

Orkla signature to the EU Code of Conduct on responsible food business and marketing practices

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A LOCAL CHAMPION FOR SUSTAINABILITY

In order to deal with the challenges posed by climate change, biodiversity loss and natural resource scarcity, global greenhouse gas emissions must be halved in the next ten years and all sectors must switch to sustainable production.

As a manufacturer of food and other consumer goods, Orkla's primary contribution to sustainable development is to offer sustainable products, and UN Sustainable Development Goal 12 – responsible consumption and production – forms the very core of the Group's sustainability work.

Our companies have worked for many years to achieve Orkla's 2025 sustainability targets. In 2020, we launched a new internal sustainability aspiration up to 2030 which underscores the importance of sustainable products and of mobilizing the entire organization. Across products and countries, Orkla companies shall lead the way in making the transition to sustainable production and consumption and being "a local champion for sustainability".

We have science-based targets for reducing greenhouse gas emissions that are aligned with the Paris Agreement to limit global warming to 1.5 degrees, and the targets have been validated by the Science-Based Targets initiative (SBTi). In addition, we have ambitious long-term targets for resource efficiency, reduction of food waste, sustainable sourcing, decent work and development of products for a healthy and sustainable lifestyle.

We believe that companies in the food value chain have an important role to play in the development of sustainable food systems, and we support the aspirational objectives of the new EU Code of Conduct on Responsible Food Business and Marketing Practices.

On the next page we describe Orkla's commitments linked to each of the seven objectives. The commitments are based on Orkla's sustainability goals towards 2025 and will be updated with longer-term goals as part of our next strategy revision.

ORKLA COMMITS TO THE ASPIRATIONAL OBJECTIVES OF THE EU CODE OF CONDUCT

EU Code of Conduct - Aspirational objectives	Orkla's commitments	KPIs
Healthy, balanced and sustainable diets for all European consumers	<p>Grow the plant-based food brand portfolio from 1 to 3 billion NOK by 2025 (baseline 2020)</p> <p>15% reduction in the contribution of salt and sugar to people's diet from Orkla's products by 2025 (baseline 2015)</p>	<ul style="list-style-type: none"> Revenues from plant-based food brands (NOK) Share of revenues from vegan products (%) Consumption of salt and sugar (own production) per revenues (kg/mill. NOK)
Prevention and reduction of food loss and waste	50% reduction in food waste by 2025 (baseline 2014)	<ul style="list-style-type: none"> Organic waste from own operations per revenue (tonnes per mill. NOK)
A climate neutral food chain in Europe by 2050	<p>Climate neutral by 2050, Science-based targets for climate gas reduction (baseline 2014)¹:</p> <p>63% reduction in scope 1 and 2 by 2025, 77% by 2040</p> <p>29% reduction in scope 3 by 2025, 75% by 2040</p>	<ul style="list-style-type: none"> GHG emissions scope 1 and 2² per revenues (tCO₂e/NOK million) Estimated GHG emissions from raw materials and packaging, scope 3 (tCO₂e)
An optimised circular and resource-efficient food chain in Europe	<p>30% reduction in energy and water consumption in own operations by 2025 (baseline 2014)</p> <p>100% recyclable packaging by 2025</p> <p>75% recycled and/or renewable packaging materials</p>	<ul style="list-style-type: none"> Total energy usage, own operations (GWh) Total water withdrawal, own operations (Mill. m³) Share of total packaging that is recyclable (%) Share of total packaging containing recycled materials (%) Share of total packaging containing renewable materials (%)
Sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Human rights due diligence process implemented for own operations and supply chains by 2025	<ul style="list-style-type: none"> Total number and share of business units that have carried out human rights risk assessment, incl. updated action plans Total number and share of suppliers linked to significant inherent risk for incidents of child labour, forced or compulsory labour
Sustainable value creation in the European food supply chain through partnership	Be a local champion for sustainability in all our key markets	<ul style="list-style-type: none"> Share of revenues from products classified as "most sustainable"³ (%)
Sustainable sourcing in food supply chains	Verified, sustainable production of key raw materials by 2025	Share of certified raw materials for prioritised raw material categories (%)

1 Orkla's targets for greenhouse gas reductions have been validated by the Science-based Targets initiative

2 Market-based calculation

3 Internal classification. To be considered one of Orkla's most sustainable products, the product must satisfy the criteria in at least two of the following three categories: sustainable raw materials, sustainable packaging and products that promote a healthy lifestyle