

Driving action with our stakeholders

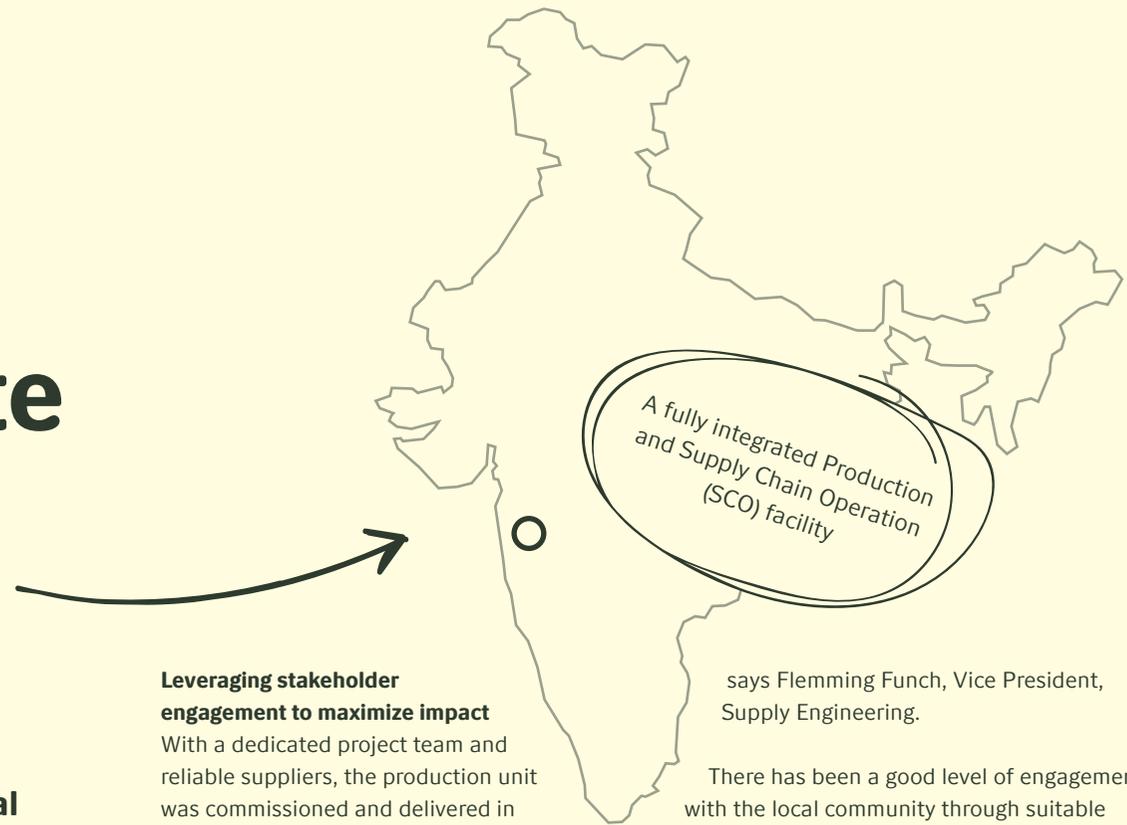
Our stakeholders are essential partners in delivering on our purpose and the Sustainable Development Goals (SDGs).

As a leading bioinnovator, Novozymes seeks to engage in dialogue with a wide range of stakeholders about the role of biology and biotechnology in addressing key global challenges. We actively engage with our stakeholders and work to integrate their ideas and concerns into strategic decision-making. We also continuously explore opportunities to partner with them to contribute toward the SDGs.

Our stakeholders include institutions and individuals in the private and public sectors as well as in society at large that influence Novozymes' business and vice versa. Customers, suppliers, employees, civil society, industry partners, academia, governments, policymakers and nongovernmental organizations (NGOs) are some of our key stakeholders. Through a variety of mechanisms, we engage with them in the areas of sustainability, bioinnovation, biotechnology, renewable energy, agriculture, science education and bioeconomy. The illustration provides an overview of how we engage with our key stakeholders.



Novozymes' new greenfield site in Patalganga, India



Effective engagement with a large number of external stakeholders and decision-makers served as a key enabler in facilitating the successful completion of Novozymes' greenfield site near Mumbai, India.

In 2018, Novozymes completed the construction of a greenfield site in Patalganga, near Mumbai, India. This facility will serve as a fully integrated Production and Supply Chain Operation (SCO) site. Novozymes has been present in India since 1983, running our operations at three sites in Bangalore. While the Head Office of Novozymes India as well as key functions will remain in Bangalore, the production and SCO units are being moved to the new site.

The production unit will produce pectinases through solid-state fermentation (SSF) for the global wine and juice market, and the SCO will formulate enzymes imported from other Novozymes production sites for the Indian market.

This new setup provides an excellent foothold for future development capabilities to serve the growing local markets (India, Sri Lanka, Bangladesh, etc.).

Leveraging stakeholder engagement to maximize impact

With a dedicated project team and reliable suppliers, the production unit was commissioned and delivered in October 2018 in the record time of just two years. The SCO will be operational by the end of the second quarter of 2019.

This greenfield project has been successful thanks to strong support and proactive engagement from the state government, which is keen to support the development of the biotech sector. This ensured speedy clearances for the required regulatory approvals and compliance, maintaining high ethical standards. The Maharashtra Industrial Development Corporation (MIDC) authorities also provided phenomenal cooperation.

"A major highlight of the project has been the engagement with Indian companies, from engineering and sourcing of equipment through to supply of construction materials,"

says Flemming Funch, Vice President, Supply Engineering.

There has been a good level of engagement with the local community through suitable jobs and ancillary business opportunities. In accordance with Indian law, it is mandatory for major corporations* to allocate 2% of their annual revenue to CSR activities, so we have contributed CSR resources for community development in the form of drinking water, community toilets, education for the poor and so on. "Novozymes' ability to engage with key stakeholders in the successful commissioning of the Patalganga Mumbai site paves the way for supporting robust growth in the Indian and Southeast Asian markets using our sustainable solutions," says G.S. Krishnan, Regional President, Novozymes India.

* Organizations (including its holding or subsidiary) having Net Worth of Rs. 5000 million or more, or Turnover of Rs. 10 billion or more, or Net Profit of Rs. 50 million or more

Enhancing customer dialogue

Novozymes is embracing new ways of enhancing our ability to understand customer needs better and improve the customer experience.

Customer engagement is one of the key material topics for Novozymes. Novozymes engages with customers through various channels, including innovation centers, workshops and joint marketing campaigns, to provide solutions that are tailored to their needs and are more sustainable for their industries.

Here are two highlights from our customer engagement activities in 2018:

Getting closer to customers in the Middle East & Africa (MEA) region

Novozymes opened the doors of the Innovation and Technology Center in Istanbul, Turkey, in April 2018. This brings our solutions, technology and know-how close to our baking customers in the MEA region. The center features state-of-the-art, locally relevant equipment and an industrial-scale flatbread line, and will provide customers and partners in the MEA region with easy access to our regional R&D and marketing practices.

Through this innovation center, Novozymes aims to increase the understanding of regional customers and their consumers so that we can

drive innovation and solutions tailored to local needs. Over time, the center will also focus on other industries, for example starch processing, brewing, dairy and household care.

Using the power of digital to reach dairy customers worldwide

Novozymes currently has 300 dairy customers and has identified opportunities to reach around 60,000 dairy producers worldwide. In our efforts to reach these global customers, Novozymes launched a new website – Novozymes’ Dairy Lab – in 2018 to make it easier for these potential customers to approach us.

The Dairy Lab features podcasts, articles, reports, webinars and a variety of information relevant to the dairy industry. Potential customers can learn about the market, new innovations, consumer trends and solutions to their production challenges through various sections of the website. In turn, Novozymes can better understand the needs of customers by learning from their engagement on the site. We expect the Dairy Lab to help drive business growth in this area.



Engaging the African feed industry through enzyme education

In 2018, the Novozymes/DSM Feed Alliance engaged with more than 200 feed industry customers through Enzyme Academies, to educate them about feed enzymes and their sustainability benefits.

“Enzyme usage goes hand in hand with sustainability impact. We see tremendous growth and potential in the African region, coupled with the need for sustainable measures. Enzymes are part of the solution for the industry,” says Peter Fisher, VP Animal Nutrition and Health EMEA, DSM Nutritional Products.

The African feed industry is growing at a fast pace and is seeing an increase in demand for protein from the African continent. However, the industry is also facing some headwinds in the form of tough competition from imports, rising raw material prices and lower profitability. Furthermore, the local environment is being harmed by the large

volumes of livestock manure polluting local water systems.

One of the major dilemmas faced by food producers – from farms to meat processors – is how to meet the nutritional protein needs of a growing global population while minimizing the environmental impact of those activities. Agriculture needs sustainable solutions that optimize processes and increase output, and enzymes are part of the answer.

Novozymes and DSM joined forces over 20 years ago to form the Novozymes/DSM Feed Alliance (referred to as the Alliance in this article), which today is the market leader in feed enzymes. A cornerstone of the Alliance

is sustainability, as its solutions alleviate the environmental pressure that agriculture puts on the planet.

Each year, the Alliance hosts a number of Enzyme Academies in the form of large customer events. Over the course of these events, a large number of customers are educated about the mode of action, application and positive impact of our enzymes in animal feed. In the summer of 2018, the Alliance took the Enzyme Academy to Johannesburg and the important sub-Saharan region, for the first time, to inform customers about the benefits of using feed enzyme solutions in the region.

Feed enzymes enable farmers to improve animal performance and save costly feed ingredients, which is good for the planet and the farmer.



Rick Kleyn, nutritionist from Spesfeed (Pty) Ltd. in South Africa, refers to the Enzyme Academies as an excellent showcase of exactly how the two organizations fit together as an Alliance. “The workshop session at the event offered information about the enzymes to the participants, while a number of excellent speakers shared vital insights into modern nutritional trends with the African nutritionists. A great event, which we hope to see repeated.”

Customer education will remain a top priority for the Alliance, as understanding the importance of enzymes in the animal feed industry is key to helping agriculture become more profitable, efficient and sustainable.

Securing sustainable supply

Novozymes is committed to driving our sustainability performance together with our suppliers through existing and evolving engagement mechanisms.

Engagement with our suppliers is key to driving our sustainability agenda. At Novozymes, we hold our suppliers to high sustainable standards. We maintain an ongoing dialogue with our suppliers across value chains as we strive to continuously improve our responsible sourcing practices.

Sustainability is well integrated into our agreements with suppliers. These are assessed through our Supplier Performance Management (SPM) system and are required to comply with our Responsible Purchasing Standard. Read more about our approach in Note 8.6 Responsible sourcing in The Novozymes Report 2018.

For our production and operations, we strive to source sustainable raw materials in agriculture and other categories, and continue to focus our efforts to source renewable energy.

We are also strengthening our commitment to certification of selected raw materials across various categories, with a sharp focus on sustainability. For example, we are in the process of developing a roadmap for the sustainable sourcing of soy products. We believe in the sustainable production of palm

oil and are working with our suppliers to source sustainable palm oil. We are also exploring options to purchase certified mass balance glycerin. Novozymes uses small amounts of palm oil to produce some of our solutions. As a member of the Roundtable on Sustainable Palm Oil (RSPO), 100% of the palm oil we sourced in 2018 was RSPO certified.

Furthermore, to increase the level of transparency in our supplier base, Novozymes has joined the SEDEX collaboration platform, making it possible to share responsible sourcing data on supply chains.

Novozymes will use SEDEX to engage with suppliers to address and manage sustainability issues in our supply chain. By the end of 2018, Novozymes had started onboarding suppliers onto the SEDEX platform. Our use of SEDEX will be an important part of our responsible sourcing approach going forward, as we plan to enhance the foundation for supplier performance and risk assessments by connecting more cross-functional data from our supplier base.



Attracting responsible investment

Novozymes continues to actively engage with our investors to strengthen our performance on material ESG issues.

At Novozymes, a transparent and ongoing dialogue with our investors is crucial to ensure a strong long-term relationship.

Novozymes engages with our investors through various channels, including annual and quarterly reports, capital market days, roadshows and ESG assessments. We also maintain an active and ongoing dialogue with investors who may have specific questions related to our financial and nonfinancial performance.

Novozymes' strong sustainability profile addressing material ESG issues drives attractive investments that generate sustainable financial returns in the long term. That is why we continuously engage with our investors on sustainability.

In 2018, we responded to more than 30 investor requests for information on several topics. One key theme that emerged from our dialogues was how the UN SDGs are integrated into our strategy and how they drive business growth and impact. Other topics of interest for our investors included our overall performance on ESG issues such as climate change and

deforestation, diversity, business ethics, our governance structures and sustainability targets, and how they impact executive remuneration.

We continue to be recognized by various indices and rating agencies as an ESG leader in our sector.

In 2018, Novozymes remained a constituent of the FTSE4Good Index Series, the Ethibel Sustainability Index Excellence Europe and the Ethibel Sustainability Index Excellence Global, and received an AAA rating from MSCI. Novozymes also received an 'A-' score in CDP's climate change disclosure and management assessment.

We are seeing an increasing number of third-party assessments by specific investor groups. In our efforts to streamline our reporting initiatives, we decided to discontinue our participation in the RobecoSAM corporate sustainability assessment.

Read more about our engagement approach with our investors at investors.novozymes.com.



Role of the UN SDGs in impact investing

A conversation with Charles Montanaro, Fund Manager of the Better World Fund and Chairman of Montanaro Asset Management.



“One way to solve global sustainability challenges is by mobilizing private capital to address them.”

Montanaro, a London-based asset management firm, supports businesses that help deliver on the UN Sustainable Development Goals (SDGs). Montanaro uses a disciplined investment approach focused exclusively on companies that offer solutions to global sustainability

challenges. In 2018, it launched the Better World Fund, which aims to deliver attractive investment returns while making the world a better place.

We interviewed Charles Montanaro about the importance of the SDGs in impact investing.

Q: What was the motivation for launching the Better World Fund?

A: You only need to look around to see the many challenges facing the world, such as climate change. One way to solve global sustainability challenges is by mobilizing private capital to address them. As investors, we feel a responsibility to act and invest in businesses that can offer solutions to some of these major problems.

Q: How do you assess the SDG impact of companies in the Fund's portfolio?

A: We use the SDGs to guide us toward the best-managed businesses globally that proactively help implement the goals. The Fund identifies six core themes – environmental protection, low-carbon economy, innovative technologies, nutrition, healthcare and wellbeing. At least 50% of revenues must be directly aligned to the SDGs to be eligible for consideration by the Fund. We also assess the impact a company's products or services have on the environment, employees, community and governance.

Q: How do you view Novozymes as an investment case?

A: We view Novozymes as an attractive long-term growth story based on a growing suite of products that can help to change the world for the better. These

include new consumer products that are safer for the environment, solutions that convert plant materials and waste to bioenergy and the development of biological solutions to increase crop yields. It is therefore a member of the Better World Fund. Management has also been very approachable and keen to listen to shareholders such as ourselves. The ability to engage constructively is important to us.

Q: How do you see the future of SDG investing?

A: The SDGs need to be realized by 2030. This is a call to action for all stakeholders and will become ever more important. Investors are increasingly using the SDGs in different ways to deliver positive impact. We believe that engagement between companies and their shareholders is pivotal to SDG impact investing. Ultimately, making the world a better place will be beneficial to all of us.

Q: What does this mean for Novozymes?

A: The UN SDGs are increasingly being integrated into investment strategies. As Novozymes is already aligned to the SDGs, it is well placed to take advantage of this trend, to the benefit of its many stakeholders.

Developing engaged employees

Novozymes engages with our employees through various regional initiatives that enable their development, increase motivation, drive safety and encourage healthy lifestyles.

We drive employee engagement through region-specific initiatives to encourage positive and holistic development. The engagement is focused on a number of themes, including increasing employee motivation and building safety awareness beyond the workplace. Here are a few highlights of initiatives run across Novozymes' regions.

Going beyond workplace safety

Novozymes' Araucária site in Brazil organized a Workplace Accidents Prevention Week and extended the scope of safety beyond the workplace to emphasize the value of a safe, healthy and balanced lifestyle. To educate employees about these aspects, the site organized various speeches on self-esteem, ergonomics in the workplace and at home, as well as techniques to manage stress, anxiety and depression.

As part of this event, employees were also given the opportunity to learn about the importance of sports through a motivational talk by the first Brazilian to climb Mount Everest. Furthermore, an annual event was organized with a focus on inspiring employees to simplify their approach to work processes and enjoy their time spent at work.

Encouraging employees to adopt healthy lifestyles

More than 400 employees in Denmark took part in the annual DHL relay running event in

Copenhagen. A further 74 employees took part in the Novozymes Classic annual 120-135 km cycle race.

Fostering energy, vigor and dynamism among employees

To instill a strong sense of Novozymes' values, Novozymes India promotes initiatives that facilitate proactive engagement between employees and encourage healthy working relationships with open channels of communication. The objective is to nurture a positive and creative environment for holistic development. Events such as StarGate (science carnival), Josh (annual corporate event) and PlayOn Zymer (annual sports event) reflect the organization's collective energy.

Another initiative, Rendez-vous with the Regional President, gives employees face-to-face time with the regional president. Each employee can participate in and contribute to these events while living Novozymes' "Touch" values.

Creating a safe working environment

Building on Novozymes' approach to safety management, our site in China organized a safety week to improve employees' awareness of and strengthen the safety culture across the company. Throughout the week, employees attended various tailor-made activities. These included workshops on safety behavior run by the Occupational Health and Safety function

and departmental safety representatives as well as training sessions run by external experts.

Establishing deeper interpersonal relationships

Our North American sites organized a family day for employees to bring their families to work, with the aim of getting to know one another better and establishing deeper interpersonal relationships. The family day involved fun activities such as games and face painting as well as organized plant tours and product demonstrations. Other events included live music performances for employees, sports tournaments, holidays, parties, family bowling nights, potluck lunches and employee cookouts.

Strategic social investment

Novozymes invests in various educational programs across our regions to help people understand the potential of biology.

We have set ourselves a long-term sustainability target to educate 1 million people by 2020 about the potential of biology. To work toward our ambition, we run different educational programs tailored to the needs of the various communities in which we operate. These programs focus on improving scientific literacy and environmental awareness. In total, we educated around 302,000 learners in 2018 through our different initiatives. Here are some of the highlights from our EDUCATE projects across different regions.

Denmark

Our outreach activities aim to promote interest in natural science. We do this by engaging in, developing and sponsoring numerous activities every year, such as the Young Scientist Competition, Geek Days, Guy's and Girl's Day in Science and Beerzymes.

In 2018, we rolled out a new initiative, The Mass Experiment, which involved around 25,000 Danish schoolchildren, who signed up to search for lactic acid bacteria all over Denmark. The children followed a scientific protocol developed by Novozymes to collect and analyze samples from nature. The samples that were positive for lactic acid bacteria were sent to Novozymes for further analysis and characterization to create a geographic species map of Denmark's lactic acid bacteria prevalence – a first of its kind in Denmark.

China

In 2018, in addition to our ongoing effort to run Parents' Class to encourage employees to teach biology in their child's school, we expanded the coverage of our three core projects: Biology Catalyzes the Beauty of Life, The Little Biologists and The Biology Education Innovation. This year, our project Biology Catalyzes the Beauty of Life was extended to schools in rural China. Around 700 university students took part in the project and taught biology in 94 schools in rural China. The project received the 2018 CSR China Education Award.

India

In 2018, we sponsored Mobile Science Labs (MSL) run by Agastya International Foundation at locations in the two states of Karnataka and Maharashtra. Each mobile lab travels to remote schools and communities loaded with 100+ hands-on science models covering a wide range of physics, chemistry and biology topics. In addition to our support for the Hand Print project run by the Center for Environment Education (CEE), we continued our association with Kalinga Institute of Social Sciences to promote education in disadvantaged communities.

North America

Our sites across North America continued to focus on numerous educational outreach activities. Employee volunteering to visit classrooms in the local school system to talk

about biology, biotechnology and science careers represents a significant portion of our educational impact. Novozymes also maintains ongoing partnerships with educational organizations that deliver biology education to an increasing number of learners. These organizations include the University of North Carolina's Morehead Science Center, the North Carolina Association for Biomedical Research, Virginia Tech University and Agriculture in the Classroom Saskatchewan. In 2018, Novozymes partnered with the NC Business Committee for Education's Students@WorkSM program to pilot a virtual platform to engage with students throughout North Carolina, US. Given the success of this pilot, we plan to expand this platform across the US in 2019.

Latin America

In Latin America, we continued to disseminate information about biology and biotechnology in a digital format through our three educational applications – Fritt-Flacc, Oysters and The Kind of the Golden River. In addition, we designed a web course with Descola, an educational startup, about the importance of biotechnology in our daily life in order to build a more sustainable world. In 2018, Novozymes' team in Brazil financially and technically sponsored a play, "Water at Sight," run by a Brazilian theater company, Cia de Teatro Parafernália. Read more about the initiative on the next page.

In the spotlight

Building awareness about saving our main source of life – water

Novozymes runs our community engagement activities in interactive ways to educate communities about sustainability challenges.

Cia de Teatro Parafernália, a theater company based in Mogi Guaçu (São Paulo, Brazil), is running one of our EDUCATE initiatives, a play called “Água a Vista,” or “Water at Sight.” The project educates communities about how to take care of the world we live in and work toward building a sustainable world. Our project is primarily focused on preserving water for future generations. In 2018, approximately 18,000 people across 10 cities in the states of Paraná and São Paulo saw this play performed in educational and cultural institutions.

We spoke with Viviane Castelinai, President of Cia de Teatro Parafernália, to find out more about the project.

How do you educate communities about preserving water?

We believe that education plays a fundamental role in building awareness regarding the importance of natural resources. We communicate this message in an entertaining and interactive manner by performing a play which focuses on the importance of water, how to preserve it and the consequences of not saving our main source of life. The play is free to attend and is performed in different forums, such as theaters, schools, colleges, cultural fairs, communities and cultural centers. The initiative impacts students, teachers, coordinators and communities.

How did Novozymes help?

In addition to financial sponsorship, Novozymes played an important role in building the content of the play and helping us expand our reach of institutions.

What has the response been from teachers and students?

The response has been outstanding. We have received positive feedback from everyone, because the play establishes direct and efficient communication with the audience. It focuses on critical issues that must be understood and openly discussed.



From the play “Água a Vista,” or “Water at Sight”



Policy advocacy and government partnerships

Novozymes engages with governments to promote policies that support sustainable development and responsible business growth.

Novozymes engages with governments in all regions of operations, primarily through policy advocacy. Our engagement with industry and trade associations further helps us to carry out our policy advocacy efforts. Novozymes presents our interests and positions to policymakers and other interested parties in accordance with national and international laws.

We have public affairs employees in Copenhagen, Brussels, Washington D.C., New Delhi, Kuala Lumpur and Beijing, who primarily engage with governments through various advocacy and consultation forums. Our employees are registered in dedicated lobbyist registers, as legally required in the US, and in the Transparency Register in Brussels. No registers exist in the other locations. In 2018, we spent approximately DKK 11 million globally on our advocacy efforts. Below is an update on our engagement activities with governments in 2018.

Speeding up E10 mandate expansion and execution in China

As a member of the China Petroleum and Chemical Industry Federation (CPCIF), the Chinese Society for Environmental Sciences (CSES) and the China Association of Circular Economy (CACE), Novozymes works to promote the contribution of biofuels to China's circular economy. In 2018, Novozymes' CEO, Peder Holk Nielsen, met with the Vice Administrator

of the National Energy Administration (NEA), Li Fanrong, in Beijing. The parties shared their views on China's energy transformation and cooperation on bioethanol development.

Supporting biodiversity protection

As part of International Biodiversity Day in May 2018, organized by China's Ministry of Ecology and Environment (MEE), Novozymes set up a booth to share our biodiversity protection practices and teach the magic of biology to schoolchildren at Beijing Zoo. Our booth attracted thousands of visitors, including the Vice Minister of the MEE, experts in the field of biodiversity as well as a large number of children.

Promoting federal policies for green chemistry in the US

Novozymes is a founding member of the GC3 Sustainable Chemistry Alliance (GC3SCA), which advocates for federal policies that support green chemistry. In September 2018, the GC3SCA held a Capitol Hill Product Expo and Hill Day to educate congressional staff about sustainable chemistry and showcase the diverse products it supports. Our employees highlighted several Novozymes products, including Balancius™. In meetings with several congressional offices, Novozymes called for support for the Sustainable Chemistry Research and Development Act 2018. This legislation aims to coordinate and leverage federal investment in sustainable chemistry

through R&D, commercialization, technology transfer and education.

Expanding US consumer access to low-carbon biofuels through Fuels America

In 2018, as a founding member of Fuels America, Novozymes continued to focus our advocacy efforts on increasing consumer access to low-carbon biofuels. For several years, Novozymes has been supporting an end to the restrictions on the sale of E15 in the summer months. Until then, ethanol blends of more than 10% had not been given waivers, in order to comply with the US Clean Air Act of the 1970s, even though higher blends of ethanol have greater benefits. Consequently, allowing the sale of higher ethanol blends required regulatory action. In 2018, the US government signaled that the Environment Protection Agency will lift the restrictions on the sale of E15 before the 2019 summer driving season starts.

Supporting India's national policy on biofuels

In the past few years, Novozymes has actively been engaging with the Indian government on highlighting the need for clean fuel blending and better utilization of biomass by preventing open burning of agro residues. In 2018, the Indian government approved the National Policy on Biofuels 2018. This policy, originally aimed at mainstreaming biofuels in the energy and transportation sectors in India, will now allow food grains to be used

for ethanol production when there is surplus food production. The newly approved policy also contains a thrust on the production of "advanced biofuels" from agricultural residues.

Partnering for Green Growth (P4G) and the Global Goals 2030

For Novozymes, partnerships are vital in delivering on the SDGs. As a business partner in the Danish initiative P4G, Novozymes is committed to partnering with businesses, government and civil society to advance solutions for the world's 17 greatest challenges. Novozymes is exploring new public-private partnership opportunities within P4G, including the Sustainable Food Platform partnership with DanChurchAid and Arla Food Ingredients that aims to rethink market-based solutions for food and nutrition security in Africa.

Continuing support for biofuel policies in Brazil

In 2018, Novozymes maintained our support for RenovaBio, the policy that was launched in 2017 to promote biofuel production and consumption in the country. Furthermore, Novozymes also supports the Brazilian Energy Matrix bill, the aim of which is to achieve 60% of energy in the Brazilian energy mix to come from renewable sources by 2030. Novozymes participates in relevant public hearings at federal state level.

Action through industry and global organizations

As a member of various institutions that support our sustainability commitments, we explore partnerships and drive collective action.

Novozymes strives to catalyze partnerships that drive action on the SDGs and enable a sustainable bioeconomy. As a member of various institutions, we use these platforms to explore partnerships, collectively drive positioning to policymakers and learn about fellow members' approaches to sustainability.

International Chamber of Commerce (ICC)

Novozymes supports the work of ICC, notably in the areas of sustainable development, climate change and the environment. In March 2018, Novozymes was invited to assume the role of Chair of ICC's Global Commission on Environment and Energy. Novozymes has been actively engaged with the commission in supporting numerous climate change advocacy and business engagement efforts. This includes the first-ever Talanoa Dialogue for Business and active participation at the UNFCCC negotiating sessions in Bonn and Bangkok. The commission continues to lead business interactions to support a Global Pact for the Environment and is also driving discussions about business engagement in sustainable development and partnerships, including the SDGs and FFD (Financing for Development).

United States Council for International Business (USCIB)

Novozymes remains strongly engaged with USCIB. Novozymes CEO Peder Holk Nielsen continues to act as USCIB's Board-level Sustainability Champion. At the UN General

Assembly (UNGA) in September, Peder Holk Nielsen joined stakeholders from the public and private sectors to highlight the contribution of the private sector in advancing the UN SDGs. Experiences were shared in three areas critical to successful SDG action: embedding sustainability in the core of the company's business models; measuring the impact of sustainability programs and initiatives; and communicating the impact to key stakeholders.

In July 2018, Novozymes also supported USCIB's engagement at the High-Level Political Forum for the SDGs, organised around the theme of "Systems Thinking and Systems Doing for SDGs in Action." We continue to actively support USCIB's Environment Committee as well as the board of the USCIB Foundation.

HelloScience

Building on the success of its launch in 2017, Novozymes' open innovation platform, HelloScience, which seeks to address global challenges using the SDGs as a guiding framework, enhanced its external stakeholder engagements. In addition to active participation at events during the UN Science, Technology and Innovation Forum for the SDGs (STIF) in New York, HelloScience formally launched its revised format at the UN General Assembly in September 2018. HelloScience has also worked to strengthen its outreach with

academia, notably through a series of activities with the Technical University of Denmark (DTU).

below50

Novozymes is a founding member of below50, a global campaign to reduce emissions in the transportation sector by increasing the demand for low-carbon fuels. below50 is now active through its regional hubs in Australia, Brazil, Europe and the US.

In 2018, below50, along with the California Low Carbon Fuels Coalition (LCFC) and the Biotechnology Innovation Organization (BIO), jointly organized and hosted "Driving Decarbonization," a side event of the Global Climate Action Summit in California, US. Earlier in 2018, the Queensland (Australia) Government formally endorsed its membership of the global below50 network during an event at Queensland Parliament, and is now the first governmental entity to be part of the below50 campaign.

World Business Council for Sustainable Development (WBCSD)

WBCSD is a global organization comprising more than 200 leading businesses working together to drive transition and acceleration of sustainable development. In 2018, Novozymes continued our engagement with various WBCSD workstreams, most notably below50 and We Mean Business.

Novozymes and the UN Global Compact

Novozymes has been a LEAD member of the UN Global Compact (UNGC) since 2011 and actively supports the UNGC's work on the SDGs and climate change.

UN Global Compact Action Platforms

As part of our continued commitment to UNGC, Novozymes has been active with its Global Action Platforms on Reporting on the SDGs and on Climate Change. In 2018, Novozymes was heavily involved with UNGC and its partners WRI (World Resources Institute) and We Mean Business as it developed a contribution to the public policy: How business and government can advance policies that fast-track low-carbon economic growth via "Ambition Loops."

UNGC local networks

Novozymes participates in the UN Global Compact's local networks and engages in activities to promote sustainability in all our operating regions. As UNGC develops its local network capabilities, Novozymes has joined the board of the newly established Global Compact Denmark to support its development. Novozymes is also a member of the SDG working group in Brazil.

Action through industry and global organizations

Bio Industry Organization (BIO)

BIO is the world's largest trade association representing biotechnology companies, academic institutions, state biotechnology centers and related organizations across the US and in more than 30 other nations. BIO believes in mitigating climate change through legislation and has helped pass tax incentives that spur the development of renewable energy projects and associated feedstocks. Novozymes works with BIO to encourage the development of technologies that make our lives and environment cleaner, safer and healthier. Novozymes chairs the Industrial and Environmental (I&E) Biotechnology section, as well as the Government Relations and Communications Committees. In this capacity, Novozymes collaborates with international organizations, the US Congress, federal agencies such as the US Department of Energy, the Environmental Protection Agency and the US Department of Agriculture, and helps develop policy on relevant issues such as the use of industrial enzymes in manufacturing and guidelines for the use of biotechnology products in environmental remediation.

EuropaBio

EuropaBio is the association representing the biotechnology sector in Europe. The association works closely with the European Commission, the European Parliament and the European Council, and promotes the transition toward a bioeconomy that can help achieve the EU's climate objectives.

Novozymes plays an active role in the association as a member of the board and through our work in the Industrial Biotech Council. The focus of the Industrial Biotech

Council is on successfully promoting the following to the EU institutions: the use and access of sustainable feedstock for the bioeconomy; the development of new financing mechanisms for the deployment of greener biobased products (e.g. through the establishment of public-private partnerships); and legislation to support the market uptake of climate-friendly biobased products (public procurement and mandates).

Confederation of Indian Industry (CII)

CII is an industry body that works to create a sustainable environment conducive to the growth of industry in India. CII's Bioenergy Committee, chaired by the Regional President of Novozymes South Asia, has set up task forces that explore the challenges to be addressed to achieve the Indian Government's Mandate on Bioenergy. In 2018, these task forces formed a core group within the committee that focuses primarily on the areas of 1G and 2G ethanol, bio-CNG, municipal solid waste and advanced biofuels. The findings from the task forces will be presented to India's Minister for Petroleum and Natural Gas.

Novozymes has been selected to be a member of the CII Climate Change Council, which has been formed to strategize on the implementation of the National Action Plan on Climate Change and to engage with industry, policymakers and R&D institutes to formulate strategies to commit to accelerating the deployment of clean energy technologies.

Federation of Indian Chambers of Commerce and Industry (FICCI)

FICCI, a leading industry organization in India, acts as a conduit for government-industry

exchange and facilitates business-to-business linkages for trade and investment. Novozymes' primary involvement with FICCI in 2018 was to drive food industry-related approvals and ensure that regulations related to food safety standards were in line with international regulations. Furthermore, we are a member of FICCI's subcommittee on crop protection chemicals. We drive biostimulant policy advocacy in line with global standards and also promote sustainable bioagricultural solutions.

European Biostimulants Industry Council (EBIC)

Novozymes is a member of EBIC, whose mission is to promote the contribution of plant biostimulants, to make agriculture more sustainable and resilient. Novozymes became a member to promote an operating environment that creates a truly European market for biostimulants and recognizes their contribution to sustainable agricultural production, green innovation and economic growth. One key focus area is to facilitate EU market access for biostimulants via the revision of the EU Fertilisers Regulation.

Danish Environment Technology Association

Converting sustainable biomass and biowaste into high-value products to optimize the use of resources, replace fossil-based alternatives and address issues of climate change remains a business opportunity for Novozymes, with the potential to deliver on several SDGs. As a member of the Partnership for Sustainable Biorefineries, led by the Danish Environment Technology Association, Novozymes collaborates with other influential industry players to make advanced bioeconomy and biorefining a Danish priority.

Regional engagement highlights

- Novozymes' team in Brussels participated in the OpenLab Initiative, which facilitates dialogue and platforms on sustainable mobility and reducing the carbon footprint of the transportation sector. This resulted in our contribution to the report "Speeding up to <2°C: Actionable clean mobility solutions"
- Novozymes' Regional President of Asia Pacific delivered a speech in the "Climate Change and Extreme Weather" session, as part of the China Development Forum Special Session 2018, calling for sustainable growth of biosolutions in China, given the current global challenges
- Novozymes had prominent speaking roles at the University of North Carolina's Clean Tech Summit to discuss the role of biological solutions in sustainable development
- Novozymes' Head of Sustainability in India participated in the panel discussion on the circular economy as part of the Round Table on Corporate Sustainability organized by the UNGC Network India
- The biorefining team in Latin America organized the TECO event, one of the biggest biofuel events in Latin America, bringing together experts, industries, associations and researchers to talk about the global future for the ethanol market