



COMPANY REPORT

Report	No.	10
May	2023	THORNICO

Our journey towards doing good while doing business

Welcome to our

**journey
towards
doing good
while doing
business**



PHOTO CREDIT: SØREN SOLKÆR, BHUTAN

TABLE OF CONTENT

05 CREDITS

Thank you and report delimitations

7 Credits: Søren Solkær

09 DEAR READER

CEO Christian Stadils' intro

10 WELCOME TO COMPANY KARMA

A look inside our business philosophy

14 ABOUT THORNICO

Beliefs, business model, group structure and world map

22 THORNICO X ESG

Compliance, responsibility, commitment

26 THORNICO X SDG

Our work with the SDGs

28 OUR POLICIES

THORNICO Code of Conduct:
human, globe and economy

36 EQUAL GENDER REPRESENTATION

Status across THORNICO

40 FOOD TECHNOLOGY

42 SANOVO TECHNOLOGY GROUP

66 FOOD

68 Lactosan

84 OVODAN EGG GROUP

94 THORNICO X HEART FOR AFRICA

A Company Karma Project

98 SPORT & FASHION

100 HUMMEL

116 REAL ESTATE

118 STANICO

130 SHIPPING

132 THORCO PROJECTS

141 CONTACT AND LEARN MORE

Link collection to THORNICO

142 APPENDIX I

Material matrix - topics

COVER PHOTO CREDIT: SØREN SOLKÆR, BHUTAN



PHOTO CREDIT: SØREN SOLKÆR, BHUTAN

CREDITS

The photos used throughout this report either belong to the internationally recognised photographer, Søren Solkær, THORNICO and its group companies or Heart for Africa.

THANK YOU

Our Company Karma Report depicts our belief in interdependency: by coming together, we grow stronger. This report has been completed by the contributions from our Company Karma stakeholders across all of THORNICO and is published by THORNICO Holding.

REPORT DELIMITATIONS

The following pages elaborate on the specific initiatives taken by our group companies in relation to the Company Karma Strategy in 2022. These pages will go into detail with the strategic work behind the individual and shared material topics, the implementation of ESG

(Environment, Social and Governance), KPIs and future progress.

Due to the conglomerate structure of THORNICO, we consist of many different companies all over the world. Consequently, the companies included in this detailed presentation of our sustainable initiatives represent the five business sectors in which we have most of our 100% owned companies, namely Food, Food Technology, Sport & Fashion, Shipping and Real Estate. For the companies in the remaining two sectors of Packaging and Venture (take a look at our THORNICO Group Structure for a complete overview), we refer to the companies' own websites. Brødrene Hartmann A/S publish its own sustainability report, which can be found [here](#) although the company is still a part of the THORNICO gender representation section in this report. To get a full insight into the extensive range of social and environmental initiatives of all our companies within the group, you can find more information by visiting the links provided at the back of this report.



PHOTO CREDIT: SØREN SOLKÆR, BHUTAN

PHOTO CREDIT

The photos used throughout the THORNICO pages in this Company Karma Report belongs to the internationally recognised photographer, Søren Solkær. Søren has taken the pictures in Bhutan - a Buddhist kingdom in the middle of the Himalayas, while joining Christian and Thor Stadil for a part of their journey visiting Bhutan in April 2023 - a trip related to Christian's newly appointment as Honorary Consul of Bhutan.

ABOUT SØREN SOLKÆR

Søren Solkær is a Danish photographer, born in 1969. He has been working with a global profile since 1996.

Søren is best known for his distinctive portraits of musicians. He is most recognised as the man responsible for various iconic images of Björk, The White Stripes, Paul McCartney, David Lynch, Amy Winehouse, Pharrell Williams, Adele and Patti Smith.

Søren's photography is characterised by finding a tension point between intimacy and edginess. His portraits are often regarded as cinematic in tone with a distinctive colour palette. The inspiration for his style as a photographer range from filmmakers David Lynch and Wong Kar-Wai to the works of photographer Philip-Lorca diCorcia and painter Caspar David Friedrich.

Søren has released seven fine art photography books: Beat City (2006), CLOSER (2011), SOULS (2011), SURFACE (2015), Portraits 1993-2018 (2018), Black Sun (2020) and Passage (2021).

They are available in selected stores worldwide and at Søren's webshop. <https://sorensolkaer.com/shop> Søren's works have been exhibited in New York, Copenhagen, Sydney, Melbourne, London, Los Angeles, Chicago, Vancouver, Milano, Munich, Prague and Kyoto.

His work is featured as part of the permanent collection in The Royal Danish Library, The National Portrait Gallery and many prominent private collections.



”

CLIMB THAT GODDAMN MOUNTAIN

”

- Jack Kerouac

DEAR READER

I recently returned from a trip to The Last Shangri-La, the amazing Buddhist Kingdom in the middle of the Himalayas, Bhutan.

The reason for my trip was my recent appointment as Honorary Consul to Bhutan in Denmark, for which reason I had the honour and inspiring pleasure to meet different high-ranking officials for conversations about the way Bhutan is governed, the balances between economic growth and sustainability hereunder biodiversity and these discussions very much linked to Bhutan's alternative GDP (Gross Domestic Product); their GNP or Growth National Happiness (GNH-index) a guiding principle that influences many of their decisions also on a governmental level.

For example, an easy way for Bhutan to grow their economy would be to cut down more forests. But as a part of their GNH, they believe that at least 60% of the country should be covered by forest to keep the immense biodiversity that Bhutan has to offer, from flora to fauna, being the home of the snow leopard, the red panda, that my kids, aged 3 to 10, are quite psyched about after having seen the movie Turning Red, to the tigers living at a higher altitude than anywhere else in the world, 46 species of rhododendron and 360 species of orchids, to name a few.

These guidelines have a positive effect that transcends the borders of Bhutan since the country has achieved carbon negative mainly because of its extensive forests. The Kingdom is able to absorb more carbon than it produces. In addition, Bhutan exports most of its renewable energy generated from fast-flowing rivers.

Quite amazing.

Related to our business in THORNICO, although so far removed from Bhutan both geographically and in terms of us being very far from being carbon negative or neutral, the trip was very inspiring. Concretely in

terms of hopefully being able to start up THORNICO Company Karma Projects in Bhutan but also in terms of being tougher on ourselves when it comes to our guiding principles and business philosophy.

Growth often and optimally creates earnings that enable us to hire more people, and that also has the effect of us paying more taxes to the effect that we this year received a letter from the Danish Tax Minister due to us being among the biggest taxpayers in the country. Also, a way to give back and help enable positive change. But growth also comes with increased CO₂-emissions and a more significant negative impact on the planet, so we could and should do more to reduce our footprint.

For this reason, we have also made sustainability and ESG (Environment, Social and Governance) a pivotal part of the group's THORNICO Southampton 2028 Plan. A plan or strategy that came to life in Southampton in October 2022, and where we, as a group, determined targets for our top and bottom line and sustainability goals towards 2028.

We want to grow the group to DKK 15 billion-plus turnover with acceptable profitability, but we also, besides turnover and EBT, have a third curve that we measure on, namely our sustainability and ESG targets - or as we call it, Company Karma Targets. So hopefully, and with the effort of all our colleagues around the world, as well as our CEO's and the newly formed THORNICO CEO Board, we can, from today when I write this intro and until 2028, show some positive progress, hereunder when it comes to reducing our CO₂-emissions.

We have already started on various initiatives, including going more and more into solar power, which you can read much more about in this report.

All the best, good energy and enjoy the read*

Christian Stadil, CEO and Owner, THORNICO

PHOTO CREDIT: SØREN SOLKÆR, CHRISTIAN STADIL IN BHUTAN



WELCOME TO COMPANY KARMA

Welcome to our 2022 sustainability report, or as we call it; Company Karma Report.

As we move further into the 21st century, the world is facing many complex and interconnected sustainable challenges. Climate change, biodiversity loss, and social inequality are just a few crises that demand our attention and action. In our Company Karma Report, we will examine the key sustainability trends and events that have shaped the past year for us in the THORNICO conglomerate and discuss our progress towards achieving our sustainability goals.

In THORNICO, we work focused with our Company Karma Strategy and keep improving and developing it. The concept of karma is crucial for the people of today and tomorrow. The word *karma* means action, not fate, as it is often mistaken for in western cultures. Karma has nothing to do with reward or punishment. Karma is an energy. It is our intentional thoughts and actions. The energy we create now will affect us in the future - it is ours to control - and this is more valid than ever, especially in a world where we are all connected, which to a very high degree has manifested itself in the past years.

We do not work and engage ourselves in being socially and environmentally conscious because we have to comply with the law and regulations; we do it because Company Karma is in our THORNICO Group's DNA. Because in business, this is the reality: Companies that manage their environmental and social performance have superior financial performance and actually create more value for their shareholders. (Source: Professor of management practice, Robert G. Eccles at Harvard Business School).

For THORNICO, Company Karma is our way to take action in and around our companies – it is a direction

towards achieving a corporate culture and business strategy where environmental and social parameters are as essential as the financial ones.

The Company Karma Strategy is based on three pillars: Sustainable Growth, Branding & Communication and Corporate Culture. The three pillars are our holistic approach to secure that Company Karma is infused in everything we do on all levels.

Our primary purpose in Sustainable Growth is to create value-based and sustainable focused strategies – not only having top and bottom-line growth as development milestones. In 2022, we integrated ESG (Environment, Social, Governance) reporting into our strategy, reflecting our commitment to transparency and accountability progress in the THORNICO Group.

We continue matching individual and cross-company Sustainable Key Performance Indicators (KPI) and action points with the UN Sustainable Development Goals (SDGs), thus creating a bigger-picture narrative.

This Company Karma Report and all the related work are essential to this pillar. We confront sustainable growth in a way that meets today's needs without compromising our future generations' opportunities to meet theirs. You can read more about our work with Company Karma on the following pages.

Enjoy the read, and best karma wishes.

Ann-Sofie Crone Soltoft,

Head of Communications, Sustainability & Karma,
THORNICO Holding



PHOTO CREDIT: SØREN SOLKÆR, BHUTAN

THORNICO

Company Karma

Doing good while doing business

Sustainable Growth

Main Purpose:

Creating sustainable growth all over the THORNICO Group through holistic strategies. Taking a responsible role and acting on global challenges.

How:

Company Karma Strategy and Code of Conduct, including THORNICO policies linked to our human, globe, and economy approach. Individual as cross-company KPIs and action points as a part of the company strategy and united front towards sustainable growth. ESG reporting and UN SDGs communicated through Company Karma Reports.

Branding & Communication

Main Purpose:

Combining making a positive impact with differentiation and a unique market positioning.

How:

Company Karma Projects relevant and related to the company's core competencies or strategic focus aiming at creating value for the company itself, employees, partners and customers as for the cause of the project. LE NON MOI - THORNICO Prize paying tribute to people who enable us to experience le non-moi. Communicated through websites, social media and events.

Corporate Culture

Main Purpose:

Creating meaning, value and identity through a strong purpose in the companies as for the individual employee.

How:

Communication, participation and creating synergy through a variety of channels and karma events, e.g. MyKarma Projects, THORNICO Awards, THORNICO Event, INDRA's Net and Karma Walls etc. Focus on HR and internal communication across the THORNICO Group.



ABOUT THORNICO



IMAGINE A MULTIDIMENSIONAL SPIDER'S WEB IN THE EARLY MORNING COVERED WITH DEW DROPS. AND EVERY DEW DROP CONTAINS THE REFLECTION OF ALL THE OTHER DEW DROPS. AND, IN EACH REFLECTED DEW DROP, THE REFLECTIONS OF ALL THE OTHER DEW DROPS IN THAT REFLECTION. AND SO AD INFINITUM. THAT IS THE BUDDHIST CONCEPTION OF THE UNIVERSE IN AN IMAGE.



- Alan Watts

That is the philosophic conception of the universe in an image called Indra's Net, used among others by Alan Watts to describe the interconnectedness and interdependency of everything and everyone. THORNICO was formed in the imagery of this spiderweb; now a global net of 130+ companies in more than 50 countries interconnected with each other and our surroundings creating something more than just the sum of the individual parts.

THORNICO is a family-owned conglomerate consisting of a global group of companies operating in a truly diverse business portfolio comprised in seven different business sectors; Food, Food Technology, Packaging, Sport & Fashion, Shipping, Real Estate and Venture.

We strive to create synergy between our business and our people. From our vast real estate business merging concrete with nature in the urban environment, our pioneering experience with natural and functional ingredients as well as the handling and processing equipment designed for this, our solid and reliable shipping services, our sustainable packaging products and machinery, our investments in innovative and cutting-edge business solutions to our creative design and manufacturing of sports and fashion apparel and footwear.

And as our business keeps growing, we continuously add new dew drops expanding our THORNICO spiderweb. In the THORNICO group of companies, we see our interconnectedness as an opportunity to draw us closer to the people we work with, to 'tear down silos' and to think more holistically. We call this our Company Karma Philosophy. As a core value in our company culture, we believe that positive actions will send positive ripples across the infinite net touching every dew drop, every company, every colleague on its way. In a cohesive world, this can act as a never-ending spiral of positive change.

In THORNICO, we believe in ambition. But even more so, we are firmly aware that you seldom achieve goals on your own regardless of your level of ambition. That is where interdependency comes in.

Interdependency is the notion that everything is connected - often in ways we did not imagine. The nature of our world is that it is a place we all share, however, it is not a place of equal privileges or resources for all. The world is increasingly becoming a smaller and more transparent place to live, and people are becoming more aware of our interconnection than ever before. Nowhere else is this globalisation more apparent than in the business world as companies increasingly need to widen their focus and act on a global scale in order to succeed.

As a growing global company, THORNICO is evidently part of this development. Remaining transparent and interrelated is a key priority for managing our many businesses all over the world. Doing business in an interconnected world also gives THORNICO a global responsibility to act from a holistic mindset in relation to the world, its population and a joint future. In THORNICO, this responsibility is incorporated under the Company Karma business philosophy. We also refer to it as 'doing good while doing business' inspired by Benjamin Franklin's famous words:

doing well
by doing good

- Benjamin Franklin

THORNICO BUSINESS MODEL

*We are a family-owned global conglomerate
consisting of 130+ companies*

THORNICO – the name combination of *Thor* and *Nicholas* – took its form around the millennium, where father and son, Thor and Christian Nicholas Stadil, secured their investments in hummel®, SANOVO TECHNOLOGY GROUP as well as Lactosan and OVODAN, formerly LACTOSAN-SANOVO INGREDIENTS GROUP, kick-starting what has today become a billion-dollar conglomerate employing about 4000 people around the globe.

THORNICO's wide selection of companies has given us unique market insights and industry knowledge, which we leverage to create synergy between our businesses worldwide. Our business approach is tailored to the local market, and we engage in every activity in a respectful manner and endeavour to adapt to all cultural differences.

Our Company Karma Strategy is an essential part of our business model. It is THORNICO's greatest intention that while engaging in a multitude of businesses and industries, our strategy will enable sustainable growth in all of our companies and be an integrated part of all operations in all our businesses. It is a holistic approach to value creation where THORNICO strives for a 4 x win situation that benefits *business partners, customers, employees*, and an important and *life-improving cause* while the group companies prosper. Seeking to combine long-term strategies with the concern for key stakeholders is, thus, THORNICO's approach to creating more sustainable business practices.

All group companies are required to participate actively in the Company Karma Strategy.

Our Company Karma Report is divided into business sectors comprising companies which are represented individually in the report, given that all THORNICO group companies conduct business separately.

To learn more about our different business sectors and companies, visit our Group Structure pages at www.thornico.com or the direct company links provided at the end of the report.

MATERIALITY AND RISK ASSESSMENT

Doing business in six different sectors as a conglomerate comes with many opportunities, and alongside opportunities come a large number of material topics and hereby related risks. As a holding company (THORNICO), we are highly involved in our companies' activities, but with 130+ companies across the globe, we simply cannot be involved in all aspects of our businesses as it can be a challenge to control and keep a sense of perspective, which in itself can be a potential risk. Therefore, we have created our Company Karma Strategy and guidelines, including our Code of Conduct which deals with the sustainability perspectives. The guidelines and policies are adopted by the board of directors in all companies and must be followed and acted upon on all levels.

In THORNICO, we constantly strive to improve and effect sustainable growth positively, focusing on the three areas within our Code of Conduct: Human, Globe and Economy. You can read more about the THORNICO Policies later in this report.

We have initiated a new strategic approach to understanding the material sustainability issue and related topics within the companies' respective business sectors. This approach helps the group companies, as well as THORNICO in general, to better understand how to identify opportunities, mitigate risks and influence the areas that impact the most both inside-out and outside-in. To assess the topics within the different sectors we operate in, the group companies identify the most important factors in their value chain affecting all stakeholders, their communities, and themselves, taking both human, globe and economy topics into consideration and company impact. In the assessment process, all companies will categorise materiality matrix related topics within their respective business sectors in a matrix (please see Appendix 1 for the full list of topics) divided into three classifications: relevant, significant, and material topics.

All group companies will conduct an extensive materiality assessment every third or fourth year.



PHOTO: CHRISTIAN STADIL ON TOP OF THE THORNICO BUILDING IN ROTTERDAM

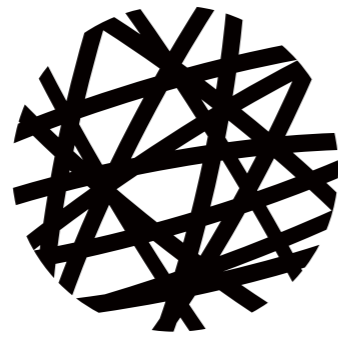
Based on that assessment, the group companies will commit themselves to new or improved sustainability Key Performance Indicators (KPIs) for a three-six year period.

The next period will follow our THORNICO Southampton Strategy Plan initiated in 2023 and follows the THORNICO Group towards 2028.

The KPIs and long-term sustainable business strategies are identified from the material topics. To demonstrate the global context of the topics and KPIs, we match and work with the UN Sustainable Development Goals (SDGs) – read more about our work with the SDGs on the following pages.

The latest extensive materiality assessment and KPI determination in the THORNICO Group took place in 2019, although all companies make yearly adjustments if necessary.

All group companies are responsible for identifying potential risks and seeking to regularly assess the risks they face in terms of bribery and corruption, environmental pollution, safe and healthy work conditions, human rights, etc. – policies referred to as Human, Globe and Economy in the THORNICO Group – in their industry and business-specific environments. A risk assessment looks at both the material and significant topics regarding the company's business activities, industries, local business conditions and customs and identifies risks in those activities. If high-risk activities have been identified, the company must look for ways to minimise the risk by providing countermeasures. It will never be possible to hedge against all actions fully, but working proactively with risk assessment can help identify where and when the company and its employees should be extra observant.



THORNICO

GROUP STRUCTURE



FOOD

CONTROLLING INTEREST

Egg and cheese processing, trading and biotech



FOOD TECHNOLOGY

CONTROLLING INTEREST

Food processing machinery and meditech



PACKAGING

CONTROLLING INTEREST

Egg and fruit packaging solutions



SPORT & FASHION

CONTROLLING INTEREST

Footwear and apparel design and manufacturing



REAL ESTATE

CONTROLLING INTEREST

Real estate ownership and letting



SHIPPING

CONTROLLING INTEREST

Ship owning, management and brokering, etc.

FOOD

CONTROLLING INTEREST

Egg and cheese processing, trading and biotech

- lactosan**
- OVODAN** RELIABLE EGG SOLUTIONS
- OVODAN** International as
- OVODAN** FOODS A/S
- OVODAN** Elprodukte GmbH & Co. KG
- OVODAN** EGG PRODUCTS UK LTD
- OVODAN** BIOTECH
- OVODAN**
- MÄT**

FOOD TECHNOLOGY

CONTROLLING INTEREST

Food processing machinery and meditech

- SANOVO** TECHNOLOGY GROUP
- SANOVO** PROCESS SOLUTIONS
- RAME-HART**
- FOODCRAFT**
- SANOVO** TECHNOLOGY PROCESS
- SANOVO** TECHNOLOGY ROBOTICS
- OVOTRACK**
- NIKRO** ENGINEERING PRODUCTION

PACKAGING

CONTROLLING INTEREST

Egg and fruit packaging solutions

- HARTMANN**
- SANOVO** 森沃 PACKAGING CHINA

SPORT & FASHION

CONTROLLING INTEREST

Footwear and apparel design and manufacturing

- hummel**
- newline**
- HALO** 1968|1972|1981
- MARK | ON**
- SOMETIME SOON** I WILL CHANGE THE WORLD

REAL ESTATE

CONTROLLING INTEREST

Real estate ownership and letting

- STANICO**

SHIPPING

CONTROLLING INTEREST

Ship owning, management and brokering, etc.

- THORCO PROJECTS**



VENTURE

NON-CONTROLLING INTEREST

Co-founder, seed, pre-seed and minority investor

VENTURE

NON-CONTROLLING INTEREST

Co-founder, seed, pre-seed and minority investor

- ALL UNITE**
- LIBERTINE LIBERTINE**
- EARLABS™**
- trendsales**
- Burd Delivery** we deliver - today
- myselfie.**
- REC**
- MyBestBook**
- W**
- ISTID**

* 50- 80% ownership

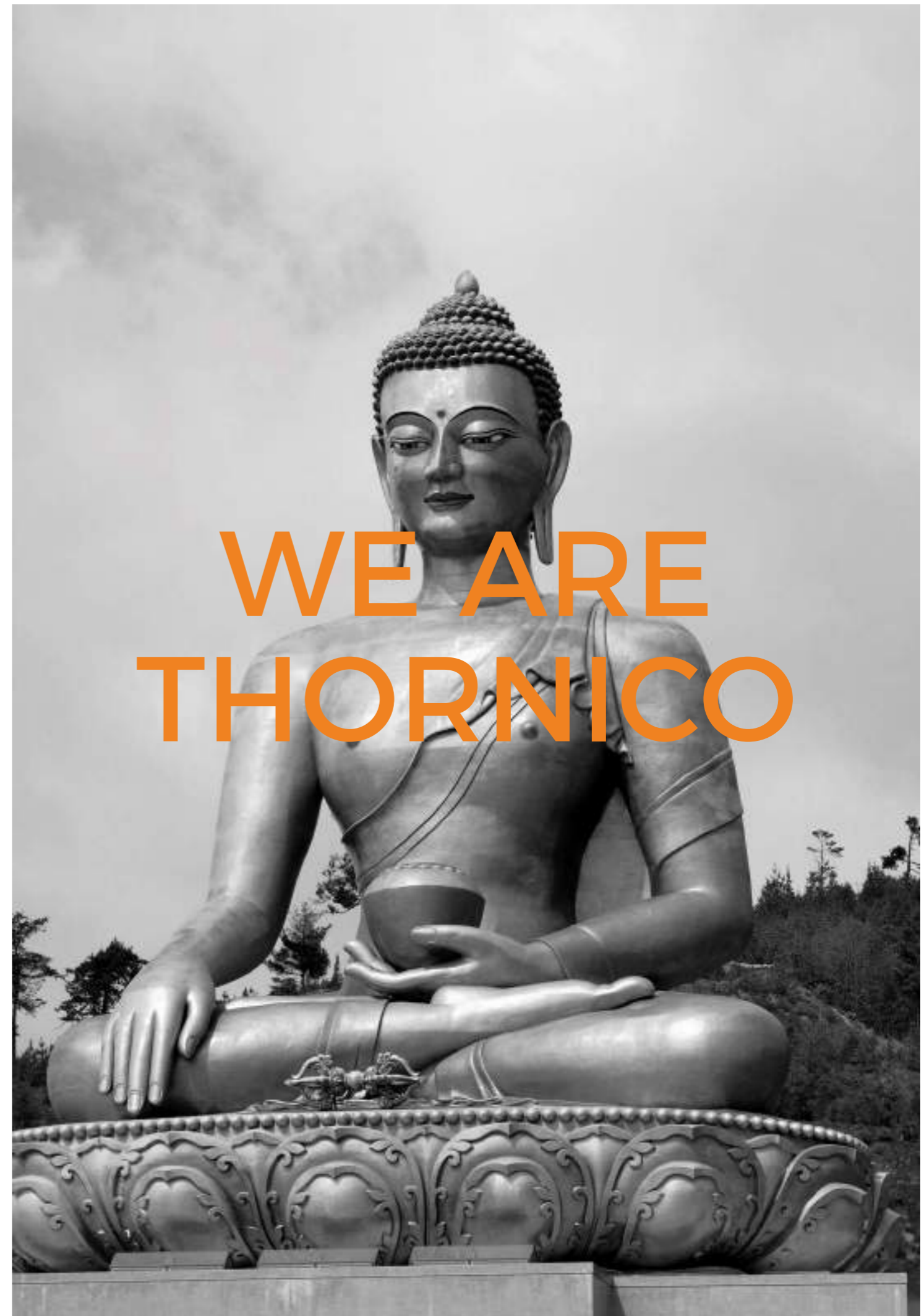
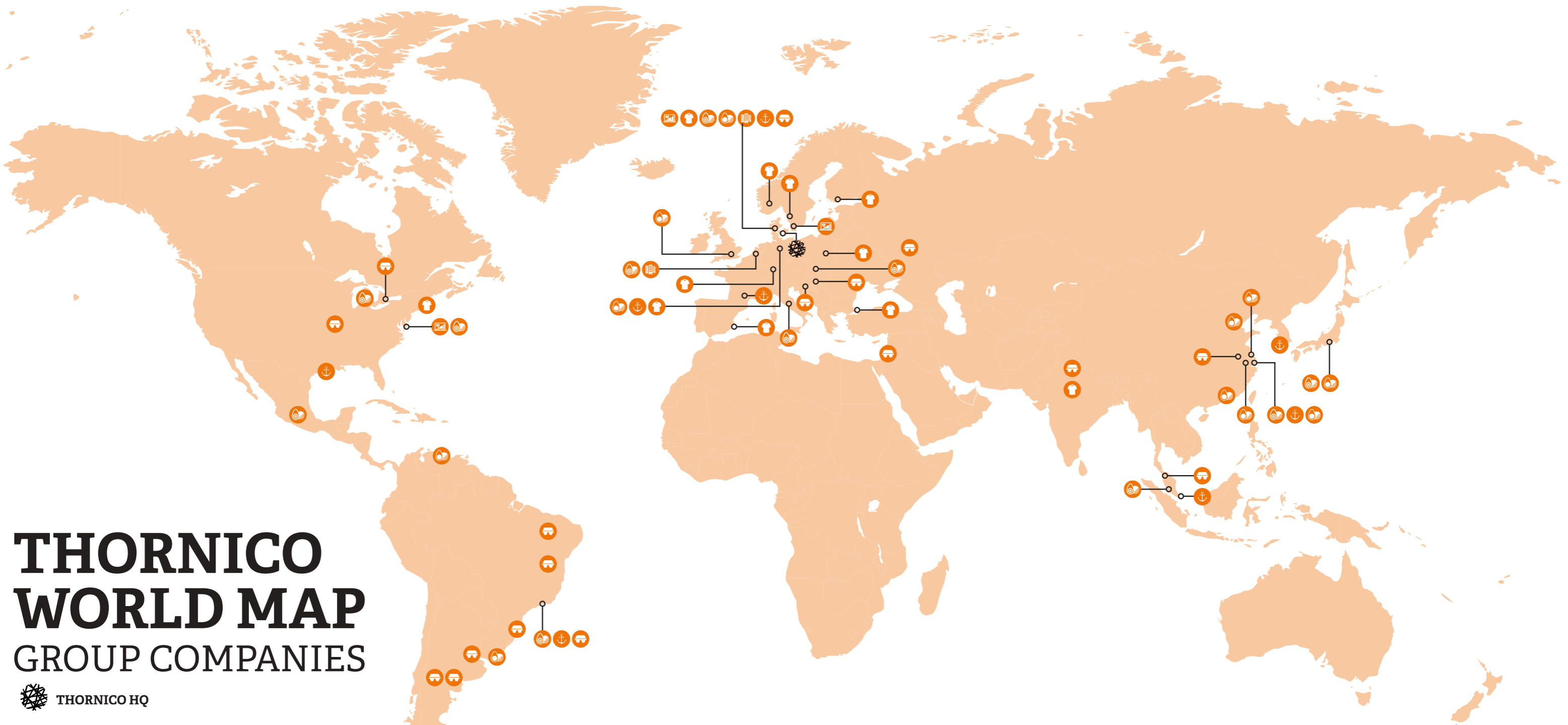


PHOTO CREDIT: SØREN SOLKÆR, BHUTAN



THORNICO WORLD MAP

GROUP COMPANIES



SPORT & FASHION

HUMMEL, Denmark
HUMMEL, Norway
HUMMEL, Sweden
HUMMEL, Germany (DACH)
HUMMEL, France
HUMMEL, Spain & Portugal
HUMMEL, Turkey
HUMMEL, India
HUMMEL, USA



FOOD TECHNOLOGY

SANOVO TECHNOLOGY, Denmark
SANOVO TECHNOLOGY, Netherlands
SANOVO TECHNOLOGY, Italy
SANOVO TECHNOLOGY, Asia
SANOVO TECHNOLOGY, China
SANOVO TECHNOLOGY, Japan
SANOVO TECHNOLOGY, USA
SANOVO TECHNOLOGY, Mexico
SANOVO TECHNOLOGY, South America
SANOVO TECHNOLOGY PROCESS, Denmark
SANOVO PROCESS SOLUTIONS, Denmark
RAME-HART, USA
FOODCRAFT, USA
NIKRO, Slovakia
OVOTRACK, Netherlands



FOOD

LACTOSAN, Denmark
LACTOSAN S.A., Uruguay
LACTOSAN Ltd., United Kingdom
LACTOSAN-SANOVO Japan Ltd., Japan
LACTOSAN China Ltd., China
OVODAN FOODS, Denmark
OVODAN INTERNATIONAL, Denmark
OVODAN BIOTECH, Denmark
OVODAN EGG PRODUCTS Ltd., United Kingdom
OVODAN EIPRODUKTE GmbH & Co. KG, Germany
OVODAN EGG Ltd. Nantong, China
TAIYO FOODS Co. Ltd., China
SUZHOU OVODAN FOODS Co., Ltd., China
GUANGDON OVODAN FOODS Co., Ltd. China
PRODUCTOS DANIMEX, Venezuela
MÁT FOODS, Denmark



REAL ESTATE

STANICO A/S, Denmark
STANICO, Netherlands



SHIPPING

THORCO PROJECTS A/S, Denmark
THORCO PROJECTS, America Inc.
THORCO PROJECTS, Germany GmbH
THORCO PROJECTS, South Korea
THORCO PROJECTS, France
THORCO SHIPPING, Brazil
THORCO PROJECTS, China
THORCO SHIPPING Pte. Ltd., Singapore



PACKAGING

HARTMANN TECHNOLOGY, Denmark
HARTMANN, Denmark
HARTMANN, Hungary
HARTMANN, Croatia
HARTMANN, Russia
HARTMANN, Israel
HARTMANN, Canada
HARTMANN, USA
HARTMANN, Brazil
HARTMANN, Argentina
HARTMANN, India
SIANGPACK Sdn Bhd, Malaysia
SANOVO PACKAGING CHINA, China



VENTURE

ALLUNITE
TREND SALES
WOOMIO
MIN BEDSTE BOG
BURD DELIVERY
REC WATCHES
ISTID
FREEMI
EARLABS
MYSELFIE
LIBERTINE-LIBERTINE

THORNICO X ESG

A UNITED FRONT

Compliance, responsibility, and commitment

ESG stands for Environment, Social, Governance, and it refers to a set of criteria used to evaluate a company's long-term sustainability and ethical practices; it can potentially drive positive change for investors and society as a whole.

In the THORNICO Group, we have initiated an approach towards working with Key Performance Indicators (KPIs) and action points - putting on a united front fighting some of the world's most immediate problems. Today, the world is bringing some of these problems into focus, and if we stand together, we are a lot stronger and can achieve great things. The UN Sustainable Development Goals (SDGs) constitute an excellent example of how the world comes together in a global partnership with a multi-stakeholder approach and how small changes can make a big difference.

In THORNICO, we have previously chosen to focus on our plastic usage and on how we, as a group with a global net of 130+ companies, can contribute jointly putting up a fight against the plastic pollution problem the world is facing both in a local as well as global perspective – having a positive impact and taking action wherever possible. While this plastic KPI is no longer a part of our united front strategy, our group companies keep working on their positive contribution to fighting the plastic pollution problem.

In prior years, we concentrated on company-specific KPIs and action points, meaning that all THORNICO group companies have been working with individual targets most salient for their business and sectors. A few years back, we added a united strategy. It is important to mention that in addition to this united front, taking on a cross-company action point, each group company is still focused on their specific KPIs and where they, as a company, have the most impact.

In THORNICO, we have been committed to sustainability and responsible business practices for many years. THORNICO has recently focused on integrating ESG considerations into our sustainability strategy to document and embed our sustainability journey in the THORNICO Group.

While the group companies have worked and invested in various initiatives prioritising

environmental and social sustainability to achieve their sustainability targets for many years and have set measurable targets across their portfolio in areas such as carbon emissions, waste reduction, and social impact, the implementation of ESG reporting will enhance our compliance, responsibility and commitment.

ENVIRONMENT

In terms of the environment, THORNICO has, in 2021, initiated and increased a strategic focus on how we as a group can successfully contribute to the green transition by acquiring knowledge of how the THORNICO Group impacts the climate and how we can reduce our carbon footprint by tapping into the green agenda and contribute to leaving behind a liveable planet for the generations to come. Climate change is one of the most pressing issues facing our world today. It is the result of a range of human activities, including the burning of fossil fuels, deforestation, and the release of greenhouse gases. The impacts of climate change are already being felt worldwide, from more severe weather events to rising sea levels and increased wildfires.

We must act on climate change for the sake of our planet, economy, and society. The longer we wait, the harder it will be to address the problem, and the more devastating the consequences will be. By working together to reduce our group's carbon footprint and invest in sustainable solutions, we can build a better future for ourselves and future generations.

In THORNICO, across companies, we teamed up with Viegand Maagøe (<https://viegandmaagoe.dk/en/>) as consultants for this highly complex task to benefit from their expertise in transitioning THORNICO into a more green and sustainable company by mapping the group's carbon footprint and working with strategies to reduce our CO₂-emissions.

The first step has been to conduct an extensive collection and mapping of data in all companies worldwide to create an overview and to prepare the

THORNICO ESG FIGURES

ENVIRONMENT	
GREENHOUSE GAS (GHG) EMISSIONS	Unit
CO ₂ Scope 1	Tons
CO ₂ Scope 2	Tons
CO ₂ Scope 3	Tons
Energy	Mvh
(% renewable)	%
Water	m3
Waste	Tons
SOCIAL	
Full time employees (FTE)	FTE #
Working days per year	Days
Full time sick days for year (total, untill long term sick leave)	Days
Long term sick leaves	#
Accidents	#
Near by accidents	#
Fatalities (if any)	#
GOVERNANCE	
BOARD OF DIRECTORS	
Female	%
Male	%
MANAGEMENT	
Female	%
Male	%
ALL EMPLOYEES	
Female	%
Male	%
Corporate income tax	Amount (local currency)
Employment taxes	Amount (local currency)
Instance of whistleblowing	#

climate accounts in accordance with The Greenhouse Gas (GHG) Protocol - providing a detailed overview of scope 1, 2 and 3: The GHG Protocol supplies the world's most widely used greenhouse gas accounting standards (<https://ghgprotocol.org/>).

The object has been to clarify which activities to approach and to prioritise actions in the different group companies to reduce the carbon footprint of the group's activities. We will continue our work tapping into the green agenda and set out specific goals and KPIs for our carbon footprint reduction in the THORNICO Group one step at a time. You can read more about the process and climate actions in the company-specific sections.

The integration was initiated in 2022 so this year is also the baseline year for the main part of the consolidated data, which we will include in future reports.

In this annual Company Karma Report, THORNICO publish our group companies' progress towards its goals and sustainable targets. You can read about the THORNICO companies on the following pages in this report.

SOCIAL

In THORNICO, the social aspect of our sustainability agenda has always been a significant priority and focus area both in and around our companies. Our belief is that people represent our most precious asset.

While our ESG reporting data focuses on THORNICO group employees and their welfare regarding sick leaves and job related accidents, we also have different Company Karma Projects in our THORNICO Group with a social focus. For example, through our Heart for Africa Project, we support the project and its people through different donations. Also, hummel has many different Company Karma Projects deeply rooted in their purpose: Change the World Through Sport. hummel strongly believes that sport is a common language that unites people across nationalities, religions, cultures, genders, and politics. Diversity and equality are deeply rooted in hummel's DNA.

It is THORNICO's ambition to support projects and initiatives that, in different ways, build on different

core competencies and expertise to create a better tomorrow for everyone through Company Karma Projects.

You can read more about our projects [here](#).

GOVERNANCE

In terms of governance, THORNICO has established a set of ethical principles in our Code of Conduct that guide business practices and decision-making processes. The THORNICO group company's board of directors and management team are committed to upholding these principles and ensuring that the company operates transparently and responsibly.

The companies also actively work on increasing the underrepresented gender at our boards and management levels.

As a global conglomerate with more than 4000 employees worldwide, THORNICO recognises the importance of contributing to the societies and countries in which it operates. One of the ways THORNICO contributes is through tax payment, both in terms of corporate and employee taxes. By doing so, THORNICO contributes to the social and economic development of the countries we operate in.

In THORNICO, we believe that operating with transparency fosters trust, accountability, and integrity, both internally and externally. In 2023, we have implemented a whistleblower system that allows our employees to make anonymous reports about actual or suspected misconduct that can affect our company or the well-being of people.

Instances of whistleblowing will be a part of our ESG reporting going forward.

In conclusion, THORNICO's integration of ESG considerations into our sustainability strategy is an important step towards responsible business practices focusing on data-driven, transparent, and accountable sustainability initiatives, highlighting our commitment to driving positive change and promoting the well-being of communities and the environment.

PHOTO CREDIT: SØREN SOLKÆR, BHUTAN

THORNICO X UN SDGs

We are stronger together

A part of THORNICO's Company Karma Strategy is working with the UN SDGs in all group companies. We have and will continue our great work matching our Company Karma Key Performance Indicators (KPIs) across our conglomerate with the SDGs because it helps us communicate the goals in a way that raises attention and calls to action.

With a necessary ambition of uniting governments, businesses and civil society together with the United Nations (UN), a new mission has begun: Eliminate extreme poverty, fight inequality and tackle climate change before 2030.

In THORNICO, we continuously work to develop and improve our Company Karma Strategy, hence our work with integrating the SDGs into our philosophy.

We used the SDGs to make our sustainability work much more tangible. We have initiated a process where we match our KPIs with the 17 UN Goals and work more strategically with an 'outside in' approach. We work with the SDGs as a platform to drive business development and explore new sustainable business ideas, being innovative and creative within our different business sectors and companies in the THORNICO Group.

The SDGs have generated a widened understanding within THORNICO as to answering the big WHY creating a more tangible approach for all our employees, partners, etc.

Thus, initiatives like the SDGs emphasise the importance of businesses stepping up and into this global agenda, using local efforts such as Company Karma.

In THORNICO, we focus on ten specific goals that we, through our group companies, are particularly positioned to work with and contribute to the UN 2030 agenda on 'transforming our world'. You can read much about our work with the SDGs later in this report.



OUR POLICIES

THORNICO Code of Conduct

As a worldwide conglomerate, THORNICO has a global responsibility to act from a holistic mindset in relation to the world, its population and a joint future. THORNICO's responsibility is incorporated under the Company Karma Philosophy, which is a core aspect of how THORNICO intends to do business regardless of industry and market. To secure a continuous dedication and development of Company Karma, THORNICO's Code of Conduct introduces several Company Karma tools that manifest the business philosophy in all business sectors in THORNICO and our group companies.

THORNICO seeks to establish a widespread and global commitment to responsible business practices to support the transparency and interconnectedness of our businesses worldwide.

In that respect, THORNICO has established a Code of Conduct as both an internal tool to guide all group companies and their subsidiaries in terms of the joint corporate responsibility they have to all of their internal and external stakeholders and as an external way of communicating the THORNICO Policies. A united dedication to Company Karma will increase the positive impact that THORNICO has on our surroundings while functioning as a valuable business differentiation that will be echoed in the business world at large.

THORNICO's Code of Conduct emanates from the following declarations:

- United Nations Universal Declaration of Human Rights (1948)
- ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up (International Labour Conference, 18 June 1998)
- Agenda 21 (UNCED Rio 1992)
- United Nations Convention against Corruption (General Assembly resolution 58/4 of 31 October 2003)

The policies and regulations are a natural part of our Company Karma Philosophy and elaborate on THORNICO's general approach to responsible business practice and identify the measures that need to be taken to uphold this responsibility, which is a core value throughout all companies. On a board level, all companies have committed themselves to comply with our Code of Conduct inclusive policies regarding human rights, labour, environment, anti-corruption and General Data Protection Regulations (GDPR) to prevent any breach and to make sure that the policy is implemented correctly in all THORNICO companies and is fully met by all employees, including managers and directors. The THORNICO Code of Conduct is divided into three key focus areas securing a holistic approach to the companies' responsibilities: Human, Globe and Economy.

CEOs and Heads of Business Units are responsible for incorporating and complying with the Company Karma Policies within their respective areas of responsibility.

As THORNICO is comprised of many different group companies doing business within various industries and markets, it is only natural to expect that the Company Karma Policies will be upheld in different ways. In addition to the specific courses of action specified under each policy, group companies can identify their ways to comply with the Company Karma Policies. Furthermore, the individual company is free to develop any supplementing policies, guidelines and certificates that add to or exceed the Company Karma Policies, as long as these are still maintained.

The following sections will introduce the three focus areas with their respective policies.

Human

Globe

Economy

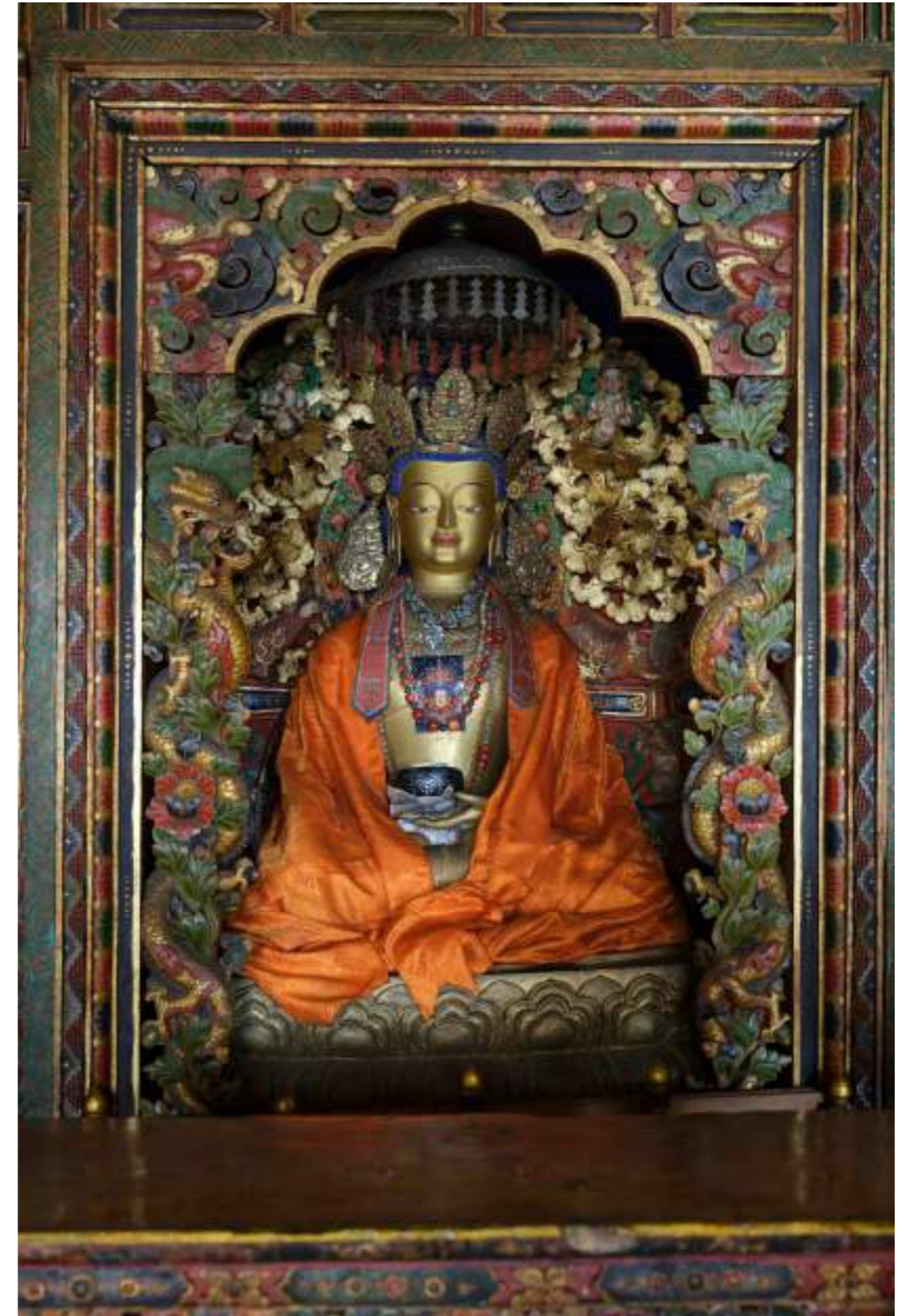


PHOTO CREDIT: SØREN SOLKÆR, BHUTAN

Human

'Human' is THORNICO's devotion to the well-being of the people working in and around THORNICO. In THORNICO, we are committed to supporting the protection of internationally proclaimed human rights to make sure that businesses are not complicit in human rights abuse (United Nations Universal Declaration of Human Rights, 1948) both in respect of employees and partners, but also on a larger societal level. Furthermore, THORNICO is committed to the fundamental principles and rights of labour and workplace to uphold the freedom of association and the effective recognition of the right to collective bargaining, elimination of all forms of forced and compulsory labour, effective abolition of child labour, elimination of discrimination in respect of employment and occupation (ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up (International Labour Conference, 18 June 1998)). We work hard to establish a safe, fair and healthy work environment that motivates the people who constitute the backbone of the company.

Additionally, we have introduced all our European companies to the regulations of GDPR and other rules concerning the protection of personal data to ensure that they meet the rules accordingly. Our companies have taken part in a risk assessment and mitigation process to ensure all regulations are met. In 2021, we supplemented our existing data protection efforts with a data ethics policy, reflecting THORNICO's commitment to managing data responsibly. Please visit thornico.com to access the policy.

- THORNICO is dedicated to protecting internationally proclaimed human rights and endeavours to minimise any form of adverse impact on such rights and endeavours.
- THORNICO does not exercise or encourage any kind of forced or compulsory labour.
- THORNICO works for the abolishment of child labour of any sorts.
- THORNICO is committed to providing a safe and healthy work environment for all of its employees.
- THORNICO strives to eliminate any kind of discrimination throughout employment and working life of its employees.
- THORNICO fully recognises employees' right to collective bargaining and encourages the freedom of association.

- THORNICO is committed to complying with the General Data Protection Regulation (GDPR) introduced in 2018 in the EU in order to protect personal data and complying with the THORNICO Data Ethics Policy.

In THORNICO, we face some significant risks in relation to our 'Human' policy and activities and non-compliance with THORNICO's Code of Conduct internally or in the value chain throughout the THORNICO subsidiaries. The main risks are political instability or ongoing conflicts in countries where we operate. In such environments, human rights abuses may be more prevalent, and workers may lack legal protections. Also, weak rule of law and lack of transparency around business practice is a risk when we are unable to trust the legal system and to trust suppliers. Unfortunately, discrimination against certain groups and inequality is widespread in many parts of the world, which is also a risk THORNICO faces.

Since 2015, we have been working with our insurance brokers and insurance company to reduce risk, including risk for our employees and the environment, in our production sites worldwide through our Loss Prevention Programme.

Through this program, we have defined high standards for all areas of our production facilities, including life safety and training, security, natural hazards and environmental risks. Our production sites worldwide are regularly audited according to these standards, and we act upon any non-satisfying results which are not in compliance with THORNICO's 'Human' Policy.

All THORNICO companies oversee accidents and nearby accidents and report them, if any, to THORNICO Holding through the collected ESG data for contemplation on further safety instructions.

Some THORNICO Group companies operate in high-risk countries regarding human rights and upholding these rights. Especially when operating with third-party production sites, our companies are extra careful and assess the human right risks in the operating country and migrate the risks by conducting due diligence on suppliers. For example, in the textile industry, child labour is prevalent. We use several due diligence measures to ensure that no child labour occurs, such as third part audits, and visits from the HQ and CSR team, quality control staff, and local office staff.



PHOTO CREDIT: LACTOSAN, CHEESE POWDER PRODUCTION

Further out in the supply chain, in the raw material cultivation stages, it is much more complex and this is often where most violations occur, but by mapping the supply chain as comprehensively as possible in order to better locate and mitigate potential risks we are able to determine the points that constitute the highest risks.

Occupational health and safety are significant human rights risks in our supply chain when working in the textile and garment industry; consequently, our Sport & Fashion sector is a part of the International Accord in Bangladesh and Pakistan, created in the aftermath of the Rana Plaza disaster in Bangladesh.

We review and update our 'Human' Policy annually to reflect contemporary changes, such as forbidden sourcing areas, countries or new areas of human rights concerns such as forced or child labour.

Several countries and regions have specifically been excluded as operating countries due to a very high breach risk of THORNICO's 'Human' Policy.

In 2022, all THORNICO employees within the EU conducted mandatory GDPR and security awareness training to educate our employees to comply with the regulations.

In THORNICO, we continuously measure developments in gender composition on board- and management levels and work towards equal gender representation (read more about THORNICO's gender representation later in this report).

All companies in the THORNICO Group have committed to responsibly running their companies according to local and internationally approved conventions within labour, human rights and GDPR.

In the THORNICO Group, we have, to the best of our knowledge, not experienced any breaches of our 'Human' Policy.

Globe

'Globe' is THORNICO's engagement in facing some of the environmental challenges that are constantly threatening the world we live in. This includes supporting a precautionary approach to environmental challenges, undertaking initiatives promoting greater environmental responsibility, and encouraging the development and diffusion of environmentally friendly technologies (Agenda 21, UNCED, Rio 1992).

The world is constantly threatened with environmental challenges and we as a conglomerate must act. Within the principles of 'Globe', in THORNICO, we strive to minimise any negative environmental impact the company might have.

- THORNICO takes a precautionary approach to environmental challenges through environmentally sustainable business procedures and technologies.
- THORNICO is dedicated to promoting greater environmental responsibility by developing and supporting environmentally friendly initiatives.

Some of the significant risks we face in relation to our 'Globe' Policy and our related activities are wastewater spillage, noise pollution, energy consumption, and greenhouse emissions. Risks are monitored locally in the THORNICO group companies and through THORNICO's ESG data collection.

As mentioned above, we are working with our insurance brokers and insurance company to reduce risk, including risk for our employees and the environment, in our production sites worldwide through our Loss Prevention Programme.

Through this program, we have defined high standards for all areas of our production facilities,

including environmental risks, and our production sites worldwide are regularly audited according to these standards.

In the THORNICO Group, we prioritise using environmentally friendly materials to develop new equipment, new buildings or renovations etc. These materials are chosen for their recyclability, low environmental impact, and efficient use of energy, chemicals, and water. We optimise energy consumption in our production units, office buildings, etc., using renewable energy sources, energy-efficient technologies, and other energy-saving practices.

On third-party production sites, we have multiple supplier visits every year to eliminate the risks of air and water pollution, which often is the most significant issue in the high-risk countries in which we operate. During these types of visits, the concerns with wastewater treatment systems and the necessity to not only have a system in place but an efficient one is addressed. In most areas of our productions, it is by law required to have a water waste treatment system in place.

All THORNICO companies have committed themselves to reducing their CO₂ emissions and running their companies according to local and internationally approved conventions within the environmental legislation and regulations responsibly.

In the THORNICO Group, we have, to the best of our knowledge, not experienced any breaches of our 'Globe' Policy.



PHOTO CREDIT: STANICO, BEEHIVES ON THE GREEN ROOFTOP AT THE THORNICO BUILDING IN ROTTERDAM



PHOTO CREDIT: THORCO PROJECTS

Economy

'Economy' is THORNICO's dedication to conducting our business activities sustainably, dissociating the conglomerate from any illegal, corrupt and oppressing actions that hinder or create disproportionate economic growth of society. In THORNICO, we work against corruption in all its forms, including extortion and bribery (United Nations Convention against Corruption, General Assembly resolution 58/4 of 31 October 2003).

- *THORNICO is dedicated to preventing and working against any kind of illegal, corrupt or oppressive actions including extortion and bribery.*

The THORNICO UK Tax Strategy in accordance with the UK Finance Act (Finance Act, 2016) can be found on thornico.com

Being a worldwide conglomerate doing business all over the world carries some significant risks in relation to our 'Economy' Policy and activities. The THORNICO group companies are located and conduct business in low- and high-risk countries regarding corruption. The main risks related to our companies activities include employee and sub-supplier violation of the THORNICO 'Economy' Policy.

To uphold our policy, we, for example, monitor if there seem to be suspicious amounts within offers to customers, and if this should be the case, we will deny taking up the order. We also check that all customer payments go to the same account as originally agreed.

Regarding audits of third parties, most are paid by the supplier and used by all its customers, and the system is not always ideal as it is a win-win for the supplier, the brand and the auditor, but not necessarily for the workers. Therefore, we aim to increase our presence at the factories and improve our risk assessments to know when to pay for a third-party audit to eliminate this risk.

All companies in the THORNICO Group have committed to running their companies according to local and internationally approved conventions, including eliminating any form of corruption. In the THORNICO Group, we have, to the best of our knowledge, not experienced any breaches of our 'Economy' policy.

EQUAL GENDER REPRESENTATION

Report on the Gender Composition in Management cf. section 99 b of the Danish Financial Statements act.

In THORNICO, we firmly believe in equality and are committed to creating equal gender representation in all group companies worldwide: focusing first and foremost on a board member level as well as higher managerial levels to secure commitment to gender equality from the very top of the companies.

hummel® continues to be a part of several projects around the world working on strengthening women's rights and generally reducing inequality through sport. For example, hummel® supports the organisation Football for a New Tomorrow (FANT) who works to improve gender equality and opportunities for women to participate in sports in Sierra Leone. A few years back, hummel® took part in establishing FANT's little sister, Handball for a New Destiny (HAND), which focuses on actively including women in the sport.

HAND introduces girls to handball when hosting big sporting events, teaches girls about the rules of the game, gives out handball equipment, and establishes handball clubs where the girls meet regularly and are informally educated in democratic principles and human rights.

In January 2023, HAND, hummel® and IHF continued for the fourth IHF World Championship in a row, their 'Player of the Match' award initiative at the 2023 IHF Men's World Championship. The "Player of the Match" award was made on behalf of the players to the FANT initiative and its projects in Sierra Leone.

In the world of business and as a family-owned conglomerate, in which father and son, Thor Stadil

and Christian Stadil, are a part of almost every board, it is inevitable to see an innate overweight of male board members at nearly every board in THORNICO. This is due to Christian's and Thor's ongoing commitment and dedication to THORNICO and not an expression of intended gender bias. The Policy of Equal Gender Representation entails the following requirements for all THORNICO companies:

- A requirement to select and present qualified representatives of gender equality in relation to internal and external recruitment.
- A requirement to ensure a transparent recruitment process with clear information about an explanation of the qualification demands.
- Continuous talent and management development with a specific focus on promoting an equal gender distribution in all management groups.
- A commitment to a yearly assessment of the gender distribution in management in all business areas as well as targeting specific percentages of gender distribution and following up on these prioritised areas.

We aim at reaching a balanced composition of gender in the THORNICO workforce on a long-term perspective. We continue to employ and promote a diverse group of people to strengthen the decision-making process and the innovation of new products and marketing. We will always employ the person we evaluate as the most suitable and capable match for the position.



PHOTO CREDIT: ANNIE FRIDAY, HANDBALL COACH - HANDBALL FOR A NEW DESTINY (HAND) IN SIERRA LEONE

GENDER REPRESENTATION IN THORNICO BOARDS

§ 99 b.*

THORNICO A/S / THORNICO Holding A/S: On the date of the Company Karma Report of 2022, the board consists of one woman and two men. Consequently, gender representation is considered equal.

hummel A/S / hummel Holding A/S: On the date of the Company Karma Report of 2022, the boards of the companies consist of one woman and three men. Consequently, gender representation is considered equal.

THORNICO Food & Food Technology Group A/S: On the date of the Company Karma Report for 2022, the board consists of three men. It is the company's target to have a minimum of one female member by no later than 2026. As a subsidiary of THORNICO, THORNICO Food & Food Technology Group A/S is a close part of an owner-led business and as a consequence, the owners (who happen to be male) are closely involved in the business including in the board.

Brødrene Hartmann A/S: On the date of the Company Karma Report of 2022, the board consists of one women and three men (shareholder-elected members only). Consequently, gender representation is considered equal.

Lactosan A/S: On the date of the Company Karma Report of 2022, the board consists of three men. Gender representation remains unchanged from 2021. It is the company's target to have a minimum of one female board member by no later than 2024.

As a subsidiary of THORNICO, Lactosan A/S is a close part of an owner-led business and as a consequence, the owners (who happen to be male) are closely involved in the business including in the board.

SANOVO TECHNOLOGY A/S: On the date of the Company Karma Report of 2022, the board consists of three men. Gender representation remains unchanged from 2021. It is the company's target to have a minimum of one female board member by no later than 2026.

As a subsidiary of THORNICO, SANOVO TECHNOLOGY A/S is a close part of an owner-led business and as a consequence, the owners (who happen to be male) are closely involved in the business including in the board.

THORCO PROJECTS A/S: On the date of the Company Karma Report of 2022, the board of the company consists of one woman and two men. Consequently, gender representation is considered equal.

* THORNICO companies covered by legislation.

In 2022, we continued our communication approach, focusing on where we need to ensure and improve diversity in our organisation. On a group level, we will continue to focus on communicating diversity and emphasise the good examples, cases and role models we have in our group companies as sources of inspiration and motivation. At the same time, we continue our data collection of gender distribution at managerial levels and above in all group companies. In 2022, we collected gender representation data on all levels of the companies. The share of female managers within these groups is 28%.

Additionally, in 2022, we also collected statements from all group companies. These insights guide our initiatives and help us track our efforts and policy commitment.

The policy enacted by the THORNICO Board of Directors to increase the number of the underrepresented gender at the company's board levels as well as higher managerial levels applies internationally to all THORNICO group companies and subsidiaries. We monitor gender distribution through our ESG reporting and annual screenings of the gender composition in different parts of the group to identify areas where a significant underrepresentation of gender exists.



THE POLICY ENACTED BY THE THORNICO BOARD OF DIRECTORS TO INCREASE THE NUMBER OF THE UNDERREPRESENTED GENDER AT THE COMPANY'S BOARD LEVELS AS WELL AS HIGHER MANAGERIAL LEVELS APPLIES INTERNATIONALLY TO ALL THORNICO GROUP COMPANIES AND SUBSIDIARIES.



PHOTO CREDIT: SØREN SOLKÆR, BHUTAN

FOOD TECHNOLOGY

WITH AN EXTENSIVE PRODUCT RANGE, OUR FOOD TECHNOLOGY COMPANIES OFFER OUR CUSTOMERS INNOVATIVE, FLEXIBLE AND EFFICIENT SYSTEMS. WE ARE THE WORLD LEADING SPECIALIST WITHIN THE DEVELOPMENT AND MANUFACTURE OF HIGH-STANDARD EGG HANDLING AND PROCESSING EQUIPMENT. CONSTANTLY MONITORING INDUSTRY TRENDS, WE HAVE ALSO EXPANDED OUR PRODUCT PORTFOLIO WITH THE INTRODUCTION OF SPRAY DRYING OF OTHER PROTEIN APPLICATIONS, ROBOTS, EQUIPMENT FOR HATCHERIES AND ENZYMES. WE ARE COMMITTED TO KEEP DEVELOPING THE MOST ADVANCED AND EFFICIENT SOLUTIONS TO MEET THE FUTURE CUSTOMER DEMANDS FOR HIGH QUALITY, CAPACITY AND BIOSECURITY.



ABOUT

SANOVO TECHNOLOGY GROUP

INTRODUCTION

This report aims to provide a balanced overview of SANOVO TECHNOLOGY GROUP's overall CO₂ reduction goals, CO₂ emissions according to the Greenhouse Gas Protocol (GHGP) Scopes 1, 2 and 3, Karma and workplace initiatives. All SANOVO TECHNOLOGY GROUP's focus areas are related to the UN Sustainable Development Goals (SDGs). It has been decided not to commit to Science Based Targets initiative until SANOVO TECHNOLOGY GROUP has a more extensive database. But its targets going forward will follow the requirements of 42% reductions in Scopes 1 and 2 by 2030.

SANOVO TECHNOLOGY GROUP refers to the year 2021 as the baseline for all goals and the year where it has initiated mapping the CO₂ equivalents and measurements regarding the GHG-Protocol. In 2021, it did not include all companies in SANOVO TECHNOLOGY GROUP, but decided to start mapping them as well going forward. In 2022, SANOVO TECHNOLOGY GROUP has worked to collect and register data for CO₂ emission calculations for all companies in the group to get an even more precise idea of what lies within Scopes 1, 2 and 3. There is still room for improvement in the data

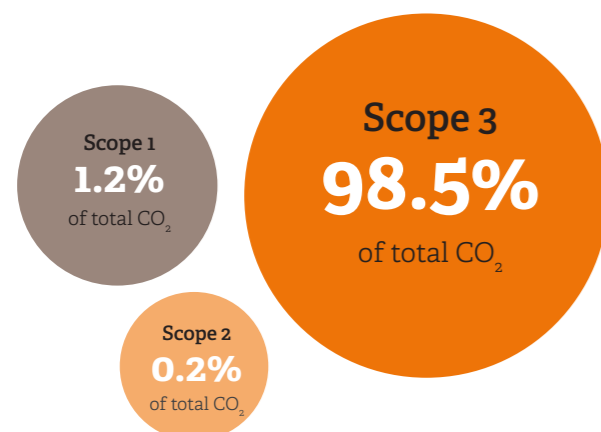
collection, but overall, the picture gives a fair general picture of the CO₂ emissions and where efforts and improvements can be made to improve and reduce the overall CO₂ emissions. Due to the difference in the data basis from 2021 to 2022, it is difficult for SANONVO TECHNOLOGY GROUP to compare its emissions and improvements in the report.

TOTAL CO₂ EMISSIONS:

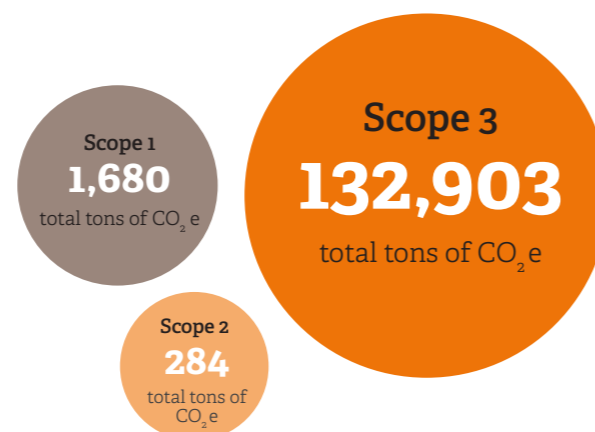
The 2022 mapping has been conducted in collaboration with the external consultancy Viegand Maagøe. The objective has been to bring clarification of which activities to approach and prioritise actions to reduce the carbon footprint.

The investigations have unveiled that the main part of the emissions lies within Scope 3 with tons of CO₂e equalling 132,903 (98.5%). This is mainly due to sold products and purchased goods. The direct emissions (Scope 1) accounted for 1,680 (1.2%) tons of CO₂e and the indirect emissions from supplied energy (Scope 2) was 284 (0.2%) tons of CO₂e. Total tons of CO₂e in 2022 amounted to 134,866.

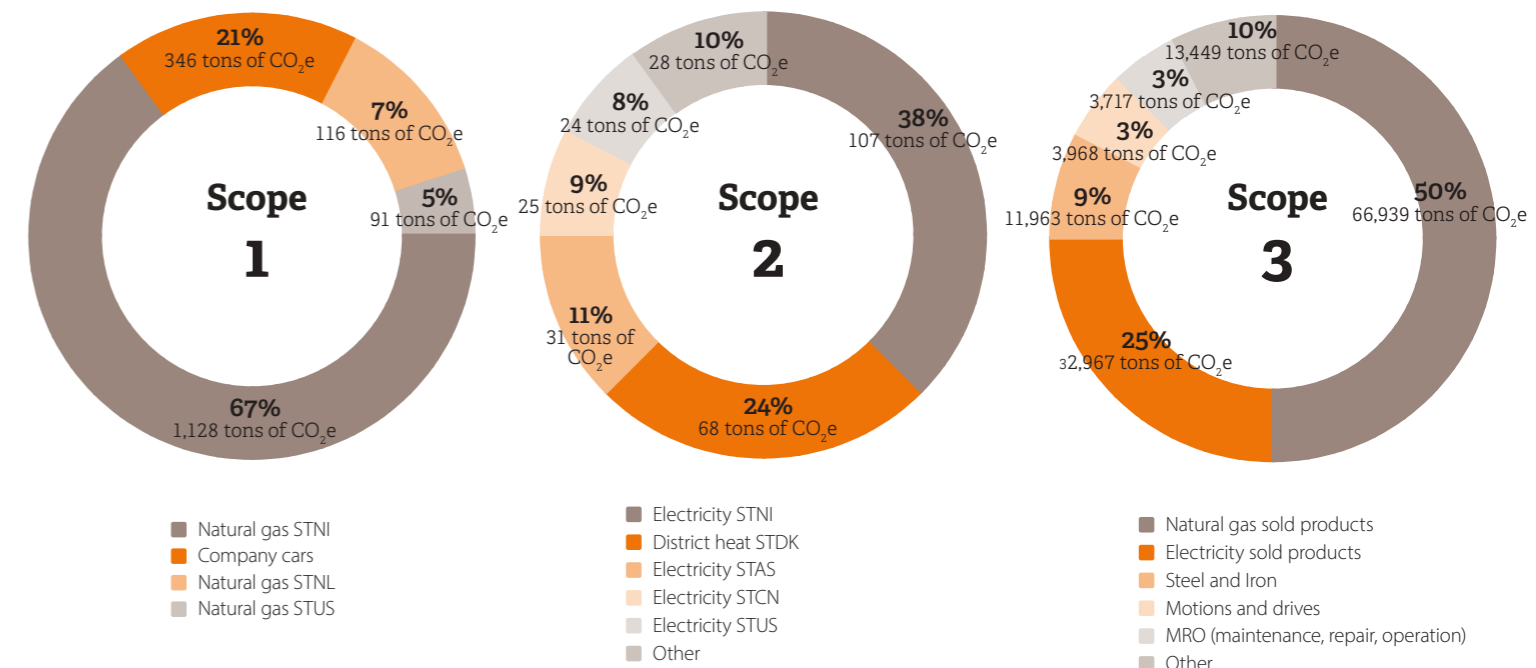
DISTRIBUTION OF CO₂ EMISSIONS IN 2022



TOTAL TON CO₂ EMISSIONS IN 2022



CO₂ EMISSIONS ARE DIVIDED INTO SCOPES 1, 2, 3:



CO₂ EMISSIONS ARE DIVIDED INTO CATEGORIES AND SCOPES 1, 2, 3:

2022	Scope 1		Scope 2		Scope 3	
	Ton CO ₂ e	%	Ton CO ₂ e	%	Ton CO ₂ e	%
Waste and recycling	-	-	-	-	35	0.00%
Energy and processes	1,335	79.50%	284	100%	212	0.20%
Procurement	-	-	-	-	26,951	20.30%
Products sold	-	-	-	-	101,225	76.20%
Transport	345	20.50%	-	-	4,481	3.40%
Total	1,680	100%	284	100%	132,903	100%

METHODS USED IN THE REPORT

- The CO₂ footprint has been calculated using the Danish EPA's CO₂ calculation tool built around GHGP.
- Emission factors on energy came from Energinet, AIB and EEA and procurement from Exiobase.
- Sensitivity analysis on some commodity groups has been done in Exiobase and Ecoinvent.
- For calculations on electricity and district heating, SANOVO TECHNOLOGY GROUP has used 2021 factors as 2022 factors were not available.
- Scope 2 has been calculated with both location and market-based emission factors on electricity. For countries outside the EU, the same factors have been used as no sources exist on this. Note that DK and IT have been counted as green power using the market-based method. In the report, SANOVO TECHNOLOGY GROUP has only stated the emissions with the market-based calculation.
- Scope 3 from downstream utility consumption has been calculated from a weighted emission factor over the expected lifetime of the products. The factor has been based on a list of where SANOVO TECHNOLOGY GROUP's products have been sold to.
- Within Scope 3, SANOVO TECHNOLOGY GROUP employees commuting (600 employees) has been calculated by an average (minutes and km per employee/day).
- On average, 50% of Europeans commuted by car (<https://ftp.iza.org/dp12916.pdf>).
- Danes commuted 22 km on average (<https://www.statistikbanken.dk/10306>).
- The average commute time was 25 minutes (<https://ec.europa.eu/eurostat/web/products-eurostat-news/-/ddn-20201021-2>).
- All emissions from transportation were calculated on a Well-To-Wheel (WTW) basis.

COMPANY DESCRIPTION

SANOVO TECHNOLOGY GROUP is the world-leading specialist in developing and manufacturing high-standard egg handling and processing equipment as well as securing energy and environmentally-friendly machines and equipment solutions. Constantly monitoring industry trends, SANOVO TECHNOLOGY

GROUP has also expanded its product portfolio within hatchery, spray drying, robotics, enzymes, poultry, traceability, biosecurity and food safety.

Through the past years, SANOVO TECHNOLOGY GROUP has had great success in the egg industry. Eggs are a healthy and a high-protein food resource for humans and animals with a low environmental footprint and low production costs compared to other food products. Eggs are at the top of products containing the highest number of proteins and with a low carbon print.

SANOVO TECHNOLOGY GROUP is committed to keep developing the most advanced and efficient machines and equipment to meet future customer demands for high quality, capacity, biosecurity, energy consumption, environmentally friendly and safe solutions.

WHAT KIND OF OPERATION IS SANOVO TECHNOLOGY GROUP?

All equipment is being assembled and produced in state-of-the-art production units in Denmark, The Netherlands, Italy, Slovakia and with subsuppliers. A major part of the components for the assembly is being manufactured by its own production in Slovakia and by subsuppliers which, therefore, play an important role when SANOVO TECHNOLOGY GROUP looks at its overall CO₂ footprint and other Company Karma-related topics. In its production and assembly units, SANOVO TECHNOLOGY GROUP focuses on its overall energy consumption and how it can be optimised to become even greener.

SANOVO TECHNOLOGY GROUP's activities are within production, assembly, service, sales, R&D development and project management. SANOVO TECHNOLOGY GROUP's environmental footprint is impacted by stainless steel, plastic, electronics, enzymes, shipping of goods in and out of its locations, waste, business travel by airplane and company cars. All these factors have an impact on its CO₂ footprint related to Scopes 1, 2 and 3.

ORGANISATION:

SANOVO TECHNOLOGY GROUP is a technical, innovative, production, supply chain and project knowledge-based company with more than 600 skilled employees located all over the world. Its organisation is structured with sales and service entities and more than 50 distributors. The composition of employees is 38% blue collar and 62% white collar workers.

SANOVO TECHNOLOGY GROUP is the parent company of the following legal entities:

SANOVO TECHNOLOGY A/S, SANOVO TECHNOLOGY NETHERLANDS, USA, ITALY, CHINA, JAPAN, ASIA, SOUTH AMERICA and MEXICO, SANOVO PROCESS SOLUTIONS, RAME-HART, NIKRO (SANOVO LOGISTICS), SANOVO TECHNOLOGY PROCESS, FOOD CRAFT INC, OVOTRACK.

QUALITY

SANOVO TECHNOLOGY GROUP production units comply with ISO 9001:2015 Standards with regular auditing. One of the many benefits of the ISO certification is that it keeps SANOVO TECHNOLOGY GROUP focused on quality as whole and constant improvements and helps streamline processes making it proactive in daily operations. Providing quality products and services that meet its customers' requirements, SANOVO TECHNOLOGY GROUP constantly strives to improve all aspects of its fields and activities.

SANOVO TECHNOLOGY GROUP complies with all legal regulations and declarations for food contact materials (FCM), CE marking, ATEX and USDA (learn more: <https://www.sanovogroup.com/quality/> and [\[i-supplier-requirements-food-contact-materials-2022vol-12.pdf\]\(#\)\)](https://www.sanovogroup.com/media/2440/appendix-</p>
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SANOVO TECHNOLOGY GROUP'S MISSION

The world population is increasing and will continue to do so over the next decades – which means an increasing demand for high-protein food. SANOVO TECHNOLOGY GROUP aims to be the world's leading developer and supplier of technological solutions that ensure affordable proteins for the growing world population.

SANOVO TECHNOLOGY GROUP'S VISION

SANOVO TECHNOLOGY GROUP strives to be the number one global supplier of complete systems in the industry of machinery, equipment and products to the egg-processing world.

Furthermore, SANOVO TECHNOLOGY GROUP also strives to be one of the main global suppliers within hatchery and vaccine technologies and to be a preferred supplier within the box-dryer technology within eggs, but also in other product areas outside the egg business (e.g. other protein applications).

PHOTO CREDIT: SANOVO TECHNOLOGY GROUP



SANOVO TECHNOLOGY GROUP'S BUSINESS AREAS

TECHNOLOGIES FOR HANDLING AND PROCESSING OF EGGS



SANOVO TECHNOLOGY GROUP supplies everything from the smallest packing, grading and breaking machine to the largest turnkey factory handling liquid and powder egg products with full robotic automation.

TECHNOLOGIES FOR HANDLING AND PROCESSING FERTILISED EGGS



To help hatcheries cost-effectively improve flock health and increase poultry production, SANOVO TECHNOLOGY GROUP provides advanced systems for collecting and packing fertilised eggs and in-ovo vaccination systems.

TECHNOLOGIES FOR ROBOTIC AUTOMATION



SANOVO TECHNOLOGY ROBOTICS handles all SANOVO TECHNOLOGY GROUP's robotic automation programs and offers several efficient and flexible robots that are a vital part of any modern egg handling and processing factory.

TECHNOLOGIES FOR SPRAY DRYING AND PASTEURISATION



SANOVO TECHNOLOGY PROCESS handles all projects concerning spray drying and heat treatment of other industrial applications than eggs, like e.g., animal by-products, blood, plasma, haemoglobin, yeast, fruits, plant protein, novel, dairy and fungus.

TECHNOLOGIES FOR EGG-CULTURED VACCINE PRODUCTION



RAME-HART supplies machines used by biological vaccine manufacturers around the world to produce egg-cultured vaccines for human or veterinary applications.

TECHNOLOGIES FOR BIOSECURITY



SANOVO TECHNOLOGY PROCESS handles all projects concerning reducing micro-organisms. The SonoSteam nozzles are driven by steam and ultrasound and disinfected in seconds without any use of chemistry. The technology works on food and non-food.

TECHNOLOGIES FOR TRACEABILITY



OVOTRACK keeps track of the eggs with barcode technology and traceability labelling, stock control and complete egg-to-chick traceability from producer to end user.

COMPANY KARMA ORGANISATION

For SANOVO TECHNOLOGY GROUP, Company Karma covers everything from its employees showing social responsibility by volunteering to coach the local football team to its company project providing free equipment for a hen farm in Eswatini and reducing its overall CO₂ footprint.

SANOVO TECHNOLOGY GROUP believes that initiatives need to be embedded in its key business to make it credible. SANOVO TECHNOLOGY GROUP tries, where possible, to create quadruple-winning situations where it, together with companies, customers and partners, engages in a cause that it believes and finds important.

SANOVO TECHNOLOGY GROUP wants to make a meaningful impact in the communities in which it works, and it engages in several activities to give back to those who are less privileged. It aims to offer a rewarding, meaningful and safe workplace for all its employees – no matter where in the world they are located. SANOVO TECHNOLOGY GROUP strives to push its employees and partners towards sustainable thinking including its values and Code of Conduct (CoC). SANOVO TECHNOLOGY GROUP selects partners with the same purpose.'

SANOVO TECHNOLOGY GROUP's approach is underpinned by its core values, open communication with its stakeholders, a materiality review, a code of conduct and the UN's Sustainable Development Goals (SDGs).

REPORT SCOPE

This Company Karma rapport covers the year 2022 focusing on the following companies:

- SANOVO TECHNOLOGY A/S (STDK)
- SANOVO TECHNOLOGY NETHERLANDS (STNL)
- SANOVO TECHNOLOGY ITALY (STIT)

- SANOVO TECHNOLOGY PROCESS (STPR).
- SANOVO TECHNOLOGY USA (STUS)
- SANOVO TECHNOLOGY MEXICO (STMX)
- SANOVO TECHNOLOGY SOUTH AMERICA (STSA)
- SANOVO TECHNOLOGY ASIA (STAI)
- SANOVO TECHNOLOGY CHINA (STCN)
- SANOVO TECHNOLOGY JAPAN (STJP)
- NIKRO (STNI)

REPORTING PRINCIPLES

The topics included in this report were selected and prioritised by SANOVO TECHNOLOGY GROUP's top management and the Company Karma Team*. SANOVO TECHNOLOGY GROUP considers its most important stakeholders for sustainability to be its customers, its suppliers, its employees, regulatory authorities, local communities and stakeholders in a wider context.

*The Company Karma Team consists of:

Michael S. Midskov, CEO,

Eva N.P. Langhoff, COO Vice President

Claus Nørregaard, CFO, Vice President

Pia Lærke, PA/Head of HR

Vicky Engsted, Head of Group Communication

Hans Henning Fischer, Category Manager

Christian Aagaard Hansen, Controller

Miriam Hansen, Controller

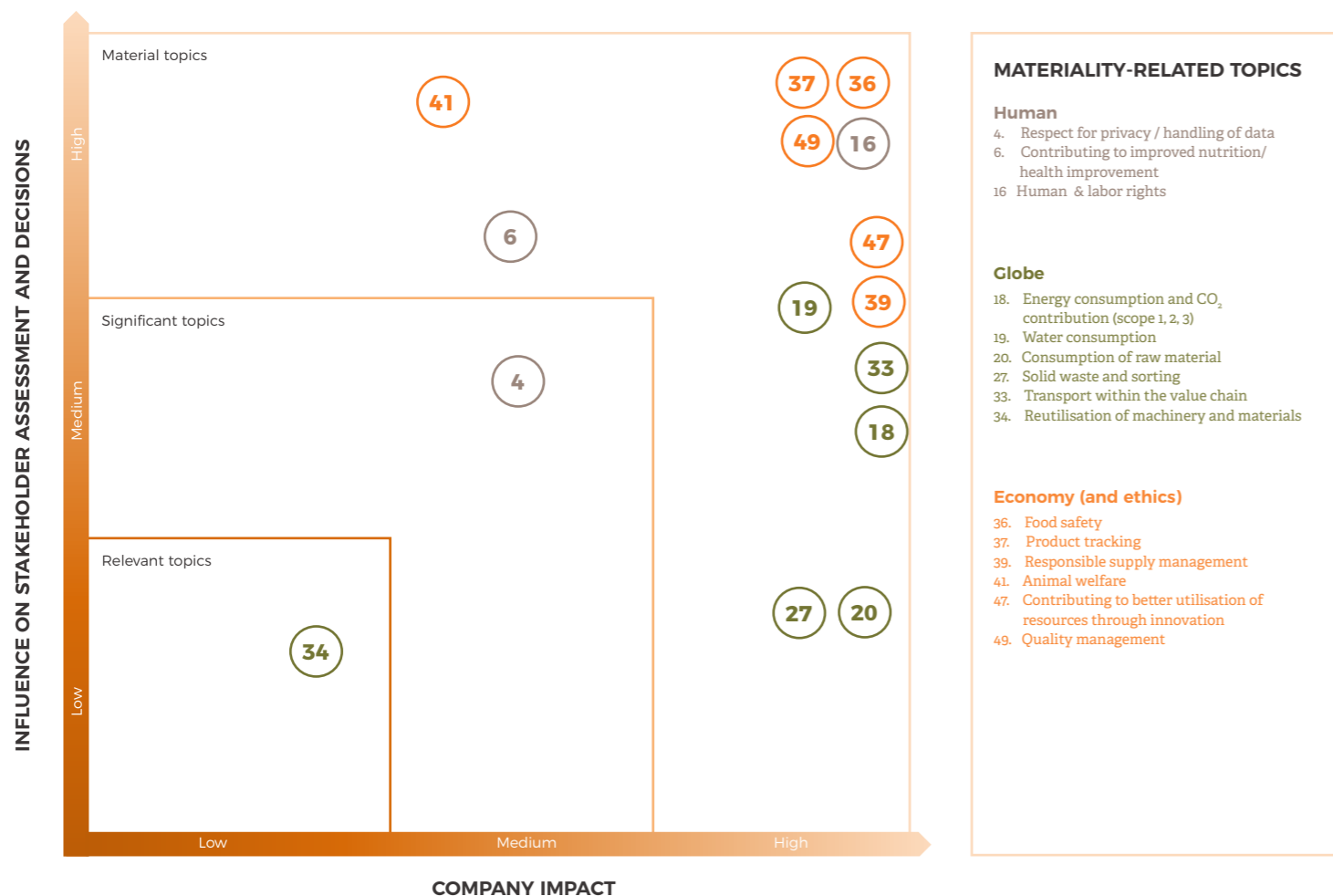
SANOVO TECHNOLOGY GROUP

Material Karma Topics

SANOVO TECHNOLOGY GROUP's materiality review draws upon analysing key areas within the business environment it operates in by highlighting and categorising Company Karma topics.

Please also see Appendix 1 for the materiality matrix.

SANOVO TECHNOLOGY GROUP'S - MATERIALITY MATRIX



SANOVO TECHNOLOGY GROUP'S FOCUS AREAS

SANOVO TECHNOLOGY GROUP has strategically identified three focus areas to work with when implementing Corporate Social Responsibility (CSR) related activities through its organisation. All are related to the UN SDGs and GHGP.

SOURCING & DEVELOPING - SCOPE 3

SANOVO TECHNOLOGY GROUP is dedicated to upholding its social responsibility by working closely with suppliers and stakeholders. Its goal is to ensure that all suppliers of goods and services adhere to its code of conduct. In its pursuit of sustainability, SANOVO TECHNOLOGY GROUP prioritises the use of environmentally friendly materials in the development of new equipment. These materials are chosen for their recyclability, low impact on the environment and efficient use of energy, chemicals and water. SANOVO TECHNOLOGY GROUP aims to minimise its carbon footprint as well as reduce its carbon footprint on the environment.

ENERGY AND ENVIRONMENT - SCOPE 1, 2 AND 3

SANOVO TECHNOLOGY GROUP is dedicated to sustainability in all aspects of its operations, from energy consumption and waste management to materials and logistics. It prioritises the use of recyclable and degradable materials, optimises energy consumption and manages waste in an environmentally friendly manner. SANOVO TECHNOLOGY GROUP optimises energy consumption in its production units, including the use of renewable energy sources, energy efficient technologies and other energy saving practices. All with efforts to reduce the overall CO₂ footprint.

EMPLOYEES

SANOVO TECHNOLOGY GROUP wants to create an inclusive workplace that is rewarding, safe, physically and psychologically healthy, motivating for its employees and in balance with the wider context of their lives.



SANOVO TECHNOLOGY GROUP

Targets and Key Performance Indicators (KPIs)
for the Reporting Period 2022



SOURCING & DEVELOPMENT - SCOPE 3

TARGETS	KPI	ACTIONS	RESULTS
100% signed CSRs and Code of Conducts (CoC) from suppliers within Scope 3	All suppliers with a spend of > EUR 100,000.	Supplier management is an integral part of SANOVO TECHNOLOGY GROUP's quality management system and is a measurable KPI. Supplier CoC, responsible sourcing program, and corporate culture and ethics dictate supplier due diligence and define the CSR requirements it sets for suppliers and partners.	100% In 2022, SANOVO TECHNOLOGY GROUP had 95 suppliers within Scope 3.
100%: ATEX zone, 20 suppliers to have a visit	Biyearly supplier audits for all suppliers delivering parts to be used in ATEX zone 20. (Zone 20: A place in which an explosive atmosphere in the form of a cloud of combustible dust in the air is present continuously or for long periods or frequently for short periods.)	On-site audit/tour to secure those suppliers are compliant with SANOVO TECHNOLOGY GROUP's CSR and CoC.	100% In 2022, SANOVO TECHNOLOGY GROUP had 2 suppliers within Scope 3.
All top ten suppliers to have a visit in 2022	Top ten supplier visits according to 2022 spending.		100%



Get an overview of SANOVO TECHNOLOGY GROUP's CO ₂ emissions related to the steel segment	Weight on steel items from top suppliers, representing 50% of spend within the segment.	<p>While steel parts make up a significant portion of the goods it purchases, SANOVO TECHNOLOGY GROUP do not limit its focus to just them. SANOVO TECHNOLOGY GROUP has decided to encompass the entire scope of its purchased goods in its Scope 3 calculations.</p> <p>Since weight data were not available for all procurement categories, an extrapolation was made based on the available data. In short, this means that if 50% of the items within a category amounted to 100 kg, the full purchased amount was assumed to be 200 kg.</p>	<p>Scope 3 – Procurement</p> <p>Total tons of CO₂e amounted to 26,951.</p> <p>Purchased goods by weight:</p> <ul style="list-style-type: none">• Steel and iron: 11,863• Motors and drives: 3,968• MRO (Maintenance, repair and operations): 3,717• Electronics: 2,039• Plastic: 397 <p>Purchased goods by value:</p> <ul style="list-style-type: none">• Paper and cardboard: 76• Wood: 195• Rest: 22,255
Automatic calculation and transfer of item weight from Solid Works to Navision (steel parts only)	Automatic weight on all steel items.	SANOVO TECHNOLOGY GROUP has allocated resources in R&D to set up the functionalities in Solid Works.	The Solid Works part has been fully implemented. The full integration into Navision is planned to be done at the end of Q1 2023.
SANOVO TECHNOLOGY GROUP aims to work exclusively with freight forwarders with a clear and ambitious green profile	Reduce CO ₂ footprint on transportation.	<p>Current CO₂ emissions are based on monetary values and not tonne-kilometres (tkm).</p> <p>Upstream transportation was based on monetary values for all sites.</p> <p>Downstream transportation was counted by means of the best available data. For STDK, tkm was obtained from distributors. For STNL, a mix of either tkm or direct CO₂ numbers from the distributors was used. For STIT, only monetary values were available.</p> <p>The goal is to receive all transport-related data in tkm and split it into road, sea and air in 2023.</p>	<p>Scope 3 – Transport of goods</p> <p>Calculated by monetary value:</p> <p>Road, sea and air</p> <p>Total tons of CO₂e amounted to 4,481.</p>

In the engineering and development of new equipment, SANOVO TECHNOLOGY GROUP uses materials that can be recycled, have a low environmental impact and consume as little energy, chemicals and water as possible	Reduce CO ₂ footprint on machines.	Downstream electricity consumption is calculated from a weighted emission factor on electricity over the expected lifetime of the products. The factor is based on a list of where SANOVO TECHNOLOGY GROUP's products have been sold in 2022.	<p>Scope 3 – Products sold</p> <p>Total tons of CO₂e amounted to 101,225.</p> <p>The main part comes from spray dryers (66%):</p> <ul style="list-style-type: none">• Natural gas: 66,939• Electricity: 32,967
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PHOTO CREDIT: SANOVO TECHNOLOGY GROUP

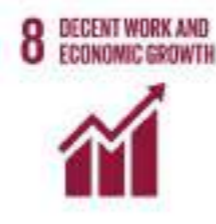




ENERGY AND ENVIRONMENT – SCOPE 1, 2 AND 3

TARGETS	KPI	ACTIONS	RESULTS
<p>SANOVO TECHNOLOGY GROUP's energy consumption in production units must come from a green energy source to reduce its CO₂ footprint</p> <p>To have calculated emissions in all production units by the end of 2022</p>	Reduce the CO ₂ footprint by 5-15% by 2024.	<p>STNL: Installed heat pumps in the new building.</p> <p>STIT: Focused on creating more natural daylight in production and offices. All lights installed are LED and dimmable type. Furthermore, the heating in the office area is generated by electricity using heating pumps.</p> <p>SANOVO TECHNOLOGY GROUP conducted a Climate Strategy with Viegand Maagøe. Outcome:</p> <ul style="list-style-type: none">• A calculation of direct and indirect carbon footprint• A CO₂ footprint reduction plan with concrete recommendations and actions.	<p>Scope 1 – Energy and processes, natural gas</p> <p>Total tons of CO₂e amounted to 1,335.</p> <p>STNI: 1,128</p> <p>STNL: 116</p> <p>STUS: 91</p> <p>Scope 2 - Energy and processes, electricity and district heating</p> <p>Total tons of CO₂e amounted to 284.</p> <ul style="list-style-type: none">• STDK and STIT count with zero due to certificates.• Electricity consumption is mainly from STNI (38%). <p>Scope 3 - Energy and processes, grid losses and burn of natural gas</p> <p>Total tons of CO₂e amounted to 212.</p>

<p>SANOVO TECHNOLOGY GROUP encourages purchased or leased cars in all units to be either hybrid or electrical</p> <p>Reduce business travel and physical meetings</p>	Reduce the CO ₂ footprint on transportation and travel.	<p>All companies report monthly on driven km divided into types of cars. Please also see Appendix 2 for an overview of the complete car fleet.</p> <p>In STDK, SANOVO TECHNOLOGY GROUP has installed 22 electrical chargers.</p> <p>All companies report the number of international flights and distance in km.</p> <p>SANOVO TECHNOLOGY GROUP has included employees commuting to work. Please find the method in the introduction.</p>	<p>Scope 1 - Transport, company cars</p> <p>Total tons of CO₂e amounted to 345.</p> <p>Cars, gasoline: 187</p> <p>Cars, diesel: 86</p> <p>Cars, hybrid: 17</p> <p>Transporters, diesel: 56</p> <p>Scope 1 - Transport, employee travel (air)</p> <p>Total tons of CO₂e amounted to 796.</p> <p>Scope 3 – Transport, employees commuting to work</p> <p>Total tons of CO₂e amounted to 288.</p>
<p>Sorting of waste into; paper, food, wood, plastic, cardboard and other waste</p>	90% of the total waste must be sorted.	<p>STDK: All waste will be 100% sorted from 2023 due to new regulations in Denmark.</p> <p>STSA: Since the beginning of 2022, SANOVO TECHNOLOGY GROUP has implemented a digital signature on all documents. This will reduce the use of paper in the office.</p> <p>STCN: Started to use E-Invoice, which will reduce the amount of paper used and courier transportation.</p> <p>STUS: Started sorting and recycling plastic, paper, cardboard and wood.</p>	<p>Scope 3 – Waste and recycling:</p> <p>Total tons of CO₂e amounted to 35.</p> <p>Please also see <i>Appendix 3 Sorting</i> for an overview of sorting and <i>Appendix 4 Waste and Recycling</i> for an overview of kg per item.</p>



EMPLOYEES

TARGETS	KPI	ACTIONS	RESULTS
SANOVO TECHNOLOGY GROUP continues to offer a safe and healthy work environment	<p>Zero cases of major work injuries at all production sites.</p> <p>(A major case is a work injury with permanent harm. SANOVO TECHONOLOGY GROUP does not have any numbers shown in the KPIs, but an indication could be cases with an absence of more than ten days*).</p>	<p>Regular safety inspection rounds in the productions.</p> <p>Regular meetings to follow up on work injuries to avoid future recurrences. The meetings resulted in new safety procedures.</p> <p>Due to the reconstruction of the buildings in STNL, all actions have been related to this.</p>	<p>SANOVO TECHNOLOGY GROUP measures work injuries with the following split on days of absence:</p> <p>Less than one day Between one to ten days More than ten days</p> <p>STDK:</p> <ul style="list-style-type: none">• Less than one day: two• Between one to ten days: three <p>STNL:</p> <ul style="list-style-type: none">• Less than one day: one• More than ten days: three (*non with permanent harm) <p>STNI:</p> <ul style="list-style-type: none">• Between one to ten days: one <p>STPR:</p> <ul style="list-style-type: none">• Less than one day: two
Maintain a low level of sickness absence and employee turnover, keep a high level of seniority average, and measure employee satisfaction	<p>SANOVO TECHNOLOGY GROUP wants to have satisfied employees and encourage work-life balance.</p> <p>SANOVO TECHNOLOGY GROUP measures the satisfaction of employees based on several elements:</p> <ul style="list-style-type: none">• sickness absence• seniority average• turnover rate of employees	<p>SANOVO TECHNOLOGY GROUP conducts follow-up interviews with each employee to make sure they are guided to the best support and treatment. This includes external advisers.</p>	<p>Please also see <i>Appendix 5 – Sickness, Turnover Rate and Seniority</i> for results.</p>

Annual evaluation of the organisation and skills in the group according to its strategy and expected development	Continuously focus on having the right and sufficient competencies for present and future work tasks.	The master data in SANOVO TECHNOLOGY GROUP's HR system was extended with data on competencies on an overall level.	A 360 degrees competence overview of all employees, which can be shown after different search criteria in Power BI (country, business unit, department, age, gender, seniority, management level, educational level, professional area and professional experience).
Keep a high level of involvement with different employee types and educational directions	Sustainability in the future job market and be known as an attractive workplace that can attract new skilled employees.	<p>To ensure the best quality and education for young people, SANOVO TECHNOLOGY GROUP works with educational institutions and relevant professional business associations. It educates apprentices and trainees and uses interns and students to a wide extent.</p> <p>SANOVO TECHNOLOGY GROUP works with local authorities to help people that are temporarily unemployed, have special needs, etc. to ensure their continued connection to the job market.</p>	<p>STDK:</p> <ul style="list-style-type: none">• One intern in R&D for four months - foreign student.• One trial job for external person with long-term sickness• One PhD student from (the University of Southern Denmark (SDU) <p>STNL:</p> <ul style="list-style-type: none">• Eight apprentices• One trainee• Four Learn & Work-Employees <p>STIT:</p> <ul style="list-style-type: none">• One student assistant in finance• One student assistant in sales <p>Please also see <i>Appendix 6</i> for the complete overview.</p>

See appendix 7 for all KPI-related initiatives

SANOVO TECHNOLOGY GROUP

Targets for the Coming Period (2023-)

TARGET	KPI	PLANNED ACTIONS (2023)
<p>Scope 1 – Energy and processes</p> <p>Reduce the natural gas consumption at STNI and STNL</p>	<p>Keep the 2022 level of eCO₂t with a growth rate of 10% by 2030.</p>	<p>It should be identified how natural gas is used (process vs. space heating and what types of processes). Often both process and space heating may be electrified. This will distribute CO₂ emissions in Scope 2 (rather than Scope 1) which will have a positive effect in a country like Slovakia with a lot of green power.</p> <p>SANOVO TECHNOLOGY GROUP will look into the possibility of installing heat pumps in STNI, STIT and STNL.</p> <ul style="list-style-type: none">• Installation of heat pump, either air-to-water or geothermal. Primarily for space heating, but could also be used for low-temperature processes.• Possibility of connection to district heating?
<p>Scope 1 – Transport</p> <p>Company cars</p> <p>SANOVO TECHNOLOGY GROUP encourages purchased or leased cars in all production units to be from a green energy source.</p> <p>Employee travelling</p> <p>SANOVO TECHNOLOGY GROUP aims to reduce business travel and physical meetings.</p>	<p>Transform the car fleet from fossil to green energy source by end of 2025.</p> <p>Stay at the 2022 level of ton CO₂e equalling 288.</p>	<p>Review company car policy in all companies to ensure targets are met in 2025.</p>

PHOTO CREDIT: SANOVO TECHNOLOGY GROUP



Scope 2 – Energy and processes Electricity consumption in operations must come from a green energy source.	In STDK, STNL, STIT and STNI, electrical consumption must come from renewable energy sources like solar energy by the end of 2024.	STDK and STIT are looking into installing solar panels. They aim to stop purchasing regular certificates. STNI is looking into whether it can install additional solar panels.
Scope 3 – Sold products SANOVO TECHNOLOGY GROUP prioritises the use of environmentally friendly materials in the development of new equipment. These materials are chosen for their recyclability, low impact on the environment and efficient use of energy, chemicals and water.	Reduce CO ₂ emissions from the spray dryers over a 3-year period.	R&D is looking into possible changes to the spray dryer. Downstream energy consumption of products sold takes up the majority of SANOVO TECHNOLOGY GROUP's total emissions. Even if the product is out of its hands, SANOVO TECHNOLOGY GROUP must focus on bringing CO ₂ emissions down.
Scope 3 – Transport of goods SANOVO TECHNOLOGY GROUP aims to work exclusively with freight forwarders with a clear and ambitious green profile.	The goal is to receive all transport-related data in tonne-kilometres and split it into road, sea and air in 2023.	Improve data quality from freight forwarders.
Scope 3 - Procurement SANOVO TECHNOLOGY GROUP aims to work exclusively with suppliers with a clear and ambitious green profile.		Primarily procurement accounts for a large share of SANOVO TECHNOLOGY GROUP's total CO ₂ emissions and therefore, more efforts and resources should be targeted to reduce the overall CO ₂ footprint. Conduct a hotspot analysis of its largest suppliers (who account for the largest total emissions). Focus on having one supplier in each commodity: <ul style="list-style-type: none">• Steel• Plastics• Electronics• Motions and Drives SANOVO TECHNOLOGY GROUP will continue focusing on and conducting audits and have signed CoCs and CSRs. Going forward this is a natural part of its group procurement teams.

Scope 3 – Waste and recycle Reduce the amount of residual waste in the group.	90% of SANOVO TECHNOLOGY GROUP's waste must be sorted by 2024.	In STDK, 100% sorting of waste will be finalised in Q1 2023. This will affect the amount of waste for recycling and lower the amount of residual waste. It will look into how the STDK setup can be introduced in all entities to reach SANOVO TECHNOLOGY GROUP's targets and KPIs.
Continued work on improving the data basis for calculating CO₂ emissions		RAME-HART will be included in the report from 2023. All entities must report data each month. Finance follows more closely.

PHOTO CREDIT: SOLAR PANELS, SANOVO TECHNOLOGY NETHERLANDS



SANOVO TECHNOLOGY GROUP

Company Karma Project

SANOVO TECHNOLOGY GROUP has, over time, been active in different humanitarian interventions, known as Company Karma Projects. This has given rise to several successful Company Karma Projects; some have grown into wide-scale initiatives through years of dedication while others are still taking form as they develop. Common for them all is that they have become great inspirational sources for SANOVO TECHNOLOGY GROUP, its employees and customers.

It means a lot to SANOVO TECHNOLOGY GROUP that the way it approaches Company Karma and CSR in general makes sense to its employees as well. That is why SANOVO TECHNOLOGY GROUP also encourages activities that generate a strengthened sense of community and shared value.

WE SPREAD GOOD KARMA WITH EGGS

*Heart for Africa Project
Canaan Egg Farm in Eswatini*

PROJECT CANAAN / HEART FOR AFRICA DONATION 2022:

SANOVO TECHNOLOGY GROUP is proud of being part of Project Canaan/Heart for Africa in Eswatini and the tremendous work they are doing for the local community and children. SANOVO TECHNOLOGY GROUP has therefore decided to continue its support to the project - this year with USD 10,000.

For this amount, Project Canaan/Heart for Africa can continue:

- the employment of the people who deliver the hard-boiled eggs to the 30 schools and churches with whom they are partners.
- feeding the hens on the farm as the feed prices have increased a lot.
- using the solar panels on the roof of the house where

the cooking and cooling machines from SANOVO TECHNOLOGY GROUP are placed. Two of the solar panels need repair as they were ruined during extreme weather.

See video and post on LinkedIn by means of the QR-code:



See Appendix 8 for all other karma initiatives in 2022.





FOOD

AS PIONEERS IN THIS FIELD OF BUSINESS AND WITH MORE THAN 60 YEARS OF EXPERIENCE, WE SUPPLY NATURAL, FUNCTIONAL INGREDIENTS BASED ON CHEESE AND EGG THROUGH OUR FOOD COMPANIES. OUR SKILLED APPLICATION TEAMS ASSIST FOOD MANUFACTURERS GLOBALLY IN MEETING TOMORROW'S MARKET AND CONSUMER DEMANDS FOR INNOVATIVE, NATURAL, AUTHENTIC AND GREAT TASTING FOOD PRODUCTS. WHETHER YOU ARE LOOKING TO DEVELOP NEW PRODUCT CONCEPTS OR SEEKING INTERNATIONAL INSPIRATION, WE HAVE THE PRODUCTS, TECHNOLOGIES AND KNOW-HOW TO HELP YOU BRING GREAT TASTING PRODUCTS TO MARKET.



ABOUT LACTOSAN

The main activities of Lactosan Group are to develop, produce and sell cheese powder solutions to the global food and beverage industries. Founded in 1942, Lactosan's market position today builds on its wide portfolio of high-quality products, strong technology know-how and extensive experience and research dating back to 1952.

The basis for Lactosan Group's activities is natural cheeses that are dried to convenient and functional standard cheese powders as well as customised cheese powder solutions. It is part of Lactosan Group's business model to monitor trends to always be at the forefront and to dedicate resources into providing value added, innovative solutions and know-how to help the food and beverage industries meet the ever-changing market demands. This is done in close collaboration with the food industry and research partners, which are Danish and European top league universities. Lactosan Group sees many possibilities for future growth arising from these types of collaboration.

Lactosan Group also dedicates resources into sustainability. However, for Lactosan Group, sustainability has a wider scope: It wants to take care of its environment, but also to care for the people that it impacts (local communities, its customers, its employees, its owners and other stakeholders). Furthermore, it wants to be aware of the ethics and obligations Lactosan Group has in being a food producer. Lactosan Group takes all necessary precautions to ensure the highest

standards of quality management, control and assurance from the sourcing of the raw materials, in ensuring food safety and full traceability to committing itself to think in sustainable solutions wherever possible.

Lactosan Group's organisation is structured with approx. 250 employees worldwide, own sales and service entities and more than 50 distributors placed strategically around the world.

LACTOSAN GROUP MANUFACTURING SITES

- Lactosan A/S, Denmark (HQ)
- Lactosan Uruguay S.A., Uruguay

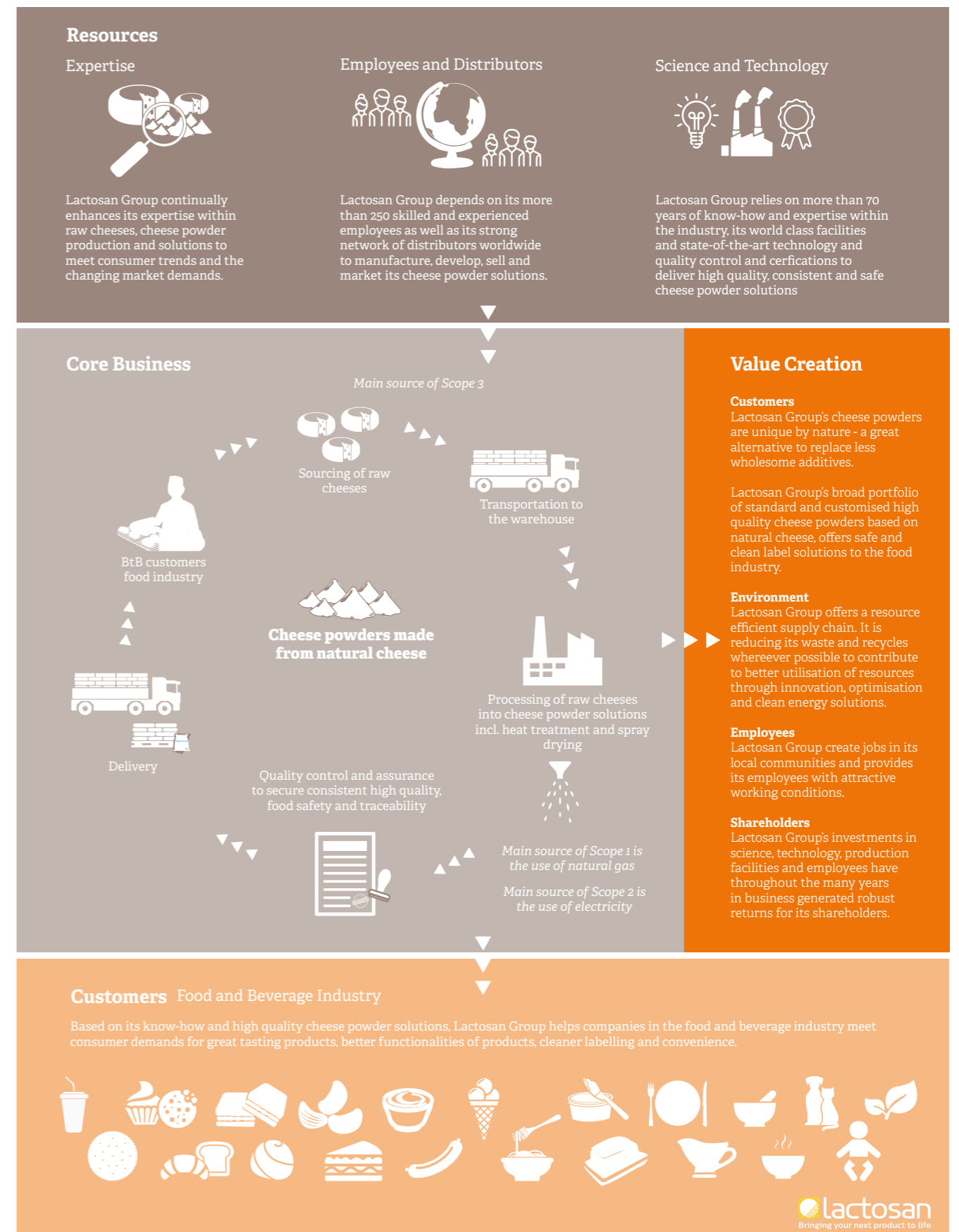
LACTOSAN GROUP SALES OFFICES

- Lactosan A/S, Denmark
- Lactosan (UK) Ltd., United Kingdom
- Lactosan China Ltd., Wujiang and Shanghai, China
- Lactosan-Sanovo Japan Ltd., Japan
- Lactosan Uruguay S.A., Uruguay

The governance and overview of all operations and activities in Lactosan Group is placed in the management groups of the individual companies and aligned on a regular basis with the headquarters.

COVER PHOTO CREDIT: STAAL & JOHS, LACTOSAN - PEA-CREAMCHEESE-GOYACHEESE

LACTOSAN BUSINESS MODEL



COMPANY KARMA ORGANISATION

The responsibility of the Company Karma work is placed at the HQ Lactosan A/S in Denmark with the management group. All areas are covered at the management group meetings that take place each week. Also, Company Karma topics are discussed regularly in terms of identifying key focus areas, risks and solutions. The management group initiates and handles procedures, code of conduct and other policies for the company as well as it involves the sister companies. The board of Lactosan A/S is the highest instance of Environmental Social and Governance (ESG) related matters which is part of the agenda at board meetings which take place min. three times per year.

The responsibility of the Company Karma work at Lactosan Uruguay S.A., Uruguay is placed in the management group. At the periodic management meetings, all issues related to the operation in Uruguay are discussed, including discussions about the Karma Company initiatives. The initiatives, projects and objectives are shared with the rest of the teams and twice a year, dissemination activities are carried out with the entire organisation. Furthermore, the activities are aligned with the headquarters in Denmark.

Lactosan Group has decided to align the Company Karma goals with the 17 Sustainable Development Goals (SDGs) of the United Nations.

THE KEY FOCUS AREAS THAT HAVE BEEN IDENTIFIED FOR LACTOSAN GROUP ARE ENVIRONMENT, PEOPLE AND ETHICS

Lactosan Group commits itself to contribute to a sustainable approach towards its environment in terms of:

- Reducing fossil fuel energy through clean energy solutions (SDG #7)
- Contributing to better utilisation of resources through innovation (SDG #9)
- Contributing to responsible consumption and production (SDG #12)
- Complying with the UN Paris Agreement on Climate Change (Paris, 2015)

Lactosan Group commits itself to having a positive impact on the people in its environment in terms of:

- Health and safety for all employees including a positive and rewarding work environment with open communication and collaboration (SDG #3)
- Offering traineeships to students from various educations (SDG #4)
- Keeping a balanced gender representation (SDG #5)
- Supporting the local community

Lactosan Group commits itself to contributing to ethics in terms of:

- Securing the highest level of quality management including food safety and product traceability which Lactosan Group believes naturally belongs in a responsible production (SDG #12)
- Supporting equal opportunities and decent work for all (SDG #8)

LACTOSAN

Material Karma Topics

Lactosan Group's production activities span Europe and South America. It has been decided to focus the materiality approach and assessment on the manufacturing sites where Lactosan Group primarily focuses on reducing its environmental impact to ensure the greatest possible effect of its sustainability efforts.

In addition, Lactosan Group operates its business (both manufacturing sites and sales offices) in adherence with European and international regulations within the fields of food production and handling, labour rights and human rights.

To assess the sustainability factors within the business environment in which Lactosan Group

operates, a materiality analysis has been made to identify the most relevant environmental, social and economic elements within its value chain. The analysis also helps to identify issues to be covered in its reporting and supports decisions on where to focus internal resources which have also been identified as the key focus areas for the Group.

The materiality analysis is based on inputs from internal stakeholders with relevant functions including the CEO, Plant Management, Financial and HR management and Sales/Marketing to identify, ensure and prioritise the issues that they believe have the biggest impact on the economy, society and the environment and that they identify to matter most to its stakeholders.



PHOTO CREDIT: SKOVDAL NORDIC, LACTOSAN - CHEESE AND CHEESE POWDERS

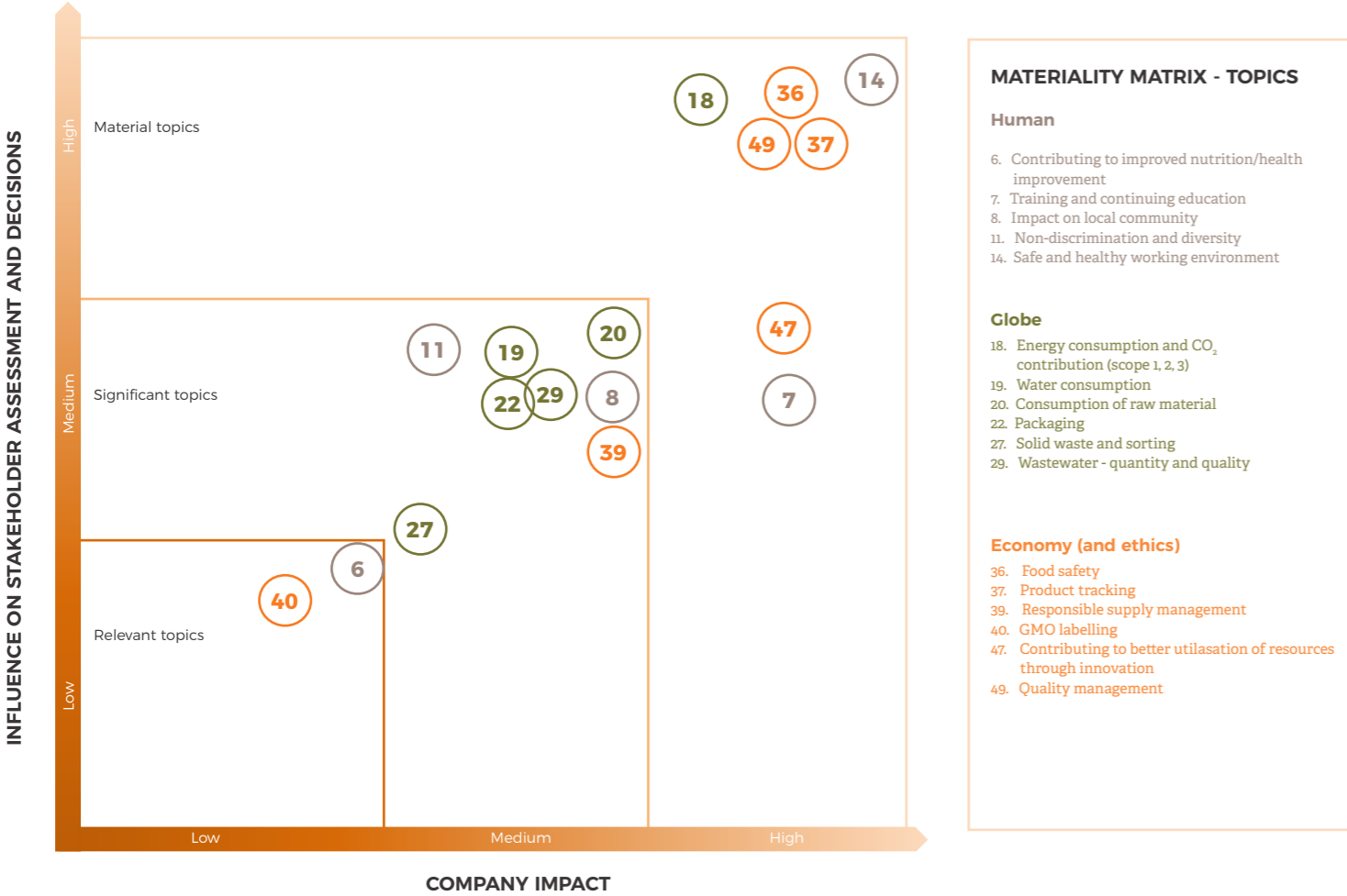
The topics were selected and prioritised by the Lactosan management group. Its intention is to evaluate the materiality matrix on a regular basis and use external consultants for guidance.

INTERNAL AND EXTERNAL FACTORS

When identifying the most material aspects arising from its operations, Lactosan Group takes account of internal and external factors. These

include the issues identified in its overall vision and mission, vision on sustainability, long-term strategy and the code of business conduct, which governs group behaviours and activities. Lactosan Group reviews and adjusts these material aspects and processes against external developments such as emerging regulation, environmental standards and approaches to various certifications.

LACTOSAN'S - MATERIALITY MATRIX



Take your product
BEYOND

MOREISH
NATURAL
FLAVOURSOME
SAVOURY
YUMMY



LACTOSAN NCB - Natural Culinary Booster®
– Great taste beyond compare



PHOTO CREDIT: STAAL & JOHS, LACTOSAN - NCB - NATURAL CULINARY BOOSTER

LACTOSAN

Targets and Key Performance Indicators (KPIs)
for the Reporting Period 2022

TARGETS	KPI	ACTIONS	RESULTS
Responsible consumption and production - UN SDG #12	Reduce the use of plastic.	Monitor the use of plastic and find alternative solutions wherever possible. Recycling agreements with local authorities.	Recycling agreements are in place and awaiting new regulations in 2023. The factory in Denmark: <ul style="list-style-type: none">• Reduction of grammes of plastic/kg produced:• 2022: 4% reduction (compared to 2021).
	Follow the recommendations from the UN Paris Agreement.	At the plant in Denmark, a project to reduce emissions of all gasses, aromas, etc. has been initiated.	Compared to 2021, the energy consumption in 2022 was reduced by: <ul style="list-style-type: none">• Electricity: 0.4%• Gas: 4.8%
	Protect regional water sources and reduce emissions across the whole value chain.	In 2020, Lactosan A/S invested in an expansion of its wastewater facilities at the plant in Denmark to reach a greater cleaning capacity and improve the cleaning process by reducing the use of chemicals. The investment also secures the rising demands with regards to capacity in its own production and compliance with the future rules and regulations in this field.	Scope 1 During 2022, Lactosan A/S in Denmark implemented new measuring equipment to make the cleaning of its wastewater more efficient and as sustainable as possible by using less electricity and less chemistry. With 2022 as the baseline year, improvements will be monitored.

Affordable and clean energy - UN SDG #7	Reduce the consumption of energy in its production and increase the share of renewable energy mix in the production.	<p>Solar panels were installed at the factory in Uruguay in 2018 in cooperation with the government in Uruguay.</p> <p>During 2022, the producing plants in Denmark and Uruguay continued to work on energy efficiency in cooperation with energy suppliers.</p>	<p>The site in Uruguay consumed 1131 MWh of electricity in 2022 of which 74 were generated by solar panels.</p> <p>Re. Scope 2</p> <p>Scope 2 in Uruguay will almost be reduced to zero by 2028 due to the energy mix in the electricity grid in Uruguay.</p> <p>Re. Scopes 1 and 2</p> <p>Due to a larger biogas share in the Danish grid gas and more green electricity in the Danish electricity grid, the emissions in both Scopes 1 and 2 are expected to decrease towards 2030.</p>
Quality education - UN SDG #4	Display social responsibility by assisting in educating the next generation.	The factory in Denmark works together with several educational institutes such as business academies, technical schools and universities to enrol students, trainees or apprentices for a longer or shorter period of time to work with various tasks and projects related to food.	<ul style="list-style-type: none">• In 2022, Lactosan A/S had:• Three bachelor students from the University of Copenhagen• Two master students from the University of Copenhagen and Aarhus University, Denmark• One PhD student from the Technical University of Denmark (DTU).
Gender equality - UN SDG #5	Keep an equal balance of gender.	Monitor the balance on a yearly basis.	<p>In Denmark: For all workers there is almost a 50/50 balance with 55.7% men and 44.3% women.</p> <p>In Uruguay: For all workers there is almost a 50/50 balance with 52.1% men and 47.9% women.</p> <p>In the UK: 25% men and 75% women.</p> <p>In China: 57.1% men and 42.9% women.</p> <p>In Japan: 25% men and 75% women.</p>

Responsible consumption and production - UN SDG #12	Food safety - no recalls.	Lactosan Group will monitor that it lives up to all the rules and regulations both internally and externally to have no recalls.	In 2022, there were no recalls.
	100% product traceability.	Lactosan Group wants to secure 100% product traceability. It will monitor the quality management systems and make sure staff is trained and educated.	In 2022, systems have been monitored and also audited at internal and external audits. Staff received obligatory training in January.

PHOTO CREDIT: STAAL, & JOHS, LACTOSAN PRODUCTION



The work of identifying material topics and the responsibility to minimise its environmental impact, streamline processes and formalise the tracking and measurement of sustainability initiatives is an on-going journey to improve efficiency in processing Lactosan Group's food products. Lactosan Group always strives to comply with the rules and regulations within its field of the industry and Lactosan Group teams up with its suppliers and partners to solve matters both within material topics and topics of significance.

RISK EVALUATION AND DUE DILIGENCE MEASURES

DUE DILIGENCE MEASURES

Lactosan Group continuously evaluates its activities, products and services in terms of actual environmental impacts and potential environmental impacts. In the course of its operations, it seeks to identify opportunities to reduce consumption of energy, water and other natural resources. Lactosan Group strives to re-use and recycle wherever possible and dispose of non-recyclable items responsibly, thereby minimising its impact on the environment.

Below are examples of Lactosan Group's actions to reduce and handle the environmental impact in its daily practices:

In Denmark:

- Lactosan works together with partners who have environmental approvals to handle goods from its factory for recycling, i.e. chemicals and waste products.
- Lactosan works to optimise the production to zero waste by:
 - Reducing its food waste (cheese side-stream according to the European Dairy Association (EDA) guidelines for industrial cheese)
 - Recycling cheese powder waste to animal feed.
 - Delivering the food waste from its production to biofuel energy production instead of sending it to incineration.
- Lactosan is a process water wastewater supplier:
 - Wastewater from the production is semi-cleaned

and delivered to the local wastewater treatment plant.

- Sewage sludge from semi-cleaning is recycled as an agricultural fertilizer.

- To minimise waste from its production, Lactosan recycles and sorts various types of cardboard, paper and plastic (foils, bags, pallets, containers, etc.).

- All wood and plastic pallets are recycled and only a smaller part (3-5%) is burnt at the local recycle plant. Big bags are recycled. Lactosan has invested in plastic boxes which it uses for its cheese supplies: Lactosan receives cheese supplies in the boxes, sends them back again in return for new cheese supplies. This is a win-win for both Lactosan and its suppliers.

- Lactosan recycles waste oil from its production; hydraulic oil is filtered and recycled.

- All glass, aluminium cans and metal is sorted and recycled.

- Lactosan's product labels for finished goods are FCS-certified (mix credit) pulp and EU Ecolabel certified.

- Lactosan's printer paper is FCS and EU Ecolabel certified.

- Lactosan intends to choose sustainable/eco-friendly/Fairtrade materials wherever possible.

In Uruguay:

- Lactosan constantly works on energy efficiency. Since December 2016, Lactosan has been certified according to ISO 50001 international standards to ensure energy efficiency in its operation.

- Lactosan is committed to sustainable production, the reduction and management of waste generated and the circular economy.

- Lactosan works with its suppliers to make it possible to purchase most chemicals, cleaning products and supplies in returnable plastic containers. With this action, Lactosan has significantly reduced the generation of plastic waste in its processes.

- Lactosan continues to work in circular economy. Specifically, it continues to generate synergy with local potato growers, to give new use to disposable pallets that are a waste for Lactosan.

SUPPLY CHAIN, FOOD SAFETY AND CERTIFICATIONS

Lactosan Group is part of a complex supply chain and the sourcing of the right materials, the food safety and certifications are critical to its business. The safety of food is one of the key factors in the food industry. Both consumers and health authorities demand that the food we consume offer high levels of quality.

Each production facility within Lactosan Group is subject to international as well as national rules and regulations on food safety and certifications, and furthermore, to the demands from customers.

RISKS

The main risks related to Lactosan Group's supply chain management are primarily the quality and lack of cheese in the general marketplace and secondly price fluctuations.

The main risks related to food safety and certifications are changes of legislation and local regulations that vary from country to country as well as travel and meeting restrictions as seen during COVID-19.

DUE DILIGENCE MEASURES | SUPPLY CHAIN

Lactosan Group puts great effort into securing reliable supplies through carefully selecting suppliers and establishing robust procedures to reduce purchasing risks and to the best of its knowledge to secure the best possible prices under any market circumstances.

At Lactosan A/S, senior management has frequent critical evaluations of all suppliers and work closely together with them to secure the quality of the raw materials supplied as well as other materials needed for its production. As part of its quality system, suppliers fill out a questionnaire on a regular basis. Lactosan A/S visits suppliers on a regular basis. All suppliers must be

prepared to be audited and inspected by Lactosan A/S at any time to secure that goods and management of the factory is in accordance with its own policies as listed above.

In cases where a supplier is considered not to be in accordance with the code of conduct, further cooperation will be stopped or put on hold until matters have been solved.

FOOD SAFETY AND CERTIFICATIONS

Through intensive quality management and continuous documentation and training programmes, Lactosan Group makes sure that the business lives up to the high standards and certifications in the food industry that are required by its customers. Lactosan Group is audited on a regular basis by the authorities, third parties and customers.

Certifications are available by means of Lactosan Group's quality departments. For further information on safety and certifications, please also contact the individual quality departments.

Lactosan Denmark holds the SEDEX SMETA Certification.

GMO LABELLING

No products produced by Lactosan Group derive from genetically modified raw materials nor do they contain any GMOs. Consequently, products are not subject to GMO labelling according to EC Regulation 1829/2003 and EC Regulation 1830/2003.

It is the policy of Lactosan Group only to produce products not subject to GMO labelling according to EU legislation. This policy is actively secured by selecting non-GMO raw materials. Please contact Lactosan Group's quality departments to see the GMO certificate.

LACTOSAN

Targets for the Coming Period (2023-)

TARGETS	KPI	PLANNED ACTIONS (2023)
Good Health and well-being - UN SDG #3	No fatal accidents.	Lactosan Group will monitor that it lives up to all the rules and regulations incl. training of the staff to maintain no fatal accidents.
Responsible consumption and production - UN SDG #12	Food safety - no recalls.	Lactosan Group will monitor that it lives up to all the rules and regulations both internally and externally to have no recalls.
	100% product traceability.	Lactosan Group wants to secure 100% product traceability. It will monitor the quality management systems and make sure staff is trained and educated.
	Reduce CO ₂ emissions by complying with the recommendations from the UN Paris Agreement.	<p>Lactosan Group will comply with the guidelines in this field.</p> <p>Re. Scope 1</p> <p>Lactosan Group is taking precautions to change its energy from fossil fuels to clean energy solutions.</p> <p>When investing in future equipment, Lactosan Group will monitor the technological development within the industry and chose environmentally friendly solutions and technologies.</p> <p>Suppliers offering environmentally friendly solutions will be preferred.</p> <p>Re. Scope 3</p> <p>Sourcing responsibly: Lactosan Group will always monitor and optimise the sourcing and purchasing of raw materials and other ingredients in a responsible manner to reduce the Scope 3 emissions into its value chain. In Denmark, Lactosan A/S will reduce Scope 3 by 30% by 2030. This is of course highly dependent on the availability of such supplies.</p>

COMPANY KARMA

Affordable and clean energy - UN SDG #7	<p>Look into the possibility of using solar cells in the future at its Danish plant.</p> <p>*Look into replacing gas with electricity.</p>	<p>Contact authorities and local government to learn about possibilities of setting up solar cells and/or cooperating with other companies.</p> <p>Re. Scope 2</p> <p>Lactosan A/S works on electrifying processes in the production to reduce gas consumption and thus to reduce total CO₂ emission. The project depends to a high degree on the availability of energy supplies from the local suppliers which will also be looked into.</p>
Quality education - UN SDG #4	Display the social responsibility by assisting in educating the next generation.	At the Danish plant, it continues to work together with educational institutes to enrol students, trainees or apprentices for a longer or shorter period to work with various tasks and projects related to food.
Gender equality - UN SDG #5	Maintain a good balance of male and female employees in Lactosan companies.	Lactosan Group will keep monitoring the balance.
Decent work - UN SDG #8	When possible, employ people with physical, social or other disabilities.	Lactosan Denmark is a Code of Care Ambassador. In 2023, it will employ one person and keep monitoring the tasks in the company to see if Code of Care employment is possible in future.

Lactosan Group recognises and performs the obligations it has towards its stakeholders, i.e. its employees, owners, customers, suppliers, the local community and others. Lactosan Group believes its reputation, together with the trust and confidence of its stakeholders, to be one of its most valuable assets.

2022 was a busy year for Lactosan Group as it navigated through turbulent raw material and energy markets in a post COVID-19 arena.

At the same time, the HQ made efforts towards the green agenda. Lactosan Group has evaluated its materiality matrix in terms of the material issues that are believed to be critical to stakeholders and its own business.

Being a manufacturer of food ingredients, it is paramount that its products do not compromise the health and safety of its customers and end-consumers. Therefore, Lactosan Group continuously puts huge efforts into securing the highest standards of quality

control, food safety and product traceability.

At the HQ in Denmark, a commitment towards CO₂-emissions has been made with the aim to limit the global temperature rise to 1.5 °C by 2030 in compliance with the Paris Agreement. Lactosan Group will work closely together with partners and experts within this field to find ways to reduce particularly Scope 1 emissions by 50% in 2030. The Scope 3 CO₂ emission reduction targets (30%) is highly dependent on parties particularly in the raw material market and will be monitored to find the best solutions how to minimise emissions in its value chain.

The people of Lactosan Group are the foundation of its success and therefore, their safety and health at work is paramount. Hence, Lactosan will maintain its focus on occupational health and safety with the continuous target of maintaining zero work-related fatal accidents at all times.

LACTOSAN

Company Karma Projects & Initiatives

COMPANY KARMA

EMPLOYEE KARMA COMMITMENT

Lactosan Group believes that the Company Karma work and how to be more sustainable is a team effort. The internal initiative to engage employees at all levels was kicked-off in Denmark in 2019 with a workshop. The purpose was to get input and raise awareness on how it as a company and the employees as individuals can think more sustainably. Today, Lactosan Group works according to the input from the workshop and continually investigates areas for improvements based on input from employees. Lactosan Group has defined areas in which to work more sustainably as laid forth in this report.

WORK ENVIRONMENT

Lactosan in Denmark has ongoing workshops to work with teamwork at all levels of the company and ambassadors among employees have been trained to facilitate teamwork workshops and to take care of all matters related to the wellbeing of the employees.

HQ SPONSORSHIPS

In 2022, Lactosan in Denmark supported:

- Red Cross Youth Club: <https://www.urk.dk/>
- The Foundation for Muscular Disease: <https://muskelsvindfonden.dk/hvad-er-muskelsvind/>
- Danske Hospitalskløvnere (Danish Hospital Clowns): <https://danskehospitalsklovne.dk/>
- McDonald Børnehus (Ronald McDonald House): <https://rmbornefond.dk/husene/ronald-mcdonald-hus-odense/det-kommende-hus-i-odense/>

DAIRY WITHOUT BORDERS - NEW COMPANY KARMA PROJECT

In 2023, Lactosan Group will enter into a sponsorship with the Danish NGO Dairy without Borders, which focuses on establishing and supporting minor local projects within the milk and dairy sector in selected developing countries.

The projects focus on:

- Transferring skills, knowledge and/or training in the milk and dairy sector.
- Creating economically and environmentally sustainable projects that contribute to lift small local communities to a higher level in terms of use, processing, storage and possible sales of their dairy products.
- Supporting an organisational approach to the projects with the aim of securing knowledge sharing and long-term management inspired by the Danish cooperative tradition.
- Involving women in the projects is a prevalent focus where relevant.

The projects do not have any commercial character.

AMBASSADORS 2022

Lactosan A/S is a Code of Care ambassador: <https://codeofcare.dk/>

URUGUAY SPONSORSHIPS 2022

In Uruguay, an initiative was made to donate old and useless computers to an institution which focuses on educational robotics and uses this type of material to teach kids and teenagers.



PHOTO CREDIT: LACTOSAN - PEOPLE AT THE HQ, DENMARK, RINGE

ABOUT OVODAN EGG GROUP

OVODAN EGG GROUP provides egg ingredients solutions for use predominantly in the food and food service industry. Solutions include various types of liquid egg products, egg powdered products and pre-cooked products, which are provided to clients all over the world.

Eggs are included as an ingredient due to its nutritional values and functionalities such as texture, stability, colour and taste. For decades, OVODAN EGG GROUP has achieved extensive knowhow about how to process and optimise its egg products to meet the customer-specific requirements. Due to this, the OVODAN EGG GROUP quality control has become a cornerstone in its business. The prioritised safety of its products has allowed OVODAN EGG GROUP to provide egg products for highly demanding customers in the sectors of bakery and confectionary, convenience meals, fine food, meat, fish and substitutes, food preservation and health care.

In a world with increased awareness of food loss and food waste, OVODAN EGG GROUP also feels obligated to support customers in the change from liquid egg solutions to egg powder products. OVODAN EGG GROUP egg powder provides a convenient solution for the food manufacturing where optimisation of processing and minimisation of waste is fundamental. Additionally, OVODAN EGG GROUP activities also include extraction of the Lysozyme protein from eggs; a natural food additive that prolongs shelf life due to its powerful antimicrobial properties.

The explorative parts of OVODAN EGG GROUP are continuously developing. For instance, by utilising egg yolk to develop antibodies for use in diagnostics, the GROUP has entered the biotech industry. Also, by means of other projects, the company is focusing to minimise waste by better usage of egg shells and egg membranes for use in non-food applications.

OVODAN EGG GROUP CORE BUSINESS:

Sourcing of raw material

Transportation to the warehouse

Processing of raw material into egg powder solutions

Quality control & Assurance to secure consistent high quality, food safety and traceability

Delivery to the customers

OVODAN EGG GROUP consists of the following companies:

- OVODAN FOODS A/S (Denmark)
- OVODAN EIPRODUKTE GmbH & CO. KG (Germany)
- Productos Danimex (Venezuela)
- OVODAN BIOTECH A/S (Denmark)
- SUZHOU OVODAN FOODS CO. LTD. (China)
- GUANGDONG OVODAN FOODS CO. LTD. (China)
- TAIYO FOOD (Tianjin) CO. LTD. (China)
- NANTONG OVODAN EGG CO. LTD. (China)

COMPANY KARMA ORGANISATION

OVODAN EGG GROUP has decided to align the company's social responsibility within the 17 goals of the UN. Reflecting its commitment to environmental stewardship, OVODAN EGG GROUP has initiated activities to reduce its environmental impacts and streamline processes and aims to develop the tracking and measurement of sustainability initiatives.

The company's Corporate Social Responsibility (CSR) committee represents all manufacturing sites of OVODAN EGG GROUP including plant management, QA, warehouse, sales, finance and communications.

Regional teams gather on a regular basis to evaluate running activities and discuss possible new initiatives. Ahead of the annual reporting, the CSR strategy is evaluated and aligned within the chosen UN goals and targets. Each manager is responsible for his/her area in terms of identifying key focus areas, risks and solutions and bringing them to the meetings.



OVODAN EGG GROUP

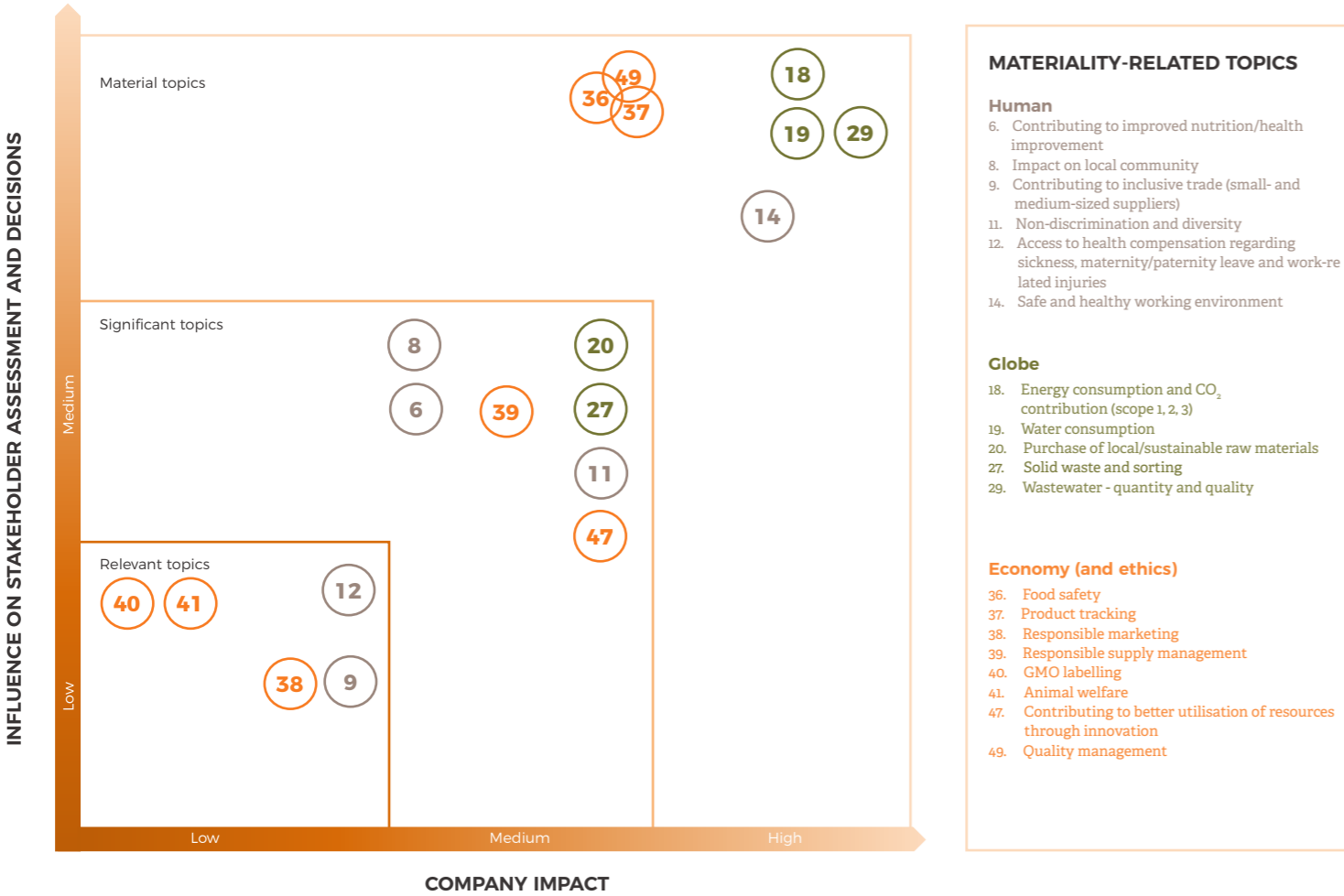
Material Karma Topics

To assess the sustainability factors within the business environment in which OVODAN EGG GROUP operates, it identifies the most relevant environmental and social elements within its value chain and considers the impact OVODAN EGG GROUP has on them, or they have on it. Such impacts can be financial as well as social and environmental and can affect all its stakeholders, including its communities as well as itself through regulations, and its environment. OVODAN EGG GROUP evaluates the karma topics on a regular basis.

INTERNAL AND EXTERNAL FACTORS

When identifying the most material aspects arising from its operations, OVODAN EGG GROUP takes account of internal and external factors. Such factors include the issues identified in the overall vision and mission, vision on sustainability and long-term strategy which governs group behaviour and activities. OVODAN EGG GROUP reviews these material aspects and processes against external developments such as emerging regulation, environmental standards and approaches to certifications.

OVODAN EGG GROUP'S - MATERIALITY MATRIX



OVODAN EGG GROUP

Targets and Key Performance Indicators (KPIs) for the Reporting Period 2022

TARGETS	KPI	ACTIONS	RESULTS
Food safety and quality management UN Sustainable Development Goal (SDG) #2 The objective is to minimise the risk of providing unsafe products to the market and to ensure minimal waste of resources during processing.	Production facilities must be certified at a high level according to a food safety standard recognised by the GFSI.	DK: BRC Global Food Standard audit. DE: BRC Global Food Standard audit.	DK: AA grade (2022: AA grade) DE: A grade (2022: A grade) CH: B grade (2022: B grade)
Safe and healthy working environment UN SDG #8 The objective is to ensure that the work environment remains safe and healthy for employees, to avoid sick leaves and to assist fast recoveries.	Number of sick days (per year per 100 employees). Number of long-term sick leaves. Number of accidents and near misses.	Offering private health care insurance and flu vaccination for employees. Regular health checks are provided by the companies in Venezuela and China. In 2022, long term sick leave and accidents have still been at a low count considering the number of employees, and this must be maintained.	Number of sick days (per working day per 100 employees): • 2022: 2.8 • 2021: 0.96 • 2020: 2.14 Number of long-term sick leaves: • 2022: 15 • 2021: 5 • 2020: 10 Number of accidents and near misses: • 2022: 7 • 2021: 5 • 2020: 2
Energy consumption and CO₂ emissions UN SDG #12 The objective is to monitor the carbon footprint of the OVODAN EGG GROUP processing.	KPI has been redefined according to the initiative of carbon footprint mapping. The consumption of energy in CO ₂ equivalent per ton of processed egg shells.	The process of establishing uniformed measurement for all production sites has been initiated.	The baseline year is 2020: Scope 1 constitutes 6% of the total CO ₂ equivalent, and Scope 2 is 13% across all production sites.

Water consumption UN SDG #12 The objective is to keep water consumption as low as possible without compromising the quality and safety of the final products.	KPI must be redefined to reflect the water consumption based on the types of end products.	Internally treated wastewater is accumulated and reused for circulation cooling and for cleaning non-production equipment, for example the outer sides of containers.	Saving approx. 23,000 tons of water per year.
Wastewater management UN SDG #12 The objective is to ensure that the local water environment is not damaged by the group's activities.	Wastewater quality must meet the standards of local legislation and preferably contribute positively to better handling of local wastewater treatment.	Continuously monitoring the level of temperature, pH, organic material (chemical oxygen demand), nitrogen and phosphorus.	All sites meet local standards.

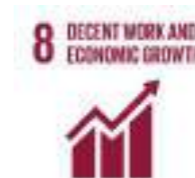


PHOTO CREDIT: OVODAN EGG GROUP

ENVIRONMENTAL RESPONSIBILITY

OVODAN EGG GROUP consists of many companies in different countries around the world. The objective is to run the companies according to local and internationally approved conventions within environmental legislation and regulations. OVODAN EGG GROUP aims to minimise any harmful effects, and to the best of its knowledge, obey the laws and regulations in the countries in which it operates.

In cases where OVODAN EGG GROUP standards exceed the legal requirements, such standards will be followed. As a minimum, OVODAN EGG GROUP expects its suppliers to comply with applicable laws and regulations in the countries in which they operate.

POLICIES TRANSFERRED TO ACTION

OVODAN EGG GROUP continuously evaluates its activities, products and services in terms of actual and potential environmental impacts. During its operations, OVODAN EGG GROUP seeks to identify opportunities to reduce its consumption of energy, water and other natural resources. OVODAN EGG GROUP also strives to reuse and recycle where possible and dispose of non-recyclable items responsibly, thereby minimising its impact on the environment. The intention is to expand this to all companies in the OVODAN EGG GROUP.

Below please find examples of how OVODAN EGG GROUP works to reduce and handle the environmental impact in its daily practices in the facilities:

EXCESS HEAT FROM PROCESSING:

Processing liquid egg into egg powder requires energy in the form of both high and low temperatures. To maximise the utilisation of the processing energy, the excess energy in the form of heat is accumulated and recycled to heat up production facilities.

WASTEWATER MANAGEMENT:

Wastewater from all plants is handled in accordance with local legislation and in close collaboration with the local authorities:

- Wastewater from the Danish egg processing plant is led pre-treated to the municipally water treatment

site. The pH value and organic content are carefully monitored to improve the accumulated wastewater of the local area. The wastewater from OVODAN FOODS A/S neutralise the acidic household wastewater of the local area. This, in addition to the limited organic material, provides optimal conditions for the biological treatment facilities.

- Wastewater from the German processing plant is fully pre-treated before it is led to the public wastewater treatment.
- At the Chinese production sites, wastewater meets Class 1 according to GB standards after the entire treatment process in the factory before it is led out.

SOLID WASTE MANAGEMENT:

To minimise solid waste from production, OVODAN EGG GROUP prefers using packaging suitable for reuse and recycling. Solid waste specific for the OVODAN EGG GROUP activities are recycled if possible:

- OVODAN EGG GROUP sort various types of cardboard, paper, plastic, wood, etc. to either reuse or recycle.
- In Guangdong, product packaging has been exchanged into recyclable cans which has reduced the consumption of cardboard boxes by 4,560 kg in 2021 and in 2022; emissions from wast has reached 0 kg.
- At the German plant, the eggshells from breakage are reused for composting as a rich source of calcium carbonate.

ELECTRIFICATION:

OVODAN EGG GROUP seeks to be able to benefit from renewable energy by removing the dependency of fossil-based production processes. This is done by continuously investing in new electric equipment to replace old fossil-based machinery or by replacing electrified equipment with more energy-efficient models.

- At the German plant, the power-supply for the wastewater treatment system has been replaced by a new energy-efficient electric model.

FOOD LOSS AND FOOD WASTE:

According to the United Nations Environment Programme (UNEP) Food Waste Index, 14% of all

food is lost En route to retail market. This includes storage, transportation, processing and packaging.*(<https://www.ift.org/news-and-publications/food-technology-magazine/issues/2021/december/features/facing-the-food-waste-crisis>). OVODAN EGG GROUP seeks to minimise its contribution to this share by prioritising a high level of process management and process facilities which are audited according to food safety standards recognised by the Global Food Safety Initiative (GFSI):

- German production facilities and processes have been audited according to the British Retail Consortium (BRC) Global Food Safety Standard with an A grade result.
- Danish production facilities and processes have been audited according to the BRC Global Food Safety Standard with an AA grade result.
- Chinese production facilities and processes have been audited according to the BRC Global Food Safety Standard with a B grade result.

CARBON FOOTPRINT

During 2021, OVODAN EGG GROUP initiated mapping the CO₂ equivalents related to its activities. The objective has been to bring clarification of which activities to approach and prioritise actions to reduce the carbon footprint of its activities.

The 2022 calculations of CO₂ equivalents have been carried out according to the Greenhouse Gas (GHG) Protocol and in collaboration with the external consultancy Viegand Maagøe. The initial mapping includes Scopes 1, 2 and 3 with 2020 as the baseline.

The investigations have unveiled that Scope 3 is responsible for the main part of the CO₂ equivalent

emissions (81%). This is mainly due to the supply of raw materials. The direct emissions (Scope 1) account for approx. 6%, the indirect emissions from supplied energy (Scope 2) is 13%. Next to supply of raw materials (75%), transportation of goods (14%) is the second largest emitter within Scope 3.

Fig.1: OVODAN EGG GROUP CO₂ equivalent emission percentage distributed by Scopes 1, 2 and 3.

Fig 2.: CO₂ equivalent emission percentage distributed by Scope 3

FIG.1

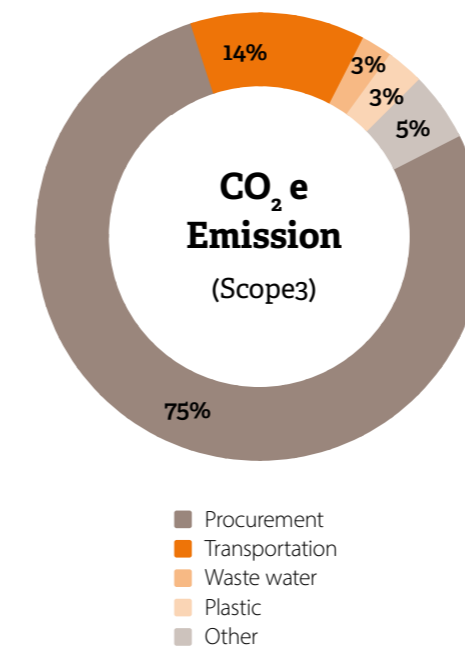
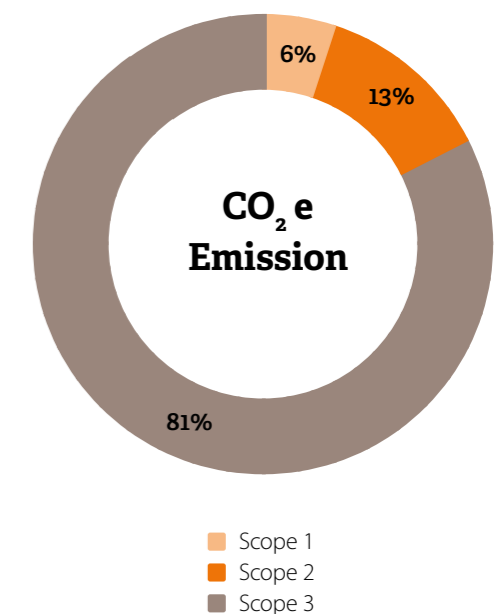


FIG 2.



OVODAN EGG GROUP

Targets for the Coming Period (2023-)

TARGETS

KPI

PLANNED ACTIONS (2023)

Responsible consumption and production UN SDG #12	Food safety – no recalls Pass the yearly BRC audit with AA grade and pass the inspections from the Danish Veterinary and Food Administration (DK). 100% product traceability.	OVODAN EGG GROUP will monitor that it lives up to all the rules and regulations both internally and externally to have no recalls. OVODAN EGG GROUP will follow the Hazard Analysis and Critical Control Points (HACCP) food safety programme to ensure that OVODAN EGG GROUP and its food safety standard will continuously be grade AA. OVODAN EGG GROUP wants to secure 100% product traceability. It will monitor the quality management systems and make sure staff is trained and educated.
Affordable and clean energy and climate action UN SDGs #7 and #13	Mapping of production processes suitable for electrification. Proposals and priority of solutions based on parameters as potential emission reductions, financial investments and implementation feasibility. Reducing the CO ₂ consumption by 8% in 2028.	During 2022-2023, a project regarding mapping of relevant manufacturing processes suitable will be initiated. Proposals to be evaluated and prioritised. Evaluate feasibility of technology transfers to more production sites. Identify possible certificates for supply transitions. Evaluate and focus on Scope 3 for the different sites and find alternate and more sustainable solutions.
Good health and well-being UN SDG #3	Work safety – no fatal accidents and reduce accidents and near misses to reach 2021 level of maximum five accidents and near misses.	OVODAN EGG GROUP will monitor that it lives up to all the rules and regulations incl. training of the staff to reduce the risks.

COMPANY KARMA

Gender equality UN SDG #5	Keep focus on maintaining an equal balance of female and male employees in OVODAN EGG GROUP. In 2022, the representation is 35% women and 65% men. By 2028, the representation must be no less than 40% women and 60% men.	OVODAN EGG GROUP will continuously monitor the balance between the gender representation.
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OVODAN EGG GROUP's passion lies with the egg. As true pioneers in the industry, OVODAN EGG GROUP has extensive knowledge within sustainable egg handling and processing.

For more than 80 years, OVODAN EGG GROUP has built an extensive global network of trusted production facilities and farms to secure a safe and consistent supply to its customers.

OVODAN EGG GROUP goes all the way to secure that its products live up to its customers standards. Therefore, OVODAN EGG GROUP always does its outmost to achieve the highest certifications and the certifications that is required by its customers.

OVODAN EGG GROUP has customers all around the world with different religions and cultures, and it is very important to OVODAN EGG GROUP that it meets the specific requirements. Therefore, OVODAN EGG GROUP is happy to share that not only has it passed the BRC audit, but also kosher and halal certifications have been passed successfully in 2022.

OVODAN EGG GROUP's business success is not solely down to its quality products and pioneering technologies. Above all, it is due to its dedicated employees who, among other things, ensure OVODAN EGG GROUP's factories are safe and its products consistent.

PHOTO CREDIT: OVODAN EGG GROUP BIRD'S VIEW OF OVODAN FACTORY, SHANGHAI, CHINA



A THORNICO COMPANY KARMA PROJECT HEART FOR AFRICA

Project Canaan is Heart for Africa's 2,500-acre large-scale village development project being used to bring HOPE to the tiny Kingdom of Eswatini (formerly Swaziland) by focusing on four key areas: Hunger, Orphans, Poverty and Education. The Heart for Africa Foundation is a non-profit public charity. Working alongside rural churches in Eswatini, the foundation provides care and hope for the future for children in this small African nation by ensuring training and employment while supporting orphans and vulnerable children on the property and across the country.

AIDS and tuberculosis are major problems in Eswatini. In fact, the country has one of the highest HIV/AIDS rates globally. It is estimated that 50% of Eswatini's population are orphans and vulnerable. There are over 200,000 orphans in Eswatini, with a total population of 950,000 having an average life expectancy of 29 years. Young girls become pregnant as they seek help from men to get food for their younger siblings, resulting in early teenage pregnancy and many abandoned babies. (<https://heartforafrica.org/why-eswatini/>).

As of April 2022, Heart for Africa have more than 300 orphaned children who call Project Canaan home and employ 320+ people from the surrounding community. Project Canaan receive a new baby on average every 12 days and by 2031, they expect to have around 669 children. Project Canaan builds houses and schools as the children grow up. The project gives the children a chance to live, grow up and be educated to help break the cycle of ignorance and poverty in their generation.

Project Canaan has its own farm with multiple approaches to agriculture utilising both outdoor and greenhouse crop production, dairy- and egg farming, raising chickens and goats, and producing fruit wherever possible on the land. Proceeds from agriculture are used to help Project Canaan be a sustainable community and help support the children and churches across the country that Heart for Africa has partnered with.

In the THORNICO Group, we are highly involved in this project as it is one of our major Company Karma Projects; cross-linked with our sister companies.

In 2016, SANOVO TECHNOLOGY GROUP donated a complete boiling machine to the egg farm and in 2018, it was followed up by yet another donation; an egg cooling machine. The machines are custom-made by engineers from SANOVO TECHNOLOGY GROUP to accommodate local conditions and the entire operation is supported by solar energy. We are proud to be part of this very hands-on and immensely meaningful project. For us, A Company Karma Project is at its best when a handover of knowledge is involved, just as we experience here where we can hand over our know-how of egg processing to the egg farm in Canaan.

Over the years, we have had some of our good colleagues visiting the project - our CEO and Owner, Christian Stadil, amongst others from the THORNICO Group.



PHOTO CREDIT: HEART FOR AFRICA / PROJECT CANAAN

NEWEST DONATIONS TO PROJECT CANAAN

Heart for Africa

NEW DONATION

In May 2022, the OVODAN EGG GROUP and SANОВО TECHNOLOGY GROUP, a part of our food and egg sector, committed themselves to support the Heart for Africa Foundation and its egg farm at Project Canaan with a 10,000 USD donation from each group company in 2022, 2023 and again in 2024; a total of USD 60,000 donation over the three years. Since it is a very new donation, we are still in the early process of finding the best possible way to spend the funds at Project Canaan and its egg farm.

OVODAN EGG GROUP and SANОВО TECHNOLOGY GROUP are committed to supporting the Heart for Africa Foundation and its Canaan Egg Farm in Eswatini with eggs and egg handling equipment and knowledge.

In 2019/2020, THORNICO donated the funds for building a soccer field at Project Canaan including hummel® soccer-kits for the children to wear on the field. We started clearing the land for the project during our latest THORNICO visit in March 2019. The field has been named The THORNICO Field and the locals involved in the project have made a very beautiful sign by hand to decorate the field area. Since it is a Company Karma Project across the THORNICO Group, we have, as an internal symbol, arranged for all our 100% owned companies to have their own soccer team at Project

Canaan. It is one of the biggest soccer fields in Eswatini and we hope that it will bring a strong team spirit, joy and confidence among the children. Sport is for everyone, enhancing mental health by delivering social, psychological and physiological benefits.

A very special thanks to Janine and Ian Maxwell and their fantastic employees and volunteers. Without these balls of fire who have dedicated their entire life to helping the children of Eswatini and changing not only their lives but also the country for the better with their holistic approach. We can only hope for a better tomorrow, but we know as long as we have kind, selfless and loving people, the children will be okay. Without Janine and Ian none of this would be possible and on behalf of the THORNICO Group we thank you for that.

The support for the Heart for Africa Foundation and its Project Canaan in Eswatini is matched with UN SDG #2 – Zero Hunger and #3 – Good Health and Well Being.

We are very thankful for the opportunity to help spread good karma with eggs and through sport - we are looking forward to continuing our collaboration with Heart for Africa, co-creating a better future for Eswatini and the children and locals in and around Project Canaan.



PHOTO CREDIT: HEART FOR AFRICA / PROJECT CANAAN

SPORT & FASHION

THROUGH HUMMEL®, WE HAVE A LONG TRADITION OF DESIGNING AND MANUFACTURING SPORTS AND FOOTWEAR. WE HAVE BECOME AN IMPORTANT PART OF THE INTERNATIONAL SPORTS COMMUNITY AND SHARED HISTORICAL MOMENTS WITH MANY OF THE WORLD'S GREATEST ATHLETES AND SPORTS CHARACTERS. FOCUSING ON INNOVATION AND MEETING MARKET TRENDS, WE HAVE MERGED SPORT AND FASHION INTO OUR PRODUCTS, ALWAYS ADDING AN ELEMENT OF QUIRKINESS AND KARMA WITH CREATIVE PROJECTS AND LIFE-AFFIRMING SOCIAL CAUSES.



ABOUT HUMMEL

Change the World Through Sport

hummel® is a sports brand with a long history within the sportswear industry. 100 years to be exact. hummel®'s business model is a combination of B2B (wholesale) and B2C (retail and ecommerce), designing and selling own brand apparel, footwear and sporting goods. The company's main activities include product design and development, sales, marketing and distribution.

hummel® produces all its own brand items through carefully selected vendors based in mainly Pakistan, China, Bangladesh, India, Turkey and Portugal and sells them through a mix of its own channels (ecommerce and stores in Denmark) as well as online marketplaces, department stores and sportswear chains across the globe.

hummel® believes that you get what you give. That is why hummel® is committed to doing business while doing good in the world. It is hummel®'s mission.

COMPANY KARMA ORGANISATION

At hummel®, the Company Karma area is split across three functions in line with its Corporate Social Responsibility (CSR) and sustainability strategy. hummel® calls these functions People, Planet and Purpose.



WE BELIEVE THAT YOU GET WHAT YOU GIVE. THAT'S WHY WE'RE COMMITTED TO DOING BUSINESS WHILE DOING GOOD IN THE WORLD. IT'S OUR MISSION.



The CSR and sustainability strategy supports its overarching business goals and includes clear, realistic and measurable goals.

The Director of Group Marketing and Brand Identity, reporting directly to the CEO, is overall responsible for the Purpose projects such as charitable global sponsor and partnerships.

The Chief HR Officer (CHO) is responsible for 'People internal', the people working for hummel®.

The Director of Group Buying and CSR, reporting to the Chief Operating Officer (COO), is overall responsible for 'People External' (the people involved in making hummel®'s products) and 'Planet'. This includes ensuring full compliance with its code of conduct, supplier manual, safety manual, chemical restrictions as well as factory audits. Its combined CSR and sustainability strategy additionally covers Green House Gas (GHG) emission reduction targets, including targets on increasing its share of organic and recycled polyester, more efficient production methods, researching more environmentally friendly materials and recycling methods.

A comprehensive plan for how hummel® will achieve its long- and short-term goals on both People, Planet and Purpose is in place, prioritising key focus areas and risk mitigation.



COVER PHOTO CREDIT: HUMMEL X AMNESTY



PHOTO CREDIT: HUMMEL, COPENHAGEN 2021

HUMMEL

Material Karma Topics

PEOPLE INTERNAL: RESPONSIBLE EMPLOYER

UN Sustainable Development Goals (SDGs): #3 (good health and well-being) and #4 (quality education)

- Ensuring hummel® is an inclusive, safe and healthy place to work.
- Offering all employees a clear career path and continuing education.

PEOPLE EXTERNAL: RESPONSIBLE PRODUCTION

UN SDGs: #3 (good health and well-being) and #8 (decent work and economic growth)

- Identifying, preventing and mitigating adverse human rights impacts in hummel®'s supply chain.
- Ensuring the right to occupational health and safety.
- Ensuring minimum wage.

PLANET: GREEN HOUSE GAS EMISSION REDUCTIONS

UN SDG: #13 (climate action)

- Reducing the CO₂ emissions for Scopes 1 and 2 by 60% by 2031.
- Reducing Scope 3 GHG emissions from purchased goods and services by 55% per purchased item by 2031.
- Increasing the use of recycled and organic fibres.
- Encouraging the use of green energy and more energy-efficient machinery.
- Encouraging business partners to set goals for CO₂ emission reduction.

- Using recycled and recyclable packaging.

PLANET: PROTECTION OF NATURAL RESOURCES

UN SDGs: #13 (climate action), #14 (life below water) and #15 (life on land)

- Designing for circularity and durability.
- Encouraging and give preference to factories with reduced water usage in production and wastewater treatment systems.

PLANET: PROTECTION OF THE ENVIRONMENT AND BIODIVERSITY

UN SDGs: #3 (good health and well-being), #12 (responsible consumption and production), #14 (life below water) and #15 (life on land)

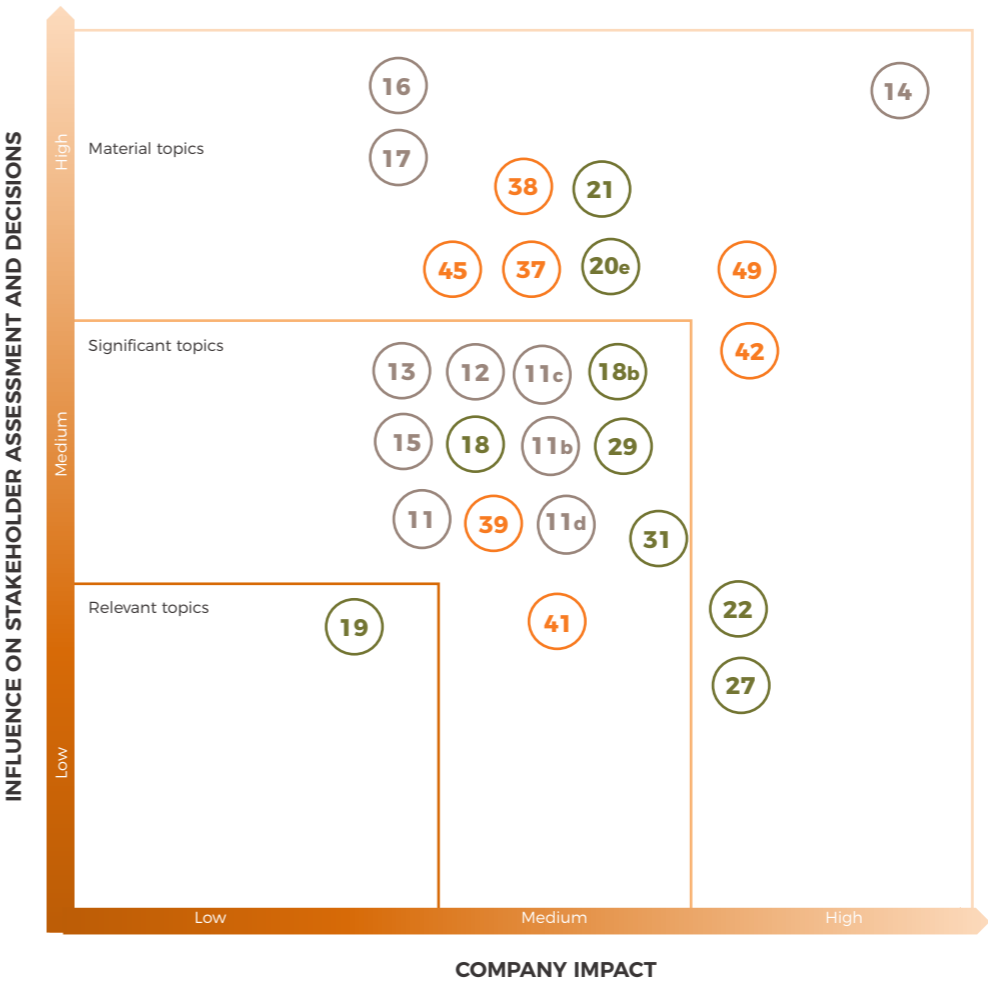
- Eliminating the use of synthetic pesticides and fertilisers in cotton used for hummel® products.
- Ensuring full compliance with hummel®'s chemical restrictions.

PURPOSE: CHANGE THE WORLD THROUGH SPORT

UN SDGs: #3 (good health and well-being), #5 (gender equality) and #10 (reduced inequalities)Working for equal rights for everyone.

- Promoting inclusivity.
- Supporting projects through sports which raise the quality of life.

HUMMEL'S - MATERIALITY MATRIX



MATERIALITY-RELATED TOPICS

- Human**
- 8. Impact on local community
 - 8b. Forced reassignment
 - 11. Non-discrimination and diversity
 - 11b. Equal pay for equal work
 - 11c. Women's rights
 - 11d. Inclusion
 - 12. Access to health compensation regarding sickness, maternity/paternity leave and work-related injuries
 - 13. Working hours and compensation overtime
 - 14. Safe and healthy working environment
 - 15. Freedom of organisation
 - 16. Child labour
 - 17. Forced labour

- Globe**
- 18. Energy consumption and CO₂ contribution (scope 1, 2, 3)
 - 18b. Energy consumption, renewable energy sources
 - 19. Water consumption
 - 20e. Degree of reutilisation or recycling of raw material consumption
 - 21. Chemical use
 - 22. Packaging
 - 27. Solid waste and sorting
 - 29. Wastewater - quantity and quality
 - 31. Biodiversity impact

- Economy (and ethics)**
- 37. Product tracking
 - 38. Responsible marketing
 - 39. Responsible supply management
 - 41. Animal welfare
 - 42. Responsible business conduct
 - 45. Extortion and exploitation (corruption)
 - 49. Quality management

HUMMEL

Targets and Key Performance Indicators (KPIs) for the Reporting Period 2022

TARGETS	KPI	ACTIONS	RESULTS
Maintain full visibility of hummel®'s first tier supply chain and start mapping second tier SDGs #8 and #12	Data: 100% of first tier and 50% of second tier suppliers.	<p>Maintained contact to suppliers for updates and verification of factories used for production.</p> <p>The CSR team visited factory sites for location validation and check.</p> <p>Used GRS, RCS, GOTS, OCS for traceability of supply chain.</p>	<p>Obtained solid data on approximately 95% of first tier suppliers. Currently in process of mapping the remaining 5%.</p> <p>Obtained data on about 50% of second tier suppliers by value.</p>
Ensure safe and fair working conditions at 100% of hummel®'s first tier suppliers SDGs #3, #8 and #12	Audit reports: 100% of first tier.	<p>Organised suppliers for clear visibility of valid audits, expired audits and no audits.</p> <p>Requested audit reports or renewal of audits from relevant suppliers.</p> <p>Made audit reports an integrated part of supplier vetting.</p>	<p>Ensured 18 out of 19 A suppliers had a third party audit. 14 out of 19 had a valid audit.</p> <p>17 out of 19 B suppliers had an audit. 14 out of 19 had a valid third party audit.</p> <p>43 out of 58 C suppliers had a third party audit and at a minimum, valid SGS or hummel® audits.</p>
Educate and engage all hummel® employees in hummel®'s CSR strategy SDGs #8 and #12	CSR guide, workshop.	<p>Due diligence workshops were conducted for relevant HQ staff and country offices.</p>	<p>Created a basic understanding of responsible business conduct among hummel® staff.</p> <p>Made concepts of due diligence and human rights a recognisable and integrated part of hummel® staff's thinking.</p>
Show accountability through transparent and accurate communication to the end consumer SDGs #8 and #12	A new sustainability section on hummel®, HALO, Newline and Sometime Soon websites.	A Karma section was launched on the hummel® website. The section describes hummel®'s social and environmental goals and strategies.	Achieved its goal on hummel®'s website and will continue to keep it updated with latest initiatives.



Continuously educate and develop all hummel® employees SDG #8	Min. eight promotions annually, hiring 90% of hummel®'s trainees permanently, launch hummel® academy.	Hired 95% of hummel® trainees and promoted more than 20 employees.	Hired 95% of hummel® trainees and promoted more than 20 employees. The academy is still in process of being developed.
Ensure that hummel® is an inclusive and safe place to work SDGs #5, #8 and #10	Launch an annual 'Change the World through Sports' day, score of 85 in employee satisfaction survey on collaboration.	Promoted inclusivity in the workplace through bringing its employees together across functions/levels and through social events.	Successfully launched a 'Change the World through Sports' day and decided to make it a biannual event.
Set Green House Gas emission reduction targets for the future SDG #13	SBTi targets.	hummel® prepared its CO ₂ reduction goal through the Science Based Targets initiative (SBTi) and made a public commitment.	hummel® is now publicly committed to the Science Based Targets initiative and its target validation is in process (hummel®'s targets were validated in February 2023 and will be published soon).
Reduce hummel®'s GHG emissions within Scopes 1 and 2 of the GHG protocol by 60% by 2030 SDG #13	10% reduction in GHG Scopes 1 and 2.	hummel® moved into a new warehouse in July. The new warehouse has solar panels on the roof.	Impact is yet to be seen.
Reduce hummel®'s GHG emissions within Scope 3 of the GHG protocol by 30% by 2030 SDG #12 and #13	5% reduction in GHG Scope 3.	Increased the overall share of recycled and organic cotton and hummel® encouraged its supplier to use green energy sources.	The target for Scope 3 has been updated during the SBTi target validation process. Positive progress has been made when measuring CO ₂ emissions per item, but the overall emissions in Scope 3 saw an expected increase following an increase in sold items.
Increase hummel®'s usage of 'more sustainable' materials in apparel SDGs #12 and #13	11% organic/recycled cotton and 10% recycled synthetic fibres.	Increased the share of organic and recycled fibres.	Recycled polyester reached around 11% of total polyester, whereas organic cotton reached 8.7% of total cotton. The target is a two-year target, running till the end of 2023.

Work towards a circular economy SDGs #12 and #13	20% sweat options in mono-fibres.	hummel® diverted its focus on this point to increasing the amount of organic fibres in its sweat options.	hummel® did not meet this target.
Make all packaging and labelling from recycled and recyclable materials SDGs #12 and #13	100% packaging and labelling materials made from recycled materials.	Launched new hangtags in 100% recycled and recyclable paper.	Met hummel®'s targets on labelling and most packaging, however encountered a few challenges, such as the fact that maximum recycled content in shoe boxes is 70% due to quality requirements.
Introduce water saving processes and protect clean water reserves SDGs #6, #12, #13 and #14	Trial water saving processes with two suppliers, collect waste-water data from top five suppliers.	Visited its top suppliers wastewater systems in Bangladesh and India.	All of hummel®'s suppliers with vertical set-ups have wastewater treatment systems. hummel® has yet to start collecting data on this.
Eliminate synthetic pesticides and fertilisers in hummel®'s products SDGs #12, #13 and #15	Conventional cotton share in KIDS collections less than 30%, GOTS certification KIDS AW23.	Increased the share of organic cotton substantially.	Currently, the kids department is at 44% organic cotton out of all cotton. Target runs till the end of 2023. Certification process has yet to start.
Ensure full compliance with hummel®'s chemical restrictions list and EU regulations SDG #3, #12 and #13	15 footwear options tested in 2022 and 20 footwear options tested in 2023.	Secured an increased budget for testing.	20 plus footwear styles covering all footwear types are being tested in 2023.
Make a donation to one or more organisations who are making a positive difference through sport. SDG #17	1% of its annual ecommerce turnover donated to one or more good causes.	Donated 1% of its online turnover in Q4 2022 to Amnesty International Denmark. Moreover, it donated all profit from the hummel® x Amnesty lifestyle collection to Amnesty's work for human rights.	Donated 1% of its own ecommerce turnover to purpose-related projects.



Engage in a partnership with a higher purpose within sport in line with its vision to CTWTS. They either challenge conventions, support the disabled or disadvantaged, seek to bring people together or work to eliminate differences SDG #17	One purpose partnership/ year.	Entered into a collaboration with Amnesty International to raise awareness of human rights.	Signed a two-year cooperation agreement with Amnesty International Denmark and agreed on milestones with emphasis on hummel®’s due diligence process.
Engage in sponsorships with a higher purpose within sport in line with its vision to CTWTS. They either challenge conventions, support the disabled or disadvantaged, seek to bring people together or work to eliminate differences SDG #17	Two purpose sponsorships/ year.	Recreated the Afghan Women’s National Football Team in Australia and came back as a sponsor for the team to support their fight for equality. Moreover, hummel® has helped facilitating the internationalisation of ‘LykkeLiga’ to ‘HappyLeague’.	Met hummel®’s goal of two globally relevant international ‘Purpose Sponsorships’ in 2022.

As part from the above-mentioned activities, hummel® is participating in an industry-wide research project on recycling post-consumer polyester and cotton garments into new fibres to help drive innovation in the industry and push the circular agenda. The project is led by the Danish Technological Institute and subsidised by the Danish Environmental Protection Agency.

Additionally, hummel® is a member of International Accord in Bangladesh and has signed up for the extended International Accord in Pakistan launching in 2023. International Accord is an agreement between

brands, retailers and global trade unions to ensure occupational health and safety at textile and garment factories supplying Accord signatory brands and retailers.

hummel® also entered into a partnership with Amnesty International Denmark. The partnership entails that hummel® will use its sports platform to create attention around human rights concerns, to create clothing collections with Amnesty where the profits will go to Amnesty and to donate around 1% of hummel®’s online turnover.

TARGETS

KPI

PLANNED ACTIONS

Maintain full visibility of hummel®'s first tier supply chain and start mapping second tier	<p>Maintain 100% visibility of first tier suppliers.</p> <p>Map 100% visibility over vertical set-up suppliers.</p> <p>Maintain beyond first and second tier for popular items.</p>	<ul style="list-style-type: none"> - Send out traceability forms post-factory visits. Ask CSR counterparts to fill out the form with first, second, third and fourth tier to the best of their ability. • Clearly mark suppliers with vertical set-ups. • Clearly indicate active/inactive suppliers. • Increase transparency of factories used by agents.
Ensure safe and fair working conditions at 100% of hummel®'s first tier suppliers	Maintain a form of audit for 100% of first tier suppliers.	<ul style="list-style-type: none"> • Visit suppliers and engage in labour rights dialogues. • Maintain third party audits for all A and B suppliers and ensure C suppliers get an upgraded self-assessment or SGS or hummel® audit.
Educate and engage all hummel® employees in its CSR strategy	100% relevant hummel® staff, both HQ and external offices, must take the CSR test and participate in CSR related workshops.	<ul style="list-style-type: none"> • Create and roll out online CSR test. • Conduct annual CSR related workshops.
Show accountability through transparent and accurate communication to the end consumer	<p>Publish 2022 CO₂ emission reduction results on hummel®'s webpage.</p> <p>Increase communication regarding hummel®'s products while complying with potential green claims legislation.</p>	<ul style="list-style-type: none"> • Write CO₂ emission reduction report for webpage based on 2021-2022 and future plans. • Ensure website shares factual accurate information related to hummel®'s products.
Identify, mitigate and stop potential and actual human rights and environmental risks in hummel®'s value chain	Integrate human rights and environmental rights risk system into buying practices.	<ul style="list-style-type: none"> • Post human rights policy commitment on hummel®'s website. • Continue mapping hummel®'s value chain upstream and downstream. • Identify largest actual and potential risks in its value chain, and ensure preventative actions are taken. Stop or mitigate actual violations. • Create better communication between hummel®'s CSR team and workers in its value chain.

Continuously educate and develop all hummel® employees	Introduce global learning and development activities to all subsidiaries by Q1 2024 to support all HR processes including both online and offline training.	<ul style="list-style-type: none"> • Introduce global HR platform. • Offer both online and offline training globally
Ensure that hummel® is an inclusive and safe place to work	<p>All employees should experience that all have equal opportunities for leadership roles.</p> <p>The under-represented gender should make up a minimum of 20% in its management.</p>	<ul style="list-style-type: none"> • Conduct thorough recruitment process for both internal and external positions including assessment and personality profiling to ensure unbiased recruitments. • Continue to focus on promoting the under-represented gender in managerial positions by focusing on diversity in the recruitment process and making sure the under-represented gender is present on the short list for managerial positions. However, at all times, hire/promote the best candidate regardless of gender.
Set Green House Gas (GHG) emission reduction targets for the future	Communicate hummel®'s validated Science Based Targets initiative (SBTi) targets.	<ul style="list-style-type: none"> • Create a report for annual publication.
Reduce hummel®'s GHG emissions within Scopes 1 and 2 of the GHG protocol by 60% by 2031	Positive movement on SBTi Scopes 1 and 2 targets.	<ul style="list-style-type: none"> • Obtain documentation of green energy. • Encourage hummel® external offices to buy green energy.
Reduce hummel®'s GHG emissions within Scope 3 of the GHG protocol by 55% per item sold	<p>Aim for 10% recycled fibres and 11% organic cotton.</p> <p>Get two or more suppliers to commit to the Science Based Targets initiative.</p>	<ul style="list-style-type: none"> • Increase share of organic cotton. • Increase share of recycled polyester. • Map factories that use green energy sources. • Encourage suppliers to conduct GHG accounting and signing up for SBTi.
Work towards a circular economy	One product made from fibres from recycled garments	<ul style="list-style-type: none"> • Conduct meetings with potential partners and agree on a pilot program.
Make all packaging and labelling from recycled and recyclable materials	100% of hangtags, labels and packaging to be from recycled materials. 70% of shoe boxes to be recycled content.	<ul style="list-style-type: none"> • Maintain hummel®'s standard of using recycled and recyclable materials.

Introduce water-saving processes and protect clean water reserves	Collect data on 25% suppliers without wastewater systems.	<ul style="list-style-type: none">• Keep an updated overview of suppliers and their water saving and water cleaning facilities.
Eliminate synthetic pesticides and fertilisers in hummel® products	Start GOTS certification process.	<ul style="list-style-type: none">• Continue to give preference to organic materials, especially in hummel® KIDS, and research GOTS certification.
Ensure full compliance with hummel®'s chemical restrictions list and EU regulations	A minimum of 20 footwear styles covering all footwear types to be tested in 2023.	<ul style="list-style-type: none">• Expand hummel®'s testing programme on both apparel and footwear increasing the number of annual chemical tests.
Use its sponsorship clubs to raise awareness around relevant projects and challenges that support hummel®'s vision of changing the world through sport	Ensure that hummel®'s first tier and second tier sponsorships with their large fan base contribute to the success of hummel®'s purpose-driven projects that align with its shared values.	<ul style="list-style-type: none">• Reach out to hummel®'s sponsorship clubs and identify potential opportunities to collaborate on purpose-driven projects.
Engage in purpose projects with a higher purpose in line with hummel®'s vision to CTWTS. They either challenge conventions, support the disabled or disadvantaged, seek to bring people together or work to eliminate differences	<p>Ensure that hummel® selects projects that can effectively enhance its brand perception.</p> <p>Increase employee involvement in its purpose-driven projects.</p>	<ul style="list-style-type: none">• Create a list of relevant projects and challenges related to sports that align with hummel®'s vision.• Explore various solutions to increase employee participation in its projects.

In the coming year, hummel® will increase its focus on the legal aspects of CSR and the reporting requirements coming from the European Union. The focus will especially be the Corporate Sustainability Reporting Directive (CSRD), Corporate Sustainability Due Diligence (CSDD), the textile strategy and the green claims legislation. This involves formalising processes for mapping hummel®'s value chain and identifying, preventing and mitigating potential and actual adverse impacts. Concepts of human rights, due diligence, responsible business conduct and social sustainability must become an integrated way of thinking at hummel®. Furthermore, hummel® will continue its support to the International Accord in Bangladesh and Pakistan in 2023.

Reaching its CO₂ reduction targets under the Science Based Targets initiative will also play an increased role in hummel®'s climate policies and buying practices as selecting and supporting hummel®'s suppliers towards a greener production will be a core strategy in its climate efforts.

There will be an increased focus on circular textiles and working towards compliance with EU's textile strategy. This also includes an increased focus on keeping a record of certifications and working towards hummel® being GOTS and GRS certified. Moreover, hummel® will continue to participate in the industry-wide research project on recycling post-consumer polyester and cotton garments into new fibres led by the Danish Technological Institute and subsidised by the Danish Environmental Protection Agency.

hummel®'s 2023 targets are limited to one year as it is already building on targets from the 2021-2023 target period. As a significant number of new laws related to social sustainability will be presented in the coming year, hummel® will work towards the already set targets while it gets an overview of the new regulations and before working on new long-term targets for hummel®.

PHOTO CREDIT: HUMMEL X AMNESTY





HUMMEL

Company Karma Projects & Initiatives

Its purpose projects are inextricably interconnected with hummel's vision to change the world through sport. Since its current owner acquired the company back in 1999, Company Karma has been a solid corner stoner in the hummel® business strategy.

hummel® has worked on a ton of valuable projects and typically, hummel® prioritises supporting and helping minorities and marginalised groups. What unites all those people and projects is their deep, true passion for sport.

PURPOSE PROJECTS 2022

AMNESTY INTERNATIONAL DENMARK

hummel's purpose is to move the world forward through the power of sport, and as one of the oldest sportswear brands in the world, hummel® knows that it requires a solid team effort to create positive change in sport as well as in life. That is also why, hummel® has teamed up with Amnesty International Denmark for the next two years to raise awareness of human rights. To mark the new partnership, hummel® designed an exclusive hummel® x Amnesty lifestyle collection and donated all profit from the collection directly to Amnesty's work for a just world.

AFGHAN WOMEN'S NATIONAL FOOTBALL TEAM

After the Taliban took control of Afghanistan in August 2021, the women's national football team suddenly lost their rights to play football in their home country. To keep acknowledging them as the official national team, hummel® brought the team back together in Australia and provided them with a new statement logo for their national team jersey. Unfortunately, hummel® had to cancel its sponsorship with the team in 2018 due to a sexual abuse scandal in the Afghan Football Federation, but the Afghan women never left hummel's hearts. hummel® is proud to be back as a sponsor for the team and support their fight for equality.

HAPPYLEAGUE

LykkeLiga is grounded in the joy and happiness of sport and team spirit. Driven by passionate souls who fight tirelessly to provide ALL children with the opportunity to play sport and feel the joy of being part of a team. As main sponsors of LykkeLiga in Denmark, hummel® is happy to be a part of the next chapter as LykkeLiga has now spread across borders. In 2022, hummel® has helped facilitate the internationalisation of 'LykkeLiga' to 'HappyLeague'. hummel® looks forward to seeing this fantastic community growing even bigger in the coming years.

THE DANISH HOMELESS TEAM

In 2022, hummel® extended its sponsorship with the Danish National Homeless Team, which means that the contract now runs until 2025. This was secured through an agreement between hummel® and the OMBOLD (RE-BALL) NGO, which selects and trains the National Homeless Football Team. With the partnership, hummel® and OMBOLD also want to focus further on their shared mission of changing the world through sport.

FANT - FOR A NEW TOMORROW

FANT, hummel® and the International Handball Federation (IHF) continued its 'Player of the Match' award initiative at the 2022 IHF Men's World Championship in Sweden and Poland. After each game, the named Player of The Match got the opportunity to pass on talent and passion for handball to the next generation with a donation of handball® equipment to the FANT organisation. This applied to all 112 matches at the tournament. The event is the fifth senior IHF World Championship to feature the reimagined award and the fourth that will benefit FANT.

REAL ESTATE

THROUGH STANICO, WE MANAGE THE FINANCIAL, COMMERCIAL AND TECHNICAL MATTERS OF OUR VAST REAL ESTATE PORTFOLIO CONSTITUTING A MIX OF OFFICES, INDUSTRIAL AND RESIDENTIAL PROPERTIES. WE ALWAYS AIM AT FINDING SOLUTIONS IN ACCORDANCE WITH OUR DIFFERENT TYPES OF TENANTS, MAINTAINING GOOD RELATIONS WITH THE PEOPLE WHO CALL OUR BUILDINGS 'HOME'. WITH A SUSTAINABLE AND GREEN MINDSET, WE HAVE INTRODUCED SOME OF THE WORLD'S MOST INNOVATIVE GREEN PROJECTS IN OUR BUILDINGS, MERGING CONCRETE WITH NATURE IN THE URBAN ENVIRONMENT.



ABOUT STANICO

STANICO handles the financial, commercial and technical matters of most of THORNICO's real estate portfolio. More specifically, it is in charge of the management, leasing and maintenance of the THORNICO Building and the THORNICO T(W)O in Rotterdam and the Danish portfolio mix of offices, industrial and residential properties.

The THORNICO Building is a typical multi-tenant office building located in the centre of Rotterdam. It was constructed in the mid-1970s and acquired by the THORNICO Group in the late '80s. The THORNICO Building has gradually developed from a massive office building built in the post-war redevelopment programme of Rotterdam to a green and highly recognised landmark of the city. With 30,000 square metres of rentable space and a parking garage for about 800 cars, the THORNICO Building is one of the biggest of its kind in the heart of the city. The THORNICO Building is used by approximately 25 different companies ranging from small start-ups to larger entities in the field of various services, commercial businesses, restaurants and various medical services.

Last year, 850 square metres of vacant premises on the ground floor were transformed into a social space for the tenants in the building with a meet and greet lounge, meeting rooms, shower rooms, etc. Three new offices facing the street were also established.

The Rotterdam portfolio also consists of a neighbouring building, named THORNICO T(W)O. Although size-wise not a huge building, the THORNICO T(W)O is one of Rotterdam's architectural landmarks by design and location. Amidst office high rises and dark alleys, the building functions as a 54 metres deep, but only 5 metres wide three-storey office/workshop annexe with a penthouse apartment on top. With the two buildings, STANICO holds a unique position in Rotterdam's sustainable and cultural development.

In Denmark, the STANICO administration is located in Odense along with THORNICO HQ among others. STANICO also houses the THORNICO Copenhagen based hub with several of the THORNICO Group companies,

a magnificent property of 916 square metres erected in 1912, located on Svanemøllevej – one of the most distinctive and iconic residential roads in Copenhagen.

In addition, a subsidiary of STANICO, STANICO SOUTH, has built a new distribution centre for hummel® in Padborg, Denmark. The building was completed in the summer of 2022.

The property was built with sustainability in mind, including solar panels and heat pumps, and has obtained the A2015 energy label, which means that STANICO could obtain a 'green loan' on the property.

The Danish portfolio consists of about 200 leases at 18 different properties in Jutland, Funen and Zealand.

COMPANY KARMA ORGANISATION

STANICO has transformed grey concrete into living greenery in its Rotterdam properties and will continue to do so in the future. With these efforts, STANICO is working to improve the environment both inside the building and outside in the urban environment.

In 2021, STANICO initiated various studies on sustainable and green measures for its property portfolio in Denmark. It is a long-term process which is still ongoing. However, STANICO has decided on concrete sustainable measures for some of the properties described in this Company Karma Report. report.

STANICO is a small organisation when it comes to employees. As mentioned above, STANICO has its administration in both Rotterdam, the Netherlands and in Odense, Denmark which means that the responsibility regarding Company Karma and related sustainable activities lies in both countries, though the overall responsibility is placed at the CEO level. Due to few employees and a flat organisational structure, the relevant Company Karma focus areas are assessed and discussed through continuous communication and at meetings throughout the year in line with other business activities.



PHOTO CREDIT: STANICO - THORNICO BUILDING GROUND FLOOR

STANICO

Material Karma Topics

In STANICO, an assessment of material and significant karma topics was revised in 2021. The material topics are the ones considered the most important for reflecting STANICO's impact on 'Human', 'Globe' and 'Economy' from a stakeholder perspective as well as for the company itself. The identified material topics for STANICO lie within 'globe' since that is where the real estate business has the highest impact. According to The European Commission, buildings are responsible for approximately 40% of the energy consumption and 36% of the CO₂ emissions in the EU (https://commission.europa.eu/news/focus-energy-efficiency-buildings-2020-02-17_en).

STANICO'S - MATERIALITY MATRIX

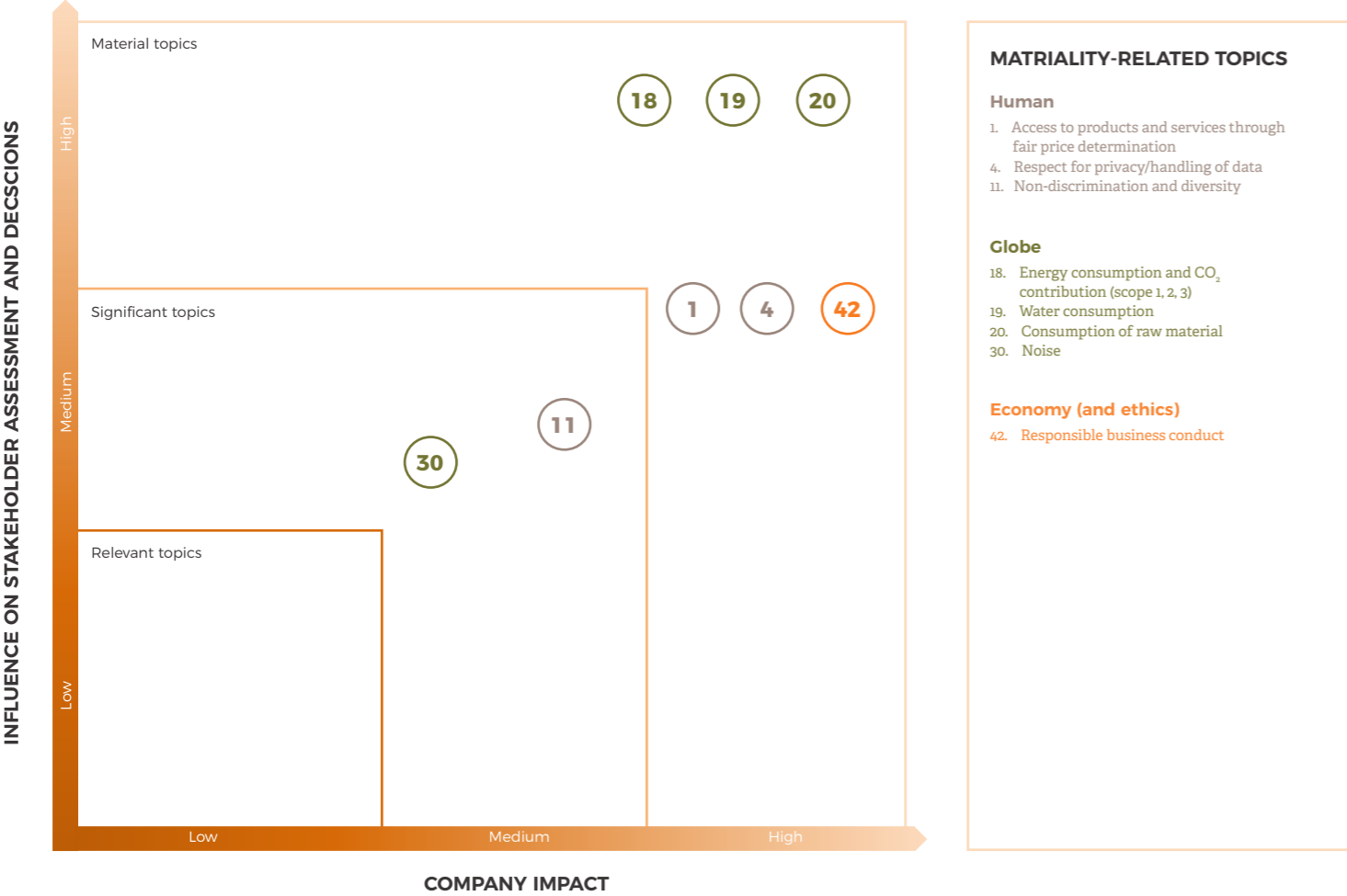


PHOTO CREDIT: STANICO - THORNICO T(W)O, ROTTERDAM

STANICO

Targets and Key Performance Indicators (KPIs) for the Reporting Period 2022

TARGETS	KPI	ACTIONS	RESULTS
KPI 1 - Reduce energy consumption (electricity) by (previously 3%) now 10% in 2023 compared to 2018 UN Sustainable Development Goal (SDG) #11	Aiming at higher/better energy labels before 2030.	Installed more LEDs and improved AC systems.	The energy consumption decreased by approximately 7% in 2022 compared to 2018.
KPI 2 - (Plastic) waste management UN SDG #12	Correct sorting of plastic and other polluting waste.	<p>By the end of 2021, STANICO installed a large container on its Danish property at Fuglebækvej, which its almost 60 tenants can go into and sort their waste into different fractions.</p> <p>In the Netherlands, STANICO installed three small containers inside the building. One for light bulbs/tubes, one for batteries and small electric devices and one for toner cartridges.</p>	<p>In 2022, 193 tons of waste were sorted in the container at Fuglebækvej.</p> <p>STANICO will follow the development in the coming years for possible further measures.</p>
KPI 3 – Promoting more sustainable and environmental initiatives. Encouraging citizens and businesses to take a responsible attitude towards the urban environment and turning concrete into living green in Rotterdam. UN SDGs #11 and #13	Improve and maintain STANICO's green and sustainable Company Karma project in Rotterdam as well as other sustainable initiatives across STANICO's properties.	An ongoing process of improving and maintaining STANICO's green projects. The green parking house, green rooftops and especially STANICO's bees. Normally, STANICO hosts cultural events promoting its sustainable and urban environment on the THORNICO Building in Rotterdam, but due to COVID-19 that was not possible in 2021 and 2022.	Due to COVID-19 restrictions, all STANICO's planned events were cancelled in 2021 and 2022.



PHOTO CREDIT: STANICO - VIEW FROM THE THORNICO BUILDING (GREEN ROOFTOP)

KPI 1 - UN SDG #11

For many years, STANICO has already, when applicable, changed all building-related systems into energy-saving systems and will continue to do so in the years ahead.

In STANICO's main properties, the energy labels in the Netherlands have been improved from D to C (THORNICO Building) and directly to an A label for the building THORNICO T(W)O.

In Denmark, the energy label for Fuglebækvej 1-3, which STANICO bought in 2019, has been renewed, and STANICO went from an F energy label in 2016 to a C label in 2022.

It is an important benchmark for the future to improve the energy labels for STANICO's portfolio. A higher/better energy label covers the entire demand as such and is ultimately the real benchmark for its overall Corporate Social Responsibility (CSR) qualification.

STANICO is mainly dependent on the cooperation with its tenants in all properties when it comes to energy saving. Again, in the year 2022, STANICO saw significant results in saving electricity. Compared to 2018, STANICO

reduced the annual kWh consumption by a total of almost 7% for both countries, from 1,671,317 kWh in 2018 to 1,552,075 kWh in 2022. In comparison to 2021, where the total electricity consumption was 1,537,970 kWh, there has been a small increase in the electricity consumption in 2022 of approximately 1.5%, which is primarily due to the improved occupancy of the Dutch building and thus more 'traffic' in the building.

In both the Netherlands and Denmark, work will continue in 2023 with sustainable solutions that can reduce electricity consumption. In the Netherlands, there is, among other things, a planned replacement of the lighting in the lift lobbies and all 60 toilet groups, and renovation of several office units is also planned.

In Denmark, it has been decided to install solar panels on the properties at Fuglebækvej. Investigations into how large a system can be installed are underway. In addition, STANICO is looking into the possibilities for charging stations for electric cars on the same properties.

STANICO will continue to look into the possibilities of more sustainable solutions in its properties. Such investments will be made from the year 2023 onwards in those properties where it will be profitable and sustainable.

PHOTO CREDIT: STANICO, BEEHIVES ON THE GREEN ROOFTOP AT THE THORNICO BUILDING, ROTTERDAM



Ever since STANICO started working with its sustainable strategy many years ago – all that matters is that its sustainable Company Karma Strategy will continue to be a part of its decision-making and process. STANICO will continue, where possible, to always choose sustainable solutions.

KPI 2 -UN SDG #12

As a proprietor, STANICO needs to inform its tenants and keep them focused on their responsibilities. STANICO has to facilitate its tenants where possible/feasible by, e.g. providing information, sufficient waste facilities, etc. to secure sustainable behaviour amongst its tenants. This is STANICO's take on tapping into the UN SDG #12 by applying a more sustainable consumption and waste handling strategy in the STANICO properties.

In the Netherlands, the authorities are not as advanced as in Denmark when it comes to waste sorting.

The property in the Netherlands is equipped with four underground waste containers for general waste, each of a size of 5,000 litres and two containers

for paper and cardboard, each of a size of 1,500 litres. They are all emptied twice a week. The municipality has installed a glass container next to the building. The costs for these containers are covered in the service charges, including a certain amount as environmental contribution, and are paid for by the tenant individually. The restaurant tenants in the property dispose of food/kitchen waste themselves.

In Denmark, commercial tenants must pay to dispose of their own waste. In the biggest properties, STANICO takes care of the waste management to prevent all tenants from having containers on the property. In Denmark, new legislation came into force from 2021 resulting in STANICO having to further fine-tune the waste management in its properties. At the end of 2021, a big container was, therefore, installed on its largest property where tenants can go in and sort into different types of waste, from plastic, bottles, batteries, electronics to residual waste, etc.

In 2022, 193 tons of waste were sorted in the container at Fuglebækvej. The following fractions were sorted:

WASTE FRACTIONS	2022
	Tons
Residual waste	170,570
Bottles/glas	0.255
Biowaste	0.970
Carboard	16,940
Paper	0.110
Soft clear PE plastic	0.045
Iron	0.566
Cables	0.082
Hard plastic	0.110
Cool/freeze furniture	3,000
Eletrronics with screens	0.437
Packaging plastic/food cartons	0.386
IN TOTAL	193,471



At the Danish residential properties, it is paid through the property taxes so that the municipalities ensure correct waste management. In Aarhus, the municipality has introduced a new way of sorting waste -previously the Aarhus residents had containers standing in the yard for household waste and paper/cardboard, but now small recycling stations have been installed around the city centre. The buried waste containers are used by many, and they are very smart because they can hold large amounts of waste underground. They are arranged in groups which make it easy to sort the waste, for example glass, metal, plastic, cardboard, paper and residual waste.

KPI 3 -UN SDGS #11 & #13

Due to COVID-19, STANICO has had to fine-tune its focus both in 2021 and in 2022. All events that STANICO planned to host were cancelled. Its efforts planned back in 2021 when it comes to e.g. waste management are, therefore, pending.

CO2-EMISSION

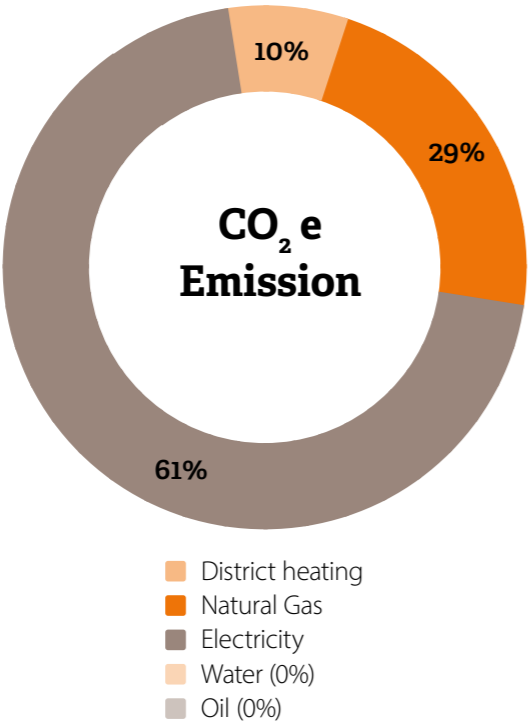
In 2021, STANICO started measuring and mapping its CO₂ emissions from energy consumption, and for now, Scopes 1 and 2 have been included with 2020 as the baseline year.

Scope 3 includes all indirect emissions that originate from activities outside the company that STANICO does not own or control and are not included in its CO₂ accounts.

In Denmark, STANICO's electricity becomes greener and will be almost CO₂ neutral in 2030. The share of biogas in the gas network will increase towards 2030, which will result in decreasing emissions from natural gas. Source: www.energinet.dk - The Danish Energy Agency's Climate Status and Projection 2021.

In 2030, STANICO's buildings will emit 549 tons of CO₂, which is 30% lower than in 2020. The reduction is due to national initiatives that lower electricity and natural gas emissions (the projection is based on the same energy usage in 2030 as in 2020).

2022 CARBON EMISSION FOR STANICO



STANICO

Targets for the Coming Period (2023-)

TARGETS	KPI	PLANNED ACTIONS (2023)
KPI 1 – Energy consumption (electricity) CO2 reduction (baseline 2021) UN SDG #11	Electricity: Reduction of 10%. CO2: Reduction of 40-50% by 2028 for both NL and DK.	Adding additional LEDs/installing insulated glazing. In 2023, STANICO will continue to look into the possibilities of solar panels, charging stations for electric cars and other sustainable initiatives on the Danish properties.
KPI 2 – (Plastic) waste management UN SDG #12	Correct sorting of waste in general.	Waste management: Installing separate containers on the Danish properties and ensuring overall correct waste disposal and recycling of all possible waste.
KPI 3 – Promoting more sustainable and environmental initiatives. Encouraging citizens and businesses to take a responsible attitude towards the urban environment and turning concrete into living green in Rotterdam. UN SDGs #11 and #13	Improve and maintain its green and sustainable Company Karma Project in Rotterdam as well as other sustainable initiatives across STANICO's properties to support and increase biodiversity.	Hosting different sustainable and cultural events in Rotterdam. Implement more biodiversity on the Danish properties

KPI 1:

In addition to STANICO'S KPI to reduce the buildings' electricity consumption as part of its 'Southampton Strategy 2028' STANICO has set an ambitious yet reachable goal to reduce the buildings' total CO₂ emissions by 40-50% by the year 2028, which must be achieved through sustainable measures mentioned in this Company Karma Report.

KPI 2:

STANICO will continue to encourage its tenants to sort waste and provide necessary sorting stations where it makes sense and where the authorities are also ready to handle the further waste management.

KPI 3:

In 2023, after two years of cancellations, STANICO will once again host various sustainable and cultural events in Rotterdam as well as maintain and improve the green roof and facades.

On the Danish properties, STANICO will focus on and implement more biodiversity, starting in 2023. The plan, so far, is to partner up with local conservationists to help screen outdoor areas of the STANICO properties and establish projects that promote biodiversity.

STANICO's previous 3% goal has been adjusted based on the actual data. With the ongoing efforts in reducing electricity consumption, it is realistic and feasible to go for a reduction of 10% towards 2023 - especially since STANICO will continue to install LEDs, etc. Also, it will be realistic to plan to obtain better energy certificates for the future.

STANICO

Company Karma Project

GREEN REAL ESTATE

One of the big challenges ahead for the planet is over-population. It took us 10,000 generations to reach the current world population of over 7.9 billion, yet it will only take one generation to reach the 9 billion mark. In addition, more than half of the world population is living in urban areas. As a result of this, urbanisation has become synonymous with increasing CO₂ emissions and polluted air, and the need for taking care of our environment is more pressing than ever.

In an attempt to contribute to the reduction of CO₂ in cities, STANICO has decided to embark on a green expedition in the core of the company – the THORNICO Building and the THORNICO T(W)O in Rotterdam. The aim of the project is to transform grey concrete into a green urban environment which has been initiated by planting moss and succulent plants on the rooftops of the two towers of the building. Today, the roofs function as green filters trapping particulates and CO₂, which has resulted in a considerable improvement in the air quality. As a further benefit, the sedum roofs also work as an excellent insulator leading to substantial energy saving. The green rooftops have, subsequently, been accompanied by three separate beehives housing around 120,000 of some of Europe's highest living urban bees that have helped bring more flowers and birds to the neighbourhood not to mention delicious honey!

Another project, which has literally given the THORNICO Building a green profile, is the 'Green Park'. The project includes covering the 5,000 square metres of facade of the THORNICO Building's car parking facilities with ivy, thus making a fully-grown living green wall that has the same filtering effect as 200 mature trees. In fact, it has become one of the largest vertical green walls in Europe, and consequently, an inspirational source for sustainable thinking and a landmark for Rotterdam. Besides this filtering effect, the green facade also counterworks the urban heat effect in the city by reducing radiant heat and relieving the overburdened sewer system when rainwater is retained to irrigate the plants.

The THORNICO Building, the Company Karma philosophy and the people behind it are gradually being considered as Corporate Social Responsibility landmarks in the city of Rotterdam, and STANICO is happy to continuously promote a more sustainable way of thinking real estate. The popularity of the buildings also bring initiatives like cultural festivals with thousands of visitors to the rooftops of the THORNICO Building. In STANICO, these are important steps towards liveability, and the benefits of the green initiatives will continuously be enjoyed by the company and its surrounding community.



PHOTO CREDIT: STANICO, BEEHIVES ON THE GREEN ROOFTOP AT THE THORNICO BUILDING IN ROTTERDAM

SHIPPING

THROUGH OUR SHIPPING COMPANY, WE PROVIDE SOLID AND RELIABLE SHIPPING SERVICES AROUND THE WORLD. WE OPERATE WITHIN COMMERCIAL SHIP MANAGEMENT, TIME CHARTERING AND SHIP BROKERING. WE OFFER TAILOR-MADE TRANSPORT SOLUTIONS AND HOLD ONE OF THE WORLD'S LARGEST MULTIPURPOSE/PROJECT FLEETS, REACHING ANYWHERE IN THE WORLD AT ANY TIME.



ABOUT THORCO PROJECTS

THORCO PROJECTS delivers innovative and highly efficient sea transport solutions within the multipurpose, projects and dry bulk segments.

THORCO PROJECTS operates from an asset light business model.

By the end of 2021, THORCO PROJECTS operated a fleet of 40 modern and highly diversified vessels with the necessary design, configuration and lifting capacity able to handle even unusually large and heavy cargo.

THORCO PROJECTS' global platform reaches anywhere in the world at any time, and thanks to its vast experience, strong technical know-how and outstanding ability to parcel, it handles virtually any type of commodity. Its reliable performance and high level of flexibility guaranteed by such a fleet makes it the preferred carrier for Global Fortune 500 companies as well as local and privately owned businesses.

Corporate Social Responsibility (CSR), including health, security, environment and quality involved in its business, are essential to THORCO PROJECTS and to the way it conducts business.

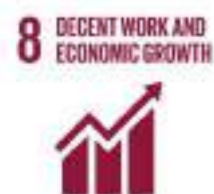
COMPANY KARMA ORGANISATION

As part of the THORNICO Group, THORCO PROJECTS practices Company Karma. As is the case in the THORNICO Group and all the different companies, it strives to 'do good' while doing business - a way to create more value for society, however, also for the company itself.

In order to generate a daily commitment to Company Karma and ensure awareness of the corporate responsibilities, THORCO PROJECTS has appointed a responsible Company Karma person from the management team participating in the THORNICO Karma Committee and implemented a set of guiding policies called 'Company Karma Policies' developed in cooperation with the THORNICO Group.

THORCO management maintains its focus area as set out in 2019 which is to relate and follow the UN Sustainable Development Goals (SDGs):

- #8 DECENT WORK AND ECONOMIC GROWTH
- #13 CLIMATE ACTION
- #14 LIFE BELOW WATER



THORCO PROJECTS

Material Karma Topics

The material and significant topics relating to the mentioned SDGs are to secure a decent work climate both on land and at sea while increasing economic growth and profits. Furthermore, THORCO PROJECTS has taken actions to reduce its CO₂, SO_x (sulphur oxides) and NO_x (nitrogen oxides) levels.

Human is THORCO PROJECTS' devotion to the well-being of the people working with and around it. THORCO PROJECTS is committed to supporting the protection of internationally proclaimed human rights both with respect to employees and partners, but also on a larger societal level. Furthermore, THORCO PROJECTS is committed to the fundamental principles and rights of labour and workplace, thus, working hard to establish a safe, fair and healthy work environment that motivates the people who constitute the backbone of the company.

Globe is THORCO PROJECTS' commitment facing some of the environmental challenges that are constantly threatening the world we live in. Our globe is constantly confronted with environmental challenges, and global warming, urbanisation, lack of renewable energy sources and overpopulation have all become the natural course of our lives on Earth. Within the principles of globe, THORCO PROJECTS takes great measures to secure a precautionary approach to these challenges and strives to minimise any negative environmental impact it might have.

Economy is THORCO PROJECTS' dedication to conduct its business activities in a sustainable way

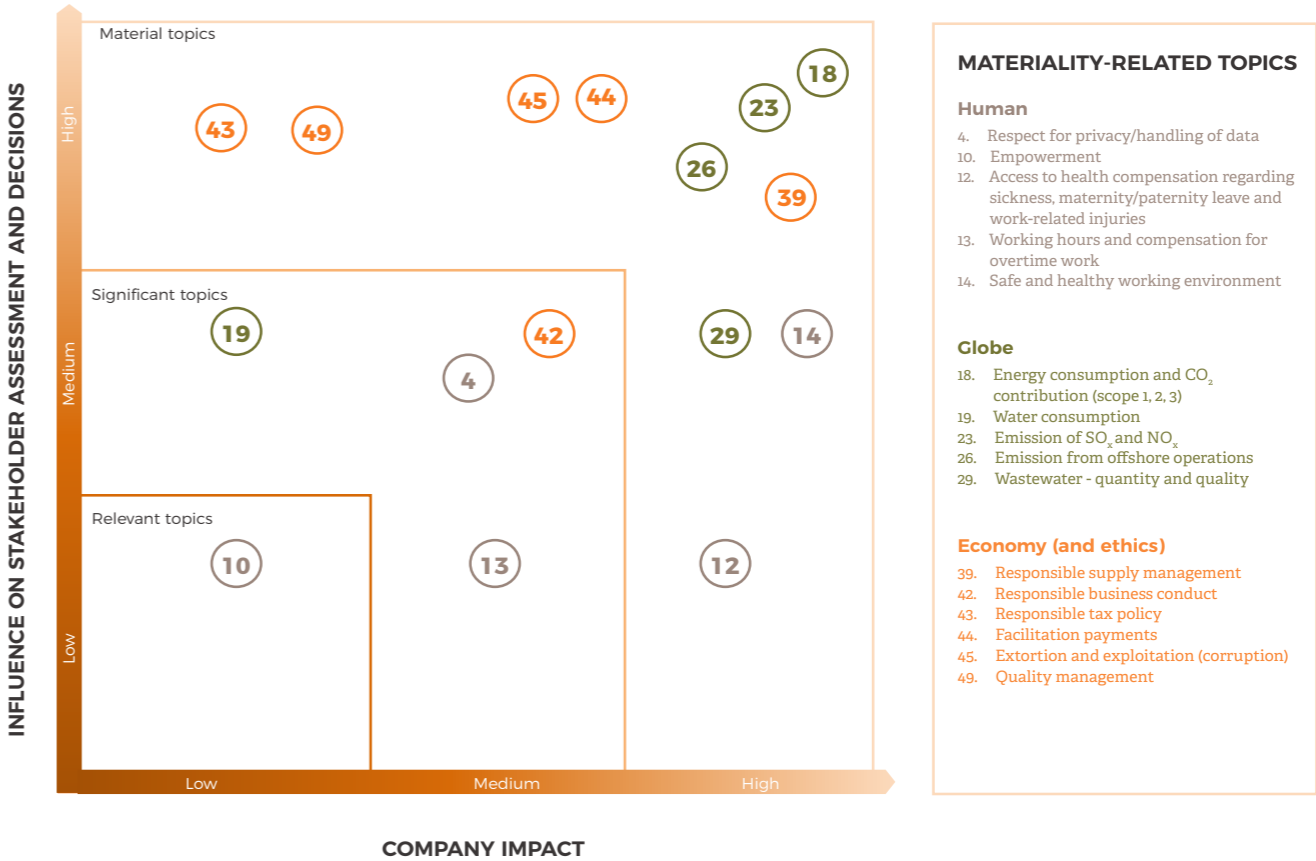
dissociating the company from any illegal, corrupt and oppressing actions that hinder or create disproportionate economic growth of society.

THORCO PROJECTS has a zero tolerance for corruption and bribery. It is well known that such can occur in international business and in the shipping industry. Internal guidelines prescribe that all business be conducted only with approved partners who are not represented on the OPEC (Organization of the Petroleum Exporting Countries) and EU Sanctions Lists.

It is the policy of THORCO PROJECTS to conduct all business activities responsibly ensuring the health, safety and security of people, the preservation of the environment and the quality of its services. To fulfil this business ethic, THORCO PROJECTS utilises Health, Safety, Environmental and Quality (HSEQ) Management Systems. In this way, THORCO PROJECTS always secures comprehensive and systematic planning and assessment of the dangers and risks of its activities across the entire value chain.

THORCO PROJECTS' careful approach enables it to deliver the best service and the highest quality at every shipment. Whether ashore or at sea, risk assessment is an inherent part of its way of conducting business. Through its HSEQ strategy, THORCO PROJECTS thus commits itself to continuously act in a safe, ethical, environmentally sound and legitimate manner meeting both regulatory requirements and all its stakeholders' expectations.

THORCO PROJECT'S - MATERIALITY MATRIX



THORCO PROJECTS

CSR Risk Management

Being involved in international shipping, THORCO PROJECTS has to deal with several Environmental, Social and Governance (ESG) risks where the material risks are like follows:

1. CO₂ emissions and other environmental impacts of its business
2. Compliance with international law and sanctions (Know Your Customer (KYC) and Vendor management)
3. Health, Safety, Environment and Quality (HSEQ)
4. Corruption and bribery
5. GDPR (General Data Protection Regulation)

To mitigate the risks of a negative outcome of the aboverisks, THORCO PROJECTS:

1. Has implemented and is in compliance with the International Maritime Organisation (IMO) 2020 sulphur cap regulations.
2. Performs KYC checks on all vendors and clients.
3. Has HSEQ manual and procedures in place.
4. Has Code of Conduct in place and makes sure all employees are informed about it and are in compliance.
5. Has run a training program making all employees aware of the GDPR regulation and makes sure they are compliant.



PHOTO CREDIT: THORCO PROJECTS

THORCO PROJECTS

Targets and Key Performance Indicators (KPIs)
for the Reporting Period 2022

TARGETS	KPI	ACTIONS	RESULTS
Reduce carbon footprint (Scope 1) by 15% on a yearly basis from 2021. SDGs #13 and #14	Year-Over-Year change in %.	Emission compensation initiates reducing carbon footprint such as but not limited to participating in planting trees initiatives or buying CO ₂ credits, etc.	29% total reduction in Scope 1 from 2021/2022. The target for 2022 has been met.

The worldwide shipping companies account for approx. 6% of the CO₂ emissions in the world. However, there is a strong push in the industry to decrease the carbon footprint where the worldwide IMO 2020 regulations effective from 1 January 2020 put a cap on sulphur content in fuel oil at 0.5%. This will reduce CO₂ emissions from fuel oil burned by vessels by approx. 70% (<https://www.imo.org/en/MediaCentre/PressBriefings/pages/02-IMO-2020.aspx>).

Being in the global shipping business, THORCO PROJECTS consumes several thousand tons of bunker fuel each year as part of its main activity - ship operation. Due to the highly competitive shipping market and the global availability of fuel products in general, a high focus on fuel economy is necessary. Fortunately, the IMO 2020 Fuel Regulation, amongst other environmentally friendly regulations, forces the entire industry into a greener direction with lower

carbon emissions from operations.

In 2022, THORCO PROJECTS initiated mapping the CO₂ equivalents related to its activities. The calculations of CO₂ equivalents have been carried out according to the GHG protocol and in collaboration with the external consultancy Viegand Maagøe. The initial mapping includes Scopes 1, 2 and 3.

The target to reduce carbon footprint (Scope 1) by 15% on a yearly basis from 2021 has been met with a reduction of a total of 29% in Scope 1. The reduction is primarily due to reduced activities.

The previous KPI from 2021 with regard to 'reducing seamen incidents to zero on THORCO PROJECTS shipments by 2023. (SDG #8)' is not relevant since THORCO PROJECTS no longer owns any ships and operates from an asset light business model.

THORCO PROJECTS

Targets for the Coming Period (2023-)

TARGETSKPIPLANNED
ACTIONS (2023)

Follow the IMO initiatives using the compliant fuels and ships accepted in the international shipping business	Reduce CO2 emissions per transport in line with IMO's strategy on reduction of CGG (meaning geophysical services company) emissions from ships.	Follow initiatives taken by IMO to utilise cleaner fuels and renew the world fleet more energy-efficiently. This will lead to ships and fuels used by the company with lower emissions.
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The Initial IMO GHG Strategy objective is a 40% reduction of CO₂ emissions per transport work in 2030 compared to 2008 on average across international shipping. In 2050, the goal is to reduce the total annual GHG emissions by 50% and CO₂ emissions per transport work by 70% compared to 2008 while pursuing to phase

them out. This would be a step to reduce CO₂ emissions in line with the Paris Agreement temperature goals. IMO will complete short term measures and revise the Initial Strategy in 2023. It is THORCO PROJECTS' target to comply with the IMO initiatives in reducing greenhouse gas emissions.



PHOTO CREDIT: THORCO PROJECTS -THORCO BASILISK LOADING WINDMILL WINGS, EBJERG, DENMARK

CONTACTS

LEARN MORE

With a global span of businesses, THORNICO takes on the responsibility of keeping ourselves on the forefront of sustainable development in many different fields. This is indeed a demanding challenge, and committing to Company Karma is an extensive process that requires

the dedication of many employees around the world. You can find further information on the individual group companys' Company Karma Policies and guidelines by visiting the sites below and you can find the THORNICO Policies [here](#)

Thank You

FOR SPENDING
YOUR TIME
WITH US - WE HOPE
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Appendix 1

MATERIALITY MATRIX
-RELATED TOPICS FOR
THE THORNICO GROUP

		X= Relevant or significant topics ; X= Material topics	X= Relevant or significant topics ; X= Material topics				
			FOOD TECHNOLOGY	FOOD	REAL ESTATE	SPORT & FASHION	SHIPPING
				Lactosan Group			
			SANOVO TECHNOLOGY GROUP	OVODAN EGG GROUP	STANICO	hummel	THORCO PROJECTS
No.	THEME	TOPICS					
1	Human	Access to products and services through fair price determination			X		
2	Human	Freedom of speech				X	
3	Human	Use of conflict mineral					
4	Human	Respect for privacy/handling of data	X		X	X	X
5	Human	Consideration of religious freedom				X	
6	Human	Contributing to improved nutrition/health improvement	X	X			
7	Human	Training and continuing education	X	X			
8	Human	Impact on local community		X			
8b	Human	Securing of economic livelihood					
8c	Human	Use of rural areas					
8d	Human	Forced reassignment					
8e	Human	Rights of indigenous people					
9	Human	Contributing to inclusive trade (small- and medium-sized suppliers)		X		X	
10	Human	Empowerment		X		X	X
11	Human	Non-discrimination and diversity	X	X	X	X	
11b	Human	Equal pay for equal work					
11c	Human	Women's rights					
11d	Human	Inclusion					
12	Human	Access to health compensation regarding sickness, maternity/paternity leave and work-related injuries	X	X		X	X
13	Human	Working hours and compensation for overtime work		X		X	X
14	Human	Safe and healthy working environment	X	X		X	X
15	Human	Freedom of organisation				X	
16	Human	Child labour				X	
17	Human	Forced labour				X	
18	Globe	Energy consumption and CO ₂ contribution (scope 1, 2, 3)	X	X	X	X	X
18b	Globe	Energy consumption, fossil energy sources			X		
18c	Globe	Energy consumption, renewable energy sources			X		
19	Globe	Water consumption	X	X		X	X
20	Globe	Consumption of raw material	X	X			
20b	Globe	Use of problematic raw materials - e.g. microfibers					
20c	Globe	Use of rare and/or non-renewable resources (minerals, metals)					
20d	Globe	Purchase of local/sustainable raw materials					
20e	Globe	Degree of reutilisation or recycling of raw material consumption (e.g. clothing)				X	
20f	Globe	Degree of use of natural materials (wool, wood, cotton etc.)					
21	Globe	Chemical use				X	
22	Globe	Packaging	X	X		X	
22b	Globe	Plastic use	X	X	X	X	X
22c	Globe	Optimisation of packaging quantities					
23	Globe	Emission of SO _x and NO _x					X
24	Globe	Emission of volatile organic solvents					
25	Globe	Emission from land-based operations					
26	Globe	Emission from offshore operations					X
27	Globe	Solid waste and sorting	X	X		X	
28	Globe	Chemical waste					
29	Globe	Wastewater - quantity and quality	X	X		X	X
30	Globe	Noise			X		
31	Globe	Biodiversity impact				X	
32	Globe	Own transport				X	
33	Globe	Transport within the value chain	X			X	
34	Globe	Reutilisation of machinery and materials	X				
35	Globe	Buy back scheme				X	
36	Economy (and ethics)	Food safety	X	X			
37	Economy (and ethics)	Product tracking	X	X		X	
38	Economy (and ethics)	Responsible marketing		X		X	
39	Economy (and ethics)	Responsible supply management	X	X		X	X
40	Economy (and ethics)	GMO labelling		X			
41	Economy (and ethics)	Animal welfare	X	X		X	
42	Economy (and ethics)	Responsible business conduct			X		X
43	Economy (and ethics)	Responsible tax policy					X
44	Economy (and ethics)	Facilitation payments				X	X
45	Economy (and ethics)	Extortion and exploitation (corruption)				X	X
46	Economy (and ethics)	Job creation					
47	Economy (and ethics)	Contributing to better utilisation of resources through innovation	X	X			
48	Economy (and ethics)	Fair competitive conditions					
49	Economy (and ethics)	Quality management	X	X		X	X



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