



CSR

SOCIAL RESPONSIBILITY

Report 2017/18

idealcombi 

Windows. Designed & Manufactured in Denmark

Contents

	Preface	3
	About Idealcombi	4
	Owners' considerations	5
1.1.	Quality, environment and energy politics.....	6
1.2.	Environment all the way(life cycle perspective)	7
	1.2.1. Development	7
	1.2.2. Purchasing.....	7
	1.2.3. Recycling	7
	1.2.4. Transport/Logistics.....	7
	2.2.5. Disposal	8
1.3.	Environmental and energy goals	9
1.4.	Improvements for 2017/2018.....	10
1.5.	Environmental Certification	11
1.6.	Focus areas for 2018/2019	12
2.1.	Anti-corruption and bribery	
2.2.	What is corruption?	13
	2.2.1. What is bribe?	13
	2.2.2. What is extortion?	13
	2.2.3. What is nepotism?.....	13
	2.2.4. What is fraud?.....	13
2.3.	Guidelines for employees	13
2.4.	Risk assesment	14
3.1.	Human Rights	15
4.1.	Social conditions and employee relations	
	4.1.1. Work conditions	16
	4.1.2. Measures to ensure equality	17
	4.1.3. Dialogue between the labour market partners	20
	4.1.4. Respect for workers' right to be informed and heard	20
	4.1.5. Respect for trade union rights	20
	4.1.5.1. Union freedom	20
	4.1.5.2. Compliance with the union agreement	20
	4.1.6. Health and safety at work	21
	4.1.7. Dialogue with the local community	22
	4.1.7.1. Activity house Limfjorden	22
	4.1.8. Danish production	23

Preface

At Idealcombi A/S the CSR (Corporate Social Responsibility) report is about responsibility in all aspects of our business. For many years we have been manufacturing with respect for nature, employees' rights and ethics. Since the start of the family owned company, in 1973, the daily work has been based around the the values of the company founder. It is therefore not new for us to change behaviour. New government rules however, require us to put in writing what in many years has been natural to us - the policies of how our company operates.

The reason for writing our annual CSR Report is to make our goals and efforts transparent to our customers, suppliers, employees, local community and other partners.

The CSR report is valid for Idealcombi A/S and subsidiaries.

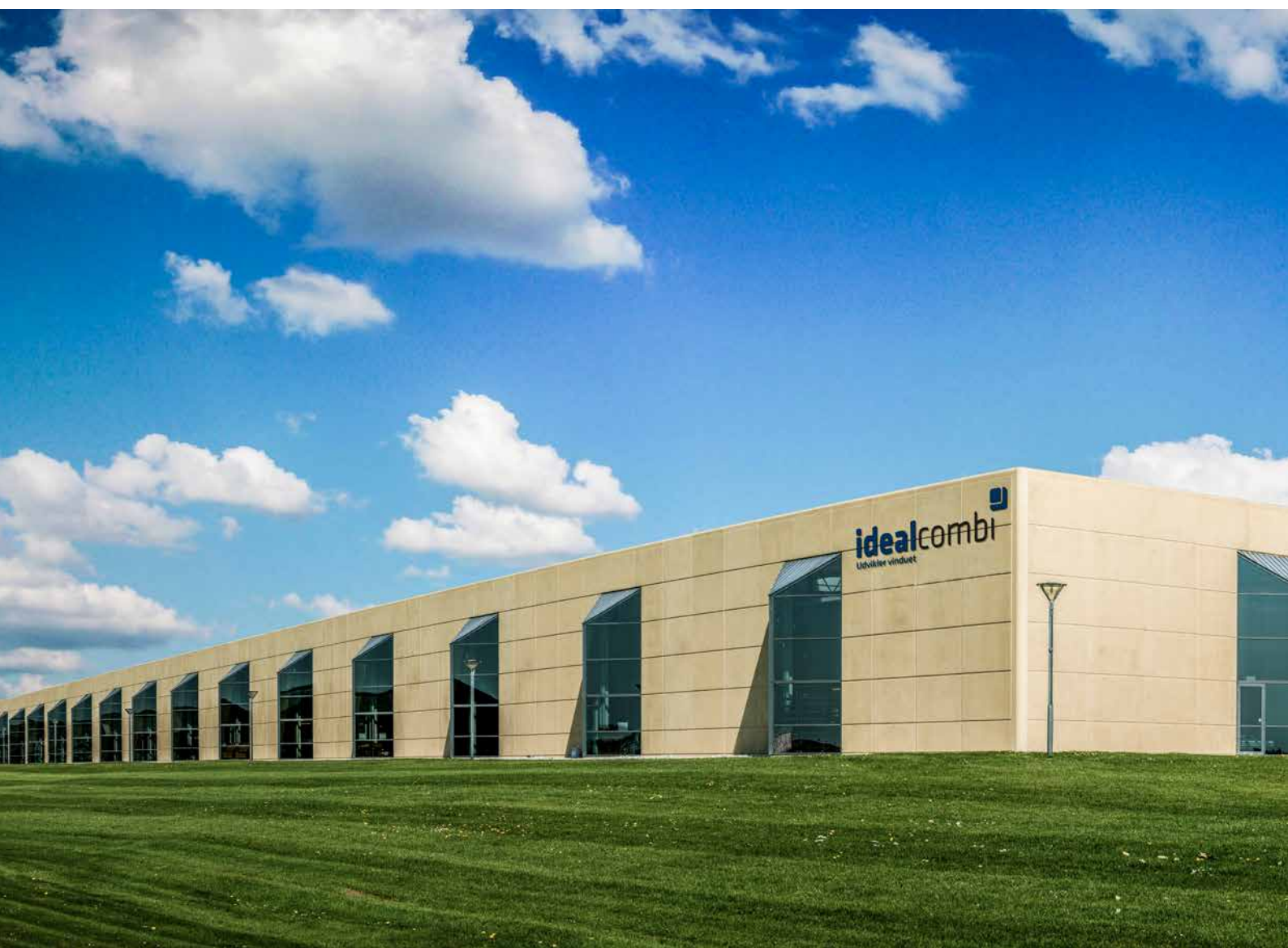


About Idealcombi

The company is family owned and was founded in 1973 by the two brothers Henning and Bent Søgaard, in their parents' barn close to the west coast of Denmark. In 1981 it was transformed into the public limited company with 20 employees. A few years later, in 1984, a new 3,500 sqm window factory was built. This has since grown to over 100,000 sqm. The company is now run by the two cousins Martin and Mikael Søgaard, who has replaced their fathers. Henning and Bent are still among the owners of Idealcombi.

Since manufacturing the first window Idealcombi has been located on the Danish west coast.

From our HQ we have manufactured high quality windows and doors for over 45 years. Today we offer the most innovative range of aluminium composite windows and doors in Denmark, with four product series that all benefit from the **idealcore™** thermal break.



Owners' Considerations...

The financial year 2017/18 was the year where we achieved our goal of producing a CSR report. For a long time we have wanted to present the company from a different point of view.

In the past year we have improved in a number of key areas that we find especially important.

We are happy that we can continue to lower the number of work related accidents in our company and that the accidents that do happen are of less serious character and with less absence as a result thereof. Climate changes and the debate about them get a lot of attention in the media, and we are proud of the difference that our energy optimised products have on our customers' CO2 footprint.

Furthermore, as a Danish manufacturer we have a responsibility to reduce the environmental impact we have locally as well as nationally. This last year we have had a great succes in reducing our electricity consumption.

At Idealcombi we have always felt a responsibility to contribute to the local community by taking on trainees and apprentices to grow our industry. Therefore it pleases us that the amount of trainees and apprentices are well over the targets set by the government.

Mikael & Martin Søggaard



1.1. Quality-, environment and energy politics

At all times Idealcombi A/S wishes to be perceived as a trustworthy and competent supplier of windows, doors and facades in the professional market, in relation to our customers, users and partners.

This will be achieved by complying with agreements and what has been confirmed with customers in order to gain full customer satisfaction and loyalty.

Our customers must experience that their orders are dealt with, with great care. All the way from initial quote, through the order process to delivery. This, along with a quality product, will ensure that the experience in full meets the customers expectations.

This will happen through efficient management of the processes that affect the product and services our customers receive. The top management is responsible for setting goals and making the right resources available to continue to improve the efficiency of the processes.

We commit to continuous improvement of the management system and to meeting requirements and commitments.

We recognise that as a company we influence the

surrounding environment. We want to limit the negative effects of this influence, by showing responsibility and respect for the nature and the environment in general.

We commit to continuous improvements in the environmental area and to prevent pollution. We aim for environmental considerations to be a natural part of everything we do.

Our main environmental impacts in the form of energy consumption and materials are continuously reduced.

Our environmental work is based on financial responsibility and sustainability. We will continuously utilise technical opportunities that can contribute to limiting energy consumption.

We will increase the awareness of our attitude towards the environment to suppliers, employees and the surrounding society. That is why this environmental policy is available to anyone who may have an interest in our company.



1.2. Environment all the way (life cycle perspective)

Idealcombi actively works on environmental considerations in every stage of production. It is our environmental policy to continually revise and optimize our production processes so that we continuously ensure reduced energy consumption and a reduced environmental impact.

By far the greatest environmental impact occurs at consumer level in the form of heat loss through windows and doors. Therefore, we consider it important to inform and guide customers to the most energy-efficient choice.

1.2.1. Development

We are constantly developing our products to meet environmental standards and requirements that society and legislation place on us all as citizens. In fact, we are in front of the legislation in our development, and thereby ensure that our products meet the requirements of the future. This helps us set the standard for future products. Idealcombi's products are among the most energy-saving on the market. We also strive to ensure that the development is based on materials with the least possible environmental impact, including weight of raw materials that affect the environmental load during transport. For example, we have replaced some wood and composite material with **Idealcore™** (thermal PUR), which is a lighter material with better thermal performance.

1.2.2. Purchase

We use FSC®-certified pine from sustainable forestry. Our choice of suppliers is influenced by environmental impacts associated with transport of materials. Minimising our overall environmental impact.

1.2.3. Recycling

The waste wood from production is used for heating our own buildings. During the summer period, when the heat consumption is low, the waste wood is sold for processing to, among other things, wood pellets, chipboard production and MDF production.

Aluminium waste is melted and recycled, just like glass waste is being recycled.

In all types of surface treatment, we use the most



environmentally friendly products. All surface paint on wooden components is water based and we use a recycling system so that colour particles are separated from excess paint from the production, after which the excess paint can be recycled.

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

1.2.4. Transport/Logistics

We are constantly working on optimising the fuel efficiency on vehicles to and from production. Thus, in the case of new acquisitions, we will endeavour to purchase the highest environmental standard

Our drivers are trained in fuel-efficient driving and the individual truck is monitored for fuel efficiency.

The logistics department ensures that our trucks are fully loaded and the shortest and most direct route is planned - in addition, we aim to minimise empty driving on the return journey, as we pick up raw materials and return goods to the factory in Hurup on the way back.

1.2.5. Disposal

Elements from Idealcombi have a long life span, but when the time comes for disposal, large parts of the items can be recycled. We therefore recommend that items be delivered to a recycling station and separated into the fractions indicated by the local recycling centre so that as much as possible can be recycled.



1.3. Environmental & Energy goals



Our goal is for the total amount of substances and materials / safety data sheets to be reduced by 10% over 3 years. 2016 5%, 2017 3% & 2018 2%

Our ability to meet this goal is documented by recording the quantity / number of safety data sheets.

$(\text{No of data sheets 2016} - \text{no datasheets 2017}) \times 100 = >3\%$
No of data sheets 2016

Objective for 2020 - Save 25% on kWh consumption

Our ability to meet this goal must be documented on the first working day after the New Year by registering electricity consumption for 2016, measured on the company's key figures.

$(\text{Electrical use 2016} - \text{electrical use 2017}) \times 100 = >6,25\%$
Electrical use 2016

1.4. Improvements for 2017/2018

Safety Data Sheets

	2017	2018	2019	2020
Goal	311	305		
Actual	317			
Goal reduction %	-3 %	-2 %	NA	NA
Realised	2 %			

The goal of a 3% reduction was not achieved in 2017. Instead, the number of safety data sheets has increased by 2%. The reasons are partly that procedures regarding registration have not been properly implemented, and partly that safety data sheets for non-direct production-related substances and materials (primarily cleaning agents for kitchen, ordinary cleaning and hygiene) have a greater impact than expected and this has given a defective registration. Finally, there has not been a satisfactory focus from the organisation.

Kwh consumption - Electricity

	2017	2018	2019	2020
Expected use	8,23 mill			
Actual use	8,00 mill			
Goal reduction %	-6,25 %	-6,25 %	-6,25 %	-6,25 %
Realised	-2,79 %			

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

The main contribution to the reduction in 2017 has been achieved by changing the light source to LED in our P1 factory. The reason for the goal not being achieved is that the setup was not completed in the fourth quarter of 2017. Thus, the electricity savings did not contribute sufficiently to achieve the target in 2017.

Other activities & achieved results

Installation of 25,000 litre tanks holding the PUR chemicals in our P3 factory has reduced the use of 1000 litre tanks significantly. This has led to a reduction of transports in connection with deliveries and reduction of packaging.

Establishment of external washing area for the trucks at the factory.

We have closed an old diesel tank.

Systematic hunting for leaks in the compressed air system.

Highlighting and disseminating environmental and energy goals in connection with info meetings.

Mapping and monitoring of energy consumption.

1.5. Environmental Certification

Idealcombi was ISO 14001 certified in 2017.

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 good 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 for 2018/2019

Continued Mapping and monitoring of energy consumption.

Continue hunting for leaks in the compressed air system.

Changing to LED lights at the P2 & P3 factories, offices, canteens and external lighting.

Create a working group, which aims to ensure a reduction in the number of safety data sheets.



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 jeopardising 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 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.

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 become acquainted with 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 recognised 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

4.1.1 Working conditions

Idealcombi A/S follows the work environmental legislation.

We have a well-functioning occupational health and safety organisation with regular and structured meetings in AMO and AMU.

All members of the AMO participate in an annual work environment workshop that extends over 2 days.

A safety manager is employed who coordinates the work environment efforts and ensures that decisions in the AMU / AMO are implemented.

Sick leave, where the cause is work accidents

	2017/18	2018/19	2019/20	2020/11
Absent in % of production hours	0,095%			

In spite of noticeable improvements in recent years, there are still too many accidents and hence absence.

Therefore, activities have been launched to further strengthen the work environment efforts.

Those are::

An internal "Labour Inspectorate" has been set up which conducts monthly unannounced inspections in our production.

Increased focus on near-misses and awareness that everything has to be registered, and the records must lead to actions.

Implemented that the working environment is a fixed point on weekly board meetings in the production teams.

Launched a project where machine safety is uncovered throughout the company.





4.1.2 Measures to ensure equality

Age distribution - share in%

Age group	2017	2018	2019	2020
< 30 years	14%			
30 - 39 years	13%			
40 - 49 years	25%			
50 - 59 years	34%			
> 60 years	14%			

Idealcombi A/S wants to maintain our talented employees. This also applies to last years of an employee's work life.

We have an active senior policy, which offers an annual interview when the employees reach the age of 60, and contains a number of opportunities for example reduced time and extra holiday.

Idealcombi A/S has no goal for the age composition of our staff, but we note with satisfaction that almost half of our employees are 50+. We see this as an expression that we have a workplace where our employees want to stay. It is also seen that we regularly celebrate 10th and 25th anniversaries. In 2018, we had 3x25 year anniversaries and 23x10 year anniversaries.

Gender distribution - share in%

	2017	2018	2019	2020
Women	30%			
Men	70%			

The proportion of women has been increasing in the company for a number of years, and the trend seems to continue. Many years focus on reducing heavy lifting and the like. With the installation of cranes and auxiliary equipment when designing workplaces has shown an effect.

This helps to ensure that the company can offer a wider range of jobs when looking for labour.



Number of apprentices and students who are trained

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

Figures in () are trainees and apprentices during training.

Idealcombi A/S has as of 30th June 2018 12 students and apprentices undergoing 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 western Denmark is characterised by greater supply than demand, despite the fact that the proportion of young people taking vocational training is significantly above the national average.

Trainee points (Intern-ship-AUB)

	2017	2018	2019	2020
Current trainee Points	14,62			
Goal	6,8			

From 2018, the labour market has been given a new intern-ship scheme, Intern-ship-AUB (Employers' Education Grants).

The intern-ship started with the goal of securing 8,000-10,000 more internships per year for vocationally trained people. For that to happen, employers who create enough internships are rewarded, while those who do not contribute enough, will pay a fee to the scheme.



Target points for trainee points are calculated according to the number of employees with a vocational education as the highest completed education.

Idealcombi A/S is of course satisfied with being able to meet the AUB goal, but, as mentioned in the previous table, the company's ambitions and needs are greater.

Integration

	2017	2018	2019	2020
Refugees from intern-ship to employment	3			
Refugees in intern-ship	3			

Idealcombi, as a large company in the local community and in west Denmark, is committed to contributing to the integration of the citizens coming to our country. This requires an extra effort from the company and especially from the employees who have the role of coach and mentor for the refugees.

Without their personal commitment, it does not succeed in implementing successful integration at our workplace.

Number of employees in flexible jobs

	2017	2018	2019	2020
Employees in flexible jobs	8			

Idealcombi continuously seeks to offer flexible jobs. The jobs are primarily service jobs such as cleaning and caretaker functions, but we also have positions in production and administration.

4.1.3 Dialogue between the labour market partners

There are regular monthly meetings with the union representatives. Agenda includes local agreements, compliance with policies, review of the company's KPI's and information on future investments.

4.1.4 Respect for workers' right to be informed and heard.

We strive 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 happens by attending the following regular meetings.

- Co-operation committee, quarterly meetings
- The working environment organisation, meets quarterly.
- Information meetings for all employees every 6 weeks. With status on business goals, energy management and current/future activities.
- Board meetings every week for all employees in production and administrative teams. Topics are; team goals, improvements, staff and work environment.

4.1.5 Respect for trade union rights

4.1.5.1 Union freedom

Our employment contracts draw attention to who the contracting parties are within the agreement, but does not interfere on whether they belong to a union or indeed which union.



4.1.5.2. Compliance with the union agreement

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

The 8 basic conventions are:

- Convention no. 29: Forced or compulsory work.
- 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 labour.
- Convention no. 87: Freedom of Association and protection of organizational rights.
- Convention no. 98: The right of association and collective bargaining.
- Convention no. 100: Equal Pay
- Convention no. 111: Discrimination in employment

Idealcombi A/S has through membership of the Danish Construction Association agreements with the following contract partners:

- 3F
- HK
- Teknisk Landsforbund
- Dansk Metal
- Dansk EI-forbund

4.1.6 Health and Safety at Work

Idealcombi A/S has a number of policies and schemes that must support the daily work on health and safety. The policies must help ensure that our employees, regardless of age and life situation, experience Idealcombi as a safe workplace.

Smoking Policy
Alcohol and drug policy
Pregnancy policy
Senior policy
Health scheme in connection with pensions





4.1.7 Dialogue with the local community

We seek to be an active part of the local community. Our activities range widely, and cover, among other things:

- Various sponsorships for the local community.
- Membership of the trade union association in Hurup, Thy.
- Thy Business Forum (Is a starting point for the collaboration between Thisted Municipality and the other players in the local business community).
- Local training centres EUC and VUC. The 2 centres are our partners when we regularly plan and run AMU, FVU and OBU courses.
- Primary schools in Thy. Collaboration on visits and intern-ships.
- Job centre in Thisted. We collaborate on intern-ships and integration.

4.1.7.1 Activity house Limfjorden

We have a long-standing and close cooperation with the institution Aktivitetshuset Limfjorden. Limfjorden is a workplace for people with permanent physical and mental impairment. Here, valuable employment is offered to citizens in need of this. In order to accommodate all citizens, the house is divided into a workshop with production, a day centre with assembly work and creative workshop, a kitchen where employment with food, hygiene etc. and a spacious house, called Kløvermarken, is offered, where citizens in need of close contact, rest and structured frameworks have the opportunity to work.

The purpose of working on Limfjorden is to have a valuable and rich day, where, regardless of the individual needs you have, you can still contribute to the society with valuable work that is needed. Limfjorden offers you help for the necessary personal and practical tasks as well as for your development and maintenance of physical and mental skills. - link to website.

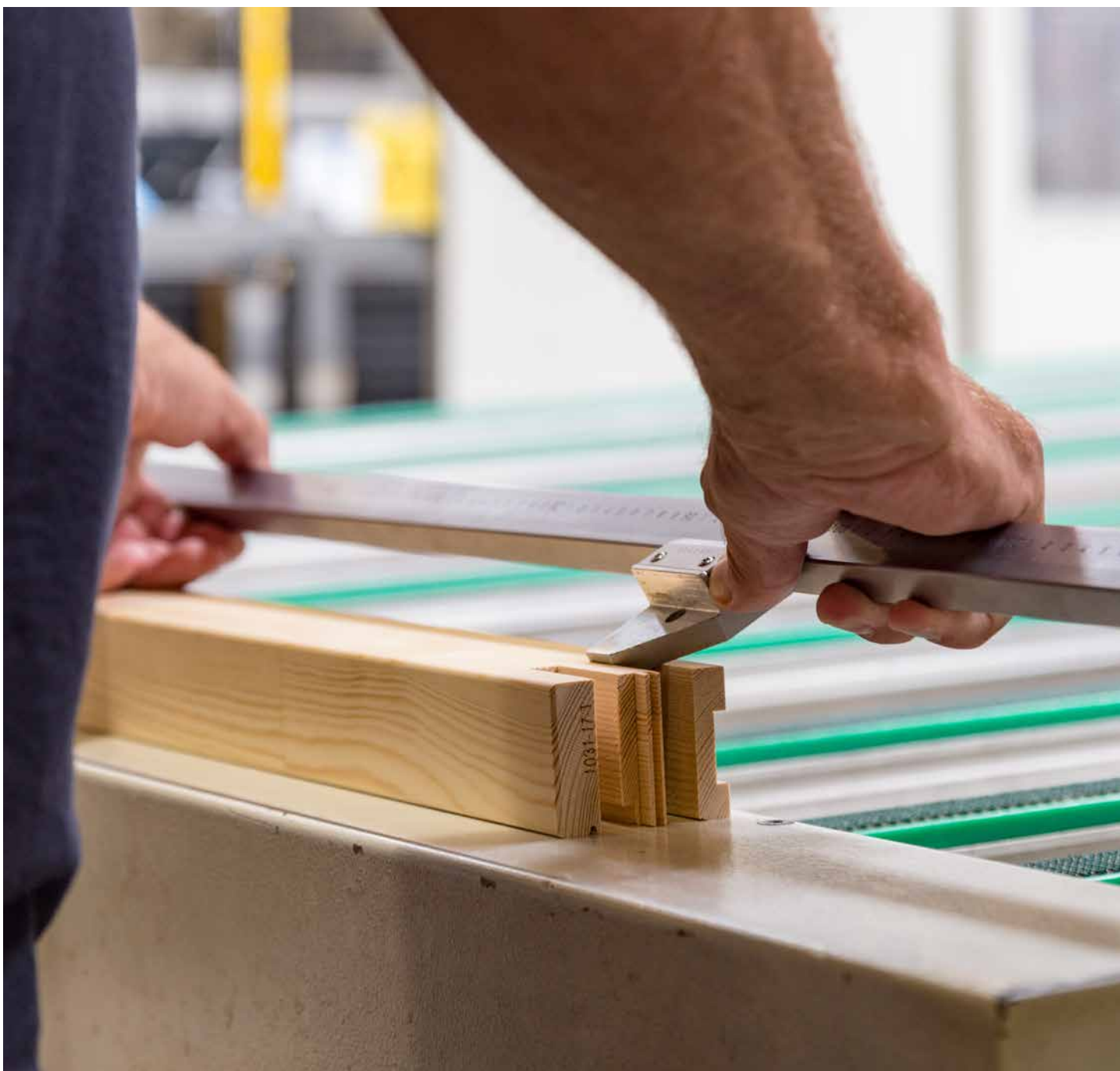
<http://www.thisted.dk/Institutioner/institution/limfjorden>

Our commitment generated a turnover for the activity house of approx. DKK 450,000 in 2017/2018.



4.1.8 Danish Production

- Danish family-owned company with roots in Thy. The family has a clear mission to maintain Danish jobs in Hurup, Thy.
- Circa. 95% of Idealcombi A/S' workplaces are located in Denmark. Which means that we contribute with corporate and income tax to Denmark and not least to Thisted Municipality (Thy).
- The company delivers to our customers with our own trucks, with Danish drivers. This ensures that Danish driving rest legislation is respected at all times.



IDEALCOMBI UK

Chancery Pavilion

Boycott Avenue

Milton Keynes

MK6 2TA

Commercial sales

Tel: 01582 860 940

uk@idealcombi.com

Domestic sales

Tel: 01582 869 010

direct@idealcombi.com

www.idealcombi.com

IDEALCOMBI A/S

Nørre Allé 51

7760 Hurup Thy

Tlf.: +45 96 88 25 00

info@idealcombi.dk

www.idealcombi.dk

WEB

idealcombi.com



LINKEDIN

Idealcombi UK



INSTAGRAM

@IdealcombiUK



TWITTER

@IdealcombiUK



Facebook

@IdealcombiUK



Miljømærket for ansvarligt skovbrug
FSC® C108592

