

A strong year for Anora in sustainability: significant actions undertaken during 2022

Anora's <u>Sustainability Report 2022</u> has been published. Anora continued taking important steps forward in all the key areas of sustainability throughout the year. The most significant achievement was the launch of a new company strategy and vision, with sustainability at their core.

Anora's vision is to be the leading Nordic wine and spirits group delivering growth through sustainability. To help achieve this goal, in November 2022, the company committed to a sustainability roadmap to 2030 entitled "Regenerate the Future", with new, ambitious targets.

"Sustainability is at the heart of our strategy and the base of our production set-up. Our ambition is that by 2030 Anora will set the industry standard for sustainability. The new roadmap builds on our previous work and the decade-long investments Anora has made in sustainability," says **Petra Gräsbeck**, Communications and Sustainability Director at Anora.

A new materiality analysis was conducted in the first half of 2022 as a base for the roadmap. The analysis revealed the most critical focus areas for the company's sustainability work. The most important topics where climate-related, and included greenhouse gas emissions reductions, climate-smart packaging and regenerative agriculture.

During 2022, Anora's sustainability work focused on the following three areas of the new sustainability roadmap:

- **Planet**: striving for carbon neutral operations; supporting regenerative farming; enhancing circular economy actions
- **People**: supporting and promoting a fair, safe, and inclusive work and value chain; further ensuring diversity, equity, and inclusion; enhancing a strong safety culture
- **Product**: supporting a modern, responsible drinking culture; further transitioning to climate-smart packaging; offering more no- and low-alcohol (NoLo) products

2022 sustainability actions: Planet

In 2022, Anora made an official commitment to set science-based targets through the Science Based Targets initiative (SBTi). Joining the SBTi will help Anora set the optimal ambition levels for emissions reduction targets across all scopes 1–3 and align the company with the Paris Agreement target of limiting global warming to 1.5°C.

In addition, Anora completed its first accounting of the emissions in its entire value chain, covering scopes 1, 2 and 3. With the analysis of scope 3 emissions, Anora has begun identifying how to operate more efficiently and cooperate with partners to find the ways to reduce both upstream and downstream emissions and reach the roadmap targets by 2030.

In 2022, Anora moved closer to its target of carbon neutral production, without compensations, by 2030 and at Koskenkorva Distillery already by 2026. The award-winning Koskenkorva Distillery operates entirely on the principles of the circular economy, utilising all side streams and combusting barley husks in its own biopower plant—helping the distillery to be almost 50% self-sufficient with steam production in 2022. The waste recycling and recovery rate of the distillery during the year was nothing less than 100%, an excellent example of circularity in practice. By the end of the year, emissions at the distillery had also

been reduced by half compared to the 2014 baseline.

Anora also increased its efforts to support and further develop regenerative farming to help reduce emissions generated in the farming of barley, the main raw material of all its grain-based products. These efforts have a significant impact, since Anora purchases over 200 million kilograms of barley every year. As part of this process, the company continued to work closely with the Baltic Sea Action Group (BSAG) in matters related to regenerative farming practices. In late 2022, Anora made agreements with farmers to supply it with approximately 2.5 million kilograms of regeneratively farmed barley in the autumn of 2023.

2022 sustainability actions: People

In 2022, Anora continued to promote fair, safe and inclusive work in its global value chain and its own operations, focusing on human rights as a specific subject. Throughout its own production, the company has been building a strong safety culture for many years and this will be further refined and strengthened on the road towards the company's 2030 target of zero accidents leading to absences from work.

In November, Anora joined the UN Global Compact (UNGC), the world's largest voluntary corporate sustainability initiative. Joining the UNGC will allow the company to further align its present and future strategies and operations with recognised universal principles on environment, labour and human rights actions, amongst others, and to further ramp up its sustainability work as laid out in the 2030 Sustainability Roadmap.

2022 sustainability actions: Product

In 2022, Anora strengthened its focus on promoting a modern, responsible drinking culture by investing EUR 5 million in ISH Spirits – a cutting-edge innovator of no-alcohol drinks. In June, Anora also acquired the leading Danish wine company Globus Wine, a company specialising in the climate-smart nearmarket filling of wine.

The new roadmap also highlights Anora's ambition to lead the shift from glass to more environmentally friendly packaging options. In 2022, 60% of its own product portfolio was already packed in climate-smart packaging with a 60–90% lower CO₂ footprint compared to glass. At the end of 2022, 87% of the company's PET portfolio was made of 25% rPET (post-consumer recycled PET) material.

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Anora is a leading wine and spirits brand house in the Nordic region and a global industry 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 2022, Anora's net sales were EUR 703 million and the company employs about 1,200 professionals. Anora's shares are listed on Nasdaq Helsinki.