



# INTEGRATING SUSTAINABILITY INTO OUR DNA

AASTED CORPORATE RESPONSIBILITY REPORT 2022





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## ABOUT THIS REPORT

Aasted's Corporate Responsibility Report covers the 2022 calendar year and aims to provide a balanced overview of our approach to and performance on our most material social, environmental, and ethical issues.

This report serves as our statutory statement on corporate social responsibility in accordance with sections 99a, 99b and 99d of the Danish Financial Statements Act.

### Report scope

The report covers the following legal entities: Aasted ApS; Aasted branches; and Aasted subsidiaries, Aasted Germany GmbH, Aasted Turkey & Middle East LLC, and Aasted North America Inc.

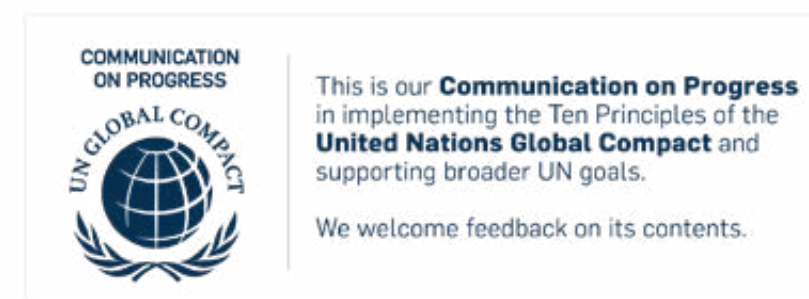
## Reporting principles

The report describes our approach to and our performance within our most material social, environmental, and ethical issues. These are detailed in the section on materiality on page 10. We consider our most important stakeholders to be our customers, employees, owners, regulatory authorities, local communities, suppliers, and the planet.

Activities that contribute to fulfilling the United Nations' Sustainable Development Goals (SDGs) are summarized in the SDG index on page 47 in the Accountability section. As Aasted is a signatory to the United Nations Global Compact, this report also serves as our annual communication on progress.

The report references GRI Disclosures and specific GRI Standards; see GRI disclosure index on page 49.

Selected data on key performance indicators (KPIs) are based on recommendations from CFA Society Denmark, FSR – Danish Auditors and Nasdaq.



# Dear reader,

This report presents Aasted's corporate responsibility commitments, activities, and progress in 2022.

Our company purpose is to lead the transition towards sustainable chocolate, confectionery, and bakery production. We believe that social responsibility and sustainability are important factors for the long-term success of our business. We also consider responsible and sustainable business conduct as an integral part of our values and strategic direction. This means that we run our business according to the highest standards of social and environmental responsibility and that we take concrete actions to improve our sustainability impact.

I am proud to announce that not only have we this year taken the important step to define our sustainability commitment explicitly in our statutes, but we have also made progress on material issues, such as our carbon footprint, our customers' carbon footprint, and our working environment, all of which are covered in this report.

At Aasted, we believe in action; and it is time for action. The IPPC's Climate Change 2022 report outlines the impacts of climate change and the urgency to mitigate them and bring us closer to targets set by the Paris Agreement. We must all take responsibility for our own carbon emissions and, as a company, we must do what we can to reduce these emissions across our value chain. This requires us

to look closely at our own operations, the parts and materials that we source from suppliers, and the impact of our machines. I am pleased to say that we are progressing in all these areas.

In 2022, we signed up for Science Based Targets with the goal to reach Net Zero by 2030. In fact, we hope to reach that target before this date. I also am happy to announce that we now bring a new concept to the market, called Energy Solutions, that will help to integrate this ambition into our customers' manufacturing lines, enabling energy savings at a system level.

For us, sustainable business is about focusing on the three 'P's: People, Planet, and Profit. We aim to create the right balance between them with a view to safeguarding our future. Our commitment to drive this sustainability agenda has in 2022 been recognized by the global sustainability assessor, EcoVadis, which awarded Aasted with a Platinum rating for being within the top 1% of our industry. Also in 2022, a Sedex audit on sustainability demonstrated that we are performing well. We are encouraged by these recognitions to continue our efforts and improve even more.

To guide us further along the journey, we have also established a Sustainability Advisory Board, comprised of three experts to inspire us and provide an outside-in perspective of our sustainability

**Piet Hoffmann Tæstensen**  
CEO



program. I am sure that this will add value to our work and help us to accelerate development.

As we look ahead, the journey towards social responsibility and sustainability will undoubtedly present new and challenging obstacles to overcome. However, as 2022 has clearly demonstrated, with the right strategy, initiatives, and – crucially – the right mindset, I have every confidence that we will succeed in tackling the challenges and seizing the opportunities.

**Best Regards,**

## 2022 HIGHLIGHTS

**We signed up for Science Based Targets, with the aim to reach NetZero by 2030 for Scope 1 & 2**



**EcoVadis awarded us a Platinum medal for our sustainable practices and results. Sustainability was included in the purpose clause of our statutes, making it a fundamental aim for our business**



**A new Sustainability Advisory Board was created with three external experts to guide and inspire our efforts**

**Energy Solutions was established as a business unit within Aasted**



# What we do

Aasted enables customers to make quality chocolate, baked, and confectionery goods.

We take pride in providing long-lasting, efficient, and innovative production machines and complete solutions. We serve the global chocolate, bakery, and confectionery industries, and we work across our value chain and activities to create value in all processes related to our machines – from design to procurement, assembly, installation, maintenance, and service.

Aasted is in a unique position to support our customers on their journey towards more sustainable business practices, including net-zero emissions and more responsible resource consumption. This is a responsibility which we take seriously.

## Our business

**AAA**  
Credit assessment

**576,718 t.DKK**  
Total revenue

**6,893 t.DKK**  
Tax

**31.4%**  
Solvency ratio

**45,790 t.DKK**  
EBITDA

**3.3%**  
Confectionery

**3.5%**  
Bakery

**16.5%**  
Aftersales & Service

**76.7%**  
Chocolate

**Revenues pr category  
– Bakery, Confectionery, Chocolate  
and Aftersales & Service**



## Where we are

**Subsidiaries in U.S.A,  
Germany, and Turkey**

**Headquartered in  
Farum, Denmark**

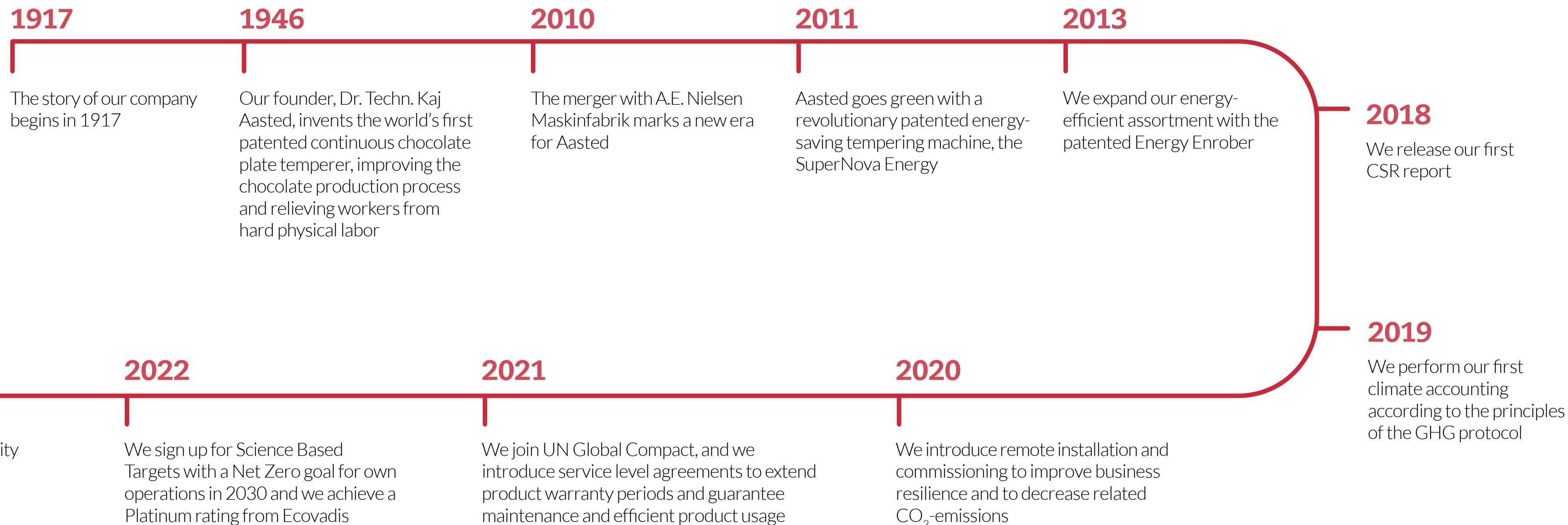


**230+**  
Customers  
worldwide

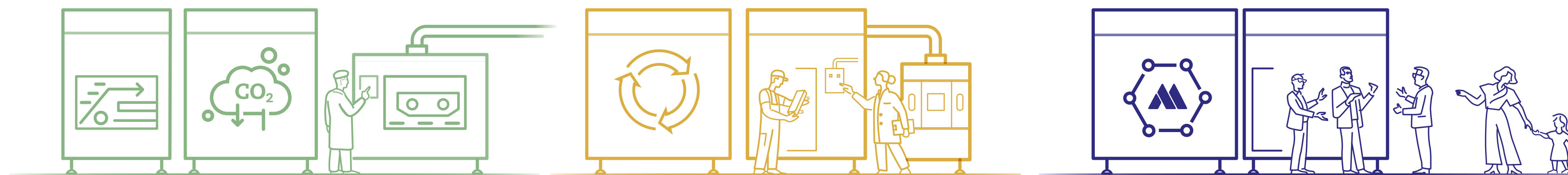
**7**  
Locations in  
four continents

**350+**  
Employees  
worldwide

# Our journey of progress



## Challenges ahead



### A positive footprint

Contributing to system-wide carbon reductions in the industry

### A circular business

Establishing closed loops for materials and taking responsibility for the full value chain

### An ethical supply chain

A responsible and diverse workplace both in own operations and in the supply chain



# A sustainable approach

Our approach to sustainability is rooted in the core. This has been clearly demonstrated by the owners of Aasted who have taken the big step to expand our company’s purpose to include a positive contribution to society and the environment. This makes sustainability a fundamental aspect of our business and will drive future development both internally and across the value chain. It will also help us to embed sustainable thinking firmly into our business culture for the future.

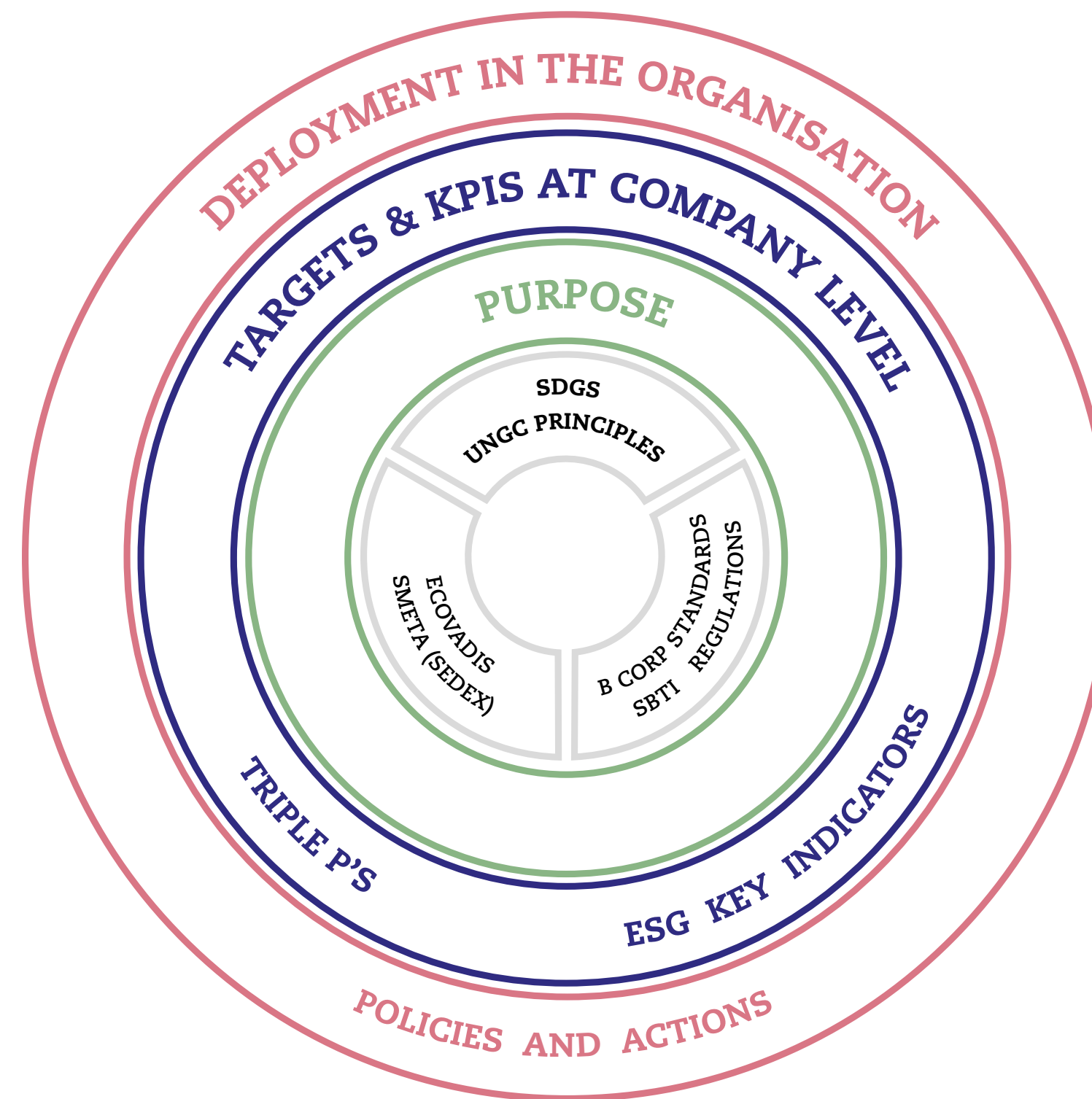
## Staying on course

To guide us in our strategy and decision making, we use the three ‘P’s: People, Planet, and Profit. These encourage us to take a holistic approach to value creation and force us to consider all relevant aspects of our business. The UN Sustainable Development Goals, the UN Global Compact principles, and other internationally recognized standards guide our efforts and

hold us accountable to safeguard compliant and responsible organizational structures. We use company targets and KPIs covering all three Ps to steer our business development in a direction that ensures lasting change: sales, revenue, and income for Profit; customer and employee engagement for People; and sustainability index for Planet.

To ensure proper deployment across the organization, we have established policies that detail the different aspects of sustainability, and we have set targets and KPIs to drive actions at all levels. All these actions are structured by our ResponsibilityFive framework that enables everybody in the organization to identify their role and contribution to the overall objective. We use this framework to track and report our progress in ways that are specific, measurable, ambitious, and achievable.

— [Read Aasted’s Sustainability Policy](#)



**Jesper Jerlang**  
Sustainability Manager

**“Sustainability is not something we do on top of our daily business – it is an integral part of how we work all the way from the company purpose to the KPIs and actions of every employee. And this is what makes me believe that we will succeed, even with the very high ambition to lead the sustainability agenda within our industry.”**



# Voicing our progress

Communication is a vital element of a successful transition towards sustainability and at Aasted we use several different channels to get our message across.

One of these is the weekly video message from the CEO, which typically features a main message from the CEO and the owner of the subject. In this channel, we frequently provide information about sustainability, Health & Safety, supply chain management, and so on.

Sustainability is also part of our onboarding program, so that our ambitions and commitments are clearly communicated to all new colleagues.

In the manufacturing area, targets and messages on issues such as Health & Safety and the environment are fleshed out on boards to facilitate easy overview and understanding of personal responsibilities.

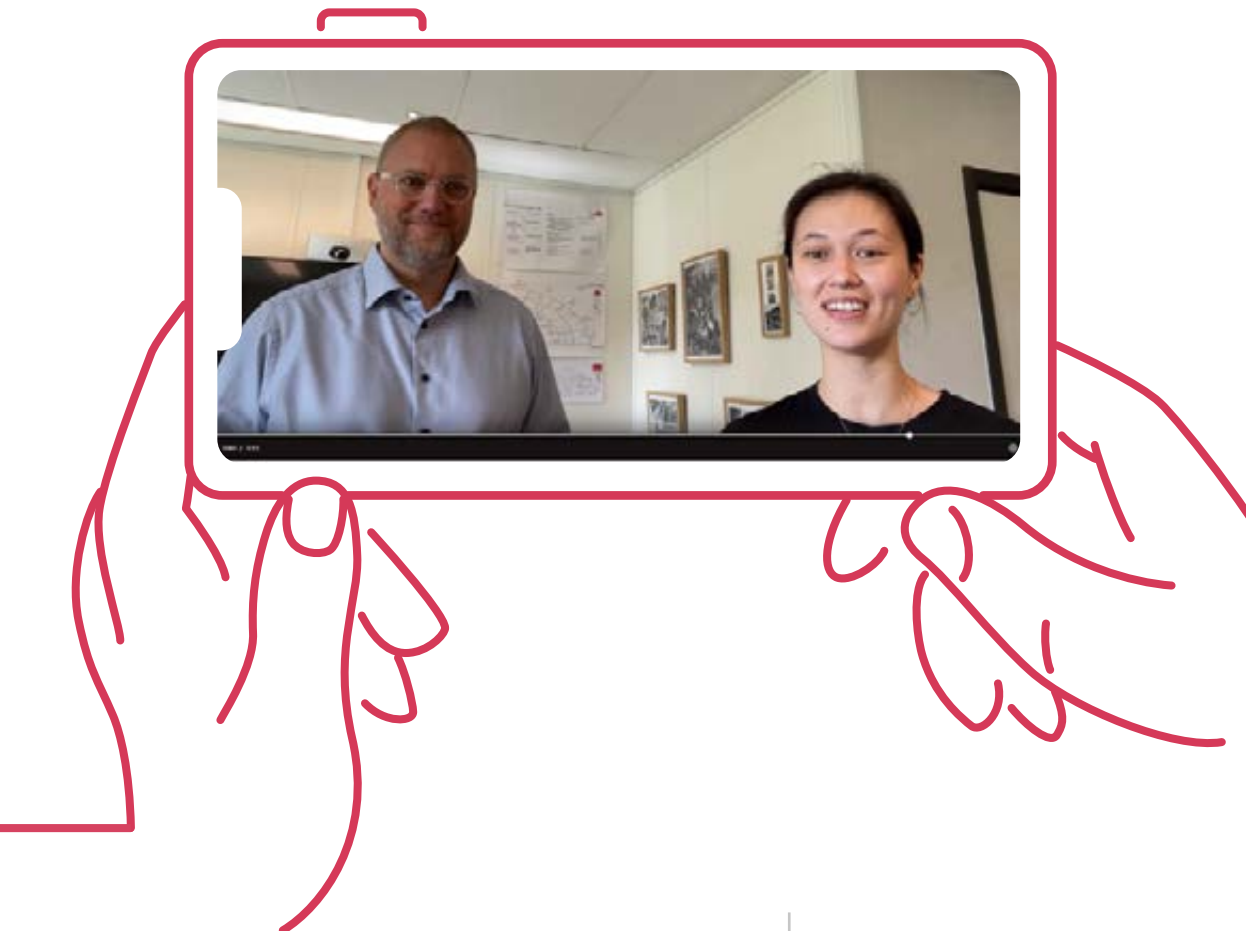
— For more information, watch this video from Interpack on Aasted's sustainability ambitions.



Information board from factory floor with strategy, Code of Conduct etc.

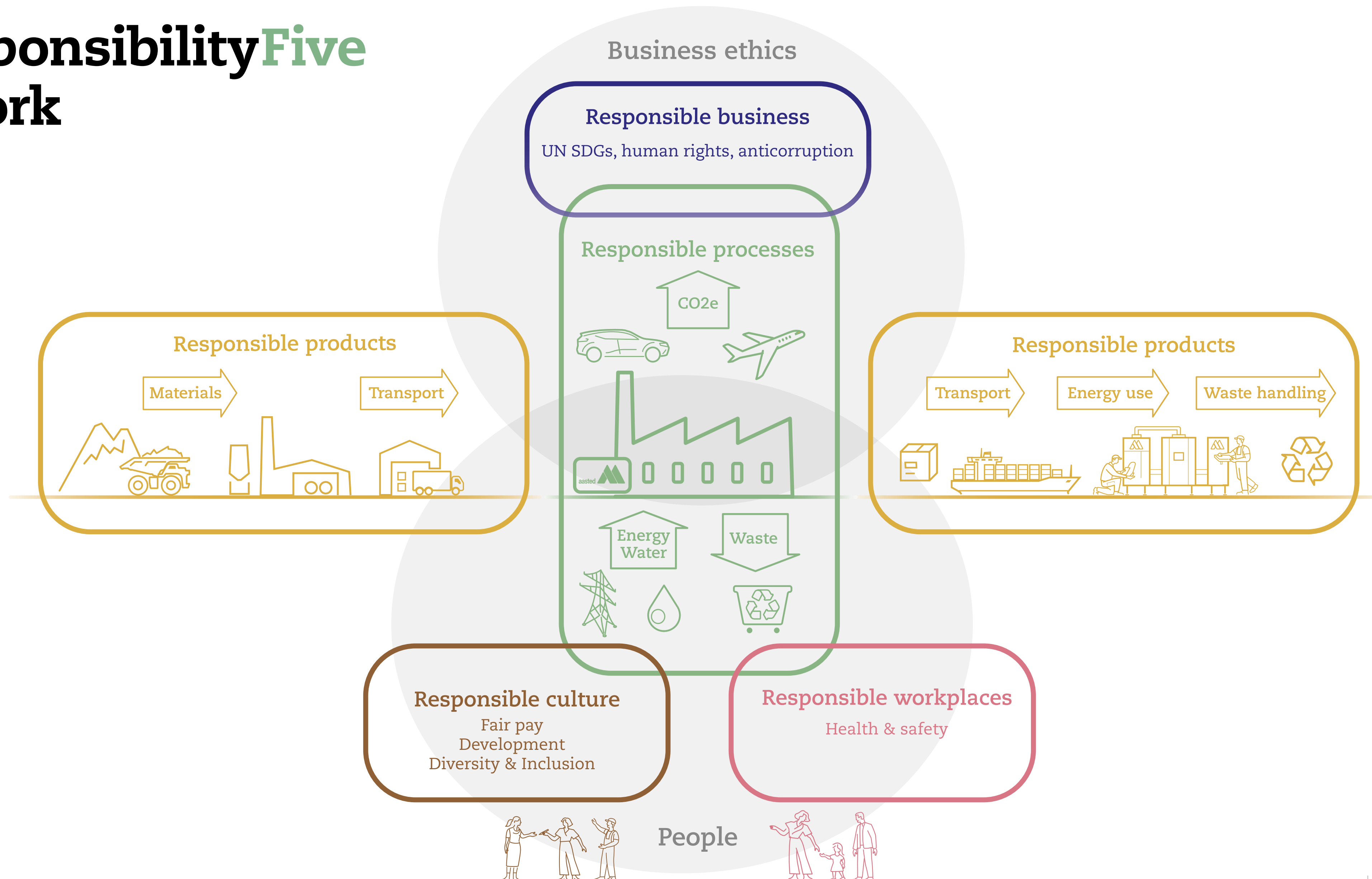


Weekly video messages informing about sustainability, energy, and health & safety





# The ResponsibilityFive framework







# Supporting SDGs and UNGC principles

As members of UN Global Compact (UNGC) from 2021, we are committed to supporting UN Sustainable Development Goals (SDGs) and UNGC's 10 principles.

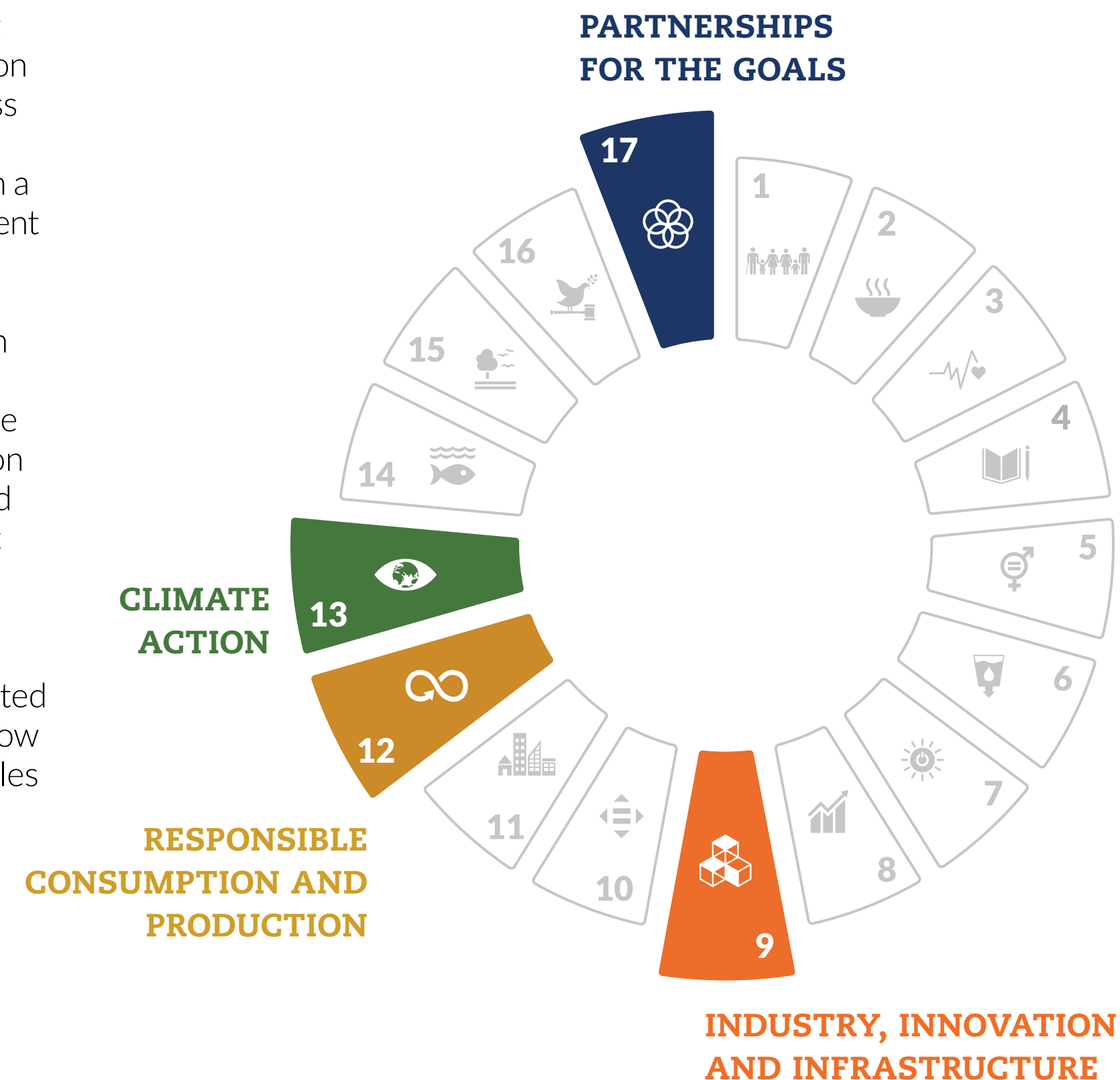
We use the 10 principles to align with ethical, just, and responsible business conduct, as well as using them as guidelines for business value creation. For the SDGs, we focus on numbers 9, 12, 13, and 17, where we see the greatest potential impact for Aasted and to help meet our stakeholders' expectations.

- SDG 9 on retrofitting industry for sustainability and fostering innovation is, together with SDG 12 on responsible consumption and production, the core of our business and value proposition
- SDG 13 underlines the urgency of taking action to combat climate change, which is a central element of our sustainability strategy, both for our own operations and the entire value chain

- SDG 17 on improving strong partnerships and collaboration is integrated into our business through partnerships with universities and schools, with a focus on scientific development

In addition to the above listed targets, through our work with sustainability and creating an inclusive work environment, we support the SDGs 5, 7, and 8 on gender equality, affordable and clean energy, as well as decent work and economic growth.

You can read more about how our activities in 2022 contributed to the SDGs on page 47 and how we support the UNGC principles on page 48.





# Assessing our material footprint

## Identifying our priorities

Our sustainability efforts must focus on what is most important to our business and stakeholders: our material issues. We map these out through a double materiality assessment that enables us to form a comprehensive approach to identifying relevant risks and opportunities. This approach covers our sustainability impact from two angles:

1. The impact of sustainability risks and opportunities on our organization’s business position and performance (the ‘outside-in’ view)
2. The impact of our organization’s sustainability performance on our stakeholders, including the planet and social and environmental issues (the ‘inside-out’ view)

The materiality assessment is based on Future Fit Benchmark’s 23 break-even goals for sustainable business conduct, which are each assessed on:

- Internal evaluations of business impact involving the executive management and the board of directors and staff in areas of exposure to relevant input
- Desk-top research of impact and importance of the topics (regulations, scientific articles, conferences etc.)
- Direct and indirect feedback from customers on which topics are material to them.

## Our findings

The issues categorized as ‘crucial’ are directly or indirectly addressed in our strategy and will continue to be of highest priority. For ‘very important’ issues, we aim to improve our performance to ensure that our activities reflect their significance to the business and to our stakeholders. ‘Important’ issues will be addressed primarily by maintaining our performance, compliance, and ongoing management.

### Crucial

- B01** Energy is from renewable sources
- B05** Operations emit no greenhouse gases
- B06** Products emit no greenhouse gases
- B07** Products do not harm people or the environment
- B09** Products can be repurposed
- B12** Employee health is safeguarded
- B19** Procurement safeguards the pursuit of future fitness

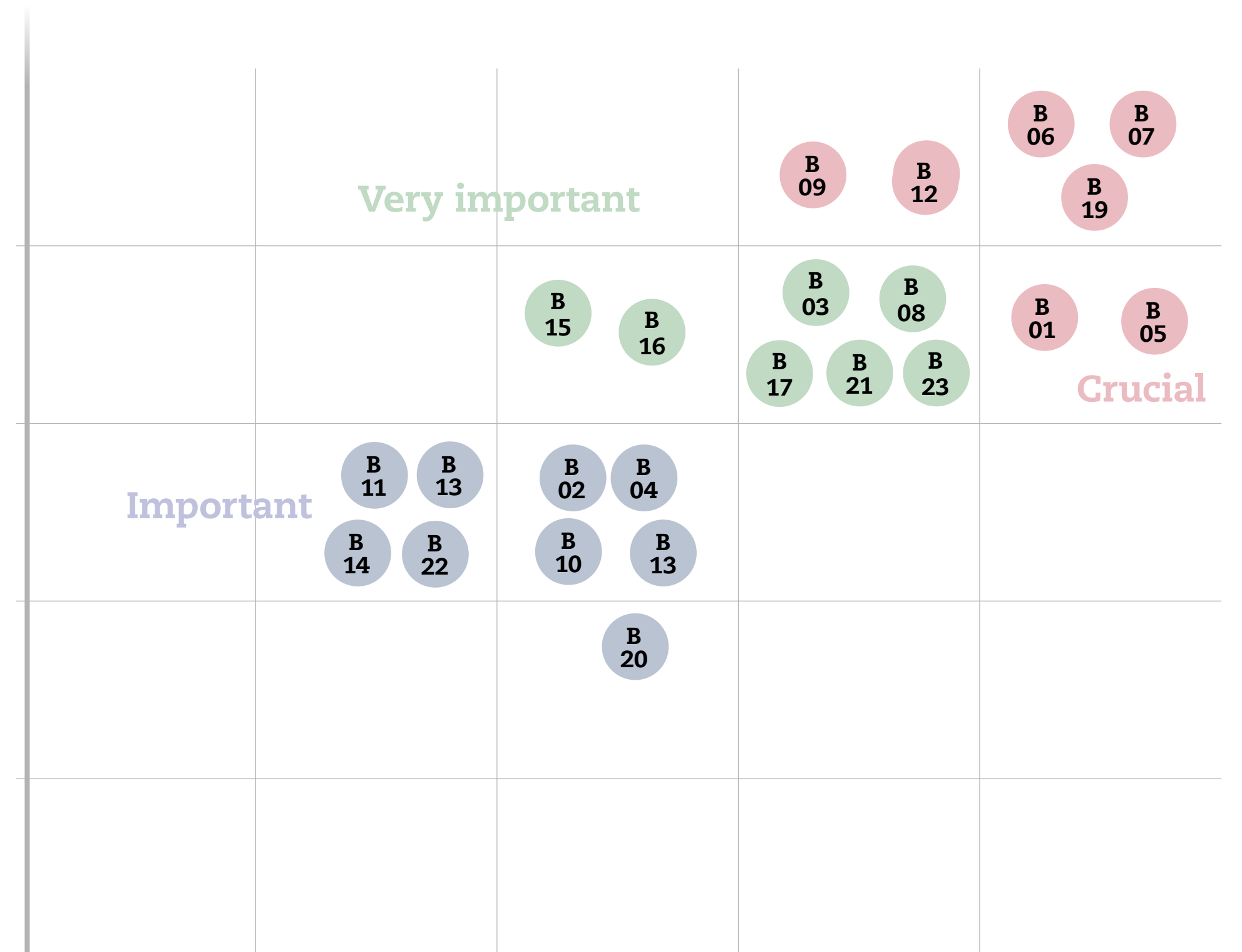
### Very Important

- B03** Natural resources are managed to respect the welfare of ecosystems, people, and animals
- B08** Operational waste is eliminated
- B15** Employees are not subject to discrimination
- B16** Employee concerns are actively solicited, impartially judged, and transparently addressed
- B17** Product communication is honest, ethical, and promotes responsible use
- B21** Lobbying and advocacy safeguard the pursuit of future fitness
- B23** Business is conducted ethically

### Important

- B02** Water use is environmentally responsible and socially equitable
- B04** Operational emissions do not harm people or the environment
- B10** Operations do not encroach on ecosystems or communities
- B11** Community health is safeguarded
- B13** Employees are paid at least a living wage
- B14** Employees are subject to fair employment terms
- B18** Product concerns are actively solicited, impartially judged, and transparently addressed
- B20** Financial assets safeguard the pursuit of future fitness
- B22** The right tax is paid in the right place at the right time

Impact on stakeholders



Impact on business



# Turning risks into opportunities

2022 went from the COVID crisis to a supply chain shaken by an energy and climate crisis, then onto a war in Europe – all of which required us as a company to adapt quickly and continuously to new and unforeseen conditions. These events, and the increasing speed with which they came, pushed us to increase our focus on risk management.

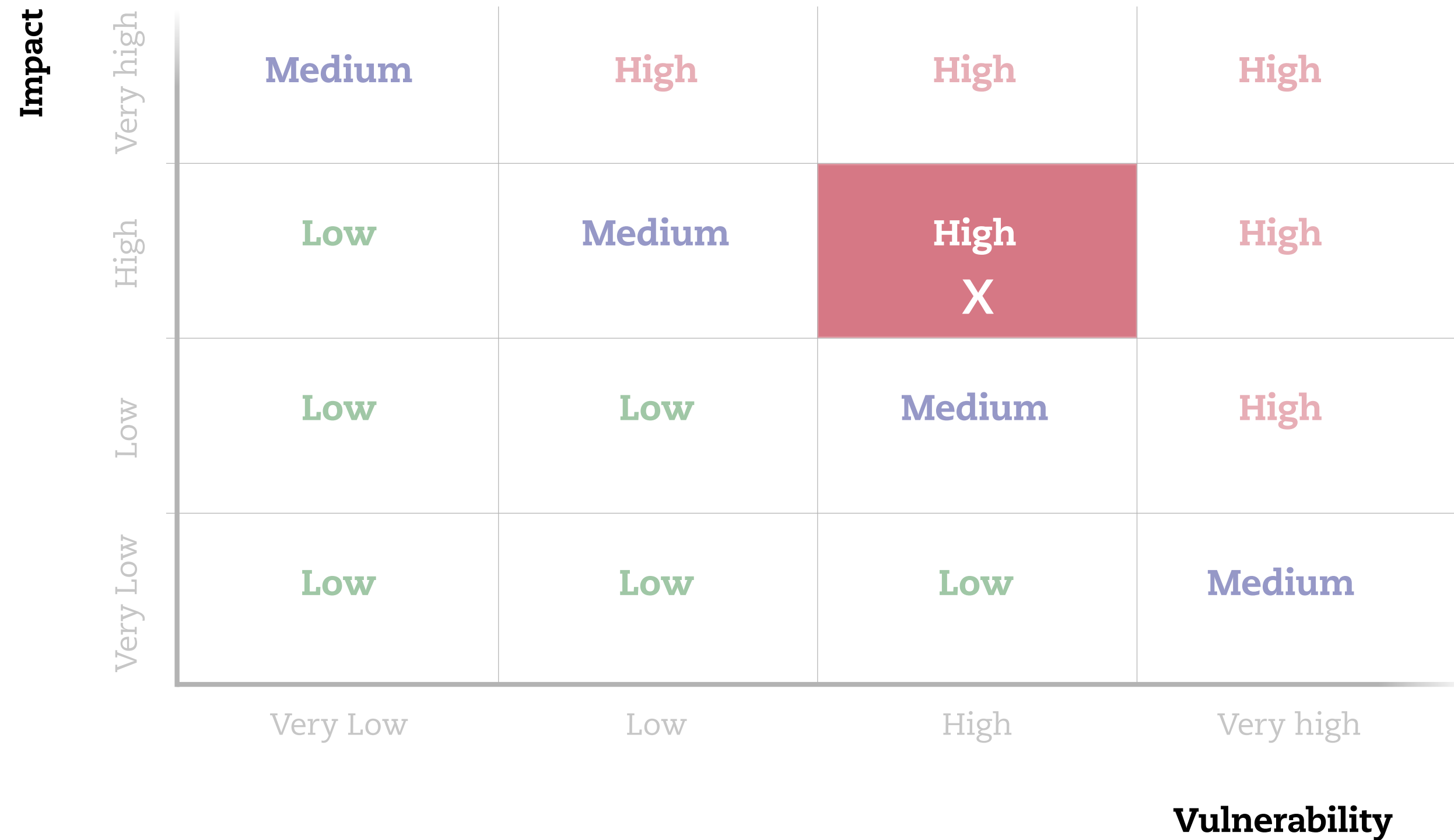
Aasted is in a process of improving risk management. We already face many challenges to our business and the future risk picture looks even more complex. Risk management is key to ensure a resilient and sustainable business, which is why we perform ongoing analysis to systematically address the risks we face and how we can mitigate them and turn them into opportunities for betterment.

Methodology-wise, we have established an overview of the most material risks based on input from managers throughout the organization. Each risk has been evaluated both for potential

impact and for vulnerability, so that emphasis can be put on the most important risks. For all risks, we have identified the correlated impacts and the actions for mitigation. This overview will be reviewed frequently to ensure that we are on top of the identified risks and also to evaluate if we see new risks ahead.

## The Ukrainian conflict

In 2022, the most important risks have involved consequences from the war in Ukraine. This has impacted our market due to sanctions against Russia and Belarus, and has affected our supply chain as we have an important supplier located in Ukraine. As well as supporting the security of this supplier (read more about our efforts to help our Ukraine supplier’s employees on page 33, we have also worked to create greater resilience for our supply chain by building a wider net of suppliers in other countries.





## Electrical components shortage

Businesswise, the most impactful risk in 2022 and 2023 is the shortage of electrical components, which has several implications for our ability to build and deliver machines according to customer requests. In connection with this, we see a general inflation and increasing prices on key materials and components, which means we need to reconsider our own pricing strategy. We are working hard to mitigate these risks and impacts and to develop our organization to be better positioned against such challenges.

## Supplier risk management

As we further develop our supply chain, supplier risk management becomes even more important. We evaluate potential suppliers at a country level first and again at a company level against the risks and conditions for business ethics, human and labor rights, climate and environment, distance, legal, and financial and political stability. By mainly relying on European suppliers, we reduce both risks

and distance and have better access to sourcing materials with less environmental footprint. Nevertheless, we foresee that we will need to work even more with our suppliers in future to achieve an even better outcome.

## Energy consumption

Energy consumption has come into focus during 2022 due to potential shortages and significant price fluctuations. We see this as an opportunity in two ways: firstly, it encourages us to speed up our efforts to increase energy efficiency in our operations, to save energy, and to invest in our own solar-based energy production; and secondly, we see market opportunities for our energy efficient products and our new Energy Solutions offerings see more on page 27.

## Lifecycle data

Energy efficiency has increasingly come into focus for our customers both regarding sustainability and total cost of ownership. We foresee that sustainability requests like energy efficiency,

carbon footprint, and circular solutions will increasingly become market requirements. This means that we need to be able to provide lifecycle data for our products and full traceability for materials, which again will require development of our own systems and supplier management. Furthermore, we need to be able to handle our products when they reach their end-of-life or at least provide support so they enter circular loops.

The picture of risks and opportunities will continue to develop; we are aware of many of them today and we will continue to monitor and evaluate the risks of tomorrow.





# Sustainability ratings and why they matter

In May 2022, we finalized our second assessment with EcoVadis and were rewarded a Platinum medal for our sustainability practices and results, meaning that we are in the top 1% for the quality of sustainability management within our industry. This huge achievement is the result of our comprehensive actions on sustainability and our ability to document what we do.

Sustainability assessments and supplier ratings are increasingly important to facilitate the dialogue between suppliers and customers, and to demonstrate a company's level of competence and action. For Aasted, such rating platforms also provide the opportunity to see potential areas for improvement. This means that we can work systematically to become even better.

Besides EcoVadis, we have worked to improve ratings on other platforms, including Sedex, Avetta, Coupa, and ISN, where we have A-ratings covering several customers. Furthermore, high ratings are preconditions for being a supplier for certain customers, which shows the growing importance of sustainability and of acting beyond minimum legal requirements. In Aasted, we see these rating systems as an opportunity to further improve our sustainability management.



# Gaining an objective perspective

In 2022, SMETA (Sedex Members Ethical Trade Audit) conducted an audit at our premises to assess responsible business practices and social compliance across four key areas, namely:

1. Labor
2. Health & Safety
3. Environment
4. Business ethics

The audit is based on the Sedex platform's social auditing methodology and is one of the most widely used social audits to help companies assess their own sites and supply chains. Our audit was initiated following a request by a customer, but it also proved invaluable as an objective third-party check of our performance.

## An encouraging outcome

The auditors visited for two days, touring our site, conducting interviews, and assessing Aasted based on the four pillars. The conclusions and feedback were positive, identifying four examples of good practice: our Health & Safety management system and general safe working environment; our company benefits; our proactive approach to compliance with ethical standards including our supplier engagement; and our high standards on environmental and sustainability management. We also received feedback for improvement on two areas, which were both minor cases that were implemented in 2022.

The audit was an effective and objective way for us to be sure that we are on the right track. Nevertheless, while the findings showed that we have made good progress so far, it has also served to inspire us by highlighting ways we can improve for the future.





# PROMOTING RESPONSIBLE BUSINESS

## Our commitments

- Our purpose is to have a positive impact on society and the environment
- Our triple 'P's – People, Planet and Profit – balance our business conduct and corporate governance
- We support the UN Sustainable Development Goals
- We support the 10 principles of the UN Global Compact

## Statement of purpose

We will conduct business ethically, comply with international and local legislation, and seek partnerships that create value for the many – not just for ourselves.

Aasted will also promote human and labor rights across all our work processes. We will act in accordance with international frameworks and conventions from the UN, OECD, and ILO, and comply with local legislation where we operate. We reject any form of corruption, including extortion and bribery.

Strong corporate governance and business ethics underpin the way we conduct our business. Aasted's core values and our code of conduct act as our guiding principles.

**We are open and honest**

**We act as if the company was our own**

**We act respectfully in everything we do**

[Read the Aasted code of conduct](#)



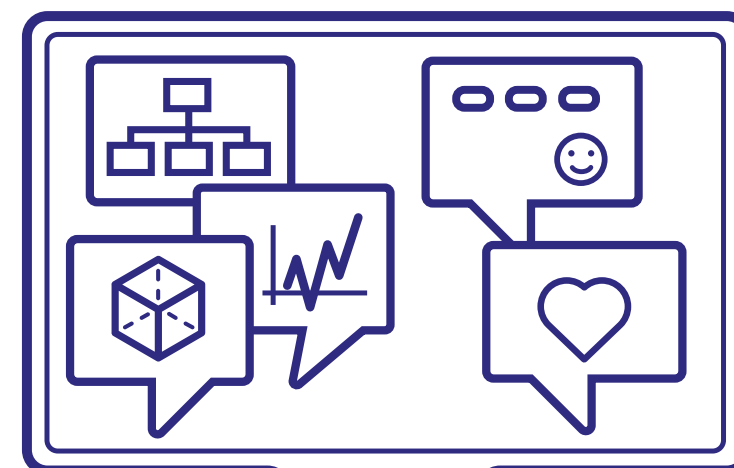


# Anchoring change at the deepest level

In 2021, sustainability was integrated as a regular agenda item at board of directors' meetings. This was to ensure adequate attention was given to material sustainability risk and opportunities to future-proof our business. Our board has taken this task to heart and has changed sustainability from being a regular agenda item to officially part of the very core of our business. As a result, in November 2022 the board of directors signed the new company objects to reflect that sustainable production is at the core of what we do. They now read:

***The objects of the company are to develop and sell machinery, solutions, service, and consultancy to the chocolate, confectionery, and bakery industry, and other industries, as well as to have a positive impact on society and the environment as a whole in its business and operations.***

Including a commitment to sustainability in the company objects is no small matter. The objects are registered in a public registration and the Danish Business Authority checks that the company acts in alignment with these objects. This is not a short-term commitment – it is a fundamental change of how we want to operate going forward.



**Allan Aasted**  
Owner

**“Over the past few years, we have been working intensely to move beyond ‘Profit’ and to include ‘Planet’ and ‘People’ in every decision we make. We are aware that when it comes to transforming a business to create value above and beyond profit, this is not a one-year job but a long-term commitment. With the updated business objects and a new purpose statement, we believe we have the foundation to ensure that we act sustainably in everything we do.”**



# Protecting people and integrity

Aasted works to promote ethical and social responsibility across all business activities. We seek to always conduct business in accordance with international frameworks and conventions on human and labor rights from the UN, OECD, and ILO, as well as local legislation. We also aim to have a positive impact on our surrounding environment by making demands and raising awareness on topics surrounding responsible and ethical business conduct where we have influence. This includes supporting human rights, labor rights, caring for the environment, and anti-corruption, as set forward in the UN Global Compact principles.

These principles are all integrated into our Code of Conduct and our daily work.

## Building responsibility into our supplier network

In our own operations, we comply with all required regulations, as well as being part of collective

bargaining agreements. However, our responsibility also includes our supplier network, for which human and labor rights are key elements in our sourcing strategy.

Based on this strategy, the majority of Aasted suppliers are in the EU, where labor rights and human rights are at a relatively low risk to be violated. In 2022, 84% of our spend was on suppliers from within the EU.

As our company is part of the global supply chain network, an increased focus must therefore be put on supply chain risks. We are engaged with our suppliers on sustainability, where human and labor rights are part of our supplier impact assessment (read more about our supplier engagement on page 26). By raising awareness on human and labor rights through our interaction with suppliers, a chain effect can take place and create a positive impact on the supply chains and networks that we are part of.

In September 2022, we were audited on our social compliance to the ILO code through the Sedex platform. Our employee contracts and benefits and the health and safety conditions at our facility in Farum were evaluated with good results. You can read more about the audit and our work with health and safety at our workplace on page 13 and 37.

## Guided by our Code of Conduct

The Aasted Code of Conduct is our written commitment to conduct business in a manner that is ethical and supports responsible and sustainable business conduct. It is also a way to communicate with employees, customers, and business partners (such as agents and suppliers) on how we want to conduct business and what principles we adhere to.

The Code of Conduct is actively communicated to colleagues and business partners, and we

request everyone to sign it. This includes new colleagues as part of the onboarding program and, if promoted to manager, people are asked to sign it again to reiterate the content and their responsibilities. We also conduct training sessions, which in 2022 also covered our agents and sales personnel.

In the same way we ask all our suppliers to sign our Code of Conduct as part of our general agreement, which is measured on an ongoing basis. You can read more about this and our engagement with suppliers on page 26.

## Encouraging a speak-up culture

We encourage employees and external business partners to report activities that conflict with our Code of Conduct through our internal channels, so that we can act upon it. Such cases of conflict could be violations of personal data protection, violations of product safety or environmental laws, and discrimination or harassment, as

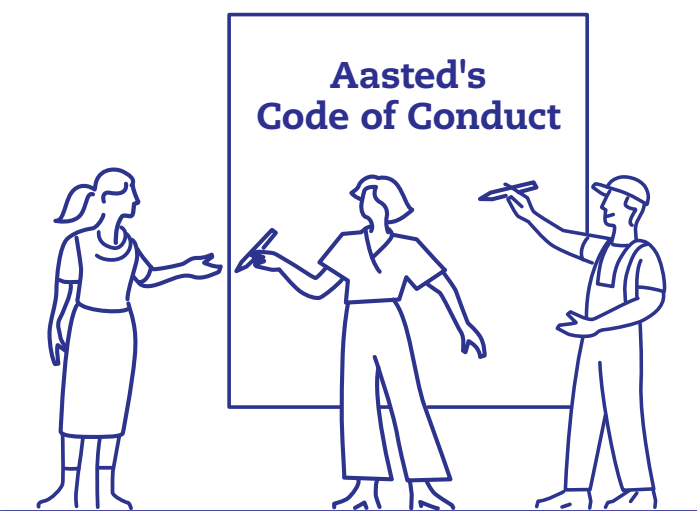
well as crimes such as bribery, fraud, or breaches of competition.

Examples of risks of corruption and bribery are employees or partners giving or receiving bigger gifts or hidden compensations for closing deals. We will in 2023 conduct a risk assessment to better identify the most material risks.

In case of serious or sensitive breaches of the Code of Conduct, such as cases of bribery or corruption, we offer a whistleblower setup where these cases can be reported – anonymously if preferred. The whistleblower system is available on our intranet and website along with our whistleblower policy that describes the handling process.

If reports are made through the whistleblower system, an external law firm screens them to ensure that they are within the scope of the system. Our external partner ensures that anonymity is upheld and forwards reports to our legal department for handling.

We have received no report of ethics violations in 2022 from either internal reporting channels or the whistleblower system. To encourage a speak-up culture, we have introduced a speak-up policy, which has been pushed to everyone in Aasted through our quality management system D4 as a ‘read and understand’ document.



— You can find the Whistleblower platform and policy here.





### Data ethics

As a global order manufacturing company that manufactures machinery for the food production industry, Aasted does not handle a large amount of data. Nevertheless, it is important that the data we do process is properly managed.

In 2021, we implemented a data ethics policy that describes Aasted’s approach to data ethics and how we handle data. The core of the policy is that Aasted shall monitor and handle data in a fair and transparent manner for its users and partners.

We believe that transparency in data handling is part of being a decent business partner. To ensure monitorization, fairness, and transparency, in 2022 we established a data ethics group from the relevant departments in the company, led by our IT manager.

The data ethics group has made an overview of data being held by relevant parts of the business. Moreover, potential risks have been identified and assessed. A memorandum based on the overview and annual activity has been presented to and accepted by the executive management. As there were no material findings, the executive management evaluated that it was not necessary to escalate to the board of directors.

A few findings will be put on the agenda for improvement and the data ethics group will continue its work in 2023, where the membership will be reevaluated to ensure that all relevant parts of the organization are represented. Furthermore, we plan to update the Aasted policy on data ethics to reflect our continuous work on the area.

— [Read our data ethics policy](#)

### New Sustainability Advisory Board

In 2022, a Sustainability Advisory Board was established to inspire Aasted and provide cutting-edge sustainability insights. The board will also be used to help review our sustainability efforts with an outside-in view and provide input to the board of directors.

The Sustainability Advisory Board is comprised of three external experts and three internal representatives, namely: Nille Skalts from Märk; Tina Moe from Leadership of the Future; and Frederikke Aasted from Nordic Sustainability and former sustainability manager in Aasted (and part of the fourth generation of the Aasted family). Jesper Jerlang is the owner of the board as well as the current sustainability manager in Aasted. Piet Tæstensen, CEO, and Allan Aasted, owner and member of the board, also participate in the advisory meetings representing Aasted from the executive and owners’ levels.





# Hard- and softwiring our sustainable transformation

To successfully transform our business to be sustainable to its very core requires careful consideration of what we refer to as the company's 'hard- and softwiring'.

To embed sustainability into the organization, we must align the 'hardwiring' of systems, processes, policies, standards, governance, reporting, key performance indicators, etc. But to really succeed as a team, we must also consider 'softwiring' – or in other words, how can we best work with hearts and minds so that we all make better, more responsible decisions even when no one is keeping score?

Changing our structures and culture to support our sustainable vision and strategy is not a one-year job. Our goal is to keep up the pace and continue to broaden and integrate our five dimensions

of corporate responsibility into every aspect of our organization. The following outlines how far we have come this year.

## UN Global Compact membership

Aasted became a member of United Nations Global Compact (UNGC) in 2021, which means that we are committed to supporting the 10 principles on human rights, labor rights, environmental sustainability, and anti-corruption. These 10 principles have acted as a guide for our strategy and are now well integrated into our Sustainability Policy and our Code of Conduct. Active participation in the Danish Global Compact community provides further guidance and inspiration, both internally and

externally. For example, in 2022 we joined a Global Compact campaign on the Science Based Targets initiative.

## Engaging the organization

Responsibility for sustainability development is not limited to the top management and the sustainability department – it is shared and distributed to the entire organization from sales and product development to production and support functions, such as HR and facility management.

Policies for different areas reflect our sustainability aims. For example, the procurement policy integrates the relevant sustainability aspects and sets the direction for choice of suppliers and how to work with the supply chain to progress. Sustainability

targets and KPIs are set for many departments and reflected in performance dashboards to create visibility and drive the required initiatives. When all parts of the organization consider how they can improve within their scope as an integral part of their daily work, real impact will take place.

Also, when onboarding of new colleagues we introduce our sustainability ambitions, framework, and actions. The Code of Conduct is part of the welcome package and must be read, understood, and signed before joining Aasted. We want all employees to be ambassadors and to bring their ideas, big and small, to take us even further along our sustainability journey.



**Piet Tæstensen**  
CEO

**“In Aasted we want to be a sustainability frontrunner and reach net-zero for scope 1 & 2 before 2030. Credibility is crucial and we get that through the Science Based Targets initiative.”**











DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

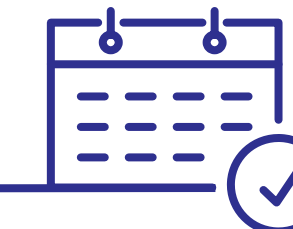


# Responsible business: Goals and progress

## Planned actions in 2022

Planned actions in 2022	Status	Progress in 2022
Update CSR policy	100% 	CSR Policy is updated according to our ResponsibilityFive framework and including our commitments and targets
Interact with students, schools, and universities on assignments, cases, inspiration, etc. with at least the same intensity as in 2021	80% 	We have continued 2 PhD projects with MADE (DTU) and the Innovation Fund (KU)
Continue efforts to structure ongoing training in IT and data ethics	50% 	Throughout the year, IT has been informing all employees regarding IT safety. There has been no specific training program for all employees in 2022. A data ethics group has been established involving the functions with specific activity in relation to data ethics in Aasted with indirect training in data ethics
Improve our internal sustainability index, the B Impact Assessment score	100% 	Throughout the year, we have improved by 20 points. The activity that has given the most points is the adoption of our new business object, which now includes contributing to society and the environment. Read more about it on page 15
Closer involvement of stakeholders in materiality assessments	100% 	We have involved more staff in our assessment for this year and we have strengthened our input from customers. We will continue to strengthen stakeholder involvement
Create ethical marketing policy	100% 	We have published an ethical marketing policy, which can be found on our website. We have always strived to market our products truthfully and ensure that we comply with legislation on marketing, and this is reflected in the policy
Educate all agents on our CoC	75% 	We conducted a training session for our agents in November 2022. A recording of the session is available on our internal training platform to all sales personnel and agents to rewatch. Furthermore, we have asked our agents to sign our Code of Conduct to show their commitment to conduct business according to our ethical standards. 75% signatures have returned, and we expect the remaining to return in the beginning of 2023
Develop a SOP/AI where the Code of Conduct is reread by all employees and is part of onboarding	100% 	Our Code of Conduct is part of our onboarding of all employees. When new employees are hired, regardless of being an employee at Aasted before, they will sign a Code of Conduct, which is kept in our records. Furthermore, our Code of Conduct will be integrated into our quality management system, so that it must be reread every second year by the entire organization

## Planned actions in 2023



- Complete UN Global Compact’s Business & Human Rights Accelerator program and implement at least one element in the supply chain management
- Ensure that all tier 1, 2 and 3 suppliers and more than 75% of all suppliers have signed our Code of Conduct or similar guidelines at the same ambition level
- Risk assessment for the value chain on business ethics with focus on anti-bribery
- New updated materiality assessment compliant to requirements in ESRS 1 from EFRAG<sup>1</sup>
- Maintain level of interaction with universities and schools with at least 2 university related projects and at least 5 apprenticeships

<sup>1</sup> ESRS are European Sustainability Reporting Standards issued by EFRAG, the European Financial Reporting Advisory Group



# CREATING RESPONSIBLE PROCESSES

## Our commitment

- To become Net Zero by 2030 (Scope 1 and 2)

## Statement of purpose

As we work towards Net Zero across our operations (the so called Scope 1 & 2) by 2030, we will continue to reduce CO<sub>2</sub> emissions from our production and administrative facilities and use resources with increasing efficiency.

Aasted's daily business operations affect the environment and climate. We believe responsible processes are essential to mitigate environmental and climatic risks, and we take responsibility for our environmental footprint. We aim to make our own operations carbon neutral no later than 2030 through increased energy efficiency and minimizing our use of carbon-emitting energy sources.

We want our Net Zero goal to be reached primarily by real emission reductions, and only offset through green energy certificates in areas where our footprint cannot be eliminated in other ways.

We aim to minimize resource depletion and to use natural resources, such as water, very carefully. We work continuously to optimize and streamline our resource consumption and minimize waste and production scrap. In addition, we focus on increasing our share of recycled waste and thereby reducing waste for landfilling or hazardous waste.

We aim for a non-toxic environment and seek to reduce emissions where possible. We also strive to strengthen biodiversity within the scope of our influence, including at our own premises.

## Our path to net zero

Principles of operational decarbonization in prioritized order

Eliminate or reduce all sources that have direct carbon emissions **1**

**2** Increase energy efficiency

Increase renewable energy supply on-site **3**

**4** Maximize off-site renewable energy procurement

Off-set remaining carbon emissions **5**





# Counting down to Net Zero

We have in 2022 taken several important steps to reduce our carbon footprint. Our approach is to first reduce energy consumption as far as possible, then shift to carbon-free renewable energy sources, and then finally offset our residual emissions. As we see it, the best energy is the energy you never use, and we are already starting to see the first results from some of these actions and will see a fuller picture in the next year.

In 2022, we have seen a significant reduction in our CO<sub>2</sub>-emissions (Scope 1 + 2) compared to 2021 and a reduction of 11% compared to our baseline year 2019.

## Shifting to heat pumps

During the summer and autumn of 2022, we installed 16 heat pumps that will eventually replace our gas heated system. The heat pumps will enable us to reduce energy consumption, as they are more efficient, and to transition us towards using electricity, which can be provided by renewable energy sources.

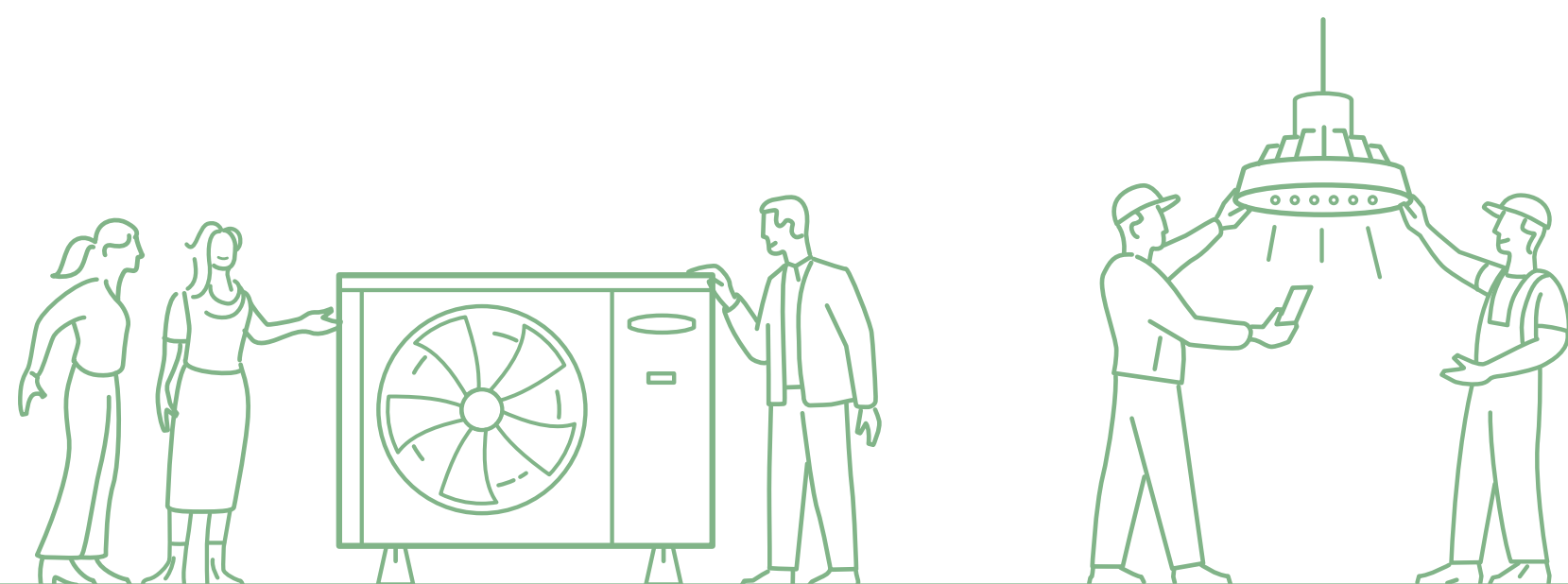
## Switching to LED

Another important step to reduce our energy consumption has been to switch all lights to LED, which will lower our electricity consumption considerably. To reduce it even more, we have increased the number of rooms with automatic sensors for switching on/off.

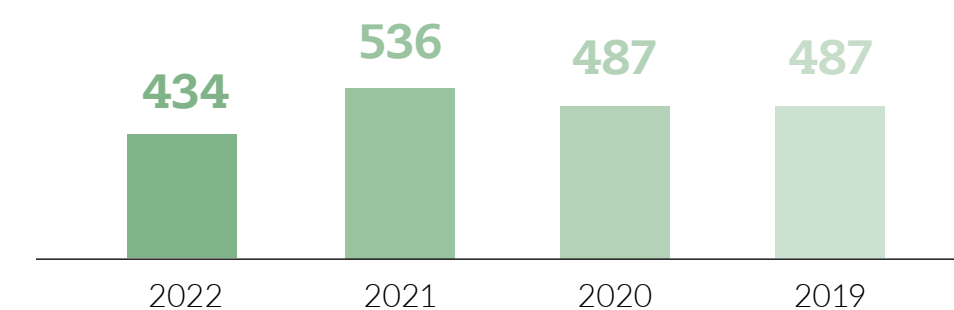
## Planning ahead

An important initiative to reduce energy consumption is a new energy system for our test center building. Here we see opportunities to install solutions in line with our Energy Solutions concept. In this way, this project will both contribute to energy savings and act as a demonstration of what our new approach can achieve.

Another important step to reduce our carbon footprint will be the installation of solar panels. In 2022, we worked with potential vendors to specify a project that will produce electricity from solar panels installed on the roofs of our buildings in Farum. This project is expected to be implemented during 2023.



## Co<sub>2</sub>e tons Scope 1 & 2





### Greener IT purchasing

The IT department has integrated sustainability into its purchasing policies for equipment and solutions investments. There are now clear measurement metrics for both ‘Profit’ and ‘Planet’ with a focus on energy and material use.

An example of this in action was replacing the worst performing monitors based on a total cost of ownership verified ranking, where cost of operation is directly linked to the energy consumption. The worst 28 performing monitors were sent for recycling while the rest will be subject to an ongoing evaluation process. The new replacement monitors have energy saving properties and are significantly more energy efficient.

### Better waste management

Reducing waste and making the best use of the waste we produce are two fundamentals of a circular economy. We sort all waste from operations into 21 different sections to ensure the best possible use and re-use of resources. We have also engaged with a third-party waste management company for the best possible recycling solution and appropriate handling of non-recyclable materials.

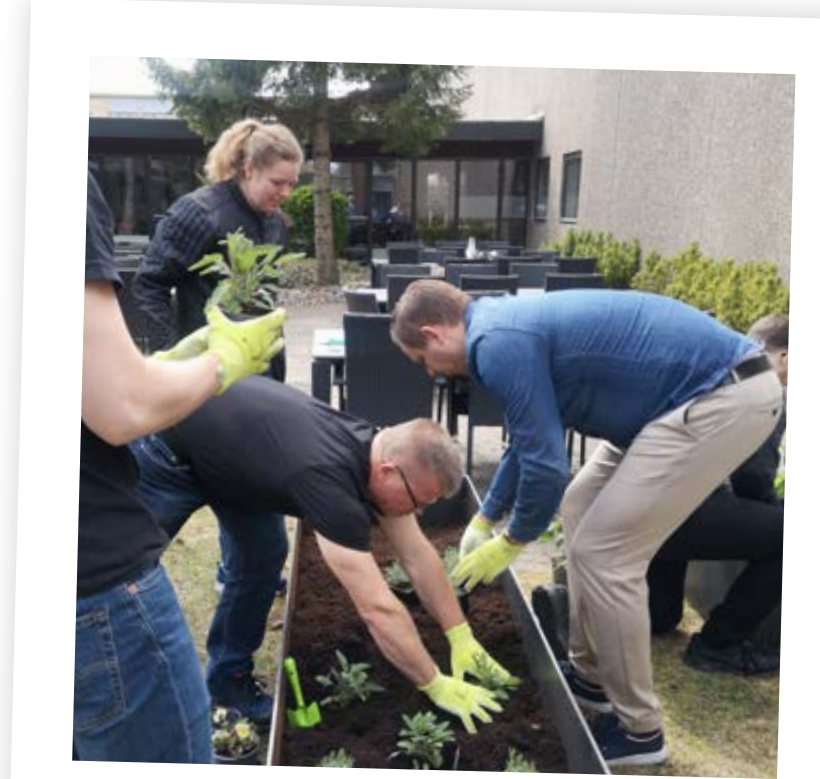
We track and monitor our waste in accordance with the waste hierarchy: reduce, reuse, recycle, recover, landfill – in that order. We recycled an increasing amount of waste material in 2022 compared to 2021, meaning that less waste has been incinerated or disposed in landfill.

On the other hand, our total operational waste increased by 14% from 223 tons in 2021 to 259 tons in 2022. This increase must be considered alongside our increased turnover of 15%, which indicates that it is proportionate to our production. However, there is a task at hand to reduce waste in the design and manufacturing processes to reduce our overall waste generation. The biggest increase in 2022 has been metal scrap, so special attention is being paid to this area. For example, we have run a project to mark bolts and screws, so that it is easier to choose the right ones for assembly with fewer rejects. For more details, see our waste metrics in our accountability section on page 41-49.

### Growing local biodiversity

As the Aasted campus in Farum features grass lawns, in 2022 we decided to increase the biodiversity of these areas with purposeful wild areas. Consultations with specialists resulted in spectacular wildflower growth and taller grass that is more resilient to droughts and heavy rains, providing more food and shelter for bees, butterflies, and other creatures.

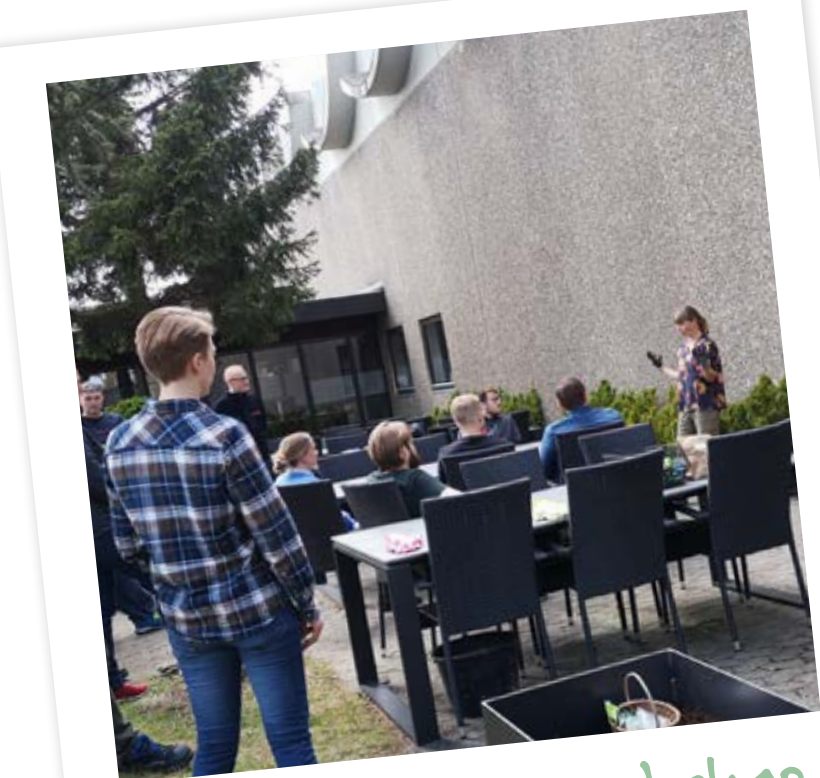
A workshop was arranged for employees to learn more about biodiversity, where a small kitchen garden was planted with surrounding bushes in collaboration with our canteen staff, who use the herbs in their cooking.



Aasted campus



kitchen garden







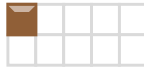


Biodiversity workshop



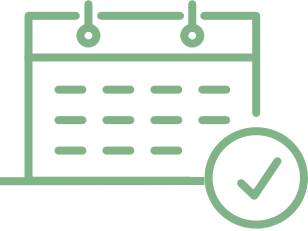
Farum, 2022



# Responsible processes: goals and progress

Planned actions in 2022	Status	Progress in 2022
Replace all light bulbs in Farum facilities with LED	100% 	All lightening in Farum facilities has been changed to LED during 2022
Convert from natural gas to heat pumps in Farum facilities	100% 	Heat pumps were installed during autumn. One heat pump delivery was delayed due to supply issues. In this implementation and up-start phase we expect that they have not been in full function, therefore we expect to see the results from this investment in 2023
Implement energy efficiency as a criterion when buying IT and electronic equipment	100% 	Energy efficiency is an integrated part of the assessment in the investment of new equipment and systems. Our overall purchasing policy also covers purchases for indirect products, such as for IT support
Evaluate the case for investing in solar panels for our Farum campu	90% 	We have made a financial commitment to invest in solar panels and currently we are evaluating offers. As in many other industries, the providers of solar panels are affected by supply disruptions, making it harder to estimate when they can finally be installed
Implement recycling stations with obvious waste sorting in factory and administration	10% 	We are collaborating with our waste management handler to ensure the correct sorting and proper disposal of our waste. The design of new recycling stations is delayed but planned for 2023
Reduce 'general waste's' share of total waste	100% 	We have increased the amount of waste that is recycled, meaning less waste for incineration and landfill. Despite a general increase in waste generation compared to 2021, better sorting has reduced the fraction of 'general waste' and increased the recycling rate
Develop a standard operating procedure for purchasing FSC-certified wood for all packaging and ensure that no non-recyclable plastic is used	80% 	The wood we use for packaging made is PEFC-certified according to volume credit methods. Our logistics department is looking into a new packaging concept to replace plastic with a paper alternative. Furthermore, we follow market developments for packaging solutions to identify more sustainable solutions

## Planned actions in 2023



- Implement new waste sorting system in administration and factory with increased sorting for recycling
- Solution for solar panels identified and agreed with supplier
- Energy optimization solution for ATC (Test Center building) finally planned and project started
- Environmental impact assessment of Farum site compliant to ISO 14001 requirements



# DEVELOPING RESPONSIBLE PRODUCTS

## Our commitments

- Closing circularity gaps in our business
- 50% reduction of value chain emissions by 2030 (Scope 3)

## Statement of purpose

We are working towards our goal of halving CO<sub>2</sub>e emissions across our entire value chain. This will be done by prioritizing R&D projects that enable us to become fit for circularity and by partnering with suppliers and customers that help to reduce our environmental impact.

Since Aasted only produces high-quality machines and solutions with long lifetimes, our products already integrate good fit with circular economy principles. Today, an important part of our product development mission is to close any remaining circularity gaps.

The value chains in which our products operate leave a carbon footprint that is many times greater than that of our own manufacturing operations. Accordingly, we have an ambitious goal to reduce the value chain carbon footprint (the so-called Scope 3) by 50% no later than 2030.

To reach this goal, we will renew our focus on reducing Aasted equipment's energy consumption and we will source input product

materials with lower carbon footprints. Like every other company working to reduce their Scope 3 value chain carbon footprint, we can only achieve this by sharing our mission and collaborating closely with our suppliers and customers.

*CO<sub>2</sub>e: CO<sub>2</sub> equivalent is a metric measure used to compare the emissions from various greenhouse gases, which each have their own global warming potential, by converting amounts of other gases to the equivalent amount of CO<sub>2</sub> with the same global warming potential.*





# Paving the way to a low-carbon circular economy

## Raw materials

A key element in a circular economy is to minimize the usage of virgin raw materials. Product design focusing on more lightweight constructions reduces the material consumption. A key circularity initiative will be to source materials with smaller environmental footprint and higher degree of recycled content

## Parts manufacturing

We select suppliers based on sustainability ratings and work with suppliers to support their progress on material efficiency and reduced environmental impact. An important next step is to improve the traceability and documentation of used resources

## End of life

Most of our machines can be easily dismantled allowing materials to be recycled. A sizable proportion of our machines are made of pure metals, which are both easy and economically profitable to recycle. By providing recycling instructions, we may increase actual recycling, and product design must focus on removing barriers to recycling such as surface treatment, adhesives and additives

## Assembly at Aasted

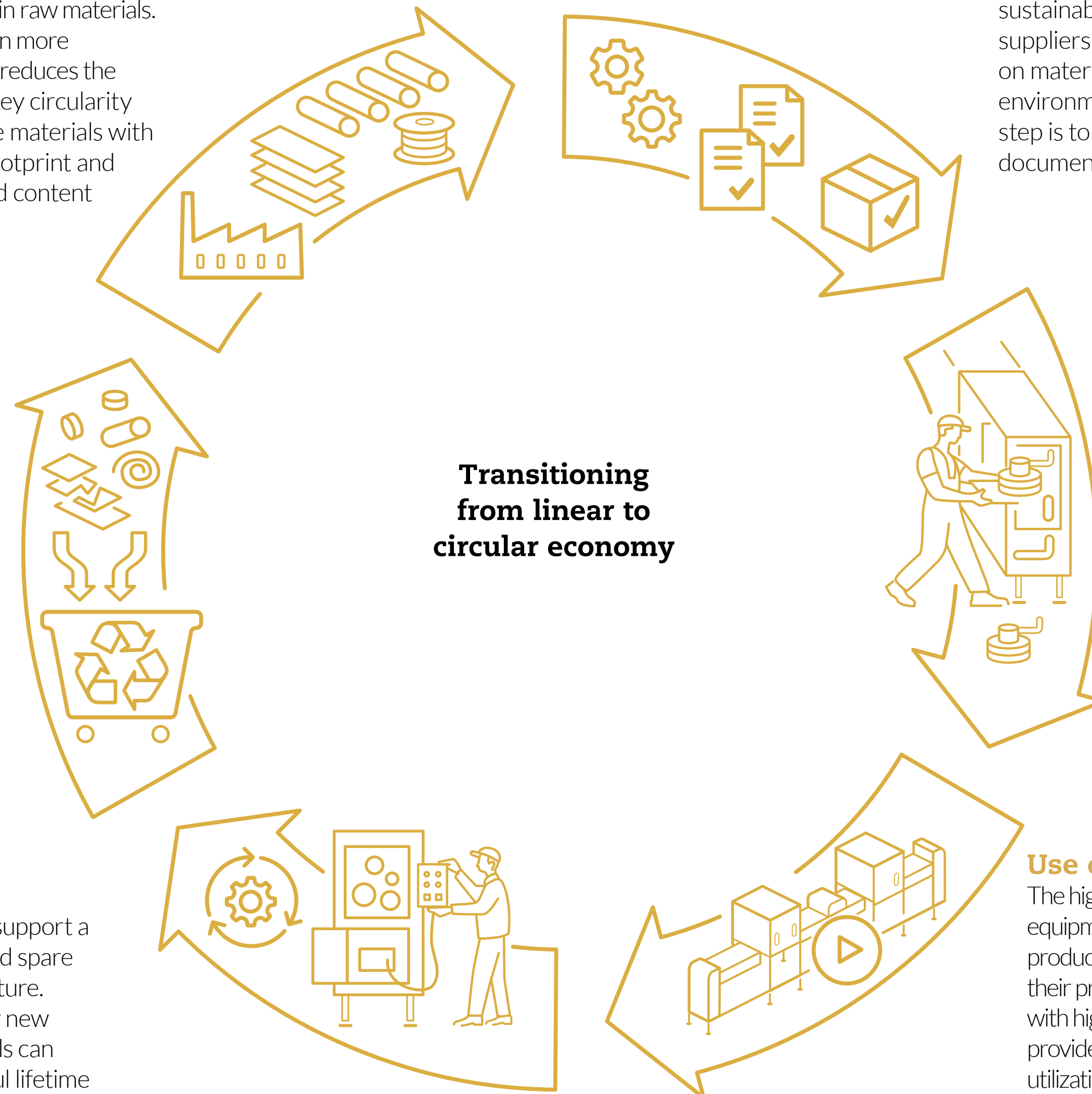
We already work with waste management to retain the value of all recyclable waste materials. Further efforts will be made to reduce the waste and improve the sorting for recycling

## Extended service life

We offer extended services to support a longer lifetime such as repair and spare parts, upgrades and remanufacture. We are currently exploring how new product-service business models can improve sustainability and useful lifetime

## Use of sold products

The high quality of our machines and equipment generally helps customers limit their production waste, as our machines allow that their products are produced uniformly and with high weight accuracy. The high quality also provides for a long lifetime and high degree of utilization. Product development with focus on flexible use may further increase utilization





# Engaging suppliers on sustainability

We seek to incentivize our suppliers to show social, ethical, and environmental stewardship. As such, it is vital to us that our suppliers understand the importance of sustainable development across our supply chain and their business flow. We communicate this through our collaboration and with our Aasted Impact Questionnaire, which every supplier must fill in. This questionnaire is then scored as an integrated part of our evaluation and approval procedure.

## Ranking our suppliers

Aasted classifies suppliers into five tiers: Tier 1 are strategic partner suppliers; Tier 2 are significant suppliers; Tier 3 are key suppliers; Tier 4 are non-critical suppliers; and Tier 5 are non-risk suppliers. At the end of 2022, 81% of our Tier 1 and 2 suppliers completed our impact questionnaire, where 67% of all suppliers have completed our questionnaire based on purchase volume. This is an improvement compared to last year.

## Supplier impact rating

**67%**  
of all suppliers completed impact questionnaire

**81%**  
(tier 1-2) completed impact questionnaire

**60.4**  
weighted impact score of all suppliers by spend (range 0-100)

During 2023, we will work on improving their scores and to ensure that a minimum 90% of Tier 1 and 2 suppliers have completed our questionnaire. In the long run, we want to help existing suppliers increase their score and to place more orders with suppliers that have a higher score. This development is reflected in the average impact score for all suppliers by purchase volume, which for 2022 is 60.4.

Conversations about pursuing sustainable development have been much more frequent since the implementation of this questionnaire. During 2023, we will ask our suppliers for updates so that we can plan improvements and find new ways to support each other.

## Building a responsible supply chain

Engaging with our suppliers on environmental, social, and ethical sustainability is part of our supply chain policy, which has been amended during 2022.

Guided by our triple bottom line, the policy embeds our 360-degree strategic perspective and sets out organizational measures, performance tools, and processes that enable the team to navigate and execute on compliance and impact improvements. It is essential for us to ensure responsible procurement activities and use our leverage to encourage responsible practices in our supply chain.

Aasted does not support or accept unethical business conduct such as bribery, corruption, money laundering, child labor, or forced labor. It is part of our responsibility to ensure that poor environmental and labor practice does not go unnoticed in our supply chain. We seek to monitor and promote this to our suppliers and require that they comply with the principles set out in our Code of Conduct.

End of 2022, 59% of our suppliers either have an acceptable Code of Conduct of their own or comply with ours through signatory commitment. It is our goal for 2023 that all Tier 1, 2, and 3 suppliers shall have documented Code of Conduct compliance and that the total percentage of all used suppliers with acceptable Code of Conduct increases to above 75%.

## The Aasted Impact Questionnaire scores and ranks suppliers on five sustainability dimensions:

1. Corporate governance
2. Environment
3. Responsible supply chain management
4. Working conditions and human rights
5. Community engagement

## This is how we rank suppliers with Aasted Impact Questionnaire scores:

0-20	<b>Not Acceptable</b> Immediate Improvement
21-45	<b>Acceptable</b> Room for Improvement
45-53	<b>Bronze</b> Strive for more
54-65	<b>Silver</b> Grow with the business
66-72	<b>Gold</b> Maintain maturity & focus
73-100	<b>Platinum</b> Maintain maturity & focus



# Introducing Energy Solutions

Transitioning to low-carbon production is critically important. It requires looking beyond reducing the carbon footprint of one’s own equipment into the broader environment that the equipment is part of.

As a result, we are working hard to develop more energy-efficient equipment and to ensure that our equipment runs as optimally as possible. However, we can do even more when we shift focus from our machines to the entire system in which our machines are used. Here we see possibilities to achieve significant energy reductions when taking a holistic approach, and we can now proudly announce that we offer consulting and services for reducing energy consumption across any chocolate, confectionary, or bakery production system. We call these services Energy Solutions.

## What is Energy Solutions?

The Energy Solutions concept puts energy-efficient supply of equipment and conversion of energy in focus. By optimizing supply systems and temperatures, combined with utilizing efficient energy conversion and heat recovery systems, there is great potential for reducing the overall energy consumption – and in turn its carbon footprint – of the entire production process.

By focusing on the efficiency of energy conversion of individual machines, we can lessen the impact of our production processes. We have now taken this step outside our core business of producing machines to offer services and support for our customers in transitioning their energy system and lowering their carbon footprint. We genuinely believe that the potential impact of taking a systemic perspective on energy consumption can create a more significant impact for the benefit of our customers, as well as the planet.

Starting as a business development project in 2021, Energy Solutions was launched as a full service with a dedicated department at the end of 2022.

## Third-party verification

To improve the energy consumption of our products, we need to ensure that a baseline is set to improve from, so that all developments are visible to stakeholders internally and externally. For the greatest possible transparency, we have decided that all energy reductions must be measured in relation to benchmark values from earliest 2020. Furthermore, our internal requirements have been updated to have a particular focus on comparability, repeatability, and traceability.

We have engaged with an independent third party with expert knowledge to ensure credibility and that the documentation is accurate, reliable, and transparent. A baseline was established on one of our standard machines with measuring equipment that is calibrated and traceable, making the measuring process replicable. We then used this baseline to compare to our energy-efficient alternative using the same measuring process and method. From this we found that there is a 30% saving potential for customers in choosing the energy-saving equipment.

We have set targets to reduce our Scope 3 emissions and measuring the performance of our current equipment will help us on that journey. Testing new equipment and machines ensures that we progress towards lowering the energy consumption of our machines and offer improved solutions to customers.

— Read more about Energy Solutions and how we can support transitioning of energy systems



**Niels Schmidt**  
Manager, Energy Solutions

**“The aim of Energy Solutions is to achieve the lowest possible greenhouse gas emissions from the use of our equipment in our customers’ specific installations. I am convinced that we will achieve this by ensuring the most energy-efficient solution is easily accessible and simple for our customers to choose.”**





# Giving machines a longer life

At Aasted, we believe that sustainability and business go well together and finding ways to increase the lifetime of our machines makes perfect sense.

We design and manufacture high quality machines with very long lifetimes of typically more than 20 years, and often more than 30 years, even when they are in operation every day. Reliability and durability are important for our customers, so that their chocolate and confectionary production can run steadily without unexpected stops, and this is in the heart of our design approach.

But just as importantly as this, we also understand the value of delivering solutions that go beyond the product itself, which is why we offer services to maintain, repair, and upgrade our machines for an even longer lifetime.

## Repair, not replace

Repairability has come to focus as an important element in the circular economy. Consumers have for a long time been used to products that cannot be repaired or where repair is too expensive, so that broken products must be discarded. This approach is not sustainable and, both from the consumer side and the regulator side, demand for repairability is increasing.

In the machinery industry, repair has always been a common approach, and in Aasted we offer a comprehensive program of services with spare parts, repair, and maintenance onsite. We have service

technicians located all over the world to be as close to customers as possible and to react quickly. We are constantly developing our service offerings to cover all lifetime needs and we are developing digital tools that increase efficiency and monitor performance.

## Improve what you have

Upgrade and remanufacture are also other important approaches to give products a longer life. In a machine, some parts will degrade faster than others, for example the electric components will typically become obsolete long before the steel parts. Therefore, remanufacturing, where all the electric parts are replaced with new, may double the lifetime for a machine, while also giving options for an upgrade or repurposing.


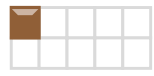

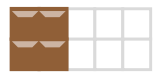


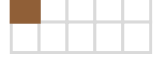

An upgrade can add new features to the machine, so that it is fit for new needs. In the case of repurposing, a customer might have bought it with a specific product in mind but may after some years need to use the same machine for other products due to changes in their assortment. This will often require changes to the machine, so it is part of our business to offer remanufacturing capabilities.

**Product lifetime, typically more than 20 and often more than 30 years**





# Responsible products: Goals and progress

Planned actions in 2022	Status	Progress in 2022
Develop a campaign targeting current and future customers promoting maintenance and service-level agreements to extend the service life of equipment	100% 	We have run a campaign on improving service on our products, to ensure that machines run optimally and making sure that they will be in use for as long as possible by servitizing. We have also run a campaign promoting remanufacture of machines and spare parts offering
Develop sales teams' knowledge and ability to confidently integrate sustainability and Aasted's value proposition into dialogues with customers	10% 	Our sales personnel have been part of the overall internal communication on sustainability activities in Aasted. One training session on temper machines with focus on Energy Solutions has been conducted. Unfortunately, there has not been a dedicated focus on training the sales personnel on this. This is now planned for the next coming sales seminar in March 2023
Increase focus on remote validation tools on installed equipment to ensure optimal production	100% 	This is an ongoing objective. The technology has been developed and is integrated into several new machines. The next step is to test in real life how it can support optimal production and further development of the technology and the value proposition of remote validation tools
Develop policies and set targets to reduce environmental footprint from shipping activities	40% 	We have evaluated the best courier services, as logistics suppliers for larger shipments seem to be slower in transitioning to low-carbon transportation solutions. We will continuously monitor the market for ways to lower our carbon footprint from logistics and engage in greener solutions
Take measures towards no use of non-natural refrigerants in products from Aasted or third-party equipment	100% 	We do not use refrigerants in our own products, but we resell third-party cooling equipment to our customers based on their specifications. To support avoidance of non-natural refrigerants, we provide our customers with a list of recommended equipment, which we have screened for hazardous and non-natural refrigerants
Take Energy Solutions to market to help customers to assess energy use and the potential reduction on equipment, including the economic benefits	100% 	In October 2022, Energy Solutions was taken to market. We have established a team dedicated to providing this service offering
Improve user guides to better ensure correct commissioning, operation and use, maintenance, and disposal	10% 	We have initiated this initiative and developed a concept and direction for our work to ensure better and correct decommissioning and disposal. Improved user guides are expected to be implemented during 2023
Develop/amend procurement policy	100% 	We have developed and amended our Supply Chain Policy where procurement is an integral part. This lays the foundation for ensuring responsible procurement in our supply chain and is currently integrated into the relevant processes in our quality management system

## Planned actions in 2023



- Develop methodology for assessment of Scope 3 emissions both upstream and downstream
- Establish lifecycle assessment approach and roadmap
- Assess three key materials for carbon footprint and potential for improved footprint
- Implement at least two initiatives related to circular economy in product design and development
- Improve supplier impact score (average by spend) and ensure that more than 90% of suppliers have completed our impact questionnaire
- Reduce carbon footprint from logistics activities through agreement on shipping services and/or new packaging solution with less environmental impact



# BUILDING A RESPONSIBLE CULTURE

## Our commitments

- We will be a diverse workplace that brings value to our colleagues in terms of job satisfaction, development opportunities, and a good work-life balance
- By 2025, at least 25% of all board members elected by the general meeting must be women
- By 2025, at least 25% of all managers on the executive level and secondary management level must be women
- By 2025, at least 40% of all managers with a strategic area with direct reference to the Executive Board (Head of...) must be women

- By 2025, at least 20% of all Aasted employees must be women
- All employees receive an average of five education days per year

## Statement of purpose

Within the areas of our control, we pledge to support and respect the protection of internationally-declared human rights. This includes demonstrating social responsibility towards our employees and rejecting any form of discrimination in relation to employment or occupation, and commitment to freedom of association.

We strive to create an inclusive, empathic organization that enables

us all to develop professionally and personally. We also believe this will positively influence our relationships with our customers.

We continually strive to create a culture founded on integrity, trust, responsibility, and purpose. We want to be a place that makes a positive impact for our employees, a place where they thrive and grow, and feel supported and valued.

We value strong relationships, knowing that the one factor that contributes the most to our quality of life is our relationships with others.

We strive to ensure psychological safety for all employees. Psychological safety is an essential characteristic of an inclusive and diverse workforce where everyone feels secure

in voicing curiosity, innovative ideas, and perspectives – all of which make us stronger, more innovative, and better equipped to address future challenges and accelerate our progression towards more sustainable business practices.

Our commitments, targets, and approach to diversity and inclusion are described in our updated diversity and inclusion policy, which you can find here.





# Helping our people to grow

Employee turnover rates and absences are indicators that can reflect staff wellbeing and employee relations. At Aasted, we track the development of both on a quarterly basis, which is reported to executive level.

Last year, there has been a small reduction from 2021, going from 10.8 to 10.1 days of sick leave in 2022. This is (slightly) higher than the average in our industry, which is 8.0 (according to DI statistics for 2021). Compared to our 2019 number of 8.8 days on average, it is still relatively high.

Our turnover rate is decreased to 17% from 19% in 2021, which is on par with our industry average (18.5%). We have taken measures to focus on employee satisfaction and wellbeing and during 2022 we have introduced an employee survey tool to gain insights into our workplace and learn how we can improve.

## Employee satisfaction survey

In 2022, we conducted our first employee satisfaction survey with an 88% response rate. The survey showed an overall engagement rate of 78, which is on par within the industry, and an execution rate of 65, which is also on par. The survey showed that balance is a strength in Aasted; people in general feel that there is time to perform their tasks with good quality and an adequate level of influence to develop and use their competences.

While we are happy to see that Aasted employees are engaged, we can also see from the survey where we have room for improvement. We are planning a follow-up on the survey both department-wise and across the organization, where three central themes will be addressed for the leadership team, namely: Roles and responsibilities; Supporting and result-oriented management; and Cross-organizational collaboration. We plan to conduct frequent surveys in the coming years to ensure a steady improvement.

## Leadership development

We aim to provide employees with opportunities to learn and grow through job training, education, workshops, and knowledge sharing. As a new initiative in 2022, we had eight newly-hired managers on leadership training courses to generate opportunities for personal development and for improving leadership in Aasted.

The training has increased the managers' awareness of their own leadership styles and for meeting the specific leadership requirements of individual employees. Six of the participants have shared their learnings with the Aasted management team at a leadership academy, helping us to promote a common leadership approach across the organization.

**“The training was very helpful for me when I stepped into a new role as manager. I now have a useful toolbox and better insights into what type of manager I am today – and what type of manager I want to be in future.”**

**Nevin Yücel**  
Team leader, Customer Service



**Employee sickness absence**  
**10.1**  
**days per FTE**

**Employee turnover rate**  
**17%**

**Employee satisfactory survey**  
**78%**  
**engagement rate**



### A new platform for training

In 2022, we started the implementation of a new digital platform, called D4, for policies, processes, standard operating procedures, and instructions, which is used to support our Business Process management, Quality management, and Health & Safety management. D4 also works as a training platform, from which we can communicate information and instructions to our colleagues based on roles and responsibilities, and where we can track completion rate. This allows us to deploy policies more systematically and ensure that they are well documented.

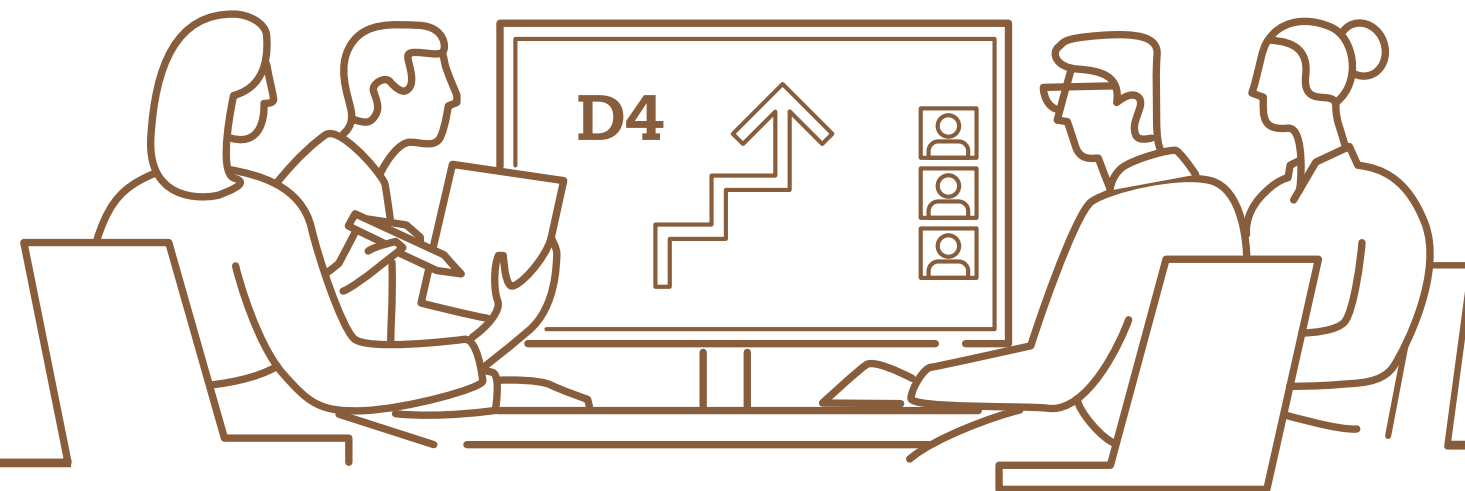
### Engaging with research and education

In Aasted, we want to create grounds for innovation and the development of solutions that support sustainable business models or processes. We are working on this in collaboration with MADE and Innovation Fund Denmark, two organizations that connect Danish manufacturers and businesses with research and innovation institutions.

Currently we have two PhD fellows in Aasted: Eleni Ioannidi, who, in collaboration with University of Copenhagen and funded by Innovation Fund Denmark, is researching fat crystallization that can potentially optimize production processes; and David Saranic, who is researching Sustainable product-service system solutions in collaboration with Technical University of Denmark and MADE. David was awarded a second prize for the Otto Mønsted Foundation's MADE Award in 2022.

What they both mention as a valuable to their research is the ability to test and develop their research and models on real-life cases and in existing industrial processes. Furthermore, this also helps to show what it is like to be part of a work environment outside of academia.

We also currently have ten apprentices in our factory and office who are completing their internship or apprenticeship in connection with their education.





## Bringing people together

A sense of community is what makes people committed to, and engaged with, our organization. Aasted is not only a family-owned company, but also a place where everyone is seen as part of the community. This has been our culture since the very beginning and is an approach that will serve Aasted well into the future.

The key to this comes from the way we work and interact, ensuring that people get to know colleagues from other parts of the organization. For example, we organize many social activities throughout the year, including a summer party for families and a Christmas party. In 2022, many of us also took part in the DHL Relay race and an event called Cycling4Cancer, which involved keeping a bicycle running 24 hours.

A key contributor to social events is Team Aasted, which is financially supported by the company but run by colleagues. Team Aasted organizes many different events every year that brings people from all parts of the organization together and builds a community feeling. In 2022, this also included events such as wine tasting, beer tasting, high roping, electric go-cart racing, visiting a neighboring winegum manufacturer, and paddle tennis.

## Taking responsibility in times of war

One of Aasted's key suppliers, Danico, is located north-west of Kyiv in Ukraine. In March, the Russian war campaign came close when a local oil depot was bombed, and women and children needed to be evacuated to a safer place. Aasted took on the responsibility and arranged for two buses to evacuate 100 people from Ukraine to Denmark. A local bus transported passengers to the Polish side of the border, where a Danish bus met them and transported them the rest of the way. One of Aasted's customers, Confiserie Bachmann AG from Switzerland, offered to pay the costs for the first bus. Aasted and our business partner Wexøe from Værløse paid the costs for the second bus.

In readiness, we had already partnered up with our local municipality, Furesø, who took care of the Ukraine refugees when they arrived and ensured everyone had a place to stay. Many were picked up by private families or by people from Aasted who hosted them for several months.

As conditions in this part of Ukraine improved, many chose to go back to their homes to secure their jobs and future. Danico continues to be in operation, thereby maintaining its important contributions to the local community.



**“We simply felt that this evacuation was the right thing to do – so we made it work.”**

**Christian Aasted**  
Owner





# We believe in diversity and inclusion

We value diversity and work continuously to create and maintain a culture based on equality across all social, sexual, national, and cultural identities.

As a global export company, employing people of different nationalities is a pivotal asset when dealing with customers and suppliers with differing business norms and market dynamics. As of end of 2022, we have approximately twenty nationalities represented in our staff. Perspectives from both younger and older generations make us stronger, so we want to attract younger employees through good learning opportunities and retain senior employees by providing them with a high degree of autonomy and self-direction. In 2022, we have ten apprentices and eighteen student assistants as well as twenty-one employees on a senior agreement.

In 2022, we have also continued our ‘new normal’ policy to allow for flexible working arrangements that enable people to manage their work-life situations in a way that supports the individual. Furthermore, we have investigated how to develop our recruitment process to support our targets and implemented processes to continually improve the working environment for employees on a feedback-based approach.

## Equal pay

As part of inclusion and equity, we measure the gender pay gap on an annual basis. In 2022, the pay ratio was 1.00, meaning that the median female employee on average earned exactly the same as the median male employee. This is a stable development from 2019. In 2021, we conducted a more extensive

review of pay based on gender and other factors, such as education and seniority, to ensure that pay gaps are kept as close to zero as possible.

## Updated targets for gender representation

We are aware that gender is just one dimension of diversity and see an increasing importance for companies to take a wider perspective on diversity and identity. However, we also understand that measuring aspects that involve personal information should be done mindfully and in line with legislation. As such, we are committed to ensuring inclusion and fostering diversity and we will be considering how to incorporate relevant diversity dimensions to ensure a multi-faceted approach, while protecting sensitive and personal data.

## Diversity at Aasted





According to the Danish Company Act, Aasted is required to set targets for the underrepresented gender in upper management positions, where we have chosen to widen our own requirements to all employees of Aasted ApS. In 2022, it was our goal that by 2025, 30% of all board members, 35% of all managers, and 20% of all Aasted employees are women. We have this in mind when we hire or promote new managers and, in 2022, 3 out of 8 newly-hired managers sent on leadership education courses were women.

14% of the board of directors are represented by women, which is an improvement from last year. This was made possible when Aasted elected new members to the board in 2022, expanding from 4 to 7 members, one of which was a woman. We will continue the efforts to reach the target in 2025 at latest.

For our total workforce, the level is stable at around 15% in 2022 compared to previous years. On the other hand, there is a decrease in women in management positions from 33% in 2021 to 26% in 2022, which is mainly due to female resignations and underlines the need for further action.

As a result, we have made an action plan for 2023 to ensure more balanced gender representation in Aasted by 2025 at the latest, working across areas such as recruitment, employment, culture, and job satisfaction. Included in this are processes for conducting anonymous or 'blind' reviews of key applications without names or identifiable characteristics with an external recruiter.

Furthermore, we will start the work on succession planning and ensuring that our job descriptions are inclusive and equitable for both genders.

### Creating new targets

Due to changes in the Danish Company Act in 2023, we will update our diversity and inclusion policy to include targets for the underrepresented gender in Aasted from 1 January 2023. Our updated targets for Aasted ApS reflect the goals we have already set but with due modifications, which can be seen on page 30.

Two of these targets are legal requirements in the Danish Company Act, one of which now has a definition of secondary management level to make targets comparable across companies. We have added an extra target for managers of strategic areas, as we find it significant for Aasted in terms of future succession planning and balancing out our reduced targets for upper and secondary management.

Our goal for board members has been decreased from 30% to 25%, to ensure that it is practically achievable with 7 board members. We still find it relevant to increase our overall gender balance in Aasted, which is why we have decided to keep our target for all employees.

In 2022, Aasted signed Danish Industry Association's Gender Diversity Pledge.




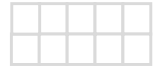
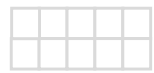



# Responsible culture: Goals and progress

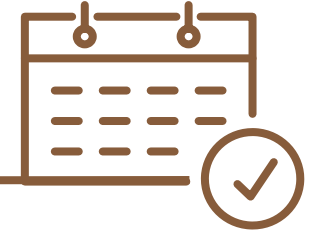
## Planned actions in 2022

## Status

## Progress in 2022

Conduct four themed Leadership Academies in 2022	50% 	Two out of four leadership academies were conducted in 2022 with the themes: Employee satisfaction and well-being; and Presentation of leadership tools
Implement e-learning system	0% 	During 2022 we have implemented an internal quality system that supports the benefits we sought with an e-learning system. Therefore, it has been concluded that we will use our QMS for now, to see if we can support our employees through this system rather than through a separate e-learning platform
Focus on diversity and inclusion content on employer branding webpage	0% 	Unfortunately, we have not been able to implement further significant changes during 2022 to our employer branding webpage
Implement employee survey assessment tool	100% 	In 2022, our employee survey assessment tool was developed and a survey was conducted using the tool. This tool will help us track progress over time and support a continuous development of our workplace

## Planned actions in 2023



- Conduct minimum one employer survey assessment including follow-up on potential improvement areas
- Strengthen leadership through four leadership academies
- Risk assessment for the value chain on fair pay and workers' rights
- Plan for diversity and inclusion, and implementation of at least one initiative to strengthen diversity



# ENSURING A RESPONSIBLE WORKPLACE

## Our commitments

- Reduce our accident frequency rate by 50% to 5.0 per million working hours by 2025 (baseline year, 2020, was 10.1 for every million working hours)
- Reduce our accident frequency rate to 2.5 per million working hours by 2030, outperforming the manufacturing industry benchmark
- Zero fatalities

## Statement of purpose

We want to ensure that Aasted employees can pursue long, healthy, and happy working lives.

At Aasted, we continually strive to provide safe and healthy places to work. Our colleagues' working conditions are key to safeguarding their wellbeing, safety, and human rights.

Workplace safety is critical for our employees to perform their duties without risking physical or psychological harm. Employees in Aasted are also offered health insurance, including for psychological and physical health issues.

We will further our focus on health and safety and will work persistently to reduce the number of injuries that occur in our workplace.





# Taking safety measures

Safety is a top priority in Aasted. We want to ensure a safe and secure workplace and, as such, we are working hard to drive down the number of risks and accidents. In 2022, we have taken steps to strengthen our health and safety organization and to create a more systematic approach to safety, as well as to improve documentation. We have a dedicated Health & Safety manager to lead our activities and a safety organization with participants from the various factory departments to secure effective and efficient deployment.

Having a systematic approach enables us to analyze every accident, including near misses, to identify the root causes so that we can learn from them and prevent similar situations from happening again. We registered 10 near misses in 2022.

We have also taken steps to improve our safety training program, so that all new employees get

basic training in safety measures as one of the first elements of their onboarding. People working in the factory have extra dedicated training sessions on processes, equipment, and how to act in case of incidents. Furthermore, we have implemented safety processes and instructions into our new digital quality management platform, D4, so that we can track progress and everybody can find information easily.

The approach is paying off and we have already seen a decline in accidents. In the first half of 2021, our accident frequency rate (number of accidents resulting in more than one day's absence divided by million working hours) was 21.0, which dropped to 7.8 in the second half of 2021, and reached 5.3 in 2022. Looking ahead, we are confident that we will reach our goal to get down to 5.0 in 2025 and 2.5 by 2030.



**333**  
Total FTE

**237**  
Salaried employees

**96**  
Hourly employees

**135**  
Employees with collective bargaining agreements



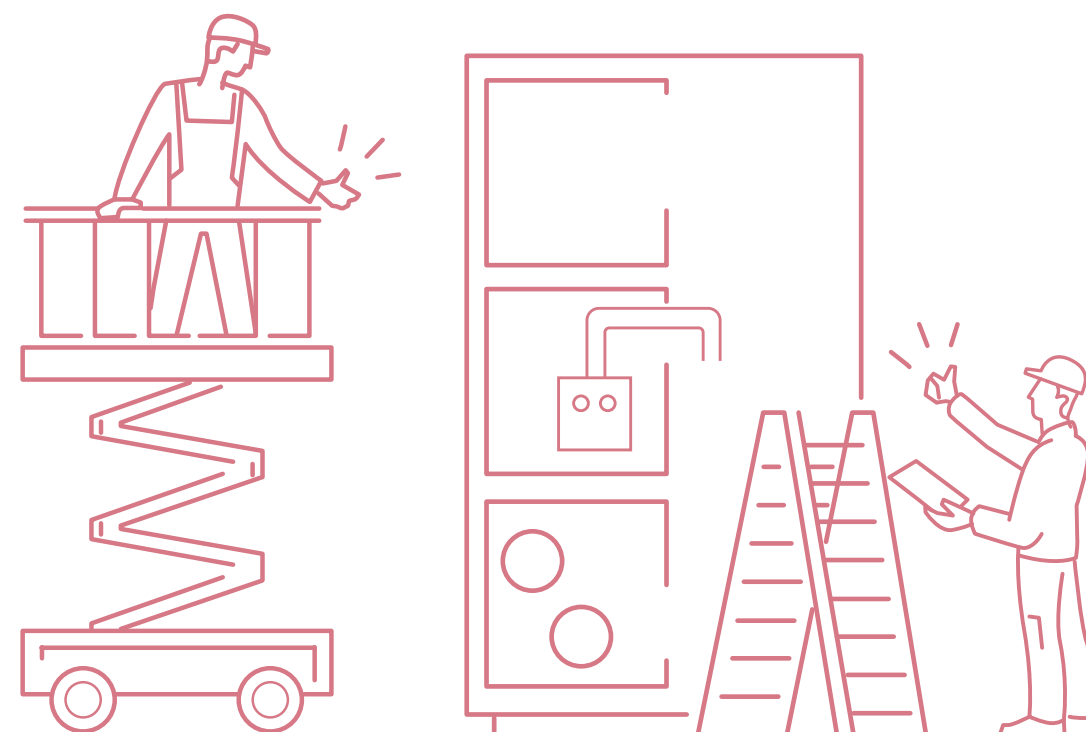
## Safer lifting and safer heights

Ensuring a safe work environment involves numerous big and small practical actions and measures, both to maintain our existing safety record and to improve it further.

In 2022, we also focused on heavy lifting and on working at height. To this end, we examined all our safety equipment to ensure it meets the required standards. Following this, we have planned the installation of a new vacuum lifter for lifting boxes in our warehouse, and a bigger crane for our factor to handle the larger machine parts.

Some of our chocolate machines are more than two meters in height. We have now identified solutions that will make working on them even safer, both in our factory and when commissioning the machine lines at the customer sites.

Lastly, we also enrolled three colleagues on an external training course in ladder safety so that they could review the ways we use our own ladders, and we conducted a follow-up audit on our use of chemicals and attended training courses in chemical workplace analysis.



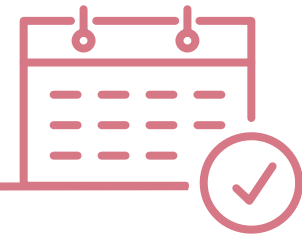


# Responsible workplaces: goals and progress

## Planned actions in 2022

Planned actions in 2022	Status	Progress in 2022
Develop a formal safety reporting system for employees to submit their safety concerns	100% 	There is a formal procedure for reporting safety concerns and near miss incidents that includes these reportings in the analysis and follow up on accidents in the working environment organization's reports and meetings
Develop training policy and a health and safety training program to regularly train all hourly employees in health and safety issues as well as health and safety procedures	100% 	Our policy on training in health safety as well as the formal training program is part of our internal quality system. Here, employees can access policies, standard operating procedures and work instructions. Safety training is an integral part of the onboarding activities
Senior management to address safety issues through written communications or in company gatherings at least quarterly	75% 	Senior management has addressed health and safety at our workplace with support from our quality and HSE functions in the weekly management information video in Q2, Q3, and Q4
Integrate investigation and documentation of the root causes of accidents and incidents in standard operating procedure	100% 	Analyzing occupational injuries and cases of near misses is now integrated in a written standard operating procedure in our quality management system
Create transparency regarding injury trends and trend data for all workers	100% 	In Q2 and Q4, the current state of our accident rate and the trend was communicated to employees through virtual company communication and a written report
Conduct an annual evaluation of the safety and health system that includes senior management	100% 	The annual meeting in the working environment organization was conducted in February 2022 with senior management
Ensure that our emergency plans are up to date and include areas such as terror incidents and chemical emergencies	100% 	Emergency plans have been reviewed, updated, and integrated into our quality management system. This means a bi-annual review and continuous updates communicated to all employees
Prioritize ergonomics and how we can improve our practices when lifting, pushing, and hauling, as well as how we can improve correct use of our equipment at our plant	100% 	Initial investment in lifting equipment in our warehouse and plans to invest further in lifting equipment specialized for the need in our warehouse, as well as in the factory

## Planned actions in 2023



- Improve employee well-being as measured in the employee surveys with a focus on the collaboration between manufacturing and administration
- Improve ergonomics with focus on lifts and working postures in the factory, and correct set-up of the work stations in the offices
- Reduce accidents related to traffic both inside and outside the factory through improvement of rugged surfaces and better conduct



# ACCOUNTABILITY





# Governance

The Aasted governance has a Board of Directors including the four owners and three external board members. The daily management is led by the executive management comprising the CEO also acting as CCO and leading the Commercial Organisation, the CFO/COO leading the Business Support & Operations Organisation and the CTO leading the Technology Organisation.

To effectively implement sustainability across the organization, we have appointed yearly sustainability leads for each area of impact. In close collaboration with our functional areas, the sustainability department supports the execution of our sustainable strategy and our ongoing sustainable initiatives and business development activities.

Our sustainability department is responsible for coordinating and facilitating progress on our sustainability strategy and commitments. To reflect the strategic importance of sustainability, our sustainability manager reports directly to our CEO.

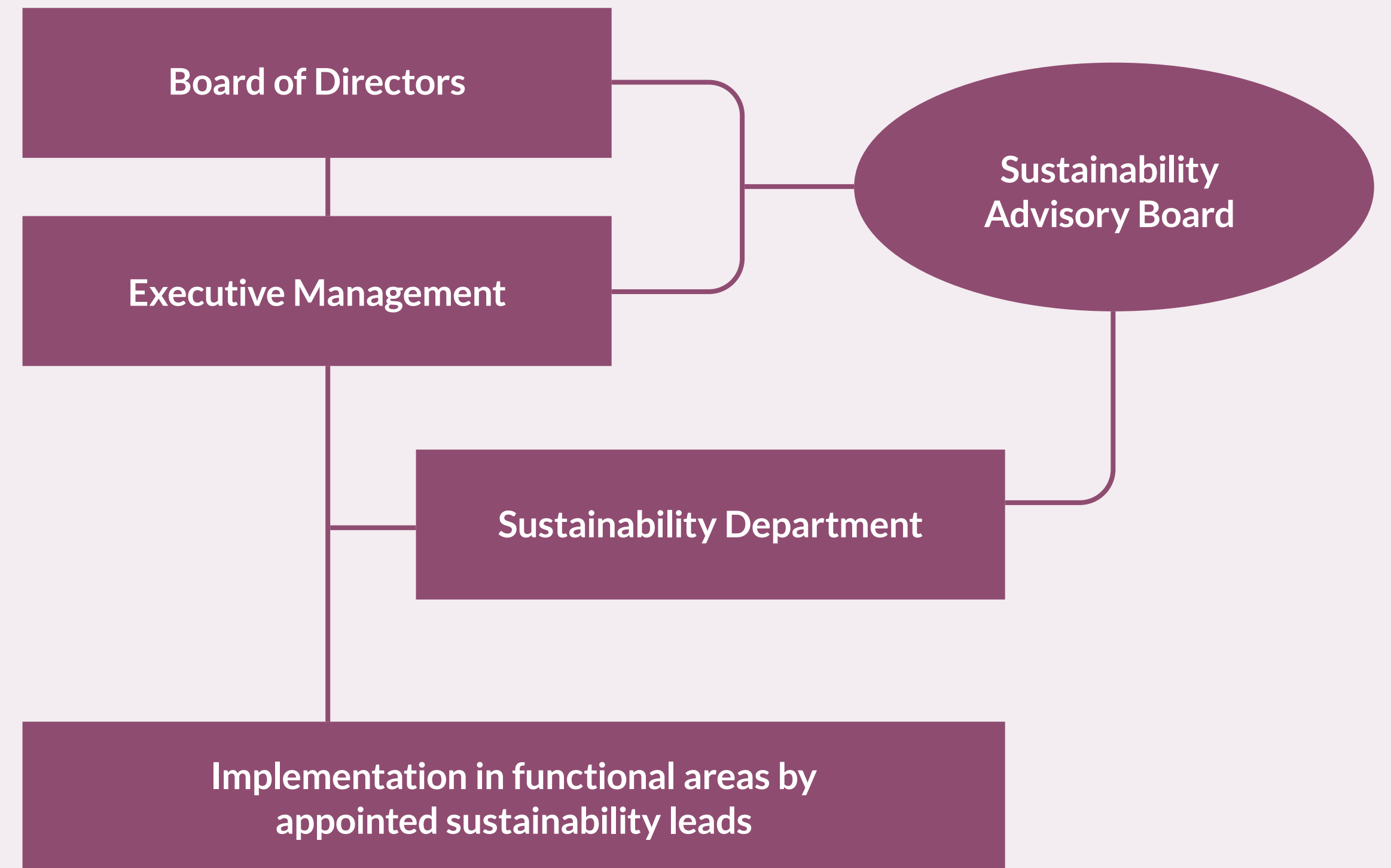
The executive management review and approve of sustainability commitments, targets, and reporting to ensure internal agreement and commitment before approval with the board of directors.

The board of directors reviews and gives final approval on sustainability strategy commitments, targets, and progress. Progress on sustainability is reported to the board of directors at least once a year.

Aasted’s Sustainability Advisory Board meets on a regular basis to support and guide our board, CEO, and sustainability manager on our sustainable strategy, issues, and trends.

**Partnerships and coalitions:**

- UN Global Compact (Participant)
- Business & Human Rights accelerator
- Science Based Targets initiative
- DI Gender Diversity Pledge





# Key figures

Environment					
	Unit	2022	2021	2020	2019
CO <sub>2</sub> e, Scope 1	tons	208	330	262	278
CO <sub>2</sub> e, Scope 2, location based	tons	226	206	225	209
CO <sub>2</sub> e, Scope 2, market based	tons	592	566	569	553
Energy consumption	GJ	8,512	10,470	9,964	10,050
- Of which is gas used for heating	GJ	3,223	5,400	4,408	4,598
- Of which is electricity	GJ	5,289	5,070	5,556	5,453
Share of renewable energy (location based)	%	50%	37%	42%	40%
Water consumption	m <sup>3</sup>	1,993	1,607	2,026	2,206
Total waste	tons	259	224	283	338
Hazardous waste rate	%	0.8%	0.8%	0.3%	0.2%
Waste recovery rate	%	97%	96%	97%	96%
Waste recycling rate (material recovery)	%	55%	50%	57%	49%
Waste biofuel recovery rate	%	17%	17%	0%	0%
Waste energy recovery rate	%	25%	29%	41%	47%
Waste to landfill rate	%	2.7%	4.0%	2.7%	4.4%

Social					
	Unit	2022	2021	2020	2019
Workforce	FTE	362	336	349	364
Workforce - Hourly salaried employees	FTE	112	97	117	120
Workforce - Salaried employees	FTE	251	239	233	244
Gender diversity	%	15	14%	15%	14%
Gender diversity – management	%	26	33%	33%	20%
Pay gap between genders	Ratio	1.00	0.92	1.01	0.99
Employee turnover rate	%	17%	19%	19%	18%
Employee sickness	Days/FTE	10.1	10.8	8.8	8.0
Employee sickness - Hourly salaried employees	Days/FTE	18.2	21.9	11.6	10.7
Employee sickness - Salaried employees	Days/FTE	6.4	6.4	7.4	6.6
Senior employees	FTE	21	17	9	7
Student employees	FTE	18	13	12	6
Apprentices	FTE	10	8	7	6
Education days	Days/FTE	3.6	1.6	1.9	5.1
Employee-participation in education	Headcount	162	110	123	276
Employees covered by collective bargaining agreements	Headcount	137	135	149	158



# Key figures

## Governance

	Unit	2022	2021	2020	2019
Board's gender diversity	%	14%	0%	22%	22%
Participation rate in board meetings	%	100%	100%	100%	100%
Pay ratio between CEO and employees	Ratio	6.04	6.35	6.27	-
Suppliers covered by acceptable Code Of Conduct	%	59	64	-	-
Volume from suppliers (tier 1-5) with completed impact questionnaire	%	67	50	-	-
Volume from suppliers (tier 1-2) with completed impact questionnaire	%	81%	79%	-	-
Average impact score for suppliers weighted by spend	Score	60.4	60.8	-	-

## Accidents

	Unit	2022	2021	2020	2019
Accident frequency rate (Lost Time Injury)	Ratio	5.3	14.7	10.1	9.9

## Financial

	Unit	2022	2021	2020	2019
Revenue	t. DKK	576,718	501,101	571,464	589,455
Revenue, Chocolate <sup>1)</sup>	%	76.7%	76.1%	72.3%	67.3%
Revenue, Confectionery <sup>1)</sup>	%	3.3%	2.4%	7.2%	8.6%
Revenue, Bakery <sup>1)</sup>	%	3.5%	0.5%	4.6%	9.3%
Revenue, Aftersales & Service <sup>1)</sup>	%	16.5%	21.0%	16.0%	14.8%
EBITDA	t. DKK	45,790	39,466	53,230	51,382
Tax	t. DKK	6,893	6,199	8,855	9,990
Solvency ratio	%	31.4%	38.5%	36.6%	25.4%
Credit Assessment	Score	AAA	AAA	AAA	AA

<sup>1)</sup>The assessment method for the distribution between the revenue branch categories have been adjusted. The adjustment is valid for all years.



# Accounting principles

## About this report

This corporate responsibility report covers the period 1 January 2022 - 31 December 2022. The following accounting practices cover disclosures made in relation to our sustainability strategy and the materiality assessment, which is disclosed in this report. The disclosed key figures constitute the metrics that we consider paramount to pursue our strategy and our ambition to lead the sustainability transition within our industry.

## Scope

Unless otherwise stated, figures represent Aasted ApS with premises in Farum, Denmark, and its subsidiaries, Aasted Germany GmbH, Aasted Turkey & Middle East LLC with premises in Istanbul Turkey, and Aasted North America Inc. with premises in Atlanta, Georgia.

## Environment

### Climate emissions, Scope 1

Our Scope 1 emissions stem from use of natural gas for heating, gas bottles used for manufacturing processes, and use of company cars. Heating covers the three premises in Farum, Denmark, in Turkey and in the USA. Gas bottles are only used in Farum. Company cars covers cars in Denmark. For emission conversion factors are used factors from the Danish Energy Authority and from GHG Protocol.

### Climate emissions, Scope 2

Our Scope 2 emissions stem from use of electricity in our three premises in Farum, Denmark, in Turkey and in the USA. Scope 2 is calculated both based on location-based method and market-based method. For emission conversion factors are used factors from the Danish Electricity Net Authority, from Green-e in the USA and from Carbon Footprint Ltd for Turkey.

We have in 2022 updated our methodology on carbon emission assessment regarding the emission factors used for electricity. Consequently, new and more updated emission factors are used for 2020 and 2021, which have caused minor changes to the calculated emissions compared to the numbers reported in 2020 and 2021.

### Energy consumption

Total used electricity (kWh) multiplied by energy factor to convert into GJ + Total used natural gas (m<sup>3</sup>) multiplied by energy factor to convert into GJ.

### Share of renewable energy

Renewable energy divided by total energy consumption. Based on data from the Danish Electricity Net Authority (location-based method).

### Water consumption

Total gross water usage as of 31/12/2022 from premises in Denmark and Turkey.

### Total waste

Data from our external supplier's waste management system. Besides from amounts of waste generated, we monitor our rates of recycling, biofuel recovery, energy recovery and for landfill with the aim to increase the recycling rate and eventually avoid waste for landfill.

### Hazardous waste rate

Percentage of total waste that is defined as hazardous (data from our external waste management system).

### Waste recovery rate

Total percentage of waste recovered as either material, energy, or biofuel.

### Waste recycling rate (material recovery)

Percentage of total waste recovered as material (data from our external waste management system).

### Waste biofuel recovery rate

Percentage of total waste (organic waste) recovered as biofuel (data from our external waste management system).

### Waste energy recovery rate

Percentage of total waste recovered as energy (incineration) (data from our external waste management system).

### Waste to landfill rate

Percentage of total waste that ends up in landfills (data from our external waste management system).



# Accounting principles

## Social

### Workforce

FTE as of 31/12-2022. ESG numbers and ratios are calculated in accordance with the guidelines issued by FSR - Danish Auditors, CFA Society Denmark, and Nasdaq in December 2020. For further description of the calculation methods applied, visit the website of FSR - Danish Auditors: <https://www.fsr.dk/esg>

### Workforce - Hourly salaried employees

FTE as of 31/12-2022, hourly salaried employees.

### Workforce - Salaried employees

FTE as of 31/12-2022, salaried employees.

### Gender diversity

Female FTEs divided by male FTEs.

### Gender diversity - Management

Female manager FTEs divided by male manager FTEs.

### Pay gap between genders

Median of monthly salary of females divided by median of monthly salary of males.

### Employee turnover rate

Number of involuntary and voluntary leavers divided by FTE.

### Employee sickness

Number of whole sick days divided by FTE.

### Employee sickness - Hourly salaried employees

Number of whole sick days divided by FTE of hourly salaried employees.

### Employee sickness - Salaried employees

Number of whole sick days divided by FTE of salaried employees.

### Senior employees

FTE as of 31/12-2022, employees aged 67+.

### Student employees

FTE as of 31/12-2022, on student contracts.

### Apprentices

FTE as of 31/12-2022, on apprentice contracts.

### Education days

Number of education days pr. FTE as of 31/12/2022.

### Employee-participation in education

Number of unique employees to participate in education in 2022.

### Employees covered by collective bargaining agreements

Hourly salaried employees and certain groups of salaried employees.

## Governance

### Board's gender diversity

Percentage of women in the board of directors as of 31/12/2022.

### Participation rate in board meetings

Count of board members to participate versus total board members.

### Pay ratio between CEO and employees

CEO salary compared to median salary of the total workforce.

### Average impact score for suppliers weighted by spend

This indicator is used to measure our supply chain management for sustainability. All suppliers receive an impact assessment questionnaire and get a score from 0-100 based on their response. The average score weighted by spend indicates if we move spend to the more sustainable suppliers or that the used suppliers improve their scores.

## Occupational health and safety

### Accident frequency rate (Lost Time Injury)

Lost Time Injuries ratio is the number of injuries that have led to lost working hours in all Aasted premises expressed as the percentage related to the total hours worked by the employees. Lost time injuries are injuries that have prevented an employee from being able to return to work the day after the injury. The indicator is indexed as number of lost time injuries per the total hours worked by all Aasted employees multiplied by one million.

## Finance

### Revenue

Financial revenue as for the year 2022.

### Revenue, Chocolate

Financial revenue for the year 2022, branch revenue compared to total revenue.

### Revenue, Confectionery

Financial revenue for the year 2022, branch revenue compared to total revenue.

### Revenue, Bakery

Financial revenue for the year 2022, branch revenue compared to total revenue.

### Aftersales & Service

Financial revenue for the year 2022, branch revenue compared to total revenue.

### EBITDA

Financial EBITDA for the year 2022.

### Tax

Financial tax for the year 2022.

### Solvency ratio

Equity divided by assets as of 31/12/2022.

### Credit Assessment

Dun & Bradstreet credit assessment.



# Contributions to the SDGs

SDG	Target	Activities	Dimensions	Page
SDG 5	5.1	Encouraging a speak-up culture We believe in diversity and inclusion	Responsible business Responsible culture	14-19 30-36
	5.5			
	5c			
SDG 7	7.3	Counting down to Net Zero Introducing Energy Solutions	Responsible processes Responsible products	20-23 24-29
SDG 8	8.4	Protecting people and integrity: dimension Counting down to Net Zero Paving the way to a low-carbon economy Engaging suppliers on sustainability Introducing Energy Solutions Giving machines a longer life Helping our people to grow Taking safety measures	Responsible business Responsible processes Responsible products	14-19 20-23 24-29
	8.8			
SDG 9	9.4	Introducing Energy Solutions Giving machines a longer life Engaging with research and education	Responsible products Responsible culture	24-29 30-36
	9.5			
SDG 12	12.2	Better waste management Paving the way to a low-carbon circular economy Engaging suppliers on sustainability Introducing Energy Solutions Giving machines a longer life	Responsible processes Responsible products	20-23 24-29
	12.4			
	12.5			
SDG 13	13.1	Counting down to Net Zero Paving the way to a low-carbon economy Engaging suppliers on sustainability Introducing Energy Solutions	Responsible processes Responsible products	20-23 24-29
	13.2			
	13.3			
SDG 17	17.16	UN Global Compact member since 2021 Set Science Based Targets in 2022 Engaging suppliers on sustainability Engaging with research and education	Responsible business Responsible products Responsible culture	14-19 24-29 30-36
	17.17			



## UN Global Compact Principles index

Aasted supports the UN Global Compact and is an active member. The index below shows where to find information on how we in Aasted have worked with each the ten principles during 2022. Our Aasted Code of Conduct is the overarching policy of how we upright hold these principles in our activities and our work with this policy is part of how we promote greater responsibility among our business partners.

Global Compact Principles		Dimension	Page
<b>Principle 1:</b>	Businesses should support and respect the protection of internationally proclaimed human rights	Responsible business	14-19
<b>Principle 2:</b>	Businesses should make sure that they are not complicit in human rights abuses	Responsible business Responsible products Responsible workplaces	14-19 24-29 37-40
<b>Principle 3:</b>	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Responsible business Responsible workplaces	14-19 37-40
<b>Principle 4:</b>	Businesses should uphold the elimination of all forms of forced and compulsory labor	Responsible business Responsible products	14-19 24-29
<b>Principle 5:</b>	Businesses should uphold the effective abolition of child labor	Responsible business	14-19
<b>Principle 6:</b>	Businesses should uphold the elimination of discrimination in respect of employment and occupation	Responsible business Responsible culture	14-19 30-36
<b>Principle 7:</b>	Businesses should support a precautionary approach to environmental challenges	Responsible processes Responsible products	20-23 24-29
<b>Principle 8:</b>	Businesses should undertake initiatives to promote greater environmental responsibility	Responsible business Responsible processes Responsible products	14-19 20-23 24-29
<b>Principle 9:</b>	Businesses should encourage the development and diffusion of environmentally friendly technology	Responsible business Responsible processes Responsible products	14-19 20-23 24-29
<b>Principle 10:</b>	Businesses should work against corruption in all its forms including extortion and bribery	Responsible business	14-19

— [Read our code of conduct](#)



# GRI Index

● Fully disclosed   ● Information incomplete   ● Information unavailable

Disclosure	Description	Progress	Page	Notes and omissions
<b>GRI 204: Procurement Practices 2016</b>				
3-1,2,3	Materiality and approach to procurement practices	●	10	-
204-1	Proportion of spending on local suppliers	●	16	-
<b>GRI 301: Materials 2016</b>				
3-1,2,3	Materiality and approach to managing materials	●	10, 25	-
301-1	Materials used by weight or volume	●	-	Data not available. We are in the process of mapping the materials used in our products.
301-2	Recycled input materials used	●	-	Data not available. We are in the process of mapping the materials used in our products.
301-3	Reclaimed products and their packaging materials	●	-	Data not available. We are in the process of mapping the materials used in our products.
<b>GRI 302: Energy 2016</b>				
3-1,2,3	Materiality and approach to managing energy	●	10, 20, 27	-
302-1	Energy consumption within the organization	●	43, 45	We do not produce or sell energy.
302-2	Energy consumption outside of the organization	●	-	Data not available. We are in the process of mapping our Scope 3 GHG.
302-3	Energy intensity	●	-	Not included. It is our ambition to report on this in the future.
302-4	Reduction of energy consumption	●	43, 45	-
302-5	Reduction in energy requirements of products and services	●	27	We work with reducing the energy requirement of our products from a 2020 benchmark.
<b>GRI 305: Emissions 2016</b>				
3-1,2,3	Materiality and approach to managing emissions	●	10, 20-21	We do not use carbon off-setting credits.
305-1	Direct (Scope 1) GHG emissions	●	43, 45	Base year is 2019
305-2	Energy indirect (Scope2) GHG emissions	●	43, 45	Base year is 2019
305-3	Other indirect (Scope 3) GHG emissions	●	-	We are in the process of measuring our Scope 3 emissions.
<b>GRI 403: Occupational Health and Safety 2018</b>				
3-1,2,3	Materiality and approach to managing occupational health and safety	●	10, 37-38	-
403-1	Occupational health and safety management system	●	38	We follow the Danish Working Environment Act on our production facilities.
403-2	Hazard identification, risk assessment, and incident investigation	●	13, 16, 38	We have written policies, processes and work instructions for risk assessment and incident investigation, that employees are trained in bi-annually and at onboarding. Not all processes are described in detail in our 2022 reporting.
403-3	Occupational health services	●	38	A HSE manager and work environment group is dedicated to addressing occupational health and safety issues.
403-4	Worker participation, consultation, and communication on occupational health safety	●	7, 37	Work environment group meet annually w. representation from all groups.
403-5	Worker training on occupational health and safety	●	32, 38-39	-
403-6	Promotion of worker health	●	36	Health insurance is offered to employees through an external provider, which ensures the privacy of the employees.
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	●	16, 26	Code of Conduct.
403-8	Workers covered by an occupational health and safety management system	●	37	Not split up by different worker type.
403-9	Work-related injuries	●	37-38, 43, 46	Not split up per worker type.
403-10	Work-related ill health	●	38-39, 43, 46	Currently we measure ill health and injuries within the same metric to ensure employees' privacy.





Tell us what you think. We welcome feedback on our progress and our sustainability reporting. Please contact us at [sustainability@aasted.eu](mailto:sustainability@aasted.eu)

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