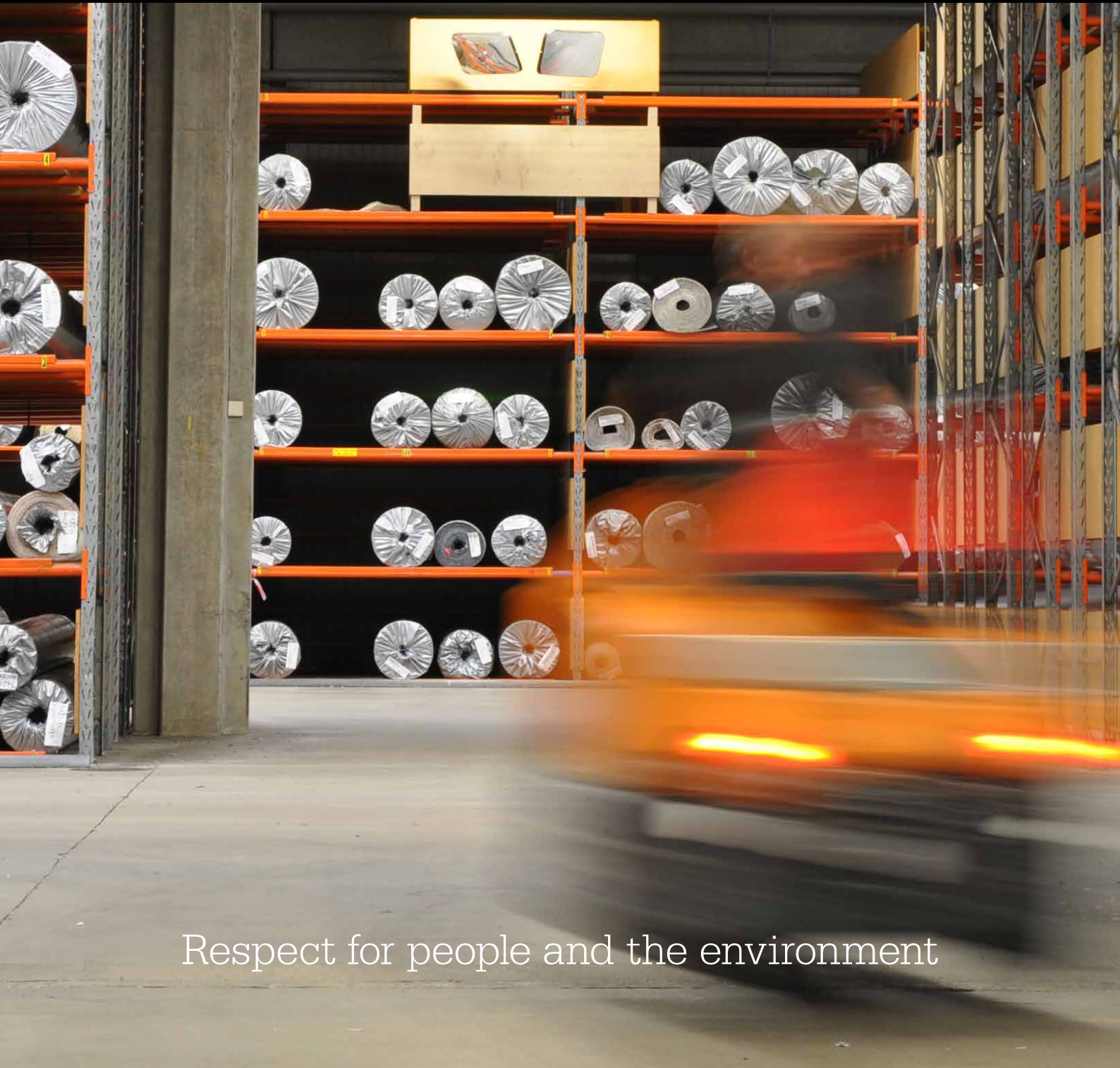


CSR REPORT

2011/2012



Respect for people and the environment

ege[®]

we create more than carpets

About egetæpper and the CSR report

It is our pleasure to introduce the new Corporate Social Responsibility (CSR) report from ege. The report gives comprehensive insight into CSR activities at ege in the financial year from 1 May 2011 to 30 April 2012.

CSR is all about how we as a company take responsibility for how we impact our world. At ege we aim to achieve a natural balance between our actions to protect people and the environment, while also taking economic factors into account. In this way we strive not only to run our business but also to preserve the planet for future generations.

This means that we define ege's CSR activities as our contribution to a sustainable society now and in the future. We have chosen to concentrate our efforts in three focus areas which we believe are important: environment, employees, safety & health.

This report presents results for the financial year within each of these focus areas. The report is primarily based

on conditions at our three factories at Herning, Gram and Vejle in Denmark. The data on CO₂ emissions also includes our subsidiaries and Bentzon Carpets ApS, where we have a 51% shareholding. In the long term, we intend to fully integrate data from Bentzon Carpets and our subsidiaries into the CSR report.

The CSR report has not been verified by a third party. Nevertheless, the report is the result of comprehensive efforts to collect and internally verify the information presented. All environmental data from Herning, Gram and Vejle is verified by Bureau Veritas Certification in connection with the preparation of our annual Environmental Report.

We have chosen to report in accordance with the Global Reporting Initiative (GRI), level C, although we have doubled the number of indicators.

Report Application Level		C	C+	B	B+	A	A+
Standard Disclosures	G3 Profile Disclosures OUTPUT	Report on: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15	Report Externally Assured	Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5 - 4.13, 4.16 - 4.17	Report Externally Assured	Same as requirement for Level B.	
	G3 Management Approach Disclosures OUTPUT	Not required.		Management Approach Disclosures for each Indicator category.		Management Approach disclosed for each Indicator category.	
	G3 Performance Indicators & Sector Supplement Performance Indicators OUTPUT	Report on a minimum of 10 performance Indicators, including at least one from each of: social, economic and environment.		Report on a minimum of 20 performance Indicators, at least one from each of: economic, environment, human rights, labor, society, product responsibility.		Respond on each core G3 and Sector Supplement* indicator with due regard to the materiality Principle by either: a) reporting on the indicator or b) explaining the reason for its omission.	
*Sector supplement in final version							

If you have questions about the contents of this report, please contact:
 Quality and Environmental Manager Jan Ladefoged, E-mail: jlj@ege.dk, Tel.: +45 97 11 88 11
 CSR-reporter Dorthe Kallestrup, E-mail: dak@ege.dk, Tel.: +45 97 11 88 11



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Profile

In 1938, Mads Eg Damgaard founded egetæpper, which is today one of Europe's largest manufacturers of textile floorings. Mads Eg Damgaard was a visionary man. His philosophy was uncompromising: he used only the latest and most advanced technology in carpet production and he was not afraid to challenge convention. His philosophy survives at ege. We still believe that quality and the ability to supply ground-breaking design is the way ahead for ege.

ege's vision

We wish to be the trend-setting supplier to the most demanding sectors of the market.

ege's mission

Our mission is to design high-quality carpets with respect for people and the environment.

Activities

egetæpper a/s became a stock exchange listed company in 1985. The group's primary activities are the production and sale of tufted carpets for the contract and domestic markets. We produce 30 different standard carpet products and 13 carpet tile products for the contract market, as well as 21 standard domestic products, for which we use advanced technology to produce in a multitude of colours and patterns. This year we produced 3,183,228 m² of carpet in Herning and 2,259,186 m² in Gram. This gives a total production of 5,442,414 m² of carpet.

Until recently, production has taken place at three factories in Denmark.

Vejle: Production and sale of yarns for the carpet industry

Herning: Development, production and sale of tufted and woven carpets

Gram: Production of tufted and woven carpets

The factory in Vejle is now in a decommissioning process and the production of synthetic fibres and polyamide yarns has been outsourced. In future, production of wool yarns will take place in Lithuania, where ege has recently acquired a yarn spinning mill, UAB Litspin.

We also purchase undyed flat-woven ground tissue

from Bentzon Carpets, which we then dye, provide with backing and resell.

ege also exploits the benefits of outsourcing some maintenance work, including cleaning and facilities maintenance (outdoor areas and office plants).

Markets

In addition to the factories in Denmark, the ege Group includes subsidiaries in a number of countries, which are our principle markets:

- Denmark
- France
- Germany
- Norway
- Sweden
- United Kingdom
- China
- The United Arab Emirates

We have greatest potential in the contract market, where we sell to five different segments:

- hotels
- offices
- healthcare sector
- institutions
- transport sector.

Within these segments, our typical clients are:

- hotels
- restaurants
- retail stores
- offices – public and private
- airports
- schools and other institutions
- hospitals
- nursing homes
- shipyards and train factories

In the domestic carpet market, ege concentrates its efforts in Denmark and Sweden. Our customers are mainly retail flooring chains (Garant and Biva/Tæppe-land in Denmark and Golvkedjan AB in Sweden) and independent carpet retailers.

ege's sales organisation takes care of carpet sales from the main office in Herning and through our eight



Tufting department in Herning

subsidiary companies, and agents/distributors in 50 countries. We also undertake outsourced production for other suppliers in the industry.

Significant changes

On 1 August 2011 ege founded a subsidiary company in Shanghai, China. The company functions as a sales organisation for China and as a service organ for the rest of Asia. The subsidiary currently employs 5.

In December 2011 the Board of Directors at ege decided to close the factory in Vejle. The decision was made on the background of falling production since 2008, i.e. a reduction of more than 25% due to the fact that we now produce less carpet ourselves and therefore use less yarn. The yarns we produce are more costly than those of our competitors' because we produce the unique, off-white quality we use to make our own carpets. Most carpet manufacturers use pre-dyed yarns that do not require top-quality wool. As we dye our carpets after tufting, we require clean, white yarn. In short, our carpets are more costly to produce.

The closure of the Vejle factory meant redundancy for 57 employees in Vejle. An initial group of employees was given notice of termination with effect from February 2012 and the final group's contracts terminated with effect from June 2012. Thirteen employees have been transferred to jobs elsewhere in the ege Group and a further four employees are still working in Vejle.

Parallel with the closure of the Vejle factory, ege has acquired the UAB Litspin factory in Lithuania, which produces wool yarns, both for ege and for resale. The

production of polyamide yarns is now outsourced to a supplier in Slovakia. These structural changes are expected to save ege a total of DKK 10 million each year.

Awards won in the reporting period

We have won no awards in this financial year.

Openness

In general, ege has a declared intention to maintain a high level of information for stakeholders and employees on development and activities in the Group. We therefore publish quarterly newsletters, and half-yearly and annual reports. The Annual Report 2011/2012 provides information on ege's management organisation, financial results, assets, ownership, net sales and total capital value, etc. We also publish an annual Environmental Report and an annual Greenhouse Gas Account. These reports include factual information about the Group's environmental activities. As a supplement to these reports, we also publish our CSR Report, a mandatory annual report, and 'Green Thinking' – a report that covers all our environmental initiatives and labelling schemes, including focus on soft values.

We expect the CSR Report to be of particular interest to our employees at all levels, end-users of our products, architects, designers, schools of architecture/design, trade magazines, the Danish Environmental Protection Agency, the EU, the ege Foundation, the ege Board of Directors, suppliers and others.

All our reports and updates are available to the public via our website: www.egecarpets.com.

A company on the move

The last year has been a period of change at ege, in which financial and social challenges in particular have played a major role.

We have taken an important step and have decided to adjust and upgrade ege's business strategy. In this connection, we have established three values, Design – Quality – Respect, which in future will be the cornerstones of everything we do. At the same time, we have reformulated the ege mission to express that respect for people and the environment is deeply rooted in the way we run our business. CSR has thus become even more evident in our way of working, internally and externally, and we are pleased and proud to have achieved this.

Another major step was the closure of the factory in Vejle, which means that we have had to bid farewell to many committed employees who have worked at ege for years. It is sad and regrettable that we are no longer able to employ these hard-working employees. We have done our utmost to help them on their way. They were given prolonged periods of notice and offered a two-week training course with pay during the transitional period. We have also compiled a preference list which will ensure that in future people previously employed at ege will be given priority when they apply for jobs advertised by the ege Group.

The closure of the Vejle factory and acquisition of the factory in Lithuania has brought us into a new era. For the first time in our history, ege will produce outside Denmark. This opens up for new financial, social and environmental opportunities and challenges.

The factory, UAB Litspin, is ten years old and currently employs 46. The factory produces good quality products but on obsolete machinery. We plan to refurbish and expand the factory to accommodate the machinery from Vejle. The process of transferring wool production from Denmark to Lithuania is not especially difficult. The major challenge for ege will be to implement our stringent standards at the factory, introducing ISO systems and environmental certification. We will be working on this process parallel with implementation of the new machinery at the factory. Another important challenge for ege will be to learn how to navigate

successfully in Lithuanian culture and social structures. We will have to show respect for the Lithuanian way of doing things and, at the same time, we will have to make it clear that we are not willing to compromise on the principles of the UN Global Compact, the Dansk Mode & Textil's Code of Conduct and ege's own values, policies and business strategy. This will be an interesting process, the result of which we hope will be a fully operational factory and production in Lithuania in 2013.

For the employees at UAB Litspin, the acquisition is very good news. The factory's employees' hours have been reduced for some time. However, the acquisition by ege means that all employees have now returned to full-time employment. We hope to keep them on full-time, although we will not know whether this is possible until the machinery from Vejle is implemented.

Our work with CSR is continuing in accordance with the UN Global Compact and the Dansk Mode & Textil's Code of Conduct, which we joined in 2010. We have decided to concentrate our efforts in three focus areas, which we believe are important: environment, employees, safety & health.

We believe that our environmental responsibilities extend far beyond general legal requirements. For many years now we have striven consistently to reduce our impact on the environment. In 1996, we commenced the implementation of ISO 14001 and EMAS at the Group's three factories in Herning, Gram and Vejle. The rigorous requirements specified in these environmental management systems help us to ensure that the environmental impacts of our production and products are as low as possible. We are also committed to continually reducing our environmental impacts as much as possible.

A company is worth nothing without its employees. So we have a declared aim to take good care of our employees. To do this, we ensure that the working environment is good by working with the working environment management system DS/OHSAS 18001, which we implemented in 2006. The objective of the system is to monitor and minimise risks related to safety and health. Moreover, we offer our employees a number of

services and benefits that help make ege an attractive workplace for current and potential employees.

Within the company, we conduct a number of activities that are intended to promote the health and safety of our employees at the three factories, including safety inspections and workplace assessments, and by offering healthcare insurance, physiotherapy and healthy canteen meals. We also have intense focus on safety and health issues in connection with our products. To document this, we actively use a large number of labelling schemes, all of which indicate what effect ege products have on the environment, health and safety. These are BRE, the CE marking scheme, the Danish Indoor Climate Label, LEED, INSTA 800, IMO and the Swedish Construction Products Declarations BVD3 and BVB.

ege's declared CSR objective is to contribute to a more sustainable world by continually striving to improve how we deal with environmental, social and financial challenges, for the benefit of future generations. In the past year we have been preoccupied especially with social and financial issues, although this does not mean that we have down-prioritised the environment. All in all, we feel that we are still moving in the right direction. We are ready to meet the future, equipped with new values and a new strategy, which will ensure even greater focus on CSR-related issues in the ege Group – and this is an excellent point of departure for the continuation of this work.

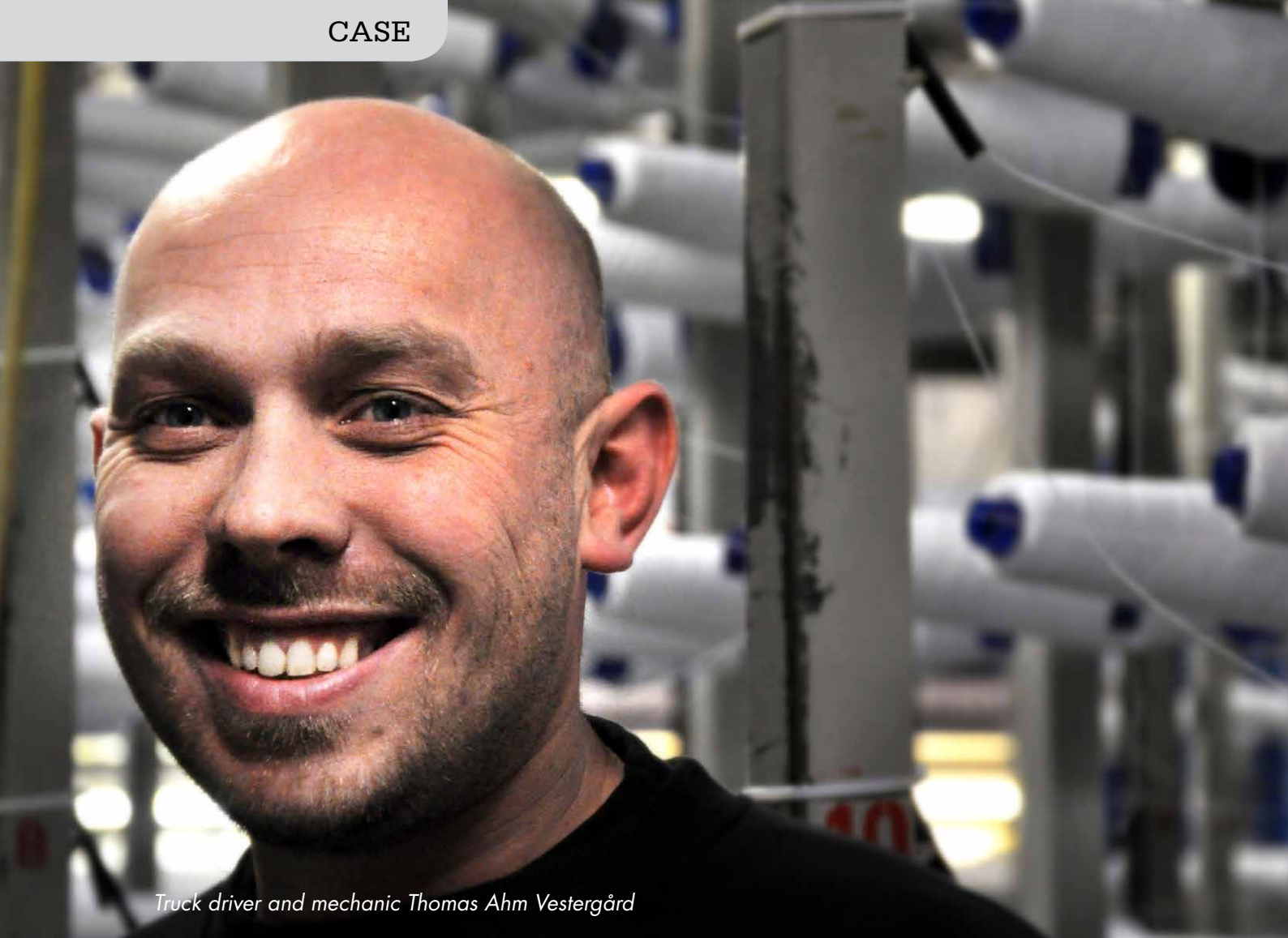
Herning, Denmark, 1 August 2012



Svend Aage Færch Nielsen
CEO



John Vestergaard
CFO



Truck driver and mechanic Thomas Ahm Vestergård

We focus on education

Spelling and reading were never 34-year-old Thomas Vestergård Ahm's strongest subjects. However, thanks to an intensive Danish course at ege, he has come to terms with his insecurities. He has gained new confidence, the courage to meet new challenges and is happier with his job. Thomas is just one of a total of just over 40 ege employees who took part in a Danish course at the factory.

"I work as a truck driver and mechanic at ege, and I am responsible for maintenance of all the vehicles at the factory. I read and write notes in a service programme on my work station. However, I find it difficult if I have to write something down or send an E-mail to a colleague," explains Thomas Vestergård Ahm.

With his colleagues, one day a week for 13 weeks Thomas switched from the workshop to the classroom

to improve his reading and writing skills. The project was run in partnership with Netværkslokomotivet (an organisation dedicated to help workers improve their skills). The results are quite unmistakable.

"I spell better now and the course has helped me untie a few knots. I have more self-confidence and I am not as unsure of myself now when I have to write something down. Before the course, I would only write something if I was sure it was 100% correct. Now I don't mind if I make a mistake," he says.

We believe that our commitment to education gives us better motivated employees and boosts team spirit at the workplace. Both are important parameters in creating job satisfaction and improving our competitiveness.

Organisational anchorage

The ege's Strategy Group is responsible for the overall corporate strategy. The Strategy Group, comprising both ege chief executives, the management team and selected employees, resolved in May 2009 to form a CSR steering committee with responsibility for developing ege's CSR strategy. Under the leadership of Quality and Environmental Manager Jan Ladefoged, the CSR steering committee has, among other things, published the CSR Report, as well as a number of initiatives in the defined CSR focus areas. The work of the group is presented regularly to the Strategy Group, which has made CSR a central and visible element in ege's business strategy.

Stakeholders' role and importance for ege

The ege stakeholder group comprises: current and potential employees, end-users, flooring contractors, architects and designers, alliance partners, educational institutions, trade unions, the media, the authorities, shareholders/owners, NGOs, trade organisations and suppliers of products, services and plant.

Open dialogue with the company's stakeholders is one of the cornerstones of the ege management philosophy. We therefore maintain continuous dialogue with clients, suppliers, employees, the authorities and other stakeholders.

In 2011 in partnership with an external research bureau, we carried out a major international study in our six most important markets; Denmark, Norway, Sweden, the UK, Germany and France. The objectives of the survey were to create a reliable picture of the markets in which we work, partly to examine whether our own view of the world is in line with reality and partly to gain knowledge and information to support future strategic decision-making in the following areas:

- product design and development
- product portfolio
- marketing strategy
- planning and adapting sales focus.

On all six markets, the respondents were architects, interior designers and carpet fitters, who exercise either partial or full influence on decisions to purchase floor coverings.

A total of 1,350 interviews were carried out, half of them with respondents listed in our own database and half of them from databases, which we paid to access.

In the survey, more than 70% of respondents expressed great satisfaction with ege, which is considered a high score. The three parameters which the respondents considered best describe ege are:

- reliability
- quality
- flexibility.

According to the survey, respondents believe that reliability, quality and product design are the most important parameters in making a decision to buy a carpet. This means that there is close correlation between the parameters that best describe ege and the factors that are most important to respondents when they buy a carpet.

The survey indicates that the two areas where ege would gain most by improving are support/service and reliability. We have therefore initiated a process to improve the level of service. This will include training courses for all employees who are in direct contact with customers, and each department will be asked to define what our values, Design – Quality – Respect, mean for the individual department's work. The national results of the survey have also been presented to the individual subsidiaries who will work on these at the national level.

Results

Environment

The environment has been important to ege for many years. Our environmental policy is designed to prevent and reduce the environmental impacts of production, use and disposal of our products. We achieve this via focused activities and by persistently setting environmental objectives that are based on the following policies.

We will

- develop products that have least possible environmental impact
- perform environmental assessments of raw materials
- produce our products in a way that ensures best possible use of all resources
- continually prevent and reduce environmental impacts and waste production
- ensure responsible waste disposal
- train and motivate employees to work in an environmentally responsible way
- promote dialogue between management and employees
- inform users of our products of their environmental impact via product declarations
- encourage openness and dialogue between the company and the general public
- meet legal, official and other requirements pertaining to the environment in general and the working environment in particular
- prepare an environmental report containing environmental policies and objectives

ISO 14001

At ege we believe that our environmental responsibilities extend far beyond general legal requirements. Therefore, in 1996, we implemented ISO 14001 at the factory in Herning, followed by Gram in 1997 and Vejle in 2003. ISO 14001 is one of the environmental management standards most frequently used in the world today. To achieve certification, a company must meet a number of different requirements related to envi-

ronmental policy, planning, implementation and execution, control and remedial action, and management review. The system thus obliges us to closely monitor all areas in which our activities have an impact on the environment, and this helps us to continually improve and prevent by setting new objectives.

EMAS

EMAS is an EU directive formulated for the purpose of promoting environmental initiatives in all types of companies. EMAS takes the requirements in ISO 14001 a step further, as the EMAS requirements for improved environmental activities include employee involvement, verification of compliance with applicable legislation and that environmental policy is communicated to stakeholders. EMAS is a direct response to some of the key principles of the EU's environmental action plans, and to the challenges we face in ensuring sustainable development. ege registered for EMAS verification in 1996 as we believe that EMAS improves the quality of our environmental management system. In addition to the ISO 14001 requirements, we are also required to prepare a detailed environmental report, which must be verified by an accredited verifier.

Greenhouse Gas Accounting

Since 2009 we have prepared a Greenhouse Gas Account for the ege Group. A Greenhouse Gas Account is a statement of the company's total emission of CO₂, and thereby also documentation of the Group's contribution to global warming. In 2011/2012 we emitted 14,405 tons of CO₂, corresponding to a 39,6% reduction relative to the base year.

Climate strategy

In 2011 we entered into a partnership with DONG Energy with a view to preparing a climate strategy for ege. The climate partnership is based on a belief that respect for the climate and good business can go hand in hand. The result is a climate strategy comprising a series of ambitious goals which will ensure that ege is an energy-efficient company, in which management and employees assume active responsibility for the climate.

In specific terms, DONG helps ege create an overview of the Group's energy consumption and the initia-

tives that can be introduced to optimise and reduce both consumption and CO₂ emissions. The goal is to reduce the company's CO₂ emissions by 20% by 2015, measured in the period from 2006/2007 to 2013/2014. A number of different energy-saving projects have been identified. These include:

- more recovery in production
- great focus on recycling by means of Cradle to Cradle certification
- promoting renewable energy

Half of the savings we achieve will be invested in renewable energy. We will also invest in renewable energy to offset energy consumption on our carpet tiles plant.

Within the company, we have put the climate strategy on the agenda when we train our sales force, introducing them to the contents of the strategy itself and teaching them how the climate strategy can help increase ege's reliability, and how they can guide customers to differentiate between greenwashing and real "green" choices.

CO₂ emissions related to carpet transportation

In the last CSR report we stated that we intended to calculate the environmental impact of transportation of our carpets from the factory to their final destination. During the past year, FORCE Technology has performed screening on our behalf, which indicates that transportation accounts in fact for only a very small part of ege's total CO₂ emissions. At the same time, we have not been able to find a useful model by which to calculate the total impact of transportation. For these reasons, the project is temporarily on hold.

Cradle to Cradle certification

In 2010 we entered into cooperation with EPEA Copenhagen ApS on initiating Cradle to Cradle® cer-

tification of selected carpet tiles. The certification essentially ensures that, instead of ending up as waste, our products can either become nutritional substances or be recycled to produce the next generation of products and raw materials. In the meantime, the process has taken longer than anticipated as our suppliers are unable to deliver the data we need to achieve certification.

We are also working with EPEA Copenhagen on development of a business model to show how ege can implement Cradle to Cradle principles in our production. This is an interesting process, in which there are many factors to consider. However, we expect to present some specific ideas during the coming financial year.

Animal welfare

ege uses sheep's wool in production of the yarns used to make carpets. The bulk of our wool is purchased from New Zealand and the remainder from the UK. Manufacturers in the textile industry often buy wool from sheep that have been subject to mulesing, i.e. that wool-bearing skin and hair is surgically removed from the animals' breech (buttocks) without prior anaesthesia. ege is strongly opposed to this practice. Dansk Mode & Textil has investigated the scope of mulesing and has concluded that mulesing is not used in connection with the production of wool for the carpet industry.

During 2011 we wrote to our wool suppliers in New Zealand to ensure that they meet the requirements stipulated in Dansk Mode & Textil's Code of Conduct, principle no. 11, which requires that sheep are fed, reared and put down with dignity and respect. All the suppliers have confirmed in writing that they meet these requirements and will continue to work in the future in accordance with principle no. 11 of the Code of Conduct.

Employees

Working environment

We are aware of our corporate social responsibility to our employees and we wish to make ege an attractive and pleasant workplace for our employees. The creation of a safe and healthy working environment is therefore an important element of our environmental policy. To achieve this, we work with the occupational health and safety management system DS/OHSAS 18001, which we implemented in Herning in 2006, and in Gram and Vejle in 2008.

DS/OHSAS 18001 is an international management tool for the working environment and health and safety, which aims to help companies manage and minimise health and safety risks. In order to achieve DS/OHSAS 18001 certification, we were obliged to document that the working environment at ege is both safe and healthy. We have therefore resolved all obvious and significant issues relating to the working environment, and we consistently seek to improve our efforts by revising our policies and setting new objectives for both the working environment and health and safety. The issues on which we currently focus are associated with the physical working environment and concern noise, dust, the indoor climate, space issues, lack of time, heavy lifting and draughts. The psychosocial working environment is assessed in regular workplace assessments.

Our working environment policy is:

- ensuring a sound and healthy working environment
- continuously improving working environment conditions
- working for inclusiveness and activities to promote health

One of our overall objectives is to ensure a safe and healthy working environment through close cooperation between company management and employees and, for this reason, we encourage active employee involvement. We have set up an interdisciplinary Occupational Health and Safety Committee which regularly investigates and assesses the need for activities that can help promote the well-being of our employees. For example, employees are offered weekly physiotherapy at the workplace, healthy and nutritional meals in the canteen and, in Herning, we have acquired a massage chair which employees can use whenever they need to. In addition, we have a number of interdisciplinary Occupational Health and Safety Groups charged with the task of resolving health and safety issues in the individual groups' areas of work.



Storage in Herning



Production worker Birunda Sinna

From the threat of diabetes to extra energy via KidsAid

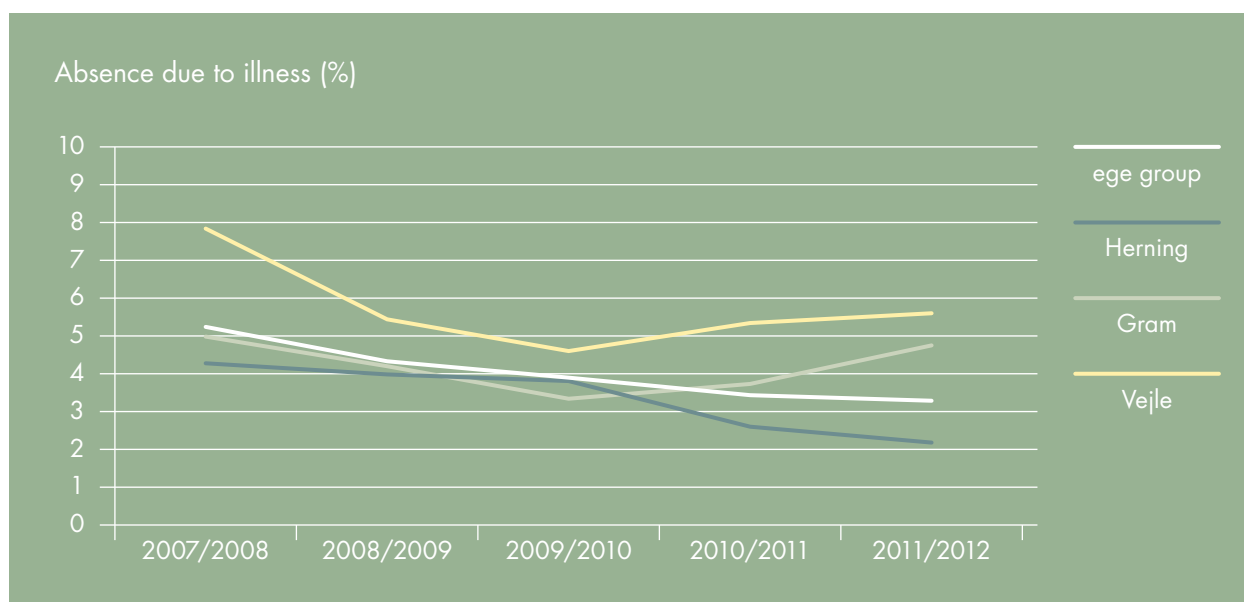
More than 160 employees and their families took part in training activities for a whole year - all in the name of charity. They travelled a total of 84,000 km and thus collected DKK 180,000 for the KidsAid Foundation. For many employees, getting exercise has made a big difference to their daily life.

One of them is Birunda Sinna, who works in ege production. "I didn't exercise at all before. I think about 20 years had passed since I had got any exercise. And it was plain to see. Just before the project started, my doctor told me that I risked Type 2 (adult-onset) diabetes. Not something I was pleased to hear. In fact it scared me," he explains.

Birunda enrolled for the LøbeAid running team and got off to a good start by joining a programme for beginners. "When the project started, I began to run just a short distance. For the first 3-4 months nothing much

happened and I didn't run many kilometers. During the winter months, all of a sudden I got my act together. I began to run more often and longer distances. I have gone from zero exercise to running about three times a week now, and I run 9 or 10 kilometers every time. Last week I ran 18 kilometers, which is something I have never done before. I now aim to run a half marathon. Who would have thought it?"

This spring Birunda went to see his doctor again. This time the doctor had great news. All Birunda's health figures had changed in the right direction. Today he no longer lives with the threat of diabetes. In fact his sugar levels are completely normal. The same applies to his cholesterol level. And the doctor's figures are not the only evidence of Birunda's healthy condition. His waist is far smaller. He had to make a couple of extra holes to tighten his belt.



Absence due to illness

The overall target for the Group is maximum 4% absence due to illness. With absence due to illness measured at 3.2% for the year, this target has been achieved. The best result was in Herning where absence due to illness is only 2.1%. The figure is now half the figure of five years ago. In Gram and Vejle, however, absence due to illness has increased. The increase in Vejle is undoubtedly linked to the closure of the factory and the insecurity felt by many of the employees facing redundancy. In Gram the increase is due to a coincidence of non-occupational long-term absences, such as life-threatening illnesses and operations on knee, elbow, etc.

Accommodating inclusiveness in the labour force

ege wishes to accommodate inclusiveness among its employees. For example, if an employee becomes ill or worn down, we find them alternative work or light duties. In 2011/2012 we had five employees employed under flexible employment schemes: two in Herning, two in Vejle and one in Gram. In addition, five employees in Herning are employed under the Danish Section 56 scheme, whereby the company can claim salary compensation from the municipal authority when an employee suffering from a chronic illness is absent due to this illness. The employees under the Section 56 scheme receive pay equivalent to the sickness benefit payment for the days they are absent due to their chronic illness.

Rights

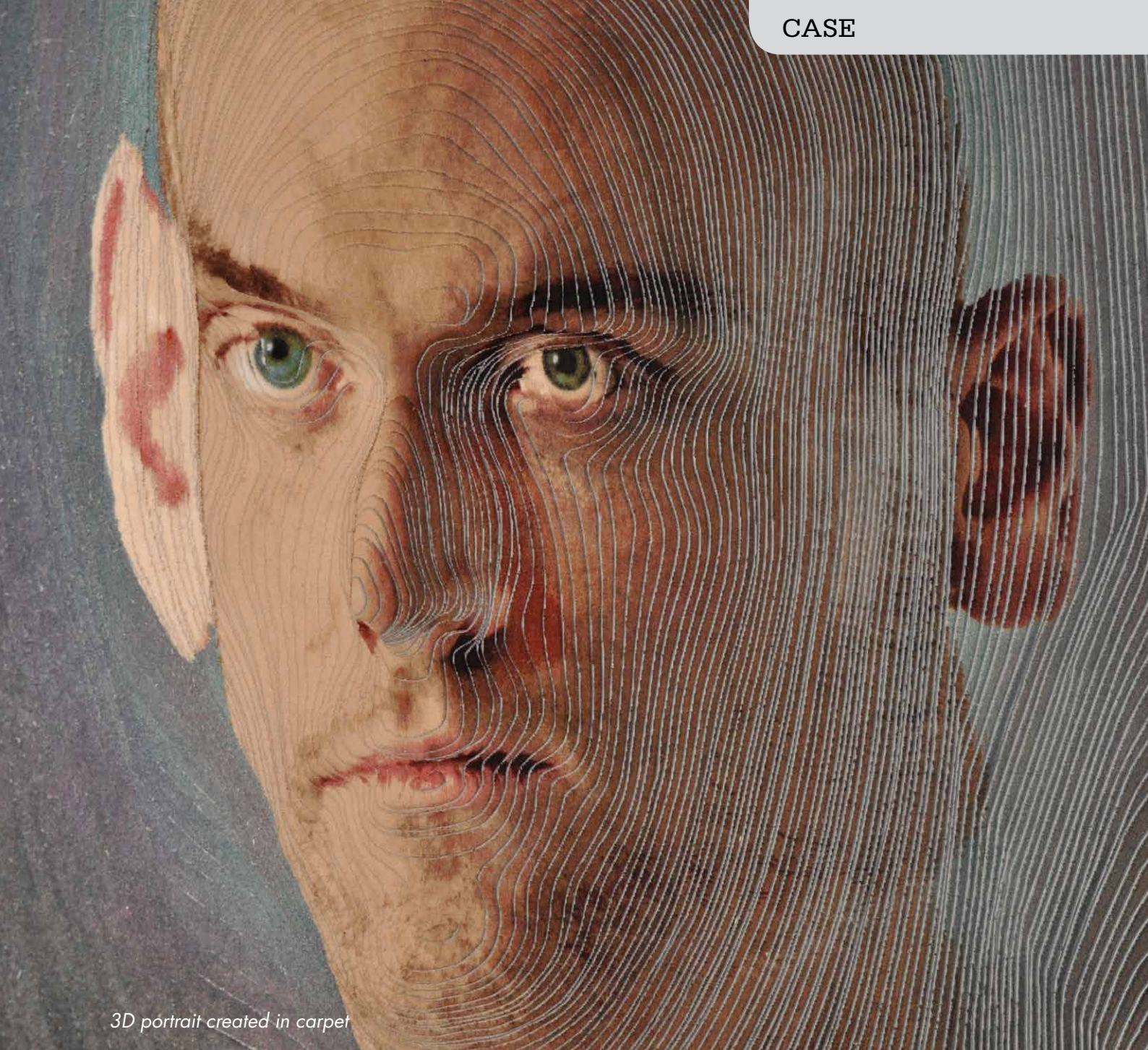
ege tæpper a/s is a member of the trade association Dansk Mode & Textil. In Herning, Gram and Vejle, the company complies with the respective collective bargaining agreements between DA (the Confederation of Danish Employers), 3F (United Federation of Danish Workers), Dansk Metal (Danish Metalworkers' Union), HK privat (commercial and clerical workers' union) and Teknisk Landsforbund (the Danish Association of Professional Technicians). We comply with these collective agreements where salaries, maternity/paternity and parental leave, industrial injury insurance, liability and accident insurance, terms of notice, etc. are concerned. In connection with closure of the factory in Vejle, we have deviated from the terms of notice stipulated in the collective agreements in order to give production employees a much longer period of notice than they were otherwise entitled to.

We offer all employee groups a 12% labour-market pension scheme, where ege pays a premium corresponding to 8% of the employee's salary and the employee pays 4%. The individual employee can elect to make additional pension contributions.

Supplementary education and training

In order to be seen as an attractive employer, ege must ensure that employees can do their work as well as possible, and give them opportunities to develop their competences. During the last year, ege has maintained

Continues at page 16



3D portrait created in carpet

Face to Face – an example of what ege can do

A 3D portrait created in carpet. At one of the world's largest furniture trade fairs in Milan in April, and in partnership with Brian Frandsen from Kolding School of Design, ege presented this impressive achievement.

Brian Frandsen sought to find new ways in which carpet can be used as a creative material. He decided to make a three-dimensional self-portrait in carpet. This very artistic installation combines more than 920 m²

of carpet in 250 layers. Face to Face, the installation's title, is intended to broaden people's horizons and to demonstrate how carpet can be used in hitherto unimaginable ways.

In Milan, the spectacular 3D effects took visitors by storm. The project presented not only a portrait of Brian Frandsen as designer and Kolding School of Design, but also ege's ability to create unique and spectacular carpet designs.

strong focus on staff training. The customary training courses and programmes for employees are now supplemented by three new training programmes of different kinds.

Uncompromising Service

In the wake of the major survey among our stakeholders, all employees who work in direct contact with customers took part in an internal training programme focusing on service and service optimisation. The primary objective of the programme was to discuss, improve and develop specific proposals for solutions and activities which individually and collectively can raise the level of service provided by ege to its customers. The programme also intended, via employees' involvement, to create a stronger sense of ownership for service and thus to improve ege's overall competitiveness.

The results of the Uncompromising Service programme were presented to management, which has subsequently decided to implement many of the ideas and proposals resulting from the training course.

ege Academy

To ensure that ege maintains a more uniform profile on our various markets, in spring 2012 we introduced an ambitious sales training programme to ensure that our sales force focus uniformly and are optimally equipped to represent ege in contact with our customers. This long-term and ambitious programme not only builds our sales representatives' personal skills but also helps create closer ties between the head office and the individual salesman, and between the sales forces in the different countries. The training also helps us identify particularly talented sales personnel and thus retain them in our organisation.

The training comprises two modules of up to six days' duration. Participants must pass the first module before they can proceed to the next. The first group of sales people completed Module 1 in April 2012.

Courses in spelling and reading

In spring 2011 all the employees in Herning were screened by Region Midtjylland (the regional authority) and KompetenceMidt (a competency project) in order to establish whether any of them would benefit from a course in spelling or reading. The objective was to improve employees' competencies and to equip them better to meet the requirements of the labour market of

the future. As a result of the screening, 26 employees elected to join a Danish course and 19 elected to join a course for dyslectics. They attended lessons one day a week for a period of 13 weeks and are now better equipped to write and read Danish. In addition to improving employees' Danish skills, the course has given them more self-confidence and boosted team spirit at the workplace. Dyslexia is no longer taboo at ege and there is now more openness about this disability. Finally, we evaluated how the individual participant can best be helped in his or her daily work, and we are currently investigating opportunities to implement relevant aids at the factory.

We followed up on the Danish course by sending a questionnaire to all employees, asking them whether they wanted to learn more Danish, mathematics or IT. There was most interest in IT. 43 employees have enrolled for an IT course. Danish and mathematics courses will also be held. Employees who have expressed a willingness to participate in training have been screened to establish their current level of knowledge. They will be offered training courses in the next financial year.

Employee benefits

There is more to an attractive workplace than the working environment and collective agreements. It is also important that we offer employees a wide-ranging package of benefits. Among the most important benefits at ege is the collective monthly bonus scheme, where the bonus depends on a variety of factors including revenue and production.

We also offer employees supplementary healthcare insurance via IF. The price is DKK 155 per month after tax and this insurance is offered to all employees. Employees can also choose to insure their spouse or partner and children.

Other benefits include: ege employees receive their normal salary during acute visits to their own doctor or acute treatment during working hours. Production workers are supplied with workwear shortly after starting work at ege. ege also offers staff associations, discounts (on fuel and paint, for example) and the opportunity to borrow a summer cottage on the island of Læsø.

Human rights

Until now we have paid no special attention to human

rights issues in our CSR activities because we have produced exclusively in Denmark, where workers' rights are very well protected by legislation and trade union membership. Furthermore, our DS/OHSAS 18001 work environment system ensures that ege's employees have a safe and healthy working environment.

With the acquisition of the yarn spinning mill in Lithuania however, we move outside Danish jurisdiction for the first time and into a market where human rights issues are more relevant. We are still at a very early stage of the process of establishing production in Lithuania, and it is too early to say what, if any, challenges we may have to face and how we will deal with them. At this stage, we wish to emphasise that we will of course comply with Lithuanian legislative requirements, and that employees at the factory belong to an organisation that works to achieve the best possible working conditions for its members.

Anti-corruption and bribery

In the UK, new legislation, the UK Bribery Act, came into force on 1 July 2011. The Act is intended to prevent corruption and bribery in all companies associated with the UK market, including Danish subsidiary companies based in the UK. The Act prohibits any form of corruption and bribery, regardless of scope, and levies heavy penalties on companies in breach of the Act. The penalties for engaging in bribery and failing to implement appropriate measures to prevent bribery include up to a 10-year prison sentence and fines equivalent to a seven-figure sum.

The passing of this law has in effect been the starting signal for us at ege to develop an anti-corruption and bribery policy at the company and to introduce a whistleblower scheme, which in future will ensure that any serious irregularities will come to light so that we can take steps to eliminate them. These initiatives are in line with our UN Global Compact obligation to work actively to prevent corruption.

This policy is still in preparation but is expected to be completed and implemented during 2012. It will contain a description of ege's attitude to corruption, including examples of the kinds of actions we condone and those we do not. Employees, agents, distributors and subsidiaries will be informed of the policy, to which they will be subject. At the same time, we will set up a function via our website that will make it possible to

report illegal activities with relevance to the company to an external partner, who will ensure that such possible cases are dealt with in an appropriate way. Our external partner will ensure that whistleblowers remain anonymous.

Charity work

In Herning we have worked with the KidsAid Foundation since 2011. The foundation's main objective is to support sick children in Denmark. In connection with the project "Around the World for KidsAid" from March 2011 until March 2012, we put focus on our Herning employees' health by donating DKK 1 to KidsAid for every kilometre our employees walked, ran or cycled. Training groups were formed, many employees took part in training sessions in the evenings, and a variety of activities were organised, including cycle races and relay events. During the year, the employees travelled a total distance of 84,000 km. ege organised other events so the total donation to the KidsAid Foundation was DKK 180,000. The donation was passed on to the Children's Ward at Regionshospitalet Herning where it has funded new initiatives including wall decorations with animal figures made of carpet and new furniture in several different rooms at the hospital. The project has also brought together people from the different departments in Herning and created team spirit in the various training groups. At the same time, many employees have gained personal benefits as they are fitter and healthier, and have more energy.

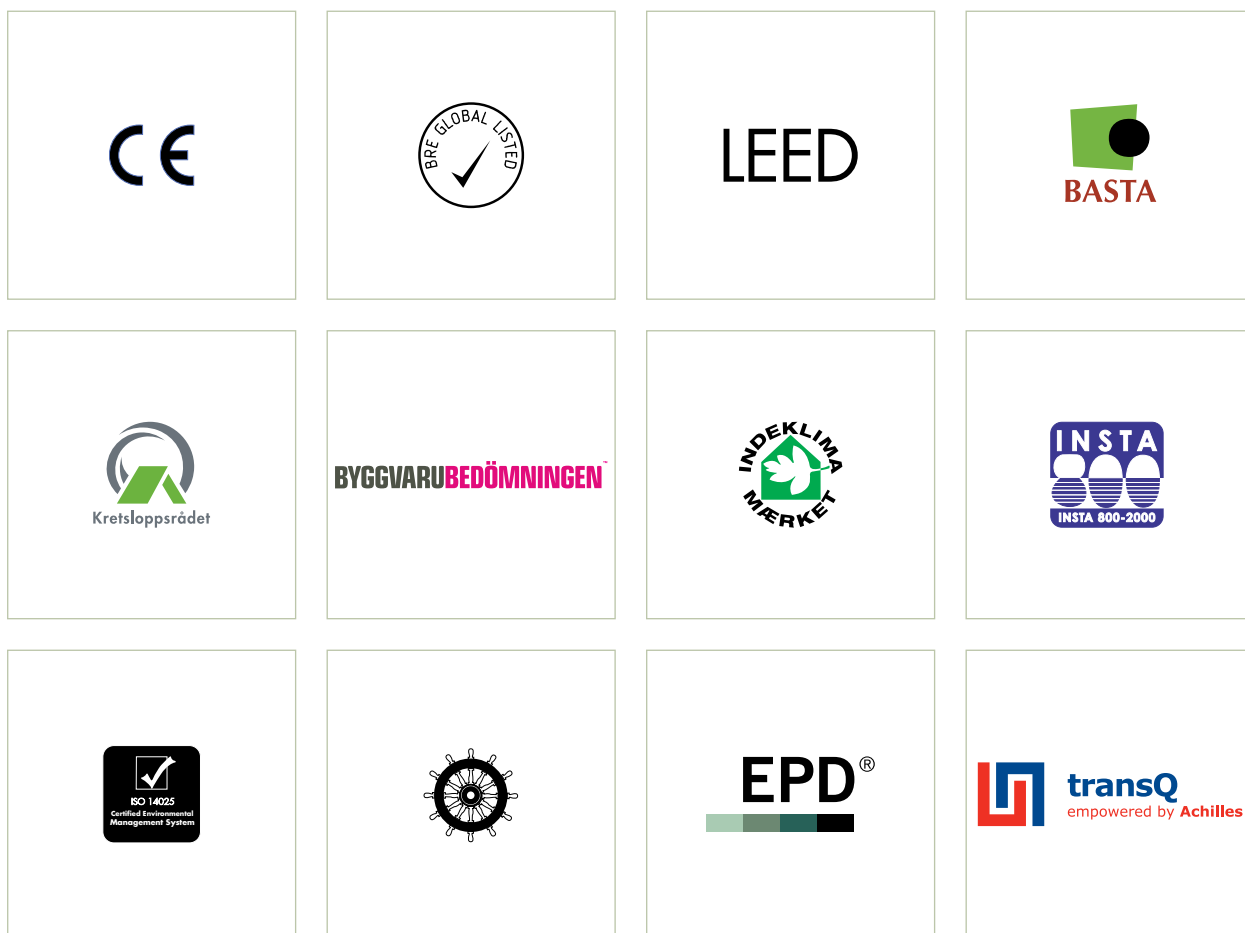
In the new financial year we will continue to support KidsAid; this time we will donate a fixed sum for each employee and participating family members who enrol in different training events. The sum has not yet been determined. The 2012/2013 donation will be passed via KidsAid to the Danish Julemærkehjem (Christmas Seal Houses). And this time the project will include employees in both Herning and Gram, and their families.

"Ege Foundation - the Vibeke og Mads Eg Damgaard Foundation" also makes annual donations to deserving causes. The foundation's capital derives from the yields on egetæpper a/s shares. Annually, approximately DKK 2 million is paid out from the Ege Foundation. The money is donated to local charities, such as contributions to Den Jyske Sangskole (The Jutland School of Singing), the HEART art museum, the international department of Ikast-Brande Gymnasium (high school), Ikast parish council and the KFUM scouts in Snejbjerg.

Health and safety

We believe that health and safety is a matter of producing carpets that contribute to a safe and healthy indoor climate in the buildings where they are used¹. We focus on product characteristics and we work consistently to reduce any negative impacts our products may have. Each of our products is certified according to a range of standards to ensure that the carpets meet the highest quality requirements, including health and safety.

All in all, our certificates cover a very wide range of issues, including safety, health, indoor climate and environment, lifecycle analyses, sustainable architecture, construction products declarations, cleaning quality and maritime safety.



¹ Health and safety naturally also includes the health and safety of our employees. This section, however, is dedicated to health and safety in relation to our products and the people who use them.



Horns Rev II

Photo: DONG Energy

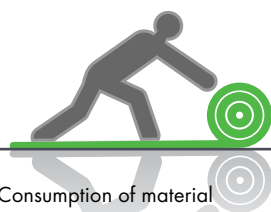
Renewable energy

Part of ege's climate strategy is to invest 50% of realised and expected energy-savings in purchasing renewable energy. The investment will be made via the purchase of RECS certificates from the DONG Energy offshore wind farm at Horns Rev II (off the West coast of Denmark). The benefits of investing in wind power are that they produce no air pollution and they exploit the wind, which is an unlimited resource. Offshore wind turbines produce far more electricity than onshore wind turbines.

In 2011/2012 we purchased RECS certificates corresponding to 3,276,188 kWh. or 46.4% of total electricity consumption at the Herning and Gram factories during this period. If you compare these figures with average household energy consumption, we have purchased renewable energy corresponding to the average electricity consumption of 819 households. In Denmark a total of approximately 5,400 wind turbines produce just over 16% of the total electricity produced².

² Learn more about wind power on DONG Energy's website: www.dongenergy.dk

GRI indicators



EN1 – Consumption of material

Herning: 3.12 kg material per m² of carpet

Gram: 2.43 kg material per m² of carpet



EN1 – Consumption of material

Vejle: 0.98 kg of material per kg of yarn

Environment

EN1 – Materials by weight

A carpet is built up of pile (yarn and chemicals) and backing (latex, filler, auxiliary chemicals and textile backing). The carpets are dyed (dyes and chemicals including acid). We also use various materials for operation, cleaning and maintenance (oil, chemicals) and packaging (cardboard and plastic carpet tubes, wrapping foil and cardboard).

	Herning	Gram
Pile	2,911,687 kg	998,747 kg
Dyeing	102,354 kg	193,069 kg
Backing	6,903,445 kg	4,298,135 kg
Operations, cleaning, maintenance	73,340 kg	7,708 kg
Packaging	440,151 kg	213,295 kg
Total	10,430,977 kg	5,710,954 kg

In Vejle, we produce yarns (carded yarns, BCF yarns). Here we consume materials for operation, cleaning and maintenance (various chemicals and oil) and packaging (cardboard, wrapping foil and disposable pallets).

	Vejle
Yarn	2,586,486 kg
Operations, cleaning, maintenance	12,463 kg
Packaging	5,102 kg
Total	2,604,051 kg

EN3 – Direct energy consumption

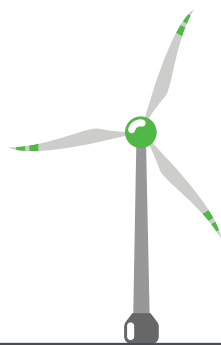
Our direct energy consumption comprises natural gas and bottled gas at all three factories, and natural gas used to produce electricity at the combined heat and power plant in Herning.

	Herning	Gram	Vejle
Natural gas	57,366 GJ	43,820 GJ	10,811 GJ
Bottled gas	461 GJ	166 GJ	27 GJ
Natural gas for electricity generation	5,968 GJ	-	-
Total	63,795	43,986	10,838



EN3 – Direkte energy consumption

Herning:	18.2 MJ per m ² of carpet
Gram:	19.5 MJ per m ² of carpet
Vejle:	3.0 MJ per kg of yarn



EN4 – Indirect energy consumption

Herning:	5.3 MJ per m ² of carpet
Gram:	3.8 MJ per m ² of carpet
Vejle:	3.8 MJ per kg of yarn



EN8 – Water consumption

Herning:	18.4 litres of water consumption per m ² of carpet
Gram:	17.0 litres of water consumption per m ² of carpet
Vejle:	3.5 litres of water consumption per kg of yarn

EN4 – Indirect energy consumption

As ege does not use district heating, our indirect energy consumption only includes electricity consumption for buildings and production.

Herning	16,839 GJ
Gram	8,553 GJ
Vejle	13,571 GJ
Total	38,963 GJ

EN5 – Energy savings

We have carried out a number of energy-saving projects in Herning and Vejle in connection with replacing circulation pumps, installing VLT controls for room ventilation, exploiting excess energy from the boiler centre, replacing 34 panes of glass and optimising fans on the Twistset drying furnace. Total savings amount to 2,702 GJ

EN7 – Initiatives to reduce indirect energy consumption

ege's indirect energy consumption consists of air travel and leased vehicles. We have not introduced initiatives to reduce indirect energy consumption.

EN8 – Water consumption

We use large quantities of water during production. In Herning and Gram the water comes from the municipal water supplies. In Vejle, the water comes from our own well. There is no shortage of water in any of these areas.

Herning	58,574 m ³
Gram	38,464 m ³
Vejle	9,260 m ³
Total	106,298 m³

EN10 – Water recycling

In Vejle the total share of recycled water of the total water consumption increased from 53.5% the previous year to 62.6% this year. This is explained partly by the fact that the total water consumption fell, due to partial closure of production, while the volume of recycled water is almost the same as last year. In Gram the share of recycled water has more than doubled compared to last year but remains at only 0.9% of the total water consumption. In Herning the water recycling remains at almost the same level as last year.

	m ³	% of total water consumption
Herning	3,653	6
Gram	330	1
Vejle	5,794	63
Total	9,777	9

EN16 – Greenhouse gas emissions

ege's direct emissions of greenhouse gases come from natural gas used in production and buildings and to produce electricity. In addition, fuel oil is used in buildings, bottled gas in production, and diesel and petrol in the vehicles owned by the company. Total direct greenhouse gas emissions in 2011/2012 were 7,077 tons of CO₂. In addition, we emitted 5,495 tons of CO₂ as indirect greenhouse gas emissions from electricity for production and buildings, and district heating. In total, therefore, we have emitted 12,572 tons of CO₂. The greenhouse gas emissions are calculated in accordance with the Greenhouse Gas Protocol, which has been developed by the World Business Council for Sustainable Development and the World Resources Institute. Besides ege's three Danish factories, the CO₂ emissions include data from our subsidiaries, and our 51% ownership interest in Bentzon Carpets.

Direct greenhouse gas emissions	7,077 tons CO ₂
Indirect greenhouse gas emissions	5,495 tons CO ₂
Total	12,572 tons CO₂

EN18 – Initiatives to reduce greenhouse gas emissions

We have carried out a number of energy-saving projects in Herning and Vejle in connection with replacing circulation pumps, installing VLT controls for room ventilation, exploiting excess energy from the boiler centre, replacing 34 panes of glass and optimising fans on the Twistset drying furnace. The total savings achieved represent a reduction of greenhouse gas emissions by 287.7 tons of CO₂. The improvements made have reduced CO₂ emissions by more than 200 tons of CO₂ compared to last year.

EN21 – Water discharge

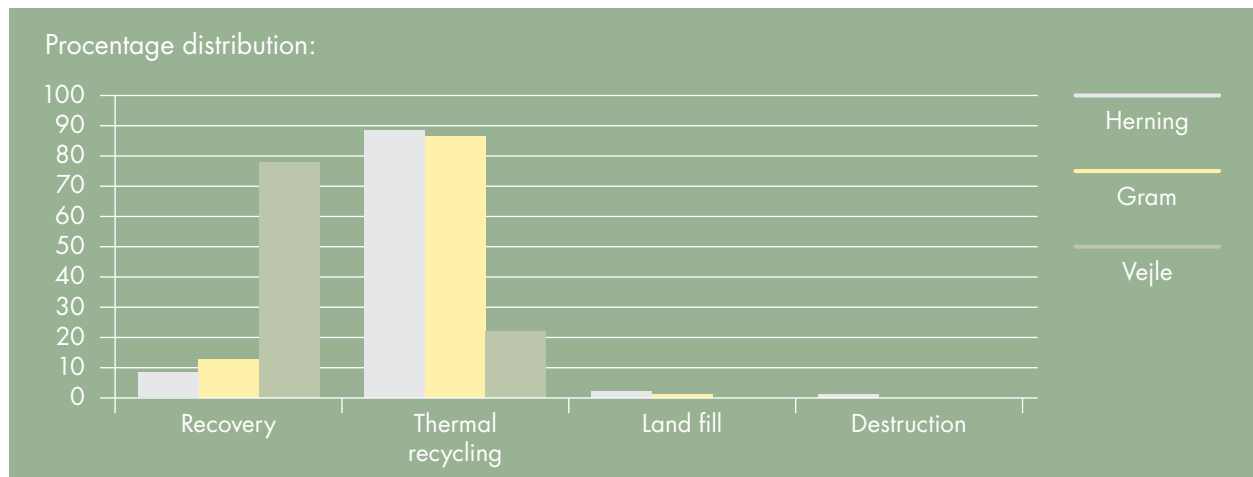
All process water from our factories is piped into the local water purification plant, while sanitary water is piped into the sewers. The three factories calculate water discharge slightly differently. In Herning it is measured in m³, in Gram it is calculated at 83% of water consumption in production, and in Vejle it is calculated as total water consumption less dampening.

Herning	45,424 m ³
Gram	31,752 m ³
Vejle	7,898 m ³
Total	85,074 m³

EN22 – Weight of waste and methods of disposal

We dispose of our waste using recovery, thermal recycling, deposit in land fills and destruction. Details of the materials we dispose of and how we dispose of them are given in our Environmental Report.

	Herning	Gram	Vejle
Recovery	96,677	66,287	208,718 kg
Thermal recycling	973,720	457,314	57,460 kg
Land fill	13,780	3,760	0 kg
Destruction	5,647	0	0 kg



EN24 – Weight of transported hazardous waste

All our hazardous waste is transported for destruction. The term 'hazardous waste' covers solid waste containing oil, waste oil, organic solvents, dye and paint containers, liquid latex, light sources containing mercury, accumulators and spray cans.

Herning	5,647 kg
Gram	0 kg
Vejle	0 kg
Total	5,647 kg

This is 1 ton less than last year.

EN26 – Limiting environmental impacts

The backing in all our carpet tiles is made of 50% recycled fibres. In our Ecoline series, which consists of two carpet tile collections, 100% of the carpet fibres are recycled. For the yarn manufacturer, this means there is a 50% reduction in energy used, compared to producing new fibres. In 2011/2012, we have used a total of 14,541 kg of recycled fibres.

Our "NONO No Noise" carpet collection comprises carpet runners especially developed for wooden floors where the carpet's noise-reducing properties are important. The noise-reducing effect is due to acoustic absorption and dampening of the sound of footsteps.

We recommend that our customers use the ChemDry® method to care for our carpet products. This method cleans using warm, carbonised water with no added chemicals or soap, and uses less water than conventional cleaning methods on the market. Moreover, the method requires a shorter drying period, so the carpets can be used sooner after cleaning.

We have entered into cooperation with EPEA Copenhagen ApS on initiating Cradle to Cradle® certification of selected carpet tiles, and we are also working with EPEA Copenhagen on development of a business model to show how ege can implement Cradle to Cradle principles in production. Specific proposals are expected to be brought to the table during 2012.

Finance

EC1 – Direct financial value

We have reported on this indicator in the egetæpper a/s Annual Report 2011/2012.

Employee conditions

LA1 – The workforce

Our biggest group of employees is employed in Herning (222 employees). At the end of the financial year there are very few employees remaining in Vejle. The chart below shows the distribution of the workforce at the end of the financial year, i.e. hourly-paid and salaried employees, and full-time and part-time employment at the three factories.

No. of employees	Herning	Gram	Vejle	ege contract	Total
No. of hourly-paid employees	114	47	34	0	195
Salaried employees	108	10	5	10	133
Total	222	57	39	10	328

Salaried employees

Full-time	99	9	5	8	121
Part-time	9	1	0	2	12
Total	108	10	5	10	133

LA2 – Staff turnover

Due to closure of the factory in Vejle, staff turnover in the financial year was unusually large. In Vejle 57 people left their jobs while 13 have been transferred to new position jobs in Herning. This year, a total of 74 employees have left a position with ege. Distribution by gender and age group is presented below.

Terminated employees by age and gender

Age	Herning		Gram		Vejle		ege contract	
	Male	Female	Male	Female	Male	Female	Male	Female
< 20	0	0	0	0	0	0	0	0
20-29	1	2	0	0	2	0	0	0
30-39	1	1	1	1	6	3	0	0
40-49	0	1	0	0	8	1	0	1
50-59	2	0	1	0	18	11	0	0
> 60	2	0	3	0	3	5	0	0
Total	6	4	5	1	37	20	0	1

New employees by gender

New employees	Herning		Gram		Vejle		ege contract	
	Male	Female	Male	Female	Male	Female	Male	Female
	14	9	3	0	1	0	0	1

In connection with acquisition of the yarn spinning mill, UAB Litspin, we have taken on 46 employees.

LA3 – Employee benefits

ege complies with the collective bargaining agreements between DA (the Confederation of Danish Employers) and the following trade unions respectively: 3F (United Federation of Danish Workers), Dansk Metal (Danish Metalworkers' Union), HK privat (commercial and clerical workers' union) og Teknisk Landsforbund (the Danish Association of Professional Technicians). We offer all employee groups a 12% labour-market pension scheme, where ege pays a premium corresponding to 8% of the employee's salary and the employee pays 4%. There are also a number of employee benefits, of which the most important are a monthly bonus to all permanent employees, and healthcare insurance. We also allow employees to visit their doctor during working hours, and offer physiotherapy and staff associations, etc.

LA6 – Employee involvement in the health and safety committee (formerly called the safety organisation)

At ege we have both Health and Safety Groups and an Occupational Health and Safety Committee. The Occupational Health and Safety Committee is the decision-making body, determining guidelines for health and safety issues, while the Health and Safety Groups work with day-to-day health and safety issues in the area they represent. Often the same people are elected to both bodies.

	Occupational Health and Safety Committee	Health and Safety groups	Total number	% of total workforce
Herning	6	11	12	5.4%
Gram	7	7	9	15.8%
Vejle	5	6	6	15.4%

In Vejle the percentage share of employees serving on committees seems to have doubled since last year. This is explained simply by the fact that, at the end of the financial year, the workforce in Vejle is drastically reduced, causing a correspondingly large increase in the percentage of employees serving on committees. All committees and groups in Vejle are either in the process of being phased out or have already been phased out as a result of the factory closure.

LA7 – Industrial injuries, accidents at work, absenteeism

During the past year, there have been three registered industrial accidents in Herning, two in Gram and one in Vejle. None of these accidents has resulted in permanent injury or death. In Herning one employee has had a work-related shoulder injury resulting from daily and repetitive pulling on carpet rolls. As there was a risk that the injury would develop into a chronic condition, the employee has been transferred to a new job function, which does not strain the injured shoulder.

	Registered industrial accidents	Work days lost	Time lost	Other incidents without absence	% time lost relative to total hours worked
Herning	3	23	170.2	6	0.04
Gram	2	1	7.4	2	0.01
Vejle	1	3	22.2	0	0.02
Total	6	27	199.8	8	0.03

Product liability

PR1 – Product assessment

ege is working to resolve health and safety issues throughout our products' life cycles. At each of the following stages in a product's life cycle we therefore evaluate the extent to which the product's impact on health and safety can be improved.

Development

We assess the environmental aspects when we select raw materials and suppliers. On establishing a contractual agreement, suppliers are required to sign a document to ensure that quality and environmental specifications are fulfilled.

Manufacturing

We work according to DS/OHSAS 18001, which ensures employees' health and safety throughout the manufacturing process.

Marketing and sales promotion activities

In our marketing, we actively use the different environmental labels carried by our products. Our marketing activities include press releases, newsletters, the company's website and product catalogues. We also have an exhibition stand which all our subsidiaries and agents may use. The exhibition stand is designed to send a strong signal about environmental awareness at ege.

Storage, distribution and delivery

At ege we use forklift trucks to lift and move rolls of carpet. There are no obvious health and safety risks related to the storage of rolls of carpet. The distribution and delivery of rolls of carpet to carpet retailers entail certain ergonomic issues for both carpet retailers and carpet fitters. It is therefore important that the correct lifting and handling equipment is used to move the heavy rolls of carpet. ege's carpet tiles are easier to lift, transport and fit.

Use and service

Our products are delivered with instructions for their fitting and care. These instructions also focus on environmental and safety issues. We recommend, for example, the use of specific types of flooring adhesive with specially low degasification into the indoor climate; EMICODE 1 in the lowest degasification class. We also recommend the Chem-Dry® cleaning method, which uses warm carbonic acid as a cleaning agent (no surfactants). This method uses less water than conventional cleaning methods.

Disposal, recycling or recovery

Used carpets are disposed of in different ways in different countries. In Denmark, carpets are disposed of by thermal recycling. In ege's Ecoline series, which consists of two carpet tile collections, 100% of the carpet fibres are recycled.

PR3 – Product information

All our products carry the CE mark, which means that they meet all relevant European legislative requirements, the objectives of which are to protect health, safety and the environment. In addition, our products are also certified according to a long series of voluntary labelling schemes, the objective of which is to protect health, safety and/or the environment. These are BRE, LEED, BASTA, the Danish Indoor Climate Label, INSTA 800, BVD3, BVB and IMO.

Dansk Mode & Textil's Code of Conduct

Principle 11 – Animal welfare

We are certain that we do not use wool from sheep that are subjected to mulesing. In New Zealand, from where we import most of our wool, sheep breeders operate according to the regulations of "Best management practise Applicable to New Zealand Wool" (BMP), which sets out the New Zealand wool industry's best practice and standards for wool production. According to BMP, 90% of the sheep breeders are part of a nationwide programme to safeguard quality in a large number of areas, including animal welfare, feed and water, stock keeping and the environment. However, BMP cannot be considered to be specific documentation that our wool suppliers adhere to these principles.

During 2011 we wrote to our wool suppliers in New Zealand to ensure that they meet the requirements stipulated in Dansk Mode & Textil's Code of Conduct, principle no. 11, which requires that sheep are fed, reared and put down with dignity and respect. All the suppliers have confirmed in writing that they meet these requirements and will continue to work in future in accordance with principle no. 11 of the Code of Conduct.

Principle 12 - Charity

Via the "Ege Foundation - the Vibeke og Mads Eg Damgaard Foundation" annual donations to deserving causes are made from the yields on egetæpper a/s shares. The funds are primarily donated for non-profit making activities in the local community.

In Herning we have worked with the KidsAid Foundation since 2011. The foundation's main objective is to support sick children in Denmark. By means of a major one-year (from March 2011 to March 2012) training campaign, in which ege donated DKK 1 for each kilometre ege employees walked, ran or cycled, a sum of DKK 180,000 was collected in aid of the KidsAid Foundation. The donation was passed on to the Children's Ward at Regionshospitalet Herning where it has funded new initiatives including wall decorations with animal figures made of carpet and new furniture in several different rooms at the hospital.

Principle 13 - Monitoring

ege is not subject to an external audit in connection with the monitoring and control of compliance with the Code of Conduct, nor have we developed any practice to monitor suppliers' compliance with the Code of Conduct. In time we will inform all our suppliers and cooperation partners that we have endorsed the Code of Conduct and we will establish a method for managing and monitoring these parties.

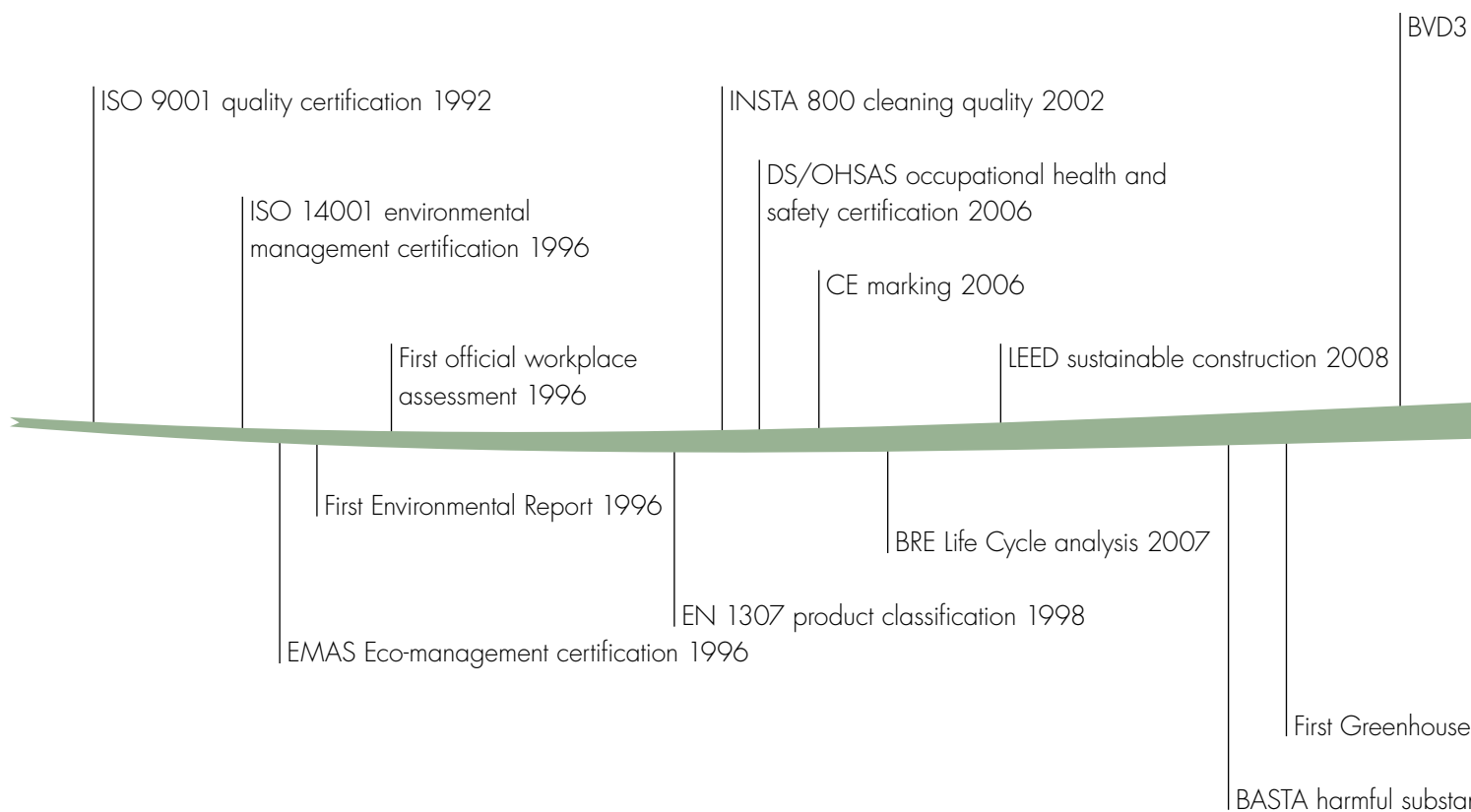
CSR in the future

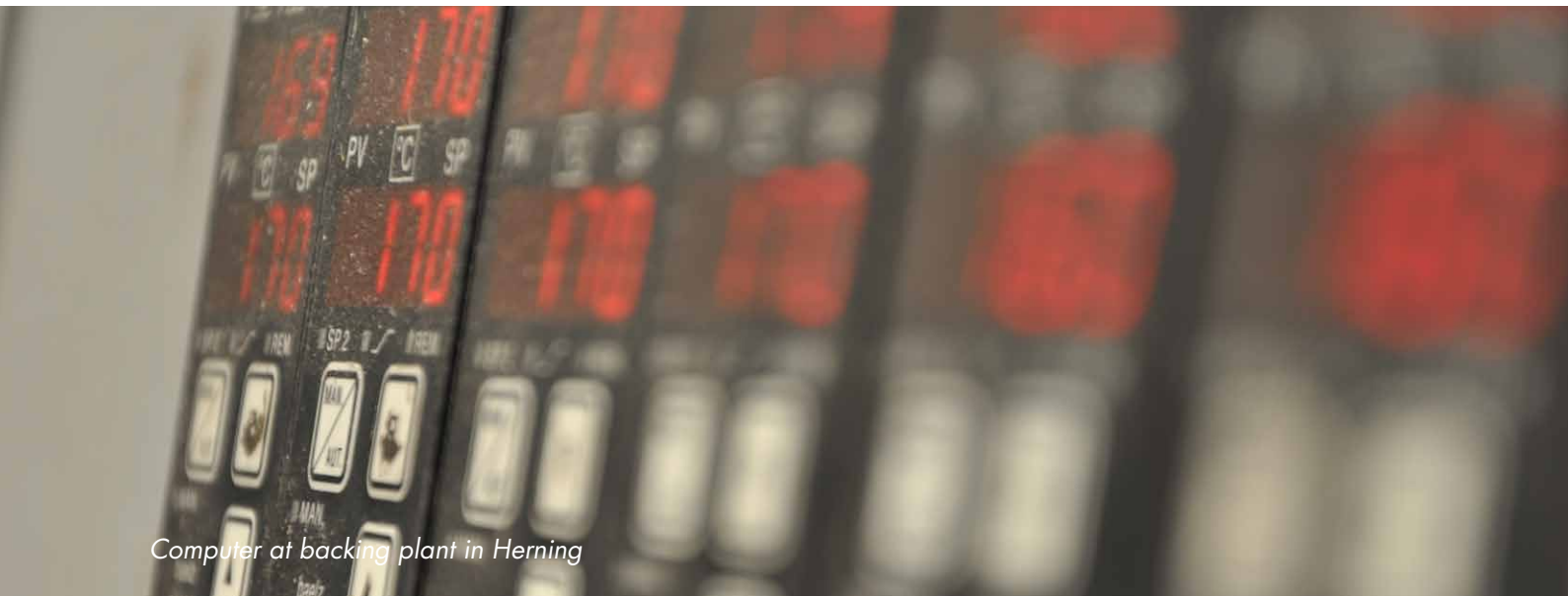
In the past year we have focused intensively on developing our employees' competences and this work will continue in the next year. We have started a process that should result in a more skilled workforce, more knowledge sharing and better communication. All of these are parameters that both strengthen the individual employee's personal resources and improve our competitiveness.

Our new strategy and values also ensure that ege maintains stronger focus on CSR throughout the Group, where in future the key words, Design – Quality – Respect, will be the cornerstones of everything we do.

We will continue to strive to improve within the areas of environment, health and safety. The projects in progress, including Cradle to Cradle and climate goals, mean that we maintain unswerving focus on environmental factors, where we believe there is plenty of scope for improvement.

Timeline





Computer at backing plant in Herning

construction products declaration 2009

BVB construction products assessments 2010

First CSR Report 2010

EPD Environmental Declaration in ISO 14025 2012

Trans-Q, Achilles approval 2012

Cradle to Cradle certification of selected products 2012/2013

Climate partnership with DONG Energy 2011

Endorsed the UN Global Compact 2010

CSR verification by independent third party in accordance with DS 49001

Endorsed Dansk Mode & Textil's Code of Conduct 2010

Gas Account 2009

ances requirements 2008

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egetæpper a/s • Industrivej Nord 25 • DK-7400 Herning • Tel. +45 97 11 88 11 • Fax: +45 97 11 95 80 • E-mail: ege@ege.dk • www.egecarpet.com