





## Innovation through Responsibility

Nordjysk Elhandel takes responsibility seriously. We make a consistent effort to improve our social and environmental performance and make sure that we develop our company in conformity with our CSR policy. In our view, acting responsible is a precondition for innovation and today we have established a number of key business areas within the area of sustainable development in energy markets and responsibility towards the world's climate.

Nordjysk Elhandel actively incorporates CSI (Corporate Social Innovation) into our business development efforts, especially with regards to climate change, where we are a Scandinavian market leader. We have built up a dedicated climate centre offering manufacturers, companies and private consumers unique concepts and solutions within green energy.

Today, social and environmental responsibility is a decisive factor for having rewarding partnerships, proud employees and for conducting mutually respectful relations with those around us. We practise responsibility through constructive dialogue with our stakeholders and by specific demands upon our external suppliers and employees. This dialogue increases our knowledge of social trends and future challenges. At the same time, it helps us prepare the company for changes that can be actively applied to business development and innovation.



# Global Compact

Nordjysk Elhandel  
is aligned with  
the UN Global  
Compact, and we  
base the company's  
CSR on the ten  
principles for social  
and environmental  
responsibility  
stipulated in the  
Global Compact:



## PRINCIPLE 1

**We will support and respect the protection of internationally proclaimed human rights.**

*At Nordjysk Elhandel, internationally proclaimed human rights are the absolute minimum for our responsibility. No commitments or actions at Nordjysk Elhandel may compromise global human rights.*

## PRINCIPLE 2

**We make sure that we are not complicit in human rights abuses.**

*Normatively, all activities and commitments of Nordjysk Elhandel must comply with the UN's Universal Declaration of Human Rights.*

## PRINCIPLE 3

**We will uphold the freedom of association and recognise the right to collective bargaining.**

*Nordjysk Elhandel's minimum standards for social responsibility include freedom of association and collective bargaining. Nordjysk Elhandel supports the right of association, union gatherings and collective labour-market bargaining.*

## PRINCIPLE 4

**We refrain from using all forms of forced and compulsory labour.**

*Nordjysk Elhandel's minimum standards for social responsibility include refraining from the use of forced and compulsory labour. Nordjysk Elhandel refrains from all forms of forced and compulsory labour and refuses to work with any party that uses force or compulsory labour.*

## PRINCIPLE 5

**We refrain from using all forms of child labour.**

*Nordjysk Elhandel's minimum standards for social responsibility include refraining from the use of child labour. Nordjysk Elhandel refrains from all forms of child labour and refuses to work together with any party that makes use of child labour.*

## PRINCIPLE 6

**We will eliminate discrimination in respect of employment and occupation.**

*Nordjysk Elhandel's minimum standards for social responsibility include non-discriminatory recruitment, employment and trade.*

## PRINCIPLE 7

**We will support a precautionary approach to environmental challenges.**

*Nordjysk Elhandel has adapted a progressive climate policy and actively works to reduce carbon emissions and to increase the use of renewable energy.*

## PRINCIPLE 8

**We will promote greater environmental responsibility.**

*Nordjysk Elhandel has drafted a total concept for the company's voluntary climate responsibility and also offers a number of climate-friendly and renewable energy solutions to consumers.*

## PRINCIPLE 9

**We will encourage the development and diffusion of environmentally friendly technologies.**

*Nordjysk Elhandel is actively involved all over the world in CDM and JI projects that promote the use of clean technology and renewable energy and the conservation of biodiversity.*

## PRINCIPLE 10

**We will work against corruption in all its forms, including extortion and bribery.**

*Sound business ethics are fundamental at Nordjysk Elhandel. Our minimum standards for social responsibility include working against corruption, extortion and bribery.*



# CSR Policy

**With the UN Global Compact principles as the point of departure, Nordjysk Elhandel has defined a CSR policy, adopted by Nordjysk Elhandel's Board of Directors and applied throughout the company.**

- Nordjysk Elhandel wishes to have long-standing, mutually profitable relationships with our customers. Customers shall in every instance be treated professionally and with respect for each individual's situation and needs. We wish to offer both existing and prospective customers the best service possible and we will exercise sound business ethics in our advisory and customer relationships in general. All customer categories must be ensured easy access to Nordjysk Elhandel's services/products and we aim to ensure a lasting and high level of customer satisfaction.
- Nordjysk Elhandel will offer all employees rewarding professional and personal development options. We undertake to ensure the proper treatment of all employees and to ensure flexible working conditions that strike a balance between work and private life. Nordjysk Elhandel focuses on the recruitment of managers and staff who underpin our corporate values as they relate to the development of expertise and innovation throughout the organisation.
- Nordjysk Elhandel gives high priority to contributing to society by developing the energy markets towards increased deregulation, more renewable energy and lower carbon emissions. We also wish to contribute to becoming involved in developing society both culturally and socially through efforts such as sponsorships and support for cultural and social events.
- Nordjysk Elhandel seeks to contribute to the development of knowledge and expertise within the energy area. The organisation and regulation of energy markets, energy supplies and energy infrastructure are closely related to scientific efforts and political decisions. Nordjysk Elhandel will actively work to develop "energy of the future" by working together with educational and research institutions and the political system.
- Nordjysk Elhandel is keenly focused on Climate Change. We aim to take a progressive approach to global climate challenges, an approach that unites responsibility with business development. We actively work to reduce the company's own impact on the environment and the climate and we have built up a business area for other companies' voluntary climate activities. Nordjysk Elhandel aims to be carbon neutral by reducing and offsetting the company's own carbon emissions. We intend to limit our energy consumption by improving our energy efficiency, implementing power-saving measures and using energy from renewable-energy sources (see the climate accounts on page 33).



Wind power is the source of about 20 % of Denmark's power consumption.



### CSR and Climate Change Committee

In order to convert Nordjysk Elhandel's CSR principles into active measures, we have established an internal CSR and Climate Change Committee comprising of members of several of the company's departments. Together with the Board of Directors, who participate actively in developing our strategy, the committee aims to ensure that the CSR principles are adapted and implemented on an ongoing basis at all levels of the company's business areas, including also the establishment of the procedures required. The committee aims to gather experience, thus laying the groundwork for revising the CSR strategy and reporting to the UN Global Compact Organisation.

### Climate Change Policy

Rather than remaining passive in the face of rising demands from the world around us, Nordjysk Elhandel wishes to exercise leadership within the Climate Change area, promote the reduction of carbon emissions and promote the establishment of more renewable energy sources. Nordjysk Elhandel has a unique market-leading position in trading with carbon credits and wind power alike. Nordjysk Elhandel aims to be carbon neutral and to work to minimize the company's energy consumption and own carbon emissions. We intend to offer our customers effective climate change solutions that result in genuine reductions of carbon emissions and development of renewable energy.

Nordjysk Elhandel intends to be a leading advisor and supplier of companies' voluntary carbon investments, including carbon management, energy efficiency measures, investments in renewable energy, Green Power, CDM/JI project development and the

purchase of quotas, credits and certificates. Nordjysk Elhandel intends to offer consumers Green Energy, including power from Danish wind turbines, carbon emissions reductions, investments in renewable energy and the possibility of

supporting carbon emissions reducing projects that live up to authorized standards. Nordjysk Elhandel intends to use information, marketing and PR campaigns to heighten our stakeholders' knowledge and awareness of climate responsibility.

A Code of Conduct which conforms to the Global Compact has been drafted for Nordjysk Elhandel's investments in CDM and JI projects. Our Code of Conduct specifies Nordjysk Elhandel's requirements and principles for determining which carbon projects we will take part in and a procedure for controlling project implementation. We seek maximum certainty that no CDM or JI project will compromise our CSR Policy or Climate Change Policy and through careful project development we create certainty that the reductions generated by the projects are approved by the UN.

Each year, Nordjysk Elhandel will prepare carbon footprint analyses of our own carbon emissions – and an annual climate change strategy for reducing both our carbon emissions and our consumption of energy. A Climate Change Strategy, with objectives, will be laid down each year.

Nordjysk Elhandel aims to be carbon neutral. Our primary priority is to reduce our carbon emissions by increasing our energy efficiency and other internal changes, while our secondary priority is to offset the volume of CO<sub>2</sub> emitted via UN carbon credits or from other similar projects.

### Each year Nordjysk Elhandel will report on the following climate issues:

- Carbon footprint and carbon credit accounting;
- The progress and results of climate change-related activities;
- Climate change policy and strategy;
- Climate change-related activities.

Together with the Board of Directors, the CSR and Climate Change Committee is responsible for implementing and executing Nordjysk Elhandel's CSR and climate change objectives.



# 2008 Climate Accounts

Nordjysk Elhandel carried out a carbon footprint analysis of the company's carbon emissions in 2008. The carbon footprint analysis makes use of the international standard, the Greenhouse Gas Protocol.

## Limitations of the *carbon footprint* analysis

The organisational limits for the analysis were laid down as the facilities over which Nordjysk Elhandel exerts financial control. The operational limits were set out as follows:

### Direct emissions

#### *Included*

Company cars: Driving during working hours  
Commuting to and from work, Personal driving

### Indirect emissions from purchased energy

#### *Included*

Electricity: Østerbro 42 · Corporate headquarters,  
Sofiehøj 6 · Company-owned flat,  
Skelagervej 1 · New corporate offices in process of establishment  
District heating: Østerbro 42, Sofiehøj 6 and Skelagervej 1

### Indirect emissions from sources other than purchased energy

#### *Included*

Aeroplanes, trains, taxis and cars: Business trips  
Use of paper for letters, pamphlets and reports  
Commuting to and from work not using a company car

#### *Not included*

Personal driving not using company car  
IT equipment and furniture  
Canteen food  
Water, soft drinks and fruit  
Shipping, post and printing  
Hotel accommodation  
Other services.

### SCOPE 1

*Mandatory reporting*

### SCOPE 2

*Mandatory reporting*

### SCOPE 3

*Voluntary reporting*



### UN Certified Carbon Emissions

Reductions Credits Certified Emission Reduction (CER) credits originate from Clean Development Mechanism (CDM) projects in developing countries which reduce greenhouse gas emissions and are certified by the UN. CDM credits are used by governments to meet their obligations under the Kyoto Protocol and by companies governed by the EU's carbon emissions trading system. Other companies and individuals may also buy and annul CDM credits if they wish to make a voluntary climate change effort that goes beyond the scope of legislation. Nordjysk Elhandel has invested in the CDM project in Boustead Plantations, a palm oil mill in Malaysia. The project involves the conversion of waste water and plant waste from the production of palm oil into compost, thus avoiding harmful emissions of methane gas to the atmosphere.

### Voluntary Carbon Credits

Voluntary Emissions Reductions (VER) credits originate from emissions reducing projects outside the scope of the Kyoto Protocol and are based on voluntary initiatives only. In addition to carbon reductions, the voluntary climate projects are also keenly focused on sustainability and social matters. Nordjysk Elhandel has invested in the Rimba Raya project, a VER rainforest conservation project in Borneo. The project helps preserve a tropical rainforest with some of the highest biodiversity in the world. In addition, the project also supports sustainable economic development opportunities for indigenous communities through the proceeds of the sale of carbon credits. The project also focuses on job creation and the establishment of medical clinics and, not least, the protection of endangered animal species, including the Orangutan. The organization behind the certification of the project is supported by Care, The Rainforest Alliance, The Nature Conservancy and others.



### Results of the carbon footprint analysis

**SCOPE 1** Driving in company cars 163 tonnes of CO<sub>2</sub>

**SCOPE 2** Electricity 95 tonnes of CO<sub>2</sub>  
District heating 11 tonnes of CO<sub>2</sub>

**SCOPE 3** Business trips 161 tonnes of CO<sub>2</sub>  
Paper 48 tonnes of CO<sub>2</sub>  
Commuting 68 tonnes of CO<sub>2</sub>

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**Total** 546 tonnes of CO<sub>2</sub>

### Offset Overview for 2008:

**SCOPE 1 OG SCOPE 2**  
**SCOPE 3**

Offset with CERs  
Offset with VERs

### Offsetting Carbon Emissions

Nordjysk Elhandel's carbon emissions are compensated for through a mix of our own products:

- for activities covered by Scope 1 and 2 (mandatory reporting), UN-certified carbon credits (CER) from a compost project at Boustead Plantations in Malaysia are annulled;
- for activities covered by Scope 3 (voluntary reporting), voluntary carbon credits (VER) from Rimba Raya, a rainforest conservation project in Borneo, are annulled.

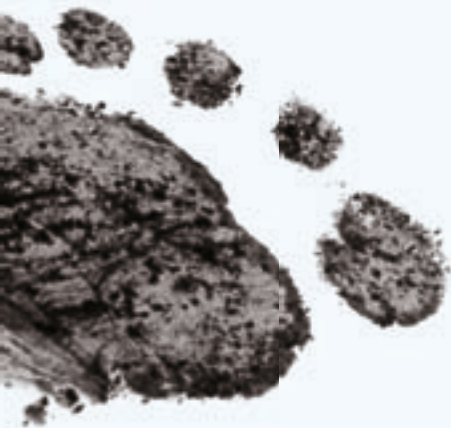


Nordjysk Elhandel wants to be a leading consultant and supplier of companies' voluntary climate investments.

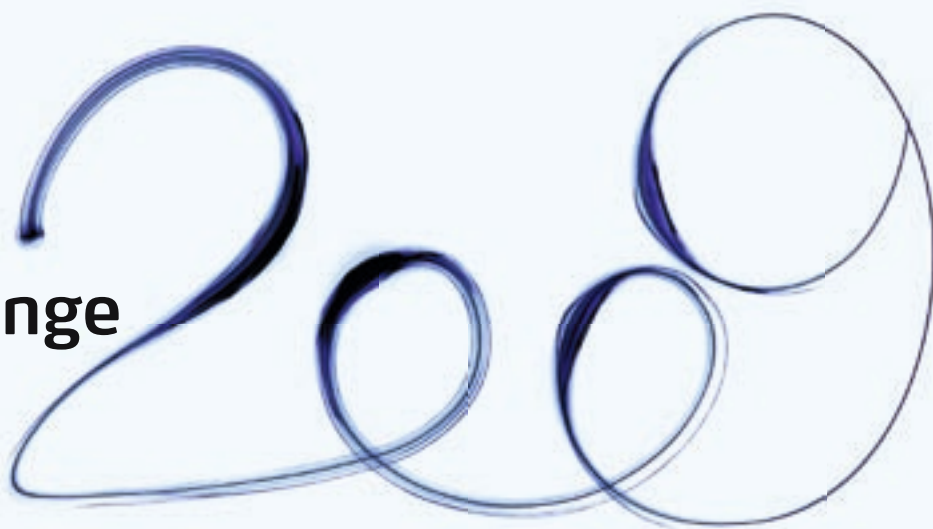
In the new corporate headquarters a number of energy-efficient measures has been installed to minimize energy consumption.



2008 marks the first year Nordjysk Elhandel reports on the company's impact on the environment and the climate. The company's unequivocal ambition is to improve the results in the climate accounts and to further develop and systematize the climate accounts.



# Climate Change Action Plan



The 2009 Climate Action Plan encompasses a more detailed carbon footprint analysis (possibly together with external partners), energy efficiency measures and a specific carbon-management strategy for reducing the company's carbon emissions and for offsetting to achieve carbon neutrality. At the same time, the company intends to ensure that activities carried out as part of the implementation of the company's own climate action plan contribute useful knowledge and experience that can be used in developing and implementing customer-targeted concepts for other companies' voluntary climate efforts. The Climate Change Committee works closely together with the Climate Change Centre regarding concepts for climate change strategy and carbon accounting.

Nordjysk Elhandel's objective for 2009 includes specific measures such as a 10 % reduction of carbon emission per employee and a 10 % reduction of energy use (electricity and heat) per employee. The volume of CO<sub>2</sub> emitted by Nordjysk Elhandel must be offset via climate credits and Green Power.

Nordjysk Elhandel moved into new corporate headquarters in late March 2009. As part of the refurbishment of the new headquar-

ters, investments have targeted a number of energy-efficiency measures such as the replacement of windows with new energy efficient windows, re-insulation and self-cooling energy-efficient computer servers. In addition, the property's roof has been readied for the installation of solar panels. After moving in, the Climate Change Committee plans to carry out an internal information campaign about energy efficient behaviour.

**The CSR and Climate Change Committee is responsible for clarifying, developing and implementing Nordjysk Elhandel's Climate Change Action Plan.**

**The specific tasks for 2009 are as follows:**

- adjustment of systems and procedures, including the establishment of a database for emission factors;
- implementation of the Climate Change Action Plan, including a 10 % reduction of the energy consumed and CO<sub>2</sub> emitted;
- reporting on the targets, goals and objectives set and their implementation.

