

Together

we create green value





Dear valued business partners

Our company is currently in an exciting transition. We are transforming from an almost pure publication paper business to also a recycled packaging and bio products company. Through creative utilization of fibre resources, we are investing in a more diversified product portfolio and processes necessary to reach net zero by 2050.

We are transforming our newsprint machines to packaging paper production at Bruck and Golbey, and participating in building France's largest bioenergy plant. These machine conversions will supply the packaging paper market with 760 000 tonnes, and still, we will supply 1.3 million tonnes of publication paper into the European market.

At Norske Skog, business strategy and sustainability goes hand in hand. We have integrated reduction of greenhouse gas emissions as a key part of our business strategy and selected six UN sustainable development goals, where we believe to have an impact.

Together with you, our business partners, we can make a difference. We invite you to have a look at Norske Skog's ambitions and recent achievements in this brochure. **Together, we** are committed to **create green value** to the best for all, also our stakeholders and our business partners.

Geir Drangslund
CEO

Strategy

Ambition

Strategy



Packaging paper

Establish renewable packaging

Publication paper

Improve and optimise

Fibre projects

Diversify and innovate

Up- and downstream value chain

Integrate vertically

OUR CORE VALUES:

Openness, honesty and cooperation

UN Sustainable Development Goals (SDGs)

SDGs	Material Topic	Rationale	KPI
	Health & Safety	Good health and well-being is never a compromise. By investing in health and well-being initiatives, Norske Skog creates positive impacts that extend beyond our operations and contribute to a healthier, more sustainable future.	<ul style="list-style-type: none"> • Zero personal injuries
	Training & development	By investing in employee training and development, we cultivate a pipeline of talent and leadership capabilities to support future growth and continuity internally, in our industry and in the communities where we operate.	<ul style="list-style-type: none"> • 75% of new employees recruited from apprentice programs by 2025. • 100% completion rate for annual performance reviews and development plans.
	Water management	We are committed to use water responsibly and promoting environmental stewardship by reducing pollution, minimizing chemical release, and adopting sustainable water management practices.	<ul style="list-style-type: none"> • Invest in anaerobic wastewater treatment at all European mills by 2030.
	Net zero transition investments	By investing in innovation and infrastructure, the company can drive positive social, economic, and environmental impacts while positioning itself for future growth and resilience in a rapidly changing world.	<ul style="list-style-type: none"> • 50% of revenue from new business areas by 2030
	Circular economy and responsible sourcing	Norske Skog develop products based on circularity, such as renewable resources, recycling of paper, process residues and exploring alternative materials, contributing to a more sustainable and resilient economy.	<ul style="list-style-type: none"> • 100% certified wood in paper • No ash to landfill by 2030
	Climate action	Climate action is essential for Norske Skog to mitigate climate risks, reduce emissions, promote sustainable forestry practices, adapt to climate impacts and thereby contribute to global efforts to address climate change.	<ul style="list-style-type: none"> • By 2030, reduce Scope 1&2 emissions / tonne product produced with 55 % compared to 2015. • By 2050 reach Net Zero

Key Performance highlights 2023

A-

CDP - climate change score 2023

95%

certified wood fibres

85%

renewable energy consumption

2 161

employees

19%

female in top management positions

-42%

reduction in scope 1 & 2 emissions compared with 2015



Climate Action: Scope 1, 2 & 3



Norske Skog has made good progress on our long-term commitment to achieve net zero GHG emission by 2050, and the 55% reduction within 2030 from a 2015 baseline for Scope 1 and 2 emissions per tonne product produced.

In 2023 our target achievement was -42% with a slight drop in performance compared to 2022. This drop is due to lower tonnage as a result of ongoing conversion of paper machines to containerboard.

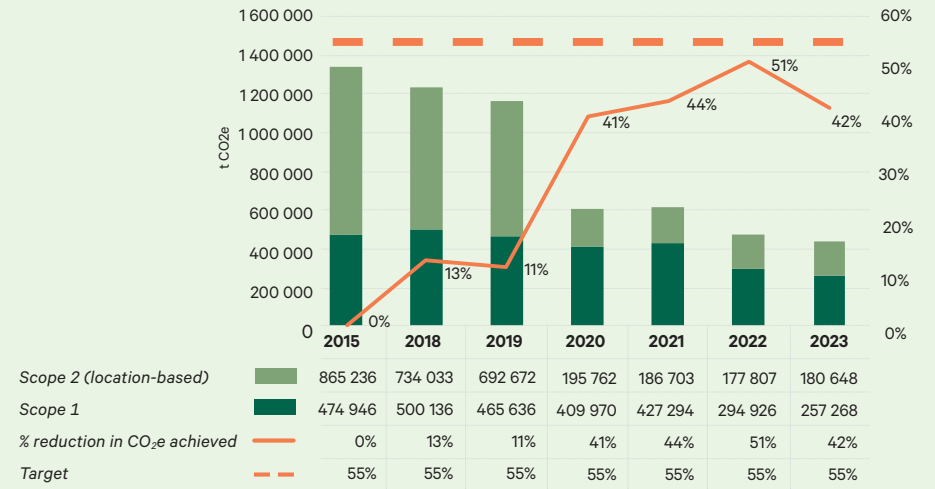
Due to heavy investments in low-emission energy generation, we expect to reach our 2030 target ahead of time. These investments include:

- Bruck: Optimizing bioenergy production
- Golbey: New Bioenergy plant and biogas production
- Saugbrugs: Collaboration in Borg CO₂ for capturing biogenic CO₂
- Skogn: Increased proportion of wood pulp and collaboration with OceanGeoLoop for developing biogenic CO₂ capture technologies
- Boyer: Energy Transformation project

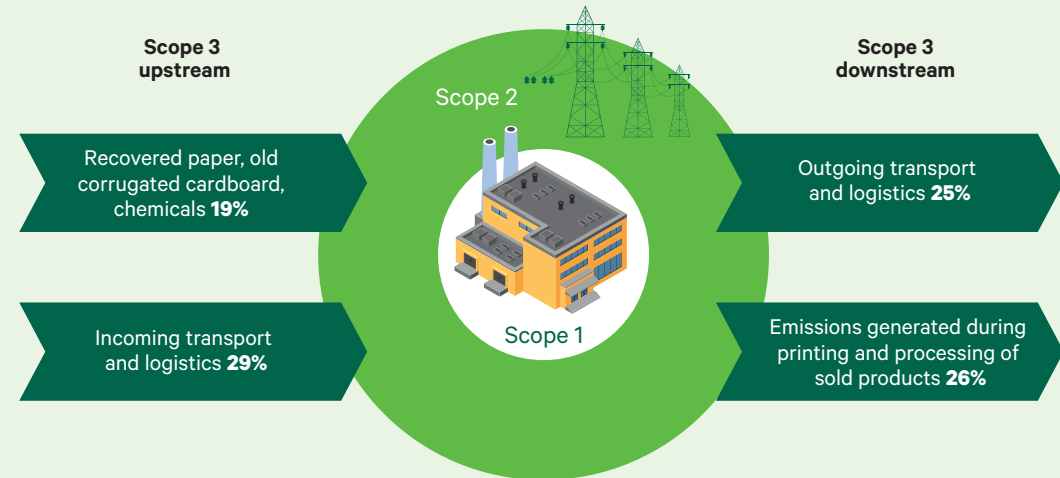
In 2022 we completed a mapping of all Scope 3 categories. This mapping showed that that Scope 3 represent ~ 60 % of Norske Skog's combined Scope 1, 2 and 3 emissions. As the table on the next page illustrates, 54 % of emission are related to transport and distribution (up- and downstream combined). With processing of sold products and purchased goods and services following at 25% and 19%. Working with our value chain partners to identify opportunities to reduce these emissions will be a high priority for us in the coming years.

Our emission reduction target for Scope 1 and 2 is science based as it is aligned with ambitions of the Paris agreement and criteria of the Science Based Target Initiative. During 2024, we will define an emission reduction target for Scope 3. As part of this process, we will also evaluate commitment to the science-based targets initiative (SBTi) targeting all scopes.

EMISSIONS, GHG PROTOCOL SCOPE 1 & 2
(tonne CO₂e)



LARGEST CATEGORIES OF SCOPE 3 EMISSIONS 2023

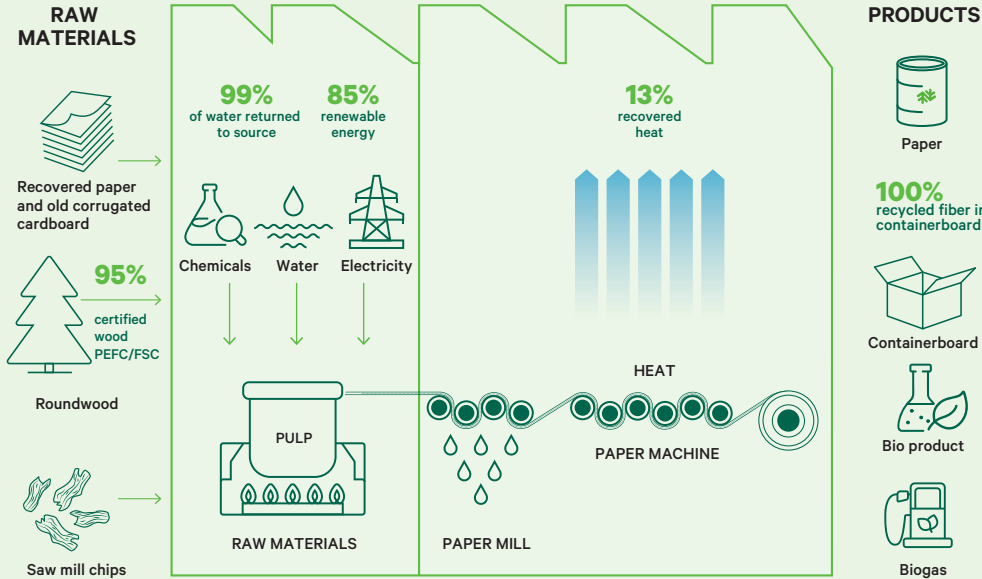


Circular economy

The highly simplified diagram below illustrates the our production process. Main input materials are wood and/or recovered paper, as well as energy and chemicals. Wood and recovered fibres are separated during pulp production in two different processes.

Pulp production based on recovered paper consumes less energy than production from fresh fibre because the fibres in recovered paper are more easily separated than those within wood. In the publication and packaging paper machines, the pulp passes along a web, firstly through a wet section, then a press section and finally through a drying section. The publication and packaging paper is finally rolled up on reels, and then cut to the sizes ordered by the customer. During this process, more than 90% of the wood fibres in trees are converted to paper products.

Other bio products like nanocellulose (CEBINA) and bio composites (CEBICO) are derived from similar pulp processing. Biogas is a byproduct from the production process.



CDP

Best in class on climate action & environmental transparency

To demonstrate Norske Skog’s commitment to combating climate change, and to make critical information available to investors, customers and other stakeholders, Norske Skog reported to the CDP (Carbon Disclosure Project) in 2023.

CDP is a not-for-profit charity that runs the world’s largest disclosure system on corporate climate action.

CDP provides ratings for companies’ transparency, commitment and progress on climate action including governance, strategy, risks, opportunities, targets, performance, energy and emissions.

Norske Skog group received a best-in-class A- rating for Climate Change Report in 2023 (scoring band from A to F), better than the paper and packaging industry average of B. 23 000 companies reported to CDP in 2023.



Link to CDP report for Norske Skog



We are committed to environmental transparency

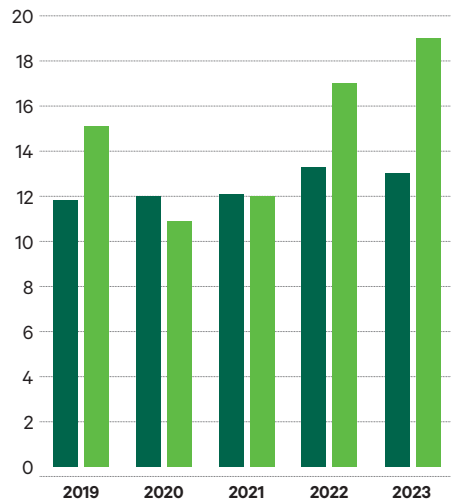
Social

Sustainability is more than climate and environment. No achievement is possible without dedicated employees, and at Norske Skog, we have prioritized the well-being and development of our teams. Through training programs, diversity-promoting initiatives, a strong health and safety culture, and support for the communities where they operate, the group has built a strong, inclusive culture that reflects the value of human capital.

The paper industry has traditionally attracted few female employees. We are committed to search for female talents for a wider range of roles in our company and recent development indicate positive results.

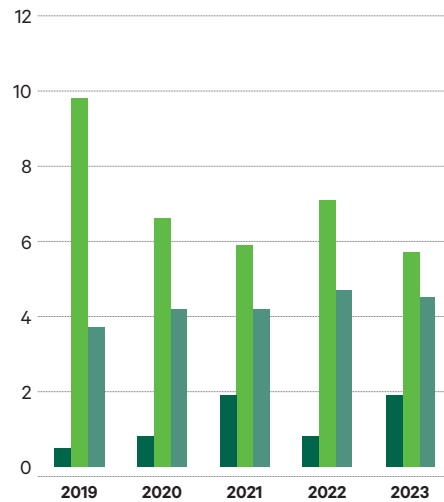
We support human rights and fair working conditions and have recently started to systematically address these topics in our value chain.

PROPORTION OF FEMALE (%)



■ % female
■ % female in top management positions

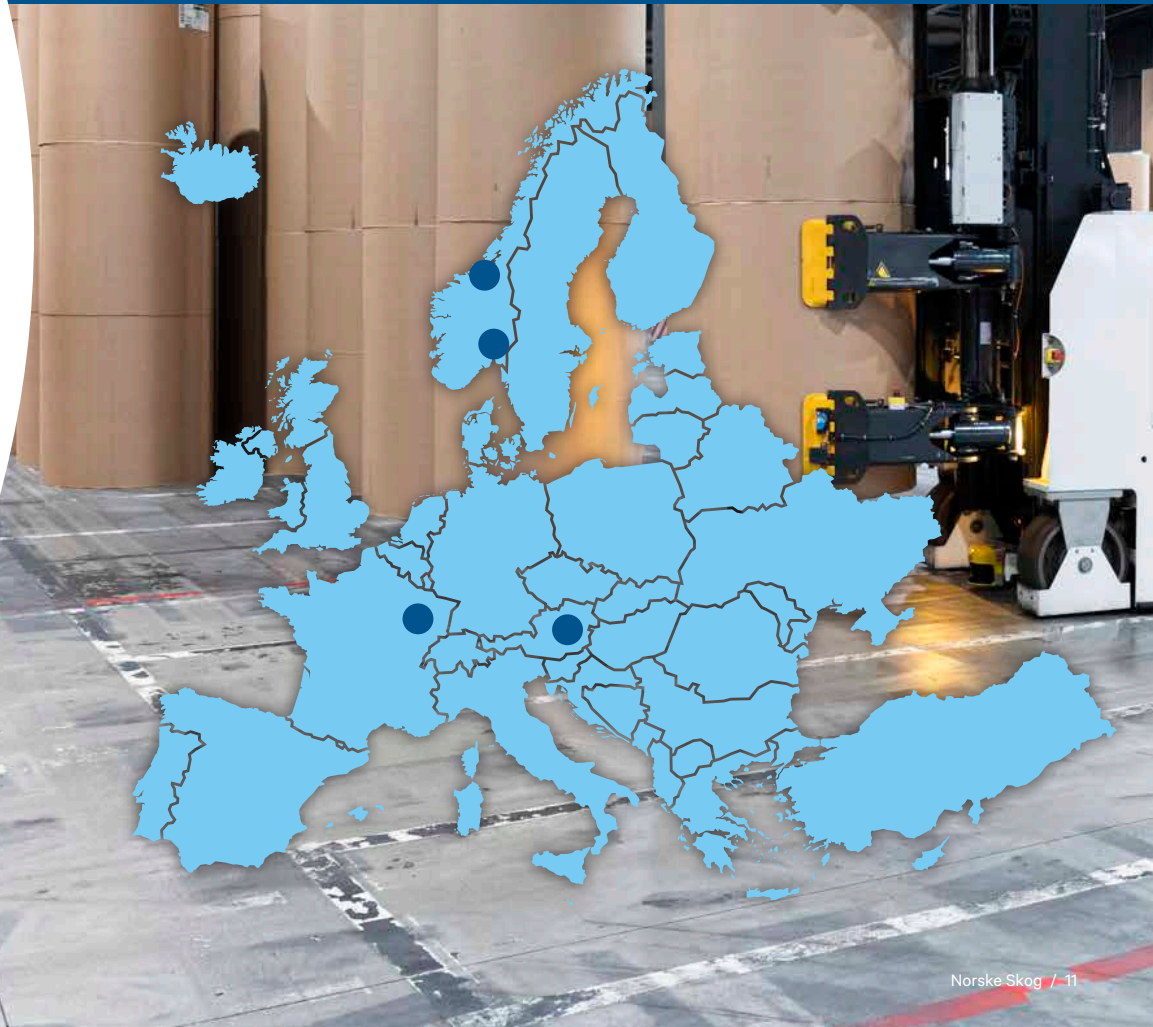
HEALTH AND SAFETY



■ Lost time injury rate (H1)
■ Total Recordable Injury Rate (H2)
■ Absence due to illness

4 mills in Europe

- Skogn Norway
- Saugbrugs Norway
- Golbey France
- Bruck Austria



- 1. Low CO₂ emissions**
Norske Skog Saugbrugs has one of the lowest CO₂ footprints in the paper and pulp industry at only 30 kg CO₂ (Scope 1&2 emissions) per tonne of paper produced. This is due to a long-term commitment and completed investments to reduce fossil-based energy sources in the production of thermal energy.
- 2. Reduced energy consumption**
99% of the energy consumption at Norske Skog Saugbrugs is from renewable sources. The mill has implemented comprehensive programmes to continuously reduce energy consumption and achieved a 41% reduction during pulping processes compared with 2005.
- 3. Circular Economy**
Norske Skog Saugbrugs has successful investments in reusing by-products from the production processes to produce new products. By utilizing the effluent, Saugbrugs produces biogas for energy sales to external customers. Saugbrugs is also utilizing fiber to produce nanocellulose-based products and bio composites branded as CEBICO and CEBINA. Ash from bio boilers is sold and used as fertilizers in agricultural applications and mixed into cement as an additive.
- 4. Road to net negative**
Together with Borg CO₂, Norske Skog Saugbrugs pursues the opportunity to become CO₂ net negative and explores economically viable models for the utilisation of biogenic CO₂. We will, through collaboration with industry and environmental organisations, seek to establish effective, political, and market-designed mechanisms for carbon capture and usage.
- 5. EcoVadis Platinum Rating**
Norske Skog Saugbrugs received a Platinum Rating from EcoVadis in 2023 for their performance on environmental and social impact, human rights and responsible sourcing. EcoVadis is a leading independent organisation that evaluates supplier performance in terms of sustainability. Platinum rating is the highest possible rating and places us in the top 1% of companies in the pulp and paper industry.



Multiple opportunities

Two operating SC machines with 200kt capacity

Developing the CEBINA and CEBICO bio products



Infrastructure for road, rail and sea transport

Low cost TMP capacity of 450kt with heat recovery

410 skilled employees and independent organisation

- 1. Transport outbound: lower scope 3 emissions**
Norske Skog Skogn has renewed their long-term contract with DFDS and jointly invested in upgrading vessels, achieving an immediate 15% reduction in absolute CO₂ emissions in 2024 related to outgoing transport of paper by sea.
- 2. Transport inbound: Advancing eco-friendly logistics**
In 2023, Hagland, a key shipping partner introduced hybrid ships for timber transport, cutting CO₂ emissions by 40% and NOx emissions by 90%. Timber deliveries to Skogn are equally divided between train, truck, and ship.
- 3. Embracing thermomechanical pulp**
By May 2024, Norske Skog Skogn will transition to exclusively using thermomechanical pulp (TMP), eliminating deinked pulp (DIP). This change will significantly decrease fossil CO₂ emissions by 77%, NOx emissions by 36% and reduce the volume of ash to landfill by 57% compared with 2021.
- 4. Product quality enhancement**
The shift to pure TMP in May 2024 will not only reduce the environmental impact but also ensure that paper maintains high bulk, consistent grammage, and quality, meeting customer expectations.
- 5. Energy optimization: New technology**
A new boiler set to start in April 2024 will enhance energy recovery, reducing reliance on fuel boilers. This improvement is expected to be equivalent to a reduction of 73 tonnes NOx emissions annually.

Low
cost and
emissions

Production based on 100% TMP from H1 2024

Three newsprint machines with combined 510kt capacity

Deep-sea, ice free, Atlantic port

High activity industrial park (Fiborgtangen) of 100ha

380 skilled employees and independent organisation

- 1. Low carbon footprint**
Norske Skog Golbey will reduce its carbon emissions by 55% from 2015 to 2030 (30% power consumption, -50% natural gas consumption after the conversion) and increase renewable energy use. The mill will launch a new biomass boiler and additional biogas production in 2024 and aim to maintain 30% of logistics via rail transport and natural gas vehicles.
- 2. France's leading recycler of paper – a key player in the circular economy**
Products are made from 100% recycled fibre, recycling 450 kt of recovered paper and 610 kt of corrugated material annually. This accounts for about 75% of France's newspapers and magazines and 15% of its corrugated material.
- 3. A recognized supplier in the newsprint and containerboard industries**
Norske Skog Golbey aims to be a reliable and sustainable supplier, expanding our production to 330 kt of newsprint and 550 kt of containerboard starting 2024, thanks to the conversion of one of the paper machines.
- 4. A company integrated in its local community**
For over a decade, Norske Skog Golbey participated in local industrial ecology projects, collaborating with neighbours like Pavatex for resource sharing. The mill supports youths through various sponsorships initiatives against discrimination as well as events encouraging young people to enjoy reading.
- 5. Providing a healthy, safe and pleasant working environment**
Employee safety is paramount, yet Norske Skog Golbey also focus on being a welcoming workplace with initiatives like social areas, remote work options, and sports coaching. The mill actively promotes gender equality and diversity.

Containerboard capacity of 550kt (PM1) starting H2 2024

Cost leading newsprint (PM2) production of 330kt

Fully based on established supply recovered paper

Well connected for both road and rail transport

380 skilled employees and independent organisation

- 1. Reduction of CO₂ emissions: -55% by 2025**
Since 2022, Norske Skog Bruck has operated a state-of-the-art waste to energy boiler. This has enabled a reduction in annual CO₂ emissions of 150 000 tons and reduction in landfill emissions. In addition, Norske Skog Bruck has been generating biogas since the start-up of packaging paper production in 2023.
- 2. Circular Economy**
The mill is utilizing high rates of recovered papers from publishing, printing and packaging. Residuals are reused for heat and power generation, with ash certified as construction materials.
- 3. District Heating: > 5,000 Households**
Norske Skog Bruck has progressively integrated the main parts of the town of Bruck to deliver residual heat from production processes and allow transformation to cleaner private and public heating solutions.
- 4. Zero incident workplace**
In 2023, our Lost Time Injury Rate (LTIR) was 1.2, reflecting Norske Skog Bruck's long-standing culture of "take care 24 hours" and our belief in achieving zero-incident operations.
- 5. Newcomer in recycled containerboard**
Norske Skog Bruck is a well-known and established player in coated mechanical paper, and now also a respected newcomer in recycled containerboard production.

Integrated
with the local
community

Containerboard capacity of 210kt (PM3) started Q1 2023

Well invested LWC machine (PM4) with 265kt capacity

Central European location with excellent road and rail access

420 experienced employees and independent organisation

Low fossil CO₂ emissions with waste-to-energy boiler

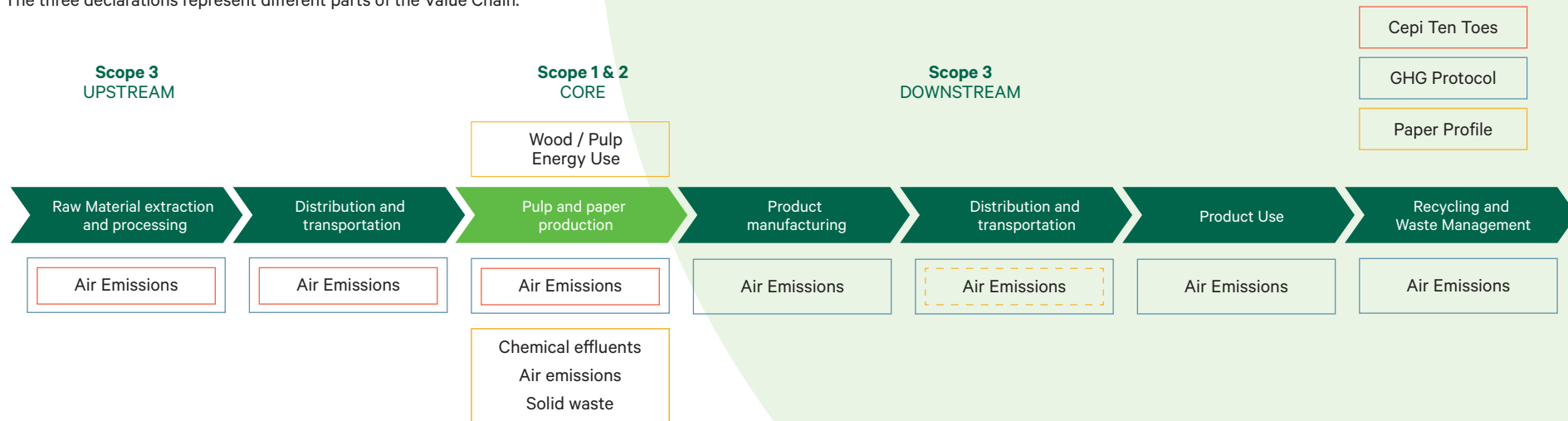
Declarations of GHG footprint and environmental data

The GHG footprint and environmental performance of our products and our operations is demonstrated to customers through three different declarations:

- 1. Paper Profile:** Datasheet developed by paper & board producers to communicate product-specific composition, emissions, environmental data. GHG emissions covered is related to Scope 1.
- 2. CEPI Ten Toes:** Framework used by European paper and board producers to communicate the carbon footprint of their products to buyers. GHG emissions covered is related to Scope 1, 2 and partially Scope 3 emissions.
- 3. GHG Protocol Corporate Accounting:** Independent global standard for calculating corporate GHG emissions. GHG emissions covered include Scope 1, 2 and all categories of scope 3 emissions.

2023 / Mills	Saugbrugs	Skogn	Bruck	Golbey
GHG Protocol (tCO₂e)				
Scope 1	789	2 897	31 579	24 777
Scope 2*	3 645	9 586	26 856	17 899
Scope 3	80 555	234 947	75 909	94 471
Scope1&2/tonne	30	28	267	155
CEPI Ten Toes (kg/t paper)				
Toe 3 - GHG from forest product manufacturing facilities	6	6	153	93
Toe 4 - GHG emissions from supply of wood or recovered fibre	29	20	19	36
Toe 5 - GHG emissions associated with producing other raw materials	115	39	72	43
Toe 6 - GHG emissions associated with purchased electricity and steam	24	21	123	67
Toe 7 - Transport related GHG emissions	27	57	17	9
Total	201	143	384	249
Paper profile (kg CO₂/t)				
Publication paper	3	11	165	90
Containerboard			131	

The three declarations represent different parts of the Value Chain:





EU deforestation regulation

The EU Deforestation Regulation (EUDR) is a new regulation that will enter into force on 30th of December 2024. The regulation seeks to guarantee that products in the EU that come from a list of seven commodities, including wood, are deforestation free.

How the EUDR applies to products from Norske Skog:

- **Publication paper:** The regulation applies to fresh wood used in paper products such as newspaper and magazines. Products that contain a mix of wood and recycled fiber are required to meet compliance requirements to be traded in the EU Market.
- **Containerboard:** Containerboard packaging from Norske Skog is made from 100% recycled fiber and is thus, exempted from the regulation.

How we plan to meet regulations: Norske Skog is committed to zero deforestation and to demonstrate this through compliance with EUDR. Norske Skog is not a forest owner. We source wood from suppliers near our mills in Europe. As an operator down the supply chain, we prioritize close cooperation with wood suppliers, wood certification bodies, and relevant business partners.

More information about how we are preparing for compliance with the EUDR is available the Norske Skog webpage.



The Norwegian Transparency Act

The Norwegian Transparency Act entered into force in Norway in 2022 and aims to promote Human Rights and Decent working conditions in connection with production of goods and services.

Under this law, Norske Skog has a duty to carry out human right's due diligence, to ensure that we do not contribute to adverse impacts on human rights.

Norske Skog respects fundamental human rights and has established internal processes to manage this. To date, Norske Skog has not identified any actual adverse impacts on human rights in our operations or in our supply chain.



A copy of our annual statement on HR due diligence and related policy is available on our webpage Human rights | Norske Skog



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Sustainability in
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NORSKE SKOG ASA

Sjølyst plass 2, 0278 Oslo / norskeskog.com
sustainability.hq@norskeskog.com