

# UNITED NATIONS GLOBAL COMPACT

KOHBERG BAKERY GROUP A/S



COMMUNICATION ON PROGRESS

REPORT 2013



## Statement from our Chief Executive Officer

# Support of United Nations Global Compact

During 2013 we at Kohberg Bakery Group have sustained our high focus on CSR and as part of this the principles in the UN Global Compact and especially the environmental area.

As a member of the UN Global Compact since July 2009, we believe that our business policies incorporate the ten principles from the UN Global Compact, e.g. through our Code of Conduct. Our board fully supports our actions in working towards sustainability goals – in particular those contained in the UN Global Compact – and endorse the future priorities and specific targets we set out in our report.

Through our support of the UN Global Compact, we also aim to move the agenda forward on performance related to human rights, labour rights, the environment and the fight against corruption. In our annual report, we have summarised the progress we have made against each of these principles and we will continue to follow up on them in future reports.

We are in this report happy to announce some positive developments, especially concerning the environmental focus areas.

Kohberg Bakery Group A/S

Morten Hellesen  
CEO



## Introduction

# Corporate Social Responsibility

Kohberg Bakery Group is a manufacturer and supplier of bread and bakery products from rye bread to wheat bread and from Danish pastries to biscuits. Started in 1969 by Alfred Kohberg, the Fogtmann family took over the company in 1989 and has since expanded the company into its present size with revenue of approximately 1.000 million DKK. With headquarters located in the small town of Bolderslev in the southern part of Jutland, Denmark, Kohberg produces its products in a 37,000 m<sup>2</sup> large, roofed production bakery. Two other production locations exist today in two other Danish towns, Taastrup and Haderslev. Together, these three bakeries produce over 122 million bags of bread yearly, when only counting the sales for retailer shops. Besides servicing retailer shops, Kohberg also delivers to private companies and events. Being the biggest, Danish-owned bakery, Kohberg on average had approximate 580 employees during 2013.



At Kohberg we have built our corporate social responsibility (CSR) model on three focus areas, all in accordance with the 10 principles in the UN Global Compact:

- 1) People
- 2) Health
- 3) Environment and Climate.

To understand causal relationships between our actions taken and the performance outcomes, facilitate learning and promote action as well as ensuring continuous improvements in regard to our CSR model, it was deemed necessary to define and commit to the people, health as well as environment and climate targets as specified in Table 1.

To reduce the environmental impact from our distribution we should sustain our goal of having minimum 50 % one truck stops at customer sites for all fresh bread in Denmark (co-distribution) through 2013. Also, 100 % of flour and other grain-based ingredients used in our bakeries must be from grain grown without glyphosate and straw-shortening. We decided to change the formulation in previous communication on progress to include sourcing of all grain-based ingredients as we are indeed aware that this requirement is not solely for grain products, but all grain-based products sourced.

**Table 1: Overview of focus areas, targets and achievements.**

	Target	Outcomes				
		2009	2010	2011	2012	2013
People & health	<b>People and health:</b> We will use at least 1 % of our EBT <sup>a</sup> result per year on people and health projects.	2.3 %  Target achieved	2.5 %  Target sustained	22.4 % <sup>b</sup>  Target sustained	16.8 % <sup>b</sup>  Target sustained	5,5 % <sup>c</sup>  Target sustained
	<b>Sourcing:</b> 100 % of our flour and other grain-based ingredients must be from grain grown without glyphosate and straw-shortening	100 %  Target achieved	100 %  Target sustained	100 %  Target sustained	100 %  Target sustained	100 %  Target sustained
Environment and Climate	<b>Production:</b> Reduce our total emissions of CO <sub>2</sub> e by 20 % per kilogram finished product produced before 2020 compared to 2009 as reference year.	Target set (reference year)	Reduction of 3.6 %	Reduction of 15.9 %	Reduction of 26.9 %  Target achieved	Reduction of 28.3 % <sup>d</sup>  Target sustained
	<b>Distribution:</b> Ensure one truck stop for 50 % of all our fresh bread products in Denmark through co-distribution.	32 %	70 %  Target achieved	75 %  Target sustained	69 % <sup>e</sup>  Target sustained	69 %  Target sustained

<sup>a</sup> EBT = Earnings Before Tax.

<sup>b</sup> The high percentage is due to a lower EBT in 2011 compared to previous years.

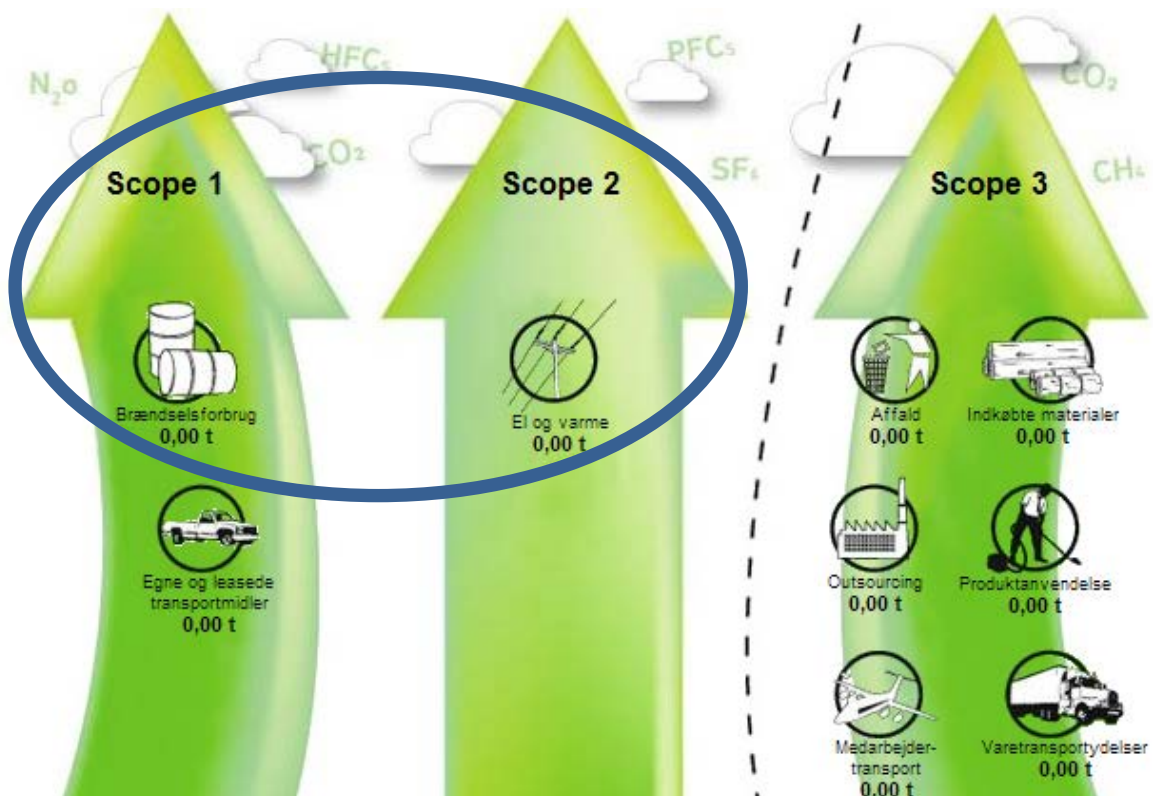
<sup>c</sup> Estimated based on the expected financial result for 2013 until the final financial report is approved.

<sup>d</sup> Emission factors from year 2012 are applied until emission factors from year 2013 are published.

<sup>e</sup> The calculation approach has been updated from this year and forward to a more precise approach, thereby slightly affecting the results in a negative direction as compared to previous years.

To ensure a high performance in relation to the people and health focus areas, Kohberg have decided to support people and health projects with at least 1 % of our EBT result per year. Our main environmental target is to decrease emission of greenhouse gasses by 20 % per kilogram finished product produced before 2020 compared to 2009 as the year of reference. The emissions of greenhouse gasses will be measured as the total annually emission of CO<sub>2</sub>-equivalents (CO<sub>2</sub>e) from consumption of fuels (scope 1) and electricity from the national grid (Scope 2) for our three bakeries in Bolderslev, Haderslev and Taastrup respectively as well as our cold store in Haderslev and depot in Soeften. The Scopes included have been defined based on the GHG Protocol (2004) as can be seen in Figure 1. By selecting CO<sub>2</sub>e as measure we correct for the warming potential of other greenhouse gasses on a 100 year time horizon as provided in the fourth assessment report by IPCC (2007) such as methane (CH<sub>4</sub>) and Nitrous oxide (N<sub>2</sub>O) with a global warming potential of 25 and 298 CO<sub>2</sub>e on a 100-year time horizon, respectively.

**Figure 1: Total emissions of CO<sub>2</sub>e relative to kilogram finished product.**



Adopted from <http://www.klimakompasset.dk/beregner/>

## Self-Assessment according to the ten principles

# Prioritization of efforts

In continuation of the process of working towards sustainability targets, a potential and relevance assessment was performed in the end of 2012 and the beginning of 2013 according to the Global Compact Self-Assessment Tool from 2010 developed by the secretariat of the UN Global Compact in collaboration with The Danish Ministry of Economic and Business Affairs, The Confederation of Danish Industry, The Danish Institute for Human Rights – Human Rights and Business Project, and The Danish Industrialisation Fund for Developing Countries and available from the UN Global Compact website<sup>1</sup>. The assessment consisted of answering specific related questions for each area covered by the UN Global Compact thereby providing a picture of potential for increasing performance with regard to our Corporate Social Responsibility and relevance in relation to the principles. The results of the potential and relevance assessment are illustrated in Table 2. In Table 2, green indicates a current high performance with limited potential for further improvement, yellow indicate principles where practices can be enhanced and red indicates the principles where focus should be emphasize for improving our performance.

In the potential and relevance assessment, all subareas within ‘Human rights’, ‘Labour’ and ‘Anti-corruption’ were assessed as ‘good performance’ based on the fact, that they are covered by both our ‘Code of Conduct’ as well as the legislation in ‘low risk countries’. Firstly to ensure that Kohberg, as a company, and as an actor in a market, works towards sustainability targets, a ‘Code of Conduct’ have been developed to cover all the ten principles in the UN Global Compact. Kohberg recognize the importance of ‘Human rights’, ‘Labour rights’ and ‘Anti-corruption’ and will take the necessary precautions to sustain the high performance regarding these principles. Based on this, no further targets have defined for the 7 principles in these categories except the ‘People and Health’ target from our main CSR-model as described in Table 1.

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<sup>1</sup> <http://www.globalcompactselfassessment.org/>



**Table 2: Business potential and relevance assessment**

TOPIC	STATUS	COMMENTS
HUMAN RIGHTS		
Health and safety		Covered by legislation and our Code of Conduct
Hours, wages and leave		
Fair Treatment		
Community Impacts		
Product stewardship		
Country risk		
Suppliers		
LABOUR		
Trade Unions		Covered by legislation and our Code of Conduct
Forced labour		
Child labour		
Non-discrimination		
Suppliers		
ENVIRONMENT		
Compliance and Management		Focus through our Code of Conduct as well as our sourcing, production and distribution practices
Precaution		
Responsibility and Performance	F/A	
Technology		
ANTI-CORRUPTION		
Anti-corruption environment		Covered by legislation and our Code of Conduct
Policy and procedures		
Third Parties		
Joint Actions		



Although we have committed us to and are actively working with reducing our environmental impact, and as a result consider our performance as primarily 'green' in this area, we still recognize our environmental responsibility and believe this should continue to be our main focus area in the future. As a result, our main business focus in 2013 has been on the 'Environment' subareas as it has been considered the most relevant and important focus area given the potential for improvements. Consequently, the Communication on Progress (COP) accounting for 2013 will primarily account for our environmental targets, actions taken and outcomes from these activities, including achievements of the specified targets as seen above in the Table 1.

It is important to note that the self-assessment tool and the information provided by it is only intended as a general guide to the issues covered<sup>2</sup> and as a result is based on a qualitative assessment with answers from individual persons responsible for the respective areas at Kohberg and thus only provide an indication of the performance. In practice this means that yellow or even red can still indicates a good performance compared to other companies.

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<sup>2</sup> <http://www.globalcompactselfassessment.org/aboutthistool/termsofuse>

# Human rights, labour rights and the fight against corruption

We work actively with sustaining and improving our performance in relation to the seven principles for human rights, labour rights and the fight against corruption:

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

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

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

**Principle 4:** Businesses should uphold the elimination of all forms of forced and compulsory labour.

**Principle 5:** Businesses should uphold the effective abolition of child labour.

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

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

## Progress

We have assessed our performance in accordance with the three main areas specified in the self-assessment tool provided by the UN Global Compact Initiative from 2010, including:

- 1) Human rights
- 2) Labour (rights)
- 3) Anti-corruption

Although all subareas within 'Human rights', 'Labour' and 'Anti-corruption' were assessed as 'good performance', as explained previously, the self-assessment tool have indicated a need for working more actively with suppliers to ensure the commitment in relation to the ten principles further upstream our supply chain by considering our suppliers and business partners.

## Actions

In the following we will account for the actions taken in 2013 to archive and sustain our people and health target as specified earlier in the CSR section and in Table 1 as well as our commitment to the related principles in the UN Global Compact (principle 1-6 and 10). The main target is to support people and health projects with a minimum of 1 % of our EBT result per year to ensure an even higher responsibility than ensured by our Code of Conduct as well as national legislation in low risk countries as specified in Table 2.

## Products

Kohberg is continuously introducing new and healthier products to promote healthier consumer choices. In particular, Kohberg has been an active participant in 'the Danish Whole Grain Campaign'<sup>3</sup> from the start and contributed to the campaign both financially and with resources from our organization.

Given that only 27% of Danes eat the amount of whole grain recommended by authorities to ensure good public health, the aim of the campaign is to ensure that Danes eat more whole grain to improve public health. The means of achieving this goal is through establishment of a unique partnership across sectors and disciplines including health- and patient organizations, business, government, retail, and trade of which Kohberg represent one of the participants<sup>4</sup>. One of the results from the campaign has been the introduction of the whole grain label (a partnership logo) which guarantees that a product contains a high percentage of whole grain, and also has a healthy nutritional profile in terms of fat, sugar, salt, and fibre.



As an active participant in this campaign, Kohberg has managed to accomplish 5% whole grain in all of our branded products which contributes to ensuring the recommended intake of whole grain by authorities. Furthermore, more and more of our products are being labelled with the whole grain label. In fact, the majority of our products range is now labelled with the whole grain label. Also, the majority of new products being launched will in the future be labelled with the whole grain label.

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<sup>3</sup> <http://fuldkorn.dk/english/>

<sup>4</sup> [http://fuldkorn.dk/om\\_partnerskabet/](http://fuldkorn.dk/om_partnerskabet/)

Kohberg is also working actively with increasing the number of products labelled with the 'keyhole symbol'<sup>5</sup> which is a label that identifies healthier food products within a product group. For instance, in 2013 Kohberg launched a new sub-brand called 'Kernegodt' with all four products in the series labelled with the keyhole symbol. In addition, three of the products have achieved the whole grain label. Kohberg also launched two variants of rye bread snacks, and although the products are not labelled with the keyhole symbol or whole grain label they can be considered as healthier alternatives compared to traditional cakes and snacks.

The main support in 2013 was once again given to the annual sponsorship of the campaign 'the fight against breast cancer' by the Danish Cancer Society<sup>6</sup> and happens through a sponsorship of the campaign in where Kohberg have participated each year since 2008. By participating in the campaign Kohberg supports the research in breast cancer. The financial support was collected by giving 1 DKK ( $\approx$  0,135 €) to the Danish Cancer Society for each of three dedicated wholemeal bread and bun



packages that was put in customers' shopping carts in October 2013<sup>7</sup>. In fact, the campaign in 2013 was considered a success and resulted in a financial support of  $\sim$  84.000 €. Besides the actual economic support, Kohberg support the campaign by using special packaging design, a sales campaign in television, advertisement on trucks and our homepage as well as encouraging our employees to include a logo of support in e-mail correspondence as means for promoting and creating attention for the fight against breast cancer.

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<sup>5</sup> <http://www.noeglehullet.dk/services/English/forside.htm>

<sup>6</sup> <http://www.cancer.dk/om+os/The+Danish+Cancer+Society.htm>

<sup>7</sup> <http://stoetbrysterne.dk/content/kohberg>

## Events

In addition, we have continued our support to Cirkus Summarum (circus event) where we have activated children around knowledge of grain during the summer period. Here have given  $\approx 29.500$  € to Muskelsvindfonden<sup>8</sup> which is a foundation helping people with muscular dystrophy. This means that the support has been slightly increased as compared to last year.



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<sup>8</sup> <http://muskelsvindfonden.dk/>



## Employment

Kohberg have sustained the employee benefits such as free fruit and the possibility to get massage for a low fee given financial support of the arrangement by Kohberg to reduce physical health problems among employees. Besides the national health insurance, Kohberg are financing a private health insurance for our employees who ensure faster treatment and further types of treatments such as free visits to a psychologist.

During spring 2013, 500 employees from our production departments participated in a skill development program in a collaboration between Kohberg, AMU SYD and job centres<sup>9</sup>. The role of the job centres in the collaboration effort was to ensure that people unemployed at that moment had the



opportunity to come in and keep the production running while the regular production employees participated in the skill development program. According to one of the job centre managers, the effort by Kohberg has resulted in Kohberg being one of the Danish pioneers in regard to the large job rotation project that took place as part of the skill development program. He expressed that the effort was unconditionally to the benefit of the company, employees and the unemployed and support the reintegration of unemployed people into society. Given the amount of employees participating, the skill development program has been characterized as one of the biggest to date in the Danish business community. As explained by our CEO, Kohberg has to be ambitious in relation to educating our employees if we are to achieve our strategy and goals. The skill development program has resulted in a lot of positive attention. For instance, there even was a piece on the local television news about it.

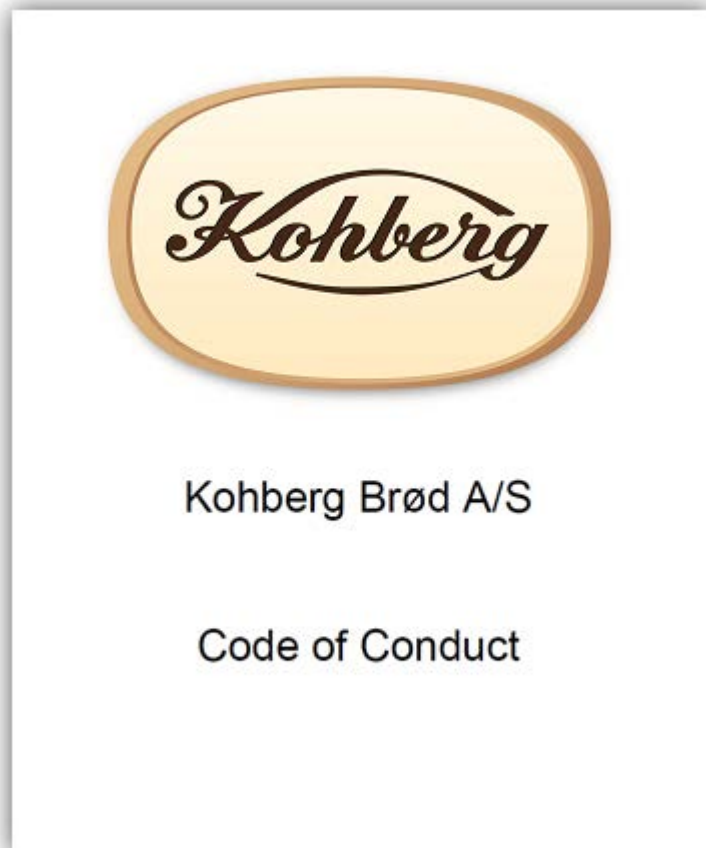
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<sup>9</sup> <http://kohberg.dk/kontakt/presse/uddannelse-12-november-2013>



## Sourcing

To ensure that our suppliers show responsibility and for intent to become action, we have developed a set of guidelines, a 'Code of Conduct' with which all suppliers must accept and comply. An acceptance of our Code of Conduct is an integrated part of a commercial agreement with Kohberg. Although Kohberg doesn't perform audits to confirm that suppliers are actively living up to these standards, audits can however be performed in cases to ensure product quality and food safety. The main reason for not auditing suppliers according to the code of conduct is that the majority of the ingredients used in our production are bought from suppliers located in Europe with the largest supplier located in Denmark. Less than 5 % of our purchases of raw materials are coming from outside Europe.



Kohberg have almost no suppliers located in high risk countries and as a result, human rights, labour rights and the fight against corruption are covered by local laws and regulations. This also applies for our bakeries and the transport providers used. In any case, we ensure that our company always, as a minimum, fulfil the Danish legislation concerning human and labour rights. We are furthermore against all form of corruption and do not accept the use of it.

Ensuring the commitment in relation to the ten principles further upstream our supply chain is especially important and relevant for high risk ingredients used in our production which includes palm-oil as have been debated recently in relation to Corporate Social Responsibility. We consider this to be the case even though we utilize these ingredients in relatively small amounts. For this reason Kohberg Bakery Group A/S became an ordinary member of the 'Roundtable on Sustainable Palm Oil' initiative the 4<sup>th</sup> of December 2012<sup>10</sup>.

# RSPO

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## Roundtable on Sustainable Palm Oil

The guidelines in our Code of Conduct are not least about human rights. We oppose the violation of internationally proclaimed human rights and we will oblige both ourselves and our suppliers, to comply with local laws and standards. Furthermore the guidelines include numerous requirements for worker rights. Our Code of Conduct must also ensure that both we and our suppliers act responsibly in relation to the environment. This also applies for the work environment. Finally the guidelines commit the suppliers to discourage all forms of corruption.

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<sup>10</sup> <http://www.rspo.org/en/member/2460>

# Environment

We work actively with improving our environmental performance in relation to the three principles in the UN Global Compact:

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

**Principle 8:** undertake initiatives to promote greater environmental responsibility.

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



## Progress

We have assessed our performance in accordance with the four areas specified in the self-assessment tool provided by the UN Global Compact Initiative from 2010, including (as can be seen in Table 2):

- 1) Compliance and management
- 2) Precaution
- 3) Responsibility and performance
- 4) Technology



From the first self-assessment performed in 2009 to the self-assessment completed in the beginning of 2013, our focus on the environmental areas have improved in accordance with our targets set as can be seen in Table 1. The self-assessment, however, indicated a need for working more actively to integrate the use of a life cycle assessments (LCA), design for sustainability or a cradle-to-cradle approach when developing new bakery products. It also highlighted the possibility to expand the environmental targets to include targets for water consumption and waste water as well as targets for reducing solid waste.



Targets that are not currently part of our commitment to the UN Global Compact and Communication of Progress. Kohberg do, however, actively work with improving the environmental performance in these areas by minimizing our generation of waste water and waste in all forms and report these figures to the public authorities as part of our mandatory environmental accounting (in Danish 'Grønt Regnskab').

Environmental initiatives and activities have primarily been internally focused, due to the relatively high energy consumption that is required for bread-making. Our suppliers are, however, taken into account by including environmental criteria as part of our Code of Conduct where all our suppliers are required to comply with and have agreed on the terms within, including environmental criteria. The environmental criteria included in our Code of Conduct will be highlighted in the following:

- 1) The supplier is obliged to comply with local laws and standards related to environmental issues.
- 2) The supplier is committed to proactively take necessary precautions and take necessary initiatives to minimize adverse environmental impacts of its activities.

## **Actions**

In the following we will account for the actions taken in 2013 to achieve and sustain our environmental targets as specified earlier in the CSR section and in Table 1. To ensure consistency between our environmental targets and actions taken, the following actions will be clarified in accordance to the structure of Figure 1. The purpose of Figure 1 is to illustrate the three main areas in our supply chain where actions are taken to improve our environmental performance.

***Figure 1: Supply chain focus areas for actions***



## Sourcing

All our flour is certificated and free from glyphosate and straw shortening remedy and is not grown on fields utilizing sludge from cities. According to the Danish environmental authorities and food authorities, it makes no risk to the environment or human health to use glyphosate on fields. Still Kohberg has chosen to require of our suppliers that rye and wheat are not sprayed with herbicides containing glyphosate. Furthermore, we don't want to expose our customers to the risk of having bread baked with flour from grain grown with the use of straw shortening, although straw shortening has been used for a couple of decades and although authorities permit the use of it. We believe that the policy benefits the environment and ensures a healthy product for our customers and consumers. In any case, the products will comply with Danish and European legislation.

As part of our purchasing practice, we aim at collecting our purchases in large quantities. This allows for full shipments as much as possible and generally increases the fill rate of trucks thereby saving emissions from transportation. Regarding the purchase of rye we have sustained during 2011, 2012 and 2013 the achievement to use 100 % Danish grown rye which reduces the requirement for transportation to a minimum from an environmental (CO<sub>2</sub>) perspective.

During 2013 we have continued our project focusing on estimating the total greenhouse gas emissions emitted through all phases of a specific rye bread products' life cycle along the supply chain from cradle-to-grave. This method is increasingly referred to as a 'product carbon footprint'. The main purpose of the project is to increase the understanding of the environmental performance in our supply chain and identify hotspots for increasing environmental performance.



## Production

As part of our target of reducing our total emissions of CO<sub>2</sub>e by 20 % per kilogram finished product produced before 2020 compared to 2009, Kohberg have focused on decreasing the energy used in the making of the bread. This has resulted in various different actions.

- We have installed new condensate pumps in one of our bakeries. The purpose was to reutilize the condensate instead of discharge it to the sewage system resulting in savings in terms of energy to heat the water as well as the amount of water in itself.



- We have installed video conference rooms that allow our employees to arrange and conduct meetings without having to travel between our main bakeries. This makes it easier for us to conduct meetings, saves employee time traveling as well as reduces the amount of pollution related to employee transport between our main bakery sites.
- We have increased the efficiency at our cold storage facility by optimizing the operation and control of our refrigeration equipment. This result in reduced energy consumption required for storage operations.
- We have optimized the storage capacity in our cold storage for selected products enabling us to store more products using fewer pallets. This is expected to result in increased efficiency in terms of energy consumption of cold storage per kg products.
- At one of our storage sites we are now separating our plastic from the waste going



to incineration. Consequently, the plastic is now collected and reused instead of being incinerated. This results in a significant reduction in the number of times that the container needs to be collected and transported as well as a reduced amount of waste going to incineration, which is expected to result in an environmental benefit.

- Planned the installation of new and more energy efficient lighting equipment at one of our bakeries sites resulting in decreased use of electricity in bakery areas.
- We have achieved a fuel shift at one of our bakeries to a more environmental friendly fuel in terms of emissions of greenhouse gases.
- Finally, we participated in a 3-year PhD-project that was completed in 2013 with the aim of creating knowledge about development of more environmentally friendly food supply chains. As a participant in the project we have supported scientific research on environmental issues relevant in our context as a food producer.



## Distribution

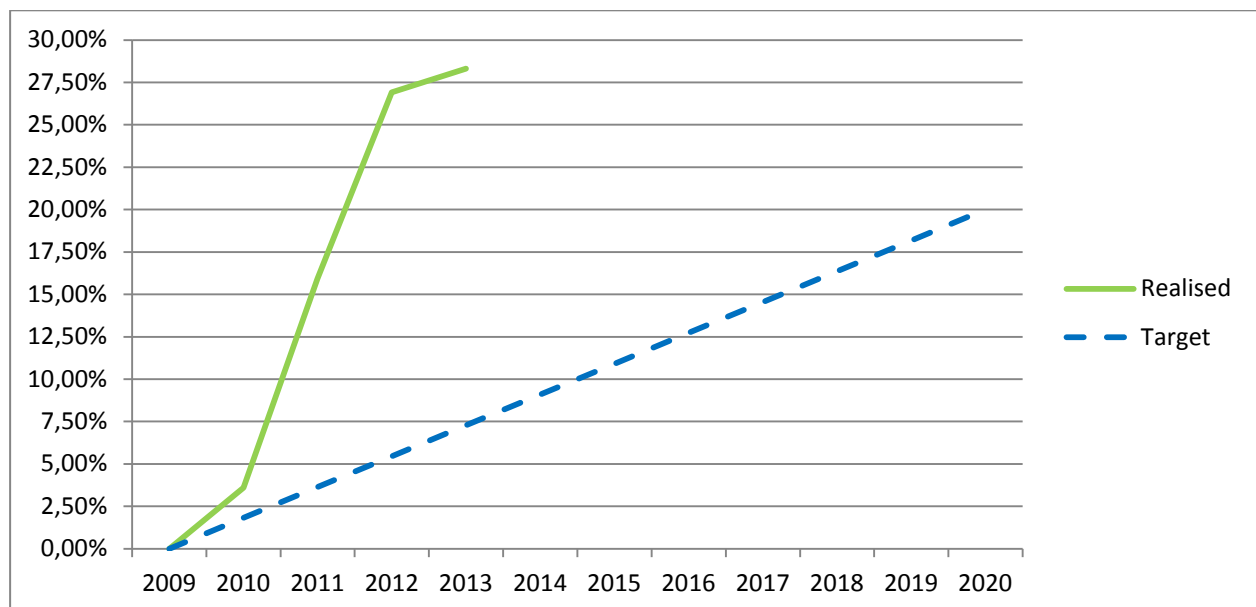
Co-distribution has now been achieved from a wide range of customers, where some are handled by Kohberg and others are handled by the customers own distribution depots. This result in a higher performance since 2010 than specified in the goal originally set for 2013.

Kohberg is still participating in the national effort to utilize modular transport (road trains) for companies with high requirement for transportation. During 2010 modular transport was tested with success from both an economic and environmental perspective. As a result the usage of modular transport was utilized during 2011, 2012 as well as 2013 and is still developing. We have, however, experienced many barriers for implementation of modular transportation, including difficulties to obtain permission to utilize the modular transport directly between our bakeries and depots. In addition to this, Kohberg are working actively to gain the required permissions. The alternative is to use regular trucks from a bakery to an approved repackaging area from where the products can be shipped using modular transport. This does, however, require a higher degree of handling of the products and thus hinders the expansion of the solution.

## Outcomes

In the following we will discuss and follow-up on the outcomes of the actions taken in 2013 to achieve and sustain our environmental targets as specified earlier in the CSR section in Table 1. Based on Table 1 it should be clear that Kohberg have managed to fulfil the specified targets towards sustainability. For an overview of the development towards our target of reducing our total emissions of CO<sub>2</sub>e by 20 % see Figure 2.

**Figure 2: Total emissions of CO<sub>2</sub>e relative to kilogram finished product.**



The first target, which require purchased ingredients to be without glyphosate and straw-shortening, have been sustained during 2013. In fact the goal was already achieved in 2009 thereby pointing towards a faster development. The target of reducing our total emissions of CO<sub>2</sub>e by 20 % per kilogram finished product for all of our three bakeries, cold store and depot collectively compared to 2009 has also been achieved during 2012 and even further improved during 2013. Furthermore, the third target, which covers the degree of co-distribution, was achieved in 2010 and sustained during 2011, 2012 and 2013, thereby 3 years before planned.

Although the targets have been achieved years before originally planned, the target set have not been seen as unambitious by Kohberg. Instead we consider it as an outcome of a committed work in relation to achieving the targets set.



Much effort have been put into identifying feasible actions and actions taken as described in the above sections and the actions have given results directly measureable on the performance as demonstrated in Figure 2. The current development towards sustainability targets is as a result considered as 'on target', given that the average needed annual reduction in total CO<sub>2</sub>e is approximately 1.82 % points. With the initiatives and forward-looking focus on the environment, Kohberg will continue to pursue a sustainable development. This will be undertaken by a continuous identification of additional opportunities in our sourcing, production and distribution practices as well as our entire supply chain.

We look forward to elaborating on our progress in our next COP accounting for our actions taken during 2014 to implement the ten principles in the United Nations Global Compact.

## References

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