

Caring for people and the planet

ODENSE GROUP NARRATIVE

ODENSE GROUP

Odense

Bæchs

IGOS

Frödinge
SMÅLAND 1929



ODENSE GROUP



About this report

Environmental awareness is difficult to quantify. But that doesn't stop us from working with it actively each and every day, both in the ODENSE GROUP and in the Orkla Group.

In this report, we take stock and share our goals, the progress we've made so far and where we go from here. Everyone – and everyone's contribution – counts because it's only by pulling together that can we make a difference to the world.

ODENSE GROUP is part of Orkla, the Nordic region's largest manufacturer of branded goods. Read more about the group's overall goals and results in Orkla's Annual report 2024, which can be found here:

<https://www.orkla.com/annualreport/>

Published: 2025, version 2

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ODENSE GROUP

Did you know?

In 2020, the Orkla Group was named one of the best companies in the world within climate change leadership. Orkla participated in the global non-profit organisation CDP's climate reporting and was awarded an A – the highest score. This placed us among the 270 best out of the 9,600+ companies that participated.

Photos: Marten Bjork / Unsplash

Foreword from the CEO of ODENSE GROUP

Social responsibility and environmental awareness are an integral part of the way ODENSE GROUP does business.

We aim to do our bit towards solving the global challenges when it comes to climate, social responsibility and our shared environment. We do this by, among other things, taking good care of our employees and working purposefully to reduce our carbon footprint.

For us, it is absolutely fundamental that ODENSE GROUP is run properly and responsibly.

Respect is part of our culture and a key word in our work with CSR and the environment. We believe that we grow as

people when we treat each other decently – and the same applies to companies and their bottom line.

Sustainability is by no means a destination. It is a journey with parameters that require constant adjustment to improve our business. Sometimes we make a major adjustment, and other times the adjustment is small, but all initiatives give us more awareness everyday.

A reduction in the energy consumption at our factories has been our major focus in recent years. The first step is to reduce fossil fuels by installing heat pumps.

It is a major investment, but we are convinced that working with environmental awareness is central to our progress.

Our customers are increasingly demanding products made responsibly and with respect for the people who make them. And we believe that our employees feel proud and motivated to work at a place that wants to be part of a greater future.

Niels S. Sogaard, CEO, ODENSE GROUP

“ CSR basically comes down to behaving decently as a company. Decently towards people and the planet to ensure that the generations to come do not inherit problems that we have helped create

”

Niels S. Sogaard
CEO, ODENSE GROUP



About ODENSE GROUP

ODENSE GROUP consists of Odense Marcipan, Bæchs Conditori, IGOS and Frödinge Mejeri. We are a supplier of high-quality products within the cakes, desserts and confectionery categories.

Vision

Our vision is to always be a natural part of cakes, desserts and confectionery with respect for quality.

Mission

Our mission is to create value for consumers and our customers by providing unique products, concepts and applications within the cakes, desserts and confectionery categories.

Our core values

Our core values “Quality conscious, Courageous, Credible and Inspiring” govern our behaviour and the decisions we make each and every day.

Our four brands stand for quality, and quality is the overarching parameter for everything we do; we must be able to see, taste, smell and feel it. As we see it, being courageous means being innovative and ambitious – aiming for future trends. Courage is balanced by credibility – we keep our promises and take responsibility for our consumers, customers, society and the planet. Last but not least, we try to inspire people to make good choices in their everyday lives.

Part of the Orkla Group

ODENSE GROUP is part of Orkla, which is listed on the Oslo Stock Exchange, and has its head office in Oslo. Orkla is a leading supplier of branded goods for the grocery trade, food service, pharmacies, speciality trade and the bakery market in the Nordics, the Baltics and selected countries in Central Europe. Orkla has more than 18,000 employees and had a turnover of NOK 50.4 billion in 2021.

Orkla's vision is to be “Your friend every day” and emphasises the importance of strong business relationships based on mutual trust between us, our customers and consumers. At ODENSE GROUP, we want to help create a culture where business areas and companies work well together. Where we as a company care about others and build strong teams based on mutual respect.



More than 300
passionate
employees



Produces more than
1,000
different product
numbers



DKK 704 million
in turnover in 2022



4 factories
3 in Denmark and
1 in Sweden



Strong brands for consumers and professionals

ODENSE GROUP comprises recognised brands for the grocery trade, food service, bakeries and industry. Common to all the brands is a strong focus and high level of ambition on all quality parameters.



ODENSE MARCIPAN was established in Odense in 1909 and has from the very beginning focused on producing “top quality marzipan”. Today, Odense Marcipan is the world's leading manufacturer of marzipan and marzipan-related products, supplying ingredients to industry, bakeries, food service and the grocery market. The products are widely used in the confectionery industry by many leading cake and confectionery manufacturers. The product range is continuously expanded so that Odense Marcipan is always relevant when it comes to “Making delicious easy”.



BÆCHS CONDITORI was founded in Hobro by Mariager Fjord in 1878, and to this day classic Danish cakes and new sweet temptations are created, baked and packed here by trained bakers – always with care and respect for the good, Danish taste. The entire range is available fresh from frozen, and ranges from bite-size pieces to sliced and whole cakes that can be given a personal touch in next to no time.



IGOS started producing jams and syrups of the finest quality in Roskilde in 1942 before moving to Hedehusene. Today, IGOS has established itself as a market leader in the Nordic region with great expertise in the production of jams and fruit fillings, jellies and glazes, among other things.

IGOS offers an extensive product range for bakeries, food service and industry. A particular source of pride is the bake-proof jams and fruit fillings that are used in cakes and baked goods, and which are both easy to work with and ready to use.



FRÖDINGE started out as a small cheese dairy in Vimmerby, Sweden, in 1929. Today, Frödinge is known and recognised as a locally rooted producer of delicious frozen cakes and tarts for both the food service and the grocery market. The company's success kicked off in 1955, when Frödinge launched Scandinavia's first ready-made frozen product, “Ostkaka” (cheesecake), which quickly became a major sales success, leading to rapid expansion.



Environmental awareness at ODENSE GROUP

Environmental awareness at ODENSE GROUP

Heading towards a better everyday – bite by bite

Figures show that food production accounts for around 30% of the world's greenhouse gas emissions, and in Denmark, food and beverages account for just under 20% of the average Dane's consumption footprint¹. These are some serious figures that clearly show that what we eat and drink has an impact on our climate.

ODENSE GROUP's initiatives

It goes without saying that, as a strong, local player, we at ODENSE GROUP must have a positive impact on the communities where we are present. We want a better production, a more consciousness consumption and to offer brands that are relevant in the future. ODENSE GROUP's initiatives are based on four focus areas:

1. Food and product safety

Food safety and a high level of quality are absolutely fundamental to everything we do. We set the same strict quality requirements at all our production sites, and we work with food safety every single day, throughout the entire value chain: From the growing of the raw materials to the products being enjoyed by consumers.

2. Procurement

We use raw materials that are produced with consideration for people, animals and the planet. We work closely with our suppliers to ensure the value chains. As we purchase raw materials in large parts of the world, we want all our suppliers – regardless of country – to

comply with ethical supplier requirements and ensure that production is in line with internationally recognised requirements for human rights, working conditions, the environment and anti-corruption.

3. Consideration for the environment

Global climate change is a shared social responsibility. At ODENSE GROUP, we will assume our share of the responsibility and work actively to minimise our footprint in several links of the value chain. We do this, among other things, by increasing the proportion of renewable energy. We collaborate with suppliers, where we can contribute to solving the environmental challenges together. At the same time, we are working to develop more environmentally friendly packaging for our products.

4. Caring for people and society

ODENSE GROUP wishes to create good workplaces and to help solve important societal challenges in cooperation with others. This entails responsibility for taking care of our employees' health and safety, respecting human rights such as freedom of expression, freedom of association and the right to fair working conditions.

A never-ending task

There is no end destination when it comes to sustainability. We will never be finished with it, because there will always be room for improvement and even higher ambitions as our world and technology change. There are things which may be impossible today, but which can be done tomorrow. That is why we are open and curious and participate in various development projects that can help solve future challenges.

There are many aspects to sustainability – and many dilemmas. Our approach is to tackle the challenges that can be addressed in the here and now, while also looking for solutions to the longer-term issues.

“ We approach it,
and we do something
about the things we
can do something
about – here and
now ”

Niels S. Søgaard, CEO

1) The Big Climate Database from Concito, 2021

The Orkla Group's environmental strategy and goals for 2025

As the Nordic region's largest branded goods company, Orkla has a responsibility to lead the way and ensure consciousness growth. Orkla has therefore set clear goals towards 2025. ODENSE GROUP also works purposefully with these goals across companies and national borders in order to develop conscious products and solutions. Highlighted below are five main areas where Orkla's initiatives will be of importance to both society and our long-term value creation.



Consideration for the environment

A deep commitment to the environment

- > 60% renewable energy
- 63% reduction in greenhouse gas emissions from own operations (77% reduction before 2040)^{1,2}
- 29% reduction in greenhouse gas emissions in the value chain outside own operations (75% before 2040)^{1,3}
- 30% reduction in energy and water consumption
- 50% reduction in food waste



Procurement

Cooperation on raw materials and packaging

- Ensure respect for labour rights
- Achieve verified environmentally conscious production of important raw materials ⁴
- Promote environmentally conscious agriculture and fishing
- 100% recyclable packaging
- 75% packaging from recycled material
- 50% plastic packaging from recycled or recyclable materials



Health and nutrition

Make it easier to live healthily

- Double the consumption of products and services that contribute to a healthier lifestyle
- 15% less salt and sugar⁵
- Inspire a healthier lifestyle



Food and product safety

Good quality and food safety

- 100% of food factories at green level⁶
- 100% approved suppliers⁶
- Continue to ensure that all products are safe to use



Caring for people and society

Strong local commitment

- Create a strong local commitment
- 100% compliance with Orkla's human rights policy
- Create healthy workplaces with zero occupational accidents
- Women in 50% of management positions at all levels
- Create a culture of integrity everywhere

1) Targets for greenhouse gas reduction are approved by the Science-Based Targets initiative (SBTi).
2) Scope 1 and Scope 2 in relation to Greenhouse Gas Protocol. Base year 2016.
3) Scope 3 in relation to Greenhouse Gas Protocol. Base year 2016.

4) The assessment of importance is based on risks and scoping of the group's procurement.
5) Reduction in the consumption of salt and sugar from Orkla's foods. Base year 2015.
6) In accordance with Orkla Food Safety Standard.

The Orkla Group's contribution to the UN Sustainable Development Goals



As part of Orkla, ODENSE GROUP actively contributes to a number of the UN Sustainable Development Goals. A key focus area for us is goal No. 12: Sustainable consumption and production. We are working tirelessly to reduce the carbon footprint of our products, to develop environmentally friendly packaging and to develop more environmentally conscious foods. In short, we want to make it easier for our customers to choose environmentally conscious solutions. (Read more in the section on Fighting food waste, page 25)

Other important Development Goals at ODENSE GROUP:



Work systematically to ensure good working conditions for our employees
(Read more in the section on Caring for people and society, page 33)



Work systematically to reduce carbon emissions throughout the value chain
(Read more in the section on Energy and waste, page 29)



Avoid plastic pollution by developing and promoting recyclable packaging solutions
(Read more in the section on packaging, page 21)

Other prioritised Development Goals at Orkla:



Ensure responsible production of raw materials and promote environmentally conscious agriculture and fishing



Promote diversity and gender balance at all levels across the business



Work systematically to ensure decent working conditions for our employees



Work systematically to reduce carbon emissions throughout the value chain



Avoid plastic pollution by developing and promoting recyclable packaging solutions



Contribute to ensuring responsible agricultural practices. Avoid using raw materials that contribute to deforestation



Active dialogue with stakeholders and partnerships to promote environmentally conscious production and consumption

Climate and environment in focus for our consumers

We are curious about the development in consumer attitudes towards the environment

Every year, the Orkla Group conducts the Orkla Sustainable Life Barometer – a survey of consumer needs and attitudes in relation to the environment. The Orkla Sustainable Life Barometer is conducted by the Ipsos social research institute among 7,000 respondents from Denmark, Norway, Sweden, Finland, Estonia, Latvia and Lithuania.

Danes are demanding more sustainability and guidance

The survey shows that around half of Danish consumers are concerned about global warming, and 6 out of 10 believe that the world is facing a massive climate crisis. This is confirmed by data from another study – Sustainable Brand Index 2021 – which shows that even during the corona pandemic, people were increasingly thinking about climate and sustainability (read more at www.sb-index.com).

The global climate challenges and the increased focus on environmental awareness have led to an ever-increasing demand for sustainable food on the part of customers and consumers alike. According to the Orkla Sustainable Life Barometer, 6 out of 10 Danes say that they try to buy products they consider to be sustainable.

The following sections provide an insight into how we work with environmental consciousness across our value chain and what we do to provide consumers with better guidance.



58%

believe that it is important for products to have recyclable packaging

74%

of Danes are concerned about climate change

72%

of Danes find it difficult to judge whether a product is sustainable

Photos: Tobias Weinhold / Unsplash



Raw materials

Increased focus on the purchase of raw materials

At ODENSE GROUP, we use raw materials that are produced with consideration for people, animals and the planet. We work closely with our suppliers to ensure the value chain. As we purchase raw materials in large parts of the world, we ensure all our suppliers – regardless of country – comply with the Orkla Group's ethical supplier requirements, and ensure that production is in line with internationally recognised requirements for human rights, working conditions, the environment and anti-corruption.

In recent years, we have been particularly focused on ensuring that none of the raw materials used by ODENSE GROUP risk causing deforestation of tropical forests. We also work purposefully with certification of all prioritised raw materials.

The majority of the cocoa used in those of our products that contain chocolate is Rainforest Alliance-certified, and all our palm oil is RSPO-certified or replaced with alternatives such as cocoa butter.

A classification system supports our work with raw materials

In 2020, Orkla established a classification system for raw materials with detailed criteria for agriculture and raw material manufacturing. The system is based on "The Farm Sustainability Assessment" framework (FSA), developed by the global non-profit organisation SAI Platform. SAI Platform consists of 130 members from the food industry. The members range widely, from pressure groups to agriculture, manufacturing companies, producers and supermarkets. Other external certifications are therefore compared to the FSA criteria to ensure the same high standard.

At ODENSE GROUP, we work to ensure certification of priority raw materials. Our specific goal is to secure FSA Silver certification for at least 25% of our priority raw materials by 2024.

Did you know?



Rainforest Alliance means:

Rainforest Alliance is a non-profit organisation that works with biodiversity and improve the living conditions for farmers. Production is managed according to strict environmental, social and economic criteria to preserve wildlife, protect land, waterways, the workers, their families and local communities, and help improve their livelihoods.



RSPO means:

If you buy palm oil that has been produced according to the principles and criteria set by the RSPO – Roundtable on Sustainable Palm Oil – you can be sure that it has been produced in an environmentally and socially responsible manner.



Palm oil RSPO

The production of palm oil entails a risk of deforestation, which leads to greenhouse gas emissions and the destruction of nature's ecosystems, with loss of biodiversity as a result. There is also a risk of violation of workers' rights in the palm oil value chain.

ODENSE GROUP makes an active effort to ensure that the palm oil used is traceable. We therefore only use RSPO-certified palm oil to reduce the risk of deforestation and other undesirable practices.



Sugar

Where possible, we choose locally sourced raw materials from countries such as Denmark, Sweden, Germany and Lithuania. In 2022, we also switched from organic cane sugar from overseas countries to organic beet sugar.



Chocolate and hazelnuts

By 2025, all our chocolate and hazelnuts must be Rainforest Alliance-certified.

And we are already well on our way: All cocoa butter and cocoa powder at ODENSE GROUP is Rainforest Alliance-certified.

The majority of all chocolate and coatings are also Rainforest Alliance-certified.



Milk

Dairy products are important raw materials in many of our finished products, particularly at Frödinge, where large quantities of raw milk and cream are used. This is purchased from local producers to minimise transport. The raw milk is delivered directly to our production facilities from local farmers.



Primary raw materials in production (volume)

Top 4 products purchased – Odense Marcipan

Sugar
Almonds
Hazelnuts
Apricot kernels

Top 4 products purchased – IGOS

Sugar
Raspberries
Isomalt
Pectin

Top 5 products purchased – Frödinge

Raw milk
Cream
Eggs
Sugar
Flour

Top 5 products purchased – Bæchs

Flour
Sugar
Margarine
Jams
Almond/kernel pastes



Packaging

We are continuously working towards more environmentally conscious packaging

The environmental challenges posed by plastic and waste are one of the areas that receive most attention in the climate debate. According to the Orkla Sustainable Life Barometer, Danes are also particularly concerned about the amount of plastic in the oceans and the amount of waste that we humans generate. 7/10 are concerned about the environmental impact of plastic packaging.

Packaging that reduces food waste
Packaging is essential to ensure good quality, maintain food safety and protect our products during distribution, whether destined for our professional customers, stores or end consumers. Plastic has an important role to play when it comes to protecting food and extending shelf life, and may, in many cases, be the best form of packaging – also from an environmental perspective. However, this requires that pollution caused by plastic can be prevented, and that plastic can be recycled.

The next step on the packaging journey
We are continuously working on new initiatives to make our packaging more environmentally conscious without compromising on quality or food safety. Most recently, we changed our boxes to more environmentally friendly FSC boxes, and we are looking into the possibility of switching plastic bottles, buckets and foils.



We are constantly looking for improvements and optimisations that can minimise our carbon footprint. At Odense Marcipan and Bæchs, we have phased out a large volume of our black and white boxes in favour of brown boxes. At Odense Marcipan, we have also reduced the number of different box formats from 21 to 6. On our retail variant, Original ODENSE Marcipan 375 g, the change has meant that we have reduced carbon emissions by 21% per box.



At Odense Marcipan and IGOS, we use buckets made of polypropylene, also called PP plastic. The advantage of PP is that it can be sorted and recycled for many types of new products and packaging. There is a market for recycled PP, and it can subsequently be used for several types of non-food products.



FSC is the world's most ambitious global certification scheme for responsible forestry, and your assurance of wood and paper from well-managed forests and other responsible sources. FSC is dedicated to the promotion of environmentally appropriate, socially beneficial, and economically viable management of the world's forests, and is the only certification and labelling scheme of its kind that is backed by recognised NGOs such as the WWF World Wide Fund for Nature and Forests of the World.

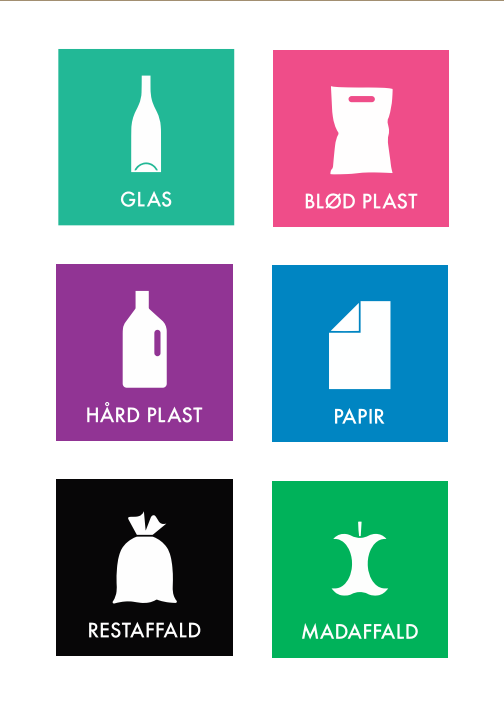


Our work with environmentally friendly packaging supports UN Goal No. 14

Need for better sorting and guidance

According to the Orkla Sustainable Life Barometer, 58% of Danes believe that it is important that products have recyclable packaging. Through better sorting in particular, the amount of plastic that is recycled can be increased considerably. Correct sorting is fundamental to building circular value chains. Circular value chains require that there are buyers for the plastic collected as well as facilities that can sort and transform it into new plastic. Challenges still remain in this area in Denmark, but fortunately it is under the political spotlight.

At Frødinge Mejeri, all retail packaging is labelled with Swedish sorting instructions.





Fighting
food waste



Fighting food waste

Food waste has serious climate and environmental consequences, as it is a major culprit when it comes to the emission of greenhouse gases. Studies show that around 1/3 of all food produced is not eaten, and that in Denmark, we throw out more than 700,000 tonnes of food every year. This corresponds to 124 kg per Dane – including food products that there is absolutely nothing wrong with.

As a food manufacturer, we have a natural responsibility to minimise waste throughout our supply chain – from farm to fork.

Every last crumb of good raw materials must be used. Offcuts and remnants from the production of marzipan, cakes and fruit fillings are valuable raw materials – a necessity even – in some of our other products. At Bæchs, they are used to make truffle paste for the popular ‘romkugler’ (rum balls) and ‘træstammer’ (log cakes). We avoid throwing away good raw materials and spare the planet from unnecessary waste.

Inspiration and information for consumers

Information and inspiration help minimise food waste. Our products are often still good after the “best before” date on the packaging, so we encourage consumers to trust their senses and see, smell and taste the product before it is thrown away.

At Odense Marcipan, we encourage consumers to use their leftover marzipan, nougat and chocolate with useful tips and recipes. Marzipan can, for example, be baked and used as a crumble topping on trifle, ice cream or yoghurt. Toasted marzipan and chocolate can be used in muesli. Tempered chocolate can be used as a homemade chocolate spread. And all three ingredients are really good in cookies or brownies, where they taste great as a filling.



UN Goal No. 12: Sustainable consumption and production. We are working tirelessly to reduce the carbon footprint of our products, to develop environmentally friendly packaging and to develop more environmentally conscious foods.

1/3

of all food goes to waste

8/10

try to reduce food waste

Did you know?

In Denmark, we throw out more than 700,000 tonnes of food every year

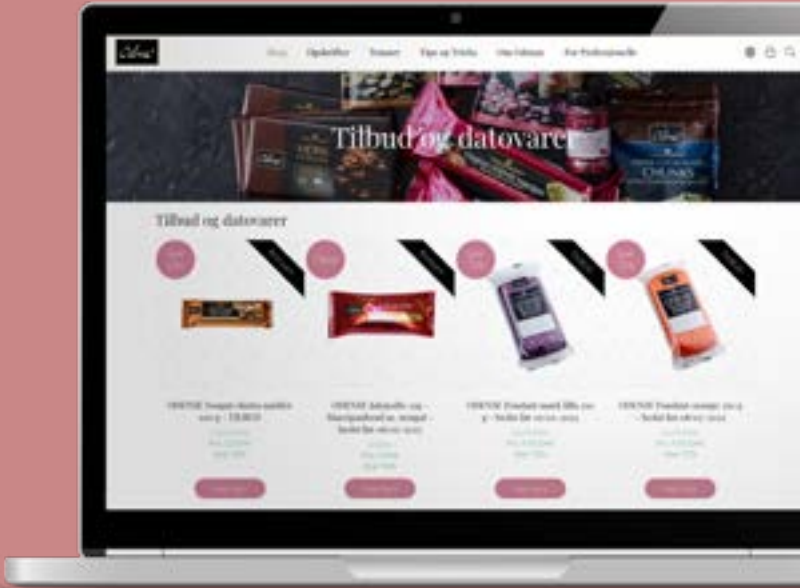
Odense Marcipan’s online shop helps minimise food waste

Odense Marcipan uses its online shop in its efforts to fight food waste, selling products at a greatly reduced price. These are primarily products which can no longer be sold to grocery stores due to the expiry date.

In trial productions of newly developed products, the product is always assessed in terms of quality, and once approved, it is packaged so that it can be sold. This also gives us the opportunity to talk to our customers and hear what they think about new product types and flavours.

The initiative helps reduce food waste, and sales show that consumers have welcomed the concept.

Visit the online shop here: [odense-marcipan.dk/shop](https:// odense-marcipan.dk/shop)



Popular cakes in Frödinges Ostkakebod (cheesecake stall)

Frödinge’s popular Ostkakebod is visited by some 10,000 guests during the 7–8 weeks it is open during the summer. Each year, a group of young people is recruited and given responsibility for running the stall. Cakes with imperfections are sold here – and consumers are big fans of the initiative. In the 2022 season, we sold cakes such as blueberry tart, klad-dkaka (a Swedish chocolate cake) and various cream cakes. Everything sold out a week before the stall closed for the season.





Energy and waste

”

At Odense Marcipan, we use steam for various purposes in production, and the challenge here is that heat pumps cannot get the temperature high enough to toast the marzipan. We have therefore been forced to use fossil fuels. But technological developments have meant that we can now get the heat we need, enabling us to switch to a more climate-friendly solution

”

Johnny Engberg,
Factory manager

The Orkla group is well on its way to meeting the 2025 targets

In signing the Science Based Target initiative (SBT), Orkla has committed to implementing a reduction in carbon in line with what science believes is necessary to reach the 1.5-degree target. From 2014–2020, Orkla reduced greenhouse gas emissions from its own operations by 62% (relative to revenue), and, as a group, we are well on our way to achieving our goal of reducing our greenhouse gas emissions by 63% by 2025, and 77% by 2040. In 2020, 47% of Orkla’s energy consumption came from renewable energy sources, and Orkla was awarded the highest score by the global non-profit organisation CDP for our climate change leadership.

Carbon reduction is at the top of our agenda
Carbon reduction is at the top of ODENSE GROUP’s agenda and is a challenge we are constantly working on. We have completed an energy audit, and we are now in the process of purposefully and efficiently creating solutions that minimise our carbon footprint. We aim to reduce energy and water consumption at our own factories and increase the percentage of renewable energy. We are also working to map all links in the value chain and optimise where we can.

Status and initiatives
We have completed energy audits at Odense Marcipan, Bæchs and IGOS, and, based on them, we are now investing in heat pumps to replace gas central heating. Heat pumps are being installed at IGOS and Bæchs, which will reduce carbon emissions by around 40% at both factories.

Frödinge: 100% fossil-free factory
Frödinge shows that it is possible to go from running solely on heating oil to being 100% fossil-free. By using wood pellets from the nearby sawmill, district heating from the local municipality and covering electricity consumption by Orkla Certificate of Origin from our own hydroelectric plants in Norway, we have succeeded in converting Frödinge into a 100% fossil-free factory.

You could say that Frödinge’s production begins out in the forest. The production requires steam, and wood pellets are used in the plant’s steam boiler. The steam is piped around to the various processes at the plant, and the excess heat from production is transferred to feedwater that enters the boiler.



Power from a hydroelectric plant in Norway
The transition to renewable energy involves the continuous phasing out of fossil fuels and increasing the proportion of renewable energy. Hydro Power, the Orkla Group’s own hydro-power company in Norway, produces enough electricity to cover the entire group’s power needs with renewable energy – in fact, five times as much electricity is produced as is needed throughout Orkla.

As documentation that we use 100% renewable electricity, ODENSE GROUP purchases the Orkla Certificate of Origin from Hydro Power for all electricity.

A carbon reduction of around
40%
through installation of heat pumps for central heating



Waste under control at the factories

Waste sorting, recycling and waste are a focus areas. It is about constantly optimising existing internal processes through initiatives large and small, and thinking climate-friendly solutions into all new projects.

We’re proud that we’ve become good at sorting. Everything we throw away, we throw away properly, with a view to it being reused or recycled.

As a result, we no longer have waste in the “large combustible” category.

Product remnants are used for animal feed, and discarded almonds and other organic material are used for biofuel.

13
KLIMA-INDSAT

Our work with energy and waste supports UN Goal No. 13



Caring for people and society

Sponsorships and donations

Bag for en Sag (Bake for a good cause)
Odense Marcipan supports Bag for en sag as a partner in the project, providing inspiration with tips, tricks and delicious recipes. Bag for en Sag is about helping children and young people who are having a hard time. Since 2005, the money has gone to the children's helpline at Børns Vilkår (Children's Rights) and the organisation Børn, Unge & Sorg (Children, Young People & Grief). Most recently, we have entered into a collaboration with the Red Cross to provide support for children affected by disasters.

Christmas aid
Odense Marcipan has for several years donated marzipan and nougat for the Christmas packages distributed by the Salvation Army Odense and Red Cross Odense. We donate products for around 600 Christmas packages, which help create a sweeter Christmas for families who have applied for Christmas aid.

Julemærkehjem (the Christmas seal home) and H.C. Andersen Paraden (The Hans Christian Andersen Parade)
Every year, we make a donation to the H.C. Andersen Parade, which stages a performance in return. In 2022, it was "Eventyr på Fodrejsen" (The Two Convicts), which was enjoyed by the children's ward at Odense University Hospital (OUH).

We also donate products for 'Julemærkemarchen' (the Christmas Seal March), which raises money for the Christmas Seal Homes. The products are used as prizes for their activities.

Focus on creating a developing and safe working environment

Our colleagues are our most prized asset, so it goes without saying that we have to take good care of one another. There's a good team spirit and attitude here – and we cherish it. If you want to be here, you have to speak properly and treat each other with respect. Our employees make an active contribution and have prepared the tool "Samvær & Samarbejde" (Togetherness and Cooperation) themselves, which is a set of rules that focus on well-being, dialogue, cooperation, demands and expectations.

We put a lot of effort into welcoming new employees and introducing them to our view of how they can contribute to creating a good workplace. We follow up on this after just one week.

Employee satisfaction
ODENSE GROUP's employee satisfaction survey shows that we have highly engaged employees who are proud to work at the company and are happy to recommend the company as a good place to work. When asked: "What is the best thing about working for the company?", the employees answered, among other things: "The sense of community and good colleagues", "A good tone", "A good working environment".



Work systematically to ensure decent working conditions for our employees

We regard our working environment as a community with commitment, where everyone does their bit. We're delighted that we come out top in employee satisfaction year after year, and we focus on the areas where we can do better. We also monitor absence due to sickness, because low absence is a sign that employees are happy and feel committed towards their colleagues.

Occupational accidents – employee safety in focus
One occupational accident is one too many. Our employees must be safe at work, and we have been working systematically for many years to prevent occupational accidents at all four production sites. We provide our employees with regular training in first aid and firefighting, and all our factories have an occupational health and safety organisation headed by an occupational health and safety manager. Every year, the occupational health and safety organisation prepares an EHS activity plan (Environment, Health and Safety) for the coming year, outlining which activities must be carried out. There is ongoing EHS dialogue between manager and employee, and we have increased focus on encouraging everyone in the organisation to register dangerous conditions, dangerous behaviour or near-misses.

// You shouldn't get injured because you're at work. We wouldn't be able to forgive ourselves if you sustain an injury or are even forced to leave the labour market because we haven't looked after you properly

//
Niels S. Sogaard, CEO

Latest initiatives: Reduction in one-sided movements and heavy lifting
Heavy lifting and repetitive movements put a strain on employees. We have significantly reduced one-sided, repetitive movements and the number of heavy lifts. We have done this by investing in lifting equipment at IGOS, which has reduced the lifting of buckets of approx. 700 tonnes per year. A new production line has been set up for the production of truffles at Bæchs, and new packaging lines and robots have been introduced at Odense Marcipan. A heavy investment that has seen an 80% reduction in heavy lifting – or a combined weight of more than 5,000 tonnes – per year at Odense Marcipan alone!

Lifelong job satisfaction
Over the past five years, we have celebrated 14 silver anniversaries and three 40th anniversaries at Odense Marcipan, Bæchs and IGOS. Our experienced colleagues contribute knowledge and stability, which are valuable resources for us. We therefore work to promote job satisfaction and retain committed seniors. From the age of 60, we talk with the employee concerned about his or her plans for the future and wishes with regard to working hours and tasks, etc.

Code of Conduct
The Orkla Group's ethical guidelines
Orkla strives to conduct its business in a responsible manner, based on its duty to respect human and labour rights, protect health, safety and the environment and prevent corruption. Orkla's ethical guidelines (Code of Conduct) apply to all Orkla employees and board members. By agreement, the guidelines can also be applied to external consultants, agents and others acting on behalf of Orkla. These guidelines set out the framework for what Orkla perceives as responsible behaviour

and define the employees' personal responsibility through a combination of general principles and specific requirements. All Orkla employees receive ongoing training in Orkla's Code of Conduct.

Guidelines regarding the terms of employment of ODENSE GROUP's employees comply with Danish legislation and applicable collective agreements as well as any local agreements entered into. The works committee and the working environment committee ensure employee involvement in both the operation of the company and safety in the workplace. Finally, we have representatives on the board, elected by the employees with a view to safeguarding their interests. Ad hoc works and negotiation committees are also set up in the event of major structural measures.

The violation of human rights is not considered be a significant risk in relation to ODENSE GROUP's own employees. The most significant risk of violation of human rights is assessed to be in the supply chain, where poor employment conditions, child labour or the like may exist. We ensure that our suppliers sign Orkla's Code of Conduct, and we expect all our suppliers to show good judgement, care and consideration by following the requirements and intentions in relation to this. We also expect our suppliers to have an open dialogue with us about the challenges they face in their operations.

Whistleblower scheme
Any employee who experiences something that may be in breach of rules, regulations or the group's ethical guidelines is encouraged to raise the concern with their line manager. If it is difficult to raise the matter locally, Orkla has a whistleblower function where the group's management can be notified.

Social responsibility

Partnership agreements in the local community
ODENSE GROUP wishes to be part of the local community. This means, among other things, that we assume our social responsibility in relation to helping with internships (work ability testing and internships for people ready to work) for our local municipality. We collaborate with the job centres in the municipalities concerned and provide good internships. This benefits both ODENSE GROUP and the local community.

We enjoy a close cooperation with several municipalities in Denmark to include people on the edge of the labour market. Odense Marcipan collaborates, for example, with WG Produktion, a company under Odense Municipality, where unemployed people have the chance to be tried, developed and upskilled in relation to training and jobs. "We're extremely happy with our collaboration with WG Produktion, who help us assemble and equip product displays," says Jonas Arndal, Customer Service Manager at Odense Marcipan. "WG Produktion take the pressure off us and have never let us down. We're also delighted to be able to help some of the city's citizens ease their way into the labour market. They might just need to have their ability to work tested before they can get back into the labour market in one form or another," adds Arndal.





Food and product safety

Certifications at ODENSE GROUP



- Odense Marcipan holds the following certifications:
- BRC-certified Grade A (British Retail Consortium)
 - IFS-certified (International Food Standard) Higher Level
 - OFSS-certified (Orkla Food Safety Standard)
 - RSPO-certified (A global standard for sustainable palm oil)
 - Rainforest Alliance-certified (Programme for sustainable agriculture)
 - Food company subject to organic inspection
 - Kosher-certified (compliance with Jewish dietary rules)



- Bæchs Conditori holds the following certifications:
- IFS-certified (International Food Standard) Higher Level
 - OFSS-certified (Orkla Food Safety Standard)



- IGOS holds the following certifications:
- BRC-certified Grade AA (British Retail Consortium)
 - OFSS-certified (Orkla Food Safety Standard)
 - Food company subject to organic inspection



- Frødinge holds the following certifications:
- BRC-certified Grade AA (British Retail Consortium)
 - OFSS-certified (Orkla Food Safety Standard)
 - Rainforest Alliance-certified (Programme for sustainable agriculture)



Food and product safety

Undisputed quality and food safety are fundamental prerequisites for us. We are proud to be recognised as a respected and credible food manufacturer.

We pride ourselves on delivering products of a high, consistent quality, and with our IFS and BRC-certified quality management we guarantee food safety at every stage:

- We only use quality approved raw materials
- Uniform and safe production process
- Continuous quality control throughout the value chain
- We test raw materials and finished products at our own and external laboratories
- We test, for example, for taste, functionality and colour

Our strict quality requirements are the same at all our production sites, and we work each and every day on securing a high level of food safety throughout the entire value chain, from the cultivation of raw materials until our products end up with our customers.

We have received top marks in audits at all our production sites. The certifications from OFSS (Orkla Food Safety Standard), BRC (British Food Safety) and IFS (International Food Standard) have been achieved by constantly and persistently meeting strict quality requirements and following set procedures.

Our main food and product safety goals by 2024 are:
100% of our factories at green OFSS level.
Odense Marcipan and IGOS must also be BRC-certified, and Bæchs Conditori IFS-certified.
Initiatives: Ongoing OFSS training and updating via seminars, courses and e-learning. Preparation of OFSS, BRC and IFS audits with internal audits. Knowledge sharing across production units.

100% approved suppliers
We must maintain green status in FSAP (internal Orkla system for management and quality assurance of suppliers) at all factories. Initiatives: Supplier audits. Ongoing updating in FSAP.

Continued highest level of food safety
No recalls and further reduction in the number of consumer complaints. Initiatives: Identification of quality issues and their causes at the factories concerned.





Frödinge Fabrik, Vimmerby

Questions and feedback

If you have any comments, suggestions or questions about this report – or about our work at ODENSE GROUP, you are welcome to contact:

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