



# **ESG/COP Report 2021**



**August 2022**

## 1. CEO Statement

I am delighted to present Dania Plast A/S' 2021 ESG Report. The ESG report covers the period from January 1<sup>st</sup> to December 31<sup>st</sup>, 2021.

The report serves as our annual Communication on Progress (COP), as required by the organization UN Global Compact (UNGC). Dania committed to UNGC in 2021 and therefore this is our first COP report.

2021 was a challenging year because of COVID-19. Especially raw material shortages, price increases, disrupted distribution channels, and high energy costs have affected our business and the entire industry. As a positive note our business grew by 16 % in 2021 and we expect this growth to continue for 2022.

The report describes Dania Plast's effort on the UN Global Compact's 10 principles.

The 10 principles are divided into four areas, which are human rights, labour, environment, and anti-corruption.

At Dania Plast we are committed to contributing to a sustainable development towards a greener and cleaner planet. Protecting the environment is essential for Dania Plast and we continuously work on reducing waste and energy. This also counts for our raw materials, where we use as much recycled and regenerated raw material as possible, taking our customers' quality requirements into account.

We aim to have a good balance in our responsibilities on environment, social impact, and our governance. At Dania Plast, we care about our employees because they are our most important asset. The company has a safety policy, ethical rules, and a whistleblower tool in order to protect our employees and business partners.

In this report we will present our status on ESG, including our achievements in 2021 and our plans and goals for the future. As we reach our goals, we will continuously set new ambitious goals, which will reflect our commitment to developing a more sustainable world together with our employees, customers, and suppliers.

Tommy Bonnerup  
CEO



## 2. Presentation of Dania Plast

Dania Plast A/S has 60 well-qualified and dedicated employees who can perform all types of injection moulding of technical plastic. We have production areas covering more than 8,000 m<sup>2</sup> and approximately 70 injection moulding machines. This means that we can perform virtually all types of injection moulding jobs – from part weight less than 1 gram up to several kilograms.

Dania Plast A/S is the result of a merger in 2019 of Dania Plast and RK Plast. Thus, we are even better equipped for a future based on collaboration and have a clear aim to grow.

We operate within three business areas, which are:

- 1) OEM production
- 2) Clean room production for the food industry (FCM products)
- 3) Bio media for the aquaculture industry, for Recirculated Aquaculture Systems (RAS).

At Dania Plast, our goal is always to generate the best possible value for our customers. The best way for us to do this is by being part of the whole process from start to finish. Therefore, we are always ready for close and long-term collaboration.

Dania Plast has more than 35 years' experience in consulting, development, and production in partnership with clients in many industries. The earlier we are included in the project, the more you, as a customer, will benefit from our longstanding know-how and precise sparring.

Often, we have helped clients refine and reinforce their original idea, providing an even stronger foundation for the finished product. In doing so, we also contribute to strengthening the bottom line and sustainable agenda for our customers and partners.

We take our customers' values seriously.



### 3. Environment

Dania Plast is a part of the plastic industry and therefore we are fully aware of the challenges, we are all facing. We aim to live in harmony with our surroundings as well as the environment. While maintaining and strengthening competitiveness of our company, we will work towards reducing the environmental impact from our processes and products.

We aim to optimize our energy management in order to continuously achieve better utilization. Changes in energy consumptions are observed and monitored, especially when buildings are changed, or equipment is replaced or modernized.

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

In the beginning of 2022 Dania Plast made the first CO<sub>2</sub> emissions report, which covers the total carbon footprint for scope 1, 2 and 3. The report has been made by the independent third-party consultancy company, Viegand Maagøe.

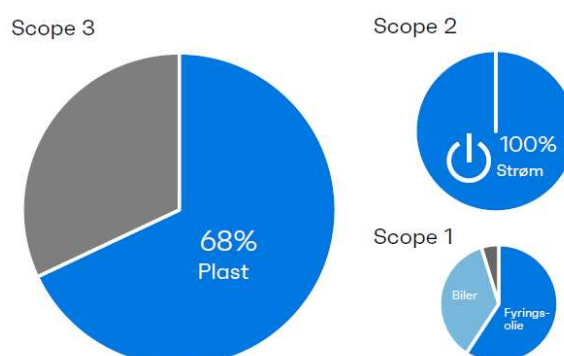
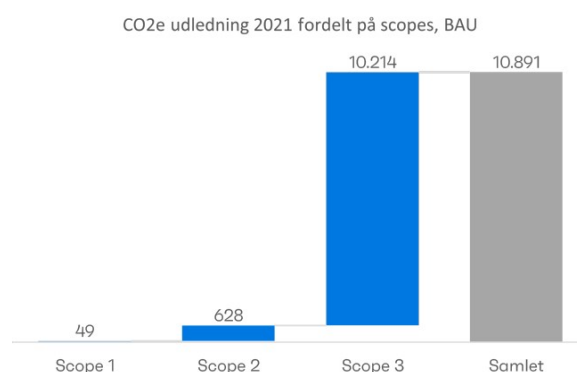
The conclusions in the report are that Dania Plast's total emissions in 2021 were 10.891 tons of CO<sub>2</sub>e. Approximately 94 % of the CO<sub>2</sub> emissions comes from scope 3, and 68 % of this is our purchase of plastic granulates for injection moulding. Scope 2 accounts for approximately 6 %, which is 100 % electricity consumption.

Scope 1 represents less than 1 % of Dania Plast's CO<sub>2</sub> emissions. A closer look at scope 1 illustrates that our 'in-house' emissions mainly consist of fuel oil (59 %) and company cars (35 %).

Based on our climate report we have obtained a better understanding of the most important areas to focus on to reduce our CO<sub>2</sub> impact on the planet. Looking at scope 1 and 2, we will focus on electricity consumption and changing from fuel

oil heating system in Mariager to a more climate sustainable solution.

Regarding scope 3 we will focus on closing the circular loop, which means using more recycled materials. For our own products, the bio media, we are already using 100 % regenerated materials (PIR). For the two other business areas we are continuously in dialogue with our customers to discuss more sustainable raw material choices.



It is our plan to commit to Science Based Targets initiative (SBTi) in 2022/2023. Science-based targets provide a clearly defined pathway to reduce greenhouse gas (GHG) emissions, helping prevent the worst impacts of climate change and future-proof business growth. Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.

To reach these targets, Dania Plast will commit to 50 % reduction of CO<sub>2</sub> for scope 1 and 2 by 2030 (baseline 2018).

### **Operation Clean Sweep**

Dania Plast enrolled in the Operation Clean Sweep (OCS) initiative in 2021.

As an Operation Clean Sweep partner, we will take the lead and make an extra effort to avoid plastic pellets from our production ending up in nature and the sea. Operation Clean Sweep is an international initiative developed by The Society of the Plastics Industry and The American Chemistry Council. Operation Clean Sweep aims to fight the spillage of plastic granules from manufacturing companies into the environment.

Operation Clean Sweep is the plastics industry's own initiative to avoid being a source of pollution, and the solution is part of the overall initiative "Marine Litter Solutions", which was started by industry associations for plastics companies worldwide, to contribute to the solution of the world's marine environmental problems.

Dania Plast has installed filters in all drains inside and outside our production facilities. In addition, continuous rounds are made on the sites to ensure that there is no plastic in the surroundings.





## 4. Social

At Dania Plast, we take responsibility for ensuring and protecting human rights. In Denmark we are fortunate to do business in a country, where human rights issues are very rare. Working conditions in Denmark are among the best in the world, but our responsibility doesn't stop here.

### Supplier Code of Conduct

We also take responsibility for our selected suppliers, who can be located worldwide. All suppliers are encouraged to commit to our Supplier Code of Conducts. By committing to this document, we demand that human rights are respected, and that child labour and/or forced labour is not accepted.

### Health and Safety Policy

Being a production company with heavy machinery and equipment, it is very important for us to secure a safe working environment. We involve our valued colleagues in this continuous work of becoming a better and even safer workplace. Our *Safety Committee* is made up of the factory director and production employees, who together follow up on incidents and collaborate on improvements.

We monitor minor accidents as well as accidents with absence. Within the last 5 years Dania Plast has only had 6 accidents with absence, unfortunately 4 of these were in 2021. The expectation the level of accidents with return to a very low level in 2022. Our annual goal is zero accidents with absence.

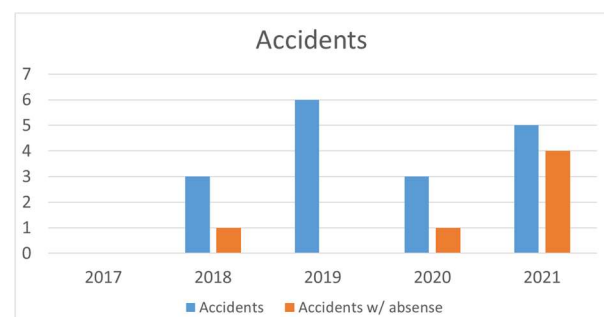
### Mentoring as a recruitment route

At Dania Plast, we believe that everyone should have a fair chance in life. That is why we work closely with the local municipality in a mentoring programme, where we continuously take in people, who are unemployed for various reasons. We are of the opinion that if we want to have competent employees, we need to educate and train them ourselves. The ambition at Dania Plast is that we always have at least one in training. Not least because there is a great demand for plastic makers in Denmark.

It also often happens that an unskilled operator or worker, who is in process through our mentoring programme, ends up with an apprenticeship contract and later a skilled plastic maker certificate from Dania Plast.

### Personal Health

At Dania Plast, we facilitate an organization culture where our employees' health and well-being are in focus. All employees are covered by a full-time healthcare insurance, which is company paid. This gives our colleagues a possibility to get faster examinations than at the public health service and free treatment by a chiropractor, physiotherapy etc.



Furthermore, we offer our employees a bi-annual health screening, which gives each individual employee a valuable overview of their mental and physical health. The private and confidential report can be used by the employee to improve their health condition.

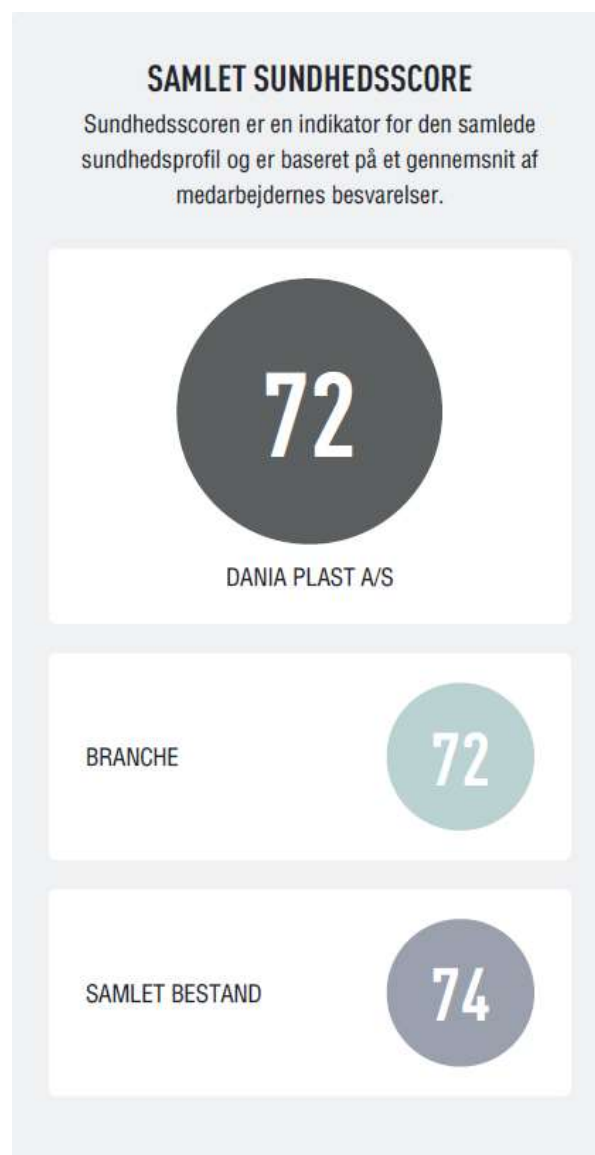
Dania Plast receives an evaluation report on a company level. In 2021 the total score was 72 points, which is similar to the industry and slightly lower than the total tested population (74 points).

At Dania Plast we monitor sick leave percentage monthly. In 2021 the total sick leave was 3,8 %. It is our aim to have a sick leave below 3 %, which was accomplished by one of the production sites, while the other was a bit over the target.

### **Diversity and Gender Equality**

At Dania Plast, we hire based on qualifications, and we have a transparent recruitment process, where it is essential for us not to discriminate. We are proud of our overall diversity and gender equality where we have a 50/50 split between men and women. Also, when we look isolated at the office employees and production employees, we see a 50/50 split.

The management team consists of two women and four men, which is close to our aim of minimum 40 % of each gender. In the executive management and board of directors we have no women yet.



## 5. Governance

At Dania Plast, we do not accept any form of bribery, corruption, or participation in money laundering, which is a part of our Supplier Code of Conduct.

As a company, we operate within a set of Ethical Rules, which include the following guidelines (Public on our website):

- 1) Declaration of business ethics
- 2) Whistleblowing policy
- 3) Anti-bribery and money laundering

### Declaration of Business Ethics

All persons (employees, suppliers, customers, other business partners and the public) can report unethical behavior via our website or e-mail to etik@danial.dk.

Dania Plast is committed to conducting business in accordance with the highest ethical standards of honesty, fairness, and transparency. All Dania Plast's activities must be legal, and all transactions handled accurately and efficiently in accordance with recognized accounting rules and company policies.

Our employees are expected to act in accordance with Dania Plast's best interests at all times.

Employees' acceptance of entertainment, catering or gifts must be at a reasonable level in an open and honest manner and must not compromise the business decisions to be made by the individuals involved.

Employees must inform their immediate manager if they become aware of a breach of Dania Plast's business ethics.



### Whistleblowing policy

The purpose of Dania Plast's policy on whistleblowing is to encourage employees, suppliers, customers, or other business associates who have serious concerns about the legality of Dania Plast's activities to express their concern. Furthermore, to ensure that the parties concerned can express concerns about illegalities or negligence within Dania Plast's organization without having to fear reprisals, including discrimination, unfavorable treatment, or termination.

Dania Plast does not tolerate any form of harassment of or reprisals against a whistleblower.

Any case of harassment of or reprisals against a whistleblower can be reported via our website.





### **Anti-bribery and money laundering**

Dania Plast emphasizes maintaining responsible and fair business practices and following the highest ethical standards for all its business activities and under no circumstances tolerates any form of bribery or corruption committed by an employee, customer, supplier, or other person.

All Dania Plast employees are obliged to comply with any legislation on combating bribery, corruption, and money laundering in countries in which Dania Plast has business activities. Bribery of any kind is strictly prohibited and under no circumstances should any employee request or elicit a bribe in any form nor should they become involved with any customer, supplier or associated person that is requesting a bribe from Dania Plast.

### **Data and privacy Policy**

Our data and privacy comply with the European Regulation (EU) 2016/679, also called General Data Protection Regulation (GDPR).

### **Management systems**

Dania Plast is ISO 9001 certificated at both production sites. Our Skive branch has been certified for many years and in 2021 our Mariager branch also obtained the certification.

Skive branch also holds a FSSC 22000 certification on food safety and FCM production (Food Contact Materials).



## 6. Results and future

### Results of 2021

- Our Mariager branch has obtained ISO 9001 certification
- We have decided to participate in the Operation Clean Sweep initiative (OCS)
- A new cooling system has been installed in Skive branch (electricity reductions)
- First climate report made with full overview of CO<sub>2</sub>e emissions for scope 1, 2 and 3
- Re-certification of FSSC 22000 in Skive
- Zero fatal accidents in production
- Zero Whistleblower incidents, nor cases of bribery or corruption

### Plans for the coming years

- Investment in new compressed air installation in Mariager branch, which will save energy and hereby CO<sub>2</sub>
- Commit to Science Based Targets initiative, SBTi (50 % reduction of CO<sub>2</sub> for scope 1 and 2)
- Continuously substitute traditional raw materials with recycled raw materials
- Change fuel oil heating to central heating or heat pump at Mariager branch
- Awareness of Dania Plast's commitment to the 10 principles of UN Global Compact and other ESG initiatives

## ESG data

ESG	Category	Indicator	Unit	2021
E	Raw materials	Virgin plastic	Ton	1.660
		Regenerated materials (PIR)	Ton	1.176
	Energy	Diesel/petrol	Litre	6.928
		Natural gas	Nm <sup>3</sup>	1.366
		Fuel oil	Litre	9.250
	CO <sub>2</sub> e	Carbon emissions – Scope 1	Ton	49
		Carbon emissions – Scope 2	Ton	628
		- Carbon emissions – Electricity (Scope 2)	Ton	628
		Carbon emissions – Scope 3	Ton	10214
	Water	Water consumption	m <sup>3</sup>	838
		Water consumption intensity (raw material)	L/kg	0,30
S	Employees	Production employees	Number	41
		Office employees	Number	14
	Gender ratio	Women/Men – Total	%	49,1/50,9
		Women/Men – Production	%	48,8/51,2
		Women/Men – Office	%	50,0/50,0
		Women/Men – Management Team	%	33,3/66,7
		Women/Men – Executive Management	W/M	0/3
	Accidents	Fatal accidents	Number	0
		LTI (min. one day of absence)	Number	4
		LTIFR (accidents per mill. wh)	Number	41
G	Whistleblower	Incident reports	Number	0
	Diversity in BoD	Women/Men – Board of Directors	W/M	0/3
	Board of Directors	Participation in board meetings	%	100