

---

Corporate Social Responsibility Report  
2018



# Contents

Statement from the CEO.....	3
<b>About Kamstrup .....</b>	<b>5</b>
Striving for sustainable development .....	6
Responsible solutions .....	7
Policies .....	8
Anti-corruption and bribery .....	8
Sustainable development goal no. 6 .....	9
<b>Supply management .....</b>	<b>11</b>
Setting clear directions .....	12
Modern Slavery Act.....	12
Supplier responsibilities and due diligence .....	12
CSR audits .....	14
What did we do in 2018?.....	14
What do we expect in 2019?.....	14
<b>Climate and environment.....</b>	<b>15</b>
Striving for a sound climate and environment.....	16
Kamstrup impacts and processes.....	17
Certification and due diligence .....	17
Greenhouse gas emissions .....	19
What did we do in 2018?.....	20
What do we expect in 2019? .....	20
Sustainable development goal no. 7.....	21
<b>Working conditions .....</b>	<b>23</b>
We value our employees.....	24
Certification and due diligence .....	24
Safety .....	25
Employee development .....	26
What did we do in 2018?.....	27
What do we expect in 2019?.....	27

# CEO statement



Corporate Social Responsibility (CSR) is embedded in Kamstrup's DNA. We exist to provide better ways to manage water and energy distribution all around the globe. As an organisation, we share the serious concerns regarding the way the earth's scarce resources are managed and strive to make a meaningful contribution to the promotion of greater environmental responsibility.

At Kamstrup, our intelligent metering solutions are helping organisations to run smarter, more efficient businesses. At the same time, we are helping them to make a significant impact on the conservation of natural resources by reducing water and energy loss and usage. The key to which is data intelligence.

Data has the potential to revolutionise distribution and supply networks and make a quantifiable contribution to some of the United Nation's Sustainable Development Goals (SDGs), especially goal no. 6 and 7. Kamstrup strongly advocates the SDGs and is dedicated to improving energy efficiency, reducing waste and increasing water-use efficiency - particularly in areas where water scarcity is an issue. We believe that today's technology can create a better tomorrow and we are excited about the ways our intelligent data-driven solutions can help our customers and their communities to tackle the challenges they are facing now - and those they will be met with in the future.

Our philosophy at Kamstrup is to hold ourselves, and all of our stakeholders, to high standards. That means we advocate ethical behavior and take a zero-tolerance approach regarding any kind of corruption. Protecting human rights is paramount and we have stringent procedures and policies in place to make sure these are always upheld. We place great importance on our employees' wellbeing and do our utmost to ensure our team members have everything at their disposal to be healthy, happy and productive.

While we are proud of who we are as an organisation and what we help our customers to achieve, we are inspired to do better, constantly striving to find ways to drive ourselves forward and identifying ways we can improve. This CSR report, and the reporting associated with the UN Global Compact, is a way for us to hold ourselves accountable - highlighting what we're doing well and pinpointing what we could be doing better.

I look forward to sharing our 2018 CSR Report with you and thank you for your interest in our organisation.

  
Kim Lehmann, CEO



### About the report

This is Kamstrup A/S's corporate social responsibility report for 2018. It is a report of the management's account of the company's actions and goals within sustainability for 2018. It has been written in accordance with the Danish Financial Statements Act §99a and covers both Kamstrup's headquarters in Denmark, subsidiaries, representative offices and branches. It has been confirmed by an independent auditor that the reporting complies with the UN Global Compact and The Danish Financial Statements Act.

In connection to the UN Global compact, we want to be transparent in our communication about our corporate social responsibility. Thus, the purpose of Kamstrup's CSR Report 2018 is to provide stakeholders with a clear impression of our processes concerning suppliers, climate and environmental impacts, work environment, human rights and anti-corruption. Additionally, we assess the initiatives we take to counteract these impacts.



## Striving for sustainable development

We focus on advancing our performance within sustainable development and it serves as our inspiration to create innovative solutions, which can contribute to moving our customers' businesses forward.

As we continue to work towards our mission of creating progress for others, our solutions are helping people all over the world to optimise their water and energy efficiency, identify new opportunities for growth and promote social responsibility.

### The global sustainability agenda

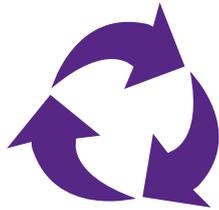
We want to contribute to the global agenda of preserving the scarce resources of water and optimisation of energy consumption. The UN Sustainable Development Goals number 6 and 7 are of great importance in that relation and every day we work to ensure that our intelligent solutions create as much value as possible for the benefit of the environment and the societies around the world. We do this with solutions that can collect and analyse metering data, monitor the distribution network and detect leakages and waste in the network.

### Data is value

Kamstrup values data privacy, and therefore we handle customer and employee data in a secure way. It is of great importance that Kamstrup complies with the legal requirements and sets a high standard when handling data and developing new products. In that regard, we see it as our responsibility to develop secure solutions that ensure our customers comply with legislation and the General Data Protection Regulation.

### Continuously improving ourselves

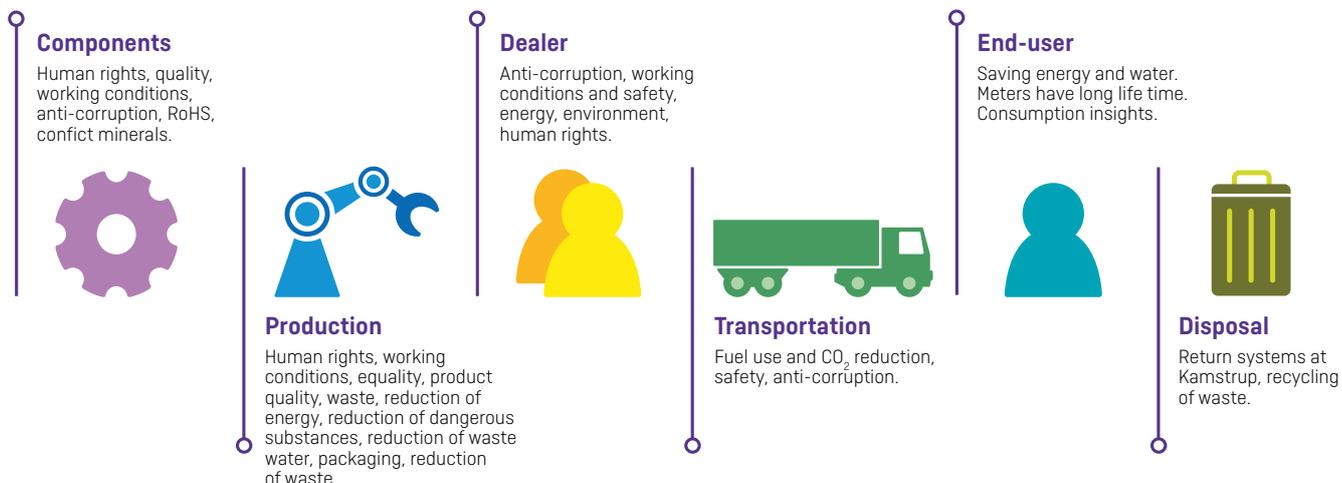
Sustainable development and environmental responsibilities are not new for us, but we want to improve ourselves constantly. We already have processes and product solutions that accommodate standards drawn by the UN in their Sustainable Developments Goals. We continuously work to integrate sustainability in our products.



We want to contribute to the global agenda of preserving the scarce resources of water and optimisation of energy consumption.



## Kamstrups responsible solutions



*Kamstrup's responsible solutions*



In each of the steps in Kamstrup's model for responsible solutions, we focus on ensuring sustainable solutions.

## Responsible solutions

In each of the steps in Kamstrup's model for responsible solutions, we focus on ensuring sustainable solutions. Naturally, we are aware that our activities in the value chain have an environmental impact.

### Determined to reduce our impacts

However, we strive and aim to reduce these impacts caused by our production, transport, use and end-of-life treatment of our products and services. At Kamstrup, we also actively work to reduce our environmental impact by reducing the use of energy and water. It is important to us that our impact on the environment is as low as possible, which is why we aim to continuously increase our ability to recycle our waste.

However, we cannot keep track of our environmental impact without considering the entire supply chain. In that regard, we have included a number of environmental as well as ethical requirements that we expect all our suppliers to live up to.

### Conditions that benefit our employees

In addition, we pride ourselves in complying with relevant occupational health and safety legislation and we are dedicated to having a high level of health, safety and well-being among our employees.

## Policies

### CSR Policy

Based on the 10 principles of the UN Global Compact, Kamstrup has formulated a CSR policy. All new employees are presented with the policy to ensure they are aware of it and adhere to it.

In accordance with the UN Global Compact, we support and respect the protection of human rights and we take every available action to prevent being involved in human rights exploitations.

All forms of forced and compulsory labour as well as child labour are completely unacceptable and must be eliminated if it occurs. In addition, we want to uphold the freedom of association and recognise the right to create collectives.

In respect of our current and future employees, we do not discriminate in terms of age, sex, race, sexual orientation, national origin, physical or mental ability, marital status, financial or social status. Furthermore, we take pride in taking a precautionary approach to environmental challenges and undertake initiatives that promote greater environmental responsibility. We also encourage the

development and diffusion of environmentally friendly technologies for our products. Finally, we are opposed all forms of corruption, including extortion and bribery.

All these principles mentioned above are the foundation of Kamstrup's corporate social responsibility. Our CSR policy is implemented in the organisation i.e. from our handling of suppliers to sales, production and disposal of our products.

### Environmental, energy and occupational health and safety policy

Apart from our CSR policy, we have formulated a policy covering environmental, energy, health and safety issues. It describes that while we consider business objectives, we aim at affecting the surrounding environment as little as possible. We also aim at being a company with a high level of health, safety and well-being among employees.

## Anti-corruption and bribery

At Kamstrup, we are dedicated to operating without any bribery or corruption. Any association with either bribery or corruption is immoral, illegal and punishable.

### CSR associated risks

We do acknowledge the possibility of corruption and bribery taking place, in particular 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 emphasize our way of conducting business to our employees.

### Due diligence

Our main due diligence processes include general information to all employees about our way of running a company without corruption and bribery. Employees working in Sales and Sourcing are informed of how to handle these situations during their introduction to Kamstrup.

Kamstrup also has a whistleblower scheme that employees can use to notify cases of misconduct. As an example, misconducts can include criminal actions and can be reported to one's manager, the Executive Board or the Chairman.

At Kamstrup, we have not identified any corruption in our business in 2018.

### What did we do in 2018?

- In 2018, Kamstrup participated in the world's largest International Anti-corruption Conference in Copenhagen in order to show that we do not accept corruption.
- Furthermore, we informed all employees not to accept large gifts at Christmas.
- We have not identified any cases of corruption or bribery in our business in 2018.

### 2019 and in the years ahead

- We will continue our work with resisting corruption and bribery in the coming years, and will make necessary adjustments to detect criminal aspects.





### Smart metering beats water loss

Smart metering is an important tool in the fight to beat water loss. Our intelligent solutions light up the distribution network and is a constant source of information about what goes on. Having the right knowledge at the right time makes it much more efficient and much easier to reduce non-revenue water - for the benefit of the environment, the consumers and the utility's bottom line.





# Supply management



## Setting clear directions

Working with different suppliers all around the world raises various challenges regarding compliance with relevant regulations. It is important that we do not compromise our policy, and for that reason, we set clear directions about

what we stand for at Kamstrup. Therefore, we have drawn up standards, which are obligatory for our suppliers to comply with. In this section, you can read more about our supply management.

## Modern Slavery Act

In accordance with the UK Modern Slavery Act, we impose strict standards and demands against compulsory labour and human trafficking on our suppliers.

On our website, you will find our Slavery and Human Trafficking Statement, where you can read more about how we are taking action against modern slavery.

## Supplier responsibilities and due diligence

Kamstrup prioritises its CSR efforts and has systematised these efforts within CSR and supplier management with particular focus on the purchase of materials, semi-finished products, subcontracted activities and deliverables included in Kamstrup's product range.

They also confirm that they comply with our Code of Conduct as defined in the CSR Policy. Additionally, the company must confirm that it only delivers products in compliance with current legislation.

### CSR supplier statement

We continuously work on reducing our impact on the environment caused by our products and services. In order to do that, we need to look at the entire supply chain, which means that we need to be attentive to our suppliers and our partners. Therefore, we demand that our suppliers exceedingly fulfill the requirements and standards we have formulated.

The suppliers must sign a statement covering the themes: Environment, anti-corruption, human rights, labour issues, REACH and conflict minerals.

### Supplier obligations

Kamstrup requires suppliers to consider the environmental aspects of their activities and have an environmental improvement programme. The suppliers must demonstrate environmentally sound manufacturing processes and comply with current legislation.

The material content and method of disposal must be provided upon request. Likewise, the supplier is expected to reduce the environmental impact of transport wherever possible.

We oblige our suppliers to comply with health and safety requirements in accordance with the UN Global Compact principles 1-6 about human rights and working conditions.

### CSR supplier statements

- make sure the company is not complicit in human rights abuses
- make sure the company does not use any form of forced or compulsory labour
- make sure the company does not use child labour
- make sure the company does not discriminate in respect of employment and occupation
- make sure the company complies with all relevant environmental and occupational health and safety laws
- make sure the company works against corruption in all its forms, including extortion and bribery
- make sure the company only delivers products in compliance with the RoHS II directive and is aware of the legal requirement that possibly prohibited materials and materials subject to declaration must, without prior request, be communicated to Kamstrup
- make sure the company only delivers products not containing substances listed in the REACH Candidate List of Substances of Very High Concern for Authorisation – ECHA, as published on the [echa.europa.eu](http://echa.europa.eu) website and conflict minerals as defined in Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Also, this statement urges a company's sub-suppliers to observe the above principles

**CSR risk-based approach**

Working with suppliers, Kamstrup mainly faces risks related to human rights, labour, corruption and compliance obligations. To mitigate these risks, we have implemented a supplier programme as described.

Moreover, we take a risk-based approach to our supply management. Our suppliers are categorised according to their business importance and to CSR risk. CSR risk refers to the regions, which have been marked with CSR risk by the Danish Ministry of Business and Economic Affairs. The scale measures from 1-5 where five is the highest CSR risk. Business importance refers to the availability of supplies to Kamstrup on a scale from 1-4 with four being the most important suppliers. See table and figure.

Our suppliers are categorised according to their business importance and to CSR risk. CSR risk refers to the regions, which have been marked with CSR risk by the Danish Ministry of Business and Economic Affairs.

Region	CSR Risk
Europe	2
North America	2
South America	3
Africa	5
Southwest Asia	4
Central Asia	4
North Asia	4
East Asia	4
South Asia	4
Southeast Asia	4
Oceania	2

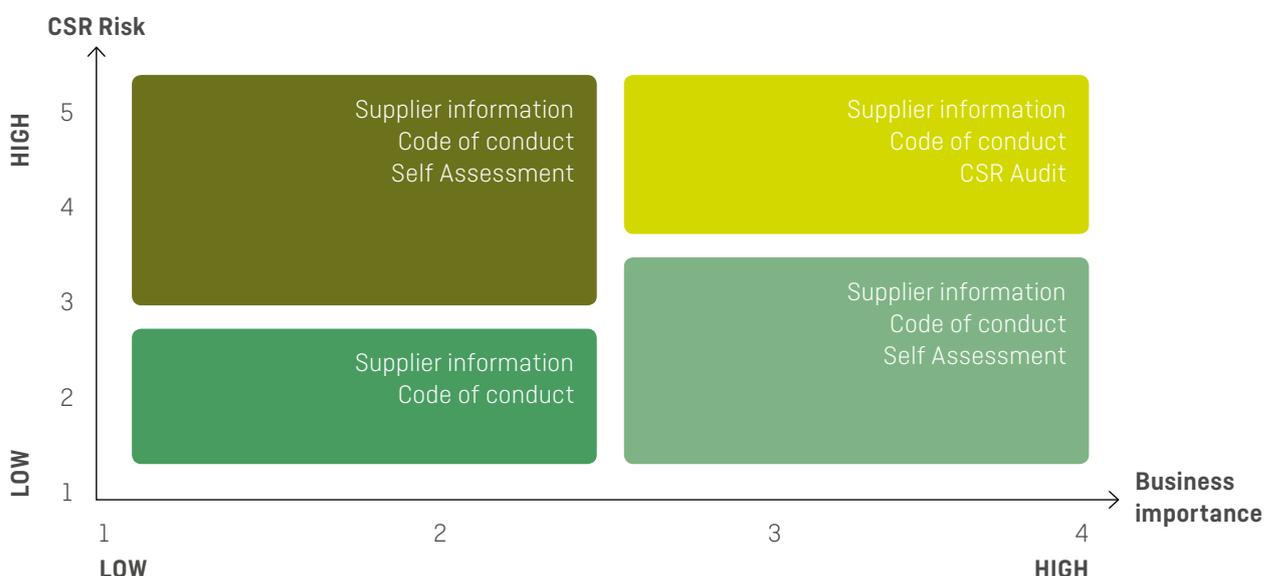
CSR risk in various regions (Danish Ministry of Business and Economic Affairs)

**CSR Supplier Information document**

Kamstrup’s suppliers with a low CSR risk of 1-2 as well as a low Business Importance of 1-2 can be approved by signing the CSR Supplier Information document and by confirming compliance with our Code of Conduct described in our CSR Policy.

In addition to the CSR documentation described above, suppliers within the olive coloured areas in the supplier categorization scheme must fill out a Kamstrup self-assessment report containing various questions within human rights, environment, health and safety.

If the self-assessment report is considered satisfactory, the supplier will be approved. However, if the self-assessment report is deemed unsatisfactory, a CSR audit will be carried out. Finally, if both the CSR risk and the Business Importance scores are high, a CSR audit will also be conducted.



Supplier categorisation scheme

## CSR audits

All results from CSR audits are handled and evaluated the same way as our quality audits and our Segregation of Duties (SoD), which ensures that no purchaser is able to implement a new supplier single-handedly.

To obtain a professional and objective evaluation according to local law and practice, we have formed a partnership with an external company to perform audits of suppliers. The purchase department at our headquarters coordinates all audits performed by the external auditing company.

In addition, a Kamstrup employee will act as an observing party and coordinator between participating parties before, during and after the audit.

If an audit results in a workplace assessment, it is a requirement to formulate action plans and perform on-going evaluation of the action plans. This will ensure that all Kamstrup's partners will provide a safe working environment for all employees.

### What did we do in 2018?

- Make sure our suppliers complied with our CSR requirements:
- Handled CSR self-assessments and CSR audit results
- Updated our CSR procedure

### What do we expect in 2019?

- Continue handling suppliers' CSR conditions including CSR self-assessments and audits
- Implement an updated CSR procedure
- Next level in conflict minerals strategy

To obtain a professional and objective evaluation according to local law and practice, we have formed a partnership with an local consultant to perform audits of suppliers. We use these in our supplier follow-ups.



# Climate and environment



## Striving for a sound climate and environment

In accordance with our policy regarding energy and environment, it is our ambition to find ways of minimizing our negative impact on the climate and environment.

We take sustainable measures proactively to reduce our impact. Read more about our achievements from 2018 and our goals for 2019 in this section.

### Our environmental impact

The major environmental impacts from the production facilities at our headquarters in Denmark and the USA are shown in the table below. The table also shows the impact from service activities in Poland and France as well as from our sales offices. We have implemented procedures and instructions where needed in order to manage our impacts – those that are both expected and unexpected.

Type of impact	Stilling, DK (incl. production)	Atlanta, US (incl. new upcoming production)	PL and FR (incl. service)	Sales offices as SE, NO, FI, DE, CH, NL, ES, RU, CZ, AT and other offices
Electricity	High	Medium	Low	Low
Heating	Medium	Low	Low	Low
Water	High	Low	Low	Low
Waste water	High	Low	Low	Low
Waste	High	Medium	Medium	Low
Materials	High	Low	Low	Low
Emissions to air	Medium	Low	None	None
Visual, noise and vibration	Low	Low	None	None

Environmental impact at Kamstrup's locations.

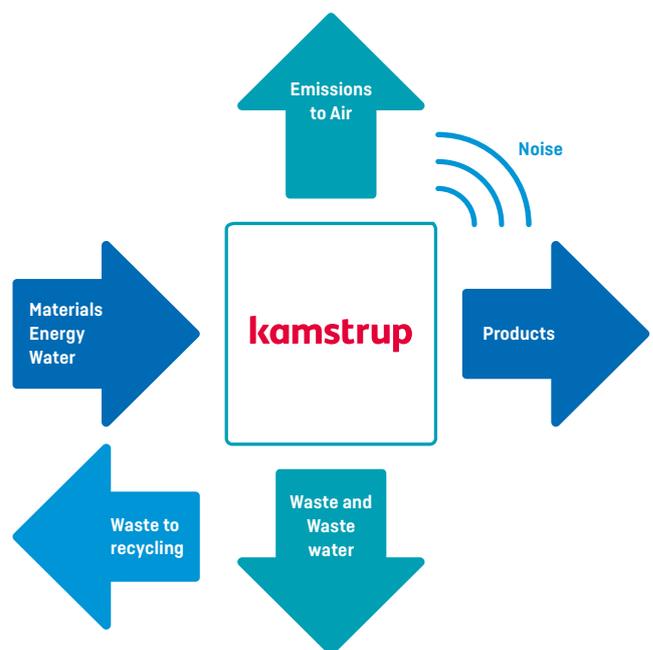
### CSR associated risk

Our main CSR risks are climate and environmental impact from consumption of water, electricity and heat, materials used for products, transport, pollution of waste water and production of waste.

To mitigate these risks, we monitor our consumption and make improvements where possible through our energy group.

The materials for our products are selected according to the functionality and the material consumption; the selection of materials and chemicals also reflect that we generally have a low content of metals in our waste water. Regarding handling of our waste, we continuously optimize by sorting and recycling. Finally, apart from co-driving, we have no activities on reducing impact from transportation.

Since 1997, Kamstrup's headquarters has been ISO 14001 certified, and since then, our locations in Norway, Sweden, Germany, Finland, the Netherlands and Switzerland have been certified as well.



Kamstrup's main environmental impact process.

## Kamstrup impacts and processes

### Materials and technology

During our development and production of products, we balance the selection of materials with the required functionality of our products. We focus on:

- Using a small number of different materials and components and as far as possible use recyclable materials.
- Type of material being printed on the plastic material itself to secure correct and available information needed at disposal and according to legislation.
- New generation of meters being developed with reduction of electricity/battery usage.
- Where possible, meters being designed for recycling so that components are easy to take apart.
- Packaging material having a printed code referring to the type of material to ensure correct disposal after installation.
- No installation guide on paper – instead a UR code with a link to an installation guide is printed on the packaging material to limit use of resources.
- Products being designed with a lifetime up to 20 years and in addition, our heat meters have a self-monitoring function so the meter can be used for the time it measures legally correctly.
- Using the crossed-out bin symbol on our products to ensure reuse of materials and according to legislation. We offer to take back used meters.

In addition, our water meters are designed in compliance with strict regulation related to drinking water.

Instructions on disposal of worn out products can be found in either the technical manual or in the catalogue sheet for the product.



### Processes

We aim to minimize our environmental impact, and we continuously optimize our processes.

In addition, we monitor and evaluate environmental performance enabling us to take action if irregularities occur. In 2018, Kamstrup's emergency plans were used for alerting authorities due to fire alarm and tests in connection with emergency spill and evacuation drills. There was no impact on Kamstrup's facility or surrounded area and no need to update the emergency plans.

## Certification and due diligence

Since 1997, Kamstrup's headquarters has been ISO 14001 certified, and since then, our locations in Norway, Sweden, Germany, Finland, the Netherlands and Switzerland have been certified as well. We also make annual energy mappings and reviews complying with requirements in ISO 50001, section 4.4.3.

Being ISO 14001 certified, we work according to the model Plan-Do-Check-Act. We make goals and action plans, implement, check and follow up. Our main due diligence processes include goal setting, action plans, audits and an annual management review. In particular, we work with due diligence processes related to compliance with legislation, registration of accidents, handling of waste and measurement of metals in waste water.

### Compliance obligations

We follow relevant legislation and contracted agreements with stakeholders. We constantly work towards compliance. Our headquarters in Denmark is regulated by two waste water permits and works in close collaboration with Skanderborg municipality to ensure low impact on the local surroundings from our production.

Likewise, our subsidiaries review local compliance obligations yearly.

**Energy**

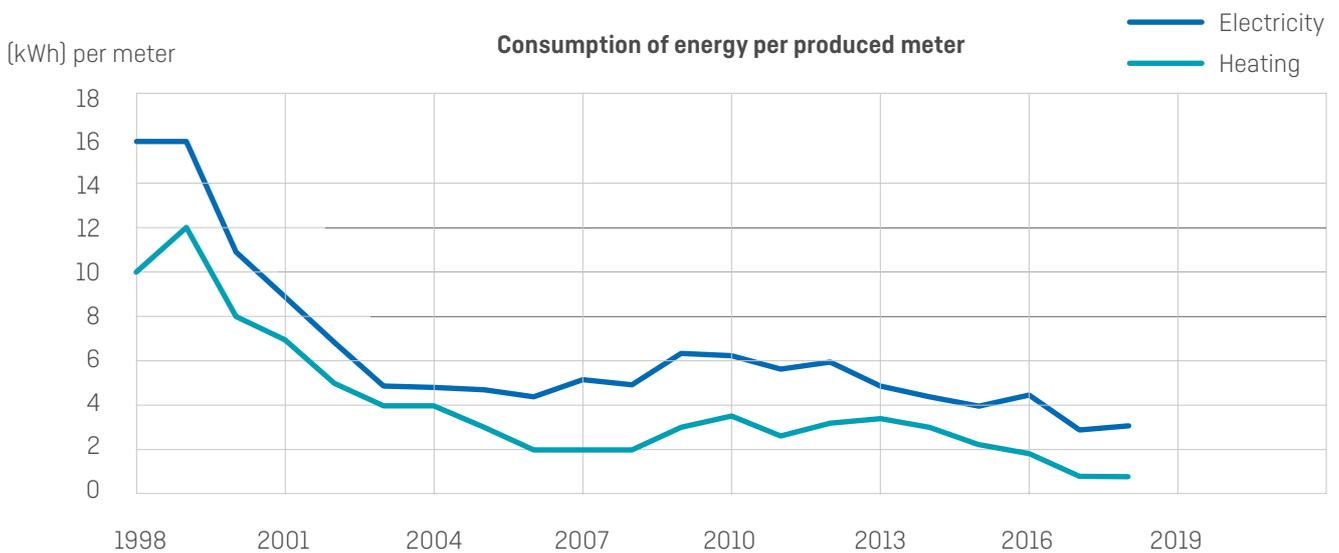
In 2017, a new council was formed called the Energy Group. This group is working on proactive ways to coordinate and initiate activities reducing use of energy and water waste in Stilling.

We use electricity for both production, administration and in the canteens. In 2018, our total electricity usage per product for Kamstrup’s headquarters had increased compared to the usage from 2017. This is primarily due to our new facility with water meter production, new equipment in our print production and more staff.

Our total heat consumption per product for 2018 is similar to that in 2017. In 2018, our heat was primarily used for cooling.

Our production in the USA uses less energy totally in terms of gas and electricity per manufactured meter. This can be explained by a smaller facility associated with only assembling production.

This is illustrated below.



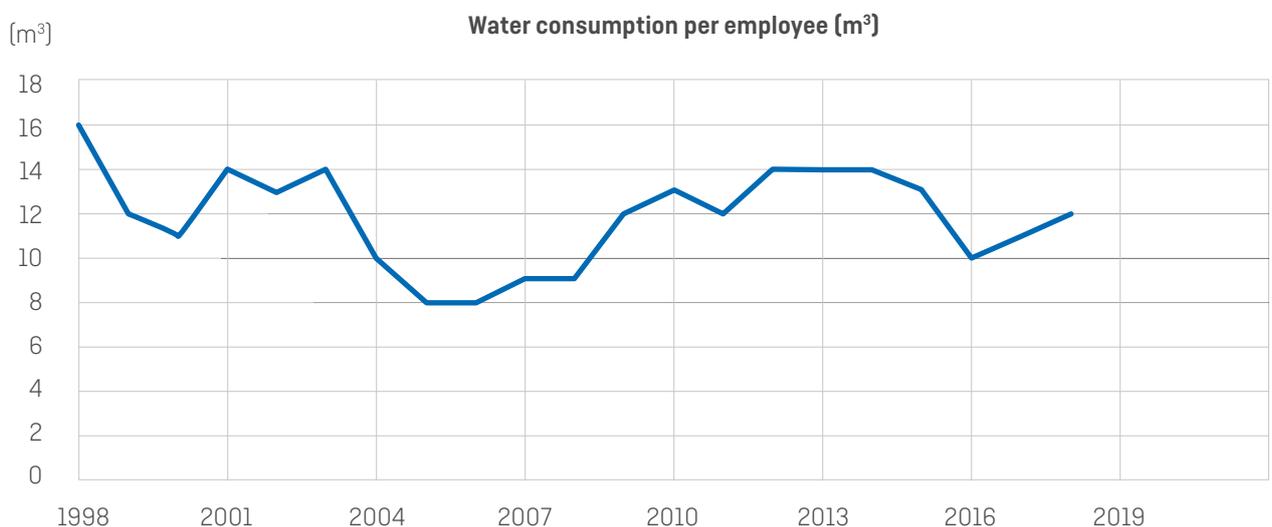
**Water**

Kamstrup’s main water consumption in Stilling comes from testing our products, humidification in the production and for sanitary use.

In 2018, the consumption of water per employee had increased due to our highly increased production, new humidification equipment and employment of more people.

Our production site in the USA uses water for sanitary purposes only. Testing of meters with water takes place in Denmark.

This is illustrated below.



### Waste water

Our waste water mainly comes from test benches used in our production of meters and sanitary usage. Our waste water contains small amounts of remains from our meters tested with water.

We analyse our waste water yearly to monitor and act on the results. The authorities agree that we keep an acceptable level of contamination in the water.

### Waste

We optimize our waste disposal by sorting waste in more than 70 categories. We co-operate closely with a waste handler to find new ways to sort and recycle our waste.

In 2018, more than half of our waste originated from one customer with whom we have agreed to take back used meters. This has resulted in an enormous increase in the amount of total waste and in more waste for deposit.

Our site in the USA produces waste related to transportation only.

See table below.

Waste	2010	2011	2012	2013	2014	2015	2016	2017	2018
Recycling (%)	36	49	52	61	50	74	69	72	64
Incineration (%)	63	50	47	38	49	25	31	27	32
Deposit (%)	1	1	1	1	1	1	0	0	4
Total ton	197	256	289	336	296	541	568	532	649*

\* In addition, in 2018 we handled 812 tons of returned meters from one big customer.

Waste from production facilities at Kamstrup headquarters and returned meters

## Greenhouse gas emissions

### Greenhouse gas emissions from our facilities in Denmark and the USA

Greenhouse gas emissions are calculated by converting greenhouse gasses to metric tons expressed in CO<sub>2</sub> equivalents as CO<sub>2</sub>e. Kamstrup makes standard climate calculations based on the Greenhouse Gas Protocol that includes scope 1 and scope 2. Scope 1 includes 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.

Scope 1	Total CO <sub>2</sub> e 2018
Gas, heating, US	35
Gas, truck	1
Petrol	2
Diesel	22
Total scope 1	60
Scope 2	
Electricity	1257
District heating, DK	334
Total scope 2	1591
<b>Total CO<sub>2</sub> from Kamstrup's production units in DK and US</b>	<b>1691</b>

Greenhouse gas emissions from our production facilities in Denmark and the USA. Source: [www.klimakompasset.dk](http://www.klimakompasset.dk).

The table above illustrates the numbers of individual sources of energy contributing to the global carbon footprint. Electricity and district heating from scope 2 account for more than 95% of Kamstrup's total emissions.

Greenhouse gasses related to scope 3 deriving from waste, materials, employee transportation, shipping and actual use of product during lifetime are not included above. We calculate greenhouse gas emissions based on the product itself. This we state as carbon footprint of the product.

Greenhouse gas emissions from Kamstrup's non-production units are not included due to a small impact totally, primarily from heat and electricity usage in smaller office units.

### Greenhouse gas emissions from our products

We calculate the carbon footprint of Kamstrup's products by using the internationally recognized program SimaPro.

	Electricity meters	Heat and cooling meters	Water meters
<b>Carbon footprint</b>			
<b>Ton CO<sub>2</sub>eq per product</b>	0,04-0,14	0,025-0,08	0,02-0,054

Carbon footprint of our selection of products based on the raw materials, phase to end-of-life and disposal phase, packaging material, 12 years of operation and 500 km.

### What did we do in 2018?

Our environmental goals include energy reduction through activities at our headquarters in Denmark.

We have saved energy and reduced our environmental impact by:

- Having produced more than 2 million meters to help people around the world saving energy and water.
- Reducing electricity usage for production of pressurized air.
- Installing automatic power-off solutions at workstations in our production facilities.
- Installing LED lighting in part of our electricity production unit.
- Increasing awareness about energy usage through a campaign focusing on suggestions from employees for energy reduction.
- Installing new ventilation equipment in our electricity meter production unit.

### Other environmental initiatives included:

- Establishing a retentive basin to take preventive measures against flooding of our facilities.
- Detailed mapping of consumption at our headquarters in order to be able to reduce usage at relevant processes.
- Using reusable plastic as new packaging material for water meters.
- Vegetarian menus served in the canteen to inspire meat-free dishes in Denmark.
- Donating excess food delivered to Kamstrup at a running event to different shelters serving more than 500 people.

### What do we expect in 2019?

In 2019, we will continue to measure and map our energy usage across our facilities with the aim of identifying further areas where reductions can be made.

### We are planning to:

- Install LED lighting in our electricity and heat meter production unit.
- Continue energy mapping and implementing initiatives to reduce consumption.
- Doing a field trip to get inspiration for new ways of saving energy.

We use our experience and knowledge of energy optimization from the Danish production facilities in establishing production facilities in the USA.





### **Advanced data analytics reduce waste of resources**

By using the data available from intelligent meters in a fully automated meter reading system it has now become possible to look beyond consumption in an individual building and help optimizing the distribution network between the utility and the consumer. This newfound transparency is now helping utilities to become more energy efficient, reducing the energy loss in the network and improve asset management.





# Working conditions



## We value our employees

In accordance with our Occupational, Health and Safety Policy, we aim to be a company with a high level of health, safety and well-being for all employees. We work hard to accomplish that by preventing damages, work-related illness and accidents related to any of our activities.

Globally, Kamstrup employs people with different sex, age, ethnicity and religion. We also employ people with special needs. All employees aged 60 and older are offered a talk with their manager in order to get an individual plan going forward until retirement. Former colleagues can be part of an active senior club with a variety of activities and have access to training facilities free of charge.

In this section, you can read about our accomplishments from 2018, our goals for 2019 and more details about our efforts to accommodate UN Global Compact principles on working conditions.

### Providing a healthy and safe environment

We strive to ensure that our employees are provided with a healthy and safe working environment through a certified occupational health management system. Furthermore, our policy is to contribute to creating working conditions that comply with relevant legislation and observe applicable legislation and regulations.

---

**All employees shall be given** the opportunity to develop skills required to handle their tasks and for future career options.

---



### CSR associated risk

Our main CSR risks include ergonomic impact, working in noisy environments, poor indoor climate, retention and attraction of new employees, stress and safe driving.

To mitigate these risks, we take action where improvements are needed in the design of work places, HR arranges activities to attract and maintain employees, and likewise, courses in stress management have been held. There are no extra on-going efforts for safe driving.



## Certification and due diligence

We acquired the recertification of OHSAS 18001 in November 2016. Being OHSAS certified ensures approval from the Danish Work Environment Council.

Being OHSAS 18001 certified at our headquarters means that we work according to the model Plan-Do-Check-Act.

We make goals and action plans as well as implement, check and follow up on these. Our main due diligence processes include goal setting, action plans, audits and a yearly management review. In particular, we work with due diligence processes related to well-being, education and development of employees, registration of near misses and accidents.

In 2019, we expect the OHSAS 18001 standard to be replaced with ISO 45001, but we continue to work with the above model.

## Safety

We have based our production processes on precautionary measures to ensure that there is no special risk of harm from unforeseen incidents.

### Safety at Kamstrup

Towards the end of 2016, we started to increase our focus on recording near miss incidents at the headquarters.

We have continued to focus on recording accidents and near misses and in the table below you can see the collected totals from when we started collecting data more frequently. In 2015, we changed focus from finding near misses to focusing on preventing accidents.

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Accidents per 1,000,000 working hours</b>	5	8	3	3	12	6	6	5	4	5
<b>Near miss incidents</b>	5	6	1	1	6	7	22	50	47	45

*Collected totals.*

The purpose of conducting safety assessments is to prevent unsuitable indoor climate, noise and stress. Safety assessments are carried out regularly, and help us to significantly reduce heavy lifting, pushing and pulling.



## Employee development

In 2018, we employed 157 new full time employees (FTE) resulting in a significant net increase from 2017. We now have 1,390 employees whereof 1,118 of them are located at our headquarters in Denmark.

### Employee satisfaction survey

The employee satisfaction survey has been conducted since 2010. Countries participating are Denmark, Sweden, Norway, Germany, Austria, Switzerland and the USA. The results for 2018 are showing a high level of overall satisfaction from the organisation and there has been some improvement in certain areas compared to 2017. However, there are always practices that can be improved, and in 2019 we will be focusing on management communication and presence.

### Health and well-being

It is of the utmost importance to have a healthy working environment. Good health equals happier and more productive employees, which in the end leads to a better working environment. Therefore, we want to encourage our employees to take advantage of the activities we offer at Kamstrup's own premises such as dentist, fitness and health clinic.

As part of our well-being initiative, we offer all employees at our headquarters the opportunity to get a free health check, free use of health clinic and free use of fitness centre. We believe that both our employees and Kamstrup benefit from a good health. Subsidiaries and branches choose relevant benefits to suit their needs.

We should also consider the benefits as rewarding outside working hours – a good health also benefits the employees outside work.

It is of the utmost importance to have a healthy work environment. Good health equals happier and more productive employees, which in the end leads to a better work environment.

### Educating and motivating our employees

It is essential to have a skilled and well-educated workforce. Therefore, all new employees go through an introduction program when they join Kamstrup. In addition, there is an opportunity for all Kamstrup employees to attend courses and to educate themselves further. In 2018, all employees in the production in Denmark have been offered to test their basic skills in reading, writing and IT. This resulted in an education plan for improving their basic skills.

### Job rotation

At Kamstrup, we welcome job rotation and think of it as a part of our corporate identity. We believe that applying for a job elsewhere within Kamstrup is a token of loyalty between the company and employee. Job rotation gives the opportunity of learning and keeps us innovative and agile.

Every manager at Kamstrup must support job rotation across the company, and all jobs are advertised on the intranet. A good manager is one who contributes to the development of the employees – making them capable of valuable contributions in other departments as well as in the current department.

---

We want to be a dynamic company with a wide range of opportunities for career development. Thus, job rotation gives the opportunity to learn new skills and gain experiences in new positions. It is important for us to be open to this kind of development because we want to keep our skilled employees when they search for new challenges.

---



## What did we do in 2018?

Our overall goal for 2018 was to continuously develop our employees and our organisation according to Kamstrup's growth and needs.

### Listed below, you will find the accomplishments from 2018:

- Generally, a better result of psychological working environment surveys compared to 2017.
- Safety walkways have been completed in all production areas together with working environment counsellors – some areas need focus.
- Campaign informing of how working environment counsellors can improve working conditions.
- We had 47 interns during 2018 divided across the divisions at Kamstrup headquarters. We had 84 open positions for interns but were only successful in finding 47. Following the completion of the internships, two thirds of the interns continued working for Kamstrup.
- Kamstrup Academy held 70 courses for employees designed to improve required competences.
- We entered various sponsorships supporting health and sports activities in local communities.
- We sponsored and supported a team of cyclists that biked from Kamstrup headquarters to Paris (+1,250 km) to strengthen network across the organisation.
- We participated in the initiative "Girls' Day in Science", which aims at motivating women to become engineers and software developers, to promote job possibilities at Kamstrup.
- We received and handled 8,135 job applications with respect for applicants.
- We handled all applications in compliance with GDPR.
- Participation in running and walking event focusing on health and socializing across departments and sponsored homeless shelters with excess food.
- Social events for employees and their families.
- Action was taken in two instances of harassment where our zero tolerance policy was not followed.
- The goal of zero non-conformances at work stations was not fully reached but actions are ongoing.

## What do we expect in 2019?

It is always our ambition to make sure we provide a healthy and safe working environment for all of our employees. We want to continue expanding our company in terms of acquiring talented people that can develop and push Kamstrup forward.

### Our 2019 goals are:

- Working environment council to be involved in relevant projects in Kamstrup
- Attract top candidates to our company within natural science e.g. IT, technology and development to support Kamstrup in future business
- Offer more tailor-made courses to support our brilliant employees to be fit for future challenges
- Continue planning social and cross-functional events promoting teamwork, health and social respect

The Working Environment Committee and the HR department will follow up on the goals and reassemble for on-going evaluation of the seven goals.

We want to continue expanding our company in terms of acquiring talented people who can develop and push Kamstrup forward.



Think forward

---

**Kamstrup A/S**

Industrivej 28, Stilling  
DK-8660 Skanderborg  
T: +45 89 93 10 00  
F: +45 89 93 10 01  
info@kamstrup.dk  
kamstrup.com