



Corporate Social Responsibility 2020



Contents

CEO Statement	03
The way we work with CSR	04
Respect for Human Rights	06
Labour and social responsibility	08
Work environment	10
Support for the local communities	16
Support for Denmark and the world	17
Environmental and climate impact	18
RSPO	22
Climate, work conditions and waste investments	24
Waste and cleaning chemicals reduction	26
Anti-corruption and bribery	28
Food safety and quality	30
Animal welfare	32

CEO Statement

Our business model in NORDEX FOOD is to develop, manufacture, market and/or sell a wide assortment of "White Cheeses and more" which are inspired by/originating from the Southeast-Mediterranean area with the objective to satisfy the demand for these products, either fulfill basic or experimental needs



The CSR report in NORDEX FOOD describes our policies for the 4 Global Compact areas as well as 2 more for NORDEX FOOD relevant areas – Animal Welfare and Food Safety.

Furthermore, it contains a general description of how we specifically have worked with these 6 core areas as well as a risk assessment related to activities which can impact our CSR negatively.

We do not yet have the report we want, but we are closer than last year, and we are working to get there.

It is our ambition to add KPIs and clear goals within each of the core areas.

It is furthermore our ambition to integrate some of UN's 17 sustainable development goals (SDGs) into our policy.

Enjoy reading

A handwritten signature in blue ink, which appears to read "Martin Aagaard Pedersen". The signature is fluid and stylized.

Martin Aagaard Pedersen



The way we work with CSR

CSR stands for Corporate Social Responsibility. Companies can engage in CSR motivated by many different reasons. Our work with CSR in the NORDEX FOOD is derived from the following motives:

- We want to be part of making the world a better place to live in now and in the future.
- Our customers, consumers and employees are requesting it => license to operate
- We have got a legal obligation.
- It pays off in the long run.

FN's Global Compact has defined 4 main areas covering 10 principles to guide CSR work in companies. Furthermore, we have added 2 main areas.

Human Rights

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. Make sure that they are not complicit in human rights abuses.

Labour

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. The elimination of all forms of forced and compulsory labor;

5. The effective abolition of child labor; and
6. The elimination of discrimination in respect of employment and occupation.

Environment

7. Businesses should support a precautionary approach to environmental challenges;
8. Undertake initiatives to promote greater environmental responsibility; and
9. Encourage the development and diffusion of environmentally friendly technologies

Anti-Corruption

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

Food Safety and Quality

11. The delivery of safe products at the agreed quality.

Animal Welfare

12. All suppliers should follow EU Animal Welfare legislation as a minimum.

As of the 11th of December 2018, NORDEX FOOD (NORDEX FOOD A/S) joined the UN Global Compact (UNGC), which obliges us to integrate the 10 principles into our business activities and report back to the UNGC on the efforts made.



The ten principles are basically about making demands on ourselves and on our value chain. To make it more tangible, we can look at some examples of how we can and will work with CSR:

- We can work to improve our employee's health and safety environment internally in the company.
- We can develop new products/ services which have a positive social or environmental impact.
- We can work systematically with environmental and global climate impact.
- We can demand from our suppliers that they adhere to human and labour rights.
- We can partner with our suppliers to improve social and environmental conditions.



Respect for Human Rights

The basic values in NORDEX FOOD are:

- Autonomy
- Integrity
- Responsibility
- Ownership

All decisions taken in NORDEX FOOD are based on these 4 values. These are only words if you don't live up to them. The values have been a part of our management and corporate culture since the beginning in 1984. We ARE these values – recently we have also defined them in words – not the other way around.

NORDEX FOOD respect human rights. We follow UN's 1948 Universal Declaration of Human Rights. Not all 30 rights in the UN Declaration are directed towards businesses. NORDEX FOOD believes that with our work we can influence the following rights:



■ Article 2.

Everyone is entitled to all the rights and freedoms set forth in the Declaration, without distinction of any kind, such as race, color, sex, language, religion, political or other opinion, national or social origin, property, birth or other status.

■ Article 3.

Everyone has the right to life, liberty and security of person.

■ Article 7.

All are equal before the law and are entitled without any discrimination to equal protection of the law.

■ Article 12.

No one shall be subjected to arbitrary interference with his privacy, family, home or correspondence, nor to attacks upon his honor and reputation.

■ Article 19.

Everyone has the right to freedom of opinion and expression.

■ Article 20.

Everyone has the right to freedom of peaceful assembly and association.

■ Article 24.

Everyone has the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay.

■ Article 25. (1)

Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family.

■ Article 26.

Everyone has the right to education.

We will, to the best of our ability, try to avoid and mitigate possible negative effects of these.



Labor and social responsibility

Since the founding of the company in 1984, NORDEX FOOD has strived for high employee wellbeing. It is rooted in our corporate culture to create a workplace with a focus on a good working environment - including health, safety and well-being.

Work environment

Everyone in the company is responsible for and must contribute to a good working environment in a collaboration between the company, the managers and the employees.

A good working environment is hence a shared responsibility, by the working environment committee under the name of “Arbejdsmiljø-organisationen”, AMO (staff employer welfare committee) in all our companies with more than 50 employees.

Each year, AMO prepares an annual plan for the working environment. In addition to the annual overall discussion and planning, AMO conducts meetings as needed, at least quarterly. Minutes are made from the meetings and this is placed on the company's intranet, where the annual plans can also be found.

At our dairies, hard physical work is done, so here we have a special focus on avoiding accidents and preventing wear and tear.

2019

Activities/results/hedging risks 2019

NORDEX FOOD HQ

In general, the organization and the available resources have been under strong pressure with the ERP D365 running alongside keeping the daily business running. Unfortunately, this has led to more sick leave due to stress related symptoms and subsequently the sick leave percentage has increase from 2018 to 2019.

We have balanced the pressure through new appointments where relevant.



During autumn 2019 we have implemented “One-2-One”-meetings every second month. It is an individual talk between the employee and his/her direct manager to address issues relating to tasks, responsibilities, work environment etc.

The 2019-repetition of the OHA Psychology / Wellbeing confirmed a high level of employee satisfaction though it shows a modest overall decline compared to the 2017-survey. Based on the new survey the involved external consultants recommend a focus on:

- emotional demands
- role clarity
- burn out
- stress
- sleeping difficulties

The new survey also shows that 1-2 employees experience bullying and unwanted sexual attention. We do not accept this offensive behavior and this, as well as the themes listed above, will be addressed during 2020.



In January 2019, we started moving into the new office building which among others solved the problem about space and noise due to crowded offices. By the end of 2019, the OHA on our physical work environment was renewed. The survey showed the following major concerns:

- Space, noise and acoustics in the canteen
- Noise and temperature from the ventilation system in the new office building
- Lighting the old office building
- Ergonomics and working positions at intensive PC-screen and desk work

These concerns will be discussed and processed in our AMO during 2020.

During 2020, we will implement a HR-dashboard with monthly updates on sick leave, overtime and on general well-being. The dashboard shall serve as an early-warning system and be indicative for more underlying and more hidden problems on both the physical as well as psychological work environment.

2020

Activities/results/hedging risks 2020

NORDEX FOOD HQ

In every way, 2020 has been a special year in which the Corona pandemic has also affected and changed the way we work together. We have been “forced” to work from home, which has not previously been an option for some of NORDEX FOOD’s employee groups.

We believe that the personal flexibility of being able to work from home will be part of the future of NORDEX FOOD. In 2020 we decided that all employees are offered the opportunity to plan 3 home workdays per. month.

Some of the initiatives we initiated in 2019, have unfortunately been closed completely throughout 2020. These offers will of course re-open when the Covid-19 situation allows it.

The “One2One” meetings that we implemented in 2019 are still an important part of our everyday life in NORDEX FOOD. The meetings allow managers and employees to work structured with tasks, responsibilities, work environment, and motivation. Microsoft TEAMS has played a major and significant role in maintaining “One2One” meetings during the Covid-19 periods in 2020.

As a follow-up to Workplace’s assessment from 2019, we have implemented a policy against offensive behavior. The purpose of this policy is to contribute to a healthy working environment in which all NORDEX FOOD employees thrive and feel secure. It is important for NORDEX FOOD to establish guidelines for offensive behavior for preventive reasons and to contribute to the positive, informal, and humorous workplace communication that we want to have at NORDEX FOOD.

NORDEX FOOD considers any form of offensive behavior to be unacceptable and any violation may have legal consequences for the offender in terms of their employment.

Ultimo 2020, we implemented an HR-dashboard with monthly updates on sick leave, overtime work, and general well-being. The dashboard serves as an early-warning system for managers and HR people on employee wellbeing. In everyday speech, the measurement is referred to as our “Smiley measurement”.

The overall target is a minimum of 75% of our employees to respond with a satisfied or very satisfied smiley. We respond to negative smileys by working on improvement measures. In 2020, we researched and formed an overview of employee benefits across our subsidiaries in NORDEX FOOD. Despite different traditions, agreements, and legislation in the countries we expect in 2021 to implement some common guidelines regarding employee benefits.



Work environment

3 x Dairies

2019

Activities/results/hedging risks 2019

NØRAGER MEJERI

During 2019, NØRAGER MEJERI has had a continued focus on social capital and followed the action plans established based on the 2018- survey. Social Capital is a common denominator for cooperative/ interpersonal skills, justice and trust as well as credibility employees in-between and between employees and the management.

A special focus area has been work accidents. That is registration of both accidents and near-to accidents as well as preventing. 2019 has shown a decrease in the number of accidents compared to 2018 and this positive development has continued in to 2020.

We changed the organizational set-up in 2019 by adding a team leader function. The purpose was to limit the number of direct report for the operational managers and thus increasing the manager's presence and availability for the employees.

In general, there is a positive development in the work environment in NØRAGER MEJERI, also exemplified by an invitation to do a presentation of our "work environment journey" on the yearly work environment day in the dairy industry.

In 2020, NØRAGER MEJERI will repeat the Social Capital survey as well as a general OHA survey.



NORDEX FOOD ROMANIA

Due to absence of a key employee, focus has been on involving employees in planning and decision processes. Furthermore, a new organization is implemented with team leaders in each department.

A KPI-system is implemented, among others with a weekly survey of the general wellbeing of the employees. The result is published on boards throughout the dairy.

In 2020, the focus on involvement, education and training of the employees continues.

NORDEX KÄSEREI

Until now, we have had a more defensive approach to the work environment in NORDEX KÄSEREI.

The necessary action have been taken on a reactive basis to the challenges that has arisen during 2019. In 2020, the ambition is a more active approach, among others with regular monthly surveys of the general well-being of the employees.

Activities/results/hedging risks 2020

NØRAGER MEJERI

During 2020, NØRAGER MEJERI has had a continued focus on social capital. Social Capital is a common denominator for cooperative/ interpersonal skills, justice and trust as well as credibility employees in-between and between employees and the management.

The social Capital survey has been repeated and we will work with the report in 2021 to continue the positive development in work environment.

We consider the team leader function a success and has added a Lean Manager, to support managers and their presence and availability for the employees.

We have carried out the statutory (3-year) workplace assessment and set up working groups both in the work environment group and across the areas that affect several departments, as a follow-up.

2020

In the cooperation committee, we have prepared a strategy to get the most out of the committee's work. With associated activities. The focus on well-being and work environment in 2020 has resulted in a decrease of sick leave compared to 2019.

COVID 19 has had great impact on our work environment in 2020. Throughout the process, we have been at the forefront of initiatives. Both by continuously informing employees about status and treats and about how they should act in the workplace. It has had both negative and positive effects on well-being. There has been a sharp division into teams both in the production and in break areas, some have felt isolated and felt a greater distance to the management. On the other hand, online meetings are perceived as more efficient, and the administration has had the opportunity for homework.

NORDEX FOOD ROMANIA

A new Production Manager has been hired and we will continue with the team leaders in each department as it has proven a success, we will also continue to involve employees in planning and decision processes.

The KPI system continue with a weekly survey of the general wellbeing of the employees. The result is published on boards throughout the dairy. In 2020 the focus on involvement, education and training of the employees continued and will continue in 2021. Well-being of the employees is constantly moving in a positive direction.

COVID 19 has had an impact on the work conditions. Throughout the process, we have been at the forefront of initiatives. The employees have continuously been informed about status and immediate treat. It is not possible to separate the employees in the production areas or in the break room, so focus has been on personal protection, keeping distance and guided on behavior outside the workplace. COVID 19 has thus had an impact on the sick-leave in 2020.


NORDEX KÄSEREI

During 2020, the focus on working environment. To strengthen the relationship between management and employees a new development manager has been hired and 2 team leaders have been appointed for the individual departments. To promote work environment a second safety representative has been appointed. The task to improve work conditions will continue in 2021 - 2022.

The ambition is still to implement regular monthly surveys of the general well-being of the employees, unfortunately we did not reach it in 2020.

The focus on well-being and work environment has resulted in a decrease of sick leave in 2020 compared to 2019.

COVID 19 has had an impact on the work conditions. Throughout the process, we have been at the forefront of initiatives. The employees have continuously been informed about status and immediate treat. There has been a sharp division into teams both in the production and in break areas.

 SICK LEAVE	2019	2020	TARGET
NORDEX FOOD HQ	4.74%	1.73%	3.00%
NØRAGER MEJERI	6.21%	5.05%	3.00%
NORDEX KÄSEREI	6.70%	5.76%	5.00%
NORDEX FOOD ROMANIA	0.44%	3.60%	1.00%



Vi støtter i 2020

DANMARKS INDSAMLING

LILLE LAND, STORT HJERTE

Support for the local community

Activities/results/hedging risks 2020

Every year NORDEX FOOD decide to support specific cases in the local community, some cases are ongoing, some we support every year other cases are a one-off event.

Examples:

Ongoing support:

- To support the local community, we have hired students for leisure jobs.
- We support the local art center, Dronninglund Kunstcenter, with both time, materials and economic.

One-off support:

- We bought public shares in "Jernstøberiet, et multihus i Asaa" (The Iron Foundry, a multi house in Asaa) The building is worthy of preservation and the intention is that it should be used as a gathering place for the citizens.
- We supported children with disabilities through the organization Elepap, which is placed close to our local office in Greece.
- Our dairy in Romania supported the local hospital with Covid equipment.

Support for Denmark and the world

Activities/results/hedging risks 2020

Every year NORDEX FOOD decide to support specific cases in Denmark and the world, some cases are ongoing, some we support every year other cases are a one-off event.

Examples:

- We supported "Danmarks indsamling" in 2020, it is an annual recurring event organized by 12 Danish humanitarian organizations. The objective is different every year, in 2020 it was "Children refugees need help".
- Through our membership of "Mejerifolk uden grænser" (Dairy people without borders) we support different projects, such as the dairy project mentioned in 2019 in Mongolia and a dairy project in Lesoit, Tanzania. In Lesoit first step is to secure water access, which is the foundation for dairy production.
- In connection with the huge explosion of ammonium nitrate 4th august 2020 in Beirut, we supported the affected people together with our customer Lifco. We sponsored 8 tons white cheese, Lifco sponsored the transportation.



Environmental and climate impact



NORDEX FOOD consists of offices, warehouses and production. In all three areas, we strive to reduce and limit our impact on the environment and climate.

Our dairies, here the manufacturing of cheese, take the major stake of the company's impact on the environment and climate. Therefore, we will mainly focus on our work here. In addition, we must also work on our impact on the environment and climate when we transport our goods. There are three factors that we will follow up on in the future as a measure of the impact of our activities on the environment and climate:

- CO₂ emissions
- Energy consumption
- Water consumption

We have measured the impact for our 3 dairies, the results are listed in the schedule below. We are still in the process of defining what and how to measure. Measurement methods and range may need to be reconsidered. We can to some extent compare the 3 dairies when we are aware of that they use 3 different production methods.

We will continue to work on how to rectify and define what and how to measure. We are continuously working on reducing the total energy consumption of the dairies and thus reduce CO₂ emissions. We are continuously working on reducing the total consumption of water.

We plan to begin the work (in cooperation with the milk farmers) to be able to climate check our milk farmers in Denmark, with the intention to spread it out to our other milk and traded goods' suppliers.

Activities/results/hedging risks 2019

2019

■ NORDEX FOOD ROMANIA: The lower electricity consumption is due to the production method. Water is used as part of the product which means they have the lowest consumption of water besides what is used as part of the product.

■ NORDEX KÄSEREI: We are aware that the electricity consumption is pretty high in comparison with the other dairies, and it will be investigated. Due to many small productions with several cleanings in between, they have the highest water consumption.

In 2020, we will continue to work on how to rectify and define what and how to measure. We will work to reduce the total energy consumption of the dairies and thus reduce CO₂ emissions.

We will work to reduce the total consumption of water.

We will start up working with our milk suppliers in Denmark to climate check the farms together. This will be done close to the model Arla uses for climate check and hopefully together with the Danish Dairy Board and other Danish dairies in order to do a climate check standard for the dairy industry in Denmark.

Activities/results/hedging risks 2020

■ **NORDEX FOOD HQ:**
We have measured the impact of energy consumption per person (80 people) working at the head office in 2020. See schedule.

Consumption and emission per employee	
Per employee	HQ
CO2 emission (kg)	426
Energy electricity (kWh)	1467
Energy heating (m³)	1687
Water (m³)	5.4

■ **NØRAGER MEJERI:** The consumption and emission are at about the same level as 2019.

■ **NORDEX FOOD ROMANIA:** The consumption and emission are a bit higher in 2020 due to a decrease of production. This is impacting the consumption and emission per kg cheese. The electricity consumption is still very low compared to the other dairies. The use of water is still very low compared with the other dairies considering that water is part of the product.

■ **NORDEX KÄSEREI:** The consumption and emission are lower in 2020 due to an increase of production and ongoing adjustments to energy needs. This is impacting the consumption and emission per kg cheese. We continue to have many small productions with several cleanings in between which affects the water consumption.

Consumption and emission per kg cheese at the dairies

Per kg cheese	NØRAGER MEJERI 2019/2020	NORDEX KÄSEREI 2019/2020	NORDEX FOOD ROMANIA 2019/2020
CO2 emission (kg)	0.08/0.08	0.161/0.157	0,052*/0,061*
Energy Electricity (kWh)	0.28/0.29	0.412/0.394	0.13/0.15
Energy Gas (m³)	0.034/0.034	0.000/0.000	0.040/0.05
Energy Oil (l)	0.000/0.000	0.102/0.099	0.000/0.000
Water (m³)	0.005/0.005	0.015/0.015	0.005/0.005

*) Approximate value

Transport

We will measure the impact of transporting milk and milk products from the suppliers to our dairies – NØRAGER MEJERI, NORDEX KÄSEREI and NORDEX FOOD ROMANIA. With the aim to lower the transport impact, we will obtain data on:

- how many kilometers are driven
- how much fuel is used
- the CO2 emission

The impact will be measured in relation to 1 kg cheese. With the data it is possible to work on optimizing driving distances, choose haulers or buy trucks with lower fuel consumption, and thereby lower CO2 emissions.

2020 Consumption, distance and emission for transport from supplier/farmer to dairy.

Transport	NØRAGER MEJERI	NORDEX KÄSEREI	NORDEX FOOD ROMANIA
Km per year (km)	213,330	43,300	279,000
Fuel per year (l diesel)	80,451	19,485	92,926
CO2 emission (kg)	213,116	52,133	246,357
Produced cheese (kg)	18,680,720	6,694,000	3,794,763
CO2 emission per kg cheese	0.011	0.008	0.065



RSPO

Roundtable on Sustainable Palm Oil



Roundtable on Sustainable Palm Oil (RSPO) is an association that aims to promote the growth and use of sustainable palm oil. By being certified according to the RSPO Supply Chain Certification System, you support the establishment of sustainable and transparent production throughout the supply chain until the product reaches the consumer.

- We will renew our RSPO certification every year.
- We do not use palm oil in NORDEX KÄSEREI.





Climate, work conditions and waste investments



2019

New equipment will be bought with energy-efficiency in mind. Service agreements for production equipment is continuous to secure an effective and safe workplace.

Activities/results/hedging risks 2019

■ We have been waiting for the building permission and will start building the wood chip burner in NØRAGER MEJERI end April 2020. We expect to put it in to use by the end of 2020. The wood chip burner is considered CO₂ neutral, and will have a positive effect on our CO₂ emissions.

2020

Activities/results/hedging risks 2020

■ NØRAGER MEJERI: The CO₂ neutral wood chip burner is put into use at the end of 2020, and we are looking forward to seeing the positive effect on CO₂ emissions.

■ NORDEX KÄSEREI: Some of the heavy lifting is removed by automating the work in 2020. We install new equipment in the primary production in 2021 – 2022 to further reduce heavy lifting and to reduce waste.

■ NORDEX FOOD ROMANIA: New cooling tanks with environmentally friendly gas/freon as cooling agent was installed in 2020. In 2021 a new kettle will be installed with significantly lower gas consumption.





Waste and cleaning chemicals reduction



Focus on reducing the total resources used to deliver our products. We continuously work on optimizing CIP cleaning in the dairies to reduce consumption of cleaning chemicals and energy. Investing in new lines and optimizing equipment is generally designed considering the minimization of raw material / product waste. In accordance with legislation, we are constantly working to reduce the consumption of packaging and thus also waste.

2019

Activities/results/hedging risks 2019

■ We have not started to measure consumption and savings on primary packaging, but the topic is articulated and are or will be introduced to the involved parties. We continue to work on reducing our secondary packaging.

Examples:

At NØRAGER MEJERI we have automated the palletizing and at the same time we have replaced intermediate cardboard with FSC certified recycled paper. We expect NØRAGER MEJERI to save up to 100 tonnes of paper per year on this basis.

■ The cleaning chemicals consumption is higher in NORDEX KÄSEREI due to several cleanings between small productions, and due to Nano filtration on the whey. It is lowest in NORDEX FOOD ROMANIA because they do not have UF as they do in NØRAGER MEJERI.

■ **Minimization of raw material/product waste:**

- As apparent in the values above NØRAGER MEJERI has the lowest amount of waste when comparing the 3 dairies. We consider that to be due to product residues and raw material residues optimization.

- We have not been able to fully separate waste and reusable fractions in NORDEX KÄSEREI which means that the amount of waste can be less than the specified value. The production method also affects the result.

■ In 2020 we will continue to work on reducing packaging material, cleaning chemicals and waste. We are still in the process of defining what and how to measure. Measurement methods may need to be reconsidered.



2020

Activities/results/hedging risks 2020

NØRAGER MEJERI has kept the amount of waste at a low level. NORDEX KÄSEREI keep their amount of waste at the same level, and NORDEX FOOD ROMANIA has reduced the amount of waste. NORDEX KÄSEREI has implemented new cheese cutting equipment in 2020 which reduces waste of cheese.

NØRAGER MEJERI has changed from powder to liquid chemistry by CIP cleaning at the UF plant, which means more cleaning chemistry is used compared to 2019 with our present way of calculating. NORDEX KÄSEREI continue to have many small productions with several cleanings in between which affects the consumption of cleaning chemicals. NORDEX FOOD ROMANIA has reduced their already very low use of cleaning chemicals in 2020.

Cleaning chemicals consumption per kg produced cheese:

Cleaning Chemicals	2019	2020
NØRAGER MEJERI	0.015 kg	0.019 kg
NORDEX KÄSEREI	0.022 kg	0.024 kg
NORDEX FOOD ROMANIA	0.009 kg	0.006 kg

Waste per kg produced cheese:

Cleaning Chemicals	2019	2020
NØRAGER MEJERI	0.003 kg	0.003 kg
NORDEX KÄSEREI	0.012 kg	0.012 kg
NORDEX FOOD ROMANIA	0.005 kg	0.004 kg



Anti-corruption and bribery



In NORDEX FOOD we do not tolerate corruption or bribery, regardless of whether it happens internally or externally with the companies we work with.

- We clearly articulate to our partners that we do not tolerate corruption or bribery.
- We do not take a political position, no matter where in the world we operate.
- We tell employees (in job interviews and appraisals) and partners (at meetings) about our values and focus on orderliness.

Supplier Management

As a responsible company, it is not only important to take care of yourself. We must spread rings in the water and as far as possible influence our partners in the value chain to also follow and work with the 10 UN Global Compact principles for corporate social responsibility.

The supplier side is both suppliers of traded goods as well as suppliers of all elements in the processing of the finished goods.

2019

Activities/results/hedging risks 2019

- The Supplier Code of Conduct is developed, and we will start by having it signed by the most relevant suppliers of traded goods and the suppliers of dairy raw material and primary packaging suppliers in 2020.

2020

Activities/results/hedging risks 2020

- Our Supplier Code of Conduct has been signed by 100% suppliers of traded goods and by 100% suppliers of raw material and primary packaging to our dairies. Next step is having all haulers and warehouses sign our Supplier Code of Conduct.





Food safety and quality

Quality systems



At NORDEX FOOD the customer is always in focus and for us that means that the consumer can safely eat our products which is delivered in the quality that is wished for and expected. We want to continue to prioritize our food safety and quality as well as give it more room in the CSR context. Food safety and quality is basic for our company to remain. Dairy products are NORDEX FOOD's Core product, therefore we make sure that:

- Both own dairies and suppliers of traded goods as a minimum follow the legislation and demands from the food authorities in the respective countries.
- All suppliers of traded goods and raw materials are authorized to produce.
- The quality of the products is according to customer wishes and expectations.
- Our own dairies will continue being GFSI certified to maintain their high product standard.
- We wish to do things right the first time.



2019

Activities/results/hedging risks 2019

We want to continue to prioritize our food safety and quality as well as give it more room in the CSR context.

- Our Dairy standards are:
 - NØRAGER MEJERI: BRC AA and IFS higher level, VACCP, TACCP included.
 - NORDEX KÄSEREI: IFS higher level, VACCP, TACCP included.
 - NORDEX FOOD ROMANIA: FSSC 22000
- Our suppliers of traded goods shall also in the future be certified or approved of by a 3. Party.
- NORDEX FOOD ROMANIA will add VACCP and TACCP to their quality program in 2020.
- NORDEX FOOD HQ will be BRC certified at the end of 2020.
- It is our intention to develop "Nordex Gården" a quality system for NORDEX FOOD's dairy farmers in Denmark.

Activities/results/hedging risks 2020

- Our dairies are GFSI certified and our suppliers of traded goods are GFSI certified or approved of by a 3. party.
- NORDEX FOOD ROMANIA has added VACCP and TACCP to their quality program in 2020.
- Due to COVID our BRC certification of NORDEX FOOD head office has been delayed and postponed to the end of 2021.
- The quality system for our suppliers of milk in Denmark is now called "NØRAGER Gården". This was started up in 2020, and is an improvement system securing a close and ongoing cooperation between the dairy farmers and NØRAGER DAIRY.

2020

Animal welfare



We have added Animal welfare to our CSR as we recognize the importance of animal welfare, when being in the business of producing and trading dairy products.

We expect all our suppliers of milk-based product to follow animal welfare legislation in their respective countries.

Our animal welfare policy is based on the 5 freedoms from "World Organization for Animal Health".

- Free from hunger, malnutrition and thirst
- Free from fear and distress
- Free from heat stress or physical discomfort
- Free from pain, injury and disease
- Free to express normal patterns of behavior

2019

Activities/results/hedging risks 2019

- We will work to improve animal welfare at our contracted Danish dairy farmers by mapping the present conditions and involving the dairy farmers to raise the level within the next couple of years.
- It is our intention to introduce "Hjertemælk" level 1 at all contracted farms supplying milk to NØRAGER MEJERI.

2020

Activities/results/hedging risks 2020

- During 2020 the condition of animal welfare has been mapped at our contracted Danish dairy farms.
- "Hjertemælk", a Danish Animal Welfare standard, has been introduced and we expect 50 % of the farmers will produce according to the rules of "Hjertemælk 1" in Q4 2021.
The rules are:
 - Prohibition on killing calves, unless it is for health and animal welfare problems.
 - Cattle older than two weeks must have access to roughage for at least 20 hours a day.

- The dairy farmer must prepare in writing and follow an action plan to ensure low mortality in the herd.
- Pain relief must be used for dehorning and relevant treatment-requiring disorders.
- Maximum eight hours transport to the slaughterhouse.
- Cow and calf must go together for the first 12 hours after calving.
- Prohibition on tying up cattle, unless it can be kept for less than an hour for feeding, milking, examinations, treatments, etc.
- Prohibition on the use of full-gap stables.
- Bedding areas must be dry, clean and comfortable.
- Calves born after 31 December 2020 may not be housed in a single box from the age of seven days.
- The calf must be given milk for the first 8 weeks

Webpage: https://www.foedevarestyrelsen.dk/kampagner/Bedre-dyrevelfaerd/Sider/Fakta_om_dyrevelf%C3%A6rdsom%C3%A6rket.aspx

- NORDEX FOOD has dedicated an employee to support, retrieve and share knowledge with the dairy farmers.
- 100% of all dairy farmers supplying milk to NØRAGER MEJERI will be Vlog-certified in Q4 2021.





Corporate Social
Responsibility 2020
01.01.2020-31.12.2020

NORDEX FOOD A/S
Nordre Ringgade 2
DK-9330 Dronninglund

www.nordexfood.com

