

## 7.5 Environmental compliance, etc.

### § ACCOUNTING POLICIES

Breaches of environmental regulatory limits is measured as the number of incidents in

the reporting year considered not to be in conformity with environmental permits or requirements under environmental law. Breaches related to annual control

measurements of spills reported in previous years are not included, as they are not indicative of performance during the reporting year.

Neighbor complaints refers to the number of registered environmental complaints, primarily odor and noise related.

## 7.6 Bioethics & gene technology

Novozymes' business is based on bioinnovation – including, but not limited to, advances in biotechnology and gene technology. That is why bioethics and gene technology are material issues for Novozymes' operations and its relationships with external stakeholders. Novozymes' position paper on gene technology articulates its management approach to supporting safe and sustainable use, and the adoption of robust, science-based regulations

for processes and products involving gene technology. The company acknowledges the need for engaging with stakeholders to improve the general level of knowledge about bioinnovation and gene technology, and their role in society. Novozymes endorses the globally recognized principles on the utilization of genetic resources set out by the United Nations Convention on Biological Diversity (CBD). The

company has internal procedures to ensure that it lives up to its commitments to the CBD and is actively engaged with a number of industry associations and task forces in implementing the Nagoya Protocol on Access and Benefits Sharing. Going forward, Novozymes will assess the outcomes of CBD13 and undertake a broader strategic discussion regarding its management and reporting of biodiversity issues.

## 7.7 Product safety & stewardship

Many of Novozymes' biological solutions serve as ingredients in consumer goods (e.g. in laundry and dishwashing detergents) or are used as industrial processing aids (e.g. in the manufacture of bread and baked goods, juice and alcoholic beverages, cooking oil and textiles). That is why ensuring product safety and stewardship is material to Novozymes' operations and its customer relationships. Novozymes' approach to product safety and stewardship is to mitigate the risk of

potential harm to both human health and the environment during the manufacture, handling and use of its products. This approach is outlined in the Quality and Product Safety Policy and at Novozymes.com. Implementation of this policy is a central element of Novozymes' Quality Management System, which complies with ISO 9001 standards. In addition, Novozymes has outlined its approach and position on topics related to product safety and stewardship, such as

REACH, labeling of enzymes and animal testing. Structured and documented processes for product stewardship, from development to delivery of a product, are enforced globally and audited by the independent body Bureau Veritas. While this approach is implemented through a number of cross-functional teams, primary responsibility rests with the Vice President for Intellectual Property, Regulatory and Product Safety.