



COP-
COMMUNICATION
ON PROGRESS
- UN GLOBAL
COMPACT

www.solina.com

February 2024



Solina Denmark
2023

SFK Food A/S Part of
Solina Group

Financial Year
01.01-31.12 2023



Why a focus on sustainability?

Because we want to

At Solina **we want to take responsibility** for the impact we have and can have in our entire value chain.



**WE MAKE
FOOD
MATTER**



For **people**
and the **planet**

Statement of continued support UN Global Compact

-by Solina Denmark General Manager

Solina Denmark reaffirm our support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights Labor, Environment and Anti-Corruption.

In this annual Communication on Progress report (COP), Solina Denmark describes our CSR strategy and our activities to improve integration of the Global Compact and its principles into our daily operations.

We also commit to share this information with the main company stakeholders using our annual report as well as our primary channels of communication.

Specific policies, including The Ten Principles of The United Nations Global Compact, have been defined for human rights, labor rights, occupational health and safety, environment and climate and anti-corruption.

Solina Denmark wishes to promote and develop its Corporate Social Responsibility with respect to human rights, social matters, environmental and climate matters and combating corruption.

Charles Johansen, Country Manager Denmark & Norway

Solina Human Rights policy

Our Purpose

SOLINA is an entrepreneurial group of companies that continues to expand through both organic and acquisitive growth.

At SOLINA, Sustainability is a core foundation of our Business Strategy and is a critical pillar of our growth and investment decisions. Our mission is **to Make Food Matter for People and the Planet** and our ambition is to work collaboratively with our partners through the food value chain so that we can better deliver

innovative solutions that create memorable food experiences but with the comfort that it is done in a sustainable way. This means that we place great emphasis on the longer-term impact of our decisions and footprint of all our stakeholders.

Our Commitment

As part of our Sustainability Pillar, respecting and protecting people and their Human Rights is a strategic commitment that enables us to contribute to furthering the beneficial impact of the UN's 17 Sustainable Development Goals ("SDG's").

SOLINA not only commits to uphold the highest standard of Human Rights as set out in the UN SDG's but also pledges to be a positive advocate of them through the food value chain in which it operates and relies upon.

SOLINA is also committed to ensuring that people are treated with utmost dignity and respect and its Human Rights Policy has been developed in conjunction with both its Sustainable Sourcing Policy and Code of Ethics.

Our mission is to integrate Human Rights Policy into SOLINA's core business processes in every country we operate. Together with our stakeholders all over the world our commitment is to make sustainability a way of life.

Accordingly, our Executive Team have signed up to our commitment.

December 2020

Anthony Franchetierre
CEO



Thomas Decroix
Director Business Transformation




Gert Verheide
Regional Director – CEMEA



Adam Jones
Regional Director – UK and Northern Europe

Bertrand Vaz
CEO



Anne-Marie Bouzelar
Group Procurement and Sustainability Director



Christophe Vasseur
Regional Director – Southern Europe



Rory Bowman
Director Bowman Ingredients



Eric Fillet
Group HR Director



Christophe Gysels
Group Technical and Innovation Director



Stephan Schulte
Regional Director – Emerging Markets



WHO WE ARE





Numbers speaking



BUSINESS

1,2 B€ T/O

through organic growth
and M&A

**+ 75
countries**

in which Solina has
business activity

**+ 18 000
customers**

globally served by Solina

FACILITIES

18 countries

in which Solina has
facility presence

**+ 30 R&D
centres**

to rethink culinary food
solutions

**39 production
sites**

across Europe and North
America

PEOPLE

**+ 3.600
people**

passionate about
food

**> 10% R&D
people**

among all Solina
colleagues

AA+ score

employee survey

39 factories in total

- 37 production sites
- 2 logistic-only sites

Local proximity,
global footprint.

7

In North
America

30

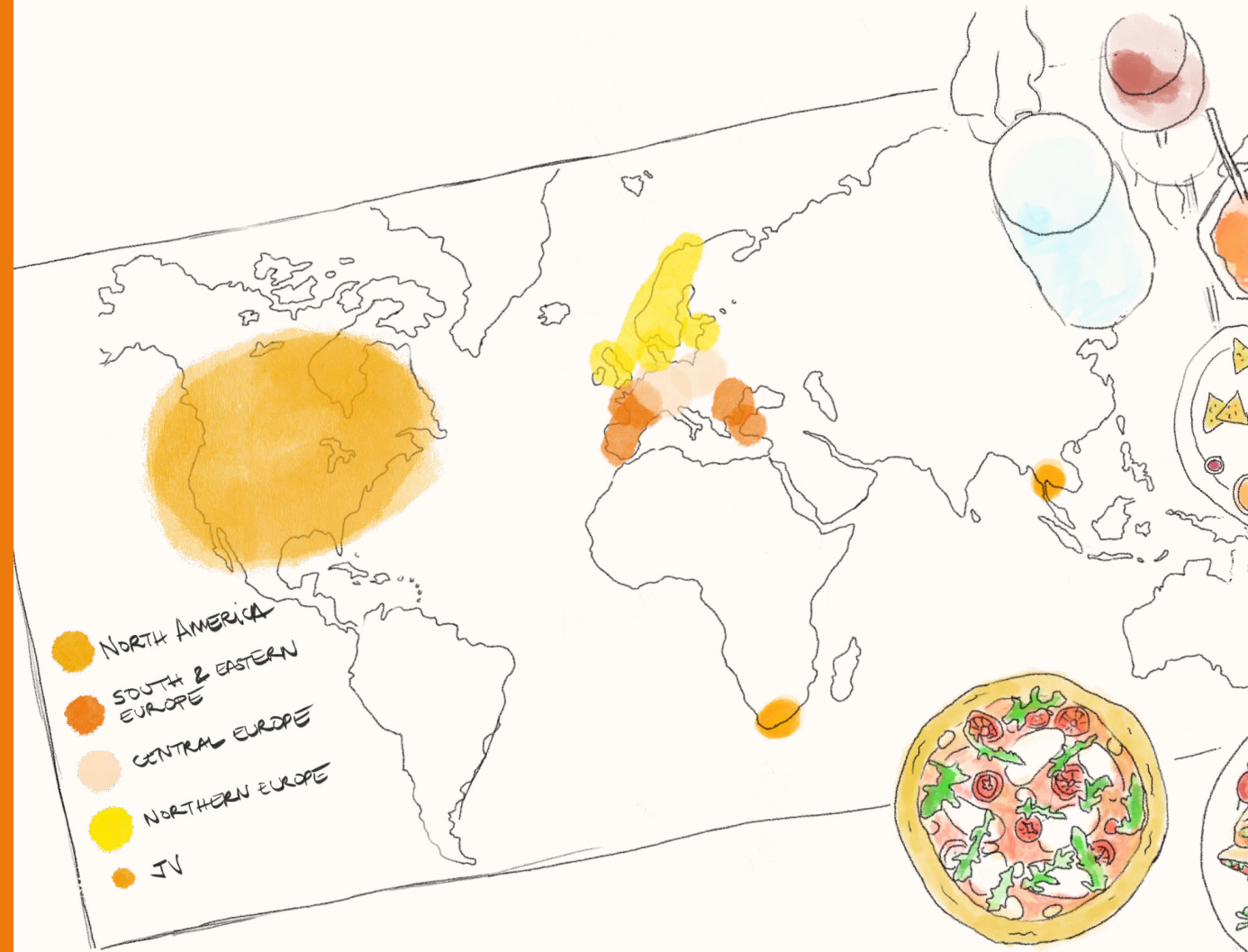
In Europe

1

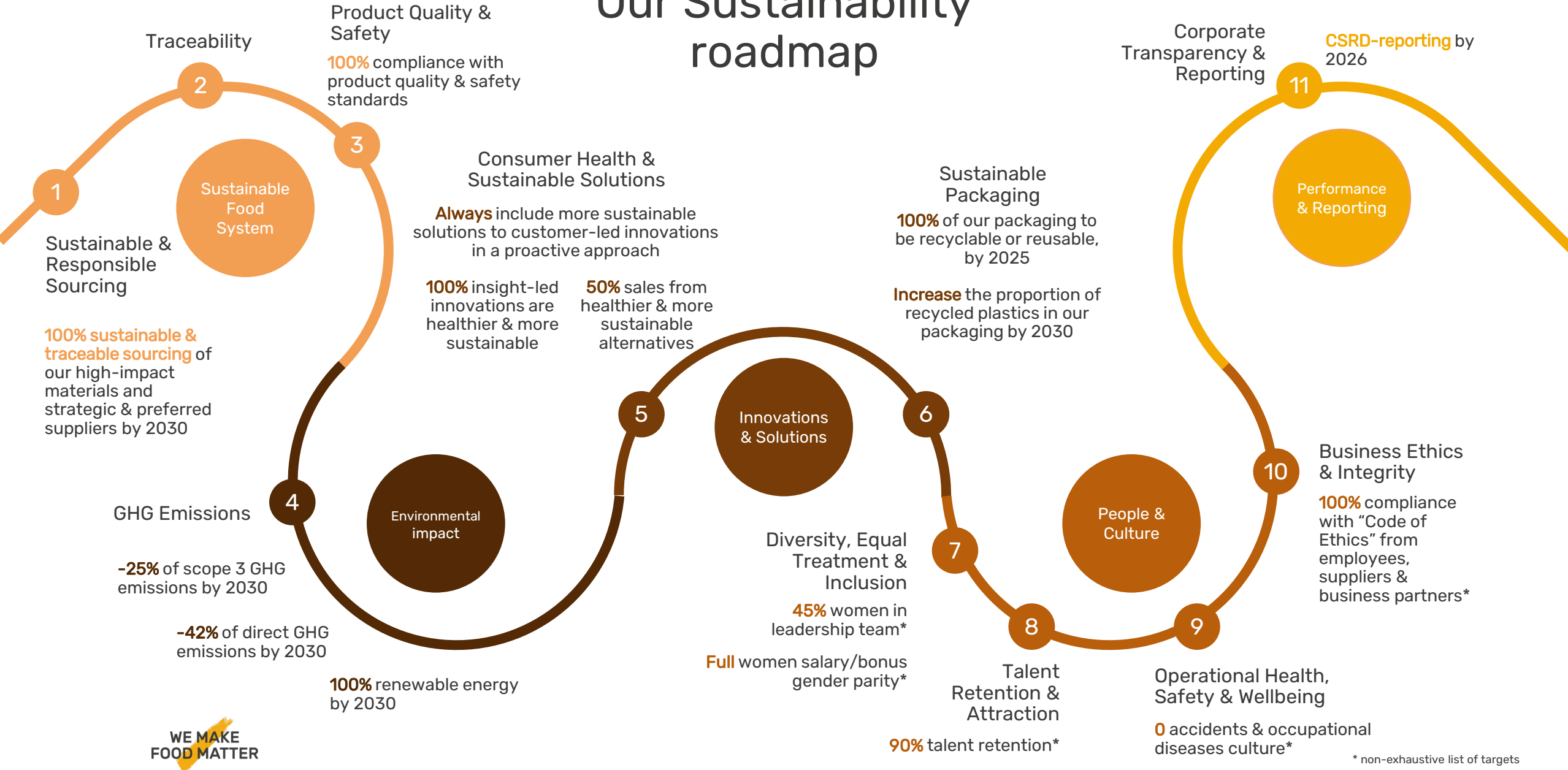
JV in Africa
(South-Africa)

1

JV in Asia
(Thailand)



Our Sustainability roadmap



2030 sustainability roadmap

To make food matter for people and the planet

Innovations & Solutions



Consumer Health & Sustainable Solutions

- 100%** Of our insight-led innovations are healthier & more sustainable
- 50%** Of our sales come from healthier & more sustainable alternatives
- Always** Include more sustainable solutions to customer-led innovations in a proactive approach

Sustainable packaging

- 100%** Of our packaging to be recyclable or reusable by 2025
- Increase the proportion of **recycled plastics** in our packaging by 2030

Environmental impact



- 42%** Of scope 1 & 2 GHG emissions by 2030
- 25%** Of scope 3 GHG emissions by 2030
- 100%** Renewable energy by 2030

Sustainable Food System



Sustainable & Responsible Sourcing & Traceability

- 100%** Sustainable & traceable sourcing of our high-impact materials and strategic & preferred suppliers by 2030

Product Quality & Safety

- 100%** Compliance with product quality & safety standards



Performance & Reporting

Corporate Transparency & Reporting

- Fully transparent** ESG reporting by 2026 in line with CSRD



People & Culture

Diversity, Equal Treatment & Inclusion

45%

Women in leadership team

Talent Retention & Attraction

90%

Talent retention

Operational Health, Safety & Wellbeing

ZERO

Accidents & occupational diseases culture

Business Ethics & Integrity

100%

Compliance with "Code of Ethics" for employees, suppliers & business partners



Company profile – Denmark

Solina Denmark, part of Solina Group, is a food producing and trading company situated in Denmark and has been selling primarily ingredients, utensils, packing materials to the food industry for more than 100 years.

- Our production handles of more than 3,000 blends and liquid marinades.
- In 2023 we produced 7.486-ton spices, blends and marinades
- In 2023 Solina Denmark employed 115 people – including 1 trainee and 4 flexworkers.

We put an effort into making a safe and healthy work environment, and to produce responsible and sustainable products with as little impact on the environment as possible. Solina Denmark purchases products in several countries around the world and operate in accordance with International standards and relevant laws of the countries in which we operate.

- Purchasing approx. 1000 ingredients from more than 200 suppliers.

Being part of Solina Group strengthens our position worldwide with a broader knowledge of the market and giving better possibilities to work with suppliers on issues like social responsibility and environmental behavior.

Solina Denmark is committed to conduct its business in a transparent as well as socially and environmentally responsible manner. Specific policies including The Ten Principles of The United Nations Global Compact have been defined and incorporated in our Code of Conduct and our Human Rights Policy.

Certificates

Solina Denmark has obtained certificates for the following; Food safety, Health and Safety, Environment, Ecology and Sustainable Seafood



EU's økologilogo



Working responsibly

Solina Denmark recognizes the importance of ensuring both product quality and the conditions under which the products have emerged. This entails requirements for ethical, social and environmental conditions for Solina Denmark as well as for our suppliers.

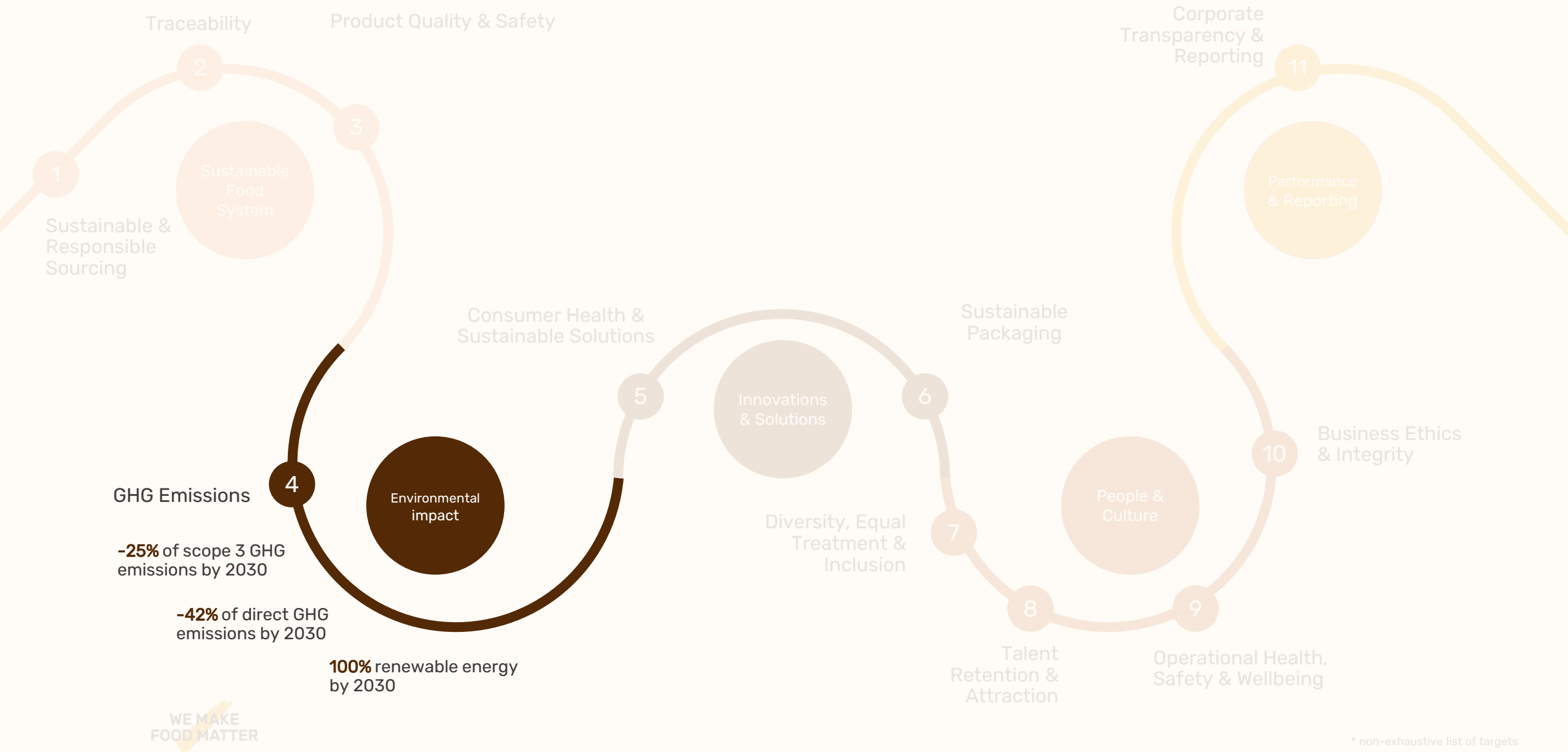
It is the company strategy to work actively with issues related to ESG. Environment, sustainability and Health & Safety are integral part of day-to-day work. In our daily work we put an effort into approaching the Sustainability Development Goal 12 - Responsible consumption and production.

It is Solina Denmark's goal to follow the UN Global Compact's 10 principles and continuously improve ourselves in areas within ESG. This applies to both the activities that take place at Solina Denmark and activities with our suppliers. We will meet our goal by continuously training our employees and guiding our customers in sustainability, as well as influencing our suppliers to comply with the UN Global Compact's 10 principles.

Developing our Sustainability roadmap

Reducing our environmental impact

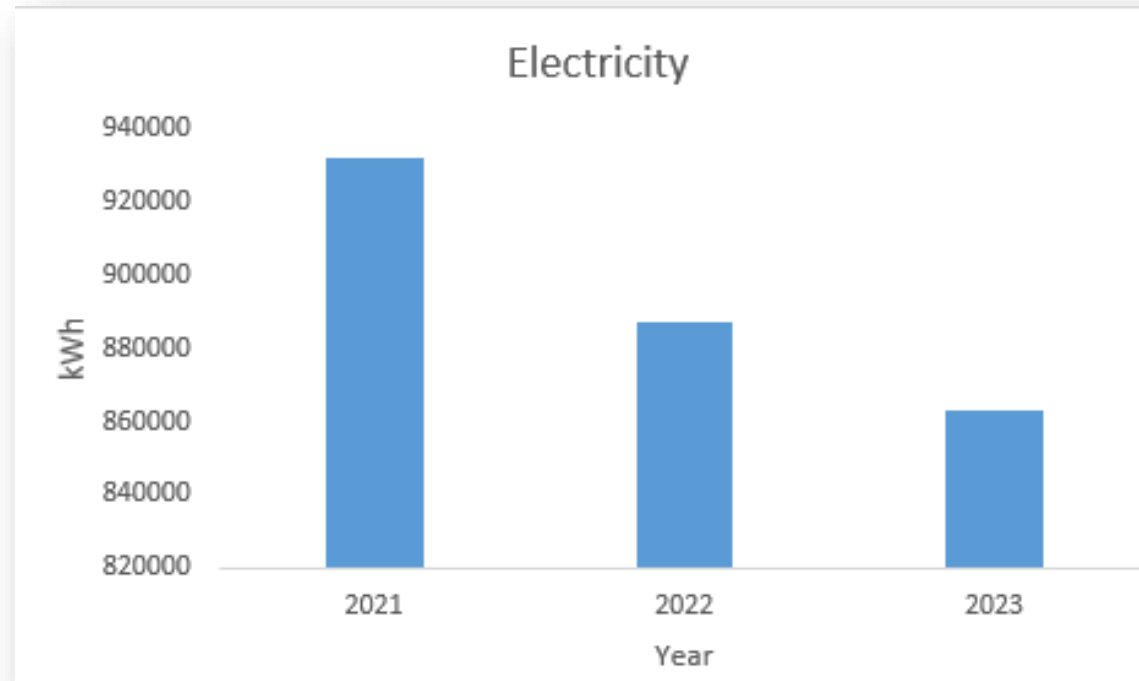




Our results in 2023

Electricity

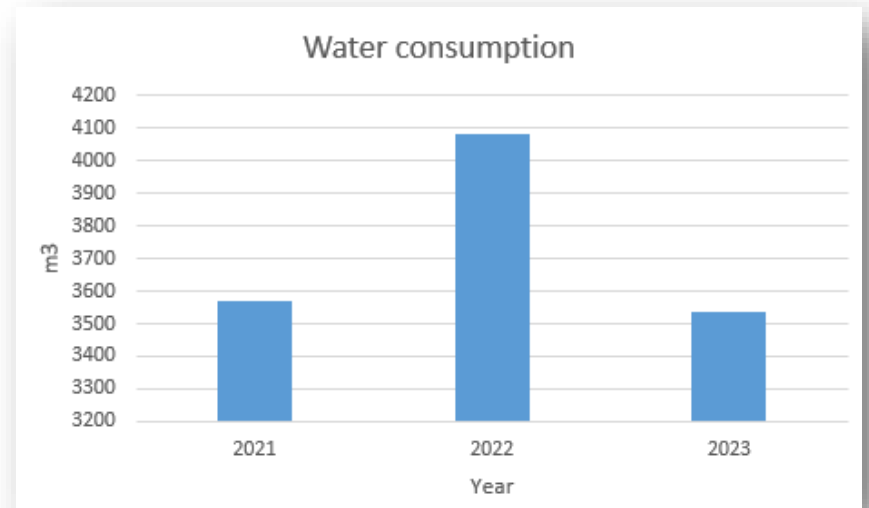
In 2023 we started buying 75% green electricity and by that reduce our CO2 emissions.



Our results in 2023

Water

About 50% of our water consume is used for producing marinades, the rest of the water is used for cleaning and personal hygiene.



Sewage

We separate all fat and oil from the sewage water before it is sent to the local sewage treatment plant. The collected fat and oil is sold for biogas extraction.

We analyze water samples after the separator, and in 2023 we did not have any non-confirmative results.

Waste

In the fall 2023 we started to sort in also paper, food containers and was allowed to sort production waste into biodegradable waste.

In total 46,1% of the waste is recyclable. In accordance with 2022, the number was 45,5 %.

We must improve the sorting further by continued focus on how and what to sort. By that we can also reduce the CO2 emissions.

Our results in 2023

Certifications

In December 2023 we received new certificates for ISO 45001 and 14001 after four days of recertification in November done by DNV.

Carbon footprint

At Solina Group we wish to reduce CO2 emissions and have set up a plan for a 40% reduction by 2030 in all sites.

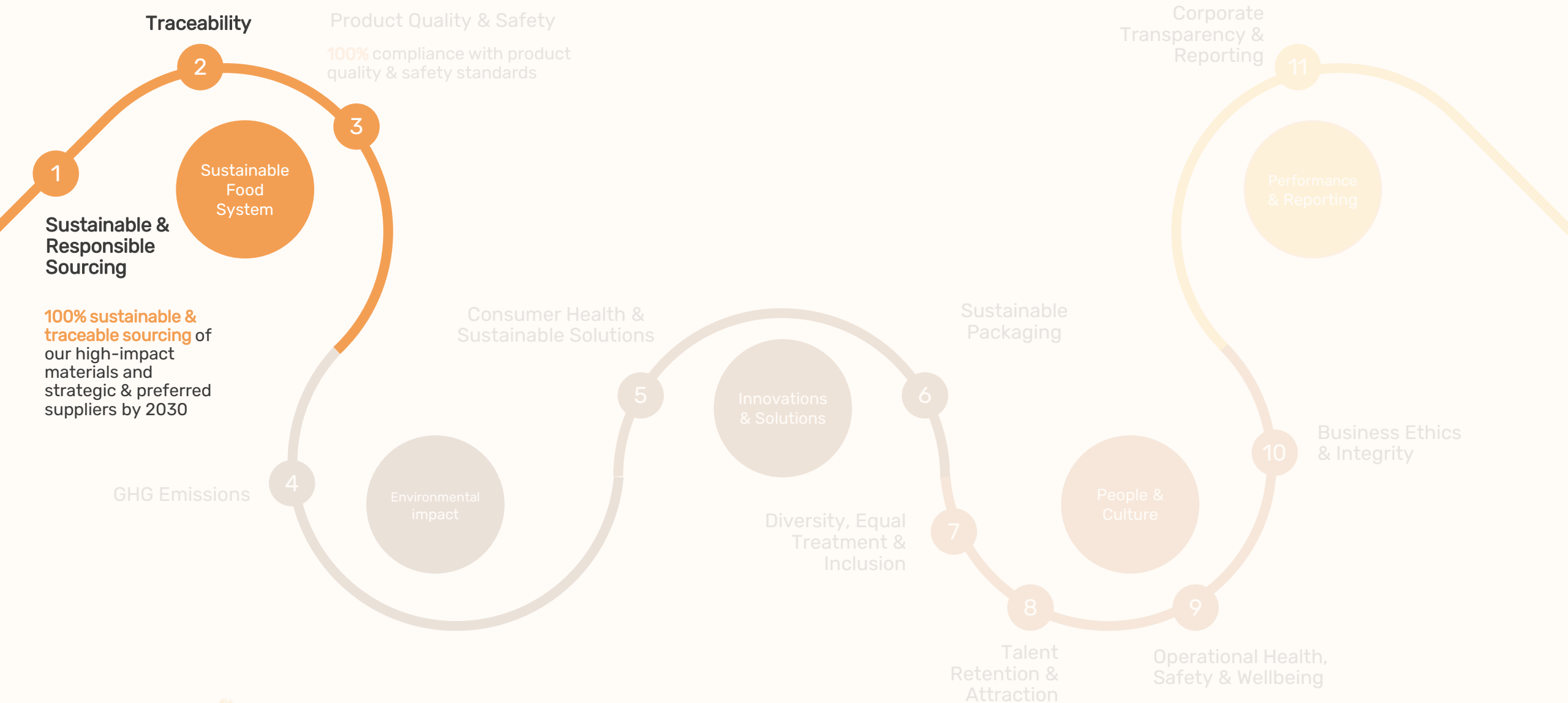
At our site in Stilling, in 2023 we reduced the CO2 emissions by 37% from 2022.

We plan on further reduction of CO2 emissions by 42% in 2024 from the baseline year (2022). This will be accomplished by changing company cars from gasoline/diesel to electricity and reduction in electricity consumption.

Developing our Sustainability roadmap

Sustainable & Responsible sourcing





Products and suppliers

Products

The market for new products based on vegetables is rising, and we have a well assorted selection of vegetables products, for making it easy for our costumers to make sustainable choices and to affect the reduction of CO2.

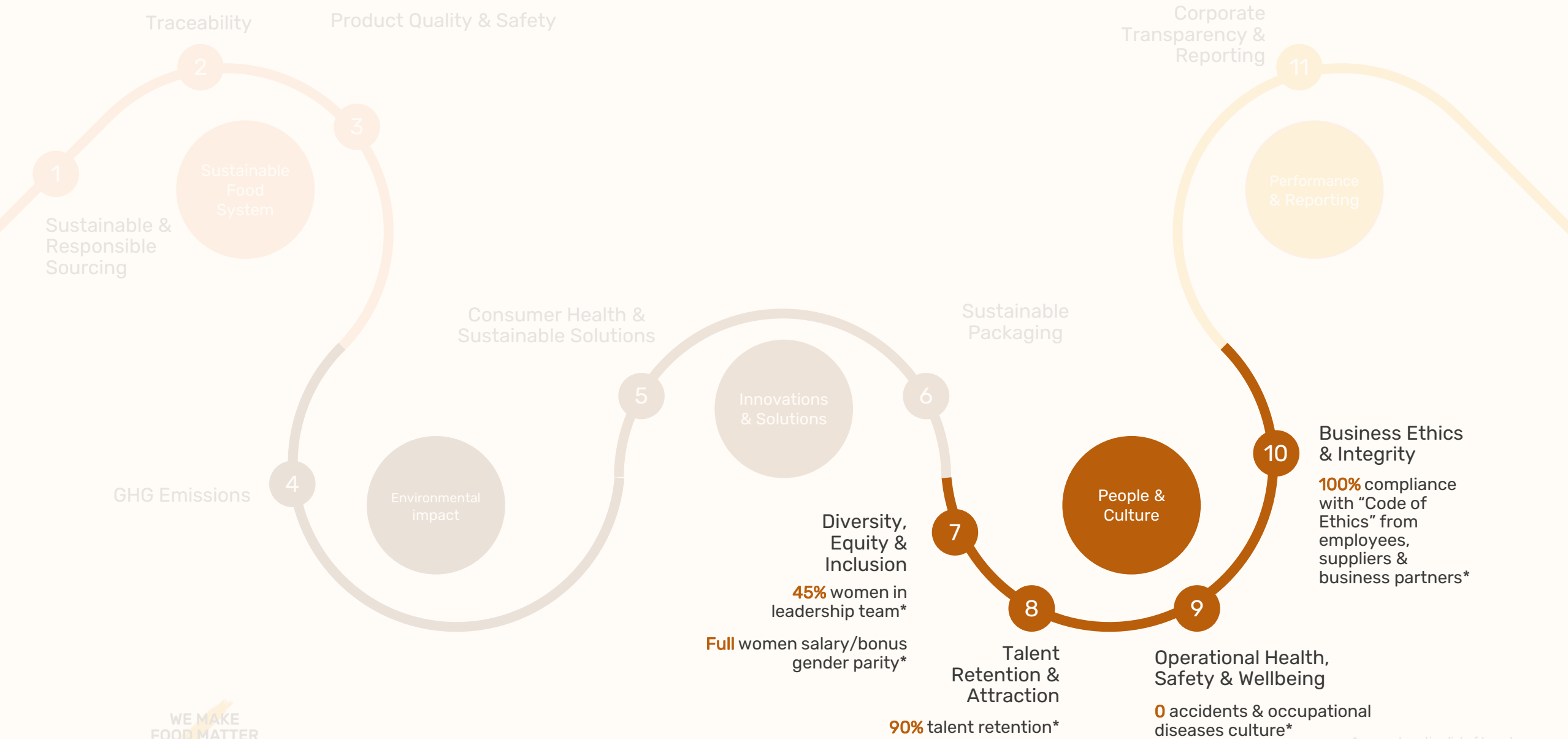
Suppliers

Being a part of Solina Group is a possibility to work and affect our suppliers in a more extensive manner to perform on the UN global 10 statements. All suppliers must fill out a questionnaire in our SRM Portal Solina Connect which involve questions about sustainability. Solina Group is increasing the focus on sustainability and a 2024 aim, is that at least 60% of the suppliers is a member of a social organization (ex Ecovadis or Sedex).

Developing our Sustainability roadmap

People & Culture





What is to come in 2024

Health and safety

Solina Group has decided to use an online based report system for accidents, near miss and risky situations. The system is able to handle reports and action plans and it is possible to assign tasks to colleagues due to follow up. All employees has access to the system.

The overall purpose for the system is to handle all actions and prevent accidents to improve the overall work environment.

Implementation of this system will be completed during 2024.

In 2022 we made a survey for all employees. The purpose of the survey is a way for all employees to speak up anonymous and by that, show how the daily work is related to the mental and physical work environment. The result was overall positive but with some results leading to actions. In 2023 actions was taken on ergonomics, noise and workload. Some of the actions was key actions for health and safety work in 2023. It is important to Solina Denmark that this survey leads to actions being taken. Employees are the key resource for the company, and we want the employees to work safe and in well-being at Solina Denmark.

This survey is made every 2nd year. In 2024 the survey will be conducted and create action points in health and safety work.

Solina Denmark – UN Global Compact: Ten principles

Human Rights (Principles 1-2)

Assessment, policy and goals

Human rights and workers' rights are defined as priority areas for Solina Denmark.

This relates to the fact that Solina Denmark generally respects the principles in UN Global Compact and Danish legislation and demand compliance with basic human rights.

As a leading Nordic player, Solina Denmark has therefore taken an active role in this work and compliance with human rights as described in UN Global Compact is part of company Code of Conduct.

Implementation

Solina Denmark has implemented the principles in our Code of Conduct and our questionnaires and have developed questionnaires / self-assessment to be completed by our suppliers.

We have strengthened our profile with our human rights policy and policy for well-being and will continuously work on improving these policies and the commitment to them. This means that we consult our policies when working with our suppliers and costumers, and when needed, we make improvements.

We provide training in human rights e.g. in monthly meetings with the production workers and it is an important point in the onboarding process.

Solina Denmark – UN Global Compact: Ten principles

Human Rights (Principles 1-2)

Measurement of outcomes

Through our Code of Conduct system, we can monitor our suppliers regarding the human rights area. Our Code of Conduct is tested through physical audits when visiting the suppliers, and no finding breaching human rights in 2023.

We have also joint SSI (Sustainable Spices Initiative), which include sustainability, traceability, quality and food safety as well.

Risk

Not complying with the human rights will result in employees not wanting to work for Solina Denmark. This will further result in lack of competencies and inferior products.

The risk of not complying with the human rights principles would also have strong negative effects on the reputation of the company and our future recruitment and growth possibilities.

Also, the risk of not addressing human rights for our suppliers/customers/clients will mean, that Solina is unwittingly contributing to people working in conditions that do not live up to the standards for human rights.

Solina Denmark - UN Global Compact: Ten principles

Labour Principles (Principles 3-6)

Assessment, policy and goals

Our employees are Solina Denmark's most important resource. Therefore a good working environment is an important foundation stone in the company business strategy. During the last years, the focus has been on Health and safety, the ISO 45001 includes a risk assessment for social matters and well being of our employees.

Implementation

Solina Denmark works according to Danish legislation that implements all issues related to labor rights as described in UN Global Compact.

We have confident collaboration with the Danish safety authorities and the unions.

In continuation of working according to the Danish safety authorities a group of people is chosen and picked out to work specifically with health and safety. This means that activities such as safety walks and other activities related to wellbeing.

Solina Denmark is working continuously to prevent discrimination on the grounds of gender, ethnicity or disability, and prioritize equal opportunities. We have a 24/7 whistleblower opportunity for all employees.

Solina Denmark – UN Global Compact: Ten principles

Measurement of outcomes

Every year Solina Denmark conducts interviews with all employees to identify status on work-related and well-being issues and also the possibility for further education.

Due to a culture change on Health and Safety, we extended our registration on accidents forms from dangerous situations, nearby-miss, minor accidents and lost time accidents.

In 2023 we had 6 accidents, 2 of them with sick leave days – a total of 13 sick leave days due to accidents.

Solina Denmark has received no complaints from employees or others in relation to labor rights violations.

Solina Way – a set of guidelines regarding behavior – is fundamental for team activities and community days. E.g. we had a teambuilding day in September.

In 2024 we've planned a sustainability day in March. This day will include activities regarding inclusion, equity and diversity.

Risk

If we at Solina Denmark is not working regarding labour principles and takes care of our employees, these employees will not experience wellbeing which can lead to employees stop working at Solina Denmark and can also have negative effects on recruitment. This will mean that valuable labor and human relations will be absent, and this can lead to lack of results and a bad reputation for costumers and business partners.

Solina Denmark – UN Global Compact: Ten principles

Environment & Climate (Principles 7-9)

Assessment, policy and goals

Solina Denmark is an environmentally responsible company that wants to develop and optimize sustainable operations, a good reputation and a profitable business. Environment and sustainability are integral parts of day-to-day work, and management is committed making improvements and incorporating environmental concerns into relevant decisions- including suppliers.

Our ISO14001 includes a detailed risk assessment of environmental issues, that will contribute to our preparedness to mitigate such risks. One of the greater risks for our business is the CO2 emission- especially our raw materials and the impact of transportation of our goods. Sustainable Development Goals (SDG) 12. Responsible Consumption and Production, is our main focus.

Implementation

Measuring key figures in relation to energy and waste consumption and obtain reductions.

Sustainability is inserted into the heart of our business model, and a designated plan for environment and climate is made.

75% of all electricity is now green. This means that the electricity is produced by windmills or water powered.

Measurement of outcomes

By following the key figures registered on our use of resources, Solina has been able to enhance our use of energy, water, recyclable waste and more.

In 2023 at Solina Denmark we received the recertification for ISO 14001 with no remarks.

Solina Denmark – UN Global Compact: Ten principles

Anti-Corruption (Principles 10)

Assessment, policy and goals

Corruption is forbidden according to Danish law and is therefore a fully integrated part of Solina Denmark business strategy. Solina Denmark does not accept any use of bribery nor to participate in business transactions where bribery takes place.

Implementation

Terms for anti-corruption is implemented in Solina Denmark through Danish legislation. Solina Denmark Code of Conduct also include the “non-acceptance” of corruption. In 2023 all white-collar employees had to fulfill an e-learning course concerning the anti-corruption policy. All new employees have to complete the course.

Measurement of outcomes

There has been no cases of corruption in the line of our work over the course of the organization’s existence. If such a situation might arise, Solina Denmark’s Code of Conduct requires to take appropriate action and ultimately withdraw from the assignment. The situation will be evaluated afterwards.

Solina Denmark – UN Global Compact: Ten principles

Anti-Corruption (Principles 10)

Risk

If not complied, the company will incur high costs due to fines and also have a major impact on the reputation and trust ability towards our stakeholders. The trust ability among colleagues will also be lowered, which can lead to trust issues in the collaboration and therefor lower wellbeing and poor results.

Also, not being compliant to the standards of anti-corruption, will mean that Solina is unwittingly contributing to trades and deals prepared under conditions which are not favorable for anticorruption, and which can have negative consequences for our suppliers/clients/costumers, in the form of their employees not working under conditions which contribute to well-being, trust and cooperation.

We continuously improve our policy, education and commitment to work against corruption. This also happens in collaboration with our suppliers and costumers. As described, training in anti-corruption is carried out for all white-collar workers and is part of the personnel handbook, which all new employees is being given. The personnel handbook is at all time available for all workers. By this, we continuous focus on fighting corruption.

A wide-angle photograph of a two-lane asphalt road with yellow double lines, receding into the distance. The road is flanked by dry, scrubby vegetation. In the background, a range of mountains is partially covered in snow under a cloudy sky. The overall tone is somber and contemplative.

“

The greatest threat to our planet is the belief that someone else will save it

”



Sustainability at heart

Because **we have to..**

But most importantly because **We want to.**

As Solina we want to take responsibility for the impact we have – on the full value chain – **From Farm to Fork**