ANORA

Annual Report 2024

ANORA

This is Anora

Anora is a leading wine and spirits brand house in the Nordic region and a global industry forerunner in sustainability.

Our market-leading portfolio consists of our own iconic Nordic brands and a wide range of prominent international partner wines and spirits. Our business operations also include world-class industrial operations in distillation, bottling and logistics services. Anora's shares are listed on Nasdaq Helsinki.

We strive to constantly reduce our environmental impact by developing our production plants and creating more sustainable packaging options. Equality and diversity are at the core of our organisational culture, and we want to ensure an inclusive and safe workplace. Through educative programs and by developing no- and low-alcohol products we promote a responsible drinking culture.

Net sales, EUR million

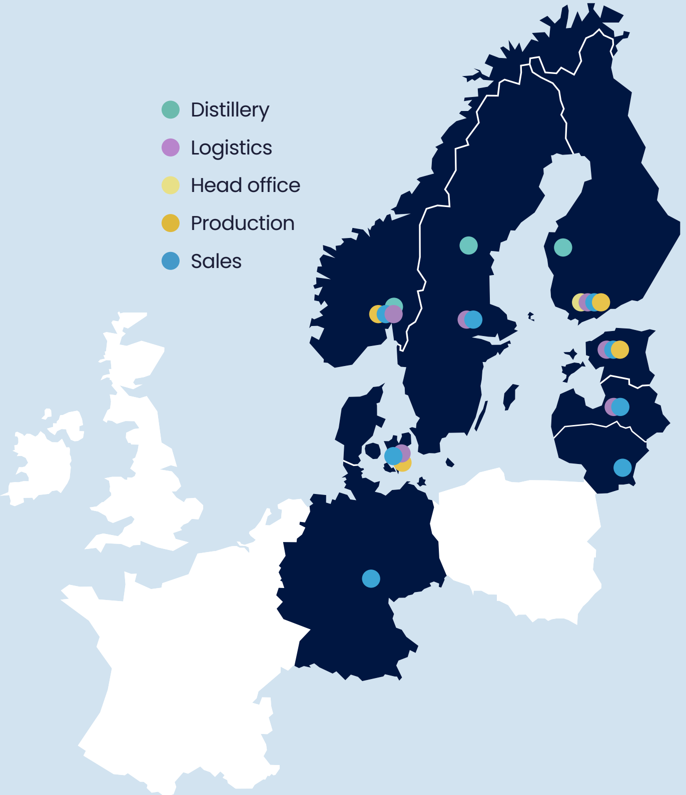
692.0

(2023: EUR 726.5 million)

Comparable EBITDA, EUR million

68.9

(2023: EUR 68.2 million)



Our segments: Wine, Spirits and Industrial

Wine

Net sales, EUR million

323.0

(2023: EUR 334.3 million)

The Wine segment develops, markets and sells Anora's own wine brands as well as partner wines to customers in the Nordic monopoly markets and Denmark. In Denmark, the segment also includes contract manufacturing and logistics services for customers.

Spirits

Net sales, EUR million

227.0

(2023: EUR 237.0 million)

The Spirits segment develops, markets and sells both Anora's own spirits brands and partner brands to customers in Nordic and Baltic countries and Germany. The segment also includes global duty free and travel retail sales and exports.

Industrial

Net sales, EUR million

234.0

(2023: EUR 269.5 million)

The Industrial segment comprises Anora's industrial business – industrial products and services, logistics company Vectura, and internal supply chain operations.

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BUSINESS OVERVIEW

In 2024, Anora progressed in the implementation of all its three strategic pillars.

Anora's year 2024 in brief

In 2024, Anora continued to improve the marginality of its beverage business and strengthen the balance sheet by increasing the share of margin accretive businesses as well as focusing on pricing and revenue management, stable operating expenses and net working capital reduction. As a result, all segments improved their respective gross margins.

For the full year 2024, net sales were EUR 692.0 million, showing a decline of 4.7%. The Wine and Spirits segment sales were down due to lower volumes. The Industrial segment's net sales were negatively impacted by lower sales prices due to declined grain prices, combined with lower production volumes.

Comparable EBITDA amounted to EUR 68.9 (68.2) million or 10.0% (9.4%) of net sales. The recent price increases and the more stabilised currencies supported performance. The Wine segment delivered notable comparable EBITDA growth, while the other segments declined from the previous year. The Spirits segment continued to invest in its biggest brands. The Industrial segment's performance was negatively impacted by ethanol and side products price erosion due to declined grain prices and lower production volume. Additional inventory impairments of EUR 3.8 million were made in the Wine and Industrial segments, reported as items affecting comparability.

In the Wine segment, Anora regained its overall market leadership in Finland including grocery, due to the successful introduction of up to 8% ABV wines in grocery stores. In the Spirits segment, Anora launched 17 new Koskenkorva products, from RTD's to cream liqueurs.

Key figures

	2024	2023
Net sales, EUR million	692.0	726.5
Comparable EBITDA, EUR million	68.9	68.2
% of net sales	10.0	9.4
EDITBA, EUR million	61.3	67.5
Operating result, EUR million	34.5	-31.3
Result for the period, EUR million	11.1	-39.9
Earnings per share, basic, EUR	0.16	-0.59

ESG key figures

Environment	**2024**	**2023**
Scope 1-2 fossil emissions (tCO_2e)	13,547	21,434
Water use (1,000 m^3)	771.8	870.4
Waste recyling and recovery rate	100%	99.8%
Social		
Share of net sales from no- and low-alcohol products*	5.9%	4%
Sickness absence %	5.2%	5%
Number of accidents in relation to hours worked (lost time injury frequency without commuting)	5.8	4.6
Gender balance, total headcount	38%	37%
Governance		
Gender balance, Board of Directors	38%	43%
Gender balance, Executive Management Team	25%	29%
Board meeting attendance rate (average %)	95.2%	100%
Board independence		
Independent of the company**	7/8	7/9
Independent of significant shareholders**	6/8	7/9

Gender balance = share of women in the group
Board independence = number of independent Board members, as defined by the Finnish Corporate Governance Code.
*Includes 10% ABV > wines, 30% ABV > spirits, RTDs and non-alcoholic products from Anora's own brands
**Including both Board members elected by the shareholders and Board member(s) elected by the employees of Anora

CEO's review

During the year 2024, we progressed well on the mid-term agenda established in late 2023, without losing sight of our long-term ambitions and aspirations. We continued to improve the marginality of our beverage business and strengthen the balance sheet by increasing the share of margin accretive businesses as well as focusing on pricing and revenue management, stable operating expenses and net working capital reduction. As a result, all our segments improved their gross margins in 2024.

In 2024, our operating expenses were below last year's levels in Wine and Industrial segments. In Spirits, we continued to invest in our biggest brands. For example, we launched 17 new Koskenkorva products, from RTD's to cream liqueurs. The full-year Group gross margin increased to 42.4% (42.0%). The Group gross profit showed a decline of 3.9% to EUR 293.4 (305.4) million in 2024, partly as the comparative year 2023 was impacted by the one-off capital gain from the Larsen divestment of EUR 11.6 million, which was not allocated to any segment.

Anora revised its comparable EBITDA guidance range down to EUR 65-70 million on 14 October 2024, due to lower volumes in Wine and Spirits segments in September than previously forecasted especially in the monopoly channels. Towards the end of the year this steep decline eased up somewhat, due to seasonal sales picking up for the festive period. For the full year 2024, our comparable EBITDA increased from EUR 68.2 million to EUR 68.9 million and was 10.0 percent of net sales. The Wine segment delivered notable comparable EBITDA growth, while the other segments declined from the previous year. We made some additional inventory impairments in Wine and Industrial segments, reported as items affecting comparability.

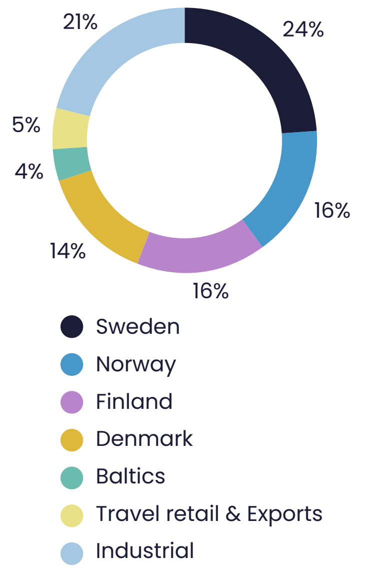
The full year net sales were EUR 692.0 million, showing a decline of 4.7%. The Wine and Spirits segment sales were down due to lower volumes. In the Wine segment, Anora regained its overall market leadership in Finland including grocery, due to the successful introduction of up to 8% ABV wines in grocery stores. The Industrial segment's net sales were negatively impacted by lower sales prices due to declined grain prices, combined with lower production volumes.

At the end of the year our cash and cash equivalents amounted to EUR 181.5 million. Our interest-bearing net debt amounted to EUR 121.6 (137.5) million, while our net interest-bearing debt / comparable EBITDA ratio was 1.8 (2.0). We re-paid our long-term interest-bearing debt by EUR 50.0 million at the end of September, thus lowering our net financial expenses going forward. This also enables our Board of Directors to propose a dividend payment of EUR 0.22 per share for the financial year 2024 to the Annual General Meeting.

As we close the year 2024, I would like to thank our customers, partners, shareholders and employees for their contribution during our journey so far. While I have communicated to the Board of Directors of Anora my wish to retire once the new CEO is nominated, we are sustaining our focus on improving the marginality of our beverage business through active mix and revenue management. We also aim to further strengthen our cash position and balance sheet by reducing working capital and improving inventory turnover. We seek to restore organic net sales growth in the Wine and Spirits segments by concentrating our efforts on the largest brands and partnerships. I am convinced that these actions and the progress achieved so far will allow us to get back on track in executing Anora's ambitious transformation strategy and deliver on our long-term financial targets.

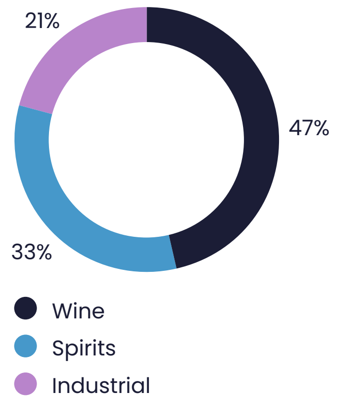
Jacek Pastuszka
CEO

Net sales by country, %*



*Net sales split based on internal reporting

Net sales by segment, EUR million



Net sales

EUR 692.0 million

(2023: EUR 726.5 million)

Comparable EBITDA

EUR 68.9 million

(2023: EUR 68.2 million)

Personnel at year-end

1,211

(2023: 1,219)

Dividend per share*

EUR 0.22

(2023: EUR 0.22 per share)

*Board's proposal

Our strategy up to 2030: Delivering growth through sustainability

Anora's vision is to be the leading Nordic wine and spirits group delivering growth through sustainability. Our passion takes the best of the Nordics to the world and the best of the world to the Nordics. We are Anora, let's drink better!

OUR AMBITION

Recognised #1 in ESG

Lead category growth in the Nordics

Lead category growth across consumer occasions and channels in the Swedish, Norwegian and Finnish markets as the wine and spirits powerhouse

Cement regional leadership

Scale our position in Denmark and the Baltics to cement our regional leadership

Accelerate beyond the Nordics

Accelerate beyond the Nordics with strong, sustainable hero brands

VALUES – OUR WAY OF WORKING

Courage to EXPLORE
We are passionate and ambitious to lead the industry. We have the courage to challenge the status quo, continuously improving for a better tomorrow.

Energy to INSPIRE
We share a can-do attitude and enjoy going the extra mile. Positivity shines through in everything we do, making us inspiring and fun to work with.

EMPOWERING to win
Our dynamic, open and inclusive way of working represents a modern Nordic mindset. We take ownership of our decisions, giving all of us the freedom to succeed.

Our growth strategy is built around three strategic choices

In the monopoly markets of Sweden, Norway and Finland, we aim to grow faster than the market. We want to lead category growth across consumer occasions and channels and thereby strengthen our positions as the leading wine and spirits house in the Nordics.

In Denmark and the Baltics we want to scale our position to cement our regional leadership. In Denmark, we already took a major step in 2022 with the acquisition of Globus Wine, Denmark's leading wine company.

We have high ambitions to grow internationally and to accelerate our business beyond the Nordics with our strong, sustainable hero brands.

Our strategic choices are supported by a set of key enablers.

To strengthen consumer engagement we will focus and scale investments in our hero brands, build our digital channels and develop occasion-led innovations.

Customer centricity is not only about deepening collaboration with the monopolies, but strengthening our position in the grocery trade and becoming the preferred supplier in the on-trade. Global travel retail is a key enabler for international growth.

We will continue to use M&A's to support our growth during our strategy period reaching up to 2030.

We will optimise our supply chain to find further efficiences and to build the most sustainable operations in our industry.

Our long-term sustainability targets and the roadmap are presented in the Sustainability Review as of page 117 onwards.

Financial targets for 2030

Annual net sales growth

3–5%

Including M&A, majority being organic

Comparable EBITDA margin

16%

Through increased focus on margin accretive busness and scale benefits on indirect costs

Net interest-bearing debt/ comparable EBITDA

<2.5x

Debt levels may occasionaly exceed in connection with M&A's

Dividend pay-out ratio

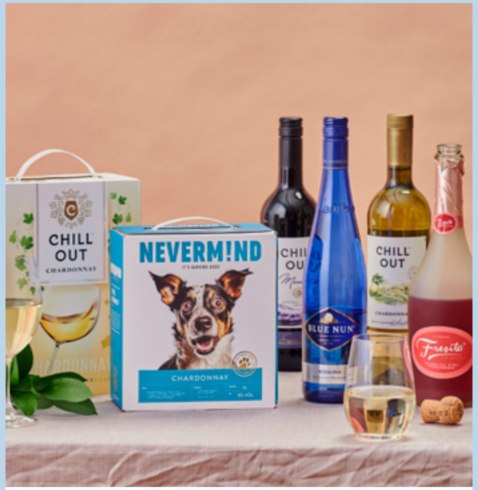
50–70%

Anora aims to maintain a stable or increasing dividend (% of result for the period)

Our financial targets together with the actual levels achieved in 2023–2024 have been presented in the Report of the Board of Directors.

Business highlights 2024

In 2024, Anora progressed in the implementation of all its three strategic pillars.



LEAD CATEGORY GROWTH IN THE NORDICS

Market leadership in low-ABV wines in Finland

Anora launched a wide range of 70 new, lower-ABV wines in Finnish grocery stores following the change in Finland's alcohol legislation in June. The successful launch was made possible by Anora's unique product development and production capabilities and innovation work.

LEAD CATEGORY GROWTH IN THE NORDICS

Succesful launches in monopoly markets

Anora engaged actively in monopoly tenders with its own wines and premium partner wines and gained several new partners, including Domaine des Tourelles and Pongrácz in Sweden and Pasqua and Gisselbrecht in Finland. Anora also introduced new RTDs, Vikingfjord Hard Seltzers and Jaloviina Omena, in the grocery channel, and expanded its Koskenkorva product offering. The year closed with the successful launch of the limited edition Blossa 24 glögg.

LEAD CATEGORY GROWTH IN THE NORDICS

Efficiency improvements through centres of excellence

The CoE project, initiated in 2023, completed product relocations during 2024 and achieved its planned goals, adjusting to market changes as needed. The capabilities and expertise of Anora's supply chain were fully utilized in the introduction of 8% wines in Finland.

CEMENT REAGIONAL LEADERSHIP

Expanded footprint in the Baltics with the establishment of Anora Lithuania

As the largest market of the Baltic countries, Lithuania offers new growth potential for Anora in the Baltic market. Commercial operations are set to commence in 2025 with a dedicated local team.

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CEMENT REAGIONAL LEADERSHIP

Acquisition of Blomberg Glögg strengthens leading position in the Nordic glögg market

The strategic brand acquisition of Blomberg Glögg in May, which complements Anora's flagship glögg brand Blossa, solidified Anora's already strong position in the Nordic glögg market.

ACCELERATE BEYOND THE NORDICS

Koskenkorva's new marketing campaign prominently launched in Germany

Koskenkorva's new marketing concept *Party Like There's Tomorrow* was launched in Germany with a tour across three big cities, combined with a digital campaign and influencer collaborations to reinforce the brand's presence and drive engagement. Distribution was also expanded nationwide.

ACCELERATE BEYOND THE NORDICS

German route to market harmonized through new agreement with Underberg

After successfully building Anora's Koskenkorva brand in Germany, Semper idem Underberg AG's Diversa Spezialitäten GmbH also took over the distribution of Anora's aquavit portfolio and Gammel Dansk in Germany through an extended agreement signed in June.

ACCELERATE BEYOND THE NORDICS

International recognition for Anora's hero brands

Anora's flagship export brand Koskenkorva won 50 awards in renowned international industry competitions. Linie aquavit sponsored of the world's most rigorous culinary competition Bocus D'Or and was prominently featured in a Broadway play in New York.

Read more about key events in 2024 in the Board of Directors report on p. 25. Highlights from Anora's sustainability work are presented in the Sustainability Review on p. 122.

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Strong and versatile portfolio of leading own and partner brands

Key Anora brands

Wine

- RubyZin
- Chill Out
- Wongraven
- Blossa Glögg
- Falling Feather
- Il Capolavoro

Spirits

- Aalborg Akvavit
- Koskenkorva Vodka
- Linie Aquavit
- Skagerrak Nordic Dry Gin
- O.P. Anderson
- Xanté
- Valhalla

Key partner brands

Wine

- Masi Agricola
- Louis Roederer Champagne
- Borgogno
- Laroche
- Famille André Lurton
- Xavier
- Penfolds
- Codorníu
- Champagne Bollinger

Spirits

- Fireball
- Underberg
- Amarula
- Jose Cuervo
- ISH
- Larsen Cognac
- Disaronno Originale
- Hernö

SEGMENT – WINE

Full wine portfolio for all consumers

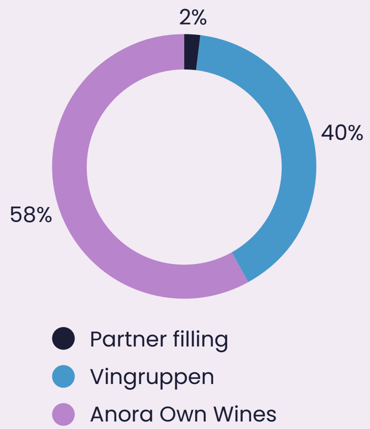
Anora's Wine segment is a market-leading Nordic player with unparalleled sustainability and the most comprehensive portfolio in its market – from premium, exclusive brands to affordable, environmentally friendly options. Our expertise and wide array of trusted brands make us the partner of choice for top wine producers and the go-to for every consumer.

Adapting to the evolving Nordic wine markets is essential to maintain our leadership. This includes sustainability, customer engagement, and responsiveness to new opportunities and trends. The Nordic alcohol monopolies lead in promoting sustainability requirements, which we meet well. We have, for example, developed innovative packaging options, such as our own proprietary rPET bottles and fully recyclable Bag-in-Boxes, which cater to consumers' preference for more sustainable choices. In addition, our near-market filling capabilities – where wine is transported in bulk and then packaged locally – minimise transport-related emissions and are also the most sustainable way to offer wines to Nordic consumers.

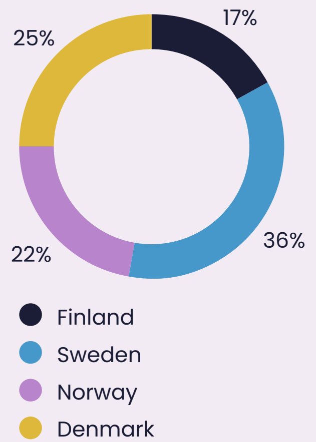
Our multi-channel approach covers all bases to reach consumers across the Nordics. From the monopolies and groceries to the restaurant, bar, and hospitality sectors, we work to maintain our leadership across the board. Our strong presence in travel retail ensures consumers can access Anora's trusted brands wherever they go, while our direct-to-consumer channels and premium wine events cater to the Nordics' most discerning wine enthusiasts.

Our wide presence helps us to understand and meet ever-evolving consumer preferences. Our development and launch of 8% wines in Finland was a perfect showcase for our unique capabilities. By leveraging in-house technical expertise and production facilities, we were able to create tailored products and gain a leading position in this new market in the Finnish groceries.

Net sales by brand type, %



Net sales by country, %*



*Net sales split based on internal reporting

Net sales, total, EUR million

323.0

Gross margin, % of net sales

29.4%

Comparable EBITDA, EUR million (% of net sales)

22.1 (6.9%)

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SEGMENT – SPIRITS

Nordic leader and an international challenger

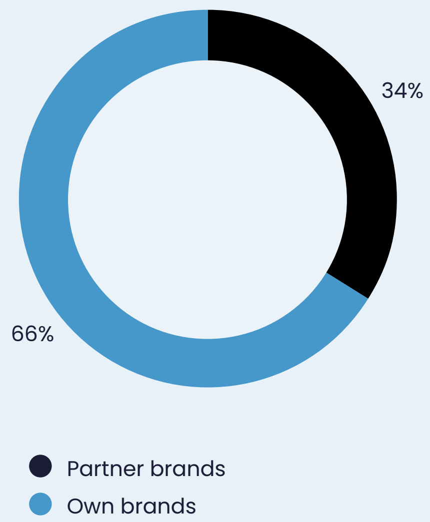
Anora's Spirits segment is a market leader in the Nordic region with its unique portfolio of iconic local spirits brands combined with international partner brands, ensuring appeal across all consumer segments and geographies in every category. Our passion takes the best of the Nordics to the world and the best of the world to the Nordics.

Anora owns some of the Nordic's best known heritage brands: Koskenkorva, Leijona and Jaloviina in Finland, O.P. Anderson, Explorer and Xanté in Sweden, Lysholm Linie, Oppland and Gilde in Norway, Aalborg and Gammel Dansk in Denmark, Saaremaa in Estonia and Arsenitch in Latvia to name a few. In addition to own brands, we distribute some of the world's best known partner spirits brands, including Jose Cuervo, Fireball, Underberg and even the world-class water brand St. Pellegrino.

The segment is the market leader in the Nordic monopoly markets of Finland, Sweden and Norway, and the second-largest player in Denmark. As a multi-channel operator, the segment leverages multiple sales and distribution channels to reach its customers, including the region's monopolies, groceries, on-trade customers and e-commerce. Growth is sought beyond the Nordics through travel retail, in nearby markets such as Lithuania and Germany, as well as by exporting our hero brands to close to 30 countries. Anora Lithuania was officially established in the end of 2024, with commercial operations set to commence in 2025. In Germany, the growth is focused around the strong export categories, vodka and aquavits.

Anora is strongly committed to continued innovation, including brand extensions and advancements in sustainability, guiding every aspect from production to packaging. For example, we launched 17 new Koskenkorva products in 2024, from RTD's to cream liqueurs. The segment excels in adapting to trends such as sustainability and health consciousness, also with its no- and low-alcohol as well as lighter and recyclable packaging options. Koskenkorva as the best-selling brand continues its success as a sustainable vodka brand. Ready-to-drink (RTDs), liqueurs, and functional beverages are also rapidly growing categories.

Net sales by brand type, %*



*Net sales split based on internal reporting

Net sales, total, EUR million

227.0

Gross margin, % of net sales

44.8%

Comparable EBITDA, EUR million (% of net sales)

38.0 (16.7%)

SEGMENT – INDUSTRIAL

The backbone of Anora's growth

Very much the engine room of the Nordic powerhouse, Anora's Industrial segment provides production, logistics, and supply chain services to support the Wine and Spirits segments. The segment operates the ethanol-production facilities, which – in addition to serving beverage production – provide technical ethanol products for around 800 customers.

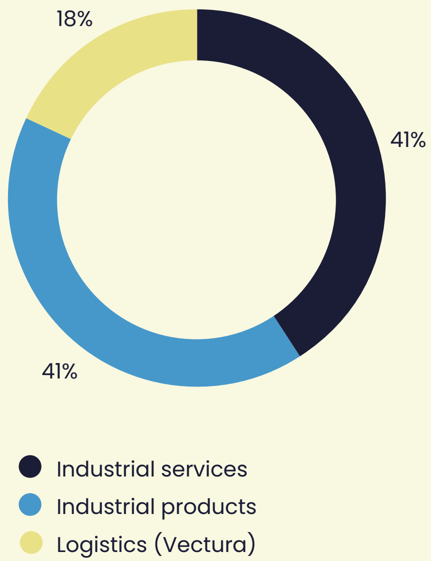
In 2024, the Industrial segment maintained its focus on efficiency, cost control and continuous improvement of productivity. These measures went a long way towards protecting profitability, despite a challenging year impacted by ethanol and side products price erosion due to declined grain prices and lower production volume.

The Industrial segment is in a central role in the company's sustainability roadmap, and pivotal to reaching its sustainability targets. In-house production facilities, most notably the Koskenkorva Distillery, allow Anora to optimise and reduce environmental impacts. The production embraces circular economy, making full use of the raw material, barley, with no waste. Production side-streams, such as starch, feed components and technical ethanols, are then sold to industrial customers.

Anora is also a leader in various packaging options, which are lighter than traditional glass bottles, recyclable and/or made from recycled raw materials, such as PET plastic bottles and bag-in-boxes with reduced environmental impact. Through near-market filling, the wines are packaged close to the markets where they are sold. This way, Anora can both reduce emissions and offer locally preferred sustainable packaging options for its partners and customers.

Proximity to market also played a key role in enabling the successful launch of 8% wines in June. The specialised de-alcoholisation equipment and capabilities to reduce the alcohol content were already available in-house, a crucial factor for the rapid launch. The segment was also able to efficiently produce the wide portfolio of SKUs required, allowing the Wine segment to rapidly bring these products to market – cross-segment collaboration at its best.

Net sales, external, by product group , %*



*Net sales split based on internal reporting

Net sales, total, EUR million

234.0

Gross margin, % of net sales

47.3%

Comparable EBITDA, EUR million (% of net sales)

14.7 (6.3%)

Key trends shaping our business

The foundation of our innovation work is our unique understanding of Nordic consumers. To meet their evolving needs, we follow changes in consumer behavior – how people think, feel, and the experiences they seek. We are focusing on three macro-trends which will shape consumer preferences and guide our strategy in the coming years: health and wellness, sustainability and premiumization.

Health-consciousness impacts drinking habits

The increased focus on both physical and mental health is transforming the alcohol industry. Consumers increasingly seek products that align with healthier lifestyles, including options with lower calories, sugar, and alcohol content. Many people are interested in options that allow them to enjoy social occasions without compromising their health. Low-alcohol volumes across the world's top 10 NoLo markets are predicted to grow at a compound annual growth rate of +3% between 2023 and 2027*.

Read more about how Anora supports a responsible Nordic drinking culture on page 141.

Sustainability shapes the future of beverage industry

Environmentally conscious consumers are favoring brands that demonstrate a commitment to more sustainable practices. This includes everything from sustainable sourcing of ingredients to recyclable packaging with smaller carbon footprints. Increasing transparency about production processes and implementing sustainable measures are important for brands that want to appeal to this growing segment. Younger consumers, particularly those under 35, are more inclined to value sustainability in their purchasing decisions**. However, the increase in the cost of living affects the attractiveness of more sustainable products.

Anora's strategy is to deliver a growth through sustainability, and we want to be the Nordic leader in sustainably produced beverages. Read about our work towards more sustainable industry from page 127 onwards.

Towards aspirational and sophisticated products

The premiumization trend in the alcohol industry is experiencing a nuanced shift due to current economic uncertainties. While the pursuit of higher-quality, aspirational products continues in the longer term, many consumers are adjusting their spending habits. Some are opting for less expensive options, leading to a focus on enhancing value-priced brands with premium attributes such as innovative flavor profiles, distinctive and attractive packaging or refined production methods***. Smaller package options and products in accessible premium categories are also attracting interest.

Anora's broad portfolio of beverages enables us to offer options for different tastes in every price segment. Read more about our Wine and Spirits businesses on pages 13–14.

* Source: IWSR, April 2024
** Source: Mintel, February 2024
*** IWSR, July 2024

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The Nordic wine and spirits market

Sales channels

Anora Group acts as a multi-channel operator. By integrating on-trade, off-trade, online, and sales via monopolies into its strategy, Anora effectively navigates the diverse and regulated markets in the Nordic countries and nearby regions, maximising its market reach and ensuring compliance with regional laws and consumer expectations.

In the Nordic off-trade markets, most of the wines and spirits are sold through the state retail monopolies (Alko, Systembolaget and Vinmonopolet), which form Anora's largest sales channel. Approximately 78% of the market volumes go through the state retail monopolies.

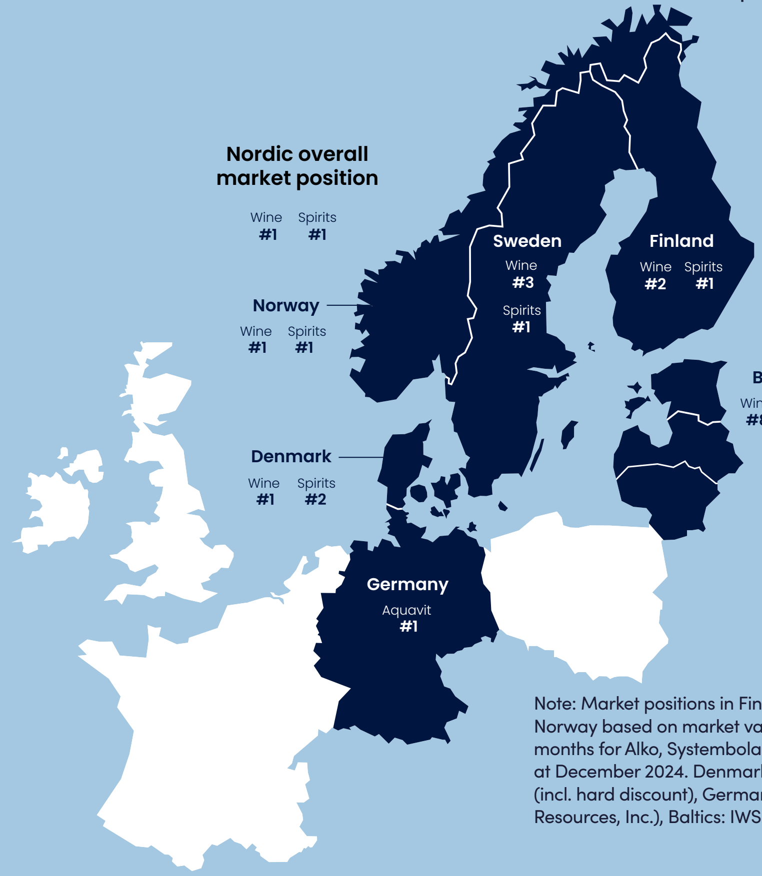
In the monopoly markets, the grocery trade is a channel for no- and low-alcohol wines and glöggs, ready-to-drink products (RTDs), beers and ciders. Following the legislative amendment to Finland's Alcohol Act in June 2024 allowing the sale of alcoholic beverages containing up to 8% ABV in grocery stores, Anora immediately gained a leading position in Finnish groceries due to the successful launch of its new wine selection.

In Denmark and the Baltics, the off-trade market mainly consists of the grocery trade.

The on-trade ("HoReCa") channel plays an important role in new product launches and provides Anora with an opportunity to promote and increase customers' brand awareness as well as affect future consumer trends.

Travel retail, comprising airline, sea and border trade, has traditionally been an important channel in the Nordic and Baltic regions, due to price differences between countries caused by different alcohol tax levels and duty-free sales.

All consumer product sales outside Anora's home market are defined as exports. Anora exports alcoholic beverages to close to 30 countries.

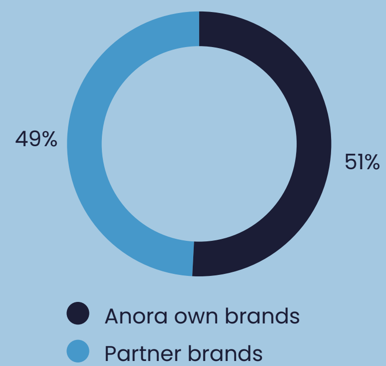


Note: Market positions in Finland, Sweden, Norway based on market value data last 12 months for Alko, Systembolaget, Vinmonopolet) at December 2024. Denmark AC.Nielsen 2024 (incl. hard discount), Germany IRI (Information Resources, Inc.), Baltics: IWSR 2023.

Value of the Nordic wine and spirits market, %

Source: Euromonitor 2024. The Nordic market refers to Spirits and Wines markets in Finland, Sweden, Norway and Denmark.

Beverage net sales split by brand category, %*



* Net sales split based on internal reporting.

Competitive landscape

Anora competes with global, Nordic and local spirits brands and wine producers as well as importers. Compared to the spirits market, the wine market is fragmented, as there are several smaller producers, importers and distributors.

Market environment

The market environment for 2024 has been presented in the Board of Directors' statement.

Market size and growth

The Nordic wine and spirits market is a fairly large with an estimated value of EUR 13.9 billion, of which Wine accounts for about 65% of the volume and spirits for 35%. The market is stable for both wine and spirits. Historically, the wine and spirits market has been fairly non-cyclical, with less impact on average consumption during economic downturns. However, fluctuations can be seen between channels and price points.

As the cost of living is increasing, price is becoming more important purchase criterion for consumers who have traded down for slightly cheaper products. On the other hand, many people are consuming less alcohol than earlier – but then focusing on quality. Anora has a wide sortiment to meet demand from a varied group of consumers.

Industrial products

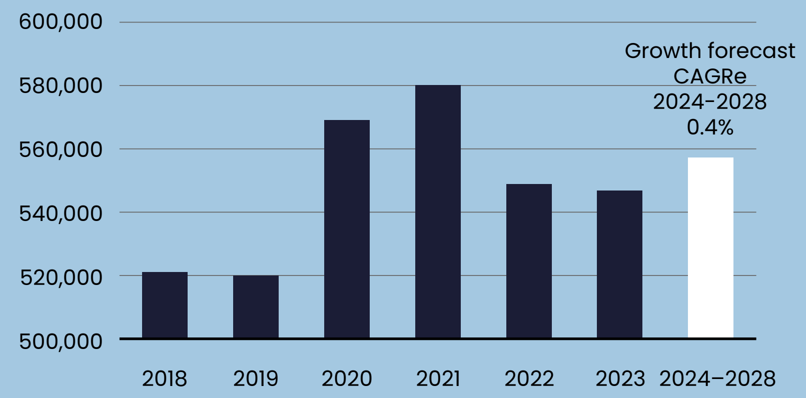
Anora produces grain spirit at its Koskenkorva Distillery. Koskenkorva Distillery is also the only producer of barley starch in the world, which is produced as a by-product from the distillation process along with feed components.

A significant part of barley starch is sold to the paper and paperboard industry where it is used as a binding agent. Additionally, barley starch is used as a fermentation and freshness agent in beer production and in other food industry applications.

Feed components are delivered on a continuous basis to A-Rehu Oy's production facility, which is located in the Koskenkorva plant area.

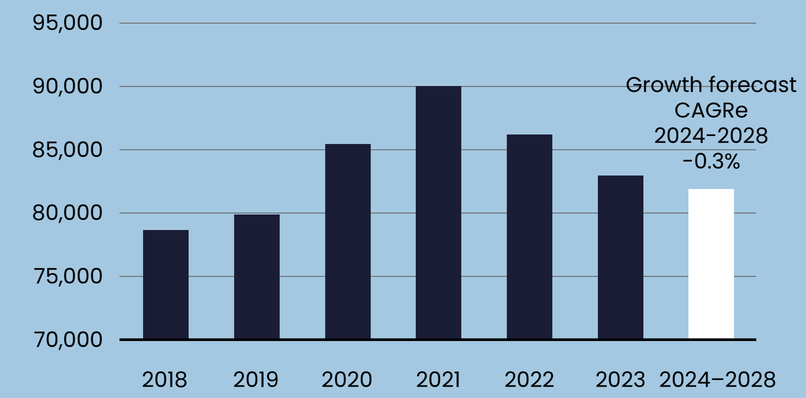
The Koskenkorva Distillery also produces technical ethanol, which is further processed into technical ethanol products at Rajamäki. Technical ethanols are used in geothermal fluids and are sold to various industries – from the pharmaceutical and healthcare to the chemical and techno-chemical industries.

Wine: Volume development and growth forecast



Source: Euromonitor data, Nordic (FI,SE,NO,DK) total market volumes (off-trade+on-trade). Actuals 2018–2023, FC 2024–2028

Spirits: Volume development and growth forecast



Source: Euromonitor data, Nordic (FI,SE,NO,DK) total market volumes (off-trade+on-trade). Actuals 2018–2023, FC 2024–2028

ANORA

Anora as an investment

Value creation through profitable growth, strong cash flow generation and stable dividends.

Higher revenue growth

- Increased revenue growth through market share gains in home markets and international expansion
- M&A to strengthen our capabilities and expand our footprint

Improved margins

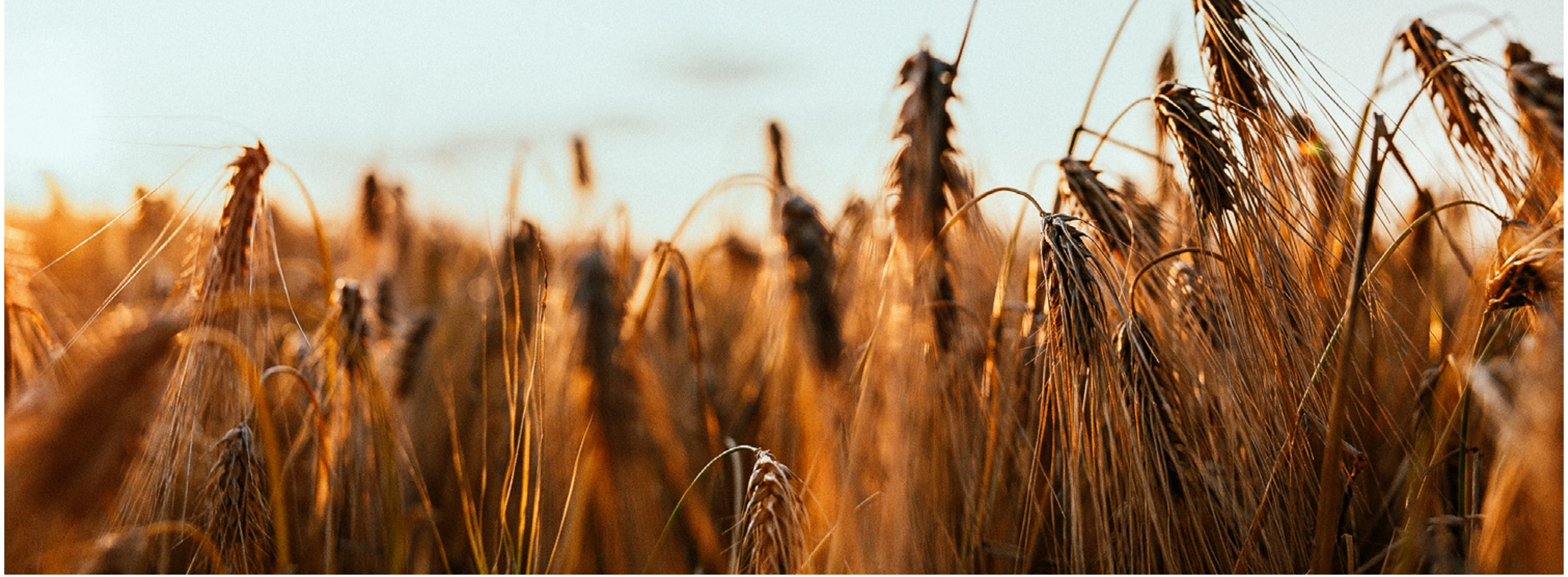
- Efficiency gains in production to finance investments and improve margins

Strong cash flow generation

- Well-invested, limited capex needs
- Low and stable working capital

Stable dividends

- Dividend policy reaffirms importance of strong and stable dividend



ANORA

Information for shareholders

Anora's shares are listed on the Nasdaq Helsinki.
All shares carry one vote and have equal voting rights.

Annual General Meeting

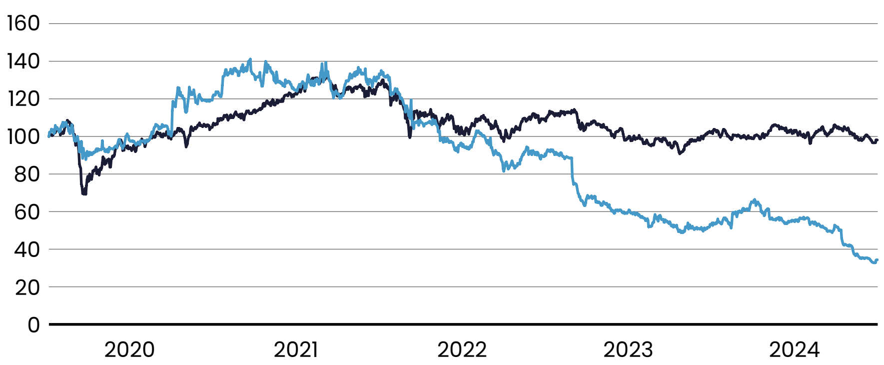
Anora's Annual General Meeting is planned to be held on 15 April 2025 at Tanssin Talo in Helsinki. More information can be found in the notice to the meeting which is available at www.anora.com/investors.

Dividend proposal

The Board of Directors proposes that a dividend of EUR 0.22 per share be distributed for the financial period ending 31 December 2024.

Share price development 1 January 2020–31 December 2024

Share quotations, index 100 = 1 January 2020



Source: Bloomberg

Key facts about Anora's share

		2024	Nasdaq Helsinki
Market:	Nasdaq Helsinki Ltd.	Highest price	EUR 5.50
Sector:	Food & Beverage/Consumer goods	Lowest price:	EUR 2.69
Trading code:	ANORA	Closing price:	EUR 2.84
ISIN code:	FI4000292438	Market cap	EUR 191.9 million
Listing date:	23 March 2018	Number of shares:	67,553,624

Important dates related to the AGM and dividend payment 2025

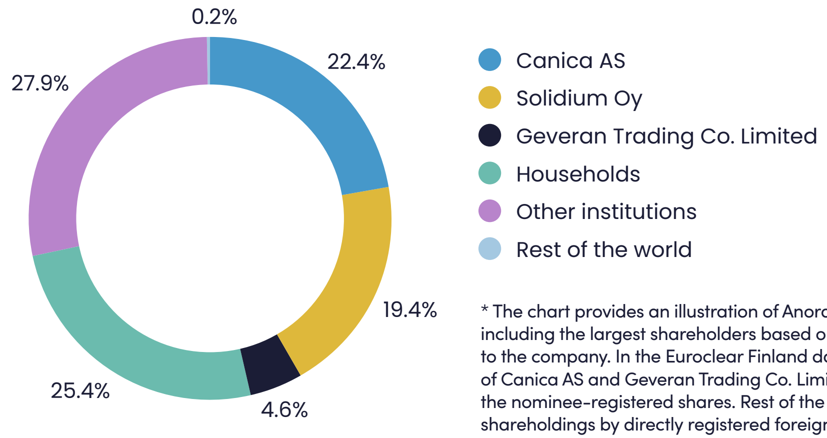
3 April	Record date of the AGM
20 March - 10 April	Advance voting
10 April	Registration period ends
15 April	Annual General Meeting
17 April	Proposed record date for the dividend (22 April in Norway)
28 April	Proposed date for the dividend payment

Financial information in 2025

12 February	Financial Statements Bulletin 2024
Week 12	Annual Report 2024
7 May	Interim Report for January–March 2025
15 August	Half-Year Report for January–June 2025
31 November	Interim Report for January–September 2025

Anora applies a silent period of 30 days before the publication of financial reports.

Illustration of Anora's ownership structure 31 Dec 2024*



* The chart provides an illustration of Anora's ownership structure including the largest shareholders based on information provided to the company. In the Euroclear Finland data, the shareholdings of Canica AS and Geveran Trading Co. Limited are included in the nominee-registered shares. Rest of the world comprises shareholdings by directly registered foreign shareholders.

ANORA

REPORT BY THE BOARD OF DIRECTORS

In 2024, Anora continued to improve its profitability and strengthen its balance sheet.

ANORA

Report by the Board of Directors 2024

Anora is a Nordic Wine and Spirits powerhouse and a role model in sustainability in its industry. Acting as a multi-channel operator, the Group integrates on-trade, off-trade, travel retail, online, and sales via monopolies into its strategy. Anora effectively navigates the diverse and regulated markets in the Nordic countries and nearby regions, maximising its market reach and ensuring compliance with regional laws and consumer expectations. Anora Group also includes Anora Industrial and logistics company Vectura and offers near-market filling to its partners and customers. Anora's shares are listed on Nasdaq Helsinki.

Anora's year 2024

Strategy execution in 2024

During the year, Anora continued to execute its strategy, which was launched in the Capital Markets Day in November 2022. Anora's strategy is founded on core strategic pillars with sustainability at its centre. These include leading category growth across consumer occasions and channels to cement Anora's position as the wine and spirits powerhouse in Sweden, Norway and Finland.

As part of this goal, Anora further scaled up its hero brands to reach cross-border synergies during 2024. In the Spirits segment, Anora continued to invest in its biggest brands and launched, among others, 17 new Koskenkorva products, spanning from the RTD category to cream liqueurs, during the year. Skagerrak's – also one of Anora's hero brands – bottle was redesigned, reducing the average use of glass by 28%. The new bottle will be widely available across all Nordics, Germany, GTR, and many other markets.

In the Wine segment, Anora launched a wide range of new products for grocery stores in Finland, following the amendments to Finland's Alcohol Act in June allowing the sale of alcoholic beverages containing up to 8% ABV in grocery stores. As the country's market-leading wine company with a local production facility at Rajamäki, Anora is uniquely positioned to harness this opportunity. Anora immediately gained a leading position in Finnish groceries due to the successful launch of its new lower-alcohol wine selection. Anora also focused on its cross-Nordic assortment after the Globus Wine acquisition.

As another core strategic pillar, Anora is set out to scale its position in Denmark and the Baltics, and beyond the Nordics with its strong, sustainable hero brands. This has been executed by establishing Anora Lithuania in November 2024, combined with the previous acquisition of Globus Wine in Denmark in June 2022.

In 2024, Anora also continued to seek scale benefits on indirect costs in line with its strategy. As part of this, Anora is further enhancing its IT system integration through the implementation of Group-wide SAP and RELEX systems also in Denmark and Norway, to further optimise its operations and ensure efficiency across processes. Anora also harmonised its HR organisation across its operating countries, and including Globus Wine, as well as implemented, e.g., new recruitment and salary systems for Group-wide use to generate further post-integration synergies.

Financial performance in brief

In 2024, Anora continued to improve the marginality of its beverage business and strengthen the balance sheet by increasing the share of margin accretive businesses as well as focusing on pricing and revenue management, stable operating expenses and net working capital reduction. Anora also continued to invest in its brands to build long-term performance. As a result, all segments improved their respective gross margins. The full-year Group gross margin increased to 42.4% (42.0%). The Group gross profit showed a decline of 3.9% to EUR 293.4 (305.4) million in 2024, partly as the comparative year 2023 was impacted by the one-off capital gain from the Larsen divestment of EUR 11.6 million, which was not allocated to any segment.

For the full year 2024, net sales were EUR 692.0 million, showing a decline of 4.7%. The Wine and Spirits segment sales were down due to lower volumes. The Industrial segment's net sales were negatively impacted by lower sales prices due to declined grain prices, combined with lower production volumes.

Anora revised its guidance once in 2024. Anora first published its guidance for 2024 on 14 February 2024, at which time it was estimated that Anora's comparable EBITDA was expected to be between EUR 75-85 million. Anora revised this guidance range down to EUR 65-70 million (2023: EUR 68.2 million) on 14 October 2024, due to lower volumes in the Wine and Spirits segments in September than previously forecasted especially in the monopoly channels. In the fourth quarter, however, this steep decline eased up somewhat, due to seasonal sales picking up for the festive period.

For the full year 2024, comparable EBITDA increased from EUR 68.2 million to EUR 68.9 million or 10.0 percent of net sales. The Wine segment delivered notable comparable EBITDA growth, while the other segments declined from the previous year.

Financial position

At the end of 2024, the Group's net debt amounted to EUR 121.6 (137.5) million. The reported net debt to comparable EBITDA was 1.8 times, whereas the long-term financial target is below 2.5x. Anora Group's liquidity position remained strong throughout the period. Anora paid down its long-term interest-bearing debt by EUR 50.0 million, thus lowering the net financial expenses going forward. Cash and cash equivalents totalled EUR 181.5 million, while interest-bearing debt, including lease liabilities, amounted to EUR 303.1 million.

Key ratios

	2024	2023
Net sales, EUR million	692.0	726.5
Comparable EBITDA, EUR million	68.9	68.2
% of net sales	10.0	9.4
EBITDA, EUR million	61.3	67.5
Comparable operating result, EUR million	42.0	34.8
% of net sales	6.1	4.8
Operating result, EUR million	34.5	-31.3
Result for the period, EUR million	11.1	-39.9
Earnings per share, EUR	0.16	-0.59
Net cash flow from operating activities, EUR million	33.2	135.3
Net debt / comparable EBITDA	1.8	2.0
Personnel at end of period	1,211	1,219

Anora's business model

Anora's business model is based on offering a complete portfolio of its own brands and a wide range of prominent international partner wines and spirits to customers in off-trade and on-trade channels, and in travel retail and exports. Anora also provides services to its partners with the company's production, packaging and logistics capabilities.

Anora's industrial products –barley starch, technical ethanols and feed components – are produced as by-products from the distillation of grain spirit and are provided to B2B customers in various industries. The logistics company Vectura AS provides logistics services in the Norwegian wine and spirits market. Anora's integrated operating model creates significant economies of scale in sourcing, production and distribution, and allows the company to take advantage of its shared operations – such as consumer research, innovation, product development and overall knowhow – and use its centralised support functions efficiently.

Market environment in 2024

Total Nordic market* sales volumes declined by 3.3% during 2024 compared to the corresponding period in the previous year. Spirits declined by 5.3%, while wines declined by 3.0% during 2024 compared to the corresponding period in the previous year. Finland, notably, contributed to the market decline, with the Finnish alcohol monopoly Alko's volumes falling. After Covid-19, consumption has shifted from monopolies back to on-trade, travel retail and border trade. Compared to pre-pandemic levels in 2019, monopolies in Norway and Sweden grew by 10.1% and 3.3% in 2024, respectively, while Finland declined by 13.4%.

The significant decline in Finland in 2024 compared to the previous year is mainly due to a change in the Finnish Alcohol Act in June allowing the sale of fermentation-based beverages of up to 8% ABV in grocery stores. This change has significantly altered distribution channels in the alcohol market in Finland, increasing the points of sale of 5.6-8% ABV products by 12 times and extending their sales hours by about 20%. After the law change, Alko's wine volumes declined by 2.6 million liters (-9.8%) in the second half of 2024, while the newly introduced up to 8% ABV wines in grocery stores added 3.1 million volume to the market. The total Finnish off-trade wine market therefore grew by 2.0%, including these lower-alcohol wines. The law change has also indirectly affected the Spirits category in Alko, with a decline of 9.6% during the second half of 2024, mainly due to less customer visits to Alko compared to the previous year.

Additional factors contributing to the weakened development of the Finnish monopoly in 2024 included an excise tax increase in January, a VAT increase in September, and reduced consumer purchasing power. Another excise tax increase was applied in January 2025.

The availability and cost of raw materials, labour, energy and fuel have already partly impacted the operating environment. Also wage inflation has gradually increased. As a result, retail selling prices have increased in all three monopolies. The price increases, driven by higher input costs, have led to consumers trading down, which in turn has resulted in lower overall sales volumes.

In Anora's Industrial segment, the price erosion for grain continued effecting both side products and ethanol prices. Contract manufacturing volumes improved towards the end of the year compared to last year after a slower start in the beginning of the year.

*The Nordic market sales volumes include overall monopoly sales in Finland, Sweden and Norway, and sales in Denmark. On-trade is excluded. The percentage change in sales volume is calculated from the change in sales volumes in millions of litres. Sources: Alko, Systembolaget and Vinmonopolet and Nielsen IQ.

Key events

Building growth with strong, sustainable brands

Anora launched 17 new **Koskenkorva** products during 2024, spanning from the RTD (ready-to-drink) category to cream liqueurs, from intense salty liquorice flavours to delicate vanilla notes. Koskenkorva has embraced the trend of tropical flavours with the introduction of products like Koskenkorva Passionfruit Caipiroska ready-to-serve and Koskenkorva Passionfruit-Mango spirit drink. Nordic flavours were also presented with new offerings such as the Koskenkorva Strawberry and Winter Apple liqueurs.

In Norway, Anora launched two new 4.5% RTDs, **Vikingfjord** Hard Seltzers Raspberry & Pomegranate and Orange & Mango, in the grocery retail channel as well as **Opland** Premium Aquavit in the Norwegian monopoly.

In Finland, Anora launched a new 4.5% RTD, **Jaloviina** Omena, for the Finnish retail and on-trade channels as well as new products in the **Leijona** family, including Leijona Namu Raspberry Sour and Leijona Bangkok Pineapple.

In Sweden, **O.P. Anderson** Dill and **Explorer** Organic Vodka were met with great consumer acceptance.

In September, Anora launched **Blossa 24**, a limited edition annual glögg, which sold very well during the festive season. The Blossa annual glögg was also launched as an alcohol-free variant in Sweden.

International recognition and awards for hero brands

Koskenkorva, Anora's flagship export brand, won over 50 awards in renowned industry competitions during the year. Koskenkorva Climate Action won Gold Outstanding (with 98 points) for the second year running in the IWSC International Wine and Spirit Competition; Double Gold and Trophy (best barley-based vodka) in the International Spirits Challenge ISC; and a Gold Medal in the Spirits Business' Vodka Masters competition. In liqueurs, highlights include Koskenkorva Salmiakki's Gold Outstanding award (98 points) in IWSC and Koskenkorva Rhubarb's Master medal (best fruit liqueur) in Spirits Business' Liqueur Masters. Koskenkorva also attended the annual Bartenders Choice Awards, further strengthening its brand recognition in the Nordic restaurant scene.

Koskenkorva Vodka Climate Action entered the Swedish on-trade with full force in 2024. The product was very well received, and Anora continues to educate customers about regeneratively farmed barley, the product's key ingredient, and its link to the brand's sustainability work. Koskenkorva Vodka Climate Action was featured in the magazine of Martin & Servera, Sweden's leading restaurant and catering specialist, reaching around 8,000 readers in the industry. Furthermore, all 70 O'Learys restaurants in Sweden chose to have Koskenkorva Climate Action as their only vodka.

Anora's **Linie** aquavit was the main sponsor of the Bocus D'Or, the most rigorous culinary competition in the world, generating significant PR attention in Norway and internationally. Linie was also prominently featured in the Broadway adaptation of the Henrik Ibsen play "An Enemy of the People" starring Jeremy Strong in New York.

Market leadership in lower-ABV wines and success in monopoly collaboration

One of the momentous events of 2024 was the legislative change in Finland in June, which created a new category of lower-ABV wines. Thanks to Anora's unique product development and production capabilities, Anora was able to launch a wide range of 70 new wine products in Finnish grocery stores. As testament to Anora's innovation work, the success of the new product range allowed Anora to immediately gain a leading position in the new wine category.

Anora participated actively in monopoly tenders with its impressive portfolio of premium, international partner wines during the year. Anora began collaboration with Robert Mondavi Winery and Nederburg Winemasters in Sweden and won two tender wins with the South African wine house Arniston Bay together with its partner AdVini. In Sweden, Anora also won new partners, including Domaine des Tourelles, Lebanon's oldest winery, as well as Pongrácz, one of the most important producers in South Africa.

Successful launches in in Norway included the introduction of AdVini's Laroche Pinot Noir Pouch to the customer order range at Vinmonopolet.

In Finland, Anora began collaboration with two new big partners Pasqua and Gisselbrecht. In Finland, new product launches included the expansion of the Kung fu Girl brand with the introduction of Kung fu Girl Pinot Noir. Furthermore, the US-based Kung Fu Girl's two new white wine launches exceeded expectations by directly gaining allocation to over 70 stores.

Anora's own wine brands also gained tender wins, Yoko Chardonnay Bag-in-Box and Maison de Chêne Petit Chablis in Norway and Glöet Tropical Fruits and Weinwurm Gemischter Satz in Sweden.

Brand transactions strengthen focus on key categories and brands

In May 2024, Anora acquired the market leading Danish glögg brand **Blomberg** from Orkla Denmark, strengthening Anora's leading position in the Nordic glögg market. Though small in absolute and relative terms, this strategic brand acquisition complements Anora's flagship glögg brand Blossa and solidifies Anora's already strong position in the Nordic glögg market.

Anora sold its Swedish schnapps brand Snälleröds to the Malmö-based beverage company Saturnus AB in November 2024, allowing Anora to further focus on its core brands and streamline its portfolio. Saturnus took over the production, distribution, and sales of Snälleröds products from 18 November.

Continued recognition for Anora's safety work

In November 2024, Koskenkorva Distillery was granted The Year Award in the Starch Europe's Safety Programme for the fourth consecutive year. The Year Award is awarded to plants with a full calendar year without lost time incidents (LTI), and it is an important recognition for Anora's efforts in developing workplace safety.

Change in the distribution of the Braastad cognac brand

In 2024, the distribution of Tiffon SA's Braastad Cognac brand, which had been distributed by Anora since 2004, was transferred to a third party. Anora is now focusing its resources and marketing efforts on other prominent international cognac partner brands in its portfolio, such as Renault and Larsen. Anora still holds a minority share of 34.75% in Tiffon SA. Braastad generated approximately 8 million euros of net sales in 2023 and approximately 4 million euros of net sales in 2024.

Change negotiations to develop operating model finalised

As part of Anora's strategy implementation and to improve profitability, Anora launched in November 2023 change negotiations in all its business segments, Wine, Spirits and Industrial, in order to develop its operational model and structure. The change negotiations were started in November and finalised in January 2024. Anora is well on track with the targets set out in these initiatives. The planned changes were estimated to generate approximately EUR 3–4 million in savings and resulted in redundancies of 37 employees.

Strategy and financial targets

Anora's financial targets and the Company's growth strategy and sustainability roadmap until 2030 were introduced at the Capital Markets Day on 29 November 2022. Anora's vision is to be the leading Nordic wine and spirits group delivering growth through sustainability.

Financial targets: The table below presents Anora's financial targets and the progress in them.

Dividend policy: Anora aims to maintain a stable or increasing dividend with a dividend payout ratio of 50–70% of the result for the period.

Strategic pillars

Anora's growth strategy is founded on core strategic pillars and has sustainability at its centre:

- Lead category growth across consumer occasions and channels to cement the position as the wine and spirits powerhouse in Sweden, Norway and Finland
- Scale position in Denmark and the Baltics, and beyond the Nordics, build the world's leading sustainable brands from Nordic heroes to international challengers

Long-term sustainability targets

Anora's long-term sustainability targets are:

Targets approved by the Science-Based Targets initiative (SBTi):

- 42% near-term reduction (2030) and 90% long-term reduction (2050) in absolute Scope 1 and 2 and absolute Scope 3 GHG emissions from purchased goods and services, upstream and

Long-term financial targets for 2030

		Actual 2024	Actual 2023	Actual 2022
Annual net sales growth including M&A, majority being organic	3–5%	-4.7%	3.4%	5.7%
Comparable EBITDA margin through focus on margin accretive business and scale benefits on indirect costs	16%	10.0%	9.4%	10.8%
Net IB debt/comparable EBITDA (LTM) debt levels may occasionally exceed in connection with M&As	<2.5x	1.8x	2.0x	4.0x*
Dividend pay-out ratio % of result for the period	50–70%	141.2%	-37.2%	83.1%

*The 2022 figure is not comparable to 2023 and 2024 due to the significant expansion of the sales of receivables programme in 2023.

downstream transportation and distribution emissions from a 2021 baseline and
- 30.3% near-term reduction (2030) and 72% long-term reduction (2050) in absolute Scope 1 and 3 FLAG greenhouse gas emissions from a 2021 baseline.

Own, separate sustainability targets:
- A carbon-neutral Koskenkorva Distillery by 2026 and all production by 2030, without carbon compensations
- Increasing the amount of own grain spirit products made from regeneratively farmed barley to 30%
- By 2030 all packages are lightweight, 100% recyclable and of materials from certified sources or from recycled origins.

Efficiency improvements through centres of excellence

Anora is improving its supply chain efficiency by creation of centres of excellence where Rajamäki bottling plant focuses on vodka-based spirits and 8% wines in Finland whereas Gjelleråsen plant in Norway focuses on distilling, blending and bottling of matured aquavits bitters. Anoras operation in Køge, Denmark focuses solely on wine bottling. By having focused factories Anora has reduced its complexity and improved its cost efficiency.

Research and development activities

The Group's direct research and development expenditure amounted to EUR 2.7 million in 2024 (EUR 2.3 and 2.2 million in 2023 and 2022, respectively) million and was related to the product development of alcoholic beverages. The R&D expenditure represented 0.4% of net sales in 2024 (0.3% and 0.3% in 2023 and 2022, respectively).

Information on key intangible resources

Anora has material key intangible resources in its own-developed leading brands. These include Koskenkorva, Linie, O.P. Anderson, Xanté and Skagerrak in the Spirits segment and Blossa, Chill Out, Falling Feather, Il Capolavoro, Ruby Zin and Wongraven in the Wine segment. Of these, Koskenkorva, Xanté, Linie and Skagerrak and defined as Anora's hero brands, which Anora is scaling up beyond the Nordics to generate growth in international markets according to its strategy. The other local and tactical brands are optimised to cover all consumer segments in the monopoly markets.

Financial review

Net sales, profitability and result for the period

In 2024, Anora Group reported net sales of EUR 692.0, reflecting a 4.7% decrease compared to the net sales (EUR 726.5) in the previous year. The Wine and Spirits segment sales were down due to lower volumes. The Industrial segment's net sales were negatively impacted by lower sales prices due to declined grain prices, combined with lower production volumes. The consolidated income statement includes the income statement of the divested business of Larsen until 29 September 2023.

In 2024, Anora Group's comparable EBITDA amounted to EUR 68.9 (68.2) million or 10.0% (9.4%) of net sales. The recent price increases and the more stabilised currencies supported performance. The gross margin amounted to 42.4 (42.0) percent of net sales, with improvements in all segments. The gross profit decreased by 3.9% to EUR 293.4 (305.4) million. The gross profit for the previous year was impacted by the one-off gain from the Larsen divestment of EUR 11.6 million, which was not allocated to any segment.

The Wine segment delivered notable comparable EBITDA growth, while the other segments declined from the previous year. The Spirits segment continued to invest in its biggest brands. The Industrial segment's performance was negatively impacted by ethanol and side products price erosion due to declined grain prices and lower production volume.

Items affecting comparability have been presented on page 246. Additional inventory impairments of EUR 3.8 million were made in the Wine and Industrial segments, reported as items affecting comparability.

For the full year 2024, employee benefit expenses totalled EUR 103.9 (103.8) million, including EUR 83.3 (83.0) million in wages and salaries. Other operating expenses amounted to EUR 128.3 (134.1) million.

Result for the period amounted to EUR 11.1 (-39.9) million, and earnings per share were EUR 0.16 (-0.59).

The below tables illustrate net sales and comparable EBITDA by reporting segments.

Wine segment

The Wine segment develops, markets and sells partner wines and Anora's own wine brands to customers in the Nordic markets and in Denmark. Globus Wine is reported as part of Anora's Wine segment as of 1 July 2022.

In 2024, net sales decreased by 3.4% to EUR 323.0 (334.3) million compared to the previous year, primarily due to the resignation of Francois Lurton in Sweden in March 2023 and the discontinuation of low-margin third-party filling contracts in Denmark. The impact of exchange rate fluctuations on net sales was not significant.

In 2024, comparable EBITDA increased to EUR 22.1 (12.4) million, or 6.9% (3.7%) of net sales, driven by price increases, improved gross profits, and lower operating expenses. There were some operational challenges in Denmark due to the Globus Wine integration, relating to e.g. ERP implementation related processes and planning of material flows, and the corrective actions have been taken. Globus Wine had some additional inventory impairments, reported as items affecting comparability. The gross margin improved to 29.4% (26.9%) of net sales, and gross profit increased by 5.6% to EUR 94.9 million.

Net sales by segment, total*

EUR million	2024	2023	Change %
Wine	323.0	334.3	-3.4
Spirits	227.0	237.0	-4.2
Industrial	234.0	269.5	-13.2
Anora Group net sales, external	692.0	726.5	-4.7

*Total net sales by segment includes external and internal sales.

Comparable EBITDA by segment

EUR million	2024	2023	Change %
Wine	22.1	12.4	78.5
Spirits	38.0	40.3	-5.7
Industrial	14.7	17.5	-16.2
Group allocations	-5.9	-1.9	
Anora Group	68.9	68.2	1.0
% of net sales	10.0	9.4	

Spirits segment

The Spirits segment consists of the business areas Spirits and International. The Spirits business area develops, markets and sells both Anora's own spirits brands and partner brands to customers in the Nordic monopoly markets. The International business area consists of Anora's own operations in the Baltics, Denmark and Germany, as well as global duty free and travel retail, and exports.

In 2024, net sales of the Spirits segment decreased by 4.2% from the previous year, totalling EUR 227.0 (237.0) million. Within the Spirits segment, net sales declined in all markets except for Sweden. In 2024, the distribution of Tiffon SA's Braastad Cognac brand, which had been distributed by Anora since 2004, was transferred to a third party. Braastad generated approximately 8 million euros of net sales in 2023 and approximately 4 million euros of net sales in 2024.

During 2024, the comparable EBITDA of Spirits declined to EUR 38.0 (40.3) million, or 16.7% (17.0%) of net sales, mostly driven by lower volumes, declining monopoly markets and higher operating expenses due to targeted increase in A&P spend. The gross margin improved to 44.8% (42.1%) of net sales, and gross profit increased by 2.0% to EUR 101.7 million.

Industrial segment

The Industrial segment comprises Anora's industrial business – industrial products and services , the logistics company Vectura in Norway, and supply chain operations.

In 2024, the Industrial segment's total net sales decreased to EUR 234.0 (269.5) million. Net sales were negatively impacted by lower sales prices due to declined grain prices, combined with lower production volumes.

In 2024, the comparable EBITDA of the Industrial segment was EUR 14.7 (17.5) million, or 6.3% (6.5%) of net sales. The performance was negatively impacted by ethanol and side products price erosion due to declined grain prices and lower production volume. Additional inventory impairments were made primarily in Norway, reported as items affecting comparability. The gross margin improved to 47.3% (44.2%) of net sales.

Financial items

For the full year 2024, other operating income amounted to EUR 8.5 (20.3) million, coming from sales of steam, energy and water of EUR 4.4 (4.0) million and rental income of EUR 1.5 (1.4) million. The one-off capital gain of EUR 11.6 million from the divestment of Larsen was reported during the comparative period in 2023 under other operating income.

Net financial expenses were EUR 20.0 (22.8) million for the full year 2024.

An insurance claim relating to the acquisition of Globus Wine

Anora made a claim during Q2 2023 under the warranties and indemnity insurance policy taken in connection with the acquisition of Globus Wine. Anora thus has a contingent asset in the form a potential insurance compensation.

Cash flow and balance sheet

Net cash flow from operations totalled EUR 33.2 (135.3) million in 2024. Net working capital amounted to EUR -73.2 (-79.2) million. Inventory decreased to EUR 139.2 (144.2) million. The receivables sold amounted to EUR 163.7 (173.6) million at the end of the reporting period.

The net cash flow from investing activities was EUR -3.8 (41.6) million in 2024. The gross capital expenditure amounted to EUR 12.3 (12.6) million, primarily allocated to replacement investments and improvements in work safety and energy efficiency.

The gross capital expenditure was partly offset by the previously announced deal in which ABF exercised their call option to acquire all of Anora Group Plc's shares in Roal Oy at a fixed purchase price of EUR 7.6 million. The transaction was closed on 28 March 2024.

Net cash flow from financing activities amounted to EUR -59.4 (-57.7) million in 2024 and was primarily related to the repayment of borrowings totalling EUR -51.5 (-1.5) million. Dividends paid amounted to EUR -15.1 (-15.1) million and repayment of lease liabilities amounted to EUR -12.6 (-11.1) million. Changes in commercial paper programme amounted to EUR 19.8 (-30.0) million.

At the end of the reporting period, the Group's net debt amounted to EUR 121.6 (137.5) million. The reported net debt to comparable EBITDA was 1.8 (2.0) times.

Anora Group's liquidity position remained strong throughout the period. In 2024 Anora paid down its long-term interest-bearing debt by EUR 51.5 million, thus lowering the net financial expenses going forward. Cash and cash equivalents totalled EUR 181.5 (212.7) million, while interest-bearing debt, including lease liabilities, amounted to EUR 303.1 (350.2) million. From the Group's Commercial Paper Programme, a total of EUR 20.0 (0.0) million in issued commercial papers was outstanding at the end of 2024. The Group has a revolving credit facility of EUR 150.0 (150.0) million, of which EUR 0.0 (0.0) million was in use at the end of the reporting period. In December 2024, Anora exercised its second extension option related to its credit facilities agreement, extending the maturity of the term loan and revolving credit facilities by one year to December 2027.

The gearing ratio at the end of the reporting period was 30.5% (33.7%), while the equity ratio was 37.3% (35.9%).

Anora recognised impairment losses of EUR 10.4 million to the value of the parent company's holdings in Group companies, which did not impact the consolidated financial statement figures, but reduced Anora Group Plc's distributable funds by equal amount.

Personnel

Anora Group employed 1,211 (1,219) persons at the end of the period and on average 1,230 (1,273) persons in 2024.

Personnel by country at the end of the period

EUR million	2024	2023
Finland	409	416
Norway	348	360
Denmark	185	171
Sweden	163	171
Estonia	67	61
Latvia	31	31
Germany	7	9
Lithuania	1	0
Total	**1,211**	**1,219**

In 2024, Anora continued to enhance the leadership capabilities of managers by value-based leadership programs. By providing further clarity and predictability within the annual business cycle, the aim is to create an environment where leadership is accountable, and employees feel supported and motivated. Anora monitors employees' development objectives through annual performance and development dialogues, fostering a culture of continuous learning and development within the organisation. The ongoing sales excellence program has significantly contributed to improving the selling capabilities of the sales personnel, thereby harmonising the way of working across countries and business areas.

Strategic initiatives were progressed involving sixty managers in bi-annual workshops. This setup aims to actively engage them in the development and improvement of the work environment, as well as the thoughtful implementation of the company's key initiatives. These efforts collectively embody Anora's commitment to building a robust, efficient, and inclusive organisational framework.

Anora audited its diversity, equity, and inclusion (DEI) processes, providing education to all employees through a mix of e-learning, virtual lessons, and classroom discussions. To support more inclusive recruiting practices, the recruitment process and platform were revamped in 2024.

Anora conducted the annual employee engagement survey, Anora Tasting, in November, followed by a review of the results, as well as training and action planning that is consistently followed throughout the organisation. Additionally, Anora continued to promote psychological safety and well-being among employees by partnering with external provider Auntie. This initiative is designed to improve the overall well-being of the employees. Concurrently, safety e-training for employees and managers continued, enhancing the safety culture, and reducing workplace accidents. These measures ensure that the employees' physical and mental health is prioritised.

Employee benefit expenses

EUR million	2024	2023
Wages and salaries	83.1	83.0
Pension expenses		
Defined contribution plans	10.8	10.5
Defined benefit plans	0.1	0.1
Share-based payments	0.2	0.0
Other social expenses	9.6	10.2
Total	**103.9**	**103.8**

In Anora, the total wages and salaries of personnel consists of fixed and variable pay, allowances, short and long-term incentives, and fringe benefits. Employee benefit expenses include personnel related restructuring costs of EUR 1.3 (4.9) million.

Share-based incentive schemes

Anora Group originally announced the establishment of the long-term incentive scheme by a stock exchange release issued on 9 June 2022. The scheme comprises a Performance Share Plan (also "PSP") for the top and senior managers and a Restricted Share Plan (also "RSP") as a complementary structure for specific situations.

Share-based incentive scheme 2025–2027

The Board of Directors of Anora Group Plc announced on 12 February 2025 that it has approved the commencement of a new plan period 2025–2027 within the share-based long-term incentive scheme for the management and selected key employees.

The potential share rewards under PSP 2025–2027 will be paid during H1 2028. The payment of the rewards is conditional on the achievement of the performance targets set by the Board of Directors for the plan. The performance measures based on which the potential share reward under PSP 2025-2027 will be paid are revenue growth, earnings per share (EPS), the relative total shareholder return of the Company's share and a measure based on the Sustainalytics ESG rating. Eligible for participation in PSP 2025-2027 are approximately 40 individuals, including the members of Anora Group's Executive Management Team. If the performance targets set for PSP 2025–2027 are fully achieved, the aggregate maximum number of shares to be paid based on this plan is approximately 1,785,000 shares (referring to gross earning before the withholding of the applicable payroll tax).

The aggregate maximum number of shares to be paid in specific situations based on RSP 2025-2027 is approximately 170,000 shares (referring to gross earning before the withholding of the applicable payroll tax).

Share-based incentive scheme 2024-2026

The Board of Directors of Anora Group Plc announced on 14 February 2024 that it has approved the commencement of a new plan period 2024–2026 within the share-based long-term incentive scheme for the management and selected key employees.

The potential share rewards under PSP 2024–2026 will be paid during H1 2027. The payment of the rewards is conditional on the achievement of the performance targets set by the Board of Directors for the plan. The performance measures based on which the potential share reward under PSP 2024-2026 will be paid are revenue growth, earnings per share (EPS), the relative total shareholder return of the Company's share and a measure based on the Sustainalytics ESG rating. Eligible for participation in PSP 2024-2026 are approximately 40 individuals, including the members of Anora Group's Executive Management Team. If the performance targets set for PSP 2024–2026 are fully achieved, the aggregate maximum number of shares to be paid based on this plan is approximately 1,294,000 shares (referring to gross earning before the withholding of the applicable payroll tax).

The aggregate maximum number of shares to be paid in specific situations based on RSP 2024-2026 is approximately 129,000 shares (referring to gross earning before the withholding of the applicable payroll tax).

Share-based incentive scheme 2023-2025

The Board of Directors of Anora Group Plc announced on 21 December 2022 that it has approved the commencement of a new plan period 2023-2025 within the share-based long-term incentive scheme for the management and selected key employees.

The potential share rewards under PSP 2023–2025 will be paid during H1 2026. The payment of the rewards is conditional on the achievement of the performance targets set by the Board of Directors for the plan. The performance measures based on which the potential share reward under PSP 2023–2025 will be paid are revenue growth, earnings per share (EPS), the relative total shareholder return of the Company's share and a measure based on the Sustainalytics ESG rating. Eligible for participation in PSP 2023–2025 are approximately 35 individuals, including the members of Anora Group's Executive Management Team. If the performance targets set for PSP 2023–2025 are fully achieved, the aggregate maximum number of shares to be paid based on this plan is approximately 667,000 shares.

The RSP 2023–2025 commenced as of the beginning of 2023 and the potential share rewards thereunder will be paid during H1 2026 at the latest. The aggregate maximum number of shares to be paid based on RSP 2023–2025 is approximately 67,000 shares.

Other terms

The value of the reward payable to participants based on the plans is limited by a share price development-based cutter. Anora Group applies a share ownership recommendation to the members of the company's Executive Management Team. According to this recommendation, each member of Anora Group's Executive Management Team is expected to retain in his/her ownership at least half of the shares received under the share-based incentive plans of the company until the value of his/her share ownership in the company corresponds to at least his/her annual gross base salary.

See also "Events after period" for more information on the new plan period 2025-2027 within the share-based long-term incentive scheme for the management and selected key employees, published in a stock exchange release on 12 February 2025.

Governance

Anora complies with the Finnish Corporate Governance Code. The detailed information about Anora's Corporate Governance Principles, as approved by Anora's Board of Directors, is available on Anora's website: https://anora.com/en/investors/governance. Corporate Governance and Remuneration Statements for 2024 will be published during week 12 in 2025.

Annual General Meeting 2024

Anora Group Plc's Annual General Meeting (AGM) was held in Helsinki on 17 April 2024. The AGM adopted the financial statements and discharged the members of the Board of Directors and the CEO from liability for the financial year 2023. The AGM adopted the Remuneration Report and Remuneration Policy of the governing bodies.

Auditor

The AGM re-elected PricewaterhouseCoopers Oy as the company's auditor for a term that ends at the close of the next AGM. PricewaterhouseCoopers Oy had informed the company that Authorized Public Accountant Markku Katajisto will continue as the auditor in charge.

Sustainabiltiy auditor

The AGM resolved to elect PricewaterhouseCoopers Oy as the sustainability auditor for a term that ends at the close of the next AGM.

Dividend distribution

The AGM approved the proposal by the Board of Directors to pay a dividend of EUR 0.22 per share for the financial year 2023. The dividend was paid on 26 April 2024 to a shareholder who were registered in the shareholders' register held by Euroclear Finland Oy on the record date of the payment, i.e. 19 Apri 2024.

Board of Directors

The AGM approved the number of members of the Board of Directors elected by the AGM to be seven. In addition to the Board members elected by the AGM, Anora's employees have, in accordance with the agreement on employee participation between Anora and the special negotiating body of the employees, elected one member and a deputy to the Board of Directors for a term expiring at the end of the 2026 AGM.

As at the end of 2024, the members of the Board of Directors were Kirsten Ægidius, Michael Holm Johansen, (Chairperson), Christer Kjos, Annareetta Lumme-Timonen, Jyrki Mäki-Kala (Vice Chairperson), Florence Rollet, Torsten Steenholt, and Jussi Mikkola (elected employee member).

Board Committees as at the end of 2024

In the Board's organisational meeting after the AGM, the following members were appointed to the Board's committees:

- Audit Committee: Jyrki Mäki-Kala (Chairperson), Christer Kjos, Annareetta Lumme-Timonen and Torsten Steenholt.
- Human Resources Committee: Michael Holm Johansen (Chairperson), Kirsten Ægidius and Florence Rollet

Board remuneration

The remuneration of the Board members elected by the AGM consists of annual fees as follows:

- EUR 70,000, Chairperson
- EUR 48,000, Vice Chairperson
- EUR 32,000, member

In addition to these fees, the following annual fees are paid to Board members elected by the AGM who are appointed by the Board as members of the Board's permanent and temporary Committees:

Audit Committee:

- EUR 10,000, Chairperson
- EUR 5,000, member

Human Resources Committee:

- EUR 8,000, Chairperson
- EUR 4,000, member

In addition to these fees, the Board members elected by the AGM receive a meeting fee for the Board of Directors and Board Committee meetings of EUR 650 per meeting and EUR 1,300 per meeting for members travelling to a meeting outside her/his country of residence. Travel expenses are reimbursed in accordance with the company's travel policy.

The Shareholders' Nomination Board has recommended that the Board members elected by the AGM accumulate a shareholding in Anora that exceeds his/her one-time annual remuneration.

Authorisation of the Board of Directors to resolve on the repurchase of the company's own shares

The AGM authorised the Board of Directors to resolve on the repurchase of up to 6,755,362 shares in the company in aggregate, which corresponds to approximately 10.0 percent of all the company's shares. The shares may be repurchased for the purpose of improving the company's capital structure, to finance or carry out corporate acquisitions or other arrangements, for incentive arrangements and remuneration schemes or to be retained by the company as treasury shares, transferred, cancelled or for other purposes resolved by the Board of Directors. The authorisation is valid until the close of the next AGM, however, no longer than until 30 June 2025. Further information on this authorisation can be found in the stock exchange release published on 17 April 2024.

Authorisation of the Board of Directors to resolve on the issuance of shares for the purposes of financing or carrying out corporate acquisitions or other arrangements

The AGM also authorised the Board of Directors to resolve on the issuance of shares in one or several tranches, against or without consideration. The Board of Directors may resolve to issue either new shares or issue treasury shares held by the company. The number of shares to be issued based on this authorisation shall not exceed 6,755,362 shares in aggregate, which corresponds to approximately 10.0 percent of all of the company's shares at the time of the proposal. The authorisation may be used to improve the company's capital structure, to finance or carry out corporate acquisitions or other arrangements or for other purposes resolved by the Board of Directors. The issuance of shares may be carried out in deviation from the shareholders' pre-emptive rights (directed share issue). The authorisation is valid until the close of the next AGM, however, no longer than until 30 June 2025. Further information on this authorisation can be found in the stock exchange release published on 17 April 2024.

Authorisation of the Board of Directors to resolve on the issuance of shares for remuneration purposes

The AGM authorised the Board of Directors to resolve on the issuance of shares in one or several tranches, against or without consideration to be used for incentive arrangements and remuneration schemes purposes. The Board of Directors may resolve to issue either new shares or issue treasury shares held by the company. The issuance of shares may be carried out in deviation from the shareholders' pre-emptive rights (directed issue). The number of shares to be issued based on this authorisation shall not exceed 1,351,072 shares in aggregate, which corresponds to approximately 2.0 percent of all of the company's shares. The authorisation is valid until the close of the next AGM, however, no longer than until 30 June 2025. Further information on this authorisation can be found in the stock exchange release published on 17 April 2024.

Shareholders' Nomination Board as at the end of 2024

The members of the Shareholders Nomination Board represent Anora's three largest shareholders. The shareholders have appointed the following members:

- Stein Erik Hagen, Canica AS, Chairman of the Shareholders' Nomination Board
- Petter Söderström, Solidium Oy
- Tone Østensen, Geveran Trading Co. Limited

In addition, Michael Holm Johansen and Jyrki Mäki-Kala, Chairperson and Vice Chairperson of Anora's Board of Directors, respectively, act as expert members in the Nomination Board.

The proposals of Anora's Shareholders' Nomination Board to the Annual General Meeting to be held on 15 April 2025, including the remuneration to be paid to the Board members, have been submitted in a stock exchange release dated 23 January 2025. More information can be found in the said stock exchange release.

Chief Executive Officer and Group Management

Members of Anora's Executive Management Team as at 31 December 2024 were:

- Jacek Pastuszka, CEO
- Stein Eriksen, CFO
- Janne Halttunen, SVP, Wine
- Kirsi Puntila, SVP, Spirits
- Risto Gaggl, SVP, Anora Industrial
- Mikkel Pilemand, SVP, Chief Growth Officer (CGO)
- Johanna Sundén, SVP, Chief People and Communications Officer (CPCO)
- Thomas Heinonen, General Counsel.

Anora announced on 15 October 2024 that Anora Group's CEO Jacek Pastuszka had decided to retire and resign from his position once a new CEO has been appointed. The Board of Directors announced on 4 March 2025 that it had appointed M.Sc. (Econ.) Kirsi Puntila (born 1970) as the new CEO effective immediately. More information can be found under "Events after period".

Anora announced on 8 March 2024 that Stein Eriksen (49), M.Sc. (Econ.), had been appointed as CFO and a member of the Executive Management Team of Anora Group from the beginning of August 2024. Eriksen's latest position was CFO of the Norwegian stock-listed company XXL ASA, the largest sports retailer in the Nordic countries. Anora announced the resignation of its former CFO Sigmund Toth on 8 January 2024. He continued in his position the end of July 2024.

Ms Johana Sundén, CHRO, and Mr Risto Gaggl, SVP Industrial, were appointed to their respective positions and members of the Executive Management Team as of 1 January 2024. Anora announced on 20 August 2024 that Anora Group's Senior Vice President, Industrial, Risto Gaggl would step down from his position. He continued in his current role with Anora until the end of 2024. Anora appointed Hannu Vähämurto as his successor as of 1 January 2025. Hannu Vähämurto has been with Anora and its predecessor (Altia Oyj) since 2011 in various roles, most recently as Director, Industrial Products since September 2023.

Two additional changes in Anora Group's Executive Management Team also come into effect on 20 August 2024. Johanna Sundén, the Chief HR Officer, also assumed the responsibility for Group Communications in addition to her HR responsibilities as Chief People and Communications Officer (CPCO). Furthermore, Thomas Heinonen, General Counsel, became a member of Anora Group's Executive Management Team. Thomas has been with Anora and its predeessor (Altia Oyj) as General Counsel since 2012.

Shares and shareholders

Anora's shares are listed on the Nasdaq Helsinki with the trading code "ANORA" and the ISIN code FI4000292438. All shares carry one vote and have equal voting rights. At the end of the reporting period, Anora Group Plc's share capital amounted to EUR 61,500,000 and the number of issued shares was 67,553,624.

Flagging notifications

No flagging notifications during 2024.

Share information

	2024	2023
Number of shares issued	67,553,624	67,553,624
Share capital, EUR	61,500,000	61,500,000
Earnings per share, EUR	0.16	-0.59
Dividend per share, EUR	0.22*	0.22
Share performance, Nasdaq Helsinki		
Closing price on the last day of trading, EUR	2.84	4.36
Highest price, EUR	5.50	7.69
Lowest price, EUR	2.69	3.98
Volume	15,665,418	19,221,711
Market capitalisation, EUR million	**191.9**	**294.5**

* Proposal by the Board of Directors.

Shareholder structure

At the end of the period, Anora had 27,570 (31 December 2023: 28,168) registered shareholders in Euroclear Finland. The share of nominee-registered shares was 38.6 % (31 December 2023: 40.9%).

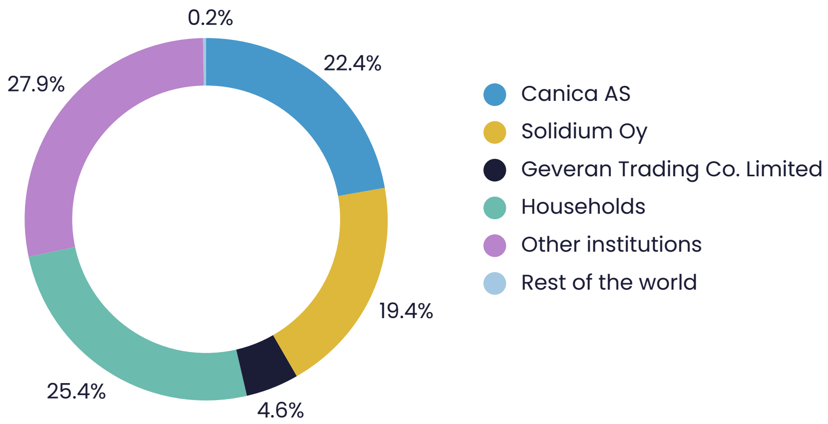
Management's ownership

On 31 December 2024, the members of the Board of Directors, the CEO and the members of the Executive Management Team, including their controlled corporations, owned a total of 155,361 shares corresponding to 0.23% of the total number of shares.

Authorisations, option and share-based incentive programmes

During 2024, Anora had no share option programmes. The Board of Directors is authorised to resolve on the repurchase of the company's own shares and on the issuance of shares for the purposes of financing or carrying out corporate acquisitions or other arrangements, or for remuneration purposes. The Board of Directors has not used any of these authorisations during 2024. The authorisations are described in detail under the Governance chapter. Information about the share-based incentive programme is given under the Personnel chapter.

Illustration of Anora's ownership structure 31 Dec 2024*



*The chart provides an illustration of Anora's ownership structure including the largest shareholders based on information provided to the company. In the Euroclear Finland data, the shareholdings of Canica AS and Geveran Trading Co. Limited are included in the nominee-registered shares. Rest of the world comprises shareholdings by directly registered foreign shareholders.

Ownership structure by sector 31 December 2024

Sector	Number of shares	% of shares
Public sector	17,354,412	25.7
Financial and insurance corporations	10,739,270	15.9
Households	17,167,600	25.4
Non-financial corporations	5,035,850	7.5
Non-profit institutions	659,106	1.0
Rest of the world	16,597,386	24.6
Total	67,553,624	100 0
Nominee-registered shares	**26,105,045**	**38.6**

Distribution by size of holding 31 December 2024

Number of shares	Number of shareholders	% of shareholders	Number of Shares	% of shares
1-100	9,430	34.20	516,381	0.76
101-500	11,192	40.59	2,954,546	4.37
501-1 000	3,478	12.62	2,674,181	3.96
1 001-5 000	2,877	10.44	6,140,664	9.09
5 001-10 000	344	1.25	2,514,867	3.72
10 001-50 000	202	0.73	4,060,467	6.01
50 001-100 000	16	0.06	1,155,239	1.71
100 001-500 000	22	0.08	4,050,996	6.00
500 001-	9	0.03	43,486,283	64.37
Total	**27,570**	**100.00**	**67,553,624**	**100.00**

Largest shareholders registered in Euroclear Finland 31 December 2024

Shareholder	Number of shares	% of shares
1. Solidium Oy	13,097,481	19.4
2. Varma Mutual Pension Insurance Company	2,031,240	3.0
3. Ilmarinen Mutual Pension Insurance Company	1,290,000	1.9
4. WestStar Oy	1,199,705	1.8
5. Elo Mutual Pension Insurance Company	728,602	1.1
6. Savolainen Heikki Antero	367,571	0.5
7. OP Life Assurance Company Ltd	304,016	0.5
8. Eriksson Trygve	260,000	0.4
9. Rantalainen-Yhtiöt Oy	230,000	0.3
10. Kelhu Markku	200,000	0.3
10 biggest owners in total	**19,708,615**	**29.2**

Source for shareholder data: Euroclear Finland.

Risks and risk management

Risk management

At Anora, the purpose and objetives of risk management are to:

— support the implementation of the Anora Group's strategy,
— identify risks, and methods for mitigating the probability and impacts, of physical injury, property damage, hazards and business interruption,
— ensure profitability development and contribute to shareholder value;
— ensure business continuity.

Anora's Risk Management Policy, which has been approved by the Board of Directors, describes the goals, principles and responsibilities for risk management at Anora Group and the related reporting principles as well as operating methods. Furthermore, the policy ensures that risk management has a collective operating model throughout Anora, and that the enterprise risk management process is closely intrgrated with other management processes (such as the strategy and planning processes).

Anora's risk management policy is based on the COSO ERM framework, the SFS-ISO 31000 standard "Risk management. Principles and instructions" and on the corporate governance code of Finnish listed companies (Corporate Governance Code). Climate-related risk classifications and terminology are further guided by the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

Risk management at Anora is a systematic process, the purpose of which is to guarantee comprehensive and appropriate identification, assessment, management, monitoring, and reporting on risks for the entire group. It is an integral part of Anora Group's planning and management process, decision-making, day-to-day management, and operations, as well as of the control and reporting procedures.

The risk management policy describes the goals, principles and responsibilities of Anora's risk management and the related reporting principles. In line with this, risks are reported in accordance with the Group's reporting responsibilities. The management principles of the Group's most significant financial risks are described in more detail in the Notes to the Consolidated Financial Statements, under section 4.1; Financial risk management. The risk management function is also responsible for the global insurance programs of the Group. The business areas and functions report on risks and changes in risks on a quarterly basis. The Executive Management Team supports and coordinates risk management and reports key risks and material changes therein to the Audit Committee of the Board of Directors in connection with the interim reporting and financial statements. The Board of Directors, supported by the Audit Committee, reviews the most significant risks, actions to manage them, and evaluates the effectiveness and functioning of risk management. The Board of Directors report on the most significant risks and uncertainties, and changes therein, in the interim reports and financial statements.

RISK MANAGEMENT

STRATEGIC RISKS

• Business environment
• Technology
• Regulation
• Climate change
• Reputation
• M&A

OPERATIONAL RISKS

• Organisation, management and personnel
• IT and security
• Production and processes
• Business disruption
• Quality
• Contractual and liability risks
• Compliance

HAZARD RISKS

• Health and safety
• Property
• Environment
• Fires, accidents and natural catastrophes

FINANCIAL RISKS

• Liquidity
• Profitability
• Interest rate, currency and credit risks
• Taxation risks
• Accounting and reporting
• Capital structure

ANORA

Most significant risks and uncertainties

For reporting and risk assessment purposes, risks are categorised into four categories: strategic risks, operational risks, hazard risks and financial risks.

Strategic and business risks relate to decision-making, resource allocation, business model, management systems and the capacity to respond to changes in the operating environment (long-term, 3–5 years). Strategic risk assessment comprises also the regulatory framework and ethically sustainable business practices that apply to the company's operations and industry. Operational risks concern the implementation of strategy and day- to-day business operations. Such risks include deviations in processes, systems and conduct (short-term, 1–2 years). Hazard risks are errors, malfunctions and accidents occurring within Anora or its operating environment, resulting in damage or loss. Financial risks pertain to changes in market prices, the short- and long-term adequacy of financial assets and the ability of counterparties to meet their financial obligations.

The following table contains a summary of key uncertainties with an either positive or negative effect on Anora's operations:

Risk	Description	Risk management
Raw material price risk	The availability of domestic barley and its market price has a significant impact on the profitability of Anora's business.	Anora ensures the availability and price of barley with contract farming in co-operation with farmers and grain companies.
Risks related to customers and consumer demand	The customers in Anora's market areas include Nordic retail monopolies, wholesalers who sell alcohol, restaurants, retail stores, travel retail, international wine and spirits companies and importers operating in the export markets. The wide customer base provides Anora with diverse opportunities for the long-term development of customer cooperation. Changes in consumer behaviour may, in the long term, shift the emphasis in the demand for Anora's products between different product categories	A strong market position, efficient industrial processes, good quality and well-known brands improve Anora's chances to manage the risk. Changes in consumption patterns and the need to adjust operations are prepared for by investing in consumer-driven product development.
Product safety risks	As a wine and spirits company, one major risk is ensuring the quality and safety of the raw materials and finished goods through the supply chain.	Anora employs modern methods to ensure the safety of production processes and to eliminate various microbiological, chemical, and physical hazards. In ensuring product safety, Anora complies with the operating methods required by food safety management and quality certificates.
Damage risks	Anora has production facilities in Finland, Denmark, Norway, and Estonia. A fire or other unforeseen event may interrupt the operations of a production facility.	All Anora's production facilities have insurance policies for material damage and the interruption of operations in the Group's insurance programme. Key production facilities are subject to a risk survey every 1–2 years. Continuity plans serve to limit possible damage due to interruptions in operations.
Financial risks	The key risks related to finance in Anora's operations are currency transaction and translation risks, interest rate risks and refinancing and liquidity risks.	Financial risk management aims to mitigate any impact that price fluctuations and other uncertainties in the financial markets have on operating results, the balance sheet, and cash flow and to ensure sufficient liquidity. The management principles of the Group's most significant financial risks are described in more detail in the Notes to the Consolidated Financial Statements, under section 4.1. Financial risk management.
Compliance	Key compliance risks in Anora's operations relate to the breach of laws and regulations and decisions by authorities concerning reporting, permits and licenses, marketing of alcoholic beverages, competition law and processing of personal data.	Anora aims to manage compliance risks and ensure ethically sustainable business practices with guidance and regular training. Compliance risk management aims to avoid compliance breaches resulting in sanctions, consequences and official investigations and decisions that may damage the company's profitability, business continuity and reputation.

Price risk associated with commodities

Barley

In 2024, Anora consumed approximately 168.2 (174.0) million kilos of grain to produce ethanol and starch. The availability of high-quality domestic barley was ensured until the end of 2024 through contract farming and cooperation with farmers and grain stores. The market price of barley significantly fluctuates year by year as a result of several factors that affect Finnish barley supply and demand. The price of barley is therefore considered to be a significant risk for Anora during the financial year. The price risk has not been hedged against with derivative instruments.

Electricity

A strong increase in the market price of electricity is a significant risk for Anora. In Finland, the risk is managed by following Anora's principles for electricity procurement and by a third-party specialist. These principles determine the hedging limits within which the electricity price risk is hedged against. The hedges are executed with the bilateral OTC-derivatives Nasdaq OMX Commodities market as a reference.

At the end of 2024, the hedging ratio for deliveries for the next 12 months was 98.6% (83.6%), in line with the set targets. In 2024, the average hedging ratio was 89.0% (86.8%).

Cash flow hedge accounting in accordance with IFRS 9 is applied to the hedges against electricity price risk, and hedge effectiveness is tested quarterly. All hedging was as effective in 2024 as in 2023.

Anora purchases its electricity straight from the Nord Pool Spot markets as a delivery tied to the spot price of the Finnish price area. As part of its electricity purchases, Anora also purchases physical electricity through bilateral fixed-price contracts.

Sensitivity to market risks

The table below describes the sensitivity of the Group's profit and equity (before taxes) to changes in electricity prices, foreign exchange rates and interest rates. When Anora applies hedge accounting, the sensitivity is directed at equity. When hedge accounting is not applied, the sensitivity is recognised as a potential impact on profit or loss.

The sensitivity to foreign exchange rate changes is calculated from the net currency position resulting from financial instruments.

The total group floating rate liability position consists of floating rate liabilities EUR 160.0 (210.0) million.

An increase of one percentage point in interest rates would have an effect of EUR -1.2 (-2.1) million on the income statement. The effect of the increase in market interest rates on the Group's profit is determined by net interest expenses.

Sensitivity of financial instruments to market risks (before taxes) in accordance with ifrs 7 standard

	2024		2023	
EUR million	Income statement	Equity	Income statement	Equity
+/-10% electricity	-	+/-0.1	-	+/-0.2
+/-10% change in EUR/DKK exchange rate	+/-2.2	+/-2.2	+/-2.5	-
+/-10% change in EUR/NOK exchange rate	+/-2.7	+/-2.2	+/-1.2	+/-1.3
+/-10% change in EUR/SEK exchange rate	+/-4.5	+/-5.0	+/-2.9	+/-3.9
+/-10% change in EUR/USD exchange rate	-/+1.5	-/+1.8	-/+1.1	-/+1.3
+/-1%-points change in interest rates	-1.2	+1.2	-2.1	-

Short-term risks and uncertainties

The most significant short-term risks and uncertainties relate to the overall economic development, impact of regulatory changes, the geopolitical and trade policy environment, disruptions in supply chains, price and availability of raw materials and cyber threats. In addition, the short-term risks relate also to the integration of acquired businesses, as well as related finance processes.

Significant uncertainties relate to the overall economic development and its impacts on consumption, to the competitive environment, to the effects on consumer behaviour due to potential and recently implemented regulatory changes in areas such as alcohol taxation, excise taxation and alcohol legislation. Further liberalisation of alcohol legislation may result in sale of alcoholic beverages with higher ABV alcohol content outside the traditional monopolies. For example, the recent amendments to Finland's Alcohol Act allowing the sale of alcoholic beverages containing up to 8% ABV alcohol in grocery retail have impacted the sales in the Finnish alcohol monopoly negatively. It is also expected that the Government of Finland will decide in the near future whether distribution of all wines through Finnish groceries will be allowed. Any further liberalisation would most likely increase competition in the Finnish wine market. The impact of such changes could potentially have an impact on Anora's business.

The increased inflation levels in Anora's operating countries pose several risks and may lead to depressed consumer spending. Also wage inflation has gradually increased. Availability of funding, foreign exchange rates and interest rates may be affected significantly by the volatile situation on the global capital markets.

Unexpected and unforeseen disruptions in the supply chain, production and deliveries are significant short-term risks related to operations, as well as sudden and significant changes in the prices of raw materials. Risks can be caused by internal or external events.

The unstable geopolitical and trade policy environment could also negatively affect Anora's business, profitability and operating environment. Significant risks and uncertainties relate to an escalation of the already existing global supply chain disruptions with also potential threats to shipping routes, to the supply of grain, and to further price increases across all input costs. The risk of rising energy and fuel prices and volatility in production volumes continue. Strikes as well as possible problems with the availability and cost of raw materials, labour, energy and fuel may impact the operating environment and Anora's business and profitability in the near future.

Furthermore, Anora may face challenges in its ability to meet its financial targets as well as sustainability and other ESG targets, including the targets relating to greenhouse gas emissions.

Cyber risk threat levels have also increased lately and government authorities have warned of an increasing threat and number of cyber-attacks. There have been reported cases of cyber-attacks on business enterprises and government authorities with severe impacts. Anora continuously improves its cyber security operations and technologies. It cannot be excluded that also Anora or its business partners could face cyber-attacks with potentially significant impact on Anora's business, profitability and operations.

Certain risks have already partly materialised.

Forward looking statements

Certain information herein other than historical facts contain "forward looking statements". These forward looking statements relate to future events or future financial performance, including, but not limited to, strategic plans, potential growth, financial performance and targets, sustainability and other ESG targets, planned operational changes, expected capital expenditures, future cash sources and requirements, liquidity and cost savings that involve known and unknown risks, uncertainties and other factors that may cause the actual results, levels of activity, performance or achievements of Anora Group or its businesses to be materially different from those expressed or implied. In some cases, such forward looking statements can be identified by terminology such as "may", "will", "could", "would", "should", "expect", "plan", "anticipate", "intend", "believe", "estimate", "predict", "potential", or "continue", or the negative of those terms or other comparable terminology. By their nature, forward looking statements are subject to change and involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Future results may vary from the results expressed in, or implied by, the forward looking statements, possibly to a material degree. All forward looking statements are based on information presently available to management and represent the current beliefs and assumptions of the management in light of the information currently available to them. Anora Group assumes no obligation to update any forward looking statements. Nothing herein constitutes investment advice and this material shall constitute an offer to sell or the solicitation of an offer to buy any securities or otherwise to engage in any investment activity.

Events after the period

Anora published a stock exchange release on 23 January 2025 about the proposals of Anora's Shareholders' Nomination Board to the Annual General Meeting planned to be held on 15 April 2025 and summoned later. The Shareholders' Nomination Board proposes to the Annual General Meeting that the number of members of the Board of Directors would be seven (7), and that of the present members Michael Holm Johansen, Christer Kjos, Annareetta Lumme-Timonen, Jyrki Mäki-Kala, Florence Rollet and Torsten Steenholt would be re-elected and that Rebecca Tallmark would be elected as a new member of the Board of Directors. More information can be found in the said stock exchange release.

The Board of Directors of Anora Group Plc announced a stock exchange release on 12 February 2025 that it had approved the commencement of a new plan period 2025-2027 within the share-based long-term incentive scheme for the management and selected key employees. More information can be found in the said stock exchange release.

The Board of Directors of Anora Group Plc announced a stock exchange release on 4 March 2025 that it had appointed M.Sc. (Econ.) Kirsi Puntila (born 1970) as the new CEO of Anora Group Plc effective immediately. Kirsi Puntila has been with Anora and its predecessor since 2014. Her most recent position has been Senior Vice President, Spirits. In addition to her new role, Kirsi Puntila will continue leading the Spirits segment until the nomination of her successor. More information can be found in the said stock exchange release.

Dividend proposal

According to the financial statements on 31 December 2024, the parent company's distributable funds amounted to EUR 98.3 million including profit for the period of EUR 12.9 million. There have been no significant changes to the parent company's financial position after the end of the financial year.

The Board of Directors proposes to the Annual General Meeting to be held on 15 April 2025 that a dividend of EUR 0.22 per share be paid for the financial year 2024.

Anora aims to maintain a stable or increasing dividend with a dividend payout ratio of 50–70% of the result for the period, as defined in the long-term financial target.

Annual General Meeting 2025

Anora Group Plc's Annual General Meeting 2024 is planned to be held on 15 April 2025. The notice to and instructions for the AGM are published by a stock exchange release, and on Anora's website.

Outlook for 2025

Market outlook

In 2025, the volumes in our key markets are expected to be relatively flat compared to the 2024 levels, while in value terms, the markets are expected to grow slightly.

Guidance

In 2025, Anora's comparable EBITDA is expected to be EUR 70-75 million (2024: EUR 68.9 million).

REPORT BY THE BOARD OF DIRECTORS

Sustainability Statement

ESRS 2 General disclosure

BP-1 – General basis for preparation of Sustainability Statement

Anora's consolidated Sustainability Statement ("Sustainability Report" as per the Finnish Accounting Act) for the reporting period 2024, is prepared in accordance with the European Sustainability Reporting Standards ("ESRS") under the EU Corporate Sustainability Reporting Directive ("CSRD") and in accordance with Chapter 7 of the Finnish Accounting Act. The scope of the Sustainability Statement is the same as for Anora Group Plc's consolidated financial statements, covering the parent company and all its subsidiaries. Anora's whole value chain, including the upstream and downstream value chain and own operations, is included in the process to identify and assess material impacts, risks and opportunities. Information and datapoints on policies, targets, actions and metrics related to Anora's upstream and downstream value chain is limited to information available in-house or publicly, according to phase-in transitional provisions (ESRS 1 section 10.2). No information or data points have been omitted on the basis of business sensitive information corresponding to intellectual property, know-how or the results of innovation.

BP-2 – Disclosures in relation to specific circumstances

Time horizons

In its Sustainability Statement, Anora defines time horizons as follows: short time horizon 1–2 years, medium time horizon 3–5 years, and long-term time horizon over 5 years. The time horizons are defined as to be aligned with Anora's existing overall risk management. The reason for applying these time horizons is to align the assessment of sustainability-related material impacts, risks and opportunities with Anora's existing risk management practices, which in turn follow principles under the COSO ERM framework and the SFS-ISO 31000 standard. If any reported information deviates from the application of these time horizons, this is disclosed alongside the respective data points.

Value chain estimation

For sustainability metrics that include upstream- and/or value chain data, information is limited to information available in-house or publicly. Any use of proxies, estimations, sector-average data or other indirect sources of information, and planned actions to improve the level of data accuracy, is disclosed alongside the respective data points where applicable.

Sources of estimation and outcome uncertainty

Anora has currently not identified any metrics and other datapoints which are subject to estimation or a high level of measurement uncertainty regarding measurement technique, outcome uncertainty of future events, assumptions, approximations, or judgements.

GOV-1 – The role of the administrative, management and supervisory bodies

The overall duties and responsibilities of Anora's governing bodies (including for oversight and management of sustainability-related impacts, risks and opportunities) are determined by Finnish law and Anora's Articles of Association approved by the General Meeting of Shareholders as well as Anora Group's Governance Principles, the Charter of the Board of Directors and the Charter of the Audit Committee, which have been approved by Anora's Board of Directors. The main administrative and management bodies at Anora, and their roles and responsibilities with regard to sustainability matters are presented in the table below.

Identity of body	Composition and diversity	Roles and responsibilities in management of sustainability-related impacts, risks and opportunities
Administrative body: the Board of Directors	The Board of Directors is Anora's main administrative body comprising in 2024 seven (7) non-executive members elected by the shareholders meeting and one (1) member elected by the personnel of Anora. The election and composition of the Board of Directors is guided by the principle of diversity to ensure that the company has a skilled, competent, experienced, and effective Board of Directors. Diversity is supported by relevant experience in fields and markets that are strategically significant for the company by strong and relevant acumen in international environments and businesses, and by a diverse age, term of office and gender distribution. The percentage of independent board members (independent of both the company and of significant shareholders) in 2024 was 62.5%. The Board's gender diversity ratio was 38% (ratio of female to male board members). In accordance with the agreement on employee participation between Anora and the special negotiating body of the employees, employees are represented by one member (and one deputy).	The Board of Directors approves Anora's sustainability strategy (including targets) and significant sustainability investments and monitors and assesses (assisted by the Audit Committee) the appropriate overall governance of sustainability, including bearing the main responsibility for the oversight of sustainability-related impacts, risks and opportunities, as well as for their associated reporting.
Management body: CEO and the Executive Management Team	The Executive Management Team is Anora's main management body, chaired by the CEO of Anora Group Plc, and comprises other senior management executive members appointed by the Board of Directors, totaling eight (8) executive members in 2024. The appointments to the Executive Management Team are conducted in a manner to ensure that the Executive Management Team has all the required skills, competences and experience for conducting effective operations in the beverages industry. The Executive Management Team is not a decision-making body of the company. It assists the CEO in the implementation of Group strategy and in operational management. The ratio of female to male Executive Team members (including CEO) was 25% in 2024. Unlike the Board of Directors, the Management Team has no formal representation of employees and other workers.	The Executive Management Team is responsible for the implementation of the overall sustainability strategy. This includes approving and regularly following up on all actions and targets related to sustainability impacts, risks and opportunities, (as well as monitoring their progress) and preparing sustainability investment proposals. The Executive Management Team reports on all these sustainability-related matters to the Board of Directors. No separate management-level positions or committees are appointed to monitor, manage and oversee sustainability-related impacts, risks and opportunities.

The management team receives information from their business areas and, as part of their daily work, monitor the sustainability impacts, opportunities, and risks related to their areas of responsibility. They report key findings to the CEO in collaboration with the sustainability team responsible for coordinating sustainability reporting. Dedicated controls and procedures for the management of sustainability-related impacts, risks and opportunities are in the process of being integrated into Anora's existing processes related to internal control and risk management.

Anora's governing bodies determine the appropriate skills and expertise needed for oversight of sustainability matters based on their experience, knowledge and materiality assessments of the features of its main line of business, namely the manufacture, import, and sale of alcoholic beverages and other beverages. Therefore, said skills and expertise relate especially to the most material sustainability topics, reflected in Anora's strategic long-term sustainability targets (see SBM-1 Strategy, business model and value chain) associated with climate change mitigation, regenerative farming, and circular economy.
In certain specialised areas, the assistance of external consultants is employed.

GOV-2 – Information provided to, and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

Sustainability topics pertaining to material impacts, risks and opportunities are regularly discussed in both Executive Management Team as well as Audit Committee meetings. During the reporting period, the Audit Committee convened six (6) times. The Board of Directors is regularly informed by the Chairperson of the Audit Committee, the CEO and Executive Team about the effectiveness of policies, actions, metrics and targets associated with sustainability matters pertaining to material impacts, risks and opportunities as part of the common overseeing duties of these governing bodies regarding governance and risk management (including due diligence).

Anora's CEO and Executive Management Team, responsible for executing and steering the Group strategy, take a calculated approach to overseeing the Group's sustainability-related strategy, major transactions, and risk management processes. The management team receives information from their business areas and support the work of the CEO and the management team by collaborating with the sustainability team responsible for coordinating sustainability reporting, preparing the handling of the most significant sustainability impacts, opportunities, and risks. The CEO and the Executive Management Team routinely evaluate the potential trade-offs related to Anora's material impacts, risks and opportunities to ensure that all actions align with Anora's long-term sustainability goals and commitments. The role of the Board of Directors in this regard is to provide oversight and approve any significant plans or changes to these practices.

During the reporting period, after the completion of the process to identify and assess material impacts, risks and opportunities, Anora's Board of Directors addressed and approved the resulting list of material impacts, risks and opportunities, available in the table presented in section *Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3) of these Sustainability Statement.*

GOV-3 – Integration of sustainability-related performance in incentive schemes

The remuneration policy of the Group sets the general principles for the remuneration of the Board of Directors and the CEO of Anora, including for sustainability-related performance. The sustainability-related performance integrated into Anora's remuneration programs, follow the guiding principle of Pay for Performance under which short- and long-term incentive programs all return a reward based on the achievement of predefined sustainability targets. The key purpose of these remuneration practices and their development is to support the reaching of the set sustainability targets.

On 9 June 2022, the Board of Directors decided on the establishment of a share-based long-term incentive program for the company's management and selected key employees. The program consists of annually commencing individual share plans for the years 2022–2024. The performance share plan returns a share reward based on four performance measures, including an environmental, social and governance (ESG) metric in accordance with performance measures of the plan approved by the Board of Directors (The weight of the ESG metric is 10% of the earnings opportunity under this share based variable remuneration plan) being, more specifically, the GHG emissions reduction of the Finnish operations at the end of the plan period compared to the average baseline GHG emissions of 2019–2021, with the target of 45% reduction from the baseline. As the climate-related consideration factored into the incentive program covers Finnish operations only, including emissions from production at the Koskenkorva and Rajamäki plants, their scope is included in, but not fully corresponding with Anora's overall GHG emissions reduction targets presented in section *Targets related to climate change mitigation and adaptation (E1-4)* of these *Sustainability Statement.*

On 21 December 2022, the Board of Directors decided on the establishment of a share plan for the years 2023–2025 within the share-based long-term incentive program for the company's management and selected key employees. The plan is a performance share plan returning a share reward based on four performance measures, including an environmental, social and governance (ESG) metric in accordance with performance measures of the plan approved by the Board of Directors (The weight of the ESG metric is 10% of the earnings opportunity under this share based variable remuneration plan). For this plan, the ESG target is to receive a 'low risk' ESG risk rating by Sustainalytics, to be achieved by the end of 2025.

On 13 February 2024, the Board of Directors decided on the establishment of a share plan for the years 2024–2026 within the share-based long-term incentive program for the company's management and selected key employees. The plan is a performance share plan returning a share reward based on four performance measures, including an environmental, social and governance (ESG) in accordance with performance measures of the plan approved by the Board of Directors (The weight of the ESG metric is 10% of the earnings opportunity under this share based variable remuneration plan). For this plan, the ESG target is to receive a 'low risk' ESG risk rating by Sustainalytics, to be achieved by the end of 2026.

After the reporting period, the Board of Directors of Anora Group Plc announced on 12 February 2025 that it has approved the commencement of a new plan period 2025–2027 within the share-based long-term incentive scheme for the management and selected key employees. The plan is a performance share plan returning a share reward based on four performance measures, including a Sustainalytics ESG-risk rating as an ESG metric.

GOV-4 – Statement on due diligence

A mapping of the information provided in the Sustainability Statement about the due diligence process is presented in the table below.

CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN THE SUSTAINABILITY STATEMENT
Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-1, S1-1, S2-1, S4-1, G1-1
Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 IRO-1, ESRS 2 SBM-2, S1-2, S2-2, S4-2
Identifying and assessing adverse impacts	ESRS 2 IRO-1, ESRS 2 SBM-2, S1-2, S2-2, S4-2
Taking actions to address those adverse impacts	S1-3, S1-4, S2-3, S2-4, S4-3, S4-4, G1-3
Tracking the effectiveness of these efforts and communicating	S1-3, S1-4, S2-3, S2-4, S4-3, S4-4, S1-2, S2-2, S4-2

GOV-5 – Risk management and internal controls over sustainability reporting

Anora's risk management and internal control processes in relation to the completeness, integrity and quality of data, covering Anora's own activities and main features of the value chain, compiled in Anora's sustainability reporting are in the process of being integrated into Anora's general procedures and management systems. This means that Anora's external and internal sustainability reporting is intended to be subject to the same control measures as Anora's financial and operating reporting, to ensure its reliability and compliance, and to ensure that internal sustainability-related principles, policies and guidelines are followed.

The objective of risk management at Anora Group is to support the implementation of the company's strategy – including the sustainability strategy – and the identification of risks and methods for reducing the probability and impacts of risks, as well as the ensuring of business continuity. The Board of Directors has approved the Group Risk Management Policy, which describes the objectives, principles, and responsibilities of risk management throughout the Group and also the principles for risk reporting. All risks are evaluated based on the combination of their estimated probabilities and impact. The main risks associated with internal control over the sustainability reporting process relate to the completeness of data, the accuracy of estimation results regarding metrics, and the availability of upstream and/ or downstream value chain data associated with material impacts, risks and opportunities, for which most suitable mitigation strategies and related controls are in the process of being formulated.

During the first half of 2024, Anora had an appointed Sustainability Director who, supported by the sustainability team and together with an internal Sustainability Working Group, aimed to continually develop Anora's sustainability reporting process by employing the best available information and by developing assessment and measurement competences regarding material sustainability impacts, risks and opportunities, in addition to heading Anora's Group Communications. To allow for more optimal specialisation and resourcing for the evolving requirements of the sustainability agenda and reporting going forward, the roles of Communications and Sustainability Directors were decoupled, forming two distinct roles in both functions. Their exact roles in relation to Anora's formal internal control functions and procedures are in the process of being formulated. The Sustainability Director reports all significant findings and developments to the CEO and Executive Management Team, who in turn report their main results and findings when applicable to the Audit Committee and the Board of Directors. Since the position of Sustainability Director was vacated, Anora's CEO, supported by the sustainability team, has held the overall responsibility for sustainability management at Anora.

SBM-1 – Strategy, business model and value chain

This section focuses on the sustainability implications of Anora's strategy implementation, business model and value chain. For more information, see the Report by the Board of Directors.

Anora offers a complete alcoholic and non-alcoholic beverage portfolio of its own brands, combined with a wide range of prominent international partner wines, spirits and no- and low-alcohol (NoLo) products to its customers in off-trade and on-trade channels (incl. Nordic retail monopoly markets), and in travel retail and exports. Anora also provides services to its customers utilising the company's production, packaging and logistics capacity. Anora's industrial products – barley starch, technical ethanol and feed components – are produced as by-products from the distillation process and are provided to B2B customers in various industries. The logistics company Vectura AS provides logistics services in the Norwegian wine and spirits distribution market. No major changes in products offered and customers groups served took place during the reporting period.

At the end of 2024, Anora's total number of employees was 1,211, with 409 located in Finland, 348 in Norway, 185 in Denmark, 163 in Sweden, 67 in Estonia, 31 in Latvia, 7 in Germany, and 1 in Lithuania. Total external revenue for the 2024 period broken down according to Anora's reporting segments according to IFRS 8 was EUR 142.0 million from the Industrial segment, EUR 227.0 million from Spirits segment and EUR 323.0 million from Wine reporting segment. Anora did not generate any revenues from activities related to fossil fuels sectors (coal, oil or gas).

Alongside its 2030 financial targets, Anora has set the following long-term sustainability targets:

In terms of production sites in different geographical areas:

To achieve carbon-neutral production operations at Anora's Koskenkorva Distillery during 2026, and by 2030 at all Anora's own production sites, without carbon compensations.

In terms of offered products to customer groups:

To increase the share of regeneratively farmed barley used as input in Anora's own grain spirit products to 30% by 2030.

To package all own products in packaging that is lightweight, 100% recyclable and comprised of materials from certified sources or from recycled origins by 2030.

As a part of its Sustainability Roadmap to 2030, Anora joined the Science Based Targets initiative (SBTi) in 2022, which included submitting science-based emission reduction targets for validation with the SBTi in December 2023. Anora has set the following, separate science-based targets, which were validated by the Science Based Targets initiative (SBTi) in 2024.

In terms of climate change mitigation:

Overall net-zero target

Anora Group Plc commits to reach net-zero greenhouse gas emissions across the value chain by 2050.

Near-term climate targets

- **Energy & Industry:** Anora commits to reduce absolute Scope 1 and 2 GHG emissions by 42% by 2030 from a 2021 base year.* Anora also commits to reduce absolute Scope 3 GHG emissions from purchased goods and services, upstream and downstream transportation and distribution by 42% within the same timeframe.
- **FLAG:** (Forest, Land and Agriculture): Anora commits to reduce absolute Scope 1 and 3 FLAG GHG emissions by 30.3% by 2030 from a 2021 base year.** Anora also commits to maintaining no deforestation across its primary deforestation-linked commodities.

Long-term climate targets

- **Energy & Industry:** Anora commits to reduce absolute Scope 1 and 2 GHG emissions by 90% by 2050 from a 2021 base year.* Anora also commits to reduce absolute Scope 3 GHG emissions from purchased goods and services, upstream and downstream transportation and distribution by 90% within the same timeframe.
- **FLAG:** Anora commits to reduce absolute Scope 1 and 3 FLAG GHG emissions by 72% by 2050 from a 2021 base year.**

* The target boundary includes land-related emissions and removals from bioenergy feedstocks.
** Target includes FLAG emissions and removals.

The targets listed above are closely connected to the success of Anora's sustainability strategy and were set following an assessment covering market research on purchasing trends in significant markets and customer groups, as well as the estimated sustainability impacts related to Anora's products and activities (through a materiality assessment performed in 2022 with the Sustainability Roadmap). Anora continually reviews the sustainability impacts of its purchased raw materials, its production operations, the required packaging materials, the purchasing behaviour of its key customer groups and general market trends in order to monitor progress against these targets and also to discover as soon as possible any challenges, investment needs or any other required strategic actions required for the attainment of set targets.

Key inputs for Anora's business model include imported wines from over 35 countries, around 180 million kg of Finnish barley each year, water, and dry goods such as packaging materials and spices for beverages. Anora sources, develops and secures these inputs with its integrated operating model that creates significant economies of scale in sourcing, production and distribution, and allows the company to take advantage of its shared operations – such as consumer research, innovation, product development and overall know-how – and use its centralised support functions efficiently.

Key outputs include:

— **The Wine segment** – partner wines and Anora's own label wines developed, imported, marketed and sold to customers in the Nordic retail monopoly markets, Denmark and the Baltics.
— **The Spirits segment** – Anora's own spirits brands and partner spirits brands developed, imported, marketed and sold to customers in the Nordic retail monopoly markets, Denmark and the Baltics as well as global duty free and travel retail, and exports.
— **The Industrial segment** – industrial products and contract manufacturing, the services of logistics company Vectura and other supply chain operations.

Other current and expected benefits to stakeholders include return on investment (ROI), taxes paid to society, providing employment and income to employees and efforts to mitigate negative impacts on people and environment throughout the value chain.

The main features of Anora's upstream value chain include the activities of contract farmers (mostly barley producers), grain stores, partners such as ProAgria and BSAG, wine exporters, dry good suppliers (for example, packaging materials and spices) and associated inbound logistics services and warehousing.

Anora's own operations include the distillation of spirits, maturation and blending of alcoholic beverages, the bottling and packaging of beverages and the import of no-and low-alcohol (NoLo) drinks, wines and spirits, as well as logistics services.

Downstream value chain activities include distribution and resale activities such as the HoReCa (hotels, restaurants, catering) sector, Nordic retail monopolies, grocery and online stores, agricultural industry (animal breeding and food manufacturers), export and travel retail. The final end-users of the products include private consumers and industrial clients.

SBM-2 – Interests and views of stakeholders

Anora engages its affected stakeholders to ensure that the correct efforts are undertaken to determine and address material sustainability matters. The material sustainability matters, resulting from materiality assessments where the views of stakeholders have been considered through interviews, create the basis for Anora's strategic long-term sustainability targets and associated action plans. For more information on how stakeholder views were integrated into Anora's latest double materiality assessment, see disclosure under *IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities*.

The people in Anora's own workforce are considered a key affected stakeholder group, whose interests, views (for example, through employee surveys) and rights are considered in Anora's strategy and business model planning in various ways, especially in matters relating to collective bargaining, development of safety measures and designing Anora's employer brand. Anora's own workforce is formally represented in the work of the Board of Directors in accordance with an agreement on employee participation between Anora and a special negotiating body of the employees.

Even if not directly engaged, the interests, views, and rights of Anora's value chain workers, including respect for their human rights in agricultural and manufacturing upstream value chain activities in various parts of the world, are periodically assessed adhering to the principles of amfori BSCI, through third-party site audits and supplier self-assessments. Given the fact that some of the agricultural activities taking place in Anora's upstream value chain are located in geographical areas of heightened risk for human rights infringements, Anora is constantly developing its business model in terms of risk assessment processes and cooperation with suppliers as well as third party organisations to mitigate adverse impacts to its value chain workers.

Even if direct engagement with consumers and end-users of Anora's products is limited, due to Anora being a manufacturer and importer without its own retail sales channels, Anora is aware that its alcoholic products may, if excessively and/or irresponsibly consumed, cause or exacerbate adverse health impacts for consumers and negative societal impacts. The potential adverse health effects of excessive and/or irresponsible alcohol use and negative societal impacts are generally recognised and well-known in society and among consumers, which is why Anora has adapted its business model and strategy to also offer no- and low-alcohol options available for sale. Anora also adheres to strict responsible marketing practices according to strict regulation for alcohol business, contributes to awareness campaigns, and maintains information on its website (including country-specific links to information for advice) for providing remedy to mitigate negative impacts of excessive alcohol use.

Other key stakeholder categories include authorities, banks, analysts, investors, customer companies, industry associations, media, NGOs, owners, political decision-makers and suppliers. Relevant stakeholders are engaged by appropriate means at appropriate levels and functions of Anora's organisation, including for example, via industry workgroup meetings (for Nordic retail alcohol monopolies), press releases, briefings (incl. videos and presentations in connection to financial publications) and interview opportunities. Social media, and especially LinkedIn is used to serve all stakeholders information needs on company topics, such as sustainability; values, company culture and career opportunities; responsible drinking culture; and financial information.

Anora continuously assesses the views of its key stakeholders and is prepared to adapt, as appropriate, its operations and strategy in alignment with how their expectations evolve. The Board of Directors, assisted by the Audit committee, monitors and assesses the appropriate governance of sustainability, sustainability reporting and sustainability-related risks, including engagement with stakeholders, and are informed of and review such matters during their meetings. The Executive Management Team is responsible for approving actions including stakeholder engagement through the appropriate channels, and implementation is coordinated by the Sustainability Director.

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

A summary of Anora's material impacts, risks and opportunities (IROs), resulting from its double materiality assessment completed in 2024, are presented in the table below (for more information see IRO-1 Description of the process to identify and assess material impacts, risks and opportunities):

Material sub-topics	Material impacts	Material risks and opportunities	Current and anticipated effects of material impacts, risks and opportunities on Anora's business model, value chain, strategy and decision-making
E1 Climate change			
Climate change mitigation	**Negative impacts:** Global warming potential from: • Greenhouse gas emissions (CO_2) from energy use at Anora's own production plants, activities and other facilities (Scope 1 & 2) during the reporting period. • Greenhouse gas emissions (CO_2) emissions from Anora's value chain, where the majority of Anora's emissions derive from. Material indirect Scope 3 GHG emissions sources in Anora's value chain include FLAG (Forest, Land and Agriculture) emissions from production of agricultural raw materials in the upstream value chain, as well as emissions from other purchased goods and services, distribution and logistics during the reporting period.	**Risks:** • Chronic physical risk: warming climate may impact price, availability and quality of agricultural raw materials produced in Anora's upstream value chain, and thus also Anora's profitability, in the medium to long term. • Acute physical risk: sudden changes and unpredictable weather (frost, hailstorms, drought, forest fires etc.) are already impacting the annual harvest of Anora's raw materials in the upstream value chain, especially for wine crops. These physical risks may translate to higher costs of raw materials and thus decreased profitability for Anora. **Opportunity:** Anticipated potential commercial climate-transition opportunities from meeting customer demand by offering products with smaller climate impacts	Anora aims to decrease the GHG emissions associated with its own operations and activities taking place in its value chain through a systematic approach reflected in its strategy, including by setting science-based emission reduction targets, diligent GHG emissions accounting, as well as through appropriate mitigating actions. To mitigate effects from risks identified in agricultural activities taking place in Anora's upstream value chain, Anora is for example: • Encouraging partners and suppliers to manage climate-related risks, validating performance, and adopting climate / environmental certifications • Diversifying its sourced raw materials in terms of varieties and areas of origin • Optimising barley varieties for better weather resilience
Energy	*No material impacts*	**Opportunity:** Transitioning towards fossil free production at Koskenkorva Distillery is considered a financial opportunity as it allows for higher energy self-sufficiency with associated cost-efficiency gains, and commercial opportunities in terms of a more sustainable value chain.	Anora closely follows the trends and purchasing behaviour of its customer groups and aims to satisfy customer demand as well as to exploit all available commercial opportunities.
E3 Water and marine resources			
Water withdrawals, consumption and discharges	Negative impact: Water consumed, and discharges, including wastewater, generated (incl. potential associated pollution of water) during the reporting period in both at Anora's production plants and throughout the upstream value chain.	*No material risks or opportunities*	Even if Anora currently has zero own production facilities near water scarcity areas, it is continually improving its water efficiency practices and water management systems. Anora aims to develop its production processes in line with a target to reduce total wastewater volume by 20% by 2030 compared to 2021. Anora is a significant importer of wine, and aware of the fact that some key wine cultivation countries in its upstream value chain suffer from water scarcity. Anora is continually reviewing its available means to avoid contributing to water scarcity anywhere in its value chain.

Material sub-topics	Material impacts	Material risks and opportunities	Current and anticipated effects of material impacts, risks and opportunities on Anora's business model, value chain, strategy and decision-making
E4 Biodiversity and ecosystems			
Direct impact drivers of biodiversity loss	**Negative impacts:** • Loss of natural environments and fragmentation of habitats due to land use and land use change from primary production of raw materials in Anora's upstream value chain during the reporting period. • Global warming affects biodiversity loss. Anora generates GHG emissions that may contribute to negative impacts on biodiversity over the medium- and long term. GHG emissions accelerate climate change, which in turn can alter habitats, disrupt ecosystems, and increase the frequency of extreme weather events, which may further exacerbate conditions in areas already vulnerable to effects of climate change.	*No material risks or opportunities*	To mitigate its contribution to adverse impacts on Biodiversity and ecosystems, Anora promotes and encourages regenerative farming and biodiversity among business partners in its upstream value chain. In Anora's own operations, its environmental impacts are managed and reduced according to environmental management system standards. Anora also owns a 150-hectare area of protected swampland and a forest area of around 800 hectares, which act as a carbon storage totaling an estimated 830,000 tons of CO_2. Anora's constantly developed forest management plan is also expected to help to protect and enhance the forests' biodiversity in the long term.
E5 Circular economy and resource use			
Resource inflows, including resource use	Positive impact: Production at Anora's Koskenkorva Distillery is based entirely on the principles of circular economy. Koskenkorva Distillery is unique in terms of material efficiency as it utilises all the material used, thus contributing to the environment positively during the reporting period.	*No material risks or opportunities*	Anora constantly aims to optimise the material efficiency and reduce the amount of waste in its own operations while improving the recyclability of its product packaging. Anora has, for example, set a target of using packages that are light in weight, made from 100% recyclable materials, and materials from certified sources or recycled origin in its own products' packaging by 2030. Anora is also closely following regulatory developments regarding circular economy-related topics (for example, for packaging materials) and adapts its business model and operations accordingly.
Resource outflows related to products and services	*No material impacts*	**Opportunities:** • Anticipated potential commercial opportunities from meeting customer demand for products packaged in materials with smaller environmental and climate impacts, such as through using lighter materials (as opposed to heavier glass) and utilising recycled packaging materials with a smaller need for primary resources. • Being increasingly able to utilise production side streams in Anora's own production processes provides commercial advantages, such as cost savings through resource efficiency, reduced waste disposal costs, and revenue from sold by-products. These practices can also enhance reputation and market competitiveness, potentially leading to increased sales and lucrative investment opportunities.	
Waste	**Positive impact**: Careful and established waste management and constant development of recycling practices at Anora's own production plants reduces negative environmental impacts from Anora's own operations.	*No material risks or opportunities*	Anora's key market areas are in the Nordic countries, where well-established and highly developed sorting and recycling systems and associated legislation efficiently reduce packaging waste. Anora constantly pays close attention to its production sites' waste recycling rates and targets zero annual landfill waste generated by 2030.

Material sub-topics	Material impacts	Material risks and opportunities	Current and anticipated effects of material impacts, risks and opportunities on Anora's business model, value chain, strategy and decision-making
S1 Own Workforce			
Working conditions	**Positive impacts:** • Provision of employment security for Anora's own workforce during the reporting period • Maintaining rigid occupational health and safety standards increases safety and wellbeing during the reporting period • Ensuring fair and diligent management of questions related to working time, social dialogue, collective bargaining and work-life balance through the "Anora Way" (as stipulated in the Code of Conduct policy) contributes to wellbeing at work among its own workforce during the reporting period	*No material risks or opportunities*	Anora aspires to be an inclusive and safe workplace that represents the diversity, equity and progressiveness of the Nordic culture. Anora aims for zero accidents and a strong safety culture. Anora has set a target for increasing the number of safety observations per person and to reduce accidents resulting in absence to zero by 2030.
Equal treatment and opportunities for all	**Positive impact:** Ensuring fair and diligent management of areas related to diversity and competence development through the "Anora Way" stipulated in the Code of Conduct policy to maintain an inclusive and non-discriminatory working environment for Anora's own workforce during the reporting period.		
S2 Workers in the value chain			
Working conditions, equal treatment and other working related rights	**Negative impacts:** Various social impacts in short term related to • Neglection of fair working conditions related to areas such as working time, adequate wages and health and safety, especially in certain risk countries in agricultural and other activities taking place Anora's upstream value chain. • Other working related rights, including use of forced labour (for example seasonal workers) or child labour in certain risk countries in agricultural and other activities taking place in Anora's upstream value chain. • Equal treatment, including inadequate training and skills development of workers in agricultural and other activities taking place in Anora's upstream value chain.	*No material risks or opportunities*	Anora is committed to systematically improving its sustainable procurement procedures. Processes and systems to manage identified negative impacts for workers in the value chain include: • Anora Code of Conduct & Code of Conduct for Suppliers and Sub-contractors • Third-party audits (amfori BSCI) & certificates • Internal audits & supplier visits • Risk country profiles to provide a holistic understanding of the human rights situation in supply chain countries • Supplier self-assessment tools to both communicate about Anora's commitments and gain a wider understanding of suppliers' sustainability (incl. human rights) approach. • Human rights training for all employees to share the findings from Anora's impact assessment process and strengthen internal competence.

Material sub-topics	Material impacts	Material risks and opportunities	Current and anticipated effects of material impacts, risks and opportunities on Anora's business model, value chain, strategy and decision-making
S4 Consumers and end-users			
Personal safety and social inclusion of consumers	**Negative impact:** Adverse health, social and economic effects from excessive alcohol use among consumers and end-users in Anora's downstream value chain in short term.	**Risks:** Investment risks associated with building and expanding Anora's own no- and low-alcohol (NoLo) production capabilities could materialise, leading to a decreased return on investment over the long term. **Opportunities:** Anticipated potential commercial opportunities and returns from meeting customer demand for NoLo products, in line with observed health and convenience trends among consumers and end-users.	Anora's aims to address the potential negative impacts from excessive alcohol-use by offering alternatives to alcoholic beverages. Therefore, Anora is aiming to increase the share of no- and low-alcohol (NoLo) products in its portfolio, target share of net sales from NoLo products to reach 5% by 2030. Ensuring product quality and safety, as well as promoting a responsible drinking culture and adhering to principles of responsible marketing are also Anora's top priorities.
G1 Business conduct			
Corporate culture	*No material impacts*	**Risks:** • Failures in ensuring ethical business conduct practices in Anora's own operations may increase cost of capital or repel investors • Failures in detecting and addressing corporate culture differences in Anora's and a potential acquisition target's operation in due diligence processes (in conjunction with mergers and acquisitions), may lead to loss of synergies and profits, delayed integration or increased costs.	To avoid risks and associated negative financial effects related to unethical business conduct, Anora has a zero-tolerance policy towards bribery and corruption. The company is committed to always operating fairly and to not offering improper benefits to any party. Anora expects its representatives, consultants, agents, subcontractors, and other business partners to unconditionally refrain from corruptive behaviour when performing services for Anora or on its behalf. Anora does not support, either directly or indirectly, political parties or organisations. Anora has a whistleblowing channel maintained by an independent third party, open to all employees and external stakeholders. All concerns raised, whether through the channel or through other means, are investigated in accordance with an established process to ensure accuracy, anonymity, and fairness.

Climate change

All material risks related to climate change are physical to their nature. Even if a high emissions climate scenario (IPCC SSP5-8.5) was used as context to better identify and assess both chronic and acute physical climate risks in Anora's upstream value chain, based on publicly available data concerning likely impacts on future agricultural harvests, Anora has currently not performed a formal scenario analysis involving a resilience analysis of its business model and strategy. Anora is in the process of assessing more closely the likely financial effects in the chosen climate scenarios to better understand and plan potential adaptation efforts required for its strategy and business model.

Biodiversity and ecosystems

None of Anora's industrial sites are located near biodiversity sensitive areas and therefore do not negatively affect biodiversity sensitive areas, i.e., Natura 2000 network of protected areas, Unesco World Heritage sites and Key Biodiversity Areas (KBAs). No material negative impacts with regards to land degradation, desertification or soil sealing, and to own operations that affect threatened species were identified in the materiality assessment.

Own workforce

All workers in Anora's own workforce, working full- or part-time with either permanent or fixed term contracts, including non-employees (i.e. individual contractors supplying their labour or people provided by undertakings primarily engaged in 'employment activities') are considered subject to material impacts by Anora's own operations. Anora's rigid health and safety standards, as well as the "Anora Way" of working (according to the stipulations of the Code of Conduct) are designed to ensure a safe and inclusive work environment and to enhance all employees' wellbeing. Anora does not have its own operations in countries or geographic areas at significant risk of incidents of forced labour, compulsory labour or child labour.

Workers in the value chain

Anora's contribution to all identified actual impacts on value chain workers are connected to Anora's strategy and business model, as Anora's own production processes are dependent on the agricultural raw materials and other industrial inputs produced by its suppliers. Anora is committed to systematically improving its sustainable procurement procedures to alleviate the identified negative impacts for workers in the value chain. All value chain workers who are likely to be materially impacted by Anora, especially by impacts that relate to the upstream value chain in various agricultural and manufacturing activities through business relationships, are included in the scope of this disclosure under ESRS 2. Materially impacted value chain workers include primarily workers for agricultural entities in Anora's upstream value chain with some agricultural workers being particularly vulnerable in certain geographic areas with heightened risk for human rights infringements. According to a human rights impact assessment conducted in 2023, agricultural value chains and some of the geographic areas Anora sources from are prone to systemic human rights risks to right to health and safety, right to freedom of discrimination in employment, right to decent work, right to freedom of association and collective bargaining and forced labour.

Consumers and end-users

Anora's contribution to identified impacts on consumers originate from Anora's strategy and business model, where a complete alcoholic and non-alcoholic beverage portfolio of its own brands, and a wide range of prominent international partner wines and spirits is offered to its customers in off-trade and on-trade channels, from whom in turn consumers buy these products. Partly due to the potential negative impacts associated with excessive and/or irresponsible alcohol use, Anora is in line with observable consumer trends also investing in its ability to offer no- and low-alcohol options for sale through the same channels.

Materially impacted consumers included in the scope of this disclosure under ESRS 2, are people who consume Anora's products in Anora's downstream value chain. As alcoholic beverages stand for a significant portion of Anora's product portfolio; these people can be considered being consumers of products that have potentially negative health effects and which are meant to be enjoyed responsibly, in moderation, and abiding by local age limits. Due to the potentially negative impacts of alcoholic products on individuals, Anora's business is tightly regulated throughout all key market areas regarding sales, marketing, and excise duties. From Anora's point of view, potential negative health impacts from excessive and/or irresponsible alcohol use by individual consumers are considered related to Anora's business relationships with retail channels for alcoholic beverages in the downstream value chain. Anora is aware of the generally accepted knowledge that alcohol use carries an increased risk of harm for consumers with particular characteristics; especially if underage, pregnant, when using certain medicines or suffering from a medical condition. Potential negative impacts from excessive alcohol use are however not limited only to these specific groups of consumers.

During the reporting period, Anora has not formally performed comprehensive qualitative or quantitative analysis of its business model and strategy's resilience or capacity to address all the identified sustainability-related impacts and risks, or the ability to pursue all identified opportunities. The normal due diligence practices by which Anora identifies, prevents, mitigates and accounts for actual and potential impacts on the environment and people connected to its business, incur annual expenses (for example, amfori BSCI membership and audits) recognised mostly as employee and other operating expenses.

As Anora prepared its first CSRD Sustainability Statement, covering the 2024 reporting period, there are no changes to the material impacts, risks and opportunities compared to the previous reporting period. Entity-specific disclosures for metrics associated with the following material negative impacts have been reported

— Scope 3 GHG emissions: Forest, Land and Agriculture (FLAG) GHG emissions from production of agricultural raw materials in the upstream value chain, tCO_2eq
— Potential adverse health, social and economic effects from excessive alcohol use among consumers and end-users in Anora's downstream value chain: Share of net sales from no- and low-alcohol (NoLo) products divided by the total net sales of the period (%)
— Loss of natural environments and fragmentation of habitats due to land use and land use change from primary production of raw materials in Anora's upstream value chain: The "Regenerative Share" (%) is calculated by dividing the used ethanol made from regenerative barley by the overall ethanol used in the production of Anora's own products at its Rajamäki plant.

All other disclosures on material impacts, risks and opportunities are covered by the standard ESRS Disclosure Requirements.

IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities

Anora's process to identify and assess material impacts, risks and opportunities (IROs) was carried out by an appointed working group during 2023-2024 using Anora's previous materiality assessment (performed in 2022 in conjunction with the Sustainability Roadmap) as well as the subsequent sustainability reporting and work as starting assumptions. The process employed methodologies of desktop study (over internal and publicly available other materials), stakeholder interviews and group assessment workshops. The process built on Anora's existing due diligence practices to identify, assess, prioritise and monitor potential and actual impacts on people and the environment. Input parameters on sustainability data covering Anora's own operations included sustainability performance data and associated reported metrics, procurement information over recent reporting periods, previous risk assessments and expert views of representatives of Anora's different in-house functions and production sites. For the upstream- and/or value chain, most details (including proxies, estimations, sector-average data or other indirect sources of information) were limited to information available in-house or publicly.

By employing desktop research over available in-house data and through working group meetings with representatives from different segments at Anora, as well as with external experts on sustainability compliance, the main features in terms of sustainability of Anora's value chain and own operations were first defined and mapped out so that specific activities, site locations, business relationships, geographies and other factors that could give rise to a heightened risk of adverse impacts could be identified and categorised. Further insight was gathered from industry reports and interviews with identified affected stakeholder representatives, especially for biodiversity and regenerative farming as well as for human rights impacts in the value chain.

Based on this information, a group of actual and potential negative and positive impacts with which Anora is involved through its own operations or as a result of its business relationships was identified for further assessment of their materiality. All identified impacts were assessed and prioritised by utilising assessment scale scoring systems according to ESRS 1 requirements, i.e. negative impacts based on their relative severity and likelihood and positive impacts on their relative scale, scope and likelihood. All material impacts exceeding a quantitative materiality threshold (set at 70% of the theoretical maximum impact materiality score) as well as their pertaining ESRS sustainability matters were deemed material for reporting purposes.

For all identified impacts and associated sustainability topics, the potential financial implications in terms of sales and costs, investment needs and access to finance was considered and subsequently formulated into corresponding risks and opportunities. Based on assessments over available in-house data, a number of risks were seen as stemming from different resource dependencies whose price and availability could be impacted by sustainability-related topics (for example, climate change impacting price of agricultural raw materials). Other risks and opportunities were identified as potentially stemming from materialised impacts (e.g., commercial opportunities from packaging materials with reduced environmental and climate impacts). The materiality of each identified risk and opportunity was assessed based on a combination of their likelihood for occurring, as well as the magnitude and nature of their associated financial effects. A scoring system based on assessment scales was employed to prioritise all risks and opportunities with a quantitative materiality threshold (set at 70% of the theoretical maximum financial materiality score) to determine the materiality for reporting purposes of risks and opportunities as well as their associated sustainability matters.

Material sustainability-related risks correspond with risks previously identified in Anora's overall risk management processes and are therefore equally prioritised relative to other types of risks. The risk assessment approach utilised Anora's existing risk-assessment principles laid down in Anora's risk management policy, which in turn is based on the COSO ERM framework, the SFS-ISO 31000 standard "Risk management. Principles and instructions", Anora's Corporate Governance Principles and on the corporate governance code for Finnish listed companies (Corporate Governance Code).

The decision-making on determining which of the identified impacts, risks and opportunities was considered material was made by the CEO and Executive Team, and further approved by the Board of Directors, based on the findings and implications of the process conducted in accordance with requirements of the CSRD. This process to identify impacts and risks is built on the same data input parameters as, even if not formally yet completely integrated into, Anora's overall risk management process. Anora aims to use the findings of this process, as well as its future iterations, to further clarify and better describe its overall risk profile in terms of sustainability.

Anora intends to revise the process to identify and assess material impacts, risks and opportunities periodically to always reflect any changes in strategy or business model and to always incorporate all available relevant sustainability information.

Climate change

The process for identifying impacts on climate change built on earlier identified categories for sources of GHG emissions according to principles of the GHG protocol. The process recognised (based on available information) fuel and energy use and use of combustion engines and boilers in activities taking place in Anora's own manufacturing and logistics operations as well as along the value chain, noting especially agricultural upstream value chain activities' contribution to land-use change and available GHG emissions data over purchased services and products.

Climate-related risk identification and assessment was guided by earlier work according to the principles of the Task Force on Climate-related Financial Disclosures (TCFD). By considering instances in the value chain likely most vulnerable to climate change over the short-, medium-, and long term in a high emissions climate scenario (IPCC SSP5-8.5), namely agricultural activities in the upstream value chain, the most relevant climate-related physical risks were identified. Even if Anora has chosen a high emissions climate scenario as context for identifying climate-related hazards, a formal scenario analysis that would cover aspects such as the extent to which key assets and business activities may be exposed and are sensitive to the identified climate-related hazards, considering likelihoods, magnitudes and durations of hazards for different geospatial coordinates specific to Anora's supply chains, has not yet been conducted.

Similarly, for transition risks and opportunities, a climate scenario in line with limiting global warming to 1.5°C was used to provide context for the identification of risks and opportunities over the short-, medium-, and long term, but no formal scenario analysis involving a sensitivity assessment of assets and business activities against the scenario was conducted.

The climate scenarios chosen as context are not incompatible with any critical climate-related assumptions made in the financial statements. Chosen scenarios, available in IPCC's document *'Climate Change 2022: Impacts, Adaptation and Vulnerability'*, were used. These scenarios were chosen as their source was deemed up-to-date, credible and displaying the latest developments from scientific knowledge on climate change. Anora intends to perform more robust scenario analysis in the future and update its processes to identify and assess climate-related hazards and risks accordingly.

Anora defines time horizons for climate risks as follows: short time horizon 1–2 years, medium time horizon 3–5 years, and long-term time horizon over 5 years. The time horizons are aligned with Anora's overall risk management.

Pollution

Anora's site locations and business activities, as well as its value chain in terms of agricultural activities, were screened to identify pollution-related impacts, risks and opportunities. Even if wastewater management and Anora's contribution to the use of fertilizers in the value chain could cause pollution-related impacts (and associated financial effects), none of the identified potential impacts, risks and opportunities were assessed as being material in terms of the likelihood and nature of pollution-related outcomes. The process to identify material impacts, risks and opportunities related to pollution was based on available in-house data and did not involve consultations with affected communities.

Water and marine resources

Actual and potential water and marine resources-related impacts, risks and opportunities in relation to Anora's own assets and activities were assessed by comparing production site locations against WWF water risk maps and a water risk tool (available online) and it was concluded that none of Anora's own operating sites take place near water stress areas. Value chain water impacts were identified and assessed based on available in-house data on water use and associated impacts, especially from agricultural activities in the upstream value chain. No separate consultations were conducted with affected stakeholders on matters pertaining to water and marine resources.

Biodiversity and ecosystems

In addition to a general level screening of Anora's upstream value chain, impacts on biodiversity and ecosystems at own site locations were also assessed by ensuring that no own operations take place adjacent to biodiversity-sensitive areas, i.e., Natura 2000 network of protected areas, Unesco World Heritage sites and Key Biodiversity Areas (KBAs). Therefore, it was concluded that it is currently not necessary to implement any urgent biodiversity mitigation measures near Anora's own sites as the biodiversity impacts were deemed less material than those taking place in the upstream value chain through production of raw materials such as barley and wine. Anora's business model is dependent on various agricultural raw materials produced in the upstream value chain, such as barley, wine, sugar and spices, and therefore deemed indirectly subjected to biodiversity and ecosystem services dependencies, that may be influenced by various biodiversity-related physical and transition risks in the future (closely related to risks of chronic and acute changes in weather conditions described closer in the section for climate change above) but Anora has not conducted closer assessments of these. No separate consultations have yet been conducted with affected communities on sustainability assessments of shared biological resources and ecosystems.

Resource use and circular economy

Anora's site locations and business activities, as well as its value chain, were screened to identify the instances and sources from where resource use and waste-related impacts, risks and opportunities were most likely to arise. Available in-house information on the utilisation of industrial byproducts, waste management and procurement data over purchased materials and products supported the identifying of impacts, risks and opportunities arising from Anora's own operations. Regarding risks and opportunities, current and possibly upcoming EU-level and other legislation concerning waste and packaging materials (such as Directive on single-use plastics, Packaging Directive and their possible future iterations) provided further input for estimation of potential financial effects and their likelihoods. No separate consultations were conducted with affected stakeholders on matters pertaining to circular economy and resource use.

Business conduct

A screening against different processes and functions to ensure ethical conduct within Anora was conducted to identify and assess impacts, risks and opportunities related to business conduct topics such as maintaining a sound corporate culture, detecting and avoiding corruption and bribery, and protection of whistleblowers. Given that alcohol is a highly regulated industry, obtaining and maintaining the necessary licenses and permits are associated with a risk of corruption or bribery, especially in countries high on the corruption index. Any failures in processes to ensure ethical business conduct were therefore seen as the main sources for risks with potential financial repercussions.

IRO-2 – Disclosure Requirements in ESRS covered by the undertaking's Sustainability Statement

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ESRS 2 GOV-1	Paragraph 21 (e)	Percentage of board members who are independent			Delegated Regulation (EU) 2020/1816, Annex II			43
ESRS 2 GOV-4	Paragraph 30	Statement on due diligence	Indicator number 10 Table #3 of Annex I					45
ESRS 2 SBM-1	Paragraph 40 (d) i	Involvement in activities related to fossil fuel activities	Indicators number 4 Table #1 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II			46
ESRS 2 SBM-1	Paragraph 40 (d) ii	Involvement in activities related to chemical production	Indicator number 9 Table #2 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II			Not material
ESRS 2 SBM-1	Paragraph 40 (d) iii	Involvement in activities related to controversial weapons	Indicator number 14 Table #1 of Annex I		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II			Not material
ESRS 2 SBM-1	Paragraph 40 (d) iv	Involvement in activities related to cultivation and production of tobacco			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II			Not material
ESRS E1-1	Paragraph 14	Transition plan to reach climate neutrality by 2050				Regulation (EU) 2021/1119, Article 2(1)		73
ESRS E1-1	Paragraph 16 (g)	Undertakings excluded from Paris-aligned Benchmarks		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2			73
ESRS E1-4	Paragraph 34	GHG emission reduction targets	Indicator number 4 Table #2 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6			76

Disclosure Requirement	Related datapoint	Sustainability disclosure	SFDR (Sustainable Finance Disclosures Regulation) reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Paragraph	Page number
ESRS E1-5	Paragraph 38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex I					78
ESRS E1-5	Paragraph 37	Energy consumption and mix	Indicator number 5 Table #1 of Annex I					78
ESRS E1-5	Paragraphs 40–43	Energy intensity associated with activities in high climate impact sectors	Indicator number 6 Table #1 of Annex I					78
ESRS E1-6	Paragraph 44	Gross Scope 1, 2, 3 and Total GHG emissions	Indicators number 1 and 2 Table #1 of Annex I	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)			79
ESRS E1-6	Paragraphs 53–55	Gross GHG emissions intensity	Indicators number 3 Table #1 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)			81
ESRS E1-7	Paragraph 56	GHG removals and carbon credits				Regulation (EU) 2021/1119, Article 2(1)		Not material
ESRS E1-9	Paragraph 66	Exposure of the benchmark portfolio to climate-related physical risks			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II			Not material
ESRS E1-9	Paragraph 66 (a)	Disaggregation of monetary amounts by acute and chronic physical risk		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.				Not material
ESRS E1-9	Paragraph 66 (c)	Location of significant assets at material physical risk						Not material
ESRS E1-9	Paragraph 67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2:Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral				Not material

Disclosure Requirement	Related datapoint	Sustainability disclosure	SFDR (Sustainable Finance Disclosures Regulation) reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Paragraph	Page number
ESRS E1-9	Paragraph 69	Degree of exposure of the portfolio to climate-related opportunities			Delegated Regulation (EU) 2020/1818, Annex II			Not material
ESRS E2-4	Paragraph 28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	Indicator number 8 Table #1 of Annex I Indicator number 2 Table #2 of Annex I Indicator number 1 Table #2 of Annex I Indicator number 3 Table #2 of Annex I					Not material
ESRS E3-1	Paragraph 9	Water and marine resources	Indicator number 7 Table #2 of Annex I					82
ESRS E3-1	Paragraph 13	Dedicated policy	Indicator number 8 Table 2 of Annex I					56
ESRS E3-1	Paragraph 14	Sustainable oceans and seas	Indicator number 12 Table #2 of Annex I					83
ESRS E3-4	Paragraph 28 (c)	Total water recycled and reused	Indicator number 6.2 Table #2 of Annex I					84
ESRS E3-4	Paragraph 29	Total water consumption in m^3 per net revenue on own operations	Indicator number 6.1 Table #2 of Annex I					84
ESRS 2 – SBM-3 – E4	Paragraph 16 (a) i		Indicator number 7 Table #1 of Annex I					53
ESRS 2 – SBM-3 – E4	Paragraph 16 (b)		Indicator number 10 Table #2 of Annex I					53
ESRS 2 – SBM-3 – E4	Paragraph 16 (c)		Indicator number 14 Table #2 of Annex I					53
ESRS E4-2	Paragraph 24 (b)	Sustainable land / agriculture practices or policies	Indicator number 11 Table #2 of Annex I					87
ESRS E4-2	Paragraph 24 (c)	Sustainable oceans / seas practices or policies	Indicator number 12 Table #2 of Annex I					87
ESRS E4-2	Paragraph 24 (d)	Policies to address deforestation	Indicator number 15 Table #2 of Annex I					87
ESRS E5-5	Paragraph 37 (d)	Non-recycled waste	Indicator number 13 Table #2 of Annex I					93
ESRS E5-5	Paragraph 39	Hazardous waste and radioactive waste	Indicator number 9 Table #1 of Annex I					93
ESRS 2 – SBM-3 – S1	Paragraph 14 (f)	Risk of incidents of forced labour	Indicator number 13 Table #3 of Annex I					53
ESRS 2 – SBM-3 – S1	Paragraph 14 (g)	Risk of incidents of child labour	Indicator number 12 Table #3 of Annex I					53
ESRS S1-1	Paragraph 20	Human rights policy commitments	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I					96

Disclosure Requirement	Related datapoint	Sustainability disclosure	SFDR (Sustainable Finance Disclosures Regulation) reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Paragraph	Page number
ESRS S1-1	Paragraph 21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			Delegated Regulation (EU) 2020/1816, Annex II			96
ESRS S1-1	Paragraph 22	Processes and measures for preventing trafficking in human beings	Indicator number 11 Table #3 of Annex I					96
ESRS S1-1	Paragraph 23	Workplace accident prevention policy or management system	Indicator number 1 Table #3 of Annex I					96
ESRS S1-3	Paragraph 32 (c)	Grievance/complaints handling mechanisms	Indicator number 5 Table #3 of Annex I					97
ESRS S1-14	Paragraph 88 (b) and (c)	Number of fatalities and number and rate of work-related	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II			102
ESRS S1-14	Paragraph 88 (e)	Number of days lost to injuries, accidents, fatalities or illness	Indicator number 3 Table #3 of Annex I					102
ESRS S1-16	Paragraph 97 (a)	Unadjusted gender pay gap	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II			Not material
ESRS S1-16	Paragraph 97 (b)	Excessive CEO pay ratio	Indicator number 8 Table #3 of Annex I					Not material
ESRS S1-17	Paragraph 103 (a)	Incidents of discrimination	Indicator number 7 Table #3 of Annex I					102
ESRS S1-17	Paragraph 104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)			102
ESRS 2 – SBM-3 – S2	Paragraph 11 (b)	Significant risk of child labour or forced labour in the value chain	Indicators number 12 and n. 13 Table #3 of Annex I					53
ESRS S2-1	Paragraph 17	Human rights policy commitments	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex I					104
ESRS S2-1	Paragraph 18	Policies related to value chain workers	Indicator number 11 and n. 4 Table #3 of Annex I					104
ESRS S2-1	Paragraph 19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)			104
ESRS S2-1	Paragraph 19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			Delegated Regulation (EU) 2020/1816, Annex II			103

Disclosure Requirement	Related datapoint	Sustainability disclosure	SFDR (Sustainable Finance Disclosures Regulation) reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Paragraph	Page number
ESRS S2-4	Paragraph 36	Human rights issues and incidents connected to its upstream and downstream value chain	Indicator number 14 Table #3 of Annex I					106
ESRS S3-1	Paragraph 16	Human rights policy commitments	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex I					Not material
ESRS S3-1	Paragraph 17	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	Indicator number 10 Table #1 Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)			Not material
ESRS S3-4	Paragraph 36	Human rights issues and incidents	Indicator number 14 Table #3 of Annex I					Not material
ESRS S4-1	Paragraph 16	Policies related to consumers and end-users	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I					109
ESRS S4-1	Paragraph 17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II DelegatedRegulation (EU)2020/1818, Art 12 (1)			109
ESRS S4-4	Paragraph 35	Human rights issues and incidents	Indicator number 14 Table #3 of Annex I					111
ESRS G1-1	Paragraph 10 (b)	United Nations Convention against corruption	Indicator number 15 Table #3 of Annex I					Not material
ESRS G1-1	Paragraph 10 (d)	Protection of whistle-blowers	Indicator number 6 Table #3 of Annex I					Not material
ESRS G1-4	Paragraph 24 (a)	Fines for violation of anti-corruption and anti-bribery laws	Indicator number 17 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II			116
ESRS G1-4	Paragraph 24 (b)	Standards of anti-corruption and anti-bribery	Indicator number 16 Table #3 of Annex I					116

Material information to be disclosed, in terms of ESRS Disclosure Requirements and associated relevant datapoints, was determined based on compatibility with material sustainability matters (standardised ESRS sustainability sub-topics and sub-sub-topics) pertaining to the impacts, risks and opportunities that Anora assessed to be material as a result of the process described in section *Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)*.

Disclosure pursuant to Article 8 of Regulation 2020/852 (Taxonomy Regulation)

Disclosure pursuant to Article 8 of Regulation 2020/852 (Taxonomy Regulation)

The Taxonomy Regulation aims to provide definitions for environmentally sustainable economic activities and thus help direct capital into the green transition. Activities considered to be in most urgent need for sustainability investments, and their associated sustainability criteria, are stipulated in EU Taxonomy Delegated Acts from the viewpoints of objectives related to climate change mitigation and adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, as well as protection and restoration of biodiversity and ecosystems.

For the reporting period, Anora reviewed its previously conducted assessment of the Taxonomy-eligibility and alignment of its entire business from the viewpoints of all the EU climate and environmental objectives, and the results are presented as part of this disclosure.

Accounting principles

Anora's consolidated financial statements are prepared in accordance with IFRS as adopted by the European Union and all required key performance indicators (KPIs) under the Taxonomy Regulation are calculated using the financial information presented in the group consolidated financial statements. The taxonomy-eligible parts (numerators) of the KPIs are based on group interpretations of definitions in the Disclosures Delegated Regulation (EU) 2021/2178.

Assessment of compliance with the Taxonomy Regulation

Anora is a leading Nordic player in the production, import, sale and distribution of wine and spirits. Anora's business operations also include industrial operations in distillation, bottling and logistics services, as well as the production of technical ethanol products, neutral potable ethanol, feed components and barley starch. Anora's main line of business, the manufacturing of alcoholic and non-alcoholic beverages, is still outside of the scope of the activities listed in the EU Taxonomy Delegated Acts. This does not mean that Anora's activities are unsustainable, but rather that from the point of view of EU regulation, the manufacturing of beverages is currently not considered among activities most urgently in need of transition towards sustainable performance levels.

In its Taxonomy-assessment for the reporting period, Anora evaluated all its business segments and activities against the activity descriptions and technical criteria of relevant economic activities listed in the EU Taxonomy Climate Delegated Act (including its amendments), as well as the EU Environmental Delegated Act. All applicable taxonomy-eligible activities with associated statements on compliance are listed below.

4.24 Production of heat/cool from bioenergy

Approximately 40% of the heat sold (to A-rehu, adjacent to the Koskenkorva Distillery) during the reporting period was generated using agricultural biomass (mainly barley and oats husks) as its input. Currently there is a lack of information of the agricultural biodiversity conditions of the biomass origins as required by the technical criteria of the EU Taxonomy. The lack of information leads to non-alignment with the EU Taxonomy.

6.6. Freight transport services by road

Anora generates revenue from outbound logistics services to selected customers that involve freight transport by road. Only revenue from transports (also subcontracted) performed with EURO VI standard trucks are considered to be taxonomy eligible. The share of transport with EURO VI trucks (approximately 88% of total utilised fleet) from total invoiced logistics services is estimated on a cost-basis. The vehicles do not yet fulfil the criteria for 'zero-emission heavy-duty vehicles' or 'low-emission heavy-duty vehicles' as required by the criteria for taxonomy-alignment.

7.3. Installation, maintenance and repair of energy efficiency equipment

Many individual installations of HVAC equipment, energy efficient lighting systems and additions to insulation to existing envelope components of buildings during the reporting period are recognised as taxonomy-eligible capital expenditure. In some instances, the installations are part of larger renovations of buildings and facilities, in which cases the share of energy efficiency installations is based on conservative estimates of the total work conducted. Information regarding the individual components in accordance with Regulation (EU) 2017/1369, a formal climate risk assessment and assessment of the use of chemicals in the installed equipment as required in the Climate Delegated Act is currently missing, thus leading to non-alignment with the Taxonomy.

6.5. Transport by motorbikes, passenger cars and light commercial vehicles

Capital expenditure into additions of Anora's vehicle fleet included purchase of electric and hybrid vehicles during the reporting period. Due to missing information and documentation on technical aspects of the DNSH criteria, such as on rate of recyclability of vehicle materials, formal taxonomy-alignment cannot be demonstrated.

4.16 Installation and operation of electric heat pumps

At the Koskenkorva Distillery, capital expenditure into purchase and installation of a heat pump was recorded during the reporting period. Missing exact information on the current global warming potential (GWP) of the equipment means that Anora can not claim formal taxonomy-alignment of the activity.

Companies are required to describe how double counting has been avoided when shares of the economic figures were allocated to the activities assessed to be Taxonomy-eligible. The activities listed above correspond well with income and cost centres recognised in the accounting of the different business segments and thus the figures can be accurately allocated based on the assumptions above.

Some capital expenditure was targeted towards equipment for creating plastic caps that stick to bottles in accordance with EU's Single-use Plastic (SUP) Directive. Even if these amounts arguably could be seen as being related to the taxonomy-eligible activity class 'Manufacture of plastic packaging goods', plastic caps were not seen as complete packaging goods in themselves, and therefore Anora has applied the precautionary principle and excluded them from its Taxonomy reporting.

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024	**Year**			**Substantial contribution criteria**						**DNSH criteria ("Does Not Significantly Harm")**									
Economic Activities (1)	**Code (2)**	**Turnover (3)**	**Proportion of turnover, year 2024 (4)**	**Climate Change Mitigation (5)**	**Climate Change Adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular Economy (9)**	**Biodiversity (10)**	**Climate Change Mitigation (11)**	**Climate Change Adaptation (12)**	**Water (13)**	**Pollution (14)**	**Circular Economy (15)**	**Biodiversity (16)**	**Minimum Safeguards (17)**	**Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year 2023 (18)**	**Category enabling activity (19)**	**Category transitional activity (20)**
		EUR million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
TAXONOMY-ELIGIBLE ACTIVITIES																			
Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**-**	**0%**														0%		
Of which enabling		-	0%																
Of which transitional		-	0%																
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Production of heat/cool from bioenergy	CCM 4.24	0.79	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Freight transport services by road	CCM 6.6	9.62	1.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.7%		
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**10.41**	**1.5%**														1.8%		
Turnover of Taxonomy-eligible activities (A1.+A.2)		10.41	1.5%														1.8%		
TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		681.59	98.5%														98.2%		
TOTAL		**692.00**	**100%**														100%		

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Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024	**Year**			**Substantial contribution criteria**						**DNSH criteria ("Does Not Significantly Harm")**									
Economic Activities (1)	**Code (2)**	**CapEx (3)**	**Proportion of CapEx, year 2024 (4)**	**Climate Change Mitigation (5)**	**Climate Change Adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular Economy (9)**	**Biodiversity (10)**	**Climate Change Mitigation (11)**	**Climate Change Adaptation (12)**	**Water (13)**	**Pollution (14)**	**Circular Economy (15)**	**Biodiversity (16)**	**Minimum Safeguards (17)**	**Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEx, year 2023 (18)**	**Category enabling activity (19)**	**Category transitional activity (20)**
		EUR million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
TAXONOMY-ELIGIBLE ACTIVITIES																			
Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**-**	**0%**														0%		
Of which enabling		-	0%																
Of which transitional		-	0%																
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3.	0.99	5.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.0%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5.	0.15	0.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Installation and operation of electric heat pumps	CCM 4.16	0.12	0.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Renewal of water collection, treatment and supply systems	CCM 5.2.	0.00	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4.	0.00	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**1.26**	**6.6%**														1.1%		
CapEx of Taxonomy-eligible activities (A1.+A.2)		1.26	6.6%														1.1%		
TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		17.82	93.4%														98.9%		
TOTAL		**19.08**	**100%**														100%		

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Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024	Year			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	**Code (2)**	**OpEx (3)**	**Proportion of OpEx, year 2024 (4)**	**Climate Change Mitigation (5)**	**Climate Change Adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular Economy (9)**	**Biodiversity (10)**	**Climate Change Mitigation (11)**	**Climate Change Adaptation (12)**	**Water (13)**	**Pollution (14)**	**Circular Economy (15)**	**Biodiversity (16)**	**Minimum Safeguards (17)**	**Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx, year 2023 (18)**	**Category enabling activity (19)**	**Category transitional activity (20)**
		EUR million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
TAXONOMY-ELIGIBLE ACTIVITIES																			
Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**-**	**0%**														0%		
Of which enabling		-	0%																
Of which transitional		-	0%																
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**-**	**0%**														0%		
OpEx of Taxonomy-eligible activities (A1.+A.2)		-	0%														0%		
TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		12.8	100%														100%		
TOTAL		**12.8**	**100%**														100%		

Compliance with Minimum Safeguards

The Taxonomy Regulation refers to minimum safeguards as the procedures implemented by an undertaking to ensure the alignment with a) the OECD Guidelines for Multinational Enterprises, b) the UN Guiding Principles on Business and Human Rights c) the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and d) the International Bill of Human Rights.

In practice, the undertaking needs to demonstrate that its own operations, the operations of significant business partners and its supply chain are covered by adequate procedures to avoid adverse impacts and mitigate risks connected to a) human rights and working conditions (as stipulated by the UN General Principles and OECD, b) corruption and bribery, c) ensuring fair competition and d) taxation matters.

Anora had no court convictions or serious infringements regarding the topics above during the reporting period. Anora's existing governance practices and policies are designed to avoid adverse impacts stemming from the materialisation of different kinds of risks, including social matters. Anora is, for example, a member of amfori BSCI which conducts supply chain oversight in several countries regarding social adverse impacts. For more information about Anora's due diligence practices to ensure management of adverse social (and other) sustainability impacts, see section *Statement on due diligence (GOV-4)* under disclosure ESRS 2.

Nevertheless, the few Taxonomy-eligible activities that Anora has identified are not considered Taxonomy-aligned as they do not meet the substantial contribution criteria for those activities.

Contextual information about Turnover KPI

Anora has calculated turnover, as defined in the Disclosures Delegated Act, based on the same accounting that applies for revenue under the IFRS covering amounts derived from the sale of products and services as agreed in customer contracts. Anora's Taxonomy-eligible turnover (the numerator of the turnover KPI) was determined by estimating the share of turnover from activities assessed to be Taxonomy-eligible as described above. During the reporting period, small adjustments into how turnover of logistics services is interpreted and allocated was made based on revenue from customers served. The share of Anora's Taxonomy-eligible turnover is very low because the majority of Anora's business does not match the economic activities with substantial contribution potential to climate change targets under the Taxonomy regulation. For more information on Anora's principles for defining net sales, see section Financial Statements note 1.1.

Contextual information about CapEx KPI

Anora has included in its CapEx, as defined in the Disclosures Delegated Act, additions to tangible and intangible assets before depreciation, impairment, amortisation and excluding fair value changes during the financial year. For more information on Anora's principles for defining capital expenditure (the denominator of the turnover KPI), see section Financial Statements note 2.1 and 2.2. The Taxonomy-eligibility of investments was determined by assessing if the investment was targeted towards a taxonomy-eligible activity or based on the purchase of output from other companies' Taxonomy-eligible activities, as described above. Changes in taxonomy-eligible activities associated with CapEx investments reflect the changes in Anora's investments during the reporting period. Small adjustments in interpretations regarding the compatibility with activity descriptions of taxonomy-eligible activities were made, especially for Anora's decentralized wastewater treatment facilities which are not considered eligible. The Taxonomy-eligible CapEx investments correspond to additions to tangible assets in the form of energy efficiency equipment of buildings and installation of charging stations for electric vehicles.

Contextual information about OpEx KPI

Operational expenditure, as defined in section 1.1.3.2. of Annex I of Commission Delegated Regulation (EU) 2021/2178, is largely considered not material for the business model of Anora. Due to Anora's capitalisation practices (with a threshold of approximately EUR 5000), all other significant expenditure for continued and effective functioning of assets associated with taxonomy-eligible activities is captured by the CapEx KPI, explaining the absence of materiality of additional operating expenditure recognised in the OpEx KPI numerator. The OpEx KPI denominator is disclosed in the table below, and includes all non-capitalised costs related to research and development, building renovation measures, short-term leases, maintenance and repair, and any other direct expenditure relating to the day-to-day servicing of assets of property, plant and equipment by Anora or a third party to whom activities are outsourced.

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

E1 Climate Change

E1-1 – Transition plan for climate change mitigation

Anora does not yet have in place a formal transition plan for climate change mitigation, by which it ensures that its strategy and business model are compatible with the transition to a sustainable economy, and with the limiting of global warming to 1.5 °C in line with the Paris Agreement and with the objective of achieving climate neutrality by 2050. However, Anora has during 2024 and in earlier reporting periods created the foundation for a formal transition plan for climate change mitigation by calculating GHG emissions from its own operations and its value chain and setting climate targets approved by the Science Based Targets initiative. Anora started to work on a climate roadmap action plan for Scope 3 in the fourth quarter of 2024, focusing especially on building a stronger understanding of how to reach the Scope 3 GHG emissions targets and plan for the initiated steps and actions to be taken in the forthcoming years in terms of grain, wine, logistics and packaging emissions. Anora is currently reviewing any potential locked-in GHG-emissions as well as the alignment of its overall business strategy and financial planning with limiting of global warming to 1.5 °C in line with the Paris Agreement. Anora cannot however yet state when a formal transition plan will be adopted.

E1-2 – Policies related to climate change mitigation and adaptation

Anora's key policy related to climate change mitigation and adaptation is Anora's Quality Safety and Environment Policy. The policy generally states Anora's intentions to address its negative impacts (GHG emissions) associated with climate change mitigation, adaptation and energy in its own operations and in the value chain through appropriate means but does not go into details on how to address these questions, thus reserving flexibility in choosing the best appropriate means needed for each situation. Anora evaluates annually the need to review and update its policies and procedures.

Policy	Key contents, objectives and processes for monitoring associated impacts, risks and opportunities	Scope and exclusions of policy	Most senior level accountable for implementation	Related third-party standards or initiatives (if relevant)	Policy availability to stakeholders
Anora Quality, Safety and Environment Policy	The policy is based on Anora's Sustainability Roadmap, and includes principles for management and implementation of quality, safety and environmental values for Anora's sustainability work. In relation to Anora's material negative impacts in terms of GHG emissions from its own operations and from the value chain, the policy Includes a statement that Anora aims to minimise its climate impacts and strive for carbon-neutral production.	Covers Anora's own operations	Executive Management Team	UN Sustainable Development Goals	Publicly available online
Anora Code of Conduct for Suppliers and Subcontractors	The policy contains minimum requirements for ensuring sustainable and responsible business conduct in Anora's upstream value chain. In order to mitigate negative impacts in terms of value chain GHG emissions, as well as to alleviate the potential financial effects from material chronic and acute physical climate risks in areas where agricultural value chain activities take place, the policy requires suppliers and subcontractors to aim to reduce energy use, shift from fossil energy to renewable energy sources and actively monitor and strive to reduce greenhouse gas emissions in their own operations and respective supply chain.	Applies to suppliers and subcontractors and their suppliers and subcontractors	Executive Management Team	UN Universal Declaration of Human Rights, UN Global Compact and amfori BSCI (Business Social Compliance Initiative) Code of Conduct.	Publicly available online

E1-3 – Actions and resources in relation to climate change policies

During the reporting period, actions related to climate change mitigation (grouped according to decarbonisation lever type) included:

Fuel switching and using renewable energy

- Using 100% renewable electricity and using bioenergy for steam production (from distillation byproduct barley husks) at Koskenkorva Distillery. These actions are significant as Koskenkorva accounted for around 79% (70%) of the emissions from Anora's own operations (Scope 1 & 2) during the reporting period. Actions cover Anora's own operations (Koskenkorva Distillery) and are expected to result in decreased GHG emissions in the short term.
- Changing to 100% renewable electricity at the Rajamäki plant and at the Ruoholahti head office in 2024. Actions cover own operations in Finland and are expected to result in decreased GHG emissions in the short term.
- Plan to replace the Koskenkorva Distillery's remaining fossil fuel-fired steam boiler with a state-of-the art fossil-emissions-free biomass boiler, by which Anora aims to reach zero fossil emissions at the distillery during 2026. Action covers Anora's own operations (Koskenkorva Distillery) and is expected to result in decreased fossil emissions in the short and medium term.

Supply-chain decarbonisation

- Increasing near market filling by shipping bulk liquids, rather than wine in glass bottles from the country of origin, to be filled close to the end markets and using tailored sustainable packaging options to meet customer requirements. Using low-emission transport forms for the bulk-wine, such as biodiesel trains. The expected outcome is decreased GHG emissions in the upstream value chain in the medium term.
- Cooperating with the BSAG (Baltic Sea Action Group) and local farming consultants and authorities on regenerative farming and providing training and offering contract incentives for farmers. The expected outcome is decreased GHG emissions in the upstream value chain in the medium- and long term.
- In 2024, Anora continued the practice from the previous year of including a question for its vendors to submit estimated CO_2e values for each transport lane in its inbound transportation, with the aim of Anora being able to make more informed decisions when selecting vendors and routes. During 2024, Anora also consolidated more volume in Sweden with railroad transports to Sweden, providing a lower emission option.

Products change

- Promotion of recycled, recyclable and/or lighter packaging options (such as rPET, tetras, BiBs). For instance, BiBs have an over 80% lower CO_2 footprint compared to traditional glass bottles. When BiB is combined with near market filling – where wine is brought from, for example, South America in containers to the Nordics and packed near the final markets – it further reduces the environmental impact of wine production. A PET bottle is light in weight and has an over 60% lower carbon footprint than a similar glass bottle. Anora has several wine bottle formats comprised of 75% rPET. In the spirits portfolio, majority of Anora's PET bottles have 50% recycled PET content. Lighter weight bottles also decrease the logistics emissions and PET bottles are less energy intensive to produce than glass. The expected outcome is decreased GHG emissions from the upstream value chain.

Energy efficiency

- In 2024, at Koskenkorva Distillery, a process water circulation heat pump was installed. Once fully operational, the target of the heat pump is to reduce 10% of the primary steam production required at the distillery and to reduce the amount of fuel consumption in the future.
- A-Rehu, a non-Anora livestock and poultry feed plant operating within the Koskenkorva plant area, made a major investment decision to build a new feed dryer, a project that was conducted together with Anora in 2023. Once operational, the energy from the Koskenkorva Distillery's powerplant will be used by the feed dryer, but part of residual energy is 'returned' and can be used again in the distilling process. This has the potential of reducing the need for steam production by 20% in the plant area. The new feed dryer is planned to be fully operational in 2025.
- Installation, maintenance and repair of energy efficiency equipment (HVAC, energy efficient LED lighting systems and added insulation) at own production sites. Actions cover own operations across Anora and is expected to result in reduced energy consumption and decreased GHG emissions.

Research and development

- Koskenkorva Distillery continued its work on reducing biogenic Scope 1 emissions in cooperation with an external partner, with increased capacity for recovery of CO_2 released from fermenting. Actions cover own operations in Koskenkorva Distillery and are expected to result in decreased biogenic emissions in the short and medium term.

Anora has not yet calculated the disaggregated achieved and expected GHG emission reductions from the actions listed above. The vast majority of Anora's emissions come from Scope 3, in which the majority of GHG emissions are estimated to originate from Forest, Land and Agricultural (FLAG) emissions encompassing land use change and land management associated with barley and wine production. Other significant Scope 3 emissions originate from other purchased goods and services including packaging materials. Continued access to finance with a reasonable cost of capital is important for Anora to execute its sustainability strategy and to ensure the attainment of set sustainability targets. Anora has not yet formally allocated CapEx and OpEx amounts as defined by Commission Delegated Regulation (EU) 2021/2178 to the actions listed above and has not implemented a so-called CapEx plan as defined by the regulation. Associated operational expenses recognised in the financial statements relate to materials and services (note 1.4), employee benefit expenses (note 1.5), other operating expenses (note 1.6) and research and development expenditures (note 1.7). Associated capital expenses recognised in the financial statements relate to property, plant and equipment (note 2.2) and right-of-use assets (note 2.3).

E1-4 – Targets related to climate change mitigation and adaptation

Anora Group Plc commits to reach net-zero greenhouse gas emissions across the value chain by 2050. Anora has set science-based targets, which were validated by the Science-Based Targets initiative (SBTi) in 2024 and presented in the table below. In addition to science-based targets, Anora has set its own separate targets to reach zero fossil emissions at Koskenkorva Distillery during 2026 and for the entirety of its own production by 2030, without carbon compensations. All targets relate to sustainability matters defined as material as the outcome of a process to identify and assess material impacts, risks and opportunities, during which affected stakeholder views were considered.

Target	Relationship with policy objectives and scope of target	Target and nature of target	Target year and interim targets or milestones	Baseline value and year	Status of performance against target	Description of methodologies, significant assumptions, evidence used to define target or any changes in these
Energy & Industry Emissions reduction	Target relates to climate change mitigation and energy through GHG emissions reduction in own production and associated purchased energy during the reporting period, in line with objectives stated in Anora Quality Safety and Environment Policy.	23,415 tCO_2eq Scope 1 & 2 GHG emissions within target boundary (-42% from baseline).	2030	40,371 tCO_2eq Scope 1 & 2 (market-based) emissions in 2021 from emission source(s) within target boundary in 2021.	26,750 tCO_2eq during the reporting period (-34% from baseline). Target is closely monitored and reported each reporting period.	GHG emission reduction targets are science-based and compatible with limiting global warming to 1.5°C, based on applicable sectoral decarbonisation pathways. Targets, boundaries and baselines have been validated and approved by the SBTi (Science Based Targets initiative). The target covers exclusively CO_2 carbon dioxide GHG emissions. Energy & Industry • Scope 1 boundary includes also biogenic emissions from fermentation on top of fossil emissions and thus diverge from the Scope 1 emissions reported under Disclosure Requirement E1-6. Estimated to represent approximately 40% of the combined Scope 1 & 2 GHG emissions target during the target period. • Scope 2 emissions are market-based figures. Estimated to represent approximately 60% of the combined Scope 1 & 2 GHG emissions target during the target period. • Scope 3 emissions include emissions from GHG protocol categories 1, 4 and 9. FLAG • Scope 1 FLAG emissions include emissions from Anora's owned forest area in Rajamäki, Finland and thus diverge from the Scope 1 emissions reported under Disclosure Requirement E1-6. Estimated to represent approximately 3.5% of the combined Scope 1 & 3 FLAG GHG emissions target during the target period. • Scope 3 FLAG emissions include indirect emissions from purchased grain and wine. Estimated to represent approximately 96.5% of the combined Scope 1 & 3 FLAG GHG emissions target during the target period. All emissions are calculated based on GHG protocol and SBTi FLAG guidance principles. Attainment of current targets can be influenced by unforeseen future developments (for example, changes in sales volumes, shifts in customer preferences and demand, regulatory factors, and new technologies) which can potentially impact both GHG emissions and Anora's ability to meet emissions reductions.
		4,037 tCO_2eq Scope 1 & 2 GHG emissions (-90% from baseline).	2050			
	Target relates to climate change mitigation through GHG emissions reduction from purchased goods and services, upstream and downstream transportation and distribution, in line with objectives stated in the Anora Quality Safety and Environment Policy and the Anora Code of Conduct for Suppliers and Subcontractors	142,858 tCO_2eq Scope 3 GHG emissions within target boundary (-42% from baseline).	2030	246,306 tCO_2eq Scope 3 baseline emissions from emission source(s) within target boundary in 2021, representing 92% of total baseline emissions for GHG inventory of 267,143 tCO_2e in 2021	272,465 tCO_2eq during the reporting period (+11% from baseline) Target is closely monitored and reported each reporting period.	
		24,631 tCO_2eq scope 3 GHG emissions (-90 % from baseline)	2050			
FLAG (Forest, Land and Agriculture) emissions reduction	Target relates to emissions from land use change and land management associated with Forest, Land and Agriculture (FLAG) activities in the upstream value chain and to some extent in Anora's own operations. Anora also commits to maintaining no deforestation across its primary deforestation-linked commodities, in line with objectives stated in the Anora Quality Safety and Environment Policy and the Anora Code of Conduct for Suppliers and Subcontractors.	143,895 tCO_2eq scope 1 and 3 FLAG GHG emissions within target boundary (-30.3% from baseline)	2030	206,448 tCO_2eq baseline emissions from emission source(s) within target boundary in 2021, representing 77.6% of total baseline emissions for GHG inventory of 265,965 tCO_2e in 2021.	225,187 tCO_2eq during the reporting period (-15% from baseline). Target is closely monitored and reported each reporting period.	
		57,806 tCO_2eq Scope 1 & 3 GHG emissions (-72% from baseline).	2050			

In addition to science-based targets, Anora has set its own separate targets to reach zero fossil emissions at Koskenkorva Distillery during 2026, and zero fossil emissions for the entire own production by 2030, without carbon compensations, which is described below.

Target	Relationship with policy objectives and scope of target	Target and nature of target	Target year and interim targets or milestones	Baseline value and year	Status of performance against target	Description of methodologies, significant assumptions, evidence used to define target or any changes in these
Anora's own operations are carbon neutral by 2030, and the Koskenkorva Distillery is carbon neutral by 2026 – both without compensations.	Target relates to fossil GHG emissions from Anora's own operations. Relates to Sustainability Roadmap and Anora Quality Safety and Environment Policy, aiming to minimise climate impacts and strive for carbon-neutral production.	Zero fossil tCO_2eq in Koskenkorva during 2026 and zero fossil tCO_2eq across entire own production by 2030.	2026 and 2030	25,816 tCO_2eq in 2021	13,547 tCO_2eq during the reporting period (-48% from baseline). Target is closely monitored and reported each reporting period.	The boundary includes Anora's fossil Scope 1 & 2 CO_2 carbon dioxide emissions. It does not cover biogenic emissions from fermentation or FLAG emissions. Currently the target is measured compared to Anora's total fossil Scope 1 & 2 emissions. Emissions are calculated based on GHG protocol. Scope 1 emissions are estimated to represent approximately 6% and Scope 2 94% of the combined Scope 1 & 2 GHG emissions target during the target period. This separate climate target for Koskenkorva Distillery and other own operations is designed to support Anora's overall efforts to mitigate GHG emissions and contribute to the international goal of limiting global warming to 1.5°C according to the Paris Agreement.

Targets presented in the tables above are not fully consistent with Anora's material GHG inventory boundaries (presented in section E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions) as all target boundaries have been chosen to account for the most significant emission sources associated with Anora's own operations and value chain. Indirect emissions from Forest, Land and Agricultural (FLAG) activities associated with Anora's purchased goods and services are significant and follow a sectoral decarbonization pathway that differs from the sectoral decarbonisation pathway that applies for all Anora's industrial activities. The baseline year of 2021 for all targets is representative in terms of Anora's current activities and normal production levels. Information on Anora's decarbonisation levers and associated actions and action plans to achieve the set climate targets are presented in section *Actions and resources in relation to climate change policies (E1-3)* of these Sustainability Statements, where for instance direct scope 1 GHG emissions and indirect scope 2 GHG emissions are addressed through various fuel switching energy efficiency measures, and indirect Scope 3 GHG emissions e.g., by employing near-market filling. The quantitative estimated contributions of these actions for the achievement of the GHG emission reduction targets have not yet been calculated and broken down by each Scope (1, 2 and 3). Anora continually reviews all available and commercially feasible technologies for GHG emissions reduction and is currently engaging, for example, in collaboration with an external partner in research and development of reducing biogenic Scope 1 emissions by increasing the capacity for recovering CO_2 released in fermentation process in Koskenkorva Distillery.

Anora is in the process of building a better understanding of how different climate scenarios may alleviate or exacerbate different climate-related impacts, risks and opportunities in its own operations and in the value chain. This understanding is needed for setting and adjusting climate targets and to formulate needed actions and action plans, with appropriate resource allocations, to detect and adjust to relevant environmental-, societal-, technology-, market- and policy -related developments over the short-, medium- and long term. For more information on how climate scenarios have been considered thus far as context in identifying and assessing material climate-related impacts, risks and opportunities, see sections in ESRS 2 *Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3) and Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)*.

E1-5 – Energy consumption and mix

Information on Anora's energy consumption and mix, by which performance and efficiency for energy-related impacts is measured, is presented in the following table. Anora's activities are best classified under C11 Manufacture of beverages, and to a smaller extent also under H49.41 Freight transport by road and H52 Warehousing and support activities for transportation (according to NACE Rev. 2 activity classification), and therefore all Anora's operations are considered to be taking place in high climate impact sectors (as defined in Commission Delegated Regulation (EU) 2022/1288).

Energy consumption and mix	**2024**
(1) Fuel consumption from coal and coal products (MWh)	N/A
(2) Fuel consumption from crude oil and petroleum products (MWh)	6,441
(3) Fuel consumption from natural gas (MWh)	0
(4) Fuel consumption from other fossil sources (MWh)	0
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	30,209
(6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	**36,651**
Share of fossil sources in total energy consumption (%)	**22%**
(7) Consumption from nuclear sources (MWh)	**4,793**
Share of consumption from nuclear sources in total energy consumption (%)	**3%**
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	14
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	126,077
(10) The consumption of self-generated non-fuel renewable energy (MWh)	N/A
(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	**126,091**
Share of renewable sources in total energy consumption (%)	**75%**
Total energy consumption (MWh) (calculated as the sum of lines 6, and 11)	**167,535**

Anora's own renewable energy production (steam from distillation byproduct barley husks in Koskenkorva Distillery) was 122,103 MWh during the reporting period. Energy intensity (total energy consumption per net revenue) associated with activities in high climate impact sectors was 0.02% during the reporting period. Anora's net revenue associated with activities from so-called high climate impact sectors (covering all Anora's activities) is the total net revenue available in the income statement.

All metrics presented in this section of the sustainability statement are based on fuel purchase and consumption data from Anora's production plants and offices as well as information over the origin of consumed energy obtained from energy contracts. These metrics have not been validated by an external body other than the assurance provider.

E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions

Anora's GHG emissions, consolidated at the level of the Anora Group (including all subsidiaries) are presented in the table below. During the reporting period, Anora was not involved with any significant associates, joint ventures, unconsolidated subsidiaries or contractual arrangements that would be joint arrangements not structured through an entity (i.e., jointly controlled operations and assets), for which it had operational control, and would be therefore responsible for the associated GHG emissions. Therefore Scope 1 and 2 emissions are not disaggregated and separately disclosed under any such arrangements in the following table.

	Retrospective				Milestones and target years			
	Base year (2021)	Comparative	2024	% 2024 / 2023	2025	2030	2050	Annual % target / Base year
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions (tCO_2eq)	1,441	N/A	1,528	N/A	N/A	836	144	3.1%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Scope 2 GHG emissions								
Gross location-based Scope 2 GHG emissions (tCO_2eq)	N/A	N/A	8,483	N/A	N/A	N/A	N/A	N/A
Gross market-based Scope 2 GHG emissions (tCO_2eq)	24,375	N/A	12,018	N/A	N/A	14,138	2,438	3.1%
Significant scope 3 GHG emissions								
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	N/A	N/A	503,440	N/A	N/A	N/A	N/A	N/A
1 Purchased goods and services	455,088	N/A	443,447	N/A	N/A	294,227	92,087	2.8%
2 Capital goods	N/A	N/A	2,389	N/A	N/A	N/A	N/A	N/A
3 Fuel and energy-related Activities (not included in Scope1 or Scope 2)	N/A	N/A	6,715	N/A	N/A	N/A	N/A	N/A
4 Upstream transportation and distribution	30,057	N/A	26,291	N/A	N/A	17,433	3,006	3.1%
5 Waste generated in operations	N/A	N/A	195	N/A	N/A	N/A	N/A	N/A
6 Business travelling	N/A	N/A	1,517	N/A	N/A	N/A	N/A	N/A
7 Employee commuting	N/A	N/A	1,529	N/A	N/A	N/A	N/A	N/A
9 Downstream transportation	19,931	N/A	20,718	N/A	N/A	11,560	1,993	3.1%
10 Processing of sold products	N/A	N/A	102	N/A	N/A	N/A	N/A	N/A
12 End-of-life treatment of sold products	N/A	N/A	535	N/A	N/A	N/A	N/A	N/A
Total GHG emissions								
Total GHG emissions (location-based) (tCO_2eq)	N/A	N/A	513,452	N/A	N/A	N/A	N/A	N/A
Total GHG emissions (market-based) (tCO_2eq)	N/A	N/A	516,987	N/A	N/A	N/A	N/A	N/A

The projected average annual emission reduction of Scope 3, Category 1, is calculated based on a weighted average of decarbonization pathways for industrial operations and FLAG operations, reflecting the estimated supply chains of purchased goods and services reported in the category. The figure in Scope 1 target do not fully correspond with Anora's science-based targets for climate change presented in section E1-4 as those targets are defined by somewhat different target boundary. The Scope 1 target covers 9% of the emissions reported in E1-4 and covers fossil carbon dioxide GHG emissions.

Biogenic emissions of CO_2 from fermentation process (tCO_2eq) not included in Scope 1 GHG emissions presented in the table above was 13,203. Biogenic emissions of CO_2 from the combustion of biomass (tCO_2eq) not included in Scope 2 GHG emissions presented in the table above was 31,164. Biogenic emissions of CO_2 from Scope 3, Category 11 Use of sold products, not included in the table above was 8,599 tCO_2eq.

In addition to the aggregated emissions figures presented in the table above, Anora also follows Gross Scope 1 GHG emissions associated with FLAG activities from its owned forest area (tCO_2eq) which was 7,196. Out of the Scope 3 GHG emissions from Category 1 Purchased goods and services, 217,992 tCO_2eq comes from FLAG emissions (purchased grain and wine).

Anora reports Scope 1, 2 and 3 greenhouse gas (GHG) emissions and calculates it in accordance with the principles of the GHG Protocol. Scope 1 GHG emissions are direct emissions generated by the combustion of fuels in Anora's own production sites and used fuel in company vehicles. Scope 2 GHG emissions are indirect emissions derived from energy purchased from external sources and used in the company's operations. Anora generates no other direct greenhouse gas emissions except for carbon dioxide (CO_2) emissions. CO_2 emissions from purchased energy have been calculated according to a market-based approach, by multiplying the energy consumption by the emission factor corresponding with its production (kg CO_2/kWh). Anora widened its Scope 2 calculation in 2023 and since that also reports the location-based Scope 2 emissions besides market-based figures. No significant assumptions were used in the calculation or measurement of GHG emissions for Scopes 1-2. The chosen emissions factors are believed to cover best available information of the estimated global warming potential of the associated GHG emissions.

The following sources for emission factors have been used in the calculations:

For Scope 1 direct GHG emissions

- **Natural gas, liquid petroleum gas (LPG) and fuels:** DEFRA (Department for Environment, Food & Rural Affairs)
- **Liquid petroleum gas used for steam production:** Conversion from LPG from the Directory of Environment of Norway

For Scope 2 indirect GHG emissions

- **Electricity:** country-specific European Residual Mix
- **District heating:** local district heating suppliers, local European Production Mix
- **Steam:** local steam suppliers in Finland and DEFRA

For Scope 3 indirect GHG emissions

- Several sources, main sources being DEFRA, Agrifootprint, Common Reporting Tables, OIV-wine statistics, FAOstat, Luke, local GHG inventories, primary data from supplier-specific information, Exiobase, Motiva, Country-specific Residual Mix

Of Scope 2 indirect GHG emissions, 99% stemmed from contractually purchased electricity bundled with Guarantee of Origins or Renewable Energy Certificates instruments during the reporting period. 1% of Scope 2 indirect GHG emissions stemmed from contracts without such energy attribute claims.

Scope 3 emissions originate from Anora's value chain, and pertaining to Scope 3 GHG emissions Anora also reports its FLAG (Forest, Land and Agriculture) emissions from purchased grain and wine. Majority of the Scope 3 emissions are calculated with average-data method, and partly with supplier-specific and spend-based method. Following assumptions are used in categories 9 and 12. In category 9, the emissions of downstream logistics are calculated based on exported volumes and their destination countries. In category 12, the emissions from end-of-life treatment of sold products are calculated based on packaging amounts and relevant waste disposal emission factors from DEFRA. In category 1, the data regarding purchased goods of Globus Wine for 1 month is estimated based on the average of 11 months, due to the data system integration effective from the end of January 2024 onwards.

It is assumed that the chosen Scope 3 GHG emission factors sufficiently represent the associated underlying emissions. Anora aims to always employ the most credible emission factors available. Anora's FLAG emissions are calculated according to SBTi Forest, Land and Agriculture Guidance. FLAG emissions are divided into land use change (LUC) and land management (LM). Calculation does not include land-based carbon removals. The most significant assumptions are based on average-data method. Data is not validated by an external body other than the assurance provider. 7% of Scope 3 emissions are calculated using primary data obtained from suppliers or other value chain partners. Scope 3 GHG emissions categories excluded from the inventory are categories 8 Upstream leased assets, 13 Downstream leased assets, 14 Franchises, and 15 Investments, as they were seen as non-material for Anora's business model, non-existing or insignificant. Anora has no activities in categories 8, 13 and 14, and category 15 is estimated as insignificant as joint arrangements are either covered as suppliers in other Scope 3 categories or calculated based on to be insignificant (under <1% of total Scope 3 emissions). Anora reports the GHG emissions categories in line with the 2021 boundary and baseline for the SBTi targets, reviewed in 2024 as a part of the validation process with SBTi. This validation also covered the entity-specific Scope 1 and Scope 3 FLAG GHG emissions considered entity-specific for Anora.

GHG Intensity based on net revenue

GHG intensity per net revenue	Comparative (2021 level)	2024	% 2024 / 2023
Total GHG emissions (location-based) per net revenue (tCO_2eq/Monetary unit)	N/A	0.07%	N/A
Total GHG emissions (market-based) per net revenue (tCO_2eq/Monetary unit)	N/A	0.07%	N/A

Net revenue used for the calculation of GHG intensity was the net revenue for the reporting period EUR 692 million. For more information, see the consolidated income statement and note 1.2 Revenues from operations in the financial statements.

E3 Water and marine resources

E3-1 – Policies related to water and marine resources

Anora's key policies for addressing potential negative impacts related to water management, including use and sourcing of water, water treatment and the prevention of water pollution in its own operations and throughout its value chain are presented in the table below. Anora evaluates annually the need to review and update its policies and procedures.

Policy	Key contents, objectives and processes for monitoring associated impacts, risks and opportunities	Scope and exclusions of policy	Most senior level accountable for implementation	Related third-party standards or initiatives (if relevant)	Policy availability to stakeholders
Anora Quality, Safety and Environment Policy	The policy is based on Anora's Sustainability Roadmap and includes principles for the management and implementation of quality, safety and environmental values for Anora's sustainability work. Includes a general statement that Anora aims to minimise its negative environmental impacts (including water consumption), aims to decrease the amount of generated wastewater, and invests in promoting the protection of biodiversity, e.g. implementing a forest management plan to protect its groundwater area and supporting regenerative farming.	The Executive Management Team, the management of each function, as well as each employee within their sphere of influence. All Anora's suppliers	Executive Management Team	UN Sustainable Development Goals	Publicly available online
How we manage and protect water at Anora	Describes Anora's principles on managing its water resources, negative impacts associated with water consumption as well as its practices to treat and minimise generated wastewater. Water in Anora's operations is mostly sourced from ground water and communal water sources. Acknowledging that water is one of the most precious global resources and one of the key ingredients in Anora's products, the document describes the ways in which Anora's operations may impact water resources and Anora's approach to managing these impacts. The policy principles require production plants to set individual water use and wastewater reduction targets in line with Anora's overarching sustainability roadmap, including actions such as identifying wastewater sources, reducing liquid waste, recycling of process water and other water reutilisation processes. The Rajamäki, Koskenkorva and Gjelleråsen plants systematically analyse the quality of wastewater by e.g. measuring COD (Chemical Oxygen Demand) and pH, which allows the plants to make specific changes to enhance wastewater quality. None of Anora's current products are designed to directly address water-related issues and the preservation of marine resources, even if water use is carefully monitored and managed during the production processes. The document states that Anora does not currently operate in areas of water scarcity.	Covers Anora's production sites individually as well as groundwater area owned by Anora. The upstream value chain impacts for barley and wine farming are covered as well.	Executive Management Team	UN Sustainable Development Goals	Publicly available online
Anora Code of Conduct for Suppliers and Subcontractors	The policy contains minimum requirements for ensuring sustainable and responsible business conduct in Anora's upstream value chain. Aiming for mitigating negative impacts related to water consumption and generated wastewater in the upstream value chain, the policy requires suppliers and subcontractors to have a water management plan and strive towards decreasing the use of water particularly in water scarcity areas.	Applies to suppliers and subcontractors and their suppliers and subcontractors.	Executive Management Team	UN Universal Declaration of Human Rights, UN Global Compact and amfori BSCI (Business Social Compliance Initiative) Code of Conduct.	Publicly available online
Procurement Policy and Principles of responsible sourcing	The policy contains Anora's procurement principles, including sustainability requirements: Agricultural products (barley, wine) produced in Anora's upstream value chain must be produced by following good agricultural practices (including regarding water consumption and wastewater management)	All Anora's suppliers	Executive Management Team	amfori BSCI principles	Publicly available online

Anora identifies its water-related impacts and risks as part of its ongoing environmental management according to ISO 14001 principle. s at its production sites (certification in Finland). Despite an ongoing partnership with the Baltic Sea Action Group (BSAG) with a focus on promoting regenerative farming, Anora has not formally adopted policies or practices related to sustainable oceans and seas.

E3-2 – Actions and resources related to water and marine resources

Anora's aims for a 20% reduction in the amount of wastewater generated by 2030. This will require actions to reduce wastewater originating in the manufacturing process and the further enhancement of water circulation. Anora does not currently operate in areas of water scarcity. During the reporting period, actions and action plans related to water and marine resources included:

- At Koskenkorva Distillery, wastewater reduction focused on the further testing of process water recycling and further small investments to enhance the process. The plant works with several methods to decrease water use and wastewater amount, for example recycling process water and optimising washes, which reduces wastewater volumes and enhances the wastewater quality (COD). During 2024, the operations and enhancement of the Koskenkorva plant's wastewater pre-treatment facility have also been actively investigated. The actions are on-going over the short and medium term and the expected outcome is reduced wastewater and enhanced wastewater quality.
- At Rajamäki plant in 2023, new, department-specific water meters were installed, enabling the monthly monitoring of water consumption. Rajamäki continues to reduce liquid waste as a part of Anora's ongoing multi-year circular economy project, as well as reducing wastewater by directing cooling water into the stormwater sewer, as that water is clean and can be returned to the environment. Wastewater reduction is the focus area in Rajamäki for 2025 with the expected outcome being reduced wastewater amounts.
- At Gjelleråsen in 2023, new ways of measuring wastewater quality and initiate further water reutilisation processes were implemented. COD measuring was initiated in 2024 and the plans for reducing the COD was started and is on-going over at least the medium term, and the expected outcome is enhanced wastewater quality.
- By owning 984 hectares of groundwater area in Rajamäki, Finland, where the water for Anora's products is extracted, without filtration, from pure groundwater springs, Anora aims to protect this valuable natural resource area with great care. The expected outcome is that continued protection measures in this area with forest and swampland will play an important role in ensuring the high quality of Anora's products over the short and medium term.
- Since 2018, Anora has partnered with the Baltic Sea Action Group to develop regenerative agricultural practices that aim to reduce nutrient flow to the Baltic Sea in Anora's upstream value chain. From 2020, Anora has also trained its farmers together with the BSAG on regenerative farming practices that help to bind more water to the soils, increase carbon sequestration and enhance biodiversity. This cooperation is expected to continue at least over the medium term.

E3-3 – Targets related to water and marine resources

Anora's target to reduce wastewater relates to water impacts defined as material as the outcome of a process to identify and assess material impacts, risks and opportunities, during which affected stakeholder views were considered. The reduction of water consumption is indirectly associated with the target, as its attainment requires reducing water usage and increasing water circulation. The management of material impacts, risks and opportunities related to areas at water risk is currently not reflected in the target as it covers Anora's own production that does not take place near areas at water risk. Anora's wastewater target is voluntary rather than mandatory (required by legislation).

Target	Relationship with policy objectives and scope of target	Target and nature of target	Target year, interim targets or milestones (if applicable)	Baseline value and year	Description of methodologies, significant assumptions, evidence used to define target or any changes in these	Status of performance against target
Target to reduce wastewater volume (1,000 m³)	The target covers Anora's own production plants. The target relates to the Quality, Safety and Environment Policy, with the aim of decreasing the amount of wastewater.	-20% from baseline	2030	293 (1,000 m³) in 2021	Calculated from the generated wastewater in Anora's own production plants during the reporting period, based on the water meter data. The target is not based on formal conclusive scientific evidence.	232.12 (1,000 m³) during reporting period (-21% compared to the baseline). The target is monitored continuously and reported annually.

E3-4 – Water consumption

Water consumption metric	Amount (m³) during reporting period
Total water consumption	771,859
Water consumption in water risk areas	0
Total water recycled	1,989,363
Total water reused	N/A
Total water discharges (wastewater)	233,340

The water intensity (total water consumption in Anora's own operations in m³ per million EUR net revenue) during the reporting period was 1,115.

The reported water consumption is based mainly on the water meters at the sites and offices. The main sources of water are communal and groundwater. For Atlungstad craft distillery, estimation is based on produced volumes. For offices in Riga and Copenhagen, the estimation on water usage is based on headcount and office size and average water usage in the other offices. These volumes do not have a major impact on the total number (under 0.5% of the total water usage). The share of the measure obtained from direct measurement, from sampling and extrapolation, and/or from best estimates for the water metrics information presented above was 100%.

Water recycling is only material to Koskenkorva Distillery. The reported figure is based on two sources, recycled water in product flow and in cooling water circuits, which together constitute the total recycled water figure. If these waters were not recycled, the demand for clean water would increase by the same amount that is currently being recycled. The data is collected from meter readings from the automated system, and the total amount of water recycled is estimated based on the averages for these flows. Reused water amount is not applicable to any of Anora's plants.

Anora's main plants in terms of water use are Koskenkorva Distillery in Finland, Rajamäki bottling plant in Finland, Globus Wine bottling plant in Denmark, and Gjelleråsen production plant in Norway. The rest of Anora's industrial sites and offices constitute the remainder of Anora's water usage, around 1% of the total volume.

Anora complies with the water intake amounts set by the authorities and regularly measures and follows up groundwater surface levels. All of Anora's production sites with wastewater treatment operate within the set boundaries of local environmental permits set by local authorities and local legislation. The minimum standards for the quality of effluent discharge are determined by the local authorities that also consider the profile of the receiving waterbody when determining the appropriate permit. The metrics have not been validated by external bodies other than the assurance provider

E4 Biodiversity and ecosystems

E4-1 – Transition plan and consideration of biodiversity and ecosystems in strategy and business model

Anora has not yet conducted a formal resiliency analysis of its business model's and strategy's ability to adapt to future biodiversity and ecosystem -related physical, transition and systemic risks. However, in 2024 Anora has identified that the main biodiversity and ecosystems -related risks are linked with the material climate related chronic and physical risks.

E4-2 – Policies related to biodiversity and ecosystems

Anora's key policies related to biodiversity and ecosystems are presented in the following table. Policies relate to managing direct impact drivers on biodiversity loss related to land-use change and climate change, associated with the production of agricultural raw materials needed in Anora's production processes, focusing especially on promoting regenerative farming practices and the avoidance of deforestation both in Anora's own operations and in suppliers' activities taking place in the upstream value chain. All of Anora's policies include provisions for avoiding adverse social impacts throughout the value chain, even if they do not formally address the social consequences of biodiversity and ecosystems-related impacts.

Policy	Key contents, objectives and processes for monitoring associated impacts, risks and opportunities	Scope and exclusions of policy	Most senior level accountable for implementation	Related third-party standards or initiatives (if relevant)	Consideration of interests and policy availability to stakeholders
Anora Quality, Safety and Environment Policy	The policy is based on Anora's Sustainability Roadmap, and includes principles for management and implementation of quality, safety and environmental values for Anora's sustainability work. The policy includes a statement that Anora aims to minimise its environmental impacts and invests in promoting the protection of biodiversity, e.g. implementing a forest management plan and supporting regenerative farming, including by avoiding negative impact drivers in terms of land-use change and GHG emissions. Covering mostly Anora's own operations, the policy does not explicitly address the traceability of products, components and raw materials associated with material impacts or sourcing from ecosystems that are managed (by regular monitoring or reporting) in terms of protecting their biodiversity status.	The Executive Management Team, the management of each function, as well as each employee within their sphere of influence.	Executive Management Team	UN Sustainable Development Goals	Publicly available online
Anora Code of Conduct for Suppliers and Subcontractors	The policy contains minimum requirements for ensuring sustainable and responsible business conduct in Anora's upstream value chain. The policy requires suppliers and subcontractors to understand the impacts its business may have on biodiversity, and as relevant, act to safeguard biodiversity by, for example, adopting regenerative farming methods. In other words, Anora has a preference for its suppliers to work towards mitigating material negative impact drivers in terms of land-use change. Additionally, suppliers are expected to follow the requirements set forth by the EU's deforestation legislation. Suppliers shall implement procedures to verify that wood-based materials and derivatives purchased by Anora are legally harvested and traded. To achieve zero deforestation, Anora's suppliers shall ensure that sourcing of raw materials throughout the value chain is not derived from primary forests or any other pristine natural ecosystems, does not cause deforestation, which includes development of tropical peat lands, conversion of natural forests, high conservation value (HCV) areas and forests of high carbon stock (HCS) to agriculture, tree plantations, or other land uses, or severe human induced degradation. To evaluate the compliance of this Code of Conduct, Anora or a third party authorised by Anora shall have the right to audit the Supplier. Suppliers are required on request to provide information to Anora regarding issues covered by the Code of Conduct, unless it conflicts with statutory obligations on disclosure of information.	Applies to suppliers and subcontractors and their suppliers and subcontractors.	Executive Management Team.	UN Universal Declaration of Human Rights, UN Global Compact and amfori BSCI (Business Social Compliance Initiative) Code of Conduct.	Publicly available online
Anora procurement policy	The policy contains Anora's procurement principles, including sustainability requirements: Agricultural products (barley, wine) must be produced by following good agricultural practices, including by avoiding negative impact drivers in terms of land-use change and GHG emissions. The policy states that all raw material suppliers must comply with quality standard ISO9001 but does not explicitly stipulate detailed criteria for how to address the traceability of products, components and raw materials associated with material impacts or sourcing from ecosystems that are managed (by regular monitoring or reporting) in terms of protecting their biodiversity status.	Applies to Anora's Procurement and Sourcing departments.	Executive Management Team.	amfori BSCI (Business Social Compliance Initiative) Code of Conduct.	Publicly available online

Anora identifies its environmental impacts and risks as part of its ongoing environmental management according to ISO 14001 principles at its production sites (certification in Finland). The ISO 14001 policy is an international standard, and its requirements provides a framework and guidelines for creating an Environmental Management System (EMS covering environmental policies, action planning, implementation and operation, monitoring and remediation actions as well as principles for management review).

The Anora Code of Conduct for Suppliers and Subcontractors covers sustainable land / agriculture practices and the avoidance of deforestation. Anora has adopted practices to manage indirect impacts on oceans and seas from agricultural practices in its value chain through cooperation with the BSAG (Baltic Sea Action Group) with a focus on regenerative farming.

E4-3 – Actions and resources related to biodiversity and ecosystems

Anora believes that promoting and supporting regenerative farming practices in its upstream value chain represent impactful actions in terms of contributing to policy objectives of avoiding material negative impact drivers for biodiversity and ecosystems, namely land-use change and climate change. Regenerative farming is a systematic approach to adopting sustainable farming practices that positively impact productivity, biodiversity and the climate. It includes the process of restoring degraded soils using management practices (e.g., limiting soil disturbance, maintaining soil coverage and living roots, zero or limited use of pesticides and synthetic fertilizer, etc.) based on ecological principles. During the reporting period, Anora's continued ongoing actions related to biodiversity and ecosystems during the reporting period included:

- Promoting regenerative farming methods that help support biodiversity in barley fields and wine growing areas. As part of this process, Anora works in collaboration with the BSAG and ProAgria, a government-funded farming consultation in Finland, to provide comprehensive support, education, and training to farmers on the regenerative farming of barley. Pro Agria also carries out farm audits for Anora's contract farms during the growing season. These actions cover agricultural upstream value chain activities (and the associated affected value chain workers) in Finland and is expected to lead in enhanced biodiversity in the long term.
- In Finland's' Rajamäki area, Anora owns a 150-hectare area of protected swampland and a forest area of around 800 hectares, which is estimated to act as a carbon storage for approximately 830,000 tons of CO_2, thus contributing to the mitigation of negative impact drivers on biodiversity through climate change. Anora is continually developing its forest management plan which is intended to protect the area and its biodiversity throughout these forests in the long-term.

Formal standardised biodiversity offsets (including key performance indicators, targets, financial plans) have not yet been used in action plans described above. Anora is considering ways in which biodiversity matters (including biodiversity offsets) can be effectively implemented in its forest management plans. Regenerative farming practices and associated contracts are conducted in cooperation with BSAG, ProAgria and local farmers, incorporating their knowledge to enhance the choosing of the most suitable nature-based solutions in each situation.

E4-4 – Targets related to biodiversity and ecosystems

Anora's current biodiversity and ecosystems -related target is presented in the following table. The target was formulated during Anora's Sustainability Roadmap process, where the materiality analysis with the views from an open survey with over 200 answers from different stakeholders was utilised.

Target	Relationship with policy objectives and scope of target	Target and nature of target	Target year and interim targets or milestones	Baseline value and year	Description of methodologies, significant assumptions, evidence used to define target or any changes in these	Status of performance against target
Regenerative share	The target is to increase the share of regeneratively farmed barley of Anora's own grain spirit products. Regenerative farming provides opportunities in conserving biodiversity through alleviating effects from negative impact drivers on biodiversity such as land-use change and climate change, in line with policy objectives stated in the Anora Quality Safety and Environment Policy. The scope of the target covers ethanol used in the production of Anora's own products at its Rajamäki plant.	The aim is to increase the share of regeneratively farmed barley to 30% of own grain spirit products by 2030.	2030	0.33% in 2023	Beverage manufacturing is viewed as a high climate impact sector in terms of emissions and their interlinked contribution to negative biodiversity impact drivers, whereby investments and advances in regenerative barley farming have the potential to lead to emissions reductions and biodiversity improvements in the future. Anora purchases around 180 million kilograms of Finnish barley annually, which is why promoting regenerative farming in cooperation with relevant agricultural upstream value chain workers (farmers) is central to the mitigation of associated material negative biodiversity impact drivers. The "Regenerative share" is measured in kilograms of regeneratively farmed barley used per year and the share is calculated by dividing the used ethanol made from regenerative barley by the overall ethanol used in the production of Anora's own products at its Rajamäki plant. Anora monitors the share and availability of regeneratively farmed barley regularly and evaluates this target against business needs to ensure the target stays relevant in the changing business environment. For scientific evidence and support, Anora is supported by its partners at ProAgria and BSAG in actions to promote the target to increase the use of regeneratively farmed barley.	1.61% during reporting period Target is monitored and reported annually. Efforts to monitor and improve the effectiveness of this target are ongoing.

In terms of layers of the biodiversity and ecosystems impact mitigation hierarchy, the target relates to avoidance, minimisation, restoration and rehabilitation. No formal ecological thresholds based on scientific evidence (points at which a relatively small change in external conditions causes a rapid and potentially irreversible change in ecosystems) or biodiversity offsets have been considered in setting the target. The target is informed by the EU Biodiversity Strategy for 2030, but formal alignment with either the EU Biodiversity Strategy for 2030 or with the Kunming-Montreal Global Biodiversity Framework cannot be currently demonstrated.

E4-5 – Impact metrics related to biodiversity and ecosystems

For the reporting period, Anora currently considers regenerative farming, measured as regenerative share, to be the most suitable biodiversity and ecosystems impacts metric for its business model and value chain. The "Regenerative Share" is calculated by dividing the used ethanol made from regenerative barley by the overall ethanol used in the production of Anora's own products at its Rajamäki plant. This metric does not suffer from significant limitations if underlying assumptions concerning the definition of regenerative farming, and its associated environmental benefits, are valid. The metric is not validated by an external body other than the assurance provider. Since 2021, Anora has grown the absolute amount of purchased regeneratively farmed barley from 0.05 million kg to 3.46 million kg during the reporting period, and since 2023, it has calculated and reported the regenerative share described above.

E5 Resource use and circular economy

E5-1 – Policies related to resource use and circular economy

Anora's key policy related to resource use and circular economy is listed in the table below. Anora evaluates annually the need to review and update its policies and procedures.

Policy	Key contents, objectives and processes for monitoring associated impacts, risks and opportunities	Scope and exclusions of policy	Most senior level accountable for implementation	Related third-party standards or initiatives (if relevant)	Consideration of interests and policy availability to stakeholders
Anora Quality, Safety and Environment Policy	The policy is based on Anora's Sustainability Roadmap and includes principles for the management and implementation of quality, safety and environmental values for Anora's sustainability work. The policy includes a statement that Anora particularly invests in developing packaging materials and solutions in accordance with the principle of sustainable development to further contribute to improved waste handling of packaging materials in its own operations and downstream value chain. Regarding the mitigation of negative impacts stemming from resource use, the policy includes a general statement that Anora also invests in the efficient use and recycling of energy, natural resources and materials, for example through the circular economy principles employed at the Koskenkorva Distillery.	The Executive Management Team, the management of each function, as well as each employee within their sphere of influence, is responsible for implementing the principles of the policy.	Executive Management Team	UN Sustainable Development Goals.	The policy includes a statement that all Anora's operations and products are developed according to the wishes and needs of stakeholders, especially clients, partners and consumers. Publicly available online

The policy principles steer Anora's own operations away from the excessive use of virgin resources, and promote the minimisation of environmental impacts by focusing on the efficient use and recycling of energy, natural resources and materials, as well as reduced scrapping, and the development of packaging materials and solutions in accordance with the principles of sustainable development. The policy does not currently formally account for sustainable sourcing and the use of renewable resources.

E5-2 – Actions and resources related to resource use and circular economy

During the reporting period, significant actions related to resource use and circular economy included:

Development of waste management

- Continued the implementation of and the preparation for recently enforced and potential new legislative changes in Finland and at the EU-wide level, including the EU's Packaging and Packaging Waste Regulation (PPWR). Existing and upcoming regulations may entail additional investments into new packaging waste management systems and technologies. Therefore these actions, which are planned to continue in future reporting periods, aim to ensure compliance, enhance sustainability, and align operations with new regulations, thus contributing to the policy objectives of improved waste handling in Anora's own operations.
- Introduction of tethered closures in products in compliance with the Single Use Plastic Directive (SUP). This refers to caps that remain attached to the bottle even when opened. This affects Anora's own products packaging for a wide range of Anora's beverage products, especially plastic bottles and closures but also taps for wine pouches and bag-in-boxes (BiBs). In May 2024, the Rajamäki plant was Anora's first bottling site to begin the commercial bottling of wines with tethered caps. The Gjelleråsen and Køge plants also implemented tethered closures during 2024. The directive promotes broader EU efforts to reduce the environmental impact of single-use plastics and to increase the responsible use and waste management of products. These goals are also aligned with Anora's sustainability strategy and contribute to policy objectives of minimizing the environmental impacts of packaging waste.
- Continued development of rPET (post-consumer recycled PET) bottle utilisation. The actions cover Anora's own operations and own products, with expected outcomes in terms of offering alternative packaging solutions for glass and thus a resultant decrease in GHG emissions from the upstream value chain in the medium term. This action is seen to support potential commercial opportunities from increased customer demand for packaging solutions with smaller negative environmental impacts, in line with Anora's policy objectives for resource efficiency.
- Continuous development in waste and recycling throughout Anora's own production plants. The actions are expected to lead to a reduction in waste and increased recycling rates in the short and medium term, in line with waste management policy objectives.

In addition to the actions related to improved waste management in its own operations and in the value chain, Anora also continued its ongoing actions regarding the optimisation of resource inflows at its Koskenkorva Distillery. The principles by which Anora's own distillation operations are conducted at Koskenkorva are further elaborated in section Resource Inflows (E4) as part of these Sustainability Statement. Anora has not recognised current or future significant operational and capital expenditure needs for the implementation of the planned actions listed above.

E5-3 – Targets related to resource use and circular economy

All targets related to resource use and circular economy are presented in the following table. These targets relate to sustainability matters defined as material as the outcome of a process to identify and assess material impacts, risks and opportunities, during which affected stakeholder views were considered.

Target	Relationship with policy objectives and scope of target	Target and nature of target	Target year, interim targets wor milestones (if applicable)	Baseline value and year	Description of methodologies, significant assumptions, evidence used to define target or any changes in these	Status of performance against target
Share of recycled materials and materials from certified sources or recycled origin	The target relates to circular design by contributing to the design and use of recycled packaging materials for glass bottles, plastic bottles and Bag-in-Boxes (BiB), to increase the circular material use rate while also reducing the need for primary raw material use. The target adheres to the prevention phase of the waste hierarchy and covers Anora's own production and own brands and excludes labels and closures. The target relates to the policy principle of efficient use and recycling of natural resources and materials.	100%	2030	2021: Glass bottles 36%. Plastic bottles 16%. Bag-in-Boxes 29%	The current KPIs are based on share of recycled materials used in Anora's main packaging categories, covering Anora's own production and own brands and excluding labels and closures, based on weight. The target addresses Sustainable Development Goal 12: Responsible consumption and production, which in turn can be seen as related to conclusive scientific evidence. Significant assumptions for attaining the target include that recycled materials for glass bottles, plastic bottles and bag-in-boxes will be available in sufficient quantities for a reasonable price by 2030.	During reporting period: Glass bottles 49%. Plastic bottles 40%. Bag-in-Boxes 36%
Zero landfill waste	The target covers the landfill waste generated at Anora's own production plants adhering to the prevention, reduction, re-use and recycling phases of the waste hierarchy. The target relates to the policy principles of reduced scrapping and the efficient use and recycling of natural resources and materials in Anora's own operations.	0 t	2030	2021: 28.18 t	Calculated based on the generated landfill waste from Anora's own industrial sites in the reporting period. Addresses Sustainable Development Goal 12: Responsible consumption and production, which in turn can be seen as related to conclusive scientific evidence. No significant assumptions were used in setting the target.	0.12 tons during reporting period
Recycling rate	The target relates to increasing the circular material use rate in waste management (and to indirectly reducing the need for primary raw material use) through the recycling of all applicable waste. The target adheres to the recycling phase of the waste hierarchy and covers Anora's own production sites. The recycling rate relates to policy principles of efficient use and recycling of natural resources and materials in Anora's own operations.	Over 90%	2030	92.4% in 2022	The recycling rate is calculated as the proportion of the total amount of waste that is diverted into recycled material divided by the total amount of waste. Incineration of the waste is not classified as recycling. The measure covers Anora's own industrial sites. Addresses Sustainable Development Goal 12: Responsible consumption and production, which in turn can be seen as related to conclusive scientific evidence. No significant assumptions were used in setting the target.	95.2% during the reporting period

Anora's targets listed above do not currently and formally account specifically to sustainable sourcing and the use of renewable resources in line with the cascading principle.

Anora's targets related to resource use or circular economy are associated with the implementation of and the preparation for enforced and potential new legislative changes in Finland and at the EU-wide level. This includes the EU's Packaging and Packaging Waste Regulation (PPWR). No other targets related to resource use and circular economy are currently pursued.

E5-4 – Resource inflows

At Anora, managing resource inflows means utilising as much of the raw materials required for the operations from recirculated sources when possible and maximising the yield of any raw material used.

The main resource inflows throughout the upstream value chain to Anora's production processes include biological raw materials including barley and spices, and other raw materials and products including water, wine, sugar, and ethanol, as well as technical materials used in packaging, such as glass, carton, plastic and other materials.

The Koskenkorva Distillery is especially noteworthy in terms of its material property, plant and equipment used in Anora's own operations. The distillery, located in the village of Koskenkorva in Southern Ostrobothnia, Finland, is a modern production plant with state-of-the-art processes allowing for material efficiency. Operating according to circular economy principles, the barley grain used in the distilling process is used fully and all outputs are utilised either internally or by customers. In addition to grain spirit, the Koskenkorva plant produces starch and raw material for animal feed. In addition, even a part of the biogenic carbon dioxide generated in the process is collected and used, for example, in greenhouse cultivation. A bioenergy power plant at Koskenkorva uses barley husk as its fuel, producing steam energy for the distillery.

The overall total weight of products and technical and biological materials used during the reporting period was 394,876 tons. The percentage of biological materials (and biofuels used for non-energy purposes) that is sustainably sourced (covered by Anora's requirements for grain and relevant certificates for spices) was 100%. The absolute weight of secondary reused or recycled components and materials used to manufacture the products (including packaging) was 13,952 tons, with the corresponding share of the total weight of products and used materials totalling 46%.

Data on resource inflows is sourced from Anora's data systems and calculated based on stock movements. The inflow data of Globus Wine for 1 month is estimated based on the average of 11 months, due to the data system integration effective from the end of January 2024 onwards. Data on the percentage of sustainably sourced biological materials is based on Anora's definition of sustainable sourcing in relevant categories. For example, there is no established general certification scheme for grain in Finland. The only relevant external schemes are related to organic and regeneratively farmed barley. Anora purchases all its grain, including barley, through contracts that include the Finnish Cereal Committee (VYR) requirements, which outline environmental and ethical farming standards and are considered a relevant certification scheme for grain, and which indicates that 100% of the grain is sustainably sourced. For spices, the majority (94% in 2024) are bought from certain certified suppliers who inspect each batch of products. The spices are delivered with relevant external certificates and are considered sustainably sourced in this context. In recycled materials percentage, the relevant categories to Anora's operations include only packaging, as other types of raw materials (such as wine, grain) are unable to be reused or be secondary. The calculation is based on the percentage of recycled material in used packaging of Anora's own products and own production. The measurement of the metrics has not been validated by an external body other than the assurance provider.

Material inflow per category

	Total Weight (Tonnes)
Products	143,423
Technical Materials	83,531
Biological Materials	167,922
Total	**394,876**

E5-5 – Resource outflows

Products and materials

Key products and materials that come out of Anora's production process include packaged and bottled wine and spirits and their associated packaging materials, as well as technical ethanol products, feed components and barley starch. In Anora's production plants, a circular model is applied, by which side streams are utilized to reach cost savings through resource efficiency and reduced waste disposal costs. Sales of by-products also generate revenue. Circular design principles are applied especially for packaging materials, for which recyclability and recycling are important factors. The rates of recyclable content in Anora's own products packaging was 91% during the reporting period. This data on resource outflows is sourced from Anora's sales systems and are calculated on income-based estimations, separating the recyclable and non-recyclable packaging from the total sold volumes based on the definitions of recyclable, such as glass and PET bottles, and non-recyclable packaging, such as packaging types like pouches where two materials are used and cannot be separated by the end-user. The outflow data of Globus Wine for 1 month is estimated based on the average of 11 months, due to the data system integration effective from the end of January 2024 onwards.

Waste

Total waste generated during the reporting period was 10,080 tons.

Waste diverted from disposal by recovery operations

Recovery operation type	Waste type	Diverted from disposal (t)
Preparation for reuse	Hazardous waste	0
	Non-hazardous waste	8.7
Recycling	Hazardous waste	4.5
	Non-hazardous waste	9,500.2
Other recovery operations	Hazardous waste	4.8
	Non-hazardous waste	75.8
Total diverted from disposal	**Hazardous waste**	**9.3**
Total diverted from disposal	**Non-hazardous waste**	**9,584.7**

Waste directed to disposal

Recovery operation type	Waste type	Diverted from disposal (t)
Incineration	Hazardous waste	0.4
	Non-hazardous waste	483.8
Landfill	Hazardous waste	0
	Non-hazardous waste	0.1
Other recovery operations	Hazardous waste	1.8
	Non-hazardous waste	0
Total diverted from disposal	**Hazardous waste**	**2.2**
Total diverted from disposal	**Non-hazardous waste**	**483.9**

The total amount of non-recycled waste was 486.1 tons, representing 5% of the total waste generated.

Waste streams relevant to Anora's activities include:

- Ashes
- Liquid waste
- Wastewater
- Packaging waste (carton, glass, plastic, wood)
- Other waste (such as metal, construction waste, hazardous waste, biowaste).

All waste-related metrics listed above are used to evaluate performance and effectiveness in relation to Anora's efforts to develop its waste management practices.

Data on waste generated is sourced from external waste companies' reports received by Anora's sites and offices. Incinerated waste is not classified as recycled waste. For Atlungstad craft distillery, the estimation for the waste amount is based on the volumes of packaging material waste. For offices in Riga and Copenhagen, the estimation on waste amount is based on headcount and average waste amounts in other offices. These volumes do not have a major impact on the total number (under 0.5% of the total waste). The volumes from other entities than industrial sites are marginal with regards to the total Anora number. The measurement of the metrics has not been validated by an external body other than the assurance provider.

No radioactive waste was generated during the reporting period. The total amount of hazardous waste was 11.5 tons.

S1 Own workforce

S1-1 – Policies related to own workforce

Anora evaluates annually the need to review and update its policies and procedures.

Policy	Key contents, objectives and processes for monitoring associated impacts, risks and opportunities	Scope and exclusions of policy	Most senior level accountable for implementation	Related third-party standards or initiatives (if relevant)	Consideration of interests and policy availability to stakeholders
HR plan (incl. equality and non-discrimination plan)	The HR plan contains information on the personnel and equality and non-discrimination plan for all employees in Anoras' own employees in Finland for the years 2024-2025. The policy covers material impacts such as occupational health and safety, human rights, diversity, equity and inclusion, anti-discrimination and –harassment, competences and development, and labour relations.	Applies to all individuals in Finland employed by Anora Group.	Executive Management Team		Available internally on Anora's intranet
Code of Conduct (Anora Way)	Describes Anora's values and sets clear expectations for employees on ethical behaviour, respectful treatment, legal compliance, and the responsible use of resources to promote a safe, inclusive, and integrity-driven workplace. The Code of Conduct covers material impacts such as occupational health and safety, human rights, diversity, equity and inclusion, anti-discrimination and –harassment, competences and development, and labour relations.	Applies to all individuals employed by every Anora Group company.	Board of Directors	The policy is aligned with OECD Guidelines for Multinational Enterprises and the UN Business and Human Rights principles. The policy outlines Anora human rights commitment and sets expectations for employees, business partners, and other stakeholders. The Code of Conduct also provides guidance on reporting any misconduct through the whistleblowing channel.	Publicly available online

Policy	Key contents, objectives and processes for monitoring associated impacts, risks and opportunities	Scope and exclusions of policy	Most senior level accountable for implementation	Related third-party standards or initiatives (if relevant)	Policy availability to stakeholders
Non-Harassment Policy	Describes Anora's commitment to zero-tolerance towards harassment. The policy covers material impacts related to discrimination and harassment.	Applies to all individuals employed by every Anora Group company.	Executive Management Team	The policy is aligned with UN Sustainable Development Goals, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. The policy outlines Anora's commitment to promoting the wellbeing of its personnel and treating people in an equal and fair manner. It also provides guidance on how to act and how to report if one encounters harassment.	Available internally on Anora's intranet for all employees
Quality, Safety and Environment policy	Includes the principal requirements and sets out responsibility targets in relation to management and implementation of quality, safety and environment values. The policy covers impacts related to human rights such as good working conditions.	Concerns all Anora's sites, and every employee.	Executive Management Team	UN Sustainable Development Goals	Publicly available online
Human Rights Commitment	Includes Anora's commitment to respect human rights. The policy addresses human rights impacts and grievance mechanisms.	All individuals employed by every Anora Group company, including members of the Board of Directors and the Executive Management Team.	Executive Management Team	The policy is aligned with the International Bill of Human Rights consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights as well as the International Covenant on Economic, Social and Cultural Rights; and - the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. Convention on the Elimination of All Forms of Discrimination Against Women and the Convention on the Rights of the Child. The policy outlines Anora's commitment to respecting human rights and describes Anora's due diligence approach.	Publicly available online
Policy of Alcohol Consumption for employees	The policy supports the development of a new, modern and responsible drinking culture in Anora's operating countries. The policy covers impacts related to employee's health and safety.	Applies to all individuals employed by every Anora Group company.	Executive Management Team		Available internally on Anora's intranet for all employees

Anora is committed to respecting human rights as enshrined in the International Bill of Human Rights consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights as well as the International Covenant on Economic, Social and Cultural Rights; and - the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work including the freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced or compulsory labour; the effective abolition of child labour; the elimination of discrimination in respect of employment and occupation; and a safe and healthy working environment.

Anora develops its employer value proposition, handles recruitment and retention, conducts the employee satisfaction survey annually, and collaborates regularly with unions.

Anora is committed to taking measures, based on due diligence processes, to avoid causing or contributing to adverse human rights impacts through its own activities and to addressing and remediating such impacts when they occur.

Anora strongly condemns the use of child labour and forced labour. Policies that address trafficking human beings, forced labour or compulsory labour and child labour are:

— Anora's Code of Conduct
— Anora's human rights commitment

Anora works continuously to improve the working conditions of its personnel and acts in line with Anora's HSEQ (Quality, Safety and Environment) policy which covers all sites and every employee. Anora has the ISO 45001 certificate in effect across all its operations in Finland (Rajamäki, Koskenkorva, Ruoholahti: Anora HQ). In other countries of operation, Anora operates according to its HSEQ policy. The management system covers all on-site employees and workers. In addition, Anora's employees are covered by health services, at minimum according to local legislation.

Anora has a non-harassment policy and a zero-tolerance towards discrimination and all forms of harassment, including but not limited to sexual harassment. This zero-tolerance policy means that no form of discriminatory or harassing conduct towards any employee, client, contractor, or another person at Anora's workplace will be tolerated. Harassment includes discriminatory behaviour, personal harassment, sexual harassment, bullying, and abuse of authority.

Anora is committed to treating people in an equal and fair manner and continuously works towards creating an inclusive workplace, as outlined in the Code of Conduct. Anora respects diversity and requires equal treatment regardless of ethnic origin, nationality, religion or other conviction, marital status, disability, political views, world view, membership or affiliation to unions, gender, sexual orientation or age or any other condition that could give rise to discrimination. Anora implements The Code of Conduct across all its operations to ensure the inclusion of individuals from vulnerable groups. This encompasses actions such as reduced working time, special equipment and aids, and flexible working hours. In 2025, Anora will publish a separate Diversity, Equality and Inclusion Policy.

Policies are implemented locally through the local HR country teams and via training sessions conducted for Anora's managers. Anora ensures that discrimination is prevented and mitigated by enforcing its non-harassment policy at all levels. Managers are responsible for fostering a respectful workplace by reinforcing a zero-tolerance policy and providing harassment information and training to employees. Employees must comply with the workplace harassment policy and follow procedures for reporting incidents of work-related harassment.

Anora intervenes promptly if discrimination issues arise and actively monitors situations to identify discrepancies. Issues are addressed according to Anora's processes. All parties will be heard, and appropriate measures taken. The parties involved will be provided with information about the process and agreed actions.

S1-2 – Processes for engaging with own workforce and workers' representatives about impacts

The insights provided by employees inform Anora's decisions and activities aimed at managing the actual and potential impacts on its own workforce. Employees are actively heard and involved in various forums, contributing to the decision-making process. This collaborative approach ensures that actions taken by Anora address the actual impacts on working conditions such as training, work-life balance, and health and safety. Furthermore, by incorporating employee perspectives, Anora is also able to anticipate and manage potential impacts on the workforce. The Chief Executive Officer of Anora holds the operational responsibility for ensuring employee engagement.

Employees are represented on the company's board by an elected employee representative who brings their background and expertise to Anora's board, enhancing dialogue between employees and management. This creates better conditions for Anora's development, ensuring that the employees' voices are heard in decision-making processes. Board meetings are held several times per year.

During the reporting period, Anora also established an employee forum, called A60, with 60 participants from across the organisation. These participants attended two-day workshops to establish company priorities for the following six months. The event was held twice, in March and November. Through this method, employees were able to contribute to the development and improvement of the work environment.

Additionally, Anora's employee representatives frequently participate in consultation and communication concerning occupational health and safety through health and safety committees. Employee representatives are involved with surveys, observation and near-miss reporting systems, as well as frequent occupational health and safety meetings. The Health and Safety Committee meets by the legal requirements on a plant-level in each country. In Finland, all units have bi-annual meetings and quarterly meetings on a plant level. The responsibilities and activities of health and safety committees are determined according to the local legislation and practices, covering issues that can have an impact on employees' safety, health or work ability. The occupational safety and health organisations and representatives investigate working environment conditions and make an assessment of possible risks as well as preventive and corrective actions.

The annual Anora Tasting employee survey offers valuable insights into diversity, equity, and inclusion (DEI) issues, as well as employees' engagement, leadership, team performance, and overall well-being. Anora evaluates experiences of discrimination and harassment through this survey. The survey is conducted anonymously, allowing all employees to express their opinions and be heard.

S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns

Anora has a whistleblowing channel maintained by an independent third party. The channel is open to all employees and external stakeholders and allows individuals to raise concerns about and suspicion of misconduct within Anora, including issues related to employee matters. All concerns can be submitted through the Whistleblowing channel anonymously without the obligation to enter any personal data. Anora communicates about the channel and its processes (including the process of investigation) actively, thus ensuring that all employees are aware of how to report concerns through the channel. As a part of the annual Anora Tasting employee survey, Anora also measures whether employees feel safe reporting any misconduct or unethical behavior, with good results.

The processes through which Anora supports the availability of a whistleblowing channel, addresses raised issues, tracks and monitors them, as well as policies regarding protection against retaliation, are disclosed under G1-1.

S1-4 – Actions and resources related to own workforce

During the reporting period, significant actions related to Anora's own employees in all operating countries included:

— Continued implementation of HR priority areas with the focus on Anora's managers and their ability to lead teams and performance, with the aim of enhancing leadership capabilities and employee satisfaction in short and medium term.
— Continued monitoring of the achievement of employees' development objectives through annual performance and development dialogues and by value-based leadership programs, ensuring continuous professional development and career growth of employees in short and medium term.
— Continued the implementation of annual performance bonus program for salaried, senior employees and management team members.
— Continued the work of auditing diversity, equity and inclusion (DEI) processes and educating all employees on DEI topics through blended learning initiatives that included e-learning, virtual learning and classroom discussion. Anora's recruitment process and platform were also renewed in 2024 to cater to a more inclusive and unified recruitment process. The actions aim to foster a more inclusive workplace culture, and Anora will also launch a separate DEI policy in 2025.

- Continued supporting employee's psychological safety and well-being with an external provider, Auntie, aiming to improve overall well-being of Anora's own employees in short term.
- Continued providing safety equipment e-training for employees and supervisors with the aim of enhancing safety culture and reducing accidents in short- and medium term.
- Building and training Anora's AI tool for Anora's employees to develop internal competence in short and medium term.
- Continuation of Anora's sales excellence program to improve sales personnel's selling capabilities and harmonise the way of working across countries and business areas in short and medium term.
- Establishing Anora's way of working with strategic initiatives in 2024, called A60, where 60 employees participated in a workshop twice during the year. This allowed employees to contribute to the development and improvement of the work environment and the implementation of the company's key initiatives in short term.
- Established new modules to Anora's leadership program with a focus on team management to build common tools to improve satisfaction in short- and medium term.

These actions aim to help achieve the objectives of the HR plan, Quality, Safety and Environment policy, and Non-Harassment Policy by enhancing health and safety, work-life balance, and diversity.

There are no other additional initiatives or actions with the primary purpose of delivering positive impacts for Anora's own workforce than those described above.

Anora monitors the effectiveness of its actions through various methods. It provides preventive occupational health services and rehabilitation as needed, along with an early intervention model. To address discrimination and harassment, Anora implements country-specific procedures. The impact of these actions is also evaluated using indicators related to workplace accidents and near-miss incidents, as well as through employee well-being surveys. For monitoring employee satisfaction, Anora conducts an annual employee engagement survey, Anora Tasting, for all employees. Anora Tasting measures six primary metrics: engagement, leadership, team efficiency, OSI (organisational and social well-being index) environment, management and eNPS (Employee Net Promoter Score). The annual employee engagement survey process is followed by a review of the results, as well as training and action planning that is consistently followed throughout the organisation hierarchy up to Board level.

Anora has the ISO 45001 health and safety management standard in place. ISO 45001 provides an internationally recognised framework for managing occupational health and safety risks. The management standard allows Anora to systematically assess hazards and implement risk control measures, leading to reduced workplace injuries, illnesses and incidents. As part of the standard, all departments must identify work-related risks, evaluate the risks and establish processes to eliminate, mitigate or control them so that accidents and incidents are prevented. Anora's management is accountable for ensuring that each task follows a risk assessment process and that its results are used to generate mitigation actions where appropriate. It is also ensured that the information resulting from this process is readily available to all employees involved in those tasks.

Anora's HR work addresses the identification, assessment, management and/or remediation of material impacts on Anora's own employees specifically, as well as policies that cover the material impacts, risks and opportunities related to the employees.

S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

All targets related to Anora's own workforce are included in the following table. All targets relate to sustainability matters defined as material as the outcome of a process to identify and assess material impacts, risks and opportunities, during which affected stakeholder views were considered. The below targets were formed during Anora's Sustainability Roadmap process, where a materiality analysis with the views from an open survey with over 200 answers from different stakeholders, including employees, was utilized. The performance against the targets is tracked and followed internally on a regular, continuous basis and reported quarterly for LTIF and annually for safety observations.

Target	Relationship with policy objectives and scope of target	Target and nature of target	Target year, interim targets or milestones (if applicable)	Baseline value and year	Description of methodologies, significant assumptions, evidence used to define target or any changes in these	Status of performance against target
Increasing the number of safety observations	The target covers Anora Industrial. The target relates to enhancing the safety culture.	4.5 observations per person.	2030	2.6 observations per person in 2021	Calculations are based on the number of reported safety observations in Anora's safety observation system and safety walk observations, divided by the average number of employees in Industrial in the reporting period, to receive the KPI safety observations per person. The target addresses Sustainable Development Goal 3 – Good health and well-being.	During reporting period: 3.8 observations per person
Reduce accidents resulting in absence	The target covers all Anora Group employees and is measured as LTIF (number of lost time injuries per million hours worked). The target relates to enhancing the safety culture.	0	2030	5.0 in former pre-merger company Altia, and 10.5 in former pre-merger company Arcus, 2021.	Measured as LTIF. Anora calculates the safety-related metrics for LTIF based on 1,000,000 hours worked. The target addresses Sustainable Development Goal 3 – Good health and well-being.	During reporting period: 5.8

Anora engages employees and their representatives at key stages of the target-setting process. During the target-setting phase, employee insights are incorporated into Anora's HR system and aligned in the business areas to ensure that the targets are realistic and aligned with operational needs. Employees are involved in regular performance reviews, where their feedback helps assess progress against targets.

The targets described in the above table are regularly reviewed with the employees. Both the targets and results are visible in the factories and discussed during factory briefings. Lost Time Injury Frequency (LTIF) and safety observations results are monitored monthly and reviewed locally on an ongoing basis.

Following each performance cycle, Anora collaborates with the workforce and their representatives in a dialogue and performance evaluation process to evaluate outcomes and identify opportunities for improvement, ensuring continuous development. Besides the regular performance process, Anora's employees have a possibility to take part in separate Future development planning -conversations to focus on mid- to long-term development. Up to date performance information of targets is continuously available for all employees through appropriate channels including team meetings, notification boards and information monitors visible in various working spaces.

ANORA

S1-6 – Characteristics of the undertaking's employees

Gender	Number of employees (head count)
Male	753
Female	458
Other	0
Not reported	0
Total Employees	1,211

Country	Number of employees (head count)
Finland	409
Norway	348
Denmark	185
Sweden	163
Estonia	67
Latvia	31
Germany	7
Lithuania	1

2024	Female	Male	Other*	Not disclosed	Total
Number of employees (head count / FTE)	458	753	0	0	1,211
Number of permanent employees (head count / FTE)	445	728	0	0	1,173
Number of temporary employees (head count / FTE)	13	25	0	0	38
Number of non-guaranteed hours employees (head count / FTE)	0	0	0	0	0

* Gender as specified by the employees themselves.

2024	Finland	Norway	Denmark	Sweden	Estonia	Germany, Latvia and Lithuania	TOTAL
Number of employees (head count / FTE)	409	348	185	163	67	39	1,211
Number of permanent employees (head count / FTE)	389	343	174	163	67	37	1,173
Number of temporary employees (head count / FTE)	20	5	11	0	0	<5	38
Number of non-guaranteed hours employees (head count / FTE)	0	0	0	0	0	0	0
Number of full-time employees (head count / FTE)	-	-	-	-	-	-	-
Number of part-time employees (head count / FTE)	-	-	-	-	-	-	-

Employee turnover	2024
Employee turnover, %	11.5%
Number of employees who have left the company	134

Employee data sources are taken from Anora's unified HR system, local payroll and reporting systems and do not include assumptions. Non-guaranteed hours employees are reported as a part of temporary employees. Data is not validated by an external body other than the assurance provider.

Employee numbers are reported via a headcount, taken at the end of the period.

Employee numbers are reported at the end of the reporting period.

Turnover of permanent employees is calculated as the number of leavers / average of headcount taken at the end of month * 100

Cross-reference of information reported (S1-601) to most representative number in financial statements is salaries.

S1-8 – Collective bargaining coverage and social dialogue

A significant share of employees at Anora are covered by collective bargaining agreements, except in Latvia and Estonia where collective bargaining agreements do not exist. Local laws and employment contracts determine the terms of working conditions in Latvia and Estonia. Anora's operations create significant employment in Finland, Norway, Denmark, Sweden and Estonia, with significant employment defined as at least 50 employees by head count representing at least 10% of total workforce.

100% of Anora's own employees in Finland, 100% in Norway, 47% in Denmark, and 72% in Sweden, are covered by workers' representatives.

Anora is currently reviewing an agreement regarding the European Works Council (EWC) with employee representatives.

The number of employees is reported via a headcount, taken at the end of the period from the HCM systems. The coverage rate is calculated as number of employees covered by the collective bargaining / total number of employees * 100 per country. Anora does not have employees in non-EEA regions. Data is not validated by an external body other than the assurance provider.

2024	Collective Bargaining Coverage		Social dialogue
Number of employees (head count / FTE)	Employees – EEA (for countries with >50 empl. representing >10% total empl.)	Employees – Non-EEA (estimate for regions with >50 empl. representing >10% total empl.)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl.)
0-19%	Estonia	-	-
20–39%	-	-	-
40–59%	Denmark	-	-
60–79%	Sweden	-	-
80–100%	Finland, Norway	-	Finland, Denmark, Sweden, Norway, Estonia

S1-9 – Diversity metrics

Gender distribution	2024
Men in top management (head count)	6
Men in top management, %	75%
Women in top management (head count)	2
Women in top management, %	25%
Other/ not reported in top management (head count)	0
Other/ not reported in top management, %	0%

Age distribution	Number of employees 2024
Under 30 years old	89
30-50 years old	682
Over 50 years old	440

Anora has defined the top management as the Executive Management Team of the Anora Group. Employee data sources are taken from Anora's unified HR system, local payroll and reporting systems and do not include assumptions. Employee numbers are reported via a headcount, taken at the end of the period.

Employee data sources are taken from Anora's unified HR system, local payroll and reporting systems and do not include assumptions. Data is not validated by an external body.

Employee numbers are reported via a headcount, taken at the end of the period.

Employee numbers are reported at end of reporting period.

S1-14 – Health and safety metrics

Employee health and safety metrics	2024
Personnel in Anora's own workforce who are covered by the health and safety management system based on legal requirements and (or) recognised standards or guidelines, %	100%
Number of fatalities in own workforce as a result of work-related injuries and work-related ill-health	0
Number of fatalities as a result of work-related injuries and work-related ill-health of other workers working on undertaking's sites	0
Number of recordable work-related accidents related to own workforce (LTI)	13
Rate of recordable work-related accidents related to own workforce (LTIF)	5.8
Number of cases of recordable work-related ill-health of employees	0
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill-health and fatalities from ill-health related to employees.	0

The number of employees is reported via a headcount, taken at the end of the period from the Anora's unified HR system, local payroll and reporting systems. Anora's Quality, Safety and Environment policy covers all Anora's ownworkforce, thus 100% of own workforce are covered. Number of accidents, fatalities and ill health cases are gathered from Anora's health and safety records. Number of recordable work-related accidents is based on the number of lost time incidents (LTI). Rate of recordable work-related accidents is calculated as LTIF, based on 1,000,000 hours worked. Data is not validated by an external body other than the assurance provider.

S1-17 – Incidents, complaints and severe human rights impacts

No fines, penalties, and compensation for damages as a result of violations regarding work-related discrimination and harassment are presented in the financial statements.

No fines, penalties, and compensation for severe human rights issues and incidents connected to own workforce are presented in the financial statements.

Data is based on the number of whistleblowing channel reports related to incidents of discrimination and the total number of reports received from whistleblowing channel and other channels. Data is not validated by an external body other than the assurance provider.

Discrimination incidents	2024
Total number of incidents of discrimination	0
Number of complaints filed through channels for people in own workforce to raise concerns	5
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	0
Amount of fines, penalties, and compensation for damages as result of incidents of discrimination, including harassment and complaints filed	0

Human rights incidents	2024
The number of severe human rights incidents connected to the undertaking's workforce	0
Number of severe human rights issues and incidents connected to own workforce that are cases of non-respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises	0
Amount of fines, penalties, and compensation for severe human rights issues and incidents connected to own workforce	0

S2 Workers in the value chain

S2-1 – Policies related to value chain workers

Anora's human rights work in its supply chain is governed by Anora's Supplier Code of Conduct which is based on the same international agreements and principles as the amfori BSCI Code of Conduct. Anora evaluates annually the need to review and update its policies and procedures.

Policy	Key contents, objectives and processes for monitoring associated impacts, risks and opportunities	Scope and exclusions of policy	Most senior level accountable for implementation	Related third-party standards or initiatives (if relevant)	Policy availability to stakeholders
Code of Conduct for Suppliers and Subcontractors	Describes Anora's expectations for suppliers in terms of legal compliance, responsible business conduct and human and labour rights. The Code of Conduct for Suppliers and Subcontractors addresses significant impacts on value chain workers' working conditions, human rights, and equal treatment, along with essential measures for monitoring supplier compliance.	All Anora's upstream suppliers and subcontractors.	Executive Management Team	amfori BSCI principles	Publicly available online
amfori BSCI Code of Conduct	Includes principles and requirements for suppliers regarding the material impacts on value chain workers' working conditions and human rights.	All Anora's upstream suppliers	Executive Management Team	Universal Declaration of Human Rights, the Children's Rights and Business Principles, UN Guiding Principles for Business and Human Rights, OECD Guidelines, the UN Global Compact, and International Labour Organization (ILO) Conventions	Publicly available online
Human Rights Commitment	Describes Anora's approach to human rights in the value chain and Anora's human rights due diligence process. The commitment addresses all identified actual or potential salient human rights risks and covers all material impacts related to working conditions and other working related rights. It also demonstrates Anora's commitment to respecting human rights in its operations as well as the measures taken to identify, monitor, mitigate, and report adverse human rights risks, in alignment with internationally recognized instruments such as Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights.	All Anora's upstream suppliers	Executive Management Team	The commitment is aligned with amfori BSCI principles and International Bill of Human Rights consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights as well as the International Covenant on Economic, Social and Cultural Rights; and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. Convention on the Elimination of All Forms of Discrimination Against Women and the Convention on the Rights of the Child.	Publicly available online
Quality, Safety and Environment policy	Includes principal requirements and sets out responsibility targets for suppliers in relation to management and implementation of quality, safety and environmental values. Describes Anora's approach to human rights in the value chain and Anora's human rights due diligence process. The policy covers material impacts on value chain workers' working conditions.	All Anora's upstream suppliers.	Executive Management Team	UN Sustainable Development Goals	Publicly available online
Safety Policy	Describes Anora's requirements for suppliers in relation to safety matters, including expectations for suppliers to educate and train personnel and subcontractors in appropriate, and safe ways of working. The policy covers material impacts related to value chain workers health and safety and ensures that service providers operating at Anora's facilities comply with the company's safety guidelines. Monitoring involves meetings between Anora and its service providers, as well as two-way feedback.	All Anora's upstream suppliers.	Executive Management Team		Publicly available online
Procurement Policy and Principles of responsible sourcing	Describes Anora's procurement principles, including the responsibility on human rights and environment in the value chain. The policy covers material impacts related to responsible procurement and value chain workers' working conditions. The policy also includes Anora's standard requirements to its suppliers.	All Anora's upstream suppliers.	Executive Management Team	amfori BSCI principles	Publicly available online

Anora is committed to respecting value chain worker's human rights as enshrined in the International Bill of Human Rights consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights as well as the International Covenant on Economic, Social and Cultural Rights; and - the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work including the freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced or compulsory labour; the effective abolition of child labour; the elimination of discrimination in respect of employment and occupation; and a safe and healthy working environment.

Anora is committed to taking measures, based on due diligence processes, to avoid causing or contributing to adverse human rights impacts throughout the value chain and to addressing and remediating such impacts when they occur.

Anora strongly condemns child labour and forced labour. Anora's policies that address trafficking humans, forced labour or compulsory labour and child labour are:

— Anora's Supplier Code of Conduct (based on amfori Code of Conduct)
— Anora's Human Rights Commitment

Where there is potential for adverse impacts on vulnerable people or groups, Anora also considers other international standards and principles that elaborate on the rights of such individuals or groups, including for example, indigenous peoples, women, children, and migrant workers and their families, and human rights defenders. These standards include, for example, the Convention on the Elimination of All Forms of Discrimination Against Women and the Convention on the Rights of the Child.

Anora's primary aims in engaging with value chain workers is to provide a pathway for addressing concerns and remedying grievances in relation to human rights impacts. Anora does not have a formal pre-established process for measures to provide or enable remedy, but is committed to taking measures, based on due diligence processes, to avoid causing or contributing to adverse human rights impacts through its own activities, including its operations and supply chain. Anora's responses and actions are tailored and measured to meet the circumstances and demands required to appropriately remedy the impact. Anora maintains a dedicated channel for reporting concerns and conducts amfori BSCI audits to monitor compliance and take proactive action on potential issues. More information about how Anora engages with value chain workers and on Anora's general approach in relation to measures to enable remedy for human rights impacts is provided under S2-2 and S2-3.

During the reporting period, no cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises that involve value chain workers, were reported.

S2-2 – Processes for engaging with value chain workers about impacts

Anora's engagement approach with value chain workers includes frequent supplier visits and amfori BSCI audits conducted by qualified amfori auditors. The amfori BSCI monitoring process promotes responsible social practices in supply chains through several key steps. Companies adopting the amfori BSCI agree to its Code of Conduct, which emphasises areas such as fair wages, zero child labor, and safe working conditions. Risk assessments identify supply chain partners that require closer attention, often based on factors like country of operation, existing certifications, human rights efforts, and working conditions. The assessment prioritises high-risk suppliers for preventative measures, monitoring, detailed analysis, or possible audits. Third-party auditors conduct on-site inspections to evaluate suppliers' compliance with amfori BSCI standards and to engage directly with and gather worker insights from the value chain workers via interviews. The audits cover areas such as labour rights, health and safety, and environmental protection. In addition, Anora does not currently have other formal processes for collecting insights from workers who might be especially vulnerable to impacts.

Anora is also collaborating with Nordic monopolies with regard to engaging with value chain workers. When working with Nordic Monopolies, suppliers undergo an additional risk analysis that includes traceability, risk identification, and a minimum set of requirements concerning working conditions and human rights. Identified risks or deviations prompt specific follow-ups and potential audits, with Anora collaborating closely with the monopolies and suppliers.

Anora ensures effective engagement with value chain workers through follow-ups on audits as necessary.

The overall responsibility for overseeing the supplier engagement at Anora belongs to sourcing teams, led by the SVP Wine and SVP Industrial, and the CFO.

S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns

Anora's human rights management processes are constantly developing, and Anora recognises that this is an area which requires active attention. Continuous work is undertaken to ensure that Anora's value chain is fair and transparent, is able to source sustainably and can protect human rights.

Anora is committed to systematically improving its sustainable procurement procedures. The following processes and systems are used to manage negative impacts:

- Code of Conduct for Suppliers and Sub-contractors
- Third-party audits (amfori BSCI) & certificates (e.g., Fair for Life, Fairtrade)
- Internal audits & supplier visits
- Risk country profiles to give a holistic understanding of the human rights situation in Anora's supply chain countries
- Supplier Self-Assessment tool to both communicate about Anora's commitments and gain a wider understanding of suppliers' sustainability (incl. human rights) approach
- Human rights training for all employees to strengthen internal competence.

Concerns and non-compliance can be reported through the Anora Whistleblowing Channel. The same reporting system is open for both Anora employees as well as external parties. Through the whistleblowing channel, value chain workers can raise their potential concerns, without fear of retaliation in any form. All concerns raised, whether through the channel or through other means, are investigated in accordance with an established process to ensure accuracy, anonymity, objectivity and fairness. The processes through which Anora addresses raised issues, tracks and monitors them, as well as policies regarding protection against retaliation, are disclosed under G1-1. Currently, Anora does not formally evaluate the value chain workers' awareness or trust in the whistleblowing channel or the process for raising concerns. However, the whistleblowing channel is publicly available on Anora's website and mentioned in the Code of Conduct.

In accordance with its Code of Conduct for Suppliers and Sub-contractors, Anora requires that all suppliers implement a system enabling employees to anonymously and reliably report any observed defects and issues related to the company's responsibilities. Anora also expects its suppliers to inform value chain workers about these channels.

Anora does not have a formal pre-established process for providing or tracking the effectiveness of remedy, but is committed to taking measures, based on due diligence processes, to avoid causing or contributing to adverse human rights impacts through its own activities, including its operations and supply chain. Anora is dedicated to addressing and remediating such impacts when they occur. Anora's responses and actions are tailored and measured to meet the circumstances and demands required to appropriately remedy the impact. Anora continuously finds ways to exercise its leverage to address adverse human rights impacts arising out of its business relationships.

S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and the effectiveness of those actions

During the reporting period, significant actions related to all the negative impacts identified in the double materiality assessment (DMA) regarding value chain workers, consisted of:

- Continued utilisation of third-party certificates, and planning for third-party audits for ensuring compliance.
- Continued internal audits and supplier visits for ensuring compliance.
- Continued assessment of risk country profiles to provide Anora with a holistic understanding of the human rights situation in the supply chain countries, allowing for better-informed decisions and risk management.
- Continued use of the Supplier Self-Assessment tool to both communicate about Anora's commitments for suppliers and gain a wider understanding of Anora's suppliers' sustainability approach (incl. human rights)

- Finalising and communicating a field guide in early 2024 to help brand managers and procurement visiting partners to effectively assess and discuss human rights, promoting also Anora's sustainability approach.

All listed actions are both taken and underway, and similar actions and development are also planned for the future in short and medium term.

In 2024, no amfori BSCI audits were conducted, and no negative impacts were directly reported to Anora. Additionally, no corrective actions were taken, nor remedies provided during the year for the negative impacts identified in the double material assessment.

The general expected outcome related to the actions listed above is systematic improvement of sustainability in the ways of Anora's procurement. The scope of the actions listed above applies to the entirety of Anora's sourcing, with agricultural value chains and certain geographies being the most prone to human rights risks. Relevant stakeholders include various groups, with specific focus on vulnerable groups, such as seasonal workers from Eastern Europe and outside the EU region, women workers, migrant workers, and undocumented migrant workers.

During 2024, Anora implemented additional initiatives with the primary purpose of delivering positive impacts for value chain workers, including inviting its relevant suppliers to join training sessions on a topical theme, such as responsible recruitment in Italian wine producers and mitigating salient risks in the South African Wine industry. These training sessions were offered by Nordic monopolies in collaboration with other sustainability initiatives.

To track and assess the effectiveness of its actions and initiatives, Anora executes follow-up actions on audits for the value chain workers as necessary. Anora's risk steering group supports and coordinates risk management and also reports key sustainability risks and material changes therein to the Audit Committee of the Board of Directors in connection with the interim reporting and financial statements.

Anora has identified the necessary actions in response to negative impacts based on its human rights risk assessment conducted in 2023, targeting the most significant risks. Anora will conduct reviews and updates of the human rights impact assessment as necessary. Anora is a member of amfori BSCI and has adopted the amfori BSCI Code of Conduct throughout its operations. Through Anora's membership in amfori BSCI, other sustainability platforms and direct project implementation, Anora aims to enhance the working conditions in the supply chain throughout all operations. amfori BSCI audits verify the compliance of supplier's facilities and operations with all requirements of the amfori BSCI Code of Conduct, including areas related to:

- Working hours and fair compensation
- Occupational health and safety
- Child labour and protections for younger workers
- Forced/bonded labour and precarious employment
- Freedom of association and collective bargaining
- Ethical business behaviour
- Discrimination

At Anora, responsibility for ensuring the compliance with amfori BSCI Code of Conduct and Anora's Human Rights Commitment are assigned operationally to all purchasing functions. On an everyday level, each Anora employee is expected to act according to these policies and to take the needed steps to ensure that the policies are implemented throughout Anora's business, including its supply chain.

In the event of non-compliance with the Supplier Code of Conduct, Anora will notify the supplier with evidence of the issue and initiate a dialogue to resolve it. If the supplier fails to amend their policies or significantly violates the Code of Conduct, Anora may terminate both the contract and cooperation.

According to a human rights risk assessment undertaken in 2023, Anora's actual or potential salient human rights risks within the supply chain relate to health and safety, freedom of discrimination in employment, decent work, freedom of association and collective bargaining and forced labour. No severe human rights issues and incidents connected to upstream and downstream value chain were reported in 2024.

Anora has allocated resources to, for example, perform risk analyses regarding material impacts relevant to its value chain workers as a part of its human rights assessment. Anora has also allocated resources to supply chain auditing through its membership in amfori BSCI. amfori BSCI auditors verify the compliance of audited Anora's supplier's facilities regarding its material impacts.

S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Anora's goal is to ensure that by 2030, all purchases from risk countries are covered by amfori auditing or certifications. The target was agreed during Anora's Sustainability Roadmap process, and a materiality analysis with the views of an open survey with over 200 answers from different stakeholders, including industry associations and NGOs, was utilised. Efforts to monitor and improve the effectiveness of this target are ongoing. The aim of the target is to reduce negative impacts on value chain workers. In 2023, two amfori BSCI audits were conducted, and in 2024, no amfori BSCI audits were conducted. However, Anora continues the planning of amfori BSCI audits and certifications for the identified risk countries.

In the forthcoming years, aligned with Anora's Sustainability Roadmap and commitment to human rights, the focus will be on developing more specific targets and improving tracking processes.

Target	Relationship with policy objectives and scope of target	Target and nature of target	Target year, interim targets or milestones (if applicable)	Baseline value and year	Description of methodologies, significant assumptions, evidence used to define target or any changes in these	Status of performance against target
Risk country audits and certificates	The target covers purchases from risk countries, from the upstream value chain. The target relates to the Human Rights Commitment, amfori BSCI Code of Conduct and the Supplier Code of Conduct.	100% of the risk countries will be included in audits	2030	0 2021	The target is currently measured based on the number of amfori BSCI audits conducted for Anora's suppliers in the upstream value chain during the reporting year.	During reporting period: 0

S4 Consumers and end-users

S4-1 – Policies related to consumers and end-users

Anora's most important policy in relation to material negative impacts, as well as material opportunities and risks related to consumers and end-users, is Anora's Responsible Marketing Policy. Anora evaluates annually the need to review and update its policies and procedures.

Policy	Key contents, objectives and processes for monitoring associated impacts, risks and opportunities	Scope and exclusions of policy	Most senior level accountable for implementation	Related third-party standards or initiatives (if relevant)	Policy availability to stakeholders
Code of Conduct (Anora Way)	The Code of Conduct (CoC) includes Anora's values that govern all actions, choices and behaviour and rules to conduct business reliably, fairly and in accordance with all laws and regulations. The CoC describes Anora's commitment to support a responsible drinking culture in accordance with Anora's purpose, Let's drink better. The policy addresses material impact on consumers' and end-users' health and safety, while also supporting financial opportunities through the expansion of NoLo products and the encouragement of responsible drinking habits.	The CoC applies to all individuals employed by every Anora Group company, including members of the Board of Directors and the Executive Management Team and to all people working for or representing Anora. The policy takes into account the consumers of Anora's products.	Executive Management Team	OECD Guidelines for Multinational Enterprises and the UN Business and Human Rights principles	Publicly available online
Responsible Marketing Policy	The policy demonstrates Anora's commitment to ethical and responsible marketing practices. The policy provides information on the rules and regulations that apply to alcohol marketing in the geographical areas where Anora operates and how Anora complies with them. The policy addresses material impact on consumers' and end-users' health and safety.	The policy applies to all employees involved in the marketing and sales of Anora's products (including Anora's partner brand products), all suppliers, subcontractors, licensees and third-party distributors. The policy takes into account relevant consumer groups, especially vulnerable groups such as minors and people who are pregnant.	Chief Executive Officer	Supplemented with the Spirits EUROPE guidelines	Publicly available online
Anora's Internal Marketing Guidelines	The guidelines provide further information and guidance on the rules and regulations that apply to alcohol marketing in the geographical areas where Anora operates and how Anora complies with them. The policy addresses material impact on consumers' and end-users' health and safety	All employees involved in the marketing of Anora's products	Executive Management Team, Legal		Available internally for all Anora's employees

Anora's respect for human rights as enshrined in the International Bill of Human Rights is outlined in its Human Rights Commitment. Anora acknowledges that excessive use of alcoholic beverages may have adverse social and health impacts on society and individuals and is committed to supporting the development of a modern, responsible drinking culture.

Anora's primary aim in engaging with consumers is to provide information on how to enjoy alcohol responsibly and to provide information on the adverse impacts of excessive use on society and individuals. More information about how Anora engages with consumers is provided under S4-2.

Anora's products are sold through an intermediary; therefore, Anora does not provide remedy to consumers and end users directly. However, consumers can raise concerns related to Anora's products and marketing via the Anora Whistleblowing Channel, customer service channels and Anora's online platforms. More information about Anora's general approach in relation to measures to enable remedy is provided under S4-3.

Anora respects and promotes human rights and international labour standards in accordance with the United Nation's Universal Declaration of Human Rights and the most central conventions and recommendations of the International Labour Organization. Anora's Responsible Marketing Policy covers consumers and end users, and forbids discrimination, as well as any other factor that is likely to harm a particular group of people based on religion, ethnical background, gender, identity, sexual orientation, nationality, age or similar. During the reporting period, no cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises that involve consumers, were reported.

S4-2 Processes for engaging with consumers and end-users about impacts

As Anora's products are sold through an intermediary, the formal processes for engaging directly with consumers and end users has not been established. However, Anora takes into account general consumer views, for example through consumer insights, and incorporates them with regard to packaging design and campaigns. As a part of advocating for the responsible use of Anora's products, the majority of the packaging contains a "Drink responsibly" call for action or a link to a local or European website with information on alcohol and the enjoyment of the beverage in moderation, for example responsibledrinking.eu. Important information on the effects of alcohol consumption is also provided on Anora's website. Additionally, spirits packages have information about the quantity of alcohol that constitutes one serving or unit, and the amount of energy it contains.

The SVP Wines and SVP Spirits have the overall responsibility for overseeing the consumer engagement at Anora in their respective business areas.

S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Anora is continuously expanding its consumer offering of NoLo products to remedy the potential negative impacts of excessive alcohol consumption, by providing alternative products with a lower abv (alcohol by volume) content, thus contributing to decreasing alcohol consumption. Effectiveness is monitored by monitoring the net sales development of NoLo products and NoLo product offering. Important information on the effects of alcohol consumption is also provided on Anora's website.

In Anora's Nordic core markets, the marketing of alcoholic beverages is strictly regulated. As a prominent actor in the wine and spirits industry, and especially in the Nordics, Anora is committed to upholding the highest standards of responsible marketing. This commitment supports Anora's efforts mitigate the adverse effects associated with excessive alcohol consumption.

The primary channels for consumers to report concerns and non-compliance include the Anora Whistleblowing Channel, customer service channels and Anora's online platforms. The whistleblowing channel, maintained by an independent third party, is open for both Anora employees as well as external parties. All messages are investigated confidentially.

The Anora Whistleblowing Channel is publicly available on Anora's website and referred to in the company's Code of Conduct. Through the whistleblowing channel, consumers can raise any potential concerns without fear of retaliation in any form. Anora has not formally assessed consumer awareness of the existence of its processes and structures (whistleblowing channel) to raise concerns. Additionally, in accordance with its Code of Conduct for Suppliers and Sub-contractors, Anora also requires that all suppliers implement a system enabling employees to anonymously and reliably report any observed defects and issues related to the company's responsibilities.

The processes through which Anora addresses raised issues, tracks and monitors them, as well as policies regarding protection against retaliation, are disclosed under G1-1. Currently, Anora does not formally evaluate the consumers' and end-users' awareness or trust in the whistleblowing channel or the process for raising concerns.

S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and the effectiveness of those actions

During the reporting period, significant actions related to consumers consisted of:

- The launching of new no and low-alcohol (NoLo) products in the ready-to-drink (RTD) and wine categories to support both Anora's commercial opportunity and responsible drinking culture. During 2024, Anora launched a wide range of wines containing up to 8% ABV alcohol in grocery stores in Finland, following the legislative amendment to Finland's Alcohol Act. Anora also had several new product launches, including the 4.5% ready-to-drink Vikingfjord Hard Seltzers, Raspberry & Pomegranate and Orange & Mango, as well as a 4.5% ready-to-drink Jaloviina Omena. Anora's R&D pipeline contains similar product development initiatives for future launches in short and medium term.
- Trends research in wine and spirits was conducted, including also relevant topics on health, wellness, responsible drinking and NoLo topics, with the aim of further increasing awareness and competence on the topics within Anora's marketing and sales operations in short and medium term.

The actions mentioned above aim to mitigate the adverse effects associated with the misuse or excessive use of alcoholic products and enhance Anora's financial opportunities related to NoLo products.

Anora does not currently have a formal process in place for remediating actual negative impacts. In 2024, no instances requiring corrective actions were reported to Anora.

Anora is a member of various industry associations, including the Association of Norwegian Wine and Spirits Suppliers (VBF) in Norway, the Spirit and Wine Suppliers Association (SVL) in Sweden, the Finnish Food and Drinks Industries' Federation (ETL) in Finland and the Association of Finnish Alcoholic Beverage Suppliers (SAJK) in Finland. SVL and SAJK are members of spiritsEUROPE and share valuable insights regarding regulations in Europe and best practices of the industry worldwide in building a responsible drinking culture, as well as drive educational initiatives such as the Talk about alcohol programme. Anora supports the Talk about Alcohol campaign, which is used by 75% of primary schools in Sweden and is also available in Finland and the Baltics.

Anora monitors and reports the share of net sales from NoLo products on an annual basis. For more information, see the target and associated metrics described under disclosure requirement S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities.

Anora remains firmly committed to supporting the development of a responsible drinking culture. Anora acknowledges that alcoholic products also have negative effects and are meant to be enjoyed responsibly, in moderation and abiding by local age limits. These facts act as a foundation for identifying appropriate actions in response to the negative impacts of excessive alcohol consumption on consumers, namely providing NoLo alternatives, adhering to responsible marketing practices to protect vulnerable groups and sharing information on responsible and alcohol consumption in moderation on the 'Let's drink better' webpage to promote responsible drinking culture.

In addition to offering NoLo products, Anora acknowledges its responsibility as a wine and spirits producer and importer to market its products responsibly and in compliance with applicable marketing laws and regulations throughout Anora's marketing and sales channels to reduce negative impacts associated with the misuse or excessive use of alcoholic products. Anora adheres to all applicable laws and regulations related to the marketing, advertising, and promotion of wine and spirits products. Finnish legislation, together with the National Supervisor Authority for Welfare and Health's (Valvira) guidelines on alcohol marketing, are among the strictest in the EU. In addition to these aforementioned laws and regulations, Anora duly respects and considers local laws, regulations and guidelines and applies them in marketing actions. For example, in Norway, where all alcohol-related marketing measures are prohibited, Anora refrains from marketing its products. Taken as a whole, case-by-case consideration in marketing activities is the precept for how Anora operates.

As Anora is mostly engaged in B2B business and is not in direct contact with the consumers and end-users of its products, Anora is not able to formally ensure that its processes to provide or enable remedy, even if available, are effective in their implementation and outcomes.

NoLo production process may require investments (de-alc equipment, canning line, production premises, more frequent washing, hygiene, innovation capabilities), and Anora's investment strategy and budgets are designed to identify and address the need to invest in these capabilities in a timely manner, thereby reducing the financial impact. Anora's R&D pipeline contains similar NoLo product development initiatives for future launches.

Increasing the number and variety of NoLo products is a commercial opportunity for Anora, that additionally supports a responsible drinking culture. Anora's strong innovation work and partnerships in the NoLo category represents significant growth opportunities due to current consumer trends of health and convenience. NoLo products support the responsible drinking trend and 'sober curiosity' movement, as well as help Anora in mitigating the adverse impacts which excessive use of alcoholic beverages may cause.

Anora's marketing communications are targeted exclusively towards individuals of legal drinking age, and this is the reason why Anora does not initiate marketing campaigns in media or contexts that target individuals under the legal drinking age. These social media platforms include channels and content popular among young audiences. Anora implements age verification mechanisms for online platforms and events for the purpose of ensuring that messages are only targeted to those of legal drinking age. The use of cartoons, fairy tale characters or youth culture idols or phenomena that attract children and young people is strictly prohibited in Anora's marketing, as is the use and portrayal of minors in marketing.

In addition to minors, Anora also protects other vulnerable individuals from marketing, such as those suffering from alcohol misuse. Anora does not target its marketing content at persons to whom alcoholic beverages may not be sold or should not be sold. These include, among others, people who are pregnant.

Anora's marketing campaigns actively promote responsible alcohol consumption. Anora integrates clear messages that dissuade excessive or irresponsible drinking and encourage moderation. Anora does not portray irresponsible drinking or abundant consumption of alcohol in a positive light and does not condemn anyone who chooses not to drink. Any depiction by Anora of individuals consuming its products will focus on moderate enjoyment of the quality of Anora's wines and spirits. Furthermore, Anora does not emphasise alcohol content as a positive characteristic or endorse high alcohol content as such.

Anora's marketing does not glamorise alcohol consumption, depict excessive consumption, or associate alcohol with success, popularity, or attractiveness. Additionally, Anora ensures that advertising does not give the impression that an alcoholic beverage or its ingredients have medical or therapeutic properties, or that they help prevent diseases, or solve conflicts.

Anora requires all employees involved in the marketing of Anora's products to be both familiar with and comply with Anora's Responsible Marketing Policy and internal Responsible Marketing Guidelines. Anora has also put in place internal Social Media Guidelines that every new employee is required to familiarise themselves with when they join the company.

Anora educates its employees regarding responsible marketing and marketing regulation. Training materials, including extensive e-training and continuous guidance, for all employees involved in the marketing of Anora's products are provided by Anora's legal team. Continuous internal training is also provided through various intranet publications on current topics related to, for example, promoting a responsible drinking culture both inside and outside the company.

No severe human rights issues and incidents connected to consumers were reported in 2024.

Anora allocates financial, human and technical resources for the innovation work regarding its NoLo (no and low alcohol) product portfolio. In addition, Anora allocates financial resources to support the educational awareness campaigns.

S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

All targets related to consumers and end users are included in the table below. All targets relate to sustainability matters defined as material as the outcome of a process to identify and assess material impacts, risks and opportunities, during which affected stakeholder views were considered. The target is related to managing and advancing the identified financial opportunities related to NoLo products, consequently supporting a responsible drinking culture, as well as reducing the identified negative impacts.

The target is based on the trend of consumers purchasing behaviours shifting increasingly towards NoLo products. The target was agreed during Anora's Sustainability Roadmap process. During this process, stakeholders, including consumers, were directly engaged through an open survey. The progress towards achieving the target is regularly tracked, with annual updates available to consumers in the annual report. Anora takes into account general consumer views, to adjust targets if needed.

Target	Relationship with policy objectives and scope of target	Target and nature of target	Target year, interim targets or milestones (if applicable)	Baseline value and year	Description of methodologies, significant assumptions, evidence used to define target or any changes in these	Status of performance against target
Increasing the share of NoLo products	The target relates to responsible drinking culture as stated in the Code of Conduct. Anora is committed to supporting a responsible drinking culture in accordance with Anora's purpose Let's drink better. The scope of the target includes Anora's own products, including wines under 10% abv, spirits under 30% abv, RTDs and non-alcoholic products.	The share of net sales from no- and low-alcohol products projected to be 5% by 2030.	2030	4% 2022	Scope: own products, including wines under 10% abv, spirits under 30% abv, RTDs and non-alcoholic products. Calculated from the net sales of the products in the scope, divided by the total net sales of the period.	During reporting period: 5.9% The product development on NoLo products is on-going throughout the year, and the performance against this target is tracked and reported annually, and the progress has been in line as initially planned. The target was already reached in 2024, mainly thanks to the launch of a broad selection of new lower-ABV wines in Finland.

G1 Business conduct

The role of administrative, management and supervisory bodies (Disclosure Requirement related to ESRS 2 GOV-1)

Anora's Code of Conduct describes the company's commitment to ethical business conduct. The Code of Conduct and other related key policies are prepared and periodically reviewed and updated when needed through a policy review process by the Executive Management Team, and where relevant approved by the Board of Directors. The Code of Conduct and other policies apply to all individuals employed by any Anora Group company, regardless of the type of contract they have or the location from where they work. The Board is responsible for the administration of the Company and the appropriate organization of its operations.

The Board is responsible for the appropriate arrangement of the supervision of the Company's accounts and finances. The Board decides on Group wide significant matters of principal importance. The Board appoints and dismisses the CEO, supervises their actions, and decides on their remuneration and other terms and conditions of service. The Board also makes decisions on the strategy, investments, organization and financial affairs of the Company. With respect to sustainability, the Board of Directors decide on the sustainability strategy and roadmap and as well as decides on significant sustainability investments. The Board also oversees management's actions to achieve set sustainability goals. Audit Committee assists the Board of Directors in overseeing the appropriate governance of sustainability and ESG within the Group, and sustainability management and ESG related risks.

The CEO is responsible for the day-to-day executive management of the Company in accordance with the instructions and orders given by the Board. In addition, the CEO ensures that the accounts of the Company comply with Finnish law and that its financial affairs have been arranged in a reliable manner. The CEO, assisted by Executive Management Team, implements the sustainability strategy and roadmap in accordance with the instructions given by the Board of Directors.

Policies, guidelines and procedures to ensure ethical business conduct form the basis of Anora's compliance programme. Knowledge of, and adherence to these policies, guidelines and procedures is required by all members of the Board of Directors, the Executive Management Team and employees of the Anora Group, unless stated otherwise in the relevant policy document. Members of the Board of Directors and the Executive Management Team have extensive experience and expertise from sustainable business conduct from e.g., Anora's long-standing and recognized work on sustainability and circular economy, in particular in relation to the Koskenkorva Distillery.

G1-1 – Business conduct policies and corporate culture

Anora's key policies related to managing material risks related to business conduct and corporate culture are summarized in the following table. Anora evaluates annually the need to review and update its policies and procedures.

Policy	Key contents, objectives and processes for monitoring associated impacts, risks and opportunities	Scope and exclusions of policy	Most senior level accountable for implementation	Related third-party standards or initiatives (if relevant)	Policy availability to stakeholders
Code of Conduct (Anora Way)	Includes Anora's values that govern all actions, choices and behaviour to conduct business reliably, fairly and in accordance with all laws and regulations. Creates the foundation for assessing managing material risks related to governance and corporate culture in Anora's own operations as well as for assessing potential related risks in M&A situations.	Applies to all individuals employed by any Anora Group company	Board of Directors	OECD Guidelines for Multinational Enterprises and the UN Business and Human Rights principles.	Publicly available online
Supplier Code of Conduct	Includes description of Anora's commitment to developing responsible and sustainable policies in its operations, including expectations for suppliers and subcontractors in relation material risks on general governance practices of human rights, environment and business ethics throughout the value chain. The same principles are used to mitigate material risks in M&A situations.	Applies to all Anora's suppliers and subcontractors and their suppliers and subcontractors	Executive Management Team	UN Universal Declaration of Human Rights, UN Global Compact and amfori BSCI (Business Social Compliance Initiative) Code of Conduct.	Publicly available online
Anti-Bribery and anti-Corruption Policy	Contains guidelines to prevent, detect, and address bribery and corruption. The policy outlines acceptable practices and defines prohibited behavior (such as accepting monetary gifts, including cash or securities). Its key objectives include ensuring integrity in all operations, complying with anti-corruption laws, and mitigating material reputation risks related to governance of business conduct and corporate culture, including in M&A situations.	Applies to all individuals employed by any Anora Group company	Executive Management Team		Not publicly available online
Anti-Bribery and anti-Corruption Policy for Business Partners	Contains guidelines to prevent, detect, and address bribery and corruption. The policy outlines acceptable practices and defines prohibited behavior (such as accepting monetary gifts, including cash or securities). Its key objectives include ensuring integrity in all operations, complying with anti-corruption laws, and mitigating material reputation risks related to governance of business conduct and corporate culture, including in M&A situations.	Applies to all Anora's business partners	Executive Management Team		Publicly available online
Procurement policy and Principles of responsible sourcing	Describes Anora's procurement principles, including the responsibility on human rights and environment in the value chain. The objectives of the policy include securing the best value for materials and services through competitive pricing and quality whilst promoting sustainable, ethical and compliant sourcing practices to manage risks related to governance of business conduct and corporate culture, including in M&A situations.	Anora Group and its subsidiaries, all Anora's suppliers	Executive Management Team	amfori BSCI principles	Publicly available online

Anora's Code of Conduct and values – Courage to explore, Energy to inspire, and Empowering to win – govern all choices and actions in Anora's everyday work in a constantly evolving business environment. They are meant to ensure that the company's business objectives can be achieved by ensuring ethical conduct by all employees and compliance with all laws and regulations. Anora's compliance system is embedded in the governance model and is designed to strengthen company performance and a Group-wide culture of integrity at all levels. Anora's established corporate culture is developed and promoted in various ways, including in individual discussion during performance reviews and recruitment situations, in internal communications, including symbols and other visual representation as well as in leadership training and management programs. Development of corporate culture and associated company values is evaluated through an annual Anora Tasting employee survey.

In case of concern for any misconduct, Anora has a whistleblowing channel maintained by an independent third party, open to all employees and external stakeholders. All concerns raised, whether through the channel or through other means, are investigated in accordance with an established process to ensure accuracy, anonymity, objectivity and fairness. The Audit Committee, which plans and oversees the work of the internal auditor, can also give the internal auditor special assignments to audit and investigate relevant processes and systems, thereby contributing to the identification of concerns of unlawful behaviour. Anora also encourages its personnel to report on identified concerns, in addition to using the Whistleblower channel, also to their managers and line management.

All Anora's employees are informed on the whistleblowing mechanism and processes (including the process of investigation) and advised on how to report concerns through the channel. All reported concerns are investigated confidentially. Anora does not tolerate retaliation against any person reporting good-faith concerns. Anora's whistleblowing policy, which is available to all employees, is built on the premises that it encourages Whistleblowers to feel confident in raising concerns at the earliest opportunity and to question and act upon concerns; provides avenues for Whistleblowers to raise those concerns and receive feedback on any action taken; ensures that Whistleblowers receive a response to their concerns; reassures Whistleblowers that they will be protected from possible reprisals or victimisation if they have made any disclosure in good faith. The Policy requires that all protected disclosures made through the Whistleblowing Channel will be treated with the utmost confidentiality. The Policy strictly prohibits any form of retaliation against Whistleblowers who report concerns in good faith. Retaliation against Whistleblowers is a serious violation of the Policy and Anora's Code of Conduct and may result in disciplinary action. Whistleblower protection is covered by the Code of Conduct, Anora is also subject to legal requirements under national law transposing the EU Whistleblowing Directive (EU) 2019/1937. Beyond the procedures to follow up on reports by whistleblowers, Anora follows its normal internal control procedures and risk management systems to investigate business conduct incidents, including incidents of suspected corruption and bribery in a prompt, independent and objective manner.

Every employee, including the Executive Management Team and Anora's Board of Directors, is familiarised with the company's Code of Conduct and other policies and guidelines relevant for their respective work and duties. Anora's employees take the e-training on Code of Conduct upon joining the company and need an annual refresher. The next deadline for completion is end of Q1/2025.

Anora's main markets in the Nordic countries and Northern Europe are low on the corruption index. However, given that alcohol is a highly regulated business, obtaining and maintaining the necessary licenses and permits are associated with a risk of corruption or bribery in countries high on the corruption index. Anora's employees and business partners exposed to business in countries high on the corruption index are seen as being most at risk in respect of corruption and bribery.

Even if no formal measurable outcome-oriented targets with base years from which progress would be measured for business conduct and corporate culture have been set, Anora nevertheless tracks the effectiveness of its policies in relation to material risks through the number of people receiving the Code of Conduct training each year.

G1-3 – Prevention and detection of corruption and bribery

As stipulated in the Anti-bribery and -corruption Policy for Business Partners, Anora has a zero-tolerance policy towards bribery and corruption. Procedures in place to prevent allegations of incidents of corruption and bribery include Anora's internal anti-bribery and corruption policy, Anora's anti-bribery and corruption policy for business partners, Anora's internal anti-bribery and corruption e-training module. detect and address allegations of incidents of corruption and bribery. Procedures in place to detect and address allegations of incidents of corruption and bribery include internal control procedures and risk management. Allegations are addressed, as appropriate and as the case at hand may require, as an (i) internal investigation (as applicable relying on the investigation principles of the whistleblower policy and Anora's Conflict of Interest Policy); and/or as (ii) a special assignment to the company's internal auditor. Authorities are involved, as needed and appropriate. The investigators / investigating committee are separate from the chain of management involved in the matter. All allegations and incidents involving corruption or bribery are to be reported to the Audit Committee and the Board of Directors.

The anti-bribery and -corruption policy for business partners is publicly available online, and Anora expects its representatives, consultants, agents, subcontractors, distributors, vendors and other parties, when performing services for Anora or on its behalf or engaging in any other business dealing on behalf of or for the benefit of Anora, to comply with the policy, in addition to any applicable local anti-bribery and -corruption laws.

Anora reserves the right to monitor and audit its suppliers and third parties to ensure compliance with the policy. Anora will conduct such audit should it have a genuine reason to suspect that a Business Partner is not in compliance with the principles of the Anti-Bribery and -Corruption Policy. If bribery and corruption occur, Anora reserves the right to terminate the contract and cooperation with the Business Partner applying, if necessary, a notice period reasonable under the circumstances to safeguard Anora's business interests. With the support of the risk management function, each business area, function and unit are responsible for identifying and managing compliance risks related to its own operations. Any suspected incidents of corruption or bribery and reports of investigation outcomes are reported to the Audit Committee of the Board of Directors.

Anora offers internal trainings on its Anti-Bribery and Corruption Policy for relevant key employees. Procedures in place to prevent allegations of incidents of corruption and bribery include Anora's internal anti-bribery and corruption policy, Anora's anti-bribery and corruption policy for business partners and Anora's internal anti-bribery and corruption policy. Employees in functions-at-risk are required to complete the training. All salaried employees and management, not members of the Board of Directors, are in the scope. Anora's employees exposed to business in countries high on the corruption index are seen as being most at risk in respect of corruption and bribery, and all are within the scope of training programmes. 24% of employees for whom the training is relevant have currently completed the course in 2024. Apart from these periodically conducted training programs described above, Anora has currently not planned any other formal actions related to prevention and detection of corruption and bribery.

G1-4 – Incidents of corruption or bribery

The number of convictions for violation of anti-corruption and anti-bribery laws was 0 during the reporting period. The amount of fines for violation of anti-corruption and anti-bribery laws was EUR 0. These metrics have been obtained through direct measurement and are not subject to validation by an external body other than the assurance provider. During the reporting period, Anora continued with actions related to the annual evaluation of the need to review and update anti-corruption and bribery principles and procedures. In addition to these periodical updating processes related to policies and procedures for mitigating risks related to business conduct and corporate culture, no other formal actions or action plans have been pursued.

Even if no formal measurable outcome-oriented targets with base years from which progress would be measured for prevention and detection of corruption and bribery (related to disclosures presented in this section G1-4 and section G1-3 of these Sustainability Statement), Anora nevertheless tracks the effectiveness of its policies in relation to material risks through the number of people trained in anti-bribery and corruption matters as well as through the number of annual cases reported through the whistleblowing channel.

Helsinki, 18 March 2025

Anora Group Plc
Board of Directors

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Anora's Sustainability Review

Anora's vision is to be the leading Nordic wine and spirits group, delivering growth through sustainability. This means that sustainability, as defined in our ambitious 2030 roadmap, is central in all of our operations and an integral element in our decision-making. We have invested in our Koskenkorva Distillery for more than a decade to distil grain-based spirits following the principles of circular economy.

We increasingly pack our products in recyclable, recycled or lower-carbon packaging in comparison to traditional glass bottles, and utilise near-market filling to reduce transportation emissions. To help both promote and support a responsible drinking culture, we offer a broad range of no- and low-alcohol (NoLo) products to ensure everyone can find an option for each occasion. Our mission is to take the best of the Nordics to the world, and to bring the best of the world to the Nordics. The ambition of this Sustainability Review is to summarise and highlight our work and notable achievements throughout 2024.

At Anora, we aim to minimize our impact on the environment and are committed to reducing the footprint of Anora's actions according to our strategy. We encourage our suppliers and partners to do the same. Our Sustainability Roadmap 2030 contains three primary focus areas – Planet, People and Product – and it has been designed to cover all aspects of sustainability while further developing our strengths, such as the effort to reduce our emissions and enhance our circular economy actions.

We have set as our own target to reach zero fossil emissions at Koskenkorva Distillery during 2026 and in the entirety of our own production by 2030, without carbon compensations. In 2024, we managed to decrease our own Scope 1-2 fossil emissions by 37% compared to 2023. The improvement was mainly due to the switch to renewable electricity at the Rajamäki plant, where emissions decreased by 93% compared to the previous year, and the long-term efforts at the award-winning Koskenkorva distillery, where emissions from steam decreased by about

28% compared to the previous year. Read more on our work to reduce our emissions in the Planet section on pages 125–133.

As part of our roadmap, in late 2023, we submitted science-based emission reduction targets to the Science Based Targets initiative (SBTi) and in September 2024, we received official approval from the SBTi for our targets to reduce our Scope 1-3 emissions by a defined percentage by 2030 and to reach net-zero GHG (Greenhouse Gases) emissions across the value chain by 2050. To reach these targets, Anora started to work on a climate roadmap action plan for Scope 3 in 2024, focusing especially on planning for the initiated actions to be taken in the forthcoming years in terms of grain, wine, logistics and packaging that represent the biggest emissions sources in our value chain. Read more about our science-based emission reduction targets on page 129.

In 2024, we also continued our efforts to enhanve our biodiversity work and support the regenerative barley farming. Barley is the main raw material of our grain-based products, and Anora is one of the largest buyers of barley in Finland – in 2024 Anora purchased 162 million kilos of barley, around 3.5 million kilos of which was regeneratively farmed. Read more about our work to promote regenerative farming practices on pages 132–133.

We continued to promote fair, safe and inclusive work in our global value chain and throughout our own operations. Internally, we have been building a strong safety culture for many years, and this work remains a fundamental cornerstone of our operations. Read more in the People section on pages 134–140.

Our roadmap also highlights Anora's firm ambition to lead the shift to more sustainable packaging options. Our enhanced and expanding use of recyclable and lower-CO_2 Bag-in-Boxes (BiB), pouches, and plastic bottles made from recycled material (rPET) is a testament to our innovative and proactive work in this area. Read more on this topic in the Product section on pages 140–144.

Finally, a significant sustainability focus area in 2024 was the preparatory work undertaken for new EU legislation and particularly work related to the new Corporate Sustainability Reporting Directive (CSRD). As part of this process, we also updated our double materiality assessment (DMA). Anora published its first Sustainability Statement in accordance with the CSRD and structured around the European Sustainability Reporting Standards (ESRS) as part of its 2024 Annual Report.

Welcome to Anora's Sustainability Review 2024.

"In 2024, we managed to decrease our own Scope 1–2 fossil emissions by 37% compared to 2023."

Sustainability Roadmap

The EU's new sustainability reporting directive increases transparency

The Corporate Sustainability Reporting Directive (CSRD), which is mandatory for Anora from 2025 onwards, is an EU regulation requiring companies to report on their environmental, social, and governance (ESG) actions in accordance with the European Sustainability Reporting Standards (ESRS) starting from the financial year 2024. The aim of the directive is to increase transparency and accountability, enabling stakeholders to better understand the impacts of companies' activities. The CSRD replaces the previous sustainability reporting framework and sets broader requirements for more companies.

As a base for the CSRD report, in order to identify on what topics Anora is required to report on, a new and updated double materiality assessment (DMA), was conducted. The double-materiality principle includes the perspective on both the company's positive and negative impacts (the inside-out view) and the financial risks and opportunities (the outside-in view). The work on identifying and assessing material impacts, risks and opportunities (IROs) was carried out in 2023-2024 utilising Anora's previous materiality assessment, a desktop study, stakeholder interviews and group assessment workshops.

Based on our double materiality assessment, eight material topics for Anora were identified:

- Climate change
- Water and marine resources
- Biodiversity and ecosystems
- Circular economy and resource use
- Own workforce
- Workers in the value chain
- Consumers and end-users
- Business conduct

In 2024, alongside the DMA, our actions focused on, for example, building the new reporting structure as well as developing our data required for CSRD and overseeing the first external, voluntary assurance of the 2023 Sustainability Report.

For further information on the DMA and the impacts, risks and opportunities related to the material topics, please see Anora's 2024 Sustainability Statement, published as part of Anora's 2024 Annual Report on pages 41-116.

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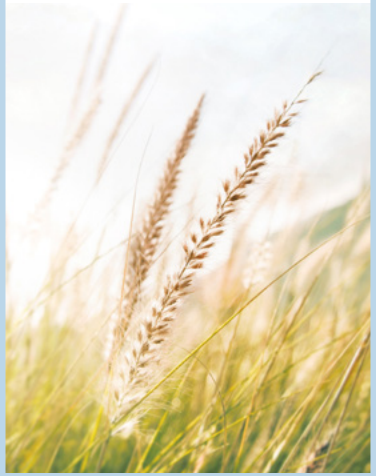
Anora’s year 2024 - Sustainability highlights

5% target reached in NoLo products

The share of NoLo products in our total net sales was 5,9%, exceeding the 2030 target of 5%. NoLo products include wines under 10% ABV, spirits under 30% ABV, ready-to-drink (RTD) and non-alcoholic products.

Our ambitious targets validated by SBTi

Our ambitious scince-based emission reduction targets were validated by the SBTi in September 2024. Our target is to reduce our Scope 1-3 emissions by a defined percentage by 2030 and to reach net-zero GHG emissions across the value chain by 2050.



37% reduction in fossil emissions

We reduced our Scope 1-2 fossil emissions by 37% compared to 2023. The improvement was mainly due to the switch to renewable electricity at the Rajamäki plant, and the long-term efforts at the Koskenkorva distillery.

100% waste recycling and recovery rate

We achieved 100% waste recycling and recovery rate at whole Anora level. We are also running a material recycling route pilot project in Rajamäki and Køge and expanding it to other plants.

We conducted our first CSRD report

A significant focus area was the new CSRD report. In 2024 we updated our double-materiality assessment and developed the reporting structure and our data for the new EU regulation.

Anora's value chain

Anora's value chain covers all the steps in the creation of a finished beverage product - from its initial design, raw material sourcing, production and logistics to marketing, sales and the consumer occasion where the final product is enjoyed.

SUPPLY CHAIN

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

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

DRY GOODS
We source materials, e.g., for our glass, plastic and BiB packaging solutions, as well as ingredients, such as spices, for our beverages.

ANORA'S OWN OPERATIONS

Segments - Wine, Spirits and Industrial

CONSUMER RESEARCH, INNOVATION, PRODUCT DEVELOPMENT
We continuously develop our offering and new innovations with a focus on customer-centricity, occasions and sustainability. We also innovate new circular applications for our industrial sidestreams.

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

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

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

CUSTOMERS AND CONSUMERS

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

CONSUMERS
Our award-winning and sustainable brands cater to Nordic consumer preferences. We support modern lifestyle choices with our NoLo products and the promotion of a responsible drinking culture.

Commitments that support our sustainability work

Since 2022, we have been part of the UN Global Compact (UNGC), the world's largest voluntary corporate sustainability initiative. Joining the UNGC has allowed us to further ramp up our sustainability work as detailed in our Sustainability Roadmap 2030.

In September 2024, we received an official validation from the SBTi for our science-based emissions reduction targtes. The SBTi confirmed that our proposed targets are scientifically rigorous and in line with global climate goals. SBTi is a globally recognized organization that encourages companies to transition toward a carbon-neutral economy by defining and promoting best practices in setting science-based targets.

Anora is a member of amfori BSCI and has adopted the amfori BSCI Code of Conduct throughout its operations. amfori is an initiative aiming to improve working conditions in the supply chain. In addition, Anora continues to work with the Baltic Sea Action Group (BSAG) and ProAgria in matters related to regenerative farming practices. Anora also supports several sustainability certificates and, for example, Anora Sweden and Finland are Fairtrade and Fair for Life certified. In addition, our Koskenkorva Distillery, Rajamäki alcoholic beverage plant, Gjelleråsen production plant, and Globus Wine plant in Køge are certified for organic production.

Engagement with our stakeholders

Anora's stakeholder groups, including investors, owners, analysts, Finnish barley farmers, customers, suppliers, partners, private investors and authorities, have a significant impact on our sustainability work. Stakeholder expectations are primarily related to GHG emissions reductions throughout the supply chain, "walking the sustainability talk", communicating about our achievements, and being transparent about objectives not yet achieved.

In 2024, we participated in industry workgroups with the Nordic alcohol monopolies. Furthermore, we participate in industry collaborations and discussions through the Swedish industry association SVL (The Spirit and Wine Suppliers Association), VBF (The Association of Norwegian Wine and Spirits Suppliers), ETL (The Finnish Food and Drink Industries' Federation) and SAJK (The Association of Finnish Alcoholic Beverage Suppliers).

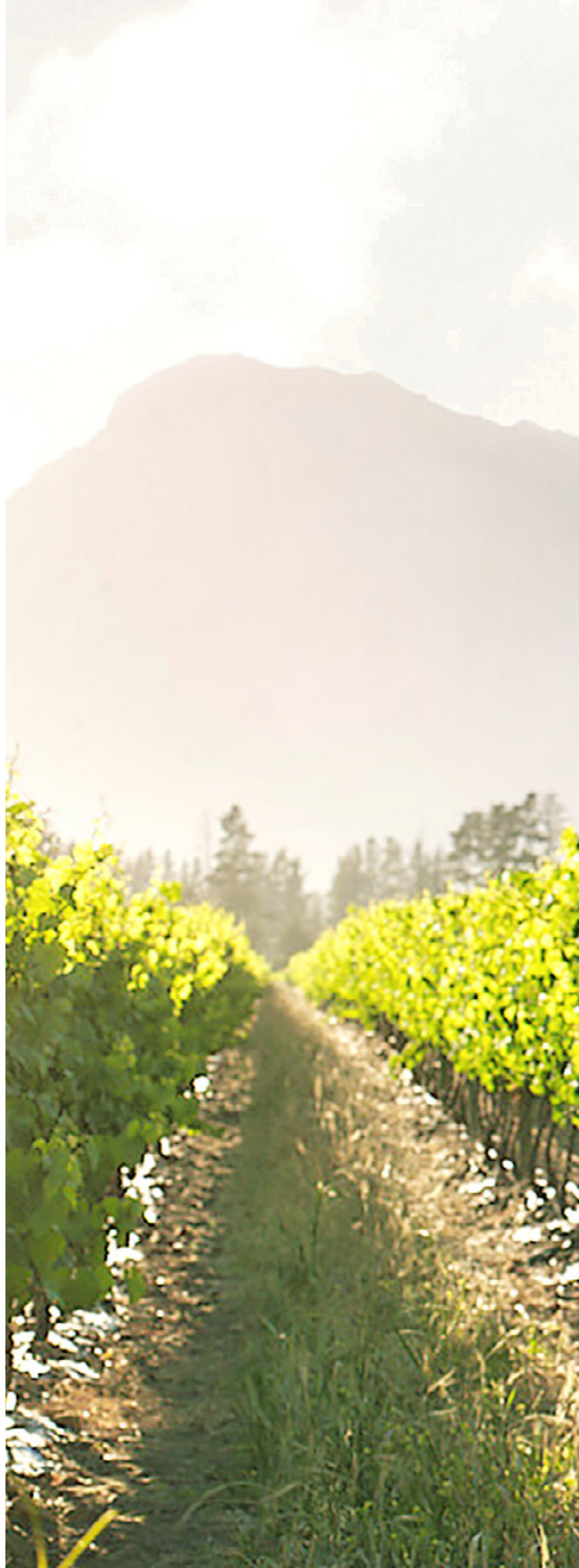
ESG ratings

EcoVadis' Gold Medal 2025: 78/100 (74/100)

CDP Supply Chain 2024: Climate B (B), Water security B (new)

Sustainalytics ESG risk rating 2024: 19.6, low risk (22.7, medium risk)

MSCI 2023: BBB (BBB)



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Planet

The Planet theme of our Sustainability Roadmap refers to our focus areas covering climate and environment-related topics, including actions to mitigate climate change, supporting regenerative farming, reducing our CO_2 emissions, promoting circularity and protecting biodiversity.

Our three primary Planet targets are:

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

In addition, Anora has set separate science-based emission reduction targets, which were officially approved by the SBTi in September 2024, including near-term, net-zero and FLAG (Forest, Land and Agriculture) targets.

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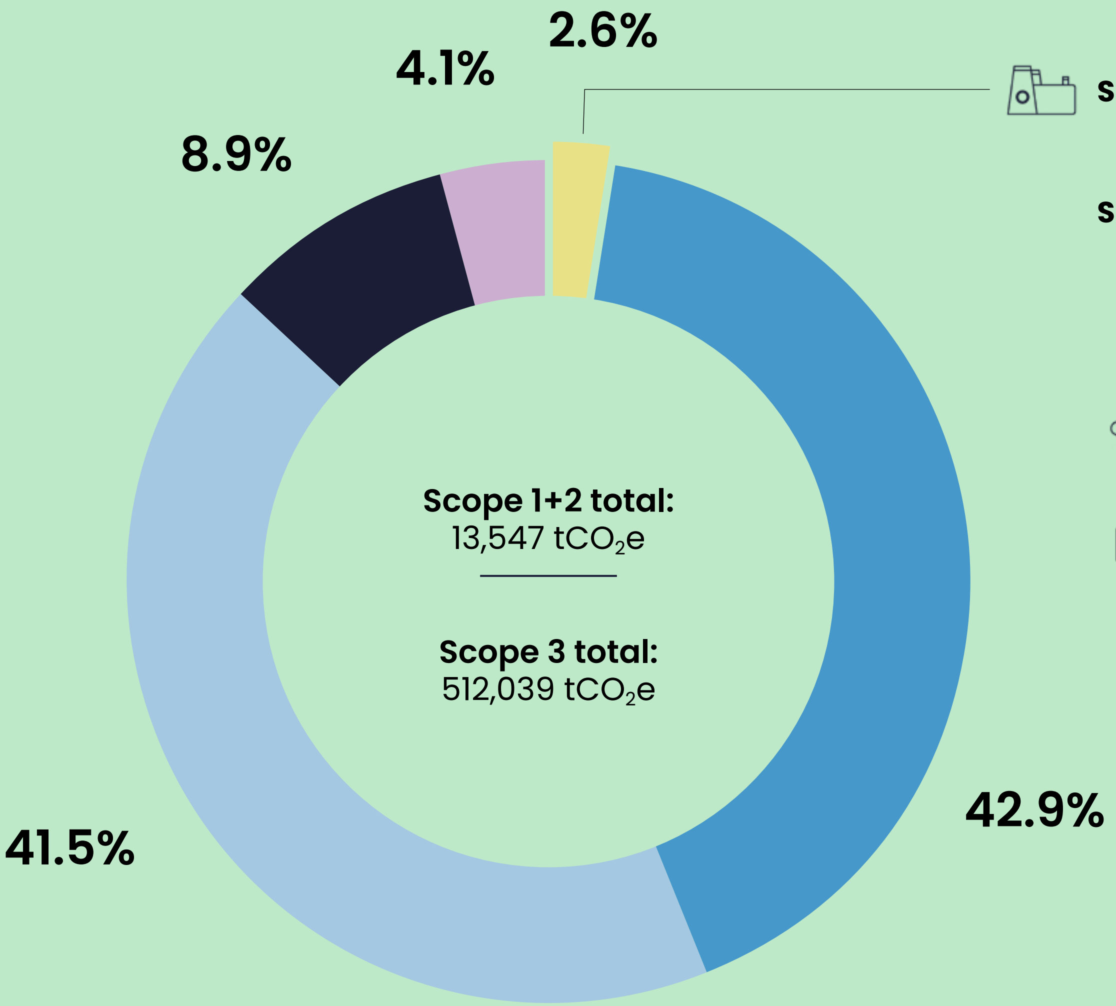
Anora’s full Scope 1–3 emissions in 2024



SCOPE 1–2 (OWN EMISSIONS)

SCOPE 3 (VALUE CHAIN EMISSIONS)

- **Purchased goods and services (non-FLAG)**
- **Purchased goods and services (FLAG)**
- **Upstream and downstream logistics and distribution**
- **Other categories**
  - Capital goods **0.5%**
  - Fuel and energy-related Activities (not included in Scope 1 or Scope 2) **1.3%**
  - Waste generated in operations **0.04%**
  - Business travelling **0.3%**
  - Employee commuting **0.3%**
  - Processing of sold products **0.02%**
  - Use of sold products **1.6%**
  - End-of-life treatment of sold products **0.1%**

Scope 1 emissions are direct greenhouse gas (GHG) emissions that occur from direct energy use in Anora’s own operations, such as combustion of non-renewable fuels or using fuels for company vehicles.

Scope 2 emissions are indirect GHG emissions associated with the energy, such as electricity, steam, heating and cooling, purchased by Anora.

Scope 3 emissions refer to the other indirect emissions from Anora’s value chain, mainly purchased goods and services, such as packaging, and upstream and downstream logistics and transportation.

FLAG (forest, land and agriculture) emissions refer to emissions from land use change (LUC) and land management (LM) of agricultural products, like purchased wine and barley farming in Anora’s value chain.

Our actions to achieve carbon-neutral own operations

Anora's production sites are the Koskenkorva Distillery in Finland; Rajamäki alcoholic beverage and technical ethanol plant in Finland; Gjelleråsen plant and office as well as Vectura logistics centre in Norway; Globus Wine's office and plant in Køge, Denmark; Brunna logistics centre in Sweden; Tabasalu plant in Estonia; and the Atlungstad craft distillery in Norway. In addition, we have our headquarters in Helsinki, Finland as well as offices in Stockholm, Sweden; Copenhagen, Denmark; and Riga, Latvia.

Our target is to reach carbon-neutrality in our own operations without carbon compensations, in other words, reaching zero fossil CO_2 emissions in Scopes 1 and 2. Koskenkorva Distillery's emissions represent the most significant part of Anora's Group-wide Scope 1 and 2 fossil emissions, 79% (70%) in the 2024 reporting period. Our ongoing work to implement actions to further reduce these emissions continues.

At our Koskenkorva Distillery, we have used 100% renewable electricity from wind power since 2023. We also

use bioenergy for steam production in Anora's bioenergy plant at Koskenkorva, which utilises barley husks, a distillation by-product, as its fuel source. There is a plan underway to replace the distillery's remaining fossil-fuel-fired steam boiler with a state-of-the art fossil-free biomass-boiler, which will allow us to reach zero fossil emissions at the distillery during 2026.

In 2024, a process water circulation heat pump was in the installation phase at Koskenkorva Distillery. Once fully operational, the target of the heat pump is to reduce 10% of the primary steam production required at the distillery and to reduce the amount of fuel consumption in the future. A-Rehu, a non-Anora livestock and poultry feed plant operating within the Koskenkorva plant area, has also initiated a major investment decision to build a new feed dryer, which is planned to be fully operational in 2025. Once operational, the energy from the distillery's powerplant will be used by the feed dryer, with part of the residual energy 'returned' and to be used again in the distillation process. This has the potential of reducing the need for steam production by 20% in the plant area. Koskenkorva Distillery also continued collaborating with an external partner to increase the capacity for recovering CO_2 released in fermentation, which reduces the distillery's biogenic Scope 1 emissions.

One of the major emissions reduction activities in 2024 was shifting to 100% renewable electricity at our Rajamäki plant and Helsinki headquarters. Gjelleråsen – Anora's modern production plant in Norway that utilises gravity in liquid production handling – continued using emissions-free electricity and district heating and -cooling. Similarly, Anora's bottling plant Globus Wine in Køge, Denmark, continued using renewable electricity and district heating and cooling.

Reducing our value chain emissions

Value chain emissions, also known as Scope 3 emissions, account for the most significant part of Anora's total emissions (Scope 1-3), calculated according to the GHG Protocol.

Anora's largest Scope 3 impact comes from purchased goods and services, mainly barley farming and wine cultivation in the FLAG category, and from packaging in the non-FLAG category. Other major emission sources are upstream and downstream logistics and transportation. The rest of the Scope 3 emissions derive from other smaller categories such as business travel and employee commuting.

One example of our work to reduce Scope 3 emissions undertaken and continued throughout 2024 is the near-market filling of wine. In practice, this means shipping wine in bulk – rather than in individual glass bottles – from the country of origin, say South Africa or Argentina, to be bottled close to the end consumers in the Nordics, as well as using tailored sustainable packaging options to meet customer requirements. Using low-emission transport forms, such as trains, for the bulk-wine further reduces GHG emissions in the value chain.

When it comes to barley farming, notable work to reduce emissions includes our cooperation with BSAG and ProAgria, a Finnish farming consultation organisation partly funded by the government, to provide comprehensive support, education, and training to farmers on the regenerative farming of barley as well as offering contract incentives for barley farmers in Finland.

In 2024, we began work on a climate roadmap action plan for Scope 3, focusing especially on building a stronger understanding of how to reach the indirect Scope 3 GHG emissions targets, validated by SBTi, and plan for the initiated actions to be taken in the forthcoming years in terms of grain, wine, logistics and packaging.

More detailed information on how we managed and implemented climate change mitigation measures is available in section E1 on pages 73-81 of Anora's 2024 Sustainability Statement.

Anora's SBTi-approved science-based emission reduction targets

Anora is committed to science-based emission reduction targets, which were validated and approved by the SBTi in September 2024. To ensure compatibility with the transition to a sustainable economy, to more firmly link our operations to our value chain and our stakeholders, and with the limiting of global warming to 1.5ºC in line with the Paris Agreement on climate change, our emission reduction targets conform with the SBTi Corporate Net Zero Standard and the SBTi Forest, Land and Agriculture (FLAG) Guidance. Through these targets, we commit to reach net-zero GHG emissions across the value chain by 2050. Our science-based targets include both near-term and long-term objectives:

Overall net-zero target: Anora commits to reach net-zero greenhouse gas emissions across the value chain by 2050.

NEAR-TERM 2030 REDUCTION TARGET OF 42%

Anora commits to reduce absolute scope 1 and 2 GHG emissions 42% by 2030 from a 2021 base year*. Anora also commits to reduce absolute scope 3 GHG emissions from purchased goods and services, upstream and downstream transportation and distribution 42% within the same timeframe.

NEAR-TERM FLAG 2030 REDUCTION TARGET OF 30.3%

Anora commits to reduce absolute scope 1 and 3 FLAG GHG emissions 30.3% by 2030 from a 2021 base year**. Anora also commits to maintaining no deforestation across its primary deforestation-linked commodities.

LONG-TERM 2050 REDUCTION TARGET OF 90%

Anora commits to reduce absolute scope 1 and 2 GHG emissions 90% by 2050 from a 2021 base year*. Anora also commits to reduce absolute scope 3 GHG emissions from purchased goods and services, upstream and downstream transportation and distribution 90% within the same timeframe.

LONG-TERM FLAG 2050 REDUCTION TARGET OF 72%

Anora commits to reduce absolute scope 1 and 3 FLAG GHG emissions 72% by 2050 from a 2021 base year**.

*The target boundary includes land-related emissions and removals from bioenergy feedstocks.

**Target includes FLAG emissions and removals

Note: Our 2024-validated SBTi targets are separate from the emission-reduction targets that Anora has set previously as part of the 2030 Sustainability Roadmap, i.e., our target for Koskenkorva Distillery to achieve carbon-free operations by 2026 and other own operations by 2030, without carbon compensations.

Enhancing circular economy

Optimally managing the resources needed to create our products means using raw materials from recirculated sources whenever possible as well as maximising the yield of each material. The primary resources in Anora's production processes include barley, water, wine, sugar, spices, ethanol, as well as packaging, including various types of cartons, plastic, and glass.

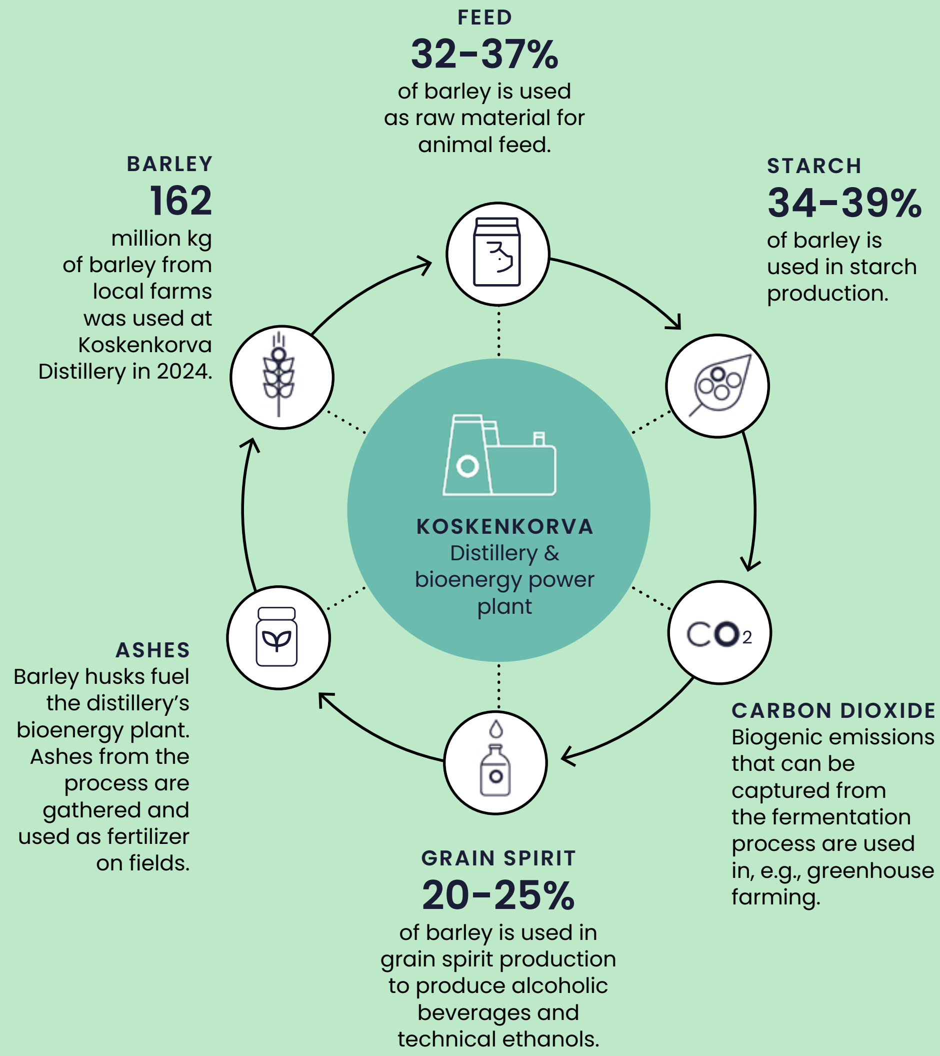
Our Koskenkorva Distillery is especially noteworthy from a resource use and circular economy perspective. The distillery, located in the village of Koskenkorva in Southern Ostrobothnia, Finland, is a modern and highly efficient production plant. Operating according to circular economy principles, the distilling process makes full use of the barley grain and all outputs are utilised either internally or by customers. In addition to grain spirit, the distillery produces starch and raw material for animal feed. Even a part of the biogenic carbon dioxide generated in the fermentation process is collected and used, for example, in greenhouse cultivation. A bioenergy power plant at Koskenkorva uses barley husk as its fuel, producing steam energy for the distillery and the ashes created as part of the process are used for fertilisers on nearby fields.

Protecting our water resources

Water is one of the most precious resources we share and depend on globally. It is also one of our key ingredients at Anora and it forms the very heart of our grain-spirit-based products. We want to care for and conserve our common water resources, and to ensure clean water also for the coming generations. In addition to our products, we also use water for cleaning and cooling purposes at our production sites.

In Finland, Anora owns 984 hectares of groundwater area around the Rajamäki plant, where the water for our products is taken, without filtration, from the pure groundwater springs. Protecting this area with forest and swampland plays an important role in ensuring the high quality of our products. The groundwater fulfils all the quality requirements without any chemical or mechanical processing. The area has water well above our needs and includes the optimal composition of various minerals. The water has been used at the Rajamäki plant since 1888, when the plant was established.

Circular economy at Koskenkorva Distillery



The distillery's continuous distillation process runs efficiently, 350 days a year. This ensured consistent quality and cuts unnecessary washing, decreasing water, chemical and energy use.

Successfully reducing wastewater at our plants

Anora is targeting a 20% reduction by 2030 in the amount of wastewater generated. This will require both reducing wastewater (originating) in the production process and further enhancing water circulation. The total amount of wastewater in our industrial sites in 2024 was 232,120 (246,600) m^3 with a reduction of 21% compared to our baseline set in 2021. Around 90% of Anora's water usage and wastewater comes from Koskenkorva Distillery and Rajamäki plant.

At our Koskenkorva Distillery, several methods are utilized to decrease water use and wastewater. For example, recycling process water and optimising washes reduces the volume of water used as well as the amount of wastewater. During 2024, the operations and enhancement of the plant's wastewater pre-treatment facility were also actively investigated

Rajamäki plant continued to reduce liquid waste as part of an ongoing multi-year circular economy project, as well as reducing wastewater by directing cooling water into the stormwater sewer, as that water is clean and can be returned to the environment.

At Gjelleråsen, we were able to implement new ways of measuring wastewater quality and initiate further water reutilisation processes already in 2023. COD (chemical oxygen demand) measuring was initiated in 2024 and the plans for reducing the COD started, with the aim to enhance wastewater quality.

Reducing waste and enhancing recycling

Anora aims to increase its recycling rate of waste to 90% and reduce landfill waste to zero by 2030. In 2024, the waste recycling rate improved throughout Anora's operations.

Recycling rate is defined as the proportion of the total amount of waste that is diverted into recycled material, while the recycling and recovery rate also includes the share of waste diverted into energy recovery, for example, through incineration in a waste incineration plant. Our recycling and recovery rate is very high at all our plants; in 2024, our company-wide recycling and recovery rate was around 100% (99.8%), and the pure recycling rate in 2024 was 95.2% (92.4%). Only 0.12 tons of landfill waste (11.13 tons) was produced in 2024. This improvement was mainly thanks to changes at the Tabasalu plant where landfill amounts were shifted to incineration to produce energy.

In December 2023, Rajamäki established a material recycling route pilot project to use approximately 1.5 million PET bottles' worth of leftover label liner waste as a raw material for construction insulation manufacturing by an external partner. In early 2024, the project was expanded to cover all production lines at Rajamäki, resulting in the recycling of 18.5 tons of PET label backing material. Later in the year, Globus Wine's plant in Denmark joined the project and the aim is to expand this circular economy-based collection operation to more Anora plants during 2025 and beyond.

For further information on our work related to resource use and circular economy, please see section E5 on pages 89–93 and section E3 on pages 81–84 for further information on how we manage our water resources in Anora's 2024 Sustainability Statement.

Promoting regenerative farming and protecting biodiversity

Biodiversity is critical for all life on earth and strongly supports climate change mitigation. As part of our 2030 Sustainability Roadmap, in the autumn of 2024, we undertook Anora's first biodiversity assessment as a desktop study. The aim of the assessment was to help recognise and assess the most critical biodiversity-related impacts of our own operations, including those of our most prominent logistics centres, plants and distilleries, and create a base for further analysis on our operations in this area. Biodiversity is not a new topic for Anora and through our revised and updated double materiality assessment we recognise that its importance is increasing.

The assessment, which utilised the WWF Biodiversity Risk Filter, indicates that Anora's sites have a low or very low risk on so called Key Biodiversity Areas (KBAs), as none of them are located in or adjacent to key biodiversity areas or protected areas. Additionally, we do not operate in water scarcity areas and our production plants do not have an impact on the water availability of near-by communities. Based on the WWF Water Risk Filter country profile-tool, all Anora sites are located in countries that pose a very low or low risk on physical water basin and water availability.

The assessment supported our view that our most material biodiversity impacts occur in the value chain, mainly related to raw materials such as barley and wine, rather than from our own operations. A loss of biodiversity also represents a considerable risk to raw material production.

Anora's main focus areas in biodiversity are:

- Barley: Promoting regenerative farming methods that help support biodiversity in barley fields.
- Wine: Assessing possible regenerative or other biodiversity-focused farming methods in the value chain with our partners and suppliers
- Forests: Owning a 150-hectare area of protected swampland and a forest area of 800 hectares in Rajamäki, Finland, which act as a carbon storage of around 830,000 tons of CO_2. Anora's evolving forest management plan will also help enhance biodiversity throughout these forests for generations to come.

Promoting regenerative farming through cooperation

Regenerative farming is an approach that allows the land, soil, water, nutrients, and natural assets to regenerate themselves, and in so doing, positively impact productivity, biodiversity and the climate. Simply put, it is farming in a way that puts soil fertility first. By transforming farmlands into carbon sinks by increasing CO_2 sequestration, regenerative farming methods can offer a solution to climate-change mitigation that also benefits farmers: they help farmers cut greenhouse gas emissions and protect their soils, while delivering increased yields and improving crop quality.

As our emissions calculation shows on page 126, one of Anora's key raw materials, barley, constitutes a significant part of our Scope 3 emissions. By reducing the emissions caused by barley farming, we can also reduce the climate impact of our products. In 2024, Anora purchased 162 million kilos of Finnish barley, representing approximately 15% of the barley yield in Finland and over 30% of the total share of barley sold in Finland. Promoting regenerative farming, therefore, is critically important to reducing our negative impacts on local biodiversity areas and natural ecosystems.

"Since 2021, we have grown the absolute amount of purchased regeneratively farmed barley from 0.05 million kg to around 3.5 million kg in 2024."

Anora has been working with the Baltic Sea Action Group (BSAG) since 2018 to develop regenerative agricultural practices that aim to reduce nutrient flow to the Baltic Sea from barley fields, help bind more water to the soils, increase carbon sequestration and improve biodiversity. From 2020 onwards, together with BSAG, we have also supported our Finnish farmers through training to transition to regenerative farming practices. Besides overall support, ProAgria also carries out farm audits for Anora's contract farms during the growing season.

We measure our progress on regenerative farming as a "regenerative share", which is calculated by dividing the used ethanol made from regeneratively farmed barley by the overall ethanol used in the production of Anora's own products at its Rajamäki plant. Since 2021, we have grown the absolute amount of purchased regeneratively farmed barley from 0.05 million kg to around 3.5 million kg in 2024, and since 2023, we have calculated and reported the regenerative share described above. In 2024, the regenerative share was 1.61% (0.33%).

For further and more detailed information on our work related to biodiversity and ecosystems, please see section E4 on pages 85-88 in Anora's 2024 Sustainability Statement.

Collaborating for the climate: Koskenkorva Vodka Climate Action

Anora's flagship brand Koskenkorva aims to be the most sustainable vodka in the world. As a bold step towards this goal, Koskenkorva joined forces with pioneering local farmers to create Koskenkorva Vodka Climate Action, the first vodka in the world made from regeneratively farmed barley.

With regenerative farming methods, fields are kept covered with plants even after the barley is harvested, enhancing carbon sequestration. Crop rotation increases plant diversity, which stops pests and diseases from thriving and reduces the need for pesticides. Organic fertilisers from livestock helps introduce healthy bacteria into the ground. Finally, rather than turning the soil to a depth of 20-30 cm as is traditional in conventional farming, regenerative methods restrict cultivation to under 10 cm of soil depth helping to keep the carbon stored in the ground. Thanks to these methods, regenerative farming decreases the carbon emissions caused by barley farming, the second largest emission source of Koskenkorva vodka.

The award-winning Koskenkorva Vodka Climate Action continues to set a new standard and cement its position as a circular economy front-runner in the spirits industry. Alongside to Koskenkorva Vodka Climate Action, the renewed brand family that combines tradition and heritage with modern consumer trends and innovation, offers a portfolio that includes a range of liqueurs and RTD's packed in more sustainable packaging formats including PET bottles and cans, which have lower CO_2 footprint than traditional glass bottles.

For more information on our work related to regenerative farming, please see on our **website**.

ANORA

People

Anora strives to ensure an inclusive and safe workplace, that represents the diversity, equity and progressiveness of Nordic culture, as well as a fair and transparent value chain where we source sustainably and protect human rights. We aim for zero accidents and a strong safety culture throughout Anora.

Our three primary People targets are:

- Ensuring diversity, equity, and inclusion at work
- Increasing the number of safety observations and reducing accidents resulting in absence to zero by 2030
- 100% of the risk countries will be included in audits or certifications, and 100% of the suppliers will sign the amfori BSCI ethical principles

Managing, protecting and securing our professional workforce

At Anora, we are constantly looking for ways to recruit the best people with the right capabilities. Our modern, Nordic way of working attracts people who share our values and ambition. We provide fair opportunities for current and future employees and endorse diversity throughout all levels of the organisation. We honour our Nordic heritage while developing it into something new, together. Our employees, the Anorafolks, are our finest ambassadors.

In 2024, we initiated a number of actions related to our own employees in all operating countries. The highlights include continuing the work of auditing DEI (diversity, equity and inclusion) processes and educating employees on DEI topics through blended learning initiatives that included e-learning, virtual learning and classroom discussion. We will launch a separate DEI policy in 2025. Additionally, Anora's recruitment process and platform were renewed in 2024 to cater for a more compliant, inclusive and consistent recruitment process.

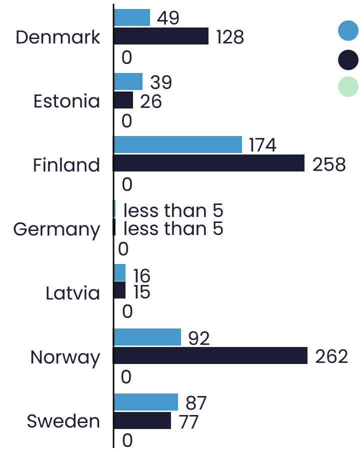
During 2024, we conducted two workshops with 60 managers and other relevant people from around the organisation to develop key focus areas for strategy implementation in 2024 and 2025. This process allowed employees to contribute directly to Anora's development.

During the year we continued building and training Anora's AI tool for Anora's employees to further enhance internal competences. Finally, we established new modules for our leadership program, with a particular focus on team management to build common tools to improve performance and work-related satisfaction.

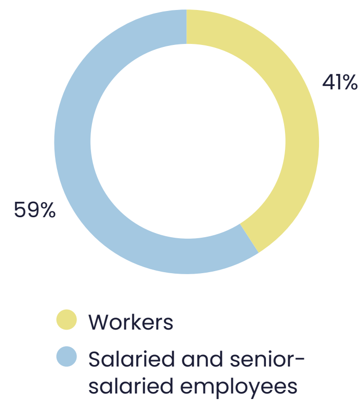
For monitoring employee satisfaction, we conduct an annual employee engagement survey, Anora Tasting, for all employees. The engagement survey process is followed by a review of the results, as well as trainings and action planning that is consistently followed throughout the company from the ground floor to Board level.

In 2024, the survey response rate was 89% (83%) – a result above the external Nordic benchmark of 81% – with 1,126 (940) employees

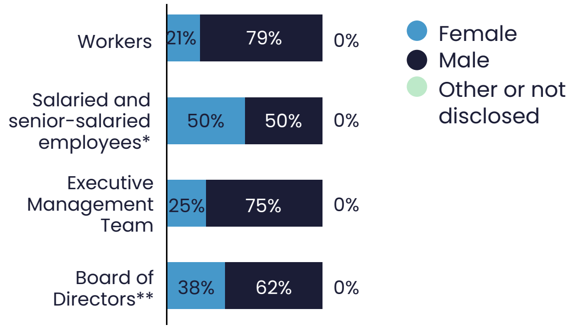
Average number of personnel by country and by gender



Personnel by employment group, %



Gender distribution, %



* Does not include EMT members.
** Including seven board members elected by the shareholders and one member elected by the Anora employees.

participating. The 2024 survey also covered employees of Globus Wine for the first time, creating a fully Group-wide process for assessing employee engagement. As part of the survey, 78% (78%) of the respondents indicated they were very happy with their direct manager. Additionally, the OSI metric assessing feelings of workplace safety, workload sustainability and support received from one's manager was 73 (72), close to the global benchmark of 77/100. Anora's employee engagement index, measured as a combination of energy and clarity, was 79 (77), compared to the global benchmark of 81/100. The index measuring team efficiency was 76 (74) against a global benchmark of 77/100.

Attitudes towards top management in 2024 improved to 57 (52) though they still remained below the external benchmark of 66. Finally, the eNPS (employee Net Promoter Score) increased to -10 (-18) against the benchmark of 14. Data from the survey clearly shows that teams that had actively worked together on areas for improvement based on their previous Tasting results during the year were more engaged than those who had not. Efforts have been focused to ensure managers have the support and resources they need to work on the results with their teams. By the end of the year 2024, most teams had already been involved in first round of assessing the results.

Supporting employee health and safety

Anora's employees are covered by health services, at minimum according to local legislation. The quality of the service is reviewed by HR and employees can reach the health services with a low threshold with preventive occupational health services. In 2024, additional occupational healthcare services to support employees' psychological safety and well-being included an external provider, Auntie. Although there are country-specific differences in these services, the basic principle is the same for all employees. The occupational healthcare process aims to promote and support the working capacity of Anora's employees at every stage of their careers, rehabilitation is provided as needed, and Anora has in place an early intervention model.

Occupational health and safety (OHS) is a vital part of Anora's corporate responsibility and sustainability strategy. Anora aims

"See something, say something": preventing accidents with safety observations

Safety observations are one the cornerstones of proactive safety work: the more potential safety risks are noticed and dealt with, the less accidents there are. Anora measures the number of safety observations reported by its employees on an ongoing basis, a KPI also included in the rewarding goals for 2024 for named members of the staff. To increase the number of safety observations, Anora held two safety-focused campaigns, "Anora Safety Week" in June and "Improve Anora Safety Month" in October 2024.

During October 2024, the best safety observations at each plant were selected at the end of the month andthe best overall Anora safety observation was chosen. The winning observation was from Rajamäki beverage plant and it addressed how to prevent a roll of packaging material from falling from the top of a machine and injuring the operator. Corrective actions were implemented quickly, and a new safety beam was installed on the machine within one day of the observation.

The total number of safety observations in 2024 was 2,977 (2,590). This represents a 49% increase in total observations compared to the 2,000 observations benchmark set in 2022. The majority of the observations – 3.8 (3.6*) observations per person, in total – were made in Anora Industrial segment, which includes the employees in all of our production sites.

* Globus Wine not included in 2023 figures

ANORA

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to reduce the number of accidents resulting in absences to zero. Anora's HSEQ (Quality, Safety and Environment) policy covers all sites throughout the operating countries. Anora has the ISO 45001 certificate, which provides an internationally recognised framework for managing occupational health and safety risks, in effect across all its operations in Finland (Rajamäki, Koskenkorva, and Anora's headquarters in Helsinki).

Anora also has four minimum safety requirement categories: personal protective equipment in use, external craftsmen, chemical handling, and working at heights.

During 2024, Anora's total sickness absence rate was 5.2% (5.0%*) and lost time incident frequency (LTIF) (excluding commuting) was 5.8 (4.6*). Both KPIs are for Anora's own employees. Total recordable injuries (TRI) in 2024 throughout Anora's operations were 27 (15*). The total lost time incidents (LTI) was 13 (9*). Most accidents occur at plants and are relatively minor, the main reasons being fingers or hands getting caught and tripping and slipping. There were zero fatal work-related accidents in 2024 (0) across Anora Group's entire operations.

* Globus Wine, Vingruppen Sweden and Germany not included in 2023 figures.

For further and more detailed information on our work related to our own employees, please see section S1 on pages 94-102 in Anora's 2024 Sustainability Statement.

Award-winning safety work at Koskenkorva Distillery

Starch Europe granted the 2024 Safety Year Award to our Koskenkorva Distillery for a continuous year of operation without absences due to work-related accidents. The distillery has now received this award for the fourth consecutive year. This recognition is a testament to the commitment of all employees at Koskenkorva to improving safety. Safety is one of the key priorities in Anora's sustainability work, and we invest heavily in improving work safety and building a safety culture within our organisation and in collaboration with our partners.

The safety program hosted by Starch Europe has been awarding the best-performing European starch plants in their efforts to reduce work accidents since 2014. The Starch Europe Safety Program, supported by European starch producers, aims to support those starch producers who continuously strive to improve safety practices and build a safer working environment for their employees.

Protecting and improving the conditions of workers in the value chain

Anora is committed to respecting human rights as enshrined in the International Bill of Human Rights, which consists of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, as well as the International Covenant on Economic, Social and Cultural Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

Our salient human rights issues arise from our supply chain. According to Anora's human rights assessment conducted in 2023, agricultural value chains and some of the geographies we source from are prone to human rights risks. This makes compliance, transparent relationships and ethical values critical and we recognise the need to actively identify possible changes in our own and our suppliers' operating environment which might increase their likelihood. As part of our human rights work, we are committed to systematically improving our sustainable procurement procedures.

Through Anora's membership in amfori BSCI we aim to enhance the working conditions in our supply chain.. Our work is governed by our Supplier Code of Conduct (SCoC), which is based on the same international agreements and principles as the amfori BSCI Code of Conduct. The amfori Business Social Compliance Initiative (BSCI) is an industry-driven movement that aims to monitor and assess workplace standards across the global supply chain. Anora reviews and updates its policies and procedures through an annual policy management process.

All workers in our supply chain should have the right to health, a safe working environment with fair pay, freedom to bargain collectively, legal working hours and no discrimination nor bonded or forced labour. To achieve these objectives, all value chain workers who are likely to be impacted by our business, especially in agricultural and manufacturing activities conducted as part of our business relationships, are included in the scope of our ongoing work. The values and principles of the amfori BSCI CoC have a strong focus on working conditions and human rights. To ensure that all these principles are met, amfori uses audits as a compliance method. Our employees and all producers are informed and aware of the CoC.

In 2024, we introduced the Anora Field Guide, a practical guide to support our brand managers and procurement visiting partners to effectively assess and discuss human rights, while promoting Anora's sustainability approach. The field guide also advises what to consider before a visit and what do with the findings. Furthermore, we continue to publish a report on The Norwegian Transparency Act annually, covering human rights due diligence in accordance with the OECD Guidelines.

In line with our strategy and 2030 Sustainability Roadmap, and in addition to the actions noted above, in 2024, as part of our human rights work, we continued to use third-party certificates, and planning for third-party audits as well as supplier self-assessments throughout the value chain. In addition, we carry out regular internal audits and supplier visits. Our ongoing assessment of risk country profiles also provided us with a holistic understanding of the human rights situation in the supply chain countries.

A responsible player in society

Anora acts as a responsible member of society. In 2024, we paid EUR 884.0 million (907.0) in excise and income taxes, of which 235.8 EUR million (235.7) went to Finland. We paid employees a total of EUR 103.9 million (103.8) in salaries and other indirect employer costs, and purchased raw materials, goods and services for EUR 407.1 million (441.4). We bought Finnish barley from approximately 1,400 farmers for a total of EUR 35.6 million (42.2) million. We received a total of EUR 692.0 million (726.5) in revenue, made investments of EUR 12.3 million (12.6) million to develop our business and paid a total dividend of EUR 15.1 million (15.1) to our owners.

We are a responsible taxpayer in all our operating countries, complying with all applicable local and international laws and regulations in paying, collecting, remitting, and reporting taxes. Our principle is to pay taxes in the country in which the income is earned. Anora Group does not operate in tax havens, and we do not practice tax planning aimed at artificially decreasing the taxable profit of the Group or an individual operating country.

Making fair choices easy with certificates

For consumers, certifications offer a reliable way of making ethical purchasing decisions. Anora holds Fairtrade and Fair for Life certifications in Finland and Sweden. Fairtrade is the most recognised and trusted sustainability label working to make trade fairer for the people working in agriculture. Fair for Life is a certification programme for fair trade in agriculture, manufacturing and trade. These ethical trade certificates ensure that workers are paid a legal wage and international agreements on workers' rights and national laws are followed in the wine's production process.

More environmentally sustainable wines utilise organic and biodynamic production. In the EU, wines with organic certificates are cultivated and produced in compliance with official regulations, and as a result, chemical pesticides are not used and the maximum amount of sulphites permitted in the final product is lower than in uncertified wines.

For more information on how we enhance human rights in our value chain, please see section S2 on pages 102–107 of Anora's 2024 Sustainability Statement.

ANORA

Product

The Product theme of Anora's 2030 Sustainability Roadmap focuses on our commitment to support a responsible drinking culture, offer a broad range of no- and low alcohol (NoLo) products, and deliver on our ambition to further the rapid transition to more recyclable and sustainable packaging options across our entire portfolio.

Our three primary Product targets are:

- We support a modern, responsible drinking culture
- We will increase the number of sustainable and NoLo choices
- By 2030, all packages will be light in weight, up to 100% recyclable and made of materials from certified sources or recycled origin

3 GOOD HEALTH AND WELL-BEING

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

15 LIFE ON LAND

Building a modern, responsible drinking culture

Anora offers a wide portfolio of alcoholic and non-alcoholic beverages from its own brands and prominent international partner brands to customers in off- and on-trade channels – including Nordic retail monopoly markets – and in travel retail and exports. Anora also provides services to its partners utilising its production, packaging and logistics capabilities.

Anora supports the development of a modern and responsible drinking culture in its operating countries. We are proud of our brands and want them to be enjoyed responsibly, minimizing alcohol-related harm while supporting enjoying with moderation and supporting everyone's freedom to choose non-alcoholic options.

We adhere to strict marketing practices according to the stringent regulations of our industry, contribute to awareness campaigns, and maintain clear and detailed information on our website to help educate consumers and mitigate the negative impacts of excessive alcohol use. We follow the guidelines and principles outlined in our Responsible Marketing Policy and applicable regulations. We remain committed to providing transparency and the ongoing evaluation of our initiatives in this area to support the well-being of consumers.

However, due to Anora being a business-to-business company without its own retail sales channels, our direct engagement with the end-users of our products is limited. That said, we recognise that alcoholic products may cause or exacerbate adverse health impacts for consumers and have negative societal impacts and represent one reason why we have adapted our business model and strategy to provide an increasing number of NoLo options in our portfolio.

For more detailed information on our work related to responsible marketing, please see section S4 on pages 108–112 of Anora's 2024 Sustainability Statement.

Promoting responsible drinking through our NoLo products

As part of our ongoing efforts to support a modern Nordic, responsible drinking culture, we aim to continuously expand our range of NoLo products offering high-quality drink options for any occasion and providing alternatives that can help reduce the negative impacts of excessive alcohol consumption.

In 2024, we launched a wide range of wines containing up to 8% ABV in grocery stores in Finland, following the legislative amendment to Finland's Alcohol Act in June 2024. The range of around 70 wine launches encompasses many different sparkling, white, rosé, and red wines from brands that are already consumer favourites, including Chill Out, I.L.O., El Tiempo, Lindeman's, and Two Oceans.

We also celebrated several new product launches in the growing RTD (ready-to-drink) category, such as the 4.5% RTD Vikingfjord Hard Seltzers Raspberry & Pomegranate and Orange & Mango, and the 4.5% RTD Jaloviina Omena. Anora's RD&I pipeline is populated with similar product development initiatives being prepared for launches in 2025 and beyond.

In 2024, the share of Anora's total net sales from NoLo products was 5.9%, reaching our target 5% by 2030 well ahead of time. This was mainly thanks to the above-mentioned lower-ABV wine launches in Finland. The scope of the target includes Anora's own products, including wines under 10% ABV, spirits under 30% ABV, ready-to-drink (RTD) and non-alcoholic products.

For more detailed information on our approach to enhancing a responsible drinking culture, please see section S4 on pages 108–112 of Anora's 2024 Sustainability Statement.

Blossa – Nordic tradition and innovation in the glögg market

Blossa is a renowned Nordic glögg brand that has brought warmth and ambiance to winter evenings for over a hundred years. Over the decades, the Blossa product family has grown to include a comprehensive selection that caters to the diverse and changing tastes of consumers. In 2023, Anora's flagship product, Blossa annual glögg, was launched for the first time as an alcohol-free version. With this addition, the product range now boasts a complete range of more traditional options alongside to organic, alcohol-free and low-alcohol (8%) version and a convenient BiB option.

Blossa glöggs are produced at Anora's Rajamäki factory, which is certified for organic production. This ensures that Blossa Ekologisk Glögg meets the strict criteria of the EU organic label for production, processing, transportation, and storage.

Developing and increasing the use of sustainable packaging

During 2024, we continued our development, utilisation and promotion of more sustainable packaging options, including rPET, tetras and Bag-in-Boxes (BiBs). BiBs have an almost 90% lower CO_2 footprint per litre compared to traditional glass bottles. Combined with near market filling – where wine is brought from South America, for example, in containers to the Nordics and packed near the final markets –, the result is an even greater reduction in the environmental impact of wine production. Lighter weight packaging decreases also logistics emissions helping to reduce emissions in our value chain.

PET plastic bottles are light in weight and their carbon footprint is 60% lower compared to a traditional glass bottle and are less energy intensive to produce. Anora has also wine bottle formats made of 75% post-consumer recycled plastic (rPET). In our spirits portfolio, Anora's PET bottles contain mostly 50% rPET content. In 2024, we continued the development and utilisation of rPET bottles, progressing in line with the goal of the EU's circular economy strategy to increase the use of recycled plastic in PET bottles.

In 2024, other notable highlights included the redesign of the Skagerrak Nordic Dry Gin bottle. The new bottle features a 28% reduction in glass, on average, compared to previous versions, and 60% of the glass is recycled material, which is more than double the amount used in the previous bottle. The Koskenkorva Vodka glass bottle was also modified by increasing the share of the recycled glass.

In 2024, we began introducing tethered closures in products in compliance with the EU's Single Use Plastic Directive (SUP). This directive refers to caps that remain attached to the bottle even when opened, and it aims to reduce the environmental impact of single-use plastics and increase responsible use and waste management of products in the EU. The Rajamäki plant was the first of Anora's bottling sites to begin commercial bottlings of wines with tethered caps in May 2024. In addition, the Gjelleråsen and Køge plants implemented tethered closures later in 2024.

In 2024, we also continued the implementation of and preparation for recently enforced and potential new legislative changes at the EU-wide level – such as the EU's 2024 Packaging and Packaging Waste Regulation (PPWR) – to ensure compliance, enhance sustainability, and align our operations with new requirements.

The carbon footprint of different packaging types is based on life cycle assessments (LCA) conducted by **Gaia Consulting**.

For more information on our work related to sustainable, lower carbon and recyclable packaging, please see our **website**.

For further and more detailed information on our work related to consumers and end-users, please see section S4 on pages 108-112 of Anora's 2024 Sustainability Statement.

Chill Out wines: full range of sustainable packaging formats for the more environmentally conscious consumer

Anora's own Chill Out wine product family is a forerunner and prime example of delivering more sustainable packaging solutions in the wine category.

Since 2021, Chill Out's BiBs have been 100% recyclable, and with a 90% lower CO_2-footprint compared to the corresponding volume contained in four traditional 75cl glass bottles. The box is easy to disassemble and recycle. To reduce raw material use and ensure full recyclability, the plastic handles are lighter and now made of transparent plastic, as is the tap; the box is produced from sustainable, FSC-certified recyclable cardboad and the bag inside the box is thinner and therefore lighter and does not contain metalling, aluminium or nylon, so it can be disposed of as plastic waste.

The pouch of our Chill Out Chenin Blanc wine has an 85% lower CO_2 footprint compared to two traditional 75cl glass bottles and is fully recyclable. It is also a Fairtrade-certified wine, offering an example of a holistically sustainable option in the wine category.

Chill Out is also one of the first wine brands to use rPET bottles, a pioneering launch from Anora in 2021. 75% of the bottles' material is recycled plastic or rPET. The plastic material is the result of a circular economy process where post-consumer bottles are re-used as raw material for new bottles. For consumers, rPET wine bottles offer convenience in addition to sustainability, as they are light in weight and easy to recycle.

GOVERNANCE

Sustainability reporting and assurance as the focus area of the Audit Committee

Corporate Governance Statement 2024

This Corporate Governance Statement of Anora Group Plc is issued for the financial year 2024.

Anora Group Plc ("Anora", the "company" or the "Group") is listed on Nasdaq Helsinki. Anora Group's head office is in Helsinki, Finland.

The duties and responsibilities of Anora's governing bodies are determined by Finnish law as well as Anora's Articles of Association approved by the General Meeting of Shareholders and Anora Group's Governance Principles approved by Anora's Board of Directors.

This Corporate Governance Statement has been prepared in accordance with the Finnish Corporate Governance Code 2025 published by the Securities Market Association (the "Governance Code"). This Statement is not part of the Board of Directors' Report. Anora complies with all Recommendations of the Governance Code.

The information required by the Finnish Corporate Governance Code is also available on the company's website www.anora.com. An unofficial English translation of the Finnish Corporate Governance Code is available at www.cgfinland.fi/en.

Governing bodies

The management of the company is the responsibility of the General Meeting of Shareholders, the Board of Directors, and the CEO. The management and administration of the company are also based on the decisions of the General Meeting of Shareholders and the company.

General Meeting of Shareholders

The General Meeting of Shareholders is the ultimate decision-making authority of the company. At the General Meeting of Shareholders, shareholders exercise their powers in accordance with the Companies Act and the Articles of Association. The General Meeting of Shareholders decides on matters that under the Companies Act and the Articles of Association are within its purview. A General Meeting of Shareholders is convened by the Board of Directors annually within six months from the end of the previous financial year. An Extraordinary Meeting of Shareholders may be convened in the manner provided for in the Companies Act. Matters on which the Annual General Meeting decides include the adoption of the financial statements, distribution of profits, discharge from liability, and election of the Chairperson, Vice Chairperson and other members of the Board of Directors and the auditor as well as their remuneration. The General Meeting of Shareholders adopts the company's remuneration policy and remuneration report in accordance with the provisions of the Companies Act. Decisions to amend the Articles of Association are also taken by a General Meeting of Shareholders.

Shareholders' Nomination Board

The Shareholders' Nomination Board prepares proposals concerning the composition, election, and remuneration of the members of the Board of Directors annually. Pursuant to the charter of the Nomination Board approved by the General Meeting of Shareholders, the Nomination Board consists of three physical persons nominated by the three largest shareholders. The Chairperson and Vice Chairperson of the Board of Directors act as experts on the Nomination Board, but they are not members of the Nomination Board and do not have voting rights. The term of the members of the Nomination Board ends with the

appointment of the following Nomination Board. The members of the Nomination Board are not entitled to remuneration from the company based on their membership unless otherwise decided by the General Meeting of Shareholders.

The main duty of the Nomination Board is to ensure that the Board and its members represent a sufficient level of expertise, knowledge, and competence for the needs of the company and have the possibility to devote enough time to attend their duties as members of the Board. The Nomination Board shall pay attention to achieving a good and balanced gender distribution and diversity balance on the Board considering the competence of the Board as a whole. The Nomination Board considers the independence of new Board member candidates in its proposal to the General Meeting of Shareholders.

The Nomination Board has the power and authority to prepare and present a proposal to the General Meeting of Shareholders concerning the number of members and composition of the Board of Directors, the remuneration of the members of the Board of Directors and the Board committees as well as seek prospective successor candidates for the members of the Board of Directors.

The Nomination Board shall submit its proposals to the General Meeting of Shareholders, at the latest, on 31 January each year. The Proposals of the Nomination Board will be disclosed by a release issued by the company and included in the notice to the General Meeting of Shareholders.

The Board of Directors

The Board of Directors is responsible for the administration of the company and the appropriate organisation of its operations. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances. The Board of Directors also ensures that good corporate governance is complied with throughout Anora Group. The Board of Directors has approved the Corporate Governance Principles of Anora Group.

According to the Articles of Association, the Board of Directors shall comprise a minimum of three and a maximum of eight members elected by the General Meeting of Shareholders. The General Meeting of Shareholders elects the Chairperson, the Vice Chairperson and the other members of the Board of Directors for a term expiring at the end of the next Annual General Meeting following their election. The biographical details of the members of the Board of Directors are presented on the company's website at www.anora.com.

In addition to the Board members elected by the General Meeting of Shareholders, Anora's employees have, in accordance with the agreement on employee participation between Anora and the special negotiating body of the employees, elected one member and a deputy member to the Board of Directors.

The Board of Directors has adopted the charter of the Board of Directors, which sets forth the procedures and working principles of the Board of Directors, as well as the most important tasks and issues considered and approved by the Board of Directors. Accordingly, the Board of Directors approves the company's strategy, financial targets, budgets, major investments, and risk management principles as well the Anora Group's sustainability strategy (roadmap) and significant sustainability investments. The Board of Directors monitor and assess the financial and sustainability reporting systems, the effectiveness of the company's internal control, internal audit, and risk management systems, and the independence of the auditor and the sustainability auditor. The Board of Directors also monitors and evaluates transactions between the company and its related parties, and how agreements and other legal acts between the company and its related parties meet the requirements of ordinary course of business and customary terms. The Board of Directors appoints and dismisses the company's CEO. The Board of Directors considers and decides on all significant matters concerning the operations of Anora Group and its business areas. The Board of Directors has also approved the charters of the Audit Committee and Human Resources Committee.

The Board of Directors convenes in accordance with a schedule agreed on in advance and also as required. The Board of Directors receives in its meetings current information on the operations, finances and risks of the Group. Board meetings are attended by the CEO, the CFO, and the General Counsel (who acts as secretary to the Board). Members of the Executive Management Team and other representatives of the company attend Board meetings at the invitation of the Board of Directors. Minutes are kept of all meetings. The Board of Directors assesses its activities and working practices regularly.

Diversity of the Board of Directors

In Anora, the election and composition of the Board of Directors is also guided by the principle of diversity to ensure that the company has a skilled, competent, experienced, and effective Board of Directors. Diversity is an essential quality of a well-functioning Board of Directors. The Board must at all times be able to react to the requirements of the company's business and strategic objectives, and support and challenge management in a proactive and constructive manner. A diverse composition of the Board of Directors supports and caters to the current and future needs in the successful development and growth of the company. A diverse composition of the Board of Directors includes complementary education, competence, and experience of its members in different professional fields and management of business in different development phases as well as the personal qualities of each Board member, all of which add to the diversity of the Board of Directors. Diversity is also supported by relevant experience in fields and markets that are strategically significant for the company, now and in the future, by strong and relevant acumen in international environments and businesses, and by a diverse age, term of office and gender distribution. The Board of Directors decides on the diversity principles.

Board committees

The Board of Directors of Anora has two permanent Committees, the Audit Committee and the Human Resources Committee. The Committees do not have independent decision-making powers in relation to matters falling within the competence of the Board of Directors. The Committees are preparatory bodies that assist the Board of Directors by preparing and submitting proposals to the Board of Directors on matters within their purview. Minutes are kept of Committee meetings. The Committees report regularly to the Board of Directors. The Board of Directors has approved the charters of the Committees. In its constitutive meeting, the Board of Directors appoints annually, from among its members, the members and the chairperson of the Audit Committee and the Human Resources Committee.

In addition to the Audit Committee and Human Resources Committee, the Board of Directors may appoint ad hoc committees for preparing specific matters. Such committees do not have Board-approved charters and the Board of Directors does not release information on their term, composition, number of meetings or the members' attendance rates, unless separately decided by the Board.

Audit Committee

The task of the Audit Committee is to assist the Board of Directors by reviewing and preparing topics relating to the control of the company's operations and financial reporting and submitting resolution proposals to the Board of Directors on such topics. The Audit Committee's duties include monitoring the company's financial affairs and the financial and sustainability reporting and reporting processes, monitoring the company's reporting systems, reviewing the interim reports and financial statements and presenting them to the Board of Directors for approval, monitoring the statutory audit of the financial statements and consolidated financial statements, monitoring the assurance of sustainability reporting, monitoring the effectiveness of internal controls, internal audit and risk management systems as well as assisting the Board in overseeing the appropriate governance of sustainability and EGS within the Group and sustainability management and ESG-related risks. The Audit Committee also assists the Board in fulfilling its oversight responsibilities with regard to monitoring and assessing how agreements and other legal acts between the company and its related parties meet the requirements of ordinary course of business and customary terms. In addition, the duties of the Audit Committee include preparatory work on the decisions on electing the auditor and sustainability auditor, the evaluation of the independence of the auditor and sustainability auditor, in particular regarding the acceptability of provision of services other than audit and sustainability report assurance to the company, and carrying out other tasks assigned to it by the Board of Directors. The Audit Committee reviews cases of fraud and severe misconduct reported by management, the auditor and internal auditor as well as other stakeholders. The Audit Committee consist of at least three members.

Human Resources Committee

The Human Resources Committee assists the Board of Directors by preparing the company's remuneration policy and remuneration report, reviewing and preparing management and personnel remuneration and issues related to management appointments and by making proposals on such matters to the Board of Directors. The Committee's responsibilities include reviewing, evaluating and making proposals on the remuneration structure and incentive schemes of management and the personnel of Anora Group; monitoring the effectiveness of these schemes to ensure that they promote achievement of the company's short term and long term goals and are based on personal performance; reviewing and preparing other matters related to the remuneration of management and personnel, and submitting proposals on these to the Board of Directors; and considering and preparing appointments of top management to be decided by the Board of Directors. In addition, based on the proposal of the CEO, the Human Resources Committee proposes to the Board of Directors the appointment of members of the Executive Management Team and their remuneration, and the Committee evaluates the performance of the CEO and the members of the Executive Management Team and proposes to the Board of Directors their annual remuneration and other incentives. The Human Resources Committee has at least three members.

Chief Executive Officer

The Board of Directors of Anora appoints and dismisses the Chief Executive Officer (CEO) and decides on the terms of the CEO's employment. The terms and conditions of the CEO's employment are specified in a written service contract. The CEO of the company is responsible for managing, supervising, and controlling the business operations of the company. The CEO is responsible for the day-to-day executive management of the company in accordance with the instructions and orders given by the Board of Directors. In addition, the CEO also ensures that the accounts of the company comply with Finnish law and that its financial affairs have been arranged in a reliable manner. The CEO shall provide the Board of Directors and its members with the information necessary for the performance of the duties of the Board of Directors. The CEO prepares issues for decision by the Board of Directors, develops the company in line with the targets agreed upon with the Board of Directors and ensures proper implementation of the decisions of the Board of Directors. The CEO is also responsible for ensuring that the company is managed in compliance with applicable laws and regulations. The CEO is not a member of the Board of Directors but attends the meetings of the Board of Directors and has the right to speak at the meeting unless the Board of Directors decides otherwise with regard to a particular subject matter.

Executive Management Team

The Executive Management Team is chaired by the CEO of Anora Group Plc and comprises other senior management appointed by the Board of Directors. The Executive Management Team meets regularly to address matters concerning the entire Group. The Executive Management Team is not a decision-making body of the company. It assists the CEO in the implementation of Group strategy and in operational management. The Executive Management Team is responsible for managing the company's core business operations as a whole, which requires the planning of various development processes, Group principles and Group practices, as well as monitoring the development of financial matters and Group business plans.

Sustainability governance

The Board of Directors approves Anora's sustainability strategy and significant sustainability investments and oversees the appropriate governance of sustainability and ESG and ESG-related risks. The Audit Committee assists the Board in overseeing the appropriate governance of sustainability and EGS within the Group, and sustainability management and ESG-related risks. The Executive Management Team is responsible for the implementation of the sustainability strategy, approving sustainability actions and targets within the sustainability strategy and preparing sustainability investment proposals for the Board of Directors. The Sustainability Director of the Group coordinates the implementation of the sustainability strategy and leads the reporting and communication of ESG topics. The position of Sustainability Director was vacated in June 2024, after which Anora's CEO, supported by the sustainability team, has held the overall responsibility for sustainability management at Anora.

Control

Internal audit

The internal audit monitors and evaluates the operation of processes as well as the appropriateness and effectiveness of the internal controls and the financial reporting of the company in an independent manner. The audit areas and audit plan of the internal audit are decided annually by the Audit Committee. The internal audit is implemented in accordance with a charter of the internal audit approved by the Board of Directors.

The internal auditor reports to the Chairperson of the Audit Committee.

Internal auditing is an independent and objective assurance activity designed to support the organisation in accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes, as well as to assist members of the management, the Audit Committee and ultimately the Board in the effective discharge of their responsibilities.

The Board of Directors has appointed Deloitte Oy as the company's internal auditor.

Sustainability reporting assurance

The sustainability auditor is elected annually by the Annual General Meeting for a term that expires at the end of the next Annual General Meeting following the election. The sustainability auditor submits its assurance report on the company's sustainability reporting. PricewaterhouseCoopers Oy is Anora Group Plc's sustainability auditor.

Statutory audit

According to the Articles of Association, Anora Group Plc has one auditor. The auditor must be a firm of authorised public accountants. The auditor is elected annually by the Annual General Meeting for a term that expires at the end of the next Annual General Meeting following the election. The task of the auditor is to audit the consolidated financial statements, the financial statements of the parent company, the accounting of the Group and the parent company and the administration of the parent company. The company's auditor submits the auditors' report to the shareholders in connection with the annual financial statements, as required by law, and submits regular reports on its findings to the Audit Committee of the Board of Directors. PricewaterhouseCoopers Oy, a firm of authorised public accountants, is Anora Group Plc's auditor, with Markku Katajisto, authorised public accountant, as the principal auditor.

Related party transactions

The Board has defined the principles for monitoring and evaluating related party transactions. The company evaluates and monitors transactions concluded between the company and its related parties and ensures that any conflicts of interest are taken into account appropriately in the decision-making process of the company. The company maintains a list of its related parties.

Approval of related party transactions in the ordinary course of business and on customary commercial terms is subject to the company's normal approval policies and processes. Approval of a related party transaction that is not in the ordinary course of business or not on customary terms is subject to Board approval.

The company's finance and legal functions monitor related party transactions as a part of the company's normal reporting and control procedures and reports related party transactions to the Audit Committee. The Audit Committee regularly evaluates the reported related party transactions and the appropriateness of the company's process and policies on related party transactions. Information on transactions concluded between the company and its related parties is disclosed, as required, annually in the notes to the company's consolidated financial statements. Material related party transactions are disclosed in accordance with the requirements of the Securities Markets Act.

Conflicts of interest

In addition to the Policy on Conflicts of Interest approved by the Board of Directors and the company's principles for monitoring and evaluating related party transactions, the company's process and efforts to identify and prevent conflicts of interest are supported by the Board members' continuous evaluation of potential conflicts of interest situations pursuant to the Companies Act as well as the disclosure of the results of evaluation by the Board of Directors of its members' independence in accordance with the requirements and recommendation of the Corporate Governance Code and disclosure of material related party transactions in accordance with the requirements of the Securities Markets Act.

Internal control procedures and main features of risk management systems

Internal control

Internal control ensures that the company's business objectives can be achieved. Through efficient control, deviations from objectives can be prevented or detected as early as possible, so that corrective measures can be taken. The purpose of internal control is to ensure the profitability, efficiency, continuity, and freedom from disruptions of operations and that the Group's financial and operating reporting both externally and internally is reliable and compliant, and that internal principles, policies and guidelines are followed.

Further, internal control ensures compliance with laws and agreements. Internal control measures cover all Group levels and functions. Information systems are of vital importance for effective internal control. The planning of the control measures begins with the definition of business objectives and the identification and assessment of the risks that threaten the objectives. Control measures are targeted based on risks, and control measures are selected as appropriate to keep the risks under control.

The Board of Directors and the CEO are responsible for organising internal control. The financial performance of the Group is monitored monthly in the Executive Management Team and in the management teams of the business areas. Each business area must ensure effective control of its own operations. The business areas and the Group's finance function are responsible for the financial reporting processes. The Audit Committee assesses the financial reporting processes and internal controls. In addition, the financial situation of the Group is also monitored in the meetings of the Audit Committee and the Board of Directors.

Risk management

The objective of risk management in Anora Group is to support the implementation of the strategy, the identification of risks and methods for reducing the probability and impacts of risks as well as ensuring business continuity. Risks may arise from internal or external events. The Board has approved the Group Risk Management Policy, which describes the objectives, principles, and responsibilities of risk management in the Group and also the principles of reporting. Accordingly, the company's risk management function supports and co-ordinates risk management as part of the Group's planning and steering processes. It also regularly reports the key risks to the management and the Audit Committee. The Board regularly discusses the Group's most significant risks and uncertainties and reports them to the market annually in the Board of Directors' Report. The business areas are responsible for risks related to their operations and their identification, prevention and key mitigation means. The finance function supports the business areas in identifying business-related financial risks and their management. The company's Internal Audit evaluates the efficiency of the company's risk management system.

Insider administration

In its insider administration, the company follows the Guidelines for Insiders issued by Nasdaq Helsinki, complemented by the company's own Insider Policy adopted by the Board of Directors. The company maintains its own insider registers. The company does not have permanent insiders. Persons in managerial positions are prohibited to conduct transactions (on their own account or for the account of a third party), directly or indirectly, in the financial instruments of the company during a closed period of 30 calendar days before the announcement of each of the quarterly financial reports or the year-end report (financial statements release). The company applies the closed period after the end of each calendar quarter until the day after the announcement of the interim report or financial statements release, as the case may be (the "Closed Window"). The Closed Window shall, however, always include at least 30 calendar days immediately preceding the announcement of the interim report or financial statements release, as the case may be, and the day of publication of such report. The prohibition is in force regardless of whether such a person holds any inside information at that time. A project-specific insider register is also maintained when required by law or regulations. Project-specific insiders are prohibited from trading in the company's securities until the termination of the project. Persons in managerial positions (and their closely associated persons) are obligated to report transactions in the company's financial instruments in line with applicable EU and domestic laws and regulations. The members of the Board, the CEO and the CFO are designated as persons with an obligation to disclose their transactions.

Corporate Governance in 2024

Annual General Meeting

Anora's Annual General Meeting (the "AGM") was held in Helsinki on 17 April 2024.

The AGM adopted the financial statements for the financial year 2023. The members of the Board of Directors and the CEO were discharged from liability for the financial year 2023. The Annual General meeting elected the members of the Board of Directors and decided on their remuneration. The AGM also elected the auditor and sustainability auditor of the company and adopted the remuneration policy and remuneration report for the governing bodies of the company.

The AGM approved the proposal by the Board of Directors to pay a dividend of EUR 0.22 per share in total for the financial year 2023. The dividend was paid on 26 April 2024. The AGM authorised the Board of Directors to resolve on the repurchase of the company's own shares as well as on the issuance of shares for the purposes of financing or carrying out corporate acquisitions or other arrangements as well as for remuneration purposes.

The decisions taken by the Annual General Meeting 2024 are available at anora.com.

The Board of Directors

The AGM re-elected the following seven members to the Board of Directors: Michael Holm Johansen, Jyrki Mäki-Kala, Kirsten Ægidius, Christer Kjos, Annareetta Lumme-Timonen, Florence Rollet, and Torsten Steenholt.

In addition to the above-mentioned Board members elected by the AGM, Anora's employees have, in accordance with the agreement on employee participation between Anora and the special negotiating body of the employees, elected one member, Jussi Mikkola, and a deputy member, Tero Kollanus, to the Board of Directors.

In accordance with the agreement on employee participation, the term of the employee-elected Board members lasts until the end of the Annual General Meeting 2026.

The Board of Directors have assessed that all members of the Board of Directors are independent of the company with the exception of Jussi Mikkola. Jussi Mikkola is employed by Anora Group. Furthermore, all members of the Board of Directors, except for Christer Kjos and Annareetta Lumme-Timonen, are independent of the company's significant shareholders. Christer Kjos is the CEO of Canica Holding AG and Annareetta Lumme-Timonen is an Investment Director at Solidium Oy.

The Board of Directors of Anora convened thirteen times in 2024, with an average attendance rate of 95.2%.

Number of Board and Committee meetings in 2024 and attendance rates

	Board	Audit Commitee	Human Resources Commitee
Michael Holm Johansen	13/13		5/5
Jyrki Mäki-Kala	13/13	6/6	
Kirsten Ægidius	13/13		5/5
Christer Kjos	13/13	6/6	
Annereetta Lumme-Timonen	13/13	6/6	
Florence Rollet	12/13		5/5
Torsten Steenholt	9/13	6/6	
Jussi Mikkola	12/12		
Arne Larsen (until 17 April 2024)	2/2		
Total attendance rate	**95.2%**	**100%**	**100%**

Audit Committee

The members of the Audit Committee of the Board of Directors are

- Mr Jyrki Mäki-Kala, Chairperson,
- Mr Christer Kjos,
- Ms Annareetta Lumme-Timonen, and
- Mr Torsten Steenholt.

In 2024, the Audit Committee convened six times, with an average attendance rate of 100%.

Human Resources Committee

The members of the Human Resources Committee of the Board of Directors are

- Mr Michael Holm Johansen, Chairperson,
- Ms Kirsten Ægidius, and
- Ms Florence Rollet.

In 2023, the Human Resources Committee convened five times and the average attendance rate of the Committee's members was 100%.

Diversity of the Board of Directors

After the AGM of 2024, the Board of Directors of Anora consisted of eight members, seven of whom were elected by the shareholders and one by the employees of Anora. The shareholder-elected members of the Board of Directors have international work experience in executive and Board positions in listed and unlisted companies, especially in the beverage industry. The experience and competence of the member elected by the employees of Anora complement the diversity of the Board of Directors, in particular through work experience and knowledge of Anora's industrial operations. In 2024, three out of the seven members elected by the shareholders are women. The Board member elected by the employees is a man. Of the eight Board members in total, five (62.5%) are men and three (37.5%) are women. In terms of age, the members of the Board of Directors are between 40 and 65 years of age. The members of the Board of Directors have served on the Board of Directors since 2017, 2020, 2021, 2022 and 2023.

The composition and diversity of the Board of Directors are in line with the company's diversity principles for the Board of Directors.

Sustainability reporting

The Audit Committee has during 2024 in its meeting regularly reviewed updates on the sustainability reporting and assurance as well as monitored the sustainability reporting procedures and the implementation of the assurance of sustainability reporting.

Chief Executive Officer

Mr Jacek Pastuszka, b. 1963 M.Sc. (Economy), served as CEO of Anora Group Plc.

Executive Management Team

The members of the Executive Management Team of Anora were at year-end: Jacek Pastuszka, CEO; Stein Eriksen, CFO; Risto Gaggl, SVP, Industrial; Janne Halttunen, SVP, Wine; Thomas Heinonen, General Counsel; Mikkel Pilemand, Chief Growth Officer (CGO); Kirsi Puntila, SVP, Spirits; Johanna Sundén, Chief People and Communications Officer (CPCO).

Hannu Vähämurto, b. 1972, M. Sc. (Industrial Engineering and Management), was appointed SVP Industrial and member of the Executive Management Team as of 1 January 2025.

Remuneration

The Annual General Meeting 2024 adopted the Remuneration Policy for the governing bodies of Anora Group. The remuneration policy sets the principles for the remuneration of the Board of Directors and the CEO of Anora. The Remuneration Report on the materialised remuneration of the Board of Directors and the CEO for 2023 was adopted by the Annual General Meeting 2024.

Shares and share-based rights

At the end of 2024, the number of issued shares of Anora Group Plc was 67,553,624.

The shareholdings of the members of the Board of Directors, the CEO, and the members of the Executive Management Team, and the corporations over which they exercise control, at the end of 2024, are presented in the following tables.

None of the members of the Board of Directors, the CEO, or the members of the Executive Management Team nor corporations over which any of them exercise control have any share-based rights in Anora or its Group companies.

Shareholders' Nomination Board

On 16 September 2024, the company announced that its three largest shareholders have nominated the following representatives to the Shareholders' Nomination Board:

- Stein Erik Hagen, Canica AS
- Petter Söderström, Solidium Oy
- Tone Østensen, Geveran Trading Co. Limited

The Nomination Board elected Mr Stein Erik Hagen as its Chairperson. The Chairperson and Vice Chairperson of Anora's Board of Directors, Michael Holm Johansen and Jyrki Mäki-Kala, respectively, act as experts in the Nomination Board.

External audit

As elected by the AGM, PricewaterhouseCoopers Oy, a firm of authorised public accountants, is Anora Group Plc's auditor, with Markku Katajisto, authorised public accountant, as the principal auditor. The fees for the audit proper paid to PwC in 2024 totalled EUR 1.3 million. In addition, EUR 0.2 million was paid for non-audit services provided to Anora Group companies.

Board of Directors' shareholdings per 31 December 2024

	Position	Year of birth	Gender	Education	Number of shares
Michael Holm Johansen	Chairperson	1959	Male	MS in Management, B.Sc. (Business Administration)	80,000
Jyrki Mäki-Kala	Vice Chairperson	1961	Male	M.Sc. (Econ.)	13,600
Kirsten Ægidius	Member	1963	Female	M.Sc. (International Economics, Strategy)	6,100
Christer Kjos	Member	1984	Male	B.S. (Finance)	0
Annereetta Lumme-Timonen	Member	1967	Female	M.Sc. (Eng.), D.Sc (Tech.)	4,600
Florence Rollet	Member	1966	Female	M.Sc. (Business & Commerce)	4,620
Torsten Steenholt	Member	1969	Male	M.Sc. (Pharmacy), M.Sc. (Chemical Research), Master Brewer, EVP	20,000
Jussi Mikkola	Member	1983	Male		100
Total					**129,020**
% of total shares					**0.19%**
Anora total # of shares					67,553,624

Managements' shareholdings per 31 December 2024

	Position	Year of birth	Gender	Education	Number of shares
Jacek Pastuszka	CEO	1963	Male	M.Sc. (Economy)	0
Stein Eriksen	CFO	1974	Male	M.Sc. (Economy)	0
Risto Gaggl	SVP, Industrial	1968	Male	Master's degree in production	0
Janne Halttunen	SVP, Wines	1970	Male	M. Sc. (Business Administration)	9,300
Thomas Heinonen	General Counsel	1970	Male	Master of Laws	4,375
Mikkel Pilemand	CGO	1971	Male	M. Sc. (International Business)	6,000
Kirsi Puntila	SVP, Spirits	1970	Female	M.Sc. (Economics)	6,666
Johanna Sundén	CPCO	1973	Female	M.Sc., Communications	0
Total					**26,341**
% of total shares					**0.04%**
Anora total # of shares					67,553,624

ANORA

Remuneration Report 2024

Dear Shareholders,

As Chairperson of the Human Resources Committee, I am pleased to present Anora's remuneration report for the year 2024. This report outlines the remuneration of Anora's governing bodies in 2024 and provides insights into Anora's overall remuneration principles and future focus areas.

Throughout 2024, we saw gross margin improvement in all segments thanks to pricing and revenue management. Anora's comparable EBITDA for the full year 2024 increased from EUR 68.2 million to EUR 68.9 million, which represents 10.0% of net sales, reflecting effective cost management and revenue enhancements. The Wine segment had strong performance, and we successfully introduced a wide portfolio of up to 8% ABV wines in grocery stores in Finland.

Net sales for the full year declined by 4.7%. Sales in both the Wine and Spirits segments were down due to lower volumes, the loss of two bigger partners, and discontinued low-margin third-party filling contracts in Denmark. The Industrial segment's net sales were negatively impacted by lower sales prices due to declined grain prices, combined with lower production volumes.

Both the EBITDA result and net sales result are key KPIs in Anora's incentive schemes; neither reached the minimum threshold for pay-out based on the set objectives.

Anora Group's CEO Jacek Pastuszka informed the Board of Directors in October 2024 of his desire to retire and resign from his position once his successor has been appointed. The Board began the recruitment process for the new CEO immediately. Kirsi Puntila was appointed as Anora's new CEO as of 4 March, 2025.

To further strengthen Anora's performance culture the short-term-incentive program for 2025 has a stronger focus on EBITDA and net sales. The selection of reference companies that Anora is compared with in the long-term-incentive program now has a heavier weighting towards the peer companies used by investors.

Remuneration remains a key priority for the Board's Human Resources Committee. We aim to develop and improve our remuneration practices to ensure their effectiveness. At Anora, remuneration is viewed as a tool for fostering a performance-driven culture, focusing on both short- and long-term results.

I am confident that with our dedication to our customers and a strong consumer focus, combined with operational efficiency, we can deliver on the company's long-term targets.

Yours sincerely,

Michael Holm Johansen
Chairperson of the Human Resources Committee

Introduction

This report has been prepared by the Human Resources Committee of Anora's Board of Directors, based on the Remuneration Policy for the governing bodies, adopted at the Annual General Meeting 2024. The report follows the guidelines of the Finnish Corporate Governance Code. The materialized remuneration of the Board of Directors and the CEO in 2024 reflects the targets of the remuneration principles which Anora has set with its Remuneration Policy.

The purpose of the total remuneration of the Board members, consisting of annual remuneration and meeting fees, is to sufficiently compensate for the commitment required for the Board members' contribution to the Board's work and for the associated responsibilities. The remuneration aims to be competitive to attract and retain high-caliber individuals qualified to serve as Board members to support the long-term success of Anora.

The CEO's remuneration is based on Anora's remuneration principles, as set forth in Anora's Remuneration Policy. The objectives of the remuneration for the CEO are to align the interests of the CEO with those of the company's shareholders and to promote shareholder value creation in the long term. Other key objectives of the CEO's remuneration are to reward for excellent individual performance, for achievements in implementing Anora's strategy and for achieving Anora's financial targets as well as retention, thus promoting Anora's long-term financial performance and success.

Anora's remuneration has a guiding principle of Pay for Performance, overarching all remuneration of employed personnel and management. Short- and long-term incentive programs all return a reward based on achievement of pre-defined results, measuring success based on the execution of the chosen strategy. Performance-based variable compensation does not apply to the Board of Directors.

The key purpose of remuneration practices and their development is to support reaching and rewarding for success against financial targets and their annual milestones. Simultaneously, rewarding focuses on supporting the actualization of Anora's ambitious sustainability agenda. Success in financial performance, progress in advancing the sustainability agenda, and strategy implementation are rewarded with short- and long-term incentives.

On 9 June 2022, the Board of Directors decided on the establishment of a share-based long-term incentive program for the company's management and selected key employees. The program consists of individual three-year plans which begin annually. During 2024, Anora's CEO participated in two earning periods in the share-based program: 2023-2025 and 2024-2026.

These performance-based share plans return a share reward based on four performance measures: 1) revenue growth (35% weight); 2) earnings per share (35% weight); 3) relative total shareholder return (20% weight); and 4) environmental, social and governance (ESG) measure (10% weight). The ESG measure is the ESG risk rating by Sustainalytics achieved by the end of 2025 and 2026.

A comparison of the development of the fees of the Board of Directors and the remuneration of the CEO versus the development of the average remuneration of the employees and the company's comparable EBITDA is shown in the table below. The adjustments to the remuneration of the Board of Directors from 2021 to 2022 consider the merger of Altia and Arcus to form Anora. The increase in the CEO's total remuneration in 2022 compared to earlier years resulted from the merger and the early termination of long-term incentive plans for earlier years, which were paid out prematurely in cash during 2022.

Remuneration development 2020-2024 (EUR)

	2024	2023	2022	2021	2020*
Comparable EBITDA (EUR million)	68.9	69.4	76.1	71.7[1]	52.4
Board of Directors, total fees paid	441,832	451,032	565,433	368,000	358,725
CEOs, total remuneration paid	712,240	615,177	1,140,815	872,031	573,679
Employees' average remuneration[2]	67,160	64,711	62,866	64,791	57,796

*Based on Altia Plc information before the merger of Altia and Arcus
[1]Based on Anora Group information of 2021, including former Arcus data from September-December 2021.
[2]Employees' average remuneration is total employee remuneration divided by the average number of personnel during the year.

Remuneration of the Board of Directors

Remuneration of the Board of Directors consists of annual remuneration and meeting fees.

Anora's Annual General Meeting 2024 decided, based on the proposal by the Shareholders' Nomination Board, that the following annual remuneration is to be paid to the members of the Board of Directors:

- Chairperson of the Board of Directors: EUR 70,000
- Vice Chairperson of the Board of Directors: EUR 48,000
- Members of the Board of Directors: EUR 32,000

In addition to the abovementioned annual remuneration, the Annual General Meeting decided that the following annual remuneration is to be paid to the members of the Board of Directors appointed as the members of the Board's permanent Committees:

- Audit Committee:
  - Chairperson: EUR 10,000
  - Member: EUR 5,000
- Human Resources Committee:
  - Chairperson: EUR 8,000
  - Member: EUR 4,000

In addition to the annual remuneration, a meeting fee of EUR 650 per meeting was decided to be paid for each Board and Committee meeting that is held in the member's country of residence, and EUR 1,300 for each meeting held outside the member's country of residence. For remotely held meetings, the company has paid a meeting fee of EUR 650.

Associated travel expenses were reimbursed in accordance with Anora's travel policy. No other financial benefits were paid in relation to the Board membership.

The Shareholders' Nomination Board is of the opinion that Board members' shareholding in Anora benefits all shareholders. Therefore, the Shareholders' Nomination Board has recommended that the Board members elected by the Annual General Meeting accumulate a shareholding in Anora that exceeds their one-time annual remuneration. The shareholdings of the Board members are available on Anora's website.

The annual remuneration for the Board of Directors changed from that of 2023. In 2023, the annual fee for the Chairperson was EUR 65,000, for the Vice Chairperson EUR 46,500 and for the other members EUR 31,000. The annual fees for the members of the Board's permanent committee, the Audit Committee and the Human Resources Committee, remained unchanged from 2023 to 2024.

In addition to the annual remuneration, meeting fees changed from that of 2023. In 2023, EUR 600 per meeting was paid for each Board and Committee meeting for meetings held in the member's country of residence, and EUR 1,200 for each meeting held outside the member's country of residence. For remotely held meetings, the company has paid a meeting fee of EUR 600.

The Board members elected by the General Meeting of Shareholders were not in an employment relationship or service contract with the company and they were not given the opportunity to participate in Anora's short-term or long-term incentive programs or given any pension benefits by the company. The Board members are not entitled to any termination payment at the end of their term as Board member.

In addition to the Board members elected by the General Meeting of Shareholders, Anora's employees have, in accordance with the Agreement of Employee Participation between Anora and the special negotiating body of the employees, elected one member and one deputy member to the Board of Directors. The Board members elected by Anora's employees receive a meeting fee, as determined by the Board of Directors in accordance with said agreement on employee participation. The meeting fees for the employee representative member of the Board are equal to those payable to Board members elected by the Annual General Meeting.

The total remuneration actually paid to the members of the Board of Directors during 2024 totaled EUR 441,832. A breakdown of the total remuneration by Board member is presented in the table below.

Remuneration of the Board of Directors paid in 2024

Member of the Board of Directors	Annual Remuneration, Board	Meeting Fees, Board[1]	Annual remuneration, Committee	Meeting Fees, Committee	Total
Michael Holm Johansen Chairperson of the Board Chairperson of the HR Committee	76,332	12,200	8,000	5,750	102,282
Jyrki Mäki-Kala Vice Chairperson of the Board Chairperson of the Audit Committee	48,000	10,300	10,000	3,800	72,100
Torsten Steenholt Member of the Board Member of the Audit Committee Member of the HR committee until 19.4.2023	32,000	7,650	5,000	3,800	48,450
Kirsten Ægidus Member of the Board Member of the HR Committee	32,000	11,550	4,000	3,850	51,400
Christer Kjos Member of the Board Member of the Audit Committee	32,000	10,950	5,000	3,800	51,750
Annareetta Lumme-Timonen Member of the Board Member of the Audit Committee	32,000	10,300	5,000	3,800	51,100
Florence Rollet Member of the Board since 19.4.2023 Member of the HR Committee since 19.4.2023	32,000	11,550	4,000	5,750	53,300
Arne Larsen Member of the Board, Employee Representative	–	1,800	–	–	1,800
Jussi Mikkola Member of the Board, Employee Representative	–	9,650	–	–	9,650
Total					**441,832**

[1]Meeting fees are reported for the year when they have been paid.

Remuneration of the CEO

Jacek Pastuszka was appointed as the new CEO of Anora Group Plc as of 25 October 2023. The remuneration payable to the CEO is governed by the Remuneration Policy of the Governing Bodies adopted at the Annual General Meeting 2024. The remuneration paid or due for the year 2024 was in line with the aforementioned Policy.

The key objective of the remuneration of the CEO is to align the interests of the CEO with those of Anora's shareholders and to promote shareholder value creation in the long term. Other key objectives of the CEO's remuneration are rewarding for excellent individual performance, achievements in implementing Anora strategy, and the achievement of Anora's financial targets, as well as retention.

The total remuneration of the CEO consists of both fixed and variable remuneration elements. The fixed remuneration for 2024 consisted of fixed monthly salary and benefits. No variable remuneration was paid to the CEO during 2024.

Total remuneration paid during 2024

CEO Jacek Pastuszka

CEO Jacek Pastuszka's monthly fixed compensation was EUR 55,853, which included the taxable fringe benefit of a mobile phone. In addition to and on top of fixed compensation, the CEO is granted a monthly housing allowance in the amount of EUR 3,500.

Variable remuneration accrued based on the year 2024, payable in 2025

CEO Jacek Pastuszka's maximum earning opportunity in the short-term incentive plan for 2024 was 60% of the gross annual fixed salary. In the short-term incentive plan for 2024, his performance was measured based on: Anora Group's EBITDA (30% weight); Anora Group's net sales (20% weight); improvement in the employee engagement survey (30% weight); and growth and structural Initiatives (20% weight).

In accordance with the terms of the short-term incentive plan, Jacek Pastuszka is not entitled to pay-outs from the plan due to his resignation.

Summary of total remuneration paid and accrued in 2024

Total remuneration element CEO Jacek Pastuszka	Paid in 2024	%	Accrued 2024, payable 2025
Fixed compensation	712,240	100%	–
Short-term incentives*	–	0%	–
Long-term incentives	–	0%	–
Total remuneration	712,240	100%	

*Short-term incentive is based on performance during 2024.

Participation in the long-term incentive plans

CEO Jacek Pastuszka

CEO Jacek Pastuszka was allocated a maximum number of 199,000 gross shares in the 2024-2026 Performance Share Plan and maximum number of 82,000 gross shares in the 2023-2025 Performance Share Plan.

For the plans with a vesting period of three years, the maximum value of the long-term incentive based on the share value at grant is 125% of the CEO's annual fixed compensation. The maximum reward opportunity is capped at the level of the share price becoming threefold to that at grant.

For both plans, the reward is based on the following performance measures: 1) revenue growth (35% weight); 2) earnings per share (35% weight); 3) relative total shareholder return (20% weight); and 4) environmental, social and governance (ESG) measure (10% weight) being the ESG risk rating by Sustainalytics achieved by the end of 2025 and 2026.

Jacek Pastuszka has forfeited his participation in the Performance Share Plans due to his resignation.

Summary of granted share-based incentives to CEO Jacek Pastuszka

LTI Plan	2023–2025	2024–2026
Maximum number of shares granted (gross)	82,000	199,000
Grant date	9 August 2024	15 March 2024
Share price at grant	EUR 7.37	EUR 4.22
Number of shares earned (gross) / cash equivalent paid	-	-
Delivery date	-	-
Share price at delivery	-	-

Other relevant information related to CEO Jacek Pastuszka's remuneration

Anora applies a shareholding recommendation for the CEO. The CEO should accumulate and, once achieved, hold a shareholding in Anora corresponding to his annual gross base salary. The shareholding is expected to be accumulated out of rewards received under the share-based incentive schemes of Anora.

The company and the CEO have not agreed on a retirement age. The CEO does not have a supplementary pension insurance paid by the company. The CEO has a six months' period of notice. If the service contract is terminated by Anora, the CEO is entitled to a severance payment corresponding to six months' salary, in addition to the salary for the notice period.

Board of Directors

At year-end unless otherwise stated

Michael Holm Johansen

Chairperson of the Board of Directors
b. 1956, MS in Management, B.Sc. (Business Administration)

Independent of the company and the shareholders

- Chairperson of the Board of Directors since 2021
- Previously Chairperson Board of Directors of Arcus ASA until 2021
- Chairperson of the Human Resources Committee

Main work experience:
- President, Central and Southern Europe, The Coca-Cola Company (2006–2011)
- President, South East Europe, The Coca-Cola Company (2003–2006)

Shareholding: 80,000 Anora shares

Jyrki Mäki-Kala

Vice Chairperson of the Board of Directors
b. 1961, M.Sc. (Econ.)

Independent of the company and the shareholders

- Member of the Board of Directors since 2020
- Chairperson of the Audit Committee

Main work experience:
- CFO, Neste Oyj (2013–2022)
- CFO, Kemira Oyj (2008–2013)
- Director, VP and President positions, Kemira Pulp and Paper (2005–2008)
- Various Director and VP positions, Nokia Chemicals/Finnish Chemicals Oy (1988–2005)

Key positions of trust:
- Orthex Oyj, Member of the Board
- Outokumpu Oyj, Member of the Board and Chairperson of the Audit Committee

Shareholding: 13,600 Anora shares

Kirsten Ægidius

Member of the Board of Directors
b. 1963, M.Sc. (International Economics, Strategy)

Independent of the company and the shareholders

- Member of the Board of Directors since 2021
- Previously Member of the Board of Directors of Arcus ASA until 2021
- Member of the Human Resources Committee

Main work experience:
- CEO, Mejerigaarden A/S (2024–)
- CEO, Interflora A/S Denmark (2022–2024)
- CCO, Harboes Bryggeri A/S (2018–2019)
- VP EMEA and CEO, Weber-Stephen Nordic (2014–2015)
- VP Marketing, Carlsberg Denmark (2009-2013)
- Director New Beverages, Coca-Cola Nordics (2002-2009)
- Sales and Marketing positions, Unilever UK, Swe and DK (1992-2002)

Key positions of trust:
- New Nordic Healthbrands AB, Member of the Board

Shareholding: 6,100 Anora shares

Christer Kjos

Member of the Board of Directors
b. 1984, B.S. (Finance)

CEO, Canica Holding AG

Independent of the company, not independent of major shareholders

- Member of the Board of Directors since 2022
- Member of the Audit Committee

Main work experience:
- Co-founder, member of Executive Committee, B1 Capital AG (2013–2015)
- Head of Pan European Equity Sales for Zürich, Credit Agricole Cheuvreux AG (2011–2012)
- Equity Sales, Switzerland, Merrill Lynch Capital Markets AG (2010–2011)
- Associate, Bank of America/Merrill Lynch (2008–2010)

Key positions of trust:
- Nordic Corporate Bank AS, Chairperson of the Nomination Committee

Shareholding: -

Annareetta Lumme-Timonen

Member of the Board of Directors
b. 1967, M.Sc. (Eng.), D.Sc. (Tech.)

Investment Director, Solidium Oy

Independent of the company, not independent of major shareholders

- Member of the Board of Directors since 2022
- Member of the Audit Committee

Main work experience:
- Investment Manager, 3i Nordic plc (2000–2007)
- Investment Manager, SFK Finance Oy (1997–2000)
- Visiting Scholar, Wharton Business School (1995 & 1997)
- Development Manager, Kera Oy (1995–1996)
- Industry Analyst, Sitra, the Finnish Innovation Fund (1991–1994)

Key positions of trust:
- Valmet Oyj, Member of the Board of Directors
- Metso Oyj, Chairperson of the Shareholders' Nomination Committee
- Tietoevry Oyj, Chairperson of the Shareholders' Nomination Committee

Shareholding: 4,600 Anora shares

Torsten Steenholt

Member of the Board of Directors
b. 1969, M.Sc. (Pharmacy), M.Sc. (Chemical Research), Master Brewer

SVP, Global Manufacturing, Novonesis

Independent of the company and the shareholders

- Member of the Board of Directors since 2017
- Member of the Audit committee

Main work experience:
- EVP, Global Operations, Chr. Hansen (2017–2024)
- SVP Global Product Supply, Chr. Hansen (2012–2017)
- VP Supply Chain, Carlsberg Group (2009–2012)
- COO, Unicer (2007–2009)
- Brewery Director, Carlsberg UK Ltd (2003–2007)

Key positions of trust:
- NIRAS A/S, Member of the Board
- Gram Equipment A/S, Member of the Board

Shareholding: 20,000 Anora shares

Florence Rollet

Member of the Board of Directors
b. 1966, Emlyon Business School, Graduate 1987

Head of the Master of Science program at the Emlyon Business School

Independent of the company and the shareholders

- Member of the Board of Directors since 2023
- Member of the Human Resources Committee

Main work experience:
- Venture Partner, Luxurytechfunds (2018–)
- Chief Marketing Officer, Julius Baer (2016–2018)
- President EMEA, Tiffany&Co (2013–2016)
- European Development Director, Parfums Christian Dior (2007–2013)
- General Manager Coty Beauty France/ Coty Prestige France, Coty Inc (1999–2007)
- Sales Development Director, Reckitt Benckiser (1995–1999)
- Sales Director, South France, Pepsi-Cola France (1994–1995)
- Marketing/Sales positions, Brasseries Kronenbourg (1987–1995)

Key positions of trust:
- Arla Food, Member of the Board
- Attica Department Stores, Member of the Board

Shareholding: 4,620 Anora shares

Jussi Mikkola

Member of the Board of Directors
b. 1983

Team Leader, based in Finland

Not independent of the company, independent of the shareholders

- Elected Employee Member of Anora's Board of Directors since 2021

Main work experience:
- Team Leader, Altia & Anora (2012–)
- Team Leader, A-Pullo Oy (2003–2012)

Key positions of trust:
- Safety Representative, Anora
- Chief Shop Steward, Anora

Deputy:
Tero Kollanus

Shareholding: 100 Anora shares

Executive Management Team

At year-end unless otherwise stated

Jacek Pastuszka

CEO
b. 1963, M. Sc. in Economy

Main work experience:
Joined Anora 25 October 2023 as CEO and member of Anora's Executive Management Team.

Before joining Anora, Jacek served as Executive Vice President Western Europe at Carlsberg and a member of Carlsberg Group's Executive Committee. Prior to that, he was also the CEO of Ringnes in Norway and held several other leadership positions at Carlsberg, AIG, Danone and Procter & Gamble.

Shareholdings: -

Stein Eriksen

CFO
b. 1974, M. Sc. (Econ.)

Main work experience:
Joined Anora and became a member of Anora's Executive Management Team in August 2024.

Before joining Anora, served as CFO of XXL ASA, the largest sports retailer in the Nordic countries. He has also acted in a combined role as the Interim CEO and CFO of XXL ASA. Prior to that, Stein has had a long career at the Norwegian stock-listed blue-chip company Orkla, where his most recent positions were CFO at Orkla Care and SVP Finance at Orkla ASA.

Shareholdings: -

Janne Halttunen

SVP, Wine
b. 1970, M. Sc. Business Administration

Main work experience:
SVP, Scandinavia at Altia since 2017, member of Altia's Executive Management Team since 2015, joined Altia in 2009.

Janne joined Altia in 2009 as the Managing Director of Oy Wennerco Ab. Previously, he served as the Company's Senior Vice President, Partner Business and Export; as the Director, Business Development; Managing Director, Partner Brands, as well as a member of the Board of Directors of Craft & Cask Ltd. In addition, he has held several managerial positions at British American Tobacco in Switzerland, Spain and the UK.

Shareholdings: 9,300 Anora shares

Kirsi Puntila

SVP, Spirits
b. 1970, M.Sc. in Economics and Business Administration

Main work experience:
SVP, International at Anora between 2021-2022, SVP Marketing at Altia since 2016, member of Altia's Executive Management Team since 2016, joined Altia in 2014.

Previously, Kirsi served as the Spirits Category Director of Altia and the Marketing Director, Altia Brands, based in Stockholm. She has also served as the Global Marketing Manager (Absolut Flavors and Kahlua) of The Absolut Company (Pernod Ricard S.A).

Key positions of trust:
Board member of Neova Oy

Shareholdings: 6,666 Anora shares

Risto Gaggl

Member of the Executive Management Team until 31 December 2024

SVP, Anora Industrial
b. 1968, Master's degree in production technology

Main work experience:
Joined Anora in October 2023, member of the Executive Management Team since 1 January 2024.

Previously, Risto worked as Chief Supply Chain Officer at Fiskars Group for over 10 years. Before Fiskars, he held several international positions at Elcoteq, the latest of which was Vice President, Business Excellence.

Shareholdings: -

Hannu Vähämurto

Member of the Executive Management Team as of January 2025

SVP, Anora Industrial
b. 1972, Master of Science (M. Sc.), Industrial Engineering and Management

Main work experience:
Joined Anora in 2011, member of the Executive Management Team since 1 January 2025.

Hannu has worked in various roles at Anora, most recently as Director, Industrial Products since September 2023. Prior to this, he has acted as Manufacturing Operations & Planning Director and Supply Chain Director. Before joining Anora, Hannu gained extensive experience from various manufacturing and supply chain management positions at Tellabs Oy.

Shareholdings: 200 Anora shares

Mikkel Pilemand

Chief Growth Officer (CGO)
b. 1971, M. Sc. in International Business

Main work experience:
Joined Anora in May 2023, member of the Executive Management Team since 2023.

Before joining Anora, served as Chief Commercial Officer at Denmark's biggest online supermarket, the grocery retailer nemlig.com. His main work experience before that includes international, senior commercial positions in FMCG companies like Procter & Gamble, Reckitt Benckiser and Carlsberg.

Shareholdings: 6,000 Anora shares

Johanna Sundén

Chief People and Communications Officer (CPCO)
b. 1973, Master's degree in Communication

Main work experience:
Joined Anora in January 2024, member of Anora's Executive Management Team since 1 January 2024.

Johanna has extensive experience from leading international HR teams through acquisitions, mergers and integrations. Further on she has worked considerably with leadership and team development in a multinational setting. She has an HR and Communications background, and held senior HR positions in Orkla Health, Wilh. Wilhelmsen, a comprehensive global maritime group, and in Lindorff.

Shareholdings: -

Thomas Heinonen

General Counsel
b. 1970, Master of Laws

Main work experience:
Anora's (formerly Altia's) General Counsel and secretary to the Board of Directors since 2012. Member of Anora's Executive Management Team since 20 August 2024.

Before joining Anora, Thomas served as General Counsel and secretary to the Board of Directors of Oriola-KD Oyj. He has held several legal counsel positions in stock listed companies in regulated industries.

Shareholdings: 4,375 Anora shares

FINANCIAL STATEMENTS

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CONSOLIDATED INCOME STATEMENT

EUR million	Note	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
NET SALES	1.2	692.0	726.5
Other operating income	1.3	8.5	20.3
Materials and services	1.4	-407.1	-441.4
Employee benefit expenses	1.5	-103.9	-103.8
Other operating expenses	1.6	-128.3	-134.1
Depreciation and amortisation	2.1–2.3	-26.8	-33.4
Impairment losses	2.1–2.3	0.0	-65.4
OPERATING RESULT		**34.5**	**-31.3**
Finance income	3.1	10.7	24.6
Finance expenses	3.1	-30.7	-47.4
Share of profit in associates and joint ventures and income from interests in joint operations	5.4	0.3	0.2
RESULT BEFORE TAXES		**14.7**	**-53.9**
Income tax expense	6.1	-3.7	13.9
RESULT FOR THE PERIOD		**11.1**	**-39.9**
Result for the period attributable to:			
Owners of the parent		10.5	-39.9
Non-controlling interests		0.5	0.0
Earnings per share for the result attributable to owners of the parent, EUR			
Basic		0.16	-0.59
Diluted		0.15	-0.58

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	Note	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
Result for the period		11.1	-39.9
OTHER COMPREHENSIVE INCOME/(LOSS)			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		-0.3	-0.1
Related income tax	6.1	0.1	0.0
Total		**-0.2**	**-0.1**
Items that may be reclassified to profit or loss			
Cash flow hedges		2.2	-6.7
Translation differences	3.4	-6.9	-12.8
Income tax related to these items	6.1	-0.3	1.0
Total		**-5.0**	**-18.5**
Other comprehensive income for the period, net of tax		**-5.2**	**-18.6**
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		**5.9**	**-58.5**
Total comprehensive income attributable to:			
Owners of the parent		5.3	-58.4
Non-controlling interests		0.6	-0.1

The notes are an integral part of the consolidated financial statements.

CONSOLIDATED BALANCE SHEET

EUR million	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Non-current assets			
Goodwill	2.1	299.1	304.3
Other intangible assets	2.1	194.1	206.3
Property, plant and equipment	2.2	63.2	62.7
Right-of-use assets	2.3	59.0	67.9
Investments in associates and joint ventures and interests in joint operations	5.4	11.6	12.3
Financial assets at fair value through other comprehensive income	3.2.1	0.7	0.7
Other receivables	3.2.1	0.2	0.0
Total non-current assets		**627.8**	**654.1**
Current assets			
Inventories	2.4	139.2	144.2
Trade and other receivables	2.5	113.8	110.1
Derivatives receivables	3.2	1.9	0.8
Current tax assets		5.3	6.1
Cash and cash equivalents		181.5	212.7
Assets held for sale	5.4	-	7.6
Total current assets		**441.6**	**481.6**
TOTAL ASSETS		**1,069.4**	**1,135.7**

EUR million	Note	31 Dec 2024	31 Dec 2023
EQUITY AND LIABILITIES			,
Equity attributable to owners of the parent	3.4		
Share capital		61.5	61.5
Invested unrestricted equity fund		336.8	336.8
Hedge reserve		0.4	-1.5
Translation differences		-50.8	-44.0
Retained earnings		50.1	54.5
Equity attributable to owners of the parent		**397.9**	**407.3**
Non-controlling interests		0.9	0.5
Total equity		**398.7**	**407.8**
Non-current liabilities			
Deferred tax liabilities	6.1	**35.4**	**36.5**
Borrowings	3.2.2	163.5	214.8
Non-current liabilities at fair value through profit or loss	3.2.2	0.1	0.1
Lease liabilities	3.2.2	104.7	120.7
Employee benefit obligations	2.6	2.6	2.4
Total non-current liabilities		306.4	374.5
Current liabilities			
Borrowings	3.2.2	**21.5**	**1.5**
Current liabilities at fair value through profit or loss	3.2.2	0.4	0.6
Lease liabilities	3.2.2	13.4	13.3
Provisions	2.8.	1.7	3.9
Trade and other payables	2.7	324.4	329.6
Derivatives liabilities	3.2	1.4	2.2
Current tax liabilities		1.5	2.2
Total current liabilities		**364.4**	**353.4**
Total liabilities		**670.7**	**727.9**
TOTAL EQUITY AND LIABILITIES		**1,069.4**	**1,135.7**

The notes are an integral part of the consolidated financial statements.

ANORA

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR million	Note	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
CASH FLOW FROM OPERATING ACTIVITIES			
Result before taxes		14.7	-53.9
Adjustments			
Depreciation, amortisation and impairment	2.1–2.3	26.8	98.8
Share of profit in associates and joint ventures and income from investments in joint operations	5.4	-0.3	-0.2
Net gain on sale of non-current assets	1.3, 1.6	-0.2	-12.2
Finance income and expenses	3.1	20.0	22.8
Other adjustments		-1.1	0.2
Adjustments total		45.3	109.3
Change in working capital			
Change in inventories, increase (-) / decrease (+)		2.6	8.3
Change in trade and other receivables, increase (-) / decrease (+)		-5.4	119.8
Change in trade and other payables, increase (+) / decrease (-)		-2.1	-18.9
Change in working capital		-4.9	109.2
Interest paid	3.1	-21.6	-28.2
Interest received	3.1	7.8	12.0
Other finance income and expenses paid	3.1	-4.3	-8.0
Income taxes paid		-3.8	-5.2
Financial items and taxes		-21.9	-29.4
NET CASH FLOW FROM OPERATING ACTIVITIES		**33.2**	**135.3**

EUR million	Note	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment and intangible assets	2.1–2.3	-12.3	-12.6
Proceeds from sale of property, plant and equipment and intangible assets	1.3	0.1	0.9
Proceeds received from disposals of subsidiaries and business operations (net of cash)	5.2	0.3	52.3
Proceeds received from disposal of investments in joint arrangements	5.2	7.6	-
Loans granted to associated companies	6.3	-0.1	-
Acquisitions of subsidiaries and business operations		-0.2	-0.1
Interest received from investments in joint operations	5.4	0.9	0.9
Dividends received	3.1	-	0.2
NET CASH FLOW FROM INVESTING ACTIVITIES		**-3.8**	**41.6**
CASH FLOW FROM FINANCING ACTIVITIES			
Changes in commercial paper program	3.2.2	19.8	-30.0
Repayment of borrowings	3.2.2	-51.5	-1.5
Repayment of lease liabilities	3.2.2	-12.6	-11.1
Dividends paid and other distributions of profits	3.4	-15.1	-15.1
NET CASH FLOW FROM FINANCING ACTIVITIES		**-59.4**	**-57.7**
CHANGE IN CASH AND CASH EQUIVALENTS		**-29.9**	**119.2**
Cash and cash equivalents at the beginning of the period		212.7	91.4
Translation differences on cash and cash equivalents		-1.3	2.1
Change in cash and cash equivalents		-29.9	119.2
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	3.2.3	**181.5**	**212.7**

The notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR million	Note	Share capital	Invested unrestricted equity fund	Legal reserve	Hedge reserve	Translation differences	Retained earnings	Equity attributable to owners of the parent company	Non-controlling interests	Total equity
Equity at 1 January 2023		**61.5**	**336.8**	**0.5**	**4.2**	**-33.0**	**110.7**	**480.5**	**0.9**	**481.4**
Total comprehensive income										
Result for the period		-	-	-	-	-	-39.9	-39.9	0.0	-39.9
Other comprehensive income (net of tax)	3.4, 6.1									
Cash flow hedges		-	-	-	-5.7	-	-	-5.7	-0.0	-5.7
Translation differences	3.4	-	-	-	-	-11.0	-1.7	-12.7	-0.1	-12.8
Remeasurements of post-employment benefit obligations		-	-	-	-	-	-0.1	-0.1	-	-0.1
Total comprehensive income for the period		**-**	**-**	**-**	**-5.7**	**-11.0**	**-41.8**	**-58.4**	**-0.1**	**-58.5**
Transactions with owners										
Dividend distribution	3.4	-	-	-	-	-	-14.9	-14.9	-0.2	-15.1
Share-based payments	6.4	-	-	-	-	-	0.0	0.0	-	0.0
Total transactions with owners		**-**	**-**	**-**	**-**	**-**	**-14.8**	**-14.8**	**-0.2**	**-15.1**
Transfer to reserve		**-**	**-**	**-0.5**	**-**	**-**	**0.5**	**0.0**	**-**	**0.0**
EQUITY AT 31 DECEMBER 2023		**61.5**	**336.8**	**0.0**	**-1.5**	**-44.0**	**54.5**	**407.3**	**0.5**	**407.8**
Equity at 1 January 2024		**61.5**	**336.8**	**0.0**	**-1.5**	**-44.0**	**54.5**	**407.3**	**0.5**	**407.8**
Total comprehensive income										
Result for the period		-	-	-	-	-	10.5	10.5	0.5	11.1
Other comprehensive income (net of tax)	3.4, 6.1									
Cash flow hedges		-	-	-	1.9	-	-	1.9	0.0	1.9
Translation differences	3.4.	-	-	-	-	-6.8	-	-6.8	-0.0	-6.9
Remeasurements of post-employment benefit obligations		-	-	-	-	-	-0.2	-0.2	-	-0.2
Total comprehensive income for the period		**-**	**-**	**-**	**1.9**	**-6.8**	**10.3**	**5.3**	**0.6**	**5.9**
Transactions with owners										
Dividend distribution	3.4.	-	-	-	-	-	-14.9	-14.9	-0.2	-15.1
Share-based payments	6.4.	-	-	-	-	-	0.2	0.2	-	0.2
Total transactions with owners		**-**	**-**	**-**	**-**	**-**	**-14.7**	**-14.7**	**-0.2**	**-14.9**
EQUITY AT 31 DECEMBER 2024		**61.5**	**336.8**	**0.0**	**0.4**	**-50.8**	**50.1**	**397.9**	**0.9**	**398.7**

The notes are an integral part of the consolidated financial statements..

Notes to the consolidated financial statements

GENERAL INFORMATION

Information on Anora

Anora Group Plc ('company', 'parent company'), a public limited liability company, and its subsidiaries (together 'Anora Group', 'Anora' or 'Group') is a leading wine and spirits brand house in the Nordic region. Anora has a broad portfolio of iconic brands, including Koskenkorva, Blossa, Linie, Skagerrak, Chill Out, Ruby Zin, Wongraven, O.P. Anderson and Falling Feather. Key brands are exported to over 30 markets globally.

Together with partners Anora brings the world of quality drinks to the Nordics. Anora has a strong partner portfolio which include several well-known wine producers from all over the world, as well as spirits producers with well-known spirits brands, like Amarula, Fireball, Fernet Branca, Hernö, Jose Cuervo and Underberg.

Anora's business operations also include world-class industrial operations in distillation, bottling and logistics services as well as the production of technical ethanol products, neutral potable ethanol, feed components and barley starch.

Anora's customers include alcohol retail monopolies, alcoholic beverage wholesalers, HoReCa industry, retail grocery stores, travel trade, importers in the export markets and industrial customers.

Anora Group Plc, the parent company of Anora Group, is domiciled in Helsinki, Finland. Anora Group Plc is a Finnish publicly listed company. Anora's shares are listed in Nasdaq Helsinki. The registered address of the Company is Kaapeliaukio 1, FI-00180 Helsinki, Finland. Copies of the consolidated financial statements are available online at www.anora.com or at the Group's headquarters at Kaapeliaukio 1, FI-00180 Helsinki, Finland.

Anora Group Plc's Board of Directors has approved these financial statements for publication in its meeting on 18 March 2025. According to the Finnish Limited Liability Companies Act, shareholders have the right to approve or reject the financial statements in the Annual General Meeting held after the publication of the financial statements. The Annual General Meeting also has the right to make a decision to amend the financial statements.

Basis of preparation

The consolidated financial statements for the year ended 31 December 2024 are prepared in accordance with IFRS Accounting Standards complying with the SIC and IFRIC interpretations in force and approved by EU on 31 December 2024. Notes to the consolidated financial statements also comply with the requirements of the Finnish Accounting Act and Limited Liability Companies Act.

The consolidated financial statements for the year ended 31 December 2024 have been prepared on a historical cost basis, except for equity investments, derivatives and put options for the purchase of non-controlling interests. The consolidated financial statements are presented in millions of euros. The figures are rounded to the nearest million with one decimal, and therefore the sum of individual figures may deviate from the total presented.

From 1 January 2024, IASB's amendment on IAS 1 regarding Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants became effective. This amendment provides specific guidance on the classification of liabilities as current or non-current, particularly related to the timing of rights to defer settlement, and requires some additional disclosures related to the loans with covenants. Amendment is to be applied retrospectively in accordance with IAS 8 for annual reporting periods beginning on or after 1 January 2024. For Anora Group, this amendment has been applied for the first time for its annual reporting period commencing 1 January 2024. The amendment did not have any impact on the amounts recognised in prior periods and is not expected to significantly affect the current or future periods.

There were no other changes in accounting standards or other accounting requirements which became effective from 1 January 2024 that have had material impact for Anora Group.

Anora adopts the following new and amended standards and interpretations as of the effective date:

IFRS 18: Presentation and Disclosure in Financial Statements, which is effective for annual periods beginning on or after 1 January 2027, will replace IAS 1: Presentation of Financial Statements. This new standard aims to enhance the comparability of financial performance among similar entities and provide users with more relevant information and increased transparency. IFRS 18 introduces a defined structure for the statement of profit or loss, reclassifying items of income and expenses into five new categories in the statement of profit or loss: Operating, Investing, Financing, Income taxes and Discontinued operations. While IFRS 18 does not affect the recognition or measurement of items in the financial statements, its impact on presentation and disclosure is expected to be significant, particularly concerning the statement of financial performance and the inclusion of management-defined performance measures.

Management is currently evaluating the detailed implications of implementing the new standard on the consolidated financial statements. The high-level preliminary assessment has identified the following potential impacts:

- Reclassifying items of income and expenses into the new categories in the statement of profit or loss can have some impact on the calculation and reporting of operating profit. This is primarily due to the specific requirements for categorising derivative gains or losses under IFRS 18
- The line items presented in the primary financial statements may change due to the implementation of the 'useful structured summary' concept and enhanced aggregation and disaggregation principles
- The information disclosed in the notes is not expected to change significantly since the requirement to disclose material information remains the same. However, the way information is grouped might change due to the new aggregation/disaggregation principles Furthermore, there will be new disclosures required for:
  - Management-defined performance measures, and
  - reconciliation for each line item in the statement of profit or loss for the first annual period applying IFRS 18, comparing the restated amounts to those previously presented under IAS 1
- From a cash flow statement perspective, there will be changes in how interest received and paid are presented. Interest paid will be classified as financing cash flows, and interest received as investing cash flows, contrasting with the current presentation of both as part of operating cash flows

The Group will adopt the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, so comparative information for the financial year ending 31 December 2026 will be restated following IFRS 18.

Amendments to IFRS 9 and IFRS 7 regarding the Classification and Measurement of Financial Instruments will be effective for annual periods beginning on or after 1 January 2026. These amendments are providing some further guidance and clarifications in addition to new disclosure requirements for certain instruments with contractual terms, such as features linked to sustainability targets, that can change cashflows. The Group does not expect these amendments to have a material impact on its operations or financial statements.

There are no other amendments to standards and IFRIC interpretations effective on or after January 1, 2025, that are expected to have any material impact on the Group.

Accounting policies requiring management judgement and key sources of estimation uncertainty

The preparation of financial statements requires management to make accounting estimates which may include use of judgement in the application of the accounting standards.

Estimates and related assumptions made in the preparation of the financial statements, are based on the management's best knowledge at the reporting date. The realised results can differ from the estimates, and any changes in estimates and assumptions are recognised when estimates and assumptions are corrected.

Material accounting policies and critical accounting estimates and judgements made are described in each note as follows;

- Revenue recognition - Note 1.2
- Intangible assets - Note 2.1
- Property, plant and equipment – Note 2.2
- Right-of-use assets – Note 2.3
- Inventories – Note 2.4
- Financial assets and liabilities – Note 3.2
- Recoverability of investments in associates – Note 5.2
- Changes in Group structure – Note 5.2

Changes in presentation and accounting note reclassifications

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts. The presentation of impairment losses was reclassified to a separate line in the consolidated income statement for 2023.

1 Operating result

1.1 Segment information

Description of segments and principal activities

The reportable segments of Anora in these consolidated financial statements consist of Wine, Spirits, and Industrial.

The Board of Directors of Anora is determined as the Group's Chief Operative Decision Maker (CODM) being responsible for allocating resources, deciding on strategy and assessing performance of the operating segments. The reportable segments are based on Anora's operating structure and internal reporting to the CODM and used to assess the performance of the segments.

The Board of Directors uses alternative performance measures alongside the IFRS financial statements indicators in the Group's results reporting. The Board of Directors assesses the segments' performances based on internal measures of gross profit and comparable EBITDA derived as follows:

- Net sales, other operating income, and direct materials and services including change in inventories reported within the Gross Profit
- Results reporting to management corresponds to the accounting policies of the consolidated financial statements apart from Items affecting comparability (IAC)
- In reporting to Board of Directors the Groups' and segments' Comparable EBITDA and Group's total EBIT are adjusted with IACs. IACs comprise of material items outside normal business, such as net gains or losses from business and assets disposals, impairment losses, cost for closure of business operations and restructurings, major corporate projects including direct transaction costs related to business combinations and the merger, merger related integration costs, expenses arising from the fair valuation of inventories in connection with merger, voluntary pension plan change, and costs related to other corporate development
- Expenses allocated to the segments related to shared function costs or business support services, comprise costs such as centralised marketing costs, IT infrastructure related costs, shared support services, headquarter costs including finance and treasury, legal and human resource related costs as well as certain warehousing and service fees. For internal reporting purposes these cost allocations are based on budgeted amounts and variances from budgeted amounts are presented under column "Group and allocations", and this can result in either incurred overruns or savings compared to budgeted amounts
- The Group and allocations column also includes unallocated headquarter costs

The reportable segments comprise the following:

Wine

The Wine segment develops, markets and sells Anora's own wine brands as well as partner wines to its customers in the Nordic markets. Wine segment in Denmark also includes contract manufacturing services and logistics services on behalf of other Group companies.

Spirits

The Spirits segment develops, markets and sells Anora's own spirits brands and partner brands to its customers in Finland, Sweden, Norway and the Baltic countries, Denmark and Germany. The Spirits segment also includes global duty free and travel retail and exports to markets not listed above.

Industrial

The Industrial segment comprises Anora's industrial business – industrial products and contract manufacturing (mainly for the Spirits business but also to some extent for the Wine business), the logistics company Vectura and supply chain operations. Industrial segment includes production and/or logistics facilities in main locations Koskenkorva and Rajamäki in Finland, Gjelleråsen in Norway, Sundsvall in Sweden and Tabasalu in Estonia. In addition, there is a small aquavit distillery in Atlungstad in Norway.

Segment net sales and results

All intra-group business transactions are made based on arm's length principles. The following tables set out the segment net sales and Comparable EBITDA as well as the reconciliation of the Comparable EBITDA to the Group's operating result.

1 Jan–31 Dec 2024						
EUR million	**Wine**	**Spirits**	**Industrial**	**Group and allocations**	**Eliminations**	**Group**
Net sales external	323.0	227.0	142.0	0.0	0.0	692.0
Net sales internal	0.0	0.0	92.0	0.0	-92.0	0.0
Total Net sales	**323.0**	**227.0**	**234.0**	**0.0**	**-92.0**	**692.0**
Other operating revenues external	0.6	0.2	7.3	0.4	0.0	8.5
Other operating revenues internal	0.0	0.0	14.2	30.5	-44.7	0.0
Total other operating revenues	**0.6**	**0.2**	**21.6**	**30.9**	**-44.7**	**8.5**
Materials and services	-228.6	-125.6	-144.9	-0.0	92.0	-407.1
Gross Profit	**94.9**	**101.7**	**110.7**	**30.9**	**-44.7**	**293.4**
Employee benefits and other operating expenses	-75.7	-63.8	-98.6	-38.8	44.7	-232.1
EBITDA	**19.2**	**37.9**	**12.1**	**-7.9**	**0.0**	**61.3**
Items affecting comparability[1]	2.9	0.1	2.6	2.0	0.0	7.6
Comparable EBITDA	**22.1**	**38.0**	**14.7**	**-5.9**	**0.0**	**68.9**
EBITDA						**61.3**
Depreciation, amortisation and impairment						-26.8
Operating profit						**34.5**

[1]More information on the additional inventory impairments is presented in Note 2.4

1 Jan–31 Dec 2023						
EUR million	**Wine**	**Spirits**	**Industrial**	**Group and allocations**	**Eliminations**	**Group**
Net sales external	334.3	237.0	155.1	0.0	0.0	726.5
Net sales internal	0.0	0.0	114.3	0.0	-114.3	0.0
Total Net sales	**334.3**	**237.0**	**269.5**	**0.0**	**-114.3**	**726.5**
Other operating revenues external	0.0	0.0	8.0	12.3	0.0	20.3
Other operating revenues internal	0.0	0.0	15.6	26.1	-41.8	0.0
Total other operating revenues	**0.0**	**0.0**	**23.6**	**38.4**	**-41.8**	**20.3**
Materials and services	-244.4	-137.3	-174.0	0.0	114.3	-441.4
Gross Profit	**89.9**	**99.7**	**119.0**	**38.4**	**-41.8**	**305.4**
Employee benefits and other operating expenses	-82.6	-60.3	-104.0	-32.8	41.8	-237.9
EBITDA	**7.3**	**39.5**	**15.1**	**5.6**	**0.0**	**67.5**
Items affecting comparability[1]	5.0	0.8	2.4	-7.5	0.0	0.7
Comparable EBITDA	**12.4**	**40.3**	**17.5**	**-1.9**	**0.0**	**68.2**
EBITDA						**67.5**
Depreciation, amortisation and impairment						-98.8
Operating profit						**-31.3**

[1]Gains on sale of business operations, property, plant and equipment and intangible assets are presented in Note 1.3 and 5.2, employee costs related to restructuring in Note 1.5.

Other entity-wide disclosures

Net sales by geography

Net sales broken down by the segment and country for the years ended 31 December 2024 and 2023 were as follows:

EUR million	2024	%	2023	%
Wine				
Finland	54.5	16.9%	48.6	14.5%
Sweden	113.7	35.2%	115.9	34.7%
Norway	74.3	23.0%	78.4	23.5%
Denmark	77.5	24.0%	86.8	26.0%
Other countries	3.0	0.9%	4.6	1.4%
Wine Total	**323.0**	**100.0%**	**334.3**	**100.0%**
Spirits				
Finland	58.2	25.7%	62.4	26.3%
Sweden	54.4	24.0%	52.6	22.2%
Norway	50.3	22.1%	56.3	23.8%
Denmark	19.4	8.5%	20.0	8.4%
Other countries	44.7	19.7%	45.7	19.3%
Spirits Total	**227.0**	**100.0%**	**237.0**	**100.0%**
Industrial				
Finland	106.4	75.0%	120.7	77.8%
Norway	27.1	19.1%	27.0	17.4%
Other countries	8.5	6.0%	7.4	4.8%
Industrial Total	**142.0**	**100.0%**	**155.1**	**100.0%**
TOTAL	**692.0**		**726.5**	

Significant customer relationships

The Group has significant customer relationships with Alko in Finland, with Vinmonopolet in Norway and Systembolaget in Sweden, related to sales from the Wine and Spirits segments. The total net sales to Alko were approximately EUR 85.8 million (2023: EUR 91.6 million). The total net sales to Vinmonopolet were EUR 101.1 million (2023: EUR 107.4 million). The total net sales to Systembolaget were around EUR 140.4 million (2023: EUR 140.8 million). In Industrial segment net sales of EUR 43.3 million (2023: EUR 43.9 million) were derived from a single external customer. No other single external customer represented 10 per cent or more of Anora's total net sales for the years ended 31 December 2024 or 2023.

Non-current assets by geography

The total of non-current assets other than financial instruments and deferred tax assets broken down by the location of the assets as at 31 December 2024 and 2023 were as follows:

EUR million	2024	2023[1]
Finland	104.7	104.0
Sweden	38.5	43.1
Norway	323.3	340.0
Estonia	2.1	2.0
Latvia	0.5	0.6
Denmark	149.8	155.5
Other countries	8.2	8.2
TOTAL	**627.1**	**653.5**

[1]Restated

1.2 REVENUE RECOGNITION

The most significant revenue flows are generated by the sale of own products and partner brands to Scandinavian wine and spirit monopolies, HoReCa industry, alcoholic beverage wholesalers, retail grocery stores and travel retail customers. In addition, revenues are generated by contract manufacturing, sale of logistics services and the sale of industrial products, such as starch, feed and technical ethanol.

Accounting policy – Revenue recognition

The revenue is recognised at an amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer. The transaction price may include variable considerations such as volume discounts, bonuses, marketing support and product returns. The variable considerations are estimated using the most likely value method if not yet realised in the end of reporting period. The revenue is further adjusted with indirect sales taxes, excise taxes, deposit and recycling fees.

Sale of goods

The wine and spirits businesses generally only sell physical products in the form of wine and spirits products. Sale of these products are accounted for in the Group's income statement at a point in time when they are delivered to the Group's customers according to the delivery terms.

In partner supplier agreements, which entitle Group to distribute partners' products, Anora acts as a principal towards the end customer having control over the product, discretion in establishing prices and owning the inventory. Accordingly, revenue recognised is the gross amount to which Anora is entitled to in these product sales.

Sale of services

The sale of services contracts essentially include a single performance obligation, being a series of distinct services such as contract manufacturing, customer services and logistics. The revenue recognition occurs at a point in time, when the control of the goods is transferred to the customer according to the delivery terms. Revenue from the sale of services is recognised at the time of delivery of services, which in most cases correspond with delivery of the goods manufactured or goods distributed being delivered to the customers according to the delivery terms. This include the logistics business, as this business is acting as an agent on behalf of its business partners, and therefore the logistics services are considered completed at the time of the goods being delivered to the customers according to delivery terms.

The revenue from activity-based services at logistics business, such as rent for storage of pallets, reconstruction of pallets from larger EUR pallets to smaller quarter pallets, destruction services, etc, is recognised over time. Input for these services is based on actual pallet places of storage being used during the period, actual number of pallets being reconstructed during a period or actual volume being destructed during a period.

Financing components

Primarily accounts receivable fall due 0–60 days after invoicing date. Transaction prices do not include any significant financing components.

Critical estimates and management judgement – Revenue recognition

Anora provides volume-based rebates, bonuses and other discounts to their customers in open markets and on-trade customers in the monopoly markets. These classify as variable considerations within contracts with customers. The Group estimates consideration to which it will be entitled in exchange for transferring goods to the customers, including amounts that are variable. The variable consideration is estimated at a contract inception based on expected sales volumes using historical and year-to-date sales data and other information about trading with individual customers or groups of customers. The Group estimates discounts, rebates and bonuses using the most likely amount method.

Contracts assets and liabilities

Contract assets represent the amount which Anora has right to receive goods expected to be returned to inventory with respect to return clauses in the contracts. Contract assets are measured at the former carrying amount of the inventory less any expected costs to recover the goods and less any impairment losses. Contract liabilities represent the amount received or receivable that is expected to be returned as a refund liability. These contracts assets or liabilities are very limited in the Group and are included in other receivables or other payables in the Group's balance sheet.

Excise taxes related to sales

The amount of excise tax deducted from sales revenue is significant. The amounts of sales including tax and excise taxes are presented below:

EUR million	2024	2023
Sales revenue before deduction of excise tax	1,317.6	1,403.2
Excise tax	-625.6	-676.8
Net sales	**692.0**	**726.5**
Tax share of sales revenues, %	47.5 %	48.2%

Net Sales by products

EUR million	2024	2023
Wines	323.0	334.3
Spirits	227.0	237.0
Industrial Products	58.5	71.3
Total sale of products	**608.5**	**642.6**
Contract manufacturing services	52.7	60.2
Logistics services[1]	30.8	23.7
Total sale of services	**83.5**	**83.9**
Net sales	**692.0**	**726.5**

[1]Logistics services include EUR 5.0 million of activity-based service revenues for 2024 (2023: EUR 4.3 million)

1.3 OTHER OPERATING INCOME

Other operating income mainly includes gains on the disposal of non-current assets, income from sale of energy, water, steam and carbon dioxide, gains on sale of emission allowances, rental income and related non-core business service income and contract termination fees.

Gains on sale of subsidiaries and business operations relates to sale of Snälleröds schnapps brand. In the comparative period, the gain on sale relates to Larsen cognac business. In segment reporting the one-off gain from Larsen divestment was presented in its full as a part of Group and Allocations figures. For details on disposal of Larsen, see chapter 5.2 regarding Changes in Group Structure.

EUR million	2024	2023
Gains on sale of subsidiaries and business operations	0.2	11.6
Gains on sale of property, plant and equipment and intangible assets	0.1	0.8
Gains on sale of emission allowances	-	0.1
Rental income	1.5	1.4
Income from sale of energy, water, steam and carbon dioxide	4.4	4.0
Other income	2.4	2.3
TOTAL	**8.5**	**20.3**

1.4 MATERIALS AND SERVICES

Materials and services consist of cost of material, such as barley, wine, different spirit, liquids, ground water as well as other ingredients needed for a variety of different drinks, packaging materials, changes in inventories, scrapping and obsolescence costs and external services such as logistics and warehousing. Refer to note 2.4 Inventory for further information about cost of goods sold and obsolescence.

EUR million	2024	2023
Raw materials, consumables and goods	-395.4	-428.1
Scrapping and obsolescence and revaluation	-6.1	-3.8
External services	-5.6	-9.5
TOTAL	**-407.1**	**-441.4**

1.5 EMPLOYEE BENEFIT EXPENSES

In Anora, the total wages and salaries of personnel consists of fixed and variable pay, allowances, short and long-term incentives and fringe benefits.

EUR million	2024	2023
Wages and salaries	-83.1	-83.0
Pension expenses		
Defined contributions plans	-10.8	-10.5
Defined benefit plans	-0.1	-0.1
Share-based payments	-0.2	-0.0
Other social expenses	-9.6	-10.2
TOTAL	**-103.9**	**-103.8**

Employee benefit expenses include personnel related restructuring costs of EUR 1.3 (2023: 4.9) million. The EUR 4.9 million restructuring costs in the comparative period was split EUR 0.7 million to Wines, EUR 0.9 million to Spirits, EUR 2.4 million to Industrial and EUR 0.9 million in unallocated headquarter costs. More information on the provisions related to the restructuring costs is presented in Note 2.8.

Average number of personnel during the period

Person	2024	2023
Workers	519	542
Clerical employees	711	731
TOTAL	**1,230**	**1,273**

More information on the Group's pension plans is presented in Note 2.6 Employee benefit obligations.

Information of management remuneration is presented in Note 6.3 Related party transactions and 6.4 Share-based payments.

1.6 OTHER OPERATING EXPENSES

EUR million	2024	2023
Losses on sales and disposals of property, plant and equipment and intangible assets	-0.1	-0.2
Short term, low value and other lease related payments	-3.2	-6.6
Marketing expenses	-28.3	-28.0
Travel and representation expenses	-4.1	-3.9
Consulting and other purchased services	-23.6	-27.3
Repair and maintenance expenses	-13.7	-14.0
Cars and transport services	-7.3	-7.9
Energy expenses	-11.7	-11.8
IT expenses	-10.8	-10.1
Variable sales expenses	-15.2	-14.8
Other expenses	-10.1	-9.4
Total	**-128.3**	**-134.1**

Auditor's fees included in other operating expenses

EUR million	2024	2023
Audit fees	-1.3	-1.2
Other fees	-0.2	-0.1
Total	**-1.5**	**-1.4**

The table above presents fees for assurance services on the sustainability report amounting to EUR 0.1 million in line Other fees.

1.7 RESEARCH AND DEVELOPMENT EXPENDITURES

Operating result include research and development expenditures amounting to EUR 2.7 million (2023: EUR 2.3 million). The R&D expenditures represent 0.4 % of net sales in 2024 (2023: 0.3%).

2 Operative assets and liabilities

2.1 GOODWILL AND OTHER INTANGIBLE ASSETS

Intangible assets comprise of goodwill, marketing related intangible assets (trademarks and company brands), customer related intangible assets, software, other intangible assets and prepayments for intangible assets.

Accounting policy – Goodwill

Goodwill arising on business combinations is recognised as a residual value in the excess of the aggregate of the consideration transferred, the amount of non-controlling interests and any previously held equity interest in the acquiree, over the fair value of the net assets acquired. Goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised but is tested annually for impairment or more frequently, if the facts and circumstances suggest that carrying value may not be recoverable.

At the acquisition date goodwill arising from business combinations is allocated to the cash generating unit ('CGU') or cash generating units expected to benefit from the synergies of the business combination, irrespective of whether other assets and/or liabilities of the acquiree are assigned to the CGU or CGUs. The CGU or group of CGU's to which the goodwill is allocated represent the level on which the management monitors the goodwill.

Marketing related intangible assets (Trademarks and company brands)

The most significant trademarks include for example, Gammel Opland, Aalborg, Gammel Dansk, Lysholm Linie, Løiten, Hot'n' Sweet, Xanté, Blossa, Chill Out, Explorer, 1-Enkelt and Arsenitch.

Accounting policy – Marketing related intangible assets

Marketing related intangible assets are either arising from business combinations or purchased separately. Marketing related intangible assets that have been acquired in connection with business combinations are capitalised at fair value at the time of the business combination, while separately purchased marketing related intangible assets are capitalised at purchase price.

Marketing related intangible assets with definite useful lives are amortised by the straight-line method over the expected useful life. The capitalised value of marketing related intangible assets with indefinite lifetime is tested for impairment at least once a year, or more often if there are indications that the value of the asset has decreased.

The estimated useful lives of marketing related intangible assets are as follows:

Trademarks with indefinite useful life	not amortised
Trademarks with definite useful life	10–50 years
Company Brands with definite useful life	5 years

Customer related intangible assets (Customer relations)

Customer related intangible assets are arising from business combinations and are capitalised at fair value at the time of the business combination.

Customer related intangible assets are amortised by the straight-line method over the expected useful life.

The estimated useful lives of customer related intangible assets are as follows:

Customer relations	7–15 years

Accounting policy – Software and other intangible assets

Other intangible assets include mainly software. Other intangible assets are recognised in the balance sheet at the original cost and amortised over their estimated useful lives. The costs related to other intangible assets are capitalised if it can be demonstrated that the asset will generate the future economic benefits, the entity controls the asset, and the purchase price can be measured reliably.

Configuration and customisation costs relating to cloud computing arrangements that meet the definition of an intangible asset and comply with the capitalisation criteria are capitalised. Configuration and customisation costs for cloud computing arrangements that do not meet the definition of an intangible asset and that are not distinct from the actual cloud computing service are recognised as prepayments in the balance sheet and expensed over the contract period.

The estimated useful lives of other intangible assets are as follows:

IT-development and software	3–10 years

Expenditure on research activities is recognised in profit or loss in the period in which it is incurred. The Group has no projects related to the development activities of new products or processes qualifying for the identifiability and other criteria regarding capitalisation under IAS 38.

Refer to note 6.2 for further information about contractual commitments for acquisitions of intangible assets.

Critical estimates and management judgements – Intangible assets
Management judgment and estimates are applied in estimating useful lives for marketing related intangible assets, customer related intangible assets, software and other intangible assets.

On initial recognition of marketing related intangible assets, an assessment is made on whether the asset is expected to have definite useful lives or not. In this assessment, the Group gives particular weight to Group's expected use of the asset, the customary life cycles for the assets of this type, the stability of the sector and the business, and the probability that the Group will succeed in maintaining the asset's financial lifetime, given the Group's ability to maintain value. The Group also devotes resources to legal

GOODWILL AND OTHER INTANGIBLE ASSETS

EUR million	Goodwill	Trademarks and customer relations	Software and other intangible assets	Prepayments	Other intangible assets total
Acquisition cost at 1 January 2024	339.8	305.4	41.9	1.3	348.7
Additions	-	1.8	0.3	1.8	3.9
Disposals	0.0	-0.4	-0.2	-	-0.6
Effect of movement in exchange rates	-10.1	-7.4	-0.5	-	-7.9
Transfers between items	-	0.0	2.2	-2.2	0.0
Acquisition cost at 31 December 2024	**329.7**	**299.5**	**43.6**	**0.9**	**344.0**
Accumulated amortisation and impairment losses at 1 January 2024	-35.5	-105.3	-37.0	-	-142.3
Amortisation	-	-8.6	-2.0	-	-10.6
Accumulated amortisation on disposals and transfers	-	0.4	0.1	-	0.5
Effect of movement in exchange rates	4.9	2.0	0.5	-	2.5
Accumulated amortisation and impairment losses at 31 December 2024	**-30.6**	**-111.6**	**-38.3**	**-**	**-149.9**
Carrying amount at 1 January 2024	304.3	200.1	4.9	1.3	206.3
CARRYING AMOUNT AT 31 DECEMBER 2024	**299.1**	**187.9**	**5.3**	**0.9**	**194.1**
Acquisition cost at 1 January 2023	353.3	330.9	41.5	2.1	374.4
Additions	-	0.1	0.3	2.6	2.9
Disposals	-2.8	-16.1	-2.4	-	-18.4
Effect of movement in exchange rates	-10.7	-9.4	-0.9	-	-10.3
Transfers between items	-	-0.1	3.4	-3.3	0.0
Acquisition cost at 31 December 2023	**339.8**	**305.4**	**41.9**	**1.3**	**348.7**
Accumulated amortisation and impairment losses at 1 January 2023	-42.8	-111.3	-37.0	-	-148.3
Amortisation	-	-8.9	-2.3	-	-11.2
Impairment losses	-	-	-0.8	-	-0.8
Accumulated amortisation on disposals and transfers	0.0	13.9	2.2	-	16.1
Effect of movement in exchange rates	7.3	1.1	0.8	-	1.8
Accumulated amortisation and impairment losses at 31 December 2023	**-35.5**	**-105.3**	**-37.0**	**-**	**-142.3**
Carrying amount at 1 January 2023	310.5	219.5	4.6	2.1	226.1
CARRYING AMOUNT AT 31 DECEMBER 2023	**304.3**	**200.1**	**4.9**	**1.3**	**206.3**

Additions during the year 2024 include amongst other purchase of the Blomberg glögg brand.

control of these assets in large and important markets.

If impairment tests show declining curves over time, the trademark may be written down to higher of estimated value in use and fair value less costs to sell and a new assessment of the trademark's estimated useful live is performed. If it is estimated after a new assessment that the useful life is no longer indefinite, the trademark is redefined to have a definite useful life, whereby a straight-line amortisation method is applied for the remaining book value over the remaining useful life.

Accounting policy - Impairment testing

Book value of assets is assessed to determine whether there is any impairment at least at the end of each financial year. If any evidence of impairment emerges (a triggering event), the assets' recoverable amount is estimated. The recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and value in use. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is immediately recognised in profit or loss and the estimated useful life of the asset in question is reassessed when an impairment loss is recognised.

The impairment loss is reversed if there has been such a positive change in the estimates used to determine the recoverable amount of the asset or cash-generating unit, that recoverable amount of the asset will increase the book value of asset. Impairment losses are only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised. An impairment loss on goodwill is never reversed.

Critical estimates and management judgements – Impairment testing

The preparation of calculations for the impairment testing requires estimates regarding the future. The management's estimates and related critical uncertainties are related to the components of the recoverable amount calculation, and key assumptions are discount rate (WACC), future cash flows (including estimates for future revenues, gross profit, EBITDA, capex), growth rates both during forecast period and for terminal value. The WACC reflects current assessments of the time value of money and relevant market risk premiums reflecting risks and uncertainties for which the future cash flow estimates have not been adjusted.

Impairment testing - Goodwill

The Group's three operating segments are considered to form the cash generating units (CGU) and represent the lowest level at which goodwill is monitored. There have not been any changes to the segment level allocation of goodwill, and a summary of goodwill allocation is presented in the following table.

EUR million	2024	%	2023	%
Wine	103.7	34.7%	105.4	34.6%
Spirits	195.4	65.3%	198.9	65.4%
Total	**299.1**	**100.0%**	**304.3**	**100.0%**

The forecast period applied for the calculations for both goodwill and brands covers five years, beyond which the cash flow projections are extrapolated using a constant CGU specific long-term growth rate estimate (terminal value).

The cash flow estimates used are based on CGU-specific forecasts approved by the Group's Audit Committee and Board of Directors. The growth rate applied for the five years is 3.0% which is based on a combination of past performances, Euromonitor's estimation for trends related to market development and management's expectations of Anora's business development. In general, growth rates used are lower than Euromonitor's estimated market development, aligning the industry expectations with Anora's recent market share trends.

The annual growth applied for the terminal value is 2.0%, in line with growth rate corresponding to European Central Bank's long-term inflation target. The terminal value growth rate used is unchanged from previous year.

Key assumptions for CGU's with significant goodwill allocated to them

	2024		2023	
%	Spirits	Wine	Spirits	Wine
EBITDA margin (%)	16.6%	7.3%	16.6%	7.0%
Pre-tax discount rate - WACC (%)	7.2%	7.0%	8.6%	8.2%
Long-term growth rate (Terminal value, %)	2.0%	2.0%	2.0%	2.0%

Sensitivity analysis

Management has assessed that no reasonably possible change in any of the key assumptions for Spirits CGU would cause the tested unit's recoverable amount to decrease to be lower than its' carrying amount. The defined recoverable amount of CGU Wine also exceeded the carrying amount of the unit in the annual impairment test and it also passed the sensitivity analysis with changes to key assumptions as presented in the following table. The changes in the basic assumptions shall not be seen as an indication that these factors are likely to materialise. The sensitivity analyses are hypothetical and should therefore be treated with caution.

Recoverable amounts and headroom for CGU's with significant goodwill allocated to them

	2024		2023	
EUR million	Spirits	Wine	Spirits	Wine
Net Asset Values	322.2	235.0	331.3	229.3
Recoverable amount	766.0	389.0	687.3	372.3
Headroom	443.8	154.0	356.0	143.0
Sensitivity 1 - Change in discount rate (+1%pt)	296.0	73.8	246.3	78.6
Sensitivity 2 - Change in EBITDA (-10%)	367.0	101.4	287.7	97.5
Sensitivity 3 - Change in long-term growth (-1%pt)	321.6	86.7	N/A	N/A

Due to the Wine CGUs lower than expected performance continuing in 2024, additional analyses were prepared by the Group. The analyses showed that lowering the EBITDA by more than -29% for the whole forecasting period and terminal value would have an adverse impact on the valuation of the Wine CGU resulting in impairments. Also, a combination of reducing the EBITDA by more than -18% together with an increase of + 1 %pt in WACC would likewise have an adverse impact on the valuation of the Wine CGU. Key assumptions used in this additional analysis was otherwise equal to the actual impairment test.

Impairment testing – Trademarks

At the end of 2024, all of the Group's trademarks with indefinite useful lives were related to Spirits segment. The carrying amount of these assets amounted to EUR 124.5 million (2023: EUR 128.3 million). Most of the trademarks within Spirits business are trademarks that have existed for several decades, and some have existed for several hundred years. There were no significant changes in useful lives of the existing assets during 2024.

The cash generating unit for impairment testing of marketing related intangible assets is the trademark itself. The recoverable amount for trademarks is calculated on the basis of relief from royalty method after taxes whereby the brand's annual royalty rate is considered to be the expected long-term profit that the individual trademarks are expected to have.

Impairment tests are made for trademarks with indefinite useful life and useful life of 50 years. Cash flow estimates used are discounted using a post-tax discount rate specific for the country where each brand is predominantly sold.

Key assumptions for Brands with indefinite useful life or useful life of 50 years

	2024		2023	
%	Norwegian	Danish	Norwegian	Danish
Post-tax discount rate - WACC (%)	6.4 %	5.5 %	7.3 %	6.5 %

In the same way as for Goodwill, the growth rate applied for the five years is 3.0% which is based on a combination of past performances, Euromonitor's estimation for trends related to market development and management's expectations of Anora's business development. The annual growth applied for the terminal value is 2.0%, in line with growth rate corresponding to European Central Bank's long-term inflation target. The terminal value growth rate used is unchanged from previous year.

The majority of the trademarks show significant headroom and no indication of impairment in the impairment tests made. The estimated recoverable amounts for two of the trademarks also exceeded the carrying amount of the brands in the annual impairment tests, but negative changes in key assumptions could lead to impairment. For these two trademarks with book value of EUR 27.0 million (27.1% of total book value of brands tested), increasing the discount rate by +1 %pt or decreasing the royalty rate by -5 % would have an adverse impact on the valuation of the brand leading to partial impairment.

The trademarks showing negative headroom in the sensitivity analysis have experienced a slightly negative development over the last year, and several measures, including separate brand strategies, have been implemented to strengthen the brands' value. Performed impairment test supports the trademark's value based on the assumptions available about the future.

2.2 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment mainly consist of manufacturing and warehouse buildings, land, and machinery and equipment used in alcoholic beverage industry.

Accounting policy – Property, plant and equipment

Property, plant and equipment are measured at historical cost less accumulated depreciation and impairment losses. If parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items. All other expenditure, for example ordinary maintenance and repair costs, is recognised as an expense as incurred. Depreciation is recognised on a straight-line basis over the estimated useful lives of items of property, plant and equipment. Land is not depreciated.

The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	10–40 years
Machinery and equipment	3–20 years
Other tangible assets	3–10 years

The estimated useful lives and residual values are reviewed at each financial year-end, and if they differ substantially from the previous estimates, the depreciation periods are adjusted accordingly. Impairment loss is recognised in profit or loss to the extent the assets carrying value exceeds its recoverable amount.

Gains and losses on the disposals of property, plant and equipment are included in other operating income or expenses.

PROPERTY, PLANT AND EQUIPMENT

EUR million	Land and water areas	Buildings and structures	Machinery and equipment	Prepayments and assets under construction	Total
Acquisition cost at 1 January 2024	2.5	111.4	166.5	6.6	287.1
Additions	-	0.1	1.3	7.1	8.4
Disposals	-	-0.2	-0.7	-	-0.9
Effect of movement in exchange rates	-	0.0	-1.9	0.0	-2.0
Transfers between items	-	1.9	4.5	-6.3	0.0
Acquisition cost at 31 December 2024	**2.5**	**113.1**	**169.6**	**7.3**	**292.6**
Accumulated depreciation and impairment losses at 1 January 2024	0.0	-93.2	-131.0	-0.3	-224.4
Depreciation	-	-1.9	-5.7	-	-7.6
Impairment losses	-	0.2	0.6	0.1	0.9
Accumulated depreciation on disposals and transfers	-	0.0	1.6	0.0	1.7
Effect of movement in exchange rates	-	-	-0.2	0.2	0.0
Accumulated depreciation and impairment losses at 31 December 2024	**0.0**	**-94.8**	**-134.6**	**0.0**	**-229.4**
Carrying amount at 1 January 2024	2.5	18.3	35.5	6.4	62.7
CARRYING AMOUNT AT 31 DECEMBER 2024	**2.5**	**18.4**	**35.0**	**7.3**	**63.2**
Acquisition cost at 1 January 2023	3.0	114.4	185.5	8.8	311.7
Additions	-	0.1	1.9	7.5	9.5
Disposals	-0.5	-5.2	-25.7	-0.0	-31.4
Effect of movement in exchange rates	-	-0.0	-2.4	-0.3	-2.8
Transfers between items	0.0	2.1	7.2	-9.3	0.0
Acquisition cost at 31 December 2023	**2.5**	**111.4**	**166.5**	**6.6**	**287.1**
Accumulated depreciation and impairment losses at 1 January 2023	0.0	-93.9	-141.1	-	-235.0
Depreciation	-	-2.3	-7.3	-	-9.6
Impairment losses	-	-	-8.3	-0.3	-8.6
Accumulated depreciation on disposals and transfers	-	3.1	24.2	-	27.2
Effect of movement in exchange rates	-	0.0	1.5	0.0	1.5
Accumulated depreciation and impairment losses at 31 December 2023	**0.0**	**-93.2**	**-131.0**	**-0.3**	**-224.4**
Carrying amount at 1 January 2023	3.0	20.5	44.4	8.8	76.7
CARRYING AMOUNT AT 31 DECEMBER 2023	**2.5**	**18.3**	**35.5**	**6.4**	**62.7**

Additions in 2024 and 2023 include replacement investments and improvements in work safety and energy efficiency.

Plant and equipment in Rajamäki is pledged as security for mortgages, see note 6.2.

Refer to note 6.2 for further information about contractual commitments for acquisitions of property, plant and equipment.

Critical estimates and management judgements – Property, plant and equipment
Estimation of useful life is the most critical estimate related to property, plant and equipment. There were no significant changes in useful lives of the existing assets during 2024.

Impairment of own and leased property, plant and equipment – Industrial Production Business in 2023

During the comparative period the Industrial segment recognised impairment losses related to the Gjelleråsen Production CGU amounting to EUR 39.0 million, where EUR 28.0 million related to right-of-use building, EUR 5.2 million related to right-of-use machinery & equipment, EUR 5.5 million related to owned machinery & equipment and EUR 0.3 million related to software. The triggering event for the significant impairment of the Group's production facility at Gjelleråsen in Norway was moving production volume from the production facility in Norway to other production facilities in Finland and Denmark. This move was initiated by the centre of excellence during 2023. The full description on the impairment tests performed in 2023 can be found on the 2023 Annual Report. Based on management assessment and supported by impairment tests, no further needs for impairment or reversal of previous impairment were noted in 2024.

Impairment of own and leased property, plant and equipment – Industrial Logistics Business in 2023

During the comparative period the Industrial segment recognised impairment losses related to the Gjelleråsen Logistics CGU amounting to EUR 25.7 million, where EUR 21.7 million was related to right-of-use building, EUR 1.2 million related to right-of-use machinery & equipment, EUR 2.3 million related to owned machinery & equipment and EUR 0.5 million related to software. The full description on the impairment tests performed in 2023 can be found on the 2023 Annual Report. Based on management assessment and supported by impairment tests, no further needs for impairment or reversal of previous impairment were noted in 2024.

2.3 RIGHT-OF-USE ASSETS

Anora mainly acts as the lessee. The Group's leases are related to normal business operations, such as leases on production, distribution and administration buildings, machines and equipment for production, vehicles, forklifts and office technology.

Accounting policy - Leases
Lease is a contract, or a part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. A contract contains a lease if there is an identified asset, and the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. A right-of-use asset and a lease liability is recognised at lease commencement date to reflect Anora's right to use the underlying asset and the unpaid future lease payments respectively.

The lease liability is measured by discounting the expected lease payments to the present value. Lease payments include fixed lease payments, expected payments related to residual value guarantees and the possible exercise price of the purchase option if the use of the option is reasonably certain. The lease period is the non-cancellable period of the lease. Any extension options are added to the lease period if it is reasonably certain that the Group will exercise such options.

Lease payments are discounted at the internal rate of return of the lease if that rate can be readily determined. If an internal rate of return cannot be readily determined, the incremental borrowing rate is used as the discount rate. The criteria used to determine the discount rate includes the class of the underlying asset, geographical location, currency and the lessee's credit risk premium.

The lease liability is remeasured and adjusted against the right-of-use asset if the cash flow in accordance with the original terms and conditions of lease change; for example, if the lease period changes or if the lease payments change based on a variable index or interest rate. Changes in the lease payments is reflected in the period when respective cash flows are affected. The lease liability is divided into current and non-current liability and is presented on a separate line on the balance sheet.

Right-of-use assets are measured at acquisition cost based on the amount of the initial measurement of the lease liability less payments made at or before commencement date and lease incentives received, adding initial direct costs and adjusting by estimated dismantling or site restoration costs. Right-of-use assets are depreciated over the lease period or their useful lives, depending on which is shorter.

The IFRS 16 Leases standard includes exemptions concerning leases of less than 12 months and low-value assets. Lease liabilities are not recognised for leases of less than 12 months and low-value assets. Anora considers assets with an acquisition cost of less than EUR 5,000 to be low value. Lease expenses related to leases included in the exemptions are recognised as other operating expenses.

Some lease agreements for machines and equipment for the production and distribution activities at Gjelleråsen are subject to variable interest rates. These agreements run until 2027.

RIGHT-OF-USE ASSETS

EUR million	Buildings	Machinery and equipment	Total
Acquisition cost at 1 January 2024	137.0	32.9	170.0
Additions	0.4	2.4	2.8
Disposals	-10.4	-1.9	-12.4
Effect of movement in exchange rates	-4.9	-1.4	-6.2
Acquisition cost at 31 December 2024	**122.1**	**32.1**	**154.1**
Accumulated depreciation and impairment losses at 1 January 2024	-75.0	-27.1	-102.1
Depreciation	-6.7	-2.0	-8.7
Accumulated depreciation on disposals	9.5	1.7	11.2
Effect of movement in exchange rates	3.2	1.2	4.4
Accumulated depreciation and impairment losses at 31 December 2024	**-69.0**	**-26.2**	**-95.2**
Carrying amount at 1 January 2024	62.1	5.8	67.9
CARRYING AMOUNT AT 31 DECEMBER 2024	**53.1**	**5.9**	**59.0**

EUR million	Buildings	Machinery and equipment	Total
Acquisition cost at 1 January 2023	158.1	35.9	194.0
Additions	6.9	2.4	9.3
Disposals	-21.0	-3.5	-24.5
Effect of movement in exchange rates	-6.9	-1.9	-8.8
Acquisition cost at 31 December 2023	**137.0**	**32.9**	**170.0**
Accumulated depreciation at 1 January 2023	-35.2	-22.1	-57.2
Depreciation	-9.7	-2.9	-12.6
Impairment losses	-49.7	-6.4	-56.1
Accumulated depreciation on disposals	19.8	3.3	23.1
Effect of movement in exchange rates	-0.3	1.0	0.7
Accumulated depreciation and impairment losses at 31 December 2024	**-75.0**	**-27.1**	**-102.1**
Carrying amount at 1 January 2023	122.9	13.9	136.8
CARRYING AMOUNT AT 31 DECEMBER 2023	**62.1**	**5.8**	**67.9**

Critical estimates and management judgements – Right-of-use assets

The most critical management judgements are related to determination of discount rates and use of any possible extension options related to the lease contracts.

Lease agreements include the agreement concluded with Destilleriveien 11 AS on the lease of production, distribution, and administration buildings at Gjelleråsen for an irrevocable period of 25 years as from 1 January 2012. The annual rent under this agreement has been about EUR 8.5 million during 2024. The lease agreement of the premises at Gjelleråsen also include an option to extend the lease by 10 years after the initial 25 years. This option is currently considered not to be exercised and, therefore, it is not included in the calculation of right-of-use asset and lease liability at end of 2024 and 2023. Significant impairments were recorded regarding the right-of -use assets from this lease agreement in 2023. For details of the 2023 impairment of right-of-use assets, see chapter 2.2 regarding impairment of property, plant and equipment.

Lease agreements also include the agreement concluded with Destilleri ApS on the lease of areas for a micro-distillery on the premises in Aalborg, Denmark where the Aalborg aquavit and Gammel Dansk Brands were historically produced. The agreement is irrevocable until October 2031, whereafter the agreement can be cancelled by Anora with 12 months' notice. The agreement is on the other hand non-cancellable by the landlord for another 18 years after October 2031. This date of cancellation by the landlord is estimated to be the end date of the lease which was used in calculating the Right-Of-Use asset and Lease liability at end of 2024 and 2023.

Impairment of Right-of-use assets

There have not been any impairments or reversal of previous impairment of right-of-use assets during 2024. For details of the 2023 impairment of right-of-use assets, see chapter 2.2 regarding impairment of property, plant and equipment.

2.4 INVENTORIES

Accounting policy - Inventories

Inventories are measured at the lower of cost and net realisable value. Raw materials, supplies, work in progress and trading goods are measured at weighted average cost. Finished products, including both self-manufactured products and repacked trading goods, are measured at standard cost including cost of direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, representing approximation of actual cost under weighted average cost formula. The allocation of fixed costs is based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Critical estimates and management judgements – Inventories

Management judgment and estimates are applied in defining normal operating capacity, net realisable value (NRV) and inventory obsolescence analysis, all of which include estimates on future demand of the finished products.

INVENTORIES

EUR million	2024	2023
Materials and supplies	36.6	39.6
Work in progress	12.3	14.5
Finished goods	46.0	43.5
Trading goods	50.0	49.9
Other inventories	0.7	0.2
Total before obsolescence	**145.7**	**147.7**
Provision for obsolescence	-6.5	-3.5
TOTAL	**139.2**	**144.2**

The Group experienced idle capacity in its production facilities in Gjelleråsen after production volume was moved from this production facility in Norway to other production facilities in Finland and Denmark in 2023 as part of the centre of excellence program. This resulted in under-absorption of fixed manufacturing overheads. As per IAS 2, 'Inventories,' the fixed production overheads allocated to the cost of conversion are based on the normal capacity of the production facilities. Consequently, the unabsorbed overheads have been expensed in the period incurred and their effect on the cost of goods sold is immaterial.

Provisions for slow-moving raw materials and finished products have been increased to account for the longer turnover periods and potential obsolescence risk. Adjustments were also made to standard costs and obsolete provisions to reflect changes in the valuation of certain inventory items resulting in additional inventory impairments amounting to EUR 3.8 million, of which EUR 2.0 million relates to Industrial segment and EUR 1.8 million to Wine segment.

The value of old aged aquavit was reduced by EUR 1.7 million due to lack of demand and management decision to discontinue development of old aged aquavit products. This reduction, impacting the Industrial segment, aligned the carrying amount with the current estimated recoverable amount. The old aged aquavit is not scrapped, but to be blended into younger blends, which due to current large quantities of old aged aquavit stock will take several years.

2.5 TRADE AND OTHER RECEIVABLES

Trade and other receivables

Trade receivables are carried at original invoiced amount less any allowance for expected credit losses. An allowance for expected credit losses is recognised immediately in profit and loss. Allowance for expected credit losses is recognised based on lifetime expected credit losses from trade receivables in accordance with IFRS 9. The expected credit loss model is forward looking and expected default rates are based on historical realised credit losses. The lifetime expected credit loss provision is calculated using aging of the accounts receivable and regional portfolios. Trade receivables are written off when there is no reasonable expectation of recovery for example the failure of a debtor to engage in a repayment plan with the Group.

Trade receivables are derecognised from the balance sheet as soon as the receivable is sold, and the payment has been received. The Group derecognises the trade receivable as the contractual right to these cash flows expire and all the related substantial risks and rewards are transferred outside the Group at the time of sale. The costs related to the sold receivables are recognised in other finance expenses. The receivables are sold to the extent that the cost is competitive considering the short-term financing.

TRADE AND OTHER RECEIVABLES

EUR million	2024	2023
Trade receivables	101.3	96.3
Prepayments to customers/ suppliers	2.7	3.4
Accrued income	5.5	6.2
Other receivables	4.3	4.2
Total	**113.7**	**110.1**

At the end of the reporting period 2024 the sold trade receivables amounted to EUR 163.7 million (2023: EUR 173.6 million).

Trade receivables from associated companies and joint arrangements are presented in Note 6.3.

AGEING ANALYSIS OF TRADE RECEIVABLES

EUR million	2024	2023
Trade receivables not past due	90.7	85.6
Trade receivables past due 1–90 days	10.3	10.9
Trade receivables past due over 90 days	2.3	1.5
Allowance for expected credit losses	-2.1	-1.7
TOTAL	**101.3**	**96.3**

CHANGE IN EXPECTED CREDIT LOSSES

EUR million	2024	2023
Allowance for expected credit losses at beginning of period	-1.7	-0.8
Allowances for expected credit losses during period	-0.5	-1.0
Reversal of allowances for expected credit losses during period	0.1	0.1
Realized credit losses during period	-0.1	0.0
Allowance for expected credit losses at end of period	**-2.1**	**-1.7**

A significant share of the Group's revenue is associated with the state monopolies in the Nordic region, where there is not considered to be material credit risk. The Group's credit risk is otherwise spread over a large number of small customers within the HoReCa industry, and industrial customers as well as a small number of distributors outside the home markets. On this basis, the Group applies a simplified approach to calculation of expected credit losses. The loss allowance for trade receivables is based on the ageing of the accounts receivables, regional portfolio and experienced historic credit losses. Forward looking macro-economic information has been included in analysis.

2.6 EMPLOYEE BENEFIT OBLIGATIONS

Group's pension arrangements

The Group operates various pension plans in accordance with local conditions and practices in different countries. In the Finnish, Norwegian, Swedish, Danish and German companies, statutory pension obligations are arranged through pension insurance companies, when the plans are defined contribution plans, and they are managed in accordance with local legislation and established practice.

Gift pension and unfunded pension arrangements

In addition to the defined contribution plans, the Group has a few gift pensions and other unfunded defined benefit plans for some of the employees in Norway. On the transition to the defined contribution plan in Norway, there were individuals who would be disadvantaged in the event of early retirement at 65-67 years of age. To compensate for this, it was agreed to that a gift pension would be paid to all employees who were affected. As at 31.12.2024, this pension is linked to 67 active employees and 6 retired former employees (2023: 70 active employees and 15 retired former employees).

In the actuarial calculated defined benefit pension plans, the amount of the pension benefit at retirement is calculated based on salary, years of service and life expectancy. The Norwegian pension plans cover only few employees, thus the related pension liabilities are not material for the Group.

At the end of the reporting period 2024 the total actuarial calculated defined benefit plan obligations amounted to EUR 2.6 million (2023: EUR 2.4 million).

2.7 TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities, unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

EUR million	2024	2023
Trade payables	79.9	96.6
Accruals for wages and salaries and social security contributions	11.6	13.2
Interest liabilities	0.1	0.2
Procurement expenses	16.5	10.6
Other accrued expenses	38.5	28.1
Excise tax	112.5	114.5
VAT liability	56.1	59.6
Other liabilities	9.3	6.8
TOTAL	**324.4**	**329.6**

2.8 PROVISIONS

Accounting policy - Provisions

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. The amount recognised as provision is the management's best estimate of the costs required to settle the existing obligation at the end of the reporting period. If part of the obligation may potentially be compensated by a third party, the compensation is recognised as a separate asset when it is virtually certain that the compensation will be received.

A provision for restructuring costs is recognised only when general recognition criteria for provision are met and after management has prepared and approved a formal plan to which it is committed, and it has raised a valid expectation in those affected by the measures that it will carry out the restructuring by starting to implement that plan or announcing its main features.

The costs included in a provision for restructuring are those costs that are either incremental or incurred as a direct result of the plan or are the result of a continuing contractual obligation with no continuing economic benefit to Anora or a penalty incurred to cancel the contractual obligation.

At the end of 2024, the Group has EUR 1.7 million (2023: EUR 3.9 million) of provision related to restructuring plans.

EUR million	Opening Balance provision	Provisions made during 2024	Provisions used during 2024	Trans-lation differ-ences	Amount in balance sheet 31.12.2024
Restructuring provisions	3.9	1.3	-3.4	-0.1	1.7
TOTAL	**3.9**	**1.3**	**-3.4**	**-0.1**	**1.7**

ANORA

3 Financial items and capital structure

3.1 FINANCE INCOME AND EXPENSES

FINANCE INCOME

EUR million	2024	2023
Interest income		
Loans, receivables and cash and cash equivalents	7.8	12.0
Total interest income	**7.8**	**12.0**
Foreign exchange gains		
Foreign exchange gains on FX-derivatives	1.1	4.8
Foreign exchange gains on I/C loans and cash pool accounts	1.7	8.0
Total foreign exchange gains	**2.9**	**12.9**
Other financial income		
Other financial income	0.1	-0.2
Total other financial income	**0.1**	**-0.2**
TOTAL FINANCE INCOME	**10.7**	**24.6**

FINANCE EXPENSES

EUR million	2024	2023
Interest expenses		
Financial liabilities at amortised cost	-17.2	-22.8
Lease liabilities	-4.9	-5.5
Total interest expenses	**-22.1**	**-28.3**
Foreign exchange losses		
Foreign exchange losses on FX-derivatives	-0.2	-5.8
Foreign exchange losses on I/C loans and cash pool accounts	-3.3	-8.6
Total foreign exchange losses	**-3.6**	**-14.4**
Other finance expenses		
Other finance expenses	-5.1	-4.7
Total other finance expenses	**-5.1**	**-4.7**
TOTAL FINANCE EXPENSES	**-30.7**	**-47.4**

Foreign exchange difference arising from trade receivables and trade payables amounting to EUR -0.5 million (2023: EUR 0.1 million) and from currency derivatives amounting to EUR 3.9 million (2023: EUR -0.8 million) are included in operating result.

3.2 FINANCIAL ASSETS AND LIABILITIES

3.2.1 FINANCIAL ASSETS

According to IFRS 9 the classification is business model driven and there are three classes: fair value through profit and loss, amortised cost and fair value through other comprehensive income. Classification is made upon initial recognition based on the purpose of use of the asset. The basis of classification is reassessed at each reporting date.

All purchases and sales of financial instruments are recognised on the trade date, which is the date when the Group commits to purchase or sell a financial instrument. Financial assets are recognised in the balance sheet at original cost which equals their fair value at the acquisition date. If the asset in question is not measured at fair value through profit or loss, transaction costs are included in the original cost of the financial asset.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or the Group transfers all the substantial risks and rewards related to the financial asset outside the Group. Financial assets are included in non-current items of the balance sheet when their maturity is over 12 months.

Impairment of financial assets

The impairment model requires the recognition of impairment based on expected credit losses. The allowance for credit losses is recognised based on lifetime expected credit losses from trade receivables and contract assets. More information on the allowance for credit losses on trade receivables can be found in Note 2.5. Trade and other receivables.

The impairment model does not apply to financial assets measured at fair value since those are measured at fair value which already takes into account expected credit losses.

Financial assets recognised at fair value through profit or loss

This category includes financial assets held for trading purposes or otherwise designated as financial assets recognised at fair value through profit or loss by Anora Group. Trade receivables that will be sold are classified in this category. Derivative instruments held for hedging purposes, but not qualifying for the criteria of hedge accounting, are classified in this category. Items in this category are initially recognised at fair value and subsequently measured at the fair value of each reporting date, which is the purchase price at the end of the reporting period determined based on public price quotations in active markets. Realised and unrealised gains and losses arising from changes in fair values are recognised in profit or loss in financial items in the period in which they are incurred if they relate to hedging of financial items.

Amortised cost

Loans and receivables arise when money, goods or services are delivered to a debtor, and they are included in current or non-current financial assets in accordance with their maturity. The assets in this category are held according to a business model of which objective is to collect contractual cash flows. In Anora, non-current receivables include loan receivables and other receivables with the maturity of over one year. Current receivables include trade receivables as well as cash and cash equivalents presented under current financial assets. Receivables are measured at amortised cost when the related payments are fixed or determinable and the instruments are not quoted in financial markets.

Fair value through other comprehensive income

The assets measured at fair value through other comprehensive income consist of unquoted shares, that are not held for trading purposes and at initial recognition, the Group has made a final choice that they belong to this category. The changes in fair values are recognised in other comprehensive income.

3.2.2 FINANCIAL LIABILITIES

Financial liabilities are classified as financial liabilities at fair value through profit or loss and financial liabilities at amortised cost. Financial liabilities are initially measured at fair value and recognised net of transaction costs, with the exception of items measured at fair value through profit or loss.

A financial liability (or a part of it) is not derecognised until the obligation specified in the contract is discharged or cancelled or expires. A financial liability is classified as current, unless the Group has an unconditional right to defer the settlement of the liability for at least 12 months after the end of the reporting period.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include derivatives held for hedging purposes but not qualifying for hedge accounting and put options for the purchase of non-controlling interests. Derivatives held for hedging purposes but not qualifying for hedge accounting are measured at fair value, which is determined based on price quotations in active markets at the reporting date. Realised and unrealised gains or losses arising from the changes in fair values are recognised through profit or loss in the financial items as incurred.

Liabilities related to options for the purchase of non-controlling interests are estimated on the basis of pricing mechanisms applied in the shareholder agreements discounted for the close of the financial year. The most important parameters in the pricing mechanisms were the development in the share values, measured as EBIT (operating result) up to the estimated due date, multiplied by a fixed market based multiple. As the basis for EBIT, the underlying companies' budgets and long-term plans up until the expected due date are used. The discount rate is NIBOR or STIBOR with duration matched to the expected due date. Liabilities are immaterial in 2024 and 2023.

Financial liabilities at amortised cost

This category includes the Group's external loans from financial institutions, loans from pension institutions, commercial paper loans as well as trade payables. These financial liabilities are measured at amortised cost using the effective interest method. When loans are paid off or refinanced, the related unamortised costs are recognised in finance expenses. Group overdrafts in use are included in current borrowings. In addition, Anora has a revolving credit facility, and the related fee is amortised on a straight-line basis in other finance expenses during the term of the facility.

The exchange rate differences of intra-group foreign currency denominated loans are presented within financial items in the foreign exchange differences of the category financial liabilities at amortised cost.

The fair values of loans from financial institutions and commercial paper loans are determined based on future cash flows discounted with market interest rate at the reporting date adjusted with Anora's credit risk premium. At the reporting date, the carrying amounts of the loans are not materially different from their fair values.

LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS

EUR million	2024	2023
Book value at the beginning of the period	0.8	0.6
Paid during period	-0.2	0.0
Changes in value during period	0.0	0.1
Book value at the end of the period	**0.5**	**0.8**
Non-current liability	0.1	0.1
Current liability	0.4	0.6

BORROWINGS AND LEASE LIABILITIES

EUR million	2024	2023
Non-current		
Loans from financial institutions	159.7	209.5
Loans from pension institutions	3.8	5.3
Lease liabilities	104.7	120.7
TOTAL	**268.2**	**335.4**
Current		
Loans from pension institutions	1.5	1.5
Commercial papers	20.0	-
Lease liabilities	13.4	13.3
TOTAL	**34.9**	**14.8**

All of the Group's non-current and current loans from financial and pension institutions were denominated in euros as at 31 December 2024 and 31 December 2023.

The weighted average effective interest rate (p.a.) of the Group's loans from financial and pension institutions as at 31 December 2024 was 4.7% (2023: 5.7%).

The weighted average interest rate (p.a.) of the Group's lease liabilities as at 31 December 2024 was 3.9% (2023: 3.7%).

In September 2024 Anora repaid EUR 50.0 million of its term loan originally drawn under the credit facilities agreement of December 2022. Remaining term loan nominal amount is EUR 160.0 million.
In December 2024 Anora exercised its second extension option in relation to its credit facilities agreement, thus extending the term loan and revolving credit facilities maturity by one year to December 2027.

THE NET DEBT

Movements in net debt the year ended 31 December 2024 and 2023 are presented in the following table:

EUR million	Cash and cash equivalents	Loans from financial and pension institutions (non-current)	Loans from financial and pension institutions (current)	Lease liabilities (non-current)	Lease liabilities (current)	Total
Net debt as at 1 January 2024	212.7	214.8	1.5	120.7	13.3	137.5
Cash flows	-29.9	-50.0	18.3	-	-12.6	-14.3
Translation differences	-1.3	-	-	-4.4	-0.5	-3.5
Other non-cash movement	-	-1.3	1.6	-11.6	13.2	2.0
NET DEBT AS AT 31 DECEMBER 2024	**181.5**	**163.5**	**21.5**	**104.7**	**13.4**	**121.6**
Net debt as at 1 January 2023	91.4	216.0	31.5	132.4	12.4	300.9
Cash flows	119.2	-	-31.5	-	-11.2	-161.9
Translation differences	2.2	-	-	-6.9	-0.5	-9.5
Other non-cash movement	-	-1.3	1.5	-4.8	12.5	7.9
NET DEBT AS AT 31 DECEMBER 2023	**212.7**	**214.8**	**1.5**	**120.7**	**13.3**	**137.5**

Derivative instruments

Derivatives are included in financial assets and liabilities at fair value through profit or loss when they do not meet the criteria of hedge accounting pursuant to IFRS 9. These derivatives are recognised at fair value on the trade date, and they are subsequently measured at fair value at the reporting date. Derivative instruments and hedge accounting are described in Note 3.3.

The fair values of derivatives equal the amount that the Group would have to pay, or it would receive from the termination of the derivative contract at the reporting date. The fair values of forward exchange contracts are determined by using the market prices at the reporting date. The fair values of interest rate derivatives are determined by discounting the related future cash flows. The valuation of commodity derivatives is determined based on the fair values received from the financial markets.

3.2.3 CLASSIFICATION AND FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

At the reporting date due to short maturity fair value of trade receivables and other short-term receivables and liabilities equal to their value in the balance sheet.

The following table presents the classification of financial instruments. The levels 1–3 of fair value hierarchy reflect the significance of inputs used in determining the fair values. In level one, fair values are based on public quotations of identical financial instruments. In level two, the inputs used in determining the fair values are based on quoted market rates and prices observable for the asset or liability in question directly (i.e. price) or indirectly on discounted future cash flows. Fair values of other financial assets and liabilities in level two reflect their carrying value. In level three, the fair values of assets and liabilities are based on inputs that are not based on observable market data for all significant variables, and instead are, to a significant extent, based on management estimates and their use in generally accepted valuation techniques. The reported fair value level is based on the lowest level of input information that is significant in determining the fair value.

FAIR VALUES AND THE CARRYING AMOUNTS IN THE CONSOLIDATED BALANCE SHEET FOR EACH FINANCIAL INSTRUMENT BY CLASSES:

2024 EUR million	Note	Derivatives, hedge accounting	Fair value through profit or loss	Amortised cost	Fair value through other comprehensive income	Carrying amounts of items in the balance sheet	Fair value	Level
Financial assets								
Non-current financial assets								
Unquoted shares	3.2.1.	–	–	–	0.7	0.7	0.7	3
Other non-current receivables		–	–	0.2	–	0.2	0.2	
Current financial assets								
Trade receivables	2.5.	–	–	101.3	–	101.3	101.3	
Derivative instruments/Forward exchange contracts		1.6	0.2	–	–	1.8	1.8	2
Derivative instruments/Commodity derivatives		0.0	–	–	–	0.0	0.0	2
Cash and cash equivalents		–	–	181.5	–	181.5	181.5	
TOTAL		**1.6**	**0.2**	**282.9**	**0.7**	**285.4**	**285.4**	
Financial liabilities								
Non-current financial liabilities								
Borrowings	3.2.2.	–	–	163.5	–	163.5	163.5	2
Lease liabilities	3.2.2.	–	–	104.7	–	104.7	104.7	2
Non-current liabilities at fair value through profit or loss		–	0.1	–	–	0.1	0.1	3
Current financial liabilities								
Borrowings	3.2.2.	–	–	21.5	–	21.5	21.5	2
Lease liabilities	3.2.2.	–	–	13.4	–	13.4	13.4	2
Current liabilities at fair value through profit or loss	3.2.2.	–	0.4	–	–	0.4	0.4	3
Trade payables	2.7.	–	–	79.9	–	79.9	79.9	
Derivative instruments/Interest rate derivates	2.8.	1.0	–	–	–	1.0	1.0	2
Derivative instruments/Forward exchange contracts	2.7.	0.2	0.3	–	–	0.4	0.4	2
TOTAL		**1.2**	**0.8**	**382.9**	**0.0**	**384.9**	**384.9**	

2023 EUR million	Note	Derivatives, hedge accounting	Fair value through profit or loss	Amortised cost	Fair value through other comprehensive income	Carrying amounts of items in the balance sheet	Fair value	Level
Financial assets								
Non-current financial assets								
Unquoted shares	3.2.1.	-	-	-	0.7	0.7	0.7	3
Current financial assets								
Trade receivables	2.5.	-	-	96.3	-	96.3	96.3	
Derivative instruments/Commodity derivatives		0.8	-	-	-	0.8	0.8	2
Cash and cash equivalents	4.1.	-	-	212.7	-	212.7	212.7	
Assets held for sale			-	7.6	-	7.6	7.6	
TOTAL		**0.8**	**0.0**	**316.6**	**0.7**	**318.1**	**318.1**	
Financial liabilities								
Non-current financial liabilities								
Borrowings	3.2.2.	-	-	214.8	-	214.8	214.8	2
Lease liabilities	3.2.2.	-	-	120.7	-	120.7	120.7	2
Non-current liabilities at fair value through profit or loss		-	0.1	-	-	0.1	0.1	3
Current financial liabilities								
Borrowings	3.2.2.	-	-	1.5	-	1.5	1.5	2
Lease liabilities	3.2.2.	-	-	13.3	-	13.3	13.3	2
Current liabilities at fair value through profit or loss	3.2.2.	-	0.6	-	-	0.6	0.6	3
Trade payables	2.7.	-	-	96.6	-	96.6	96.6	
Derivative instruments/Forward exchange contracts	2.7.	1.7	0.5	-	-	2.2	2.2	2
TOTAL		**1.7**	**1.3**	**446.8**	**0.0**	**449.8**	**449.8**	

3.3 DERIVATIVE INSTRUMENTS AND HEDGE ACCOUNTING

When the Group applies IFRS 9 hedge accounting to foreign currency, interest rate and electricity derivatives, the effective portion of the fair value change is recognised in other comprehensive income and presented within equity in the hedge reserve

When hedge accounting is applied

In Anora, cash flow hedging is applied to part of the interest rate, foreign currency and electricity derivatives based on case-by-case assessment. In cash flow hedging, the Group is hedging against changes in cash flows related to a specific asset or liability recognised in the balance sheet or to a highly probable future business transaction. Hedge accounting is a method of accounting with the purpose to allocate one or several hedging instruments so that their fair value changes offset in full or partly the changes in fair value or cash flow arising from the hedged risk in profit or loss during the period, for which the hedge is designated. In the beginning of the hedging arrangement, Anora documents the relationship between each hedging instrument and hedged item, as well as the objectives of risk management and the strategy in engaging in hedging. IFRS 9 requires that the effectiveness of hedging instruments is tested prospectively. Effectiveness means the ability of a hedging instrument to offset the changes in the fair value of the hedged item or changes in the cash flows of the hedged transaction attributable to the hedged risk. Under IFRS 9 the hedging relationship is regarded to be highly effective when there is an economic relationship between the hedged item and the hedging instrument. Hedging ratio is defined as a relationship between the quantity of the hedging instrument and the quantity of the hedged item. Hedge accounting is discontinued when the criteria for hedge accounting is no longer met.

The unrealised gains and losses arising from fair value changes of derivative contracts to which hedge accounting is applied, are presented in hedge reserve. Forward points are included to hedging relationship. The effective portion of the unrealised changes in the fair value of derivatives designated and qualifying as cash flow hedges are recognised in other comprehensive income and presented in the hedge reserve in equity. The ineffective portion is immediately recognised in finance income or expenses in profit or loss. The cumulative gain or loss in equity on derivative instruments related to commercial items is recognised in profit or loss as an adjustment to purchases or sales simultaneously with the hedged item in the period in which the hedged item affects profit or loss. Realised gain or loss on electricity derivatives is included in operating result in electricity procurement expenses. When a hedging instrument designated as a cash flow hedge no longer meets the criteria of hedge accounting, the gain or loss accumulated in equity is recognised through finance income or expenses.

When hedge accounting is not applied

The accounting for gains and losses arising from fair value measurement is dependent on the purpose of use of the derivative. In Anora, the changes in the fair values of derivative instruments are immediately recognised in profit or loss in finance income or expense if the derivative in question is related to hedging of commercial cash flows (purchases and sales) and hedge accounting is not applied. The fair value changes of other derivative instruments are immediately recognised in profit or loss in finance income or expense items if hedge accounting is not applied. Derivatives, to which hedge accounting is not applied, are acquired to minimise the profit and/or cash flow effects related to business operations or financing.

NOMINAL VALUES OF DERIVATIVE INSTRUMENTS

EUR million	2024	2023
Derivative instruments designated for cash flow hedging		
Interest rate derivatives	40.0	-
Forward exchange contracts	101.7	64.1
Commodity derivatives, electricity	0.9	1.2
	0.0TWh	0.0TWh
Derivative instruments, non-hedge accounting		
Forward exchange contracts	77.8	39.3

The nominal values of derivative instruments are based on amounts and market prices at the reporting date

EFFECTS OF HEDGE ACCOUNTING ON THE FINANCIAL POSITION AND PERFORMANCE

FOREIGN CURRENCY FORWARDS

EUR million	EURDKK		EURNOK		EURSEK		EURUSD		USDDKK		USDSEK	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Carrying amount (asset)	0.0	-	0.2	-	0.3	-	0.2	-	0.4	-	0.3	-
Carrying amount (liability)	-	-	-	0.5	-	1.0	-	0.0	-	0.1	-	0.1
Notional amount	12.3	-	22.2	12.0	44.4	36.5	4.5	2.1	8.5	10.0	5.0	1.3
Maturity date	Feb '25 -Mar '26	-	Feb-Sep 2025	Feb-Dec 2024	Feb-Dec 2025	Feb-Dec 2024	Feb-Dec 2025	Feb-Dec 2024	Feb-Dec 2025	Feb-Dec 2024	Feb-Dec 2025	Feb-Aug 2024
Hedge ratio	1:1	-	1:1	1:1	1:1	1:1	1:1	1:1	1:1	1:1	1:1	1:1
Change in discounted value of outstanding hedging instruments since 1 January	0.0	-	0.7	-0.5	1.3	-1.3	0.2	0.1	0.6	-0.7	0.4	-0.1
Change in value of hedged item used to determine hedge effectiveness	0.0	-	-0.7	0.5	-1.3	1.3	-0.2	-0.1	-0.6	0.7	-0.4	0.1

Additionally, EURAUD and EURGBP are hedged with nominals between EUR 1,4 million - EUR 1,7 million. Those have only minor effect on the financial position and performance.

INTEREST RATE SWAP

EUR million	2024	2023
Carrying amount (liability)	1.0	-
Notional amount	40.0	-
Maturity date	06-09/2029	-
Hedge ratio	1:1	-
Change in discounted value of outstanding hedging instruments since 1 January	-1.0	-
Change in value of hedged item used to determine hedge effectiveness	1.0	-
Weighted average hedged rate for the year	2.72 %	-

COMMODITIES - ELECTRICITY

EUR million	2024	2023
Carrying amount (asset)	0.0	0.8
Notional amount	0.9	1.2
TWh	0.0	0.0
Maturity date	2025-2026	2024–2025
Hedge ratio	1:1	1:1
Change in discounted value of outstanding hedging instruments since 1 January	-0.8	-4.6
Change in value of hedged item used to determine hedge effectiveness	0.8	4.6
Weighted average hedged price EUR/MWh	41.4	30.5

Positive and negative fair values of unrealised derivatives and their net amount are presented below. Currency derivatives are under netting agreements. The master netting agreements in respect of derivatives do not meet the criteria for offsetting in the balance sheet owing to legally enforceable right not existing currently.

OFFSETTING FINANCIAL ASSETS AND LIABILITIES

EUR million	2024	2023
Derivative assets:		
Fair value, gross	1.9	0.8
Fair value, under netting agreements	-0.4	0.0
Fair value, net	1.4	0.8
Derivative liabilities:		
Fair value, gross	1.4	2.2
Fair value, under netting agreements	-0.4	0.0
Fair value, net	1.0	2.2

3.4 EQUITY

Share capital

At the end of the reporting period, Anora Group Plc's share capital amounted to EUR 61,500,000 and the number of issued shares was 67,553,624.

All shares issued have been paid in full. The shares have no nominal value. Each share has one vote at the Annual General meeting and equal rights to dividend and other distribution of assets. The company does not hold its own shares.

NUMBER OF SHARES

	2024	2023
Number of outstanding shares in the beginning of the financial year (Basic)	67,553,624	67,553,624
Total number of outstanding shares at the end of the financial year (Basic)	**67,553,624**	**67,553,624**
Number of outstanding share-based plan related shares in the beginning of the financial year	970,450	632,200
Shares granted during period	1,389,400	472,200
Shares forfeited during period	-844,200	-133,950
Total number of outstanding share-based plan related shares at the end of the financial year	**1,515,650**	**970,450**
Total number of oustanding shares at the end of the financial year (Diluted)	**69,069,274**	**68,524,074**

Invested unrestricted equity fund

The invested unrestricted equity reserve includes the subscription price of shares to the extent that it has not been recorded in share capital according to specific resolution.

Hedge reserve

The hedge reserve includes the fair value changes of derivative instruments used for cash flow hedging for effective hedges.

Translation differences

Translation differences comprise all foreign exchange differences arising from the translation of the foreign subsidiaries' financial statements into the presentation currency euro. The Group's accumulated translation differences amounted to negative EUR 50.8 million at 31 December 2024 (2023: negative EUR 44.0 million).

CASH FLOW HEDGE RESERVE

EUR million	Currency forwards	Interest rate swaps	Commodities	Total hedge reserve
Opening balance 1 January 2023	-0.2	0.0	4.4	4.2
Change in fair value of hedging instruments recognized in OCI	-3.1	0.0	-4.4	-7.5
Reclassified from OCI to profit or loss - included in purchases/sales adjustments	0.8	0.0	-	0.8
Reclassified from OCI to electricity purchases	-	-	0.8	0.8
Deferred tax	0.3	-	-0.2	0.2
Closing balance 31 December 2023	**-2.2**	**0.0**	**0.7**	**-1.5**
Change in fair value of hedging instruments recognized in OCI	-0.9	-1.1	-0.9	-3.0
Reclassified from OCI to profit or loss - included in purchases/sales adjustments	3.9	-	-	3.9
Reclassified from OCI to financial income and expenses	-	0.1	-	0.1
Reclassified from OCI to electricity purchases	-	-	0.3	0.3
Deferred tax	0.3	0.2	0.0	0.5
Closing balance 31 December 2024	**1.1**	**-0.8**	**0.0**	**0.4**

Earnings per share

Basic earnings per share is calculated by dividing the result for the period attributable to owners of the parent company by the weighted average number of shares outstanding during the reporting period.

Diluted earnings per share has been calculated on the same basis as basic earnings per share except that it reflects the impact of potential diluting shares due to share-based incentive plan of the Group. The table at the start of this note show all outstanding ordinary and potential diluting shares as of 31 December 2024.

Dividend

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.22 (2023: EUR 0.22) per share be paid for the financial year 2024.

EARNINGS PER SHARE

	2024	2023
Result for the period attributable to the shareholders of the parent company, EUR million	10.5	-39.9
Weighted average number of shares outstanding basic	67,553,624	67,553,624
Weighted average number of shares outstanding diluted	69,359,307	68,664,920
Earnings per share (EUR) basic	0.16	-0.59
Earnings per share (EUR) diluted	0.15	-0.58

ANORA GROUP PLC DISTRIBUTABLE FUNDS

EUR million	2024	2023
Invested unrestriced equity	52.2	52.2
Retained earnings, 1 Jan	48.0	74.4
Distribution of dividends	-14.9	-14.9
Profit for the period	12.9	-11.5
Total distributable funds	**98.3**	**100.2**

4 Financial and capital risk

4.1 FINANCIAL RISK MANAGEMENT

Financial risk management principles

The aim of Anora's financial risk management is to ensure the Group's financial stability and availability of sufficient financing options in different market situations. In addition, the aim is to support the business operations to identify business-related financial risks and their management, and to hedge against material financial risks that the core business is exposed to. The guiding principles of Anora's financial risk management are documented and described in the Group Treasury Policy.

The Group is exposed to various market risks. Changes in these risks affect the company's assets, liabilities and anticipated transactions. The risks are caused by changes in interest rates, currencies and commodity market prices. Selected derivative instruments can be used to manage the risks resulting from these market risks. Anora mainly hedges against risks that impact the Group's cash flow, and, if deemed appropriate, also certain foreign currency denominated items in the balance sheet. Derivatives are solely used to hedging against the above-mentioned risks. The principles of IFRS 9 hedge accounting are applied to certain interest rate, foreign exchange as well as electricity derivatives. Financial risk management is executed as part of the Group's risk management, according to the Risk Management Principles approved by the Board of Directors. Anora's principles aiming towards financial, credit and operational continuity form the basis for financial risk management.

Risk management process

Special process features related to financing are described below in connection with the descriptions of market, liquidity and credit risks. The financial risk exposure is regularly reported to the Audit Committee and Anora's Board of Directors. The most significant principle decisions concerning risk management are made by the company's Board of Directors.

Financial risk management

Financial matters are reported regularly to the Group management. The Board of Directors processes all substantial financial matters, such as the Group's external funding arrangements.

Tasks and responsibilities regarding Anora's financial operations and financial risk management are described in the financial risk management principles. The Group Treasury is responsible for securing financing, identifying risks and hedging of those risks according to Group Treasury Policy. The business units and subsidiaries are responsible for managing the risks associated with their own operations and forecasting cash flows.

Risk concentrations

Anora carefully analyses the financial risks and risk concentrations related to its operations. Risk concentrations identified as a result of this assessment are described in connection with the descriptions of market and credit risks.

Market risk

Anora defines market risk as a risk where the fair values of financial instruments or future cash flows fluctuate as a result of changes in market prices. The most significant market risks for the Group are currency risk, interest rate risk and price risks for barley and electricity.

1. Currency risk

Anora is exposed to currency risks as it has operations in several different countries. The objective of the Group's currency risk management is to limit the effect of exchange rate fluctuations on the Group's cash flow in EUR. The most significant currencies are NOK, SEK, USD, AUD and DKK.

Transaction risk

Transaction risk is caused by foreign currency denominated items in the balance sheet and future cash flows related to sales, purchases and return of capital.

Foreign exchange exposures are monitored at the Business level and future foreign currency cash flow risks of either sales or purchase contracts are hedged. The estimated future commercial exposures are evaluated by the Businesses, and the level of hedging is per Group Treasury Policy's mandate. Hedge accounting in accordance with IFRS 9 is applied to most of the hedges. Hedging transactions are executed with forward exchange contracts or options for the following 24 months at the most, predominantly following the pricing towards state monopolies in the Nordic region. In Finland and Sweden this takes place every sixth month and in Norway every fourth month.

The two tables below present the Group's net currency position, first based on financial instruments recorded on the balance sheet and secondly including on a net basis also the estimated future foreign currency net cash flows. The currency position resulting from the financial instruments in accordance with IFRS 7 consists of trade receivables, trade payables, cash and cash equivalents, the Group's internal and external loans and derivative instruments.

The net currency risk has been taken into account in the table if the transaction currency is other than the Company's functional currency.

TABLE 1: THE GROUP'S NET CURRENCY POSITION AT 31 DECEMBER

The net currency position resulting from the financial instruments in accordance with IFRS 7

EUR million	2024	2023
EUR-SEK	-45.2	-29.5
EUR-NOK	-27.4	-11.8
EUR-DKK	-22.1	-24.7
EUR-USD	15.0	10.8

The Group's net currency position at 31 December including also the hedged commercial cash flows

EUR million	2024	2023
EUR-SEK	10.6	7.0
EUR-NOK	12.9	31.2
EUR-DKK	6.1	-24.7
EUR-USD	-3.0	-2.5

Translation risk

Translation risk is mainly caused by the parent company's foreign currency denominated net investments in foreign subsidiaries, which cause a translation difference in equity in the Group's balance sheet upon consolidation. The Group Treasury regularly analyses the translation risk and reports any material issues to the management. The most significant net investments are denominated in SEK and NOK. The translation risk has not been hedged.

2. Interest rate risk

The objective of interest rate risk management is to minimise the impact of fluctuations arising from interest rate changes on the Group's profit. In December, Anora extended the maturity of its bullet loan and RCF by one year. At 31 December 2024 the total nominal amount of loans was amounting to EUR 165.3 million (2023: 216.8) and was divided as follows:

- The EUR 160.0 million bullet loan matures in December 2027.
- The EUR 5.3 million pension loan matures in January 2028. The interest rate is fixed for the whole loan period.

The maximum amount under Anora's domestic commercial paper program is EUR 100 million. The amount of issued commercial papers as at 31 December 2024 was EUR 20.0 (2023: 0.0) million.

The sold trade receivables are derecognised at the time of trade with no obligation to repurchase. The related costs are recognised in other financial expenses. The trade receivables are current receivables, and the related interest rate risk is not hedged. The amount of the sold trade receivables was EUR 163.7million at 31 December 2024 (2023: 173.6 million).

3. Price risk associated with commodities

Barley

In 2024, Anora consumed approximately 168.2 (2023: 174.0) million kilos of grain to produce ethanol and starch. The availability of high-quality domestic barley was ensured until the end of 2024 through contract farming and cooperation with farmers and grain stores. The market price of barley significantly fluctuates year by year as a result of several factors that affect Finnish barley supply and demand. The price of barley is therefore considered to be a significant risk for Anora during the financial year. The price risk has not been hedged against with derivative instruments.

Electricity

A strong increase in the market price of electricity is a significant risk for Anora. In Finland, the risk is managed by following Anora's principles for electricity procurement and by a third-party specialist. These principles determine the hedging limits within which the electricity price risk is hedged against. The hedges are executed with the bilateral OTC-derivatives Nasdaq OMX Commodities market as a reference.

At the end of 2024, the hedging ratio for deliveries for the next 12 months was 98.6% (83.6%), in line with the set targets. In 2024, the average hedging ratio was 89.0% (86.8%).

Cash flow hedge accounting in accordance with IFRS 9 is applied to the hedges against electricity price risk, and hedge effectiveness is tested quarterly. All hedging was effective in 2024 as in 2023.

Anora purchases its electricity straight from the Nord Pool Spot markets as a delivery tied to the spot price of the Finnish price area. As part of its electricity purchases, Anora also purchases physical electricity through bilateral fixed-price contracts.

4. Sensitivity to market risks

The following table describes the sensitivity of the Group's profit and equity (before taxes) to changes in electricity prices, interest and foreign exchange rates. When Anora applies hedge accounting, the sensitivity is directed at equity. When hedge accounting is not applied, the sensitivity is recognised as a potential impact on profit or loss.

The sensitivity to foreign exchange rate changes is calculated from the net currency position resulting from financial instruments.

TABLE 2: SENSITIVITY ANALYSES

Sensitivity of financial instruments to market risks (before taxes) in accordance with IFRS 7

	2024		2023	
EUR million	Income statement	Equity	Income statement	Equity
+/-10% electricity	-	+/-0.1	-	+/-0.2
+/-10% change in EUR/DKK exchange rate	+/-2.2	+/-2.2	+/-2.5	-
+/-10% change in EUR/NOK exchange rate	+/-2.7	+/-2.2	+/-1.2	+/-1.3
+/-10% change in EUR/SEK exchange rate	+/-4.5	+/-5.0	+/-2.9	+/-3.9
+/-10% change in EUR/USD exchange rate	-/+1.5	-/+1.8	-/+1.1	-/+1.3
+1%-points parallel shift in interest rates	-1.2	+1.2	-2.1	-

At the end of 2024 the total Group floating rate liability position consists of floating rate liabilities EUR 160.0 million (2023: EUR 210.0 million).

5. Liquidity risk

The Group's activities are subject to seasonal fluctuations and alcohol sales increase in periods with national celebrations and public holidays, especially at Easter and Christmas. The fourth quarter is normally the best quarter for the Group in terms of sales, which is also reflected in cash flows.

In order to manage the liquidity risk, Anora continuously maintains sufficient liquidity reserves, which at the end of 2024 comprised Group's EUR 20 million (2023: EUR 10 million and NOK 100 million) overdraft facilities and a EUR 150 million revolving credit facility. At the end of December 2024, no revolving credit facility was in use (2023: EUR 0.0 million). The facilities mature in December 2027. More detailed information on the Group's external loans is provided in the interest rate risk section.

Anora has a domestic commercial paper program of EUR 100 million. The amount of issued commercial papers as at 31 December 2024 was EUR 20.0 (2023: 0.0) million.

TABLE 3: LIQUIDITY RESERVES

Cash and cash equivalents and unused committed credit limits

EUR million	2024	2023
Cash and cash equivalents	181.5	212.7
Overdraft facilities	20.0	18.9
Revolving credit line	150.0	150.0
TOTAL	**351.5**	**381.6**

6. Credit risk

The objective of Anora's credit risk management is to minimise the losses if one of the Group's counterparties fails to meet its obligations. The principles of credit risk management are described in the Group's credit policy.

Credit risks are caused by a counterparty not fulfilling its contractual payment obligations or the counterparty's credit rating changing in a manner that affects the market value of the financial instruments it has issued.

The aim is to minimise credit risks by active credit management and by considering customers' credit rating when determining the payment term of invoices. A significant share of the Group's revenue is associated with the state monopolies in the Nordic region where there is not considered to be any credit risk. The Group's credit risk is otherwise spread over industrial customers, alcoholic beverage wholesalers, retail grocery stores, and a large number of small customers within the HoReCa industry as well as a small number of distributors outside the home markets.

TABLE 4: MATURITIES OF FINANCIAL LIABILITIES

Contractual payments on financial liabilities 2024		Cash flows 2025			Cash flows 2026			Cash flows 2027–		
EUR million	Total contractual cash flows	Fixed rate	Variable rate	Repayment	Fixed rate	Variable rate	Repayment	Fixed rate	Variable rate	Repayment
Non-derivative:										
Loans from financial institutions [1]	-181.1	–	-7.1	–	–	-7.0	–	–	-7.0	-160.0
Loans from pension institutions [2]	-5.4	-0.1	–	-1.5	0.0	–	-1.5	0.0	–	-2.3
Lease liabilities	-146.7	–	-4.8	-13.3	–	-4.3	-15.8	–	-19.6	-89.0
Trade payables and other	-80.4	–	–	-80.4	–	–	–	–	–	–
Derivative:										
Currency derivatives, hedge accounting										
Inflow	101.8	–	–	98.4	–	–	3.3	–	–	–
Outflow	-100.2	–	–	-96.8	–	–	-3.3	–	–	–
Currency derivatives, non-hedge accounting										
Inflow	77.7	–	–	77.7	–	–	–	–	–	–
Outflow	-77.7	–	–	-77.7	–	–	–	–	–	–
Interest rate derivatives, hedge accounting	-1.0	-0.2	–	–	-0.2	–	–	-0.6	–	–
Commodity derivatives, hedge accounting	-0.9	–	–	-0.7	–	–	-0.2	–	–	–
TOTAL	**-413.8**	**-0.3**	**-11.9**	**-94.3**	**-0.3**	**-11.3**	**-17.5**	**-0.6**	**-26.6**	**-251.2**

[1] Loans from financial institutions mature 2027
[2] Loans from pension institutions mature 2028

TABLE 4: MATURITIES OF FINANCIAL LIABILITIES

Contractual payments on financial liabilities 2023		Cash flows 2024			Cash flows 2025			Cash flows 2026–		
EUR million	Total contractual cash flows	Fixed rate	Variable rate	Repayment	Fixed rate	Variable rate	Repayment	Fixed rate	Variable rate	Repayment
Non-derivative:										
Loans from financial institutions [1]	-247.2	-	-12.4	-	-	-12.5	-	-	-12.3	-210.0
Loans from pension institutions [2]	-7.0	-0.1	-	-1.5	-0.1	0.0	-1.5	-0.1	-	-3.8
Lease liabilities	-170.0	-	-5.4	-13.1	-	-4.9	-17.6	-	-25.7	-103.3
Trade payables and other [3]	-97.2	-	-	-97.2	-	-	-	-	-	-
Derivative:										
Currency derivatives, hedge accounting										
Inflow	63.7	-	-	63.7	-	-	-	-	-	-
Outflow	-65.3	-	-	-65.3	-	-	-	-	-	-
Currency derivatives, non-hedge accounting										
Inflow	39.0	-	-	39.0	-	-	-	-	-	-
Outflow	-40.0	-	-	-40.0	-	-	-	-	-	-
Interest rate derivatives, hedge accounting	-	-	-	-	-	-	-	-	-	-
Commodity derivatives, hedge accounting	-1.2	-	-	-0.7	-	-	-0.5	-	-	-
TOTAL	**-525.1**	**-0.1**	**-17.8**	**-115.1**	**-0.1**	**-17.3**	**-19.6**	**-0.1**	**-38.0**	**-317.0**

[1] Loans from financial institutions mature 2027
[2] Loans from pension institutions mature 2028
[3] Restated

4.2 CAPITAL RISK MANAGEMENT

The target of Anora's capital management is to secure an effective capital structure that supports the profitable growth of the operations. The Board of Directors monitors the Group's capital structure regularly.

Anora monitors its capital based on total Net Debt to Comparable EBITDA. The ratio is calculated by dividing net debt with the last 12 month's comparable EBITDA of the Group.

During the business cycle, Group's Net debt to comparable EBITDA is likely to fluctuate, and the objective is to retain a sufficiently strong capital structure to secure the Group's financing needs. Net debt / comparable EBITDA is a covenant used in Group's funding arrangements. During the financial period, the covenants were not in breach. These are tested quarterly and as of current no foreseeable risk of being in breach of the covenant. At 31 December 2024 and 31 December 2023 the Net debt comparable/ EBITDA was as follows:

TABLE 5: NET DEBT/COMPARABLE EBITDA AS OF 31 DECEMBER

EUR million	2024	2023
Comparable EBITDA	68.9	68.2
Borrowings	185.0	216.3
Lease liabilities	118.1	134.0
Cash and cash equivalents	-181.5	-212.7
Net debt	**121.6**	**137.5**
Net Debt /Comparable EBITDA AT 31 DECEMBER	**1.8**	**2.0**
Nominal amounts of loans with covenants	165.3	216.8
Tresholds for financial covenants: Net Debt to EBITDA	<3.8	<3.8

5 Consolidation

5.1 GENERAL CONSOLIDATION PRINCIPLES

Consolidation

Consolidation, consolidation method and classification of ownership interests depends on whether the Group has power to control or jointly control the entity or have significant influence or other interests in the entity. When the Group has power to control the entity, it is consolidated as a subsidiary. Power to control an entity is normally achieved when shareholding is above 50%.

When the Group has joint control or significant influence over an entity but does not have power to control, entity is accounted for by using the principles described under Associated companies' section. Significant influence is normally achieved when the Group has between 20% - 50% shareholding.

If the Group does not have power to control nor significant influence in the entity, its ownership interests are classified as financial assets at fair value through other comprehensive income and accounted for according to principles described in Note 3.2.1. This normally happens when the Group's ownership is below 20%.

Subsidiaries consolidation principles

Consolidated financial statements of Anora include the parent company, Anora Group Plc, and all subsidiaries. Subsidiaries are all those in which the parent company exercises control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the investee, and could affect those returns through its power over the investee. The financial statements of acquired subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

All business combinations are accounted for by using the acquisition method. The consideration transferred and the identifiable assets acquired, and liabilities assumed in the acquired company are measured at fair value at the acquisition date. The aggregate amount of the consideration transferred, the amount of non-controlling interests and any previously held equity interest in the acquiree, exceeding the fair value of the net assets acquired is recorded as goodwill.

All acquisition-related costs, with the exception of costs to issue debt or equity securities, are expensed. The consideration transferred does not include any transactions accounted for separately from the acquisition. Any contingent consideration is recognised at fair value at the acquisition date, and it is classified as either liability or equity. Contingent consideration classified as a liability is measured at fair value at each reporting date and any resulting gain or loss is recognised in profit or loss.

Intra-group transactions, receivables, liabilities and unrealised gains, as well as the distribution of profits within the Group are eliminated in preparing the consolidated financial statements. Unrealised losses are not eliminated if the loss in question results from impairment.

Non-controlling interests

Non-controlling interests' share of profit after tax is shown on a separate line after Group's result for the period. Non-controlling interests' share of equity is shown on a separate line as part of the Group's total equity.

In some subsidiaries with non-controlling interests, the non-controlling shareholder(s) have a put option related to the non-controlling interest, where the Group does not have control of the non-controlling interests before the options are exercised, nor does it have control of whether the options will be exercised, or when this exercise may take place. The value of such options is recognised as liability at fair value through profit and loss in the balance sheet and reduces the non-controlling share of equity. This means that the non-controlling interests presented in the income statement and in the equity show only values where the minority does not have put options related to the minority shares.

The Group treats transactions with non-controlling interests that do not result in a loss of control as equity transactions.

Associated companies

Associated companies are all entities where the Group has joint control or significant influence over an entity but does not have power to control the entity. Normally this is when the Group accompanies a shareholding of over 20% of voting rights or otherwise has significant influence, but not control.

Associated companies are consolidated by using the equity method. Under the equity method, the investment is initially recognised at cost and subsequently adjusted with the change in the net assets of the investee after the acquisition date, consistent with the ownership interest of the Group. After the acquisition the Group's share in the associated company's profit and loss for the period is separately disclosed in the Group's income statement, presented after operating result. If the Group's share in the associated company's loss exceeds the carrying amount of the investment, the investment is recognised at zero value in the consolidated balance sheet and the loss exceeding the carrying amount is not consolidated, unless the Group has committed to fulfil the company's obligations. The carrying amount of equity-accounted investments includes goodwill arisen on acquisition, when applicable. The Group's share in changes in the associated company's other comprehensive income is recognised in consolidated other comprehensive income (OCI).

The result of the transactions between the Group and its associates are recognised only to the extent of attributable to external owners. When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss.

Financial statements of associated companies have been changed when necessary to correspond with the accounting policies adopted by the Group. If financial statements for the period are not available, the share of the profit is included in the consolidated financial statements based on the preliminary financial statements or latest available information.

Critical estimates and management judgements – Associated companies

Management judgment and estimates are applied in assessing the recoverability of investments in associates. The carrying amount of equity-accounted investments, including possible goodwill, are assessed for impairment when objective evidence indicates that the net investment may be impaired. The impairment, when applicable, is recognised in share of results in associated companies.

Joint arrangements

A joint arrangement is an arrangement of which two or more parties have contractually agreed joint control which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. A joint arrangement is either a joint operation or a joint venture.

Foreign currency items

All transactions in foreign currency are converted to functional currency at the time of the transaction. Monetary items in foreign currency are converted on the balance sheet date into functional currency by using the exchange rate on the balance sheet date.

The consolidated financial statements are presented in euro, which is the functional currency of the parent company.

The functional currency in the subsidiaries is the currency in which the subsidiary reports its legal statutory accounts, and the Group has subsidiaries with functional currencies EUR, SEK, NOK and DKK. When consolidating subsidiaries that have a functional currency other than euro, profit and loss items are converted to the Group's presentation currency at year-to-date average exchange rates published by the European Central Bank.

For balance sheet items reported in other currencies than euro, including goodwill and other assets assumed when accounting for business combinations, the conversion to euro is based on closing rate on the reporting date.

Exchange rates used for translation of reported figures in foreign functional currencies during 2024 are:

EXCHANGE RATES DURING 2024

Functional currencies reported		Average rate 2024	Closing rate 31.12.2024	Average rate 2023	Closing rate 31.12.2023
Swedish krona	SEK	11.4498	11.4590	11.4842	11.0960
Norwegian krone	NOK	11.6495	11.7950	11.4684	11.2405
Danish krone	DKK	7.4579	7.4578	7.4513	7.4529

Translation differences arising from elimination of the cost of foreign subsidiaries and from translation of the foreign subsidiaries' post-acquisition profits and losses are recognised in other comprehensive income and presented as a separate item within equity. Goodwill and the fair value adjustments to the carrying amounts of assets and liabilities of foreign subsidiaries are accounted for as assets and liabilities of the respective foreign subsidiary, which are translated to euro using the closing rate at the reporting date. If these foreign units are entirely or partly disposed, related exchange rate differences are recognised in profit or loss as part of the gain or loss on disposal.

5.2 CHANGES IN GROUP STRUCTURE

Sale of shares in Roal Oy

ABF Overseas Limited ("ABF") has exercised their call option to acquire all of Anora Group Plc's shares in Roal Oy, a former joint operation of Anora Group Plc and ABF, at a fixed purchase price of EUR 7.6 million. The transaction was closed on 28 March 2024. The carrying value of investment in Roal Oy was classified as held for sale in the 2023 financial statements, as described in Note 5.4, and no gain or loss on disposal was recognised in 2024.

Establishment of Anora Lithuania

Anora Lithuania, a wholly owned subsidiary of Anora Group Plc, was officially established on 13 November 2024, with commercial operations set to commence in 2025.

Sale of Larsen business in 2023

Anora Group sold its Larsen cognac business to International Beverage Holdings limited as at 29th of September 2023. The disposal includes Anora's brands Larsen, Renault, Monopol and ibis as well as the company's subsidiary Larsen S.A.S with its production site in Cognac, France and Anora's eaux-de vie maturation stock.

Critical accounting estimate and management judgement regarding sale of Larsen Cognac business was related to the amount of goodwill derecoignised. The derecognised goodwill was determined as the part of the goodwill recorded from the historic purchase of Larsen that was allocated to Spirits business in 2022 (EUR 2.8 million). Management consider that the described method better reflects goodwill associated with the operations disposed compared to the method on the basis of relative values of the operation disposed of and the portion of the cash-generating unit retained.

EUR million	2023
The carrying amounts of assets and liabilities sold as at the date of sale	
Goodwill	2.8
Other intangible assets	2.2
Property plant and equipment	4.2
Inventory	31.4
Trade and other receivables	1.7
Cash and cash equivalents	4.2
Total assets	**46.4**
Deferred tax liabilities	0.1
Employee benefit obligation	0.1
Trade and other payables	1.3
Total liabilities	**1.5**
Net assets sold	**44.9**
Total disposal consideration in cash	**58.5**
Transaction costs	-2.0
Total capital gain	**11.6**

5.3 SUBSIDIARIES

Anora Group Plc had 70 subsidiaries at the end of the reporting period (70 subsidiaries as at 31 December 2023). In some subsidiaries with non-controlling interests, there are put options related to the non-controlling interests. These put options are accounted for separately, see chapter 5.1 Non-controlling interest on how this affects presented non-controlling interests in the income statement and equity.

	Country of incorpo-ration	Parent company's share of ownership (%) 2024	Group's share of ownership (%) 2024	Parent company's share of ownership (%) 2023	Group's share of ownership (%) 2023
Altia Denmark A/S	Denmark	100	100	100	100
Altia Norway AS	Norway	100	100	100	100
Anora Estonia AS	Estonia	100	100	100	100
Anora Germany GmbH	Germany	-	100	-	100
Anora Latvia SIA	Latvia	100	100	100	100
Anora Lithuania	Liettua	100	100	-	-
Anora Prime Brands AS	Norway	-	100	-	100
Anora Sweden AB	Sweden	100	100	100	100
Arcus Brand Lab AS	Norway	-	100	-	100
Arcus Co Brands AS	Norway	-	100	-	100
Arcus Denmark A/S	Denmark	-	100	-	100
Arcus Finland Oy	Finland	-	100	-	100
Arcus-Gruppen AS	Norway	-	100	-	100
Arcus Holding AS	Norway	100	100	100	100
Arcus Norway AS	Norway	-	100	-	100
Arcus Sweden AB	Sweden	-	100	-	100
Arcus Wine Brands AS	Norway	-	100	-	100
Atlungstad Håndverksdestilleri AS	Norway	-	100	-	100
Best Buys International AS	Norway	100	100	100	100
BevCo AS	Norway	-	100	-	100
Bibendum AB	Sweden	-	100	-	100
Bibendum AS	Norway	100	100	100	100
Brews4U Finland Oy	Finland	-	100	-	91
Champagne Sigurd Wongraven AS	Norway	-	100	-	100
Classic Wines AS	Norway	-	100	-	100
Creative Wines AS	Norway	-	100	-	100
Det Danske Spiritus Kompagni A/S	Denmark	-	100	-	100
Excellars AS	Norway	-	100	-	100
Globus Wine A/S	Denmark	-	100	-	100
Globus Wine GmbH[1]	Germany	-	0	-	100
Globus Wine Germany GmbH	Germany	-	100	-	100
Hedoni Wines AS	Norway	-	100	-	100
Heritage Wines Sweden AB	Sweden	-	93.3	-	93.3
Heyday Wines AS	Norway	-	100	-	90.1
Interbev AS	Norway	100	100	100	100
Løiten Brænderis Destillation ANS	Norway	-	100	-	100
De Lysholmske Brenneri og Destillasjonsfabrikker ANS	Norway	-	100	-	100
Merlot HoldCo ApS	Denmark	100	100	100	100
Merlot BidCo ApS[2]	Denmark	-	0	-	100
New Frontier Wines AB	Sweden	-	79.6	-	79.6
Oplandske Spritfabrik ANS	Norway	-	100	-	100
Philipson & Söderberg AB	Sweden	-	100	-	100
Premium Wines AS	Norway	100	100	100	100
Quaffable Wines Sweden AB	Sweden	-	79.6	-	79.6
Siemers & Cos Destillasjon ANS	Norway	-	100	-	100
Social Wines Oy	Finland	-	100	-	100
South Swedish Craft Spirits AB	Sweden	-	100	-	100
Sublime Wines AS	Norway	-	100	-	100
Summit Wines AS	Norway	-	100	-	100
Symposium Wines AS	Norway	-	100	-	100
Strøm AS	Norway	100	100	100	100
Swedish Wine Mafia AB	Sweden	-	99.5	-	99.5
Valid Wines Sweden AB	Sweden	-	94.5	-	94.5
Vectura AS	Norway	-	100	-	100
Vingaraget AB	Sweden	-	100	-	100
Vingruppen AS	Norway	-	100	-	100
Vingruppen Oy	Finland	-	100	-	100
Vingruppen Holding Sweden AB	Sweden	-	100	-	100
Vingruppen i Norden AB	Sweden	-	100	-	100
Vinordia AS	Norway	-	100	-	100
Vinordia Sweden AB	Sweden	-	100	-	100
Vinum Import Oy	Finland	-	98.1	-	98.1
Vinunic AB	Sweden	-	94.5	-	94.5
Vinuniq AS	Norway	-	100	-	100
Vinunic Oy	Finland	-	100	-	100
Von Elk Company Oy	Finland	100	100	100	100
Oy Wennerco Ab	Finland	100	100	100	100
The WineAgency Sweden AB	Sweden	-	99.5	-	99.5
Wineworld Finland Oy	Finland	-	100	-	90
Wineworld Sweden AB	Sweden	-	99.5	-	99.5
Wongraven Wines AS	Norway	-	90	-	90

[1]Globus Wine GmbH was liquidated during 2024
[2]Merlot BidCo Aps has been merged with Merlot HoldCo Aps during 2024

5.4 ASSOCIATED COMPANIES AND JOINT ARRANGEMENTS

Anora has investments in associated companies Palpa Lasi Oy, Tiffon SA, ISH ApS and Beverage Link AS. Palpa Lasi Oy engages in the recycling and re-use of glass beverage packages. Tiffon SA is a cognac producer and the producer of Braastad Cognac. Tiffon SA has official accounting year that ends 30 June every year. Beverage Link As is a jointly owned logistics company between Vectura AS, Skandinavisk Logistik AS and Cuveco AS. ISH ApS is Danish scale-up company in non-alcoholic spirits, wines and ready-to-drink beverages. ISH currently exports to over 15 countries with a special focus on Scandinavia, Western Europe and North America.

Anora had joint control over Roal Oy together with ABF Overseas Limited ("ABF"). In December 2023 ABF notified Anora that they will exercise their call option to acquire Anora Group Plc's shares in Roal Oy. Therefore, as of 31 December 2023 the investment in Roal Oy was classified as held for sale according to criteria met in reference to IFRS 5 Non-current assets held for sale and discontinued operations. The transaction with ABF, that was carried out in March 2024, is described in Note 5.2 Changes in Group Structure. Anora Group Plc received its share of dividend amounting to EUR 0.9 million before the transaction.

During 2024, the associated company ISH ApS carried out a directed share issue and converted some loans to equity, resulting to Anora's share diluting from 26% to 23.48%. The dilution in ownership was recorded as a partial divestment which had non-significant impact on the consolidated income statement and balance sheet.

Accounting policies on associated companies and joint arrangements are described in Note 5.1 General consolidation principles.

SHAREHOLDINGS IN ASSOCIATED COMPANIES AND JOINT ARRANGEMENTS

Company	Nature of relationship	Measurement method	2024 Share of ownership %	2023 Share of ownership %
Roal Oy, Finland	Joint operation	Cost	0.00	50.00
Palpa Lasi Oy, Finland	Associate	Equity	25.53	25.53
Tiffon SA, France	Associate	Equity	34.75	34.75
Beverage Link AS, Norway	Associate	Equity	45.00	45.00
ISH ApS, Denmark	Associate	Equity	23.48	26.00

INVESTMENTS IN ASSOCIATED COMPANIES

	2024			
EUR million	Tiffon SA	ISH ApS	Other[1]	Total
Book value at beginning of the period	7.3	4.4	0.6	12.3
Share of profit during period	-0.1	-0.3	0.6	0.3
Dividend received	0.0	0.0	-0.9	-0.9
Total book value at end of the period	**7.2**	**4.1**	**0.3**	**11.6**

[1]Includes Roal Oy profit and dividends received until disposal.

INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT ARRANGEMENTS

	2023				
EUR million	Roal Oy	Tiffon SA	ISH ApS	Other	Total
Book value at the beginning of the period	7.6	7.2	4.7	1.2	20.7
Additions	0.0	0.0	0.1	0.0	0.1
Share of profit during period	0.9	0.3	-0.4	-0.6	0.2
Dividend received	-0.9	-0.2	0.0	0.0	-1.1
Total	**7.6**	**7.3**	**4.4**	**0.6**	**19.9**
Reclassified to asses held for sale	-7.6	0.0	0.0	0.0	-7.6
Total book value at the end of the period	**0.0**	**7.3**	**4.4**	**0.6**	**12.3**

RECONCILIATION TO CARRYING AMOUNT 2024:

	2024			
EUR million	Tiffon SA	ISH ApS	Other	Total
Group's share of Net assets	7.2	0.2	0.3	7.7
Goodwill	0.0	3.9	0.0	3.9
Total book value at end of the period	**7.2**	**4.1**	**0.3**	**11.6**

RECONCILIATION TO CARRYING AMOUNT 2023:

	2023				
EUR million	Roal Oy	Tiffon SA	ISH ApS	Other	Total
Group's share of Net assets	N/A	7.3	0.1	0.6	8.0
Goodwill	0.0	0.0	4.3	0.0	4.3
Cost price	7.6	0.0	0.0	0.0	7.6
Carrying amount	7.6	7.3	4.4	0.6	19.9
Reclassified to assets held for sale	-7.6	0.0	0.0	0.0	-7.6
Total book value at the end of the period	**0.0**	**7.3**	**4.4**	**0.6**	**12.3**

FINANCIAL SUMMARY OF ASSOCIATED COMPANIES 2024

	2024			
EUR million	Tiffon SA	ISH ApS	Other	Total
Total revenues	9.5	4.4	15.6	**29.5**
Profit for the period	-0.2	-1.2	-1.2	**-2.6**
Current assets	34.8	2.5	6.1	**43.3**
Non-current assets	2.4	0.1	0.0	**2.5**
Current liabilities	2.6	1.8	5.1	**9.5**
Non-current liabilities	13.8	0.0	0.0	**13.8**
Net assets	**20.8**	**0.8**	**1.0**	**22.6**

FINANCIAL SUMMARY OF ASSOCIATED COMPANIES 2023:

	2023			
EUR million	Tiffon SA	ISH ApS	Other	Total
Total revenues	11.3	3.5	13.9	**28.7**
Profit for the period	0.9	-1.5	-2.3	**-3.0**
Current assets	34.2	1.7	5.5	**41.4**
Non-current assets	2.3	0.1	0.0	**2.4**
Current liabilities	2.6	1.5	3.3	**7.4**
Non-current liabilities	12.9	0.0	0.0	**12.9**
Net assets	**21.0**	**0.3**	**2.2**	**23.5**

6 Other notes

6.1 INCOME TAX EXPENSE

Accounting policy - Income tax expense

The Group's income tax expense recognised through profit or loss comprises current tax based on taxable income for the period, any adjustments to tax payable in respect of previous periods, and changes in deferred taxes. Current income tax based on taxable income is calculated according to the local tax regulations of each Group company.

Tax effects related to transactions or other events recognised in profit or loss are recognised in profit or loss. If the taxes relate to items of other comprehensive income or transactions or other events recognised directly in equity, income tax expense is recognised within the respective items. The Group's share of profit or loss in associated companies and joint ventures is reported as calculated from the net profit and thus including the income tax effect.

Deferred tax assets and liabilities are principally recognised for all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The most significant temporary differences arise from intangible assets, property, plant and equipment, right-of-use assets and corresponding lease liabilities, carry forward of unused tax losses and fair value allocations on business combinations. Deferred tax on assets and liabilities arising from single transactions are presented in a net basis in the income statement and in the balance sheet but are shown with gross values in the deferred tax notes. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax liabilities are recognised in full. Deferred taxes are calculated using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax is recognised for foreign subsidiaries undistributed earnings only when related tax effects are probable.

Deferred tax assets and liabilities are set off when they are levied by same taxing authority and Anora has legally enforceable right to set off the balances.

The legislation implementing the OECD Pillar Two model rules came into effect from January 1, 2024 onwards. Anora applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023. The Pillar Two legislation does not have a material impact on Anora's income taxes.

Critical estimates and management judgements – Deferred tax assets

Judgment is required in assessing whether deferred tax assets are recognised on the balance sheet. Deferred tax assets are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits. Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These future cash flow estimates depend on estimates of future sales volumes, price levels of main raw materials, capital expenditure and other components affecting profitability of the operations. These estimates and assumptions are subject to risk and uncertainty hence it is possible that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets recognised on the balance sheet and the amount of any other tax losses and temporary differences not yet recognised. Anora's ability to generate taxable profit is also subject to general economic, financial, competitive, legislative and regulatory factors that are beyond its control. If Anora generates lower future taxable profits than what management has assumed in determining the amounts of the recognised deferred tax assets, the assets would be impaired, either partly or in full. Accordingly, amounts recognised in balance sheet could potentially be reversed through profit and loss. Changes in circumstances may also result in recognition of deferred tax assets for tax losses that previously have not been recognised as an asset.

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INCOME TAX EXPENSE

EUR million	2024	2023
Current tax expense	-4.5	-4.4
Adjustments to taxes for prior periods	0.1	0.8
Change in deferred taxes	0.8	17.4
Total	**-3.7**	**13.9**

RECONCILIATION OF TAX EXPENSE

The reconciliation of the tax expense recognised in profit and loss and the tax expense calculated using Anora Group's domestic corporate tax rate (20.0%):

EUR million	2024	2023
Result before taxes	14.7	-53.9
Income tax using the parent company tax rate	-2.9	10.8
Effect of tax rates of subsidiaries in foreign jurisdictions	0.0	1.8
Non-taxable income	0.3	1.3
Non-deductable expenses	-1.1	-0.4
Adjustments to taxes for prior periods	0.1	0.8
Share of profit in assocated companies, net of tax	0.1	-0.1
Tax on undistributed earnings	-0.1	-0.3
Other items	-0.1	0.0
Total	**-3.7**	**13.9**

INCOME TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME

2024 EUR million	Before tax	Tax	Net of tax
Cash flow hedges	2.2	-0.3	1.9
Translation differences	-6.9	0.0	-6.9
Remeasurements of post-employment benefit obligations	-0.3	0.1	-0.2
Total	**-5.0**	**-0.2**	**-5.2**

2023 EUR million	Before tax	Tax	Net of tax
Cash flow hedges	-6.7	1.0	-5.7
Translation differences	-12.8	0.0	-12.8
Remeasurements of post-employment benefit obligations	-0.1	0.0	-0.1
Total	**-19.7**	**1.0**	**-18.6**

DEFERRED TAX ASSETS AND LIABILITIES

Change in deferred tax assets and liabilities EUR million	1. Jan. 24	Recognised in profit or loss	Recognised in OCI	Acquired /disposed business	Exhange rate differences	31. Dec. 24
Deferred tax assets:						
Tax losses	3.7	-0.8	-	-	-0.0	2.9
Fixed assets	2.2	0.1	-	-	-0.2	2.1
Lease Liabilities	29.1	-2.3	-	-	-1.1	25.7
Inventory	-0.7	-0.6	-	-	0.0	-1.3
Pension benefits	0.5	0.0	0.1	-0.0	0.0	0.6
Other temporary differences	1.5	-0.8	-0.0	-	-0.1	0.7
Total deferred tax assets	**36.4**	**-4.5**	**0.1**	**0.0**	**-1.4**	**30.6**
Offset against deferred tax liabilities	-36.5	4.5	-0.1	0.0	1.4	-30.6
Net deferred tax assets	**0.0**	**-**	**-**	**-**	**-**	**-**
Deferred tax liabilities:						
Fixed assets	4.8	0.1	-	-	-0.4	4.4
Right-of-use assets	14.6	-1.5	-0.0	-	-0.4	12.8
Recognised in hedge reserve	-0.1	-0.2	0.2	-	0.0	-0.1
Fair value allocation on acquisitions	41.2	-2.1	-	-	-0.9	38.3
Deductable goodwill depreciation	9.1	-0.1	-	-	-0.2	8.8
Undistributed profits of foreign subsidiaries	1.6	-0.6	-	-	0.0	1.0
Other temporary differences	1.7	-0.8	-	-	-0.2	0.7
Total deferred tax liabilities	**73.0**	**-5.2**	**0.2**	**-**	**-2.0**	**65.9**
Offset against deferred tax assets	-36.5	4.5	-0.1	0.0	1.4	-30.6
Net deferred tax liabilities	**36.5**	**-0.8**	**0.1**	**0.0**	**-0.6**	**35.4**

DEFERRED TAX ASSETS AND LIABILITIES

Change in deferred tax assets and liabilities EUR million	1. Jan. 23	Recognised in profit or loss	Recognised in OCI	Acquired /disposed business	Exhange rate differences	31. Dec. 23
Deferred tax assets:						
Tax losses	3.7	0.2	-	-	-0.2	3.7
Fixed assets	-	2.1	-	-	0.1	2.2
Lease Liabilities	31.4	-0.6	-	-	-1.6	29.1
Inventory	-	-0.7	-	-	-	-0.7
Pension benefits	0.6	0.0	-0.0	-0.0	-0.0	0.5
Other temporary differences	0.5	1.0	-	-0.0	-0.0	1.5
Total deferred tax assets	**36.2**	**2.1**	**-0.0**	**-0.0**	**-1.8**	**36.4**
Offset against deferred tax liabilities	-35.6	-2.9	0.2	-	1.9	-36.5
Net deferred tax assets	**0.6**	**-0.8**	**0.2**	**-0.0**	**0.0**	**0.0**
Deferred tax liabilities:						
Fixed assets	4.6	-0.1	-	0.3	-0.0	4.8
Right-of-use assets	29.7	-13.3	-	-	-1.8	14.6
Recognised in hedge reserve	1.1	-0.2	-1.0	-	-	-0.1
Fair value allocation on acquisitions	45.2	-1.9	-	-	-2.1	41.2
Deductable goodwill depreciation	9.3	-0.2	-	-	0.0	9.1
Undistributed profits of foreign subsidiaries	1.3	0.3	-	-	0.0	1.6
Other temporary differences	1.7	-	-	-	0.0	1.7
Total deferred tax liabilities	**92.9**	**-15.3**	**-1.0**	**0.3**	**-3.8**	**73.0**
Offset against deferred tax assets	-35.6	-2.9	0.2	0.0	1.9	-36.5
Net deferred tax liabilities	**57.3**	**-18.2**	**-0.9**	**0.3**	**-1.9**	**36.5**

On 31 December 2024, the Group had EUR 0.5 million (2023: EUR 0.8 million) of tax loss carry forwards for which no deferred tax was recognised. Anora's management estimates these losses arise in subsidiaries which have neither indication of future taxable income nor other convincing evidence that tax losses can be utilised and deferred tax asset be recognised in balance sheet.

6.2 COLLATERALS, COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES

EUR million	2024	2023
Collaterals and commitments		
Collaterals given on behalf of Group companies		
Mortgages	18.5	18.5
Guarantees	11.8	13.0
TOTAL COLLATERALS	**30.3**	**31.5**
Commitments		
Short-term and low value lease obligations;		
Less than one year	0.3	0.3
Between one and five years	0.2	0.3
Total short-term and low value lease obligations	0.4	0.6
Other commitments	3.2	2.3
TOTAL COMMITMENTS	**3.6**	**2.9**

Collaterals given on behalf of Group companies all relate to commitments to authorities. Short-term and low value obligations consist mainly of IT equipment. Other commitments include mainly purchase obligations of wine.

Anora has made commitments related to the acquisition of fixed assets amounting to EUR 0.9 million for the year 2025.

Accounting policy – Emission allowances

The Group participates in the European Union emission trading scheme, where it has been granted a certain number of carbon dioxide emission allowances for a certain period of time, free of charge. Anora Group Plc discloses its carbon dioxide emission allowances granted free of charge on net basis. The emission allowances granted free are recognised on zero-value. If the Group has sufficient amount of allowances to cover the obligation to deliver allowances corresponding to the amount of emissions made, the obligation is recognised as corresponding value of emissions (zero value). The Group does not recognise income or expenses arising from emission allowances through profit or loss when the emission allowances granted are sufficient to cover the obligation to deliver allowances corresponding to the amount of emissions made. If the realised emissions exceed the granted emission allowances, the obligation arising from the excess emissions is recognised at fair value as a liability in the balance sheet at the reporting date. If the realised emissions fall below the granted emission allowances, the difference is not recognised in the balance sheet, but it is disclosed in the notes to the financial statements, measured at fair value.

Anora's actual emissions are below the emission allowances granted. The following table presents changes in allowances for financial years 2024 and 2023 as well as their fair values:

EUR million	2024	2023
Emissions allowances received	22.6	22.6
Excess emission allowances from the previous period	1.0	2.0
Sold emission allowances	-	-2.0
Realised emissions	-15.4	-21.6
Emission allowances at 31 December	**8.2**	**1.0**
Fair value of emission allowances at		
31 December, EUR million	0.3	0.1

Anora continues to operate within the emission trading system for the trading period 2021–2030.

6.3 RELATED PARTY TRANSACTIONS

The Company's related parties include the subsidiaries, associated companies and joint arrangements. The subsidiaries are presented in Note 5.3 and the associated companies and joint arrangements in Note 5.4. Related party transactions with associated companies and joint arrangements are not eliminated in the Group's consolidated financial statements.

Related parties also include the Board of Directors, the CEO, the members of the Executive Management Team and their family members as well as entities controlled or jointly controlled by these persons. Also, entities that are controlled or jointly controlled by, or are associates of the State of Finland, are related parties of Anora based on the fact that the State of Finland has significant influence over Anora. However, Anora has applied the exemption to report only material transactions with the government related entities. Transactions with related parties are entered into on market terms. Anora has related party transactions on a continuous basis with its major customer Alko.

The following transactions have taken place with related parties:

EUR millon	2024	2023
Sale of goods and services		
Associates, joint ventures and joint operations	0.3	1.0
Finnish government related entity	85.8	91.6
Total	**86.1**	**92.7**
Purchases of goods and services		
Associates, joint ventures and joint operations	4.8	5.8
Shareholder	2.0	2.2
Finnish government related entity	1.0	1.3
Total	**7.8**	**9.3**
Outstanding balances from sales and purchases of goods and services		
Receivables		
Associates, joint ventures and joint operations	0.0	0.1
Finnish government related entity	2.0	3.0
Total	**2.0**	**3.1**
Payables		
Associates, joint ventures and joint operations	0.2	0.2
Shareholder	0.1	0.3
Finnish government related entity	0.1	0.1
Total	**0.4**	**0.6**
Loans granted		
Associated companies	0.1	-
Total	**0.1**	**-**

MANAGEMENT REMUNERATION

EUR million	2024	2023
CEO		
Salaries and other short-term employee benefits	0.7	0.6
Pension benefits	0.1	0.1
TOTAL	**0.8**	**0.7**
Members of the Executive Management Team (CEO not included)		
Salaries and other short-term employee benefits	1.7	1.5
Performance bonus and the bonuses from long-term incentive plan	0.3	0.0
Pension benefits[1]	0.1	0.2
TOTAL	**2.1**	**1.7**

[1] Include only supplementary pensions

No monetary loans have been granted to the CEO or the members of the Board of Directors, nor any collaterals or commitments granted on their behalf.

In October 2024, the CEO of Anora Group Plc informed the company of his desire to retire and resign from the position of the CEO once the Board of Directors has appointed a successor. The CEO doesn't have any supplementary pension insurance paid by the Group. The Board of Directors has initiated a recruitment process to appoint a new CEO.

MANAGEMENT'S SHAREHOLDINGS

Executive Management	Position	Number of shares at 31 Dec 2024	Number of shares at 31 Dec 2023
Jacek Pastuszka	CEO	0	0
Stein Eriksen	CFO	0	n/a
Janne Halttunen	SVP, Wine	9 300	9 300
Kirsi Puntila	SVP, Spirits	6 666	6 666
Risto Gaggl	SVP, Industrial	0	0
Johanna Sundén	Chief People and Communications Officer (CPCO)	0	0
Mikkel Pilemand	Chief Growth Officer (CGO)	6 000	0
Thomas Heinonen	Group General Counsel	4 375	n/a
Sigmund Toth	Former CFO	n/a	14 057
Hannu Tuominen	Former SVP, Industrial	n/a	9 600
Kirsi Lehtola	Former Chief Human Resource Officer (CHRO)	n/a	5 100
Total		**26 341**	**44 723**
% of total shares		0,04%	0,07%

BOARD OF DIRECTOR'S COMPENSATION AND SHAREHOLDINGS

Board of Director's	Position	Fees 2024, EUR	Feer 2023 EUR	Shareholding at 31 Dec 2024, Number of shares	Shareholding at 31 Dec 2023, Number of shares
Michael Holm Johansen	Chairperson of the Board	102 282	99 532	80 000	80 000
Jyrki Mäki-Kala	Vice Chairperson of the Board	72 100	71 500	13 600	13 600
Kirsten Ægidius	Board member	51 400	50 600	6 100	6 100
Christer Kjos	Board member	51 750	52 800	0	0
Annareetta Lumme-Timonen	Board member	51 100	51 600	4 600	4 600
Torsten Steenholt	Board member	48 450	51 000	20 000	20 000
Florence Rollet	Board member	53 300	47 000	4 620	4 620
Arne Larsen	Board member	1 800	9 600	0	0
Jussi Mikkola	Board member	9 650	8 400	100	100
Former board members:					
Sanna Suvanto-Harsaae	Vice Chairperson of the Board until 19 April 2023	n/a	4 800	n/a	n/a
Ingeborg Flønes	Board member until 19 April 2023	n/a	4 200	n/a	n/a
Total		**441 832**	**451 032**	**129 020**	**129 020**
% of total shares				0,19 %	0,19 %

6.4 SHARE-BASED PAYMENTS

Anora Group has a share-based long-term incentive scheme for the company's management and selected key employees, which are settled in shares. The scheme comprises a Performance Share Plan for the top management and other key employees and a Restricted Share Plan as a complementary structure for individually selected key employees in specific situations. In 2022, the complementary structure was a Bridge Plan to cover the transition period into the integrated business operations of Anora Group.

The objectives of the share-based long-term incentive scheme are to align the interests of Anora Group's management and key employees with those of the company's shareholders and, thus, to promote shareholder value creation in the long term, to commit management and key employees to achieving Anora Group's strategic targets, and the retention of Anora Group's key resources.

The scheme consists of annually commencing individual performance share plans with a three-year vesting period except for the Bridge Plan, whose vesting period was two years, followed by the payment of the potential share rewards. The potential share rewards will be paid in listed shares of Anora Group. The commencement of each new plan is subject to a separate decision of Anora Group's Board of Directors.

The payment of the rewards is conditional on the achievement of the performance targets which the Board of Directors has set for the plan. The value of the reward payable to participants based on the plans is limited by a share price development-based cutter. If the individual's employment with Anora Group terminates before the payment of the reward, the individual is, as a main rule, not entitled to any reward based on the respective plan.

Accounting policy – Share based payments

The granted shares are measured at fair value at the grant date and are recognised as personnel expenses over the vesting period with corresponding increase in equity. Non-market conditions are not included in fair value of share-based instruments but in the number of instruments that are expected to vest. At each reporting period closing date, the estimates about number of instruments are revised and the impact is recognised in income statement.

Share Plans

Bridge Plan for the years 2022-2023

The Bridge Plan was established to cover specific incentive, and retention needs during the transaction related transition period during which the joint businesses of Altia Plc and Arcus ASA were integrated in connection with the formation of Anora Group.

The Bridge Plan was a one-off plan commencing effective as of the beginning of 2022 and its performance period covered the years 2022–2023. The payment of the share rewards was conditional on the achievement of the certain performance targets which the Board of Directors set for the plan. These performance targets were not met, and no rewards based on this Bridge Plan were paid in 2024.

Performance share plan 2022–2024

The performance share plan 2022-2024 (PSP 2022-2024) is effective as of the beginning of 2022 and the share rewards payable thereunder will be paid during H1 2025. The performance measures based on which the potential share reward under PSP 2022–2024 will be paid, are revenue growth, earnings per share (EPS), the relative total shareholder return of the Company's share and a measure linked to the reduction of CO_2 emissions. Eligible for participation in PSP 2022–2024 are 29 individuals, including the members of Anora Group's Executive Management Team.

If all the performance targets set for this plan are fully achieved, the aggregate maximum number of shares to be paid based on this plan is approximately 250,517 shares, referring to gross earnings before the withholding of the applicable payroll tax.

Restricted share plan 2022-2024

The individual plan 2022-2025 within the RSP structure is effective as of the beginning of 2022 and the potential share rewards thereunder will be paid during H1 2025 at the latest. Eligible for participation is one individual, and the vesting conditions is employment requirement. The aggregate maximum number of shares to be paid based on the plan is approximately 8,000 shares referring to gross earnings before the withholding of the applicable payroll tax.

Performance share plan 2023–2025

The performance share plan 2023-2025 (PSP 2023-2025) is effective as of the beginning of 2023 and the share rewards payable thereunder will be paid during H12026. The performance measures based on which the potential share reward under PSP 2023-2025 will be paid, are revenue growth, earnings per share (EPS), the relative total shareholder return of the Company's share and a measure linked to ESG – Sustainalytics ESG Risk Rating Score. Eligible for participation in PSP 2023-2025 are 35 individuals, including the members of Anora Group's Executive Management Team.

If all the performance targets set for this plan are fully achieved, the aggregate maximum number of shares to be paid based on this plan is approximately 358,133 shares, referring to gross earnings before the withholding of the applicable payroll tax.

Performance share plan 2024-2026

The performance share plan 2024-2026 is effective as of the beginning of 2024 and the share rewards payable thereunder will be paid during H1 2027. The performance measures based on which the potential share reward under PSP 2024-2026 will be paid, are revenue growth, earnings per share (EPS), the relative total shareholder return of the Company's share and a measure linked to ESG – Sustainalytics ESG Risk Rating Score. Eligible for participation are 40 individuals, including the members of Anora Group's Executive Management Team.

If all the performance targets set for this plan are fully achieved, the aggregate maximum number of shares to be paid based on the plan is approximately 891,000 shares, referring to gross earnings before the withholding of the applicable payroll tax.

Restricted share plan 2024-2026

The individual plan 2024-2026 within the RSP structure is effective as of the beginning of 2024 and the potential share rewards thereunder will be paid during H1 2027 at the latest. Eligible for participation is one individual, and the vesting conditions is employment requirement. The aggregate maximum number of shares to be paid based on the plan is approximately 8,000 shares referring to gross earnings before the withholding of the applicable payroll tax.

Share-based payments recognised as expenses in the income statement amount to EUR 0.2 million (2023: 0.0 million).

Plan	Bridge Performance Share Plan 2022-2023	Performance Share Plan 2022	Performance Share Plan 2023	Performance Share Plan 2024	Restricted Share Plan 2022	Restricted Share Plan 2024
Type	Share	Share	Share	Share	Share	Share
Instrument	Performance Period 2022-2023	Performance Period 2022-2024	Performance Period 2023-2025	Performance Period 2024-2026	Restricted Share Plan 2022-2024	Restricted Share Plan 2024-2026
Grant date	17.6.2022	17.6.2022	6.3.2023	15.3.2024	1.3.2024	9.8.2024
Beginning of earning period	1.1.2022	1.1.2022	1.1.2023	1.1.2024		
End of earning period	31.12.2023	31.12.2024	31.3.2025	31.3.2026		
Vesting date	31.3.2024	31.3.2025	31.3.2026	31.3.2027	1.4.2025	1.4.2027
Vesting conditions	Revenue, EPS, Relative TSR & ESG	Revenue, EPS, Relative TSR & ESG	Revenue, EPS, Relative TSR & ESG	Revenue, EPS, Relative TSR & ESG	Employment requirement	Employment requirement
Maximum contractual life, years	2.25	3.25	3.25	3.25	1.08	2.64
Remaining contractual life, years	-	0.25	1.25	2.25	0.25	2.25
Number of persons at the end of reporting year	-	29	35	40	1	1
Payment method	Equity	Equity	Equity	Equity	Equity	Equity
Changes during period						
Outstanding in the beginning of the period	223 000	304 517	442 933	0	0	0
Granted during period	0	0	114 400	1 259 000	8 000	8 000
Forfeited during period	-223 000	-54 000	-199 200	-368 000	0	0
Extercised during period	0	0	0	0	0	0
Outstanding at the end of the period	0	250 517	358 133	891 000	8 000	8 000
Valuation parameters for instruments granted during period						
Shareprice at grant, EUR	4.80					
Shareprice at reporting period end, EUR	2.84					
Expected dividends, EUR	0.69					
Risk free rate, %	2.7%					
Volatility, %	23.4%					
Valuation model	Monte Carlo					
Fair value 31.12, EUR	550 220					

6.5 EVENTS AFTER THE REPORTING PERIOD

Anora announced on March 7, 2025 that Kirsi Puntila (born 1970), M.Sc. (Econ.), has been appointed as the new CEO of Anora Group Plc effective immediately. Kirsi Puntila has been with Anora since 2014. Her most recent position has been Senior Vice President, Spirits. Previously in her career, Kirsi has served as the Spirits Category Director of Altia and as Marketing Director, Altia Brands. Prior to this, she served in various international roles at Pernod Ricard companies, most recently as the Global Marketing Manager, based in Stockholm and London.

The Board of Directors of Anora Group Plc announced on 14 February 2025 that it has approved the commencement of a new plan period within the share-based long-term incentive scheme for the management and selected key employees. Eligible for participation in PSP 2025-2027 are approximately 40 individuals, including the members of Anora Group's Executive Management Team. More information on the plan is available in the stock exchange release published on February 12, 2025.

No significant other events occurred between the end of the financial year and the date on which Anora Group Plc consolidated financial statements and parent company financial statements were approved for publication.

Parent company financial statements

ANORA GROUP PLC INCOME STATEMENT (FAS)

EUR million	Note	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
NET SALES	1.	**248.6**	**250.4**
Increase (+) / decrease (-) in inventories of finished goods and work in progress		1.4	-5.1
Other operating income	2.	21.2	25.9
Materials and services			
Raw materials, consumables and goods			
Purchases during the period		-153.0	-137.4
Change in inventories		-1.7	-13.1
External services		-0.8	-0.6
Total materials and services		**-155.5**	**-151.1**
Personnel expenses	3.		
Wages and salaries		-27.8	-25.8
Indirect employee expenses			
Pension expenses		-4.5	-4.3
Other indirect employee expenses		-0.7	-0.9
Total personnel expenses		**-33.0**	**-31.1**
Depreciation, amortisation and impairment losses			
Depreciation and amortisation according to plan	8.	-7.0	-9.0
Total depreciation, amortisation and impairment losses		**-7.0**	**-9.0**
Other operating expenses	4.	-61.6	-61.0
OPERATING RESULT		**14.2**	**19.1**

EUR million	Note	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
Finance income and expenses	5.		
Income from Group companies		15.0	33.1
Income from participating interests		0.9	0.9
Other interest and finance income			
From Group companies		4.8	4.3
From others than Group companies		11.8	18.3
Impairment losses on investments in non-current assets		-10.4	-58.7
Interest and other finance expenses			
To Group companies		-7.3	-2.5
To others than Group companies		-15.6	-25.2
Total finance income and expenses		**-0.9**	**-29.6**
RESULT BEFORE APPROPRIATIONS AND TAXES		**13.2**	**-10.6**
Appropriations	6.		
Depreciation difference increase (-) / decrease (+)		0.5	1.0
Income tax expense	7.		
Current period taxes		-1.2	-2.4
Deferred taxes		0.3	0.4
Other direct taxes		0.0	0.0
Total income taxes		**-0.8**	**-2.0**
RESULT FOR THE PERIOD		**12.9**	**-11.5**

ANORA GROUP PLC BALANCE SHEET (FAS)

EUR million	Note	31 Dec 2024	31 Dec 2023
ASSETS			
NON-CURRENT ASSETS	8.		
Intangible assets			
Intangible rights		2.1	0.4
Other capitalized long-term expenditure		4.0	4.0
Prepayments		0.9	1.3
Intangible assets total		**7.0**	**5.8**
Tangible assets			
Land and water areas		2.5	2.5
Buildings and structures		16.9	17.5
Machinery and equipment		21.5	21.5
Other tangible assets		0.5	0.5
Prepayments and assets under construction		6.4	5.3
Tangible assets total		**47.8**	**47.3**
Investments			
Holdings in Group companies		222.7	232.3
Participating interests		5.2	13.2
Other shares and investments		0.6	0.6
Investments total		**228.5**	**246.1**
TOTAL NON-CURRENT ASSETS		**283.3**	**299.1**

EUR million	Note	31 Dec 2024	31 Dec 2023
CURRENT ASSETS			
Inventories	9.		
Materials and supplies		20.4	22.3
Work in progress		4.3	4.0
Finished goods		17.6	16.5
Advance payments		0.3	0.0
Inventories total		**42.5**	**42.8**
Non-current receivables	10.		
Receivables from Group companies		64.0	56.4
Receivables from participating interest undertakings		0.1	-
Deferred tax assets		1.2	0.7
Non-current receivables total		**65.4**	**57.1**
Current receivables	11.		
Trade receivables		28.5	29.9
Receivables from Group companies		113.9	21.4
Receivables from participating interest undertakings		-	0.1
Accrued income and prepaid expenses		4.6	3.2
Current receivables total		**147.0**	**54.6**
Cash at hand and in banks		178.5	131.9
TOTAL CURRENT ASSETS		**433.4**	**286.4**
TOTAL ASSETS		**716.7**	**585.6**

ANORA GROUP PLC BALANCE SHEET (FAS)

EUR million	Note	31 Dec 2024	31 Dec 2023
EQUITY AND LIABILITIES			
Equity	13.		
Share capital		61.5	61.5
Invested unrestricted equity fund		52.2	52.2
Hedge reserve		-0.5	0.4
Retained earnings		33.1	59.5
Profit for the period		12.9	-11.5
TOTAL EQUITY		**159.2**	**162.0**
Appropriations	14.		
Depreciation difference		15.6	16.1
Liabilities			
Non-current	15.		
Loans from financial institutions		160.0	210.0
Loans from pension institutions		3.8	5.3
Deferred tax liabilities		-	0.1
Non-current liabilities total		**163.8**	**215.3**
Current			
Loans from financial institutions		20.0	-
Loans from pension institutions		1.5	1.5
Trade payables		17.1	15.5
Liabilities to Group companies	16.	259.3	91.7
Other liabilities		56.8	63.6
Accrued expenses and deferred income	17.	23.5	19.8
Current liabilities total		**378.2**	**192.1**
TOTAL LIABILITIES		**541.9**	**407.5**
TOTAL EQUITY AND LIABILITIES		**716.7**	**585.6**

ANORA

ANORA GROUP PLC STATEMENT OF CASH FLOWS (FAS)

EUR million	Note	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
CASH FLOW FROM OPERATING ACTIVITIES			
Result before taxes		13.8	-9.5
Adjustments			
Depreciation, amortisation and impairment		7.0	9.0
Gain/loss from disposal of property, plant and equipment and intangible assets		-	-5.7
Finance income and costs		0.9	29.6
Change in depreciation difference		-0.5	-1.0
Other adjustments		-0.3	2.0
Adjustments total		7.1	33.9
Change in working capital			
Change in inventories, increase (-) / decrease (+)		0.3	8.5
Change in trade and other receivables, increase (-) / decrease (+)		1.2	9.1
Change in trade and other payables, increase (+) / decrease (-)		6.5	-6.9
Change in working capital		8.0	10.7
Interest paid		-19.1	-16.2
Interest received		10.6	6.8
Other finance income and expenses paid		-1.8	-2.9
Income taxes paid		-2.4	-2.3
Financial items and taxes		-12.6	-14.5
NET CASH FLOW FROM OPERATING ACTIVITIES		**16.2**	**20.6**

EUR million	Note	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment and intangible assets		-8,7	-9
Proceeds from sale of property, plant and equipment and intangible assets	2.	-	0.5
Investments in subsidiaries		-0.9	-
Investments in participating interests		-	-0.1
Proceeds from disposals of subsidiaries (net of cash)		-	56.5
Proceeds from disposals of associated companies		7.6	
Loans granted to subsidiaries		-49.7	-6.7
Loans granted to participating interests		-0.1	-
Repayments of loans to subsidiaries		41.3	35.9
Dividends received	5.	15.9	34
NET CASH FLOW FROM INVESTING ACTIVITIES		**5.3**	**111.1**
CASH FLOW FROM FINANCING ACTIVITIES			
Changes in commercial paper program		19.8	-30
Changes in current borrowings*	16.	71.4	2.3
Repayment of non-current borrowings	15.	-51.5	-1.5
Dividends paid and other distributions of profits	13.	-14.9	-14.9
NET CASH FLOW FROM FINANCING ACTIVITIES		**24.9**	**-44.0**
CHANGE IN CASH AND CASH EQUIVALENTS		**46.5**	**87.6**
Cash and cash equivalents at the beginning of the period		131.9	44.3
Change in cash and cash equivalents		46.5	87.6
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**178.5**	**131.9**

* The change in current borrowings is impacted by the expansion of the cash pool arrangement

Notes to Anora Group Plc financial statements

Accounting policies for financial statements

The financial statements of the parent company are prepared in accordance with the Finnish accounting legislation.

Non-current assets and depreciations

Non-current assets are recognised in the balance sheet at acquisition cost less depreciation and amortisation. The depreciation periods for non-current assets are:

Trademarks	10–15 years
IT-development and software	3–5 years
Buildings and structures	10–40 years
Machinery and equipment	10 years
Other tangible assets	3–10 years

Holdings in Group companies and other shares and investments included in non-current assets are measured at acquisition cost or fair value, if lower. Holdings in other companies is disclosed in Group notes 5.3.

Inventories

Inventories are measured at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories are measured at the lower of cost and net realisable value. Raw materials, supplies, work in progress and trading goods are measured at weighted average cost. Self-manufactured products and repacked trading goods are measured at standard cost including cost of direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Pension plans

The pension plans of the parent company are arranged through pension insurance companies. Pension expenses are accrued to correspond to the accrual-based salaries in the financial statements.

Cash Pool

The Group has applied the cash pool arrangement, which enables efficient management of the parent company's and subsidiaries' cash and cash equivalents.

Leases

All lease payments are recognised as rental expenses.

Financial Derivatives

Fair value measurement compliant with Chapter 5, section 2a of the Accounting Act is applied to the accounting treatment of financial derivatives.

Derivatives are included in financial assets and liabilities at fair value through profit or loss when they do not meet the criteria of hedge accounting. These derivatives are recognised at fair value on the trade date and they are subsequently measured at fair value at the reporting date. The fair values of derivatives equal the amount that Anora Group Plc would have to pay, or it would receive from the termination of the derivative contract at the reporting date. The fair values of forward exchange contracts are determined by using the market prices at the reporting date. The fair values of interest rate derivatives are determined by discounting the related future cash flows. The valuation of commodity derivatives is determined based on the fair values received from the financial markets.

All derivatives for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy level 1–3. The levels of fair value hierarchy reflect the significance of inputs used in determining the fair values. In level one, fair values are based on public quotations of identical financial instruments. In level two, the inputs used in determining the fair values are based on quoted market rates and prices observable for the asset or liability in question directly (ie. price) or indirectly on discounted future cash flows. Fair values of other financial assets and liabilities in level two reflect their carrying value. In level three, the fair values of assets and liabilities are based on inputs that are not based on observable market data for all significant variables, and instead are, to a significant extent, based on management estimates and their use in generally accepted valuation techniques.

The fair values of the financial instruments are determined by using the market prices on the closing date of the reporting period.

Hedge accounting

The parent company applies hedge accounting when the unrealised change in fair value is recognised in the hedge reserve under equity. In Anora Group Plc, cash flow hedging is applied to part of the interest rate, foreign currency and electricity derivatives based on case-by-case assessment. In cash flow hedging, Anora Group Plc is hedging against changes in cash flows related to a specific asset or liability recognised in the balance sheet or to a highly probable future business transaction. In the beginning of the hedging arrangement, company documents the relationship between each hedging instrument and hedged item, as well as the objectives of risk management and the strategy in engaging in hedging. Effectiveness means the ability of a hedging instrument to offset the changes in the fair value of the hedged item or changes in the cash flows of the hedged transaction attributable to the hedged risk. The hedging relationship is regarded to be highly effective when there is an economic relationship between the hedged item and the value of the hedging instrument, and the value of the hedged item moves to the opposite direction due to same risk. Hedge accounting is discontinued when the criteria for hedge accounting is no longer met.

The gains and losses arising from fair value changes of derivative contracts, to which hedge accounting is applied, are presented in congruence with the hedged item. The effective portion of the unrealised changes in the fair value of derivatives designated and qualifying as cash flow hedges are recognised in the hedge reserve in equity. The ineffective portion is immediately recognised in profit or loss in finance income or expense.

The cumulative gain or loss in equity on derivative instruments related to operative items is recognised in profit or loss as an adjustment to purchases or sales simultaneously with the hedged item in the period in which the hedged item affects profit or loss. Realised gain or loss on electricity derivatives is included in operating result in electricity procurement expenses. When a hedging instrument designated as a cash flow hedge expires, is sold or no longer meets the criteria of hedge accounting, the gain or loss accumulated in equity is recognised through profit or loss either as an adjustment to purchases or sales when hedging is effective or as finance income or expense when hedge accounting criteria is not met.

Research and development expenditure

Research and development expenditure is recognised as an expense as incurred.

Financial securities

Financial securities are recognised at acquisition cost or probable value, if lower.

Receivables

Receivables are measured at face value or probable value, if lower.

Sale of trade receivables

The sold receivables are derecognised when the receivable has been sold and the payment for it has been received. The related costs are recognised in other financial expenses.

Non-current financial liabilities

Non-current financial liabilities are recognised at acquisition cost.

Income taxes

Income taxes in the income statement include taxes calculated for the financial year based on Finnish tax legislation, adjustments to taxes in previous financial years and the change in deferred taxes.

Foreign currency denominated items

Foreign currency denominated receivables and liabilities are translated into euros at the rates of the closing date of the reporting period.

ANORA

1. NET SALES

EUR million	2024	2023
Net sales by business areas		
Wine	41.5	34.0
Spirits	99.7	96.0
Industrial products	59.0	72.2
Total sales of products	**200.2**	**202.2**
Contract manufacturing services	48.3	48.1
Logistics services	0.1	0.1
Total sale of services	48.4	48.2
TOTAL	**248.6**	**250.4**
Net sales by geographic areas		
Finland	182.3	191.1
Europe	64.4	57.9
Rest of the world	1.9	1.4
TOTAL	**248.6**	**250.4**

2. OTHER OPERATING INCOME

EUR million	2024	2023
Rental income	1.3	1.2
Income from energy sales	4.4	4.0
Proceeds from disposal of non-current assets[1]	-	5.7
Service income	12.2	12.6
Other income[2]	3.3	2.3
TOTAL	**21.2**	**25.9**

[1]Comparison period includes sales gain of trademarks related to sale of Larsen SAS (EUR 5.3 million)
[2]Comparison period includes sales gain of inventory related to sale of Larsen SAS (EUR 0.8 million). See also Group Note 5.2. for more information.

3. NOTES RELATED TO PERSONNEL

EUR million	2024	2023
Wages and salaries	-27.8	-25.8
Pension expenses	-4.5	-4.3
Other social expenses	-0.7	-0.9
TOTAL	**-33.0**	**-31.1**

EUR million	2024	2023
Fringe benefits (taxable value)	-0.6	-0.7

The average number of personnel during the reporting period	2024	2023
Workers	198	196
Clerical employees	221	227
TOTAL	**419**	**423**

EUR million	2024	2023
CEO	-0.8	-0.6
Board members	-0.4	-0.5

Share-based incentive plans
More information about share-based incentive plans is presented in Group Note 6.4 Share-based payments.

Pension commitments of the Board and CEO
The CEO's pension commitments have been managed with a defined contribution pension insurance.

4. OTHER OPERATING EXPENSES

EUR million	2024	2023
Rental expenses	-1.7	-1.6
Marketing expenses	-9.5	-6.9
Energy expenses	-9.5	-9.5
Travel and representation expenses	-1.3	-1.2
Repair and maintenance expenses	-7.0	-7.1
IT expenses	-10.3	-9.2
Outsourcing services	-7.7	-11.2
Variable sales expenses	-5.4	-5.8
Other expenses	-9.3	-8.5
TOTAL	**-61.6**	**-61.0**
Auditor's fees		
Audit fees	-0.5	-0.5
Other fees	-0.1	-0.1
TOTAL	**-0.6**	**-0.6**

Environmental expenses
The Company's environmental expenses did not have a significant impact on the result for the period and on the financial position.

5. FINANCE INCOME AND EXPENSES

EUR million	2024	2023
Dividend income		
From Group companies	15.0	33.1
From participating interest undertakings	0.9	0.9
Total dividend income	**15.9**	**34.0**
Interest income		
From Group companies	4.8	4.3
From others	5.9	2.5
Total interest income	**10.7**	**6.9**
Other finance income		
From others [1]	5.9	15.8
Total other finance income	**5.9**	**15.8**
TOTAL FINANCE INCOME	**32.5**	**56.7**
Interest expenses		
To Group companies	-7.3	-2.5
To others	-11.8	-13.6
Total interest expenses	**-19.1**	**-16.1**
Other finance expenses		
To others		
Impairment losses on investments in non-current assets [2]	-10.4	-58.7
Other finance expenses	-3.9	-11.6
Total other finance expenses	**-14.3**	**-70.3**
TOTAL FINANCE EXPENSE	**-33.4**	**-86.4**
TOTAL FINANCE INCOME AND EXPENSES	**-0.9**	**-29.6**

EUR million	2024	2023
The following items are included in finance items of the income statement from fair value hedges:		
Other finance income		
Other finance expenses		
Fair value changes of derivatives	-0.2	-0.2

[1]Other finance income 2024 includes gain from sale of shares of Roal Ltd (EUR 4.5 million), other finance income 2023 includes gain from sale of shares of Larsen SAS (EUR 6.6 million). See also Group Note 5.2. for more information.
[2]Impairment losses on investments in non-current assets includes write-downs of shares in subsidiaries. See Note 8 for more information.

6. APPROPRIATIONS

EUR million	2024	2023
Difference between depreciations according to plan and depreciations made in taxation:		
Intangible rights	0.0	0.7
Other intangible assets	0.1	-0.4
Buildings and structures	0.1	0.3
Machinery and equipment	0.3	0.4
Other tangible assets	0.0	0.0
TOTAL	**0.5**	**1.0**

7. INCOME TAX EXPENSE

EUR million	2024	2023
Income taxes from current period	-1.2	-2.4
Income taxes from previous periods	0.0	0.0
Change in deferred tax assets and liabilities	0.3	0.4
TOTAL	**-0.8**	**-2.0**

8. SPECIFICATION OF NON-CURRENT ASSETS

EUR million	2024	2023
Intangible assets		
Intangible rights		
Acquisition cost at 1 January	17.7	33.2
Additions	2.0	0.1
Disposals	-0.1	-15.6
Transfers between items	0.0	0.1
Acquisition cost at 31 December	19.6	17.7
Accumulated amortisation at 1 January	-17.3	-30.1
Accumulated amortisation on disposals and transfers	0.1	13.8
Amortisation for the period	-0.2	-1.0
Accumulated amortisation at 31 December	-17.5	-17.3
CARRYING AMOUNT AT 31 DECEMBER	**2.1**	**0.4**
Goodwill		
Acquisition cost at 1 January	18.7	18.7
Acquisition cost at 31 December	18.7	18.7
Accumulated amortisation at 1 January	-18.7	-18.7
Accumulated amortisation at 31 December	-18.7	-18.7
CARRYING AMOUNT AT 31 DECEMBER	**-**	**-**
Other intangible assets		
Acquisition cost at 1 January	30.9	27.7
Additions	0.4	1.2
Transfers between items	1.1	2.0
Acquisition cost at 31 December	32.4	30.9
Accumulated amortisation at 1 January	-26.9	-24.4
Amortisation for the period	-1.5	-2.5
Accumulated amortisation at 31 December	-28.4	-26.9
CARRYING AMOUNT AT 31 DECEMBER	**4.0**	**4.0**
Prepayments in intangible assets		
Acquisition cost at 1 January	1.3	2.1
Additions	0.7	1.3
Transfers between items	-1.1	-2.1
CARRYING AMOUNT AT 31 DECEMBER	**0.9**	**1.3**

EUR million	2024	2023
Tangible assets		
Land and water areas		
Acquisition cost at 1 January	2.5	2.5
CARRYING AMOUNT AT 31 DECEMBER	**2.5**	**2.5**
Buildings and structures		
Acquisition cost at 1 January	102.7	100.6
Additions	0.5	1.2
Transfers between items	0.7	0.9
Disposals	-0.2	-0.1
Acquisition cost at 31 December	103.6	102.7
Accumulated depreciation at 1 January	-85.2	-83.3
Accumulated depreciation on disposals and transfers	0.2	0.1
Depreciation for the period	-1.8	-1.9
Accumulated depreciation at 31 December	-86.7	-85.2
CARRYING AMOUNT AT 31 DECEMBER	**16.9**	**17.5**
Machinery and equipment		
Acquisition cost at 1 January	111.1	125.1
Additions	1.7	1.8
Transfers between items	1.8	1.1
Disposals	-0.3	-16.9
Acquisition cost at 31 December	114.3	111.1
Accumulated depreciation at 1 January	-89.6	-103.0
Accumulated depreciation on disposals and transfers	0.3	16.9
Depreciation for the period	-3.5	-3.5
Accumulated depreciation at 31 December	-92.7	-89.6
CARRYING AMOUNT AT 31 DECEMBER	**21.5**	**21.5**
Other tangible assets		
Acquisition cost at 1 January	0.5	0.5
Acquisition cost at 31 December	0.5	0.5
CARRYING AMOUNT AT 31 DECEMBER	**0.5**	**0.5**
Prepayments and assets under construction		
Acquisition cost at 1 January	5.3	4.0
Additions	3.5	3.4
Transfers between items	-2.5	-2.1
CARRYING AMOUNT AT 31 DECEMBER	**6.4**	**5.3**
CARRYING AMOUNT OF MACHINERY AND EQUIPMENT USED IN PRODUCTION AT 31 DECEMBER	**21.3**	**21.2**

EUR million	2024	2023
Investments		
Holdings in Group companies		
Acquisition cost at 1 January	450.8	485.1
Additions	0.9	-
Disposals	-	-34.3
Acquisition cost at 31 December	451.7	450.8
Accumulated impairment at 1 January	-218.6	-159.9
Impairment	-10.4	-58.7
Accumulated impairment at 31 December	-229.0	-218.6
CARRYING AMOUNT AT 31 DECEMBER	**222.7**	**232.3**
Participating interests		
Acquisition cost at 1 January	13.2	13.0
Additions	-	0.1
Transfer to holdings in group companies	-8.0	-
CARRYING AMOUNT AT 31 DECEMBER	**5.2**	**13.2**
Other shares and investments		
Acquisition cost at 1 January	0.6	0.6
CARRYING AMOUNT AT 31 DECEMBER	**0.6**	**0.6**

During the financial year ended 2024 Anora Group Plc conducted an evaluation of the book values of subsidiary shares as required by the Finnish Accounting Act (KPL 5:13 §). As part of this evaluation, it was determined that the fair value of certain subsidiary shares had fallen below their book value due to poor financial performance of the subsidiaries and Group internal restructuring. Consequently, impairment losses were recognised. The amount of the impairment is EUR 10.4 million, which is presented under "Financial income and expense" in the income statement.

During year 2023 Anora Group Plc sold its Larsen cognac business, including shares of Larsen, inventory and trademarks. Sales gain from shares EUR 6.6 million is included in Finance income (Note 5). Sales gain from trademarks and inventory totaling EUR 6.1 million is included in Other operating income (Note 2). Selling expenses EUR 2.0 million were posted in Other operating expenses and have been reducing the total sales gain. See more information also in Group note 5.2.

9. INVENTORY

The provision for obsolescence amounted to EUR 1.5 million (EUR 0.3 million).

10. NON-CURRENT RECEIVABLES

EUR million	2024	2023
Receivables from Group companies		
Loan receivables	64.0	56.4
Receivables from Group companies		
Loan receivables	**0.1**	**-**
Deferred tax assets		
Recognised in hedge reserve	0.1	-
Non-deductible interest expenses	0.1	0.4
Fixed assets deferred depreciations	-	0.3
Deferred tax assets total	1.2	0.7
TOTAL NON-CURRENT RECEIVABLES	**65.4**	**57.1**

11. CURRENT RECEIVABLES

EUR million	2024	2023
Receivables from Group companies		
Trade receivables	8.7	8.1
Loan receivables	0.3	0.3
Cash Pool receivables	95.1	1.9
Other receivables	3.2	3.5
Derivatives	0.2	1.5
Accrued income and prepaid expenses	6.4	6.2
Total	**113.9**	**21.4**
Receivables from participating interest undertakings		
Trade receivables	-	0.1
Total	**-**	**0.1**
Receivables from others		
Trade receivables [1]	28.5	29.9
Accrued income and prepaid expenses	4.6	3.2
Total	**33.1**	**33.1**
TOTAL CURRENT RECEIVABLES	**147.0**	**54.6**
Accrued income and prepaid expenses		
Significant items in accrued income and prepaid expenses:		
Derivatives	1.9	0.8
Others	0.6	-
Total	**4.6**	**3.2**

1 Does not include the sold trade receivables

12. DISCLOSURES ON FAIR VALUES (DERIVATIVES)

EUR million	2024			2023		
	Fair value 31 Dec	Changes in the fair value recognised in the income statement	Changes in the fair value recognised in fair value reserve	Fair value 31 Dec	Changes in the fair value recognised in the income statement	Changes in the fair value recognised in fair value reserve
Derivative instruments						
Interest rate derivatives (level 2)	-1.0	-	-1.0	-	-	-
Foreign exchange derivatives (level 2)	0.1	-0.2	0.3	-0.6	-0.2	-0.4
Commodity derivatives (level 2)	0.0	-	0.0	0.8	-	0.8
TOTAL	**-0.9**	**-0.2**	**-0.7**	**0.2**	**-0.2**	**0.4**

13. EQUITY

EUR million	2024	2023
Restricted equity		
Share capital at 1 January	61.5	61.5
Share capital at 31 December	61.5	61.5
Hedge reserve at 1 January	0.4	4.4
Additions and disposals	-0.9	-4.1
Hedge reserve at 31 December	**-0.5**	**0.4**
Total restricted equity	**61.0**	**61.9**
Unrestricted equity		
Invested unrestricted equity fund at 1 January	52.2	52.2
Invested unrestricted equity fund at 31 December	**52.2**	**52.2**
Retained earnings at 1 January	48.0	74.4
Distribution of dividends	-14.9	-14.9
Profit for the period	12.9	-11.5
Retained earnings at 31 December	**46.1**	**48.0**
Total unrestricted equity	**98.3**	**100.2**
TOTAL EQUITY	**159.2**	**162.0**

EUR million	2024	2023
Distributable unrestricted equity		
Calculation of distributable equity:		
Invested unrestricted equity fund	52.2	52.2
Retained earnings at 1 January	48.0	74.4
Distribution of dividends	-14.9	-14.9
Profit for the period	12.9	-11.5
TOTAL DISTRIBUTABLE UNRESTRICTED EQUITY	**98.3**	**100.2**
Company's share capital:		
Number of shares outstanding at the end of the period	67,553,624	67,553,624

14. APPROPRIATIONS

EUR million	2024	2023
Depreciation difference		
Intangible rights	0.1	0.1
Other intangible assets	0.6	0.7
Buildings and structures	0.6	0.7
Machinery and equipment	14.3	14.6
Other tangible assets	0.0	0.0
TOTAL	**15.6**	**16.1**

15. LIABILITIES

EUR million	2024	2023
Non-current		
Loans from financial institutions	160.0	210
Loans from pension institutions	3.8	5.3
Deferred tax liabilities	-	0.1
TOTAL	**163.8**	**215.3**

16. LIABILITIES TO GROUP COMPANIES

EUR million	2024	2023
Trade payables	2.6	0.7
Cash Pool liabilities	253.6	88.9
Derivative instruments	1.5	-
Other accrued expenses	1.6	2.2
TOTAL	**259.3**	**91.7**

ANORA

17. ACCRUED EXPENSES AND DEFERRED INCOME

EUR million	2024	2023
Significant items under accrued expenses:		
Holiday pay and other wages and salaries	6.9	5.7
Contract discount	1.2	0.9
Procurement expenses and other accrued expenses	14.0	10.6
Taxes	-	0.6
Derivative instruments	1.4	2.1
TOTAL	**23.5**	**19.8**

18. COLLATERALS AND COMMITMENTS

EUR million	2024	2023
Collaterals given on behalf of the Group companies		
Mortgages	18.5	18.5
Guarantees	10.5	7.1
TOTAL COLLATERALS	**29.0**	**25.6**
Commitments and other contingencies		
Operating and finance lease obligations		
Not later than one year	0.8	0.7
Later than one year	0.8	0.8
Total	**1.6**	**1.5**
Lease obligations		
Not later than one year	0.7	0.7
Later than one year	2.2	2.9
Total	**3.0**	**3.7**
Other obligations		
Not later than one year	3.2	2.3
Total	**3.2**	**2.3**
TOTAL COMMITMENTS	**7.7**	**7.5**

Anora has made commitments related to the acquisition of fixed assets amounting to EUR 0.9 million for the year 2025.

VAT liability for real estate investments

The company is liable to review VAT deductions made for real estate investments completed in 2016–2024 if the use subject to VAT decreases during the review period. The maximum liability is EUR 1.1 million and the last year to review is 2033.

Derivative contracts

EUR million	2024	2023
Electricity derivatives		
Fair value	0.0	0.8
Nominal value	0.9	1.2
Amount (TWh)	0.0	0.0
Parent company's external forward exchange contracts		
Fair value	1.4	-2.1
Nominal value	178.2	101.5
Parent company's internal forward exchange contracts		
Fair value	-1.3	-1.5
Nominal value	89.4	49.9
Interest rate derivatives		
Fair value	-1.0	-
Nominal value	40.0	-

Emission allowances

Kilotons	2024	2023
Emission allowances received	22.6	22.6
Excess emission allowances from the previous year	1.0	2.0
Sold emission allowances	-	-2.0
Realised emissions	-15.4	-21.6
EMISSION ALLOWANCES AT 31 DECEMBER	**8.2**	**1.0**
Fair value of the remaining emission allowances, EUR thousand	0.3	0.1

The emission allowances received during year 2024 and the realised emissions are estimates, which will be adjusted during 2025. Anora Group continues to operate within the emission trading system for the trading period 2021–2030.

19. RELATED PARTY TRANSACTIONS

Related party transactions are carried out at ordinary commercial terms. More information about related party transactions is presented in Group Note 6.3. Management remuneration is presented in Group Note 6.3.

Board of Directors' proposal for the distribution of profits

According to the balance sheet at 31 December 2024, the parent company's distributable funds amount to EUR 98.3 million including profit for the period of EUR 12.9 million. There have been no significant changes to the parent company's financial position after the end of the financial year.

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.22 per share be paid for the financial year 2024.

Statements and signatures to the Board of Directors' Report and to the financial statements

The financial statements, prepared in accordance with the applicable accounting rules, provide a true and fair view of the assets, liabilities, financial position, and profit of both the company and the entities included in its consolidated financial statements as a whole.

The Board of Directors' Report gives a true and fair description of the development and result of the business activities of both the company and the entities included in its consolidated financial statements, as well as a description of the significant risks and uncertainties and other aspects of the company's state.

The Sustainability Statement included in the Board of Directors' Report has been prepared following the reporting standards referred to in Chapter 7 of the Accounting Act and Article 8 of the Taxonomy Regulation.

Helsinki, 18 March 2025

Michael Holm Johansen Chairman	Kirsten Ægidius	Christer Kjos
Florence Rollet	Jyrki Mäki-Kala	Torsten Steenholt
Jussi Mikkola	Annareetta Lumme-Timonen	Kirsi Puntila CEO

The Auditors' Note

An auditor's report concerning the performed audit has been given to date.

Helsinki, 18 March 2025

PricewaterhouseCoopers Oy
Authorised Public Accountants

Markku Katajisto
Authorised Public Accountant

Auditor's Report

(Translation of the Finnish Original)

To the Annual General Meeting of Anora Group Oyj

Report on the Audit of the Financial Statements

Opinion

In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report to the Audit Committee.

What we have audited

We have audited the financial statements of Anora Group Oyj (business identity code 1505555-7) for the year ended 31 December 2024. The financial statements comprise:

- the consolidated balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, which include material accounting policy information and other explanatory information
- the parent company's balance sheet, income statement, cash flow statement and notes.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, the non-audit services that we have provided to the parent company and group companies are in accordance with the applicable law and regulations in Finland and we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014. The non-audit services that we have provided are disclosed in note 1.6 to the Financial Statements.

Our Audit Approach

Overview

- Overall group materiality: € 6,4 million (previous year € 5,5 million)

- The group audit included the parent company and the most significant subsidiaries covering the majority of net sales, assets and liabilities.

- Revenue recognition
- Valuation of inventories
- Valuation of tangible and intangible assets

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial statements as a whole.

Overall group materiality	€ 6,4 million (previous year € 5,5 million)
How we determined it	Approximately 0,9 % of net sales
Rationale for the materiality benchmark applied	We chose net sales as the benchmark because it provides a consistent year-on-year basis for determining materiality. In addition, it is a benchmark against which the performance of the group is commonly measured by users. We used approximately 0,9 % of net sales, which is within the range of acceptable quantitative materiality thresholds in auditing standards.

How we tailored our group audit scope

We tailored the scope of our audit, taking into account the structure of the Anora Group, the industry in which it operates, the accounting processes and controls, and the size, complexity and risks of individual subsidiaries.

Anora Group operates mainly in the Nordic countries and Baltics. Audits were performed for group companies which were considered significant either due to their size or their specific nature and risk characteristics, covering the majority of revenue, assets and liabilities of the group. For the remaining reporting units, we performed other procedures to confirm there were no significant risks of material misstatement in the group financial statements.

Based on these procedures, we have obtained a sufficient amount of appropriate audit evidence in order to be able to express an opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matter in the audit of the group	How our audit addressed the key audit matter
Revenue recognition Refer to note 1.2 in the consolidated financial statements. The group's revenue flows are generated from the sale of own products and partner brands, contract manufacturing, sale of industrial products and sale of logistic services. The transaction price may include variable considerations such as volume discounts, bonuses, marketing support and product returns. Due to a variety of contractual terms, the calculation of the period's variable consideration is an accounting area that requires management judgement. Given the factors described above, we have considered variable consideration to be a key audit matter. We have also considered that the transactions occurring close to year-end are subject to risk of being recorded prematurely.	Our audit procedures included e.g. the following: – We gained an understanding of the nature of the revenue streams and different contractual terms used and assessed the group's accounting policies over revenue recognition. – We gained an understanding of the relevant controls established in relation to revenue. – We compared the accounting treatment of sales transactions and variable considerations on a sample basis to the terms of the underlying sales agreements. – We recalculated, on a sample basis, transactions related to variable considerations to the underlying contract and compared the actual amounts recorded to the previously recorded accruals to assess the accuracy of historical estimates. – We obtained customer confirmations for selected revenue transactions and accounts receivable balances. – We examined a sample of credit notes issued during 2024 and subsequent to year end to relevant supporting documents. – We tested a sample of sales transactions recorded in December 2024 and January 2025 to evaluate whether revenue had been recognised in the right period.
Valuation of inventory Refer to note 2.4 in the consolidated financial statements Inventory forms a significant part of the current assets, amounting to € 139 million as of 31 December 2024. Inventories are measured at the lower of cost and net realisable value. Raw materials, supplies, work in progress and trading goods are measured at weighted average cost. Finished products are measured at standard cost including cost of direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, representing approximation of actual cost under weighted average cost formula. The allocation of fixed costs is based on normal operating capacity. Management exercises judgement and applies assumptions when estimating the need for an obsolescence provision. This includes identification of slow moving and seasonal products, changes in product portfolio and consideration of sales forecasts. Given the factors described above, we have considered valuation of inventory to be a key audit matter.	Our audit procedures included e.g. the following: – We gained an understanding of the controls established in relation to inventory valuation. – We tested the key reconciliations between the general ledger and inventory subledgers. – We assessed the adequacy of the obsolescence provision and checked adherence to the group's accounting policy. – We compared the cost of finished products and trading goods to their sales prices to confirm whether they are held at the lower of cost and net realisable value. – For a sample of storage locations, we attended the physical stock-take counting. This included observation and inquiries in relation to overall inventory condition. Additionally for selected inventories held by third party we obtained confirmations.

Key audit matter in the audit of the group	How our audit addressed the key audit matter
Valuation of tangible and intangible assets Refer to note 2.1, 2.2 and 2.3 in the consolidated financial statements Goodwill is one of the most significant balances in the group's financial statements, amounting to € 299 million at year-end. Other intangible assets amount to € 194 million and tangible assets, including right-of-use assets, amount to € 122 million. Goodwill is allocated to Wine and Spirits cash generating units. Management tests goodwill for potential impairment annually and whenever there is an indication that the carrying value may be impaired through comparing the recoverable amount against the carrying value of each cash generating unit. Impairment tests are performed at operating segment level. The recoverable amounts are determined using the value in use method. Other intangible and tangible assets are tested for impairment annually or only when indicators of impairment exist. Management performed impairment testing on the above mentioned balances. Based on the impairment testing performed by management no impairment was recognised in 2024. Valuation of goodwill and other assets involves a high level of management judgement in relation to the number of underlying assumptions used to determine the recoverable amount, including the revenue growth, EBITDA, capital expenditures, working capital, market rentals, royalty rates and discount rates applied to free cash-flows. Due to its financial significance and the high level of management judgement we have concluded that valuation of goodwill and other intangible and tangible assets is a key audit matter.	Our audit of goodwill and other intangible and tangible assets focused on critical estimates and management's judgement. We have assessed the appropriateness of these through the following procedures: – We obtained an understanding and evaluated the methodology applied in calculations of recoverable amount for relevant cash generating units by comparing it to the requirements of IAS 36, "Impairment of Assets". – We evaluated management's future cash flow forecasts and the process by which they were drawn up, including comparing them to the latest Board approved budgets, and assessing reasonableness of future sales and profitability projections post the budget period. – We compared the current year actual results to the figures for the financial year ended 31 December 2023 included in the prior year impairment models to assess accuracy of management's historic forecasts. – We evaluated the process related to cash flow estimations applied in value-in-use calculations. This included management estimations relating to future net sales and profitability as well applied discount rates. – We involved our valuation experts to assess the reasonableness of the discount rates and long-term growth rates used in goodwill impairment testing. – Our property valuation experts evaluated market rentals and discount rates used in the calculation of recoverable amount of the production and logistics leased facilities. – We considered the appropriateness of assumptions used in the sensitivity analysis performed by management. – We considered the adequacy of the related disclosures provided in note 2.1 and 2.2 of the group's financial statements.
We have no key audit matters to report with respect to our audit of the parent company financial statements	
There are no significant risks of material misstatement referred to in Article 10(2c) of Regulation (EU) No 537/2014 with respect to the consolidated financial statements or the parent company financial statements.	

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or to cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Requirements

Appointment

We were first appointed as auditors by the annual general meeting on 29 March 2016. Our appointment represents a total period of uninterrupted engagement of 9 years.

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report but does not include the financial statements or our auditor's report thereon.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions, excluding the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions. Our opinion does not cover the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki 18 March 2025

PricewaterhouseCoopers Oy

Authorised Public Accountants

Markku Katajisto

Authorised Public Accountant (KHT)

Independent Auditor's Reasonable Assurance Report on Anora Group Plc's ESEF Financial Statements

(Translation of the Finnish Original)

To the Management of Anora Group Plc

We have been engaged by the Management of Anora Group Plc (business identity code 1505555–7) (hereinafter also "the Company") to perform a reasonable assurance engagement on the Company's consolidated IFRS financial statements for the financial year 1.1.–31.12.2024 in European Single Electronic Format ("ESEF financial statements") version anor-2024-12-31-0-fi.zip.

Management's Responsibility for the ESEF Financial Statements

The Management of Anora Group Plc is responsible for preparing the ESEF financial statements so that they comply with the requirements as specified in the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 ("ESEF requirements"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of ESEF financial statements that are free from material noncompliance with the ESEF requirements, whether due to fraud or error.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express an opinion on the ESEF financial statements based on the procedures we have performed and the evidence we have obtained.

We conducted our reasonable assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the ESEF financial statements are free from material noncompliance with the ESEF requirements.

A reasonable assurance engagement in accordance with ISAE 3000 (Revised) involves performing procedures to obtain evidence about the ESEF financial statements compliance with the ESEF requirements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material noncompliance of the ESEF financial statements with the ESEF requirements, whether due to fraud or error. In making those risk assessments, we considered internal control relevant to the Company's preparation of the ESEF financial statements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, Anora Group Plc's ESEF financial statements for the financial year ended 31.12.2024 comply, in all material respects, with the minimum requirements as set out in the ESEF requirements.

Our reasonable assurance report has been prepared in accordance with the terms of our engagement. We do not accept, or assume responsibility to anyone else, except for Anora Group Plc for our work, for this report, or for the opinion that we have formed.

Helsinki 18 March 2025

PricewaterhouseCoopers Oy

Authorised Public Accountants

Markku Katajisto

Authorised Public Accountant (KHT)

Assurance Report on the Sustainability Statement (Translation of the Finnish Original)

To the Annual General Meeting of Anora Group Plc

We have performed a limited assurance engagement on the group sustainability statement of Anora Group Plc (business identity code 1505555-7) that is referred to in Chapter 7 of the Accounting Act and that is included in the report of the Board of Directors for the reporting period 1.1.–31.12.2024.

Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the group sustainability statement does not comply, in all material respects, with

1) the requirements laid down in Chapter 7 of the Accounting Act and the sustainability reporting standards (ESRS);
2) the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (EU Taxonomy).

Point 1 above also contains the process in which Anora Group Plc has identified the information for reporting in accordance with the sustainability reporting standards (double materiality assessment).

Our opinion does not cover the tagging of the group sustainability statement in accordance with Chapter 7, Section 22, of the Accounting Act, because sustainability reporting companies have not had the possibility to comply with that requirement in the absence of the ESEF regulation or other European Union legislation.

Basis for Opinion

We performed the assurance of the group sustainability statement as a limited assurance engagement in compliance with good assurance practice in Finland and with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

Our responsibilities under this standard are further described in the Responsibilities of the Authorised Group Sustainability Auditor section of our report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Authorised Group Sustainability Auditor's Independence and Quality Management

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our engagement, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our firm applies International Standard on Quality Management ISQM 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director of Anora Group Plc are responsible for:

- the group sustainability statement and for its preparation and presentation in accordance with the provisions of Chapter 7 of the Accounting Act, including the process that has been defined in the sustainability reporting standards and in which the information for reporting in accordance with the sustainability reporting standards has been identified
- the compliance of the group sustainability statement with the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088;
- such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of a group sustainability statement that is free from material misstatement, whether due to fraud or error.

Inherent Limitations in the Preparation of a Sustainability Report

In reporting forward-looking information in accordance with ESRS, management of the Company is required to prepare the forward-looking information on the basis of assumptions that have been disclosed in the sustainability statement about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Responsibilities of the Authorised Group Sustainability Auditor

Our responsibility is to perform an assurance engagement to obtain limited assurance about whether the group sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the group sustainability statement.

Compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) requires that we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Identify and assess the risks of material misstatement of the group sustainability statement, whether due to fraud or error, and obtain an understanding of internal control relevant to the engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Design and perform assurance procedures responsive to those risks to obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Description of the Procedures That Have Been Performed

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The nature, timing and extent of assurance procedures selected depend on professional judgment, including the assessment of risks of material misstatement, whether due to fraud or error. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures included for example the following:

- We interviewed the company's management and the individuals responsible for collecting and reporting the information contained in the group sustainability statement at the group level and, as well as at different levels and business areas of the organization to gain an understanding of the sustainability reporting process and the related internal controls and information systems.
- We familiarised ourselves with the background documentation and records prepared by the company where applicable, and assessed whether they support the information contained in the group sustainability statement.
- We performed a site visit at the company's production facility in Rajamäki, Finland.
- We assessed the company's double materiality assessment process in relation to the requirements of the ESRS standards, as well as whether the information provided about the assessment process complies with the ESRS standards.
- We assessed whether the sustainability information contained in the group sustainability statement complies with the ESRS standards.
- Regarding the EU taxonomy information, we gained an understanding of the process by which the company has identified the group's taxonomy-eligible and taxonomy-aligned economic activities, and we assessed the compliance of the information provided with the regulations.

Helsinki 18 March 2025
PricewaterhouseCoopers Oy
Authorised Public Accountants

Tiina Puukkoniemi
Authorised Sustainability Auditor

ANORA

BUSINESS OVERVIEW

REPORT BY THE BOARD OF DIRECTORS

SUSTAINABILITY REVIEW

GOVERNANCE

FINANCIAL STATEMENTS

KEY RATIOS OF THE GROUP

Key ratios of the Group

EUR million		2024	2023	2022	2021	2020
Income statement						
Net sales	EUR million	692.0	726.5	702.7	478.2	342.4
Comparable EBITDA	EUR million	68.9	68.2	76.1	71.7	52.4
(% of net sales)	%	10.0	9.4	10.8	15.0	15.3
EBITDA	EUR million	61.3	67.5	67.9	62.9	40.3
Comparable operating result (EBIT)	EUR million	42.0	34.8	42.9	51.2	35.0
(% of net sales)	%	6.1	4.8	6.1	10.7	10.2
Operating result	EUR million	34.5	-31.3	34.7	42.4	22.9
Result before taxes	EUR million	14.7	-53.9	23.4	38.6	21.3
Result for the period	EUR million	11.1	-39.9	18.1	31.2	17.8
Items affecting comparability (EBITDA)	EUR million	-7.6	-0.7	-8.2	-8.8	-12.1
Items affecting comparability (EBIT)	EUR million	-7.6	-66.1	-8.2	-8.8	-12.1
Balance sheet						
Cash and cash equivalents	EUR million	181.5	212.7	91.4	168.9	130.7
Total equity	EUR million	398.7	408.7	481.4	507.9	156.3
Non-controlling interest	EUR million	0.9	0.5	0.9	0.9	-
Borrowings	EUR million	185	216.3	247.5	162.6	116.1
Invested capital	EUR million	583.7	624.1	728.9	670.5	272.4
Profitability						
Return on equity (ROE)	%	2.7	-9.0	3.6	9.3	11.6
Return on invested capital (ROI)	%	5.6	-1.7	4.2	7.4	7.7
Net debt/comparable EBITDA		1.8	2.0	1.8	-0.1	0.6

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Key ratios of the Group

EUR million		2024	2023	2022	2021	2020
Financing and financial position						
Net debt	EUR million	121.6	137.5	300.9	126.0	-3.9
Gearing	%	30.5	33.7	62.5	24.8	-2.5
Equity ratio	%	37.3	35.9	37.0	41.2	34.3
Net cash flow from operating activities	EUR million	33.2	135.3	-0.4	50.8	56.1
Net debt/comparable EBITDA		1.8	2.0	4.0	1.8	-0.1
Share-based key ratios						
Earnings / share (Basic)	EUR	0.16	-0.59	0.26	0.67	0.49
Earnings / share (Diluted)	EUR	0.15	-0.58	0.26	0.67	0.49
Equity / share	EUR	5.9	6.04	7.13	7.52	4.33
Dividend per share	EUR	0.22	0.22	0.22*	0.45	0.75
Dividend/earnings	%	141.2	-37.2	83.1*	67.6	152.2
Effective dividend yield	%	7.7	5.0	3.0*	4.1	7.5
Price/Earnings		17.8	-7.4	27.8	16.3	20.3
Closing share price on the last day of trading	EUR	2.84	4.36	7.36	10.86	9.98
Highest	EUR	5.5	7.69	11.04	12.00	10.40
Lowest	EUR	2.69	3.98	6.62	9.62	7.01
Market value of shares at the end of period	EUR million	191.9	294.5	497.2	733.6	360.7
Number of shares outstanding at the end of period		67,553,624	67,553,624	67,553,624	67,553,624	36,140,485
Personnel						
Personnel end of period		1,211	1,219	1,251	1,055	637
Average number of personnel		1,230	1,273	1,159	799	650

Reconciliation of alternative performance measures (APM) to IFRS figures and items affecting comparability (IAC)

EUR million	2024	2023
Items affecting comparability		
Net gains or losses from business and assets disposals	0.2	12.3
Cost for closure of business operations and restructurings	-2.5	-7.1
Costs related to the merger of Altia and Arcus	-	-1.3
Additional inventory impairment	-3.8	-
Inventory fair valuation	-	-0.3
Other major corporate projects	-1.5	-4.3
Total items affecting comparability in EBITDA	**-7.6**	**-0.7**
Impairment losses, tangible and intangible assets	-	-65.4
Total items affecting comparability in EBIT	**-7.6**	**-66.1**
Comparable EBITDA		
Operating result	34.5	-31.3
Less:		
Depreciation, amortisation and impairment	26.8	98.8
Total items affecting comparability	7.6	0.7
Comparable EBITDA	**68.9**	**68.2**
% of net sales	10.0	9.4
Comparable EBIT		
Operating result	34.5	-31.3
Less:		
Total items affecting comparability	7.6	66.1
Comparable EBIT	42.0	34.8
% of net sales	6.1	4.8

ANORA

The definitions and reasons for the use of financial key indicators

Key figure	Definition	Reason for the use
Gross profit	Total net sales + total operating income – material and services	Gross profit is the indicator to measure the performance
Gross margin, %	Gross profit / Total net sales	
EBITDA	Operating result before depreciation and amortization	EBITDA is the indicator to measure the performance of the Group.
EBITDA margin, %	EBITDA / Net sales	
Comparable operating result	Operating result excluding items affecting comparability	Comparable EBITDA, comparable EBITDA margin, comparable operating result and comparable operating margin are presented in addition to EBITDA and operating result to reflect the underlying business performance and to enhance comparability from period to period. Anora believes that these comparable performance measures provide meaningful supplemental information by excluding items outside normal business, which reduce comparability between the periods. Comparable EBITDA is an internal measure to assess performance of Anora and key performance measure at segment level together with net sales. Comparable EBITDA is commonly used as a base for valuation purposes outside the Company and therefore important measure to report regularly.
Comparable operating margin, %	Comparable operating result / Net sales	
Comparable EBITDA	EBITDA excluding items affecting comparability	
Comparable EBITDA margin, %	Comparable EBITDA / Net sales	
Items affecting comparability	Material items outside normal business, such as net gains or losses from business and assets disposals, impairment losses, cost for closure of business operations and restructurings, major corporate projects including direct transaction costs related to business acquisitions and the merger, merger related integration costs, expenses arising from the fair valuation of inventories in connection with merger, voluntary pension plan change, and costs related to other corporate development.	
Invested capital	Total equity + Borrowings	Base for ROI measure.
Return on equity (ROE), %	Result for the period (rolling 12 months) / Total equity (average of reporting period and comparison period)	This measure can be used to evaluate how efficiently Anora has been able to generate results in relation to the equity of the Company.
Return on invested capital (ROI), %	(Result for the period + Interest expenses) (rolling 12 months) / (Total equity + Non-current and current borrowings) (average of reporting period and comparison period)	This measure is used to evaluate how efficiently Anora has been able to generate net results in relation to the total investments made to the Company.

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The definitions and reasons for the use of financial key indicators

Key figure	Definition	Reason for the use
Borrowings	Non-current borrowings + Current borrowings	Net debt is an indicator to measure the total external debt financing of the Group.
Net debt	Borrowings + Non-current and current lease liabilities - Cash and cash equivalents	Net debt is an indicator to measure the total external debt financing of the Group.
Gearing, %	Net debt / Total equity	Gearing ratio helps to show financial risk level and it is a useful measure for management to monitor the level of Group's indebtedness. Important measure for the loan portfolio.
Equity ratio, %	Total equity / (Total assets -Advances received)	Equity/assets ratio helps to show financial risk level and it is a useful measure for management to monitor the level of Group's capital used in the operations.
Net debt / Comparable EBITDA	Net debt / Comparable EBITDA	
Earnings / share	Result for the period attributable to shareholders of the parent company/Share-issue adjusted number of shares during the period	
Equity/share	Equity attributable to shareholders of the parent company / Share- issue adjusted number of shares at the end of period	
Dividend/share	Dividend distribution for period/Number of shares (basic) at the end of period	
Dividend / earnings %	Dividend/share / Earnings/ share	
Effective dividend yield %	Dividend/share / Price of share at the end of the accounting period	
Price / earnings	Price of share at the end of accounting period / Earnings/share	
Market value of outstanding shares	The number of shares at the end of accounting period x the price of the share at the end of accounting period.	

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