2025

Kavli Group Sustainability Report

2025

Contents

1. Introduction (B1 & C1)

1.1 About this report (B1 & C1)

This Sustainability Report covers the Kavli Group's (also referred to as 'Kavli' or 'the Group') activities for the fiscal year 2025 and is prepared on a consolidated basis, including all subsidiaries. The report describes Kavli Group's contribution towards sustainable development focusing on the areas where Kavli has the greatest impact on people, the environment and the socio-economy, and where significant risks and opportunities have been identified.

The report has been prepared based on the European Financial Reporting Advisory Group's (EFRAG's) Voluntary Sustainability Reporting Standard for non-listed SMEs (VSME), applying both the basic and comprehensive modules. References to the applicable VSME modules are included throughout the report to demonstrate alignment with the standard. In addition to VSME disclosures, the report presents Kavli Group's own sustainability focus areas and corresponding targets and initiatives.

This is Kavli's first sustainability report prepared at Group level. While Kavli Group is currently below the thresholds for mandatory reporting under the CSRD (1,000 FTEs and EUR 450 million in annual turnover), Kavli has chosen to report voluntarily as part of its commitment to transparency, accountability and continuous improvement. Kavli Group's Swedish subsidiary, O. Kavli AB, is subject to mandatory sustainability reporting under national legislation, and the content of this Group-level sustainability report has been structured to meet the requirements of the Swedish Annual Accounts Act ('Årsredovisningslagen' or 'ÅRL') in accordance with the older wording that applied before 1 July 2024.

1.2 Group CEO Statement (B1 & C1)

At Kavli Group, sustainability is an integral part of how we create long-term value. Our unique ownership model, where profits are reinvested in society through the Kavli Trust, reinforces our responsibility to operate in a way that is both profitable and sustainable. Sustainability creates value by strengthening brand trust, improving operational efficiency, managing costs, and building robust value chains through responsible sourcing, production and innovation. Beyond these effects, we believe that responsible and sustainable business practices have inherent value in themselves, shaping the culture we build, the trust we earn, and the kind of company we aim to be.

Our business model and strategy are designed to remain resilient in the face of sustainability-related risks such as climate change, resource scarcity, regulatory developments and supply chain volatility. These factors are actively considered in our risk management and strategic decision-making, supporting long-term stability and adaptability across the Group.

Looking ahead, we see sustainability as a driver for continuous improvement and positive impact. By building on our existing foundations, we aim to further integrate sustainability into decision-making, operations and collaboration across the value chain. Through innovation, responsible business practices and close engagement with stakeholders, we aim to reduce our environmental footprint, strengthen social value creation and contribute to a more sustainable food system. In doing so, we remain committed to creating long-term value for our business, our stakeholders and the wider society we are part of.

- Kenneth Hamnes, CEO of Kavli Group

2. About Kavli Group (B1 & C1)

2.1 Purpose, ownership model and key offering (B1 & C1)

Kavli Group is a multi-local food company, established in 1893 by Olav Kavli in Bergen, Norway. The Group operates in Norway, Sweden, Finland and the UK, and employs more than 1000 people. Kavli Group develops, produces, markets and sells a diverse portfolio of products and well-known brands, including *Kavli, Q, Skyr®, Primula, Castle MacLellan, Johnny's*, *Eriks, HaPå, Druvan,* and more.

Kavli Group has seven production facilities across four countries, summarized with key information in Table 1.

Unique Ownership Model

What truly sets Kavli apart is the Group's ownership model. Kavli Group is fully owned by the Kavli Trust, a charitable foundation established by Kavli's founder, Olav Kavli, and his son, Knut Kavli in 1962, with the purpose of giving back to society and making a difference. All profits generated by the Group are allocated to 'good causes' through the Kavli Trust, including projects within humanitarian work, research, and culture. Since 1962, the Kavli Trust has donated more than 1,3 billion NOK to projects that create positive societal impact. In 2025 alone, the Trust donated 100 million NOK.

Long-Term Value Creation

The Group's ownership model is reflected in Kavli Group's purpose: '*We create value for good causes, in a sustainable way*'. Kavli Group is therefore seeking to create long-term value for society, not just short-term profit. This purpose-driven approach inspires pride among employees and consumers, who know that their engagement with Kavli directly supports good causes.

Entity	Org. number	Location	Address	Type	2025	
					Turnover (mNOK)	No. of employees
Kavli Group (consolidated)					4 851	1 005
Kavli Holding AS	913344162	Oslo, Norway	Wergelandsveien 1-3, 0167 Oslo	Office		
Kavli Norge AS	985461791	Norway	Sandbrekkevegen 91, 5225 Nesttun	Office	2 885	497
O. Kavli AS	971142138	Bergen, Norway	Sandbrekkevegen 91, 5225 Nesttun	Plant		
Q-Meieriene AS	982423767	Jæren, Norway	Bedriftsvegen 21, 4353 Klepp Stasjon	Plant		
		Gausdal, Norway	Østringsvegen 2, 2651 Østre Gausdal	Plant		
Eiendom C8 AS	997346513	Bergen, Norway	Sandbrekkevegen 91, 5225 Nesttun	Legal entity		
O. Kavli AB	556039-4081	Älvsjö, Sweden	Spikskogatan 17, 125 48 Stockholm	Plant + office	1 263	231
		Eslöv, Sweden	Vasagatan 1, 241 38 Eslöv	Plant		
Kavli OY	1610788-1	Finland	Keilaranta 1,02150 Espoo	Office	57	2
Kavli UK Ltd.	08485608	UK	Kingsway S, Gateshead NE11 0ST	Office	681	275
Primula Ltd.	00314886	Newcastle, UK	Kingsway S, Gateshead NE11 0ST	Plant		
Caste MacLellan Foods Ltd.	SC077607	Kirkudbright, UK	Dee Walk, Kirkcudbright DG6 4DR	Plant		
Kavli Investments Ltd.	08486555	Newcastle, UK	Kingsway S, Gateshead NE11 0ST	Legal entity		

Table 1: Kavli Group legal and organizational structure.

Key brands, product categories and markets

Kavli Group's key customers are grocery retailers in Norway, Sweden, Finland and UK, but the Group also has customers within the food service channel, industry and export. The Group's majority of sales is branded products, but in certain markets Kavli also has some private label production.

Kavli Norway: Famous for the *Kavli* spreadable cheeses and a wide range of *Q* and *Skyr*® dairy products such as milk, yoghurts and sour cream.

Kavli Sweden: Produces and markets *Kavli* spreadable cheeses, mayonnaise, oils and dressings, mustards and sauces.

Kavli UK: *Primula* develops and sells a diverse range of spreadable cheese products and cheese dippers, while *Castle MacLellan* mainly produces cheese bakes and pâtés.

Kavli Finland: Offer products from Kavli Sweden to the Finnish market.

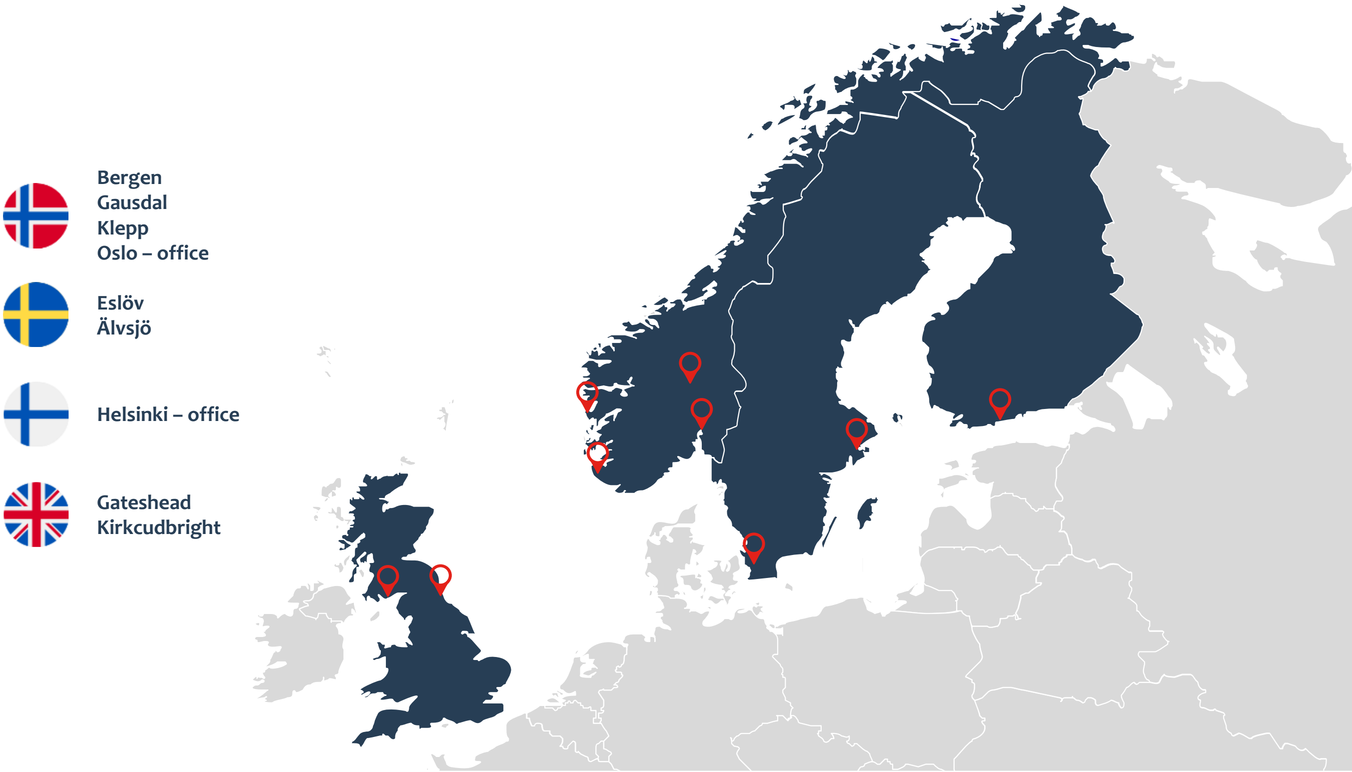


Figure 1: Overview of Kavli Group locations.

2.2 Strategy and sustainability focus (B1 & C1)

Kavli Group's strategy is focused on building sustainable, profitable growth by strengthening core brands, scaling successful innovations, and supporting a long-term and responsible business model. Operational excellence, productivity improvements, and fact-based decision-making are central enablers, while a multilocal operating model ensures strong local market relevance. The strategy is underpinned by a strong emphasis on culture and leadership, with teamwork, long-term thinking, and continuous improvement supporting consistent performance and long-term value creation.

Sustainability is one of the cornerstones of the Group's corporate strategy. Kavli Group's sustainability strategy is built around four focus areas (Figure 2), each with accompanying ambitions and initiatives.

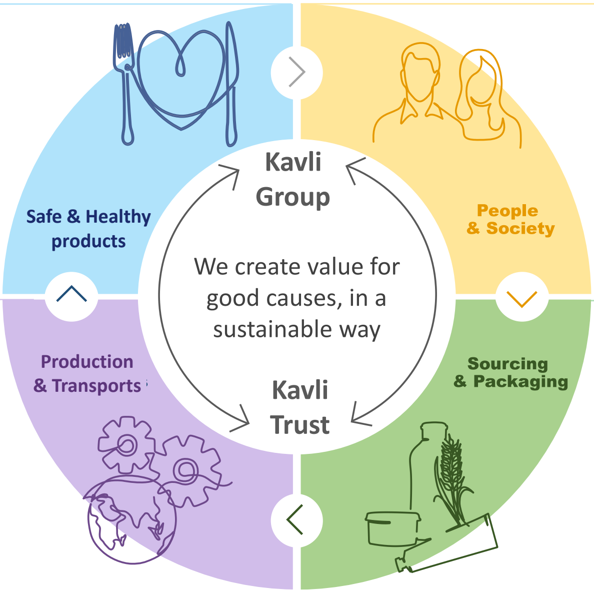
Kavli Group's four overall sustainability focus areas

Safe & Healthy products

We focus on both food safety and health aspects in our range. There is a Group wide initiative to set quantitative targets for reduced salt, sugar and saturated fats in specific product categories. In addition, we are actively working to reduce the number of complaints and product recalls.

People & Society

We want to be an attractive employer and a responsible member of society. Equality, diversity, minimal sick leave, and a zero-accident vision are part of this work. We also want to be a force for positive social change through the work of the Kavli Foundation.



Production & Transports

A resource-efficient and fossil-free core business is crucial for us to be able to continue growing in a sustainable way. We are working on steadily improving the efficiency of energy and water usage, reducing food and material waste, increasing the recycling share of our waste, and transitioning to fossil-free transportation.

Sourcing & Packaging

The majority of our climate and environmental impact occurs further down the value chain, and the same applies to risks related to social sustainability. As a result, procurement is a key focus area, where strong collaboration and clear supplier requirements are critical to managing impacts and risks.

Figure 2: Kavli Group's four sustainability focus areas with accompanying ambitions.

2.3 Sustainability ambitions (B1 & C1)

This first-of-its-kind Group-level sustainability report presents Kavli Group's performance and ambitions across Kavli's four sustainability focus areas (Figure 2). Due to varying maturity within the sustainability field across Group, there are variations in data availability and the existence of quantitative targets. While there are set clear sustainability targets for Kavli Sweden (including science-based targets for GHG emissions), certain targets for Kavli Norway, Kavli UK and Group are under development.

Kavli Group's executive management team reviews the Group's sustainability performance and relevant regulatory developments on a regular basis. Insights from KPI outcomes, status against targets, and any potential revisions of the sustainability strategy are discussed by management and subject to approval by Kavli Group's Board of Directors.

Sustainability focus area	KPI	Target/ Ambition by 2030	
		Kavli Group	Kavli Sweden (base year 2020)
People & Society	Actively encourage to more sustainable food behaviours	Not quantified	
	Employee satisfaction	Above 90%	
	Share of women in manager positions	50%	
	Lost time work accidents (H1)	Zero	
	Sick leave	Max. 4%	
Sourcing & Packaging	Total Scope 3 emissions per produced ton	TBD	55% reduction
	Share of suppliers with inherent risk that are audited and compliant	100%	
	Share of recyclable packaging materials	TBD	100%
	Share of recycled packaging materials	TBD	Min. 70%
	Share of renewable packaging materials	TBD	Min. 50%
Production & Transports	Share of renewable energy used within Scope 1-2	TBD	100%
	Share of fossil-free procured transports	TBD	100%
	Net emissions from business travel	TBD	Zero
	Energy use per produced ton	TBD	5% annual reduction
	Water use per produced ton	TBD	3% annual reduction
	Food waste in own production	TBD	50% reduction
	Total waste per produced ton	TBD	3% annual reduction
	Share of recycled waste	TBD	90%
Safe & Healthy products	Actively work to reduce salt, added sugar and saturated fat in our products	Not quantified	
	Number of incidents leading to recalls	Zero	
	Product related consumer complaints	Annual reductions	

Table 2: Kavli Group sustainability focus areas, KPIs and ambitions by 2030.

3. Double Materiality Analysis (DMA) (B1 & C1)

3.1 About

In 2024, Kavli Group conducted a DMA to identify and prioritize the sustainability topics that are most relevant for the business and its stakeholders. The assessment followed a four-step process to identify and assess impacts, risks and opportunities (IROs) according to the available ESRS standards and guidance at the time. The assessment was scoped to accommodate Kavli Group's operations and value chain and adjusted to the specificity of its business model.

Kavli Group ensured a strong stakeholder engagement in the assessment process, both for internal and external stakeholders. There was a broad involvement of internal experts across several business areas including Finance, Procurement, Supply-chain, Product Development, Quality, Sustainability, HR and Legal. The purpose was to ensure anchoring across the organisation, as well as refine and specify the assessment to the subsidiaries and their different geographic locations and jurisdictions.

3.2 Approach

The DMA process was structured in four key steps:

1. Mobilisation
   - Established governance and internal controls.
   - Formed a cross-functional team including sustainability, finance, HR, procurement, and more.
2. Longlist Development
   - Identified actual and potential impacts, risks, and opportunities (IROs) across environmental, social, and governance topics.
   - Grouped sub-topics and sub-sub-topics.
3. Materiality Assessment
   - Conducted an impact materiality assessment.
   - Conducted a financial materiality assessment.
4. Finalisation and Documentation
   - Consolidated results.
   - Validated results through workshops with internal experts and external stakeholders, as well as internal quality assurance.
   - Approved by Kavli Group's Executive Management Team and Board of Directors.

3.3 Outcome

In the DMA process, a longlist of 139 IROs was identified and assessed. Of these, 49 were determined to be material for Kavli Group based on the ESRS 2 scoring methodology, meaning they represent either a material impact, a material financial effect, or both (double materiality).

When consolidated at sub-topic level, this resulted in 23 material sustainability sub-topics for Kavli Group (Figure 3). These sub-topics form the foundation for the Group's sustainability strategy and reporting, ambitions, KPIs and risk management.

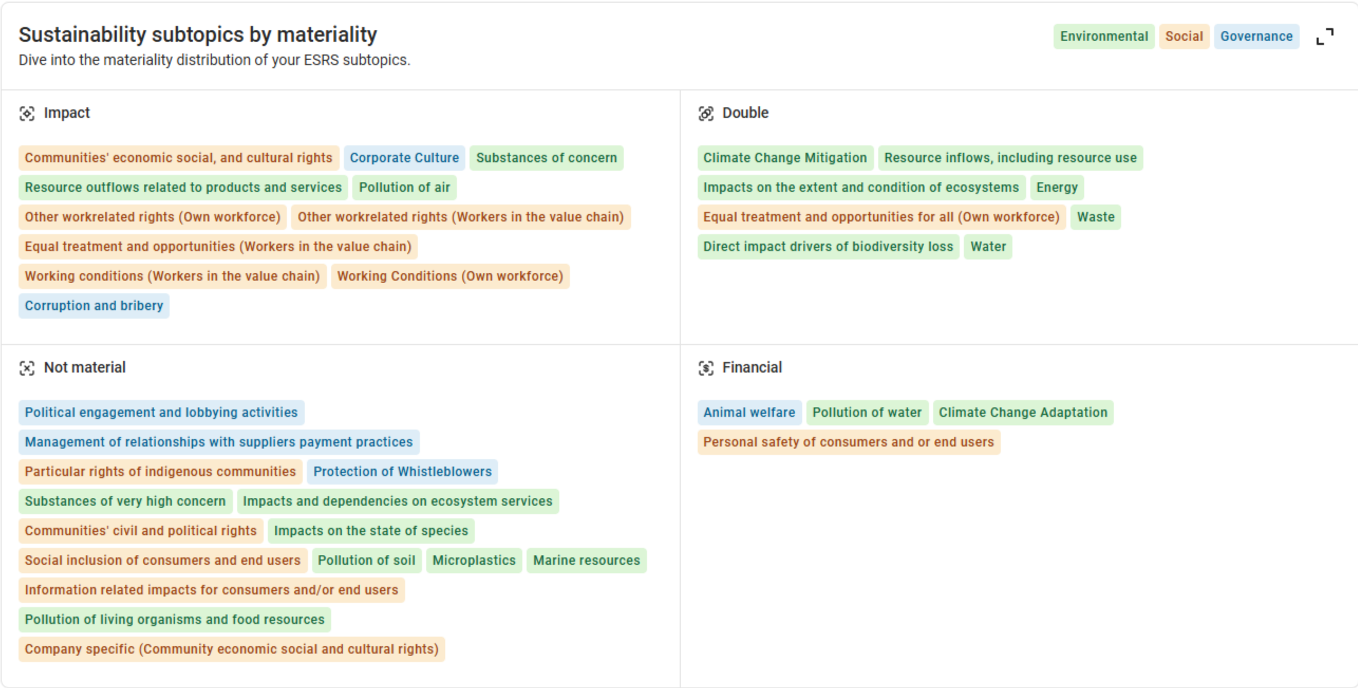


Figure 3: Kavli Group's DMA matrix (2024).

Of the 49 material IROs, there were 36 impacts, 12 risks and 1 opportunity (Table 3). Key outcomes include climate impacts from agricultural raw materials, risks linked to volatile crop yields, and opportunities to reduce emissions through more efficient processes and sustainable sourcing.

Kavli Group has assessed its material impacts, risks and opportunities to understand how sustainability-related factors influence its business and value chain. This analysis helps Kavli identify where its operations have the greatest environmental and social impact, as well as how climate and resource related risks may affect the Group's long-term performance. It also highlights opportunities for innovation and improvement that support a more sustainable and resilient food production system.

No.	Name	IRO type	Materiality	Future materiality	Subtopic
1	Positive impact on communities economic social and cultural rights	Positive impact	Impact	Remaining constant	Communities' economic social, and cultural rights
2	Corporate culture (positive)	Positive impact	Impact	Remaining constant	Corporate Culture
3	Corporate culture (negative)	Negative impact	Impact	Remaining constant	Corporate Culture
4	Scope 1 emissions	Negative impact	Impact	n/a	Climate Change Mitigation
5	Scope 2 emissions	Negative impact	Impact	n/a	Climate Change Mitigation
6	Scope 3 emissions - primary production	Negative impact	Impact	n/a	Climate Change Mitigation
7	Scope 3 emissions - packaging production and distribution	Negative impact	Impact	n/a	Climate Change Mitigation
8	Scope 3 emissions - upstream logistics/distribution	Negative impact	Impact	n/a	Climate Change Mitigation
9	Scope 3 emissions - downstream distribution	Negative impact	Impact	n/a	Climate Change Mitigation
10	Scope 3 emissions - product end of life	Negative impact	Impact	n/a	Climate Change Mitigation
11	Scope 3 emissions - others	Negative impact	Impact	n/a	Climate Change Mitigation
12	Resource inflows	Negative impact	Impact	n/a	Resource inflows, including resource use
13	Deforestation - upstream	Negative impact	Impact	n/a	Impacts on the extent and condition of ecosystems

14	Substances of concern - primary production	Negative impact	Impact	n/a	Substances of concern
15	Resource outflows - own operations	Negative impact	Impact	n/a	Resource outflows related to products and services
16	Pollution of air - primary production	Negative impact	Impact	n/a	Pollution of air
17	Workplace violence and harassment in own workforce	Negative impact	Impact	Remaining constant	Other work-related rights (Own workforce)
18	Forced and child labour in the value chain	Negative impact	Impact	Remaining constant	Other work-related rights (Workers in the value chain)
19	Energy consumption - own operations	Negative impact	Impact	n/a	Energy
20	Energy consumption - upstream	Negative impact	Impact	n/a	Energy
21	Energy consumption - downstream	Negative impact	Impact	n/a	Energy
22	Training and skills development in own admin workforce (positive)	Positive impact	Impact	Remaining constant	Equal treatment and opportunities for all (Own workforce)
23	Diversity, equality and inclusion in own workforce	Negative impact	Impact	Remaining constant	Equal treatment and opportunities for all (Own workforce)
24	Diversity, equality and inclusion in the value chain	Negative impact	Impact	Remaining constant	Equal treatment and opportunities (Workers in the value chain)
25	Working conditions in upstream value chain	Negative impact	Impact	Remaining constant	Working conditions (Workers in the value chain)
26	Working conditions in the downstream value chain	Negative impact	Impact	Remaining constant	Working conditions (Workers in the value chain)
27	Health and safety of workers in the value chain	Negative impact	Impact	Remaining constant	Working conditions (Workers in the value chain)
28	Freedom of association and collective bargaining in own workforce (production)	Negative impact	Impact	Remaining constant	Working Conditions (Own workforce)
29	Health and safety in own workforce (production)	Negative impact	Impact	Remaining constant	Working Conditions (Own workforce)
30	Waste generation - own operations	Negative impact	Impact	n/a	Waste
31	Waste generation - value chain	Negative impact	Impact	n/a	Waste
32	Biodiversity loss from primary production	Negative impact	Impact	n/a	Direct impact drivers of biodiversity loss
33	Corruption in the supply chain	Negative impact	Impact	n/a	Corruption and bribery
34	Water consumption - own operations	Negative impact	Impact	n/a	Water
35	Water consumption - primary production	Negative impact	Impact	n/a	Water
36	Water consumption - product consumption and end-of-life	Negative impact	Impact	n/a	Water
37	Repercussions from animal welfare violation	Risk	Financial	n/a	Animal welfare
38	Increased costs of production from emerging regulation on water pollution	Risk	Financial	n/a	Pollution of water
39	Increased sourcing costs from extreme weather impacts on agriculture	Risk	Financial	Becoming more material	Climate Change Adaptation
40	Increased costs from agricultural policies	Risk	Financial	n/a	Climate Change Mitigation
41	Higher costs due to tightened legislation on packaging materials	Risk	Financial	n/a	Resource inflows, including resource use
42	Supply chain volatility from stringent natural conservation laws	Risk	Financial	Becoming more material	Impacts on the extent and condition of ecosystems
43	Increased costs due to emerging energy regulations	Risk	Financial	n/a	Energy
44	Repercussions from increased energy costs in the supply chain	Risk	Financial	n/a	Energy
45	Increased retention through talent development programmes	Opportunity	Financial	Remaining constant	Equal treatment and opportunities for all (Own workforce)
46	Repercussions from product safety and quality breaches	Risk	Financial	Remaining constant	Personal safety of consumers and or end users
47	Increased costs due to emerging waste regulation	Risk	Financial	n/a	Waste
48	Increased costs from emerging regulation related to biodiversity loss	Risk	Financial	n/a	Direct impact drivers of biodiversity loss
49	Increased sourcing costs due to water scarcity	Risk	Financial	n/a	Water

Table 3: Kavli Group's material Impacts, Risks and Opportunities (IROs) from the Double Materiality Analysis (DMA 2024).

4. Governance & Business Conduct (B2, C2, C6, C9, B11)

4.1 Corporate and Sustainability Governance (B2 & C9)

Group governance structure

The sole owner of Kavli Group, the Kavli Trust, is a charitable foundation and thus a self-owning legal entity under the Norwegian Foundations Act. The Kavli Trust exercises its ownership through its Board of Trustees, which together with the Board of Kavli Holding AS constitutes the Annual General Meeting of Kavli Holding AS.

Kavli Holding AS is the parent company of the Kavli Group. The Board of Directors of Kavli Holding AS is the highest governing body and is responsible for oversight of the Group's operations, financial performance, risk management and sustainability reporting.

Operational management of the Group is led by the Group Executive Management Team (EMT), headed by the Group CEO. EMT has overall responsibility for group governance, including implementing the Group's strategy (including sustainability strategy), financial management, compliance, and monitoring performance and risks at Group level.

The Group operates through a multi-local structure with legally independent subsidiaries. Each subsidiary has its own local management and board, responsible for day-to-day operations and compliance with local laws and regulations, while operating within Group-wide policies, governance frameworks and delegated authorities set by Kavli Holding AS.

Sustainability governance structure

At Group level, overall responsibility for sustainability is held by the Group CFO, ensuring a consistent and coordinated approach across Group. In addition to sustainability being an integral part of all Kavli Group business processes, there are designated roles in each Kavli subsidiary that have pronounced responsibility for sustainability. They drive local implementation, coordination and data collection in alignment with Group-wide objectives, while addressing country-specific requirements and priorities.

Several executives, both in Holding and in subsidiaries, have sustainability-linked incentives.

Sustainability is regularly included on Kavli Group's Board agendas and forms part of ongoing oversight by executive management. The Board is kept informed of sustainability-related matters through recurring updates, supporting awareness and governance of sustainability within the Group.

Kavli Group's owner, The Kavli Trust, integrates sustainability into its activities through a long-term allocation and partnership strategy, aligning its philanthropic activities with selected UN Sustainable Development Goals (SDG 3 - Good Health and Well-Being, SDG 4 – Quality Education, SDG 12 – Responsible Consumption and Production, and SDG 13 – Climate Action). Sustainability considerations guide how funds are distributed to initiatives that create lasting social, environmental and societal value.

Risk management

Kavli Group manages business risks through an established enterprise risk management process. Risks are identified and assessed based on likelihood and potential financial impact and assigned clear ownership. Key risks, mitigation measures and developments are regularly reviewed by EMT and discussed with the Board. The process supports prioritisation, decision-making and monitoring within existing governance and internal control structures.

Building on this established risk management framework, the identified sustainability-related risks from the DMA are incorporated as an additional input to the Group's overall risk assessment and governance discussions. The DMA results provide a structured overview of where material risks arise across the value chain and their potential financial relevance and are shared with Kavli Group's executive management. At this stage, the primary consequence is increased awareness and prioritisation of sustainability risks within existing processes, while further integration into decision-making, action plans and mitigation measures remains work in progress.

4.2 Policies (B2 & C2)

Kavli Group is governed by several internal policies and guidelines. The Group also has clear requirements towards its suppliers. Table 4: Overview of policies presents an overview of policies and practices that govern the work within Kavli Group's four sustainability focus areas.

Focus area	Policies/ Practices	Brief description	Accountable
People & Society	• Ethical Guidelines	• Covers topics such as integrity and loyalty, use of information and IT systems, independence and anti-corruption, fair business practices, respect for individuals, HSE, whistleblowing and accountability.	Group CEO
	• IT Security and Data Policy	• The policy defines how all Kavli users access and use their digital devices and how Kavli protects its data to prevent unauthorised access and data loss.	Group IT Director
	• GDPR training	• Covers core GDPR principles and employees' responsibilities • Practical data protection requirements	Head of Legal
	• Media Policy (per country)	• Guidelines for media contact and spokesperson roles • Also addresses social media conduct	Country Managing Directors
	• Working Environment/ HSE Policy (per country)	• Focus on, and commitment to, employee wellbeing, safety, legal compliance and sustainability • Continuous improvement through risk assessment and employee involvement	Country Managing Directors
Sourcing & Packaging	• Packaging Policy* • General Packaging Requirements*	• Optimise packaging to ensure adequate product protection with the lowest possible environmental impact and the highest possible rates of material recycling at end use • Follow requirements and restrictions on packaging materials and substances	Group Procurement Director
	• Policy on Zero Deforestation and Biodiversity Preservation*	• Work systematically and purposefully to ensure that our products do not contribute to deforestation and natural land conversion	Group CFO
	• Soy Policy*	• Purchase sustainably and responsibly produced soy • Engage in dialogues with local industry stakeholder groups	Group Procurement Director
	• Animal Welfare Policy* • General Animal Product Requirements*	• Zero tolerance for cruelty or animal neglect • Engagement for good animal welfare standards • Follow animal welfare requirements and restrictions and share information upon request	Group Procurement Director
	• Palm Oil Policy*	• Purchase third-party certified palm oil • Demand full traceability from suppliers • Engage in dialogues with local industry stakeholder groups	Group Procurement Director
	• Coffee Policy*	• Only purchase coffee certified by the organisation Rainforest Alliance • Demand full traceability from suppliers • Engage in dialogues with local industry stakeholder groups	Group Procurement Director
	• Fish and Seafood Policy*	• Purchase fish and seafood from healthy stocks, compliant with good harvesting principles	Group Procurement Director
	• Cocoa policy	• Commits Kavli to sourcing certified, traceable, and deforestation-free cocoa while addressing human rights and sustainability risks in the cocoa value chain.	Group Procurement Director

	• Dairy cows and calves policy	• Sets mandatory animal welfare, transport, slaughter, and monitoring requirements for dairy suppliers to ensure humane and responsible dairy production.	Group Procurement Director
	• GMO policy*	• Kavli requires that products and ingredients are GMO-free, with strict supplier controls and verification in line with EU legislation.	Group Procurement Director
	• Laying hens, eggs and chicken – PCR	• Defines strict animal welfare and production standards for eggs and poultry, including cage-free systems and humane handling throughout the value chain.	Group Procurement Director
	• Pigs – PCR	• Sets strict animal welfare, transport, slaughter, and monitoring requirements for pork suppliers to ensure humane and responsible pig production.	Group Procurement Director
Production & Transports	• Transport Policy* • Transport requirements*	• Commitment to significant emission cuts across Scope 1 and 3 • Pursue climate-smart solutions including renewable fuels • Ensure that all business is conducted lawfully, safe and with integrity (includes working conditions)	Group Procurement Director
Safe & Healthy products	• Quality and Food Safety Policy* (per country)	• Quality and food safety according to HACCP principles and standard requirement ISO 22000 • Compliance, open communication and continuous improvement as main cornerstones • Competence and values as the foundation for safe products and development	Country Managing Directors
Other generic policies	• Climate and Environmental policy*	• Cut greenhouse gas emissions in line with our 2030 climate targets • Implement business guidance on Science Based Targets for Nature on land, oceans, water, and biodiversity • Conduct systematic sustainability due diligence towards our suppliers • Continuously work for resource efficiency and circularity	Group CFO
	• Supplier Code of Conduct • Environmental Requirements* • General Raw Material Requirements*	Supplier requirements related to • good and safe working environment • human rights and labour standards • environmental management • production methods and ingredients • business integrity and ethics • supply chain due diligence	Group Procurement Director

Table 4: Overview of policies.

* = publicly available

4.3 Business Conduct (B11)

Code of Conduct & Ethical guidelines – overall principles

The *Ethical Guidelines* set out Kavli's corporate principles and define expected standards of conduct across the Group. Applicable to all employees and others acting on Kavli's behalf, the guidelines promote integrity, legal compliance and responsible business conduct. They cover key areas such as conflicts of interest, anti-corruption, fair competition, accurate reporting, equality, HSE and whistleblowing, and aim to foster an ethical and equitable corporate culture.

Anti-corruption and related measures

The guidelines prohibit corruption, bribery and the giving or receiving of unreasonable gifts or benefits from customers, suppliers, public officials, or other stakeholders. Employees must report any suspected bribery or improper offers immediately, and the use of intermediaries to channel such payments is not permitted.

Fair competition and business conduct

Kavli supports fair and open competition and strictly prohibits anti-competitive practices such as price fixing, market sharing, or any behaviour that distorts competition. The *Ethical Guidelines* also require accurate, complete, and transparent information, accounting and reporting in line with applicable laws and standards.

Training and awareness initiatives

The *Ethical Guidelines* are supported by mandatory e-learning available through Kavli's training system, and managers are responsible for ensuring that employees receive, understand, and are informed about the guidelines and their practical application.

Equality, respect and human rights

The guidelines commit Kavli to equal treatment, respect and tolerance, with zero acceptance of discrimination or harassment based on characteristics such as gender, age, nationality, religion, sexual orientation, disability, or other conditions. They also require compliance with labour laws and international human rights standards, including expectations placed on suppliers.

Working environment, health and safety

Kavli commits to a safe, healthy, and secure working environment and compliance with HSE legislation. Employees share responsibility for workplace safety, well-being, and environmental protection, including reporting accidents, unsafe conditions, and environmental incidents.

Whistleblowing

The *Ethical Guidelines* state that employees have the right to report concerns related to misconduct or breaches of laws or internal guidelines. Kavli encourages employees to raise such concerns and refers to whistleblowing policies and procedures at country level, which set out the applicable reporting channels and the handling of whistleblowing cases in accordance with local legal requirements.

4.4 Value-Chain Due Diligence & Management of Material Impacts (B2, C2, C6, C9)

In 2024, Kavli launched a new *Supplier Code of Conduct*, along with multiple requirement appendices covering specific areas such as climate and environment, transport, packaging and high-risk raw materials (see Table 4: Overview of policies). All Kavli Group suppliers – both existing and new – are required to review the *Supplier Code of Conduct* and the relevant appendices and confirm by signature that they comply with these requirements or have a reasonable action plan and timeline to achieve compliance.

One of Kavli Group's sustainability targets for 2030 is that all suppliers with inherent risk are audited and comply with the Group's *Supplier Code of Conduct*. Kavli Group monitors this by measuring the percentage of high-risk suppliers that have performed a compliance self-assessment questionnaire (SAQ) and the percentage of high-risk suppliers that have been audited for sustainability criteria. Kavli Group uses SEDEX to conduct desk-based sustainability audits, assess supplier's risk profiles, compliance with the *Supplier Code of Conduct* and overall sustainability performance, and to identify suppliers that may require enhanced monitoring or onsite audits.

SEDEX KPIs	2025
% of supplier base (by spend) onboarded/connected in Sedex	66,7 %
% of high-risk suppliers that have undergone self-assessment	48,0 %
% of high-risk suppliers that have been screened/audited for ESG criteria	68,0 %

Table 5: KPIs value chain due diligence.

In addition, the Group is currently developing a due diligence procedure for sustainability in line with OECD Guidelines, which will become an integrated part of the purchasing process and complement the supplier reviews already conducted for food safety and quality. The *OECD Due Diligence Guidance for Responsible Business Conduct* is built on six principles: 1) Embed responsible business conduct into policies and management systems, 2) Identify and assess adverse impacts in operations, supply chains and business relationships, 3) Cease, prevent or mitigate adverse impacts, 4) Track implementation and results, 5) Communicate how impacts are addressed and 6) Provide for or cooperate in remediation when appropriate.

As any other stakeholder, Kavli suppliers and subcontractors can use the whistleblower channels to anonymously report any misconduct or breach of legislation or agreement.

Kavli Group's *Supplier Code of Conduct* states that if Kavli is made aware of any non-conformity, the parties will discuss corrective measures, and the supplier shall implement such measures and improve its practices. If a supplier is unwilling or unable to carry out corrective measures or has committed themselves to a significant breach of the requirements, Kavli has the right to terminate the cooperation with the supplier.

Kavli is not aware of any incidents involving workers in the value chain, affected communities, consumers or end-users during 2025.

5. Environment (B3, C3, C4, B4, B5, B6, B7)

5.1 Climate Impact, Targets and Transition Plans (B3, C3 & C4)

This first-of-its-kind Group-level sustainability report presents Kavli Group's performance and ambitions across Kavli's four sustainability focus areas. While there are *Science Based Targets initiative*-approved (SBTi) climate targets and transition plans in place for Kavli Sweden, Group-wide climate targets and plans are under development.

Climate impact is a material sustainability topic for Kavli Group and an area where the Group has both responsibility and opportunities to reduce its environmental footprint. To ensure transparency and comparability, Kavli measures its greenhouse gas emissions in accordance with the Greenhouse Gas (GHG) Protocol (Figure 4). This framework enables the Group to assess its climate footprint across all parts of its operations — from direct emissions on-site to the broader impacts throughout the supply chain.

The emissions profile presented in this report provides a solid foundation for establishing Group-wide climate targets and guiding the next phase of the Group's strategic climate work.

Climate impact is calculated based on the GHG Protocol, which divides emissions into three scopes:

- **Scope 1** includes direct emissions from sources owned or controlled by the company, such as fuel combustion in vehicles or onsite facilities.
- **Scope 2** covers indirect emissions from the generation of purchased energy, primarily electricity, heating and cooling consumed by the company.
- **Scope 3** includes all other indirect emissions occurring throughout the value chain, such as business travel, purchased goods and services, transportation, waste, and the use of sold products.

Figure 4: The three scopes of the GHG Protocol.

5.1.1 Climate impact: Scope 1-2 and 3 (B3 and C3)

Total Kavli Group emissions		Sweden			UK			Norway (incl. Holding)			Group		
Overview	Denom.	2024	2025	*Change*	2024	2025	*Change*	2024	2025	*Change*	2024	2025	*Change*
Scope 1-2	tCO2e	273	185	*-32,4 %*	2 629	2 931	*11,5 %*	18 949	18 905	*-0,2 %*	21 852	22 021	*0,8 %*
Scope 3	tCO2e	50 880	47 587	*-6,5 %*	31 286	31 201	*-0,3 %*	208 999	209 758	*0,4 %*	291 165	288 546	*-0,9 %*
Total Scope 1-3	tCO2e	51 153	47 772	*-6,6 %*	33 915	34 132	*0,6 %*	227 949	228 663	*0,3 %*	313 017	310 567	*-0,8 %*
Total production volume	Ton	29 683	30 598	*3,1 %*	5 550	5 240	*-5,6 %*	120 576	120 712	*0,1 %*	155 809	156 550	*0,5 %*
Scope 1-2 per produced ton	tCO2e/ton	0,01	0,01	*-34,4 %*	0,47	0,56	*18,1 %*	0,16	0,16	*-0,3 %*	0,14	0,14	*0,3 %*
Scope 3 per produced ton	tCO2e/ton	1,71	1,56	*-9,3 %*	5,64	5,95	*5,6 %*	1,73	1,74	*0,2 %*	1,87	1,84	*-1,4 %*
Total Scope 1-3 per produced ton	tCO2e/ton	1,72	1,56	*-9,4 %*	6,11	6,51	*6,6 %*	1,89	1,89	*0,2 %*	2,01	1,98	*-1,3 %*

Table 6: Kavli Group climate emissions overview: Scope 1-2 and 3.

In 2025, Kavli Group had **total CO2 emissions (Scope 1-3) of 310 567 tCO2e**, which is a **-0.8% decrease** from 2024. Total emissions as share of production volume were **1.98 tC02e/ ton**, a **-1.3% decrease** from 2024 (Table 6).

Within **Scope 1–2**, Kavli Group had a slight increase in emissions as share of production volume (**+0.3%**), and +0.8% increase in absolute emissions. The increase was caused by a leaking blast chiller at Castle MacLellan in UK, causing 'fugitive emissions' to double for Kavli Group. Scope 1-2 emissions declined in Sweden and Norway, both in absolute terms and as share of production volume.

The vast majority (**92.9%**) of Kavli Group's emissions occur in **Scope 3** (Figure 6), where emissions have **decreased by -1.4%** per produced ton since 2024, or **-0.9%** in absolute terms (Table 6). The decrease is driven by lower emissions in Impact Category 1 – Purchased Goods and Services (for Sweden and UK) and Category 9 – Downstream Transportation and Distribution (for Norway) (Figure 5), offsetting higher emissions from Category 2 – Capital Goods (acquisition of fixed assets in UK; new tube line at Primula and new bake line at Castle MacLellan) and Category 15 – Investments (in all Kavli entities).

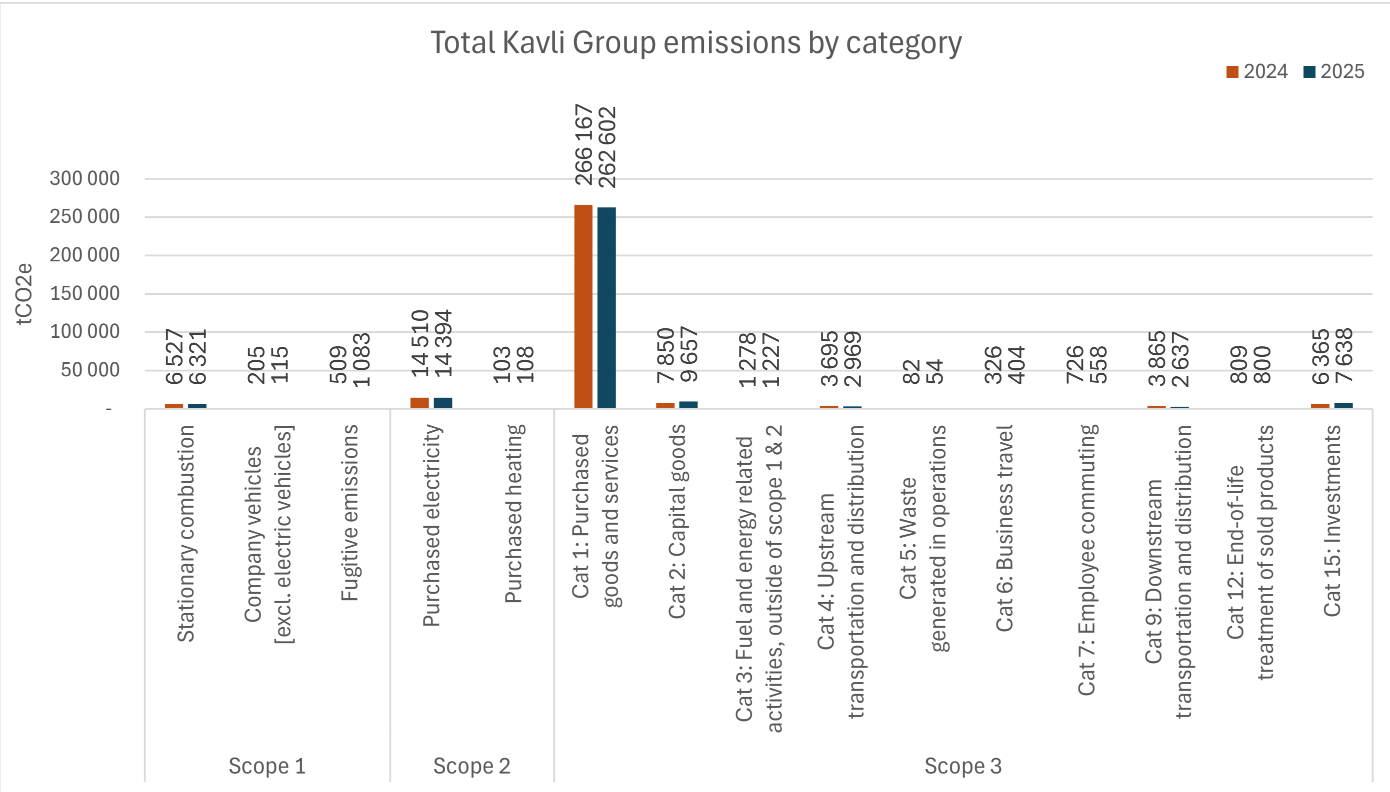


Figure 5: Distribution of absolute carbon emissions by category and scope.

Emissions by scope

Scope 3 accounted for 93.0% of Kavli Group's total emissions in 2024 and decreased slightly to 92.9% in 2025, reflecting that the vast majority of Kavli Group's emissions continues to originate from the value chain. Scope 1–2 made up the remaining share, increasing from 7.0% to 7.1% (Figure 6).

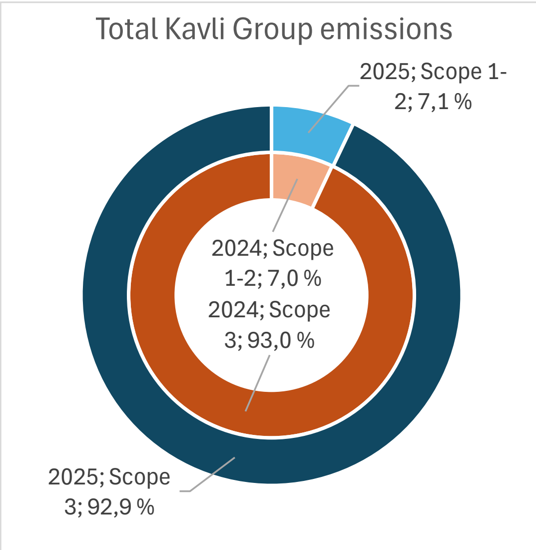


Figure 6: Kavli Group share of emissions in Scope 1-2 and 3.

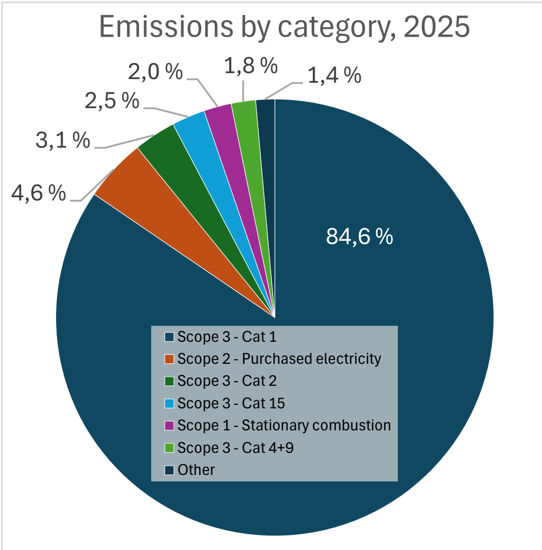


Figure 7: Kavli Group share of emissions by category.

Emissions by category

Figure 7 shows that the largest contribution from any category comes from Scope 3 Category 1 – Purchased Goods and Services, which accounts for 84.6% of total Kavli Group emissions in 2025. Scope 2 – Purchased electricity is the second largest contributor with 4.6% of total emissions, followed by Scope 3 Category 2 – Capital Goods (3.1%), Scope 3 Category 15 – Investments (2.5%) and Scope 1 – Stationary combustion (2.0%).

Upstream and downstream transportation (Scope 3 – Category 4 and 9 combined) accounts for 1.8% of total emissions. Scope 3 Category 6 – Business Travel makes up 0.1% of total emissions in 2025.

Kavli's emissions in Scope 3 Category 1 – Purchased Goods and Services are highly dependent on each country's product portfolio, its production volume and the climate impact of its raw materials. Kavli Norway produces large volumes which makes it the biggest contributor to absolute emissions (Figure 8), but Kavli UK has higher emissions per produced volume (Figure 9). In Norway, where dairy products such as milk and yoghurt dominate Kavli's offering, the climate impact is primarily driven by methane emissions from dairy cows as well as the carbon footprint associated with feed production. In the UK, where Kavli's product portfolio mainly consists of cheese-based products and pâtés, the climate impact per produced ton is comparatively higher due to the substantially greater carbon emissions per kilogram of cheese and meat relative to milk.

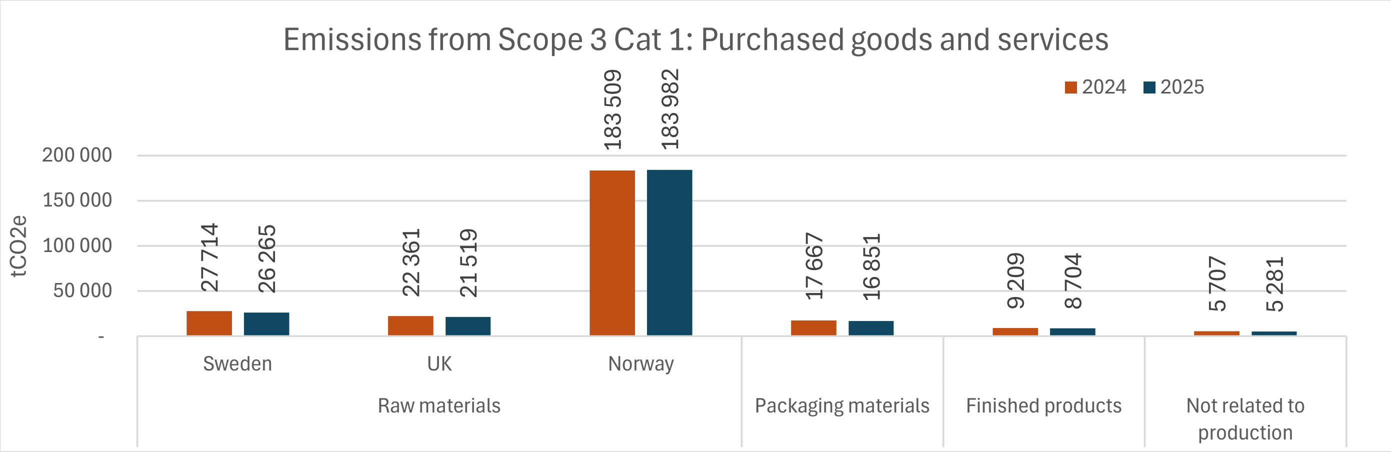


Figure 8: Absolute carbon emissions from Scope 3 Category 1: Purchased goods and services by sub-category.

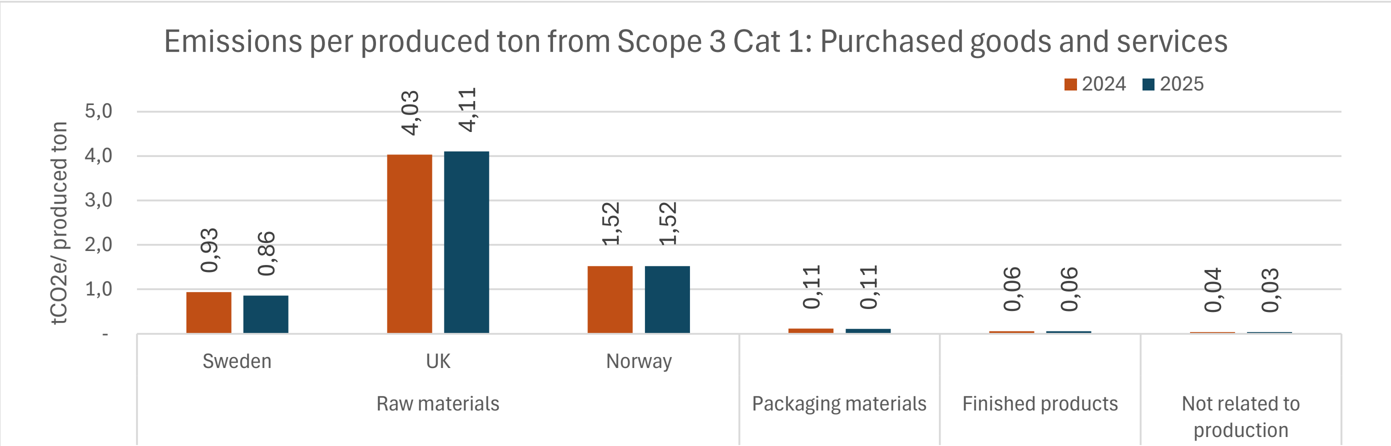


Figure 9: Carbon emissions (per produced ton) from Scope 3 Category 1: Purchased goods and services by sub-category.

Energy consumption and mix (B3)

In 2025, Kavli Group reduced its energy consumption per produced ton by **3.2%** from 2024 (Table 7). The renewable energy share reached **55.4%**, a slight increase from **54.7%** in 2024.

There are significant local differences across Kavli, with Kavli Sweden benefitting from having worked systematically on energy optimization for a longer period than the rest of the Group, achieving a renewable energy share of **93.5%** in 2025. At the same time, continued improvements are being made across operations in UK and Norway. Fossil energy use in Group decreased by **4.1%** in 2025, primarily due to reduced consumption of crude oil and petroleum products.

Going forward, key areas for reducing operational climate impact for Kavli Group include transitioning to fossil-free operations, strengthening collaboration with district heating suppliers, and continue improving overall energy efficiency.

Energy consumption &	Denom.	Sweden 2024	Sweden 2025	Sweden *Change*	UK 2024	UK 2025	UK *Change*	Norway (incl. Holding) 2024	Norway (incl. Holding) 2025	Norway (incl. Holding) *Change*	Group 2024	Group 2025	Group *Change*
Total energy consumption (related to own operations) from renewable sources	MWh	11 152	10 873	*-2,5 %*	5 299	5 176	*-2,3 %*	22 522	22 366	*-0,7 %*	38 973	38 415	*-1,4 %*
Total energy consumption (related to own operations) from all sources	MWh	12 321	11 624	*-5,7 %*	11 051	10 204	*-7,7 %*	47 880	47 503	*-0,8 %*	71 251	69 331	*-2,7 %*
Renewable energy share	%	90,5 %	93,5 %	*3,0 %*	48,0 %	50,7 %	*2,8 %*	47,0 %	47,1 %	*0,0 %*	54,7 %	55,4 %	*0,7 %*
Energy efficiency (energy usage per produced ton)	kWh/ton	415	380	*-8,5 %*	1 991	1 947	*-2,2 %*	395	394	*-0,4 %*	457	443	*-3,2 %*

E1-5: Energy consumption and mix (E1-5 AR 34) Metric	Denom.	Sweden 2024	Sweden 2025	Sweden *Change*	UK 2024	UK 2025	UK *Change*	Norway (incl. Holding) 2024	Norway (incl. Holding) 2025	Norway (incl. Holding) *Change*	Group 2024	Group 2025	Group *Change*
(1) Fuel consumption from coal and coal products	MWh	-	-	*n.a.*	-	-	*n.a.*	-	-	*n.a.*	-	-	*n.a.*
crude oil and petroleum products	MWh	612	289	*-52,9 %*	27	26	*-4,3 %*	9 351	8 230	*-12,0 %*	9 991	8 545	*-14,5 %*
(3) Fuel consumption from natural gas	MWh	-	-	*n.a.*	5 723	5 002	*-12,6 %*	16 007	16 907	*5,6 %*	21 730	21 909	*0,8 %*
(4) Fuel consumption from other fossil sources	MWh	-	-	*n.a.*	-	-	*n.a.*	-	-	*n.a.*	-	-	*n.a.*
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	344	292	*-14,9 %*	1	-	*n.a.*	-	-	*n.a.*	345	292	*-15,2 %*
(6) Total fossil energy consumption	**MWh**	**956**	**581**	***-39,2 %***	**5 752**	**5 028**	***-12,6 %***	**25 358**	**25 137**	***-0,9 %***	**32 066**	**30 746**	***-4,1 %***
Share of fossil sources in total energy consumption	*%*	*7,8 %*	*5,0 %*	*-2,8 %*	*52,1 %*	*49,3 %*	*-2,8 %*	*53,0 %*	*52,9 %*	*0,0 %*	*45,0 %*	*44,3 %*	*-0,7 %*
(7) Consumption from nuclear sources	**MWh**	**212**	**170**	***-19,9 %***	**-**	**-**	***n.a.***	**-**	**-**	***n.a.***	**212**	**170**	***-19,9 %***
Share of consumption from nuclear sources in total energy consumption	*%*	*1,7 %*	*1,5 %*	*-0,3 %*	*0,0 %*	*0,0 %*	*0,0 %*	*0,0 %*	*0,0 %*	*0,0 %*	*0,3 %*	*0,2 %*	*-0,1 %*
(8) Fuel consumption for renewable sources, including biomass	MWh	2 296	2 176	*-5,2 %*	-	-	*n.a.*	-	-	*n.a.*	2 296	2 176	*-5,2 %*
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	8 856	8 698	*-1,8 %*	5 299	5 176	*-2,3 %*	22 522	22 366	*-0,7 %*	36 677	36 240	*-1,2 %*
(10) The consumption of self-generated non-fuel renewable energy	MWh	-	-	*n.a.*	-	-	*n.a.*	-	-	*n.a.*	-	-	*n.a.*
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	**MWh**	**11 152**	**10 873**	***-2,5 %***	**5 299**	**5 176**	***-2,3 %***	**22 522**	**22 366**	***-0,7 %***	**38 973**	**38 415**	***-1,4 %***
Share of renewable sources in total energy consumption	*%*	*90,5 %*	*93,5 %*	*3,0 %*	*47,9 %*	*50,7 %*	*2,8 %*	*47,0 %*	*47,1 %*	*0,0 %*	*54,7 %*	*55,4 %*	*0,7 %*
Total energy consumption (calculated as the sum of lines 6, 7, and 11)	**MWh**	**12 321**	**11 624**	***-5,7 %***	**11 051**	**10 204**	***-7,7 %***	**47 880**	**47 503**	***-0,8 %***	**71 251**	**69 331**	***-2,7 %***

Table 7: Total energy consumption, mix and efficiency.

5.1.2 Kavli Sweden's Climate Targets

Kavli Sweden has a long-standing commitment to reducing its climate impact and has worked systematically with climate targets for many years. Since 2024, these have been validated by the SBTi for both Scope 1–2 and Scope 3, ensuring that Kavli Sweden's reduction pathway is aligned with climate science. While Kavli Sweden operates with externally validated climate targets, the wider Group is developing harmonised climate ambitions and Group-wide targets as part of its ongoing sustainability strategy.

Kavli Sweden's 2030 climate targets include achieving 100% fossil-free operations in Scope 1–2, securing 100% fossil-free procured transports and reaching net zero emissions from business travel. For Scope 3, the target is to reduce emissions per produced ton with 55% by 2030, from baseline year 2020.

Scope 1-2 targets - Production & Transport tCO2e	**Scope 3 target - Sourcing & Packaging** tCO2e/produced ton
• 100% fossil-free operations (Scope 1-2) by 2030 • 100% fossil-free procured transports by 2030 • Net zero emissions from business travel by 2030	• 55% reduced emissions per produced ton (Scope 3) by 2030, from baseline year 2020

Table 8: Kavli Sweden's climate targets within Scope 1-2 and 3.

5.1.3 Kavli Sweden's Climate Transition Plans (C4)

Kavli Sweden's climate transition plan outlines the pathway for reducing emissions across both operations and the value chain. It sets clear ambitions for fossil-free Scope 1–2 operations by 2030 and significant reductions in Scope 3. The plan highlights the priority measures and the strong collaboration required with its suppliers and industry peers to progress towards these targets, forming the foundation for the more detailed actions described in the sections that follow.

Kavli Sweden: Scope 1 – 2 Emissions Trajectory and actual emissions 2020-2025 (tCO2e)

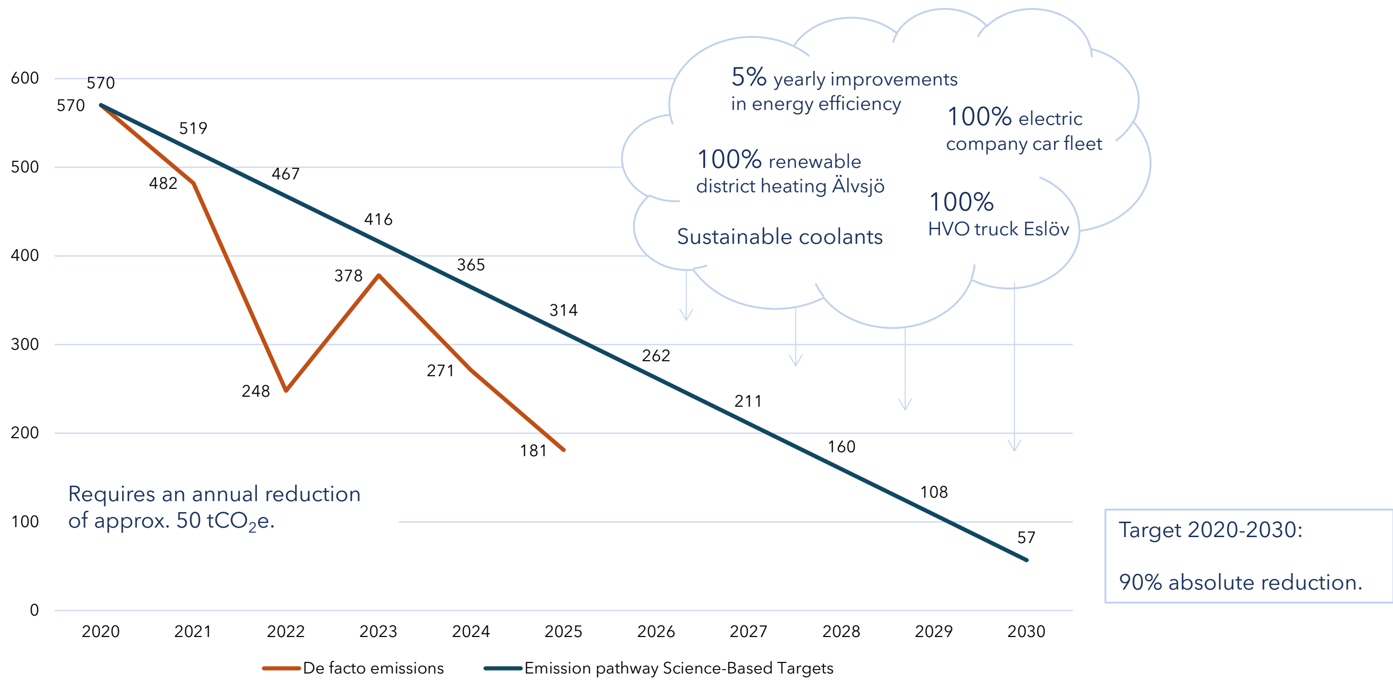


Figure 10: Scope 1–2 climate transition plan for Kavli Sweden (excl. electricity), showing the annual reduction pathway toward Kavli Sweden's SBTi approved 2030 target (2020 baseline).

Kavli Sweden: Reduction in Scope 1-2 emissions and priority actions

By achieving full fossil-free energy usage and net zero emissions from business travel in 2030, Kavli Sweden will reduce Scope 1–2 emissions by around 50 tCO2e per year (Figure 10). Since 2019, Kavli Sweden has systematically transitioned towards fossil-free operations and in 2025 the company sourced 93.5% of total energy used in production from renewable sources.

Priority actions include annual improvements in energy efficiency, transitioning to a fully electric company car fleet, securing 100% renewable district heating at the Älvsjö production facility, expanding fossil-free (HVO) transport at the Eslöv production facility, and shifting to more sustainable coolants. Achieving net zero emissions from business travel will require a continued focus on reduced travel and increased use of carbon-neutral transport modes. Together, these measures support the ambition to achieve a 90% absolute emission reduction by 2030, compared with the 2020 baseline.

Kavli Sweden: Reduction in Scope 3 emissions and priority actions

Scope 3 emissions constitute most of Kavli Sweden's climate impact. In order to meet the 2030 target of 55% reduced emissions per produced ton (from 2020 baseline), Kavli Sweden must achieve annual reductions of approximately 2,300 tCO2e, given an assumed yearly production volume growth rate of 3% (Figure 11).

Priority actions include innovative collaborations with suppliers, tougher requirements on suppliers' own climate efforts, a shift to less climate-intensive raw materials, circular packaging solutions and a portfolio strategy that supports climate-smarter product segments.

Together, these efforts contribute to Kavli Sweden's progress toward its Scope 3 target: from 1.71 tCO2e per produced ton in 2024 to 1.56 tCO2e in 2025 (Figure 12). These results are in line with Kavli Sweden's long-term annual reduction trajectory of 5.5% from the 2020 baseline.

Kavli Sweden: Scope 3 Emissions Trajectory and actual emissions 2020-2025 (tCO2e)

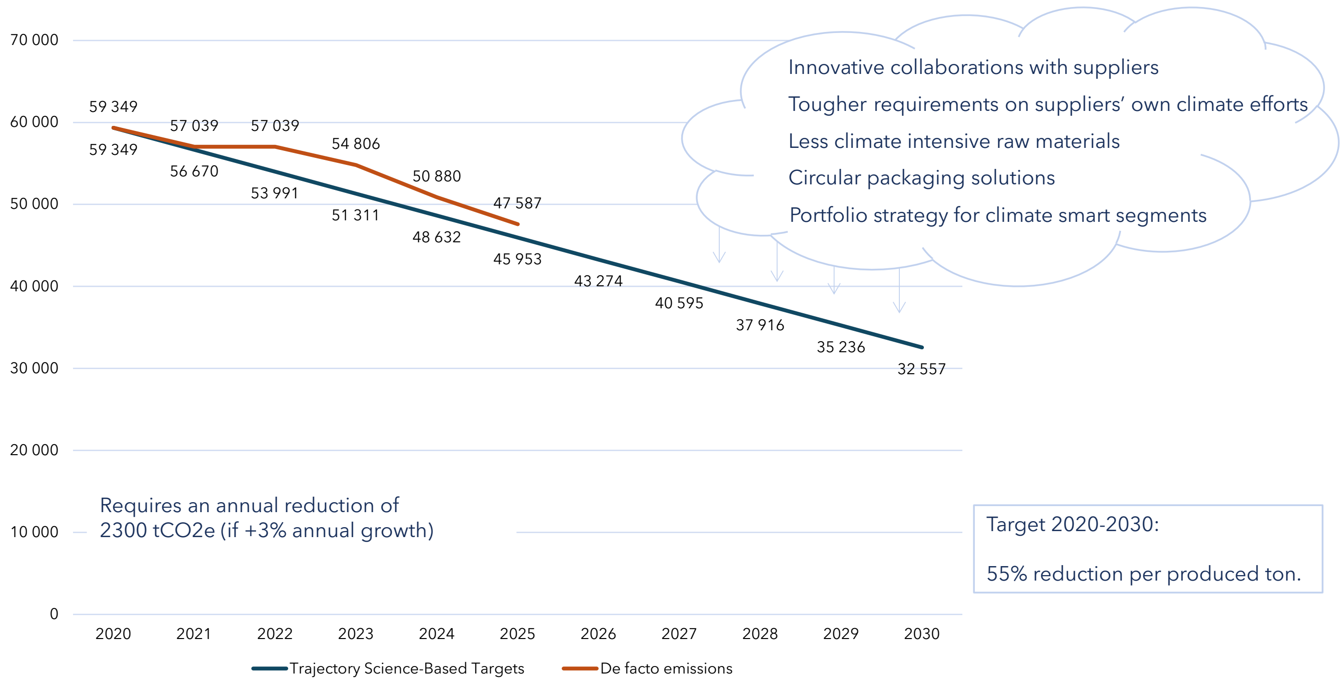


Figure 11: Scope 3 climate transition plan for Kavli Sweden, showing the annual reduction pathway toward Kavli Sweden's SBTi approved 2030 target (2020 baseline).

Kavli Sweden: Scope 3 Emissions Trajectory and actual emissions 2020-2025 (tCO2e per produced ton)

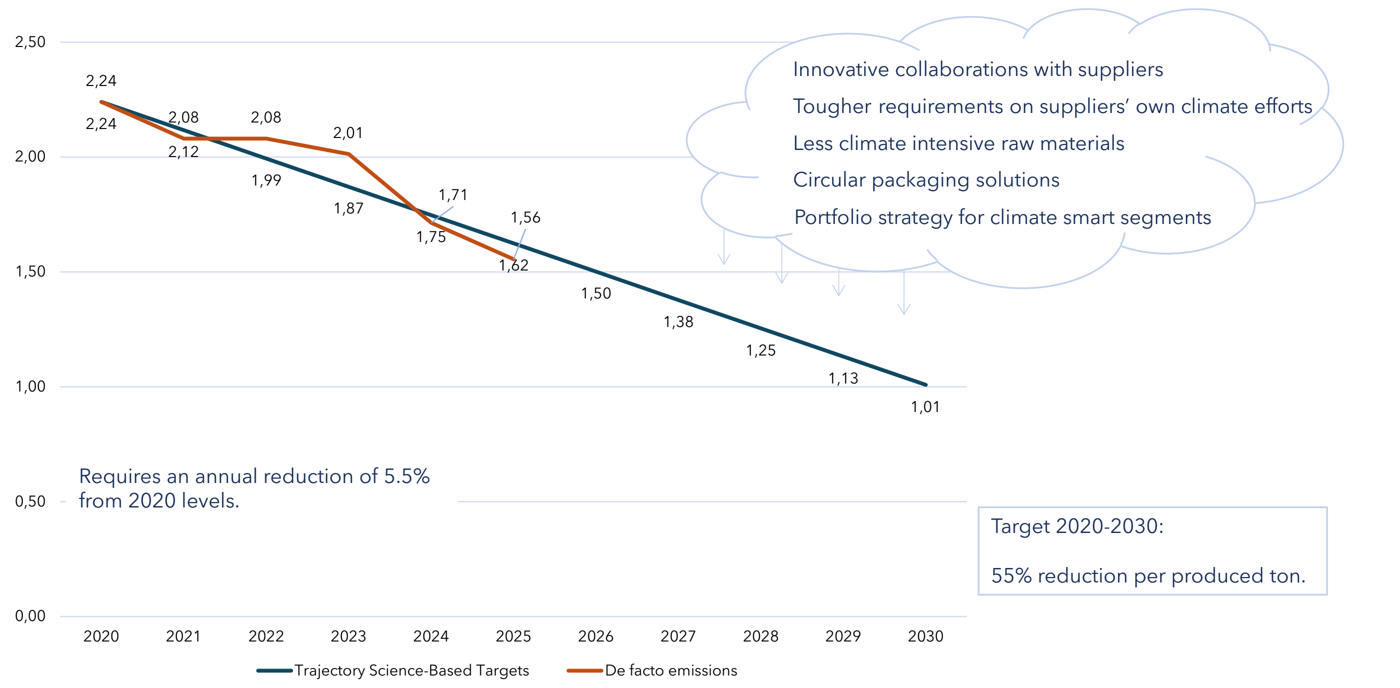


Figure 12: Scope 3 climate transition plan for Kavli Sweden, showing the annual reduction pathway toward Kavli Sweden's SBTi approved 2030 target (2020 baseline).

5.2 Biodiversity & Ecosystems (B5)

As a food producer, Kavli Group depends on healthy natural ecosystems, and biodiversity loss may therefore affect the long-term stability of Kavli's value chain. Biodiversity considerations are integrated into several of Kavli Group's policies that guide responsible sourcing and environmental stewardship. For example, the *Zero Deforestation Policy* and *Palm Oil Policy* include requirements to avoid sourcing from areas with high conservation value, while the *Fish and Seafood Policy* promotes sourcing from responsibly managed fisheries to protect marine ecosystems. Likewise, the *Climate & Environment Policy* and *Supplier Code of Conduct* set expectations for reducing land-use pressures and supporting agricultural practices that help safeguard natural habitats.

In 2025, Kavli conducted a screening of its production sites using the WWF Biodiversity Risk Filter. Based on the production facilities' addresses, this high-level analysis confirmed that none of Kavli Group's production sites are in proximity to areas that are biodiversity-sensitive, protected or conserved (Table 9).

WWF Biodiversity Risk Filter Scape Risk Results				6.1 Protected/ Conserved Areas	6.2 Key Biodiversity Areas
Kavli Group Site Name	**Country**	**Province**	**Land or Seascape**	**S6_1**	**S6_2**
CMFL	United Kingdom	Scotland	North Atlantic (604)	3,5	2,0
Primula	United Kingdom	England	North Sea (605)	3,5	3,0
Q-Meieriene på Jæren	Norway	Rogaland	North Sea (629)	3,5	2,5
Q-Meieriene i Gausdal	Norway	Innlandet	North Sea (629)	3,5	1,5
Kavli, Bergen, Norge	Norway	Vestland	North Sea (629)	3,5	2,5
Kavli, Eslöv, Sverige	Sweden	Skåne län	Baltic Sea (633)	2,5	2,5
Kavli, Älvsjö, Sverige	Sweden	Stockholms län	Baltic Sea (633)	3,0	2,5

- 1.0 <= x <= 1.8 Very low risk
- 1.8 < x <= 2.6 Low risk
- 2.6 < x <= 3.4 Medium risk
- 3.4 < x <= 4.2 High risk
- 4.2 < x <= 5.0 Very high risk

Table 9: Result of WWF's Biodiversity Risk screening on areas that are biodiversity sensitive, protected or conserved.

5.3 Water & Marine Resources (B6)

Kavli Group's production relies on a stable supply of clean water for processing, cooling, cleaning, and maintaining high standards of food safety, but water also serves as an ingredient in several products. Improving water use efficiency and gaining insight into water consumption across production sites remain central to Kavli's sustainability work.

2025 was the first year collecting Group-wide data for water consumption for Kavli Group, but historical figures for Kavli Sweden and Norway show improvements on both efficiency and total consumption at country level. Water usage per produced ton decreased by **8.3% in Kavli Sweden** and by **5.7% in Kavli Norway** (Table 10). As Castle MacLellan in the UK is a bespoke producer of many low volume specialist products, they have a higher number of clean downs and higher water usage relative to its production volume, than other Kavli entities.

Water usage		Sweden			UK			Norway (incl. Holding)			Group		
	Denom.	2024	2025	*Change*	2024	2025	*Change*	2024	2025	*Change*	2024	2025	*Change*
Water use efficiency (water usage per produced ton)	m^3/ton	2,03	1,86	*-8,3 %*	n.a.	5,78	*n.a.*	4,20	3,96	*-5,7 %*	n.a.	3,61	*n.a.*
Total water consumption	m^3	60 328	57 054	*-5,4 %*	n.a.	30 279	*n.a.*	506 454	477 994	*-5,6 %*	n.a.	565 327	*n.a.*

Table 10: Water usage and water efficiency KPIs.

In Kavli's 2025 screening of its production sites (using the WWF Biodiversity Risk Filter described above), local water availability and water conditions were also assessed. The results indicate consistently low to medium water-related risk levels across all production sites (Table 11).

WWF Biodiversity Risk Filter Scape Risk Results				1.1 Water Availability	2.2 Water Condition
Kavli Group Site Name	Country	Province	Land or Seascape	S1_1	S2_2
CMFL	United Kingdom	Scotland	North Atlantic (604)	3,0	3,1
Primula	United Kingdom	England	North Sea (605)	3,0	3,6
Q-Meieriene på Jæren	Norway	Rogaland	North Sea (629)	3,0	2,8
Q-Meieriene i Gausdal	Norway	Innlandet	North Sea (629)	3,2	2,7
Kavli, Bergen, Norge	Norway	Vestland	North Sea (629)	3,0	2,8
Kavli, Eslöv, Sverige	Sweden	Skåne län	Baltic Sea (633)	3,0	3,4
Kavli, Älvsjö, Sverige	Sweden	Stockholms län	Baltic Sea (633)	3,3	3,3

- 1.0 <= x <= 1.8 Very low risk
- 1.8 < x <= 2.6 Low risk
- 2.6 < x <= 3.4 Medium risk
- 3.4 < x <= 4.2 High risk
- 4.2 < x <= 5.0 Very high risk

Table 11: Result of WWF's Biodiversity Risk screening of water related risks.

5.4 Resource Use & Circular Economy (B7)

Waste

Kavli's approach to waste is to prevent waste first, then reduce, reuse and recycle where possible. The Group focuses on reducing food and material waste across operations and the value chain, improving process efficiency, and increasing recycling and circular use of materials, including through packaging design and supplier requirements.

Waste KPIs		Sweden			UK			Norway (incl. Holding)			Group		
	Denom.	2024	2025	*Change*	2024	2025	*Change*	2024	2025	*Change*	2024	2025	*Change*
Share of recycled waste (%)	%	85,8 %	85,7 %	*-0,1 %*	n.a.	92,2	*n.a.*	n.a.	n.a.	*n.a.*	n.a.	n.a.	*n.a.*
Weight of total waste per produced ton	kg/ton	90,2	79,0	*-13 %*	n.a.	252,5	*n.a.*	135,7	133,0	*-2 %*	n.a.	126,4	*n.a.*
Weight of food waste per produced ton	kg/ton	66,6	54,1	*-19 %*	n.a.	111,1	*n.a.*	40,9	53,8	*31 %*	n.a.	55,8	*n.a.*

Table 12: Waste KPIs

In Norway, food waste per produced ton increases from 2024 to 2025 due to a more complex product mix and higher share of value-added products, which drives the number of process steps and opportunities for waste to arise.

Sustainable packaging and circular economy

Kavli's packaging approach focuses on optimising packaging to ensure adequate product protection with the lowest possible environmental impact. Key priorities include designing packaging that is easy to recycle, increasing the share of recyclable, recycled and renewable materials, and reducing material use through lightweighting. Packaging is also used as a tool to reduce food waste by extending shelf life and improving emptying of products. Suppliers are expected to actively contribute with innovations such as recycled and biobased materials and recyclable designs, and to comply with strict material, safety and traceability requirements aligned with EU regulations and circular economy principles.

Packaging KPIs		Sweden			UK			Norway (incl. Holding)			Group		
	Denom.	2024	2025	*Change*	2024	2025	*Change*	2024	2025	*Change*	2024	2025	*Change*
Share of recyclable packaging materials	%	91,0 %	93,1 %	*2,2 %*	n.a.	n.a.	*n.a.*	n.a.	n.a.	*n.a.*	n.a.	n.a.	*n.a.*
Share of recycled packaging materials	%	66,9 %	72,9 %	*6,0 %*	n.a.	20,2 %	*n.a.*	69,5 %	68,9 %	*-0,5 %*	n.a.	61,6 %	*n.a.*
Share of renewable packaging materials	%	20,6 %	22,4 %	*1,7 %*	n.a.	19,6 %	*n.a.*	73,0 %	70,8 %	*-2,3 %*	n.a.	45,6 %	*n.a.*

Table 13: Share of recyclable packaging, Share of recycled packaging and Share of renewable packaging.

6. Social (B8, B9, B10, C5, C6, C7)

6.1 Workforce characteristics (B8 & C5)

Kavli Group aims to foster a workplace that is inclusive, engaging and supportive of continuous learning, with focus on strengthening the gender balance across the organisation, maintaining high levels of employee satisfaction, and promoting opportunities for training and skills development. These areas are important for Kavli's ability to attract, develop and retain skilled employees.

In 2025, the **female share of managers was 38.2%** across Group, and **employee satisfaction was 90.3%**, which is above the target of 90%. Furthermore, training participation increased from 2024 levels. Together, these indicators indicate successful efforts to support an inclusive, engaged and well-trained workforce.

Gender equality		Kavli Group	Sweden			UK			Norway (incl. Holding)			Group		
	Denom.	Target	2024	2025	*Change*	2024	2025	*Change*	2024	2025	*Change*	2024	2025	*Change*
Share of female managers (w/ personnel responsibility)	%	50 %	36,4 %	36,4 %	*0,0 %*	n.a.	34,4 %	*n.a.*	39,3 %	41,4 %	*2,1 %*	n.a.	38,2 %	*n.a.*
Share of female board members of Kavli Holding AS	%		n.a.	n.a.	*n.a.*	n.a.	n.a.	*n.a.*	n.a.	n.a.	*n.a.*		42,9 %	

Table 14: Gender equality KPIs.

Employee satisfaction		Kavli Group	Sweden			UK			Norway (incl. Holding)			Group		
	Denom.	Target	2024	2025	*Change*	2024	2025	*Change*	2024	2025	*Change*	2024	2025	*Change*
Employee satisfaction	%	>90%	94,0 %	92,5 %	*-1,5 %*	n.a.	91,4 %	*n.a.*	86,7 %	88,2 %	*1,4 %*	n.a.	90,3 %	*n.a.*

Employees KPIs	Denom.	Kavli Group Target	Sweden 2024	Sweden 2025	Sweden Change	UK 2024	UK 2025	UK Change	Norway (incl. Holding) 2024	Norway (incl. Holding) 2025	Norway (incl. Holding) Change	Group 2024	Group 2025	Group Change
Share of employees trained in anti-corruption or ethical guidelines	%		100,0 %	100,0 %	*0,0 %*	70,0 %	73,1 %	*3,1 %*	91,2 %	91,1 %	*-0,1 %*	85,0 %	88,3 %	*3,3 %*
No. of employees (full-time, part-time and temporary)	#		224	233	*9*	282	275	*-7*	479	497	*18*	985	1 005	*20*

Table 15: Workforce KPIs.

6.2 Health and safety (B9)

Ensuring a safe and healthy working environment is a core priority across Kavli Group. This is done by having clear guidelines and process descriptions in place, ensuring appropriate training, promoting safe behaviours, and monitoring incidents and near misses.

For 2025, sick leave for Group was above target (4.5% vs. target <4%) and H1 was above zero. This confirms the need to continue strengthening health and safety efforts, with improvement work ongoing across all sites.

HSE KPIs	Denom.	Kavli Group Target	Sweden 2024	Sweden 2025	Sweden Change	UK 2024	UK 2025	UK Change	Norway (incl. Holding) 2024	Norway (incl. Holding) 2025	Norway (incl. Holding) Change	Group 2024	Group 2025	Group Change
Sick leave	%	<4%	3,3 %	3,9 %	*0,6 %*	n.a.	3,7 %	*n.a.*	n.a.	5,5 %	*n.a.*	n.a.	4,5 %	*n.a.*
Lost-time work accidents (H1)	H1	Zero	4,9	5,1	*0,1*	6,0	4,1	*-1,9*	1,5	1,5	*-0,0*	3,8	3,2	*-0,6*

Table 16: HSE related KPIs.

6.3 Labour Standards and Workers' Rights (B10, C6, C7)

The Kavli Group *Ethical Guidelines* explicitly state Kavli's standing on labour standards and workers' rights:

- Kavli shall comply with local employment legislation, and Kavli's business relations must also comply with minimum wage regulations and labour standards.
- Kavli has a clear principle of equal treatment and non-discrimination, including on gender.
- The guidelines cover topics such as non-discrimination, health and safety, child labour and forced labour, and business ethics and integrity. The guidelines are enforced through mandatory compliance, management responsibility, training/e-learning, and disciplinary consequences for noncompliance.
- Employees are encouraged to report concerns (whistleblowing).

In 2025, there were zero reported incidents related to breaches of internal policies and guidelines.

6.4 Consumers & End-Users (B10 & C6)

Ensuring the safety, quality and transparency of Kavli Group's products is central to maintaining consumer trust. Kavli's work is guided by a structured product food safety and quality management system based on HACCP principles, ISO 22000 and BRC requirements, supported by a strong culture of compliance, open communication and continuous improvement. The Group upholds clear nutrition and health commitments and drive initiatives and targets to reduce salt, added sugar and saturated fats across its product portfolio. Transparent and responsible marketing, together with clear and accessible labelling, enables informed consumer choices. Kavli also maintains systematic monitoring and disclosure of any incidents involving consumers and end users as part of the Group's accountability framework.

There were no incidents leading to recalls in 2025.