



CSR

at Rynkeby Foods

ANNUAL REPORT 2010





RYNKEBY FOODS A/S

Rynkeby Foods A/S is owned by Arla Foods.

Management

CEO

Jørgen Dirksen

Supply Chain

Lars Petersen

Sales

Mark Hemmingsen

Marketing

Thomas Silbersky

Finances

Poul Erik Nielsen

Procurement

(vacant)

Board

Board members selected by the shareholders:

- Hans-Åke Hammarström, Director, Arla Foods (chairman)
- Lars Aagaard, Director, Arla Foods (vice-chairman)
- Kent Skovsager, Director, Arla Foods
- Christer Åberg, Director, Arla Foods

Board members elected by the staff:

- Jørn Hjære Pedersen, technical procurement
- Rikke Dons, procurement manager

Responsible for this report

Carina Jensen, Quality Manager

Preparation

Agerholm PR & Kommunikation



PROFIT

Rynkeby Foods aims to be a Nordic company setting a good example of good business ethics. We believe that good and responsible behavior pays off.

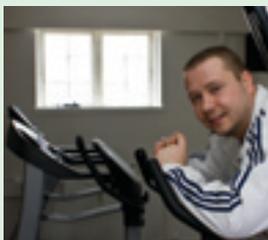
Pages 7-8



PEOPLE

Rynkeby Foods focuses both on people in our organization and on people connected to our business employees, consumers, customers and neighbours.

Pages 9-10



HEALTH

Rynkeby Foods wants to offer health in several dimensions. In 2010, for instance, we decided that our products should have an even higher content of fruit. But Rynkeby must also be a healthy and safe place to work.

Pages 11-17



PLANET

In January, Rynkeby Foods mounted a flue-gas cooler and a smokestack. This investment enables Rynkeby to preheat the feed water for the production and transfer excess energy to the local district heating power plant.

Pages 18-19

CSR – a good umbrella for Rynkeby Foods

Rynkeby Foods gives health a high priority, both in our products and among our employees. To the best of our ability we control our suppliers of raw material in the Third World. As the first juice company in the world we achieved the ISO 22000 certificate, which combines quality and food safety. For several years we have had our own fitness centre. We give serious information on our products. We refrain from commercials directed towards children etc., etc.

As the above examples show, Rynkeby Foods has always had a very serious and responsible attitude to running our business and to our surroundings, including the environment.

Therefore, this first CSR report of our company is not packed with news.

We rather see CSR as an umbrella over the activities that Rynkeby already has or plans to focus on. Along the general view of these activities, which the CSR report provides, is a good basis in our current assessment and evaluation of our environmental engagement and responsibility.

Of course, CSR is also about finances. To save energy consumption and reduce absence in consequence of healthier employees is of course also good for the bottom line of Rynkeby Foods.

April 2011

Jørgen Dirksen
CEO



Ambition: Nordic Market Leader

Rynkeby Foods strives for Nordic market leadership within fruit-based foodstuffs – primarily juice and fruit drinks. Therefore we launch an offensive in 2011 to secure Rynkeby platforms for new growth in Norway and Finland. Rynkeby is already the supreme market leader in Denmark and a strong player in Sweden.

The success criterion of our company is to be among the best as to results and employees. Therefore we give our employees responsibility, education and challenge so that we develop a workplace with engagement and motivation.

Rynkeby Foods has 75 years of experience of manufacturing juice and fruit drinks so we know our customers and the market. We use this experience to continuously develop new products on the basis of the consumers' needs and wishes.

OUR VISION: Rynkeby shall make everybody healthier with a glass of fruit every day

Rynkeby Foods' financial development

mill. DKK	2010	2009	2008	2007	2006	2005
Net turnover	833.9	928.8	982.2	681.7	643.6	617.5
Production costs	-540.4	-631.2	-732.5	-466.6	-418.8	-398.2
Gross profit	293.5	297.6	249.7	215.1	224.8	219.3
Sales, distribution, admin. costs	-216.0	-215.0	-223.9	-178.8	-195.1	-188.5
EBIT	77.5	82.6	25.8	36.3	29.7	30.8
Financial items	-2.2	-4.6	-5.8	-3.2	-4.1	-5.1
Net result before tax	75.3	78.0	19.9	33.1	25.6	25.7
Tax	-19.5	-18.6	-5.9	-9.9	-7.4	-0.2
Net result	55.8	59.4	14.0	23.2	18.2	25.5
Number of employees	243	256	245	205	191	212

In 2008, Rynkeby Foods took over production of a number of products for the Swedish market, including a large contract manufacturing agreement. The decline in turnover in 2009 and 2010 is due to the phasing.

Our Values

To Rynkeby Foods it was not just a question of choosing and writing down some values when we put the topic on the agenda in 2005. It was also – and not the least – a question of securing that our values were relevant and could be firmly anchored among our employees.

Therefore we decided to initiate the value discussion from the bottom of our organization. Thus we took a day off and gathered all employees for a value discussion, resulting in five values. It is gratifying that since then our values have become a natural part of our working day and essential carriers of Rynkeby's company culture.

It started in 2005

Our value kick-off day was on 28 October 2005 and was followed up on 17 November 2010 when all our employees got together again, with focus on our values. Besides, part of this event was funded by the award as the healthiest place to work in Funen, a competition which Rynkeby had won among 20 nominated companies.

In the following we state our descriptions of the individual values in 2005 (see the icons in the column to the right).

WE UPHOLD QUALITY

Rynkeby is a trustworthy and professional company with ambitious quality norms in all parts and functions.

WE RESPECT EACH OTHER

Rynkeby is an attractive and inviting company, where personal and professional differences are respected and appreciated and where all employees are equally valued. In our company common goals and decisions are respected and obeyed in all parts.

WE INVOLVE OURSELVES

Rynkeby has an open company culture providing an incentive to seek and take responsibility, to share knowledge, and to co-operate.

WE DEVELOP

Rynkeby attracts, maintains and develops qualified employees. Our company is ready for change and innovative in its production and product development and currently chases improvement opportunities.

WE ARE WINNERS

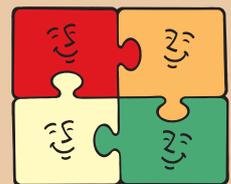
Rynkeby is a competitive market leader with products worth paying extra for. Our company has ambitious and realistic targets and has competent employees taking a common responsibility for the targets.



We uphold Quality



We respect each other



We involve ourselves



We develop



We are winners



The Rynkeby values have become firmly anchored. This »wall painting« daily reminds the employees of the values on their way between the administration building and the factory. Elsewhere you see value signs in the hallways

Global Compact

In 2011, Rynkeby Foods has embraced the UN initiative Global Compact that lays down ten general principles within companies' work with CSR. These principles are a good basis for our work with CSR and sustainability. They are based on internationally recognized conventions in the areas of human rights, labour, environment and anti-corruption.

6. the elimination of discrimination in respect of employment and occupation.

Rynkeby supports and respects the UN principles on labour. We have shop stewards elected by the staff. These stewards conduct negotiations concerning working conditions, wages and other conditions related to the relationship between the employee and the company. Our employees are free to organize in trade unions or other organizations/associations.

Labour forms part of our Code of Conduct and therefore all our suppliers must guarantee that these conditions are under control.

THE TEN PRINCIPLES

HUMAN RIGHTS

1. Businesses should support and respect the protection of internationally proclaimed human rights; and

2. ... make sure that they are not complicit in human rights abuses.

Rynkeby supports and respects internationally proclaimed human rights - and strives to make sure that we are not complicit in human rights abuses. In practice this means that our company observes current rules and conventions on human rights. We make an effort to ensure that the products we procure have been produced in accordance with the UN conventions and international resolutions. All suppliers must sign the Rynkeby/Arla Code of Conduct being the first guarantee that the suppliers observe the regulations. Add to this the fact that we have risk assessed the map of the world and pointed out the high-risk countries, in which we make an extra effort to make sure that rules and regulations are observed. We act in good faith and

will anytime give notice to terminate our co-operation/contract in cases where human rights are abused or not observed.



ENVIRONMENT

7. Businesses should support a precautionary approach to environmental challenges;

8. undertake initiatives to promote greater environmental responsibility; and

9. encourage the development and diffusion of environmentally friendly technologies.

Environment and climate are on the Rynkeby agenda in relation with development of new products and projects. We permanently strive to reduce energy resources and waste.

LABOUR

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

4. the elimination of all forms of forced and compulsory labour;

5. the effective abolition of child labour; and

ANTI-CORRUPTION

10. Businesses should work against corruption in all its forms, including extortion and bribery.

Usually, the juice business is not subject to corruption, blackmail and bribery. However, Rynkeby undertakes to observe current UN conventions on anti-corruption, human rights and labour and will counteract any offence at any time.

Topic: Profit

Rynkeby Foods wants to be a Nordic company setting a good example of good business ethics. We believe that good and responsible behavior pays off and are convinced that environmental and social improvements do support our earnings. Our ambition is to maintain healthy finances and sound business principles on the basis of our five core values, our Code of Conduct, and the UN Global Compact principles. We focus on food safety, responsible supplier control, LEAN and Fair Speak.

FAIR SPEAK

Rynkeby Foods gives the consumers correct and valuable information on our products and makes an effort to give the consumers as much information as possible – on packagings or our websites. We check and control that all our packagings are valuable and legal before a product is sold, and we make corrections if required. We willingly give valuable information on sugar or acidity etc. in our products, which is a focus area for 2011. As a basic rule we always present fruits in the same proportions as in our products. In 2010 we had no directions/judgments for misleading marketing.

Through social media we have the opportunity of dialogue with the consumers in an open forum. E.g. we have created two Facebook profiles - of Rynkeby and God Morgon (Sweden). The users have freedom of speech, and Rynkeby employees answer questions about labeling, countries of origin and prices.

Rynkeby has embraced the Children's Code for Advertising Food – a voluntary co-operation between food industry, the Trade and the media and advertising co-operation to avoid advertising for foodstuffs with a considerable content of sugar, fat and salt in media applying to children. Rynkeby does not promote products that are not nutritious for children, i.e. products with a content of carbohydrate over 12 g/100 ml.

In 2009 Rynkeby participated in a Fair Speak EU project together with the Copenhagen Business School (CBS) and others.

FOCUS AREAS

MANAGEMENT (LEAN LEADERSHIP)



Uniform leadership based on our values.

2010 ACTIONS

All employees at Rynkeby Foods with line management responsibility is obliged to attend Lean Leadership meetings. In 2010, three one-day conferences were held, with topics such as improvement of our employee satisfaction and communication/self-insight (Enneagrammet). Great focus on leadership has had a positive effect on our employee satisfaction survey. A score of 4.2 in 2010 compared to 3.9 in 2009 on the scale of 1 to 5.

2014 TARGET

Continued focus on good leadership based on our five core values. We expect to maintain the good result of 2010.

CSR POLICIES

Corporate Social Responsibility

Our employees should know and follow our CSR policies.

2011 TARGET

All employees obtain knowledge of the Rynkeby CSR work, targets and policies. The awareness should be measured – in our employee satisfaction survey or otherwise.

VALUES

Our employees are observing the five Rynkeby values. In our employee satisfaction survey the statement »You and your colleagues are observing our values in your working life?« has a score of 4.2 on the scale of 1 to 5.

2014 TARGET

Everybody at Rynkeby Foods should know and follow our five values.

2011 TARGET

Still no directions/judgments for misleading marketing.

Topic: Profit

FOCUS AREAS

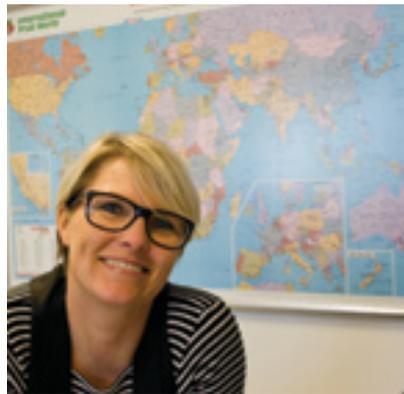
RAW MATERIAL SOURCING

(Code of Conduct and Risk Management)

The quality of the raw materials, which Rynkeby Foods applies, must be of a high quality and produced in compliance with the Code of Conduct concerning human rights, anti-corruption and labour. We make heavy demands on our suppliers and their sub-suppliers.

- Our challenge has been to determine how far to go in the food chain with our supplier control as we apply many fruits and berries from many countries for our many different products, says Rikke Dons, Procurement Manager.

And complexity increases due to the fact that Rynkeby has a two-supplier strategy for most raw materials to ensure delivery. For better focus on critical suppliers we have organized them in two categories: Members and nonmembers of the European association Sure Good Fair (SGF). The



Rikke Dons.

SGF currently audits and controls its members according to analytical and social parameters.

As a new initiative, we have risk assessed the whole world as to environment and social offences.

Our suppliers must render an account of origin, and high-risk countries like China and India necessitate extra control and assessment.

- We always demand a signed Code of Conduct from our suppliers (via Rynkeby/SGF) and furthermore high-risk countries must be assessed

separately. We shall do our utmost to secure observance of the UN conventions – and this is an area, which we will continue to develop, says Rikke Dons.

I 2012 supplier assessments and observance of the current Code of Conduct must be brought even more into focus.

TARGET

Share of SGF-approved raw materials: Min. 75 %.

Supporters of the Code of Conduct: 100 %.

2010 RESULT:

Share of SGF-approved raw materials: Min. 80.5 %.

Supporters of the Code of Conduct: 100 %.

System for supplier assessment implemented.

CERTIFICATES

Rynkeby Foods will at all times manufacture safe, high quality products. Therefore we introduced the ISO 22000 in 2006 – as the first juice manufacturer in the world. This ISO standard combines quality and food safety. Therefore all employees are subject to the regulations of this standard.

Furthermore, Rynkeby is a member of the European juice association (AIJN) and has embraced the voluntary quality control system (EQCS) of the European juice association. This means that we are annually visited by Sure Good Fair (SGF) testing our products for authenticity, labeling and chemical pollution. Rynkeby is also ecologically certified by the Danish authorities, KRAV (Sweden), DEBIO (Norway) and Luomu (Finland)

ISO 22000

2010 RESULT

No »severe deviations«

2011 TARGET

No »severe deviations«

LOCAL COMMUNITY

Rynkeby Foods strives for a continued good reputation in our local community and contributes to improving joint potentialities.

In 2010 we have co-operated with the Faaborg-Midtfyn municipality about health promoting initiatives, e.g. smoking cessation, weight loss and night shift working.

We encourage our employees to participate in local run and cycle races.

2010 RESULT: 0 complaints.

2011 TARGET: 0 complaints.

Topic: People

Rynkeby Foods focuses both on people in our organization and on those connected to our business – employees, consumers, customers and neighbours. For instance, we want to be a healthy and attractive place to work for our employees and to give the consumers a good and professional perception, also when they contact us concerning mistakes.



A meeting in our factory.

FOCUS AREA: EMPLOYEES

The Rynkeby Foods employees are the heart of our business. We want to be a healthy and attractive place to work, attracting and maintaining skilled and satisfied employees.

On the basis of our five core values we will together create a good work environment and generate good results. We believe that a good, healthy business with satisfied, healthy and skilled employees generates the best results.

As it appears from the table below, our targeted employee turnover rate for 2014 is 12 %, which corresponds to our employees on average changing job every eight years. However, in 2010 our employee turnover rate amounts to 16.6 %. This is due to a reduction of our staff by 11 employees. Excluding this, the result is approx. only 12 %.

We continue our focus on activities

maintaining our employees and expect to meet our 2014 target.

Diversity

We want diversity so that our organization reflects our surrounding society as to age, race, sex, religion and nationality. We also want to make room for people who, despite their injuries, attrition or handicaps, are still able to make an effort for Rynkeby. Therefore we engage employees in light jobs or with flexible contracts if we can offer adequate tasks. In 2010 we had four employees with flexible contracts and one employee in a light job. We expect this level to be applicable for the coming years.

We do not want to define precisely the number of employees with special contracts to be employed – we want to reflect the society and in general to have employment agreements advantageous to both parties irrespective of sex, handicap or race etc.

Senior Policy

Rynkeby also wants to employ the older and more experienced workforce. Therefore we have introduced a senior policy. Today employees attaining the age of 55 are offered a »senior dialogue« with a view to matching expectations concerning working hours, retirement etc. and to planning and – if possible – meeting the wishes.

Development Dialogues

To make sure that our employees continue to do fine, develop and remain competent, our employees are invited to a development dialogue at least once a year, with focus on job satisfaction, education and development. Action plans are elaborated and currently followed up.

Social events

Rynkeby also supports social events and clubs run by our employees. Thus, our employee club, art club and fitness club are financially supported by Rynkeby.

TARGETS AND RESULTS	TARGET		
	2009	2010	2014
Employee turnover rate	12,8	16,6	12 %
Employee satisfaction (total score)	4,0	4,1	4,0
»There is a good balance between your worklife and your private life«	3,9	4,1	4,0
Mental health/mobbing (number of employees mobbed)	8 %	4 %	0 %
Number of education days per year (Factory/Warehouse)	1 week per employee/ 3 weeks per co-ordinator		

Since 2006 Rynkeby has reduced the number of employees being mobbed from 16 to 4 %. The reduction is due to a continued focus on this problem.

Topic: People

FOCUS AREA:

PEOPLE

Vivian Møller, 35 years old and employee in the process laboratory at Rynkeby, was born with a partial paralysis due to hypoxia during her birth. Her paralysis makes her unable to grip with her right hand.

- Therefore – as I am not able to work full time – it was difficult for me to get a job. I did not succeed until three years ago when I walked around in Ringe and had heard about Rynkeby. I showed up and asked, if they had something for me to do and shortly after they called me and offered me a temporary contract with a test period of three months to see if I was able to do the things I do today. It was great because I think I am too good to just sit at home day after day. The mere pleasure of having earned your money is great, says Vivian.

Her responsibility is to prepare taste trays with samples from the daily production and to assist in our



A great day when Vivian got her light job

control of waste water three times a week.

- Furthermore I assist my colleagues when needed, she says.

Due to Vivian's handicap Rynkeby has designed and made a special taste tray making it easier for her to

handle the taste glasses.

-They do a lot to help me if there is something that I am not able to do by myself. I am really glad to be here. There is warmth and mutual respect in the whole factory, says Vivian.

FOCUS AREA:

SURROUNDINGS

Rynkeby Foods is one of the strongest brands in Denmark. Therefore the consumers expect our products and service to be in order. Most of our products are without preservatives and additives. In case of deviations, these will be quickly traceable in the product.

We want the consumers to have a good and professional experience when contacting Rynkeby concerning deviations. We want to learn from our mistakes and will therefore initiate corrective actions.

Rynkeby supports certain social events in our local community. Our sponsor strategy is to support local sports events for children. In 2010 we have not quantified our sponsor-

ships but in future we will record our costs for this type of sponsorships to render our support visible to the local community.

TARGETS AND RESULTS	TARGET		
	2009	2010	2014
Consumer claims (DK retail) per 100 mill. liter	400	300	300
Consumer claims (SE retail) per 100 mill. liter	500	700	700
Contacts/complaints, local community	500	0	0
Customer satisfaction analyses (Factum)			
Aseptic products	No. 4	No. 4	Top 3
Chilled products	No. 1	No. 1	Top 3
Involvement in local events	»Søsletteløbet« (a local race): 100 participants in 2011.		

Topic: Health

Rynkeby Foods wants to offer health in several dimensions. Juice, always being 100% fruit, is the healthy alternative to fresh fruit, and sweet fruit drinks are the healthy alternative to soft drinks. But Rynkeby shall also be a healthy and safe place to work, with healthy employees. Therefore we offer activities encouraging a healthy lifestyle, preventing diseases and assuring to make quick treatment available when needed.



FOCUS AREA:

CONSUMERS

Can Rynkeby Foods make Denmark healthier? We believe so! We believe that we can affect the health of the Danes by manufacturing and offering good, healthy products – or by finding some healthier alternatives to unhealthy foodstuffs. Therefore the consumers should know that Rynkeby juices are always 100% fruit – because fruit is healthy and good, and juice contains natural vitamins and minerals exactly as fruit.



of »sweet« fruit drink – with no sugar added. The name of this fruit drink is 0% because it holds neither sugar nor sweeteners or other additives. It was developed especially for children as an alternative to/in replacement of the traditional sweet fruit drinks.

Sponsor agreement

Since 1999, Rynkeby has co-operated with »Projekt 6 om Dagen«, a co-operation between authorities, patient associations, health organizations and the fruit and vegetables business to make Danes eat at least 6 fruits/vegetables a day, one of which may be replaced by a glass of juice. Since 2008, we have been the official sponsor of »6 om Dagen«, and in 2010 we have worked intensively to spread the knowledge of this co-operation, via TV campaigns, presentation of the »6 om Dagen«-logo on our juice packagings etc.

Sports and children in focus

We give sports and children top priority through our sponsorships for local sport events for children.

FULL INFORMATION ABOUT FRUIT AND NO SUGAR

The consumers should know that juice contains no added sugar and additives. Therefore we have asked the consumers if they believe that juice contains added sugar and/or additives.

2010 FACTS

51% of the consumers believe that added sugar/additives are added to juice (consumer test)

12% of the consumers believe that Rynkeby is 100% fruit (consumer test)

21% of the consumers believe that the Rynkeby 16 series is 100% fruit (consumer test)

22% of the consumers believe that the Rynkeby Økologisk Juice (eco juice) is 100% fruit (consumer test)

FUTURE TARGETS

2011: 50% of all Danes know that juice is 100% fruit (consumer test)

2012: 60% of all Danes know that juice is 100% fruit (consumer test)

2013: 70% of all Danes know that juice is 100% fruit (consumer test)

2014: 80% of all Danes know that juice is 100% fruit (consumer test)

2011: 50% of all Danes know that no sugar is added to juice (consumer test)

2012: 60% of all Danes know that no sugar is added to juice (consumer test)

2013: 70% of all Danes know that no sugar is added to juice (consumer test)

2014: 80% of all Danes know that no sugar is added to juice (consumer test)

Topic: Health

FOCUS AREA:

RESEARCH

Rynkeby also co-operates with research institutes about health and quality

2010 ACTIONS

In 2010, Rynkeby Foods has participated in the following projects:
Consumer friendly packaging (DI). Topic: How do we adapt our packagings to become more consumer friendly, also for children, handicapped and elderly people?

Food in later life (DI). Topic: Find a product development process for products suitable for elderly people living in their own homes.

Step-by-step (Jordbrugsvidenskabeligt Fakultet Årsløv). Topic: Development of foodstuffs becoming healthier step-by-step concurrently with the consumers getting used to less sugar, less fat and more fibres. This project will be completed in 2011.

2011 ACTIONS

In 2011 Rynkeby Foods participates in the following projects:

New sweeteners in Danish foodstuffs (Teknologisk Institut): A network co-operation about new sweeteners with focus on the market.

SensWell (Life, MAPP, Jordbrugsvidenskabeligt Fakultet). Topic: Sensory food satisfaction and intake in relation to food composition and the eating situation.

FOCUS AREA: **TEAM RYNKEBY**



In 2010, Jan Gintberg, a Danish stand-up comedian, presented the Børnecancerfonden (foundation for children with cancer and their families) with a check of 4.72 million DKK from Team Rynkeby.

For several years Rynkeby Foods has made an active effort to support children with cancer and their families. The surplus from the bicycle race Team Rynkeby – the annual bicycle race from Denmark to Paris, is therefore donated to Børnecancerfonden /Barncancerfonden

Team Rynkeby's first »tour« was in 2001, when a few Rynkeby employees had support to form the »Team Rynkeby«. Since then, this bicycle race has become a great success in several countries. In 2010 more than 300 participants cycled from Denmark to Paris. In 2011, the number of participants exceeds 500 bikers, of which approx. 80 are starting out in Sweden, where two teams have been formed as a new initiative.

In 2010, team Rynkeby gathered 4.72 million DKK to Børnecancerfonden, and in 2011 the expectations are even higher.

Team Rynkebys does not only support children with cancer and their families. The project also contributes to increasing the interest in bike races as an exercise form for both our employees and our environment. In that way we contribute to a healthier society.

Principle sponsor of Børnecancerfonden

Last year, Børnecancerfonden received 16 million DKK from various sponsors. With the contribution of 4.72 million DKK Team Rynkeby was the absolute principle sponsor of Børnecancerfonden, tells Marianne Nielsen, Director of Børnecancerfonden.

She calls the co-operation with Team Rynkeby fantastic and emphasizes that the large, annual contributions make it possible for Børnecancerfonden to start and complete many good initiatives. -This also enables us to delegate more »coddling scholarships« to children with cancer – chil-

dren who need to sweeten life a little extra at certain times, e.g. in case of relapse or death sentence, says Marianne Nielsen, who also emphasizes Team Rynkeby's marketing of her foundation as essential to attract other – also local – sponsors.

Topic: Health

FOCUS AREA:

A NEW BICYCLE RACE

Parallel to the Team Rynkeby health success, Rynkeby Foods launches a new related initiative on wheels in 2011. This initiative, called the »Rynkeby SUNDhedsstafetten« (relay race), is the first national relay race for bikers.

This initiative is arranged together with the company Sund på Job offering health-improving activities



to encourage job satisfaction and productivity in both public and private workplaces.

Like the Team Rynkeby project, the Rynkeby SUNDhedsstafetten serves a two-fold purpose: Partly to improve public health by focusing on biking,

which is already the most popular exercise form in Denmark, and partly to support a good purpose. In this case the good purpose is Diabetesforeningen (The Diabetes Union) that will receive the whole surplus from the races.

The Rynkeby SUNDhedsstafetten takes place in Århus, Odense and Copenhagen, and we expect approx. 8,000 participants. Already next year we plan to add another 3-4 cities to the project. The participant fee per team is 750 DKK.



CEO Jørgen Dirksen with the award as the healthiest place to work at Funen 2010.

Lifestyle diseases are a threat against modern society, and therefore Rynkeby wants to support and inspire our employees to a healthy lifestyle, both at work and at home. As a responsible company, Rynkeby has decided to bring the health of our employees into focus.

At Rynkeby Foods we are convinced that healthy employees have a better

quality of life, live longer and are a better capacity for the company.

Therefore we have established a health committee with the aim of encouraging health at Rynkeby. As described on the following pages we focus on healthy food in our canteen, health examination (Body Age), slimming courses, smoking cessation courses and a lot of different exercise initiatives.

In 2010, Rynkeby received the honourable award as the healthiest place to work at Funen.

The award is given by Udviklingsforum Odense together with Fyens Stiftstidende (a local newspaper) and the Sund på Job consultants. This award is a big pat on the shoulder to all employees, who have joined the many health initiatives. The award was accompanied by a cheque for 20,000 DKK, which was spent on an employee event with focus on health and values.

FIRST AID

2010 ACTIONS

We know that acting quickly in situations when first aid is needed can save lives and reduce complications. Therefore, Rynkeby offers all employees free first aid courses every year, both for beginners and advanced learners. In 2010, 12 employees participated in first aid courses.

2011 TARGET

We will offer a free first aid course at least once a year, for health coordinators during their working hours. We expect to acquire a heart starter to be able to render quick aid in case of cardiac arrest.

Topic: Health

FOCUS AREA:

WORKING ENVIRONMENT

The occupational health is about what we can do when at work. We can make sure that ergonomics are all right to avoid unnecessary load on our body. We make a structured effort to avoid industrial injuries and damages as they all affect our health to a certain extent.

In 2010, Rynkeby Foods initiated and completed a large ergonomics project for all our warehouse workers. The aim of this project, continuing in other departments in 2011/2012, is to encourage correct working postures and to use our body right to avoid strain injury. The participants will get individual recommendations, with exercises for muscular development, e.g. in the Rynkeby fitness club.

In the health examination our employees are asked if they have had



The Danish Labour Inspectorate has approved Rynkeby's working environment with a green smiley. The photo shows Pauline Martin, filling machine operator.

ergonomic problems (e.g. neck, hand/wrist, shoulders, arms/elbows, lumbar or knees) during the last seven days. In 2010, 70 % of our employees had had at least one of these physical nuisances, which is less than in 2009. However, the truth behind these figures is that there has been a clear decline within the individual groups, and therefore the 2010 result shows a

considerable reduction in the number of nuisances per employee compared to 2009. In 2008, Rynkeby received the green smiley from Arbejdstilsynet (Labour Inspectorate), which is a symbol of a good and functioning working environment. We aim to maintain this recognition in the years to come.

	2009	2010	2014 TARGET
Employees with a physical nuisance	74 %	71 %	Max. 35 %

FOCUS AREA: WORK PRESENCE

It is not easy for an employee to have to stay at home due to illness and it is not easy for his colleagues who have to run faster because a colleague is missing. Thus, it is best for everybody to keep the work presence rate as high as possible. Therefore Rynkeby currently works with initiatives concerning physical and mental working environment supplemented with a number of health initiatives.

Of course, a good work presence is a prerequisite of the fact that Rynkeby is able to manufacture with the capacity planned to the greatest possible extent.

To make sure that our more than 200 employees can have a fast treatment and thus reduce their period of illness Rynkeby also offers all employees a health insurance.

RESULTS

Total work presence:
2009: 94,1 %
2010: 96,0 %

2014 TARGET

Total work presence:
Min. 97 % (total)



Lars Himmelstrup, Product Technician, in our laboratory.

Topic: Health

FOCUS AREA: **SMOKING**

We know that smoking is unhealthy and we think that it is incompatible with a foodstuff manufacturing company. In 2009, Rynkeby Foods therefore decided to prohibit smoking on our site. This prohibition applies to both guests and employees. All smokers wanting to stop smoking are offered smoking cessation courses and other aids (chewing gum, acupuncture, plaster etc.). In the long term we expect to reduce the number of smokers and thus improve the health of our employees.

Despite many initiatives the number of smokers has not been reduced as much as expected. In return our



smokers smoke approx. 27% less – which corresponds to four cigarettes less per day than in 2009. We give the introduction of the smoking ban some of the credit for this decline.

	2009	2010	2014 TARGET
Number of smokers	25%	23%	Max. 15%
Number of cigarettes per day, average	15	11	10



FOCUS AREA **OVERWEIGHT**

Overweight can lead to a number of lifestyle diseases. Therefore Rynkeby wants to support lasting weight loss initiatives of our employees. Overweight employees are offered diet guidance by a clinical dietitian and exercise initiatives.

Targets and actions have been set for all overweight employees wanting to lose weight, and free, individual diet guidance is available.

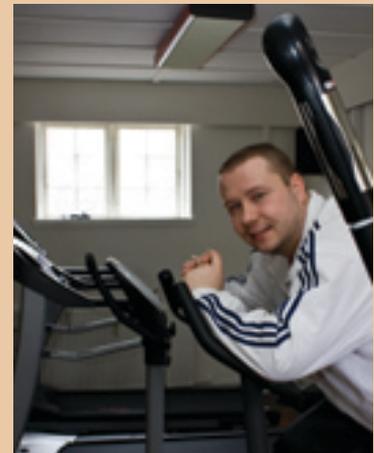
After a health examination in January 2011 42 employees have joined the »Weight stop – new lifestyle« initiative, which is an individual offer to overweight employees wanting to lose weight and change their lifestyle. This offer is free and the participants are currently observed by a professional dietitian.

	2009	2010	2014 TARGET
Very overweight	25%	23%	Max. 18%
Overweight	31%	30%	22%

Now his body is five years younger

Michael Poulsen, 30 years old and warehouse worker at Rynkeby Foods, accepted Rynkeby's offer to the warehouse staff of joining a Body Age project.

When the project was kicked off in September 2010 Michael's Body Age was 40 years. Now, six



months later, he has lost seven kilos. His body's age is now 35 years.

-I exercise up to three times per week in our fitness club, before or after my working hours. This definitely gives more energy and improves your self esteem. I had not given that a thought before we started the project. I also believe that the activities strengthen unity in the factory, says Michael.

Undoubtedly, he was influenced by his colleagues' and leaders' engagement in a healthy lifestyle.

-I guess I had not started if the engagement of my leader and my colleagues' positive talk about their experiences had not forced me to start, he says.

Topic: Health

FOCUS AREA **HEALTHY CANTEEN**

The canteen of Rynkeby Foods is also focusing on health. In 2010, the staff attended a »Projekt Kantinetjek« (canteen check) offering courses in healthy canteen food. Today, »Kantinetjek« is used as a new tool making it easy to evaluate if the offer of the canteen is healthy and if it is possible to improve this offer. A new point system is applied, and the food is given points according to a set of simple rules. The more points, the healthier the food.

It may be difficult to set targets as to the healthiness of the food of our employees but in our health examination our employees must give information on the frequency of their intake of fruit and vegetables.

In 2009, only 37 % of our employees ate minimum two fruits or vegetables per day. We thought that we could affect their intake by making it easier and cheaper to buy fruit at Rynkeby so we made fruit within the reach at 1 DKK. Furthermore, healthy and nutritious food is served every day. Sweets and other unhealthy foodstuffs are no longer available in our canteen – however, we can still enjoy a piece of cake once a week.

These initiatives literally seem to have borne fruit for in 2010 nearly 50 % of the Rynkeby employees ate fruit and vegetables every day.



Pia Skytthe Pedersen prepares healthy canteen food

Number of employees eating min. 2 fruits and vegetables every day

	2009	2010	2014 TARGET
	37 %	46 %	57 %

FOCUS AREA:

EXERCISE

Rynkeby Foods supports a number of internal and external exercise projects. In 2010 weekly exercises in walking, running (beginners and advanced runners) and biking were initiated. Furthermore Rynkeby supports our private fitness club. This club was established in 2005 and has today 70 members – all of them are Rynkeby employees.



of Børnecancerfonden (Danish foundation for children with cancer and their families). In recent years Rynkeby has also participated in local races for runners, walkers and bikers. The number of participants from Rynkeby has been considerable for the last two to three years. These activities combine exercise with lovely food and social gathering – which we definitely think is also having a positive effect on our employee satisfaction.

In 2010, we invited the former triathlete Ole Stougaard to teach us a brand new, gentle running technique, which can be used by both beginners and advanced runners. This initiative attracted more than 35 employees, of which 15 % had never been running before. We expect to launch a similar, free initiative in 2011.

Furthermore, Rynkeby supports Team Rynkeby, being the principal sponsor

Participants in the relay race »DHL-Stafetten«			
	2009	2010	2014 TARGET
	28 %	38 %	Min. 50 % **
Participants in the race »Søsletteløbet«			
	2009	2010	2014 TARGET
	20 %	42 %	50 %
Employees exercising at least 30 minutes per day			
	2009	2010	2014 TARGET
	48 %	50 %	60 %

*includes employees only. ** **includes employees and their families.

Topic: Health

FOCUS AREA:

HEALTH EXAMINATION

As health is a permanent focus area and one of our most important focus areas within CSR in 2010 we currently check the health of our employees.

Every two years we offer our employees a health examination, where cholesterol, BMI (Body Mass Index), fitness, blood pressure etc. is checked.

We wish to check the health of our employees at least once every two years. In 2009, 81 % of our employees joined the first health examination, and in 2011 84 % of our employees attended the latest health examination.

In 2011, a so-called Body Age check – showing your fitness in relation to the actual age of your body - was added to the health examination. This Body Age showed that Rynkeby employees



have an average age of 42 years and an average Body Age of 43.7 years.

In general, the result of the latest examination is better than the 2009 examination but it has to be better. A special focus will be set on our warehouse and production staff as they need it the most.

Under the title »A Younger Rynkeby« we launch a lot of initiatives - based on the body age of our employees – to make our company younger.

Our plan is to make our employees gather in groups of 5 to 20 persons to compete against the other groups to obtain the largest average body age reduction. Therefore an extraordinary body age check will be made in January 2012.

Many parameters are included in Body Age, e.g. overweight contributes to a higher Body Age. Therefore we also offer very overweight employees a free weight loss course in 2011. 42 employees have joined this initiative.

HEALTH AND PROFIT

- We are convinced that the healthier we are the more energy we have and the more we involve ourselves in our everyday life at Rynkeby. A permanent pain in your neck may prevent you from doing your job in an efficient way. It is also no good that you get tired after three hours at work and have to sleep when you get home, to be ready for the first three hours the next day. This is not acceptable because we are made to work. Therefore we have to keep our body sufficiently fit to be able to have a proper working day followed by a proper leisure time.

These words were said by one of the energetic anchor men and organizers of the Rynkeby Foods



Poul Erik Nielsen.

health initiatives, Poul Erik Nielsen (CFO).

He is also convinced that the fitness of our employees has a positive impact on our bottom line.

-It is difficult to set a precise target but we believe that health increases involvement and efficiency in our company. Another issue is that – in these times with general health focus - our many initiatives contribute to the branding of Rynkeby as a company with focus on our employees and a will to help them.

Topic: Environment and climate

Improvements within climate and environment are very important in Rynkeby Foods' work with social responsibility (CSR). What can we do? First of all we can ensure that our processes are currently optimized. Then we can demand from our business partners that they do the same thing. In this process it is important to teach our employees to be environmentally conscious and to work for environmentally sound solutions.



Responsible environmental work is also information. Therefore, in 2010, Rynkeby Foods and the SIK (the Swedish institute for foodstuffs and biotechnology) elaborated a lifecycle assessment (LCA) of one of the most important processes in juice manufacturing. A LCA describes the energy accounting of a given process. An important conclusion on our calculations was that it is better for the environment to buy concentrate in South America and transport it to Europe for dilution than to buy fresh oranges in Spain for squeezing in Denmark.

As it is practically impossible to have sufficient concentrate from Europe to cover Rynkeby's needs we have to make an effort to improve existing processes and let the consumers know that they are also free to make a choice.

Juice with a short shelf-life, to be kept refrigerated, often is our expensive quality juice. Unfortunately, this juice is also the most environmentally damaging products, and we want the consumers to know that.

We are already focusing on the environment and have launched many environmental initiatives. In 2010, we implemented environmental optimization of new processes, products and process designs.

Initially, Rynkeby focuses on the processes that we can affect ourselves, which also reflects our target for environment and climate and our check list for our employees. It is a management task to ensure implementation in our organization.

CHECK LIST

As a Rynkeby employee you can do this to contribute to a better environment!:

1. Follow the caretaker's list (operators) and turn out the lights and compressor in weekends to save energy.
2. Close gates and doors to heated and cooled rooms (fast gates can be used).
3. Don't use jetting hoses without nozzle for washing.
4. Separate waste and residues. There are containers for plastic and carton/paper – and product waste goes into the tank for deposit as biogas. Finished products go into the container for biogas. Juice/water does not belong in the tipping container – it is not combustible!
5. Air pressure leakages should be immediately repaired (Technical department).
6. Use the pigging system when possible as it reduces waste (Factory)
7. Check re-capper to avoid unnecessary discarding of packaging and save the remainder for the next production (filling department)!
8. Limit your travel activities by aircraft (everybody) – airlift is a big environmental sinner!
9. When changing packaging do it successively and use existing raw materials in new products when possible. This gives less product changes and reduces waste (Marketing).
10. Drive environmentally sound (truck drivers + all other drivers).

Topic: Environment and climate

2010 ACTIONS

In 2009 and 2010 Rynkeby Foods co-operated with Enervision A/S, engineer consultants specialized in energy and environment. This co-operation has resulted in a mapping of possible environmental improvements in our factory.

One of these new initiatives was the installation of a new compressor in February 2010. This compressor is 20 % more efficient and generates a heat recovery of 59 % of the energy supplied. We have also invested in new technology for our kettle installation to be able to exploit the excess heat from our production. Therefore a flue-gas cooler and a smokestack were installed in January 2011. This investment enables us to preheat the feed water for the production and transfer excess energy to the local district heating power plant. This makes a gain of up to 245 kW when the kettle is fully loaded.

Electricity consumption, waste water and CO2

There has been an increased focus on electricity consumption, waste water and CO2. Waste water has also been introduced as a key figure in relation with the LEAN bonus of our production staff. Unfortunately, our efforts have still not had an effect on our energy bottom line. The explanation is that our production volume in 2010 is about 20 % less than in 2009. This means that the energy saving initiatives implemented are not sufficient to compensate for the volume decline as Rynkeby's energy consumption is higher per unit manufactured at



Aksel Jørgensen (see photo) has been employed at Rynkeby for 32 years now – about 20 of these years as a technical manager. Thus he has been part of the development from the time when factory optimization was more about replacing tubes with larger tubes till today where the environment also plays an important role. The climate and environment dimension makes my job more interesting but the main driver still is to be efficient and work smarter. If we are not up to date in all areas we have no job tomorrow. That's it – and that's all!, says Aksel

a production of e.g. two instead of three million liters per week. At the same time we are planning the introduction of much more checkpoints to enable us to better pursue irregularities.

Larger production volume

As a result of our expected expansion in Scandinavia, our 2014 target is approx. 37 % more production volume than in 2010. Therefore this larger volume will improve our energy bottom line. We expect to have the largest gains in 2013/2014 when our volumes are considerably larger than in 2010 and 2011.

Raw material loss and packaging waste

Are following the development planned due to increased focus and better and quick exploitation of our raw material surplus so that destruction is avoided. Add to this the fact that we have invested in equipment for separation of juice, to limit raw material loss. Packaging waste has

also been in focus and optimizations have been made to avoid unnecessary waste. Furthermore, raw material loss and packaging waste have been introduced as a key figure in relation with the LEAN bonus of our production staff. Thus, several environmental targets have become part of the salary packaging of our employees, which we expect will bring this topic even more into focus.

In 2011, we will also focus on a big investment in more precise equipment for dry matter measuring, i.e. an increased precision when using concentrates, which should reduce raw material losses even more. More data are to be scrutinized to find energy savings and have a good environmental behavior.

Environmentally sound driving

Rynkebys' own truck drivers have been trained in environmentally sound driving style, which will form part of their LEAN bonus in 2011. in 2010 and 2011.

	2009 RESULT	2010 RESULT	2011 TARGET
FUEL CONSUMPTION	2,61 km/l	2,73 km/l	3,21 km/l

ENVIRONMENTAL TARGETS	2009 RESULT	2010 RESULT	2014 TARGET
Electricity consumption*	59,96 Kwh	60,9 Kwh	53,96 Kwh
Waste water*	0,941 m ³	0,983 m ³	0,847 m ³
CO2 consumption*	16,18 kg	17,46 kg	14,56 Kg
CO2 consumption*	2,86 %	2,44 %	2,10 %
Packaging waste, of packaging consumption	2,07 %	1,45 %	1,05 %

*per ton product



CSR

