

Our responsibility

CSR REPORT



REFRESH AND DELIGHT

CO-RO's Fond
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ABOUT THIS REPORT

This is CO-RO's corporate social responsibility report. It is a report showing the management's account of CO-RO's actions and goals within sustainability and is compliant with the Danish Financial Statements Act §99a and §99b.

The purpose of the CSR report is to provide stakeholders with an impression of our business model and how it links to our perspective on Human Rights, Environmental and Climate Impact, Working Environment, Anti-Corruption and Responsible Consumption. The CSR report covers CO-RO A/S, CO-RO Holding A/S and CO-ROs Fond jointly.

Our approach to responsibility

“Our company must be known as a company that builds its business on honesty and integrity, respecting different cultures and complying with laws and regulations in the countries where we operate.”

Mr. Jep Petersen,
CO-RO's founder

This quote from Jep Petersen still guides how we work together every day at CO-RO. His words serve as inspiration to how we conduct our business – sustainably and responsibly. That's how we safeguard and develop CO-RO, and care for our employees, partners, customers and the environment that sustains us all. This means we naturally adhere to international principles of responsible business behaviour like the UN Global Compact.

Whatever our position, every one of us plays a vital and appreciated role in ensuring CO-RO Groups' ongoing success.

We all contribute in our respective ways to shaping the company, its image and reputation.

Our Winning Behaviors

CO-RO has a diverse, healthy, high-performance culture and we all share exciting ambitions for our company. We are a growing company and we work in an environment that reflects this. It's dynamic, it's stimulating and – most of all – rewarding. We see each other as individuals and our respective competencies as CO-RO's most valuable assets.

Our goal is to be the very best company we can be. That is why we continuously focus on improving the workday and creating an ideal working environment for each other – both physically and socially. Key to this is appreciating the contribution of every individual and ensuring a beneficial work-life balance for all.

Everyday life at CO-RO is guided by three winning behaviours that reflect our culture and provide a strong foundation for success.

Take Action

We must never miss an opportunity to act. The world belongs to those who take initiative, act and continuously improve. We take pride in delivering results and in keeping momentum. That's how we build an extraordinary business.



Create

Good experiences don't come on their own. That is why we encourage innovative thinking and new ways of doing things. If we are curious about what our colleagues are doing, what consumers want, and where our business is heading, then new ideas will come naturally. When we share our ideas and involve others in making them a reality, the sky is the limit.



Be Responsible

With great power comes great responsibility and therefore we always behave with honesty and integrity. We are here to bring joy and happiness into people's lives – and we are accountable for how we do it.



CO-RO's Business Model

At CO-RO we strive to ensure sustainability in the most significant steps in our business model, as we are aware that our value chain generates an environmental impact.

CO-RO purchases various components and raw material from local as well as global suppliers to produce a concentrated compound in Denmark.

The compound is then shipped to subsidiaries and partners around the world, where the compound is converted into finished goods by adding additional

components like water, sugar etc. After conversion, the product is being bottled or bricked and packed ready for sale.

Local distributors then collect the products and secure distribution to end users through wholesale networks, traditional trade, modern trade or the HORECA channel. Marketing is handled as a

coordinated effort between head office, or partners and distributors around the world.

The below figure illustrates the business model, as well as some of the areas where CO-RO's footprint may have an environmental impact.

Sourcing

the best quality fruit concentrate and raw materials



Producing

highly concentrated compound



Shipping

compound to partners and bottlers via ship and lorries



Bottling

via partners to produce finished goods

Distribution

of finished products to the trade



Consumers

being refreshed and delighted in more than 80 countries around the world

CSR Policy

CO-RO has formulated a CSR policy based on guidelines from UN Global Compact, as well as the UN 17 Sustainable Development Goals, on which the following four will be our focus areas, as they are the most relevant given our purpose, business model and global footprint:



The CSR policy addresses the four pillars of the Danish Financial Statements Act §99a, namely Human Rights, Working Environment, Environmental and Climate impact and Anti-Corruption as well as Responsible Consumption.

The principles outlined in the CSR policy are supported by our Code of Conduct, as well as Employee Handbook and other internal employee policies.

CO-RO commits to establish relevant indicators for the issues mentioned in the policy and to report annually on our progress. We also commit to educate all employees in this declaration and ensure its implementation throughout the organisation.





Human Rights and Labour Rights

Our risk

Being present in a combination of developed and more rising countries, CO-RO is partly exposed to issues related to Gender Equality and Labor Rights. However, we take pride in securing a fair and equal treatment of all employees in the CO-RO Group – a fundamental principle laid out by the founder and since then secured through HR policies.

Our policy

CO-RO respects internationally recognised human and labour rights and will always work to support and respect these within our sphere of influence and at all our regional offices and production sites.

We recruit, employ and promote individuals on the sole basis of their abilities and qualifications and not based on their race, religion, colour, age, disability, gender, sexual orientation or marital status.

CO-RO is committed to working with employees to develop and enhance each individual's skills and capabilities. CO-RO's values are based on diversity and empowerment, inspiring people and helping them to perform and develop.

We do not tolerate racial, sexual or any other kind of harassment, use of compulsory or forced labour and child labour in any of our locations.

Actions & results

Human- and labor rights

In 2022, we continued to ensure that our employees follow our policy on human and labour rights and there has been no reporting of non-compliance in this matter. Going forward, we will continue our efforts on human and labor rights to maintain high standards across our entities.

Gender equality

Gender diversity is an important focus area for CO-RO. In connection with any recruitment and appointment, a thorough assessment is made of managerial talents of both genders, just as the necessary competence development is offered.

CO-RO aimed to achieve a target figure of minimum 31% for the underrepresented gender in managerial positions by the end of 2022. We consider all positions leading minimum one person a managerial position.

Unfortunately, we did not achieve this target. At the end of 2022, the proportion of female managers in the Group was 29% - a decline of 1% vs. 2021. In CO-RO A/S however, the representation reached 33% female leaders across managerial levels.

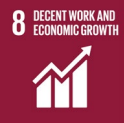
During 2022 we strengthened the efforts on gender equality globally. Through our Global People & Organization Community, we have defined targets not only on Group level but by each geographic entity. We also introduced a gender equality based approach to succession planning at the annual people review at the end of 2022. We acknowledge the negative trend and are committed to continuing actions. When possible, we make sure that both genders are represented in the final stages of the recruitment process.

At Board of Directors level, we had a target of 40% for the underrepresented gender by 2025. The Board of Directors consists of the same members for both CO-RO A/S and CO-RO Holding A/S. As there are no employees in CO-RO Holding A/S, the information provided on gender equality only relates to CO-RO A/S.

CO-RO Group Manager Gender Diversity (based on headcount)

2021		2022	
Female	Male	Female	Male
30%	70%	29%	71%

Growing our people



CO-RO is a complex organization consisting of multiple entities and a full value chain. Teamwork at CO-RO is just as challenging as the variety of our geographies and functions. Since 2018 we have had several initiatives across the Group with the purpose to create a common language of leadership and teamwork.

In 2022 we gathered 50 key people from across our entities and functions in the countryside of Denmark. For three days we trained feedback and how to manage our energy, not our time, and talked about utilizing being different as individuals as a strength.

It is important for CO-RO to have a board representing different areas of expertise and knowledge to best support the strategy and key success factors of the CO-RO Group. The competence diversity is first priority when recruiting board members. Currently, the Board of Directors consists of 5 males. During 2022 one female member of the Board of Directors decided to leave and was replaced by a male member. The board of the CO-RO Foundation engaged an international recruitment company for replacing the female board member, with a senior business executive having the same competence diversity and a gender filter. Unfortunately the pool of available female senior business executive with the specific competence were very limited. This means we did not get closer to our 2025 target figure during 2022.

For the CO-RO Foundation, the board consists of 3 members, out of which 1 is female and 2 are male. Due to the size of the board, this is considered in line with our target figure for the Foundation. There are no employees in CO-RO Foundation.





Working Environment and Social Engagement

Our risk

With production sites across the globe, there is a potential risk for CO-RO in ensuring a constant focus on working environment, whether physical or psychological. Areas of H&S are on the agenda in Board Meetings within CO-RO, and through proper training and education, we strive to ensure good working conditions for all employees.

Our policy

CO-RO wants that all its employees are entitled to a safe and secure workplace where no one is exposed to unnecessary risks neither physical nor psychological.

CO-RO is working proactively to improve occupational health and safety continuously and to give employees the training and information they need to manage risks in their own work areas. We also

accept our responsibility for our global operations, which includes engaging in open and active discussions with the public authorities dealing with health, safety and environmental issues. The number of near misses must be monitored and reported, and countermeasures are taken where possible to prevent such.

CO-RO is committed to ensuring that no discrimination takes place in hiring or promotion situations, or any other case related to CO-RO or its operations.

In CO-RO we have a global perspective, but we also engage locally in the communities in which we operate. We do this by selectively supporting local sports-events or similar forums as well as occasional donations. The aim is to build long-term relationships with local stakeholders and increase awareness of CO-RO.

Actions & results

Working environment

In 2022 we continued our focus on prevention and implementation of changes within occupational health and safety. In the second half of the year, work was intensively focused on changing the safety culture, including behavior and own attitudes towards safety.

In Denmark, we worked with change and with employees at all levels having a responsibility to report unsafe conditions and use our dedicated HSE system for this. The results of the work and the change of culture were seen at year end, where the number of safety observations/near miss increased and the number of actual injuries with absence decreased.

All in all, the number of LTI in 2022 was 9, one LTI less than in 2021. The days of absense related to LTIs were reduced from 74 days in 2021 to 25 days in 2022 so the severity of the accidents has been reduced drastically the past year, a trend we have seen since 2019.

In the coming year, we will continue to focus on safety culture and continue to follow a risk-based approach and thereby reduce the number of occupational injuries (LTI) and ensure a good working environment for everybody.

66%
reduction in days away
per LTI in Denmark



Binzagr-CORO achieving Great Place to Work Certification™

Based on survey feedback from employees at Binzagr-CORO in KSA on workplace experience and evaluation of the organisational culture, our Saudi Arabia business entity was officially recognised as a Great Place to Work in 2022. The results from the employee survey generally showed high scores.

Several initiatives have been taken to create a high-performing culture based on trust, mutual respect, and

open communication – and with this the certification from GPTW.

Annual training plans are in place for the employees as well as a hybrid working model, benchmarked compensation structures and not least an onsite gym and social activities. All initiatives contribute to an employee retention which is higher than industry average.



Employee Engagement Survey

Our global Employee Engagement Survey was carried out during every quarter of 2022 across all entities, including a reach of 1,200 employees. We obtained an average response rate of 90% and our global employee engagement score increased from 8,3 in Q1 to 8,4 in Q4 with an average of 8,4 (scale ranging from 0-10).

8.4
best-ever Employee
Engagement score
obtained in 2022

We are pleased with this result, since 2022 has been an unusual year characterized by challenges and uncertainties due to several macroeconomic factors.

Additionally, the high level of engagement among our employees is an important retention parameter in a heated labor market.

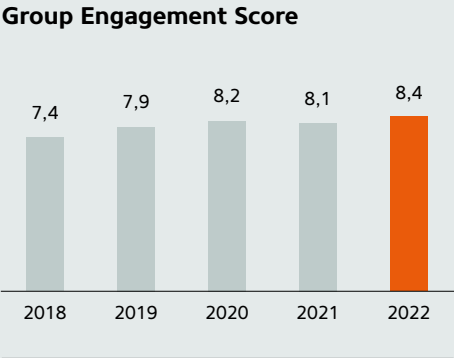
There were variations between the engagement level across regions, and Group HR as well as local HR in each team are working closely with the entities that have been challenged by lower scores to find the root cause and how to improve via action planning.

The survey is carried out through the platform Peakon by Workday, which is a highly automated and research-based tool, enabling managers to make informed decisions related to engagement. In several areas of the survey, CO-RO

scores significantly above benchmark, showing very high engagement across survey questions. With our geographical footprint and quite diverse representation of cultures, we are proud to be in the top 5% when looking at Freedom of Opinions.

"I feel that I am growing professionally"

"At work, my opinions seem to count"



Results are in
top 5%
of the consumer segment



Donations and social engagement

In selected areas, CO-RO supports local events all over the world and donates products for charitable purposes.

The war in Ukraine undoubtedly left its mark on 2022. Also in CO-RO, our business was impacted and our employees around the globe were deeply affected by the devastating incidents. To support the humanitarian hubs established by the Ukrainian borders – who were desperately in need for food and water – CO-RO donated 100,000 fruit drinks. The donation was closely coordinated with the Ukrainian embassy in Denmark, the Confederation of Danish Industry and international freight company, DB Schenker.

100,000

fruit drinks donated for
emergency aid in Ukraine

For the 6th year running, Sun Lolly was a proud sponsor of Cirkus Summarum – a well established summer event for families in Denmark arranged by

The Muscular Dystrophy Foundation. Spreading joy to the 104,000 guests and donating money to the cause.

Local community engagement is close to our hearts. In 2022 we have supported the local communities where we operate with school donations and various activities to support the children and their education.

In Kenya we are supporting local children in their education where Mr Suntop is used as a role model in a fun and engaging way.

For 20 years Suntop has been running annual campaigns in Saudi Arabia where we leverage the strength of the Suntop brand to educate kids and engage them under different relevant themes. This year's theme was "Anti bullying" where we educated kids and their parents how to prevent and deal with bullying.

In Malaysia we have supported local schools through sponsorships and product donations.



Environmental and Climate Impact

Our risk

The major environmental impacts from our locations are shown in the table to the right.

Procedures and instructions have been implemented in the various locations where needed to manage and ultimately reduce our impact.

	Waste water	Other water	Emissions	Visual, Noise, Vibration
High				
Medium				
Low				
None				

Our policy

CO-RO is committed to caring for the environment. We invest in new production technology on an ongoing basis. More modern and more environmentally friendly production technology reduces the emission of carbon dioxide, the use of electricity and fresh water and puts less strain on the environment in general.



Mapping and understanding our environmental footprint across the value chain

In 2022 we have mapped our total value chain across scope 1-2-3 according to the GHG protocol and we now fully understand how each step in the value



chain impacts the total CO₂ emissions of our products. We are now in the process of planning and setting targets for how to reduce our CO₂ emissions. We are

committed to reduce CO₂ from our own operations (Scope 1 and 2) and continuously monitor and address CO₂ across the value chain (Scope 3).

We work to reduce and improve the environmental impact of our existing business while we aim to be on par or better relative to comparable alternatives when it comes to any new business we enter into. Furthermore, we actively pursue sustainability driven initiatives with breakthrough business potential.

Actions and Results

In 2022 we carried out a number of environmental improvements in our factory in Frederikssund. We worked actively to reduce our energy consumption in our operations and we managed to reduce on both electricity and natural gas with an increased output of the production. Initiatives focused on using less and on changing to more energy effective solutions.

20%
reduced consumption
of electricity and gas in
Denmark.

Generally, we continue to focus on investing responsibly in more efficient technologies, as we have been doing in previous years.

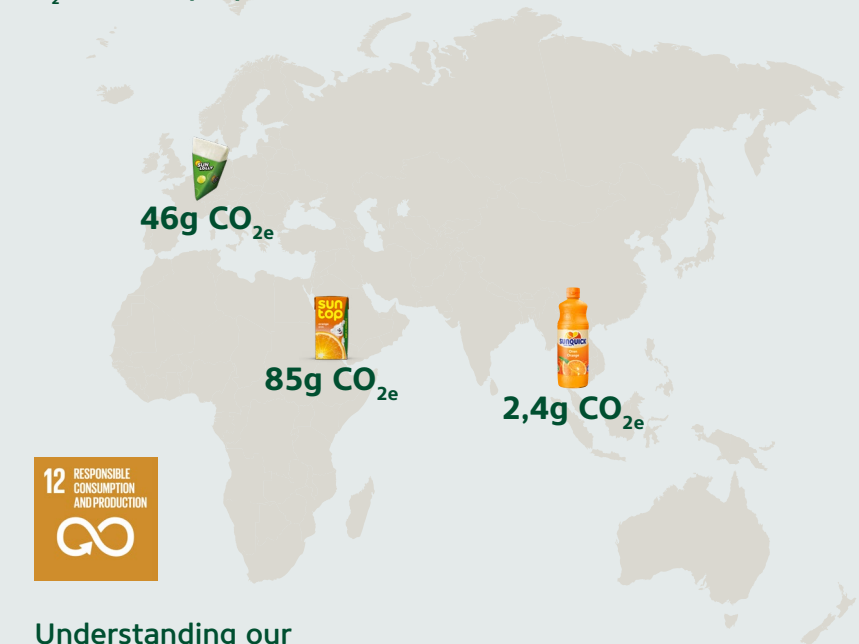
In 2022 we completed the life cycle assessments (LCA's) of our 3 main product categories across the Group. The LCA's cover the full value chain from growing the oranges in Brazil to disposal of the packaging materials after consumption in one of our 80 markets around the world.

In 2022 we also had an intensive focus on reduction of materials and waste in our operations.

In Kenya we managed to reduce another 58% solid waste from the production after two years of intense focus and a total reduction of 85%.

In Saudi Arabia we reduced consumption of water in our operations by 24% through operational recycling.

CO₂ emissions per product



Understanding our environmental footprint

We have conducted detailed life cycle assessments (LCA) of the full environmental footprint of our products. Through in-depth understanding of how our products impact the

environment, we are able to develop action plans tailored to the individual products and we embed this knowledge in our decision making for future innovations.

Anti-Corruption and Business Ethics



Our risk

CO-RO's geographical footprint poses an inherent risk, as we are dealing in countries around the world where extra caution must be taken. Transparency International (TI) is an acclaimed global institution that once a year releases a corruption index - the lower the rank, the lower the risk of corruption in a

given country. TI currently monitors 180 countries – markets where CO-RO has fully or part-owned business. Their ranks for 2022 are shown below.

Our policy

CO-RO conducts its business in a fair and transparent manner and comply with all laws and regulations.

Bribery and corruption are fundamentally inconsistent with CO-RO's values and standards of honesty and integrity in business dealings and relationships and is not tolerated in any way or form. We do not accept facilitation payments and commit to train our employees in business ethics.

CO-RO accounting records and supporting documents must accurately describe and reflect the nature of the underlying transactions.

All of our products will comply with relevant legislation and regulatory requirements at all times. This is ensured through a continuous focus from dedicated personnel within CO-RO.

Actions and Results

Supplier Code of Conduct

To ensure responsible sourcing with respect to ethical, social, and environmental issues, our Supplier Code of Conduct summarizes the requirements that CO-RO is committed

to while also covering the expectations and requirements CO-RO has towards its suppliers.

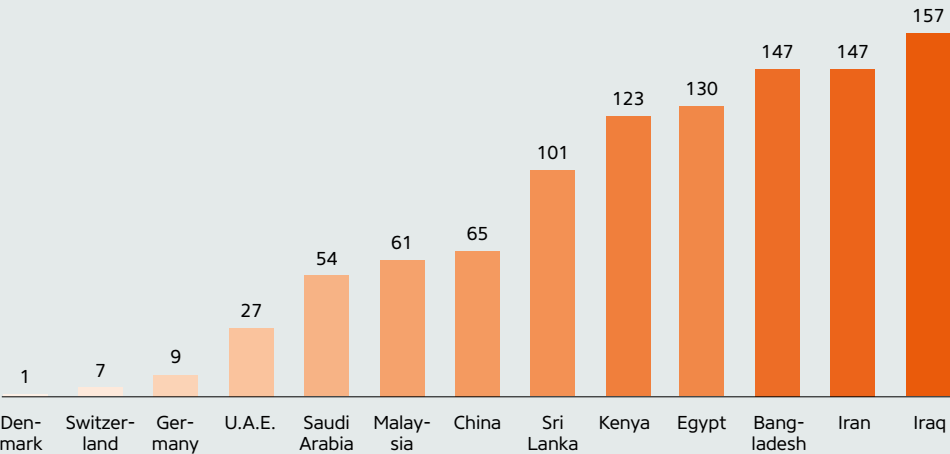
In 2022, we initiated the roll out of our updated Supplier Code of Conduct to ensure alignment with CO-RO's values and policies in this area.

Whistleblower reporting system

We pursue an open culture in CO-RO where everyone is free to raise concerns, especially if they become aware of illegal or unethical business conduct or of serious violations of our internal rules and policies

In 2020 we rolled out a Whistleblower reporting system to enable internal as well as external parties with affiliations to CO-RO to confidentially report any suspected serious wrongdoings which may damage the reputation of CO-RO or affect the life or health of individuals. No reports have been submitted the last 3 years.

CO-RO's geographical footprint



Responsible Consumption

Our risk

As a global food and beverage company, we acknowledge that we have a responsibility towards promoting responsible consumption and to consider the social, economic, environmental and health impacts of our products.

Our policy

CO-RO wants to offer a variety of options for responsible consumption, and we do this by optimizing for example our packaging, liquid and communication.

It is embedded in CO-RO's long-term strategy that we actively want to pursue healthier choices. This means that we are working towards lowering sugar content in our products without compromising on taste and quality.

Our new product developments must adhere to our brand and product promises which are outlined in our brand guidelines. Across our brands and products, we always strive to have no artificial

flavours, preservatives or colours and our products must come in responsible portion sizes.

Actions & results

In our efforts to actively pursue healthier choices we continue to expand our Sun Lolly Organic ambient ice range. In addition, we have also expanded our Sunquick portfolio with relaunch of Sunquick Select - a great tasting multi-fruit flavour range containing vitamins B, C and E.

Furthermore, we continue to optimize formats and sizes of our packaging worldwide.



KARTONDYSTEN

Et bæredygtighedsinitiativ for børn og unge af Tetra Pak



In today's climate, it's more important than ever to understand the importance of recycling and preventing waste to reduce our environmental footprint.



Led by TetraPak, Sun Lolly participated in 'Kartondysten' - a sustainability initiative where schools can sign-up their classes to participate and through learning, fun and competition learn more about recycling.

Recycling teaches children to value the environment in which they live and it inspires them to think about how their personal actions affect the planet and their future environment.



ESG Data CO-RO Group

		Unit	2022
Production figures	Production sites		7
	Production volume	mRTDL	729
Environment and climate	CO₂ emissions		
	CO ₂ e, Scope 1	Tonnes CO ₂ e	7,393
	CO ₂ e, Scope 2	Tonnes CO ₂ e	11,848
	CO ₂ e, Scope 3	Tonnes CO ₂ e	240,517
	Utilities		
	Electricity	MWh	24,150
	Energy (Natural gas & fuel)	MWh	30,093
	Energy total	MWh	54,243
	Water consumption total	m3	445,392
People well-being & development	People statistics		
	Total number of employees	FTE	1126
	Employee turnover	%	12%
	Employee engagement	10 point scale	8,4
	Diversity and inclusion (underrepresented gender %)		
	Gender - All employees	%	27%
	Gender - Managers	%	29%
	Gender - Board of directors CO-RO Holding	%	0%
	Gender - Board of directors CO-RO's Fond	%	33%
	Occupational health and safety		
	Lost time Incidents (LTIs)		13
	Severity (days away per LTI)		15
	Fatalities		0
	Number of safety observations/near misses		942
	Business Ethics and Code of conduct implementation		
	Signed Suppliers Code of conduct (New 2022)		33%
	Whistleblower reported cases		0

2022 is our new baseline for tracking ESG data consistently across the CO-RO Group.



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