

*Peter Larsen*  
*Kaffe*<sup>®</sup>

STATUSRAPPORT

2020

*Peter Larsen*  
*Kaffe*<sup>®</sup>



# INDHOLD

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Data er indsamlet i perioden 1. juli 2019 – 30. juni 2020



## EXECUTIVE SUMMARY

# TRADITIONER, INNOVATION OG BÆREDYGTIGHED ER FUNDAMENTET FOR FREMTIDEN

Hos Peter Larsen Kaffe A/S har vi i regnskabsåret 2019/20 styrket de positive udviklinger på både salg, bæredygtighed og innovation. Vores økonomi er solid, og det er forudsætningen for, at vi kan udbygge vores position som Danmarks mest bæredygtige og innovative kaffebrand (Kilde: Straylight). En position, der i høj grad differentierer os fra konkurrenterne i branchen, og som bliver stadigt vigtigere i takt med verdens voksende klima- og miljøudfordringer.

Bæredygtighed, cirkulær økonomi og innovation bliver således i stadigt stigende grad forudsætninger for vores forretning og fremtid, og derfor er det en klar fordel for Peter Larsen Kaffe, at ansvarlighed og nytænkning er dybt forankret i vores DNA. Vi er vant til at tage ansvar for det samfund og den verden, vi er en del af, både lokalt og globalt, og vi er vant til at tænke nyt for at styrke vores forretning og sikre det fremtidige grundlag for den. Det vil de kommende år bevise i højere grad end nogensinde.

I regnskabsåret 2019/20 har vi, i tæt samarbejde med vores kollegaer i Löfbergs Group, sat nye strategiske mål for virksomheden med udgangspunkt i cirkulær økonomi og FN's 17 Mål for Bæredygtig Udvikling.

### **Nyt eksistens- og forretningsgrundlag**

Det falder os naturligt at bidrage særdeles aktivt til at løse de enorme udfordringer, som kaffebranchen og kloden står over for. Den, der har evnen, har også pligten. Frem mod 2030 udvikler vi således vores strategi i en retning, der vil

ændre Peter Larsen Kaffes eksistens- og forretningsgrundlag radikalt.

I dag udnytter vi under 1 % af kaffeplantens næringsstoffer, når vi brygger en kop kaffe. Vores ambition er, at det tal i 2030 skal være 100 %. Det er hverken miljømæssigt, klimamæssigt, socialt eller økonomisk acceptabelt at lade så store og værdifulde ressourcer gå til spilde, og derfor vil vi udnytte kaffeplantens nærings- og nyttepotentiale fuldt ud. I 2030 skal alt spild relateret til dyrkning, forarbejdning og forbrug af kaffe være elimineret.

Det betyder bl.a., at vi grundlæggende skal gentænke hele grundlaget for vores snart 120 år gamle virksomhed. Hvis vi vil eliminere alt spild, kan vi ikke længere se os selv alene som kaffeproducent. Vi, og vores råvarer, skal bruges i nye sammenhænge og nye industrier og blive til nye, nyttige produkter. Det kan vi ikke gøre alene. Derfor bliver partnerskaber på tværs af industrier, sektorer og landegrænser en afgørende del af Peter Larsen Kaffes strategi og arbejde i fremtiden. Sammen med forskere, forbrugere og andre virksomheder vil vi skabe nye projekter og løsninger, der både udvider kaffefarmernes muligheder for indtjening og imødegår de klimaudfordringer, som også truer verdens kaffeproduktion.

Vi er åbne og inkluderende omkring vores innovation, fordi det er vores ambition at gå forrest og skubbe hele kaffebranchen i en mere ansvarlig og bæredygtig retning.

### **The Circular Coffee Community, CCC**

I det forgangne regnskabsår har vi skabt en formel ramme omkring indsatsen. The Circular Coffee Community (CCC), Det Cirkulære Kaffefællesskab, er en bevægelse, der bringer mennesker og virksomheder sammen om at skubbe kaffebranchen i en mere bæredygtig retning. Det erklærede formål med CCC er at afdække det fulde, næringsrige og nyttige potentiale i kaffeplanten og alle naturlige ressourcer relateret dertil. CCC er åbent for alle, der kan og vil bidrage til at opfylde fællesskabets ambitiøse målsætning.

Fremtidens Peter Larsen Kaffe er mere end en kaffevirksomhed. Vi er en facilitator af fællesskaber, der skal bidrage til cirkulær omstilling og større social lighed. Fællesskab er i lige så høj grad som ansvarlighed en del af vores DNA. Kaffen, som vi i dag betegner som vores kerneprodukt, har i mere end 100 år været omdrejningspunkt for dialog og interaktion mellem mennesker.

Udviklingen af CCC og den cirkulære omstilling afhænger af, at vi styrker vores kommunikation yderligere og deler de idéer og projekter, som vi arbejder med for at inspirere andre til at tænke i samme bæredygtige baner og for at tiltrække samarbejdspartnere, der vil det samme som os.

### **Forretning med formål**

Peter Larsen Kaffe driver forretning med et formål. Et formål, som vi deler med vores kolleger i Löfbergs Group: At få mennesker til at høre til – og høre sammen.

Vi vil facilitere den dialog, der bringer verden tættere sammen, og som gavner de mennesker i alle dele af verden, som vi både er i kontakt med og er gensidigt afhængige af.

Peter Larsen Kaffe har i årtier bidraget til at skubbe kaffebranchen i en mere bæredygtig retning. Vores kontinuerlige fokus på verden omkring os har et filantropisk udgangspunkt og hænger samtidig uløseligt sammen med driften af Peter Larsen Kaffe som en sund og økonomisk stabil forretning og arbejdsplads. Vores arbejde med FN's Verdensmål fokuserer primært på at bidrage til indfrielse af Verdensmål nr. 2: Stop sult, Verdensmål nr. 8: Anstændige jobs og økonomisk vækst og Verdensmål nr. 12: Ansvarligt forbrug og produktion.

Vi bidrager bl.a. til målene med bevægelsen Circular Coffee Community, der fremmer udviklingen af nye måder at udnytte hele kaffeplantens nærings- og nytteværdi for at skabe nye indtjeningsmuligheder og dermed bedre levevilkår for kaffefarmerne. En indsats som i tillæg til ovenfor anførte Verdensmål har stærk fokus på partnerskaber og dermed Verdensmål 17.

Desuden arbejder vi konstant på at minimere vores egen virksomheds aftryk på klima og miljø. Hovedadressen i Viborg forsynes udelukkende af el fra danske vindmøller. Produktionselskabet er ISO 22000-godkendt, og vi udvikler og udbreder miljøvenlige og plantebaserede emballageløsninger.

## MILJØFORHOLD

### Certificering og involvering

Ganske som Peter Larsen Kaffe har tradition for nytænkning og innovation, har vi også tradition for at gå forrest, når det handler om initiativer, der kan forbedre kvaliteten af kaffe og forbedre vilkårene for verdens kaffefarmerne. En tilgang og en ambition, som vi deler med vores kolleger i Löfbergs Group.

Peter Larsen Kaffe var de første til at introducere økologisk kaffe i Danmark og de første, der bragte Fairtrade-certificeret kaffe (dengang kaldet Max Havelaar) ind på det danske marked.

Sammen med Löfbergs Group er vi en af verdens største aktører inden for certificerede kaffeprodukter. Det styrker vores platform for at forbedre vilkårene for klima, miljø og verdens kaffefarmerne. Dette betyder ikke, at vi ser certificeringsordningerne som hverken det eneste eller det endegyldige svar på kaffebranchens udfordringer, men ordningerne er ét skridt på vejen og ét vigtigt element i kampen for at sikre bedre vilkår for både farmerne, klimaet og miljøet.

Derfor opsøger vi også forbrugerne, hvor de er, og vi opfordrer til dialog og omtanke. Det sker bl.a. via vores LIVE-koncept, der hvert år plejer at bringe Peter Larsen Kaffe direkte ud til tusindvis af danske festival-

og eventgæster. Den indsats har været stærkt indskrænket i sidste del af regnskabsåret 2019/20 grundet de mange aflysninger som følge af Corona-pandemien. Vi har forsøgt at kompensere bedst muligt med forskellige tiltag, f.eks. personlig levering af kaffe og kage i udvalgte byer i Danmark.

Når det igen bliver muligt at forsamles til større arrangementer, er vores dygtige baristaer og frivillige klar i kulissen til igen at stå ansigt til ansigt med slutbrugerne for at vejlede dem til at træffe oplyste og bæredygtige valg i deres indkøb og forbrug af kaffe.

# INTRODUKTION

**Kaffe siges at være verdens næstmest handlede råvare – kun overgået af olie. Hver dag bliver der drukket 2,25 milliarder kopper kaffe rundt om i verden, og kaffeproduktion er livsgrundlaget for mere end 20 millioner farmere og deres familie i mere end 70 lande. Hvert år handles der kaffe for små 20 milliarder USD – ca. 135 milliarder danske kroner. Kaffe er kort sagt en ekstrem vigtig handelsvare for mange millioner mennesker verden over.**

Peter Larsen Kaffe har leveret kaffe til folket siden 1902, og med 118 år på bagen har vi erfaringen, passionen og forståelsen for de markedsmekanismer, der driver den verdensomspændende kaffehandel. Samtidig med vores store indsigt er vi særdeles innovative og fremsynet, når det drejer sig om at finde løsninger på kaffens fremtid og potentiale.

Kaffebønner er en unik handelsvare, men også utrolig følsom over for skiftende vejr – og ikke mindst de voldsomme klimaforandringer vi oplever i disse år.

Peter Larsen Kaffe har siden 1990'erne haft fokus på bedre produktions- og levevilkår for kaffefarmerne, da vi som den første danske kaffevirksomhed begyndte at forhandle økologisk og Fairtrade-certificeret kaffe. I det hele taget er kaffe, der certificeret af en uvildig tredjepart et af hjørnestenene i vores forretning – og vi arbejder på en komplet omstilling, hvor al vores kaffe forventes at være tredjeparts certificeret (f.eks. Fairtrade, Rainforest Alliance) i 2021.

De seneste år har Peter Larsen Kaffe sat ekstra meget fokus på at redde den truede kaffe. Det internationalt anerkendte Climate Institute forudser, at uden radikale ændringer vil halvdelen af verdens nuværende areal tilgængelig for kaffeproduktion være forsvundet som følge af klimaforandringer i 2050. Siden start halvfemserne er verdens kaffeproduktion steget med gennemsnitligt 2 procent om året, men fremtidsudsigterne peger på en gennemsnitlig global efterspørgselsstigning på hele 5 procent om året. Det går altså galt, hvis vi i kaffeindustrien ikke lykkes med at skabe nogle løsninger.

Vi har i år skabt Circular Coffee Community, der skal gøre kaffe til en cirkulær ressource. Det er vores bidrag til at forlænge kaffens levetid, og skabe en merværdi for farmer, producenter og forbruger.



# LOV MINDRE, GIV MERE

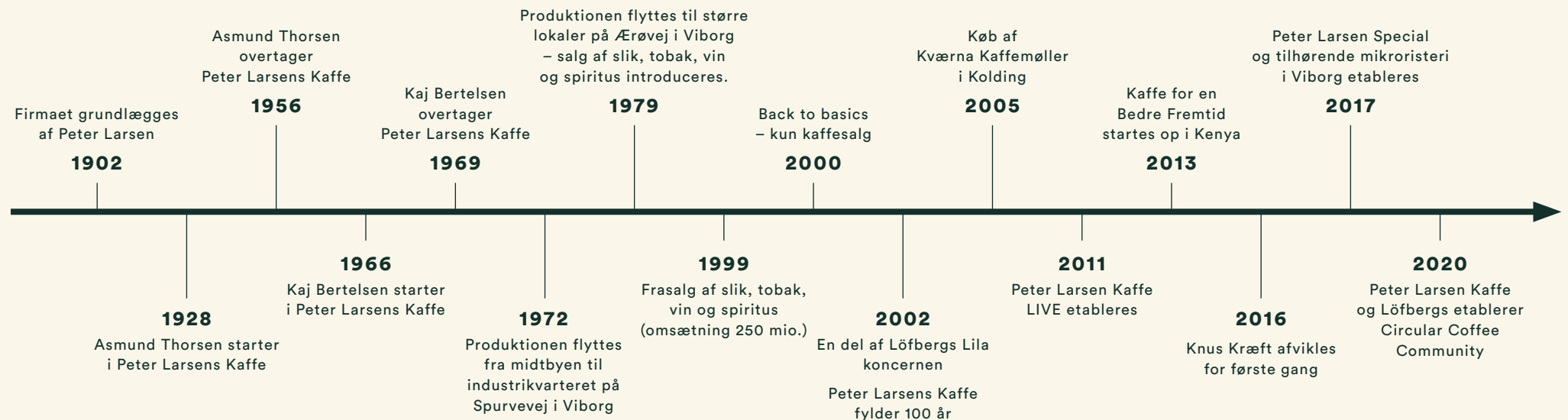
Den 2. april 2020 kunne Peter Larsen Kaffe fejre sin 118-års fødselsdag. I en forandrende verden og på tværs af blandt andet to verdenskrige har virksomheden manifesteret sig, først som en lokal aktør i Viborg og sidenhen som landsdækkende og en af de toneangivende leverandører af kaffe til det danske folk.

Historien om Peter Larsen Kaffe er en historie om at holde fast ved sit værdigrundlag. Om at stå fast ved sin identitet og lade sit indre, værdibaserede kompas udstikke retningslinjerne for, hvordan vi som virksomhed handler og opfører os over for hinanden og omverdenen. I mere end et århundrede har dette fundament bidraget til at manifestere virksomheden og sikret en udvikling i en stabil og altid opadgående kurve.

Da den unge og håbefulde Peter Larsen i 1902 åbnede sit lille kafferisteri i Viborg, startede han samtidig Viborgs første specialforretning, som udelukkende handlede med kaffe. Det var en stor satsning, og Peter Larsen måtte arbejde hårdt for at få hjulene til at dreje rundt. Mange lokale viborgensere rynkede på næsen og mente, at en sådan forretning ikke ville kunne løbe rundt. Peter Larsen ville det anderledes.

Han var ambitiøs, visionær og arbejdsom. I de tidlige morgentimer cyklede han målrettet rundt til oplandets gårde og købmænd, hvorved han opbyggede en loyal og støt stigende kundegruppe. Peter Larsen var nøjsom og til at stole på. Kunderne vidste, at med Peter Larsen var en aftale en aftale. Han var en dygtig købmand, og arbejdet med at udvikle nye kaffeblandinger tilpasset kundernes smagspræferencer blev hurtigt en afgørende faktor for Peter Larsens succes.

## VORES HISTORIE



# VORES VÆRDIGRUNDLAG

**Fortællingen om Peter Larsen og virksomhedens unge år spiller en central rolle for forståelsen af Peter Larsen Kaffe i nutiden. Vi er en familieejet virksomhed, der sætter gamle dyder som god kvalitet og service i højsædet. Vi prioriterer tætte og langsigtede relationer til vores samarbejdspartnere – lokalt som i resten af verden.**

**De seneste to år har vi sammen med vores moderselskab Löfbergs Group sat fokus på vores strategiske retning frem mod 2030. Vi har skabt en strategi baseret på en analyse af verden omkring os, der har mundet ud i et nyt formål, vision, ambition, værdier og en klar forretningsplan, der bidrager til FN's Verdensmål.**

## STRATEGIC PRIORITIES

### PEOPLE & CULTURE

**Culture is our premiere competitive advantage**

By 2026 our cultural and its implication in our everyday life plays a central role in attracting, motivating and retaining customers, employees, partners of all kinds as well as owners. It's our culture that defines us, proves our purpose and differentiate us from others.

### ADDING BUSINESS DIMENSIONS

**Halfway to double impact**

By 2026 we are an established togetherness actor by bringing people together through fika at global scale, having revitalized our existing business by adding new markets & offerings.

### CIRCULAR

**Half of our business is circular**

By 2026 we have defined and implement a truly circular mindset and practice, pursuing strategies and actions with impact on the Global Sustainability Goals at scale involving all our stakeholders.

### INNOVATION

**Offerings and markets beyond the traditional**

By 2026 we are considered a leading Innovator within our existing industry and viewed as an inspirational social innovator to the general society, partners and suppliers; fueling togetherness – exterminating loneliness at scale.

### SOLUTION CENTER

**Fulfilling the needs of growing business**

By 2026 we are acting in multiple collaborations within an ecosystems of partners to efficiently secure fulfillment of products, services and experiences across the globe with a service level of 98%.



Vores fundament er det samme, men vi har opdateret og tilpasset vores værdier, så samspillet mellem Peter Larsen Kaffe og vores internationale tilstedeværelse styrkes. Vores værdisæt støtter således et større og mere klart mål for hele koncernen.

- **WE ARE TOGETHER**

We create and learn together. Together we make things happen. Together we are stronger, and together is more fun.

- **WE ARE INCLUSIVE**

We meet all people and ideas with an open mind, no matter background or beliefs. Being inclusive helps us see new perspectives which make us smarter.

- **WE ARE ACCOUNTABLE**

We are all accountable for everything we take active or passive part in. We look at ourselves and the choices we make, understanding their effect on the world around us. Our perspective is infinite; we are here to stay.

- **WE ARE ENTERPRISERS**

We dare to undertake new ventures, test new ideas and love doing good profitable business. By never standing still, challenge the status quo and staying true to our purpose, we grow.

Vores værdier skaber grundlaget for vores bæredygtighedsarbejde, og hvordan vi arbejder os imod en mere bæredygtig kaffeproduktion. Værdierne skaber tryghed for os til at turde at tage stilling og vise vejen - både i debatten, som sponsor og som social aktør.



# FORRETNINGSOMRÅDER

**De danske kaffedrikkere er Peter Larsen Kaffes fokusområde. Vi sælger og distribuerer primært vores produkter i Danmark samt Island, Grønland og Færøerne. Disse geografiske områder udgør 98 % af virksomhedens samlede omsætning. Salget er fordelt på fem kategorier eller business units:**

## RETAIL

Dagligvarehandelen er vores største forretningsområde. Vi er repræsenteret i de fleste store dagligvarekæder, og Peter Larsen Kaffe er betragtet som et premium brand i kategorien. Tilbage i 1980'erne stod vi bag etableringen af kaffekværne i de danske dagligvarebutikker, et tiltag som etablerede Peter Larsen Kaffe som markedsleder på helbønneområdet i Danmark. Vores kaffekværne findes i dag i ca. 1.400 detailbutikker fordelt over hele landet.

## OUT OF HOME

Denne kategori omfatter alt kaffe, som drikkes udenfor hjemmet, dvs. kaffe, der sælges til virksomheder, tankstationer, caféer, restauranter, hoteller og aktører inden for den offentlige sektor.

De primære drivfaktorer for Out of Home er bæredygtighed, at sprede viden om kaffe samt skabe en lønsom forretning. Vi samarbejder med alt fra små lokale caféer og virksomheder til store internationale aktører som blandt andre Circle K og 7-eleven.

## SPECIALHANDELEN

Under varemærkerne Peter Larsen Special og Peter Larsen VIBORG leverer vi en række specialkaffe og -te til kaffebarer og ca. 150 specialbutikker rundt i Danmark. Butikkerne omfatter kaffe-/te butikker, vinhandlere, blomster- og gavebutikker samt en række kaffebarer og caféer. Særligt til denne kategori har vi skabt vores eget mikroristeri.

## EVENTS/PETER LARSEN KAFFE LIVE

Det er et forretningsområde, som siden 2011 har vokset sig stadig større og øget sin betydning for vores virksomhed. Særligt i sommerhalvåret er vi i stort omfang repræsenteret på landets førende festivaler som Roskilde Festival, Smukfest, Northside Festival m.fl.

Med Peter Larsen Kaffe LIVE har vi den direkte dialog med vores forbrugere. Her er vi altid i øjenhøjde og kan kommunikere 1:1 med de danske kaffedrikkere.

## PRIVATE LABEL

Indenfor denne kategori arbejder vi med at producere kaffe til store, ofte internationale, kunder under deres egne varemærker. Vores styrke ligger her i, at vi har den store aktørs kapacitet, men den lille aktørs fleksibilitet og mulighed for at tilpasse os vores kunders præferencer og ønsker. Vores særlige position inden for bæredygtig kaffeproduktion bidrager yderligere til at udvikle vores stærke position på området.



# PETER LARSEN KAFFE & FN'S VERDENSMÅL

**FN's 17 verdensmål sætter en rettesnor for, hvordan vi kan balancere menneskers grundlæggende livsvilkår og rettigheder samt bidrage til skabelsen af en bæredygtig verden med hensyntagen til klodens miljø, biodiversitet og klima.**

**Hos Peter Larsen Kaffe har arbejdet med Verdensmålene leveret et helt nyt forretningslag. Vi har skabt et visionært løfte og redefineret vores kerneprodukt. Ved at ændre vores fokus fra kaffebønnen til kaffebiomassen kan vi skabe nye indtægtsmuligheder fra et eksisterende grundlag, både lokalt på vores egne markeder og globalt blandt verdens kaffefarmere.**

## **Vores indsatsområder og prioriteringer**

Verdens kaffeforsyninger er truede, og kaffefarmere i verdens ca. 70 kaffeproducerende lande er pressede af en række udfordringer som konsekvens af bl.a. kraftige klimaforandringer, svag infrastruktur og lavt uddannelsesniveau. Sideløbende bidrager nye kaffemarkeder som bl.a. Indien, Kina og Østeuropa til en stærkt stigende efterspørgsel på de grønne kaffebønner. Det estimeres, at verden i 2050 har behov for en tredobling af sin nuværende kaffeproduktion for at kunne imødekomme den globale efterspørgsel. Dette kan få store konsekvenser for miljø og mennesker, hvis vi ikke kan finde en ordentlig løsning.

Peter Larsen Kaffes bæredygtighedsarbejde fokuserer på to indsatsområder, som allerede i dag bidrager til at presse verdens kaffefarmere og dermed produktionen i bund.

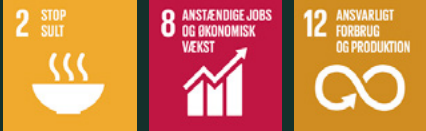



- 1. UDFORDRINGER FORÅRSAGET AF/RELATERET TIL KLIMAFORANDRINGER**
- 2. ARBEJDET MED AT SIKRE VELSTAND SAMT BEDRE VILKÅR OG MULIGHEDER FOR DE NÆSTE GENERATIONER AF KAFFEFARMERE**

Med fokus på disse indsatsområder har vi defineret, i hvilken grad Peter Larsen Kaffe bidrager til de respektive Verdensmål.



## Verdensmål

## Delmål

<p><b>Meget høj</b></p>		<p>2.3 – 2.4 – 8.4 – 8.8 – 12.2 – 12.3 – 12.5 – 12.8</p>
<p><b>Høj</b></p>		<p>4.7 – 5.1 – 5.5 – 13.3 – 15.1 – 15.5</p>
<p><b>Moderat</b></p>		<p>10.1 – 16.5 – 17.11 – 17.16</p>
<p><b>Lav</b></p>		

# PETER LARSEN KAFFE & FN'S VERDENSMÅL



## MÅL 2: STOP SULT

Vi skal stoppe sult, opnå fødevarerikkerhed og forbedret ernæring, samt fremme bæredygtigt landbrug.

Der arbejdes målrettet på at øge produktiviteten og indkomsten for små fødevarerproducenter, især for kvinder, oprindelig befolkning og familielandbrug.

Vi skal sikre bæredygtig fødevarerproduktion og implementere robuste landbrugsteknikker, der både øger produktiviteten og hjælper med at bevare økosystemer, samt styrke tilpasningen til klimaforandringer, ekstremt vejr, tørke, oversvømmelser og andre katastrofer.

Vi skal bevare den genetiske mangfoldighed af frø, kulturplanter og husdyr i landbruget samt deres beslægtede vilde arter. Vi skal arbejde for at forhindre og rette op på handelsbarrierer og forvriddinger på verdensmarkedet for landbrugsprodukter.



## MÅL 8: ANSTÆNDIGE JOBS OG ØKONOMISK VÆKST

Vi skal fremme vedvarende, inklusiv og bæredygtig økonomisk vækst, fuld og produktiv beskæftigelse samt anstændigt arbejde til alle.

Vi skal arbejde målrettet på at opretholde økonomisk vækst i overensstemmelse med nationale forhold og opnå større økonomisk produktivitet gennem diversificering, teknologisk opgradering og innovation. Vi skal fremme politiske beslutninger med fokus på udvikling, som skaber anstændige jobs og støtter produktive aktiviteter, iværksæteri, kreativitet og innovation. Vi skal fortsat blive bedre til at bruge de globale ressourcer mere effektivt i forbindelse med forbrug og produktion, og vi skal sikre, at alle mænd og kvinder har et produktivt og anstændigt job, hvor de får lige løn for lige arbejde. Dette gælder også for unge og personer med handicap. Andelen af unge, der hverken er i gang med arbejde, uddannelse eller træning, skal nedbringes betydeligt, og vi skal øjeblikkeligt skride effektivt til handling for at gøre en ende på tvangsarbejde, moderne slaveri og menneskehandel, herunder alle former for børnearbejde. Vi skal beskytte arbejdstagerrettigheder og fremme sikre og stabile arbejdsmiljøer for alle arbejdere.



## MÅL 12: ANSVARLIGT FORBRUG OG PRODUKTION

Økonomisk vækst og bæredygtig udvikling kræver, at vi hurtigst muligt reducerer vores fodaftryk på naturen. Det skal vi gøre ved at ændre på måden vi producerer og forbruger vores varer og ressourcer på.

Effektiv styring af vores fælles naturressourcer samt støtte udviklingslandene til at bevæge sig i mere bæredygtige forbrugsmønstre er vigtige målsætninger for at nå dette mål.

En stor del af verdens befolkning har ikke nok til at opfylde deres grundlæggende behov. En halvering af det globale madspild per indbygger på forhandler- og forbrugerniveau er vigtig for at skabe mere effektive produktionsmetoder og forsyningskæder. Det kan forbedre fødevarerikkerheden og skubbe os i retning af en mere ressourceeffektiv økonomi.



# FRA FILANTROPI TIL FORRETNING

**Peter Larsen Kaffe er en af blot 21 danske virksomheder, som i 2017 blev udvalgt af Dansk Industri til at indgå i projektforsøget ”Fra Filantropi til Forretning.”**

**De 21 virksomheder er specielt udvalgte, da de alle på hver deres måde er frontløbere indenfor bæredygtig omstilling.**

**Med deltagelsen i projektet går Peter Larsen Kaffe forrest i arbejdet med og implementeringen af FN’s 17 Verdensmål for 2030.**

Peter Larsen Kaffe har i årtier bidraget til at trække kaffebranchen i en mere bæredygtig retning. Vores kontinuerlige fokus på – og interesse for – verden omkring os har et filantropisk udgangspunkt, men det skal samtidig ses som et væsentligt element i arbejdet med at drive Peter Larsen Kaffe som en sund og økonomisk stabil forretning.

Ved at gå forrest i kampen for blandt andet kaffefarmerne rettigheder og vilkår, for miljøet samt ved at tage ansvar for vores medarbejdere og samfundet omkring os, har vi skabt en virksomhed med et bæredygtigt omdrejningspunkt på tre parametre: Økonomisk, socialt og miljømæssigt.

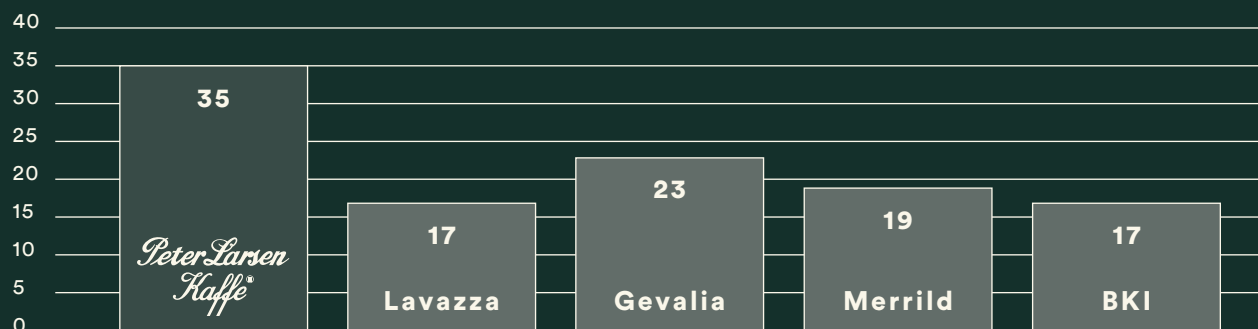
I forbrugerøjne har den filantropiske indsats bidraget til at positionere Peter Larsen Kaffe som Danmarks mest ansvarlige kaffemærke, hvilket blev dokumenteret af analysebureauet Straylight i 2020. Det er en position, som vi er meget beærede over, men det er samtidig også en position, der forpligter.

I projektet ”Fra Filantropi til Forretning” har vi arbejdet med at gøre vores filantropiske visioner til forretning. Her har arbejdet med FN’s Verdensmål blandt andet resulteret i, at cirkularitet er blevet et centralt omdrejningspunkt for vores arbejde i Peter Larsen Kaffe. Det kommer blandt andet til udtryk i initiativet Circular Coffee Community.

## ET ANSVARLIGT BRAND

”Er et kaffemærke, der er ansvarligt” (helt uenig til enig 1-5, diagram viser 4+5)

Base: Folk der kender det pågældende brand (spontan kendskab).



Kilde: Straylight, 2020





# CIRCULAR COFFEE COMMUNITY

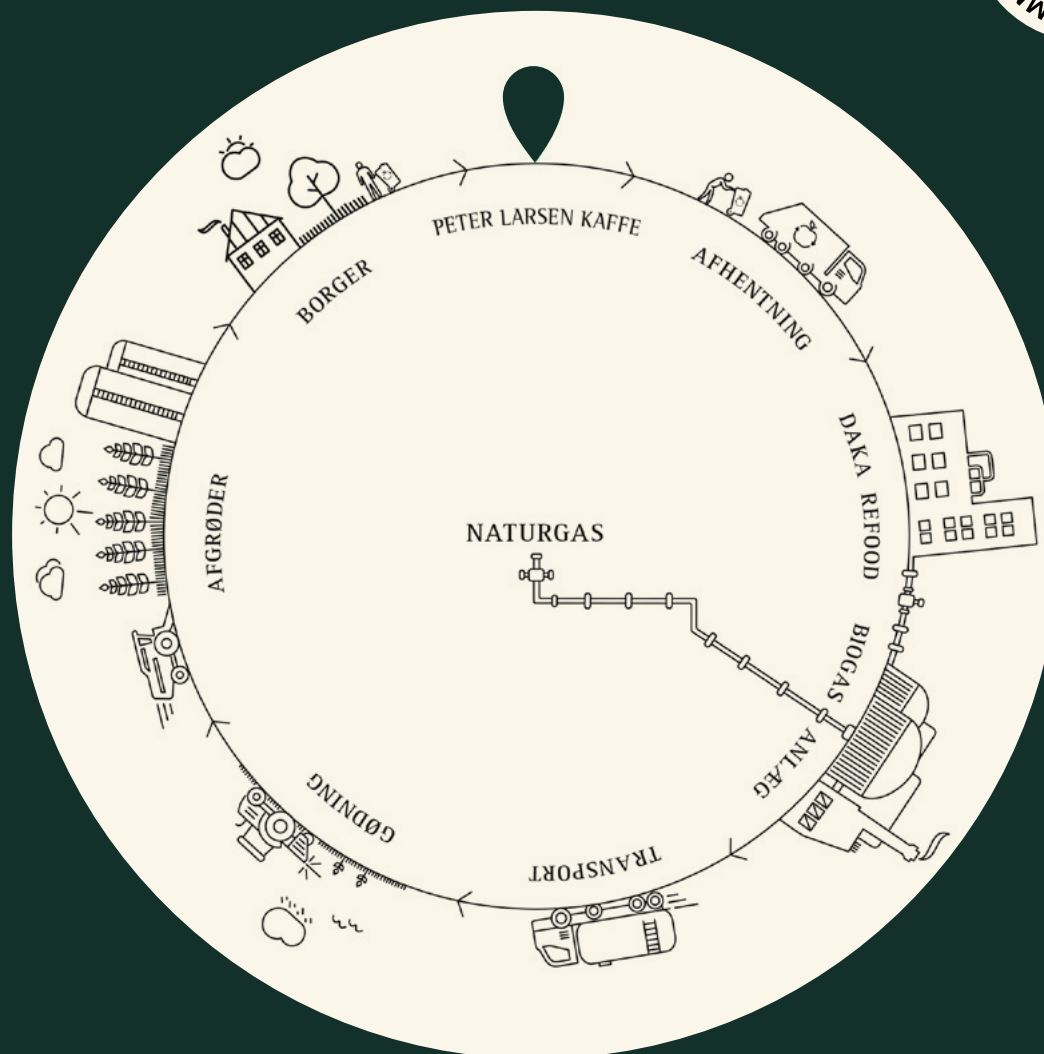


**Circular Coffee Community er et fællesskab for både kaffedrikkere, -farmere og -producenter, der sammen skal skubbe kaffebranchen i en mere bæredygtig retning. Vi vil være 100 % cirkulære i 2030 og alt spild relateret til kaffe skal være fortid.**

Kaffe er sprængfyldt med proteiner, antioxidanter, fibre og gode fedtsyrer, men når vi brygger en kop kaffe, udnytter vi under 1 procent af det næringspotentiale, der er i kaffen. Circular Coffee Community er vores bidrag til at udnytte hele kaffeplantens potentiale. Ambitionen er en 100 % cirkulær anvendelse af alle ressourcer relateret til kaffedyrkning, forarbejdning og forbrug. Ingen spild.

En vigtig del af Circular Coffee Communitys arbejde er at bringe folk sammen i fællesskaber på tværs af industrier og brancher, for at styre hele verdens kaffeproduktion i en mere bæredygtig retning. I fællesskab kan vi udforske og udfolde kaffens fulde og næringsrige potentiale, for at sikre bedre vilkår for kaffefarmerne, flere og bedre produkter til forbrugerne og langt mindre belastning af miljø og klima.

Circular Coffee Community bidrager aktivt til FN's Verdensmål og i særdeleshed delmålene 8.4, 12.3, 12.8 og 17.16.



# KLIMAFORANDRINGER

**Klimaforandringer påvirker hele planeten, og kaffeplanten er meget sensitiv over for de ændringer, der sker. Forandringerne i verdens klimaforhold er en trussel og en realitet, som verdens kaffefarmere konfronteres med dagligt, og som reducerer verdens kaffeforsyninger drastisk.**

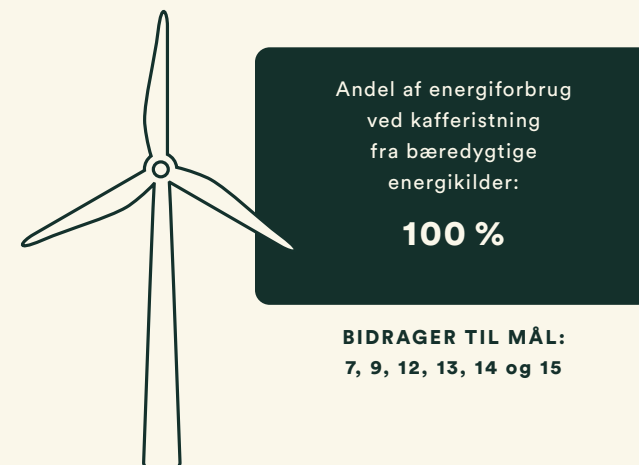
Kaffesorter har gennem tiderne tilpasset sig specifikke klimazoner, og temperaturstigninger på bare 0,5°C kan gøre en stor forskel.

Arabica bønnerne, som udgør ca. 70 % af verdens kaffe, dyrkes i højtbeliggende og ofte svært fremkommelige bjergområder. Globale temperaturstigninger tvinger farmerne til at rykke produktionen til højere beliggende områder, hvorved dyrkningsarealet formindskes – eller produktionen omlægges helt til andre afgrøder.

Vi er hos Peter Larsen Kaffe dedikerede i at mindske vores udslip af drivhusgasser og påvirkning på det globale klima. Vores elforbrug i den danske produktion er 100% vedvarende med elektricitet fra egen vindmølle. Opvarmningen af vores hovedkvarters bygninger sker med biogas, der dannes ved forrådnelse af biologisk nedbrydeligt materiale, som for eksempel gylle, affald fra fødevarerindustrien og andet organisk affald. Energiforsyningen til produktionen i Viborg er således 100% fri for fossile brændstoffer.

Selvom man på verdensplan er blevet enige om at undgå temperaturstigninger på over 2,0°C, er de politiske skridt endnu ikke tilstrækkelige. Temperaturstigninger på 1,5°C er uundgåelige og klimaforandringer er allerede begyndt at være en realitet for mange kaffefarmere. Derfor er opbygning af kaffefarmernes evner til at tilpasse sig klimaet nødvendigt – dette kan samtidig bidrage til sikring af indkomst og ordentlige arbejdsvilkår for farmerne, som naturligvis også er en helt essentiel forudsætning for at sikre, at farmerne i fremtiden vil blive ved med at have kaffeplanter på deres marker.

Med vores bæredygtige energikilder og arbejdet med at forberede kaffefarmerne til at imødekomme klimaets forandringer bidrager Peter Larsen Kaffe til Verdens- og delmål 2.3, 2.4, 8.4, 8.8, 12.2 og 12.8.



# CIRCULAR COFFEE COMMUNITY – INITIATIVER



Det seneste år har Circular Coffee Community mødt verden og flere cirkulære initiativer har taget sine første skridt. Med disse initiativer ønsker vi at udbrede et cirkulært kaffeforbrug og bringe verden i en mere cirkulær retning.

## DAKA REFOOD

Som led i processen for at gøre kaffe til en cirkulær ressource har vi indgået et samarbejde med Daka Refood, der arbejder for at udnytte organisk affald bedst muligt. På den måde bliver næringsstoffer fra madaffaldet ledt tilbage til jorden, og bidrager dermed til miljøvenlig recirkulation.

Hos Peter Larsen Kaffes kontorer i Viborg og Kolding indsamler vi vores kaffegrums, som blandt andet Daka Refood bruger til biogas. Dermed bidrager vores kaffegrums til mindre udledning af drivhusgasser samt mere bæredygtig energi og gødning.

Gennem vores samarbejde med Daka Refood bidrager vi til Verdensmål 7, 12 og 13.



## MADLAND FESTIVAL

Madland Festival er en madpolitisk "gentænkfestival." Her har vi sammen med en række eksperter, praktikere og iværksættere sammensat et program, hvor vi i november 2020 vil diskutere, debattere og opdage nye sider af cirkulær produktion.

Vi ser frem til samtaler om det cirkulære mindset, spild og emballage, så vi i fællesskab kan afdække kaffens potentiale.

Med Madland Festival sætter vi fokus på Verdens- og delmål 8.4, 12.3, 12.8 og 17.16



## DANMARKS SMUKKESTE KAFFEFARM

I et samarbejde mellem Smukfest, Peter Larsen Kaffe, VIFU (Videncenter for Fødevarerudvikling) og TagTomat skabte vi for 3 år siden Nordeuropas første kaffefarm i Skovhaven i Skanderborg. Vi kalder den Danmarks Smukkeste Kaffefarm.

Ugentlig pleje og grøn omsorg har ført til at 3-årige kaffepanter, bønner, tomater, kartofler, chili og andre afgrøder trives i Skovhaven. På Danmarks Smukkeste Kaffefarm eksperimenterer vi med brugt kaffegrums som næring til nye planter, og de kaffepanter, der bliver dyrket, bliver brugt til at eksperimentere med nye måder at bruge kaffepanter på. Med eksperimenterne på kaffefarmen forsøger vi desuden at udvikle mere robuste kaffepanter, som er mere modstandsdygtige over for de klimaforandringer og sygdomme, som udgør et stadigt større problem i verdens kaffedyrkende regioner.

Med Danmarks Smukkeste Kaffefarm bidrager vi til Verdens- og delmål 8.4 og 12.8.



## #HELEKOPPEN

Som en del af Circular Coffee Community har vi skabt initiativet #helekoppen. Initiativet skal sætte fokus på det spild, der er når man brygger en kop kaffe.

Når man bestiller en kop kaffe på en café, spørger baristaen: "Vil du have hele koppen med?" Dermed menes der, at kunden kan få sit kaffegrums med hjem, så det kan gøre nytte andetsteds frem for at ende i skraldespanden. På den måde er #helekoppen med til at starte en dialog om kaffespild, og hvordan man i højere grad kan udnytte kaffens potentiale.

#helekoppen bidrager i særdeleshed til Verdens- og delmål 8.4, 12.3 og 12.8.



# CERTIFICERET KAFFE

De danske forbrugere opfatter Peter Larsen Kaffe som det mest bæredygtige danske kaffebrand, og det forpligter (Kilde: Straylight).

Vi gør meget for at redde kaffens fremtid, og vi kommer til at gøre endnu mere. Certificeringsordningerne er ét redskab i de bestræbelser. Ordningerne gør det lettere for virksomheder og forbrugere at handle miljømæssigt og samfundsmæssigt ansvarligt, og det er afgørende, at vi hjælper forbrugerne med at træffe bæredygtige valg, når de køber kaffe, hvad enten det sker i supermarkedet, på caféer og restauranter eller i virksomhederne.

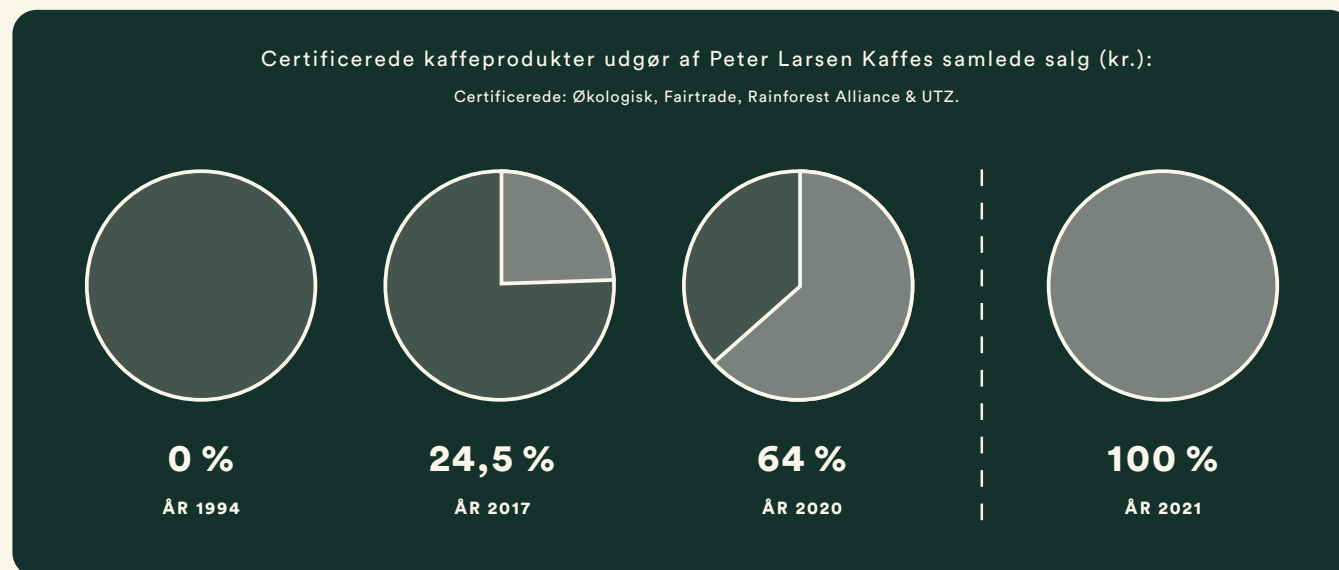
Peter Larsen kaffe har været frontløber på økologi og Fairtrade-certificeret kaffe siden 90'erne.

I 1994 introducerede vi Fairtrade (der dengang hed Max Havelaar) som de første på det danske marked. Tilsvarende introducerede vi i 1995 økologisk produceret kaffe.

Via certificeringer sikrer vi bedre vilkår for farmerne på en række områder. Bl.a. er Fairtrade-kaffefarmerne sikret en minimumspris og et pristillæg for deres kaffebønner. Derudover viser forskningen, at især de uddannelsesmæssige muligheder, som certificeringssystemerne tilbyder, har en positiv indvirkning på farmernes indkomst.

Certificerede kaffeprodukter udgør for perioden 64 % af vores samlede omsætning (ekskl. private label). Vi ser certificeringerne som et vigtigt fundament i vores bestræbelser på at skabe en mere bæredygtig kaffeproduktion, og vi arbejder på en målsætning om, at Peter Larsen Kaffe produkter skal være 100 % tredjeparts-certificerede i 2021.

Med indsatserne for at fremme udbredelsen af certificering i den globale kaffes forsyningskæde, omfattende certificeringsordninger med flere forskellige fokuspunkter, bidrager Peter Larsen Kaffe til en bred vifte af verdensmålene inklusive Verdensmål 1-8, 11, 12, 13, 15 & 17.







## ØKOLOGI

Den økologiske certificering garanterer, at kaffen er produceret uden anvendelse af kemiske sprøjtemidler eller kunstgødning, samt at produktionen er bæredygtig.

Med Peter Larsen Kaffes salg af økologisk kaffe i Danmark i perioden 1. juli 2019 – 30. juni 2020 bidrager vi til at:

Reducere  
anvendelse af  
kunstgødning med

**159.380**

KG

Omdanne  
organisk affald  
til giftfri gødning

**4.940.510**

KG

Reducere  
anvendelsen af  
pesticider med

**16.110**

KG

Omlægge jord  
til økologisk  
produktion

**1.428**

FODBOLDBANER

Ovenstående beregning er udarbejdet på grundlag af: Januar 2017, rev. 2013.  
Projekt Ekokvitto kaffe er finansieret af Konsumentverket i Sverige og udviklet af U&We.







## FAIRTRADE

Fairtrade er en uafhængig produktmærkning med fokus på menneskerettigheder. Produkter der er Fairtrade-certificeret, sikre f.eks. kaffefarmerne en mindstepris, hvis verdensmarkedsprisen på kaffe falder. Prisen dækker således deres leve- og produktionsomkostninger, og hvis verdensmarkedsprisen er højere end mindsteprisen, bliver bønderne naturligvis tilgodeset og får den ekstra værdi, der måtte være.

I fællesskab investerer farmerne de midler, de får, når deres afgrøder bliver solgt som Fairtrade. Disse penge – kaldet bonus – bruges for eksempel til bedre uddannelse,

omlægning til økologi eller mikrolån. Fairtrade skaber på den måde forudsætninger for bedre arbejds- og levevilkår, såsom skolestipendier til videregående uddannelse og udstyr til grundskoler, nye og forbedrede vej-, el- og kloaksystemer samt støtte til lokale sundhedsfaciliteter og læger.

Med Peter Larsen Kaffes salg af Fairtrade certificeret kaffe i Danmark i perioden 1. juli 2019 – 30. juni 2020 bidrager vi til at:

Kooperativet får  
en præmie svarende til

**2.144.510**  
KR

Øge kooperativets indtægter  
fra økologisk produktion med

**2.967.250**  
KR

Kilde: Fairtrade Sverige



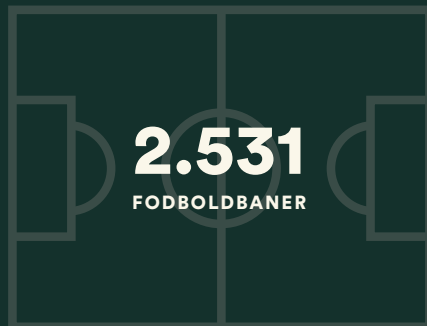
## RAINFOREST ALLIANCE

Rainforest Alliance-certificeringen arbejder for at bevare den biologiske mangfoldighed og sikre levebrødet for arbejdere og farmere.

Fokusområderne er at mindske udslippet af drivhusgasser, stoppe fældning af skove, sikre naturen samt uddanne farmerne i at bruge deres land bedre og derved forbedre deres levestandard.

Med Peter Larsen Kaffes salg af Rainforest Alliance certificeret kaffe i Danmark i perioden 1. juli 2019 – 30. juni 2020 bidrager vi til at:

Konvertere områder  
til bæredygtig dyrkning med\*



Kilde: Rainforest Alliance. \*Udregningen er baseret på 100% Rainforest Alliance-certificeret kaffebønner.





## SPORBARHED OG DIREKTE HANDEL

En del af vores arbejde for en mere bæredygtig kaffe-produktion består i at sikre nøjagtig viden om alle processer fra bønne til kop.

Derfor er vi hos Peter Larsen Kaffe fokuseret på at sikre 100 % sporbarhed på den kaffe, vi sælger. Vi køber kaffe med så få mellemlidende som muligt, hvilket er vanskeligt i kaffesektoren, hvor en stor del af kaffen stammer fra små landbrug. En stor del af vores kaffe kommer fra kooperativer, der er sammensat af flere hundrede mindre kaffelandbrug, men vi arbejder for at have langvarige forhold til vores leverandører og kooperativer. Derfor rejser vi ofte ud og besøger leverandørerne, hvorved vi også får en indsigt i deres arbejde, og hvordan vi kan bidrage til en mere bæredygtig kaffeproduktion.

## CODE OF CONDUCT

Vores forretningskodeks eller 'Code of Conduct' er de retningslinjer, vi som virksomhed stiller op for medarbejdere og til leverandører vedrørende etiske, sociale og miljømæssige forhold.

Vores Code of Conduct er et fintmasket dokument, udviklet og finpudset gennem mange årtier.

Vi stiller store krav til vores samarbejdspartnere, men vi tilbyder samtidig et partnerskab, hvor vi aktivt tager del i at sikre løbende forbedringer hos vores producenter, og vi har nøje definerede retningslinjer og processer, som træder i kraft ved eventuelle brud på retningslinjerne.



# EMBALLAGESTRATEGI

Vi har en grøn mission:

**I 2025 SKAL 100 % AF VORES EMBALLAGER  
KUNNE GENANVENDES**

**I 2030 SKAL 100 % AF VORES EMBALLAGE KOMME  
FRA VEDVARENDE ELLER GENANVENDTE RÅVARER**

Genanvendelsesgraden på plastemballager i Danmark er kun 41 % - resten bliver afbrændt på lige fod med ikke genanvendeligt affald.

Vi har taget de første skridt på vores grønne mission, og erstattet over halvdelen af den traditionelle, fossile plast med plast fra sukkerrør i vores klassiske helbønne serie.

Fossilt brændstof er en knap ressource på jorden, og traditionelt plast er lavet af olie. Derfor ønsker vi at gå en anden vej.

Plast lavet af sukkerrør er et mere miljøvenligt alternativ til fossilt plast, da planter optager CO2 under dyrkning og er en vedvarende energikilde, der kan dyrkes igen og igen.

De sukkerrør vi bruger til vores emballager, stammer fra Bonsuco-certificerede landbrug, som sikrer en bæredygtig dyrkning, hvor der ikke er fældet regnskov.

Den type plast fra sukkerrør, vi implementerer, kaldes GRØN PE, og har samme kemiske opbygning og kvalitet som fossilt baseret PE. GRØN PE kan derved genanvendes på lige fod med andre typer plast, så vi med den nye type emballage i vores klassiske helbønneserie er et skridt på vejen mod målene for 2025 og 2030.

Vi er på en grøn mission, hvor vores emballagestrategi fokuserer på:

- **100 % af vores emballager skal komme fra vedvarende eller genanvendes ressourcer, der er designet til genanvendelse**
- **Minimere i mængden af ressourcer fx ved at gøre emballagerne tyndere**
- **Minimere spild og genbruge elementer, når det er muligt**
- **Bruge biobaserede polymere i vores emballager der kommer fra vedvarende kilder så som sukkerrør**
- **Fjerne unødvendige lag af aluminium og metallisering**
- **Helt undgå materialer, der indeholder bisphenol, PVC og klorinbaseret plastik**
- **Sikre ressourcer, der er ansvarligt dyrket, produceret og kan spores hele vejen**
- **Mindre negativ påvirkning på miljøet**
- **Sikre emballagernes kvalitet**
- **Optimere pakkestruktur på paller, så vi ikke transporterer luft**

Læs mere om vores emballagestrategi i Löfbergs Coffee Group Sustainability Report s. 76.

Vores emballagestrategi bidrager i særdeleshed til Verdensmål 12.





*Peter Larsen  
Kaffe®*

## PÅ EN GRØN MISSION

Vi har udskiftet over halvdelen af den traditionelle, oliebaseerede plast i emballagen og erstattet den med plast fra sukkerrør.

Vi er ikke i mål, men missionen er startet.

Læs mere på  
[www.peterlarsenkaffe.dk/emballage](http://www.peterlarsenkaffe.dk/emballage)



Minimum 50 % Grøn PE – plast lavet fra sukkerrør.

2030: 100 % af vores emballage skal komme fra vedvarende eller genanvendte råvarer.

**KAFFE TIL FOLKET  
SIDEN 1902**

# ETISK OG MERE BÆREDYGTIG SAMHANDEL

Som medlem af Dansk Initiativ for Etisk Handel (DIEH) er vi en del af en alliance af virksomheder og organisationer, der arbejder for at fremme ansvarlig handel.

Etisk handel er en forudsætning for bæredygtig udvikling. Handel bidrager til udvikling, mens uetisk handel, som inkluderer børnearbejde, miljødeløggelser, uanstændige arbejdsforhold og lønninger under eksistensminimum, modvirker bæredygtig udvikling i samfundet.

DIEHs medlemmer repræsenterer adskillige brancher og industrier, hvis ressourcer og kompetencer danner grundlaget for arbejdet med at forbedre arbejds- og miljøforhold i leverandørkæden.

Sammen fremmer vi ansvarlig handel ved at respektere menneske- og arbejdstagerrettigheder, miljø og klima samt bidrage til en global bæredygtig udvikling ved at styrke medlemmernes indsats inden for etisk handel.

## Blockchain

Sammen med nogle af landets førende blockchain-eksperter undersøger vi blockchain-teknologiens muligheder. Teknologien skal hjælpe os med at øge gennemsigtigheden og sporbarheden i kaffens, ofte lange og kringledede, værdikæde fra farmer til forbruger. Ved hjælp af teknologien kan vi bl.a. bringe forbrugerne tættere på – og måske endda i direkte dialog med kaffefarmerne, for der igennem at øge forbrugernes bevidsthed om konsekvensen af deres valg og indkøb.

I samarbejde med COWI A/S, Københavns Universitet, IT Universitetet, Chalmers University, WWF og Nordic

Approach har Peter Larsen Kaffe etableret udviklingsprojektet ”Sustainable supply chains for bio-based products”, som er støttet af COWI-fonden.

Projektet har til formål at udforske brugen af blockchain-teknologi til at accelerere bæredygtighed, gennemsigtighed og sporbarhed i biobaserede værdikæder som f.eks. kaffe.

Med indsatserne for at sikre bedre udnyttelse af kaffeplantens samlede biomasse bidrager Peter Larsen Kaffe til Verdens- og delmål 2.3, 2.4, 8.4, 8.8, 12.2, 12.3, 12.5 og 12.8.





## Verdensmålene skabte en ny forretningsmodel – kaffebiksen, der vil ændre verden

Hos **Peter Larsen Kaffe** troede man, bæredygtighed var integreret i virksomheden, og at madspild genereret i produktionen af den velduftende sorte drik var elimineret. Men Verdensmålene afslørede en helt anden virkelighed.

*Peter Larsen  
Kaffe*



"Vi har i årtier bildt os ind, at der ikke er noget spild i kaffeproduktionen. Da vi så analyserede hele processen relateret til kaffe, så fandt vi et kæmpe spild. Reelt set havde vi defineret et meget lille nåleøjeblik", siger Lars Aaen Thøgersen, der er innovations- og oplevelsesdirektør hos svenske Löfbergs, der i 2000 købte en del af aktierne i Peter Larsen Kaffe. Han tilføjer:

"Den rene kaffe er så attraktiv at handle med, at vi slet ikke havde forstået, at det vi gjorde, svarede til, at du bare skærer mørbraden af en ko og så skærer resten væk som affald. Sådan ser vi ikke længere på arbejdet med kaffe, og det giver så mange potentialer."

### Ny forretningsmodel - Madspild er muligheder

Kaffeforetaget har nu et mål om at være 100 procent cirkulær i 2030.

"Verdensmålene ledte os på vej i forhold til at udvikle vores vision på det cirkulære område, og det har ændret vores syn på, hvad vores kerneprodukt er. Det er en vildt interessant oplevelse", siger Lars Aaen Thøgersen.



Kaffeproducenten har opdelt værdikæden i tre niveauer, og det giver mulighed for at analysere kaffens potentialer - både når kaffeplanten gror, når kaffebønnerne forarbejdes, og potentialer i kaffegrumsen i forbrugerledet.

Når mennesker verden over drikker den velsmagende kaffe, så optager de under en procent af kaffens næring. Kan man eksempelvis indsamle kaffegrums på en bæredygtig måde, så kan den resterende næring bruges til nye fødevarer, kosmetik, olier eller anvendes i medicinalindustrien.

Når bønnerne ristes i produktionsfasen, frasorteres et restprodukt kaldet silverskin, og det genererer Löfbergs 180 tons af om året. Tidligere blev det set som ubrugeligt, men ved at analysere potentialer har kaffeproducenten fundet ud af, at den fine hinde kan bruges både i bagværk, møbler, kajaker og i produktionen af biler.

Der er desuden en massiv mængde giftigt restvand fra fermenteringsprocessen af kaffen, der er kaffefrugten, som er sød som kirsebær, og der er selve kaffeplanten. "Kigger man på sin produktion og kortlægger affaldsstrømmene, så finder man ud af, at der kan lokaliseres virkelig meget - ikke blot affald men i høj grad også potentialer", siger Lars Aaen Thøgersen.

### Udfordringer, partnerskaber og politik

Det er dog ikke en nem proces, og det er helt umuligt at lave et positivt impact alene, slår Lars Aaen Thøgersen fast.

"Vi er maksimalt udfordret. Derfor skal vi arbejde i partnerskaber. Vi må finde de partnere, der fra en anden vinkel kan se

værdien i vores sidestrømme. Jeg tror da aldrig, en kaffevirksomhed havde fundet ud af at en del af kaffen kunne anvendes i bilproduktion. Det kræver en helt anden knowhow", siger innovationschefen og tilføjer:

"Det har en kæmpe effekt at have de rette partnere med i de her analyseprojekter. Den første udfordring er at finde potentialerne, den næste er at få det commercialiseret."

Partnerskaber er dog ikke nok til at skabe resultater bag de nye muligheder. Manglende viden og politiske retningsskifter begrænser fri brug af restproduktet fra udvindingen af kaffebønnerne.

"Silverskin-hinden blev brugt til bagning på Smukfest sidste år. Hinden blev kværnet og opløst i vand og anvendt som en del af dejen. Det skaber smag og en fyldig konsistens i brødet, og bageren var ret begejstret. Efterfølgende ville vi gerne have lavet et produkt ud af det. Men det kræver analyse og lobbyarbejde for at få et restprodukt som det godkendt som madvare", siger Lars Aaen Thøgersen.

Arbejdet med Verdensmålene har skabt store visioner hos den gamle kaffeproducent, der har besluttet, at kaffe ikke blot skal smage godt, men også skal gøre verden til et bedre sted.

"Vi har som en 120 år gammel virksomhed opdaget, at vi kan genopfinde hele vores forretning og på den måde bidrage til en mere bæredygtig verden. Selvom virksomheden har kært økonomisk okay, så opstår der alligevel så gigantisk et vindue, hvor vi fortsat har et kæmpe potentialer. Det driver motivationen helt vildt", afslutter Lars Aaen Thøgersen.

Peter Larsen Kaffes verdensmålsstrategi blev bragt som hovedcase i Dansk Initiativ for Etisk Handels årsrapport 2020.

# DANMARK MOD MADSPILD

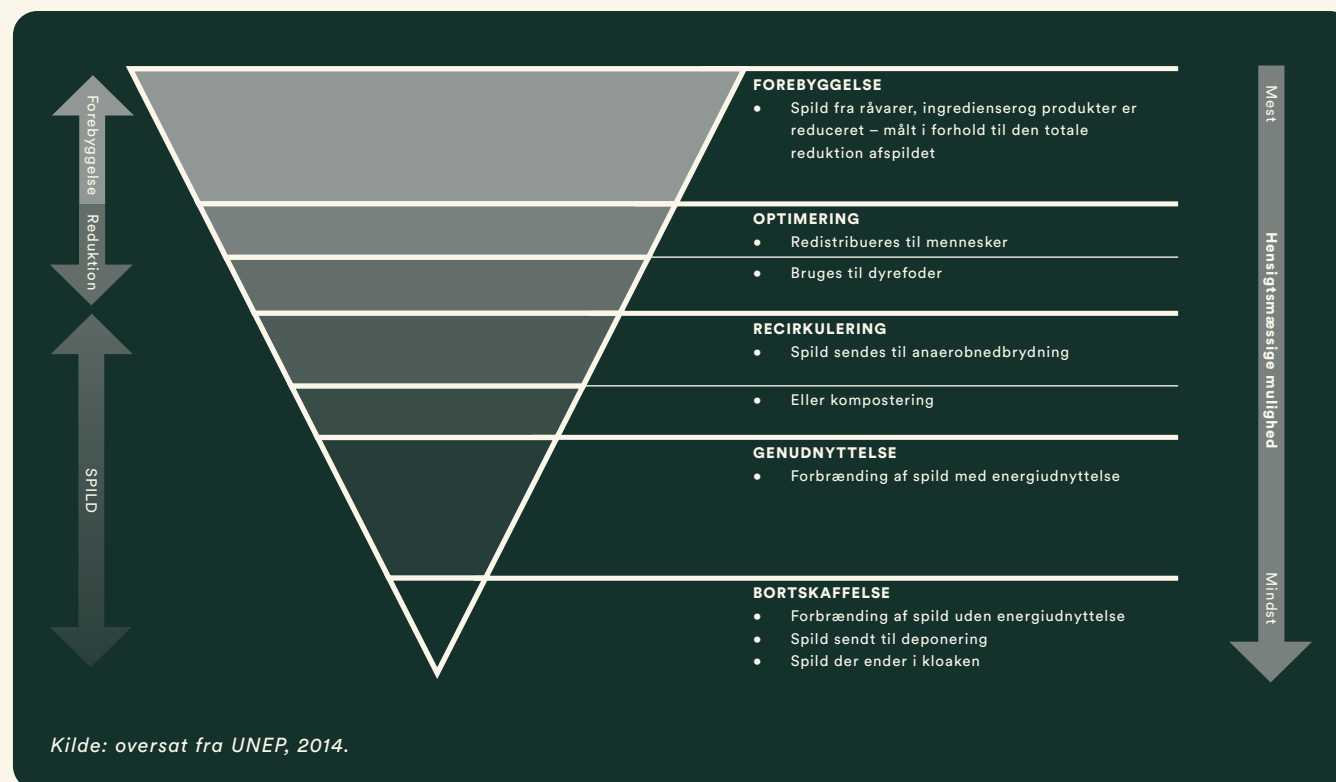
**Med vores engagement i Danmark mod Madspild går vi nye veje i kampen mod madspild. Vi tror på, at vi i fællesskab kan skabe bedre balance mellem mennesker og jordens ressourcer. Ambitionsniveauet er øget fra at reducere spild, til at vi nu ønsker nul spild. Vi arbejder på at skabe merværdi af eksisterende ressourcer, og udnytte kaffens fulde potentiale.**

Arbejdet med at mindske mad- og ressourcespild er blevet en vindersag overalt i det danske og internationale samfund. En lang række initiativer, både fra politisk og kommercielt hold, er skudt frem og rundt i de danske hjem er der en stadig stigende opmærksomhed på emnet. Som en del af Danmark mod Madspild underskrev direktør Claus Bertelsen i 2020 en aftale, hvor vi forpligter os på at reducere vores madspild med 50 % inden 2030.

## Fødevarebanken

Hos Peter Larsen Kaffe har vi i mange år opfyldt vores målsætning om nul-spild relateret til produktionen af kaffe på vores risteri. Produktionen er tilpasset og overvåges med høj præcision, så fænomenet ”datovarer” (varer overskredet sidste anvendelsesdato) stort set er elimineret.

Selvom vi kun har meget lidt spild i vores produktion, har vi på tre måneder i 2020 alligevel kunne donere 6,5 tons kaffe (svarende til 100.000 kopper kaffe), 2.500 kopper instant kaffe, 800 liter koldbryg og 2.000 stk. chokolade, til socialt udsatte. Det sker i samarbejde med Fødevarebanken, som er en nonprofitorganisation, der bekæmper madspild og madfattigdom i Danmark.



### Den omvendte madspildstrekant

Vi er gået fra at have fokus på den nedre del af madspildstrekanten til at fokusere på optimerings- og forebyggelsesstadiet (madspildstrekantens øvre halvdel jf. figur). Herved adresserer vi problemstillingerne ved at skabe udvikling og nye muligheder.

Den forebyggende indsats er ikke blot at foretrække, det er et helt nyt mulighedsvindue, hvor vi som virksomhed forventer at vende verserende, samfundsmæssige problemstillinger vedrørende madspild til innovative produkter og løsninger.

Med indsatserne for at forebygge og reducere madspild bidrager Peter Larsen Kaffe direkte til Verdens og delmål 12.2, 12.3, 12.5 og 12.8 samt indirekte til 2.3, 2.4, 8.4 og 8.8.



# KULTUREN OG MØDET MED FORBRUGEREN

**Kaffe skaber dialog, og kaffen udgør et fantastisk omdrejningspunkt for møder, socialt samvær og fordybelse. Vi møder de danske kaffedrikkere til kulturelle events og arrangementer. Det er vores måde at kommunikere på - ikke til, men i dialog med den danske befolkning.**

Hos Peter Larsen Kaffe stræber vi efter at være nærværende og i tæt dialog med verden omkring os. Peter Larsen Kaffe arbejder med og for mennesker, og siden 1902 har vi serveret kaffe til folket. I mødet med kulturlivet oplever vi en fantastisk ramme for at udfolde vores værdier og sociale eksistens. Vi arbejder tæt sammen med kulturlivet bl.a. via vores engagement i organisationen Kultur & Erhverv samt en lang række kulturelle organisationer og foreninger.

## PETER LARSEN KAFFE LIVE

Peter Larsen Kaffe LIVE bidrager til et socialt formål. Via bl.a. kaffebarernes omsætning på landets festivaler bidrager vi med provision af overskud og donationer til velgørehedsorganisationer og kulturelle formål.

Peter Larsen Kaffe er mangeårig samarbejdspartner med toneangivende festivaler indenfor bæredygtig udvikling som bl.a. Roskilde Festival, Smukfest og NorthSide Festival. Vores stærke fokus på bl.a. økologi og cirkulær økonomi bidrager til opfyldelsen af arrangørernes egne bæredygtighedsmål og visioner.

Den første halvdel af året begyndte med en succesfuld festivalsæson, hvor vi var fuldt booket. Kalenderen bød blandt andet på Roskilde Festival, Smukfest, Tønderfestival, Food Festival og endnu flere aftaler blev lagt i kalenderen for 2020/21.

Men 2020 har også været præget af nye måder at være sammen med mennesker på. COVID-19 har udfordret vores traditionelle måde at mødes over en kop kaffe, og det er i særdeleshed kommet til udtryk hos Peter Larsen Kaffe LIVE.

Da Corona-virussen ramte Danmark, måtte LIVE være innovative og tænke i nye baner. Festivaler og events blev aflyst, men vi insisterede på at levere en Corona-venlig kaffe til folket.

Vores eldrevne scootere startede op og kørte ud til danskerne, så de kunne få friskbrygget kaffe lige til døren. Vi blev mødt af mange glade danskere og holdt dermed humøret højt i en tid, hvor intet var som det plejede at være.

## NYTÅRSKUR

Den 8. januar 2020 inviterede vi 500 kaffeglade og -tørstige gæster indenfor til nytårskur i Viborg. Sammen viste Peter Larsen Kaffes ansatte stolt gæster rundt og gav et indblik i kaffens vej fra bønne til kop. Gæsterne var begejstrede både for det store og lille risteri, men også for Henrik, der pakkede på sit anlæg, de dygtige folk på lageret, fremvisningen af kaffens mange potentialer, og forklaringen om kaffens store smagsunivers.

På den måde var kaffen endnu engang udgangspunktet for vores tætte dialog med danskerne.



PETER LARSEN KAFFE



# IDRÆTTEN

Kaffen fra Peter Larsen Kaffe hænger historisk sammen med store dele af topidrætten i Danmark. Som en naturlig del af vores lokale engagement i Viborg går vores samarbejde med VHK (Viborg Håndbold Klub) og VFF (Viborg Fodsports Forening) flere årtier tilbage i tiden. Vi er grønne i hjertet, og derfor bakker vi op om vores lokale, grønne helte.

I tillæg til den stærke lokale opbakning bidrager vi til sportsverdenen i hele Danmark. Særligt indenfor fodbold er Peter Larsen Kaffe synlige med vores bidrag til fodboldklubberne AGF, FC Midtjylland, Randers FC, Hobro IK, AaB, Silkeborg, Vejle Boldklub og FC Nordsjælland. Et stærkt engagement, hvor vi med stolthed kan konstatere, at kaffe skaber dialog – også på tværs af geografisk tilhørsforhold og diverse fangrupperinger i den danske fodbold Superliga.

Med indsatserne sammen med kulturlivet i Danmark bidrager Peter Larsen Kaffe direkte til Verdens- og delmål 1.2, 2.4, 3.4, 8.4, 8.8, 12.2, 12.3, 12.5, 12.8 og 17.3.



# ET SOCIALT ANSVAR

Kaffe er meget mere end en fødevarer og en drik, som konsumeres af flere millioner mennesker i verden. Kaffe har en social egenskab. Kaffe er omdrejningspunktet for møder mellem mennesker. Kaffe er en kilde til dialog og fællesskaber. Hos Peter Larsen Kaffe vil vi udnytte denne egenskab til at bringe mennesker sammen. Helt grundlæggende har vi et ønske om, at vi som kaffevirksomhed skal være et omdrejningspunkt for at skabe fællesskaber - og vi skal konstruktivt og målrettet bekæmpe sociale problemstillinger som ensomhed og ulighed.

## KAFFE FOR KÆRLIGHED OG INKLUSION

Kaffe skaber dialog og samler mennesker, derfor føler vi, at vi har et socialt ansvar, og vi har derfor sat et mål om at udrydde ensomhed. Et middel mod det mål, er vores Equality Coffee, der er blevet til i samarbejde med organisationen Copenhagen 2021, der næste år afvikler WorldPride og EuroGames i København.

Begivenhederne er de største af deres art og vil tiltrække tusindvis af mennesker fra hele verden, der vil konkurrere og marchere under mangfoldighedens faner.

Vi støtter op og opfordrer til dialog på tværs af religion, seksualitet, etnicitet og tro, og bidrager dermed til Verdensmål 10.



PETER LARSEN KAFFE

## CODE OF CARE

I Viborg er 800 unge under 30 år på overførelsesindkomst – det ønsker vi at lave om på. Derfor er vi en del af Code of Care, der arbejder for at inkludere flere unge mennesker på de danske arbejdspladser. Code of Care har lavet et koncept, der hjælper virksomheder og unge med at finde hinanden, for gensidigt at skabe værdi. Flere unge med psykiske problemer oplever, at de gennem Code of Care får selvtillid og et tilhørsforhold, der giver dem mod på livet.

Vi oplever altså at der gennem Code of Care i høj grad bliver skabt værdi for både de unge og virksomhederne.

På den måde er vi med til at gøre en forskel for unge, og bidrager til Verdensmål 10.



STATUSRAPPORT

SIDE 39

# KNUS KRÆFT

Sundhed og trivsel er Verdensmål nummer 3. I samarbejde med KidsAid og racersportslegenden Tom Kristensen står Peter Larsen Kaffe bag indsamlingskampagnen Knus Kræft, som har til formål at skabe trivsel for alvorligt syge børn, unge og deres familier i Danmark.

Knus Kræft aktiviteterne tager sit udgangspunkt i delmål 3.4, som er at inden 2030 skal dødelighed, som følge af ikke-smitsomme sygdomme, reduceres med en tredjedel gennem forebyggelse og behandling. Derudover er målet også at fremme mental sundhed og trivsel.

I 2017 indsamlede Knus Kræft 2.212.340 kr., som blev overrakt til KidsAid ved et gallarrangement i Viborg, hvor KidsAid-ambassadører og toppen af dansk showbusiness stillede op i den gode sags tjeneste. I 2020 havde vi set frem til endnu engang at holde et stort gallashow med fest, god musik og højt humør til ære for de sygdomsramte børn og unge. Grundet Corona-virussen har vi måtte udskyde dette til april 2021, men vi har fortsat en stærk ambition om at slå indsamlingsrekorden fra 2017.

Udover gallashowet skulle vi have haft en række andre events i Knus Kræft regi, der blev aflyst grundet COVID-19. Til trods for det, har vi alligevel gjort en forskel for de sygdomsramte børn.

Den. 2. maj 2019 fik 550 børn og voksne en unik dag med gode oplevelser. Christopher gav koncert, Flying Super Kids optrådte og Tom Kristensen kørte ræs.

I julen 2019 gav Peter Larsen Kaffe en donation på 20.000 kr. til Knus Kræft projektet. Derudover har vi det seneste år også uddelt julegaver ud på Hillerød Hospital i forbindelse med, at Malte Ebert holdt koncert. Vi har fejret flere fødselsdage for børn med kræft, og vi har holdt et pop-up event på Dronning Louises Bro, for at gøre opmærksom på Knus Kræft.

Vi har modtaget støtte fra eksterne organisationer. DS-gruppen indsamlede i forbindelse med en reception 47.183 kr., der blev doneret til Knus Kræft. Ligeledes har LOOP Fitness indsamlet 10.685 kr. som mange børn vil få stor glæde af.

Selvom vi ikke har kunne donere samme mængde midler som tidligere, har vi alligevel bidraget til mange gode oplevelser.

Med Knus Kræft bidrager vi i særdeleshed til Verdensmål 3.







# OM RAPPORTEN

Hvor ingen anden kilde angives, er grunddata for nøgletal og statistik hentede i vores interne virksomhedssystem.

Rapporten er ikke revideret eksternt, men vores virksomhed revideres regelmæssigt af eksterne parter gennem vores certificeringer i miljø, kvalitet og fødevarerikkerhed.

Peter Larsen Kaffes aktiviteter indgår desuden i rapportering for Løfbergs Group, hvorfor der henvises til denne for yderligere indsigt i vores arbejde og resultater.

Spørgsmål til rapporten kan sendes til [kaffe@peterlarsenkaffe.dk](mailto:kaffe@peterlarsenkaffe.dk)

The background is a dark, monochromatic photograph of a crowded outdoor event, likely a fair or festival. In the center, a large white tent structure is visible. To the left, a small kiosk or stand has a sign that reads "PETER LARSEN KAFFE". Below that, another sign says "BOOK EN KAFFEBAR". To the right, another stand has a sign that says "JUST". The foreground is filled with the silhouettes of a large crowd of people, creating a sense of a busy, public gathering. The overall tone is nostalgic and community-oriented.

*Peter Larsen*  
*Kaffe*®

KAFFE TIL FOLKET  
SIDEN 1902

**LÖFBERGS**

# SUSTAINABILITY REPORT 2019/2020

# LÖFBERGS

KÄFFEROSTERIERIET  
**LÖFBERGS**  
ETABLERAT  
1906

*Peter Larsen*  
*Kaffe*

**PERCOL**  
COFFEE ON A MISSION

**GreenCup**  
Roasters & Recyclers

**KOBBS**  
ETABLERAT 1809



## PROGRESS 2019/2020



### Development of small-scale coffee farmers

Improved the opportunities for development for more than 92,000 small-scale coffee farmers and their families together with our friends of International Coffee Partners.



### More certified coffee

Increased our share of purchased certified coffee from 72 to 81 per cent. 4 of 5 purchased beans are now certified.

Contributed with another SEK 50 million in extra premiums to cooperatives and small-scale coffee farmers (Fairtrade).

The purchases of organic coffee have contributed to the conversion of an area equivalent to 16,300 football fields to organic production without any artificial fertilizers and pesticides.



### Circular Coffee Community

A new initiative where we invite consumers, companies and others to contribute to a circular coffee business with zero waste.

### Coffee for love and inclusion

Launched Equality Coffee in Sweden and Denmark as a starting point for more dialogue about love and inclusion for all.

## PROGRESS 2019/2020

### More climate-smart materials

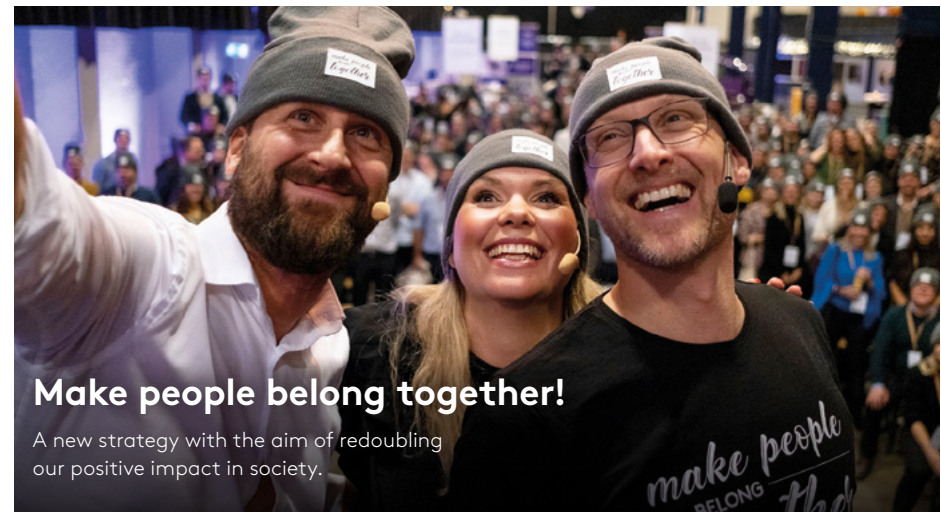
Increased the share of plant-based packaging materials to 73 per cent.

A new strategy for disposables, which involves we will be using a plastic-free paper cup that can be fully material recycled in all our markets.



### Record investment in a new roasting house

In the final phase of completing a new modern roasting house for whole beans – the largest investment in company history.



### Make people belong together!

A new strategy with the aim of redoubling our positive impact in society.







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## FOREWORD

This past year was one of the most important ones when it comes to sustainability – and one of the toughest. The global challenges in the climate field are still as big, just as the need to improve the conditions for coffee farmers of the world. The situation was not helped by the pandemic that swept the world. All of this put great demands on us and our business, and in our view, we can and must contribute to a sustainable development in line with Agenda 2030.

We are small in some aspects, but large enough to make a difference in many areas. The coffee we purchase comes from approximately 40,000 farmers in about 20 countries around the world. Our daily production corresponds to 10 million cups of coffee that reach countless consumers in some ten markets in Europe and Canada. How we act and the fact that we choose and develop sustainable solutions are actually of great importance for a lot of people.

The corona pandemic has affected us as well the world around us, not least our customers in the Out of Home category (hotels, restaurants, cafés and workplaces), of which many have really struggled. We truly hope that the situation will improve for all affected. The pandemic has also had an impact on our sales, but what has not changed is our commitment and our investments in the sustainability field.

The pandemic increased the challenges in the producing countries. It affected our work within

International Coffee Partners, where we together with seven other family-owned coffee companies improve the development opportunities for small-scale coffee farmers. We adjusted our operations during the year, and several measures were taken to help the farmers meet the crisis.

At home, we have continued to invest in energy efficiencies, renewable energy, climate-smart packaging and much more. These investments contributed to us further reducing our climate impact. We have also presented a new strategy with increased focus on a circular, fairer and more equal development. Large parts of the organisation have contributed in different ways, and it is going to be really exciting to be a part of the continuous work.

Our progress in the sustainability field would not be possible without our wise partners and our talented and committed co-workers. The work is an integrated part of our daily business – and we are doing it together. Last but not least, a huge thank you to all of you.

**Kathrine Löfberg,**  
Chair of the Board



**KATHRINE LÖFBERG**, chair of the board and owner in the 4th generation.

# ABOUT US



## ABOUT US



LÖFBERGS WAS FOUNDED by the brothers Anders, John and Josef Löfberg.  
We are still family-owned, now in the third and fourth generation.

## ABOUT US

**It all began back in 1906. Today, we are one of the Nordic region's biggest family-owned coffee businesses with a production that corresponds to 10 million cups of tasty coffee – a day. The passion for great tasting coffee as well as doing good for people and the planet has been a part of the company since its inception. We are 339 coffee-lovers operating in northern Europe and Canada, who share an interest for taste, trends and sustainability. Coffee is still the core of our business and we are constantly developing new products, services and business opportunities that can add value for us and the world around us.**

Löfbergs was founded by the brothers Anders, John and Josef Löfberg. We are still family-owned, now in the third and fourth generation. We are a value-driven company with a long-term perspective on our operations. Our strengths on a highly competitive market are our heritage and our desire to continually evolve and remain at the cutting edge – preferably together with others.

## Organisation

We have a central organisation for HR, communications, quality and sustainability, financial management, strategy, brand and product development, purchasing and supply chain. Our sales organisation is divided into three business areas, each with profit and loss responsibility. Our products are sold in some ten core markets in northern Europe and Canada, under the brands Löfbergs, Peter Larsen Kaffe, Percol, Green Cup, Superbonobo and Kobbs. We also produce coffee sold under our customers' brands.

The board of directors consists of six ordinary members, of whom three are owners and three are external members. There are also two employee representatives and two deputies. Kathrine Löfberg is Chair of the Board, and the board is completely gender-balanced, with just as many women as men.

The operational business is managed by the group management team, which consists of eleven executives – three women and eight men. Our CEO during this financial year was Lars Appelqvist .

We turn our vision into reality through a strategic plan that we update every year. The plan encompasses our most important target areas and perspectives – it is our balanced scorecard.

The sustainability report covers all the brands and markets within the Löfbergs group (under the legal name AB Anders Löfberg).

## ABOUT US

## Business areas

### Retail

Retail is our largest business area and accounts for 54 per cent of sales. This area is usually dominated by several large retail customers that we regularly negotiate with.

Löfbergs is one of four major coffee brands in Sweden and is available with all players. We are also a well-known brand in Estonia, but still relatively small in Latvia and Lithuania, even though our market shares are growing. In Finland, we are known as the dark roasted alternative and

we see a very strong development there too. In the UK, we are working with the Percol brand to boost our presence in retail chains' product ranges. In Denmark, Peter Larsen Kaffe is an established brand available in all chains.

### Out of Home

This category covers all coffee consumed outside the home – in other words, coffee sold to hotels, restaurants, cafés, workplaces and more – and accounts for 36 per cent of sales. We work with everyone from local cafés to high-end restaurants, private and public workplaces to big international customers. The business often includes services, for example educating our customers in the subject of coffee, sustainability and how to create a profitable coffee business.

Our position on different markets varies.

We are market leaders in Sweden. In Denmark, we are strong on convenience and are building our presence all over the category. In the UK and the Baltic countries, we have a great relationship with hotels, restaurants and cafés. In Norway, we work with chains and vending companies. In Finland, we are still a challenger, but are growing in all segments.

The demand for the served cup is constantly growing, and this is where we meet the consumer directly in different ways. In Sweden, we have

our own coffee shops in Stockholm and Karlstad. We also use mobile coffee shops and pop-up solutions in all our markets. In Denmark, we are an appreciated partner to many of the country's festivals with our LIVE concept.

### Private Label

In our Private Label business, we produce coffee for large national and international customers under their own brands. This business area accounts for 10 per cent of our sales.

Our strength lies in having the capacity of a large player in terms of purchase and production, but the flexibility of a small one and the ability to adapt to specific wishes. We compete for major global contracts and we are a proud partner to players such as IKEA, McDonald's and Circle K.

## ABOUT US



# SUSTAINABILITY SINCE 1906





## 1906

Began importing and selling coffee that takes people and the planet into consideration.

## 90's

Environmental policy drawn up.

First roasting house in Europe to remove aluminium from coffee packaging.

Imported the first container of organic coffee into Sweden.

Installed geothermal heating in Karlstad, Sweden.

## 00's

Co-founded International Coffee Partners, which improves conditions for small-scale coffee farmers.

Launched coffee that is both organic and Fairtrade.

Started using wind power electricity and replaced oil with district heating in Karlstad, Sweden.

Installed new roasting machines and reduced LPG and electricity consumption by 20 percent.

Operations in Latvia are certified in accordance with ISO 22000 (food safety).

## 10's

Joined the Haga Initiative business network.

Purchased Green Cup in the UK, which sells certified coffee and recycles coffee grounds.

Co-founded Coffee & Climate, which helps small-scale coffee farmers deal with climate change.

Started using biogas in Viborg, Denmark, achieving 100 percent renewable sources.

Built the world's first large-scale test facility using solar panels for both heating and cooling.

The Löffberg Family Foundation is formed, with the purpose of promoting sustainable development in producing countries.

Started Coffee for a Better Future, a development project in Kenya that strengthens coffee farmers through education, training and trade.

The entire Löffbergs range is certified with at least one sustainability label (organic, Fairtrade, Rainforest Alliance).

The purchases of organic and Fairtrade labelled coffee break new records.

## 20's

Launched Circular Coffee Community to contribute to a 100 per cent circular production and consumption of coffee, with zero waste.

Joins IKEA in the groundbreaking 10x20x30 Food Loss and Waste Initiative.

Launched Next Generation Coffee – an initiative that supports young coffee farmers in Colombia, Kenya and Tanzania through education and direct trade.

Starts to phase out the fossil plastic in packaging and replaces it with plant-based alternatives.

Presents a group-wide program for inclusion.

Continues to increase the share of Bio LPG. Contributes to reducing the company's own greenhouse emissions with 50 percent per produced ton of coffee compared to the base year of 2005.

Establishes its own coffee farm in Denmark with focus on circular economy and development of products and solutions where more of the coffee biomass is used.

Opened Sweden's first high-bay warehouse to achieve Environmental Building Silver certification.

## THE LÖFBERGS GROUP



KATHRINE LÖFBERG together with co-workers at our office in London, when launching our strategy towards 2030.

# THE LÖFBERGS GROUP

## LÖFBERGS

2019/2020



### HEAD OFFICE

Karlstad,  
Sweden



### VOLUMES OF...



**25,690 tonnes**  
COFFEE (2018/19: 27,120)



**156 tonnes**  
TEA (2018/19: 164)



**4 million packages**  
READY TO PRODUCTS  
(2018/19: 3.6)

### CO-WORKERS

**339**

(2018/19: 365)



### BRANDS



*Peter Larsen  
Kaffe*

**PERCOL**  
COFFEE ON A MISSION

**GreenCup**  
Roasters & Recyclers

**KOBBS**  
ETABLERAT 1809



### OWNERS

The Löfberg **family**,  
in its **third** and  
**fourth** generation.

SEK **-7,1** million

**OPERATING PROFIT**  
(2018/19: 2,5)



**TURNOVER SEK 1600 million** (2018/19: 1,702\*)

\*The previous year has been adjusted due to changed classification of revenue.

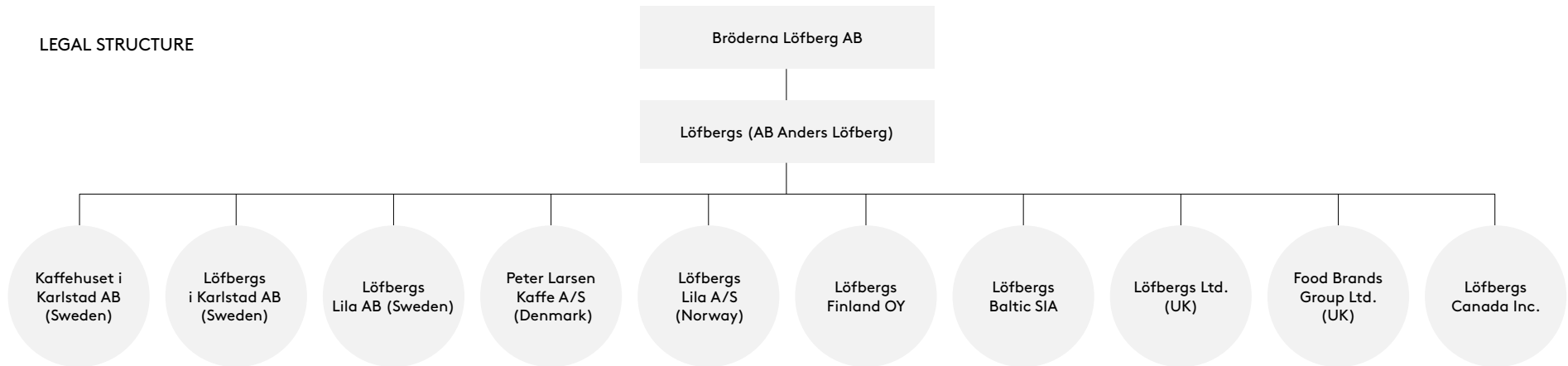


### MARKETS

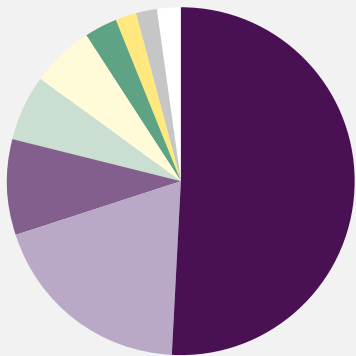
Sweden, Norway, Denmark, Finland, Estonia, Latvia,  
Lithuania, UK, Ireland and Canada.

# LÖFBERGS GROUP

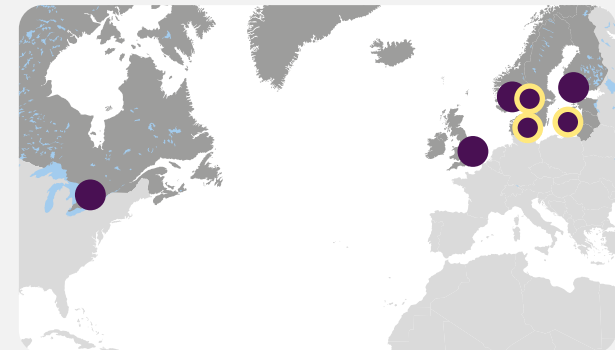
## LEGAL STRUCTURE



## OUR SALES IN DIFFERENT MARKETS

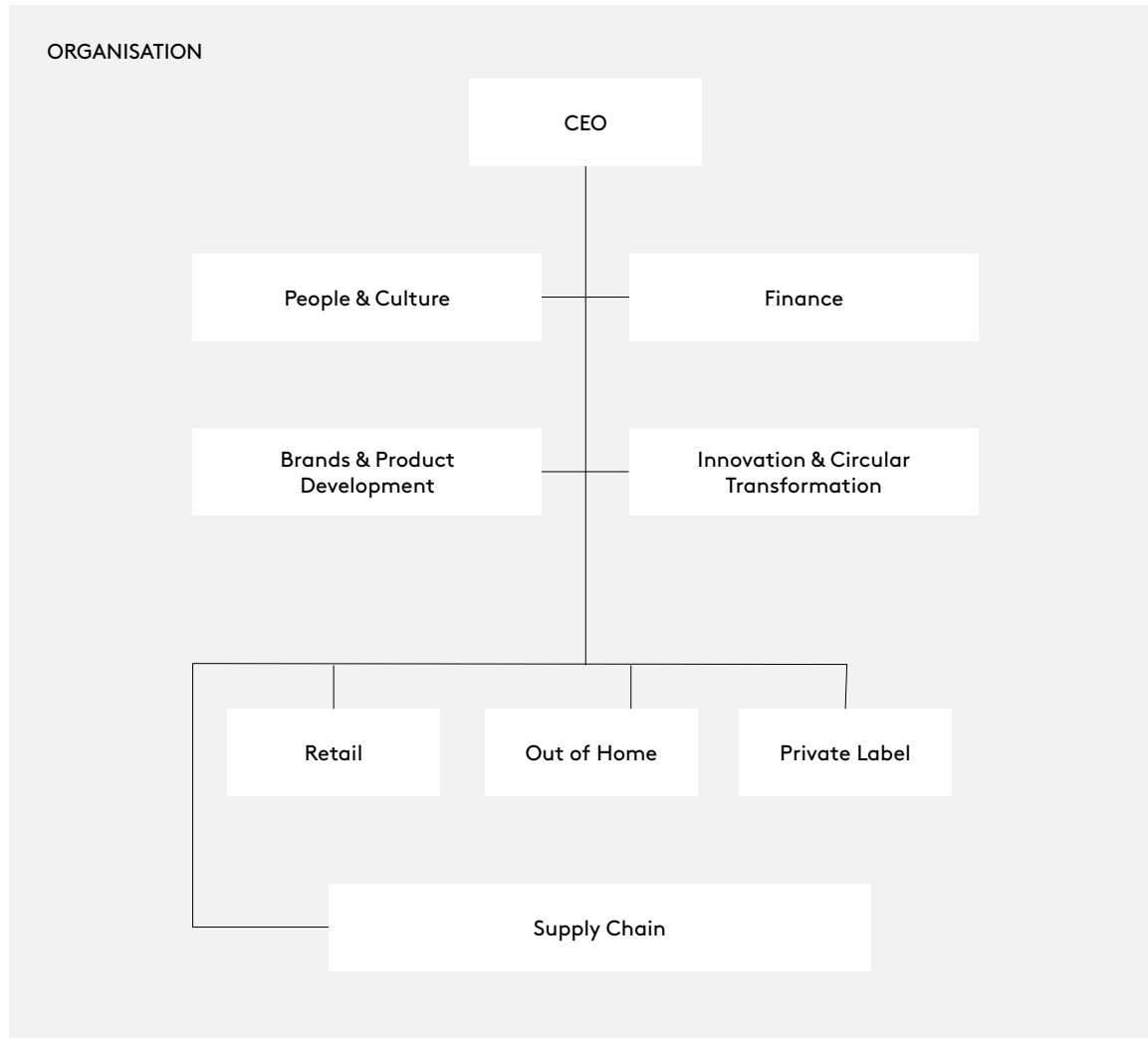


<span style="color: purple;">●</span> Sweden	<b>51%</b> (52.2)	<span style="color: green;">●</span> Latvia	<b>3%</b> (2.0)
<span style="color: purple;">●</span> Denmark	<b>19%</b> (18.6)	<span style="color: yellow;">●</span> Lithuania	<b>2%</b> (2.6)
<span style="color: purple;">●</span> UK	<b>9%</b> (8.7)	<span style="color: grey;">●</span> Estonia	<b>2%</b> (1.6)
<span style="color: green;">●</span> Finland	<b>6%</b> (7.5)	<span style="color: white;">○</span> Other	<b>2%</b> (2.2)
<span style="color: yellow;">●</span> Norway	<b>6%</b> (4.6)		(previous year)



WE ARE HERE ● Offices ● Roasting houses ● Sales

# LÖFBERGS GROUP



## STAKEHOLDER DIALOGUE

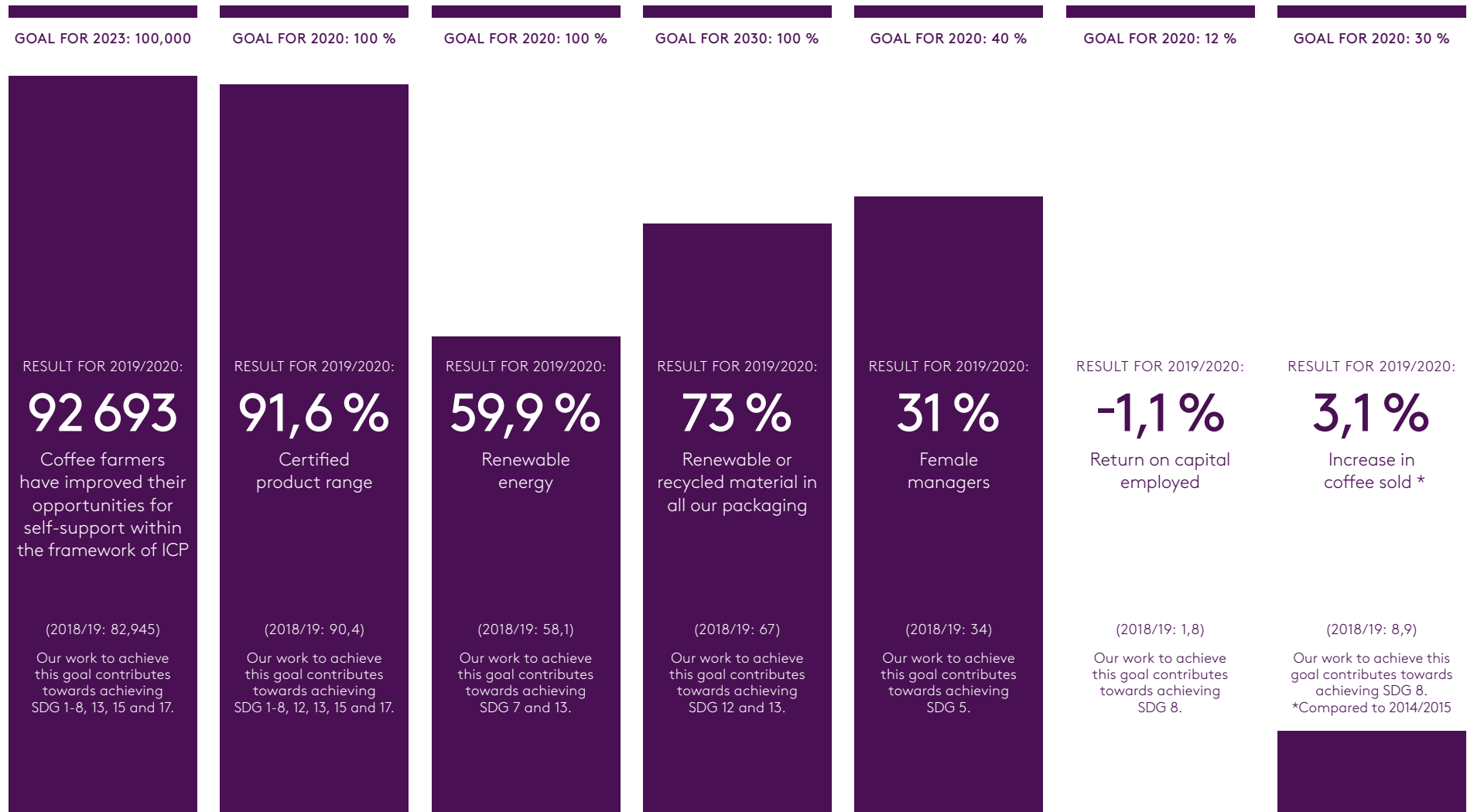
To stay relevant for the world around us and to reach our goals, we are continuously engaging with our stakeholders.



## EXAMPLES OF STAKEHOLDER DIALOGUE

STAKEHOLDERS	DIALOGUE	IMPORTANT TOPICS
<p><b>Market &amp; Society</b></p> <ul style="list-style-type: none"> <li>- Consumers</li> <li>- Authorities</li> <li>- NGOs</li> <li>- Society</li> </ul>	<p>Consumer contact and surveys, meetings, events, workshops, seminars, projects, inspections and audits</p>	<p>Consumer experience, health and well-being, diversity, sponsoring, social responsibility, certifications, climate impact, biodiversity, protection of nature and deforestation, human rights, legislative compliance</p>
<p><b>Organisation</b></p> <ul style="list-style-type: none"> <li>- Unions</li> <li>- Co-workers</li> <li>- Managers</li> <li>- Board of directors</li> </ul>	<p>Employee surveys, meetings, events, workshops, seminars, trainings, negotiations, counselling, inspections</p>	<p>Health and well-being, values, code of conduct, inclusion, diversity, solidarity, workplace safety, work environment legislation</p>
<p><b>Partners and suppliers</b></p> <ul style="list-style-type: none"> <li>- Customers</li> <li>- Networks</li> <li>- Banks, credit institutions</li> <li>- Trade associations</li> <li>- Certification bodies</li> <li>- Suppliers and traders</li> </ul>	<p>Customers surveys, customer centre, meetings, visits, events, workshops, seminars, trainings, courses, projects, revisions and inspections</p>	<p>Customer satisfaction, business intelligence, long-term relationships, sponsoring, partnerships, lobbying, biodiversity, protection of nature and deforestation, climate impact, certifications, human rights, legislative compliance</p>
<p><b>Owners</b></p>	<p>Owners council, meetings, visits, surveys</p>	<p>Responsibility, commitment, sustainability, development, cooperation, financial growth, business intelligence</p>

## RESULTS AND GOALS





# OUR SUSTAINABILITY WORK

## OUR SUSTAINABILITY WORK

**We aim to contribute to a more sustainable world, and we love doing it together with others. That means that goal 17 in the UN global sustainability goals is essential to us. This year we have developed a new strategy towards 2030, where our key areas are circularity, inclusion, togetherness and a transparent and fair value chain. The strategy enables us in using our voice and our opportunity to drive the change we want to see.**

Ever since the company was founded in 1906, sustainability has been an integrated part of our operations. We are still a value-driven family business that works with long-term responsibility as a foundation in the corporate governance. The role as a responsible social actor has been with us since the beginning, and it still applies today – both locally and globally.

### **Towards 2030**

During the last two years, we have been focusing on our strategic direction towards 2030. The strategy takes off in an extensive analysis of behavioural trends, a PESTLE analysis\*, to understand how the world will function in 2030. This PESTLE analysis and our strengths, have been the foundation for a new purpose, vision, ambition, values and a clear strategy towards 2030, a strategy that supports the UN Sustainable Development Goals. Substantial work has been made, where large parts of the organisation have been involved. The work will be completed in 2020/2021 with a strategic and tactic business plan, and it will affect how we report success and challenges in the sustainability field in the future.

\*PESTLE: Political, Economic, Social, Technological, Legal, Environmental.

### **Purpose**

To make people belong together.

### **Vision**

Togetherness and fulfilment prosper  
- loneliness is exterminated.

### **Ambition**

By 2030 we have doubled our positive impact on all stakeholders.  
Half of everything we do 2030 we didn't do 2020.





## OUR SUSTAINABILITY WORK

### Updated values

We are a value based family business and our values have been our compass, guiding our actions amongst each other and the world around us since 1906. They unite us and provide guidelines for our behaviour and our decisions, so that we achieve our goals and create value for our stakeholders. This year we have updated our values to more clearly support us and contribute to us reaching our goals.

The values play a crucial part in our everyday work and are used in our leadership developing program, appraisals, salary discussions, recruitment processes, departmental meetings, in decisions and tough conversations. Employee surveys show that the values have been firmly established in the organisation. During 2020/2021 we will put a lot of focus on working with the organisation to implement our updated values in our everyday work.

### We are Together

We create and learn together. Together we make things happen. Together we are stronger, and together is more fun.

### We are Inclusive

We meet all people and ideas with an open mind, no matter background or beliefs. Being inclusive help us see new perspectives which make us smarter.

### We are Accountable

We are all accountable for everything we take active or passive part in. We look at ourselves and the choices we make, understanding their effect on the world around us. Our perspective is infinite; we are here to stay.

### We are Enterprisers

We dare to undertake new ventures, test new ideas and love doing good profitable business. By never standing still, challenge the status quo and staying true to our purpose, we grow.



## Agenda 2030 guides us

We fully support Agenda 2030 and relate to all of the 17 goals. The business sector has a determining role in reaching the goals, not least regarding climate change and manage the 1.5 degree target. We have identified some goals as more significant than others for our business and our strategic direction.

## Creating security

Our values are the foundation of our sustainability work; they control our decisions and how we work. They create a security and make us dare to take a stand and drive issues that are important to us in the debate, but also as a sponsor and social actor. They also contribute to us being transparent and reporting progress and setbacks. We love to take the first step and are happy when we inspire the world around us, but we often reach our goals by collaborating with others.

THE GLOBAL GOALS are guiding for our operational objectives in our sustainability work.

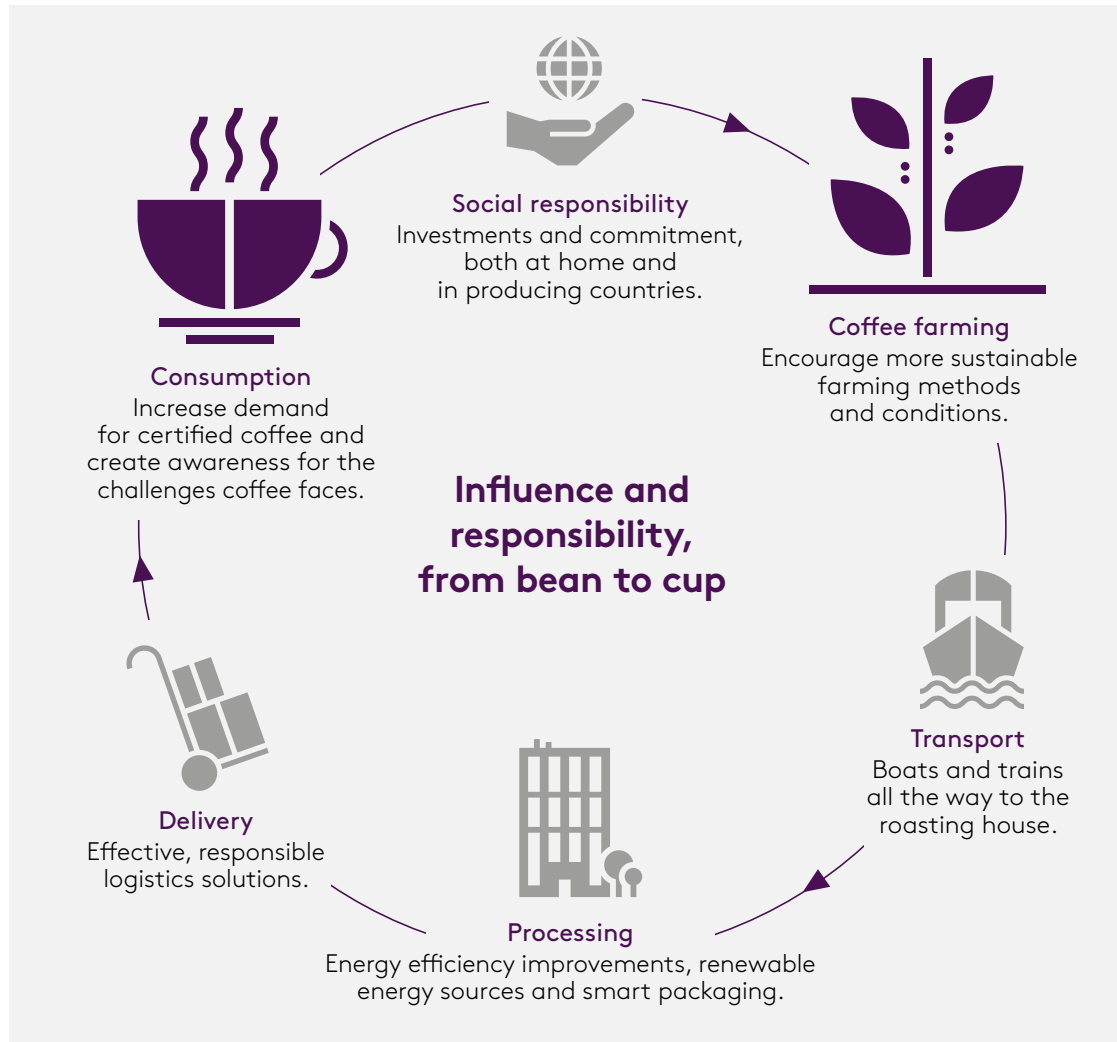
## AGENDA 2030 – GOALS FOR SUSTAINABLE DEVELOPMENT







## OUR SUSTAINABILITY WORK



## Commitment throughout the value chain

We take responsibility for people and the planet throughout the value chain. Our greatest effect on both people and the planet is related to farming and consumption, and this is where we put our greatest focus and effort.

## OUR SUSTAINABILITY WORK

### Integrated throughout our business

Our sustainability work is part of the strategy for the entire company, and is managed by group management through initiatives and goals in our strategic plan. Our goals, initiatives and key performance ratios are divided into the following areas: finance, customers and markets, internal processes and responsibility and employees.

The Head of Sustainability is the extension of group management and has several internal forums available, such as the cross-functional Sustainability Group, where various sustainability issues are decided. Other forums include the Environmental Group and the Packaging Forum as well as more temporary project groups like 100 per cent certified, 100 per cent renewable energy and working groups connected to our circular conversion.

Our Code of Conduct is the top-level governing document for our sustainability work. It is based on UN Global Compact’s ten principles and covers human rights, working conditions, environmental issues and anti-corruption. The code has been updated this year to also include Children’s Rights and Business Principles, UK Modern Slavery Act and UK Bribery Act more clearly. We have clarified that the code controls our relationships with customers, partners and other interested parties. We also have a code of conduct for suppliers that all suppliers undertake to follow.

### ISO certified management systems

Clear management systems are important to achieve our goals. Our operations are therefore largely covered by ISO certifications.

SEE TABLE ON PAGE 37

### Tax contributions

The tax we pay contributes to society as well as the public system and the services that help our operations to function. We always pay tax in the country where the revenues are obtained, and we follow established principles for internal pricing.

### Economic value generated and distributed

Revenue .....	1 643 084
Operating expenses .....	-1 343 451
Salaries and remuneration to employees	-256 329
Payments to providers of capital .....	-21 864

#### Tax paid to the public sector

Sweden .....	-318
Denmark.....	-3 316
Norway .....	-924
Latvia .....	-64
UK .....	0
Canada.....	0
Community investments.....	-9 695
Economic value retained .....	6 523

(all figures are in SEK thousands)

## OUR SUSTAINABILITY WORK



TOGETHER WITH SWEDISH CONSUMERS, we generated SEK 270 000 to the Rainbow Foundation that works for a more inclusive society.

## Investments and sponsoring

Our investments in society do not only consist of taxes, and we contribute both in producing countries and at our home markets.

We have supported approximately 180,000 coffee farmers in different development projects to date. Our biggest investment is within International Coffee Partners, where we work together with several other family-owned coffee companies. We invest about SEK 1.7 million every year to support small-scale coffee farmers. Another important effort is that we together with customers and consumers contributed with about SEK 50 million in extra premiums for cooperatives and coffee farmers through the Fairtrade system.

At home, we invest in the local community in many different ways. One example is our support to Färjestad BK, one of Sweden's most successful ice hockey teams. We sponsor both the women's team and the men's team. Cooperation with local sports associations also occurs on other markets. In Denmark, we support the Knus Kræft project, an initiative to raise money for children with cancer.

This year, we have also started cooperation projects that through sponsoring pursue important social issues like equality and inclusion. ►

## OUR SUSTAINABILITY WORK

► With our coffee Equality Coffee, we support the Rainbow Foundation in Sweden and Copenhagen Pride in Denmark. In Sweden, it has generated SEK 270,000 to the Rainbow Foundation so far.

### Continued sustainability focus

Covid-19 affected both us and others this year, not least our sales to hotels, restaurants, cafés and workplaces, which contributes to a negative result. At the same time, we moved our positions forward in the sustainability field.

We increased the share of renewable material in our packaging to 73 per cent and are taking steady steps towards the goal of 100 per cent certified product range for our own brands. The share increased to 92 per cent. We passed 92,000 participants within the framework of International Coffee Partners, a good progress towards the goal of 100,000 participants by 2023. The share of female managers decreased from 34 to 31 percent; we need to turn this development around. Our work with inclusion and diversity and our new clear goals towards 2025 can hopefully contribute to this. In the coming year, we will approve several new goals within the framework of our new business plan. It will affect our goals and what we report when it comes to sustainability. One new goal is 100 per cent circular, 0 per cent waste by 2030.



THIS YEAR we had to switch from physical to digital meetings and conferences. This is from when our strategy towards 2030 was presented for all co-workers of the group.

## OUR SUSTAINABILITY WORK



## COOPERATION / MEMBERSHIPS

### Cooperation for a sustainable future

We know that we have to cooperate to achieve sustainable development. We also know that we get better by learning from others. That is why we are engaged in a number of networks and initiatives to influence the social development and share knowledge and experience regarding sustainability with other players. Here are some examples of joint initiatives and cooperation that we are engaged in.

#### International Coffee Partners

Together with seven other privately-owned European coffee companies, we run the non-profit organisation International Coffee Partners since 2001. The goal of ICP is to create better living conditions for small-scale coffee farmers.

#### The Haga Initiative

A network of companies that work to reduce emissions from the business sector through ambitious common goals and a clear effect strategy. The network has 12 members, including Axfood, McDonald's, Coca Cola and the agricultural cooperative Lantmännen.

#### The Swedish Food Federation

The Swedish Food Federation represents the food industry in Sweden. The Federation is a member of the Confederation of Swedish Enterprise and

FoodDrinkEurope. The Federation's Sustainability Manifesto consists of five commitments in the sustainability field that the members can adopt.

#### VIFU – Knowledge Center for Food Innovation

A network with focus on knowledge, development and sustainability for interested parties of the supply chain for food in Denmark.

#### Coffee & Climate

Together with the members of International Coffee Partners and several other coffee companies as well as the government agency SIDA and local NGOs, we operate Coffee & Climate that helps small-scale farmers to manage climate change.

#### Swedish Leadership for Sustainable Development

A network consisting of 15 leading Swedish food companies that together with WWF tactically take responsibility to convert and contribute to a more sustainable food chain. The focus is to develop "An action plan for a Sustainable Food Chain in 2030", where goals are drawn up for the food chain as a whole, but also for specific sectors.

#### DIEH – Danish Ethical Trading Initiative

A Danish NGO that promotes ethic trade through cooperation with business, public sector and interest groups.

#### From Philanthropy to Business through Danish Industry

Confederation of Danish Industry's network regarding Agenda 2030. Insight, inspiration

and tools to work strategically with sustainable development.

#### CSR Sweden

A company network focusing on companies' social responsibility and societal engagement. The Löfbergs group is a member of the board through Martin Löfberg.

#### Denmark Against Food Waste

A network with a joint commitment to halve food waste by 2030. The initiators are 15 different companies in Danish retail and food production as well as interest groups.

#### Fossil Free Sweden

A platform for dialogue and cooperation between companies, municipalities and other players that want to make Sweden free from fossil fuels.

#### Kids Aid through the Knus Kræft project

Works to contribute with more comfort, hope and joy for children with cancer and their families in Denmark during their hospitalisation.

#### RISE's Food & Environment network

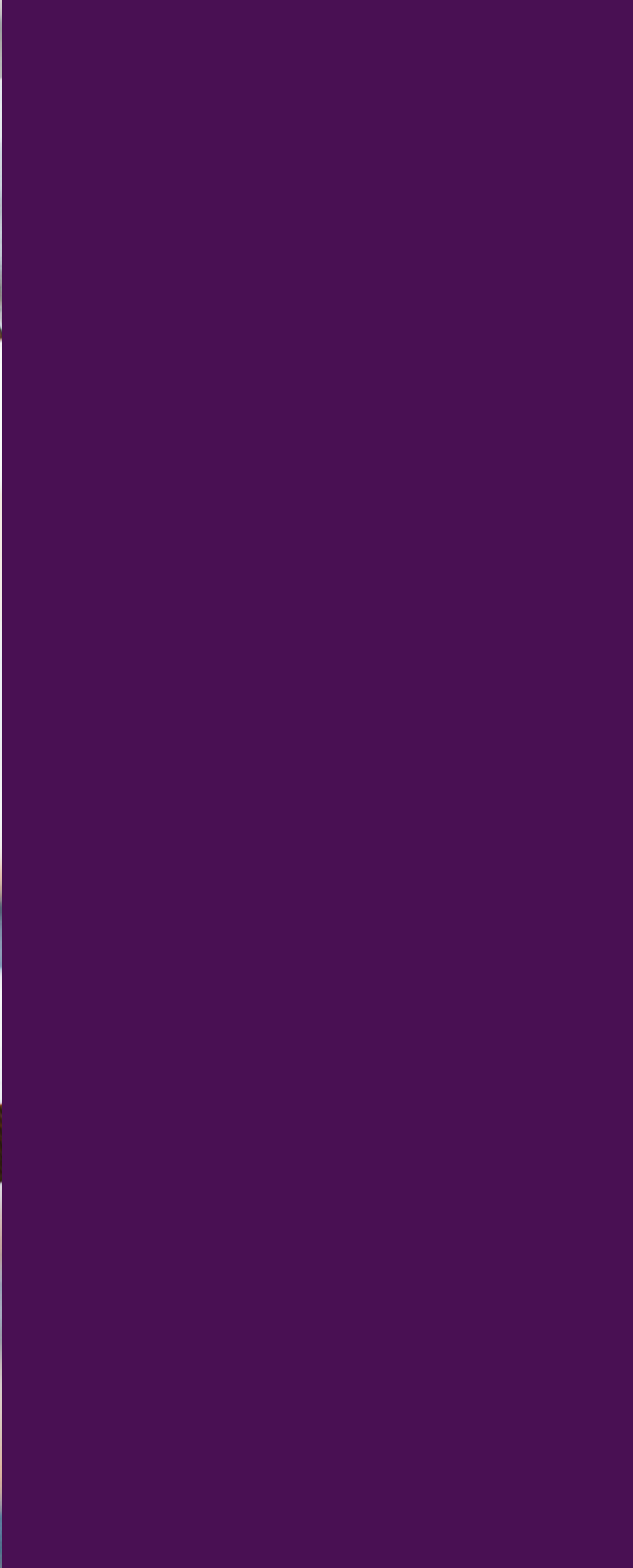
A meeting-place for interested parties in the retail chain with the aim to take part of the latest knowledge, facts and events in the environmental field.

#### The 100% Club

With the 100% Club, Atea wants to challenge organisations to look over their life cycle management of IT products to increase the share of reused and recycled units.

## GOVERNANCE

CATEGORY	CERTIFICATION	DESCRIPTION	COFFEE FACTORY & SALES OFFICE KARLSTAD, SWEDEN	COFFEE & TEA FACTORY VIBORG, DENMARK	COFFEE ROASTERY RIGA, LATVIA	SALES OFFICE VIBORG, DENMARK	SALES OFFICE LONDON, UK
Quality / Food Safety	<b>Certificate of Health</b>	Issued by the Environment and Public health Committee of the Municipality of Karlstad, Sweden	X				
	<b>e-marking</b>	Fulfilment of EC Directives regarding requirements for correct net quantity	X	X			
	<b>FSSC 22000</b>	Food Safety Management Standard	X		X		
	<b>ISO 22000</b>	Food Safety Management Standard	X	X	X		
	<b>ISO 9001</b>	Quality Management Standard	X	X	X		X
	<b>Safe Contractor</b>	Health and Safety Accreditation					X
	<b>U.S. FDA</b>	Approval of the United States Food and Drug Administration	X				
Sustainability	<b>Dansk Retursystem</b>	Danish Recycling System		X			
	<b>EU Organic</b>	Organic Production	X				
	<b>Fairtrade</b>	Sustainable Supply Chain	X	X			X
	<b>FTI</b>	Swedish Packaging and Newspaper collection	X				
	<b>ISO 14001</b>	Environment Management Standard	X				X
	<b>KRAV</b>	Organic Production	X				
	<b>Organic Control</b>	Issued by the Ministry of Environment and Food of Denmark		X		X	
	<b>Rainforest Alliance</b>	Sustainable Supply Chain	X	X	X		
	<b>Soil Association</b>	Organic Production					X
	<b>STEMFS 2014:2</b>	Energy audit	X				
	<b>UTZ</b>	Sustainable Supply Chain	X		X		





**The future is circular.**

**Coffee is amazing! We love the smell and the taste. We love how it wakes us up in the morning. We love how it brings people together and generates conversations and togetherness. We also know that coffee could mean so much more. The full potential of coffee is actually not being used today. We want to change that to contribute to a 100 per cent circular production and consumption of coffee, without any waste.**

## **We develop together in Circular Coffee Community**

The climate changes and the waste of resources are threatening the entire global coffee business, from farmers to consumers. We have to change the way we look at coffee and we need to use all resources throughout value chain. That is why we initiated Circular Coffee Community, where we together with consumers and others in the coffee business drive the development in a more sustainable direction.

Even though many of us like coffee, few actually know how much we can get from the millions of plants and beans that are harvested around the world every day. When brewing a cup of coffee today, we use less than 1 per cent of the nutrients contained by the coffee plant. Our aim is to find new solutions to use 100 per cent of the resources.

In Circular Coffee Community, we invite consumers, customers, scientists and other individuals and organisations to eliminate all waste connected to the production and consumption of coffee. We want to make the entire value chain sustainable – from the newly planted coffee tree to the used coffee. It creates new revenue for the farmers, makes it possible for the consumer to benefit from the whole cup and reduces our impact on climate and the environment.

## New habits and products

The coffee consumer plays a crucial part in the circular conversion. Just imagine how much coffee grounds we throw away every day and how much leftover coffee we flush down the drain. Here we all can contribute. The coffee grounds can be used for skincare, as a fertilizer or for making furniture. The leftover coffee can be used in a refreshing ice coffee or a marinade.

At [www.circularcoffeecommunity.com](http://www.circularcoffeecommunity.com) we gather practical tips on how everyone can fully make use of their coffee. We are also working to find new methods that can be used in small and large scale – at home as well as at cafés and restaurants. We will document the effects so that everyone who is a part of Circular Coffee Community can see that their efforts are meaningful and make a difference.

In Circular Coffee Community, we are also aiming at developing new climate-smart packaging and materials, and to push on for more organic and sustainable farming of coffee. And a whole lot of other things too.

It is about making the entire value chain of coffee circular – from farmers to consumers. We are convinced that the possibilities are limitless – and we want to explore them together with others in Circular Coffee Community.



## Some initiatives within the framework of Circular Coffee Community

### The whole cup

Sweden is one of the countries in the world where the population drinks the most coffee, but Swedes are also flushing 300 million litres of leftover coffee down the drain every year. An unnecessary waste of the Earth's resources. That is why we presented #helakoppen (#thewholecup) – an initiative that helps and inspires more people to make use of the entire cup and get more out of their coffee. It is about seeing the coffee grounds and the remaining coffee as a raw product for new products instead of throwing it away.

We have compiled a number of solutions and tips on how to reuse the coffee, for restaurants and cafés as well as for domestic use. You can make coffee syrup or cooling coffee drinks of leftover coffee or use the coffee grounds as a body scrub or to dye fabric with.



## Small steps can make a big difference!

Here are some tips on how to contribute to a more circular world by using the whole cup.

### COFFEE SYRUP ON LEFTOVER COFFEE

Syrup of leftover coffee gives a full-bodied coffee flavour and can be used for hot and cold beverages. Or why not drizzle it over a cake or some ice cream?

- Mix 6 parts leftover coffee with 4 parts sugar.
- Boil for 10 minutes and pour it into a clean bottle.

### REUSING COFFEE GROUNDS

- Wet it and use as a body scrub; you can also mix it with coconut oil.
- Mix it with vinegar and use it to polish pots and pans.
- Moist it and use it to make wood look aged. It is also perfect for scratches.





## Disposable cups free from plastic

Renewable materials that can be recycled. That is the main objective of our new strategy for disposables. The strategy obliges us to continue to reduce our climate impact and take another step towards our vision of being 100 per cent circular and generating zero waste.

Each year we are using about nine million disposable cups and two million lids; what materials we use actually make a great difference. Our new assortment will contain a new kind of paper cup that is free from plastic and that can be fully recycled in all our markets.

### Our new strategy for disposables in short

- We primarily use renewable materials, and secondly, recycled materials.
- We aim for 100 per cent recycling.
- We reduce the use of disposable materials, for example by only offering lids or straws if the customer asks for it.

## Gives coffee a second chance

In UK, we have long experience of recycling coffee. We offer to collect leftover coffee grounds from our customers. The grounds are then processed to new products within two main areas:

### GARDEN PRODUCTS

An organic and nutritious soil improvement is produced with recycled coffee grounds as a base. The soil improvement gives flowers and other plants additional and completely natural energy.

### ÇURFACE

The coffee grounds are used together with other recycled materials to produce Çurface, a high-quality material that can be used for furniture and other decoration details.

OUR AIM is a circular society, where what was previously seen as waste can be the start of something new.







## Circular

Nothing goes to waste in a circular society. What was previously seen as waste can be the start of something new. All resources are fully used, from plant to coffee grounds.

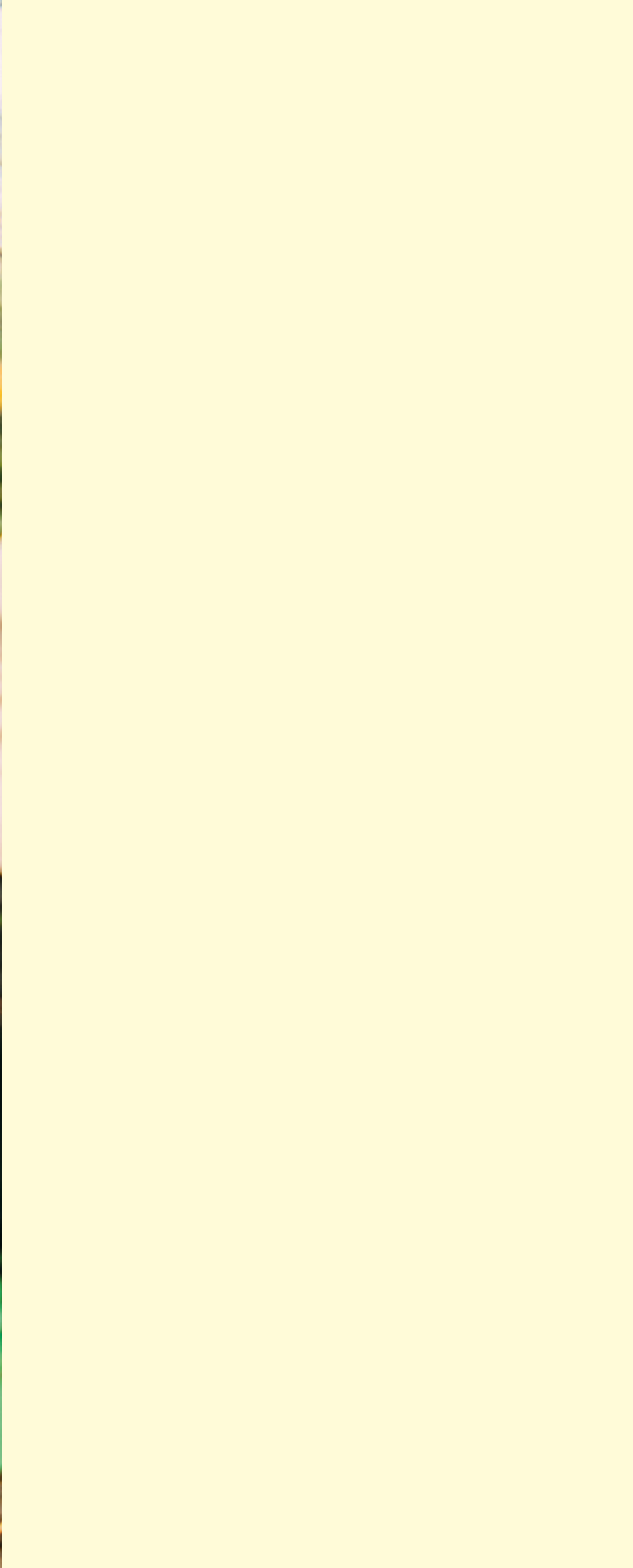
## Coffee

Coffee is amazing. That is why it is a pity that we use less than 1 per cent of the nutrients contained by the coffee plant when we brew our coffee. We want to make it 100 per cent.

## Community

Together, we can create the circular solutions that ensure sustainable growth for future generations – from farmer to consumer.

Learn more on [www.circularcoffeecommunity.com](http://www.circularcoffeecommunity.com)



# Together for a fair growth.

**Fair growth, where fundamental human rights are respected, is a prerequisite for sustainable development – for us, our business and the world around us. We are small in some respects, but big enough to have an effect in different ways. And we like to do it together with others. We are one of the world's largest buyers of organic and Fairtrade certified coffee and twenty years ago, we co-founded International Coffee Partners that improves the conditions for small-scale coffee farmers and their families. Those are a few examples on how we, together with others, contribute to make the world a bit more fair.**

## **Strengthening the next generation**

Colombia is one of the world's most well-known coffee countries. The country has more than 550,000 coffee farmers, and just like in other places, their average age is high. Around 57 years. Fewer young people see a future in coffee at the same time. This is where Emilio Gonzales comes into play. He is one of the participants in Next Generation Coffee, an initiative where we strengthen and improve the development possibilities and living conditions for the next generation of coffee farmers.

Emilio thought about trying his luck in the big city, but he chose to stay in the small mountain village of Heliconia to take over his parents' coffee farm. A choice he is proud of today. "My unique coffee has taken me forward. I have been able to study and help my family" says Emilio.

Through the education we offer together with Federación Nacional de Cafeteros (FNC), the national organisation for Colombia's coffee farmers, Emilio has learned more about sustainable farming methods and how to grow his own coffee plants that better can endure climate change. He is also a member of the Fairtrade cooperative Antioquia, which was announced as the best in the world in 2011. By being a part of the cooperative, Emilio gets other valuable help, for example with financing, insurances and health care.

All this contributes to development and creates a security that makes Emilio and others in the next generation see a bright future.

## Joint development focus

We co-founded International Coffee Partners (ICP) in 2001, a non-profit organisation where we work together with seven other family-owned coffee companies to improve the development possibilities for small-scale coffee farmers around the world.

More than 92,000 small-scale coffee farmers in 13 countries have participated in the projects since then. ▶

■ Emilio Gonzales, Colombia





THROUGH ICP, Teddy Nakyambadde has developed both as a coffee farmer and as an entrepreneur

► Teddy Nakyambadde in Uganda is one of them. "The ICP project has changed my life completely. I have learned more about farming coffee and have developed as an entrepreneur at the same time. Now I make money and I am my own boss."

Since Teddy came in contact with ICP, she has continuously increased her income. She has learned about new and better farming methods, which lead to her being able to harvest more coffee of higher quality. The ICP project has also influenced Teddy to co-found a cooperative that through different services strengthens her and other farmers.

Teddy's positive development has strengthened her position, and today she is actively participating in the work to educate and encourage more young coffee farmers in her district. Every two weeks, she meets different groups to share her knowledge and experience.

## Technology for greater equity

As the coffee consumption in the world increases, so does inequality in the value chain. Small-scale farmers are doing the heavy work, but their share of the value on the global coffee market decreased from 20 to 10 per cent between 1989 ►

► and 2015. The paradox is well-known, but there is still no solution to the problem.

Maybe the blockchain technology is the game-changer we have been looking for? Together with other companies, universities and organisations, we are participating in a project to investigate if blockchain has the potential to increase transparency and traceability in the value chain of coffee and what effect it can have. Blockchain is a cloud-based digital system that makes it possible for all connected parties to see the data that everyone in the chain is sharing. The technology has the potential to strengthen the trust between parties since the data can not be manipulated or changed afterwards.

To establish a reliable blockchain, you have to understand the structures of the value chain, and that is why we are carrying out a case study in Colombia right now. Together with our partners and local organisations, we analyse the flow from farmers in Antioquia to consumers in Europe, a value chain that includes countless middlemen – from farmers, cooperatives, exporters, certification bodies to roasting houses, retail stores, cafés etc. This study will form the basis of a scientific analysis of the pros and cons of using the blockchain technology.







# Inclusion and diversity – our way forward

**We believe in inclusion and diversity. In the power of an inclusive culture that makes the most of the power of diversity among co-workers. It helps us to see new perspectives and makes us smarter and more profitable. Naturally, we start with ourselves, but we are also doing what we can to inspire others to make sure that more of us use our voices to contribute to a more inclusive society.**

## **Ambassadors for increased inclusion**

In 2015, we set a clear target to increase the share of female managers and reach equal balance by 2020. Two years ago, we noticed that things were moving too slow and we were stuck around 30 per cent. We understood that focusing on a percentage was not enough. We need to go deeper; we need to understand and act on what makes it so difficult for us to reach the target. That was the starting shot for a work that is still in progress. The work started with the top management, where we through in-depth interviews, questionnaires and workshops created a picture of norms and structures and how inclusive our culture is today. Just as society at large, we do experience challenges with stereotypical gender roles, jargon and non inclusive behaviour. That is how it has been, but not how it will continue to be.

**SOME OF** our inclusion ambassadors: Anna and Pierre in Sweden, Rico in Denmark and Saiva in Latvia.





A year ago, we initiated a program with inclusion ambassadors. About 20 co-workers from different markets and parts of the organisation that are passionate about inclusion, culture and diversity. The ambassadors' task is simple in theory, but may be one of the hardest and most important ones in practice: to support our leaders and co-workers to understand and draw attention to master suppression techniques, structures and behaviour that keep us from building an inclusive culture. This includes being extra observant in meetings, raising awareness when it comes to the jargon at coffee breaks and drawing attention to situations when we reinforce traditional gender roles. To build knowledge in one's part of the organisation and to convey insights to the group management is another important task.

Due to Covid-19, many of our co-workers have been working from home this year, but the inclusion work has continued digitally, for example through a meeting with group management where the ambassadors shared their observations and reflections and gave input linked to our goals for inclusion and diversity. A rewarding meeting that made us want to keep working and get even more out of our inclusion ambassadors on our road ahead.

## SOME ADVICE FOR MORE INCLUSIVE MEETINGS!

Note and observe:

- Who talks the most?
- Who gets interrupted?
- Who is being confirmed?
- Who is not listened to?

Analyse if there are certain groups that stand out. How much is connected to formal or social power?

### The role of the inclusion ambassadors

- Support the organisation to become more aware about and draw attention to inequalities and non-inclusive behaviour, and share their knowledge with their part of the organisation.
- Help group management to understand the challenges and possibilities to become a fully inclusive organisation.
- Build knowledge by regularly share their reflections, observations and knowledge.



## Cooperation with female farmers at the centre

Can good coffee strengthen women's role in producing countries? Of course it can. In 2016, we initiated a cooperation with Nordic Choice Hotels and Compass Group, with the purpose to increase the share of organic coffee. We have now developed the cooperation to include a focused initiative on female coffee farmers in Honduras. The farmers got additional economic backup and training to stimulate a conversion to organic production and other things that made it possible for them to develop their business and improve their income.

The initiative strengthened the women and made the local community more equal. Nordic Choice Hotels and Compass Group could at the same time offer their guests a specially produced coffee that tasted extra good. Connecting the value chain together in joint development projects with our customers is really inspiring and goes well with our vision that it is better and more fun to do things together with others.

**TOGETHER WITH** Nordic Choice Hotels and the Compass Group, we improved the possibilities for female coffee farmers in Honduras.

## A dinner for real men

We like ice hockey and other sports. But we do not always like what happens on the ice, what is being said in the locker rooms or behaviours and patterns that contribute to an unhealthy macho culture. As a sponsor, we can urge for a change. And that is what we are trying to do.

One example is when we invited players and leaders of Färjestad BK, one of Sweden's most successful ice hockey teams, to a dinner for men only. At the dinner, we used the conversation box "En riktig man" (A Real Man), which is developed by Region Värmland County.

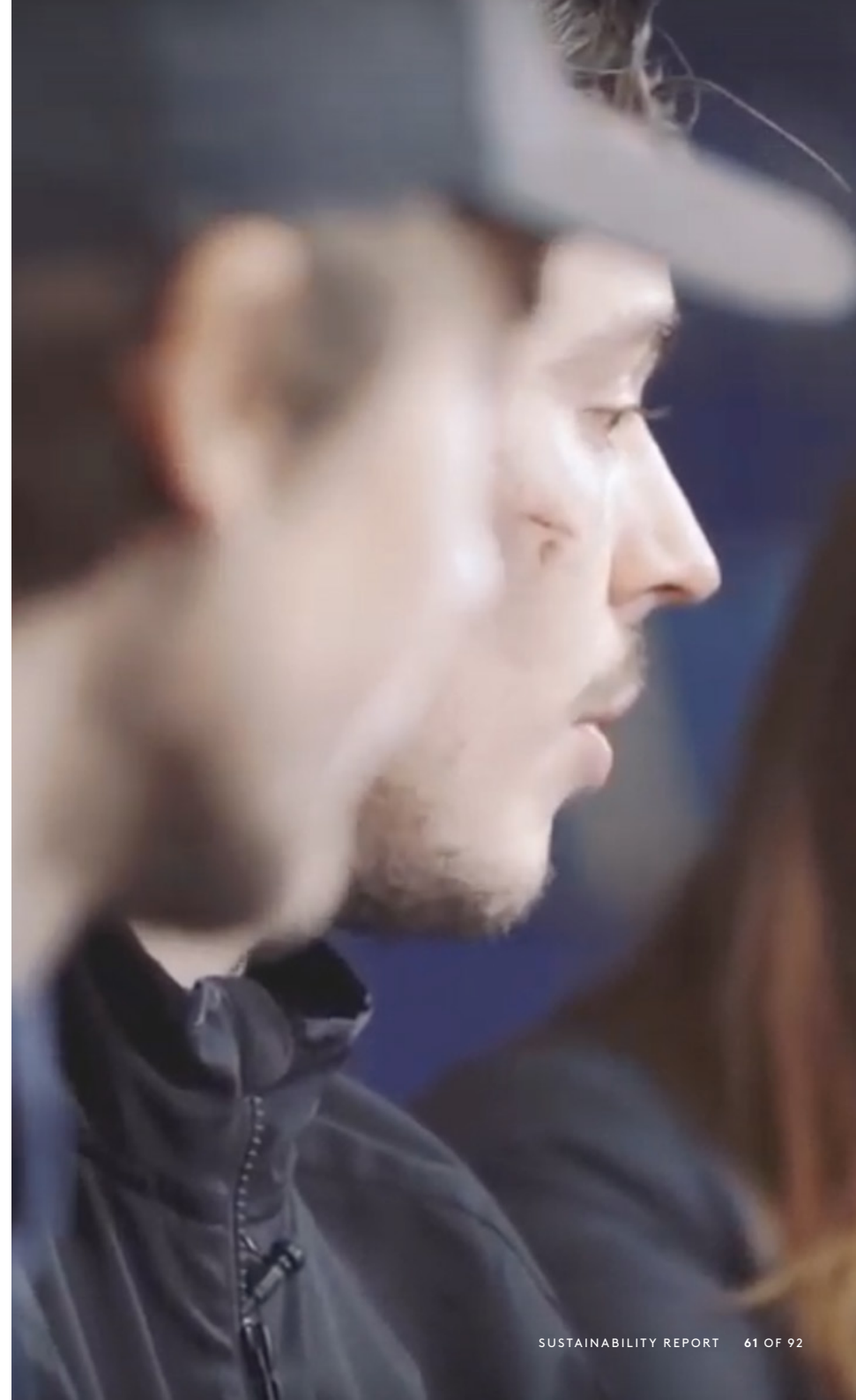
En riktig man is an equality initiative, where the question what it means to be a man is at the centre. Is it manly to suffer a beating, bite the bullet and dare to take risks? Is it unmanly to cry, ask for help and chicken out? How are we affected by the prejudice of how a real man should be?

The purpose of the initiative is to shed light on a dangerous pattern.

Guys and men commit more suicide, are more violent and are more often killed in accidents than women. They are not on parental leave enough, they study too little and drink too much as well. The image of masculinity is one reason behind these problems. And the message is simple. It is all about guys and men having the right to be themselves. You should not feel forced to do certain things, or be in a certain way, because of your gender. A real man can be in as many different ways as there are men in the world – simply because there are no real or unreal men. Only men.

And even though everything cannot be solved over a dinner, we felt that this was a good start. It might get more people to think and talk about the problem.

**AS A SPONSOR, we can urge for change in several matters.**



## An important coffee break

In our interview series "Frågan" (The Question), we let the host Hanna Persson ask the questions that stand between us and a better tomorrow. In her search for answers, she meets famous profiles with their own experiences in different matters.

"We have made two episodes with focus on racism and sexual assault, where Hanna gets together with Parisa Amiri and Nina Rung, two power ladies with great influence in social media" says Erica Hallin, Content & Production Manager at Löfbergs.

In another episode, Hanna talks to comedian Messiah Hallberg on what it is like to be a guy in a world that more often questions the privileges of men.

The interview series consists of seven episodes that set out in a specific issue. It is about equality, racism, sustainability, body awareness and mental health.

"We want to raise matters that are important for our target group and that are essential for us to overcome. Talking about them over a cup of coffee is a good start" says Erica Hallin.

**IN OUR YOUTUBE SERIES "The Question – An important coffee break", we raise the questions that stand between us and a better tomorrow.**









## Rainbow coffee for love and inclusion

When Copenhagen Pride celebrates the right to diversity, they do it with a good cup of coffee.

A cup of our Equality Coffee that is; a starting point for a dialogue about love and inclusion for all. The coffee focuses on equality and love between people, no matter their sexuality, ethnicity, gender and religion. Hence the name.

We know from experience that coffee can create relations between people, and now we are taking a stand by using packaging and product to support an event for increased inclusion and diversity. For every sold package, we give DKK 1 to the organisation Copenhagen 21 that arranges WorldPride and EuroGames in Copenhagen in 2021.

Equality Coffee has also been available for purchase in Sweden this year. With SEK 1 per sold package, we could hand over SEK 270,000 to the Rainbow Foundation, a foundation that wants to contribute to a world where all people have the same fundamental rights, no matter their sexuality, gender identity or expression.

**EVERYONE AT COPENHAGEN PRIDE can enjoy coffee that celebrates the right to diversity and love, for all!**

# CO-WORKERS



## Gender equality

- 5.1 End discrimination against women and girls.
- 5.5 Ensure full participation in leadership and decision-making.

## Decent work and economic growth

- 8.4 Improve resource efficiency in consumption and production.
- 8.5 Full employment and decent work with equal pay.
- 8.8 Protect labour rights and promote safe working environments.

## CO-WORKERS

**90 per cent of our co-workers are proud to work with us. We are happy about that, of course. But we strive to become even better. We still have a great opportunity to be more inclusive and increasing our diversity. We believe it is about offering a modern employee experience, where you can develop, feel good and contribute. A safe working environment free from physical injuries, discriminatory abuse and harassments.**

We reach our goals with help from co-workers and leaders that contribute to an inclusive and innovative culture. The culture is based on our values that have been our compass for decisions and behaviours since 1906. This year, we have updated our values to more clearly support us where we are today. Together with large parts of the organisation, we have defined the culture we need now and in the future. We have developed clear goals and activities that contribute to us reaching our goals. Inclusion and diversity, active coworkership, leadership, regular insight, dialogue, learning and development, and a stimulating and flexible employee experience are some important areas.

### **Inclusion and diversity are high on the agenda**

Building an inclusive environment that takes advantage of the power of diversity is a prioritized area. This kind of work takes time, of course. In the last two years, we have included the organisation to increase knowledge about our challenges and we have set clear targets towards 2025. Through interviews, workshops and questionnaires, we pay special attention to mapping out the present situation to understand the structures and norms we have to make visible and handle to be able to increase our diversity. This work has been driven by group management.

For example, it has resulted in us launching a program for inclusion ambassadors. About 20 co-workers from different parts of the group have been educated in inclusion, norms, suppression techniques and diversity. Their task is to help the organisation to make

non-inclusive behaviour visible and help leaders and co-workers to be more inclusive. The ambassadors build knowledge in their parts of the organisation and share their observations and suggestions for improvement with group management.

### **A safe and healthy work environment**

We are 339 co-workers, where almost everyone (96 per cent) is permanent employees and full time. The rest, 4 per cent, are temporary agent workers and mainly work in our production in Sweden, Denmark or Latvia.

It is important for us to offer a safe and healthy work environment. Our most prevalent occupational risks are stress-related illness, accidents within our production and traffic accidents for our salespeople who spend many hours on the roads. We have a zero vision when it comes to accidents, and clear principles and routines to handle them. All managers in Sweden have been educated in work environment law and systematic work environment.

Our employee survey covers questions related to psychosocial health. Based on the results, every manager develops a plan if needed with support from HR. This year, we initiated a work to get more regular insight from our co-workers. It includes smaller but more frequent employee surveys, covering some 60 questions connected to working environment.

We have had ten incidents during the year, of which four led to shorter absence. Our absence is still on a stable level. In Sweden, it is around 2-3 per cent.

## CO-WORKERS

### Leaders drive change

We have clear expectations on our leaders in their daily work as well as contributing to our development and strategy. They are important culture ambassadors; they convey values and lead the change and the development that make us reach our goals. It is important that they are present and available for their co-workers.

We have carried out the second round of our updated leadership development program, this time digitally due to Covid-19. The program puts great emphasis on leadership in an unpredictable world, something that our leaders really had to practise this year. All leaders have also been involved in working with our new strategy towards 2030 through workshops, leadership days and in different work groups. A work that has elevated our leaders' strategic ability.

### Active employeeship

We work in different ways to develop our employees. The basis for it all is the performance appraisals talks that all employees have once a year. We have a talent program and we work with e-learning as well as other competence development on different themes.

This year has offered a number of challenges for us as an organisation and also for our co-workers. ►

**OUR CO-WORKERS** at our roasting house in Karlstad make sure that we can produce 10 million cups of good coffee, every day!



## CO-WORKERS

► Some have been made redundant part-time, many have worked from home and most physical meetings and trainings have become digital. The entire organisation has showed great flexibility, understanding and endurance. Covid-19 forced us to develop new ways of working and communicating, a lot of which we will continue with. Regular digital meetings for all co-workers is one example.

### Focus on good business ethics

We place great demands on good business ethics. This means that we actively combat corruption and unethical business methods in the countries where we operate. Our most prevalent risks occur in contact with customers and suppliers; co-workers within purchasing and sales are posed with highest risks.

Our prevention work starts with our code of conduct that we have updated this year. The code of conduct is based on UN Global Compact's ten principles and covers human rights, working conditions, environmental issues and anti-corruption. All employees are educated in our Code of Conduct during the introduction for new employees, and we ask questions about corruption and other issues in our employee survey.

All co-workers have a responsibility to report events and behaviours that violate our policies and values. Reporting is performed to immediate superior or HR. We have a strictly anonymous whistle-blower system that is followed up by CFO, Head of HR or Sustainability within a week. This year, we have acted on three incidents connected to harassment and discriminatory abuse that all were reported to manager or HR.

### Co-workers

COUNTRY	NUMBER	WOMEN	MEN
<b>Sweden</b>	187	37%	63%
<b>Denmark</b>	69	33%	37%
<b>Latvia</b>	38	50%	50%
<b>UK</b>	32	33%	67%
<b>Norway</b>	13	42%	58%

Within the organisation as a whole, 38 per cent (38 per cent) of our employees are female. At management level, the figure is 31 per cent (34 per cent). Our board is gender balanced with 50 per cent women/men.

### 2025:

- Our co-workers and leaders are a reflection of society. Gender balance and about 20 per cent with international background. (quantitative)
- Our co-workers (98 per cent) experience our culture as inclusive and that they are given equal opportunities. (qualitative)

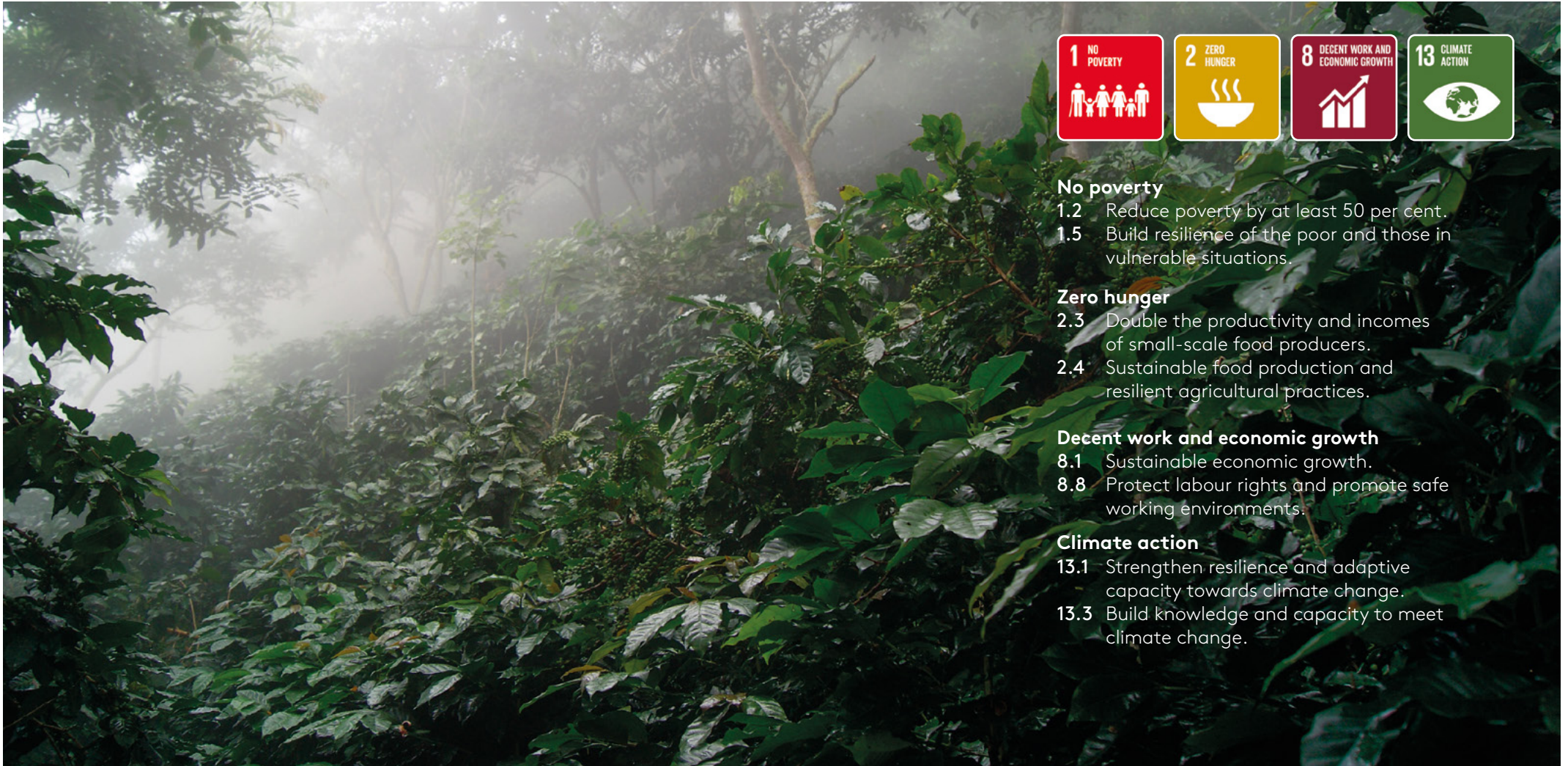
### 2023:

- Improved gender balance (40/60) and increased ethnic diversity (10/90) in our management teams and among our leaders. (quantitative)
- Our investments in society (sponsoring) are spread equally between men, women and gender neutral.
- We are actively taking a stand for diversity and inclusion in all markets through communication, products and cooperation.

# FROM BEAN TO CUP

SOURCING  
PROCESSING  
CUSTOMERS

# SOURCING



## No poverty

- 1.2 Reduce poverty by at least 50 per cent.
- 1.5 Build resilience of the poor and those in vulnerable situations.



## Zero hunger

- 2.3 Double the productivity and incomes of small-scale food producers.
- 2.4 Sustainable food production and resilient agricultural practices.



## Decent work and economic growth

- 8.1 Sustainable economic growth.
- 8.8 Protect labour rights and promote safe working environments.



## Climate action

- 13.1 Strengthen resilience and adaptive capacity towards climate change.
- 13.3 Build knowledge and capacity to meet climate change.



## SOURCING

**Changes in climate are impacting coffee harvest and, consequently, the 125 million people who earn their livelihood from coffee. To secure coffee for tomorrow, we are working hard to get more young people to be able to support themselves as coffee farmers and adapt to climate change.**

### Two big challenges

The coffee plant is sensitive to climate change, and half of all the land where we grow coffee run the risk of becoming unusable by 2050. All according to the research body The Climate Institute. At the same time, the average age among coffee farmers is increasing, in many places it is closer to 60. And fewer young people see a future in coffee.

These are the two great challenges for the coffee industry. Together with several partners, we are trying to contribute to a positive future. We do it through different development projects and by urging for more certified coffee.

### Cooperation between family-owned coffee companies

In 2001, we co-founded International Coffee Partners (ICP), a non-profit organisation with a vision to improve the living conditions for small-scale coffee farmers. Today, there are eight family-owned coffee companies operating ICP, with Kathrine Löfbergs as chair of the board. In many cases, we cooperate with other players, including the Swedish International Development Cooperation Agency (SIDA).

ICP supports local projects that offer coffee farmers education and practical training. Through help to achieve self-help, ICP focuses on increasing productivity, improving quality and strengthening the farmers' knowledge of equality and marketing. This contributes towards higher profits for the farmers in both the short and long term. The participants often doubled or even tripled their income, which naturally has a great effect on the standard of living and the development of the local community.

Since the start, ICP has launched 23 projects in 13 countries, and we have now passed more than 92,000 participants. The total budget is approximately EUR 1 million per year, of which our contribution is around 15 per cent. Two important issues in the continuous work are to develop the support for the next generation and to strengthen the connection to Agenda 2030.

### Meeting climate change

The biggest climate impact from coffee arises during farming, but can be reduced. For example, farms can

absorb more CO<sub>2</sub> than they produce and under the right conditions, they can be what are known as carbon sinks.

We encourage farmers to take part in climate initiatives such as the Coffee & Climate, which we run together with the members of ICP and others. The project combines research and practical experience and has resulted in a toolbox, which can be used by coffee farmers all over the world. So far, we have reached more than 85,000 farmers with positive results, both when it comes to quality and productivity.

### Strengthening the next generation

Next Generation Coffee is an initiative to make the young generation see a positive future in coffee farming. We improve the development opportunities through education and trading with few intermediaries. At the same time, it is a way for us to secure access to really good coffee in the future. The trainings are arranged in cooperation with local organisations, for example Federación Nacional de Cafeteros (FNC) in Colombia, and include sustainable farming methods and increased equality. We have worked with young farmers in Colombia, Kenya and Tanzania so far.

### More certified coffee

We have worked with different certification bodies to increase the supply and demand for certified coffee since 1996. The certifications have different focus, but in the right hands, they all contribute to more sustainable ►

## SOURCING



► coffee farming at the same time as they improve the farmers' development opportunities.

On our visits to producing countries, we see the positive effects with our own eyes. Some examples are that the knowledge about sustainable farming methods and biodiversity increases, that the position of women is strengthened and the conditions for children's education improve.

This year, we increased our share of purchased certified coffee from 72 to 81 per cent. The numbers count for all coffee we purchase, not only for our own brands. The increase is mainly due to the fact that the purchases of Rainforest Alliance certified coffee continued to increase. Our goal is that the share should be 100 per cent, including the coffee we purchase for Private Label customers.

### Certifications make a difference

Thanks to the fact that many of our customers and consumers demand certified coffee, we are still one of the world's largest buyers of organic and Fairtrade coffee. This year, we purchased 8,900 tonnes of organic coffee (most with double certifications) and 4,400 tonnes Fairtrade coffee. That contributed to an area equivalent to 16,300 football fields have been converted to organic production, that the use of pesticides decreased with 184 tonnes and that cooperatives and small-scale coffee farmers got an additional premium of more than SEK 50 million this year.

The value chain of coffee is often long with many middlemen. We purchase our coffee directly from the

producing countries with as few intermediaries as possible. A large percentage comes from cooperatives with small-scale coffee farmers. The cooperatives can have hundreds of members. Despite this, we have full traceability. We have long-standing relationships with our suppliers and cooperatives, and we spend about 100 to 150 days a year travelling to meet the farmers who deliver coffee to us. The visits, together with a systematic risk assessment, are our key instruments for reducing the risks for people and the environment. We travelled less than usual this year due to the corona pandemic.

### Risk areas

The most prevalent global risks concerning human rights are found in the agricultural sector, and coffee is no exception. Low wages and long working days are some of the risks. Migrant workers involved in the picking are the most vulnerable, especially in developing countries. Two thirds of the world's coffee producers are small-scale family farms, and child labour is a constant risk.

When it comes to environmental impact from coffee production, there is an increased focus on how the water quality for the local communities around the coffee farms is affected. When using the wet method to peel of the flesh from the coffee bean, there is a risk that streams and rivers nearby get polluted. A risk that is discussed more and more is fraud when it comes to certification papers, especially on organic coffee.

The corona pandemic has meant a greater risk on many levels, for example when it comes to access to ►

## SOURCING

► labour and bankruptcies in the supply chain. We have not had the possibility to visit coffee farmers as we usually do during the pandemic, but thanks to long-term relationships and an increased digital maturity, we have kept in contact with suppliers to guarantee continuous focus on sustainability and quality.

### Risk assessment in all stages

Our Supplier Code of Conduct is based on the UN Global Compact's ten principles, the ILO's fundamental conventions and our own guidelines for ethics and the environment. If we discover something that conflicts with our code of conduct, we have processes to handle these situations. In first hand, we work with demands and support to change it to the better. If that does not help, we can end the cooperation. This year, we have intensified our supplier follow-ups, but have not discovered any major violations.

Our risk pyramid for raw material and finished goods describes how we work with risk management within our supply chain. Before starting up a new cooperation with a supplier, we have a thorough assessment process covering all aspects of sustainability and quality as well as risks connected to origin/country, type of product, process etc. After passing, all suppliers sign and commit to our Code of Conduct for Suppliers. When visiting coffee farmers, we always check sustainability and quality parameters such as water management, labour situation, quality of the crops etc. All data is registered and followed up.

### Reducing the risks

Risks connected to corruption, human rights and environmental issues, for example biodiversity and deforestation in producing countries, is a reason to why we have decided to offer 100 per cent certified coffee. The risk level is lower each year as we purchase more and more coffee from certified farms, and we have a systematic way of estimating and evaluating new and current suppliers.

To further reduce the risk, we educate our buyers and other key persons within The Academy for Human Rights in Business with help from CSR Sweden. And we digitalize our tools to get even better control of the information and the traceability to the coffee farms.

### More than coffee

Our purchases mainly consist of green coffee, but also packaging materials and other things. In the last couple of years, our range of On-The-Go products has increased. Since it is a relatively new area for us, we are working actively to secure a sustainable production. Our demands and processes are the same as for the coffee suppliers.

### OUR CONTRIBUTIONS TO ICP PROJECTS

**92,000 participants 23 projects 13 countries**



INTERNATIONAL  
**Coffee Partners**



# SOURCING

## OUR SUSTAINABILITY LABELS



Fairtrade is an independent product label that focuses on human and labour rights. The farmer is guaranteed a minimum price and the cooperative receives an extra bonus. This paves the way for better working and living conditions.



Rainforest Alliance is an independent label that focuses on conserving biodiversity, sustainable farming methods and the conditions and livelihoods of farmers



UTZ Certified is a forced us to standard that enables more sustainable production, increased production and higher standards of living.



UTZ and Rainforest Alliance have developed a new joint standard and is today the same organisation. During this transition period, all three labels will be used.



The EU organic production logo is mandatory for all pre-packaged organic food products. Use of the label is voluntary for imported food products. It is only used on food products that are grown without the use of chemical pesticides or artificial fertilisers.



The Swedish KRAV label is only applied to food products grown without chemical pesticides or herbicides, artificial fertilisers or GMOs. Moreover, the products must only contain natural additives. The label also stands for humane animal welfare, social responsibility and a sustainable climate.

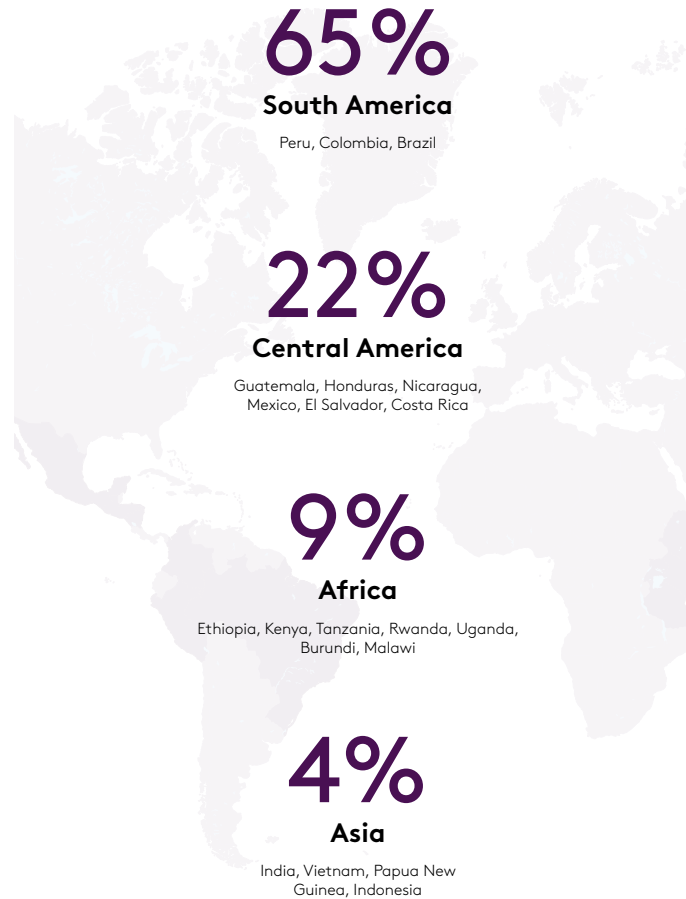


The Ø label is a Danish organic label. The label may be placed on organic products produced and inspected by the Danish Veterinary and Food Administration and the EU.

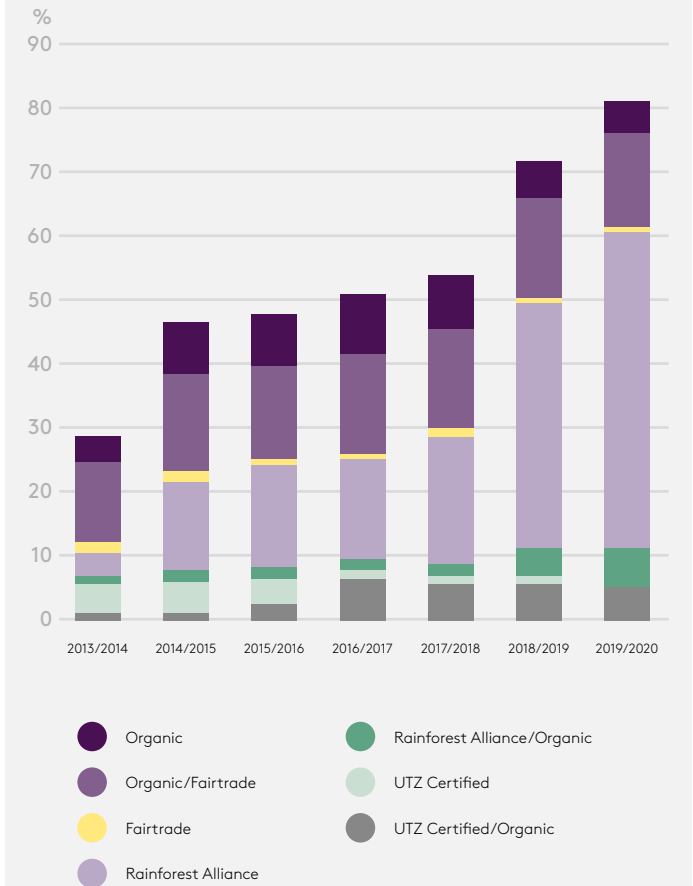


Soil Association Certification is the largest label for organic products in the UK. The label is used for food products, animal welfare, textiles and beauty products.

## WHERE WE BUY OUR COFFEE FROM

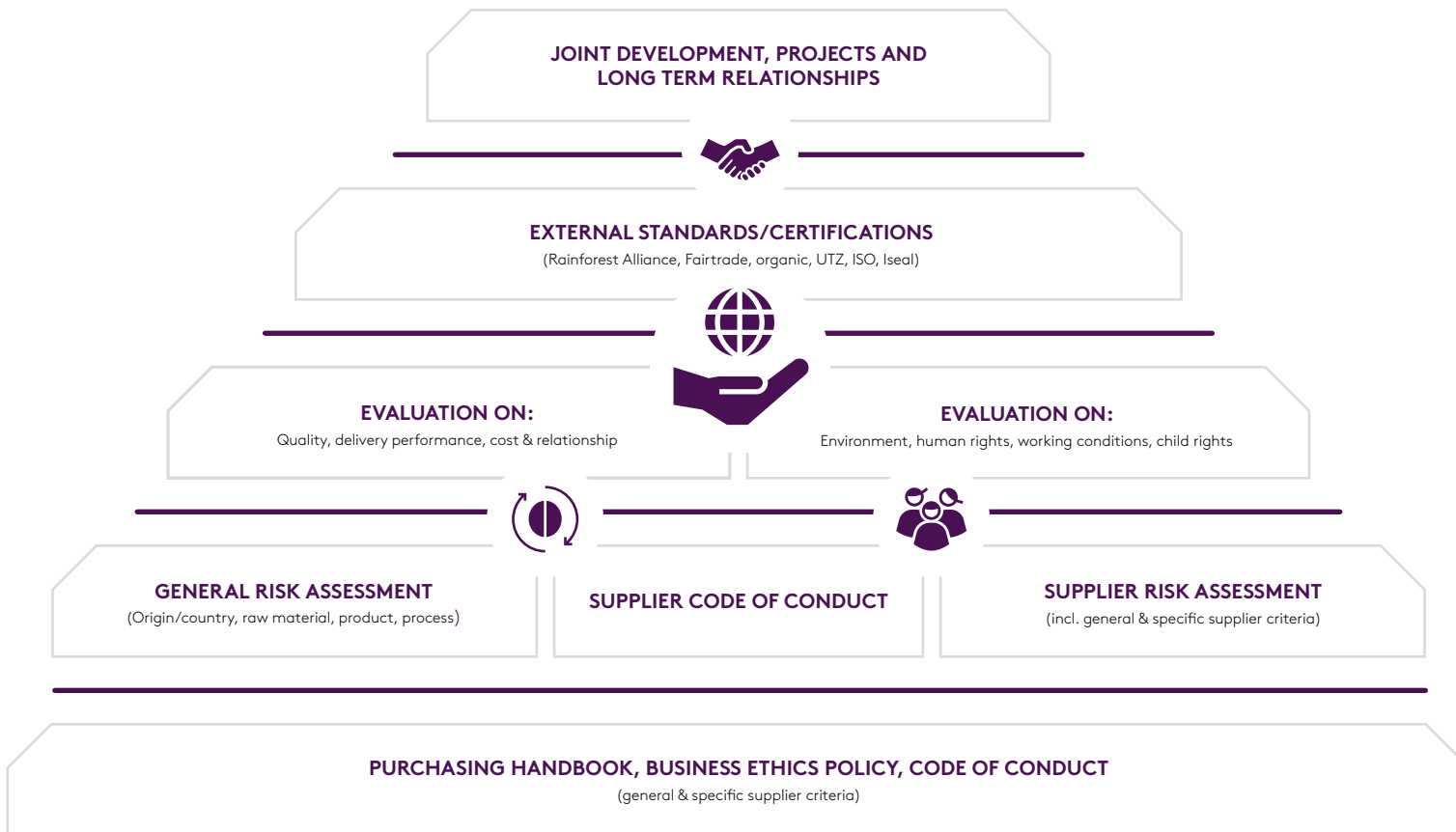


## HOW MUCH OF THE GREEN COFFEE WE PURCHASE IS CERTIFIED

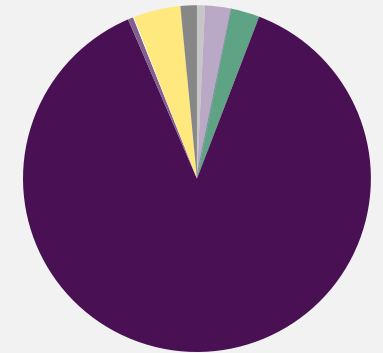


# SOURCING

## RISK MANAGEMENT WITHIN OUR SUPPLY CHAIN



## PURCHASING CATEGORIES



Green coffee	87.6%	(86.0)
Ready to drink	4.4%	(6.0)
Corrugated cardboard	2.6%	(2.8)
Plastic	2.4%	(2.5)
Others	1.5%	(1.1)
Paper	0.7%	(0.6)
Instant	0.5%	(0.8)
Capsules	0.1%	(0.1)

**Total** **32,784 tonnes**  
(35,343)  
(previous year)

\*Correction: The numbers of previous year have been updated due to a miscalculation.

# PROCESSING



**Affordable and clean energy**

- 7.2 Increase global percentage of renewable energy.
- 7.3 Double the improvement in energy efficiency.

**Responsible consumption and production**

- 12.1 Implement the 10-year framework on sustainable consumption and production.
- 12.2 Sustainable management and use of natural resources.
- 12.5 Substantially reduce waste generation.

**Climate action**

- 13.2 Build knowledge and capacity to meet climate change.

## PROCESSING

**To contribute to a more sustainable world, we are actively working to reduce our own climate impact. We have set a number of challenging and clear targets that will contribute to our circular conversion. Some examples are 100 per cent renewable resources and to reduce our emissions to net zero. We often find the solutions that make us move in the right direction by working together with other players.**

The climate effects of coffee are greatest in connection to farming (80-90 per cent), and that is why we aim many of our efforts towards the producing countries. We also work to reduce the effect from our own production and business operations, and to get the whole industry to see coffee as a resource from plant to coffee grounds.

### Tough climate goals

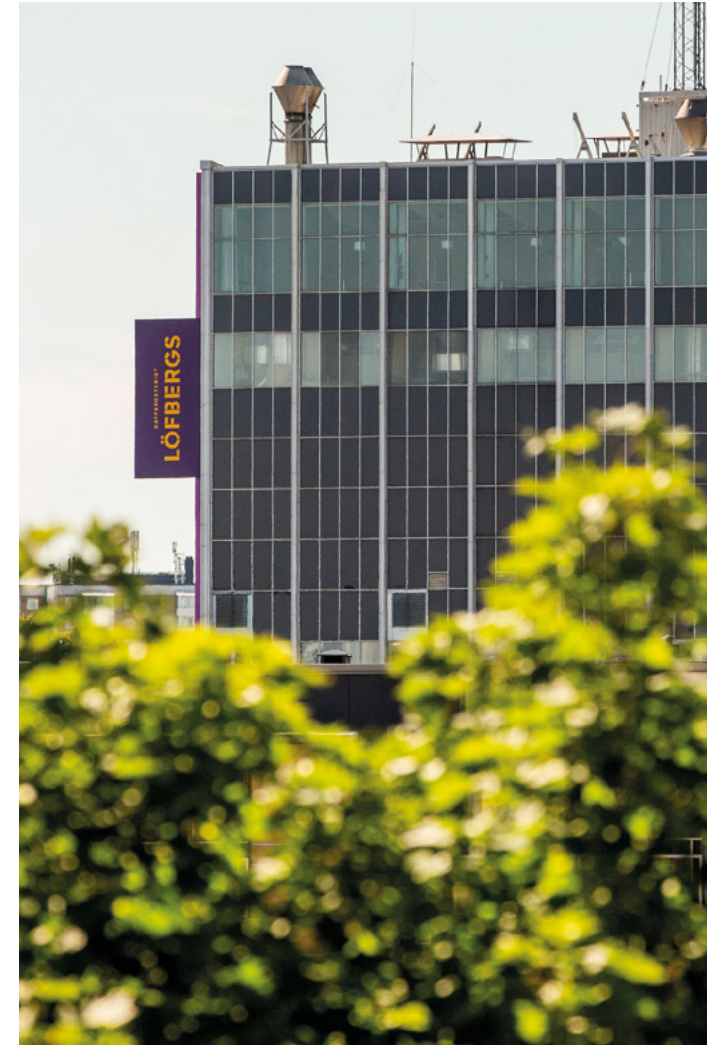
Our environmental footprint is calculated annually as part of our membership of the Haga Initiative and includes our operations in Sweden and our production in Denmark. We have been working towards a tough goal, to reduce our emissions of greenhouse gases per ton of coffee produced with 40 per cent compared to 2005.\* We have reached this goal, and our emissions have been reduced with 53 per cent so far. It is especially due to the fact that we fly less and that we have increased the share of bioLPG when we roast coffee in Karlstad. Now we continue to work towards the goal to reduce our emissions to net zero by 2030.

\* (Scope 1 and 2 as well as business trips in scope 3 in accordance with the GHG Protocol.)

### More efficient use of energy

We have doubled our coffee production in Karlstad since 1991, but our electricity consumption has remained at the same level as before thanks to a number of energy efficiency measures. Our climate impact from roasting has decreased with 11 per cent compared to last year.

We use wind power, geothermal heating and district heating, and are working actively to convert to renewable solutions in our roasting facilities in Karlstad and Riga, where the production to some extent still depends on fossil-based gas (propane/butane mix and natural gas respectively). In Karlstad, we started mix in biopropane 2017. The proportion has increased to 30 per cent today. ►



## PROCESSING

► Covid-19 affected the conversion rate, but we expect to reach 100 per cent in 2021. For the factory in Viborg, we purchase 100 per cent biogas via the city gas system.

### More plant-based plastic

We have been looking for an alternative to fossil-based plastic for our packaging for a long time. In 2017, we carried out the first test run with a mix of plastic from sugar cane. Today, we have secured the major part of our production capacity, which means that we mainly can use packaging materials that contain at least 50 per cent Green PE, a renewable and recyclable plastic made of residues from sugar canes. It has resulted in us doubling the share of purchased materials with at least 50 per cent green share.

### The road to circular packaging

All our packaging will be 100 per cent recyclable and made of renewable or recycled material by 2030. It is one of the ambitious goals in our new packaging strategy. We have come far in the development, and we did a trial run this year with a monomaterial that is 100 per cent recyclable on all our markets.

We are also working to minimize the amount of material in our packaging. One example is that we have reduced the amount of plastic in the packaging to our vacuum-packaged coffee, which is possible thanks to a paper wrap.

**TODAY, 73 PER CENT** of all packaging material we purchase is plant-based.





## PROCESSING

### Plant-based coffee capsules

Coffee capsules are subject to criticism due to the waste dilemma from one single cup of coffee. Most capsules are made from non-renewable materials such as aluminium and plastic, which have a significant environmental impact. In 2016, we launched capsules for the Nespresso system® made of plant-based material. The capsules meet the criteria for industrial composting. The climate impact is 15 times lower than that of aluminium versions and four times lower than that of polypropylene capsules. The capsules are available under the brand Peter Larsen Kaffe.

### Circular approach

We have a circular approach and strive to develop materials that are fully adapted for material recycling. Green coffee accounts for the largest amount of material of the total material usage and is a fully renewable raw material. The total quantity of waste from our facility in Karlstad decreased to 478 tonnes during the year. A majority of the waste was used for energy recovery (85 per cent) or materials (13 per cent). 0 per cent ended up in landfill.

We work for 100 per cent circular use of all resources related to coffee farming, processing and consumption, for example within the framework of Circular Coffee Community and several other collaborations. One example is to reduce food waste in accordance with Agenda 2030, something that we do in the groundbreaking initiative 10x20x30. The initiative is led by IKEA together with about 10 of the world's largest food retailers and providers, each engaging at least 20 suppliers to halve food loss and waste by 2030. We take upon ourselves to measure and publish our food loss and waste and to create actionable strategies to reduce waste.

We are always looking at new innovative solutions together with customers and other partners to reduce waste, but also to find new fields of application for what previously have been regarded as waste. We have tried to make furniture of our residue together with a new partner. Another example is that we have become members of the 100% Club, an initiative from Atea for companies that want to invest in 100 per cent withdrawals of IT products, which is good since new production of IT products requires significant resources like water, energy and minerals.

### Boats and trains all the way to the roasting house

The coffee we purchase comes from producing countries far away from our roasting houses. The distance means that the coffee beans are transported a long way before they reach our production facilities in Sweden, Denmark and Latvia.

We continuously work to reduce the climate impact from transporting beans to us and then finally to our customers. Almost all our coffee is transported by boat to Gothenburg, and then by rail right into our roasting house in Karlstad. Shipping by rail rather than by lorry reduces our carbon dioxide emissions by approximately 3,000 tonnes each year. The small volume of coffee that is not shipped to Karlstad is received in the ports of Århus and Riga. From there, it is transported by lorry to our roasting houses in Denmark and Latvia.

To reduce the number of transports, we continually strive to make planning and packing as efficient as possible. Our high-bay storage facility is strategically located close to both the motorway and the railway in order to avoid heavy traffic in central Karlstad. A hybrid lorry that runs on electricity and HVO diesel drives between our central roasting house and our high-bay warehouse. The technology

means that emissions for transportation are reduced by up to 92 per cent.

Through collaboration in the Haga Initiative and Fossil Free Sweden, we try to increase the conversion rate for renewable fuel. Our 2030 goal is that all procured road transports in the Nordic region will drive on 100 per cent fossil-free fuel.

### More sustainable business travel

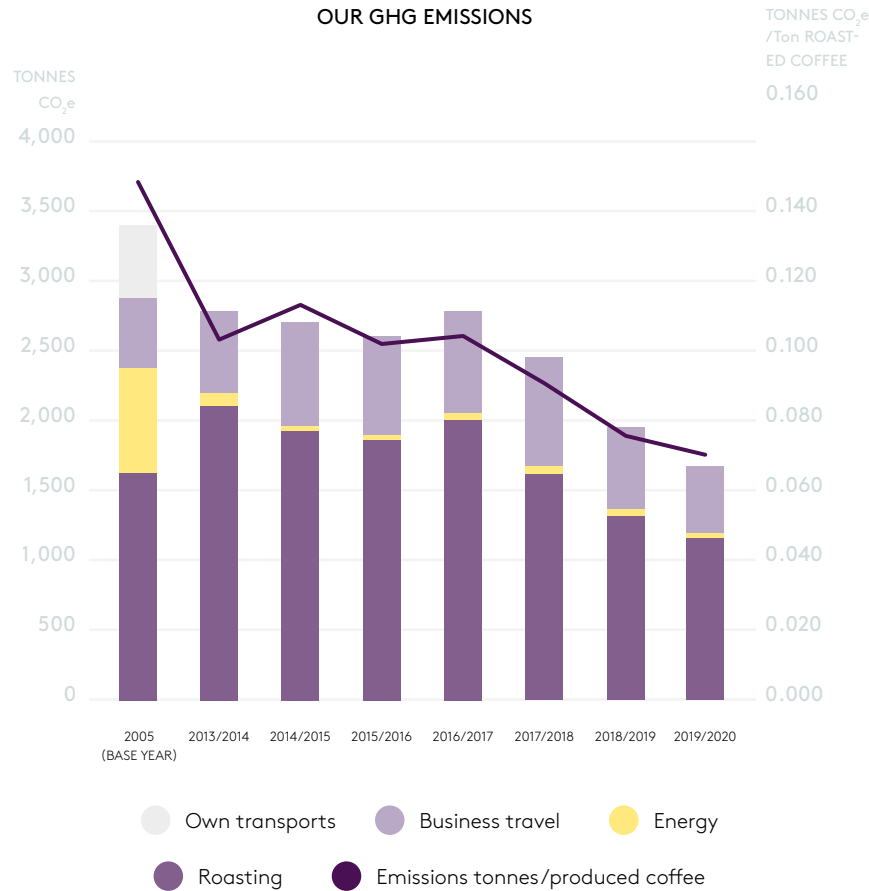
When it comes to business travel, we also work actively to reduce our climate impact. We prioritize train before flying and try to increase the share of digital meetings to avoid unnecessary travelling. This year, Covid-19 has put us to the test and showed that many trips can be replaced by digital meetings.

Our emissions from company cars reduced with 6 per cent this year. The share of chargeable company cars increased to 19 per cent, a development fully in line with our car policy.

It is still important for us to be able to visit our suppliers and the farms our coffee comes from, and unfortunately flying is still the only reasonable alternative. That is why we support Fly Green Fund that works with development and use of fossil-free aviation fuel.

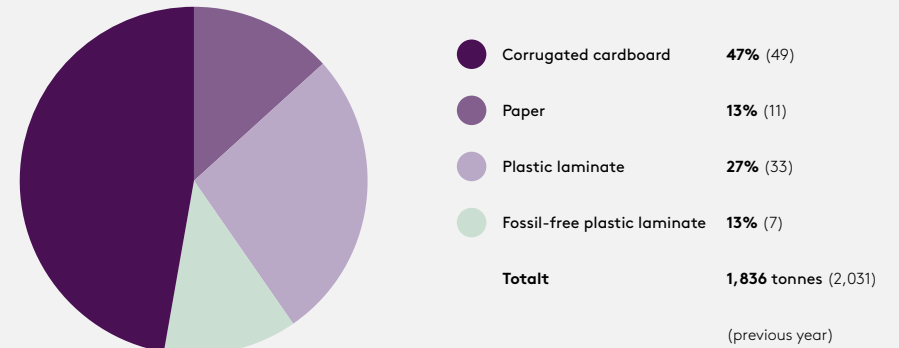
# PROCESSING

## OUR GHG EMISSIONS

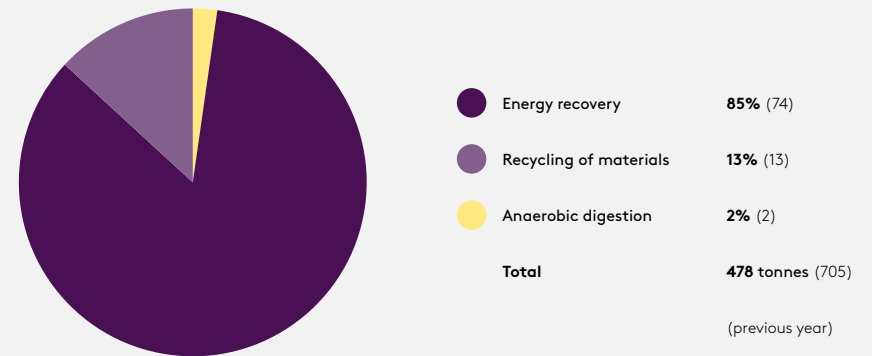


(Tonnes of CO<sub>2</sub>e, Scope 1 and 2, as well as business trips in Scope 3.)

## HOW MUCH PLANT-BASED PACKAGING MATERIAL WE USED



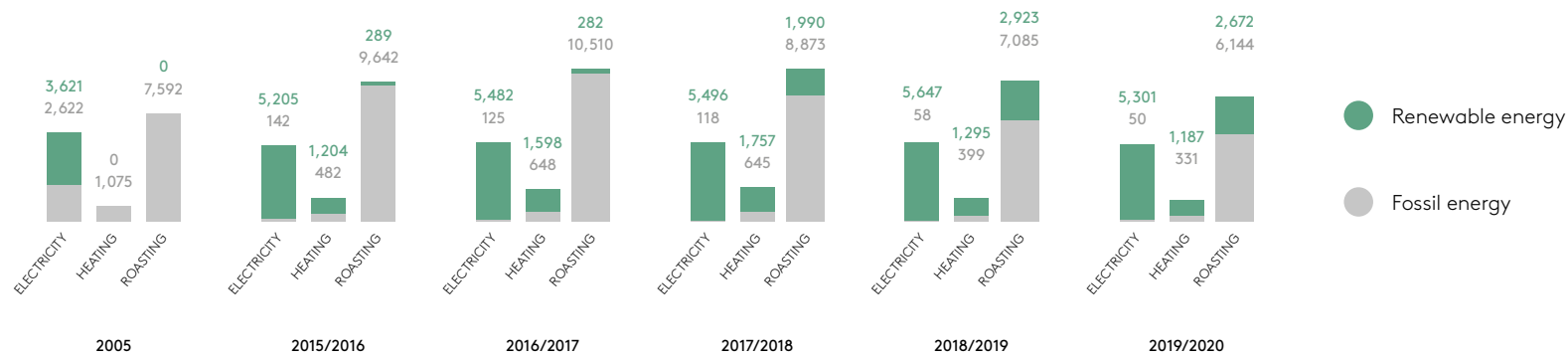
## HOW WE RECYCLE OUR WASTE (Applies to the facility in Karlstad)



## PROCESSING

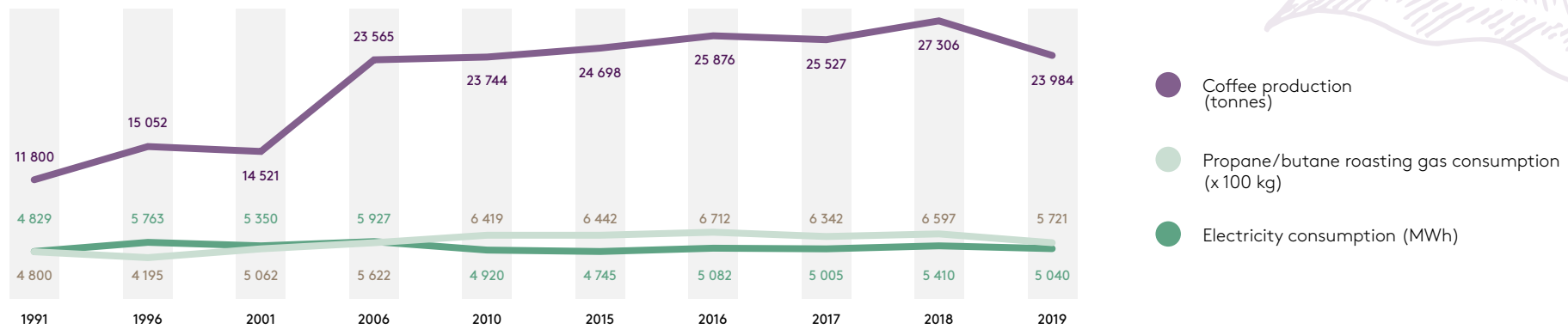
### ENERGY CONSUMPTION AT OUT FACILITIES

(MWh. Applies to our facilities in Karlstad, Viborg and Riga.)



### COFFEE PRODUCTION IN RELATION TO LPG AND ELECTRICITY CONSUMPTION

(Applies to the facility in Karlstad)



# CUSTOMERS



## Responsible consumption and production

- 12.3 Halve global food waste.
- 12.8 Promote universal understanding of sustainable lifestyles.

## Climate action

- 13.1 Strengthen resilience and adaptive capacity towards climate change.

## CUSTOMERS

**The expectations from the world around us that companies should take responsibility and be sustainable are increasing. That puts demands on us of course, and our customers and consumers are of great help. Together, we develop and increase the demand for products and services that contribute to a positive development for people and the planet.**

### Added value

Our customers operate in several different segments and in a number of markets in Europe and Canada, but they have one thing in common, the increasing expectations of environmental and social sustainability. The perspective of sustainability is a more integral element of the dialogue with our customers and consumers. A part of the work is to make the added value that sustainability brings visible, and that it is worth paying a little extra for sustainable products and services.

We are expected to offer certified coffee in climate-smart packaging and to contribute with an active sustainability work. That is good. It encourages us to develop new solutions that often contribute to us, our customers and our consumers becoming more sustainable. This applies to the origin of coffee as well as how it is served and consumed.

### New demands from consumers

The development in the beverage category is rapid and a lot is happening that affects our business. It is important for us to have knowledge of today's and the next generation's consumers. A strong trend is the On-The-Go consumption and an increased demand for iced coffee beverages. At the same time, consumer surveys show that sustainability related trends grow stronger. An increased demand in organic and Fairtrade products continued as well as an increased focus on health and sustainability are some examples. Bigger demands on responsibility in combination with price-awareness is another.

### More certified coffee

The demand for certified products is constantly and contributes to us being one of the largest buyers of organic and Fairtrade coffee. That would not be possible without our customers, especially in Out of Home. Since 1995, when we imported the very first container with organic coffee into Sweden, we have strengthened the supply and demand for certified coffee together.

We continue to increase the share of certified coffee, and today, 92 per cent of our assortment is certified. For the Löfbergs brand, the share is already 100 per cent since a couple of years. Next year, we will complete the conversion for the Peter Larsen Kaffe brand, and then we will reach 100 per cent certified product range for all our own brands. The long-term goal is that all coffee, even the coffee that we purchase for our Private Label customers, will be certified.

### Valuable meeting-places

Meetings with customers and consumers give us valuable insights that contribute to our development. In Sweden, we meet our consumers at our coffee bars in Stockholm and Karlstad and at our mobile coffee bars all over the country. In UK, the Baltic countries, Norway and Finland, we also meet consumers at our mobile coffee bars, where we invite people to talk about coffee and sustainability. We have for many years been the meeting point for coffee at festivals all over Denmark. This year, many festivals were cancelled due to Covid-19, which gave us a reason to develop new mobile concepts.

### Cooperation drives development

A lot of our sustainability work is undertaken in co-operation with others: customers, consumers and organisations. Together, we develop products, services and activities with focus on sustainability.

It includes developing more climate-smart packaging, an area where we have made much progress this last year. ►

## CUSTOMERS

► The work is made easier by cooperative customers like Circle K, which we deliver coffee to on several markets in Europe, as well as Benugo and Dunelm in the UK. By replacing fossil materials with plant-based ones, the climate effect of the packaging reduces significantly.

We also carry out development projects together with customers. COMSA is one example. Together with Nordic Choice Hotels and Compass Group in Sweden, we improved the possibilities for female coffee farmers in Honduras. The farmers get additional economic backup and training to stimulate a conversion to organic production and other things that make it possible for them to develop their business and improve their income. The project also resulted in a specially produced coffee that Nordic Choice Hotels and Compass Group served their guests.

Increasing the knowledge about certifications and their positive effects is also something we do together with customers. This year, we worked together with Burger King in Norway to communicate the effects of them serving organic and Fairtrade certified coffee to their customers. That an area equivalent to 15 football fields has been converted to organic production was one example.

Through cooperation, we also focus on issues regarding equal value for all. Together with the Rainbow Foundation in Sweden and Copenhagen Pride in Denmark, we launched Equality Coffee as a starting point for a dialogue about love and inclusion. For every sold package, we donate DKK/SEK 1 to each organisation.

### Strong sustainability profile

We carry out and participate in several surveys and rankings to keep us updated on how customers and consumers perceive and evaluate us from a perspective of sustainability. The results show that our brands have a strong sustainability profile.

The Danish consumers see Peter Larsen Kaffe as Denmark's most sustainable coffee brand, and in the UK, Percol is continuously strengthening its sustainability profile. In both Sweden and Finland, Löffbergs is in the top when the retail industry ranks their suppliers of hot beverages when it comes to sustainability, and in the absolute top of all suppliers in all categories.

Another acknowledgement that we live up to the high quality and sustainability requirements is the fact that several international brands with high demands have chosen us as their partner. McDonald's, IKEA and Sodexo are some examples.



# ABOUT THE REPORT



## ABOUT THE REPORT



**This is our ninth annual sustainability report, and it concerns the financial year from 1 July 2019 to 30 June 2020. We report on our efforts to achieve a sustainable development together with customers, consumers, suppliers and others.**

Data for key performance disclosures and statistics is gathered from our internal business systems. No external audit of the report has been performed. However, our business is regularly audited by external auditors through our participation in environmental, quality and food safety certification programs. As members of the Hoga Initiative climate network, we also receive external support for quality assurance regarding climate data.

### **Reflecting what's most important**

The content of this report reflects what's of most importance for our business, which we have identified through internal and external dialogues, analyses and surveys. We use GRI Standards, Core level, to ensure that the report is relevant and captures what is most important.



## ABOUT THE REPORT

The table below presents an overview of the prioritized risks and areas within sustainability, from bean to cup.

PART OF VALUE CHAIN	SUSTAINABILITY IMPACT & RISKS
Sourcing - Coffee farming	Climate impact and adaptation. Biodiversity, deforestation and protection of nature. Sustainable coffee cultivation. Livelihood of coffee farmers. Community investments (farming methods, training). Social conditions, respect for human rights (high-risk countries).
Processing	Energy-efficiency, renewable energy sources. Transports and logistics. Packaging material and innovation. Waste. Environmental compliance (water, emissions, noise).
Workplace - Employees	Working conditions. Health and safety. Equality and Diversity. Values and leadership. Business ethics and Anti-corruption.
Marketing & Sales - Customers	Knowledge sharing and demand for certified coffee and labelled products. Sustainable added values, business partnerships.
Consumption - Consumers	Knowledge and demand for certified coffee. Reduce food waste.
Community engagement - local society	Social sponsoring and local community engagement/investments. Tax contribution. Policy contribution and influence (through networking and debate).

The knowledge of the sustainability challenges we face is under continuous development. Except materiality analyses and GRI, we also take Agenda 2030 and the global goals for sustainable development into consideration as well as the the legal requirement on sustainability reporting.

### The entire value chain

Our business affects the entire value chain in one way or another. The climate changes and the next generation’s coffee farmers are two important sustainability challenges that we face together with others in the farming stage and the consumer stage.

The materiality analysis also indicated increasing significance of some matters, for example packaging material and the conversion from fossil to plant-based as well as the circular economy without any waste, where what was previously regarded as waste now is seen as the beginning of something new.



**If you have any questions or thoughts, please get in touch.**

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# GRI INDEX

## GENERAL DISCLOSURES

GRI 102 (2016)	Organisational Profile	Comment	Page
102-1	Name of the organisation		1
102-2	Activities, brands, products, and services		10-13, 17
102-3	Location of headquarters		13
102-4	Countries of operation		18
102-5	Ownership and legal structure		12, 17,
102-6	Markets served		17-18
102-7	Scale of the organisation		17-19
102-8	Information on employees and other workers	Reported data include permanent employees, staffing based employees and temporary employees on all markets. Data reported is based on the status per 2020-08-31.	66-68
102-9	Supply chain		71-76
102-10	Significant changes to the organisation and its supply chain	The Norwegian micro roaster Crema was disposed of. Four business areas became three, where Ready To now is part of Retail.	
102-11	Precautionary Principle or approach	The precautionary principle is integrated in our approach for sustainable business development. It is a part of our ISO 14001-certified environment management system, and included in our processes for assessing and evaluating product and operations changes and development.	
102-12	External initiatives		19, 32-33, 75
102-13	Membership of organisations		36
<b>Strategy</b>			
102-14	Statement from senior decision makers		8
102-15	Key impacts, risks, and opportunities		31, 65, 70, 76, 82, 86-87
<b>Ethics and Integrity</b>			
102-16	Values, principles, standards, and norms of behaviour		20-21, 24-28

<b>Governance</b>			
102-18	Governance structure		11-12, 18-19
<b>Communication and Stakeholder engagement</b>			
102-40	List of stakeholder groups		20-21
102-41	Collective bargaining agreements	100 per cent of the employees in Sweden.	
102-42	Identifying and selecting stakeholders		20-21
102-43	Approach to stakeholder engagement		20-21
102-44	Key topics and concerns raised	Working conditions in our supply chain, renewable and fossil-free packaging materials, food waste and gender/equality are subjects we have been discussing internally and externally during the year.	20-21
<b>Reporting practice</b>			
102-45	Entities included in the consolidated financial statements		18-19
102-46	Defining report content and topic boundaries		86-87
102-47	List of material topics		86-87
102-48	Restatements of information	No such changes	86-87
102-49	Changes in reporting		86-87
102-50	Reporting practice	2019/2020	86-87
102-51	Date of most recent report	November, 2019	86-87
102-52	Reporting cycle	Annual	86-87
102-53	Contact point for questions		87
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.	
102-55	GRI INDEX		88-89
102-56	External assurance	No	86

## SPECIFIC DISCLOSURES

ECONOMIC				
GRI 201 (2016)	Economic Performance	Boundaries	Comment	Page number(s)
103-1, 2, 3	Management Approach			22, 32,
201-1	Economic value generated and distributed			32
201-2	Financial implications and other risks and opportunities due to climate change	Supply Chain		70-76
GRI 203 (2016) Indirect Economic Impacts				
103-1, 2, 3	Management Approach			31-32
203-2	Significant indirect economic impacts	Supply Chain		33, 70-76
Food Proc. Sector Supplement Sourcing and Procurement Principles				
103-1, 2, 3	Management Approach			22, 72-75, 77-82
G4-FP2	Percentage of purchased volume which is verified as being in accordance	Supply Chain		74
GRI 205 (2016) Anti-corruption				
103-1, 2, 3	Management Approach			32, 68
205-2	Communication and training about anti-corruption policies and procedures	Supply Chain		32, 68
205-3	No reported cases during the year.			
ENVIRONMENTAL				
GRI 301 (2016) Materials				
103-1, 2, 3	Management Approach			78-81
301-1	Materials used by weight or volume	Production		78-81
301-2	Recycled input materials used	Production		78-81
GRI 302 (2016) Energy				
103-1, 2, 3	Management Approach			76-77
302-1	Energy consumption within the organisation	Löfberg's facilities in Karlstad, Viborg and Riga		80-81
302-3	Energy intensity	Löfberg's facilities in Karlstad, Viborg and Riga		80-81
302-4	Reduction of energy consumption	Löfberg's facilities in Karlstad	Decrease regards the premises in Karlstad, which stand for 93 per cent of the production.	80-81
GRI 305 (2016) Emissions				
103-1, 2, 3	Management Approach			79-81
305-1	Direct (Scope 1) greenhouse gas emissions	Löfberg's facilities in Sweden and production in Denmark.		80-81
305-2	Indirect (Scope 2) greenhouse gas emissions	Löfberg's facilities in Sweden and production in Denmark.		80-81
305-3	Other indirect (Scope 3) greenhouse gas emissions	Business travel in Sweden.		79-81

305-5	Reduction of greenhouse gas emissions	Supply Chain		79-81
GRI 306 (2016) Waste				
103-1, 2, 3	Management Approach			79-80
306-2	Waste by type and disposal method	Premises in Karlstad, which stand for 93 per cent of the production		79-80
GRI 307 (2016) Environmental Compliance				
103-1, 2, 3	Management Approach			32
307-1	Non-compliance with environmental laws and regulations	Premises in Karlstad, which stand for 93 per cent of the production	No reported cases during the year.	
GRI 308 (2016) Supplier Environmental Assessment				
103-1, 2, 3	Management Approach			70-75
308-1	New suppliers that were screened using environmental criteria			73-74
308-2	Negative environmental impacts in the supply chain and actions taken	Supply Chain		70-75
SOCIAL				
GRI 403 (2016) Occupational Health and Safety				
103-1, 2, 3	Management Approach			66-68
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities			66
GRI 404 (2016) Training and Education				
103-1, 2, 3	Management Approach			66-68
404-3	Percentage of employees receiving regular performance and career development reviews			66-68
GRI 405 (2016) Diversity and Equal Opportunity				
103-1, 2, 3	Management Approach			66-68
405-1	Diversity of governance bodies and employees			11, 66-68
GRI 412 (2016) Human Rights Assessment				
103-1, 2, 3	Management Approach			30, 68, 72-73
412-2	Employee training on human rights policies or procedures			66-68
GRI 414 (2016) Supplier Environmental Assessment				
103-1, 2, 3	Management Approach			32, 37, 72-73
414-1	New suppliers that were screened using environmental criteria			72-73
414-2	Negative environmental impacts in the supply chain and actions taken	Supply Chain		72-73
Food Proc. Sector Supplement Customer Health and Safety				
103-1, 2, 3	Management Approach			32, 37
G4-FP5	Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards.			37

# LÖFBERGS



*Peter Larsen  
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