

A strong start for Anora in sustainability: significant milestones achieved during 2021

On 1 September 2021, Altia and Arcus joined forces and became Anora – the leading wine and spirits brand house in the Nordics. For our newly formed company, sustainability is both a strategic priority and a key success factor. Our ambition is to become a sustainability leader on an international level, as well as deliver strong thought leadership throughout our industry. We will publish a new sustainability roadmap in 2022.

Anora's sustainability work undertaken throughout 2021 built upon the strong sustainability work of our predecessors, Altia and Arcus, and a number of significant milestones were achieved during the year. In 2021, we were awarded with a Gold Medal in the EcoVadis Corporate Social Responsibility rating with 71/100 points, which is higher than 97% of all the companies rated.

"2021 was a historic year for us with the start of Anora's journey as the leading wine and spirits brand house in the Nordics. During spring 2022, we will be forming a new sustainability strategy with ambitious goals to drive us even further towards our vision of becoming a global industry forerunner in sustainability," says **Pekka Tennilä**, CEO of Anora.

Anora's awarded sustainability work focuses on the following four themes:

- Striving for carbon neutral production
- Leading in climate-smart packaging
- Supporting a responsible drinking culture
- Promoting a safe and inclusive workplace

Anora reports its key sustainability advancements and figures of 2021 in its annual report published on 19 April 2022.

Striving for carbon neutral production – through regenerative farming and more

The reduction of CO2 emissions from primary production is one of Anora's ambitious climate goals. As a major barley buyer in Finland, we have been working together with the Baltic Sea Action Group (BSAG) and local farmers to promote regenerative farming practices, which aim to turn fields from emission sources to carbon sinks. In late 2021, Anora's Koskenkorva distillery produced its second batch of grain spirit made from regeneratively grown barley, which was used to make Koskenkorva Climate Action, the world's first vodka made from regeneratively grown barley.

Our Koskenkorva Distillery's bioenergy plant achieved a record-high self-sufficiency rate of 68.8% in 2021. The distillery's CO2 emissions have been reduced by 58% compared to the 2014 base year. In addition, the recycling and recovery rate at our Koskenkorva, Gjelleråsen, Rajamäki, Tabasalu and Cognac production plants was 99.5% at the end of the year.

Our modern production plant at Gjelleråsen in Norway, operates on the principles of gravity in liquid production handling, and energy sourcing at the facility is derived from 70% geothermal and 30% renewable GO (Guarantee of Origin) green electricity, making the facility a 100% renewable-energy-run plant in terms of its heating and cooling requirements for climate control. Overall, 89% of the plants entire operations runs on renewable energy.

Innovating to advance climate-smart packaging

Climate-smart packaging is another area where we have focused our sustainability efforts. During spring 2021, we launched a wine bottle made from 100% recycled PET plastic, or rPET. The bottles have a 90% lower CO2 footprint compared to glass. In addition, by the end of the year, over 30% of our packaging portfolio was PET packaging, which also has a significantly lower carbon footprint compared to glass.

At the Gjelleråsen plant, bottle capsules were changed to one plastic capsule type for all main bottle formats. This has brought increased efficiency in production, and as of November 2021, all the main bottles on the PET line were applicable for the Nordic deposit systems.

No- and low-alcoholic products support a more responsible drinking culture

In 2021, we launched several novelties in the growing no- and low-alcohol category, including O.P. Anderson Distillery's alcohol-free snaps and the alcohol-free version of the SAY vodka seltzer family, both of which were awarded in the Spirits Business' Low and No Masters competition. Thanks to the investment in new equipment for wine de-alcoholisation at our Rajamäki plant, we are now even better equipped to support the growth in no- and low-alcohol products.

Vingruppen i Norden, which is part of the Anora Group, launched the Vinfinity fund in 2021. Vinfinity is a sustainable action fund to support our wine partners and clients in creating a sustainable value chain for wine. The investments include projects for sustainable infrastructure and cultivation projects that contribute to a circular, resource-efficient and fossil-free value chain.

To ensure a safe and inclusive workplace, we aim for zero accidents at work

We continuously monitor and develop our ways of working and actively promote a safety culture at our plants. At the Gjelleråsen plant, no injuries were reported in 2021, and the Koskenkorva Distillery was granted The Year Award in Starch Europe's Safety Program.

Former Altia's lost time incidence frequency (LTIF) absence rate due to injuries in 2021 was 5. This significant decrease from our 2018 baseline of 15 reflects our continuous health and safety efforts.

"Overall, I am very proud of our sustainability achievements in 2021 and look forward to raising the bar even higher in 2022. With thanks to the ambitious sustainability work of our predecessors, Altia and Arcus, we have a strong foundation on which to build our future efforts," concludes Tennilä.

	2021	2020	2019
Use of grain (million kg)	208.5	214	211.5
Reduction in Koskenkorva CO2 emissions compared to 2014 base year	58 %	58 %	58 %
Waste recycling & reutilisation	99.5 %	99.5 %	99.5 %

rate			
Number of launches of low or non-alcoholic drinks	55	10	24
Number of accidents in relation to hours worked (LTIF)			Former Altia: 9 Former Arcus: 7.1

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Anora is a leading wine and spirits brand house in the Nordic region and aglobalindustry forerunner in sustainability. Our market-leading portfolio consists of our own iconic Nordic brands and a wide range of prominent international partner wines and spirits. We export to over 30 markets globally. Anora Group also includes Anora Industrial and logistics company Vectura. In 2021, Anora's pro forma net sales were EUR 665 million and the company employs about 1,100 professionals. Anora's shares are listed on Nasdaq Helsinki.