



Statement pursuant to the Transparency Act for 2024

Orkla Health Holding AS ("Orkla Health") is a company with 5 directly owned subsidiaries, and a total of approximately 40 companies in different parts of the world, which conducts industrial activities within brands with a focus on consumer health. Orkla Health is a subsidiary of Orkla ASA ("Orkla") and cooperates with and receives services from other Orkla Group companies. This report describes Orkla Health's work on human rights and decent working conditions, including due diligence in line with the requirements of Section 5 of the Transparency Act. The work is partly carried out by functions in Orkla Health, functions in its subsidiaries and in other Orkla Group companies. This statement contains a description of activities carried out by Orkla Group companies on behalf of Orkla Health and activities carried out by Orkla Health.

The report covers Orkla Health and its subsidiaries¹ and applies to the financial year 2024 (1 January – 31 December). In addition, Orkla reports annually on the progress of the Group's work on environmental, social and business ethics issues in Orkla's Annual Report².

Orkla Health's subsidiaries that are subject to the Transparency Act on an independent basis also publish their own statements, which will be available on Orkla ASA's website ([the Transparency Act - Orkla Norway](#))³ in addition to the companies' own websites. These subsidiaries may rely on Orkla Health and Orkla's statements in their fulfilment of the reporting obligation pursuant to section 5 of the Transparency Act, but will contain supplementary information relating to the individual company.

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¹ Subsidiaries are companies in which Orkla Health has more than 50% ownership.

² Orkla's Annual Report for 2024 is available here: [Annual Report - Orkla Norway](#), where the Sustainability Report begins on page 45.



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1. Description of the business

Orkla Health is a group that sells well-known brands with a focus on consumer health in more than 80 countries, but with a large proportion in Norway, Denmark, Finland, Sweden, Poland, Spain, the UK, the Netherlands and the Czech Republic. Orkla Health has a lot of in-house production, but also a large proportion of third-party production.

Sustainable growth is a key part of Orkla Health's business strategy. Orkla Health's long-term sustainability ambition is as follows: We empower people to take charge of their health and well-being, with care for the environment and society.

Orkla Health is committed to responsible operations with respect for people, the environment and society. Through Orkla and Orkla Health's governing principles for sustainability and responsible business practice, Orkla Health wishes to help ensure that companies in which Orkla Health is an owner manage environmental, social and business ethics (ESG) issues in a way that ensures responsible business operations, good risk management and long-term value creation.

1.1. Organization of the business

Orkla Health Holding AS is a limited liability company with its registered office at Drammensveien 149, Oslo (Norway). The organisation number for Orkla Health Holding AS is NO 930 097 683. Orkla Health is a subsidiary of the public limited company Orkla ASA.

As of December 2024, Orkla Health is the direct owner of 5 subsidiaries. Orkla Health's subsidiaries operate mainly in branded consumer goods and consumer-oriented products. In total, the group consists of approximately 40 companies in different parts of the world.

At year-end 2024, the Orkla Health Group's workforce consisted of approximately 1800 employees⁴ and approximately 50 non-employees⁵ spread across 20 countries. A significant proportion of the Orkla Health companies' employees work in production, maintenance and logistics. Other important functions of the companies include marketing, product development, sales, sustainability, finance, IT, HR, and communications. The majority of the companies produce consumer goods and, in addition to their own production, are significant purchasers of products and raw materials. In total, Orkla Health's companies have several thousand direct suppliers, which means that there are a large number of people who are affected by the Orkla Health Group's operations throughout the value chain.

This report covers Orkla Health and its subsidiaries as a group in which functions and categories are managed in matrices and within each individual company. The subsidiaries that are independently covered by the Transparency Act publish their own statements that supplement this and Orkla's statement.

Orkla Health's work on human rights and decent working conditions is carried out to a large extent in collaboration with Orkla ASA and Orkla Procurement AS (Orkla Procurement).

⁴ Includes permanent employees, temporary employees and employees with non-guaranteed working hours.

⁵ Includes self-employed (independent contractors) and people employed by staffing agencies.

Leadership Team Orkla Health



Karolina Henriksen
General Manager Commercial and Local Brands



Christian Rykke
Acting CEO
Chief Financial Officer (CFO)



Marit Agner Matheson
Chief People Officer (CPO)



Hanne Rølling Nymand
Chief Marketing Officer (CMO)



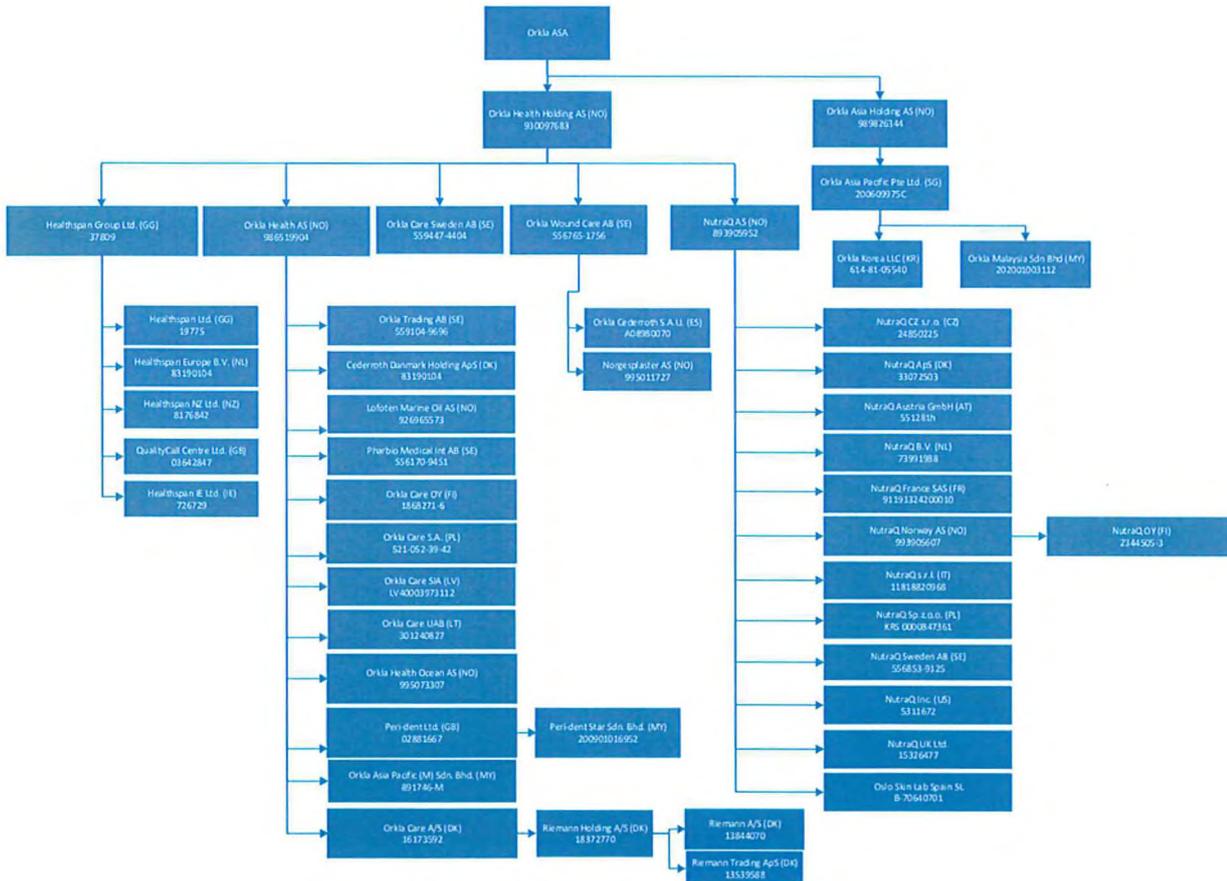
Maria Lundman-Hedberg
Chief Executive Officer Orkla Wound Care



Christian Rykke
Acting Chief Digital Officer (CDO)



Shafer Yar Khan
Chief Operating Officer (COO)





1.2. Orkla Health's businesses

Orkla Health's directly owned subsidiaries:

- **Orkla Health AS**
Orkla Health AS offers well-known local brands to consumers in the consumer health sector. The company's main functions are product development, production, purchasing, branding, sales and distribution for the Norwegian and international markets. The company is also a parent company and key functions support activities in subsidiaries.
- **Orkla Wound Care AB**
Orkla Wound Care AB is a Swedish company engaged in product development, branding, sales and distribution of various products within first aid and wound care. The company has subsidiaries in Spain and Norway that are engaged in the same activities as well as production.
- **NutraQ AS**
NutraQ AS is a Norwegian company engaged in product development, branding, sales and distribution of dietary supplements mainly in the Nordic countries, the Netherlands, Italy, the Czech Republic, Poland, Slovakia and some other countries.
- **Healthspan Ltd**
Healthspan Ltd is a Guernsey based company engaged in the product development, branding, sales and distribution of dietary supplements, mainly for the UK market.
- **Orkla Care Sweden AB**
Orkla Care Sweden AB is a Swedish company that owns Swedish brands and conducts brand development, sales and distribution activities in the Swedish market.

2. Guidelines and Governance Principles

2.1. Orkla Health's Code of Conduct for Fundamental Human Rights and Decent Work

Orkla Health's Code of Conduct for Human Rights and Decent Work is based on Orkla Health and Orkla's governing documents, such as the Orkla Code of Conduct⁶, the Orkla Sustainability Policy⁷ and the Orkla Supplier Code of Conduct⁸ and the Orkla Business Partner Code of Conduct⁹.

Orkla Health and Orkla's guidelines, requirements and guidance material ensure that the UN Guiding Principles on Business and Human Rights are well integrated into Orkla Health's procurement activities and into the management of suppliers and business partners. A more detailed discussion of Orkla and Orkla Health's guidelines and procedures for due diligence in the supply chain is provided in section 2.3 below.

Orkla Health's Code of Conduct

Orkla Health complies with Orkla's Code of Conduct, which applies to Orkla Health, its subsidiaries and all persons working for the Orkla Health Group. This includes employees at all levels, board members, contracted personnel, consultants, contractors and others who act on behalf of or represent Orkla Health.

⁶ [Orkla-Code-of-conduct_BOD-approved-12-Feb-2025.pdf](#)

⁷ [Orkla's Sustainability Policy](#)

⁸ [Orkla-Supplier-Code-of-Conduct.pdf](#)

⁹ [Orkla Business Partner Code of Conduct Nov 22](#)



Orkla Health's Code of Conduct includes a commitment to safeguard human rights and decent working conditions, including conducting due diligence assessments, as well as working for improvement measures.

Orkla Health's Sustainability Policy

Orkla Health adheres to Orkla's Sustainability Policy, which covers environmental, social and governance (ESG) impacts, risks and opportunities associated with Orkla Health's operations and business decisions, as well as Orkla Health's role as owner of companies. The guidelines are based on the UN Global Compact and the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the Transparency Act. In accordance with Orkla's Sustainability Policy, Orkla Health's companies are expected to respect and protect human rights and decent working conditions, including by:

- recognise and respect the rights to freedom of expression, association and association, trade union rights, collective bargaining and privacy;
- promote decent working conditions, offer reasonable and lawful working hours, fair compensation and adequate remuneration, ensure a good work-life balance, and provide holiday and leave arrangements that safeguard workers' rights, including the right to family-related leave;
- work for equal opportunities, equal pay, a balanced gender distribution at all levels and increased diversity and inclusion throughout the value chain, as well as to work against all forms of discrimination and harassment;
- work systematically to safeguard health, safety and mental well-being and strive for zero harm to its employees, as well as continuous improvement in these areas;
- conduct due diligence related to human rights and decent working conditions; and
- establish effective mechanisms for addressing concerns and needs from stakeholders, internal procedures for dealing with these concerns and needs in a prudent and effective manner, and provide remediation in cases where Orkla Health has caused or contributed to material adverse impacts.

2.1.1. Responsibility

Ethical guidelines and guidelines for sustainability are reviewed annually by the Board of Directors of Orkla Health. The Board of Directors and the Chief Executive Officer shall ensure that the ethical guidelines are implemented and complied with. The Board of Directors of Orkla Health has overall responsibility for supervising the implementation of the guidelines in Orkla Health. The Chief Executive Officer shall ensure that relevant employees are made aware of and comply with the guidelines and that training is carried out on an annual basis.

Orkla Health follows up the Group's work on sustainability and responsible business conduct through Group functions, competence networks and sustainability functions, representation on the boards of directors of its subsidiaries and annual internal reporting. The Board of Directors of Orkla Health follows up this work through an annual assessment of the progress of its sustainability work and ongoing discussion of individual issues that are considered to be of significant importance to the business. The Board also discusses Orkla Health's annual sustainability reporting, including the progress of its due diligence work and assessment of the Orkla Health Group's dependency on, impact on, risks and opportunities related to climate, water, forests, nature and human rights.

The Board of Directors of the subsidiaries is responsible for ensuring that their operations are conducted in accordance with relevant regulations and Orkla Health's ethical guidelines and guidelines for sustainability. The CEO of the companies is responsible for establishing management routines, goals and action plans for sustainability work in line with Orkla Health's ethical guidelines and guidelines for sustainability.



2.2. Guidelines and procedures for own employees in the Orkla Health Group

Orkla Health's sustainability guidelines cover significant topics related to its own employees. This includes diversity, equality and inclusion, working conditions, fair and adequate pay, working environment, health and safety.

Orkla Health's sustainability guidelines require that a risk assessment is carried out annually for the organisation's own organisation related to compliance with human rights.

2.2.1. Diversity, Equity, and Inclusion

Orkla Health's sustainability guidelines set clear expectations for how Orkla Health companies should relate to diversity and non-discrimination. Orkla Health's companies are expected to strive for an inclusive and open culture in which employees feel involved and given the opportunity to develop. Harassment or discrimination based on racial and ethnic origin, colour, sexual orientation, gender identity, disability, age, religion, political opinion, national or social origin or race, religious beliefs, any other form of discrimination covered by Union or national law, or on any other grounds, shall not be tolerated. Most of the companies have procedures in place to avoid unintentional discrimination in salary determination, promotion, and recruitment. Examples of procedures are routines in recruitment processes, frameworks for salary determination, salaries negotiated by trade unions, salary surveys, benchmarking of salary systems, that both genders must be represented in recruitment teams, structured job interviews and objective aptitude tests.

2.2.2. Working conditions

Orkla Health's guidelines for sustainability cover a number of issues related to working conditions, including freedom of expression and association, regulated working hours and procedures for participation. Orkla Health values open, fact-based, honest and respectful communication, and wants all Orkla Health companies to make it easy for employees and external stakeholders to raise concerns, and to ensure that the dialogue with stakeholders takes place in a respectful, fair and professional manner.

Orkla Health's Human Rights Impact Assessment from 2024 did not reveal any serious risk of violations of human rights and decent working conditions in its own operations. Orkla Health considers the risk of violations of children's rights, forced labour and the right to organise and take part in collective bargaining to be low. Most companies practice an 18-year age limit for employment. The companies that have employees under the age of 18 follow national regulations to ensure safe working conditions for young workers.

2.2.3. Working environment, health and safety

Orkla Health's sustainability guidelines require companies to protect the health and safety of employees and others associated with the business. All of Orkla Health's companies are followed up on the ambition that personal injuries should not occur, and will work purposefully to create safe, healthy and attractive workplaces. In addition to the annual overall risk assessment for human rights, the companies carry out systematic and more detailed risk assessments related to the working environment, health and safety in their operational operations.

2.3. Supply chain due diligence policies and procedures

Orkla Health's Code of Conduct for Employees in the Value Chain and Human Rights is included in Orkla Health's Code of Conduct, Orkla Health's Sustainability Policy, and Orkla Health's Code of Conduct for Suppliers and Business Partners (Orkla Supplier Code of Conduct and Orkla Business Partner Code of Conduct). These guidelines apply to all workers in the value chain, including people at risk and vulnerable groups, such as children and migrant workers. They describe obligations that are relevant to workers in the value chain, and include processes and mechanisms to ensure compliance with key international frameworks, including the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. The rights covered by these instruments are considered to be global, universal human and labour rights that apply to all workers, regardless of the activities of the enterprise. The guidelines include a clear commitment to respect human and labour rights, to cooperate and have measures in place to remedy adverse impacts, and to cease, prevent or mitigate potential adverse impacts. They explicitly address critical issues such as forced



labour, human trafficking and child labour, and are rooted in the UN Guiding Principles on Business and Human Rights.

Orkla Health's Supplier Code of Conduct describes Orkla Health's ethical requirements and expectations of suppliers. The requirements are based on the UN Declaration of Human Rights, the ETI Base Code and the UN Global Compact's ten principles for responsible business conduct. The document contains clear requirements not to accept child labour or forced labour, and covers the right to freedom of association and collective bargaining, acceptable working conditions, adequate pay, work-life balance, health and safety, as well as equal treatment opportunities. Together with Orkla ASA's joint purchasing organisation, Orkla Procurement, the companies implement measures to ensure compliance with these principles through supplier dialogue, supplier self-assessments and ethical audits. The requirements have been translated into nine languages, and suppliers are required to sign and comply with these.

Orkla Procurement provides companies with guidance, tools and systems for responsible procurement, and supports companies in their work on due diligence, supplier follow-up and certification of risk raw materials. In order to work effectively with Orkla Health's many suppliers and to ensure responsible business practices, the companies follow a risk-based approach. This approach involves having routines for risk assessment, follow-up of suppliers and reporting.

In their work on responsible procurement, companies prioritise those suppliers and supply chains where the risk of negative consequences for fundamental human rights and decent working conditions is greatest, based on the severity and likelihood of harm. In cooperation with Orkla Procurement, the companies carry out an annual risk assessment of their suppliers based on criteria related to working conditions, HSE, the environment and ethics.

Orkla and the Orkla Health companies are members of the Sedex organisation, which is a global platform for assessing supply chains. Membership provides an opportunity for insight into the large number of supplier relationships that Orkla Health has, as well as increased influence on suppliers through multi-stakeholder cooperation. All direct suppliers added to Orkla's digital supplier portal solution (Orkla Supplier Portal) undergo a sustainability risk assessment based on Sedex's risk data.

High-risk providers undergo a more detailed risk assessment using a standardized methodology developed by Sedex. The method involves completing a self-evaluation form and an ethical audit based on the SMETA framework¹⁰ (or Intertek audit) if deemed necessary. Through the SMETA framework and audits, Orkla Health will receive information about findings and non-conformities. Deviations that are uncovered are also followed up through the Sedex system. Among other things, a 'Corrective action plan' is being prepared, which contains requirements and deadlines for suppliers to rectify nonconformities.

Suppliers defined as high-risk suppliers are asked to become a Sedex member and complete a self-assessment. Based on the results of this due diligence process, high-risk suppliers may be subject to a SMETA 4 pillar or a similar on-site audit focusing on several ESG topics, including in particular human rights. Direct dialogue with employees is normally part of these audits.

When it comes to high-risk raw materials, companies choose suppliers that maintain high standards and have their own sustainability programs. Companies are required to ensure that, as a minimum, high-risk commodities meet SAI Platform FSA¹¹ Silver level or a relevant third-party standard or third-party program. In addition, companies often use third-party certification standards that include requirements and monitoring routines for specific risk conditions. High-risk raw materials in key categories are defined by Orkla Procurement, while high-risk raw materials in local categories are defined by the Orkla Health companies. Orkla Procurement supports Orkla Health's companies in assessing relevant risks in the supply chain and implementing risk-reducing measures.

¹⁰ SMETA stands for Sedex Members Ethical Trade Audit, which focuses on social topics and is carried out by Sedex on site.

¹¹ The Farm Sustainability Assessment (FSA) is a framework for sustainable agricultural production developed by the SAI Platform with specific criteria for addressing relevant ESG issues.

2.3.1. Collaboration and partnership

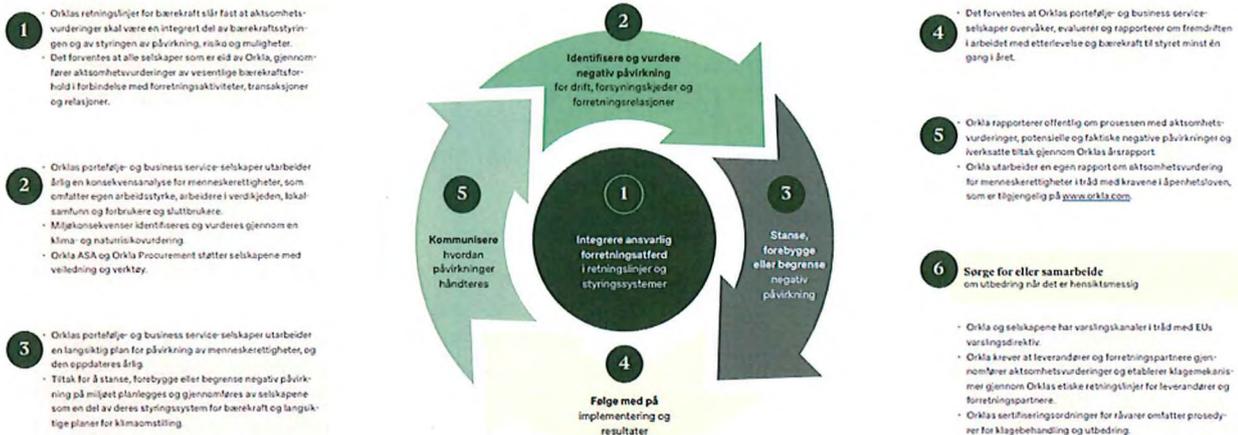
As part of Orkla Health's efforts to meet the challenges related to human rights and the environment, Orkla Procurement and Orkla Health actively participate in industry initiatives involving companies, authorities and expert organisations, such as Ethical Trade Norway, AIM-Progress, Sedex (see section 2.3 above) and the Sustainable Agriculture Initiative (SAI) Platform. Orkla Health AS is a member of Ethical Trade Norway, participates in courses and reports annually on the progress of the companies' work to this organisation.

2.4. Orkla's work on the due diligence assessments

Below we provide an overview of Orkla's approach to sustainability due diligence, which also includes human rights and decent working conditions.

Orkla and Orkla Health's approach to sustainability due diligence

Orklas tilnærming til aktsomhetsvurderinger knyttet til bærekraft



Orkla has prepared a guide for Human Rights Due Diligence (Playbook HRDD), and in 2024 Orkla Health will have conducted workshops on due diligence related to human rights and decent working conditions. In 2024, Orkla Health prepared human rights impact assessments and long-term plans for its efforts to manage risks related to human rights and decent working conditions in accordance with Orkla's Playbook HRDD.

3. Actual negative consequences for fundamental human rights and decent working conditions uncovered in the Orkla Health Group

Orkla Health has not documented actual negative consequences for fundamental human rights and decent working conditions in its own operations, subsidiaries, other investments or supply chains through due diligence assessments in 2024.

4. Significant risk of negative consequences and measures

4.1. Risk of negative consequences for fundamental human rights and decent working conditions in Orkla Health's own operations

As Orkla Health Holding AS is an industrial holding company whose activities are limited to ownership activity and active ownership, the risk of violations of fundamental human rights and decent working conditions is considered to be low in the parent company's own operations. The company's risk related to violations of fundamental human rights and decent working conditions is primarily through the subsidiaries' operations and their supply and value chains.

4.2. Significant risk of negative consequences uncovered in the subsidiaries' own operations

Through the annual risk assessment in 2024, there was assessed to be a risk of negative consequences in certain areas covered by Orkla Health's ethical guidelines and guidelines for sustainability.

Orkla Health has many production employees, which means that there is a high inherent risk of work-related injuries, including falls, cuts and exposure to chemicals, dust or noise. There are no documented violations of human and labour rights related to injuries in 2024, but due to many production employees in several countries in Europe and Asia, the risk of potential negative consequences is considered significant. Orkla Health's goal is to ensure that no serious personal injuries occur and that there is a steady, low frequency or annual (continuous) reduction in the number of injuries and work-related health problems.

4.2.1. Working conditions – adequate pay

Through the companies' risk mapping, a risk has been identified in some companies that the starting salary for certain positions may be lower than what is considered an adequate salary. Overall, for the Orkla Health Group, the assessments in 2024 showed that none of the employees have a salary that falls below benchmarking levels for what can be considered an adequate salary. Orkla Health's goal is for all employees to receive a salary that is sufficient to live on. In 2025, Orkla Health will thoroughly review this data and establish a plan to strengthen pay conditions if the wage level in the Orkla Health companies does not meet established living wage standards.

Effort

In 2024, several of the Orkla Health companies made additional salary adjustments in various markets to compensate for employees' increased living costs. Companies with collective agreements use bargaining to set wages, and in 2024, around 37% of all permanent employees were covered by collective agreements. Salaries for other employees are determined using benchmarking tools that include factors such as country, sector, job type and competitive landscape. Orkla Health's goal is for all employees to receive adequate pay by 2026, and all Orkla Health companies will draw up a plan in 2025 to achieve this goal. To achieve this goal, the plans will be based on data from the WageIndicator organisation, with which Orkla has partnered, in order to obtain reliable information on living wage levels in different countries.



4.2.2. Mapping of pay differences and taking parental leave

Orkla Health's companies annually survey pay gaps, gender balance in part-time and temporary positions, as well as the use of parental leave, in order to be able to work systematically to correct imbalances.

In 2024, Orkla Health's companies will have uncovered potential negative consequences in their own operations related to gender paygaps. The consequences are considered potential as there is nothing to indicate that the pay gap between women and men is due to discrimination.

Gender pay gap

Overall, women have a fixed salary that corresponds to an average of 88.6% of men's wages. Salary is defined as ordinary basic or minimum wage and any other remuneration, either in the form of cash or payments in kind, in connection with that employee's employment. The difference in average salary between female and male employees is calculated and expressed as a percentage of the average salary of male employees of the company in question in local currency. Orkla Health companies will continue to work to reduce the gaps.

Effort

Most Norwegian companies in Orkla Health have carried out a more comprehensive survey based on the requirements of the Equality Act. The survey shows that, on average, women in Norwegian companies receive total compensation that is equal to men's, and that the work that has been done to correct previous imbalances has yielded the desired results. For example, in recent years' wage settlements, Orkla Health has allowed itself to exceed the limit for wage growth for women who have lower salaries than men in equal or similar positions.

4.2.3. Diversity, Equity, and Inclusion

Through annual risk mapping, some companies uncovered a risk of negative consequences related to diversity and discrimination. Examples of this are the risk of discrimination in hiring processes, wage determination and facilitation for employees with disabilities.

Effort

The majority of companies have procedures in place to avoid unintentional discrimination in the determination of pay and promotion, and procedures to avoid unintentional discrimination in recruitment. Examples of procedures are strict routines in HR and recruitment processes, frameworks for salary determination, salaries negotiated by trade unions, salary surveys, benchmarking of salary systems, both genders represented in recruitment teams, structured employment interviews and objective skills tests. In 2024, both Orkla Health and its portfolio companies will have completed training and/or other initiatives related to diversity, equality and inclusion. Orkla Health has also entered into dialogue with selected business partners to encourage increased focus on gender balance and diversity.

4.2.4. Occupational safety and health (OSH)

Orkla Health has a vision of zero injuries, and all its portfolio companies work continuously to prevent accidents. Several of the companies are experiencing a positive trend in injury frequency, and the number of injuries in the Orkla Health Group as a whole has decreased in 2024. The frequency for lost-time injuries¹² was 1.9 and the frequency for personal injuries was a total of¹³ 2.6 in 2024, compared with 5.3 and 8 in 2023, respectively. Orkla Health has not revealed that any of these conditions are to be regarded as actual negative consequences for human rights or decent working conditions.

Effort

All of Orkla Health's companies work continuously to reduce the risk of injury. Several of the companies have carried out their own HSE weeks in 2024. The purpose of such a week is to strengthen internal engagement and involve all employees in the development of the culture in order to achieve Orkla Health's vision of zero

¹² Number of personal injuries with absence per million hours worked

¹³ Number of injuries with absence, need for medical treatment or work limitation per million hours worked



injuries. Important topics have been safety in vehicles, culture building, mental health and work-life balance. All companies have established guidelines and procedures for HSE, and in 2024 about 100% of all employees were covered by Orkla Health's HSE management systems. In 2024, work was carried out to improve these management systems.

The portfolio companies carry out regular training related to HSE conditions. Most Orkla Health companies have conducted "HSE dialogues" in 2024, which is a structured dialogue between a manager and an employee to promote a good working environment, health and safety.

4.3. Significant risk of negative consequences uncovered in Orkla's supply chains

Several of Orkla's portfolio companies, including Orkla Health, have extensive and complex supply chains, and the Orkla Group is a major purchaser of many raw materials. This provides a significant indirect impact both on workers at direct suppliers and on workers in raw material production, and an opportunity to positively influence business practices in the supply chains. Several raw materials come from countries where poverty, weak governance and a lack of good infrastructure create a risk of poor wages and working conditions and of serious human rights violations, such as child labour and forced labour.

The points below are mainly answered by Orkla with the addition of some Orkla Health-specific risk categories.

4.3.1. Prominent human rights challenges in Orkla's supply chains

Based on a risk assessment of suppliers and of geographical and sector-related risk factors related to raw material production, Orkla has identified the five most prominent human rights challenges associated with its portfolio companies' supply chains in 2024.

Orkla uses the definition from the UN Guiding Principles on Business and Human Rights (UNGPR), which defines the most salient human rights challenges as "*those human rights that are at risk of the most serious adverse consequences through a company's activities or business relationships*".

Orkla's most prominent human rights challenges:

- 1) *Forced and Child labour*
- 2) *Adequate wages*
- 3) *Fair and responsible working conditions*
- 4) *Occupational health and safety*
- 5) *Equal treatment and opportunities for all*

Child labour

The Orkla Group is associated with a risk of child labour through suppliers in certain countries. We have not uncovered any specific breaches through our surveys, and most of the companies' suppliers are professional players with good routines for their own operations. Nevertheless, the risk is generally present in supply chains associated with certain raw materials in some countries.

Orkla's guidelines for suppliers require that child labour is prohibited and prevented, and that suppliers must implement the necessary measures to ensure that child labour does not occur at their own production or operating sites or at their subcontractors' production or operating sites. Unfortunately, the purchase of certain raw materials entails a risk of child labour in connection with the production of raw materials. Some of the suppliers to Orkla's portfolio companies use the Child Labour Monitoring and Remediation System (CLMRS) in supply chains where child labour has been identified as an inherent risk. The Orkla Group has developed guidance material related to combating child labour, and training has been carried out through internal networks and workshops.



Part of the portfolio companies' strategy to prevent and eradicate child labour in high-risk supply chains is to purchase certified and traceable raw materials. The Rainforest Alliance, which the companies use for the purchase of cocoa, is an example of a certification standard that includes specific guidelines to reduce the risk of child labour. However, certification is no guarantee that child labour will not occur, and Orkla expects its portfolio companies to carefully select suppliers and engage in relevant cooperation initiatives to prevent child labour.

Forced labour

Through Orkla's Supplier Policy, Orkla's companies require suppliers not to permit forced labour, involuntary or exploitative prison labour, slavery or human trafficking. Despite the fact that portfolio companies have these requirements for their suppliers, there is an inherent risk of forced labour in some of the companies' supply chains. These supply chains can consist of many subcontractors, which makes preventive work challenging. The portfolio companies' main approach to eliminating forced labour in their supply chains is to purchase raw materials certified by third parties according to standards with a focus on preventing forced labour. The portfolio companies are also concerned with choosing suppliers that work systematically and actively to reduce the risk of forced labour.

Adequate pay

The Orkla Group is associated with the risk of wages below the living wage level in several supply chains, particularly in connection with agricultural production.

Through Orkla's Supplier Guidelines, Orkla's companies require that their suppliers' wages and social benefits must, as a minimum, meet national legal or industry standards, whichever is higher. Salary should be enough to cover basic needs and provide a certain discretionary income beyond this. Social benefits must at least comply with national law or applicable industry standards, whichever is higher. Through the purchase of certified raw materials, the companies contribute to improving farmers' incomes. The portfolio companies are also concerned with choosing suppliers that work systematically and actively with human rights and decent working conditions, and some of the portfolio companies' suppliers have their own sustainability programmes that include challenges related to living wages.

Fair and responsible working conditions

Throughout the supply chain, the Orkla Group is associated with the risk of excessive working hours and low wages in several supply chains, which can often be the case when using migrant workers. This is a common case of non-compliance during SMETA audits at Orkla's suppliers (e.g. too much overtime and insufficient rest breaks).

Orkla's guidelines for suppliers contain requirements that working hours, rest periods, overtime work and breaks must comply with national laws and industry standards, whichever provides the best protection. Working hours must not exceed 48 hours per week. Workers should have at least one day off in a seven-day period. Overtime must be voluntary and limited. The recommended maximum overtime is 12 hours per week (i.e. the total working week, including overtime, should not exceed 60 hours). Exceptions may be accepted if this is regulated by a collective agreement. Workers shall receive overtime pay, which shall be at least in accordance with the requirements of current legislation. Workers are to be given the right to annual leave and sick leave in accordance with national law, without any form of negative sanctions. In the event of pregnancy, female workers must be granted parental leave in accordance with national legislation.

This is followed up by the Orkla companies, among other things, by purchasing certified raw materials and through follow-up and audits of high-risk suppliers.

There is also a risk that workers will not receive formal contracts or that temporary contracts will be used. These are relatively common cases of non-compliance during SMETA audits in Orkla's supply chain. Risks associated with the use of intermediaries/recruitment firms and the exploitation of migrant workers are also a known problem in individual industries and regions.

Orkla's guidelines for suppliers require all workers to receive a written employment contract in a language they understand, describing their terms of pay and payment method, before employment begins. Salary deductions as disciplinary measures shall not be permitted.



The Provider ensures that throughout the hiring process and the period of employment, no form of deposit (whether monetary or otherwise) is collected from employees, including temporary, seasonal and migrant workers, as well as employees recruited through agencies, recruiters or intermediaries.

Obligations towards employees based on international conventions and social security laws, as well as regulations that follow from an ordinary employment relationship, must not be circumvented by the use of short-term contracts (for example, contract work, day work, subcontractors or other employment relationships). The duration and content of apprenticeship programmes must be clearly defined.

This is followed up by the Orkla companies, among other things, by purchasing certified raw materials and through follow-up and audits of high-risk suppliers.

Orkla is associated with a risk of violations of the right to freedom of association and collective bargaining through suppliers in certain countries. We have not uncovered specific breaches through our surveys, but the risk is generally present in several countries.

Orkla's Supplier Guidelines stipulate that all employees shall have the right to legally establish and join trade unions, bargain collectively, seek representation and join workers' councils, in accordance with local legislation and international conventions.

There are challenges related to freedom of association in some of the countries and regions from which the portfolio companies purchase raw materials. Orkla collaborates with professional communities and other stakeholders to understand how the companies can improve the situation, and will in future raise awareness of this issue through guidance of Orkla's companies.

Working environment, health and safety

Through its supply chains, the Orkla Group is linked to risks of breaches of working time regulations, unregulated work (including lack of contracts), HSE risks (including risks related to injuries and exposure to chemicals, etc.).

Orkla wants to contribute to safe working conditions in its portfolio companies' supply chains. Through Orkla's Code of Conduct for Suppliers, the companies require, among other things, that suppliers provide their workers with safe and healthy working conditions, including protective equipment, drinking water, adequate sanitation, lighting, temperature, ventilation and health and safety training. The requirements are followed up through supplier dialogue, self-assessments and, in some cases, ethical audits. Examples of non-conformance areas identified by suppliers are safety (inadequate fire exits), occupational health and chemical management. Once nonconformities have been identified, the supplier must draw up a corrective action plan to close the nonconformance in line with a clear deadline set by Orkla's portfolio company.

Equal treatment and equal opportunities for all

Through its supply chain, the Orkla Group is associated with the risk of discrimination against migrant workers in countries such as China, Malaysia and India. Migrant workers may have lower wages and longer working hours than local workers.

Orkla's Code of Conduct for Suppliers requires that there shall be no discrimination in hiring, pay, access to training, promotion or dismissal based on ethnic background, religion, caste, age, disability, gender, marital status, pregnancy, sexual orientation, trade union membership or political affiliation. All workers with the same experience and qualifications shall receive equal pay for equal work.

This is followed up by the portfolio companies, among other things, by purchasing certified raw materials and through follow-up and audits of high-risk suppliers.

4.3.2. Discrepancies with direct suppliers

When it comes to audits through Sedex, Sedex operates with four levels of findings, based on severity and/or scope: 'Business critical', 'Critical', 'Major' and 'Minor'. In 2024, no suppliers have been identified with findings



categorised as 'Business critical'. In 2024, 9 findings were uncovered that were categorized as "Critical". In accordance with Sedex's procedures, plans and deadlines have been established for the rectification of uncovered conditions. The process is such that when the audit is performed, it is agreed with the supplier *when* the nonconformity is to be closed. The Orkla companies and other customers of the supplier can then follow up that this has been done.

During 2024, the companies, in collaboration with Orkla Procurement, carried out a risk assessment of all new suppliers for both social and environmental risks. The number of audited suppliers has increased compared to 2023, as has the number of detected nonconformities. Most non-conformities are in the areas of health and safety, working hours, management systems and pay. The work to close outstanding nonconformities is progressing with good progress.

For 2024, Orkla has not revealed that any of the relevant findings are to be regarded as actual negative consequences for human rights or decent working conditions. If serious matters are uncovered through audits, on-site visits or in any other way, Orkla will follow up, investigate and seek to influence that the conditions are rectified, in accordance with Orkla's sustainability guidelines.

4.4. Orkla's most important risk raw materials – risks and measures

Several of Orkla's portfolio companies purchase certain raw materials from areas where there is a high inherent and known risk related to human rights and decent working conditions, low environmental standards and weaker business practices than in more mature markets. Orkla's portfolio companies work with due diligence to prevent and limit negative consequences related to human rights and decent working conditions, and are actively engaged in solving challenges in the companies' supply chains. Of the risk raw materials described by Orkla ASA (4.4.1 – 4.4.3), Orkla Health AS purchases cocoa, soya and derivatives/ingredients from palm oil.

4.4.1. Cocoa

Risk

The cocoa sector in West Africa, especially Côte d'Ivoire, faces serious challenges in the form of poverty, low productivity, human rights violations and environmental degradation. While global consumption of chocolate has increased over the years, cocoa production is declining due to small crops, lack of agricultural expertise, pests, and diseases. Serious problems such as child labour, deforestation and soil degradation are linked to underlying causes such as poverty, low prices, inadequate infrastructure and weak regulatory authorities.

Effort

The food-producing companies are getting closer to their goal of certifying all cocoa under the Rainforest Alliance Certified program. The Rainforest Alliance programme has, among other things, established mechanisms for handling complaints and remedial action. In 2024, approximately 99% of the cocoa used was certified (Segregated, Mass Balance). The companies' plan for 2025 is to continue the transition to certified, traceable cocoa.

4.4.2. Soy

Risk

Increasing demand for soy can lead to deforestation, especially in countries like Brazil that account for much of the world's soy production. This leads to greenhouse gas emissions, loss of biodiversity and the risk of violations of indigenous peoples' rights. Orkla's portfolio companies mainly purchase soy protein from countries with a low risk of deforestation in Europe and North America. Of global soy production, 80% is used for animal feed, and only a small part of the total production is certified. In some countries, soy production can also be associated with human rights risks such as forced labour, child labour, wages below living wages, unjustifiable HSE conditions and violations of working time regulations.



Effort

Orkla's goal is for 100% of the soy purchased to be certified. In 2024, 93% of soy purchased by Orkla's portfolio companies was certified in line with one of the following certification schemes - RTRS - Roundtable on Responsible Soy, ProTerra, Donau Soja, Field to Market, ISCC, FSA Silver or equivalent standards.

4.4.3. Palm oil

Risk

Palm oil is linked to the risk of deforestation, which leads to greenhouse gas emissions and the destruction of nature's ecosystems with consequent loss of biodiversity. In addition, there is a risk of violations of indigenous peoples' rights in connection with production in indigenous areas. Palm oil is also associated with a risk of violation of workers' rights, especially in connection with the cultivation of oil palms.

Effort

Orkla's goal is for 100% of the palm oil purchased by its portfolio companies to be certified. The companies that buy palm oil use the Roundtable on Sustainable Palm Oil (RSPO) certification scheme to reduce the risk of deforestation and human rights violations in the value chain. The RSPO programme has, among other things, established arrangements for handling complaints and remedial measures. All Orkla companies that use palm oil are working to ensure that the Round Table on Sustainable Palm Oil (RSPO) for palm oil, palm kernel oil and palm-based derivatives they purchase are RSPO-certified. In 2024, approximately 95% of the palm oil purchased by companies was certified (RSPO SG, RSPO MB and RSPO Credits).

In addition, Orkla Home & Personal Care has been actively engaged for many years in Action for Sustainable Derivatives (ASD), which will continue in 2025. ASD is a collaborative initiative led and facilitated by BSR and Transitions, two organisations with experience and expertise in supply chain sustainability and business collaborations. Through its collaboration with ASD, Orkla Home & Personal Care has supported direct intervention projects that go beyond the traditional value chain and focus on monitoring and improvements at plantation level, which has been important in increasing the availability and use of certified palm-based derivatives. The progress is evaluated by the company as part of the board's annual review of human rights assessments and plans.

In 2025, the companies will work together with their suppliers to meet the requirements of the upcoming EU regulations to prevent deforestation. In addition, the companies will continue their efforts to increase the share of RSPO-certified palm oil in their portfolios.

4.4.4. Orkla Health-specific categories

Based on a risk assessment of suppliers and geographical and sector-related risk factors related to raw material production, Orkla Health AS has identified 3 raw materials, with a risk of negative consequences for fundamental human rights and decent working conditions, in addition to the risk raw materials identified by Orkla ASA above.

Cod liver oil:

Main challenges related to bycatch of coastal cod and marine litter.

Action: Friend of the Sea Certification

Fish oil:

Main challenges related to poor working conditions, overfishing and unbalanced ecosystems due to global warming, extreme weather and El Nino. Origin: South America. In 2024, due to limited availability of fish oil from Peru, we have also purchased from Thailand, Oman, Morocco and Turkey.

Measures: Friend of the Sea certification, as well as long-term collaboration with suppliers, who in turn only collaborate with larger, serious players.



Psyllium husk:

The main challenges are related to lack of traceability, possible violations of human rights and climate change. Origin: India.

Remedy: There are no certification schemes for psyllium husk. In 2023 and 2024, Orkla Health visited India, among other things, to learn more about the value chain of psyllium husk. Measures to improve traceability during investigation.

Carnabuvok:

The main challenges are related to poor working conditions, child labour and deforestation in Brazil.

Measure: Standard Orkla's supplier risk assessment, including signed Orkla's Code of Conduct. Orkla Health only purchases Carnaub wax from suppliers that are members of the Responsible Carnauba Initiative.

5. Whistleblowing channels and complaint mechanisms to help uncover negative consequences

Orkla's Whistleblowing Policy sets out the requirements for the submission, receipt and handling of whistleblowers and prohibits retaliation against whistleblowers, in accordance with the EU Whistleblower Protection Directive. These requirements apply to all Orkla companies and are based on the EU Whistleblower Protection Directive and the Norwegian Working Environment Act.

Through Orkla's and its portfolio companies' whistleblowing systems, internal and external stakeholders are encouraged to report breaches or possible breaches of laws and regulations, Orkla's Code of Conduct and ethical norms that are generally accepted in society.

Orkla or Orkla Health have central whistleblowing channels that can be used by all Orkla Health companies and all internal and external stakeholders. These channels are in addition to local channels created for those companies where required. Orkla's whistleblowing channels are provided by an external supplier and are available around the clock in all relevant languages, ensuring the anonymity of the whistleblower. Any form of retaliation against a person who has submitted a whistleblowing report in good faith about a possible misconduct is prohibited by law. The Orkla whistleblowing channel is owned by Orkla's Executive Vice President for Legal and Compliance, while the Orkla Health rolling channel is owned by the GRC¹⁴ function in Orkla Health. Orkla's Director of Risk, Control and Investigations follows up and assists with the implementation of the guidelines in all relevant Orkla companies.

Orkla's Supplier Guidelines require Orkla's suppliers and business partners to establish complaint mechanisms that take into account the UNGP's guidelines. Some of the certification organisations with which the Orkla companies cooperate have established complaint and remediation mechanisms with a presence in high-risk supply chains such as palm oil (Roundtable on Sustainable Palm Oil) and cocoa (Rainforest Alliance). These third-party organisations constitute a valuable supplement to the Orkla companies' own channels for whistleblowing/complaint handling.

Orkla does not have a systematic approach to assessing whether workers in the value chain are aware of and trust the grievance mechanisms established by Orkla's companies or their suppliers and business partners. Stakeholder dialogue has been identified as an area to be improved in 2025-2026.

6. About the work in 2024 and further plans in 2025

As a consequence of Orkla's restructuring from a group structure with business areas to the establishment of an investment company with underlying portfolio companies, Orkla Health has started work on reviewing and improving its management routines for sustainability and responsible business practices. In 2024,

¹⁴ Governance, risk management and compliance



separate governing documents have been established, as well as strategies and goals have been prepared for significant sustainability areas. This work will continue in 2025.

In 2024, Orkla Health implemented a number of measures related to well-being and good working conditions, including safety and injury prevention, equal pay, training and skills development, and working hours.

Orkla and Orkla Health have also implemented a number of measures related to human rights and decent working conditions in their supply chains, including:

- Orkla's sustainability guidelines have been updated to ensure that risks related to human rights and decent working conditions are well managed.
- Orkla has entered into a partnership with the organisation WageIndicator, which provides Orkla with information on adequate pay in the various jurisdictions and regions in which Orkla companies operate. This information has been used by the portfolio companies to measure any deviations from adequate pay. Orkla will regularly evaluate the effect of the collaboration.
- Orkla Health's work to ensure proper HSE conditions has been strengthened, for example through improved routines, training and reporting. This will help to strengthen safety at the companies' work and production sites and reduce the frequency of accidents.
- Orkla and Orkla Health have worked to ensure that high-risk raw materials, as far as possible, are purchased from certified manufacturers and/or from Europe or other low-risk areas.
- Orkla and Orkla Health work continuously to ensure that suppliers sign Orkla's guidelines for suppliers.
- Orkla and Orkla Health have carried out inspections and evaluations (audits) of selected suppliers, either themselves or through 3rd parties, Sedex/SMETA or Intertek.

Orkla and Orkla Health continue to participate in a number of industry and multi-stakeholder initiatives. Orkla Health AS is a member of Ethical Trade. The membership gives the company access to tools for a better overview and control of ESG risk in the value chain. Furthermore, the membership provides support for systematic follow-up and implementation of measures for improvement through a requirement for annual reporting. Orkla Health AS's reporting to Ethical Trade is available on the website of Ethical Trade.

In 2024, Orkla and Orkla Health prepared a materiality analysis to assess the actual and potential impact on people, the environment and society throughout the Group's value chain. The analysis assesses significant impacts, risks and opportunities related to human rights and working conditions, diversity, equality and inclusion, working environment, health and safety, human rights in the supply chain, responsible sourcing, indigenous peoples' rights and social rights, and responsible marketing. Read more about Orkla's influence on significant topics in Orkla's Annual Report for 2024.

Orkla has also prepared a "Human Rights Roadmap towards 2030", which includes three main components:

1. Raising awareness and building knowledge
2. Monitoring of compliance and planning of measures
3. Implementation

The plan sets out concrete measures for both Orkla and its portfolio companies, with clear targets related to human rights and decent working conditions up to 2030.

All portfolio companies must have governing documents, goals, plans and procedures for due diligence and follow-up related to human rights and decent working conditions that apply to their own organisation, supply chains and business partners. In addition, the companies will prepare a Positive Human Rights Impact Plan with a horizon towards 2030 with the aim of creating lasting positive effects in areas that are considered particularly relevant to the company's operations and supply chains. Measures to create positive changes related to workers in the value chain within human rights challenges that are particularly important from both an impact and risk perspective, including child labour, forced labour and lack of adequate pay, will be



prioritised up to 2030. Orkla Health prepared the first version of the Positive Impact Plan in 2024 and will update it in the course of 2025.

In addition to the planned measures and objectives mentioned elsewhere in this report, Orkla and Orkla Health plan to implement the following measures in 2025:

- Orkla will continue to work closely with Orkla Health in its work on due diligence assessments, including through dialogue related to Orkla's human and labour rights policy and due diligence assessments. Orkla and Orkla Health are preparing long-term plans to manage risks related to human rights and decent working conditions, and continue to support the portfolio companies in this work, including through training and competence sharing. We expect that the measures will further strengthen Orkla and Orkla Health's due diligence assessments, and thus lead to better management of the risk of negative consequences for human rights and decent working conditions.
- Orkla Health will continue its efforts to ensure that all suppliers sign Orkla's guidelines for suppliers. We expect that this will clarify our expectations of our suppliers, contribute to compliance, and form a basis for further follow-up of suppliers.
- Orkla and Orkla Health will further develop tools for risk assessment of raw material supply chains, including mapping of raw material origin and guidelines for composite products and non-food materials. The aim is to strengthen Orkla and Orkla Health's due diligence assessments, and to ensure that appropriate measures to stop, prevent or limit negative consequences are implemented when necessary.

Orkla and Orkla Health will continue to work to ensure that high-risk raw materials are purchased from certified manufacturers and/or have other mitigating measures, and/or from Europe or other low-risk areas as far as possible.

(signature on the next page)



Oslo, 23 June 2024
The Board of Directors of Orkla Health Holding AS



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Chairman



Claire Hennah



Maria Syse-Nybråten



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