

Orkla Snacks

Sustainability Policy



Orkla Snacks Sustainability Policy

1. SUSTAINABILITY THAT MATTERS

In Orkla Snacks, we take our corporate responsibility seriously. As a leading confectionery and snacks company in the Nordic and Baltic region, we acknowledge how our actions can have impacts on people, the environment and society. We aspire to make a difference in areas where it matters, focusing on safety and wellbeing for own employees, sustainable sourcing of raw materials, recyclability of packaging and on reducing the climate impact from our operations.

Orkla Snacks is committed to responsible business conduct in line with legal requirements and recognised international frameworks.¹ By systematically managing sustainability impacts, risks and opportunities (IROs), we strive to make sustainability an integrated part of operations and business decisions. Orkla Snacks has a board-approved sustainability strategy which outlines the focus areas for our sustainability work.

1.1. About the policy

The purpose of Orkla Snacks Sustainability Policy is to describe our sustainability ambitions and key principles for managing environmental, social and governance (ESG) topics and communicate these to our employees, business partners and other relevant stakeholders.

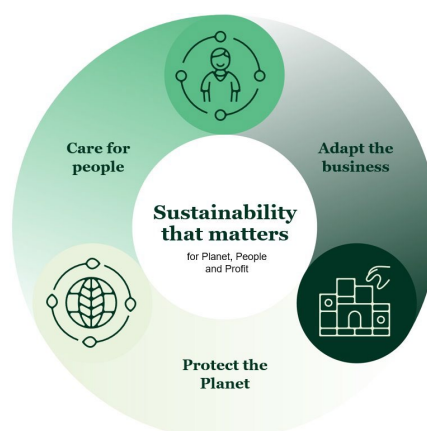
The policy is structured around the three pillars defined in Orkla Snacks' sustainability strategy: Protect the Planet, Care for People and Adapt the Business, focusing on topics defined as strategic. Topics which we see as foundational for responsible business conduct are also mentioned to provide a good overview. The policy reflects important principles of Orkla's Sustainability Policy and Orkla's Code of Conduct, [Orkla policies - Orkla.com](#).

The policy is reviewed annually to capture changes in legal requirements and stakeholder expectations and approved by the Board of Directors (BoD) upon material changes in the policy. The CEO of Orkla Snacks is responsible for the operationalisation, monitoring, and enforcement of the policy.

Orkla Snacks Sustainability Policy applies to all organisational units within Orkla Snacks. If any business unit or organisational site within Orkla Snacks is associated with serious and/or systematic violations of the Policy, laws, regulations or international norms for ethical behaviour, Orkla Snacks will take action to mitigate adverse impacts.

Any observed or suspected breaches of the Orkla Snacks Sustainability Policy should be reported at the lowest possible level in the organisation, as illustrated by the reporting ladder described in Orkla Snacks Whistleblowing Policy, or via Orkla Snacks' central whistleblowing channel ([Contact & Media - Orkla Snacks](#)).

Sustainability at Orkla Snacks



¹ The Orkla Snacks Sustainability Policy is based on the following frameworks: The UN Global Compact Ten Principles and the UN Guiding Principles for Business and Human Rights, The OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, the EU Corporate Sustainability Reporting Directive 2022/2464 and The Norwegian Transparency Act.

1.2 ESG Governance

Orkla Snacks is committed to good corporate governance. We want to build capabilities and have robust procedures for ESG governance and management of environmental, social and governance impacts, risks and opportunities. We will work purposefully to implement the ambitions, commitments and principles outlined in Orkla Snacks Sustainability Policy and sustainability strategy, with due consideration of resources and capabilities and with clearly assigned roles and responsibilities.

1.2.1 Board and Management responsibilities

The BoD of Orkla Snacks approves Orkla Snacks Sustainability Policy, as well as Orkla Snacks' double materiality assessment, sustainability targets and annual reporting.

The CEO of Orkla Snacks is responsible for overseeing the governance of ESG topics, management of sustainability-related impacts, risks and opportunities, target setting, reporting on progress towards targets and for including ESG-related performance in executive remuneration schemes. These responsibilities are carried out by assigning responsibilities to the members of Orkla Snacks' management team and through business reviews of Orkla Snacks' business units.

The Orkla Snacks Sustainability Board prepares material on important ESG matters for the management team and BoD. The Sustainability Board is led by the CEO and consists of relevant members of the management team.

1.2.2 Materiality assessment

Orkla Snacks prepares an assessment of environmental, social and governance-related impacts, risks and opportunities in line with established criteria for double materiality assessment. The assessment is updated every second year and used as input to Orkla Snacks' business strategy. We prepare time-bound targets for topics assessed as material and report progress towards the targets at least annually to the BoD.

1.2.3 Sustainability due diligence

Orkla Snacks seeks to work with due diligence to address material sustainability matters in relation to business activities, transactions, and relationships. We make annual assessments of potential adverse human rights and environmental impacts based on internationally recognised guidelines, covering relevant stakeholders. Orkla Snacks' targets and long-term plans for positive human rights and climate and nature impacts are reviewed annually and updated when necessary.

Orkla Snacks has management systems to ensure responsible business practices and regulatory compliance in line with recognised international standards. This includes systems for implementation of the Orkla Environment, Health and Safety Standard (OEHS), the Orkla Food Safety Standard (OFSS) and related procedures, as well as systems and procedures for managing people processes, supply chain risks and legal compliance issues.

Orkla Snacks' sustainability due diligence procedures include a systematic assessment of non-compliance with the Supplier Code of Conduct among tier-one suppliers. We also assess the risk of potential negative human rights impacts beyond tier-one suppliers, and, in particular, linked to the production of raw materials.

To ensure a good implementation of Orkla Snacks' ESG-related systems and procedures, we follow a precautionary approach, including awareness-building, training for managers and relevant groups of employees, and continuous improvement efforts.

1.2.4 Sustainability reporting

Orkla Snacks has established processes to report on progress in addressing material sustainability matters and we have robust internal procedures and systems for collecting, registering, reviewing, consolidating and reporting the sustainability data points. We seek to perform systematic risk assessment of, and implement relevant and adequate internal controls for, sustainability reporting, work systematically to ensure data quality, and keep records of reported data and information.

1.2.5 Stakeholder dialogue and complaints handling

Orkla Snacks aspires to have a constructive dialogue with internal and external stakeholders about potential impacts from products and business operations and to diligently consider the views of key stakeholders in developing our sustainability agenda, among others in the double materiality assessment and process of setting sustainability targets.

The main formal channels for dialogue between Orkla Snacks' management and employees include town hall meetings, the Orkla Snacks liaison committee (Kontaktutvalg), local collaboration committees and the process for performance review and development. All business units shall have a consumer service function which is easily accessible and responds to questions and complaints from consumers in the local language. We will also clearly

communicate on the Orkla Snacks website how external stakeholders may get in contact with us. This includes easy access to Orkla Snacks' central and local whistle blowing channels.

Orkla Snacks is committed to handling complaints in a good way. If Orkla Snacks causes, contributes to or is linked to actual or potential adverse human rights impacts for own workforce, workers in the value chain, people in affected communities, or for consumers and end-users, we will take adequate steps to remedy actual adverse impacts and cease, prevent or mitigate potential adverse impact. All complaints and requests for information shall be handled in line with legal requirements (eg., The Norwegian Transparency Act).

2. PROTECT THE PLANET

Orkla Snacks is committed to protecting the environment and will actively contribute to solving the global challenges linked to climate change, nature and ecosystems.

2.1. Climate change

Orkla Snacks strives to mitigate and adapt to climate change and to effectively manage climate-related impacts, risks and opportunities. We will prepare and implement a plan for reducing the emissions from our operations and activities and contribute to Orkla's ambition to reach net zero in 2045.

Orkla Snacks will carry out a climate-risk and -opportunity assessment on a regular basis and in the event of major/significant changes in business scope or operations. We strive for energy efficiency and for increasing the share of fossil-free and renewable energy in our operations, and we will encourage suppliers and business partners to do the same.

2.2. Resources and circular economy

Orkla Snacks will manage the material impacts, risks and opportunities related to resource use and circular economy in our operations and along the upstream and downstream value chain. We work purposefully to minimize waste and the use of packaging materials and strive to increase the circularity of resources. Orkla Snacks aims for all packaging to be recyclable and for reducing the use of virgin resources. We aim to prevent pollution from products and packaging by moving towards easy waste recycling and to guide consumers on how to sort packaging waste through informative labelling and other communication.

2.3. Biodiversity and ecosystems

Orkla Snacks aims for reducing pressure on nature, biodiversity and ecosystems, particularly in or near biodiversity-sensitive areas and linked to endangered species. We will prepare regular nature-risk assessments and work towards more sustainable value chains for cocoa and other raw materials with high risk of negative impact, through certification or other mitigating actions². Moreover, we will encourage suppliers to take appropriate steps to ensure that biodiversity is preserved throughout their operations and their entire supply chain.

Orkla Snacks will implement targets and an action plan to end deforestation linked to the company's activities, and we will contribute to preventing conversion of natural ecosystems in our value chain. We will strive to have traceability of our products, components and raw materials, including overview of material impacts on biodiversity and ecosystems along the value chains. Zero deforestation, agroforestry and responsible use of pesticides are important topics in our biodiversity engagement.

2.4. Preventing negative environmental impacts

Orkla Snacks will work in a systematic and risk-based way to prevent negative environmental impacts from our products and operations.

To prevent pollution of air, water and soil, we ensure strict control of emissions and use of hazardous substances in our operations and minimize the use of substances of concern. Orkla Snacks has implemented prevention and control measures to minimize risk of accidents, spills and emissions from our operations, in line with Orkla Snacks Environment, Health and Safety (EHS) Standard. As part of Orkla Snacks' responsible sourcing procedures, we seek to reduce the risk of pollution in our supply chain. We strive to avoid unwanted incidents and emergency situations and have implemented controls to limit the impact of such incidents on people and the environment.

Orkla Snacks strives for responsible use and sourcing of water. We will ensure that sufficient water treatment is in place in our own sites, with the aim of preventing and abating water pollution resulting from the company's business activities. Orkla Snacks works systematically to reduce water consumption from own operations and will engage with suppliers and other relevant partners to reduce water consumption in areas at water risk along the upstream value chain.

Detailed principles and requirements for environmental management in Orkla Snacks are outlined in Orkla's EHS Standard.

² Orkla Snacks is committed to buying cocoa certified by Rainforest Alliance

3. CARE FOR PEOPLE

Orkla Snacks is committed to caring for people who are connected to our business. We will manage material social impacts, risks and opportunities linked to our own workforce, workers in the value chain, affected communities and consumers and end-users with the aim of creating long-term positive impacts.

3.1 Ensure human rights, safety and local engagement

Orkla Snacks will respect human rights and decent working conditions for all³, abide by minimum social safeguards⁴ and strive to identify, prevent, and report on actual and potential adverse human rights impacts linked to own operations and value chain, in line with recognised principles for human rights due diligence.

We will respect and strive for safeguarding the right to freedom of expression, association, and organization, trade union rights, collective bargaining and privacy for our workforce. Moreover, we will ensure decent working conditions, reasonable and lawful working hours, fair compensation and adequate wages and strive for providing a good work-life balance and holidays and leaves which protect workers' rights, including the right to take family-related leave. We will engage with our workforce through regular manager and worker dialogue, formal channels for consultation and regular engagement surveys.

We will work purposefully to safeguard health, safety, and psychological well-being, and strive for zero harm to own workforce. Orkla Snacks has implemented a management system for occupational health and safety based on recognized standards, which includes workplace accident prevention and systematic efforts to promote good worker health.

Orkla Snacks' principles for being a responsible employer are described in more detail in Orkla Snacks People Policy and the associated operational HR policies.

Orkla Snacks will actively engage with suppliers and other business partners to ensure commitment to and compliance with Orkla Supplier Code of Conduct and Orkla Business Partner Code of Conduct. We will make sure that the rights of workers in the company's value chain are included in the scope of business partner selection process and business partner audits performed by Orkla Snacks.

As part of Orkla Snacks' human rights due diligence process, we will assess risks of adverse human rights impacts in the company's supply chain and seek to mitigate risks, focusing on preventing child labour, forced labour and other severe violations of human rights.

3.2 Collaborative and inclusive culture

We are committed to fostering a culture of diversity, equity, and inclusion (DE&I) where everyone feels respected, valued, and able to contribute. We embrace differences in background, experience, and perspective and expect all employees to treat others with dignity and respect. We will not tolerate harassment or discrimination based on ethnic origin, colour, sexual orientation, gender identity, disabilities, age, religion, political opinion, national extraction or cultural origin, religious beliefs, nor any other form of discrimination covered by EU regulation or national law.

Our approach follows the Orkla Snacks DE&I Policy, which outlines clear roles, expectations, and local implementation through the DE&I strategy and annual action plans. Leaders are responsible for building inclusive teams and addressing any behaviour that conflicts with our values.

We aim for our workforce to reflect the diversity of the societies in which we operate and believe that diverse and inclusive teams make better decisions and strengthen business performance.

³ Orkla Snacks defines human rights as the human rights enshrined in the Universal Declaration of Human Rights (1948), the two international covenants on civil and political rights (1966) and economic, social and cultural rights (1966) and the core conventions of the International Labour Organization (ILO).

⁴ Minimum social safeguards involve abiding by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. Further, we recognize the UN Convention on the Rights of the Child and the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and our responsibilities under these.

3.3 Local communities

Orkla Snacks will carefully manage the material impacts from our operations on communities affected by our business, as well as related risks and opportunities. We seek to create positive economic ripple effects in local communities through job creation, tax payments and local sourcing, and to make a positive impact by contributing to selected initiatives in local communities.

3.4 Responsible snacking

Orkla Snacks offers food products for snacking and indulgence, and our products are produced to provide the best quality and taste. We will work systematically to control and improve food safety and have quality systems to ensure that products produced and distributed by Orkla Snacks are safe and meet all legal requirements. We are committed to continuously improving the safety and quality culture within the organisation. We will ensure that the food safety and quality standard implemented by Orkla Snacks is aligned with Orkla's policy on Food Safety & Quality, the Orkla Food Safety Standard (OFSS) and with the Food Safety requirements within the Orkla Supplier Portal (OFSS for Suppliers) and take part in Orkla's required audit program.

At Orkla Snacks, we are conscious that our products are primarily about enjoyment and sharing good moments and that over-consumption over time may have a negative health impact. We continuously monitor our product portfolio and consider the nutritional quality of our products and possible adjustments. We provide consumers with relevant information to facilitate informed choices.

We will:

- Remain committed to improving the nutritional profile of products where appropriate without compromising on taste or enjoyment
- Provide clear product labelling
- Avoid launching products specifically targeted at children
- Continue to offer a variation in portion sizes as part of our overall approach to portfolio development

Orkla Snacks will strive for responsible marketing, consistent with applicable legislation, and see to that marketing which includes claims related to sustainability, health, quality, and similar themes are based on objective and verifiable facts. We aim to protect children and other vulnerable groups from marketing activities which may have unintended, negative impacts and will actively engage with peers to promote responsible marketing practices and support relevant international or national self-regulation initiatives.

4. ADAPT THE BUSINESS

Orkla Snacks' core business activities include development, production, marketing and sales of confectionery and snacks products and sourcing of food raw materials and other resources. We are working purposefully to build competency on ESG management across the organization and integrate important sustainability principles into our business processes.

4.1 Business conduct

We want to foster a culture based on our values. We are committed to doing business responsibly, using ethical and sound business practices and to complying with all applicable laws and regulations.

We will manage material impacts, risks and opportunities related to business conduct matters and ensure that functions at risk have appropriate awareness of and receive regular risk-based and targeted training on the material business conduct topics.

4.1.1 Code of Conduct

Orkla Snacks has adopted the Orkla Code of Conduct and implemented proper measures to ensure that all employees are made aware of and comply with the Code of Conduct. We will conduct targeted risk-based trainings of all employees annually and of new employees during the onboarding period.

4.1.2 Anti-corruption

Orkla Snacks seeks to prohibit bribery and corruption in every form and will make active efforts to ensure that bribery and corruption do not occur in the company's business activities. We will ensure that our anti-corruption programme is effective and aligned with the Orkla Anti-Corruption Programme.

4.1.3 Whistleblowing

Orkla Snacks encourages internal and external stakeholders to report breaches, or possible breaches, of the Orkla Snacks Code of Conduct. We will ensure that our whistleblowing policy and procedures are in line with Orkla's Whistleblowing Policy and manage whistleblowing cases in compliance with the policy and legal requirements.

Orkla Snacks' central and relevant local whistleblowing channels are available via Orkla Snacks' website ([Whistleblowing - Orkla Snacks.com](https://www.orkla.no/Whistleblowing)) and may be used by all stakeholders.

4.1.4 Trade sanctions

Orkla Snacks will comply with national and international trade restrictions and sanction regulations that are applicable in the countries in which the company operates, including sanctions or restrictions imposed by the UN, EU, UK, US, Norway or any other applicable authority or government.

We will ensure that adequate procedures are implemented to ensure compliance with relevant sanctions regulations, including the establishment of a process for sanction screening of their business partners.

4.1.5 Privacy

Orkla Snacks will respect the privacy of all individuals and process personal data honestly, ethically, and in compliance with applicable laws. We will be transparent about our data processing activities, provide relevant individuals with required information, and meet accountability requirements and document the company's compliance efforts. We will ensure that our privacy compliance program is appropriate and effective.

4.1.6 Competition law compliance

Orkla Snacks will compete fairly and always act in compliance with relevant competition law. We will ensure that our competition law compliance programme is effective. The programme shall include a competition law manual with a description of conduct that will or may infringe competition law, and a dawn raid process to be followed in the event of an (unexpected) inspection by national or international public authorities or governmental institutions.

4.1.7 Taxes

Orkla Snacks will act as a responsible taxpayer and foster constructive, professional and transparent relationships with the tax authorities. We will apply professional diligence and care in managing the company's tax affairs, aligned with Orkla Tax Strategy.

4.1.8 Political engagement and lobbying activities

Orkla Snacks will strive to build government and political relations based on fundamental principles of transparency, honesty, accessibility, consistency, and long-term commitment. The engagement with politicians and government officials, directly or through the industry organizations of which Orkla Snacks is a member, shall be linked to specific business-related issues or broader industry challenges.

We aspire to be transparent and trustworthy when engaging in public discourse and advocacy and refrain from seeking or accepting exemptions related to e.g. human rights, environment, health, safety, labour, taxation or financial incentives, which are not based on generally applicable principles agreed through a transparent process.

4.1.9 Supplier relationships

Orkla Snacks wants to be a responsible and fair business partner for suppliers and in procurement practices. We will strive to pay invoices in a timely manner and be diligent in setting payments terms when dealing with small and medium-sized enterprises.

In order to manage material sustainability matters related to the supply chain, Orkla Snacks has implemented the Orkla Supplier Code of Conduct and Orkla Business Partner Code of Conduct and actively engages with suppliers to ensure commitment to and compliance with these documents. We seek to ensure that Orkla Snacks' requirements linked to business conduct are included in our due diligence process, including in the scope of the supplier selection process and supplier audits performed by Orkla Snacks.

4.1.10 Animal welfare

Orkla Snacks strives to safeguard animal welfare in the value chain in dialogue with suppliers. When sourcing raw materials of animal origin, we include supplier requirements based on the five animal freedoms, aligned with the World Organisation for Animal Health (WOAH) Terrestrial Code, and tailored to the specific focus areas of relevant species.