



Cleanprint
by Strandbygaard
This catalogue is a Cleanprint product, which is Cradle to Cradle Certified® Silver.



2022/2023

Impact Report



VTI A/S
Nr. Bjertvej 24
7830 Vinderup
Denmark

Tel. +45 97 44 30 00
Email. vti@vti.dk
Company Reg. No.
(CVR): 14 64 20 80

www.vti.dk



Contents

Introduction

About the report	3
Sustainability is in our DNA	4
Selected results from 2022/2023.....	6
VTI in figures	7

Organisation

VTI building on sustainable foundations	10
VTI's strategy and focus areas	11
The value chain	12
Vision & Mission.....	14
Values we live by at VTI.....	15

Climate and environment

VTI and the UN Sustainable Development Goals	19
VTI focuses on environmental impact	20
Focus on energy optimisation.....	22
High-frequency press produces environmental benefits	23
VTI supports sustainable forestry	25
NORTO – sustainability and innovation hand in hand.....	26

People and communities

Social responsibility at VTI	30
Health and well-being.....	31
VTI provides opportunities for everyone	32
Local deployment of the MIFA Foundation	35
A workplace built on diversity and differences.....	36
VTI's factory in Latvia	37

Data and objectives

ESG key figures	40
Objectives for VTI going forward	43

About the report

While VTI's Impact Report for 2022/2023 is the first such report we have published, it is built on years of internal work with sustainability. The report is a collection of selected assessments of VTI's work with sustainability in Vinderup, Denmark, and future editions will also include the initiatives introduced at the company factory in Latvia.

These initiatives include our work with the UN Sustainable Development Goals (SDGs), which have been formulated to chart a course towards more sustainable development worldwide between now and 2030. As a company, we already follow many of the SDGs in our everyday operations, and in our work with sustainability we likewise focus on the three sustainable bottom lines and KPIs for VTI.

The impacts and KPIs included in this report are based on FSR's ESG key figures and KPIs, as recommended by Finansforeningen/CFA Society Denmark, FSR – Danish Auditors and Nasdaq Copenhagen. We have done so in order to harmonise and standardise the KPIs for sustainability.

The carbon calculations in the report are based on the Danish Business Authority Climate Calculator and therefore comply with the internationally recognised standard for calculating climate footprint, cf. the GreenHouse Gas Protocol (GHG-protocol).

The report was prepared in September 2023 and covers the financial year 1 May 2022 through 30 April 2023.



Sustainability is in our DNA

VTI's identity is indelibly linked to an unswerving focus on sustainability and acting responsibly. We strive to be a healthy, sustainable organisation which – both now and in the future – works dedicatedly to live up to the intentions that the whole world is talking about and depends on.

Our ambition as a company is to take the lead in striking a balance between minimising our negative environmental impact, remaining competitive and making a positive contribution to societal development. With these ideals and intentions, we aim to be the preferred, responsible partner, which is why it is important to us that our customers, employees, suppliers and the world around us share the same sustainability-oriented mindset and understanding as us.

We undertake and commit to working towards a more sustainable future, drawing on the UN SDGs to support us in achieving our goal.

This applies, for example, in our work to reduce carbon emissions and waste, where we are striving to cut our emissions and to reuse as much material as possible. In this regard, we will likewise promote responsible use of resources and contribute to environmental protection at both local and global level.

VTI aims to be a healthy, responsible and attractive workplace. For this reason, we strive to offer equal opportunities to all our employees and partners. Moreover, we are committed to educating and informing our employees and partners about the work we do to protect the environment.

This also means that we will work to promote a sustainable supply chain by making demands on our suppliers and entering into partnerships centred on sustainable solutions. We work broadly with the UN SDGs and to succeed with our initiatives, we are focusing in particular on:

- SDG No. 3 – Health and well-being
- SDG No. 11 – Sustainable cities and communities
- SDG No. 12 – Responsible consumption and production
- SDG No. 15 – Life on land

We will regularly register and evaluate data on the areas listed above, taking this as our basis to select specific areas where we can make improvements so as to remain a responsible and sustainable organisation.

We recognise and acknowledge that the sustainable journey and sustainable input are fraught with dilemmas and tough decisions, which is why we strive continuously to be transparent and open in our communication – both internally and externally. This is essential if we are to live up to the intentions that the whole world is talking about and dependent on.

We will report the results of our work with the above annually in our Impact Report.

Thank you for reading our report!



Jacob Wernberg
CEO, VTI A/S



Selected results from 2022/2023

During the period we have focused in particular on the impact our production in Vinderup, Denmark, has on environmental and HR conditions (Scopes 1 and 2), as evidenced by the results on this page.

The impacts from our suppliers and customers (Scope 3) have only been mapped and quantified in this report to a lesser extent. However, we will be according more attention to this aspect of our impact in future Impact Reports.

VTI in figures

VTI is a proud, international company with 22,500 m² of production facilities in Vinderup, Denmark, and 5,200 m² in Rezêkne, Latvia.

We employ 101 people in Vinderup and 40 in Rezêkne.

Total CO₂e emissions (Scope 1+2) – 2022/2023

551 tonnes

2021/2022, 716 tonnes

Corresponding to a decrease of

165 tonnes



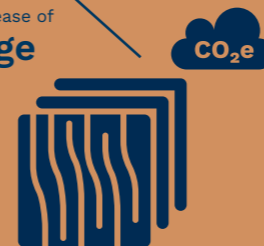
Index for CO₂e emissions per m³ (Scope 1+2) – (2021/2022 is index 100)

89

2021/2022, 100

Corresponding to a decrease of

11 percentage points



Waste % (in relation to raw materials purchased) – 2022/2023

31%

2021/2022, 34%

Corresponding to a decrease of

3 percentage points



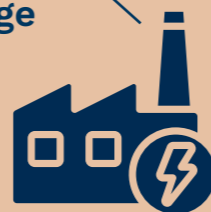
Index for energy consumption per m³ – (2021/2022 is index 100)

89

2021/2022, 100

Corresponding to a decrease of

11 percentage points



Employee satisfaction – 2022/2023

4.2 out of 5

2021/2022, 4.1 out of 5

Corresponding to an increase of

0.1



No. apprentices/students – 2022/2023

2

2021/2022, 2

Corresponding to a change of

0



Vinderup

Furniture/DIY capacity

3,200,000
m²

Size

22,500
m²

HF press, capacity
6,500,000
m

Finger jointing

2,500,000
m

Employees
101

Rezêkne

Furniture/DIY capacity

1,550,000
m²

Size

5,200
m²

Employees
40

Briquette press, capacity

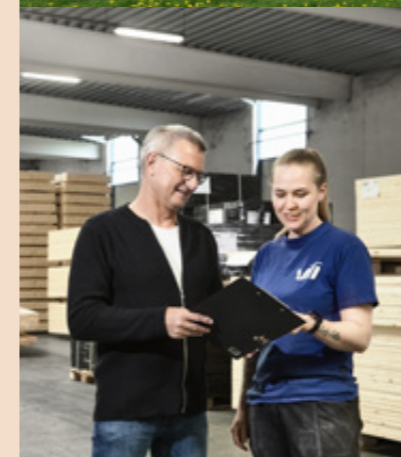
3,840,000
kg



Vinderup Factory



Rezêkne Factory





ORGANISATION

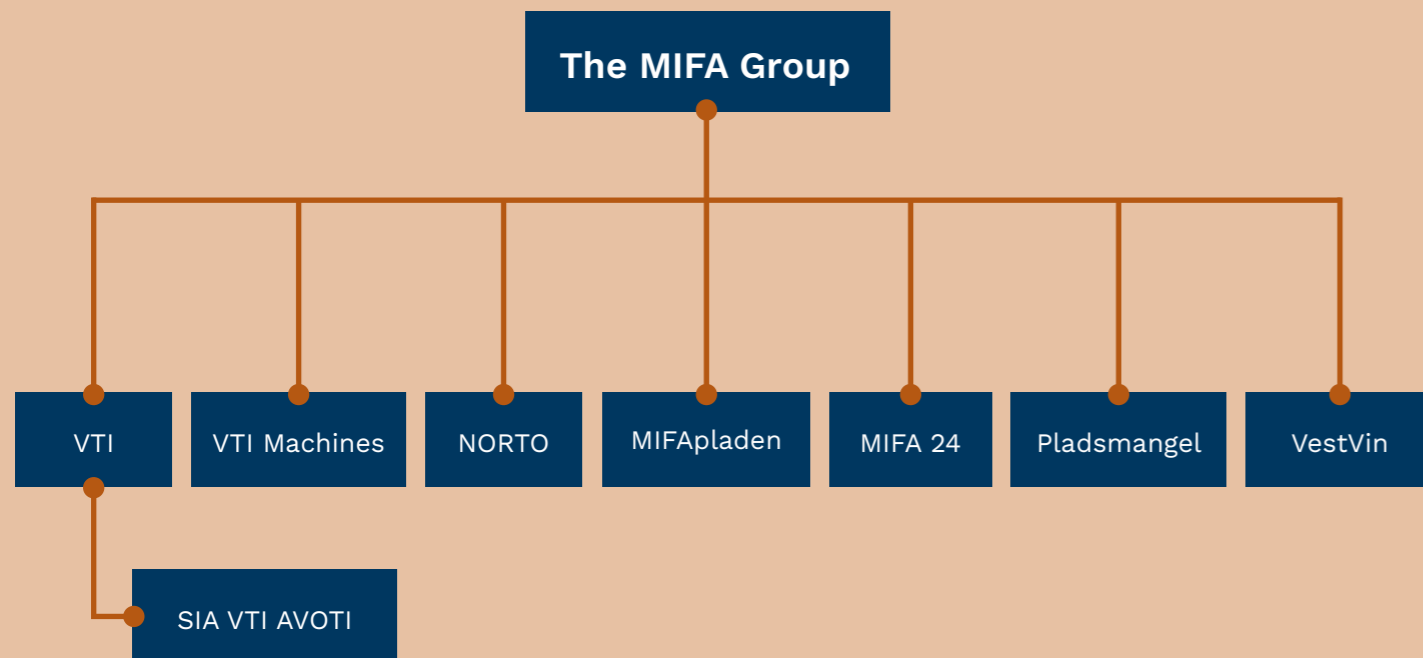
VTI building on sustainable foundations

A part of the MIFA Group, VTI is a proud company pursuing an international perspective from its base in Vinderup, Denmark. The company’s core competence is the production of glulam for furniture, windows, doors, stairs and DIY projects. Glulam has been the heart and soul of VTI for almost 50 years, and we are one of the leading producers of this material in Europe.

In addition to VTI, the MIFA Group numbers several other companies, of which most have working with wood as a common denominator. In addition, the companies all share a strong commitment to sustainability.

Both the MIFA Group and VTI were founded by Inga and Flemming Nielsen, and they remain family-owned businesses. On this basis, a long-term perspective is applied to all decisions, along with keen focus on the three sustainable bottom lines.

For example, Inga and Flemming Nielsen have established the MIFA Foundation as an aspect of a generational change, and to secure the future on the day that the keys to the business are handed on. The Foundation constitutes a strong, sustainable basis for VTI and focuses clearly on local deployment and social sustainability, supporting a number of local operators with funding.



VTI’s strategy and focus areas

The foundations for a robust, sustainable company that can continue to stand proud and strong in the future are formed by the three sustainable bottom lines. At VTI, we work strategically and professionally with the environmental, social and economic bottom lines on a daily basis, alongside our closely targeted commitment to the SDGs.

The strategy is crucial to our ability at VTI to generate sustainable success. We take the external and internal influence factors as our starting point, and it is our employees themselves who, with pride, professionalism and ownership, bring the strategy focus areas to fruition within the framework of the bottom lines and the SDGs.

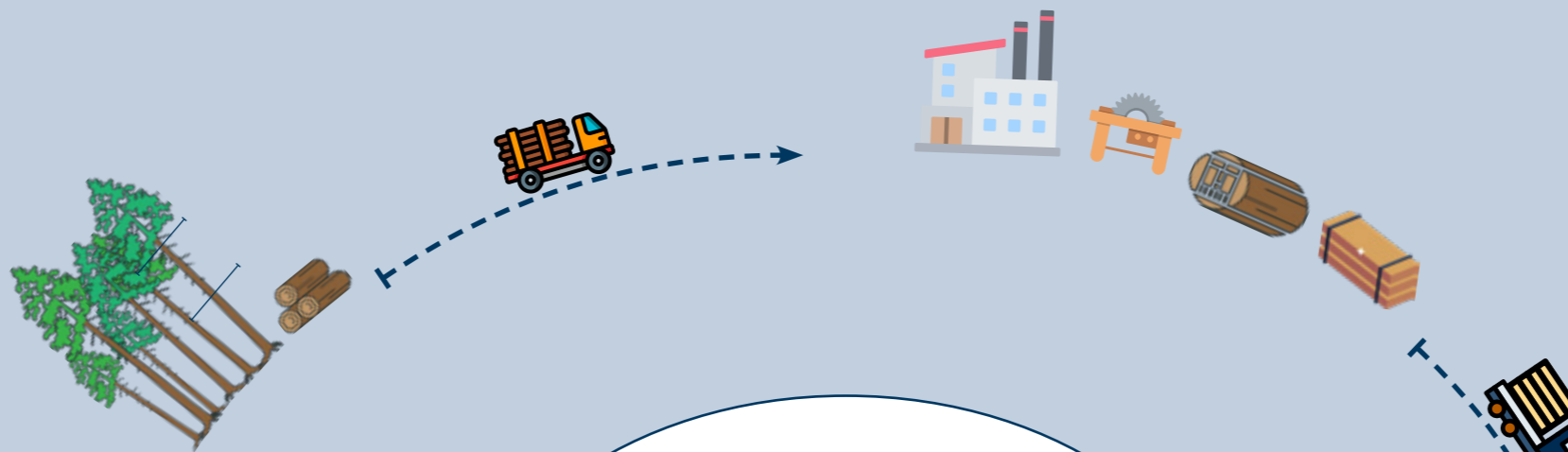
- The environmental bottom line: We maintain constant focus on sustainable and responsible forestry, where we work exclusively with certified wood. In addition, we place high emphasis on energy optimisation as well as on reducing waste and pollution and promoting recycling.
- The social bottom line: We focus on maintaining a healthy working environment where employees can feel safe and confident, and where we cultivate diversity. We are to contribute to employees’ health, ensure equal conditions and opportunities, and work to reduce sick leave and industrial injuries.
- The economic bottom line: We focus on investing in the future in an economical-ly sustainable manner. We implement sustainable solutions that contribute to long-term growth for all parties involved in the value chain.



The value chain

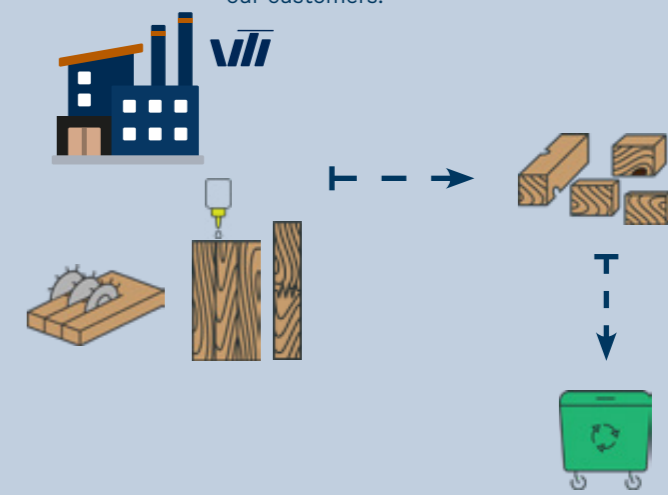
1. Certified quality

Our raw timber is principally supplied from the forests in the north of Sweden and Finland, and is between 80 and 100 years old. Everything is FSC®- or PEFC-certified, which means that the foresters never fell more trees than they plant. We use the top of the tree – where there are only fresh branches – for our furniture panels, while for our window and stair profiles, we use the middle and bottom parts of the tree, which have a high content of heartwood.



2. Processing the raw timber

When the wood arrives at our factory, it is scanned and optimised on the basis of knots type and saturation and the finished lengths. The panels or profiles are then moulded, glued and sanded before being shipped out to our customers.



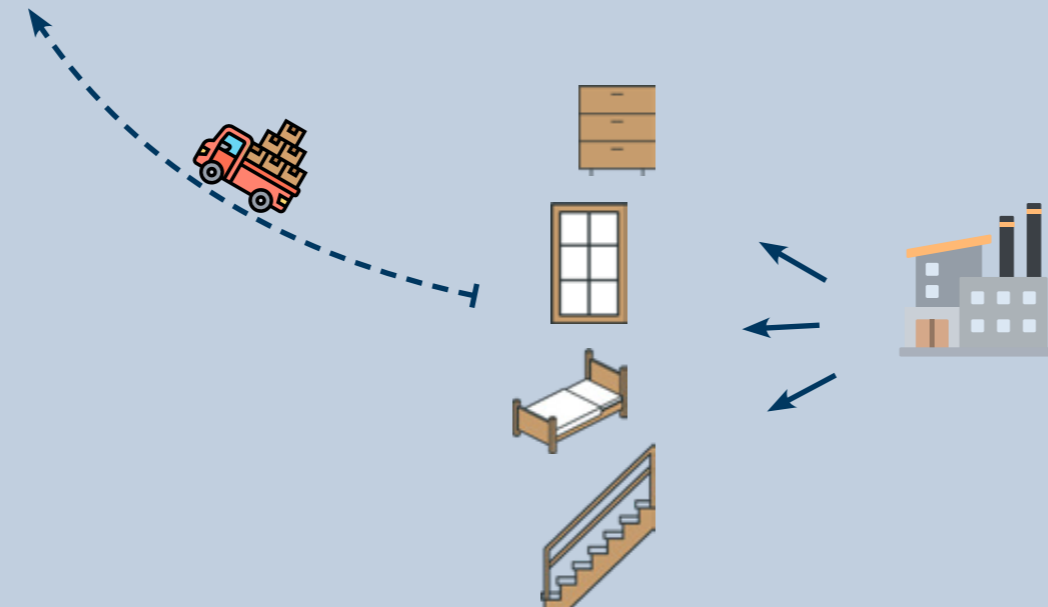
A knowledge hub

VTI serves as a knowledge hub in all links of the value chain, encompassing suppliers, partners and customers. We contribute knowledge and advice to all parties in the value chain because we know that through our partnerships, we are Stronger Together.



4. Products all over the world

With professional pride and expertise we have provided people all over the world with access to strong, fundamental products.



3. Production at our customers

The finished products are manufactured at our customers' facilities, so it is essential that we always deliver the right quality on time.

NORTO

Upcycling of residual wood

NORTO receives a large proportion of the wood discarded on account of high knot saturation. The small pieces of residual wood from the container are collected at our finger jointing facility, where they are used to create new raw material for use in new, upcycled solutions.

Vision & Mission

Our vision and mission were drawn up in 2022 on the basis of the words and values that our employees associated with VTI as a company and a workplace.

We consider it crucial that what we do makes sense to our employees and partners alike, so that we can build up valuable relationships both internally and externally.

Vision

With pride and expertise, VTI shall enable its partners to create strong and fundamental products through respect for nature and people all over the world.

Mission

Dedication and knowledge shall ensure the right quality on time, every time, so that VTI can build long, solid and valuable partnerships.



Values we live by at VTI

How we bring our vision, mission and core narrative to life.



WE ACT PROFESSIONALLY

In everything that we do!

We strive to be professional both towards each other and towards our customers and our partners.

Professionalism is a key value both externally and internally.

If we all do our best to act professionally, then together we can present VTI as a professional and attractive organisation – not just to the world around us, but also to our current and future employees.



WE CREATE VALUABLE RELATIONSHIPS

We say what we mean and we deliver on what we promise. This applies internally and – in particular – in relation to our customers and partners, for whom security of supply is of crucial importance. We are not just a supplier, but also a partner and knowledge hub which provides appropriate advice and maintains solid, valuable and enduring relationships.



WE EMANATE PRIDE

We take pride in knowing our stuff.

This pride is built on the dedication, professionalism and honest integrity that we display in our daily work. We are proud of our skills, our hard-working employees and the way in which our knowledge and craft translate into finished products for our customers. We are proud to be one of the best in Europe.



WE CULTIVATE DIVERSITY

Diversity is an important parameter at VTI and something which helps us develop both personally and professionally each and every day. We are all experts and highly dedicated within our specific areas, and the different skills we possess combine to create one giant asset for the company as a whole. We feel like one single VTI where there is space for differences, trust and development.



WE DISPLAY AGILITY

All employees are problem-solvers, and this is one of the fundamental reasons why VTI is currently among the best in Europe.

We strengthen the organisation through securing the right competencies, safeguarding the agility the market demands today and in the future. We know how to chart our course, and even if changes in the market may give rise to uncertainty, the enthusiasm and the expertise of our employees always helps us stay on track.



CLIMATE AND ENVIRONMENT

The 17 Sustainable Development Goals



VTI and the UN Sustainable Development Goals

In order to apply our sustainable strategy in practice, such that we do as much as we can for the world around us, it is both important and natural for all VTI employees to work with the UN Sustainable Development Goals (SDGs). We do this to remain conscious of the initiatives we have already launched and to set new goals for the VTI of the future and the impact we have on the world.

We take our social responsibility seriously in multiple dimensions, but have selected four particular SDGs where we feel we can make the biggest difference for the world. In the context of each of these four goals, we work with the individual aspects that we consider to have the greatest influence, not only on VTI as a company, but also and in particular on the world around us.

Our work with the UN Sustainable Development Goals is not limited to the four presented below, because in practice it encompasses many of the goals. Here at VTI, we are also well aware that we will never finish developing our operation within the framework of the sustainable agenda, because we know that simply operating as a production company inherently entails a weighty social responsibility.

A healthy workplace

We believe that an attractive workplace is one that prioritises the health of its employees, equal conditions and equal opportunities. It is a workplace with space for diversity, and where we apply an active health policy. We continuously work with the working environment, devoting attention to how we talk to one another and to how we can create the best possible framework for our employees such that they can be proud to work at VTI.



Local deployment

We are happy to accept our social responsibility in the local community in and around Vinderup, where we are keen to contribute to both education and workplaces. We support local initiatives, associations and sports activities in order to give something back to the local community of which we are a part. It is important to us to be a part of the local community, given that we are one of the major companies in the area.



Focus on responsible consumption

At VTI, we maintain focus on responsible consumption in all links of our value chain, and we work tirelessly to find new methods in the areas of raw material utilisation, energy reduction and waste sorting. We believe that sustainability and innovation go hand in hand, and this is why we have established NORTO, which works on developing sustainable solutions from our residual off-cuts. The location of our factory in Latvia likewise reflects our focus on responsible consumption, because it positions us closer to the forest and our customers.



Nurturing nature

The biggest difference that we, as a company, can make around the world is to focus on sustainable and responsible forestry. That is why we work exclusively with wood certified according to the FSC® or PEFC standard. These certifications guarantee that the wood comes from forests that are managed with environmental consideration and social responsibility. As a company, we also make requirements on both suppliers and our own transport department, where we will be replacing diesel vehicles with electric and hybrid models on an ongoing basis.





VTI focuses on environmental impact

We are doing so to ensure a better future. Here at VTI, we view ourselves as a responsible and sustainable company, a consideration that permeates not only our strategy, but also all our decisions and activities. We see it as our responsibility to take care of all three sustainable bottom lines so that we can contribute to a more sustainable future.

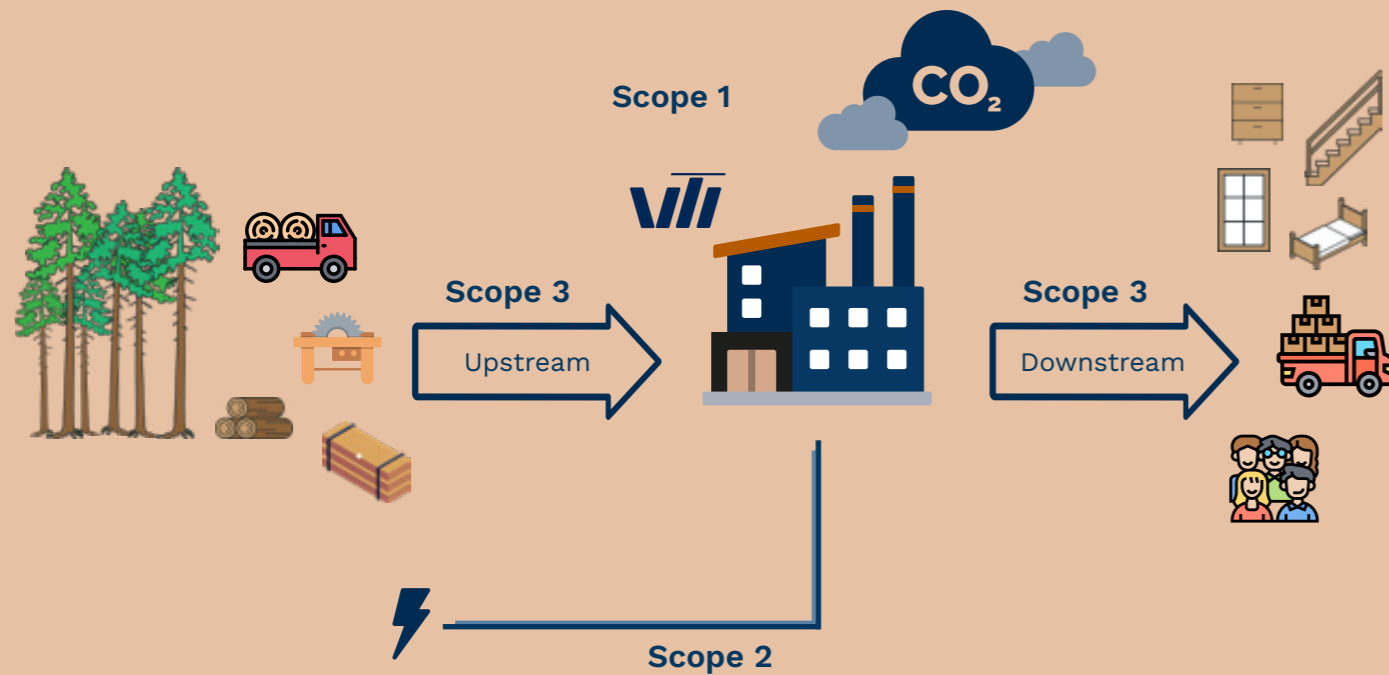
We are therefore dedicated to reducing our environmental impact on an ongoing basis by minimising our carbon footprint, improving our energy efficiency, reducing waste and making use of sustainable raw materials.

We believe that a sustainable approach can also generate commercial benefits, in that it can improve our reputation and open up opportunities for innovation and the development of new, sustainable products.

We will strive constantly to be a leading company and an attractive partner in the industry as regards the sustainable approach. We undertake to act on our sustainability values in cooperation with our customers and partners.

Method

We follow the Greenhouse Gas (GHG) protocol, which is the leading international standard for measuring carbon emissions and reporting them as CO₂-equivalents (CO₂e) under three different types of emission.





Focus on energy optimisation

In 2021, as a part of a local project in the Municipality of Holstebro, we analysed our factory from the perspective of energy optimisation. The analysis resulted in a long, detailed report describing a host of initiatives, large and small.

We have subsequently used this report as the basis for our initiatives, whereby we have identified and dealt with the challenges that previously produced the greatest environmental impact.

For example, we have replaced the lighting in the factory so that we now use LED systems exclusively; we have also installed sensors to help eliminate the unnecessary use of energy. Calculations indicate that this has helped cut our carbon emissions by fully 73 tonnes.



High-frequency press produces environmental benefits

In the spring of 2022, we brought a new, high-frequency glulam press online in our production department in Vinderup. We did so on the basis of more stringent environmental requirements combined with growing demands from our customers – and the results have been amazing. For example, the facility now runs at a higher speed, allowing us to increase production capacity significantly, to the benefit of multiple sustainable bottom lines.

The high speed of the machine is attributable to faster adhesive application, which is now electronically controlled. The new system ensures that the right amount of adhesive is applied to each element, even though the process runs faster than previously. Another special feature of the new installation is that the wood is not heated. The adhesive is heated, however, via a high-frequency system that helps it bind appreciably more quickly than before. At the same time, we are now able to program batch sizes so that the machine can automatically allocate the correct number of lamellas and, in doing so, determine exactly where the glue joint will be.

A step towards phasing out gas

In addition to bringing in the new glulam press, we have designed a system that enables us to check the quality of each and every sheet and to repair any defects as a part of the same process. This helps us ensure that we deliver the right quality to our customers, without risking reducing capacity. It also means that we have more employees working at the new installation, as we still check every sheet to assure the correct quality every time.

In spring 2022 we likewise installed a smaller high-frequency press at our factory in Latvia, and in summer 2023 we will be adding another high-frequency press in Vinderup, this one with a built-in saw unit and robot stacker. This last gives our employees the opportunity to carry out value-creating tasks elsewhere, while simultaneously ensuring more uniform processing of our sheets. All in all, this will make us more flexible and allow our employees to develop additional skills.

Moreover, the new presses play a role in our sustainability strategy, where one of the main focus areas is energy optimisation, including phasing out gas in the production process.





VTI supports sustainable forestry

VTI began using certified wood in 2000, since when the proportion of such wood has risen steadily such that we use certified wood exclusively today.

We place great emphasis on sustainable, responsible forestry, which is why we only work with wood certified to the standards stipulated by either the Forest Stewardship Council® (FSC®) or the Programme for the Endorsement of Forest Certification (PEFC). These certifications guarantee that the wood comes from forests that are managed with environmental consideration and social responsibility.

FSC® and PEFC are both internationally recognised certification schemes that set high standards for forestry and wood production. For example, the certification entails showing consideration for biodiversity and requires forestry operations to be both responsible and sustainable. It also carries a commitment to make sure that local communities are involved in, and benefit from, forestry operations.

The FSC® and PEFC labels are guarantees that our wood comes from forests that have been managed in accordance with the applicable sustainability standards. This has the positive effect that it promotes responsible forest management, reduces forest clearing and supports the protection of biodiversity.

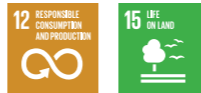
FSC® or PEFC certification is important, and it plays a prominent role in the preservation of forests worldwide as an invaluable resource both now and for future generations.

When we at VTI choose to work exclusively with FSC® and PEFC-certified wood, it is because we want to take responsibility for our impact on the environment and production conditions. It also means that we can supply our customers with high-quality products while maintaining a clear conscience.

In addition to using certified wood, we are committed to working closely with our suppliers on issues such as reducing carbon emissions in the supply chain and implementing initiatives that support sustainable development with social responsibility.

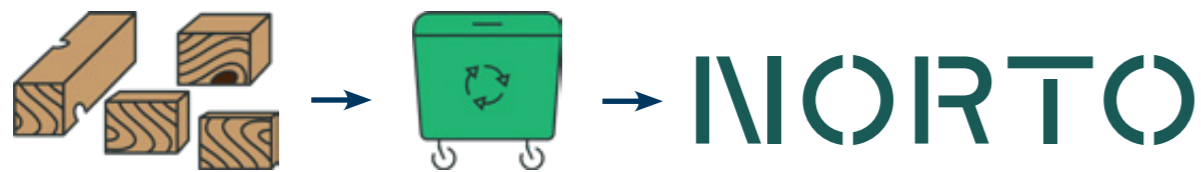


NORTO – sustainability and innovation hand in hand



We established NORTO with the purpose of utilising residual material at VTI to create new and innovative products. NORTO focuses on producing interior solutions including wood panels, ceilings, floors and kitchens. All operations are distinguished by a holistic approach to sustainability and focus on the circular economy.

However, NORTO holds greater importance to VTI than “just” being a sustainable business unit. It is an important link in the value chain, where we can try out new technologies, experiment with sustainable processes and develop new products that align with our vision of creating a more sustainable future.



As such, NORTO has an important role to play in our sustainable strategy, assisting us in achieving our goals of shrinking our environmental footprint and promoting a more sustainable future for our planet. For VTI, NORTO is thus the prototype of a binding and developing partnership that we can transfer to other partners in the future.



Best sustainability culture

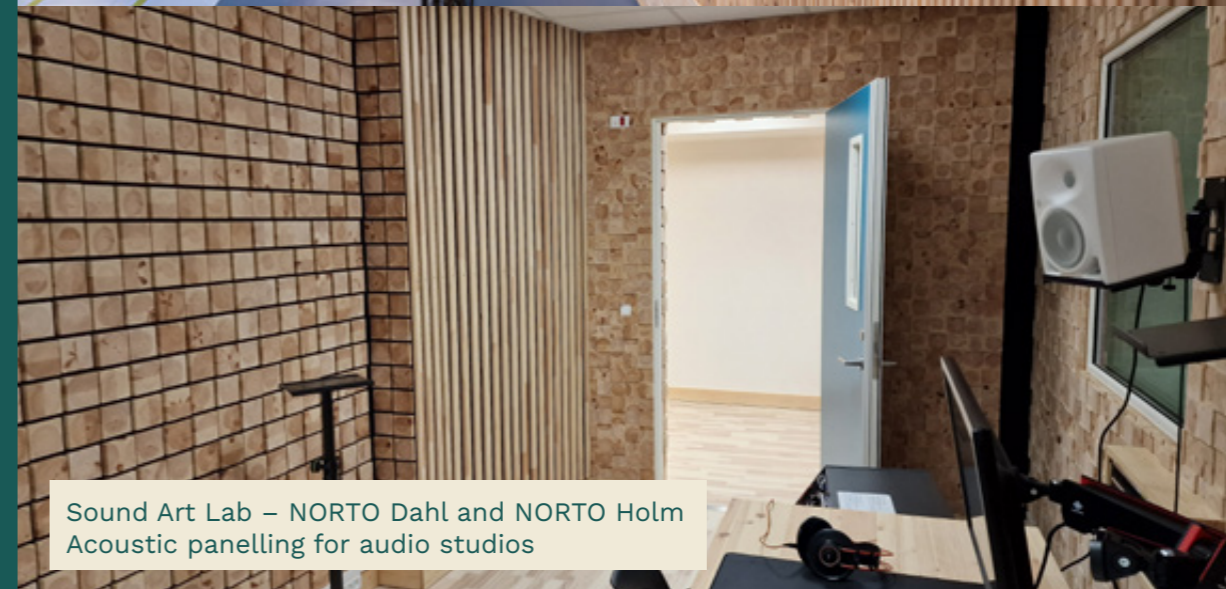
At the 2022 ErhvervsKulturpriserne awards in Holstebro, NORTO won the award for best sustainability culture on account of the utilisation of residual materials at VTI. The award came with a prize of DKK 10,000, which, following an internal competition, was shared between three VTI employees who had suggested good, sustainable initiatives.



Aarhus School of Architecture – NORTO FloorUP
2,000 m² – 330,000 upcycled and solid end-grained wood stumps



Vejle Sports High School – NORTO Bech Lyd
Acoustic panels made of upcycled off-cuts from window production



Sound Art Lab – NORTO Dahl and NORTO Holm
Acoustic panelling for audio studios



PEOPLE AND COMMUNITIES



Social responsibility at VTI

At VTI, the social bottom line is an integral part of our corporate culture and business strategy. Our view is that we should focus not only on the economic bottom line, but also on the societal and environmental dimensions.

We prioritise the well-being and development of our employees, given that they are crucial to the development of VTI as a whole. For this reason, we offer education and career opportunities and work to create an inclusive and multifaceted working environment, where we actively cultivate diversity.

We employ people of many different nationalities, and we view diversity as a strength for our corporate culture and our capacity to deliver creative and innovative solutions.

We also support organisations and projects in our local area, because relations with the local community are essential to our success as a business. It is important to us that our employees radiate pride in working for VTI – and the local community should be in no doubt that this is so.

VTI works unceasingly to create a more sustainable and responsible business that can serve as a source of positive drive in society.



Health and well-being

The social, sustainable bottom line is prioritised at VTI as a key aspect of the strategy. Because as a dedicated and professional company, VTI is not focused exclusively on delivering high quality in the production of glulam, it is also concerned with taking good care of its staff.

That is why, in addition to a solid pension scheme and health insurance, we offer all our employees a health check intended to pick up on any risk of lifestyle illnesses and to promote health and well-being for the individual employee.

We believe that when our employees are fit and healthy and feel good, then this will have a positive effect on our bottom line. The well-being of our employees is something we work with every single day at VTI – in both administration and production departments.

The initiatives have been warmly received internally. The health check and subsequent health process, which was offered to employees with an elevated risk of developing lifestyle illnesses, have created a peerless social community in all areas of the organisation.



VTI provides opportunities for everyone



A key aspect of VTI's sustainability strategy and work with the SDGs is our approach to education and our commitment to providing our employees with every opportunity to develop. This means that there is room in our organisation for students and apprentices, who are part of the everyday scene at VTI.

Two excellent examples in this regard are Majbrit Rene Rasmussen and Kenneth Slyngborg, who both have years of experience at VTI. Both are delighted and grateful to have the opportunity to take an education at the same time as building up practical experience.

For Majbrit Rene Rasmussen, an office intern who has six months to go on her office study programme, the practical aspect has meant that she already handles a variety of assignments in VTI's administration department.

"I've had the chance to 'dip my toes' in sales, finance and organisational conditions, where I've worked with a great many colleagues. I'm delighted with this broad education where, as an administrative multi-tasker, I've built up a host of skills," she says.

"I've never felt like an intern at VTI. This is probably down to my excellent colleagues and partners, and to the fact that we are really good at helping each other out."

It's a developing process

After several years in the production sector, Kenneth Slyngborg was offered the chance to apprentice as an industrial operator. He views the collegial team spirit as a great strength at VTI. In the same way as Majbrit Rene Rasmussen, he is delighted with the all-round education he is receiving at VTI.

"As an apprentice at VTI, I really have the chance to bring my practical background as an automotive painter, mechanic and smith into play. It's great to work in all parts of the production department and use some of the things I learn at school in practice," he says.

"I've been given so many opportunities at VTI and my development has come on in leaps and bounds since I started apprenticing as an industrial operator. And there's a fantastic team spirit among all colleagues," he concludes.

Kenneth Slyngborg will complete his training as an industrial operator on 1 December this year, while Majbrit Rene Rasmussen will finish her office education on 1 March 2024.





Local deployment of the MIFA Foundation

The MIFA Foundation was established in 2019 by VTI founders Inga and Flemming Nielsen, with a view to providing a solid base for all companies in the MIFA Group – including VTI and NORTO – with a local perspective.

Flemming Nielsen started out as a master carpenter in his father's barn in Gudum in 1976, and a few years later he initiated production of glulam in Vinderup. Since then Inga and Flemming Nielsen – and VTI – have been based in Vinderup, developing an increasingly international outlook.

It is important for the foundation to give something back to the local area, something with significant human value. The aim of the foundation is to provide a solid base for the standpoints that have served as the launchpad for the success that Inga and Flemming Nielsen and VTI have built up over almost 50 years.

One of the most important aims of the foundation is to make a significant difference for public utility and public benefit projects in the Municipalities of Holstebro, Struer and Lemvig – projects that support the UN SDGs and social sustainability, which are a part of VTI's DNA.

Through the MIFA Foundation, Inga and Flemming Nielsen support a variety of large and small projects in the local area, and they are committed to creating opportunities for people whose lives have been altered by the impact of age, illness or life in general.

The MIFA Foundation has supported:

FDF Scouts in Struer

YMCA and YWCA in the North-west Jutland District.

Mariebjerg Education Centre in Vemb.



A workplace built on diversity and differences



Take a walk through the VTI production department and you will soon encounter a range of different nationalities. In 2023, the workforce numbers employees from Palestine, Sri Lanka, Syria and Ukraine – and even, in the case of Abedin Ujkani, Kosovo.

Abedin Ujkani arrived in Denmark from Kosovo in 1992 and he has worked at VTI for the past 20 years, holding a wide variety of positions. He is currently responsible for our moulding machines, playing a key role in keeping the team running smoothly.

He believes that the diversity and the numerous cultures at VTI combine to create a unique ambience. There is plenty to learn from other cultures every day at work, and this is a major strength, he relates.

“We’re great at embracing diversity at VTI; in fact, I would say that we actively cultivate it. Our strength lies in our willingness to help one another, even though it can be a bit of a challenge to communicate at times,” he says.

“Not everyone speaks the same language to start with, but we’re good at helping one another with practical matters.” I do a lot to make sure that people who are still struggling with the Danish language feel comfortable, because I’m well aware how tough it can be,” he adds.

The language issue is an area VTI has taken steps to deal with by organising Danish lessons for some of its employees. These include Monika and Boneza, who have been working on their Danish skills at the adult education centre (VUC) since 2022.

The progress the two VTI employee have made is truly impressive. Their dedication to learning Danish and improving their skills has naturally proved useful for their work at VTI, and perhaps just as importantly, for their everyday life in Denmark.

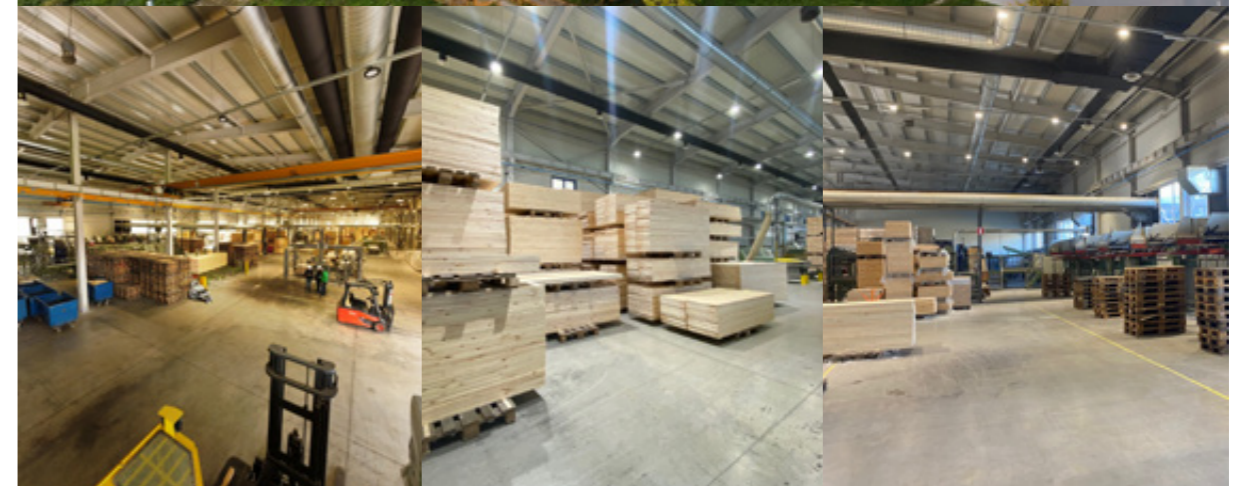


VTI’s factory in Latvia

In early 2020, VTI established a factory in the Latvian town of Rezēkne, and barely a year later, the staff, machines and production equipment were up and running. The factory now employs 40 people, who follow the same strategy as applies in Vinderup.

The Latvian factory was established as VTI outgrew its facility in Vinderup. The company needed more space to increase capacity and optimise production, and by choosing a location in Latvia, VTI was able to move closer to both a source of raw material and a large pool of customers.

VTI’s sustainability initiatives at the Latvian factory will be included in future editions of the annual Impact Report.





DATA AND OBJECTIVES

ESG key figures

The tables below present selected, relevant data for the period 1 May 2022 through 30 April 2023.

Environmental KPIs	2022/2023	2021/2022	Unit
Total CO ₂ e emissions, Scope 1	188	282	tonnes
Total CO ₂ e emissions, Scope 2	363	434	tonnes
Index for Scope 1+2 CO ₂ e, emissions per m ³ glulam produced	89	100	
Waste % (in relation to raw materials purchased)	31	34	%
Annual energy consumption	14,052,471	18,198,072	MJ
Index for energy consumption per m ³ produced	89	100	
Proportion of energy consumption from renewable energy sources*	0	0	%
Annual water consumption	3,171	3,785	m ³

* Over and above the share in Danish electricity production

Social KPIs	2022/2023	2021/2022	Unit
Employee satisfaction	4.2	4.1	Scale, 0–5
Sick leave	4.4	7.8	%
No. industrial injuries	3	6	
No. employees who have had a health check	73	-	
Proportion of female full-time staff	29	32	%
Proportion of female senior managers	33	33	%
No. nationalities employed	7	-	
Pay gap between the genders*	1.03	1.03	
Flex-job, work aptitude testing, etc.	4	-	
No. sponsorships of associations and local events	8	-	

* Average hourly pay men/women – Fundamentally, salary bands and supplements are independent of gender

Corporate management	2022/2023	2021/2022	Unit
No. women on the company Board of Directors	0	0	
No. men on the company Board of Directors	4	4	
Attendance at board meetings	100	100	%

VTI's Scope 3 emissions

In the same way as for most production companies, the highest carbon emissions are allocated to Scope 3.

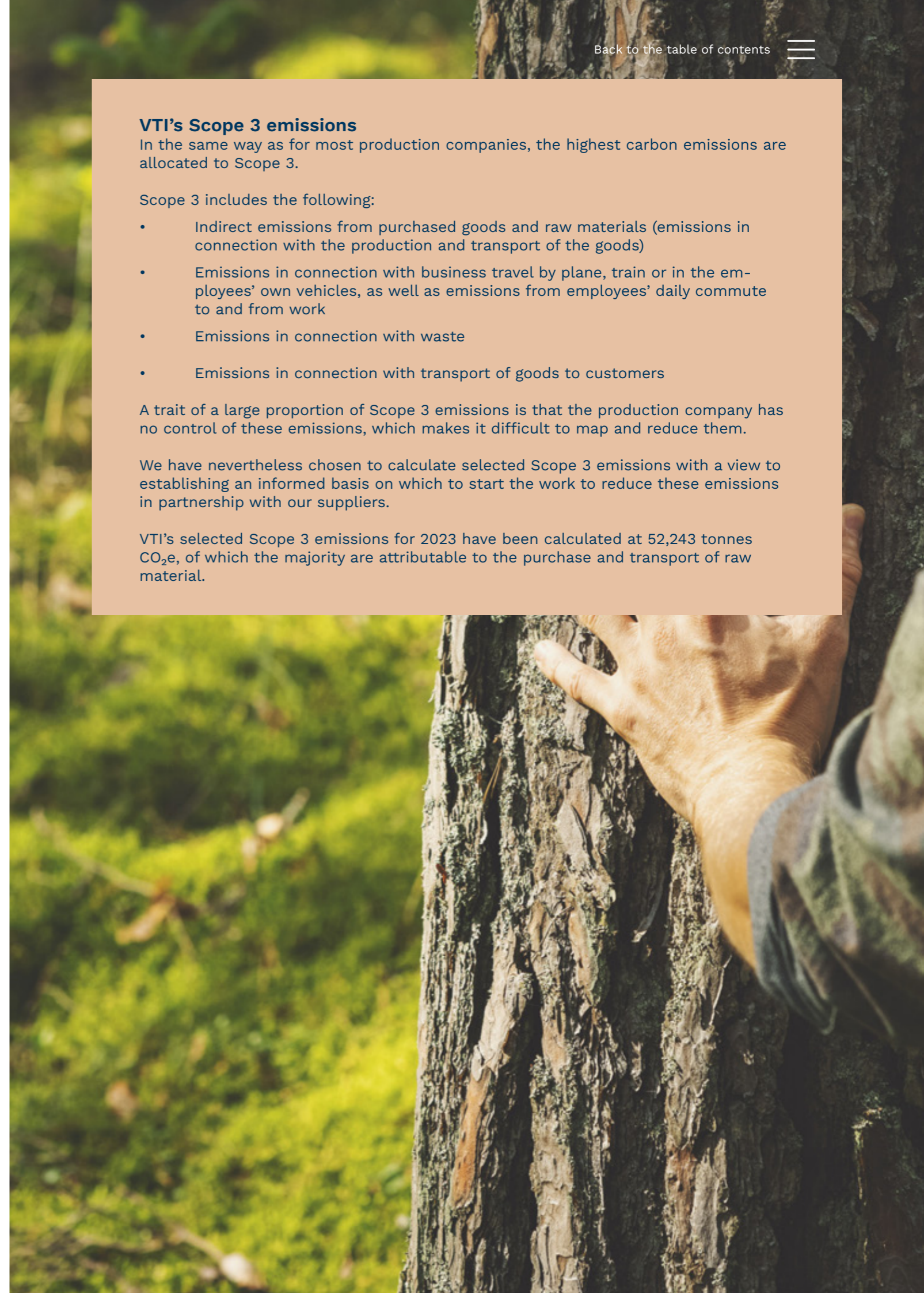
Scope 3 includes the following:

- Indirect emissions from purchased goods and raw materials (emissions in connection with the production and transport of the goods)
- Emissions in connection with business travel by plane, train or in the employees' own vehicles, as well as emissions from employees' daily commute to and from work
- Emissions in connection with waste
- Emissions in connection with transport of goods to customers

A trait of a large proportion of Scope 3 emissions is that the production company has no control of these emissions, which makes it difficult to map and reduce them.

We have nevertheless chosen to calculate selected Scope 3 emissions with a view to establishing an informed basis on which to start the work to reduce these emissions in partnership with our suppliers.

VTI's selected Scope 3 emissions for 2023 have been calculated at 52,243 tonnes CO₂e, of which the majority are attributable to the purchase and transport of raw material.



Objectives for VTI going forward

In the period 1 May 2023 – 30 April 2024, our objective is to reduce our impact in the following areas.

Area	Objective, 2023/2024
EPD on our main product	EPD finalised and published
Energy data at machine level	Mapping energy consumption of the most important machines and processes
Waste sorting	Fully implemented waste sorting
Industrial injuries and sick leave	0 industrial injuries and reduce sick leave by 10%
Employee satisfaction	Maintain at 4.2

In general, we will work towards ensuring that all decisions are assessed on a broad basis of sustainability criteria that encompass environmental, social and economic aspects.

