program allowing employees to be recognized their achievements? Yes, we do.							
3. Are top management involved in the audit/verification of completion of TPM pillar steps? Yes, they are.							
4. Are all pillar activity boards displayed and reviewed by top management? Yes, they are.							