

# CSR Report

2020/2021



Innovative windows  
for a sustainable future

**idealcombi** 

Windows. Designed & Manufactured in Denmark

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# Preface

At Idealcombi A/S CSR (Corporate Social Responsibility) is about accountability at all levels.

Working with our social responsibility works as a strategic management tool that helps to ensure that the organisation develops sustainably.

At Idealcombi, we want to contribute to a future green society, where strong organisations like ours act with respect and accountability both within the industry and among Danish employers in general.

By having these morals, we can help ensure that Denmark now and, in the future, continue to be considered a country where orderliness, sustainability and ambitious idealism are healthy conditions for our energetic and innovative business.

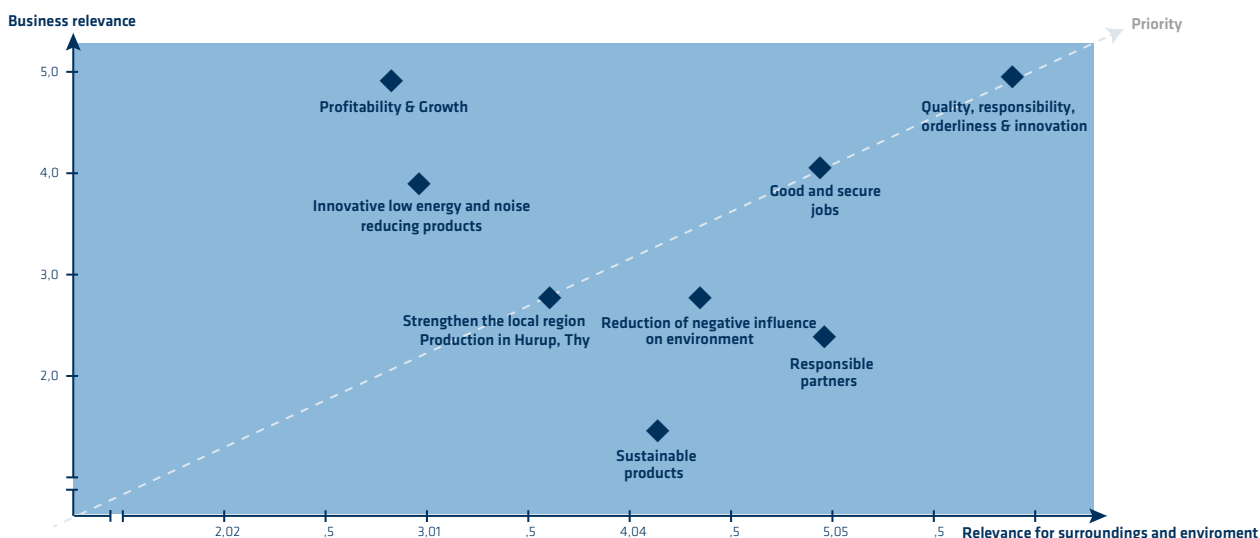
In the world today, where many countries find themselves beaten back by the Covid-19 pandemic, it's important that the values of a society have the ability & integrity to demonstrate its value and co-operation with each other.

For many years, Idealcombi has focused on manufacturing, respecting nature, workers' rights, and ethics for many years. In a family-owned business like ours, the daily behaviour rested on the founders' values, which started at the company's formation in 1973.

These values have in 2020/2021 been the key to us, working together with our partners and not least our employees, reaching a strong financial result even though restrictions and logistical challenges have characterised the year.

The purpose of making an annual CSR Report is to make our goals and efforts visible and ensure security and transparency towards customers, suppliers, employees, the local region, and our other partners. The CSR report applies to the Idealcombi A/S group and subsidiaries.

## Analysis of importance



Among the prerequisites for continued success at Idealcombi, we need to know where we are going with our business, how it should continuously develop in a dynamic world taking on board what weighs heaviest on us, our stakeholders, our surroundings & our other partners. The company regularly assesses the most important terms and conditions for our continued positive development. The materiality matrix above illustrates the elements of our business that we consider to be of particular importance for our company to develop financially and sustainably – for the benefit of all our customers, employees, suppliers, partners, community & the public.

# About Idealcombi - Innovative windows for a sustainable future

**Our organisation must be characterised by our special way of looking at things and our Vision, a benchmark for our entire business. We want to be the region's most coveted workplace, founded on a strong culture and a healthy and safe working environment. We will continue developing and producing the market's most in-demand windows, characterised by high quality and unique properties, and we will be recognised as the window industry's most innovative and imitated manufacturer.**

**We are ambitious and focused in our approach to window production: Our development, design and manufacturing are characterised by a constant strive for improvements and breakthroughs regarding materials, construction, design and production methods. For us, "good enough" is never good enough. Our sustainable product solutions are characterised by high energy efficiency, a long lifespan, a high degree of functionality and by contributing to a better indoor climate. In short, we think green.**

Idealcombi A/S is a Danish, family-owned company, founded in 1973 by the two brothers Henning and Bent Søgaard in their parents' barn in Ørum, and ever since, it has had its roots in Thy. In 1981, the company became transformed into a joint-stock company with 20 employees, and already a few years later - in 1984 - opened a new window factory of 3,500 m<sup>2</sup> in Hurup, which has now grown to 100,000 m<sup>2</sup>. Despite our great growth over what will soon be half a century, we have not forgotten our origin. We want to ensure that

this growth benefits the local community here in Thy, and also Denmark as a whole.

In Hurup, we manufacture high-quality windows and doors, and we can offer Denmark's most innovative product range with 6 product series within windows and doors in combined WOOD | ALUMINUM with a core of idealcore™ (thermal PUR). We produce window and door solutions for virtually all purposes, and we have been and will continue to be the frontrunner for the innovative Danish window industry, which has been a proud trade that has shaped the Northwest Jutland business community for many decades.

At the head of the board of owners today are the cousins' Martin and Mikael Søgaard, who have taken over from their fathers, who are also still a part of the ownership circle. Our organisation has thus, since its infancy, has been managed by the Søgaard family - this is how the foundation of values that are characteristic of our operations and our products is ensured.

Approx. 95% of Idealcombi's workplaces are located in Denmark, and the family has a clear mission to continue to retain the majority of the jobs in the company in Hurup Thy, Denmark.

Throughout the years, a core value in our company has been - "quality". We protect these values by educating our apprentices and students, maintaining Danish craft traditions and significant professional competencies in the Danish window industry.





Our customers in Denmark receive their goods delivered on our own trucks. Trucks driven by drivers who follow Danish driving laws. By having our own trucks, we can ensure our fleet meet all requirements and operate in the most economical & environmental way.

### **Socially responsible: Locally and globally**

Idealcombi see social responsibility a prerequisite in their business. The world has developed as a tremendous rate over the last few decades. A development that, for better or worse, does not appear to be slowing down.

This development has raised the quality of life for large parts of the world, so we must become better & wiser with everything we do to lessen the strain on our planet, it's resources and global climate. Therefore, Idealcombi intends to take the sustainable aspect of our work in to account. We will continue to cultivate our innovative approach to our

production in such a way that it does not take place

at the expense of our planet and society in general.

We supply some of the industry's most energy efficient window solutions for construction project and we continue to look at reducing any negative impacts that our processes & products may have.

We have already come a long way in this process in our manufacture to reduce our environmental footprint. We ensure on an on-going basis that our raw materials are produced in a sustainable manner wherever possible & continue to work at ways to increase recyclability – an aspect in which we strive to become even better.

It must be ensured that Idealcombi are not only competitive and ambitious company with a good working practice for the employees, but that we can also be identified with good green values and qualities far into the future.



# Owners' Considerations

The financial year 2020/2021 has largely been marketed as the year of the Covid-19 pandemic. A challenge we have come through by being considerate in balancing employee welfare and on-going production requirements through team effort and better understanding and handling of worries and insecurities that the pandemic brought.

We, in the management, have worked on a modernisation of the company's Vision, Mission and Values, looking to make the content more visible to employees, customers and suppliers. We have wanted to make it clear to everyone why we are here.

Our new VISION reads:

We want to be the region's most coveted workplace based on a strong culture and a healthy and safe working environment.

We will develop and produce the market's most popular windows based on high quality and unique properties.

We want to be recognised as the window industry's most innovative and imitated manufacturer.

The road to the Vision is described with a MISSION statement that reads:

We are the idealists from Thy.

## **Innovative windows for sustainable future.**

When we talk about "sustainable future", we aim to produce products focusing on longevity,

energy consumption, indoor climate, functionality and sustainability.

Our moral and business compass is expressed in the following VALUES:

**Quality** - in everything we do. innovation - on our way to new and better solutions

**Responsibility** - both for one's actions and for the whole

**Consideration** - in the way we behave, both as a company and as individuals.

Covid-19 prevented the presentation of our Vision, Mission & Values to our employees and stakeholders.

However, due to the decline in infections from Covid-19 in the Autumn, we were able to present the content to our employees along with the financial year results.

This now allows us to work with this content in parallel with our sustainable future.

The work will continue to be developed during the new financial year and amongst other things worked based upon U.N's global goals.



# 1.1. Quality, Environment and Energy

As part of the work to ensure that our company contributes to the green transition, we continuously seek the latest knowledge about sustainable production, business management and sustainability reporting. That is why key people from the Idealcombi A/S management team constantly participate in courses and network groups discussing the green agenda.

We want to spread the word about our values and our attitude regarding the environment and sustainability to our suppliers, employees, and the surrounding community. Therefore, this report, which amongst other things is based on the company's internal policies, is also available to all parties interested in our company.

The green transition is an urgent issue, which is on the agenda in all corners of the world. appreciate that our task, as a major Danish production company, is to contribute to social responsibility, environmental justice, and sustainable thinking in the business community. We cannot solve all the world's problems alone, but we are fully aware of our responsibility as an important part of sustainable development.

We see it as one of our greatest strengths that we are a Danish, family-owned company with a solid foundation in our local community in Hurup Thy. Our manufacturing takes place solely on Danish

soil under one roof; this gives us a unique ability to take ownership of all aspects of our processes. We can assure ourselves that our products live up to the high Danish requirements for environmental correctness and that the quality of our product solutions are also something that our customers and we can be satisfied with. We believe that high-quality products that last a long time and are particularly energy-efficient are important for realising the green transition.

Our local facilities ensure a high degree of sustainability and a relatively low environmental footprint due to the fact that we are not dependent on long transport routes - an element that, for many companies, constitutes a large part of their negative environmental impact.

We emphasise accountability in our value chain by preferably entering into supplier agreements with companies that demonstrate focus on their role and contribute to sustainable development.

## Quality

Idealcombi A/S wishes, in every respect, to appear as a credible and competent supplier of windows, doors and facades for the professional market concerning our customers, users and partners.

This is done by complying with agreements entered with our customers to achieve the highest pos-





sible degree of customer satisfaction and loyalty. It must ensure that we deliver a product of the highest quality, which our customers can enjoy for many years, and that all orders received are treated with the same high standards of care and fulfilment of obligations - right from quote, through order phase to the product being delivered. Our customers constitute our basis of existence, and their satisfaction is the focal point of our business.

A good customer experience must be ensured by effectively managing processes that affect the product and our customers' service. The top management is responsible for setting goals and generating resources to improve the efficiency of the processes.

We are committed to continuously improving the management system and meeting requirements and obligations.

## **Environment**

We recognise as requirement to influence the surroundings environment and as such want to limit me negative effects by showing responsibility and respect for nature.

We ensure that Idealcombi A/S is characterised by a low negative impact on the environment and social issues, which is the continued provision of innovative product solutions with a long lifespan.

We intend to reduce its generally high consumption and production pressures that characterise our society. Through constant innovation, we bring products to the market that last and function longer than conventional alternatives, thus lowering the need for replacement over time for the consumer.

In recognising this as windows and doors are manufactured in combined TIMBER/ALUMINUM with a core of "Idealcore™" (thermal PUR) which is our unique flagship. This design gives a long-term positive effect to last the test of time against conditions they face. We are committed to continuous, improvements in the environment field and to the prevention of pollution. Environment considerations are important in everything we do and this is why we work with innovative solutions, reduction

of emissions from or feel responsible sources of materials and using less harmful chemicals in our process. We are also working hard to increase the degree of recycling in our processes in collaboration with our raw material suppliers.

## **Energy**

Our most significant environmental impacts in terms of energy consumption and substances/materials are continuously sought to be reduced.

The work with the environment in Idealcombi A/S is based on financial responsibility and sustainability. We will continuously invest in innovation and utilise technical opportunities that may help limit our energy consumption and reduce the use of raw materials in production with frugality and environmental considerations in mind.

We work with mapping the company's energy consumption for heating and electricity and continuously seek to implement new, cost-effective management systems and optimise efficiency processes where possible. The focus is also on establishing and designing new procedures and purchasing new machinery to improve energy efficiency. For example, it is among the company's objectives, as much as possible, to avoid the use of compressed air when purchasing machinery and future process design, as the production of compressed air is particularly inefficient, purely in terms of energy.

## 1.1.1. Involvement and participation

### Customer satisfaction

The ongoing work of maintaining and developing our organisation as the beacon in the Danish window industry is for Idealcombi A/S to continuously conducting customer satisfaction surveys.

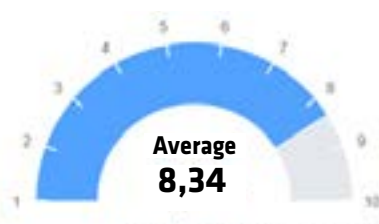
As the core for our business and its continued development, our customers' satisfaction is one of the most important indicators of success and performance. Therefore, surveys are sent out annually, where customers, divided into different segments, are invited to voice their opinion about the company.

The customers are asked to review Idealcombi A/S based on several factors. Among other topics, we want to investigate whether customers are satisfied with our products and services, whether they are satisfied with the communication they receive from us

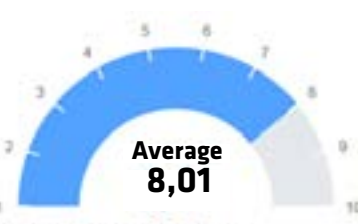
and how customers relate to the organisation's approach to the environment and sustainability.

The customer satisfaction analysis for 2021 is distinctive by including adjustments in areas such as the number and type of questions in the questionnaire and a change in surveyed customer segments. The reason for this must be found in the fact that Idealcombi A/S seeks to adapt the analysis so that it gives the most accurate picture of the overall satisfaction with all parts of our organisation, our products and our services. The result of the study is, on the whole, positive. However, it also shows areas where there is room for improvements in the overall satisfaction of selected customer segments.

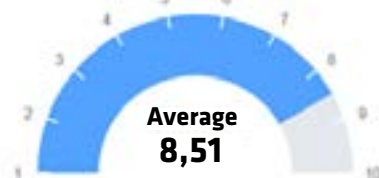
**I will choose Idealcombi's products again**



**Ideal combi is an innovative company**



Customer Satisfaction Survey 2021



**Products/range from Idealcombi is generally of high quality**

### **Involvement of company employees**

The satisfaction of our employees, their quality-conscious work approach and their daily efforts overall is a crucial part of the business continued success and development.

Therefore, it is also considered important that the management is made an effort to continuously involve employees from both production and administration in what goes on in the company, how the company develops, and what the future may bring.

This involvement occurs through continuous-

ly providing updated information displayed on screens in the company's canteens and joint information meetings.

Employees are similarly involved in developing their immediate environment in the workplace through chalkboard meetings held with their immediate superiors every two weeks. The following topics can be reviewed: improvement proposals from employees, performance concerning relevant key figures, work environment and safety status, and other general conditions.



## 1.2. Life cycle perspective - Environment all around

Idealcombi A/S is actively involved in environmental considerations in every phase of production. Our environmental policy is to continuously revise and optimise our production processes and ensure the sustainable search for parts and raw materials, where possible, to constantly realise a reduced energy consumption and a reduced environmental impact. Notable is our work to continue to substitute environmentally harmful and hazardous chemicals where possible, replace various control systems with energy optimisation, and experiment with the recycling of Thermal PUR from our casting of Idealcore™.

We as an organisation can contribute the most, to reduce environmental factors for the consumer in terms of both the long life span of our products and reduced heat loss through windows and doors. Therefore, we attach great importance to informing and guiding customers to the most energy-efficient choice and ensuring a selection of the most energy-efficient doors and windows for both Danish and foreign construction.

Our energy-efficient windows ensure economic and environmental sustainability due to their long durability and functionality - product qualities that we also consider a positive contribution to the green transition.

By offering windows and doors with good insulation properties, both in terms of temperature and noise pollution, we help ensure a good indoor climate on several factors, for the benefit of both our end-users and the environment.





### 1.2.1. Development



We are constantly developing our products to live up to society and legislation's environmental standards and requirements. We are ahead of the regulations in our development in terms of energy efficiency requirements for our windows and doors. This ensures that our products also live up to the demands of the future and that we help set the standard for the future products.

Idealcombi's windows & doors are already among the most energy-efficient on the market. We strive to develop and innovate our products based on materials with the least possible environmental impact, including the weight of raw materials, which affect the environmental impact of transport. E.g. we have replaced wood, aluminium and thermal break profile in one part of our constructions with **Idealcore™** (thermal PUR), which is a material that weighs less and contributes to insulation that lasts significantly longer than conventionally produced shell windows with a core of wood.

Over the past decades, we have continuously developed our products, considering both the economic and environmental sustainability aspects for our customers and the end-users of the products. As a result of our pursuit of innovative solutions, we created a particularly efficient, resistant and durable construction.

Our latest innovation initiative deals with the possibility of reusing surplus material from our casting of thermal PUR. An initiative that during the coming years must be thoroughly examined and assessed, followed by a possible implementation in our production process.

### 1.2.2. Purchasing

Our choice of suppliers is, amongst many factors, affected by a proximity principle, so that environmental impact in connection with the transport of materials is minimised, just as we primarily work with suppliers from EEA countries. We use FSC®-certified pine from responsibly sourced forestry. The FSC® certificate is both our own, our customers' and our end users' guarantee that the wood we use in our products is under several basic principles to ensure responsible consumption of forest resources. FSC® ensures, among other things, that the resources, both human and environmental, are far better protected than the regulations the individual countries prescribe to.

As a starting point, we want our partners to have taken a stand concerning their own environmental and social responsibility. New and existing suppliers are continuously assessed on several factors, based on which it is estimated whether we as a company can vouch for the collaboration in question. The health of suppliers' enterprise is assessed from a financial perspective; conditions will be related to, e.g. employee health and security, traceability of suppliers' products, Cradle to Cradle and the UN Global Goals for Sustainability development is consulted. It is also being investigated whether suppliers are certified according to ISO 9001 and 14001. Conditions such as these are important for us to guarantee quality and accountability in as large parts of our value chain as possible.

This kind of preferential material does not just ensure that we can vouch for our products and processes. It promotes sustainable development and the environmental focus - not just for our industry, but also for both the local and global business in general.

### 1.2.3. Recycling

Waste timber from the company's production is used to heat our buildings. When heat consumption is lower during the summer period, the waste timber is sold for processing into wood pellets, MDF and particleboard manufacturing, etc.

Aluminium waste is melted down and recycled, just as glass waste is sent for recycling.

Idealcombi A/S has started a collaboration with one of our subcontractors regarding the possibility of introducing recycled Thermal PUR as a component in the casting of our **Idealcore**™. In the long run, we hope further to improve this recycling process as part of the objective to manufacture products that can be included in a more circular economy and production. However, this technological and chemical innovation is still in an early experimental stage.

We use a range of different surface treatments – all the most environmentally friendly products possible. All surface paints on wood components are water-based, and we use a recycling system so that colour particles are separated from excess varnish from the production, after which the excess varnish can be recycled. Our two fully automatic painting systems use an electrostatic effect, which further streamlines the surface treatment process by reducing waste.

Transport waste from suppliers such as cardboard, paper and plastic are arranged and recycled 100%, just like pallets are part of a set return system.



### 1.2.4. Transport / Logistics

We are constantly working on optimising the fuel consumption that goes to transport to and from our factory.

Thus, in the case of new acquisitions, we will stri-

ve to purchase to the highest environmental standards.

In 2021, our entire fleet will meet the latest Euronorm requirements.

Our drivers are trained in fuel-efficient driving, and the individual track is monitored for fuel consumption per. Kilometre to optimise consumption.

The logistics department makes sure that our trucks are filled up, and the shortest possible and most direct route is planned - in addition, we strive to minimise empty driving on the way home, as we pick up raw materials for the factory in Hurup on the way back.

### 1.2.5. Disposal

Products from Idealcombi have a long life; however, when disposal comes, large portions of the product are recycled.

We, therefore, recommend that items delivered to a recycling station be separated into the fragments as designated by the local recycling site so that as much as possible can be recycled.

There is a strong focus on waste sorting and environmentally correct Disposal of hazardous waste fragments within the organisation.

We also constantly seek to substitute dangerous and environmentally harmful chemicals, so we protect the environment with it to the least possible extent in the Disposal of these.

In the longer term, one of Idealcombi A/S 'intentions is to investigate the possibility of a collaboration with the end-users of our products on how the disposal of obsolete windows takes place.

## 1.3. Environmental & Energy Objectives



The Covid-19 pandemic has contributed to a shift in focus for many countries and has generally cost many internal resources. As a result of the necessary assurance of employee safety and the increased focus on maintaining something close to a normal pace in our production, during pandemic-induced restrictions, we have experienced a reduced capacity to achieve greater improvements in our sustainable development. That is not to say that this development has stalled.

As a result of new legislation for the working environment, it is has been decided to drop previous years' goal to reduce the number of safety data

sheets in the company. A collaboration was entered with the company BERNER, whereby the task with and the responsibility of achieving updated safety data sheets was delegated to a third party. It has released resources within our organisation to focus on substitution and reduction of chemicals. A safe solution that benefits our company, the environment, and our employees.

It remains our goal to monitor and reduce the energy consumption within our company.

## 1.4. Improvements achieved in 2020/2021

As a result of the collaboration with BERNER, approx twenty chemicals have been substituted in our production - several of these have been replaced by less dangerous alternatives where others have simply been found not to be of process-critical necessity, and therefore phased out completely. We have completed the purchase of new, silent ma-

chines in parts of our production. We have also introduced better noise shielding, which has increased the quality of the acoustic environment in several places in our production halls - part of our mission to make Idealcombi a workplace with a high degree of safety and focus on our employees' physical and mental health.

### KWH consumption Electricity and heating

	2018/19	2019/20	2020/21	2021/22
Expected consumption* (Electricity-intensity**)	14,38	15,35	14,63	
Actual consumption (Electricity-intensity)	12,92	13,90	12,97	
Objective reduction in acc. % (Heat + Electricity)	-12,50 %	-18,75 %	-25 %	
Realized	9 %	18 %	17 %	

\* Expected consumption is calculated in relation to 2016 figures and the actual level of activity in the current year. .

\*\* Electricity intensity: kWh pr. production hour

As expected, no major savings have been made this year in the total consumption of kWh. Our consumption remains stable and predictable.

No major energy-saving measures have been implemented this year. However, we have been working on implementing a new painting plant, so we are happy with one very little decline with our target.

We have also seen a slight increase in our kWh consumption for heating, which from experience is due to cooler weather this year, as well as a new control system on a furnace that needs to be optimised.

It remains in Idealcombi's interest to improve our energy consumption. Although we have come a long

way with our previous goal of reducing the company's energy consumption by 25%, it has been decided to focus on improving the electricity intensity of production in general. This gives a better picture of how good we are at using energy efficiently. Improvements must consist of process optimisations and a focus on reduced energy consumption when purchasing new machines.





# 1.5. Environmental Certification

**Idealcombi is ISO 14001 certified since 2016**

To keep the certification, Idealcombi is audited once a year. The audit is conducted by the Force Institute. In 2018, Idealcombi was audited with a great result, and maintained the certification.



## **How does the company, employees, customers and the community benefit from ISO 14001?**

ISO 14001 is currently used by companies and organisations of all sizes and industries and sectors as a management tool to manage environmental impact, reduce resource consumption and provide management with an overview of the company's environmental performance.

The top management's role is clearly described in ISO 14001.

The management must take ownership to a greater extent in order to work with the important environmental conditions that they themselves have been involved in identifying, in line with the rest of the organisation's overall strategic direction. It must help to ensure that the environmental management system becomes a more integrated part of the entire organisation.

Implementing a management system is not enough. ISO 14001 focuses on continuous improvements to ensure that the organisation and system are followed up and **that the environmental efforts are continuously optimised.**

## 1.6. Focus areas and initiatives in 2021/2022

For the coming fiscal year, a continued topic will be monitoring, mapping, and reducing the company's energy consumption - both in terms of heating and electricity.

In 2020/21, a new painting system was installed in one of our production halls, which has been part of the reason our goal of achieving overall savings in kWh of 25% has not been met this year. In connection with the new plant, it is still possible to optimise energy consumption. This optimisation process depends mainly on implementing and optimising new energy control systems.

The work with risk assessment is also continued for production processes and substitution of harmful chemicals. As part of the company's action plan for the coming financial year, the company's sustainability profile will be further developed.

Based on the UN's world goals, it is to be planned in more detail at the management level how this development will unfold over the coming years.

It will be planned what concrete measures must be taken to continue the positive development in terms of environment, sustainability and social responsibility.

Notable is also the ongoing work to explore the possibilities of recycling the insulation material thermal PUR.



## 2.1. Anti-corruption and bribery

It is a fundamental principle for Idealcombi A/S to do business without the use of corruption and bribery. In addition to the attitudinal point of view, it is also a legal requirement in Denmark. Corruption is criminal, and criminal acts expose Idealcombi A/S and our employees to the risk of prosecution, and consequently possible penalties/imprisonment. In addition, it entails a great potential risk of jeopardizing Idealcombi A/S's reputation and thereby damaging the company. Violation of this policy may have legal consequences.

### 2.2 What is corruption?

Corruption is the abuse of trusted power or funds that are exploited for their own or the company's gain.

Corruption has many "faces", including bribery, extortion, nepotism or fraud - regardless of form, they are all considered unacceptable.

#### 2.2.1 What is a bribe?

Bribery is to offer, give or receive something of value (money or gifts) for that purpose exert undue influence on the recipient's decision or behaviour. Bribery can be expressed in various forms, but typically involves a "model" where both parties achieve something.

#### 2.2.2 What is extortion?

Blackmail is the fact that one or more people threaten someone for the purpose of obtaining an unjustified gain.

#### 2.2.3 What is nepotism?

Nepotism is the fact that a person respects and prefers relatives and friends over others, especially when occupying positions.

#### 2.2.4 What is fraud?

Fraud is that by misleading someone causing them to act differently than they would otherwise, and thus creates an unjustified financial loss with others and a gain for themselves.

## 2.3 Guidelines for employees

### Gifts triggered by campaigns by suppliers

It is not acceptable to receive gifts from vendors triggered by campaigns (for example, purchases over DKK 10,000 in a given week that trigger 12 bags of coffee). Employees who are offered this type of gift must contact the nearest manager with information on this. The company regularly contacts the suppliers that make this kind of offer, with the message to stop this type of sale going forward.

### Christmas presents

All gifts from suppliers and business partners that are received as Christmas gifts are handed in at the bookkeeping, and are used as prizes in connection with the staff association's annual Christmas lottery.

### Money

It is not acceptable to receive gifts in the form of

cash or vouchers comparable to cash.

### Other gifts, entertainment, pubs, etc

It is acceptable to receive gifts, meals or other kinds of signs of appreciation and gratitude, or invitations to events related to our business, provided that it falls within a reasonable amount and scope, and does not lead to addiction or other wrongful influence.

### Suspicion of corruption or bribery

If employees suspect a case of corruption or bribery, the employee is obliged to disclose his suspicion to the nearest manager, the HR manager or a member of the Executive Board.



#### Examples of acceptable gifts:

- Modest / occasional meals with business associates.
- Occasional participation in regular sports events, theatre performances and other cultural events.
- Wine gift or similar on one occasion, for example in connection with a guided tour.
- If employees have doubts about what is acceptable, a member of the Executive Board can advise.

## 2.4 Risk assessment

Idealcombi A/S sells products exclusively in countries that are members of the EU or EEA cooperation.

Idealcombi A/S purchases of goods and services are solely with companies located in the EU or EEA countries.

The two above factors form the basis of our assessment that there is no significant risk of corruption and bribery in connection with Idealcombi A/S's business.

## 2.5. Reporting of concerns

### Whistleblower scheme

At the forefront of the legislation that soon will come into force, Idealcombi A/S has, in 2021, in collaboration with LEGALSYS, implemented a so-called Whistleblower scheme digitally in the organisation. This scheme ensures a mechanism through which employees, customers and suppliers may report any irregularities they may experience in or around our organisation.

The whistleblower scheme ensures the anonymity of the reporting party and protects against any retaliation.

The scheme represents a major step on the road to a business sector that further represents integrity and compliance and who work with society. The whistleblower scheme neither can nor should replace well-functioning communication between the board of directors, management and other employees, but it is an important part of ensuring an organisation that remains healthy and strong.



## 3.1. Human Rights

### **Human rights policy**

As a country, Denmark has committed itself to meeting the vast majority of international conventions that describe human rights. In addition, as a member of the EU, Denmark is bound by the European Convention on Human Rights. It is given that Idealcombi A/S as a company comply with these obligations and do not contribute to human rights violations.

### **Employees**

It is expected that all our employees back the company's respect for human rights in both attitudes and behaviour in their daily work for/in the company. In Idealcombi A/S there is a high degree of openness and employee involvement, which, among other things, aims to support this. (read more about this in the rest of the CSR report).

Employees who have any concerns are encouraged to contact a member of the Executive Board.

### **Suppliers**

Idealcombi A/S deals exclusively with suppliers from the EU. All our suppliers are therefore required by the European Convention on Human Rights. We therefore expect that the relevant suppliers relate to and comply with the legal obligations they have in relation to human rights.

### **Risk Assessment**

Since all the company's suppliers are registered in an EU or EEA country, the risk of violation of the internationally recognized human rights is assessed as low. The company is not aware of human rights violations by any of our suppliers, and is also not aware of this historically.

In the event of a change of supplier to suppliers outside the EU, we as a company will assess whether the focus on respect for human rights among our suppliers must have an increased priority.

## 4.1. Social conditions and employee relations

### COVID-19

Since the Covid-19 pandemic outbreak began in Denmark over the past years, Idealcombi A/S introduced several precautions by the authorities' recommendations. With a focus on both the safety of employees and the maintenance of production, we have managed to navigate safely through periods of high infection pressure.

Due to precautions such as internal infection detection, social distancing was implemented to reduce the infection rates as well as use of protective equipment such as hand sanitisers and gloves at meeting points throughout the company, and masks. Due to these actions the company has experienced a relatively low number of Covid-19-related sick leave.

It was also decided that visits by outsiders for periods should only take place if they were of critical importance to the continued production.

### Social cohesion between colleagues

Among the many prerequisites for a good workpla-

ce with a healthy, internal culture, it is considered that the good fellowship between our employees is important.

Therefore, Idealcombi A/S supports and appreciates initiatives that aim to contribute to strengthening the social spirit in the workplace by expanding well-being and cooperation. The staff association, which exists for both the organisation's production staff and salaried employees, and to which both the company and the employees themselves pay a fixed deposit of equal value, is responsible for planning and organising social events.

### Other

This year, a fruit scheme has been started, where fresh fruit is offered daily to all the company's employees.

### 4.1.1 Working conditions

In addition to Idealcombi A/S complying with the working environment legislation, we have been working with the so-called 5S methodology since 2013. The 5S methodology emerges from the business philosophy LEAN. The work with 5S aims to review and arrange the immediate environment of production staff, ensure proper training and develop existing procedures in this area to improve the working environment and prevent accidents.

With a focus on standardising and organising the improvement of the working environment in the company, board meetings are held for employees, where opportunities for improvement and focus points are spoken about. Production managers and work environment representatives also routinely visit the individual production departments' local environments, where several focus points are

reviewed, and where, e.g. impression of the general condition of the department, the execution of the work processes and the use of protective equipment is assessed.

We have a well-functioning work environment organisation with regular and structured meetings of the Working Environment Organization (AMO) and The Working Environment Committee (AMU).

All members of AMO participate in an annual working environment workshop over two days. A daily security manager is employed, which coordinates the work environment and ensures that decisions in AMU / AMO are implemented.

According to current executive orders, statutory workplace assessments of both the physical and mental work environments are done at Idealcombi A/S every three years.

## Accidents at work (incidence figures)

	Timber-and furniture industry	IC 2017/18	IC 2018/19	IC 2019/20	IC 2020/21	IC 2021/22
Serious Accidents **	43	0	19	19	16	
Other Accidents ***	170	332	410	217	178	
Accident total	213	332	429	236	194	

\* Industry figures for 2019

\*\* Serious accidents (accidents at work with an expected absence of more than three weeks)

\*\*\* Other accidents (accidents at work with an expected absence of less than three weeks)

Incidence figures are calculated as follows: **number of accidents \* 10,000 / number of employees**



In recent years, we have succeeded in reducing the number of accidents and injuries in the company to a large extent, and it naturally makes us happy that this has been the case again in the current financial year. We have had one accident at work this year under the category of serious accidents, as defined by the Danish Working Environment Authority - a figure well below the industry average calculated with the number of employees. Under the category of other accidents, 11 cases have been registered in the company. In this category, we place ourselves close to the industry average.

We have taken steps to improve the structure of our

routines, and internal auditing processes as these must continuously ensure the safety of employees in all departments and the execution of all processes. This meets our and the Danish Working Environment Authority's requirements and is thus consistent to reduce further the number of mishaps and work accidents in the company.

Safety in the workplace, especially through the last years, has improved to such an extent that we now, to a greater extent, must be focused on matters of the execution of specific tasks, e.g. ergonomics, correct and consistent use of protective equipment and workflow in general.

#### 4.1.2 Automation and manual work

In recent years, there has been a focus on how the increased use of automation in the manufacturing industry can reduce job opportunities in certain sectors both at home and abroad.

At Idealcombi, we have good experience introducing automation in certain processes - e.g. related to repetitive work tasks and heavy lifting - but at the same time, we have also learned that many process-critical tasks can only be handled by skilled, human labour. We are aware of the issue and want to continue offering good and secure jobs well into the future.



#### 4.1.3 Measure to ensure equality

##### Ensuring an inclusive workplace for all

At Idealcombi A/S, all employees are expected to contribute to a workplace that is a good place to be for everyone. Therefore no employees must be discriminated against, treated condescendingly or otherwise discriminated against based on gender, race, sexuality or religious beliefs, nor in general.

Violation of these values may result in employment law consequences. Physical and mental well-being is crucial for a good workplace for our employees.

##### Age distribution - share in%

Age group	2017/18	2018/19	2019/20	2020/21	2021/2022
< 30 years	14	14	16	16	
30 - 39 years	13	13	13	12	
40 - 49 years	25	21	19	20	
50 - 59 years	34	35	33	33	
> 60 years	14	17	19	19	

Idealcombi A/S has no goals for the age composition of our staff, but we note with satisfaction that over half of our employees are 50+. We see it as one expression: we have a workplace where our employees want to stay.

It is also seen that we regularly celebrate 10- and 25th anniversaries. In 2021, we had 7x10-year and 2x25- years anniversaries.

## Gender distribution - share in%

	2017/18	2018/19	2019/20	2020/21	2021/22
Women	30	31	31	31	
Men	70	69	69	69	

We at Idealcombi A/S are satisfied that we employ a relatively large proportion of female employees, compared with figures from the association for social responsibility of construction, where women constantly make up 9-10% of the total workforce, we are pleased with our relatively high degree of gender equality among our employees.

We have no immediate goal for the gender composition of our workforce; however, we look with positive

eyes at the diversity we have achieved.

Many years of focus on reducing heavy lifting etc. The installation of cranes and auxiliary equipment when arranging workplaces has affected.

It helps ensure the company has a wider selection range in the labour market.



## Number of trained apprentices and students

Subject	2017/18	2018/19	2019/20	2020/21	2021/22
Joiner	4 (3)	2 (3)	0 (4)	1 (3)	
Production assistant	0 (5)	4 (3)	1 (5)	2 (3)	
Fabricator	0 (0)	0 (1)	0 (1)	0 (1)	
Automation technician	0 (2)	0 (2)	1 (1)	0 (1)	
Trading Assistant - Sales	0 (1)	1 (2)	0 (3)	2 (4)	
Purchasing assistant	0 (1)	1 (1)	0 (1)	0 (0)	

*Numbers in () are students and apprentices in education*

Idealcombi A/S has as of 30.06.2021 - 12 students and apprentices undergoing the education. This is significantly below our target of 23 trainees and apprentices. It has been and remains very difficult to

recruit the number of trainees and apprentices the company needs. The struggle to attract young people to a vocational education in Thy is characterised by a larger supply than demand, even though the proportion of young people taking a vocational education lies significantly above the national average.



### Trainee points (internship-AUB)

	2017/18	2018/19	2019/20	2020/21	2021/22
Actual trainee point	14,62	15,3	15,44	17,19	
Trainee point goal	6,8	7,87	6,03	6,95	

From 2018, the labour market has a new internship scheme, "Praktikplads-AUB" (Employers Educational grants). The internship scheme was created to secure 8,000-10,000 more internships a year for vocationally trained people. To do this, the employers who create enough internships are rewarded, while employers who do not contribute enough have to pay a fee to the scheme.

Target figures for student points are calculated to the number of employees with vocational education, as the highest completed education. Idealcombi A/S is naturally satisfied with meeting the AUB objective and has been paid a bonus for 2020.



### Integration

	2017/18	2018/19	2019/20	2020/21	2021/22
Refugee transferred from internship to ordinary employment	3	2	2	0	
Refugees in internship	3	3	2	0	

Idealcombi, as a large company in the local community and Thy, has an obligation to contribute to the integration of the citizens who come to our country. It requires extra effort by the company, especially from staff who have the role of coach and mentor for the refugees. Without their commitment, we would fail to achieve successful integration in our workplace. We have not had refugees this year in practice at Idealcombi. The reason for this can immediately only be attributed to the pandemic, and we hope in the future again to be able to help newly arrived Danish citizens to be established in the labour market.

### Number of employees in flexjob

	2017/18	2018/19	2019/20	2020/21	2021/22
Number of employees in flexjob	8	6	5	5	

Idealcombi is constantly looking to be able to offer flex jobs. The jobs are primarily service jobs such as cleaning and janitor functions, but we also have positions in production.

#### **4.1.4 The dialogue between the labour market's partners**

Regular monthly meetings with the union representatives. Agenda includes local agreements, policy compliance, review of company KPIs and information on future investments.

#### **4.1.5 Respect for workers' rights to be informed and heard.**

- We work to ensure that our employees have as good an insight into the company's activities and results as possible, and at the same time can contribute with ideas and opinions.
- It takes place by participation in the following regular meetings.
- Cooperation committees, quarterly meetings
- The working environment organisation meets quarterly and semi-annually
- Regular information meetings for all employees
- Board meetings for all employees
- Other department meetings

#### **4.1.6 Respect for trade union rights**

##### *4.1.6.1 Freedom of trade union*

In employment contracts, we draw attention to who the parties to the agreement are within that area but do not interfere in whether our employees are members of a trade union or, where applicable, which union.

##### *4.1.6.2. Compliance with agreement*

Idealcombi A/S complies with the basic ILO conventions acceded to by Denmark:

The 8 basic conventions are:

- Convention No. 29: Forced or Compulsory labour
- Convention No. 105: Abolition of Forced Labour
- Convention No. 138: Minimum age for access to employment
- Convention No. 182: Action against the Worst Forms of Child Labor
- Convention No. 87: Freedom of association and protection of the right to organise
- Convention No. 98: The Right to Organise and the collective bargaining rights
- Convention No. 100: Equal pay
- Convention No. 111: Discrimination in Work and employment

**Idealcombi A/S has through membership of DI an agreement with the following partners:**

- 3F
- HK
- Technical National Association
- Danish Metal
- Danish Electricity Association



#### 4.1.7 Health and Safety at Work

Idealcombi A/S has several policies and schemes that must support health and safety's daily work.

The policies must contribute to our employees, re-

gardless of age and life situation must experience Idealcombi as a safe workplace.

Smoking policy  
Alcohol and drug policy  
Pregnancy policy  
Senior policy  
Health scheme in connection with pension schemes  
Whistle blower scheme





#### 4.1.8 Dialogue with the local community

- We seek to be an active part of our community. Our activities range widely, and some examples are as follows :
- Various sponsorships for the local association life, including Friends of Cold Hawaii.
- Membership of the trade association in Hurup Thy.
- Thy Business Forum (Is a starting point for the collaboration between Thisted Municipality and the other participants in the local business community).
- Local training centres EUC and VUC. The two centres are partners when we regularly plan and run AMU, FVU and OBU courses.
- Primary schools in Thy. Collaboration around visits and company internship.
- Jobcentre in Thisted. We collaborate around internships and integration.

##### 4.1.8.1 The activity house "Limfjorden"

We have a long-standing and close collaboration with the institution "Aktivitetshuset Limfjorden". The Limfjord is a workplace for people with permanent impairment of physical and mental function. This institution offers valuable employment to citizens with such needs.

The purpose of working at the Limfjord is to have a valuable and meaningful day where you, whatever individual needs, can contribute to the community with valuable work that is needed.

Our collaboration with "Aktivitetshuset Limfjorden" is mutually beneficial. We have a good, ongoing dialogue with the house leaders on how we can organize tasks that suit both the competencies and abilities that the different users of the house have and which can be solved at a pace that suits them.

The tasks that the users of the house help solve can range from simple tasks such as. Sorting parts to more complex tasks, such as collecting our architectural samples, which are cross-sections of Idealcombi's various product series.

At Idealcombi, we have the great pleasure of contributing to people with disabilities to get an active and eventful day.

#### 4.1.9 Education and competence enhancement

Idealcombi A/S generally prioritises the continued education of the company's employees highly. We have focused on especially the production employees in the later years.

Among other things, we have done this by implementing dyslexia education (OBU), which has gradually become a fixed part of our daily lives.

Once employees have been employed for a year, they become screened for their reading skills, and those of our employees who are in the target group for this are offered OBU courses during working hours.

Idealcombi A/S also collaborates with higher education institutions to offer internships and has thus in recent years had students from both Aalborg and

Aarhus University, which has completed project-oriented courses in the organisation. This is for the benefit of both the student and their educational institution and society in general and the local community.

In this connection, Idealcombi collaborates with Thy Business forum, which is responsible for the project "from by to Thybo". The project aims to facilitate internships in Thy, i.a., to provide accommodation in a cosy townhouse

#### 4.1.10 FSC®

We have been FSC® certified since 2011 (FSC-C108592), and today we use exclusively FSC-certified and controlled pine wood for our doors and windows.

This means that our products live up to private and public builders' requirements for responsibly sourced pine wood and that it can be documented whether the product is DGNB-certified or Nordic Eco labelled or just have requirements for responsibly sourced pine wood. In other words, we have made it easy for our customers to document responsible use of the forest's resources as well.

FSC is an international non-profit labelling scheme for timber and paper. The FSC neither produces nor sells goods. You will find the FSC mark on products of timber and paper that you can buy with a clear conscience. You can, because in an FSC forest, there will not be felled more timber than the forest can reproduce. At the same time, the FSC guarantees that

animals and plant life will be protected and that the people who work in the forest are trained and receive proper safety equipment and pay. FSC is the only global labelling scheme for timber, which have broad support from green organisations such as WWF, Greenpeace and Forests of the World, social organisations such as the BAT cartel, and companies Worldwide.





FSC

[www.fsc.org](http://www.fsc.org)

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Miljømærket for  
ansvarligt skovbrug

## Idealcombi UK Ltd.

Chancery Pavilion  
Boycott Avenue  
Milton Keynes  
MK6 2TA

### Commercial sales

---

Tel: +44 (0) 1582 860 940  
uk@idealcombi.com

### Domestic sales

Tel: 01582 869 010  
direct@idealcombi.com

---

[www.idealcombi.com](http://www.idealcombi.com)

## Idealcombi A/S

Nørre Allé 51  
7760 Hurup Thy  
Tlf.: +45 96 88 25 0

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[info@idealcombi.dk](mailto:info@idealcombi.dk)

[www.idealcombi.dk](http://www.idealcombi.dk)

**idealcombi** 

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