



CSR Report 2022

Kohberg Bakery Group A/S



TABLE OF CONTENTS

Management's comment	3	Good food products	22
About Kohberg	4	Food safety	23
Ownership	6	Food health	25
Selected facts and key figures	7	Making healthy choices easy	26
Kohberg and its surroundings	8	Sustainable innovation	29
Products and services	9	KPI - Good food products	31
CSR Strategy	10	A great place to work	35
Kohberg and the UN Sustainable Development Goals	12	Working environment and safety	36
Value chain and risk factors	13	A tolerant workplace	38
Environmentally sustainable consumption	14	Staff development	42
Consumption of resources	15	Health and well-being	44
We work to avoid food waste	16	KPI - A great place to work	46
Plastic to be used again and again and again	17	Responsible corporate governance	51
Energy consumption	18	Supplier management	52
Bread with a low carbon footprint	19	Fairness	54
KPI - Environmentally sustainable consumption	20	Openness	54
		KPI - Responsible corporate governance	55
		UN Global Compact	57
		UN Global Compact	58
		UN Global Compact in this report	59

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As well as being Kohberg's annual corporate responsibility report, the report also constitutes our statutory corporate responsibility statement, as required by Section 99a of the Danish Financial Statements Act. The report is also our annual CoP (Communication on Progress) report to the UN Global Compact programme.



WE ACHIEVE THE GOALS TOGETHER

In 2022, Kohberg once again faced unknown challenges as war and destruction caused the world market for flour and grain to explode, sending energy prices soaring. It's in situations like this that you really discover what you're made of. As CEO, I am immensely proud of how Kohberg's people across departments, professional disciplines and competencies have found new ways to work together to steer Kohberg safely through the crisis. And it is with equal parts gratitude and humility that I note that Kohberg is today in better shape and solidly equipped to withstand both the current and future crises that we will inevitably face.

We are stronger in the Danish market, and with the development of brand new, unique and innovative products, we have created a solid foundation for our exports to the rest of the world because while traditions are important to Kohberg, we must and will continually challenge ourselves, and not just in times of crisis.

We have been focusing on UN Sustainable Development Goal 12 Responsible Consumption and Production for several years, and it is deep in our DNA to take responsibility for Kohberg's actions and for our impact on the world around us. In 2022, we have expanded our focus and implemented new energy-saving solutions, including converting large parts of our gas consumption to green electricity. However, our green ambitions are bigger than that. In the future Kohberg will also contribute to SDG 7 Sustainable Energy with massive investments in renewable energy from solar and wind.

While we have created many exciting new initiatives in 2022, the core of Kohberg remains the same. We are still Denmark's largest Danish and family-owned bakery, and our roots will continue to be deeply anchored in southern Jutland. We bake with flour grown and milled in Denmark, and all our bread is baked in our Danish bakeries in Bolderslev, Haderslev and Taastrup, which is where our dedicated employees build the foundation of Kohberg every day.

Kohberg - that's our employees. And as CEO it is my primary task to ensure the best conditions for them. That is why I'm delighted that in this CSR report we can tell you how, through a fantastic team effort, we have reduced the number of accidents at work by more than 25%, and I'm looking forward to introducing you to a small handful of our many talented employees who help make Kohberg special every day.

Yours sincerely,

René Normann Christensen
CEO, Kohberg Bakery Group A/S





ABOUT KOHBERG

Kohberg Bakery Group is the largest Danish-owned bakery. We are a well-known brand among Danes, who have Kohberg bread on the table for breakfast, lunch, dinner, and for snacks in between.



ABOUT KOHBERG

Kohberg Bakery Group A/S is Denmark's largest Danish-owned bakery, and almost all Danish consumers know us. Our Foodservice provides delicious bread and baked goods to professional kitchens, cafés, schools and hotels all over Denmark, and our export team ensures the supply and development of new products to an increasing number of international customers.

Kohberg is a diverse company with many different nationalities, and German, Arabic, English, Ukrainian, Swedish and Danish are all spoken over the lunch table in the canteen.

Our 495 employees* - including 83 trained bakers - work in our three bakeries in Bolderslev, Haderslev and Taastrup.

Whatever our background, we all share a strong passion for good bread.

2022

Revenue: DKK 863.7 million

EBITDA: DKK 56.0 million

Equity: DKK 116.2 million

Employees: 495 employees (average 436 full-time employees)



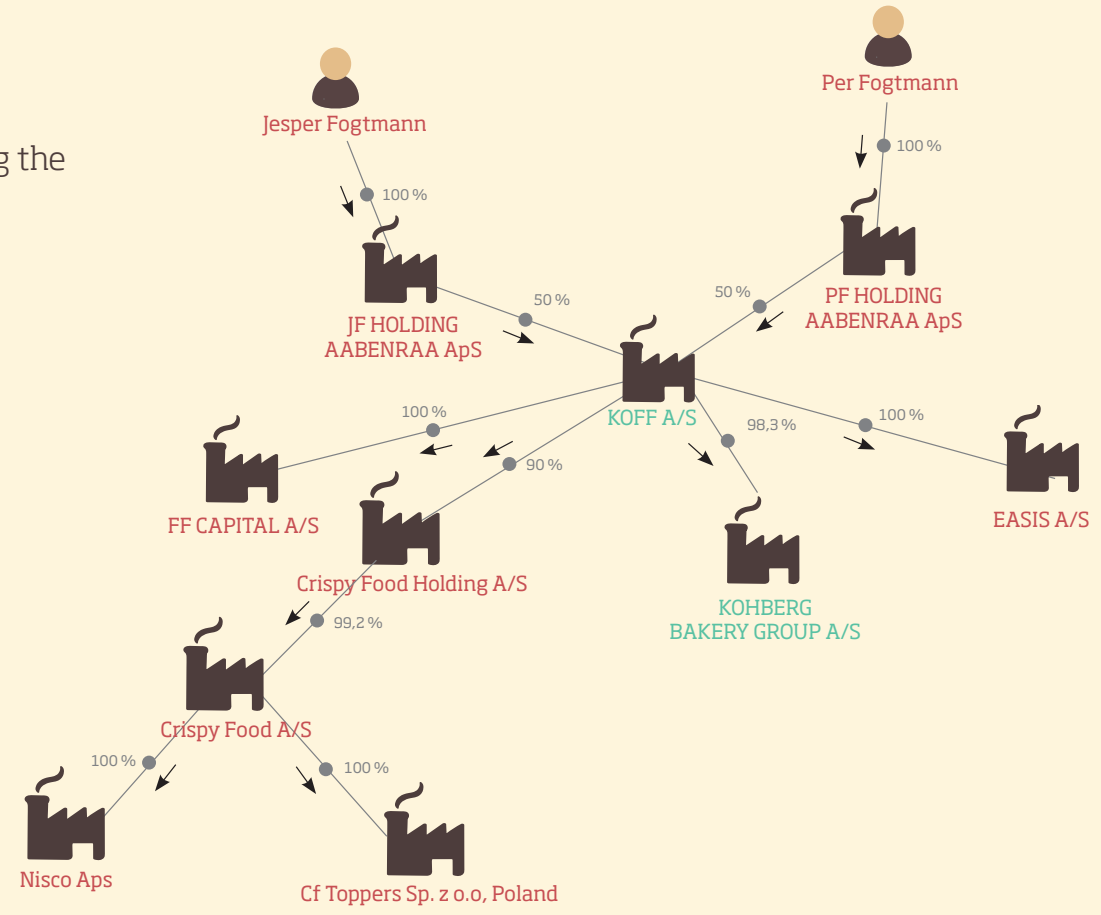
OWNERSHIP

Kohberg Bakery Group A/S is part of the ownership structure of KOFF A/S, which is a family-owned and family-managed holding company.

Kohberg is the largest Danish- and family-owned bakery in Denmark, and at the same time, the largest company among the food companies owned by KOFF A/S.

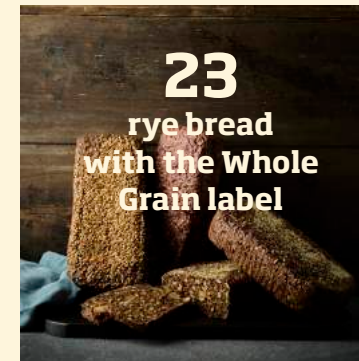
This CSR report covers Kohberg Bakery Group A/S. On 01.01.2021, Kohberg Bakery Group A/S merged with the former subsidiary H. C. Andersen Bagergården A/S.

KOHBERG - OWNERSHIP





SELECTED FACTS AND KEY FIGURES





KOHBERG AND ITS SURROUNDINGS

As a food company, we at Kohberg have an impact on the world around us, just as we are affected by a number of factors in the world around us - from government and laws, to the employees who work in our bakeries every day, to the customers and consumers who sink their teeth into our bread and pastries. So it naturally matters to us when global crises leave their mark on both national and international markets.

It is crucial that, whatever the context, we act responsibly throughout the chain and always do our best to make a positive difference.





PRODUCTS AND SERVICES

At Kohberg, we bake a wide variety of breads and rolls, which we deliver to retail and professional kitchens in Denmark. We work closely with customers, both on the Danish and international markets, to develop and supply private label, bake-off bread and frozen pastries.

Several of our product categories include organic and vegan varieties, and we also offer gluten- and lactose-free bread for professional kitchens.

Our range consists of the following product categories:



RYE BREAD & MULTIGRAIN BREAD



LUNCH & WHITE BREAD



BREAKFAST BUNS



BUNS



SANDWICH



DANISH PASTRY & SWEET SNACKS



SNACKS



FAST FOOD



CSR STRATEGY AND FOCUS AREAS

We are bakers, and delivering great bread to all our customers will always be at the heart of Kohberg's business and our mission as a bakery. But we want more than that.



WE ACT RESPONSIBLY

Delivering great bread to all our customers will always be at the heart of Kohberg’s business and our mission as a bakery. But we want more than that. We act responsibly, and we try to influence those around us to do the same.

Acting responsibly is the cornerstone of our CSR work, and this report describes our actions and goals.

CSR STRATEGY

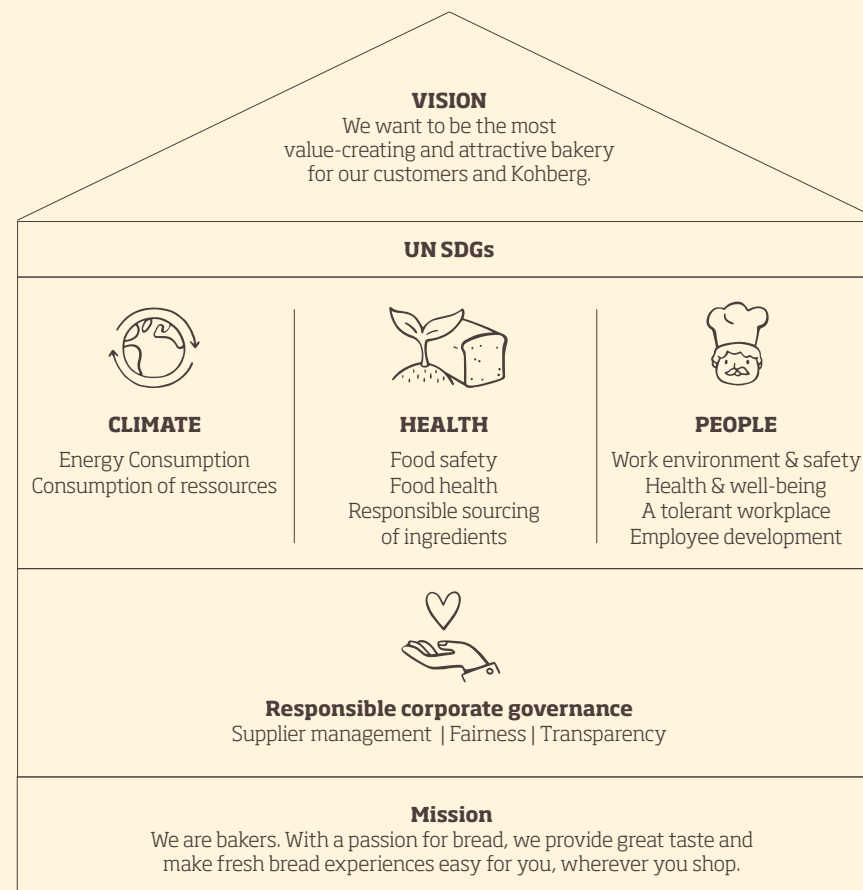
Our “CSR house” describes the strategy behind our CSR work. The house’s foundation is our mission and our desire to run Kohberg responsibly.

The columns are our three focus areas:

Climate - Health - People

We set objectives each year under each column, while measuring our progress and development.

The roof over our CSR strategy is an overarching goal to contribute to the UN Sustainable Development Goals and our vision to be a value-adding and attractive bakery.





UN 17 GOALS FOR SUSTAINABLE DEVELOPMENT

In 2015, the UN member states adopted 17 Sustainable Development Goals (SDGs) - committing 193 countries to work towards more sustainable development.

As a food company, it has been natural for us at Kohberg to work with a special focus on SDG 12: Responsible Consumption and Production. A focus that today is an integral part of our entire value chain - from the ingredients sprouting in the field to the finished bread being bought by our customers.

SDG 12 commits us to avoiding pollutants and ensuring the least possible impact on the climate and environment throughout our production. We are dedicated to reducing waste, and in 2022, we have optimised our packaging to use as little plastic as possible through a targeted effort. At the same time, we continue to work to ensure that all the plastic we use in our packaging is recyclable.

In a food business like ours, there will inevitably be days when the dough fails or we bake more bread than we can sell. However, instead of just discarding the dough or leftover bread, we work closely with local farmers who take all our discards and use it as feed for their animals.

In this way, we ensure that none of our products or the ingredients we use when baking end up as food waste.

But our ambitions for the SDGs do not stop there.

In 2022, we have embarked on a wide range of sustainability initiatives, which means that we will also focus on SDG 7 in the future: Sustainable Energy. We expect our investments in energy-saving solutions to reduce our overall carbon emissions by more than 1,200 tonnes per year. At the same time, we are working to help residents in our local area replace their fossil fuels with green district heating.

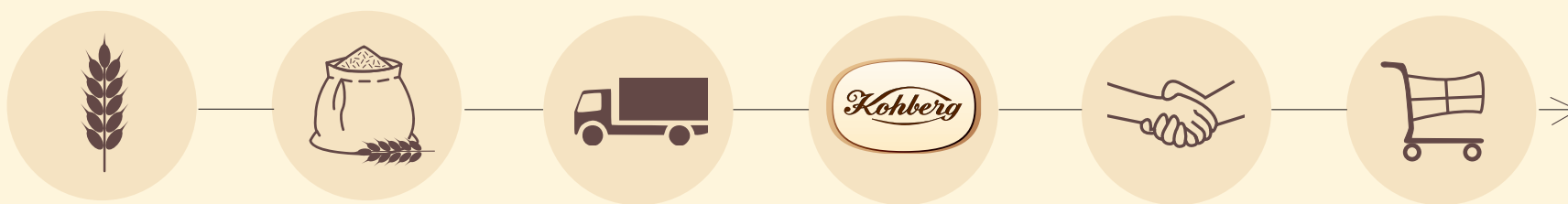




VALUE CHAIN AND RISK FACTORS

We have analysed and mapped Kohberg's value chain to identify where we risk negatively impacting our environment.

The model is part of our strategic work on CSR and hence part of our continuous work to minimise negative impact.



	INGREDIENTS AND GROWERS	SUPPLIERS	TRANSPORT	KOBERG	CUSTOMERS	CONSUMERS
CLIMATE	<ul style="list-style-type: none"> Chemicals Water consumption Waste and food waste Biodiversity Animal welfare Co₂ 	<ul style="list-style-type: none"> Chemicals Water consumption Waste Co₂ 	<ul style="list-style-type: none"> Particulate pollution Co₂ 	<ul style="list-style-type: none"> Waste and food waste Water consumption Co₂ 	<ul style="list-style-type: none"> Waste and food waste 	<ul style="list-style-type: none"> Waste and food waste
HEALTH	<ul style="list-style-type: none"> Food safety 	<ul style="list-style-type: none"> Food safety 	<ul style="list-style-type: none"> Food safety 	<ul style="list-style-type: none"> Food safety Odours Noise 	<ul style="list-style-type: none"> Food safety 	<ul style="list-style-type: none"> Food safety
PEOPLE	<ul style="list-style-type: none"> Indigenous people Child labour Forced labour Wages Working conditions Bribery 	<ul style="list-style-type: none"> Indigenous people Child labour Forced labour Wages Working conditions Bribery 	<ul style="list-style-type: none"> Traffic safety Working conditions 	<ul style="list-style-type: none"> Data Wages Working conditions 	<ul style="list-style-type: none"> Marketing 	<ul style="list-style-type: none"> Marketing



ENVIRONMENTALLY FRIENDLY CONSUMPTION

We strive to incorporate sustainable alternatives and minimise waste throughout our value chain - from the ingredients grown in the field to the finished bread purchased by our customers..



CONSUMPTION OF RESOURCES

FOCUS ON WASTE THROUGHOUT THE VALUE CHAIN

As a bakery, we work with fresh ingredients every day, and once our bread is baked, it has a limited shelf life. That is why it's crucial that we focus on optimising our processes and minimising waste throughout our value chain - from the time the ingredients are grown in the field to the time the finished bread is delivered to our customers. Only in this way can we ensure that as much of our bread as possible is eaten exactly as it was baked.

Process waste

It's impossible to completely avoid process waste in a bakery, but we continuously optimise our processes to keep waste to a minimum. In 2022, process waste was 6.7%, below our target of 7% maximum. In 2023, we will continue to focus on waste on a daily basis.

Discards

It takes time to bake a good bread product, and at Kohberg we often have to start the baking process even before the bread products are ordered, which is why we work with forecasts to predict which and how many bread products our customers will demand. Forecasting is a vital tool because our bread and buns have a short shelf life and therefore cannot simply be sold at a different time.

In 2022, we had 0.9% discards, measured on sales units (all products). The objective for 2023 is to maintain this low level.

Whether it's process waste or finished product discards, our work with local farmers ensures that nothing ends up as waste, but instead becomes an important resource in their production.



INGREDIENTS AND GROWERS



SUPPLIERS



TRANSPORT



KOHBURG



CUSTOMERS



CONSUMERS





WE WORK TO AVOID FOOD WASTE

The term “Food waste” covers food that could be eaten but is thrown away instead, and in Denmark, food waste amounts to more than 700,000 tonnes every year. The Danish food industry, of which we at Kohberg are a part, discards 133,000 tonnes of food annually. The largest food waste is in households, which at 260,000 tonnes/year accounts for more than a third (36%) of the total food waste.

At national level, Kohberg is part of the Danish think tank ONE\THIRD, where 55 food companies, interest groups, public authorities and researchers work to reduce food waste. The common goal is to halve food waste by 2030 and to reduce food losses in the Danish food industry.

Food waste in Denmark:

Every Dane throws away 47 kg of edible food a year. Overall, food waste amounts to 42 kg per person per year in single-family homes and 59 kg per person per year in multi-family homes.

12% of food wasted in households is date-labelled bread and cakes.

Source: “Landbrug & Fødevarer”

Food waste at Kohberg:

Sourdough is an important ingredient in our rye bread, and we “feed” our sourdough every day with rye bread left over from production. All other discards from our bakeries go to local farmers who can use the bread, buns and pastries to feed their animals. In this way, we keep the food waste from our own production to an absolute minimum.

“At Kohberg, we act responsibly and not just on our own turf. We supply bread to both households and the service sector, so it’s natural for us to want to make a difference here too. It can be small things like baking a number of our rye breads without end slices, because we know that the ends are one of the things that most often end up in the bin. And it can be more comprehensive, like working focused on increasing shelf life or launching products with more features, like our Rye Bread Sandwich or our Food Bread.”

- Britt Hougaard, Head of Marketing, Innovation & Communication





PLASTIC TO BE USED AGAIN AND AGAIN AND AGAIN ...

As a food company, we consider factors such as food safety, food waste and storage when choosing packaging. And even though it is a vilified material, plastic packaging is still the best solution to avoid food waste for our customers and consumers. The plastic packaging keeps bread and buns fresh for a long time, and at the same time, the plastic packaging weighs very little, reducing the environmental impact of transport.

For more than 20 years, the classic Kohberg transport boxes have been made of recycled plastic. Today, 89% of our plastic packaging is made from recyclable plastics and we are working hard to get recyclable packaging for all our products.

Reduction in the amount of plastic

In 2022, we will have reviewed all our bag designs for plastic type, thickness and shape. Subsequently, a change in the corners of the bags has meant that in 2022 we have reduced our plastic consumption for packaging by 28 tonnes.



Labelling ensures correct sorting

If plastic ends up in the environment, it can take up to 400 years to decompose. However, if plastic ends up in the recycling bin, it can be recycled many times.

That is why at Kohberg, we have given sorting instructions on our plastic packaging so consumers can sort the packaging correctly, and it's a key part of our packaging policy to always explore the possibility of using recyclable solutions.

"We can't avoid plastic packaging, but we are working continuously and purposefully to use only recyclable plastics while reducing the amount of plastic we use."

- Britt Hougaard, Head of Marketing, Innovation & Communication



“At Kohberg, we want to be part of the green transition, and the energy crisis has given a boost to a number of green projects we already had in the pipeline.”

René Normann Christensen, CEO Kohberg Bakery Group A/S

ENERGY CONSUMPTION

LESS ENERGY CONSUMPTION SAVES CO2

Baking bread requires energy, which is why at Kohberg we work continuously and focused to constantly improve and streamline all the processes in our bakeries.

In the coming years, we will invest heavily in renewable energy solutions, and we have already made significant reductions in our energy consumption and converted parts of our gas consumption to green electricity.

Preliminary estimates show that the many new green initiatives will reduce our annual carbon emissions by more than 1,200 tonnes a year.

Green initiatives in 2022:

In 2022, at our bakery in Bolderslev, we replaced two older condensers on the cooling system, we optimised part of the current compressed air system, and we removed a gas engine and replaced it with new energy-efficient boilers.

Danish flour saves CO2

A significant part of the bread's carbon emissions occurs when the ingredients are transported from the mills to the bakeries. This is one of the reasons why we at Kohberg have chosen to bake with flour grown and milled in Denmark. Studies by the Danish Centre for Food and Agriculture show that bread baked with Danish flour emits about 20% less carbon because the flour does not have to be transported here from abroad.



BREAD WITH A LOW CARBON FOOTPRINT

Compared to many other foods, bread has a low carbon footprint. In fact, 100 grammes of minced beef (10-15% fat) has higher carbon emissions than 5 kg of wholemeal rye bread (source: The Big Climate Database). In practice, this means that the CO₂e emissions for your lunch are the same if you put a small mince beef on your plate, or if you fill it with 90 slices of Hercules rye bread instead.

That is why bread - especially wholemeal bread - is also a key part of the Danish Veterinary and Food Administration's official dietary advice, which focuses on both health and climate.

Together on the Climate Label

In 2022, the Danish government decided to introduce a state-controlled climate label for food in supermarkets.

At Kohberg, we are excited about the development of a climate label, and when it is introduced, it will naturally be found on all products under the Kohberg brand.

Eat according to the dietary advice, and reduce your climate footprint by 45%

According to the green think tank Concito, Danes can reduce the climate impact of their food consumption by 45% by following the official dietary guidelines.

Source: Concito - Denmark's Green Think Tank



ENVIRONMENTALLY FRIENDLY CONSUMPTION

Energy consumption			
Focus areas	Goal 2022	Result 2022	Goals and action 2023
Policy Climate Policy Risks CO ₂	Electricity and gas consumption Implementation of energy saving projects started in 2021 - the process runs until 2023. Action: Optimisation and investment in technology.	Electricity and gas consumption The following energy saving projects have been implemented at the Bolderslev bakery in 2022: <ul style="list-style-type: none"> ◦ Replacement of two older condensers on the cooling system. ◦ Optimisation of part of the current compressed air system. ◦ Gas engine removed and replaced with new energy efficient boilers. 	Electricity and gas consumption Continued implementation of energy saving projects launched in 2021. Action: Optimisation and investment in technology.

Resource consumption: FOOD WASTE			
Focus areas	Goal 2022	Result 2022	Goals and action 2023
Policy Environmental Policy Climate Policy Risks Chemicals Water consumption Waste and food waste Biodiversity Animal welfare CO ₂	Process waste Max. 7% process waste of ingredients from purchase to finished packaged product. Action: Ongoing process optimisation. Weekly meetings focusing on waste.	Process waste 6.7% process waste of ingredients from purchase to finished packaged product.	Process waste Max. 6.5% process waste of ingredients from purchase to finished packaged product. Action: Ongoing process optimisation. Weekly evaluation meetings focusing on wastage and optimisation of recording of waste cause codes.
	Discards Yearly discards in sales units (all products) max. 1.25%. Action: Focus on and optimisation of forecasts and planning that reduces discards.	Discards Yearly discards in sales units (all products) in 2022 = 0.9%.	Discards Year's discards in sales units (all products) max. 0.9%. Action: Focus on and optimisation of forecasts and planning that reduces waste and close dialogue with core customers.



ENVIRONMENTALLY FRIENDLY CONSUMPTION

Resource consumption: SUSTAINABLE PACKAGING			
Focus areas	Goal 2022:	Result 2022	Goals and action 2023
Policy Environmental Policy Climate Policy Risks Chemicals Water consumption Rubbish and food waste Biodiversity Animal welfare CO ₂	Plastic packaging 5% reduction in the use of plastics for packaging. Action: Continuous adjustment of thickness and size of our plastic packaging.	Plastic packaging The amount of plastic in our packaging is reduced by 5.5% in 2022 compared to 2021, equivalent to 28 tonnes of plastic.	Plastic packaging The aim is to reduce the amount of plastic in our packaging by a further 2% by 2023. Action: Continue implementation of the plastic reduction project.
	Recyclable plastic 90% of our plastic packaging must be made of recyclable plastic. Action: Ongoing replacement of non-recyclable plastics.	Recyclable plastic 89% of our plastic packaging in 2022 was made from recyclable plastics.	Recyclable plastic 95% of our plastic packaging must be made of recyclable plastic in 2023. Action: The “Monoplastic” project, launched in 2022 with the switch to recyclable monooplastics in fast food packaging, continues.
	Transport boxes 100% of our plastic transport boxes must be made from recycled plastic. Action: All newly purchased plastic transport boxes must be made of recycled plastic.	Transport boxes 100% of our plastic transport boxes were made from recycled plastic in 2022.	Transport boxes 100% of our plastic transport boxes will be made from recycled plastic in 2023. Action: All newly purchased plastic transport boxes must be made of recycled plastic
	New purchase of transport boxes 5% reduction compared to 2021 in the purchase of new transport boxes made of recycled plastic. Action: Ongoing process optimisation of the recycling process at Kohberg. Optimisation/securing during return of boxes from customers and minimisation of damage to boxes during washing and transport.	New purchase of transport boxes 11.6% reduction compared to 2021 in the purchase of new transport boxes made of recycled plastic.	New purchase of transport boxes 5% reduction compared to 2022 in the purchase of new transport boxes made of recycled plastic. Action: Ongoing process optimisation of the recycling process at Kohberg. Optimisation/securing during return of boxes from customers and minimisation of damage to boxes during washing and transport.



GOOD FOOD PRODUCTS

We carefully select ingredients and suppliers that meet our high standards for food safety and quality, and consumers' expectations.



FOOD SAFETY

WE HAVE A RESPONSIBILITY - AND WE LIVE UP TO IT
Baking great baked goods with good quality ingredients is Kohberg's main mission. We carefully select ingredients and suppliers that meet our high standards for food safety and quality, and consumers' expectations.

As a food company, we must meet high standards of food safety and quality assurance, and both internal and external audits continuously ensure that we meet all regulatory requirements.

Our continued focus on food safety and hygiene is reflected in our work with food authorities, and the Danish Veterinary and Food Administration is an important partner for Kohberg.

Certification and audits

Certifications are important benchmarks both for ourselves at Kohberg and for our customers and partners.

Our three bakeries have for several years been certified with the BRC Food Certificate from the British Retail Consortium - a certification that sets some of the highest standards for food manufacturers in terms of management, product safety, hygiene, authenticity and employee training. The requirements include detailed descriptions of all procedures and work processes, which are checked annually by a certifying body, and all BRC requirements are reviewed in our internal audits.

With the BRC Food Certificate, we ensure a very high level of food safety for all our products.

"With the annual audits from our certifying body, we are continuously working to become even sharper on our processes and reduce the number of deviations. And it's yielding positive results. In 2022, all three of our bakeries achieved Grade A+ for the first time, and in both Taastrup and Haderslev we achieved the highest possible certification, AA+. It is of course our ambition to maintain this level."

- Line Ransby Olsen, Group Quality Manager





“Danish flour is a very important parameter for us, and we continue to work to introduce more Danish-produced ingredients.”

- Britt Hougaard,
Head of Marketing, Innovation & Communication



IFS Food certification in 2023

As part of our strategy to solidify, strengthen and develop Kohberg’s position in the export market, the goal is for our bakeries in Bolderslev and Haderslev to achieve certification from IFS Food during 2023.

IFS Food is an international standard for assessing product and process compliance in relation to food safety and quality, and certification is therefore important in working with our international customers.

Smiley

From 1 January 2022, the Elite Smiley will be phased out and the Danish Veterinary and Food Administration will now give three different smiley faces that summarise the results of the checks.





FOOD HEALTH

GOOD INGREDIENTS - GROWN WITH CARE

The ingredients we use are grown naturally with care for the environment, and it's important for us to be able to say that our ingredients are "free of..." That's why we require our suppliers to ensure that all the ingredients they supply to Kohberg are grown without the use of glyphosate or plant growth regulators. In 2022, all our purchased flour and cereal products were free of glyphosate and plant growth regulators.

Danish crops

Since 2019, the main ingredient in our baked goods has been flour from grains grown, harvested and milled in Denmark. We bake with Danish flour because the control of the Danish crops is incredibly thorough, and this means that with Danish flour we are guaranteed a high food safety, which we can pass on to our customers.

No eggs from caged hens

At Kohberg, we take responsibility for our choice of ingredients and we set high standards on behalf of our customers. We don't just comply with official rules and legal requirements - we go even further. That's why we have a firm requirement that no eggs from caged hens may be used in Kohberg's bread and cakes. It is an absolute requirement for our ingredient suppliers that the eggs they deliver to us are either barn or organic eggs.

Certified palm oil

Since 2014, Kohberg has been certified by RSPO - the Round Table on Sustainable Palm Oil - and the requirement to use only RSPO-certified palm oil applies throughout our supply chain.

About the Round Table on Sustainable Palm Oil

The RSPO is a non-profit membership organisation and certification scheme made up of NGOs, institutions, buyers and producers. The RSPO was established in 2004 to address the negative impacts of the massive global demand for palm oil, including in Indonesia and Malaysia, where palm oil was the primary cause of tropical rainforest deforestation. The RSPO certification guarantees that palm oil complies with environmental and social principles and criteria.



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IT SHOULD BE EASY TO CHOOSE HEALTHY

FOCUS ON WHOLE GRAIN

Of course, when our bakers develop new recipes, the main goal is always to achieve excellent taste and texture. However, at Kohberg, we also work hard to ensure that as much of our bread as possible contains whole grain.

As part of the Danish Whole Grain Partnership, we share the vision of ensuring that Danes have access to wholemeal foods,

and so the opportunity to choose a healthy and varied diet. That is why we always assess whether a new Kohberg bread is suitable for either the Wholemeal label and/or the Nordic Keyhole label.

Three slices of rye bread covers your need for whole grain

On average, Danes eat 63 grammes of whole grain a day.

The official recommendation is 75 grammes of whole grain day, which is equivalent to three slices of our delicious Hercules Rye Bread.

Source: Fuldkornspartnerskabet

"In a busy world, the Whole Grain and Nordic Keyhole labels are important benchmarks for consumers who want to eat healthily. So, a natural goal for us is that many of Kohberg's breads and buns carry one or both brands, so it's easy for consumers to navigate."

- Lone Andersen, Innovation Manager





Nordic Keyhole label

To get the Nordic Keyhole label, a food must be high in fibre and whole grains, and lower in fat, unsaturated fat, sugar and salt - making it easy to choose healthy products without reading the whole label.



About the Whole Grain logo

Whole grain means that all parts of the grain are included - including the seed and husk, where most of the fibre, vitamins and minerals are. The Whole Grain label requires products to contain whole grains, as well as additional requirements for fat, sugar, salt and fibre.

Simple declaration makes everyday life easier

On all products under the Kohberg brand, you will find an overview of the nutritional content for one piece of the bag's contents, e.g. one piece of bread or one bun. It may seem like an insignificant gesture, but for people living with diabetes, for example, it makes a huge difference. In this way, it is not necessary to weigh the bread first in order to calculate the possible need for insulin.

In autumn 2022, Kohberg started a multi-year partnership with the Diabetes Association, making a contribution to the important fight against diabetes every time we sell one of our popular Protein products.

Preferably organic

Denmark has been a leader in organic food for many years, and organic food plays a major role for many consumers and in professional kitchens. For Kohberg, organic is near to our heart, and we work with specially selected ingredients to bake the best organic bread.

Our organic bread is labelled with the national Danish organic Ø-logo, which is controlled by the Danish government, while the green EU organic logo shows that the bread complies with EU organic rules.





A vegan alternative

More and more consumers want to be able to choose a plant-based alternative. Cereals contain many of the vitamins and minerals your body needs to stay healthy, and rye bread is a climate-friendly food with a low carbon footprint that fits in well with a green lifestyle.

The vast majority of Kohberg's rye bread is vegan and animal-free, and our range for professional kitchens also includes delicious vegan alternatives to classic baked goods.

Kohberg is affiliated with the Vegetarian Society of Denmark's labelling scheme, and 78 of the products under the Kohberg brand carry the "Green Heart".



The Green Heart

The Green Heart is the consumer's guarantee that the products do not contain any animal products - such as milk, eggs and honey.

Source: The Vegetarian Society of Denmark



SUSTAINABLE INNOVATION

What exactly is “good bread”? Do you want it to taste the same or something new and exciting? Is it low in fat, or should it be high in grains? There are many questions that arise when you want to develop the Danes’ new favourite bread.

At Kohberg, we work with sustainable innovation, constantly ensuring that the development of new products is based on knowledge and facts about the latest trends and exciting trends. This ensures that our new products start with a unique position in the market, and we avoid spending resources on developing products that no one will buy.

Many of our products for the export market are developed in close collaboration with our customers. Here, products see the light of day in an exciting exchange of customers’ wishes and knowledge of their national market, and our many years of experience.

Clean Label

With the decision to bake with Danish flour, we at Kohberg have long since set a firm course where we buy locally with a focus on quality and the climate. At the same time, more consumers are demanding foods with clean ingredients - Clean Label.



“For consumers, it’s about credibility - getting an understandable ingredient list with natural ingredients and no mysterious E numbers.”

Naturally, we want to meet this demand, which is why the Clean Label concept is at the heart of our innovation.”

Lone Andersen,
Innovation Manager



Upcycling

In 2022, Kohberg started a collaboration with Danish company Agrain®, which develops circular food. Agrain® has developed an entirely new method to upcycle and reuse the mash that is part of the residual production from beer.

Normally the mash is either discarded or used as animal feed, but with the Agrain® method the soft, wet mash is turned into flour instead. It's called Upcycling and is one of the big trends in preventing food waste and ensuring the sustainable production of food for the future.

“The flour we normally use is made from grain that grows in the field. So, here you have a one-to-one process where grain becomes flour. But with mash flour, it’s different. It’s still grain growing in a field, but before it becomes flour, the grain is used to brew beer. In this way, the grain that grows in the field becomes both beer and flour. One becomes two. It’s upcycling valuable resources, and the mash flour will be used in many more of our products in the future.”

- Lone Andersen, Innovation Manager





GOOD FOOD PRODUCTS

Food safety			
Focus areas	Goals and action 2022	Result 2022	Goals and action 2023
Policy Human Rights Policy Risks Food safety	BRC certification 3 out of 3 locations have a valid BRC food safety grade. Action: Goals for 2023 should include targets for IFS certification.	BRC certification 3 out of 3 locations had the following BRC grade in 2022: - Taastrup: AA+ - Haderslev: AA+ - Bolderslev: A+	BRC & IFS certification By 2023, 3 out of 3 locations must maintain BRC grade. Furthermore, the bakeries in Bolderslev and Haderslev will be IFS certified. IFS certification of our bakery in Taastrup is not relevant, as no products are produced here for the export market. Action: Prepare the quality management system according to the requirements of the IFS standard.
	The Danish Veterinary and Food Administration's Smiley On 1 January 2022, the Elite Smiley was phased out, reducing the number of smiley faces on food business operators' control reports from four to three. The goal of Elite Smileys in all our bakeries by 2022 is therefore no longer relevant.	The Danish Veterinary and Food Administration's Smiley By the end of 2022, 2 out of 3 locations had a happy smiley: - Taastrup: Happy smiley - Haderslev: Happy smiley - Bolderslev: Straight smiley	The Danish Veterinary and Food Administration's Smiley 3 out of 3 locations must have the Danish Veterinary and Food Administration's happy smiley in 2023. Action: Maintaining Kohberg's high standards of food safety and quality.
	Internal audits 12 internal audits planned, reviewing both BRC and RSPO requirements at own locations. Action: Internal audits are conducted with both BRC and RSPO requirements.	Internal audits 12 internal audits, reviewing BRC and RSPO requirements at own locations were conducted in 2022.	Internal audits 12 internal audits, reviewing both BRC and RSPO requirements at own locations, as well as IFS requirements at the locations in Bolderslev and Haderslev are to be conducted in 2023. Action: Internal audits are conducted with both BRC and RSPO requirements, as well as IFS requirements at the Bolderslev and Haderslev locations.
	External supplier audits 2 supplier audits completed. Action: Conduct audits of selected suppliers.	External supplier audits 2 supplier audits were conducted in 2022.	External supplier audits 2 supplier audits to be conducted in 2023. Action: Plan and conduct audits of selected suppliers.



GOOD FOOD PRODUCTS

Food health			
Focus areas	Goals and action 2022	Result 2022	Goals and action 2023
Policy Human Rights Policy Risks Food health Chemicals Pollution	Nordic Keyhole label 60% of the total number of pre-packed bread products under the Kohberg brand have the Nordic Keyhole label. Action: Recipe control and focus on product development.	Nordic Keyhole label 52% of the total number of pre-packed bread products under the Kohberg brand had the Nordic Keyhole label. (29 out of 56 variants)	Nordic Keyhole label 60% of the total number of pre-packed bread products under the Kohberg brand have the Nordic Keyhole label. Action: Recipe control and focus on product development.
	Whole grain 50% of Kohberg's total flour consumption is wholemeal flour. Action: Focus on the use of whole grains in recipes and product development.	Whole grain 52.3% of Kohberg's total flour consumption in 2022 was wholemeal flour.	Whole grain In 2023, 50% of Kohberg's total flour consumption will be wholemeal flour. Action: Focus on the use of whole grains in recipes and product development.
	Glyphosate 100% of all purchased flour and cereal products are free of glyphosate. Action: Requirement for all suppliers that ingredients are free of glyphosate.	Glyphosate 100% of all purchased flour and cereal products were free of glyphosate in 2022.	Glyphosate 100% of all purchased flour and cereal products shall be free of glyphosate in 2023. Action: Requirement for all suppliers that ingredients must be free of glyphosate.
	Plant growth regulators 100% of all purchased flour and cereal products are free of plant growth regulators. Action: Requirement for all suppliers that ingredients are free of plant growth regulators.	Plant growth regulators 100% of all purchased flour and cereal products are free of plant growth regulators in 2022.	Plant growth regulators 100% of all flour and cereal products purchased must be free of plant growth regulators in 2023. Action: Requirement for all suppliers that ingredients must be free of plant growth regulators.



GOOD FOOD PRODUCTS

Food health - DANISH INGREDIENTS			
Focus areas	Goals and action 2022	Result 2022	Goals and action 2023
Policy Human Rights Policy Risks Food health Chemicals Pollution	<u>Rye, conventional</u> 100% of all conventional rye and rye flour purchased is grown in Denmark. <u>Rye, organic</u> At least 75% of all organic rye and rye flour purchased is grown in Denmark. Action: Requirements for suppliers on the Danish origin of conventional and organic rye and rye flour.	<u>Rye, conventional</u> 100% of all purchased conventional rye and rye flour was grown in Denmark in 2022. <u>Rye, organic</u> 75% of all organic rye and rye flour purchased in 2022 was grown in Denmark.	<u>Rye, conventional</u> 100% of all conventional rye and rye flour purchased by 2023 must be grown in Denmark. <u>Rye, organic</u> At least 75% of all organic rye and rye flour purchased in 2023 must be grown in Denmark. Action: Requirements for suppliers on the Danish origin of conventional and organic rye and rye flour.
	<u>Wheat, conventional</u> At least 75% of all conventional wheat and wheat flour purchased is grown in Denmark. <u>Wheat, organic</u> At least 50% of all organic wheat and wheat flour purchased is grown in Denmark. Action: Requirements for suppliers on the Danish origin of conventional and organic wheat and wheat flour.	<u>Wheat, conventional</u> 75% of all conventional wheat and wheat flour purchased in 2022 was grown in Denmark. <u>Wheat, organic</u> 50% of all organic wheat and wheat flour purchased in 2022 was grown in Denmark.	<u>Wheat, conventional</u> In 2023, at least 75% of all conventional wheat and wheat flour purchased must be grown in Denmark. <u>Wheat, organic</u> In 2023, at least 50% of all organic wheat and wheat flour purchased must be grown in Denmark. Action: Requirements for suppliers on the Danish origin of conventional and organic wheat and wheat flour.
	<u>Oats</u> At least 75% of all purchased oats, oat flour and oatmeal are grown in Denmark. Action: Requirement for suppliers of Danish origin of oats and oat flour and oatmeal	<u>Oats</u> 75% of all purchased oats and oat flour and oatmeal were grown in Denmark in 2022.	<u>Oats</u> In 2023, at least 75% of all oats, oat flour and oatmeal purchased must be grown in Denmark. Action: Requirement for suppliers of Danish origin of oats and oat flour and oatmeal.



GOOD FOOD PRODUCTS

Responsible sourcing ingredients			
Focus areas	Goal 2022:	Result 2022	Goals and action 2023
Policy Environmental Policy Risks Biodiversity Animal welfare Child labour Forced labour Terms of employment Pay Chemicals	Palm oil 100% of ingredients purchased containing palm oil contain only RSPO certified palm oil. Action: Requirement for ingredient suppliers to have RSPO (Round table of Sustainable Palm Oil) certified palm oil.	Palm oil 100% of ingredients purchased containing palm oil contained only RSPO certified palm oil in 2022.	Palm oil 100% of ingredients purchased containing palm oil must contain only RSPO-certified palm oil by 2023. Action: Requirement for ingredient suppliers to have RSPO (Round table of Sustainable Palm Oil) certified palm oil.
	Organic flour 8% of Kohberg's total flour consumption is organic flour. Action: Focus on the use of organic flour in recipes and product development.	Organic flour 6.7% of Kohberg's total flour consumption in 2022 was organic flour.	Organic flour In 2023, 8% of Kohberg's total flour consumption will be organic. Action: Focus on the use of organic flour in recipes and product development.
	Eggs 100% of all eggs purchased are barn or organic eggs. Action: Requirements for ingredient suppliers on barn and organic eggs.	Eggs 100% of all eggs purchased in 2022 were barn or organic eggs.	Eggs 100% of all eggs purchased in 2023 must be barn or organic eggs. Action: Requirements for ingredient suppliers on barn and organic eggs.
	Vegan 72% of the total number of pre-packed bread products under the Kohberg brand are vegan. Action: Requirements for ingredient suppliers.	Vegan 73.2% of the total number of pre-packed bread products under the Kohberg brand were vegan in 2022. (41 out of 56 variants)	Vegan 72% of the total number of pre-packed bread products under the Kohberg brand will be vegan in 2023. Action: Requirements for ingredient suppliers.



A GREAT PLACE TO WORK

We have 495 employees at Kohberg in our bakeries, warehouse, sales and administration, and it's important to us to be a safe, responsible and tolerant workplace for everyone.



OCCUPATIONAL HEALTH AND SAFETY

DETERMINED EFFORTS CREATE RESULTS

At Kohberg, our employees' safety is paramount, and we strive to improve the working environment and safety across the organisation.

Our goal is that no employee experiences accidents at work, and by recording all accidents and injuries, as well as the precursors to accidents, we gain important insight into where we need to take new initiatives.

Sometimes it's about specific physical changes, but often it's about changing bad habits to avoid inappropriate behaviour.

Accidents at work - Kohberg is bucking the trend

The number of reported accidents at work in Denmark is increasing, from 42,013 in 2016 to 90,445 in 2022, but at Kohberg, we are bucking the trend, and our targeted efforts to improve the working environment and safety mean that the number of reported accidents at Kohberg is decreasing.

In 2022, we had 16 reported accidents with absence, which is a reduction of 27.3% compared to 2021.

"With the Kohberg Safety Passport, we equip our employees to spot risky behaviour so they are able to take action before the situation develops. Another important element of the process is the analysis of specific accidents. There are always several factors at play when an accident happens, and if we know the underlying causes, we can use that knowledge to prevent similar situations from occurring."

- Brian Vestergaard Olesen, OHSE Coordinator



“Our ongoing work on safety is paying off. Safety is the first point when we have a bakery manager’s meeting in the morning, where we review what has been going on and try to learn from it. Thereafter, follow-up is done at all CEO meetings to ensure that the continuous focus on security is embedded throughout the organisation.”

- Brian Vestergaard Olesen, OHSE Coordinator

Kohberg Safety Passport

An important tool in the preventive work is the Kohberg Safety Passport - an eight-day course developed by Kohberg in collaboration with EUC Lillebælt.

The course is aimed at the bakery’s production managers and health and safety representatives, who are instructed in safe behaviour and contingency planning. Kohberg Safety Passport was implemented in 2021 and 2022 in Bolderslev and will be continued in an adapted form at Kohberg’s other locations in 2023.

Number of accidents per million production hours

In 2022, we had 25.4 accidents per million production hours in Kohberg - in 2021 the figure was 34.1 accidents per million production hours and in 2020 it was 46.4 accidents per million production hours.

In 2023, we will maintain the daily attention to inappropriate behaviour and the continuous focus on safety for all employees at Kohberg. The target is that the number of accidents per million production hours in 2023 will be no more than 19.1.



A TOLERANT WORKPLACE

EQUAL OPPORTUNITIES FOR ALL

At Kohberg, all employees should have equal opportunities to build a career and a successful working life. It is important for us to create a tolerant workplace that is attractive to everyone regardless of personal circumstances or cultural identity. Only in this way can we pull together and all contribute to Kohberg's success.

We have a diverse workforce that reflects the community Kohberg is part of. Our largest bakery is located in Bolderslev, close to the Danish-German border, and here Danish, German, English, Polish

and - of course - "South Jutlandic" are spoken in the changing rooms.

FACTS ABOUT KOHBERG'S EMPLOYEES

- The average Kohberg employee is 45 years old and has been employed for 9 years and 9 months.
- 43.4% of our employees have been with Kohberg for more than 8 years.
- More than half (53.6%) have been employed for more than 5 years.
- More than 1 in 10 employees (10.9%) have been with Kohberg for more than 20 years.





KLAUS GOT MORE COLLEAGUES AND MUCH MORE FREE TIME: “Life as a baker at Kohberg has some obvious advantages”

After more than 25 years as an independent baker, Klaus decided to close his bakery in Augustenborg in 2022.

“My wife got sick and it was too much to handle everything alone. So, we decided to close,” says Klaus, who was trained as a baker at Calles bakery in Sønderborg.

“I’ve always worked in small bakeries, and now I’d like to try something new and exciting. So, I sent an application to Kohberg, and a few days later I was offered a job,” says Klaus.

Life as a baker at Kohberg has some obvious advantages over self-employment.

“I work in our Bake Off, and here we have every weekend off. I haven’t had that since I was 18,” laughs Klaus and continues, “Being self-employed means getting up every morning at 2-3 am, and you have to be several days ahead in your planning all the time. There is always something that needs to be done. At Kohberg, we have good working hours and good colleagues. I come in, do my job, and when it’s time to go home, I’m finished. Then I don’t have to think about it anymore, and that’s a world of difference from what I’ve been used to. This is really positive. And then I meet new people from different cultures. It’s exciting to talk to Germans, Poles and Russians.”

Taking holidays has also been new for Klaus.

“Last year was the first time ever that we went to a festival. We never could before, but now it was no problem to get a few extra days off. I also have breaks during the day. I’ve never had that before either,” says Klaus, who still gets professional challenges as a baker at Kohberg: “Even though it’s on a large scale, it’s still bakery work. In Bake Off we bake Danish pastries, and here it is crucial to have a feel for the dough. It requires a skilled worker,” concludes Klaus.



Kohberg

TANJA IS IN A FLEXIJOB:

“It just has a huge value to have a job”

Tanja works as a sales supporter for Foodservice, and she has been at Kohberg from a young age.

“I grew up in Bolderslev, and my mother worked in the packing house at Kohberg. In the summer holidays between 8th and 9th grade I started as a packer and with very few breaks I have been employed at Kohberg ever since,” says Tanja.

Throughout her childhood and youth, Tanja was an active handball player, but around 2007 it suddenly became harder and harder to get out of bed.

“I didn’t think anything of it. I’d just turned 30, so I thought I’d just got old. However, eventually my husband had to lift me out of bed in the morning. Then I went to the doctor and was told I had rheumatoid arthritis,” says Tanja.

After a year with lots of examinations, hospitalisation at the Arthritis Hospital in Gråsten and sick leave from her job at Kohberg, Tanja was granted a flexijob.

“Throughout the entire process, Kohberg said there was a job for me when I was ready. So it was actually the municipality’s case processing that made it drag on,” says Tanja.

The flexijob at Kohberg consists of 4 hours a day from 8-12. Tanja has no special assistive devices during her working day because tables that can raise and lower are standard at Kohberg.

“It’s great that I was able to get a flexijob because there’s just huge value in having a job. The first thing people ask is: So where do you work? And it’s nice to have an answer. In this way, work is a big part of your identity,” says Tanja, who is a volunteer mentor in her spare time at the Aabenraa Municipal Health Centre for citizens with rheumatoid arthritis.

“It means a lot to me to be able to help others, especially when it’s a young person. When you are diagnosed as a young person, you are at a crossroads: Should I have children? Can I manage a job? It’s important to know that it’s possible to have a family and a good working life,” Tanja says, concluding:

“Today I’m properly medicated and it is hard to believe that I once felt so bad that I couldn’t walk. I’ve found the balance between work, family and rest, and I’m sure that’s what’s keeping my arthritis at bay.”



Special conditions

We are not all the same, and many of us may require our needs to be taken into account.

Sometimes the need is part of our living conditions, but it can also be a sudden need that requires some extra flexibility for a limited period. It could be the possibility to change working hours and create a better work-life balance, or a special assistive device to make our working day easier.

At Kohberg, we can and will accommodate employees with special needs, and we have a number of employees on special conditions. In 2022, Kohberg had 10 people employed in flexijobs and 2 in sheltered employment. We don't have any positions that are essentially sheltered employment or flexijobs, but we are always positive about exploring the possibilities and creating the best possible framework in each case.

What matters to us is that every employee is treated fairly and with respect.





EMPLOYEE DEVELOPMENT

FROM UNSKILLED TO SKILLED

At Kohberg, we are committed to providing employees with training and upskilling. We do this because it's obvious that professional and personal development creates happy employees who add value to the working day at Kohberg, and at the same time, well-trained employees help secure our company's future.

In recent years, all our managers have received leadership training and essential management tools by completing the Kohberg Leadership Academy, which we offer in collaboration with external consultants from Learn2lead. Our goal is for 10 new managers and key employees to complete the Kohberg Leadership Academy in 2023.

Every year, all our production employees have the opportunity for 2 weeks of self-selected training at the IKUF industrial skills development scheme.

In 2022, more of our unskilled workers were in the process of becoming apprentices, and the goal is that even more will take up the offer to make the leap from unskilled to skilled.

Employees of the future can start here ...

It is a very high priority for Kohberg to employ trainees and apprentices. We are very conscious of our responsibility to train the next generation of qualified employees and give them relevant skills and useful experience - whether these skills will eventually benefit us or other companies. At the same time, our apprentices and trainees give us new input and ensure that we don't always just do business as usual.

In 2022, Kohberg employed 11 apprentices - 2 automatic control technicians, 5 automation technicians, 2 industrial operators, 1 retail baker and 1 in accounting.

Throughout the year, we also have work placements - both trainees and apprentices from relevant educational institutions and people who, for various reasons, need a hand to get back on the labour market.



Kohberg

STEPHEN STARTED HIS APPRENTICESHIP AS A PROCESS OPERATOR:

“Kohberg has given me a lot of opportunities”

Stephen joined Kohberg in 2019 and worked as an unskilled worker in the packing department until the bakery manager spoke to him one day:

“My boss suggested that I start training as an industrial operator, and I really wanted to. I’ve worked as an unskilled worker since I was 16, and as an unskilled worker you often have changing working hours that can be hard to fit around family life,” says Stephen, who was born and raised in the UK but came to Denmark in 2015. Today he lives in Sønderborg with his Danish wife and their daughter.

At college, Stephen learns about chemistry, electrical board construction, production equipment, materials and much more, and alternating between theory at college and practice at work has given Stephen a whole new understanding of the working day at Kohberg.

“It’s great, and every time I come back from college, I look at Kohberg a little differently. Then I can recognise a pipe or a certain kind of pump and I know how it works. It’s really exciting,” says Stephen.

Stephen was supposed to finish his training at the end of 2022-23, but several of his classmates wanted to continue with the further education and so the process operator training, and Stephen also wanted to.

“I thought it sounded exciting, and luckily my boss backed me up. It all fell into place just before Christmas, so it was an extra Christmas present,” says Stephen and concludes, “I hope to continue at Kohberg when I’m fully-qualified. Others who have been trained as process operators at Kohberg have been employed as, for example, operations managers. I’d really like that too. Kohberg has given me a lot of opportunities.”



HEALTH AND WELL-BEING

FOCUS ON WELL-BEING

To ensure our people are thriving, and to give us insight into whether there are individual departments or particular areas where we can do better, we conduct a comprehensive Employee Satisfaction Survey every two years. Next time will be in 2023. The survey used makes it possible to compare results both internally within Kohberg departments and against general industry figures.

When we conducted the Employee Satisfaction Survey in 2021, the response rate was 80, which is a satisfactory result compared to the industry. Overall, our employee job satisfaction in 2021 was 72%, which is at the high end of average and close to the industry average. The loyalty rate was 78%, which is considered high. Overall, the results of the 2021 Employee Job Satisfaction Survey were satisfactory, and a number of actions have since been introduced in areas where the results were lower than expected.

In 2022, we have had an increased focus on illness absence, and the objective was that illness absence would amount to a maximum of 3% of the total number of hours worked among all our employees. The result was 3.2%.

New health and well-being scheme

All our employees have the opportunity to get a health and well-being scheme in collaboration with Velliv. With the Blume Support offer, our employees can get both immediate and longer-term help for less stress and better well-being - whether at work, in the family or in personal life as a whole.

Through individual programmes and therapeutic efforts, the individual is given tools and assistance to help themselves. Many employees have already taken up the offer, and in late summer 2022 we made extra efforts to make even more people aware of the opportunity.



Kohberg

CHRISTEL IS IN KOHBERG'S SENIOR SCHEME:

"It's good for my soul to be so happy to go to work every day"

Christel joined the Kohberg cleaning team in Bolderslev in 2013. A job she really enjoyed, but which, after a long working life with hard physical work, was gradually beginning to take its toll on her body.

"When I turned 59 in 2018, I thought to myself: Christel, what do you want? I had the opportunity to retire, but I loved my job so much and I couldn't see myself stopping at 60. It would have been a huge void, so I stuck around," says Christel, who chose to join Kohberg's senior scheme.

The senior scheme meant that Christel could cut back on her hours and she was given other, lighter duties.

"I'm so privileged that today I have everything called "services", where I go around and fill up production gloves, coffee, fruit for the canteens, etc., which means that I have a huge contact surface with the whole building. There's always a bit of ping-pong along the way, and they're all lovely people. There's hardly anyone in production I don't know, and a lot of them have been here ever since I started. Like me, they stay because Kohberg is a great place to work," says Christel.

Today Christel is 63 years old and her goal is to stay with Kohberg until she retires at 67.

"It's good for my soul to be so happy to go to work every day. The job is perfect for me because service has always been my great strength. People just tell me what they need and I'll be there. It's simply in my DNA," Christel concludes.



A GREAT PLACE TO WORK

Working environment and safety.			
Focus areas	Goals and action 2022	Result 2022	Goals and action 2023
Policy Employee Rights Policy Risks Occupational safety Occupational health	Accidents at work A further 25% reduction in accidents and injuries compared to 2021, equivalent to a maximum of 17 reported accidents with absence in 2022. Action: Ensure that all members of the OHSE Organisation has conducted training in analysing accidents and near misses in relation to learning and prevention.	Accidents at work 16 reported accidents and injuries in 2021, representing a 27.3% reduction compared to 2021. All members of the OHSE Organisation in Bolderslev have completed training in analysing accidents and near misses in relation to learning and prevention. In 2022, it has been decided to move from calculating incidence to calculating accidents per million production hours: 2020: 46.4 accidents per million production hours. 2021: 34.1 accidents per million production hours. 2022: 25.4 accidents per million production hours.	Accidents at work A further 25% reduction in accidents and injuries compared to 2022, equivalent to a maximum of 12 reported accidents with absence in 2023. Goal for accidents per million production hours in 2023 is: 19.1. Action: The daily attention and improvement process continues. Training in accident analysis and near misses at the other locations will be planned and implemented during the year according to needs.
	Serious accidents at work with long-term absence The aim is that 0 employees experience an accident at work where the incident can be classified as serious. Action: Increased focus on safety and targeted instruction, as well as increased focus on safe behaviour, including implementation of the STOP principle. Safety must be the first item on the agenda of all board meetings and production meetings in the organisation.	Serious accidents at work with long-term absence 1 serious accident with long-term absence. In 2022, it is almost fully implemented that the topic "Safety" is the first item on all board meetings and production meetings in the organisation.	Serious accidents at work with long-term absence The target for 2023 is that 0 employees experience an accident at work where the incident can be classified as serious. Action: Increased focus on safety and targeted instruction, as well as increased focus on safe behaviour, including implementation of the STOP principle. Safety must be the first item on every agenda, COO and production meeting in the organisation.



A GREAT PLACE TO WORK

Working environment and safety			
Focus areas	Goals and action 2022	Result 2022	Goals and action 2023
	<p>Industrial accidents 250 internally reported near misses.</p> <p>90% of all industrial accidents must be resolved or transferred to a workplace risk assessment within one week.</p> <p>Action: The handling process is clarified and the reporting system is improved, as well as information on the importance of the reports and action on reported incidents.</p>	<p>Industrial accidents 250 internally reported near misses.</p> <p>42% of all industrial accidents in 2023 were resolved or transferred to a workplace risk assessment within one week.</p> <p>From April 2020, a breakdown has been started in the incident recording to show specifically if there have been minor injuries (blows, cuts and the like).</p>	<p>Industrial accidents 300 internally reported near misses.</p> <p>70% of all industrial accidents to BE resolved or transferred to a workplace risk assessment within one week by 2023.</p> <p>Action: Until the new system is in place, the individual industrial accident will continue to be worked on as open until it is finally resolved.</p>
<p>Policy Employee Rights Policy</p> <p>Risks Occupational safety Occupational health</p>	<p>Targeted efforts Four targeted actions will be implemented:</p> <p>Efforts:</p> <ol style="list-style-type: none"> Final marking up at Bolderslev in relation to the reorganisation of internal traffic. Noise mapping of the entire production at Bolderslev has been conducted and acted upon. Actions are taken based on the ergonomic mapping. Targeted actions are taken to avoid incidents of falls or slips at the same level and to address incidents of pinching of fingers/hands due to lack of attention and vigilance. 	<p>Targeted efforts Actions have been taken in all four areas:</p> <ol style="list-style-type: none"> The marking is in progress. Noise mapping in Bolderslev has been completed and critical areas requiring attention have been identified. The mapping of ergonomic needs has been done and some have been transformed into specific projects. A number of actions have been taken and the number of incidents has decreased. 	<p>Targeted efforts At least three targeted actions will be implemented:</p> <ol style="list-style-type: none"> Simplification, digitalisation and implementation of the industrial accidents and workplace risk assessment processes. Implementation of the revised Kohberg Safety Passport for the Taastrup and Haderslev sites. Focus on better integration of safety aspects in the procurement of new machines and in new projects.
	<p>Health and safety smiley 3 of 3 locations with the green health and safety smiley awarded by the Danish Working Environment Authority.</p> <p>Action: Targeted focus on occupational health and safety.</p>	<p>Health and safety smiley 1 of 3 locations has a green smiley.</p> <ul style="list-style-type: none"> - Taastrup has no smiley - Bolderslev has no smiley - Haderslev has a green smiley 	<p>Health and safety smiley Deleted as the current Danish Working Environment Authority smiley scheme will be abolished in 2023 and replaced by a fact-based display scheme.</p> <p>The new scheme will cover all establishments visited by the Danish Working Environment Authority and will display the inspections and decisions of the Danish Working Environment Authority.</p>



A GREAT PLACE TO WORK

Health and well-being			
Focus areas	Goals and action 2022	Result 2022	Goals and action 2023
Policy Employee Rights Policy Risks Terms of employment Occupational safety Occupational health	Employee Job Satisfaction survey An Employee Job Satisfaction survey will be conducted in 2023. Action: Encourage all staff managers to consider creating special positions and to continue training apprentices.	Employee Job Satisfaction survey The Employee Job Satisfaction survey will be completed by the end of 2023. Action plans have been drawn up in each department to ensure the well-being of employees. Targets from 2022 in relation to the creation of more special positions and apprenticeships are met (see the "A tolerant workplace" section).	Employee Job Satisfaction survey An Employee Job Satisfaction survey will be conducted. Action: To maintain the focus on well-being and job satisfaction, an Employee Job Satisfaction survey will be conducted before the end of 2023.
	Illness absence Max. 3% illness absence of hours worked among all employees. Action: All employees are offered a health and well-being scheme in collaboration with Velliv, which includes a wide range of offers to contribute to increased well-being and engagement.	Illness absence 3.2% illness absence of hours worked among all employees. All employees have been offered Blume Support - a health and well-being scheme in collaboration with Velliv. By the end of 2022, 23 individual programmes had started.	Illness absence Max. 3% illness absence of hours worked among all employees. Action: Spread awareness of the option of courses with Blume Support.



A GREAT PLACE TO WORK

A tolerant workplace			
Focus areas	Goals and action 2022	Result 2022	Goals and action 2023
<p>Policy Employee Rights Policy Human Rights Policy</p> <p>Risks Discrimination Terms of employment</p>	<p>Special positions Minimum maintain 2021 level with:</p> <ul style="list-style-type: none"> 10 flexijobs 2 in sheltered employment 9 apprenticeships <p>Action: Encourage all staff managers to consider creating special positions and to continue training apprentices.</p>	<p>Special positions In 2022, Kohberg had:</p> <ul style="list-style-type: none"> 10 flexijobs 2 in sheltered employment 11 apprenticeships: <ul style="list-style-type: none"> - 2 automation technicians - 5 automatic control technicians - 2 industry operators - 1 retail baker - 1 in accounting 	<p>Special positions Minimum maintain 2022 level with:</p> <ul style="list-style-type: none"> 10 flexijobs 2 in sheltered employment 10 apprenticeships
	<p>Gender balance on the Board Goal for the end of 2022: 25% of the Board are women (1 in 4 Board members).</p> <p>Action: Kohberg's goal is to have at least one woman on the company's Board by 2022.</p> <p>However, Kohberg will always appoint Board members on the premise that the most suitable person(s) should be appointed regardless of gender.</p>	<p>Gender balance on the Board Kohberg's board has 25% women. (1 in 4 Board members)</p>	<p>Gender balance on the Board Kohberg's goal is to have at least 25% women on the company's Board.</p> <p>However, Kohberg will always appoint Board members on the premise that the most suitable person(s) should be appointed regardless of gender.</p>
	<p>Gender distribution in the management team Kohberg wants to have at least 25% women in the total management team.</p> <p>Action: Where suitable candidates are available, candidates of both genders will be represented in the interview process when new managers are recruited.</p> <p>However, Kohberg will always recruit/appoint managers on the premise that the most suitable person(s) should be recruited/appointed regardless of gender.</p>	<p>Gender distribution in the management team 8 out of 25 managers are women, representing 32% of the total management group.</p>	<p>Gender distribution in the management team Kohberg wants to increase the current proportion of women in the overall management team (32%). The proportion of women in the total management team must always be at least 25%.</p> <p>Action: Where suitable candidates are available, candidates of both genders will be represented in the interview process when new managers are recruited.</p> <p>However, Kohberg will always recruit/appoint managers on the premise that the most suitable person(s) should be recruited/appointed regardless of gender.</p>



A GREAT PLACE TO WORK

Staff development			
Focus areas	Goal 2022	Result 2022	Goals and action 2023
Policy Employee Rights Policy Risks Terms of employment Occupational safety Occupational health	Education and training Training salaried and hourly-paid employees as desired. Action: Maintain the high level of training and upskilling of hourly-paid and salaried employees. External training of salaried employees, conduct industrial skills development (IKUF) training and in-house project management courses.	Education and training 68 courses in labour market education programmes (AMU), which help to raise the general level of competence and comply with current law A large number of internal and external training courses have been conducted on Food Safety and Quality Culture.	Education and training Increased use of further training through IKUF. Action: Maintain a high level of further training to ensure the right skills.
	Leadership training A minimum of 10 new managers and key employees complete the Kohberg Leadership Academy. Action: The next level of leaders complete Kohberg Leadership Academy's leadership training with external consultants from Learn2lead.	Leadership training 13 leaders have completed the Kohberg Leadership Academy in 2022. 1 has completed basic leadership development training. 2 have completed the academy leadership training.	Leadership training A minimum of 10 new leaders and key employees complete the Kohberg Leadership Academy. Action: The next level of leaders complete Kohberg Leadership Academy's leadership training with external consultants from Learn2lead.



CORPORATE RESPONSIBLE GOVERNANCE

We work closely with our suppliers, whom we also measure and evaluate on a number of parameters both in line with our BRC certification obligations and because we actively want to develop and strengthen the suppliers and our collaboration.



SUPPLIER MANAGEMENT

APPROVAL AND EVALUATION OF SUPPLIERS

Kohberg is a food company, so it's vital to us that our suppliers are reliable and responsible. We work closely with our suppliers, whom we also measure and evaluate on a number of parameters both in line with our BRC certification obligations and because we actively want to develop and strengthen the suppliers and our collaboration.

We carry out ongoing checks and risk assessments on our suppliers of commodities/ingredients, packaging and wholesale goods. In 2022, 100% of this supplier group was risk assessed.

Kohberg's Code of Conduct

Kohberg's Code of Conduct commits our suppliers to a code of ethics for both management and employees in areas such as human rights, labour rights and corruption. At the same time, they commit to act responsibly in relation to the environment and the climate.

We aim for 100% of our suppliers of commodities/ingredients, packaging, wholesale goods, cleaning and logistics to sign the Kohberg Code of Conduct.





WE BUY THE FLOUR BEFORE THE GRAIN IS SOWN

Our decision to bake with high-quality flour, grown without the use of plant growth regulators and glyphosate is binding and places high demands on the collaboration with our suppliers.

To make sure we have enough flour of the right quality, Kohberg contracts the grain through our suppliers long before it is harvested - in fact, often before it's sown in the fields.

Factors such as hours of sunshine, rainfall and soil conditions have a major impact on the quality of the grain and the quantity available, which is why it's important that we work with talented suppliers to ensure that we have enough grain of the right quality available in our bakeries in good time.

All suppliers are evaluated

Kohberg's bakery operates 365 days a year, delivering daily to supermarkets, wholesalers and customers across the country. Many of our breads have a shelf life of only a few days, and our customers have high demands on freshness.

That is why Kohberg also sets high standards for suppliers, and all suppliers of commodities/ingredients, packaging and wholesale goods are evaluated every year.

Our bakery relies on a steady supply of the right quality flour, and we only get that by working closely with our primary suppliers. We must want them and they must want us.

“When we evaluate our suppliers, we give them a score from 1 to 5 on a wide range of parameters. If the overall score is too low, we work with the supplier to draw up a plan to correct the shortcomings, or we try to find another supplier. In this way, we achieve a very stable supply of ingredients of the right quality, and that is absolutely crucial for us.”

- Anders Nyborg, Director of Group Procurement



FAIRNESS

DECENT MARKETING

Fair marketing and competition

At Kohberg, we value responsibility and act both fairly and responsibly towards the world around us, and this naturally applies when we market Kohberg and our bread and cakes.

Our marketing is always decent, honest and truthful. We comply with the law and respect the principles of fair competition.

To meet our own requirements and standards, relevant employees are regularly trained in competition law compliance and it is mandatory for new employees in the marketing department to undergo similar training.

OPENNESS

WE LAY OUR CARDS ON THE TABLE

CSR report

This CSR report represents Kohberg's annual reporting on our corporate social responsibility in relation to the Danish Financial Statements Act. At the same time, it is a tool that helps us become sharper year by year.

We lay our cards on the table and describe how we act responsibly and sustainably in relation to our consumption, our food, our employees and as management. Both where we are doing well and where we can do even better, which is why you can read both in the 2022 report.

This report is also our annual CoP (Communication on Progress) report to the UN Global Compact programme.



RESPONSIBLE CORPORATE GOVERNANCE

Supplier management			
Focus areas	Goals and action 2022	Result 2022	Goals and action 2023
Policy Human Rights Policy Human Rights Policy Climate Policy Environmental Policy Anti-corruption Policy Risks All risks	Approval and evaluation of suppliers - commodities/ingredients, packaging and wholesale goods 100% of purchasing volume in DKK from ingredient, packaging and commodity suppliers must be evaluated and approved. Action: Selecting suppliers for audit and conducting approval and evaluation.	Approval and evaluation of suppliers - ingredients, packaging & commodities 100% of purchasing volume in DKK from ingredient, packaging and commodity suppliers was evaluated and approved. Action: Suppliers have been selected for audit, approval and evaluation	Approval and evaluation of suppliers - commodities/ingredients, packaging and wholesale goods 100% of purchasing volume in DKK from ingredient, packaging and commodity suppliers must be risk assessed. Action: Selecting suppliers for audit and conducting approval and evaluation. All suppliers are evaluated twice a year.
	Signing of Kohberg Code of Conduct - commodities/ingredients, packaging, wholesale goods, cleaning and logistics 70% of purchasing volume in DKK from commodities/ingredients, packaging, wholesale goods, cleaning and logistics suppliers must have signed Kohberg's CoC. Action: Obtaining signatures and evaluating whether more procurement categories need to be signed.	Signing of Kohberg Code of Conduct - commodities/ingredients, packaging, wholesale goods, cleaning and logistics 65% of purchasing volume in DKK from commodities/ingredients, packaging, wholesale goods, cleaning and logistics suppliers have signed Kohberg's CoC or have their own CoC that at least matches Kohberg's CoC. Action: Signatures have been obtained.	Signing of Kohberg Code of Conduct - commodities/ingredients, packaging, wholesale goods, cleaning and logistics 100% of purchasing volume in DKK from commodities/ingredients, packaging, wholesale goods, cleaning and logistics suppliers must have signed Kohberg's CoC or have their own CoC that at least matches Kohberg's CoC. Action: Obtaining signatures.



RESPONSIBLE CORPORATE GOVERNANCE

Fairness			
Focus areas	Goals and action 2022	Result 2022	Goals and action 2023
Policy Anti-corruption Policy Human Rights Policy Risks Unfair marketing Corruption Distortion of competition	Fair marketing and competition 0 court convictions for violations of marketing law conducted by or caused by Kohberg Bakery Group A/S. Action: We have conducted out legal, decent, honest and truthful marketing campaigns.	Fair marketing 0 court convictions for violations of marketing law conducted by or caused by Kohberg Bakery Group A/S.	Fair marketing 0 court convictions for violations of marketing law conducted by or caused by Kohberg Bakery Group A/S. Action: We plan legal, decent, honest and truthful marketing campaigns.
	Fair competition 0 court convictions for violations of competition law conducted or caused by Kohberg Bakery Group A/S. Action: We respect both national rules and the principles of fair competition and conduct competition law compliance training for relevant employees	Fair competition 0 court convictions for breaches of competition law conducted or caused by Kohberg Bakery Group A/S	Fair competition 0 court convictions for violations of competition law conducted or caused by Kohberg Bakery Group A/S. Action: We respect both national rules and the principles of fair competition and conduct competition law compliance training for relevant employees.
	Anti-corruption 0 court convictions for violations of anti-corruption law conducted or caused by Kohberg Bakery Group A/S. Action: Focus on anti-corruption throughout the organisation.	Anti-corruption 0 court convictions for violations of anti-corruption law conducted or caused by Kohberg Bakery Group A/S.	Anti-corruption 0 court convictions for violations of anti-corruption law conducted or caused by Kohberg Bakery Group A/S. Action: Focus on anti-corruption throughout the organisation.

Openness			
Focus areas	Goals and action 2022	Result 2022	Goals and action 2023
Policy All Risks All risks	CSR report Publication of the CSR Report 2022. Action: Collected CSR data and published CSR report.	CSR report CSR report published for 2022.	CSR report Publication of the CSR Report 2023. Action: Collects CSR data and publishes CSR report.

grænserne
specialvirksomheder if
Af Axel Jensen



Produktionen foregår i
den moderne bygning, der også
rummer serigrafisk trykkeri
med fire produktionsmaskiner:
3/4 automatisk, halvautoma-
tisk, håndbord og 4-farve
T-shirt maskine.

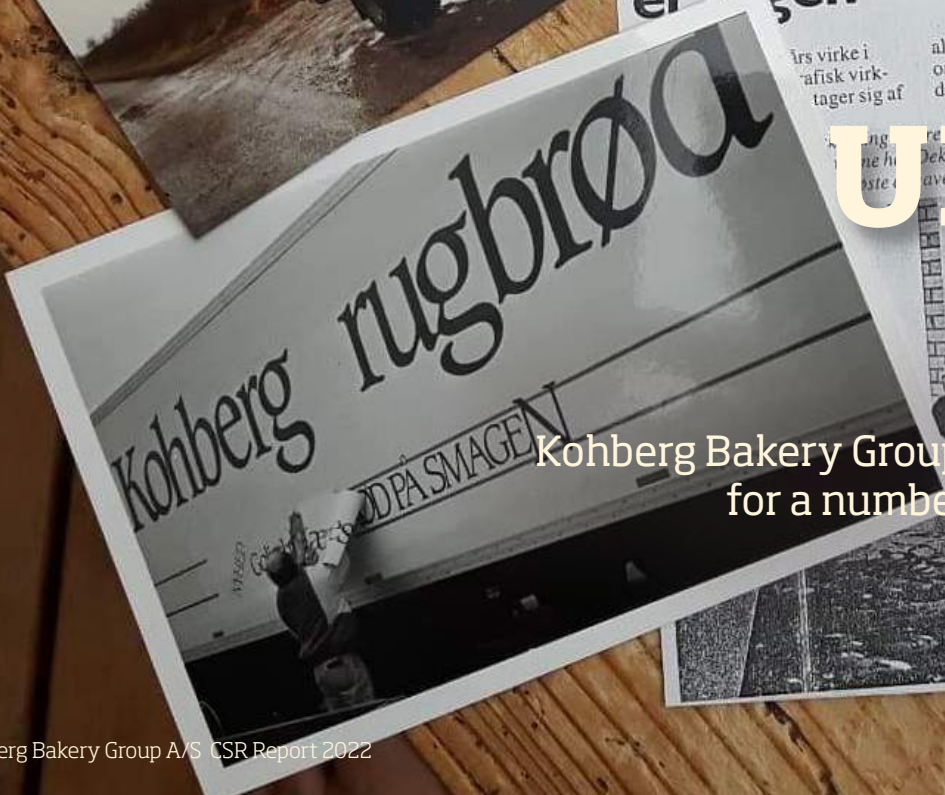
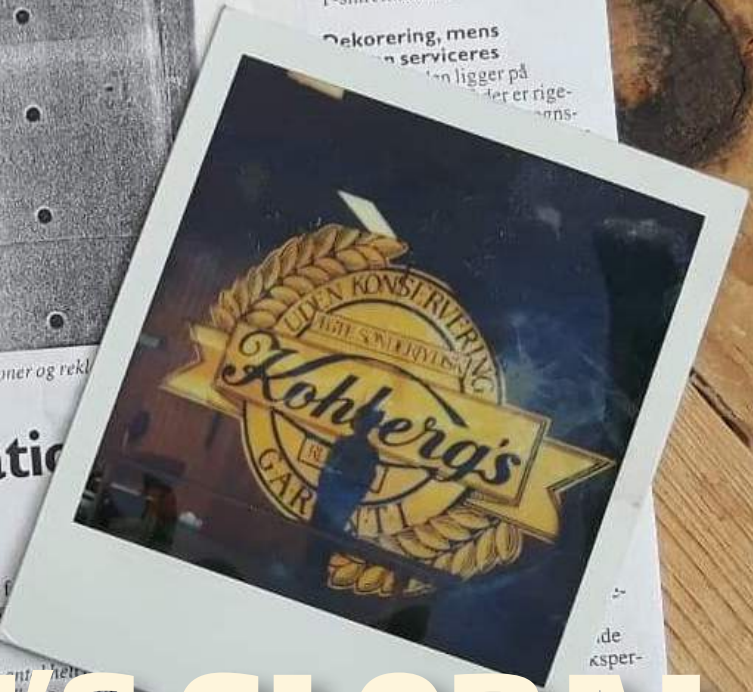
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områder-f
dekoration



ng re- wa- ent hel
ne h- Dek
ste ave

UN'S GLOBAL COMPACT

Kohberg Bakery Group has been part of the UN Global Compact for a number of years and supports the 10 principles.



UN'S GLOBAL COMPACT

In Kohberg's work with the 10 principles of the UN Global Compact, we have a special focus on Climate - Health - People, which form the columns of our CSR work.

All areas of Human Rights, Employee Rights, Environment and Anti-Corruption were assessed as satisfactory in 2022, as they are covered by our Code of Conduct, as well as law in 'low risk countries'.

We work to reduce our impact on the environment and climate and consider our efforts to be mainly 'green' in this area.

We are aware of our responsibility towards the environment and believe that this area remains an important focus.



THE UN GLOBAL COMPACT IN THIS REPORT

THE TREATMENT OF THE 10 PRINCIPLES OF THE UN GLOBAL COMPACT IN THIS REPORT IS DIVIDED AS FOLLOWS:

PRINCIPLE	PAGE
1 The company should support and respect the protection of internationally declared human rights.	14-21, 22-34, 51-56
2 The company should ensure that it does not contribute to human rights abuses.	14-21, 22-34, 51-56
3 The company should uphold freedom of association and effectively recognise the right to collective bargaining.	35-50, 51-56
4 The company should support the eradication of all forms of forced labour.	35-50, 51-56
5 The company should support the effective elimination of child labour.	35-50, 51-56
6 The company should eliminate discrimination in relation to employment and working conditions.	35-50, 51-56
7 The company should support a precautionary approach to environmental challenges.	14-21, 22-34, 51-56
8 The company should take initiatives to promote greater environmental responsibility.	14-21, 22-34, 51-56
9 The company should encourage the development and dissemination of environmentally friendly technologies.	14-21, 22-34, 51-56
10 The company should combat all forms of corruption, including extortion and bribery.	51-56



COMPANY PROFILE

ORGANISATION

Company name: Kohberg Bakery Group A/S

Websites: www.kohberg.dk and www.kohberg.com

Head office: Kernesvinget, 6392 Bolderslev, Denmark

Ownership: Koff A/S (90-99.99%)

Number of employees: 495

REPORT

Reporting period: 1/1/2022 - 31/12/2022

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

Companies included in the report: All companies in Kohberg Bakery Group A/S.

GOVERNANCE

The contact person with regard to this report and the person generally responsible for CSR is

René Normann Christensen, CEO (rnch@kohberg.com)