

rethink. reimagine. resource.

When I was a young child, I thought the world felt truly endless. As I grew up I learned that there are limits to what the earth can provide. Today, we're hearing dire warnings about climate change, constantly growing energy needs, contaminated water, and food insecurity. We're at a critical point, and we all need to take action now.

LEADING THE RESOURCE REVOLUTION

2012 was the year when TOMRA took action. We've launched a transformation process to be able to meet the needs of our customers, serve as a source of inspiration and purpose for employees, business partners and society at large - and become a leader in the Resource Revolution that is needed to address the world's challenges and opportunities, now and in the future. A key element of our transformation has been to gather all company brands into a strong, unified TOMRA that is focused on pursuing one common mission: to create sensor-based solutions for optimal resource productivity.

UNITY INTO GROWTH

Today TOMRA is a company of approximately 2,200 employees with activities in more than 80 markets worldwide. And we are growing to create a greater financial and environmental impact. In 2012 we made the largest acquisition in our history, welcoming BEST Sorting into the TOMRA Group. Together with a continued focus on consolidation and an aggressive sourcing and production strategy, the acquisition of BEST contributed to all-time-high revenues and earnings in 2012.

DOING BUSINESS RESPONSIBLY

TOMRA has been a member of the United Nations Global Compact since 2009, and we are committed to aligning our operations and strategies with the UNGC principles. In 2012 we focused on integrating the food sorting business into the Group and promoting the company's Code of Conduct and values throughout the organization. TOMRA will continue to support and promote the principles of the Global Compact during 2013.

TODAY INTO TOMORROW

TOMRA has been a leader in creating solutions for optimal resource productivity for four decades, but at no time has our leadership in creating a sustainable world been more critical than it is at this moment. Where others might see hard questions without answers, we see potential and the opportunity to lead by example.

Today we continue to invest in our organization and cutting-edge technology to more efficiently respond to the ever-changing opportunities and needs of the marketplace.

With our redefined mission of creating solutions for optimal resource productivity, we are helping to positively impact how the world obtains, uses, and reuses its precious resources. We are now a company under one strong and unified brand, positioned to lead the Resource Revolution by extending our reach within food sorting, mining, compaction, recycling, material recovery and reverse vending.

Transformation is happening not only within our walls, but all around us. The more we collaborate, innovate, and transform together, the more powerful and positive our impact will be on the future.

S. Ranstrand

Stefan Ranstrand
President and CEO, TOMRA Group



CORPORATE RESPONSIBILITY

Responsibility continues to be an important topic for TOMRA as it strives to consistently promote doing business responsibly and implement the principles of the UN Global Compact (UNGC). The following pages form part of TOMRA's annual Communication on Progress.

The addition of BEST to the TOMRA Group has provided new and exciting opportunities within the Food segment. At the same time, new markets and new customer groups are also expected to present different challenges that TOMRA needs to be prepared for. As a result, priority was given to communicating TOMRA's expectations and implementing TOMRA's policies to employees in 2012. This was also an important part of integrating the Food segment.



THE GLOBAL COMPACT
WE SUPPORT

This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact**.

We welcome feedback on its contents.

During 2012 TOMRA has made significant progress in the following areas:

- + Reducing CO₂ emissions from the US vehicle fleet (UNGC environment)
- + Implementing TOMRA Group policies (UNGC human rights, anti-corruption)
- + Improving employee satisfaction (UNGC labour)

Many of the areas that were covered by the 2012 activities will continue to be important in the future. This is reflected in the 2013 targets (see page 21), which have been reviewed and approved by the Corporate Responsibility Committee and TOMRA Board.

Responsibility continues to be an important topic for TOMRA as it strives to consistently promote doing business responsibly.

REVIEW OF 2012 TARGETS

- Identify actions to achieve 25% reduction in eco-intensity (CO₂ emissions) by 2015
 - + In progress; actions implemented in USA and Norway
- Continue analysis of TOMRA's carbon footprint
 - + In progress; analysis completed for bestselling machine in TOMRA Sorting Solutions
- Implement and evaluate planned actions for the North American vehicle fleet
 - + Completed; 26% reduction achieved
- Continue implementation and follow-up of TOMRA's ethical and other policies
 - + In progress; 2012 focus on Food segment
- Continued focus on employee satisfaction and being an attractive employer
 - + In progress; improved results in 2012
- Reduce accident rate per employee
 - + In progress; significant reduction in 2012

2013 TARGETS

- Identify and implement additional actions to achieve 25% reduction in eco-intensity (CO₂ emissions) by 2015
- Continue analysis of TOMRA's carbon footprint
- Continue implementation and follow-up of TOMRA's ethical and other policies
- Revise Risk Management procedure to address additional safety and security considerations
- Continued focus on employee satisfaction and being an attractive employer
- Reduce accident rate per employee

ENVIRONMENTAL REVIEW

TOMRA’s mission is to create sensor-based solutions for optimal resource productivity so that its products and services contribute to better use of the world’s limited resources.

The contribution from Collection Solutions and parts of Sorting Solutions can be measured in terms of avoided carbon dioxide emissions due to the recycling and reuse of plastic beverage containers, metals and other materials that have been collected and/or sorted using TOMRA’s technology.

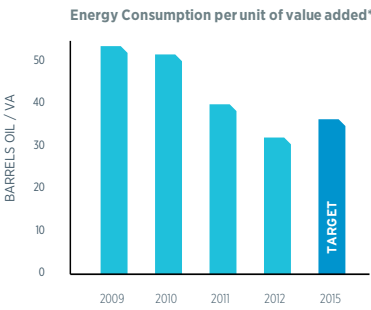
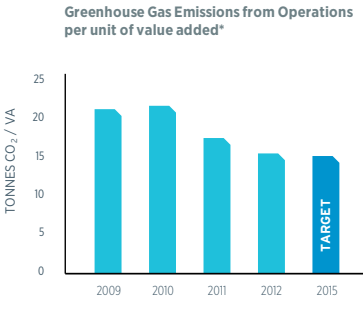
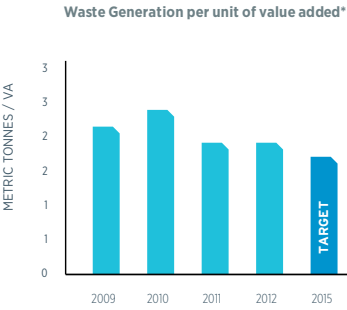
The environmental benefits from the other segments are significant but harder to quantify. In general, the use of TOMRA’s technology reduces energy consumption and waste while improving material recovery and yield. An example is sensor-based steam peeling of potatoes, which reduces peel loss and energy consumption. Further details and examples can be found on our website tomra.com.

The 2012 environmental report shows some increases in emissions and energy consumption versus 2011. This is due to

the inclusion of BEST, which was not part of TOMRA in 2011. However, the eco-intensity graphs show that TOMRA is close to achieving its environmental objectives.

TOMRA has previously communicated that its biggest source of direct carbon dioxide emissions is the US vehicle fleet. To address this, two projects were initiated – one targeted truck idling time, the other the use of alternative fuels. As a result, TOMRA North America reduced emissions by 26% in 2012, which means that its share of the 2015 objective has already been achieved.

As part of promoting environmental awareness amongst employees and visitors, TOMRA has invested in charging stations for electric vehicles and energy efficient lighting at its Norway headquarters.



TOMRA ENVIRONMENTAL REPORT 2012

CLIMATE CHANGE ACCOUNT

CARBON DIOXIDE EMISSIONS FROM OPERATIONS

TONNES CARBON DIOXIDE	2012	2011
Emission from stationary sources (Scope 1)	2,900	4,800
Heating oil	800	2,000
Natural gas	1,100	1,400
Propane	1,000	1,400
Emission from purchased grid electricity (Scope 2)	2,900	2,400
Norway	0	0
Europe EU25	900	600
North America	2,000	1,800
Rest of World	0	0
Certified low-carbon or renewable	0	0
Emission from transportation (Scope 1)	21,900	18,200
Petrol vehicles (Scope 1)	3,800	3,200
Diesel vehicles (Scope 1)	15,800	14,200
LPG vehicles (Scope 1)	100	100
Employee-owned vehicles (Scope 3)	1,300	100
Air travel (Scope 3)	900	600
Total direct emissions (tonnes CO₂)	27,700	25,400
Emission from products during use-phase (Scope 3)	129,000	127,200
RVMs owned and operated by TOMRA and customers	58,100	57,800
Compactors owned by customers	66,800	66,400
Scanners owned by customers	4,100	3,000
Total direct and indirect emissions	157,000	153,000

AVOIDED CARBON DIOXIDE EMISSIONS THROUGH PRODUCT USE

TONNES CARBON DIOXIDE	2012	2011
Beverage container collection through RVMs and ARCs (1)	2,581,000	2,503,000
Plastic bottles	705,000	684,000
Glass bottles	481,000	467,000
Aluminium cans	1,363,000	1,321,000
Steel cans	32,000	31,000
Packaging material transport and handling (2)	852,000	759,000
Glass bottles	74,000	55,000
Aluminium cans	637,000	577,000
Plastic bottles, PET	135,000	122,000
Cardboard and fiber	6,000	5,000
Material sorted for recycling from mixed sources (3)	16,847,000	14,514,000
Glass	76,000	0
Aluminium	3,403,000	2,722,000
PET	2,060,000	1,774,000
HDPE	361,000	377,000
Fiber	207,000	133,000
Non-ferrous metal	9,240,000	8,258,000
Other	1,500,000	1,250,000
Reduction of transport due to material compaction, Orwak (4)	320,000	315,000
Total emission avoidance	20,600,000	18,090,000
Net carbon dioxide emission/(avoidance)	(20,400,000)	(17,900,000)

WASTE GENERATION

WASTE GENERATION FROM MANUFACTURING, SALES, SERVICE AND OPERATIONS

TONNES WASTE	2012	2011
Waste generation	3,390	3,320
Paper	0	10
Cardboard	140	125
Plastics	970	940
Wood	420	110
Electric and electronic waste (incl. TOMRA products)	25	20
Expanded polystyrene	0	0
Metal scrap	125	425
Batteries	0	0
Hazardous waste	0	0
Unsorted	1,710	1,690

ENERGY CONSUMPTION

ENERGY CONSUMPTION IN MANUFACTURING, SALES, SERVICE AND OPERATIONAL PROCESSES

BARRELS OIL EQUIVALENT	2012	2011
Energy consumption, stationary sources (Scope 1)	2,300	4,700
Heating oil	1,900	4,700
Natural gas	0	0
Propane	400	0
Energy consumption, purchased grid electricity (Scope 2)	10,500	9,500
Norway	2,400	2,400
Europe EU25	2,600	1,900
North America	5,500	5,200
Rest of World	0	0
Certified low-carbon or renewable	0	0
Energy consumption, transportation (Scope 1)	45,900	44,100
Petrol vehicles (Scope 1)	10,200	8,600
Diesel vehicles (Scope 1)	32,000	33,200
LPG vehicles (Scope 1)	700	500
Employee-owned vehicles (Scope 3)	900	300
Air travel (Scope 3)	2,100	1,500
Total direct energy consumption	58,700	58,300
Energy consumption, products during use-phase (Scope 3)	154,500	152,400
RVMs owned and operated by TOMRA and customers	69,600	69,300
Compactors owned by customers	80,000	79,500
Scanners owned by customers	4,900	3,600
Total direct and indirect energy consumption	213,200	210,700

Scope 1: All direct GHG emissions
Scope 2: Indirect GHG emissions from purchased electricity, heat or steam
Scope 3: Other indirect emissions from purchased goods or services

NOTES
Emissions have been calculated using the GHGProtocol calculation tools (www.ghgprotocol.org), and ‘Waste Management Options and Climate Change’ (ec.europa.eu/environment/waste/studies/pdf/climate_change.pdf).

1. Beverage container collection through RVMs and ARCs, TOMRA Collection (Reverse Vending)
Calculated carbon dioxide savings based on the total number of beverage containers collected through TOMRA’s over 70.000 RVM and ARC installations; more than 35 billion units annually. All glass beverage containers are assumed to be non-refillable, giving significantly lower assumed weight. Split between packaging types is based on beverage consumption data and TOMRA estimates. The full benefit of collecting and recycling the beverage containers into new material, versus landfill, is included in the calculation.

2. Packaging material transport and handling, TOMRA Collection Solutions Material Recovery
Carbon dioxide saving based on the tonnage of beverage container material transported and handled by TOMRA in USA. The full benefit of collecting and recycling beverage containers into new material, as opposed to landfill, is included in the calculation, meaning that some of the saving is also included under ‘Beverage container collection through RVMs and ARCs’.

3. Packaging material sorted for recycling from mixed sources, TOMRA Sorting Solutions Recycling
Estimated material throughput in Titech installations is used in the calculation of avoided carbon dioxide emission. The full benefit of sorting materials and recycling into new is included in the calculation.

4. Reduction of transport due to material compaction, TOMRA Collection Solutions Compaction
It is estimated that the installed base of ORWAK products can compact around 10 million tonnes of material daily, reducing both transport kilometers and fuel usage each year. This is estimated to save over 20 000 transport movements each day. This calculation does not take into account the carbon dioxide benefit of material recycling.

The provision of information on carbon dioxide emission avoidance is illustrative only, and intended solely as an aid to illustrate the benefit to society generated by the TOMRA Group. The above information does not constitute a full Life Cycle Analysis. The methodology and assumptions used in calculating carbon dioxide avoidance are available upon request.

SOCIAL AND ETHICAL REVIEW

RESPONSIBLE BUSINESS

TOMRA is committed to doing business ethically and operates with zero-tolerance for corruption. As TOMRA continues to expand globally, it recognizes the importance of preparing for new challenges that it is likely to meet in its business activities. Partly as a result of the recent expansion into new areas, TOMRA introduced an updated procedure to improve the identification and management of risk when making business decisions during 2012. This, along with a summary of TOMRA’s Code of Conduct, has been the starting point for workshops and awareness sessions for employees over the past 12 months. As a result of TOMRA’s focus in this area, all key sales and service personnel from TOMRA Sorting Solutions have received training on what responsible business means at TOMRA.

All Group policies are reviewed by TOMRA’s Corporate Responsibility Committee and approved by the Board at least annually. Further details of TOMRA’s Group Policies can be found on tomra.com.

MEETING EMPLOYEE EXPECTATIONS

The TOMRA management team aims to attract and retain the best people to ensure the continued success of the company in the future. As a result, TOMRA measures employee satisfaction to see if expectations are being met.

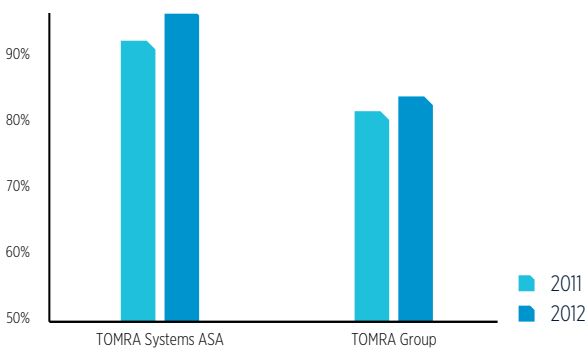
The results of the 2012 employee survey indicated that 83% of employees view TOMRA as a “great place to work,” an increase from 81% in 2011. Results for the Group were also better than 2011 in all areas – proving that relatively small changes can provide noticeable improvements.

TOMRA also aims to maintain a safe and healthy workplace, often supporting local initiatives encouraging lifestyle improvements.

TOMRA continuously strives to reduce the injury rate and has implemented further measures to increase safety awareness and ultimately reduce the number of incidents. These were mainly in the USA where injuries often occur in

TOMRA’s material recovery activities. This is reflected in a lower number of job-related injuries in 2012, with 81 reportable incidents, a significant reduction from 109 in 2011.

EMPLOYEE SATISFACTION

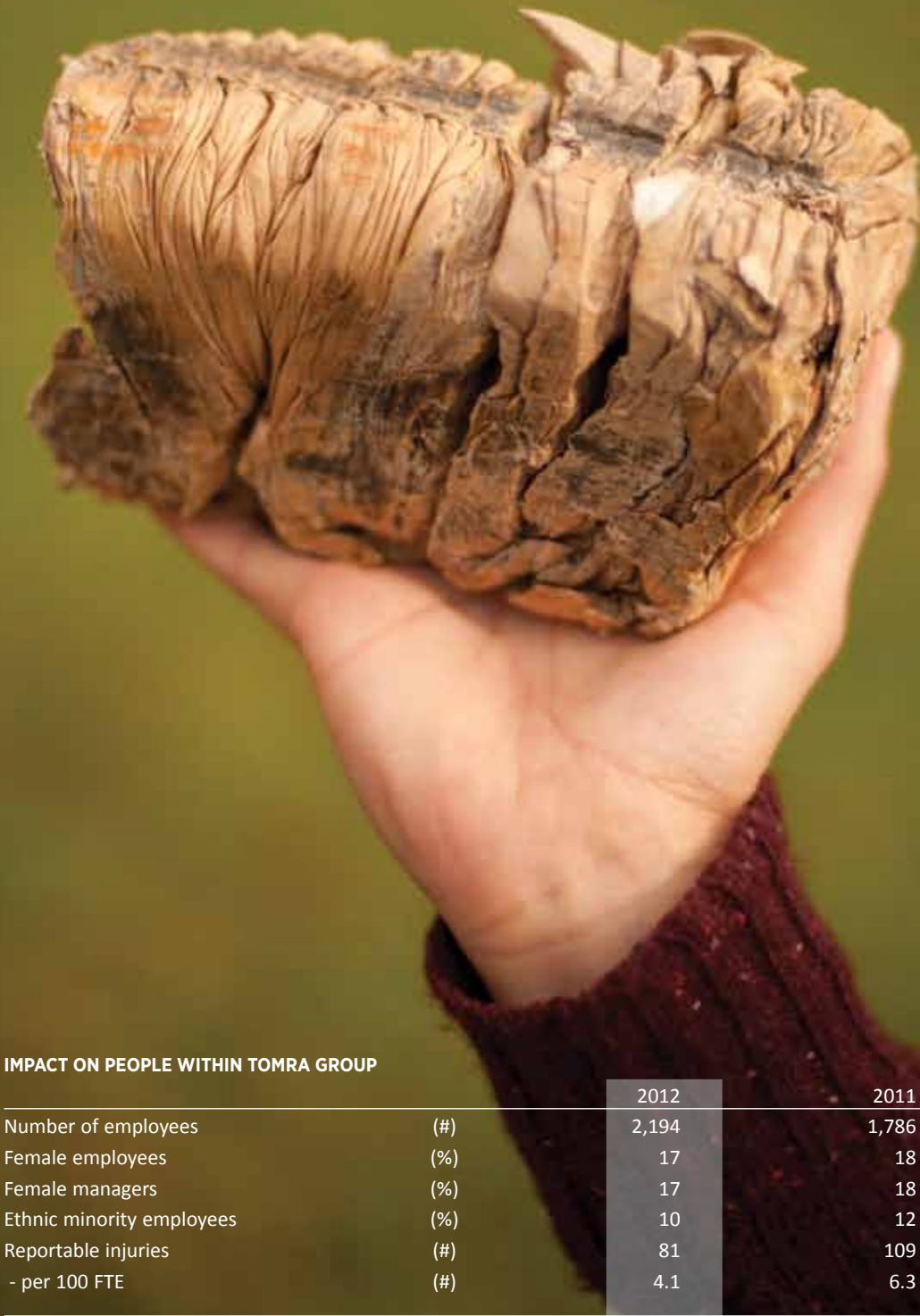
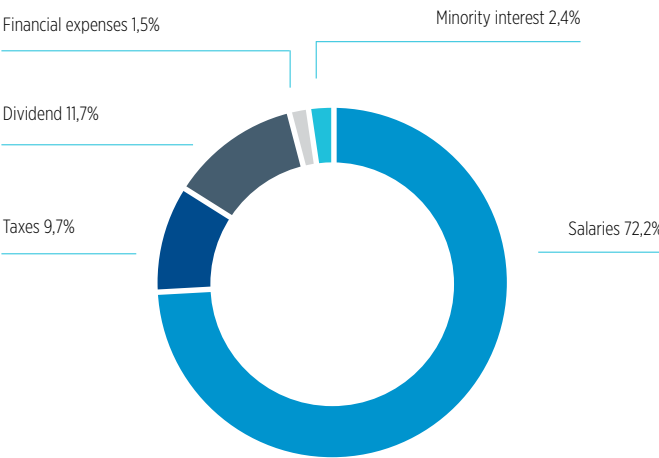


ECONOMIC IMPACT

TOMRA reports the value distributed to different stakeholder groups as a means of measuring the impact of its activities. These stakeholders include employees, shareholders and society in general.

In 2012 TOMRA created added value of over 1,800 MNOK and this was distributed to stakeholders as shown in the chart below.

VALUE DISTRIBUTED 2012



IMPACT ON PEOPLE WITHIN TOMRA GROUP

		2012	2011	2010
Number of employees	(#)	2,194	1,786	1,419
Female employees	(%)	17	18	19
Female managers	(%)	17	18	19
Ethnic minority employees	(%)	10	12	13
Reportable injuries	(#)	81	109	92
- per 100 FTE	(#)	4.1	6.3	6.4