



ORANA

ANNUAL SUSTAINABILITY REPORT 2023

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We seek to inspire and present product solutions that are fit for future demands for healthy quality products from sustainable food systems. **Quality by Nature – the sustainable way**

Niels Østerberg, Director





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Sustainability is an integrated part of who we are and what we work for

The past financial year of 2022/23 has been yet another unpredictable year. While the global Covid-19 pandemic is behind us, the world is still marked by its consequences, the ramifications of too many wars around us, the global energy crisis, as well as the ever-evolving climate changes.

This year was challenging in many ways, but one thing that has been a constant in a turbulent time, has been our vision of wanting to inspire people around the world with great taste for the choice of a healthier and more sustainable future. We have worked hard as a team to continue to deliver great quality products to our customers, to remain creative, and to keep curiously exploring new ideas and concepts, while remaining a sustainable and value-based company at the core.

The decision to create and develop our company on a foundation of sustainability and with a value-based approach is management-driven in the Orana Group. By choosing to let our strategic work with the Sustainable Development Goals and the principles of the UN Global Compact guide all business activities, the Orana Group has continued its efforts to generate and contribute to sustainable development. As a global company, we are working with a shared set of values and principles for both sustainable and ethical business conduct, and the Orana Group continues to work towards the mission of being one of the most sustainable fruit based raw material producing companies, who creates sustainable solutions, by 2030. We further

believe that especially partnerships are an important enabler for reaching these ambitious goals.

Partnerships have always been a part of our journey, and the Orana Group holds a story about strong collaborations internally and throughout the entire supply chain. We treasure the strong relations to our customers, and we believe in knowledge sharing and openness, as well as engaging in enhanced sustainable development for the well-being of people around the world. To us, it is all about people and partnerships. It is through these that we learn and evolve, as well as how we strengthen the means for successful implementation of sustainable change.

The objective of this report is to provide accountable and transparent information on how we intend to continue to create and optimise sustainable solutions within our company, as well as to describe the activities we have engaged in during the past year in this effort.

Niels Østerberg,
Director of the Orana Group







A company based on history, tradition and sustainable core values

Born global, yet with strong roots in an apple orchard in the middle of the island of Funen in Denmark

In 1939 in the small country village Rynkeby in Denmark, Inger Rasmussen attended a course to learn, how to produce juice from the surplus of apples from her garden. Her husband built her a basic apple press, word spread and soon queues of people wanting their apples pressed would form at the house in Rynkeby. By implementing different technical measures, within two years Inger was able to produce 60.000 liters of apple juice per year.

In 1953, Inger's daughter Dagmar Andreasen took over Rynkeby Mosteri. She started to press juice from berries as a supplement to the apples, and in this way, she found a way to expand the company's market. Dagmar was a creative and intelligent business woman, and after modernising the factory in the mid 1950's, the production was expanded further, and both exports and co-operations were initiated.

Niels Østerberg, current director of the Orana Group, was a young student when he interned at Rynkeby Mosteri in 1978. With a degree in mathematics and physics/chemistry he had developed a model for extracting juice from apples, and he was allowed to come to

Rynkeby to test whether this model could optimise the juice-making process. During his time at the company, Dagmar taught him core values in regards to sustainable entrepreneurship and management, which, about 40 years after, still permeates our business.

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She was 40 years ahead of her time and completely sustainable in both her way of living, her way of behaving with her employees and co-workers, as well as in the way she ran the factory**

- Niels Østerberg

Niels Østerberg has been in the company ever since. First in the laboratory and later as director for Orana A/S, which in 1999 became an independent company.

Today, more than 80 years later, Orana A/S is a multinational company within the food and beverage industry, and we have remained true to Dagmar Andreasen's ambition to create tasteful quality products from natural fruit and plant based raw materials. Quality by nature – The sustainable way.

We want to inspire people around the world with great taste – for the choice of a healthier and more sustainable future



We – Together we do!

We worship and protect the strong relations to our customers all over the world. Together, in partnerships, we create truly unique results. We share know-how, we learn together. We make each other stronger. The Orana Group's worldwide teams are united on a joint mission to create quality fruit- and plant-based products together with our valued customers



Explore – Stay curious!

We challenge local, existing taste preferences. We curiously explore new ideas and concepts. In a market in constant change, we are always on the watch for new market- and product trends as well as new business opportunities and collaborations that give us the possibility to share, learn and expand our skills



Unique – Stay authentic!

We are proud of our unique history and the process we have undergone to reach our current position in the market. We honor every opportunity that we are given in unique collaborations and cherish to remain authentic, true to the values that have brought us to where we are today and always with a sincere and simple approach. That is our recipe to obtain truly unique results



The UN Global Compact Initiative

Corporate Social Responsibility and the implementation of the SDGs are management driven in the Orana Group, as we as a company want to ensure that we are contributing to a sustainable future for everyone

As a natural next step from drafting our first CSR policy in 2007, the entire Orana Group are members of the United Nations Global Compact initiative.

The UN Global Compact is the world's largest corporate sustainability initiative, and is a call for companies to align strategies and operations with universal principles on human rights, labour, environment and anti-corruption¹. With our membership we are committed to implementing these principles in to the core of our business.

The UN Global Compact has until October 2023 furthermore required an annual Communication on Progress (COP) of all members, and these reports are publicly available on the UN Global Compact website. Going forward, these reports are replaced by a comprehensive questionnaire,

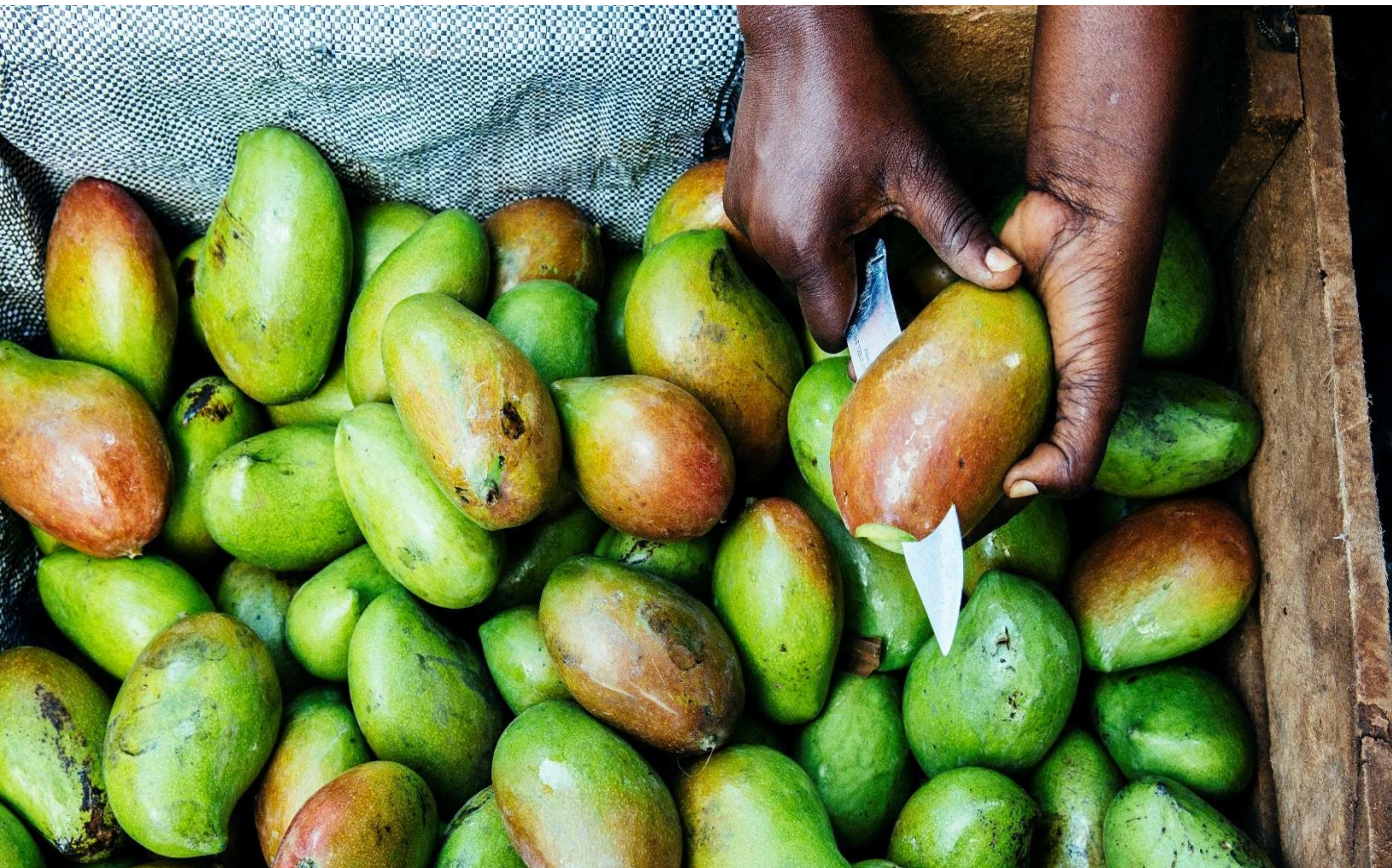
which will also be published for all interested parties to read. In this way, in addition to implementing the UN Global compact principles, we are also committed to promoting accountability and transparency of our progress of doing so.

Our current Code of Conduct is based on The Global Compact principles and specifies the minimum standards for the Orana Group inclusive of all subsidiaries and all suppliers. We have policies in place concerning Human Rights and Social Practices, Work Place Health and Safety, Responsible Consumption and Production, Partnerships, Commitment to the Environment, Internal Management Systems, Management of Suppliers, Anti-Corruption and Bribery, as well as Non-Financial Risks. These will policies will be presented on the following pages.

WE SUPPORT



¹ About the UN Global Compact | UN Global Compact



Human Rights

The Orana Group supports and respects internationally declared human rights and ensures against the contribution to the violation of these. The Orana Group expects that all business partners, including suppliers, also do not contribute to any kind of violation of human rights.

The Orana Group's commitment to respect human rights is integrated and communicated to all sites through Corporate Values, Code of Conduct and CSR policy. All Orana Group sites are continuously working on improving its governance and actions towards human rights.

Social Practices

The Orana Group provides a work place free of discrimination and harassment of any kind by always hiring and promoting based on

qualifications and objective criteria, thereby eliminating discrimination on the basis of gender, age, nationality, ethnicity, race, colour, creed, caste, language, mental or physical disability, organizational membership, health status, marital status, sexual orientation, social or political characteristics etc.

The Orana Group management and the Board of Directors of the Orana Group subsidiaries include both men and women, and these are represented by many nationalities including Danish, Indian, Kenyan, Sri Lankan and Vietnamese.

The Orana Group ensures that its training programmes are culturally respectful and appropriate. Additionally, we have policies in place regarding Workplace Health and Safety,



Commitment to the Environment, as well as measures to secure gender equality, which alongside information regarding a new whistle blower scheme will be introduced later in this report.

Internal Management Systems

All Orana Group sites identify and comply with applicable laws and regulations, the Orana CSR Policy and the Orana Group Code of Conduct.

The Orana Group is divided into different geographical teams. Each team operates as an independent separate company, either as a separate legal entity with its own Board of Directors or an Advisory Board, since the team is a division under the Orana Group. Each team has a General Manager who is hired by the Board of Directors. In addition to this, a business unit structure has been introduced on top of the geographical structure. Each of these business units are managed by a Business Unit Director who is in charge of activities within the given unit, irrespective of geographic location.

All Orana Group sites are certified FSSC 22000 (food safety management system). The sites further hold the locally required certifications as per the requirements of their markets such as Organic, Halal and Halal Mui.

Management of Suppliers

The Orana Group works systematically with risk assessment and supplier management. Our Code of Conduct for Suppliers defines the Orana Group's CSR requirements. The Orana Group has

implemented a supplier risk assessment model for identifying which suppliers pose the highest risk, and regular supplier audits are performed for both high risk and lower risk suppliers in order to verify compliance. In case of any non-compliance, this is immediately addressed with the supplier. All Orana Group sites are buying raw materials from approved suppliers only.

Anti-Corruption and Bribery

The Orana Group has a zero-policy for corruption, extortion and embezzlement. The Orana Group conducts business with fair competition and in compliance with all applicable anti-trust laws.

Orana Group staff is not allowed to accept any gifts or entertainment, and they are further not allowed to accept or give kickbacks. For sites located in countries prone to corruption, when deemed necessary, staff are encouraged to go to meetings with the authorities minimum two persons at a time in order to discourage corruption.

All relationships with customers and suppliers are based entirely on sound business decisions and fair dealings. The Orana Group is continuously working on improving and identifying gaps in our governance compliance program.

Non-Financial Risks

Environmental and climate related risks linked to the Orana Group's business activities are considered to be low and are effectively managed through close monitoring of production across all sites. In addition, the by-products from production are non-toxic and biodegradable, further reducing



the risk of negative impacts on the surroundings. In terms of respect for human rights and employee conditions, the most significant risk relates to unsafe working conditions, which is effectively mitigated through the Orana Group Code of Conduct, which ensures that decent working hours and safety measures are implemented at all sites. Finally, risks relating to corruption and bribery are also considered low because of the implementation of the Orana Group Code of Conduct.

In this way the Global Compact principles provide

us with a framework for achieving a holistic approach to sustainability, covering subjects such as health and safety in the workplace, environmental considerations, measurements of anti-corruption, as well as gender related policies. The Orana Group will continue to support the UN Global Compact, and we will continue to integrate the UN Global Compact principles in our business strategy, CSR policy, Code of Conduct and daily activities, as well as commit to making our efforts as transparent as possible.

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We see ourselves as an **active** participant in the work towards creating a more sustainable future

Sia Oskarson, Director – Fruit Based Raw Materials



Supporting the Global Development Goals

We see the United Nation's Sustainable Development Goals (SDGs) as a business driver to support our vision to be a sustainable value-based company, while at the same time being able to create value to the company and for our customers. The SDGs provide a global language and a common frame of reference, and has additionally managed to become a critical point of reference for us when working with sustainable development activities.

How we work with the SDGs

In the Orana Group, we have been actively working with SDGs since 2016, and in 2018 we participated in the project "From Global Goals to Local Business", which ran for two years and was facilitated by the Confederation of Danish Industries. Our takeaway was a structured strategy for how to focus and implement our work with the SDGs into our business strategy, and to thereby ensure sustainable development

moving forward. We chose to engage and focus 100% on goals 5, 8, 12, as these were the goals where we believed that we as a company would be able to have the greatest impact. Now, 5 years later, this strategy is still a core focal point of our work with sustainable development, and we have furthermore expanded this focus to also include goal 1, 2 and 17 for new projects.

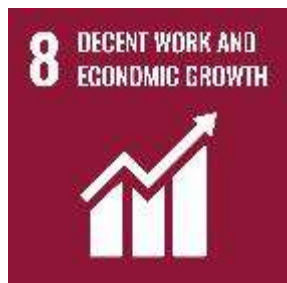
In order for us to achieve our ambitious 2030 plans, we have structured our work with the SDGs into two specific projects: Project 8512 concerning our existing factories and Project 1217, which constitutes a framework for our new ventures of fresh fruit processing and thereby also new factories. In this way we have been able to successfully integrate specific SDG initiatives and actions directly into our business strategy, ensuring sustainability as a cornerstone of our company.



Project 8512

Project 8512 concerns all existing Orana Group sites. The incorporation of the sustainable development goals 8, 5 and 12 has provided a specific framework for working with our already existing sustainable activities, as well as developed and formed new initiatives for us to take even further action towards reaching our 2030 goals.

All three SDG's are in line with the historical values and beliefs of the Orana Group. We believe that by offering a decent and safe working environment and securing responsible and equal working conditions enables happy, loyal and well-trained staff. This will in turn result in higher productivity and ultimately a higher profit, thereby adding value to our company and external stakeholders while contributing to the common development goals. Likewise, responsible consumption and production has always been a core value of ours, and through the years we have stayed curious and determined as to how we can increase our performance in this area even further.



Decent Work and Economic Growth

The Orana Group centres on operating and growing business based on responsible and value-based business conduct. To us this means making sure that we are able to provide safe and decent jobs for all our staff globally, irrespectively of nationality, gender and religion. We see this as a cornerstone in our efforts to contribute to promoting sustained, inclusive and economic growth

Offering decent jobs

Currently, the Orana Group has production and innovation centres in Denmark, Egypt, India and Vietnam, and sales offices in the same countries plus in Kenya, Malaysia, Sri Lanka and the UAE. By respecting human rights and because we have implemented labour policies within our company, we are able to provide safe and decent jobs for all our staff.

The Orana Group has a policy of zero tolerance for the use of forced labour and child labour. In regards to wages and benefits, the Orana Group pay all staff according to applicable wage laws, including minimum wages, payment for overtime hours, as well as mandated benefits. Additionally, we support the freedom of association and encourage our staff to participate in, or form, a labour union so that all staff are able to communicate openly and to negotiate collectively without any threat of reprisal, intimidation or harassment.

In August 2023, a contract was signed with an impartial private provider regarding a new company wide whistle-blower scheme. An official Orana whistle-blower policy has been formulated, and the whistle-blower system is to be used if employees or other stakeholders

experience serious misconduct or offenses in relation to Orana. The objective is to ensure a completely anonymous and secure process for a potential whistle-blower. The system utilizes several security measures that protect the whistle-blower and the system in general. Some of these include:

- Full encryption throughout the process
- ISO 27001 certified (Information security)
- ISO 27701 certified (GDPR compliance)
- ISO 27001 approved servers in Europe
- Schrems II compliant
- SSL technology
- Shield and WAF on the application level
- Two-factor authentication at administrator level
- Architecture built on the latest technology
- Continuous AI monitoring
- No IP logging

As a first step, the new system will be implemented at our sites in Denmark, Vietnam and Egypt, then followed by the rest of the company.

Lastly, Orana Vietnam and Orana Egypt offer

staff transportation to and from the production site. Undoubtedly, transportation offered as a benefit to employees is both a financial burden on the company, and a significant addition to the collective calculation of the Carbon Foot Print. This said, by having staff drive in a bus instead of several individual cars and/or motorbikes, an opposing argument is that this decision is contributing to lowering the overall amount of carbon emissions. This way, it is also possible to a larger degree to make sure that staff show up on time, thereby actually increasing productivity at the production site.

In Egypt, it was made clear through a staff survey conducted in January 2023, that providing transportation enabled several of the staff to actually be able to come to work at all, since transport in general can pose complicated in Egypt. Also, it is valuable to consider that Egypt is a lower-middle income economy and that the contribution of staff transportation therefore, in comparison to higher income countries, has a bigger positive impact on employees' well-being and work-life balance. The aforementioned survey has shown that nearly half of the employees actually tolerate up to two hours a day on the road, and therefore stay with Orana, rather than looking for a job nearby their houses. Providing transportation helps employees to avoid altering their lives, relocating their home or children's schools to keep their jobs, so they can stay close to their families and attend their elderlies. Currently, we are following the developments in the Egyptian and Vietnamese markets very closely, looking for low-emission transport solutions, such as governmental deals on better public transportation networks, or availability of sustainably powered vehicles. Once again this is an example of how working with the SDGs have proven multi-beneficial for us, and why conducting *responsible* business, in

our opinion, is always *good* business.

Social sustainability and well-being

As a vital part of offering decent jobs, The Orana Group works to ensure the social and psychological well-being of all staff across sites.

In Denmark, it has been a procedure to conduct a staff survey on the psychosocial work environment from time to time, which is used to investigate if there are any points of action that need to be taken. To us, measurements of well-being guides the way to targeted efforts.

The Orana Group works to create and contribute to a positive work/life balance for our staff. This is why we have implemented Danish style working hours at all sites, which means short lunch breaks instead of siestas. This means that employees are able to go home to their families earlier rather than working long hours at the end of the day and in the evening. This additionally has an impact on our work to enhance empowerment of the women who work with us, which will be described further under the section Gender Equality and Women Empowerment.

To further enforce and promote social sustainability, the Orana Group is a SEDEX Affiliated Audit Company. This provides our customers with the opportunity to conduct a social and ethical trade audit (SMETA) if needed. Our production sites in Denmark, Egypt and Vietnam have been members since 2010.

Providing good and safe working conditions

By implementing policies regarding Workplace Health and Safety, The Orana Group ensures that all staff are provided with safe, suitable and



sanitary work facilities as per International Labour Organisation (ILO) convention Article 120. We protect our staff against processes, substances and techniques which are unhealthy, toxic or harmful, and all relevant staff are provided with protective equipment and the necessary training to safely perform the functions of their positions. In order to make sure that all the relevant policies are implemented and functioning we measure the number of occurred accidents at each site. More

so, we monitor the statistics for staff turnover closely, since these can contribute to understanding the general well-being of our staff. At all sites, the staff is offered yearly health check-ups.

In this way we work to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all staff within the Orana Group.



Gender Equality and Empowering Women

We believe that the private sector has an important role to play in the global efforts to empower women and thereby advance gender equality

Danish style working week

In the Orana Group we desire to promote gender equality and female empowerment across our organisation. We work specifically to create good working conditions and offer opportunities for all our staff, hereunder our many female employees.

In Vietnam we were one of the first movers on implementing what we refer to as a “Danish style working day”. When Orana Vietnam was established in 2002, women were often responsible for looking after the children, but at the same time they were expected to contribute financially to their family, cook and do household work.

This proved challenging for many since the traditional Vietnamese workday ended at 5.30 pm. This in turn caused several women to leave their jobs when they started their families, or to instead seek opportunities where they could bring their children to work i.e. opening a street stall. In this way, many women were therefore forced out of the established labour market. From a business perspective, this also entailed that Orana Vietnam would lose qualified and well-trained employees. Implementing a ‘Danish style working day’ meant that the normal two-

hour lunch break was cut down to half an hour, and that the work day therefor ends at 4 pm, leaving the women time to pick up their children after work. Also, all employees got Saturday off, which at the time was normally a work day in Vietnam. Also, all female employees within the Orana Group are offered to work part time after they end their maternity leave. In this way the Orana Group has tried to proactively allow our staff to achieve a better work/life balance, and we are proud that we were one of the first companies in Vietnam to offer better working hours, hereby ensuring that it was and is both desirable and possible for female employees to stay with us even if they choose to get married and/or have children. Of course, this case is now a dated story, and several other companies have introduced similar initiatives, but it still proves as an example of how we were able to integrate our work with the SDGs directly into our business strategy, and this is still a focal part of how we continue to conduct responsible business.

Gender composition of management

In Denmark we make sure to follow the Danish Business Authority’s recommendation regarding the gender composition of management.

ORANA VIETNAM

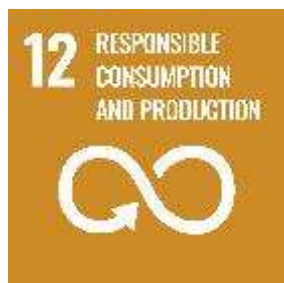


During the financial year 2022/23 we aimed to have a female representation of at least 30% for all group management, and currently the Board of Directors consists of 29% women, while 60% women constitute the general Orana Group Management team. In general, the Orana Group hires the most qualified candidates to vacant positions without considerations regarding the gender of the given applicant.

During 2022, the Confederation of Danish Industry (DI) presented a strategy of how to achieve a higher degree of gender diversity within the Danish labour market, based on the argument that a gender-biased market slows

down the development of companies and society in general. Therefore, a goal was set to achieve a representation of at least 40% of women in leadership positions by 2030. The Orana Group signed the Gender Diversity Pledge formulated by DI, and thereby supports the notion that the corporate world has the power and capabilities to play an active and progressive role in achieving an inclusive society. Through the pledge, the Orana Group committed to actively work to create a higher degree of gender diversity in Denmark - a commitment that we have abided by during the financial year of 2022/23 and that we will continue to focus on moving forward.





Responsible Consumption and Production

The Orana Group promotes better food quality and food safety, and has a strong focus on resource and energy efficiency via continuous improvement on energy consumption per produced ton, as well as via the safe handling, reduction, recycling and management of waste and wastewater discharges

The Orana Group is currently working with a target of reducing our non-renewable energy consumption by 50% per produced unit in 2030 compared to what we used in the financial year 2016/17. Also, we have set a target of reducing our CO₂ emission by 50% by 2030 compared to the base year of 2018/19.

All Orana Group sites comply with local environmental regulations. All relevant licenses are obtained and the specific reporting requirements are followed. The Orana Group is aiming to maintain the same high environmental standard irrespective of the country of operation, and we are continuously working on improving our environmental performance at all sites.

All Orana Group sites have systems in place to ensure the safe handling of waste and waste water discharges. We plan to re-use waste water back into our production system by using a low temperature evaporator. In this way the remaining sludge will be rich in organic material, mainly carbohydrates and minerals which are non-toxic, and which can then be obtained and utilized as high-quality manure.

The Orana Group has a strategy of having decentralized production sites close to the fruit and the customers, and in this way be able to minimize transportation of raw materials and finished products, thereby lowering our carbon emissions.

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It has never made sense, not transport-wise nor management-wise, to transport the fruit three times around the world before processing it. Instead, a strategy for decentralised production is good for the climate, for flexibility and for our business**

- Niels Østerberg, Director

Measuring our carbon footprint

In October 2018, the Orana Group initiated monitoring the company's carbon emissions, as an effort to reduce the total carbon footprint inclusive of all sites. This includes measuring Category 1, 2, 3, 4 and 5 activities in reference to ISO 14064-1: *Specification with guidance at the organization level for quantification and*



reporting of greenhouse gas emissions and removals. Category 1 emissions are direct emissions from owned or controlled sources, Category 2 emissions are indirect emissions from the generation of purchased energy, Category 3 refers to indirect emissions from transportation, Category 4 refers to indirect emissions from products used by the organisation, and lastly, Category 5 refers to indirect emissions from products used from the organisation. By establishing the measurement of our carbon footprint in general, we are able to assess our impact in all areas of our business, as well as establish initiatives to address opportunities for improvement. Category 3, 4 and 5 are the areas where the Orana Group is making a difference by strategically decentralising our productions. In fact, in September 2023 the Orana Group and the University of Southern Denmark engaged in a project regarding calculating our delta organisational environmental footprint between centralized vs. de-centralised production strategies. The objective is to understand how

much the de-centralized production strategy is actually reducing our collective carbon footprint, at to thereby guide future business discussions in regards to sustainable production strategies.

The Orana Group certified ISO 14001:2015 (environmental management system) at Orana Vietnam and Orana Egypt in 2020/21, and we are planning to also have Orana Denmark gain the same certification.

Improvements during the past financial year

During the past financial year, the Orana Group has made several investments in order to reduce our overall energy consumption, as well as to impact our overall carbon emissions in a positive direction. The specifics of some of these operations will be discussed under the sections Energy Consumption and Carbon Footprint.

In Denmark, we have been optimising the processes regarding sorting of waste materials. By changing our service provider a couple of years ago, it became possible for to increase the sorting degree of our waste from 30% to 80%.





This meant a significant increase in the percentage of waste that was recycled, and during the past financial year, Orana Denmark has worked to continue this positive development. A new sorting system was implemented in office areas and in the canteen, and collectively it has been possible to recycle 85,3% of all waste materials – an increase of 1,5% compared to last year. According to data provided by the new service provider, this means a total saving of 260,781.00 kg CO₂, primarily distributed between the three sorting categories of metals, glass and organic waste. This equals to saving approximately the same amount of CO₂ as emitted by a newer car running on normal fuel, driving 55 times around the planet². Furthermore, the Danish Ministry of Environment has issued a national sorting directive, which includes a target of companies being able to recycle 65% of all waste by 2035 - a target Orana Denmark has thereby already successfully been able to reach.

Also other Orana sites have been working on projects in regards to waste sorting and recycling. In March 2023, Orana India entered in a contract with a third-party recycling partner in regards to the management of plastic waste, and the site is now compliant with the Extended Producer Responsibility Requirements in India. Additionally, Orana Egypt has been taking measures to improve recycling practices this past financial year. Sorting systems for waste have been placed in office corridors, and an effort has been made to inform staff of the importance of waste sorting in general. In addition to waste sorting, Orana Egypt has furthermore significantly reduced their use of single-use plastic objects; stainless steel bottles and mugs have been purchased for all employees, and plastic plates, bowls and cutlery have been replaced by ones of a biodegradable material in both the canteen and the laboratory.

² Hvor meget er 1 kg CO₂? | Samvirke

Project 1217

On a strong foundation of our work with goals 5, 8 and 12, Project 1217 constitutes a framework for our new venture of fresh fruit processing. In the Orana Group we want to explore backwards integration into our supply chain, and thereby explore how we can begin to sustainably produce our own fruit supply and spread some elements of risk regarding our supply.

Our commitment and obligation to act sustainably is not just valid within our operations, but of course also extends to our supply chain. As mentioned, the Orana Group has a Supplier Code of Conduct, but venturing into backwards integration provides us with the opportunity to take even further ownership and responsibility, while at the same time being able to expand and develop our business. Project 1217 furthermore enables the Orana Group to practically engage and contribute to the work with Sustainable Development Goals 1, 2 and 17.

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We want to show that you can make an **important difference** even without being the biggest player in the field

Niels Østerberg, Director





Spurring Job Creation and Sustainable Development in Kenya

As part of the intent to explore backwards integration into our value chain, the Orana Group has engaged in several activities in Kenya in East Africa. The Orana Group has entered two separate joint ventures; The Moonberg Organic Farms and the Orana Fresh Fruit Processing Company.

At the farm we will grow organic bananas, and it is our clear goal to build and run the farm as sustainable as possible.

Besides from exporting fresh bananas, the objective is to deliver a socially and environmentally responsible fruit pulp processing factory under the Orana Fresh Fruit Processing Company. By producing fruit pulp, we will also be able to utilise excess or discarded fruit, which thereby reduces food waste. An aim for the Orana Fresh Fruit Processing Company is to be able to manage a capacity of 20,000 tons of fruit per year.

Additionally, in 2020 the Orana Group engaged in the project *Spurring Job Creation in Kenya by Enhancing the Competitiveness of the Banana Sub Sector*. This is a five-year project supported by the Danida Market Development Fund, and the full partner consortia consists of the Orana Group as well as two Kenyan partners; an NGO, Micro Enterprises Support Programme Trust and a local company, Wanda Agriculture Group. The objective of the project is to contribute to increased and sustainable incomes and decent jobs within the banana subsector in the Taita-Taveta County - one of the poorest counties in Kenya with a poverty index of 57%. The project entails the Orana Fresh Fruit Processing Company committing to buying bananas from 1,500 conventional smallholder farmers and 500 organic smallholder farmers, while at the same time providing them with agricultural training and know-how.



In the county an average family consists of 5 people, which means the project aims to help 10,000 people in the county. Emphasis is placed on especially engaging women and youth, and the intent is that this project by extension will contribute to poverty alleviation. The project will roll out interventions geared to enhancing the competitiveness of the banana value chain and hence improve the market access for the targeted farmers. Production capacities of smallholder farmers and specific service providers will be developed, and vertical and horizontal linkages will be facilitated thereby sustainably creating value and business efficiencies through a private sector led model.

By entering this venture in Kenya as part of our Project 1217, the Orana Group is working to contribute to creating economic growth in Africa along with jobs in poor rural areas with a particularly emphasis on women and youth, thereby consequently contribute to combatting famine and poverty. Hereby we are able to interlink our business strategy with our work on SDGs 1, 2, 5, 8 and 12 through the creation of strong and sustainable partnerships (SDG 17). The Orana Group is actively involved in supporting the smallholder farmers in the organic cluster, helping them overcome the challenges they face on the ground. These challenges are mainly the salinity of the soil and

rainfall-induced flooding in the Taveta County. Such problems have cost the local farmers in the cluster their banana seedling investments, at which point Orana has donated seedlings as a replacement for their loss, so that they can pursue their initiatives. In parallel, Orana performs several farm trials in the region, solely with the purpose of providing agricultural know-how to the farmers. These trials are carried out in order to identify the optimum and most cost-efficient soil amendments, experiment with various types of crops that can be grown individually or as an intercrop with bananas, and compare different irrigation techniques.

As part of the project supported by Danida Market Development Fund, one farmer has adopted vermicomposting at her farm from the training delivered by Micro Enterprises Support Programme Trust. The Orana Group has built the necessary permanent facility at a cost of KES 74,000 (USD 510), so that she was able to further improve this organic fertilization technique. Orana's activities extend to supporting accessibility at the farms by building two bridges over the major canals at the cost of KES 650,000 (USD 4,482), and the total seedling donations has reached KES 1,154,000 (USD 7,958).

Orana has also thought of the most vulnerable and villagers in need in the county, and is preparing food packs for their Christmas celebrations.



Together We Do

Even as a smaller company, we want to take share in supporting local organisations and communities where we can

Likewise our activities in Kenya, the rest of the Orana Group has made an effort to contribute to local causes and communities during the past financial year. Orana India has made the commitment to sponsor a staff cricket match, where a donation will be made to the UNICEF Global Hunger crisis campaign in the winning team's name.

In Denmark, Orana Denmark and staff collected donations for the Children's Cancer Society, which Orana Denmark also supports on a yearly basis with DKK 20,000 (USD 2,900). Moreover, Orana Denmark is an official sponsor of the local Team Rynkeby Foundation, who creates awareness and fundraises for children with critical illnesses. Additionally, the Orana Group sponsors a child in Burkina Faso through Plan International Denmark. We have an ongoing letter exchange, and we enjoy to be able to follow the everyday life of him and his family.

Our team in Sri Lanka has contributed to a social outreach program in the North Central Province. With support from friends and relatives the team managed to construct a new house for a family in need. Furthermore, the team made a direct donation to help cover medical costs for the given family.





Key figures from the past year

In order to track our progress of reaching our set targets, as well as to ensure that we are providing the good and safe work environment that we aim for, all Orana Group sites monitor the following elements:

- Energy consumption
- Accidents
- Staff turnover
- Water and wastewater
- Carbon Foot Print

The year of 2016/17 has been chosen as the base year for all elements, except for carbon footprint, where the base year has been established as 2018/19. The following data will therefore show delta comparisons between the current year of 2022/23 versus the base year, as well as the current year versus last year.

Energy Consumption

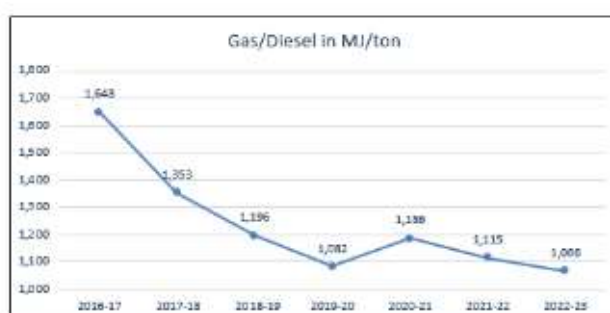
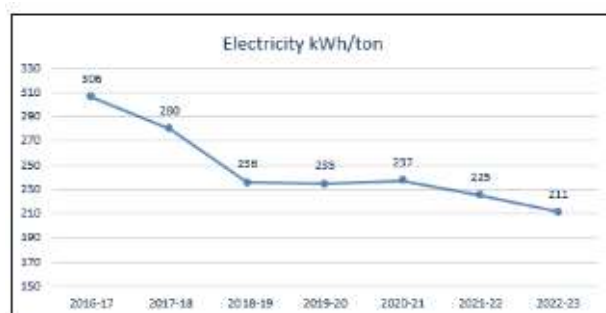
When discussing energy consumption, the following elements are measured:

- Electricity in kWh/ton
- Oil /gas in MJ/ton
- Water in m3/ton
- Waste water discharge in m3/ton

The data is based on the collective consumption per site including production, offices, warehouses etc. First the data will be presented collectively for the entire group, and hereafter split in to site wise calculations. All measurements are calculated per produced ton.

The Orana Group

Energy consumptions	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Delta Base Year	Delta % Base Year	Delta LY	Delta % LY
Electricity kWh/ton	306	280	236	235	237	225	211	-95	-31.0%	-14	-5.9%
Gas/Diesel in MJ/ton	1,648	1,353	1,196	1,082	1,186	1,115	1,066	-583	-35.4%	-50	-4.2%
Water m3/ton	5.7	4.7	4.7	4.5	4.8	4.6	4.3	-1	-24.8%	0	-6.9%
Waste water m3/ton	3.1	3.3	3.2	3.3	3.7	3.5	2.2	-1	-28.9%	-1	-36%



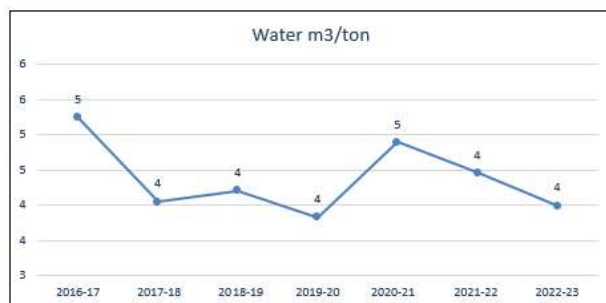
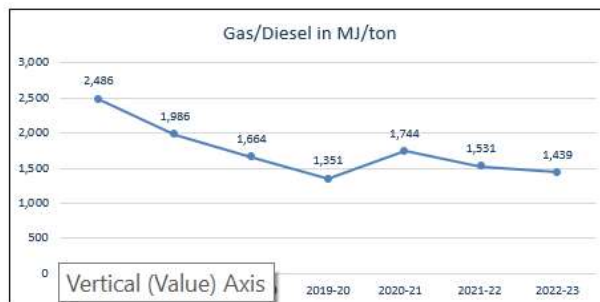
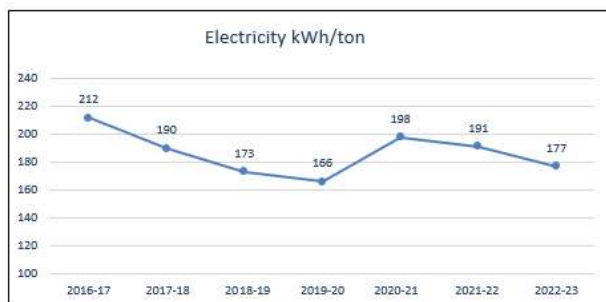
When analysing the data on energy consumption for the financial year 2022-23 on group level, all results show a positive trend. It has been able to decrease all four categories of energy consumption, especially with a significant decrease of 36% of waste water discharge. Comparing to the base year data the same trend can be seen with an overall decrease in consumption of 31% electricity, 35,4% gas/diesel, 24,8% water and 28,9% waste water. There is still work to do in order to reach our target of reducing our collective energy consumption by 50% by 2030 compared to the

base year data, but when looking at the results that we have already been able to achieve, we are optimistic of reaching the goal by continuing our focused approach of making smart investments, knowledge sharing across sites, and as always staying curious when it comes to new technologies and initiatives.

The Group results are of course impacted by the data from each site, and to gain a further understanding of this financial year's results, the following sections will therefore provide a presentation of the data on energy consumption and waste water discharges for each site.

Orana Denmark / International Fruit Production Denmark (IFP Denmark)

Energy consumptions	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Delta Base Year	Delta % Base Year	Delta LY	Delta % LY
Electricity kWh/ton	212	190	173	166	198	191	177	-35	-16.4%	-14	-7.4%
Gas/Diesel in MJ/ton	2,486	1,986	1,664	1,351	1,744	1,531	1,439	-1,047	-42.1%	-92	-6.0%
Water m3/ton	5	4	4	4	5	4	4	-1	-23.9%	0	-10.4%
Waste water m3/ton	3	4	4	4	5	4	3	0	1.7%	-1	-19.3%



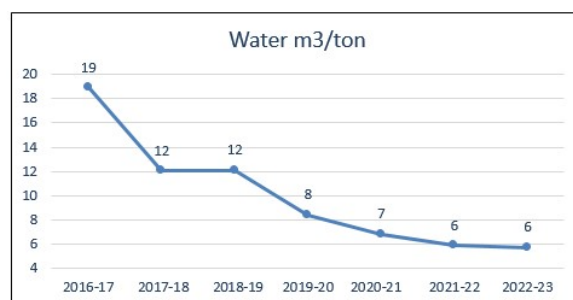
This financial year, Orana Denmark has been able to achieve exclusively positive results compared to last year. Energy consumption has been reduced within all 4 categories with a decrease of 7,4% electricity, 6% gas/diesel, 10,4% water and an even more significant reduction of 19,3% waste water discharge. When comparing to the base year data there is also a positive trend, especially when looking at an overall 42,1% reduction of gas/diesel and a 23,9% reduction of water consumption. Wastewater has in previous years increased compared to base level due to introduction of new production lines and change in product mix, but is now down to similar level as in base year. We are optimistic that we will be able to continue the positive development for energy consumption in Orana Denmark.

During the past financial year, Orana Denmark has been working on several projects in regards to increasing productivity, which in turn can be seen in the before mentioned positive trend when it comes to reducing the overall energy consumption. By focusing on elements such as maintenance and more efficient staffing, it has been able to produce a much higher quantity of product in fewer production hours on all production lines. In general, the production time has been decreased by approximately 20-25%. This has caused a direct reduction of both electricity, gas and water consumption. Additionally, when it comes to gas consumption, it has been a priority to repair leaks, which means that the idle consumption has been significantly reduced. Lastly, an investment was made to improve the bottle transporter on one of the lines, which has also contributed to decreasing the overall consumption of electricity.



Site: Orana Egypt / International Fruit Production Egypt (IFP Egypt)

Energy consumptions	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Delta Base Year	Delta % Base Year	Delta LY	Delta % LY
Electricity kWh/ton	1,081	953	866	604	376	288	289	-792	-73.3%	1	0.4%
Gas/Diesel in MJ/ton	1,824	1,255	1,299	866	774	797	936	-888	-48.7%	139	18.0%
Water m3/ton	19	12	12	8	7	6	6	-13	-69.9%	0	-2.5%
Waste water m3/ton	NA	NA	NA	NA	NA	NA	4	NA	NA	NA	NA



When analysing the data for IFP Egypt, it can be seen that there is a significant positive development compared to the base year consumption levels. Since the financial year 2016/17 IFP Egypt has been able to reduce the collective consumption of electricity by 73.3%, the amounts of used gas/diesel by 48.7% and the

consumption of water by 69.9%. This said, when instead comparing the data of this financial year to last year's results, it is seen that the consumption of electricity has increased by 0.4%, while the consumption of gas/diesel has increased by 18%. This negative development is caused by generally smaller batch sizes



compared to last year, which affects the productivity, which in turn is directly correlated with the amount of consumed energy per ton.

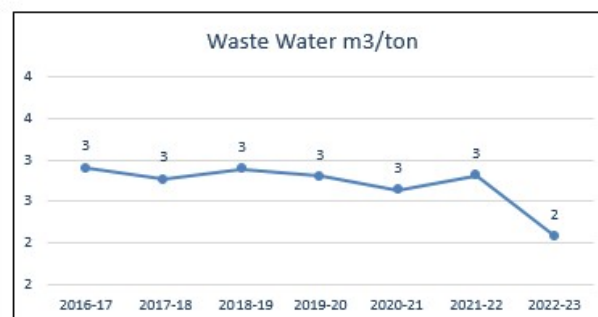
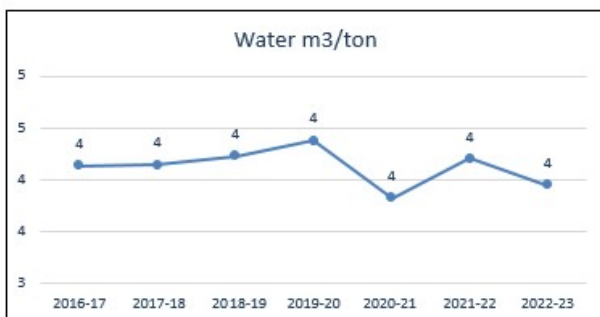
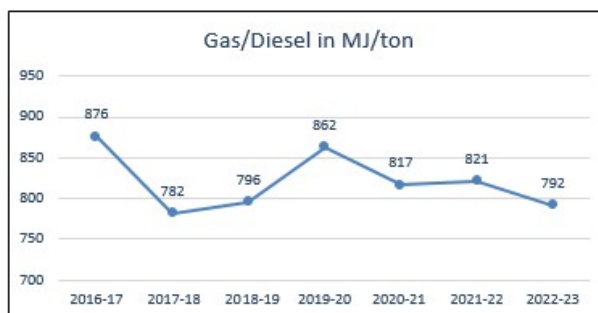
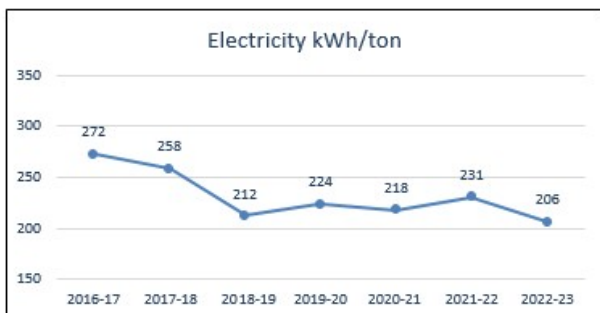
When instead analysing the level of water consumption, this has followed the previous positive trend and has been decreased by 5% compared to last year, which is interesting when in general discussing smaller batch sizes. Normally smaller batches mean more cleaning between batches, thereby causing an increase in water consumption. Despite of this fact, the reason for the decrease in water consumption can be found when looking at one of the specific production lines. On the dairy bottle line, the production has actually increased by 274% compared to last year, also meaning much larger batch sizes on this particular line, meaning less water consumption. Because of the scale of the increase in batch sizes on this line, the collective water consumption for the entire production is positively affected. In this way it is evident that both batch sizes and production productivity are important elements to consider and optimize when discussing the reduction of energy consumption.

Prior to this year, IFP Egypt's positive development has been due to successful implementation of initiatives taken to reduce the total energy consumption, such as the installation of energy efficient LED lights, reduction of air leakages inside the plant and steam optimization in processes in order to reduce the consumption of diesel. Also, a new policy on energy saving has been introduced to the staff, and new digital thermostats have been installed in each department to make it easier to use the air-conditioners correctly. During the financial year 2022/23 further actions were additionally implemented, such as office corridors being equipped with self-closing doors in order to reduce cool or warm air refuge, and in this way better obtain heating/cooling efficiency. Additionally, motion-sensor lights have been installed to decrease electricity consumption. IFP Egypt is furthermore working on a project of investing in changing older air conditioners, which will reduce the electricity consumption by approximately 40% for the on-site office areas.

It should be noted that the decrease in energy consumption for IFP Egypt cannot be directly compared to the other two sites, since the amounts per ton in 2016/17 were significantly higher for IFP Egypt than for IFP Vietnam and IFP Denmark. Therefore, IFP Egypt has seen a higher decrease in energy consumption by implementing similar initiatives as the other sites.

Site: Orana Vietnam / International Fruit Production Vietnam (IFP Vietnam)

Energy consumptions	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Delta Base Year	Delta % Base Year	Delta LY	Delta % LY
Electricity kWh/ton	272	258	212	224	218	231	206	-66	-24.3%	-25	-11.3%
Gas/Diesel in MJ/ton	876	782	796	862	817	821	792	-84	-9.6%	-29	-3.6%
Water m3/ton	4	4	4	4	4	4	4	0	-4.6%	0	-6.8%
Waste water m3/ton	3	3	3	3	3	3	2	-1	-28.2%	-1	-27.5%



When analysing the data for this financial year, IFP Vietnam has managed to generate great results when comparing to the consumption levels recorded last year. National Cleaner Production Centre (NCPC), Sri Lanka has been working with IFP-VN on this, in order to improve energy efficiency. It can be seen that the consumption has been reduced by 11,3% for electricity, 3,6% for gas/diesel, 6,8% for water and that the amount of waste water discharge has gone down 27,5%. When comparing these results to the base year of 2016/17, this amounts to a total reduction of 24,3% electricity, 9,6% gas/diesel, 4,6% for water and 28,2% waste water. In the past year IFP Vietnam have implemented several

initiatives, which have contributed to reducing the site's collective energy consumption: water from the cooling tower has been reused, 85% of all fluorescent lights have been replaced with LED lights (the rest is in progress), sensor lights have been installed in several areas on site, the office area has been rearranged to limit space and thereby reduce the amount of needed AC, solar film has been added on glass windows to reduce heat and thereby again also the needed amount of AC, Steam losses were addressed in order to increase the recovery capacity of condensate, as well as replacing a specific type of refrigerant in order to reduce the amount of discharged CO₂.



Accidents and Staff Turnover

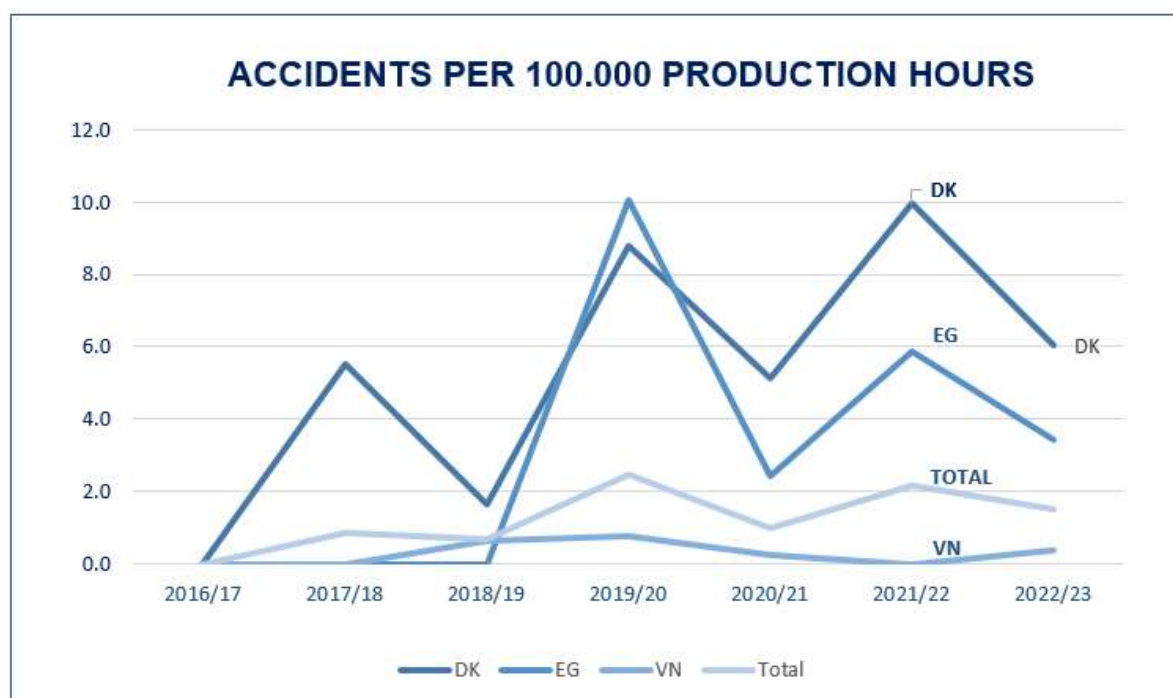
As it has been described, it is a corner stone in our business to ensure a good and safe work environment for all staff within the Orana Group. Two of the elements of measuring whether this is successfully achieved is to analyse the statistics on accidents and staff turnover. This said, it is important to note that there is not necessarily a direct correlation between for instance staff turnover and working environment, but the data can be used to identify if there are certain patterns or trends that should be investigated further.

Accidents

Accidents are defined as any unintended event that occurs in the course of work, which leads to an injury where the involved employee will be absent from work for 5 consecutive days due to the injury. All sites report all accidents to relevant authorities.

Even one accident is too many, and in order to prevent similar accidents from occurring, corrective actions and necessary control measures are always taken inclusive of further training of staff.

The following graph presents the number of accidents per 100.000 production hours for each of our production sites.

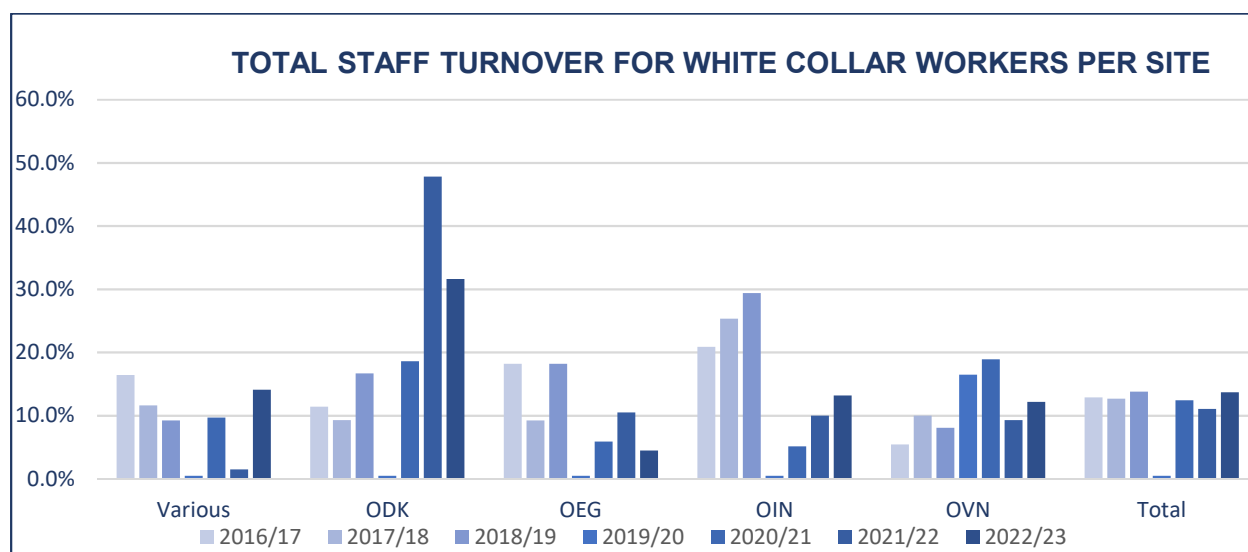
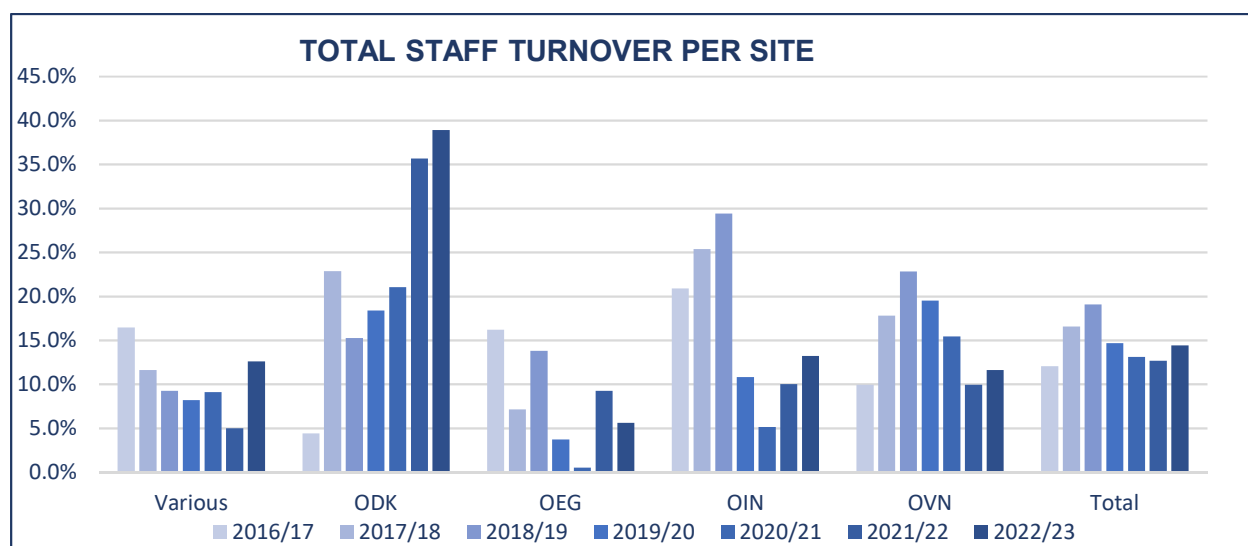


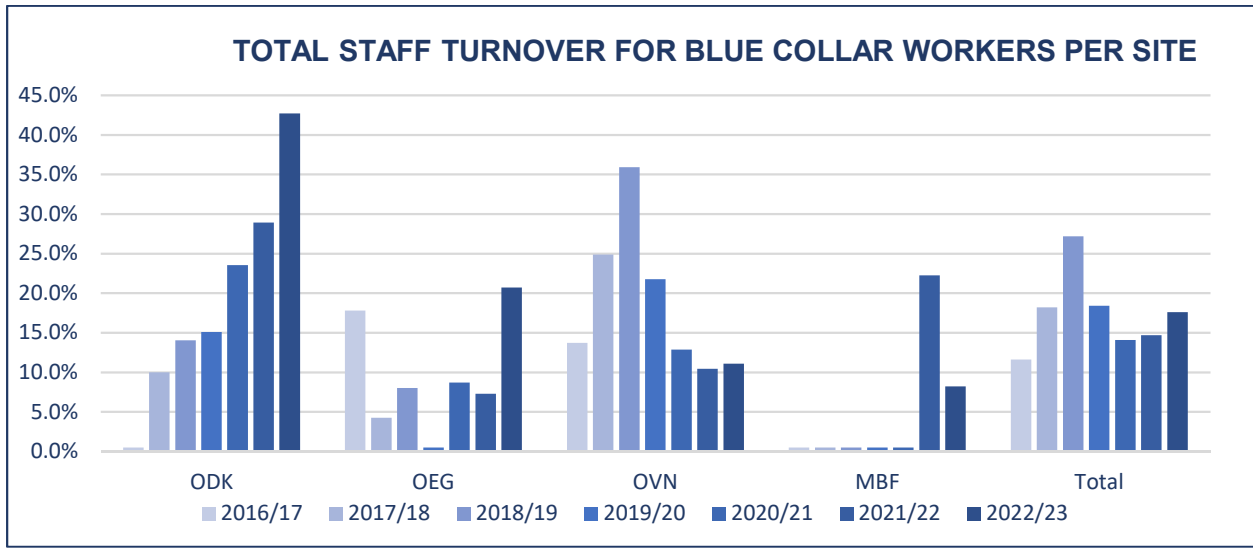
Staff Turnover

Moonberg Organic Farms (which in this calculation includes the staff of Orana Fresh Fruit Processing Company), as well as our production sites Orana Vietnam, Orana Denmark, Orana Egypt have both blue and white collar workers. It should be noted that Moonberg Organic Farms began to hire blue collar workers during 2021/22, which allows us to compare the staff turnovers between only two financial years. The

white collar workers of the Orana Group sales offices in Kenya, Sri Lanka, Malaysia and the Middle East are included in the category “various”.

The following data on staff turnover will be presented by three separate graphs; 1) Total staff turnover per site, 2) Total white collar turnover per site, and 3) Total blue collar turnover per site:





When looking at the presented data, the total staff turnover for the entire Orana Group has slightly increased compared to the past financial year. Orana Denmark's blue-collar staff turnover has increased in 2022/23. This is mainly due to a minor reduction in activities, combined with an efficiency increase where the organization was fit to the new activity level. Looking at the turnover for blue collar workers of the other sites, Egypt has seen a minor increase in its turnover this financial year, however it is expected to be a temporary increase and the turnover should reduce to a lower level next financial year.

When focusing on the turnover of white collar workers, this has increased in the Various category, which has shown us that this is due to turnover in Sri Lanka and sales staff working overseas. For Sri Lanka's case, the employees in question have decided to leave the country permanently. As for the other sites, Denmark and Egypt have reduced their turnover, while we see a slight increase in India's and Vietnam's white collar turnovers.







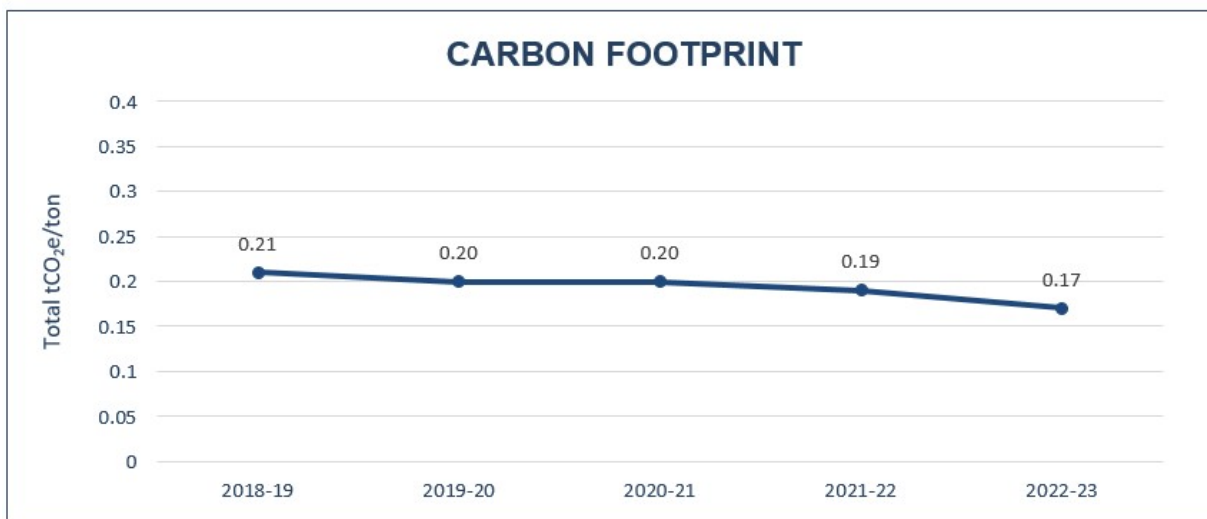
Carbon Footprint

Measuring our carbon footprint, and being transparent about our progress, is a way for us to take responsibility for our production, as well as for how our company plays a part in combatting the global climate changes

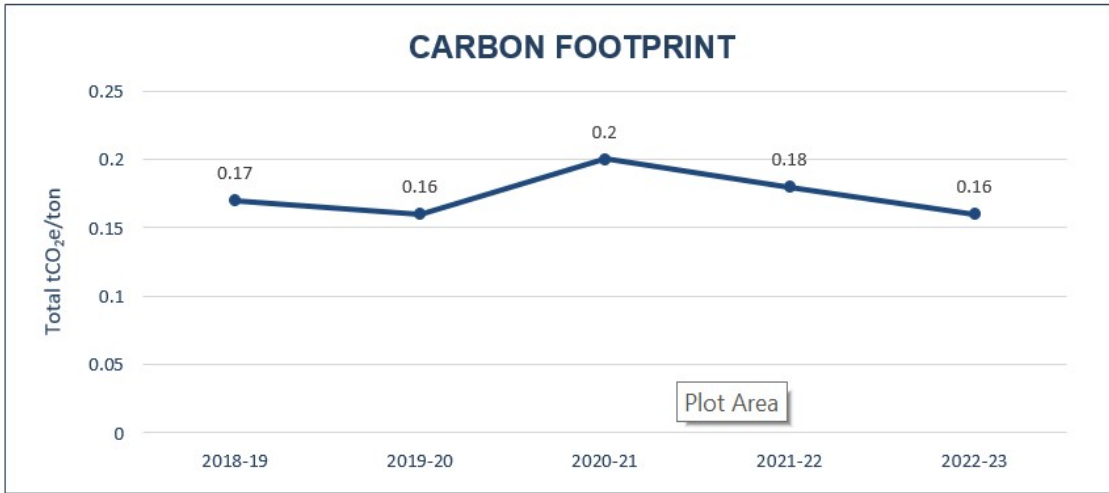
In the Orana Group we measure our Carbon Footprint, which means calculating the total amount of greenhouse gasses (including carbon dioxide and methane) that are generated by our company. As it has been described, the Orana Group is currently measuring several activities according to ISO 14064-1 - Greenhouse Gasses – Part 1: “Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals”.

The results of our initiatives and investments, in regards to reducing our overall energy consumption, are of course closely related to the effort of trying to also reduce our company’s carbon footprint. The results for the past financial year will be presented on the following pages. The first graph incorporates data from the entire Orana Group, and hereafter individual graphs will show the total yearly carbon footprint per site.

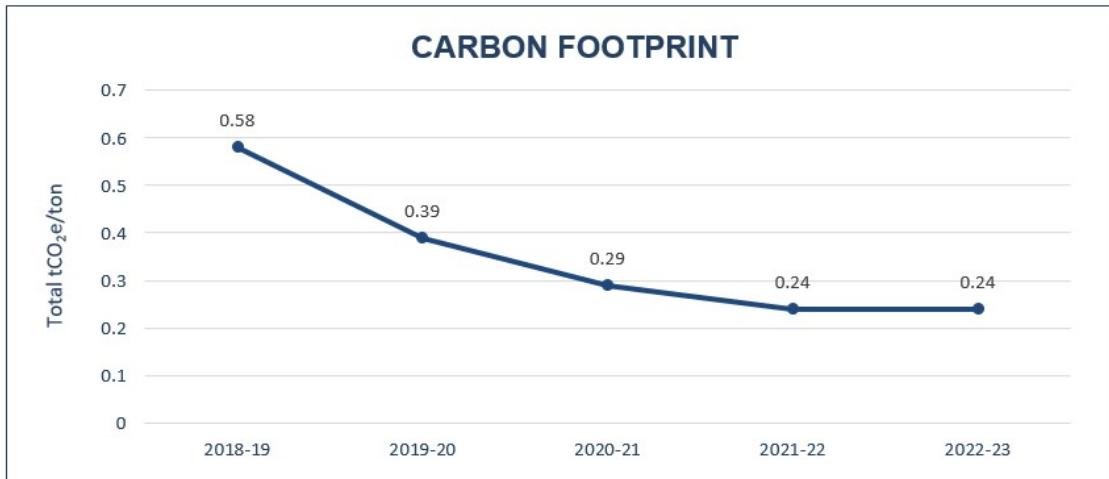
The Orana Group



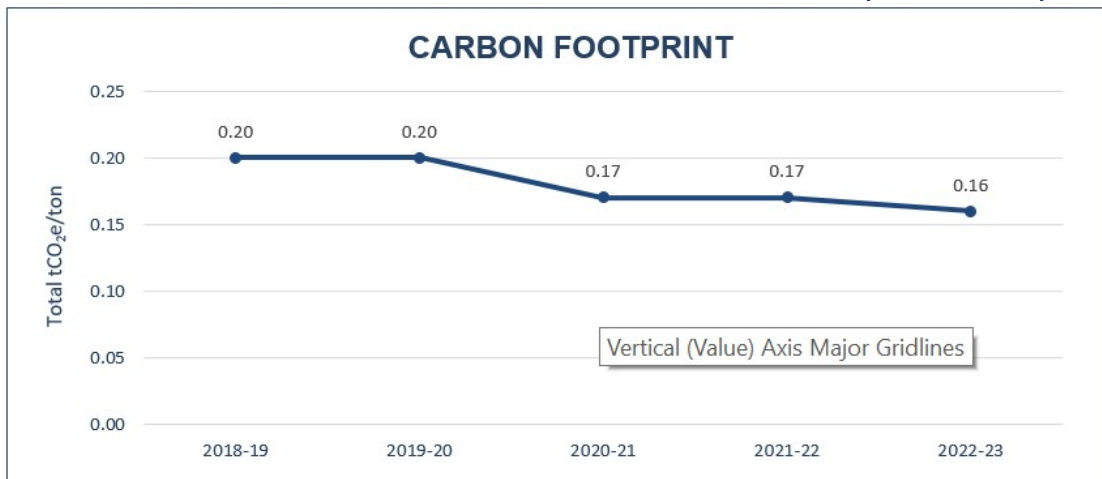
Site: Orana Denmark / International Fruit Production Denmark (IFP Denmark)



Site: Orana Egypt / International Fruit Production Egypt (IFP Egypt)



Site: Orana Vietnam / International Fruit Production Vietnam (IFP Vietnam)





When analysing the data for this financial year, a positive trend can be seen on both group level and per individual site. On group level we have managed to decrease our carbon footprint per produced ton by 10,52% compared to last year, which comes to a total of 19,4% compared to the base year of 2018/19. All sites have also reduced their footprint compared to both base year and last year, except for IFP Egypt, which is at a standstill compared to last year. This said, IFP Egypt has managed to decrease their footprint by a significant 58,6% compared to base year, and we are working on initiatives to continue this positive development.

It should be noted, that it is difficult to compare the individual sites since aspects such as regional seasonal differences need to be considered, as well the different setups between the sites. For

example, the staff in Egypt and Vietnam are driven to the factory by an Orana provided bus, which is not the case for the other sites. In an effort to continue our work towards the goal of reducing our carbon footprint by 50% by 2030, the Orana Group will continue to examine how we are able to lower our carbon footprint even further during the next financial year. As previously mentioned, the Orana Group has also engaged in a project with the University of Southern Denmark. The objective of the project is to gain a further understanding of how much our de-centralized production strategy is actually reducing our collective carbon footprint, and to thereby gain knowledge to guide future business discussions in regards to sustainable production strategies.



Conclusive Remarks

As introduced, the objective of this report is to provide accountable and transparent information, on how we intend to fulfil our ambitious plans of being the most sustainable fruit based raw material producing company, who creates sustainable solutions by 2030. Through this report, it has been discussed how we have integrated several of the sustainable development goals into the core of our business strategy, as well as how our entire business conduct is guided by the principles of the UN Global Compact.

We might be a smaller company, but our size is no measure of our ambition. We believe that we have the responsibility, opportunity and drive to make an important difference. We are committed to working hard and always challenging ourselves to be curious, willing to learn and to push the boundaries for innovative and sustainable solutions. We are committed to

always communicating as openly as possible about our efforts and activities, and individual communications on progress for each of our sites can be found on the UN Global Compact webpage.

As mentioned, we are a company that values our strong roots in our history. Inspirational, core values of sustainable entrepreneurship and management came to life between the apple trees on Funen, and we are proud to have built the Orana Group on this solid foundation. We look forward to our onwards journey of exploring, how we can continue to grow our business and add value to our customers and partners, while at the same time staying true to our values and vision of wanting to inspire people around the world with great taste – **for the choice of a healthier and more sustainable future.**

