

ENVIRONMENTAL, SOCIAL, GOVERNANCE TEAR SHEET

2020



OATLY 2020 ESG TEAR SHEET

The following tear sheet contains disclosure of certain relevant environmental, social, and governance (ESG) metrics relating to Oatly's business, as well as those included in the Sustainability Accounting Standards Board (SASB) standards for the Non-Alcoholic Beverages sector. The disclosures in this report are also aligned with the United Nations Sustainable Development Goals (UN SDGs) as indicated per section. This document discloses ESG data for Oatly for the period January 1, 2020 through December 31, 2020, unless otherwise noted.



ABOUT OATLY

We are the world's original and largest oat drink company. For over 25 years, we have exclusively focused on developing expertise around oats: a global power crop with inherent properties suited for sustainability and human health. Our commitment to oats has resulted in core technical advancements that enabled us to unlock the breadth of the dairy portfolio, including milks, ice cream, yogurt, cooking creams, spreads and on-the-go drinks.

ACTIVITY METRICS

METRIC	2020	2019
Revenue (\$MM)	421.4	204.0
Full time employees	792	520
Volume of products produced (L)*	299,400,000	165,600,000
Volume of products sold (L)	289,900,000	144,700,000
SASB: FB-NB-000.A		
Number of production facilities**	3	3
SASB: FB-NB-000.B		

*We use volume of products produced to calculate our environmental intensity metrics.

**These metrics represent the number of owned production facilities as of year-end for the given year. We had two new facilities open in 2019.

ABOUT SUSTAINABILITY AT OATLY

Sustainability is at the core of our business and actionable in our products. On average, oat drink products consumed in place of cow's milk products result in a lower climate impact*. This equation is our primary mechanism for impact. Our products make it easy for people to turn what they eat and drink into personal moments of healthy joy without excessively taxing the planet's resources. Beyond the inherent properties of our products, we execute a sustainability agenda across our value chain that encompasses agriculture, innovation, production, advertising and more.

Sustainability at Oatly is far more than achieving certain key performance indicators and corporate policies—it is a mindset that helps us navigate business decisions and build a culture that is singularly focused on expanding the boundaries of the plant-based movement.

You can read more about our 2020 sustainability efforts in our **SUSTAINABILITY UPDATE** and our exciting plans for the future in our **SUSTAINABILITY PLAN**.

*Poore, J., & Nemecek, T. (2018). Reducing food's environmental impacts through producers and consumers. *Science*, 360(6392), 987-992. (With additional calculations for the BBC's food calculator provided by J. Poore on oat drink, almond drink, and rice drink.) <https://doi.org/10.1126/science.aag0216>

FORWARD-LOOKING STATEMENTS

This Environmental, Social, Governance Tear Sheet 2020 (the "ESG Tear Sheet") contains forward-looking statements regarding our future business expectations and objectives and our environmental, social and governance goals, which involve risks and uncertainties. Actual results may differ materially from the results anticipated depending on a variety of important factors, including without limitation the risks detailed in our filings with the U.S. Securities and Exchange Commission. In relation to the ESG Tear Sheet, we are (wholly or in part) reliant on public sources of information and information provided by our own suppliers and business partners.

ENVIRONMENT



Sustainability is a core value and focus for Oatly. We take into account our environmental impact in our decision-making processes, so we can introduce better solutions in the areas where they exist or develop new ones where they don't. We know the importance of continuous improvements in all aspects of our business, and so we systematically work to improve and refine our environmental management system and our environmental performance.

- People are the heart of our company, and we make sure employees have the resources they need to be safe at our sites and to have the information they need to understand how their work impacts the environment. Oatly's Environmental Policy is available to all staff in our internal Quality Management system.
- We have key indicators of environmental performance that we report on annually to hold ourselves accountable. And, we have practicable methods to improve our environmental performance.
- We hold our producers, suppliers and partners to high standards, as they share in our goals and visions for a more sustainable food system. For more information please see Supply Chain Management section under Governance.

GHG EMISSIONS AND CLIMATE CHANGE

METRIC	2020
Scope 1 emissions (MTCO2e)	4,260
Scope 1 emissions intensity (kg/Liters produced)	0.014
Scope 2 emissions (MTCO2e)	3,763
Scope 2 emissions intensity (kg/Liters produced)	0.013
Scope 3 emissions (MTCO2e)*	159,080
	Purchased goods and services 90,916
	Fuel and energy-related activities 3,996
	Waste generated in operations 243
	Upstream transportation and distribution 63,174
	Business travel 751
Scope 3 emissions intensity (kg/Liters produced)	0.531

GHG emissions reductions efforts

As we've increased our production volume, (in 2020 it was +81% compared to 2019), we've also increased our total corporate climate impact. The two main drivers of our CO2e emissions are transportation and cultivation of ingredients. In 2020, we also improved our reporting system with a more standardized inventory of GHG emission factors.

While overall energy intensity improved by 8% in 2020 due to increased production efficiency, sourcing renewable energy continues to be a challenge as we expand production to new regions; that meant that in 2020, we saw a decrease in our overall share of renewable energy use. The share of renewable energy for our own production sites is 65%, mainly due to our production site in Sweden that continues to be powered by 100% renewable energy. We will continue to strive toward 100% renewable energy solutions for all of our production. We are also seeking ways to improve the efficiency of the energy used in our factories and exploring opportunities to generate energy onsite.

Climate footprint labeling

We published a climate impact figure for each of our 132 products in Europe and our intention is to calculate footprints in our other regions as well.

For true systemic change, we believe that climate footprint information should always be made available and that climate footprint declarations should be required for all food companies. Not only would that level of transparency help consumers make informed decisions before buying a product, but companies would be encouraged to take more responsibility for their climate impact.

*With respect to corporate-level disclosures relating to greenhouse gas emissions, Oatly is following the Greenhouse Gas Protocol. The reported emissions for the Scope 3 category represent an estimate based on a number of assumptions. As a result, the estimates reported in this category may be above or below actual emissions, potentially by a significant amount. Our ability to verify the assumptions and information used to calculate these metrics (whether now, in the past, or in the future) may be limited by the integrity of the underlying data available at the relevant point in time and the status and evolution of global, supranational and national laws, guidelines and regulations in relation to the tracking and provision of such data. Therefore, such information is provided on a reasonable efforts basis and is subject to change.

ENERGY MANAGEMENT

SASB: FB-NB-130a.1

	2020	2019
Operational energy consumed (kWh)	161,539,035	96,688,978
Operational energy intensity (kWh/Liters produced)**	0.540	0.584
Percentage renewable energy***	49%	63%

**Operational energy intensity included above is based on overall operational energy consumed at a corporate level, and is therefore a different metric than "energy use" disclosed in the 2019 and 2020 Sustainability Reports, which is based on factory-level output.

***Includes electricity and thermal energy for both owned operations and our co-manufacturers' operations. With respect to our co-manufacturing operations, we rely on information provided by third parties, which may be difficult to verify.

FLEET FUEL MANAGEMENT

SASB: FB-NB-110a.1

Fleet fuel consumed
(Percentage renewable
fleet fuel)

Oatly is continuously thinking about the future of freight, especially since we do not own our fleet of transport vehicles. In Europe, we are using multiple transportation options, including electric truck transport inbound to warehouse and outbound to customers, in partnership with Einride, the Swedish transport company specializing in electric vehicles. After the success of our initial partnership, we are exploring the scalability of our partnership with Einride to other regions around the globe. We are also in the process of developing a new sustainability KPI dashboard to help us track and manage our fleet data.

	2020	2019
Emissions from transportation intensity (kg CO ₂ e/L)	0.207	0.115

Efforts to reduce emissions associated with transportation

In 2020, our transport accounted for about 37% of our overall climate footprint. In 2020 we updated our reporting to include a wider scope of data and to apply a more standard set of GHG emissions factors. This change in emissions factors accounts for a significant portion of the increase in greenhouse gas emissions from transportation from 2019 to 2020. Distribution of finished products is by far the biggest driver of transportation emissions, and more than half of it is due to the shipping of products to Asia from factories in Europe and the U.S. That will continue to be the case as long as global demand for our products outpaces how quickly we can build new sites and processes to distribute them. But as more of our factories come online closer to their end-markets, we will be able to reduce our transportation emissions.

We stay committed to our long-term ambition of shifting to 100% sustainable ground transport (inbound and outbound) for our products and materials, using electric vehicles, rail or vehicles powered by renewable fuels. We will continue to optimize routes and look for the most sustainable local solutions for transport as there is no 'one size fits all' approach. In 2020 we actively pursued measures to reduce our transport climate impact:

- Oatly partnered with Einride to be one of the first companies to digitize and deploy a fleet of electric trucks to deliver liquid oats in Sweden.
- At our production site in Sweden, we reduced the number of terminal trucks, which is about 6,000 liters of reduced consumption of diesel per year. A CO2e estimated savings of 1.8 tons/year.
- We've purposefully designed our warehousing network to optimize proximity to our production facilities and to customer concentration to minimize costs and environmental impacts.
- As with most companies this past year we also faced challenges related to the global pandemic. Air freight became a necessity in 2020 to ensure we could keep delivering on our greater objective of empowering a plant-based revolution.

WATER USE

SASB: FB-NB-140a.1

METRIC	2020	2019
Total water withdrawn (L)*	640,000,000	562,000,000
Percentage of water withdrawn and consumed in regions with High or Extremely High Baseline Water Stress	0% In 2020, none of our owned factories are located in areas with High or Extremely High Water Stress, according to the World Resources Institute Water Risk Atlas, Aqueduct.	
Description of water management risks and discussion of strategies and practices to mitigate those risks SASB: 140a.2	<p>In 2020, our water usage per produced output decreased at all our own production sites. One key reason was that our sites in Vlissingen, The Netherlands and Millville, New Jersey started production in 2019 and experienced higher water usage during the start-up period, which is common. But as expected, during the course of 2020 the water usage went down in these facilities as production at those sites found its rhythm and we implemented measures to improve water efficiency.</p> <p>To continue to advance water efficiency, we are working with partners to calculate the impact of changes to the production process to minimize freshwater use. In Millville for example, we installed a closed-loop barrier fluid unit to overcome the irregular flow pressure in the municipal water system.</p> <p>At our longest operating production site Landskrona, Sweden more effective production planning resulted in fewer production losses and less water for cleaning. We also implemented a new system for reusing steam to heat incoming water, which reduced our water withdrawal from the municipal water supply.</p> <p>One complicating factor for water usage measurement is that we have two different setups for our production sites, which makes it difficult to combine site-level water usage into a consolidated metric. An Oatly production site can be:</p> <ul style="list-style-type: none"> • oatbase production only – the site produces oatbase (the foundational ingredient for all our products), which is then transported to production partners to complete the finished product OR • oatbase and finished good production – the site produces the oatbase and the ready-to-consume Oatly product. <p>The Millville and Vlissingen sites are designed to produce oatbase only while the Landskrona site produces oatbase (some of which is sent to production partners) and finished products.</p>	

*Total water withdrawn refers only to water withdrawn at Oatly owned factory sites. We do not measure the water withdrawn by our co-manufacturers.

WASTE MANAGEMENT*

METRIC	2020	2019
Total oat fiber residue generated (MT)*	41,531	18,602
Percentage oat fiber residue recycled	100%	100%
Percentage oat fiber residue converted to energy**	34%	21%
Percentage sent to landfill	0%	0%

Waste reduction efforts

Our aim is to eliminate production waste sent to landfill. We work to reduce waste, repurpose oat fiber residue and other organic waste, and compost or convert the rest to energy.

Oat fiber residue represents the largest and most material waste stream generated from our own production operations. In 2020, 100% of our oat fiber residues generated in our production sites were repurposed! The oat fiber residue from our Landskrona site went to animal feed and a small amount for biogas. The oat fiber residue from our Vlissingen site went to biogas and the oat fiber residue from our Millville site went mainly to animal feed with a smaller amount being repurposed as soil improver.

*Waste metrics refer only to oat fiber residue from our production process, our largest and most material waste stream.

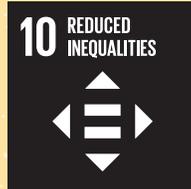
**Percentage waste converted to energy refers to waste converted to biogas, a renewable energy source.

PACKAGING

SASB: FB-NB-410a.1

METRIC	2020	2019
Total weight of packaging (MT)	17,332	10,681
Percentage made from recycled and/or renewable materials	87%	86%
Percentage that is recyclable, reusable, and/or compostable	We aspire to source packaging that is fully, technically recyclable and disclose the results of our efforts in future reporting.	
Discussion of strategies to reduce the environmental impacts of packaging SASB: FB-NB-410a.2	Our ambition is to source packaging that is made from 100% renewable or recycled materials and is fully recyclable. We also aim to prioritize packaging that is produced responsibly through appropriate certifications and using renewable energy. In 2020, we improved packaging resource efficiency by reducing the weight of secondary trays. For example, in some trays from Europe and Asia we identified a tray with about 35% lighter weight, which we estimate will cut CO2e emissions in half per tray. Since the tray is made from FSC-certified controlled wood virgin fiber, which is stronger than recycled fiber, less material is needed. The material is recyclable and adds high-quality paper into the recycling system.	

SOCIAL



Our organizational development is led by our People and Transformation team, whose goal is to institutionalize the principles of flexibility, innovation and continuous learning in our work environment. We invest heavily in programming and resources that promote individual, cultural, structural and process changes towards our goals. Our teams are organized to generate holistic, cross-functional insights and solutions to business problems.

To meet our sustainability mission, we need the expertise of a diverse group of coworkers who feel that they work in a safe, inclusive and empowering environment, are compensated equitably for their work and protected from discrimination of any kind. We recognize that our employees work best when they are celebrated for bringing their whole selves to work. All this to say: Oat Punks are valued for their individuality and for their unique contributions that shape Oatly, and as an employer, we are committed to ensuring our employees' dignity, safety and wellbeing.

This applies to all aspects of employment. We communicate "Oatly's Guiding Principles" to our employees to align our organization and foster a culture founded on sustainability, health and trust. We continually make efforts to ensure that our policies regarding hiring, compensation, promotion and transfer are based solely on job requirements, job performance and job-related criteria. We aim to apply our employment policies and practice in full compliance with applicable national and local fair employment laws, including those relating to compensation, benefits, transfer, retention, termination, training, career development opportunities and social and recreational programs.

Given the global nature of our business, we actively work to have employee bases that reflect the demographics of the end markets they serve. We work within each market's regulations around measuring employee identity to ensure accountability and progress towards this goal.

HUMAN CAPITAL MANAGEMENT

METRIC

Employee engagement

We conduct an annual employee engagement survey to measure engagement and counteract discrimination, ensure inclusion and improve employee wellbeing. The result is followed up with customized initiatives in every team where we see room for improvements.

2020

2019

80% total level to which employees feel engaged

77% total level to which employees feel engaged

Talent development

Oatly strives to create a safe and equitable arena for personal growth, thought leadership and transformational change. This is reflected in the development opportunities we offer to all Oatly employees.

FACILITATIVE LEADERSHIP PROGRAM

Our 6-week Facilitative Leadership Program is the foundation to our global leadership development offerings. It combines live virtual sessions, peer groups, on-the-job experimentation, ongoing support and reflection. After completing the program, Facilitative Leadership participants gain access to additional global offerings:

- Harnessing Your Leadership Strengths
- Creating Focus, Clarity and Prioritization
- Building a Feedback Culture
- Utilizing Your Leadership Strengths

Regional teams also offer unique education opportunities. For example, our Americas team offers the following, among others:

- Authentic Allyship
 - Addressing Bias in the Workplace
 - Building an Anti-Racist Workplace
 - Interview Skills Training
 - In the Weeds – Sustainability Training
-

Employee benefits

Oatly is committed to providing its employees a fair living wage, and aims to exceed the minimum legal requirements of its each respective markets with respect to a wide range of benefits (for example insurances, parental leave, pension, etc). Oatly's parental leave, while specific to each country, meets or exceeds what is required by local laws. For example, in the U.S. employees are offered up to 5 months of parental leave.

In the U.S., we offer competitive and comprehensive medical, dental, vision and life insurance as well as disability coverage. The company covers 100% of the premium for the employee on the medical plan and employee plus dependents for dental and vision.

DIVERSITY, EQUITY, & INCLUSION (DEI)

GLOBAL DEI MISSION & PROMISES

We promise to be inclusive. Oatly should feel like home to everyone who works there – regardless of spiritual beliefs, birth country, race, gender, sexual orientation, or whatever else makes our employees who they are. We are a company built on the idea of change. Being committed to real change means that we actively show up and listen, openly admit when we fail, and prioritize concrete actions around our shortcomings. We commit to learning and growing together, to become a truly inclusive company that is organically diverse.

We promise to:

- Unequivocally reject all forms of discrimination.
- Recognize barriers experienced by different groups, and co-create solutions with such groups of people.
- Admit when we have failed, and always strive to do better.
- Run frequent internal surveys around discrimination and listen to employees' stories.
- Create tailored diversity initiatives for teams, departments, and markets.
- Reflect the diversity found in every market we operate in, improve on our current situation, and clear goals for each team.

Not only is diversity core to our culture, we know it is key to our success as a business. Studies show that teams make better decisions and innovate more boldly when they're made up of diverse perspectives and supportive of new ways of thinking. To ensure that employees feel psychologically safe and that the diverse perspectives they represent create only productive – not destructive – friction, we prioritize building teams and creating training programs to develop an inclusive mindset. In addition to our global programs, regional divisions of Oatly have implemented unique initiatives of their own.

METRIC

Global programs and initiatives

GUIDING PRINCIPLES:

Our **GUIDING PRINCIPLES** have emerged from coworker discussions held at all our different Oatly workplaces around the globe, and research studies on how to build high performing, innovative and engaged teams in fast scaling organizations. Psychological safety – the feeling of being heard and included – is the most important criteria for that, it is also the foundation of our Guiding Principles and our DEI programs.

LEADERSHIP

In 2020 we started running The Oatly Leadership Program, aiming to scale the guiding principles globally. The program works to foster self-awareness in our employees and teaching them how to lead in an inclusive and empathetic way. The program is part of the onboarding process and so far, 300 leaders at Oatly have participated.

COMMUNITIES

In collaboration with **THE FEM LEAGUE** we have created space for various Oatly communities to connect. Beyond connection, the purposes of these communities include:

- Building an inclusive culture and sense of wellbeing and belonging
- Providing employees a way to develop their own self-awareness and self-leadership
- Providing the company an opportunity to learn and improve from the collective intelligence offered in these community groups.

These are the current communities at Oatly:

- **OATLY CARES:** For anyone at Oatly to get together, break the isolation brought on by the pandemic, and share best practices for wellness.
- **OATLY WOMEN:** For people who identify as women to discuss, share, and gain insight around life experiences specific to women. This community is designed to ensure and facilitate gender equity within the organisation.
- **OATLY MEN:** For people who identify as men to freely discuss, share and gain insight around concerns related to work and life.
- **OATLY LGBTQ+:** For people who identify as LGBTQ+ to discuss challenges and co-create solutions to make Oatly a more inclusive place to work.
- **OATLY POC & ALLIES:** For people who want a safe space to talk about what it means to be a person of color today, and how employees can make Oatly a place where everyone 'feels at home.' This is a community where employees can experience a diversity of people and of thought, discuss difficult questions, and explore strategies for positive change at Oatly. After meeting separately as a Community of Allies and a Community for People of Color, the two groups decided that their shared desire to make Oatly a more diverse, equitable, and inclusive place was a topic they wanted to collaborate on to co-create solutions.

Issues raised in the communities that need attention and action are currently escalated to the global People & Transformation team via the Fem League.

RECRUITMENT

All employees are given access to a workshop to learn how to "Hire without bias" via Utopia.

CULTURAL AWARENESS WORKSHOPS IN CROSS-CULTURAL TEAMS

As Oatly's global teams are cross-cultural in nature, teams hold workshops to build awareness of their cultural differences and learn tools to talk about those differences. The aim of the workshops is to encourage teams to harness the differences in their cross-cultural teams as a superpower.

Percentage of employee gender, racial/ethnic group, and generational representation

2020 GLOBAL GENDER DIVERSITY STATISTICS

GENDER	TOTAL	TEAM MANAGERS	LEADERSHIP TEAM
Women	52%	46%	33%
Men	48%	54%	67%

2020 U.S. RACIAL/ETHNIC DIVERSITY STATISTICS

RACE	TOTAL	TEAM MANAGERS
Hispanic/Latino	15%	11%
Asian	9%	4%
Black/African American	9%	6%
Two or more races	3%	4%
White	64%	75%

The DEI statistics that we can measure vary per market. The U.S. is where we are able to legally track and report the most detailed data. 2020 U.S. Generational Diversity Statistics

GENERATION	TOTAL	TEAM MANAGERS
Baby Boomers	5%	12%
Gen X	32%	48%
Millennial	60%	40%
Gen Z	3%	0%

EMPLOYEE HEALTH & SAFETY

METRIC

Health & safety management

Our safety and health policy ensures that employees feel safe and work to incorporate safety into their overall work mindset. We know that rapid production growth comes with an increasing risk of incidents and accidents, so it is crucial to build the right culture and behaviors around safety. Everyone should understand their responsibilities and participate in a sharing-and-learning-culture, where good practices are communicated and we look to learn and improve our practices following any incidents.

- Supported COVID-safe working conditions for all employees.
- Introduced a hazard reporting process.
- Began a process to establish a centralized, enterprise-wide system for health and safety reporting. We aim to disclose and look to use this information in future sustainability reporting.

HEALTH & NUTRITION

METRIC

Revenue from (1) zero- and low-calorie, (2) no-added sugar, and (3) artificially sweetened beverages

SASB: FB-NB-260a.1

We do not track this data at this time, but we are investigating approaches for future reporting.

Discussion of process to identify and manage products and ingredients related to nutritional and health concerns among customers

SASB: FB-NB-260a.2

Oatly was founded by food scientists on a mission to create an upgraded alternative to traditional dairy. They had simple goals: first, to make a plant-based dairy that was in tune with the needs of both humans and the planet, and second, to make it taste delicious and function well so people would use it. We launched the world's first oat drink product in 1995 and have been the only company focused solely on liquid oat technology for more than 25 years, working to put forward the best possible version of milk. We developed a proprietary oatbase production process that is core to all Oatly's products. The patented process mimics the human body's own process and uses natural enzymes to turn raw oats into a nutritional, delicious liquid food. Our patents are supplemented with and protected by decades of production craftsmanship and a global innovation organization. The resulting oatbase ingredient is used to make our final oat drink product, which is made up of a balance of macronutrients – carbohydrates, protein, fiber and fats – and is fortified with vitamin and mineral micronutrients.

Our production processes are built from our deep understanding of the oat at the raw material level. We work closely with our oat suppliers to ensure oats are cultivated properly through different seasons and conditions, and we understand how the natural variances in agriculture may impact our raw ingredients and products. We have exclusive partnerships with industry leaders to analyze entire oat genomes and genes to identify naturally occurring variances that help us improve on product nutritional qualities (specific protein and beta-glucan fiber profiles), technological properties (process improvements) and agronomic properties (yield and resilience). We look to science to inform our point of view on how to build our products for health and nutritional outcomes.

We continue to invest in our innovation capabilities through the expansion of our Food Innovation team on a global as well as regional level, and through our Research Hubs in Sweden and Singapore, which are currently under development, with target opening dates in 2022. These Research Hubs will further develop our long-term innovation capabilities as well as continue to conduct clinical studies on the effect of oat-based products for metabolic syndromes and personalized nutritional needs of children. Our research and development work also includes looking at the wider uses and applications of the entire raw material oats, particularly by-products and residue from the oat base production process.

PRODUCT LABELING & MARKETING

METRIC

Percentage of advertising impressions (1) made on children and (2) made on children promoting products that meet dietary guidelines

Our ads and marketing are not targeted towards children. As a result, we do not have data for the number of impressions made on children or children promoting products that meet dietary guidelines.

SASB: FB-NB-270a.1

Revenue from products labeled as (1) containing genetically modified organisms (GMOs) and (2) non-GMO

We do not measure this globally at this time.

SASB: FB-NB-270a.2

Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes

We have not received any incidents of non-compliance with industry or regulatory labeling and/or marketing codes.

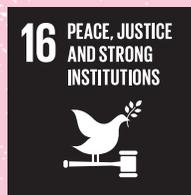
SASB: FB-NB-270a.3

Total amount of monetary losses as a result of legal proceedings associated with marketing and/or labeling practices

We have not incurred any monetary losses as a result of legal proceedings associated with marketing and/or labeling practices.

SASB: FB-NB-270a.4

GOVERNANCE



Our governance and ethics programs are grounded in our mission and our core values of health, sustainability, and trust. We are committed to conducting our business with integrity. We seek to uphold human rights throughout our value chain, and responsibly source key ingredients for our products.

BUSINESS ETHICS

METRIC

Business Ethics

Our **CODE OF CONDUCT** expresses our ethics as a company, and it is critical that all employees respect and act in accordance with it. It addresses key issues like prohibitions against bribery, corruption, and discrimination. In 2021, we are including our business conduct and ethics guidelines in all employment contracts and have conducted mandatory training for all employees and executives on our code of conduct and on anti-bribery & corruption. We have included compliance clauses in our commercial agreements and other contracts with third parties.

We have also upgraded our whistleblower program. Our whistleblower service enables reporting any behavior that goes against the code of conduct.

We are enhancing our whistleblower system to allow reporting through multiple channels with global support, several language options and a better process to ensure anonymity for all of our employees and consultants.

Supplier Code of Conduct

Our **CODE OF CONDUCT** states our company values and requirements on key issues such as human rights, working conditions and anti-corruption to mention a few. Today all our suppliers and production partners must either commit to comply with our code of conduct or present their own, with a standard equal to ours. In 2020 we conducted a gap analysis on our code of conduct and concluded that we will develop a supplier-specific code of conduct to set global standards, demonstrate best practices, and provide clear accountability and performance evaluation guidelines.

Human Rights Policy

MODERN SLAVERY STATEMENT

SUPPLY CHAIN MANAGEMENT

METRIC

Supplier engagement on social and environmental criteria

As our production expands to new continents and our sourcing becomes more complex, our practices in managing potential risks must evolve as well. In 2020, we launched a systematic approach that integrates sustainability into daily sourcing practices and decisions. This looks at both the environmental and social sustainability impacts of our suppliers.

In addition to our code of conduct, we ask our suppliers to meet our sustainability requirements by reporting their sustainability performance, supplying us with sustainable materials and meeting our anti-corruption requirements stated in the code of conduct.

In 2020 we updated our supplier requirements to better reflect our global scope. And in late 2020, we introduced the EcoVadis tool to more actively partner with our suppliers on their sustainability efforts. These are important steps towards our ambition to source 100% of our strategic direct materials sustainably and make sure our solutions fit each material, practice or region. In 2020 we further integrated sustainability into new product development and new supplier selection processes- making sustainability as important as quality and commercial aspects.

Suppliers' social and environmental responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances

We are partnering with EcoVadis to identify risks and determine what steps we take moving forward – whether we do audits or site visits/ corrective action. In the 2020 sustainability report we referenced that we we've partnered with EcoVadis. In the future we will have a KPI developed around this that we will include in our annual sustainability reporting.

SASB: FB-NB-430a.1

Percentage of ingredients sourced from regions with High or Extremely High Baseline Water Stress

SASB: FB-NB-440a.1

We are currently in the process of assessing the sustainability risks and identifying sourcing opportunities for our strategic ingredients.

List of priority beverage ingredients and description of sourcing risks due to environmental and social considerations

SASB: FB-NB-440a.2

Oats remain our biggest and most important ingredient, and account for 84% of our total purchase volume of ingredients. Because of the volume, the cultivation of oats is also the biggest driver for the climate impact of our ingredients. The climate impact from oats depends on multiple factors, including farming systems and practices, type of land and average yield. The main reason the climate impact of our ingredients decreased is a change in where we source oats. During 2020 we sourced more oats from Sweden and Canada and less oats from Finland compared to 2019. In Finland the arable soil is humus-rich, and the climate footprint is twice as high as for oats grown in Sweden. In 2020 we also further developed a program in Sweden with our oat supplier to ensure the oats we source are cultivated without growth regulators or glyphosate, and we will expand the program to include more climate efficient fertilizers.

We continue to work on supporting sustainable practices for oat cultivation across our markets, together with partners such as farmers, suppliers, non-profits and researchers. We support projects that promote holistic, on-farm, nature-based solutions to improve soil health, water quality and land restoration and reduce the overall climate impact of farming. In 2020 we also joined the Sustainable Agriculture Initiative (SAI) Platform to participate in the Crops working group and Innovation Task Force, to share experience and practices in sustainable agriculture among peer companies.

CORPORATE GOVERNANCE

METRIC

Board Composition

Average Age: 54

Gender Diversity: 31%

Racial/Ethnic Diversity: 38%

Average Tenure: 1.5 years

Independence: 77%

Separate CEO and Chair Role

Standing Board Committee Independence: 100%

Best Practices

Continuing education for directors and orientating for new directors

Board oversight of ESG

Accountability

Majority voting (plurality for contested elections)

Annual Board and Committee self-evaluation

Annual evaluation of CEO by independent directors

Shareholder Rights

Shareholder right to call a special meeting (>10%)

No poison pill

One-share, one-vote

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