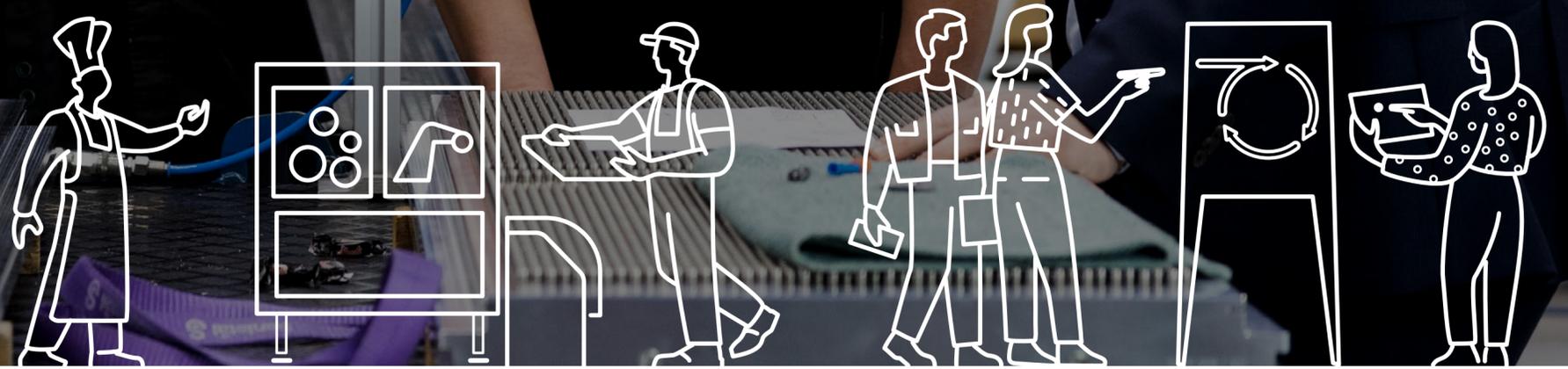




# A SUSTAINABLE LINE OF THOUGHT

AASTED CORPORATE  
RESPONSIBILITY  
REPORT 2021



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## ABOUT THIS REPORT

Aasted’s Corporate Responsibility Report covers the 2021 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, Aasted ApS (sp. z o.o.) Oddzial w Polsce; and Aasted subsidiaries, Aasted Germany GmbH, Aasted Turkey & Middle East LLC, and Aasted North America Inc.

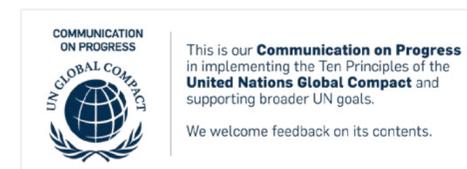
## Reporting principles

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 9. We consider our most important stakeholders to be our customers, employees, owners, regulatory authorities, local communities, and the planet.

Activities that contribute to fulfilling the United Nations’ Sustainable Development Goals (SDGs) are summarized in the SDG index on page 43 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 45.

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 2021.

At Aasted, we want sustainability to permeate everything we do. We believe sustainability is a way of looking at the world and that sustainable transformation is an ongoing process that we can continually improve – not something we can finish and be done with. Furthermore, we believe that everyone in our organization must support these continuous improvements, so they are deeply rooted in strong supporting strategies, structures, and culture.

Thus, this year I am especially proud of the launch of Aasted’s first-ever sustainable company strategy, Challenge to Win. Now, for the first time, sustainability is an integral part of our overall business strategy. We want to be our customers’ preferred sustainable supplier and to increase our positive impact on people and the planet across our value chain.

To reach this goal, we have introduced what we call the Triple Ps – People, Planet and Profit – as reference points in everything we do. Our Triple Ps encourage us all to care for people and the planet with renewed awareness and urgency.

The IPCC’s sixth assessment report, published in 2021, clearly demonstrates the severity of the climate challenges we now face.

We believe that all of us must take responsibility for our own carbon emissions and do all that is in our power to reduce our environmental footprint across our value chains. Aasted can influence our customers’ carbon emissions by helping them to reduce the energy needed in their production processes. We embrace this responsibility with profound respect. We intend to innovate machines and solutions that reduce the vast amount of energy used every day around the world to produce chocolate, bakery, and confectionery products. We do this because we believe the best energy is the energy you never used.

Our commitment to run a business that creates value for society was recognized in 2021 by the global sustainability assessor and auditor, EcoVadis, who awarded Aasted with a gold medal for our sustainability practices and results. This recognition encourages everyone at Aasted to continue to raise the bar for sustainable business conduct. We are proud of this achievement and intend to continue scaling our impact and pushing for change based on a solid foundation.

Strong partnerships and collaboration are key to scaling impact. I am therefore very happy that we joined the UN Global Compact in February 2021. We want to align our operations and strategies with the UN’s ten principles regarding human rights, labor, environment, and anti-corruption. We take pride in being part of a global network of companies enabling change.

**Piet Hoffmann Tæstensen**  
CEO



I believe the best way to progress from here is to continue inspiring, engaging, and motivating action. Let us all help each other to do this.

I hope you enjoy reading our latest corporate responsibility report.

**Best Regards**

## 2021 HIGHLIGHTS

**We joined the UN Global Compact initiative as a signatory member**



**We were awarded a gold medal for our sustainable practices and results by EcoVadis**



# 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

**AAA1**  
Credit assessment

**501,101 t.DKK**  
Total revenue

**6,199 t.DKK**  
Tax

**38.5%**  
Solvency ratio

**39,466 t.DKK**  
EBITDA

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

**0.5%**  
Bakery

**22.7%**  
Aftersales  
& Service

**2.3%**  
Confectionery



**74.5%**  
Chocolate



## Where we are

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

Headquartered in  
Farum, Denmark

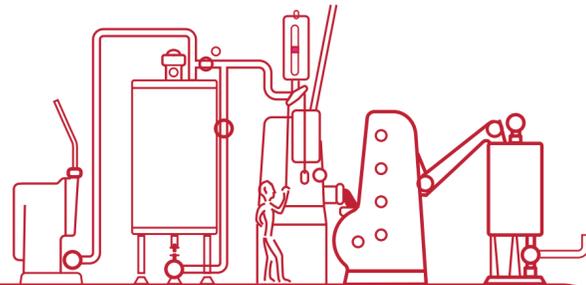


**7**  
Locations in  
four continents

**230+**  
Customers  
worldwide

**350+**  
Employees  
worldwide

# Our journey of progress



**1917**

The story of our company begins in 1917

**1946**

Our founder, Dr. Techn. Kaj Aasted, invents the world's first patented continuous chocolate plate temperer, improving the chocolate production process and relieving workers from hard physical labor



**2010**

The merger with A.E. Nielsen Maskinfabrik marks a new era for Aasted

**2011**

Aasted goes green with a revolutionary patented energy-saving tempering machine, the SuperNova Energy

**2017**

Aasted celebrates its 100th anniversary

**2013**

Aasted expands its energy-efficient assortment with the patented Energy Enrober



**2018**

Aasted standardizes and modularizes products, a key step on the path to making our business fit for circularity

**2018**

Aasted releases its first CSR report



**2019**

SEDEX Members Ethical Trade Audit (SMETA) undertakes an onsite social audit of Aasted

**2019**

Aasted introduces the energy-efficient StellaNova tempering machine

**2019**

Aasted performs its first climate accounting according to the principles of the GHG protocol

**2020**

Aasted introduces remote installation and commissioning to improve business resilience and support for our customers during the COVID-19 pandemic and to decrease related CO<sub>2</sub> emissions

**2021**

We introduce service level agreements to extend product warranty periods and guarantee maintenance and efficient product usage at the middle of our products' life cycles

**2021**

Our first ever sustainable strategy, *Challenge to Win*, is launched as we embark on the journey to integrate sustainability into everything we do

# Our approach to sustainability

Improved sustainability is grounded in our company strategy, **Challenge to Win**. We understand sustainability from a holistic, 360-degree perspective. Therefore, our efforts towards improved sustainability must be anchored in our core business and shape our vision, practices, and decisions across our supply chain, operations, products, services, culture, and communication.

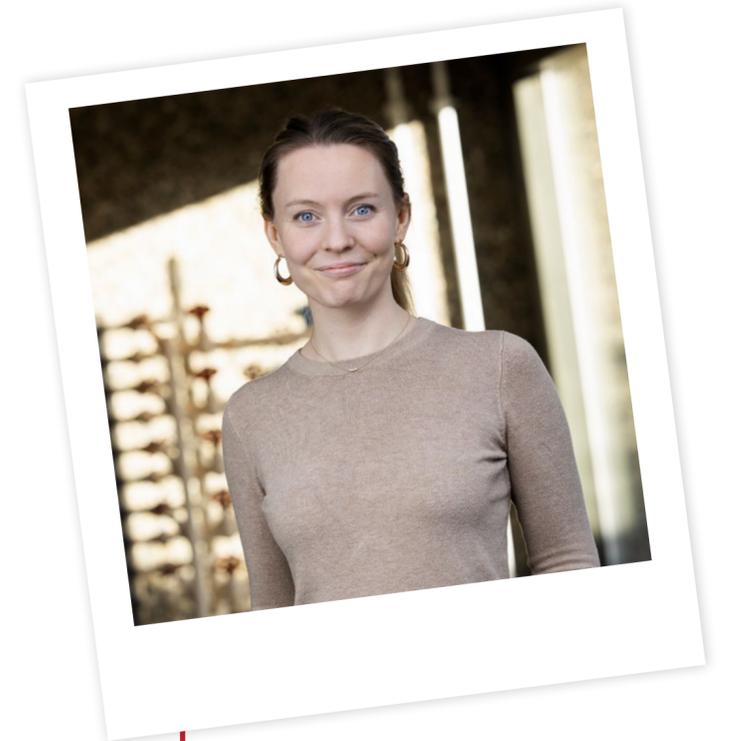
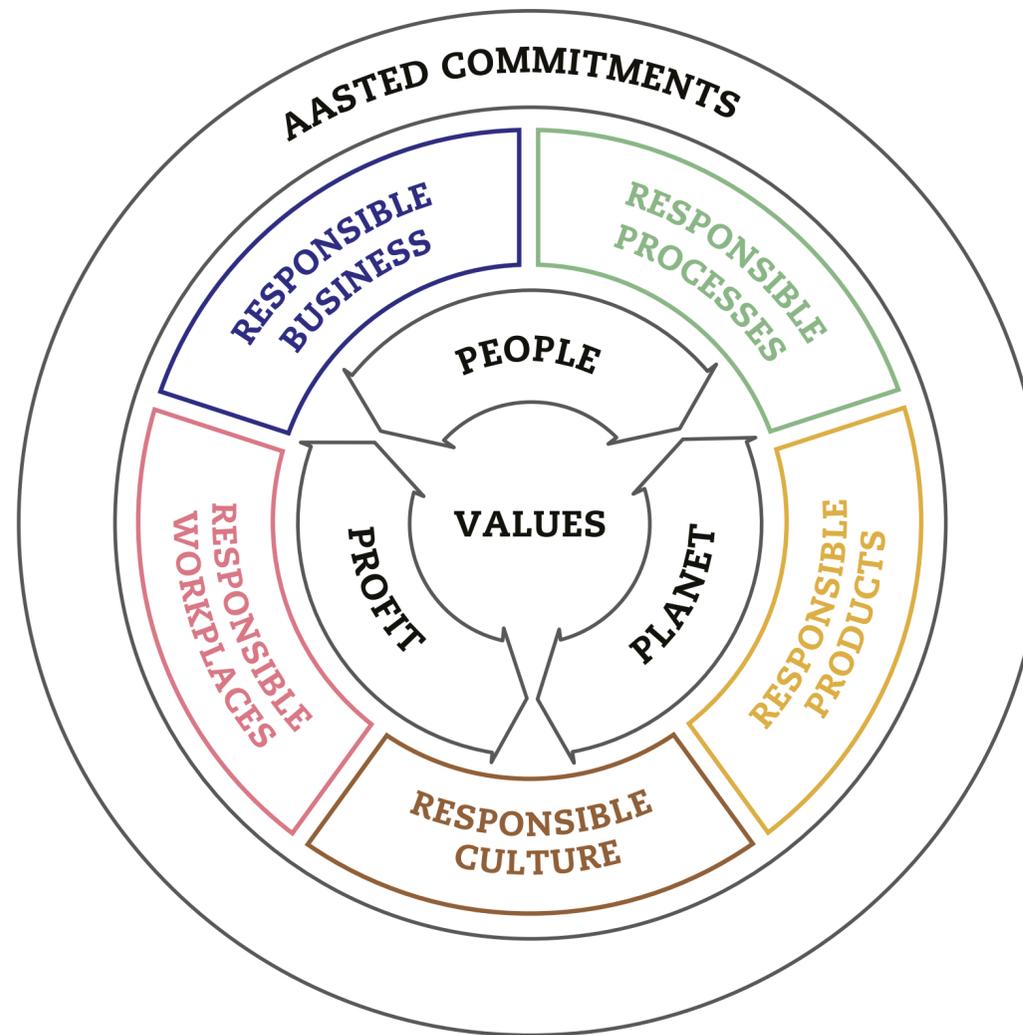
Decisionmakers at Aasted are guided by the Triple Ps of responsibility: People, Planet, and Profit.

The Triple Ps encourage us to integrate efforts towards improved sustainability as we minimize or eliminate any negative social or environmental impacts of our business and maximize the value that our business and products provide for

our customers, employees, owners, suppliers, local communities, and the planet at large. The Triple Ps also remind us to integrate efforts towards improved sustainability in our governance, holding us accountable to internationally recognized principles and standards, acting with integrity and responsibility, and safeguarding compliant and responsible organizational structures.

We use our Responsibility<sup>5</sup> framework to operationalize and follow up on our strategic intent. The five dimensions of this framework help everyone in the organization act on our shared responsibilities every day. We use this framework to track and report our progress in reaching goals that are specific, measurable, ambitious, and achievable.

— [Read our Corporate Responsibility policy](#)



**Frederikke Aasted**  
Sustainability Manager

**“By making our Triple Ps - People, Planet and Profit - the foundation of our business we are reshaping our corporate governance and culture to support our sustainability vision and achieve lasting change”**

# The Responsibility<sup>5</sup> framework

## 1 RESPONSIBLE BUSINESS

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



## 2 RESPONSIBLE PROCESSES

As we work towards net zero by 2030 to mitigate the risks of climate change and environmental degradation, we will continue to reduce CO<sub>2</sub> emissions from our production and administrative facilities and use the resources available to us with increasing efficiency.

## 3 RESPONSIBLE PRODUCTS

Prioritizing R&D and innovation projects that will enable us to become fit for circularity and partnering up with suppliers and customers to reduce environmental impacts we will work to meet our goal of halving the CO<sub>2</sub>e emissions across our entire supply chain.

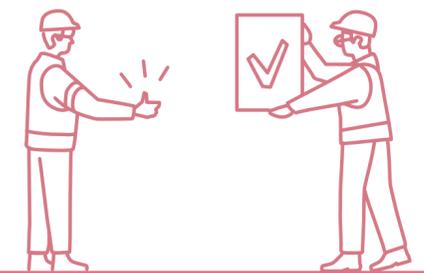


## 4 RESPONSIBLE CULTURE

We strive to create an inclusive, empathic organization that enables all to develop professionally and personally.

## 5 RESPONSIBLE WORKPLACES

Our working environments must be healthy, safe places that promote physical, psychological, and social wellbeing for all employees – and respect for the environment.





# We support the UN's Sustainable Development Goals

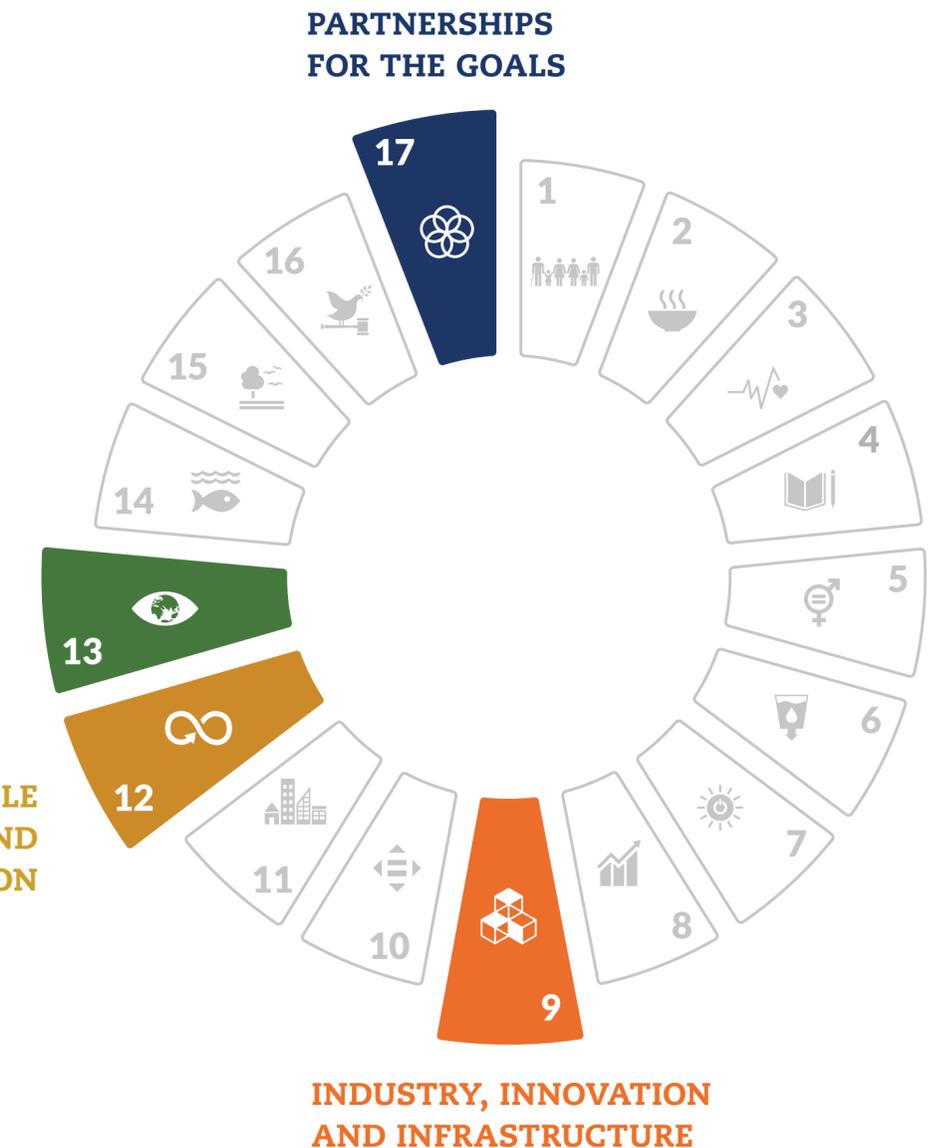
The UN's Sustainable Development Goals (SDGs) provide us with a framework for translating global needs and ambitions into valuable solutions. The SDGs are integrated and interconnected, and with our actions we support the goals holistically. We prioritize the SDGs where we can have the greatest impact.

## We focus on SDGs 9, 12, 13, and 17

Beginning in 2018, Aasted focused on SDGs 9 & 12. Responsible consumption and production and retrofitting industry and innovation are key areas of our business's possible value creation.

Because of changes in our materiality and stakeholder expectations, in 2021 we broadened our focus to include SDGs 13 and 17.

We focus on SDG 13 due to the urgency of the climate crisis and renewed attention to this topic from internal and external stakeholders. We focus on SDG 17 to improve strong partnerships and collaboration to achieve our targets and enable necessary solutions and innovation.



# Materiality assessment

## Identifying our priorities

Our sustainability efforts must focus on what is most significant to our business and stakeholders: our most material issues. We map our material issues with a double materiality assessment to ensure a comprehensive approach to identifying relevant risks and opportunities.

On the one hand, double materiality assessments map an organization’s significant sustainability risks and opportunities against its performance and position, usually indicated as financial or economically material issues. On the other hand, double materiality assessments refer to an organization’s external social and environmental impacts.

Our company strategy, *Challenge to Win*, and our five pillars of our corporate responsibility are informed by a materiality assessment conducted in 2020. Based on Future Fit Business Benchmark’s 23 goals for sustainable business conduct, the assessment helped us identify where we have the most significant social, environmental, and economic impact.

The world’s sustainability agenda and challenges continue to evolve. In 2021 we conducted a new materiality assessment, analyzing additional data sets, trend analyses, issue benchmarks, and internal and external research. In addition, we analyzed stakeholder perceptions of material topics for our business and industry, including customers, peers, and employees. This assessment informs our updated issues list.

## 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

- BE17** Products do not harm people or planet
- BE04** Procurement safeguards the pursuit of future fitness
- BE10** Employee health is safeguarded
- BE06** Operations emit no greenhouse gases
- BE19** Products can be repurposed

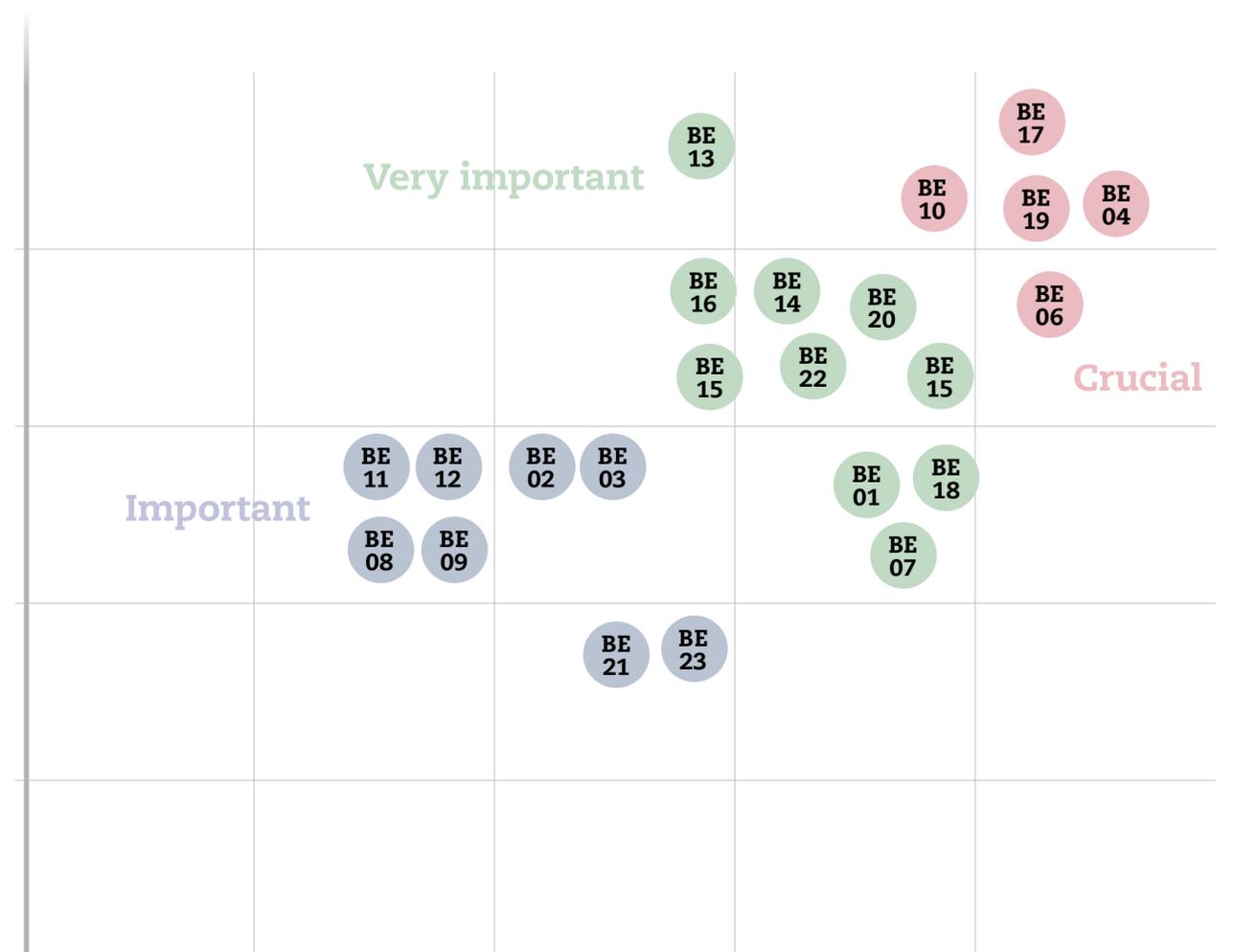
### Very Important

- BE13** Employees are not subject to discrimination
- BE15** Product communication is honest, ethical, and promotes responsible use
- BE05** Operational emissions do not harm people or the environment
- BE14** Employee concerns are actively solicited, impartially judged, and transparently addressed
- BE18** Products emit no greenhouse gases
- BE16** Product concerns are actively solicited, impartially judged, and transparently addressed
- BE20** Business is conducted ethically
- BE22** Lobbying and advocacy safeguard the pursuit of future fitness
- BE01** Energy is from renewable sources
- BE07** Operational waste is eliminated

### Important

- BE11** Employees are paid at least a living wage
- BE12** Employees are subject to fair employment terms
- BE02** Water use is environmentally responsible and socially equitable
- BE03** Natural resources are managed to respect the welfare of ecosystems, people, and animals
- BE08** Operations do not encroach on ecosystems or communities
- BE09** Community health is safeguarded
- BE21** The right tax is paid in the right place at the right time
- BE23** Financial assets safeguard the pursuit of future fitness

Impact on stakeholders



Impact on business

# RESPONSIBLE BUSINESS

## Our commitments

- Our purpose is to harness the power of business to create a new balance for generations to come
- Our Triple Ps balance our business conduct and corporate governance
- We support the UN Sustainable Development Goals
- We support the ten principles of the UN Global Compact

## Statement of purpose

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

How does a company act responsibly? In addition to creating value for its customers that generates profit, should it provide for the wellbeing of its employees, make responsible products through responsible processes, be a force of good in the community, and protect our shared environment? We believe that responsible companies must answer yes to all these questions.

Aasted must conduct business with respect for human and labor rights in 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



# Strengthening the hard- and softwiring of our sustainable business 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 want to 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”: 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 corner of our company.

Here is how far we have come this year:

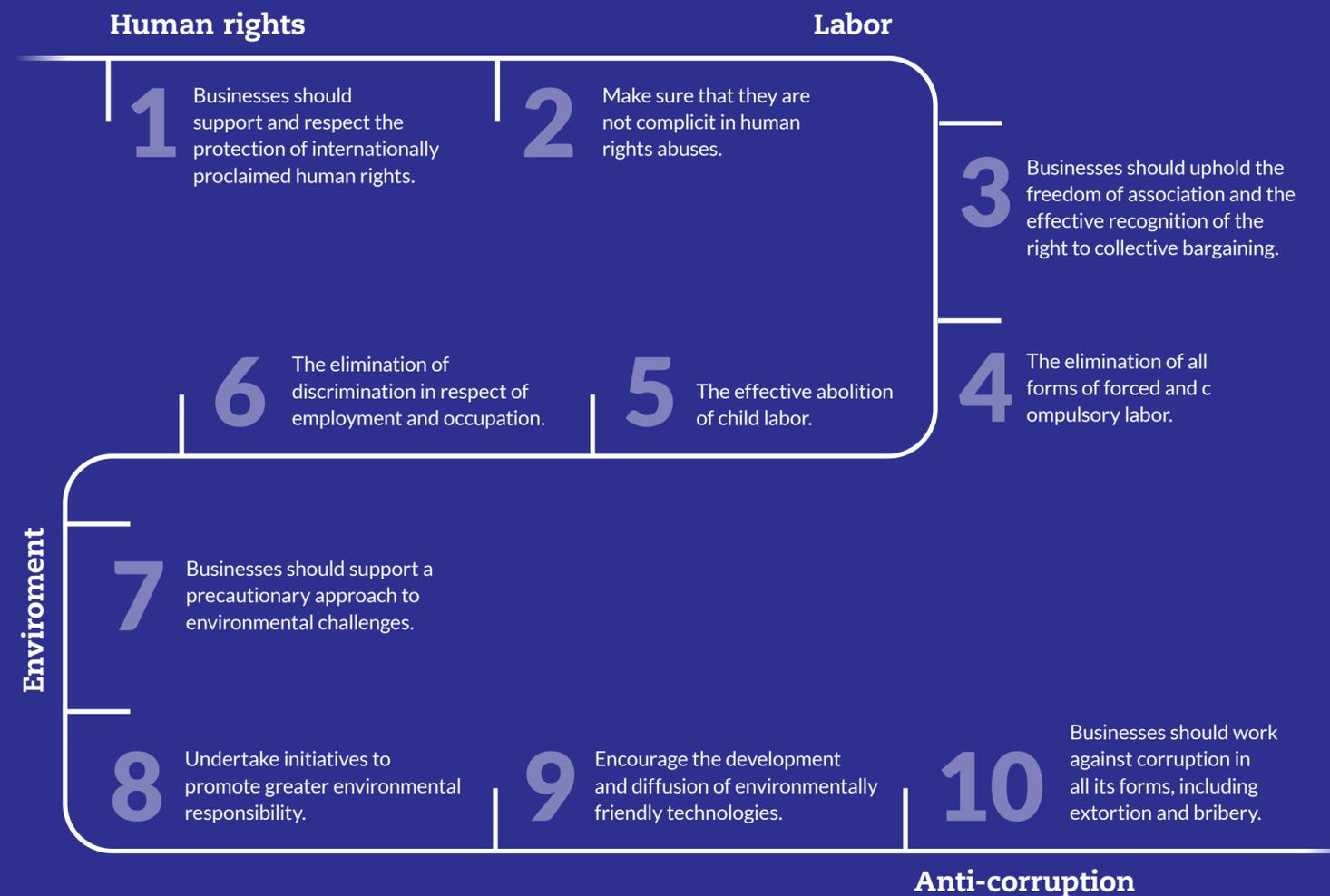
## UN Global Compact membership

2021 Aasted became a member of United Nations Global Compact (UNGC) in February 2021. UNGC is the world’s largest voluntary initiative for ethical and responsible business conduct. By becoming a member of UNGC, we commit to support a principle-based framework built on 10 principles within

the areas of human rights, labor rights, environmental sustainability, and anti-corruption and to align our business conduct accordingly.

By incorporating UNGC’s 10 principles into our strategy, policies, and procedures, Aasted embraces a culture of integrity in all dealings and makes a strong commitment to sustainable development.

## The ten principles of the UN Global Compact



## Commitment starts at the top

Aasted is a member of B Corp, a global movement of for-profit companies that share a vision to reshape economy to benefit all people, communities, and the planet. B Corp helps businesses meet standards of verified performance, accountability, and transparency on a range of factors that include employee benefits, charitable giving, supply chain practices, and input materials.

B is for BENEFIT: good business is not just about doing well and making money; it is also about doing good. Trained to balance purpose and profit, B Leaders have been introduced to sustainable change theory, sustainable impact business models, and sustainable business operations.

Aasted has trained two B Leaders. Our sustainability manager, Frederikke Aasted, manages company-wide efforts to increase the sustainability of our processes and products. Our owner and vice chairman of the board, Allan Aasted, oversees the company's overall sustainable business development. As everyone knows, the commitment to sustainable transformation and business conduct starts at the top.

B Corp is a global movement of for-profit companies that share a vision to reshape economy to benefit all people, communities, and the planet. B Corp helps businesses meet standards of verified performance, accountability, and transparency on a range of factors that include employee benefits, charitable giving, supply chain practices, and input materials.

## Introducing the Aasted sustainability index

We believe in measuring what matters. It was therefore natural for us to implement the Aasted Sustainability Index as one of our company's six main KPIs. We will use this index to monitor, guide, and benchmark Aasted's sustainable impact performance against our strategy. To do this, we use the well-known and respected B Impact Assessment. The B Impact Assessment is an open-platform impact management tool created by the B Corp Movement to measure a company's sustainability performance in a 360-degree perspective, covering governance, workers, community, environment, and business model. The B Impact Assessment helps us manage our performance and identify and track improvements. The Aasted Sustainability Index enables us both to identify areas of potential improvement and to recognize our achievements and celebrate our impact improvements – catalyzing the desire to achieve more.

## Quarterly reporting on our Triple Ps

When we decided to run our business balancing the Triple Ps in everything we do, we also recognized that executive management needed to follow key performance indicators regarding People and Planet in their ongoing performance reviews. Therefore, alongside quarterly financial reporting, we now also prepare People and Planet quarterly reports to track selected and standardized environmental, social, and governance indicators.

## Sustainability progress now a regular agenda item at board meetings

Our board recognizes sustainability as a fundamental element of its stewardship and fiduciary roles. Thus, board meetings now include sustainability reviews as a regular agenda item. Our vision is that the board of directors will play a key role in setting the appropriate level of rigor and attention to material sustainability risks and opportunities, enabling the prioritization and allocation of resources to sustainability matters necessary to future-proof our business.



**Allan Aasted**

Owner and Vice Chairman of the Board

**“Becoming a B Leader was a natural step on the path to understanding what ‘best in class’ means to sustainable business conduct. I find it equally necessary and exciting to increase my knowledge to use our business to create value for the many.”**

# Human rights and anti-corruption

Aasted works to promote social responsibility across all business activities. Important aspects of this work include supporting human rights and seeking positive impact through relevant areas of influence by making demands and raising awareness. We support human rights by integrating UN Global Compact principles in our code of conduct and daily work.

The absolute majority of Aasted's suppliers, 98.8%, are based in the EU, which has some of the world's highest human rights standards. Aasted complies with all applicable laws as well as local rules that may differ and pose higher demands. Our code of conduct and corporate responsibility policy cover all Aasted entities. It is our evaluation that business activities and policies across our supply chain are only to a limited extent exposed to material risks concerning violations of business ethics including anti-corruption and human rights.

In 2021 we took measures to improve and strengthen our social responsibility regarding human rights and anticorruption across our organization and supply chain. We joined the UN Global compact to deepen our support and commitment to human rights and anti-corruption. Among other things, our code of conduct actively addresses human rights, anti-bribery, anti-corruption, and child slavery. In 2021, we conducted training in our code of conduct for all employees.

Our code of conduct was shared with and signed by an increased number of suppliers. Further we integrated supplier impact assessment as part of our general purchase agreements,

committing to screen suppliers on environmental, community, health and safety, and corporate governance performance.

Human rights violations of any kind are not allowed in the Aasted organization.

We will continue to communicate and monitor our business ethics in 2022. To further strengthen our anti-corruption and human rights practices, we will focus on two things: internal code of conduct training and further improvement of our supply chain responsibility. We will make code of conduct training a fixed part of our onboarding program for all new employees and our training of new managers. Furthermore, we will educate all agents working for Aasted in our code of conduct, increase the number of suppliers covered by our code of conduct, and work to reach more suppliers with our impact screening and update our procurement policies accordingly.

## Encouraging a speak-up culture

We encourage employees and external stakeholders to report matters of a serious nature regarding Aasted activities through internal reporting channels. Such matters can damage Aasted's reputation, contribute to loss or severe injury, or affect the life or health of individuals. Examples of serious matters include violations of our code of conduct; breaches of our anti-harassment policies; and crimes such as embezzlement, bribery, corruption; theft, breaches of competition law, fraud,

and forgery. Other serious matters include violations of personal data protection legislation, violations of product safety and product conformity laws, violations of health and safety or environmental laws, and discrimination or harassment.

In addition to internal reporting channels, we implemented a whistleblower system in the beginning of 2021 for employees and external stakeholder to report serious matters – also anonymously, if they prefer. Intended to complement our internal reporting channels, the whistleblower system is available on our intranet and website.

If and when 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 received no reports of ethics violations in 2021 from either our internal reporting channels or the whistleblower system.



# Strategic partnerships

Strategic partnerships and collaboration by stakeholders who share a common goal can accelerate action and scale up solutions by combining expertise, resources, and networks. Thus, Aasted actively seeks partnerships and collaboration from local communities, NGOs, universities and schools, industry groups, and suppliers. We believe such collaboration will increase our joint impact, provide mutual support, and inspire more action.

Aasted has always felt strongly about supporting our local community in Farum where our factory and headquarters are located. We do this by collaborating with the municipality's business association, sharing best practices on sustainable transformation, collaborating with local schools, opening our company to school trips and other visits, and cooperating with the municipality to provide internships. We will continue to contribute to the development of our local community and act as a responsible neighbor.

## Sharing knowledge with educational institutions and student workers

Aasted partnered in 2021 with Copenhagen Business School (CBS), IT University of Copenhagen, Technical University of Denmark (DTU), and Roskilde University (RUC) in study projects and exam cases. These partnerships benefitted students, their institutions, and Aasted. The focus of these projects was primarily two material issues – sustainable procurement and responsible operations – and sharing sustainable development knowledge in the value chain. As an example, students from Roskilde University conducted a pilot project about how to share sustainability knowledge in the supply chain. We also engaged with Copenhagen Business School and developed an exam case about annual climate footprint accounting and sustainable procurement.

## Leave no one behind: Sharing best practices

Leave no one behind. This overarching principle permeates all 17 Sustainable Developmental Goals so that those who are furthest behind or have the fewest development opportunities should be reached first. Sustainable development is possible only if everyone is included.

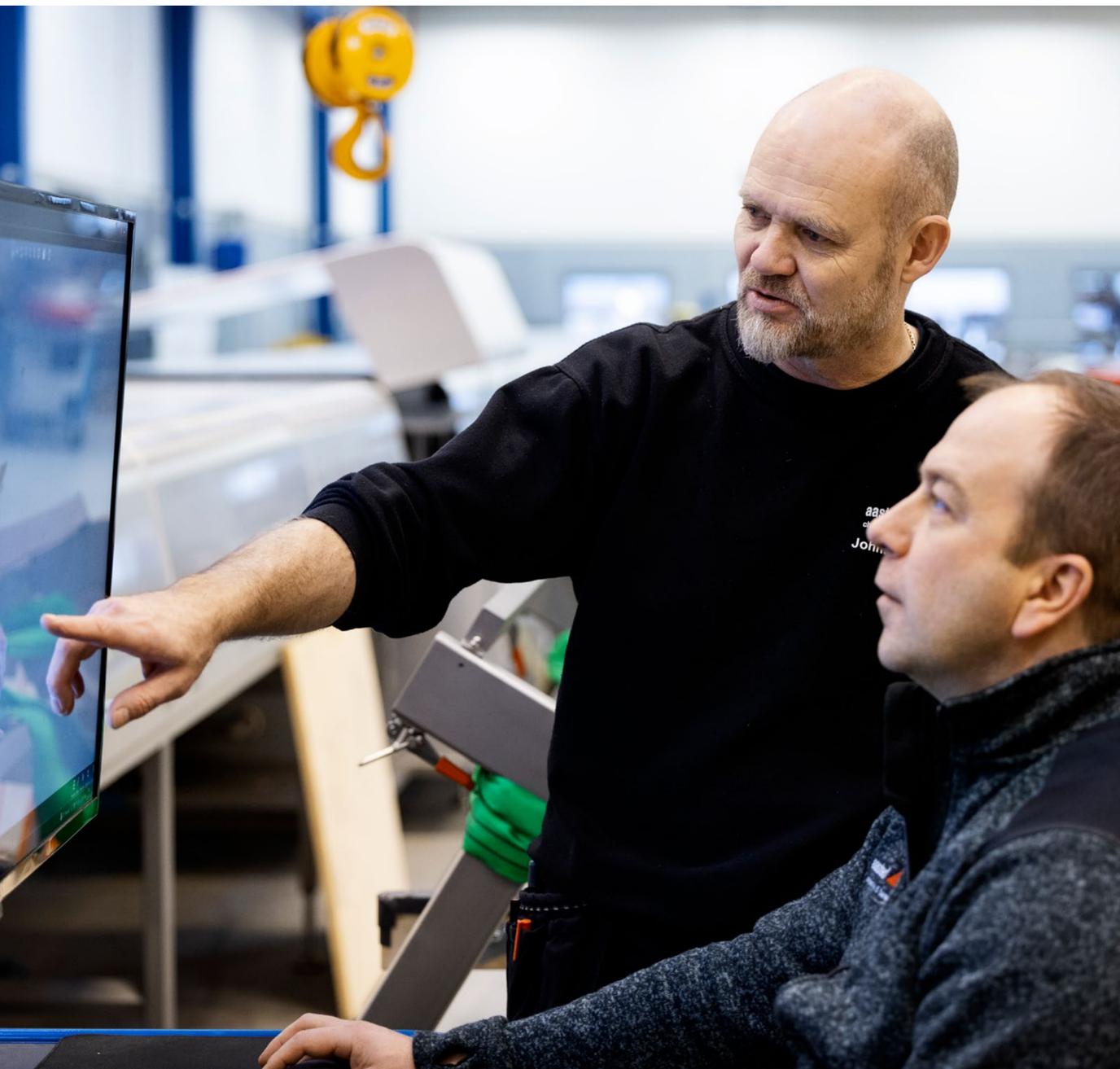
The principle applies to sustainable business transformation, too. That is why Aasted endeavors to share knowledge and best practices with some of the businesses that we know who might be able to use a helping hand in reaching their own sustainable business potential.

- In 2021, we: conducted knowledge sharing sessions with five of our suppliers, helping them to identify their most material issues and providing perspectives and methods to develop their businesses further and become fit for the future.
- Shared our ideas, methods, and practices in the broader Danish business community. A number of service and manufacturing companies found inspiration in our sustainable supplier evaluation as they embark on their own sustainability journeys and look for advice on how to prioritize and structure their work.

**“Let’s all help each other. Let’s share our company’s knowledge, experience, and best practices to inspire, support, and guide action. Let’s use our resources to increase the impact we can make together, because we are strongest together.”**

Piet Hoffmann Tæstensen  
CEO





## Statement on data ethics

The types and varieties of business-relevant data are changing rapidly. Now, it is possible to capture data associated with the digital customer journey, the Internet of Things, artificial intelligence, and a variety of remote solutions. As a natural reaction to these developments, in 2021, we implemented a policy on data ethics as part of our compliance program. Our data ethics policy describes Aasted's approach to data ethics and how we handle all data, including data on employees and third parties. In brief, this policy prescribes the *what*, *where*, *why*, *how*, and *when* of our data handling – and how we communicate about it with stakeholders.

Aasted is innovative in its business strategy and uses new technology. Aasted uses internal production data as well as data from customers and suppliers, all gathered by Aasted. It is important that Aasted monitor and handle data in a responsible and transparent way for its users and partners. It is important that all Aasted employees handle data ethically. To ensure correct implementation and rigor, it is the responsibility of all managers to secure transparency in the use of data.

We believe that transparency in handling data is part of being a decent business partner. Therefore, Aasted only handles data from external sources as agreed or expected by the external source and in accordance with applicable legislation.

The data ethics policy includes:

- Establishing a data ethics group
- Top management involvement
- Reporting on new data areas and data risks

Led by our IT manager, the goals of our data ethics group are to continuously monitor relevant data being held, evaluate compliance with the policy on data ethics, and initiate corrective measures.

The data ethics group will schedule overviews of data held and the technology used.

The schedule will contain information on the purpose of handling data, an assessment of the proportionality of the purpose of the data, and the types and uses of such data. It is important to identify and comply with the timely need for storing such data in order to achieve the purpose.

Based on the schedule, the data ethics group will prepare an annual memorandum describing the level of compliance with the policy on data ethics and any corrective measures that have been or need to be taken. The memorandum will be sent to executive management for review and, if needed, to the board of directors as well.

— [Read our data ethics policy](#)

# Responsible business: Goals and progress

## Planned actions in 2021

### Status

### Progress in 2021

Join the UN Global Compact	100% 	In February Aasted became a member of UNGC
Expand, deepen, and specify obligations in relation to anti-corruption and anti-bribery in 2021	40% 	Updated travel policy with regards to ethical entertainment practices. Our revised code of conduct reached more partners and now covers more of our suppliers
Strengthening dialogue and training in our code of conduct (CoC)	100% 	Educational material about our updated CoC created for all employees
Integrate education and training in our CoC as part of onboarding processes	15% 	We have not integrated training on CoC to the extent we want in our onboarding process
Extend IT policy to include updated procedures for information classification, access management, and encryption	100% 	IT policy has been updated
Continuously train and educate our employees in procedures and principles to ensure compliance with our IT policy and make sure this compliance is reflected in our day-to-day behavior	10% 	We have not structured our training on this matter to the extent we want
Whistleblower system fully up and running; the whistleblower system is intended for in-house employees and external partners, e.g., suppliers, agents, and customers	100% 	The whistleblower system was fully up and running as of February 2021

## Planned actions in 2022



- Update Corporate Responsibility Policy
- Investigate opportunities to integrate TCFD recommendations in reporting and disclose to CDP
- Integrate CoC training as part of new managers' training
- Integrate CoC training as part of regular employee training in LMS system
- Continue focus on integrating education and training in our CoC as part of onboarding processes
- Interact with students, schools, and universities on assignments, cases, inspiration, etc. with at least the same intensity as in 2021
- Continue efforts to structure ongoing training in IT and data ethics – integrating learning management system and onboarding training
- Improve our internal sustainability index, the B Impact Assessment score
- Closer involvement of stakeholders in materiality assessments
- Create ethical marketing policy

# RESPONSIBLE PROCESSES

## Our commitment

- Net zero by 2030 (scope 1 and 2)

## Statement of purpose

As we work towards net-zero by 2030, we will continue to reduce CO<sub>2</sub> emissions from our production and administrative facilities and use resources increasingly efficiently.

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 are on a mission to make our own operations CO<sub>2</sub>e net neutral no later than 2030.

Many technologically effective and financially feasible solutions to reduce the CO<sub>2</sub> footprint of our plants, offices, and company cars are already available. We have thus decided that

our net zero goal should be reached primarily by real emission reductions, and only offset or buy green energy certificates for the very last part of our footprint that cannot be properly eliminated.

We focus strongly on recycling and extending the life of materials and products in our own operations. We also work continuously to optimize and streamline our resource consumption and minimize waste and production scrap.

## 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**





# Working towards net zero

## Energy audit and decision to invest heavily in energy reductions

To map our biggest reduction potential, we engaged an energy advising partner in 2021 to conduct an energy audit of our offices and production facilities in Farum. Analysis of their findings revealed a number of potential initiatives that will reduce our total energy consumption.

As a consequence of the audit process, we have chosen to invest in a complete switch of our heating supply, replacing natural gas with heat pumps. We are also investing in changing all lightning to LED during 2022. Overall, increasing our investments in more environmentally sound heating and lighting will result in an estimated reduction of 47% of our total CO<sub>2</sub>e footprint from our scope 1 and 2 activities. This significant reduction of energy consumption is a big step in the right direction as we progress to net-zero in Farum no later than 2030. In addition, in 2022 we commit to further planning of the decarbonization of our own operations, including evaluating the case for investing in solar panels for our Farum facilities.

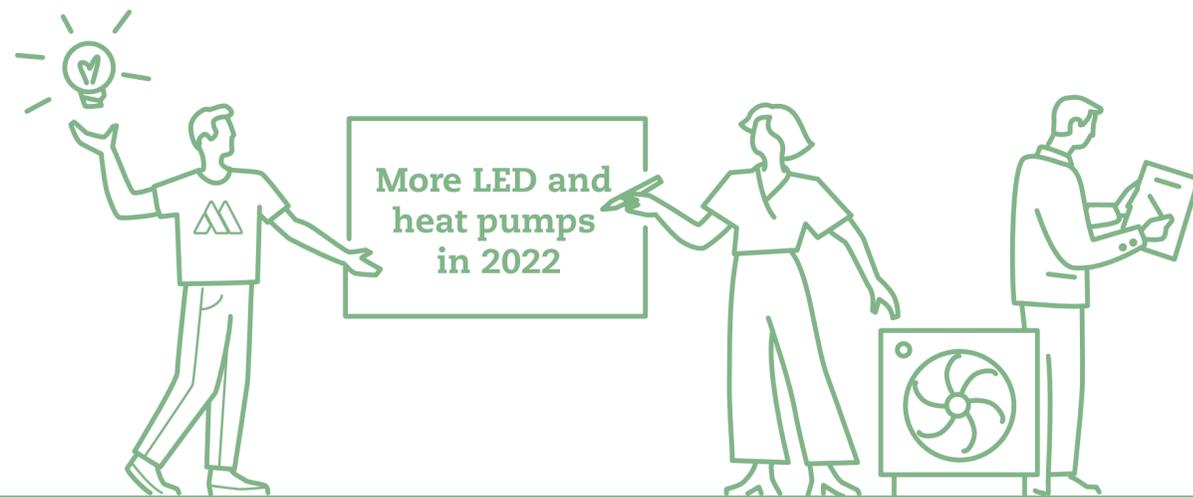
## Accelerating the transition to green transportation

We installed electric vehicle charging stations at our headquarters in Farum in early 2021. We want to make buying an electric or hybrid car an easy choice for our employees and are keen to ensure that a lack of electrical charging infrastructure does not hinder our employees' transition to electric vehicles. The idea of installing more charging stations came from several employees in our first commuter survey in 2020, when we mapped the climate footprint of our employees' commute to and from our headquarters in Farum. We appreciate our employees' engagement in making more sustainable choices easier.

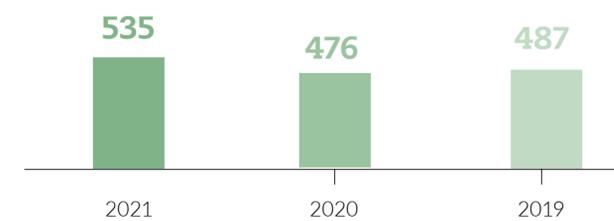
After electrifying all forklifts in 2019, we updated our company car policy in 2021 to only allow electric and hybrid cars going forward.

## Reducing our canteen's CO<sub>2</sub>e emissions

It takes partnership to reduce our carbon footprint, and we are happy to have a strong partner in our canteen supplier. During 2021, our canteen reduced its carbon footprint by 40%, lowering emissions from a total of 87.9 tons in 2020 to just 51.5 tons in 2021. This is primarily due to the substantial changes made in the canteen menu, especially more meat-free options. Our supplier's strong focus on monitoring and reducing CO<sub>2</sub>e emissions also played an important role.



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



## Spotlight on responsible consumption and energy behavior

Everyone in the organization plays a role in consuming responsibly. We were thus very happy that internal workshops designed to create awareness of responsible energy behavior and consumption resulted in a range of good ideas and suggestions, including:

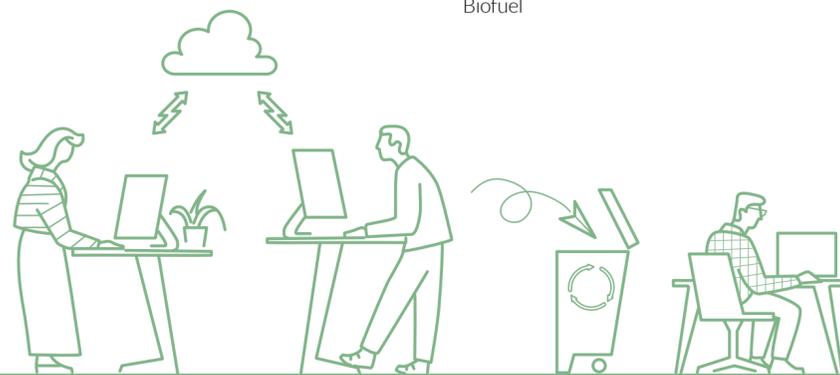
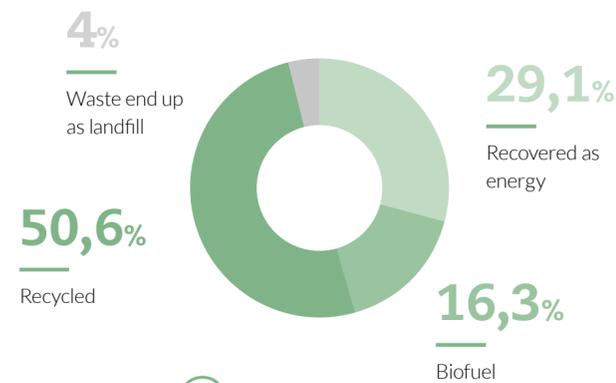
- Permanently setting printers to print on both sides by default
- Running email signatures via the cloud and adding reminders in them to think twice before printing emails
- Set up laptops to sleep after 10 minutes instead of 15
- Embedding links in emails rather than attaching documents to reduce CO<sub>2</sub> emissions due to data sharing and storage

In other 2021 developments, our IT department changed its ServiceDesk system to run via cloud services, reducing both costs and energy consumption, and updated policies to include TCO and life cycle assessments in procurement of hardware and software products.

## Waste management and metrics

Waste management also matters as we reduce the environmental impact of our production facilities and offices. We sort all waste from operations in 21 fractions to ensure the best possible use and re-use of resources. In 2021, we reduced total operational waste by 17.6% from 283 tons to 223 tons, a reduction which must be considered alongside our 12,2% lower turnover. We track and monitor our waste in accordance with the waste hierarchy: reduce, reuse, recycle, recover, landfill – in that order.

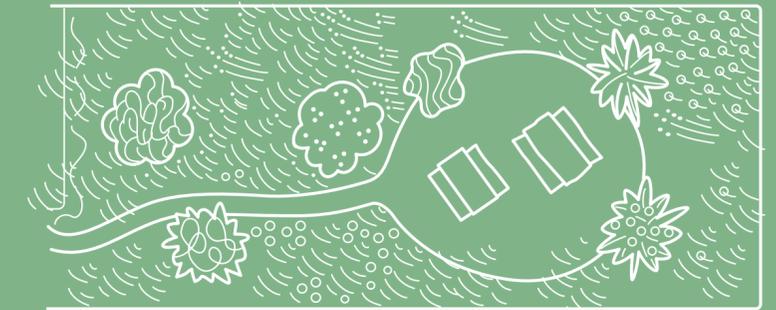
### In 2021 96% of our waste was either recycled as material or recovered as energy



## Biodiversity plan for Aasted headquarters

The Aasted campus in Farum features a number of grass lawns that need to be maintained, and in 2021 we decided to increase the biodiversity of these areas with purposeful wild areas.

Consultations with specialists resulted in plans to encourage wildflower growth and let the grass grow taller. In the future, green areas at our headquarters will be more resilient to droughts and heavy rains and provide more food and shelter for bees, butterflies, and other creatures. These visible changes to support local biodiversity will be implemented during 2022 and hopefully inspire employees and visitors to learn more.



# Responsible processes: goals and progress

## Planned actions in 2021

### Status

### Progress in 2021

Monitor and report energy and electricity usage	100%		We monitor and report on energy and electricity in our quarterly ESG data to managing directors
Join the Science Based Targets Initiative (SBTi).	90%		We are currently finalizing our target setting with SBTi and expect it to be completed in Q1 of 2022
Examine proposals from employees for the green transformation of commuting behavior	100%		Charging points for electric vehicles at work sites in Farum All future company cars will be electric or hybrid
Improve our scope 3 data and calculation method for more systematic and accurate data collection on scope 3 activities, which in the long term will allow us to monitor and report our improvements and results	20%		Engaging with our suppliers, we understand that maturity for measuring CO <sub>2</sub> footprint is not yet at a point where collecting data on scope 3 data for Aasted is possible to the extent we want. During 2021 we worked with our canteen vendor and travel agency, and now have valid climate accounting for flight activities and our canteen's carbon footprint
Update our travel policy to ask employees to assess whether the purpose of the meeting could be met digitally, and fly direct when possible to eliminate stops and reduce CO <sub>2</sub> emissions	100%		Policy has been updated with the prescribed changes
Examine the possibility of establishing a digital studio to provide optimal conditions for online meetings with proper video and audio equipment	15%		Budget has been approved; project will continue 2022
Roll out digital assembly manuals to replace hard copies	100%		Digital assembly manuals have been rolled out
Set up our printers' default setting to print on both sides of paper	100%		Printers' settings have been changed
Reduce the amount of waste in operation and keep a high recycling and recovering rate on the waste we do produce	100%		We reduced our waste by 17.6% and 96% of our waste was recycled or recovered
Conduct energy audit with external partner to identify greatest CO <sub>2</sub> reduction possibilities	100%		Energy audit performed in Q1 and investments to reduce an estimated 47% of total CO <sub>2</sub> e from Scope 1 & 2 activities were approved

## Planned actions in 2022



- Replace all light bulbs in Farum facilities with LED
- Convert from natural gas to heat pumps in Farum facilities
- Implement energy efficiency as a criterion when buying IT and electronic equipment
- Evaluate the case for investing in solar panels for our Farum campus
- Implement recycling stations with obvious waste sorting in factory and administration
- Lower the number of trash cans in administration
- Reduce "general waste's" share of total waste
- Develop a standard operating procedure for purchasing FSC certified wood for all packaging and ensure that no non-recyclable plastic is used

# RESPONSIBLE PRODUCTS

## Our commitments

- Closing our business's circularity gaps
- 50% reduction of value chain emissions by 2030 (scope 3)

## Statement of purpose

Prioritizing R&D and innovation projects that will enable us to become fit for circularity and partnering up with suppliers and customers to reduce environmental impacts we will work to meet our goal of halving the CO<sub>2</sub>e emissions across our entire supply chain.

Everything manufactured comes at a cost that exceeds its price: finite resources dwindle, and the climate crisis and environmental degradation accelerate.

Because Aasted only produces high-quality machines and solutions with long lifetimes, our products already have decent fit with circular economy principles. Therefore, part of our product development mission is to close remaining circularity gaps.

The value chains in which our products operate leave a carbon footprint that is more than two hundred times greater than that of our own operations that produce these products. Accordingly, we have a very ambitious goal for our assortment of responsible products:

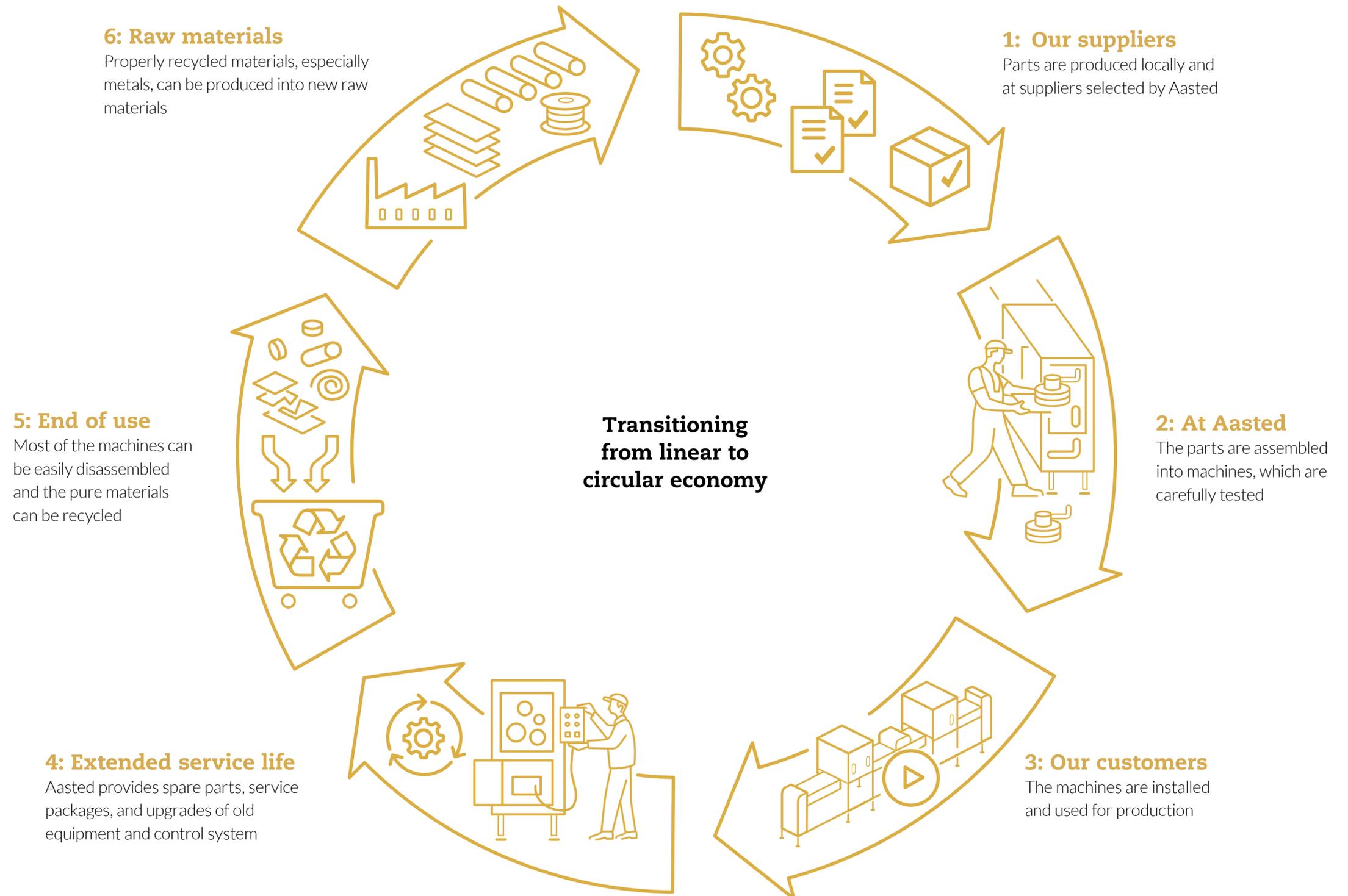
we intend to reduce their operational carbon footprint by 50% no later than 2030. To reach this goal, we will renew our focus on reducing Aasted equipment's energy consumption and we will source input product material with lower carbon footprints. Like every other company working to reduce scope 3 value chain carbon footprint, we can only achieve this goal by sharing our mission and collaborating closely with our suppliers and customers.



# Paving the way to a low-carbon circular economy

Aasted engineers and managers worked throughout 2021 to better understand our products and services in the context of a circular economy. Mapping where we already have good circularity fit has been helpful, but even more importantly, we have identified circularity gaps in our products and services that can be reduced.

Knowing that we have work to do to improve our circularity fits and reduce our circularity gaps, we worked on several initiatives across our value chain and products' life cycle in 2021. Some of these initiatives are presented on the next page.





### Our suppliers

**Fits:** Integrating sustainability as part of our general purchase agreements, we screen and evaluate suppliers on environmental and social impacts (read more on page 24-25). Our revised supplier code of conduct give guidelines on responsible environmental business conduct.

**Gaps:** We cannot yet reliably trace the origin of all metals we use and do not know the exact shares of virgin and recycled metals that enter our products. We are investigating the possibility to procure metals from suppliers using renewables in the manufacturing process to limit CO<sub>2</sub>e emissions from the processing phase.



### At Aasted

**Fits:** We have introduced innovative energy-efficient machines to the market with success, and these have already lowered our customers' energy consumption. We have also introduced remote installation and commissioning, lowering CO<sub>2</sub> emissions related to air travel. We have reduced chemicals with adverse effects by 36% in 2021. We have limited waste from our own production processes and 96% of total waste in 2021 was recovered as either materials or energy.

**Gaps:** We have further possibilities to integrate life cycle assessments and life cycle management as part of our product and R&D departments to optimize resource consumption and driving further energy reductions. Reducing chemicals is a continued focus.



### Our customers

**Fits:** As most Aasted equipment is already fully electrified, the biggest part of our product assortment can be used without any associated emissions if the electricity it takes to run it is from renewable sources. Even our tunnel ovens are available as an electrified version. Even though completely emission-free electrical grids are currently rare, our customers will benefit from the declining emissions associated with electricity generation as renewables play a greater role in the future. The high quality of our machines and equipment generally helps customers limit their production waste, as products are produced uniformly and with high weight accuracy.

**Gaps:** A few of our own products do have direct emissions. While we are not in the business of advising on heat sources or other "supply technical issues", we do perceive an increased need to do so to help our customers make the right procurement decisions as early as possible. These decisions can lead to significant emission savings over the long life of an Aasted machine.



### Extended service life

**Fits:** Regardless of the age of the equipment, Aasted offers original spare parts and service agreements with extended warranty periods and provides preventive and continuous maintenance and repairs to keep the machines running. We also make it possible to replace control systems on older machines, as the service life of control parts is often shorter than that of mechanical parts. In addition, we recently increased our focus on virtual services and increased the number of local service engineers to reduce long service journeys.

**Gaps:** Most service visits are still associated with long transport and air travel for our service engineers, which in isolation has a negative environmental impact. We do not yet have a system that helps our customers sort used parts for recycling when they are replaced with new ones.



### End of use

**Fits:** A sizable proportion of our machines consists of parts made of pure metals, which are both easy and economically profitable to disassemble and recycle.

**Gaps:** Even if sorted correctly, not all materials will be recycled. This may be due to parameters that we influence directly, such as the use of surface treatments which can make recycling difficult, or parameters that are difficult for us to influence, such as local recycling practices. Another example is thermal insulation elements, such as cladding for our chocolate lines, which play a key role in minimizing energy consumption in the use phase but can be cumbersome and therefore not economically viable to disassemble and recycle post-use. Other parts of our machines, e.g., cooling headers, are likewise troublesome and uneconomic for customers to disassemble.



### Raw materials

**Fits:** Metals, our largest material consumption, ensure a long life for our machines. Recycled metals already constitute a major share of global metal supply.

**Gaps:** Processing new metals requires considerable energy and leaves a heavy CO<sub>2</sub>e footprint.

# Improving supply chain sustainability

## Integrating sustainability as part of our general purchase agreements

We believe it is crucial to incentivize our suppliers to show strong social, ethical and environmental stewardship, and we see it as our responsibility that poor environmental and labor practices do not go unnoticed. Aasted practices a zero-tolerance policy with regard to unethical business conduct, in particular bribery, corruption, money laundering, child labor, and forced labor.

It is of special importance to us to make sure our procurement activities are balanced regarding our Triple Ps and to use our buying power to encourage sustainable development across our supply chain.

Integrating the Aasted Impact Questionnaire and its accompanying impact score in our general purchase terms gives us a governance system that supports our ability to handle,

monitor, and qualify our suppliers' sustainability maturity.

The Aasted Impact Questionnaire has helped us initiate conversations with our suppliers about what it means to pursue sustainable development in a 360-degree perspective. The dialogues this questionnaire has started successfully challenged the status quo and improved our suppliers' understanding of the importance of contributing to positive change.

Aasted classifies suppliers in five tiers. Tier 1 are strategic suppliers, Tier 2 are significant suppliers, Tier 3 are key suppliers, Tier 4 are non-critical suppliers, and Tier 5 are non-risk suppliers.

In 2021 we prioritized reaching Tier 1 and 2 suppliers.

 **98.38%**  
Sourced locally in Europe



## Aasted Impact Questionnaire

The Aasted Impact Questionnaire scores and ranks suppliers on five sustainability dimensions: corporate governance, environment, responsible supply chain management, working conditions and human rights, and community engagement

### These are some of the questions we ask our suppliers:

- Does your company have an environmental preferable purchasing policy?
- Do your code of conduct or other policies cover environmentally and socially responsible sourcing of raw materials?
- Is there a policy for active recruitment of underrepresented groups?
- Do you invest in community development activities in the markets you source from and/or operate in?

## 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

In 2020, Aasted assessed the greenhouse gas emissions of its entire value chain. The quantification of greenhouse gas emissions from the purchase and transport of commodities, services, and capital goods reveals that they exceed the greenhouse gas emissions from the company's own business activities by a factor greater than ten. The majority of supply-chain emissions are generated by upstream suppliers. Therefore, we revised our code of conduct in 2021 to include supplier obligations towards environmentally sound business practices.

We have also communicated our revised code of conduct to all suppliers. Currently, 64% of our suppliers either have acceptable codes of conduct of their own or comply with ours. We will continue to engage with suppliers throughout 2022 to heighten the number of suppliers who comply with our code of conduct.

### Supplier impact rating

79%

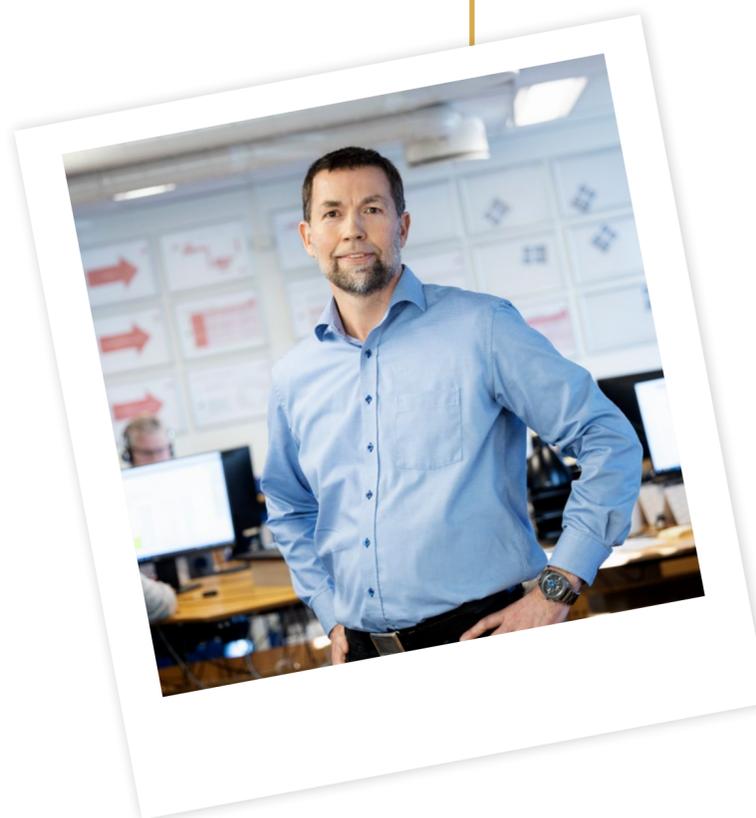
Volume from suppliers (tier 1-2) with completed impact questionnaire.

50%

Volume from suppliers (tier 1-5) with completed impact questionnaire.

60.8 points

The average impact score for all suppliers, weighted by spend, of a maximum 100.



**“The Aasted Impact Questionnaire helps us engage with suppliers on the sustainability issues that only joint efforts can solve. This governance system puts impact development plans on the collaboration agenda and underlines the importance of this performance parameter for our strategic suppliers.”**

**Karsten Kjær Dalby**  
Procurement Manager,  
Execution

# Minimizing our products' lifecycle footprint

## TCO calculations for all products

Aasted developed a standard model for calculating the total cost of ownership (TCO) for individual pieces of equipment in 2021. The model includes all lifetime expenses related to our equipment's purchase, operation, and maintenance. It also quantifies the individual machine's consumption of air, water, electricity, as well as product waste.

Because these TCO calculations enable better financial and environmental decisions for our customers and us, we began integrating the TCO model in the scoping phase of R&D projects in 2021. In 2022 we will continue to calculate the TCO of all standard products. We will also further develop the model to include emissions and work for complete solutions in addition to individual pieces of equipment.

## Partnerships that develop sustainable product-service system solutions

Aasted is a member of the Manufacturing Academy of Denmark (MADE). Led by Danish universities, MADE's purpose is to strengthen Danish manufacturing through research, innovation, and education. Through MADE, Aasted

began collaborating on an exciting PhD project with David Sarancic, who is developing a framework to aid decision-making when designing and evaluating sustainable product-service system (PSS) solutions. PSS solutions combine products and services to deliver more sustainable value to customers and manufacturers across all three dimensions of sustainability: social, environmental, and business.

We intend to use the framework to inform our own PSS innovation projects to support more sustainable performance. The framework can also help other businesses create more sustainable PSS solutions and gain competitive advantage, and future-proof these PSS solutions with regards to upcoming environmental compliance and extended product responsibility legislation.

**“The main aim of our project is to develop a systematic way for Aasted and other capital goods manufacturers to formulate value proposition alternatives and assess the sustainable value potential of PSS solutions.”**



**David Sarancic**  
PhD student  
at Aasted ApS

## Launching our preventive service packages

As our machines are designed to last, ensuring the optimal performance minimizing the environmental footprint in the middle of life/machine use phase is absolute material to Aasted. In late 2020/beginning of 2021 we launched our new service agreement concept to secure the right maintenance and training of staff to provide our customers the best conditions for lowering waste of energy, water and produce. Our machines service life is extended with preventive and predictive service agreements.

[Read more](#)

### The best energy is the energy you never used

The 2020s are called “The decade of action” for a reason. We have limited time to invest in, design, and implement solutions to mitigate climate change. Therefore, any opportunities to reduce the carbon footprint of not only our equipment but also the production environments in which they work must be pursued. A systemic approach to reducing the energy consumption of the production processes in which our equipment participate has the potential to get us all to net-zero faster.

Aasted equipment’s life cycle is often exceptionally long due to its build quality and to the many life-extending services we offer. Thus, the equipment’s use phase usually accounts for its largest share of environmental impact in terms of energy consumption.

In order to improve the energy efficiency across products in the use phase, we see a great potential by taking a step back in the energy chain and focusing on the efficiency of energy

conversion as an additional initiative to the continued focus on reducing the energy consumption of each machine, for example, most of our cooling processes depend on a cold-water supply. So, even though the thermal energy consumption (e.g., cooling chocolate) takes place in our machines, the conversion of energy (making water cold enough to reduce the chocolate’s temperature from 45 to 30 degrees Celsius) takes place outside of our machines, often in a water chiller where electricity is used to power a refrigeration circuit. Increasing the efficiency of this energy conversion (from electricity to cold water) would reduce the production process’s overall electrical energy consumption and carbon footprint. So, although water cooling is not part of our core business, it does impact the energy efficiency and carbon footprint of the processes in which our products participate.

The purpose of our business development project, “Energy Solutions,” is to discover and exploit the potential of this more systemic approach to reducing the carbon footprint of the processes in which Aasted products operate. We have already identified overall process carbon footprint reductions on the

order of 10% made possible by simple optimizations of water supply temperatures. Even greater carbon footprint reductions, on the order of 30-40%, can be achieved by interventions in how and where the production facility sources its energy.

Since energy consulting is not part of our core business today, we need to find the right balance between helping our customers reduce the energy intensity of their production processes and sticking to what we do best. However, we genuinely believe that the potential impact of this more systemic perspective is significant and to everyone’s advantage. Our R&D efforts will therefore continue to pay attention to this systemic approach to energy efficiency throughout 2022.

### New collaboration related to resale of used equipment

As part of our journey to support our products’ fit for circularity, we are taking measures to develop a take-back and resale business. Therefore, we have initiated a collaborative project with

MADE FAST and FORCE Technology to better understand how we can achieve the highest rate of functional reuse of our old production equipment and ensure compliance. The aim of the project is to assess the possibilities for customers to send production equipment back to Aasted so we can improve the reuse and recycling rates of our machines. This would help Aasted to create value in multiple ways:

- Get energy-effective technology to market faster and reduce customers’ energy consumption
- Ensure proper and high reuse and recycling rates for spent equipment
- Refurbish equipment and machines to good working condition
- Increase our customers’ ROI
- Re-sell take-back equipment to more price-sensitive segments and increase our market share in these segments

By the end of 2022, we hope to better understand how to handle compliance as part of this potential take-back resale business.

#### Energy generation

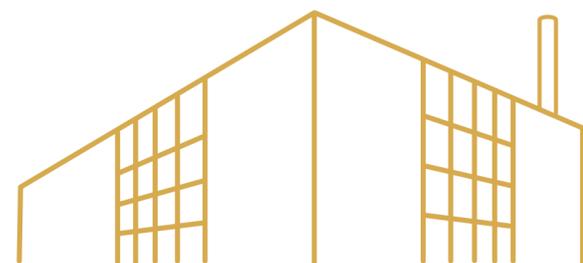
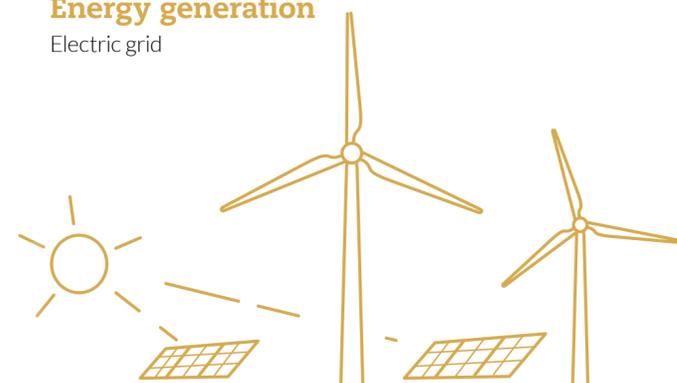
Electric grid

#### Energy conversion

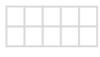
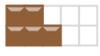
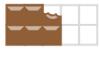
Local factory

#### Energy consumption

Machines and equipment



# Responsible products: Goals and progress

Planned actions in 2021	Status	Progress in 2021
Develop a cover letter for spare parts sales and describe how the spare part can be disposed	0%	 No progress during 2021 Postponed to 2022
Establish a common method and generic models for evaluating our products' total cost of ownership	100%	 We have developed a TCO model that includes the calculation of energy, water, air, and waste into equivalents for total consumption, helping us identify improvement points and communicate about the product's consumption profile to leverage sale of energy-saving products
Carry out first life cycle assessment of our products during 2021	50%	 We have used time and resources on understanding our products' pains and gains in a circular economic perspective, and are still working on identifying the right method and scope for integrating life cycle assessments of standard products in the organization
Make our salespeople more familiar with our customers' needs, challenges, and ambitions in relation to climate and environmental footprint	55%	 All sales employees have received introductory training in sustainability and energy solutions
Develop a supplier classification system and expand measurement and evaluation to cover sustainability	100%	 Our supplier classification scheme was developed with the Aasted Impact Questionnaire
Issue updated CoC to all major suppliers in accordance with our supplier classification	64%	 Updated CoC has been signed by 64% of all suppliers

## Planned actions in 2022



- Develop a campaign targeting current and future customers promoting maintenance and service-level agreements to extend the service life of equipment
- Develop sales personnel's knowledge and ability to confidently integrate sustainability and Aasted's value proposition into dialogues with customers
- Develop consulting, upgrading, and performance kits to become part of our value proposition
- Develop the business case for reselling old and refurbished parts
- Increase focus on remote validation tools on installed equipment to ensure optimal production
- Develop policies and set targets to reduce environmental footprint from shipping activities
- Continue to strengthen regional presence of salesforce and service personnel
- Increasingly consult on and promote our electrical solutions within bakery to reduce the use of gas combustion
- Take measures towards no use of non-natural refrigerants in products from Aasted or third-party equipment
- Help and advise customers through our consultants to assess energy reductions on new and existing equipment and the economic benefits of implementing them
- Work with shipping vendors to integrate CO<sub>2</sub>e emissions integrated on all invoices
- Increase focus on upgrading existing equipment, which can both extend service life and lower current energy consumption.
- Take Energy Solutions to market
- Work with shipping vendors to include CO<sub>2</sub> emission data in invoices
- Investigate the possibility of using biofuel in shipping activities
- Improve user guides, so that we better ensure correct commissioning, operation and use, maintenance, and disposal
- In 2021 our impact score based on purchasing volume was 60.7. We will evaluate this KPI and goals in 2022
- In 2022 we will amend our procurement policy as follows:
  - Make supplier sustainability performance part of prequalification criteria
  - Add a section on supplier relationship management with guidelines on assessing and improving supplier impact scores, particularly for our Tiers 1 and 2 suppliers
  - Create guidelines for dealing with suppliers who do not meet the minimum required impact score levels, including how to help them to improve their scores and when to substitute those that cannot or will not comply

# RESPONSIBLE CULTURE

## Our commitments

- We will be a diverse workplace that brings value to our people in terms of job satisfaction, development opportunities, and good work-life balance
- 30% of the board are women no later than 2025
- 20% of all employees are women no later than 2025
- 35% women in management positions no later than 2025
- All employees receive an average of five education days per year

## Statement of purpose

We strive to create an inclusive, empathic organization that enables all to develop professionally and personally.

Our people are key to everything we do. To be successful we need the sum of us, not just some of us.

We continually strive to create a culture founded on integrity, trust, responsibility, and purpose.

We want to be a place that makes a positive difference for our people, a place where our people 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 the challenges of the future and accelerate our progression towards more sustainable business practices.





# Returning to a new normal

As was the case for so many other organizations around the world, COVID-19 brought many changes to the way we work in Aasted. Before the pandemic, employees were not used to working from home. After the lockdown in March 2020, we all had to quickly get used to new ways of working. Many Aasted employees enjoyed the opportunity to work with fewer distractions, more flexible schedules, no commute, and more time at home.

As we gradually returned to work after the first wave of the pandemic, the “new normal” includes more of us working from home more often. In Aasted we believe that the right balance of working from either the office or home is best determined

by dialogue between individuals and their managers. The right balance will depend on work tasks, dependencies with other internal stakeholders, international interaction, and personal preferences.

Going forward, employees at Aasted will continue to have the flexibility to do hybrid work. We believe that more flexible working conditions can enhance motivation, efficiency, and the well-being of our people. COVID-19 has also made us realize that we cannot only exist in a virtual universe: there are huge benefits of being together physically at the office where we share a lot of informal knowledge, develop social relations, and find creative solutions together.



**“We believe our new normal policy will benefit our employees’ work-life balance and offer them more autonomy in choosing the working arrangements that give them the best energy to create value for themselves and the company.”**

Camilla Brandstrup  
HR Business Partner

# Diversity and inclusion

We value diversity and work continuously to create and maintain a culture based on equality across 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 whose business norms and market dynamics differ from our own. 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 2021 we worked further to integrate diversity and inclusion in our recruitment processes. Just as in 2020, we conducted gender pay reviews to ensure we continue to show robust performance maintaining a gender pay ratio close to zero. In fact, in 2021, the ratio tipped in women's favor to 0.92:1, so median female employees on average earned 8% more than median male employees. In 2021 we also introduced our New Normal policy to allow for more flexible working arrangements that support diversity by enabling people to better manage their varied work-life situations.

## Gender representation across the company

Gender is just one dimension of diversity. However, as we currently do not have consistent measures of all other dimensions, our targets now only reflect the underrepresented gender.

As part of our commitment to diversity and inclusion, we have set specific targets to increase our share of women throughout the company. By 2025, it is our goal that 20% of all Aasted employees, 35% of all managers, and 30% of all board members are women.

In 2021, however, the total percentage of women across all positions fell from 15% to 14% and the number of women on our board of directors went from two to none. 33% of Aasted managers were women. As we have seen progress in number of women in management positions in the last two consecutive years, we have revised our goal of women in management positions from 30% to 35% in 2025. We will take measures to further improve gender representation in 2022 and beyond.

— Read our diversity and inclusion policy



## Diversity at Aasted



## Introducing the Aasted career site

In October 2021 we launched a new career site on our website. On our career site we give the word to our employees to let them tell their stories about working in the Aasted organization from their diverse perspectives, enlightening potential newcomers to get to know us better.

— See more on our Career page and learn about how work unfolds in Aasted



### Improving parental leave

In 2021 we improved our parental leave conditions for mothers, fathers, and co-parents. Full paid leave for a total of 36 weeks may be shared between parents. We offer mothers 18 weeks of paid maternity leave. Fathers or co-parents are offered two weeks of paid paternity leave and a further 16 weeks of paid parental leave to be shared between parents.

### Anti-harassment policy

Aasted is committed to safe, welcoming, and inclusive work environments free of discrimination, harassment, and offensive acts. We communicate openly and honestly, and aim to behave responsibly in everything we do. We interact with each other professionally and respectfully, and we want a culture where harassment is regarded as unacceptable behavior. In light of the increased worldwide awareness of workplace harassment in 2021, we have now formulated an anti-harassment policy.

We want everyone – both those involved and those who are witnesses – to take responsibility for preventing and stopping harassment in our workplaces and in our business relations. Aasted will not tolerate activities that violate the dignity of people. Therefore, when harassment is spotted, we ask everyone – both Aasted employees and others – to speak out clearly to the insulter, support the person who is affected, and stop harassment in its tracks. As mentioned on page 13, Aasted also has a whistleblower system to report incidents anonymously, if desired.

— [Read our anti-harassment policy](#)

### Improving company-paid pension

In 2021 we increased the share of employer-paid pension contributions to better support our people's opportunities to save for a good life after retirement.

### Tracking sickness absence and employee turnover rate

Employee turnover rates and sickness absences are indicators that can reflect our staff's wellbeing and our employee relations. We track the development of both on a quarterly basis.

Aasted has set the goal of being on par with industry benchmarks for sickness absences. However, this year our sickness absence days were higher. While we averaged 8.8 sickness absence days per FTE in 2020, in 2021 we averaged 10.8. Our employee turnover rate remained at 19% in 2021. We will take measures in 2022 to have a strong focus on employee satisfaction and wellbeing, introducing an employee survey to continuously analyze employee satisfaction and wellbeing and help us identify potential improvement and to act upon the suggestions and insights we gain from the survey. As we believe leadership is one of the most important levers to support employee engagement, job satisfaction and well-being we will strengthen our focus on leadership training and development.

### Employee sickness absence

**10.8**  
days per FTE

### Employee turnover rate

**19%**

## Education for a more sustainable future

Our strategic focus on sustainability requires additional expertise and training of our employees, and we carried out a number of internal sustainability training activities in 2021.

### Leadership sustainability training

The future of our company’s sustainability will rely on environmentally aware leaders who balance our Triple Ps and create value for society at large. Thus, all Aasted managers participated in our Sustainable Leadership Academy in 2021 to learn more about sustainable leadership and how key sustainability goals and principles apply to their function. This training makes managers better at identifying opportunities and to act on them.

### Team-based sustainability training

We conducted team-based sustainability training for many departments in 2021. This training educates employees across functions to understand their possibilities to contribute to our sustainability agenda and increases their insight into how their specific teams’ processes, procedures, and tasks all contribute to better sustainability performance. In 2021 we focused on training for teams with strategic relevance to our most material sustainability issues.

Team-based sustainability training will continue in 2022 and reach all departments.

- Shipping
- Product
- Commercial excellence
- Sales
- HR

### Driving change by adding sustainability vision to onboarding

In 2021 we implemented an onboarding program that introduces new employees to our sustainability vision so that they can better contribute to our continuous progress.



# People development

We want to provide employees with opportunities to learn and grow through education, workshops, and knowledge sharing. However, we have not met our goal of an average of five education days per employee for the last two years. Due to COVID-19 much of the education and training that used to be conducted physically has moved to digital platforms, which our reporting systems do not fully capture. But even though some training is under-reported, the number of realized education days is below target and will be a focus area in 2022.. In total, Aasted employees spent 424.5 days on education and training in 2021, with hourly employees averaging 2.9 education days for the year and salaried employees averaging a total of 1.6 days pr FTE. In 2022 we will conduct more frequent employee development interviews to strengthen employee involvement.

### Employees spent

**539**  
days in total on education and training

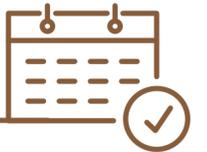
**1.6**  
education days pr. FTE

# Responsible culture: Goals and progress

## Planned actions in 2021

Planned actions in 2021	Status	Progress in 2021
Planning and conducting 4 Leadership Academies for the management team Equip them for understanding and working with our triple bottom line principle	75%	3 of 4 Leadership Academies were held for the management team with the themes: Self Leadership, People Leadership, and Sustainable Leadership. The 4th Academy with the theme Values was postponed to Q1 in 2022
Quarterly meetings of education committee to monitor the development and running of training sessions and courses	0%	Our education committee did not meet on a quarterly basis this year; we will improve the committee's meeting rate in 2022
Choosing, buying, and implementing LMS system to support e-learning	0%	In Q1 2021 it was decided to postpone this to 2022
Launch new employer branding page at www.aasted.eu to present our company and clarify to candidates what Aasted stands for as a workplace	100%	The new employer branding page was launched in October 2021
Develop, launch, and implement a new intranet that is dialogue-based to encourage commitment, transparency, and employee involvement	80%	The system is developed, and configuration is on-going; release is planned for Q1, 2022
Sustainable transformation team-based education program for employees at Aasted	50%	Our impact manager conducted internal training for some teams in the organization; sustainability training will be an ongoing focus in 2022
New policy allowing working from home to provide more flexibility for employees	100%	In October 2021 we launched our 'New Normal' policy allowing for more flexible working schedules as well as the opportunity to work from home
Choose employer survey assessment tool and conduct survey and integrate score as People Index in 6 primary KPIs	0%	Employer survey postponed to 2022; APV (workplace assessment) was carried out in 2020 and initiatives for improvements were implemented out in 2021
Developing, implementing, and conducting short high-frequency employee development interviews	50%	The development of the concept for our new high-frequency employee development interviews saw progress in 2021 but has not yet been fully implemented
Launch anti-harassment policy and educate all employees in following its rules and guidance	100%	In March 2021 we launched the anti-harassment policy across all of Aasted, and all employees have been informed of the policy
Change job advertisements to include diversity, equality, and under-represented groups	100%	All job posts now include the diversity message by default

## Planned actions in 2022



- Conduct four themed Leadership Academies in 2022
- Strategy for updating, developing, and maintaining our new intranet during 2022 with focus on sustainability communication on progress and interactive conversations among employees to strengthen community feeling in the organization
- Implement e-learning system
- Focus on diversity and inclusion content on employer branding webpage
- Implement employer survey assessment tool to ensure ongoing measurement and improvement of employee satisfaction

# RESPONSIBLE WORKPLACES

## Our commitments

- Reduce 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

Our working environments must be healthy, safe places that promote physical, psychological, and social wellbeing for all employees – and respect for the environment.

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

Our employees are our greatest asset, and their safety is essential. We want to ensure that our employees can lead long, healthy, and happy working lives.

Workplace safety is critical for our employees to perform their duties without risking physical or psychological harm. Employees in Aasted are also covered by health insurances, where psychological and physical health services are covered.

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

**333**  
Total FTE

**237**  
Salaried employees

**96**  
Hourly employees

**135**  
Employees with collective bargaining agreements





# Strengthening our health and safety

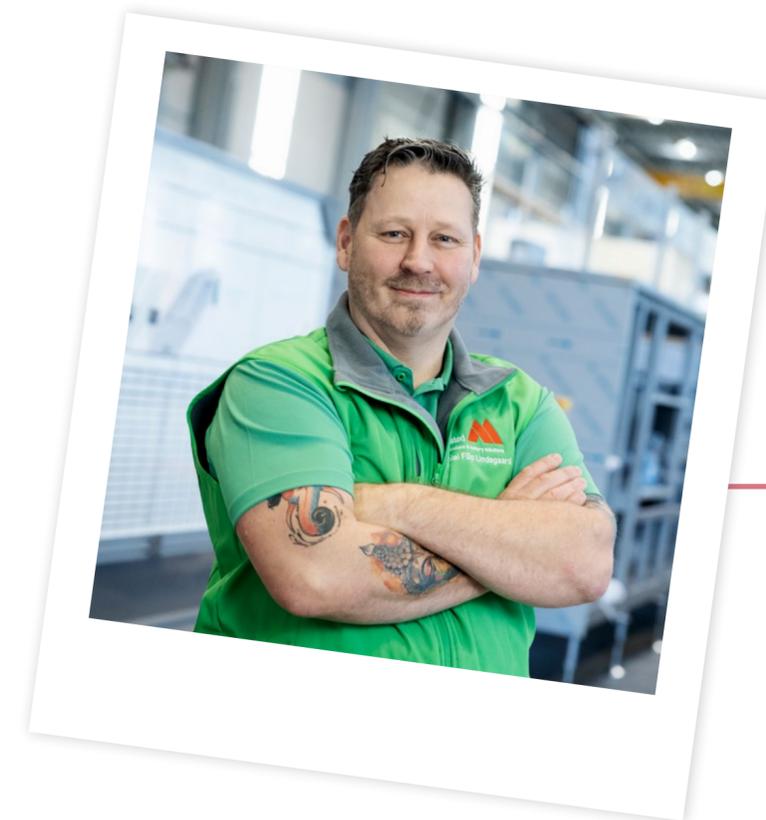
Responsibility for health and safety was previously distributed to various parts of our organization. To ensure consistency and improve quality, in 2021 we established a health and safety organization led by a new health and safety manager. The new health and safety organization is now part of Aasted’s quality department.

In 2021 we also improved our health and safety efforts by adding two certified machinery safety experts and a CE responsible to our quality department. In 2022 we will continue to boost CE competencies and attention to machine safety for engineers throughout the organization.

## Safety first

We analyze all accidents and report all incidents every year. Throughout 2021, we continued to analyze incidents with high potential for severe injury and took preventive measures to mitigate these risks. We analyze all accidents, identify their causes, and take measures to make sure that accidents do not reoccur. In 2021 our accident frequency rate increased from 10.1 accidents per million performed hours in 2020 to 14.7. We believe strengthening our health and safety organization will better enable us to take the measures needed to reach our goal of a maximum of 5.0 accidents per million performed hours no later than 2025.

**“Good health and safety is not something you achieve by accident. It requires sustained focus and hard work. Our employees’ physical and psychological health are interconnected and our health and safety work includes measures to promote both.”**



**Daniel Filip Lindegaard**  
Health and Safety Manager

In 2021 we reduced our total use of chemicals with adverse effects by

**36%**



**Reducing chemicals at Aasted**

In 2021 we continued implementing a new chemistry management system to reduce and optimize our use of chemicals, improve health and safety conditions at our plant, and enable an effective circular economy. Substituting hazardous chemicals is key to achieving a circular economy in which materials can be safely recycled. By promoting the use of safer chemicals and phasing out the use of hazardous chemicals, we make it easier to reuse and recycle materials from our products and at the same time improve the safety of our production processes.

Chemical usage in all offices and plants in Farum was reviewed in 2021. To ensure the right handling, all chemicals are now registered in our new chemistry management system with safety data sheets, locations, product groups, product usages, risk assessments, and relevant guidelines. All chemicals are now organized in three categories (health, safety, and environment) and labeled as red, yellow, or green in accordance with their risk profiles within the three categories.

**Within the health category we reduced 57% of red-labeled chemicals, 25% of yellow-labeled chemicals, and 34% of green-labeled chemicals.**

**Within the safety category we reduced 25% of red-labeled chemicals, 29% of yellow-labeled chemicals, and 39% of green-labeled chemicals.**

**Within the environment category we reduced 41% of red-labeled chemicals, 33% of yellow-labeled chemicals, and 35% of green-labeled chemicals.**

**Safety awareness**

Widespread awareness is integral to preventing and managing health and safety hazards, and we run quarterly awareness campaigns every year on material safety issues. This year we covered the issues: incidents, safe traffic, and chemicals.

In 2021, however, these campaigns were significantly affected by the COVID-19 pandemic and the increase in remote work.

In Q1 the campaign theme was incidents. The goal was to increase the registration of incidents so that we can proactively prevent hazardous situations and bring down the number of accidents in Aasted.

In Q2 the campaign theme was safe traffic. The goal was to reduce the risk of traffic hazards in and around the factory. We posted signs to avoid traffic in certain areas, highlighted pedestrian areas again, and made it possible for the logistics department to block off areas while loading and offloading trucks.

We did not conduct a safety awareness campaign in Q3 but ran a Q4 campaign on the safe use of chemicals. The goal was to encourage all workers to comply with safety procedures and guidelines for chemicals still in use.



# Taking care of each other

Establishing a sense of safety and community in the workplace is essential in times of uncertainty.

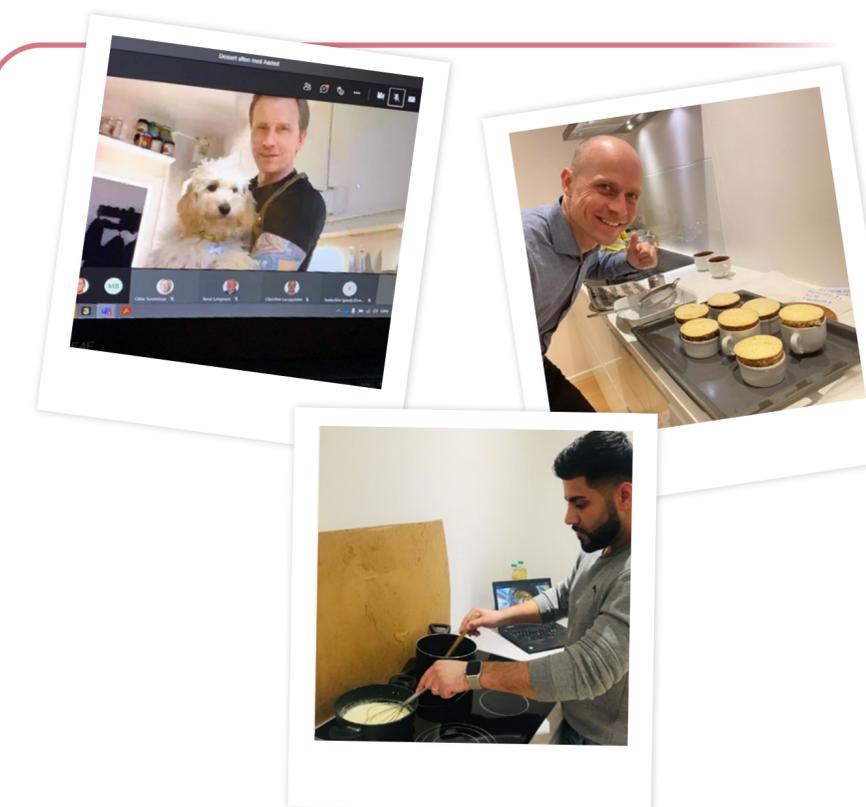
As soon as the COVID-19 pandemic broke out, Aasted established a corona team with members from executive management, operations, compliance/legal, and HR. Throughout 2021, the team communicated consistently with employees about how to handle working from home, issues of physical and mental wellbeing, business travel, and how to comply with constantly changing rules. We also encouraged and supported managers to engage in frequent dialogues with employees about their physical and mental wellbeing, create virtual gatherings, and help staff return to the office safely.

To increase social wellbeing, Aasted's chocolate and baking expert arranged a virtual baking class for employees and their families.

## We bike to work campaign

In May 2021 Aasted took part in the campaign "We bike to work", one of Denmark's largest campaigns to promote exercise in the workplace.

For one month, employees were invited to join teams that bike to work. The campaign encouraged, motivated, and cheered people on as they turned their commutes into bicycle rides. We believe the campaign helped build a sense of community for participating employees in a year when COVID-19 made it harder to socialize with colleagues for long periods.



**To increase social wellbeing, we arranged a virtual baking class for families with our chocolate and baking expert in Aasted.**

# Responsible workplaces: goals and progress



## Planned actions in 2021

Planned actions in 2021	Status	Progress in 2021
Conduct quarterly health and safety campaigns	75%	We conducted three of four planned campaigns this year
Establish a process for measuring the quality and effect of action taken on selected health and safety improvement suggestions from employees	25%	We finished a standard procedure to track the effect of selected improvements, but we have not used it to the extent we want to and will continue to focus on this in 2022
Publish a quarterly health and safety group newsletter	0%	We did not produce any newsletters, but did communicate health and safety updates in other channels, e.g., strategy reports and intranet
Re-educate employees in the use of safety shoes – especially for salaried employees and company guests	50%	The work on educating employees on this topic is still ongoing
Develop standard manuals and procedures for all machines to ensure that machines are always lifted and moved safely; the manuals must include standards for transport and operation by 2023	10%	Ongoing development; we will connect this initiative with a project to improve employee ergonomics in 2022
Increase training efforts to ensure that all employees are properly trained and educated in handling chemicals and how to deal with accidents, incidents, or injuries involving chemicals	100%	Chemical waste management system was initiated, and we ran a campaign on safety and chemicals in Q4
Emphasize the importance of safety work and identify and recognize progress by integrating safety as a KPI at the factory going forward	25%	Recognized and communicated to people managers

## Planned actions in 2022

- Develop a formal safety reporting system for employees to submit their safety concerns
- 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
- Senior management to address safety issues through written communications or in company gatherings at least quarterly.
- Integrate investigation and documentation of the root causes of accidents and incidents in standard operating procedure and integrate the prescription to follow the preferred hierarchy when eliminating or controlling the hazard
- Create transparency regarding injury trends and trend data for all workers
- Conduct an annual evaluation of the safety and health system that includes senior management
- Educate engineers across the organization in CE competencies and knowledge to scale machine safety focus
- We will ensure that our emergency plans are up to date and include areas such as terror incidents and chemical emergencies
- We will develop and train our emergency team
- We will communicate emergency handling to all to increase awareness and we will carry out fire drills at our premises
- We will continue to reduce and substitute chemicals
- We will prioritize ergonomics and how we can improve our practices when lifting, pushing, and hauling and how we can improve correct use of our equipment at our plant
- We will move our smoking area to be more than 25 feet from building entrances
- We will add health and safety targets to all people managers' KPIs

# ACCOUNTABILITY



# Sustainability and governance

Board of Directors



Executive Management



Sustainability Department



Implementation in all functional areas by appointed sustainability leads

Our sustainability department is responsible for coordinating and facilitating our progress towards greater sustainability. 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. To reflect the strategic importance of sustainability, our sustainability manager reports directly

to our CEO and our sustainable progression is reported to our board of directors at least once a year. To effectively implement sustainability across the organization, we have appointed yearly sustainability leads for each area of impact. Our sustainability manager and the appointed sustainability leads work in close collaboration to define targets and action plans within their business impact areas.

## Key figures

Environment					
	Unit	2021	2020	2019	Accounting Method
Co2E, Scope 1**	Tons	339	262	278	Total of natural gas((usage * energy factor)*emission factor) + Total of fuel((total invoice / average price of 1L fuel in 2021 * -1)*carbon content of fuel) + Total of GHG from purchased gas bottles((CO <sub>2</sub> *GWP(=1)) + (N <sub>2</sub> O*GWP(=298)))
Co2E, Scope 2 (Location based)**	Tons	196	214	209	KWh of electricity used multiplied by conversion factor into CO <sub>2</sub> e pr. country (only electricity purchased)
Energy consumption*	GJ	10,470	9,964	10,050	Total used electricity (KWh) multiplied by energy factor to convert into GJ + Total used natural gas (M3) multiplied by energy factor to convert into GJ
Share of renewable energy*	%	37%	42%	40%	Renewable energy divided by total energy consumption
Water consumption*	M3	1,607	2,026	2,206	Total water usage as of 31/12-2021, brutto
Total waste	%	223,554	283,287	337,559	Data from our external waste management system
Hazardous waste rate	%	0.8%	0.3%	0.2%	Percentage of total waste that is defined as hazardous
Waste recovery rate	Tons	96%	97%	96%	Total percentage of waste recovered as either material, energy, or biofuel
Waste material recovery rate	%	17%	0%	0%	Percentage of total waste recovered as material (Data from our external waste management system)
Waste energy recovery rate	%	29%	41%	46%	Percentage of total waste recovered as energy (Data from our external waste management system)
Waste ends up as landfill	%	4.0%	2.7%	4.4%	Percentage of total waste that ends up in landfills (Data from our external waste management system)
Waste biofuel recovery rate	%	16.3%	-	-	Percentage of total waste recovered as biofuel (Data from our external waste management system)

\*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>

\*\*As Aasted did not buy renewable energy certificates in 2021, we disclose only using location based method.

\*\*\*Note changes from previous years in Scope 1 and 2. From this year on Scope 1 incl. Natural gas combustion.

## Social

	Unit	2021	2020	2019	Accounting method
Workforce*	FTE	336	349	364	FTE as of 31/12-2021
Workforce - Hourly salaried employees	FTE	97	117	120	FTE as of 31/12-2021, hourly salaried employees
Workforce - Salaried employees	FTE	239	233	244	FTE as of 31/12-2021, salaried employees
Gender diversity*	%	14%	15%	14%	Female FTEs divided by male FTEs
Gender diversity - Management*	%	33%	33%	20%	Female manager FTEs divided by male manager FTEs
Pay gap between genders*	Ratio	0.92	1.01	0.99	Median of monthly salary of females divided by median of monthly salary of males
Employee turnover rate*	%	19%	19%	18%	Number of involuntary and voluntary leavers divided by FTE
Employee sickness*	Days/FTE	10.8	8.8	8.0	Number of whole sickdays divided by FTE
Employee sickness - Hourly salaried employees	Days/FTE	21.9	11.6	10.7	Number of whole sickdays divided by FTE of hourly salaried employees
Employee sickness - Salaried employees	Days/FTE	6.4	7.4	6.6	Number of whole sickdays divided by FTE of salaried employees
Senior employees	FTE	17	9	7	FTE as of 31/12-2021, employees aged 67+
Student employees	FTE	13	12	6	FTE as of 31/12-2021, on student contracts
Apprentices	FTE	8	7	6	FTE as of 31/12-2021, on apprentice contracts
Education days	Days/FTE	1.6	1.9	5.1	Number of education days pr. FTE as of 31/12-2021
Employee-participation in education	Headcount	110	123	276	Number of unique employees to participate in education in 2021
Employees covered by collective bargaining agreements	Headcount	135	149	158	Hourly salaried employees and certain groups of salaried employees

\*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>

## Governance

	Unit	2021	2020	2019	Accounting method
Board's gender diversity*	%	0%	22%	22%	Percentage of women in board
Participation rate in board meetings*	%	100%	100%	100%	Count of board members to participate versus total board members
Pay ratio between CEO and employees*	Ratio	6.43	6.27	-	CEO salary compared to median salary of the total workforce

## Accidents

	Unit	2021	2020	2019	Accounting method
Accident frequency rate	Ratio	14.7	10.1	9.9	Number of accidents resulting in more than one day's absence divided by million working hours

## Finance

	Unit	2021	2020	2019	Accounting method
Revenue	t.DKK	501,101	571,464	589,455	Financial revenue as of 31/12-2021
Revenue, Chocolate	%	66,6%	71,9%	74,5%	Financial revenue as of 31/12-2021, branch revenue compared to total revenue
Revenue, Confectionary	%	8,5%	7,1%	2,3%	Financial revenue as of 31/12-2021, branch revenue compared to total revenue
Revenue, Bakery	%	9,2%	4,5%	0,5%	Financial revenue as of 31/12-2021, branch revenue compared to total revenue
Aftersales & Service	%	15,7%	16,5%	22,7%	Financial revenue as of 31/12-2021, branch revenue compared to total revenue
EBITDA	t.DKK	39,466	53,230	51,382	Financial EBITDA as of 31/12-2021
TAX	t.DKK	6,199	8,855	9,990	Financial Tax as of 31/12-2021
Solvency ratio	%	38.5%	36.6%	25.4%	Equity divided by assets as of 31/12-2021
Credit Assessment	SCORE	AAA1	AAA	AA	Dun & Bradstreet credit assessment

# Contributions to the SDGs

SDG	Target	Activities	Dimension	Page
<b>SDG 3</b> Ensure healthy lives and promote well-being for all at all ages	<p><b>3.4</b> By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being</p> <p><b>3.9</b> By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination</p>	<p>Returning to a new normal</p> <p>Improving parental leave</p> <p>Tracking sickness absence and employee turnover rate</p> <p>Safety first</p> <p>Reducing chemicals at Aasted</p> <p>Safety Awareness</p>	<p>Responsible culture</p> <p>Responsible workplaces</p>	<p>29-34</p> <p>35-39</p>
<b>SDG 5</b> Achieve gender equality and empower all women and girls	<p><b>5.1</b> End all forms of discrimination against all women and girls everywhere</p> <p><b>5.5</b> Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</p> <p><b>5c</b> Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels</p>	<p>Encouraging a speak-up culture</p> <p>Diversity and inclusion</p> <p>Gender representation across the company</p> <p>Improving parental leave</p> <p>Anti-harassment policy</p>	<p>Responsible business</p> <p>Responsible culture</p>	<p>10-16</p> <p>29-34</p>
<b>SDG 7</b> Ensure access to affordable, reliable, sustainable and modern energy for all	<p><b>7.3</b> By 2030, double the global rate of improvement in energy efficiency</p>	<p>Paving the way to a low carbon circular economy</p> <p>Energy audit and decision to invest heavily in energy reductions</p>	<p>Responsible processes</p> <p>Responsible products</p>	<p>17-20</p> <p>21-28</p>
<b>SDG 8</b> Promote sustained, inclusive, and sustainable economic growth, full and productive employment and decent work for all	<p><b>8.4</b> Improve progressively through 2030 global resource efficiency in consumption and production and endeavor to decouple economic growth from environmental degradation</p> <p><b>8.8</b> Protect labor rights and promote safe and secure working environments for all workers</p>	<p>Paving the way to a low carbon circular economy</p> <p>Partnerships that develop sustainable product-service system solutions</p> <p>Strengthening our health and safety organization</p> <p>Integrating sustainability as part of our general purchase agreements</p>	<p>Responsible business</p> <p>Responsible products</p> <p>Responsible workplaces</p>	<p>10-16</p> <p>17-20</p> <p>35-39</p>
<b>SDG 9</b> Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	<p><b>9.4</b> By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes</p> <p><b>9.5</b> Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending</p>	<p>Accelerating the transition to green transportation</p> <p>New collaboration to investigate compliance in relation to resale of used equipment</p> <p>Sharing knowledge with educational institutions and student workers</p>	<p>Responsible business</p> <p>Responsible processes</p> <p>Responsible products</p>	<p>10-16</p> <p>17-20</p> <p>21-28</p>
<b>SDG 12</b> Ensure sustainable consumption and production patterns	<p><b>12.4</b> Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment</p> <p><b>12.5</b> By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse</p>	<p>Paving the way to a low carbon circular economy</p> <p>The best energy is the energy you never used</p> <p>Partnerships that develop sustainable product-service system solutions</p> <p>Reducing chemicals at Aasted</p>	<p>Responsible processes</p> <p>Responsible products</p> <p>Responsible culture</p>	<p>17-20</p> <p>21-28</p> <p>29-34</p>
<b>SDG 13</b> Take urgent action to combat climate change and its impacts	<p><b>13.1</b> Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters</p> <p><b>13.3</b> Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</p>	<p>Energy audit and decision to invest heavily in energy reductions</p> <p>Spotlight on responsible consumption and energy behavior</p> <p>Integrating sustainability as part of our general purchase agreements</p> <p>Education for a more sustainable future</p>	<p>Responsible processes</p> <p>Responsible products</p> <p>Responsible culture</p>	<p>17-20</p> <p>21-28</p> <p>29-34</p>
<b>SDG 17</b> Strengthen the means of implementation and revitalize the global partnership for sustainable development	<p><b>17.16</b> Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships</p> <p><b>17.17</b> Encourage and promote effective public, public-private and civil society partnerships</p>	<p>UN Global Compact Membership</p> <p>Leave no one behind: sharing best practices</p> <p>Integrating sustainability as part of our general purchase agreements</p> <p>Partnerships that develop sustainable product-service system solutions</p>	<p>Responsible business</p> <p>Responsible products</p>	<p>10-16</p> <p>21-28</p>

## UN Global Compact Principles index

Aasted supports the UN Global Compact. As an active member, we disclose our communication on progress through this report. The index below shows where to find information on how Aasted has worked with each the ten principles during 2021.

Global Compact Principles	Dimension	Page
<b>Principle 1:</b> Businesses should support and respect the protection of internationally proclaimed human rights	Responsible business code of conduct	10-16
<b>Principle 2:</b> Businesses should make sure that they are not complicit in human rights abuses	Responsible business Responsible products Responsible workplaces	10-16 21-28 35-39
<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 code of conduct	10-16 35-39
<b>Principle 4:</b> Businesses should uphold the elimination of all forms of forced and compulsory labor	Responsible business Responsible products code of conduct	10-16 21-28
<b>Principle 5:</b> Businesses should uphold the effective abolition of child labor	Responsible business	10-16
<b>Principle 6:</b> Businesses should uphold the elimination of discrimination in respect of employment and occupation	Responsible business Responsible culture	10-16 29-34
<b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges	Responsible processes Responsible products	17-20 21-28
<b>Principle 8:</b> Businesses should undertake initiatives to promote greater environmental responsibility	Responsible business Responsible processes Responsible products Responsible culture	10-16 17-20 21-28 29-34
<b>Principle 9:</b> Businesses should encourage the development and diffusion of environmentally friendly technology	Responsible business Responsible products	10-16 21-28
<b>Principle 10:</b> Businesses should work against corruption in all its forms including extortion and bribery	Responsible business code of conduct	10-16

— Read our code of conduct

# GRI Index

- Fully disclosed
- Partially disclosed
- Not disclosed

Disclosure	Description	Level of disclosure	Page/comment
<b>GRI 204: Procurement Practices 2016</b> 103-1,2,3 204-1	Materiality and approach to procurement practices Proportion of spending on local suppliers	<span style="color: red;">●</span> <span style="color: red;">●</span>	9 24
<b>GRI 205: Materials 2016</b> 103-1,2,3 301-1 301-2 301-3	Materiality and approach to managing materials Materials used by weight or volume Recycled input materials used Reclaimed products and their packaging materials	<span style="color: green;">●</span> <span style="color: blue;">●</span> <span style="color: blue;">●</span> <span style="color: blue;">●</span>	9 We currently do not measure this. Data not available We currently do not measure this. Data not available We currently do not measure this. Data not available
<b>GRI 302: Energy 2016</b> 103-1,2,3 302-1 302-2 302-3 302-4 302-5	Materiality and approach to managing energy Energy consumption within the organization Energy consumption outside of the organization Energy intensity Reduction of energy consumption Reduction in energy requirements of products and services	<span style="color: red;">●</span> <span style="color: red;">●</span> <span style="color: blue;">●</span> <span style="color: blue;">●</span> <span style="color: red;">●</span> <span style="color: blue;">●</span>	9 1 We currently do not measure this. Data not available Ambition to include in 2022 Corporate Responsibility Report 18, 41 Further data is needed
<b>GRI 305: Emissions 2016</b> 103-1,2,3 305-1 305-2 305-3	Materiality and approach to managing emissions Direct (Scope 1) GHG emissions Energy indirect (Scope2) GHG emissions Other indirect (Scope 3) GHG emissions	<span style="color: red;">●</span> <span style="color: red;">●</span> <span style="color: red;">●</span> <span style="color: red;">●</span>	9, 21, 27 41 41 41
<b>GRI 403: Occupational Health and Safety 2018</b> 103-1,2,3 403-1 403-2 403-3 403-4 403-5 403-6 403-7  403-8 403-9 403-10	Materiality and approach to managing occupational health and safety Occupational health and safety management system Hazard identification, risk assessment, and incident investigation Occupational health services Worker participation, consultation, and communication on occupational health safety Worker training on occupational health and safety Promotion of worker health Prevention and mitigation of occupational health and safety impacts directly linked by business relationships Workers covered by an occupational health and safety management system Work-related injuries Work-related ill health	<span style="color: green;">●</span> <span style="color: green;">●</span> <span style="color: green;">●</span> <span style="color: green;">●</span> <span style="color: green;">●</span> <span style="color: green;">●</span> <span style="color: red;">●</span> <span style="color: green;">●</span>  <span style="color: blue;">●</span> <span style="color: green;">●</span> <span style="color: green;">●</span>	9, 35 35-36 36 35 36 37 35-36 36  Not measured by workers 42 42



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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