Orkla TCFD report
2021

Orkla

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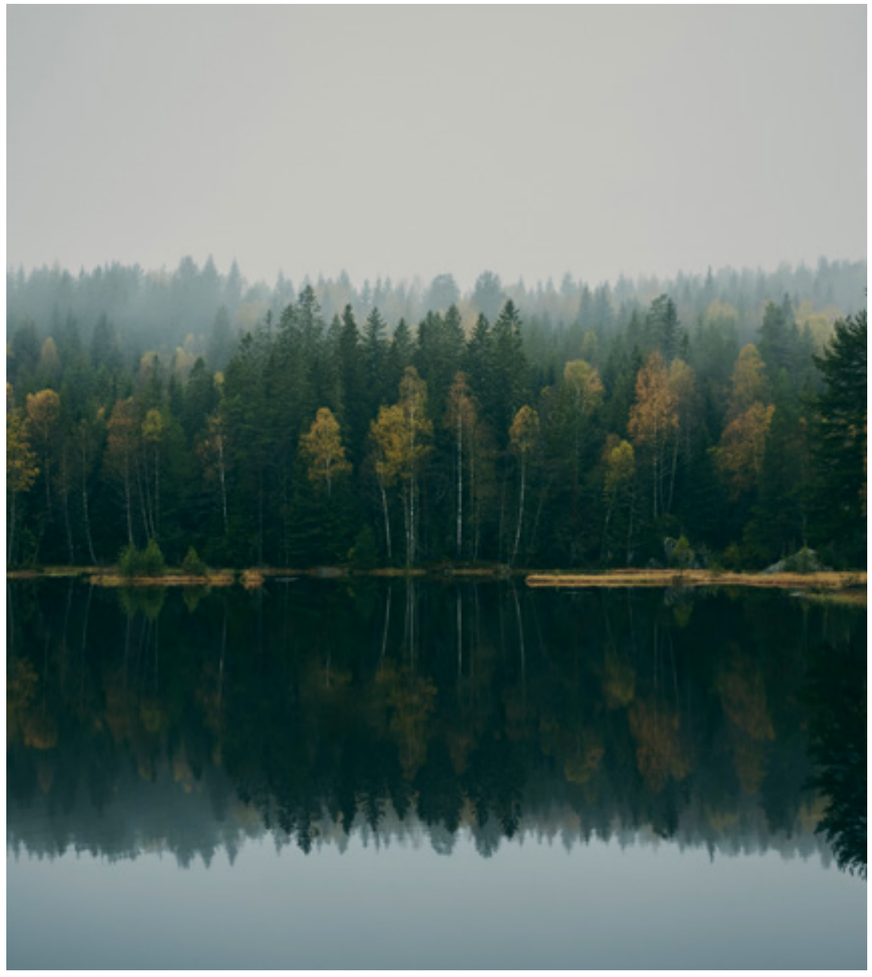


Introduction

Climate change is one of the biggest challenges of our time. Reports from the UN Intergovernmental Panel on Climate Change (IPCC) show that people and nature all over the world are already being affected by these changes, and that urgent action is needed to slow the pace of change. A major readjustment must be made in almost every sector to be able to limit global warming to 1.5°C. Orkla will assume its share of responsibility for tackling climate challenges and is making long-term efforts to reduce its greenhouse gas emissions as required by the Paris Agreement. We have also committed to setting net-zero emission targets in line with the new Science Based Targets initiative (SBTi[1]) framework, launched in November 2021. From a commercial perspective, there is growth potential for Orkla in consumers' mounting interest in a climate-friendly diet and sustainable consumption.

As a manufacturer of food and other consumer goods, Orkla's primary contribution to sustainable development lies in the ability to offer sustainable products, and UN Sustainable Development Goal 12 – responsible consumption and production – forms the very core of the Group's sustainability work. The Orkla companies have worked for many years to achieve the Group's 2025 sustainability targets. In 2020 Orkla launched new internal aspirations for the period up until 2030. On Orkla's Capital Markets Day in November 2021, the aspiration statement was launched externally with clearly defined targets for the coming strategy period. The top three priority approaches are "Winning locally", "Embracing change" and "Building tomorrow". As part of this, Orkla has made targeted efforts to promote sustainable value creation, focusing on both sustainable production and sustainable consumption. The development of plant-based, environmentally friendly products was an important aspect of the innovation work in 2021 and will remain a key platform in the future as one of the priority growth areas.

Orkla is committed to creating sustainable growth, and we have come a long way towards making sustainability work an integral part of our business plans, decision-making processes, and day-to-day operations. We work purposefully to ensure that Orkla products contribute to increasingly sustainable consumption, and in 2021 we have made good progress in our efforts to reduce greenhouse gas emissions, promote sustainable raw material production and increase recycling of packaging waste.

In 2017, the Task Force on Climate-related Financial Disclosure (TCFD), established on the initiative of the Financial Stability Board, launched a framework with voluntary guidelines for companies to disclose climate-related financial information. In 2021, Orkla conducted a structured climate-risk analysis in line with the recommendations from the TCFD. This work has increased Orkla's understanding of how climate-related risks and opportunities can affect Orkla's business, financial conditions, and strategy in the future.

Climate has been a material topic in Orkla's environmental work for many years. We are committed to understanding how our business impacts the climate, which reduction measures are relevant and how climate change can impact Orkla's business development.

This report is structured in line with the recommendations and the main elements of the TCFD framework and describes the status of Orkla's work.

1 Science Based Targets initiative – SBTi is part of World Resource Institute's Center for Sustainable Business and is a collaboration of WRI, CDP, WWF, and the UN Global Compact.

The TCFD recommendations and content index

TCFD recommendations

There is a growing demand for disclosure of climate-related risks and opportunities from the financial sectors, and investors and creditors are increasingly asking for information that is clear, consistent, and comparable. The TCFD framework recognizes that climate change will affect all sectors of the economy, so the recommendations are made applicable to all organisations and give a uniform analysis and reporting method for climate-related risks and opportunities.

The TCFD recommendations are structured around four thematic areas that represent core elements of how organisations operate: **governance, strategy, risk management, and metrics and targets.** Moreover, the framework separates recommended disclosures into three main categories: risks related to the transition to a lower-carbon economy, risks related to the physical impacts of climate change, and climate-related opportunities. The TCFD has also incorporated potential financial impact as an integral part of its disclosure recommendations.

TCFD content index

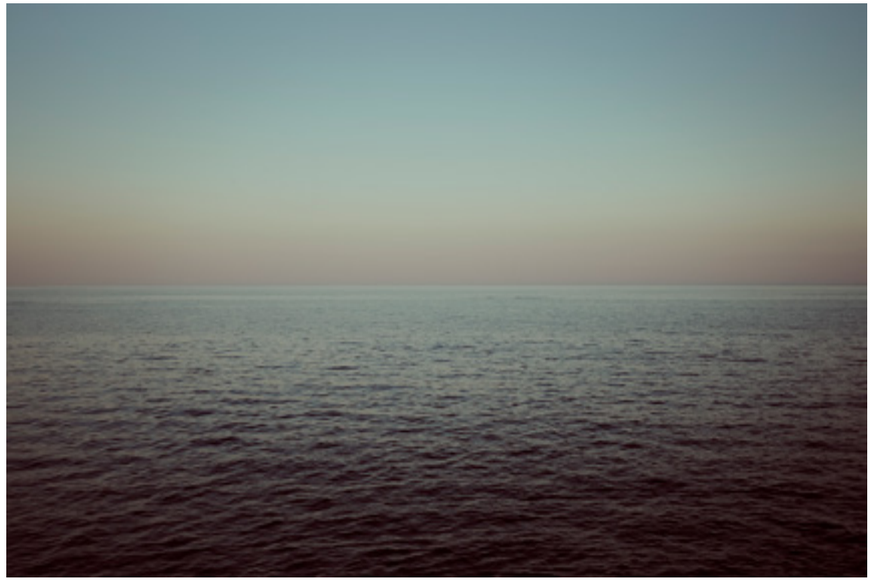
The Orkla TCFD report is according to the recommended disclosures in the TCFD framework:

Governance	Strategy	Risk Management	Metrics and Targets
Disclose the organisation's governance around climate-related risks and opportunities	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's business, strategy, and financial planning where such information is material.	Disclose how the organisation identifies, assesses, and manages climate-related risks.	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.
Recommended disclosures			
a) Describe the board's oversight of climate-related risks and opportunities. b) Describe the management's role in assessing and managing climate-related risks and opportunities.	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term. b) Describe the impact of climate-related risks and opportunities on the organisation's business, strategy, and financial planning. c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	a) Describe the organisation's process for identifying and assessing climate-related risks. b) Describe the organisation's processes for managing climate-related risks. c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process. b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks. c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

CDP Climate and TCFD reporting

We regard openness around climate-related risks and opportunities as crucial for maintaining trust by investors and other stakeholders. Therefore, ever since 2008, Orkla has made a significant effort to report to CDP[2]. This has increased the Group's knowledge of requirements and expectations, as well as given necessary input for the development of Orkla's climate strategy. A long-term-oriented and structured work has resulted in Orkla achieving top score A- (leadership level) for the climate work in CDP 2021 report. In 2020 we published our first report aligned with the TCFD framework.

The TCFD's focus and guidance on climate-related financial impact and scenario analysis is an important process to further ensure transparency and improve our understanding of how climate-related issues can affect us, and how we will mitigate the expected changes.



2 CDP is an independent non-profit organization that has the world's largest database of company information on climate change. The organization works both to expand company reporting on climate emissions, and to give investors and managers access to information on how companies work with climate, across sectors. The organization is supported by managers and investors globally. They also work with topics that report on forests and water risk.

TCFD disclosure summary

Governance

Disclose the organisation's governance around climate-related risks and opportunities.

a) Climate-related issues are integrated into Orkla's overall business strategy and responsibility sits with the Board of Directors and Orkla CEO and President. The work is followed up and the progress is assessed annually, in addition to quarterly reviews of changes in EHS indicators and ongoing discussions of individual matters of material importance.
b) The highest management level positions with responsibility for climate-related issues sits in the Executive Management Team. The EVP Group Functions and the SVP Environment, Health and Safety are responsible for assessing and managing climate-related risks and opportunities, including facilitating review of long-term goals and strategy and report to the Executive Management Team and the Board of Directors on climate-related issues on a regular basis.

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.

a) Climate has been a material topic in Orkla's environmental work for many years and we are committed to understanding how our business impacts the climate.
b) Our strategy has been influenced by climate-related risks and opportunities in all business areas, including own operations, value chain, products and innovations.
c) We consider both the short-, medium- and long-term perspective. Physical risks, specifically in terms of extreme weather and transitional risk related to taxation on energy and packaging materials, have been identified as our main risk. Our key opportunities are assessed to be developing products with low climate impact like plant-based food and seaweed.
d) We aim to limit the long-term global temperature increase in line with the Paris agreement and we are also committed to setting net-zero emission targets in line with the new SBTi framework.
e) In 2021, we assessed our climate-related risks and opportunities according to the TCFD framework. In the risk assessment we considered three different scenarios for global warming – increases of +1.5°C, +2°C and <4°C – and how these would affect our operations and value chain.

Risk management

Disclose how the organisation identifies, assesses, and manages climate-related risks.

a) The identification and management of climate-related risks follows Orkla's established process for risk management and is integrated in the company-wide risk management process.
b) Each business area and each Orkla company is responsible for identifying and managing risks, including climate-related risks, within their respective areas.
c) To ensure ongoing follow-up in each Orkla company, a semi-annual update of the risk picture is carried out, Orkla's Board of Directors and Group Executive Board are on a regular basis presented with the reviews of the group's activities for identifying, assessing, and responding to risks, including climate-related risks and opportunities.
d) A top-down risk and opportunity assessment was carried out in 2021 to strengthen our methodology and ensure a basis for regular updating of the assessment.

Metrics and targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.

a) Orkla has developed key metrics to measure and manage climate-related risks and opportunities to follow the performance at different levels in the organisation at a monthly, quarterly, and annual basis. The metrics are associated with energy, water, and waste management.
b) Orkla's carbon accounting follows the Greenhouse Gas Protocol[3] and has been calculated and further developed for all locations since 2008 as an annual procedure.
c) We have set absolute reduction targets and will reduce climate gas emissions. Our climate gas emission reduction targets are approved by the SBTi and aligned with the Paris Agreement. The targets for Scope 1 and 2 to reduce our climate gas emissions are 65% by 2025, 70% by 2030, and 80% by 2040, from a 2014 base year. The targets for Scope 3 to reduce our climate gas emissions are 30% by 2025, 50% by 2030, and 75% by 2040. We have also committed to setting net-zero emission targets in line with the new SBTi framework.
d) In autumn 2021, we hosted a Capital Markets Day where our higher targets on climate gas emissions were presented alongside our long term financial targets.

3 Greenhouse Gas (GHG) Protocol accounting standards divides emissions into Scope 1 (direct emissions- own operations), Scope 2 (indirect emissions – own operations) and Scope 3 (indirect emissions – value chain)

Governance

Board-level oversight

Climate-related issues are integrated into Orkla's overall business strategy, and the responsibility sits with the Board of Directors. Climate-related issues and environmental subjects are presented to the Board of Directors by Orkla's CEO, EVP Corporate Functions or SVP Environment, Health and Safety. Climate-related issues are also presented by SVP Sustainability as part of the annual reporting of the overall sustainability performance.

Orkla's Board of Directors monitors the Group's efforts by means of an annual assessment of progress and implemented measures in climate-related work, quarterly reviews of changes in key EHS[4] indicators and ongoing discussions of individual matters considered to be of material importance for Orkla's operations. The Board of Directors is also informed about climate strategy performance of different key projects through a bottom-up process and presentations from business areas or business units.

The Board of Directors approves the sustainability strategy and significant investments in new products and solutions that promote a healthy, sustainable lifestyle. Climate change and the energy transition are discussed in many of the ordinary Board meetings either as integral part of strategy and investment discussions or as separate topics. The Board of Directors is involved in setting the overall climate-related targets for Orkla and stands behind the new climate targets presented at the Capital Markets Day in autumn 2021. Orkla's Sustainability Report for 2021 is approved by the Group Executive Board and the Board of Directors as a part of the annual assessment.

4 EHS: Environment, Health and Safety

Management's Role

The highest-level management position with responsibility for climate-related issues are the Orkla's CEO and the EVP Corporate Functions. They are part of the Group Executive Board reporting directly to the Board of Directors. SVP Environment, Health and Safety reporting to EVP Corporate Functions, has the responsibility for setting the direction, assessing, and reporting climate-related issues.

The Group Executive Board is presented with the status on climate-related risks and energy transitions twice a year, in addition to taking part in ongoing discussion of individual cases that are of significant importance to Orkla's operations. During 2021 a monthly reporting on climate-related key indicators has been established and will be presented to the Group Executive Board as part of a monthly EHS report. Climate-related issues are presented by SVP Environment, Health and Safety.

The EVP Corporate Function is heading the Orkla Sustainability committee, which is the corporate body with responsibility for handling and discussing sustainability topics including climate-related issues. The Sustainability committee consists of members from corporate management and business areas. The Sustainability committee will evaluate climate change impacts, how to mitigate risks, and how to seize opportunities that involve environmental, social and economic factors. The committee reports to the CEO. The CEO of each Orkla business area and the CEO of each Orkla company are responsible for implementing the Group's directive on corporate responsibility and drawing up action plans for the sustainability work based on Orkla's sustainability targets up to 2025. This work must be integrated into

the company’s operations and be based on the precautionary principle and the principle of continuous improvement. The companies’ prioritization must be based on an assessment of both the businesses and stakeholders’ needs.

The Central Finance staff is responsible for Orkla’s risk management model, including presenting Orkla’s consolidated risk profile to the Group Executive Board, the Board of Directors and the Board’s Audit Committee. Climate-related risks are also included in the overall risk management assessment.

Orkla wants to ensure that the climate strategy has strong anchoring in the top management and will continue to work on integrating climate risk issues into the Group's risk management process and establish formal interdisciplinary routines that engage both the board and management.

More details can be found in Orkla's Annual report 2021. Specifically:

- Orkla’s Board of Directors’ report 2021 on risk management at page 33-34,
- The chapter on Corporate Governance from page 59-60,

Strategy

Climate-related issues represent important risk factors to the business, as well as attractive business opportunities since our products can be key enablers for lower climate gas emissions throughout the value chain of Orkla. Climate-related issues and opportunities are an integrated part of Orkla's business strategy. Orkla has set long-term targets for reducing climate gas emissions in line with the Paris agreement.

In 2021, we assessed the impact that Orkla's activities and products have on people, the environment and society throughout our value chain, and the risk that sustainability challenges pose for us as a company. The assessments were prepared by Orkla's central sustainability team with the assistance of the audit and consulting firm EY, on the basis of the concept of double materiality. The impact assessment shows that our footprint is particularly big in our supply chain, which is where more than 90 per cent of Orkla's greenhouse gas emissions take place. The impact assessments were presented to Orkla's Group Executive Board and Board of Directors, who endorsed our assessment of which issues are material for Orkla, and which tasks we should prioritise in 2022.

Climate-related issues are defined to be material and a more detailed risk and opportunity assessment was carried out in the autumn of 2021. The assessment was based on generic data information and discussions and workshops with key personnel in Orkla's business areas and various specialised areas in the Group.

Orkla considers both short-, medium-, and long-term financial and strategic time horizon when assessing climate-related risks and opportunities.

The following definitions of time horizons are applied:

Short-term	0-3 years
Medium-term	3-10 years
Long-term	10-20 years

Climate risks and opportunities will influence Orkla's strategic and financial planning elements.

The thresholds established to identify risks and opportunities that are evaluated to have a substantive financial or strategic impact are defined in the table below:

	Low	Medium	High
Financial impact (% of business value)	< 5%	5%	>5%
Frequency and likelihood	> 5 years or 20%	1-5 years 20-60%	<1 years or 60%

An important part of the low-carbon transition is product development, investment in research and development, energy efficiency in own operations, as well as collaborations with suppliers and other key partners in order to develop more sustainable solutions. The climate-related risks and opportunities included in the process to develop our climate change strategy are described below.

Products and services

As a leading branded consumer goods company, Orkla has the possibility of influencing consumers to make more environmentally friendly choices in everyday life. At the same time, we consider it important for our competitiveness to be able to offer products with a low climate and environmental impact.

We have therefore been actively working towards reducing the climate footprint from our products through innovation, introducing new products and improved packaging. For example in 2021, our detergent factory in Ski opened a new production line that manufactures refill soap in a neutral cardboard container. The cardboard container is intended to replace the refill pouch made of laminated plastic that has been produced at this facility for the past 25 years.

Orkla aims to achieve strong growth in plant-based products in new markets. This opportunity has been a key part in Orkla's strategy in order to meet consumer's expectations and Orkla aims to achieve strong growth in plant-based foods in the coming years. In 2021, we launched a number of products that will make it possible for consumers to make more sustainable choices in everyday life. Orkla Foods Sverige launched several products under the Anamma brand with a lower climate footprint, including Pirog, Bowl, Pizza, Pie, Nuggets, Burger and Sausages. Orkla Confectionery & Snacks Sverige launched a vegan variant of Cheez Doodles in 2021, which has a 50 per cent lower climate impact than ordinary Cheez Doodles.

Supply Chain and Value Chain

We see a potential risk of volatile prices and lower availability of raw materials (mainly agriculture) due to climate change. Most of Orkla's manufacturing and sourcing are carried out in the Nordics, the Baltics, and Eastern Europe, where the likelihood of water shortages and drought is lower than in areas with a warmer climate. However, raw materials both produced in Europe and other continents are increasingly exposed to extreme weather. Cocoa is at risk because of climate change combined with unsustainable farming practices, hence the availability might be threatened. Therefore, a strategic decision for Orkla is the involvement in improvement projects in the value chain. Orkla is working closely with our suppliers on improvement projects, for example through our classification system for sustainable food raw materials in order to ensure that our suppliers fulfill our criteria for sustainable raw material production.

Investment in R&D

We see an opportunity in developing new products including packaging as well as being part of developing new technologies as partner in R&D programs (e.g. development of bio-based plastic, energy-efficient production and increased recycling). Orkla's companies are involved in a variety of development projects in cooperation with suppliers, external centers of expertise and other players in the value chain. This includes projects to optimize packaging, design packaging to facilitate recycling and develop new packaging solutions based on recyclable, recycled or renewable materials.

Operations

The Orkla companies have worked systematically to reduce the environmental impact of their own operations for several years. Orkla is committed to reducing emissions in our own operations (Scope 1 and 2) as well as in our value chain (Scope 3). A strategic decision related to our operations is setting our target of 60% renewable energy within 2025. This will be reached by phasing out fossil fuels and increasing our use of energy from renewable sources. A key part of this has been Orkla's investment in Hydro Power production in Norway, which generates and supplies electricity to the Nordic energy market. We also secure Guarantees of Origin for all Orkla operations in Europe and Renewable Energy Certificates for the operations outside Europe.

Climate-related Scenario Analysis

Orkla has assessed how climate change may impact our operations and the value chain. The goal of the assessment is to increase awareness of how climate change will influence Orkla, as a key part of Orkla's strategic and financial planning.

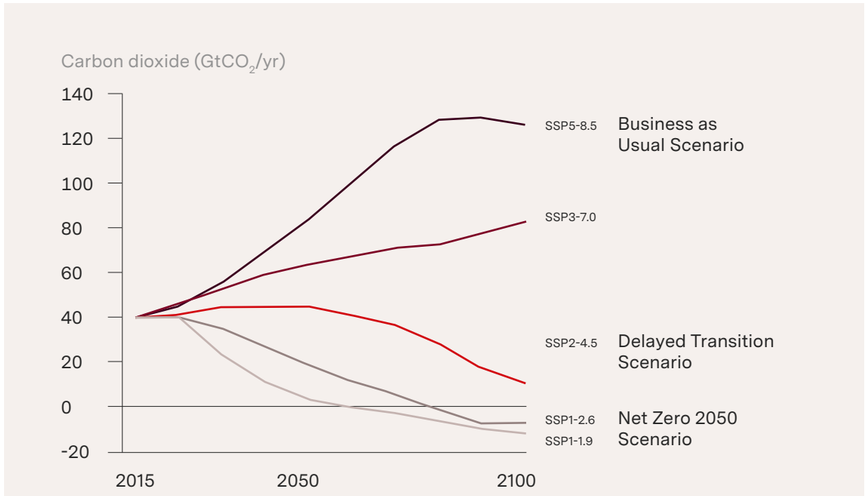
Orkla has assessed transitional and physical risks and opportunities based on IPCC[5] and NGFS[6] global warming impact scenarios. The assessment provides descriptions of how climate change will impact Orkla using three scenarios with various socio-economic assumptions relevant for the company's business sectors.

The Scenario analysis included the following global warming impact scenarios as presented by IPCC and NGFS:

- **Net-Zero 2050:** +1,5 °C Scenario, which assumes that the goals set in the Paris Agreement are met through policy changes.
- **Delayed Transition**: +2 °C Scenario, which assumes a delay in the policy changes included in the 1,5 °C scenario.
- **Business as Usual:** above 4 °C Scenario, which assumes a scenario lacking climate policy changes.

5 IPPC - The Intergovernmental Panel on Climate Change's Fifth Assessment Report (AR5) articulates various climate scenarios. These "representative concentration pathways" (RCPs) are referred to as "pathways" to emphasise their primary purpose in providing time-dependent projections of atmospheric GHG concentrations.

6 NGFS - Network for Greening the Financial System is a set of climate scenarios which includes transition pathways, climate impact projections and economic indicators.



The three scenarios will have different impacts on Orkla's operation and value chain. Based on the outcome of the analysis, Orkla will be able to develop and improve the strategy and understand future possible impacts from climate change. The scenarios were evaluated based on short-term (1-3 years), medium-term (3-10 years) and long-term (10-20 years) perspectives.

The main assumptions, outcomes and impacts are presented in the matrix below :

Scenario narratives	Net Zero 2050 Scenario 1,5°C global warming (RCP 2.6)	Delayed Transition Scenario 2°C global warming (RCP 4.5 & IEA SDS)	Current Policies Scenario >4°C global warming (RCP 8.5 & BAU)
Risk assumptions	**Transitional risks** A swift implementation of agricultural policies like the EU Green Deal and Farm to Fork strategy, affecting agricultural prices. Some reforestation but most decarbonization is achieved through other transitions. Launch of the Zero Pollution Stakeholder Platform. **Physical risks** Physical risks if global temperatures stabilize at 1.5°C, such as an increase in the likelihood of more extreme hot, wet and dry weather.	**Transitional risks** Some policies and diet shifts affecting livestock sector growth. Delayed adoption of policies. Global institution work to reduce climate change, but make slow progress. High reforestation efforts after 2030. Affecting available land for agriculture production. **Physical risks** More serious physical risks if global temperatures stabilize at 2.0°C, such as an increase in flooding from sea level rise, deadly extreme heat, and an increase in the likelihood of more extreme hot, wet and dry weather.	**Transitional risks** The demand and supply of livestock keeps increasing, and low increase in agricultural prices due to lack of policies. **Physical risks** Very serious risks before reaching 2100, such as Amazon collapse, permafrost loss and Gulf stream destabilization, sea level rise, increased risk of flooding, deadly extreme heat, and hot, wet and dry extreme weather.
Main outcomes	A Net Zero 2050 scenario involves a high pace on the transition to reach net zero by 2050. This scenario is dominated by transition risks and opportunities. We will see an increase in CO2 prices and carbon taxes. Additionally, increased prices in packaging materials due to packaging regulations. We will see a shift in consumer preferances for more sustainable products. Still, physical risks will be relevant and cause challenges, leading to increased cost of food-related raw materials.	A Delayed Transition scenario involves some pace on implementing climate-related policies and will have several physical climate impacts. There will be an increase in food raw materials and price volatility due to loss of area for producing, unsustainable fisheries and biodiversity loss. We will see an incerase in physical risks such as drought and flooding increasing raw material costs. There will be a moderate, but increasing, shift in consumers demanding plant-based products.	Increased price volatility and higher food raw material costs Potentially increased operational costs in som geographical locations due to production distruption because of increased extreme weather Moderate shift of consumers demanding plant-based products, leading to the expansion of plant-based products and products with lower climate impact
Main impacts on business	• Increased carbon pricing leading to a shift towards more renewable sources and higher operational costs if this is not met • Increased cost of food-related raw materials • Increased costs of packaging materials due to packaging regulations leading to higher operational costs related to innovation and product packaging development • More demand from consumers for plant-based products and products with lower climate impact	• Increased price volatility and higher food raw material costs • Potentially increased operational costs in som geographical locations due to production distruption because of increased extreme weather • Moderate shift of consumers demanding plant-based products, leading to the expansion of plant-based products and products with lower climate impact	• Increased scarcity and costs of food raw materials due to irreversible changes to biodiversity and ecosystems • Increased price volatility • Increased extreme weather leading to higher risks of disruption of production, leading to higher operational costs and potential loss of income. • Increasingly a shift in consumer preferances for plant-based products and products with a lower climate impact.

The outcome of the climate-related risks assessment and key findings are summarized in tables on the next pages:

Risk category			Risk type	Likelihood	Potential financial impact	Time horizon	Description of risk	Mitigation strategy
Physical risks ↓	Acute and chronic ↓	Upstream	Dependency on materials from nature	Almost certain	High	Long term	More than half of direct materials of Orklas supply chain derive from agriculture, and marine products, fruits, berries, cocoa and most vegetables depend on other species (biodiversity) for feed and pollination. The costs of inaction on biodiversity loss are high and are anticipated to increase, which will reduce the availability of raw materials from nature.	To increase understanding of how to develop and source from production systems that are more resilient to climatic changes, Orkla engages in improvement projects in the value chain, working closely with our suppliers.
			Higher price volatility on major industrialized crops	Almost certain	Medium	Medium term	Global aggregate agricultural production is not projected to decline before 2050, but suitable production zones will shift, annual yields will become more variable, and price volatility of agricultural commodities will increase. This will affect cultivation patterns, international trade and regional markets.	Orkla´s ability to source globally is an important mitigating factor and we strive to have flexible product recipes which can be put into use if necessary. This means that we can alternate suppliers and origins depending on the current situation.
			Limited produce from smallholder farmers	Almost certain	Low	Medium term	Extreme weather events are likely to affect smallholder yields globally, potentially wiping out crops in entire regions. Change in weather and climate will affect crops and smallholder farmers with limited financial buffers most as their ability to initiate mitigating measures is limited. This may affect availability of products such as cocoa, shea-, and coconut oils, nuts and berries/fruit, that also often are rain-fed crops.	Orkla works closely with suppliers to ensure that they have solid sustanability strategies and diversify their sourcing. Another part of our strategy is to use third-party certifications to ensure sustainably produced raw materials and contribute to improved agricultural practices.
			Drought and water scarcity affecting key supplier plants and raw materials	Likely	Low	Long term	Food production companies, and certain raw materials, rely heavily on water availability and are therefore impacted by changes to precipitation patterns, higher mean temperatures and extreme heat events that all exacerbate water scarcity. Limitations on water concessions, higher costs or water extraction bans can as affect deliveries of upstream products and packaged goods.	Some of Orkla's suppliers have a high or very high water scarcity risk. The majority of our suppliers have back-up locations in case issues arise.

Risk category	Risk type	Likelihood	Potential financial impact	Time horizon	Description of risk	Mitigation strategy
Physical risks ↓ / Acute and chronic ↓ / Direct operations ↓	Heat stress for workers at production sites	Likely	Low	Long term	Factory workers may be subject to increased heat stress that compromises their health and safety, as well as productivity reducing the companies revenue. This may lead to operational disruption impacting productivity and increasing operational costs.	To maintain a comfortable working temperature in regions with expected temperature increases, actions includes ensuring transport of workers to factory and installing cooling equipment to working spaces. Evaluate potential exposures in caquistion processes.
	Higher cooling costs at production sites	Likely	Low	Long term	Higher mean temperature, days of extreme heat, and longer duration of warm days can affect production and operations. This can lead to higher operational costs covering increased energy demand from cooling at production sites, and refrigerators and freezers to keep an optimal temperature.	Orkla has already felt the effects of warming on production of chocolate and margarin products, during production, and storing. Experienced mostly in Romania, but also in Norway. Orkla will invest in cooling systems in our plants according to needs. Evaluate potential exposures in acquistion processes.
	More power outages at production sites	Almost certain	Low	Medium term	Orkla has experienced power outages in several locations due to storms and weather conditions. Storms will damage infrastructure and power grid networks, affecting everything from transportation delays, and increased power outages at factories. This will result in disruption, slowing down production and potentially damage to equipment and perishable goods, impacting the profitability and increasing operational costs.	Implement business continuity plans covering potential contingencies. Insurance coverage for physical damage and business interruption both at own site and at utility supplier site. Evaluate potential exposures in acquistion processes.
	Flooding at production sites	Likely	Low	Medium term	Heavy rain, causing flashfloods and landslides, are expected to increase. Increased flooding will result in more distribution-network failures from weather damage to public infrastructure, such as roads and ports, reducing efficiency. This may delay the delivery of goods from the production site to customers, or incoming goods, resulting in increased costs associated with the delivery delays.	Implementing business continuity plans and site specific flood emerengy response plans. Insurance coverage for physical damage and business interruption. Evaluate potential exposures in acquistion processes.

Risk category			Risk type	Likelihood	Potential financial impact	Time horizon	Description of risk	Mitigation strategy
Physical risks	Acute and chronic	Direct operations	Water scarcity affecting production sites	Almost certain	Low	Long term	Droughts will result in water shortages that affect the water supply in factories. For water-intensive production processes, this may lead to production delays and disruptions leading to higher price associated with water use resulting in increased operating costs, loss of profits and potential loss of customers due to inability to meet demand.	Orkla has few water-intensive processes, main use is for cleaning. Actions to increase water use efficiency, including closed-loop cooling systems and systems to recycle water to a larger extent. Evaluate potential exposures in acquistion processes.
			Sea level rise and storm surges affecting logistics and low lying facilities	Possible	Low	Long term	The combination of increasing sea level rise and storm surges expose huge coastal areas for flooding. Several ports and terminals along the European coastline particularly at risk. Unmitigated, sea level rise will affect ports worldwide and their ability to handle goods in transit. This may impact the shipment to customers, leading to loss in increased operating cost. There is also a risk that low-lying facilities close to sea level can be flooded.	Risk mapping to understand potential future situations. Implementing business continuity plans and site specific flood emerengy response plans. Insurance coverage for physical damage and business interuption.Evaluate potential exposures in acquistion processes.
Transition risks ↓	Market	Upstream	Increased cost of food raw materials	Likely	Medium	Medium term	The cost of obtaining food raw materials will most likely increase significantly due to regulations. This could be because of increased energy costs, and farmers paying more for input factors such as diesel, electricity, fertilizer, and pesticide, that results in increasing prices of agricultural commodities. Carbon pricing could cause a large impact on the price of raw materials.	Engage in ongoing dialogues with various stakeholder groups, mainly authorities and politicians at the local and national level and in the EU on business policy framework. Participate in business organisations that has the topic high on the agenda. Advocate for transparent carbon pricing and level playing field.
	Policy and legal ↓	Direct operations ↓	Mandates on and regulation of water-use at Orkla's production sites	Likely	Low	Long term	Climate change could reduce availability of fresh water making policymakers to focus on efforts that increase the overall efficiency of water use, reduce the sector's impact on freshwater resources, and improve its resilience to water risks. Additional mandates and policies will most likely require modification of water use or pay additional operating or capital expenditure costs.	Orkla has few water-intensive processes, main use is for cleaning. Actions to increase water use efficiency, including closed-loop cooling systems and systems to recycle water to a larger extent.

Risk category			Risk type	Likelihood	Potential financial impact	Time horizon	Description of risk	Mitigation strategy
Transition risks	Policy and legal	Direct operations	Increased pricing and taxation of GHG emissions	Almost certain	Low	Medium term	The introduction of GHG pricing and GHG taxation creates a higher price on emitting carbon and may lead to increased operating costs, and changes in investment and upgrading strategies. Prices on regulations of emissions from production are expected to increase across the industry.	Transition towards low-carbon operations. Reduce dependency on fossil fuels by increasing the use of renewable energy sources, both in our own operations and in the value chain. Advocating for transparent carbon pricing and level playing field.
		Upstream, direct operations, downstream	Mandates on and regulation of packaging materials	Almost certain	Low	Medium term	Mandates to reduce the use of plastics and increased recylability of packaging has increased globally. This could lead to increased operational costs for Orkla. Currently more environmentally friendly alternatives are more costly than conventional materials.	Orkla is engaging actively in packaging innovation and collaboration on improvements in collection, sorting and recycling systems. We will continue the work on packaging innovation, for example trying to decrease the packaging weight and increase the use of recycled and renewable materials.
	Policy and legal, market	Direct operations	Enhanced reporting and traceability obligations	Almost certain	Low	Medium term	There is an increasing expectation from stakeholders for a transparent reporting on GHG emissions and climate impact performance through the whole value chain. This can lead to increased costs associated with collecting and reporting emissions data.	Develop more efficient reporting systems and ensure data availability and quality. Advocate for internationally common environmental standards and frameworks.
	Reputation	Direct operations	Increased stakeholder concern around Orkla's exposure to climate and water risk	Almost certain	Low	Short term	Stakeholders are increasingly concerned with climate and water related risks such as deforestation practices, palm-oil use and single-use packaging. Failure to meet stakeholder expectations may lead to a weaker reputation among stakeholders and potentially reduced consumer demand and investor interest.	Systematic work across all of Orkla to prevent undesirable practices and reduce the negative environmental impacts of our products and operations is critical to reduce the reputation risk. Also, proactive, fact-based and reliable communication is important.

The outcome of the climate-related opportunities ass and key findings are summarized in tables on the next pages:

Opportunity category			Opportunity type	Likelihood	Potential financial impact	Time horizon	Opportunity description	Strategy to realise opportunity
Physical risks	Adaption and resilience	Upstream	"Nature-positive" ecosystems	Likely	Low	Medium term	Building strong partnerships and knowledge-sharing is key for innovations in food production (land and water) and for responding better to local challenges. Enhanced resilience of people, communities and ecosystems is key to sustainable fisheries, food and agricultural systems. Cooperation on securing regenerative soils ensuring proper nutrients, lowering the use of fertilizers and pesticides to ensure sustainable farming practices.	Orkla engage in improvement projects in the value chain, working closely with our suppliers and other stakeholders. We are members of many initiatives building more sustainable supply chains, one example focusing on sustainable agriculture is the SAI Platform where we are part of several workstreams. We also use third-party certification to try and align the industry on common sustainability standards.
Transistion risks	Energy source	Direct operations	Increasing energy efficiency in Orkla's own operations and transition to low-carbon production	Almost certain	Low	Short term	Increased use of renewable energy is an opportunity as the transition to renewable energy is expected to generate a growing cost benefit in the years to come. Lowering the energy use lowers the vulnerability to increase in energy prices. This opportunity has the potential to reduce exposure to climate-related energy and carbon taxes and thereby reducing the operating costs.	Orkla is committed to reducing energy consumption in own operations, with a target of a 30% reduction within 2025. In addition, Orkla will replace fossil energy with renewable sources that will strengthen the environmental profile and could reduce the future cost. Orkla is currently replacing boilers based on fossil fuels to boilers using bio-fuels or renewable electricity.
	Adaptation and resillience	Upstream, direct operations, downstream	Reducing waste through the whole value chain	Almost certain	Medium	Short term	Orkla could face increased indirect operating cost due to regulations on food and material waste through the value chain. Improvements of waste management through the whole value chain is an opportunity to reduce operating costs, carbon emissions, minimise water use, ensure better handling of chemicals and increase biodiversity.	Orkla is focused on reducing waste, and the targeted reduction up to 2025 of a 50% reduction is expected to reduce raw material and waste management costs. The main focus is on reducing food waste both in own operations and the entire value chain. Innovation of packaging solutions is a part of the efforts to reduce waste in the value chain.
	Market	Downstream	Expansion and development of plant-based products	Almost certain	Medium	Short and medium term	Consumers are increasingly conscious about climate change and place greater importance on environmental sustainability with growing awareness on product's carbon footprint. This change in consumer behavior incentivizes companies to label and certify their goods, resulting in increased operational costs.	The increased interest in a plant-based diet offers substantial opportunity for growth. Orkla aims to further expand the portfolio of plant-based products, in addition to developing seaweed as a new sustainable growth area through the company Orkla Ocean. Orkla will continue the innovation efforts to reduce the climate footprint from our products through changes in recipes and packaging solutions.

Risk management

The identification and management of climate-related risks and opportunities follows Orkla's established guidelines for risk management. A corporate system to identify, assess, manage, and report risks and opportunities is implemented. The risk management framework state that all significant matters must be considered and include a plan to reduce or control the risk by implementing initiatives and mitigating actions. Climate-related risks and opportunities are defined as significant.

The overall Orkla risk review is conducted oncea year lead by the Group Financial department responsible for overall Risk Management report and implementation of the risk management process in Orkla. Orkla Board of Directors and Group Executive Board are on a regular basis presented with the risk reviews of the Group's activities for identifying, assessing, and responding to risks include climate-related risks and opportunities.

Each business area and each Orkla company is responsible for identifying and managing risks, including climate-related risks, within their respective areas. To ensure ongoing follow-up, a semi-annual bottom-up analysis is requested to update the Orkla risk picture. In addition, the risk analysis is integrated into the companies' decision-making processes. Risk assessments carried out in the business areas and Orkla companies are presented to and discussed by the internal boards of directors as part of the budget process.

Designated risk management experts carry out detailed risk assessments in certain specialised fields and are responsible for selected measures to mitigate risk at Group level. Group EHS is responsible for the assessment of climate-related risks and opportunities.

In the autumn 2021 Orkla took important steps to strengthen our methodology for a top-down risk and opportunity assessment for climate-related issues. The assessments were prepared by key personnel on climate-related issues with the assistance of the audit and consulting firm EY.

Orkla assessed climate related risks and opportunities in short-term (1-3 years), medium-term (3-10 years), and long-term (10-20 years) perspectives. The findings will be integrated into our overarching climate strategy and included in plans and mitigating actions. The overall climate-related assessment should be updated on a regular basis, and we will ensure that the findings are taken into consideration in the bottom-up assessments and initiatives for reducing climate gas emissions in Orkla companies and value chain.

The risk assessment system will contribute to a correct risk process.
The system requests to identify sources of risk, areas of impacts, potential financial or strategic consequences and asks for mitigation activities. Acceptance criteria associated with the risk and opportunities is defined to ensure the common probability and consequence scales. There is a set of predefined criteria for how risks are assessed using a risk register scale. The probability and the consequence of the risks are rated as “Low”, “Medium” or “High” and are visualized in a matrix. The sequence is then to assess, analyse, plan for initiatives, implement the initiatives and review them. The identified risks are presented as an collected risk picture for the company and is aggregated to the Orkla risk picture. The owner of the risk factors must implement relevant mitigation strategies and activities.

Metrics and targets

Orkla has overall sustainability targets for 2025 that apply to the entire Group and includes ambitious goals to reduce climate gas emissions and the transition to renewable energy. We have adopted a systematic, coherent approach to climate work and other key environmental factors, such as use of natural resources (raw materials, energy, water) and waste management.

In connection with our Capital Markets Day in 2021, we emphasised three of these targets: a 65 per cent reduction in climate gas emissions from own activities (scope 1 and 2, base year 2014), a 30 per cent reduction in climate gas emissions from our value chain (scope 3) and 100 per cent recyclable packaging. The three targets have special priority in our sustainability efforts across all our business areas and companies. On our Capital Markets Day, we also presented Orkla's strategy for creating growth related to consumer health and plant-based products.

Orkla's sustainability targets for 2025

- More than 60 per cent renewable energy in own operations
- 65 per cent reduction in greenhouse gas emissions from own operations (Scope 1 and Scope 2)[1]
- 30 per cent reduction in greenhouse gas emissions in the value chain (Scope 3)[1]
- 30 per cent reduction in energy and water consumption
- 50 per cent reduction in food waste from our own operations

1. The targets for greenhouse gas reduction have been validated by the Science Based Targets initiative. Base year 2014. Greenhouse gas emissions have been calculated according to the Greenhouse Gas Protocol.

Our environmental work contributes to the achievement of UN Sustainable Development Goals 12, 13, 14, 15 and 17.

Orkla has set Science-Based Targets (SBT) aligned with the Paris-Agreement. The calculation of these goals is based on IPCC AR5 and the goal-setting method as described in Science-Based Target Setting Manual scenario RCP 2.6 (IPCCs AR5 WHIII, Chapter 6, Table 6.3, page 431). Orkla's climate targets have been approved by the Science-Based Targets initiative (SBTi), and in the autumn of 2019 these were also approved for the requirements that satisfy 1.5 degrees. We have also committed to setting net-zero emission targets in line with the new SBTi framework, launched in November 2021.

Orkla Climate Targets

Approved by the Science based Targets Initiative,
in line with the UN Paris Agreement

Scope 1 & 2	Scope 3
65% reduction by 2025	30% reduction by 2025
70% reduction by 2030	50% reduction by 2030
80% reduction by 2040	75% reduction by 2040

Base year 2014

For several years, Orkla's companies have worked systematically with improvement measures and the companies are followed up on indicators such as reduced energy consumption, renewable energy and waste management. To meet the climate targets, Orkla has also decided to purchase Guarantees of Origin (GO) for all electricity (Scope 2). The measures have resulted in climate gas emissions being reduced by 65% (Scope 1 & 2) relative to revenue since the base year 2014. Orkla is well on its way to achieving the long-term reduction targets of 70% by 2030 and 80% by 2040.

The greatest impact on the climate comes from raw material production and the consumption stage. Therefore, further work will focus on reducing emissions in all parts of the value chain. Orkla has also set Science-Based Targets (SBT) for the value chain (Scope 3). These emissions will be reduced by 30% within 2025, 50% by 2030 and 75% by 2040.

Orkla has for many years reported energy and climate accounts. Data is gathered and managed in a cloud-based system supplied by the company CEMAsys. Calculation of climate gas emissions is based on the GHG protocol, both own emissions (Scope 1 and 2) and emissions related to the value chain (Scope 3). All newly acquired companies will be incorporated in the reporting scheme during the integration period. Historical data, including data for the base year 2014, will be uploaded in the Orkla database. The status for 2021, as well as 2020, 2019 and the base year 2014 are shown on page 26-28.

Climate impact[1] and emissions

References	Indicators	Unit	2021	2020	2019	Baseline year 2014
305-1	Greenhouse gas emissions from own operations, Scope 1	tCO2e	113 890	115 270	122 850	134 880
305-1	Greenhouse gas emissions from bio-energy, Scope 1	tCO2e	290	380	92	37
305-2	Indirect greenhouse gas emissions, Scope 2, location-based calculation	tCO2e	58 400	66 500	67 600	93 730
305-2	Indirect greenhouse gas emissions, Scope 2, market-based calculation[2]	tCO2e	3 150	7 270	13 440	152 530
305-3	Greenhouse gas emissions from raw materials and packaging, Scope 3[3]	tCO2e	1 816 700	1 891 200	1 860 900	1 900 400
305-4	Greenhouse gas emissions (Scope 1 and 2 market-based) per FTE[4]	tCO2e/ FTE	6.5	7.0	7.7	15.6
305-4	Greenhouse gas emissions (Scope 1 and 2 market-based) per revenue[4]	tCO2e/ NOK mill.	2.4	2.6	3.1	6.9
305-6	Emissions of ozone-depleting substances (ODS)[5] used in cooling media	tCFC-11e	0.002	0	0.16	0.014
305-7	Emissions of sulphur dioxide	Tonnes	7	6	9	16
305-7	Emissions of nitrogen oxide	Tonnes	105	104	109	112

1 The calculations are based on the Greenhouse Gas Protocol Initiative (GHG protocol). Includes CO2, CH4, N20, HFC, PFC, SF6 and NF3. Orkla uses standard conversion factors for various types of fuel, updated annually based on DEFRA and IEA. Historical figures have been adjusted for new information

2 Market-based emissions take into account the effect of Guarantees of Origin for electricity.

3 Raw materials, packaging and waste management account for around 95% of emissions from Scope 3 activities. Orkla mainly uses conversion factors for greenhouse gas emissions from the RISE database, as well as conversion factors for energy from DEFRA and the IEA. Historical figures have been adjusted for new information.

4 Historical figures have been adjusted for new information. For 2021, companies integrated after June 2021, as well as Eastern Condiments, will not be included. Adjustment of turnover figures is based on note 5 in the annual accounts. A corresponding adjustment has been made for the number of FTEs.

5 ODS; Ozone depleting substances

Efficient resource use

References	Indicators	Unit	2021	2020	2019	Baseline year 2014
302-1	Electricity from internally generated hydropower, sold	GWh	2 065	2 885	2 160	2 570
302-1	Total energy usage, own operations	GWh	1 090	1 090	1 100	1 050
302-1	Total energy usage from renewable fuel sources incl. Guarantees of Origin (market-based calculation)	GWh	506	505	462	11
302-1	Energy usage – fossil fuel[6]	GWh	553	554	580	551
302-1	Energy usage – fossil-free fuel	GWh	32	35	29	11
302-1	Energy usage – purchased electricity	GWh	451	460	446	447
302-1	Energy usage – purchased thermal energy, incl. remote heating	GWh	52	41	42	41
302-3	Energy usage per FTE[7]	MWh/ FTE	60	63	62	66
302-3	Energy usage per revenue[7]	MWh/ NOK mill.	22	23	25	29
303-3	Total water withdrawal, own operations	Mill. m3	7.7	7.9	7.5	10.4
303-3	Water withdrawal from external water works (third-party)[10]	Mill. m3	4.9	5.1	4.8	7.4
303-3	Water withdrawal from groundwater[10]	Mill. m3	2.7	2.8	2.8	3.0
303-3	Water withdrawal from collected rainwater and surface water	Mill. m3	0.0	0.0	0.0	0.0
303-3	Water consumption in areas exposed to water shortage[10]	m3	149 300	171 500	163 600	165 200
303-3	Water recycled in own operations	%	7.9	8.2	10.4	0.0
303-4	Discharge of wastewater to seawater	Mill. m3	0	0	0	0
303-4	Discharge of effluents to external treatment plants (third-party)[10]	Mill. m3	2.5	3.2	2.9	6.2
303-4	Discharge of effluents to surface water[10]	Mill. m3	1.2	1.6	1.4	0.3
303-4	Emissions to water – BOD[9]	Tonnes	3 850	5 100	5 400	7 300
303-4	Emissions to water – COD[9]	Tonnes	6 340	9 420	8 280	9 750
303-4	Emissions to water – particles[9]	Tonnes	273	944	869	528

Refrences	Indicators	Unit	2021	2020	2019	Baseline year 2014
303-4	Discharge of effluents in areas of water scarcity[10]	Mill. m3	0.1	0.1	0.1	-
306-3	Organic waste	Tonnes	70 350	78 920	79 050	88 180
306-3	Organic waste per revenue	Tonnes/ NOK mill.	1.4	1.7	1.8	3.0
306-3	Non-hazardous waste – sorted	Tonnes	14 710	15 680	16 100	17 880
306-3	Non-hazardous waste – mixed	Tonnes	1 670	2 870	2 320	2 290
306-3	Hazardous waste	Tonnes	373	557	263	422

Other

Refrences	Indicators	Unit	2021	2020	2019	Baseline year 2014
306-3	Spills, deviations from emission limits	Number	7	3	3	10
307-1	Material fines and sanctions for non-compliance with environmental laws and/or regulations[8]	Number	0	1	1	-
307-1	Material fines for non-compliance with environmental laws and/or regulations[8]	NOK mill.	0	0.08	0	-

6 Includes use of natural gas, propane, oil, diesel, petrol. Orkla uses standard translation factors for different types of fuel. Updated annually based on DEFRA and IEA.

7 Total energy usage in own operations, all types. Historical figures have been adjusted for new information. For 2021, companies integrated after June 2021, as well as Eastern Condiments, will not be included. Adjustment of turnover figures is based on note 5 in the annual accounts. A corresponding adjustment has been made for the number of FTEs.

8 We define material fines as having a value above NOK 100 000

9 We report on the substances which are relevant for Orkla, BOD, COD and particles

10 The breakdown of water into fresh water and "other water" has not been reported

Independent accountants assurance report

Building a better working world

To the Board of Directors of Orkla ASA

Independent accountant's assurance report

We have been engaged by Orkla ASA to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on Orkla ASA 's climate and environmental reporting as the Orkla ASA have defined and referred to in the Orkla ASA's GRI Index (see the document GRI 2021 Index on https://www.orkla.com/sustainability/results-and-reporting/the-gri-index/, "Environmental Engagement") (the "Subject Matter") as of 31 December 2021 for the period from 1 January 2021 to 31 December 2021.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in climate and environmental reporting, and accordingly, we do not express a conclusion on this information.

Criteria applied by Orkla ASA

In preparing the Subject Matter, Orkla ASA applied the relevant criteria from the Global Reporting Initiative (GRI) sustainability reporting standards, "Core" option (the "Criteria"). The Criteria can be accessed at globalreporting.org and are available to the public. Such Criteria were specifically designed for companies and other organizations that want to report their sustainability impacts in a consistent and credible way. As a result, the Subject Matter information may not be suitable for another purpose. We consider these reporting criteria to be relevant and appropriate to review the climate and environmental reporting.

Orkla ASA's responsibilities

The Board of Directors and Group Chief Executive Officer (management) are responsible for the selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance *Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000').* This standard requires that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for

Accountants. EY also applies *International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Review of Orkla ASA's process for preparation and presentation of the sustainability report to develop an understanding of how the reporting is conducted within the business
- Interviewed those in charge of sustainability reporting to develop an understanding of the process for the preparation of the sustainability reporting
- Verified on a sample basis the information in the sustainability reporting against source data and other information prepared those in charge
- Assessed the overall presentation of sustainability reporting against the criteria in the GRI Standards including a review of the consistency of information against the following GRI standards;
    - EY has provided limited assurance including: 302-1, 302-3, 303-3, 303-4,305-1, 305-2, 305-3, 305-4, 305-6, 305-7, 306-3, 307-1.
    - These indicators include the reporting on Scope 1 (GRI 305-1), Scope 2 (305-2), and selected Scope 3 (GRI 305-3) greenhouse gas emissions as reported in the Annual Report on page 120.
    - EY does not provide attestation on GRI 103 for any of the above standards.

We believe that our procedures provide us with an adequate basis for our conclusion. We also performed such other procedures as we considered necessary in the circumstances.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter as of 31 December 2021 and for the period from 1 January 2021 to 31 December 2021 in order for it to be in accordance with the Criteria.

Oslo, 15 March 2022
ERNST & YOUNG AS

Petter Larsen
State Authorised Public Accountant

(This translation from Norwegian has been made for information purposes only.)

A detailed description of targets, procedures and work processes may be found on our website under Sustainability Management Approach.

Link to Orkla Annual report 2021 (Orkla Sustainability report included).