

F0. Introduction

F0.1

(F0.1) Give a general description of and introduction to your organization.

Orkla is a leading supplier of branded consumer goods to the grocery, out-of home, specialized retail, pharmacy, and bakery sectors. The Nordic and Baltic regions and selected countries in Central Europe are Orkla’s main markets. The Orkla Group also holds strong positions in selected product categories in India.

Orkla’s Branded Consumer Goods business comprises the Orkla Foods Nordic & Baltics, Orkla Foods International, Orkla Confectionery & Snacks, Orkla Care and Orkla Food Ingredients business areas. Orkla also has operations organised under the Orkla Investments business area, consisting of its investment in Jotun (42.6% interest), in addition to Hydro Power and financial assets. Orkla ASA is listed on the Oslo Stock Exchange and its head office is in Oslo, Norway. As of 31 December 2022, Orkla had 20,420 employees. The Group’s turnover in 2022 totaled NOK 55.4 billion.

Orkla’s strategic objective is to strengthen its position as the leading branded consumer goods company in the Nordics, Baltics, Central Europe, India, and other selected markets. Innovations based on the Group’s unique local customer and consumer insight are an important growth driver. By working more closely as “One Orkla”, the Group will more effectively exploit economies of scale and create cross-cutting synergies. In this way, Orkla will strengthen its long-term competitiveness, while preserving its local presence. In 2022 it was decided to transform Orkla into a leading industrial investment company with a brand and consumer-oriented scope. By establishing autonomous portfolio companies with their own company boards, we will ensure greater structural flexibility in the future and improve long-term value creation. The business framework will be brands and consumer-oriented companies

Orkla wishes to contribute to sustainable development by offering healthy, environmentally friendly products, maintaining high food safety standards, making efficient use of resources, carrying out supply chain improvements and generally operating responsibly. Orkla’s sustainability work is pivotal to Orkla’s ability to create growth, build trust and remain a competitive business. In 2017 the Group developed new, common sustainability targets that will apply up to 2025. In 2020, Orkla launched a new internal sustainability aspiration up to 2030 which underscores the **importance** of sustainable products and of mobilizing the entire organization. Orkla’s sustainability strategy covers the following main topics: nutrition and wellness, safe products, sustainable sourcing, environmental engagement and care for people and society. We are committed to helping solve global health and sustainability challenges and support the UN’s global goals. Sustainability has become a natural part of our business model, and we have developed criteria for how we define sustainable products.

Orkla will continue it’s journey to sustainable production and consumption as an investment company.

F0.2

(F0.2) State the start and end date of the year for which you are reporting data.

	Start Date	End Date
Reporting year	January 1 2022	December 31 2022

F0.3

(F0.3) Select the currency used for all financial information disclosed throughout your response.

NOK

F0.4

(F0.4) Select the forest risk commodity(ies) that you are, or are not, disclosing on (including any that are sources for your processed ingredients or manufactured goods); and for each select the stages of the supply chain that best represents your organization’s area of operation.

Timber products

Commodity disclosure

Disclosing

Stage of the value chain

Manufacturing

Are you disclosing information on embedded commodities?

No, but we do have embedded commodities

Explanation if not disclosing

<Not Applicable>

Palm oil

Commodity disclosure

Disclosing

Stage of the value chain

Manufacturing

Are you disclosing information on embedded commodities?

Yes

Explanation if not disclosing

<Not Applicable>

Cattle products

Commodity disclosure

Disclosing

Stage of the value chain

Manufacturing

Are you disclosing information on embedded commodities?

No, because we have no embedded commodities

Explanation if not disclosing

<Not Applicable>

Soy

Commodity disclosure

Disclosing

Stage of the value chain

Manufacturing

Are you disclosing information on embedded commodities?

No, but we do have embedded commodities

Explanation if not disclosing

<Not Applicable>

Other - Rubber

Commodity disclosure

This commodity is not produced, sourced or used by our organization

Stage of the value chain

<Not Applicable>

Are you disclosing information on embedded commodities?

<Not Applicable>

Explanation if not disclosing

<Not Applicable>

Other - Cocoa

Commodity disclosure

Not disclosing

Stage of the value chain

Manufacturing

Are you disclosing information on embedded commodities?

<Not Applicable>

Explanation if not disclosing

For this report we have decided to focus on the other commodities.

Other - Coffee

Commodity disclosure

Not disclosing

Stage of the value chain

Manufacturing

Are you disclosing information on embedded commodities?

<Not Applicable>

Explanation if not disclosing

For this report we have decided to focus on the other commodities. We only have a minor operation.

F0.5

(F0.5) Select the option that describes the reporting boundary for which forests-related impacts on your business are being reported

Operational control

F0.6

(F0.6) Select the countries/areas in which you operate.

Åland Islands
Austria
Czechia
Denmark
Estonia
Finland
Germany
Greece
Hungary
Iceland
India
Latvia
Lithuania
Malaysia
Netherlands
Norway
Poland
Portugal
Romania
Slovakia
Spain
United Kingdom of Great Britain and Northern Ireland

F0.7

(F0.7) Are there any parts of your direct operations or supply chain that are not included in your disclosure?

No

F0.8

(F0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.?)

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	0010848237

F1. Current state

F1.1

(F1.1) How does your organization produce, use or sell your disclosed commodity(ies)?

Timber products

Activity

Using as input into product manufacturing

Form of commodity

Primary packaging
Secondary packaging
Tertiary packaging

Source

Contracted suppliers (processors)
Contracted suppliers (manufacturers)

Country/Area of origin

Finland
Norway
Russian Federation
Sweden

% of procurement spend

1-5%

Comment

Orkla purchase packaging materials consisting of virgin paper and recycled fibre mainly from European producers.

Palm oil

Activity

Using as input into product manufacturing

Form of commodity

Crude palm oil (CPO)
Crude palm kernel oil (CPKO)
Palm oil derivatives
Palm kernel oil derivatives

Source

Trader/broker/commodity market
Contracted suppliers (processors)

Country/Area of origin

Indonesia
Malaysia

% of procurement spend

1-5%

Comment

Orkla purchases palm oil mainly from Indonesia and Malaysia as well as South America and West Africa. We do not have own operations in the producing countries, but purchase from European food companies.

Cattle products

Activity

Using as input into product manufacturing

Form of commodity

Cattle
Beef
By-products (e.g. glycerin, gelatin)

Source

Multiple contracted producers
Contracted suppliers (processors)
Contracted suppliers (manufacturers)

Country/Area of origin

Austria
Czechia
Germany
Ireland
Netherlands
Norway
Poland
Slovakia
Sweden

% of procurement spend

1-5%

Comment

Orkla purchases beef products from European origin.

Soy

Activity

Using as input into product manufacturing

Form of commodity

Whole soy beans
Soy bean oil
Soy bean meal
Soy derivatives

Source

Multiple contracted producers
Trader/broker/commodity market
Contracted suppliers (processors)
Contracted suppliers (manufacturers)

Country/Area of origin

Austria
Brazil
Canada
China
Czechia
France
Hungary
India
Italy
Netherlands
Romania
Russian Federation
Serbia
Slovakia
Spain
Ukraine
United States of America

% of procurement spend

<1%

Comment

Orkla purchases small volumes of a broad range of ingredients that are derived from soy.

F1.2

(F1.2) Indicate the percentage of your organization's revenue that was dependent on your disclosed forest risk commodity(ies) in the reporting year.

	% of revenue dependent on commodity	Comment
Timber products	41-50%	To calculate this figure we have looked at all products containing timber-related materials. Many of our products have paper-based packaging, hence the high estimate.
Palm oil	1-5%	To calculate this figure we have looked at all products containing palm oil.
Cattle products	6-10%	To calculate this figure we have looked at all products containing cattle-related raw materials - in our case this is primarily beef.
Soy	1-5%	To calculate this figure we have looked at all products containing soy.
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F1.5

(F1.5) Does your organization collect production and/or consumption data for your disclosed commodity(ies)?

	Data availability/Disclosure
Timber products	Consumption data available, disclosing
Palm oil	Consumption data available, disclosing
Cattle products	Consumption data available, disclosing
Soy	Consumption data available, disclosing
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

F1.5a

(F1.5a) Disclose your production and/or consumption figure, and the percentage of commodity volumes verified as deforestation- and/or conversion-free.

Forest risk commodity

Timber products

Data type

Consumption data

Commodity production/ consumption volume

66000

Metric for commodity production/ consumption volume

Metric tons

Data coverage

Full commodity production/consumption

Have any of your reported commodity volumes been verified as deforestation- and/or conversion-free?

Yes

% of reported volume verified as deforestation- and/or conversion-free

100

Please explain

Orkla purchase 100% of our timber products from non forest risk countries. The percentages have been calculated based on purchased volumes and supplier origin data.

Forest risk commodity

Palm oil

Data type

Consumption data

Commodity production/ consumption volume

71877

Metric for commodity production/ consumption volume

Metric tons

Data coverage

Full commodity production/consumption

Have any of your reported commodity volumes been verified as deforestation- and/or conversion-free?

Yes

% of reported volume verified as deforestation- and/or conversion-free

71

Please explain

During 2022, 71% of our purchased palm oil was RSPO certified (MB or SG). A further 28% was covered through RSPO credits.

Forest risk commodity

Soy

Data type

Consumption data

Commodity production/ consumption volume

3963

Metric for commodity production/ consumption volume

Metric tons

Data coverage

Full commodity production/consumption

Have any of your reported commodity volumes been verified as deforestation- and/or conversion-free?

Yes

% of reported volume verified as deforestation- and/or conversion-free

66

Please explain

During 2022, 64% of our purchased soy was certified (RTRS - Roundtable on Responsible Soy, ProTerra, Donau Soja, Field to Market, ISCC, FSA Silver equivalent standards). Another 2% was coming from low risk countries. There is also overlap between certified volumes and volumes from low risk countries. The percentages have been calculated based on purchased volumes and supplier origin data.

Forest risk commodity

Cattle products

Data type

Consumption data

Commodity production/ consumption volume

9570

Metric for commodity production/ consumption volume

Metric tons

Data coverage

Full commodity production/consumption

Have any of your reported commodity volumes been verified as deforestation- and/or conversion-free?

Yes

% of reported volume verified as deforestation- and/or conversion-free

100

Please explain

Orkla purchase 100% of our cattle products from non forest risk countries. The percentages have been calculated based on purchased volumes and supplier origin data.

F1.5b

(F1.5b) Provide a breakdown of your DCF and non-DCF volumes relevant to your stage in the supply chain according to how verification is achieved and the highest level of traceability, respectively.

Timber products – DCF

% of DCF production/consumption volume from areas with no or negligible risk of deforestation/conversion

100

% of DCF production/consumption volume verified through monitoring systems

0

% of DCF production/consumption volume physically certified

0

% of non-DCF production/consumption volume from unknown origin

<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as country level

<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as sub-national area

<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as processing facility level

<Not Applicable>

% of non-DCF production/consumption volume traceable to production unit level

<Not Applicable>

Total percentage of production/consumption volume reported (DCF) [auto-calculated]

Total percentage of production/consumption volume reported (non-DCF) [(auto-calculated)]

<Not Applicable>

Timber products – Non DCF

% of DCF production/consumption volume from areas with no or negligible risk of deforestation/conversion

<Not Applicable>

% of DCF production/consumption volume verified through monitoring systems

<Not Applicable>

% of DCF production/consumption volume physically certified

<Not Applicable>

% of non-DCF production/consumption volume from unknown origin

0

% of non-DCF production/consumption volume traceable only as far as country level

0

% of non-DCF production/consumption volume traceable only as far as sub-national area

0

% of non-DCF production/consumption volume traceable only as far as processing facility level

0

% of non-DCF production/consumption volume traceable to production unit level

0

Total percentage of production/consumption volume reported (DCF) [auto-calculated]

<Not Applicable>

Total percentage of production/consumption volume reported (non-DCF) [(auto-calculated)]

Palm oil – DCF

% of DCF production/consumption volume from areas with no or negligible risk of deforestation/conversion

0

% of DCF production/consumption volume verified through monitoring systems

0

% of DCF production/consumption volume physically certified

100

% of non-DCF production/consumption volume from unknown origin

<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as country level

<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as sub-national area

<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as processing facility level

<Not Applicable>

% of non-DCF production/consumption volume traceable to production unit level

<Not Applicable>

Total percentage of production/consumption volume reported (DCF) [auto-calculated]

Total percentage of production/consumption volume reported (non-DCF) [(auto-calculated)]

<Not Applicable>

Palm oil – Non DCF

% of DCF production/consumption volume from areas with no or negligible risk of deforestation/conversion

<Not Applicable>

% of DCF production/consumption volume verified through monitoring systems

<Not Applicable>

% of DCF production/consumption volume physically certified

<Not Applicable>

% of non-DCF production/consumption volume from unknown origin

0

% of non-DCF production/consumption volume traceable only as far as country level

5

% of non-DCF production/consumption volume traceable only as far as sub-national area

0

% of non-DCF production/consumption volume traceable only as far as processing facility level

0

% of non-DCF production/consumption volume traceable to production unit level

95

Total percentage of production/consumption volume reported (DCF) [auto-calculated]

<Not Applicable>

Total percentage of production/consumption volume reported (non-DCF) [(auto-calculated)]

Cattle – DCF

% of DCF production/consumption volume from areas with no or negligible risk of deforestation/conversion

100

% of DCF production/consumption volume verified through monitoring systems

0

% of DCF production/consumption volume physically certified

0

% of non-DCF production/consumption volume from unknown origin

<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as country level

<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as sub-national area

<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as processing facility level

<Not Applicable>

% of non-DCF production/consumption volume traceable to production unit level

<Not Applicable>

Total percentage of production/consumption volume reported (DCF) [auto-calculated]

Total percentage of production/consumption volume reported (non-DCF) [(auto-calculated)]

<Not Applicable>

Cattle – Non DCF

% of DCF production/consumption volume from areas with no or negligible risk of deforestation/conversion

<Not Applicable>

% of DCF production/consumption volume verified through monitoring systems

<Not Applicable>

% of DCF production/consumption volume physically certified

<Not Applicable>

% of non-DCF production/consumption volume from unknown origin

0

% of non-DCF production/consumption volume traceable only as far as country level

0

% of non-DCF production/consumption volume traceable only as far as sub-national area

0

% of non-DCF production/consumption volume traceable only as far as processing facility level

0

% of non-DCF production/consumption volume traceable to production unit level

0

Total percentage of production/consumption volume reported (DCF) [auto-calculated]

<Not Applicable>

Total percentage of production/consumption volume reported (non-DCF) [(auto-calculated)]

Soy – DCF

% of DCF production/consumption volume from areas with no or negligible risk of deforestation/conversion

2

% of DCF production/consumption volume verified through monitoring systems

0

% of DCF production/consumption volume physically certified

98

% of non-DCF production/consumption volume from unknown origin

<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as country level

<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as sub-national area

<Not Applicable>

% of non-DCF production/consumption volume traceable only as far as processing facility level

<Not Applicable>

% of non-DCF production/consumption volume traceable to production unit level

<Not Applicable>

Total percentage of production/consumption volume reported (DCF) [auto-calculated]

Total percentage of production/consumption volume reported (non-DCF) [(auto-calculated)]

<Not Applicable>

Soy – Non DCF

% of DCF production/consumption volume from areas with no or negligible risk of deforestation/conversion

<Not Applicable>

% of DCF production/consumption volume verified through monitoring systems

<Not Applicable>

% of DCF production/consumption volume physically certified

<Not Applicable>

% of non-DCF production/consumption volume from unknown origin

100

% of non-DCF production/consumption volume traceable only as far as country level

0

% of non-DCF production/consumption volume traceable only as far as sub-national area

0

% of non-DCF production/consumption volume traceable only as far as processing facility level

0

% of non-DCF production/consumption volume traceable to production unit level

0

Total percentage of production/consumption volume reported (DCF) [auto-calculated]

<Not Applicable>

Total percentage of production/consumption volume reported (non-DCF) [(auto-calculated)]

(F1.5c) For your disclosed commodity(ies), indicate the percentage of the production/consumption volume sourced by national and/or sub-national jurisdiction of origin.

Forest risk commodity

Timber products

Country/Area of origin

Any other countries/areas

State or equivalent jurisdiction

<Not Applicable>

% of total production/consumption volume

100

Please explain

Orkla purchase 100% of our packaging materials from non forest risk countries. The percentages have been calculated based on purchased volumes and supplier origin data.

Forest risk commodity

Cattle products

Country/Area of origin

Any other countries/areas

State or equivalent jurisdiction

<Not Applicable>

% of total production/consumption volume

100

Please explain

Orkla purchase 100% of our cattle products from non forest risk countries. The percentages have been calculated based on purchased volumes and supplier origin data.

Forest risk commodity

Soy

Country/Area of origin

Brazil

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Mato Grosso)

% of total production/consumption volume

4

Please explain

Approximately 4% of the soy we purchase comes from Brazil and Mato Grosso. The state of Mato Grosso includes two main biomes: the Amazon and the Cerrado. The Amazon biome is covered predominantly by dense moist tropical forest, with relatively small inclusions of several other types of vegetation. The Cerrado biome mainly consists of savanna. Our volumes come from both of these biomes. All of our suppliers are committed to Brazil's Amazon Soy Moratorium (ASM) and operate in accordance with this. The percentages have been calculated based on purchased volumes and supplier origin data.

Forest risk commodity

Soy

Country/Area of origin

India

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Madya Pradesh, Maharashtra, Rajasthan)

% of total production/consumption volume

1

Please explain

Less than 1% of the soy we purchase comes from India and the states Madya Pradesh, Maharashtra and Rajasthan. These states mainly consist of tropical and subtropical moist broadleaf forests. The percentages have been calculated based on purchased volumes and supplier origin data.

Forest risk commodity

Soy

Country/Area of origin

Any other countries/areas

State or equivalent jurisdiction

<Not Applicable>

% of total production/consumption volume

95

Please explain

The percentages have been calculated based on purchased volumes and supplier origin data.

Forest risk commodity

Palm oil

Country/Area of origin

Malaysia

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Sarawak, Sandakan, Johor, Sabah, Perak, Pahang, Kelantan.)

% of total production/consumption volume

48

Please explain

Orkla purchase the main part of our palm oil volume from Malaysia and Indonesia, around 65%. We purchase around 10% each from Guatemala, Honduras and Colombia. The remaining 5% is from unknown other countries. We receive regular traceability updates from our suppliers, this includes RSPO-certified and non-certified volumes. The percentages have been calculated based on purchased volumes and supplier origin data.

Forest risk commodity

Palm oil

Country/Area of origin

Indonesia

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Jawa Timur, Riau, North Sumatra, Sumatera Seletan.)

% of total production/consumption volume

17

Please explain

Orkla purchase the main part of our palm oil volume from Malaysia and Indonesia, around 65%. We purchase around 10% each from Guatemala, Honduras and Colombia. The remaining 5% is from unknown other countries. We receive regular traceability updates from our suppliers, this includes RSPO-certified and non-certified volumes. The percentages have been calculated based on purchased volumes and supplier origin data.

Forest risk commodity

Palm oil

Country/Area of origin

Guatemala

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Alta Verapaz, Izabal, Petén.)

% of total production/consumption volume

10

Please explain

Orkla purchase the main part of our palm oil volume from Malaysia and Indonesia, around 65%. We purchase around 10% each from Guatemala, Honduras and Colombia. The remaining 5% is from unknown other countries. We receive regular traceability updates from our suppliers, this includes RSPO-certified and non-certified volumes. The percentages have been calculated based on purchased volumes and supplier origin data.

Forest risk commodity

Palm oil

Country/Area of origin

Honduras

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Yoro, Colon, Atlantida,)

% of total production/consumption volume

10

Please explain

Orkla purchase the main part of our palm oil volume from Malaysia and Indonesia, around 65%. We purchase around 10% each from Guatemala, Honduras and Colombia. The remaining 5% is from unknown other countries. We receive regular traceability updates from our suppliers, this includes RSPO-certified and non-certified volumes. The percentages have been calculated based on purchased volumes and supplier origin data.

Forest risk commodity

Palm oil

Country/Area of origin

Unknown origin

State or equivalent jurisdiction

<Not Applicable>

% of total production/consumption volume

5

Please explain

Orkla purchase the main part of our palm oil volume from Malaysia and Indonesia, around 65%. We purchase around 10% each from Guatemala, Honduras and Colombia. The remaining 5% is from unknown other countries. We receive regular traceability updates from our suppliers, this includes RSPO-certified and non-certified volumes. The percentages have been calculated based on purchased volumes and supplier origin data.

F1.5f

(F1.5f) How does your organization produce or consume biofuel derived from palm oil?

Does your organization produce or consume biofuel derived from palm oil?

No

Data type

<Not Applicable>

Volume produced/consumed

<Not Applicable>

Metric

<Not Applicable>

Country/Area of origin

<Not Applicable>

State or equivalent jurisdiction

<Not Applicable>

% of total production/consumption volume

<Not Applicable>

Does the source of your organization's biofuel material come from smallholders?

<Not Applicable>

Comment

F1.6

(F1.6) Has your organization experienced any detrimental forests-related impacts?

No

F1.7

(F1.7) Indicate whether you have assessed the deforestation or conversion footprint for your disclosed commodities over the past 5 years, or since a specified cutoff date, and provide details.

Forest risk commodity

Timber products

Have you monitored or estimated your deforestation/conversion footprint?

No, but we plan to monitor or estimate our deforestation/conversion footprint in the next two years

Coverage

<Not Applicable>

Reporting deforestation/conversion since a specified cutoff date or during the last five years?

<Not Applicable>

Known or estimated deforestation/ conversion footprint (hectares)

<Not Applicable>

Describe methods and data sources used to monitor or estimate deforestation/ conversion footprint

<Not Applicable>

Forest risk commodity

Cattle products

Have you monitored or estimated your deforestation/conversion footprint?

No, but we plan to monitor or estimate our deforestation/conversion footprint in the next two years

Coverage

<Not Applicable>

Reporting deforestation/conversion since a specified cutoff date or during the last five years?

<Not Applicable>

Known or estimated deforestation/ conversion footprint (hectares)

<Not Applicable>

Describe methods and data sources used to monitor or estimate deforestation/ conversion footprint

<Not Applicable>

Forest risk commodity

Palm oil

Have you monitored or estimated your deforestation/conversion footprint?

Yes, we estimate deforestation/conversion footprint based on sourcing area

Coverage

Full consumption volume

Reporting deforestation/conversion since a specified cutoff date or during the last five years?

Since a specified cutoff date, please specify year (2020)

Known or estimated deforestation/ conversion footprint (hectares)

18524

Describe methods and data sources used to monitor or estimate deforestation/ conversion footprint

1 hectare of land produces approximately 4 tons of palm oil. Since 2020 approximately 66% of our palm oil has been certified deforestation free, which leaves 34% . As no thorough monitoring of the conversion of the utilized land for palm oil production has been conducted, the conservative assumption made here is that the remaining percentage has led to conversion. If so, the estimated deforested area is 18 524 hectares.

Forest risk commodity

Soy

Have you monitored or estimated your deforestation/conversion footprint?

Yes, we estimate deforestation/conversion footprint based on sourcing area

Coverage

Full consumption volume

Reporting deforestation/conversion since a specified cutoff date or during the last five years?

Since a specified cutoff date, please specify year (2020)

Known or estimated deforestation/ conversion footprint (hectares)

224

Describe methods and data sources used to monitor or estimate deforestation/ conversion footprint

1 hectare of land produces approximately 3.17 tons of soy. Since 2020 the percentage of certified deforestation-free soy is 95% , which leaves 5%. As no thorough monitoring of the conversion of the utilized land for soy production has been conducted, the conservative assumption made here is that the remaining percentage has led to conversion. If so, the estimated deforested area is 224 hectares.

F2. Procedures

F2.1

(F2.1) Does your organization undertake a forests-related risk assessment?

Yes, forests-related risks are assessed

F2.1a

(F2.1a) Select the options that best describe your procedures for identifying and assessing forests-related risks.

Timber products

Value chain stage

Supply chain

Coverage

Full

Risk assessment procedure

Assessed as part of an established enterprise risk management framework

Frequency of assessment

Annually

How far into the future are risks considered?

> 6 years

Tools and methods used

Internal company methods
External consultants
National specific tools and databases

Issues considered

Availability of forest risk commodities
Quality of forests risk commodities
Impact of activity on the status of ecosystems and habitats
Regulation
Climate change
Impact on water security
Tariffs or price increases
Loss of markets
Brand damage related to forests risk commodities
Corruption
Social impacts

Stakeholders considered

Customers
Employees
Investors
Local communities
NGOs
Other forest risk commodity users/producers at a local level
Regulators
Suppliers

Please explain

We assess forest-related risks annually through different processes. This assessment includes availability, cost and quality of the products we buy. Suppliers are also monitored for sanctions and corruption issues. We also carry out a structured climate risk analysis in line with the recommendations from the TCFD. We have a central team monitoring upcoming regulations in the markets where we operate. Social impacts are handled through a separate assessment. Lastly we monitor the risk of brand damage and loss of markets related to paper based materials. We also develop long term risk assessments (with time horizon>6 years) based on dialogue with suppliers, NGOs and publicly available reports.

External consultants:

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. This assessment is still valid. A new materiality assessment will be carried out during 2023.

Internal company methods:

Every year Orkla carries out a general risk screening of its present portfolio of suppliers and of new suppliers assessing current risks. The assessment tool includes criteria relating to environment. Potential high-risk suppliers must undergo a more detailed risk assessment based on a standardised method developed by Sedex. We have chosen this method to ensure that all our suppliers are assessed in the same way. During 2023 this process will be updated and the first step carried out in our new supplier portal.

National specific tools and databases:

We examine the country of origin of our paper based packaging to ensure that we do not purchase materials from high risk countries. Here we use national specific tools and databases to assess the risk of the paper based materials we buy. We have chosen this method to ensure that we detect climate- and deforestation risk related to our paper based materials.

The most significant issue is most likely price increases where we are using internal company methods such as risk assessments and analyses together with market insight information to assess the significance.

Palm oil

Value chain stage

Supply chain

Coverage

Full

Risk assessment procedure

Assessed as a standalone issue

Frequency of assessment

Annually

How far into the future are risks considered?

> 6 years

Tools and methods used

Internal company methods

External consultants

Sustainability Policy Transparency Toolkit (SPOTT)

Issues considered

Availability of forest risk commodities

Quality of forests risk commodities

Impact of activity on the status of ecosystems and habitats

Regulation

Climate change

Impact on water security

Tariffs or price increases

Loss of markets

Brand damage related to forests risk commodities

Corruption

Social impacts

Stakeholders considered

Customers

Employees

Investors

Local communities

NGOs

Regulators

Suppliers

Please explain

We assess forest-related risks annually through different processes. This assessment includes availability, cost and quality of the products we buy. Suppliers are also monitored for sanctions and corruption issues. We also carry out a structured climate risk analysis in line with the recommendations from the TCFD. We have a central team monitoring upcoming regulations in the markets where we operate. Social impacts are handled through a separate assessment. Lastly we monitor the risk of brand damage related to palm based materials. We also develop long term risk assessments (with time horizon>6 years) based on dialogue with suppliers, NGOs and publicly available reports.

Internal company methods: Every year Orkla carries out a risk screening of its present portfolio of suppliers and of new suppliers. The assessment tool includes criteria relating to environment. Potential high-risk suppliers must undergo a more detailed risk assessment based on a standardized method developed by Sedex. For suppliers of palm oil we ask for information about the suppliers' procedures and initiatives to avoid deforestation as part of the contracting process.

External consultants:

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. A new assessment will be carried out during 2023.

SPOTT: We strive to only work with suppliers who share the same sustainability vision as ourselves and many of our palm oil suppliers carry out extensive work to ensure more sustainable practices. We have regular follow-up meetings with our palm oil suppliers focusing on sustainability issues, deforestation one of them. Further we take into account external assessments such as SPOTT to understand supplier progress.

The most significant issue is most likely increased regulation which is welcomed from our side but which can have negative side-effects if the transition period is too short. Here we are aligning with our legal department to ensure that we are able to meet the upcoming demands. We are of course also aligning with our suppliers and certification bodies.

Cattle products

Value chain stage

Supply chain

Coverage

Full

Risk assessment procedure

Assessed as part of other company-wide risk assessment system

Frequency of assessment

Annually

How far into the future are risks considered?

> 6 years

Tools and methods used

Internal company methods

External consultants

National specific tools and databases

Other, please specify (SAI Platform (The European Roundtable for Beef Sustainability (ERBS)))

Issues considered

Availability of forest risk commodities

Quality of forests risk commodities

Impact of activity on the status of ecosystems and habitats

Regulation

Climate change

Impact on water security

Tariffs or price increases

Loss of markets

Brand damage related to forests risk commodities

Corruption

Social impacts

Stakeholders considered

Customers

Employees

Investors

Local communities

NGOs

Regulators

Suppliers

Please explain

We assess forest-related risks annually through different processes. This assessment includes availability, cost and quality of the products we buy. Suppliers are monitored for sanctions and corruption issues. We carry out a structured climate risk analysis in line with the recommendations from the TCFD. We have a central team monitoring upcoming regulations in the markets where we operate. Social impacts are handled through a separate assessment. We monitor the risk of brand damage related to cattle materials. We develop long term risk assessments (>6 years) based on dialogue with suppliers, NGOs and publicly available reports.

External consultants:

In 2021, we assessed the impact we 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 sustainability team with the assistance of EY, on the basis of the concept of double materiality. A new materiality assessment will be carried out during 2023.

Internal company methods: Every year Orkla carries out a general risk screening of new and existing suppliers. High-risk suppliers undergo a more detailed risk assessment based on a method developed by Sedex. For cattle suppliers we ask for information about the suppliers' procedures and initiatives to avoid deforestation as part of the annual contracting process. High risk suppliers are followed up further based on the outcome. We use this method to understand the general risk level of our supply chain.

National specific tools and databases: As an example, every year we monitor the origin of our cattle products through the annual contracting process as mentioned above and during 2022 none of the originated from countries with deforestation risk. For some our volumes we use national certifications including environmental and social parameters.

SAI Platform: We are part of the European Roundtable for Beef Sustainability (ERBS), a multi-stakeholder platform focused on beef sustainability across Europe and all aspects of the value chain, to be part of the solution to the global agriculture challenges.

Soy

Value chain stage

Supply chain

Coverage

Full

Risk assessment procedure

Assessed as a standalone issue

Frequency of assessment

Annually

How far into the future are risks considered?

> 6 years

Tools and methods used

Internal company methods

External consultants

Issues considered

Availability of forest risk commodities

Quality of forests risk commodities

Impact of activity on the status of ecosystems and habitats

Regulation

Climate change

Impact on water security

Tariffs or price increases

Loss of markets

Brand damage related to forests risk commodities

Corruption

Social impacts

Stakeholders considered

Customers

Employees

Investors

Local communities

NGOs

Regulators

Suppliers

Please explain

We assess forest-related risks annually through different processes. This assessment includes availability, cost and quality of the products we buy. Suppliers are also monitored for sanctions and corruption issues. We also carry out a structured climate risk analysis in line with the recommendations from the TCFD. We have a central team monitoring upcoming regulations in the markets where we operate. Social impacts are handled through a separate assessment. Lastly we monitor the risk of brand damage related to soy materials. We also develop long term risk assessments (with time horizon >6 years) based on dialogue with suppliers, NGOs and publicly available reports.

Internal company methods:

Every year Orkla carries out a general risk screening of its present portfolio of suppliers and of new suppliers. The assessment tool includes criteria relating to environment. Potential high-risk suppliers must undergo a more detailed risk assessment based on a standardized method developed by Sedex. During 2023 this process will be updated and the first step carried out in our new supplier portal. For soy suppliers we ask for information about the suppliers' procedures and initiatives to avoid deforestation as part of the annual contracting process. High risk suppliers are followed up further based on the outcome. We use this method to understand the general risk level of our supply chain. The results are used to engage with our suppliers and update our sustainability strategies. During the past years we have carried out an extensive mapping of our soy purchases, mapping over 90% of our consumption.

External consultants:

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. This assessment is still valid. A new materiality assessment will be carried out during 2023.

The most significant issue is likely brand damage related to soy as consumers sometimes link this commodity with deforestation and health concerns. We assess this issue through internal data, market insight and origin/certification information.

F2.2

(F2.2) For each of your disclosed commodity(ies), has your organization mapped its value chains?

	Value chain mapping	Primary reason for not mapping your value chain	Explain why your organization does not map its value chain and outline any plans to introduce it
Timber products	Yes, we have mapped the entire value chain	<Not Applicable>	<Not Applicable>
Palm oil	Yes, we have mapped the entire value chain	<Not Applicable>	<Not Applicable>
Cattle products	Yes, we have mapped the entire value chain	<Not Applicable>	<Not Applicable>
Soy	Yes, we have mapped the entire value chain	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>

F2.2a

(F2.2a) Provide details of your organization's value chain mapping for its disclosed commodity(ies).

Forest risk commodity

Timber products

Scope of value chain mapping

Own operations
Tier 1 suppliers

% of total suppliers covered within selected tier(s)

100

Description of mapping process and coverage

We have a central spend management system where we gather data from more than 50 local ERP solutions and aggregate on Orkla level. In this system we are able to see all our tier 1 suppliers as well as our own companies and their production sites.

Your own production and primary processing sites: attach a list of facility names and locations (optional)

Your suppliers' production and primary processing sites: attach a list of names and locations (optional)

Forest risk commodity

Palm oil

Scope of value chain mapping

Own operations
Tier 1 suppliers

% of total suppliers covered within selected tier(s)

100

Description of mapping process and coverage

We have a central spend management system where we gather data from more than 50 local ERP solutions and aggregate on Orkla level. In this system we are able to see all our tier 1 suppliers as well as our own companies and their production sites.

Your own production and primary processing sites: attach a list of facility names and locations (optional)

Your suppliers' production and primary processing sites: attach a list of names and locations (optional)

Forest risk commodity

Cattle products

Scope of value chain mapping

Own operations
Tier 1 suppliers

% of total suppliers covered within selected tier(s)

100

Description of mapping process and coverage

We have a central spend management system where we gather data from more than 50 local ERP solutions and aggregate on Orkla level. In this system we are able to see all our tier 1 suppliers as well as our own companies and their production sites.

Your own production and primary processing sites: attach a list of facility names and locations (optional)

Your suppliers' production and primary processing sites: attach a list of names and locations (optional)

Forest risk commodity

Soy

Scope of value chain mapping

Own operations
Tier 1 suppliers

% of total suppliers covered within selected tier(s)

100

Description of mapping process and coverage

We have a central spend management system where we gather data from more than 50 local ERP solutions and aggregate on Orkla level. In this system we are able to see all our tier 1 suppliers as well as our own companies and their production sites.

Your own production and primary processing sites: attach a list of facility names and locations (optional)

Your suppliers' production and primary processing sites: attach a list of names and locations (optional)

F2.3

(F2.3) Do you use a classification system to determine risk of deforestation and/or conversion of other ecosystems for your sourcing areas, and if yes, what methodology is used, and what is the classification used for?

	Use of a classification system to determine deforestation and/or conversion risk of sourcing areas	Methodology used for classifying levels of risk	Use of risk classification	Attachment indicating risk classification for each sourcing area (optional)
1	No, but we plan to in the next two years	<Not Applicable>	<Not Applicable>	<Not Applicable>

F3. Risks and opportunities

F3.1

(F3.1) Have you identified any inherent forests-related risks with the potential to have a substantive financial or strategic impact on your business?

	Risk identified?
Timber products	No
Palm oil	Yes
Cattle products	No
Soy	Yes
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

F3.1a

(F3.1a) How does your organization define substantive financial or strategic impact on your business?

During 2018 we started looking into the recommendations on risk assessment and reporting from the TCFD. In 2021, we assessed our climate-related risk according to the Task Force on Climate-Related Financial Disclosures (TCFD) framework. In the risk assessment we considered three different scenarios for global warming – increases of +1.5°C, +2°C and >3°C – and how these would affect our operations and value chain. We assessed the risk and opportunities in respect of both climate and water. The work helps increase Orkla’s understanding of how climate-related risks and opportunities can affect Orkla’s business, financial conditions, and strategy in the future. Orkla is continuously evaluating risks and updating the risk matrix on a regular basis.

Definition of substantive financial or strategic impact: an impact that has a material effect on Orkla’s current or future profitability. The clear risk criteria are defined in the management system.

Description of quantifiable indicators: We see substantial financial opportunities linked to product development and production efficiency. In most of the markets in which Orkla is present, demands for healthy food, plant-based products and grocery products with environmentally friendly packaging are clear consumer trends. Orkla is responding to these changes proactively by maintaining a long-term focus on e.g. sustainable raw material production. Drought, bad weather and other factors have impacted the production and hence, the price of certain agricultural raw materials purchased by Orkla. Changing weather patterns also pushed the price of energy and water up in some of the countries in which we have production facilities. We anticipate continued volatility in the price of raw materials, energy and water in the years ahead, but expect the consequences of extreme weather to be moderate for Orkla in the short and medium term.

The thresholds established and quantifiable indicators used to identify climate-related risks that are evaluated to have a substantive financial or strategic impact are defined as follows:

- A risk with a low financial or strategic impact is defined as an EBDITA-impact of below 5% of enterprise value, with a likelihood of 20%.
- A medium risk is defined as having an EBDITA-impact of 5% of enterprise value, with a likelihood of between 20-60%.
- A high risk is defined as having an EBDITA-impact of more than 5% of enterprise value, with a likelihood of more than 60%.

Orkla has a diversified company and product portfolio, which reduces the risk of significant profit fluctuations. In addition, we keep introducing measures throughout the value chain in order to mitigate the risk.

F3.1b

(F3.1b) For your disclosed forest risk commodity(ies), provide details of risks identified with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Forest risk commodity
Palm oil

Type of risk

Reputational and markets

Geographical scale

Global

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Negative media coverage

Primary potential impact

Disruption to sales

Company-specific description

Palm oil is a controversial raw material and by many consumers and NGOs seen as not sustainable (despite use of certifications and other mitigating actions). There is a risk that this could lead to media campaigns and customer/consumer boycott of products containing palm oil. This has been the case in Norway where there has been a lot of attention on the negative sides of palm oil. There have been several negative news articles and information campaigns in Norwegian newspapers over the past 2-3 years. It could also have negative consequences related to other stakeholder groups. One secondary impact of this is that we could need to move away from palm oil in some of our products. In 2022 Orkla purchased around 71 877 MT palm oil, the biggest amount being used for margarine production for example in our Danish company Dragsbæk with products such as Danechurn spreadable and AMA stege & bage. We estimate that a low share of our revenue (1-5%) is dependent on palm oil.

Timeframe

4-6 years

Magnitude of potential impact

Medium-high

Likelihood

About as likely as not

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

8000000

Potential financial impact figure - maximum (currency)

42000000

Explanation of financial impact

We estimate that 1-5% of our revenue is dependent on palm oil. During 2022 our revenue was 55,4 billion NOK. Due to us operating in a wide variety of markets we estimate that maximum 10% of our products containing palm oil would be affected with a 15% decline in sales, this means a potential impact of 8-42 million NOK. The time scale for the financial impact is one impacted year.

Primary response to risk

Increased use of sustainably sourced materials

Description of response

As part of our strategy Orkla has ambitious sustainable sourcing targets for our prioritized raw materials (palm oil being one) before the set timescale of 1-3 years towards the 2025 target year. We respond to the identified risk by 1) Selecting suppliers with good programs for sustainable palm oil production. 2) Increasing share of certified palm oil (we have now reached 98 %) 3) Collaborating with the RSPO where we have been members since 2010. These response are all underway and we are improving our certification share year on year. The response has been quite effective in mitigating this risk as a third-party certification as RSPO helps to improve the image of palm oil and decrease the risk of negative media coverage, however further mitigating actions can be needed.

Cost of response

30000000

Explanation of cost of response

The cost above is related to our total business strategy to secure sustainable palm oil. The figure is based on membership fees to RSPO and ASD as well as the premium we pay to buy certified palm oil and credits during one year. The time scale for the cost of response is one year.

Forest risk commodity

Soy

Type of risk

Reputational and markets

Geographical scale

Global

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Shifts in consumer preference

Primary potential impact

Disruption to sales

Company-specific description

Customers' demands are constantly increasing. In the market, there is a growing trend for increased consumption of plant-based foods and sustainable food to reduce greenhouse gas emissions. It is well known that cultivation of soy can be a contributor to deforestation of vulnerable rainforests. In some of our markets, primarily in the Nordics we have started to see a shift in consumer preference where soy is sometimes less preferred. Orkla has different products containing different types of soy, where the Anamma and Naturlri brands are two examples. If the trend in terms of reducing the intake of products containing soy continues, this may negatively affect Orkla's

revenue due to decreased sales of products containing soy. A secondary impact could be that we have to switch away from soy to other materials in our products - this means increased innovation costs.

Timeframe

1-3 years

Magnitude of potential impact

Low

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

17000000

Potential financial impact figure - maximum (currency)

83000000

Explanation of financial impact

We estimate that 1-5% of our revenue is dependent on soy. During 2022 our revenue was 55,4 billion NOK. We estimate that maximum 20% of our products containing soy would be affected with a 15% decline in sales, this means a potential impact of 17-83 million NOK.

Primary response to risk

Increased use of sustainably sourced materials

Description of response

We respond to the identified risk by 1) For some of our products we are exploring different options not containing soy, for example peas. This will reduce the risk of a reduced demand for our products since these materials are perceived as lower risk. 2) For our soy based materials we focus on buying from low risk regions or 3) third-party certification through RTRS or similar. This is also something we will communicate to our customers and consumers so they are able to make well-informed decisions. These responses are all underway and work will continue during 2023. We consider these responses to support us well in mitigating the risk.

Cost of response

2000000

Explanation of cost of response

The cost above is related to our total business strategy to secure sustainable soy. The figure is based on the premium we pay to buy certified soy.

F3.1c

(F3.1c) Why does your organization not consider itself to be exposed to forests-related risks with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Timber products	Risks exist, but no substantive impact anticipated	An assessment of existing risks have been made and we are not anticipating a substantive financial or strategic impact. This is due to the fact that 100% of our sourcing is coming from non-forest risk countries. One identified risk is that the availability of recycled material becomes low due to high demand, we do not estimate this to be a substantive risk due to its expected low impact. Definition of substantive financial or strategic impact: an impact that has a material effect on Orkla's current or future profitability. The clear risk criteria are defined in the management system. The thresholds established and quantifiable indicators used to identify climate-related risks that are evaluated to have a substantive financial or strategic impact are defined as follows: - A risk with a low financial or strategic impact is defined as an EBDITA-impact of below 5% of enterprise value, with a likelihood of 20%. - A medium risk is defined as having an EBDITA-impact of 5% of enterprise value, with a likelihood of between 20-60%. - A high risk is defined as having an EBDITA-impact of more than 5% of enterprise value, with a likelihood of more than 60%.
Palm oil	<Not Applicable>	<Not Applicable>
Cattle products	Risks exist, but no substantive impact anticipated	An assessment of existing risks have been made and we are not anticipating a substantive financial or strategic impact since our sourcing mainly comes from European countries with low deforestation risk. One identified risk is that low supply in our regular origin countries might force us to look for new origins, however we do not estimate this to be a substantive risk due to its expected low impact. Definition of substantive financial or strategic impact: an impact that has a material effect on Orkla's current or future profitability. The clear risk criteria are defined in the management system. The thresholds established and quantifiable indicators used to identify climate-related risks that are evaluated to have a substantive financial or strategic impact are defined as follows: - A risk with a low financial or strategic impact is defined as an EBDITA-impact of below 5% of enterprise value, with a likelihood of 20%. - A medium risk is defined as having an EBDITA-impact of 5% of enterprise value, with a likelihood of between 20-60%. - A high risk is defined as having an EBDITA-impact of more than 5% of enterprise value, with a likelihood of more than 60%.
Soy	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F3.2

(F3.2) Have you identified any forests-related opportunities with the potential to have a substantive financial or strategic impact on your business?

	Have you identified opportunities?
Timber products	Yes
Palm oil	Yes
Cattle products	Yes
Soy	Yes
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

F3.2a**(F3.2a) For your selected forest risk commodity(ies), provide details of the identified opportunities with the potential to have a substantive financial or strategic impact on your business.****Forest risk commodity**

Palm oil

Type of opportunity

Products & services

Where in your value chain does the opportunity occur?

Supply chain

Primary forests-related opportunity

Increased supply chain transparency

Company-specific description

Orkla is year-by-year increasing our share of RSPO certified palm oil and have for 2022 reached a share of 98%, which has increased from 96% in 2021. Being part of RSPO is an important part of our implemented strategy to realize the opportunity of increased supply chain transparency. It enables us, a relatively small player, to have a greater impact on the industry. The outcome of increased transparency of the supply chain positively affects the reputation of the whole company and in result improve cooperation with partners, members of value chain as well as increase trust of the society so potentially increase demand for the products. The work we carry out with sustainable palm oil has effect in all our markets where we sell products containing palm oil, one example is bakery products provided by our Danish company Dragsbæk. This work goes hand in hand with our 2025 strategy and targets, where sustainable agriculture and transparent supply chains are a high priority. It also fits into our recent 2030 aspirations, where sustainability is an important part.

Estimated timeframe for realization

1-3 years

Magnitude of potential impact

Low

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The impact has not been quantified financially.

Cost to realize opportunity

30000000

Strategy to realize opportunity

The cost is related to certification and membership.

Forest risk commodity

Soy

Type of opportunity

Markets

Where in your value chain does the opportunity occur?

Supply chain

Primary forests-related opportunity

Increased growth in the alternative protein market

Company-specific description

Our customers and consumers increasingly care about the origin and sourcing aspects of our products. Soy has been climbing on this agenda over the past years and we see an opportunity in sourcing sustainably produced soy from low risk countries or certified soy from higher risk regions to ensure a sustainable supply. Part of the expected outcome of our strategy is that we can communicate this to our customers and consumers, thus increasing the sales of new products within the alternative protein market. Orkla wants to be a leading producer of plant-based food. Plant-based products and other sustainable protein sources represent important opportunities for income

growth for Orkla. In 2022, several new plant-based products were launched, and existing products were introduced in new markets. In 2022, we achieved a total turnover of NOK 1,240 million for plant-based foods produced by Orkla, an increase of 18% from 2021. Orkla's most important plant-based brands are Naturli', Anamma, Felix Veggie, Frankful, Beauvais Veggie and Lecora Green Line. Orkla Alternative Proteins (OAP) is exploring new technologies, ingredients and innovations to make plant-based products healthier and tastier, so that more consumers will choose these products. OAP works closely with the companies in Orkla Foods and Orkla Food Ingredients that develop, market and sell plant-based products. Several of the companies are also testing new plant-based meat substitutes. Our target is turnover of NOK 3 billion from priority plant-based food brands by 2024.

Estimated timeframe for realization

1-3 years

Magnitude of potential impact

Low

Likelihood

Likely

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

3000000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

This estimation is based on our target of attain a turnover of NOK 3 billion in plant-based food by 2024. This target is to be achieved through a combination of organic growth and acquisitions.

Cost to realize opportunity

2000000

Strategy to realize opportunity

This strategy is currently being implemented. One example of our strategy to realize this opportunity is that in 2022, several new plant-based products were launched, and existing products were introduced in new markets. Another example is Orkla Alternative Proteins (OAP) that is exploring new technologies, ingredients and innovations to make plant-based products healthier and tastier, so that more consumers will choose these products. OAP works closely with the companies in Orkla Foods and Orkla Food Ingredients that develop, market and sell plant-based products. As an outcome of these and other initiatives, in 2022 we achieved a total turnover of NOK 1,240 million for plant-based foods produced by Orkla, an increase of 18% from 2021. The time scale of implementation is until 2024. The cost to realize opportunity is related to certification of soy materials.

Forest risk commodity

Timber products

Type of opportunity

Resilience

Where in your value chain does the opportunity occur?

Direct operation

Supply chain

Primary forests-related opportunity

Improved customer education

Company-specific description

According to the 2022 Orkla Sustainable Life Barometer research study by Ipsos, dealing with waste generation is the third most important environmental issue to the people in the target group. Furthermore, the most important topic they want to know about on products is whether the packaging can be recycled and how. Orkla has an ambitious packaging strategy and targets: 100% recyclable and 75% recycled packaging by 2025. The outcome of the strategy gives us opportunities to promote our work on a global corporate level as well as national individual brand level - thus improving customer/consumer education. This strategy is underway and during 2022 our companies have launched a number of products with new packaging solutions that help to increase recycling of packaging waste, products with a smaller climate footprint and healthier food products, snacks and bakery goods. Our companies are searching for creative ways to reduce the amount of material in packaging. By reducing the material's thickness and avoiding unnecessary packaging, we can make more effective use of resources and optimise transportation. For example, in 2022 Orkla Foods Norway reduced the thickness of its cardboard pizza packaging, resulting in a reduction of 220 tonnes cardboard. We are constantly working with our innovation teams and suppliers to come up with new ideas bringing us closer towards our 2025 targets which will bring many sales increasing opportunities going forward.

Estimated timeframe for realization

Current - up to 1 year

Magnitude of potential impact

Low

Likelihood

Likely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The impact has not been quantified financially.

Cost to realize opportunity

Strategy to realize opportunity

This strategy is currently being implemented and during 2022 our companies have launched a number of products with new packaging solutions that help to increase recycling of packaging waste, products with a smaller climate footprint and healthier food products, snacks and bakery goods. Our companies are searching for creative ways to reduce the amount of material in packaging. By reducing the material's thickness and avoiding unnecessary packaging, we can make more effective use of resources and optimise transportation. One example of our strategy to realize this opportunity is that in 2022 Orkla Foods Norway reduced the thickness of its cardboard pizza packaging, resulting in a reduction of 220 tonnes cardboard. The time scale of implementation is 2025.

Forest risk commodity

Cattle products

Type of opportunity

Products & services

Where in your value chain does the opportunity occur?

Direct operation

Primary forests-related opportunity

Increased sales of existing products/services

Company-specific description

Over past few years, we have seen an increase in demand for sustainably sourced meat. This has influenced our strategy when it comes to cattle in the way that we have determined that the best path forward is to continue sourcing from non-forest risk countries, as we do today. During 2022, Orkla purchased 100% of our cattle products from non forest risk countries such as Sweden and Norway.

Despite the short-term cost savings commonly associated with sourcing from more vulnerable areas, we have determined that the best long term strategy will be to steer away from this. This will not only prevent issues with future forests/cattle related regulations and legislation, but also ensure that we provide the best possible cattle products, which in turn will continue to increase our sales of existing products.

As an example of our strategy in action we have our Swedish brand Felix which on their Felix Krögarpytt® (and many other products), promotes Swedish meat. Sweden is commonly known to produce high quality meat and as an outcome of our strategy this is as a great opportunity to increase our sales by promoting local production.

Estimated timeframe for realization

Current - up to 1 year

Magnitude of potential impact

Medium-low

Likelihood

Likely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The impact has not been quantified financially.

Cost to realize opportunity

Strategy to realize opportunity

This strategy is currently being implemented and as an example of our strategy in action we have our Swedish brand Felix which on their Felix Krögarpytt® (and many other products), promotes Swedish meat. Sweden is commonly known to produce high quality meat and as an outcome of our strategy this is as a great opportunity to increase our sales by promoting local production. The time scale of implementation is 2025.

F4. Governance

F4.1

(F4.1) Is there board-level oversight of forests-related issues within your organization?

Yes

F4.1a

(F4.1a) Identify the position(s) of the individual(s) (do not include any names) on the board with responsibility for forests-related issues.

Position of individual or committee	Responsibilities for forest-related issues
Chief Executive Officer (CEO)	<p>The highest level management position with responsibility for forest-related issues are the Orkla President and CEO and the Orkla Management team, reporting directly to the Orkla Board of Directors. During 2022 SVP Environment, and SVP Sustainability reporting to EVP Corporate Functions has had the responsibility for setting the direction, assessing and reporting forest-related issues, in close cooperation with Orkla Procurement Teams. This will be adapted to the new operating model.</p> <p>The Orkla Management Team is being presented to the status on forest-related risks annually, in addition to taking part in ongoing discussion of individual cases that are significant to Orkla's operations.</p> <p>The CEO of each Orkla company is responsible for implementing Orkla's governing principles on ESG and for drawing up action plans for the sustainability work based on Orkla's sustainability targets.</p>

F4.1b

(F4.1b) Provide further details on the board's oversight of forests-related issues.

	Frequency that forests-related issues are a scheduled agenda item	Governance mechanisms into which forests-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	<p>Monitoring implementation and performance</p> <p>Monitoring progress towards corporate targets</p> <p>Overseeing major capital expenditures</p> <p>Overseeing the setting of corporate targets</p> <p>Overseeing value chain engagement</p> <p>Reviewing and guiding annual budgets</p> <p>Reviewing and guiding business plans</p> <p>Reviewing and guiding corporate responsibility strategy</p> <p>Reviewing and guiding major plans of action</p> <p>Reviewing and guiding risk management policies</p> <p>Reviewing and guiding strategy</p> <p>Reviewing innovation / R&D priorities</p>	The board receives an annual update on sustainable sourcing including deforestation. This update guides strategy, major plans of action and business plans.

F4.1d

(F4.1d) Does your organization have at least one board member with competence on forests-related issues?

Row 1

Board member(s) have competence on forests-related issues

Yes

Criteria used to assess competence on forests-related issues

Board members have the competence on forest related issues based on their self assessment and experience from other large companies. In addition competence is provided from Orkla specialists through presentation on the status of work and strategy for forest related issues.

Primary reason for no board-level competence on forests-related issues

<Not Applicable>

Explain why your organization does not have at least one board member with competence on forests-related issues and any plans to address board-level competence in the future

<Not Applicable>

F4.2

(F4.2) Provide the highest management-level position(s) or committee(s) with responsibility for forests-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)	Forests-related responsibilities of this position	Frequency of reporting to the board on forests-related issues	Please explain
Chief Executive Officer (CEO)	<p>Integrating forests-related issues into business strategy</p> <p>Setting forests-related corporate targets</p> <p>Monitoring progress against forests-related corporate targets</p>	Half-yearly	The Orkla Management Team is responsible for reviewing forest-related risks and opportunities and decide on Orkla's goals and governance principles linked to managing forest risk, as well as overseeing the development of plans, based on conducted risk and opportunity assessment and monitoring progress towards targets.

F4.3

(F4.3) Do you provide incentives to C-suite employees or board members for the management of forests-related issues?

	Provide incentives for management of forests-related issues	Comment
Row 1	No, not currently but we do plan to introduce them in the next two years	

F4.4

(F4.4) Did your organization include information about its response to forests-related risks in its most recent mainstream financial report?

Yes (you may attach the report – this is optional)

F4.5

(F4.5) Does your organization have a policy that includes forests-related issues?

Yes, we have a documented forests policy that is publicly available

F4.5a

(F4.5a) Select the options to describe the scope and content of your policy.

Row 1

Scope

Company-wide

Commodity coverage

General forests policy covering all commodities

Content

- Commitment to eliminate conversion of natural ecosystems
- Commitment to no land clearance by burning or clearcutting
- Commitment to eliminate deforestation
- Commitment to no deforestation, to no planting on peatlands and to no exploitation (NDPE)
- Commitment to remediation, restoration and/or compensation of past harms
- Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities
- Adoption of the UN International Labour Organization principles
- Commitment to take action beyond own supply chain to tackle environmental issues
- Commitment to resolving both social and environmental issues in own operations and supply chain
- Commitment to protect rights and livelihoods of local communities
- Commitments beyond regulatory compliance
- Commitment to stakeholder awareness and engagement
- Commitment to align with the SDGs
- Recognition of the overall importance of forests and other natural ecosystems
- Recognition of potential business impact on forests and other natural ecosystems
- Description of forest risk commodities, parts of the business, and stages of value-chain covered by the policy
- List of timebound milestones and targets
- Description of forests-related standards for procurement

Document attachment

- Orkla-zero-deforestation-policy.pdf
- Orkla-Nature-and-Climate-Policy.pdf

Please explain

The Orkla Zero-Deforestation Policy was launched 2015 and is due for revision this year. In general we update our policies every third year unless there are specific updates that need to be incorporated. Orkla's activities potentially impact on forests through some of the raw materials that we purchase. This applies in particular to palm oil, soy, cocoa, cardboard and paper packaging. We seek to promote sustainable development, and have set a goal for ourselves to ensure that the most important raw materials and packaging that we buy are produced in a sustainable manner by 2025. During 2022 we also developed a new Orkla Nature and Climate Policy, outlining our commitments within these areas.

F4.6

(F4.6) Has your organization made a public commitment to reduce or remove deforestation and/or forest degradation from its direct operations and/or supply chain?

Forest risk commodity	Public commitments made
Timber products	Yes
Palm oil	Yes
Cattle products	Yes
Soy	Yes

F4.6a

(F4.6a) Has your organization endorsed any of the following initiatives as part of its public commitment to reduce or remove deforestation and/or forest degradation?

New York Declaration on Forests

F4.6b

(F4.6b) Provide details on your public commitment(s), including the description of specific criteria, coverage, and actions.

Forest risk commodity

Timber products

Criteria

- No conversion of natural ecosystems
- Zero gross deforestation/ no deforestation
- No new development on peat regardless of depth
- Restoration and compensation to address past deforestation and conversion
- Avoidance of negative impacts on threatened and protected species and habitats
- No land clearance by burning or clearcutting
- No conversion of High Conservation Value areas
- No conversion of High Carbon Stock forests
- Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities
- Remediate any adverse impacts on indigenous people and local communities
- Adoption of the UN International Labour Organization principles
- Resolution of complaints and conflicts through an open, transparent and consultative process
- Build community capacity and incentivize engagement in multi-stakeholder processes
- No sourcing of illegally produced and/or traded forest risk commodities
- Recognition of legal and customary land tenure rights

Operational coverage

Supply chain

% of total production/ consumption covered by commitment

100%

Cutoff date

2015

Forest risk countries/areas that the cutoff date applies to

Applied globally

Reason for selecting cutoff date

Specific to commitment

Commitment target date

2020

Please explain

The suppliers must comply with the Orkla Supplier Code of Conduct, in which we refer to our Orkla Zero Deforestation Policy.

Example related to no deforestation: in 2022 we sourced 100% of our paper and cardboard products from countries where deforestation is a non-issue. By sourcing our timber products from Norway, Sweden and other non-risk countries we can to an even greater extent ensure that proper forestry practices are followed and that we are not contributing to deforestation in at-risk ecoregions. Further we have ambitious sustainable packaging targets towards 2025 and for 2022 the share of recyclable packaging was 96% and the share of packaging containing recycled materials was 55% - improvements from previous year. One example of an initiative in 2022: Orkla Foods Norway reduced the thickness of its cardboard pizza packaging, resulting in a reduction of 220 tonnes cardboard.

Example of Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities: in 2022 we sourced 100% of our paper and cardboard products from countries where deforestation is a non-issue. By sourcing our timber products from Norway, Sweden and other non-risk countries we can to an even greater extent ensure that proper forestry practices are followed and that we are respecting the FPIC principle in at-risk ecoregions.

Forest risk commodity

Palm oil

Criteria

- No conversion of natural ecosystems
- Zero gross deforestation/ no deforestation
- No new development on peat regardless of depth
- Restoration and compensation to address past deforestation and conversion
- Avoidance of negative impacts on threatened and protected species and habitats
- No land clearance by burning or clearcutting
- No conversion of High Conservation Value areas
- No conversion of High Carbon Stock forests
- Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities
- Remediate any adverse impacts on indigenous people and local communities
- Adoption of the UN International Labour Organization principles
- Resolution of complaints and conflicts through an open, transparent and consultative process
- Build community capacity and incentivize engagement in multi-stakeholder processes
- No sourcing of illegally produced and/or traded forest risk commodities
- Recognition of legal and customary land tenure rights

Operational coverage

Supply chain

% of total production/ consumption covered by commitment

100%

Cutoff date

2015

Forest risk countries/areas that the cutoff date applies to

Applied globally

Reason for selecting cutoff date

Specific to commitment

Commitment target date

2020

Please explain

Example related to no deforestation and restoration: The suppliers must comply with the Orkla Supplier Code of Conduct, in which we refer to our Orkla Zero Deforestation Policy and in our Orkla Palm Oil Policy. A priority for Orkla is to reach our target that 100% of the palm oil used in our products are certified. An inclusion criterion for the RSPO certified oil is that the palm oil has not been sourced illegally. The RSPO certification also outlines demands concerning no conversion of natural ecosystems, zero gross deforestation/no deforestation, Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities as well as restoration and compensation to address past deforestation and conversion. In 2022 we increased our share of certified palm oil and reached 98% certified palm oil in all of our operations. The palm oil we source mainly comes from Indonesia and Malaysia. Palm oil and palm kernel oil are important raw materials, also for companies that manufacture household cleaning and personal hygiene products.

Example of Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities: . In 2020, Orkla Home & Personal Care joined the Action for Sustainable Derivatives (ASD), an industry initiative targeting suppliers and manufacturers that use derivatives, not pure oil. ASD's goal is to be able to trace raw materials all the way back to plantations. Every year, ASD identifies environment-related and/or social challenges and helps to bring about improvements locally. ASD has established the Collective Action Fund, through which members can provide financial support for projects that contribute directly to improvements in the risk-exposed areas of the palm oil industry.

Forest risk commodity

Soy

Criteria

No conversion of natural ecosystems
 Zero gross deforestation/ no deforestation
 No new development on peat regardless of depth
 Restoration and compensation to address past deforestation and conversion
 Avoidance of negative impacts on threatened and protected species and habitats
 No land clearance by burning or clearcutting
 No conversion of High Conservation Value areas
 No conversion of High Carbon Stock forests
 Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities
 Remediate any adverse impacts on indigenous people and local communities
 Adoption of the UN International Labour Organization principles
 Resolution of complaints and conflicts through an open, transparent and consultative process
 Build community capacity and incentivize engagement in multi-stakeholder processes
 No sourcing of illegally produced and/or traded forest risk commodities
 Recognition of legal and customary land tenure rights

Operational coverage

Supply chain

% of total production/ consumption covered by commitment

100%

Cutoff date

2015

Forest risk countries/areas that the cutoff date applies to

Applied globally

Reason for selecting cutoff date

Specific to commitment

Commitment target date

2020

Please explain

The suppliers must comply with the Orkla Supplier Code of Conduct, in which we refer to our Orkla Zero Deforestation Policy.

Example of 'Restoration and compensation to address past deforestation and/or conversion', no deforestation and FPIC: Orkla sources soy from Brasil, the US and Europe. 64% of the soy we source is certified through Proterra or similar certification on minimum FSA Silver Level. There has been a significant increase in this numbers since we have switched our certification programmes and seen positive improvement the past year. One of the criterias in the ProTerra standard is that areas of native vegetation cannot have been cleared or converted into agricultural areas, or used for industrial or other commercial purposes, after 2008, in particular the following:

- Primary Forests (for instance, rainforests);
- Riparian Vegetation;
- Wetlands;
- Swamps;
- Floodplains;
- Steep slopes;
- High above-ground carbon stocks, and
- Other as defined by the High Conservation Values Resource Network (HCV 1 to 6).

There is also criteria concerning FPIC:

- Land rights disputes shall be resolved before certified status can be awarded. The UN Principle of free, prior and informed consent (FPIC) shall apply to this indicator.

Forest risk commodity

Cattle products

Criteria

No conversion of natural ecosystems
 Zero gross deforestation/ no deforestation
 No new development on peat regardless of depth
 Restoration and compensation to address past deforestation and conversion
 Avoidance of negative impacts on threatened and protected species and habitats
 No land clearance by burning or clearcutting
 No conversion of High Conservation Value areas
 No conversion of High Carbon Stock forests
 Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities
 Remediate any adverse impacts on indigenous people and local communities
 Adoption of the UN International Labour Organization principles
 Resolution of complaints and conflicts through an open, transparent and consultative process
 Build community capacity and incentivize engagement in multi-stakeholder processes
 No sourcing of illegally produced and/or traded forest risk commodities
 Recognition of legal and customary land tenure rights

Operational coverage

Supply chain

% of total production/ consumption covered by commitment

100%

Cutoff date

2015

Forest risk countries/areas that the cutoff date applies to

Applied globally

Reason for selecting cutoff date

Specific to commitment

Commitment target date

2020

Please explain

Example of 'Restoration and compensation to address past deforestation and/or conversion' and no deforestation: Our Zero Deforestation policy among others states that the supplier must not be involved in the clearing of tropical rainforest or other high conservation value forest in connection with its own or its subcontractors' activities. Forest areas that have a high conservation value and that bind large amounts of carbon must be protected. In connection with production in tropical regions, we want our suppliers to apply the definitions of "High Conservation Value" and "High Carbon Stock" as their basis for assessing which parts of the rainforest should be conserved. During 2022 100% of Orkla's cattle products were sourced from European countries which are not on the deforestation risk list.

F5. Business strategy

F5.1

(F5.1) Are forests-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are forests-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, forests-related issues are integrated	5-10	A company specific example is that sustainable sourcing is included in Orkla's 2025 strategic goals and in long-term business plans. This work is carried out both at corporate level as well as in each of our five business areas and all their business units across Europe and India. We have also carried out a double materiality assessment where forest-related issues are included. This will be repeated in 2023. We have selected 5-10 years since we are currently operating with targets towards 2025 and have launched 2030 ambitions. Part of our 2030 ambition is being the local champion for sustainability, this will be embedded in our strategy going forward. Orkla has the UN SDGs on our agenda. We have nine prioritized goals where 15 Life on land is one of them. We also have ambitious SBTi climate targets related to scope 1, 2 and 3. Reducing deforestation is an important part of emissions reduction within our scope 3 and something we target through among other things certification. During 2022 we saw positive development in terms of share of certified materials. Our plans include all disclosed commodities.
Strategy for long-term objectives	Yes, forests-related issues are integrated	5-10	A description and company specific example of achieving a long term objective is that sustainable sourcing is included in Orkla's 2025 strategic goals and in long-term business plans. This work is carried out both at corporate level as well as in each of our five business areas and all their business units across Europe and India. We have selected the time horizon 5-10 years as we are currently operating with targets towards 2025 and have launched 2030 ambitions. Part of our 2030 ambition is being the local champion for sustainability, this will be embedded in our strategy going forward. The plans include all commodities disclosed in CDP Forests. We have also carried out a double materiality assessment where forest-related issues are included. The process will be repeated in 2023.
Financial planning	Yes, forests-related issues are integrated	5-10	The TCFD guidelines have quickly become the leading framework for assessment and documentation of climate risk. As a company specific example, during the last half of 2019, Orkla initiated a process to be able to report in accordance with this framework. Through internal workshops, we have shared knowledge of the TCFD framework with key in-house personnel and carried out a survey of the risk factors to which Orkla is exposed and the opportunities that this can offer over the next 5-10 years. We have selected the time horizon 5-10 years as we are currently operating with targets towards 2025 and have launched 2030 ambitions. This year we launched a TCFD report for 2022, outlining more of our work within this area. Work on estimating potential risk impacts for Orkla's operations will continue in 2023. The potential risk impacts include forest risk assessments for several commodities, including soy and palm oil which will be an integrated part of the financial planning.

F6. Implementation

F6.1

(F6.1) Did you have any forests-related timebound and quantifiable targets that were active during the reporting year?

Yes

F6.1a

(F6.1a) Provide details of your forests-related timebound and quantifiable target(s) and progress made.

Target reference number

Target 1

Forest risk commodity

Palm oil

Year target was set

2014

Target coverage

Company-wide

Target category

Third-party certification

Metric

% of volume third-party certified

Traceability point

<Not Applicable>

Third-party certification scheme

RSPO Segregated

RSPO Mass Balance

RSPO Book and Claim

Base year

2014

Base year figure

0

Target year

2025

Target year figure

100

Reporting year figure

98

% of target achieved relative to base year [auto-calculated]

Target status in reporting year

Underway

Is this target linked to a commitment?

Zero net/gross deforestation

Please explain

Orkla became members of the RSPO 2015 and have since then worked to increase the share of certified palm oil. The use of certified oil is an important part of our sustainable sourcing strategy in all markets where we use palm oil, therefore we have set the target to 100%. We have increased the share of certified oil year on year and in 2025 100% of our palm oil should be RSPO certified. During 2023 we reached 98% certified palm oil.

Target reference number

Target 3

Forest risk commodity

Timber products

Year target was set

2014

Target coverage

Company-wide

Target category

Resource use and efficiency

Metric

Other, please specify (Orkla has a 2025 goal of 100% recyclable packaging.)

Traceability point

<Not Applicable>

Third-party certification scheme

<Not Applicable>

Base year

2014

Base year figure

0

Target year

2025

Target year figure

100

Reporting year figure

96

% of target achieved relative to base year [auto-calculated]**Target status in reporting year**

Underway

Is this target linked to a commitment?

No conversion of natural ecosystems

Please explain

The biggest challenge posed by packaging is that it is often not recycled or reused, leading to excessive use of resources. Poor waste management also results in unnecessary pollution. Sustainable packaging is an important dimension of Orkla's criteria for sustainable products. For Orkla, sustainable packaging means reduced use of resources through the use of packaging that is easy to recycle, optimised in terms of size, storage and transport, and made from recycled materials. Orkla has increased its efforts to optimise packaging, reduce the amount of plastic used, design packaging to simplify recycling and develop new packaging solutions based on recoverable, recycled or renewable materials. We have strengthened our collaboration with centres of excellence, researchers, external experts, organisations and other companies to find effective, innovative solutions. Several Orkla companies are part of a Norwegian collaborative venture, the Design for Recycling project, under the auspices of Green Dot Norway. The object is to learn more about the kind of changes in material and design choices that could simplify recycling of packaging. During 2022 we engaged with local extended producer responsibility (EPR) systems to discuss our criteria for prioritisation of packaging materials. We have also had an active dialogue with waste management systems to understand future developments and impacts on our portfolio. This has led to a better understanding of the handling, sorting, and recycling of our products. Another example is that to increase the recycling of packaging, Orkla Foods Sverige cooperates with the recycling app Bower, which allows consumers to deposit their packaging directly at the recycling station. The deposit money is collected in the app and can then be redeemed into a bank account or redeemed as discount coupons that can be used in stores. The app also shows users how much carbon dioxide they save through recycling. Our brands covered by the collaboration are: Grumme, Felix, Anamma, Frankful, Abba, Pauluns, Grandiosa, Risifrutti, BOB and Havrefras. A total of 96 per cent of the packaging that Orkla used in 2022 was made of materials that can be recycled.

Target reference number

Target 2

Forest risk commodity

Soy

Year target was set

2014

Target coverage

Company-wide

Target category

Third-party certification

Metric

% of volume third-party certified

Traceability point

<Not Applicable>

Third-party certification scheme

RTRS (any type)

ProTerra certification

Other, please specify (Donau Soja, Field to Market, ISCC, FSA Silver equivalent standards)

Base year

2014

Base year figure

0

Target year

2025

Target year figure

100

Reporting year figure

64

% of target achieved relative to base year [auto-calculated]**Target status in reporting year**

Underway

Is this target linked to a commitment?

Zero net/gross deforestation

Please explain

Orkla has a target of buying 100% certified soy from RTRS - Roundtable on Responsible Soy, ProTerra, Donau Soja, Field to Market, ISCC or FSA Silver equivalent standards. We are members of SAI Platform and aim to use certifications on minimum FSA Silver level. A benchmark exercise prompted a change in certification programme for large parts of the sourced volumes which is why we saw low certification shares the previous years. We have now managed to switch to appropriate certifications for a bigger share of our volumes which is reflected in the latest figures for 2022. During 2022 we have continued to map our soy purchases, origin and certifications we buy. We have set a target of 100% certified soy by 2025 and have currently reached 64%. Our approach to meeting this target is to ensure that our suppliers can provide soy certified on minimum FSA Silver level. This work will continue during 2023.

Target reference number

Target 4

Forest risk commodity

Cattle products

Year target was set

2018

Target coverage

Company-wide

Target category

Engagement with direct suppliers

Metric

Other, please specify (100% of animal products sourced according to Orkla's animal welfare policy and linked PCR (product category requirement).)

Traceability point

<Not Applicable>

Third-party certification scheme

<Not Applicable>

Base year

2018

Base year figure

0

Target year

2025

Target year figure

100

Reporting year figure

80

% of target achieved relative to base year [auto-calculated]**Target status in reporting year**

Underway

Is this target linked to a commitment?

Social commitments

Please explain

During 2023 we purchased 100% of our cattle products from non forest risk countries, mainly Europe. We have a target that 100% of our cattle suppliers should have accepted our Animal Welfare Policy and PCR by 2025, we have currently reached 80%. We are planning to meet this target by engaging with our suppliers and ensuring that they are accepting our policy and other demands.

Monitoring and implementation

As the Orkla Animal Welfare Policy and Product Category Requirements (PCRs) are distributed to suppliers, different methods to ensure compliance are used:

- Suppliers: We are gathering information via our suppliers, notably slaughterhouses, dairies and egg processors, about how they follow-up on farmers to perform in line with our policies and targets. This also includes the supplier's application of independent 3rd party audits both at farms and at slaughterhouses.
- Certifications: We consider third-party certifications and control systems as an assurance that our policies and targets are fulfilled. Examples of standards that are being used are the KSL in Norway and Sigill in Sweden.
- Legislation: We are benchmarking national legislations against our policies and targets and as legislation is followed-up by authorities, national laws together with supplier assurance (including 3rd party audits) and independent certifications, can be used as evidence that our policies are followed.

Stakeholder engagement

We are seeking to actively engage with others, such as industry associations, public institutions, NGOs and other relevant stakeholders, to build our own knowledge, share learnings, collaborate on specific improvement projects and more generally, promote best animal welfare practices. As an example we are members of the SAI Platform and therewithin the SDP (Sustainable Dairy Partnership). We have also engaged in dialogue with both independent expert organizations (veterinaries) and several animal rights organizations seeking input about relevant animal welfare topics to work on going forward.

Target reference number

Target 7

Forest risk commodity

Timber products

Year target was set

2014

Target coverage

Company-wide

Target category

Resource use and efficiency

Metric

% of recycled content used in paper and packaging products

Traceability point

<Not Applicable>

Third-party certification scheme

<Not Applicable>

Base year

2014

Base year figure

0

Target year

2025

Target year figure

75

Reporting year figure

55

% of target achieved relative to base year [auto-calculated]**Target status in reporting year**

Underway

Is this target linked to a commitment?

No conversion of natural ecosystems

Please explain

Orkla has increased its efforts to optimise packaging, reduce the amount of plastic used, design packaging to simplify recycling and develop new packaging solutions based on recoverable, recycled or renewable materials. We have strengthened our collaboration with centres of excellence, researchers, external experts, organisations and other companies to find effective, innovative solutions. Several Orkla companies are part of a Norwegian collaborative venture, the Design for Recycling project, under the auspices of Green Dot Norway. The object is to learn more about the kind of changes in material and design choices that could simplify recycling of packaging. During 2022 we engaged with local extended producer responsibility (EPR) systems to discuss our criteria for prioritisation of packaging materials. We have also had an active dialogue with waste management systems to understand future developments and impacts on our portfolio. One example of our work with recycled content is that Orkla Home & Personal Care launched several products with carton packaging in 2022, both as a refill solution and as a main packaging solution. This applies to brands such as Klar, OMO, Milo, Blenda, Grumme and Lumme. 2022 55% of our total packaging materials were fully or partly recycled.

Target reference number

Target 8

Forest risk commodity

Soy

Year target was set

2018

Target coverage

Company-wide

Target category

Engagement with direct suppliers

Metric

% of direct suppliers engaged

Traceability point

<Not Applicable>

Third-party certification scheme

<Not Applicable>

Base year

2018

Base year figure

0

Target year

2025

Target year figure

100

Reporting year figure

92

% of target achieved relative to base year [auto-calculated]**Target status in reporting year**

Underway

Is this target linked to a commitment?

Zero net/gross deforestation

Please explain

Orkla has a Supplier Code of Conduct which outlines our expectations on our suppliers, this includes social and environmental demands as well as our Zero Deforestation Policy. One of our 2025 targets is to reach sustainable sourcing of prioritized raw materials by 2025, soy is one of these materials. Here we engage with our suppliers to ensure that we share the same vision and targets. This includes supplier interaction and follow-up. Supplier engagement is very important in laying a good foundation and reaching our goals. We estimate that we have had interaction about sustainability related topics with 92% of our soy suppliers. We will continue reaching out and having a dialogue with our suppliers through the commercial process and more specific sustainability discussions .

Target reference number

Target 9

Forest risk commodity

Palm oil

Year target was set

2018

Target coverage

Company-wide

Target category

Engagement with direct suppliers

Metric

% of direct suppliers engaged

Traceability point

<Not Applicable>

Third-party certification scheme

<Not Applicable>

Base year

2018

Base year figure

0

Target year

2025

Target year figure

100

Reporting year figure

100

% of target achieved relative to base year [auto-calculated]**Target status in reporting year**

Achieved

Is this target linked to a commitment?

Zero net/gross deforestation

Please explain

Orkla has a Supplier Code of Conduct which outlines our expectations on our suppliers, this includes social and environmental demands as well as our Zero Deforestation Policy and Sustainable Palm Oil Policy. One of our 2025 targets is to reach sustainable sourcing of prioritized raw materials by 2025, palm oil is one of these materials. Here we engage with our suppliers to ensure that we share the same vision and targets. This includes supplier interaction and follow-up. Supplier engagement is very important in laying a good foundation and reaching our goals. We estimate that we have had interaction about sustainability related topics with all of our palm oil suppliers. We will continue the dialogue with our suppliers through the commercial process and more specific sustainability follow-up. We also get quarterly updates from our main suppliers on their sustainability progress.

Target reference number

Target 10

Forest risk commodity

Soy

Year target was set

2018

Target coverage

Company-wide

Target category

Traceability

Metric

% of volume traceable to traceability point

Traceability point

Country

Third-party certification scheme

<Not Applicable>

Base year

2018

Base year figure

0

Target year

2025

Target year figure

100

Reporting year figure

95

% of target achieved relative to base year [auto-calculated]**Target status in reporting year**

Underway

Is this target linked to a commitment?

Zero net/gross deforestation

Please explain

Traceability is an important target for us in enabling sustainable supply chains. Our soy supplier all have traceability targets in place and we get regular updates about the soy origin. We currently have overview of the origin countries and are improving our knowledge about specific regions. Mapping the origin of our soy is essential to understand the actual deforestation risks in our supply chain, that is the reason why we have a goal of 100% towards 2025. Currently we receive information about soy origin on country level, we have information for about 95% of our volumes. More than 95% of the soy we have traceability information on is coming from countries with low risk of deforestation such as the US, Canada and various European countries. For the high risk countries we are sourcing from we are working on receiving information on more detailed level such as state and region, we have had progress within this area during 2022 and intend to collect better information during 2022. We gather this information through our sourcing process as well as through direct contact with our suppliers with a consequent update of our central databases.

Target reference number

Target 11

Forest risk commodity

Palm oil

Year target was set

2018

Target coverage

Company-wide

Target category

Traceability

Metric

% of volume traceable to traceability point

Traceability point

Mill

Third-party certification scheme

<Not Applicable>

Base year

2018

Base year figure

0

Target year

2025

Target year figure

100

Reporting year figure

95

% of target achieved relative to base year [auto-calculated]**Target status in reporting year**

Underway

Is this target linked to a commitment?

Zero net/gross deforestation

Please explain

Traceability is an important target for us in enabling sustainable supply chain. Our palm oil suppliers have good traceability systems in place and we receive regular reports on their progress through emails and quarterly/annual updates. Mapping the origin of our palm oil is essential to understand the actual deforestation risks in our supply chain, that is the reason why we have a goal of 100% towards 2025. We have several palm oil suppliers where suppliers covering over 90% of our volumes have a high traceability to mill (over 95%). Our suppliers are working on improving the traceability to plantation as a next step and have made good progress. We gather this information through our sourcing process as well as through direct contact with our suppliers with a consequent update of our central databases. As a next step in utilizing traceability data we hope to achieve new insight through the RSPO Hotspot Hub which will help to identify issues in our supply chain.

Target reference number

Target 12

Forest risk commodity

Timber products

Year target was set

2018

Target coverage

Company-wide

Target category

Engagement with direct suppliers

Metric

% of direct suppliers engaged

Traceability point

<Not Applicable>

Third-party certification scheme

<Not Applicable>

Base year

2018

Base year figure

0

Target year

2025

Target year figure

100

Reporting year figure

92

% of target achieved relative to base year [auto-calculated]**Target status in reporting year**

Underway

Is this target linked to a commitment?

Zero net/gross deforestation

Please explain

Orkla has a Supplier Code of Conduct which outlines our expectations on our suppliers, this includes social and environmental demands as well as our Zero Deforestation Policy. One of our 2025 targets is to reach sustainable sourcing of packaging materials by 2025. Here we engage with our suppliers to ensure that we share the same vision and targets. This includes supplier interaction and follow-up. Sustainable packaging remained one of Orkla's primary priorities in 2022. Orkla seeks to engage actively in joint projects with suppliers, relevant centres of expertise and other companies to develop recyclable packaging and increase use of recycled and renewable materials. Supplier engagement is therefore very important in laying a good foundation and reaching our goals. We estimate that we have had interaction about sustainability related topics with 92% of our packaging suppliers globally.

Target reference number

Target 13

Forest risk commodity

Cattle products

Year target was set

2022

Target coverage

Company-wide

Target category

Third-party certification

Metric

% of volume third-party certified

Traceability point

<Not Applicable>

Third-party certification scheme

Other, please specify (Feed soy certifications such as RTRS)

Base year

2022

Base year figure

60

Target year

2025

Target year figure

100

Reporting year figure

60

% of target achieved relative to base year [auto-calculated]

Target status in reporting year

Underway

Is this target linked to a commitment?

Zero net/gross deforestation

Please explain

Orkla has a Supplier Code of Conduct which outlines our expectations on our suppliers, this includes social and environmental demands as well as our Zero Deforestation Policy. One of our 2025 targets is to reach sustainable sourcing of prioritized raw materials by 2025, soy is one of these materials. Our work has primarily been focused on direct soy so far but we have now also started to focus on indirect soy used for animal feed. During 2022 we have reached approximately 60% certified feed soy for our cattle products.

F6.2

(F6.2) Do you have traceability system(s) in place to track and monitor the origin of your disclosed commodity(ies)?

	Do you have system(s) in place?	Supply chain coverage	Description of traceability system	Exclusions	Description of exclusion
Timber products	Yes	Volume from direct suppliers only	We monitor our timber product origin through our suppliers and regularly receive updates from them regarding the origin and certifications of our timber products. These updates are often given through RFIs or RFPs. During 2022 we received 100% of our timber products from non forest risk countries.	Not applicable	<Not Applicable>
Palm oil	Yes	Volume from direct suppliers only	We monitor our palm oil origin through our suppliers and regularly receive updates from them regarding the origin and certifications of our palm oil products. The updates are received via email and sustainability briefings. As part of our sustainability work we buy RSPO certified palm oil, 98% was certified during 2022.	Not applicable	<Not Applicable>
Cattle products	Yes	Volume from direct suppliers only	We monitor our cattle product origin through our suppliers and regularly receive updates from them regarding the origin of our cattle products. These updates are often given through RFIs or RFPs, and often via supplier meetings. During 2022 we received 100% of our cattle products from non forest risk countries.	Not applicable	<Not Applicable>
Soy	Yes	Volume from direct suppliers only	We monitor our soy origin through our suppliers and regularly receive updates from them regarding the origin and certifications of our soy products. These updates are often given through RFIs or RFPs as well as supplier meetings. As part of our sustainability work we buy certified soy, 64% was certified during 2022.	Not applicable	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.2a

(F6.2a) Provide details on the level of traceability your organization has for its disclosed commodity(ies).

Forest risk commodity	Point to which commodity is traceable	Countries/areas to which this traceability point applies	% of total production/consumption volume traceable
Timber products	State or equivalent	Finland Norway Sweden	95
Palm oil	Mill	Indonesia Malaysia	95
Cattle products	State or equivalent	Austria Czechia Germany Ireland Netherlands Norway Poland Slovakia Sweden	100
Soy	Country	Austria Brazil Canada China Czechia France Hungary India Italy Netherlands Romania Serbia Slovakia Spain United States of America	95

F6.3

(F6.3) Have you adopted any third-party certification scheme(s) for your disclosed commodity(ies)?

	Third-party certification scheme adopted?	% of total production and/or consumption volume certified
Timber products	Yes	60
Palm oil	Yes	98
Cattle products	No, but we plan to adopt a third-party certification scheme within the next two years	<Not Applicable>
Soy	Yes	64
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F6.3a

(F6.3a) Provide a detailed breakdown of the volume and percentage of your production and/or consumption by certification scheme.

Forest risk commodity

Timber products

Third-party certification scheme

FSC Chain of Custody

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

60

Form of commodity

Primary packaging

Secondary packaging

Volume of production/ consumption certified

39600

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Is embedded soy certified through this scheme?

<Not Applicable>

Please explain

In 2022 approximately 60% of our paper-based packaging was FSC chain of custody certified, this translates into 36 600 MT. Orkla purchase 100% of our packaging materials from non forest risk countries and the majority of this is FSC certified. The percentages have been calculated based on purchased volumes and supplier certification data.

Forest risk commodity

Palm oil

Third-party certification scheme

RSPO Segregated

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

43

Form of commodity

Crude palm oil (CPO)

Crude palm kernel oil (CPKO)

Palm oil derivatives

Volume of production/ consumption certified

30907

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Is embedded soy certified through this scheme?

<Not Applicable>

Please explain

Orkla has during 2022 reached 98% RSPO certified palm oil, out of this 43% was segregated. This translates to 30 907 MT out of our total volume. Over the past years we have seen a steady increase in the share of certified palm oil, we will continue this work during 2023.

Forest risk commodity

Palm oil

Third-party certification scheme

RSPO Mass Balance

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

28

Form of commodity

Crude palm oil (CPO)

Crude palm kernel oil (CPKO)

Palm oil derivatives

Volume of production/ consumption certified

20126

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Is embedded soy certified through this scheme?

<Not Applicable>

Please explain

Orkla has during 2022 reached 98% RSPO certified palm oil, out of this 21% was mass balance. This translates to 12693 MT out of our total volume. Over the past years we have seen a steady increase in the share of certified palm oil, we will continue this work during 2022.

Forest risk commodity

Palm oil

Third-party certification scheme

RSPO Credits/Book & Claim

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

28

Form of commodity

Crude palm oil (CPO)

Crude palm kernel oil (CPKO)

Palm kernel oil derivatives

Volume of production/ consumption certified

20126

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Is embedded soy certified through this scheme?

<Not Applicable>

Please explain

Orkla has during 2022 reached 98% RSPO certified palm oil, out of this 28% was credits/Book & Claim. This translates to 20 126 MT out of our total volume. Over the past years we have seen a steady increase in the share of certified palm oil, we will continue this work during 2023.

Forest risk commodity

Timber products

Third-party certification scheme

FSC (any type)

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

30

Form of commodity

Primary packaging

Secondary packaging

Volume of production/ consumption certified

19800

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Is embedded soy certified through this scheme?

<Not Applicable>

Please explain

In 2022 approximately 30% of our paper-based packaging was FSC certified, this translates into 19 800 MT. Orkla purchase 100% of our packaging materials from non forest risk countries and the majority of this is FSC certified. The percentages have been calculated based on purchased volumes and supplier certification data.

F6.4

(F6.4) For your disclosed commodity(ies), do you have a system to control, monitor, or verify compliance with no conversion and/or no deforestation commitments?

	A system to control, monitor or verify compliance	Comment
Timber products	Yes, we have a system in place for our no conversion and/or deforestation commitments	<Not Applicable>
Palm oil	Yes, we have a system in place for our no conversion and/or deforestation commitments	<Not Applicable>
Cattle products	Yes, we have a system in place for our no conversion and/or deforestation commitments	<Not Applicable>
Soy	Yes, we have a system in place for our no conversion and/or deforestation commitments	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F6.4a

(F6.4a) Provide details on the system, the approaches used to monitor compliance, the quantitative progress, and the non-compliance protocols, to implement your no conversion and/or deforestation commitment(s).**Forest risk commodity**

Palm oil

Operational coverage

Supply chain

Description of control systems

We have selected our palm oil suppliers partly based on their sustainability efforts and monitor compliance with our zero-deforestation commitment through them. Our suppliers use geo-spatial monitoring tools, ground-based monitoring systems and community-based monitoring to ensure compliance. Furthermore we source RSPO certified palm oil which also passes through different control points in the supply chain.

Monitoring and verification approach

Third-party verification

% of total volume in compliance

91-99%

% of total suppliers in compliance

91-99%

Response to supplier non-compliance

Retain & engage

Suspend & engage

% of non-compliant suppliers engaged

91-99%

Procedures to address and resolve non-compliance with suppliers

Developing time-bound targets and milestones to bring suppliers back into compliance

Providing information on appropriate actions that can be taken to address non-compliance

Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics

Re-integrating suppliers back into supply chain based on the successful and verifiable completion of activities

Please explain

We receive compliance updates from our suppliers on a quarterly basis. If needed we follow up non-compliance more often. We also closely keep watch of RSPOs recommendations as well as NGO and news updates. If there is a non-compliance we engage with the supplier to understand the background and their action plan going forward. Our first choice is always to retain and engage but if we see no improvement or willingness to discuss we will suspend the supplier. If the non-compliance is severe we will suspend and engage immediately. Our response vary depending on the nature and severity of the non-compliance, the goal is always to help the supplier improve.

Forest risk commodity

Timber products

Operational coverage

Supply chain

Description of control systems

We regularly follow up our timber suppliers on which origin we receive timber products from. 2022 we received 100% of our timber products from non forest risk countries.

Monitoring and verification approach

First-party verification

Third-party verification

% of total volume in compliance

100%

% of total suppliers in compliance

100%

Response to supplier non-compliance

Retain & engage

Suspend & engage

% of non-compliant suppliers engaged

<Not Applicable>

Procedures to address and resolve non-compliance with suppliers

Developing time-bound targets and milestones to bring suppliers back into compliance

Providing information on appropriate actions that can be taken to address non-compliance

Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics

Re-integrating suppliers back into supply chain based on the successful and verifiable completion of activities

Please explain

We receive compliance updates from our suppliers on an annual basis. If needed we follow up non-compliance more often. We also keep watch of NGO and news updates. If there is a non-compliance we engage with the supplier to understand the background and their action plan going forward. Our first choice is always to retain and engage but if we see no improvement or willingness to discuss we will suspend the supplier. If the non-compliance is severe we will suspend and engage immediately. Our response vary depending on the nature and severity of the non-compliance, the goal is always to help the supplier improve.

Forest risk commodity

Cattle products

Operational coverage

Supply chain

Description of control systems

We regularly follow up our cattle suppliers on which origin we receive cattle products from. 2022 we received 100% of our cattle products from non forest risk countries.

Monitoring and verification approach

First-party verification

Third-party verification

% of total volume in compliance

100%

% of total suppliers in compliance

100%

Response to supplier non-compliance

Retain & engage

Suspend & engage

% of non-compliant suppliers engaged

<Not Applicable>

Procedures to address and resolve non-compliance with suppliers

Developing time-bound targets and milestones to bring suppliers back into compliance

Providing information on appropriate actions that can be taken to address non-compliance

Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics

Re-integrating suppliers back into supply chain based on the successful and verifiable completion of activities

Please explain

We receive compliance updates from our suppliers on an annual basis. If needed we follow up non-compliance more often. We also keep watch of NGO and news updates. If there is a non-compliance we engage with the supplier to understand the background and their action plan going forward. Our first choice is always to retain and engage but if we see no improvement or willingness to discuss we will suspend the supplier. If the non-compliance is severe we will suspend and engage immediately. Our response vary depending on the nature and severity of the non-compliance, the goal is always to help the supplier improve.

Forest risk commodity

Soy

Operational coverage

Supply chain

Description of control systems

We regularly follow up our soy suppliers on which origin we receive cattle products from. 2022 we received the majority of our soy from non forest risk countries. Additionally we work with third-party certification and have during 2022 reached 64% certified on a global level.

Monitoring and verification approach

First-party verification

Third-party verification

% of total volume in compliance

91-99%

% of total suppliers in compliance

91-99%

Response to supplier non-compliance

Retain & engage

Suspend & engage

% of non-compliant suppliers engaged

91-99%

Procedures to address and resolve non-compliance with suppliers

Developing time-bound targets and milestones to bring suppliers back into compliance
 Providing information on appropriate actions that can be taken to address non-compliance
 Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics
 Re-integrating suppliers back into supply chain based on the successful and verifiable completion of activities

Please explain

We receive compliance updates from our suppliers on an annual basis. If needed we follow up non-compliance more often. We also keep watch of NGO and news updates. If there is a non-compliance we engage with the supplier to understand the background and their action plan going forward. Our first choice is always to retain and engage but if we see no improvement or willingness to discuss we will suspend the supplier. If the non-compliance is severe we will suspend and engage immediately. Our response vary depending on the nature and severity of the non-compliance, the goal is always to help the supplier improve.

F6.6

(F6.6) For your disclosed commodity(ies), indicate if you assess your own compliance and/or the compliance of your suppliers with forest regulations and/or mandatory standards.

	Assess legal compliance with forest regulations	Comment
Timber products	<Not Applicable>	<Not Applicable>
Palm oil	Yes, from suppliers	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>
Soy	Yes, from suppliers	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F6.6a

(F6.6a) For your disclosed commodity(ies), indicate how you ensure legal compliance with forest regulations and/or mandatory standards.

Palm oil

Procedure to ensure legal compliance

Description of the procedure: All our suppliers are requested to sign the Orkla Supplier Code of Conduct. Orkla will, when selecting suppliers, in addition to other quality elements and commercial aspects, consider compliance with this document. The SCoC outlines a minimum standard of conduct. We expect that our suppliers always try to exercise good judgement, care, and consideration by following both the requirements and the intentions of the SCoC. Furthermore, we expect our suppliers to be transparent and have an open dialogue with us about challenges they encounter as part of their operations. When the SCoC has been communicated to a specific supplier, it shall be regarded as a contract document and as an integral part of any contract entered between the Orkla company and the supplier in question. In addition to adherence to the SCoC, Orkla expects suppliers to comply with all applicable laws and regulations in the countries of operation as well as treaties, international standards, and regulations relevant to their business operations. Where differences exist between applicable laws, regulations and the SCoC or requirements of the contract with the supplier, suppliers shall follow the strictest requirements. For palm oil specifically the procedure followed to ensure legal compliance is that Orkla uses RSPO certified palm oil which requires compliance with law as part of the standard. 98% of our palm oil was RSPO certified during 2022. Furthermore we use tools such as the SPOTT to track supplier development in terms of ESG issues. These tools and methods ensure legal compliance within our supply chain.

Country/Area of origin

Indonesia
 Malaysia

Law and/or mandatory standard(s)

General assessment of legal compliance

Comment

No additional comment.

Soy

Procedure to ensure legal compliance

Description of the procedure: All our suppliers are requested to sign the Orkla Supplier Code of Conduct. Orkla will, when selecting suppliers, in addition to other quality elements and commercial aspects, consider compliance with this document. The SCoC outlines a minimum standard of conduct. We expect that our suppliers always try to exercise good judgement, care, and consideration by following both the requirements and the intentions of the SCoC. Furthermore, we expect our suppliers to be transparent and have an open dialogue with us about challenges they encounter as part of their operations. When the SCoC has been communicated to a specific supplier, it shall be regarded as a contract document and as an integral part of any contract entered between the Orkla company and the supplier in question. In addition to adherence to the SCoC, Orkla expects suppliers to comply with all applicable laws and regulations in the countries of operation as well as treaties, international standards, and regulations relevant to their business operations. Where differences exist between applicable laws, regulations and the SCoC or requirements of the contract with the supplier, suppliers shall follow the strictest requirements. For soy specifically the procedure followed to ensure legal compliance is that Orkla uses RTRS - Roundtable on Responsible

Methods used to ensure legal compliance: Soy, ProTerra, Donau Soja, Field to Market, ISCC, FSA Silver equivalent standards certified soy which require compliance with law as part of their standard. This ensures legal compliance within our supply chain. 64% of our soy was certified during 2022.

Country/Area of origin

Brazil
 India

Law and/or mandatory standard(s)

General assessment of legal compliance

Comment

No additional comment.

(F6.7) Are you working with smallholders to support good agricultural practices and reduce deforestation and/or conversion of natural ecosystems?

	Are you working with smallholders?	Type of smallholder engagement approach	Smallholder engagement approach	Number of smallholders engaged	Please explain
Timber products	Not applicable	<Not Applicable>	<Not Applicable>	<Not Applicable>	During 2022, 100% of our timber products came from non forest risk countries. Orkla purchase our timber products from large packaging suppliers. The industry is dominated by large players.
Palm oil	Yes, working with smallholders	Supply chain mapping Capacity building	Supplier questionnaires on environmental and social indicators Supplier audits Offering on-site technical assistance and extension services Providing agricultural inputs Disseminating technical materials Organizing capacity building events	300	Through our suppliers we are engaged in several smallholder projects building capacity in the supply chain. We are also sourcing a majority of RSPO certified oil. The RSPO certification helps smallholders increase yields, penetrate international markets, improve their livelihoods, and reduce the risk of land conversion.
Cattle products	Not applicable	<Not Applicable>	<Not Applicable>	<Not Applicable>	During 2022, 100% of our cattle products came from non forest risk countries. Orkla source cattle products mainly from Western Europe where farms are big and smallholders are less common.
Soy	Not applicable	<Not Applicable>	<Not Applicable>	<Not Applicable>	Orkla purchase soy from large industry players where farms are of a bigger size. Most part of our soy stems from larger farms.
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.8

(F6.8) Indicate if you are working with your direct suppliers to drive action on forests-related issues and if so, provide details of the engagement.**Forest risk commodity**

Timber products

Are you working with direct suppliers?

Yes, working with direct suppliers

Action(s) on forests-related issues driven by engagement

Ending deforestation and/or conversion of other ecosystems

Type of engagementSupply chain mapping
Innovation and collaboration**Details of engagement**Supplier questionnaires on environmental and social indicators
Supplier audits
Collaborate with suppliers on innovations to reduce forest-related impacts in products and services**Description of engagement**

These activities are valid for 2022.

Engagement strategy to end deforestation and/or conversion of other ecosystems: Orkla has an overview of all our approximately 25 000 suppliers in our spend management system. We also engage with our suppliers through sending out sustainability questions in connection with RFPs as well as including this topic in supplier meetings. One topic of conversation in those meetings could be compliance with policies such as the Orkla Supplier Code of Conduct as well as certification progress. Example of supplier engagement: Sedex and SMETA 4-pillar audits are used on higher risk direct suppliers. Furthermore we collaborate with different packaging suppliers to drive innovation of products reducing forest-related impact.

% of suppliers engaged by procurement spend covered by engagement

95

Explain the impact of your engagement on the selected action

Our engagement impacts in the following way:

Supply chain mapping: By sending out questionnaires to our suppliers we are able to follow-up on both social and environmental indicators. We are also showing our suppliers that these sustainability areas including forest-related dimensions are important to us as a customer. This helps drive the development within this area. Furthermore we are able to detect challenging areas and support with those. Audits are used in a similar way but gives us more detail and the security of a third-party certification. We have audited 64 of our suppliers during 2022.

Innovation and collaboration: Innovation is one of Orkla's most important tools for creating organic growth and building strong brands, and is therefore a central part of day-to-day operations. Orkla works interdisciplinarily with innovation from insight to idea and then launch. Consumer, customer, market and supplier insights are combined with technological expertise and brand understanding to develop products and services that delight consumers and live up to our high sustainability requirements. An important dimension here is reduction of forest-related impacts.

Is this engagement helping your suppliers engage with their suppliers on the selected action?

Unknown

Does this engagement contribute to achieving a reported target?

Yes, please specify target ID(s) (Target 3, 7 and 12.)

Forest risk commodity

Palm oil

Are you working with direct suppliers?

Yes, working with direct suppliers

Action(s) on forests-related issues driven by engagement

Ending deforestation and/or conversion of other ecosystems

Type of engagement

Supply chain mapping
Financial and commercial incentives

Details of engagement

Supplier questionnaires on environmental and social indicators
Supplier audits
Financial incentives for certified products

Description of engagement

These activities are valid for 2022.

Engagement strategy to end deforestation and/or conversion of other ecosystems: Orkla has an overview of all our approximately 25 000 suppliers in our spend management system. We also engage with our suppliers through sending out sustainability questions in connection with RFPs as well as including this topic in supplier meetings. One topic of conversation in those meetings could be compliance with policies such as the Orkla Supplier Code of Conduct as well as certification progress. Example of supplier engagement: Sedex and SMETA 4-pillar audits are used on higher risk direct suppliers. Additionally we have carried out an assessment of our palm oil supply chain where our suppliers received more detailed feedback and directions. Orkla primarily purchase RSPO certified palm oil and have reached 98% certification 2022. Through paying a higher price for certified material we contribute to better agricultural practices.

% of suppliers engaged by procurement spend covered by engagement

95

Explain the impact of your engagement on the selected action

Our engagement impacts in the following way:

Supply chain mapping: By sending out questionnaires to our suppliers we are able to follow-up on both social and environmental indicators. We are also showing our suppliers that these sustainability areas including forest-related dimensions are important to us as a customer. This helps drive the development within this area. Furthermore we are able to detect challenging areas and support with those. Audits are used in a similar way but gives us more detail and the security of a third-party certification. We have audited 64 of our suppliers during 2022.

Financial and commercial incentives: Orkla primarily purchase RSPO certified palm oil and have reached 98% certification 2022. Through paying a higher price for certified material we contribute to better agricultural practices and to the ending of deforestation and conversion of other ecosystems.

Is this engagement helping your suppliers engage with their suppliers on the selected action?

Yes

Does this engagement contribute to achieving a reported target?

Yes, please specify target ID(s) (Target 1, 9 and 11.)

Forest risk commodity

Cattle products

Are you working with direct suppliers?

Yes, working with direct suppliers

Action(s) on forests-related issues driven by engagement

Ending deforestation and/or conversion of other ecosystems

Type of engagement

Supply chain mapping
Capacity building
Financial and commercial incentives

Details of engagement

Supplier questionnaires on environmental and social indicators
Supplier audits
Financial incentives for certified products

Description of engagement

These activities are valid for 2022.

Engagement strategy to end deforestation and/or conversion of other ecosystems: Orkla has an overview of all our approximately 25 000 suppliers in our spend management system. We also engage with our suppliers through sending out sustainability questions in connection with RFPs as well as including this topic in supplier meetings. One topic of conversation in those meetings could be compliance with policies such as the Orkla Supplier Code of Conduct as well as verification progress. Example of supplier engagement: Sedex and SMETA 4-pillar audits are used on higher risk direct suppliers. Additionally we have sent out more detailed product category requirements to our cattle product suppliers.

% of suppliers engaged by procurement spend covered by engagement

95

Explain the impact of your engagement on the selected action

Our engagement impacts in the following way:

Supply chain mapping: By sending out questionnaires to our suppliers we are able to follow-up on both social and environmental indicators. We are also showing our suppliers that these sustainability areas including forest-related dimensions are important to us as a customer. This helps drive the development within this area. Furthermore we are able to detect challenging areas and support with those. Audits are used in a similar way but gives us more detail and the security of a third-party certification. We have audited 64 of our suppliers during 2022.

Capacity building: Through carefully detailed requirements on both a general level and a more animal specific level we guide our suppliers towards the target of ending deforestation. We build capacity through documents, networks, meetings and third-party certifications.

Financial and commercial incentives: Orkla has started buying certified feed soy. Through paying a higher price for certified material we contribute to better agricultural practices and to the ending of deforestation and conversion of other ecosystems.

Is this engagement helping your suppliers engage with their suppliers on the selected action?

Yes

Does this engagement contribute to achieving a reported target?

Yes, please specify target ID(s) (Target 4 and 13.)

Forest risk commodity

Soy

Are you working with direct suppliers?

Yes, working with direct suppliers

Action(s) on forests-related issues driven by engagement

Ending deforestation and/or conversion of other ecosystems

Type of engagement

Supply chain mapping
Financial and commercial incentives

Details of engagement

Supplier questionnaires on environmental and social indicators
Supplier audits
Financial incentives for certified products

Description of engagement

These activities are valid for 2022.

Engagement strategy: Orkla has an overview of all our approximately 25 000 suppliers in our spend management system. We also send out sustainability questions in connection with RFPs.

Example of supplier engagement: Sedex and SMETA 4-pillar audits are used on higher risk direct suppliers. Additionally we have sent out more detailed questionnaires to our soy suppliers to understand more about the sourcing regions. Orkla partly purchase certified soy and have reached 64% certification 2022. Through paying a higher price for certified material we contribute to better agricultural practices.

% of suppliers engaged by procurement spend covered by engagement

95

Explain the impact of your engagement on the selected action

Our engagement impacts in the following way:

Supply chain mapping: By sending out questionnaires to our suppliers we are able to follow-up on both social and environmental indicators. We are also showing our suppliers that these sustainability areas including forest-related dimensions are important to us as a customer. This helps drive the development within this area.

Furthermore we are able to detect challenging areas and support with those. Audits are used in a similar way but gives us more detail and the security of a third-party certification. We have audited 64 of our suppliers during 2022.

Financial and commercial incentives: Orkla work to increase the purchase of certified soy and have reached 64% certification 2022. Through paying a higher price for certified material we contribute to better agricultural practices and to the ending of deforestation and conversion of other ecosystems.

Is this engagement helping your suppliers engage with their suppliers on the selected action?

Yes

Does this engagement contribute to achieving a reported target?

Yes, please specify target ID(s) (Target 2, 8 and 10.)

F6.9

(F6.9) Indicate if you are working beyond your first-tier supplier(s) to drive action on forests-related issues, and if so, provide details of the engagement.

Forest risk commodity

Timber products

Are you working beyond first tier?

Yes, working beyond first tier

Action(s) on forest-related issues driven by engagement

Ending deforestation and/or conversion of other ecosystems

Type of engagement

Capacity building
Innovation and collaboration

Details of engagement

Participating in workshops
Investing in pilot projects

Description of engagement

During 2022, 100% of our timber products came from non forest risk countries. A challenge that Orkla companies encounter when they develop recyclable packaging is that local waste systems and recycling technologies are often not advanced enough to actually recycle the packaging waste.

Example of an ongoing indirect supplier engagement: Our main strategy is to engage in transnational efforts to encourage the development of better recycling systems through joint projects and dialogue with government authorities. As part of this we are investing in pilot projects to improve the recyclability of our products. During 2022 we have been part of several pilot projects targeting increased recyclability and focusing on our indirect suppliers.

Explain the impact of your engagement on the selected action

Our engagement impacts in the following way:

Capacity building: We invest in projects together with our suppliers and partners further down in the supply chain to build capacity and knowledge about future packaging solutions.

Innovation and collaboration: During 2022 we engaged with local extended producer responsibility (EPR) systems to discuss our criteria for prioritisation of packaging

materials. We have also had an active dialogue with waste management systems to understand future developments and impacts on our portfolio. This has led to a better understanding of the handling, sorting, and recycling of our products.

Does this engagement contribute to achieving a reported target?

Yes, please specify target ID(s) (Target 3, 7 and 12.)

Forest risk commodity

Palm oil

Are you working beyond first tier?

Yes, working beyond first tier

Action(s) on forest-related issues driven by engagement

Ending deforestation and/or conversion of other ecosystems

Type of engagement

Supply chain mapping

Capacity building

Details of engagement

Supplier audits

Offering on-site training and technical assistance

Disseminating technical materials

Description of engagement

Our strategy and engagement approach for indirect supplier engagement is to actively engage in RSPO and with our suppliers to reach beyond tier one. Example of ongoing indirect supplier engagement: Through RSPO we provide on-site training and assistance. The goal of RSPO is to secure measurable impacts by ensuring that smallholders are able to achieve a sustainable livelihood through their inclusion in sustainable palm oil supply chain. They have three main objectives:

1. Smallholder livelihoods are improved through capacity building efforts, organization, and tools that increase their yields, support adoption of better management practices.
2. The number of smallholders included in the RSPO system is increased through a simplification of the RSPO certification approach and pro-active engagements with pilots such as jurisdictional approaches
3. The business case is made for smallholder inclusion in the RSPO system through increased support, including market linkages as well as financial and non-financial incentives.

Explain the impact of your engagement on the selected action

Our engagement impacts in the following way:

Supply chain mapping: During an RSPO audit prior to certification, auditors analyze operational policies and processes to establish compliance with the stated RSPO principles and criteria.

Capacity building: Smallholder livelihoods are improved through capacity building efforts, organization, and tools that increase their yields, support adoption of better management practices.

Does this engagement contribute to achieving a reported target?

Yes, please specify target ID(s) (Target 1, 9 and 11.)

Forest risk commodity

Cattle products

Are you working beyond first tier?

Yes, working beyond first tier

Action(s) on forest-related issues driven by engagement

Ending deforestation and/or conversion of other ecosystems

Type of engagement

Supply chain mapping

Capacity building

Innovation and collaboration

Details of engagement

Supplier questionnaires on environmental and social indicators

On-site meetings with indirect suppliers

Supplier audits

Participating in workshops

Collaborate with suppliers on innovations to reduce forest-related impacts in products and services

Description of engagement

During 2022, 100% of our cattle products came from non forest risk countries.

Example of ongoing indirect supplier engagement: Our main strategy to interact with our indirect suppliers are to engage with our suppliers to understand the compliance of our animal welfare policy further down in the supply chain. We do this partially through supplier questionnaires but also through on-site meetings with indirect suppliers.

Explain the impact of your engagement on the selected action

Our engagement impacts in the following way:

Supply chain mapping: By mapping our supply chain we gather essential knowledge about policy compliance and progress in our supply chain.

Capacity building: We build capacity together with our indirect suppliers and partners further down in the supply chain to accelerate and scale more sustainable solutions.

Innovation and collaboration: We work together with our suppliers to reduce forest-related impact further down in the supply chain.

Does this engagement contribute to achieving a reported target?

Yes, please specify target ID(s) (Target 4 and 13.)

Forest risk commodity

Soy

Are you working beyond first tier?

Yes, working beyond first tier

Action(s) on forest-related issues driven by engagement

Ending deforestation and/or conversion of other ecosystems

Type of engagement

Supply chain mapping
Capacity building

Details of engagement

Supplier questionnaires on environmental and social indicators
Supplier audits
Offering on-site training and technical assistance

Description of engagement

Orkla is actively engaged with different certifications and with our suppliers to reach beyond tier one.

Example of ongoing indirect supplier engagement: Our main strategy is to engage with our indirect suppliers through third-party certifications where we support with on-site training. We also engage with our suppliers through questionnaires to achieve better supply chain and origin data.

Explain the impact of your engagement on the selected action

Our engagement impacts in the following way:

Supply chain mapping: By mapping our supply chain we gather essential knowledge about policy compliance and certification progress in our supply chain.

Capacity building: We build capacity together with our indirect suppliers and partners further down in the supply chain to accelerate and scale more sustainable solutions.

Does this engagement contribute to achieving a reported target?

Yes, please specify target ID(s) (Target 2, 8 and 10.)

F6.10

(F6.10) Do you engage in landscape (including jurisdictional) approaches to progress shared sustainable land use goals?

	Do you engage in landscape/jurisdictional approaches?	Primary reason for not engaging in landscape and/or jurisdictional approaches	Explain why your organization does not engage in landscape/jurisdictional approaches, and describe plans to engage in the future
Row 1	No, we do not engage in landscape/jurisdictional approaches, but we plan to in the next two years	Lack of internal resources	We have identified this as an important area but has so far not been able to launch own projects here. The landscape approach is however deemed as very important.

F6.11

(F6.11) Do you participate in any other external activities and/or initiatives to promote the implementation of your forests-related policies and commitments?

Forest risk commodity

Palm oil

Do you participate in activities/initiatives?

Yes

Activities

Involved in multi-partnership or stakeholder initiatives

Country/Area

Other, please specify (Global)

Subnational area

Not applicable

Initiatives

UN Global Compact
Global Reporting Initiative (GRI) Community Member
Roundtable on Sustainable Palm Oil (RSPO)
European Palm Oil Alliance (EPOA)
Other, please specify (Action for Sustainable Derivatives (ASD))

Please explain

Orkla is engaged in following initiatives: UN Global Compact, Roundtable on Sustainable Palm Oil (RSPO), AIM Progress and ETI Norway. Orkla supports the certification organisation Roundtable of Sustainable Palm Oil (RSPO) and the important work that it does. The Orkla Group became a RSPO member in 2015, and is increasing our share of certified raw materials. Orkla has been a signatory to the UN Global Compact since 2005, and actively supports the initiative's Ten Principles for human and labour rights, the environment and anticorruption. Palm oil is an important raw material, also for companies that manufacture cleaning and personal hygiene products. . In 2020, Orkla Home & Personal Care joined the Action for Sustainable Derivatives (ASD), an industry initiative targeting suppliers and manufacturers that use derivatives, not pure oil. ASD's goal is to be able to trace raw materials all the way back to plantations. Every year, ASD identifies environment-related and/or social challenges and helps to bring about improvements locally. ASD has established the Collective Action Fund, through which members can provide financial support for projects that contribute directly to improvements in the risk-exposed areas of the palm oil industry.

Forest risk commodity

Timber products

Do you participate in activities/initiatives?

Yes

Activities

Involved in multi-partnership or stakeholder initiatives

Country/Area

Other, please specify (Global)

Subnational area

Not applicable

Initiatives

UN Global Compact
Global Reporting Initiative (GRI) Community Member
Forest Stewardship Council (FSC)

Please explain

Orkla is supporting FSC through purchase of certified packaging materials - in 2022 around 90% of the paperbased packaging we purchased was FSC-certified. In the past three years, Orkla has significantly upgraded its competence on design for recycling and development of sustainable packaging solutions. The companies are involved in a variety of development projects in cooperation with suppliers, external centres of expertise and other players in the value chain. Orkla's targets for recycling and use of recycled and renewable materials are difficult to attain, but the Group is making progress in this area. A challenge that Orkla companies encounter when they develop recyclable packaging is that local waste systems and recycling technologies are often not advanced enough to actually recycle the packaging waste. Orkla is engaged in transnational efforts to encourage the development of better recycling systems through joint projects and dialogue with government authorities. For 2022 the share of recyclable packaging was 96% and the share of packaging containing recycled materials was 55%. Orkla companies strive to find creative solutions for reducing the amount of material in packaging. This promotes more efficient use of resources and optimizes transport, since it results in lower weight or smaller sizes.

Forest risk commodity

Soy

Do you participate in activities/initiatives?

Yes

Activities

Involved in multi-partnership or stakeholder initiatives

Country/Area

Other, please specify (Global)

Subnational area

Not applicable

Initiatives

UN Global Compact
Global Reporting Initiative (GRI) Community Member
Roundtable on Sustainable Soy (RTRS)
Sustainable Agricultural Initiative (SAI)

Please explain

Orkla contributes to the development of sustainable production of soy through purchase of soy certified with ProTerra, RTRS or similar. We are also members of UN Global Compact and SAI Platform. The companies work purposefully to ensure that all soya is certified, and in 2022 64 per cent of soya was certified.

Forest risk commodity

Cattle products

Do you participate in activities/initiatives?

Yes

Activities

Involved in multi-partnership or stakeholder initiatives

Country/Area

Other, please specify (Global)

Subnational area

Not applicable

Initiatives

UN Global Compact
Global Reporting Initiative (GRI) Community Member
Sustainable Agriculture Initiative (SAI)

Please explain

Orkla has been a signatory to the UN Global Compact since 2005, and actively supports the initiative's Ten Principles for human and labour rights, the environment and anticorruption. Orkla has been a member of SAI Platform since 2018 and participates in several of their working groups. This enables us to collaborate with other companies and to drive positive change at a greater scale. We have also decided that certifications we use should be on minimum FSA Silver level, the benchmarking process is ongoing.

F6.12**(F6.12) Is your organization supporting or implementing project(s) focused on ecosystem restoration and long-term protection?**

No, but we plan to implement a project(s) within the next two years

F7. Verification

F7.1

(F7.1) Do you verify any forests information reported in your CDP disclosure?

No, but we are actively considering verifying in the next two years

F8. Barriers and challenges

F8.1

(F8.1) Describe the key barriers or challenges to eliminating deforestation and/or conversion of other natural ecosystems from your direct operations or from other parts of your value chain.

Forest risk commodity

Timber products

Coverage

Supply chain

Primary barrier/challenge type

Other, please specify (During 2022, 100% of our timber products were sourced from non forest risk countries.)

Comment

Forest risk commodity

Palm oil

Coverage

Supply chain

Primary barrier/challenge type

Value chain complexity

Comment

Forest risk commodity

Cattle products

Coverage

Supply chain

Primary barrier/challenge type

Other, please specify (During 2022, 100% of our cattle products were sourced from non forest risk countries.)

Comment

Forest risk commodity

Soy

Coverage

Supply chain

Primary barrier/challenge type

Value chain complexity

Comment

F8.2

(F8.2) Describe the main measures that would improve your organization's ability to manage its exposure to deforestation and/or conversion of other natural ecosystems.

Forest risk commodity

Timber products

Coverage

Supply chain

Main measure

Other, please specify (During 2022, 100% of our timber products were sourced from non forest risk countries.)

Comment

Forest risk commodity

Palm oil

Coverage

Supply chain

Main measure

Development of certification and sustainability standards across entire landscapes/jurisdictions

Comment

Forest risk commodity

Cattle products

Coverage

Supply chain

Main measure

Other, please specify (During 2022, 100% of our cattle products were sourced from non forest risk countries.)

Comment

Forest risk commodity

Soy

Coverage

Supply chain

Main measure

Greater transparency

Comment

F17 Signoff

F-FI

(F-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

F17.1

(F17.1) Provide the following information for the person that has signed off (approved) your CDP forests response.

	Job Title	Corresponding job category
Row 1	CEO & President	Chief Executive Officer (CEO)

SF. Supply chain module

SF0.1

(SF0.1) What is your organization's annual revenue for the reporting period?

	Annual revenue
Row 1	55400000000

SF1.1

(SF1.1) In F6.3 you were asked "Have you adopted any third-party certification scheme(s) for your disclosed commodity(ies)? Indicate the volume and percentage of your certified production and/or consumption". Can you also indicate, for each of your disclosed commodity(ies), the percentage of certified volume sold to each requesting CDP supply chain member?

Yes

SF1.1a

(SF1.1a) For each of your requesting CDP supply chain members, indicate the percentage of certified volume sold per disclosed commodity(ies).

Requesting member

McDonald's Corporation

Forest risk commodity

Soy

Form of commodity

Soy derivatives

Third-party certification scheme

Other, please specify (FSA Silver)

Total volume of commodity sold to member

316

Metric

Metric tons

What % of the volume reported in column 5 is certified?

100%

Comment

Included in the total volume are vegan products, produces by the factory Eslov in Sweden and sold to McDonald's in Sweden, Norway, Finland and Croatia.

SF2.1

(SF2.1) Please propose any mutually beneficial forests-related projects you could collaborate on with specific CDP supply chain members.

SF2.2

(SF2.2) Have requests or initiatives by CDP supply chain members prompted your organization to take organizational-level action to reduce or remove deforestation/forest degradation from your operations or your supply chain?

No

SF3.1

(SF3.1) For your disclosed commodity(ies), do you estimate the GHG emission reductions and/or removals from land use and land use change that have occurred in your direct operations and/or supply chain?

Timber products

Estimate GHG emissions and removals from land use and land use change

No

Please explain

Palm oil

Estimate GHG emissions and removals from land use and land use change

No

Please explain

Cattle products

Estimate GHG emissions and removals from land use and land use change

No

Please explain

Soy

Estimate GHG emissions and removals from land use and land use change

No

Please explain

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms