

A photograph of a person's hands gently touching wheat stalks in a field. The background shows a vast field of wheat under a cloudy, overcast sky. The image is framed by a white border.

CREATING A SUSTAINABILITY CULTURE

Chr. Olesen Group
Sustainability Report



CHR. OLESEN

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CHR. OLESEN

CEO Statement

Creating a sustainability culture

Chr. Olesen Group is a Danish family owned and partner driven company with subsidiaries in Europe, USA, Brazil and Mexico. As a global business partner and company, we dedicate ourselves to be a sustainable business, although we staff-wise are very small.

Chr. Olesen Group believe in taking social responsibility is a mandatory and natural part of being recognized as a reliable business partner in the international distribution market.

Business integrity and -ethics is integrated in our company values and the way we execute in the business every day.

As a group of Chr. Olesen companies, we align our business processes to the UN Global Compact 10 principles to ensure our commitment and our ongoing attention to the areas of:

- **HUMAN RIGHTS**
- **LABOR**
- **ENVIRONMENT AND CLIMATE**
- **BUSINESS ETHICS**

both toward our external strategic partnerships and our internal procedures.

Chr. Olesen's commitment is described in our Chr. Olesen Code of Conduct and Chr. Olesen commits and favors business relationships with companies that practice social responsibility in compliance with Chr. Olesen's Code of Conduct.

As a part of our quality policy and approval of our product suppliers we specifically ask for their commitment to the UN Global Compact principles or other well-estimated certifications of social responsibility by signing the Code of Conduct.

Chr. Olesen emphasizes the entire group of colleagues world-wide to think and act socially responsible.

In the coming years we will further implement and emphasize initiatives in our daily work that can improve the areas of human rights, labor, the environment, and business ethics.

Mads C. Olesen

Owner, CEO



The Chr. Olesen

Business model and organisation of the CSR

Chr. Olesen Group is an international distribution company based with headquarters in Denmark and organized as an international group of entities in Europe, USA, Brazil, and Mexico with a yearly turnover in 2021 of 394 mill. Euros. Globally we are 77 colleagues serving companies

world-wide with ingredients for the FEED, FOOD and PHARMA industry. 90% of our products are sourced from China.

Social responsibility is part of our company values:

WE ARE WELCOMING	WE ARE DEDICATED	WE ARE SINCERE
<p>Everybody in touch with the Chr. Olesen shall be feeling welcome</p> <ul style="list-style-type: none"> - We welcome you to our dedicated and sincere group of companies and services. - We are honest and open to each other. - We know our history and work in order to continue your business of outstanding long term services. 	<p>We do not only serve – we are eager to solve</p> <ul style="list-style-type: none"> - Our motto is: The one who realises the changes of society and adapts – survives. - Our way of working is proactive and flexible. - We are ambitious and want to make a difference. - We challenge ourselves to become better. - We are passionate in executing our jobs the best way possible. - We are decisive and not afraid of going new ways. 	<p>We are not only colleagues - we are more</p> <ul style="list-style-type: none"> - We sincerely care and support each other. - We seek to create strong relationship both internally and externally. - Suppliers and customer are equally important to us. - We are reliable - a word is a word is fundamental for the Chr. Olesen. - We enjoy our jobs and have fun. - We are socially responsible. - We strive to ensure Chr. Olesen's success into the next generation.

Following the principles of

ISO9001/ 2015

Chr. Olesen Group is in general managed in the perspective of high quality and safety according to the principles of ISO9001/2015. This standard lays down the principles of quality and safety in our product portfolio and shipping services and also includes our thorough human resource processes on training.

Most of the FEED and FOOD business in Europe is product-wise certified according to this standard whereas the PHARMA business is covered by other product and safety certifications and standards which are as much as possible aligned with the principles in ISO9001/2015.

Business compliance is formally organised as a part of the top management of Chr. Olesen headquarter-office in Denmark. Compliance in corporate social responsibility is ensured by 3 different departments in the headquarters in Denmark:



Chr. Olesen Group

Risk managing

The main risk for Chr. Olesen Group to negatively impacting people, the environment and the societies is linked to our broad field of competencies in our supply chain covering the whole world. Managing the business with international strategic partnerships in countries with risks in relation to human rights, labor rights, pollution and CO₂-emissions, corruption and fraud require us to thoroughly follow the activities of our suppliers and business partners.

Within **Human rights and Labor rights** the risks lie with the way our suppliers conduct their business. Product suppliers to Chr. Olesen must sign the Chr. Olesen code of conduct to avoid risk of negatively impacting human rights and labor rights. This control is processed in the QA departments in Chr. Olesen.

For the **environmental and CO₂ emission** areas the risks are the level of implemented sustainability culture in our chemical product suppliers production and in the transport companies. All product suppliers must sign the Chr. Olesen code of conduct. From 2023 it is our aim to be able to set a CO₂ emission goal for the supply of transports in our business. Within the **business ethic-area** the risk of e.g. corruption and fraud lies in the way the economic transactions are being processed. All transactions in Chr. Olesen are controlled by thorough processes set and executed in our Accounting Department in Denmark.

The way we process the avoidance of risks in Chr. Olesen is further illustrated in the model on the next page.

HUMAN RIGHTS AND LABOR RIGHTS ARE PROTECTED THROUGH OUR:

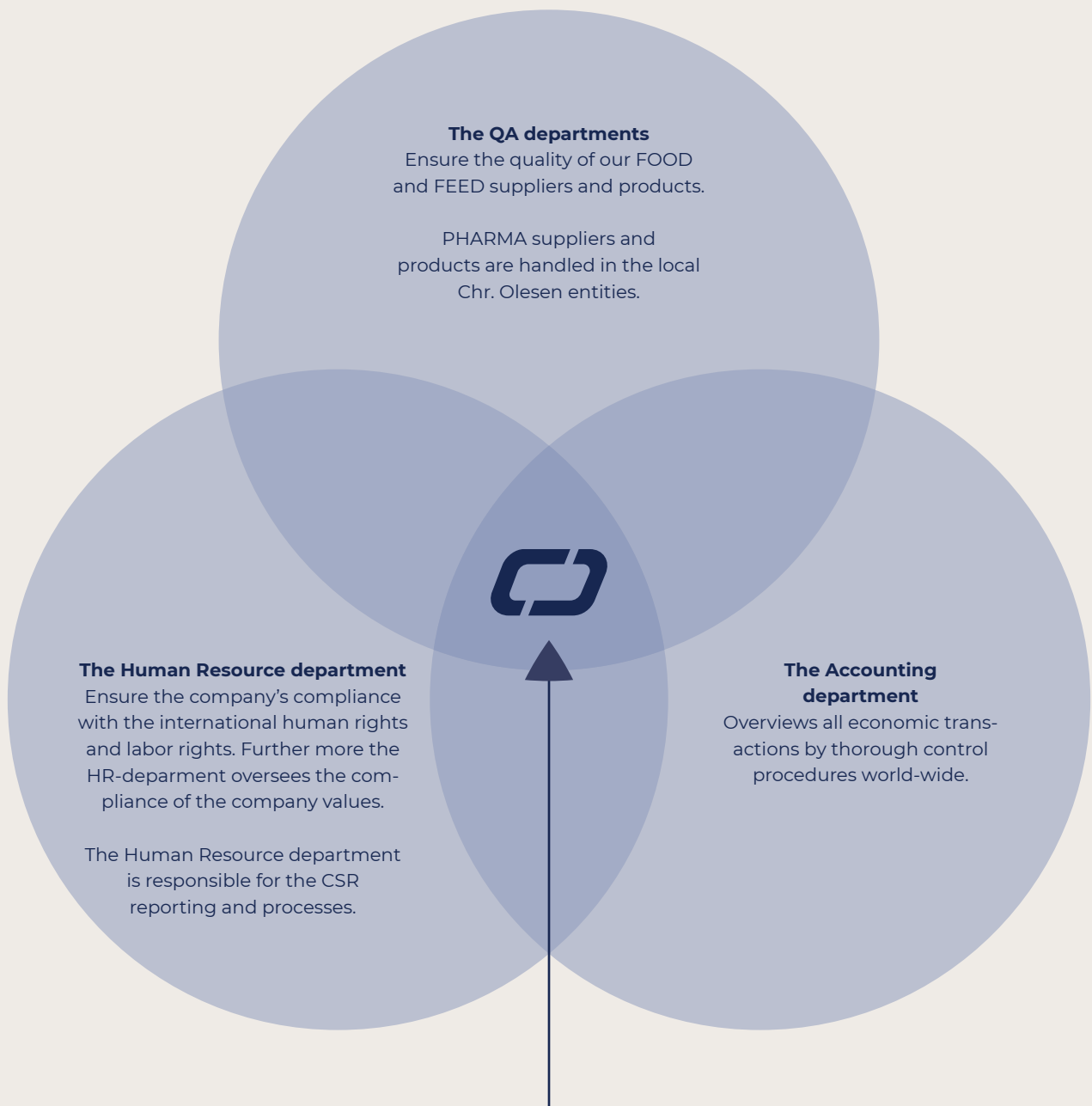
- CSR-policy which is aligned with the UN Global Compact 10 principles,
- in our staff policies, GDPR, and
- in our it-security policy.

OUR BUSINESS ETHICS ARE STIPULATED:

- in our risk management policy and adhered to by all Chr. Olesen Partners in our policy "Room of Manoeuvres", and in
- our code of conduct. The Chr. Olesen Code of Conduct.

Risk management of

Our social responsibility



COMPLIANCE IN SOCIAL RESPONSIBILITY

Processes and procedures within the 3 departments are audited every year by auditors and external accountants.



ATTENTION TO
**HUMAN
RIGHTS**

Chr. Olesen Group
Sustainability Report



CHR.OLESEN

Attention to

Human rights

Human rights policy

In Chr. Olesen our endeavor to respect human rights is embedded in the sincere and dedicated culture of our company and adhered to by our entire team of colleagues in our daily activities.

As an international business we embrace diversity and promote inclusion internally as well as in the countries in which we operate.

Chr. Olesen Group

In working with human rights, Chr. Olesen pursue two strands.

The first strand is to make sure that we are not complicit in human rights abuses both internally and through our suppliers and partners. It is a central part of our business model to control this and this is included also as a part of our quality policy.

The other strand is to comply to our sustainability commitment through charity activities that are beneficial for the development of our business and the societies we are part of.

Charity and corporate volunteering activities goes hand-in-hand with our efforts to create a sustainability culture throughout the Group. They increase our commitment to a sustainable development in the entire organisation. Chr. Olesen Group has entered into collaboration with two NGO organisations in Brazil to help young people with limited access to education to develop their lives and joy of lives into the working-society.



Good stories

Brazil

SDG 1, SDG 4 – NO POVERTY AND QUALITY EDUCATION

For years Chr. Olesen have been looking into the possibility of initiating a charity-project for young people in our strategic region Brazil.

In 2020 we succeeded in identifying a couple of relevant programs to support the development of young people from risk areas of Brazil.

From May to end November Chr. Olesen Group have supported 33 farvelas children in their education and development through a project called the Tio Book project. The project is initiated by the Brazilian NGO Rede Cultural Beija-Flor in collaboration with the CARF-Children at Risk Foundation, Norway.

It has been a great success and the project is to be continued in a phase II in 2022.



Human rights

Results and targets

ACTIVITY	RESULTS (2020/2021)	TARGET 2022
Supplier Code of conduct signed, FEED and FOOD	95%	95%
Supplier Code of conduct signed, Pharma	50%	95%
Training programs in SDG and CSR	All in DK covering the Group board of Directors, the executive management and employees in DK.	Supplier Code of conduct signed, FEED and FOOD.
CSR training participation	All new employees trained.	All new employees trained.
SDG Goals	Kolibri Maria Rosa One more program	Maintain Kolibri Maria Rosa Kids Aid

A close-up photograph of a hand gently touching tall, thin blades of grass. The scene is bathed in a cool, blue-toned light, creating a serene and natural atmosphere. The hand is positioned on the right side of the frame, with fingers slightly spread, as if feeling the texture of the grass. The grass blades are in sharp focus, showing their fine details and textures.

ATTENTION TO
LABOR

Chr. Olesen Group
Sustainability Report



CHR. OLESEN

Attention to

Labor

Labor policy

In Chr. Olesen Group, the local country's labor legislation is the lowest baseline for the labour conditions for the Chr. Olesen employees. We include international principles on working environment, working conditions and decent working hours as well as protection of children- and young workers against exploitation, and ensure the right to freedom of association.

We are committed to ensuring non-discrimination and promoting gender equality in all parts of our organization.

The Chr. Olesen Organisation

With 38 colleagues in Denmark, 17 colleagues in Europe and 19 colleagues in Brazil, Mexico and the USA we are working under different employment legislations. As our headquarter is in Denmark, Chr. Olesen comply with the Danish and European legislation on work-environment and apply this level of ethics in labor as a framework for health and safety throughout the international organisation.

This complies with the labor covered by the UN Global Compact 10 principles and is a decent level for national requirements of labor principles in the countries where we operate.

Good stories

Decent work

Our commitment to this is exemplified by our implementation of improved work conditions for all employees in Brazil since 2017 and in Denmark from 2021. In Chr. Olesen Group the contractual working hours per week are decreased with 10% in Brazil and with 5% for the functions in Denmark.



Reporting

Forced labor, non-discrimination and gender equality

Chr. Olesen is committed to a principle of non-tolerance of forced labor and child labor in our business operations. This principle applies not only to internal activities but also to our suppliers and business partners.

Internally the non-tolerance of forced and compulsory labor is confirmed in the Chr. Olesen Employee Handbook (Employee Policy).

Freedom of association

The freedom of association and the right of collective bargain is respected and covered by European legislation. We have not experienced any challenges in upholding these rights.

Non-discrimination and equal opportunities

With colleagues in Europe, Brazil, Mexico, and USA it is an integrated part of Chr. Olesen to avoid discrimination in employment and occupation and ensures to provide equal opportunities for all. For us this is a natural part of being a sincere company.

Within all aspects of employment, including selection, job assignment, compensation, discipline, termination, access to training and or other benefits, Chr. Olesen does not discriminate in employment opportunities based on race, color, religion, sex, sexual orientation, national origin, age, disability, genetic information or status.

To provide equal employment and advancement opportunities for all individuals, employment decisions at Chr. Olesen will be based on merit, qualifications, performance, and abilities.

A non-tolerance principle for discrimination and harassment and a specific clause on equal employment opportunities is included in our international Employee Handbook.

Gender equality

In Chr. Olesen Group we are internally committed to enhance the representation of women in management and in our Board, and to avoid a gender-based pay gaps in the salaries of men and women.

With equal representation of men and women among our headquarter-managers in Denmark, we have succeeded in attracting women to management positions. The overall representation of women is, however lower than of men and thus urges us to pay attention to talent-development among female employees on a longer term perspective. Creating a pipeline of relevant women for the company board is also on our agenda. The board of directors does not have any female members yet and has not succeeded in finding any in the hiring processes.

Good stories

Training and hiring new colleagues

SDG 10
– REDUCED INEQUALITIES

As a part of our onboarding process of all employees internationally we train our colleagues in our company values and policies. The point about equal employ-

ment opportunities is expressively mentioned together with the point of non-tolerance of harassment or discrimination. In the hiring processes we emphasize to accept and include a diverse field of candidates, both gender- and agewise.



Good stories

Decent work and equal opportunities

SDG 8 – DECENT WORK AND ECONOMIC GROWTH

Apprenticeship

From 2020 Chr. Olesen have developed and implemented a training program for apprenticeships in our Shipping department. The program includes elements of the full supply chain and the apprentice will end out with a thorough education about the elements of being and international distributor.

Flexjob and internships


Chr. Olesen Group have 2 colleagues in Denmark that are onboarded in so-called flexjob and via internships initiated by the collaboration with the local authorities. This possibility has widened as the organisation has grown over the past 7 years.

Labor

Results and targets

ACTIVITY	RESULTS (2020/2021)	TARGET 2022
No. of women	33	Same level
No. of men	44	Same level
No. of female managers in DK	4	Same level
No. of male managers	4	Same level
No. of female board members	0	1 before 2023
No. of male board members	5	4 before 2023
Pay ratio (Female:Male)	49%/51%	50%/50%
Parental leave (Female)	3 out of 3	Same level
Parental leave (Male)	2 out of 2	Same level

ACTIVITY	RESULT (2016-2021)	TARGET 2022
Flex job	1	No target
Work trials	1	No target
Internships	2	No target
Maintained after internship	2	No target

A close-up photograph of a hand holding a single leaf. The hand is positioned at the bottom of the frame, with fingers slightly spread, holding the leaf from underneath. The leaf is the central focus, showing its intricate vein structure. The background is dark and out of focus, with some bokeh light spots. The entire image has a blueish-grey color cast.

ATTENTION TO
**ENVIRONMENT
& CLIMATE**

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CHR.OLESEN

Attention to

Environment & climate

IN CHR. OLESEN WE SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES, INCLUDING:

- undertaking initiatives within our business to promote greater environmental responsibility, and in
- encourage the development and diffusion of environmentally friendly technologies.

Reporting

Chr. Olesen Group

Our main business activity as an international distributor and as an international group of companies some with only very small entities (1-5 people) – some only having home offices – the options for integrating strong initiatives within environment protection are limited.

However, we strive to incorporate an environmental and climate friendly mindset with all our employees through focusing on an environmental-friendly approach in our work and every-day interaction.



Good stories

Climate actions

The Chr. Olesen headquarters in Gentofte, Denmark, which is the biggest of the offices with 38 employees, has in 2019/20 trained and implemented the precautionary approach with the help and inspiration from the 17 global goals. This has resulted in the following priorities:

- Reduced the use of plastics with 90% by implementing glasses and paper wrapping of foods for lunch.
- Reduced paper waste through digitalization of work processes and documentation
- Noticed the effects of reduced travel activity due to the corona situation, but in that regard also realized that the company's commercial partners must emphasize to travel to ensure the Chr. Olesen long-term business. The continuance of our digital project to support the strategy of meeting digital future needs has in this regard shown its effects and the project will be prioritized in the years to come.

The result of the resources invested in digital development has brought the company to a stage where we can work on the internal Chr. Olesen systems from anywhere in the world, meet digitally and minimize the use of paper and unnecessary travel.

Good stories

Decent work

To further emphasize the precautionary environmental approach with our limited possibilities as a distributor, we emphasize to contribute through our memberships of associations within our business area that contributes actively to reducing the environmental footprint. E.g. Chr. Olesen is a member of DAKOFO, the Danish Feed and Grain Trade Association, who has headed the European compound FEED-and-Premix-industry-voice of sustainability and have developed a very ambitious sustainability Charter until 2030. Further we are a member of

FEFANA ASSOCIATION, Europe, for knowledge sharing within specialty feed ingredients and mixtures.

SEDEX

the global community of responsible sourcing.

EQOVADIS

We have passed the Eqovadis sustainability rating with silver.



It resulted in following

Projects

In 2020 Chr. Olesen have initiated 2 sustainability projects within the environmental area that we will continue into in the coming years.

PROJECT A.

Identify the Chr. Olesen Group's sustainability initiatives and goals within our use of transports and warehousing. In 2023 to be able to start to calculate the company's Scope 3 emissions. Scope 3 emissions include all indirect greenhouse gas emissions across the value chain. Examples of Scope 3 emissions are purchased goods and services, transportation and distribution, and processing of sold products.

PROJECT B.

Analyzing the business opportunities for certain natural products. Chr. Olesen is already active in botanical extracts and a few natural products in the FOOD business. In 2021 we have increased this activity into a.o. USA and will continue this growth in both Europe and USA.



Environment & climate

Results and targets

ACTIVITY	2018/19	2019/20	2020/21	2022
Plastic bottles	6250	0	0 plastic bottles	No increase
Water usage (m3)	1907	No increase	No increase	No increase
Paper waste (KG)	520	333	No increase	No increase
CO2 emissions in kg (Scope 1+2)*	-	11,805	-	-

*Scope 2 includes purchased electricity, steam, heating, and cooling for own use | HQ, Denmark.



ATTENTION TO
BUSINESS
ETHICS

Chr. Olesen Group
Sustainability Report



CHR. OLESEN

Attention to

Business ethics policy

In Chr. Olesen we are dedicated and sincere people and high ethics is our professional behavior and practice. We have non-tolerance for economic crime and do not practice bribery or facility payments and corruption. We believe in the principles of free enterprise and fair competition.

To us business ethics is about managing compliance, risk and governance and behaving in a responsible way.

Attention to

Anti-corruption

As a reliable company, working against corruption in all its forms, including extortion and bribery, is natural.

Chr. Olesen is an international company and there is a risk that financial transactions are being corrupted or in other ways criminalized.

Chr. Olesen Partners have signed a Code of Conduct as a part of the company group's risk management policy which states the company's non-tolerance of any kind of economic crimes including but not limited to corruption, extortion, and bribery.

Chr. Olesen Group's financial transactions are controlled as a part of the daily operational routines by the Accounting department in Denmark.



Attention to

Data protection and information security

Through the past years, Chr. Olesen has invested in digital development in order to meet the digital future needs. Data protection and information security measures have been a key element in the implementation.

Our data processing activities are guided by an internal Data Protection Policy that complies with the requirements in the EU General Data Protection Regulation (GDPR) and all employees have been trained in data protection.

In our IT risk handling related to international transactions we work according to a strict IT- policy and a robust it-security system to protect the company transaction. The IT-security process will be further developed in the coming years to ensure a fully updated technical- and human firewall.



Business ethics

Results and targets

ACTIVITY	RESULT 2020/2021	TARGET 2022
No. of corruption cases	0	0
Training in anti-corruption	100% of the colleagues	100%
No of GDPR complaints	0	0
Training in anti-corruption	100% of the colleagues	100%
No of complaints through whistle-blower mechanism	0	0 Whistle-blower-process to be implemented
No. Of product suppliers which has signed the Code of Conduct	95%	95%

Results Overview

Results 2020/2021

HUMAN RIGHTS

STANDARD	ACTIVITY	2018/19	2019/20	2020/21	TARGET 2022
GRI 203-2	Flex job	0	1	0	No changes
GRI 203-2	Work trials	1	0	0	0
GRI 203-2	Internships	1	0	0	0
GRI 203-2	Maintained after internship				No changes

LABOR

STANDARD	ACTIVITY	2018/19	2019/20	2020/21	TARGET 2022
GRI 102-8	No. of women			33	Same
GRI 102-8	No. of men			44	Same
GRI 405-1	No. of female managers in DK			4	Same
GRI 405-1	No. of male managers			4	Same
GRI 405-1	No. of female board members			0	1 by 2023
GRI 405-1	No. of male board members			5	4 by 2023
GRI 405-2	Pay ratio (Female:Male)			49%/51%	50%/50%
GRI 401-3	Parental leave (Female)			3 out of 3	Same
GRI 401-3	Parental leave (Male)			2 out of 2	Same

CLIMATE & ENVIRONMENT

STANDARD	ACTIVITY	2020/21	TARGET 2021/22
GRI 306-2	Plastic bottles	6250	0
GRI 306-2	Paper waste (KG)	About 300	200
GRI 303-5	Water usage (m3)	1907	No increase
Gri 305-1 & 305-2	CO2 emissions in kg (Scope 1+2) (Heating and electricity)*	11,805	

BUSINESS ETHICS

STANDARD	ACTIVITY	2020/21	TARGET 2021/22
GRI 205-3	No. of corruption cases	0	0
GRI 205-2	Training in anti-corruption	100%	100%
GRI 418-1	No. of GDPR complaints	0	0
GDPR	Training in GDPR	100%	100%
GRI 102-17	No. of complaints through whistle-blower mechanism	0	0
GRI 102-16	No. of product suppliers which has signed the Code of Conduct	95%	97%

* <https://ens.dk/service/statistik-data-noegletal-og-kort/noegletal-og-internationale-indberetninger>

Reporting principles

Geographical scope

This report concerns the company Chr. Olesen Group, and the results and targets are set for the organization located in the Global Headquarter in Gentofte, Denmark. It does not include individual partners located in other countries. However, regarding suppliers, the focus is on the entire international organization.

Reporting principles

Applied indicators

Throughout the report the international sustainability accounting standards (Global Reporting Initiative Standards (GRI Standards)) are used to establish comparability and internationally recognized material benchmarks. The scope 2 CO₂ emissions are calculated based on key numbers on energy consumption and supply in 2018 from the Danish Energy Agency. The scope 2 CO₂ emissions include heating and electricity at the Global headquarters in Gentofte, Denmark. The numbers used are: 212 grams of CO₂ pr. kWh and 24 kilograms of CO₂ pr. GJ.

Reporting principles

Baseline 2020

This years report is an update of the CSR-reporting from 2020. Goals and initiatives are the same as the previous year and has been updated in this years report.



CHR. OLESEN