CEO STATEMENT

Progress continued – new groundbreaking initiatives

Our commitment to the UN Global Compact is the foundation of our sustainability work and a key element of our license to operate as a global business. As strong as ever, this commitment is firmly embedded in our organisation as a Guiding Principle. Integrity and compliance are basic pillars of our sustainability profile which we continuously seek to enhance through taking responsibility for the impact of our business activities. With our climate calculations being third-party verified in 2012, we are providing transparency and credibility of our sustainability effort.

Again in 2012, we continued our sustainable development with the targets for the year fully met.

In tandem with the 2020 climate goals set by the European Union, we are taking the long view with our new CO₂ target of a 25% reduction by 2020. The positive trend we have witnessed since 2007 has induced us to seek this target which we regard as both ambitious and realistic, given a solid effort.

Further along this line, we developed and successfully tested CO₂ neutral products during the year. CO₂ neutrality is a way of offsetting our carbon footprint by planting trees to restore the forests in areas where they have been destroyed. The ongoing forestry project in Africa is a success story both for the local community and for Hartmann. This sets a new standard for environmentally oriented businesses and aligns modern-day consumer requirements with our customer offering. We expect this initiative to further consolidate our profile as a leading sustainability supplier of moulded-fibre egg packaging.

Also on the product side, we launched imagic® - a new and unprecedented packaging solution that offers both eco-efficiency and strong commercial benefits.

On the internal lines, we met our safety target in 2012, which has spurred us to get faster to our ultimate goal of zero accidents. From 2010 to 2012 we halved the number of accidents, and we intend to repeat that again this year through further boosting our safety culture.

Finally, we took the first steps towards FSC certification of our products. Being certified by FSC – Forest Stewardship Council – acknowledges a responsible use of recycled paper and new fibres, marking a major milestone for Hartmann.

Sustainability is integrated in our business whether corporate, global or local. Our 2012 results strongly testify to this, and we are looking forward to taking our business further along this road in 2013. With new targets and ambitions, we will work hard to deliver on the goals we have set.

Michael Rohde Pedersen
CEO

Sustainability activities in Hartmann are centered around a care philosophy. This is rooted in a holistic and life cycle based approach, where material issues are addressed throughout our sphere of influence. The care ambition is to be the preferred supplier of sustainable moulded-fibre solutions with a high level of qualified care services for customers.

See page 6 for an overview of initiatives in 2012
HARTMANN AT A GLANCE

Hartmann is one of the three largest producers of moulded-fibre egg packaging and one of the world’s largest producers of machinery for producing moulded-fibre packaging. Hartmann’s market position can be ascribed to its strong technology know-how and extensive experience of production of moulded fibre since 1936.

Sustainability
Sustainability and environmental considerations are integral elements of Hartmann’s business model and strategy. All of Hartmann’s products are based on recycled paper: a renewable, CO₂-neutral and biodegradable resource. Hartmann works closely with its customers to support the need for sustainable products in the retail trade, and the company is the first to offer FSC-certified and CO₂-neutral retail packaging.

Markets
Hartmann’s egg packaging is sold globally. The group’s principal markets consist of Europe and North America, where Hartmann has strong market positions. Hartmann is the market leader in Europe and has a small share of the North American market. Hartmann’s technology, including machinery and services, is also sold globally outside its key markets.

Customers
Hartmann sells egg packaging to producers, distributors and to retail chains, which are increasingly seeking Hartmann’s expertise in the marketing of eggs. Hartmann’s technology and related services are sold to producers of moulded-fibre egg packaging. Hartmann has more than 1,500 customers in 50 countries, and most of these customers have long-standing relations with Hartmann.

Organisation
Hartmann has about 1,500 employees, and its head office is situated in Gentofte, Denmark. Production takes place at Hartmann’s own manufacturing facilities. Five of these facilities are located in Europe, one is located in Israel and one in Canada. The group has sales offices in twelve countries.

The Hartmann share
Hartmann’s shares have been listed on NASDAQ OMX Copenhagen A/S since 1982. The company has one share class, and each share carries one vote. Interested parties can receive financial reports and company announcements by subscribing to Hartmann’s news service at www.investor.hartmann-packaging.com.
CORPORATE MEMBERSHIPS

Danish Council for Sustainable Development (RBE)
The Confederation of Danish Industry – Network for Sustainable Development
UN Global Compact
UN Global Compact – Caring for Climate
European Moulded Fibre Association (EMFA)
HIGHLIGHTS 2012

- imagic®, new eco-efficient product
- CO₂ target for 2020 defined
- Climate calculations third-party verified
- CO₂ neutral products introduced
- FSC® certification process initiated
- Safety target met and new target set
- Anti-corruption training initiated

OUTLOOK 2013

- Energy efficiency improvements
- Anti-corruption training completion
- Safety culture further strengthened
- FSC® certification completion
- CO₂ neutral product expansion
CLICK ON EACH PROGRESS INITIATIVE BELOW TO READ MORE

The below colours are used in the report to identify each sustainability theme. For a description of each of the ten principles, see Appendix 1.

### HUMAN RIGHTS • LABOUR RIGHTS • ENVIRONMENT • ANTI-CORRUPTION

<p>| OVERVIEW OF 2012 PROGRESS ACTIVITIES RELATED TO EACH GLOBAL COMPACT PRINCIPLE |</p>
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RELATIVE BUSINESS IMPACT OF GLOBAL COMPACT THEMES

Our suppliers and customers are mainly located in Europe, with few suppliers in high-risk countries. All suppliers are required to respect and support our commitment to the ten UN Global Compact principles.

At Hartmann, our main focus lies on reducing CO₂ emissions by reducing energy consumption at our production sites. Life Cycle Assessments show that this is typically our most significant environmental impact.

Due to increased international focus on corruption and the legal development in the field, Hartmann has increasingly focused on this Global Compact theme in the recent years.

See Appendix I for an overview of the UN Global Compact’s ten sustainability principles and Hartmann’s commitment to these.

Source: European Moulded Fibre Association, and numerous internal LCAs.
HUMAN RIGHTS

Human and labour rights on site level are managed with the Hartmann STEP® Human management model. For an overview of the model, see www.hartmann-packaging.com.

SAFETY STANDARDS, EFFORTS AND PROGRESS

Safety remained high on the agenda for Hartmann operations throughout 2012. New group-wide standards were introduced in 2011 and successfully implemented during the past year. The standards include:

- Requirements for Personal Protection Equipment (PPE)
- KPIs for comparing production sites
- Procedures for accidents
- Procedures for near miss situations and other preventive measures

Towards the end of the year a project group conducted a plant assessment at Hartmann's biggest production site to establish the safety standard and suggest improvements. The project team consisted of internal as well as external experts, who examined all aspects of the on-site safety. This resulted in a knowledge lift and a comprehensive report, which is used to implement improvements across the Hartmann production facilities.

Hartmann has come a long way by ensuring the availability of safe machinery, processes and safety equipment. However, when aiming for the long term goal of zero accidents, experience shows that the decisive factor is employee behaviour and attitude. A basic example is that personal protection equipment is useless unless worn in the right situations. This is why a safe production environment must be combined with risk awareness and a strong safety culture on the shop floor. At management level we are working with this aspect by setting a good example, making it visible and bringing it up in many different contexts as well as by rewarding employee safe behaviour.

The results of this intensive focus and group-wide best practice sharing are reflected in the accident statistics. Hartmann has achieved its short term target of reducing the accident frequency by 50% compared with the 2010 level. Keeping in mind the long term ambition of eliminating work accidents altogether; the target for 2013 is a reduction of accidents by another 50% based on the 2012 frequency.

ACCIDENT STATISTICS

With the right safety precautions around machinery, processes and safety equipment in place, the long term target of 0 accidents requires a constant focus on employee behaviour and awareness.
LABOUR RIGHTS

Human rights and labour rights on site level are managed with the Hartmann STEP® Human management model. For an overview of this model, see www.hartmann-packaging.com.

SOCIAL RESPONSIBILITY STATUS PROJECT COMPLETED

In 2011 we initiated a project to ensure a high level of social responsibility in terms of labour rights and also some human rights. Our production sites in Hungary, Denmark and Croatia were assessed in 2011, and the project was finalised in 2012 with the completion of systematic audits of Hartmann’s production sites in Israel, Finland, Canada and Germany. Minor gaps identified in the audits have been closed or action plans initiated.

The decision to carry out the social responsibility project is based in Hartmann’s STEP® Human management model, which stipulates that production sites implement improvements one step at a time. During the past 10 years gradual improvements have been implemented, and the results of the social responsibility project finalised in 2012 show that the benefits come from a clear focus on these issues.

These are the results of the social responsibility project:

• Clear picture of social responsibility at each production site (labour rights and certain human rights topics)
• Closing of identified gaps
• Sharing best practice among sites
• Implementation of corporate standards and tools, which assist the sites by providing useful and systematic work processes aimed at preventing violations of Hartmann’s sustainability principles
• Introduction of the integrated sustainability principles and training of local employees in these, see Appendix 1.

The assessments are based on SA8000 requirements, UNGC principles and ILO conventions among others just as they take into account specific national and local risks.

NEW GROUP RECRUITMENT POLICY OUTLINED AND TESTED

During 2012, a new group-wide recruitment policy and process for white collar workers was outlined and tested in the recruitment of a number of new employees. Early 2013, the policy will be formally adopted within the company and applied in all white collar recruitment processes. This policy provides clear guidance for managers in relation to selection and appointment of new employees. It covers new recruitments and internal transfers, and applies to both permanent and temporary positions.

The new policy addresses the issue of non-discrimination and formalises the recruitment process. It stipulates how this process must always be conducted in a standardised, documented and objective way leaving less room for discrimination based on personal likes or dislikes. An example of this is the standardised job profile description which every applicant will be assessed against and which must always be approved by HR. Another example is the advertising guidance in the policy, which can help prevent nepotism in cases where e.g. friends or family of a manager could otherwise be recruited in discretion.

“...The exchange of knowledge between Hartmann production sites, which has taken place as part of the Company Assessment, has provided us with valuable insights about how labour rights are ensured throughout the Hartmann sites. This is the essential element that cannot be measured by any analysis or device, and I believe it’s at the heart of success in all things: the power of knowledge sharing and the ability to use it effectively. In Hungary we have for instance used these insights in connection with our local grievance system and in the implementation of a collective bargaining system.”

Ramóna Szilvási, HR manager, Hartmann-Hungary
The site level environmental impacts are managed with the Hartmann STEP® Environment management model. For an overview of the model, see www.hartmann-packaging.com.

ISO 14000 certificates for environmental management were maintained or renewed in 2012 for all our European production sites.

**Climate Protection – CO₂ Reduction Target Adopted**

Hartmann endorsed the United Nations “Caring for Climate” charter in 2007, and set an ambitious target of reducing energy consumption by 20% per kg product by the end of 2011. The subsequent energy improvements were based on the involvement of experts and a steep development curve of the internal good practices within energy. Investments and activities led to a 22% energy reduction, thus exceeding the target. The positive trend has continued throughout 2012 as shown in the graph.

Looking ahead, rising energy prices, CO₂ emission costs and a continuous strong focus on climate change have motivated Hartmann to set the following new target:

**GROUP CLIMATE EMISSION TARGET:**

- 25% reduction in CO₂ emissions by 2020 – based on the 2012 level

With climate protection at the heart of our care philosophy, we have opted for a CO₂ target instead of a pure energy target for 2020 seeing that it will help take Hartmann to the next level of energy usage and climate protection. The basis for the targeted 25% reduction is the CO₂ emissions from energy consumption at our factories (electricity and drying energy) relative to the product quantities sold.

Progress on the target will be achieved through innovation and committed efforts within the following areas:

- Investments in new process technology
- Improvement and optimisation of existing equipment
- Product development
- Waste reduction
- Replacement of fossil energy with renewable energy

**Energy Savings**

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HARTMANN SUPPORTS GREEN INDUSTRY PLATFORM

The Green Industry Platform is a voluntary multi-stakeholder partnership established by UNIDO, UNEP and partner UN organisations. It is designed to provide a framework for participants, individually or in groups, to take specific and measurable action to advance Green Industry and move beyond ‘business as usual’ in all countries and business organizations and at all levels: international, regional, national and local.

By encouraging a more efficient use of energy and raw materials in manufacturing processes and services, the Platform will contribute to a cleaner and more competitive industrial development. This will help reduce pollution and reliance on unsustainable use of natural resources.

Formally the Green Industry Platform was launched during the RIO+20 conference in June 2012. Hartmann was one of the founding companies.

Read more at: www.greenindustryplatform.org
**CO₂ ACCOUNTING AND CUSTOMER CARBON FOOTPRINT THIRD-PARTY VERIFIED**

In 2011 Hartmann’s corporate CO₂ accounting scopes 1, 2 and partially scope 3 were completed in accordance with the GHG Protocol. In 2012 the figures were also third-party verified by the external company Climate Partner. Also Hartmann’s methodology for calculating product carbon footprints according to PAS2050 was third-party verified. This verification gives credibility to Hartmann’s climate calculations and is an assurance that calculations are complete and in compliance with the standards. With this verification, calculations can be used externally towards customers and for claiming climate neutral products, see the next chapter.

Please find the verification statement in appendix 2.

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Climate Partner is a climate protection consultancy offering a range of services in this area. They have extensive experience with climate calculations and are specialised in the paper and printing business. Climate Partner is TÜV certified and a member of international committees such as the Greenhouse Gas Stakeholder Advisory Group and DIN norm committees.

*For more information see www.climatepartner.com*

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3) The Greenhouse Gas Protocol is the most widely accepted international standard for accounting for corporate greenhouse gas emissions.

4) PAS2050 was developed by the British Standards (BSI) and came into effect in October 2008 and was revised in October 2011. Being the first widely acknowledged standard for product carbon footprints, this standard has been applied by many companies worldwide.
CO₂ NEUTRAL PRODUCTS ON OFFER

With the introduction of a new sustainable marketing concept in 2012, Hartmann strengthened its position as the leading supplier of environmentally friendly moulded-fibre packaging solutions.

Hartmann cooperated with a customer and Climate Partner about the development of CO₂ neutral packaging. After a successful testing period this concept is now offered to Hartmann customers who prioritise sustainable solutions and who may in turn benefit from conveying the green message to environmentally conscious consumers.

A CO₂ neutral product does not emit any net CO₂ emissions and therefore does not contribute to climate change.

Hartmann claims CO₂ neutrality first of all by reducing emissions dramatically and secondly by compensating remaining emissions from production and transportation of the neutral products. This compensation adds a premium on carbon emissions from the neutral products, which further increases the company’s incentive to reduce life cycle climate emissions.

Compensation is provided by planting trees, which sequester CO₂ as they grow. With climate change being a global phenomenon, emissions from the production of the products can be offset elsewhere on the planet. The currently supported reforestation project takes place in eastern Mozambique. This is a perfect match to our products, which are made from recycled paper which ultimately comes from wood.

The compensation of CO₂ is ensured by only selecting projects that carry a gold certification, which means they are guaranteed by credible organisations such as the Rainforest Alliance. Reforestation projects offer a number of additional benefits for the local community, such as:

- Wood harvested from the reforested area reduces the incentive to exploit the surrounding forests
- Increase in local food production due to improved land productivity and better awareness of land-use practices
- Greater awareness of the use of natural resources
- Special training offered to women leads to improved gender equality
- Protection of threatened species through awareness-raising and preservation of natural habitats

Read more about the forestry project at www.climatepartner.com/offsetprojects by selecting Forestry, Mozambique, Sofala.

Before introducing the concept of CO₂ neutral products, Hartmann completed a thorough consumer segmentation study in selected countries. The study revealed a generally positive view on the concept and a grading of the consumer segments with the highest affinity towards this concept. This study allows us to target our sustainability offering towards customers where it will have the highest effect and to convey to our B2B customers that sustainability is a priority for their consumers.
FSC CERTIFICATION INITIATED

A number of Life Cycle Assessment studies testify to the sustainability profile of Hartmann’s products. However, throughout various product categories, the retail sector has seen frequent cases of green washing in the past years. As a result, consumers have become increasingly sceptical and the need for documentation and transparency has increased accordingly.

The fibre raw material for Hartmann’s products originates from responsible sources and we want to help our customers communicate this to the consumers. Therefore, we have initiated a certification process to become Forest Stewardship Council® (FSC) certified. FSC is a recognised and highly credible organisation whose logo signifies the responsible use of wood fibres.

Hartmann’s moulded-fibre products are primarily made from recycled paper such as old newspapers or magazines. FSC acknowledges that recycling paper products contributes to protecting the world’s forests. Any use of virgin paper in Hartmann’s products, such as paper labels, is FSC certified. This means that the paper originates from well managed forests that follow the best social and environmental practices. These forests are guaranteed to protect biodiversity, indigenous peoples’ rights, workers’ rights as well as other areas of significant environmental or cultural importance. Certifying forests according to FSC helps both local communities and society at large to enjoy long-term benefits of managing forests in a responsible way.

The FSC logo is most commonly known from hard wood products such as garden furniture, but in recent years paper based packaging has become the fastest growing category of FSC products.

In 2013, all of Hartmann’s European production sites will be certified, allowing our customers the possibility to display the FSC logo on the packaging of their products.

FOREST STEWARDSHIP COUNCIL – FSC

FSC is a global not-for-profit organisation dedicated to the promotion of responsible forest management worldwide. The FSC facilitates the development of standards, ensures monitoring of certified operations and protects the FSC trademark so consumers can choose products that come from well managed forests.

Learn more at www.fsc.org
Hartmann is working intensely on implementing the improvements needed to be part of a future green economy where only products that are optimised from a sustainability point of view have a future.

This perspective makes innovation key to developing the business in the right direction and is one reason why product development efforts have been intensified over the past years and Hartmann employees have been trained in EcoDesign.

Our insistence on sustainability goals in business and product development has resulted in the development of our most recent egg packaging product – Imagic®. This is an innovative, high-end product with strong sales properties in the form of improved stacking quality and communication space. Imagic® is also optimised for eco-efficiency. Compared with its predecessor, it has a reduced weight and due to its special design, Imagic® products can be compressed better when stacked, resulting in significantly reduced transport and storage needs. The result is a product which consumes less raw material and reduces the overall environmental emissions.

Looking ahead, innovation and the introduction of new sustainable technologies are high on our agenda and will be Hartmann’s foundation for an intensified sustainable development in the years to come.

During the year, Hartmann launched a project to streamline our transport processes and increase transport efficiency.

“We will integrate our transport set-up as a service offered in the sales process and make the elements of that service visible to the customer”, says Tom Danielsen, Supply Chain Development Manager and head of the transport project. He continues:

“In consequence – by putting requirements on our customers about minimum orders and shipment sizes, we can increase drop sizes and better utilise transport loads. And obtain a reduction in the overall emissions as a result. At the same time our selection of transport service providers now includes stricter requirements as to the environmental emissions from the vehicles as well as the safety standard of the vehicles.”

The benefits of this project are expected to be fully implemented in 2013.
ANTI-CORRUPTION TRAINING

At Hartmann we want to be good citizens, and we do not accept corruption or bribery in our business, which is why we have taken measures to avoid involvement in such cases.

In 2011 Hartmann adopted a new comprehensive policy guideline, which covers all types of corruption and bribery — in all parts of the value chain — and also provides guidance as to giving or accepting gifts, gifts of hospitality, meals, entertainment, etc.

To ensure that Hartmann employees fully understand what is expected of them in these matters, we have launched an anti-corruption training programme. The programme consists of an e-learning module, a test of the employees’ understanding of the issues and a document, which the employee must sign, stating that they have understood and will adhere to the policy. During 2012, Hartmann top management completed the training programme, which will continue in 2013 involving a large number of senior and higher risk employees.
ACKNOWLEDGEMENTS

HARTMANN INCLUDED IN THE KEMPEN/SNS SRI UNIVERSE

During the year, Hartmann was subject to a thorough screening by the ethical fund Kempen/SNS SRI Universe in which we met its stringent criteria. This means that the fund considers Hartmann as a company that demonstrates a clear strategy towards Corporate Social Responsibility.

For more details see www.kempen.nl

HARTMANN CROATIA WINS A THIRD CSR AWARD

For the third year running, Hartmann Croatia has received the Index CSR award for mid-sized companies. The award was given at a ceremony in Zagreb on 23 March.

The CSR Index is a tool for tracking corporate and social responsibility through a company’s strategic, economic, environmental, social and local community performance in a given year. The companies have answered 120 questions within these areas, and Hartmann achieved the highest score in its category.

“The award recognizes that in our daily work, operations and general business approach we are focused on achieving high business standards in consideration to all stakeholders,” says Marko Stefan, Marketing Manager.

An example of community proactivity is the Easter workshops, this year with the Association of the Blind, the County Association of Persons with Disabilities and the Orphanage Sunrise. Two weeks’ efforts resulted in an exhibition and sale of moulded-fibre Easter eggs with the funds from the sale going to the three associations.
HUMAN RIGHTS PRINCIPLES

Hartmann will make an effort to promote the conditions outlined in each of the human rights principles in companies that are part of the value chain to which the Group belongs.

Principle no. 1:
Human rights – support & respect
Hartmann will support and respect the protection of internationally proclaimed human rights. Hartmann’s commitment includes, but is not limited to, the following:

Hartmann will endeavor to secure the well-being of employees and their families by means of relevant local initiatives, practices and procedures that are in keeping with local traditions, conditions and needs.

Hartmann will endeavor to secure fair wages by means of a wages policy, which is consistent with the situation prevailing in other local industrial companies, and which enables the Group to attract and retain qualified employees.

Hartmann will endeavor to secure health and safety in the workplace, by means of cleaner technologies, procedures and practices as well as by the development of competences and efforts to change attitudes among the employees.

Hartmann will endeavor to secure good relations to the local community by means of active participation in social and business-related activities at local level and by setting a good example to others.

Principle no. 2:
Human rights – abuses
Hartmann will make sure that it is not complicit in human rights abuses.

LABOUR RIGHTS PRINCIPLES

Principle no. 3:
Freedom of association and the right to collective bargaining
Hartmann recognizes the right of its employees to be members of a trade union and to negotiate pay and working conditions collectively. The Group further recognizes the right to organize and collective bargaining in companies forming part of the value chain to which the Group belongs.

Principle no. 4:
Rejection of forced labour
Hartmann will support the elimination of all forms of forced and compulsory labour and does not accept the use of forced labour – neither inside the Group nor in companies forming part of the value chain to which the Group belongs.

Principle no. 5:
The effective abolition of child labour
Hartmann will not employ persons below the minimum age and the Group will apply preventive procedures and practices accordingly. The Group will make an effort to promote that similar procedures and practices are applied by companies forming part of the value chain to which the Group belongs.

Principle no. 6:
Non-discrimination
Hartmann will endeavor to prevent discriminatory practices and secure equal opportunities by means of the application of procedures and practices to prevent discrimination in connection with recruitment or dismissal, career development, training and education, or the granting of staff benefits. Hartmann will endeavor to promote non-discrimination and equal opportunities for employees in companies forming part of the value chain to which the Group belongs.
ENVIRONMENTAL PRINCIPLES

Hartmann will endeavor to protect, respect and safeguard environmental values by means of the systematic and proactive integration of environmental considerations in its daily business activities, by the development of environmentally friendly production methods and products, by training its employees in environmental issues, and by influencing the stakeholders in the value chain to which the Group belongs.

Principle no. 7:
A precautionary approach
Hartmann will support a precautionary approach to environmental challenges.

Principle no. 8:
Environmental responsibility
Hartmann will undertake initiatives to promote greater environmental responsibility.

Principle no. 9:
Environmentally friendly technologies
Hartmann will encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION PRINCIPLE

Principle no. 10:
Refraining from bribery and corruption
Hartmann will work against corruption in all its forms, including extortion and bribery.

It will do this by means of openness towards relevant business partners and by setting up a set of guidelines specifying how to avoid bribery and corruption. Hartmann will also contribute to minimizing bribery and corruption in companies forming part of the value chain to which the Group belongs.
APPENDIX 2.

VERIFICATION STATEMENT

ClimatePartner hereby confirms that the accounting for the carbon dioxide emissions generated by Brødrene Hartmann A/S, Ørnegårdsvej 18, 2820 Gentofte, Denmark, was performed in compliance with the Greenhouse Gas Protocol - Corporate Accounting and Reporting Standard. The allocation of these emissions to the products was performed in compliance with the general requirements and principles of the Publicly Available Specification PAS 2050:2011 - Specification for the assessment of the life cycle greenhouse gas emissions of goods and services.

The organisational system boundaries were the production sites in Denmark, Germany, Hungary, Croatia, Finland, and Israel. The primary activity data reviewed reflects the production during the period from January 1, 2011 to December 31, 2011.

The operational system boundaries include all emission sources from Scope 1 and 2, as well as relevant emission sources from Scope 3. The emission sources accounted for include:

- Heating (steam, natural gas, district heating) Scope 1 & 2
- Electricity Scope 2
- Fuels (diesel oil, gas) Scope 1
- Collection of recycled paper Scope 3
- Production of the product labels Scope 3
- Plastic wrapping used for transportation Scope 3
- Transportation of employees with company and other cars Scope 1 & 3
- Transportation of employees by airplane Scope 3

For the allocation of the emissions to individual products, the functional unit chosen is kg CO₂ per kg product. The system boundary is cradle-to-gate, meaning that carbon dioxide emissions are included that were generated up to the point where the product leaves the organization. Additionally, the methodology for calculating carbon dioxide emissions from the transportation of the products from the production site to the customer has been approved based on a sample calculation for one customer.

The carbon accounting performed by Brødrene Hartmann A/S accurately portrays the carbon dioxide emissions related to the company’s productions at the different production sites. It is an appropriate basis for offering climate neutral products by offsetting the carbon dioxide emissions of particular production volumes.

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