

# CSR REPORT 2022

Statement of social responsibility for  
Saint-Gobain Distribution Denmark A/S

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CSR – Corporate Social Responsibility – is an increasingly important area for our efforts to retain and develop our position as an attractive and responsible company. The climate is of course a huge challenge in and of itself, but attaining a more sustainable form of development requires more than just the launching of green initiatives. It is people and their wellbeing that lie at the heart of all this.

Here at Saint-Gobain Distribution Denmark, we have held wellbeing in focus for a great many years now. The coronavirus pandemic posed a huge challenge to the social aspect of our operations, and so it was with great anticipation that I awaited our wellbeing survey for 2022. But fortunately we once more received confirmation that our employees are highly satisfied with their workplace on many metrics. We were also recognised once more by the international Top Employer certification programme. In 2022, we held a safety week during which we shone a spotlight on the importance of being able to help one another when things go wrong.

Our employees underwent health checks, we cycled against cancer and we undertook many other initiatives over the course of the year which together demonstrate that we take responsibility for one another and the society we form an important part of. When it comes to social responsibility, the climate is rightly at the very top of the international agenda.

Years ago, the Group set clear goals in this regard, including our ambition to be climate neutral by 2050 at the latest. But time is short. We made some important strides in 2022 by switching out conventional diesel from all of the lorries that deliver products to Brødrene Dahl's customers. By using recycled oils from households and industry instead – so-called HVO diesel – we have been able to reduce our carbon footprint by approximately 90%. This was later followed up by other measures, such as recycled plastic boxes in our distribution operations.

We are still far from the finish line, but rest assured that here at Saint-Gobain Distribution Denmark, we will continue our efforts for CSR with undiminished strength. We owe it to each other and to this wonderful planet we share.

Florent Pouzet, CEO

Saint-Gobain was founded in 1665 and ever since its establishment, it has been respected and known for quality and ethical business operations. Here at Saint-Gobain, we are committed to ensuring that our activities, our employees and our partners are jointly involved in building a more sustainable and inclusive world.

At Saint-Gobain Distribution Denmark, corporate social responsibility is a natural part of our business operations. Internally, our goal is to have motivated and talented employees with a high level of wellbeing, as well as a strong focus on safety and security at the workplace. Externally, our goal is to contribute positively to wider

society through sustainable business operations and by cutting down our use of society's resources.

In our corporate social responsibility reporting, we outline our policies, actions and the results of our day-to-day operations, as well as our efforts to meet our responsibilities to run our business responsibly. Our corporate social responsibility statement is a part of the management report in the annual report of Saint-Gobain Distribution Denmark A/S for 2022 and the statutory statement of corporate social responsibility in accordance with section 99a of the Danish Financial Statements Act.



# SAINT-GOBAIN

## – A SOLID FOUNDATION



**MAKING  
THE WORLD  
A BETTER  
HOME**



Saint-Gobain is the world leader in lightweight and sustainable construction. Saint-Gobain designs, manufactures and distributes materials and solutions for the construction sector and industry. These solutions can be found all throughout our homes and our daily lives – in our buildings, transport, infrastructure and in many industrial applications. They deliver comfort, performance and sustainability, all while meeting the challenges we face in relation to decarbonisation of the construction sector and industry, resource conservation and the rapid pace of urbanisation.

Here at Saint-Gobain, we commit to ensuring that our activities, employees and partners all jointly play a role in helping to build a more sustainable and inclusive world. Our guiding mantra is: Making the world a better home. As a part of Saint-Gobain, we benefit from a strong and ambitious foundation for our efforts in sustainability. Saint-Gobain has a goal of being carbon neutral by 2050.

At Saint-Gobain, Corporate Social Responsibility (CSR) is at the heart of our value creation model. Committed to our values, which are embodied in our Principles of Conduct and Action, we maintain the highest standards of CSR. We constantly reinforce our requirements in terms of business ethics, the environment, health and safety. We also promote diversity and support the training of our teams, with the aim of creating the conditions for their involvement in all aspects of the company's life.

The work and progress of Saint-Gobain have been recognised by the following major and independent organisations:

- SBTi (Science Based Targets) has validated Saint-Gobain's goal for 2050 and confirmed that the Group's target for carbon neutrality is in line with the Paris Agreement
- CDP's A-list (the Carbon Disclosure Project)
- The Bloomberg Gender-Equality Index 2023: for the fifth consecutive year
- Top Employer Global 2023: for the eighth consecutive year

**2050**  
NET ZERO CARBON

# SAINT-GOBAIN IN NUMBERS

Represented in 75 countries with  
more than 166,000 employees

Turnover: € 44.2 billion

EBITDA: € 6.20 billion

Carbon reduction compared  
to 2017: 27%

# WHO ARE WE?



**Air FORCE**

Øland is Denmark's leading supplier of ventilation, fire and insulation products. The company develops, produces and sells products for the ventilation and insulation industry in Denmark, and it is the industry's only total supplier of complete ventilation systems.



**Brødrene Dahl**

Brødrene Dahl is Denmark's largest wholesaler of plumbing, water and drain products and specialises in the supply of products and advice within plumbing, water and drainage, tools, pipes, valves and climate solutions. The business is also a skills supplier and has 53 stores in Denmark.



Distribution Denmark

Saint-Gobain Distribution Denmark is owned by the Saint-Gobain Group. Saint-Gobain Distribution Denmark distributes high-quality products and solutions to the construction sector in Denmark, Iceland and Greenland.



- en del af Brødrene Dahl

Jens A. Jacobsen serves the professional energy sector and delivers products within electricity, lighting and automation. The company has offices and warehouse space in Aalborg and Slagelse with a nationwide logistics network.

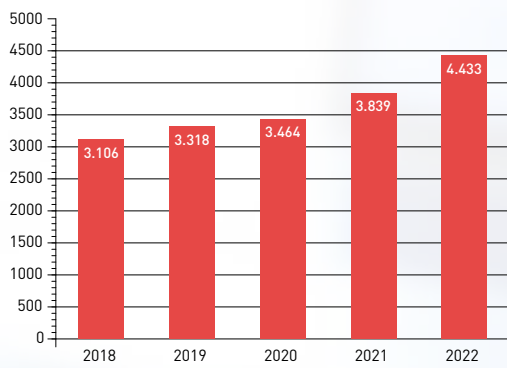


Zupply is a subsidiary of Brødrene Dahl, which supplies goods to the country's builders' merchants and online stores. Its product range consists primarily of plumbing products and work tools, as well as product and logistics solutions.

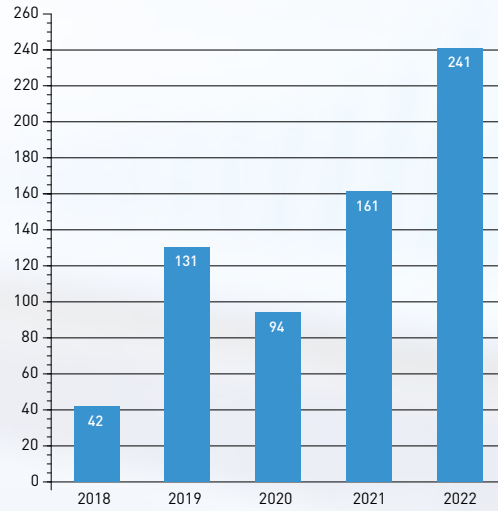
# THE GROUP IN NUMBERS

## KEY FIGURES

Turnover (DKK million)

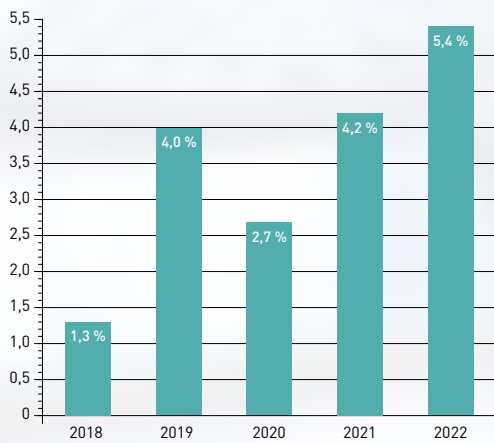


Operating profit (DKK million)

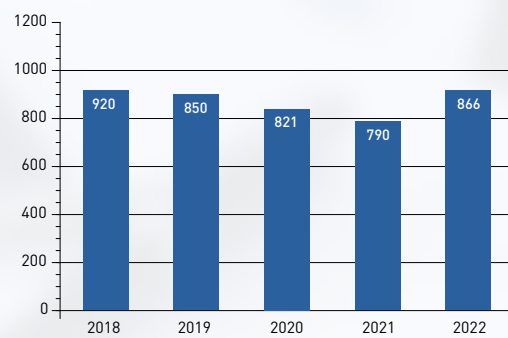


## KEY FIGURES

Profit ratio



Average number of employees



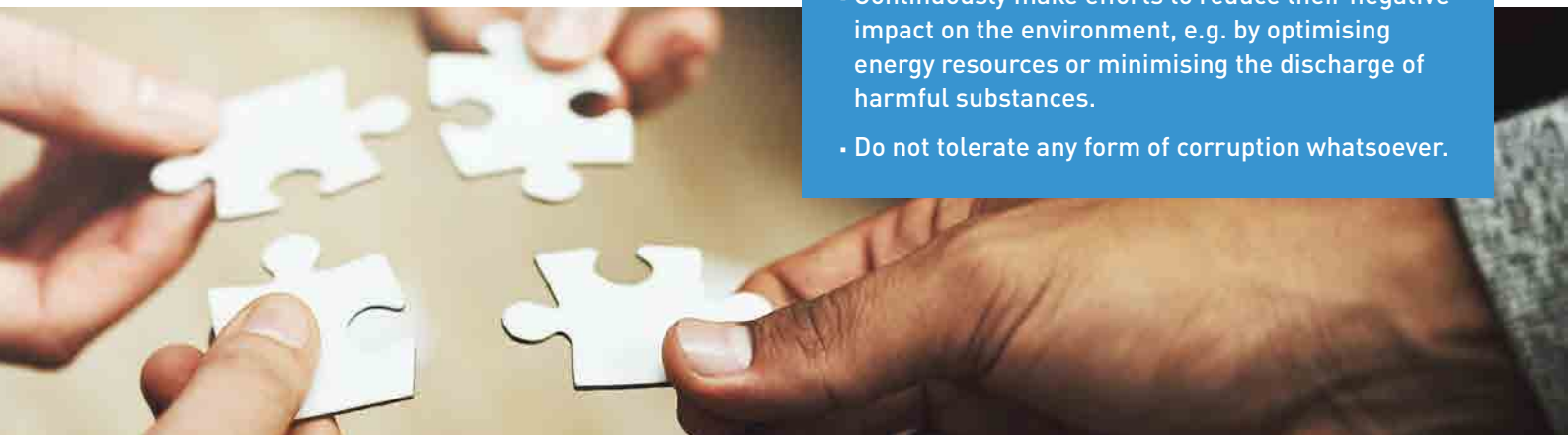
# A SUSTAINABLE ORGANISATION

In 2022, we continued our committed work in the area of sustainability. Our Head of Sustainability, Henriette Berring-Langberg, working in collaboration with a dedicated working group, has implemented several important initiatives and pushed us forward in our journey towards a greener future. Our efforts within sustainability are firmly rooted in the company's senior management.

As a leading wholesaler within plumbing, water and drainage in Denmark, we want to be at the forefront of sustainable development within our field, and it is therefore essential that we think and act greener in all parts of our business.

## We demand that our suppliers:

- Do not use forced labour or child labour and that they ensure a high level of safety for their employees.
- Continuously make efforts to reduce their negative impact on the environment, e.g. by optimising energy resources or minimising the discharge of harmful substances.
- Do not tolerate any form of corruption whatsoever.



# SUPPLIER CHARTER

We place high demands on our suppliers. Our ambition is to be a professional partner for our customers. And our own suppliers are an important key in making this possible. Saint-Gobain Distribution Denmark operates in a thoroughly regulated market where there is good protection of employee rights.

We place demands on our suppliers, especially in regards to safety and child labour, and we place great focus on human rights all throughout our value chain. All of our product suppliers must sign a supplier charter stipulating special requirements for their social responsibility. The agreement is binding and there are legal consequences if it is not complied with.

Many of the requirements in our supplier charter are inspired by the European Convention on Human Rights and aim to bolster conditions for our employees and minimise the environmental impact of our suppliers. Those employees who work closely with our suppliers are also covered by our supplier charter.





# ANTI-CORRUPTION

As part of Saint-Gobain's compliance programme, Saint-Gobain Distribution Denmark has introduced a policy to prevent corruption. Our anti-corruption policy sets out guidelines for how employees should behave and act in situations where the potential for corruption exists. This applies to both internal and external contexts. We update and reevaluate the guidelines as necessary. The full policy can be found at [saint-gobain.com](http://saint-gobain.com).

All managers and employees who may risk finding themselves in a situation where there is a potential for corruption have undergone anti-corruption training. Saint-Gobain Distribution Denmark uses ACT (Anti-Corruption-Training) for this purpose, which is an e-learning course in two modules. The modules present key issues in the battle against corruption, and test our employees in the correct way to act in the examples presented. The course explains Saint-Gobain's position in relation to anti-corruption based on the problems presented. Our goal is to promote an environment that ensures greater openness around corruption as well as yet more transparency in everything we do.

## **DESCRIPTION OF SIGNIFICANT RISKS – ANTI-CORRUPTION AND BRIBERY:**

It is not considered that there is a considerable risk of corruption or bribery as all employees must complete ACT and thus gain an awareness of the issues and how they should behave in order to prevent them from occurring.

## **DESCRIPTION OF SIGNIFICANT RISKS – HUMAN RIGHTS:**

It is considered that the risk to human rights is limited given that our suppliers must sign our supplier charter and that we do business primarily with large and recognised suppliers.

# SOCIAL RESPONSIBILITY

Over the course of many years, Saint-Gobain Distribution Denmark has placed social sustainability in focus. The way in which we take social responsibility for our employees by creating optimal conditions for development and wellbeing is a key element of our sustainability work.

At Saint-Gobain Distribution Denmark, we have a work environment policy in place which ensures that we can constantly develop and be an attractive workplace with respect for people, health and safety. Our work environment organisation is represented by both employees and managers and works continuously to ensure we can provide a sound and secure work environment for our employees through a preventive approach – something which we consider to be of the utmost importance. We take pride in running a decent business. In making our business a place where all work-environment rules are followed as a matter of course and where we look out for one another and nurture diversity. For various reasons, thousands of people have difficulties finding their way onto the Danish labour market.

We have seen first hand how employing such people in flexi-jobs – for example, at our central

warehouse in Randers – can reap huge benefits. Not just for the individual who gains purposeful activity and is able to form part of a community. And not just for us, in the form of much-needed manpower. But for all of society as less money is spent on social benefits and more is collected through greater tax revenues.

Trainees are another group that we focus our energies on, because we believe that trainees and young people are a part of our future, and they possess the latest knowledge and skills that will be crucial to the group's development. It is also worth noting that more than eight out of every ten trainees stay with us after they finish their training.

Social responsibility and employee relations are important areas for our company. We will therefore continue to place great focus on this area and to push forward with our improvement efforts within the initiatives that have been set in motion.

You can read more about some of our social focus areas on the following pages.





2022 was our best year so far in terms of the number of occupational accidents. This came after an unfortunate 2021 when we had six accidents and seemed to be going in the wrong direction. In response, we implemented a number of projects to minimise the risks and to bolster our focus on safety. We work continuously to further develop our safety culture. In relation to 2010, when our safety journey began, we have succeeded in reducing the number of serious accidents by no less than 90%, and our goal is to reach all the way to zero.

Despite a very good year in terms of serious accidents, the number of minor accidents remains at the same level. This means that when it comes to the iceberg of accident distribution, there is a high risk that we may see an increased number of accidents.

We are working on two fronts to address this:

- In part through the analysis of minor accidents in order to minimise the number of these 'simple' accidents. For example, we are looking at the use of personal protective equipment as we have seen that hands are often involved and the use not just of gloves, but gloves of the correct type, could reduce this. We launched a project focused on gloves at the end of 2022 and expect to have it completed and implemented throughout the entire organisation by Q2 2023.
- And by checking all accidents and near-misses in relation to their serious incident potential, meaning accidents or incidents where there is a high risk of a serious accident. These are then analysed further by the work environment organisation and action plans are implemented to reduce the risk.

# SAFETY AT BRØDRENE DAHL

## 2022 IN NUMBERS

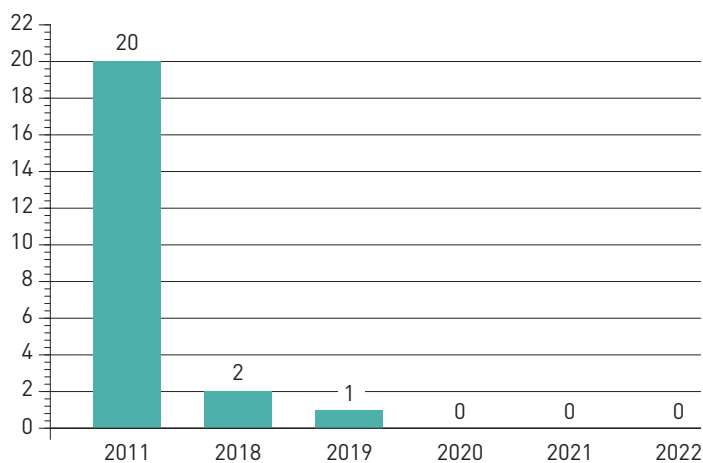
- 596 safety inspections with a focus on behaviour
- 1099 near-misses recorded
- Ongoing dialogue-based workplace risk assessments at all locations
- Defibrillators at 70% of all our locations



We run courses throughout the year in life-saving first aid, mental health first aid, training in behaviour-based safety inspections and technical driving courses.

Thirty percent of our departments have conducted internal audits on safety and risk prevention. We maintain and develop our results from the internal audits, and we use business continuity plans in all organisations.

## AN AMBITIOUS GOAL



Our targeted efforts, which include safety inspections based on behaviour and the registration of both near-misses and incidents, have really paid off in recent years.

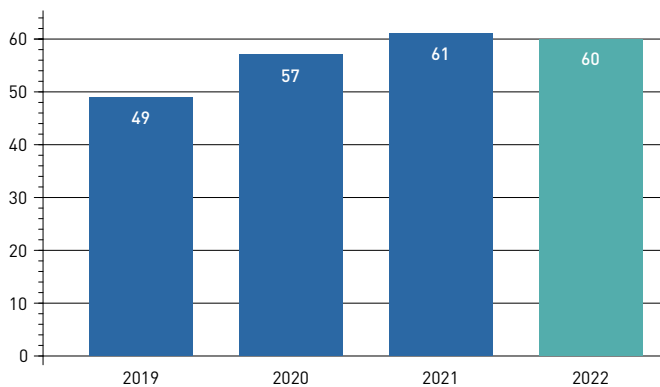
Back in 2011, we had 20 accidents resulting in absence in Brødrene Dahl stores. By 2018, this number was down to two. Then in 2019 we had only one and finally in 2020 we achieved our much-coveted goal of zero. We have since managed to maintain this excellent result.



# EMPLOYEES

**B**rødrene Dahl is a company committed to investing in employee wellbeing and to ensuring that employees have multiple career opportunities. Employee satisfaction is reflected, among other things, by our employee net promoter score. In addition to the eNPS, our employee satisfaction survey also contains a number of questions about management, development, commitment and influence at work. Employee responses are reviewed by management and reflected in our training offerings and action plans.

## EMPLOYEE NET PROMOTER SCORE:



## FOCUS AREAS IN 2022:

In 2021, we focused on constructive feedback between managers and employees.

Furthermore, we placed focus on the personal goals of our individual employees with the aim of boosting employee influence and satisfaction with their own work situation.

Our efforts are reflected in greater levels of satisfaction and wellbeing, as can be seen in the eNPS.



# TRAINING

Once more, training has played a very important role for both our employees and the company in 2022. It is generally a focus area for us to invest in our employees and to ensure they are able to continue to develop their skills and competencies.

## TRAINEESHIPS AT BRØDRENE DAHL

As in previous years, we have been highly active in training students within the areas of sales, warehousing and finance. In 2022, we entered into a partnership with Aarhus Business College (Handelsfagskolen) so that we can now offer business students the most relevant and business-oriented possible form of training.

In addition to the permanent teaching staff at the school, we also make use of many of our colleagues with specialist skills and competencies from all across the country. Plus we also invite suppliers down to the school to help boost the skills and knowledge of the students yet even further.

In 2022, we hired 19 new business trainees and fourteen new trainees within warehousing and logistics. This means that by the end of 2022, we had a total of 57 trainees on two-year traineeships, including finance trainees. Trainees are very important to the company as the vast majority are offered a permanent job after completing their traineeship, either at our logistics centre or in sales.

## THE SAINT-GOBAIN ACADEMY

For the fourth year we will now be offering some exciting training courses as part of our Saint-Gobain Academy. And new ones were also added in 2022 following demand from the organisation. These include Strategic Networking, Business Understanding for Managers, Service and Personal Development and our Personal Leadership and Change diploma programme.

Thirteen percent of our employees completed one of our training courses in 2022, representing a strong increase on the previous year. Interest in Sustainable Business Understanding in particular has been huge. This course was held four times in 2022 with a total of around 50 employees taking part from Saint-Gobain. Sales and Sales Psychology and Management in Practice have also been in high demand.

Our traineeships and the Saint-Gobain Academy are further complemented by online training available on our two digital platforms, Eloomi and Boost. We also offered a number of training days in 2022 with relevant employees gathering together for training in areas such as Refrigeration, Air Conditioning, Own Brands and VA. Plus we have also continued our working-together events which involve working in conjunction with selected suppliers to deliver training in their products to all employees.



## TOP EMPLOYER FOR 8 YEARS RUNNING

We have been certified as a Top Employer every year since 2016.

The certification is awarded by the Top Employers Institute based on measurements from a large number of parameters within areas such as personnel policy, career opportunities, training, communication and more.

# GOOD COLLEGIALITY BENEFITS US ALL

Whenever an employee is both satisfied and gets on well with their colleagues at work, everyone wins. But it can be difficult for us to nurture our relationships when things are so busy and hectic. That is why at Brødrene Dahl, we are keen to make sure that our employees get a sort of 'recess' every once in a while, where they can meet colleagues from other departments in a more relaxed setting than what their everyday work allows. That is why we gather several hundred of our employees every other year for a weekend we call the Contest.

It all started almost 30 years ago as Brødrene Dyst (Brødrene Contest). Since then, the Contest has become a well-established event where ordinary employees, managers and leaders get to cut loose and compete in different challenges and games.

In 2022, the event was held at the Vingsted Hotel and Conference Centre and no fewer than 306 employees chose to attend and give it their all in the Contest.



# ON TWO WHEELS IN THE NAME OF A GOOD CAUSE

In 2022, Brødrene Dahl once more participated in the big charity event Cycling4Cancer in order to raise and donate some money for a very good cause. The event was held at Danica in Lyngby where for 24 hours the pedals were spinning non-stop on a grand total of 122 spinning bikes. Two of the saddles were continuously occupied by a string of our dedicated employees, supported and cheered on by their enthusiastic colleagues. The most persistent of them managed to keep going for a full three hours straight during the night.

The atmosphere on the bikes is always unlike anything else, with everyone rallying together for a common cause. At the same time, it can also be an emotional experience. Many of the participants often have one or several people in their thoughts who have either lost to cancer or who are battling hard to overcome the disease.



# SUPPORT FOR YOUNG TRADE TALENTS

For over ten years, we have been a regular sponsor of DM i Skills which gives apprentices from across the country the chance to compete in delivering top-class craftsmanship. Brødrene Dahl lent its support once more in 2022 at the competition in Høng which saw almost 300 young people compete across fifty different categories. Four plumbing energy specialists were kitted out with all the tools and materials they would need to perform their best.

For us, too, this annual Danish championship is a sort of test as the precise delivery of materials is absolutely crucial and something that helps to establish us as a skilled and reliable partner among new generations.

DM i Skills is generally an important event in terms of both boosting and maintaining an interest in vocational training, and it is also a golden opportunity to help ensure that more plumbers are trained and able to join the workforce. For individual apprentices and companies, the event is also a great experience and a significant opportunity to put one's skills on display and win some well-deserved recognition.



Photo: Lasse Lagoni/SkillsDenmark





# BRØDRENE DAHL SHOWED THE WAY FOR NICOLE

*"The development I've experienced has been amazing. I wouldn't swap it for anything in the world,"* says Nicole Gehrt, internal sales person at Brødrene Dahl in Middelfart. For many years, Nicole battled with depression while she worked various jobs and did a half course in plumbing without really feeling herself. Her turning point came in the form of an internship which was extended several times. She was then taken on as a business trainee before being offered a permanent job in the same area in 2021.

*"My boss knew that I was having a hard time, but he always believed in me. And on the whole I found that there was always someone there to offer support when you're having trouble."* Nicole doesn't mind having to drive almost 100 km every day between her home in Vejen and the shop which is located close to Denmark's Little Belt. Her customer-facing role fills her with both energy and a belief in her own abilities. Plus it also offers good options for further development. She has taken part on the course in sales and sales psychology at the Business Academy in Aarhus and she has also trained as a toolmaster in store. Consequently, 34-year-old Nicole sees plenty of opportunity to develop at Brødrene Dahl. And with every other weekend free, she also has time to enjoy with her husband and two children.



# LOGISTICS & CENTRAL WAREHOUSE

Our central warehouse (LCR) has a special commitment to social responsibility and has obtained CSR certification from Randers Municipality. In 2021, the municipality named LCR its CSR Company of the Year. And in 2022, yet more honour was bestowed upon this workplace when it was awarded the Apprenticeship Prize from the Randers-Norddjurs section of the Confederation of Danish Industry. The roughly twenty apprentices make up 15% of the total workforce at LCR. We believe that only by offering attractive apprenticeships will we be able to ensure enough talented employees in the future.

Vi skaber job til flere

**CSR**  
**RANDERS**  
**2021 - 2022**

At our central warehouse:

- 15% of the workforce is made up of trainees
- 10% have jobs with special adaptations
- (flexi-jobs and similar)
- 80% of trainees become permanent employees
- there is always an intern or an EGU trainee





# HUGE BENEFITS OF AN ACTIVE SOCIAL EFFORT

Only a very few Danish workplaces can likely boast greater diversity among their workforce than what you will find at Brødrene Dahl's central warehouse in the outskirts of Randers. Approximately 10% have one or more diagnoses which put them in a precarious situation on the Danish labour market. But here they are very welcome, so long as they are both able and willing to do their bit.

From the precarious life of someone who has a cannabis problem to those with brain injuries and workers with autism who need lots of structure in their working days. Some work only 10–12 hours per week while others have jobs with special adaptations, such as minimal social contact over the course of the day, but no matter their circumstances, all our employees help contribute to the success of the business.

The challenge for us is to make sure we do not shirk away but instead make the effort to understand how to accommodate people with

a range of different diagnoses. A targeted social effort over many years and carried out in collaboration with skilled professionals at the municipality is something that has taught us a lot. At LCR, we trust people and help them to grow. At the same time, we are also helping to lay the foundation for a broader labour market which can offer great value both at a personal level but also for society at large.

This social effort at LCR alone has helped save Randers Municipality millions of kroner. As a natural result of the work, the cohorts will grow smaller over the coming years. Getting a group of people such as these into work is also another way for Brødrene Dahl to help make sure it will always have access to the workforce it needs.

The labour market needs more hands, and here at LCR we have found the winning recipe that lets us both do some good and also generate greater value for all at the same time.



# A WORKPLACE IN MOTION

**H**ealth is important to any workplace. In 2022, our central warehouse (LCR) teamed up with Randers Health Centre for a project whereby eight employees were trained as health ambassadors.

The job of these ambassadors is to make sure their colleagues get 5–7 minutes each day for some light exercise. This could be a resistance band workout, some stretching, a walk or a game that will help put some sweat on their brows. All exercise is voluntary and takes place during working hours. The project was hardly off the ground before the positive feedback began rolling in, with participants saying:

- I can notice that my back pain has gone
- I feel like my body is stronger now
- I work more efficiently during the day
- The exercises have brought us closer together as a team

As part of the project's launch, five employees also signed up for and completed a course to help them stop smoking. Six months on, four of them were still tobacco-free.





# SUSTAINABLE DEVELOPMENT GOALS AT BRØDRENE DAHL



**B**rødrene Dahl have selected four of the UN's Sustainable Development Goals to focus on in particular.

## 6 CLEAN WATER AND SANITATION



### CLEAN WATER AND SANITATION

Clean water and good sanitation are at the heart of our business and purpose.

By focusing on sustainable products, Brødrene Dahl can help to reduce water consumption, among other things.

## 8 DECENT WORK AND ECONOMIC GROWTH



### DECENT WORK AND ECONOMIC GROWTH

We are committed to creating a safe working environment, and we contribute to employment through our focus on employee relations. We are also committed to hiring trainees and employees who need special adjustments in their work.

We want to contribute to increased resource efficiency through sustainable products and a focus on materials.

## 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



### INDUSTRY, INNOVATION AND INFRASTRUCTURE

Brødrene Dahl have set goals to reduce carbon emissions, and this includes the reduction of carbon emissions from transport.

At Brødrene Dahl, we are committed to innovation and to creating greener jobs in our organisation and in the industry.

## 17 PARTNERSHIPS FOR THE GOALS



### PARTNERSHIPS FOR THE GOALS

At Brødrene Dahl, we work with partners at all stages in the value chain in order to achieve our targets within sustainability.

As a part of Saint-Gobain, Brødrene Dahl belongs to a larger organisation which works internationally in support of the UN's Sustainable Development Goals.

# CLIMATE AND ENVIRONMENT

We are on a journey to reduce our footprint on this earth. This means reducing our carbon emissions, curtailing our water consumption and increasing our use of sustainable materials, but it also applies to other aspects of our work.

In the past year, Saint-Gobain Distribution Danmark has implemented a number of measures both large and small to reduce our own climate footprint and that of our customers. Among other things, these have included a targeted approach towards the reduction of our carbon emissions. Some of the concrete actions we have taken to achieve this include switching to eco-friendlier fuels (HVO diesel), reducing our usage of cardboard by introducing reusable boxes for store deliveries and switching to less emitting forms of energy across our locations. In 2023, we will continue this targeted work to reduce our carbon emissions within the areas of transport and packaging, and at our locations. Although smaller initiatives do not make a huge difference from one day to the next, it is through constant determination and sustained initiatives that together we can move towards a greener future.

Sustainability and social responsibility are a natural part of our business, and this can be seen at all levels of our organisation, where a focus on sustainability shapes our decisions and daily actions.

Sustainability is often measured in terms of the specific climate footprint that companies leave behind, but it is also about people and behaviour. That is why Saint-Gobain Distribution Danmark is committed to education, so that climate and the environment become a natural part of our mindset and vision for the group's future. This allows us to create a solid foundation for our continuing development towards being yet even more sustainable.

## DESCRIPTION OF SIGNIFICANT RISKS – ENVIRONMENT:

We are finding that our product mix is moving towards products that constitute a higher risk – partly in relation to ADR, but also in relation to the risks posed to people. This is something that is especially relevant in relation to developments within heat pumps and refrigerants. It is for that we reason we trained around 50 staff in the handling of cylinders and transport, and we have adapted our warehouse areas to include additional alerts in relation to gas releases.

On the following pages you can read more about some of the environmental measures we carried out in 2022.





# TRUCKS RUNNING ON RECYCLED OIL

2022 was a year in which Brødrene Dahl invested massively in green transport. The 100 trucks of ours that deliver goods to customers each day all went from being run on traditional diesel to using so-called HVO diesel from recycled oils used in households and industry, also known as renewable diesel.

Implementing this conversion cost upwards of ten million kroner, but it was money well spent as it allowed us to cut our climate impact by a whole 90%. We would of course have preferred to eliminate carbon emissions completely, but the technology, scope and finances are not yet in place for us to use electric or hydrogen vehicles.

The numbers soon add up when, like Brødrene Dahl, you cover around 22,000 km each day. After just the first year we had already spared the environment over one million litres of polluting diesel. The transition to recycled oil in the trucks alone has also meant that within less than three years, our distribution department has already managed to reduce carbon emissions by over 70%. In order to enable the everyday use of renewable diesel to work in reality, we have set up refuelling facilities at five of our terminals.

# CLIMATE-FRIENDLY DELIVERIES ARE HERE TO STAY

Over the past three years, Brødrene Dahl has been making deliveries via electric courier bike in both central Copenhagen and parts of Aarhus. These deliveries are made in partnership with GLS Express which offers courier services with deliveries made partly via e-bikes or via electric cars

Speedy deliveries from a bicycle saddle still account for a relatively small part of the picture, but in Copenhagen, for example, it is estimated that several hundred deliveries are now made by bike each month. In an urban area with dense traffic and limited parking, this makes an awful lot of sense. In some cases in central Copenhagen, we have been able to deliver goods door-to-door in just seven minutes.



Fewer deliveries by car mean both fewer carbon emissions and lower fuel costs. So here at Brødrene Dahl, we are therefore convinced that this is a delivery option that is here to stay. Many customers also express that they really like seeing their goods being delivered by bicycle.

In fact, several customers in Copenhagen are now using bikes themselves instead of the traditional tradesman's van. After all, if you can still transport a few hundred kilos and save time in heavy traffic, all while doing something good for the environment, then why wouldn't the bike be a strong contender?

## BLUE PLASTIC BOXES GIVE CARDBOARD THE HEAVE-HO

Yes, cardboard can be recycled, but it still takes lots of work and emissions to process and transport the materials. Meanwhile, there are many advantages to using plastic boxes in our distribution operations instead. That is why, at the end of 2022, we introduced a new form of packaging which in the first instance reduced our cardboard consumption at the warehouse in Randers by around 40%.

Customers now receive their deliveries in much sturdier packaging which they do not have to spend as much time processing afterwards.

In terms of carbon emissions, the boxes achieve a reduction once they have been sent back and forth four times. They are also far more resilient against wind and rain than cardboard boxes. We expect that each box will be able to withstand being used more than one hundred times.





# ENERGY OPTIMISATION AT OUR OWN LOCATIONS

Over the course of 2022, Brødrene Dahl had many of its own buildings made more climate-friendly and cheaper to heat. This was achieved by saying farewell to gas heating and switching instead to heat pumps and district heating.

The decision was taken to install two large heat pumps at our back office in Brøndby which have an overall size equivalent to that of a twenty-foot container. We also began work to replace the old gas boilers at our stores in Gentofte, Hjørring, Herning and Kolding with new heat pumps.

It is expected that the investment will have paid for itself within the space of just three years.

Our central warehouse in Randers (LCR) also underwent a huge heating renovation in 2022. Here it was natural gas that got switched for district heating – a change that represents an annual saving of several hundred thousand kroner and an emissions reduction of 360 tonnes. In 2023, the warehouse will also be getting solar panels installed on its roof.

In terms of lighting, we are also in the process of transitioning away from older and more energy-intensive fluorescent tube lamps. Not least in our shops, where LED lighting is gaining ground. Plus we also have many other initiatives that are constantly helping us reduce our energy consumption to the benefit of both the climate and our bottom line.



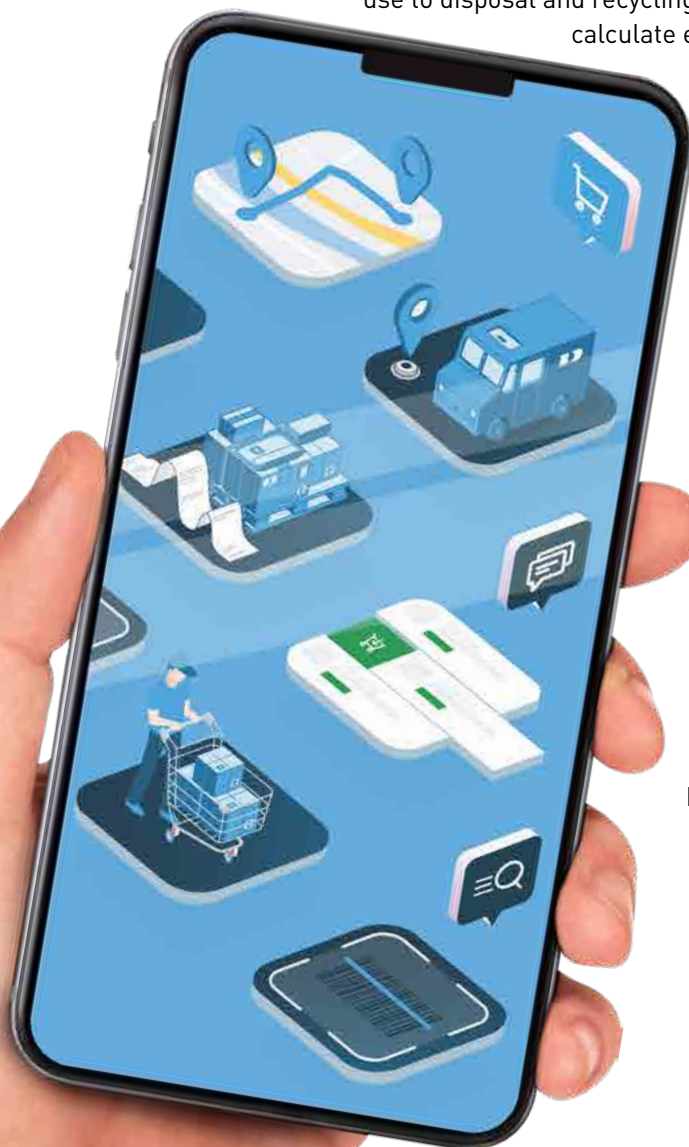
# GIVING CUSTOMERS AN OVERVIEW

Our close cooperation with our suppliers means we are able to help our customers in relation to the new requirements for construction and the ever-increasing number of voluntary sustainability certifications, such as DGNB. As a result of these new requirements, developers – and in practice often small building firms as well – now need to know the environmental impact that their material choices and solutions will have on all new construction. In order to facilitate sustainability certification and the new climate requirements, we began in earnest to obtain EPDs and other environmental certifications from our suppliers in 2022.

EPD stands for Environmental Product Declaration and is the most widely used environmental declaration. An EPD describes everything from production and use to disposal and recycling or reuse. EPDs can be used to calculate environmental impact.

It is quite a huge task for suppliers to go back to the manufacturers and obtain this documentation as they may have to go three or four steps back in the chain of a building material product. Thanks to the good relationship we have with our suppliers and the knowledge generally found within Saint-Gobain, it has already been possible for Brødrene Dahl to acquire thousands of EPDs and the number is still rising.

We then make sure these documents are available to our customers, both via the website [BD.dk](http://BD.dk) and the BD app.



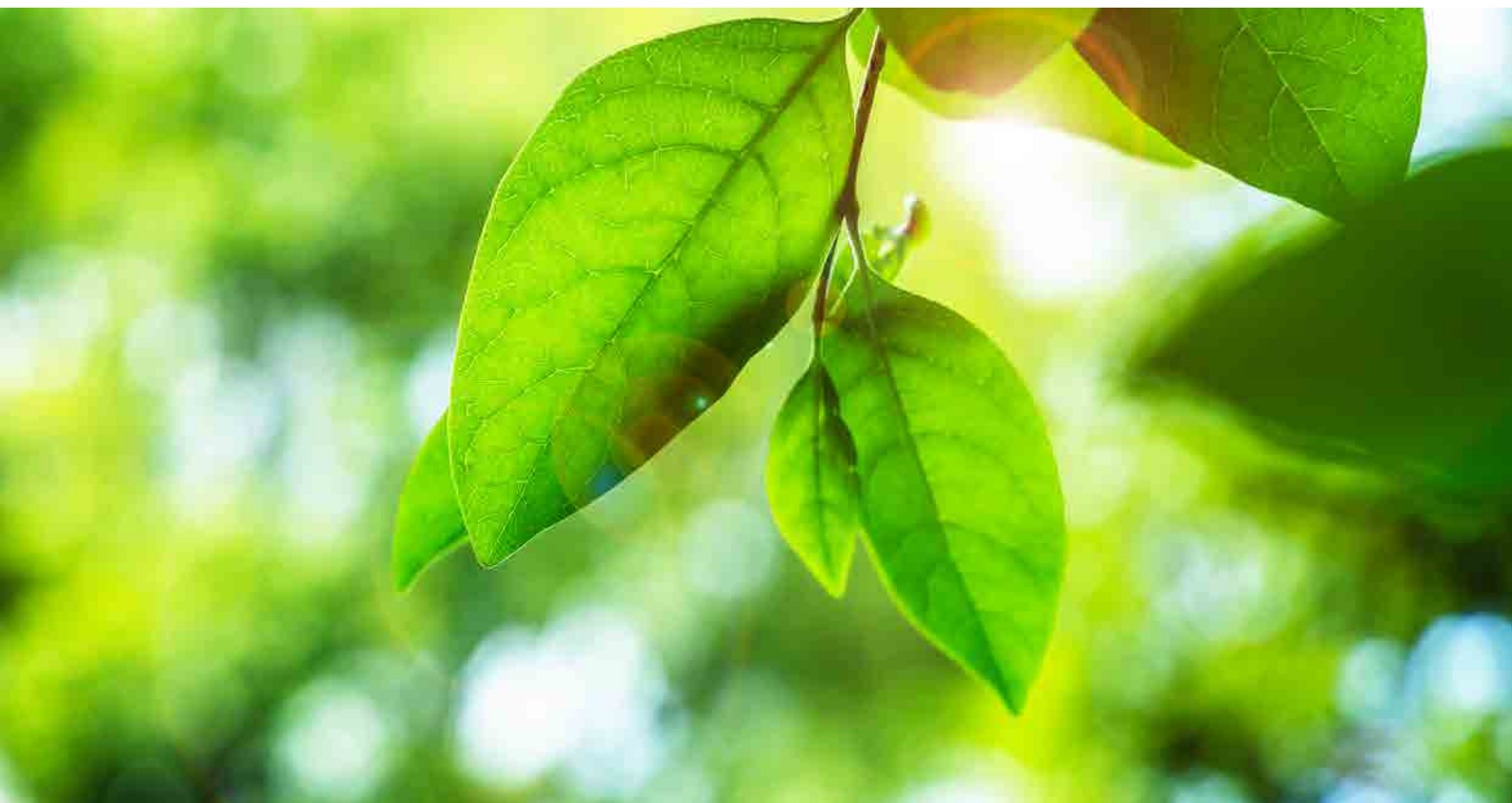
# SUPPLIER CLIMATE MEASURES MATTER

**B**rødrene Dahl has undertaken to meet Saint-Gobain's target of being carbon neutral by 2050 at the latest. Meeting this ambition is a task that concerns not just our own business, but the entire value chain. That is why we choose to work with suppliers who can support and facilitate our target.

An example of what this means in practice is that Brødrene Dahl has signed an agreement with KLS PurePrint in Hvidovre, so that all our promotional flyers, brochures and indoor signs are printed at Denmark's most sustainable print company. They are a company with cradle-to-cradle certification.

KLS dates back to 1946 and from 2007 onwards their vision has been to be: "the most sustainable print company in the world". This means the firm has had a head start both in relation to the law and to market trends. However, it can require some costly detective work to identify what substances are in all the different colours as it is often necessary to go a whole four steps back in the chain to comply with the PurePrint label which was introduced in 2015.

Ever since then, the company has garnered many international awards and won over 150 new customers who, like Brødrene Dahl, all greatly value the company's persistent commitment to sustainability.





# A STREAMLINED PRODUCTION ENVIRONMENT - AND GREEN SOLUTIONS

The new Øland factory in Kliplev, to the south of Aabenraa, really got up and running in 2022 and delivered a solid production of ventilation and insulation systems to major construction projects across the country. What's more, the factory has been designed to expand with the expected growth in demand over the coming years. The 5,500 sqm building represents a doubling of the previous Øland lease down by the port in Aabenraa, and it also represents a giant leap in terms of ensuring an ever increasing degree of sustainability. Two large heat pumps mean that there is no need for any fossil fuels in the heating of the factory.

Plus our own production of nitrogen has eliminated the need for up to 28 heavy tanker deliveries each year. LED lighting with sensors has been installed throughout production and in all premises, while a seepage ditch ensures that 85% of all rainwater is collected. And biodiversity has also been taken into consideration in connection with the new factory, with an area measuring around 1500 sqm having been dedicated to Vild Med Vilje (Intentionally Wild), which means transforming traditional lawns and bordered beds into wilder and thus more diverse natural spaces. Another important aspect for the local environment is that the new location close to the motorway ensures an optimal logistics flow and that Øland no longer needs to send its heavy transport consignments through central Aabenraa.





# ØLAND PLACES SPECIAL FOCUS ON THE UN'S SDGS

## 4 QUALITY EDUCATION



### QUALITY EDUCATION

Four employees have begun an adult learning course within warehousing and logistics. We intend to continue upgrading our workforce through this kind of education and training. At the same time, the ambition is for Øland to be placed on the committee that will decide what kind of skills-boosting further training courses there exists a need for. In addition, Øland also took the initiative in 2022 to hire an adult business trainee. There are currently two young apprentices in warehousing and logistics and another working as an industrial operator, and the plan is to continue having apprentices in the future. In general terms, we are a developing organisation in this area.

## 12 RESPONSIBLE CONSUMPTION AND PRODUCTION



### RESPONSIBLE CONSUMPTION AND PRODUCTION

As a manufacturing business, we work to reduce waste and to ensure that as much as possible is recycled or reused. We have entered into a collaboration with two suppliers so that the single-use pallets they deliver their goods on can be returned and reused. On average these pallets can be used more than three times.

All waste is sorted into more categories than before so that it can be recycled better. Efforts are being made to reduce how much waste is sent to landfill through better sorting. Øland works with the whole industry and the Danish Technological Institute to develop EPDs for its in-house production of ducts and pipes. This satisfies the requirements from the market for components being used in DGNB construction, for example. It is important for the sector that we know the carbon footprint of Øland products. This is work that will continue into the future.

## 17 PARTNERSHIPS FOR THE GOALS



### PARTNERSHIPS FOR THE GOALS

A broad partnership was established in 2022 with Brøndby Municipality. It is a partnership that covers several different parameters. There is there job centre where Øland tests jobseekers with problems other than just unemployment. There is a direct dialogue around how we can get better at managing and handling waste. A cooperation agreement was entered into that obligates both parties to make sure everyone does better. In connection with this, Øland was also in contention to be named Company of the Year by Brøndby Municipality.

# FOCUS 2023

Our very ambitious target to have zero accidents is still our ultimate goal – to be attained through a sustained focus on continuing the positive development of our safety inspections and near-miss reporting.

From the end of 2023 onwards, it is expected that Brødrene Dahl's fully automated central warehouse in Randers will deliver goods to customers in reusable boxes made from recycled plastic as opposed to single-use cardboard boxes.

The transition from cardboard to reusable boxes made from recycled plastic will spare the climate more than 150 tonnes of CO<sub>2</sub> per year.

We will receive a delivery of electric vans in summer 2023, which will be used for deliveries in the CPH area.

Training within sustainable business understanding, ergonomics, first aid and mental health first aid.

Performance of internal ESPR audit on the work environment and risk prevention at approx. 30% of all units.

We have installed solar panels at our central warehouse in Randers which is expected to produce 442,000 kWh per year, equivalent to the average annual electricity consumption of 100 families (two adults and two kids).

Apply EcoVadis, which is part of supplier evaluation in relation to parameters such as: the environment, employee rights and ethics.

Continue with  
dialogue-based  
APV.

Boost  
diversity in the  
organisation.

Establishment  
of electric  
charging stations  
for vans at several  
stores.

Training  
within safety  
inspections.

Switch to  
sustainable heat  
sources in several  
locations.

Technical  
driving  
courses.

2023

Offer training in  
sustainability to  
our customers.

Create  
communication  
tools for customers  
relating to sustainability  
certifications and labels  
on products and  
constructions.

Continued  
collaboration with our  
suppliers to increase the  
number of products that  
have documented  
sustainability labels or  
certifications.





Distribution Denmark

**Saint-Gobain Distribution Denmark A/S**

**Park Allé 370, 2605 Brøndby**

**CVR-nr. 81 82 25 14**

**Tlf. 48 78 40 00**

**SGDD.dk**

