



SUSTAINABILITY REPORT  
2020/2021

# ABOUT THE REPORT



Welcome to the Sustainability Report for 2020/2021. Previous Sustainability Reports have been published under the ege Group name, covering four individual carpet brands: Ege Carpets, Hammer Carpets, Bentzon Carpets and Carpet Concept. As from 1 May 2021, this has changed, since the four individual brands have been merged into a single brand under the name of Ege Carpets. As from this year, the Sustainability Report is therefore published under the sole name of Ege Carpets.

The report covers the financial year from 1 May 2020 to 30 April 2021 and includes all production units in the Group. The statements of consumption in the report will continue to present the total consumption of each production unit during the financial year. The report is based on our ambitious Sustainability Strategy, which has already been rolled out at two production units. Going forward, this strategy will be rolled out in the rest of the Group, together with the ongoing social responsibility initiatives.

Concerning the status of the goals under the Sustainability Strategy, the status presented in this year's report is based solely on our continuing product range after the merger and the extensive streamlining of the portfolio of standard products. In this year's report, on determining of the status of the goals under the Sustainability Strategy we discard information that is not related to the new product range.

We are aware that this may create some confusion. This report must therefore be viewed as a transitional report in which consumption data is based on actual consumption in the past financial year, while the goals under the Sustainability Strategy are calculated on the basis of the products continued as from 1 May 2021.

The report includes our statutory Corporate Social Responsibility Report, cf. Section 99a of the Danish Financial Statements Act. Firm of auditors EY has ensured that the report is in compliance with the Act. The report also serves as our Communication on Progress report for the UN Global Compact.

Due to Covid-19, a number of projects and tasks were delayed or postponed. This can be seen from the figures in this year's report. It is also apparent from the number of good CSR stories, which for natural reasons are fewer than usual.

The figures in the report have not been verified by a third party. In the long term, we would like all figures to be externally verified. Until then, we emphasise that we devote a lot of internal work to verifying the figures.

## Questions concerning the Sustainability Report can be addressed to:

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<sup>1</sup> See Annex 1 for further details of Section 99a.

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# OPTIMISM IN THE SHADOW OF COVID-19

**The past year was by no means what we had imagined. Covid-19 has long shadows all over the world, and thereby also over our business. Thanks to rapid adjustment, our employees' great flexibility and various relief packages, we managed to avoid a financial deficit. Unfortunately, however, we had to bid farewell to many talented employees. Nonetheless, our future outlook is optimistic. We now have a sharper organisational profile than before the crisis, and we have put sustainability even higher on our agenda.**

In the autumn of 2020, the largest and most important decision in our recent history was presented by the Board of Directors of the ege Group. After a number of years of successfully operating four individual carpet brands, the time had come to merge the best aspects of each brand into one strong carpet brand. On 1 May 2021, the ege Group transitioned from a multi-brand to a single-brand organisation: Ege Carpets. The decision was made before Covid-19 hit the world. Since then, the pandemic has made it clear that this was the right decision. To ensure the best possible starting point for the new course, Rune Stephansen took over as new CEO 14 June 2021. He must with his vast experience in organisational development run the business going forward.

The new, simpler organisational structure represents a significant strengthening of our business. All of our sales teams can rely on the same palette of carpets from across the Group, for the benefit of customers all over the world, who can now find everything they need in the same place. This has also simplified our administrative functions significantly, which is necessary as a consequence of Covid-19 and the economic crisis.

The aim of the corporate merger is to continue the best aspects of each brand in the new structure. We are pleased that the many dedicated employees from each brand are now gathered under the joint management of the new Ege Carpets. This gives us faith in the future as one of the market's strongest carpet manufacturers.

Another key strength of the new structure is the very ambitious Sustainability Strategy adopted by Ege Carpets in 2019, which is now being rolled out at full speed throughout the Group. All of the 2030 goals will apply to all production units – making an even greater contribution to achieving the Sustainable Development Goals and creating a sustainable future. We have already commenced the task of Cradle to Cradle certification of all carpets throughout the Group, so that this goal now applies to all production units, instead of only two production units as before.

We now face the enormous task of ensuring that all production units contribute to the Sustainability Strategy after a turbulent year in which much of the workforce was furloughed. This does not mean that we have cut back our ambitions, but simply that we have been delayed by the prevailing circumstances. This is clearly apparent from this year's sustainability report.

The report for 2020/2021 should therefore be viewed as a transitional status report on the current state of play, in our unpredictable world, where we cannot know for sure what the next quarter will bring. This is a completely new situation for us, but to the best of our ability we are embracing the current reality to ensure that, going forward, our business will continue to contribute to a sustainable future, one carpet at a time.

Herning, 2 July 2021



Rune Stephansen  
CEO

# NEW STRUCTURE OF THE EGE GROUP

Even though our four brands have merged into one common Ege Carpets, the carpets produced and the technologies used in the Group's different production units still show considerable individual variation. There is also great variation in how far the individual production units have come in terms of social responsibility and the ambitious common Sustainability Strategy. While the former Ege Carpets has been a sustainability leader for many years, the other brands only recently commenced this work, during the past few years. Now we face the major task of raising all units to the same high level of ambition in the new Ege Carpets.

## Previous brand names

**ege**

Established in 1938.  
Owned 100% by Ege Carpets.  
Executive director: Rune Stephansen.

## Products

Modern technology makes it possible to deliver any design within the industry's shortest delivery time.

Beautifully designed tufted and woven carpets in standard and special designs, primarily for hotels and offices.

Carpet production this year: 5,022,738 m<sup>2</sup>

## Now referred to as production units

### Herning North



### Gram



### Litspin (yarn)



**HAMMER**  
CARPETS

Established in 1948.  
Owned 51% by Ege Carpets.  
Executive directors: Tom Møller  
Jørgensen and René Dupont.

Beautiful Colortec and Graphic carpets for luxury hotels and the cruise industry in particular. Special focus on four- and five-star hotels and the marine segment.

Carpet production this year: 277,801 m<sup>2</sup>

### Herning South



## Bentzon Carpets

Established in 1976.  
Owned 100% by Ege Carpets.  
Executive director: Tage Bajlum.

Exclusive, flat-woven carpets for the housing and contract market, with a main focus on Europe. In the new structure, Bentzon continues as an independent OEM, selling carpets for resale in the customer's name.

Carpet production this year: 1,349,928 m<sup>2</sup>

### Røjle



**carpetconcept**

Established in 1994.  
Owned 75% by Ege Carpets.  
Executive directors: Thomas Trenkamp  
and Matthias Quinkert.

Beautiful flat-woven and tufted carpets, with particular focus on office buildings in the German-speaking countries. Also experts in acoustic solutions and modular meeting boxes.

Carpet production this year: 162,663 m<sup>2</sup>

### Münchenbernsdorf



# THE GROUP IN FIGURES

M <sup>2</sup> OF CARPETS PRODUCED	6,813,130 M <sup>2</sup>
KG OF YARN PRODUCED	493,311 KG
REVENUE	DKK 915,000,000
PRODUCTION UNITS	6 PRODUCTION UNITS
SUBSIDIARIES	11 SUBSIDIARIES
NUMBER OF EMPLOYEES	610 EMPLOYEES
NATIONALITIES	28 NATIONALITIES
SENIORITY	12.4 YEARS
ACCIDENTS RESULTING IN ABSENCE	10 ACCIDENTS
SUPPLIERS	135 SUPPLIERS
WATER*	75,972 M <sup>3</sup>
ENERGY*	40,929 MWH
CO <sub>2</sub> EMISSIONS	7,089 TONNES



\* Water and energy are based on consumption at the production sites.

# UN SUSTAINABLE DEVELOPMENT GOALS



Much has happened since the UN launched 17 Sustainable Development Goals (SDGs) in 2015 to serve as a roadmap towards 2030 in order to curb the negative development, including climate change, excessive consumption, pollution, poverty and inequality in the world. A large number of companies has embraced the SDGs and is making efforts to contribute to their achievement. Ege Carpets is no exception, as we have incorporated the SDGs directly into our Sustainability Strategy, to ensure that we contribute as much as possible to achieving these goals at all times.

We have selected three specific goals as our primary focus because we assess that this is where we can make the greatest difference. These are goals that can be linked directly to our strategy and core activity: the manufacture and sale of carpets.

Each SDG is divided into a number of targets, in order to more tangibly show how to contribute to achieving the individual SDG. Which of the targets we are working on, and how we are doing this, is presented below.

## **Sustainable Development Goal no. 12: Responsible Consumption and Production**

- 12.2: By 2030, achieve the sustainable management and efficient use of natural resources.
- 12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.
- 12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.

In the Group, we are dedicated to the concept of the circular economy. We have made most progress in Herning North and Gram, where the most energy- and resource-intensive processes in the Group take place, and we are now working to bring the other production units up to the same level. Through Cradle to Cradle product certification, we are also creating sustainable carpets that reduce waste and increase recycling, while protecting water resources during production, investing in renewable energy, and ensuring that the company takes social responsibility. The goal is Cradle to Cradle certification of all of our standard carpets for the contract market. In this way, we are making a high-level contribution to creating more responsible consumption and production.

Plastic waste is one of the world's major challenges. Plastic is degraded very slowly and poses a major threat to the environ-

## **Sustainable Development Goal no. 14:**

### **Life Below Water**

- 14.1: By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution.

ment. Marine life, in particular, suffers from the large quantities of plastic waste that often end up in the world's oceans. For us, however, plastic waste is an important resource that we can use in our carpets. Used fishing nets and other industrial nylon waste can be regenerated as yarns for the carpet industry, and used plastic bottles can be recycled in felt backing for our carpets. A large proportion of the Group's carpets therefore contains regenerated plastic waste. This is good for marine life, while also reducing CO<sub>2</sub> emissions from the production process, since it is less energy-intensive to process plastic waste than virgin materials. The aim is for all of our contract carpets to be produced with regenerated or renewable yarn, thereby contributing to achieving the Life Below Water goal at a high level.

## **Sustainable Development Goal no. 7: Affordable and Clean Energy**

- 7.1: By 2030, ensure universal access to affordable, reliable and modern energy services.
- 7.2: By 2030, increase substantially the share of renewable energy in the global energy mix.

Many years ago, we entered into a Climate Partnership with Ørsted and decided to invest in renewable energy to cover our electricity consumption. Every year, we buy climate credits in the form of GO certificates from offshore wind turbines equivalent to the number of MWh we consumed during the year. All of our Danish production units are included in the agreement, which ensures that 100% of electricity consumption is covered by the investments. The foreign production units buy green energy in other ways. For the first time this year, 100% of the Group's total electricity consumption is covered by investments in renewable energy.

We are also investing in biogas in order to outweigh our consumption of natural gas. As far as possible, the ultimate aim is to cover the entire Group's energy consumption by means of investments in renewable energy. In doing so, we are contributing at a high level to the sustainable energy goal and, in the long term, this will hopefully help reduce price levels and increase worldwide availability.

<sup>2</sup> It should be noted that this concerns the total purchase of renewable energy across the Group, which outweighs the Group's total electricity consumption.

**100% renewable energy**

Electricity consumption across the Group is covered 100% by investments in renewable energy.

**47.5 million used plastic bottles in carpets**

Ecotrust is our felt backing that consists of 100% recycled plastic bottles. All carpet tiles are supplied with the Ecotrust backing. We used 767 tonnes of Ecotrust this year, as well as 187 tonnes of carpet base made from used bottles.

**288,000 labels on Ecotex fabric**

The carpets from Herning North and Gram are delivered with a fabric label on the reverse, with information about quality, design and labelling schemes. All labels are Ecotex-certified.

**Recycling of 68.7 tonnes of residual yarn**

We collect and return residual yarn from all of the Group's Danish production sites and send the yarn back to the supplier for recycling.

**1,233 MWH of heat is recirculated**

At Herning North and Gram, surplus heat from production is collected and sent into the district heating system. This is equivalent to heating 274 homes.

**48.6 tonnes of cardboard cones are recycled**

Yarn is delivered on cardboard cones. The cardboard cones from all of the Group's Danish production sites are sent for recycling or returned to the supplier.

**82% residual dye is constantly recirculated**

At Herning North, the dye in the dyeing system is recirculated. This year, we recycled 1.1 tonnes of pure dye and 4.9 tonnes of chemicals in this way.

**1,770 tonnes of yarn from used fishing nets**

38% of our carpets are made from ECONYL yarn that consists of regenerated fishing nets and other industrial nylon waste.

**539 tonnes of thickener recycled**

The water from the washing process in the dyeing plant at Herning North is cleaned and reused. We draw the thickener from the water and reuse it.

**27 tonnes of shredded yarn waste is recycled**

Every year, we send yarn waste from the Litspin yarn factory to Belgium, where it is recycled 100%.

**56.8 tonnes of recycled polyester in white backing**

On some carpets, Herning South uses a white felt backing that consists of 71% regenerated polyester fibre.

**13,666 m³ of recycled water**

At Herning North and Gram we clean and recycle the water from selected production processes.

**46.5% biogas outweighs natural gas consumption**

We use a lot of natural gas in production. To offset this, we invest in biogas. Today, 46.5% of the Group's natural gas consumption is covered by investments in biogas.

**100% recycled plastic in carpet tubes**

The Danish production units only use carpet tubes made from 100% recycled plastic. This year we purchased 966 km of carpet tubes.

**70% recycled cardboard in carpet tile boxes**

Carpet tiles are packed in cardboard boxes containing 70% recycled cardboard. This year we used 197 tonnes of carpet tile boxes.

**5,519 pallets for recycling**

Herning North, Herning South and Münchenbernsdorf sell used disposable pallets to companies that recycle the pallets. Pallets that are not suitable for recycling are chipped and incinerated.

**24.5 tonnes of carpet offcuts are reused**

Herning North sends carpet offcuts from production to France, where they are reused as a substrate in equestrian tracks. This year we dispatched 24,500 kg of carpet offcuts.

**90% recycled material in carpet base**

When carpets are produced, the yarn is tufted down into a carpet base. Two types of carpet base from Herning North consist of 90% recycled industrial waste. This year, we used 291 tonnes of recycled carpet base.

**26 tonnes of plastic packaging is recycled**

Raw materials are delivered on pallets wrapped in plastic foil. All of the plastic foil is collected and sold to a Danish packaging manufacturer, for recycling as new plastic packaging.

**38 tonnes of mixed residue for recycling**

At Herning North, fluff and scraps of yarn and ground tissue are sold for recycling in e.g. the furniture industry. This year we sold 38,258 kg of this mixed residue.

# SUSTAINABILITY STRATEGY TOWARDS 2030

**In 2019, we adopted a new Sustainability Strategy for Ege Carpets. After the Group merger, this strategy will now apply to all production units throughout the Group. This is a very big leap, but it will not make us lower our sights. Instead, we must work even harder to achieve the goals.**

The strategy is based on the three Sustainable Development Goals with which we are working, and sets out four overall objectives:

- Sustainable carpets
- Turning waste into resources
- Closed loops
- CO<sub>2</sub> positive

The Sustainability Strategy reflects our wish to contribute actively to a sustainable world through our core business. Our view is that it is not sufficient to set out objectives to stop the negative development. Instead, we will set objectives that contribute positively to global development.



### Status of the Sustainable carpets goal

For us, sustainable carpets are carpets that fulfil the Cradle to Cradle vision. The first step is the Cradle to Cradle certification of all carpets, and then to raise them all up to the standard's top level, the Platinum level. Currently, only one product in the world, within the garment industry, is certified at Platinum level.

Prior to the merger, the Sustainability Strategy solely concerned Herning North and Gram, which formed the old Ege Carpets where, in 2020, we completed the world's largest Cradle to Cradle certification, covering all carpets for the contract market. This made Ege Carpets the only carpet manufacturer in the world with a 100% Cradle to Cradle-certified range. After the merger, we can no longer boast of that record, because now all the carpets in the Group must be included. This means that only 52% of our contract carpets are Cradle to Cradle certified right now, but during 2021/2022 we already expect to achieve 100% Cradle to Cradle certification of all carpets in the Group once again.

Sustainable carpets also concern increasing the proportion of recycled materials in the carpets. The greenest carpet from Ege Carpets consists of 74% recycled materials, but only a few of our carpets rate so high on the scale. The carpets produced with felt backing of 100% used plastic bottles and ECONYL yarn, which comes from regenerated fishing nets and other industrial nylon waste, are ranked as having around 46% recycled materials. For all carpet types, there are currently 24% recycled raw materials in the products. The rest are virgin materials, which we need to replace, so that an even larger proportion of recycled materials is used. The goal is 75% recycled raw materials across all carpet types by 2030.

The process of switching to recycled materials is extremely complex, however. The Cradle to Cradle requirements are so strict that it can be difficult to find recycled materials that meet these requirements. For example, the tile backing made from recycled plastic bottles is the primary reason that we currently cannot achieve higher than Bronze level for carpet tiles. The plastic bottles contain a softener that Cradle to Cradle would prefer not to see. The alternative is to switch to a virgin material instead, but this is – in our view – not a good solution, as we would rather use recycled than new resources. An ongoing complex trade-off thus needs to be made between carpet components that we can and will replace.

2021 status after the merger	2025 goal	2030 goal
52% of the carpets for the contract market are Cradle to Cradle certified at Bronze level	All of the carpets for the contract market are Cradle to Cradle certified at Gold level	All of the carpets for the contract market are Cradle to Cradle certified at Platinum level
On average, 24% of the raw materials are recycled*	On average, 50% of all raw materials must be recycled*	On average, 75% of all raw materials must be recycled*

\*Based on raw materials across carpet types.

### Status of the Turning waste into resources goal

When we can use regenerated materials in our carpets, we are transforming waste into resources, and thereby keeping valuable materials in circulation. Following the merger in 2021, 38% of the carpets are made from regenerated ECONYL yarn, while 18% of the carpets are made from wool, which is a renewable material. Overall, this means that after the merger, 56% of the carpets in the Group are made from yarn comprising regenerated or renewable material.

It is also important to keep track of our own waste. We are already skilled at sorting waste at all of our production sites, but we need to become even better at ensuring that all waste can be reused. At Herning North and Gram, we made a start last year by focusing on food waste in the canteen, and this initiative will gradually be extended to the other production units. We must also gradually address other areas where there are waste fragments that are not sent for recycling or reuse. So far, we have managed to ensure the reuse or recycling of 27% of the Group's total waste volume. In addition, 71.5% of our waste is sent for thermal recycling. The aim is for all of our waste to be reused, recycled or composted by 2030. However, this also requires that technologies for the recycling of all types of waste are developed before 2030. This is not yet in place.

2021 status after the merger	2025 goal	2030 goal
56% of the carpets are produced from yarns based on recycled or renewable materials	75% of the carpets are produced from yarns based on recycled or renewable materials	All carpets are produced from yarns based on recycled or renewable materials
27% of the waste from production is reused, recycled or composted	All waste from production is reused, recycled or composted*	All waste is reused, recycled or composted*

\*If appropriate technologies exist.

### Status of the Closed loops goal

This leads us to the goal of closed loops, whereby all materials can continue to circulate without ever becoming waste. In this respect, the biggest issue in our industry is definitely carpet waste. Today, carpets are incinerated after use. In some countries they are even deposited as landfill or dumped, which is a very poor solution. Instead, opportunities must be created for used carpets to be recycled. To make this possible, facilities must be established all over the world where used carpets can be delivered and shredded for recirculation as new raw materials. Once this is possible, the used carpets will gain real value because the components can be reused, so that the carpets' owners can earn money by returning them for recycling.

It is essential that these are not standalone recycling facilities for carpets in a few countries. In Europe alone, around 1.6 million tonnes of carpet waste are generated annually. It is neither environmentally nor economically sustainable to transport carpet waste across the globe to recycle it in just a few countries. Solutions are needed – at least at regional level – for the treatment of all carpet waste in the future.

It is outside our remit to develop and operate carpet recycling facilities. Instead, we work with different partners that are seeking to solve this problem. Via the European Carpet and Rug Association (ECRA), we have invested in a pilot project which uses non-hazardous chemistry to separate carpets and other layered material into relatively clean fractions. This is a very exciting project that could potentially be rolled out globally, if it is successful.

The EU is also beginning to make recommendations for the recycling of carpet waste in the future, and we expect that coming new legislation will speed up the establishment of such recycling facilities worldwide.

We are also developing new carpet structures that are easy to separate after use. Today's carpets are highly complex products with more than 200 constituent substances that are glued together. In the future, carpets must be easier to separate into individual com-

<sup>3</sup> According to Gran View Data, 2016.

ponents that can be reused, recycled or composted. Both Herning North and Münchenbernsdorf are working on developing mono-carpet products. A mono-carpet product solely consists of one type of material. After use, this carpet can be easily melted down and 100% recycled as pure new raw material. In principle, developing a mono-carpet is quite straightforward. The trick is to ensure that it can pass all quality tests and fire safety requirements – and this is what we are working on now.

2021 status after the merger	2025 goal	2030 goal
Customers are guided in opportunities to recycle carpet waste	Customers can give used carpets to recycling facilities in five main markets	Customers can sell used carpets to recycling facilities
Two mono-carpet products have been developed and tested in the use phase and the laboratory, respectively	100% reuse and recycling of all components of a carpet from Ege Carpets	All carpets from Ege Carpets can be reused, recycled or composted

#### Status of carbon-positive goal

The final goal of the Sustainability Strategy concerns becoming carbon positive. Since we adopted this goal, we have become aware that carbon neutral and carbon positive are more complex concepts than we expected. For example, there is no adopted definition of what it takes to become carbon neutral. This makes it challenging to work with these concepts. Nevertheless, the goal is so important to us that we have continued to work on it, according to the following definitions:

- We consider ourselves to be carbon neutral when all of our energy consumption is covered by investments in renewable energy (climate credits).
- We consider ourselves to be carbon positive when 100% of energy consumption is covered by investments in renewable energy, and we also contribute to the total amount of renewable energy in the world by producing a form of renewable energy.

We are aware that there are many views on the purchase of climate credits. Even though it is common practice to deduct climate credits in greenhouse gas accounts, as we do in Scope 2, this particular practice is criticised from several quarters. This makes it important to emphasise that we naturally do not work solely with the purchase of climate credits. We are dedicated to reducing our own emissions in Scope 1, and since 2007 we have reduced CO<sub>2</sub> emissions from our production units by 69%. Our efforts to reduce energy consumption will continue unabated in the future.

If the legislation on the use of climate credits changes, we are ready to adapt our goals accordingly. It is also possible that the goals will have to be adjusted when agreed definitions of carbon neutral and carbon positive are achieved. Until then, we will continue to work on the goal based on our own definitions, which are described above.

On this basis, our status is that we are already well on the way with investments in renewable energy to cover 100% of the Group's electricity consumption. In specific terms, the Danish production units invest in GO certificates (climate credits) from offshore wind turbines equivalent to the number of MWH used during the year. The two production units abroad invest in other forms of green energy. The Litspin spinning mill's electricity consumption is covered through investment in a mix of energy from hydropower, wind turbines and solar cells, while Münchenbernsdorf invests in a mix of energy from wind turbines and hydropower. Münchenbernsdorf is the only production unit not yet up to 100% coverage, but this year, their 'deficit' in the equation is covered by Herning South, which has purchased significantly more renewable energy than they have used.

We are also well on the way to scaling up investments in biogas to cover the Group's natural gas consumption. So far, we have only invested in biogas certificates to cover consumption in Herning North and Gram, but overall these investments cover 46.5% of the entire Group's natural gas consumption.

Going forward, when our entire electricity and natural gas consumption is covered by renewable energy, we will consider ourselves to be carbon neutral. To become carbon positive, we will then just need to invest in a form of technology that can produce energy. We see no problem in achieving this goal by 2030.

On the other hand, the climate impact of transporting carpets out to customers is a major challenge. The carpets are primarily manufactured in Denmark, but are sold globally, resulting in increasing CO<sub>2</sub> emissions as our business grows. Our goal is carbon-neutral transport by 2030, but in this respect we depend on the development of new technology. Meanwhile, we are setting more stringent supplier requirements for carbon-neutral solutions, besides seeking to change our customers' mindset from an expectation that everything must be delivered as quickly as possible, since longer delivery times can reduce our climate impact. We are also working on replacing our own fleet with carbon-neutral solutions. Since we have only just started, there is still a long way to go.

2021 status after the merger	2025 goal	2030 goal
Investments in renewable energy cover 100% of electricity consumption.	Investments in renewable energy cover 100% of electricity consumption*	Carbon-positive supplier of green energy
Biogas investments cover 46.5% of natural gas consumption	Biogas investments cover 100% of natural gas consumption*	
Mapping of emissions has begun	Carbon-neutral road transport**	Carbon-neutral transport (road, sea, rail and air)**
11% hybrid cars/vans 1% carbon-neutral cars/vans	Exclusively buy and lease hybrid vehicles and carbon-neutral company cars and vans	Exclusively buy and lease carbon-neutral company cars and vans

\*Calculated for production units

\*\*Transport from Ege Carpets to customers

## All the details of the Sustainability Strategy

Since we launched the Sustainability Strategy in 2019, there have been several changes in both goals and designations. This is because we are gaining more knowledge as we continue our work with the goals.

### Specification of goals

- We specify that the carpets referred to in our goals are our standard carpets for the contract market, including standard carpets in special designs. For the current year, this is around 85-90% of all carpets in the Group. This means that carpets for homes and carpets that are not a standard item in our product range are not included.
- When we refer to renewable energy and biogas, this currently concerns investing in certificates to ensure that our consumption of electricity and natural gas are covered by purchasing climate credits. We have always been transparent about this, but we have become aware that it could be expressed more clearly in our Sustainability Strategy and other communication.



#### **Change of goal**

- The 'carbon-positive' goal previously stated that as from 2025 we would only buy and lease carbon-neutral company cars and vans. This goal has been deferred to 2030, and the goal for 2025 is now that we will exclusively buy and lease hybrid vehicles and carbon-neutral company cars and vans.

#### **Unresolved issues**

- The complexity of the carbon-neutral and carbon-positive concepts, of which there are no adopted definitions, means that we may have to change our goals going forward if legislation is amended or definitions are adopted that are contrary to our own definitions.
- Various new EU legislation is under way that will influence the work of reducing CO<sub>2</sub> emissions.
- Part of the solution may lie in the Science Based Targets initiative (SBTi), which is expected to publish a guideline and definition of carbon neutrality by the end of 2021.
- Under the goal of becoming carbon positive, we aim to become carbon neutral for the transport of carpets to customers. Almost half of the Group's total CO<sub>2</sub> emissions are under this item in the greenhouse gas accounts, so that is why we have set a specific goal for this. It must be emphasised, however, that by far the largest CO<sub>2</sub> emissions related to our carpets lie further out in the value chain and concern production of the raw materials. We currently do not have access to information for all of our raw materials in the full value chain, which impedes calculation of the carpets' total carbon footprint throughout the value chain. This is a shortcoming of which we have become aware during the last few years. Going forward, we will start the work of mapping this aspect of our climate impact. It is not yet clear how and at what pace this will take place.

# NEW INITIATIVES

**In previous years, we have shared a large number of good stories about new initiatives from each production unit concerning our sustainability and social responsibility initiatives. This year, fewer new initiatives were launched, so there are also fewer good stories to tell. On the other hand, the stories we do have are really good.**

## **Large-scale biodiversity**

A few years ago, we started up a small biodiversity project to sow fauna belts in an area behind our buildings at Herning North. We are now going all-in by launching a large-scale project in collaboration with parties that include Herning Municipality and the Danish Nature Fund.

The Danish Nature Fund is engaged in acquiring, protecting and restoring nature resources throughout Denmark. The land acquired by the Nature Fund becomes a permanent nature resource. The project aims to create a large wild nature area behind our buildings, which are located east of Herning. The nature project will create optimum conditions for biodiversity and nature's development without intervention.



Today, the 90-hectare area owned by Ege Carpets, the municipality, private landowners and the Danish Nature Fund consists of cultivated fields, marshlands, fertile meadows and heathland. The aim is to reclaim this land to create new wild nature areas and a natural river valley. E.g. wild horses and grazing cattle will ensure nature conservation of the area throughout the seasons. Access points, pathway systems and vantage points will be created in the area, giving fantastic opportunities to experience nature in close proximity to the city.

We are providing around 28 hectares of land for the project, which is also planned to interact with our own buildings. The long-term aim is to establish pathway systems that run close to our production facilities. Glass facades will be installed in our tile factory, so that visitors to the area can see how sustainable carpet tiles are produced. There are also plans for the large green belt in front of the factory to be converted from lawns into a beautiful 'Willingly Wild' area with a 12-metre belt of wild flowers and several different species of shrubs and trees. In combination, these initiatives will make the area attractive for local residents to visit, while also supporting biodiversity.

We look forward to seeing the project take shape. The first sod will be turned by the water utility company Herning Vand A/S, which will establish a number of rainwater basins in part of the project area. After this, the entire area behind the buildings will be fenced in and prepared for animals to be released. In the future, the landscape will consist of a stream that winds through meadow areas, with watering holes, small woods and thickets, as well as more open landscape with scattered willow bushes. We expect the overall project to be completed within a few years.

The area will be surrounded by fields, but in the longer term we hope that the Nature Fund will be able to acquire some of the surrounding areas for addition to the project, giving a considerable increase in the wild nature area around Herning. We are proud to be part of a project to ensure more green nature and better conditions for biodiversity in Denmark.

### **#MeToo on the agenda**

One of the major news items around the world in 2020 was the #MeToo movement, with a large number of women coming forward with allegations of sexual harassment in the workplace. None of our employees have ever reported any cases of harassment, but nonetheless we took note of the many reports.

In the autumn, we asked Bureau Veritas to address this issue in connection with the CSR audit under DS 49001, with a number of employees being selected for confidential interviews. Fortunately, Bureau Veritas reported that we do not appear to have a harassment culture in the company. A workplace culture analysis in the same year gave the same outcome. We have nonetheless drawn up a set of guidelines that can be implemented in the event of any instances of harassment in the workplace.

The guidelines will help employees who have experienced harassment to come forward and speak out, and also give managers a framework to handle any cases of harassment. For us, offensive behaviour does not just concern sexual harassment. It may also involve bullying, abusive behaviour and degrading treatment of colleagues. The guidelines provide good advice and information about where to get help, and specify that serious or repeated cases of offensive behaviour may result in a written or verbal warning and may ultimately have legal employment consequences.

We believe that openness and dialogue are the way forward, and with these guidelines, we want to create a workplace where we can talk openly about our experiences. In this respect, management has a special responsibility to highlight our values and norms. The HR department is therefore available to both managers and employees wishing to be better prepared for the dialogue concerning offensive behaviour and actions.

### **Commitment to sustainable business development**

Local community development is an important aspect of social responsibility. Based on our longstanding support for this issue, during the past year we joined the boards of two associations that help companies and organisations in the local community to work on sustainability and the UN Sustainable Development Goals.

Sustainable Herning was established in August 2020 as an association to support business activities within sustainability. The association was founded in collaboration between Herning Municipality and a number of local companies, and over the next four years DKK 20 million has been set aside to run the centre and create sustainable growth in the business community. The work is headed by Ege Carpets' CCO, Svend Aage Færch Nielsen, designated as chairman of the Board of Directors and Chairman of the Sustainability Council. The latter consists of 25 local representatives from local business, educational and cultural bodies.

In Viborg, the association FN17 Business was also established in 2020. This association seeks and promotes the dissemination of the UN's 17 Sustainable Development Goals among companies, organisations and authorities in Denmark. The association has the backing of Viborg Municipality, VIBORGegnens Erhvervsråd (the Viborg business council), and a number of private companies, educational institutions and foundations. During the next three years, DKK 8 million has been allocated to help small and medium-sized enterprises get started with the SDGs. Ege Carpets' CSR Manager, Dorthe Aaboe Kallestrup, has been elected to the board of the association.

Through the two associations' work, we hope to contribute to a stronger local anchoring of a number of sustainable new initiatives within the business community and educational institutions, and at municipal level.

### **Support for the Green Constitution**

In 2020, we added the goal of a Green Constitution to our other activities. 149 countries, but not Denmark, have green clauses in their national constitutions. This is why we have joined a coalition that is working to ensure that the environment, nature and climate are written into the Danish Constitution. The coalition consists of a large number of Danish companies and organisations that wish the following five principles to be included:

- The right to clean air
- The right to clean drinking water
- The right to clean food
- The right to a sustainable climate
- The right to diversity in nature

We hereby encourage all interested parties to read more about the project and join the cause, so that together we can ensure that focus on these important issues does not depend on which government is in power in Denmark. Read more at [www.grongrundlov.dk](http://www.grongrundlov.dk)

# BRIEF EXCERPTS FROM EGE CARPETS' CSR POLICY



# GROUP RESULTS

**Despite Covid-19, our future looks bright. We have a strong organisation that is ready to meet the upcoming challenges. Based on the aim of providing beautiful carpets for a sustainable future, we are dedicated to achieving our goals.**

## CSR policy sets the game rules for everyone

We regard social responsibility as a necessity. Our planet is under a great deal of strain, and every company needs to take active and long-term responsibility for their impact on global resources. With our CSR policy, we will ensure that our business model, production processes and products help create a more sustainable society, both now and in the future. This naturally requires that we comply with all legislation, as well as the international conventions to which we are subject, including the European Convention on Human Rights and the Rio Declaration on Environment and Development. Under our CSR policy, we also wish to contribute to achieving the UN Sustainable Development Goals and the UN Global Compact, which we actively support. All employees worldwide have been presented with the CSR policy, to ensure that everyone in the Group is familiar with the game rules.

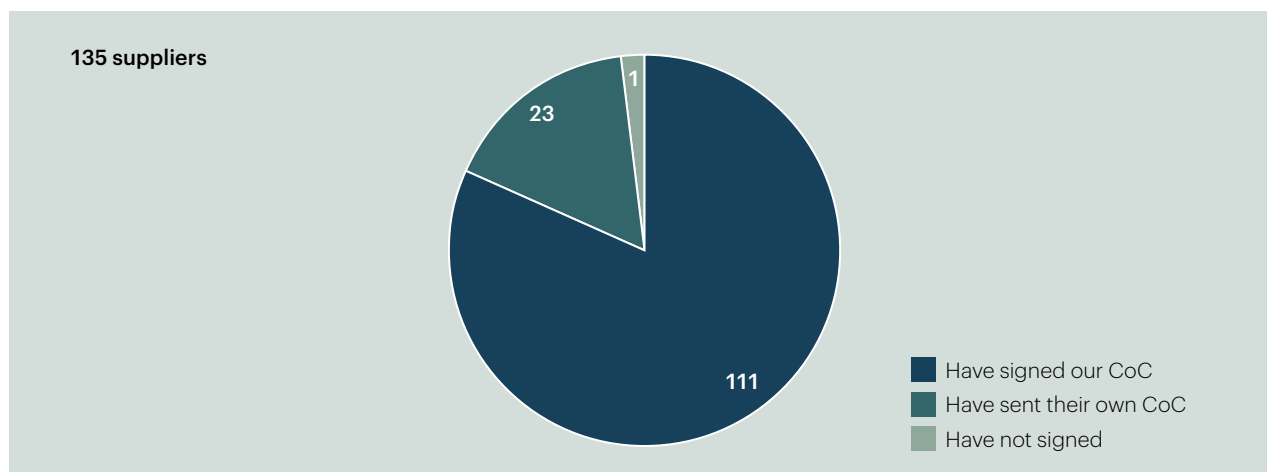
## Stringent supply chain management

Supply chain management is particularly important when it comes to sustainability, because by far the largest share of environmental impacts in the value chain occur before the raw materials arrive at our production sites. The same applies to risks associated with human rights and corruption. We have therefore implemented a strict supply chain management system for the Group, which is based on the UN Guiding Principles.

The system requires all suppliers to sign a comprehensive Code of Conduct (CoC) that, among other things, requires them to focus on human rights, good working conditions, sustainability, reuse and recycling, CO<sub>2</sub> reductions, the circular economy, animal welfare and anti-corruption.

We also require suppliers to comply with national and international legislation and international conventions, including the European Convention on Human Rights, the Rio Declaration on Environment and Development, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Suppliers are encouraged to contribute actively to achieving the UN Sustainable Development Goals and to endorse the UN Global Compact. We specifically require that suppliers set the same requirements in their own value chains as are stipulated in our own Code of Conduct. Besides signing our Code of Conduct, suppliers must complete a comprehensive self-assessment, to give us a good basis for the risk assessment of each supplier.

Last year, we completed the implementation of the supply chain management system for all of our strategically important suppliers. This year, we have expanded the system to include our other suppliers. This includes suppliers that only deliver small volumes to us, and suppliers that can easily be replaced. The total list of suppliers covered by the supply chain management system has now reached 135. Only one supplier has currently neither signed our Code of Conduct nor submitted their own instead. Work is under way to get this supplier on board.



### **Climate stakeholder**

Ege Carpets is not a political organisation. Nevertheless, there is one area in which we seek to contribute to or influence the political agenda: the environment. In 2019, the Danish government set up 13 climate partnerships to focus on reducing Denmark's CO<sub>2</sub> emissions by 70% up to 2030. We are proud that John Vestergaard, CEO of Ege Carpets, was invited to be vice chairman of the climate partnership for production companies. This climate partnership gives us the opportunity to contribute to setting the overall agenda for production companies, where we will focus particularly on ensuring that high ambitions are set, and that small and medium-sized enterprises are also consulted and included in future solutions.

### **Moderate response to stakeholder analysis**

We conduct regular stakeholder analyses to investigate external requirements and expectations of our CSR work. We define stakeholders as parties that affect or are affected by Ege Carpets' decisions and actions. Stakeholders are groups, e.g. customers, employees or local communities, that are affected directly by our business activities. They may also be parties that set requirements on behalf of other groups, or the environment, that are not able to protect their own interests. Our stakeholders comprise the following groups:

- Owners
- Employees
- Trade unions
- Customers
- Architects/designers
- Suppliers
- Local authorities
- Industry organisations

At the beginning of 2021, we issued the first stakeholder analysis in three years to 619 people in our main European markets. Unfortunately, the results were affected by the global crisis; only just under 13% of the stakeholders selected chose to participate in the analysis. The analysis therefore does not provide a valid data basis for our work, but merely an indication of stakeholders' preferences. The analysis showed that the stakeholders gave great weight to both sustainability and social responsibility, but that we have been most successful at communicating our sustainability initiatives. While most respondents are familiar with our Sustainability Strategy and expect us to perform well in terms of sustainability, fewer respondents know about our social responsibility initiatives and believe that we will be leading the work in the future. Overall, there appears to be a good level of consistency between our choices and our stakeholders' priorities.

### **Workplace culture analysis**

For many years, we have based our work on the physical and psychosocial working environment on the ISO 45001 (formerly OHSAS 18001) system, under which we are certified. As a consequence of the restructuring, we now want to expand our efforts by also including meaningfulness and purpose in the work. At the end of 2020, we conducted a comprehensive analysis of our workplace culture. The analysis was based on the assumption that work is perceived as meaningful if:

- The work has a clear purpose
- The employee receives clear guidance from a strong manager
- There is a spirit of teamwork and a sense of belonging
- There is a belief in opportunities for personal development

The analysis covered everything from leadership and a sense of belonging, to personal development, including physical and mental well-being, and was prepared by an external company to ensure that employees could respond with full anonymity.

The analysis showed that employees generally consider their work to be meaningful. They are driven by a sense of purpose and pride in helping to make a difference. Employees are happy with their workplace and see themselves as part of Ege Carpets for many years to come.

However, the most important learning from the analysis is that there is still some work to be done in a number of areas. First of all, almost one third of employees would like more feedback from their immediate manager, in order to better achieve their potential. The analysis also showed that production employees in particular would like better communication between departments and the various levels of the company. They feel polarised in relation to salaried employees because they do not get enough information about what is happening.

Finally, the analysis showed alarming levels of stress throughout the Group. 10% of the analysis respondents experience a high level of stress at work.

Based on the analysis, all three areas are now being addressed. All managers in the Group will attend a course in the art of giving employees qualified feedback. This initiative is expected to be implemented by mid-2021. We are also moving away from the traditional mindset of offering employees one annual individual or group performance appraisal interview. Instead, we will be introducing an ongoing, flexible one-on-one dialogue between each employee and their immediate manager. This will ensure that all employees feel that they are seen and heard by their manager.

The analysis exposed a gap between the information given by senior management and the information received by employees in production. For middle managers in production, we have therefore developed a special training programme that includes information dissemination. Going forward, we also plan to upgrade internal communication, e.g. by using information screens, to increase transparency about the individual departments' contributions to the organisation.

However, the most pressing issue is the high level of stress among employees, as identified by the analysis. We strongly suspect that the figures are influenced by the Covid-19 pandemic. There is no doubt that redundancies, the furlough scheme and general insecurity affect employees' work tasks and well-being. In some of our subsidiaries, sales personnel is predominantly paid on a commission basis, so that declining orders reduce pay, which can be a significant stress factor. Since the analysis response is anonymous, we can only see which subsidiaries and departments are affected by the problem, but we cannot identify the individual employees in question.

In the future, all employees will have the opportunity to anonymously contact an external stress counsellor, who will offer a screening dialogue on why the employee experiences stress. On this basis, the employee will receive guidance in identifying opportunities for help. Many employees are covered by health insurance, pension schemes or trade union programmes that offer various forms of assistance to tackle stress.

If the external adviser's screening shows that the problem is due to specific factors for which Ege Carpets is responsible, the adviser will give us an overall report on this, so that we can take steps to rectify the situation. In some cases, there may be a need for a change of practice, while in other cases personal help may be needed to reduce individual employees' stress levels.

Going forward, the workplace culture analysis will be a permanent element of the work to ensure employee satisfaction and well-being at Ege Carpets.



# LOCAL RESULTS

**This year we have produced significantly fewer m<sup>2</sup> of carpets than usual. This is also clearly reflected in the reuse and recycling figures.**

## Reuse and recycling

Carpet production at Herning North generates various mixed residue in the form of fluff and scraps of yarn and ground tissue. We sell this mixed residue to a Belgian company that recycles the residue in the furniture industry and as insulation material. In 2020/2021, we sold 38,258 kg of mixed residue for recycling.

Carpets are produced with a little surplus material on both sides, which is cut off at the close of the production process. This gives the customer a fine, uniform carpet. On an annual basis, this results in several hundred tonnes of carpet offcuts from Herning North and Gram, which we sell to a company in France that processes the material and mixes it in the sand for equestrian surfaces. The offcuts comprise around 2% of the surface and replace wax treatment of the sand. In 2020/2021, we sold 24,500 kg of offcuts for recycling in equestrian tracks.

At Herning South, we recycle residual yarn to fill out the edges of carpets below the standard width. The part of the carpet that is not to be used is woven from residual yarn in a basic herringbone pattern with 4-5 cm between the yarn rows. In this way we can recycle our own residues and significantly reduce the consumption of materials.

Every year, our Litspin yarn spinning mill sends its residual yarn to Belgium, where it is 100% recycled. In 2020/2021, we sent 27,255 kg of residual yarn. We also sell carding waste to local businesses. This year, we sold 3,234 kg of carding waste to a furniture company in the area.

Herning North, Herning South and Münchenbernsdorf all sell used disposable pallets to companies that recycle and reuse the pallets. In 2020/2021, we sold 5,519 used pallets for recycling.

All of our Danish production units send used cardboard cones containing leftover yarn for recycling in Gram, where the Group has established a production line that specialises in unwinding the residual yarn and sending both yarn and cones for recycling. The special aspect of the production line, called Ege Go2Work, is that all of its employees are engaged on special terms, due to their reduced working capacity. In 2020/2021, we sent 68.7 tonnes of yarn and 48.6 tonnes of cardboard cones for recycling.

See examples of other materials we ship for reuse and recycling on page 9.

## Resources kept in circulation

We have found our own methods of keeping some of the surplus resources from production in circulation.

At Münchenbernsdorf, we have developed a system to combine small scraps of yarn into new yarn. This ensures that residual yarn is recycled in our own production, instead of being incinerated. In 2020/2021, we recycled 2.2 tonnes of residual yarn in this way, while a further 6.5 tonnes of waste yarn was sent for recycling externally.

At Herning North and Gram we dye the carpets ourselves, and considerable amounts of water are used in this process. We then collect and purify the water, after which it is recycled in our own plant as far as this is possible. We have specific targets for how much of the water is to be recycled, but in the last few years we have fallen below our target. At Herning North, the goal is to recycle 70% of the water from the washing process in the dyeing plant. Unfortunately, in this case too, the coronavirus crisis had a significant impact on the result for the year. The plant is designed to run non-stop, but the repeated stoppages throughout the year reduced its efficiency significantly. In addition, for three months the plant was at a complete standstill. In 2020/2021, we therefore only reached 24.5%. At Gram, the goal is to recycle 50% of the water. We achieved 39.8%, which is in line with the previous year.

The dyeing plant at Herning North has 40,000 individual dye sprayers that inject dye into the pile of the raw white carpets made here. With high precision, the plant dyes any pattern required by the customer. The dye is circulated constantly in a closed system which ensures that 82% of the dye is recycled.

At the Gram facility, we collect hot water at 40°C from the backing line and recycle it for cleaning in the dyeing plant. In normal circumstances, we use around 4 m³ of heated water for the cleaning process on a daily basis, so that we can annually save around 864 m³ of water, while also saving energy for heating. This year, however, the figure is proportionally smaller, due to lower production. The same procedure is used in Herning North, where 2,800 m³ of water is led into a collection tank from which the water can be recycled.

In both Herning North and Gram, we recover surplus heat from some of the production processes and send it out into the district heating system, where it is used to heat houses in the local area. In 2020/2021, we produced 1,233 MWH of excess heat, which corresponds to heating 274 houses<sup>4</sup>.

### **Carpets with fewer materials**

We have just invested in a new loom in Herning Nord, which among other things can weave with fewer materials than we otherwise use in most carpets. For us, reducing the consumption of materials is a focus area because production is more sustainable when fewer resources are used for the products. Going forward, it will be exciting to observe the work with the loom.

### **Low-scale activities**

Unfortunately, a number of initiatives have been at a standstill or scaled down, due to furlough schemes and lockdowns. As soon as we are back to full operation, all relevant initiatives will be resumed or continued as planned. This includes:

#### **Ege Go2Work**

The green production line for employees with special needs was shut down for extended periods due to the national lockdown regarding Covid-19. This means that fewer people were able to benefit from opportunities to work on special terms.

#### **Food waste for biogas**

Last year, in Herning North and Gram, we engaged in collaboration with DAKA ReFood on the collection of food waste for biofuel. Due to the assembly ban, however, employees no longer gather for meals in the canteen area, which has impeded the collection of food waste. Less food waste than expected is therefore collected.

#### **Freight transport included in greenhouse gas accounts**

In last year's report, we described how, due to an error, no Group-wide data was included in our previous statements of CO<sub>2</sub> emissions from freight transport in connection with Scope 3 of the greenhouse gas accounts. The plan was to include this as from 2021. It has not yet been possible to implement the plan, due to the lockdown.

#### **ISO certification in Münchenbernsdorf**

Our German production unit was planned to have completed ISO 9001 and ISO 14001 certification in 2020. Unfortunately, this certification has been delayed by the coronavirus situation and we are currently awaiting clarification of how the certification will take place in the new organisational structure.

<sup>4</sup> Based on annual consumption of 4,500 KWh per household

**Accidents resulting in absence**

For several years we have had the goal of zero accidents resulting in absence, but despite many good efforts, the goal has not been achieved. Every year we have a few accidents at all production units that should have been avoided. This year it was not possible to launch new activities.

**Safety**

Safety has always been an important focus area for us, and we have launched many initiatives at each production unit to ensure that employees can go to work safely. This year it was not possible to launch new activities.

**Internal audits**

Ongoing internal audits are an integral part of our management system. They help us follow up on action plans, policies and goals, and ensure that we adhere to our own procedures. Unfortunately, we were obliged to temporarily suspend all internal audits in order to reduce the risk of infection between departments.

**Action plans**

We always have many action plans in progress, ranging from the environment and health and safety, to CSR. This year, however, many of the action plans did not make as much progress as intended. As soon as the situation permits, the action plans will be revisited.



# ORGANISATION AND MANAGEMENT

We have set the goal to be the best carpet manufacturer in the world when it comes to CSR, and this requires focus and dedication. This is why CSR is included in the Group's business model.



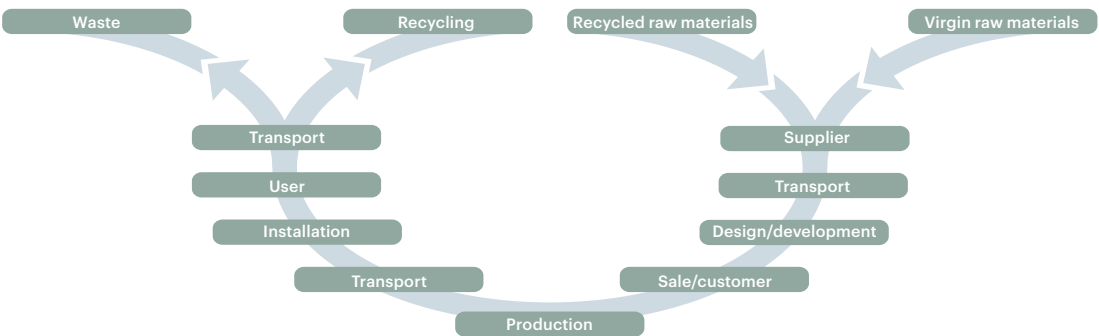
## From business model to practice

Ege Carpets' Executive Board holds the overall responsibility for the CSR policy and strategy. A CSR steering group, comprising the CEO and CCO, as well as representatives of HR, Procurement, Product Development, Quality and the Environment, as well as Marketing and CSR, follows up on the strategy and clarifies complex CSR issues.

The strategic CSR work is conducted in practice by the Group's CSR department, while the individual production units are responsible for ensuring the progress of the initiatives on a local basis. This constellation ensures broad support from all relevant players in the Group.

The implementation of the business model in practice creates our value chain. Our value chain starts with the supplier, where the raw materials are extracted, for subsequent transformation into carpets in our production facilities. We then deliver the finished carpet to the customer, where the carpet is used for a number of years and then discarded when it is time to replace the flooring. In the longer term, our vision is to close the gap between the start and the end of the value chain, so that we have a complete circular economy.

## Value chain



### Joint management system and certifications

Even though Ege Carpets consists of different production units, the Group has a common management system that is based on recognised standards. Herning North and Gram were the first to commence ISO 9001 certification in 1992, since when three other management standards have been added for these production units, while the other units have come far on the same

journey. Since 2020, Ege Carpets has required all production units to hold ISO 9001 and ISO 14001 certification. Going forward, all production units will also be required to hold ISO 45001 certification, and the Danish production units must hold DS 49001 certification. The table shows what the various different standards cover and when certification is expected.

	ISO 9001 Quality	ISO 14001 Environment	ISO 45001 Occupational health and safety	DS 49001 CSR	UN Global Compact
Herning North	✓	✓	✓	✓	✓
Gram	✓	✓	✓	✓	✓
Herning South	✓	✓	Expected in 2022	Expected in 2022	✓
Røjle	✓	✓	Expected in 2022	Expected in 2022	✓
Münchenbernsdorf	Delayed by Covid-19 and change of organisation	Delayed by Covid-19 and change of organisation	Expected in 2023	Not possible*	✓
Litspin	✓	✓	Expected in 2023	Not possible*	✓

\*DS 49001 is a Danish standard that can only be implemented in the Danish production units. There is no equivalent certifiable international standard for CSR.

The management system is practised according to the Plan – Do – Check – Act model, on which the management standards are based. In practice, this means that we focus constantly on due diligence processes in the form of objectives, action plans, follow-up and adjustments. This is an integral element of the everyday work in all production units. However, Covid-19 has

resulted in a temporary halt to internal audits, where much of the continuous follow-up work takes place. In the same way, the work on action plans and objectives has been reduced temporarily, due to Covid-19. The work will be resumed as soon as the Group is back to full operation.

Due diligence model	Due diligence tools	Social and employee conditions	Environmental and climate conditions	Human rights	Anti-corruption and bribery
	<b>Management system</b>	ISO 45001	ISO 14001	DS 49001	DS 49001
	<b>Overall due diligence processes</b>	Internal audit External audit Management evaluation Objectives Action plans			
	<b>Practical examples</b>	Occupational accidents Labour practices Welfare	Environmental accidents Emergency measures	Supply chain management	Anti-corruption Whistleblower scheme
		Supplier management			

### Tax policy in a business-driven perspective

We attach importance to pursuing a transparent tax policy. We handle all tax-related matters in accordance with the law and pay the correct tax in the countries in which we operate. The business opportunities in each market determine our activities;

and not the amounts of tax we pay. We adhere to the applicable transfer pricing rules, which entail that tax is paid in the country in which revenue is generated. Tax evasion is not permitted.

# RISKS AND OPPORTUNITIES

Every company faces both risks and opportunities on an ongoing basis. It is part of the game to make the right choices at the right times, in order to grow the business. Yet every choice has consequences; not only for the company, but potentially also for the local community, employees, the environment, the value chain, etc. We therefore conduct an annual risk analysis in which we evaluate our own processes and goals, and the consequences of our choices for society.

Based on the new organisational structure, with a single management body for all production units, the risk analysis will be combined into one common Group analysis going forward, to which the individual production units will provide input. This year's risk analysis is affected by the extensive consequences of Covid-19.

## Pandemic

### Risks/opportunities

Covid-19 has exposed society's vulnerability to pandemics. The closed borders and national lockdowns have had major negative consequences for our business. A reduced order intake has led to redundancies and furloughing under government assistance packages. Concern for the health and safety of employees has also led to changes in working patterns and habits. Covid-19 has thus had a major impact on our employees, customers and business partners.

### Actions

We implemented a number of measures as a consequence of Covid-19:

- We adopted a precautionary principle in order to protect our employees and business.
- We introduced requirements for testing, hygiene, face masks and keeping a distance.
- We introduced working from home for everyone able to do this.
- Only business-critical travel takes place and always with the requirement of subsequent testing and isolation.
- As far as possible, meetings take place online.
- Visits to production units are limited to the extent possible and only take place once negative Covid-19 tests have been achieved.

## Finance

### Risks/opportunities

In normal conditions, Ege Carpets is a financially sound company that enjoys strong growth. Unfortunately, Covid-19 has had a severe impact on our markets and customer segments, resulting in a significant decline in profits. This made it necessary to lay off many skilled employees, which has major personal and societal consequences. To a great extent, the remaining employees were furloughed under the salary compensation scheme. This increased stress levels and reduced well-being and job satisfaction.

### Actions

- As the order intake increases again, employees who have been laid off may be considered to regain employment.
- A rotation scheme has been introduced for employees working from home, so that they can take turns to come into the office.
- A workplace culture analysis has been conducted, with focus on well-being, stress and job satisfaction. Subsequently, concrete initiatives have been launched or are being prepared.

## Stress

### Risks/opportunities

Stress is not normally a major issue for our Group, even though high workloads, the implementation of new systems and a new organisational structure have increased the work pressure in recent years. But the coronavirus crisis has significantly increased employee stress levels, due to the personal, social and employment uncertainty as a consequence of the crisis. A workplace culture analysis performed throughout most of the Group in 2020 showed that 10% of employees experience a high stress level.

### Actions

- In future, everyone will have the opportunity to contact an external stress psychologist for clarification of the reason and guidance on the treatment of stress, if necessary.
- All managers are encouraged to talk to employees about how they are doing.
- Management training of middle managers in production has been initiated, including stress management.

## Safety

### Risks/opportunities

Despite a strong focus on safety, every year a few employees are injured during working hours. Normally, all incidents are followed up by Health and Safety Groups to ensure ongoing initiatives to improve safety. Due to Covid-19, the work of the Health and Safety Groups has been put on hold, so that only urgent situations are handled. This means that there is less focus than normal on preventing accidents and injuries.

### Actions

- Actual incidents involving safety breaches and accidents are handled immediately.
- Once the company is back in full operation after the coronavirus crisis, we will resume the work of continuously enhancing the safety of all production units.
- Once the company is back in full operation after the coronavirus crisis, guidelines will be prepared for the issue of warnings and penalties for breach of safety rules.

## Internal audits

### Risks/opportunities

There is normally a comprehensive system of internal audits running all year round, whereby we follow up on procedures, policies, goals and action plans within quality, the environment, occupational health and safety, and CSR. Due to Covid-19, all internal audits have been deferred in order to reduce the risk of infection on sending internal auditors to various areas of the company, and also due to employees being furloughed or working from home. This also entails that our own procedures, policies, goals and action plans are not followed up to the usual extent.

### Actions

- Actual incidents involving breaches of procedures are handled as soon as they are discovered.
- We have a whistleblower system whereby breaches of policies, etc. can be reported.
- External audits are still performed, which means that there is follow-up at least once a year.
- Once the company is back in full operation after the coronavirus crisis, we will resume the internal audit work.

## Environmental impacts

### Risks/opportunities

In our efforts to avoid negative environmental impacts, we are setting more stringent requirements of the constituent substances in our carpets than required by legislation. In a few cases, it can be difficult to find constituent substances that fulfil our own strict requirements.

### Actions

- We have goals for Cradle to Cradle certification at Platinum level, which requires us to substitute individual constituent substances for which it is difficult to find good alternatives.
- We have investigated all constituent substances and now know precisely where to take action.
- We cooperate continuously with suppliers with regard to substitution.
- In our Code of Conduct, we impose strict requirements concerning constituent substances and documentation.

## CO<sub>2</sub> emissions

### Risks/opportunities

Almost half of the Group's CO<sub>2</sub> emissions relate to the transport of carpets to customers.

### Actions

- We have goals for carbon-neutral transport in 2030.
- We have introduced the possibility of longer delivery times, so that consignments can be planned on a more climate-friendly basis.
- We have also added requirements concerning CO<sub>2</sub> emissions to procurement documents for the various carriers.

## Recycling

### Risks/opportunities

Carpet waste presents an environmental problem as it is either incinerated or deposited in land fills or dumped. When recovery becomes possible at some time in the future, this will keep valuable materials in circulation and ensure new business opportunities.

### Actions

- We have the goal of the full recycling of carpets by 2030.
- We are active players in a number of organisations that are working to ensure the recycling of carpet waste.
- We are working to develop carpets that can be separated into the constituent components after use, in order to facilitate recycling.

# ENVIRONMENTAL HIGHLIGHTS FOR THE GROUP

## Greenhouse gas accounts

By 2030, we will be carbon-positive in Scope 1 and 2, and will ensure carbon-neutral transport of carpets to customers in Scope 3.<sup>5</sup> We therefore no longer apply a base year to our CO<sub>2</sub> emissions inventories. We are just working towards the goal of making a positive contribution in Scope 1 and 2, and reducing to 0 in Scope 3. On the other hand, in future we will present the figures as a three-year trend, to make it easy to see whether we are moving in the right direction.

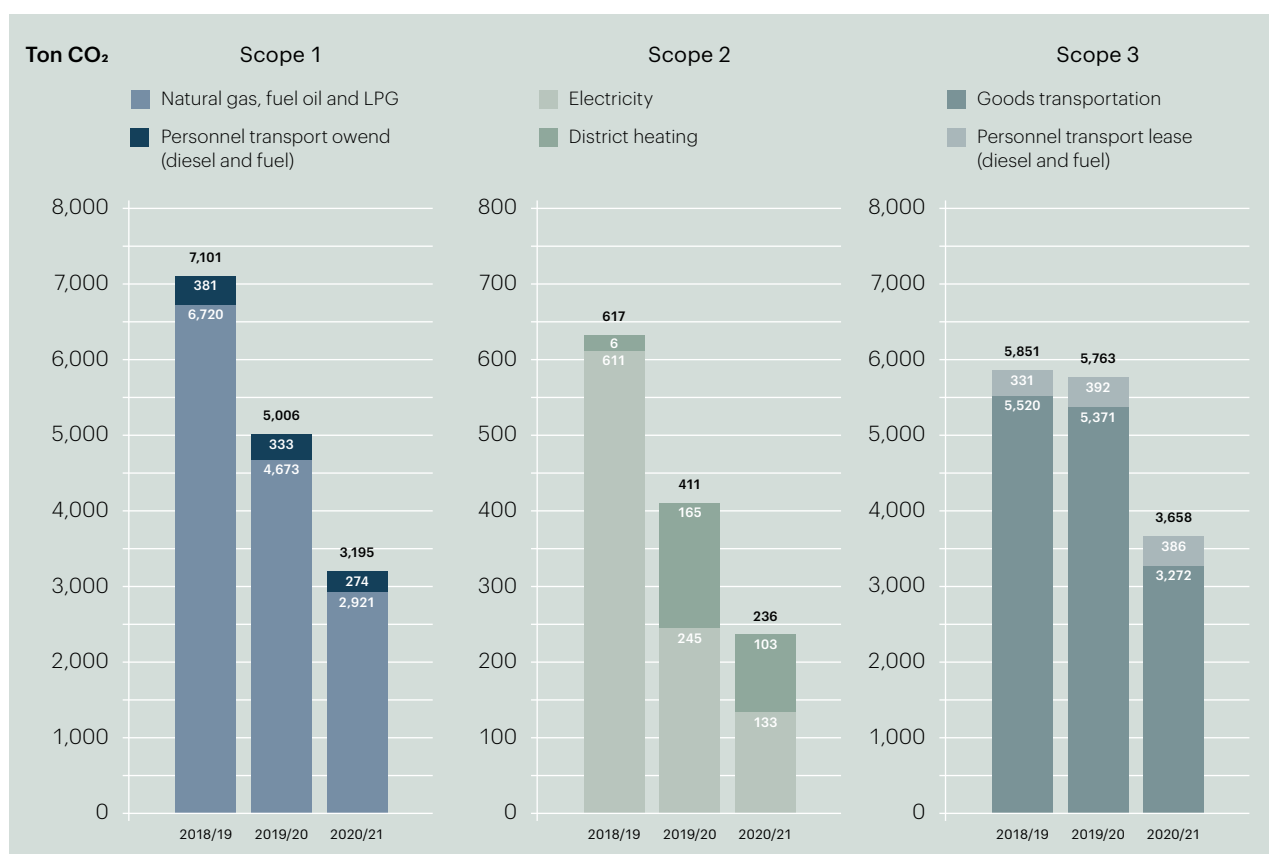
## Remarks concerning this year's greenhouse gas accounts

It should be noted that the relatively large decrease in CO<sub>2</sub> emissions in this year's greenhouse gas accounts is to a great extent due to the full or partial closedown of our production in some periods, due to Covid-19. There was also a significant decrease in the number of orders shipped to customers, giving an extraordinarily large decrease in Scope 3. We expect that next year we will see an increase in all three scopes once again, for the simple reason that production and sales will hopefully be back to normal in the next financial year.

It should also be noted that the emissions in Scope 3 still only include data from Herning North and Gram, while Scope 1 and 2 include data from the entire Group. The explanation for this can be found on page 25.

In addition, the method of calculating Scope 3 has changed for all three years, since we have changed the calculation model. The change revealed an unexpected error in last year's calculations, which have been corrected for this year. This gives a relatively large difference in the figures we present in this report compared to those stated in Scope 3 of the last report. The new calculation method means that going forward it will be easier to compare the three scopes.

See Annex 2 for details of the calculation basis applied to the greenhouse gas accounts.



<sup>5</sup> Definitions of the carbon-neutral and carbon-positive concepts can be found on page 13.

# PRODUCTION INPUTS AND OUTPUTS

The new organisational structure makes it appropriate to present the combined total consumption for the entire Group as one single overview. The following pages show the breakdown of consumption between the six production units. This year, the figures are affected by the Covid-19 lockdown.

There is variation in how many carpet production processes take place in the individual production units. While Herning South,

Røjle and Münchenbernsdorf only undertake tufting/weaving of carpets, dyeing and backing for the entire Group take place at Herning North and Gram, and all tiles are cut out at Herning North. This is reflected in the consumption figures, which are significantly higher for the production units that handle the most production processes. See Annex 3 for details of the calculation basis applied to production inputs and outputs.

TOTAL INPUTS & OUTPUTS	Group 2018/2019	Group 2019/2020	Group 2020/2021
Total carpet production	9,441,350 m <sup>2</sup>	9,077,759 m <sup>2</sup>	6,813,130 m <sup>2</sup>
<b>Energy consumption</b>	<b>kWh</b>	<b>kWh</b>	<b>kWh</b>
Electricity consumption	13,278,324	13,751,129	10,897,889
... of which renewable energy	12,032,367	13,525,647	10,970,281
Natural gas	32,916,728	32,242,903	28,282,578
... of which bio-natural gas	5,390,654	8,247,965	13,200,000
District heating	1,844,000	1,824,000	1,555,570
Oil	-	153,914	193,019
<b>Water consumption</b>	<b>m<sup>3</sup></b>	<b>m<sup>3</sup></b>	<b>m<sup>3</sup></b>
	106,286	91,896	75,972
<b>Water recovery</b>	<b>m<sup>3</sup></b>	<b>m<sup>3</sup></b>	<b>m<sup>3</sup></b>
	15,157	15,452	13,666
<b>Recycled raw material</b>	<b>Kg</b>	<b>Kg</b>	<b>Kg</b>
In the product	3,216,884	3,884,914	2,891,677
<b>Consumption of materials</b>	<b>Kg</b>	<b>Kg</b>	<b>Kg</b>
For carpet production	25,516,143	25,000,053	19,190,945
... of which renewable raw materials	1,659,067*	1,489,816*	1,379,754*
Packaging in total	1,130,907	923,527	595,692
... of which renewable packaging	529,067	372,843	266,940
Operation and maintenance in total	235,460	253,685	118,551
<b>Waste</b>	<b>Kg</b>	<b>Kg</b>	<b>Kg</b>
Recovery	325,373	560,552	789,787
Thermal recovery	2,467,604	2,479,550	2,135,485
Land fill	32,600	44,567	8,670
Destruction, hazardous waste	20,586	45,691	42,183
<b>Discharge</b>	<b>m<sup>3</sup></b>	<b>m<sup>3</sup></b>	<b>m<sup>3</sup></b>
Wastewater	83,493	69,877	62,138

\* We produce our own wool yarns at Litspin. To avoid counting the wool yarn double in the total inventory, this has been corrected under renewable materials.

# HERNING NORTH AND GRAM

INPUTS OG OUTPUTS PER PRODUCTION UNIT	Herning North			Gram		
	2018/2019	2019/2020	2020/2021	2018/2019	2019/2020	2020/2021
Size of the company	m²	m²	m²	m²	m²	m²
Size of the company's site	360,000	360,000	360,000	72,000	72,000	72,000
... of which built-up area	58,062	58,062	58,062	27,000	27,000	27,000
Production	m² of carpets	m² of carpets	m² of carpets	m² of carpets	m² of carpets	m² of carpets
	4,436,256	4,236,765	3,055,217	2,078,240	2,309,655	1,967,521
Energy consumption	kWh	kWh	kWh	kWh	kWh	kWh
Electricity consumption	7,112,969	7,995,423	6,417,888	2,570,305	2,558,528	2,296,346
... of which renewable energy	7,112,969	7,995,423	6,417,888	2,570,305	2,558,528	2,296,346
Natural gas	21,281,579	20,897,899	17,708,416	8,752,183	8,144,235	7,357,229
... of which bio-natural gas	5,320,395	5,935,003	9,325,557	70,259	2,312,962	3,874,443
District heating	0	0	0	304,770	379,544	709,570
Oil	0	0	0	0	0	0
Water consumption	m³	m³	m³	m³	m³	m³
	79,625	69,822	57,118	24,109	20,129	17,022
Water recovery	m³	m³	m³	m³	m³	m³
	7,440	6,723	6,891	7,717	8,729	6,775
Recycled raw material	Kg	Kg	Kg	Kg	Kg	Kg
In the product	2,539,275	3,076,832	2,442,031	261,020	415,587	269,445
Consumption of materials	Kg	Kg	Kg	Kg	Kg	Kg
For carpet production	14,388,847	13,599,378	10,526,115	6,043,672	7,288,145	6,031,627
... of which renewable raw	654,910	522,749	798,309	14,037	13,323	38,148
Packaging in total	751,549	570,981	424,264	208,061	198,866	130,450
... of which renewable	491,193	319,058	258,142	264	0	0
Operation and maintenance in total	109,394	107,903	81,624	30,144	33,973	33,356
Waste	Kg	Kg	Kg	Kg	Kg	Kg
Recovery	99,713	95,634	434,116	134,583	205,127	221,147
Thermal recovery	1,478,180	1,608,480	1,399,645	528,381	522,330	567,140
Land fill	4,360	13,420	7,960	0	0	0
Destruction, hazardous waste	18,070	40,754	40,872	400	0	0
Discharge	m³	m³	m³	m³	m³	m³
Wastewater	64,152	57,013	50,566	17,428	11,416	9,988

# RØJLE AND HERNING SOUTH







INPUTS OG OUTPUTS PER PRODUCTION UNIT	Røjle			Herning South		
	2018/2019	2019/2020	2020/2021	2018/2019	2019/2020	2020/2021
Size of the company	m <sup>2</sup>	m <sup>2</sup>	m <sup>2</sup>	m <sup>2</sup>	m <sup>2</sup>	m <sup>2</sup>
Size of the company's site	10,000	10,000	10,000	48,029	48,029	48,029
... of which built-up area	7,234	7,234	7,234	17,276	17,276	17,276
Production	m <sup>2</sup> of carpets	m <sup>2</sup> of carpets	m <sup>2</sup> of carpets	m <sup>2</sup> of carpets	m <sup>2</sup> of carpets	m <sup>2</sup> of carpets
	1,705,971	1,631,202	1,349,928	914,440	668,273	277,801
Energy consumption	kWh	kWh	kWh	kWh	kWh	kWh
Electricity consumption	386,747	344,145	263,814	604,583	543,512	309,201
... of which renewable energy	19,000	344,145	263,814	200,000	600,000	600,000
Natural gas	280,875	326,524	365,288	0	0	0
... of which bio-natural gas	0	0	0	0	0	0
District heating	0	0	0	597,000	586,000	846,000
Oil	0	0	0	0	0	0
Water consumption	m <sup>3</sup>	m <sup>3</sup>	m <sup>3</sup>	m <sup>3</sup>	m <sup>3</sup>	m <sup>3</sup>
	150	148	154	473	394	211
Water recovery	m <sup>3</sup>	m <sup>3</sup>	m <sup>3</sup>	m <sup>3</sup>	m <sup>3</sup>	m <sup>3</sup>
	0	0	0	0	0	0
Recycled raw material	Kg	Kg	Kg	Kg	Kg	Kg
In the product	50,623	52,174	48,318	250,628	248,197	61,311
Consumption of materials	Kg	Kg	Kg	Kg	Kg	Kg
For carpet production	1,313,598	1,264,182	1,038,095	1,987,568	1,343,033	652,781
... of which renewable raw	125,365	132,715	109,000	864,535	642,828	434,179
Packaging in total	26,060	33,540	4,769	105,704	80,747	20,321
... of which renewable	18,078	27,540	0	0	0	0
Operation and maintenance in total	638	6,536	1,098	93,980	103,680	1,860
Waste	Kg	Kg	Kg	Kg	Kg	Kg
Recovery	45,500	87,040	57,180	22,129	66,628	18,680
Thermal recovery	60,038	33,980	29,800	242,125	228,570	63,820
Land fill	10,200	0	0	6,840	0	0
Destruction, hazardous waste	638	300	200	0	609	0
Discharge	m <sup>3</sup>	m <sup>3</sup>	m <sup>3</sup>	m <sup>3</sup>	m <sup>3</sup>	m <sup>3</sup>
Wastewater	150	148	154	473	394	211

# MÜNCHENBERNSDORF AND LITSPIN



INPUTS OG OUTPUTS PER PRODUCTION UNIT	Münchenbernsdorf			Litspin		
	2018/2019	2019/2020	2020/2021	2018/2019	2019/2020	2020/2021
Size of the company	m²	m²	m²	m²	m²	m²
Size of the company's site	49,632	49,632	49,632	44,687	44,687	44,687
... of which built-up area	13,840	13,840	13,840	10,282	10,282	10,282
Production	m² of carpets	m² of carpets	m² of carpets	Kg yarn	Kg yarn	Kg yarn
	306,443	231,864	162,663	882,258	774,733	493,311
Energy consumption	kWh	kWh	kWh	kWh	kWh	kWh
Electricity consumption	714,633	630,562	485,350	1,889,087	1,678,959	1,125,290
... of which renewable energy	413,058	350,592	266,943	1,717,035	1,678,959	1,125,290
Natural gas	2,602,091	2,874,245	2,851,645	0	0	0
... of which bio-natural gas	0	0	0	0	0	0
District heating	0	0	0	0	0	0
Oil	0	0	0	-	153,914	193,019
Water consumption	m³	m³	m³	m³	m³	m³
	681	684	935	1,248	719	532
Water recovery	m³	m³	m³	m³	m³	m³
	0	0	0	0	0	0
Recycled raw material	Kg	Kg	Kg	Kg	Kg	Kg
In the product	87,825	70,590	54,458	27,513	21,534	16,114
Consumption of materials	Kg	Kg	Kg	Kg	Kg	Kg
For carpet production	811,283	643,966	405,188	971,175	861,349	537,139
... of which renewable raw	220	2,859	118	784,162	689,748	466,180
Packaging in total	23,331	18,010	14,060	16,202	23,535	1,828
... of which renewable	14,733	13,172	8,798	4,799	13,073	0
Operation and maintenance in total	800	1,200	250	504	393	363
Waste	Kg	Kg	Kg	Kg	Kg	Kg
Recovery	7,114	85,420	25,865	16,334	20,703	32,799
Thermal recovery	125,000	58,830	61,340	33,880	27,360	13,740
Land fill	11,200	28,647	710	0	2,500	0
Destruction, hazardous waste	0	1,430	1,111	1,478	2,598	0
Discharge	m³	m³	m³	m³	m³	m³
Wastewater	681	684	915	609	222	304

## OTHER GROUP FIGURES



For the first time, employee numbers, accidents, sick leave, etc. are calculated for the entire Group, instead of per production unit.

	Employees*			Managers		Position	
	 Men	 Women	Total	 Men	 Women	 Salaried	 Hourly-paid
2018/2019	438	284	722	76	30	355	367
2019/2020	417	276	693	78	31	351	342
2020/2021	379	231	610	74	28	326	292

\* The figures for employees are based on the number of full-time employees (FTE) in Herning North, Gram and subsidiaries, while for the rest of the Group this is compiled as the number of employees. However, the figures are rounded up to whole numbers. The various calculation methods give a small difference between the total number of men/women and salaried/hourly-paid employees.

	Absence due to illness*	
	 Men	 Women
2018/2019	3.25%	4.42%
2019/2020	2.93%	3.99%
2020/2021	2.12%	2.61%



\* The figures for absence due to illness do not include long-term sick leave exceeding 30 days.

	Occupational injuries and accidents*	
	 Number	 Hours lost
2018/2019	21	2,622 timer
2019/2020	17	2,142 timer
2020/2021	10	743 timer



\* The figures concern notified occupational injuries and accidents leading to at least one day of absence.

	Discrimination 	Child labour 	Forced Labour 	Human trafficking 
2018/2019	0 cases	0 cases	0 cases	0 cases
2019/2020	0 cases	0 cases	0 cases	0 cases
2020/2021	0 cases	0 cases	0 cases	0 cases

\* The figures for discrimination, child labour, forced labour and human trafficking are based on reported cases from all locations. The definitions of discrimination, child labour and forced labour are stated in the CSR policy, of which excerpts are presented on page 19. We define human trafficking as the trafficking and exploitation of vulnerable people through debt, violence and threats.

	Female managers*	Women on the Board of Directors	
			
The goal is	30%	40%	
2018/2019	28%	25%	**It is problematic that the number of female managers is decreasing, despite goals for the contrary. Management is considering this matter.
2019/2020	28%	25%	
2020/2021	26%**	25%	

\* We define a manager as someone who either has employee responsibility or holds an independent position in the company and can therefore make decisions on behalf of the company.

	Whistleblower cases*	Statutory offences	
			
2018/2019	0	0	**During loading of a lorry, a truck drove off the ramp and fell between the lorry and the ramp. We received a mandatory order from the Danish Working Environment Authority for not ensuring a sufficiently safe working environment. New safety measures have been implemented so as to avoid similar accidents. The employee suffered a gash that received stitches, but was not subsequently absent.
2019/2020	0	1	
2020/2021	0	1**	

\* The whistleblower figures are calculated on the basis of the number of approved reports. Cases that do not belong in the whistleblower system, such as complaints, are considered outside the whistleblower system and are therefore not included.

	Cases of corruption*	Training in anti-corruption**	
			
2018/2019	0	68 medarbejdere	All employees receive our anti-corruption guidelines. All employees with external contact attend an online anti-corruption training programme after their appointment.
2019/2020	0	34 medarbejdere	
2020/2021	0	21 medarbejdere***	

\* The anti-corruption figures are based on a survey of all locations in the Group and reports in the whistleblower system.

\*\* The figures are calculated on the basis of the number of employees that have taken the anti-corruption test.

\*\*\*Due to the coronavirus crisis, we hired a minimum of new employees during the past year.

# ANNEX 1:

## WHAT IS SECTION 99A?

On 1 January 2016, Section 99a of the Danish Financial Statements Act entered into force for the Ege Group. Under the Act, large companies must supplement the management report with a CSR report. As a minimum, the report must include the following:

- A brief description of the company's business model and the connection between the business model and CSR.
- Information must be provided on the company's CSR policies. As a minimum, information must be given on policies for the environment and climate, social conditions and employee relations, respect for human rights, and anti-corruption and bribery. For each area, it must be stated whether the company has a policy and what it comprises.
- For each policy area, it must be stated how the policy is translated into action, and any systems and procedures that support it. Details must also be given of the due diligence processes applied.
- Details must be given of the most significant risks relating to the company's business activities and of how the company handles the risks in question. The information must be given for each policy area.
- Information must be given on the company's results as a consequence of working with CSR, as well as any expectations of the work going forward in each policy area.
- If the company uses non-financial key performance indicators (KPIs), accounting policies for the KPIs in question must be included.
- Reporting in accordance with Section 99a must be reviewed by the auditor, to ensure that the company fulfils the requirements.

## ANNEX 2:

# CALCULATION BASIS FOR DATA SOURCES AND CO<sub>2</sub> CALCULATION

### **Data sources**

The greenhouse gas accounts are based on a number of data sources that make it possible to convert our energy consumption into CO<sub>2</sub> emissions. The CEMAsys calculation programme is generally applied. CEMAsys complies with international standards and meets the requirements of the Greenhouse Gas Protocol.

For electricity, the Energinet.dk declaration and the 125% method are used to calculate Danish emissions. The district heating plants' own emissions are used to calculate district heating emissions. Where possible, factors for the individual countries are applied.

To calculate freight transport for Herning Nord and Gram, this year we have used CEMAsys as the calculation programme. CEMAsys has completely updated factors, which was not the case for Klimakompasset.dk, which we applied in previous years. The figures in Scope 3 therefore include updated factors for all the years shown.

Here it is described what the three different scopes cover.

### **SCOPE 1: Direct greenhouse gas emissions**

Direct greenhouse gas emissions from sources owned or controlled by the Group. These calculations also include fuel extraction.

### **SCOPE 2: Indirect greenhouse gas emissions**

Indirect emissions are defined as the emissions originating from purchased electricity, heat and steam in the Group. These calculations also include fuel extraction.

### **SCOPE 3: Other indirect greenhouse gas emissions**

Other indirect greenhouse gas emissions comprise a wide range of activities that can be included. In the Ege Group, we have decided to only include transport on leased vehicles and freight transport. It should be noted that only freight transport from Herning North and Gram is included, as we do not yet have an overview of CO<sub>2</sub> emissions from freight transport from the other production units. We are working for everything to be included in next year's report.

## ANNEX 3:

### BASIS FOR CALCULATING INPUTS AND OUTPUTS IN PRODUCTION

The following table states the accounting policies applied to the data stated in the Input and output table for the individual production units on pages 35 to 37.

INPUTS AND OUTPUTS PRODUCTION UNIT	Herning North	Gram	Røjle	Herning South	München- bernsdorf	Litspin
Size of the company's site	BBR document	BBR document	BBR document	BBR document	Building register	Building register
... of which built-up area	BBR document	BBR document	BBR document	BBR document	Floor plan registration	Building register
Production m <sup>2</sup> carpet/kg yarn	Production quantity	Production quantity	Production quantity	Production quantity	Production quantity	Production quantity
Electricity consumption	Per invoice	Per meter	Per invoice	Per invoice	Per invoice	Per invoice
... of which renewable energy	Purchased certificates	Purchased certificates	Purchased certificates	Purchased certificates	Supplier statement	Purchased certificates
Natural gas	Per invoice	Per invoice	Per invoice	–	Per invoice	–
... of which bio-natural gas	Purchased certificates	Purchased certificates	–	–	–	–
District heating	–	Per meter	–	Per invoice	–	–
Water consumption	Per invoice	Per meter	Per invoice	Per invoice	Per invoice	Per meter
Water recovery	Per meter	Per meter	–	–	–	–
Reused raw material in the product	Consumption statement	Quantity purchased	Consumption statement	Consumption statement	Consumption statement	Consumption statement
Materials consumption for carpet production	Consumption statement	Quantity purchased	Consumption statement	Consumption statement	Consumption statement	Consumption statement
... of which renewable raw materials	Consumption statement	Quantity purchased	Consumption statement	Consumption statement	Quantity purchased	Consumption statement
Packaging in total	Consumption statement	Quantity purchased	Quantity purchased	Per invoice + Consumption statement	Quantity purchased	Consumption statement
... of which renewable packaging	Consumption statement	Quantity purchased	–	–	Quantity purchased	–
Operation and maintenance in total	Consumption statement	Quantity purchased	Quantity purchased	Per invoice	Consumption statement	Per invoice
Recovery	Per invoice	Per invoice	Per invoice	Per invoice	Per invoice	Per invoice
Thermal recovery	Per invoice	Per invoice	Per invoice	Per invoice	Per invoice	Per invoice
Land fill	Per invoice	Per invoice	Per invoice	Per invoice	Per invoice	Per invoice
Destruction, hazardous waste	Per invoice	Per invoice	Statement from waste processor	Statement from waste processor	Per invoice	Per invoice
Wastewater	Per invoice	Per meter	Per invoice	Per invoice	Per invoice	Per invoice



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