



CSR Report 2023

ACO Nordic Group A/S

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## Message From the CEO



Looking back to the year which we are currently closing the financial statements of, started very slow on the business side, still impacted by the uncertainty caused by the multiple geopolitical challenges and their impact on the global prices of energy and raw materials.

However, as spring was taking over, also our turnover was taking off, helping us catching up the missed sales in the first quarter and end up the year on a much better tone. The performance was not harmonic through all our business divisions, and so, while our contribution to infrastructure and other outdoor projects grew by 5.5% overall through the Nordic geography, when considering all the businesses, on scope of this report, the turnover decreased by 1.7% compared to 2022. Especially relevant was the underperformance of our business in Norway and so we took the decision at the end of 2023 to transfer the SG Railing AS production facilities in Bergen (Norway) to be accommodated on our Plastmo A/S premises in Ringsted (Denmark). More details on our financial performance could be found on the statements this CSR report is part of.



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On the other hand, we have started to see the effects of our investments on energy efficiency, and renewable energy generation on our Ringsted and Legionowo premises, succeeding to get in the first one a 12,0% reduction on the CO2 footprint and an 11,0% in the second one, through the year 2023. Further investments are being deployed as we write this report, so our expectation is to keep the positive trend during the next years.

Also, from the social point of view we have kept making progresses, expanding the use of the AI driven employee satisfaction tool Winningtemp to all ACO and Plastmo affiliates, which has been probably part of the explanation of our success to get again certified Great Place To Work in all the affiliates based in Ringsted and recently being awarded #13 on the category of mid-sized companies in Denmark (between 50 and 499 employees).

Those successes have boosted our confidence on believing that our approach to the Environmental, Social and Governance topics is delivering benefits both for ourselves and for our stakeholders, and so we will carry on with:

- Engaging with current and potential stakeholders to keep adapting our ESG policies.
- Maintain our contribution to the UN Global Compact Sustainable Development Targets.
- Reduce our GHG footprint.
- Document our efforts to think on the full life cycle of the product and search for circular economy opportunities.
- Engage whole organization on the journey Environmental, Social and Governance responsibility, to maximize our impact.

We expect that the implementation of the EU Taxonomy and Corporate Sustainability Reporting Directive will transform the form of this report from its 2025 version, to be adapted to the new requirements, which will improve its comparability across businesses and industries, through the European Union. Therefore, from that year on, the consolidation and report of ESG information will be done at Group level from our headquarters in Germany.

As always, I take this opportunity to wish you a good lecture through our 2023 Corporate Social Responsibility report and invite you to submit any suggestion, comment or idea to our dedicated e-mail address: [csr-nordic@aco.local](mailto:csr-nordic@aco.local).

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## About this report

All the affiliates belonging to the ACO Nordic Group A/S, plus ACO Sp. z o.o. 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 2023 is the sixth of a series of annual exercises of transparency on our vision to incorporate environmental, social and governance concerns into our strategy 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 2023 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 2023 auditors, on the financial statements for ACO Nordic Group A/S for the same period, 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 other-

wise 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 Global Reporting Initiative standards, 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, building drainage and other building materials, 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 in Appendix 3.

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.



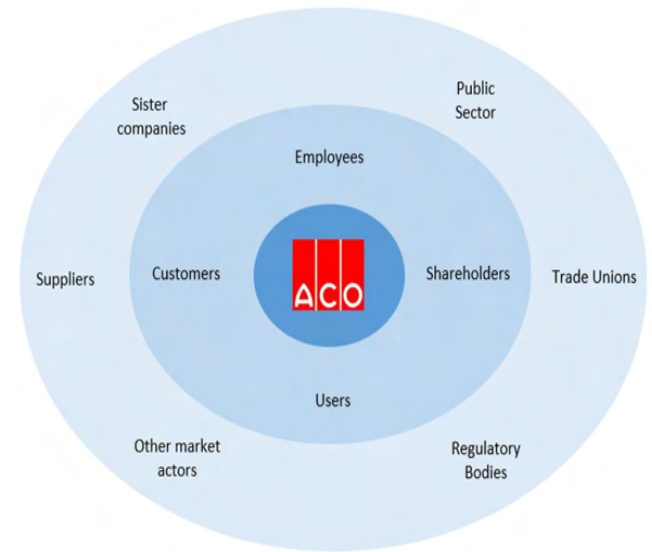
## Material topics, selection process

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, , contractors, installers, etc) and the closely related

civil society (municipality where our premises are based, neighbours, etc). Other leads from less closely related stakeholders are also welcome although not searched proactively.

Once completed the local collection of material topics, they are consolidated and prioritized in the Nordic Sustainability Committee during its regular meetings. The Nordic Executive Committee will review the process and provide final confirmation, to ensure that we keep the 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 solu-

tions 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 430 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 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).



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.

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

Our product range is commercialized in the Nordic sub-group 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 2023 for the ACO Nordic Group A/S

During 2023, there were no changes on the scope of this document in terms of mergers, acquisitions, or company divestments. However, we have started to execute, during the last weeks of 2023, the decision to move the production of our railing products from Bergen (Norway) to Ringsted (Denmark) leaving the legal structure of affiliates unchanged. The project was concluded, though, during the first weeks of 2024.

## 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 (especially 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 64,8% which can be 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.

Last year we have been witnesses of a progressive deceleration of inflation as energy and raw material markets were settling the bullwhip effects on global supply chains from COVID-19 and the Russian invasion of Ukraine.

- The first quarter was very slow, but optimism started to appear as prices were showing signs of contention and expectations on interest rates reduction (that could help a higher activity level on construction) appeared in Q2 and Q3.

- The armed conflict in the middle east, started with the terrorist attack in Israel last October, has brought up new tensions in the energy markets, as well as threatens global supply chains to have to bear higher costs that will finally repercuss on global consumption prices, while avoiding the Suez canal.

Despite all those challenges, out of our control, during 2023 the results before taxes on the managerial perimeter of ACO Nordic Group had been grown to a new all-time record, which improves more than 10% the one obtained last year, and almost 6% the former record, registered in 2021.



**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 were implementing several projects to reduce and resource our energy consumption to be less exposed to its price fluctuation, but also to accelerate our contributions to reduce our GHG footprint. Also, in 2023 we concluded our solar panel project in Legionowo and we expect that during Q2-Q3 this year 2024, another solar roof system will be implemented on our Ringsted premises. Would you be interested on knowing more details on each of the projects we have de-

ployed, 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 other Building Materials and we aim to reach a global turnover of 1.25 billion Euros by 2025.

Since we defined this new multi-year objective in the last part of 2021, war in Ukraine and Israel / middle East have started and although their repercussions are multiple, there are direct and clear effects on the energy markets and global supply chains. We hold our ambition of continuously growing our organic lev-

el of activity until 2025 and beyond although we understand that the business environment is different, than the moment in which we set our 2025 goal 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:

- Conclusion of the installation of a 200 kwp capacity solar panel in Legionowo's premises, as well as the project to enhance its buildings thermal insulation (pictures enclosed correspond to those projects' progress).
- Approval of a similar capacity investment in Ringsted, which execution is expected to be concluded during 2024.
- Full integration of the sustainability topics on the strategic decisions at local level, thanks to the first complete year of func-

tioning of the Nordic Sustainability Committee, which ensures that communication flows in both directions between the Nordic headquarters and the reality of each local market.

During the first quarter of 2024, the mentioned Committee has also included our ACO Group Head of Sustainability to ensure that our Nordic actions are aligned with the Group Strategy as well as to utilize our Nordic experience to tackle the implementation of the new EU regulations coming on the Sustainability Reporting area.

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 journey.

# CSR Report 2023

## Governance





## 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 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.

Daily, 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 1:8 and the average compensation decreased by 3.2%, mainly motivated by the departure, at the end of 2022 of our MD in Norway and the fact of not having found yet a replacement.



## 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 com-

mittee 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 *vice versa*, 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). During the year 2023 the Nordic Sustainability Committee has met once per quarter and shared points of view on topics as diverse as: sustainability investments, stakeholder management, materiality of topics to be reported, etc.

## 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 2023

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 2023 (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, anticorruption, conflict of interests' management, data protection, working health and safety, protection of the environment, etc.

In the case of anticorruption, 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 ev-

ery 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 several internal control workflows, implemented through the tools used by the organization, to make difficult (if not impossible) for a single person to carry misbehaved actions. Finally, a 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 2023

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 communication received in that address, granting the anonymity of the whistleblower, 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.





# CSR Report 2023

## People and culture





### 3.1.Management approach and actions undertaken during 2023

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 macro-economic 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.

Once again, we have succeeded in keeping and enhancing our scoring in Winningtemp, software that we use to monitor weekly the organizational temperature. Most of the indicators are up from already high positions achieved in 2021 and 2022, although in this year, we have to notice that the industry indicators have also moved slightly upwards.



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

For the second year in a row, we got certified “Great Place To Work” on the Danish affiliates placed in Ringsted, even with higher scores than the year before on the employee satisfaction survey and having been classified 13th on the ranking that this “Great Place to Work” company established for the Danish mid-sized companies (50 to 499 employees) in 2023.

This achievement is the result of a thorough evaluation process conducted by Great Place to Work Danmark, 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 2024, 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

	In the job injuries		Total absence due to injuries or sickness (days)	% of absence days / total working days	Industry average (%)
	Light	Severe			
ACO Denmark	-	-	33	0,8%	8,8%
ACO Sweden	-	-	226	2,9%	3,7%
ACO Finland	-	-	-	0,0%	7,4%
ACO Norway	-	-	55	0,0%	6,9%
ACO Poland	1	-	855	4,0%	5,7%
<b>Division ACO</b>	<b>1</b>	<b>-</b>	<b>1.169</b>	<b>3,1%</b>	<b>6,5%</b>
Plastmo Denmark	-	-	735	0,0%	8,8%
Plastmo Norway	-	-	4	0,0%	6,9%
Plastmo Railing	-	-	274	0,0%	6,9%
<b>Divison Plastmo</b>	<b>-</b>	<b>-</b>	<b>1.013</b>	<b>5,3%</b>	<b>7,5%</b>
ACO Lithuania	-	-	24	0,8%	11,9%
ACO Latvia	-	-	75	4,2%	10,1%
ACO Estonia	-	-	5	0,5%	5,5%
<b>Division Baltic</b>	<b>-</b>	<b>-</b>	<b>104</b>	<b>1,7%</b>	<b>9,2%</b>

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*”.

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 economic 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 and Plastmo entities in the ACO Nordic Group are using 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.

We also count with our intranet we.aco which is used to keep informed colleagues on a focused way, affiliate by affiliate, but also, when relevant, sharing Nordic news to all the colleagues on scope.

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, 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.



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,



### 3.4. Diversity and inclusion



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. Due to no changes in the Board of Directors In 2023 the target of equal gender representation has not been reached. Therefore, the board is currently

composed by 1 female out of 5 board positions and the target is to achieve in the next seven years until the closing of 2030 a female representation between 1/3 and 2/5.

#### The other management levels

For other Management level the status for 2023 is no female rep-

resentation due to limited changes in Management positions. 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 labour 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 2023, nine out of the thirteen

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.

Diversity 2023				
Management level	Status 2023%		Target %	Year for reaching target
Board of Directors	Number of Board members % of the underrepresented gender	5	33%-40%	2030
		20%		
Other Management level	Number % of the underrepresented gender	11	33%-40%	2030
		0%		





### 3.5. Training and education

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 2023 reached a lowest level of 7.2 in February and a highest of 7.4 in August, 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



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

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 2023 the level of voluntary departures has been 30 cases, which is a 6.8% of our total headcount, which is a positive development, compared to 2020 and 2021 where we had a turnover ratio over 12%, although a small worsening compared to last year when it was 5.7% (see tables 4 at the end of this document, or our former years’ reports, for full detail). However, it is also important to highlight that it is a very

uneven phenomenon across Nor-dics, affecting mainly the production sites, with the particular case of SG Railing where we have decided at the end of 2023 to move the production from Bergen (Norway) to Ringsted (Denmark). 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

*figures in m€*

	Group	3rd Part
Germany	-13,7	-2,8
Denmark	-3,2	-11,6
Czech Republic	-7,7	-
Poland	-1,6	-5,1
UK	-0,0	-3,0
Israel	-	-0,3
Others	-4,2	-7,7
<b>TOTAL</b>	<b>-30,5</b>	<b>-30,5</b>

*figures in %*

	Group	3rd Part
Germany	45,0%	9,2%
Denmark	10,4%	38,0%
Czech Republic	25,3%	0,0%
Poland	5,4%	16,8%
UK	0,1%	9,7%
Israel	0,0%	1,1%
Others	13,9%	25,1%
<b>TOTAL</b>	<b>100,0%</b>	<b>100,0%</b>

### 3.6.1. Management approach and actions undertaken during 2023

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.

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

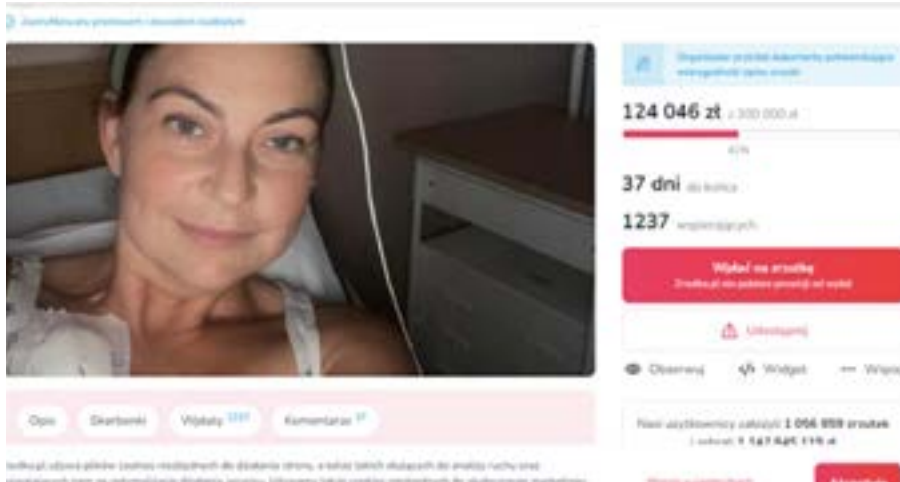
We have been analysing the structure by country of our supply chain and we believe that there is little or no chance of either child or forced labour in any of our supply partners.

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 Poland, Health support initiatives



Our Polish affiliate was during 2023 one of the most active affiliates in the ACO Nordic Group on what concerns the promotion of healthy habits.



*click on the picture to watch the video*

1. Support to the charity “Blue Butterfly” which helps women on their battle against cancer.
2. Elaboration of an audiobook for kids to promote protection to amphibians.
3. Continuing with a good tradition to bike with customers \* 4. Promotion of active lifestyle, specially related to water.
5. Supporting several conferences and events about safety on the food industry

## Support to Ukrainians in Ringsted



It is a well-known fact that as a consequence of the war in Ukraine a big diaspora of talent has happened, transforming into increased immigration in some of the EU members. In our scope of reach, we have decided to engage into supporting the Ukrainian community in Ringsted in order to increase their chances to successfully integrate in the Danish society.

During 2023 we put in practice several initiatives, like sponsoring the implementation of a “language café” to support Danish students of the CLAVIS language school in Ringsted. Having sharp language skills will allow the students on their integration in the labor market, increasing their opportunities both to put into value their academic background and experi-

ence, but also to contribute to the Danish economy.

We also focused on supporting the kids schooling to ensure they feel welcomed and had a good chance to start a new live in our community, so they become positive contributors in the future.





### ACO Denmark, the power of the team

During the year the affiliates organize several team building events, where colleagues get to know each other on a different way than on the daily business rush.

The Danish affiliate of ACO organized, for example numerous workshops and employee events of this characteristics:

- Visit the Classic Car House, who had used our DOT design both on manhole covers placed around the building, but

also as line drainage. A great experience where the whole company got to see our products in action and thus a little "hands on".

- *Meyers Madskole*, where our Danish colleagues worked together to create a 3-course vegan menu. Meyers cares avoiding food waste and using local and meat-free ingredients, so they had a strong focus on food sustainability.

- World water day: during this year's event we decided to invite an external speaker to dis-

cuss about global warming and the implications that changes in weather are having currently and will have in the future (more info in section 4.6).

### Finance and IT yearly summit

Once a year the Finance and IT teams from around Nordic (Scandinavia, Baltics and Poland) gather together to share best practices and get inspired from each other and guest speakers. In August 2023 we had the opportunity to meet in Krakow and among other things discuss about the disruptive po-


tential of Artificial Intelligence, Blockchain, Cyber Security threats, Robotic Process automation and other technological trends in our professional lives.

Those gatherings are also a good opportunity to network and ensure all the colleagues have similar opportunities to get updated and have connect with colleagues facing similar challenges than them. Of course, we had also some relaxing time together and strolling through this amazing town, we also found ACO.



# CSR Report 2023

## Environmental sustainability



ACO. we care for water





## 4.1. Management approach and actions undertaken during 2023



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.global-goals.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 (analysed later in the section 4.4).
- The contribution to greenhouse 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).

tribution to Wuppi shareholding to manage PVC recycling).

Following up with our committed focus on the SDGs where we can make the difference, we are making 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.

Promotion of healthy lifestyle is something happening in most of our affiliates where we promote both, the benefits of sports to our employees and also to our closest stakeholders: our customers and members of our nearest communities (see the polish examples from section 3.7 and other cases in section 6).



## 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, especially in a context where even Europe has started to face severe droughts during the last summers and still is a very worrying situation for 2024.

## 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 new material involving less CO2 footprint 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 CO2 transportation footprint as well.

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

Our engagement with municipalities across Nordics to support them tackling their current water management issues, and help



*\*Click on the picture to watch the video*

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 2023 we have concluded multiple Life Cycle Assessments on our product portfolio, and we have succeeded to release our first examples of Environmental Product Declarations at group level (focused on our portfolio of stainless steel and plastic products) but also in Nordics with our steel and PVC rain gutters from Plastmo. Progressively the construction market is getting more educated on the relevance of having more sustainable business models and we strive to be the avant-garde partner that provides them with the relevant information and that keeps developing its portfolio to always be able to provide not only the best performance and design, but also to minimize our product’s life cycle impact on the environment.



## SDG #13: “Climate change action”

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, during the last 24 months, several projects to reduce our overall energy consumption, renounce to fossil fuels and increase the use of renewable sources of energy.

Would you like to know more about the ACO Group commitment to the UN Compact Sustainability Development Goals, please visit the dedicated area in our Group website: <https://www.aco.com/en/about-the-aco-group/sustainability>.

## 4.2 Our contribution to water management

### 4.2.1. Collecting water with Seal-In technology

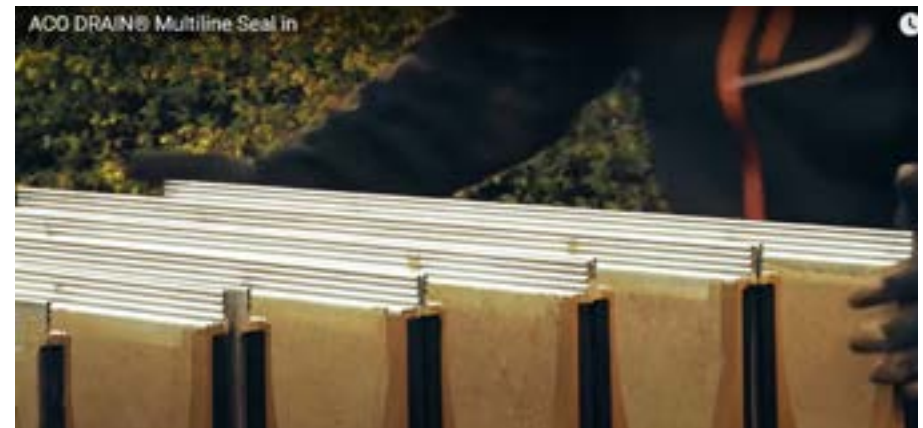
The ACO product portfolio, as detailed in the section 1.3 of this document, counts with an extensive set of products to ensure the collection of water in different environments, both outdoors and indoors. It can clean the water from oil, grease, heavy metals, and other pollutants and therefore contribute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

The “Seal in” technology in our channels, is exclusive in the drainage market, and ensures the collection of stormwaters without any leakage, which is so important for the protection of our environment from the pollutants carried by it (watch the video 1).

### 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: (watch the video 2)

*Click on the picture to watch the video1*



*Click on the picture to watch the video 2*



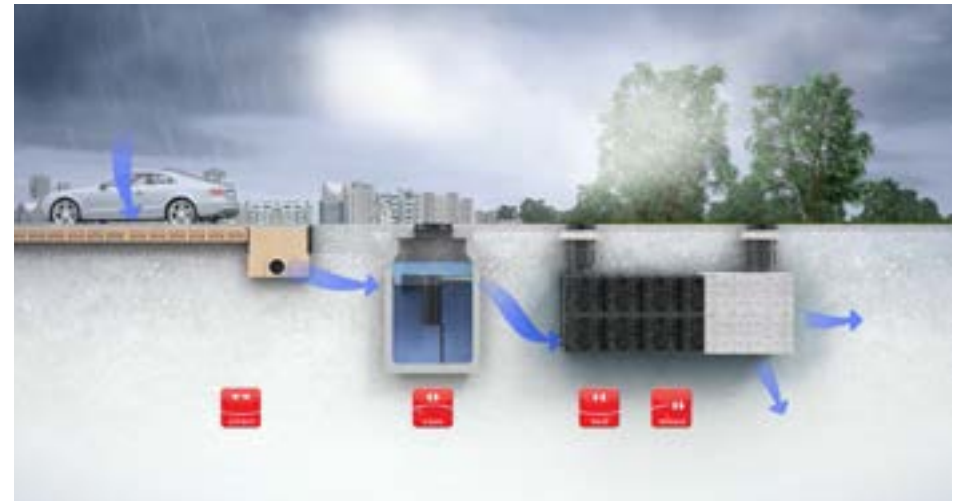
### 4.2.3.- Holding stormwater

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 ([watch the video 3](#)) 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:

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



*Click on the picture to watch the video 3*

trees on urban areas or some domestic applications for grey water e.g. flushing toilets.

SWO comment: reference to the ACO water cycle and the opportunity to re-use the water. Maybe add also intensive care for trees. Even we have not sold any system. Or add as example of reuse the project from the Netherlands.







### 4.3. Protecting natural habitats from human interaction

In our diverse portfolio we count also with products as ACO Wildlife, a system com-posed by a barrier to help amphibians and small animals on their displacements, with-out being exposed to highway traffic.



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 during the last 2 years:

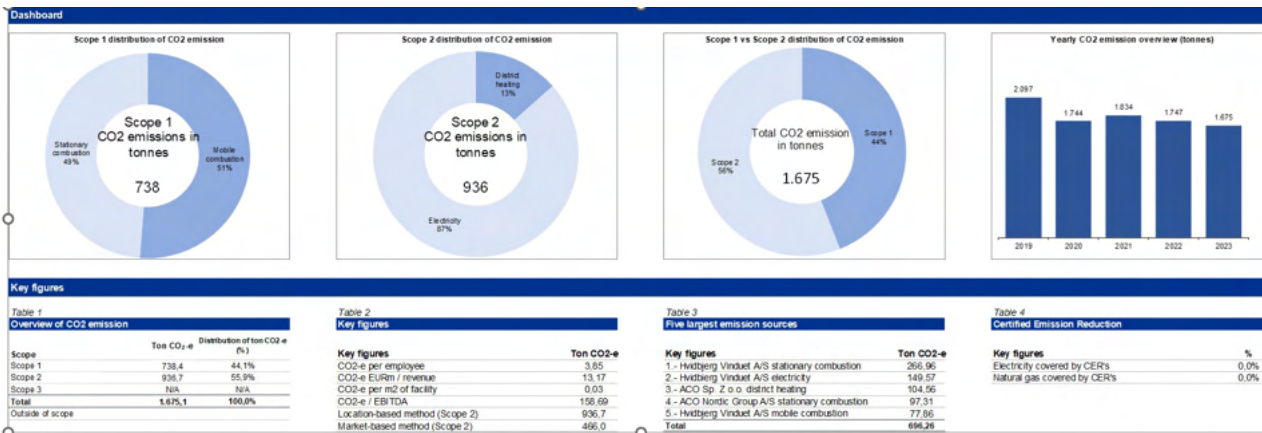
### 4.4. Emissions, wastes and climate change

- 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 a solar panel project in Legionowo which is expected to generate 174 Mwh a year, equivalent to 31 tn CO2/year.
- During 2023 the Nordic Board of Directors has also approved a solar panels’ project for hour premises in Ringsted, which is currently under construction.

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 co-operate through a 20% shareholding with Wuppi, a company which recycles the material at the end of the life of our products.



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 major change during the year 2023. 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.

## 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 Environmental 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 reuse 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. During 2023, Plastmo has also obtained the EPD for its PVC rain gutter system, which due to the recyclability of its material is a very good choice for the environmentally concerned customers.



An example of a project where Plastmo has supplied its Steel Plus gutter system is the “Plushusene” project in Køge Nord (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 document-

ed 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.



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

## 4.6. ACO celebrating World Water Day

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 re-

minder 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 2023

## Customer satisfaction and adaptation



ACO. we care for water



## 5.1. Management approach and actions undertaken during 2023

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 pandem-

ic, 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 eco-system of decision influencers on construction projects. Here below we have, as example, the beyond.aco live stream event, focused on architecture innovation and 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, har-

bours, 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 so the safety of those exposed to them is not 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 2023 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 the 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 (*watch the video 1*)

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 econom-

ically, exceeding the high standards established by the European Hygienic Engineering and Design Group (EHEDG) (*watch the video 2*)

### 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, particularly on the west coast (*watch the video 2*)

### 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.

*Click on the picture to watch the video 1*



*Click on the picture to watch the video 2*



*Click on the picture to watch the video 3*



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

### 5.4.1.- Management approach and actions undertaken during 2023

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, in the last two years we have focused our attention into developing and implementing a common CRM for all the ACO entities in Nordics. The roll-out is concluded, although we will continue working on its integration to other IT tools during 2024 and the beginning of 2025. While 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 rip 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 any-

where in the organization have a space and a chance to provide learnings that could place us on a higher competitive ground.

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).





CSR Report 2023

Support to sportive and  
artistic talent

## 6.1. Management approach and actions undertaken during 2022



*\* Click on the pictures to watch the video*

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 2023 was dedicated to Turkish artists.



### Schleswig-Holstein Music Festival (SHMF)

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 *imland lauf* ten km running competition, the NordArt exhibition, etc).



We also sponsor several local sport talents in our closest vicinity in Ringsted, like Rune Ræs, currently competing in Speedway U19 in Zealand or Tobias Møl-bak Hansen a great Ringsted swimmer as well as the Ringkøbing IF football team.



# CSR Report 2023

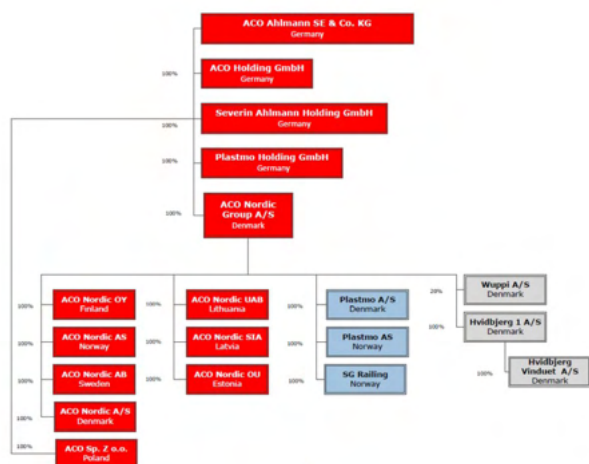
## Appendices



## 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 com-parable 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 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.	

**Table 2.- Data on organizational scale and location**

<i>figures in t€</i>	Third Party Gross Sales	Employees	Equity	Assets	Equity / Assets	Operations	Location
ACO Denmark	8.255	15	1.498	3.395	44,1%	ACO Nordic A/S (sales office)	Thorsvej 9; Ringsted 4100 (Denmark)
ACO Sweden	13.542	31	1.867	4.050	46,1%	ACO Nordic AB (sales office)	Industrivägen 4; Sävedalen 43361
ACO Finland	5.684	9	1.043	2.301	45,3%	ACO Nordic OY (sales office)	Metsänneidonkuja 12; Espoo 02130
ACO Norway	3.827	6	466	2.009	23,2%	ACO Nordic AS (sales office)	Billingstadsletta 30NO-1396 Billingstad
<b>Division ACO</b>	<b>31.308</b>	<b>61</b>	<b>4.873</b>	<b>11.755</b>	<b>41,5%</b>		
Plastmo Denmark	28.683	58	6.505	13.051	49,8%	Plastmo A/S (Production, logistics and sales site)	Odinsvej 9-11; Ringsted 4100
Plastmo Norway	6.518	8	182	2.145	8,5%	Plastmo AS (Sales office)	Eternitveien 30; Slemmestad 3470
Plastmo Railing	1.438	9	241	1.698	14,2%	Plastmo Railing AS (Production, logistics and sales site)	Arnatveitvegen 137; Arnatveit 5262
<b>Divison Plastmo</b>	<b>36.639</b>	<b>75</b>	<b>6.928</b>	<b>16.894</b>	<b>41,0%</b>		
ACO Lithuania	8.830	13	1.536	2.804	54,8%	ACO Nordic UAB (sales office and logistic center)	Lukiškių g. 5; Vilnius 01108
ACO Latvia	3.039	7	1.200	1.816	66,1%	ACO Nordic SIA (sales office)	Dzelzavas iela 120, Vidzemes priekšpilsēta; Rīga, LV-1021
ACO Estonia	2.193	4	423	637	66,4%	ACO Nordic OU (sales office)	Kadaka tee 3-2, 10621 Tallinn, Estonia
<b>Division Baltic</b>	<b>14.062</b>	<b>24</b>	<b>3.159</b>	<b>5.256</b>	<b>60,1%</b>		
<b>TOTAL NORDIC SUBGROUP</b>	<b>82.008</b>	<b>173</b>	<b>41.242</b>	<b>65.671</b>	<b>62,8%</b>		
Hvidbjerg	31.829	172	12.165	16.720	72,8%	Hvidbjerg 1 A/S (Production, logistics and sales site)	Industrivej 18; 7600 Struer
<b>TOTAL "ACO NORDIC GROUP A/S"</b>	<b>113.837</b>	<b>345</b>	<b>53.406</b>	<b>82.391</b>	<b>64,8%</b>		
ACO Poland	13.398	86	5.470	9.287	58,9%	ACO Sp. z o.o. (production, logistics and sales site)	Fabryczna 5, 05-119 Łąski, Poland
<b>TOTAL SCOPE ANALYZED</b>	<b>127.235</b>	<b>431</b>	<b>58.877</b>	<b>91.677</b>	<b>64,2%</b>		



Tables 4.- Employees' statistics

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	-	8	4	-	1	1	-	-	1	-	-	-	15
ACO Sweden	3	13	7	-	4	4	-	-	-	-	-	-	31
ACO Finland	-	3	2	-	1	2	1	-	-	-	-	-	9
ACO Norway	-	1	4	-	1	-	-	-	-	-	-	-	6
ACO Poland	6	50	12	2	14	2	-	-	2	1	1	-	90
Division ACO	9	75	29	2	21	9	1	-	3	1	1	#	151
Plastmo Denmark	4	14	19	-	7	5	-	-	3	1	2	3	58
Plastmo Norway	1	2	2	-	1	2	-	-	-	-	-	-	8
Plastmo Railing	2	1	2	1	2	-	1	-	-	-	-	-	9
Divison Plastmo	7	17	23	1	10	7	1	-	3	1	2	3	75
ACO Lithuania	1	6	1	1	4	-	-	-	-	-	-	-	13
ACO Latvia	1	3	1	-	2	-	-	-	-	-	-	-	7
ACO Estonia	1	1	-	1	1	-	-	-	-	-	-	-	4
Division Baltic	3	10	2	2	7	#	#	-	#	#	#	#	24
Nordic Group	-	3	5	1	1	2	-	-	-	-	1	-	13
TOTAL NORDIC SUBGROUP	19	105	59	6	39	18	2	-	6	2	4	3	263
Hvidbjerg	13	48	55	3	16	21	4	-	6	-	3	3	172
TOTAL "ACO NORDIC GROUP A/S" (including ACO Sp. Z o.o.)	32	153	114	9	55	39	6	-	12	2	7	6	435

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

Zoom In

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	-	14	93%	-
ACO Sweden	14	31	100%	-
ACO Finland	-	9	100%	-
ACO Norway	10	6	100%	-
ACO Poland	16	85	100%	-
Division ACO	24	60	393%	-
Plastmo Denmark	4	28	48%	all 1 once a year
Plastmo Norway	2	8	100%	-
Plastmo Railing	1	9	100%	-
Divison Plastmo	7	45	248%	-
ACO Lithuania	-	8	62%	all 1 once a year
ACO Latvia	12	5	71%	No
ACO Estonia	23	4	100%	N/A
Division Baltic	35	17	233%	-
Nordic Group	-	12	92%	no
TOTAL NORDIC SUBGROUP	66	134	967%	-
Hvidbjerg	-	8	0%	-
TOTAL "ACO NORDIC GROUP A/S" (including ACO Sp. Z o.o.)	66	142	967%	-

Table 5.- External initiatives and memberships

	Changes during 2023																							
	Hires				Resigned				Dismissed				Maternity				Retired / other							
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
ACO Denmark	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0
ACO Sweden	3	2	0	0	0	0	0	1	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ACO Finland	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ACO Norway	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ACO Poland	2	4	0	0	1	0	1	0	0	0	4	2	1	0	0	0	0	0	0	0	0	0	0	0
Division ACO	5	6	0	0	1	0	1	0	5	4	1	0	1	0	0	0	0	0	0	0	0	0	0	0
Plastmo Denmark	1	1	2	0	0	0	1	0	0	0	2	0	0	1	0	0	0	0	0	0	0	0	0	0
Plastmo Norway	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0
Plastmo Railing	0	0	1	0	0	1	2	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Divison Plastmo	2	1	3	0	0	1	3	0	1	1	0	2	0	0	1	0	0	0	0	1	0	0	0	0
ACO Lithuania	1	2	0	0	1	0	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	2	0	0	0	0	0	0	0	0	0	0	0	0
ACO Estonia	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Division Baltic	2	2	0	0	1	0	0	0	1	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0
Nordic Group	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL NORDIC SUBGROUP	9	9	3	0	2	1	4	1	1	3	0	2	7	4	2	0	1	0	0	0	1	0	0	0
Hvidbjerg	11	11	3	3	6	3	9	8	2	1	0	0	0	0	0	0	0	0	0	0	0	2	0	0
TOTAL "ACO NORDIC GROUP A/S" (including ACO Sp. Z o.o.)	20	20	6	3	8	4	10	12	3	2	3	0	2	7	4	2	0	1	0	0	0	1	0	0

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

Collective bargain	External initiatives	Membership associations
If union	Hospitalsklovne- børnefonden	Dansk Industri
If union	The West Sweden Chamber of	Yes
If union		-
If union	No	No
If union	Blue butterfly - charity fund	-
If union	Ringsted Idrætsforening,	Dansk Industri, Wuppi
If union	No	No
If union	No	GF Norge , NHO
If union	No	No
If union	No	No
If union	No	No
If union	N/A	Dansk Industri
If union	N/A	Dansk Industri

## 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 sustain-

ability 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 environ

### 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

