

# ORANA



## UN Global Compact Annual Report

December 2020

## ORANA Denmark A/S

## UN Global Compact Reporting on Communication on Progress (COP)

### 0. Period covered by our Communication on Progress (COP)

From 01.10.2019 to 30.09.2020

### 1. Statement of Continued Support by the Chief Executive Officer

15<sup>th</sup> December 2020

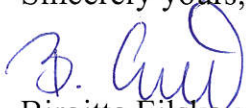
To our stakeholders:

We are pleased to confirm that Orana Denmark reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment, and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

During the financial year 2020/21, we will continue to intensify our work on CSR, Sustainability and SDGs for Orana Denmark A/S.

Sincerely yours,



Birgitte Eilskov  
General Manager  
Orana Denmark A/S

### 2. Introduction

The Orana Group hereunder Orana Denmark is committed to sustainability in all business activities and aims to apply highest ethical standards in order to ensure the long-term success of the Orana Group and its stakeholders. In support of this goal, the Orana Group implemented a Supplier Code of Conduct in 2007 and since then all Orana Group companies hereunder Orana Denmark have subscribed to the UN Global Compact. Both specify minimum standards expected of Orana Denmark and its suppliers and based on principles for:

- a) Human Rights
- b) Labour
- c) Environment
- d) Anti-Corruption

In Orana Denmark, all staff is committed to following these principles. Orana Denmark further requires its suppliers to explicitly acknowledge and adhere to the principles embodied in the Code of Conduct to ensure that their own suppliers also will comply with these principles. Commitment is also confirmed through supplier audits and questionnaires.



### 3. Human Rights

#### Description of Actions

Orana Denmark further ensure that hiring, remuneration, advancement, training and termination decisions are based on objective factors and not connected to gender, age, nationality, ethnicity, race, colour, creed, caste, language, mental or physical disability, or any other discriminating factors. Instead, this is determined by skills, qualifications, and experience required for the position in question.

Orana Denmark does not tolerate workplace harassment, hereunder but not limited to words, signs, offensive jokes, e-mail statements, pranks, intimidation, sexual or physical harassment or violence. Policies are in place to protect all employees.

Orana Denmark has implemented health and safety prevention policies, which comply with national, international, and Orana company rules. These policies are made available to employees in a language, which is understood by the employees.

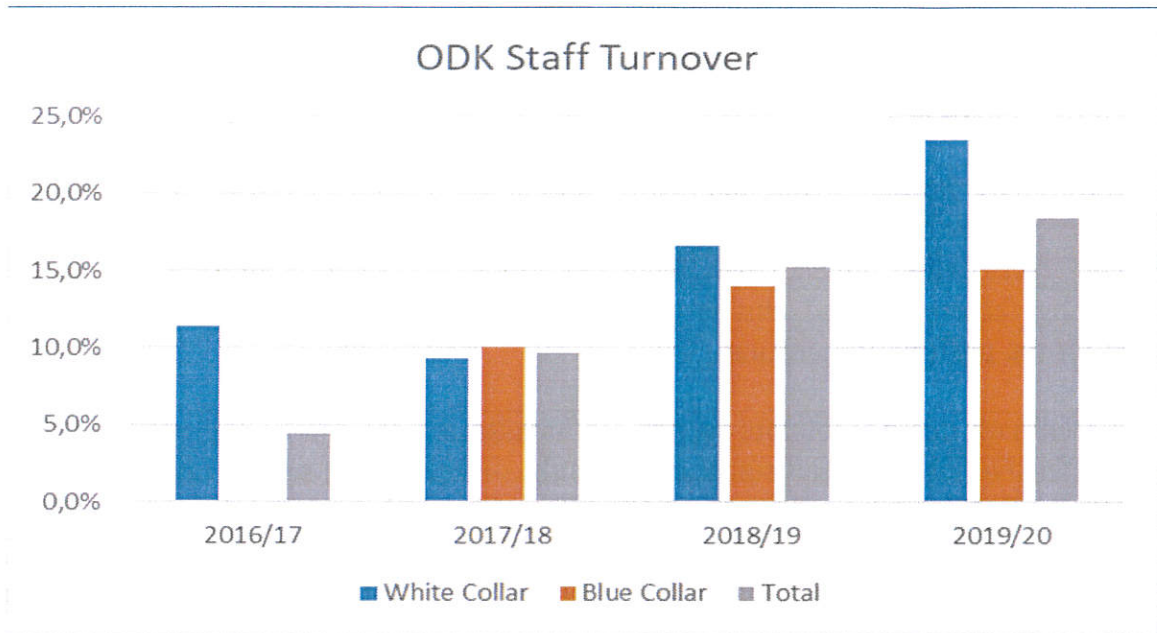
Orana Denmark documents accidents and adjusts its processes to prevent future accidents if any. At all sites, workers and managers are trained to respond to emergencies and emergency exits are free from obstruction. Fire extinguishers are available. Work environments are maintained and kept clean. All sites have sufficient and suitable ventilation, lighting, and availability of potable water, washing facilities and sanitary facilities and suitable eating areas. All employees are provided with protective equipment and training necessary to safely perform the functions of their positions.

Moreover, Orana Denmark have implemented rules about hygiene, alcohol, and smoking.

#### Measurement of Outcomes

**Table 1: Staff Turnover**

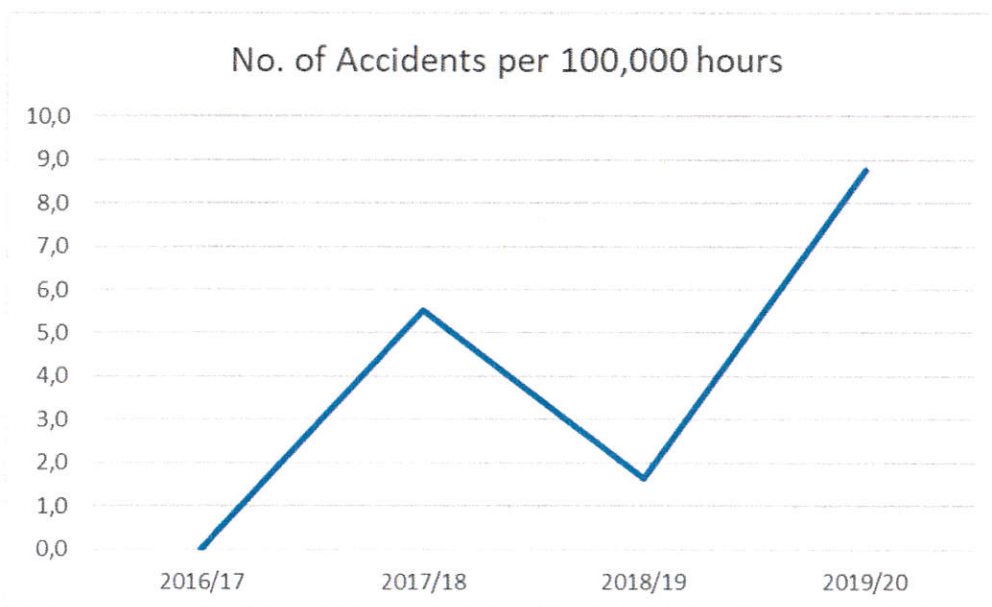
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
White Collar	0.0%	10.0%	14.0%	15.1%
Blue Collar	11.4%	9.3%	16.7%	23.5%
<b>Total</b>	<b>4.4%</b>	<b>9.7%</b>	<b>15.2%</b>	<b>18.4%</b>

**Graph 1: Staff Turnover. Total**

Several new positions have been created in both administration and production in 2019/20 due to more orders. Orana Denmark is harassment and discrimination free organization.

In the companies CSR code, the freedom of association and non-discrimination policy are addressed. There is no any such kind of harassment or discrimination incidences reported in the period of communication.

In Denmark, all accidents are reported to the Danish Safety and Labor Inspectorate's electronic reporting system for occupational accidents. See below graph for no. of accidents per 100,000 hours:

**Graph 2: No. of Accidents per 100,000 hours**

Corrective actions and necessary control measures are being taken inclusive of training of staff to avoid similar accidents again.

1 customer audits have been conducted during 2019/20. The audit was passed. Some minor non-conformities were raised related to improvement on food safety environment/document, personnel awareness and plant hygiene. All these minor non-conformities were closed with proper corrections, corrective and preventive actions.

QC, QA and PD are also conducting GMP / hygiene audits every 2 month. Any finding is reported and discussed on HACCP team meetings.

In addition to the above, hygiene related issues are addressed in Internal Audits. The responsible departments will work on the findings to close gaps in agreed periods.

Health Check. The Danish Health Service is financed through income tax, so state medical treatment in Denmark is available to all Danish residents free of charge. For employees working on the night shift, we further offer an extra health check every two years.

#### **4. Labour**

##### Description of Actions

Orana Denmark will hire any form of forced labour or child labours.

Orana Denmark recognize and encourage the freedom of association rights of its employees and ensure that trade unions are able to communicate openly with management regarding working conditions without the threat of reprisal, intimidation or harassment.

All pay workers according to applicable wage laws, including minimum wages, overtime hours and mandated benefits.

##### Measurement of Outcomes

Orana Denmark staff have the opportunity to be a member of a trade union if they so wish. In Denmark, there are many different trade unions representing the various professions.

All Orana Denmark's wages are as a minimum consistent with Danish law and prevailing industry standards. Moreover, wages are based on qualifications. Holiday, sick leave and maternity leave are also provided for consistency with Danish law and prevailing industry standards. Working hours and overtime are also consistent with Danish law and prevailing industry standards.

#### **5. Environment**

##### Description of Actions

Orana Denmark complies with all applicable environmental regulations.

Moreover, a system for the safe handling, recycling, and management of waste and wastewater discharges has been implemented.

##### Measurement of Outcomes



Orana Denmark has ensured that all required environmental permits and licenses are in place and that their reporting requirements are followed.

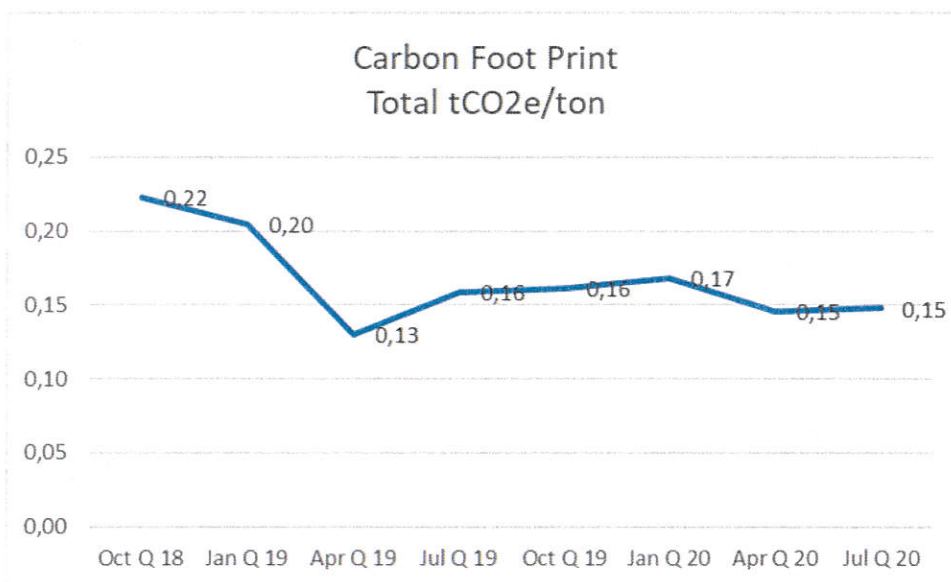
Orana Denmark initiated measuring of carbon footprint per ton produced in October Quarter 2018 per ton produced for Scope 1 and Scope 2.

Scope 1 emissions are direct emissions from owned or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy. Scope 3 emissions are emissions from sources not owned or controlled by the company.

It is under Scope 3 where the Orana Group is making a difference by having decentralized productions. By establishing carbon foot print measuring for Scope 1 and Scope 2, we will have started the process on assessing our impact in all areas and will be able to establish initiatives to address opportunities for improvement.

The result for 2019/20 can be seen here:

**Graph 3: Carbon Foot Print. Total tCO<sub>2</sub>e/Ton**

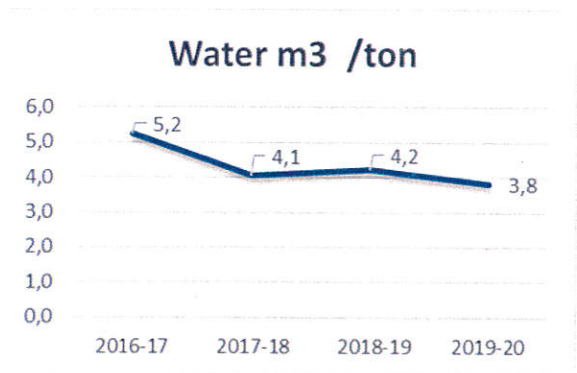
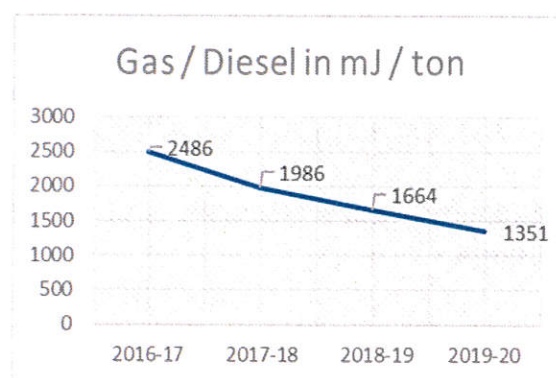
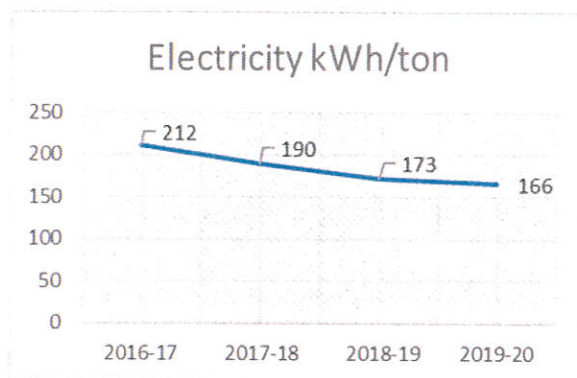


As can be seen the carbon foot print per ton produced is having a reducing trend.

In terms of energy consumption, the following was measured in 2019/20:

Table 2: Energy consumption

Energy consumptions	2016-17	2017-18	2018-19	2019-20	Delta Base Year	Delta % Base Year	Delta LY	Delta % LY
Electricity kWh/ton	212	190	173	166	46	21,6%	6,8	3,9%
Gas / Diesel in mJ / ton	2.486	1.986	1.664	1.351	1.136	45,7%	312,8	18,8%
Water m3 /ton	5,2	4,1	4,2	3,8	1,4	27,0%	0,4	9,0%
Waste water m3 / ton	3,3	3,9	3,6	3,7	-0,4	-12,0%	-0,1	-3,6%



There is a positive development for electricity, gas/diesel and water. This is because of initiatives taken to reduce energy consumption, i.e. energy efficient equipment installed to reduce the electricity consumptions, air leakages arrested, steam optimization in process to reduce the gas consumption, etc.

The negative development for waste water measurements compared to base year is due to small batches, new trials, extra CIPs (cleaning in place) and rain water inter-connecting discharge pipelines.

## 6. Anti-Corruption

### Description of Actions

Orana Denmark has a zero tolerance against corruption. All corruption, extortion, and embezzlement are prohibited. Employees are not allowed to pay or accept bribes in business or government relationships. Orana Denmark shall conduct their business consistent with fair competition and in compliance with anti-trust laws.

Orana Denmark's relationships with suppliers are based entirely on sound business decisions and fair dealing. Employees are not allowed to accept any gifts or entertainment. Employees are not allowed to accept or give kickbacks when obtaining or awarding contracts.

### Measurement of Outcomes

All staff at Orana Denmark are instructed not to pay corruption or bribery in order to unjustly influence public officials or suppliers. When deemed necessary, Orana Denmark encourages employees to go to government official / other relevant meetings two persons at a time in order to discourage corruption and bribery.

Additionally, Orana Denmark is in the process of establishing a whistleblower function on corruption.