

Statement of corporate social responsibility (CSR), cf. section 99a of the Danish Financial Statements Act

This statement is part of the management review for HARIBO Produktion A/S, cvr 43423010 related to the Financial Statement for financial year 2019 (1st of January 2019 to 31st of December 2019). This CSR-report does also covers Haribo Lakrids A/S, cvr. 37657654.

HARIBO Group takes its corporate responsibility very seriously. It is the belief of the company that respect for both people and the planet plays an important role in order to develop the business successfully. The company has therefore implemented several policies for the area, which are integrated in the daily work. In 2020, the company also continues the work on a group level. In the following, the main contents of the policies are described, including how the policies are transformed into action and results.

The main focus is Food Safety, as the company's consumers at any time should be able to enjoy the company's products without any risk. The HARIBO Group therefore applies high food safety, quality and ethical standards to the selection of all raw material and packaging used in the production of our beloved products. Since 2017, all the HARIBO Group manufacturing facilities (including the one in Denmark) have been certified according to FSSC 22000 (Food Safety System Certification), a GFSI (Global Food Safety Initiative) recognized standard with an excellent reputation in the food industry worldwide. Before 2017, HARIBO was certified according to the international food standard IFS.

Ethics

The HARIBO Group makes high demand on its suppliers of raw materials. It is required that the vendors ensure that raw materials are produced with respect for international conventions and standards, with a special focus on following the current Human Rights Conventions along with avoiding any form of bribery, corruption, forced labor and child labor. All vendors of raw material need to sign a declaration to declare that these demands are met. This declaration is a HARIBO Group Standard. HARIBO Produktion A/S is following the HARIBO Group standards as described above. All raw material vendors used in 2019 have declared that they are following the declaration. HARIBO Produktion A/S is FSSC 22000 certified. This standard ensures that the consumers get a product of the highest quality and safety, which can be consumed. A copy of the certificate can be seen on the homepage under "Kvalitetssikring". Here the consumers are also able to find further information about HARIBO's products. However, there is always a risk that ethic codes are not met outside of HARIBO's control.

Environmental and climate responsibility

HARIBO Group is fully focused on its environmental and climate impact, and is constantly trying to optimize this area so that the company's total environmental and climate impacts remain as minimal as possible. In particular, the focus is on reducing the company's energy consumption. This is done both by investigating how to invest in more energy-efficient technology, but the company will also focus on a change of attitude among its employees so as to avoid unnecessary consumption of energy. Also handling of waste is a company focus, and waste is sorted as an integrated part of the work in order to reduce the environmental and climate effects of production. However, it is not always easy to change old habit. Therefore, the company will continue to focus on implementing good habits to the benefit of both the company and the climate.

"One of the key risks for our business is producing our products with negative impact on environment and climate. This is predominantly managed through ongoing continuous improvements of our production processes."

In 2018, Videoconference has been installed in all Nordic HARIBO offices in order to reduce CO2 by reducing the level of travelling. The goal of reducing travel and thereby the CO2 footprint has been reached.

In 2019 HARIBO Produktion have continued the work of identifying further areas for reducing the energy consumption. Especially when buying new machinery or replacing existing, energy consumption is an important parameter in decision making. The goal of reducing energy consumption for new/replaced machinery have been reached.

Employee responsibility

HARIBO in Denmark is a member of the Confederation of Danish Industry ("DI - Dansk Industri") and complies with the guidelines set by Confederation of Danish Industry for its member companies. This also means that the company undertakes to treat its own employees and other stakeholders in accordance with current legislation, and in general show good morals with everything that this entails. HARIBO also participates in local board work for the Confederation of Danish Industry where education of young people and contributions to this has very high priority.

HARIBO in Denmark want to contribute to qualified and skills employees. Therefore, HARIBO Denmark in 2018 initiated a cooperation with 5 other companies in South of Zealand in order to ensure students for the education for Industrial technician, which was as that time not offered in South of Zealand. This cooperation led to the education in 2019 is now permanent on Business School CELF. HARIBO Denmark was awarded with the prize "Internship 2019" from Danish Industry.

HARIBO assumes responsibility for student workers and interns under the age of 25. In 2019 11 are enrolled compared to 8 in 2018.

HARIBO has a representative in the Regional Labor Market Council (RAR – De Regionale Arbejdsmarkedsråd), selected by local companies under the Confederation of Danish Industry as representative of the Danish Employers' Confederation (DA – Dansk Arbejdsgiverforening). Regional Labor Market Council for Zealand comprises 17 municipalities and carries out a wide range of labor related tasks.

HARIBO is also represented in the committee "Arbejdets organisering og Industrioperatøruddannelsen (LLU)" where technical colleges and companies jointly work to ensure the quality of vocational education and focus on the need to attract young people into an industrial working life.

One of the biggest risks in securing a good working environment is stress. In order to promote employees' opportunities and a good working environment, we provide various training with particular emphasis on developing employees' skills and support work-life balance.

Human rights

It is a high priority for the company to ensure that sick employees return to work quickly and safely. In this, the aforementioned cooperation with the local authorities is very important. In addition to this cooperation, the company pays for a private health insurance for all employees. Employees have continuously given the company the feedback that this private health insurance is a significant employee benefit.

HARIBO in Denmark has adopted a number of policies which work for continuous improvements of a safe and healthy working environment for all employees. Smoking cessation courses are provided, sports grants,

and focus on healthy food in the company's canteen are just some of the initiatives. In addition, the company aims to maintain and motivate current and future employees in these areas. In order to do so, the employees' positive experience of HARIBO as a workplace is an important parameter.

Reducing work-related accidents resulting in absence has a particularly high priority which is why follow-up interviews are carried out when an accident has occurred. In 2019 5,2% of the workforce experience accidents with more than 1 day of absence. Most importantly, however, is the focus on preventing accidents, which is why work environment representatives and environmental boards have been educated systematically in all the company's departments. In 2020, education and training in improving both the physical and social working environment is planned. It is expected that these initiatives will reduce the number of accidents. HARIBO in Denmark will continue the work on improving the working environment and educating our employees – and thereby reducing accident related absences. One of the key risks for our business is health and safety incidents. This is predominantly managed through ongoing continuous improvements to the health and safety environment at the workplace.