

OPTIMAL RESOURCE PRODUCTIVITY

TOMRA's mission is to create sensor-based solutions for optimal resource productivity, and in doing so, contribute to a better environment, better resource utilization, and a better economy.

We want to be a driving force and enabler for sustainable development, an aspiration reflected by our vision statement "Leading the Resource Revolution." In essence this means creating opportunities for our customers and business partners to increase resource productivity and value generation while minimizing environmental impact.

In 2013 our solutions enabled the efficient recovery of billions of used materials, and helped keep some 20 million tons of CO₂ from being released into the atmosphere. This is a significant contribution and a great source of pride for TOMRA employees.

DOING BUSINESS RESPONSIBLY

TOMRA is a member of the UN Global Compact, a strategic platform for advancing our commitment to sustainability and corporate citizenship. During 2013 we continued to focus on implementing our Code of Conduct and other policies as part of the ongoing process to integrate the Food segment and build "ONE TOMRA." This is an essential part of ensuring that TOMRA operates responsibly on a global basis. TOMRA will continue to support and promote the principles of the Global Compact during 2014.

BUSINESS REVIEW 2013

Overall 2013 was a mixed year for TOMRA; the Collection Solutions business area continued to perform well and delivered growth. We brought to market the T-9, the first of a new generation of reverse vending machines based on TOMRA Flow Technology—featuring the first ever 360-degree recognition system applied inside an RVM. This technology enables a number of unique benefits both for our customers and consumers, including the possibility for accepting containers that until now could not be collected in RVMs such as TetraPak cartons.

Sorting Solutions experienced growth within the food segment, launching new products for important application segments based on a common technology platform. Sorting however faced challenges particularly within the recycling segment where the business climate was negatively influenced by falling commodity prices. Although TOMRA maintained its market share, the drop in sales volume for metal recycling was significant. The waste recycling sector also experienced a period of more moderate growth. Mining, an area where TOMRA has a market share of 40-60%, also experienced challenges and to accelerate growth more emphasis has been given to the segments industrial minerals and gem stones in addition to developing more frequent smaller projects.

THE OPPORTUNITIES AHEAD

The TOMRA Group is favorably positioned to support global macro trends in relation to resource optimization. By 2030, there will be three billion more middle class consumers driving consumption and the need for resources. The continuous global trend towards urbanization also drives the need for resources—in China alone, an estimated 300 million people will migrate from the countryside to cities in the coming 15 years. Global warming and the supply of food, water, and raw materials also pose a constant challenge to which we offer solutions.

Within Reverse Vending the potential exists for significant replacement sales in Germany in the coming 1-5 years. With the addition of the T-9 to our successful reverse vending portfolio and our comprehensive after-sales service offering, I believe we are particularly well positioned to capitalize on the opportunities in Germany and our other markets. Further initiatives within our cost-saving program will also be executed to maintain solid margin levels.

Our Compaction business has recently invigorated its product portfolio with the addition of ORWAK POWER, a family of balers with an innovative new hydraulic system and design concept enabling denser bales, greater durability and increased convenience in use.

In 2013 our solutions enabled the efficient recovery of billions of used materials, and helped keep some 20 million tons of CO₂ from being released into the atmosphere.

We will continue our work to integrate operations within TOMRA Sorting to address overlaps and dualities, reduce costs and make the company fit for the future. A new assembly plant is being built in Pezinok, Slovakia which will serve as Sorting's global production hub. A common sorting technology platform has been defined and will form the base for all new Sorting Solutions products, allowing us to capitalize on synergies, shorten time to market, and reduce development costs. After a period of slower order intake in 2013, the focus on sales of our many new products and securing orders will also be a priority focus area in 2014. The increased focus on food safety and inline inspection will favorably support our food business stream.

Given the global macro trends and increasing demand for greater resource productivity, there is every reason to believe that TOMRA's unique position, broad product offering and deep application know-how will enable us to continue developing favorably.

J. Ponskand



CORPORATE RESPONSIBILITY

TOMRA introduced its first five-year Corporate Responsibility program in 2011 in recognition of the need to widen its focus from mainly environmental issues. TOMRA's first environmental program was approved by the Board in 1998.

It was natural that the Corporate Responsibility (CR) Program should be linked to the ten principles of the United Nations Global Compact (UNGC) as TOMRA had signed the Global Compact at the end of 2009. The topics covered by the CR Program and the relevant area of the UN Global Compact are shown in the table below.

As a member of the UN Global Compact, TOMRA aims to consistently promote doing business responsibly and implement the principles of the UN Global Compact. The following pages form part of TOMRA's annual Communication on Progress.

TOMRA is now more than halfway through the period covered by the CR Program, and it is pleasing to note that significant progress has been made in the areas where

TOMRA has had most focus. In particular, the reduction in CO₂ eco-intensity (emissions relative to activity), and the implementation of the risk management and anti-bribery programs have been high priorities.

In 2014 TOMRA will continue to address these areas as experience has shown that a constant focus is required to build the common culture and understanding necessary to fully integrate TOMRA's policies throughout the organization.

It is the role of the Corporate Responsibility Committee to monitor TOMRA's CR activities and performance. The CR Committee was established by the Board of Directors in 2008 to assist the Board in fulfilling its responsibilities. The Committee usually meets twice a year and currently consists of three members of TOMRA's Board. TOMRA's CR & Compliance Officer also participates in the meetings. All Group policies are reviewed by the CR Committee and approved by the Board at least annually. Further information, including the Charter for the CR Committee and details of TOMRA's policies, is available on the website tomra.com.

Topics	UN Global Compact Areas
25% reduction in eco-intensity by 2015	Environment
Anti-bribery program for TOMRA Group	Anti-corruption
Employment opportunities and working conditions	Human Rights, Labor
Managing risks in TOMRA's operations	Labor, Anti-corruption
Meeting stakeholder expectations	All

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CORPORATE RESPONSIBILITY TARGETS AND CURRENT STATUS

Identify and implement additional actions to achieve 25% reduction in eco-intensity (CO₂ emissions) by 2015
 + Complete: 2013 eco-intensity was below the 2015 target

Continue analysis of TOMRA's carbon footprint
 + Ongoing: Measured energy consumption of selected "bestselling" machines in all business streams

Continue implementation and follow-up of TOMRA's ethical and other policies
 + Ongoing: Regular awareness sessions and workshops

Implement Risk Management procedure including additional safety and security considerations
 + Complete: Travel guidelines implemented for Service employees in 2013

Continued focus on employee satisfaction and being an attractive employer
 + Ongoing: Slight decrease in employee satisfaction versus 2012

Reduce accident rate per employee
 + Ongoing: Slight increase in 2013 versus prior year

SELECTED KEY PERFORMANCE INDICATORS

	2013	2012	2011
Direct emissions (scope 1 & 2)	24,200	25,500	24,700
CO ₂ emission per unit of Value Added	14	15	17
Employee satisfaction	80%	83%	81%
Reportable injuries per FTE	4.7	4.1	6.3



This is our **Communication on Progress** in implementing the principles of the United Nations Global Compact. We welcome feedback on its contents.

ENVIRONMENTAL REPORT

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.

Over the past few years, TOMRA has implemented a number of initiatives to reduce its direct emissions as part of meeting its objective of reducing eco-intensity by 25% by the end of 2015. As shown in the graphs (below), TOMRA has already achieved the target for energy consumption and CO₂ emissions.

However, TOMRA recognizes that actions to reduce its indirect emissions will have a greater global benefit. Therefore, the 2011-2015 Corporate Responsibility Program also includes reducing the energy usage of TOMRA's products as an objective.

The past year has seen the successful launch of key products in most business streams and TOMRA is proud to see that the new models require less energy than the previous generation. For example, the new Nimbus sorter in business stream Food uses about 75% less energy than the prior version, mainly due to changing the scanning and recognition technology.

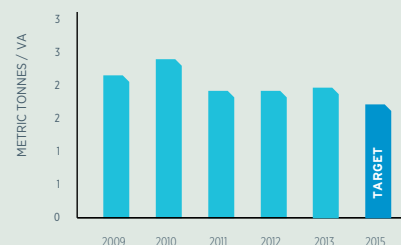
In addition to designing its products with a goal of reducing the energy consumption required in use, TOMRA endeavors to reduce the amount of materials used to produce the machines where possible without sacrificing performance. Some examples include the T-9 RVM, which incorporates significantly less mechanical components than comparative earlier models, and the new line of compactors, which uses significantly less steel than previous versions.

This year's environmental data shows an increase in energy consumption, which reflects higher activities following the recent acquisitions. However, direct emissions have gone down, mainly due to increased use of alternative fuels in the US.

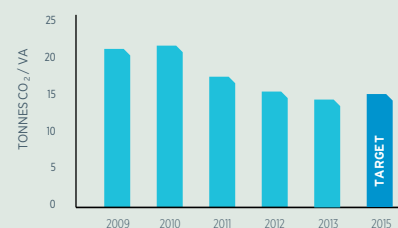
Water consumption has also been reported this year. Although TOMRA does not consume a significant amount, it recognizes that water is a valuable commodity that many stakeholders are interested in and as a result, TOMRA has decided to include it going forward.

MORE
INTO
LESS

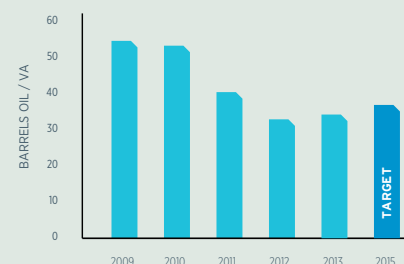
Waste Generation per unit of value added*



Greenhouse Gas Emissions from Operations per unit of value added*



Energy Consumption per unit of value added*



TOMRA ENVIRONMENTAL REPORT 2013

CLIMATE CHANGE ACCOUNT

CARBON DIOXIDE EMISSIONS FROM OPERATIONS

TONNES CARBON DIOXIDE	2013	2012
Emission from stationary sources (Scope 1)	3,200	2,900
Heating oil	400	800
Natural gas	1,800	1,100
Propane	1,000	1,000
Emission from purchased grid electricity (Scope 2)	3,000	2,900
Norway	0	0
Europe EU25	900	900
North America	2,000	2,000
Rest of World	0	0
Certified low-carbon or renewable	100	0
Emission from transportation	19,600	21,900
Petrol vehicles (Scope 1)	3,300	3,800
Diesel vehicles (Scope 1)	14,700	15,800
LPG vehicles (Scope 1)	0	100
Employee-owned vehicles (Scope 3)	700	1,300
Air travel (Scope 3)	900	900
Total direct emissions (tonnes CO2)	25,800	27,700
Emission from products during use-phase (Scope 3)	133,700	129,000
RVMs owned and operated by TOMRA and customers	59,700	58,100
Compactors owned by customers	69,400	66,800
Scanners owned by customers	4,600	4,100
Total direct and indirect emissions	160,000	157,000

AVOIDED CARBON DIOXIDE EMISSIONS THROUGH PRODUCT USE

TONNES CARBON DIOXIDE	2013	2012
Beverage container collection through RVMs (1)	2,715,000	2,581,000
Plastic bottles	742,000	705,000
Glass bottles	506,000	481,000
Aluminium cans	1,434,000	1,363,000
Steel cans	33,000	32,000
Packaging material transport and handling (2)	913,000	852,000
Glass bottles	64,000	74,000
Aluminium cans	712,000	637,000
Plastic bottles, PET	132,000	135,000
Plastic bottles, HDPE	0	0
Cardboard and fiber	5,000	6,000
Material sorted for recycling from mixed sources (3)	18,531,000	16,847,000
Glass	83,000	76,000
Aluminium	3,743,000	3,403,000
PET	2,266,000	2,060,000
HDPE	397,000	361,000
Fiber	228,000	207,000
Non-ferrous metal	10,164,000	9,240,000
Other	1,650,000	1,500,000
Reduction of transport due to material compaction (4)	336,000	320,000
Total emission avoidance	22,500,000	20,600,000
Net carbon dioxide emission/(avoidance)	(22,300,000)	(20,400,000)

WASTE GENERATION

WASTE FROM MANUFACTURING, SALES, SERVICE AND OPERATIONS

TONNES WASTE	2013	2012
Waste generation	3,520	3,390
Paper	0	0
Cardboard	170	140
Plastics	850	970
Wood	190	420
Electric and electronic waste (incl. TOMRA products)	40	25
Expanded polystyrene	0	0
Metal scrap	450	125
Batteries	0	0
Hazardous waste	0	0
Unsorted	1,820	1,710

WATER CONSUMPTION

WATER USED BY MANUFACTURING, SALES, SERVICE AND OPERATIONS

CUBIC METRES WATER	2013	2012
Water consumed	16,800	16,200
Norway	2,600	2,500
Europe EU25	10,800	10,400
North America	3,150	3,100
Rest of World	250	200

ENERGY CONSUMPTION

ENERGY USED IN MANUFACTURING, SALES, SERVICE AND OPERATIONS

BARRELS OIL EQUIVALENT	2013	2012
Energy consumption, stationary sources (Scope 1)	2,900	2,300
Heating oil	900	1,900
Natural gas	1,600	0
Propane	400	400
Energy consumption, purchased grid electricity (Scope 2)	11,600	10,500
Norway	2,400	2,400
Europe EU25	3,400	2,600
North America	5,700	5,500
Rest of World	100	0
Energy consumption, transportation	46,900	45,900
Petrol vehicles (Scope 1)	8,900	10,200
Diesel vehicles (Scope 1)	34,500	32,000
LPG vehicles (Scope 1)	0	700
Employee-owned vehicles (Scope 3)	1,300	900
Air travel (Scope 3)	2,200	2,100
Total direct energy consumption	61,400	58,700
Energy consumption, products during use-phase (Scope 3)	160,100	154,500
RVMs owned and operated by TOMRA and customers	71,500	69,600
Compactors owned by customers	83,100	80,000
Scanners owned by customers	5,500	4,900
Total direct and indirect energy consumption	221,500	213,200

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, TOMRA Collection (Reverse Vending)

Calculated carbon dioxide savings based on the total number of beverage containers collected through TOMRA's over 70,000 RVM 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 (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.'

3. Material sorted for recycling from mixed sources, TOMRA Sorting (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 (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 the new challenges that it is likely to meet in its growing business activities.

In 2013 amended guidelines were issued to employees who potentially face the highest risks when travelling for business reasons. The guidelines include travel restrictions and the precautions necessary when preparing to travel to areas defined as higher risk. TOMRA will continue to identify and implement other preventive measures to mitigate risk in its activities.

MEETING EMPLOYEE EXPECTATIONS

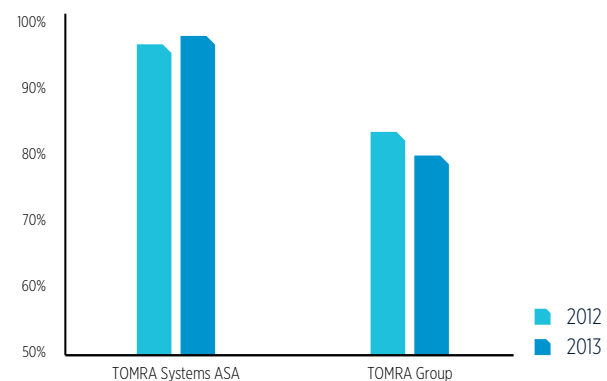
The TOMRA management team aims to attract and retain the best people to ensure the continued success of the company in the future.

As part of investing in the continuous development of employees, TOMRA launched its Group Talent Programme at the end of 2012. The selected candidates participate in four modules, focusing on different aspects of leadership, strategy, innovation and technology – generic skills for managing and leading the business as it grows. The first group will complete the program in June 2014. As a living brand, developing and retaining its talents is of great importance to TOMRA's success and the Group Talent Programme aims to ensure continuous and sustainable business for TOMRA while enabling its people to progress and develop.

TOMRA also measures employee satisfaction to see if the expectations of current employees are being met. The results of the 2013 employee survey indicated that 80% of employees view TOMRA as a "great place to work," a slight decrease from 2012. TOMRA has been transformed over the last couple of years by the move into Food sorting and the launch of "ONE TOMRA." The integration process and related organizational changes have impacted a significant number of employees outside of Norway and this is reflected in the

2013 results for the Group. TOMRA continues to focus on building a shared culture based on its core values of Passion, Responsibility and Innovation, and its Group policies.

EMPLOYEE SATISFACTION

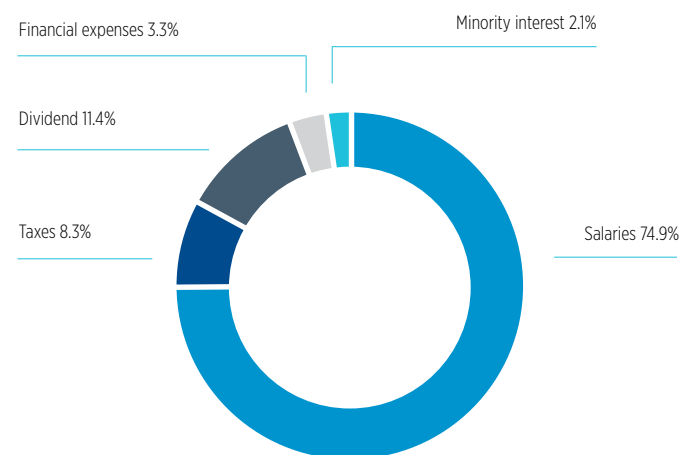


ECONOMIC IMPACT

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 2013 TOMRA created added value of over 1,800 MNOK and this was distributed to stakeholders as shown in the chart below.

VALUE DISTRIBUTED 2013



TOMRA continuously strives to reduce the injury rate and has implemented additional measures to increase safety awareness over the past few years. The injury rate per full time equivalent continues to be low, although there was an increase in the number of incidents during 2013 – most of this was due to the adverse winter weather that resulted in more falls and car accidents.

IMPACT ON PEOPLE WITHIN TOMRA GROUP

		2013	2012	2011
Number of employees	(#)	2,520	2,470	1,982
Female employees	(%)	18	17	18
Female managers	(%)	16	17	18
Reportable injuries	(#)	116	81	109
- per 100 FTE	(#)	4.7	4.1	6.3