



**SUSTAINABILITY
REPORT**

2023

CSR

NOVADAN[®]
Cleaning solutions for a safer world

CONTENT

”As a manufacturer of cleaning detergents to the professional user, we have an obligation to make the products as sustainable as possible and to make our impact on our common environment as minimized as possible.

It is our goal to focus on products, packaging and also on production of these. ”



Jens Bramsen,
Sales Director

CONTENT

- | | | |
|--|--|---|
| 3 Thoughts and strategic considerations | 10 Packaging | 18 Social responsibility |
| 4 About Novadan | 12 Production - energy | 19 Cybersecurity – Anti-corruption |
| 5 CSR report focus – scope 1,2, and 3 | 14 Production – waste/waste water | 20 Employees/diversity/inclusion |
| 6 Sustainable business model | 15 Safety/hazardous industrial site | 21 Code of Conduct |
| 7 Sustainability in production | 16 Sustainability at customers | 22 UN Global Goals - Novadan |
| 8 Novadan’s products | 17 Consumer | 23 Appendix 1 |

This report contains an overview of Novadan’s social, ethical and environmental efforts in our business, our historical development in this area and our future goals.

Our attempt is to be as transparent as possible with the purpose of enlightening our huge focus on the area.

It is the third time, Novadan publishes a CSR-report. As this is of high priority, we will continually develop and evaluate the report.

Thoughts and strategic considerations

The EU increases the requirements for sustainability reporting with the CSRD (Corporate Sustainability Reporting Directive).

The directive is to be implemented during the period from 2024 – 2026.

The new reporting requirements are specified in European Sustainability Reporting Standards (ESRS), which was passed by the EU in July 2023 with entry into force on January 1st 2024.



The CSRD states that sustainability reporting must encompass a description of companies' sustainable strategies (for companies above a certain size) as well as the most critical impacts, risks and opportunities related to climate, environment, social aspects, and management (ESG).

It is required that the report covers both the essentials for the companies themselves and those within their value chain.

With the new standards, there is an increased emphasis on value chains. The new regulation will indirectly affect smaller companies, not subject to the legislation, as the larger companies will require information from their customers and suppliers throughout the value chain. Novadan is part of this value chain.

For many years, we have undertaken initiatives supporting CSR, and for several years, we have been ISO-certified to ISO 9001:2015, ISO 14001:2015 and ISO 27001. Furthermore, we are members of Green Network, a consulting agency and a partner network in environment, work environment and CSR.

This marks the third time, Novadan has published a CSR-report publicly, outlining and identifying areas where Novadan can contribute to addressing the global challenges, such as: Climate, environment, health, resource scarcity, rights, safety etc.

Our efforts are i.e. based on UN Global Goals and the areas where we believe we can initially contribute with most impact. The CSR-report will continually be reviewed and developed to encompass further areas of potential contribution.



About Novadan

Novadan is an innovative manufacturing- and service company which was established in 1980. The company has its own laboratory and production equipment, where a wide quality range of cleaning and disinfection agents are developed and manufactured.

The company is a competent business partner and a supplier of high-quality cleaning solutions for B-to-B companies, where quality cleaning plays a decisive role. Solutions and products are primarily sold through distributors, who are continually educated and trained in Novadan's optimization solutions.

Facts about Novadan

Novadan is one of the largest players in cleaning agents in Scandinavia and is expanding on international markets.

Novadan develops and manufactures cleaning agents, disinfectants and personal cleaning products.

Novadan offers B-t-B (Business-to-business) cleaning solutions to a long range of industries.

Segments



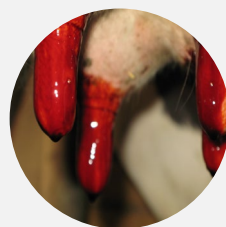
Food

"Best-in-class" cleaning solutions ensure a high cleaning level in the food manufacturing industry.

"Hands on" competence sharing and a high service level create in cooperation with the customer unique optimization solutions as to energy consumption.

On site optimized cleaning solution to membrane plants in dairies.

Technical know-how and practical overall understanding of the individual plant's processes.



Agro

Professional advice about hygiene, and usage of a broad and innovative product range which easily and practically delivers high yield and improved milk quality to agriculture.

The solutions focus on bacteriological results matching the industry's targets and improve the bottom line through healthy animals.



Horeca

Novadan offers a broad product range for the Horeca segment in traditional cleaning, dish washing and laundry detergents which ensures achievement of an excellent cleaning result.

Partnership and professional competence is offered with focus on cost optimization, cleaning guidance etc.

Facts

Novadan is an international company with own production facilities, sales and logistics in Denmark and Poland.

Novadan's sales force covers most of Europa, the Middle East, CIS and Africa.

Export to 38 different countries. Export share: 50%

100 employees in Denmark and Poland.

Novadan manufactures appr. 30,000 ton of chemical yearly.

Novadan is owned by the American Group: ITW (Illinois Tool Work Inc.). ITW is a Fortune 200 company with 50,000 employees in 57 countries.

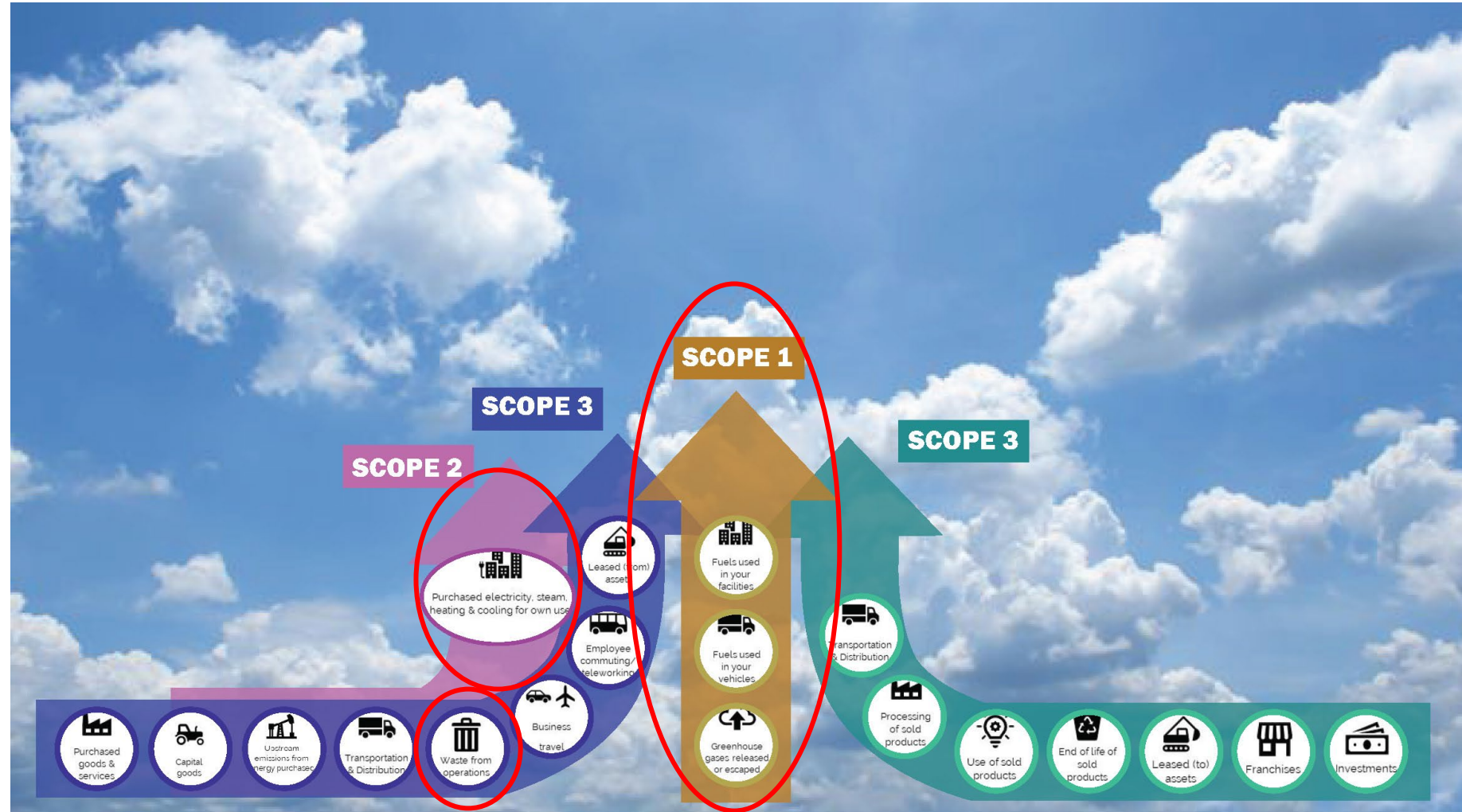
CSRD report focus – Scope 1, 2 og 3

(about CO2 emission/registration)

Scope 1,2, and 3

Explanation - Scope 1, 2, & 3

- Scope 1: The direct CO2-emissions from sources controlled by the company. Eg. from production processes, heating of the company facilities and from their vehicles .
- Scope 2: The indirect CO2-emissions from purchased energy. Eg. electricity or district heating for the operation of the company's activities.
- Scope 3: The indirect CO2-emissions from the company's suppliers or customers/end users. Eg. materials or raw materials extracted or processed by suppliers, or customer's CO2-emissions derived from usage and disposal of the company product.



The red circles are areas which are included in this CSR report.

Novadan has chosen - in accordance with our owners: ITW – primarily to focus on Scope 1 og 2, while Scope 3 only to a lesser extent is covered in this CSR report. This is stated on the next page under: Sustainable business model/value chain.

Continually, we will consider to which extent Scope 3 will be part of the report in the future. Read more about Scope 3 in Appendix 1. 5

Sustainable business model / value chain

Target:

Novadan aims to achieve optimal social, ethical and environmental impact wherever feasible across the entire value chain.

Our focus is on Scope 1 and 2, but not 3.

Supplier

We have more than 200 suppliers and we plan how to evaluate these on a number of parameters. We follow the guidelines of our owners ITW. This part of the chain is from Scope 3 which we – in this report – only partially report on.



Raw Material Supplier



Freight

Our suppliers are responsible for choice of carriers. This part of the chain is from Scope 3 which we – in this report – only partially report on.



Distribution



Freight

Every day, we ship many lorries with products, packaging etc. When possible, we aim to choose carriers with an acceptable CSR-profil. Going forward, we aim to have more focus in this area. This part of the chain comes from Scope 3 which we – in this report – only partially report on.



Distribution



Novadan

This CSR report contains a description of a number of initiatives by Novadan as to production, products, employees etc. Novadan focuses on Scope 1 and 2 while only partially on Scope 3.



Factory

Manufacturing

Automation

Customers

Novadan aims to optimize the hygiene process and to contribute to improving our customers' sustainability profile. This includes optimal hygiene production conditions, reduced energy consumption etc.



Food manufacturing companies

Agriculture

Horeca

Consumer

Novadan's cleaning detergents and disinfectants are crucial for food safety, health and animal welfare – all for the benefit of the consumer. This part of the chain comes from Scope 3 which we – in this report – only partially report on.



Retailer



Restaurant

Sustainability in production

On the following pages, Novadan's efforts on reduction of CO2 emissions and a sustainable profile concerning products is outlined.

Products

Water

Energy

Packaging

Waste

Waste water





Our cleaning detergents and disinfectants.
 The products are based on chemicals which do not go hand in hand with environmental goals. The products are, however, necessary in order to ensure food safety and risk free hygiene conditions.

Novadan's products

Years back, the requirements were different as to which substances, the products could contain. For example, to a greater extent, substances hazardous to health and the environment were considered to be important for reasons of effect. Today, the situation has changed – fortunately! For several years, Novadan has worked on phasing out the damaging substances and replacing these with less damaging.

Target:

Novadan targets growth and consequently production of a larger amount of chemicals. Thereby Novadan's responsibility increases to ensure a sustainable production. Novadan produced in 2023: 30000 ton of chemicals.

Swan labelling



Novadan was among the first in the industry to be approved usage of the Swan label, and in 2020 we developed a series containing only Swan labelled products which are also high concentrated products. This series is targeting the Horeca segment.

Requirements:

Detergents clean with washing active substances (surfactants). The Flower and the Swan require that all detergents' active substances must be easy to degrade in order not to harm the small aquatic animals. In addition, some substances are completely forbidden to use – e.g. those that degrade into highly toxic and difficult-to-degrade substances. Nor is chlorine allowed in e.g. universal cleaners. Cleaning agents that must be classified for environmental, fire and explosion hazards cannot be eco-labelled at all.

- A richer and cleaner nature
- Better chemistry for daily use
- Responsible use of the resources on earth
- A better climate
- A sustainable future

Number of Swan labelled items (SKUs):

>10% i 2023

Concentrated products



HIGHLY CONCENTRATED PRODUCTS:

Novadan has developed a series of highly concentrated products.

These contain less water and the required dosage is therefore lower.

This means that less amounts of the products and less packaging used for the same cleaning tasks at the customer must be transported .



Pictogram:
Swan labelled

Pictogram:
QR-code to SDS and product info

Pictogram:
Highly concentrated product

Pictogram:
Dosage

Pictogram:
Waste sorting



Novadan's products

...continued

Target:
Novadan targets growth and consequently to produce a larger amount of chemicals. Thereby our responsibility increases to ensure a sustainable production. Novadan produced in 2020: 30,000 ton of chemicals.

Phasing out raw materials

Through many years, Novadan has phased out the most hazardous substances (EDTA, LAS, etc) and replaced these with new and less harmful substances.

Novadan aims for a minimum of 25% of its organic raw materials to be [RSPO certified](#) or of Mass balance quality (or equivalent). In 2023, 27% of the organic raw materials met this criterion thus indicating that Novadan has reached its target.

Especially substances which have a profile harmful to health, carcinogenic and/or toxic effect for aquatic organisms are phased out.

27%

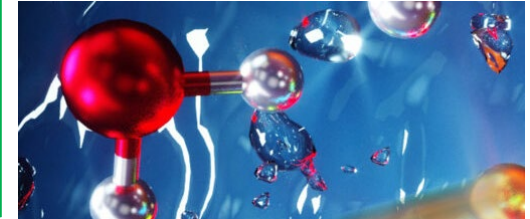


Mass-balance:
A circular, low-carbon economy requires a shift to non-fossil raw materials based on biomass or waste. The mass balance approach is a means of achieving this transition in a fast, economical, scalable and socially acceptable way for a large number of products.



Product are WITHOUT PFAS

At Novadan, we do not use PFAS in our production, and we demand and confirm that there is no PFAS in our raw materials, based on the documentation available from our suppliers.

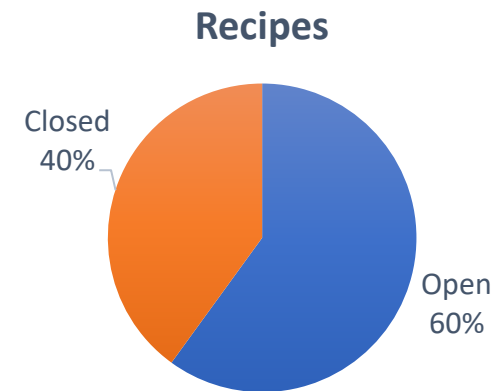


Continuous optimization

As part of ITW's strategic tools, continuous optimization are keywords for Novadan. We started in 2018 with a review of our recipes. During 2019 and 2020, appr. 40% of our recipes were closed (in 2019 15% were closed).

The simplification process is beneficial for several areas, eg. Reduced downtime, water consumption and fewer switches.

In 2023, we opted to establish a minimum order quantity (MOQ) for our orders to optimize the number of shipments going forward.





Packaging

Novadan's products are delivered in plastic bottles, cans, drums or IBCs which are delivered on pallets.

Target:

Novadan aims to recycle as much packaging as possible.

Recycling of large packaging (IBC and drums)

Empty packaging from Novadan can be collected by Dansk Emballage, a nationwide company specializing in collecting and recycling empty packaging. The company has developed a website where users can register empty packaging for collection (ranging from 10L, 20L, 200L and up to 1000L tanks).

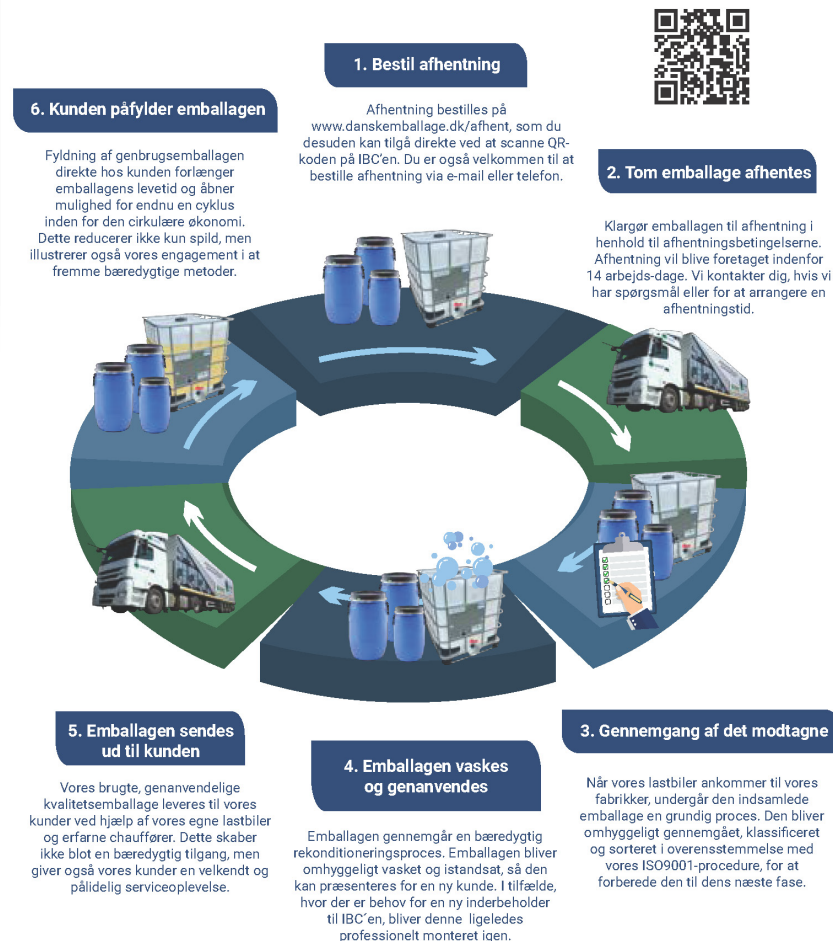
In line with this, Novadan reuses empty packaging, such as IBCs which are reused up to 15-20 times.

Novadan aims to enroll as many clients as possible in this program – for the benefit of the environment. Clients receive detailed instructions on how to empty the packaging before collection. Information about the program is available on Novadan's website (in Danish).

[LINK til hjemmesiden.](#)



CIRKULÆR ØKONOMI



Excerpt from Dansk Emballage's brochure

Packaging

Novadan's products are delivered in plastic bottles, cans, drums or IBCs (on pallets).

Target:
Novadan aims to recycle as much packaging as possible.

Recycled plastic

Novadan is working on using bottles made from recycled plastic. Initially, our strategy involves introducing them with a product that does not require UN-approved packaging (for Horeca), followed by plans to further utilize these bottles for additional production.

This will be part of our Swan labelled series.



We are investigating the market for recycled packaging but unfortunately the options are only few and as most of Novadan's packaging must be UN-approved, it is a challenge.

Regarding IBCs, we are in the process of mapping/investigating the flow of our tanks – eg how many are reusable. Furthermore, we are in a dialogue with suppliers about usage of re-built tanks.

Label remains

All label remnants = the backside of the label, are collected for reuse after dispensation of the labels.

In 2023, a new option for collecting the backside label was agreed with our label supplier. It's from 2024 and includes:

Novadan's backside paper from labels are collected by the supplier. Based on an annual consumption of backside label of 127,257 m², annual savings of 296m³ are achieved. This figure equals 12 tons CO₂ and 300 m³ water/year.



Change of label material

Until now, Novadan has utilized labels made of of PP- plastic on all packaging.

During the 2nd half of 2023, the implementation of new label material, made of PE-plastic was commenced. Initially, this implementation took place on Swan-labelled products (in 2023) and afterwards, they are implemented on all products in the first half of 2024.

PE-plastic is the same material as our bottles, cans and drums which makes the recycling of the total packaging much easier.

Furthermore, this is expected to be required in connection with the upcoming Packaging and Packaging Waste Directive from EU.

Cardboard material

Novadan purchases cardboard from several suppliers and they all manufacture FSC* approved packaging. The suppliers have focus on sustainability, recycled cardboard, CO₂ emissions and live up to international requirements and standards.

*FSC is an international, non-profit organisation, promoting responsible management of the world's forests. They certify forestry, that live up to strict environmental, social and economic standards.





Consumption of water

The simplification and reduction of active recipes have an impact on production. Producing larger quantities with fewer product changes results in reduced cleaning/rinsing requirements, leading to savings in water, energy and time (increased efficiency).

2018	2019	2020	2021	2022	2023
Index: 100	Index: 94	Index: 82	Index: 80	Index: 81	Index: 80

Savings in water from 2018 to 2023 **20%**

Production Consumption of water

TARGET 2025: max 0,3 m3/ton

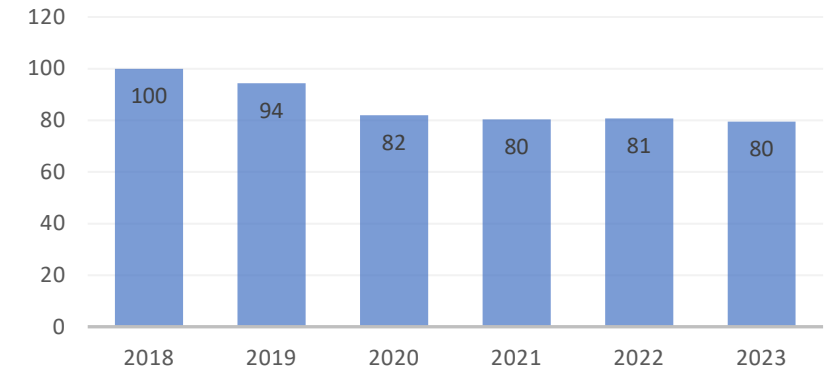
The target is met – avg water consumption = 0,23 m3/ton in 2023.



Target:

Novadan targets to optimize the consumption of water.

Water consumption - index





Gas consumption

Novadan’s target is to reduce gas consumption and thereby CO₂ emissions.

Gas consumption per produced ton is reduced from 2018 to 2020, but unfortunately increased again and thus in 2023 on Index 106. The reason for this is explained by the weather temperatures. Consequently, Novadan has initiated investigations about how to reduce the gas consumption.

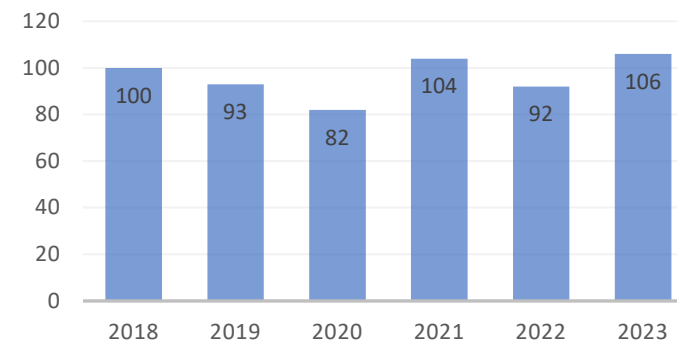
2018	2019	2020	2021	2022	2023	Target 2030
Index: 100	Index: 93	Index: 82	Index: 104	Index: 92	Index: 106	Index: 80

Novadan aims to reduce gas consumption

Production Energy



Gas consumption - index



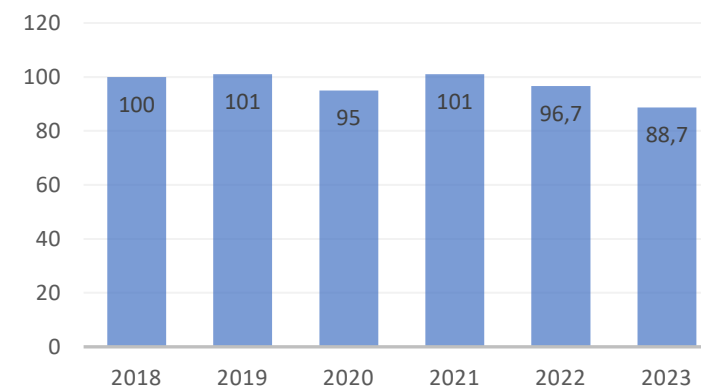
Electricity

Novadan has an ambition to reduce the consumption of electricity. Reduction of electricity consumption per produced ton is registered from 2019-2020, but unfortunately, this figure has increased from 2020 to 2021.... Also in this area, Novadan works to reduce the consumption in the future.

2018	2019	2020	2021	2022	2023	Target 2030
Index: 100	Index: 101	Index: 95	Index: 101	Index: 96,7	Index: 88,7	Index: 80

Novadan aims to reduce electricity consumption

Electricity consumption - index



Target:

Novadan aims to reduce CO₂ emissions through lower energy consumption.

ITWs targets in 2030:

Reduce the CO₂ emissions with 50% from 2021 - 2030.

In 2022, Novadan commenced the installation of LED-bulbs in the production facilities, closing down areas with electric heating and gathering employees in smaller areas with the purpose of reducing the electricity consumption. The target is to reduce the gas- and electricity consumption.



Production Waste management Waste water

Chemical waste

Chemical waste poses significant risks to the environment, and its disposal can be a complex process. Novadan is therefore highly committed to reducing the amount of chemical waste generated, considering its adverse effects on human health and the environment.

Novadan’s target for chemical waste per produced ton of chemicals produced is a maximum of 2 kg. Having disposed of only 1.9 kg in 2023, Novadan has met this target.

In 2020, 1,5 kg chemical waste per produced ton was disposed, followed by 0.5 kg in 2021, and 2 kg in 2022. Each year, Novadan consistently achieves its target.

Combustible waste

The amount of combustible waste remains consistent with that of 2019 – meaning that for every ton produced, the amount of combustible waste is 0.7 kg. All in all, this means a reduction in waste of 8%.

Handling of waste

By employing pictograms for handling of waste on cans/bottles for Horeca, Novadan encourages correct handling of waste practices.



Waste water



Additional surveillance has been implemented for the wastewater well. Our security provider is notified in case wastewater is discharged outside of regular working hours.

Waste water project

Our production line, which produces 10-20 liter cans, accounts for approximately 1/3 of Novadan’s total output. The products are blended on the mixing platform and then pumped to the intermediate tanks nearby. The production line is situated in a separate production hall, and the products are pumped through pipes to the machine. When transitioning from one product to another, these pipes must be flushed to prevent mixing. Previously, this involved redirecting from machine back to the intermediate tanks, from where product and water was discharged into the sewer. Approximately 140 liters of products and more than 1,000 liters of water was consequently sent to the sewer for every product change. Given that we change products more than 500 times annually, a significant amount of product was directly discharged into the sewer during these flushing operations.

Moving forward, we have reversed this process, now, we flush from the intermediate tanks to the machine. Upon completion of a production run, the intermediate tank is sealed, and the product is then pushed to the machine with water. Thereby, we can reduce the product discharge to the sewer by appr. 100 liters per product change, resulting in a substantial decrease in annual discharge volume.

Target:

Novadan aims to reduce the amount of chemical waste and combustible waste.

Safety/ Hazardous industrial site

Safety

Novadan's safety vision : All accidents can be prevented and our goal is 0 accidents!

It is of utmost importance that employees, customers and other in relation to Novadan are not exposed to danger and accidental situations, and consequently Novadan initiates continuous actions to prevent these. This is especially important as Novadan is a hazardous industrial site, and we work with strong chemicals.

1. Safety rounds at Novadan
2. Registrations of "near-misses"
3. Practices in case of emergency
4. Meetings about safety
5. Marking lines in the walking path
6. Folder: Precautions for guests
7. Video: "Where can we go"
8. Folder: Precautions driving truck
9. Posters/roll ups about safety
10. Tidiness



Target:
Novadan's target is 0 accidents!

Target:

0 work accidents

Carrying out 8 security rounds in warehouse and in production

Minimum 240 registrations of unsecure working situations (near-miss accidents)

Carrying out 5 practices in case of emergency





Customers

Target:

Novadan aims to contribute as much as possible to sustainable solutions at our customers on a number of parameters.

Sustainability at our customers



Food

Solutions to:

- Ensure hygienic conditions in production of food = food safety
- Optimizing energy consumption, chemical usage, water (reduced CO₂-emissions)
- Effective cleaning and disinfection
- Increased life time of plant
- Personal hygiene
- Return packaging increase recycling of plastic
- Education
- Advice about safety
- Easy access to SDS and product sheet
- Tool to intelligent CIP data analysis and optimization

The effect of several customers' savings on energy etc due to Novadan's solutions is measured and reported.



Agro

Solutions to:

- A high level of stable hygiene
- Animal welfare through udder care and hoof care and infection prevention
- Improved bottom line for the farmer
- Feed additive for better well-being and survival of calves
- Food safety through hygienic milking systems
- Personal hygiene and laundry
- Easy access to SDS and product sheets



Horeca

Solutions to:

- Swan-labelled and high-concentrate products
- Reduced need for transportation due to high concentrate products
- Waste handling pictograms
- Dosage pictograms
- Education/training
- High level of hygiene
- Easy access to SDS and product sheet

Customer satisfaction is essential for Novadan and our goal is to ensure ongoing satisfaction among our customers.

Every second year, Novadan conducts a customer satisfaction survey, with the most recent one being in 2023. One of the pivotal questions indicating the level of loyalty among our customers, is: "How likely are you to use Novadan products in five years' time?" – the responses are rated on a scale from 1-10, and the average score was 8,7, indicating a high level of loyalty. Overall, the survey yielded satisfactory results for Novadan.



Consumer security

In brief, the consumer benefits from Novadan's hygiene solutions due to increased food safety and health as the risk of infections related to food and hygienic surfaces are reduced.

FROM SOIL TO TABLE



Consumer

Target:

Novadan aims to contribute to security and safety for the consumer by not exposing the consumer for pathogenic bacteria etc. from food, beverages etc due to insufficient hygienic conditions during production.





Social responsibility in the workplace at Novadan



In line with Novadan’s commitment to being a tolerant and inclusive company, and fulfilling its social responsibility, Novadan has implemented various initiatives. These include hiring employees under wage subsidies, offering flexible work arrangements, and providing company internships. Thereby Novadan created opportunities to employ individuals with permanent disability to work, those on reduced working hours due to sick leave, as well as individuals experiencing other conditions affecting their ability to work full-time, whether temporarily or long-term.

Furthermore, Novadan has designated a room with the possibility to rest for employees if needed.

Campaigns promoting a civil tone and fostering well-being among employees have been conducted, recognizing the importance of a conducive work environment, both physically and psychologically. Workplace Assessments (APV) are regularly conducted to identify areas for improvements.

Recently, training plans for warehouse employees have been implemented and currently an employee is completing a course in order to enhance their readiness to perform various tasks and obtain certification upon completing of the course.

Social responsibility

Target:

Novadan aims to fulfill its social responsibility by caring for its employees and providing the opportunity for those unable to work full-time to be employed.



Cybersecurity

All employees participate at least once a year in a Cybersecurity course (conducted by Novadan's owners: ITW). The course reviews theory and practice around Cybersecurity and some of the potential risks that employees may be exposed to: Virus attacks, hacker attacks, phishing, malware etc.

In recent years, intensive work has been done to secure our data and systems, e.g. through increased use of codes, 2-factor authentication, Office 365, ISO certification, etc.

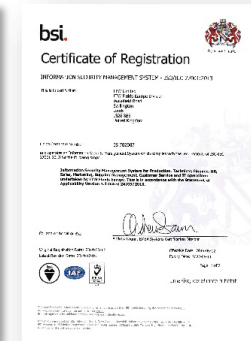


Cybersecurity Anti-corruption

Novadan is part of ITW Fluids Europe, and thus follows the guidelines set out in this group: ITW Fluids Europe implements policies, processes and good practices designed to protect our business confidential information and information systems.

Special consideration has been given to private and sensitive information or data from unauthorized access, misuse, disclosure, destruction, alteration or interruption.

Given the complexity of information security, there are a number of policies, procedures, plans and guidelines that make up the ITW Fluids Europe Information Security Management System (ISMS).





Employees - Diversity and inclusion

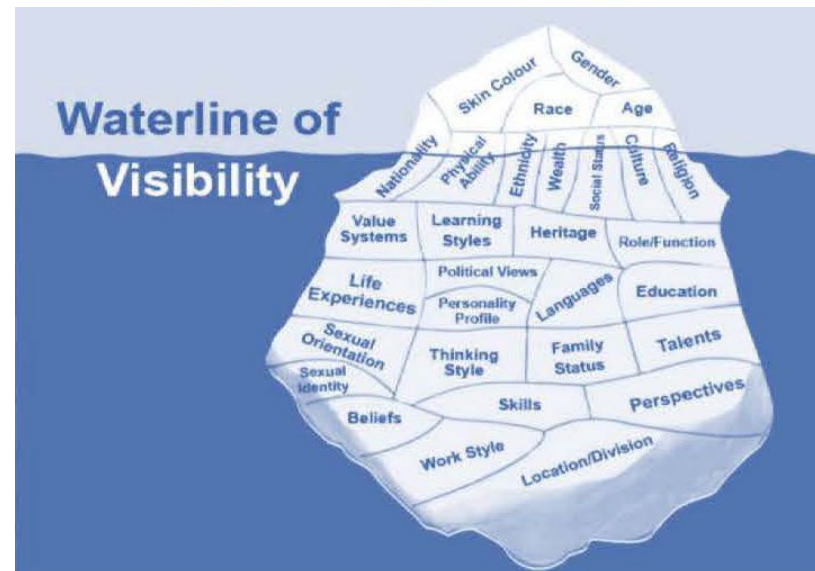
Diversity is the many ways in which people identify and are different from one another in both visible and invisible characteristics. The key element here is that diversity can be both visible and invisible.

We often use the analogy of an iceberg to illustrate the concept of diversity. While you can see the iceberg tip, the iceberg goes much deeper below the water line. Similarly, our definition of diversity certainly covers what is often more visible: Like race, gender, and age, we are also referring to those elements that make us different that can be invisible. Such as our religious backgrounds, and sexual orientation, experience, family structure, and abilities.

We believe that we are at our best when we bring together unique perspectives, experiences and ideas. Rooted in our core values of respect and integrity, we are committed to treating all colleagues with dignity, fairness and respect, and empowering everyone to reach their full potential for growth and development. We strive to create diverse and inclusive workplaces where all ITW colleagues are heard, valued and engaged.

ITW, owners of Novadan, is behind a number of "Employee Ressource Groups", and Novadan has benefitted from these through participation in some groups and network meetings: "Pride", "Youth professional network", "Women's network" and "Ethnic groups".

Employees diversity/ inclusion



COMMITMENT AT THE HIGHEST LEVELS

ITW's executive leadership formed the D&I Council in 2011 to establish a concrete D&I Framework, the guiding principles for all ITW businesses to support and sustain our commitment to D&I. Our progress is ingrained in our comprehensive enterprise D&I framework, which aligns with our enterprise talent strategy, is essential to building a pipeline of Great ITW Leaders, and ensures we embody a global and inclusive view when it comes to talent.



Code of conduct

At Novadan, we have developed a "Supplier code of conduct" with the purpose to establish clear guidelines for ethical behaviour and responsible business practices. This not only serves as a strong foundation for a healthy and positive internal working culture but also sets a standard, we expect our suppliers to adhere to. By requiring our suppliers to uphold these norms, we ensure that the entire supply chain operates ethically, aligned with our company values. Unethical actions are thereby minimized, and it enhances our reputation and underlines our engagement in sustainable business practices. Ultimately, it creates a shared and solid foundation for integrity and trust in our business relationships.



Code of conduct



Code of Conduct

Dear Novadan Supplier,

Novadan has built a reputation of honesty, integrity and fairness by conducting our business according to the highest ethical standards. The Novadan Code of Conduct embodies these core values and reflects Novadan's commitment to operate with the highest level of integrity, while demonstrating respect for human rights at Novadan and throughout its supply chain. As part of this commitment, Novadan requires our business partners and suppliers to share in these same core values and business practices. Suppliers must comply with applicable laws, rules and regulations (collectively, "Laws") in all countries where Novadan and its affiliates conduct business.



Supplier Code of Conduct



WE DO NOT TOLERATE INHUMANE TREATMENT:

Suppliers must treat all workers with dignity and respect. Suppliers must not subject workers to, or threaten to subject workers to, harsh or inhumane treatment, including but not limited to sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse. Disciplinary policies and procedures related to this requirement shall be clearly communicated to workers. Where supplier provides housing for workers, housing must comply with applicable housing and safety standards. All workers must be given accurate work agreements in a language understood by the worker.

WE PROTECT SAFETY AND WELL-BEING IN THE WORKPLACE:

Suppliers should strive to promote improved health and safety in conducting their businesses. Suppliers must provide workers with a safe and healthy work environment; provide necessary medical treatment and implement corrective actions to eliminate causes of injury. Suppliers must also ensure that their employees, affiliates, agents or other representatives comply with Novadan policies and applicable site requirements while on-site at any Novadan location or at a Novadan customer location on behalf of Novadan.

WE RESPECT WORKERS' RIGHTS:

Suppliers must respect workers' rights to associate freely and in compliance with applicable Laws, without discrimination, intimidation or harassment, as well as respect the right of workers to refrain from such activities. Workers and/or their representatives should be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, intimidation or harassment.

WE PROHIBIT DISCRIMINATION, HARASSMENT AND RETALIATION:

Novadan expects Suppliers to treat their employees with respect and dignity and to refrain from any unlawful harassment and discrimination. Suppliers will not discriminate against any person because of their race, color, gender, religion, ethnicity or national origin, age, disability or other medical condition, sexual orientation, gender identity, genetic information, pregnancy, marital status, veteran status, political affiliation, union membership or any other basis protected by applicable Laws.

WE COMPETE FAIRLY:

Suppliers are expected to deal fairly with Novadan employees and representatives as well as Supplier's and Novadan's other business partners. Suppliers should not take unfair advantage through manipulation, concealment, abuse, misrepresentation of material facts or any other unfair dealing. Suppliers will not engage in collusive bidding, price fixing, price discrimination or other unfair trade practices in violation of applicable anti-trust and competition Laws. Suppliers will uphold fair business standards in advertising, sales and competition.

WE DO NOT UTILIZE CHILD LABOR:

Suppliers will not directly or indirectly employ workers that are younger than the applicable minimum age specified by applicable Laws. Under no circumstances shall a Supplier employ any worker under the age of 15. Additionally, workers under the age of 18 may not be required to perform work that may be hazardous to their health or safety.

WE DO NOT UTILIZE FORCED LABOR:

Suppliers will not utilize or source products or services from entities associated with forced, bonded, indentured, involuntary or exploitative prison, trafficked or slave labor. Involuntary labor includes transporting, harboring, recruiting, transferring, receiving or employing persons by means of threat, force, coercion, abduction or fraud for labor or services. All work must be voluntary and workers shall be free to terminate their employment at any time. There shall be no unreasonable restrictions on entering, exiting or movement within company-provided facilities. Suppliers must not withhold worker identity or immigration documents and must not charge workers or potential workers recruitment fees. Suppliers must provide return transportation at the end of their work period if workers were brought to the country for the purpose of work for their organization.

WE COMPLY WITH EMPLOYMENT LAWS:

Suppliers must comply with all applicable wage and hour Laws, including those relating to minimum wage, overtime hours and other elements of compensation, and must provide all legally mandated benefits. Suppliers will not require employees to work more than the maximum number of hours permitted under applicable Laws. For each pay period, Suppliers shall provide workers with a timely and comprehensible wage statement that includes enough information to enable workers to verify that they have received accurate compensation for work performed. All Suppliers must comply with their country's labor legislation.

WE COMPLY WITH ENVIRONMENTAL LAWS:

Suppliers should strive to be more "eco-efficient" in conducting their businesses, which means striving to create more environmentally efficient products and services while using fewer resources and creating less waste and pollution. Suppliers must reduce their impact on the environment through the conservation of natural resources, reduced energy consumption and GHG emissions, reduced waste and responsible chemical management.

WE PROTECT TRADE SECRETS:

In addition to protecting Novadan's assets and information, suppliers must respect and refrain from infringing upon the intellectual property rights of others, including patents, trademarks, copyrights and other proprietary rights.

WE COMPLY WITH INTERNATIONAL TRADE LAWS:

Suppliers must comply with all export/import Laws, including all applicable labeling requirements, customs duty requirements and other Laws applicable to their international business activities.

WE DO NOT MAKE IMPROPER PAYMENTS OR GIFTS:

Suppliers should work against corruption in all its forms and are prohibited from engaging in extortion, embezzlement and other corrupt activities. Suppliers must comply with all applicable anti-corruption Laws of the countries in which they operate, such as the U.S. Foreign Corrupt Practices Act, and, as applicable, the UK Anti-Bribery Act, the OECD Anti-Bribery Convention and any other international anti-corruption conventions. Suppliers will not offer or accept bribes or employ other means to obtain an undue or improper advantage. Paying or facilitating the payment of bribes, kickbacks and similar payments to government officials or to Novadan employees or agents acting on Novadan's behalf is prohibited. Suppliers may not offer gifts of more than minimal value or lavish entertainment to Novadan employees. When business meals and entertainment are appropriate to further a legitimate business purpose, any associated expenses may not be extravagant in nature.

WE REQUIRE COMPLIANCE WITH THE SUPPLIER CODE OF CONDUCT:

Suppliers must establish and maintain a process for ensuring compliance with the Novadan Supplier Code of Conduct. This includes communicating the requirements of this Code to all employees, affiliates, distributors, subcontractors, agents and other representatives of the Supplier who provide products or services to Novadan or to Novadan's customers on behalf of Novadan. Suppliers must maintain all documentation necessary to demonstrate compliance with the Novadan Supplier Code of Conduct. Upon Novadan's request, Suppliers should be prepared to provide Novadan or its affiliates access to such documentation.

WE SAFEGUARD NOVADAN'S CONFIDENTIAL INFORMATION:

Suppliers must protect the Confidential Information entrusted to them by Novadan and its affiliates, customers or suppliers. Confidential Information may only be used and disclosed in a manner authorized by Novadan. "Confidential Information" includes any business information of Novadan or its affiliates, customers or suppliers that is not generally known to the public.

WE SOURCE OUR MATERIALS RESPONSIBLY:

Pursuant to its Responsible Materials Policy, Novadan is committed to the responsible sourcing of materials and expects the same commitment from its Suppliers. Suppliers shall also take such necessary actions and provide such additional information concerning the materials for which information is requested in the format requested by Novadan as may be necessary in order (1) for Novadan to comply with applicable Laws and (2) to demonstrate compliance by the Supplier with Novadan's policies and procedures, including those relating to responsible sourcing.

This Supplier Code of Conduct may be updated by Novadan from time to time. All references herein to the Novadan Supplier Code of Conduct refer to the most current version of this Supplier Code of Conduct, available at www.novadan.dk. Any violation of the Novadan Supplier Code of Conduct may result in immediate termination of the Supplier's relationship with Novadan.

Supplier confirms by signature below that Supplier complies with the Novadan Supplier Code of Conduct:

Supplier Signature _____
 Supplier Name _____
 Supplier Representative Name and Title _____
 Date _____

Please return the formular with signature to purchases@novadan.dk

Novadan is part of the US-owned group, ITW (Illinois Tool Work Inc.). ITW is a Fortune 200 company with more than 600 decentralized companies and 46,000 employees in 51 countries.



Novadans Supplier Code of Conduct can be found on our website:

[LINK](http://www.novadan.dk)

Overview of used UN global goals



2
ZERO
HUNGER

ZERO HUNGER

4.2. By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality



3
SUNDHED
OG TRIVSEL

SUNDHED OG TRIVSEL

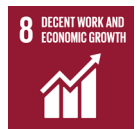
3.9. By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination



6
CLEAN WATER
AND SANITATION

CLEAN WATER AND SANITATION

6.3. By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally



8
DECENT WORK AND
ECONOMIC GROWTH

DECENT WORK AND ECONOMIC GROWTH

8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead

8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment



11
SUSTAINABLE CITIES
AND COMMUNITIES

SUSTAINABLE CITIES AND COMMUNITIES

11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management



12
RESPONSIBLE
CONSUMPTION
AND PRODUCTION

RESPONSIBLE CONSUMPTION AND PRODUCTION

12.1 Implement the 10-year framework of programmes on sustainable consumption and production, all countries taking action, with developed countries taking the lead, taking into account the development and capabilities of developing countries

12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

12.A Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production



13
CLIMATE
ACTION

CLIMATE ACTION

13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning

Bilag 1 (Danish)

Hvad er Drivhusgasprotokollen? - Scope 1, Scope 2 og Scope 3

Ifølge den mest anerkendte emissionsberegningsmetode, kaldet Greenhouse Gas Protocol (GhG Protocol), bør virksomheder opdele deres udledninger i tre scopes. Beregninger, foretaget i overensstemmelse med GhG-protokollen, kan ses som en opgørelse over CO2-udledninger for at forstå, hvilke forretningsaktiviteter der har størst påvirkning.

Scope 1: Dækker direkte udledninger fra virksomheden og omfatter blandt andet **mobilt og stationært brændstof**, og udledning fra **industrielle processer**. Disse udledninger er relateret til bygninger, køretøjer og stationære motorer, der drives af virksomheden.

Scope 2: Der er tale om indirekte udledninger fra indkøb af energi genereret uden for den indberettende virksomheds drift, såsom **el, varme, kølesystemer med gas og damp**. Det er områder, som virksomheden forbruger og kan kontrollere, men ikke ejer og producerer selv.

Scope 3: Dette omfang omfatter **indirekte udledninger opdelt i 15 kategorier**. Scope 3 vil oftest dække 75-95% af virksomhedens samlede udledninger. De 15 kategorier i scope 3 har til formål at give virksomheder en systematisk ramme til at måle, følge og reducere udledninger på tværs af værdikæden. Kategorierne er opdelt for at udelukke hinanden, hvilket vil sikre, at dobbelttælling af Scope 3-udledninger undgås for hver virksomhed. Scope 3 udledninger er forbundet med både upstream og downstream aktiviteter i værdikæden.

Nedenfor er Scope 3-kategorierne i rækkefølge. Her er nogle eksempler på, hvilke aktiviteter der indgår i hver kategori og skal tælles som udledninger i Scope 3 (disse skal ikke anses for at være Scope 1 eller 2 udledninger).

1. Køb af varer og tjenester:

- Indkøb af kontorartikler, mad til kantinen, varer der skal sælges til slutbrugere eller materialer til produktion som fx. træ.
- Indkøb af datalagring, rengørings tjenester og andre tjenester.

2. Kapitalgoder:

- Køb af udstyr, maskiner, bygninger, faciliteter og køretøjer, der bruges til at fremstille varer eller levere en service.

3. Brændstof- og energirelaterede aktiviteter:

- Udvinning af kul
- Raffinering af benzin
- Transmission og distribution af naturgas
- Produktion af købt el

4. Upstream transport og distribution:

- Alle indkøbte transport- og distributionsydelse.
- Transport af indkøbte varer fra 1. leds leverandører.

5. Affald:

- Affald, der genereres i den daglige drift, såsom organisk affald, almindeligt affald, plast mv. Herudover omfatter udledning fra behandling, der vedrører om affald bliver genanvendt, forbrændes eller deponeres.
- Spildevand fra driften.

6. Forretningsrejse:

- Afstand tilbagelagt af medarbejdere i forskellige transportmidler såsom fly, taxa, tog osv. til forretningsformål.

7. Medarbejderpendling:

- Medarbejdernes tilbagelagte afstand mellem arbejde og hjem på cykel, offentlig transport, bil mm.

8. Upstream-leasede aktiver:

- Lejede kontorpladser eller leasede firmabiler.

9. Downstream transport og distribution:

- Pendling af kunder til og fra de rapporterende virksomheders butikker.
- Last mile levering købt af kunder.

10. Behandling af solgte produkter:

- Forarbejdning af glas (mellemprodukt) til fremstilling af vinflasker (slutprodukt).

11. Brug af solgte produkter:

- Elforbrug af solgt elektronik over deres forventede levetid.
- Brændstofforbrug af solgte køretøjer over deres forventede levetid.

12. Slutbehandling af solgte produkter:

- Slutbehandling af produktet fx. glasbeholderen genbruges, hvorimod plastik etiketten går til forbrænding.

13. Downstream-leasede aktiver:

- Energiforbrug i bygninger udlejet til andre virksomheder.
- Brændstofforbrug af køretøjer leaset til andre virksomheder.

14. Franchising:

- Franchisegiveren, den organisation, der udsteder licensen, bør rapportere Scope 1 og Scope 2 udledninger fra franchisetagere.

15. Investeringer:

- Hvis virksomheden har investeret 10 % i en virksomhed, er denne virksomhed ansvarlig for 10 % af virksomhedens udledning.
- Finansielle institutioner skal desuden inkludere udledninger fra kommercielle lån, realkreditlån, projektfinsiering mv.