OATLY SUSTAIN-ABILITY UPDATE 2024

WAKE UP.
FAIL.
SUCCEED.
TRY AGAIN.

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ABOUT THIS REPORT

This report was conducted by Oatly Group AB, 559081-1989 for the financial year of 2024.

The purpose of this annual report is to provide both details regarding Oatly's sustainability efforts and a deeper understanding of and reflection on 2024 performance with respect to environmental, social and governance factors.

This constitutes Oatly Group AB's statutory sustainability report for the financial year according to the previous wording in the Swedish Annual Accounts Act that applied before July 1, 2024. Our external auditors, EY, have assessed the statutory sustainability report.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Sustainability Report contains forward-looking statements regarding our future business expectations and objectives and our environmental, social and governance goals, which involve risks and uncertainties. In particular, statements contained in this Sustainability Report that do not relate to matters of historical fact should be considered forward-looking statements, including, without limitation, statements regarding our future business expectations and expectations about the industry; any sustainability ambitions, targets and goals, including with regard to diversity and inclusion, planned activities and objectives; our strategic priorities and objectives; as well as statements that include the words "expect," "intend," "plan," "will," "believe," "estimate," "may," "should" and "anticipate" and similar statements of a future or forward-looking nature. Actual results may differ materially from the results anticipated, depending on a variety of important factors, including (without limitation) the risks detailed in Oatly Group AB filings with the US Securities and Exchange Commission. In relation to this Sustainability Report, we are (wholly or in part) reliant on public sources of information and information provided by our own suppliers and business partners. Further, this Sustainability Report may contain information that is not necessarily "material" under federal securities law for US Securities and Exchange Commission reporting purposes, but it is informed by various environmental, social and governance standards and frameworks and the potential interests of various stakeholders.

INTRODUCTION TO OATLY AND THE STUFF ALL COMPANIES ARE REQUIRED TO SAY IN EVERY REPORT

WHO WE ARE TODAY

We are the world's original and largest oat drink company. For over 30 years, we have 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 have enabled us to provide alternatives to a wide variety of dairy products, including milks, ice creams, yogurts, cooking creams, spreads and on-the-go drinks.

We are seeking to drive the global food system toward more plant-based production and consumption, striving to replace one dairy product at a time by making it easy for people to eat

better without recklessly taxing the planet's resources. This focus on sustainability is a mindset that permeates our company and helps us navigate business decisions.

HOW WE GOT HERE

Back in the early 1990s, at Lund University in the south of Sweden, scientists explored the mechanisms behind lactose intolerance and its effects on people. They set out to find a nutritious and sustainable dairy alternative with a taste that would make people consider switching from traditional dairy. They found the solution in the base crop of oats, which are generally globally plentiful and familiar across cuisines, require fewer inputs relative to livestock, and contain healthy fiber.[1] The scientists pioneered and perfected a process to use natural enzymes to break down fiber-rich oats into liquid food.

Fast-forward more than 30 years through a lot of hard work and growth and, in May 2021, Oatly Group AB completed our initial public offering (IPO) and began trading on the Nasdaq Global Select Market under the ticker symbol "OTLY." Subsequent to the IPO, our largest shareholders continue to be Nativus Company Limited, jointly owned by China Resources and Verlinvest, and Blackstone Funds, with the remaining ownership becoming decentralized toward institutional investors in the market.

WHERE TO FIND US

Visitors are welcome at our headquarters in Gjuteriet, Ångfärjekajen 8, 211 19 Malmö, Sweden. We also lease regional offices in other locations, including London, Berlin, Helsinki, Amsterdam, Paris, Barcelona, Lund, Philadelphia, Shanghai, Singapore and Hong Kong.

We lease a product development center in Philadelphia, Pennsylvania, and a research and development facility in Lund, Sweden.

We have a commercial presence in what we refer to as "Europe & International," which is inclusive of Europe, the Middle East, Africa, Asia Pacific and Latin America; North America, which is inclusive of the United States and Canada; and Greater China, which is inclusive of Mainland China, Hong Kong and Taiwan.

To date, we have made substantial investments to scale our production capacity and meet consumer demand, including production facilities in Sweden (Landskrona), the United States (Millville, New Jersey, and Ogden, Utah), the Netherlands (Vlissingen) and China (Ma'anshan). During the fourth quarter of 2024, we decided to close our production facility in Singapore. We believe our asset-light production model will allow us to continue to meet growing customer demand and enable increased focus, while being efficient with our capital and costs.

In 2024, we produced approximately 576 million liters of Oatly, an increase of approximately 14 percent compared with 2023. Approximately 32 percent of this production was through our Oatly-operated end-to-end factories, 63 percent was made through a hybrid model in which an Oatly-

[1] Biörklund, M. et al., 2005 Changes in serum lipids and postprandial glucose and insulin concentrations after consumption of beverages with beta-glucans from oats or barley: a randomized dose-controlled trial, Eur J Clin Nutr. Nov; 59(11):1272–81.

operated oat base factory teams up with a nearby or co-located production partner that finishes and packages our products, and 5 percent was made by outsourcing through different production partners, most of which create finished products from oat base received from an Oatly factory. A small number of production partners are also manufacturing oat base.

In 2024, 55 percent of our production was made in locations in Europe & International, 29 percent in North America and 16 percent in Greater China. Our sales volumes grew even stronger in 2024, resulting in an increase in the share of production in North America and Greater China and a decrease in the share of production in Europe & International.

WHY WE EXIST

The current food system is broken. It is not only failing to provide adequate nutrition for the global population, but also exacerbating human rights abuses, creating significant economic losses for farmers and causing severe environmental impacts. The food system is responsible for about one third of global greenhouse gas (GHG) emissions[2,3] and at the same time is adversely affected by climate change.[2] Livestock have proportionally larger impacts than do crops when considering that livestock only provide 17 percent of calories and 38 percent of protein.[4] Land-based livestock use 80 percent of all agricultural land[5] and account for 40 percent of total agricultural water use[6] and around 50-60 percent of global GHG emissions from the food system.[7,8] Due to land-use and conversion for livestock, animal-based food is responsible for a significant proportion of biodiversity loss,[9] and livestock now constitute 97 percent of non-human mammal biomass on land.[10]

Shifting to a balanced diet that features plant-based foods presents an important opportunity for people to cut their climate footprint and adapt to a changing world, while also providing significant health co-benefits. Oatly exists to be a positive driving force in transforming what is an outdated food system. According to a recent study, Oatly Barista across our key markets generally has a consistently lower or comparable impact than average cow's milk in nearly all environmental impacts assessed (7 out of 9).[11,12] As a company, we look to work with farmers,

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[2] IPCC, 2019: Climate Change and Land: an IPCC special report on climate change, desertification, land degradation, sustainable land management, food security, and greenhouse gas fluxes in terrestrial ecosystems [P.R. Shukla et al)]. In press. https://www.ipcc.ch/srccl/

[3] Crippa et al, 2021

[4] Hannah Ritchie and Max Roser (2019) - "Half of the world's habitable land is used for agriculture" Published online at OurWorldinData.org. Retrieved from: https://ourworldindata.org/global-land-for-agriculture [Online Resource]

[5] Poore and Nemecek (2018) Reducing food's environmental impacts through producers and consumers

[6] Heinke, J. et al (2020). Water use in global livestock production—opportunities and constraints for increasing water productivity. Water Resources Research, 56(12)

[7] FAO (2022). GLEAM 3 Dashboard – Emissions.

[8] Xu, X., Sharma, P., Shu, S. et al. (2021). Global greenhouse gas emissions from animal-based foods are twice those of plant-based foods. Nat Food 2, 724–732.

[9] Benton, T. G., Bieg, C., Harwatt, H., Pudasaini, R., & Wellesley, L. (2021). Food system impacts on biodiversity loss. Three levers for food system transformation in support of nature. Chatham House, London, 02-03

[10] Bar-On, Y. M., Phillips, R., & Milo, R. (2018). The biomass distribution on Earth. Proceedings of the National Academy of Sciences, 115(25), 6506–6511.

[11] Environmental impacts: Climate change, fine particulate matter formation, terrestrial acidification, freshwater eutrophication, marine eutrophication, water consumption, and land use.

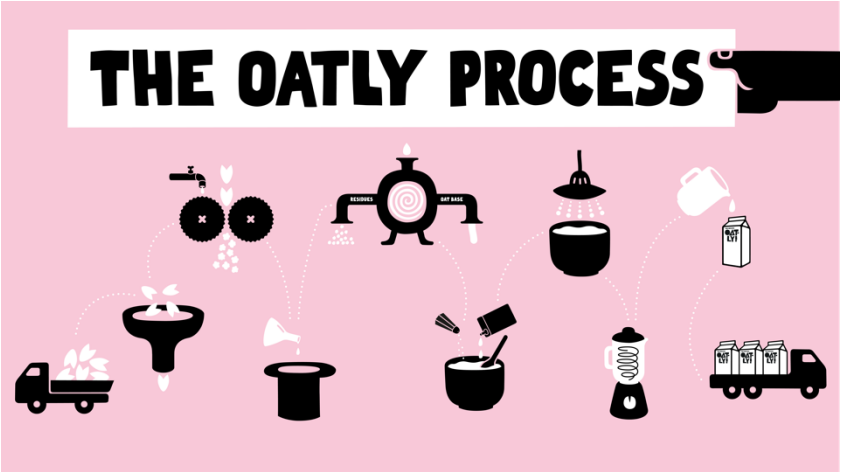
[12] Derived from Blonk Consultants (2024), LCA of Oatly Creamy Oats and comparison to dairy cooking cream — for the Germany, Netherlands, UK, Denmark, and Norway markets. Blonk Consultants (2024), LCA of Oatly Barista for Poland, Ireland and France, and

suppliers, scientists and other partners to develop our products in a way that we believe is beneficial, to both people and the planet.

OATLY'S VALUE CHAIN

We strive to ensure that our strategic decisions, such as where we make our products and with whom we partner, are underpinned by sustainability and stakeholder considerations. We would not be Oatly without farmers cultivating the oats and other key ingredients we need for our products. We also rely on hundreds of other partners — from material suppliers to warehouses to logistics partners to co-manufacturers — throughout our value chain who contribute to making Oatly products.

Our products are sold through a variety of channels, from independent coffee shops to continent-wide partnerships, from major international food retailers to premium natural grocers and corner stores, as well as through e-commerce channels.



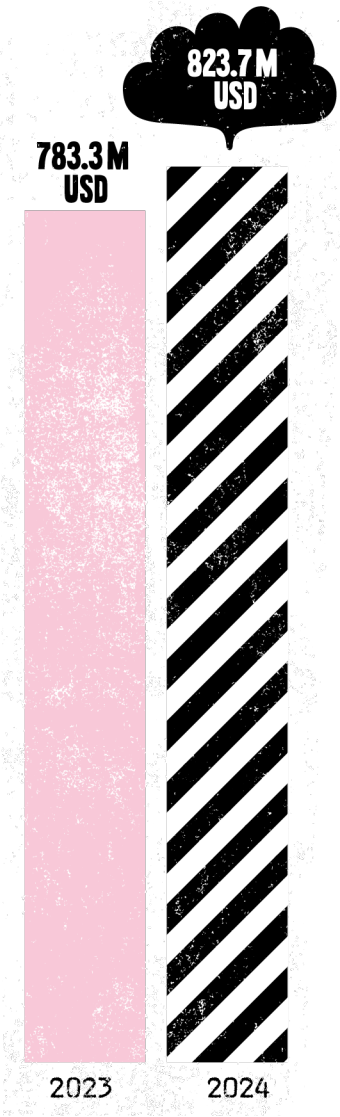
We are enthusiastic about our proprietary production process, in which we convert oats to a liquid oat base, add various ingredients and heat-treat to create our final Oatly products — which are made with both the health of our planet and the people living on it in mind.

For more information on the Oatly process, please visit our website.

comparison with cow's milk. Blonk Consultants (2024), LCA of Oatly Barista for Denmark, Norway, Belgium, Italy and Spain, and comparison with cow's milk.

2024 OATLY IN NUMBERS

REVENUE



VOLUME OF FINISHED GOODS PRODUCED

(L)

576 MILLION 2024

506 MILLION 2023

VOLUME OF FINISHED GOODS SOLD

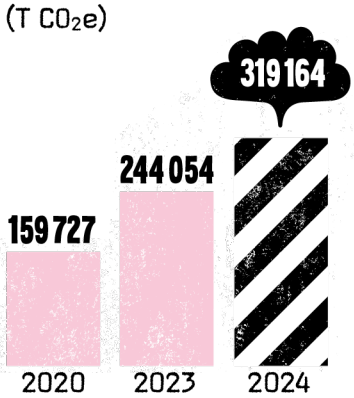
(L)

563 MILLION 2024

518 MILLION 2023

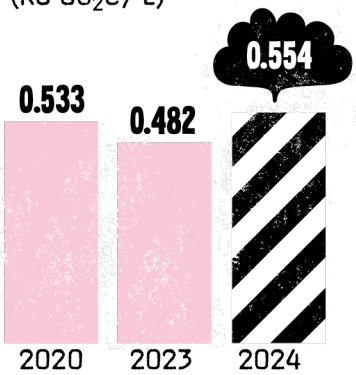
2024 TOTAL CORPORATE CLIMATE FOOTPRINT

(T CO_2e)



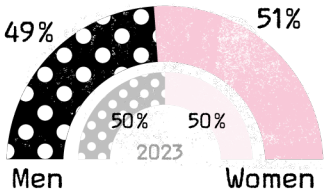
2024 CLIMATE IMPACT PER PRODUCED LITER

(KG CO_2e/L)

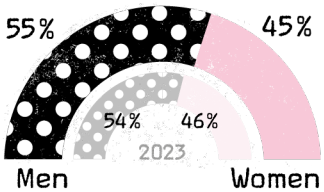


2024 GENDER DISTRIBUTION

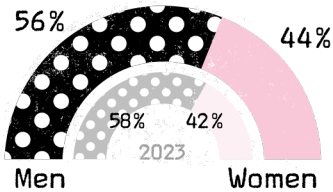
ALL EMPLOYEES



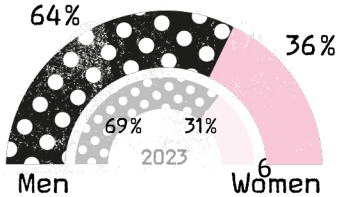
TEAM MANAGERS



EXECUTIVE TEAM



BOARD



CEO STATEMENT

For us at Oatly, sharing our Sustainability Report means that we re-affirm as much as ever our mission to drive the global food system toward more plant-based production and consumption. We strive to replace one dairy product at a time by making it easy for people to eat better without recklessly taxing the planet's resources. We are convinced that marrying purpose with innovation, creativity and growth to chart a course toward a resilient, sustainable offering will make our consumers, our shareholders and the planet win. This is the reason why I have chosen to directly own the accountability of sustainability under my CEO role and to make our sustainability actions and progress fully part of our company's dashboard of results.

Just like everyone else, we are having to weather the headwinds and storms that are impacting progress toward our goals, one of them being the "climate fatigue" our world is increasingly facing. In this context, we were the first company to have our products qualify as "climate solution products" by the Exponential Roadmap Initiative — simple, delicious, accessible solutions for which consumers can have an impact simply by moving their hand a few inches on the shelves or their eyes a few lines on their favorite coffee shop menu. This is who we are and why we exist. We passionately believe that our "climate solutions" products are a very relevant answer, as scaling them contributes to cutting societal climate emissions. This is why our work on climate is focusing on two levers: our footprint and our "handprint." We intend to reduce our climate footprint per liter produced whilst aspiring to increase our "handprint" (i.e., Oatly's avoided emissions calculated as the net impact of our products when driving conversion from cow's milk[13,14,15]).

As we scan our 2024 scorecard, we have a disappointing headline: our corporate climate footprint per liter increased by approximately 15 percent from 2023 after two years of consecutive decline. This is clearly going backwards. Ingredients (i.e., direct materials) are the number one driver of our corporate climate footprint, representing 48 percent of it. Oats made up 83 percent of our total ingredients purchase volume; the main driver therefore was in oats and specifically an increase of oats sourced from Finland, as using Finnish oats results in higher emissions than oats sourced from other countries. Why did we do that? In 2024, it was due to both cost and weather-related supply constraints in Sweden and the UK that led us to purchase more Finnish oats, which resulted in higher emissions than from using oats sourced from other countries. We made this choice in order to continue to supply affordable climate solutions that would drive an increase in our handprint. Going forward, what do we do about this trade-off?

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[13] How companies can leverage avoided emissions to drive transformation + accelerate global decarbonization - Quantis

[14] Estimation of the share of Oatly consumers that converted from cow's milk obtained via consumer insight surveys at a country level (conducted by McKinsey for 2019–2021 data and IPSOS for 2022 to 2024 data), with survey questions and an equation to estimate the rate of cow's milk to Oatly conversion proposed by Quantis.

[15] Derived from Blonk Consultants (2024), LCA of Oatly Creamy Oats and comparison with dairy cooking cream — for the Germany, Netherlands, UK, Denmark, and Norway markets. Blonk Consultants (2024), LCA of Oatly Barista for Poland, Ireland and France, and comparison with cow's milk. Blonk Consultants (2024), LCA of Oatly Barista for Denmark, Norway, Belgium, Italy and Spain, and comparison with cow's milk.

First, we acknowledge that economic and climate shocks will continue to occur, and that they represent a risk to all businesses that rely on agricultural inputs. Second, beyond choosing from today's available markets, this is teaching us to continue digging deeper into regenerative agriculture systems.

We commit to not only expanding our work with oat producers and our oat mill partners, including in Finland, to support the regenerative agriculture transition, but also, over time, to expanding the acreage in our oat supply regions that are adopting such practices, thereby benefitting farmers and the planet alike. In addition, as there are no easy "off the shelf" solutions, we are innovating with partners to develop methods for measuring emissions of oat agriculture more precisely at both the sourcing region and supply-shed level so that we can identify and then shift to lower-emissions supply regions.

In parallel, our teams made significant positive progress in 2024 on many fronts. Our handprint increased compared with 2019, mainly driven by an increase in conversion from cow's milk to Oatly in certain key markets. We made great progress eliminating waste to landfill and achieved a 35 percent reduction of water withdrawal in Oatly-operated factories from our baseline. This is significant, not only for us but also for the industry, and we are sharing our learnings so they can help fast-track others.

We cannot achieve our sustainability ambitions without people — whether they are our Oatly colleagues producing Oatly, the farmers growing oats for Oatly products or baristas creating delicious Oatly lattes. There is no sustainability without people.

In this report, you will read about how we continued to learn and progress by measuring that human dimension, be it in learning from our collaborative work with farmers or focusing on our internal health and safety or ensuring pay equality.

On the back of this intense year, our determination to fulfil our mission is stronger than ever. My feelings in sharing this assessment are ones of being encouraged by the progress and the mobilization of our teams while being totally determined to apply innovation and rigor to solve and adapt wherever necessary. We intend to accelerate where we have the solutions and mobilize collective intelligence where we stumble or are stuck. And as in all long-term journeys with a super-clear destination, we will also create opportunities in 2025 to step back, measure our position and adjust wherever necessary to ensure that we continue sharing with you credible, well-articulated and resourced sustainability plans. Because it is both Oatly's mission and our "raison d'être."

HIGH (AND LOW) LIGHTS

One of the most impactful actions Oatly takes in promoting the shift to more sustainable diets is through the delicious, relatively low climate impact[16] oat products we make. In 2024, Oatly's products were the first in the world to qualify as Climate Solution Products in the milk category, as defined by the Exponential Roadmap Initiative (ERI).[17]

Our avoided emissions are dependent on three levers: conversion, climate footprint and sales. Although our sales have grown at a slower pace than anticipated, due to the footprint of our products versus comparable cow's milk and increased conversion in some markets, we are proud that our avoided emissions per liter have increased compared with 2019, now 0.53 kg CO_2e avoided/L sold, mainly driven by increased conversion from cow's milk to Oatly in certain key markets.[18,19],[20]
In 2024, we met our goal, making great progress to eliminate production waste to landfill, five years ahead of schedule! We're going to take a few moments to celebrate this achievement and set another waste target to keep pushing ourselves towards greatness.

At Oatly, we believe that the transition to a sustainable food system requires us to use our influence far beyond our own operations. During the 2024 EU Parliament Elections, we mobilized together with like-minded companies and organizations to build a movement for democracy and our planet. From reaching out to EU decisionmakers with an Oatly Call to Action — "Keep the health of people and planet on top of the agenda!" — to joining forces with Patagonia to invite others to join us in our call for action. We educated, mobilized and gave all our employees in EU time off to engage in the elections as well as invested in a broad VOAT campaign, calling on people to make a difference by voting for the planet. The Oatly campaign received a lot of positive feedback from both internal and external stakeholders, reflecting strong engagement and support. The European Parliament even included the campaign in its press briefing, shared far and wide across the 27 member states.

To contribute to tackling misinformation and disinformation[21] and empowering a plant-based movement, we published the *Small Healthy Book* in the EU and UK containing 17 facts[22] about Oatly and nutrition. This includes evidence-based, accessible communication on key nutritional

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[16] Environmental impacts: *Climate change, fine particulate matter formation, terrestrial acidification, freshwater eutrophication, marine eutrophication, water consumption, and land use.*
Derived from: Blonk Consultants (2022), LCA of Oatly Barista and comparison with cow's milk. Stages include raw material to point of sale and packaging waste management for average L produced and sold in the US, Sweden and the Netherlands and sold in Germany, Finland and the UK.

[17] Climate-solutions-framework_v1.0.pdf

[18] How companies can leverage avoided emissions to drive transformation + accelerate global decarbonization - Quantis

[19] Estimation of the share of Oatly consumers that converted from cow's milk obtained via consumer insight surveys at a country level (conducted by McKinsey for 2019–2021 data and IPSOS for 2022 to 2024 data), with survey questions and an equation to estimate the rate of cow's milk to Oatly conversion proposed by Quantis.

[20] Derived from Blonk Consultants (2024), LCA of Oatly Creamy Oats and comparison to dairy cooking cream - for the Germany, Netherlands, UK, Denmark, and Norway markets. Blonk Consultants (2024), LCA of Oatly Barista for Poland, Ireland and France, and comparison with cow's milk. Blonk Consultants (2024), LCA of Oatly Barista for Denmark, Norway, Belgium, Italy and Spain, and comparison with cow's milk.

[21] As identified by World Economic Forum (WEF) as the greatest global risk in the short term WEF_Global_Risks_Report_2025.pdf

[22] https://www.oatly.com/random-answers/17-facts-about-oatly-and-nutrition

attributes of oat drinks compared to cow's milk and other plant-based drinks, as well as key topics such as glycemic response and ultra processing. The book was distributed externally to key health influencers, as well as a small army of "truth seekers," who are influencers who combat misinformation on social media with science-based facts and evidence.

While we made promising progress in many sustainability areas, as noted above, we also saw a disappointing increase in our overall corporate climate footprint. In 2024, corporate climate footprint (reported as kg CO_2e/L) increased approximately 15 percent from 2023. This was driven by an increase in emissions in the ingredients and packaging categories. Ingredient emissions (kg CO_2e/L) were up 24 percent from 2023 due primarily to an increase in the proportion of oats sourced from Finland due to cost and weather-related constraints in Sweden and UK. Oatly's regenerative oat agriculture program has begun to develop methods for identifying more precisely the sourcing region, or supply shed, of the oats we purchase, which in turn will allow us to avoid high-emissions areas such as peatlands. Over time, we expect to apply this work in countries such as Finland whose national agricultural emissions are comparatively high. We expect that these actions, paired with the expansion of our work with farmers and mill partners to support the regenerative agriculture transition in new supply regions, will reduce the climate impact of Oatly's oats in future.

Packaging emissions (kg CO_2e/L) were up 30 percent from 2023, due in large part to growing production in North America and China and the need for heavier secondary packaging materials than those used in Europe to hold up over the longer transportation distances. We are continuously working on optimizing the use of packaging materials in general to both ensure the precise amount needed to keep our products safe and reduce food waste.

We're excited to highlight reductions in GHG emissions (kg CO_2e/L) from our transportation and energy categories, down 4 percent and 3 percent from 2023, respectively, thanks to an increase in oats transported by ocean & sea to our factories in China and the Netherlands and improvements to energy efficiency in our factories across the globe.

Oatly's regenerative oat agriculture program, known as FARM, is designed to reduce greenhouse gas emissions, improve ecosystem health, and support farm viability and resilience. In 2024, together with our oat milling partner in Canada, we expanded the program to financially incentivize farmers to adopt regenerative practices across 1,500 acres in our supply region. We also expanded the technical criteria within FARM to include biodiversity protection criteria as an initial step in a more comprehensive assessment of Oatly's impact on nature. In Sweden, we developed a regenerative agriculture partnership tailored to the Swedish agricultural context together with our oat milling partner in that country, which is also designed to enhance soil health and biodiversity. We anticipate launching this program with the first cohort of oat farmers in 2025.

Relatedly, for the first time ever, we developed and utilized specific emission factors at the supply-shed level for our oats sourced in Canada and Sweden. This more granular emissions accounting will, over time, allow us to see the impacts of regenerative farming practices

implemented in our emissions reporting and should also help us identify and avoid high emissions supply sheds.

We rolled out our Oatly Culture of Care program starting with our Oatly factories. Our Culture of Care is designed to elevate safety standards, behaviors and overall well-being; it goes beyond compliance to create actionable initiatives. It promotes a mindset shift, which includes reporting positive observations in the workplace, along with more traditional safety indicators.

We saw great progress as we continued to strive to reduce our water withdrawal (L/L) by at least half by 2029. Just over halfway toward the deadline, we've reduced our water withdrawal 35 percent from our baseline of 4.3 L/L. This year's progress is a result, in large part, of non-capital projects at our Landskrona and Millville factories.

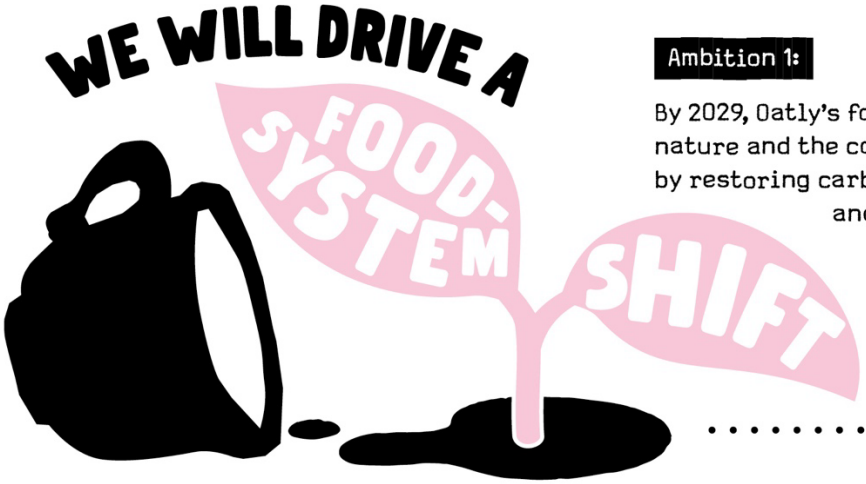
OATLY'S SUSTAINABILITY PLAN

Our sustainability ambitions and goals are an integral part of our business strategy and operations. We are over halfway through the decade to 2029, and we believe 2025 is an important year for us to assess our current plan and consider any adjustments where necessary to ensure that we continue sharing credible, well-articulated and resourced sustainability plans. We also recognize the importance of alignment with crucial regulations, and we are preparing to report our performance and progress accordingly.

Ultimate responsibility for our sustainability program lies with our chief executive officer, with embedded ownership of and accountability for specific goals within relevant functions led by department heads. Our Sustainability Leadership Team leads our sustainability program, establishing practices and setting goals in conjunction with accountable business leaders. Governance oversight lies with our board of directors and our Nominating and Corporate Governance Committee.

In this report, we are tracking our 2024 progress toward our 2029 ambitions in our current sustainability plan. The "to-do list items" from our 2029 ambitions are represented in tables, with an indicator of our progress. "On track" means the work is underway and we see positive movement in the right direction. "Work in progress" (WIP) means we have not made meaningful progress, or we are still working to determine the right approach or roadmap to achieve the goal. Finally, a quantitative measure of performance is provided, where available.[23]

[23] The to-do list tables in subsequent sections represent truncated lists of Oatly's Sustainability Plan "to-do's." For the full list click here.



Ambition 1:

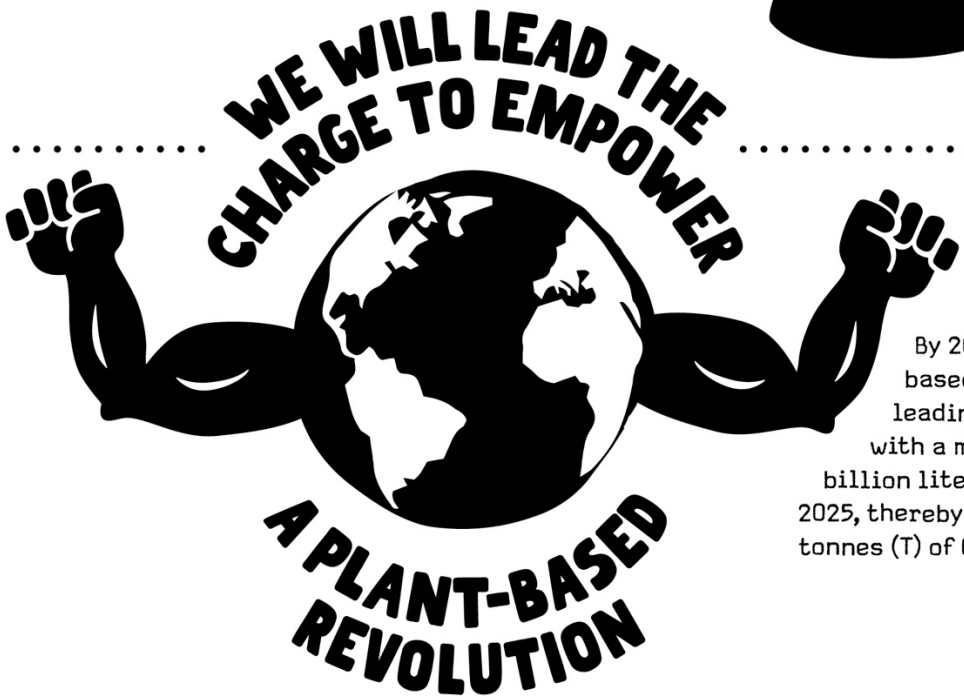
By 2029, Oatly's food system will give back to nature and the communities where we source by restoring carbon, improving biodiversity and boosting farmers' incomes.

Ambition 2:

By 2029, we will reduce our climate footprint per liter of Oatly produced by 70% and align that ambition with a 1.5°C climate pathway.

Ambition 3:

By 2029, all the facilities that produce our products will meet "Future Factory" criteria, which we will define in line with the principles of sustainable, efficient, safe and inclusive; and we will support our production partners along the journey.



Ambition 4:

By 2029, we will make plant-based diets mainstream by leading a shift from dairy, with a milestone to shift 2.9 billion liters from dairy to Oatly by 2025, thereby saving up to 2.5 million tonnes (T) of CO_2e.

OUR CONTRIBUTION TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGS)

Since 2017, Oatly has worked toward eight SDGs that most directly relate to our value chain and business, and for which we believe we have the highest potential for impact. We have included an overview in the Appendix of this report that outlines the relevant SDG targets and our key impacts and contributions toward them.

CORPORATE CLIMATE FOOTPRINT

Ambition 2: By 2029, we will reduce our climate footprint per liter of Oatly produced by 70 percent,[24] from a 2020 baseline, and align that goal with a 1.5°C climate pathway.

Sure, you would expect us to start with Ambition 1, but if you've been reading our reports for a few years now, you already know to expect the unexpected. It just so happens we determined that we want to lead with our second ambition to open the report and so the first two ambitions are out of order.

As a company aiming to have an overall positive impact in the milk category, through growth and conversion from cow's dairy to Oatly, we have set an intensity-based GHG emissions target to reduce our climate footprint per liter of Oatly produced by 70 percent by 2029, from a 2020 baseline, across our full value chain (Scopes 1, 2 and 3 GHG emissions) and to align our goal with a 1.5°C climate pathway. In 2022, to assess Oatly's GHG emissions target, we partnered with EcoAct, which determined that our target is consistent with a near-term 1.5°C science-aligned pathway. In 2024, we continued to explore and engage thought leaders and climate experts to determine how Oatly can best engage with GHG target-setting guidelines and approaches.

In 2024, our total corporate GHG emissions were 319,164 T CO_2e.[25] Our 2024 corporate climate footprint was 0.554 kg CO_2e/L, an approximately 15 percent increase from 2023 (0.482 kg CO_2e/L) and an approximately 4 percent increase from our 2020 baseline (0.533 kg CO_2e/L).

The three main drivers of our corporate climate footprint (CO_2e/L) are ingredients (i.e., direct materials), transportation and energy. In 2024, the climate footprint from our transportation and energy both decreased compared with 2023, at approximately 4 percent and 3 percent, respectively. The climate footprint of ingredients increased approximately 24 percent. Combined, these results contributed to the overall increase in our per-liter footprint. You can read more about each category in the following sections.[26]

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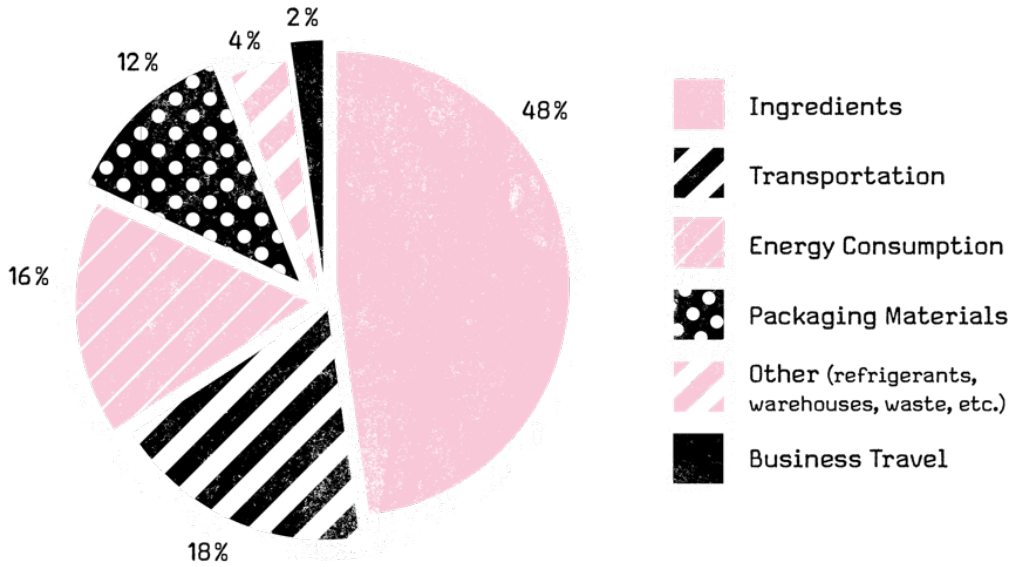
[24] From a 2020 adjusted baseline of 0.533 kg CO_2e/L.

[25] Includes Scope 1, 2 and 3 GHG emissions (see details in the Appendix).

[26] Note that energy consumption in the pie chart on p. 12 includes energy used at production sites (including both Oatly's and those of our production partners) and offices, equating to approximately 0.089 kg CO_2e/L. These energy categories are included in Scopes 1, 2 and 3 in the Greenhouse Gas Emissions Table.

2024 DISTRIBUTION OF GREENHOUSE GASES, BY SOURCE (T CO_2e)



The following table breaks down our corporate climate footprint by GHG emissions scope, as defined by the GHG Protocol.[27]

GREENHOUSE GAS EMISSIONS

Metric	2020*	2023	2024
Scope 1 emissions (T CO_2e)	4,260	7,284	9,654
Scope 1 emissions intensity (kg CO_2e/liter produced)	0.014	0.014	0.017
Scope 2 emissons (T CO_2e)	3,763	4,613	3,791
Scope 2 emissions intensity (kg CO_2e/liter produced)	0.013	0.009	0.007
Scope 3 emissons (T CO_2e)	151,704	232,157	305,718
Purchased goods and services	102,779	167,513	236,713
Fuel and energy-related activities	3,996	3,202	3,739
Waste generated from operations	243	1,299	3,347
Upstream transportation and distribution	43,935	57,060	56,469
Business travel	751	3,083	5,450
Scope 3 emissions intensity (kg CO_2e/liter produced)	0.507	0.459	0.531
TOTAL	159,727	244,054	319,164
TOTAL emissions intensity (kg CO2e/liter produced)	0.533	0.482	0.554

*2020 adjusted baseline.

[27] Biogenic emissions 2024 = Scope 1: 6,389 T CO_2e and Scope 3: 2,683 T CO_2e; Location-based emissions 2024 = Scope 2: 19,345 T CO_2e

Our Scope 1 GHG emissions per liter (0.017 kg CO_2e/L), which made up about 3 percent of our total per-liter footprint, increased approximately 16 percent from 2023 (0.014 kg CO_2e/L). This was driven by an increase in the share of global production in our Chinese and US factories, where renewable heat energy is less available. This will likely continue to be a challenge in these regions.

Our Scope 2 emissions per liter (0.007 kg CO_2e/L), which are market-based and made up approximately 1 percent of our total per-liter footprint, decreased approximately 28 percent from 2023 (0.009 kg CO_2e/L). This decrease is a result of energy efficiency improvements in our factories, including in the category of purchased steam, and a reduction in the number of Oatly offices across the globe.

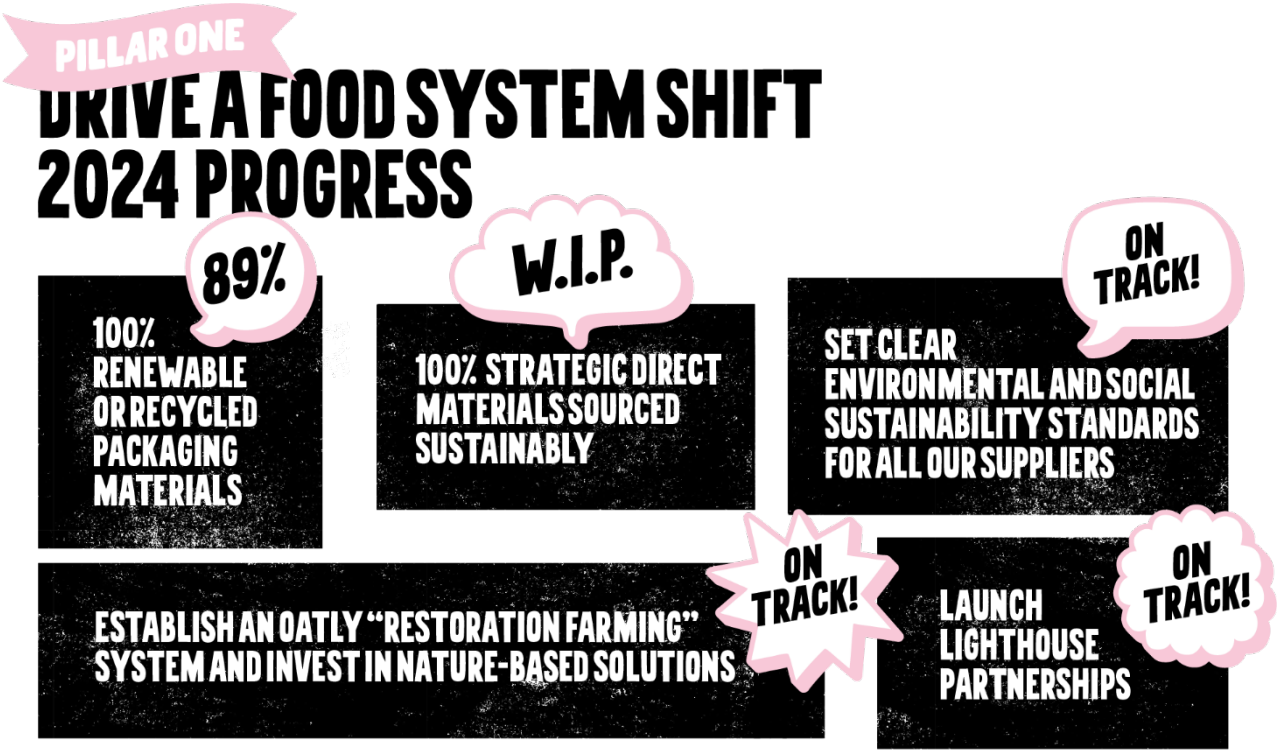
Scope 3 emissions per liter (0.531 kg CO_2e/L), which made up approximately 96 percent of our total per-liter footprint, increased approximately 16 percent from 2023 (0.482 kg CO_2e/L). This was, in large part, driven by the increase in the climate footprint of our ingredients.

Additional details on the emission drivers and changes within each category can be found in the sections that follow.

DRIVE A FOOD SYSTEM SHIFT

As a core pillar of our sustainability strategy, Oatly is working to transform the food system. Our work with farmers, suppliers, scientists and other partners is key to achieving a shift in our food system.

> *Ambition 1: By 2029, Oatly's food system will give back to nature and the communities where we source by restoring carbon, improving biodiversity and boosting farmers' incomes.*



SUSTAINABLE SOURCING

As Oatly continues to evolve, so too does the complexity of our supply chain. To manage these complexities, we've developed environmental and social sustainability expectations for our suppliers, while seeking to monitor and support performance. These expectations include three major components:

- **Supplier Code of Conduct.** Our Supplier Code of Conduct reflects our company values and expectations on key issues such as human rights, working conditions, environmental protection and anti-corruption. We require our suppliers and production partners to comply with our Supplier Code of Conduct or present their own that meets the same standards. Our Supplier Code of Conduct was recently updated and we will engage with our suppliers in 2025 as we roll out the updated version.
- **Supplier Sustainability Requirements.** These requirements are attached to supplier commercial agreements and outline our sustainable sourcing expectations and ingredient standards, including sustainability certifications, renewable energy, sustainable ground transportation and reporting requirements.
- **Supplier performance.** We continue to work with suppliers on the following focus areas: environment, business ethics, labor standards and health and safety. We expanded our use of the SEDEX (Supplier Ethical Data Exchange) platform in 2024 and will be increasing our engagement through this tool in 2025.

Our Modern Slavery Statement and updated Supplier Code of Conduct include further descriptions of ways we identify and mitigate risks in our supply chain.

It is our ambition to source all our strategic direct materials sustainably by 2029. We define our strategic direct materials as those that are most significant for making Oatly products — whether because we source a high volume or because the materials have well-established

sustainability risks, such as deforestation, forced labor and worker rights. Our strategic direct materials include oats, rapeseed oil, packaging materials, cocoa, vanilla, coffee, coconut, cane sugar and palm oil. As we develop new products, we continuously review new ingredients for sustainability risks, modify our list of strategic direct materials accordingly and take account of emerging regulations in this area.

In 2024, we continued our efforts to establish sustainable sourcing policies for each of the strategic direct materials to source these products in a way that improves sustainability performance and addresses key sustainability risks. Here are a few examples of the progress we made in 2024:

- We established formal global ingredient sustainability requirements for rapeseed oil, coconut and coffee.
- We maintained our partnerships with the Roundtable for Sustainable Palm Oil (RSPO) and Sustainable Coconut Partnership, and we joined the ranks of AIM-Progress to connect with other companies and focus on responsible sourcing and respecting human rights within our supply chain.

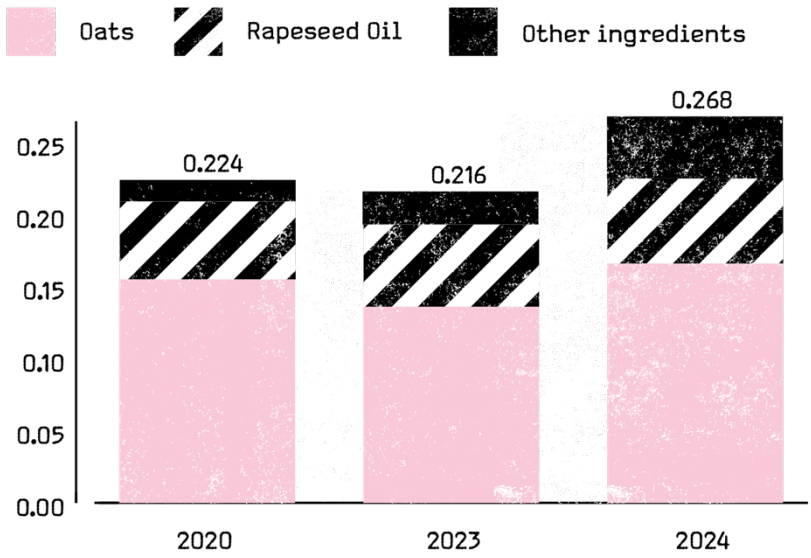
INGREDIENTS

Ingredients purchased by global production sites (including both Oatly's and those of our production partners) accounted for about 48 percent of our corporate climate footprint in 2024. Emissions from ingredients were approximately 0.268 kg CO_2e per produced liter, which is a 20 percent increase per produced liter compared with our 2020 baseline (0.224 kg CO_2e/L) and an approximately 24 percent increase from 2023 (0.216 kg Co_2e/L).

Oats made up 83 percent of our total purchase volume, followed by rapeseed oil at 10 percent and all other ingredients at 7 percent.

The increase in our overall ingredient footprint per liter in 2024 was due primarily to an increase in the proportion of oats sourced from Finland. Given that Finnish oats result in higher emissions than do oats sourced from other countries, such as Sweden, our sourcing team partnered with our suppliers with an ambition to continuously reduce the amount of oats sourced from Finland. In 2024, however, due to cost and weather-related supply constraints in Sweden and the UK, we increased the amount of Finnish oats from 6 percent in 2023 to 23 percent in 2024.

SHARE OF INGREDIENT GREENHOUSE GASES, BY TYPE (KG CO_2e/L)



Economic and climate shocks such as these will continue to occur, and they represent a risk to all businesses that rely on agricultural inputs. We commit to both expanding our work, including in Finland, with oat producers and our oat mill partners to support the regenerative agriculture transition and expanding, over time, the acreage in our oat supply regions adopting such practices, thereby increasing resilience and benefitting farmers. We also intend to deploy an important technological advance to reporting emissions related to agricultural ingredients — the development of methods for measuring emissions more precisely at the sourcing region or supply-shed level — so that we can identify and then shift to lower-emissions supply regions, even within countries such as Finland that have overall high emissions from agriculture.

In 2024, Oatly developed methods for gathering supply-shed-level emission factors from our supply sheds in Canada and Sweden. In the future, we hope to apply this same methodology to our Finnish supply to help us avoid high-emissions areas such as peatlands. (Note: a supply shed is a fancy phrase used by sourcing folks to explain the land area from which they source. It's kind of like a watershed, but for ingredients sourcing.)

In Canada, Oatly assessed the abatement potential of regenerative practices to determine the best approach for working with farmers and on-the-ground partners, offering options that support the development of resilient farms. In Sweden, Oatly collaborated with our technology partner to evaluate practices and develop strategies for gathering data from farms in the coming years.

Our global Food Innovation, Science and Technology team is committed to innovation. In 2024, we supported two new initiatives in oat variety improvement. The first was between RobOat Consortium of Nordic Breeders and Oatly's Science and Technology team who supported the selection of traits to focus on abiotic stress and (climatic) resistance and resilience. The second was CRDC Australian Oat Grain Quality Consortium with Oatly supporting the selection of traits for improved flavor of oats for food and drink application.

FARM

In 2024, we broadened our FARM framework to more explicitly address nature-related impacts and dependencies, including biodiversity. An example of this is ensuring that there is no conversion of natural habitat to cultivated land on farms that are subscribed to our program. We also expanded the FARM approach to include both additional acres and new partners.

In Canada, Oatly expanded its partnership with Grain Millers Canada, Corp., with practices focused on biodiversity, soil health and water conservation. This program financially incentivizes farmers to adopt regenerative practices on 1,500 oat acres (approximately 5 percent) within Oatly's Canadian supply shed.

In Sweden, Oatly joined forces with our oat miller, Berte Qvarn, to develop a regenerative oat program tailored to our Swedish supply shed. This program, which we anticipate launching in 2025, is designed to collaborate with oat producers to establish a scalable framework for sustainable oat production — one that promotes practices to enhance soil health and biodiversity, thereby strengthening farm resilience while also improving soil and water quality.

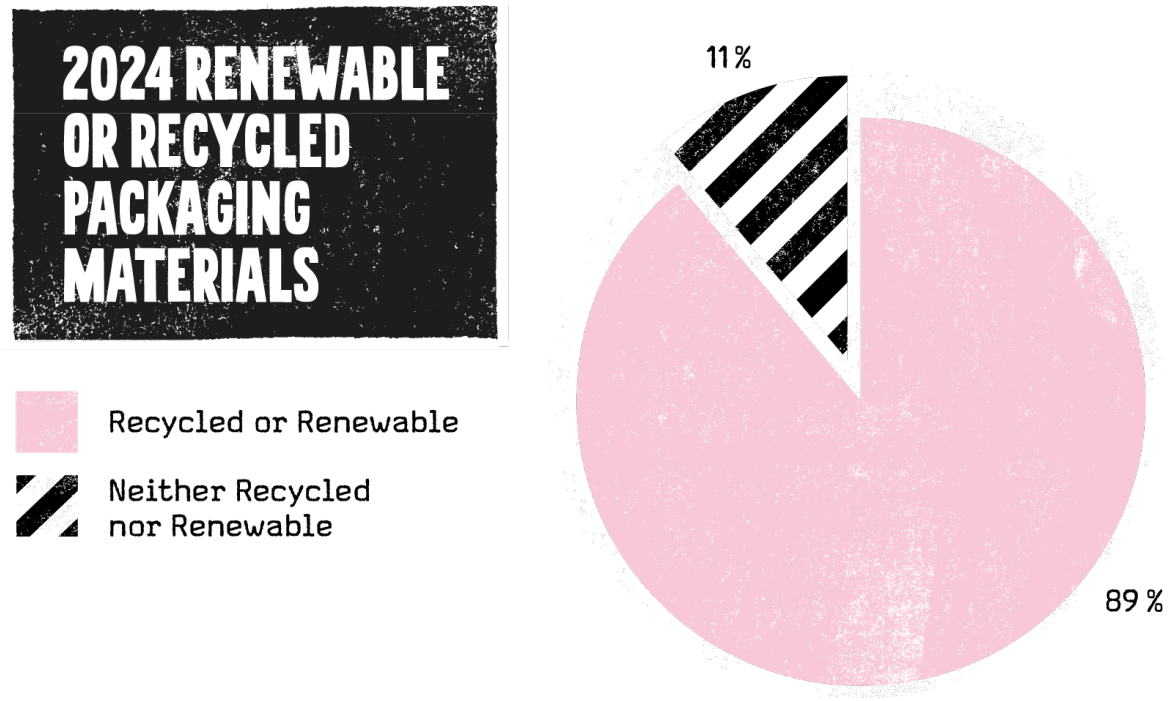
In October 2024, Oatly China reached a milestone in its journey toward producing regenerative oats in the region. Our supplier, Inner Mongolia Sanzhu Grain Natural Oat Industry Co., Ltd., helped Oatly obtain China's first oat regenerative agriculture certification for its Wuchuan site. Through crop rotation and reducing the use of chemical pesticides and fertilizers, our partner is committed to protecting soil health, improving soil fertility and reducing negative impacts on the environment.

PACKAGING

Packaging materials purchased by global production sites (including both Oatly's and those of our production partners) made up 12 percent of our corporate climate footprint. Emissions from packaging were approximately 0.069 kg CO_2e per produced liter, an increase of 10 percent from the 2020 baseline (0.063 kg CO_2e/L) and an approximately 30 percent increase from 2023 (0.053 kg CO_2e/L).

The global weight of packaging purchased in 2024 (kg/L of Oatly produced) increased by approximately 25 percent compared with 2023. The share of packaging made of renewable, which includes bio-based plastic, or recycled materials decreased from 90 percent in 2023 to 89 percent in 2024.[28] This includes packaging sourced both by Oatly directly and by our production partners.

The increase in both packaging weight (kg/L) and emissions (kg CO_2e/L) are related. As previously discussed, in 2024, our production volumes grew in China and the US. These two regions generally require more packaging (kg per liter) for a number of reasons, including the need for heavier secondary packaging materials than used in Europe to hold up over the longer transportation distances. This will likely continue to be a challenge in these regions. We are continuously working on optimizing the use of packaging materials in general to ensure the precise amount needed to keep our products safe and reduce food waste. In China, increased production resulted in the purchasing of some packaging materials that remained on hand at the end of 2024 and will be used in 2025.



The 1 percent decrease in renewable or recycled materials is a result of China and the US using more fossil-based packaging. Due to supply issues (e.g., there was a supply chain disruption with the bio-based packaging due to the sugar cane grown in South America), quality concerns and cost savings measures, we chose to switch to fossil-based packaging in both regions for last year.

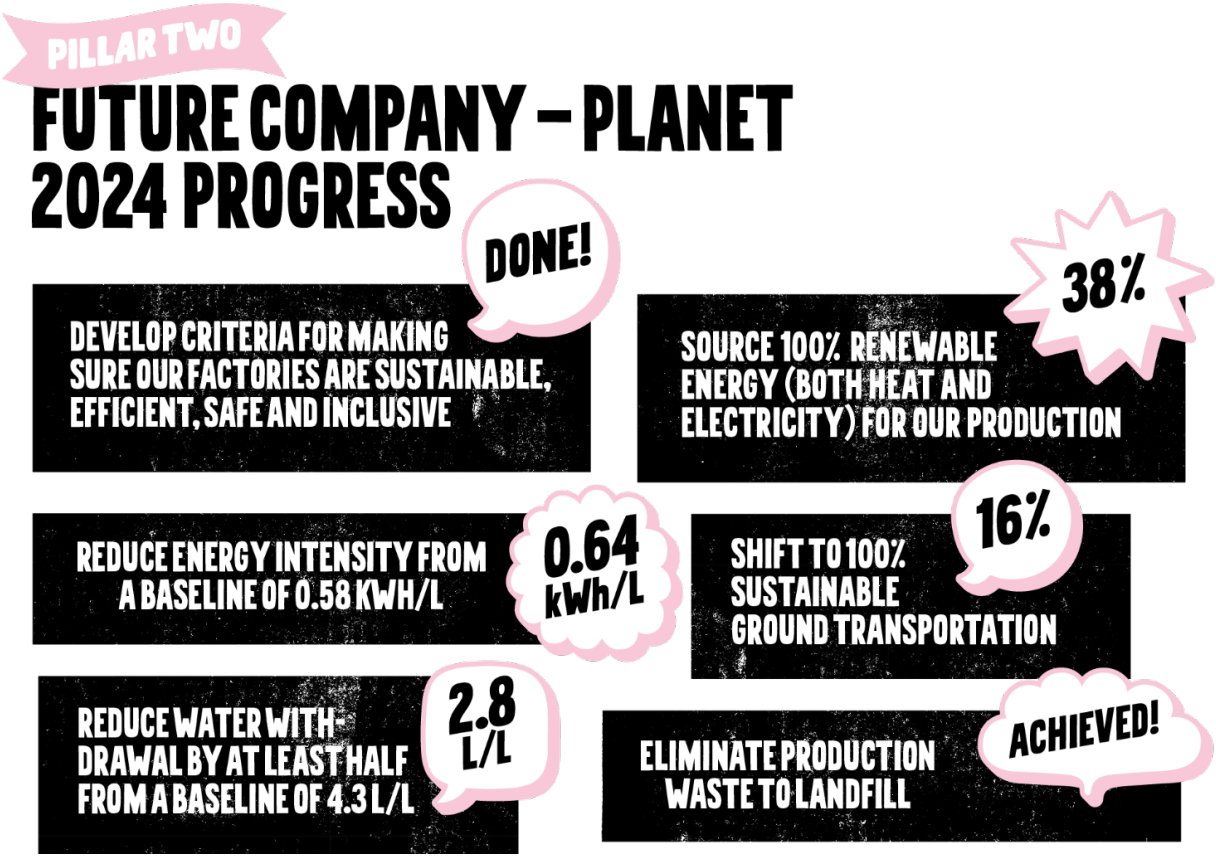
[28] The 89 percent recycled or renewable packaging shown in the pie chart includes packaging that is recycled or renewable, or a mix of both (e.g., recycled certified paperboard).

We aim to source all our fiber-based packaging materials as Forest Stewardship Council® (FSC)[29] or Sustainable Forestry Initiative® (SFI)[30] certified, meaning these materials come from responsibly managed forests and have been third-party verified as renewably and responsibly sourced.

In 2024, we continued our involvement with industry associations and suppliers to improve our initiatives toward sustainable packaging.

FUTURE COMPANY – PLANET

Ambition 3: By 2029, all the facilities that produce our products will meet "Future Factory" criteria, which we will be in line with the principles of sustainable, efficient, safe and inclusive — and we will support our production partners along the journey.



ENVIRONMENTAL STEWARDSHIP

During 2023, we created an integrated T-Oatly Safety Health and Environment (SHE) policy, combining our Environmental Policy with our Health and Safety Policy. We have sought to make this integrated policy easier and simpler to communicate and manage, and more importantly, believe this simplicity drives better employee engagement. The SHE policy was embedded during

[29] Oatly's license number is FSC-N003793. For more information, visit www.fsc.org.

[30] For more information, visit www.forests.org.

2024 across the business globally. On the environmental side, this policy serves as a global guideline for our teams and coworkers to help protect our planet.

In our quest to continuously improve our environmental programs, we took the following steps in 2024:

- We strengthened our commitment to compliance by increasing the number of safety, health and environmental professionals across the business and enhanced training for our teams on environmental best practices, ensuring a deeper understanding of compliance requirements and sustainability initiatives.
- Our teams conducted audits across all Oatly production sites to identify opportunities for reducing environmental impact, with a focus on emissions, resource efficiency and biodiversity protection.
- All Oatly-operated factories continued to manage their wastewater discharge (effluent) in compliance with local permits and requirements, including operating on-site wastewater treatment plants wherever necessary.

ENERGY

Energy used at production sites (including both Oatly's and those of our production partners) and offices accounted for about 16 percent of our corporate climate footprint in 2024. Emissions from energy were approximately 0.089 kg CO_2e per produced liter, an increase of approximately 14 percent from 2020 (0.078 kg CO_2e/L) and a decrease of approximately 3 percent from 2023 (0.093 kg CO_2e/L).

In 2024, production sites (including both Oatly's and those of our production partners) used approximately 367 million kWh of energy — more than twice our total energy used in 2020 and approximately a 7.5 percent increase from 2023. Since 2020, we've doubled our number of Oatly-operated factories from three in 2020 to the six factories in operation during 2024. Additionally, our produced liters in 2024 increased approximately 14 percent compared with 2023.

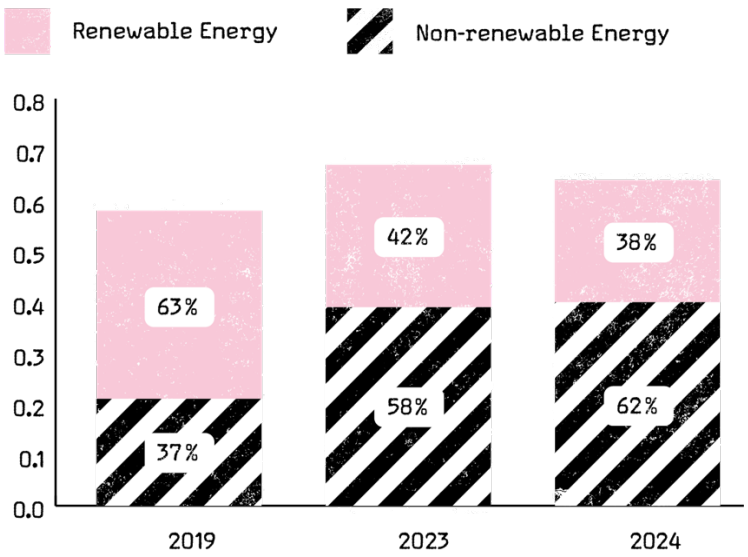
The two drivers of energy-related climate impact are energy intensity (amount of energy used per liter) and type of energy sourced (renewable or non-renewable).

ENERGY INTENSITY

Our energy intensity in 2024 was 0.64 kWh per produced liter, a decrease of approximately 5 percent over 2023 and an approximately 10 percent increase from the 2019 baseline. Energy intensity is calculated as the energy consumed at all production sites (Oatly and our production partners) divided by the total liters produced at a corporate level.

ENERGY INTENSITY PER PRODUCED LITER (KWH/L)

OATLY-OPERATED AND OUR PRODUCTION PARTNERS



We were able to improve our energy efficiency (and decrease our energy intensity) in 2024 thanks, in part, to increased production volumes. Additionally, our factories continued to implement capital and non-capital projects designed to improve their energy use. Key projects impacting the 2024 improvements included the installation of a heat pump at Vlissingen and improvements to our heat recovery system in Millville.

RENEWABLE ENERGY

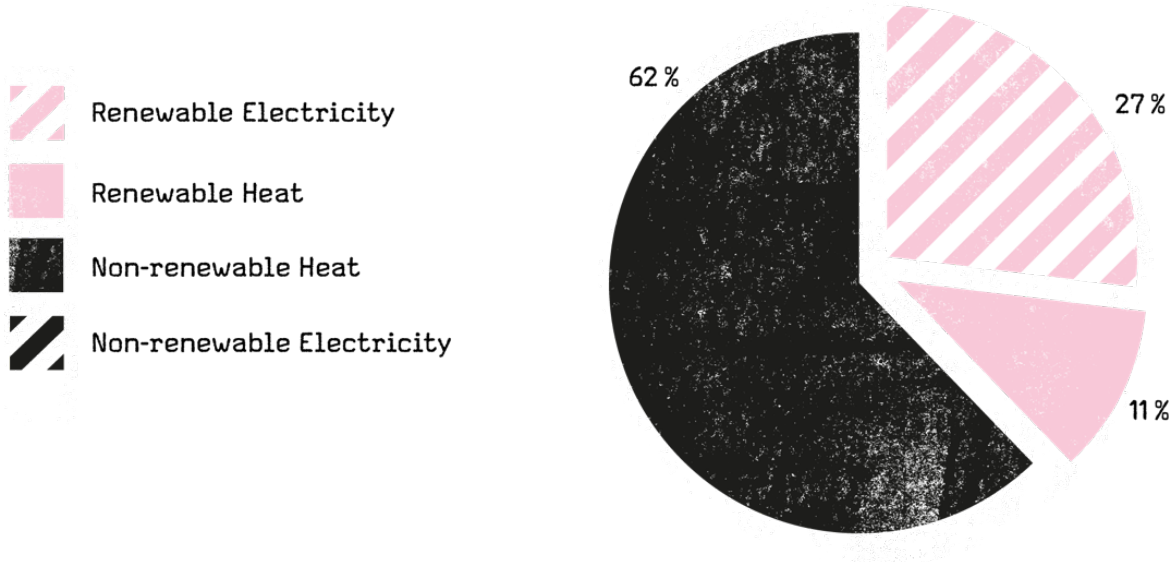
Our total renewable energy was 38 percent in 2024, a decrease from 42 percent in 2023. We classify the energy we use in our production process as either electricity or heat. This energy can then be further classified as renewable or non-renewable depending on how it is sourced. Both types of energy have different renewable strategies, opportunities and challenges.

In 2024, we continued to source 100 percent renewable electricity for all Oatly-operated factories — and for the first time, for all our production partners around the globe too! This accounts for 27 percent of the total energy used at all production sites (Oatly-operated and our production partners).

Renewable heat accounts for 11 percent of the total energy at all production sites (Oatly-operated and our production partners). In 2024, we continued to source 100 percent biomethane for our factory in Landskrona using energy attribute certificates. A few production partners also source renewable heat energy using biofuels. Sourcing renewable heat outside Europe remains a challenge, with non-renewable heat making up the remaining 62 percent of our total energy use. In 2024, our production volumes grew in China and the US, where renewable heat energy is less available. This led to the decrease in our overall percentage of renewable energy, and will likely continue to be a challenge in these regions.

2024 TOTAL ENERGY USE, BY SOURCE (KWH)

OATLY-OPERATED AND OUR PRODUCTION PARTNERS



TRANSPORTATION

Transportation accounted for about 18 percent of our corporate climate footprint in 2024. Emissions from transportation were approximately 0.098 kg CO_2e per produced liter. That's an approximately 33 percent decrease from our 2020 baseline (0.147 kg CO_2e/L) and an approximately 4 percent decrease from 2023 (0.102 kg CO_2e/L).

The three drivers of transportation-related climate impact are distance travelled (measured in tonnekm, which is calculated by multiplying the weight in tonnes of the goods by the kilometers driven), mode of transportation (e.g., ocean & sea, rail, road) and the type of fuel used (fossil-based or renewable).

Our strategy to reduce emissions from transport includes the following:

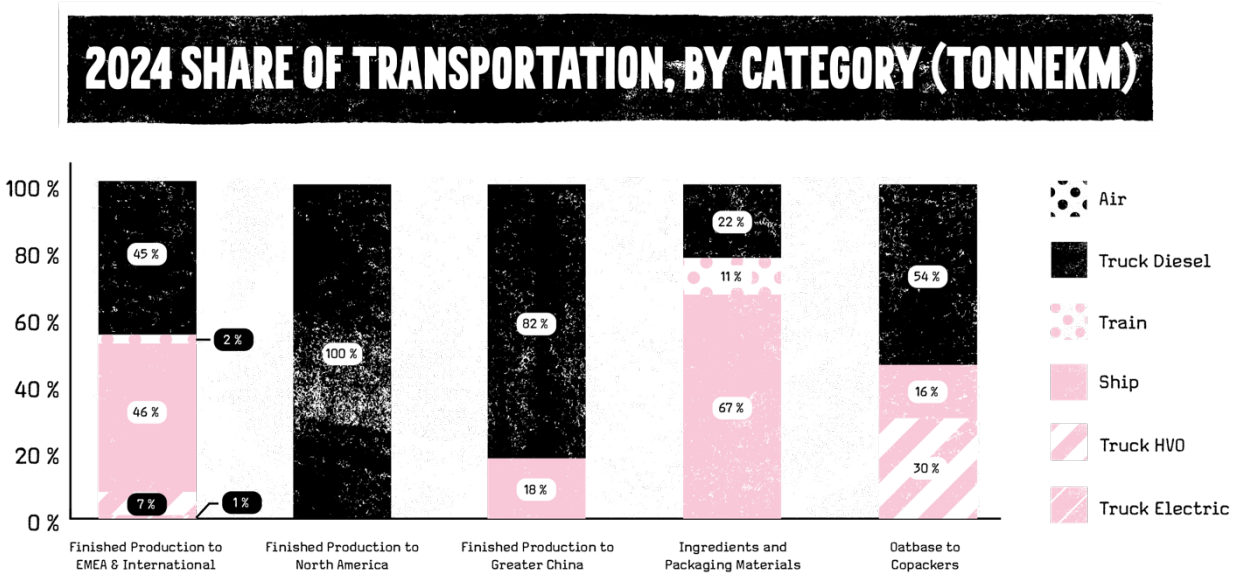
1. **Reduce the distances travelled.** This is the most important step in our strategy because it reduces GHG emissions by 100 percent for the kilometers not travelled. The most sustainable kilometer is the one you don't have to travel!
2. **Implement lowest possible impact transport across all lanes.**
    a. No air freight. To minimize the oversized air freight impact from one-off priority shipments, in 2021, our Global Logistics Team strengthened our process to require that any exceptions to our "no air freight policy" be approved by upper management.
    b. Switch to a lower-impact mode of transportation (e.g., switching from a diesel truck to rail can deliver an approximately 55 percent reduction in CO_2e).
    c. Switch to a lower-impact fuel within the same mode (e.g., switching from a diesel truck to one powered with 100 percent renewable electricity can reduce CO_2e emissions by approximately 95 percent).

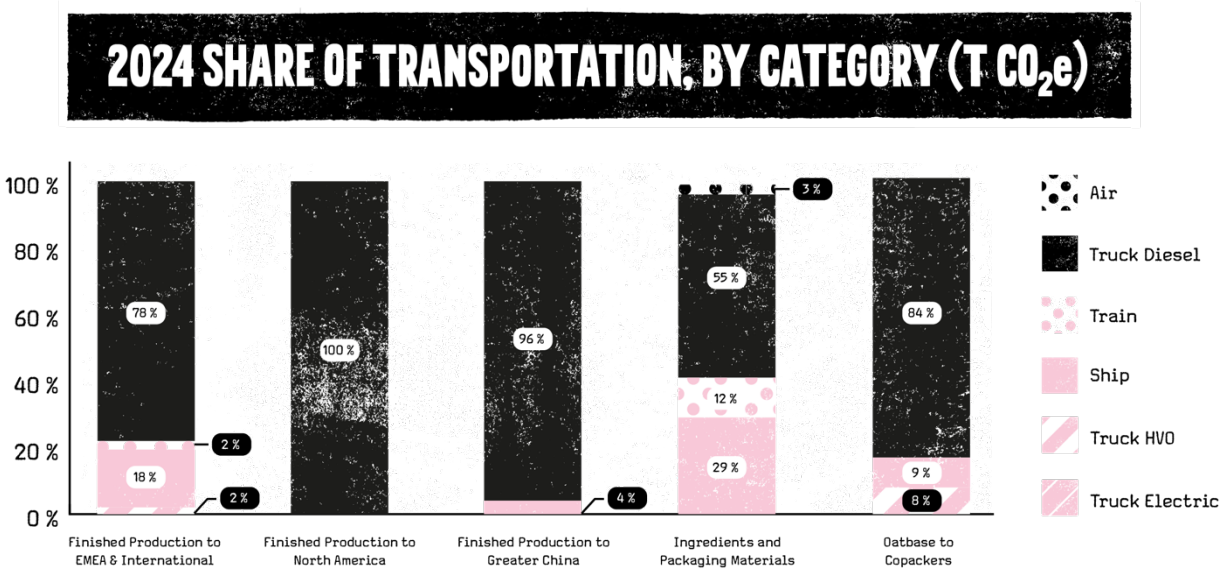
In 2024, our global transportation distances (measured in tonnekm/L) increased approximately 6 percent, while our emissions from transportation decreased by approximately 4 percent. Both results are, in large part, because of an increase in oats transported by ocean & sea to our factories in China and the Netherlands.

In 2024, our production volumes grew in China and the US. Some of the oats purchased by our Ma'anshan factory are transported from Europe by ocean freight, resulting in a higher tonnekm/L than for factories in Europe. This increase in the share of production volume in Ma'anshan resulted in an overall increase tonnekm/L, and will likely continue to be a challenge in these regions.

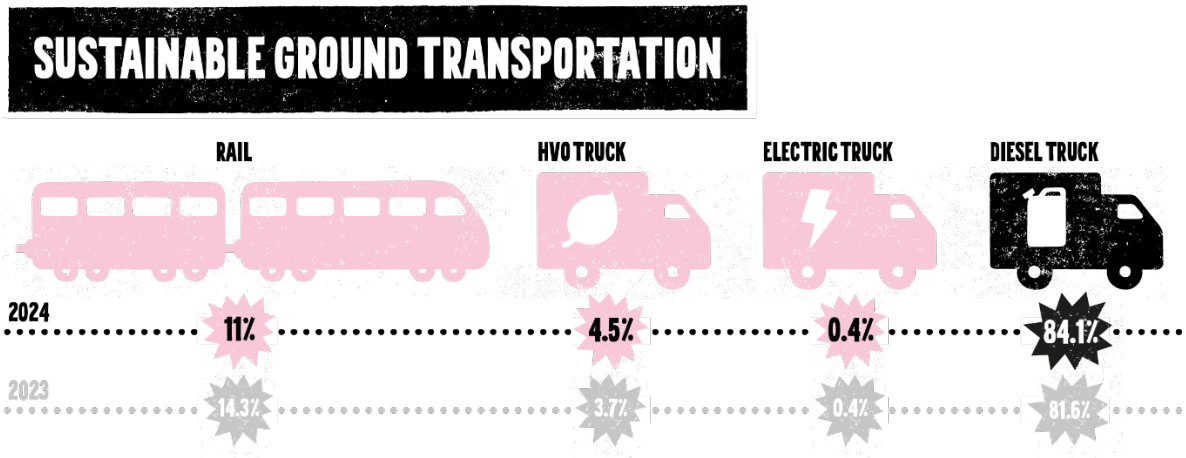
Improvements to our data collection process resulted in more accurate reporting on the mode of transportation for the oats delivered to our Vlissingen factory; these oats were previously assumed to be transported mostly by diesel truck, but we now know that they're mostly shipped via short sea and river from farms to the mill in Belgium.

Transporting by ocean & sea is often via a longer route than one over land (which usually means using rail or road as the mode of transportation), hence the increased tonnekm; however, the emission factors for ocean & sea are significantly lower tonnekm than for road, resulting in the decrease in emissions even though the tonnekm increased.





Distribution of finished products remains the largest contributor to transportation emissions, at approximately 68 percent. Finished products are primarily distributed via ground transportation (e.g., rail, road). This highlights the importance of our ambition to achieve 100 percent sustainable ground transportation — which include electric vehicles, rail and vehicles using renewable fuels — for our products and materials.

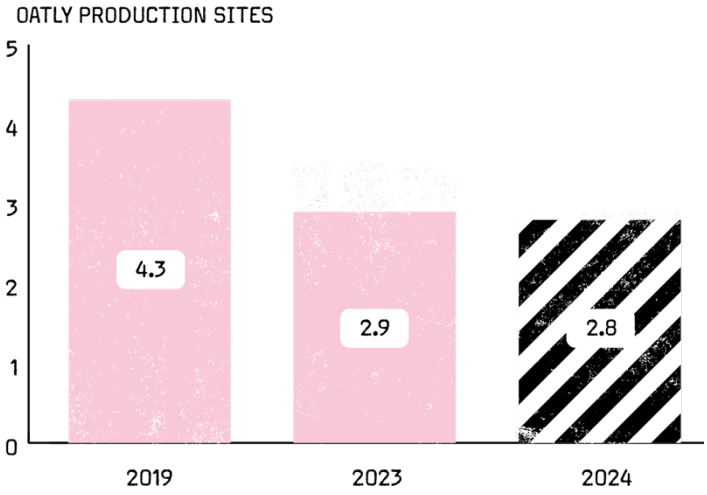


In 2024, approximately 16 percent of our products and materials were transported by sustainable ground transportation, a 2 percent decrease from 2023 (18 percent sustainable ground transportation). Sourcing renewable fuels outside Europe remains a challenge. In 2024, our production volumes grew in China and the US, where renewable fuels are less available. This led to the decrease in our overall percentage sustainable ground transportation. This will likely continue to be a challenge in these regions.

WATER WITHDRAWAL

In 2024, our total water withdrawn by Oatly-operated factories was approximately 1.6 billion liters in total, which is 2.8 liters per liter of Oatly (L/L) finished goods equivalent (FGe). This is a decrease of approximately 35 percent from our baseline of 4.3 L/L.

WATER WITHDRAWAL PER PRODUCED LITER (L/L FGE)



In 2024, our factories focused on non-capital projects designed to decrease water consumption, including efficient and effective cleaning at Landskrona and implementing procedures to decrease the amount of water added to oat fiber residue at Millville (see the Our Waste and Byproducts section for more about oat fiber residue).

In 2024, we updated our water risk assessment for all production sites (Oatly-operated and our production partners) using the Aqueduct Water Risk Atlas from World Resources Institute (WRI), a global mapping tool that helps users understand and assess water risks, including water stress, variability, pollution and water access, using open-source, peer-reviewed data.[31] We use this tool to help us focus our efforts — asking factories located in higher water stress areas to especially focus on reducing their — water withdrawal, at Oatly-operated and our production partners. The highlights of this assessment include the following:

- Our Ma'anshan factory and one production partner are located in a "Medium-High" area for Baseline Overall Water Stress.
- Our Millville factory and two production partners are located in a "Medium-High" area for Future (2050) Business as Usual Outlook.
- One production partner is located in an "Extremely High" area for Future (2050) Business as Usual Outlook.

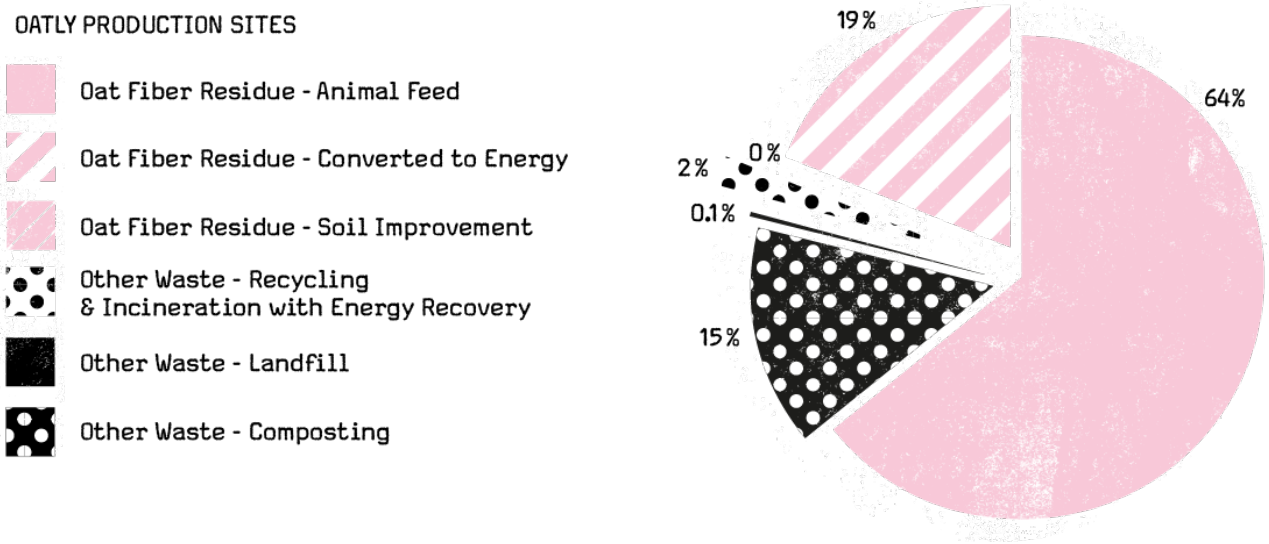
Oatly will consider the responses to this analysis in 2025.

OUR WASTE AND BYPRODUCTS

In 2024, our global Oatly-operated factories generated approximately 92,500 tonnes of waste and byproducts, an increase of approximately 4 percent compared with 2023. In 2024, we produced approximately 14 percent more liters of Oatly that we did in 2023.

[31] For more information and to review the Aqueduct Water Risk Atlas, please visit: https://www.wri.org/aqueduct

2024 OATLY PRODUCTION WASTE AND BYPRODUCTS (T)



All our oat fiber residue — that's 100 percent of the approximately 76,500 tonnes generated in 2024 — was repurposed! Approximately 75 percent was used to feed animals[32]; although, in accordance with our Waste and Fiber Residue Policy, our oat fiber residue is not used to feed cows. The remaining oat fiber residue is used to create energy in the form of biomethane or electricity. (This category sometimes also includes scrapped product from our production facilities.)

We also strive to keep the small proportion of our waste that is not oat fiber residue, approximately 16,000 tonnes in 2024, out of landfills by instead sending it to partners for recycling or incineration with energy recovery. In 2024, our production waste to landfill was approximately 0.1 percent. This category includes a very small (less than 1 percent of total waste and byproducts) amount of hazardous waste managed by our factory teams with a focus on minimization, recycling whenever possible and disposing responsibly.

While we will continue to strive to eliminate this remaining 0.1 percent waste to landfill, zero is never zero. It's generally accepted that zero waste to landfill is achieved when at least 99 percent of waste generated throughout the manufacturing process is diverted from landfills. Given that we're well below 1 percent, we're pleased to have met our goal to eliminate production waste to landfill — five years ahead of schedule. In fact, we're going to take a few moments to celebrate this achievement and setting a new waste target to keep pushing ourselves toward greatness.

[32] Hierarchy for prioritization of food surplus, byproducts and food waste prevention strategies, (pg.8 in the link) https://shorturl.at/ABH16 and "Food Recovery Hierarchy."

PILLAR TWO

FUTURE COMPANY – PEOPLE 2024 PROGRESS

ON TRACK!

MAINTAIN SUSTAINABILITY AS OUR CORE VALUE

W.I.P.

CREATE A SAFE, EQUITABLE AND INCLUSIVE BUSINESS

W.I.P.

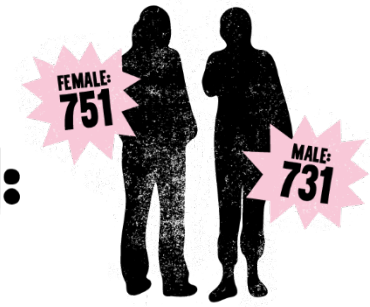
INCENTIVIZE LEADERS TO PRIORITIZE SUSTAINABILITY

We believe that change and impact start from within; they begin with our people. Oatly is an organization built on a commitment to sustainability — it's in our DNA. Our ambition is to provide an arena for human growth, where we enable our employees to learn, develop and thrive; we empower them to take responsibility for their own well-being and to build resilience within a safe, diverse and equitable workplace.

TOTAL EMPLOYEE HEADCOUNT

Oatly's headcount reflects the number of employees (both permanent and temporary) at the end of 2024.

TOTAL EMPLOYEE HEADCOUNT: 1,482 OF WHICH:



LEARNING AND DEVELOPMENT

We take an agile approach to learning and development so that training and growth meet the needs of both our diverse local markets and our people. To enable an effective and consistent approach, we have developed toolkits and frameworks to be used across the company.

Our internal "Let's Learn" education and training sessions put the spotlight on important topics and themes, inviting experts, leaders and colleagues to the global stage. We have run sessions on the gender equal pay analysis project, on giving and receiving feedback, on the 2024 elections in connection with the planet's future, as well as on multiple sustainability topics, such as how we work to level the playing field for plant-based diets and the efforts underway around the company to help empower consumers to make sustainable food choices.

To support employees in building resilience, we've implemented a range of development solutions such as mindfulness programs underpinned by research-fueled learning sessions, as well as live guided meditations, which are recorded and made available in Oatly's own meditation playlist.

Our "Connect with Anna" program provides access to a certified International Coaching Federation (ICF) coach as an independent professional who employees can turn to when they need to work through a personal or work challenge. Employees from all over the world have connected with Anna (she is a human being not an app, just to be clear) for confidential support and coaching as part of their growth journeys at Oatly.

We have introduced a co-growth toolkit to support managers and employees in having meaningful check-in conversations and development talks around employees' needs, ambitions, challenges and learnings.

HEALTH AND SAFETY

At Oatly, safety is not just a policy, it's a way of life. We are deeply committed to fostering a culture of safety that empowers everyone to perform at their best and return home safely each day. This vision, rooted in our core values, has guided us over the years and continues to prioritize the safety and well-being of our people. As we set our sights on 2025 and beyond, we are taking our approach to Safety, Health and Environmental (SHE) values to the next level with measurable KPIs and our newly introduced SHE Culture of Care, a step toward building a stronger, healthier workplace.

The Oatly Culture of Care program is more than just a safety framework; it's a mindset. Designed to elevate safety standards, behaviors and overall well-being, it goes beyond compliance to create actionable, impactful initiatives. It focuses on what really matters — empowering everyone at Oatly to foster a culture of care through key elements such as the following:

- Health and well-being
- Safe design and asset care
- Risk identification

- Managing risks
- Leadership and culture
- Learning and improvement

Our goal? To make Oatly not just a great place to work but also an exceptional one, where risks are minimized and engagement thrives.

Globally, our well-being initiatives are guided by our research-based framework for well-being, "Food for the Mind," which highlights the essential activities for optimum mental health and well-being. We continue to build awareness of the framework through internal communications and local activations.

The approach to Oatly's workspace design is also deeply rooted in our well-being framework, with an intention of maximizing the impact of the spaces for our people while minimizing the impact on our planet. Our spaces are designed to make people feel inspired to co-create and innovate, to feel psychologically safe and to facilitate an array of experiences from building social connection to maximizing focus.

At our factories, safety observations remain a critical tool in identifying potentially unsafe situations. With the successful launch of our SHE reporting system, Cority, we are shifting our focus toward leading indicators rather than solely relying on lagging metrics. During 2025, we will introduce a system that enables colleagues across all levels of the business to submit positive observations. This will include environmental observations as well as safety. More to come!

As we focus on the future, we recognize the considerable progress made across our factories. In 2022, we had nine lost-time accidents (LTAs). Through ongoing improvements, we reduced this to four in 2023 and then to two within 2024, demonstrating year-over-year improvements enhancements. Of course, our ultimate goal remains zero LTAs. (Note that our LTA data is included in our Lost Time Incident Rate in the table below). A foundational value of our Culture of Care program is to ensure that we have the people, commitments and initiatives in place to achieve a workplace from which every colleague returns home safely each day.

HEALTH & SAFETY METRICS

PERFORMANCE MEASURE	2022	2023	2024
Fatalities	0	0	0
Lost Time Injury Rate	0.53	0.65	0.32
Total Recordable Incident Rate	1.46	1.46	0.47
Accidents	113	38	35
Near Miss Raised	134	111	113
Safety Observations Raised	348	447	647

* Data refers to factory employees for our own sites.

DIVERSITY AND INCLUSION

At Oatly, we want every employee to feel that they belong, just as they are — no matter their spiritual beliefs, country of origin, race, gender or sexual orientation. We actively engage in open dialogue, understand our areas for improvement and take meaningful actions to address them. Together, we commit to learning, growing and evolving into a genuinely diverse and inclusive company.

We aspire for our team's diversity to mirror the diversity of the markets in which we operate. While we would ideally use the same data metrics everywhere, varying legislation means that, while we collect data for each market, the type of data we can collect differs from country to country. The following tables illustrate the racial and ethnic distribution in North America, Singapore and the United Kingdom.

2024 SINGAPORE ETHNICITY DEMOGRAPHICS

ETHNICITY	POPULATION SG	OATLY SG EMPLOYEES
Chinese	75%	79%
Indian	8%	15%
Malay	15%	6%
Other	2%	0%

2024 UNITED KINGDOM ETHNICITY DEMOGRAPHICS

ETHNICITY	POPULATION UK	OATLY UK EMPLOYEES
Asian or Asian British	9%	5%
Black, African, Caribbean or Black British	4%	3%
Mixed or Multiple Ethnic Groups	3%	2%
Other Ethnic Group	2%	3%
White	82%	87%

2024 UNITED STATES RACE/ ETHNICITY DEMOGRAPHICS

RACE/ETHNICITY	POPULATION US	OATLY US EMPLOYEES
American Indian or Alaskan Native	1%	1%
Asian	6%	6%
Black or African American	13%	8%
Hispanic or Latino	19%	16%
Two or more races	3%	3%
Native Hawaiian or other Pacific Islander	<1%	0%
White	57%	66%

We are dedicated to continuously refining our recruitment processes to foster inclusivity and maintain our reputation as an accessible, diverse and attractive employer. To support this mission, we have implemented competency-based recruitment training for our hiring managers and recruitment teams, equipping them to recognize and counteract common biases throughout the hiring process.

We have hosted an LGBTQIA+ focus group, creating space for the community to come together and share experiences of working at Oatly, including opportunities for how to better support and engage our LGBTQIA+ community.

We developed a "Culture Map" workshop to support multicultural teams in building awareness of cultural norms in ways of working, communicating and leading. Our people partners are equipped to facilitate the workshop and leverage the tool in teams, as needed.

In the UK, we introduced an internship program that connects young Black talent with the food and beverage industry. We conducted training around women's reproductive health and organized engagement activities to raise awareness during International Women's Day, Pride month and Black History Month. In addition, we promoted guidelines and support for our neurodivergent employees.

In North America, training was offered on unconscious bias, building culturally humble teams, and various events were held, for example, for National Disability Employment Month, as well as with partners from Drag Queen Storytime, in addition to cooking classes with cultural experts for Hispanic Heritage Month and Black History Month.

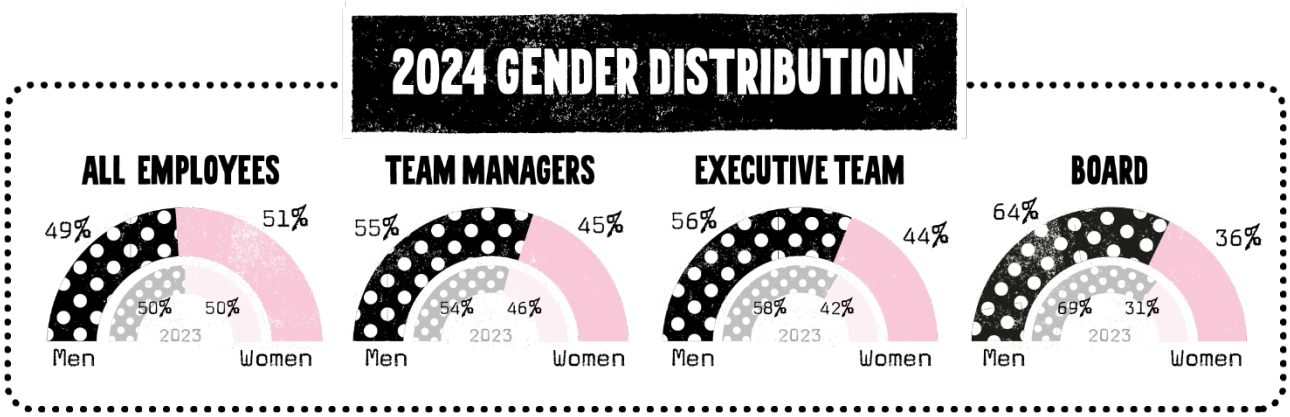
GENDER DISTRIBUTION AND EQUAL PAY ANALYSIS

Oatly is dedicated to ensuring equal pay for equal work. To achieve this, we have established procedures that ensure fair compensation for equal roles and skills throughout our remuneration process, including recruitment and advancement.

We conduct a fair and transparent global review in alignment with our policy to understand our gender pay gap and seek to actively address any disparities for our colleagues. This internal analysis looks at gender and pay in each market and reveals any differences between the average pay of male and female employees.

The gender pay gap is expressed as a percentage difference between the annual base salary for male and female employees. Our 2024 global results reflect a negative *median* pay gap (or minus result) of -14.2 percent, which means the median female salary at Oatly is 14.2 percent more than the median male salary at Oatly. The results also show a positive *mean* gender pay gap of 1.1 percent, which translates to, on average, Oatly male employees as a group earning 1.1 percent higher wages than the Oatly female employees do as a group. The median and mean results reflect the two statistical approaches for measuring the midpoint.

A positive pay gap is the norm around the world. In fact, the global median gender pay gap is estimated to be around 20 percent. Our 2024 analysis shows that Oatly is doing well when compared with national averages, and the global gender pay gap as presented by the International Labor Organization. While our global result is positive news for women, there's still work to be done.



*Team managers are defined as all individuals who have a direct report.

REMEDIATION AND CHANNELS TO RAISE CONCERNS

At Oatly, listening to our colleagues is a core value that we hold dear. We aim to provide a safe, open environment where everyone feels empowered to speak up, as well as a confidential, convenient and reliable method for reporting any incidents of alleged harassment, including sexual harassment, and discrimination. Any employee who feels harassed or discriminated against is encouraged to inform the alleged offender that the behavior is unwelcome. If this is unsuccessful in remedying the situation, or if the employee is not comfortable with the approach, it is encouraged that they contact their manager or Human Resources department and/or the Whistleblower Hotline. For more information on our Whistleblower Policy and Hotline, see our Governance section.

GLOBAL ENGAGEMENT PROCESS

We engage our employees on the latest updates, from health and safety to business performance, through regular communications across our internal channels, including intranet, email, digital signage, newsletters, Teams channels and manager cascades. Resources, policies, guidelines and tools are easily accessible to employees from our intranet and connected platforms.

We are committed to cultivating what we call “brave spaces,” a workplace and teams in which every individual is empowered to speak up and feel comfortable expressing their views — including to colleagues in senior roles.

To support this ambition, we have used the data from our annual social sustainability surveys to better understand where we can improve our organization and to put action plans in place within teams, with three-month follow-ups to support progress.

Various functions throughout the business use pulse surveys to follow up on team-, function- and market-level action plans throughout the year.

In 2025, we are developing our approach to engaging our organization and will be introducing a comprehensive annual employee engagement survey to provide more in-depth reporting and analysis. Further, this will enable us to benchmark our results against other companies.

Finally, this reset will allow us to recalibrate the cadence of our survey to better align with future reporting and strategic planning cycles.

EMPOWER A PLANT-BASED REVOLUTION

The science is clear: if we want to stay within a safe operating space for humanity — staying within planetary boundaries and contributing to a strong social foundation — it is time for people in high and middle-income countries to shift away from resource-intensive animal-based diets.[33] Studies show that a shift to more plant-based diets is a vital action humans must take in order to reduce their environmental impacts and simultaneously improve health outcomes.[34]

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PILLAR THREE

EMPOWER A PLANT-BASED REVOLUTION 2024 PROGRESS

One of the most impactful actions Oatly takes to contribute to the transformation of our food system is promoting a shift to more sustainable diets through the provision of oat-based alternatives to cow's dairy. We've completed a number of studies that show relevant Oatly products have a lower climate impact than the comparable cow's milk product in the markets surveyed.[35]

With our lower footprint than market-weighted average of the milk category, in 2024, Oatly's products were the first in the world to be qualified by the ERI, UN Race to Zero Partner, as Climate Solution Products. This is based on the Climate Solutions Framework, an important and much needed new framework developed in collaboration with ERI, Oxford Net Zero and experts from business, NGOs and finance, which highlights the urgent need for climate solutions to scale rapidly. It includes criteria anchored in science for defining climate solution products and companies, with the aim to provide a reliable method for identifying products/services

[35] According to multiple studies, Oatly products have between 44 percent and 80 percent lower climate impact than comparable dairy products for currently operating products sold in China, Europe and the United States. Blonk Consultants (2022), LCA of Oatly Barista and comparison with cow's milk; Blonk Consultants (2023), LCA of Oatly "No" Sugars and Oatly Oat Drink (Whole/Semi/Light), and comparison with cow's milk; Blonk Consultants (2023), LCA of Oatly Original and comparison with cow's milk. Blonk Consultants (2024), LCA of Oatly Batista China and comparison with cow's milk. Blonk Consultants (2024), LCA of Oatly Creamy Oat and comparison with dairy cooking cream. Blonk Consultants (2024), LCA of Oatly Creamy Oat and comparison with dairy cooking cream-for the Finnish market. Blonk Consultants (2024), LCA of Oatly Creamy Oats and comparison to dairy cooking cream — for the Germany, Netherlands, UK, Denmark and Norway markets. Blonk Consultants (2024), LCA of Oatly Barista for Poland, Ireland and France, and comparison with cow's milk. Blonk Consultants (2024), LCA of Oatly Barista for Denmark, Norway, Belgium, Italy and Spain, and comparison with cow's milk.
Stages include raw material to point of sale and packaging waste management for average liter sold in the respective markets and produced in the sites as indicated in the reports.

that contribute to net zero; motivate companies to develop climate solutions by incentivizing buyers, financial institutions and governments; and promote stakeholder acceptance of intensity targets for climate solution companies.

"In order to shift out the high-emissions economy, we need to scale up climate solutions exponentially. Companies must produce and scale products that serve a need in society at the same time as having a much lower footprint than high-emissions products and services, and Oatly is a great example of that." [Johan Falk, CEO and Co-founder, ERI][36]

Ambition 4: *By 2029, mainstream plant-based diets by leading a shift from dairy, with a milestone to shift 2.9 billion liters from dairy to Oatly between 2019 and 2025, saving up to 2.5 million tonnes of CO_2e.*

Since 2022, using the methodology co-developed with Quantis,[37] we have been calculating Oatly's avoided emissions, also known as our "handprint," quantifying the net impact of our products when driving conversion from cow's milk. Our avoided emissions are composed of three levers:

- **Conversion.** We surveyed consumers in our most material markets — China, Germany, Sweden, the UK and the US — to obtain an updated estimate of the rate of conversion from cow's milk to Oatly drinks among Oatly consumers in 2024.[38]
- **Sales.** The sales volume of Oatly products continued to grow.
- **Climate Footprint.** In 2024, we expanded our Life Cycle Assessment (LCA) work to Oatly Creamy Oats and Oatly Barista in key European markets, confirming our lower climate impact to dairy in more product categories and markets.[39]

We used the three levers to estimate the number of liters of Oatly products people have purchased instead of cow's dairy and, as a result, we obtained the corresponding estimate of CO_2e emissions avoided, or our "climate handprint." We applied the co-developed methodology[40] for the years 2019 through 2024 for all Oatly sales.[41] You can read more about the detailed methodology on Quantis's website.

We are 46 percent toward our current milestone of reaching 2.5 million tonnes of CO_2e of avoided emissions between 2019 and 2025. Our avoided emissions ambition is dependent on the three levers; two of the three levers, conversion rate and difference in climate footprint to our dairy counterparts, are on track, while our sales have grown at a slower pace than we projected in 2019. Therefore, we are unlikely to reach our current milestone in 2025. Nevertheless, we are

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[36] Offering climate solutions products: Oatly joins the Exponential Roadmap Initiative

[37] How companies can leverage avoided emissions to drive transformation + accelerate global decarbonization - Quantis

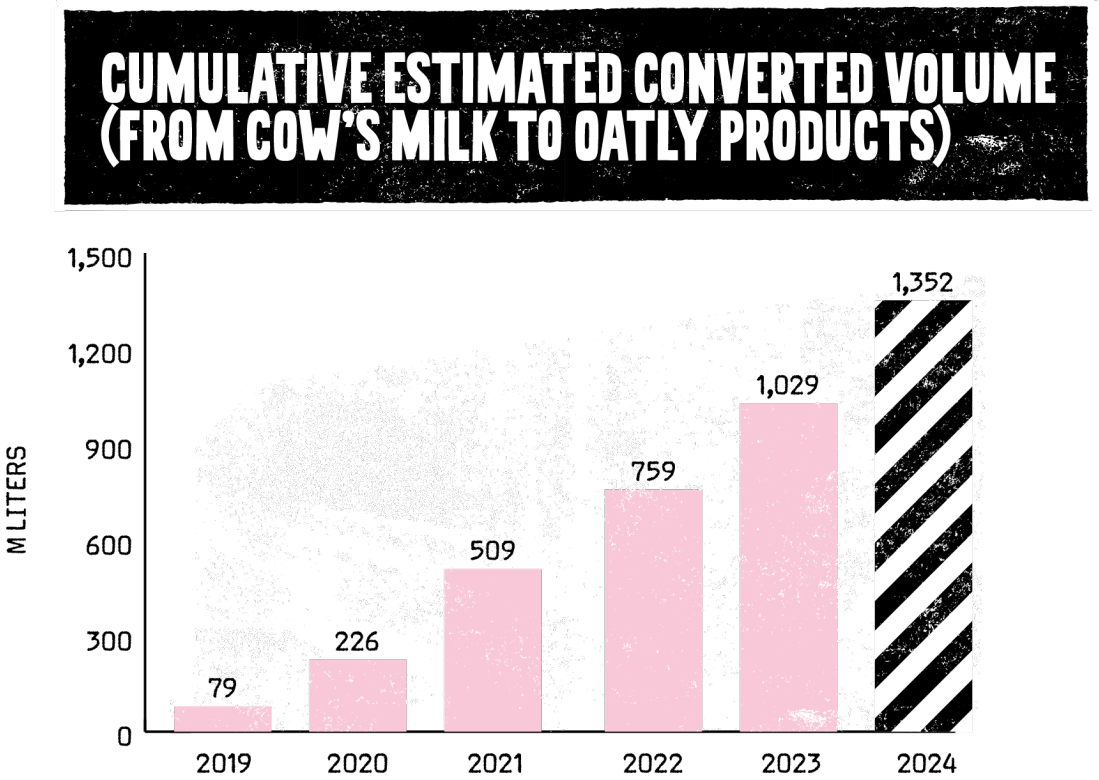
[38] Estimation of the share of Oatly consumers that converted from cow's milk obtained via consumer insight surveys at a country level (conducted by McKinsey for 2019–2021 data and IPSOS for 2022 to 2024 data), with survey questions and an equation to estimate the rate of cow's milk to Oatly conversion proposed by Quantis.

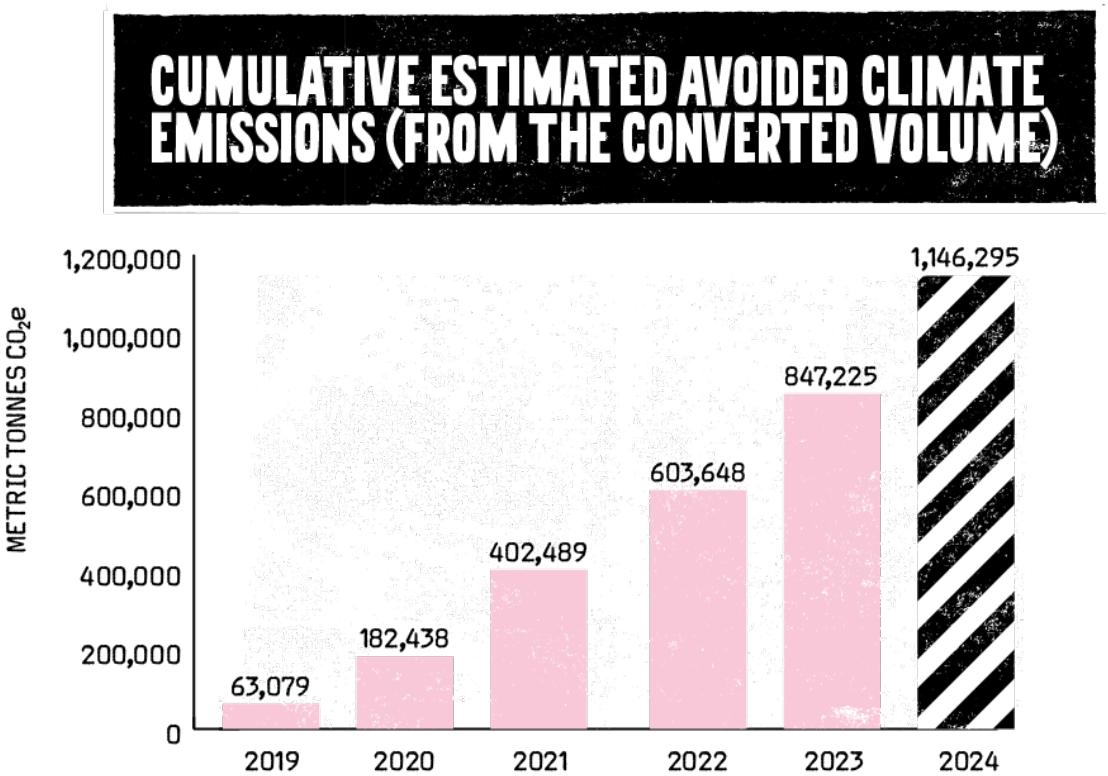
[39] Derived from Blonk Consultants (2024), LCA of Oatly Creamy Oats and comparison to dairy cooking cream — for the Germany, Netherlands, UK, Denmark and Norway markets. Blonk Consultants (2024), LCA of Oatly Barista for Poland, Ireland and France, and comparison with cow's milk. Blonk Consultants (2024), LCA of Oatly Barista for Denmark, Norway, Belgium, Italy and Spain, and comparison with cow's milk.

[40] How companies can leverage avoided emissions to drive transformation + accelerate global decarbonization - Quantis

[41] See PBR conversion note page 47.

proud that our avoided emissions per liter have increased from 2019's 0.44 kg CO2e/L sold to our current 0.53 kg CO_2e avoided/L sold, which is mainly due to increased conversion from cow's milk to Oatly in key markets.





EMPOWER CONSUMERS TO MAKE SUSTAINABLE FOOD CHOICES

Climate footprint declaration

We continue expanding our efforts to publicly declare climate footprints on more of our products around the world. By the end of 2024, 225 of our products carried, on our packaging or website, a climate footprint declaration, which is calculated using the LCA methodology and verified by CarbonCloud. This accounts for 78 percent of our sales volume globally.

In March 2024, Oatly completed the first-ever product carbon footprint assessment in China's plant-based milk industry for our 1L Barista Edition Oat Milk produced at our Ma'anshan factory. For more information visit, climate footprint.

In June 2024, the Together for Carbon Labelling (TCL) initiative had the honor of hosting a parliamentary breakfast at the German Bundestag. Together with MdB Dr. Ophelia Nick, Parliamentary State Secretary at the Federal Ministry of Food and Agriculture, and Tanja Asmussen, Head of the Nutrition and Agriculture Team at the Danish Embassy in Berlin, we discussed the results of the TCL event series and the challenges and opportunities of environmental labeling of food in Germany and the EU. The initiative will focus its next steps on the introduction of state-regulated labeling and do everything in its power to put the topic on the agenda of the new German government. Stay tuned!

USING OUR VOICE TO TAKE A STAND

We continue to raise our voice at important public forums around the globe to highlight the food system's contribution to GHG emissions:

- Oatly led and participated in key conversations at both London Climate Action Week and NYC Climate Week, covering the need for and the road to scaling regenerative agriculture and inserting food into the climate conversation. Oatly also called for the need to recognize and enable climate solution products and companies to scale, announcing that we are the first company to have products qualified as climate solutions under the new ERI framework. Working with Food Tank, Oatly helped convene over 100 like-minded purpose driven companies to converge together and discuss the issues facing brands such as ours, and how we can band together to amplify our message.
- In December 2024, in partnership with Yicai Global (media company), Oatly held a "Sustainable First Class" seminar focused on key issues such as sustainable development, carbon management, climate change, sustainable food systems, and regenerative agriculture. Through three courses and a roundtable discussion, participants explored the multidimensional practices of sustainable development.

DEVELOP PRODUCTS THAT HELP PEOPLE MAKE THE SHIFT TO PLANT-BASED FOOD

We hope that by creating delicious and nutritious plant-based alternatives, more people will shift to consuming plant-based food.

In North America, we reintroduced Oatly creamers and expanded to more stores so consumers that use dairy creamers in their coffee have a tasty plant-based option to consider. We also brought our delicious soft serve ice cream to more college and university campuses and worked with the largest theme park in Southern California to provide the data they need for chefs to use in making delicious, plant-based recipes in their parks.

In Europe, we continued to expand our Oatly Barista offering a range of sizes from tiny cartons (20 ml) called Jiggers, a perfectly sized portion offered when a large package could lead to food waste, for example when people are on the go, to extra-large (1.5 liter) for those people and places that like their rich, creamy and foamable oats in abundance. We also launched Barista Lighter, with a taste for those that crave a lighter sensation, and Barista Organic, a barista version of our organic oat drink.

MOBILIZE AND INSPIRE A MOVEMENT

We published the *Small Healthy Book* in the EU and UK containing 17 facts about Oatly and nutrition. This includes evidence-based, accessible communication on key nutritional attributes of oat drinks compared with cow's milk and other plant-based drinks, as well as key topics in nutrition and health such as glycemic response and ultra processing. The *Book* was distributed to every employee in the EU/UK in summer 2024 and now has been adapted for the US and Greater China. The book has been distributed externally to key health influencers, and the PR team has recruited a small army of "truth seeker" influencers who combat misinformation on social media with science-based facts and evidence.

Europe

To coincide with the 2024 European Parliament Elections, Oatly mobilized its employees, political outreach and like-minded companies and organizations to build a movement for democracy and our planet, from reaching out to EU decision-makers with an Oatly Call to Action: Keep the health of people and planet on top of the agenda! to joining forces with Patagonia to invite others to join us in our call for action. We educated, mobilized and gave all our employees in the EU time off to engage in the elections as well as invested in a broad VOAT campaign, calling on voters across Europe to make their voices heard at the ballot box.

The Oatly campaign received a lot of positive feedback from both internal and external stakeholders, reflecting strong engagement and support. The European Parliament even included the campaign in its press briefing, shared far and wide across the 27 member states. The campaign also helped us to set a platform for the ongoing engagement required during the next five years of this mandate, advocating for plant-centric policies and sustainable food systems.

Germany and Poland

We caused a stir with our campaign around the results of a blind taste study conducted by an independent market research institute,[42] in which 53 percent of participants surveyed in Germany and 50 percent of those surveyed in Poland preferred Oatly Barista over cow's milk in their filter coffee. We are proud of this taste study, and it led us to believe that if more people tasted oat drink without prejudice and purely focused on taste, perhaps more people would switch to the plant-based option.

Europe

We are proud to report that our oat drinks are now available at no extra charge on trains in certain countries across Europe. The introduction of Oatly — and especially our 20 ml portion size — means travelers can enjoy healthy climate solutions regardless of their dietary preferences.

Spain

Oatly joined the Spanish plant-based association Vegetales, reinforcing our coalition-based approach to driving sustainable food systems. This aligns with our global practice of partnering with local organizations and associations to promote plant-based diets, reduce emissions and push for policy change.

United States

In North America, we worked with colleges and universities to bring younger generations into the plant-based movement. We activated "Oat As Default" in half a dozen schools in the weeks around Earth Day, with Oatly being served as the default milk in all drinks unless a customer specifically requested otherwise. This group of schools joins an existing network of coffee shops and cafés providing oat drink on a default basis, some of which are nationwide retailers that offer oat milk as a default on a full-time basis.

China

Since the Silent Barista Project was launched in September 2020 in China, over 300 hearing-impaired baristas from more than 12 provinces have received training from Oatly. Among them, 112 trainees have earned Specialty Coffee Association certificates for beginner and intermediate baristas, thanks to their outstanding performance. Additionally, 82 individuals have secured full-time positions, embarking on their careers as professional baristas. Today, Oatly has a robust community of over 600 silent baristas, making it the leading company in the coffee industry for training certified hearing-impaired baristas.

[42]Blind tasting study with the independent market research institute GIM, 300 filter coffee drinkers, 08/2024

CHALLENGE OUTDATED RULES AND REGULATORY BARRIERS

In early 2024, Oatly collaborated with its partners in the UK Plant Based Food Alliance to successfully push back on proposed restrictions on plant-based products using certain "protected dairy terms" such as "cream" and "crème fraiche" as product descriptors. Had these come to pass, they would have massively restricted how plant-based companies are able to market and label their products.

Oatly continued to work for leveling consumption tax: In the Netherlands, by putting pressure on the government, we managed to get a cross-party majority in the Senate and put the issue on the government's agenda. The Senate debate resulted in a commitment from the Minister of Finance to include an exemption for plant-based drinks under the proposed sugar tax. In Belgium, Oatly joined Next Food Chain (a plant-based alliance in Flanders) to increase our ability to advocate for fair taxation there.

Oatly contributed throughout the year to the Renewable Thermal Collaborative and attended the VERGE 2024 Conference to network with companies that are working on thermal decarbonization so that we can share ideas and solutions on electrification, desteaming, heat pumps, renewable natural gas and more across the food and beverage sector and beyond.

SUSTAINABILITY GOVERNANCE AND ETHICS

Our governance and ethics programs are grounded in our mission and core values of nutritional health, trust and sustainability. We are committed to conducting our business with integrity and in an ethical and socially responsible way through sustainable business practices and various programs committed to sustainability, human rights and compliance — which we regard as essential to maximizing stakeholder value while enhancing community quality and environmental stewardship and furthering the plant-based movement around the world.

Implementation of our sustainability initiatives, including publishing this sustainability report, requires commitment and investment across the company. We consider it essential to achieve our mission.

Our sustainability program is developed and managed through considered interaction between our Chief Executive Officer, with embedded ownership within relevant functions and other department heads, and with oversight from our Board of Directors. Our Chief Executive Officer and our Sustainability Leadership Team work together to develop our sustainability programs, practices and goals in conjunction with our other business leaders, and these form the basis of our approach to sustainability at our company. These programs, practices and goals are overseen and monitored by the Nominating and Corporate Governance Committee of our Board of Directors, which is in turn required to report to the wider Board on matters of sustainability and corporate responsibility performance.

At the end of 2024, our company Board was composed of 11 directors, out of which seven identify as male and four as female. There are no directors under age 30, three are between 30 and 50 years old and eight are over 50 years old. Within the Board of Directors, four identify as Asian and seven identify as white.

DOING BUSINESS AT OATLY

At Oatly, we take ethics and our relationship with stakeholders seriously and see it as critical that all employees and governance body members respect and act in accordance with our steering documents.

In 2024, we had no reported cases of incidents of corruption, no confirmed incidents in which employees were dismissed or disciplined for corruption and no confirmed incidents of contracts with business partners being terminated or not renewed due to violations related to corruption. Additionally, we had no public legal cases regarding corruption brought against Oatly or its employees during the reporting period.

Oatly has a suite of policies governing our ethics and governance that cover all the company's employees, officers and directors and anyone else acting on behalf of Oatly such as consultants or contractors, as applicable. These policies include the following:

- Oatly's *Code of Conduct & Business Ethics Policy* is intended to provide guidance in the event of a concern regarding business conduct or ethical standards. The guidelines cover issues such as conflicts of interest; competition and fair dealing; gifts and entertainment; and compliance with laws and regulations (including interactions with government officials). But the guidelines also note that not every situation can be addressed, and directors, officers and employees should submit a report whenever they feel uncomfortable about a situation. The guidelines make it clear that directors, officers and employees are expected to report any known or suspected breaches of these guidelines, and the company maintains an anonymous Whistleblower Hotline.
- Our *Anti-Bribery & Corruption Policy* is applicable to all of Oatly's operations worldwide and states the key definitions of "bribe" and "corruption" in countries where Oatly has a role, the responsibility of Oatly and its affiliates, employees, etc. and the penalties, disciplinary actions and reporting duties that may follow. Further, there is a specific section pertaining to the Foreign Corrupt Practices Act and the UK Bribery Act that prohibits the company and its employees/directors/agents from offering, giving or promising money or any other item of value, directly or indirectly, to win or retain business or to influence any act or decision of any government official, political party, candidate for political office or official of a public international organization.
- The *Whistleblower Policy* is intended to help promote a culture that encourages people to come forward if they have concerns or suspicions about illegal practices or violations of policies. It also specifies that the organization will protect from retaliation any person making a good-faith report and identifies different channels through which such information can be reported. Whenever a report is made, the case investigation is managed by legal and People & Transformation, and critical concerns are communicated to the executive management team. A whistleblowing system isn't just a checkbox — it's an essential third-party option to ensure that people at Oatly and in our value chain feel safe speaking up. (For more information, visit whistleblower.oatly.com.)

- Oatly's *Sanctions Policy* is intended to keep us (and those working on our behalf) from violating sanctions or laws and describes the controls we need to follow in order to stay in compliance.
- The *Supplier Code of Conduct* sets out our company values and requirements on key issues such as human rights, working conditions and anti-corruption. It is based on the principles of the International Bill of Human Rights; the International Labour Organization's Declaration of Fundamental Principles and Rights at Work and other ILO conventions; the United Nations Guiding Principles on Business and Human Rights; and the UN SDGs.
- Our *Environmental Policy* outlines our aim to have an overall positive impact on the planet and to work toward minimizing our negative impacts through the efficient use of sustainable raw materials and energy. The policy is available for employees to view on our internal intranet.
- Trainings are provided to employees on our key policies.

RISKS AND RISK MANAGEMENT

The following table represents a sample of selected sustainability risks Oatly has identified through our enterprise risk management process, along with examples of mitigating activities:

Risk category	Sustainability-related risks	Mitigating activity examples
Environment/ Climate Change	**Physical climate change impact to raw material supply:** Physical climate change impacts may negatively affect agricultural production of oats or decrease availability of water and other inputs necessary for our products. This could lead to less-favorable pricing or otherwise adversely impact our manufacturing and distribution operations.	We are working with farmers, suppliers and agricultural experts in key markets on partnerships and programs to support regenerative practices for growing oats. These practices have the potential to increase the availability and resilience of our oat supply. We also continue to work on water-efficiency measures in our factories to reduce water use, and we updated our water risk assessments for all production sites.
Environment/ Climate Change	**Policies and regulations in the transition to a lower-carbon economy:** New policies and regulations in markets where Oatly operates could pose additional	We continue to improve on our sustainability reporting, including GHG emissions reporting. We have set a full value chain GHG emission-reduction target that covers Scopes

	legal or regulatory requirements related to GHG emissions reporting, carbon pricing, mandatory emission limits and/or reduction targets, presenting additional business costs.	1, 2 and 3 GHG emissions and are working to develop GHG emissions-reduction strategies. In 2024, we continued work to prepare for alignment with new regulations. This work includes our double materiality assessment completed in 2024, which will be published in our FY2025 report.
Environment/ Climate Change	**New international guidelines and reporting frameworks related to supply chains:** New international reporting frameworks and disclosure standards in markets where Oatly operates could pose additional legal or regulatory compliance issues related to the mitigation of risks in supply chains such as ecosystem collapse, biodiversity loss and human rights risks.	We have clear environmental and social sustainability expectations for our suppliers, while continually monitoring and supporting performance. We developed our sustainable sourcing guidelines to identify and mitigate risk in the supply chain. We use the SEDEX tool to work with our suppliers to achieve our sustainable sourcing goals, and use third-party certification for high-risk ingredients.
Human Rights and Anti-corruption	**Non-compliance with laws and regulations and/or Oatly Code of Conduct:** If Oatly staff, suppliers or co-manufacturers fail to comply with ethics, food safety, environmental, human rights or other laws and regulations, or face allegations of non-compliance, our operations may be disrupted.	Our new hires undergo training on Business Conduct and Ethics Guidelines, and we regularly communicate our related policies to staff. In 2024, we updated our Supplier Code of Conduct to align with the latest international standards and expect that our suppliers and production partners either commit to and comply with it or present their own with a standard that is at least equal to ours. We have a Whistleblower Policy and third-party hotline to provide a secure platform for employees and stakeholders to report wrongdoing and unethical behavior.
Brand Reputation	**Brand image and reputation harmed by not meeting investor, customer or consumer expectations:** Our business faces increasing scrutiny related to environmental, human	We have clear strategies, internal metrics and activities to deliver on our Sustainability Plan. We continue to improve our sustainability reporting through

	rights and governance issues. The standards by which sustainability matters are evaluated are developing and evolving. If we fail to meet applicable standards or expectations, our reputation and brand image could be harmed.	increased frequency and improved technologies to build awareness of sustainability issues and relevant Oatly impacts.
Employees	**Attraction and retention:** Significant changes in the company affect our ability to both retain and recruit personnel and effectively focus on and pursue our corporate objectives.	We improved structure and policies to spread knowledge and communicate clearly about our guiding principles and company direction and performance.

REPORTING PRINCIPLES

The Oatly sustainability reporting process focuses on the most important sustainability areas for Oatly and the impact Oatly has on people and the planet, together with the impact sustainability has on Oatly. Oatly regularly reviews stakeholder expectations and presents relevant information aligned with our sustainability plan. Our report follows the requirements of the Swedish Annual Accounts Act. Oatly is a listed company in the US but not in the EU market and is therefore not required to report on the EU Taxonomy regulation for 2024. Oatly's GHG emissions are reported in accordance with the GHG Protocol, using the operational control approach.

During the fall of 2024, we implemented a new software for sustainability reporting, which significantly improved the entire reporting process. The automation and semi-automation of many data flows that were previously manual not only save time for the team but also increase accuracy. To enhance our reporting capabilities, we also integrated a business intelligence solution with advanced features such as detailed and customizable reports that support data analytics. This also makes the data more accessible and easier to share among stakeholders.

In summary, upgrading to more advanced sustainability software has enhanced the accuracy, comprehensiveness and effectiveness of Oatly's sustainability reporting, empowering us to make informed decisions, stay compliant with regulations and engage stakeholders with transparent and reliable data. Ultimately, this has led to better management of GHG emissions and helped us achieve our sustainability goals.

DATA BOUNDARIES

Unless otherwise stated, the consolidated figures expressed in this report relate to Oatly Group AB. The Scopes 1 and 2 energy figures include our production factories and offices, and Scope 3 includes our production partners. (For more details, see page 47.) Most of the data is collected and consolidated via our new software. The reporting units are responsible for reporting correct information. We follow the GHG Protocol principles for managing

environmental and energy reporting related to acquisitions, divestments and closures, if any. This means that, when necessary, figures for historical performance are recalculated based on our baseline figures. All closed units are included in the environmental and energy targets and calculation baselines, as per internationally accepted rules. The number of full-time and part-time employees was reported as of December 31, 2024, and excludes all consultants.

The health and safety figures include only Oatly employees at our factories, not Oatly office employees or consultants. Our financial figures were retrieved from the company's financial reporting, as applicable.

APPENDIX

SDG TABLE

SDG	SDG-relevant target	Oatly impact and key contribution in 2024
2. Zero hunger	2.4 Sustainable food production and resilient farming practices	Farmers and agricultural production are central to our business. Oatly's regenerative oat agriculture program, known as FARM, is designed to reduce GHG emissions, improve ecosystem health and support farm viability and resilience.
3. Good health and well-being	3.4 Reduce the number of deaths caused by non-communicable diseases and promote mental health and well-being	In 2024, we published the *Small Nutrition Book* containing 17 facts about Oatly and nutrition. This included evidence-based, accessible communication on key nutritional attributes of oat drinks compared to cow's milk and other plant-based drinks, as well as key topics in nutrition and health such as glycemic response and ultra processing.
5. Gender equality	5.1 Eradicate discrimination against women and girls 5.5 Ensure the full participation of women in leadership and decision-making	We have established procedures that ensure fair compensation for equal roles and skills throughout our remuneration process, including recruitment and advancement. In 2024, we conducted our annual global gender equal pay analysis. Our 2024 analysis shows that Oatly is doing well when compared with national averages; the global gender pay gap as presented by the International Labor Organization.
6. Clean water and sanitation	6.4 Streamline water use and safe water supplies	We are actively working to use water more efficiently at our Oatly factories. The combined water withdrawal for all Oatly-operated production facilities in 2024 was 2.8 L/L FGe, approximately 35 percent lower than our baseline of 4.3 L/L.
7. Affordable and clean energy	7.2 Increase the global proportion of renewable energy	In 2024, we sourced 100 percent renewable electricity for all Oatly-operated factories and all production partners across the globe. In 2024, we sourced 100 percent biomethane for our factory in Landskrona using energy attribute certificates. A few production partners also sourced renewable heat energy using biofuels. Sourcing renewable heat outside Europe remains a challenge

		and a priority as we continue to strive for 100 percent renewable energy.
8. Decent work and economic growth	8.5 Full employment and decent working conditions with equal pay for all 8.8 Protect workers' rights and foster a safe and secure working environment for all	As employers and purchasers, we want to both create a safe workplace where people thrive and push for a value chain where human rights are respected. In 2024, we rolled out our Oatly Culture of Care program, which is designed to elevate safety standards, behaviors and overall well-being, going beyond compliance to create actionable initiatives. It promotes a mindset shift, which includes reporting positive observations in the workplace, along with more traditional safety Indicators. We have clear environmental and social sustainability expectations for our suppliers and continually monitor and support their performance.
12. Responsible consumption and production	12.5 Substantially reduce waste generation through prevention, reduction, recycling and reuse 12.8 Increase public awareness of sustainable lifestyles	In 2024, our global Oatly-operated factories generated approximately 92,500 tonnes of waste and byproducts, an increase of approximately 4 percent compared with 2023. All our oat fiber residue — that's 100 percent of the 76,500 tonnes generated in 2024 — was repurposed. We also strive to keep the small proportion of our waste that is not oat fiber residue, approximately 10,000 tonnes in 2024, out of landfills by instead sending it to partners for recycling or incineration, with energy recovery. In 2024, our production waste to landfill was approximately 0.1 percent.
13. Climate action	13.3 Increase knowledge and capacity to cope with climate change	We help empower consumers to make sustainable food choices and understand the climate impacts of plant-based and animal-based foods through our campaigns and calculations for individual product climate footprints. We continued expanding our efforts to publicly declare climate footprints on more of our products around the world. By the end of 2024, 225 of our products carried a product climate footprint declaration, which accounted for 78 percent of our sales volume globally.

GENERAL REPORTING NOTES

Emission factors

Sources for the majority of the emission factors come from CarbonCloud, primarily for Scope 3, or the DEFRA (the UK's Department for Environment, Food and Rural Affairs) catalog for emission factors, primarily for Scope 1 and energy in Scope 3. The sources for the residual electricity mixes (Scope 2, market-based) are based on multiple providers, depending on the geography. For Europe, they come from the Association of Issuing Bodies; North America's values are based on Green-e; and values for Asia are based on the International Energy Agency (IEA). For location-based factors, IEA was used for Europe and Asia, and eGRID for US. When emission factors were not available in our primary sources, additional external databases, such as ecoinvent, were used.

Production partner sites

Since not only Oatly products are being produced in the production partner sites, consumption data from these sites corresponds to the percentage of Oatly share of production within the respective production sites.

Oat fiber residue

Oat fiber residue is a byproduct of Oatly's production process. Oatly's policy is to transfer the oat fiber residue to external markets, including for animal feed and renewable energy. The residue is therefore not disposed of as waste. As a result, we assume that the oat fiber residue is exiting Oatly's system boundaries as a byproduct and entering the boundary of another system. Therefore, emissions associated with the further utilization of the oat fiber residue is out of scope for Oatly's GHG inventory.

Intensity measures

Our co-manufacturers are key production partners, and we're committed to bringing them along on our sustainability journey. In certain impact areas, such as climate footprint, energy and transportation, our targets include both Oatly-operated and production-partner facilities, so we include production partners' sustainability data with the data from Oatly-operated factories. In other impact areas, such as waste and water, we set targets specific to Oatly-operated facilities; partner data is therefore not included.

Energy intensity is based on energy consumed at all production sites (Oatly-operated factories and our production partners) divided by the total amount of liters produced.

Water intensity

Water intensity is measured at all Oatly-operated production sites. It is calculated by dividing the total water withdrawal by the total amount of liters produced, measured as FGe. FGe is the required denominator because some of our Oatly-operated factories produce oat base, which goes on to be finished and packaged at a co-manufacturing partner. The finished goods equivalents metric converts the oat base liters produced by these factories into their ultimate finished goods volume, allowing us to accurately combine liters of Oatly product (finished goods) produced at two end-to-end factories with the FGe from the oat base factories.

Baseline Our corporate climate footprint and associated ambitions are reported against a 2020 baseline. In 2022, this baseline was revised in accordance with the recommendations of the leading standards (including the GHG Protocol). The revised 2020 baseline is 0.533 kg CO_2e/L (2020 was the first year of our updated GHG accounting methodology, aligned with the GHG Protocol, and the first year we included a more comprehensive set of GHG categories), compared with the previously reported 2020 corporate climate footprint of 0.558 kg CO_2e/L. This means we have revised our baseline down by 0.025 kg CO_2e/L. Intensity metrics, such as energy intensity and water intensity, are reported against a 2019 baseline.	
Scope 1	
Energy	Includes energy from Oatly production sites and offices, such as biogas, natural gas and HVO100.
Refrigerants	Only refills of leakages are reported under this scope. There were no refills reported during 2024 from Oatly production sites.
Scope 2	
Electricity	The report includes electricity consumption from Oatly production sites and offices. Market-based emissions are presented. In some locations, co-working offices are used, but these are excluded due to limited possibilities to obtain accurate data. The impact is considered insignificant. Less than 1 percent of the electricity use was estimated.
Steam, heating and cooling	Includes steam, district heating and cooling from Oatly production sites and offices. Less than 1 percent of the energy use was estimated.
Scope 3	
1. Purchased goods and services	Emissions from production partners, including energy, refrigerants, electricity, steam, district heating and cooling, as well as ingredients and packaging materials, are included in this category, along with energy from warehouses. Less than 1 percent of the weight and corresponding emissions of ingredients was estimated. For packaging, about 3 percent of the weight and corresponding emissions was estimated. About 2 percent of the warehouse energy was estimated. Estimations of volumes of ingredients and packaging materials are based on the type of products produced, the produced volume

	and the material specifications from similar products. Estimations for production partners are based on data from previous years and production volumes from 2024. Less than 1 percent of energy use and corresponding emissions from production partners was estimated.
1. Purchased goods and services - packaging material	Includes primary, secondary and tertiary packaging materials.
3. Fuel and energy-related activities	Includes well-to-tank emissions from Oatly production sites and offices.
5. Waste generated from operations	Includes waste from Oatly production sites and offices, production partners and warehouses.
4. Upstream transportation and distribution	Includes upstream and downstream transportation.
6. Business Travel	This category includes data for business travel for all Oatly employees, using the spend-based method. Company cars are also included, utilizing the same spend-based approach.

PBR CONVERSION NOTE	
Ambition 4 (Conversion/avoided emissions calculation)	In 2021, Oatly contracted sustainability consultant Quantis to help develop a methodology for estimating converted liters and avoided emissions associated with Plant Based Revolution Ambition 4 in Oatly's Sustainability Plan (i.e., the number of liters of Oatly products people have chosen instead of cow's dairy and the corresponding CO_2e emissions avoided (see the article by Quantis here)). In this report, we applied this methodology for the years 2019 through 2024 for all Oatly products and markets.[43] To do so, we analyzed the following data: 1) sales data per product and country (provided by Oatly Finance); 2) Estimation of the share of Oatly consumers that converted from cow's milk obtained via consumer insight surveys at a country level (conducted by McKinsey for 2019–2021 data and IPSOS for 2022- 2024 data), with survey questions and an equation to estimate the rate of cow's dairy to Oatly conversion proposed by Quantis; and 3) Several ISO 14040/44-compliant and peer reviewed LCA studies that defined the CO_2e saved from switching from cow's dairy to Oatly products (conducted by 61 Blonk Sustainability for selected products and Oatly markets).[36]

[43] See Critically reviewed Life Cycle Assessment studies of Oatly products and comparison with cow's dairy products | Mérieux NutriSciences | Blonk

	Assumptions: For the part of the sales volume for which data was unavailable, the conversion and corresponding CO_2e savings were approximated from available data using a conservative approach. Based on our in-house product climate footprint calculations verified by CarbonCloud, the impact of our various drinks compared with cow's dairy within a single region does not vary significantly, so CO_2e emissions are expected to be similar. Other product categories, such as oatgurts, plant-based ice cream, etc. that have not been investigated in an LCA make a very small part of our portfolio (less than 5 percent), so they are not expected to influence the results. For the 2022 reporting year, Quantis reviewed the accuracy, completeness and existence of errors or omissions of the calculated results in accordance with its suggested methodology and provided a verification letter. Quantis did not verify the data in 2023 or 2024. Limitations: The result of the Ambition 4 indicator is subject to the inherent limitations of a survey (e.g., representativeness of the entire population compared with survey respondents, respondent objectivity/truthfulness, length of the questionnaire, survey mode, geography, etc.) as well as annual variations due to the natural progression of the plant-based movement. The avoided CO_2e emissions are subject to the assumptions, limitations, conclusions and critical review statement in the LCA studies conducted by Blonk Sustainability. We plan to update, develop and refine our calculations in relation to Ambition 4 in future years as we obtain further data (e.g., address those markets and products for which we currently use proxies or other approaches for estimates) and as the methodologies relating to avoided emissions continue to develop.