

ANORA

Sustainability Report 2022



Introduction

Anora's vision is to be the leading Nordic wine and spirits group delivering growth through sustainability. To help us achieve this goal, in November 2022, we committed to a new and ambitious sustainability roadmap to 2030.

Sustainability is at the heart of our strategy and the base of our production set-up. Due to our recent merger, we needed a new sustainability roadmap to cover the entire company and the new areas of our operations. Our ambition is that by 2030 Anora will set the industry standard for sustainability.

To help us set ambitious targets in our roadmap, we listened carefully to our stakeholders. We also conducted desktop studies and benchmarking and considered forthcoming regulations and changes in our operational environment in different markets.

The key topics that our stakeholders believed we should focus on were strongly climate-related, such as emissions decrease targets including Scope 3. Our stakeholders also believed we need to enhance our socially and environmentally responsible value chain and focus on protecting biodiversity as part of our operations.

Anora's sustainability roadmap has three main focus areas – Planet, People and Product – and it has been designed to cover all aspects of sustainability while further developing our strengths, such as our effort on circular economy. The roadmap builds on our previous work and the decade-long investments Anora has made in sustainability.

We have, for example, reduced emissions at our award-winning, circular economy based Koskenkorva Distillery by half compared to our 2014 baseline, and our Gjelleråsen facility is 90% powered by geothermal and green energy.

Over 40 Anora employees from 10 internal operational sub-streams delivered their expert insights in the development of the roadmap and as a result, very detailed action plans were created, which our business units could rapidly implement.

As part of our ambitious roadmap, one of the most significant actions in 2022 was Anora's official commitment to set science-based targets. We also aim to be carbon-neutral, without compensations, throughout our operations by 2030 and at Koskenkorva Distillery already by 2026.

We will increase our effort to support regenerative farming to help reduce emissions generated in the farming of barley, the raw material of all our grain-based products. This has a significant impact, as we buy over 200 million kilos of barley annually.

We will continue to promote fair, safe and inclusive work in our global value chain and our own operations, as well as focus on human rights as a specific subject. Throughout our own production, we have been building a strong safety culture for many years and this will be refined and strengthened on the road towards 2030.

Our new roadmap also highlights our ambition to lead the shift to climate-smart packaging. Our target is that by

“ Our ambition is that by 2030 Anora will set the industry standard for sustainability.”

Petra Gräsbeck, Director, Communications and Sustainability



2030 all our packaging will be lightweight, 100% recyclable and made of materials from certified sources or from recycled origin.

During 2022, we continued our efforts to integrate sustainability data following the late-2021 merger. In July 2022, we acquired Globus Wine, a company with an advanced operational sustainability set-up with near-market filling and packaging, resulting in lower CO2 emissions in their logistics operations.

We continued taking important steps forward in all the key areas of sustainability throughout 2022. However, the most significant achievement – which I feel also reflects our management's commitment to sustainability the most – was the launch of a new company strategy and vision with sustainability at their very core.

Welcome to our 2022 Sustainability Report.

Materiality & SDGs

Materiality analysis

A new materiality analysis was conducted in the first half of 2022 as a base to Anora’s 2030 Sustainability Roadmap, published in November 2022.

As part of the materiality analysis, we conducted 20 indepth interviews with our external stakeholders, with a focus on our customers and the financial community, as well as an open survey with over 200 answers from employees and external stakeholders including authorities, banks, analysts, investors, consumers, customer companies, industry associations, media, NGOs, owners, political decision-makers and suppliers.

The analysis revealed that Planet-related topics (highlighted in green in the infographic), are still seen as the most critical focus areas for our sustainability work. According to our stakeholders, the most important topics include greenhouse gas (GHG) emissions reduction, climate-smart packaging, water use, regenerative agriculture and biodiversity.

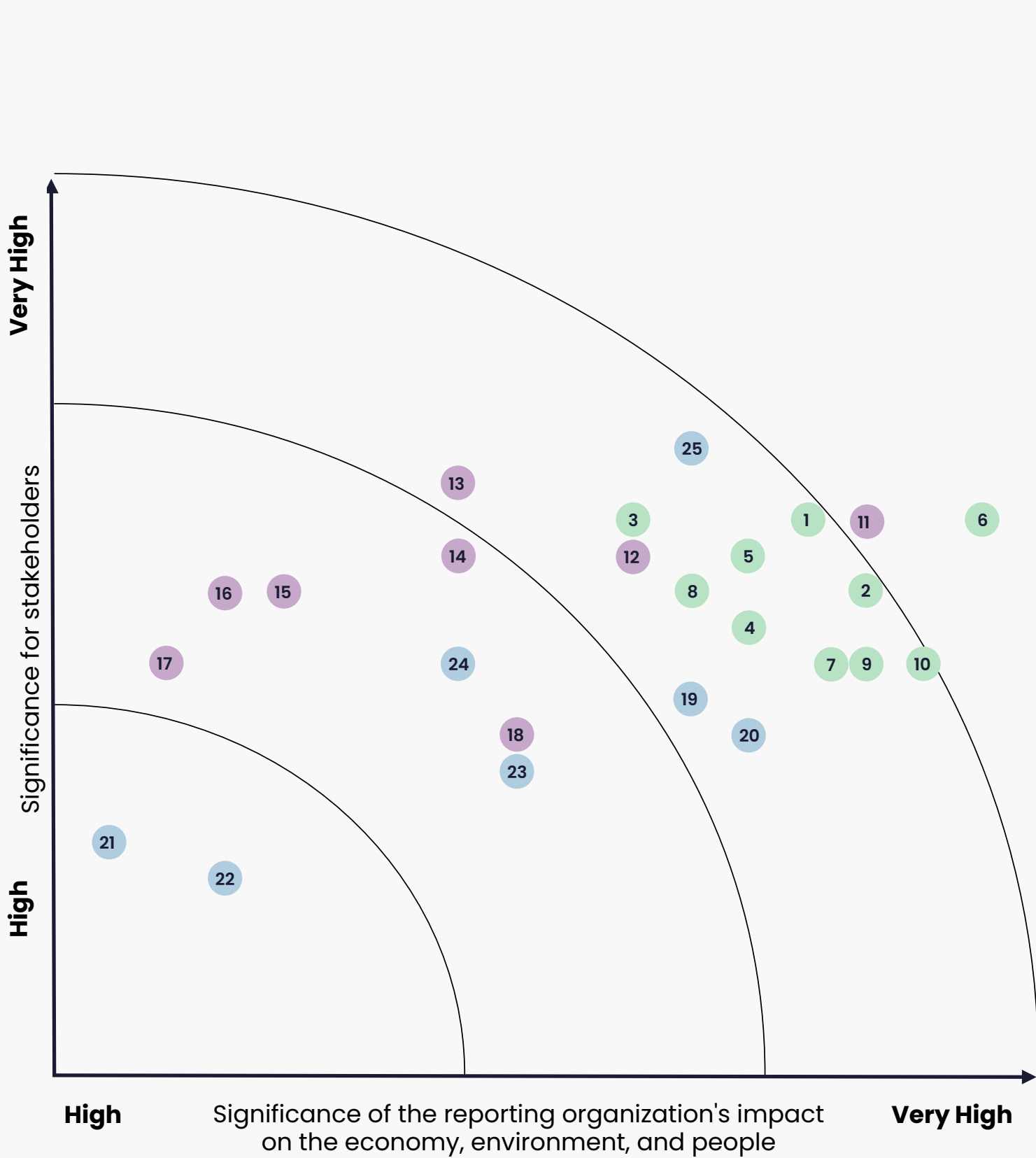
The most strongly highlighted element expressed by our stakeholders was the need to enhance our environmentally (Planet) and socially (People, highlighted in purple) responsible sourcing.

In our Product section (highlighted in yellow), high product quality and food safety were also noted as priority areas.

The material elements are similar to those in previous materiality analyses (conducted in 2015 and 2018). In the new analysis, emphasis on climate-related topics was even stronger and biodiversity appeared as a new area. Quality has always been an important topic in Anora’s materiality analyses.

Based on the materiality analysis, Anora is viewed as having a strong and proactive approach to sustainability, as well as the ability to act as a Nordic frontrunner of the industry in thought leadership and sustainability themes.

Materiality Matrix



Planet

- 1. GHG emission reduction in own production
- 2. GHG emission reduction in supply chains
- 3. Waste reduction
- 4. New circular production models
- 5. Climate smart packaging
- 6. Environmentally responsible sourcing
- 7. Products' water footprint
- 8. Environmentally-sound wastewater handling
- 9. Regenerative agriculture
- 10. Biodiversity conservation

People

- 11. Socially responsible sourcing
- 12. Transparency and responsibility in supply chains
- 13. Safe workplace
- 14. Inclusivity, diversity and equality
- 15. Employee development
- 16. Leadership and people management development
- 17. Responsible drinking culture promotion
- 18. Consumer education on sustainable and healthy choices

Product

- 19. Environmental product certificates
- 20. Ethical product certificates
- 21. Healthy ingredients
- 22. No- and low-alcoholic products
- 23. Organic products
- 24. Responsible marketing
- 25. High product quality and food safety

Sustainable development goals

In addition to conducting a materiality analysis in 2022, we divided the matrix into material topics to show how they strongly link to and align with the United Nations Sustainable Development Goals (UN SDGs). The SDGs were chosen based on the SDG selection of former Altia and Arcus, from which we chose the most relevant ones.

Linking Anora’s material topics to chosen UN Sustainable Development Goals



- Material topics
- 14. Inclusivity diversity, equality
 - 17. Responsible drinking culture promotion
 - 18. Consumer education on responsible and sustainable choices
 - 21. Healthy ingredients
 - 22. No- and low-alcoholic products
 - 24. Responsible marketing
 - 25. High product quality and food safety

SDG 3; ‘Good health and well-being’. This significant material topic links to our work around promoting a responsible drinking culture, including responsible marketing, increasing non and low-alcoholic (NoLo) products that support the responsible drinking trend and sober curiosity movement, as well as mitigating the adverse effects that our products have. In addition, high product quality and food safety are also viewed as important topics.



- Material topics
- 7. Product’s water footprint
 - 8. Environmentally sound wastewater handling
- SDG 6:** ‘Clean water and sanitation’. Our production plants operate in areas that do not suffer from water scarcity. However, we are a significant importer of wine and some of the wine cultivation countries suffer of water scarcity, so this is an important material topic for us. We are safeguarding a significant groundwater area in Finland, Rajamäki with groundwater springs we use in our products. We are also working to reduce our own water consumption by implementing advanced wastewater management processes.



- Material topics
- 3. Waste reduction
 - 5. Climate-smart packaging
 - 11. Socially responsible sourcing
 - 12. Transparency and responsibility in supply chains
 - 13. Safe workplace
 - 15. Employee development
 - 16. Leadership and people management
 - 20. Ethical product certificates
 - 23. Organic products
- SDG 12;** ‘Responsible consumption and production’. Our focus area here relates to our climate-smart packaging, our circular economy-based production, particularly at our Koskenkorva Distillery, as well as all the certificates for our products, including Fair Trade and Fair for Life.



- Material topics
- 1. GHG emissions from own production
 - 2. GHG emissions in supply chains
 - 4. New circular production models
 - 6. Environmentally responsible sourcing
 - 19. Environmental product certificates
- SDG 13;** ‘Climate action’. Our focus here is on our emissions reduction efforts in our own production at our Koskenkorva Distillery, as well as in our value chain, and the fact that we have committed to set science-based targets, and to publish our first targets in 2023.



- Material topics
- 9. Regenerative agriculture
 - 10. Biodiversity conservation
- SDG 15;** ‘Life on land’. Our material topics related to this SDG are particularly focused on our actions to enhance regenerative farming and biodiversity conservation.

Sustainability roadmap



Sustainability governance

Anora's Board of Directors oversees the appropriate governance of sustainability and ESG (Environmental, Social and Governance) criteria within the Anora Group, as well as sustainability management and ESG-related risks. The Board's responsibility is to approve Anora's sustainability strategy as well as significant sustainability investments.

Anora's Audit Committee regularly discusses sustainability and climate-related matters, for example, as well as climate-related risks and opportunities as part of Anora's TCFD (Task Force on Climate-Related Financial Disclosures) report.

The Audit Committee also assists the Board in overseeing the appropriate governance of sustainability and ESG criteria within Anora, as well as sustainability management and ESG-related risks.

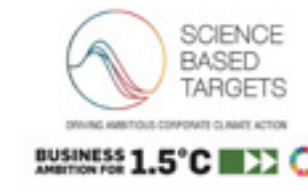
Anora's Executive Management Team (EMT) is responsible for the implementation and monitoring of the 2030 Sustainability Roadmap. In terms of Anora-wide decision-making forums in place, the Business Area Leadership Teams are responsible for implementing roadmap targets, as well as taking responsibility for investment planning and cascading the roadmap to Anora's operational plans.

Anora's Sustainability Director has the responsibility to provide an overview of the roadmap's implementation, and leads, reports and communicates on ESG topics.

Sustainability work is coordinated in Sustainability Working Group, consisting of the leaders of 10 business specific sub-streams of the Roadmap.

“ Business area leadership teams are responsible for implementing roadmap targets and bringing the roadmap to operational plans.”





Commitments supporting our sustainability

Amongst a number of smaller updates and revisions to existing processes in 2022, two significant highlights in our sustainability commitments occurred during the year. In November 2022, we joined the UN Global Compact (UNGC), the world's largest voluntary corporate sustainability initiative. Joining the UNGC will allow us to further align our present and future strategies and operations with recognised universal principles on environment, labour and human rights actions, amongst others, and to further ramp up our sustainability work as laid out in our 2030 Sustainability Roadmap.

The second notable highlight was our commitment to join the SBTi (Science Based Targets initiative). The SBTi is a globally recognised organisation that encourages businesses to transition towards a zero-carbon economy by defining and promoting best practice in science-based target setting. Joining the SBTi will help us set the optimal ambition levels for emissions reduction targets across all

scopes. We will publish our first future-leaning science-based targets in 2023.

Anora is a member of amfori BSCI and has adopted the amfori BSCI Code of Conduct throughout its operations. Amfori is an initiative aiming to improve working conditions in the supply chain.

In addition, Anora continues to work with the Baltic Sea Action Group (BSAG) in matters related to regenerative farming practices. Our Swedish operations are also Fairtrade and Fair for Life certified, and our Rajamäki premises has organic certifications in place.

Stakeholder engagement

Anora's stakeholders include investors, owners, analysts, Finnish barley farmers, customers, suppliers, partners, private investors and authorities. As part of our materiality assessment in spring 2022, we conducted detailed interviews and open surveys across the entire range of our external stakeholders. Anora was seen as a major player with the potential to act as a forerunner in sustainability in the industry and create a positive impact. Stakeholder expectations were related to GHG emissions reductions throughout the supply chain, "walking the sustainability talk", communicating about achievements and being transparent about actions not yet achieved.

We organised our first Capital Markets Day on 29 November 2022. Investors, analysts, banks and media outlets participated in the physical event, held at our production plant in Gjelleråsen, Norway. The event was also streamed publicly and almost 300 stakeholders followed the live event online.

We were also in detailed discussion with the farmer community throughout the year. As part of this close collaboration, we organised a training event on regenerative farming at Seinäjoki, Finland, with fruitful discussion with local farmers and concrete actions achieved that helped push our regenerative farming agenda forwards. This event was organised in collaboration with ProAgria and the Baltic Sea Action Group.

In 2022, we participated in a number of industry workgroups with the Nordic alcohol monopolies, and we remain in close discussion regarding sustainability topics with the Nordic monopolies' sustainability teams.

We aim to serve the national and international media outlets in a quick, open and transparent way. Anora is mostly followed by the Finnish media, Norwegian financial media and the trade media in Denmark, as well as by the international drinks industry trade media. We aim to provide information through press releases, briefings and interview opportunities.

We aim to serve all our stakeholders' need for information through social media, with LinkedIn is our main channel. On LinkedIn, we give regular and varied information on company topics, such as sustainability; values, company culture and career opportunities; responsible drinking culture; and financial information. We also provide briefings in the form of videos, for example on financial publications.

With other authorities we are in close discussion in all our markets regarding, for example, product or alcohol marketing regulations.

Furthermore, we participate in industry collaborations and discussions through the Swedish industry association SVL (The Spirit and Wine Suppliers Association), VBF (The Association of Norwegian Wine and Spirits Suppliers), ETL (The Finnish Food and Drink Industries' Federation) and SAJK (The Association of Finnish Alcoholic Beverage Suppliers).

ESG ratings & rankings

Anora participated in five ESG rankings in 2022: EcoVadis, S&P Global, Sustainalytics, CDP Supply Chain and MSCI.

Anora was awarded the Gold Medal in EcoVadis' Corporate Social Responsibility Rating in October 2022 with a score of 68/100 points, putting Anora in the top 5% of companies assessed. Anora received the Gold Medal also in the 2020 and 2021 assessments.

The EcoVadis report highlighted Anora's advanced management system on environmental issues as a strength, and we received the highest points in our assessment in environmental topics, 80/100. In terms of areas of improvement, EcoVadis' report noted the need for more formalised and further developed policies in sustainable procurement, data on third party risks and compliance, as well as more clarity on the implementation of coverage of sustainability measures and actions across Anora.

The S&P Global Corporate Sustainability Assessment (CSA) ranking for 2022 was published in 17 February 2023. Anora scored 39 points reflecting an improvement of 10 points compared to our previous year score 29. The average score in our peer group (consisting of 95 beverage companies) was 28 points and Anora performed in the Top Quartile in the beverages industry (percentile 76).

Our Sustainalytics rating was 30.2, a score that put us in the high-risk grouping. Our target is to be in the low-risk (<20) category. Our Sustainalytics ESG-ranking is also going to be utilised in our new Performance Share Plan (PSP) 2023- 2025. Click the link to read more

Anora's firm target is to raise its ESG rankings in the future.



Anora's value chain

Supply chain



Wine
We import wines from our partners and for Anora's own label, sourcing from all wine regions, styles and price segments, from large international wine companies to smaller family-owned producers.

Wine sourced from over 35 countries



Barley
Finnish barley is one of our key raw materials used in grain sprits, technical ethanol, barley starch and feed components. Promoting regenerative barley farming is one of our sustainability priorities.

Over 200 million kg of Finnish barley consumed yearly



Dry goods
We source materials e.g., for our glass, plastic and Bag-In-Box packaging solutions, as well as ingredients, such as spices, for our beverages.

By 2030, 100% of our packages are made from certified or recycled materials

Anora's own operations

Segments - Wine, Spirits and Anora Industrial



Consumer research, innovation, product development

We continuously develop our current offering and new innovations with a focus on customer-centricity, occasions, and sustainability. We also innovate new circular applications for our industrial side-streams.

More than 100 novelties launched yearly



Distilling, maturation and blending

We have unique distillation and maturation capabilities for different spirits categories in Finland, Sweden, and Norway. Our distillery in Koskenkorva, Finland, is a prime example of state-of-the-art quality, sustainability, and innovation.

Distillation production of over 30 million litres

Carbon neutral Koskenkorva Distillery by 2026

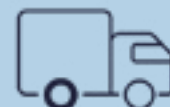


Bottling and packaging

Through our world class bottling plants for spirits and wines we offer competitive services to our customers. We are the leader in climate-smart packaging in the Nordics.

Over 130 million litres bottled in 2022

Up to 72% product emissions reductions through near-market filling



Logistics and warehousing

We offer efficient logistics and warehousing services to our customers through our main logistics centres in Finland, Sweden and Norway. We carry out over 20% of all the deliveries to the Nordic monopolies.

Over 175 million litres transported in 2022

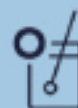


Customers

We sell and market our products responsibly to our customers through the alcohol monopolies, in the grocery trade, hospitality industry, travel retail and by exporting to over 30 countries. Our industrial products, technical ethanol and starch, are sold to various industries - from the pharmaceutical and healthcare to the chemical and techno-chemical industries.

Biggest producer of wine and spirits in the Nordic region

Market leader in geothermal heating fluids.



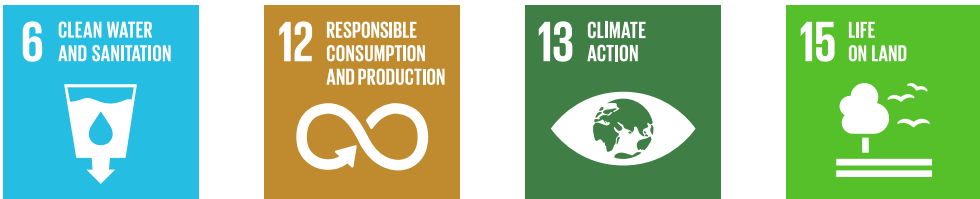
Consumers

Our award-winning and sustainable brands cater to the Nordic consumer preferences. We support a modern lifestyle choice through our no- and low-alcohol (NoLo) products and the promotion of a responsible drinking culture.

Over 7 million annual visits in Anora's digital platforms folk o folk and Viinimaa.

26 launches in the NoLo product category in 2022

Planet

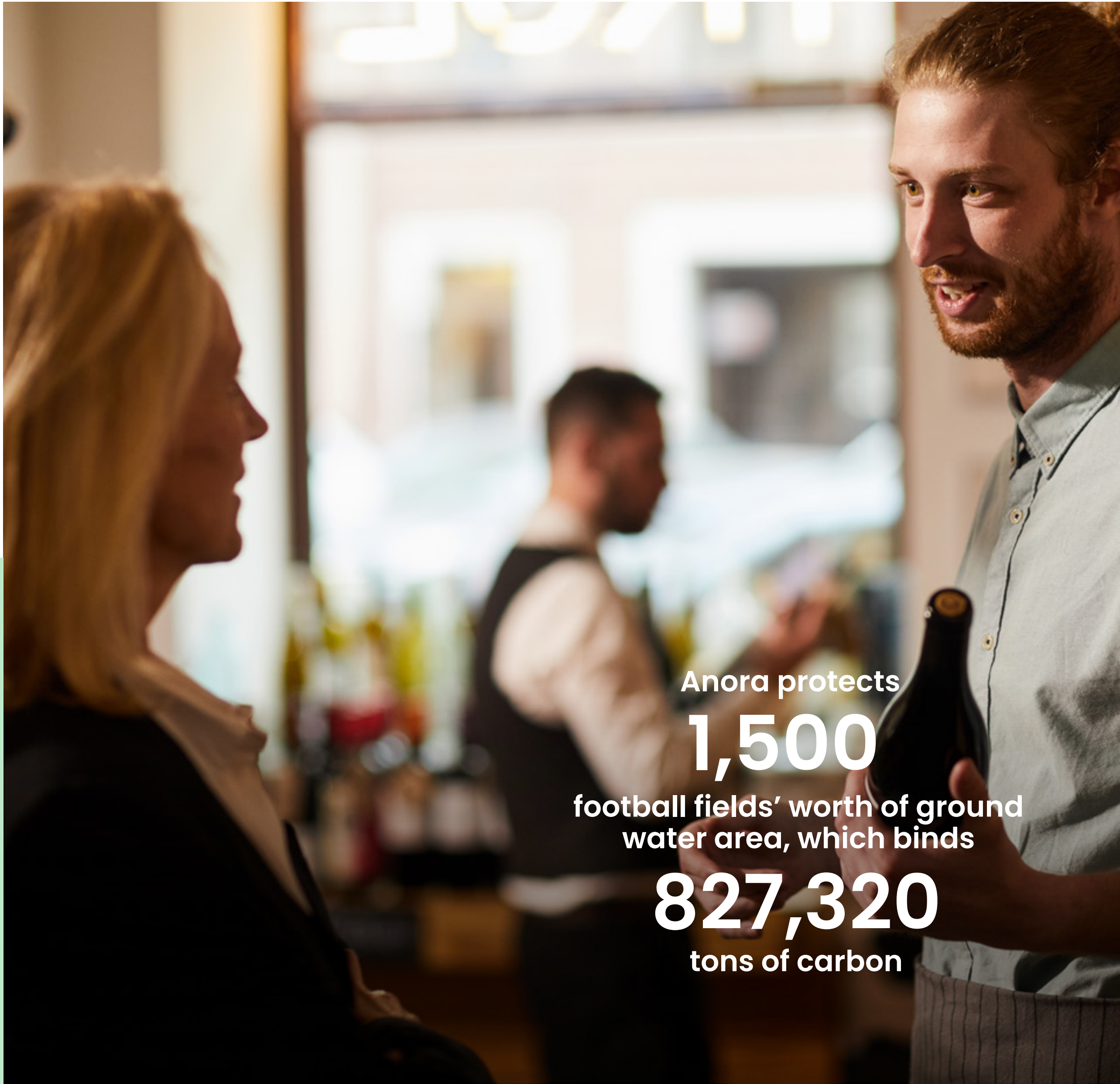


Our 2030 Sustainability Roadmap is called “Regenerate the Future” and it is divided into three themes, one of which is “Planet”. This refers to focus areas covering climate-related topics, including regenerative farming, reducing our CO₂ emissions, promoting circularity and protecting biodiversity. Our three primary long-term Planet targets:

- We will enhance circular economy by reducing wastewater by 20%, increasing the recycling rate of waste to 90% and reducing landfill waste to zero by 2030.
- We will achieve carbon-neutral operations at our Koskenkorva Distillery during 2026 and throughout all our own operations by 2030 – without carbon compensations.
- We will support regenerative farming and increase the share of regeneratively cultivated barley in the raw material of our own grain spirit-based products to 30% by 2030.

In addition, we are committed to set science-based targets. Our goal is to achieve an approximate 38% reduction in total (Scope 1, 2, 3) emissions by 2030 and to be net-zero by 2050. As part of our new roadmap, we have also aligned our operations with five specific UN Sustainable Development Goals (SDGs) more clearly. In our Planet topics, we have aligned more closely to SDG 6; Clean water and sanitation, SGG 12; Responsible consumption and production, SDG13; Climate action, and SDG 15; Life on land.

Please see [page 3](#) for more information on our SDGs in the section Materiality



Anora protects
1,500
football fields’ worth of ground
water area, which binds
827,320
tons of carbon

Environmental impacts and how Anora manages them

Overview of 2022

Highlights of the year 2022 with a Planet focus included publishing the comprehensive 2030 Sustainability Roadmap, which lays a strong foundation for our actions moving forward. As part of the roadmap, a significant highlight was the decision to continue investing in regenerative farming in terms of education and raw material sourcing. In 2022, we also committed to setting science-based targets by joining the SBTi (Science Based Targets initiative) and this will help us to set emissions reduction targets for Scopes 1–3 that are in line with the Paris Agreement target of limiting global warming to 1.5°C.

In late 2022, Anora acquired the leading Danish wine company, Globus Wine. Globus Wine is specialised in near-market filling where wine is transported in bulk from the country of origin and packed near the end consumption. This leads to a considerable saving in the product's CO₂ footprint due to more efficient transport.

Three topics in particular were front and centre in our Planet actions in 2022. Firstly, our energy savings and CO₂ emission reduction actions were seen as a critical part of our operations. The second area was related to circular economy and recycling actions implemented throughout our plants.

The third topic was related to water and actions limiting wastewater throughout our operations.

The year, from the Planet perspective, was also challenging due to a number of other headwinds, some of them external to Anora, but still impacting the business. Amidst rising inflation globally, and the ongoing disruption due to the pandemic, a further challenge was due to Russia's war in Ukraine, which strongly impacted logistics and supply chain procurement and the increasing scarcity of certain raw materials, as well as increasing energy costs. Other challenges were internal, and included issues related to the technical implementation of the heat pump system at the Koskenkorva Distillery, for example.

One specific challenge during 2022 was related to the reduced barley harvest during 2021. Due to the consequent high price of barley and its lower availability, we ran the Koskenkorva Distillery with a slightly lower capacity than during a normal year. This led to a notable 10% increase in our emissions at the distillery, as we did not have as much renewable material to burn in our biopower plant, which uses the residue husks of the barley and oat from the feed mill.



Our award-winning Koskenkorva Distillery is based entirely on the circular economy, utilising all side streams and combusting barley husks in our own biopower plant – helping us to be almost 50% self-sufficient with steam production.



The waste recycling and recovery rate of the distillery in 2022 was nothing less than

100%

which is an excellent example of circularity in practice. We want to share best-practices and support the shift to circular economy by collaborating with industry partners at the Koskenkorva Distillery area.

Emissions

The Anora Group completed an accounting of the emissions in its entire value chain – scopes 1, 2 and 3 – for the first time in 2022.

The analysis revealed that the majority of emissions come from the value chain (Scope 3) and around 7% comes from Anora's own operations (Scope 1 and 2). Out of all the emissions in Anora's value chain, the largest sources are purchased goods and services: barley, wines, and packaging. See more on our calculation on page [15](#).

With our analysis of Scope 3 emissions, we have started the work on identifying how to operate better and cooperate with our partners on both upstream and downstream emissions to find the ways to reduce the emissions and reach our roadmap targets by 2030. To achieve these ambitious targets, we are looking into setting a 38% emissions reduction target in total (Scope 1, 2, 3) emissions by 2030 and to being net-zero by 2050 as part of our 2022 commitment to join the SBTi. We are aiming to have our emissions reductions targets officially approved by the SBTi during 2023.

Our aim is to be the industry leader in sustainability.

As part of this mission, we have invested in our key sustainability platform – our award-winning Koskenkorva Distillery – for over a decade. Our distillery is a frontrunner in the circular economy, utilising all side streams and with a recycling and recovery rate of 100%.

Decarbonising our operations at Koskenkorva Distillery is one of our main priorities on the road to carbon neutrality, as it accounted for over 85% of the emissions from our own operations (Scope 1 and 2) in 2022. Shifting to renewable energy is an opportunity for us and in late 2022, Anora and Fortum signed a wind power supply agreement regarding the Kalax wind farm in Närpiö. The deal will allow up to half of

“Replacing Koskenkorva Distillery’s fossil fuel-fired steam boiler with a fossil-emissions-free biomass-boiler takes us one step closer to reaching zero emissions in our own operations.”

the electricity used by Anora at the Koskenkorva Distillery to be replaced by local wind power.

In 2022, we recorded a 10% higher CO₂ emissions level at Koskenkorva compared to 2021. This was due to the historically hard year for grain availability in Europe and Finland which reduced our energy self-sufficiency at the plant. Our fossil CO₂ emissions from steam production rose from around 19,000 tons in 2021 to 21,000 tons in 2022, as reduced self-sufficiency increased the need to use fossil fuels to power the distillery.

While 2023 has the potential to cause further headwinds in this respect, the Koskenkorva Distillery is aiming to reduce steam production emissions by implementing new technologies for recycling the steam and process heat at its operations in the next few years. By replacing the distillery's remaining fossil fuel-fired steam boiler with a state-of-the-art fossil-emissions-free biomass-boiler, we will be one step closer to reaching zero emissions in our own operations at the distillery by 2026.

In addition, in 2022, we took further steps to reduce our CO₂ emissions with the implementation of a new process water heat pump at the Koskenkorva Distillery. The new system was tested during the second half of the year; however, the final commissioning and commercial use was postponed to 2023. Once operational, the target of the heat pump is to reduce 10% of the primary steam production required at the distillery and to reduce the amount of fuel consumption in the future.

During the year, the Koskenkorva Distillery entered into an important collaboration with A-Rehu, a non-Anora livestock and poultry feed plant operating within the Koskenkorva plant area. A-Rehu made a major investment decision on building a new feed dryer, which will reduce the steam production by 20% in the total plant area.

This investment decision is important for Koskenkorva's

emissions reduction targets, as the feed dryer will create a secondary steam channel, which Anora can then use in the distilling process. The new feed dryer is planned to be fully operational in 2024.

Gjelleråsen, our modern production plant in Norway, operates on the principles of gravity in liquid production handling. 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. Overall, around 90% of the plants entire operations runs on renewable energy, while 10% is derived from LPG (liquefied petroleum gas). As part of the process to achieve further emissions savings, during 2022 a detailed analysis was conducted on how to make Gjelleråsen 100% fossil free. This analysis was expanded to all Anora's plants during 2022. One area where concrete actions can be achieved is in the planned elimination of all LPG into more renewable sources including biogas, biodiesel or green electricity.

During 2022, we executed smaller, but still important energy saving projects in many of our plants, such as continuing the replacement of traditional lightbulbs with significantly more energy efficient LED lights throughout our Koskenkorva, Rajamäki and Brunna plant operations. In addition, Anora's subsidiary Vingruppen i Norden's office derived 100% of its energy consumption from renewable sources in 2022.

In 2022, the total fossil emissions from Anora's own operations (scope 1 and 2) increased by 5.5% compared to 2021 fossil emissions. This was mainly due to the reduced self-sufficiency rate at Koskenkorva described earlier. The total energy consumption in our operations amounted to 175 GWh. The energy consumption in our plants decreased but the total reported amount increased due to addition of Globus Wine and extending the scope of reporting, e.g.,

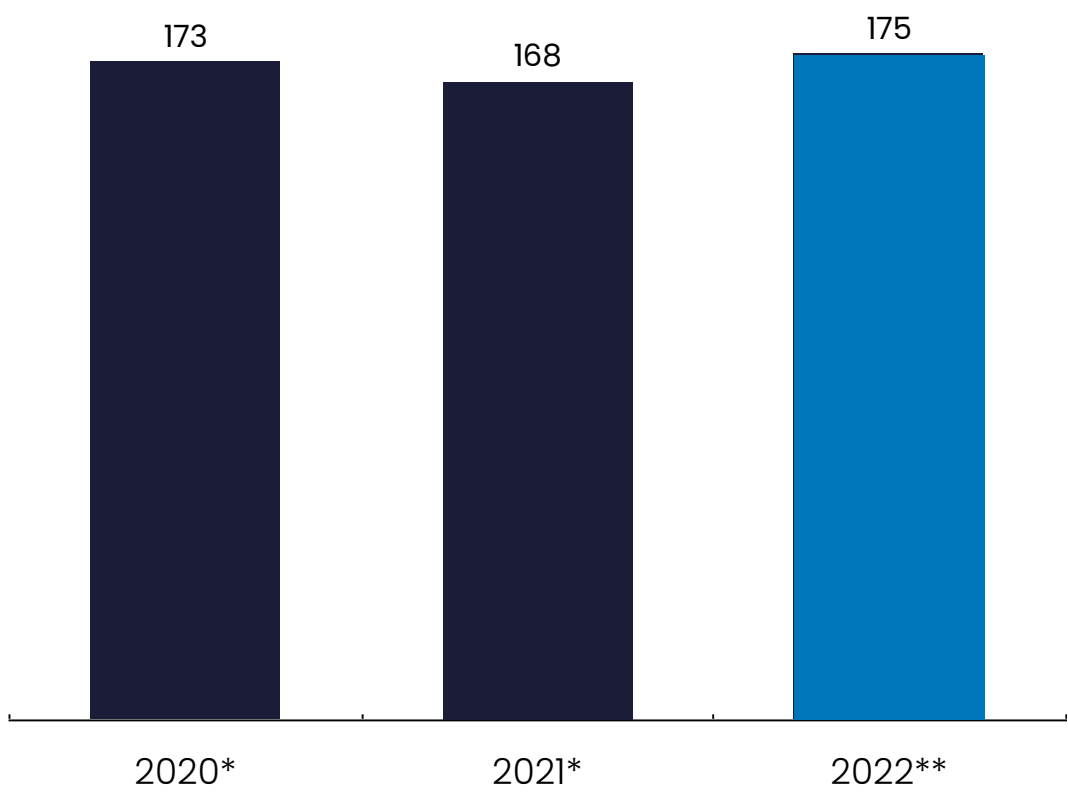
adding the energy from fuels used in company owned cars and trucks. Out of Anora’s total energy consumption, 42.9% comes from renewable sources.

As a one part of our work in 2022 regarding Scope 3, efforts were made to streamline our purchasing and utilise one post-merger model for the whole company. Following the implementation of the unified purchasing model, Scope 3 inbound and outbound logistics emissions related to the purchasing of goods from our supplier’s side can then be analysed from a transportation perspective, and significant Scope 3 emissions savings will be created on the road to 2030.

In order to reduce our Scope 3 emissions deriving from wine farming and to meet the Nordic monopolies’ increasing demands on sustainability, we aim to collaborate closely with partners that focus on sustainability and that are working towards receiving sustainability certifications. By selecting environmentally and sustainably validated wine we also support the sustainability targets of the Nordic alcohol monopolies. For example, around 63% of Swedish monopoly tenders asked for environmentally and sustainably sourced wine in 2022.

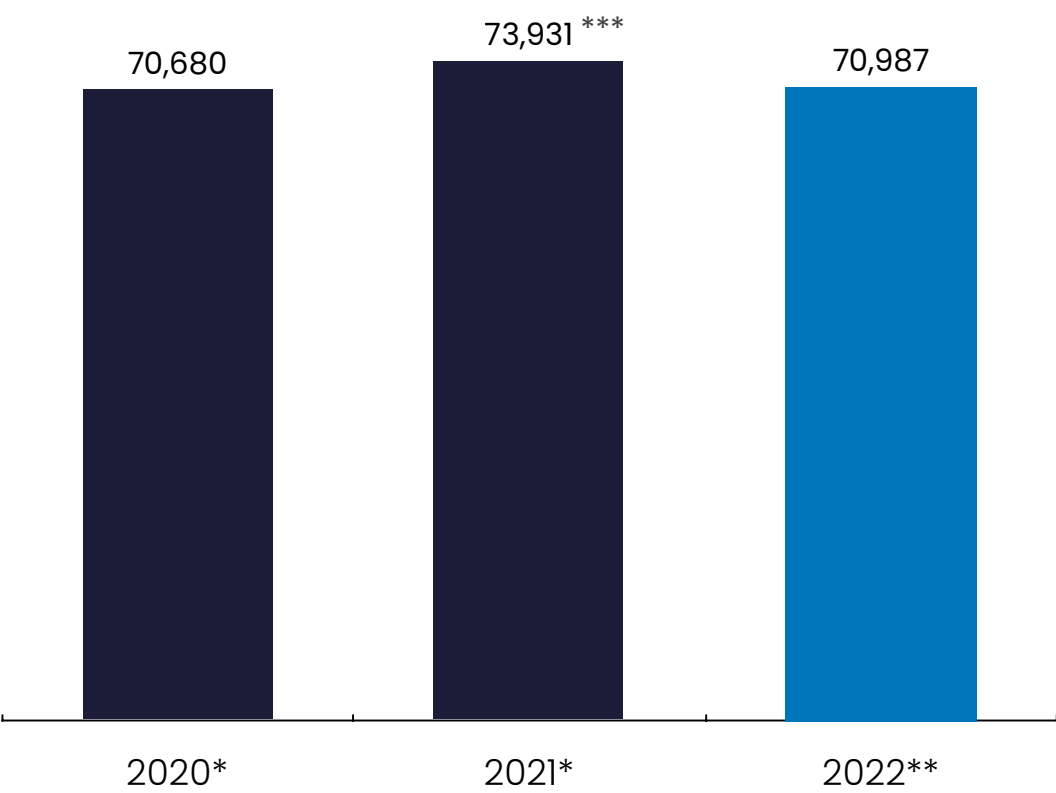
In 2022, Vingruppen i Norden initiated a project and sent SAQs (self-assessment questionnaires) about environmental, and climate impact and management to its wine partners. In addition, an action plan to discuss the impact and corrective actions at producer meetings and site visits was initiated. Wine suppliers with a sustainable approach and with specific targets to reduce their footprint have an advantage in the supplier selection process.

Total energy consumption
(Scope 1 and 2) GWh



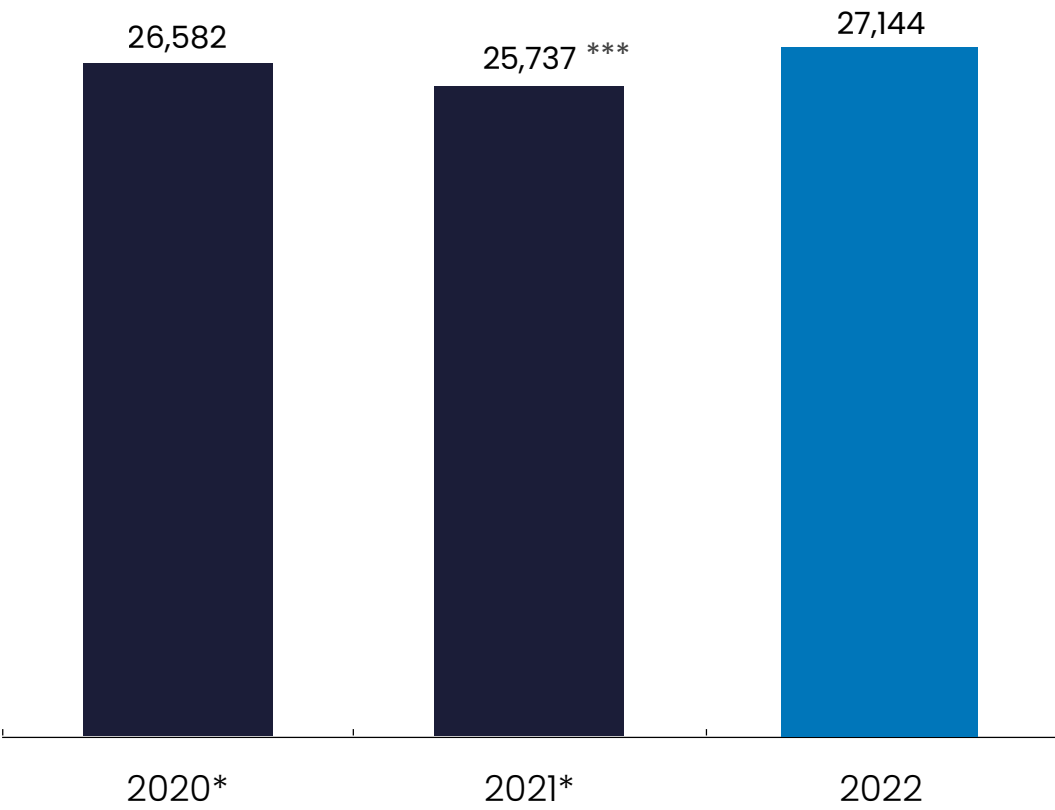
* Ex-Altia and ex-Arcus figures from 2021 and 2020 have been consolidated.
Ex-Arcus: Offices and production included. For ex-Arcus offices approximate figures based on 2020 figures.
** Anora total includes Globus Wine whole year data and Anora company vehicles’ fuels that have not been included in 2020 and 2021 numbers.

Total carbon dioxide emissions
(Scope 1 and 2) t CO₂ equiv. emissions



* Ex-Altia and ex-Arcus figures from 2021 and 2020 have been consolidated.
Ex-Arcus: Including the CO₂ in the grid mix in 2020 and 2021.
** Anora total 2022 includes Globus Wine whole year data and Anora company vehicles’ fuels that have not been included in 2020 and 2021 numbers. Emissions calculated with market-based approach.
*** Figure for 2021 has been amended from 2021 report through more detailed calculation.

Total carbon dioxide emissions,
(Scope 1 and 2, fossil) t CO₂ equiv. emissions



* Ex-Altia and ex-Arcus figures from 2021 and 2020 have been consolidated.
** Anora total includes Globus Wine whole year data and Anora company vehicles’ fuels that have not been included in 2020 and 2021 numbers. Emissions calculated with market-based approach.
*** Figure has been amended from 2021 report through more detailed calculation.

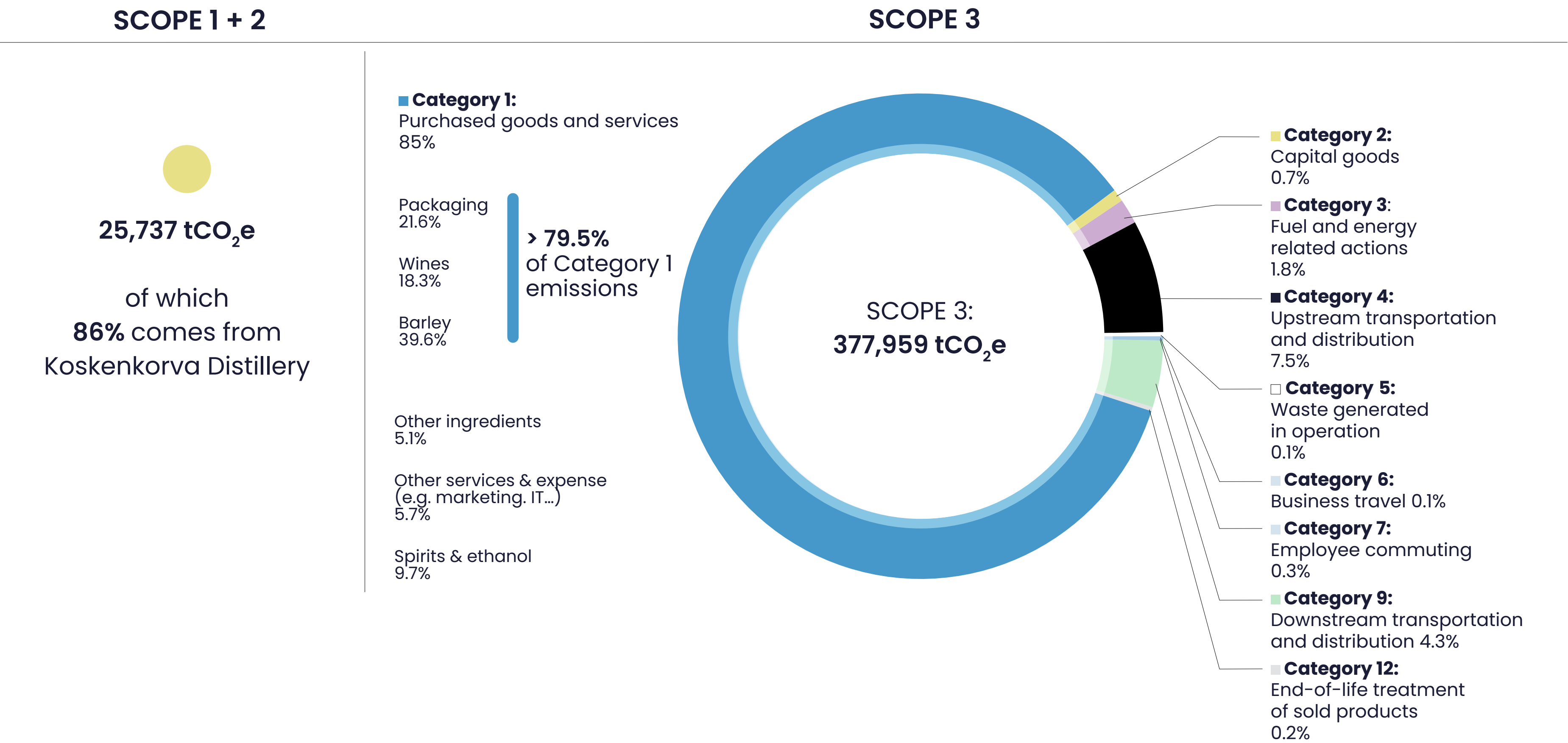
During spring 2022, Anora counted for the first time the company’s whole emissions in Scopes 1–3 in 2021. This extensive work was made to assess, where we need to concentrate our emission reduction actions first, and also to act as a base to commit in setting science-based targets. We reviewed also Scopes 1–2 and recalculated them with a more extensive criteria than previously, which resulted to a slightly higher figures than our calculation methods have previously shown. Globus Wine was acquired after the Anora-wide Scope 1-3 calculation was completed, and thus their emissions will need to be included in the calculations accordingly.

Only 7% of our emissions derives from Scopes 1–2. In Scopes 1-2, almost 90% derives from our Koskenkorva Distillery. Even if we have decreased emissions already by half compared to 2014, distilling is energy intensive. That’s why we have in our roadmap build an action plan to push our fossil emission down to zero at Koskenkorva Distillery during year 2026 and at all production by 2030.

Most of our impact comes though from our value chain and there specifically in purchased goods and services, most emitting areas being barley, wine and packaging. We have done an extensive plan to work also with the other areas, such as logistics, digital and so forth, but based on these results we see clearly the hotspots being the three mentioned areas. There we have chosen as tools to decrease the emissions by regenerative farming of barley and wine and developing further climate-smart packaging.

Anora’s first comprehensive value chain emission calculation

This 2021 data will be used as base for setting science-based targets.



Water

Anora's ambition is to achieve a 20% reduction in the amount of wastewater generated by 2030. Reaching this target will require a reduction of wastewater originating in the manufacturing process of alcoholic beverages and the further enhancement of water circulation. Anora's production plants do not operate in water scarcity areas.

In 2022, wastewater generated in Anora's three major plants (Koskenkorva, Rajamäki and Gjelleråsen) was reduced total by 18.8% compared to 2021, partially due to lower production in Koskenkorva and specified calculation method between Anora and A-Rehu, and also liquid waste reduction in Rajamäki as a part of circular economy project. In Koskenkorva plant, wastewater reduction focused on testing recycling of process water and further small investments were made to enable higher recycling of process water.

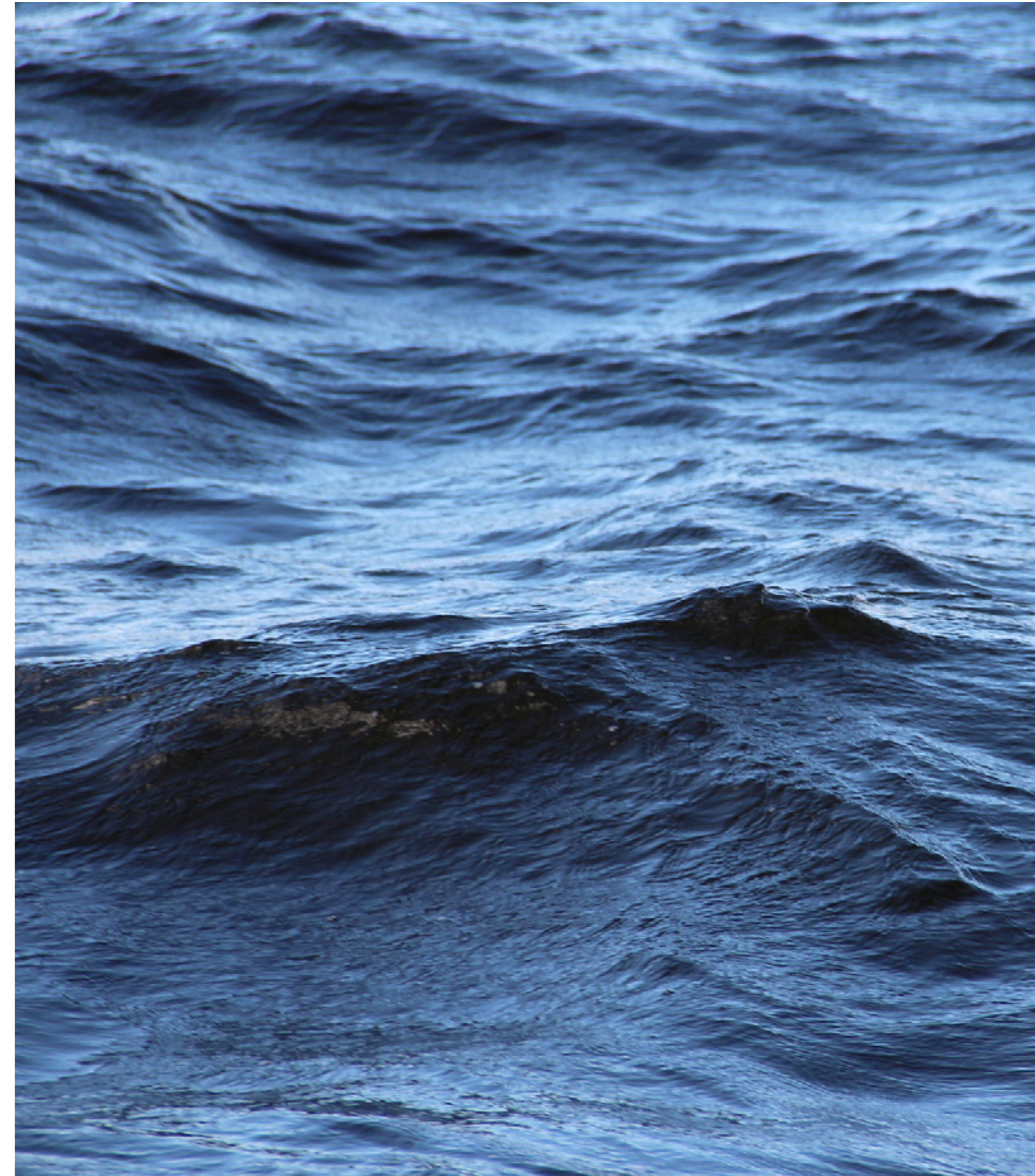
At Gjelleråsen, a number of projects were initiated during 2022 where we have started to further analyse the water, wastewater emissions and identify the sources of the wastewater, as part of efforts to reduce wastewater through our operations. This action follows the work undertaken at our Rajamäki plant during 2021. During the second quarter of 2022, new equipment was purchased, and a testing phase was begun to measure the wastewater created throughout our operations at Gjelleråsen. With equipment designed to measure the COD (Chemical Oxygen Demand) of the wastewater, the test phase continued throughout the year. The aim is that by spring 2023, we will be able to implement new ways to measure the quality of the wastewater, and

in so doing, be able to initiate further water reutilisation processes.

During 2022, our Rajamäki plant started to implement, for example, new washing cycles as well as the installation of new zip lines (a cable suspended above an incline) at the plant. Zip lines are designed to help with automatic washing cycles and Rajamäki has begun changing certain liquid lines because they were not emptying correctly. At Gjelleråsen, all zip lines are freely gravity emptying, and Rajamäki also began the process during the year to implement gravity emptying processes to reduce the liquid waste.

Rajamäki advanced in terms of the analytical, clear measuring of wastewater, allowing it to make specific changes to reduce the liquid waste. In 2022, Rajamäki was executing the first steps of changing the ways of handling water leakages, for example, to reduce the amount of liquid wasted.

In Finland, Anora owns the forest covering the groundwater area, where the water for our products is taken, without filtration, from the self-renewing, pure groundwater springs. Protecting the more than 800-hectare area owned by Anora around the Rajamäki plant plays an important role in ensuring the high quality of our products. The groundwater fulfils all the quality requirements without any chemical or mechanical processing. The area has water well above our needs and includes just the right amount of various minerals. The water has been used at the Rajamäki plant since 1888, when the plant was established. Our products can also be clearly identified as authentic due to the water quality within them.





Circular economy and waste

At Anora, our circular economy work means utilising as much of the raw materials required for our operations from recirculated sources as possible, maximising the yield of any raw material used, optimising the reuse of materials and circulation by sorting and minimising waste throughout our entire ecosystem. At Anora, we see our role as frontrunners in terms of circular economy and waste. Our target is to increase the total recycling rate in Anora's own operations to 90% and to reduce landfill waste to zero by 2030. Our recycling and recovery rate in 2022 was 99.8% (99.5%) but the new target of pure recycling rate is more ambitious.

We have defined the recycling rate as the proportion of the total amount of waste that is diverted into recycled material, while recycling and recovery rate also includes the share of the total amount of waste collected and distributed to be diverted into energy recovery, for example, incinerated in a waste incineration plant to produce e.g., district heating. In 2022, our total recycling rate was 92.4%, and 11.57 (28.18) tons of landfill waste were still generated.

Our award-winning Koskenkorva Distillery is based entirely on circular economy, using all the side streams and combusting barley husks in our own biopower plant, helping us to be almost 50% self-sufficient with steam production.

The recycling and recovery rate of the distillery in 2022 was 100%. An excellent example of circularity in practice, we want to share best-practices and support the shift to circular economy by collaborating with industry partners at the Koskenkorva Distillery area.

In Norway, to produce the potato-spirit based spirit, odd shaped potatoes and potato starch from other potato based production are utilised. This ensures that all potatoes grown in Norway can come to use. We also use residual wine, for example, in the production of certain wine-based products.

In Rajamäki, we collect residual alcohol and recover it to be used in technical ethanol products. We also gather the husks of berries and fruits used in our products and transport them to an external third-part company to be used in the production of biogas.

During 2022, and at the Rajamäki plant in particular, several projects were initiated to reduce both liquid and dry material waste. In addition, as part of this circular economy project at Rajamäki, further actions also led to an increase in the circulation rate of the materials, and the efforts will continue. In addition, Rajamäki initiated a project to replace a large proportion of the middle sheets of the bottle pallets, which have traditionally been cardboard sheets, with returnable plastic sheets during 2023, resulting in a significant reduction in the carton waste at Rajamäki.

At Gjelleråsen, we are currently working on a project to optimise the utilisation of pallets throughout our transportation operation. This has allowed us to double our load on the trucks and therefore reduce our emissions by around 50% in terms of getting the products from France to Norway. We also undertook an analysis of the performance on one of our lines and expect to be able to implement a 15% improvement in the utilisation of the pallets. These performance enhancements will also be applied on our other lines.

Regenerative farming

Anora buys over 200 million kilograms of Finnish barley every year, which is why promoting regenerative farming is central to our future operations and strongly highlighted in our new 2030 roadmap. Regenerative farming is a systematic approach to adopting sustainable farming practices that impact productivity, biodiversity and the climate positively. By aiming at transforming farmlands into carbon sinks by increasing CO₂ sequestration, regenerative farming methods can offer a solution to climate-change mitigation that also benefits farmers: they help farmers cut greenhouse gas emissions and protect their soils, while delivering the increased yields and improving crop quality.

Our aim is to further raise awareness of regenerative farming, provide education and training to farmers and engage with our contract farmers to increase regenerative farming yearly. Anora will be significantly strengthening its focus on regenerative farming from 2023 onwards and is targeting to increase the share of regeneratively cultivated barley as the raw material of its own grain spirit-based products to 30% by 2030.

As part of this process, we are continuing our collaboration with the Baltic Sea Action Group (BSAG). We are also working with ProAgria, a government-funded farming consultation in Finland, to provide comprehensive support, education and training to farmers on regenerative

**“ Koskenkorva Vodka
Climate Action is
the first vodka in
the world made
from regeneratively
farmed barley.”**

farming. In November 2022, we started a systematic program on training and auditing regenerative barley farming and enlisted new and motivated farmers to join. In 2021, we had one farm supply us with 50 tons of regeneratively farmed barley and in 2022, this increased to two farms. In late 2022, we made agreements with farmers to supply us with regeneratively farmed barley in the autumn of 2023. In 2023, we will have more than 10 farmers providing us approximately 2,500 tons of regeneratively farmed barley. Of note, Anora’s acclaimed Koskenkorva Vodka Climate Action is the first vodka in the world made entirely from regeneratively farmed barley.

Food production is a high-impact sector in terms of emissions, and we believe that both investments and advances in regenerative farming will make a significant difference in emissions from barley farming.





“ Regenerative farming binds carbon to soil and supports biodiversity.”

Biodiversity

In our roadmap, we plan to undertake a comprehensive biodiversity assessment and create a plan to further enhance our operations in this area. Biodiversity is critical for all life on earth, and it strongly supports climate change mitigation. A loss of biodiversity also represents a considerable risk to raw material production. Anora’s three focus areas in biodiversity are:

- **Barley:** regenerative farming methods help support biodiversity
- **Wine:** regenerative farming methods help support biodiversity in wine growing areas
- **Forests:** Anora owns an area of groundwater area of 899 hectares in size, acting as a carbon sink of 827,320 tons of CO₂. Our new forest management plan will also help to enhance biodiversity throughout these forests for generations to come.

Management systems

Anora has comprehensive management systems in place. These include:

- ISO 14001:2015 Environmental Management System standard certification covers Anora’s operations in Finland.
- ISO 9001:2015 Quality Management System: the certification’s operations in Finland, the Gjelleråsen plant in Norway and the Tabasalu plant in Estonia.
- FSSC22000 v.5.1 Food Safety Management System: the certification covers Anora’s Rajamäki Beverage plant operations in Finland.

People



Anora aspires to be an inclusive and safe workplace and a clear representation of the diversity, equity and progressiveness of modern Nordic culture. On the road to 2030, our target is zero accidents resulting to absence and to further enhance our strong safety culture. Continual work is undertaken to ensure our value chain is fair and transparent and that we source sustainably and protect human rights. Our three primary long-term People targets:

- We will support and promote a fair and transparent value chain with sustainability certificates and audits covering 100% of risk countries and a have our Supplier Code of Conduct signed by 100% of suppliers by 2023.
- We will further ensure diversity, equity and inclusion (DEI) at work in our own operations and extend the work to partners by 2030.
- We will increase the number of safety observations and reduce accidents resulting in absence to zero by 2030.

Additionally, as part of our new Sustainability Roadmap 2030, we have more clearly aligned our operations with five specific UN Sustainable Development Goals (SDGs). In our People topics, we have aligned more closely to SDG 3; Good health and well-being, SGG 12; Responsible consumption and production, and SDG13; Climate action.

Please see [page 3](#) for more information on our SDGs in the section Materiality



2%
of our sourced goods derives from risk countries defined by amfori BSCI

Balanced gender distribution with
40%
women on the Board of Directors

People

Impacts on people and how Anora manages them

Overview of 2022

In 2022, 37% (38%) of our employees were women and 40% (40%) of the Board of Directors were women. Anora has further work to do regarding gender balance for the executive management team. Currently, 28.6% (29%) of the management team are female.

Anora has in place a Policy on Non-Harassment, and a zero-tolerance policy towards discrimination and all forms of unlawful harassment. This means that no form of discriminatory or harassing conduct towards any employee, client, contractor, or other person in our workplace across all cooperating countries will be tolerated. Anora is committed to enforcing its policy at all levels. Ethical and safe behaviour requirements apply to all employees, and equally, respectful behaviour is both desired and expected from Anora's partners, vendors and other third-party collaborators. In 2021, Anora's policy on non-harassment was updated and is valid for all our operational countries. The purpose of the Anora Non-Harassment Policy document is to define the rules and guidelines related to situations and conduct taken at the workplace.

The current Code of Conduct is available both internally and on the external website. An update to the Code of Conduct is currently being implemented, and there will also be other new ethical guidelines published that are currently

under construction, including topics concerning diversity at Anora, for example. We also have various ethics-related e-trainings and have recently moved them to a new platform to further develop these trainings and their effectiveness.

For Anora, 2022 was a challenging year from the People perspective, not least in terms of navigating post-merger double systems and all new systems and IT issues. Auntie and other healthcare service providers were involved to help mitigate the issues related to the extraordinary workload and stress caused by the merger and integration projects, as well as other challenges in mental health and well-being at work.

Perhaps a reflection of the challenging year in general – both due to external to Anora headwinds, like inflation, energy prices and raw material procurement issues, as well as internal Anora pressures – we recorded a lost time incident frequency (LTIF) increase in 2022 compared to our previous reporting period.

There were no personnel co-operation negotiations in 2022, but we did experience a fairly significant personnel turnover during the year. Part of this was due to the post-merger state of the company and the desire for some personnel to look at other career opportunities outside of Anora's operations. Much of this is a typical occurrence in merger situations like Anora has recently been through.

No incidents were reported through our whistleblowing channel in 2022.



Our new Values

A significant highlight of the year from the People perspective was the unveiling of our new company values. Our shared values are very important, and work to create them started already prior to the 2021 merger. Anora's values were formed based on focus group workshops, surveys, discussions and other communication platforms, with input from 640 people in the company. An external company then undertook an extensive analysis of what people responded to at Anora. This analysis provided the detailed background material which helped us finally identify three main values with which all personnel could strongly identify.

Our values have been aligned with our 2030 Sustainability Roadmap, and we believe they form the best possible framework to put us on the fast track to achieving our sustainability goals.

Published in autumn 2022, our Values are:

- **Courage to EXPLORE** – We are passionate and ambitious to lead the industry. We have the courage to challenge the status quo, continuously improving for a better tomorrow.
- **ENERGY** to inspire – We share a can-do attitude and enjoy going the extra mile. Positivity shines through in everything we do, making us inspiring and fun to work with.
- **EMPOWERING** to win – Our dynamic, open and inclusive way of working represents a modern Nordic mindset. We take ownership of our decisions, giving all of us the freedom to succeed.

Anora's leadership culture has also been defined according to our values, and Anora's employees began applying the values in their daily work already during the latter half of 2022. The values have also been integrated into Anora's onboarding process and leadership competences were selected to support recruitment and use of values in our selection process. This work will continue in 2023.

Health, safety and well-being

Occupational health and safety (OHS) is a vital part of Anora's corporate responsibility and sustainability strategy. Anora aims to reduce the number of accidents and absences caused by illness and other events. To that end, we take our OHS and well-being responsibilities very seriously.

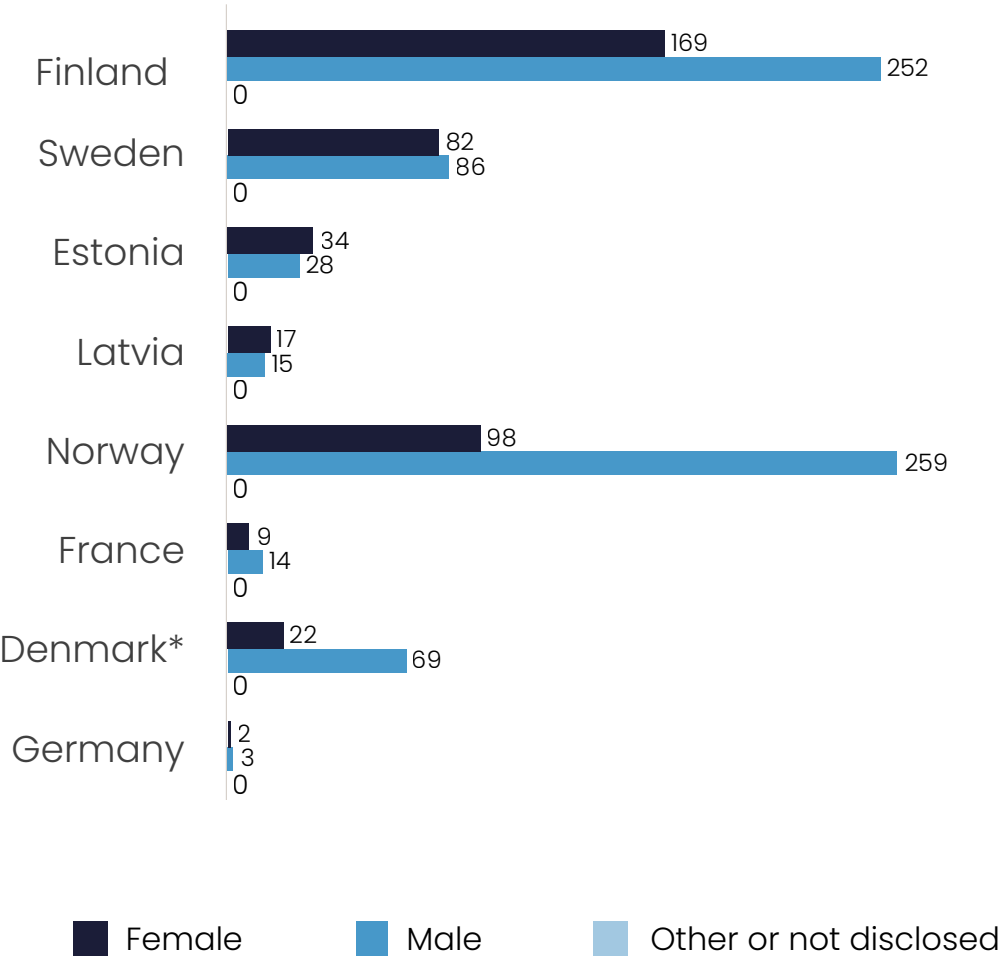
Anora's HSEQ (health, safety, environment and quality) policy covers all sites. Anora has the ISO 45001 certificate in effect across all its operations in Finland (Rajamäki, Koskenkorva, Ruoholahti: Anora HQ). In addition, Anora's employees are covered by health services, according to local legislation. The quality of the service is reviewed by HR and employees can easily reach the health services.

During 2022, the primary focus in our safety culture was our Norwegian operations in Gjelleråsen, as well as our logistics company Vectura that operates at the site.

Additionally, Anora's Deviation tools for making safety observations were taken into use. During the year, employee training on safety issues, internal safety audits and housekeeping enhancements were implemented. In our other operating countries, we continued implementing ongoing safety processes, which included Anora's minimum safety requirements, for example. Anora has set minimum safety

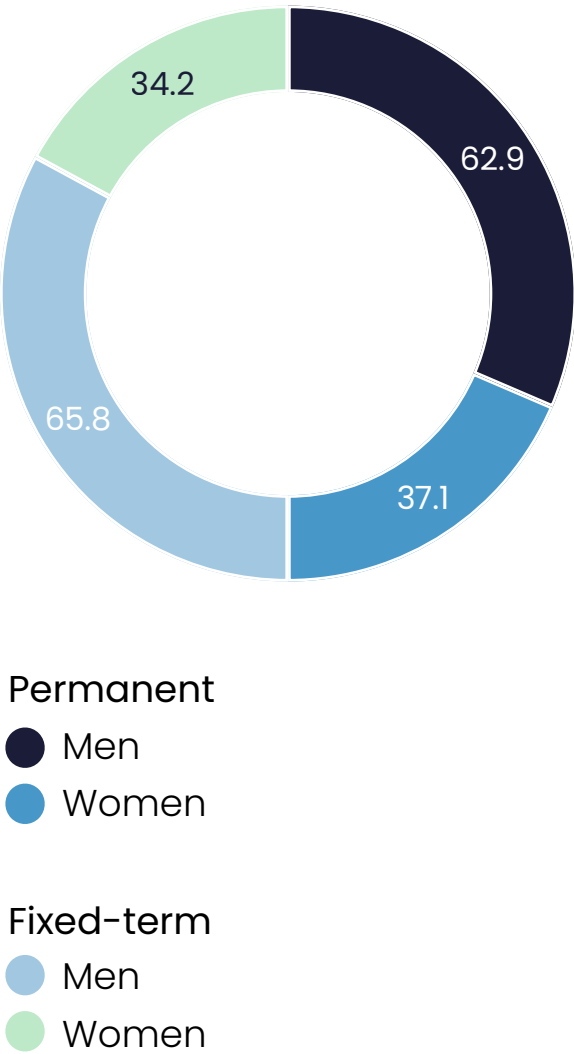


Average number of personnel by country

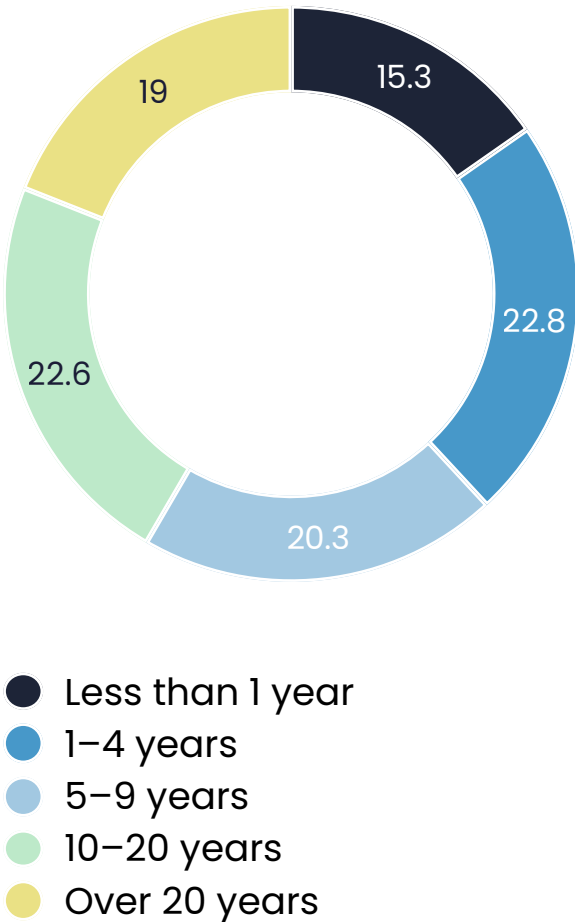


*Globus Wine included from 07/2022 in Denmark figures.
Average age of personnel: 45.6 years (excluding Globus Wine)

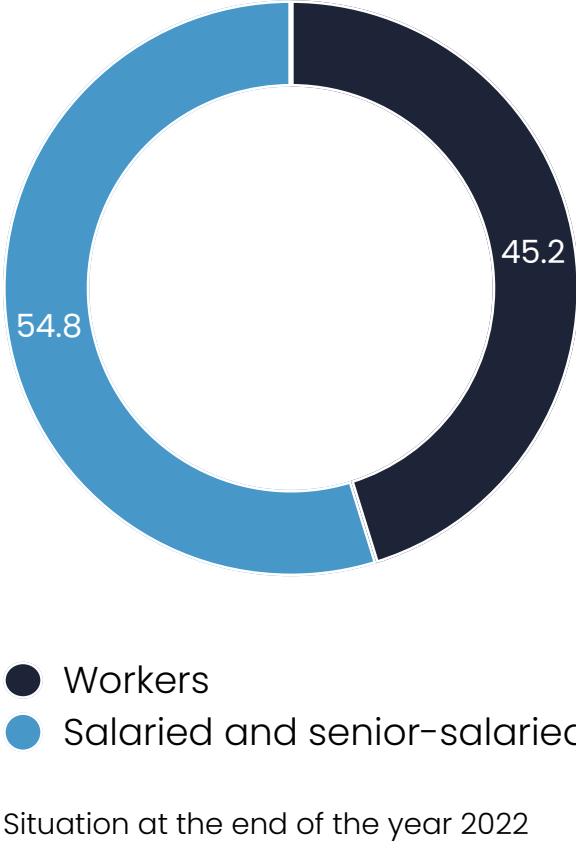
Type of employment 2022 %



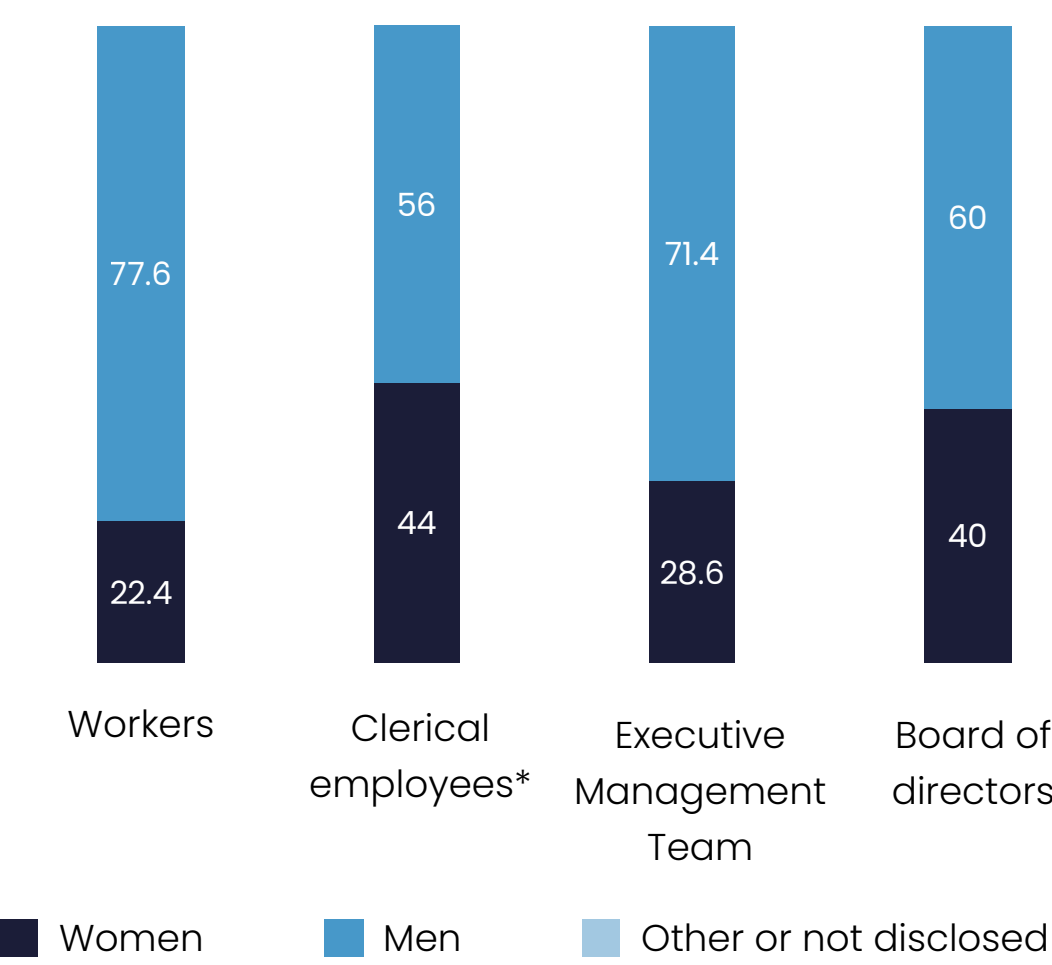
Duration of employment %



Personnel by group 2022 %

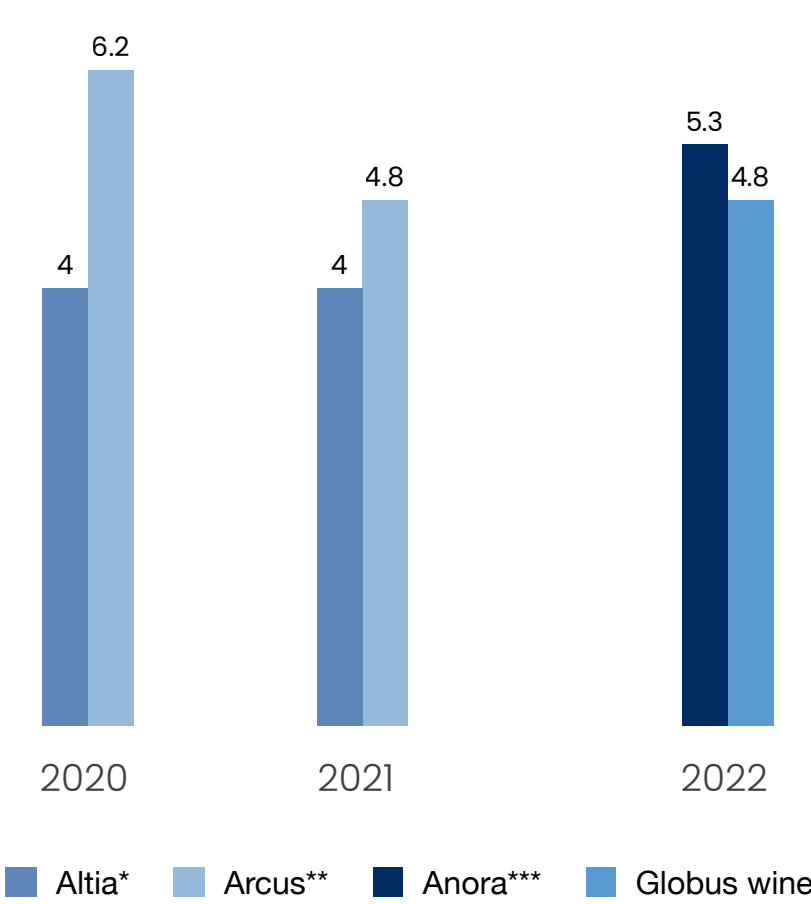


Gender distribution %



*Does not include EMT members
Situation at the end of the year

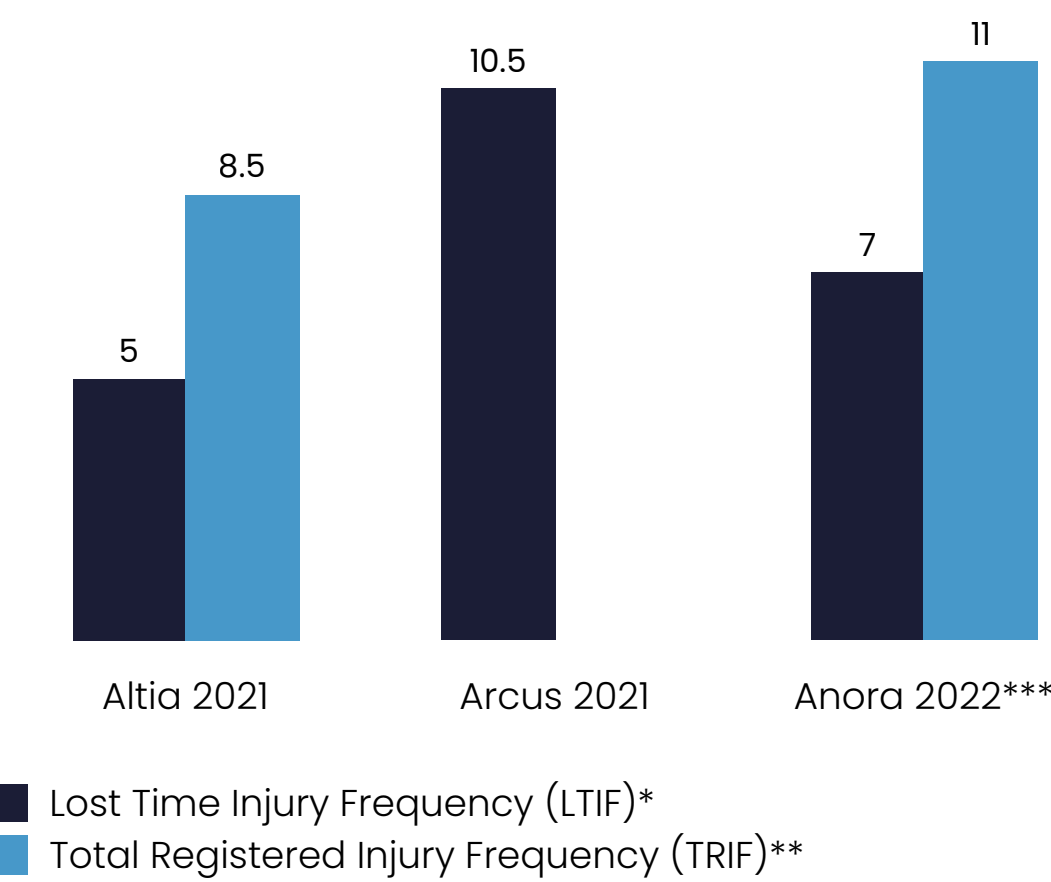
Sickness absences %



*Altia figures include the whole former Altia Group.
**Arcus figures include the former Arcus ASA in Norway.
The number of sickness related absence hours per working hours x 100%.

*** Anora figures include the data from whole former Altia Group and the former Arcus companies Norway. Globus Wine reported separately due to different calculation methods.

Accident absence rate %

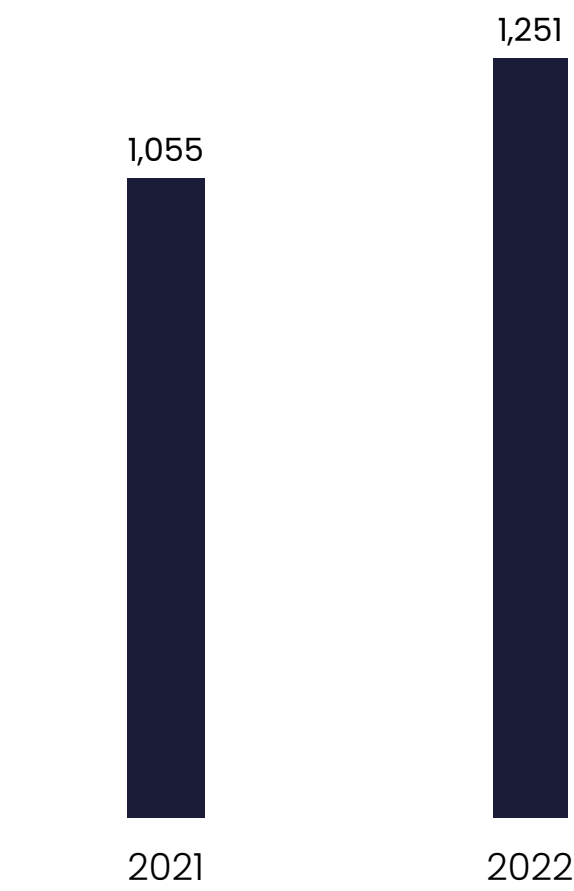


* Lost Time Injury Frequency, meaning the ratio of number of accidents resulting in at least one day absence to million working hours. Excluding commuting.
** Total Registered Injury Freceqe reported from 2018 onwards. Excludinng commuting.

Due to differences in calculation methods, the figures of former Altia and former Arcus are not directly comparable.

*** Anora figures include former Altia and Arcus numbers. Globus Wine not included.

Development of the number of personnel



Situation at the end of the year

requirements for critical operations. These requirements apply to both Anora's employees as well as external parties working in the production and logistics areas at Anora's plants. There are four minimum safety requirement categories: personal protective equipment in use, external craftsmen, chemical handling, and working at heights.

Anora has the following Safety KPI's in use: LTI (lost time incident), TRI (total recordable injuries), LTIF (lost time incident frequency), TRIF (total recordable injuries frequency), Sickness absence (%), Accident Absence (%) and Number of Safety Observations. Anora calculates the safety-related metrics based on 1,000,000 hours worked. We follow partner-based accidents only in internal metrics. Our main goal in OHS year-on-year targets has been to reduce accidents at work, and our goal is that by 2030 we will have zero absences (LTIF) due to accidents at work (LTIF = 0).

Our LTIF at 7 (Altia 5 and Arcus 10.5) increased in 2022 compared to former Altia data in our 2021 reporting period. There is no clear reason for this result, although we recorded a higher accident determination in Norway, and our analysis suggests that the ongoing disruptive impact of COVID-19 had a negative influence on employee awareness regarding safety issues.

The main types of work-related accidents during 2022 involved accidents with forklift trucks, followed by accidents with machines, stumbling or falling. Total accidents in 2022 throughout Anora's operations were 20. Most accidents occur at plants and are relatively minor. There were no fatal work-related accidents in 2022 (0) across Anora's entire operations.

In 2022, we did not see the positive development from a safety perspective that we had hoped. Though we did set new and ambitious health and safety targets, enhanced the sharing of best practices, implemented common health

and safety key performance indicators (KPIs) in all units, continued to make risk assessments in all departments and harmonised safety visualisations, more comprehensive safety training and communication on this critical focus area needs to be implemented during 2023 and beyond.

To achieve our 2030 target and to develop an ever more solid safety culture, we need to increase the number of safety observations we collect from our employees. The baseline for 2018 was 1.3 observations per person, but in 2022 we collected 2,021 observations which equates to approximately 2.9 (2.6) observations per person. The goal for 2025 is to record 3 observations per person across all operations.

Notably in 2022, our Koskenkorva Distillery received the Year award from Starch Europe for the second consecutive year, and has together with our Rajamäki Industrial Products unit, achieved over 1,000 days without a lost time incident.

Diversity, equity and inclusion

Diversity, equity and inclusion (DEI) is embedded in our values, which include Empowering to win: our dynamic, open and inclusive way of working represents a modern Nordic mindset. Our vision is to be the forerunner in our industry in the Nordics as an inclusive workplace that represents the diversity, equity and progressiveness of Nordic culture.

The work related to auditing the processes was initiated in 2022. Our enhanced DEI work is also a 2030 Sustainability Roadmap focus area.

Our post-merger state meant that we had many processes duplicated in our operations including data management systems. For us to set a target, we first needed to understand where to start from, so in 2022 we began looking at what

“ We aim to increase the number of safety observations to build our safety culture”

systems we had in place, how inclusive they were and what languages were used. Auditing the processes was continued throughout 2022 and was implemented through the use of revised recruitment tools and key policy updates. As part of this process, Anora's DEI policy was updated.

In addition, our recruitment systems, our new annual engagement survey 'Anora Tasting', and HR master Data systems were audited and then revised to make sure that the different language versions are available and inclusive. This work was also designed to make a statement that we are a company that looks to recruit people with a Nordic mindset, as well as a company with a focus on diversity. In 2022, this was also the first time that we have publicly expressed this view, as well as added this to our new values.

On 27 January 2023, we completed our comprehensive post-merger auditing processes work, and everyone was incorporated into the same system. Now that we have all our people in one unified system, in 2023 we will be able to effectively see in terms of nationalities, genders, equal pay and many other variables, and assess the optimal path forward with regards to our diversity and inclusion work.

We are constantly looking for ways to recruit the best people with the right capabilities into our operations. Our modern, Nordic way of working attracts people who share our values and ambition and have the courage to take us even further. We provide fair opportunities for current and future employees and endorse diversity throughout all levels of the organisation. We honour our Nordic heritage while making it into something new, together. Our employees, the #anorafolks are our best ambassadors.

Anora's subsidiary, Vingruppen i Norden, aims to be the most sustainable and attractive workplace in its industry. The company is a group of strong individuals with strong leaders and its team is committed, knowledgeable,

In our new 'Anora Tasting' employee engagement survey, we asked our employees whether they perceived Anora to be a sustainable company:

78%

responded with a 'definitely' rating which strongly indicates that our employees viewed sustainability as an important focus area and Anora as a sustainable company.

entrepreneurial, and passionate about wine. Their work is based on building meaningful and respectful relationships across different countries and cultures, and this cannot be achieved without a strong commitment to DEI. Gender equality is part of our success, and we have an equal division between genders in our management team. In 2022, special emphasis was put on gender equality and female leadership. Vingruppen i Norden sponsored the Stella Gala in 2022 (and has done so every year since 2018) that highlights female leadership within the wine, spirits and restaurant business.

Globus Wine is one of the first companies in Denmark to implement an Employee Manual taking a starting point from UN SDGs and addressing well-being, health and the working conditions of the employees. The Employee Manual – which all Globus employees receive training on – includes policies with a DEI focus.

At Globus Wine, people are hired based on their competencies and provided with fair opportunities. All employees in different shifts are invited to social events. Globus has employees with nine different native languages, and they were all offered Danish language courses with a private teacher. All employees are welcomed and included in the working community, and the ambition is to ensure that they are both qualified and succeed in their work tasks.

Human rights in the supply chain

Through Anora’s membership in amfori BSCI, other sustainability platforms and direct project implementation, we aim to enhance the working conditions in our supply chains.

All workers in our supply chain should have the right to a safe working environment with fair pay, freedom to bargain collectively, legal working hours and no discrimination nor bonded or forced labour. As a member of amfori we have adopted amfori BSCIs Code of Conduct throughout our operations. The values and principles of the amfori CoC have a strong focus on working conditions and human rights. To ensure that all these principles are met, amfori uses audits as a compliance method. We use the amfori BSCI framework to enhance social and environmental responsibility throughout our supply chain. Our employees and all producers are informed and aware of the Code.

With regards to Anora’s own brand bulk wine, the team is always looking to encourage and support our current suppliers in their work with human rights and sustainability.

All suppliers receive copies of Anora’s terms and conditions together with the BSCI CoC and terms of implementation. Our suppliers are aware that these documents are critical for our partnership, and they duly sign and return all documentation. The team endeavours to visit as many of our suppliers as possible each year, where they, amongst other things, carry out an ocular audit. The team is currently working on a questionnaire for suppliers from risk countries defined by amfori BSCI.

“ Our own employees, the #anorafolks, are our best ambassadors.”

Anora utilises a Supplier Self-Audit Questionnaires, and the main suppliers received and responded to the questionnaire in 2021. The pandemic as well as other global challenges limited the number of physical audits in 2021 and 2022. However, some audits were performed.

Anora’s daughter company Vingruppen i Norden has embedded human rights and business ethics into their policy documents and management systems. Furthermore, they work systematically and strategically with risk assessments and have detailed action plans to handle, mitigate and prevent negative impacts from occurring. They track implementations and results. The biggest gap concerns auditing and site visits, and in the last two years this has primarily been due to ongoing coronavirus-related restrictions.

At Vingruppen i Norden, no audits were conducted during 2022. All the wine producers in the fixed assortment recorded a good result in Systembolaget’s risk analysis 2021, which provided the base for audits during 2022. A new risk analysis will be implemented during 2023. During 2023, the wine partners in the company’s fixed assortment will be evaluated in Systembolaget’s coming risk analysis.

This risk analysis work is important in terms of meeting current legislative requirements and ensuring worker’s rights, but it is also about building trust and knowledge skillsets throughout our supply chain, allowing us to strengthen our products sustainability performance faster – an important commercial factor for retailers’ and end-consumers.



**" We manage
the working
conditions
in our value
chain through
amfori BSCI
membership."**

Vinfinity sustainability fund

Vinfinity is a sustainability fund founded in 2021 by Vingruppen i Norden. The fund exists to support wine partners and clients in creating a sustainable value chain for wine.

Vinfinity is part of Vingruppen i Norden's long-term sustainability strategy 'From grape to glass and beyond'. The fund will invest annually in several sustainability projects that contribute to achieving the global goals and Vingruppen i Norden's sustainability goals. The investments include projects for sustainable infrastructure and cultivation projects that contribute to a circular, resource-efficient, and fossil-free value chain.

The fund's resources are directly linked to climate impact, calculated in tonnes in CO₂e. Vinfinity has put a price on CO₂e, and this carbon pricing is now the basis of the funds financing. Each year money will be set and added to the fund, and new projects in which to invest are identified.

Implemented during 2022, Vinfinity initiated a procedure for wine producers to certify their company and production with a strong country sustainability certification (i.e., France). The fund also initiated solar panels at a wine producer in Portugal. In addition, an investment was made in a project at one of our South African producers, a risk country for wine, by paying the full salary of a musical therapist. The therapist works with the children of the workers of the wine fields. This wine producer in South Africa is FairTrade certified. Music therapy is good for children dealing with a number of mental health challenges and physical disorders.

Employee satisfaction, engagement and competence development

Employee satisfaction, engagement and competence development is an integral part of our strategy, and we invest in the personal development of every employee. We support a structured approach to development and development discussions are recorded and followed up on. Performance dialogues include setting objectives, a personal development plan and continued support to help enhance well-being at work. Throughout our multi-country operations, we monitor the achievement of objectives on a regular basis and according to an annual schedule. Incentives also form part of employees' total compensation. We use incentives to implement our strategy and reward personal performance. Anora's salaried, senior employees and management participate in an annual performance bonus program. The performance process for salaried and senior salaried employees (around 67% of the total headcount) includes setting and follow-up of objectives, a development plan and continued support to help enhance well-being at work.

In 2022, we concentrated on building the organisation and company culture. Anora Group's company strategy was launched in November.

The HR priority areas initiated during the reporting period and designed to be implemented for 2022–2025 are to:

- Enforce value-based behaviour by connecting values to people processes
- Engage, retain and develop people with the right capabilities to make the difference for growth
- Introduce Anora performance philosophy to drive rewarding towards the wanted culture and results
- Build HR operations with a unified system base, selected Group processes and strong local HR presence

In 2022, we undertook an annual employee engagement survey, followed by a review of the results, as well as trainings and action planning that is consistently followed throughout the organisation all the way to Board level. In early 2022, we conducted a Pulse Survey and in December, we received answers from our new Employee Engagement Survey, the first survey of this kind in our newly merged company. The survey was entitled 'Anora Tasting' and it was opened to everyone in the company to participate. The response rate was 88% (with 967 employees participating) which was considerably above the Nordic benchmark of 81%.

One notable highlight of the survey when we asked our employees whether they perceived Anora to be a sustainable company: we received an average score of 4.1 /5 where 78% responded with a 'definitely' rating, which strongly indicates that our employees viewed sustainability as an important focus area and Anora as a sustainable company.



A further question in the survey was related to our new values, officially launched four weeks prior to the roll-out of the Anora Tasting survey. The results positively noted that 73% of employees already indicated they knew the new values of the company and 71% indicated that they could already identify with the new values.

A third highlight was related to our employees' views of their direct managers. These results related to leadership produced a 79% response where employees indicated they were very happy with their direct manager. The global benchmark is 80/100. This response from Anora's employees is viewed as a 2022 highlight in the People focus area and it indicates that our managers were able to support their teams, were clear on their expectations, they provided feedback and they followed up on situations in their teams.

Safety was also measured in the engagement survey, where the Organisational and Social Well-being Index (OSI) is used as the measurement to assess the feelings of workplace safety, workload sustainability and the support received from one's manager. One notable negative result indicated in the survey was related to workload and recovery time. Our overall result was 71/100 compared to the benchmark of 74/100. The results related to stress-level recovery time and support for heavy workload were not positively perceived and further work will be undertaken in 2023 to improve these two results.

In addition, the results expressed by employees in the survey towards Anora's senior managers were less positive compared to how satisfied employees were with their direct

managers. This was due to the perceived reduced visibility of the top management, and they received a score of 61/100 in the survey compared to the benchmark of 67/100. The results also indicated that the lower we went in the organisation, the clearer it was that the internal communication from the top management was not seen. One of the direct actions we took immediately after we received the first results of the survey was to arrange a 'roadshow' for the senior management and this took place in January 2023 with visibility and communication enhancing visits to all of Anora's sites.

The comparison benchmarks are provided by the company Brilliant, and they annually undertake a Nordic-level survey involving approximately 250 companies and around 600,000 respondents. Anora Tasting will henceforth be an annual survey and the 2022 results will provide a strong baseline to move forward in 2023 and beyond.

Also in 2022, Anora's HR established the Managers Monthly, which has been well appreciated. At the monthly event, various sector-specific topics are both discussed and analysed, and different experts are involved every month. Also, we sent a monthly Cheers! newsletter to all employees highlighting and reminding them of key company news and HR processes.

Globus Wine, acquired by Anora in late 2022, has a vision to be "One of a kind". Through their strategies, values, and mindset, they strive to have an attractive culture, which makes them an attractive workplace. During 2022, they implemented an annual engagement survey for all employees,

" One month after the launch of new values 73% said to know them and 71% could identify with the values"

enhancing their ability to make tactical decisions and priorities based on the information and insights gained. To support their strategy, they also conducted employee development interviews, which were used to set individual goals and make plans for developing competencies.

In addition, Globus Wine has an annual plan for Management Group development. They work on how to implement the company-wide visions and strategies into daily tasks both on the department and employee levels, while receiving enhanced leadership training in turn.

HR plans and facilitates the development plans at all levels prioritising working atmosphere/environment and employer branding development.

Ethical business practices, anti-corruption, whistleblowing channel

Anora requires that wine producers comply with environmental, quality and safety standards. To guarantee this, Anora is committed to complying with a number of quality, environmental and safety standards and certificates and with comprehensive responsibility principles. These include the ethical principles of the amfori - Trade with Purpose BSCI initiative for responsible sourcing as well as certificates, such as Fairtrade International and Fair for Life.

A training session on human rights in the value chain was held for all Anora employees during the winter of 2022. Additionally, a training session was held in spring 2022 for Italian wine partners on building capacity to mitigate the risk of forced labour and labour exploitation in the Italian wine industry. Our Code of Conduct e-learning training was also transferred to a new platform and updated during the reporting period.

Vingruppen i Norden follows Systembolaget's framework on sustainable sourcing as well as our own CSR policy which includes guidelines on business ethics and how to achieve and maintain a sustainable supply chain. A separate whistleblowing function is available through their website. No reports were received during 2022. Additionally, a training session for employees in Sweden on HREDD (Human Rights and Environmental Due Diligence) was issued by Systembolaget in autumn 2022.

Globus Wine has also initiated an internal whistleblowing channel, which is required by law. Employees are trained in the whistleblowing policy, and they can use the function at any time. No reports of wrongdoing were received through the whistleblowing channel during 2022.

Anora received no reports of misconduct through its whistleblowing channel in 2022.

“ As a direct member of the initiative, we have adopted amfori BSCI Code of Conduct throughout our operations”

A responsible player in society

Anora acts as a responsible company in society. In 2022, we paid EUR 1,014.8 million (605.8) in excise and income taxes, of which EUR 260.5 million (249.8 million) went to Finland. We paid employees a total of EUR 93.8 million (69.6) in salaries and other indirect employer costs, and purchased raw materials, goods and services for EUR 414.3 million euros (266.1). We bought Finnish barley from approximately 1,400 farmers for a total of EUR 56.1 million (42.4 million). We received a total of EUR 702.7 million (478.2) in revenue, made investments of EUR 10.7 million (5.4) to develop our business and paid a total dividend of EUR 30.4 million (27.1) to our owners.

Our tax strategy

We are a responsible taxpayer in all our operating countries (Finland, Norway, Sweden, Denmark, Estonia, Latvia, Germany and France). In addition, we aim to promote the Group's strategic development and support business operations, as well as ensure their proper implementation also from the tax perspective. The management of tax-related matters is centralised at Group level, where tax-related decisions are made. In ambiguous situations, the Group consults tax advisors and verbal or written guidance may be sought from the tax authorities to clarify tax practices.

It is important to us to comply with all applicable local and international laws and regulations in paying, collecting,

remitting, and reporting taxes. Our principle is to pay taxes in the country in which the income is earned. Anora Group does not operate in tax havens, and we do not practice tax planning aimed at artificially decreasing the taxable profit of the Group or an individual operating country. As regards transfer pricing, we comply with local laws and the OECD transfer pricing guidelines. The arm's-length principle is applied to intra-group transactions relating to products, services, intellectual property rights and financing. We pay and remit several different taxes, with the excise tax being the most important. Excise taxes are not included in the company's reported net sales. In addition to income tax, the taxes paid by us include employer contributions and real estate taxes. In addition to the excise tax, the most important taxes remitted by us include value-added tax, withholding taxes deducted from wages and salaries, and taxes at source.

A summary of taxes and contributions, in accordance with the guidelines, is published as part of the Annual Report. The summary is based on information collected from the Group's accounting systems and includes the material taxes and contributions grouped by tax type. Pursuant to the guidelines, we apply the materiality principle in our tax reporting. Accordingly, country-specific information on taxes is presented for Finland, Norway and Sweden. They constitute the company's main markets, with approximately 90% of our net sales coming from these three countries.

Our other operating countries (Denmark, Estonia, Latvia, Germany and France) do not meet the materiality threshold of 10% of consolidated net sales for countries to be reported separately and are therefore presented collectively.

Product



Anora is committed to supporting and promoting a sustainable drinking culture. Our ongoing target is to offer more no- and low-alcohol (NoLo) products and further support the shift to responsible drinking culture. As part of our new 2030 Sustainability Roadmap, we are also targeting a more rapid transition to climate-smart packaging and increasing the share of our sustainable and NoLo products across our entire portfolio. Our three primary long-term Product targets:

- We will make all our packages lightweight, 100% recyclable and made of materials from certified sources or from recycled origin by 2030. The CO₂ footprint of Anora packaging is currently well below the industry average.
- We will further increase the number of sustainable choices and grow our net sales from non and low-alcoholic products to 5% by 2030.
- We will continue to collaborate with educative programs to support a modern, responsible drinking culture in the primary countries where our products are consumed.

Additionally, as part of the new roadmap, we have more clearly aligned our operations with five specific UN Sustainable Development Goals (SDGs). In Product topics, we have aligned more closely to SDG 3; Good health and well-being, SGG 12; Responsible consumption and production, and SDG13; Climate action.

Please see [page 3](#) for more information on our SDGs in the section Materiality



The share of climate-smart packaging is

60%

of Anora’s own products

Climate-smart packaging has

60–90%

lower CO₂ footprint in than that of glass

Impacts of Anora's products and how we manage them

At Anora, we always assess the ideas in our product development funnel in terms of the added sustainability value they bring. We also consider the packaging options and choose the climate-smart options wherever reasonable and viable. In addition, we also aim to implement the most efficient production methods possible, while limiting waste side streams across our entire operations.

Currently, the Nordic monopolies do not have standardised requirements for defining at what level a product is classed as sustainable or not, and the requirements are evolving on a year-to-year basis, which is natural as both the sustainability focus is changing each year and the raw materials and packaging industry are manufacturing increasingly sustainable products that we use in our drinks portfolio.

Different sales channels and markets also have different requirements, and consumers themselves are also constantly re-evaluating their opinion on what they personally perceive to be sustainable or not.

Overview of 2022

Sustainability has been incorporated into the strategy of our own brands. We have new products under development and our existing products will be changed according to our evolving brand strategy, alignment with our new 2030 roadmap, as well as the shifting trends in the market and consumer needs. As part of this process, we also strongly support

the shift to climate-smart packaging in collaboration and discussions with the Nordic state Monopolies.

Anora is the market leader in the sustainable packaging of wines and spirits in the Nordics. 60% of our own product portfolio is already packed in climate-smart packaging with a 60–90% lower CO₂ footprint compared to glass. Packaging has a critical role in our operations, and it remains a primary benchmark of how seriously we take our sustainability ambitions. In 2020, in Finland, we introduced our first 100% rPET (post-consumer recycled PET) wine bottles. By the end of 2022, 87% of our PET portfolio was made of 25% rPET material.

Notable highlights at Anora in 2022 from the Product perspective included the unveiling of our new PET bottle model range which will help us, through the utilisation of economies of scale, to very rapidly move towards our 2030 targets for climate-smart packaging. The range offers us a selection of standardised, beautifully designed PET bottles to be used in different product types. During the year Anora's SAY Seltzer brand won the prestigious Dieline award, and we also won four awards at the 2022 Design & Packaging Masters.

However, 2022 proved to be an extremely difficult year for Anora from the supply chain perspective. We had difficulties due to a shortage of glass bottles in 2022, for example, and therefore had to move volumes from glass to PET bottles so we would not run out of stock of some products. The upside to this is the considerably lower carbon footprint (~60%) of PET packaging compared to glass.

Our customers were agile, supportive and largely accepted the changes in bottle formats. Likewise, the Nordic monopolies were also strongly supportive of the move from glass to PET bottles.

This rapid change in packaging formats also demonstrated our own agility to respond to our customers and consumers. All in all, 2022 arguably helped to accelerate consumers' acceptance of PET bottles over glass in some instances and for some brands, and this insight will allow us to make the shift towards climate-smart packaging as part of our 2030 sustainability roadmap more rapidly.

We created a solid foundation in our previous pre-merger sustainability roadmap and development cycles in packaging during the last several years. The year 2022 reinforced our belief that we are on the right path and the most optimal way to measure how effective we are with our packaging is through its CO₂ footprint. In the future, we expect to improve our data collection towards more accurate measurement of the climate impact of our packaging solutions.

Responsible drinking culture

At Anora, we are clear-sighted in the knowledge that our alcoholic products also have negative effects on those consuming them, which is why we place strong emphasis on promoting a responsible drinking culture. Alcoholic products are meant to be enjoyed responsibly, in moderation and in accor-

dance with local age limits. Throughout our portfolio, we have a variety of excellent non-alcoholic options for every occasion, and we are constantly increasing the amount of inspiring non and low-alcoholic options in our assortment. We want to support a modern, responsible Nordic drinking culture and embrace the sober-curiosity movement that supports healthy-lifestyle choices.

Due to the negative impact of alcoholic products, our sector is tightly regulated throughout all our markets regarding sales, marketing, and excise duties. We also have our own policy for responsible marketing that is stricter than the current legislation. In 2022, in Finland, Valvira (National Supervisory Authority for Welfare and Health) ordered Anora to remove certain images and descriptions of our strategic key spirit products from our corporate website Anora.com. Anora has appealed the order.

In Norway, we continued to support Ung Dialog with responsible drinking campaigns aimed at students. In Finland, we continued to support Raiteen tuki, an educational program for schools aiming at preventing underage alcohol use. We also continued to support the Talk about Alcohol campaign, which is used by 75% of primary schools in Sweden and is available also in our other home markets, for example Finland and the Baltics.

Through the year, we also increased the transparency of our product information (nutritional data and ingredients) and the information is now available on anoraproducts.com

In July, Anora made an investment of EUR 5 million in ISH, the award-winning Danish scale-up company in non-alcoholic beverages, making Anora a 16% minority shareholder in the company. Anora is distributing ISH's alcohol-free products in Norway, Sweden, and Finland. At the heart of ISH's product development is the belief that choosing a non-alcoholic option should not be a compromise, but an experience in itself. By focusing on

superior taste and quality ingredients, ISH's in-house product development team strives to provide individuals with a wider range of options to fit different needs and preferences. This ground-breaking work has already made ISH one of the most awarded non-alcoholic brands globally and this currently the fastest growing segment in the beverage industry. ISH is also a founding member of ANBA, the Adult Non-alcoholic Beverage Association.

While still a small category compared to the global market for alcohol, the volume of non-alcoholic spirits is estimated to grow at a 15.5% compound annual growth rate between 2021–2025. This shift towards beverages with lower alcohol content is driven by the growing interest in health and well-being, with 40% of consumers globally reporting a desire to decrease alcohol consumption for health reasons. Now more than ever, people are eager to try new non and low-alcoholic options that would still provide a taste experience on par with traditional alcoholic drinks and work in the same social contexts.

For Anora, non-alcoholic beverages offer not only an interesting growth opportunity for us but also remain a key tool of our sustainability work. Like ISH, we believe that building a more responsible and inclusive drinking culture means creating a broader range of high-quality alternatives so that everyone can enjoy a drink and join the celebration.

Recyclability

When developing packaging solutions, it is vital to consider the recycling infrastructure in different markets and the consumer behaviour related to recycling. While our three primary markets, Finland, Sweden and Norway, have recycling systems in place, and the consumers are used to the system,



this does not apply to every market where our products are consumed. We have to take into consideration local return and recycling systems in our export markets.

In addition, an important part of climate-smart packaging is the return and recycle rates, which we aim to increase, even though they are already on a very high level of over 80–90% in the Nordics. Reminding consumers to recycle and how to recycle is important. Our goal is to increase the recycling rate of bottles and Bag-in-Boxes even further throughout our markets through different communications campaigns.

One highlight in 2022 was the upgrade to full recyclability in our Bag-in-Boxes produced at our Gjelleråsen and Rajamäki facilities. Additionally, in Finland, currently all the material composition is fully recyclable. As a result, when we provide packaging for our partners, we can also utilise these materials, making us a fairly unique supplier. Some brands moved from the previous format of packaging to this fully recyclable format in 2022.

Exceeding EU targets

There are strong external drivers for reducing the emissions of packaging, such as EU legislation and in particular, the Single Use Plastic Directive (SUP). Anora will comply with the SUP Directive to prevent and reduce the environmental impact of certain plastic products and to promote a transition to a circular economy. The SUP directive also contains very strong targets on the collecting of plastic and other materials too. As part of the directive, we will introduce tethered closures in our products by 2024. This means caps, that remain attached to the bottle even when opened. Anora is ahead of the schedule for the EU SUP directive

ruling in introducing rPET in PET bottles: we have already introduced 25% of rPET, which according to SUP will be mandatory in 2025. Our target is to increase the ratio of rPET to 100% by 2030, compared to the EU requirement of 30% by 2030. Our first brands packed in 25% rPET bottles include Koskenkorva, Explorer, Lord Calvert and Latitude.

In 2021, we completed the shift away from using aluminium closures in our PET bottles in our Norwegian operations, making them fully recycling compatible, and in 2022, the process to dispense with all aluminium closures was implemented in Finland. In addition, two notable actions taken during 2022 were related to the ‘lightweighting’ of a number of glass bottles and moving wine volumes to a lighter weight format.

Anora currently remains at a higher level than that demanded by EU legislation, particularly when it comes to PET, and the amount of recycled material contained in PET. We are the leaders in the Nordics in terms of the utilisation of the highest content of recycled materials in our PET bottles. In addition, due to new EU legislation, producer responsibility for packaging materials related to recycling was in also in focus during the year. To that end, we consider ourselves as pioneers in this sector and think about this issue in terms of not from ‘cradle to grave’, but rather from ‘cradle to cradle’ in that when we use the material it needs to be returned back into the circular economy loop and then be reprocessed and reused.

“ We are the leaders in the Nordics in utilising recycled materials in our PET bottles.”

Anora is the market leader in the sustainable packaging of wines and spirits in the Nordics. 60% of our own product portfolio is already packed in climate-smart packaging with a 60–90% lower CO₂ footprint compared to glass.



Climate-smart packaging

At Anora, we are continuously working to reduce unnecessary packaging materials and introduce recycled materials in secondary packaging. We are the leaders in climate-smart packaging in the spirits and wines sector in the Nordics. “Climate-smart” for us refers to the alternative packaging types to glass, such as Bag-in-Boxes, pouches, tetras, cans, PET bottles and rPET bottles produced with recycled plastic. These packaging types have a CO₂ footprint 60–90% lower than that of glass. Regarding the packaging of our own products, 60% are already climate-smart, while 40% are glass bottles. We are also in the continuous process of decreasing the amount of glass across many bottle designs, actions that reduce both weight and their carbon footprint.

Driving our climate-smart packaging ambitions is the fact that the packaging, and all the material combinations that make up the packaging, are fully recyclable and lightweight. This includes, for example, the fact that in 2022 all our PET packaging no longer used mixed materials as part of its composition, and that plastic bottles no longer featured metal-based closures, so they were able to go through recycling facilities throughout the Nordic countries without the need to remove the bottle closures.

PET is at the core of our packaging strategy, and a decision was taken in 2022 to create a portfolio that was both more premium and more versatile, so that it would not be something specific for any brand or even any categories. This became our new Alpha bottle platform. As part of the process, we also took into consideration the sustainability

“ One of the most impactful ways of reducing the carbon footprint of our products is near-market filling”



aspect in terms of the bottle thickness, the current rules and regulations in force as part of Nordic and EU legislation, as well as the regulations for the recycling operators. Key strategic thinking behind the development of this bottle platform is that it represented a very effective way of reducing the CO₂ footprint of packaging in the move from glass to PET or other formats. This is especially the case for our spirits portfolio which can utilise PET bottles very effectively.

In 2022, with the publication of our 2030 Sustainability Roadmap, we continued to enhance our long-term packaging programme that aims to reduce the emissions of our entire product portfolio. While our primary goal remains the lowering of CO₂ emissions through a reduction in the use of materials, reducing the weight of bottles and packaging also helps lighten the logistical load and makes work easier for retailers.

One of the most effective ways of decreasing the CO₂ footprint of our imported products is through near-market filling. There, the liquid, most commonly wine, is transported in bulk and packed near the end-market at Globus Wine in Denmark or Rajamäki in Finland. In addition, during 2022, spirits products were continuously moved in bulk from Rajamäki to Gjelleråsen and vice versa to minimise the transport CO₂ emissions prior to consumption in the designated markets. Carbon emission reductions are significant when near-market filling is utilised in our operations.

The monopolies currently have different packaging weight limits to each other, and we are in dialogue with the three Nordic monopolies to help facilitate greater understand in this area so that we can harmonise the view that we all

“ We strive to emphasise the benefits of PET bottles also in travel retail and on-trade channels ”

need one way to define what is ‘heavy’ and ‘light’ so we are able to move forward with more clarified sustainability requirements. We will also continue to remain in dialogue with our main customers and also bring our views forward, for example, in the travel retail channel, where glass bottles remain the most commonly utilised material, but where we wish to further emphasise the benefits of PET in this channel. This same thinking and agenda setting also applies for the on-trade channel.

Glass will always have its place in our portfolio. In the near future, the monopolies, in dialogue with each other, as well as ourselves and our competitors, will be setting a limit or definition of what is considered to be a lightweighted bottle. For example, in wines, a 75cl bottle weighing 430g is currently considered a lightweight bottle. The spirits sector is also moving in this same direction. This is a way to guide suppliers to move towards more sustainable and environmentally friendly packaging formats.

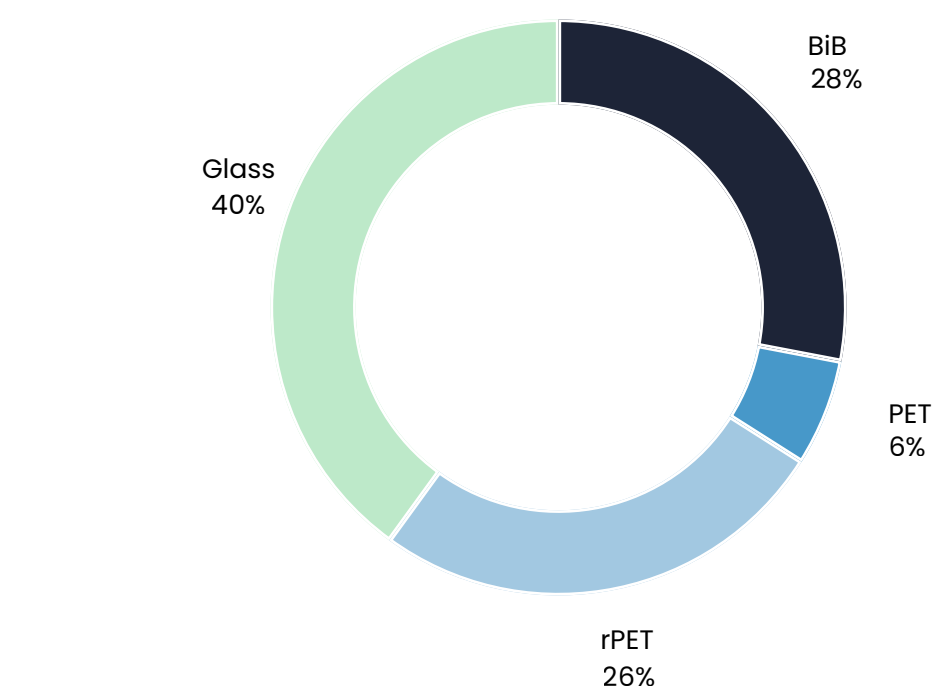
As part of this shift towards greater sustainability throughout the beverages industry, the glass manufacturing industry is also aware of the general developments taking place and are looking into ways of making packaging more sustainable. Currently, there are initiatives between these glass suppliers and spiritsEUROPE, an industry organisation for alcoholic beverage producers, and there is dialogue between these organisations.

Sustainability targets are moving, and when monopolies are setting clearly defined and specific gram weights and beginning to class what is lightweight and what is not, then the larger beverages industry will take into account these new definitions. This in turn will allow further dialogue so that all sides are able to commonly agree on future targets

setting. In addition, advances in future technology will enable us to further enhance our ‘lightweighting’ and this will lead to significant emissions savings on the road to 2030 and beyond.

Initiated during this reporting period and planned to be implemented in 2023, we will be aiming to deliver more communication to consumers and to help them to further understand issues like what is, or is not, a sustainable solution, as well as what is classed as sustainable packaging and what is not. While these requirements are developing, compromises are also needed, and at Anora we are also mindful that we must achieve our own ambitious targets, particularly related to climate-smart packaging.

Anora's own products packaging types %



Based on 11/2022 data

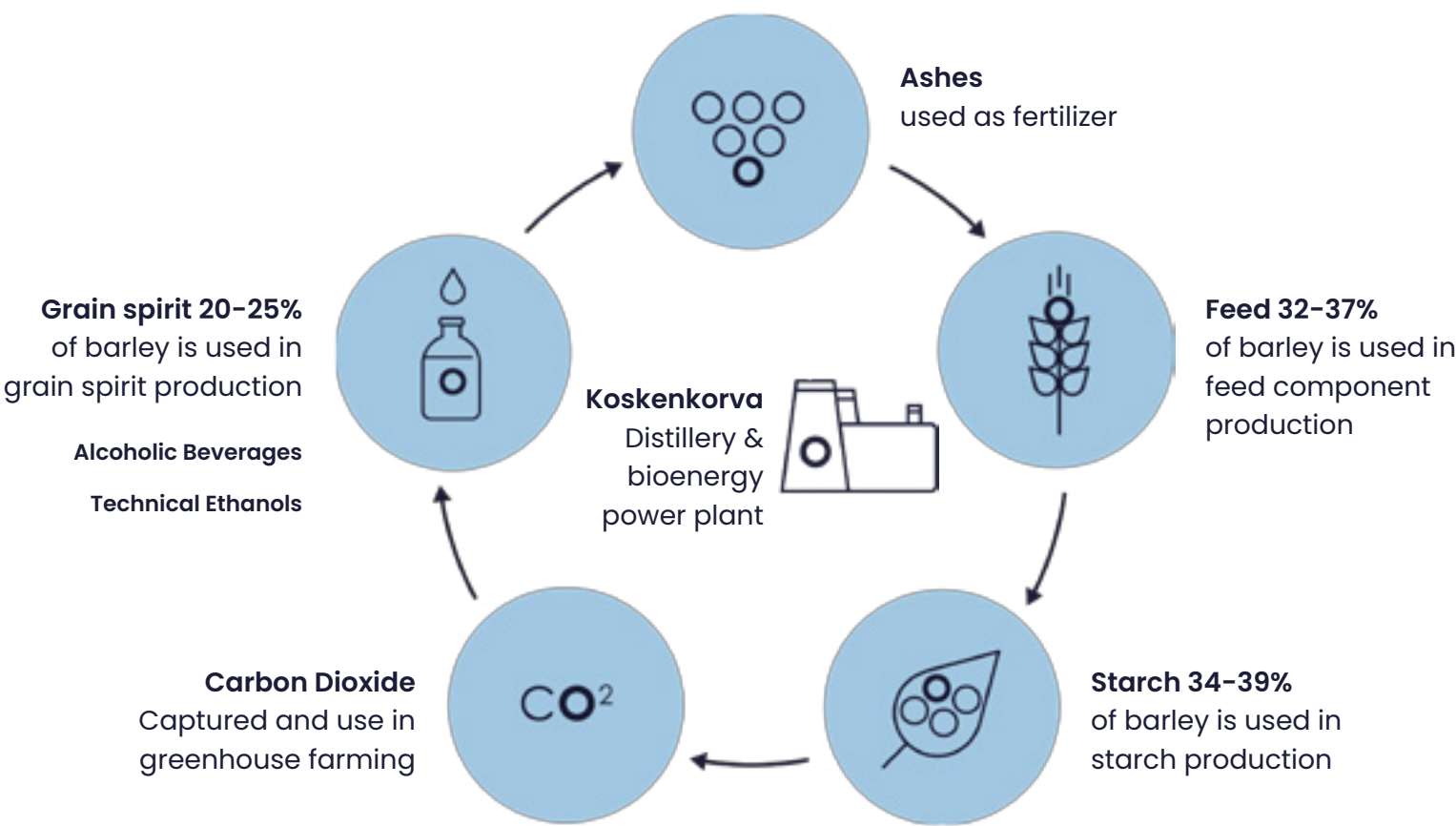
Appendix

Sustainability data
Reporting principles
GRI index

Planet

Waste recycling and recovery rate at Anora’s production plants

Unit	2022	2021	2020
Koskenkorva	100%	99.8%	99.6%
Rajamäki	100%	96.9%	99.2%
Tabasalu	88.5%	87.7%	85.1%
Cognac	96.7%	100.0%	100.0%
Gjelleråsen	100%	100.0%	100.0%
Globus Wine	100%	100.0%	100.0%
Anora production facilities total	99.8%	99.5%	99.5%



Environmental performance of Anora’s production plants

	2022	2022	2022	2022	2021	2021	2021	2020	2020	2020
Environmental Targets	Koskenkorva	Rajamäki	Gjelleråsen	Globus Wine	Koskenkorva	Rajamäki	Gjelleråsen	Koskenkorva	Rajamäki	Gjelleråsen
Reducing energy consumption (Actual MWh per m³ or tonne of product)*	0.91	0.32	0.28	0.03	0.81	0.31	0.27	0.71	0.27	0.24
Reducing water consumption (Actual m per m³ or tonne of product)	2.99	2.03	2.03	0.46	2.05	2.47	1.90	2.33	2.05	1.86
Improving wastewater quality (Actual kg COD per m³ ot tonne of product)	4.45	2.48	-	-	4.24	2.14	13.90	4.09	2.09	17.19
Reducing the volume of waste material (Actual kg per m³ of product)**	-	24.83	19.00	9.67	-	23.46	20.94	-	26.68	16.51

* Gjelleråsen: MWh/Produced goods
** The waste volume indicator is not monitored at the Koskenkorva plant as it is not material to the unit.

Use of materials and raw materials

	2022	2021	2021	2020	2020
	Anora	Altia	Arcus	Altia	Arcus
Liquids *					
Liquid raw material, beverages (m³)	81,105	54,386	20,798	54,117	20,895
Liquid raw material, beverages excluding water (m³)	13,044	N/A	14,901	N/A	16,136
Liquid raw material, technical products (m³)	17,941	25,039	N/A	28,299	N/A
Materials					
Grain (t)	184,280	208,538	N/A	214,306	N/A
Packaging materials (t)	49,169	30,754	6,194	27,559	6,779
Raw materials for products (t)**	4,990	3,996	245	4,072	259
Trading products					
Liquids (m³)	43,526	22,668	9,038	24,124	10,013
Liquids (m³), Vectura	770	N/A	3,701	N/A	4,538
Packaging materials (t) (gross weight - net weight)**	15,178	7,237	3,409	7,450	3,503
Packaging materials (t), Vectura (gross weight - net weight)	276	N/A	2,030	N/A	2,523

* Approximation based on filled volume of finished products
** Globus Wine excluded.

Environmental figures

	Anora 2022	Altia 2021	Arcus 2021	Altia 2020	Arcus 2020
Grain consumption (million kg)	184.28	208.54	-	214.34	-
Fuel consumption/direct energy consumption (Scope 1)¹					
Natural gas (GWh), direct, non-renewable	1.16	1.4	0.00	1.29	0.00
Fuel (diesel and petrol) (GWh), direct, non-renewable*	4.91	-	0.14	-	0.13
Indirect energy consumption (Scope 2)²					
Steam (GWh), indirect, non-renewable	52.35	29.65	1.27	34.71	1.30
Steam (GWh), indirect, renewable	56.81	75.57	0.00	76.41	0.00
Electricity (GWh), indirect, non-renewable	40.95	43.02	0.00	45.70	0.00
Electricity (GWh), indirect, renewable	11.22	3.88	5.01	2.52	5.14
District heating and cooling (GWh), indirect, non-renewable	0.70	0.06	0.00	0.05	0.00
District heating and cooling (GWh), indirect, renewable	7.16	2.15	5.17	1.74	3.81
Greenhouse gases, direct and indirect, market-based					
CO ₂ equivalent emissions / fossil, Scope 1 (tCO ₂ e)	1,475	280	39	260	36
CO ₂ equivalent emissions / fossil, Scope 2 (tCO ₂ e)	25,670	23,603	535	25,346	546
CO ₂ equivalent emissions / biogenic, Scope 1 (tCO ₂ e)	13,168	14,428	-	15,367	-
CO ₂ equivalent emissions / biogenic, Scope 2 (tCO ₂ e)	30,675	33,353	77	29,319	98
Significant emissions into the air					
VOC emissions (t)	6.75	6.84	-	6.39	-
Particle emissions into the air (t)	1.81	4.69	-	4.53	-
Water and wastewater					
Water consumption (1,000 m ³)**	694.5	533.6	42.3	631.3	40.2
Wastewater volume (1,000 m ³)***	238.5	257.7	35.3	248.0	3.1
Waste					
Hazardous waste (t)	7.03	51.95	0	59.19	0
Landfill waste (t)	11.57	28.18	0	28.59	0
Recycled waste					
Utilised for energy (t)	723.12	12,623.38	395.97	13,962.15	323.48
Other utilisation (t)	8,953.32	3,261.22	950.66	4,403.05	773.11

¹ Direct energy use refers to energy used in the company’s own production operations or energy production, such as burning non-renewable fuels and using diesel and petrol for company vehicles

² Indirect energy use refers to purchased energy that has been produced outside the reporting company but is used to produce energy for the company’s immediate needs.

As to the Koskenkorva plant, the figures for water consumption, amount of wastewater and energy consumption include all the operations in the plant area, with the exception of A-Rehu.

* Calculation method has been extended, and 2022 number includes fuel used in production sites and fuel used for company cars and Vectura trucks. Fuels for these vehicles are not included in historical data on this table and correspondingly, emissions from these fuels are not included in historical data of greenhouse gases for 2021 and 2020.

** Calculation methods have been revised and specified to enable better monitoring in Koskenkorva.

*** Globus Wine data not included in wastewater volume.

People

Anora’s tax footprint

Data for the financial year 2022					
	TOTAL	Finland	Sweden	Norway	Other countries
Taxes paid for the financial year, EUR million					
Income taxes	10.7	1.0	7.1	0.6	2.0
Real estate taxes	0.6	0.2	0.1	0.2	0.0
Employer contributions	19.2	8.8	5.8	4.1	0.5
Taxes collected for the financial year, EUR million					
Value added taxes, sales	599.3	142.5	130.5	270.5	50.0
Value added taxes, purchases	258.1	58.0	45.5	115.3	39.3
Excise taxes	1,004.1	259.5	180.9	503.4	60.3
Payroll taxes	26.3	7.9	4.9	9.1	4.4
Any other taxes (incl. Withholding taxes)	1.3	0.0	1.3	0.0	0.0
Net sales by country, EUR million (local)	764.7	251.8	200.8	204.4	107.6
Profit/loss before taxes by country, EUR million (local)	51.8	25.3	11.4	12.5	2.5
Personnel by country *	1,251	414	165	370	302

The table contains the most significant taxes and tax-like fees, which the company is liable to pay or collect in accordance with the local legislation. Other countries’ (Denmark, Estonia, Latvia, Germany and France) figures are presented collectively because individually they do not meet the materiality threshold of 10 percent of consolidated net sales.

Globus Wine has been consolidated to Anora as of 1 July 2022.

* Situation on December 31, 2022

Product

Recycled materials used in Anora’s packaging

	2022	2021	2021	2020	2020
Primary packaging	Anora	Altia	Arcus	Altia	Arcus
Glass bottles					
Packaging materials (t)	15,029	9,746	4,902	9,684	5,040
% recycled material	34	30	47	34	49
Plastic bottles					
Packaging materials (t)	1,136	1,000	283	1,002	247
% recycled material	21	20	1	10	0
Bag-in-boxes					
Packaging materials (t)	822	321	551	350	545
% recycled material	29	45	20	40	12

The above figures are for Anora’s own production and own brands and exclude labels and closures. Globus Wine numbers are not included in the table.

Reporting framework

Description of reporting

Anora publishes its sustainability data for 2022 as part of the 2022 Annual Report, in the section on sustainability. Anora has been reporting its sustainability data since 2008. The report is published on the company's website once every calendar year in English and in Finnish.

Anora also publishes a non-financial statement which provides an overview of the company's approach to environmental, social, employee and human rights issues, as well as anti-corruption and bribery matters, in accordance with the EU Directive regarding the disclosure of non-financial and diversity information. The non-financial statement is published as part of the Report by the Board of Directors. The company also reports on its taxonomy-eligibility in line with the recent Taxonomy Regulation (EU) 2020/852.

Scope of sustainability reporting

The sustainability section of the 2022 Annual Report contains general and material information about the economic, social and environmental impact of Anora's operations between 1 January 2020 and 31 December 2022. Altia and Arcus were merged to form Anora on the 1 September 2021. For the sake of clarity, historic data from 2020 and 2021 is mostly reported separately for the two former companies and this has been clearly marked in the report, as the comparison between two former entities is not possible due to scope and calculation differences. Anora acquired Globus Wine on 1 July 2022 and its full-year data is included in

Anora figures, with some exceptions due to different calculation methods, that are marked clearly. Anora reports on its sustainability with reference to the Global Reporting Initiative (GRI) Standards.

Environmental data

Regarding environmental sustainability, the reported targets and indicators focus on the impact of Anora's own operations at Gjelleråsen, Koskenkorva, Rajamäki, Globus Wine, Tabasalu and Cognac plants, as these plants generate most of Anora's environmental impact, with the three first mentioned being the most significant. Logistics company Vectura is located in the Gjelleråsen premises and the electricity use is included in Gjelleråsen figures.

Anora reports Scope 1 and Scope 2 greenhouse gas (GHG) emissions. Anora has calculated Scope 3 GHG emissions for the first time during 2022 for 2021. Anora calculates the annual CO₂ emission reduction compared with the previous reporting year as well as with the base year, 2014. The base year has been chosen in accordance with the construction and start-up of the Koskenkorva bioenergy power plant. Scope 1 emissions are direct emissions generated by Anora's own production. Scope 2 emissions are indirect emissions derived from energy bought from external sources and used in the company's operations.

Anora generates no other direct greenhouse gas emissions except for carbon dioxide (CO₂) emissions. CO₂ emissions from purchased energy have been calculated according to market-based approach, by multiplying the energy consumption by the emission factor corresponding

with its production (kg CO₂/GWh). The following sources for emission factors have been used in the calculations:

- **Steam:** local suppliers
- **Electricity:** country-specific European Residual Mix
- **District heating:** local district heating suppliers
- **Natural gas & fuels:** DEFRA (Department for Environment, Food & Rural Affairs)
- **Liquid Petroleum Gas used for steam:** Conversion from LPG from the Directory of Environment of Norway

In addition to GHG emissions, Anora reports volatile organic compound (VOC) emissions and particle emissions into the air. Anora's own operations generate no other emissions into the air.

Social data

Employee data sources are composed of both Anora's and Globus Wine's global HR, local payroll and reporting systems and do not include assumptions. Accident rates are reported without commuting from 2018.

The calculation methods applied, and any differences and restatements compared with the sustainability reporting of previous years, are described as part of specific charts and tables where relevant.

Assurance

No external assurance has been applied to the Sustainability Report.

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GRI index

Code	GRI Standards disclosure	Location in the Anora’s Annual Report 2022	Comments
GRI 2: General disclosures (2021)			
Organizational profile			
2-1	Organizational details	Business Overview, p. 2 ; Report by the Board of Directors, p. 25	
2-2	Entities included in the organization’s sustainability reporting	Reporting framework, p. 96 ; Financial statements, pp. 167–169	The scope of Anora's sustainability reporting corresponds to the scope of Anora's financial reporting.
2-3	Reporting period, frequency and contact point	Reporting framework, p. 96 ; GRI index	Report published on 23 March, 2023.
2-4	Restatements of information	GRI index	No restatements in 2022
2-5	External assurance	GRI index	The report has not been externally assured.
Activities and workers			
2-6	Activities, value chain and other business relationships	Business overview, p. 2 ; Business overview, pp. 13–20 ; Value chain, p. 62	
2-7	Employees	People, pp. 76–77	Reported partly. Data on employment types per gender and by region not yet available due to Anora's recent merger. Anora continues to improve its data collection processes in order to obtain data in the future.
2-8	Workers who are not employees		Data not available due to Anora's recent merger. Anora continues to improve its data collection processes in order to obtain data in the future.
Governance			
2-9	Governance structure and composition	Governance, pp. 104–106 ; pp. 108–109 ; pp. 117–119	
2-10	External initiatives	Governance, pp. 103–104	
2-11	Chair of the highest governance body	Governance, pp. 108–109	The Chairman of the Board of Directors is not a senior executive in the organisation.
2-12	Role of the highest governance body in overseeing the management of impacts	Report of the Board of Directors, pp. 35–36 ; Sustainability governance, p. 59 ; Governance, p. 104	
2-13	Delegation of responsibility for managing impacts	Report of the Board of Directors, pp. 35–36 ; Sustainability governance, p. 59 ; Governance, p. 106	
2-14	Role of the highest governance body in sustainability reporting		Anora's Board of Directors reviews and approves the Annual Report and the information presented in it, including the sustainability information and the material topics.
2-15	Conflicts of interest	Governance, pp. 105–107	
2-16	Communication of critical concerns	Report by the Board of Directors, pp. 33–34 ; Governance, p. 105	
2-17	Collective knowledge of the highest governance body	Governance, p. 103	

Code	GRI Standards disclosure	Location in the Anora’s Annual Report 2022	Comments
2-18	Evaluation of the performance of the highest governance body	Governance, p. 104	
2-19	Remuneration policies	Governance, p. 110 ; pp. 115–118 ; website: Remuneration	
2-20	Process to determine remuneration	Governance, p. 103 ; pp. 115–116 ; website: Remuneration	
2-21	Annual total compensation ratio	Governance, p. 112 ; pp. 115–116	Reported partly. Anora discloses the annual total compensation of the CEO and employees' average remuneration from which the ratio can be calculated.
Strategy, policies and practices			
2-22	Statement on sustainable development strategy	Business overview, pp. 10–11	
2-23	Policy commitments	Report by the Board of Directors, pp. 32–34 ; People, pp. 83–84 ;	
2-24	Embedding policy commitments	Report by the Board of Directors, pp. 32–34 ; People, pp. 74–84 ;	
2-25	Processes to remediate negative impacts	Report by the Board of Directors, pp. 33–34 ; People, pp. 83–84 ;	
2-26	Mechanisms for seeking advice and raising concerns	Report by the Board of Directors, pp. 33–34 ; People, pp. 83–84 ;	
2-27	Compliance with laws and regulations	GRI index	During the reporting period, no consequences were imposed on Anora for violations of laws and regulations.
2-28	Membership associations	Sustainability governance, p. 61	
Stakeholder engagement			
2-29	Approach to stakeholder engagement	Sustainability governance, p. 61	
2-30	Collective bargaining agreements	GRI index	Most employees at Anora are covered by collective bargaining agreements, except in Latvia and Estonia where collective bargaining agreements do not exist. Local laws and employment contracts determine the terms of working conditions in Latvia and Estonia.
GRI 3: Material Topics (2021)			
3-1	Process to determine material topics	Introduction, p. 55 ; Materiality & SDGs, p. 56	
3-2	List of material topics	Materiality & SDGs, p. 56	
3-3	Management of material topics	Planet, pp. 63–72 ; People, pp. 73–84 ; Product, pp. 85–91	
200: Economic Standards			

Code	GRI Standards disclosure	Location in the Anora’s Annual Report 2022	Comments
201: Economic performance (2016)			
201-1	Direct economic value generated and distributed	People, p. 84 ; Appendix, p. 95	
205: Anti-corruption (2016)			
205-2	Communication and training about anti-corruption policies and procedures	Report by the Board of Directors, pp. 33–34 ; People, p. 83–84	
205-3	Confirmed incidents of corruption and actions taken	Report by the Board of Directors, pp. 33–34 ; People, p. 83–84	No confirmed incidents during 2022.
207: Tax (2019)			
207-1	Approach to tax	People, p. 84	
207-2	Tax governance, control, and risk management	Report by the Board of Directors, p. 47 ; People, p. 84	
207-4	Country-by-country reporting	Appendix, p. 95	Country-specific information on taxes is presented for Finland, Sweden and Norway. They constitute the company’s main markets, with approximately 90% of our net sales coming from these three countries. Our other operating countries (Denmark, Estonia, Latvia, Germany and France) do not meet the materiality threshold of 10% of consolidated net sales for countries to be reported separately and are therefore presented collectively.
GRI 301: Materials (2016)			
301-1	Materials used by weight or volume		Anora has identified this indicator as material and reports the total volume of materials used, but cannot currently report the division into non-renewable and renewable materials.
301-2	Recycled input materials used	Planet, pp. 88–90 ; Appendix, p. 95	Recycled input material data is calculated for Anora’s own production and own brands’ packaging (excluding labels and closures).
GRI 302: Energy (2016)			
302-1	Energy consumption within the organization	Appendix, p. 94	
302-4	Reduction of energy consumption	Planet, pp. 66–67 ; Appendix, p. 93	
GRI 303: Water and effluents (2018)			
303-1	Interactions with water as a shared resource	Report by the Board of Directors, p. 31 , 37 ; Materiality & SDGs, p. 57 ; Planet, p. 69	Anora’s production plants do not operate in water scarcity areas. Anora complies with the water intake amounts set by the authorities and regularly measures and follows up groundwater surface levels.
303-2	Management of water discharge-related impacts	Report by the Board of Directors, p. 31 ; Planet, p. 69	
303-5	Water consumption	Appendix, p. 93–94	
GRI 305: Emissions (2016)			
305-1	Direct (Scope 1) GHG emissions	Report by the Board of Directors, p. 32 ; Planet, p. 67–68 ; Appendix, p. 94 ; Reporting framework, p. 96	
305-2	Energy indirect (Scope 2) GHG emissions	Report by the Board of Directors, p. 32 ; Planet, p. 67–68 ; Appendix, p. 94 , Reporting framework, p. 96	

Code	GRI Standards disclosure	Location in the Anora’s Annual Report 2022	Comments
305-4	GHG emissions intensity		Anora has identified this indicator as material and aims to report the GHG emissions intensity for the reporting year 2023.
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Appendix, p. 94	Anora reports its VOC emissions and particle emissions. Our operations generate no other air emissions
GRI 306: Waste (2020)			
306-1	Waste generation and significant waste-related impacts	Planet, p. 70 , Appendix, p. 92	Reported partially.
306-2	Management of significant waste-related impacts	Planet, p. 70 , Appendix, p. 92	
306-3	Waste generated	Appendix, p. 94	Waste disposal disaggregated where applicable.
306-5	Waste directed to disposal	Appendix, p. 94	Anora reports the total amounts of hazardous, recycled, incinerated and landfill waste.
GRI 308: Supplier environmental assessment (2016)			
308-2	Negative environmental impacts in the supply chain and actions taken	Report by the Board of Directors, p. 32 ; Planet, p. 67 ; People, p. 81	Anora has identified this indicator as material and reports its approach to promoting sustainability in the supply chain, but cannot currently report the exact number or share of assessed suppliers. Anora is unifying the processes for environmental assesments and collaboration with suppliers.
400: Social Standards			
GRI 403: Occupational health and safety (2018)			
403-1	Occupational health and safety management system	Report by the Board of Directors, pp. 32–33 ; People, pp. 75–78	ISO 45001:2018 Occupational Health and Safety Management System certification covers Anora’s operations in Finland. The management system covers all on-site employees and workers.
403-2	Hazard identification, risk assessment, and incident investigation	Report by the Board of Directors, pp. 32–33 ; People, pp. 75–78	Anora has a process, procedures and frequent training for employees and workers to identify work-related hazards and assess risks in order to minimise them.
403-3	Occupational health services	Report by the Board of Directors, pp. 32–33 ; People, pp. 75–78	All Anora employees are covered by health services, according to local legislation. The quality of the service is reviewed by HR and employees can easily reach the health services through the service providers vast geographical scope.
403-4	Worker participation, consultation, and communication on occupational health and safety	Report by the Board of Directors, pp. 32–33 ; People, pp. 75–78	Workers frequently participate in consultation and communication concerning occupational health and safety through health and safety committees, surveys, observation and near-miss reporting systems, as well as frequent occupational health and safety meetings. The health and safety committee meets at Anora-level biannually, and at plant-level quarterly. The plant manager participates in meeting to ensure decisions are implemented.
403-5	Worker training on occupational health and safety	Report by the Board of Directors, pp. 32–33 ; People, pp. 75–78	Anora injury reporting covers all employees, workers and those working on Anora premises who are not Anora employees.
403-6	Promotion of worker health	Report by the Board of Directors, pp. 32–33 ; People, pp. 75–78	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Report by the Board of Directors, pp. 32–33 ; People, pp. 75–78	
403-9	Work-related injuries	Report by the Board of Directors, pp. 32–33 ; People, pp. 75–78	The main types of work-related accidents involved accidents with forklift trucks, followed by accidents with machines, stumbling or falling.. Anora injury reporting covers all employees, workers and those working on Anora premises who are not Anora employees.

Code	GRI Standards disclosure	Location in the Anora’s Annual Report 2022	Comments
GRI 404: Training and education (2016)			
404-1	Average hours of training per year per employee	GRI index	Data on average hours of training is not yet available concerning the entire Group due to recent mergers and acquisitions. Anora continues to improve its data collection processes in order to obtain data in the future.
404-2	Programs for upgrading employee skills and transition assistance programs	People, pp. 82–83	
404-3	Percentage of employees receiving regular performance and career development reviews	GRI index	Anora instructs to have development discussions with all employees. Due to recent mergers and aquisitions, consolidated data is not available yet.
GRI 405: Diversity and equal opportunity (2016)			
405-1	Diversity of governance bodies and employees	Business overview, p. 23 ; People, pp. 76–78 ; Govenrnance, p. 103	Figures not disaggregated by age group.
GRI 414: Supplier social assessment (2016)			
414-2	Negative social impacts in the supply chain and actions taken	People, p. 80	Anora has identified this indicator as material and reports its approach to promoting sustainability in the supply chain, but cannot currently report the exact number or share of assessed suppliers. Anora uses the amfori BSCI framework to enhance social responsibility throughout our supply chain and also support several social certificates, such as Fairtrade and Fair for Life.
GRI 416: Customer health and safety (2016)			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Report by the Board of Directors, pp. 34–35	No incidents in 2022.
GRI 417: Marketing and labelling (2016)			
417-3	Incidents of non-compliance concerning marketing communications	GRI index	The Finnish National Supervisory Authority for Welfare and Health, Valvira, ordered Anora to remove certain brand images from the corporate website Anora.com. Anora has appealed the order.

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