



Sustainability report

2020



SCANDZA
proud to serve our kids

Content

| | |
|-----------------------------------|----|
| A year in review | 03 |
| An unusual year | 04 |
| This is Scandza | 06 |
| Our approach to ESG | 10 |
| E Be better for the environment | 16 |
| S Contributing to the society | 29 |
| G Ensuring business integrity | 38 |
| GRI - Index | 45 |
| Appendix | 51 |



→ [Index](#)

This is an interactive pdf.
Click the index button
and return to table of
contents at any time.



A year in review

Revenue:

5.009 MNOK

9.4 MNOK

investment into water treatment technology

70

number of employees that received digital sales training

More than 50%

of our employees are industrial workers

30%

reduction of sugar in Synnøve's Greek yoghurt since 2017

17%

reduction in emission intensity



Number of employees

- Scandza Norway - 440
- Scandza International - 434
- Bonaventura - 71
- The Feelgood Company - 67



Gender balance

- Women 40%
- Men 60%

We established a women's network



An unusual year

2020 has been a challenging year and the Covid-19 pandemic has tested our ability to adjust, innovate and excel. We managed to succeed because it lies in our DNA to be agile and entrepreneurial, and “Proud to serve our kids”.

We are impressed by how the Scandza Group* responded to the pandemic, keeping our operations intact, continuing to deliver on our promises, and at the same time strengthening the fundamentals of Scandza. Scandza is a lean organization, with employees empowered to make a difference.

We are humbled by how all our employees endured extremely strict health and safety procedures, coped with being placed in home offices, ensured continuous production at all our production sites, and maintained focus on servicing our customers, as well as internalized the necessary tools and know-how to continue doing our job throughout the year. We have learned from the challenges we met, and this gives us great confidence that Scandza is more than capable to face new challenges in the future.

Our purpose is to make Scandinavians' lives better by providing

tasty, healthy, green, and relevant products that we are “Proud to serve our kids”. To be better for the environment and better for you, by providing healthier products, are two promises we give the consumer. To deliver on these promises, we must systematically work on the environmental, social and governance (ESG) aspects of our business.

Climate change, loss of biodiversity, malnutrition and inequality are global challenges that must be solved if we are to reach the UN Sustainable development goals. As a food producer and distributor of fast-moving consumer goods, we are a part of the solution. We focus our efforts to improve our environmental footprint by cutting emissions and increasing resource efficiency in our production, as well as cooperating with our suppliers and customers to ensure sustainability throughout our value chain.

There is an increased awareness about health and sustainability,

and the strong link between the two. High quality products have always been at the core of the Scandza culture. Making products that are healthy and have a low environmental impact is a therefore a high priority to us.

Throughout 2020 we have reduced our emission intensity in our production with 17 per cent. Each business area has worked to cut the use of plastic in product packaging – the new Sørlandschips bag alone has eliminated more than 80 tons of plastic compared to 2019! We have also provided more sustainable alternatives to the end consumers. Berit's and Go' Vegan are both strengthening their positions as providers of plant-based products, and Synnøve are finding new ways to cut sugar and fat in their dairy products. This is only the beginning, and we will continue to work diligently to deliver on our promises.

We are experiencing that national

*Jordanes AS including all its direct and indirect subsidiaries, hereafter referred to as “Scandza” or “the Group”



Scandza's Executive Board. From the left: Karl Kristian Sunde, Stig Sunde and Jan Bodd.

and international regulations concerning social and environmental issues are changing, and our stakeholders are increasingly asking for more detailed information about how we manage and govern ESG issues. This is our first comprehensive document which illustrates our priorities, activities, and results for 2020, as well as our targets going forward. We invite you to follow us on our journey and welcome your feedback on this inaugural sustainability report.

“ Our promises are to provide products with great taste, that are better for the environment, better for you and that engage your heart and mind.”

Scandza Group's Executive Board

Jan Bodd - (Co-founder and partner)

Stig Sunde (Co-founder and partner)

Karl Kristian Sunde (Partner)



This is Scandza

Scandza is a Nordic producer and distributor of fast-moving consumer goods (FMCG). We own and manage iconic brands, and serve the Scandinavian, Estonian and UK markets.

Our business areas

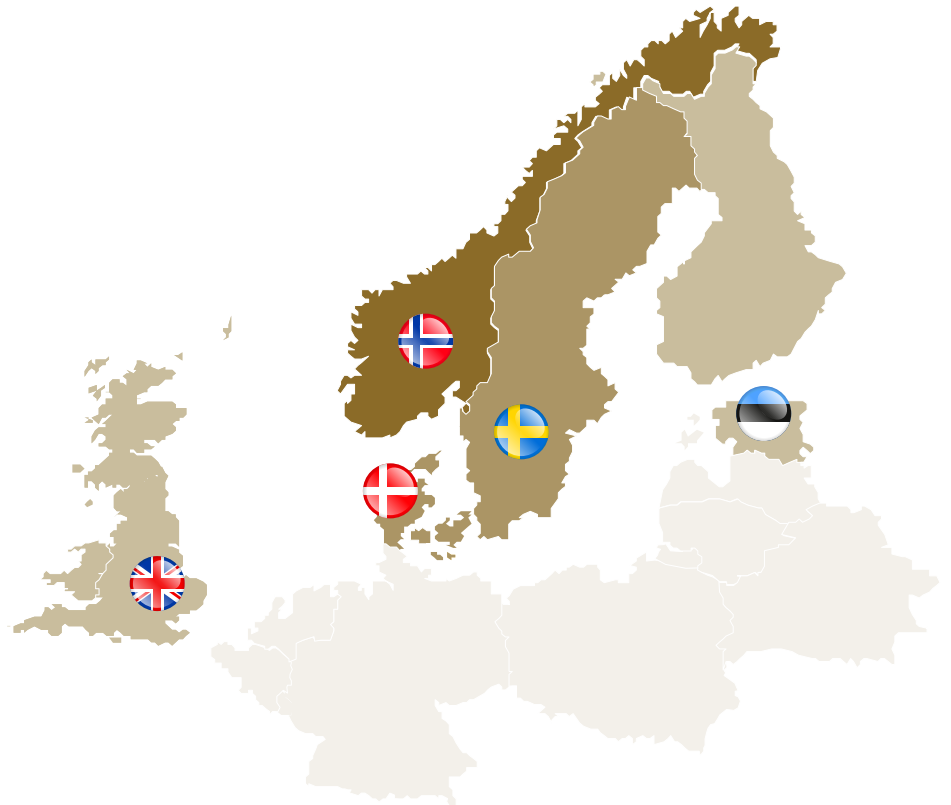
Scandza has four main business areas with complementary roles and have different positions covering several categories, channels and geographies.

Scandza Norway and Scandza International are the two largest business areas with established brands and directly controlled production sites in Norway, Denmark and Sweden.

The Feelgood Company has influencer-fueled brands in high-growth categories and channels supported by mega trends, innovative marketing methods and product development.

Bonaventura sells a broad portfolio of internationally renowned brands from leading principals.

Scandza also operates sales offices and storage facilities in the UK and Estonia.



SCANDZA

proud to serve our kids

| | | | |
|---|--|--|---|
| <p>SCANDZA proud to serve our kids</p> <p>Revenue 2020 2,574 MNOK</p> | <p>SCANDZA proud to serve our kids International</p> <p>Revenue 2020 1,081 MNOK</p> | <p>THE FEELGOOD COMPANY</p> <p>Revenue 2020 584 MNOK</p> | <p>bs bonaventura scandza</p> <p>Revenue 2020 1,050 MNOK</p> |
| <p>Brands Synnøve Finden, Sørland-schips, Finsbråten, Leiv Vidar, Peppes Pizza, GoVegan</p> | <p>Brands Bisca, Lindvalls, Brödernas, Karen Volf</p> | <p>Brands Berit™, Elle Basic, Bodylab and Nbev</p> | <p>Brands Finish, Scholl, Semper, Simple, Nuxe, MAM and Piz Buin, Royal</p> |

Scandza's value chain



Raw material producer

78 per cent of the raw material used in Scandzas own production sites are sourced from the Nordic region.



Principals

International brand producers i.e Unilever, Semper, RB, Vitamin Well, Aeris, Bambino MAM and Johnson & Johnson.

Affiliated production sites in EU

Less than 10 per cent of our products are sourced outside of Scandinavia.

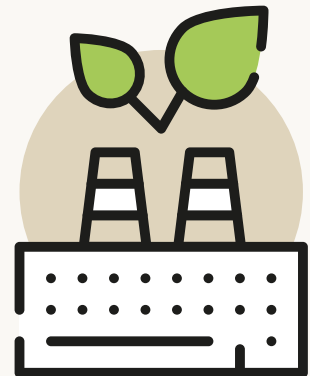
Affiliated production sites outside EU

Less than two per cent of our products are produced outside of the EU.

Traded through Bonaventura Scandza



Central storage units



Scandza's production sites

Scandza Norway, Scandza International and The Feelgood Company produce products in Scandinavia.



Retail 74%

Horeca and convenience 10%

Industries 5%

Pharmacies 4%

Online 4%

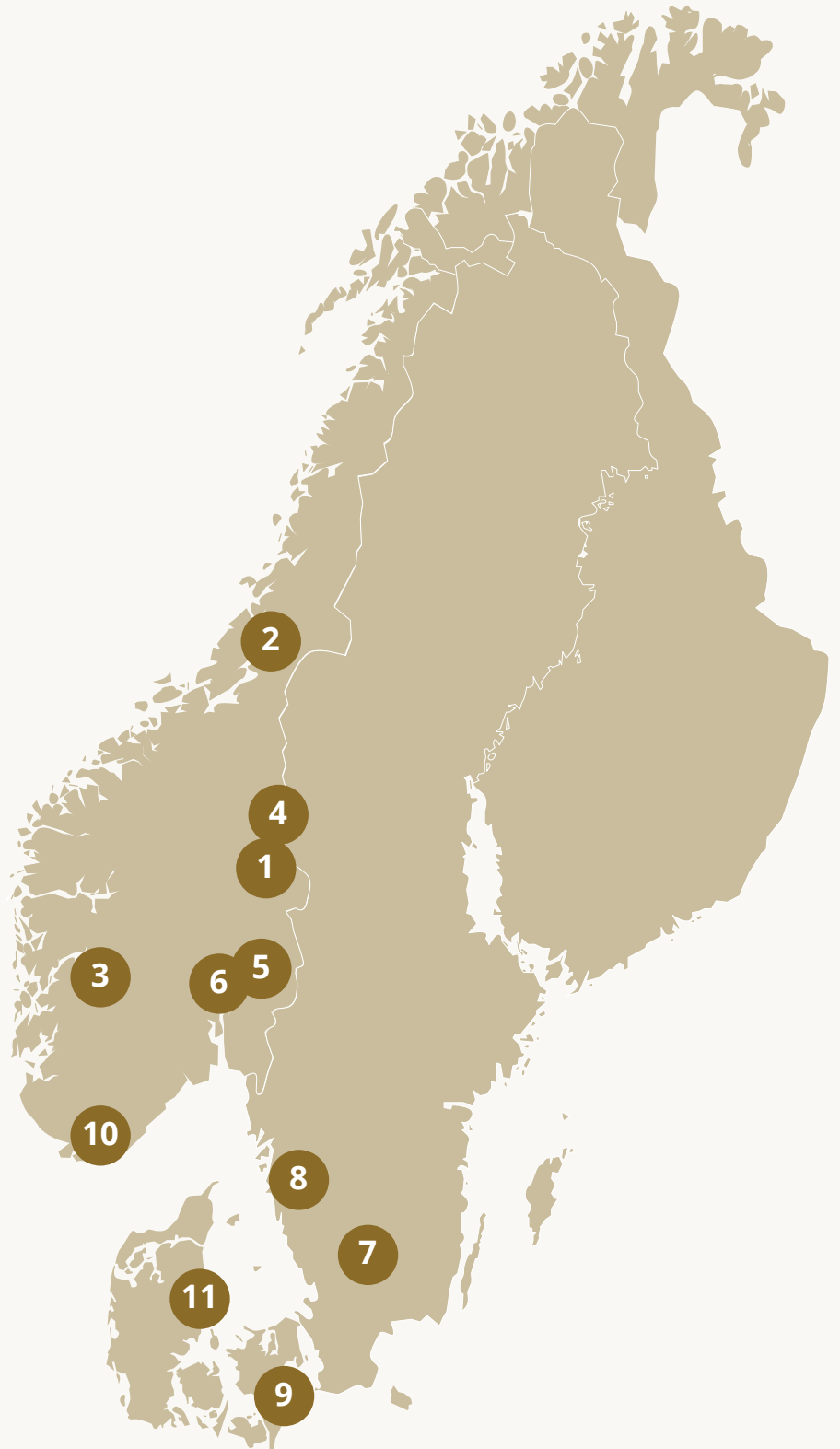
Other 3%



End consumer

Our production sites

| Brand | Location | |
|--|----------|--------------|
|  | 1 | Alvdal |
| | 2 | Namsos |
| | 3 | Hardanger |
| | 4 | Tolga |
|   | 5 | Hønefoss |
| | 6 | Gruemyra |
|  | 7 | Markaryd |
|  | 8 | Gothenburg |
|  | 9 | Stege |
|  | 10 | Kristiansand |
|  | 11 | Hadsund |





Our approach to ESG

Our purpose is to be proud to serve our kids. An important part of this purpose is acting responsibly and working towards being sustainable across all parts of our business and efficiently managing environmental, social and governance (ESG) risks and opportunities. This enables us to provide great products that are better for the consumer and better for the environment across the Nordic markets.

Trends impacting us

Consumer habits are changing towards more healthy and sustainably produced foods. Stakeholders are seeking more transparent and relevant ESG information, and international and national regulations regarding sustainability are tightening. We view these changes as an opportunity to position Scandza as a sustainable and responsible participant in the Nordic markets.

Meeting consumer's preferences

While price remains a decisive factor influencing consumers' in-store choices, sustainability concerns are increasingly playing into their decisions¹. Origin, nutrition, dietary requirements, mode of production and disposal are topics of interest. Increased awareness about health and environment is resulting in a demand for plant-based products, and the attention to sustainable packaging is high.

Tighter environmental regulations

European and national, and local regulations are changing the framework conditions under which we operate. Norway, Denmark, and Sweden have all submitted their climate targets to the UN and national strategies to cut emissions are now being developed. This will impact our business. The EU Green Deal are communicating strategies for biodiversity, emissions, transportation, circular economy, and agriculture that set out to improve the food system of which Scandza is a part of. We seek to meet all regulatory requirements and monitor these developments closely through our active participation in industry membership organizations;

Næringslivets Hovedorganisasjon (NHO), Svensk Livsmedelindustri and Dansk Industri.

Transparency about ESG

Political expectations and the financial industry's valuation of how we manage environmental, social and governance (ESG) issues are increasing. This requires a more detailed understanding about our risks and opportunities, more granular data to document performance and support communication, as well as the implementation of sustainability into Scandza's core strategy.

We have identified our sustainability priorities

Being a responsible market participant has been a priority to Scandza since its establishment in 2007. In 2018, Scandza went from being a private equity funded company to an independently owned corporation. This was followed by the implementation of a more systematic and strategic approach to ESG.

Our first materiality assessment was carried out the same year, identifying topics that are important to our stakeholders and have a significant environmental, social,

or economic impact. The assessment is based on the reporting principles in the GRI Standards² and it was last updated in 2020. It forms the foundation for our ESG strategy, what we focus on in our reporting and day-to-day work.

Stakeholder dialogue

Having an open dialogue with our stakeholders is important to Scandza. We have continuous engagement with our key stakeholders throughout the year. These include employees, owners, customers, consumers, suppliers, financial institutions, national and local authorities, local communities, and civil society. A full overview of our stakeholder engagement and the topics raised is included in the appendix of this report³. The topics raised have provided essential input into our materiality assessments which defines material topics to Scandza.

We will continuously assess and update these topics based on dialogue going forward and our ESG strategy and risk assessments will be updated accordingly. This report illustrates how we have prioritized and are working with the topics raised by our stakeholders.

“ Being a responsible market participant has been a priority to Scandza since its establishment in 2007.”

¹Opinion's trend report 2020-2022 states that while 80 per cent of the Norwegian population say they are willing to change their behaviour and lifestyle to be more sustainable, only 45 per cent is willing to do so if it increases the cost of the product. Read more here: <https://opinion.no/category/trender/>

²The GRI reporting principles are outlined in the GRI 101 Standard: <https://www.globalreporting.org/media/55yhvety/gri-101-foundation-2016.pdf?page=23>

³Annex 1 Stakeholder engagement



List of material topics

This report discloses information on the topics identified as most material to Scandza and is organized accordingly.

E

- Environmentally friendly production
- Sustainable packaging
- Climate risk management

S

- Health, safety and well-being of our employees
- Responsible employer
- Healthy products

G

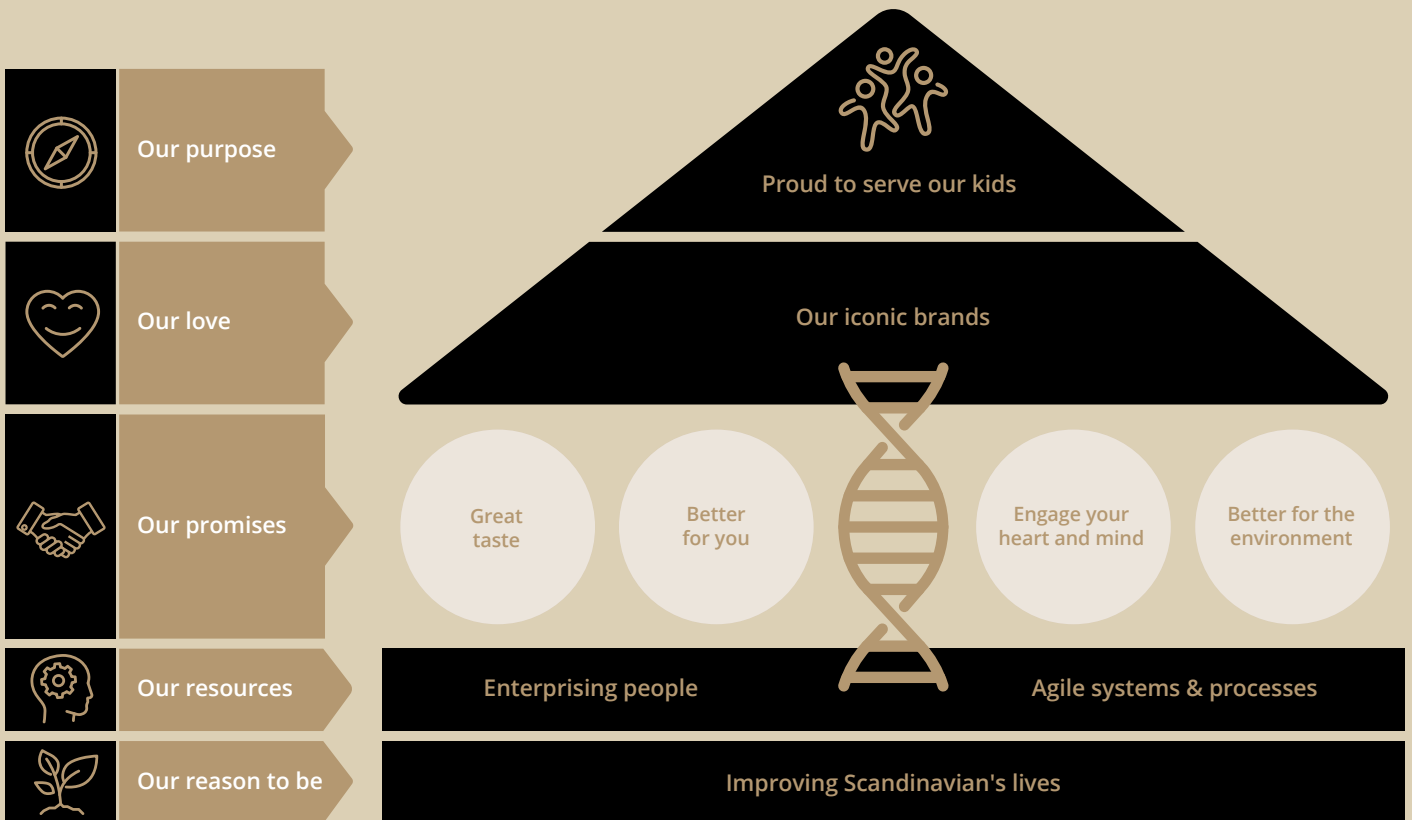
- Product integrity
- Supply chain management
- Being a responsible market player

Proud to serve our kids

The foundation of our business is based on our DNA. Our purpose is to be proud to serve our kids and our reason to be is to improve Scandinavians' lives. We promise great taste, healthy, green, and relevant products. To succeed, we use our entrepreneurial spirit combined with agile systems and processes. Our iconic brands shall guarantee a product that we would be proud to serve our kids. But beyond products, our purpose is also about being of service, leaving a legacy for the coming generations that we can be proud of.



Scandza's DNA



Our strategic goals towards 2030

- Consumers will trust and prefer our brands because they are better for them and the environment.
- All our brands shall contribute to making the Scandinavian consumer healthier and greener.
- Our brands shall be sustainably produced by default.

Scandza supports the UN SDGs

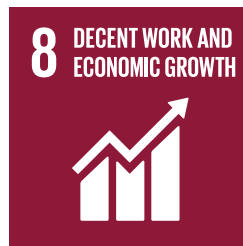
Scandza is in a unique position to contribute to the world reaching the United Nations' sustainable development goals (SDGs). At the same time, we have a particular responsibility to do so. We produce food and beverages, using resources that take a toll on the environment and the climate.

How we manage these resources is crucial to us as a company. We have identified a series of sustainable development goals that we, through our business, will help the world reach. In everything we do, we will consider how we affect our employees, local communities, consumers and the planet, and make this a decisive factor.

Our contribution to the UN Sustainable Development Goals



- Support food and agriculture systems that optimize production and minimize waste, to provide nutrition and promote health for all people
- Protect and enhance the environment
- Promote access and transfer of knowledge, skills and technology



- Uphold human rights and labour standards across our own operations and value chains
- Protect workers' right to collective bargaining
- Focus on non-discrimination, equal opportunities and treatment in our own operations and value chain



- Investments in physical infrastructure and technology that allows for a sustainable processing and storage of goods



- Enhance resource efficiency and waste management
- Strive for sustainably sourced commodities
- Reduce food waste and packaging
- Raise consumer awareness about sustainability

Strong governance and agile management

Scandza has a firm approach to the management of ESG issues which is supported by strong governance. Our approach is outlined in our governing documents, strategies, and management system.

Scandza has four business areas operating through subsidiaries in five countries. All operations comply with applicable national and local laws and regulations. Depending on the nature of the operating company's activities and other local factors in the individual countries, each subsidiary applies an ESG approach suitable to local conditions and its specific priorities.

Scandza Group's Board of Directors (BoD) meets quarterly and holds the overall responsibility for ESG in Scandza. This report is reviewed and approved by the Board. The Executive Board, authorized by the BoD to manage the Group, meets with the CEOs for each subsidiary several times per month and ESG issues are discussed regularly. The CEOs of each business area are

responsible for sustainability-related issues include safety and security, product quality assurance, human resources (HR), financial, legal, and communications. They are also responsible for setting strategic direction in line with our DNA, and reporting on risk and performance within these topics to the Executive Board.

Production site managers and country manager are responsible for the implementation of Group policies, strategies, and procedures. They report to the Head of Communication and Sustainability twice a year through our sustainability reporting system.

Management system

Scandza's Health, Safety, Environment (HSE) and Quality management system⁴ allows for an effective distribution and communication of the governing documents, internal processes, and management of deviations for each business unit, as well as Simplifyer and our intranet. The quality system meets the British Retail Consortium (BRC) Standard⁵ for food safety, which provides assurance to customers that our products are safe, legal and of high quality. The system is audited annually.

Whistleblowing procedure

Whistleblowing provides an opportunity to anonymously report potential misconduct; anything that is not in line with our values and policies. Our whistleblowing service is an early warning system to reduce risks. It is an important tool to foster high ethical standards and for maintaining customer and public confidence in us.

Scandza encourages its employees to report non-compliant working conditions, as defined by the Working Environmental Act. In 2020, we updated our whistleblowing procedure, which is readily available on our website. The procedure is based on the Act and instructs employees and external business partners on how to notify any censurable conditions. Notifications can be made either with full name or anonymously, and shall be handled seriously, impartially, properly, and adequately. Anyone who, in good faith, reports censurable conditions or misconduct shall be protected against any form of retaliation.

Our governing documents

- Scandza DNA
- Code of conduct
- CSR Policy
- HSSE handbook
- Supplier Standard
- Suppliers Questionnaire

⁴ Due to the pandemic, the system has not been fully implemented into all business units.

⁵ <https://www.brcgs.com/our-standards/food-safety/>



Be better for the environment

As an international food producer and distributor, Scandza has a responsibility to contribute to a sustainable food system. We consider the environment in everything we do. Our goal is to reduce our emissions, protect the environment and empower consumers to choose sustainable food by providing low-impact products with smart packaging solutions.

Better for the environment – our production

We believe that a high level of environmental performance will be essential to succeed as a food producer in the years to come. Enhancing resource efficiency in our operations is therefore one of our main priorities today.

The manufacturing, processing, and packaging of products contributes to air, soil, and water pollution and GHG emissions. Scandza has 11 production sites in three countries, and we believe we can contribute to the sustainable development of the food system by ensuring a high level of environmental performance in our production. This is an ongoing process that requires systematic and continuous work to ensure the right technology, infrastructure, and competence. Our focus this year has been to organize and map the needs in our organization to develop sound targets going forward.

Each production site within Scandza complies with applicable national and local laws and regulations. Each site prioritizes their efforts according to local conditions and needs to meet company-wide targets. Our Code of Conduct, Corporate Social Responsibility (CSR) Policy and the Health, Safety, Security & Environment (HSE) handbook are the main governing documents that set forth the expectations for environmentally friendly production. The HSE management system provides a platform for all governing documents, KPIs, processes and the follow-up procedures in case of any deviations. All incidents

are reported and followed up in this system. Each production site uses the same HSE-documentation requirements, but they work differently based on the nature of their production. All production sites have a designated manager responsible for the environmental performance of the site. The manager prepares environmental reports which are presented twice a year to the Group Management and CEO.

Scandza has not identified any non-compliance with environmental laws or regulations throughout 2020.

Our emissions

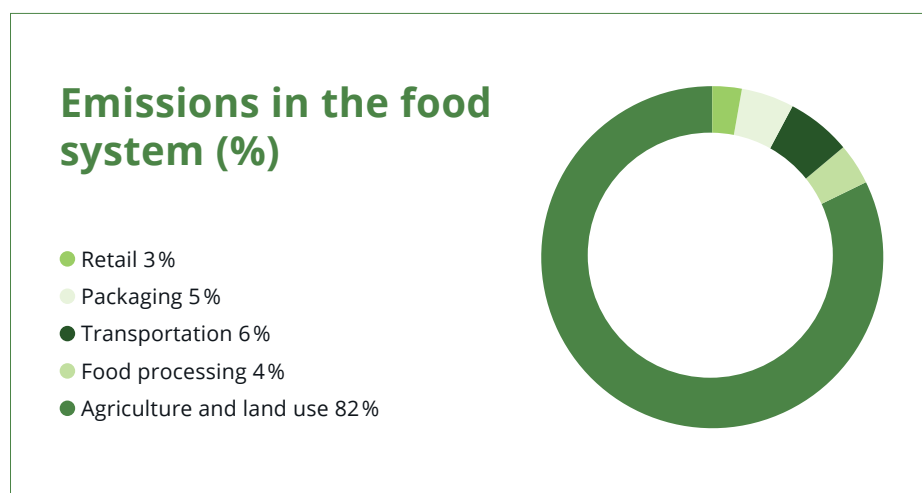
The global food system⁶ accounts for 37 per cent of global Greenhouse Gas (GHG) emissions. The figure below illustrates the mapped emissions within the global food system. Agriculture and land use account for 82 per cent of total emissions, while the remaining 18 per cent is generated

by food processing, transportation, packaging and retail activity.

The largest potential to reduce food-related emissions is to change to a more plant-based diet and reduce food waste⁷. The processing of meat and dairy products are amongst the most energy and carbon intensive activities within the food production industry⁸. As Scandza is particularly involved with these activities, we will work diligently to improve the resource efficiency of our modes of production. Our target is to reduce our emissions by 50 per cent by 2030 from 2019 levels, and through off-setting, be climate neutral by the end of the decade.

READ MORE ABOUT

[how we work on product environmentally friendly product development](#)



⁶ Includes all the elements and activities that relate to agriculture, production, processing, distribution, preparation, and consumption of food.

⁷ <https://www.unenvironment.org/news-and-stories/press-release/improved-climate-action-food-systems-can-deliver-20-percent-global>

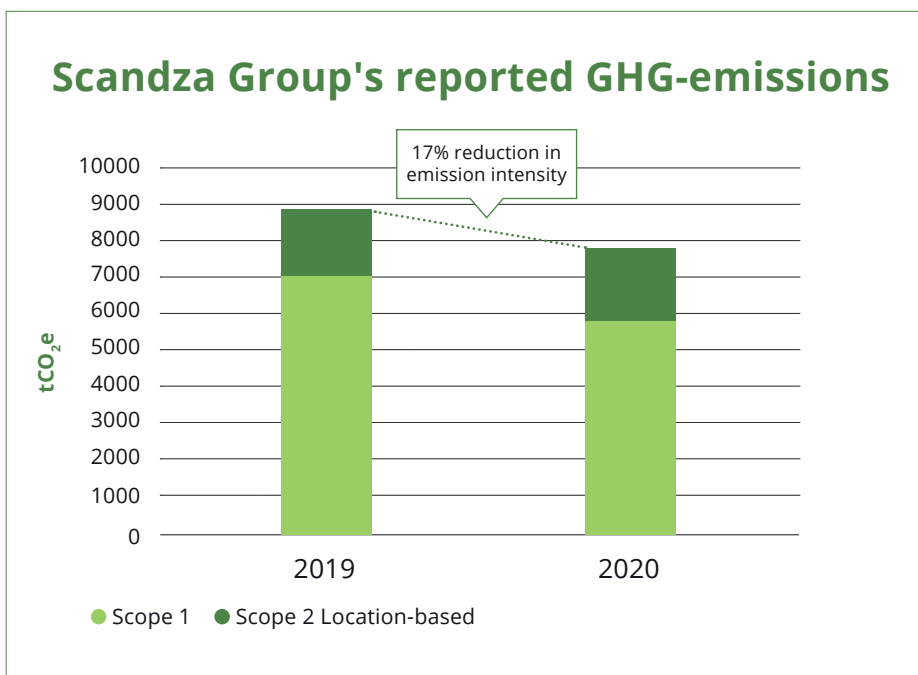
⁸ https://www.ipcc.ch/site/assets/uploads/2018/02/ipcc_wg3_ar5_chapter10.pdf

We reduced emissions with 12 per cent from 2019 to 2020. The reduction was mainly due to our new refrigeration system at our production site in Alvdal, Norway. It is more efficient and uses a less CO₂ intensive refrigerating gas and thus cut 1200 tonnes CO₂-equivalents. The carbon emission intensity per tonne produced was reduced from 0.204 tCO₂/tonne to 0.169 tCO₂/tonne in 2020. This is a 17 per cent reduction in emission intensity.

Accounting method

The consolidation of emission data is gathered from our largest production sites where Scandza holds operational control⁹ and are calculated according to the Greenhouse Gas Protocol¹⁰. Scope 1, and 2 emissions are accounted for in this year's report. We aim to report on scope 3 emissions in 2021.

Carbon dioxide equivalents (CO₂-eq) is a metric measure used to compare the emissions from various greenhouse gases based on their global-warming potential (GWP)^{11, 12}.



| | | 2019 | 2020 |
|----------------|---|------|------|
| Scope 1 | (Transportation, stationary combustion, refrigerants) | 7021 | 5811 |
| Scope 2 | (Location-based electricity, district heating) | 1841 | 1963 |
| Scope 3 | | - | - |

When calculating scope 2 electricity with market-based emission factors emissions are 2019: 8661,9tCO₂-eq; and 2020: 11444,2 tCO₂-eq

Definition of Scopes

Scope 1: All direct GHG emissions from sources that are owned or controlled by the reporting entity.

Scope 2: Indirect GHG emissions from consumption of purchased electricity, district heating and cooling.

Scope 3: Other indirect emissions, such as the extraction and production of purchased materials and fuels not covered in Scope 2.

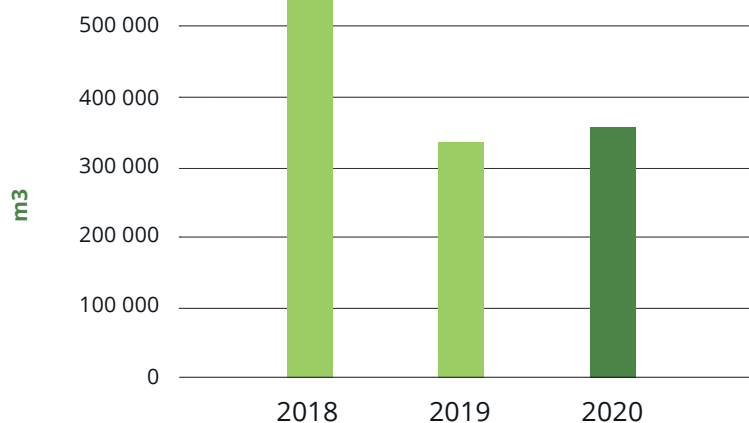
⁹ Data is collected from our production units in: Alvdal (NO), Hønefoss (NO), Kristiansand (NO), Namsos (NO), Stege (DK), Göteborg (SE) and Stømsnesbruk (SE).

¹⁰ <https://ghgprotocol.org/>

¹¹ The CO₂e is calculated based on the GWP used in the Fourth Assessment Report from the Intergovernmental Panel on Climate Change (IPCC): <https://www.ipcc.ch/assessment-report/ar4/>

¹² The emissions included in the CO₂-eq are Carbon dioxide (CO₂), methane (CH₄), Nitrous oxide (N₂O), Sulfur hexafluoride (SF₆), Nitrogen trifluoride

Water consumption



Resource efficiency

Resource efficiency means using resources in a sustainable manner while minimising impacts on the environment. It allows us to create more with less and to deliver greater value with less input¹³. For Scandza, this means minimizing waste generation and increase recycling, and reduce resources consumption per product produced. A big challenge to increasing resource efficiency is linked to regulations and technological limitations.

Water management

None of Scandza's production sites are sourcing water from water stressed areas, but we are conscious of our consumption of water and our treatment of the water we consume. Since 2018, we have reduced our water consumption by 181 000m³. In 2020, we

made a 9.4 million NOK investment into new water treatment technology on our production site in Namsos to meet local regulations.

At our production site in Alvdal we installed a system-tracer in 2017 for the optimization of water consumption, energy use, and the use of chemicals in the washing stations. This has reduced the amount of chemicals used by 90 tonnes despite an increase in production. It has enhanced energy efficiency by lowering the temperature of water used and lowered the number of washings needed, reducing the required drainage capacity.

Energy efficiency

Energy consumption for heating, refrigerating, combustion, electricity, and transportation in our production accounts for the majority of Scandza's energy consumption. Several energy efficiency measures have been taken throughout 2020. At our production site in Denmark, a new energy monitoring system has been implemented to optimize energy use and a new position has been established to monitor and improve environmental performance. Scandza's energy intensity decreased from 1,802 MWh/tonnes in 2019 to 1,715 MWh/tonnes produced in 2020.

“ In 2020, we made a 9.4 million NOK investment into new water treatment technology.

¹³ https://ec.europa.eu/environment/resource_efficiency/

In 2019, Scandza carried out a project with Norsk Energi to map energy efficiency improvement areas at our production sites in Alvdal and Namsos. A number of the recommendations from the project will be executed in 2021 to further enhance energy efficiency in our operations.

Minimize waste generation and increase recycling

The majority of the waste produced by Scandza is related to our production sites. The figure below shows the total amount of waste produced at our production sites in Norway, Sweden and Denmark throughout 2020. All waste is treated according to national and local laws and regulations. All reported electronic waste, glass, hazardous waste, metal, paper

and plastic is recycled and accounts for 16 per cent of the total reported waste. The remaining waste from organic material (food), residual or wood waste is incinerated in clean waste to energy plants.

Reducing food waste is of major environmental importance, and Scandza has worked diligently to reduce food waste for years. However, strict regulations as to how excess food in production may be utilized is a significant barrier to solve this issue. In 2020, a new pilot system estimated to reduce food waste on the assembly lines by 50 per cent has been tested at our production site in Denmark, and the results of this system will be clear next year.

Future environmental initiatives

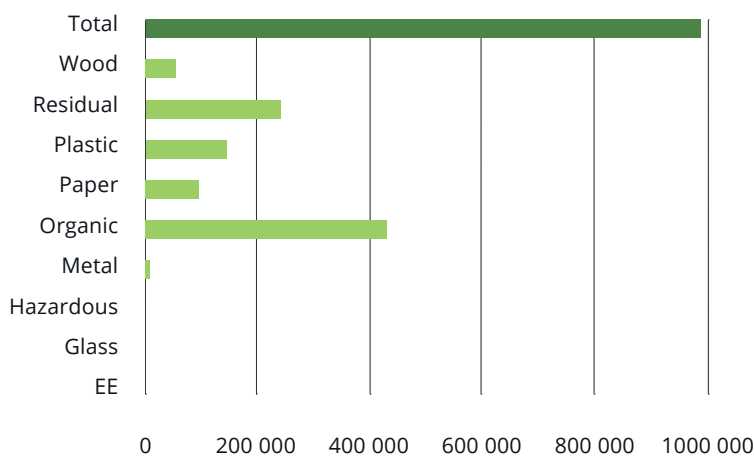
Going forward we will prepare our organization for reporting on Scope 3 emissions in 2021 and develop carbon intensity KPI's. We will work to standardize waste management on all production sites and work to enhance resource efficiency. Concrete measures that are planned for 2021 include:

- Lindvalls will work towards ISO 140001 certification
- Implement the system-tracer at our production site in Namsos
- Implement recommended energy measures at Alvdal and Namsos.

READ MORE ABOUT

[how we help to reduce food waste amongst consumers](#)

Waste Scandza 2020 (kg)





Product packaging

We have a significant potential to reduce upstream waste generation and recycling through improving product packaging. Product packaging has several functions: protection, information, and enhanced product duration. The quality of plastic makes it a well-suited packaging material. However, as it consists of non-renewable resources and poses a significant natural threat when not handled appropriately, it is no longer a viable option. Our mission is to develop environmental packaging that does not compromise level of protection or duration of the product.

Through Plastløftet Scandza is committed to contribute to a more

circular economy for plastic. Our goal is to reduce the volume of plastic used in packaging, and ensure that all packaging is recyclable, recycled and biodegradable by 2030.



Throughout 2020, all new products' packaging was designed with the aim of meeting the 2030 target. Still, the vast majority of our packaging is made from plastic

as access to recycled plastic material is limited. Consequently, only about 30 tonnes of recycled plastic were used in our packaging in 2020, while approximately 160,000 tonnes were virgin plastic.

We will continue to pursue recycled packaging materials for our products. As the market for recycled plastic increases, we will continue to focus on cutting and/or replacing plastic with more environmentally friendly materials. In 2021 we plan to start screening and evaluating all packaging according to our environmental criteria and establish a strategy to improve existing packaging.

Finsbråten's Cold Cuts cut plastics

In May 2020 Finsbråten relaunched its range of cold cuts with new packaging.

Without compromising the the premium quality of the product, they sought to find the best environmental solutions by reducing the amount of plastic used, prolonging shelf life and preventing food waste.



Eco-friendly packaging



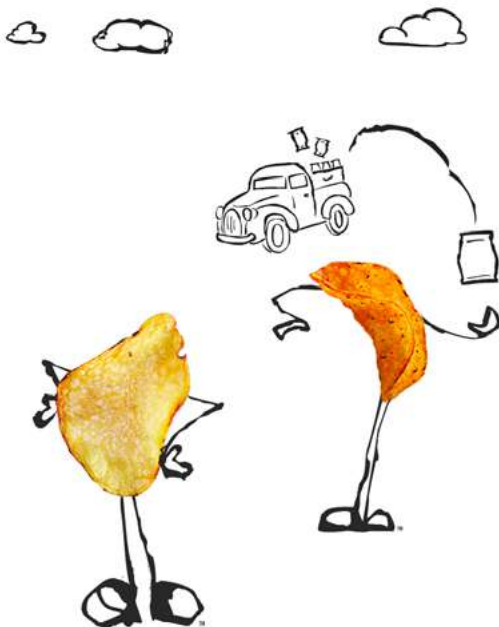
Finsbråten tested many different materials, including recycled plastic, recyclable plastic, bio-degradable plastic, bio-based plastic, and different combinations of these. However, due to the limitations of existing waste sorting and recycling technology, the most environmentally friendly option was to limit the use of plastic all together.

This resulted in the new paper-lite packaging, where 10 grams of plastic has been replaced with renewable paper per package. This has reduced the use of non-renewable packaging materials for the product by about 17 tonnes in 2020.

Sørlandschips replaces plastic with paper

Sørlandschips works systematically to reduce its environmental impact by finding more sustainable packaging solutions.

Plastic pollution is one of the largest environmental threats we face today. Sørlandschips' focus has therefore been to reduce the amount of plastic entering the market through their products.



In January 2020, Sørlandschips launched a new chips bag increasing the use of paper by 80 per cent. The bag has been developed through long-term cooperation with business partners on packaging and has eliminated 80 tonnes of plastic compared to 2019. Sørlandschips' ambition is to develop a chips bag made from 100 per cent renewable resources within a few years.



Better for the environment - our products

Scandza wants to meet consumers' expectations and positively influence their dietary choices by offering environmentally sustainable products. We are experiencing a shift in the Nordic consumption pattern towards more plant-based products. This is primarily due to health and environmental reasons¹⁴, and in line with Nordic Food-Based Dietary Guidelines, which recommend reducing consumption of red and processed meat¹⁵.

The overall responsibility for product development sits with the Market Director, our Quality Manager and key resources related to ingredients and taste, who are leading and coordinating the work on this issue at a group level. A working group meets twice a

year to discuss new solutions, progress, and map future needs.

Developing new low-impact products

We are experiencing increased interest in vegan and vegetarian options which are good for public health and the climate¹⁶. However, they present new environmental dilemmas. Soybeans are a common protein source used in these products. While being less carbon intensive than meat production, soybeans are often produced in areas of high risk for both biodiversity and social aspects of production. The World Wildlife Foundation warns that "Without proper safeguards, the soybean industry is causing widespread deforestation and displacement of small farmers and indigenous peoples around the globe"¹⁷.

Scandza has therefore opted for the use of proteins from peas and sunflower in our products, which are considered low-risk raw materials.

Scandza views plant-based products as a promising business opportunity aligned with our values and ESG goals. However, we are aware of the environmental challenges it poses and are continuously seeking new solutions that are better for the environment.

In 2021 we will set KPIs for our products and implement a scorecard system for sustainable product development.

READ MORE ABOUT

[how we work with environmental issues in our supply chain](#)

¹⁴ <https://euobserver.com/nordic/142318>

¹⁵ The current guidelines are from 2012 and focuses merely on the health aspects of diets. A new version will be finalized in 2022, and it is expected that this will assess the environmental impacts of the Nordic diets. See 2012 guidelines here: <https://www.norden.org/en/publication/nordic-nutrition-recommendations-2012>

¹⁶ <https://www.ipsosglobaltrends.com/2020/02/climate-change-food-and-sustainable-behaviours/>

¹⁷ <https://www.worldwildlife.org/industries/soy>

GO' Vegan

In 2017 we launched our plant-based product line GO' Vegan. Three years later, we have expanded the concept across product categories.

The brand has established itself in the Nordic market and enjoys an 82 per cent recognition rate amongst its target groups.



Plant-based sausages



In 2020 we launched the Go'Vegan sausages produced at our production unit in Hønefoss, Norway. The product was granted the Superior Taste Award by The International Taste Institute and has been massive success in Norway. It has been a great success, and both NorgesGruppen and Rema 1000 brought these sausages into their stores in 2020. COOP will follow suit in February 2021.

Introducing plant-based products to the Nordic market

Berit™ seeks to inspire consumers to eat healthier and more sustainably by providing plant-based products high on fiber.

Experiences from Europe and the US suggests that popular categories such as dairy provides an entry for plant-based alternatives.



Berit™ introduced Mylk™ in 2018 - an oat-based drink without sugar or artificial sweetener. The drink comes in various forms and flavours. Sjoko Mylk™ is the only chocolate flavoured drink, dairy and non-dairy, in Norway without added sugars and has become especially popular with children.

In Norway, plant-based drinks have grown 42 per cent in 2020, while Mylk™ has had a 96 per cent growth in the same period. We are proud to contribute with healthy and sustainable alternatives to the Nordic market.



Climate change is changing how we conduct our business

Combating climate change and protecting the environment are at the top of the global agenda and a public concern. This influences international and national regulations, financial markets, technological innovation, consumer preferences and market developments.

Such fundamental changes impact how we conduct our business. To remain competitive, we need to understand the risks and

opportunities we face, as well as obtain a firm grasp of how to successfully manage these issues. The expectations for transparent and comprehensive reporting of these issues are increasing. In response Scandza will undertake a climate risk review in 2021 in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

About TCFD

The Financial Stability Board created the Task Force on Climate related

Financial Disclosures (TCFD) to improve and increase reporting of climate-related financial information. The reporting framework sets out to identify the risks and opportunities related to climate change and assess how these are managed in an organization.





Meet Sørlandschips' potato expert

It takes one year to produce the perfect potato. Through close cooperation with farmers, Tommy works continuously to maximize the utility of the crops and ensure the quality of the potatoes used in the Sørlandschips.

There are numerous types of potatoes in the world. The most common in the Nordics is Asterix, but at Sørlandchips they prefer the Lady Claire. "Lady Claire contains less water and is therefore more suitable for frying. This is giving that perfect crunch to our chips," Tommy Christiansen says. He has worked with potatoes for over 20 years and is Sørlandchips' potato expert.

Potatoes are one of the few vegetables that thrive in the Nordic climate. Providing large crops per acre, they are one of the most sustainable raw foods produced.

Maximizing utility

It takes a year to sow, grow, and harvest a potato. The Sørlandschips factory receives about 16 600 tonnes of potatoes every year, and processes about 80 tonnes potatoes per 24 hours. "Producing potatoes for animal feed is not good for business, nor the environment. Maximizing the utility of each and

every one potato is therefore important," Tommy explains.

The standardized size of a potato is between 40-70mm. Those smaller or bigger are usually reduced to animal feed. "This is mainly aesthetics. We therefore accept potatoes ranging from 35-75mm," he explains and adds that they will continue to increase the range of potato sizes used going forward.

Sørlandschips are the only potato processor that has made this adjustment. "It means a lot financially to the farmer, and for us it means that we utilize 85-90 per cent of the potatoes that is produced for us," Tommy says. "To us it is about respecting the food and the work that goes into the production of it," he adds.

Close cooperation with the farmers

Sørlandschips has 45 farmers providing potatoes to their factory in Kristiansand, Norway. Each one is skilled and handpicked by

Sørlandschips. "We have certain criteria. They need to follow the standard for quality systems in agriculture, which allows for full traceability about the products and the necessary documentation. Moreover, we are looking for farmers we can cooperate and innovate together with," Tommy says.

Farming in Norway and Denmark is advanced. Professional skills are essential to survive as a farmer, and Sørlandschips seeks to be a partner in developing the agricultural sector. One of Tommy's most important tasks is to visit farmers and discuss production methods and cultivation technology. "I follow all stages closely to learn and to ensure that the products are of the highest quality and that we are able to utilize as much of the crop as possible" he says.



Bonaventura Scandza donating goods to the Poorhouse in Oslo.

Contributing to the society

As a manufacturer and distributor of food products and everyday consumer goods, our impact on the societies in which we operate are many. As an employer our main responsibility is to ensure our employees' health, safety, and well-being. As a food manufacturer, we aim to provide healthier products to the Nordic markets.



Being a responsible employer

Our employees are the foundation of our success. Valuing and ensuring their wellbeing is a core sustainability pillar for Scandza. Our main priorities are to provide safe and healthy working environments, to be an inclusive organization and to every day make sure they are given the opportunity to evolve and excel.

By the end of 2020, Scandza Group had 1012 in employees in total. Their tasks vary from manufacturing and handling heavy machinery, to product development, sales, management, and administration¹⁸.

The BoD holds overall responsibility for our employee's health, safety, and well-being, and to ensure that all operations are carried out in accordance with applicable laws. The HR director is responsible for the development and implementation of overarching policies and procedures. The CEO of each company holds the responsibility for ensuring that all business is conducted in accordance with applicable laws and regulations, as well as the Company's policies and strategies. The CEOs report directly to the BoD.

Health and safety is at the core of everything we do

Scandza has a zero-accident policy. The health and safety of our employees has the highest priority and Scandza aims to continuously maintain, improve, and develop healthy working environment conditions.

Our Code of Conduct and CSR Policy provides guidelines for the responsible business conduct.



Our Health Safety and Environment (HSE)-handbook provides an overview of routines, functions, KPIs, targets and applicable laws and regulations on HSE-issues. These are all monitored in our management system, which is externally and internally audited annually and complies with applicable laws and regulations. All employees and others working at facilities controlled by Scandza, are covered by our management system.

Introduction to the governing documents and training in HSE is a part of the onboarding process for all our employees. The process is tailored to the tasks of the employee, and it is the closest manager who is responsible for providing adequate training. Additionally, all safety representatives and members of the working environment committee are given a 40-hour HSE-course. All managers are given individual HSE-training.

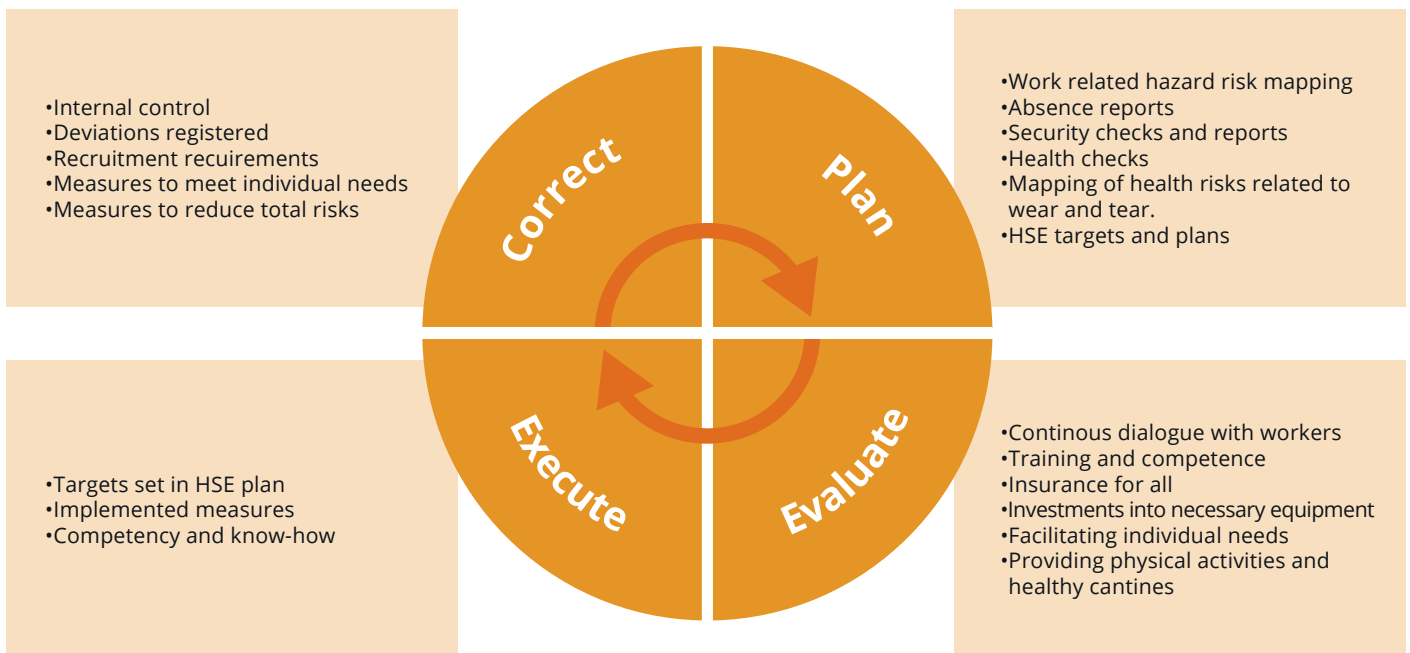
Larger production sites have a designated safety representative, additional HSE-training for the managers, and HSE task forces in

case of an event. We place great emphasis on exchanging knowledge and experiences across our sites to enhance the health and safety in our production processes. To do so, we have established a working environment committee and a cooperation committee, which each meet four times a year.

Emergency procedures and contingency plans are maintained by Scandza's head office and are held in each of the local offices and production facilities. General risk evaluations are carried out for specific activities at a company-wide level. There is a local responsibility to carry out the specific risk evaluations relevant to individual sites.

Our approach to identify hazards, reduce HSE-risks, investigate incidents and promoting health is explained in the figure below. Health and safety assessments of all sites are carried out annually, and each production adjust their responds to the nature of production at that site.

¹⁸ Some of our business areas will increase staffing during holiday seasons or busy periods. These roles are employed directly with a temporary contract or through an agency. A total of 67 people was temporarily employed throughout 2020.



More than half of our employees are production workers at our production sites or warehouses. The most common health and safety risks and in Scandza are related to injuries caused by crush, fall and physical blows, as well as cuts in our production units. Both production workers and people working in offices are exposed to musculoskeletal disorders caused by repetitive movements or sustained awkward postures.

The identification of these work-related hazards, posing risks to our workers, are identified through our annual risk mapping and incorporated into our management system.

We seek to reduce risks of hazards through training, and we are continuously adjusting our procedures according to risk assessments. We monitor the health and well-being amongst our employees and offer various types of health promoting initiatives, such as gym memberships.

All our employees are covered by our health insurance which includes medical, mental, and physical services.

All incidents are reported in our management system and followed up according to the procedures in our HSE-manual. In 2020 we had

zero fatalities. We had a total of 117 recorded accidents, where the majority did not result in absence.

In 2020, we had a 6.2 per cent sick leave rate, which is a 0.2 per cent increase over 2019. The rate of long-term sick leave was at 3.7 per cent, which is a 0.5 per cent increase over 2019. The production sites have the highest sick leave rates in Scandza, with the Norwegian meat production industry experiencing a 15 per cent increase in sick leave since 2019¹⁹.

In Scandza we work systematically to reduce the level of sick leave, as explained in the figure above. For

| Type of consequence | Fatality | High consequence injury resulting in long absence | Injuries resulting in short absence | Injuries resulting in no absence |
|--|----------|---|-------------------------------------|----------------------------------|
| Number of incidents | 0 | 1 | 32 | 84 |
| Rate of injury/ 1,000,000 hours worked | 0 | 0.5 | 16.8 | 43.0 |

¹⁹ https://arbinn.nho.no/arbeidsrett/sykefravar_og_permisjoner/sykefravar-statistikk/artikler/sykefravar-i-nho-bedrifter/

²⁰ <https://www.nhond.no/arbeidsforhold-og-tariff/hms-og-ia/ia-bransjeprogrammet/>

example, Synnøve Finden in Alvdal is participating in an inclusive working life initiative with NHO to enhance the understanding of causes of sick leave and the potential measures to reduce these²⁰.

We will continue our work on ensuring our employees' health, safety and well-being. We monitor these issues closely and follow up any opportunities for improvement diligently.

We invest in our people

In Scandza, all employees make a difference. As an employer, it is our responsibility that they are equipped to succeed and maintain a work life balance. One of our key competitive advantages is the entrepreneurial mind-set of our employees, and the responsibility they are given every day impact our business. We strive for our employees to be motivated and ensure they have relevant competence required in our organization. Employee programs, training and recruitment are among the tools we use to make this happen.

In Scandza, we are proud of our entrepreneurial spirit and agile way of working across the organization. Our company culture is based on trust, which is reflected in our management approach and system governing our employees. Each of Scandza's employees are followed up individually to ensure a positive development pathway within the company and personally. How this is done varies depending on the work description and is decided upon locally. Ninety- one per cent of our employees have received a regular performance and career development review in 2020. On our production sites our employees also develop through "learning by doing". Each employee is put into a team and has a designated supervisor.

Technological developments and digitalization have an impact on how we conduct our business. This requires new ways of thinking and new tools. In 2020, 70 of our sales consultants attended a sales course in digitalization to excel in this new environment. Our customers are

paying more attention to sustainability when buying our products and require more information. Our sustainability strategy has defined how Scandza will position itself in response to this market trend. Throughout 2020, we have increased our organization's competence on our DNA promises, great taste, better for you, better for the environment and engaging communication and design.

Scandza believes that our success comes from keeping talent and developing competency in the organization. We will continue this work through regular dialogue with our employees and providing training and education for our teams to perform to the best of their ability.

Going forward in 2021 we will further increase our investments in people development by implementing a Job Architecture Tool, that allows us to work more structured with talent development, succession planning and mobility. It will also allow us to follow up on numerous diversity KPIs.

Increased sales competence in 2020

The Covid-19 pandemic effectively made the Scandza sales team taskless when heavy restrictions were imposed on March 12th, 2020. With public financial support from the Oslo City Council, Scandza made the best out of the situation and offered 70 employees digital sales training.

"We saw that the pandemic enhanced the process of digitalization in our society. This affects our interaction with stakeholders, particularly with our customers. We took this great opportunity to provide our sales team with new know-how that will better equip them to meet the demands from our customers in the years to come," Scandza's HR director, Nina Westgaard explains.

The course has given Scandza's sales team the tools to operate more effectively. The sales team report that the course made them more aware of their role as an advisor to Scandza's customers and the increased opportunities that lies in digital solutions.

"Investing in people is one of the best ways to keep talent and increase competitiveness. This was definitely a good investment," Westgaard says.



Keeping our people safe during the pandemic

The pandemic highlighted the importance of a well-functioning food supply system. Our goal is to always be a reliable food producer and distributor. Keeping our people safe was pivotal to succeed in 2020 and will continue to be so in 2021.

Throughout 2020, we managed to keep all our production sites open and our organization found new ways of operating to ensure the steady flow of goods to the Nordic markets. Our employees have been operating under strict controls and early on in the pandemic were divided into cohorts to prevent the entrance of the Covid-19 virus and the potential spread of the virus at our facilities.

We started communicating updates and health measures continuously from February 2020. Communication occurred through emails and monitors in common areas to make sure that all staff were updated on the latest restrictions and knew how to act accordingly.

We value diversity

In Scandza we believe in diversity in every sense of the word. We have a diverse portfolio of companies, from traditional food production to cutting edge e-commerce companies. We have diverse organizational models, from companies with only women led by women to more mixed groups regarding gender, age, and nationalities.

Our Code of Conduct clearly states that “We do not accept, in any form, harassment, discrimination, intimidation or other behaviour that may be regarded as disrespectful, threatening or degrading.” This applies to all employees in all phases of their employment – from recruitment and throughout their Scandza career. Scandza encourages women and men equally, to take parental leave and compensates significant salary gap during the leave. Scandza had no incidents of reported discrimination in 2020.

We acknowledge that at board and management level we need a better gender balance. The table below illustrates the large gender gap in Scandza’s management teams. Scandza is working to enhance gender balance by:

- increasing awareness and preventing unconscious bias,



restructuring and new policies regarding recruitment and female participation

- facilitating training and providing mentoring programs
- securing gender balance through the recruitment process.

In recruitment processes, we ask recruiters to include both men and women in the final phase. Throughout interviewing we request that both a female and male recruiter are present to counter gender biases in the recruitment process. In 2020 Scandza recruited 38 women and 55 men. In 2020 we established the Scandza female network. The network consists of seven women in management

positions within the organization who met quarterly throughout the year. The network provides a platform for knowledge transfer, increased awareness of gender diversity, and developing talent and role models through coaching and mentoring.

In 2019, we carried out a systematic mapping of gender differences in all levels of our organisation, as well as their salary level. A new benchmarking assessment will be carried out in 2021 to monitor our progress.

Scandza will continue efforts to promote diversity through our initiatives and expand the female network.

| Status gender balance in 2020²¹ | Men | Women |
|---|------|-------|
| Group | 60 % | 40% |
| Company management | 83% | 17% |
| Group management | 90% | 10% |
| Board of directors | 100% | 0% |

²¹ Based on data per 31.12.2020. These do not include seasonal workers.

Better for you

Scandza wants to contribute to a healthier society, and our promise is to provide goods that are better for you.

Lifestyle diseases are inherently linked to dietary habits, which leads to reduced quality of life and an economic burden to society. The World Health Organization (WHO) has estimated that by 2030, 70 per cent of global deaths will be due to chronic diseases²². While the majority of these deaths are expected to occur in the US and western Africa, Nordic authorities are also concerned about these issues.

The Nordic Nutrition Recommendations from 2012²³ state that Nordic citizens must increase their intake of vegetables, fruit and berries, fish and seafoods, nuts and seeds. Moreover, they should eat more plant-based foods and low-fat dairy products, while limiting the intake of processed and red meat, sugars, salt and alcohol²⁴.

Scandza has signed the sector agreement to reduce sugar, salt, and fat in our products, while increasing fibres and intake of fruit and vegetables. Our Quality Manager is leading and coordinating the work on this issue at a group level. A working group meets twice a year to discuss new solutions, progress and to map future needs.

We see that our customers are increasingly asking for healthier products, but that changing dietary habits is difficult. Our strategy has been to make existing products healthier while preserving the



taste and to develop new healthier product brands.

Less salt, sugars, and fats

Scandza has worked systematically to reduce sugar, salt, and fat in our products over the last 5 years. We have prioritized products sold in high volumes in order to have the largest possible impact. Since 2017, Scandza has reduced the salt

content in all cheese from 1.5 per cent to 1.2 per cent. In the same period, we reduced the amount of sugar in all Greek yogurt by 30 percent.

Going forward we will set new KPI's for healthy products and a corresponding scorecard system which will further enhance our efforts.

²² <https://www.un.org/en/chronicle/article/lifestyle-diseases-economic-burden-health-services>

²³ New, updated recommendations are expected in 2022

²⁴ <http://norden.diva-portal.org/smash/get/diva2:704251/FULLTEXT01.pdf>

Synnøve Greek yogurt without sugar and fat

Scandza seeks to provide healthier and tasty products to the Nordic markets.

In 2020, Synnøve launched three Greek fat-free yoghurts containing zero added sugar. The yoghurt is still rich in protein and has the same creamy consistency and good taste as our other Greek yoghurt products.



No added sugar



Prior to this launch, Synnøve conducted several surveys among consumers where 70 per cent stated that they look at the nutritional content of a yogurt before buying it and 47 per cent of these ranked sugar as the number one or two ingredient that they consider.

By developing this product, we are meeting the market demand and contributing to a healthier lifestyle by providing a healthy but tasty alternative to consumers.

Synnøve's Klemmeost Light

In February 2020, Synnøve launched melted cheese in a pouch called "Klemmeost".

Only seven months later, the Klemmeost Light range entered the market, with the most popular flavours being Creamy Pesto & Avocado, Smokin' Bacon and Hot Italian Tomato & Herbs.



Less fat, still tasty



Less fat light cheese contains 65 per cent less fat than ordinary melted cheese and provides a healthy and tasty alternative to the melted cheese sandwich. Klemmeost Light only accounts for 23-24 kcal per slice of bread it is applied to.

In addition to being a new and exciting cheese product, the Klemmeost pouch is also better for the environment. The new packaging uses 50 per cent less material than similar products in metal tubes.



Ensuring business integrity

Scandza seeks to conduct our business in a manner that allows us to be proud to serve our kids. Our business has significant effects on the societies we operate in and in the areas from where we source our products. We are committed to ensuring the integrity of our products, and to responsibly manage the risks in our value chain.

G

Product quality

Our attention to food safety and quality gives us the licence to operate. Traceability and accurate product information are key priorities for Scandza.

In the Scandinavian market Scandza is among the top three largest producers in most of the food categories we operate in. It is our responsibility to guarantee that our products are of the highest quality, safeguard the health of our customers and ensure that they are produced with integrity according to applicable laws and regulations.

In our DNA we promise to engage hearts and minds. To us this means providing trustworthy products and knowing that we have done our utmost to ensure their quality, integrity, and safety. Our CSR policy, Quality policy and Supplier Standard are the main governing documents that dictate how product integrity is managed

within Scandza. Our Supplier Questionnaire provides a helpful checklist to assess our suppliers.

Each production site has a quality manager that safeguards product integrity. They report to Head of Quality in Scandza who is also tasked with assessing suppliers. Head of Quality reports to the CFO and the Vice President of Supply Chain in the group.

Most production lines relevant are British Retail Consortium (BRC) certified or to an equal standard (see text box). Our quality management system provides an operational platform, with all governing documents, processes, and follow-up procedures in case of any deviations from standard operating procedures. Hazard analysis and critical control points (based on the International Food Standards²⁵) are at the core of our quality system. All incidents related to food safety and mislabelling are reported and followed up in this system.

Ensuring food safety

Food fraud is unfortunately becoming increasingly common in the food industry. It refers to “intentional actions by businesses or individuals for the purpose of deceiving purchasers and gaining undue advantage therefrom”²⁶. This constitutes a risk to consumers, animals and to the environment, and it ultimately hinders the functioning of the market.

All Scandza’s food production sites meet the benchmarking requirements set by the Global Food Safety Initiative (GFSI)²⁷. Audits are carried out annually, either by GFSI or our customers. We have in place clear procedures on how to handle deviations from the GFSI standard or a consumer complaint. These are standardized within the group. Additionally, we have established an interdisciplinary taskforce that handles emergency cases.

The social and mobility restrictions imposed by governments in

About the British Retail Consortium Standard

The BRC Standard for food safety, provides assurance to customers that our products are safe, legal and of high quality. The standard focuses on:

- encouraging development of product safety culture;
- expanding the requirements for environmental monitoring to reflect the increasing importance of this technique;
- encouraging sites to further develop systems for security and food defence;
- adding clarity to the requirements for high-risk, high-care and ambient high-care production risk zones;
- providing greater clarity for sites manufacturing pet food; and
- ensuring global applicability and bench-marking to the Global Food Safety Initiative (GFSI).

BRC carries out audits annually.

²⁵ https://www.who.int/foodsafety/areas_work/food-standard/en/

²⁶ https://ec.europa.eu/food/safety/food-fraud/what-does-it-mean_en

²⁷ <https://mygfsi.com/how-to-implement/recognition/>

response to the Covid-19 pandemic made it difficult for us to carry out audits physically at our production sites. However, through digital means we managed to adapt and carry out audits using video technology. We view these audits to be satisfactory.

In 2020 Scandza had no incidents of non-compliance with regulations or voluntary codes concerning the health and safety of our products. In 2021 we will carry out assessments of the health and safety impacts of products, which will inform our strategy going forward.

Providing correct product information

Consumer awareness about quality and sustainability issues in the food production sector is growing. This shift requires us to provide more detailed product information. Topics such as allergies and the country of origin of raw materials used are of particular interest. The communication and marketing of consumer goods are heavily regulated in the Nordic markets

in which we operate. Scandza follows all applicable laws and applicable food information regulations and marketing regulations. These include information and claims regarding nutrition, health, sourcing and disposal, and environmental and social impacts. All products were assessed for compliance with such procedures in 2020. We had one mislabelling incident which led to the immediate withdrawal of the product.

In today's market, where there are many voices discussing health, safety and sustainability of specific products, Scandza seeks to be a transparent and knowledgeable actor that contributes to this conversation in a constructive manner. We will continue to monitor the situation and find ways to enhance our communication with consumers. We will also seek to improve the information available on our website to provide more detailed information about our products.

The Global Food Safety Initiative's Benchmarking

The GFSI Benchmarking Requirements defines the key elements required in a Certification Programme regarding:

- Ownership, development and maintenance;
- Accreditation;
- Relationship with Certification Bodies;
- Certification body personnel;
- Management of audit and certification.
- Multisite sampling and group certification.

Additionally, there are several product-specific requirements. Read more: <https://mygfsi.com/how-to-implement/recognition/>



Preventing food waste amongst consumers through labelling

Food waste is one of the largest environmental impacts of the food industry.

Scandza wants cut food waste in our own production and help consumers reduce their food waste.

58 per cent of the food waste in Norway originates from households, according to Matvett²⁸.

²⁸ <https://www.matvett.no/bransje/aktuelt/best-for-betyr-ofte-god-etter>



Synnøve

Helt siden Synnøve Finden tok spranget i 1928 og åpnet Synnøve Finden Osteofabrikk har vi levert smaksrike osteoprodukter av høy kvalitet. Ha en fantastisk osteopplevelse, hilsen oss i Synnøve.

Ingredienser: Pasteurisert melk, salt, Konservingsmiddel (E251), surhetsregulerende middel (E509), melkesyrekultur. Pakket i beskyttende atmosfære. Naturlig fri for laktose.

Skivet Gulost
Halvfast modnet ost (F45), 26% fett

NÆRINGSINNHOLD PER 100g:
Energi 1404 kJ/338 kcal
Fett 26 g
- hvorav mettede fettsyrer 17 g
Karbohydrater 0 g
- hvorav sukkerarter 0 g
Protein 26 g
Salt 1,2 g
Vitamin A 200 µg (25 % *)
Vitamin B12 1,7 µg (68 % *)
Kalsium 802 mg (100 % *)
Fosfor 535 mg (76 % *)

* av referanseverdi

Emballasje:
Sorteres som plast.
Kjølevarer 0°C - 4°C

Forbrukerkontakt:
Synnøve Finden AS
PB 1542 Vikå, 0117 Oslo.
Tlf: 23 33 44 00. www.synnove.no

7 034280 001757



One of the main reasons is that the product is not consumed before the due date on the package, and that it is consequently thrown out.

Synnøve has introduced “Best før, ofte god etter”-branding developed by the Norwegian food industry on all its products. The initiative is translated into “best to be consumed before but may also be good after”. It aims to encourage consumers to look, smell and taste the product before it ends up in the bin.

Finsbråten, Leiv Vidar, Berit and Synnøve have all signed up to the Industry Agreement to cut food waste with 50 per cent before 2030.

Taking control over our supply chain

Governing the social and environmental risks in our supply chain is our responsibility. Ensuring control and reducing negative impacts is pivotal to our integrity as a company. As a producer and distributor of foods and to everyday consumer goods, Scandza is in a key position to improve the sustainability of relevant supply chains.

We have a direct impact through our choice of suppliers, raw materials, and marketing of our products, and thus the ability to enhance demand for sustainable products. We view this as a business opportunity, and our goal is for consumers to trust and prefer our brands because they are better for them and the environment. We expect the food sector to move in a more sustainable direction due to new regulations and changing consumer behaviour. The agricultural sector is facing substantial regulatory changes in the EU and the Nordics, seeking to stop the loss of biodiversity and climate change.

Human rights violations, loss of biodiversity, increased emissions, plastic pollution, disregard for animal welfare and corruption are examples of risks that we seek

to address through our governance system. Scandza expects full compliance from all our business partners regarding anti-corruption, health and safety, labour and human rights, and environment, as detailed in our CSR policy and our Suppliers' standard.

The governance of these issues is a cooperation between the supply chain managers and the Head of Quality Assurance. An initial screening of suppliers is carried out by the supply managers. Eligible suppliers are then asked to fill out and sign the suppliers' questionnaire regarding social, environmental, governance and quality issues. It also asks about any relevant criteria they set for their suppliers. Head of Quality subsequently evaluates the suppliers and determines the next steps. All new suppliers were screened on social and environmental and social criteria in 2020.

All suppliers of Scandza are expected to sign our supplier standards, and corruption risk assessments are continuously carried out. Carrying out audits has been difficult in 2020 due to the pandemic. For new suppliers we have carried out audits over video, but larger audits have been postponed until the situation allows for it.

Scandza has a risk-based approach to the management of environmental and social issues in our supply chain. One product we have focused on in 2020 is coconut. Coconut-based ingredients are often used in vegan products but the coconut is a high-risk product due to origin and method of harvesting. We did a thorough evaluation of our supplier of coconuts and concluded that the product meets our standards.

Enhancing our work with our supply chain will be a main priority going forward. In 2021 we plan to carry out social and environmental risk assessments which will be followed by impact assessment of the identified high-risk products. This will inform our priorities going forward, and our governing documents and procedures will be updated accordingly.

Scandza Norway is a proud member of:



Scandza Policy on Palm Oil

- Scandza support the principles of the Roundtable on Sustainable Palm Oil (RSPO), and RSPO efforts to encourage and certify sustainable palm oil.
- Scandza recognizes RSPO certification as the only established and stable organization and standard for sustainable palm oil.
- All use of palm oil in Scandza is certified sustainable palm oil approved by the Scandza Management.
- As member of the Roundtable on Sustainable Palm Oil (RSPO), we are encouraging our industry partners and other actual partners to adopt the RSPO standard.

True Gum

In 2020, Bonaventura took on True Gum as a principal. True Gum is a plastic-free, vegan and biodegradable chewing gum, produced in Denmark. It provides a more sustainable option to gum in the Scandinavian market.



True Gum is a kinder alternative to traditional chewing gum. It is free from plastic, glycerin produced from palm oil and artificial flavours.

READ MORE ABOUT

[True Gum here](#)

Being a respected market participant

Business ethics are the principles that guide how we create value and make our day-to-day business decisions. Our aim is to run our operations in a transparent manner that honours our commitment to fair competition.

Our ability to create value is dependent on applying high ethical standards as the basis for trust-based relationships with the community, our employees, partners, suppliers, customers and stakeholders at large. Failure to comply with laws and ethical guidelines is a threat to our reputation and success.

Our Code of Conduct outlines Scandza's expectations for employees, managers and business partners regarding business loyalty, integrity and commercial values; laws and regulations of business practice; and competition. Our CSR policy details Scandza's corruption policy and procedures, and our supplier standard outlines our expectations for our business partners regarding anti-corruption and anti-competitive behaviour. The BoD has the overall responsibility for Scandza maintaining their position as a respected market player and following all applicable laws regarding financial activity.

Scandza has zero tolerance for corruption

Corruption impedes access to markets and undermines economic and social development. Scandza is mainly operating in the Nordic markets, which are considered countries with low levels of corruption²⁹.



Corruption is still however identified as a material issue to Scandza, because if not appropriately managed it could have significant consequences for the company and markets and communities in which we operate.

Scandza has a zero-tolerance policy for corruption, as stated in our CSR Policy. We define corruption as "the abuse of entrusted power for personal gain, being a dishonest or illegal behaviour especially by people in leading positions". Assessing and monitoring business processes, training and controls are fundamental tools in implementing our anticorruption policy. All employees and business partners are provided with our anti-corruption guidelines upon starting their engagement with Scandza. Scandza had zero reported incidents of corruption in 2020.

We oppose anti-competitive behavior

Throughout 2020, our sector has received much attention regarding

the level of competition. Scandza supports free enterprise and seeks to compete in a fair and ethically sound manner. Our Code of Conduct states that no employee or others acting on behalf of Scandza may make any arrangement, participate in any discussion, share information, or enter into any agreement contrary to applicable anti-trust, pricing and cooperation laws and regulations.

Any incident of anti-competitive behaviour, as described in our CSR policy, is reported immediately to Scandza's General Counsel who keep a log of all incidents. All logged incidents are investigated. Scandza has defined processes and protocols for addressing incidents should they be elevated to a level requiring further action.

Scandza had no legal actions for anti-competitive behaviour, anti-trust, or monopoly practices throughout 2020.

²⁹ <https://www.transparency.org/en/cpi/2020/index/nzl>

GRI Index

| GRI Indicator | Reference in the report | | | | | | | |
|--|--|---|------------|--------------|-----------|-----------|------------|--|
| Organizational profile | | | | | | | | |
| 102-1 | Name of the organisation | Jordanes AS, known as the Scandza Group or Scandza | | | | | | |
| 102-2 | Activities, brands, products, and services | Pages 6-7 | | | | | | |
| 102-3 | Location of headquarters | Henrik Ibsens gt. 60C, Oslo, Norway | | | | | | |
| 102-4 | Location of operations | Pages 6-7 | | | | | | |
| 102-5 | Ownership and legal form | Scandza Group is owned and controlled by its founders Stig Sunde and Jan Bodd, partner Karl Kristian Sunde and more than 80 employees through Jordanes Invest AS. | | | | | | |
| 102-6 | Markets served | Page 6 - 9 Annual report 2020 | | | | | | |
| 102-7 | Scale of organisation | Pages 3, 6-9 | | | | | | |
| 102-8 | Information on employees and other workers | Pages 3, 30-35 | | | | | | |
| | | | Men | Women | | | | |
| | | Permanent | 577 | 367 | | | | |
| | | Temporary | 33 | 34 | | | | |
| | | | NO | DK | SE | EN | EST | |
| | | Permanent | 453 | 315 | 179 | 9 | 7 | |
| | | Temporary | 34 | 25 | 8 | 0 | 0 | |
| | | | Men | Women | | | | |
| | | Full-time | 456 | 246 | | | | |
| | | Part-time | 16 | 28 | | | | |
| <i>Scandza engages in supervised or casual workers, but this is not a of significant portion of its activities. There are no significant variations in employment numbers over the year.</i> | | | | | | | | |
| 102-9 | Supply chain | Page 8 | | | | | | |
| 102-10 | Significant changes to the organisation and its supply chain | Scandza closed its production site in Lier on the 31. Of December 2020. | | | | | | |
| 102-11 | Precautionary Principle or approach | Scandza applies the precautionary principle in its day-to-day decision making on ESG topics. | | | | | | |
| 102-12 | External initiatives | IEH, Plastløftet, Grønt Punkt, WWF, Matvett, Forbruker-rådet melk.no, Avfall Norge, S-Food Network, Too Good to Go, Havaristen. | | | | | | |
| 102-13 | Membership of associations | Næringslivets Hovedorganisasjon (NHO), Svensk Livsmedelindustri and Dansk Industri. | | | | | | |

| GRI Indicator | | Reference in the report |
|-------------------------------|--|---|
| Strategy | | |
| 102-14 | Statement from senior decision maker | Pages 4-5 |
| Ethics and integrity | | |
| 102-16 | Values, standards, principles and norms | Page 13 |
| Governance | | |
| 102-18 | Governance structure | Page 15 |
| Stakeholder engagement | | |
| 102-40 | List of stakeholder groups | Page 11, Appendix 1 |
| 102-41 | Collective bargaining agreements | Our CSR policy states that Scandza Group upholds the freedom of association of its employees and the effective recognition of the right to bargain collectively. In 2020, about 90 per cent of our industrial workers workers were covered by collective bargaining agreements organized by NHO, Livsmedelföretagen and Dansk Industri. |
| 102-42 | Identifying and selecting stakeholders | Page 11, Appendix 1 |
| 102-43 | Approach to stakeholder engagement | Page 11, Appendix 1 |
| 102-44 | Key topics and concerns raised | Page 11, Appendix 1 |
| 102-45 | Entities included in the consolidated financial statements | Annual report not published at the time of the publication of this report. |
| Reporting practice | | |
| 102-46 | Defining report content and topic Boundaries | Page 11, Appendix 1 |
| 102-47 | List of material topics | Page 12 |
| 102-48 | Restatements of information | NA |
| 102-49 | Changes in reporting | NA |
| 102-50 | Reporting period | 01.01.2020-31.12.2020 |
| 102-51 | Date of previous report | NA |
| 102-52 | Reporting cycle | Annually |
| 102-53 | Contact point | Sofie Oraug-Rygh, Director public affairs and communications: sofie.rygh@scandza.com |
| 102-54 | Claims of reporting in accordance with the GRI Standards | This report is prepared in accordance with the Global Reporting Initiative (GRI) Core option. |
| 102-55 | GRI content index | Pages 45-50 |
| 102-56 | External assurance | The GRI content of this report has not been externally assured. |

| Material Topic | Topic specific indicators | | |
|-------------------------------------|-------------------------------|--|--|
| | Stakeholder engagement | | |
| Environmentally friendly production | 103-1:3 | Disclosure on management approach | Page 12, 15 and 16-27 |
| Environmentally friendly production | 302-3 | Energy intensity | Page 19-20 1,715 MWh/tons produced in 2020. Energy-types included in the ratio: heating, refrigerating, combustion, electricity, and transportation. The ratio uses energy consumption within the organization. |
| Environmentally friendly production | 303-5 | Water consumption | Page 19 None of Scandza's production sites are sourcing water from water stressed areas. Data on water consumption is registered individually by each production site in CemaSYS. |
| Environmentally friendly production | 305-1 | Direct (Scope 1) GHG emissions | Pages 17-18 |
| Environmentally friendly production | 305-2 | Energy indirect (Scope 2) GHG emissions | Pages 17-18 |
| Environmentally friendly production | 305-4 | GHG emissions intensity | Pages 17-18 |
| Environmentally friendly production | 305-5 | Reduction of GHG emissions | Pages 17-18 |
| Environmentally friendly production | 306-1 | Waste generation and significant waste-related impacts | Pages 20-21 |
| Environmentally friendly production | 306-2 | Management of significant waste-related impacts | Pages 20-21 |
| Environmentally friendly production | 306-3 | Waste generated | Pages 20-21 |
| Environmentally friendly production | 307-1 | Non-compliance with environmental laws and regulations | Page 17 Scandza has not identified any non-compliance with environmental laws or regulations throughout 2020. |
| Environmentally friendly production | 103-1:3 | Disclosure on management approach | Page 12, 15 and 16-27 |
| Sustainable packaging | Custom made | Total volume (tonnes) used for packaging divided into type of material | Page 21-23 In 2021 we plan to start to screen and evaluate all packaging according to our environmental criteria and establish a strategy to improve existing packaging. |
| Climate risk management | 103-1:3 | Disclosure on management approach | Page 12, 15 and 16-27 |
| Climate risk management | 201-2 | Financial implications and other risks and opportunities due to climate change | Page 27 We aim to report fully on this indicator in 2021. |

| Material Topic | Topic specific indicators | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---------------------------|---|--|------------|------------|------------|-------------|----|--|--|-----|-------|------------|-------------|--|-------|----|----|----|----|----|--------------------|----|----|---|---|---|------------------|----|----|---|---|---|--------------------|-----|---|---|---|---|
| | Social | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Health, safety and well-being of our employees | 103-1:3 | Disclosure on management approach | Page 12, 15 and 29-37 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Health, safety and well-being of our employees | 403-1 | Occupational health and safety management system | Pages 30-32 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Health, safety and well-being of our employees | 403-2 | Hazard identification, risk assessment, and incident investigation | Pages 30-32 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Health, safety and well-being of our employees | 403-3 | Worker participation, consultation, and communication on occupational health and safety | Pages 30-32 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Health, safety and well-being of our employees | 403-4 | Worker training on occupational health and safety | Pages 30-32 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Health, safety and well-being of our employees | 403-5 | Promotion of worker health | Pages 30-32 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Health, safety and well-being of our employees | 403-7 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Pages 30-32 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Health, safety and well-being of our employees | 403-8 | Workers covered by an occupational health and safety management | Pages 30-32 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Health, safety and well-being of our employees | 403-9 | Work-related injuries | Pages 30-32 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Responsible employer | 103-1:3 | Disclosure on management approach | Page 12, 15 and 29-37 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Responsible employer | 404-3 | Percentage of employees receiving regular performance and career development reviews | Page 32 Ninety-one per cent of our employees have received a regular performance and career development review in 2020. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Responsible employer | 405-1 | Diversity of governance bodies and employees | <table border="1"> <thead> <tr> <th></th> <th colspan="2">Gender (%)</th> <th colspan="3">Age (%)</th> </tr> <tr> <th></th> <th>Men</th> <th>Women</th> <th>< 30 years</th> <th>30-50 years</th> <th></th> </tr> </thead> <tbody> <tr> <td>Group</td> <td>60</td> <td>40</td> <td>15</td> <td>53</td> <td>32</td> </tr> <tr> <td>Company management</td> <td>83</td> <td>17</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Group Management</td> <td>90</td> <td>10</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Board of directors</td> <td>100</td> <td>0</td> <td>-</td> <td>-</td> <td>-</td> </tr> </tbody> </table> | | Gender (%) | | Age (%) | | | | Men | Women | < 30 years | 30-50 years | | Group | 60 | 40 | 15 | 53 | 32 | Company management | 83 | 17 | - | - | - | Group Management | 90 | 10 | - | - | - | Board of directors | 100 | 0 | - | - | - |
| | | | | Gender (%) | | Age (%) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Men | Women | < 30 years | 30-50 years | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Group | 60 | 40 | 15 | 53 | 32 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Company management | 83 | 17 | - | - | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Group Management | 90 | 10 | - | - | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Board of directors | 100 | 0 | - | - | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Page 34 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| We aim to report fully on this indicator 2021 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Material Topic | | Topic specific indicators | |
|----------------------|-------------|--|--|
| | | Social | |
| Responsible employer | 405-2 | Ratio of basic salary and remuneration of women to men | Page 34 A new benchmarking assessment will be carried out in 2021 to monitor our progress. We aim to report fully on this indicator in 2021. |
| Responsible employer | 406-1 | Incidents of discrimination and corrective actions taken | Page 34 |
| Healthy products | 103-1:3 | Disclosure on management approach | Page 12, 15 and 29-37 |
| Healthy products | Custom made | Reduction in salt, fat and sugars | Page 35 Incomplete reporting as relevant data cannot be obtained. Scandza will aim to develop KPIs and a monitoring system for Reduction of salt, fat and sugars in 2021. |

| Material Topic | | Topic specific indicators | |
|-------------------------|---------|---|---|
| | | Governance | |
| Product integrity | 103-1:3 | Disclosure on management approach | Page 12, 15 and 38-44 |
| Product integrity | 416-1 | Assessment of the health and safety impacts of product and service categories | Pages 39-40 We aim to report fully on this indicator in 2021. |
| Product integrity | 416-2 | Incidents of non-compliance concerning the health and safety impacts of products and services | Pages 39-40 |
| Product integrity | 417-1 | Requirements for product and service information and labeling | Page 40 |
| Product integrity | 417-2 | Incidents of non-compliance concerning product and service information and labeling | Page 40 In 2020, we had one mislabelling incident which led to the immediate withdrawal of the product |
| Supply chain management | 308-1 | New suppliers that were screened using environmental criteria | Page 42 |
| Supply chain management | 308-2 | Negative environmental impacts in the supply chain and actions taken | Page 42 |
| Supply chain management | 414-1 | New suppliers that were screened using social criteria | Page 42 |
| Supply chain management | 414-2 | Negative social impacts in the supply chain and actions taken | Page 42 |

| Material Topic | Topic specific indicators | | |
|--------------------------------------|---------------------------|---|--|
| | Governance | | |
| Being a respected market participant | 103-1:3 | Disclosure on management approach | Page 12, 15 and 38-44 |
| Being a respected market participant | 205-3 | Confirmed incidents of corruption and actions taken | Page 44 Scandza had zero reported incidents of corruption in 2020. |
| Being a respected market participant | 206-1 | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | Page 44 Scandza had no legal actions for anti-competitive behaviour, anti-trust, or monopoly practices throughout 2020. |

Appendix

| Stakeholder dialogue Scandza | | Last updated: 2020 | | | | |
|------------------------------|---|-----------------------------|--|---|--|--|
| GRI 102-40 | GRI 102-42 | GRI 102-43 | GRI 102-44 | | | |
| Stakeholder Group | Reason for selection | Engagement with stakeholder | | | Topics and concern raised | Organization's response to topics and concerns raised |
| | | Frequency | Mode of engagement | Was this part of the report preparation? (yes/no) | | |
| Employees | Our people are our most important resource | Continuously | Reviews Employee survey Town hall meetings | Yes | Covid-19 pandemic Visible management Internal communication External communication Competence and training Diversity Workload Independence | Reorganizing and increased visibility of areas of responsibility. Intranet implemented to enhance communication Two videos from the Executive Board with updates distributed Digitalisation training for sales team. Establishment of Women's Network |
| Consumers | Influence our product development | Continuously | Direct contact, consumer surveys, focus groups, social media | Yes | <ul style="list-style-type: none"> • Price • Product information • Non-animal products • Healthy products • Plastic and sustainable packaging • Product's taste • Waste handling of packaging | <ul style="list-style-type: none"> • Product innovations to reduce plastic in packaging • Product innovation for healthier products • Enhanced product information. |
| Costumers | These are retail, pharmacy and HORECA, which brings our products to the consumers | Continuously | Individual meetings, Committee meetings for Matvett and Grønn Punkt. | Yes | <ul style="list-style-type: none"> • Healthier product • More environmentally friendly products and packaging • Transportation of goods and density of products | <ul style="list-style-type: none"> • Letters of intent to reduce salt, sugar and fat • Developments of healthier products • Packaging innovation that cuts plastic |

| | | | | | | |
|---|---|--------------|---|-----|---|--|
| Suppliers | The quality of our products depends on a good cooperation with our suppliers | Continuously | Interviews, meetings, negotiations, and assessments | Yes | <ul style="list-style-type: none"> • Mode of production • Use of raw material • Quality assurance | |
| Owners | | Continuously | Board Meetings, managerial meetings, individual meetings | Yes | <ul style="list-style-type: none"> • Competition • Due diligence • Market development • Future ESG expectations | |
| Authorities -Government, parliament, and relevant agencies | Forms the regulatory frameworks of which we operate | Regularly | Individual meetings with politicians (local and national), government representatives and relevant ministries. Hearings, input-meeting, seminars and debates. | Yes | <ul style="list-style-type: none"> • Food waste • Anti-competitive behaviour • Public health and diet • Conditions for economic growth • Job creation • Emissions • Export • District heating • Equipment • Financial support of local events and organizations | <ul style="list-style-type: none"> • Enhanced product labelling and production methods to reduce food waste • Development and promotion of healthier products • More environmentally friendly production • Enhanced product labelling and production methods to reduce food waste • Development and promotion of healthier products • More environmentally friendly production |
| Neighbours and local communities | We seek to impact the communities in which we operate in a positive manner | Continuously | | Yes | <ul style="list-style-type: none"> • District heating • Equipment • Financial support of local events and organizations | |
| Civil society and NGOs | Impacts politics and public debate, and is therefore an important stakeholder | Regularly | Individual meetings | Yes | <ul style="list-style-type: none"> • Food waste • Packaging • Product labelling and marketing • Local value creation • Consumers' rights • Agriculture and local food production • Conditions for economic growth • Workers' rights | <ul style="list-style-type: none"> • Enhanced product labelling and production methods to reduce food waste • Development and promotion of healthier products • More environmentally friendly production |



About this report

This report is prepared in accordance with the Global Reporting Initiative (GRI) Core option. It is our inaugural sustainability report and covers the calendar year 2020. We seek to listen, learn, adapt, and improve our business operations, and feedback from our stakeholders is welcome.

For comments, questions or suggestions, please contact Sofie Oraug-Rygh, Director public affairs and communications: sofie.rygh@scandza.com

