
Sustainability report

2021



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About the report

The Sustainability report covers the financial year 2021 from 1 January 2021 to 31 December 2021 and is published in March 2022. The report represents Kamstrup's objectives, actions and goals towards a more sustainable business and addresses the requirements outlined by the Danish Financial Statements Act § 99a and 99b on reporting of Corporate Social Responsibility (CSR). The purpose of Kamstrup's Sustainability report is to transparently communicate on topics which are material to our stakeholders and to report on progress for the year 2021, as well as future priorities. The report's compliance with The Danish Financial Statements Act is confirmed by an independent auditor.

Kamstrup has since 2010 been a member of UN Global Compact and this report represents our COP (Communication On Progress), containing information about our activities and developments according to the ten principles of the UN Global Compact covering topics within human rights, labour, the environment and anti-corruption.

The materiality of topics in this report was prioritised through a materiality assessment in which sustainability topics were evaluated in terms of their importance to stakeholders and what significance they have on Kamstrup's economic, environmental and social responsible performance. Important stakeholders for Kamstrup include among others: employees, customers, distributors, suppliers, the board, local society, NGOs as well as industry associations. The assessment involved a combination of interviews and desk research.

The report covers Kamstrup's headquarters in Denmark, subsidiaries, representative offices and branches. The main focus is at our headquarter in Stilling, Denmark, as the majority of our business takes place here.

Frontpage: Kamstrup – a part of the solution towards a more sustainable future: This is an image from our newly established interactive customer experience center where we are able to demonstrate how our solutions can contribute to a more sustainable future while at the same time create value for our customers.

CEO statement



At Kamstrup, our main focus is to help eliminate the negative impact on our environment created by water and energy production and supply. We support our customers in the utility industry in driving the green transition and reducing waste of energy and clean water.

We believe digitalisation is key to enable the green transition. Digitalisation of the utility network and infrastructure is crucial to deliver the insights and transparency that is needed to make smarter and better investments and management of the network.

In our urge to drive change based on knowledge and intelligence, we say 'It's time to know'. We are committed to keep striving for more and better solutions to make actionable insights available to our customers. And I would like to say thank you to our customers and partners for a strong collaboration and for repeatedly showing the courage of making bold decisions that will bring their communities in a more sustainable place.

Not only should we help our customers make sustainable decisions, we should also strive to accelerate sustainability inside our own organisation and solutions. This is something we prioritise by developing a long-term strategy and targets during 2022.

We are committed and we support the ten principles of the UN Global Compact as well as supporting the UN Sustainable Development Goals with special attention to and impact on no. 6, 7 and 12. We will continue to improve and take a fact-based approach to be able to make the right decisions that deliver most impact.

Every day, we create sustainable value together with the industry and I am proud to say that we will keep investing significantly in development of new solutions that will support the global ambitions.

I hope you will enjoy reading the report where we share insights in how we work with sustainability.

Kim Lehmann, CEO



A new positioning

IT'S TIME TO KNOW

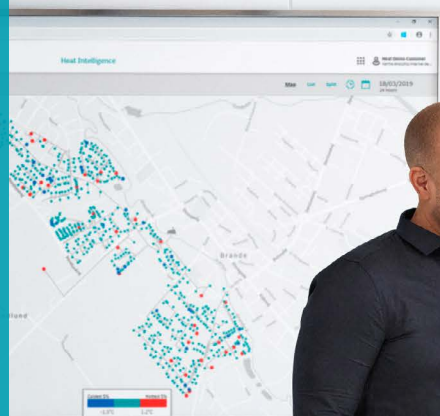
With the right knowledge, it's possible to achieve the best of two worlds: securing high supply and eliminating the negative impact on our environment created by water and energy supply. The utility network is an infinite source of data and insights. The millions of meter points across the network present a unique opportunity to collect and visualise data to create a full picture of conditions close to real-time. All it requires is the right vision, the right technologies, and the right approach.

It's time to give professional decision-makers the insights they need to make the best possible decisions for the planet, for society, and for their business.

At Kamstrup, 'It's time to know' is our commitment to stay curious and keep striving for more and better insights based on accurate data. Our ambition is to provide the best technologies and solutions for making actionable insights available to our customers – always.



Watch the movie here



Highlights 2021

Purpose

We ensure clean water and energy to a maximum number of people.

Ambition

We revolutionise the supply of clean water and energy through intelligence.

- Employees: **1,500**
- Production sites: **4**
- Sales offices, countries: **25**
- Distributors, countries: **60+**
- **20%** are employed in R&D

DKK 210.8 mill.

profit before tax

DKK 2,371.2 mill.

turnover

12.8%

of turnover used for innovation



THE GLOBAL GOALS



Examples of how we support our customers' impact on the environment:

Acoustic Leak Detection helped Karlskrona municipality to minimise a waste of **700,000 m³** water every year.

– **Karlskrona Municipality, Sweden**

The utility lowered the network pressure **from 1.2 to 0.7** bar based on data from Kamstrup's Heat Intelligence.

– **Løkken District Heating, Denmark**

The frequent data from Kamstrup's solutions helps Radius to trim their networks and balance loads.

– **Radius, Denmark**

Our own environmental achievements 2012-2021 per produced meter:

45%



reduction
in electricity
consumption

65%



reduction
in heating
consumption

45%



reduction
in water
consumption

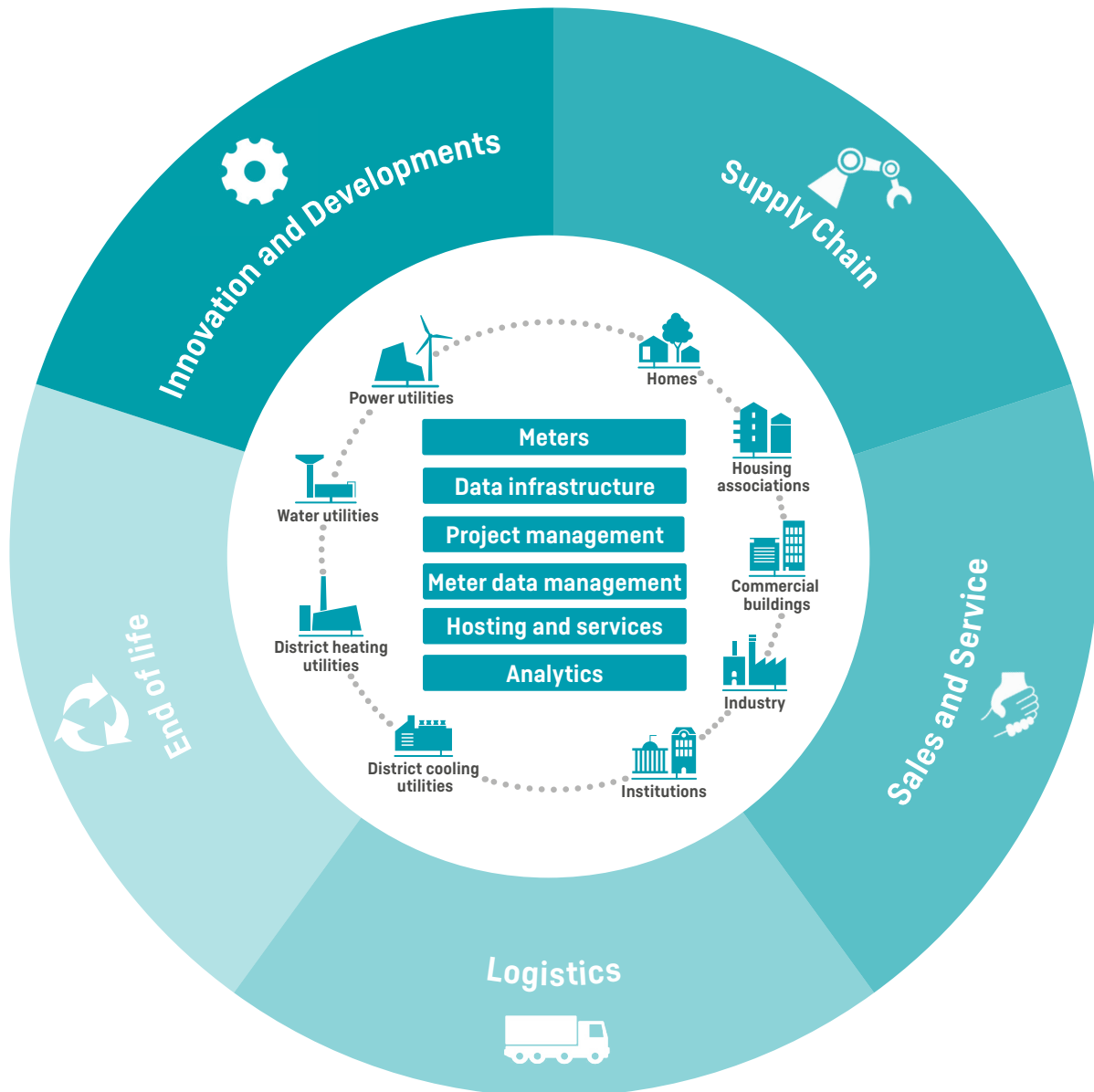
25%



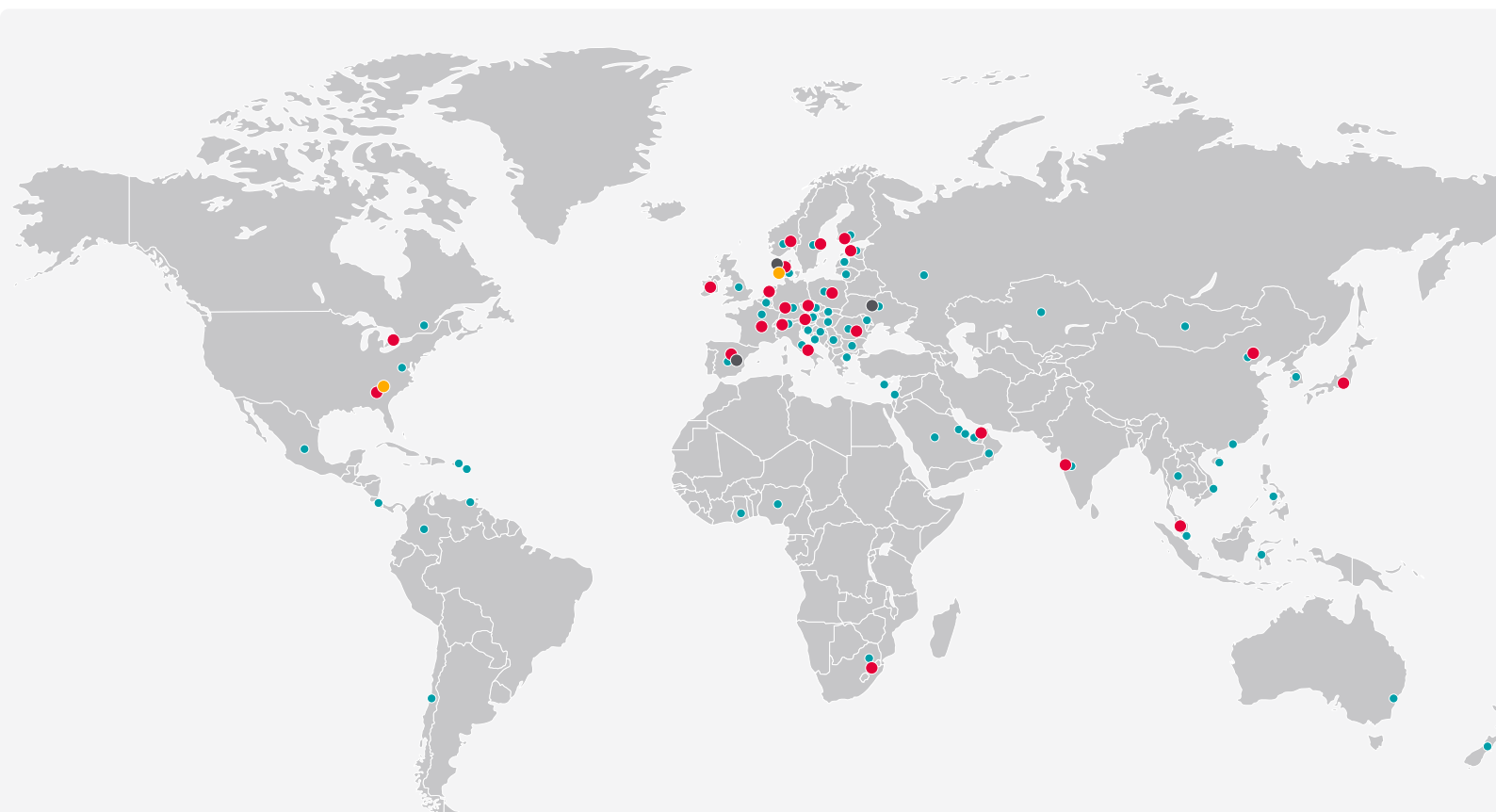
**waste
reduction**
+ increase in waste recycling
from 52% to 70%

About Kamstrup

Business model



In each of the steps in Kamstrup's Business model for responsible solutions, we focus on ensuring sustainability and strive to reduce the impacts from innovation and development, supply chain, sales and service, logistics as well as end of life of our products and solutions.



ISO 9001: Austria, Czech Republic, China, Denmark, Finland, France, Germany, Netherlands, Norway, Poland, Spain, Sweden, Switzerland, USA

ISO 27001: Denmark, Norway, Sweden

ISO 14001: Denmark, Norway, Sweden

ISO 45001: Denmark

- *Innovation and development*
- *Manufacturing sites*
- *Kamstrup offices*
- *Kamstrup distributors*

Kamstrup is a leading supplier of intelligent metering solutions and services. We help utilities all over the world reduce waste and optimise their production and distribution of clean water and energy, and we enable sustainable management of buildings. For more than 75 years, Kamstrup has been dedicated to delivering the actionable insights, that water and energy professionals need when managing their network and supply. Because we believe that frequent and accurate data enables the best decisions.

We offer a wide range of intelligent solutions covering consumption meters, communication infrastructure, data management, data analytics, hosting and services. Our solutions are sold in more than **90 countries**, and we are headquartered in Denmark and have production facilities in both Denmark and USA.



Policies

CSR policy

Based on the 10 principles of the UN Global Compact, Kamstrup has formulated a CSR policy.

In accordance with the 10 principles of the UN Global Compact, we support and respect the protection of internationally proclaimed human and labour rights.

We consider all forms of forced labour, including child labour, as completely unacceptable. Additionally, we acknowledge and support freedom of association in relation to unions and the right to collective bargaining.

We seek to be an inclusive workplace with respect for employees in terms of nationality, gender, sexual orientation, age, ethnicity, religion, political orientation, freedom of association as well as people with special needs. Furthermore, we take pride in developing solutions that enable our customers to reduce their environmental footprint and undertake initiatives that promote greater environmental responsibility. We also encourage the development and diffusion of environmentally conscious technologies. Finally, we oppose all forms of corruption, including extortion and bribery.

Kamstrup has a CSR policy based on the 10 principles of the UN Global Compact:



Code of Conduct

From 2022 all employees will be introduced to a formalised business Code of Conduct including the behavioral elements of how we comply with the 10 principles of the UN Global Compact. During 2021 a Supplier Code of Conduct was also formalised and implemented.

Environmental and Occupational Health & Safety policy

Besides our CSR policy, we have a specific policy covering Environment and Health & Safety. The policy highlights our commitment to continuously improve our environmental footprint. Additionally, we strive to be a company with a high Health & Safety performance.

Handling of COVID-19

Kamstrup's handling of COVID-19 at our headquarters and at our local offices is based on recommendations from national health authorities including additional safety precautions at production facilities. The requirements are applicable to all employees and external visitors. The requirements are continuously updated and cover everything from general safety precautions to behavior in connection with travelling, conducting meetings, car-pooling, COVID-19 infection isolation rules, access to production facilities and canteen areas.

Diversity

Kamstrup seeks to be an inclusive workplace with respect for our employees in terms of nationality, gender, sexual orientation, age, ethnicity, religion, political orientation as well as people with special needs.

Kamstrup actively seeks to increase the share of women in the Management Team and in the Board of Directors. We will continue to work on our commitment to the Gender Diversity Pledge from Danish Industry.

Governance

In order to ensure data collection, progress and risk mitigation related to sustainability associated topics, Kamstrup has leading specialists from various functions contributing and supporting the agenda. A Sustainability department has been established during 2021 expanding the Quality function. A cross organisational strategic project is established to mature our long term sustainability strategy and targets.

Compliance

Kamstrup operates with a common understanding of our responsibilities based on the following principles:

- We conduct business with respect and follow all relevant laws and regulations in all countries in which we operate, and in accordance with the internal rules and policies
- We conduct business in line with the UN Global Compact principles.

Risk and handling of risks

We acknowledge the risk of corruption and bribery taking place, when doing business related to suppliers and in sales negotiations. Also, there is a risk of employees being offered large gifts to promote business. To mitigate these risks, we inform new employees via e-learning that Kamstrup conducts business in a fair and legal way and has a zero tolerance policy towards bribery and corruption. A whistleblower scheme is implemented to provide the option of anonymously report breaches with our Code of Conduct.



Business ethics

In 2021 a new Code of Conduct was finalised to improve our overall framework for business ethics within the following areas:

- Handling of confidential information
- Fair competition
- Avoiding conflicts of interests
- Preventing fraud and misuse of Kamstrup's assets
- Respecting and protecting our colleagues
- Quality Assurance
- Whistleblower scheme

Primo 2022 we will launch our Code of Conduct across divisions and countries to further enhance our focus on a common behavioral conduct. This will be implemented through mandatory training for Kamstrup all employees including special training requirements for selected groups.

Suppliers

In 2021 we have implemented an updated version of our Supplier Code of Conduct, which Kamstrup suppliers are required to sign and adhere to. This is done to facilitate that our suppliers acts in compliance with relevant law, ensures business integrity, sets certain standards of quality, environment, labour standards and human rights. See separate section for Supplier Management for more details.



No known cases of corruption or bribery during 2021.

Data security

Kamstrup protects data privacy by handling customer and employee data in a secure manner which is demonstrated through our ISO 27001 certification as well as our ISAE3000 declaration.

In 2021 we implemented a new Governance, Risk and Compliance system to ensure monitoring of processes relating to processing of personal data. We obtained an ISAE3000 type 2 audit declaration, which proves our commitment to responsible and compliant data processing for the data we are entrusted from our customers.

In the aftermath of the EU Court case Schrems II, Kamstrup worked extensively and in close dialogue with our customers to improve our set up regarding international transfers, always keeping personal data adequately safeguarded.

We continuously improve our protection of information security assets corresponding to the changing risk landscape. Our ISO 27001 certification demonstrates our continuous effort and dedication to ensure confidentiality and information integrity throughout the lifecycle of valuable information.



Whistleblower Hotline

Kamstrup is a responsible company with a transparent and open company culture, where employees are encouraged to speak up, if they experience compliance issues or other irregularities.

In ultimo 2021 we have implemented a guaranteed anonymous Whistleblower portal “Kamstrup Whistleblower Hotline”, where Kamstrup employees and external stakeholders having an interest in Kamstrup in good faith can submit personal or anonymous reports about serious incidents.

Progress 2021

- No known cases of corruption
- Implementation of global whistleblower scheme
- Implementation of new Governance, Risk and Compliance system to secure compliance monitoring

Priorities 2022

- Training of employees in our Code of Conduct
- Continue to improve the protection of information security related to changing risk landscape
- Continue the Information Security Management Committee to ensure continual focus on risk management and improvement

Climate and environment



Climate and environment

Striving for a sound climate and environment



Through our product solutions and daily operations we strive to minimise our impact on the climate and environment. We are using a certified ISO 14001 framework combined with an annual energy review in accordance with ISO 50001 to proactively ensure a high environmental performance level across the organisation. In order to meet local requirements, our offices in Norway and Sweden are also ISO 14001 certified.

During 2021, a cross organisational Sustainability Committee was established by the Kamstrup Management Team to develop an idea catalogue as input for our future sustainability strategy. The committee identified 21 possible initiatives related to Circular Economy, Climate Action, Diversity as well as how we through our solutions can help customers improve their sustainability performance.

At the same time we also work closely with our District Heating, Water and Electricity utility customers to understand how we can provide value to them with our digital solutions and services in order for them to run their operations in a more cost/resource and environmentally sustainable manner. This may at the end support the reduction of both energy and water consumption at the end-users.

To help our customers understand the potential of our products and solutions we have in 2021 established an interactive Customer Experience Centre - see frontpage image.

Our products and solutions enable our customers using our digital solutions to run their operations in a more cost/resource optimal as well as more environmental friendly manner.

Our solutions and services		Enabling our customers to
Electricity		• optimise the grid • prolong equipment life-time • improve stability • be able to adapt to future grid changes • measure electricity consumption
Heat/Cooling		• optimise flexible usage of energy sources • reduce CO₂ • minimise heat loss • optimise heat production to actual consumption • reduce inlet and outlet temperatures • measure heat/cooling consumption
Water		• detect leaks in water pipes • minimise water loss • have full transparency of flow and pressure • have knowlegde about the state of distribution network • measure water consumption • reduce CO₂

Our environmental impact

Our environmental mapping identifies energy consumption, waste, material and chemical consumption as well as water consumption as the most important environmental aspects.

Aspect	Impact relates to
Materials 	• printed circuit boards • plastic • batteries • components containing scarce resources
Chemicals 	• hydrogen peroxide • soldering paste • flux
Electricity 	• production and administration facilities • nitrogen (indirect aspect due to high energy usage for N₂ production)
Water 	• production purposes (flow testing and climate control) • sanitary purposes • residues in waste water, from product flow testing. Follow waste water permit level
Waste 	Waste – main fractions being: • cardboard • waste for incineration • wood • print frames • food waste
Fuel 	• service vehicles • business travelling

Our main environmental risks and handling of these:

1. Meeting increasing legal and customer demands on environmental footprint documentation

The need for detailed chemical compliance data and transparency are becoming more and more critical for our customers as well as from a legislative perspective. A more effective setup for managing our product chemical compliance data as well as our due diligence process is therefore, a key focus point. Moving from product CO₂ footprint calculations to full lifecycle assessments and Environmental Product Declarations (EPD) on selected products or product categories are also on the future roadmap.

2. Meeting customer demands for green logistic solutions, recycled materials and recyclable products

To meet customer demands on reduction of fossil fuel based transport we are monitoring new options coming into the market and in dialogue with shipping companies trying to identify sustainable alternatives for outbound transportation offerings. As part of our future sustainability strategy we will investigate if and how we can use components of partly recycled material. At the same time, we are in close dialogue with waste handlers to continuously find ways to recycle our product waste.

3. Increased legal requirements

During the past years, we have seen a significant increase of environmental legal requirements across markets affecting both us as well as our customers. The need for a strong governance setup has become even more important. At Kamstrup, we are using external partners to support the monitoring of new requirements. New or updated requirements related to our supply chain are continuously implemented into our Supplier Code of Conduct, which is updated on an annual basis and our suppliers are obliged to adhere to.

4. Resource scarcity and impact on availability

Part of our components contain different valuable earth metals or other scarce resources such as cobber, plutonium and titanium. Tantalum is as an example also used in capacitors (electronic component in our products). Improving our insights into the occurrence and technological necessity of these metals in our products including how they are mined is also considered a key future focus point.

Kamstrup's impact and processes

Continuously optimising our energy and water consumption at our production and administrative facilities are the main focus areas to reduce our internal impact on the climate.

Based on our materiality assessment, including updated energy mapping, we annually define new improvement targets.

Materials and technologies

During our development and manufacturing of products, we balance the selection of materials with the required functionality and lifetime requirements of our products.

We focus on:

- developing products with low energy consumption and a lifetime up to 20 years
- developing products with focus on chemical compliance
- product housings are marked with plastic type to enable the most appropriate disposal scenario
- product housings are marked with a cross-out bin to clearly indicate that the product contains electronics and batteries and must be disposed accordingly
- packaging material (cardboard and plastic) provided with disposal information

Energy consumption at Kamstrup DK

The total electricity consumption in 2021 was slightly higher compared to 2020 level with the largest increase in electricity for testing of our water meters. In 2021, our electricity usage per product remained similar to 2020 level.

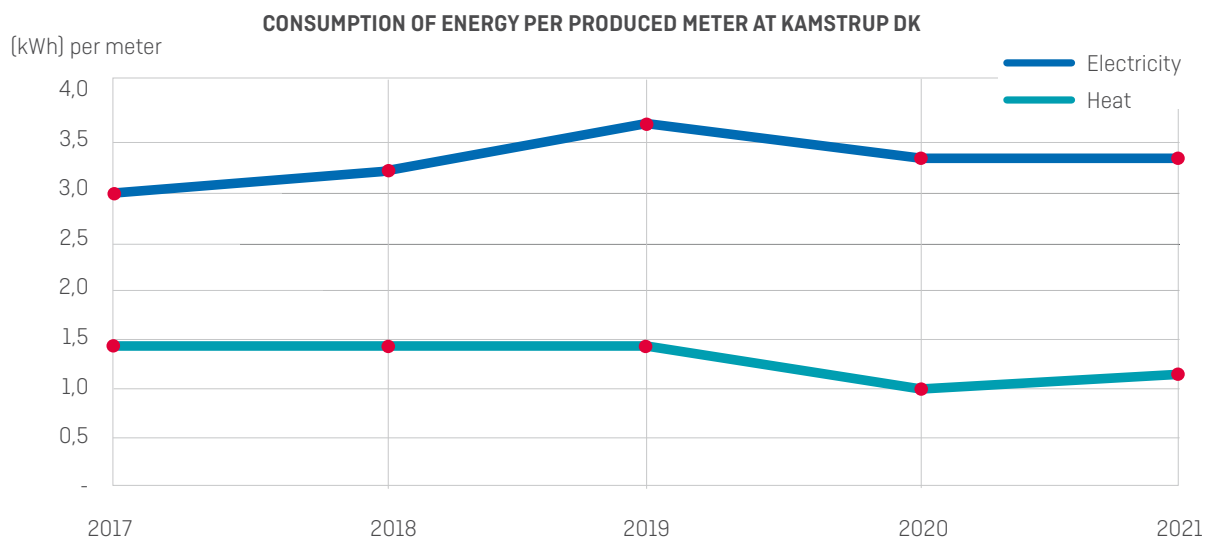
District heating at Kamstrup DK is primarily used for heating, cooling and ventilation. The heat consumption increased at Kamstrup DK in 2021 primarily due to colder weather.

Our total heat consumption per product for 2021 was slightly higher compared to 2020 (illustrated below). The energy usage in 2018 and 2019 per product increased due to new facilities.

In 2021 we finalised the business case for installation of solar panels on the rooftop of our production facilities in Denmark. The final decision for this has been postponed to 2022 to match our future sustainability strategy.

45% reduction of electricity consumption per produced meter from 2012 to 2021.

65% reduction of heat consumption per produced meter from 2012 to 2021.



Energy consumption at Kamstrup USA

Our production facility in the USA uses natural gas for heating purposes and electricity for primarily for air condition in administration and production. Consumption of electricity and heat has increased in 2021 and so has the number of produced meters. Details of electricity and heat are not mapped.

The amount of electricity used per manufactured meter were reduced by approximately 21% compared to last year while the amount of natural gas per manufactured meter was reduced by 13% compared to last year.

Electricity consumption per produced water meter in the USA is considerably lower than in Denmark. The reason being that part of the manufacturing process, such as printed circuit boards etc is handled in Denmark and delivered to the USA. Therefore, the numbers cannot be compared.

CONSUMPTION OF NATURAL GAS AND ELECTRICITY PER PRODUCED METER AT US FACILITY

	2020	2021
Natural gas therm per meter	0.030	0.026
Electricity kWh per meter	1.96	1.54

Natural gas and electricity per produced water meter in 2020 and 2021 at Kamstrup's production facility in USA.

Waste disposal and recycling

We optimise our waste disposal by sorting waste in more than 70 categories. We cooperate closely with our waste handler to find new ways to sort and recycle our waste.

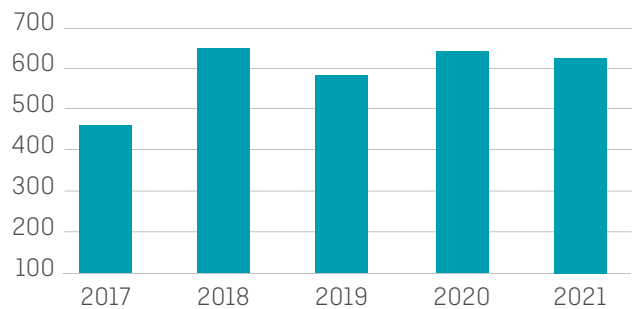
In 2021 we increased our waste recycling percentage from **61% to 70%**. The increase is due to improved recyclability for our fractions of wood, emulsions and polluted wastewater as well as higher amount of brass and printed circuit board frames fractions compared to 2020.

Better sorting of PET plastic was also implemented. The total amount of waste in 2021 is similar to last year.

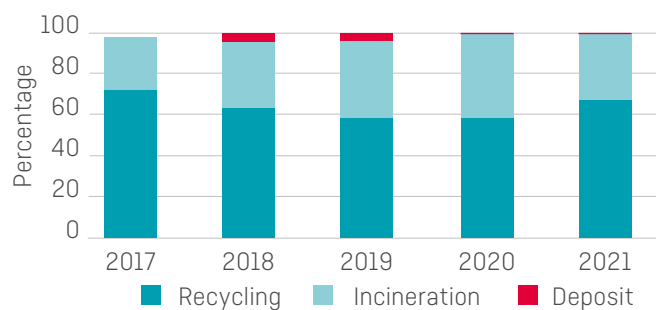
Our target is to maintain a waste recycling level of 65%-70% while at the same time reducing the amount of waste per produced meter. So far we have reduced waste by 25% waste from 2012 to 2021 per produced meter.

Below is shown the distribution of our waste from 2017 to 2021 and the total amount in tons is shown below and to the right.

TOTAL AMOUNT OF WASTE IN TONS



DISTRIBUTION OF WASTE TYPES



70% recycling of waste from own activities during 2021.

25% waste reduction from 2012 to 2021 per produced meter.

Fossil fuel reductions

Virtual meetings due to the COVID-19 pandemic have reduced the use of fuel significantly.

Kamstrup's locations in Denmark, Netherlands, Norway, Spain, Sweden and Switzerland all offer either hybrid or electric company cars to reduce the use of fossil fuels for transportation purposes. Some locations also have own charging facilities.

To further reduce fossil fuels based transport we are monitoring new options coming into the market and in dialogue with shipping companies trying to identify sustainable alternatives for both inbound and outbound transportation offerings.

During 2021 we registered the distances from 30+ Asian suppliers and requested preferred transportation to Kamstrup in order to ensure lower impact and more efficient freight.

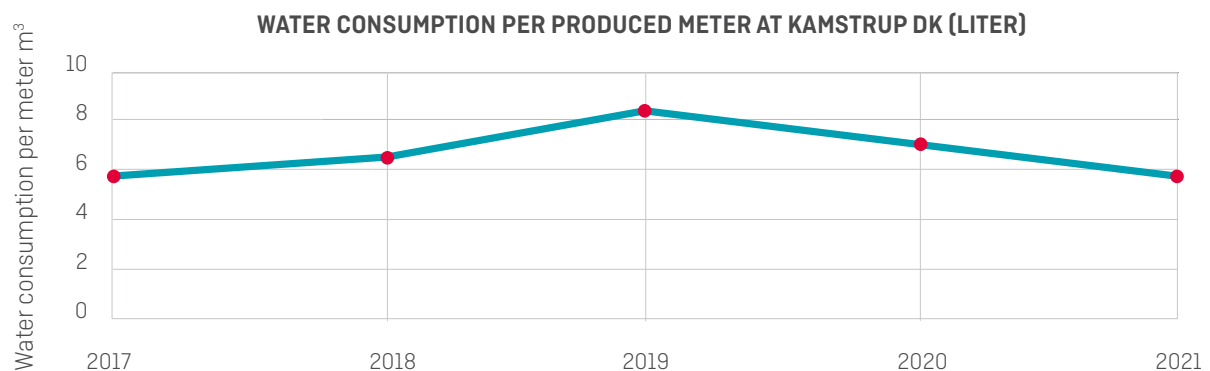
Water consumption

Our main water consumption comes from climate control of our production environment (used for humidification), testing of products as well as sanitary purposes.

80% ~1,300,000 liter of water savings due to new humidification equipment.

45% reduction of water consumption per produced meter from 2012 to 2021.

Below is illustrated that the amount of water used per product has slightly decreased compared to 2020.



2021 water consumption reductions at Danish facilities

- To reduce water consumption, we installed a new humidification equipment in one of our factories. This has reduced the water consumption for humidification by 80% saving 1,300,000 litre of water
- We also replaced more than 100 water taps with sensor taps to save water and increase hygiene

In 2021, our production site in the USA used water for production and sanitary purposes.

Wastewater

Our wastewater mainly originates from flow test benches used in our production of water and heat meters and some from canteens and sanitary purposes.

Kamstrup has two wastewater permits. As part of our compliance programme we annually take sample testing of the wastewater to ensure compliance with our permit.

Climate

Greenhouse gas emissions from our products

We calculate the carbon footprint of our products by using the internationally recognised programme SimaPro. Kamstrup has reduced the use of cardboard for products and for shipping boxes for heat and water meters and investigated in sustainable packaging alternatives to styrofoam for shipment of water meters.



Carbon footprint of our product range based on the raw materials, packaging materials, 500 km of transportation, operation for 12 years and disposal.

Green house gas emissions from manufacturing sites

In our product solutions and daily operations we continuously strive to create energy efficient results and continuously reduce our emission impact. As an international company delivering intelligent meters systems and solutions we have a great understanding of the necessity to know our climate impact and how we can reduce emissions in order to support global goals and the future for the next generations. Therefore, climate impact and initiatives to measure and reduce greenhouse gas (GHG) emissions in scope 1-3 are highly prioritised.

Greenhouse gas emissions from our facilities in Denmark and the USA are calculated by converting greenhouse gasses to metric tons expressed in CO₂ equivalents as CO₂e.

In this report we show emissions based on our activities in at headquarters in Denmark and our production in Atlanta, USA.

We report on:

- Direct emissions from owned or controlled sources which include fuel and gas [scope 1]
- Indirect emissions from the generation of purchased electricity and heat [scope 2]

All other indirect emissions that occur in our value chain [scope 3] are also considered important but are currently not part of the report. However, this is an area we will look into including in the coming years.



Kamstrup makes standard climate calculations based on the Greenhouse Gas Protocol that includes scope 1 and scope 2. Scope 1 comprises direct emissions derived from the consumption of fuel from company cars and trucks and gas used for heating at our office in the USA. Scope 2 includes indirect emissions from purchased electricity and heating. There is an increase by 15% in scope 1 from 161 to 185 ton CO₂e from 2020 to 2021. This is explained by a higher usage of fuel for company cars in both Denmark and USA due to increased service activities in Denmark and sales activities in the USA. Scope 2 has increased by 9% from 2020 to 2021. This is due to a slight higher usage of electricity in Denmark and USA.

	Total ton CO ₂ e 2019	Total ton CO ₂ e 2020	Total ton CO ₂ e 2021
Scope 1			
Gas, heating, US	38	29	36
Gas, truck	1	1	1
Petrol and diesel, DK, US	225	131	148
Total scope 1	264	161	185
Scope 2			
Electricity	1248	1109	1203
District heating, DK	293	605	654
Total scope 2	1541	1714	1857
Kamstrup's total impact (scope 1+2)	1805	1875	2042

Progress 2021

- Establishing a sustainability department as part of the quality function to drive the sustainability agenda across Kamstrup
- Cross organisation sustainability committee established an idea catalogue for our future sustainability strategy
- New Customer Experience Centre to illustrate how our products and solutions can enable utilities improve their environmental footprints through leak detection etc.
- Rebuild of humidification equipment to reduce water usage by 80% of equipment
- Replacement of 100+ water taps with sensor taps to save water and increase hygiene
- 12 charging stations for electric cars and 16 parking places designated for co-driving at our headquarters in Denmark and Charging stations for electric cars available at Kamstrup Netherlands and Sweden
- Electric/hybrid company cars available at our locations in Denmark, Netherlands, Norway, Sweden and Switzerland
- Reduce use of cardboard for products and for shipping boxes for heat and water meters
- Investigation of sustainable packaging alternatives to styrofoam for shipment of water meters

Priorities 2022

- Finalise our long-term sustainability strategy and targets
- Map our standby electricity consumption in production and prepare and identify options to reduce it
- Improve our data collection and due diligence for chemical compliance information from suppliers
- Prepare set up for Environmental Product Declarations (EPD) to fulfil customer requirements
- New humidification and renovations of ventilation equipment in our production
- Installation of additional 30+ charging stations for electric cars and introduction of more electric and hybrid cars at our premises in Denmark, Norway, Spain, Sweden and Switzerland
- Prioritisation of conduction of virtual meetings throughout the organisation where possible
- Analyse and define methodology to measure carbon footprint from our suppliers (scope 3)
- Registration of distances from European suppliers to Kamstrup, Denmark and mapping of preferred transportation from European suppliers to headquarters

Housing association takes environmental responsibility

CUSTOMER CASE

“With our new solution, we can provide our residents a better and faster service and ensure large energy savings. Thus, the solution contributes both to the green transition in general and to Himmerland Boligforening's own sustainability policy.”

Anders Kjeldsen, Energy and Climate Specialist,
Himmerland Boligforening



30%

expected reduction
of energy
consumption from
2014 til 2030.

**7 AFFORDABLE AND
CLEAN ENERGY**



HIMMERLAND BOLIGFORENING, DENMARK

With more and better data Himmerland Boligforening is able to register additional consumption, leaks and defect heating installations as soon as they occur. This means significant resource savings and a huge leap towards more sustainability. Learning from the first period with the new solution makes a 30% reduction of the energy consumption in 2030 realistic.

A great place to work



A great place to work

People development

In Kamstrup, we continually strive to be a great place to work for all of our employees worldwide.

Since 2010 we have been asking our employees for feedback regarding their satisfaction of working at Kamstrup and actively using this to improve Kamstrup as a workplace. A survey has been completed at both our headquarters and production facilities in Denmark and in the USA including our sales subsidiaries in Austria, China, Germany, Norway, Spain, Sweden and Switzerland.

Despite the COVID-19 crisis the result of the employee satisfaction survey for 2021, with a response rate of 92%, continues to show a high level of overall satisfaction in the organisation especially related to responsibility, co-influence, and competent colleagues. The survey gave rise to a continued focus on cross organisational work and social relations in times with increased remote work.



92% response rate on employee satisfaction survey.

Educating and motivating employees

It is essential to have a workforce competent in solving both the tasks of today and well as tomorrow.

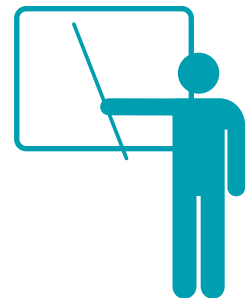
Therefore,, Kamstrup focuses on continuous development through both on the job as well as external training and actively encourage our employees to pursue this as part of their individual development plan.

All new employees go through both a standard corporate as well as tailored introduction program and can attend additional online and in-house courses to educate themselves further. Moreover, we ensure individual development and career plans for all employees.

Besides continuing our Leadership Development Programme all of our people managers attends training in "Leading at a distance" to support our continuous focus on remote and hybrid work opportunities.

In Denmark we also continued a project for all employees in the production offering training during work hours to ensure competencies for future development.

>3100 hours spend on leadership training during 2021.



Being a dynamic company with a wide range of opportunities for career development is the key to holding on to skilled employees when they seek new challenges.

Encouraging job rotation positively affecting employee turnover

At Kamstrup, we welcome job rotation and consider it part of our corporate identity. We believe that applying for a job elsewhere within Kamstrup is a token of loyalty. Job rotation provides an opportunity to learn and help us stay innovative and at the same time retain highly skilled employees, reducing our overall turnover.

During 2021, 130 employees (including interns) made a job rotation within Kamstrup equaling ~8% of our workforce.

The employee turnover for 2021 is 10.9, which is within our acceptable limits and considered to be a moderate level and quite stable compared to previous years.

2021 progress

People development

- Continued offering of basic skillset training for all production employees
- Organised 50+ different courses in general designed to improve required competencies
- 40+ leaders completed Kamstrup's leadership programme
- Initiated graduate programme with 3 graduates
- 60+ interns in various functions
- Course for managers to meet the leadership challenges caused by COVID-19 "Leading at a distance"
- Offering a course in digital presentation skills, to meet the challenges of working remote during COVID-19

2022 targets and priorities

People development

- Attract top candidates within natural science e.g. IT, technology and development to support future business
- Offer more tailor-made courses in Denmark and internationally to help employees meet future challenges
- Continue leadership, intern and graduate programmes

Health & Safety – a top priority

The health and safety of our employees is of key concern to Kamstrup. We are using a ISO 45001 certified framework to proactively ensure a high safety level across the organisation.

To ensure day to day focus on health and safety the Health & Safety committee at headquarters in Denmark consists of 12 employee representatives and 8 management representatives from all business areas and functions. The committee is headed by Vice President Quality & Sustainability.

Health & Safety Committee:

3 x quarterly meetings and
1 x annual evaluation meeting

An annual Management Review is conducted by the Management Team covering both the physical as well as the psychosocial aspects. During this review targets and actions plans are approved for the coming year.

Physical working environment

During 2021 more than 50% of the registered incidents (covering accidents, Near misses and observations) referred to slip, trip & falls, collisions, scratches & bruises.

The accidents with the highest risk score, equalling 7% of the incidents, related to:

1. Electrical hazards:

Risks related to electrical work are mapped and 2022 action plans prepared.

2. Ergonomics:

Education of ergonomic ambassadors to handle impacts related to ergonomics at workplaces. Action plans for future improvement finalised.

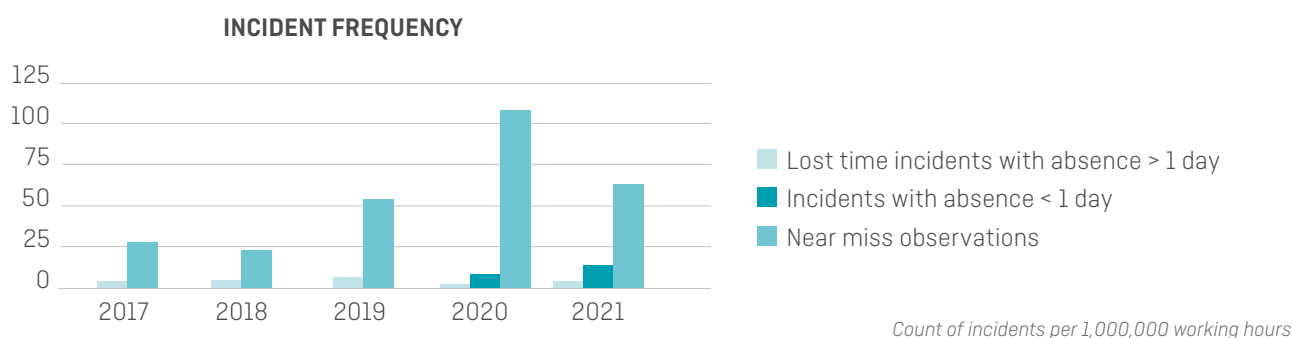
3. Lack of awareness:

Improved communication and learning from incidents incl. Near misses registered and improvement of safety culture through training.

Health & Safety incidents

In 2021 the injury frequency for incidents with absence more than one day unfortunately increased from 2 to 3.5. The same tendency was seen on minor incidents with no absence or absence below one day. This combined with a decrease in reported Near miss observations calls for an enhanced focus during 2022 to change the negative development and with a target of reducing the number of accidents by 50%. Therefore, several activities with focus on maturing our risk mapping and root cause investigation as well as training of our Health & Safety organisation is initiated.

The graph below shows the collected frequency data from 2017 to 2021. During 2020 we changed our reporting practice to include the difference between minor incidents with absence below one day and Near miss observations. Benchmarking of our incident frequency with other companies is not available.



2021 progress

Physical working environment

- Systematically mapping risks related to electricity and ATEX (explosion risk)
- Compliance assessment regarding chemical storage finalised
- Initiated substitution of selected chemical substances
- Trained ergonomic ambassadors (7 ambassadors)

2022 targets and priorities

Physical working environment

- Improve our Health & Safety risk register as a tool for continuous prioritisation and improvement
- 50% reduction of accidents with absence >1 day
- Strengthen competencies/skills within the Health & Safety committee
- Improve identified areas concerning electrical works
- Office workplace and ergonomic assessment in Supply Chain division
- Substitution of identified chemical substances – mainly related to lubricants



Based on our 45001 certification Kamstrup has obtained a Crown smiley from Danish Authorities acknowledging high level of safety performance.

Psychosocial working environment

Beside the physical aspects of our working environment our psychosocial aspects are considered just as important to Kamstrup.

During 2021 we again took the temperature on how our employees experience our psychosocial working environment. The survey results are sent to department managers who follow up on the results and take the necessary actions. Compared to 2018 the levels have improved slightly for most areas but improvement areas identified as Bullying and Discrimination due to our zero policy.

Going forward we will strengthen our efforts and follow up on identified areas of concern.

Kamstrup also recognises stress as a psychosocial risk. During 2021 we have seen an increase in stress consultations offered to employees.



Based on the information available we consider our main risks related to psychosocial working environment to be:

Stress

Stress is handled through leadership courses, education of Health & Safety Committee members and regular talks between manager and employee.

Bullying and discrimination

- A zero tolerance has been clearly communicated by executive management
- Action plans are made at division/department level based on the survey result
- The Health & Safety Committee was trained in handling these cases during 2021

2021 progress

Psychosocial

- Establish "Smart ways of working" – Enabling employees to perform remote work efficiently
- Management course in stress management/prevention through Kamstrup Academy
- Preventive stress coaching in groups
- Workshop/training for Health & Safety Committee, handling of bullying and discrimination

2022 targets and priorities

Psychosocial

- Continue to plan social and cross-functional events promoting teamwork, health, and social respect
- Define and implement methods to register work related stress coaching
- Improve setup for psychosocial workplace assessment, to strengthen the follow up on results
- Train the Health & Safety groups in order to follow up on results and action plans from the psychosocial workplace assessment, together with Human Resources

A data-driven and innovative organisation equipped for the future

CUSTOMER CASE

“When we chose to invest more, it has to do with the fact that we have an ambition to become a data-driven organisation. That means we want to base our decisions on real insight and not on assessments or gut feelings which we had to do earlier.”

Per-Oddvar Osland, Head of Department, Analysis Department,
Agder Energi Nett



Energy savings for
an 8-figure amount.

7 AFFORDABLE AND
CLEAN ENERGY



AGDER ENERGI NETT, NORWAY

In Norway, large parts of energy consumption are based on electricity. Thanks to the enormous hydropower resources, electrification will be close to 100% within the next 10-20 years. In Agder county alone, an increase in energy consumption of several hundred percent is expected.

An environmental legal requirement meant that all Norwegian consumers had to install smart meters before 1 January 2019. Agder Energi Nett chose to go even further and install smart meters in their transformer stations.

With Kamstrup's intelligent electricity meters, Agder Energi Nett has thus gained access to data from 200,000 meters and 8,600 transformer stations and gained a better insight into the electricity network than ever before.

Diversity



Diversity

Kamstrup seeks to be an inclusive workplace with respect for our employees in terms of nationality, gender, sexual orientation, age, ethnicity, religion, political orientation as well as people with special needs.

We believe that a diverse work force supports the creation of an innovative high-tech workplace leading to better cooperation and enabling us to better understand and serve our customers.

In Kamstrup, a key focus point related to diversity is gender equality.

Risk related to gender diversity

Like other technical engineering companies, Kamstrup is challenged by an underrepresentation of women in technology and engineering functions.

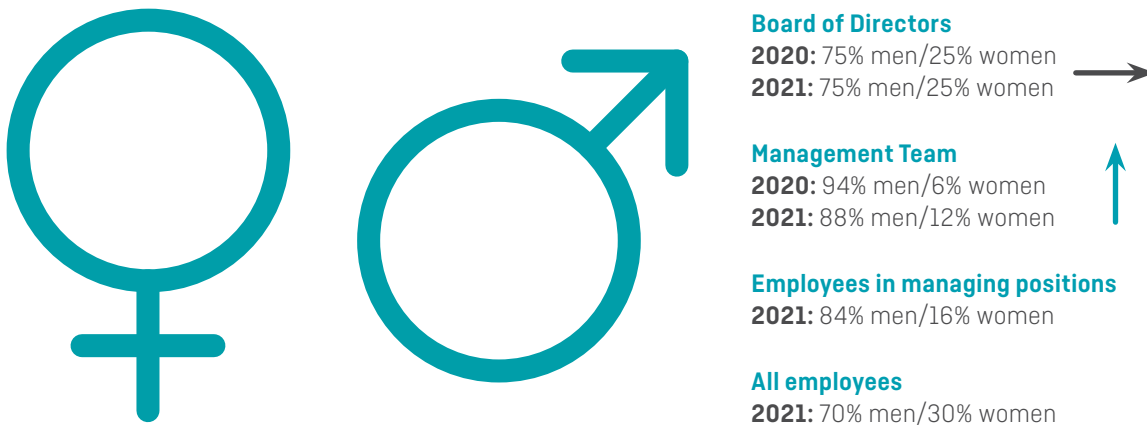
This risk of not having a diverse representation in the teams can affect our possibility to look at projects from different perspectives; how we perceive success, values and solutions. A great diverse representation in the teams will reflect positively in our products and solutions.

Kamstrup seeks to increase gender diversity by supporting the Danish Industry Gender Pledge.

Gender diversity at Kamstrup

To increase the share of women, Kamstrup has during 2021 signed the Gender Diversity Pledge from Danish Industry. This includes commitment to 16 principles enhancing gender diversity and to set own objectives in order to contribute to increased gender diversity in 2030. Based on the Pledge, Kamstrup is currently working on defining short and long-term targets for gender diversity.

Kamstrup actively seeks to increase the share of the women in the Management Team and in the Board of Directors. Below is shown the ratio of men and women in the Board of Directors and in the Management Team, respectively:



“During 2021 Kamstrup signed the Gender Diversity Pledge from Danish Industry.”

Board of Directors

The Board of Directors consists of 8 members in total divided into 5 members appointed at the annual general meeting and 3 employee representatives.

- The appointed members consist of five men
- The employee representatives consist of two women and one man

The relative number of women and men has not changed among the appointed members in 2021 as there was not any elections made to the appointed members of the board.

Kamstrup's objective is to obtain a representation of at least one woman, appointed at the annual general meeting, of the Board of Directors by 2025.

Kamstrup Management Team

Kamstrup's Management Team consists of 16 managers of which 2 are women. In 2021 the share of women in the Management Team has increased from 6% to 12%. Our objectives are to increase the share of women in the Management Team.

Progress 2021

- Signed DI's Gender Diversity Pledge
- Special women event for students from high schools held by women at Kamstrup
- Attraction of candidates within natural science e.g. IT, technology and development to support future business
- Promotion of Kamstrup as a workplace for engineers and IT candidates

Priorities 2022

- Continue to work on our commitment to DI's Attraction of candidates within natural science e.g. IT, technology and development to support future business
- Promotion of Kamstrup as a workplace for engineers and IT candidates

Recruitment process

Kamstrup strives to keep the recruitment process transparent. When recruiting managers, Kamstrup is particularly aware of the candidates from the under-represented gender.

Employee development interviews are carried out regularly to clarify employees' ambitions and competencies in relation to advance internally to a potential future management role.

Kamstrup is challenged by the fact that the candidates for a number of managerial and executive positions come from technical institutions where the share of women are significantly lower than the share of men. To increase the interest of young women candidates in taking on a technical career Kamstrup arranges events for young students and at the same time tries to attract new female candidates by joining university events.

Senior club

Five years before the pension age, employees are offered a talk with their manager to create an individual plan going forward until retirement. Colleagues who retire from Kamstrup in Denmark can join an active senior club in Denmark with a variety of activities and have access to free training facilities.

Identifying huge water losses with smart meter technology

CUSTOMER CASE

“We’re catching leaks on a regular basis and proactively identifying potential leaks before they develop into bursts. We’re very excited about this technology because it’s helping us to target our resources and, ultimately, will help us to reduce our nonrevenue water.”

Yesenia Tello, Office Manager,
Crystal Clear Special Utility District (CCSUD)

CRYSTAL CLEAR
SUD



CCSUD provides water to nearly 6,000 service connections in the rural rocky region - serving about 15,000 people.

Currently reporting approx. 23% water loss but the goal is to obtain 15% using ALD technology from Kamstrup.

6 CLEAN WATER AND SANITATION



CRYSTAL CLEAR SPECIAL UTILITY DISTRICT (CCSUD)

Acoustic Leak Detection (ALD) technology from Kamstrup is helping CCSUD to identify and mitigate leaks in this rocky region in Texas Hill Country. They are one of the first in North America to pilot Kamstrup’s new flowIQ® 2200 ALD ultrasonic residential water meter and its accompanying Leak Detector analytics software. CCSUD is using the technology to literally listen for, locate and fix unseen leaks.

Supplier management



Supplier management

Setting clear expectations

Working with different suppliers all around the world requires great awareness regarding compliance with relevant regulations and customer demands. We will not compromise on our policies, and we set clear directions for the way we conduct business. Therefore, we have drawn up mandatory requirements in our Supplier Code of Conduct covering the following main topics:

- **Compliance** with applicable laws and regulations
- **Business integrity:** Corruption and bribery, money laundering, conflicts of interest, protecting and safeguarding intellectual property rights, fair competition
- **Quality:** Mutual beneficial relationships with focus on delivering high quality, quality certifications and documentation
- **Environment:** Chemical compliance, conflict minerals, environmental responsibility
- **Labour standards:** Freedom of association, child labour, forced labour, minimum wages and working time regulations
- **Human rights:** Comply with international proclaimed human rights including but not limited to; harassment, discrimination, respect culture and religion

Supplier responsibilities and due diligence for components

Kamstrup prioritises its sustainable efforts and has systematised the efforts within supplier management mainly focusing on components covering the purchase of materials, semi-finished products, subcontracted activities, and deliverables included in Kamstrup's product range.

We work in 2 steps

Step 1: Component suppliers must accept and sign the Supplier Code of Conduct.

Step 2: Based on the score of the anti-corruption index the component supplier is required to complete a self-assessment or participate in a third-party WCA (Workplace Conditions Assessment) audit assigned by Kamstrup.

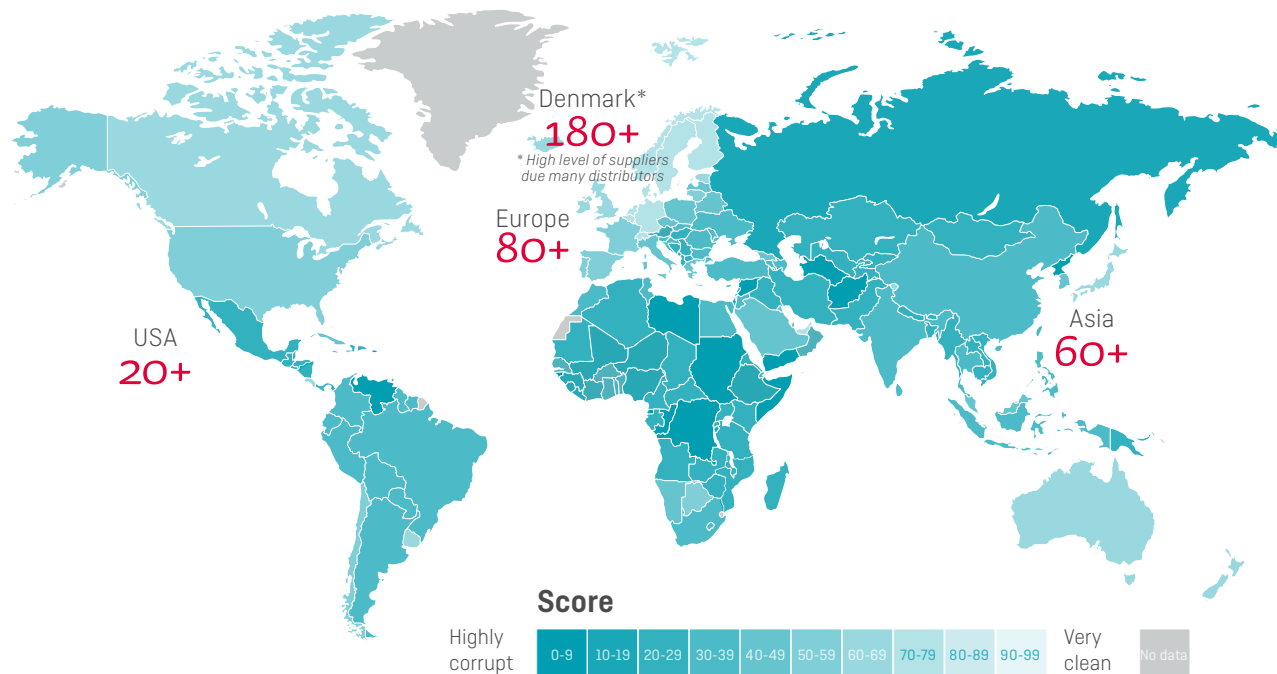
If the self-assessment report is satisfactory, the supplier will be approved. However, if the self-assessment report is unsatisfactory, a WCA audit will be carried out.

Step 1: Supplier Code of Conduct

We continuously work on reducing our impact on the environment caused by our products. To do so, we have assessed the entire supply chain including our suppliers and our partners. We demand that they fully comply with our requirements.



Approval process of supplier



Corruption risk index. Source: www.transparency.org

Step 2: Anti-corruption risk-based approach

Working with suppliers, Kamstrup faces risks related to Management Systems, Environment, Health & Safety, Labour, Wages & Working Hours. The likelihood of a risk varies from country to country. To mitigate risk, we have implemented a supplier programme.

The risk-based approach is based on the global anti-corruption index as there is a correlation between high degree of corruption and low performance within other aspects. Above is the dispersion of Kamstrup suppliers based on sustainability numbers.

WCA audits

Kamstrup uses the certifying body Intertek to conduct WCA audits also referred to as WCA audits. Intertek performs audits worldwide and their format is the best match to Kamstrup's needs. The audits serve to obtain a professional/objective evaluation in accordance with local laws and practices. Using an external auditor with local presence improves the audit quality due to communication aspects as well as knowledge of local laws, and easier review of documentation in local language.

The audit covers the following areas:

- Labour
- Wages & Working Hours
- Health & Safety
- Management Systems
- Environment

The Supplier Compliance Management team within Strategic Sourcing at our headquarters coordinates and follows all audits performed by the external auditing company.

Depending on the audit result the supplier must submit an improvement plan within three months after the audit report is disclosed.

As a standard, zero tolerance findings are not tolerated if considered a severe breach to our Supplier Code of Conduct. If accepted, necessary improvements must be decided and coordinated with the supplier.

Major, moderate and minor findings:

Findings and improvement plan will be evaluated in the supplier evaluation and through a risk analysis. Necessary actions will be decided and coordinated with the supplier.

All results from WCA audits are handled and evaluated the same way as quality audits ensuring that no purchaser can implement a new supplier single-handedly.

Main audit findings are within the categories of:

- Wages & Working Hours:
In 2021 most major and moderate findings within Wages and Working Hours relate to inaccurate time and payroll records, lack of the ability to verify payments and exceeding max overtime hours.
- Health & Safety:
For Health & Safety there is no clear trend in 2021 within the categories of major and moderate findings. However, they include a lack of permits and are also related to emergency situations.



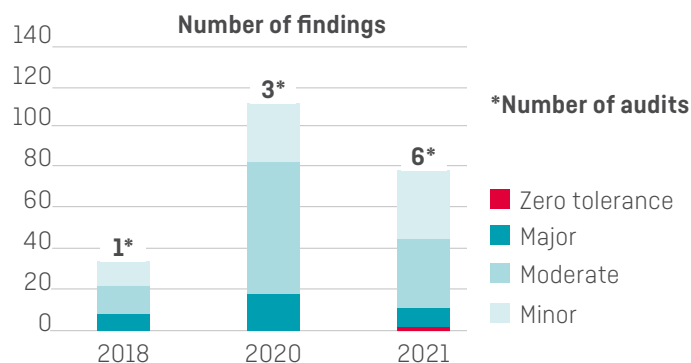
“All results from WCA audits are handled and evaluated the same way as quality audits ensuring that no purchaser can implement a new supplier single-handedly.”

Kamstrup had 1 zero tolerance finding in 2021. It was related to a locked emergency exit during production hours which was resolved immediately.

All findings up to 2019 have been closed while some findings from 2020 are still in progress.

Suppliers of non-product related materials and services

For new suppliers of production equipment, services related to shipping, maintenance, IT and hosting follow step 1.



Number of audits performed at new suppliers.

Progress 2021

- Performed 6 WCA audits on new suppliers in Asia
- Handling of 1 zero tolerance findings within Health & Safety from one Asian supplier
- Accomplished 95% WCA audits in Asia of the approved strategic suppliers
- Trend analysis performed across WCA audits
- Follow up on 70+ findings from WCA audits
- Update of CMRT to version 6.1 showing no smelters of concern regarding conflict minerals
- Investigated improved set up for component chemical compliance due diligence using third party system and partner

Priorities 2022

- Perform WCA audits on new suppliers and continue to follow up on audit findings
- Improve component chemical compliance due diligence through partnership with third party vendor
- Improve setup for Supplier Management not related to product manufacturing

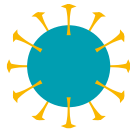
Getting better through COVID-19

The COVID-19 pandemic continued to have a significant impact on the way we did business in Kamstrup in 2021. Compared to 2020 we were more prepared to handle new ways of working and communicating.

This includes the need for social distancing, the use of disinfectants, working from home, conducting meetings virtually, limited access to production facilities and canteens, limits in customer visits, and safe remote communication through VPN to the company network.

COVID-19 associated risks

Our main risks related to COVID-19 include:



1. Lost business due to disruption, delay, and shortages in Supply Chain

Supply chain issues are handled through a close cooperation between Supply Chain, Technology and Sales to minimise impact on delivery time to our customers. Kamstrup has also initiated a strategic project which included training sessions to enable the organisation to work virtually in a more collaborative and efficient way.

2. Infected employees including long-term complications by COVID-19

We work to prevent COVID-19 infections by ensuring social distancing between employees in the company, using disinfectants and protection equipment, and enabling remote working. Special attention has been given to secure employees in the production facilities.

3. Negative effect on psychosocial work environment caused by remote work and lack of social interaction

To improve psychosocial work environment, social events have been arranged virtually, such as coffee meetings, department lunches and fitness. Likewise, the frequency of management communication has increased significantly to keep employees updated about COVID-19.

4. Unintended sharing of Kamstrup's business critical information due to increased remote work

To protect our business information, we use secure connections for remote work while we have information security rules including ongoing awareness training.

Due diligence

COVID-19 has been handled by a crisis management team consisting of top management, HR, and Supply Chain. They held meetings and continuously adjusted guidelines based upon those from national health authorities, followed up on implementation and initiated new actions when needed.

At Kamstrup

At Kamstrup employees have been urged to work remotely as much as possible and people working physically at the facility to keep social distance. To facilitate that our employees have the right working conditions when working remotely a favorable office supply agreement has been put in place.

Additionally, the canteens assigned specific time slots to different departments. Disinfectants and masks were supplied at all entrances and used by employees. Employees who work in office and administrative areas primarily worked from home.

Kamstrup has continuously kept employees up to date with current guidelines.

Business meetings, courses and conferences are held virtually when possible. Business critical trips were conducted in line with internal approval and guidelines from authorities.

Despite the challenges, our yearly employee satisfaction survey is at the same high level as before COVID-19.

Progress 2021

- No significant production impact due to COVID-19 employee infection
- Favorable office supply agreement to improve remote working conditions
- COVID-19 self-tests available for all employees at our facilities
- Continue to improve virtual competencies and the use of online meetings including appointment of 23 ambassadors to facilitate the organisation in hosting virtual meetings
- Online fitness and running club available for employees
- Several opportunities to return to office were applied

Priorities 2022

- Continuously adjust guidelines according to COVID-19 situation to keep employees safe
- Further improvement of distance leadership and virtual meeting competencies

Accounting practice

HIGHLIGHTS 2021

Profit before tax

EBT **DKK 210.8 mill.** – Kamstrup's annual report 2021.

Turnover

DKK 2,371.2 mill. – Kamstrup's annual report 2021.

Innovation investment

Cost in 2021 within R&D corresponds to **12.8%** of the turnover of **DKK 2,371.2 mill.** invested in innovation.

Employees

1,500 employees, based on FTE from 31.12.21.

Production sites

Production sites include all 3 sites in Stilling, Denmark for Water meter, Heat/Cooling meter and Electricity meter production. As well as 1 production meter site in Atlanta, USA.

Locations

Addresses and contact information for sales offices and distributors can be found on:

<https://www.kamstrup.com/en-en/about-us>

Customer cases

Results are based on customer experience from the data input their meters and systems has provided.

Environmental achievements

Reductions from 2012-2021 calculated in percent.

ABOUT KAMSTRUP

Business model

Kamstrup's business model illustrates how our products and services are initiated in the innovation and development phase. We source through our supply chain and manufacture our products and develop solutions. We go to market with sales and services and distribute our products worldwide through logistic solutions to several different types of customers before the product has reached its end of life and can be considered into new life cycles. This business model illustration is related to the requirements outlined in the Danish Financial Statements Act § 99a.

COMPLIANCE

Corruption cases

No known cases to Executive Management. Based on number of identified cases within Kamstrup's operations and supply chain, which relate to breach on corruption and bribery.

CLIMATE AND ENVIRONMENT

Electricity, Kamstrup DK

Total amount of electricity purchased for our own operations in Stilling, Denmark. Data is extrapolated from Kamstrup Energy Management System based on data from electricity provider.

GHG emission factor electricity, Kamstrup DK

Energinet Miljødeklaration, 2020: 0.125 kg CO₂/kWh.

Electricity, Kamstrup USA

Total amount of electricity purchased for our US-based operation in Atlanta. Based on data from electricity provider.

GHG emission factor electricity, Kamstrup USA

EPA Government calculator: 1 kWh = 709,87 g CO₂/kWh.

Heating, Kamstrup DK

Total amount of district heating purchased for our Danish Kamstrup facilities in Stilling. Data is extrapolated from Kamstrup Energy Management System based on data from district heating provider.

GHG emission factor central heating, Kamstrup DK

District heating emission, Skanderborg Hørning Fjernvarme: 27.4 g CO₂/kWh. The emission factor was in 2020 set to 0 by the central heating utility. Due to updated new data, this has been changed to 27.4 g CO₂/kWh. Therefore, numbers for 2020 have also been updated in the table accordingly.

Natural gas heating, Kamstrup USA

Total consumption of natural gas used for heating in our US facilities in Atlanta. Information from natural gas supplier.

GHG emission factor natural gas heating, Kamstrup USA

US Energy Information, November 2021:
55.03 kg CO₂/1000 cubic feet 1000 CF = 10.37 therms
US Energy Information, November 2021:
1 therm = 96,432 cubic feet. 1 CCF = 100 CF.

Truck gas, Kamstrup DK

Amount of propan gas used for trucks at Kamstrup Stilling, Denmark.

Petrol and diesel, Kamstrup DK

Data of fuel consumption covers Kamstrup service cars and is based on OK data.

GHG emission factor petrol and diesel, Kamstrup DK

Emission factor based on data from Erhvervsstyrelsen, 2019. Petrol: Emission factor 2.17 kg CO₂e/liter
Diesel: 2.6 kg CO₂e/liter.

Petrol, Kamstrup USA

Data of fuel consumption cover US Kamstrup service cars and is based on US petrol supplier.

Emission factors petrol, Kamstrup USA

US Energy Information, Nov 2021: Petrol: 8.5 kg CO₂ per gallon, 1 gallon = 3.7854 liter.

CLIMATE AND ENVIRONMENT - CONTINUED

Greenhouse gas calculation scope

Numbers included in GHG calculations refer to administration and production sites in Stilling, Denmark and Atlanta, USA. The reporting of GHG emissions covers scope 1 & 2.

Greenhouse gas emissions from our facilities in Denmark and the USA are calculated by converting greenhouse gasses to metric tons expressed in CO₂ equivalents as CO₂e. In this report we show emissions based on our activities at headquarters in Denmark and our production in Atlanta, USA.

Scope 1: Direct emissions from owned or controlled sources which includes fuel and gas.

Scope 2: Indirect emissions from the generation of purchased electricity and heat.

Scope 3: All other indirect emissions that occur in our value chain are also considered important but are currently not part of the report. This is, however, an area we will look into in the coming years.

Produced products

Total number of finished approved products shipped to customers.

Water, Kamstrup DK

Consumption of water is measured in m³ read in Kamstrup's Energy Management System which is based on data from water utility company.

Waste, Kamstrup DK

Generation of various waste fractions refer to Kamstrup A/S generated from production sites and administration in Stilling, Denmark and are weighed in tons. Waste category is generated through the waste handlers customer portal. Incinerable waste from kitchen is estimated as it is not weighed upon disposal.

Waste water sample, Kamstrup DK

Waste water samples tested and approved by accredited company. Based on water samples from 29 September 2021 and 25 October 2021.

Carbon footprint of products

Calculation tool: SimaPro, Ecoinvent Data. Latest versions used at time of calculation. Carbon footprint of our product range is based on the raw material content, packaging materials, 500 km of transportation, operation for 12 years and end of life.

A GREAT PLACE TO WORK

Employee satisfaction survey

Response rate of 92% based on total FTE. The areas are evaluated on a scale from 1 to 7, ranging from "very satisfied" (1) to "very unsatisfied" (7) or "strongly agree" (1) to "strongly disagree" (7). A score of 4 is considered "neutral". The lower the score the better.

LTIF

Count of incident frequency: Count of incidents with injury and > 1 day absence per 1,000,000 working hours. Reported by employees in accident database, Kamstrup headquarter. From 2020 we report on both Near miss observations and minor incidents < 1 day of absence.

Minor incidents

Accident with injury with < 1 day of absence reported by employees in accident database, Kamstrup headquarter.

Near miss observations

Incidents which could lead to injury reported by employees in accident database, Kamstrup headquarter.

Employee/turnover

The employee churn (employee turnover) defined as the proportion of employees who leaves the company in the given calendar year divided with total FTE's counted on 1 January 2021.

DIVERSITY

Board of directors

Board of directors consists of 8 members in total. 5 appointed representatives at annual meeting and 3 employee representatives.

Management board

Management Team consists of 16 members in total. Kamstrup's Management Team (KMT) consisting of Vice Presidents and Senior Vice Presidents. CEO and CFO are not included in this count.

Managing positions

Employees in managing positions consists of 184 people.

Total employees (FTE)

Total number of Full Time Equivalent employees on 31 December 2021. Kamstrup has in total 1,445 employees.

§99b

This chapter Diversity covers information related to the requirements outlined in the Danish Financial Statement. Act § 99b about reporting on the underrepresented gender in managing positions on management level and board level.

SUPPLY MANAGEMENT

Audits 2021

Six suppliers have been audited. The audit of a certain new supplier is based on a geographical risk assessment

UN Global Compact Index

UN Global Compact Principle			Activity	Page
Principle 1	Human rights	Businesses should support and respect the protection of internationally proclaimed human rights	About the report CEO statement Policies – Supplier Code of Conduct Supplier management - Audit	2 3 8 34
Principle 2		Make sure that they are not complicit in human rights abuses	About the report CEO statement Policies – Supplier Code of Conduct A great place to work Supplier management - Audit	2 3 8 23 34
Principle 3	Labour rights	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	About the report CEO statement Policies - Supplier Code of Conduct Freedom of association Supplier management - Audit	2 3 8 8 34
Principle 4		The elimination of all forms of forced and compulsory labour	About the report CEO statement Policies - Supplier Code of Conduct Supplier management - Audit	2 3 8 34
Principle 5		The effective abolition of child labour	About the report CEO statement Policies - Supplier Code of Conduct Supplier management - Audit	2 3 8 34
Principle 6		The elimination of discrimination in respect of employment and occupation	About the report CEO statement Policies - Supplier Code of Conduct A great place to work Supplier management - Audit	2 3 8 25 34
Principle 7	Environment	Businesses should support a precautionary approach to environmental challenges	About the report CEO statement Policies - Supplier Code of Conduct Climate & environment Supplier management - Audit	2 3 8 14 34
Principle 8		Undertake initiatives to promote greater environmental responsibility	About the report CEO statement Policies - Supplier Code of Conduct Climate & environment Supplier management - Audit	2 3 8 12 34
Principle 9		Encourage the development and diffusion of environmentally friendly technologies	About the report CEO statement Policies - Supplier Code of Conduct Climate & environment Supplier management - Audit	2 3 8 12 34
Principle 10	Anti-corruption	Businesses should work against corruption in all its forms, including extortion and bribery	About the report CEO statement Policies - Supplier Code of Conduct Compliance Supplier management - Audit	2 3 8 9 34

• **Kamstrup A/S**

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