

# Corporate Social Responsibility & Sustainability

Report 2024

UNGER 2024 / Content



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### 2024

Unger focuses on sustainability throughout the entire value chain.
We challengen ourselves to create new and sustainable value in our day-to-day operations.



#### Did you know...?

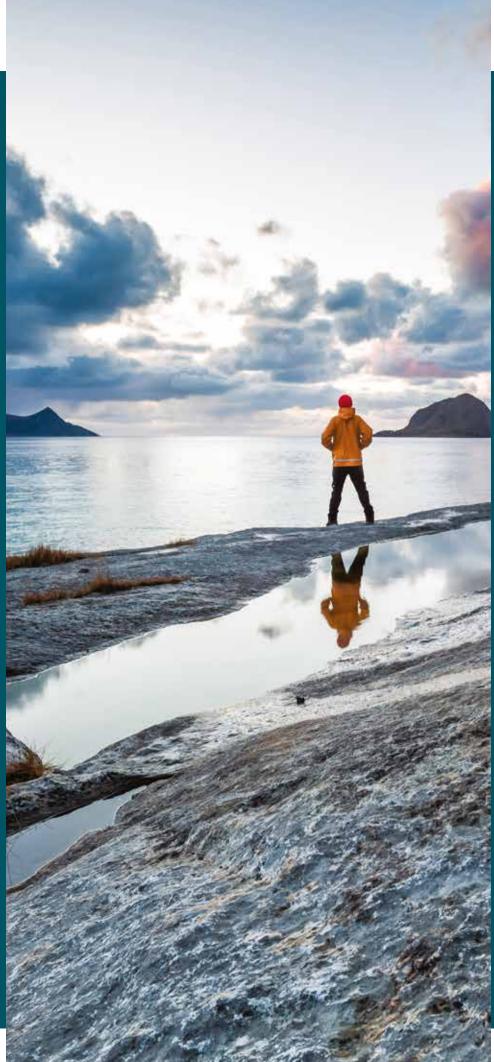
Unger had
120 employees
at the end
of 2024

2,000 hours were spent on training in 2024 Unger provides
financial support
to local good
causes

Unger is part of the Olav Thon Group

We pursue sustainable development

Unger constantly strives to reduce our environmental impact



# Unger's purpose

Unger's purpose is to contribute in creating a safe, clean and functional everyday life for all of us.

We develop, produce and sell surfactants and services that contribute to our common well-being in the modern world. Our products, which often go unnoticed, are "everyday heroes" that perform necessary functions.

#### What is Unger's approach to sustainability?

We continuously develop environmentally-friendly technologies that reduce the carbon footprint, preserve biodiversity and ensure a transparent value chain. Our goal is to ensure that we do not limit the opportunities of future generations.

Our sustainability goals are ambitious and take into account of our owner, employees, customers, government authorities and the market.

As a B2B company, we also endeavour to support our customers' sustainability goals. They want to meet the needs of end users, like you and me. We work closely with our customers to deliver products and solutions that align with their sustainability ambitions and can create new value for their brands. This enables us to help create a better future for all, where the needs of end users are met in an environmentally-friendly and responsible manner.

As a resource-oriented and responsible company that delivers quality products and services, we create a competitive advantage for our customers.

SUSTAINABILITY REPORT **UNGER 2024** / Unger's sustainability goals

## Unger's sustainability goals

Three pillars (focus areas) have been established for sustainability: carbon footprint, respect for others and innovative, environmentallyfriendly solutions. Unger has defined global, local and internal initiatives within each of these pillars. Each of the pillars is linked to the United Nations Sustainable Development Goals.

#### **Carbon footprint**

Carbon footprint is linked to the following sustainable development goals:





We will strive to reduce our carbon footprint throughout the entire value chain, from the production of raw materials to the finished product. We will measure our carbon footprint and set targets to reduce it

**Sustainable Development Goal 9:** Industry, Innovation and Infrastructure Unger focuses on developing new methods economy by recycling plastics, paper and and invests in technical solutions that reduce emissions to water and the consumption of raw materials and energy.

To achieve the desired improvements. both AI and advanced control systems are used to manage the processes

#### **Sustainable Development Goal 12: Responsible Consumption and Production**

Unger focuses on resource utilisation throughout the entire value chain. In principle, our processes create no waste products, and any emissions and waste are therefore viewed as lost resources. Much is done to focus on resource utilisation throughout the organisation to ensure that we are conserving our resources rather than producing waste.

Good resource utilisation results in lower emissions and contributes to a circular pallets. Good resource utilisation in turn also reduces our carbon footprint because fewer raw materials and less packaging are used.

#### Respect for others

Respect for others is linked to the following sustainable development goals:







We will respect others in our organisation, our neighbourhood and our local community. We will respect others throughout the entire value chain, from the producers of raw materials to the manufacturers of finished products.

#### Sustainable Development Goal 3: Good Health and Well-being

Together with clean water and vaccines, our products help prevent infectious diseases and contribute to good health. The pandemic reminded us that water and soap play an important part in eliminating bacteria and viruses.

Unger focuses on the health of each of our employees through good HSE work and, not least, involving them in the development of their own workplace. Unger is certified in accordance with ISO 45001 Health and Safety Management Systems.

We place emphasis on having a good relationship with our neighbours, and go to great lengths to reduce our environmental impact. We maintain a continuous dialogue with our neighbours and have initiated a number of measures to reduce noise pollution and odours from our production facilities.

#### **Sustainable Development Goal 8: Decent Work and Economic Growth**

We take steps internally to ensure there are good working conditions, and this is

achieved in close consultation with trade unions and each individual employee. Unger also seeks to influence decent working conditions throughout the entire value chain. Individual suppliers of raw materials and packaging are evaluated based on risk assessments.

Among other things, these evaluations cover forced labour, child labour, HSE, pay and benefits, harassment and equal treatment, as well as the environment and sustainability. The evaluations of the entire value chain are part of our due diligence process, and are also a prerequisite for our certification in accordance with ISO 14001 Environmental Management.

#### Sustainable Development Goal 17: Partnerships for the Goals

Unger places an emphasis on all of our employees being involved in creating our results and our working environment. We want all of our employees to participate in strategy development processes, and we have an annual HSE Day where everyone participates. Unger is certified in accordance with ISO 14001 Environmental Management and ISO 45001 Health and Safety Management Systems. Both of these standards require cooperation to achieve their objectives.



SUSTAINABILITY REPORT **UNGER 2024** / Unger's sustainability goals

#### Innovative and environmentallyfriendly solutions

Innovative and environmentally-friendly solutions are linked to the following sustainable development goals:







Unger shall develop, produce and sell chemical products, solutions and services that contribute to safer, cleaner and more functional everyday lives for everyone, both now and for future generations.

#### **Sustainable Development Goal 9:** Industry, Innovation and Infrastructure

Unger invests in innovation in order to ensure we are a sustainable and competitive business. Research and development activities (R&D) are carried out in our own projects, but primarily in close collaboration nable choices and that our value chain is with customers, strategic partners and external research institutions. We focus on sustainable use of our natural resources with the aim of achieving functionality that requires the least possible consumption of other resources, such as energy and water. Unger shall have the professional expertise necessary to develop products and solutions that increase value creation and efficiency.

An active and conscious approach to innovation in everyday life, with a continuous focus on the rate of innovation is intended to ensure that the company is equipped to meet the challenges, and and expertise within its business area to our customers and partners.

Unger's goal for 2030 is to maintain a stable innovation rate of more than 75 out of 100 possible points.

#### **Sustainable Development Goal 12:** Responsible Consumption and Production

Unger has made the strategic choice to focus on developing new sustainable products, services and solutions. One important area is developing products that are based on renewable raw materials and that are as climate-friendly as possible.

We want to contribute to a more sustainable society. By actively choosing to work together with suppliers and partners who make positive contributions to this, Unger can ensure we have an optimal value chain that is constantly being refined. Procuring certified and renewable raw materials ensures we make good sustaitransparent for end users. Unger is constantly striving to improve and streamline our production, and we have a transparent production process with documented figures for the company's environmental impact. We work together with external companies and institutions in order to develop comprehensive knowledge about our activities. The sustainability figures are presented in line with public standards such as LCA analyses, ISO 14040 and ISO 14044.

A long-term goal for 2030 is to increase the proportion of renewable raw materials in our products to more than 70%. Unger has chosen to phase out fossil-based raw seize the opportunities of tomorrow. Unger's materials and replace these with renewable business model involves delivering products raw materials. This is a genuine challenge that we look forward to meeting in close collaboration with our customers.

Our activities are tailored to our customers' sustainability goals. Unger can and will contribute, and we have already started doing so.

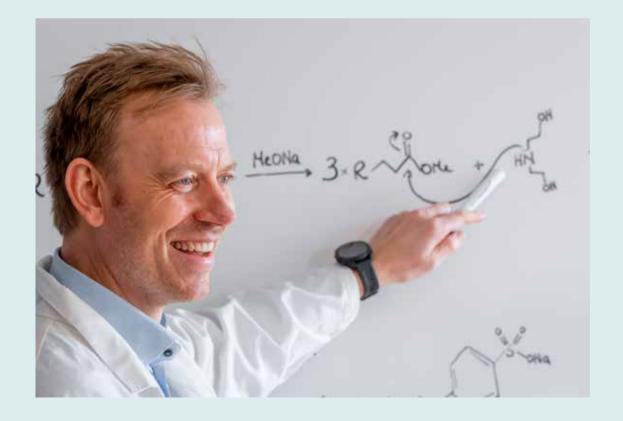
#### **Sustainable Development Goal 17:** Partnerships for the Goals

Unger is a pioneer in the chemical industry when it comes to making good, sustainable choices, and we were one of the first members of the Roundtable for Sustainable Palm Oil. (RSPO). We are constantly working to improve related products and expertise so that customers can purchase products which satisfy current requirements for environmental adaptation. The products are certified for a number of different

standards, including Ecocert and Safer Choice. Unger is involved in strategic collaborations with suppliers, customers and research institutes aimed at developing a sustainable value chain.

These types of collaborative efforts foster a culture of open innovation that improves value creation and futureoriented corporate governance.

Unger aims to be our customers' preferred partner when it comes to innovation, creation and sustainability. Our goal for 2030 is to include open innovation in more than 50% of all our R&D activities.



UNGER 2024 / Overall sustainability strategy

# Overall sustainability strategy

The table below sets out Unger's sustainability strategy.
This strategy builds on the strategy in the Olav Thon Group,
but is adapted to our own activities at Unger

The strategy is based around the three priority areas and clarifications concerning topics, goals for 2030, ambitions and links to the UN Sustainable Development Goals.

Pillars	Significant topics	Goals for 2030	Ambitions	UN Sustainable Development Goal
Carbon footprint	Develop processes and process control to reduce our footprint.	50% reduction in internally generated CO2 emissions.	The sum total of all internal activities will be climate-neutral.	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
	Reduce waste in all production processes. Reduce energy consumption.	Waste sorting rate of 95%. Less than 10 tonnes of COD to water. 100% renewable energy.	Circulate or utilise all process and energy flows.	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Respect for others	Inclusive workplace. Increase the proportion of women. Inclusion based on reducing exclusion in working life via arenas for work training and work experience.	30% women in management positions.	Representative management.	3 GOOD HEALTH
	Local focus contributes to local skills development in Østfold. Skills development in own organisation (collaborative skills).	A minimum of 10 qualified applicants per job posting. A minimum of 95% of employees confirming that their immediate manager encourages and facilitates skill sharing.	Contribute to a strong competence network in Østfold.	17 PARTNERSHIPS FOR THE GOALS
	Human rights and transparency.	Map the entire value chain 100%. Transparent.	Full insight into the value chain.	8 DECENT WORK AND ECONOMIC GROWTH
Innovative and environmen-tally-friendly	Innovation: product innovation, producing and selling services that meet our customers' product and application needs.	Improve our innovation rate to 75 out of 100 points.	Contribute to responsible economic growth for owners, employees and local communities.	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
solutions.	Sustainable products: help customers attain their product needs and sustainability goals.	Increase the proportion of products based on renewable and circular raw materials to 70%.	Reduce carbon footprint, maintain biodiversity and a transparent value chain.	12 CONSUMPTION AND PRODUCTION
	Production, technology and services: sustainability (reduce carbon footprint and waste and improve resource recovery and value creation).	Include open innovation in more than 50% of all of our R&D activities.	Smart technology for innovation, better resource utilisation and reduced carbon footprint.	17 PARTHERSHIPS FOR THE GOALS

UNGER 2024 / Certifications and third-party reporting

# Certifications and third-party reporting

### Third-party reporting

EcoVadis reporting

CDP reporting

Unger is committed to the UN Global Compact through its policies and ownership

GRI reporting via the Thon Group

#### **Certifications**

ISO 9001 Quality Management System

ISO 14001 Environmental Management

ISO 45001 Health and Safety Management Systems

Roundtable for Sustainable Palm Oil (RSPO)

NDPE certification (No Deforestation, No Expansion on Peat and No Exploitation)

REDcert<sup>2</sup> (Sustainable biomass certification)



UNGER 2024 / Carbon footprint



# Carbon footprint

Unger focuses on sustainable development. The government authorities, special interest organisations and neighbours shall experience that the company is constantly working to reduce our environmental impact in all areas.

Carbon footprint is linked to the following sustainable development





 $^{15}$ 

SUSTAINABILITY REPORT **UNGER 2024** / Carbon footprint

#### **Carbon footprint**

#### **Emissions to water**

We have established a programme for reducing emissions to water. The measures taken range from recycling wash water to installing new process equipment and new control systems to create less waste. The use of wash water has also been reduced in Unger has a permit for emissions of SO<sub>2</sub> and favour of mechanical cleaning. This allows us to treat product waste and prevent it from ending up in the Glomma River. Since 2020, most of the waste has been used to produce energy through incineration. In Q1 2022, we started a project in which the vision is zero emissions into the Glomma. The project covers Unger's entire organisation. Just as much work is being done on reducing product loss so that it is reintroduced into the process. The largest source of emissions to water has been permanently closed. Emissions were reduced by 80% in 2024. Emissions to water were cut by more than 90% between 2011 and 2022. The various solutions are being developed locally together with different suppliers for each part of the process.

#### Reduction of production waste

The product waste described above is contaminated powder waste from our two drying plants. This waste stream was reduced by 32% compared with the previous load on the body of water could mask the year. The zero emissions into the Glomma project continuously identifies different needs for solutions. Implementation started in Q4 2022 and will extend over a period of 3-5 years. The large reduction in emissions means that the main focus for the period 2025 - 2027 will be diffuse emissions. These emissions have now become more relevant as the main sources have largely been removed or reduced to a minimum. New equipment has been purchased to enable a thorough mapping of the diffuse emissions.

The filter acid sulphate waste stream saw

a slight increase in 2024. This was largely attributable to variations in production. We expect to reduce this waste stream again in

#### **Emissions to air**

SO<sub>3</sub> to air. Four measurements are carried out each year, and these show that we are we are within 5-20% of the concession limit.

#### **Recipient survey** (Survey of the environmental status of the Glomma River)

Unger was previously required to conduct recipient surveys every third year. This requirement has been removed from 2024 onwards as there is no evidence that the emissions to water have a clear impact on the environment.

The reason for this is that the results upstream and downstream of the discharge point do not differ significantly from each other on the east and west banks of the Glomma, which indicates that the impact from the emissions does not result in detectable changes in benthic fauna. This section of the Glomma is exposed to many different impacts. In such situations, the cumulative impact of individual loads. The impact of saltwater also affects the benthic fauna with findings of marine species.

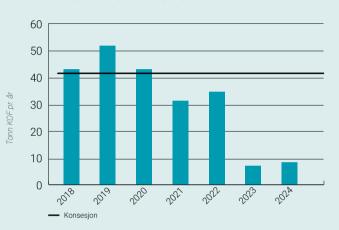
Unger has further reduced the environmental impact as we have changed our transport method from truck transport to sea freight. This solution has been introduced for our largest international customer and CO<sub>2</sub> emissions have been cut by 36% per tonne.

#### Noise

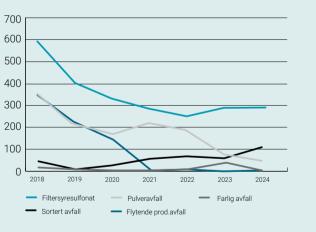
Given our location close to residential areas, Unger proactively implements measures to



#### **EMISSIONS TO WATER DOWN** BY 87% FROM 2018 TO 2024



#### **DEVELOPMENT OF WASTE VOLUME** FROM 2018 TO 2024



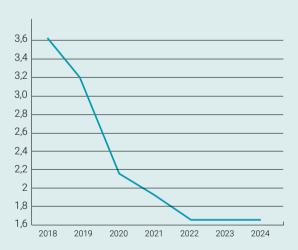
UNGER 2024 / Carbon footprint



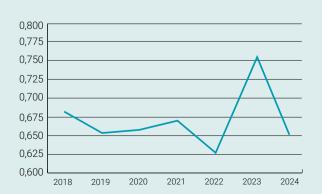
**UNGER 2024** / Carbon footprint **SUSTAINABILITY REPORT** 

### Unger is constantly working to reduce environmental impact

#### **ENERGY PER KG PRODUCED WITH PRODUCT** AND WATER USE DURING THE PERIOD



The graph shows specific water consumption (litres/kg produced goods)



The graph shows energy consumption (kWh per kg product)

prevent noise pollution in the local surroun-

Systematic noise surveys and the implementation of noise reduction measures have been carried out between 2011 and today. Seven additional noise traps were installed on fans in 2022, and we earlier also replaced our forklift fleet with electric forklifts.

The noise zone map shows that we exceed the noise limits for evenings/nights and weekends/public holidays by 1-2dB at three houses. This is a "worst case" calculation. Unger is following this up with measurements under different conditions to map the noise and will assess further noise mitigation measures.

Unger receives deliveries of the raw materials alkylate and fatty alcohols by ship. Noise mapping shows that the noise from ships' auxiliary engines, ventilation towers and unloading pumps varies greatly between ships. To reduce the noise impact on neighbours, Unger endeavours to ensure that ships arrive during the daytime and unload during the day and evenings. Noise measurements are also carried out in connection with the arrival of each ship. Measurements are taken before, during and after the boat reception, and these measurements will be replaced by a fixed measuring station in 2025.

#### **Energy and water consumption**

In 2016, a project was started to map energy and water consumption.

The installation of several meters for steam. Fuel oil condensate, instrument air, water, electricity and oil meters has provided us with a good overview of the various processes and flows. The project was supported by ENOVA. This is now being followed up continuously via a separate energy management process.

#### Steam and electricity

to energy consumption:

- Optimization of drying processes and production planning.
- Preliminary project on reducing power to instrument air.

The above measures are expected to reduce energy consumption in 2025. The specific energy consumption has again normalized for 2024. We expect to see an effect of implemented improvements in 2025.

#### Water

Water consumption has increased by 17,000 m3 in 2024 due to increased production. The specific water consumption is unchanged from 2023. There is a potential for a reduction of 10,000 m3 in 2025.

The upcoming measures must be viewed in conjunction with the project aimed at zero emissions to the Glomma. The solutions will be established across the various production processes.

A new electric steam boiler with double the production capacity was brought online in Q3 2019. Compared with the consumption of heating oil in 2019, the installation in 2020 resulted in a reduction in consumption from 25,000 litres per week to 1,600 litres per week. Following the abnormal year that was 2022, when oil became the dominant energy source, in 2023 we were back to In 2024, we focused on two issues in relation electricity as the main source for our steam production. Alternative sources/energy carriers are being studied. In Q4 2024, a system was installed for heating the oil boilers with steam from the electric boilers. This will reduce the consumption of heating oil, as oil is no longer used to maintain the boiler temperature.

#### Greenhouse gas emissions

Continuous increases in production resulted in increased greenhouse gas emissions up to and including 2019. This was because all energy production was based on using oil. Installing the electric boiler in 2020 contributed to a reduction in CO2 emissions of 3,400 tonnes, i.e. a reduction of 94% from the previous year.

The transition to electric forklifts eliminated diesel consumption of 40.000 litres per year. A new car park was established in 2018 with charging stations for electric cars. A total of 24 charging stations were installed, which meets the demand as this represents one charging station for every 4.9 employees.

**UNGER 2024** / Carbon footprint

#### **Results for 2024**

Emissions, including diffuse emissions, were reduced by 50% from 2023 - 2024



Reduced volume of production waste by 32%



Reduced water consumption by 19,000 m³per year



Sorting rate increased to 75% for residual waste



Introduced ISO 14001 Environmental Management



#### Goals for 2025

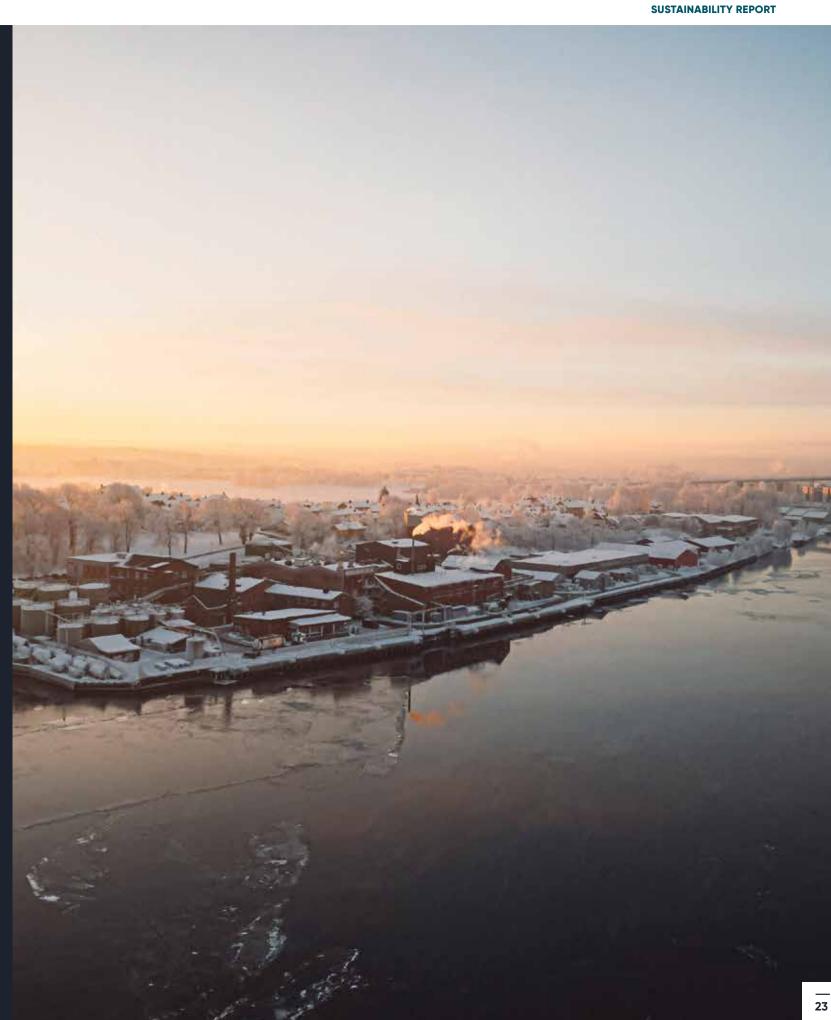
Map diffuse emissions and reduce volume by 30%

Reduce volume of production waste by 20%

> Sorting rate of 80% for residual waste

Reduce water consumption by 10,000 m3

Specific energy consumption < 0.63 KWt/Kg product



UNGER 2024 / Carbon footprint

### Sustainable procurement

#### What does sustainability mean to Unger?

For Unger, sustainable procurement means striving to have procurement practices that have the greatest possible positive impact on the environment, social conditions and economic viability.

This means that Unger should make conscious choices designed to result in a positive impact. This impact not only includes the impact on the company's value chain, but also the influence we have on all parties in the organisation's value chain.

#### Focus on sustainability in the value chain

Procurement has developed and implemented a new sustainability policy.
This was implemented by incorporating the policy as part of new framework agreements.

- 1. Suppliers must be able to demonstrate that they have a sustainability policy
- 2. Suppliers must be able to prove that the policy has been implemented throughout the entire value chain

#### RSPO (Roundtable for Sustainable Palm Oil)

Unger became a member of RSPO in 2012. RSPO is an organisation established by the industry that produces palm oil. The goal of RSPO is to work to achieve a sustainable industry based on palm oil.

Unger was certified in line with RSPO
requirements in 2015. The company can thus
deliver products with a certificate proving
that they have been produced in accordance with the sustainability requirements for

the industry. Unger was the first company in the Nordic region to be certified in line with this standard.

#### The Transparency Act

In line with the Transparency Act, Unger reports on measures designed to safeguard human rights throughout the value chain.

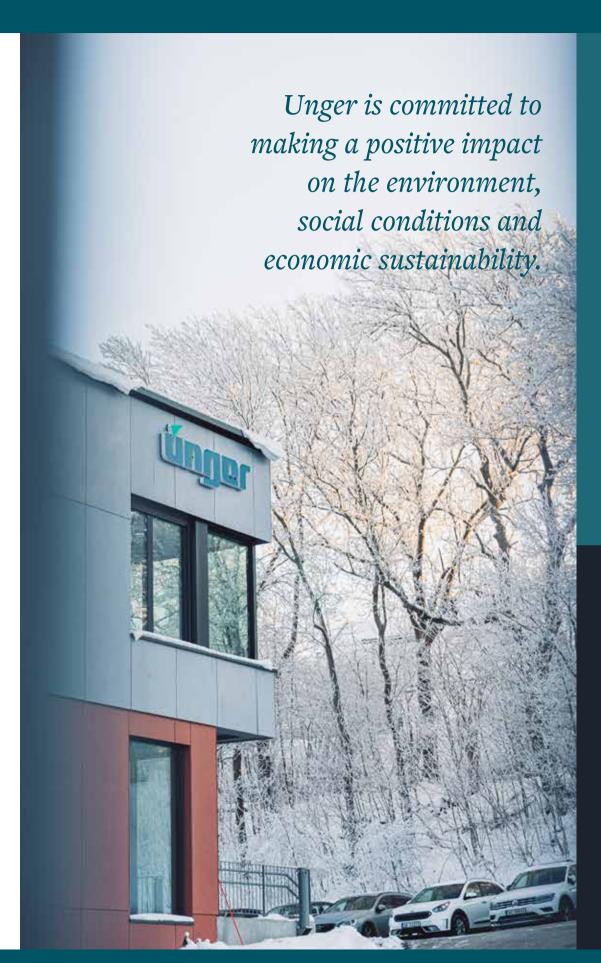
The measures taken are based on a risk assessment and primarily targeted at suppliers in Southeast Asia. These measures include mapping our suppliers' compliance with legislation on child labour, forced labour, pay conditions, working hours and the right to organise.

Unger has a policy which states that in the Nordic region we will only deliver products based on certified palm oil, and that we will deliver certified products outside the Nordic region at the customer's request.

#### Reduction of CO<sub>2</sub> emissions

Under climate and environment, we provide information about our investment in a fatty alcohol tank that significantly reduces  $\mathrm{CO}_2$  emissions due to the transition to sea transport, as well as the installation of an electric boiler, which has an even greater impact on  $\mathrm{CO}_2$  emissions.

Emissions from transport account for almost one-third of total global greenhouse gas emissions. Emissions from petrol and diesel-powered transport are the largest sources. Electrification is indisputably a better alternative in terms of environmental benefits.



#### Results for 2024

Reduced kgCO<sub>2</sub>e (Ttw) when shipping from Unger to end customers by 30%



At least 30% recycled plastic in packaging (small bags)



RSPO recertification



#### Goals for 2025

Reduce kgCO<sub>2</sub>e (Ttw) when shipping from Unger to end customers by 30%

Reach 35% recycled plastic in small bags

Reach 35% recycled plastic in large bags

30% of the volume we sell in barrels will be converted to IBC or bulk sales

# Respect for others

We will respect others in our organisation, our neighbourhood and our local community. We will respect others throughout our entire value chain, from the producers of raw materials to the manufacturers of finished products.

Respect for others is linked to the following sustainable development goals:









### Health, safety and the environment

Unger focuses on sustainable development. The government authorities, special interest organisations and neighbours shall experience that the company is constantly working to reduce our environmental impact in all areas.

#### Sick leave

We have long experience that close follow-up, facilitation, and open dialogue provide the best solutions. The individual employee's residual working capacity is followed up by the manager and the HR department. Priority is given to ensuring everyone can perform value-creating work in a temporarily facilitated position. To prevent long-term absence, the company has good health insurance that guarantees fast treatment. The employee is treated at an early stage and thus avoids developing chronic conditions. The attendance rate for 2024 was 93,6%. While this means that we did not achieve our goal of 95% attendance, we are proud that a large proportion of those on sick leave can work at least part of the time. To make this possible, we proactively invest in facilitation to meet the needs of the individual employee.

#### ISO 14001 and ISO 45001 certification

Unger is certified in accordance with ISO 9001:2015 (Quality Management System). In 2024, we carried out the standarts for following certifications;

- ISO 14001 (Environmental Management)
- ISO 45001 (Health and Safety Management Systems)
- ISO 9001 (Quality management)

In 2024, the work around the certification has focused on working on improvements and further ensuring the implementation of procedures that are up to date.

#### **HSE Day**

HSE is always our top priority at Unger. It is therefore crucial that everyone fulfils their HSE responsibilities.

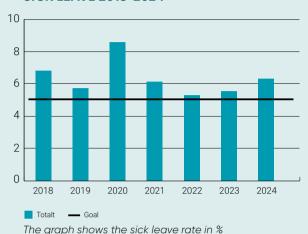
In 2024, we focused on first aid and fire-fighting. This year, HSE day was split in two with a theoretical part consisting of first aid and fire theory and a practical part outside with exercises divided into 8 stations. At the stations, the participants practiced what they had learned earlier in the day.

The day was held with external lecturers and the industrial guard assisted at the practical stations.

"Thank you for speaking up" is still a theme that we will continue with in the the future. It's an important part of creating a safe and secure workplace.

**UNGER 2024** / Respect for others **SUSTAINABILITY REPORT** 

#### **SICK LEAVE 2018-2024**



#### Mapping of the working environment, REACH, and exposure

In 2024, we have continued to focus on the working environment and we have carried out several working environment surveys in collaboration with OHS, which indicate what an employee is exposed to during a work shift. Ergonomic surveys have also been carried out in all departments in collaboration with OHS. In 2025, the focus on mapping will continue and we will also work managers and operational team members. on a dust survey in the T-plant.

All of the risk assessments carried out in 2023 were revised and updated in 2024. We can confirm that our method for revising risk assessments is effective. However, we need to focus more on risk assessment in projects and the handover of of the equipment and becoming good at risk analyses from projects to operations.

One new measure in 2023 was the "Pulsen" (Pulse) surveys. These map the psychosocial In 2024, a good partnership was estaworking environment at Unger. Our experience is that these are a good and effective means of doing so. "Pulsen" will be used more in 2025.

In 2024, we also focused on updating Unger's chemical inventory list. We

appointed a chemicals committee tasked with securing the procurement of chemicals and ensuring that control of these is maintained.

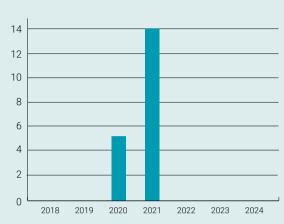
#### **Emergency preparedness**

Unger has its own industrial safety team, who will be the first to respond in case of an incident. There are 29 people in the industrial safety team, including staff,

Many exercises were carried out in 2024, including four major exercises that are required by law. We were also able to lower the threshold for conducting exercises. In 2024, the fire and rescue group has had smaller exercises focusing on the use what we need to do until the emergency services are in place.

blished with Fredrikstad Fire and Rescue Service, which has led to a lot of joint training and good contacts. The fire service carried out some exercises at Unger three times during the year, which helped the fire brigade to get to know the company better.

#### **INJURIES AND INCIDENTS**



The graph shows LTI (lost time injuries) per 1,000,000 hours worked.

# 26 2019 2020 2021 2022 2023 2024

The graph shows TRI = (Total number of personal injuries resulting in absence + number of personal injuries without absence + deaths) per 1,000,000 hours worked.

#### **Results for 2024**

Unger is proud to collaborate with several providers of labor market measures, and being named a "Resource Company" by Blåkors - work and inclusion



Reduced working hours were approved for one older employee



#### Results for 2024

Avoid injuries resulting in absence H=14



Attendance rate of 93,6% (The target was 95%)



Mapping of the dust load in the T-plant has not been carried out due to lack of EX approved measuring equipment



A survey has been carried out and dust-reducing measures have been implemented in the parking facility





#### Goals for 2025

Avoid injuries resulting in absence H=0

Attendance rate 93,5%

Conduct comprehensive survey
of the working environment
- Dust Exprosure in T-Plant
- Noise Exprosure in N-Plant,
workshop and site/warehouse

Risk assessment and mapping of all chemicals



### Skills and employee development

Unger strives to ensure that employees find the company to be an attractive place to work with a strong HSE culture and opportunities to influence their own work situation. Employees are involved in processes that affect both the entire company and their own workplace. Unger's culture and values are communicated to new employees via an induction programme.

Unger had 120 employees (including apprentices) at the end of 2024. Of these, 97 were men and 23 were women. This represented a total of 117.3 full-time equivalents (FTEs). Employee turnover was generally low at 5% in 2024.

#### Strategy process 2024-2028

All employees participated in the strategy process for the period 2024-2028.

As in previous strategy processes, arrangements were made for all employees to participate in the processes. The entire strategy was discussed in meetings with all employees, which means discussing the value base, situation analysis, strategic goals and measures to achieve the goals.

The three focus areas for the 2024-2028 strategy were concluded;

- Value creation
- Competance
- Sustainability

#### **Unger School**

One result of the above-mentioned strategy process was the establishment of the Unger School, a module-based training programme for all employees.

This work is further supported by the establishment of modules concerning Unger's HRM system, including LMS.

#### Skills development in 2024

All of the time spent on organised training is registered for all employees. A total of 2,000 hours were spent on skills development in 2024. This is 3,188 hours less than in 2023.

#### Formal skills development

Unger's 119 employees include the following:

Four apprentices, distributed as follows:

- Two in chemistry/process,
- One in logistics, and
- One industrial mechanic

#### Diversity

Unger wants a diversed workforce and opposes discrimination based on gender, ethnicity, religion and age. 19% of employees were women in 2024. Unger has gender-neutral guidelines and pay systems that contribute to equal pay for equal work.

#### **Notification procedures**

Unger wants a transparent and strong corporate culture that helps to ensure that difficult or unwanted situations are discussed, addressed and resolved when and wherever they may arise.

#### **Results for 2024**

Four apprentices took and passed their apprenticeship test



Two out of four "Pulses" were carried out. This was due to extended time for the follow-up work



#### Goals for 2025

The Unger School was established and will be further developed in 2025, with clear links to the strategy for 2024-2028

Further develop digital solutions for mapping skills and training

Target of 6,240 hours of training

Mapping competence and facilitating competence development

Common management model rolled out in the organization - Mutually binding interaction

Conduct four employee surveys in 2025 (one every quarter)



SUSTAINABILITY REPORT **UNGER 2024** / Respect for others

#### Corporate social responsibility

Unger emphasises the importance of exercising corporate social responsibility locally, nationally and internationally. The company is also part of the Olav Thon Group, which makes a major contribution in terms of international corporate social responsibility.

Exercising corporate social responsibility means taking on obligations in many different ways: from ensuring good working conditions and measures that promote the well-being of our employees to good forms of cooperation with our neighbours and local teams. We support activities that make everyday life safer and contribute to positive experiences and better living conditions for the most disadvantaged and vulnerable groups in society.

Unger also places an emphasis on responsible and long-term operation of the company in order to maintain local jobs and remain a local cornerstone company. We have a social profile and are committed to taking care of our employees and their families in the best way possible. Among ot- • The Salvation Army her things, we sponsor employees and their children's cultural and sporting activities.

#### Contributions to the local community

Unger emphasises good communication with the local community and regularly holds meetings with representatives of

the local community committee and the local boating association, which is the company's closest neighbour.

- Unger provides financial support for charitable causes under the auspices of the local community.
- Unger uses "Viuno" a local company for people with permanent or temporary disabilities that impact their capacity to
- · Unger is a regular contributor to Kiwanis, which every year organizes and hosts a Christmas party for single and disadvantaged people

#### Support for good community causes

Unger supports the following organisations and events:

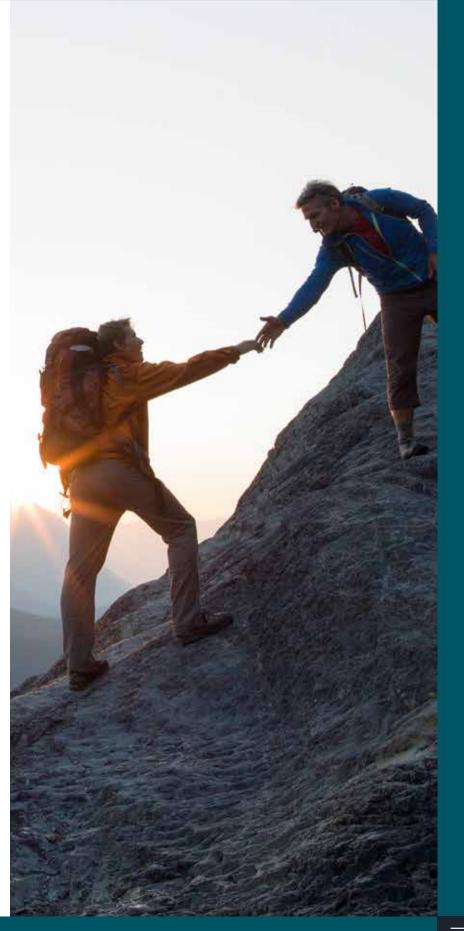
- The Norwegian Society for Sea Rescue
- Mission Without Borders, which works in orphanages in Eastern Europe. Unger provides raw materials for hygiene products, which are important for preventing infections and maintaining good health.

- Sponsorship of Fredrikstad Football Club (FFK) and their work on developing young players, as well as support forthe Street Team.
- Sponsorship of Fredrikstad Ball Club (FBK) and Stjernen Hockey Fredrikstad for their work on developing their young players.
- Support for the 2024 telethon in aid of the Children's Cancer Society.
- Support for the operation of the emergency lifeboat. This is a local initiative that is used for search and rescue missions for drowning accidents.

#### The Olav Thon Foundation

In December 2013. Olav Thon transferred the majority of his assets - shares in the Olav Thon Group worth NOK 25 billion - to the Olav Thon Foundation. The foundation's purpose is to distribute funds for professional awards and to support research, as well as to donate to socially beneficial causes. Up to NOK 50 million can be distributed each year.

For more information about the Olav Thon Foundation visit olaythonstiftelsen.no



SUSTAINABILITY REPORT

#### We commit to:

Maintaining a continuous dialogue with our closest neighbours, the local community and boating association



Making financial contributions to local charitable, cultural, and health-promoting initiatives



Sponsoring employees through support for exercising



Sponsoring cultural and sporting activities for employees and their children





**UNGER 2024** / Respect for others SUSTAINABILITY REPORT

#### **Equality and** discrimination

Unger takes an active, systematic and results-oriented approach to promoting equality and preventing all forms of discrimination and harassment.

The work is carried out in accordance with the Norwegian Equality and Anti-Discrimination Act and covers as the areas of recruitment, pay and working conditions, of all employee areas with regard to gender promotion, development opportunities, facilitation and opportunities for combining work and family life. This work is carried out by an equality committee in which employees are represented.

The statement on equality and discrimination shall cover two main points.

#### Gender equality status

- Key figures showing the current status - Further work on equality
- Planned work designed to improve equality and combat discrimination

#### Status of gender equality at the end of 2024

- Permanent employees: 120 permanent employees
- Gender balance: 97 men and 23 women
- Part-time positions: 2 women and 2 men
- Temporary employees: 2 people

#### Future work on equality

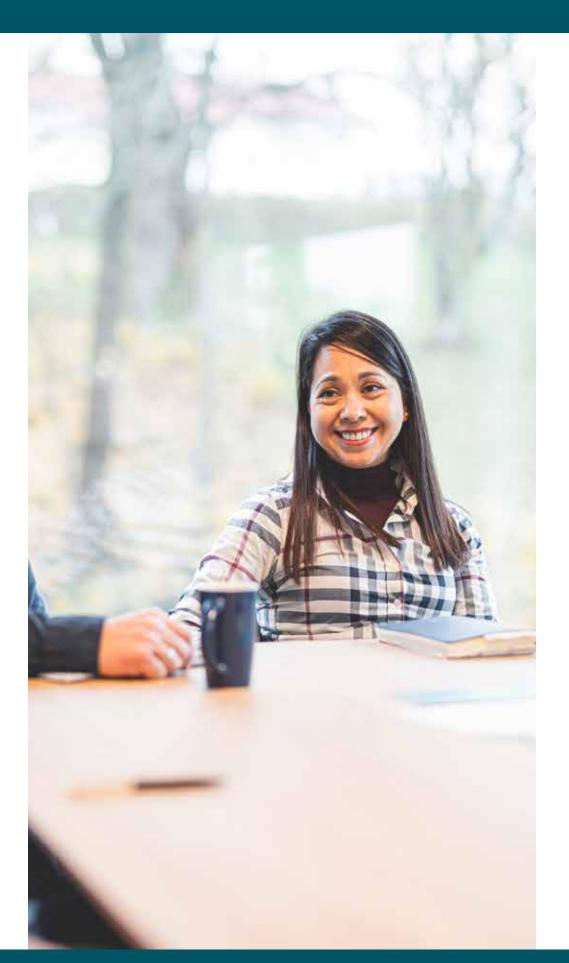
This is how we will work specifically to identify risks: We will carry out risk mapping equality and discrimination.

In the 2024 employee surveys, employees were asked whether they feel that Unger is free from discrimination. The answers from this survey was then used to implement some measures.

Equality and non-discrimination will also be raised as a topic at general meetings and relevant forums, such as AMU.

#### Measures and facilitation implemented in 2024

- The business is run from old premises that have some physical limitations.
- We already require diversity and nondiscriminatory/professional recruitment



processes. During our hiring processes, our decisions are based on objective criterias to ensure fairness, equal treatment and quality in recruitment. Objective criteria involves assessing candidates based on relevant qualifications, skills, experience and suitability for the position, without the influence of personal preferences, prejudices or irrelevant factors.

- An older employee's request for reduced working hours was approved to enable them to stay in their job longer.
- We conduct an annual employee survey that includes discrimination and harassment as topics.
- The company and employee representatives have signed a joint declaration against discrimination.

#### Measures being planned for 2025

- Use the employee survey to assess whether employees perceive Unger to be a workplace free of discrimination.
- We will continue to be a place for people who need various types of labour market initiatives.

**UNGER 2024** / Innovative and environmentally-friendly solutions **SUSTAINABILITY REPORT** 

## Innovative and environmentallyfriendly solutions

Unger will develop, produce and sell chemical products, solutions and services that contribute to safer, functional and cleaner everyday lives for all of us, both now and for future generations.

Innovative and environmentally-friendly solutions are linked to the following sustainable development goals:







At Unger, we strive to choose the most eco-friendly raw materials

#### Rate of innovation

The innovation rate is crucial for the company's ability to meet the competition of tomorrow. A high innovation rate ensures that we are constantly creating value and that innovation is a priority in our day-today operations. During 2024, Unger has achieved a targeted innovation rate of 75 points, a slight improvement from 74 points in 2023. This achievement is a clear sign of the company's commitment and success in innovation. Unger has developed several targeted products and implemented innovation projects with support from public funding schemes. Investments in research and development have been crucial, with extensive scientific testing and competence building around the products' properties, use and value creation in different application areas.

In collaboration with strategic partners, Unger has carried out major projects aimed Increasing the proportion at new markets, with financial support from the Research Council of Norway. The company has been a leader in focus on offering our customers the providing sustainable solutions that include increased use of renewable raw materials, positively impacting the product footprint

and the company's overall performance. environmental impact, especially within Scope3 emissions. This strategic approach strengthens Unger's position as an innovative player in the industry and emphasizes its dedication to promoting sustainable development through open innovation and collaboration with external research communities, partners and customers. The pace of innovation clearly shows how Unger continues to drive innovation forward, with a strong focus on both financial performance and sustainability.

To get an even better result in 2024, Unger;

- developed several of the targeted products.
- facilitated more interdisciplinary knowledge sharing.
- invested even more in R&D concepts that are in demand in the markets.

#### of sustainable products

In our approach to sustainability, we most environmentally friendly products in line with values such as carbon footprint, biodiversity, and transparency. UNGER 2024 / Innovative and environmentally-friendly solutions

At Unger, we strive to choose the most environmentally-friendly raw materials. With environmentally-friendly raw materials and our expertise, we help customers develop sustainable products and thus achieve their sustainability goals. In 2024, the proportion of our products made from renewable raw materials reached 61%. This represents a good increase comparing 2023.. We are working strategically to further and services. increase this proportion. We are doing this in collaboration with our customers and our raw material suppliers. We have already started this process and are constantly taking small steps towards ensuring that our products become increasingly sustainable.

By focusing on the use of environmentally -friendly raw materials and working closely with our stakeholders, we are seeking to become leaders in sustainable product development. We are committed to continuously improving and finding innovative solutions that will help reduce our impact on the environment and fulfil our promise to create a sustainable future. Our goal of 70% of our products being based on renewable raw materials by 2030 remains realistic and is a goal which we are working towards.

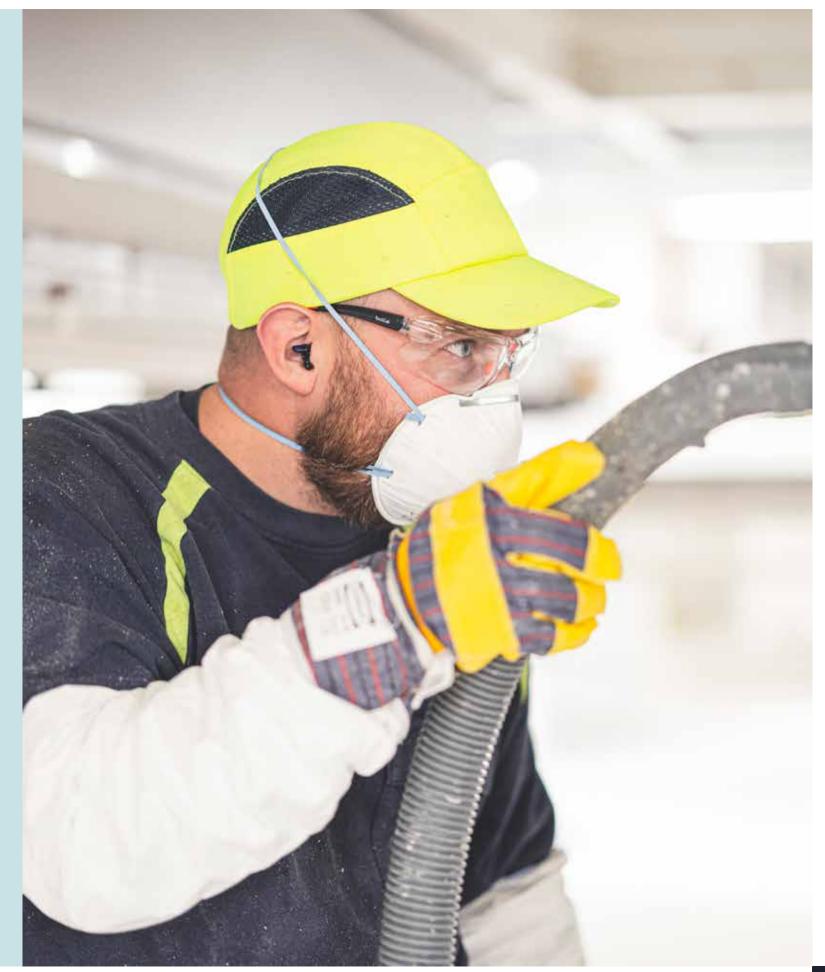
#### Open innovation

Strengthening innovation ability through collaboration. At Unger, we have strong partnerships with our customers, strategic collaboration partners and external professional environments. In 2024, we implemented open innovation in 70% of all of our R&D projects, especially within product and process development. We recognise that we cannot possess all the necessary competence alone to be a leader in innovation. That is why we continuously work to reinforce the importance of open innovation throughout the company as a critical factor in strength-ening our ability to innovate.

By being open to collaboration and knowledge sharing, we create a dynamic and innovative platform which allows us to benefit from external expertise and perspectives. This enables the development of groundbreaking solutions that we would not have achieved alone. We believe in the power of collaboration and building strong networks to develop innovative products and services.

Open innovation gives us access to a broader knowledge base, different points of view and a variety of skill sets. This helps to enrich our internal expertise and gives us competitive advantages. We will continue to work on strengthening our focus on open innovation by establishing even more partnerships and collaborative projects. By embracing openness and involving more stakeholders in our innovation process, we are determined to achieve even greater success and fulfil our goal of being a leader in innovation.





SUSTAINABILITY REPORT
SUSTAINABILITY REPORT

#### **Results for 2023**

#### Innovation rate: 74 points

The innovation rate describes Unger's overall innovation work within different activities and parameters. Focusing on the innovation rate is intended to improve both the capacity and ability to innovate



#### Proportion of sustainable products 41%

The proportion of renewable and/or recovered raw materials included in Unger's product portfolio



#### Open innovation and collaboration with with external parties (R&D) 80%

The goal of maintaining a high level of open innovation and collaboration with external environments is to improve the company's capacity for innovation



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#### Goals for 2025

#### Innovation rate: 75 points

The innovation rate describes Unger's overall innovation work within different activities and parameters.

Focusing on the innovation rate is intended to improve both the capacity and ability to innovate

#### Proportion of sustainable products 65%

The proportion of renewable and/or recycled raw materials included in Unger's product portfolio

#### Open innovation and collaboration with external parties in 50% of all projects

The goal of maintaining a high level of open innovation and collaboration with external environments is to improve the company's capacity for innovation

#### Goals for 2030

#### Innovation rate: 75 points

The innovation rate describes Unger's overall innovation work within different activities and parameters.

Focusing on the innovation rate is intended to improve both the capacity and ability to innovate

#### Proportion of sustainable products 70%

The proportion of renewable and/or recycled raw materials included in Unger's product portfolio

#### Open innovation and collaboration with external parties in 50% of all projects

The goal of maintaining a high level of open innovation and collaboration with external environments is to improve the company's capacity for innovation

**BÆREKRAFTSRAPPORT** UNGER 2024 / Innbøbtive og miljøvennlige løsninger

#### Carbon footprint based on a screening LCA study for Unger in 2024

#### Background and scope of the LCA work

The LCA work at Unger started in 2021 and has since developed through several phases. The first step was based on a student project, but was quickly expanded For the 2024 data, new emission factors to a more comprehensive screening LCA covering all raw materials and finished products. The study maps all input factors and emissions from raw materials arriving at the production site to finished products leaving the plant.

The LCA follows the ISO 14040 and ISO 14044 standards and is modeled in SimaPro. Background data is primarily sour- emissions from product use and disposal ced from ecoinvent, with version 3.7 used in 2022 and updates from v3.8 and v3.9 in 2023.

These updates shows a clearer distinction between fossil and biogenic compounds and improved data on:

- Raw material inputs
- Energy and resource consumption
- Products and waste streams

An important improvement was the ability to distinguish between fossil and biogenic carbon, especially for fatty alcohols. This makes climate accounting more precise, since:

- Fossil compounds have higher emission factors due to their long-term impact.
- Biogenic materials have lower emission factors, as they are part of a short-term carbon cycle and bind CO<sub>2</sub> through photosynthesis.

#### Comparability and system boundaries

To ensure consistency in analyses over time, the same emission factors for CO<sub>2</sub> used

for the 2018, 2022 and 2023 data. This also enabled a projection for 2028, which identifies realistic emission reductions.

from ecoinvent v3.10 are used, together with an updated calculation method (NOR-SUS - EPD 2024 December 10 V4.12), which is in line with EN15804:2012+A2:2019. These changes are included in the report to strengthen Unger's long-term climate strategy. All calculations are based on a cradle-to-aate system. This means that CO<sub>2</sub> uptake in biomass is included, while are excluded. In Scope 3 reporting under the GHG Protocol, biogenic emissions are reported separately, and in EPDs, uptake and emissions must be balanced if the product contains biogenic carbon. This has not been part of this LCA.

#### **Updates and improvements**

The LCA model calculates climate change impact (GWP) and selected environmental indicators, based on data from Unger's ERP system. Most raw materials are still modeled with generic life cycle data from their region of origin, but without the supplier-specific connection - an area for future improvements. Some chemical inputs have been more precisely modeled for 2023 and 2024 based on new supplier data.

#### Scope 3: Included, but not fully categorized

Some upstream Scope 3 emissions, such as raw material transportation, are included, but the 15 categories in the GHG Protocol are not fully mapped. The following are not

· Business travel and employee commuting

• Downstream emissions from product use and waste management

on LCA relevance, but a more detailed bre-volumes. akdown is considered in future analyses.

Note that the emission factors for heat and electricity have been kept unchanged from • Scope 2 (location/market based): previous years for comparison.

Emissions in 2024 and changes from previous years. In 2024, the total cradle-togate emissions for Unger were 59,499 tons

of CO<sub>2</sub> equivalents - an increase from 2023, mainly due to new emission factors in Scope 3 results are currently grouped based ecoinvent v3.10 and increased production

The emission breakdown was:

- Scope 1 (direct emissions): 315 tCO<sub>2</sub>-eq 0.5
- 485/21,536 tCO<sub>2</sub>-eq 0.8%.
- Scope 3 (indirect emissions): 58,699 tCO<sub>2</sub>-eq 98,7%

#### Cradle-to-gate

	Unit	Emission factor* 2024	Unit	Total emission				Unit	Percentage	Comment
				2018	2022	2023	2024		2024	
Scope 1					'	·				
Heating oil	liter	2,96	kg CO₂ kWh	4 201	7 765	1 281	315	t CO <sub>2</sub>	3 %	
Scope 2 Location-based										
Electricity	kWh	0,01	kg CO₂ kWh	366	217	443	485	t CO <sub>2</sub>	1%	From NVE
Scope 2 Market-based										
Electricity	kWh	0,49	kg CO₂ kWh	16 252	9 622	19 634	21 536	t CO2		
Scope 3 Raw material - petrobased	kg	various		28 165	28 824	26 642	28 878	t CO <sub>2</sub>	52 %	
share petrochemical raw matr.  Raw material - natural	ka	various		54 % 24 359	<sup>56 %</sup>	55 % 21 816	29 358	t CO <sub>2</sub>	43 %	
Electricity	kg kWh	0,01	kg CO₂ kWh	300	177	362	397	t CO <sub>2</sub>	1%	
Heating oil	kg	0,69	kg CO₂ kWh	872	1 611	266	65	t CO <sub>2</sub>	1%	Density of heat oil: 0,89 kj/l
Waste	liter	various	-	0	273	292	0	t CO <sub>2</sub>	1%	
Total Scope 3				53 696	53 300	49 377	58 699	t CO <sub>2</sub>	97 %	
								<u> </u>		
Total emission (location-based scope 2)				58 264	61 281	51 101	59 499	t CO <sub>2</sub>	100 %	
									1	
Emission-factor				0,85	0,92	0,85	0,84	t CO <sub>2</sub> /MT		

Table 1: Impact on climate change, translated into greenhouse gas emissions measured in CO2 equivalents and divided into Scope 1, 2 and 3 for Unger for the operating year 2024 (and comparison with previous years).

UNGER 2024 / Innbølative og miljøvennlige løsninger

#### Main reasons for the increase in emissions:

- Scope 3 emissions, particularly from raw materials, accounted for the largest increase. Bio-based raw materials surpassed fossil-based raw materials as the largest single contributor to climate impact. This is due to both increased raw material volumes and improved modeling of biogenic carbon flow and transport.
- Electricity consumption increased, but location-based Scope 2 emissions remained low due to Norway's renewable energy mix. However, market-based Scope 2 emissions were higher due to Unger's position in the residual electricity market after the sale of Guarantees of Origin.

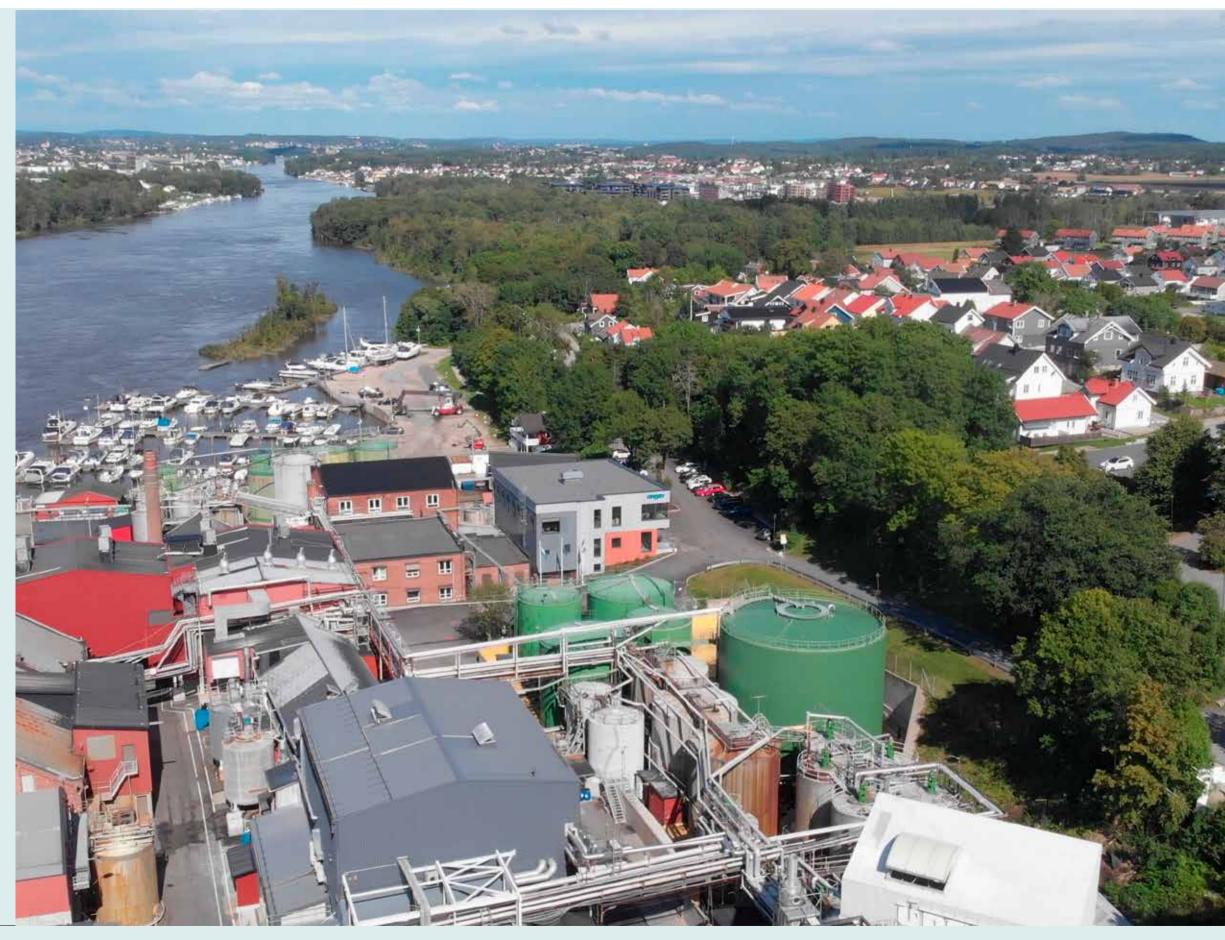
#### **Efficiency improvements:**

Despite the increase in total emissions, emissions per ton of product produced decreased in 2024. This is partly due to:

- Increased share of biogenic raw materials, not included in fossil GWP at cradle-togate level
- Improved production efficiency and raw material selection

#### Conclusions

- 1. Scope 3 emissions are dominant, especially from raw materials.
- 2. Location-based Scope 2 remains low, but market-based values show a need for clear energy choices.
- 3. Biogenic sourcing has a measurable effect, but can be further optimized through better value chain optimization for example, transport data and supplier specifications.
- 4. Despite stricter emission factorsin Ecoinvent v 3.10, Unger has improved its climate efficiency per ton of product.





Pure Nordic Quality