

Transparency Act Report 2024

Orkla Food Ingredients AS (hereafter “Orkla Food Ingredients”) is a portfolio company of Orkla ASA (“Orkla”) and consists of several subsidiaries in Norway and other countries in Europe and the USA. This report describes Orkla Food Ingredients’ efforts related to human rights and decent working conditions, including due diligence assessments pursuant to section 5 of the Norwegian Transparency Act.

The report covers Orkla Food Ingredients and its subsidiaries, and reported figures relate to the 2024 financial year (1 January–31 December). The reporting on impacts, targets and plans also includes information from the latest human rights impact assessment which was carried out during the spring of 2025. Information about the progress of Orkla Food Ingredients’ work with environmental, social and governance topics for 2024 can also be found in Orkla ASA’s annual report for 2024¹.

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¹ Orkla ASA’s 2024 annual report is available here: [Annual Report – Orkla Norway](#). The 2024 sustainability report can be found on page 45 of the annual report.

1. Description of Orkla Food Ingredients' business

Orkla Food Ingredients AS ("Orkla Food Ingredients") supplies ingredients to a broad range of customers in the bakery, ice cream and plant-based markets, and has a leading position in Europe and a platform for growth in the USA. Orkla Food Ingredients had a turnover in 2024 of approximately 19.4 billion NOK. Important sales channels include industrial manufacturers that primarily produce and supply products for the grocery sector, the Out of Home segment – such as artisanal bakeries and ice cream kiosks – and direct-to-consumer sales. The biggest product categories are margarine and butter blends, bread and cake improvers and mixes, yeast, marzipan and ice cream ingredients.

Orkla Food Ingredients is building a leading European and US food ingredients company targeting a large, diverse and robust market. The aspiration is to be a leading provider of effective, sustainable solutions that help customers win. The focus is on strong local companies with growth potential while leveraging synergies across the Group. Growth will be driven by strengthening market positions and delivering locally tailored solutions.

Orkla Food Ingredients is committed to responsible operations with respect for people, the environment and society and has internal governing documents and procedures for managing environmental, social and governance-related risk issues. Sustainability is an integrated part of the company's business strategy, and Orkla Food Ingredients has defined several long-term ambitions linked to creating positive impacts for own employees and workers in the value chain.

Orkla Food Ingredients' ambitions for positive impacts

Own employees:

- Safety and wellbeing for every team member
- A fair, inclusive and engaging workplace
- A culture of growth and opportunity

Workers in the value chain:

- Promote fair and safe working conditions for all workers across the value chain
- Prevent child labour in our supply chain

Organisation of the business

Orkla Food Ingredients is a limited liability company and has its registered address at Drammensveien 149, Oslo (Norway). Orkla Food Ingredients' organisation number is NO 911 161 419. The head office is in Oslo, Norway. Orkla Food Ingredients is one of Orkla's ten portfolio companies. Orkla holds a 60% ownership position in Orkla Food Ingredients, while the private equity investment firm Rhône Group holds a 40% position in the company. Orkla ASA is listed on the Oslo Stock Exchange.

At year-end 2024, Orkla Food Ingredients had a total workforce of approximately 4,000 employees² and approximately 110 non-employees³ in 22 countries in Europe and in the USA. Orkla Food Ingredients has around 60 operational companies structured in three clusters: Bakery Ingredients, Sweet Ingredients and Plant-based. Orkla Food Ingredients has a significant number of production units, and the company's own manufactured products account for around 63% of sales. The remaining sales come from products produced by external business partners.

Important functions in the Orkla Food Ingredients' companies include manufacturing, maintenance, logistics, product development, marketing, sales, procurement, quality and food safety, finance and human resources. Orkla Food Ingredients is a significant purchaser of food raw materials, packaging and traded goods, with an estimated total number of direct suppliers of around 9,000. Through Orkla Food Ingredients' own operations

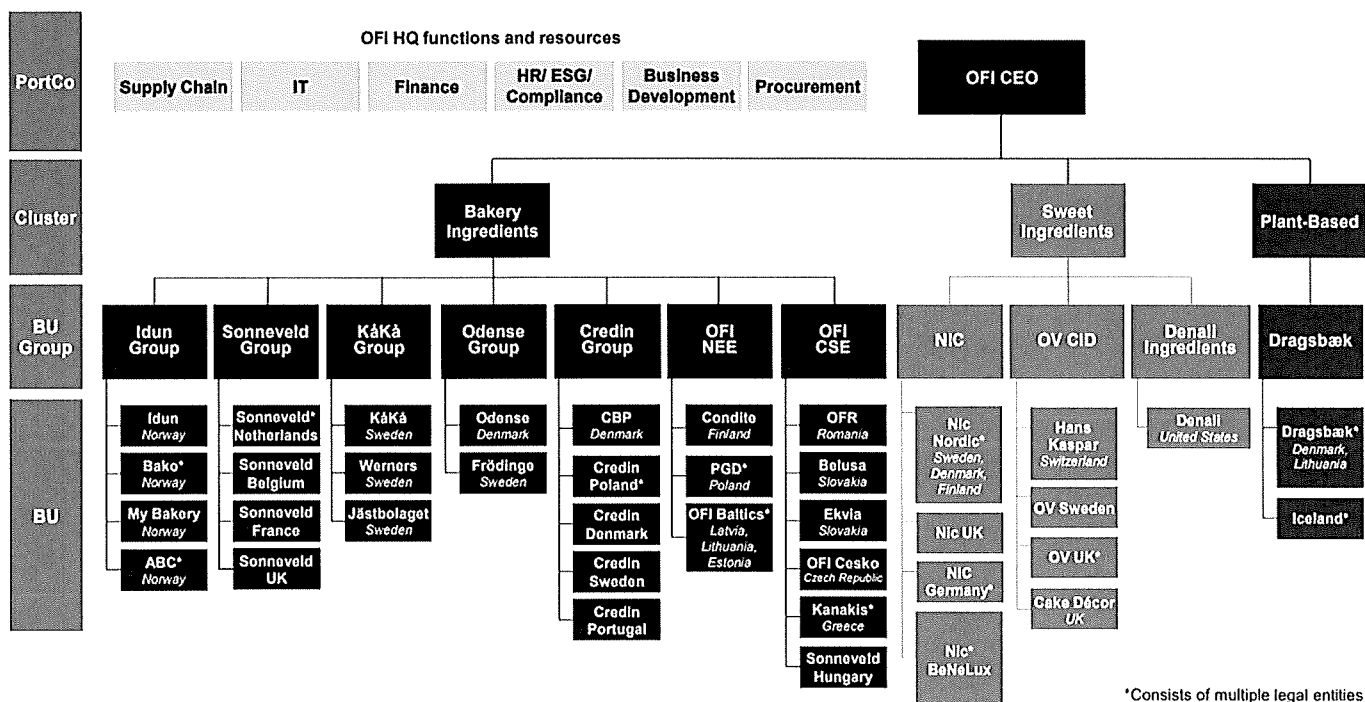
² Includes permanent employees, temporary employees and employees with non-guaranteed working hours.

³ Includes self-employed persons (independent contractors) and persons employed by staffing agencies.

and that of suppliers and sub-suppliers, Orkla Food Ingredients may have a direct or indirect impact on more than a million workers throughout the company's value chain.

The present report covers Orkla Food Ingredients and its business units.

Orkla Food Ingredients' organisation structure



2. Guidelines and governing principles

2.1. Orkla Food Ingredients' governing documents on human rights and decent working conditions

Orkla Food Ingredients follows Orkla ASA's guidelines on human rights and decent working conditions. These are enshrined in Orkla's governing documents, including the Orkla Code of Conduct,⁴ the Orkla Sustainability Policy⁵, the Orkla Supplier Code of Conduct⁶ and the Orkla Business Partner Code of Conduct. Orkla Food Ingredients has implemented policies, systems and procedures to ensure responsible business practices in line with company values, Orkla guidelines and regulatory requirements. Among others, these include a human rights policy, EHS Standard, procurement policy and whistleblowing policy.

Orkla Food Ingredients has processes in place for human rights due diligence, including an annual high-level impact assessment and a long-term plan for improvements. Section 2.2 and 2.3 below provide a more detailed description of Orkla Food Ingredients' procedures for due diligence assessments in own operations and the supply chain.

The Orkla Code of Conduct

The Orkla Code of Conduct has been adopted by the Orkla Board of Directors and applies to Orkla, its subsidiaries and all persons working for the Orkla group. This includes employees at all levels in Orkla Food

⁴ Code of Conduct - Orkla.com

⁵ Orkla Sustainability Policy

⁶ Supplier Code of Conduct - Orkla.com

Ingredients, board members, contracted personnel, consultants, contractors and others who act on behalf of or represent Orkla Food Ingredients. The Orkla Code of Conduct contains commitments to safeguarding human rights and decent working conditions – including by conducting due diligence assessments – and pursuing improvement measures.

The Orkla Sustainability Policy

The Orkla Sustainability Policy covers environmental, social and governance (ESG) impacts, risks and opportunities related to Orkla's operations and business decisions, as well as Orkla's role as an owner of companies. The policy is based on the UN Global Compact and the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the Transparency Act. The policy states that Orkla's companies must respect and protect human rights and decent working conditions, including by:

- recognising and respecting freedom of expression, association and organisation, trade union rights, collective bargaining and data protection;
- promoting decent working conditions, providing reasonable and lawful working hours, fair compensation and adequate pay, ensuring a good work-life balance, and providing holiday and leave arrangements that safeguard workers' rights, including the right to family-related leave;
- promoting equal opportunities, equal pay, a balanced gender ratio at all levels and increased diversity and inclusion throughout the value chain, and combating all forms of discrimination and harassment;
- working systematically to safeguard the health, safety and psychological wellbeing of employees and striving to achieve zero injuries, as well as continuous improvement in these areas;
- conducting due diligence assessments focusing on human rights and decent working conditions; and
- establishing effective mechanisms for raising stakeholder concerns and needs, internal procedures for handling such concerns and needs in a careful and effective manner and ensuring remediation in cases where Orkla has caused or contributed to material adverse impacts.

2.1.1. Responsibility

The Orkla Code of Conduct and the Orkla Sustainability Policy are reviewed annually by Orkla's Audit Committee to capture changes in statutory requirements and stakeholder expectations, as well as in Orkla's strategy or assessment of material sustainability-related impacts, risks and opportunities. Updates of these policies are approved by the Orkla Board of Directors.

The Orkla Food Ingredients Board of Directors is responsible for monitoring policy implementation in Orkla Food Ingredients. Moreover, the board is responsible for ensuring that the operations are conducted in accordance with relevant regulations, the Orkla Code of Conduct and the Orkla Sustainability Policy. The CEO of Orkla Food Ingredients is responsible for implementation of the ESG governing documents and for establishing adequate ESG governance within Orkla Food Ingredients.

As a support to the CEO, the Orkla Food Ingredients Governance, Risk and Compliance Officer is supporting, monitoring and following up the organization on compliance with legal requirements, Orkla's Code of Conduct and internal requirements on business conduct. This includes awareness building, risk management and reporting on governance topics.

The Orkla Food Ingredients VP Sustainability coordinates the internal processes linked to sustainability due diligence, double materiality assessment, as well as ESG targets, policies and plans for Orkla Food Ingredients as a portfolio company, and is responsible for awareness building, stakeholder dialogue and annual ESG reporting.

In 2025, Orkla Food Ingredients will review the company's ESG policies and governance procedures and prepare a sustainability policy in line with legal requirements and stakeholder expectations.

2.2. Guidelines and procedures applicable to Orkla Food Ingredients' own workforce

The Orkla Sustainability Policy addresses material topics related to Orkla's own workforce. These include diversity, equity and inclusion, working conditions, fair and adequate pay, working environment, health and safety. In line with the expectations of Orkla's Sustainability Policy, Orkla Food Ingredients carries out an annual human rights impact assessment, covering risk issues within own organisation.

Orkla Food Ingredients Human and Labour Rights Policy describes the company's commitment to respecting human rights and to human rights due diligence. The policy describes Orkla Food Ingredients' guiding principles for handling the human and workers' rights which are assessed as having particular relevance for the company's daily operations. This includes requirements towards the companies within Orkla Food Ingredients when it comes to ensuring fair working terms, employee health and safety, inclusion and non-discrimination and respect for workers' rights to organise and bargain collectively.

Orkla Food Ingredients seeks to ensure that systematic and proactive steps to promote and preserve health and well-being at work are a natural part of all operations and has a vision of zero accidents. An annual high-level assessment of human rights impacts is prepared, which covers the risks of work-related injuries and work-related illness. In addition, the Orkla Food Ingredients companies prepare systematic, more detailed risk assessments of their operational working environment, health and safety. The company has implemented systematic procedures for occupational health and safety, including training, risk assessments, follow up of incidents and implementation of measures for risk-prevention and improvements.

2.3. Policies and procedures for supply-chain due diligence

Orkla Food Ingredients' commitments and principles for managing potential impacts on workers in the value chain are anchored in the Orkla Code of Conduct, the Orkla Sustainability Policy, the Orkla Supplier Code of Conduct and the Orkla Business Partner Code of Conduct. These principles apply to all employees in the value chain, including persons at risk and vulnerable groups, such as children and migrant workers. The documents include a description of processes and mechanisms to ensure compliance with key international frameworks, including the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. The rights covered by these instruments are considered global, universal human and workers' rights which apply to all workers, regardless of a company's activities. The guidelines include a clear commitment to respect human and workers' rights, to cooperate and have measures in place to remedy adverse impacts, and to stop, prevent or mitigate potential adverse impacts. Critical issues such as forced labour, human trafficking and child labour are explicitly addressed.

The Orkla Supplier Code of Conduct describes Orkla Food Ingredients' ethical requirements and expectations of suppliers. The requirements are based on the UN Universal Declaration of Human Rights, the ETI Base Code and the UN Global Compact's 10 principles for responsible business conduct. The document sets out clear requirements not to accept child labour or forced labour, and addresses freedom of association and collective bargaining, acceptable working conditions, adequate pay, work-life balance, health and safety, and equal opportunities. Orkla Food Ingredients collaborates with Orkla's business service company Orkla Procurement about implementing measures to ensure compliance with these principles through supplier dialogue, supplier self-assessments and ethical audits. The requirements have been translated into nine languages, and suppliers are required to sign and comply with them as part of the contract agreement.

Orkla Food Ingredients has, with support from Orkla Procurement, adopted a risk-based approach to ensure effective collaboration with the company's many suppliers and safeguard responsible business practices. Together with Orkla Procurement, Orkla Food Ingredients conducts an annual risk assessment of suppliers and raw material sourcing, covering criteria linked to working conditions, occupational health and safety, the environment and business ethics.

The companies within Orkla Food Ingredients request suppliers to register in Orkla's Supplier Portal. All suppliers who are added to the portal undergo a risk screening based on a sustainability risk assessment tool developed by Sedex. Sedex is a membership organisation offering a global platform for assessing supply chains through standardised methods and sharing of supplier information.

Supplier engagement efforts are prioritised towards suppliers and supply chains with the greatest risk of adverse impacts on fundamental human rights and decent working conditions. For high-risk suppliers, Orkla Food Ingredients' desired approach is to use a more detailed risk assessment method developed by Sedex, including

a self-assessment and, when needed, an ethical audit based on the SMETA framework.⁷ The audits provide information on supplier processes and non-conformances, and identified non-conformances are followed up through the Sedex system. As part of supplier audits, a 'Corrective action plan' is drawn up, which contains requirements and deadlines for suppliers to rectify non-conformances.

To manage high-risk raw materials, Orkla Food Ingredients seeks to collaborate with suppliers who maintain high standards and have dedicated sustainability programmes. For agricultural raw materials, Orkla Food Ingredients aims for sourcing raw materials which have been produced, as a minimum, in accordance with the requirements of the SAI Platform FSA⁸ Silver level. For some high-risk food raw materials, Orkla Food Ingredients uses third-party certification standards which include requirements and monitoring procedures for specific risk factors. Orkla Procurement provides support in assessing relevant supply-chain risks and in implementing risk-mitigation measures.

2.3.1. Cooperation and partnerships

As a source of competence-building and stakeholder collaboration, in support of Orkla Food Ingredients and other portfolio companies within Orkla, Orkla Procurement actively participates in industry initiatives involving companies, authorities and expert organisations. The most important initiatives include Ethical Trade Norway, AIM-Progress, Sedex (see section 2.3 above) and the Sustainable Agriculture Initiative (SAI) Platform.

Due diligence assessments

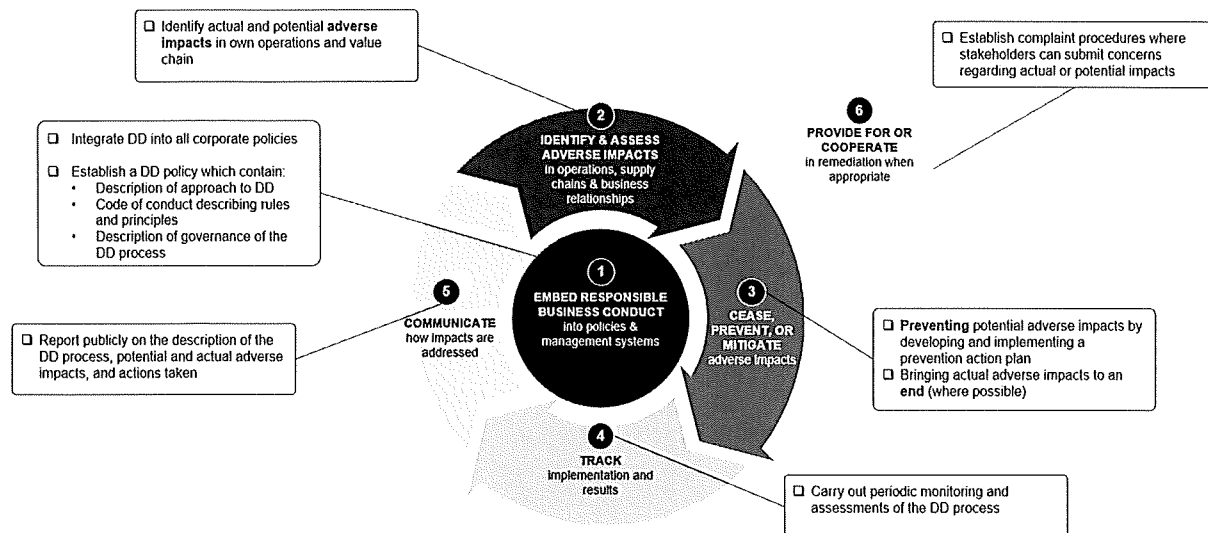
The illustration below gives an overview of the key steps in Orkla's recommended approach to sustainability-related due diligence assessments, including human rights and decent working conditions. Orkla Food Ingredients is committed to following these steps, which are based on the principles of the UN Guiding Principles on Business and Human Rights.

Orkla Food Ingredients has prepared a human rights impact assessment and long-term plan, covering potential risk issues linked to own workforce, workers in the value chain, consumers and end-users and people in local communities. The assessment was prepared during the spring of 2025, and the findings have been incorporated into this report.

⁷ SMETA stands for Sedex Members Ethical Trade Audit. The audit focuses on social and environmental issues and is carried out on-site by Sedex.

⁸ The Farm Sustainability Assessment (FSA) is a framework for sustainable agricultural production developed by the SAI Platform. It includes specific criteria for addressing relevant ESG issues.

Orkla's approach to sustainability due diligence



3. Adverse impacts on fundamental human rights and decent working conditions

3.1. Actual adverse impacts

3.1.1 Own workforce

Orkla Food Ingredients' human rights impact assessment indicates that its processes to ensure an inclusive and safe work environment and fair working terms are being implemented in a good way across the organisation, and no serious breaches of human rights and decent working conditions in own operations have been identified.

In 2024, a total of 50 work-related accidents were registered which led to sick-leave or medical treatment. The majority of these injuries were classified as having low severity with regards to employee health based on Orkla's Occupational Health and Safety Standard, but some injuries of medium severity also occurred. Work-related injuries and ill-health represent an important inherent risk issue for Orkla Food Ingredients and the company's progress on ensuring occupational health and safety for own workforce is reported in section 3.2.

An assessment made of company wages compared to external benchmark data on adequate wage showed that some employees in some regions received wages below the level of the external benchmark used. All employees received wages above the legal minimum wages, and the finding is not considered as an adverse impact on fundamental human rights. Orkla Food Ingredients' progress in ensuring adequate wages is reported in section 3.2.

3.1.2 Workers in the value chain

Through ethical audits of tier-1 suppliers, 181 non-conformances with Orkla's Supplier Code of Conduct were identified in 2024. The majority of these are concerning lack of adequate procedures, and it is difficult to know whether the non-conformances have led to actual negative human rights impacts on workers. Therefore, the findings are treated as potential adverse human rights impacts and reported in section 3.3. The assessments of risks linked to raw material production also revealed risks of several types of adverse impacts. These are also described in section 3.3.

3.2. Risk of adverse impacts on fundamental human rights and decent working conditions in Orkla Food Ingredients' own operations

Orkla Food Ingredients assesses that the risk of violations of children's rights, forced labour and breaches of the right to organise and participate in collective bargaining within own operations is very low. The company applies an 18-year age limit for employment. When younger persons are offered temporary work as part of apprenticeships or school assignments, Orkla Food Ingredients follows national rules and regulations to provide young employees with safe working conditions.

Through the human rights impact assessment Orkla Food Ingredients has identified a risk of adverse impacts in some areas covered by the Orkla Code of Conduct and the Orkla Sustainability Policy. Potential adverse impacts have been identified linked to the following topics:

- Fair working terms and conditions
- Occupational health and safety
- Equal treatment and opportunities for all

3.2.1. Fair working terms and conditions

Through the impact assessment, some potential negative impacts linked to working terms and conditions have been identified which Orkla Food Ingredients wants to look further into and target with improvement actions.

Adequate wages

In 2024, the companies within Orkla Food Ingredients prepared an assessment of the compensation paid to own employees compared to external benchmark data for adequate wages provided by the organisation WageIndicator. WageIndicator is a recognised academic organisation which provides regional data on living costs and living wages in more than 200 countries. The calculation of adequate wages considers the cost of living for a typical family and country-specific information about fertility rate, earners per family and tax per worker for a typical family with two children and two working parents. For cases where the lowest living wage estimate is lower than the legal minimum wage, Orkla uses a higher living wage estimate. For the assessment of wages for employees in the UK, figures from the Living Wage Foundation were also used as a benchmark. Keeping track of minimum adequate wages is relevant to identify improvement areas and measure the effectiveness related to actions to reduce negative impact and mitigate risks in respect of working conditions.

Orkla Food Ingredients wants all employees to receive fair wages, and in 2024, Orkla Food Ingredients paid attention to employees' increased cost of living as part of the annual pay adjustments. For employees in Orkla Food Ingredients' production units, wages are determined through negotiated collective agreements. The pay of other employees is set using benchmarking tools which incorporate factors like country, sector, job type and competitive landscape.

The adequate wage assessment prepared in December 2024 showed that all employees received wages above legal minimum wage, but in some regions, some employees received wages which were slightly below the regional benchmark figures for adequate wage. In 2025, Orkla Food Ingredients will start preparing more in-depth wage assessments in the companies and prepare plans for closing identified gaps.

Work-life balance

Orkla Food Ingredients has guidelines for working hours which are implemented through employment contracts and internal procedures for human resources management. Still, several production units are operating at three-shifts which may lead to difficulties in managing the work-life balance for some employees. Also, an employee survey carried out in 2024 indicated that some employees experience high work intensity at times to complete tasks, which may create stress. Orkla Food Ingredients will continue to address work-life balance as an important management topic as part of the occupational health and safety and people processes.

Insufficient training

Orkla Food Ingredients wants to have a culture of growth and opportunities for all employees and organises a variety of competence development programs. The employee survey carried out in 2024 showed an average score of 3.7 on the perceived opportunities for learning and development (scale of 1-5) which is considered fairly good. Still, there were variations in score across the companies.

Around 68% of employees were part of the formalised processes for performance and development reviews against a target of 100%. Based on these observations, Orkla Food Ingredients sees a potential risk that some employees are not receiving sufficient training to master their tasks as desired.

In 2025, Orkla Food Ingredients will continue facilitating learning through internal networks and training programs. In addition, the company will prepare for the implementation of an enhanced system for continuous performance and career development and start the development of a framework for strategic competence development. For more information on activities and plans, see section 5.

3.2.2. Occupational health and safety (OHS)

Orkla Food Ingredients has many employees engaged in manufacturing activities and thus, has a high inherent risk of work-related injuries, including falls, cuts and exposure to chemicals, dust or noise. Although no breaches of human or workers' rights related to injuries were documented in 2024, the relatively high number of manufacturing employees means that there is an inherent risk of adverse impacts.

Orkla Food Ingredients has adopted a zero-injury vision and works systematically to prevent accidents. The rate of recordable work-related accidents in 2024 was 6.8 and the number of injuries which required medical treatment and/or led to sick leave was 50. There are variations across units. The main risks include slips and trips, hits and knocks, pinches and crunches. The sick leave in 2024 was 3.7%, which is a slight reduction compared to 2023 and below the target of maximum 4.0%. The share of work-related ill-health is estimated to be 1% and the main risks issues are considered to be ergonomics and stress. Orkla Food Ingredients has implemented a systematic approach to reducing the risk of injuries and work-related illness. This includes regular training, operational risk assessment and guidance and follow up of the production sites and offices. In 2024, Orkla Food Ingredients carried out a number of activities to prevent work-related injuries and ill-health and ensure a safe workplace. These activities are described in section 5.

Orkla Food Ingredients has implemented a systematic approach to reducing the risk of injuries and work-related illness. This includes regular training, operational risk assessment and guidance and follow up of the production sites and offices. In 2024, Orkla Food Ingredients carried out a number of activities to prevent work-related injuries and ill-health and ensure a safe workplace. These activities are described in section 5.

3.2.3. Equal treatment and opportunities for all

Orkla Food Ingredients has procedures in place to avoid discrimination in connection with pay-setting and promotion, as well as procedures to avoid discrimination during recruitment. This includes defined HR and recruitment processes, pay-setting frameworks, benchmarking of pay systems, structured recruitment interviews and objective skills tests. Still, it is not possible to exclude that unconscious biases affect decision-making in recruitment and promotion processes.

Through a gender pay gap assessment prepared in 2024, Orkla Food Ingredients has identified a gap in relation to women's share of men's pay (total compensation). The assessment showed an average gap in gross hourly pay between female and male employees in Orkla Food Ingredients of 6.9%. Pay is defined as the ordinary basic or minimum wage plus all other remuneration – whether in cash or in kind – paid in connection with the employee's employment.

In 2025, the Orkla Food Ingredients' companies will review the job hierarchies used in order to allow for preparing a more detailed assessment of potential gender pay gaps linked to positions performing similar tasks.

For more information about the activities in 2024 and plans for 2025, see section 5.

3.3. Material risk of adverse impacts identified in Orkla Food Ingredients' supply chains

Orkla Food Ingredients is a major purchaser of numerous raw materials, and several companies within the portfolio company have extensive and complex supply chains. The company thus has a material indirect impact on both workers employed by direct suppliers and workers engaged in raw material production and has an opportunity to exert positive influence on business practices in supply chains. Some raw materials are sourced in countries where poverty, weak governance and a lack of robust infrastructure create a risk of poor pay and working conditions and serious human rights violations, including child labour and forced labour.

3.3.1. Salient human rights challenges in Orkla Food Ingredients' supply chains

Through a risk assessment of suppliers and of geographical and sectoral risks linked to raw materials production, Orkla Food Ingredients has identified the following human rights challenges as most salient for the company's supply chain engagement, based on an assessment of severity and likelihood:

- 1) *Child labour*
- 2) *Forced labour*
- 3) *Wages below adequate pay*
- 4) *Injuries or work-related ill-health*

Other inherent human rights risks linked to Orkla Food Ingredients' supply chain include excessive workhours, irregularities linked to employment contracts and terms, discrimination in wages and limitations to the freedom of organisation and collective bargaining.

Child labour

Orkla Food Ingredients is associated with a risk of child labour through suppliers in certain countries. No specific cases of child labour have been documented in Orkla Food Ingredients' supply chain in 2024, and most of Orkla Food Ingredients' suppliers are professional players with robust procedures for responsible business practices. Nevertheless, a general risk of child labour is linked to supply chains of certain raw materials in certain countries.

The Orkla Supplier Code of Conduct states that child labour must be prohibited and prevented, and that suppliers must take the necessary measures to ensure that no child labour occurs at their own production or operating sites or at the production or operating sites of their sub-contractors. Unfortunately, the purchase of certain raw materials entails a risk of child labour. Some of Orkla Food Ingredients' suppliers use the Child Labour Monitoring and Remediation System (CLMRS)⁹ in supply chains where child labour has been identified as an inherent risk.

Orkla Food Ingredients aims to purchase certified raw materials or take other relevant actions to prevent child labour. The Rainforest Alliance, which Orkla Food Ingredients uses for cocoa purchases, is an example of a certification standard which incorporates specific guidelines intended to reduce the risk of child labour. However, certification does not guarantee that child labour does not occur, and in 2025, Orkla Food Ingredients will review and strengthen the company's plans for responsible sourcing to prevent child labour.

Forced labour

Through the Orkla Supplier Code of Conduct, Orkla Food Ingredients requires suppliers to prohibit forced labour, involuntary or exploitative prison labour, slavery and human trafficking. Despite posing these requirements on suppliers, an inherent risk of forced labour remains in some supply chains. These supply chains may consist of many sub-contractors, making preventive work challenging. Orkla Food Ingredients' primary strategy for eliminating forced labour in the supply chains is to purchase raw materials certified by third parties based on standards designed to prevent forced labour. Orkla Food Ingredients is also focused on selecting suppliers who work systematically and actively to reduce the risk of forced labour.

Wages below adequate pay

In several of Orkla Food Ingredients' supply chains there is a risk that workers do not receive a living wage, particularly in connection with agricultural production.

Through the Orkla Supplier Code of Conduct, Orkla Food Ingredients requires suppliers' pay and social benefits to meet – as a minimum – national legal standards or industry standards, whichever are higher. Pay must be sufficient to cover basic needs and provide some additional, discretionary income. Social benefits must – as a minimum – comply with national legal or applicable industry standards, whichever are higher. By purchasing certified raw materials, Orkla Food Ingredients help improve farmers' income. Orkla Food Ingredients also focuses on selecting suppliers who work systematically and actively to safeguard human rights and decent working conditions, and some of Orkla Food Ingredients' suppliers run dedicated sustainability programmes which also address living wage-related challenges.

⁹ Child Labour Monitoring and Remediation are systems designed to identify children in child labour, or at risk of child labour, and put in place support to effectively prevent and address it.

Injuries or work-related ill-health

Through its supply chains, Orkla Food Ingredients is exposed to occupational health and safety risks (including risks related to injuries, exposure to chemicals, etc.).

Orkla Food Ingredients seeks to promote safe working conditions in the supply chains. The Orkla Supplier Code of Conduct requires suppliers to provide their workers with safe and healthy working conditions, including with regards to protective equipment, drinking water, adequate sanitation, lighting, temperature, ventilation and health and safety training. The requirements are monitored through supplier dialogues, self-assessments and, in some cases, ethical audits. Non-conformance categories identified among suppliers include safety (inadequate fire exits), worker health and handling of chemicals etc. When a non-conformance is identified, the affected supplier must create a corrective action plan to eliminate the non-conformance by a clear deadline.

3.3.2. Non-conformances direct suppliers

In 2024, Orkla Food Ingredients worked with Orkla Procurement to prepare risk assessments of all new suppliers with reference to both social and environmental risks. The number of audited supplier sites was higher than in 2023, and there was also an increase in the number of detected non-conformances. In 2024, a total of 181 non-compliances were detected through audits of suppliers to Orkla Food Ingredients.

Sedex operates with four levels of findings in its audits, reflecting severity and/or scope. The four levels are 'Business critical', 'Critical', 'Major' and 'Minor'. No findings classified as 'business critical' were detected. 23 findings were categorised as 'Critical', 111 findings were classified as 'Major' and 47 as 'Minor' non-conformances. In accordance with Sedex' procedures, plans and deadlines for rectifying identified issues have been agreed with the relevant suppliers. The process for following up non-compliances involves setting *deadline* for when the supplier must eliminate the non-conformance and then follow up the supplier to verify that this has been done.

The non-conformances identified were linked to irregularities in the payment of wages or other compensation, inadequate procedures for health and safety (e.g., insufficient safety risk preparedness or training, insufficient monitoring of the working environment, inadequate lighting, insufficient follow up of incidents, and inadequate procedures for reintegration of workers to work after long-term sick leave), excessive working hours, lack of a whistle-blowing channel for external stakeholders and gaps in processes linked to respecting international labour standards. Efforts to eliminate open non-conformances progressed well during 2024.

When serious matters are uncovered through audits, site visits or other means, Orkla Food Ingredients follows up, investigates and seeks to secure rectification of the matters in accordance with the Orkla Sustainability Policy. In 2025, Orkla Food Ingredients will, in collaboration with Orkla Procurement, review and strengthen the procedures for following up on identified deviations and ensure that remediating action is taken when necessary.

3.4. Orkla Food Ingredients' most important high-risk raw materials – risks and measures

Orkla Food Ingredients uses certain raw materials from regions with a high inherent and known risk level related to human rights and decent working conditions, low environmental standards and weaker business practices than in more mature markets. In the annual impact assessment and action plan, Orkla Food Ingredients prioritises impacts based on severity and likelihood and identifies actions to prevent and limit adverse impacts on human rights and decent working conditions. Risks and measures taken for the raw materials assessed as high-risk with regards to serious adverse human rights impacts are shown in the table below. In 2025, Orkla Food Ingredients will review and strengthen the procedures for human rights due diligence in supply chains to further improve the risk assessment and prepare a long-term plan for how to contribute to solving the social and environmental challenges linked to risk raw materials. This may influence the assessment of which raw materials that are seen to have a high risk of being linked to adverse impact on fundamental human rights.

Raw materials	Involvement	Risk issues	Measures
Palm oil	Used as ingredient in some food products, primarily in margarine production.	Palm oil is associated with a risk of deforestation, which entails greenhouse gas emissions and the destruction of natural ecosystems and subsequent	Orkla Food Ingredients' goal is for 100% of the palm oil purchased to be certified and the relevant companies within Orkla Food Ingredients are members of the

		<p>biodiversity loss. In addition, there is a risk of violation of indigenous people's rights in connection with production in areas of indigenous people. The cultivation of oil palms is also associated with work safety hazards and a risk of breaches of other workers' rights.</p>	<p>Roundtable on Sustainable Palm Oil (RSPO). By sourcing RSPO certified palm oil and palm kernel oil, the companies reduce the risk of being linked to deforestation and human rights violations in the value chain. Among other things, the RSPO programme has established mechanisms for handling complaints and remedial measures.</p> <p>In 2025, Orkla Food Ingredients will collaborate with suppliers to meet the requirements of the forthcoming EU regulations on preventing deforestation.</p>
Cocoa	Used as an ingredient in many of Orkla Food Ingredients' bakery and ice cream products	<p>The cocoa sector in West Africa, particularly in Côte d'Ivoire, faces serious challenges in the form of poverty, low productivity, human rights violations and environmental degradation. Serious issues such as child labour, deforestation and soil depletion are linked to underlying causes such as poverty, low prices, inadequate infrastructure and weak regulatory authorities.</p>	<p>Orkla Food Ingredients sources cocoa from key suppliers who have policies for responsible cocoa production and who engage in programs to contribute to solving the challenges linked to this production.</p> <p>Many of the companies within Orkla Food Ingredients are using certified cocoa, and the most common certification body is Rainforest Alliance. The Rainforest Alliance programme carries out training of farmers and has established mechanisms for complaints-handling and remedial action.</p> <p>In 2025, Orkla Food Ingredients will continue the collaboration with key suppliers and Rainforest Alliance.</p>
Nuts and seeds	Nuts and seeds are used as ingredients in many of Orkla Food Ingredients' bakery and sweets products	<p>Growing hazelnuts can be linked to challenges such as low productivity, sub-standard working and living conditions for seasonal workers and instances of child labour. The biggest challenges related to cultivation are found in areas around the Black Sea.</p> <p>Orkla Food Ingredients' main suppliers of pumpkin seeds are Chinese, and the seeds are grown in Inner Mongolia. The harvesting is done with the use of machines, still there is an inherent risk of being involved in human rights violations when sourcing from China.</p> <p>Orkla Food Ingredients sources sesame seeds cultivated in Nigeria, India and Turkey. These</p>	<p>Orkla Food Ingredients is having regular dialogue with the suppliers of nuts and seeds about risk issues and aims for all hazelnuts purchased to be Rainforest Alliance-certified or produced in accordance with standards which meet the silver-level of the FSA criteria.</p> <p>Orkla Procurement is in dialogue with suppliers of pumpkin seeds about adoption of the SAI Platform's Farm Sustainability Assessment (FSA) tool. Orkla Food Ingredients aims to buy FSA verified raw materials as the availability of such raw materials increases.</p> <p>There are currently no certifications available for sesame</p>

		countries are linked to an inherent risk of human rights violations, including the risk of child and forced labour.	seeds. Orkla Food Ingredients and Orkla Procurement require tier-1 suppliers to register on Sedex and actively engage with them to ensure that the suppliers have processes for risk mitigation which cover their sub-suppliers.
Coconut	Coconut oil and coconut flakes are used as ingredients in some of Orkla Food Ingredients' confectionery and sweet products.	The main part of coconut purchased by Orkla Food Ingredients is grown in Thailand, the Philippines and Indonesia. The production involves smallholder farmers and there is a risk of poor working conditions, safety hazards and other potential human rights risks.	The availability of certified coconut ingredients is limited. In collaboration with Orkla Procurement, Orkla Food Ingredients engages with suppliers to contribute to increasing the availability of certified raw materials.
Wild forest berries	Wild blueberries, lingonberries and cloudberries are used in some of Orkla Food Ingredients' products (primarily jams).	Forest berries may raise issues related to the working conditions of berry pickers, such as challenges related to payment of a living wage. In addition, incidents of forced labour have previously been registered among migrant workers from Thailand to Scandinavian countries.	Orkla Procurement is involved in an industry berry collaboration led by the Swedish Food Federation and Svensk Dagligvaruhandel. The members of this forum have developed responsible sourcing guidelines which are now being used by Orkla Food Ingredients' suppliers in Scandinavia. Orkla Procurement has collaborated with expert institutions, under the auspices of the SAI Platform, to develop an internationally accepted industry standard for wild crops. This was launched in 2022. In 2024, 64% of the total wild forest berries purchased by Orkla Procurement were certified, compared to 14% in 2023.
Tomatoes	Tomato puree is used in a number of Orkla Food Ingredients' products.	Orkla Food Ingredients aims to source tomatoes and tomato-based products from suppliers in countries with a low risk of adverse impacts on human rights and decent working conditions, but some purchases have been made from high-risk regions, including the Xinjiang province in China. This province has attracted international attention due to reports of human rights abuses against Uyghurs and other Muslim minorities in the region.	Orkla Procurement has implemented close monitoring of high-risk suppliers of tomato products. As part of the risk management, Orkla Procurement conducts its own on-site inspections in addition to the on-site and documentation-based inspections conducted by Sedex based on the SMETA framework. These inspections have focused on human rights and decent working conditions in general, as well as on forced labour specifically. In 2025, Orkla Food Ingredients will renegotiate long-term supplier contracts for tomato products and as part of that make sure that the risk of forced labour and other severe human rights violations is minimised.

4. Whistleblowing and complaint mechanisms to help detect adverse impacts

Orkla's Whistleblowing Policy sets out requirements governing the submission, receipt and handling of whistleblowing reports, and prohibits retaliation against whistleblowers in accordance with the EU Whistleblower Protection Directive. These requirements apply to all Orkla companies and reflect the provisions of the Whistleblower Protection Directive and the Norwegian Working Environment Act.

The whistleblowing systems implemented by Orkla and Orkla Food Ingredients encourage internal and external stakeholders to report actual and potential breaches of laws and regulations, the Orkla Code of Conduct and generally accepted ethical standards.

Orkla operates a centralised whistleblowing mechanism which all group companies and all internal and external stakeholders can use. This mechanism comes in addition to mechanisms established by the local Orkla Food Ingredients companies. Orkla's centralised whistleblowing mechanism, which is provided by an external supplier, is available 24 hours a day in all relevant languages and ensures whistleblower anonymity. The law prohibits all forms of retaliation against persons who submit, in good faith, whistleblowing reports concerning possible censurable conditions. The whistleblowing mechanism falls within the remit of Orkla's Executive Vice President for Legal and Compliance. Orkla's Senior Vice President of Risk, Control and Investigation monitors and assists with implementation of the guidelines across all relevant Orkla companies.

Through the Orkla Supplier Code of Conduct, Orkla Food Ingredients' suppliers and business partners are required to establish complaint mechanisms which take account of the UNGP guidelines. Some of the certification organisations with which Orkla Food Ingredients collaborates have established complaint and remediation mechanisms with a presence in high-risk supply chains, for example those relating to palm oil (Roundtable on Sustainable Palm Oil) and cocoa (Rainforest Alliance). These third-party organisations are a valuable supplement to Orkla Food Ingredients' own whistleblowing/complaints-handling mechanisms.

Orkla Food Ingredients does not have a systematic approach for assessing whether workers in the value chain are familiar with, and trust, complaint mechanisms established by the companies, their suppliers and/or business partners. Stakeholder dialogue has been identified as an area for improvement in 2025–2026.

5. Work done in 2024 and plans for 2025

In 2023, Orkla transitioned from a business area-based organisational structure to a structure featuring an investment company with underlying portfolio companies. Occasioned by the change in operating model, Orkla Food Ingredients started a review of the company's governance procedures related to sustainability and responsible business practices based on Orkla's expectations and regulatory requirements. The efforts to ensure robust ESG governance procedures continued in 2024 with satisfactory progress. Among others, Orkla Food Ingredients has made a review of policies and procedures, launched an internal digital portal for sharing policies and guidance documents and strengthened the internal process for annual sustainability reporting to meet the requirements of the European Sustainability Reporting Standards.

In 2024, Orkla Food Ingredients implemented various measures to promote wellbeing and positive working conditions for own workforce, focusing on areas such as workplace inclusion, safety and injury prevention, equal pay, training and skills development.

Orkla Food Ingredients also implemented several initiatives to improve working terms and conditions, including improved equipment, structured feedback mechanisms, and well-being programs. The actions have been taken by the local companies and examples include workplace and wellbeing programs, improvements to internal communication and extension of social benefits.

Orkla Food Ingredients has carried out a range of initiatives in 2024 to promote workplace safety, prevent injuries, and enhance physical and mental well-being. The actions include tailored programs, training sessions, awareness campaigns, and Group-wide tools designed to create a safer and healthier work environment. Orkla

Food Ingredients developed a Health & Safety Handbook which outlines best practice for health & safety. The handbook has been translated into all local languages and distributed to the companies. All employees are required to be familiar with the handbook, and it is now a mandatory part of onboarding for new employees. Orkla Food Ingredients also launched a digital portal for information sharing on the occupational, health and safety work.

Orkla Food Ingredients has implemented various training programs to enhance employee skills, promote workplace inclusivity, and address key topics such as mental well-being, feedback, and compliance with workplace standards. At portfolio company level, strategic initiatives are being introduced to ensure workforce upskilling and career development. In 2024, Orkla Food Ingredients appointed a learning and development manager to lead training and development initiatives across all entities. The leadership training for young high-potentials across the group was relaunched with the intention of nurturing young talent. Orkla Food Ingredients plans to launch several programs in 2025 to secure proper workforce upskilling and enhance career development opportunities. The programs will cover the development of specific skills, as well as mental health awareness, diversity and inclusion, and leadership development. All employees are in scope, with a specific focus on equipping managers and young professionals with tools for leadership and career growth.

Orkla Food Ingredients is committed to fostering a diverse, equitable, and inclusive workplace. A broad range of activities have been carried out by the local companies in 2024, including training programs, leadership engagement, and strategic initiatives aimed at reducing equity gaps, promoting inclusivity, and building awareness around diversity.

Orkla Food Ingredients has also continued the work to ensure responsible working conditions in supply chains, including systematic risk assessment, enrolment of tier-1 suppliers to the Orkla Supplier Portal and increasing the uptake of certified raw materials. Orkla Food Ingredients works towards the long-term target that all high-risk raw materials are purchased from certified producers or covered by other risk-mitigating measures.

As part of Orkla Food Ingredients long-term human rights impact plan, the following actions have been defined for the strategy period 2025-2026:

Occupational health and safety (OHS)

- Continue incident monitoring, reporting and follow-up
- Strengthen procedures: Update the OHS Standard, develop an OHS Playbook outlining key principles and key practices, and create a self-assessment approach for the companies within Orkla Food Ingredients
- Continue building a safety culture through awareness training and annual health and safety days

Fair, inclusive and engaging workplace

- Carry out structured gender pay gap and adequate wages assessments and prepare plans to close wage gaps and achieve gender balance in management teams

A culture of growth and opportunity

- Prepare a framework for strategic competence development and facilitate learning through internal networks, training programs and an enhanced system for continuous performance and career development

Workers in the value chain

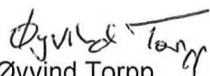
- Continue the implementation of procedures for tier-1 supplier risk assessment
- Develop a method for more detailed assessment of child and forced labour risks
- Plan and implement a program for engagement with selected suppliers to encourage actions on key human rights topics
- Prepare a roadmap for risk-mitigation in high-risk supply chains, covering raw materials certification and other measures
- Plan and implement relevant improvement programs across Orkla Food Ingredients for prioritised supply chains in collaboration with suppliers and external partners
- Establish procedures for monitoring and reporting supplier progress

In 2025, Orkla Food Ingredients will also prepare a sustainability policy in line with regulatory requirements and stakeholder expectations and further improve the company's processes for human rights due diligence.

(signatures on next page)

Oslo, 19th June 2025

The Board of Directors of Orkla Food Ingredients AS

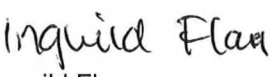

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Chairman of the Board


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Patrick Christopher Mundt


Per Håvard Skiaker Mælen


Ingvid Flaa
Ingvid Flaa


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