



ORANA Denmark A/S

UN Global Compact

Annual Report  
December 2021

**ORANA**

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

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

From 01.10.2020 to 30.09.2021

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

17<sup>th</sup> December 2021

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.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Betina Rasmussen", is positioned above the printed name.

Betina Moldt Rasmussen  
General Manager  
Orana Denmark A/S



### 3. 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 have subscribed to the UN Global Compact. Both the code of conduct and the UN Global Compact specify minimum standards expected of Orana Denmark and its suppliers, and they are based on principles for:

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

For 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 in order to ensure that their own suppliers will also comply with these principles. Commitment is also confirmed through supplier audits and questionnaires.

### 4. Human Rights

#### Description of Actions

Orana Denmark ensures 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 all employees.

Orana Denmark documents accidents and adjusts processes accordingly to prevent future accidents if any. 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 areas on site have sufficient and suitable ventilation, lighting, and availability of potable water, washing facilities, sanitary

facilities, as well as suitable eating areas. All employees are provided with protective equipment and the necessary training to safely perform the functions of their positions.

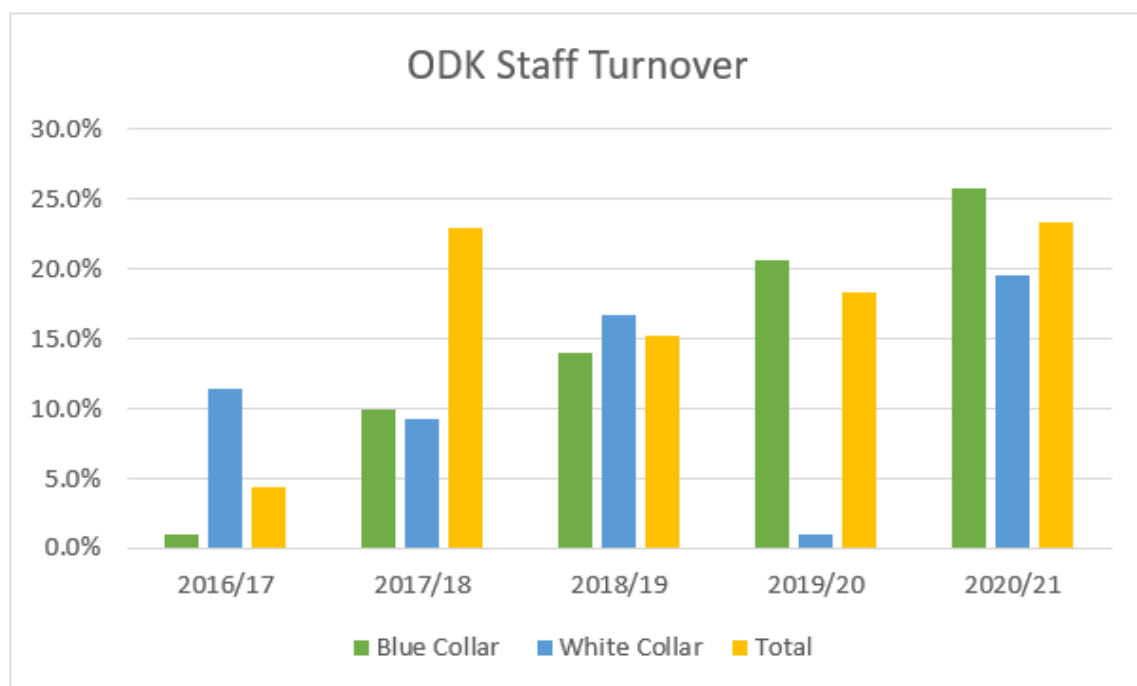
Moreover, Orana Denmark has implemented rules about hygiene, alcohol, and smoking.

## Measurement of Outcomes

**Table 1: Staff Turnover**

	2016/17	2017/18	2018/19	2019/20	2020/21
Blue Collar	0%	10%	14%	21%	26%
White Collar	11%	9%	17%	0%	20%
Total	4%	23%	15%	18%	23%

**Graph 1: Staff Turnover**

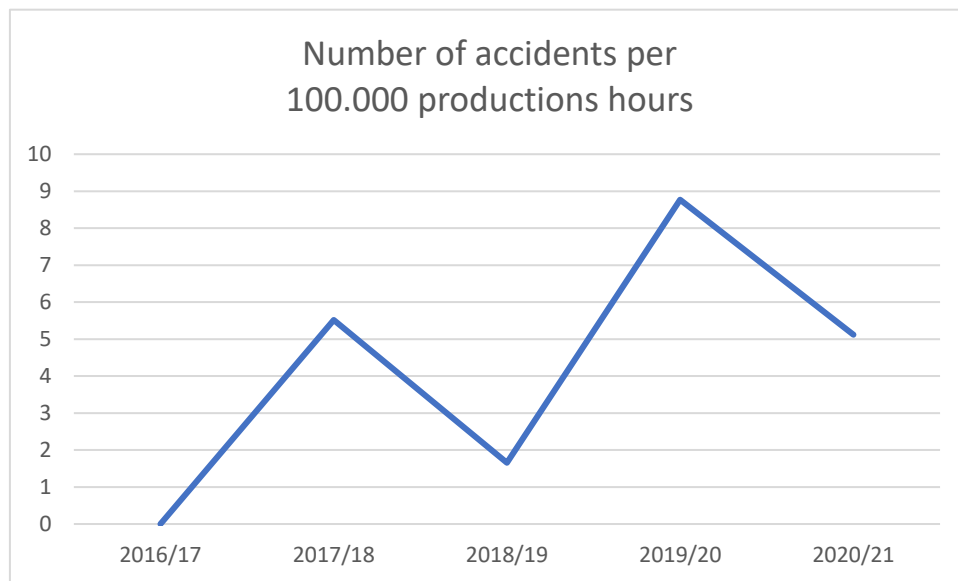


As seen, there is an increase in staff turnover for the blue collar division. This is following a general trend in Denmark of a shortage of blue collar workers, making this type of staff both more difficult to recruit and retain. Additionally, this has to be seen in relation to internal changes at the factory; there has been a change in management and therefore a review of internal processes, which has led to a redefinition of which competencies are needed. As a result, some workers did not find themselves willing to adjust to this new environment, which in turn caused them to resign from their positions.

No incidents related to any kinds of harassment or discrimination were reported in the period specific to this communication on progress.

In Denmark, all accidents are reported to the Danish Safety and Labor Inspectorate's electronic reporting system for occupational accidents. This is also the case for accidents at Orana Denmark. See below graph for the number of accidents per 100,000 production hours:

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



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

Internal departments for Quality Control, Quality Assurance and Product Development are furthermore conducting GMP/hygiene audits every 2 months. Any findings are reported and discussed on HACCP team meetings. In addition, hygiene related issues are addressed in Internal Audits. The responsible departments will work on the findings in order to close gaps in agreed periods.

Regarding health checks, The Danish Health Service is financed through income tax, which means that state medical treatment in Denmark is available to all Danish residents free of charge. For Orana Denmark employees who are working night shifts, we further offer an extra health check every two years.







## 5. Labour

### Description of Actions

Orana Denmark will not hire any form of forced labour or child labours.

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

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

### Measurement of Outcomes

Orana Denmark employees have the opportunity to be members of a trade union if they wish to. 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 in accordance with Danish law and prevailing industry standards. Furthermore, working hours and overtime are also consistent with Danish law and prevailing industry standards.

## 6. Environment

### Description of Actions

Orana Denmark complies with all applicable environmental regulations.

A system for the safe handling, recycling, and management of waste and wastewater discharges has been implemented. Additionally, in the October Quarter of 2018 Orana Denmark initiated measuring of carbon footprint per produced ton for Scope 1 and Scope 2 activities according to ISO 14064-1 - Greenhouse gasses – Part 1: "Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals". 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, the Orana Group is especially making a difference by having decentralized productions. By establishing carbon foot print measuring for Scope 1 and



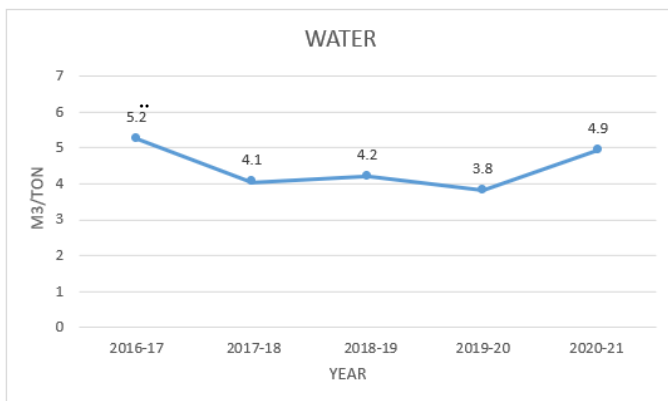
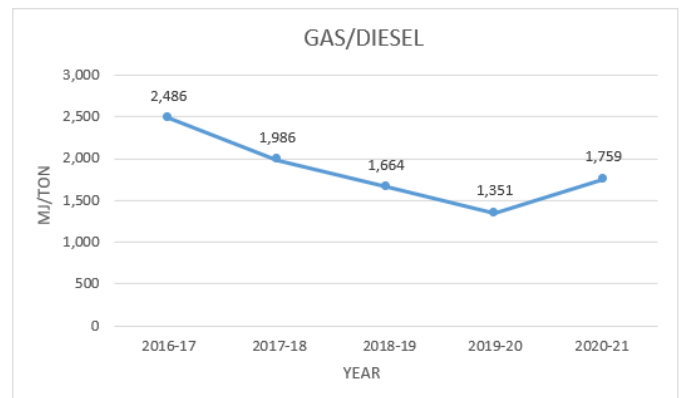
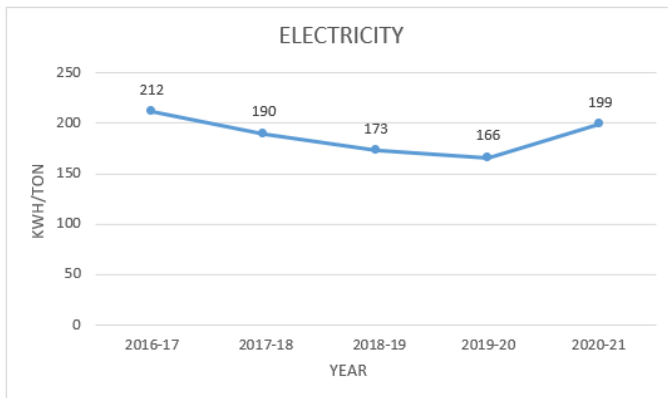
Scope 2, we have started the process on assessing our impact in all areas of our business, and we are therefore able to establish and work on initiatives to address opportunities for further improvement.

### Measurement of Outcomes

Orana Denmark has ensured that all required environmental permits and licenses are in place, and that their reporting requirements are followed. The following graphs illustrate this year's results regarding energy consumption and carbon foot printing.

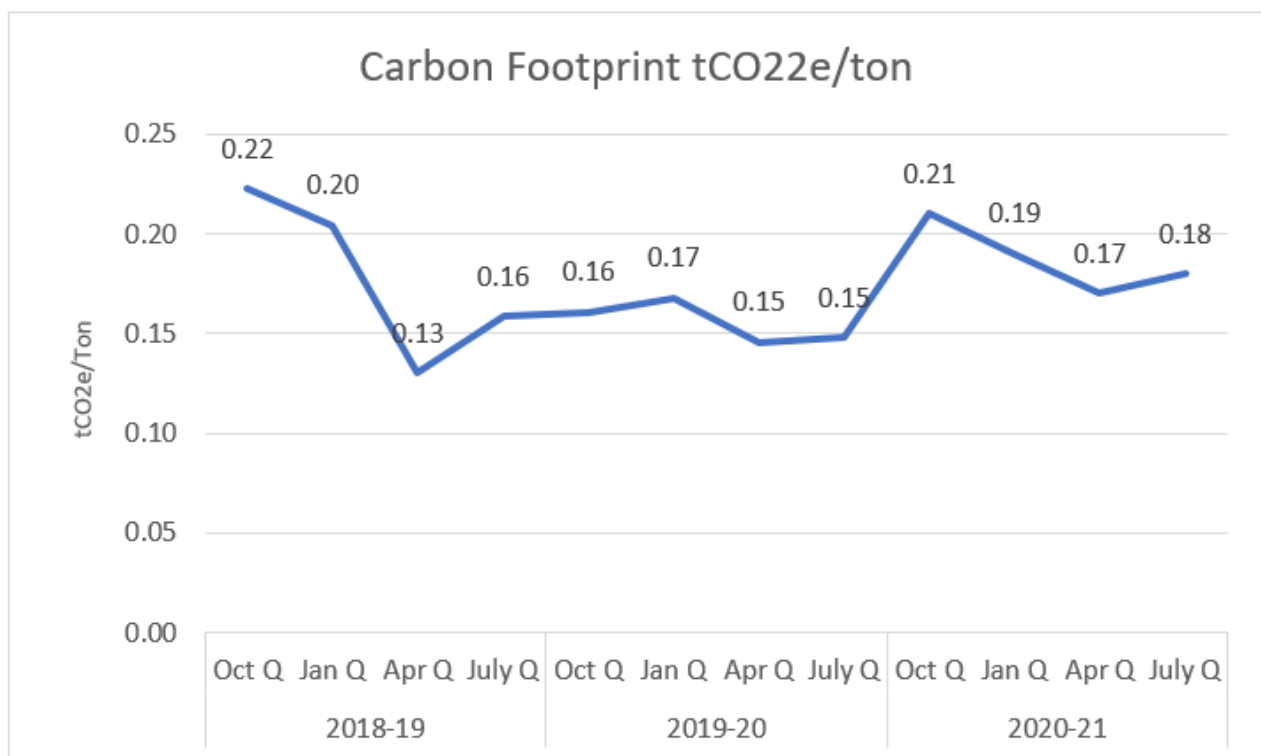
**Table 1: Energy Consumption**

Energy Consumption	2016-17	2017-18	2018-19	2019-20	2020-21	Delta Base Year	Delta % Base Year	Delta LY	Delta % LY
Electricity kWh/ton	212	190	173	166	199	-12	-5.8%	33	20.0%
Gas/Diesel in mJ/ton	2,486	1,986	1,664	1,351	1,759	-727	-29.2%	408	30.2%
Water m3/ton	5.2	4.1	4.2	3.8	4.9	-0.3	-5.7%	1.1	29.1%
Waste water m3/ton	3.3	3.9	3.6	3.7	4.8	1.4	42.7%	1.0	27.4%



There is a positive development for electricity, gas/diesel and water when comparing to the base year, except for the amount of waste water. This said, when comparing all the data to last year there is a negative trend for all 4 categories. This is due to several break downs in the factory, as well as the addition of new staff, who are still undergoing training. In this way the productivity has been negatively impacted, which in turn affects the data on energy consumption. Once these problems have been solved, we will be able to continue the positive development that we were seeing compared to the base year.

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



When discussing Orana Denmark's measuring of carbon footprint, these calculations are of course also influenced by the problems mentioned in regards to energy consumption. This is evident when looking at the curve for this year's carbon foot print calculations. This said, we are currently investigating how to lower our carbon emissions even further, as well as how to include more Scope 3 activities in the process.







## **7. Anti-Corruption**

### Description of Actions

Orana Denmark has a zero tolerance against corruption. All corruption, extortion, and any forms of embezzlement are prohibited. Employees are not allowed to pay or accept bribes in business or government relationships. Orana Denmark conducts 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 dealings. Employees are not allowed to accept any gifts or forms of 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 officials or other relevant meetings two persons at a time in order to discourage corruption and bribery.

Additionally, Orana Denmark is planning to establish a whistleblower function.

## **8. Conclusive Remarks**

As introduced, we in Orana Denmark are committed to always challenging ourselves to be curious, willing to learn and to push the boundaries for innovative and sustainable solutions. We are committed to working with the UN Sustainable Development Goals and the UN Global Compact Principles as an integrated part of our business, and we look forward to continuing our work of striving to take responsibility, to communicating openly, and last but not least, to stay true to our values and vision of wanting to inspire people around the world with great taste – for the choice of a healthier and more sustainable future.