



Independent Auditor's Limited Assurance Report

To Management and stakeholders of Palsgaard A/S

We have assessed Palsgaard A/S's CO₂ neutrality, including that Palsgaard A/S has offset its consolidated CO₂ emissions, from 1 January to 31 December 2019. This statement covers the production sites of Palsgaard A/S: Denmark, Netherlands, Malaysia, China, Mexico and Brazil.

We express our conclusion providing limited assurance.

Management's responsibilities

Management is responsible for collecting, analysing and presenting the information, and for ensuring that data are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities

Our responsibility is to express a limited assurance conclusion based on our engagement with Management and in accordance with the agreed scope of work. We have conducted our work in accordance with *ISAE 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and additional requirements under Danish audit regulation to obtain limited assurance about whether Palsgaard A/S' offsetting of its consolidated CO₂ emissions is free from material misstatement.

Deloitte Statsautoriseret Revisionspartnerselskab is subject to International Standard on Quality Control (ISQC) 1 and, accordingly, applies a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by FSR - Danish Auditors (Code of Ethics for Professional Accountants), which are based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Considering the risk of material error, we planned and performed our work to obtain all information and explanations necessary to support our conclusion.

Our work involved interviewing key staff of Palsgaard A/S as well as reviewing procedures and methods to ensure that Palsgaard A/S is CO₂ neutral in accordance with the agreed scope of consumption covering reported scope 1 and 2 emissions. We have analysed and reconciled consumption data to underlying documentation. Furthermore, we have received documentation that the consolidated CO₂ emissions have been offset through the purchase of renewable electricity and biogas certificates.

Conclusion

Based on our work, nothing has come to our attention that causes us to believe that Palsgaard A/S has not offset its consolidated CO₂ emissions from 1 January to 31 December 2019.

Copenhagen, 30 April 2020

Deloitte

Statsautoriseret Revisionspartnerselskab
Business Registration No. 33 96 35 56



Henrik Vedel
State-Authorised Public Accountant
MNE no mne10052



Helena Barton
Lead Reviewer