



CSR Report 2022

ACO Nordic Group A/S

ACO. we care for water





# Message from the CEO

2022 was starting on a promising way, with the COVID-19 pandemic mostly under-control on our geographical area and supply chain issues, weighting heavily on our business in 2021, progressively fading out.

The invasion of Russia into Ukrainian territory, on February 24th, was a ground shaking event on the global business field, especially on what regards energy prices, where natural gas more than doubled up its price in May, compared to the beginning of the year, while petrol was growing over 50% in the same time span. Therefore, we moved from a global pandemic crisis to a global energy crisis, without pause.

In that context, investments on energy efficiency and energy self-sufficiency were not anymore, an exclusive question of environmental sustainability, but also of financial sustainability. Through the report you will find the details on our efforts in that direction, which have materialized during 2022 in several projects that will show its results on our 2023 greenhouse gasses footprint. Our expectation is that those projects, accelerated in 2022, by the energy crisis, will show the way for a faster and more ambitious reduction of our environmental footprint.

Besides the opportunistic acceleration on the carbon footprint reduction objective, we continue committed with our long term guidelines to make our companies' financial development compatible with a social and environmental prosperity:

- Engagement with our stakeholders as advisors to focus on relevant social and environmental endeavours.
- Maximize our portfolio contribution to the UN Global Compact Sustainable Development Goal #6.
- Commitment to reduce our green-house gas footprint, acknowledging its contribution to the current acceleration of climate change.
- Document our efforts to rethink the impact of our products on the environment from cradle-to-grave.
- Increase the organizational focus into sustainability, creating an space for the ones naturally interested on this topic, to channel their positive efforts through the company.

Our positive 2022 financial performance, which details you will find in the statements that this document is part of, was the product of our organization's capacity to react to an uncertain and quickly changing business environment. The organization was not only holding together but coming out reinforced as we succeeded to get certified as a "Great Place To Work" in the three companies based in Ringsted.

Getting certified at the first trial was of course a product of a long-lasting effort, done thought the Nordic affiliates, to stay as close as possible to the concerns of our first stakeholder: our employees.

The use of the Artificial Intelligence driven tool WinningTemp has proven to be a reliable way to measure the pulse of our colleagues' satisfaction on their work places and a priceless support to tackle issues at the right time, before they were building up into negativity for the organization.

Despite our engagement with our closest stakeholders, we remain always open to the suggestions and ideas that anyone interested on our efforts to improve not only our financial performance, but also our social and environmental impacts. If you want to share your thoughts, please write us to [csr-nordic@aco.local](mailto:csr-nordic@aco.local).



## About this report

All the affiliates belonging to the ACO Nordic Group A/S, as well as the holding company itself, prepare their yearly statutory reports on a basis of natural years (January 1st to December 31st). The Corporate Social Responsibility report for 2022 is the fourth of a series of annual exercises of transparency on our vision and strategy on sustainability as well as its materialization on diverse projects of continuous improvement.

This sustainability report has been prepared in accordance with the GRI Standards: Core option and will be annexed to the financial statements for ACO Nordic Group A/S for the 2022 exercise, covering the requirements of the Danish Financial Statements' Act, in terms of Corporate Social Responsibility reporting (section 99a) and gender equality (section 99b). Based on the work performed by Deloitte, our 2022 auditors, on the financial statements for ACO Nordic Group A/S for 2022, Deloitte conclude that the management commentary is in accordance with the requirements of the Danish Financial Statements Act. They did not identify any material misstatement of the management commentary. It will be possible to be downloaded from <https://www.aco.dk/aco/aco-csr> and other ACO Nordic websites.

The content of this report, unless specified otherwise in the corresponding section, applies to the ACO Nordic Group A/S and the totality of its affiliates, including ACO Sp. z o.o. in Poland, which shares are not owned by ACO Nordic Group A/S, but it is managed though by the same Nordic headquarter.

Respecting the reporting principles of the "GRI 1: Foundation 2021" standard we have first been reflecting about our stakeholder's responsibility, creating the here enclosed map, where shareholders, employees, customers, and the extended beneficiaries of the ACO solutions for surface water management and building drainage are at the core.

The content, structure and scope of this report was determined through a process of internal and external reflection, which made it possible to identify and prioritize matters with a greater impact and importance for the business and/or stakeholders.

From the overall assessment of the critical matters for each stakeholder and the most significant aspects for business activity, the top management at ACO Nordic Group A/S decided to concentrate in the list enclosed.

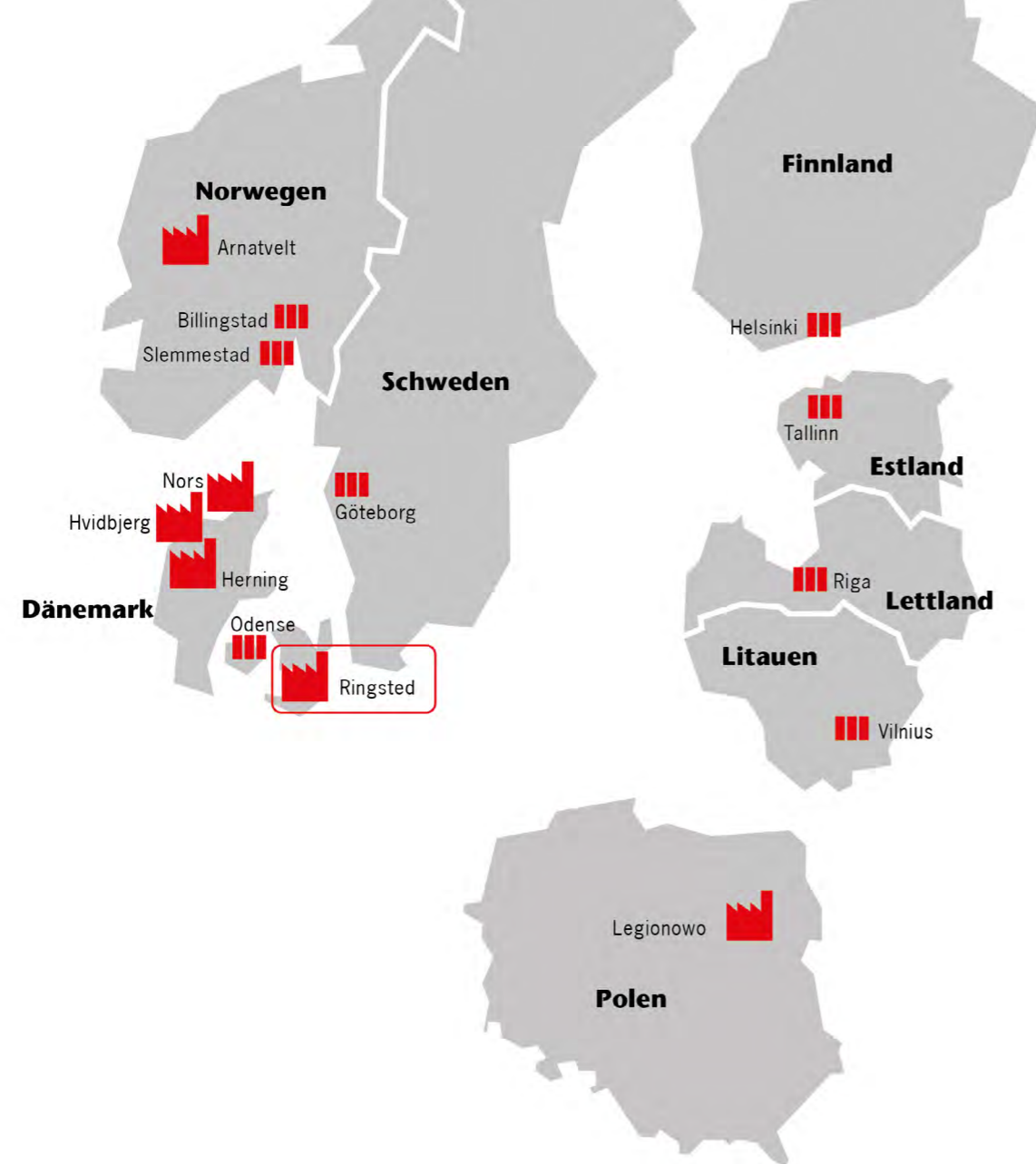
The relation between those material topics and the Danish financial authorities' requirements, as well as the corresponding GRI standards can be found in the appendix 1, table 3.

### Material topics, selection process

The process to identify and prioritize the material topics. Locally in our affiliates, our MD altogether with the local member of the Nordic Sustainability Committee will identify through the conversation with their local stakeholders, which topics are the most material for them.

The focus is put on the relations with our closest stakeholders: employees; shareholders; customer on the large sense (architects, engineers, investors, distributors, etc) and the closely related civil society (municipality where our premises are based, neighbours, etc). Other leads from less closely related stakeholders is also welcome although not searched proactively.

Once completed the local collection of material topics, they will be consolidated and prioritized in the Nordic Sustainability Committee during one of its regular meetings. The Nordic Executive Committee will review the process and provide final confirmation, to ensure that we focus on the right topics.



### 1.1.- ACO Nordic Group A/S background and structure

ACO Nordic Group A/S is part of the ACO Group, which was founded in 1946 by Josef-Severin Ahlmann in Büdelsdorf, in the state of Schleswig-Holstein, northern Germany. Initially focused on building materials, since the 1960s the backbone of the company's growth turned to be designing, manufacturing, and developing drainage products and systems. The wide range of ACO Group products' portfolio allow us to deliver services and solutions in accordance with our customer's needs.

ACO Nordic group A/S has 100% shareholdings on several companies in Denmark, Sweden, Norway, Finland and the Baltic republics and its own shares are 100% ownership of the Ahlmann family through the ACO group holding (see table 1 in the appendix area for full legal structure). All of them have the legal form of limited liability companies. In the map here besides, the location of the different offices and factories is indicated.

The headquarters of the "Nordic subgroup" are placed in Ringsted, Denmark, which holds the managerial responsibility over all the companies owned by the ACO Nordic Group A/S, except the 2 factories in the north of Denmark (Hvidbjerg and Nors). On the other hand, it has managerial responsibilities in ACO Sp. z o.o. the ACO affiliate in Poland despite not being its shareholder.

### 1.2.- The activities carried by the ACO Nordic Group A/S and its business model

There are approximately 420 employees working for the ACO Nordic Group A/S and its affiliates (including ACO Sp. z o.o.). While Hvidbjerg, Plastmo and ACO Sp. z o.o. have their own production sites and they both produce and commercialize their goods in the Nordic markets, the rest of the ACO affiliates are limited to marketing and commercialization activities of goods produced by the ACO Group, mostly in sites outside the Nordic Subgroup. The ACO affiliates in the Nordic subgroup, commercialize products manufactured mainly on ACO factories based in Germany, Czech Republic, and Poland.

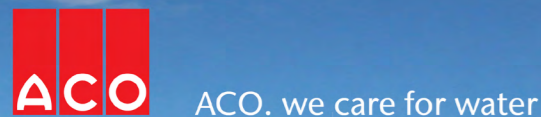
Exports to other markets are possible but seldom, following the ACO philosophy of letting the local affiliates take care of the local market needs. There have not been remarkable changes either on the value chain or the supply chain, compared to former CSR reports applicable. The only change of scope is the inclusion of the Polish affiliate in this report.

The ACO Nordic Group, provides, with the mentioned resources, not only products and services, but focuses on providing integrated solutions for the problems presented by water and the need of its adequate management in different circumstances. In most of the cases, our value chain goes through our business partners: the wholesalers, the builders' merchants and the "do-it-yourself" shops or chains of shops.

Our own consultants will support the projects requiring a higher profile of knowhow, helping on the design of the solution, training on the use and management of the products and following up, from the inception, to the building phase, the whole construction project.

During the construction of the projects where we participate, we may be interfacing with construction companies, installers, engineers, architects or even the sponsoring actors as part of the decision-making process on the project. However, it is our policy to prioritize physical and financial flows through the mentioned business partners (re. section 1.5 on risk management).





### 1.3.- The ACO Nordic group A/S offer portfolio

The product portfolio is structured around our water cycle.

Following the philosophy of the EU Water Framework Directive, which states that “Water is not a commercial product like any other but, rather, a heritage which must be protected, defended and treated as such” our product portfolio offer solutions in urban environments to support the collection of stormwater, its cleaning from different pollutants (oil, heavy metals, sediments, etc.), its buffering retention in case of extreme rain events in urban areas, to avoid flooding damages and also its potential reuse, e.g. to water surrounding vegetation.

There is also a part of our product portfolio for commercial, industrial, or residential building construction. There, we apply the same philosophy and still have products and services to cover the needs of collecting and pre-treating water in environments as exigent as the food processing industry or commercial kitchens, where hygiene is prioritized to protect final consumers’ health.

Our product range is commercialized in the Nordic subgroup under the brands ACO, Plastmo, and Hvidbjerg.

ACO products are mostly dedicated to the Surface Water Management and to the Building Drainage segments; Plastmo products are mostly focused to manage the rain from the sky to the ground on residential buildings (rain gutters, roofing materials, water infiltration solutions, rain flow regulation for the garden, rainwater storage and recycling, etc); while Hvidbjerg is mainly focused on windows.

To ensure a responsible lifecycle management on the products using PVC in our Plastmo portfolio, the ACO Nordic Group A/S owns, as well, 20% shares in Wuppi A/S, a Danish company which business model is to recover and recycle PVC.

More details about our offered portfolio can be found on our local websites or at ACO group:

<https://www.aco.com/en/products-and-services/>  
<https://www.plastmo.dk/>  
<https://www.hvidbjergvinduet.com/>

In our cooperation with our business partners and customers, we also provide useful services that support the process of managing complex construction projects where multiple parts must be coordinated (wholesalers, entrepreneurs, constructors, installers, engineers, architects, etc).



### 1.4.- Major structural changes during 2022 for the ACO Nordic Group A/S

During 2022, there were no changes on the scope of this document in terms of mergers, acquisitions, or company divestments. However, we have taken the decision to include ACO Sp. z o.o., the Polish affiliate of the ACO Group, even if its shares do not belong to the ACO Nordic Group A/S.

### 1.5.- Risk management and business sustainability

The ACO Nordic Group, as one of the actors in the construction market, has identified and reacted in different ways to the risks here below mentioned. We understand risk is inherent to business; therefore, our approach is that risk avoidance is not always the optimal answer and to ensure the business sustainability on a long run requires a deep understanding of the nature of the risk, its probability, and the potential impacts in terms of economic performance, social repercussions, and environmental consequences. From that point of view, we have reached the following conclusions:

**Credit risk** - as part of the economic cycles, the construction sector suffers during its valley periods of recurrent bankruptcies of construction companies, which put in danger the profitability and business continuity of all other upstream contributors (wholesalers and producers). In that sense, ACO Nordic Group has adopted a policy of ensuring the credit risk, despite a rather positive history and a business environment in most of the markets in which we operate which are both, healthy in the levels of indebtedness and have good records on debt repayment.

Despite the initial turbulences generated by the Russian invasion of Ukraine last February 2022 in the entire EU economy, and the construction market slow down (specially in the residential area) forced by the monetary policy that has risen interest rates to fight the high inflation levels, we have not been exposed to remarkable issues to collect payments from our customers.

**Currency exchange risk** - The ACO Nordic Group A/S consolidates' its financial statements in Danish Kroner and is therefore exposed to the fluctuations of any other currencies bringing cash inflows (Swedish and Norwegian Kroner and Polish Zloty) or outflows (mainly Eurozone suppliers). In that sense, the ACO Nordic Group A/S has a centralized policy to hedge the currency exchange risk against fluctuations in SEK, NOK and PLN. The DKK remains pegged to the EUR with fluctuation bands of +/- 2.25% around a central exchange of 7.46038 DKK/EUR, for which we have decided not to hedge the risk on EUR currency.

**Liquidity risk** - ACO Nordic Group has a consolidated equity-to-assets' ratio of 62% which is considered very healthy and count currently with credit facilities granted mainly through our Nordic banking partners: Danske Bank and Nordea. Our operations in Poland are also supported through Mbank, affiliate of Commerzbank.

**Market risk** - As mentioned before, the construction market has very pro-cyclical characteristics, with profound impacts on the activity level, forcing all the competitors to be reactive in terms of pricing, organizational structure and having always to ensure maximal operational efficiency. In this sense, the ACO Nordic Group has been working during the recent, positive market conjuncture, years to modernize our IT systems and be as close as possible to our customer needs, in order to sense, as soon as possible, changes on market trends.

2022 has been a year where we had to react quickly to 2 main drivers:

- The switch from the need to stock as many raw materials as possible due to the unreliable supply chains (overloaded by the fluctuations in demand-offer balance due to COVID-19 measures) to a situation where most of the agents in the construction market started to destock while foreseeing drops in demand due to inflation and increase in interest rates.
- Booming inflation, first driven by raw material prices which were already growing in 2021, but then also boosted by the energy crises provoked by the Russian invasion in Ukraine.

During 2022 we have harvested financial results that are just slightly below the year before, meaning that on the efforts to follow the 2 formerly mentioned market changes, we succeeded to keep the profitability on the very high levels that we reached during the positive demand wave of 2020-2021, despite the market conditions having turned to much less supportive.

**Operational risks** - We know that human intervention is prone to mistakes, so we continuously work on the balancing the efficiency on the operations with the limitation of the risk of misstatements and fraud. The target is not only linked to the financial statements, but more generally to the execution of the operations carried in by the ACO Nordic Group A/S and its affiliates.

**Energy risks** - During 2022 we have been implementing several projects to reduce and resource our energy consumption in order to be less exposed to its price fluctuation, but also to accelerate our contributions to reduce our GHG footprint. Would you be interested on knowing more details on each of the projects we have deployed, please visit the section 4 on Environmental Sustainability of this document.

**Business sustainability** - To create and maintain a sustainable business we have adapted a careful policy in which we focus our business development and expansion strategy on our core business – defined in our ACO Group ONE25 business plan.

Our business focus remains around 3 main areas: Surface Water Management, Building Drainage and Building Material and we aim to reach a global turnover of 1.25 billion Euros by 2025.

Since we defined this new multiyear objective in the last part of 2021, war in Ukraine has started and the already existing inflationary tensions have not only not been released but enhanced. We hold our ambition of continuously growing our organic level of activity until 2025 and beyond although we understand that the business environment is different and will require our agile adaptation.

Our sustainability focus has benefited from the stress put on the necessity of having reliable sources of energy to carry on with our operations. The most relevant projects being:

- Kick of the renovation process in Legionowo (Poland) to improve its thermal isolation during 2022 as well as the first phase of a solar panels' PV energy project. 2023 will see the second and final phase of both projects. The PV installation will be able to deliver a total of 200 kWp when finished, enough to cover 26% of the annual consumption in those premises.
- In Ringsted we have carried several projects as well; changing our heating pumps from gas powered to air-to-water pumps (electric); modifying the ventilation on the production hall to reuse the manufacturing heat, reintroducing it in the building and reducing the need of additional heat; installing led lights in the whole premises and increasing the number of electric charging stations for our

The ACO Nordic Group A/S leadership is making the necessary steps towards its continuous improvement in terms of environmental sustainability and is proud of not only not having faced any non-compliance claim with the existing norms and regulations, but also, be part of the avantgarde of the industry adaptation path.

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CSR Report 2022  
Governance



## The ACO WaterCycle

### 2.1 Governing bodies

The ACO Nordic Group A/S has a very flat managerial structure, where the executive committee is composed by the CEO and the CFO of the group.

The activity performed by the executive committee is supervised by the supervisory board, composed by:

- Hans Julius Ahlmann; Chairman and Shareholder.
- Hans Peter Meyer; Member of the ACO Severin Ahlmann GmbH and Co. KG advisory board.
- Jens Uwe Paasch; CFO of the ACO Severin Ahlmann GmbH and Co. KG.
- Lene Bryde; CEO of ACO Funki A/S

The supervisory board calls the executive committee between 2 and 4 times per year on business reviews to treat the most significant topics and they do not perceive any remuneration for this work. It is the function of the supervisory board to provide strategic guidance and validate the goals settled for the short, middle, and long terms. Further guidance on the company values, mission and vision is also provided by the supervisory board, being the highest governance body the ACO Nordic Group A/S.

Respectively, it is the function of the executive board to communicate the supervisory board the current status of the business, its performance, the outlook on its future evolution and of course, any concern they might understand as critical.

In the same way, the members of the executive committee in ACO Nordic Group A/S act as supervisory board for all the affiliate companies, where the local management present on their turn between 2 and 4 times a year their activities and outlooks on the business performance. As well, no remuneration is provided in this case.

On a daily basis the decisions are taken by the ACO Nordic Group A/S affiliates' local management following the delegation of authority documents shared with each of them on a formalized basis since 2016, limiting their actions in terms of investments, onboarding and laying off employees, customers and suppliers' negotiations, banking relations and other topics. It is the prerogative of the local management to extend the application of the delegation of authority procedure to their employees.

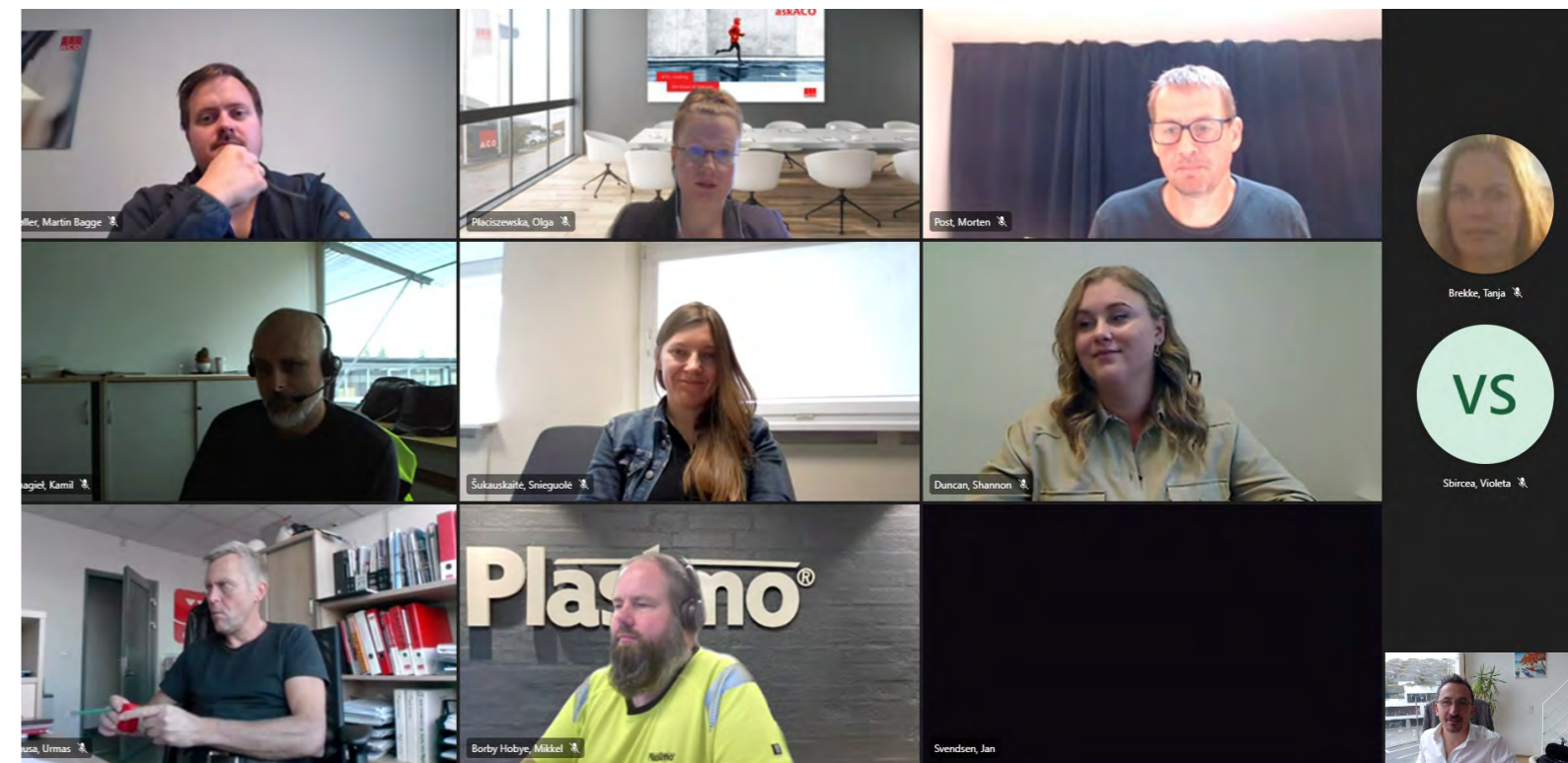
The annual total compensation ratio is 1:11 and the overall growth of the total compensation was 3.2%.

### 2.2 Nordic Sustainability Committee

During summer 2022 it was designed an additional committee, the Nordic Sustainability Committee, that had its launching meeting on September 26th. This committee is composed by one member of each Nordic Subgroup affiliate, preferably personally interested on the sustainability topic. It is chaired by the ACO Nordic Group A/S CFO and it reports to the Nordic leadership (both CEO and CFO).

The objective of this new committee is to ensure that sustainability is integrated into the strategy of the company at every hierarchical level. Its responsibilities are:

- To define a stakeholder relation guideline, to have a consistent approach in every market.
- To identify material topics on which to focus our sustainability efforts.
- To ensure that the sustainability messages have an ambassador in the local organizations and viceversa, that local concerns are addressed to the Nordic Sustainability Committee for its evaluation, support and action.
- To support the production of this report with local relevant topics.
- To make sure that best practices are documented and shared.
- To design and implement programs that ensure that the entire organization is aware and supports the sustainability efforts (e.g.: the sustainability contest that is run annually and pulls contributions from all the Nordic colleagues to improve our environmental footprint).



## 2.3 Sustainability reporting duties

The Nordic Sustainability Committee will propose topics from their own affiliates to be included in this report. The Nordic CFO will gather and harmonize all those topics, composing a report to be reviewed by the CEO and the financial statements auditors, before being published.

## 2.4.- Management approach and actions undertaken during 2022

It is the responsibility of the ACO Nordic Group A/S to provide a clear guidance to all its affiliates and employees on how to make business on a lawful and ethical way, as well as create and operate a governance structure that supports the mentioned guidance.

Following the Transparency International Assessment by country on the corruption perception index 2022 (last available up to the date of publication of this report), we know that in the Nordic markets, we operate on, are a relatively safe environments, which historically has allowed us to keep the ethical topic on the level of top management exemplarity.

However, we are conscious that there is always a certain risk linked to individual behaviour and the best protection against its consequences is to have a strong company culture and processing structure that guides individuals on the right path. To limit the individual behaviour risk, during 2018 and in line with the ONE21 objective to adopt global approaches in several areas, we implemented at the ACO Nordic Group A/S and its affiliates a Code of Ethics aligned with the ACO Group. The target being to formalize and document guidelines in subjects as diverse as general business behaviour, anti-corruption, conflict of interests' management, data protection, working health and safety, protection of the environment, etc.

In the case of anti-corruption, our Code of Ethics makes special emphasis on not providing or getting gifts or benefits for personal profit on detriment of our company or our business partner. It is also forbidden to offer or take any kind of bribes, either directly or through third parties. Each manager and employee of the Nordic subgroup and its affiliates has been requested to read and subscribe the code of ethics. To ensure full understanding, we have been granting translation to local languages where it was required. To make sure that it stays alive in the minds of every employee, in 2022 it was agreed (for its implementation from early 2023) to have twice a year a reminding online quiz that should be passed by every Nordic colleague.

During 2020, we succeeded to implement our supplier code of conduct also upon our main third-party suppliers. This code will ensure that the values we demand to ourselves in the ACO Nordic Group A/S are also respected upstream in the supply chain to let us guarantee our customers and any other stakeholder, that we conduct business on the most respectful and transparent way.

The values of the company remain represented in the following three sentences, which we know as our ACO DNA:

ACO. we care for water

ACO. committed to excellence with passion

ACO. a strong family you can build on

Every year we make some continuous improvement exercise to reinforce our internal controls both on our tools (mainly ERPs) and our internal controls' reporting system; Impero, to ensure that our business processes are at the same time flexible to adapt to our customers' needs, but also safe, limiting both: mistakes and potential fraud.

We consider that having a strong governance system is the backbone to make us a reliable employer, business partner, and more broadly agent of the society.

The delegation of authority from the executive committee to the local MDs and its cascade down to all relevant managers will ensure an adequate framing of the roles and responsibilities in the organization. There are segregations of duties and a number of internal control workflows, implemented through the tools used by the organization, in order to make difficult (if not impossible) for a single person to carry misbehaved actions. Finally, an strong culture of support to only ethical business behaviours, reflected on our Code of Ethics (for employees) and our Suppliers' Code of Conduct is the most effective prevention tool we could rely on.

In case it works as expected, our corporate governance, should deliver positive economic impacts to shareholders, employees, customers, suppliers, and anybody on the value chain having relations with ACO Nordic Group A/S or any of its affiliates. The good governance and enforcement of our Code of Ethics and Suppliers' Code of Conduct, will also ensure the highest respect for human rights and environmental concerns, as we have committed to on both documents.

As mentioned in the section 2.4 of this document we do not have any lead to think that our governance has not worked as expected, while all our business partners including anybody reading this document, knows about its structure, its rules and have access to its grievance mechanism.

## 2.5.- Conflict of interests

The Code of Ethics, underwritten by each employee of the ACO Nordic Group A/S, and its affiliates, includes a specific appendix about conflict of interest. The company requests from every employee to communicate, without having to issue any additional request, to their local board of directors, any kind of conflict of interest they might be facing, either at their recruitment or supervening subsequently.

The local management board should take a decision respect the reported conflict of interest and communicate their decision to the ACO Nordic Group A/S executive committee.

## 2.6.- Transparency hotline and results during 2022

The grievance mechanism for any concern on the business ethics' topic is contemplated in our Code of Ethics itself. The ACO Nordic Group A/S top management will receive through the e-mail address [ethics.nordic-line@aco.com](mailto:ethics.nordic-line@aco.com) the details about the mentioned concern, with the firm commitment to analyse each and every communication received in that address, granting the anonymity of the whistle blower and refraining from any retaliation when acted in good faith.

To date, no ethical concern was reported through the mentioned e-mail address or any other mean to the ACO Nordic Group A/S executive committee.

At the same time, no legal action has been undertaken against ACO Nordic Group A/S or any of its affiliates or employees concerning anti-competitive behaviour, anti-trust or monopolistic practices or non-compliance with laws and regulations in the social and economic area.



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People and Culture

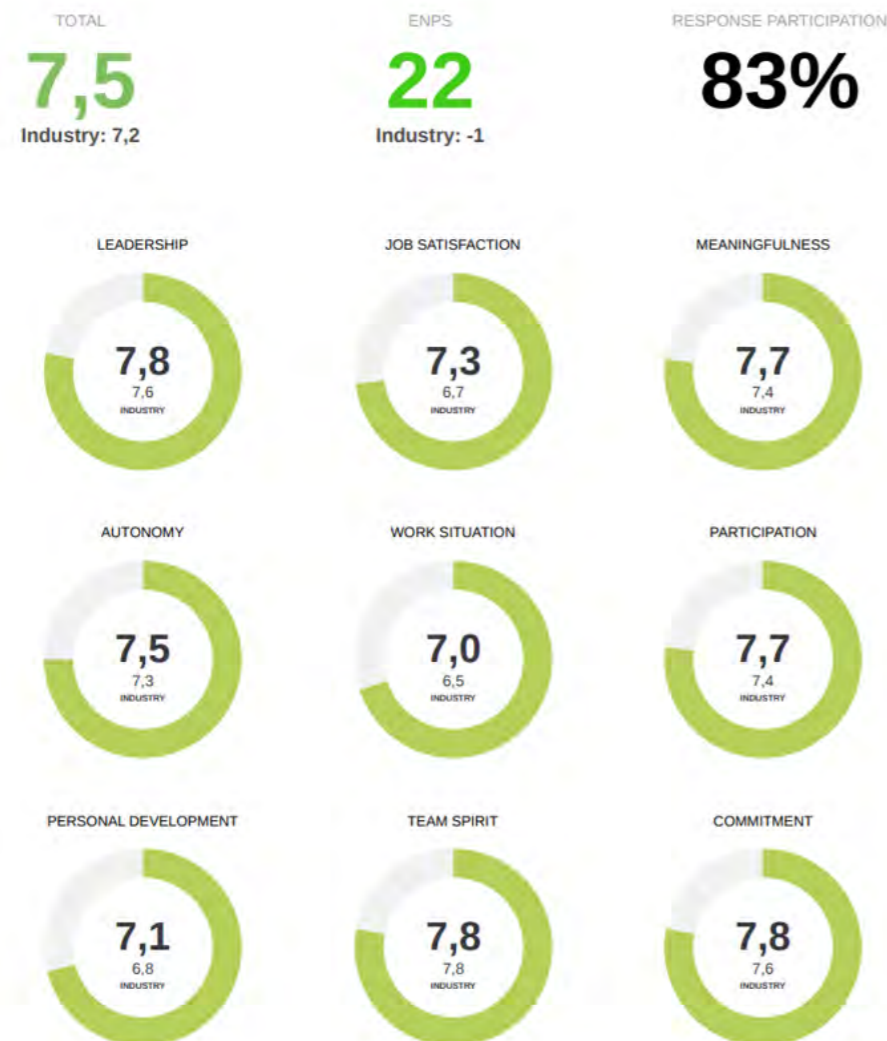


### 3.1.- Management approach and actions undertaken during 2022

The management, at all levels in the organization, has from the implementation of the Code of Ethics, a written reference of behaviour on what respects employees and other colleague's treatment. The Nordic culture, where the management empowers the employees through trust, has been the inspiration of our Code of Ethics. We believe this model provides open channels for communication and mutual beneficial relations from the first day of professional cooperation.

Furthermore, the Nordic subgroup is settled on a macroeconomic environment with low unemployment rates in most of the markets where we operate. Therefore, we understand that attracting and retaining the talent that we need to achieve our objectives is not only about contractual economic conditions, but also about a good fit into our culture and a management style that fosters creativity, controlled risk assumption and high levels of satisfaction linked to both, personal, team and at a larger extent, Nordic performance.

The good results and benefits obtained in 2021 by using Winningtemp to monitor the organizational temperature on a weekly basis, were continued during 2022 where we can see that most of the indicators have improved compared to the year before (see our 2021 report for reference), while most of the industry references have been moving on the opposite direction.



### ACO Nordic Group and its Danish affiliates Plastmo and ACO Nordic are certified as a Great Place to Work

In 2022 the three companies based in Ringsted (Denmark) received the certification as a great place to work in Denmark through. A recognition that reflects the company's commitment to creating a healthy and engaging workplace for its employees.

This achievement is the result of a thorough evaluation process conducted by Great Place to Work Denmark, which assesses the company's organizational culture and employee experience based on a comprehensive survey that measures trust, respect, fairness, pride, and camaraderie among team members. The certification acknowledges the positive work environment that values employee well-being, personal growth, and teamwork.

Beyond the absolute grades awarded by our employees, the objective of those exercises is, first, to understand the organizational strengths and weaknesses and provide the management with a tool to tackle issues as fast as possible to not let them build into negativity on the current organization. As a second target, our results on Winningtemp and "Great Place to Work" are a way to factually support our Employer Branding, towards potential candidates to join our organization in the future.

In 2023, the three companies will once again conduct a survey as a strategy to continuously improve ACO as a great place to work.



### 3.2.- Safety, health, and wellbeing in the workplace and beyond

The ACO Nordic Group A/S and its affiliates comply with all applicable legislations and regulations in this matter. There are four production sites on the scope: a) 2 belonging to Hvidbjerg Vinduet A/S, both in Hvidbjerg itself and Nors (Denmark); b) 1 belonging to Plastmo A/S, based in Ringsted (Denmark); and c) the one located in Legionowo (Poland). Each of those sites have their own safety program. More details about their specific programs, risk management and others, are made available in each affiliate.

The yearly statistics on accidents and absenteeism, show a situation that is not worrying, however our approach to mitigation of risks and hazards for the wellbeing of our employees and any other business partner working with our products is to anticipate and prevent, going beyond the applicable standards. As part of our approach, we also analyse the events that have happened in the past and adapt our internal policies to avoid that anything similar happens again.

Also, to be highlighted as a sign of good governance in this area is that the Danish affiliates, both ACO, Plastmo and Hvidbjerg, have been awarded with the “green smile” certification during the last inspections carried out by “Arbejds Tilsynet”.

	In the job injuries		Total absence due to injuries or sickness (days)	% of absence days / total working days	Industry average (%)
	Light	Severe			
ACO Denmark	-	-	40	1,0%	3,6%
ACO Sweden	-	-	79	1,1%	3,3%
ACO Finland	-	-	16	0,7%	3,6%
ACO Norway	-	-	92	5,2%	7,0%
ACO Poland	1	-	1.158	5,3%	5,7%
<b>Division ACO</b>	<b>1</b>	<b>-</b>	<b>1.385</b>	<b>3,6%</b>	<b>4,6%</b>
Plastmo Denmark	2	1	727	5,2%	3,6%
Plastmo Norway	-	-	10	0,4%	7,0%
Plastmo Railing	-	-	260	9,3%	7,0%
<b>Division Plastmo</b>	<b>2</b>	<b>1</b>	<b>997</b>	<b>5,1%</b>	<b>5,8%</b>
ACO Lithuania	-	-	12	0,5%	5,1%
ACO Latvia	-	-	104	5,1%	4,2%
ACO Estonia	-	-	6	0,6%	4,1%
<b>Division Baltic</b>	<b>-</b>	<b>-</b>	<b>122</b>	<b>2,2%</b>	<b>4,4%</b>
Nordic Group	-	-	43	1,4%	3,6%
<b>TOTAL NORDIC SUBGROUP</b>	<b>3</b>	<b>1</b>	<b>2.547</b>	<b>3,8%</b>	<b>4,6%</b>
Hvidbjerg	6	-	1.535	3,9%	3,6%
<b>TOTAL "ACO NORDIC GROUP A/S" (including ACO Sp. Z o.o.)</b>	<b>9</b>	<b>1</b>	<b>4.082</b>	<b>3,8%</b>	<b>4,1%</b>

The potential negative impacts if our Health and Safety measures do not work as expected is an increase of injuries, with the consequent physical impact on our employees and potentially third parties, as well as economical impact on the company in the form of compensations for liabilities, increase on insurance policies, damage on the employer branding reputation, etc.

Actually, there have been very limited accidents, most of them qualified as light and the absenteeism rates are generally well below the average on the market, therefore our understanding is that our Health and Safety policies are correctly preventing and mitigating potential negative impacts.

### 3.3.- Employee satisfaction and talent retention

As mentioned, all ACO entities in the ACO Nordic Group have started to use Winningtemp software as a weekly frequency employee satisfaction survey.

Furthermore, we understand that a transparent communication with the employees is a big component of their satisfaction, moreover, when it comes to communication with their hierarchical responsible. That is why, in the ACO Nordic Group A/S, we try to share information on a regular basis, so all the employees are aware of the latest news on the organization, performance compared to budgets and forecasts, etc. Some examples are the monthly meetings that Plastmo, ACO and ACO Nordic Group have with all their employees; the Nordic Finance and IT summits where all the employees of those departments get to know all the last developments on what regards IT projects, finance performance, organizational changes, social events etc; affiliates’ kick-off meetings to align every employee on the vision and the strategy to pursue, etc.

There is no standard policy on what regards how much anticipation we should give to the employees on big restructuring operations and therefore the respective leadership communicates them as soon as possible.

Finally, on what regards rights of association, all the entities on the scope of this report, respects, of course, the legislation about employees’ right of association and collective bargaining. Also, during the implementation of the Suppliers’ Code of Conduct we are requiring to our upstream supply chain partners to be respectful as well in this area and grant to their employees this right according to their corresponding local regulations.

The potential negative impacts in case the employees are unsatisfied could be classified in 2 groups:

- Negative impacts for the employees:
- Low morale potentially leading to psychological consequences (depression, burn-out, etc).
- Loss of market value during the period in which they are disengaged and therefore not learning additional skills.
- Negative impacts for the company:
- multiplication of mistakes due to the disengagement of the employees.
- departure of the most talented colleagues requiring additional costs of recruitment and training.
- degradation of the employer branding to attract new employees.
- reduction of productivity.
- spread of the negativity on the rest of the organization.

As mentioned before, on top of the regular appraisal meetings that managers have with their employees, to assess their performance, levels of satisfaction and motivation, career plans, etc. the use of Winningtemp to provide a transversal transparency on the situation and trends of the personnel motivation in every affiliate and department is a very powerful tool to ensure that there is no employee or group of employees that are feeling demotivated for too long. The way all Nordic colleagues report on a weekly basis is anonymized, therefore we can strongly trust on the feedback provided.

In case of detecting a negative trend, as it was for example the case during the COVID-19 restrictions, the direct manager takes the task to revert the trend communicating clearly on the position of the company, while gathering feedback from the affected colleagues. Local and Nordic leadership have access to all team's information and therefore can support and advise the affected manager on their action plan and follow it up with them until succeeding to revert the trend.

The general target using Winningtemp is to stay in most of the topics ahead of the industry in every affiliate and team, although we put more emphasis on trends, as the absolute values may be biased by cultural or personal traits.

We also trust that being awarded with the "Great Place to Work" certification will support not only to retain the talent already engaged in the company but to attract new one, whenever needed.



### 3.4.- Diversity and inclusion

ACO Nordic Group A/S, as mentioned already, is aware of the high level of competition for highly qualified talent needed to achieve our common targets. Therefore, it has a fringe benefits policy (health insurance, regular health checks, pension plan, disability insurance, variable incentives, etc) that is not just according to the applicable legislation, but on the competitive side of the market habits.

We offer the same opportunities, treatment, remuneration and benefits to all our employees and we give equal chances to candidates that wish to join forces with us, prioritizing intellectual skills and emotional capabilities over gender, age, race, nationality, or any other characteristic that could limit us from always getting the best candidate to fit in our requirements. We understand diversity as the way to ensure richness of points of view when it comes to decision making.

#### The highest governing body

Our supervisory board has got renewed during 2021, including Lene Bryde, CEO of the sister company ACO Funki A/S, as a step in the direction to ensure female gender representation on our board. Therefore, the board is currently composed by 1 female out of 5 board positions and the target is to achieve in the next four years until the closing of 2026 a female representation of 1/3.

#### The other management levels

To ensure that we make the right steps towards a fair female gender representation on the other management levels to achieve as well at least 1/3 of female representation, we make sure that in our recruitment processes:

- The job advertisements for opened positions are gender neutral.
- Our headhunting partners try to bring relevant female candidates to the last phase of the recruitments.
- We offer compensation packages that are competitive for the corresponding labor market conditions, regardless the gender.

We monitor with special care the top management composition (Managing Director, Finance Manager/ Director and other members of the affiliates' executive team) on all the ACO Nordic Group A/S affiliates. In 2022 9 out of the 13 affiliates had a satisfactory balance (between 1/3 and 1/2 of female presence and we will keep working to reach this proportion in all of them.



The ACO Nordic Group A/S have never faced any complain in any of our affiliates on what concerns respect to diversity and equal level of opportunities and we ensure through our Code of Ethics that all employees understand how important this subject is for us.

Furthermore, it is also our understanding that good financial performance is a basic requirement to catch the attention of candidates who are looking not only for an interesting place to deploy their skills and knowhow, but also to belong to a winning team that has integrated on its strategy the environmental sustainability to look for competitive advantages. Therefore, we foster cooperation inside the ACO Nordic subgroup, but also healthy levels of competition, ensuring that we celebrate the successes we get and the milestones that support our culture of ACO. a strong family you can build on.

For statistics in the subject, please refer to the Table 4 at the end of this document.

The most obvious potential negative impacts, in case we limit our diversity, would be a limiting factor to the quality of our decision making, as well as damaging our image as employer, putting into question all other Corporate Social Responsibility efforts.

### 3.5.- Training and education

Investing in our employees to perform better is a must if we want to supply them with the necessary tools to achieve their targets inside the organization. The focus is currently on developing a common CRM system and train the sales organization on using it at its best. Other investments into employees' skills have been traditionally analysed and approved by the hierarchy in the absence of HR interlocutors.

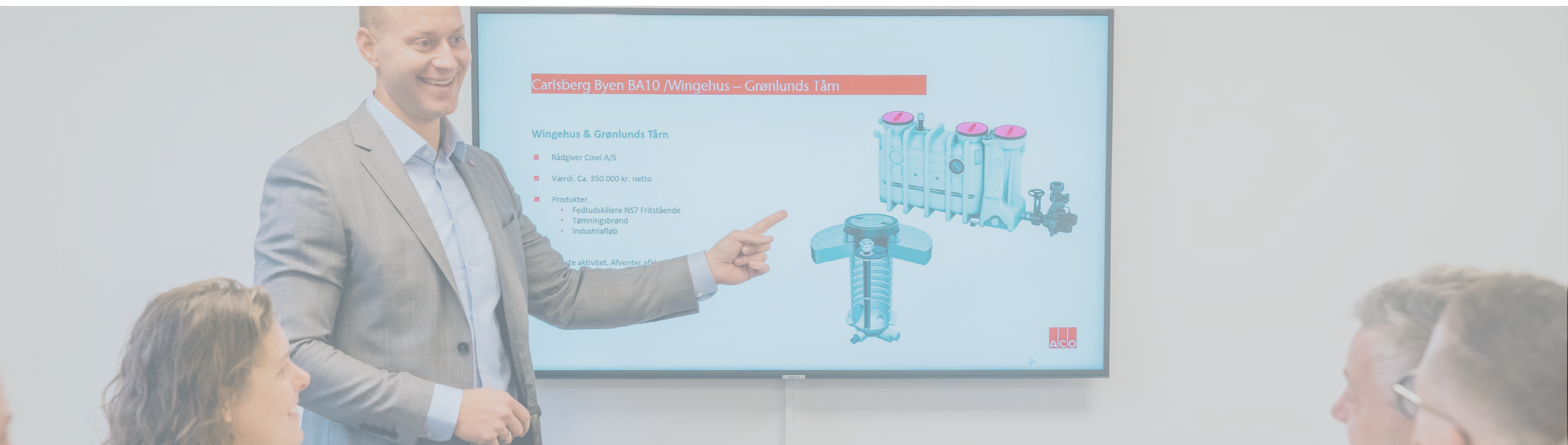
Currently only the employees having assigned a variable remuneration, follow a regular interview with their hierarchical responsible about performance achieved, targets for the next financial exercises and career development opportunities. That comprises not only sales representatives and top management, but also a part of the back-office employees.

Most of the affiliates organize training events as well with construction specifiers (mainly architects and engineers) where we transfer knowhow on a professional way, about our products and solutions, giving the chance to our own employees to refresh their own skills, either as lecturer (usually the most senior) or attending to them as a listener (the newcomers). In any of the cases, we ensure respect of the norms of the corresponding professional bodies.

The most relevant indicator to follow this topic in Winningtemp would be “personal development” (see chart in section 3.1), which during the year 2022 reached a lowest level of 7.0 in February and a highest of 7.4 in September, although always over the industry average. Personal development helps retaining the best talent which finds its way to grow together with the company, limiting the costs and risks related to high personnel turnover. At the same time, it also ensures that every member of the organization reaches a level of knowhow and skills that allow us to be competitive in the markets in which we are present.

During 2022 the level of voluntary departures has been reduced to 24 cases, which is a 5.7% of our total headcount, which is a positive development, compared to 2020 and 2021 where we had a turnover ratio over 12% (see tables 4 at the end of this document, or our former years' reports, for full detail).

Monitoring the indicators that we have mentioned is our way to detect trends and mitigate the potential negative impacts for the company, although there is, also, a continuous dialogue between the leaders, the managers and the rest of the colleagues (as most relevant stakeholders for this material topic) to detect and solve knowhow and skills' gaps in the organization.



### 3.6.- Human rights respect at ACO and our supply chain

#### 3.6.1.- Management approach and actions undertaken during 2022

Working in a Nordic environment, human rights respect might seem out of question. Reviewing the supply chain, we have, which mainly brings up goods from EU countries and from intercompany transactions, we might think as well that risks in this area are very limited.

Those risks could be the potential use of forced or child workforce, and despite the low level of risk perceived, since 2018 we have taken specific steps to document our commitment with a total respect of human rights, both, in the Nordic subgroup, and in our supply chain.

First through our own code of ethics, to ensure compliance not just with the basic Universal Declaration of Human Rights proclaimed by the UN in its assembly in Paris on the 10th of December 1948 but going beyond on ensuring respect and equal level of chances for every colleague (more details in the article 2 of our Code of Ethics).

Then through our Suppliers' Code of Conduct to ensure that our final products offered to the market are absolutely respecting the mentioned human rights' principles.

The Suppliers' Code of Conduct was agreed internally during 2018 and has been accepted by all our intercompany suppliers in 2019 and our main third-party ones during 2020, being our objective to maintain the focus in the topic in the future and challenge, in that sense, any new partner, which should subscribe the mentioned Suppliers' Code of Conduct.

figures in m€

	Group	3rd Part
Germany	-13,8	-4,3
Denmark	-3,6	-12,0
Czech Republic	-6,9	-
Poland	-1,1	-5,3
UK	-0,1	-2,1
Israel	-	-0,5
Others	-3,4	-8,4
<b>TOTAL</b>	<b>-28,9</b>	<b>-32,6</b>

figures in %

	Group	3rd Part
Germany	47,9%	13,3%
Denmark	12,3%	36,7%
Czech Republic	23,9%	0,0%
Poland	3,8%	16,1%
UK	0,2%	6,5%
Israel	0,0%	1,5%
Others	11,8%	25,8%
<b>TOTAL</b>	<b>100,0%</b>	<b>100,0%</b>

#### 3.6.2.- Child and forced or compulsory labour risk

We have been analysing the structure by country of our supply chain and we believe that there is little or no chance of either child or forced labour in any of our supply partners.

Here below enclosed the structure of our purchases by country and split between group or 3rd party purchases, but in percentage and value:

As all the intercompany suppliers and most of the 3rd party ones have committed to our supplier code of conduct, we understand that every upstream player on our supply chains is aware of this risk and tries to make sure, for their own benefit, that nobody is involved on child or forced labour.

### 3.7.- Stories from the Group

#### ACO Supporting Ukraine

ACO has undertaken several initiatives to support the families of our ACO Ukraine colleagues, as well as empowering our employees to initiate their own activities.

**Auction for ACO Fond Ukraine** - ACO Nordic Group in Denmark held an auction and a lottery during their summer party to financially support our colleagues in Ukraine. We are very proud that our colleagues supported the event and that we have been able to contribute to the ACO Fond Ukraine.

**ACO Nordic Poland support** - The Polish affiliate have been involved in various initiatives to support people in need. Firstly, they provided support for a hostel in Warsaw which was prepared for Ukrainian refugees.

Employees purchased various necessities for them to help them settle in comfortably. Furthermore, they organized donations of basic clothes for kids from Ukraine, which were stored in our warehouse. In addition to this, they also organized accommodation for the family of our colleague from ACO Kiev (Kharkov) who needed a place to stay.





### ACO Poland Celebrates 30th Anniversary with an Inspiring Challenge and Charitable Contribution

ACO Poland celebrated its 30th anniversary with a special challenge designed to promote a healthy lifestyle and outdoor activities while contributing to a noble cause. The challenge, which involved employees and customers alike, exceeded all expectations and left a lasting impact on both participants and the community.

To commemorate their milestone anniversary, ACO Poland organized a unique challenge that aimed to collectively accumulate a minimum of 30,000 kilometers through various sports activities. Participants were encouraged to engage in activities such as cycling, running, swimming, walking etc. By leveraging the popular Strava app, participants could track their activities and contribute to the cumulative goal.

The primary objective of the challenge was to promote a healthy lifestyle among employees and customers while simultaneously reducing carbon emissions by minimizing car usage. By encouraging outdoor activities, ACO Poland sought to inspire individuals to embrace a more active and environmentally friendly lifestyle.

The response to the challenge was overwhelming, with participants wholeheartedly embracing the initiative. Through their collective efforts, ACO Poland far surpassed their initial goal, accumulating an astonishing 60,000 kilometers, double the target set for the challenge. The determination and enthusiasm displayed by the participants reflected their commitment to personal well-being.

In addition to the physical accomplishments, ACO Poland extended its support to the Heroes Foundation, a charitable organization dedicated to assisting children with oncological diseases. As part of the company's commitment to corporate social responsibility, ACO Poland donated funds to the Heroes Foundation to aid in the purchase of devices for cancer diagnosis.

### Workshop at ACO Nordic Denmark

The team discovered the perfect blend of productivity, fun, and camaraderie. The workshop began with a shared sense of enthusiasm as team members gathered together, ready to contribute their insights and innovative ideas. The focus was set on shaping the vision for ACO in 2023, where everyone had the opportunity to provide valuable input on how to move the company forward. The workshop served as a platform for open dialogue and a breeding ground for new ideas, encouraging everyone to think outside the box and explore innovative approaches.

After an engaging and productive brainstorming session, it was time for some well-deserved excitement. The team embarked on a thrilling game of laser tag, where the competitive spirit within everyone was ignited. The activity not only fostered a sense of unity and friendly rivalry but also allowed everyone to let loose, relax, and bond with their colleagues in a unique and exhilarating way. The workshop day at ACO Nordic Denmark proved to be a perfect blend of productivity, excitement, and team building.





### ACO Poland Supporting Child Care Home in Olsztynek

Corporate responsibility goes beyond the success of a business. It encompasses a company's commitment to making a positive impact on society and contributing to the well-being of communities. ACO Poland exemplified this commitment by supporting the Child Care Home in Olsztynek, a gesture that brought joy to both the recipients and the ACO team.

At ACO Poland, exceptional performance is acknowledged and celebrated. Piotr Druszkowski, the Sales Manager for the Olsztyn Region, was bestowed with the prestigious "Sales Performer of the Year" award, which granted him the opportunity to donate funds to an organization of his choice. Given the chance to make a difference, Piotr carefully considered his options and decided to support the Child Care Home in Olsztynek.

Piotr's decision to direct the donation to the Child Care Home in Olsztynek resonated deeply with the values held by ACO Poland. The Child Care Home provides a safe haven for children who, due to various circumstances, cannot reside with their families. With the funds allocated for the donation, Piotr Druszkowski, on behalf of ACO Poland, purchased a variety of gifts for the Child Care Home. Books and toys were carefully selected to provide entertainment, education, and moments of joy for the children. Additionally, interior design elements were acquired to enhance the living spaces within the facility, creating a warm and inviting atmosphere for the children to thrive in.

The Child Care Home in Olsztynek was deeply appreciative of the support provided by ACO Poland. In a heartwarming display of gratitude, the children at the home expressed their thanks by crafting hand-made angels as a token of their appreciation. These beautiful creations serve as a reminder of the impact that acts of kindness and generosity can have on the lives of others.



ACO. we care for water

CSR Report 2022

Environmental sustainability



ACO.  
we care for water



#### 4.1.- Management approach and actions undertaken during 2022

Our business model is directly focused on one of the 17 Sustainable Development Goals (SDG hereinafter) identified by the United Nations in 2015 to ensure a more sustainable world by 2030.



Named the SDG #6, “Clean water and sanitation”, it has different meanings in the developed and the developing countries (for more details on this goal, please read <https://www.globalgoals.org/6-clean-water-and-sanitation>).

The general risks associated to this topic, also applicable to us, are:

- The excessive consumption of limited resources, including, but not limited to energy and clean water (analyzed later in the section 4.4).
- The contribution to green-house effect emissions.
- The wrongful management of wastes, and lack of planning on the product lifecycle which could damage the natural ecosystem (see section 1.3. on our contribution to Wuppi shareholding to manage PVC recycling). contribution to Wuppi shareholding to manage PVC recycling).



Following up with our committed focus on the SDGs where we can make the difference, during the year 2022 we have seen the following progress:

#### ■ SDG #3 “Good health and wellbeing”

The acquisition and integration by the group of 2 companies in the wastewater treatment segment (Remosa in Spain and Aquafix in the Netherlands), our portfolio will be more relevant for the most urgent needs in Africa, where water is a very scarce resource.

Also, our prolonged cooperation with the Danish ONG Planbørne Fonden during 2022, helped to conclude the projects initiated in Burkina Faso, to ensure the access to fresh water and sanitation of their population.

#### ■ SDG #6 “Clean water and sanitation” as detailed before.

As already mentioned, the last M&A projects of the group are mainly focused on extending our product portfolio and knowhow on providing solutions on cleaning stormwater and wastewater to be able to reuse it, specially in a contest where even Europe has started to face severe droughts during summer 2022 and still is a very worrying situation for 2023.

#### ■ SDG #8: “Decent work and economic growth”

Being all the ACO Nordic Group A/S affiliates based in the European Union, the decent working conditions are a given and we take pride of offering to our employees not only a salary on exchange for their efforts, but also a psychologically safe environment, where they can develop themselves as motivated high performing professionals.

We are also confident that our suppliers offer similar conditions to their employees as we require them all to subscribe to our Suppliers Code of Conduct, where specifically Human and Labour Rights’ respect is required.

#### ■ SDG #9: “Industry innovation and infrastructure”

Our current innovation efforts are dedicated to find materials with similar or better functional characteristics than the existing ones but implying a smaller footprint in the environment. And so, we have recently disclosed to the public our Nexite drainage channels, manufactured with a new material involving less resins when compared to polymer concrete, having, however, stronger physical characteristics, which allows a lesser use of materials, making it lighter, and therefore having a lower transportation footprint as well.

The introduction of innovations that will improve the environmental impact of our product portfolio through its life-cycle, will be a constant effort during the next years so we ensure that competitive advantages and sustainability go hand by hand as a harmonized strategy.



Click on the picture to watch the video

■ **SDG #11: “Sustainable cities and communities”**

Our engagement with municipalities across Nordics to support them tackling their current water management issues, and help them to be more efficient, opens the doors for new levels of cooperation, where it will be not anymore about just products, but the full design of smart solutions, the collection of water data, the optimization of maintenance and reparation efforts and by consequence, the improvement of the flora and fauna biodiversity on the urban environments.

■ **SDG #12: “Responsible consumption and production”**

During 2022 we have started our journey to understand the full Life Cycle Assessment of our product portfolio and succeeded to complete the Environmental Product Documentation for one of our star products

■ **SDG #13: “Climate change action”** where we believe we can make a difference not The unfortunate war in Ukraine, with the human suffering it is causing, has triggered, additionally, a global energy crisis, where specially the fossil fuels, where Russia is a significant player (natural gas and petrol), have suffered high levels of instability on their prices and logistics.

In this environment our investments and plans to reduce our reliability on fossil fuels, is not just a question of reducing our greenhouse gas contribution to the environment, but also energy resilience. We have carried in our larger premises in Ringsted and Legionowo several projects to reduce our overall energy consumption, renounce to fossil fuels and use renewable sources of energy.



**4.2.- Our contribution to water management**  
**4.2.1.- Collecting water with Seal-In technology**

The ACO product portfolio, as detailed in the section 1.3 of this document, counts with an extensive set of products to ensure the collection of water in different environments, both outdoors and indoors. It can clean the water from oil, grease, heavy metals, and other pollutants and therefore contribute to the effort to manage efficiently a scarce resource as it is clean water.



Click on the picture to watch the video

The “Seal in” technology in our channels, is exclusive in the drainage market, and ensures the collection of stormwater without any leakage, which is so important for the protection of our environment from the pollutants carried by it.

**4.2.2.- Cleaning stormwater**

Our wide range of separators, ensure that once the stormwater is properly collected from a diverse and challenging scope of situations (pedestrian areas, highways, parking lots, petrol stations, etc) is then treated in the adequate way before being released in the sewage system:

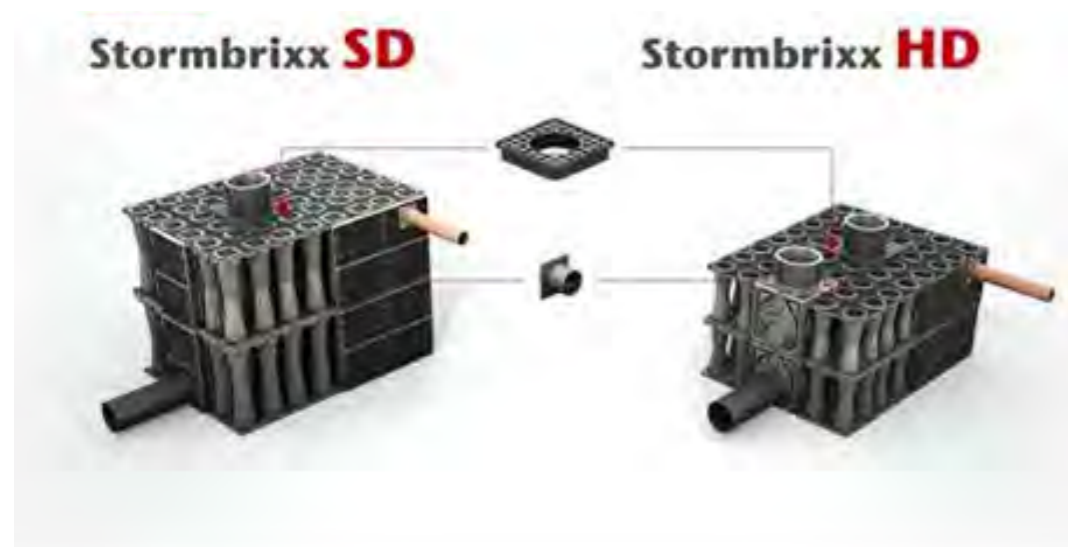


Click on the picture to watch the video

### 4.2.3.- Holding stormwater

Rainwater management is not only about how to get it clean into the sewage system. Unfortunately, global warming and climate change is increasing the frequency of heavily flooding rain events, especially in intensively urbanized areas where the water, does not have a natural way to be absorbed by the water table.

In the video here below enclosed the entire chain of water management, included “Stormbrixx” is explained. We can also see the explained release side of the chain, where we count with products helping the flow control or the lifting of water depending on the requirements of each application:



Click on the picture to watch the video

ACO has included in its portfolio “Stormbrixx”, a product that helps on the infiltration, attenuation, and retention of the rainwater with 2 versions SD (designed for car traffic) and HD (able to afford heavy traffic).

Stormbrixx can also play a key role to tackle other extreme climate circumstance like droughts, where its capacity is used to store water that could be later reused for diverse applications, like watering the trees on urban areas or some domestic applications for grey water e.g. flushing toilets.

### 4.3.- Protecting natural habitats from human interaction

In our diverse portfolio we count also with products as ACO Wildlife, a system composed by a barrier to help amphibians and small animals on their displacements, without being exposed to highway traffic.



### 4.4.- Emissions, wastes and climate change

The focus started by embracing the new generation of available technology for scope 1 mobility with hybrid and full electric vehicles, by changing our car policy in 2020 in the markets where the infrastructure was ready for mass adoption (Scandinavia) and having by now most of the car fleet exempt of only combustion engine vehicles.

As already mentioned in section 4.1, our commitment with the SDG #13: “Climate change action” has been accelerated by the energy crisis and we have made the following investments:

- Complete replacement of light bulbs in Ringsted and Legionowo, using only LED lights. Expected yearly energy saving: 89 Mwh a year, equivalent to 16 tn CO2.\*
- Replacement of the heating system in Ringsted, changing it from gas to air water pumps powered with electricity. Expected CO2 reduction: 131 tn a year
- Re-engineering of the ventilation in the production hall in Ringsted to recover hot air and use it for heating. Expected energy saving 193 Mwh a year, equivalent to 34 tn CO2 a year.
- Installation of the first phase of a solar panel project in Legionowo (phase-2 being deployed in 2023). Expected yearly energy production: 174 Mwh a year, equivalent to 31 tn CO2 a year.

The production facilities in ACO Nordic Group A/S are very limited. As mentioned already in the introductory section 1. PVC productions are set up for the Plastmo Group in Denmark, and as also mentioned, we cooperate through a 20% shareholding with Wuppi, a company which recycles the material at the end of the life of our products.



\* The Average CO2 footprint of Mwh of electricity pre-pandemic was 135 kg. However, from summer 2022 Denmark was forced to use more coal on electricity production mix, as Russia reduced the offer of gas. That circumstance brought the average Mwh footprint to 219



Also in Denmark, the ACO Nordic Group A/S count with production facilities elaborating windows mainly in PVC, aluminium and a combination of wood and aluminium. Waste management from our premises in Ringsted has always been a priority, which from 2022 has got upgraded, now sorting it in ten different, being the plan to extend it as a best practice to the rest of affiliates.

Our suppliers' base is very stable, and we have not had any change during the year 2022. No environmental issue has come to our attention from any of them. However, once agreed with them the Suppliers' Code of Conduct, we will evaluate the possibility of establishing a due diligence program to scrutinize not only the candidates to become new suppliers, but also the existing ones.

Last year we extended the analysis on our scope-1 and scope-2 greenhouse gases footprint to all our affiliates, capturing data from 2019, in order to be able to identify and prioritize the biggest contributors. Our objective being, as mentioned last year, to progressively reduce our energy consumption when possible, as well as renounce to fossil fuels and adopt the necessary changes to switch to renewable sources of energy, before 2030.

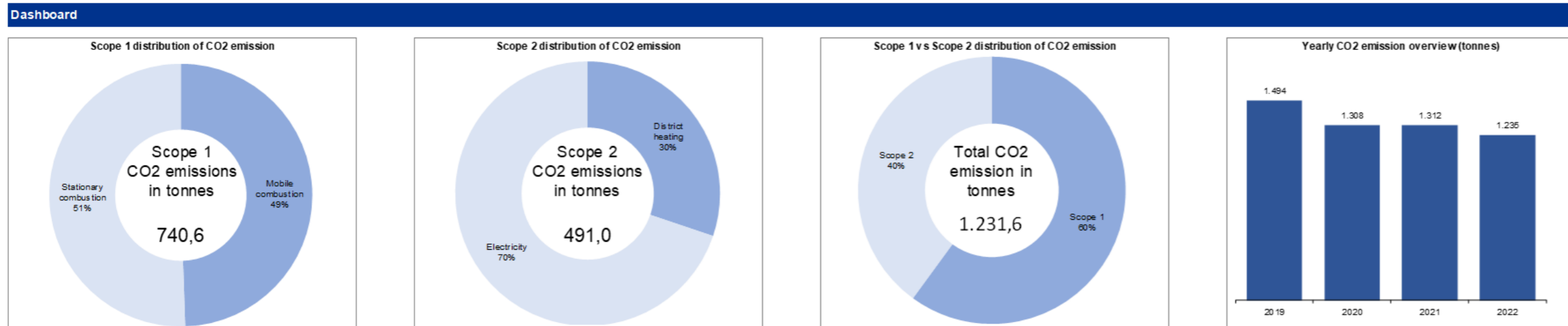
The consolidated result of our analysis can be found in the table below, where we see the progressive reduction of our CHG footprint, thanks to the progressive implementation of the investments already mentioned, which are expected to bring a full year impact in 2023.

A lot has been written already about the potential damages for life on earth if we do not succeed to curve the GHG emissions in terms of temperature increase, deforestation, sea levels rise, risk for coastal cities, multiplication of extreme weather events (heatwaves, floods, droughts, etc).

Our ambition is to make, of course, our part of the effort, but at the same time partner with other private or public organizations sharing the same view and promote investments that could support acceleration on this societal endeavour. Internally we look to learn from the successes and the failures of the most active affiliates and promote policies that capitalize on both to level up all of them.

To mitigate our GHG contributions we have purchased certificates to partly offset it through reforestation projects during 2021 and 2022, although we believe that the biggest mitigation efforts should be directed, as already mentioned, to increase efficiency on our energy consumption and resource energy, when possible, from fossil to renewable sources.

The environmental consciousness level, specially in Scandinavia, makes that all our business partners and employees put emphasis on understand what are our policies, our objectives, our action plans and most importantly our progress on Environmental Product Documentation, to influence business flows even before it becomes a regulatory requirement. First regulatory requirements will come in 2026, although our ambition, incentivised by our stakeholders' interaction is to be finished by 2025.



**Key figures**

**Table 1**  
**Overview of CO2 emission**

Scope	Ton CO <sub>2</sub> -e	Distribution of ton CO <sub>2</sub> -e (%)
Scope 1	741,7	60,0%
Scope 2	493,7	40,0%
Scope 3	N/A	N/A
<b>Total</b>	<b>1.235,4</b>	<b>100,0%</b>
Outside of scope		

**Table 2**  
**Key figures**

Key figures	Ton CO <sub>2</sub> -e
CO <sub>2</sub> -e per employee	2,93
CO <sub>2</sub> -e EURm / revenue	9,55
CO <sub>2</sub> -e per m <sup>2</sup> of facility	0,03
CO <sub>2</sub> -e / EBITDA	111,44
Location-based method (Scope 2)	493,7
Market-based method (Scope 2)	466,0

**Table 3**  
**Five largest emission sources**

Key figures	Ton CO <sub>2</sub> -e
1.- Hvidbjerg Vinduet A/S stationary combustion	266,96
2.- Hvidbjerg Vinduet A/S electricity	149,57
3.- ACO Sp. Z o.o. district heating	104,56
4.- ACO Nordic Group A/S stationary combustion	97,31
5.- Hvidbjerg Vinduet A/S mobile combustion	77,86
<b>Total</b>	<b>696,26</b>

**Table 4**  
**Certified Emission Reduction**

Key figures	%
Electricity covered by CER's	40,1%
Natural gas covered by CER's	202,2%

## 4.5.- Stories from the Group

### Environmental Product Declaration in Plastmo A/S

#### Investing in Product Declarations to Reduce CO2 Footprint in Construction

As climate change continues to be a pressing global issue, the construction industry is recognizing the need to reduce its carbon footprint. This has led to a trend of using building certifications and product declarations as a way to document a product's environmental impact. One of ACO Nordic Groups companies, Plastmo, has made an investment in European Product Declarations (EPD) to document the CO2 footprint of its products.

The EPD provides a detailed report on the CO2 emissions involved in the production, transportation, installation, maintenance, removal, and re-use of a product. By having an EPD, companies like Plastmo can ensure that they are contributing to the targets set in building regulations that aim to reduce CO2 emissions in construction projects. This is an important step towards creating sustainable buildings and infrastructure for future generations. Plastmo is currently leading the Danish market by having the lowest CO2 footprint documented in a product-specific EPD for their Steel Plus and Black Steel gutter systems.

An example of a project where Plastmo has supplied its Steel Plus gutter system is the "Plushusene" project in Køge Nord in Denmark. This project will be certified to DGNB Gold, which requires documentation of the CO2 footprint, as well as restrictions on the use of products made of zinc when used on the roof. Køge Municipality is one of several municipalities that have restrictions on the use of zinc in new builds, which makes it important for suppliers like Plastmo to ensure that their products comply with these regulations.

Overall, investing in product declarations like the EPD is a crucial step towards reducing the CO2 footprint in construction projects. Plastmo's commitment to this investment has made them a leading supplier in Denmark with the lowest CO2 footprint documented in their product-specific EPDs. As the trend towards sustainable building and infrastructure continues to grow, investing in EPDs will become increasingly important for suppliers to maintain a competitive edge and contribute to a better future.



| Steel Plus gutter system is part of the new "Plus houses" project in Denmark. With focus on CO2 friendly construction.



### 4.6.- ACO celebrating World Water Day

On International World Water Day, we had the pleasure of hosting a distinguished guest, Peter Tanev, a renowned weather and climate expert in Denmark. During his insightful session, he shed light on the crucial topic of climate change and its direct impact on our water resources.

ACO are deeply committed to the United Nations' Sustainable Development Goal 6, which emphasizes the importance of clean water and sanitation for all. To further reinforce this commitment, our employees actively participated in a workshop themed around our mission: ACO. we care for water.

The workshop was an incredible platform filled with positive energy and inspiration. Our employees presented various innovative proposals and initiatives aimed at promoting sustainable practices within our workplace. From reducing water consumption to implementing eco-friendly technologies, each idea showcased our collective determination to make a difference.

World Water Day serves as a reminder of the vital role water plays in our lives and the urgent need to protect this invaluable resource. We remain committed to driving change and working towards a future where clean water and sanitation are accessible to all.

CSR Report 2022

Customer satisfaction and adaptation





### 5.1.- Management approach and actions undertaken during 2022

The ACO Nordic subgroup has a continuous and open dialog with its direct customers, in most of the cases the wholesalers of the sector, but also with all the actors involved in the construction sector, where contractors, subcontractors, architects, engineers, installers, designers, owners and other partners participate in the process.

We believe that being present and advising all of them, grant us a position of respectable partner with deep knowhow on water management, both for civil engineering projects, but also, on the building construction. In line with our DNA statement, it is our target to build an image of reliable long-term partner, committed to deliver excellence with passion.

We use every opportunity to approach our partners to request feedback and to get closer to their needs, which at the end help us developing a business model that continuously adapts to the market requirements. In that sense, since the COVID-19 pandemic, we have embraced online events as a way to globalize our reach to communicate not only with our direct customers, but also with a wide ecosystem of decision influencers on construction projects. Here below we have, as example, the beyond.aco live stream event, focused on architecture innovation and architects.



<https://www.beyond.aco/> online seminar for architects

### 5.2.- Customer health and safety

Our products are designed not only to fit with the needs of the construction sector in terms of water management and other applications for our extensive portfolio. We design our products, also for the best functionality, cost effectiveness and visually appealing finishing, and we take care of the people involved in its handling during the transport, installation, maintenance, and daily usage, without risk for their health and safety.

Also, people not related directly with our business, are exposed, daily, maybe without noticing it, to our products. We are present with our large range of external line drainage products in airports, harbours, commercial streets, stadiums, and others. The ACO employees grant that for each application we get the right product installed in the correct way, so when supporting different level of pressures and forces the product resist the pass of time without being deteriorated and the safety of those exposed to them are put at stake.

The potential implications of health issues derived from the installation, use or disposal of our products, are not only our economic liability, but also the potential harm to the physical integrity of our customers and users and therefore the negative implications for our brand reputation and capacity to generate future revenues.

During the year 2022 the Nordic subgroup has not faced any claim in this regard, and we keep working on ensuring not only the quality of our products, but also its right application for a long-lasting performance.

The product development is carefully managed by our intercompany manufacturing partners, which grant the necessary certifications to ensure the compliance with any market requirement. The correct application of those products rely in our sales force colleagues that are thoroughly trained and educated on the characteristics of the product, its potential applications, interactions with other parts of the municipality sewage system, etc. Product trainings for employees are carried regularly by our group Competence Centers and our local product managers to ensure a correct transfer and absorption of knowhow.

We, of course, learn from each customer claim, through an internal dialogue between the product manufacturer and the company that prescribed the solution to understand if there problem was caused by manufacturing deficiencies, incorrect packaging or transportation, wrong installation, etc.

There are areas of our industry, where we are proud to contribute with innovative solutions to challenges that were putting at risk human lives. The next two chapters are dedicated to two of those challenges we have solved

### 5.2.1.- Hygiene First

The food processing industry and the commercial kitchens have been facing several cases of listeria infections, which is one of the most virulent foodborne pathogenic bacteria, getting on 20 to 30% of the cases fatal for the humans infected. Following the data gathered by the European Center for Disease Prevention and Control latest available report, the average rate of human listeriosis was 0.5 cases for 100.000 inhabitants, being more than tripled (1.6 cases) among children under 1 year old and elderly above 65 years old.



Click on the picture to watch the video

As our Nordic Managing Director, Soren Olsen, was mentioning in the video above, this issue is affecting not just underdeveloped countries, but is something we have unfortunately seen also in the Nordic environment.

ACO drainage and grease separation systems are designed around the three most important topics for the food service industry: food safety, cost management and health & safety. We design our products to drain processed wastewater hygienically and economically, exceeding the high standards established by the European Hygienic Engineering and Design Group (EHEDG).



Click on the picture to watch the video

### 5.2.2.- Tunnels

Another situation where ACO products have succeeded to excel and make a competitive advantage out of a circumstantial challenge is our solutions for tunnels.

There, the danger of having vehicles carrying inflammable substances and having an accident can be minimized using our solution as explained in the video here below, designed specifically for the Norwegian market, where many tunnels are currently under construction to cope with the difficult geography of the country, especially on the west coast.



Click on the picture to watch the video

### 5.3.- Customer privacy

As part of our policy to focus on customer care, we put their privacy first. Enjoying the enforcement of the European Regulation 2016/679 on personal data protection at the end of May 2018, we have strengthened our internal processes around the subject to ensure that not only we have not gotten any claim or complain so far, but that no question rises in the future about our commitment in this topic.

### 5.4.- Innovation in processes and efficiency to ensure competitiveness

#### 5.4.1.- Management approach and actions undertaken during 2022

It is ACO Nordic subgroup's management understanding that improving our own internal processes help us to free resources to focus on what is our core competences around water management and support our business partners in the construction sector.

After a big multiyear effort made before the COVID-19 pandemic to harmonize our ERP system around the ACO Nordic Subgroup, we have started a new phase where first we have implemented a common Customer Relation Management tool (only ACO Sp. z o.o. missing to roll it out), which currently is being migrated to the cloud to enjoy the benefits of this technology and a common Business Intelligence tool which first phase has been implemented and we expect to complete the second and final one during 2023.

At the same time that we have put a strong software applications base with the mentioned trilogy of ERP, CRM and BI, we are also testing the benefits of other technologies like blockchain, robotic process automation and artificial intelligence, to make sure we provide our colleagues always with outstanding tools to do their job.

Product innovation in the ACO Group is mainly driven by specialized Competence Centers, usually placed at the main manufacturing sites of the group (the most relevant for the ACO Nordic Subgroup are based in Germany and Czech Republic).

The obvious positive of being always exploring applications for new technologies that made our operations more efficient and our products stronger, safer, lighter or more sustainable is that we will find on it competitive advantages that help us lead the industry and reap the economic benefits linked to it. However, we do not look at it as the objective to be pursued, but as part of a virtuous circle, where having an innovating culture attracts the best talents and keep them motivated to stay with us as they can be sure there will be more interesting projects in the future. And is this talent attraction edge, together with a healthy organizational culture, where we understand performance not only as next quarter financial results but as building a long-term sustainable business. And is that innovative attitude, talent pool and organizational culture, what is providing us competitive advantage opportunities and therefore economic successes that fuels the virtuous circle to keep it running.

It is difficult to imagine a policy that frames innovation, so, despite having a formal project pipeline funnel, we count also with a non-written policy to allow “playgrounds for adults” where even projects that are not driven from the top, but emerging from anywhere in the organization have a space and a chance to provide learnings that could place us on a higher competitive ground. As an example, the colleagues in ACO Nordic Group A/S are encouraged to take some time to explore new technologies and their possible applications on the Tech-e-rsdays (Thursdays afternoon). Also, a more formal approach having training and coaching sessions on new technologies for Finance and IT is programmed, when opportunistic, to make sure we do not reinvent the wheel.

Our customers are receptive to innovations that provide them also a competitive advantage, our employees seem to be overall more satisfied than the industry benchmarks (see section 3.3 for more details on our employee surveys’ results) and all that is directly translated on economical results benefiting our financial stakeholders (financial institutions and shareholders).

ACO.  
we  
care  
for  
water



CSR Report 2022

Support to sportive and artistic talent



## 6.1.- Management approach and actions undertaken during 2022

Is at the heart of the ACO Group to contribute and support culture and sport. The ACO Group organizes NordArt (the largest Art exhibition in northern Europe), which during 2022 was dedicated to Polish artists that after the second world war migrated to other parts of the world (USA, France, Lebanon, Great Britain, Ukraine, etc). Currently the 2023 exhibition is being open to the public and, this time, is dedicated to Turkish artists.



Click on the picture to watch the video

Also, our headquarters support music and sport in different ways. More information about this subject is available in our website: <https://www.aco.com/en/about-the-aco-group/commitment/>

On our side, the Nordic Subgroup participates and gives the chance to the interested employees to join some of those events promoted by our headquarter (e.g. the inland lauf ten km running competition, the NordArt exhibition, etc).



We also sponsor several local sport talents in our closest vicinity in Ringsted, like Rune Thorst, currently competing in Speedway U19 in Zealand or Tobias Mølbak Hansen a great Ringsted swimmer training at the Taastrup swimming facility and who missed recently to participate on the Danish Championship by 1/10 of a second.



Those are just some examples of our commitment with our community and with facilitating its access to sports and culture to develop their full potential, regardless of their economic status.

wTherefore, a significant part of our culture, expressed by “ACO. a strong family you can build on” benefits not only our dedicated employees that support each other, but also the larger society.



CSR Report 2022  
Appendices



## Appendix 1.- Data annexes and tables

In this section, as well as in some other parts of this document, the reader will find some data we have collected about the ACO Nordic Group A/S activity, putting it in perspective, when possible, with comparable data in the market. However, as this is our first CSR reporting, some data might be missing for different reasons. Would you be particularly interested in some additional disclosure, please contact us at [csr-nordic@aco.local](mailto:csr-nordic@aco.local).

Table 1.- Legal ownership chart

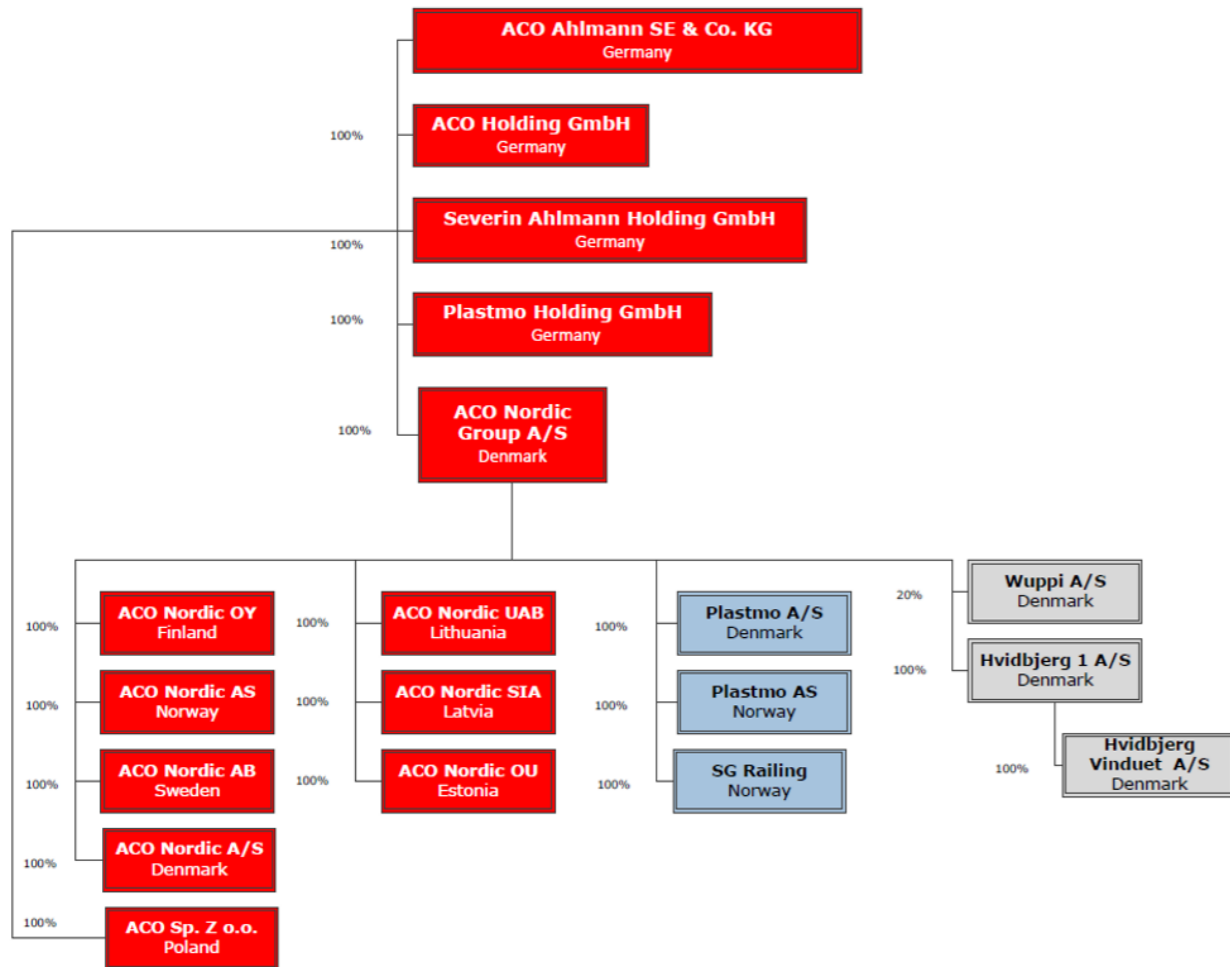


Table 2.- Data on organizational scale and location

figures in t€	Third Party Gross Sales	Employees	Equity	Assets	Equity / Assets	Operations	Location
ACO Denmark	8,326	16	1,179	3,968	29.7%	ACO Nordic A/S (sales office)	Thorsvej 9; Ringsted 4100
ACO Sweden	15,457	30	2,288	4,427	51.7%	ACO Nordic AB (sales office)	Industrivägen 4; Sævedalen 43361
ACO Finland	4,971	9	786	1,699	46.3%	ACO Nordic OY (sales office)	Metsänneidonkuja 12; Espoo 02130
ACO Norway	3,692	8	493	1,691	29.2%	ACO Nordic AS (sales office)	Billingsstadsletta 30NG-1396 Billingstad
<b>Division ACO</b>	<b>32,446</b>	<b>63</b>	<b>4,746</b>	<b>11,785</b>	<b>40.3%</b>		
Plastmo Denmark	27,961	58	5,731	10,269	55.8%	Plastmo A/S (Production, logistics and sales site)	Odinsvej 9-11; Ringsted 4100
Plastmo Norway	7,999	8	435	1,807	24.1%	Plastmo AS (Sales office)	Etemitveien 30; Slemmestad 3470
Plastmo Railing	1,882	10	493	1,923	25.6%	Plastmo Railing AS (Production, logistics and sales site)	Arnatveitvegen 137; Arnatveit 5262
<b>Division Plastmo</b>	<b>37,842</b>	<b>76</b>	<b>6,658</b>	<b>13,998</b>	<b>47.6%</b>		
ACO Lithuania	6,612	10	1,027	1,671	61.5%	ACO Nordic UAB (sales office)	Lukiškių g. 5; Vilnius 01108
ACO Latvia	2,577	10	1,441	1,918	75.1%	ACO Nordic SIA (sales office and logistic center)	Dzelzavas iela 120, Vidzemes priekšpilsēta; Rīga, LV-1021
ACO Estonia	1,928	3	1,031	1,201	85.8%	ACO Nordic OU (sales office)	Akadeemia tee 39; Tallinn 12618
<b>Division Baltic</b>	<b>11,116</b>	<b>23</b>	<b>3,499</b>	<b>4,790</b>	<b>73.0%</b>		
Nordic Group	0	12	25,366	30,620	82.8%	ACO Nordic A/S (headquarters)	Thorsvej 9; Ringsted 4100
<b>TOTAL NORDIC SUBGROUP</b>	<b>81,404</b>	<b>174</b>	<b>40,854</b>	<b>61,988</b>	<b>65.9%</b>		
Hvidbjerg	35,023	157	12,170	16,731	72.7%	Hvidbjerg 1 A/S (Production, logistics and sales site)	Industrivej 18; 7600 Struer
<b>TOTAL "ACO NORDIC GROUP A/S"</b>	<b>116,427</b>	<b>331</b>	<b>53,024</b>	<b>78,719</b>	<b>67.4%</b>		
ACO Poland	12,984	87	4,783	8,941	53.5%	ACO Sp. Z o.o. (Production, logistics and sales site)	Fabryczna 5, 05-119 Łajski, Poland
<b>TOTAL SCOPE ANALYZED</b>	<b>129,412</b>	<b>418</b>	<b>57,806</b>	<b>87,660</b>	<b>65.9%</b>		

Table 3.- Material topics and GRI standards' mapping

Material topics	Danish requirements alignment	GRI standards alignment
A Safety, health and wellbeing in the work place and beyond	Social and employee matters	403
B Employee satisfaction and talent retention	Social and employee matters	401, 402, 407
C Diversity and inclusion	Social and employee matters	405, 406
D Human rights respect at ACO and in the supply chain	Human Rights	408, 409
E Training and education	Social and employee matters	404
F Transparency and good governance	Anti-corruption and bribery	205, 206, 418, 419
G Our contribution to water management	Environmental protection, including climate	303
H Emissions, wastes and climate change	Environmental protection, including climate	306, 308
I Business sustainability	Other impacts.	307
J Risk management	Other impacts.	
K Customer satisfaction and adaptation to their needs	Other impacts.	416, 418
L Innovation in processes and efficiency	Other impacts.	
M Backing culture and sport	Other impacts.	

## Tables 4.- Employees' statistics

	Fixed full time contract						Temporary, part time, trainee and other						TOTAL
	Male			Female			Male			Female			
	A	B	C	A	B	C	A	B	C	A	B	C	
ACO Denmark	0	8	4	0	2	1	0	0	1	0	0	0	16
ACO Sweden	0	14	8	0	4	4	0	0	0	0	0	0	30
ACO Finland	0	2	3	0	1	2	0	0	0	1	0	0	9
ACO Norway	0	1	5	0	1	1	0	0	0	0	0	0	8
ACO Poland	4	50	12	3	13	1	0	1	1	1	1	0	87
<b>Division ACO</b>	<b>4</b>	<b>75</b>	<b>32</b>	<b>3</b>	<b>21</b>	<b>9</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>150</b>
Plastmo Denmark	6	14	16	4	5	4	1	1	1	1	3	2	58
Plastmo Norway	0	2	2	0	1	2	0	0	0	0	0	1	8
Plastmo Railing	1	4	1	1	3	0	0	0	0	0	0	0	10
<b>Divison Plastmo</b>	<b>7</b>	<b>20</b>	<b>19</b>	<b>5</b>	<b>9</b>	<b>6</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>76</b>
ACO Lithuania	0	4	1	1	4	0	0	0	0	0	0	0	10
ACO Latvia	1	6	1	1	0	0	0	1	0	0	0	0	10
ACO Estonia	0	1	0	2	0	0	0	0	0	0	0	0	3
<b>Division Baltic</b>	<b>1</b>	<b>11</b>	<b>2</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>23</b>
Nordic Group	0	4	4	1	3	0	0	0	0	0	0	0	12
<b>TOTAL NORDIC SUBGROUP</b>	<b>12</b>	<b>110</b>	<b>57</b>	<b>13</b>	<b>37</b>	<b>15</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>261</b>
Hvidbjerg	11	45	56	2	10	18	4	0	6	0	2	3	157
<b>TOTAL "ACO NORDIC GROUP A/S" (including ACO Sp. Z o.o.)</b>	<b>23</b>	<b>155</b>	<b>113</b>	<b>15</b>	<b>47</b>	<b>33</b>	<b>5</b>	<b>3</b>	<b>9</b>	<b>3</b>	<b>6</b>	<b>6</b>	<b>418</b>

\* age groups are 3: a) under 30; b) between 30 and 50; c) above 50

	Changes during 2022																	
	Hires			Resigned			Dismissed			Maternity			Retired / other					
	Male	Female		Male	Female		Male	Female		Male	Female		Male	Female				
ACO Denmark	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ACO Sweden	0	2	0	0	1	2	0	0	0	0	0	0	0	0	0	0	0	0
ACO Finland	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ACO Norway	0	1	0	0	0	0	0	0	0	0	0	0	1	1	0	0	0	0
ACO Poland	1	10	1	3	1	0	0	6	0	0	0	2	3	3	1	1	0	0
<b>Division ACO</b>	<b>1</b>	<b>14</b>	<b>1</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>4</b>	<b>6</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>0</b>
Plastmo Denmark	1	1	1	1	1	1	0	2	1	0	0	0	1	0	0	0	0	0
Plastmo Norway	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	0	0	0
Plastmo Railing	1	1	0	1	1	0	0	2	0	0	0	0	0	0	0	0	0	0
<b>Divison Plastmo</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>
ACO Lithuania	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ACO Latvia	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0
ACO Estonia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Division Baltic</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Nordic Group	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL NORDIC SUBGROUP</b>	<b>3</b>	<b>16</b>	<b>2</b>	<b>6</b>	<b>3</b>	<b>1</b>	<b>11</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>3</b>	<b>4</b>	<b>6</b>	<b>1</b>	<b>3</b>	<b>0</b>	<b>0</b>
Hvidbjerg	3	6	4	0	3	1	3	3	0	1	2	0	2	6	10	2	1	0
<b>TOTAL "ACO NORDIC GROUP A/S" (including ACO Sp. Z o.o.)</b>	<b>6</b>	<b>22</b>	<b>6</b>	<b>6</b>	<b>9</b>	<b>4</b>	<b>4</b>	<b>14</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>0</b>	<b>5</b>	<b>16</b>	<b>13</b>	<b>3</b>	<b>2</b>	<b>0</b>

Career development			
Avg. hours of training per employee	# of employees under bonus scheme	%	For the ones not having bonus, do they have regular performance and career development reviews?

ACO Denmark	-	-	-	-
ACO Sweden	24	30	100%	-
ACO Finland	-	9	100%	-
ACO Norway	2	8	100%	-
ACO Poland	13	87	100%	-
<b>Division ACO</b>	<b>26</b>	<b>47</b>	<b>100%</b>	<b>-</b>
Plastmo Denmark	6	26	45%	all 1 once a year
Plastmo Norway	2	9	100%	-
Plastmo Railing	6	11	100%	-
<b>Divison Plastmo</b>	<b>14</b>	<b>46</b>	<b>61%</b>	<b>-</b>
ACO Lithuania	3	9	90%	annual discussions
ACO Latvia	6	5	50%	No
ACO Estonia	15	3	100%	N/A
<b>Division Baltic</b>	<b>24</b>	<b>17</b>	<b>73%</b>	<b>-</b>
Nordic Group	6	12	100%	n/a
<b>TOTAL NORDIC SUBGROUP</b>	<b>70</b>	<b>122</b>	<b>47%</b>	<b>-</b>
Hvidbjerg	-	-	-	-
<b>TOTAL "ACO NORDIC GROUP A/S" (including ACO Sp. Z o.o.)</b>	<b>70</b>	<b>122</b>	<b>47%</b>	<b>-</b>

## Table 5.- External initiatives and memberships

	Collective bargain	External initiatives	Membership associations
ACO Denmark	If union	Hospitalsklovne- børnefonden	Dansk Industri
ACO Sweden	If union	The West Sweden Chamber of Commerce	Yes
ACO Finland	If union	-	Teknisen Kaupan Liitto
ACO Norway	If union	No	No
ACO Poland	If union	Child care home - support ,	-
<b>Division ACO</b>	<b>-</b>	<b>-</b>	<b>-</b>
Plastmo Denmark	If union	PlanBørnefonden. Kværkeby IF, Ringsted	Dansk Industri, Wuppi
Plastmo Norway	No	No	No
Plastmo Railing	If union	No	GF Norge , NHO
<b>Divison Plastmo</b>	<b>-</b>	<b>-</b>	<b>-</b>
ACO Lithuania	If union	NO	NO
ACO Latvia	If union	No	No
ACO Estonia	If union	No	No
<b>Division Baltic</b>	<b>-</b>	<b>-</b>	<b>-</b>
Nordic Group	If union	N/A	Dansk Industri
<b>TOTAL NORDIC SUBGROUP</b>	<b>-</b>	<b>-</b>	<b>-</b>
Hvidbjerg	If union	N/A	Dansk Industri
<b>TOTAL "ACO NORDIC GROUP A/S" (including ACO Sp. Z o.o.)</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Appendix 2.- GRI content index

### 1.- General disclosures

#### 1.1.- The Organization and its reporting practices

Disclosure 2-1 Organizational details [section 1.1 and table 1 on Appendix 1].

Disclosure 2-2 Entities included in the organization's sustainability reporting [section 1.1 and table 1 on appendix 1].

Disclosure 2-3 Reporting period, frequency, and contact point [sections "Message from the CEO" and "About this report"].

Disclosure 2-4 Restatements of information [N/A].

Disclosure 2-5 External assurance [N/A].

#### 1.2.- Activities and workers

Disclosure 2-6 Activities, value chain and other business relationships [Section 1.2 and 1.3].

Disclosure 2-7 Employees [tables 4 on Appendix 1].

Disclosure 2-8 Workers who are not employees [tables 4 on Appendix 1].

#### 1.3.- Governance

Disclosure 2-9 Governance structure and composition [Section 2.1].

Disclosure 2-10 Nomination and selection of the highest governance body [Section 2.1].

Disclosure 2-11 Chair of the highest governance body [Section 2.1].

Disclosure 2-12 Role of the highest governance body in overseeing the management of impacts [Section 2.1 and 2.2].

Disclosure 2-13 Delegation of responsibility for managing impacts [Section 2.1].

Disclosure 2-14 Role of the highest governance body in sustainability reporting [Section 2.3].

Disclosure 2-15 Conflicts of interest [Section 2.5].

Disclosure 2-16 Communication of critical concerns [Section 2.3 and 2.6].

Disclosure 2-17 Collective knowledge of the highest governance body [Section 2.1].

Disclosure 2-18 Evaluation of the performance of the highest governance body [Section 2.1].

Disclosure 2-19 Remuneration policies [Section 2.1].

Disclosure 2-20 Process to determine remuneration [Section 2.1].

Disclosure 2-21 Annual total compensation ratio [Section 2.1].

#### 1.4. Strategy policies and practices

Disclosure 2-22 Statement on sustainable development strategy [Section 0.1].

Disclosure 2-23 Policy commitments [Section 2.3, 3.6 and 4.1].

Disclosure 2-24 Embedding policy commitments [Section 2.3, 3.6 and 4.1].

Disclosure 2-25 Processes to remediate negative impacts [Section 2.6]

Disclosure 2-26 Mechanisms for seeking advice and raising concerns [Section 2.3 and 2.6].

Disclosure 2-27 Compliance with laws and regulations [N/A].

Disclosure 2-28 Membership associations [table 5].

#### 1.5. Stakeholder engagement

Disclosure 2-29 Approach to stakeholder engagement [Section 0.0]

Disclosure 2-30 Collective bargaining agreements [table 5].

## 2.- Topic specific disclosures

2.1. Management approach on transparency and good governance [section 2.4]

2.1.1. GRI 205: Anti-corruption

Disclosure 205-1 Operations assessed for risks related to corruption [section 2.4].

Disclosure 205-2 Communication and training about anti-corruption policies and procedures [section 2.4].

Disclosure 205-3 Confirmed incidents of corruption and actions taken [section 2.6].

### 2.1.2. GRI 206: Anti-competitive behaviour

Disclosure 206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices [section 2.6].

### 2.1.3.- GRI 419: Socioeconomic compliance

Disclosure 419-1 Non-compliance with laws and regulations in the social and economic area [section 2.6].

## 2.2. Management approach on Human Rights [section 3.6.1].

### 2.2.1.- GRI 408: Child Labor

Disclosure 408-1 Operations and suppliers at significant risk for incidents of child labor. [section 3.6.2].

### 2.2.2.- GRI 409: Forced or compulsory labor

Disclosure 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor. [section 3.6.2].

## 2.3.- Management approach on Social and Employee matters [section 3.1].

### 2.3.1.- GRI 401: Employment

Disclosure 401-1 New employee hires and employee turnover [section 3.4].

Disclosure 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees [section 3.4].

Disclosure 401-3 Parental leave [section 3.4].

### 2.3.2.- GRI 402: Labor/Management relations

Disclosure 402-1 Minimum notice periods regarding operational changes [section 3.3].

### 2.3.3.- GRI 403: Occupational Health and Safety

Disclosure 403-1 Occupational health and safety management system [section 3.2].

Disclosure 403-2 Hazard identification, risk assessment, and incident investigation [section 3.2].

Disclosure 403-3 Occupational health services [section 3.2].

Disclosure 403-4 Worker participation, consultation, and communication on occupational health and safety [section 3.2].

Disclosure 403-5 Worker training on occupational health and safety [section 3.2].

Disclosure 403-6 Promotion of worker health [section 3.2].

Disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships [section 3.2].

Disclosure 403-8 Workers covered by an occupational health and safety management system [section 3.2].

Disclosure 403-9 Work-related injuries [section 3.2].

Disclosure 403-10 Work-related ill health [section 3.2].

### 2.3.4.- GRI 404: Training and education

Disclosure 404-1 Average hours of training per year per employee [section 3.5]

Disclosure 404-2 Programs for upgrading employee skills and transition assistance [section 3.5]

Disclosure 404-3 % of employees receiving regular performance reviews [section 3.5]

### 2.3.4.b- GRI 405: Diversity and equal opportunity

Disclosure 405-1 Diversity of governance bodies and employees [section 3.4]

Disclosure 405-2 Ratio of basic salary and remuneration of women to men [section 3.4]

### 2.3.5.- GRI 406: Non Discrimination

Disclosure 406-1 Incidents of discrimination and corrective actions taken [section 3.4]

### 2.3.6.- GRI 407: Freedom of association and collective bargaining

Disclosure 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk [section 3.3].

## 2.4.- Management approach on customer satisfaction and adaptation to their needs

### 2.4.2.- GRI 416: Customer Health and Safety

Disclosure 416-1 Assessment of the health and safety impacts of product and service categories. [section 5.2]

Disclosure 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services. [section 5.2]

### 2.4.3.- GRI 418: Customer Privacy

Disclosure 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data [section 5.3]

## 2.5.- Management approach on environmental protection [section 4.1]

### 2.5.1.- GRI 303: Water and effluents

Disclosure 303-1 Interactions with water as a shared resource [sections 4.1 and 4.2]

Disclosure 303-2 Management of water discharge-related impacts [sections 4.1 and 4.2]

Disclosure 303-3 Water withdrawal [section 4.3]

Disclosure 303-4 Water discharge [section 4.3]

Disclosure 303-5 Water consumption [section 4.3]

### 2.5.1.- GRI 307: Environmental compliance

Disclosure 307-1 Non-compliance with environmental laws and regulations. [section 1.5]

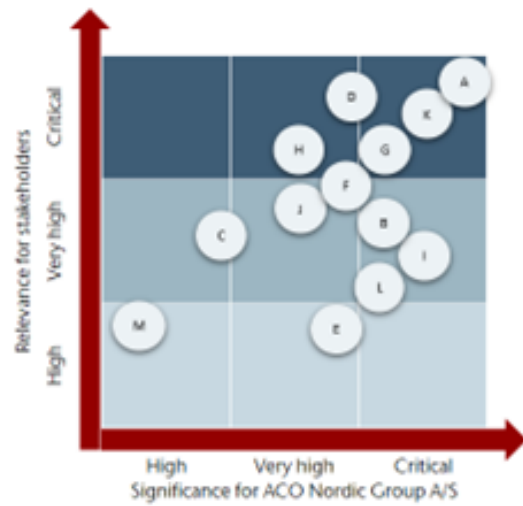
### 2.5.2.- GRI 308: Supplier Environmental Assessment

Disclosure 308-1 New suppliers that were screened using environmental criteria [section 4.3]

Disclosure 308-2 Negative environmental impacts in the supply chain and actions taken [section 4.3]

## Appendix 3.- Material topics matrix

**Materiality Matrix**



### Material topics

- A Safety, health and wellbeing in the work place and beyond
- B Employee satisfaction and talent retention
- C Diversity and inclusion
- D Human rights respect at ACO and in the supply chain
- E Training and education
- F Transparency and good governance
- G Our contribution to water management
- H Emissions, wastes and climate change
- I Business sustainability
- J Risk management
- K Customer satisfaction and adaptation to their needs
- L Innovation in processes and efficiency
- M Backing culture and sport