



Kohberg

CSR Report 2019

Kohberg Bakery Group A/S



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This report is not only Kohberg's annual report on our corporate social responsibilities but also a mandatory report in pursuance of Article 99a of the Danish Annual Statements Act regarding social responsibility. The same report is filed as our annual (CoP) Communication on Progress with regard to the United Nations Global Compact scheme.



BREAD BAKED IN DENMARK WITH DANISH FLOUR

In 2019, Kohberg decided to bake with Danish flour. The main ingredients in our conventional and organic breads and pastries are flours from grain that is grown, harvested and ground to flour in Denmark.

Danish flour is advantageous in many ways. The principal reason for choosing to bake with Danish flour is that Kohberg wishes to take responsibility. We base our CSR work exclusively on UN Sustainable Development Goal no. 12 - Responsible consumption and production. We regard this as our special goal because taking responsibility for our own actions and impact on our surroundings is embedded in Kohberg's DNA.

As a Danish-owned food company, we seek, wherever possible, to use Danish ingredients in the quantities and volumes that we require. We do so because we know, for example, that Danish crops and food products are subject to very stringent inspections and this means that we maintain high food safety standards. In addition, we achieve environmental benefits because Danish flour is transported over shorter distances than flour of foreign origin.

Shorter transportation helps to reduce our carbon footprint, which means that Kohberg takes responsibility for its impact on the environment. We also take responsibility for the society of which we have been part for more than 50 years.

Since the company's foundation in 1969, we have remained firmly rooted in the soil at Bolderslev in Southern Jutland. By baking with Danish flour, we repay our debt to society because we support Danish agriculture and other industries that deliver goods and services to the agricultural sector.

Our responsibilities also extend to our employees, everyone of whom does his or her bit to ensure that Kohberg supplies delicious, well-baked bread in Denmark and abroad. Kohberg would be nothing without our dedicated employees. Here too, we are proud to take responsibility. Therefore, we extend a helping hand to employees who have special needs, and offer flexijobs and other solutions to help them surmount their challenges. We contribute actively to training the next generation of a qualified workforce by taking on apprentices in various specialist fields. We also provide practical work experience positions for people who need us to open a door for them to the labour market.

Kind regards,

René Normann Christensen
CEO, Kohberg Bakery Group A/S





SELECTED KEY FIGURES





ABOUT KOHBERG



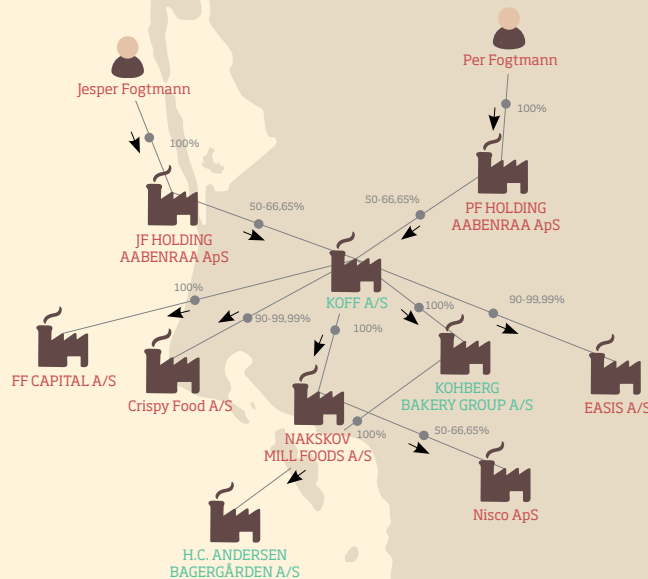
ABOUT KOHBERG

Kohberg Bakery Group is the largest Danish-owned bakery. Almost every Danish consumer recognises the name. Danes eat bread throughout the day - at breakfast, lunch and dinner, and in snacks between meals.

Our 524 employees - of whom 80 are fully qualified bakers - work at three bakeries at Bolderslev, Haderslev and Taastrup in Denmark, and at our Hinnerup warehouse.

2019

Revenue MDKK 941.9, EBITDA MDKK 46.7, Equity MDKK 92.3, 524 employees.



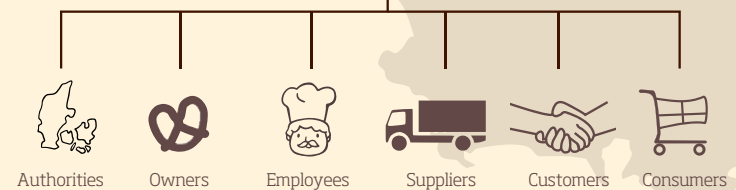
OWNERSHIP

Kohberg is part of the ownership structure (shown here) under KOFF A/S, a family-owned and -managed holding company. Kohberg Bakery Group is KOFF A/S' largest food-producing company.

This CSR Report describes Kohberg Bakery Group A/S including H. C. Andersen Bagergården A/S

KOHBERG AND ITS SURROUNDINGS

As a food-producing company, Kohberg makes an impact on its surroundings. Similarly, factors in our surroundings impinge upon us, e.g. public authorities and legislation, the employees at our bakeries, our customers and the consumers who enjoy our bread, cakes and Danish pastries.





PRODUCTS AND SERVICES

Our primary product is bread, delivered freshly baked and pre-packed. We also supply frozen bake-off bread and Danish pastry. Kohberg sells its products on the Danish and international markets under its own brand and as private label products to e.g.

food service wholesalers and the retail trade. Organic and vegan variants are available in several product categories. Kohberg also offers its food service customers gluten-free and lactose-free bread.

Our range includes the following product categories:



RYE BREADS & MULTIGRAIN BREADS



LUNCH AND WHITE BREADS



BREAKFAST BUNS



BUNS



SANDWICHES & FASTFOOD



DANISH PASTRY & CAKES



SNACKS





CSR STRATEGY AND FOCUS AREAS

CSR STRATEGY AND FOCUS AREAS

We have a consistent, common target: At Kohberg, we bake the best bread for the Danish people. We have devised a framework for ourselves and for our business activities. We also have a mission. Moreover, we are diligent in our work with Corporate Social Responsibility because acting responsibly and encouraging our surroundings to do the same, adds value for our customers, business partners and ourselves.

UN SUSTAINABLE DEVELOPMENT GOALS

SDG 12 - RESPONSIBLE CONSUMPTION AND PRODUCTION

Continued economic growth and sustainable development depend on successfully minimising our impact on the natural environment. We can achieve this in many ways, including changing how we consume resources and dispose of waste and pollutant substances. As a commercial enterprise, Kohberg is obliged to examine how we recycle and reduce waste volumes.

As a food company, we are actively involved in efforts to reduce global food waste per head by half. We believe this will improve food product safety at the international level and help drive the world economy towards a better use of its resources.

Kohberg has chosen to focus primarily on UN Sustainable Development Goal no. 12 because it is here that we as a food producing company can make most difference.

FOCUS AREAS

Based on recent research, at Kohberg we have decided to build our CSR work on three pillars/focus areas. These are:

Environmentally Sustainable Consumption, Good Food and A Good Place to Work.

We have added a fourth pillar, **Responsible Corporate Governance**, as this indirectly affects the other three.



THE UN'S 17 SUSTAINABLE DEVELOPMENT GOALS

The UN Sustainable Development Goals comprise 17 specific goals with 169 sub-goals that oblige UN member states to focus on a more sustainable future for people and the planet we live on by 2030.

Kohberg has chosen to focus on UN Sustainable Development Goal no. 12 and its sub-goals as the foundation for our work with CSR.

As a food producing company, it makes perfect sense for us to examine how we best utilise resources while minimising our impact on the climate and environment. This focus extends throughout the value chain, from the crops in the fields until customers and consumers buy the finished bread.





VISION

We aim to be the most attractive baking company for our customers and we seek to add most value for their and our own sakes.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



Environmentally Sustainable Consumption

Consumption of resources
Energy consumption
Pollution



Good Food Products

Food safety
Healthy food products
Sustainable ingredients



A Good Place to work

Occupational Health and Safety (OHS)
Tolerant workplace
Employee development



Responsible corporate governance

Supplier management, fairness and transparency

Mission

We're bakers. We are passionate about bread and we make it easy for you to buy good tasty fresh bread, no matter where you shop.



VALUE CHAIN AND RISK FACTORS

In connection with our strategic CSR work, we have studied Kohberg's value chain, including links of the chain at which Kohberg affects its surroundings negatively or risks doing so.

As we aim to act responsibly, we strive consistently to minimise any negative effects we may have.

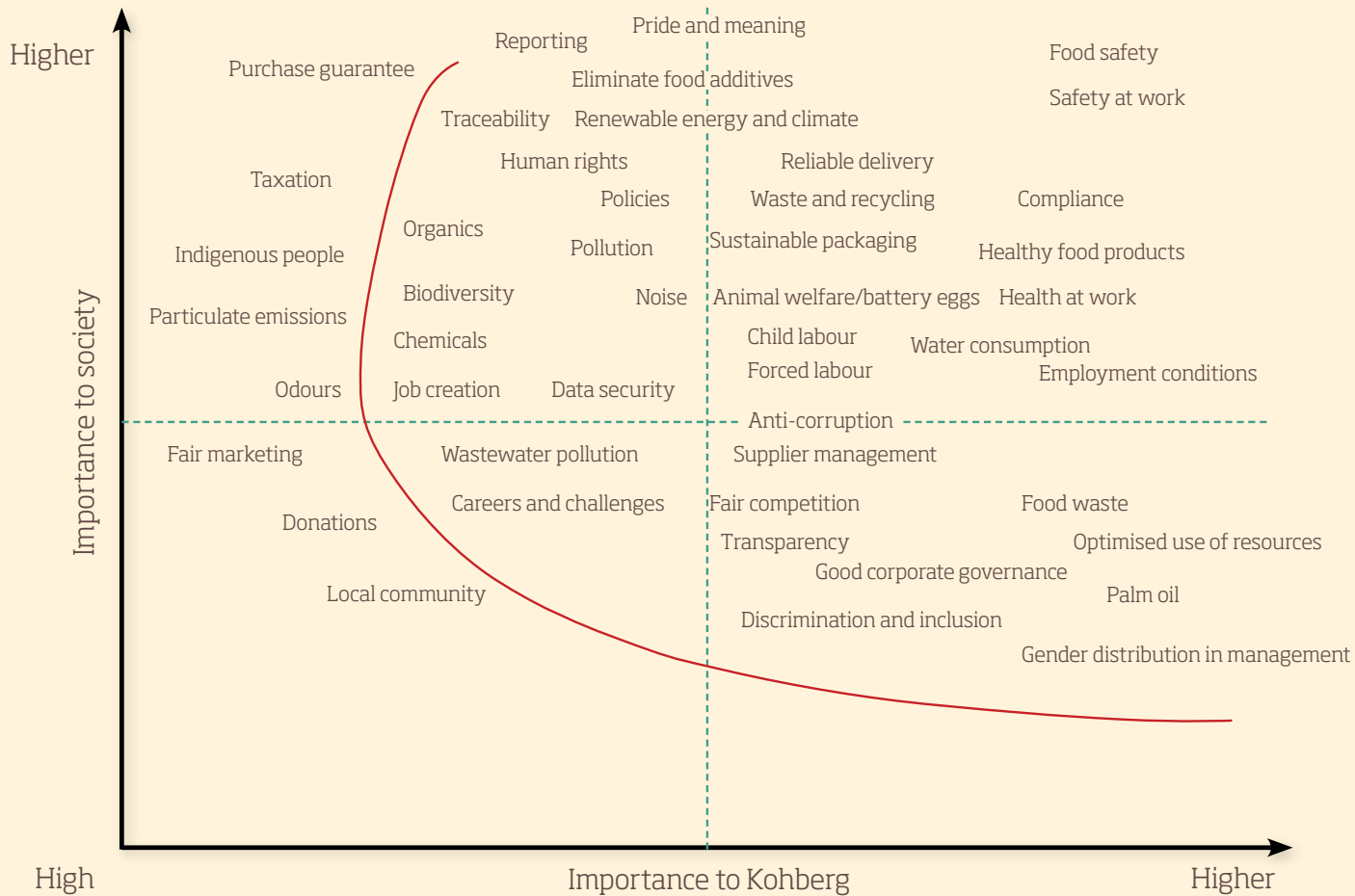




MATERIALITY

By collecting information and analysing the wishes of our stakeholders and the risks not only at Kohberg but also throughout the value chain, we can summarise the situation in a materiality

matrix, in which we plot various aspects of CSR work and weight them according to their relative importance for our stakeholders and Kohberg, respectively.





ENVIRONMENTALLY SUSTAINABLE CONSUMPTION



ENVIRONMENTALLY SUSTAINABLE CONSUMPTION

Every day at our three bakeries, Kohberg bakes thousands of loaves and Danish pastries and subsequently distributes these products to stores, wholesalers and eateries across the country. We have strong focus on our consumption. We strive to incorporate eco-friendly and sustainable alternatives into our patterns of consumption throughout the value chain - from the crops growing in the fields until the bread is transported to our customers. We also strive to reduce the volume of waste.

CONSUMPTION OF RESOURCES

STRONG FOCUS ON WASTE

At Kohberg, we intend the bread we bake to be eaten. Focus on avoiding waste is one of our highest priorities. We measure our process and finished product waste and, by means of consistent optimisation and improving work processes, we have over the years successively reduced both process and food waste.

Consequently, we have examined opportunities to reduce waste in many functions at our bakeries - in day-to-day operations and maintenance, and in sales and distribution processes. To ensure that we maintain consistent focus on waste, we hold daily meetings at which waste is discussed.



INGREDIENTS & GROWERS

SUPPLIERS

TRANSPORT

KOHBERG

CUSTOMERS

CONSUMERS



FORECASTING SYSTEM TO REDUCE FOOD WASTE

As a bakery, Kohberg begins making the dough a while before the bread is sold. However, fresh-packed bread keeps for only a few days. To forecast the demand for bread more accurately, Kohberg plans to implement a new forecasting system that each evening will produce regional sales forecasts for the Danish market. The system is user-friendly and less dependent on individual key staff.

“Our aim is to give consumers access to bread that is as fresh as possible in the shops. We aim for supply to equal demand. The new system will allow us to coordinate our value chain better and adapt production to meet demand - from the forecast to sales and from production to ingredients.”

- Flemming Svenningsen, Supply Chain Manager



ONE THIRD

Think Tank on Prevention
of Food Loss and Food Waste

THINK TANK TO REDUCE FOOD WASTE

Kohberg played a key role in the “Danmark mod Madspild” (Denmark fights Food Waste) campaign. In 2019, we joined a new Danish think tank, ONE\THIRD, in which 55 food producing companies, stakeholders, public authorities and research scientists are joining forces to combat and prevent food waste.

“As a Danish-owned bakery and food producing company, we

at Kohberg cannot simply sit back and watch one third of the world’s food go to waste. Kohberg joined the think tank because, thanks to our wholehearted approach to the baker’s craft and our consumption of ingredients, we have a wealth of relevant knowledge and expertise, and can contribute to resolving food waste problems.”

- René Normann Christensen, CEO, Kohberg Bakery Group.



APPROACH TO PLASTIC

It is important that our fresh-baked, pre-packed bread variants are packed in the right type of packaging. In addition to abiding by specific food contact regulations, Kohberg is keen to contribute to sustainable, eco-friendly solutions. Kohberg's new packaging policy seeks to reduce the quantities of plastic we use by optimising bag sizes and examining film thickness.

"By implementing thinner film and reducing the quantity of superfluous plastic, we expect to reduce our total consumption of plastic by 5-7 percent in 2020. We engage in a close dialogue with the plastics industry, colleagues in our own industry and the retail sector with a view to taking other measures to reduce our consumption of plastics."

- Britt Hougaard, Marketing and Communication Manager

ENERGY CONSUMPTION

RECORDS AND MANAGEMENT

Kohberg has three bakeries and a relatively high energy consumption. When you bake large quantities of bread, you inevitably consume a certain amount of energy, although Kohberg does strive consistently to reduce energy consumption throughout the bakery. We aim to reduce total CO₂ emissions per kilogramme of finished product.

To achieve this, Kohberg seeks to record more of the bakeries' CO₂ emissions and measure our electricity and renewable energy consumption. If we record and measure consumption more precisely, we will be in a better position to identify areas in which Kohberg can implement new readings or improvements to reduce energy consumption.

NEW TRUCKS ON THE ROADS

During 2019, Kohberg switched the last of its fleet to new more fuel-efficient trucks. The initiative reduced the company's diesel consumption in its own trucks compared to total products sold to 5.05 litres per ton, and reduced the number of kilometres per litre to 3.85. The truck replacement process was still under way in 2019.

As all of our trucks are now fuel-efficient and comply with the most stringent EU fuel economy regulations regarding NO_x and particulate emissions, the company does not expect to be able to make further reductions.



BREAD WITH A LOW CARBON FOOTPRINT

Bread has a relatively low carbon footprint compared with other food products. A significant part of the bread's CO₂ is emitted during raw materials transport. Kohberg envisages that the switch to Danish flour will reduce these emissions. Studies conducted by the National Centre for Food and Agriculture show that bread baked using Danish flour emits about 20 percent less CO₂ because transportation from a foreign country to Denmark is dispensed with.

"Flour is the main ingredient in our bread, which means that reducing transportation on this one ingredient makes a difference. There are many benefits associated with baking with Danish flour - lower carbon emissions is just one."

- René Normann Christensen, CEO, Kohberg Bakery Group.

ENVIRONMENTALLY SUSTAINABLE CONSUMPTION



ANNUAL RESULTS 2019

FOCUS AREAS	RISKS	GOALS	ACTION	RESULTS
Consumption of resources Policy Environment Policy Climate policy	Chemical substances	Process waste - 6.9 % process waste from commodities/ ingredients - from purchase to finished product (5,200 tons of process waste from total 75,224 tons of products sold)	- Process optimisation - Focus on waste at weekly meetings	- 7.4 % process waste from commodities/ ingredients - from purchase to finished product (5,560 tons of process waste from total 75,224 tons of products sold).
	Water consumption	Food waste - 1.9 % food waste from finished products - from packing of product to sale (1,400 tons of food waste from total 75,224 tons of products sold)	- Focus on discards, forecasting and planning	- 2,2 % food waste from finished products - from packing of product to sale (1,650 tons of food waste from total 75,224 tons of products sold)
	Waste and food waste	Sustainable packaging - (New goal, not recorded in 2018) All of our plastic bread trays are made of recycled plastic. - We will finalise our packaging policy	- All repurchased bread trays are made of recycled plastic - Input to packaging policy obtained from customers. - The public authorities' plans for waste disposal is a key issue - Consistent substitution of the type of plastic film used to make bread bags. The new film is 8 % thinner and saves on superfluous plastic	- All of our plastic bread trays are made of recycled plastic - Prepared a plastics policy for fresh-baked, pre-packed bread - Continual implementation of bags made of mono plastic and a substitute for plastic chips by week no. 40 in 2022
Energy consumption Policy Climate policy	CO ₂	Electricity consumption (New goal, not recorded in 2018) Initiatives to save DKK 500,000	- Recording and measuring consumption at various stages in production lines	- A number of minor initiatives taken to save DKK 500,000. 844 kWh per ton of finished product
		Diesel consumption 3.85 km per litre consumed by own trucks (a 20 % improvement on 3.2 km per litre in 2018)	- Switch to new, more fuel-efficient trucks	- 4.2 km per litre consumed by our own trucks (realised a 31 % improvement on 3.2 km per litre in 2018)
Pollution Policy Environment Policy	Particulate pollution	Particulate emissions All our own trucks comply with stringent EU fuel economy regulations	- We continue to operate trucks that comply with stringent EU fuel economy regulations	- All our own trucks comply with stringent EU fuel economy regulations

ENVIRONMENTALLY SUSTAINABLE CONSUMPTION



GOALS 2020

FOCUS AREAS	RISKS	GOALS	PLANNED ACTION
Consumption of resources Policy Environment Policy Climate policy	Chemical substances	Process waste - 7.3 % process waste from commodities/ingredients - from purchase to finished product (5,256 tons of process waste from forecast total 72,000 tons of products sold)	- Process optimisation and efficiency measures - Focus on waste at weekly meetings
	Water consumption Waste and food waste	Food waste - 2.0 % food waste from finished products - from packing of product for sale (1440 tons of food waste from forecast total products sold = 72,000 tons)	- Better forecasts, better exploited. - Process optimisation and efficiency measures
	Biodiversity CO ₂	Sustainable packaging - 820 kWh per ton of finished products, corresponding to a 2.8 % saving compared to 2019	- All repurchased bread trays are made of recycled plastic. - Continual implementation of bags made of mono plastic and a substitute for plastic chips by week no. 40 in 2022
	Energy consumption Policy Climate policy	CO ₂	Electricity consumption - 820 kWh per ton produceret færdigvarer, svarende til en besparelse på 2,8 % ift. 2019
		Diesel consumption - 4.0 km per litre consumed by own trucks (a 4% decline on 4.2 km per litre in 2019)	- Significant change to route plans entails more stops
Pollution Policy Environment Policy	Particulate pollution	Particulate emissions - All our own trucks comply with stringent EU fuel economy regulations	- We continue to operate trucks that comply with stringent EU fuel economy regulations



GOOD FOOD PRODUCTS



GOOD FOOD PRODUCTS

We bake Kohberg bread, cakes and pastries using proud baking traditions, accumulated over 50 years. Alfred Kohberg opened his first bakery in 1960 and soon became famous for his delicious rye bread. Ever since then, we at Kohberg have focused on making good bakery products using good quality ingredients. In addition to calling for tasty bread, cakes and pastries, our customers also look for healthier alternatives that meet their expectations regarding food product safety and responsibility. Making good, tasty products is our most important goal. When we source commodities and ingredients, we monitor that they meet our own standards.

FOOD PRODUCT SAFETY

INTERNATIONAL CERTIFICATE

All three Kohberg bakeries, in Bolderslev, Haderslev and Taastrup respectively, have achieved the international BRC Global Standard for Food Safety from the British Retail Consortium. BRC is a standard that requires food producing companies to comply with the most stringent requirements regarding management, food product safety, hygiene, maintenance and employee training. The certificates include Kohberg's depots at Haderslev and Hinnerup.

The overarching goal of the BRC Global Standard for Food Safety is to ensure food safety for the consumer. Kohberg is obliged to describe every procedure and work process. The British Retail Consortium inspects our material once a year. In 2019, two of our bakeries are BRC certified at Grade B. Our bakery in Haderslev is now classified as a BRC Grade A bakery, the highest possible rating.

WE AIM TO ACHIEVE ELITE SMILEYS

At Kohberg, we believe it is imperative to maintain strict discipline when it comes to hygiene and self-inspection. As a food producing company, we work closely with the authorities but in the final analysis, food safety is all about meeting our customers', our employees' and our own expectations. The Danish Veterinary and Food Administration's (DVFA) mandatory audits help to keep us on our toes and ensure that we strive to maintain consistently high standards and be awarded an Elite Smiley. In 2019, the DVFA awarded our bakeries at Haderslev and Taastrup, the warehouse in Hinnerup and cold store in Haderslev, an Elite Smiley. At Bolderslev, we have of course rectified all the remarks but we cannot regain our Elite Smiley until 12 months have elapsed since the last remark.





HEALTHY FOOD PRODUCTS

WE BAKE WITH DANISH FLOUR

Kohberg has baked with Danish flour, conventional and organic, since 1 December 2019. This means that the main ingredient in Kohberg bread and Danish pastry is flour from grain that is grown, harvested and ground in Denmark. As we are a Danish food producing company, if possible we essentially select Danish ingredients. We bake with Danish flour because Danish crops and food products are subject to very stringent inspections. When we use Danish flour, we therefore offer our customers high standards of food safety. Meanwhile, we prefer to use Danish grain that is cultivated without plant growth regulators or pesticides containing glyphosate.

Another benefit of our using Danish flour is that we are repaying our debt to the society of which we have been part for the past 50 years. By baking with Danish flour, we repay our debt to society because we support Danish agriculture and other industries that deliver goods and services to our agricultural sector. Using Danish flour, we also help to create jobs in Denmark and reinvest in Danish society.

SIGNALS FOR CONSUMERS

Kohberg consistently launches new, healthier bread products that carry the Whole Grain Label and/or the Nordic Keyhole label. We do this to help consumers make healthier choices. In 2019, 21 of our fresh-baked, pre-packed bread and buns products carried the Whole Grain Label that guarantees that the bread contains more whole grains and has a healthy nutritional profile (fats, carbohydrates, salt and fibre). This amounts to 43.75 percent of Kohberg's fresh-baked, pre-packed bread. In 2019, 29 of our fresh-baked, pre-packed bread carried the Nordic Keyhole label, corresponding to more than 60 percent of this product category.

On average, Danes consume 63 g of whole grains a day. The official recommendation is 75 g per day, which corresponds to three slices of our delicious Herkules rye bread.





SUSTAINABLE INGREDIENTS

Ø IS FOR ORGANIC

Denmark has led the field in organic products for many years. Belief in the value of organic ingredients is as popular among consumers as it is in professional kitchens. At Kohberg, organic food is very close to our heart. We use specially selected ingredients to bake the best organic bread. Baking with organic ingredients demands more of us as bakers. However, as we are masters of our craft, we can give customers and consumers the chance to choose organic alternatives and they can rest assured that the bread meets all official requirements regarding organic products.

The Danish state authorities inspect products bearing the Danish Ø-logo and the text "statskontrolleret økologisk". The green EU organic logo indicates that the bread complies with the guidelines in the EU Organic Regulation. Kohberg joined both labelling schemes voluntarily. 12.5 percent of our fresh-baked, pre-packed bread is organic.





NO EGGS FROM CAGED HENS

As a food-producing company, Kohberg believes that animal welfare is important. Consequentially, we do not use eggs from caged hens in our bread, cakes and Danish pastries. We also require our suppliers to avoid using eggs from caged hens. All products produced at Kohberg have been 100 percent free of eggs from caged hens since 2016.

100 PERCENT SUSTAINABLE PALM OIL

In 2012, Kohberg joined the Roundtable for Sustainable Palm Oil (RSPO). Today we use only certified segregated palm oil. The use of only certified segregated palm oil applies throughout our supply chain. Kohberg receives reliable deliveries of the certified palm oil. We also produce some bakery products in which we use alternatives to palm oil. This applies e.g. to our vegan Danish pastries.





GREEN ALTERNATIVES FOR A GREEN LIFESTYLE

More and more consumers are opting to lead a green lifestyle, in which a plant-based diet is essential. While avoiding animal products has become a sign that the individual has taken a conscious decision about his/her diet, other people who do not necessarily ingest a stringent plant-based diet (often called flexitarians) regard vegetarianism and veganism as healthier choices.

"Kohberg rye bread is essentially vegan and contains no animal-based ingredients. Rye bread is also a climate-friendly food product with a low carbon footprint that matches the green

lifestyle ethic. However, we are also working on new vegan alternatives to classic bakery products to allow vegans and others to indulge in something delicious and still pander to their green conscience."

- Britt Hougaard, Marketing and Communication Manager

Kohberg has joined the Danish Vegetarian Association's labelling scheme. Twenty-three of the bakeries' fresh-baked, pre-packed bread products carry the Vegan label that guarantees that the bread contains no animal products, e.g. no milk, egg or honey.

GOOD FOOD PRODUCTS



ANNUAL RESULTS 2019

FOCUS AREAS	RISKS	GOALS	ACTION	RESULTS
Food product safety Policy Human rights policy	Food product safety Chemical substances Pollution	BRC certificates - All three locations have a BRC certificat	- Third-party certification agency	- Grade B at 2 locations, Grade A at 1 location
		Elite Smiley - Four out of five locations are awarded an Elite Smiley	- DVFA inspections	- Four out of five locations are awarded an Elite Smiley
		Internal BRC audits - 14 internal BRC audits	- Internal audits	- All 14 planned internal BRC audits were conducted
		Internal supplier audits - 2 supplier audits	- Audits of selected suppliers	- 2 supplier audits conducted
Healthy food products Policy Human rights policy	Healthy food products Chemical substances Pollution	Glyphosate - 100 % of flour and grain products purchased are glyphosate-free	- Supplier requirements	- 100 % of flour and grain products purchased are glyphosate-free
		Plant growth regulators - 100 % of flour and grain products purchased are free of plant growth regulators	- Supplier requirements	- 100 % of flour and grain products purchased are free of plant growth regulators
		The Whole Grain Logo - 43.75 % of the total number of fresh-baked, pre-packed bread products carry the Whole Grain Logo	- Recipe monitoring - Whole grain calculation	- 43.75 % of the total number of fresh-baked, pre-packed bread products carry the Whole Grain Logo
		The Nordic Keyhole label - 60.4 % of the total number of fresh-baked, pre-packed bread products carry the Nordic Keyhole label	- Recipe monitoring	- 60.4 % of the total number of fresh-baked, pre-packed bread products carry the Nordic Keyhole label

CONTINUED

GOOD FOOD PRODUCTS



ANNUAL RESULTS 2019

FOCUS AREAS	RISKS	GOALS	ACTION	RESULTS
Sustainable commodities/ ingredients Policy Environment Policy	Biodiversity Animal welfare Child labour Enforced labour Working conditions Wages Chemical substances	Eggs - 100 % of eggs purchased (kg) are not from caged hens	- Commodities/ingredients requirements - suppliers	- 100 % of eggs purchased (kg) are not from caged hens
		Palm oil - 100 % of palm oil purchased (kg) is RSPO-certified	- Commodities/ingredients requirements - suppliers	- 100 % of palm oil purchased (kg) is RSPO-certified
		Organic - 12.5 % of the total number of fresh-baked, pre-packed bread products are organic	- Supplier requirements - Recipe follow-ups - Organic accounting - Organic inspection	- 12.5 % of the total number of fresh-baked, pre-packed bread products are organic



GOOD FOOD PRODUCTS

GOALS 2020

FOCUS AREAS	RISKS	GOALS	PLANNED ACTIONS
Food product safety Policy Human rights policy	Food product safety	BRC certificates - All three locations have a BRC certificate	- Third-party certification agency
		Elite Smiley - Four out of five locations are awarded an Elite Smiley	- DVFA inspections - Continual improvement of processes
		Internal BRC audits - 14 internal BRC audits conducted	- Internal audits
		Internal supplier audits - 2 supplier audits	- Audits of selected suppliers
Healthy food products Policy Human rights policy	Healthy food products Chemical substances Pollution	Glyphosate - 100 % of flour and grain products purchased are glyphosate-free	- Supplier requirements
		Plant growth regulators - 100 % of flour and grain products purchased are free of plant growth regulators	- Supplier requirements
		Danish flour Rye - conventional - 100 % Danish flour Rye - organic - At least 75 % Danish flour Wheat - conventional - At least 75 % Danish flour Wheat - organic - At least 50 % Danish flour	- Use of Danish rye and Danish wheat - conventional and organic
		The Whole Grain Logo - 44 % of the total number of fresh-baked, pre-packed bread products carry the Whole Grain Logo	- Recipe monitoring - Whole grain calculation
		The Nordic Keyhole label - 61 % of the total number of fresh-baked, pre-packed bread products carry the Nordic Keyhole label	- Recipe monitoring

CONTINUED

GOOD FOOD PRODUCTS



GOALS 2020

FOCUS AREAS	RISKS	GOALS	PLANNED ACTIONS
Sustainable commodities/ ingredients Policy Environment Policy	Biodiversity	Eggs	- Commodities/ingredients requirements - suppliers
	Animal welfare	- 100 % of eggs purchased (kg) are not from caged hens	
	Child labour	Palm oil	- Commodities/ingredients requirements - suppliers
	Enforced labour	- 100 % of palm oil purchased (kg) is RSPO-certified	
	Working conditions	Vegan	- Commodities/ingredients requirements - suppliers
	Wages	- 66 % of the total number of fresh-baked, pre-packed bread products are vegan	
	Chemical substances	Organic	- Supplier requirements
		- 13 % of the total number of fresh-baked, pre-packed bread products are organic	- Recipe follow-ups
			- Organic accounting
			- Organic inspection



A GOOD PLACE TO WORK

A GOOD PLACE TO WORK

We employ 524 people at our bakeries and warehouse, and in sales and administration. We believe it is important that Kohberg is a good, responsible and safe place to work. A Great Place to Work is therefore also a core focus area for us. We focus on developing initiatives that improve safety at work and ensure that we can accommodate the different types of people we employ and how we ensure that the individual employee thrives and develops competences.

OCCUPATIONAL HEALTH AND SAFETY

WE CHECK OUR BLIND SPOTS

As Kohberg is a production company, safety is a priority issue for us. We strive to improve the working environment and safety across the organisation. We record all accidents and injuries at work and near misses. In the past, we aimed to record more near misses as these reports show where we need to implement changes and adopt new routines. An analysis of the near misses reported in 2019 led to increased focus on internal traffic at Kohberg locations. At bakeries and in the warehouses, there is forklift truck, bicycle and pedestrian traffic. To make the working day safer, we have tightened internal guidelines and made special

efforts to communicate them. The analysis also showed the blind spots at our locations that needed better signposting. In 2019, there were 32 reports of accidents and injuries with absence, which was unfortunately an increase compared to 2018. We aim to bring the number of accidents and injuries at work below the industry average within the next two years. That we have extra focus on safety is demonstrated by the fact that the number of near misses reported in 2019 rose to 167, where the target was 89. This was in fact a positive result as it reflects more widespread awareness of our blind spots.

WORK ENVIRONMENT SMILEY

Kohberg cooperates with the authorities on the work environment at the company as a matter of course. The Danish Working Environment Authority often visits Kohberg to check that we comply with current regulations and legal requirements. We have an effective works committee that helps to spotlight this area. In 2019, all five Kohberg locations had a green Work Environment Smiley. This shows that we meet work environment regulations regarding e.g. noise, heavy lifting and the mental work environment.



BRIAN RAISES SAFETY STANDARDS

In October 2019, Brian Vestergaard Olesen was hired as OHSE Coordinator at Kohberg. Brian's function helps to support and boost focus on safety issues in certain parts of Kohberg. Safety and safety challenges are permanent items on the agenda at whiteboard meetings and production meetings, and Brian is currently working on a new system of recording accidents and near misses.

"The more we know, the more we can change and improve on. At Kohberg, we have embarked on a new journey and in future, we will make ongoing improvements. It will be a long journey because behaviours and habits take time to change. Changing habits and routines is actually the most important aspect of work environment initiatives."

- Brian Vestergaard Olesen, OHSE Coordinator

TOLERANT WORKPLACE

WE TAKE RESPONSIBILITY

Kohberg can accommodate - and is indeed very willing to accommodate - special needs. We are all different and society must provide more jobs that are adapted to the individual. At Kohberg, we employ a number of people on special conditions of employment. In 2019, there were nine people in flexijobs at Kohberg, seven in production and two in administration.

It is also important that we at Kohberg contribute to training the next generation of qualified employees. The young will help us in the future so it is important that we help them now. In 2019, Kohberg increased the number of apprenticeships offered throughout the company to 12. In 2020, we aim to take on one further apprentice, in the accounts department.

Throughout the year, Kohberg welcomes many people on practical work experience, all of whom for some reason need a helping hand to gain a foothold in the employment market. A typical period of practical work experience lasts three months, after which time there are various opportunities to continue the induction process if both parties wish, including positions at Kohberg.

WOMEN IN MANAGERIAL POSITIONS

By 2022, we aim to have at least one woman hold a seat on the Board of Kohberg Bakery Group (one of four seats = 25 percent). There were no elections to the board in 2019 so the situation is unchanged.

We aim to achieve an appropriate equal distribution of men and women in managerial positions. We therefore strive to ensure that every employee has the same opportunities, regardless of gender. Nevertheless, when we hire new employees and appoint leaders, we seek to ensure that we hire the best candidate regardless of gender.

At the end of 2019, the executive management team numbers five. Of these five, two are female. We consider the 40:60 ratio between females and males to be satisfactory. From 2020, we will record the gender distribution in executive management, currently 29 people, in order to present a more comprehensive picture of gender distribution in leadership positions at Kohberg.



HCA NOMINATED TO RECEIVE SOCIAL AWARD

At H. C. Andersen Bagergaarden, the Kohberg bakery in Haderslev, there are invariably people working a period of practical work experience in the bakery and as cleaners. In January 2020, the bakery was nominated Socially Responsible Company of the Year in Haderslev Municipality. The award was motivated by Kohberg's tolerant and socially responsible approach to people during their practical work experience period.

"We all know of someone who has been through hard times or buckled under. It could happen to anyone of us and it is important that we take social responsibility. As a company, I believe we are duty bound to help. Newcomers here are always allocated a buddy. If I see someone new here, I will invariably have a chat with him or her. And my door is always open."

*- Teddy Krogh Jensen, Bakery Manager
H. C. Andersen Bagergaarden*



EMPLOYEE DEVELOPMENT

EMPLOYEES WITH NEW COMPETENCES

In 2019, Kohberg again made determined efforts to offer employees courses and further training. Having well-qualified employees is one way to ensure future success at Kohberg, and we appreciate the value of having happy employees and giving them a chance to develop their skills. A well-educated workforce also makes it easier for us to recruit within our ranks.

Some of the programme is run under the auspices of the IKUF industrial skills development scheme, which offers all our employees two weeks' training of their choice every year. For example, unskilled employees can train to become process operators via the IKUF scheme. During 2019, more of our employees completed basic leadership training. Three leaders have completed professional leadership training.

KENN IS GAME FOR MORE

It all began with a job capacity assessment. Kenn Schmidt is now in permanent full-time employment at Kohberg. This is a Kohberg success story, a story of patience, support and training that has benefited the individual and the company.

In 2018, Kenn began a period of practical work experience at Kohberg in Bolderslev. Kenn's downfall was depression and initially he worked only a few hours a week. Slowly but surely, Kenn settled in and could work more hours. Subsequently, Kenn attended cleaning courses.

"It was difficult in the beginning but everyone was willing to make allowances. And I was welcomed like any other man on the team. I'm sure that my colleagues' backing helped me give me the courage to take on more."

Having taken courses and undergone special training in cleaning techniques, 31-year-old Kenn now has the special expertise required to work as a cleaning assistant at the Kohberg bakery. He has recently started in full-time work - under normal conditions of employment.

"Kohberg helped to get me back on my feet and I have settled in well. And I'm simply delighted not to have to go out and start from square once again somewhere else."

- Kenn Schmidt, Cleaning Assistant

MARIA IS A ROLE MODEL

At 23, Maria Hammelsvang is currently training to become a process operator at Kohberg. The two-year course of further training builds on her industrial operator training. Further training was not offered at the workplace where she served her apprenticeship. At Kohberg, she learns the baker's craft and how the bread production lines work, so that she can identify and resolve problems with either dough or machinery, and knows when to call for help.

"At Kohberg I'm not just an apprentice. There's a friendly atmosphere. We help each other. It's a great place to work. I love working here."

The process operator training takes Maria a step closer to her career goal. In time, she hopes to become a Production Manager responsible for keeping production going. Maria is pleased to talk about her apprenticeship and her ambitions when she visits schools as part of her work as an ambassador for

Danish Vocational School's Students' Organisation.

"I tell the pupils what it is like to take vocational training. I'm a role model who shows them that there are many different paths to choose."

- *Maria Hammelsvang*,
Apprentice
Process Operator



A GOOD PLACE TO WORK

ANNUAL RESULTS 2019



FOCUS AREAS	RISKS	GOALS	ACTION	RESULTS
Occupational health and safety Policy Employees' rights policy	Safety at work Health at work	Fatalities - 0 fatalities as a result of industrial accidents	- Consistent focus on continual improvements and preventive actions within OHSE, education and training - Boosted the OHSE organisation by hiring new OHSE Coordinator	- 0 fatalities
		Industrial accidents - 25 % reduction compared to the 28 work-related injuries and industrial accidents with absence reported in 2018	- From the end of 2019, resources allocated to focus more on analysing accidents and near misses to provide lessons learned and improve prevention work - Boosted the OHSE organisation through new OHSE Coordinator	- 32 work-related injuries and accidents corresponding to a 14 % increase compared to no. of industrial accidents and injuries with absence reported in 2018
		Absence due to industrial accidents - 25 % reduction of days of absence due to work-related accidents per 1,000 workdays compared to 51 days of absence due to work-related accidents per 1,000 workdays in 2018	- Prioritising safety as the first item discussed at whiteboard meetings. Consistent focus on continual improvements, preventive action in OHSE work and education and training	- 86 days of absence due to work-related accidents per 1000 workdays corresponds to a 68 % increase compared to days of absence due to work-related accidents per 1,000 workdays in 2018
		Near misses - 100 near misses (industrial accidents and injuries) reported. (89 cases reported in 2018)	- Recent implementation of new reporting system and extra focus have resulted in more reports	- 167 near misses (industrial accidents and injuries) reported
		Work Environment Smiley - All five locations are awarded a green Work Environment Smiley	- Special focus on work environment	- Four of the five locations are awarded a green Work Environment Smiley

CONTINUED

A GOOD PLACE TO WORK

ANNUAL RESULTS 2019



FOCUS AREAS	RISKS	GOALS	ACTION	RESULTS
Tolerant workplace Policy Employees' rights policy Human rights policy	Discrimination Employment conditions	Special positions - 7 flexijobs - 9 apprenticeships	- Maintain high quality of apprenticeship training. - Create awareness of Kohberg's socially responsible approach among staff leaders	- 9 flexijobs (2 in administration and 7 in production) - 12 apprenticeships (6 apprentice process operators, 5 apprentice automation technicians, 1 bakery apprentice)
		Gender distribution on the Board of Directors - 25 % of board members is female (one out of four) (target by end of 2022)	- As there were no elections to the Board in 2019, target is not yet met. - Focus on female candidates to the Board	- 0 % of Board members is female (none of the four)
		Gender distribution in executive management - 40 % in executive management is female (two out of five)	- Focus on female candidates to the executive board	- 40% in executive management is female (two out of five)
Employee Development Policy Employees' rights policy	Employment conditions Safety at work Health at work	Employee well-being/satisfaction - Job satisfaction at at least 72 %	- No employee satisfaction survey conducted in 2019. Leadership and LEAN training conducted.	- No employee satisfaction survey conducted. Leadership and LEAN training conducted.
		Education and training - Education and training courses for salaried and hourly-paid employees as necessary	- Maintain high quality of education and further training for hourly-paid and salaried employees - Conduct industrial skills development (IKUF) training - Launch internal project management course	- Salaried employees received 892 hours of external training. - Three leaders have completed professional leadership training. - 2,295 hours of IKUF training for hourly-paid employees (27 people) - About 1,125 hours of in-house training (project manager education)

A GOOD PLACE TO WORK



GOALS 2020

FOCUS AREAS	RISKS	GOALS	PLANNED ACTION
Occupational health and safety Policy Employees' rights policy	Safety at work Health at work	Fatalities - 0 fatalities as a result of industrial accidents	- Extra focus on safety and goal-oriented instructions - Increased focus on safe patterns of behaviour - Safety is the first item on the agenda at whiteboard and production meetings
		Industrial accidents - 15 % reduction compared to 32 work-related injuries and industrial accidents with absence reported in 2019	- Extra focus on safety and goal-oriented instructions - Increased focus on safe patterns of behaviour - Safety is the first item on the agenda at whiteboard and production meetings
		Industrial accidents compared to sector - For serious accidents in hazardous work and in our sector, we wish to reduce the no. of accidents to the national average (or lower) measured on incidence (no. of cases per 1,000 employees)	- Extra focus on safety and goal-oriented instructions - Increased focus on safe patterns of behaviour - Safety is the first item on the agenda at whiteboard and production meetings
		Near misses - +200 near misses (industrial accidents and Injuries) reported in-house	- Information about the importance of reporting and taking action on reported near misses
		Goal-oriented initiatives/projects - launch one per quarter - Goal-oriented steps to enhance workforce skills re OHSE cooperation, everyone acquainted with this work - One initiative per quarter	- Four special initiatives nominated and prioritised in 2020 - Internal traffic and safety, uniform marking and regulations in all buildings, contingency plans and first aid - conduct drill - Reduce the no. of accidents via nudging processes - Draw up a plan for OHSE work in the coming years(2021 - 2022)
		Work Environment Smiley - All five locations are awarded a green Working Environment Smiley	- Special focus on working environment

CONTINUED

A GOOD PLACE TO WORK



GOALS 2020

FOCUS AREAS	RISKS	GOALS	PLANNED ACTIONS
Tolerant workplace Policy Employees' rights policy Human rights policy	Discrimination Employment conditions	Special positions - 9 flexijobs - 13 apprenticeships (6 apprentice process operators, 5 apprentice automation technicians, - 1 bakery apprentice and 1 accounting apprentice)	- Encourage staff leaders to consider creating special positions and continue to take on apprentices
		Gender distribution on the Board of Directors - 25 % of board members is female (one out of four) (target by end of 2022)	- By 2022, the company aims to have at least one female Board member
		Gender distribution in executive management - 20 % in executive management is female (six out of 29) - The company aims to achieve an appropriate equal distribution of males and females in the company's various leadership groups	- When hiring new leaders, if we have suitable candidates, candidates of both genders will be invited to interview. Nevertheless, when hiring new employees and appointing leaders, Kohberg seeks to ensure that we hire the best candidate regardless of gender
Employee Development Policy Employees' rights policy	Employment conditions Safety at work Health at work	Education and training - Education and training courses for salaried and hourly-paid employees as necessary	- Maintain high quality of education and further training for hourly-paid and salaried employees. - Conduct industrial skills development (IKUF) training - Launch internal project management course
		Leadership training - Leadership training of 30 leaders	- "Learn to lead" leadership training with external consultants. Expect about 30 leaders



Kohberg



RESPONSIBLE CORPORATE GOVERNANCE

RESPONSIBLE CORPORATE GOVERNANCE

At Kohberg, we have strong focus on responsibility and transparency. We do our utmost to act with decency and with respect for our stakeholders at all times. We are proud that we are consistently on the right side of the law, e.g. in marketing, competition and combating corruption. Our Code of Conduct demands much of us. CoC requirements apply throughout the supply chain.

SUPPLIER MANAGEMENT

MONITORING SUPPLIERS

As a food producing company, it is essential that Kohberg has suppliers who are reliable and cooperative. We maintain close contacts with our suppliers, and measure and assess the individual supplier on a series of parameters. We check them in accordance with the obligations implicit to our BRC accreditation and because we have a declared aim to develop our suppliers and our partnerships with them.

We categorise our suppliers as:

- New supplier
- Approved supplier
- Selected supplier
- Preferred supplier

Our purchasing and quality departments hold monthly VACCP meetings at which they discuss food safety and supplier assessments. Vulnerability Assessment and Critical Point (VACCP) is a management process that identifies vulnerabilities in the supply chain with special focus on dishonest conduct, adulteration and stolen goods.

SUPPLIERS SIGNATURES

While Kohberg is obliged to adhere to the principles in our Code of Conduct, the Supplier Code of Conduct obliges our suppliers to a set of ethical regulations that apply to management and employees within several areas, including human rights, labour rights and corruption. Suppliers must also act responsibly with respect to climate and environment.

All our suppliers of commodities and ingredients, packaging and wholesale goods have signed the Supplier Code of Conduct. These suppliers have highest priority because their products have direct impact on our bread and Danish pastry. It is therefore important to Kohberg that everyone in this group of suppliers has signed the SCoC. 54 percent of total purchase volume is sourced from suppliers who have signed the SCoC. The signature process is continuing because we seek to introduce even more of our suppliers to the SCoC. In 2020, we will categorise our suppliers in multiple purchasing categories in order to track and promote development in the coming years.



WE BUY FLOUR BEFORE THE GRAIN IS HARVESTED

Kohberg's decision to bake exclusively with Danish flour demands close cooperation between Kohberg and the supplier. To ensure that we have sufficient quantities of the right quality of Danish flour, Kohberg agrees to purchase the suppliers' grain long before it is harvested (in fact even before it is sown). Many factors, including wind and rain, affect grain quality. Therefore, Kohberg purchases much of Danish agriculture's grain in advance, e.g. organic wheat.

"Cooperation between Kohberg and our primary supplier of flour is very close. We rely heavily on a dependable supply of the right quality of wheat. We would not have this supply without our principal supplier. Similarly, we are an important customer for the supplier. I believe it is important that supplier and customer are a good match. We wish all the best for them and they us."

- *Carsten Pedersen, Director of Group Procurement*

FAIRNESS

GOOD AND HONEST MARKETING PRACTICES

Kohberg is a responsible company. We act fairly and responsibly throughout the value chain and this includes marketing the Kohberg brand and our bread, cakes and Danish pastries. Our marketing campaigns are always decent, honest and truthful. We meet every legal requirement and we respect the principles of fair competition. Relevant members of staff are continually taught competition law and compliance. New employees attend a similar training course, if relevant.

OPENNESS

CSR REPORTING

This report is Kohberg's annual report on our corporate social responsibilities in pursuance of the Danish Annual Statements Act. However, the report is also an important tool that, year on year, ensures that we at Kohberg continue to improve how we act responsibly and sustainably with regard to our consumption, food products, employees and corporate governance. The 2019 CSR Report tells us where we are doing well and where there is room for improvement.

The same report is filed as our annual CoP (Communication on Progress) with regard to the United Nations Global Compact scheme.

RESPONSIBLE CORPORATE GOVERNANCE



ANNUAL RESULTS 2019

FOCUS AREAS	RISKS	GOALS	ACTION	RESULTS
Supplier management Policy Human rights policy Employees' rights policy Climate policy Environment Policy Anti-corruption Policy	All risks	Supplier Risk Assessment - 72 % of purchase volume (DKK) is sourced from suppliers who are risk-assessed Signing the Supplier Code of Conduct - 57 % of purchase volume (DKK) is sourced from suppliers who have signed the SCoC - All our suppliers of commodities and ingredients, packing and wholesale goods have signed the SCoC Supplier Self-assessment - 57 % of purchase volume (DKK) is sourced from suppliers who have completed a self-assessment - All our suppliers of commodities and ingredients, packing and wholesale goods have completed a self-assessment	- In accordance with Supplier Evaluation 2018, we selected specific suppliers for audit in 2019 - Obtain signatures - Evaluate if there are more relevant purchasing categories where we must take steps to get suppliers to sign the Supplier Code of Conduct - Suppliers complete a self-assessment - All suppliers of commodities and ingredients, packaging and wholesale goods must complete a self-assessment	- 71 % of purchase volume (DKK) is sourced from risk-assessed suppliers - 54 % of purchase volume (DKK) is sourced from suppliers who have signed the SCoC - All our suppliers of commodities and ingredients, packing and wholesale goods have signed the SCoC - 54 % of purchase volume (DKK) is sourced from suppliers who have completed a self-assessment - All our suppliers of commodities and ingredients, packaging and wholesale goods have completed a self-assessment
Fairness Policy Anti-corruption Policy Human rights policy	Unfair marketing practices Corruption Distortion of competition	Fair marketing - 0 breaches of marketing legislation Anti-corruption - 0 breaches of anti-corruption legislation Fair competition - 0 breaches of competition law	- 0 breaches of marketing legislation - Our marketing campaigns are always decent, honest and truthful. - We respect national regulations and the principles of fair competition. - Relevant employees receive competition law and compliance training - Focus on anti-corruption - Relevant employees receive competition law and compliance training	- 0 breaches of marketing legislation - 0 breaches of anti-corruption legislation - 0 breaches of competition law

CONTINUED

RESPONSIBLE CORPORATE GOVERNANCE



ANNUAL RESULTS 2019

FOCUS AREAS	RISKS	GOALS	ACTION	RESULTS
Openness Policy Anti-corruption Policy Human rights policy	All risks	CSR report - Publication of CSR Report	- Collected CSR data and published CSR Report	- CSR Report 2018 published

RESPONSIBLE CORPORATE GOVERNANCE



GOALS 2020

FOCUS AREAS	RISKS	GOALS	PLANNED ACTIONS
Supplier management Policy Human rights policy Employees' rights policy Climate policy Environment Policy Anti-corruption Policy	All risks	Risk Assessment - all external purchases - At least 70 % of purchase volume (DKK) is sourced from risk-assessed suppliers	- Select suppliers for audit - Risk assessment
		Supplier Risk Assessment - suppliers of commodities and ingredients, packaging and wholesale goods - 100 % of purchase volume (DKK) is sourced from suppliers of commodities and ingredients, packaging and wholesale goods who are risk-assessed	- Select suppliers for audit - Risk assessment
		Signing the Supplier Code of Conduct - all external purchases - At least 65 % of purchase volume (DKK) is sourced from suppliers who have signed the SCoC	- Obtain signatures - Evaluate if more purchasing categories shall sign the SCoC
		Signing the Supplier Code of Conduct - suppliers of commodities and ingredients, packaging and wholesale goods - 100 % of purchase volume (DKK) is sourced from suppliers of commodities and ingredients, packaging and wholesale goods who have signed the SCoC	- Obtain signatures
		Signing the Supplier Code of Conduct - commodities and ingredients, packaging and wholesale goods, cleaning & logistics - At least 65 % of purchase volume (DKK) is sourced from suppliers of commodities and ingredients, packaging and wholesale goods, Cleaning & logistics who have signed the SCoC	- Obtain signatures
		Self-assessment - all external purchases - At least 65 % of purchase volume (DKK) is sourced from suppliers (all external purchases) who have completed a self-assessment	- Suppliers complete a self-assessment - Evaluate if more purchasing categories shall complete a self-assessment
Fairness Policy Anti-corruption Policy Human rights policy	Unfair marketing practices Corruption Distortion of competition	Fair marketing - 0 breaches of marketing legislation	- Conduct competition law and compliance training for relevant employees
		Anti-corruption - 0 breaches of anti-corruption legislation	- Focus on anti-corruption
		Fair competition - 0 breaches of competition law	- Relevant employees receive competition law and compliance training
Openness Policy Anti-corruption Policy Human rights policy	All risks	CSR Report - Publication of CSR Report 2019	- Collected CSR data and published CSR Report 2019



KPI - DEFINITIONS



KPI - DEFINITIONS

ENVIRONMENTALLY SUSTAINABLE CONSUMPTION

CONSUMPTION OF RESOURCES

Process waste	Process waste from commodities/ingredients - from purchase to packed product (as a percentage of total production in tons)
Food waste	Food waste from finished products - from packing of the product for sale compared to total products sold (in tons)

ENERGY CONSUMPTION

Diesel consumption	No. of kilometres per litre consumed by our own trucks
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POLLUTION

Particulate emissions	Percentage of our own trucks that comply with the most stringent EU fuel economy regulations
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GOOD FOOD PRODUCTS

FOOD PRODUCT SAFETY

BRC Certificates	No. of locations awarded BRC food safety certification
Elite Smiley	No. of locations awarded an Elite Smiley (awarded by the Danish Veterinary and Food Administration via third-party audit)
Audits	No. of internal BRC audits conducted on own sites

HEALTHY FOOD PRODUCTS

Glyphosate	Percentage share of flour and grain products purchased that are glyphosate-free
Plant growth regulators	Percentage share of flour and grain products purchased that are free of plant growth regulators
Danish Flour	Percentage share of organic rye, conventional rye, organic wheat and conventional wheat flour that is ground from grain grown in Danish fields
Whole Grain Logo	Percentage share of the total number of fresh-baked, pre-packed bread products that carry the Whole Grain Logo
Nordic Keyhole Label	Percentage share of the total number of fresh-baked, pre-packed bread products that carry the Nordic Keyhole label



CONSUMPTION OF RESOURCES

Egg	Percentage share of eggs purchased (kg) that are not from caged hens
Palm oil	Percentage share of RSPO (Roundtable for Sustainable Palm Oil) certified palm oil
Vegan	Percentage share of total number of fresh-baked, pre-packed bread products that are vegan
Organic	Percentage share of the total number of fresh-baked, pre-packed bread products that are certified organic

A GOOD PLACE TO WORK

OCCUPATIONAL HEALTH AND SAFETY

Fatalities	No. of fatalities resulting from industrial accidents
Industrial accidents	No. of reported industrial accidents and work-related injuries leading to absence
Absence due to work-related accidents	Absence due to work-related accidents per 1,000 days worked
Near misses	No. of near misses (industrial accidents and work-related injuries) reported in-house
Work Environment Smiley	No. of locations awarded a green Work Environment Smiley

TOLERANT WORKPLACE

Special positions	No. of active flexijobs and apprenticeships
Gender distribution on the Board of Directors	No. of seats held by women on the Board of Kohberg Bakery Group A/S
Gender distribution in executive management	No. of women in executive management team at Kohberg Bakery Group A/S. The team comprises CEO, CFO, Sales Director, Production Director and HR Director

EMPLOYEE DEVELOPMENT

Employee satisfaction	Total score (percentage) satisfied employees in employee satisfaction survey conducted in alternate years by Ennova
Education and training	No. of hours of training for salaried and hourly-paid employees

RESPONSIBLE CORPORATE GOVERNANCE



SUPPLIER MANAGEMENT

Supplier risk assessment	Percentage share of purchase volume (DKK) sourced from risk-assessed suppliers
Signing the Supplier Code of Conduct	Percentage share of purchase volume (DKK) sourced from suppliers who have signed the SCoC
Supplier self-assessment	Percentage share of purchase volume (DKK) sourced from suppliers who have completed a self-assessment

FAIRNESS

Fair marketing	No. of legal decisions for breach of marketing legislation reached or caused by Kohberg Bakery Group A/S
Anti-corruption	No. of legal decisions for breach of anti-corruption legislation reached or caused by Kohberg Bakery Group A/S
Fair competition	No. of legal decisions for breach of competition legislation reached or caused by Kohberg Bakery Group A/S

OPENNESS

CSR REPORT	n/a
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UNITED NATIONS GLOBAL COMPACT

UNITED NATIONS GLOBAL COMPACT

Until and including 2017, we at Kohberg Bakery Group based our programme of CSR activities on the principles of the United Nations' Global Compact. We focused on two principles: People & Health, and Environment & Climate. In 2018 and 2019, we have changed the methods used in our CSR reporting. These changes are reflected in this report.

Kohberg is still a member of the UN Global Compact and we will therefore report on its ten principles below. Every area associated with Human Rights, Employees' Rights and Anti-corruption was rated as "satisfactory" as these areas are covered by our Code of Conduct and legislative requirements in "low-risk countries". We strive to reduce our impact on the environment and climate, and consider our efforts to these ends to be largely "green". We are conscious of our environmental responsibilities and therefore believe that we must continue to focus on them.



IN THIS REPORT, WE ADDRESS THE TEN PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT AS FOLLOWS:

PRINCIPLE	PAGE
1 The company supports and respects the protection of internationally proclaimed human rights	14-22, 23-32, 45-51
2 The company makes sure it is not complicit in human rights abuses	14-22, 23-32, 45-51
3 The company upholds the freedom of association and the effective recognition of the right to collective bargaining	33-44, 45-51
4 The company supports measures to eliminate all forms of forced and compulsory labour	33-44, 45-51
5 The company upholds the effective abolition of child labour	33-44, 45-51
6 The company upholds the elimination of discrimination in respect of employment and occupation	33-44, 45-51
7 The company supports a precautionary approach to environmental challenges	33-44, 45-51
8 The company undertakes initiatives to promote greater environmental responsibility	33-44, 45-51
9 The company promotes the development and diffusion of environmentally friendly technologies	33-44, 45-51
10 The company is opposed to corruption in all its forms, including extortion and bribery	45-51



COMPANY PROFILE

ORGANISATION

Company name: Kohberg Bakery Group A/S

Websites: www.kohberg.dk & www.kohberg.com

Headquarters: Kernesvinget, 6392 Bolderslev, Denmark

Ownership: Koff A/S (100 percent)

Employees: 524

REPORT

Reporting period: 1/1 2019 - 31/12 2019

Reporting practices: We report in pursuance of Articles 99a and 99b of the Danish Annual Accounting Act.

The report comprises information regarding all the companies in the Kohberg Bakery Group A/S.

GOVERNANCE

The contact person with regard to this report and the person generally responsible for CSR is René Normann Christensen, CEO (rnch@kohberg.com)



Kohberg

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