

# Corporate Social Responsibility 2013

## **Our approach to social responsibility**

Our approach to social responsibility is based on the principles, policies and processes that help us deliver on our founder’s objective to continuously strive to create a “Model Company”, or a company that others will look up to.

DOVISTA develops and manufactures windows and doors that contribute positively to people’s health, development and a greater sense of wellbeing and to a better environment and climate. We are dedicated to manufacturing products useful to society that bring daylight, fresh air and a better environment into people’s lives and that also reduce the needed energy for heating, light and mechanical ventilation.

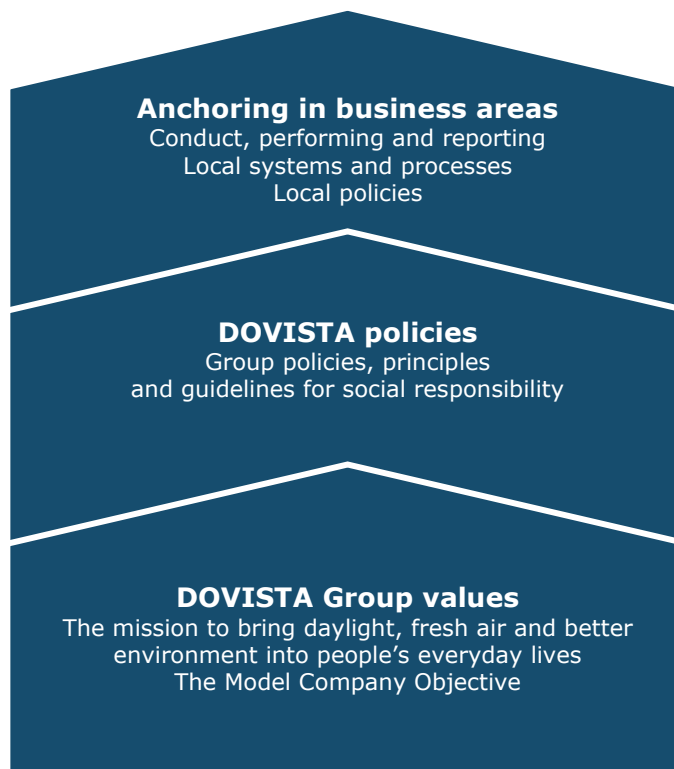
Our customers are always first in line – also if things go wrong. We do our utmost to develop our employees and establish supplier relationships based on open dialogue and cooperation. We strive after providing the right framework and motivating everyone involved to do their best, thereby providing the framework ensuring that we can develop, grow and meet our strategic goals.

Social responsibility is a fundamental part of the way we do business in the DOVISTA Group. This means that all DOVISTA Group managers are responsible for integrating and addressing a range of key social and environmental issues. Our approach enables us to continue to create products that are useful to society – and it helps us meet and preferably exceed the expectations of our customers, suppliers, employees and owners.

## **Extending and managing social responsibility**

As indicated by the illustration, the Model Company Objective is the foundation and forms the basis for the values of all DOVISTA Group companies. Since it was formulated, the Model Company Objective has been followed up by a number of group policies, which all Group companies have a duty to comply with.

Illustration of DOVISTA’s social responsibility management



**Social responsibility – principles and guidelines**

The DOVISTA Group has defined a number of principles and guidelines that frame the social responsibility activities within DOVISTA Group business areas. All companies in the DOVISTA Group are required to make dedicated efforts to live up to these principles and guidelines categorized under four overall themes.

Read more about our aims under each theme in the table below.

PRODUCTS USEFUL TO SOCIETY

- We bring daylight, fresh air and a better environment into peoples' everyday lives.

ECO-FRIENDLY INITIATIVES

- We take the initiative for activities which benefit green buildings of the future.

INNOVATIVE DEVELOPMENT AND EXPERIMENTS

- One experiment is better than 1,000 expert views.

LONG-TERM RELATIONSHIPS

- We strive to treat our customers, suppliers, employees, shareholders and other stakeholders in an exemplary manner.

**PRODUCTS USEFUL TO SOCIETY**

- **We bring daylight, fresh air and a better environment into people's everyday lives**

DOVISTA owns companies which contribute to better buildings by developing and manufacturing products useful to society that bring daylight, fresh air and a better environment into people's everyday lives. In addition, windows have a positive impact on our surrounding environment and climate as they contribute to reduced energy consumption and greenhouse gas emission.

DOVISTA's windows are manufactured in up-to-date factories with continuous assessment and optimization of all processes to constantly identify and reduce unnecessary waste and energy consumption on grounds of both operational profitability and reduction of climate and environmental impact.

The share of the waste that cannot be recycled directly in our own production is sorted out in a variety of fractions and sold for recycling, and the small rest that may be left will be sent to environmentally safe disposal.

After production an efficient distribution system reduces both energy consumption and carbon emission. Consequently, efficiency improvements within transport and distribution have been a natural and prioritized focus area during recent years.

DOVISTA expects all Group companies to:

- Retain a keen focus on product lifecycle impacts – from when the product is procured and/or manufactured until it is disposed of and recycled.
- Extend utilisation of nature's renewable resources in the ongoing development of new products.
- Use raw materials, water and energy with increasing efficiency in order to reduce environmental impacts.

## **ECO-FRIENDLY INITIATIVES**

- **We take the initiative for activities which benefit green buildings of the future**

40% of energy consumption in the industrialized nations are attributable to buildings. As a long-term owner DOVISTA has a responsibility for continuously creating new solutions which improve the energy performance of buildings and to form partnerships which contribute to the development of new standards for eco-friendly buildings.

Windows from DOVISTA Group companies hold the energy and indoor environment certificates relevant to the markets where the products are sold. Yet aside from certificates, this involves many other aspects. To achieve a positive impact on environment and climate it is paramount to develop and manufacture high-quality windows with a high utility value, long life expectancy and to focus on energy and resource consumption as well both in production, use and recycling or disposal.

Dynamic quality and environment management programmes build the practical framework. We observe and endorse both national and European environmental legislation and allocate the resources necessary to ensure that by means of continuous education and dialogue the company's employees constantly aim at reducing waste in the widest sense of the word.

DOVISTA expects all Group companies to:

- Work systematically on environmental issues.
- Endorse standards and environmental certification systems if this is value-adding.
- Form strategic partnerships in order to influence the environmental agenda across a wide front and develop new standards for eco-friendly buildings.

## **INNOVATIVE DEVELOPMENT AND EXPERIMENTS**

- **One experiment is better than 1,000 expert views**

Experimentation is the foundation for the ability of the DOVISTA Group companies to contribute to enhanced and innovative solutions.

DOVISTA has a competent and innovative development department based on the approach and methods that have their origin in Villum Kann Rasmussen's statement in the 50s that "one experiment is better than 1,000 expert views". In consequence, to challenge ourselves we participate continuously in ambitious development and experimental building projects that are initiated by ourselves or by leading knowledge and research institutes.

All of this is linked to DOVISTA Innovation Center and LIVINGlab by DOVISTA.

LIVINGlab is a development unit with the primary function to explore potentials and establish new insight into windows and doors for the buildings of the present and the future. In association with front runners from the building industry and the educational establishment LIVINGlab explores the scope of potential application of windows under practical conditions. We share our knowledge with all parties interested in energy issues, for instance through extensive course activities.

DOVISTA expects all Group companies to:

- Invest in experiments that promote innovation and contribute new know-how for buildings of the future.
- Develop new products and solutions and improve existing products on an ongoing basis.
- Develop business processes, methods and systems.

## **LONG-TERM RELATIONSHIPS**

- **We have an ambition to treat our customers, suppliers, employees, shareholders and other stakeholders in an exemplary manner**

In the DOVISTA Group we are more than 3300 employees operating with a wide network of customers, suppliers and authorities. Given our extensive local presence all companies in the group have a responsibility for making responsible contributions in every area where we are involved.

As an inherent part of DOVISTA everyday living and culture we strive to ensure that the company's employees constantly develop through continuous education and dialogue.

In addition, we have intensified our efforts over the past 4 years by introducing an extensive training programme for a number of the company's employees and managers. The programme specifically aims at cutting down our materials and energy consumption and also reducing our environmental impact, and it enables us to identify and eliminate unnecessary waste and use of resources in every area of the company.

As regards human rights, the DOVISTA Group definitely expects all Group companies and also sub-suppliers to DOVISTA Group companies to tolerate neither child labour nor any other violation of human rights.

The DOVISTA Group takes the position that the share of the under-represented gender in DOVISTA Group companies' top management and at other management levels is to be increased by the year 2017.

DOVISTA expects all Group companies to:

- Target their efforts to continuously improve occupational health and safety.
- Work to create conditions and opportunities conducive to their employees' personal and professional development.
- Not tolerate child labour or any violation of universal human rights.
- Comply with the DOVISTA Group's anti-corruption policy.
- Work in a positive manner to increase the share of the under-represented gender in the company's top management and at other management levels.

## **Examples of activities and achievements 2013**

### **Products useful to society**

In 2013, the majority of DOVISTA companies focused their efforts on demonstrating how their products benefit the environment – for example, how the products contribute to reducing carbon emissions and allow end users to be proactive in saving energy. The enhanced insulating properties of windows are contributors to a reduced demand for heating of buildings and consequently reduced carbon emission. The share of new products that fulfil the strictest requirements to insulating qualities is increased during 2013.

### **Eco-friendly initiatives**

DOVISTA's companies adopt standards and environmental certification systems wherever this is value-adding. Besides, DOVISTA companies constantly focus on reducing their environmental impacts, for which carbon emission in the business areas is a key performance indicator.

### **Intensive environmental drive in Rationel and VELFAC**

Again in 2013 VELFAC and Rationel Vinduer gave priority to reducing carbon emissions from their manufacturing processes. For energy, water and electricity, their efforts within manufacturing have resulted in reduced consumption leading to carbon emission reductions. Aggregate energy consumption in Rationel and VELFAC manufacturing processes, for example, was reduced by 5% per produced item from 2012 to 2013, and the total carbon emission in the same area and during the same period was reduced by 3% per produced item.

### **Occupational health and safety**

Across the DOVISTA Group companies it is our aim to provide a positive, safe and healthy work environment while ensuring through preventive action that occupational accidents are eliminated.

One occupational accident is one too many.

In 2013, the number of occupational accidents per million working hours in the DOVISTA Group totals 14.9 against 11 in 2012 and 14.5 in 2009. The increase compared to 2012 has been unsatisfactory and is mainly due to a major intake and training of new employees and the implementation of new processes. This has given rise to a considerably intensified focus on issues related to safety and training from the middle of 2013.

### **Future Excellence – a systematic improvement culture**

Since 2010 the DOVISTA Group has been involved in a systematic extension of a continuous and systematic improvement culture within the programme "Future Excellence". The programme is based on the fundamental idea, among other things, that for all activities taking place in DOVISTA Group companies there will be a minimum of 20% waste at any time that can be reduced or eliminated with a systematic effort over time.

From 2010 to 2013 more than 100 employees were thoroughly trained for the systematic improvement work in theory and in practice to enable them to identify waste and run their own improvement projects within their field of activity.

Within the Future Excellence programme more than 1000 small and large improvement projects are completed annually, all contributing to the reduction of waste and thereby both of benefit to the environment and improving company results.

### **Innovative development and experiments**

Innovation and experiments are the foundation for product development within the DOVISTA portfolio and thereby also for the sustained growth of the companies. 2013 brought a number of examples of how DOVISTA and the business areas invest in experiments that drive innovation and contribute new expertise for the buildings of the future.

### **Knowledge-sharing on energy and indoor climate**

LIVINGlab by DOVISTA is a development unit with the primary function to explore potentials and establish new insight into windows and doors for the buildings of the present and the future. In 2013 LIVINGlab provided advice and assistance in the field of environment and energy issues across DOVISTA Group companies in Denmark and abroad.

### **Further examples of achievements and facts:**

- Aggregate DOVISTA Group energy consumption was reduced by 10% from 2010 to 2013.
- During the period 2010 to 2013 aggregate carbon emissions were reduced by 6%.
- More than 45% of DOVISTA Group aggregate energy consumption is covered by wood waste from our own production.
- More than 90% of the total amount of waste is recycled.

### **Diversity targets**

At the beginning of 2013, the board of the parent company DOVISTA A/S discussed the target for the share of the under-represented gender on the boards of the Danish DOVISTA Group companies.

By the end of 2013, there were no female members of boards of management or shareholder-elected boards of the Danish DOVISTA Group companies, whereas 27% of the employees referring directly to the boards of management of the Danish companies were women. The target is to raise the share of female shareholder-elected board members in Danish DOVISTA Group companies by the year 2017.