

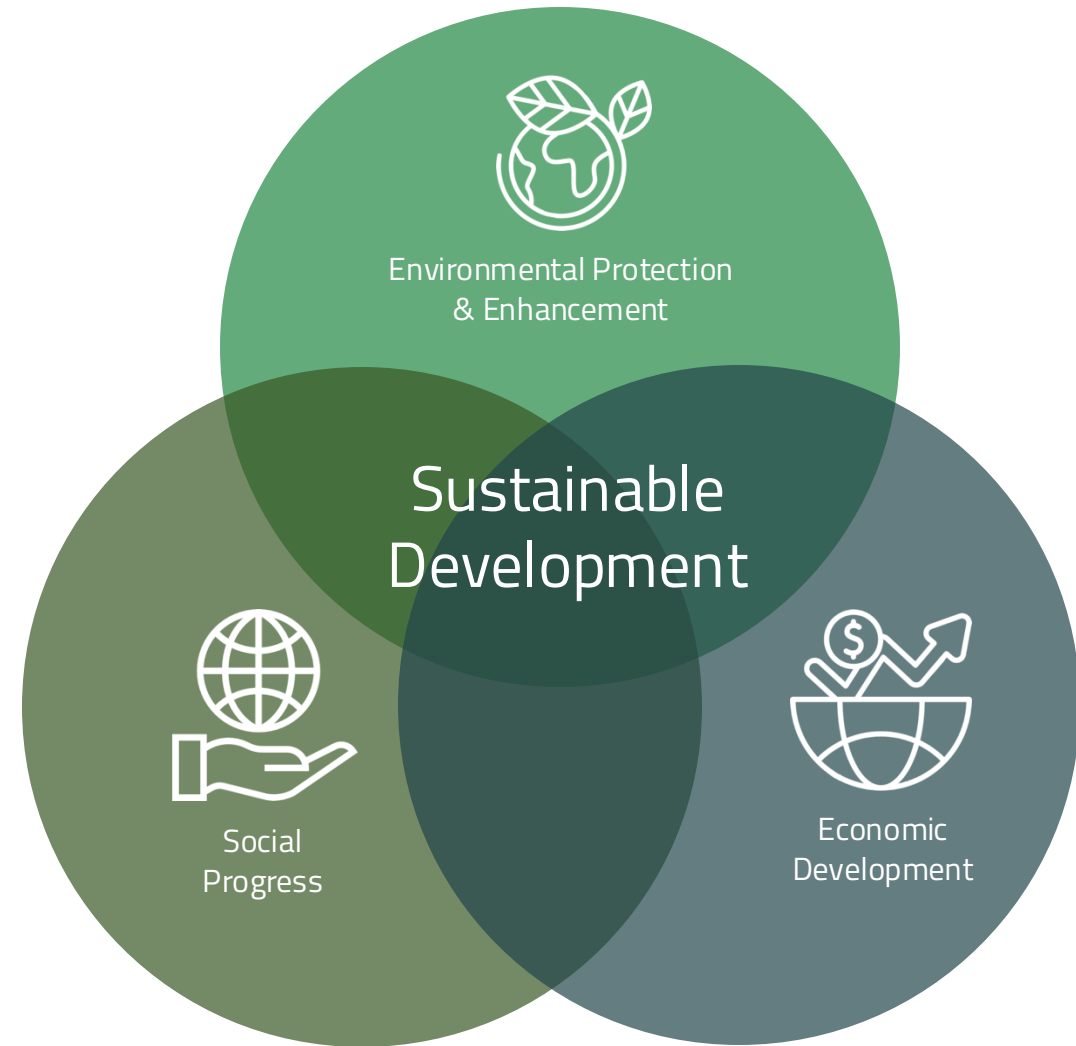
MIKAEL HOIER / APRIL 2025

Sustainability Report 2024

LOWENCO

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At LOWENCO, our vision is to support the pharma & biotech industry, and a more sustainable world, through innovative ultra-low temperature storage solutions. Our systems offer technical reliability, energy efficiency, and reduced CO₂ emissions, lowering total ownership cost. We enable responsible storage of critical medicines, vaccines, and biologics vital to disease treatment.

We are devoted to a sustainable future
- for people, the climate and society.

At LOWENCO, responsibility guides every aspect of our business. Across our value chain, we uphold dignity, safety, and environmental care. Our suppliers must meet due diligence standards, ensure transparency on conflict minerals, and align with our code of conduct, emphasizing quality, reliability, and minimal environmental impact.

This is how we create a better world - one unit at a time.



01

We are
committed
to creating a
better world



02

CEO Statement

”

As CEO of LOWENCO, I'm immensely proud of our commitment to sustainability, which shines through in our products' ability to reduce emissions and costs for ultra-low temperature storage - but also in the daily governance of our business. Sustainability is ingrained in every aspect of our operations, from product design to maintenance and service. We prioritize circularity, striving to minimize resource use and maximize recycling efforts.

This year, we conducted a Life Cycle Assessment of our main product, the Large Scale Storage Unit, providing invaluable insights for our sustainability strategy. We've also enhanced due diligence and focus on employee training to uphold our code of conduct.

We are committed to reporting on responsible sourcing of conflict minerals. Furthermore, we've engaged with our suppliers to evaluate their carbon footprints and sustainability practices, aligning with our Business Ethics Policy. This feedback has informed the development of a Supplier Code of Conduct to further support our commitment to sustainability.

All in all, 2024 has proven to us that our journey towards ever-improving responsible conduct is on the right path. I look forward to continuing this progress in close partnership with colleagues, vendors and clients.

”

Mikael Hoier, CEO, LOWENCO

03 We support the UN SDGs

3 GOOD HEALTH AND WELL-BEING



LOWENCO freezer solutions help enable healthy lives

Our ultra-low temperature freezer solutions are used by some of the world's largest producers of medicine to store vaccines and medications for extended periods. These medicines help improve health and well-being for all.

11 SUSTAINABLE CITIES AND COMMUNITIES



LOWENCO freezers support living conditions in rural areas in a sustainable way

By offering the possibility to operate on solar power, our freezer solutions help people in rural areas with limited or unstable infrastructure to store medicine, vaccines, food, and more under stable, temperature-controlled conditions. This improves quality of life and help save lives.

7 AFFORDABLE AND CLEAN ENERGY



LOWENCO freezer solutions are energy efficient and some even use sustainable energy

Our freezer solutions are highly energy efficient and operate with very low power consumption — more than 80% less compared to other solutions on the market. Our CON20 solution can even be operated by solar power. A LOWENCO product ensures an absolute minimum impact on the environment.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



LOWENCO freezer solutions are 99% recyclable

The materials used in our freezers are 99% recyclable. It is very important to us that we produce our products in the most environmentally friendly and sustainable way, to leave the best possible environment for our children, grandchildren, and future generations.

An aerial photograph of a dense, vibrant green forest. A winding river flows through the center of the forest, its surface reflecting the surrounding greenery. Soft, white mist or fog drifts through the trees, creating a serene and ethereal atmosphere. The overall color palette is dominated by various shades of green, from deep forest greens to lighter, misty tones.

OUR SUSTAINABILITY COMMITMENT

Creating a better world

04



At LOWENCO we
are committed to
acting responsibly
in all aspects of our
company

04 Vision and EcoVadis

We are devoted to supporting a sustainable future for all people, the climate and our society.

We strive to ensure that the people, workers, and communities that support our value chain are treated with fundamental dignity and respect.

We strive to ensure that the products and services we provide are produced with respect for human rights.

EcoVadis is the guideline for how to deliver on our commitment to sustainability



Our near-term goal is to achieve EcoVadis Gold level, and long term is Platinum.

To support the well-being and motivation of our employees, we have performed our extended 'Great Place To Work' survey.

To improve our procedure regarding environment and occupational health and safety, we are certified with two international standards, ISO 14001 & ISO 45001.

2023

- Sustainability Procurement Policy
- Supplier Code of Conduct
- Business Ethics Policy
- EcoVadis Silver Rating 80th percentile

Spring 2024

- An LCA for our main product, the LSSU, is executed by a third party
- A supplier ESG-survey has been executed to give insight in our vendors

Summer/Autum 2024

- Implementation of ISO 27001 and certification
- Prepare enrollment of Science Based Target initiative (SBTi)

2025

- A Circular Life Cycle Assessment for our main product, the LSSU is executed by a 3. party
- A supplier ESG survey is carried out in spring 2025
- Adjustment of Science Based Target initiative
- Science Based Target initiative to be approved in 2025.



Key Performance Indicators for ESG

At LOWENCO we are committed to the principles of documenting our ESG initiatives. Among many actions, we have chosen to focus on a number of Key Performance Indicators which are core to our business and our dedication to sustainability.

Additionally we measure a number of other action points within the same categories. Please dive into our results on the following pages.



ESG KPIs

Environment

Carbon footprint

We aim to reduce our carbon footprint, and our Life Cycle Assessment (LCA) highlights the critical role of our value chain in achieving this goal, particularly among sub-suppliers of metals, where there are clear opportunities to reduce upstream Scope 3 emissions. While we anticipate overall growth, our target is to reduce the carbon footprint per unit, even if total emissions may see a slight increase due to overall growth. Base line year is 2022, and we expect reporting start from 2025.

Consumption

Our energy is certified coming from renewable sources. As our internal use of water and electricity is already at a low, future improvements should be found in our value chain.

RESULTS 2024

Environment

Prolonging product life

Our main product, the LSSU, is designed with circularity in mind and built for longevity. In production, LOWENCO strive to minimize material usage and reuse surplus wherever possible – for example, by integrating excess foam from previous batches. These efforts reduce waste and improve resource efficiency.

To further extend product life, we support our customers through high-level service agreements, technical improvements and repair solutions. By optimizing performance and lifespan we ensure that the resources used to produce the LSSU continue to deliver value over time.

Optimizing GWP & Energy consumptions

Our R&D department continuously tests and optimizes freezer performance to improve energy efficiency and reduce Global Warming Potential (GWP) through our test freezers. We have a strong focus on optimizing our products both through hardware and software upgrades.

Waste and resources

Waste management has long been implemented at LOWENCO. But since 2022, we have implemented advanced waste management practices, enabling the sorting of over ten distinct waste plus several relevant metal fractions for recycling.

Transportation

We avoid transportation with fossil-fueled cars when possible and welcome the evolution within electric cars. Therefore, in spring 2024, four additional electric 9-person cars has been added to our fleet for employee transportation.

Circular Life Cycle Assessment

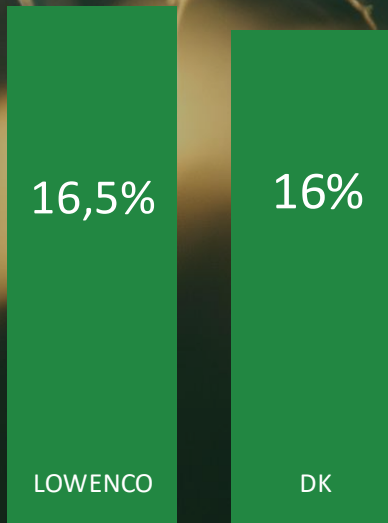
LOWENCO ensure a conducts third-party Circular Life Cycle Assessments (CLCA) of the LSSU to confirm its long lifespan and energy-saving features.

Science Based Target Initiative

We're fully committed to improving our carbon footprint in alignment with the Science Based Targets initiative (SBTi).

ESG KPIs

Social



Denmark's statistics 2023, published oct. 2024.

Diversity often becomes synonymous with gender diversity. At LOWENCO we see diversity in a wider context and have decided to also include age and ethnicity to focus on more parameters.

Diversity

At LOWENCO diversity within age and ethnicity match the benchmark of Danish society in general. Product engineering is however a male-dominated area, and hard to affect. Since April 2024, we have encouraged all people of diverse backgrounds to apply for jobs at LOWENCO.

At LOWENCO we are 12 different nationalities. And employees age ranges from 18 years old to 66 years old.

Well-being and safety

Since 2023 LOWENCO has been a certified Great Place To Work.

RESULTS 2024

Social

Work-life balance

Work-life balance is crucial in our work culture. We are delighted that 97% of our employees feel they can take time off when needed. Ensuring a harmonious balance between work and personal life is a priority for us, as we believe that a healthy balance help our colleagues to bring their extra energy to work. We are honored that our efforts are recognized by our employees.

Making a difference

At LOWENCO, making a difference drives us, and many employees share this motivation. We are proud that 87% feel they are making a meaningful impact in their roles. This recognition fosters strong motivation and boosts our shared ambitions as a company.

Events, employee development dialogue & up-qualification

Two key events were held in 2024.

A summer event where disc profiles and high performance teams (The Lencioni Model) were introduced to all employees. LOWENCO's approach to reach our ambitious targets was held at a welcoming atmosphere in nature friendly surrounding.

A Christmas party with a traditional Danish menu was enjoyed in relaxed atmosphere with entertainment and space for having a good time with colleagues.

Employee development dialogue is completed with common frame for all employees in 2024, following up and repeating the process from 2023.

Up-qualification in 2024 consisted of a special focus on training and tests in information security, preparing for the ISO 27001:2022 certification.

RESULTS 2024

Social

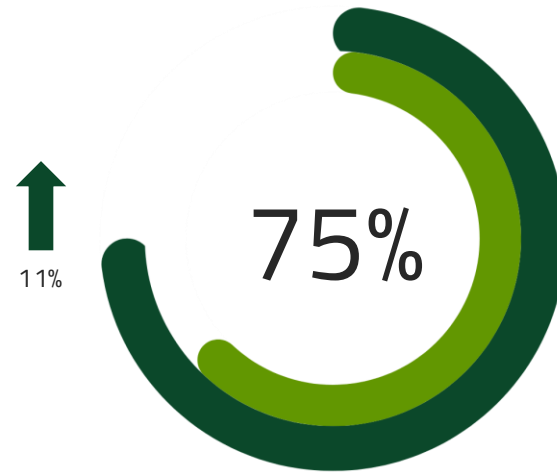
In 2024 we were proud to be certified 'Great Place To work' for the second time in a row, and again there was an outstanding participation: 96%.

It gave us a lot of positive declarations; the employees are very satisfied working for LOWENCO, see the graphs. We also got valuable input to subjects where we can be even better.

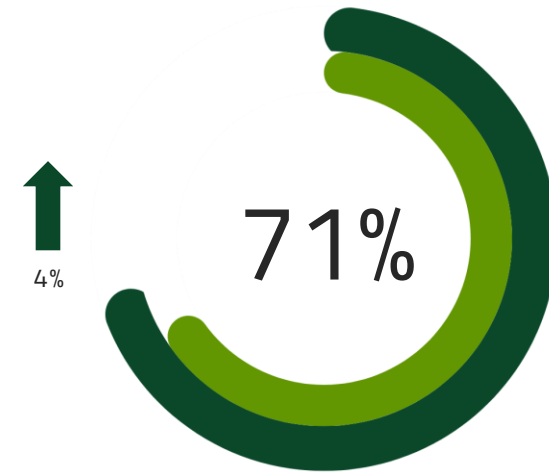
All employees were invited to dialogue meetings, to follow up on their responds in the survey. One of the general outcome was that LOWENCO's regular physical Town Hall meeting in future get even more structured; subjects preented by the relevant execute manager.



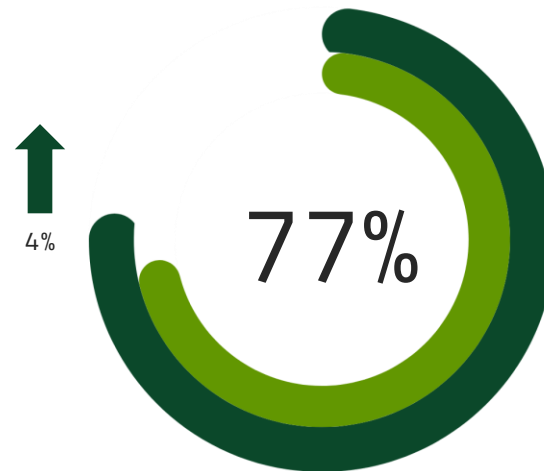
Communication:



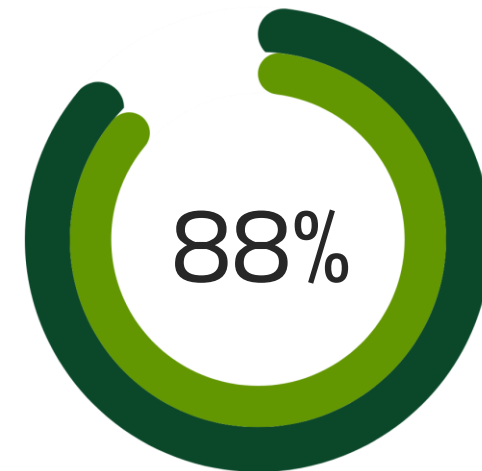
Competence:



Team:



Community:



● 2024
● 2023



ESG KPIs

Governance

Due diligence

Executive Management has assessed due diligence, this has led to future effort regarding systematic employee training in awareness of LOWENCO's business ethic policy and how to protect our business value.

RESULTS 2024

Governance

Whistleblower system

In early 2023 we implemented the whistleblower system where inappropriate behavior and conduct can be reported in a discreet manner. This ensures alignment with our code of conduct for all stakeholders, and if someone feels more comfortable with reporting anonymously. Our third-party trusted partner has confirmed that no one has reported any cases in 2024.

Supplier development

We have gathered insights on our suppliers' carbon footprints, consumption volumes, management systems, and future vision for achieving higher sustainability standards. This information was collected through a supplier survey conducted both this year and last year. The results provide valuable input on future requirements needed to support our newly expanded Business Ethics Policy. Based on these insights, our Supplier Code of Conduct is now being further developed. Suppliers are important stakeholders to reduce LOWENCO's carbon footprint in scope 3.

Standards & certifications

Risk Assessment of stakeholders were executed at our Management Review 2024 according to the International Standard Organization for Quality Management System (ISO 9001). The standards: ISO 9001, ISO 14001 and ISO 45001 were all recertified in oct.ober2024.



In addition, LOWENCO achieved certification in ISO 27001 in December 2024, further strengthening our commitment to information security and data protection.

The external audit didn't show any deviation, and a few observations and suggestions for improvement were given by an external auditor.

RESULTS 2024

Data security

ISO 27001:2022 certification

is a globally recognized standard for Information Security Management Systems, it demonstrate that LOWENCO is committed to protecting sensitive data, ensuring the confidentiality, integrity, and availability of information.

Enhanced data security

a framework for identifying, assessing, and managing information security risks, helps LOWENCO implement robust controls to protect sensitive data from cyberattacks, data breaches, and unauthorized access. Certification ensures that best practices for data protection are followed, reducing the likelihood of costly and damaging incidents.

Builds customer trust

data security is a top priority. Demonstrates to clients, partners, and stakeholders that LOWENCO has a systematic approach to safeguarding their data, builds trust and helps attract and retain customers who prioritize security.

Compliance with legal and regulatory requirements

ISO 27001:2022 helps organizations ensure they are compliant with requirements by providing a structured framework for managing and safeguarding personal and sensitive information. Being certified can reduce the risk of non-compliance penalties and legal issues.

Competitive advantage

today's marketplace, where cyber threats are becoming increasingly prevalent, having the certification can give a business a competitive edge. It can open new business opportunities and enhance LOWENCO's reputation in the marketplace.

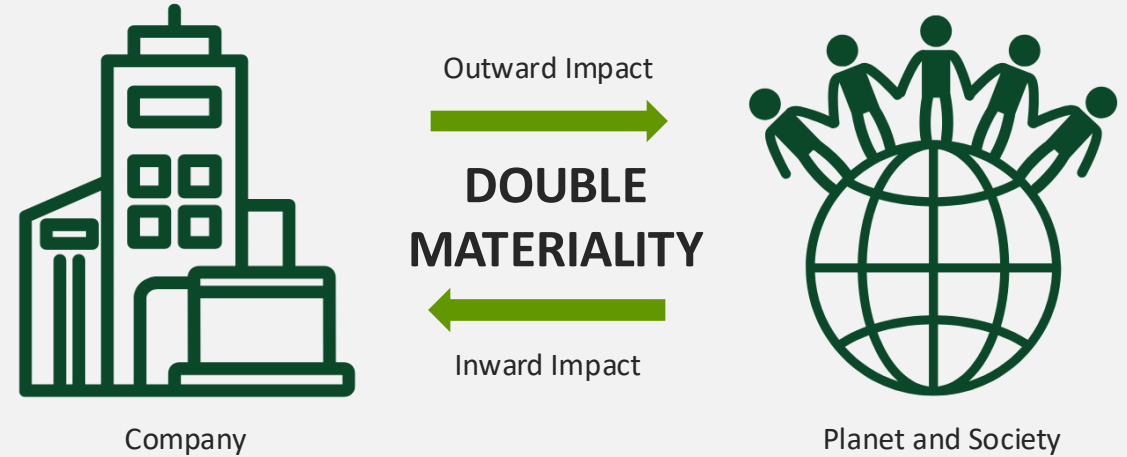
Improved employee awareness and engagement

regular training, test and awareness programs to educate employees about security policies, procedures, and their role in protecting information improves employee engagement and reduces human error, which is often a major cause of security breaches.

06

Double Materiality Assessment

Our main product, the LSSU will reduce cost (compared to up-right freezers) for the customers, this applies both to establishment and in operation – meaning vaccine, medicament etc. could be available for more people for less costs.



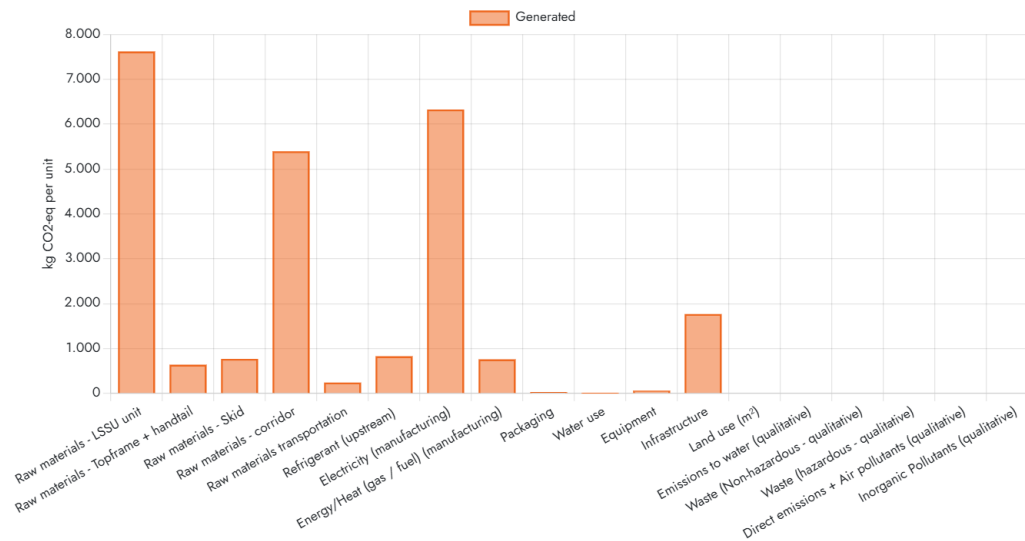
Double Materiality means companies must disclose both their environmental impact and their exposure to climate-related risks. It recognizes the two-way link between climate change and financial stability.

In 2023, we conducted a Materiality Assessment to evaluate our environmental and social impact. In 2024, this was expanded to include the financial impact of sustainability factors on our organization (double materiality). Our customer segment shows a strong ESG focus—some scoring platinum in EcoVadis—which inspires us to lead by example. We therefore conducted a supplier ESG survey (inspired by EcoVadis) to gain insights into our value chain and identify how suppliers can support our decarbonization journey. These insights, along with a third-party validated Life Cycle Assessment of our main product, have been included in the 2024 Double Materiality Assessment update.

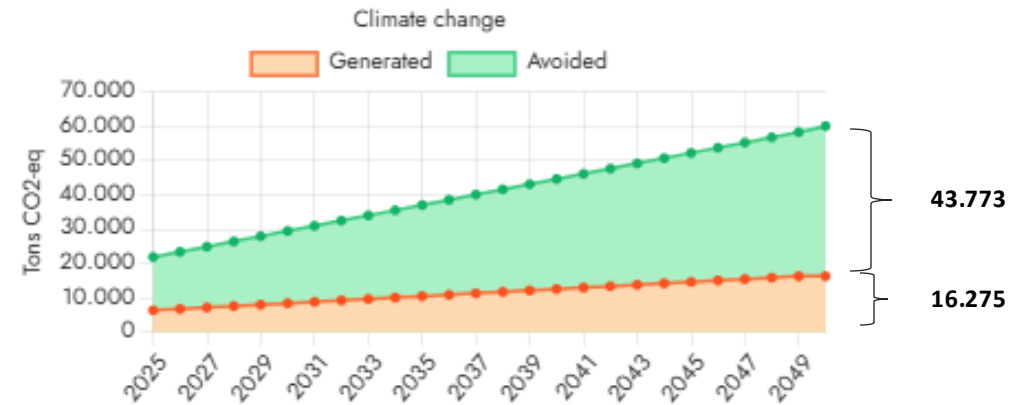
DOUBLE MATERIALITY ASSESSMENT

Life Cycle Assessment

Production of one LSSU System (Climate change)



Cumulative Impact (Tons Co2-e, Yearly)



LOWENCO had a 3. party validated Life Circle Assessment, LCA. The outcome supported that to reduce our scope 3, materials from suppliers/ sub suppliers and transportation are keys to achieve improvements. The primary source of emissions in the manufacturing process of the LSSU unit is attributed to raw materials, particularly significant due to the utilization of various materials, with steel being notable contributor.

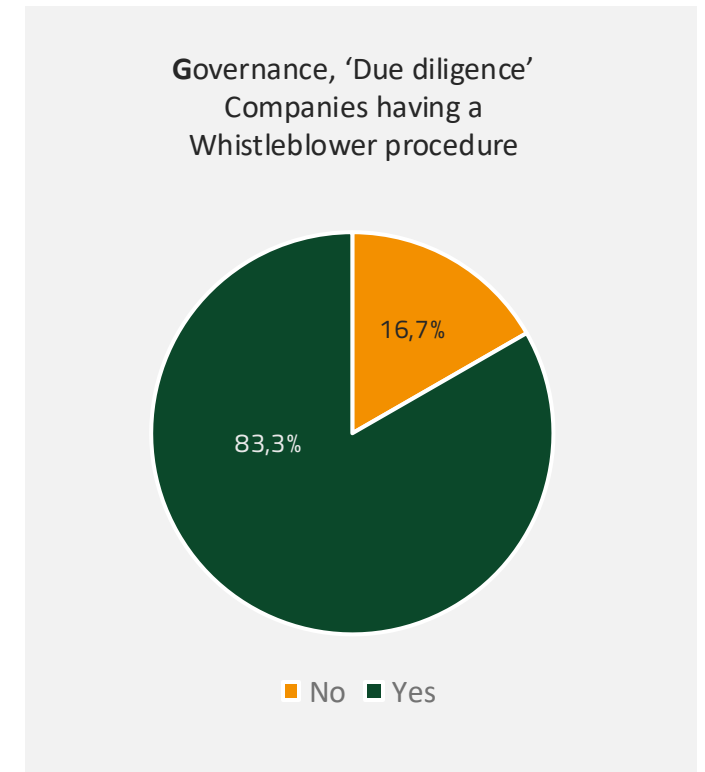
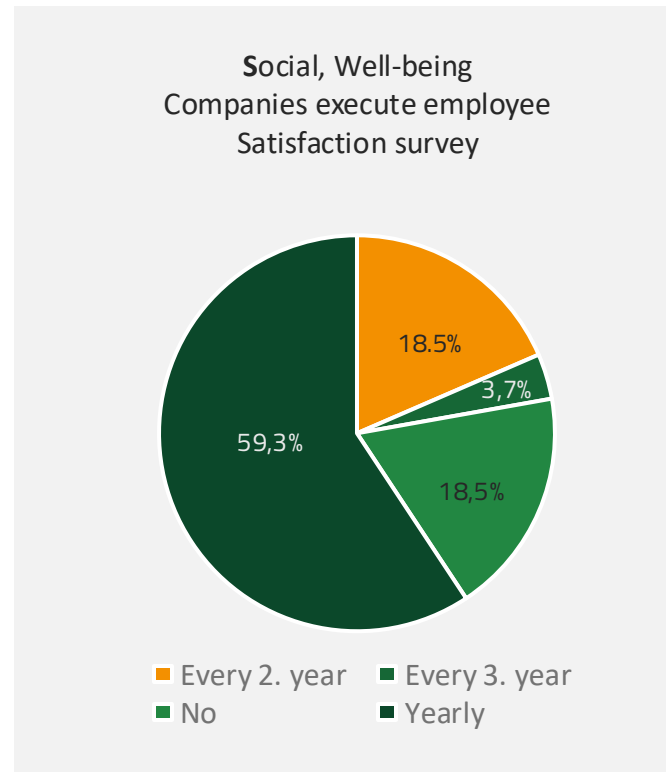
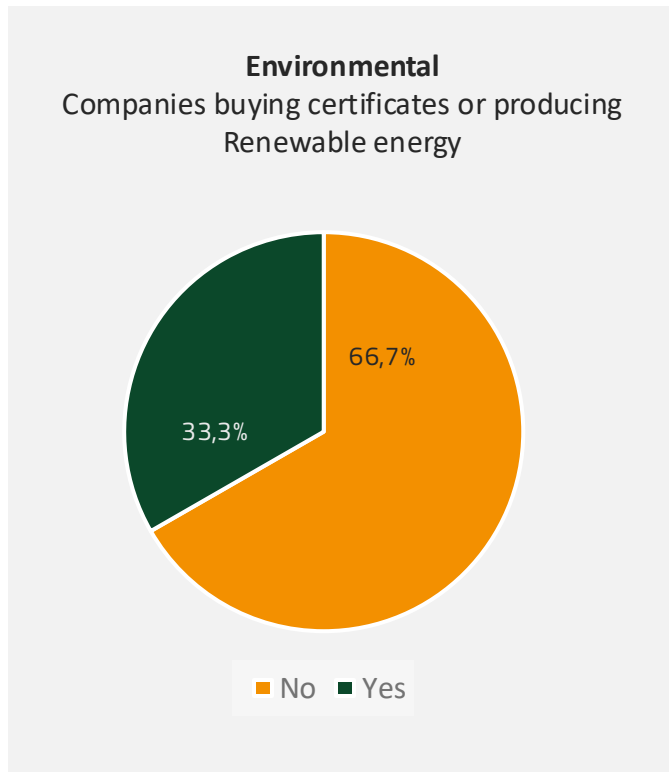
Benchmark

Choosing LOWENCO's LSSU instead of upright freezers means that emissions are avoided. The graph above shows the 25 years lifecycle of the 50 LSSU; all produced in 2025, and operating in the coming 25 years. The yearly emission from the LSSUs is about 651 t CO₂e/year, and the total generated emissions over the 25 years lifetime are **16.275 t CO₂e**; while it **avoids a total of 43.773 t CO₂e**, when compared with the uprights.

DOUBLE MATERIALITY ASSESSMENT

Supply Chain Survey

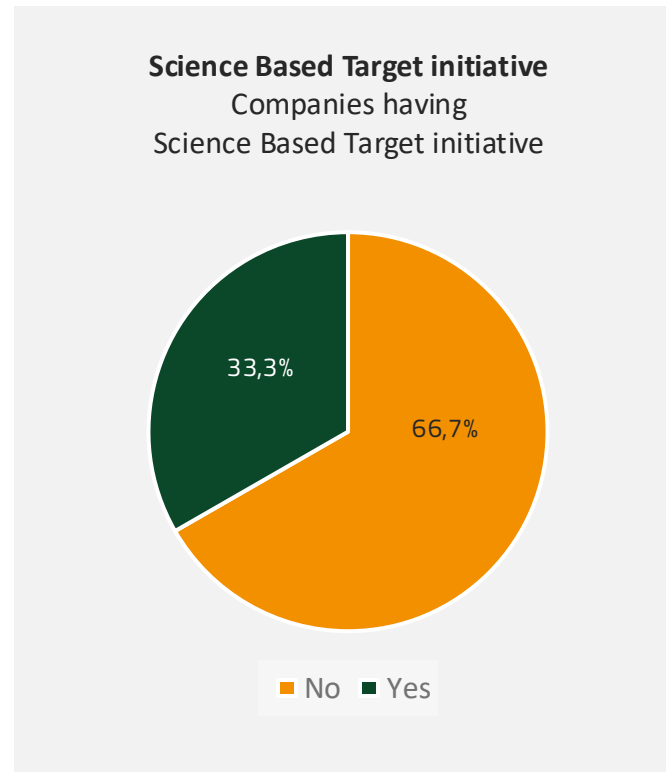
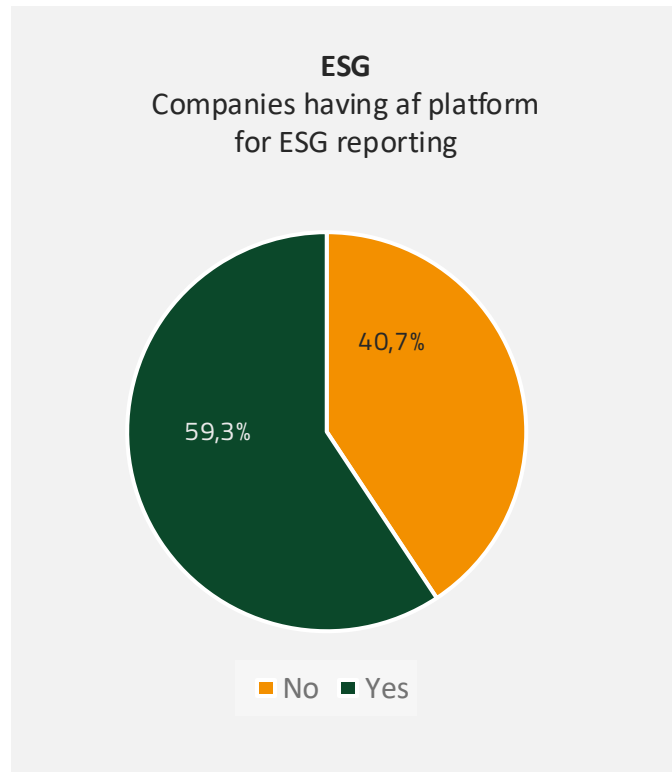
LOWENCO's suppliers range widely in the ESG agenda: from achieved platinum, to silver, to bronze to just started and not even started assessments in EcoVadis or other ESG-platforms yet. 64% suppliers has ISO 14001, 55% has ISO 45001 and most have ambition to go further. A few other results are presented below:



DOUBLE MATERIALITY ASSESSMENT

Supply Chain Survey

LOWENCO aims to improve its environmental and climate impact and is therefore committed to achieving a Gold rating from EcoVadis, as well as contributing to initiatives aligned with a Science Based Target. A few other results are presented below:



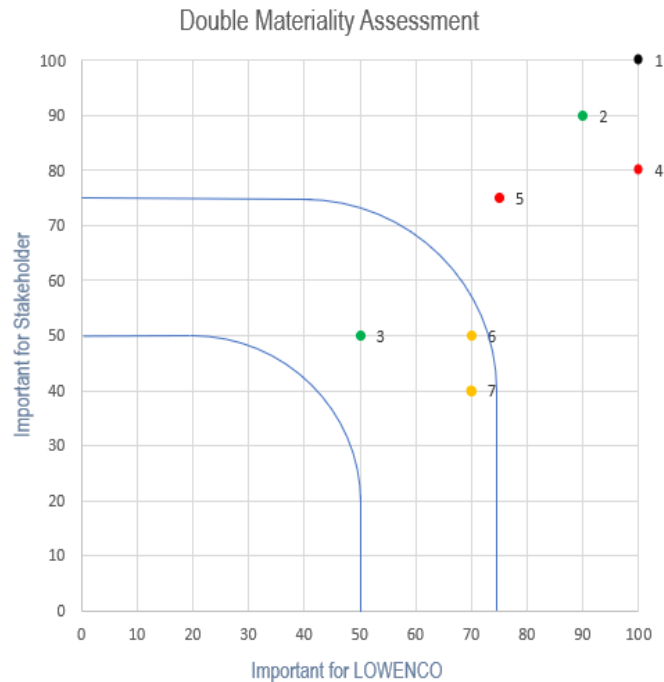
To ensure full supply chain responsibility, LOWENCO encourages their primary suppliers who are not already reporting on EcoVadis, or do not have a similar ESG tool ensuring improvements in the area, to join EcoVadis. This way, LOWENCO can compare which suppliers are performing results in line with LOWENCO's strategy.

Furthermore, LOWENCO has joined the Science Based Targets initiative (SBTi) to contribute to reduced climate impact in line with scientific goals.

06

Importance

ESG



1 Product durability, safety operations and high quality – high end-product

2 Environmental impacts (ISO 14001 certified)

1. LCA by 3. party - > prioritize efforts: reused/recycle - > reduce sourcing
2. Transportation: CO₂ reduction by using electrical cars
3. Mapping carbon equivalent footprint – base year 2022
4. Material optimize/reduce waste - optimize Circularity
5. SBTi enrolled in 2024 and approved in 2025 to be ambitious

3 Biodiversity

4 Social impacts (ISO 45001 certified)

1. Safety & Healthy production and installation – Zero accidents
2. Employee well-being– Great Place To Work re-/certified.
3. Employee development dialogue – Yearly
4. DISC profiles to better cooperate and have well functioning teams
5. Summer & Christmas event for all employees – strengthen cross-collaboration
6. Staff association established - strengthen cross-collaboration

5 Employee diversity: ages, origin, etc.

6 Due diligence stakeholders: employees, suppliers and customers

1. Risk assessment
2. Employee training and testing - due diligence
3. Supplier chain – Survey to map their environmental- and social impact
4. Information technology secured - ISO 27001 certified

7 Transparency

1. Business Ethic Policy
2. Sustainable Procurement - purchasing ethic and environmentally friendly
3. Supplier code of conduct

07

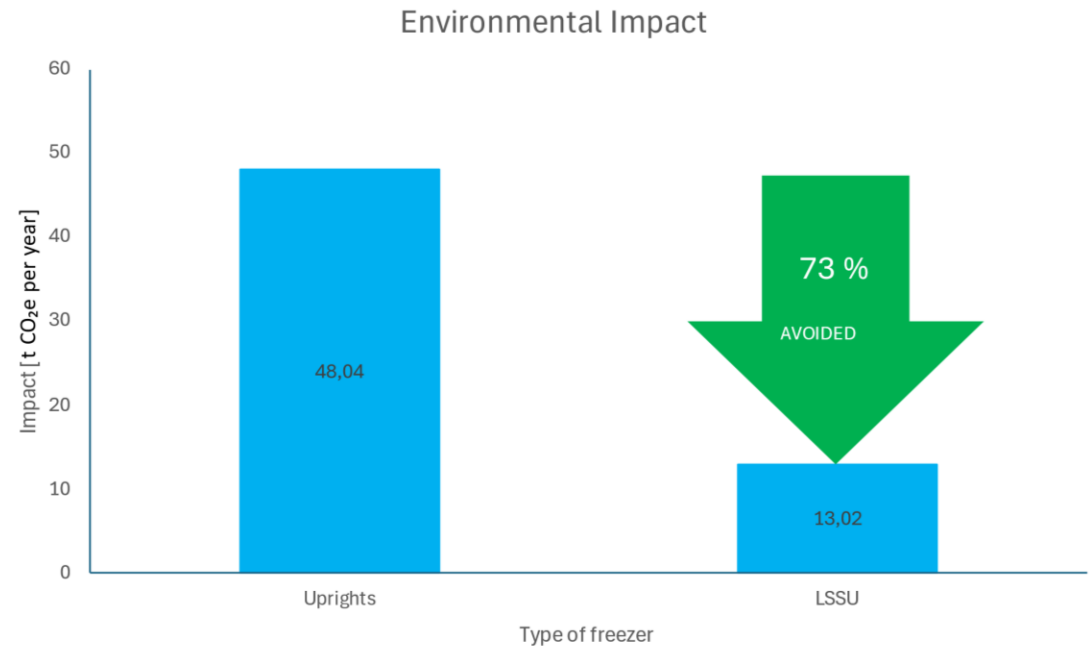
We continue our journey

- We support biodiversity in partnerships when possible
- We continue to investigate and prioritize options for circularity in our production and for our products
- We maintain our ISO-certifications 9001, 14001 & 45001
- We implement the Information Security Management, ISO 27001 to avoid security breaches.
- We conduct training and testing, according to requirements in ISO 27001 and executive managements risk assessment in due diligence
- We continuously secure GDPR
- We apply for Science Based Target initiative, SBTi end 2024 and to be approve in 2025
- We improve our EcoVadis rating – we strive for gold no later than 2027

08 Production & Operation

The **cradle-to-grave lifecycle emissions** of each LSSU system are approximately **13,02 t CO₂e per year**, accounting for all stages from production to disposal. When compared with the equivalent impact of uprights freezers over their full lifecycles, the LSSU system avoids about 35,02 t CO₂e per year.

Corresponding to 73% avoided emission.

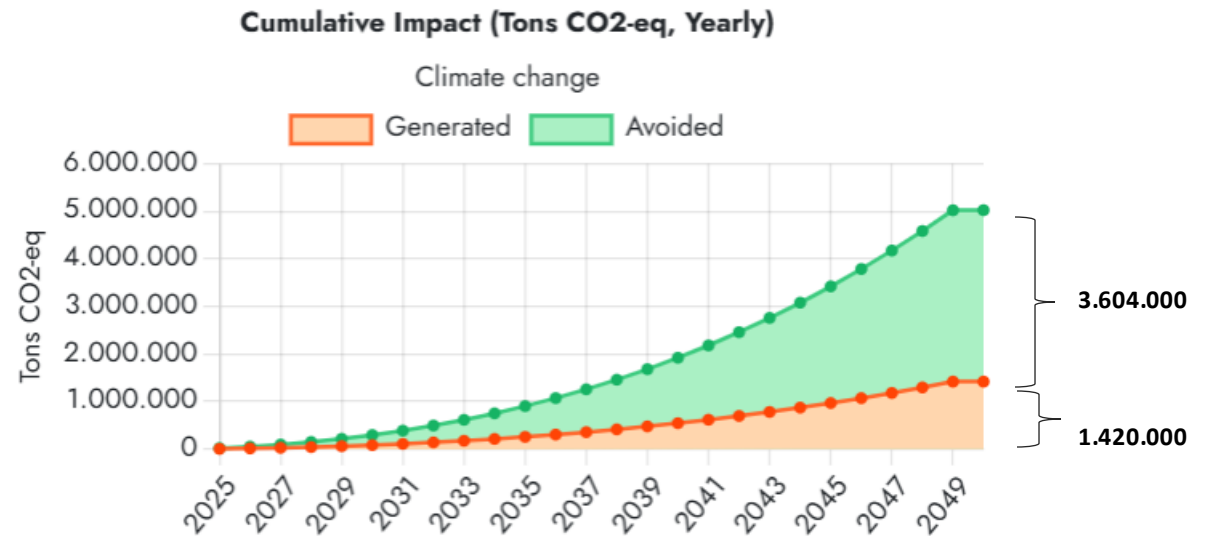


08 Production & Operation

During the LSSUs entire lifetime of 25 years, 325.5 t CO₂e per year are generated and 875.5 t CO₂e per year are avoided when compared to the benchmark case (40 units of uprights freezer, with average lifetime of 10 years).

LOWENCO expects an annual grow of **+20 LSSUs** in the coming year, (starting with 50 units in 2025, 70 units in 2026 ... and in total 530 LSSUs in year 2049). The impact in 2049 is cumulated approxatemily **1.400.000 t CO₂e** from the LSSUs; compared to uprights freezer the environmental impact from LSSUs **avoids the climate from a total of 3.604.000 t CO₂e**, please see graph:

* Third-party validated CLCA by Climate Point.



09

Certificates overview



An aerial photograph of a dense, vibrant green forest. A winding river or stream flows through the center of the forest, reflecting the surrounding greenery. The trees are thick and varied in shades of green, creating a rich, textured background. The overall scene is peaceful and natural.

LOWENCO

Creating a better world - one unit at a time