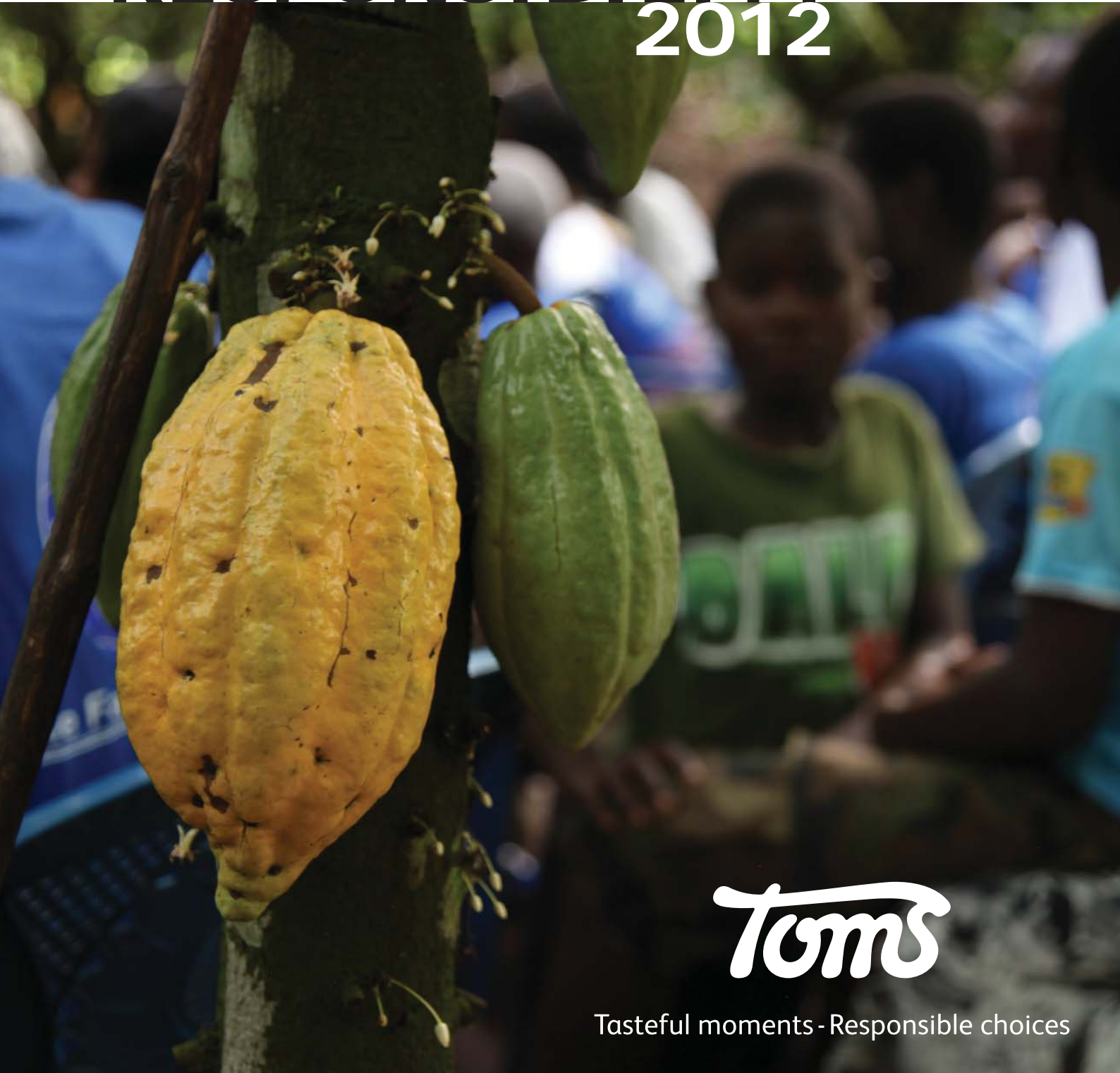


# RESPONSIBILITY 2012



*Toms*

Tasteful moments - Responsible choices

**Toms Confectionery Group A/S**

Toms Allé 1

DK-2750 Ballerup, Denmark

Tel. (+45) 4489 1000

[www.toms.dk](http://www.toms.dk)

# Toms in Brief

Toms is the maker of strong confectionery brands such as Anthon Berg, Feodora and Hachez, and has a comprehensive product range covering chocolate, liquorice and sugar confectionery. Toms has a strong position in its domestic market, Denmark, with the brands Toms, Galle & Jessen, Ga-Jol and Pingvin, but more than 50 % of the turnover is generated internationally, especially as a leading player in travel retail.

Toms is owned by Gerda and Victor B. Strand's Trust. We have production facilities in Denmark (2), Germany (1), Sweden (1) and Poland(1), have a yearly production output of around 35.000 tons of confectionery products and employ more than 1200 people, depending on the season.



# About this report

This report is Toms' Communication of Progress made to implement UN Global Compact principles in 2012.

Furthermore, according to the Danish Financial Statements Act, article 99a, this is the statutory report on corporate social responsibility belonging to the management report in Toms' annual financial report for 2012. During 2012 Toms has increased its operations by acquiring

a chocolate manufacturer in Germany, Hanseatische GmbH, and establishing a packaging plant in Poland. This report will reflect human rights due diligence taken place prior to the adoption of these two operations. However, as the two companies have not been part of Toms for a full year they are not included in statements of statistical data (energy consumption, incidences of work injuries etc.) for 2012.



# Message from our CEO



With this Communication on Progress Toms Gruppen hereby expresses our continued support to the principles of the UN Global Compact. As a signatory since 2006, we acknowledge our responsibility as a business to manage our impacts to contribute positively to sustainable development, socially, environmentally and economically in the world around us.

At Toms the ten principles of UN Global Compact are reflected in our business strategy, culture and daily operations, and we find it our duty to continuously improve the part we play and engage ourselves in forward-looking ways of making progress.

In this years report we are happy to be able to report on further progress in a number of areas. Especially when it comes to sourcing cocoa from Ghana we laid the foundation for a potentially leading edge program which we will start executing this year.

We are also committed to share this information with our stakeholders using our primary channels of communication and continue to be strong advocates of the UN Global Compact and its principles when discussing sustainability with management from other companies.



Tasteful moments - Responsible choices



# UN GLOBAL COMPACT

An overview of this report's communication of progress made in the four issue areas of UN Global Compact in 2012

## Human Rights Principles

*Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and*

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

### **Human rights in general in relation to Toms:**

- Taking on UN Guiding Principles on Business and Human Rights, p. 20
- Human rights in new Toms operations, p. 21

### **Child labour: actions taken to reduce risk of child labour in our supply chains**

- Village Resource Centers, p. 8
- Read for the future, p. 10
- New partnership in Ghana with IBIS, Source Trust, FDB and Danida, p. 12
- Cocoa butter, p. 19

### **Sustainable cocoa**

- Ghana: p. 8-13
- Bolivia: p. 14-15
- CEN, p. 16
- CISCI, p. 17

### **Other supply chains**

- Palm oil certification, p.19
- Risk assessments of hazelnuts, gum arabic, liquorice and coconut supply chain p. 19

## Labour Principles

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

*Principle 4: the elimination of all forms of forced and compulsory labor;*

*Principle 5: the effective abolition of child labor; and*

*Principle 6: the elimination of discrimination in respect of employment and occupation.*

### **Labour standards in general in relation to Toms:**

- Ensuring standards in new Toms operations, p. 21
- Occupational health and safety at Toms, p. 28
- Child labour: actions taken to reduce risk of child labour in our supply chains p. 8, 10, 13
- Village Resource Centers, p.8
- Read for the future, p. 10
- New partnership in Ghana with IBIS, Source Trust, FDB and Danida, p. 12
- Cocoa butter, p. 19

### **Other supply chains**

- Ensuring standards through palm oil certification, p.19
- Risk assessments of hazelnuts, gum arabic, liquorice and coconut supply chains p. 19

## Environment

*Principle 7: Businesses should support a precautionary approach to environmental challenges;*

*Principle 8: undertake initiatives to promote greater environmental responsibility; and*

*Principle 9: encourage the development and diffusion of environmentally friendly technologies.*

- Environmental management p. 26
  - Environmental improvements
- Reduction of dry matter in waste water p. 26
- Reduction of noise p. 27
  - Climate goal improvements
- Reduction of energy consumption p. 24
- Green power p. 25
- Reduction of CO2 emissions p.25

## Anti-Corruption

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

- Strengthening anti-corruption p. 22



# Source Trust

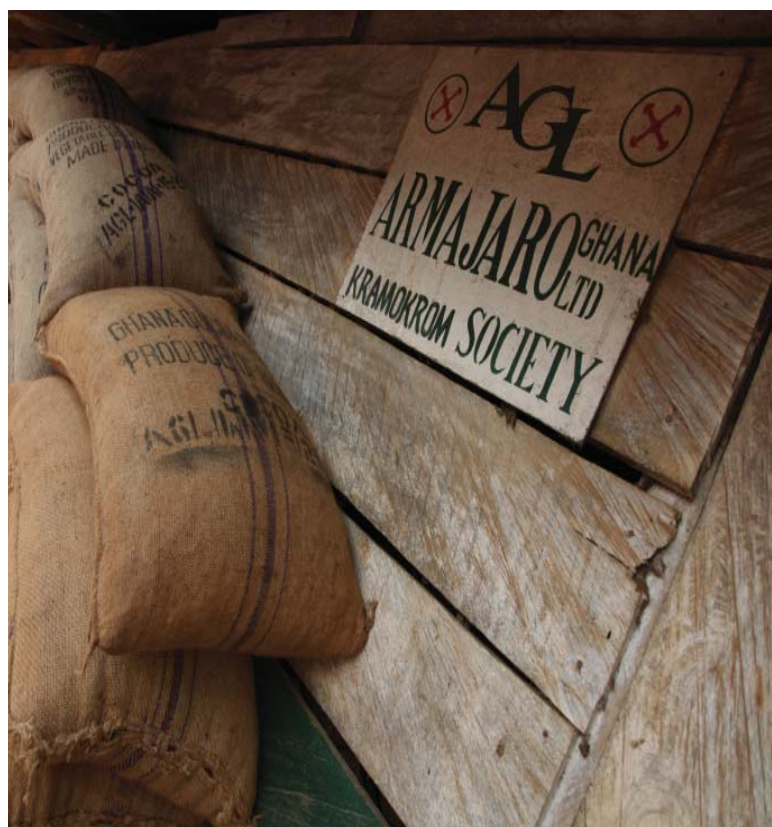
The cocoa that Toms buys from Ghana has had full traceability to village-level since 2009. Toms pays a voluntary premium for the traceable cocoa that goes to Source Trust, a not-for-profit organization set up by Armajaro Trading Ltd to help farmers improve their livelihoods through better crop yields and quality, achieved through sustainable farming practices. The premiums fund projects that work directly with the same farmers who grew the traceable cocoa bought by Toms.

Until early 2012 Toms bought traceable cocoa from three districts in Ghana, Sankore, Bibiani and Sefwi Wiawso. We buy now from two districts in Ghana, Bibiani and Sefwi Wiaso, as the supply of cocoa from the districts has risen over the years and two districts now suffice to meet the supply needs for Toms.

## Village Resource Center

Through Toms' premiums to Source Trust in 2012 two Village Resource Centers have been installed, one at Adukrom Junior High School in Bibiani district and one at Datano Junior High School in Sefwi Wiawso.

Village Resource Centers are pre-designed and fully furnished community learning centers that can be easily distributed across origin countries. They are located at schools and used by pupils during the school day. Agreements are made with the schools to ensure the Village Resource Centres are made available to farmers and extension officers in the evenings and at weekends for Good Agricultural Practice training. Village Resource Centres provide an important educational resource for children, offering value for them to attend school. The Centres also serve as a platform for delivering training and

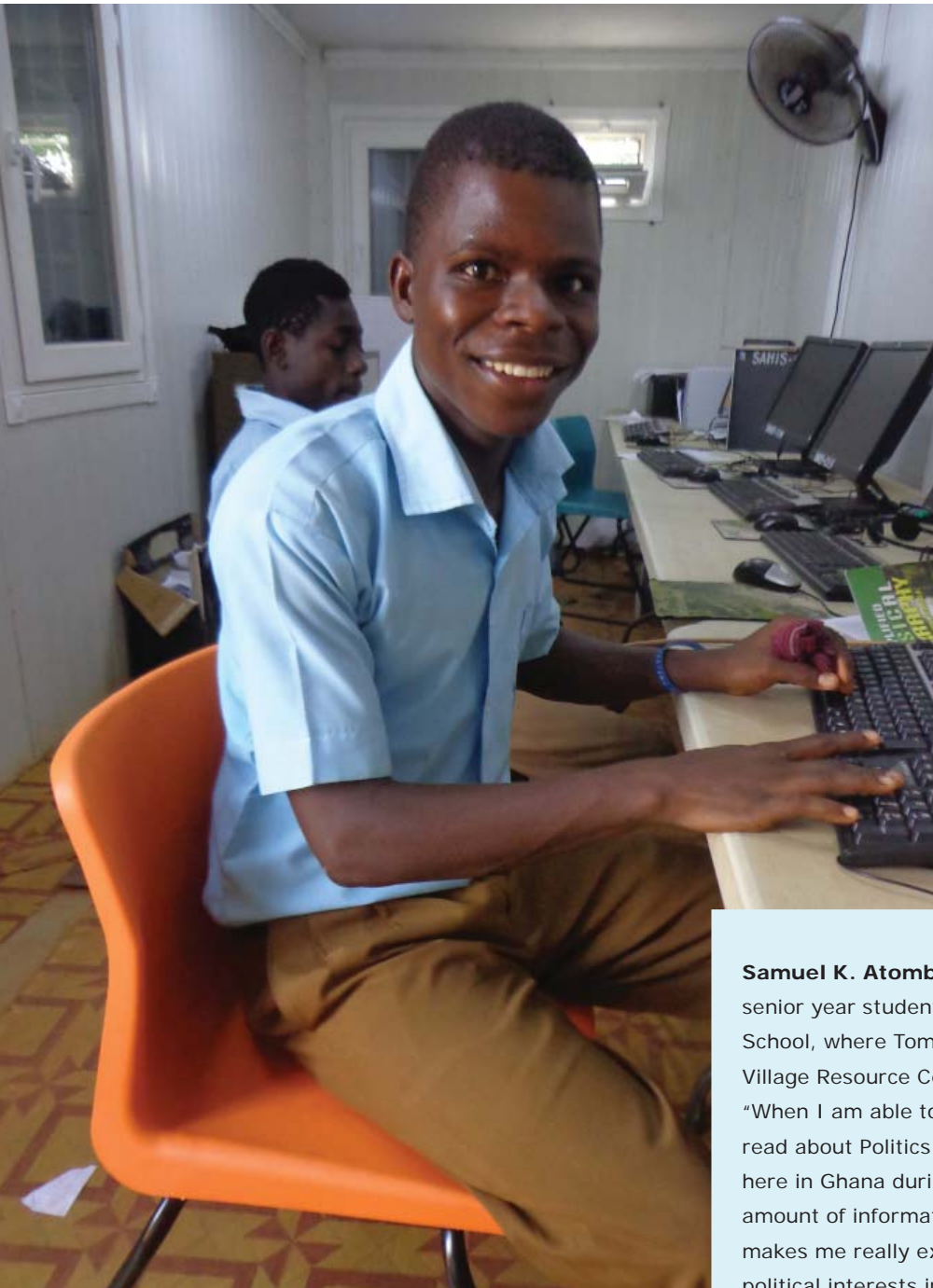


sensitisation to cocoa farmers to further raise awareness of the worst forms of child labour and the ways in which farmers should prevent it. The Village Resource Centers are available for appr. 300 students at Adukrom Junior High School in Bibiani and 90 students at Datano Junior High in Sefwi Wiawso.

### Completed Source Trust projects in 2012 in Toms cocoa districts:

- 2 Village Resource Centers
- School project: Read for the Future
- A central seedling nursery





**Samuel K. Atombire** is 20 years old and a senior year student at Sankore Senior High School, where Toms previously has installed a Village Resource Center through Source Trust: "When I am able to browse the internet I love to read about Politics and Government especially here in Ghana during election time. The huge amount of information at my fingertips online makes me really excited to learn more about my political interests in such a fun way."

# Read for the Future

In 2012 a school project, Read for the Future, carried out in partnership with IBIS and Source Trust, was finalized. This project was initiated in 2011 as the first school project to take place directly in the traceable districts from which Toms procures cocoa, as previous initiatives were started before Toms had full traceability established.

Since 2006 it has been part of Toms' long-term approach to address the challenges of child labour and development by increasing quality school education – IBIS being the implementing partner - through teacher training and the provision of learning materials.

Read for the Future took place at 15 basic schools in the three districts Sankore, Bibiani and Sefwi Wiawso.<sup>1</sup> The overarching goal was to inculcate in school children good reading habits and improve their vocabulary and comprehension in order to raise the number of children who can read and write at primary level, and consequently perform well in the examinations that give them entry to secondary schools in Ghana.

Read for the Future can be seen as a pilot project that has given us insights into working directly with schools in the traceable societies from which Toms buy cocoa, effecting the farmers' children and the general surrounding community. It will be followed by a long term school initiative in the districts as a part of the Danida Business Partnership program commencing early 2013 (see p. xxx) with IBIS as implementing partner.



- 2250 children were direct beneficiaries of Read for the Future
- 141 teachers were trained in teaching reading skills
- 30 teachers were trained in producing teaching-and-learning-materials
- 1,500 assorted story books were distributed as well as 15 book shelves
- Reading test for school children took place at the project schools
- Ghana Education Service (GES) were supported and trained to strengthen their monitoring and supervision skills to ensure sustainability

<sup>1</sup>Until early 2012 Toms sourced traceable cocoa from 3 districts. Now, as two districts were productive enough to produce to the needs of Toms, we source from Bibiani and Sefwi Wiawso.



# Improving farmers access to planting material

A central seedling nursery was established in 2012 using pooled Source Trust funds from several Source Trust partners. The nursery is available for those farmers wishing to rehabilitate their farms. 97 farmers from Toms districts have chosen to collect seedlings from the nursery so far.

Nurseries supply farmers with improved hybrid

seedlings that offer farmers increased income through higher yields, while also allowing old and unproductive trees to be replaced by newer varieties. Seeds for the nurseries are sourced from national research centre seed gardens, where many years of research and development have been carried out to find the best parents for disease-resistant and high-yielding hybrids.



# Breaking new ground in our supply chain

For Toms establishing full traceability has been an important part of taking appropriate action to making true sustainable improvements in our cocoa supply chain in Ghana. Having established full traceability it has been our goal and task in 2012 to develop and initiate a long-term, innovative and holistic effort to create a cycle of growth directly in the communities that Toms buy cocoa from. Furthermore, it has been our goal to match funds with others and work in partnership to maximize our impact.

To summarize the challenges that the cocoa supply chain in Ghana faces:

**Low farming income:** Cocoa farmers in Ghana have very low production, 312 kg per hectare, compared to the genetic potential of the trees (1000-1200 kg per hectare), due to limited knowledge of modern farming techniques and farm management skills. Aging trees that are past their peak cocoa pod production and decline in soil fertility also impedes their productivity. An estimated 30-40% of the crop is lost to pests and diseases.

**Young farmers:** Migration away from cocoa farming by young people is generating

increasing concern in the cocoa industry posing fear of a looming supply crisis.

**Child labour:** In Ghana child labour exists in cocoa production, primarily within the families through hazardous agricultural tasks. The heart of the problem is poverty, along with lack of awareness of the hazards of child labour, lack of social protection policies and systems, and lack of quality learning in schools. Child labour jeopardizes the children's health and prevents them from going to school and create development for their future. Needless to say, child labour is a violation of fundamental human rights.

**Access to education:** Lack of quality basic education is a critical issue, affecting everything from farmer practices using children as labour to youth migrating to urban areas, thus hindering the future growth of cocoa farming. Functional literacy and training teachers to quality and relevant education are essential to sustain cocoa-growing communities.



## Leading new steps


We are therefore very proud to have initiated in 2012 a new partnership with Source Trust, Ibis, FDB and Danida Business Partnership, to work over a period of three years with the aim of obtaining sustainable cocoa production directly in the communities that Toms buy cocoa from. We will be working with all 4800 farmers who supply cocoa to Toms and their communities, 96 in all, focusing on

- **Farming:** helping farmers improve their yields to earn higher incomes and improve their livelihood by training all farmers in sustainable farming practices, establishing nurseries for new more productive cocoa trees and farmer shops for other inputs.
- **Village Resource Centers** (IT suites) to schools with no IT facilities, giving also farmers increased agricultural training through video training programs.
- **Farm acreage mapping** with GPS for farmers to know exact fertilizer needs in order to reach efficient rather than increased use of fertilizers etc. and to collect other data that will help us pinpoint problems and target them appropriately.
- Establishing **boreholes** for drinking water

- **Training 150 teachers** at 30 schools providing quality education for 7000 children and 1000 illiterate youth
- **Combating child labour** through increased awareness of rights & hazards and the need for children to go to school and supporting the implementation of the Ghanaian government's child protection systems at society and district level.
- **Youth:** making cocoa farming something to aspire to through education, improved community, access to seedlings, farm inputs, IT and drinking water and seeing their parents earning higher incomes.

Ibis Ghana is an NGO who works to create access to quality education, improve school governance and stop child labour. IBIS has yearlong experience in working the cocoa areas of Ghana, training teachers etc. as described in previous reports.

FDB is the owner of Coop, one of Denmark's largest retail companies, that has a strong ethical focus in its chains. FDB aims to promote responsibility within health, environment, climate and ethical trade, and wishes to educate Danish consumers on these issues. FDB aims to support development in Africa through ethical trade with products from the African continent.



Nyame Asiedu is a cocoa farmer that already has received training in sustainable farming practices: "Before the training I could only get 6-7 bags of cocoa. But now I can get 20 bags.

# Bolivia

In 2012 a longstanding ambition to establish of a supply chain of sustainable organic fine flavour cocoa was reached through the 3-year Danida Business-to Business partnership that Toms has been engaged in in Bolivia with Rainforest Exquisite Products SA, REPSA, and Danida during 2010-2012.

The goal has been to create sustainable improvements through building capacity of the Bolivian farmers and REPSA and create a source for Toms of organic, high quality cocoa.

The key elements of the project have been to train and improve cocoa production for the farmers, to reach organic certification and for REPSA to develop and implement Total Quality Management to secure the quality chain. During the project 400 farmers from two cocoa areas, Alto Beni and Chapare, have been trained in good farming practices and a manual for fine cocoa production has been developed.

Over time the work of the project has turned increasing focus to Alto Beni, as organic certification was more feasible here and the farmers in Chapare were less interested in cocoa and more interested in other cultivars. All cocoa from Alto Beni has been certified as organic by the certification organization CERES in 2012 and the internal control system run by REPSA is in place.

A major step of improvement in 2012 was the installation of a fermentation and drying plant

in Palos Blancos, Alto Beni. Due to fluctuating temperatures, humidity and days with no sun, farmers had suffered losing crops because of inefficient fermentation and drying. During these adverse conditions the cocoa was not properly fermented and often the cocoa moulded before drying, thus resulting in loss of income for the farmers. It was therefore decided to build the plant to reduce this risk in the supply chain. The new plant has been installed with both a sizable mechanical dryer and solar tunnel dryers, a fermentation area and facilities for quality control and storage. Farmers can choose to deliver fresh, already fermented, semi-dry or dry cocoa beans and thereby secure their harvest and income from cocoa. The plant is named Flor de Cacao and is the first ever to be built in Bolivia.

Furthermore, funds and efforts were devoted to help farmers combat Monilia, a cocoa pod disease predominant in Latin America that until 2012 has not had much attention in Bolivia, but can result in considerable crop losses if not attended to through good farming practices. The activities have been in collaboration with CATIE, the strongest cocoa research center in Latin America, and are in compliance with the manual for fine cocoa production.

Onwards, the aim is to strengthen future operational collaboration and ensure scale-up of future supplies of Bolivian organic fine flavor cocoa.





# CEN

In 2012, Toms has been part of starting the work creating an international standard for sustainable and traceable cocoa in the CEN/TC415. The aim throughout this standard is to obtain clarity and transparency of requirements for cocoa sustainability and for the traceability of cocoa beans and cocoa products. The aim is also to obtain scalability, as only 5-10 % of the world's cocoa is certified sustainable.

The work in CEN/TC415 is consensus-based and has much emphasis on inclusiveness. Therefore much effort has been on inviting all relevant stakeholders to the table, including

representatives from the cocoa producing countries. Thus the working committee has participants from the whole supply chain up to consumer organizations.

In 2012 the CEN/TC415 group agreed on objectives for the standard and established working groups for writing the standard. Toms is active participating in the CEN/TC415 meetings and is represented in two of the working groups. Toms also heads the Danish mirror group.



# CISCI

Côte d'Ivoire Sustainable Cocoa Initiative (CISCI) is a partnership initiative aimed at contributing to the promotion of sustainable cocoa supply chain in Côte d'Ivoire.

CISCI (previously Nordic Cocoa Initiative) is a partnership between Nordic chocolate producers, Toms being one of them, UNDP, World Cocoa Foundation and International Cocoa Initiative.

CISCI had a delayed start due to the upheaval in the country following the Ivorian presidential election in 2010 and the post-electoral crisis ending mid-2011. However, a thorough baseline study was finalized in 2012 with the aim of not only covering the social, environmental, economic and governance constraints, but also to map the already existing cocoa sector projects and programs taking place through international organizations, industry, governmental and official structures, certifiers and NGOs.

CISCI held a workshop in Abidjan, Côte d'Ivoire in October to share the results with partners and achieved full support from the Ivorian government.

Reflecting on the results of the baseline study CISCI is in the process of designing a holistic program that includes the necessary actions to meet the needs identified. Alongside, CISCI is in dialogue with the development agencies of the Nordic governments to establish funding additional to the contributions of the chocolate companies.

Even though Toms does not source cocoa beans from Côte d'Ivoire, we buy cocoa butter, a blended product that can originate partly from Côte d'Ivoire. Therefore we decided to support this project. Child labour and trafficking does take place in the cocoa production here, a clear violation of fundamental human rights, and we find that the CISCI partnership is a strong way to take action.

# International involvements

It is important for Toms to be active in the main international organizations that deal more broad-based with the work of accelerating cocoa sustainability:



Toms is an active member of World Cocoa Foundation, WCF, representing more than 100 member companies across the cocoa value chain. WCF promotes a sustainable cocoa economy through field programs based on multi stakeholder partnerships, cocoa research and convening the international cocoa community biannually.

To strengthen the many global cocoa initiatives, WCF in 2012 launched Cocoa Measurement and Progress (CocoaMAP), which will be an on-line program that tracks the global progress made to achieve sustainable cocoa.



The International Cocoa Initiative, ICI, is an independent, multi-stakeholder foundation composed of industry companies and civil-society organizations. ICI works for the elimination of child labour in cocoa production through a variety of projects and initiatives

Toms works with both WCF and ICI in the CISCI program.

# Looking at other supply chains

## Cocoa butter

It is an obvious goal for Toms to achieve sourcing of traceable cocoa butter to ensure sustainability and mitigate human rights risks here as well. Cocoa butter is the fat from the cocoa bean, produced at factories that separate the cocoa bean into cocoa butter and cocoa powder. To make chocolate cocoa butter is necessary, additional to the sourced cocoa beans, to adjust viscosity for molding, enrobing etc.

Traceable cocoa butter is more difficult to achieve than traceable cocoa. Most of the existing cocoa butter factories do not have facilities to segregate the traceable cocoa butter from the rest. Furthermore, due to variations of the melting curve of cocoa butter depending on where and the cocoa beans have grown and when they have been harvested, cocoa butter is normally a blend of several origins to achieve specific physical melting specifications. However, in 2012 Toms has been very much engaged in dialogue with suppliers in finding a solution and we aim to initiate traceability in 2013. The goal is thereby to ensure that at the source of this supply chain sustainable practices will take place.

## Palm oil

Palm oil is not a major ingredient for Toms (less than 2%) and much of it comes to our factories as a component in vegetable oil blends.

In 2012 we were ensured that all our suppliers are members of RSPO, Round Table of Sustainable Palm Oil, an international multi stakeholder initiative to promote the production and use of sustainable palm oil.

Furthermore, 96% of the palm oil supplied is now RSPO certified as sustainable.

## Other ingredients

During 2012 Toms has also initiated in investigating the supply chains of other raw materials identified as critical, such as hazelnuts, gum arabic, liquorice and coconut. This has been part of mapping and identifying potential human right risks in supply chains to Toms to assess Toms' appropriate activities forward-looking in the light of UN Guiding Principles on Business and Human Rights.

# Taking on UN Guiding Principles on Business and Human Rights

Much effort has been done in 2012 to taking in the human rights expectations for companies and assessing Toms' CSR work against the UN Guiding Principles on Business and Human Rights (UNGP) in order to put ourselves on the path to alignment with these authoritative guidelines and put them into practice in a tangible way for Toms.

UNGP has, apart from being integrated in the expectations from OECD and EU, also been incorporated in the Danish National Action Plan for CSR 2012-2015, through which new CSR reporting requirements have been established. Additionally a new Danish OECD mediation and complaint body became active 1. November 2012.

During 2012 the following has been carried out at Toms:

- Acquiring understanding of UNGP and how companies shall handle human rights impacts, through network meetings and seminars
- Internal introduction & discussion sessions with CSR Management, Executive Management, Purchasing and Quality Assurance on UNGP, the new Danish OECD mediation and complaint body etc. discussing also ideas as to how Toms can reach compliance.

During 2012 the following activities have been started and are still in progress:

- Drafting a human rights policy. Toms has already related policies and implicit expectations in our culture, conduct and current CSR strategy, but this is an opportunity to highlight our commitment to human rights as a company. The drafting process includes risk identification and external consultations, and will be finalized in 2013.
- Revision of our Supplier Code of Conduct, Supplier Questionnaire and supplier audit questions in the light of UNGP.
- Mapping and identifying potential human right risks in supply chains to Toms to assess Toms' appropriate activities forward-looking in the light of UNGP.

# Human rights at new Toms operations

During 2012 Toms acquired the German chocolate manufacturer, Hanseatische Chocolate. As a part of the acquisition process human rights due diligence was carried out in the form of desktop research, questionnaires and visits at the plant. This process was led by heads of Human Resources and M&A Dpt. assisted by external consultants. No human rights issues were found in the investigation.

During 2012 Toms also established a packaging plant in Leszno, Poland. Here Toms has introduced Danish occupational safety standards and Danish labour standards based on local payment rates. Generally labour standards are higher in DK than in Poland e.g. concerning repeating work flows and heavy lifting.



# Strengthening anti-corruption

Toms has zero-tolerance for any form of corruption, including bribery, personal payments, extortions or kick-backs, regardless of local laws and practices. Therefore, our commitment to fight corruption is clearly stated in our Supplier Code of Conduct, which mirrors the ten principles of the UN Global Compact. To further strengthen a clear anti-corruption culture at Toms, we have in 2012 been working to identify how to take further appropriate action – a process that continues into 2013.

Firstly, as the UK Bribery Act came into force in 2011 – often described as the toughest anti-corruption legislation in the world – it has been important for Toms to acquire a clear understanding of the wide-ranging scope of this Act, not only to determine our own legal status in relation to this Act, but also to use it as pointer to our own actions concerning anti-corruption.

Furthermore, Toms has in 2012 had a workshop with anti-corruption consultants in order to find out how to undertake a proper risk assessment to determine which policies and procedures that are appropriate and relevant for Toms. As we are a moderate-sized company the aim is also to keep procedures tangible for daily business.

The goals are:

- To develop a practical corporate anti-corruption policy
- To conduct anti-corruption compliance and awareness training
- To have specific procedures for identified high-risk areas



# Climate

As a company we wish to limit our impact on the global environment.

Our climate goals:

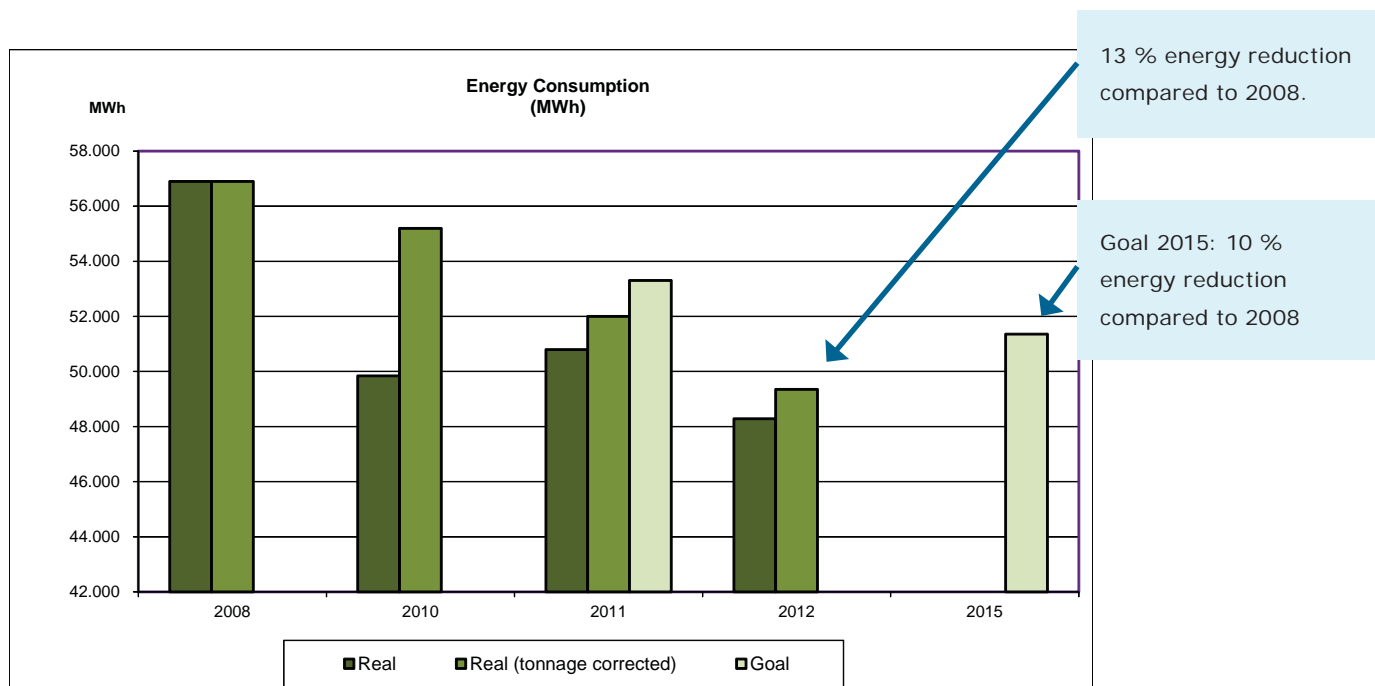
- Reduce energy consumption by 10% in 2015 compared to 2008
- Reduce CO2 emissions by 75% in 2015 compared to 2008
  - The 25 % through energy savings and substitution of energy sources
  - The 50 % by purchasing green electricity

Several projects have been taken on in 2012 at our factories to reduce energy consumption and thereby emission of CO2. Some of these have impact in 2012 already, and others are expected to impact in 2013 and 2014.

# Energy consumption

The energy consumption per ton product produced at Toms is steadily decreasing. Already in 2012 we reached our goal for 2015 to reduce energy by 10% compared to 2008. We have reduced the consumption by 13%.

The total energy consumption at Toms decreased by 5% in 2012, and is now 15% below the total consumption in 2008.





# Green electricity

In 2012 Toms continued purchasing green electricity, 5000 MWh, from windmills in the North Sea. This corresponds to 28% of Toms power supply and our goal is that all electricity consumption at Toms is converted to green power by 2015.

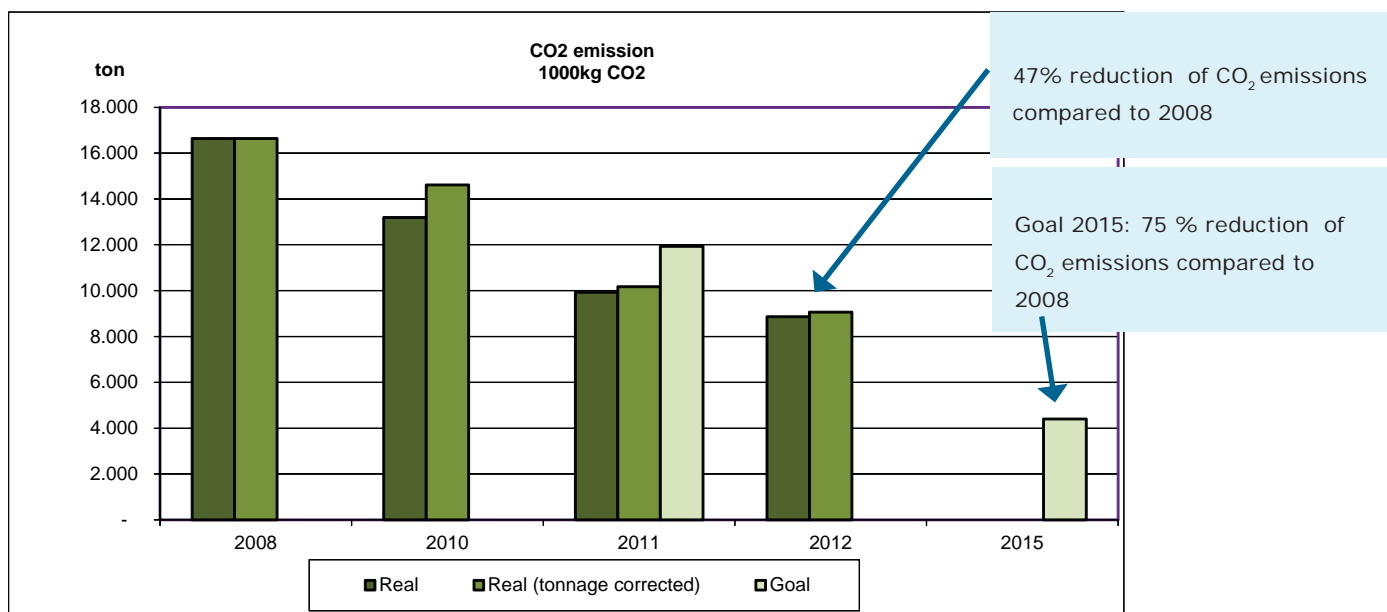
The power supply at Toms is 32% of the total energy consumption and the green power purchased in 2012 corresponds therefore to 10% of Toms' total energy consumption.

# CO<sub>2</sub> emissions

We have in 2012 reduced our total CO<sub>2</sub> emission by 11%:

- 5 % as a result of energy savings
- 6 % as a result of substitution of energy sources

Compared to 2008 Toms has by the end of 2012 reduced total CO<sub>2</sub> emission by 47%.



# The Environment

## Environmental management

All three factories at Toms have ISO 14001 environmental certification and we successfully completed an independent review in 2012. The review focused on our management system and our progress during the year.

In 2012 our environmental targets have focused at the following subject:

- Reduction of dry matter in waste water
- Contingency planning
- Reduction of use of HCF-gasses (Freon)
- Reduction of noise

## Reduction of dry matter in waste water

In order to use our resources as efficiently as possible Toms focus at the amount of product

residues we discharge to the sewer. At all three factories a group of employees continuously try to find improvements and implement them.

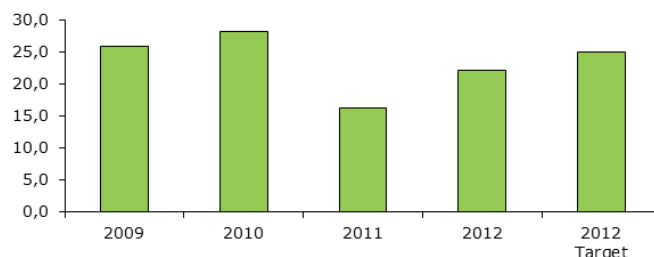
Our largest project in 2012 was at the Danish chocolate factory where we have invested in a new washing machine instead of 3 old machines. In addition to that, sedimentation of the waste from the drain in the washing area was implemented in order to remove fat and other dry matter from the waste water.

The projects we have made will without doubt have a positive effect on our wastewater. However, we have had difficulties measuring the effect of these initiatives precisely due to a number of factors. As a result of this we will keep on working on the measurement methods in 2013. The following graphs must be read in this light.

**Dry matter in waste water for every ton product produced at our chocolate factory**  
(Average of kg dry matter/ton product)



**Dry matter in waste water for every ton product produced at our sugar factory in Denmark**  
(Average of kg dry matter/ton product)



The graphs indicate that we are ahead of our target at the chocolate factory but behind at the sugar factory in Denmark.

# Reduction of noise

The location of Toms' factory in Ballerup is in close proximity of a residential area. The factory was built in 1962 and in the following years family houses were built in a neighboring area in a proximity that was accepted in the 60's, but today would not be allowed. Due to this situation Toms has during the years worked steadily to decrease external noise from this factory.

In 2010 we decided to go in close dialogue with the municipality and we agreed upon some noise limits for the factory. As part of this work Toms identified and measured 115 different noise sources. Afterwards we prioritized to decrease the noise from around 40 sources and in April 2012 an external consultant documented that we are in full compliance with the agreed noise limits.

# Occupational health and safety

## Health promoting initiatives for Toms' employees

For several years Toms has provided a range of options for all employees to stay healthy and well, initiatives such as free treatments from physiotherapists, masseuses, chiropractors etc., indoor and outdoor exercise facilities, discount on gym memberships, health tests and more. During 2012 a number of additional health-promoting programs were implemented:

- Life style counseling for employees with BMI > 28
- Nutritional counseling by a dietician
- Pregnancy at work
- Stress management

Through Great Place to Work Toms was asked to participate in a competition of being among the healthiest workplaces in Denmark. Through an external questionnaire Toms' employees gave Toms 92 out 100 points, thus placing Toms in level 5 out of 5.



# Safety at work and work injuries

In 2012 the health and safety organization was reorganized in Denmark. The organization is now consisting of fewer safety groups that each cover more employees than before. By doing this we hope that each member of the safety organization will get more experience in safety matters and therefore make a larger difference.

In 2012 we have kept on having a sharp view on reducing accidents at work and observe that

corrective action plans are made and implemented. The graph below shows the number of lost workday cases in the last 5 years. When multiplying the result from all 3 factories 2012 has been the best of the 5 years. Having said that we did not reach our target in 2012 which was that the factories all together would have 25 accidents/mio. working hours. Instead we had 31 accidents/mio. working hours. There will be a continued focus to reduce this number.







*Toms*

Tasteful moments - Responsible choices