



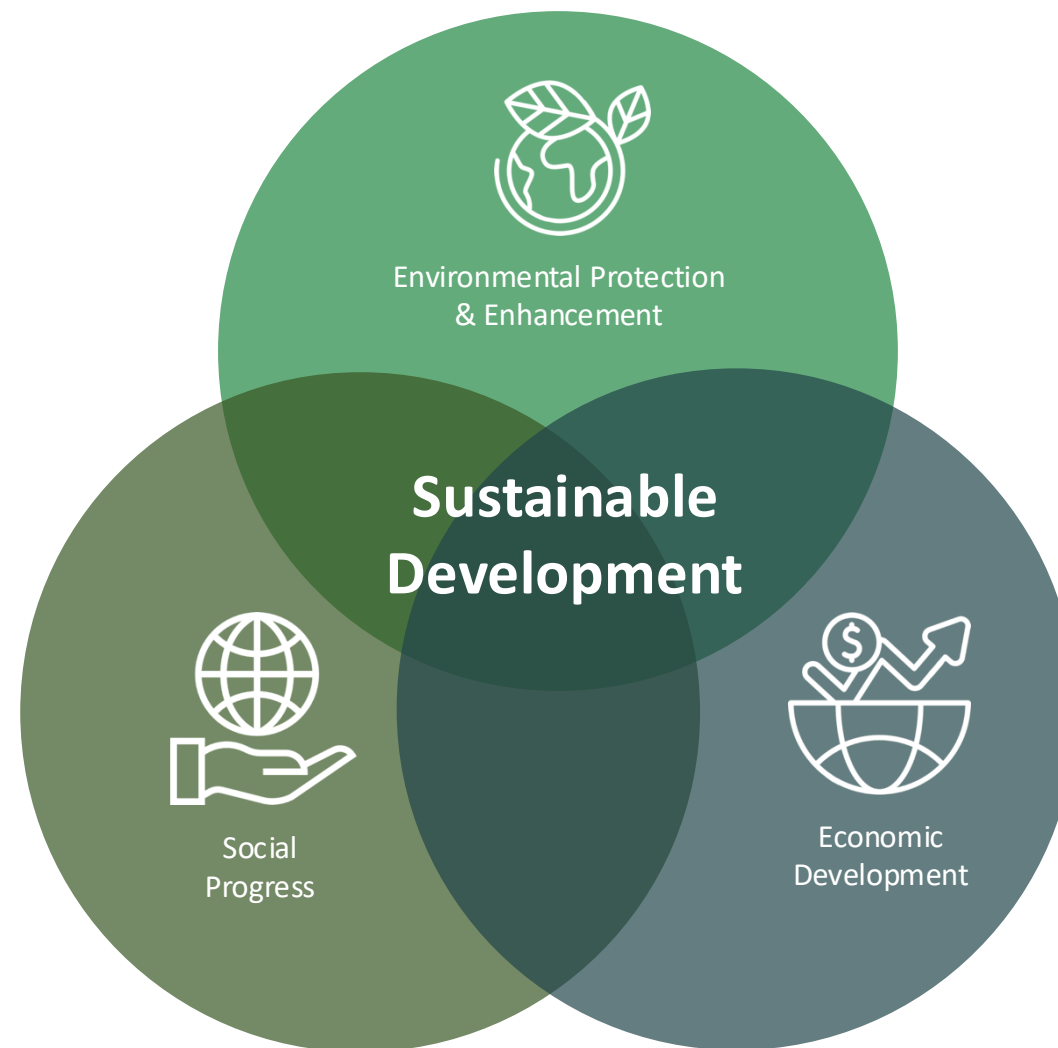
**LOWENCO**

# Sustainability Report 2025

JAN ELLEGAARD / MAY 2026

# Content

1. Company Overview
2. Sustainability Strategy & Governance
3. We support UN SDGs
4. Vision & EcoVadis
5. Key Performance Indicators for ESG
6. Double Materiality Assessment
7. We continue our journey
8. Certificates & Assessments overview
9. KPI results for 2025 & targets for 2026
10. Company profile
11. Supplementary, VSME conform



# 01

## Company Overview

LOWENCO A/S is a production company headquartered in Vamdrup, Denmark, employing more than 100 people.

Our core activities include the manufacturing of large-scale ultra-low temperature freezers.

Our unique product is a modular storage architecture designed for expansion. These are long-lasting and continuously developed and optimized to reduce energy consumption, while also being adapted to more climate-friendly refrigerants.

We recognize that sustainable business practices are essential for long-term value creation for our customers, employees, and society.

This report presents our environmental, social, and governance (ESG) performance for the year 2025 and outlines our commitment to continuous improvement in the coming years.





02

## Sustainability Strategy & Governance

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LOWENCO’s strategy is to be the leading supplier of large-scale freezers for the pharmaceutical and biotechnology industries. With high quality standards, we deliver a highly reliable product where stable operation is built in, while energy consumption is reduced and refrigerants are adapted to meet future requirements. All in all, a product that aligns with the future’s necessary focus on reducing climate footprints.

EcoVadis serves as a guideline for LOWENCO’s sustainability progress. It is a platform recognized by our customers, where our environmental performance, social conditions, as well as business ethics and governance are assessed and scored. In addition, recommendations are provided on which initiatives LOWENCO should prioritize. Over the past three years, LOWENCO has scored 61, 71, and 79 points respectively, earning us two silver medals and, most recently, a gold medal in August 2025.

We are very proud of these achievements and aim to continue the positive development of our sustainability efforts.

2025 was also the year in which we had a Science Based Targets initiative (SBTi) approved, setting the direction for how we will reduce our emissions and energy consumption. We have also had the Task Force on Climate-related Financial Disclosures (TCFD) on the agenda. This work will continue, expanded to include further considerations across the value chain.

In 2025, Great Place to Work (GPTW) was conducted for the third time in a row. As in previous years, the response rate was very high (97%). This indicates that employees feel their feedback is meaningful and leads to the necessary follow-up actions.

The result of the GPTW survey in 2025 was the best ever, with an Employee Net Promoter Score (eNPS) of 84, compared to a score of 60 in 2024.

LOWENCO is now approaching the highest-scoring companies in the recognized survey.

Additionally, LOWENCO will implement the Carbon Disclosure Project (CDP) in 2026, with a strengthened focus on supplier performance - recognizing that meaningful reductions in our total emissions footprint depend on progress across the value chain. This will benefit both our business and our customers, while contributing to a more sustainable future for coming generations.

”

Jan Ellegaard, 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 manufacturers of medicine to store vaccines and medications for extended periods. These medicines help improve health and well-being for all.

### 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.

### 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



The LOWENCO large-scale storage unit (LSSU) combines modular design, N+1 redundancy and advanced airflow control to secure ultra-low temperatures down to -80 °C. Together with superior energy efficiency and total operational safety, you get a smarter and more environmentally friendly alternative to traditional upright freezer farms.

Software management can be supported by LOWENCO, in an environment where information security is certified.

### 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 helps save lives.

### 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 manufacture our products in the most environmentally friendly and sustainable way, to leave the best possible environment for our children, grandchildren, and future generations.



OUR SUSTAINABILITY COMMITMENT

Creating a better world



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

## 04 Vision & EcoVadis

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

We have high environmental ambitions:

By researching, innovating and testing the latest technologies, we strive to contribute with products that are constantly optimized and reduce impact on the environment.

When producing, we also strive to reduce the impact on our surrounding environment. Commitment to the Science Based Targets initiative, aligned with the goal of limiting global warming to 1.5 °C, as outlined in the Intergovernmental Panel on Climate Change recommendations and the Paris Agreement is our North Star.

LOWENCO's employees are a valued resource that we care about. In addition to a corporate culture that promotes behavior where our values: Sustainability, Responsibility, Teamwork, Innovation and Competencies, serve as a cornerstones, we also strive to give constructive and positive feedback.

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



In 2025 we reached our near-term goal for 2027, by achieving an EcoVadis Gold medal.

At LOWENCO, we continue to make improvements, so that our long-term goal of achieving a platinum medal can be met by 2030.

To support the well-being and motivation of our employees, we perform our extended 'Great Place To Work' survey for the fourth time in a row.

To improve our procedure regarding quality, environment, information security and occupational health and safety, we are certified with four international standards, ISO 9001, ISO 14001, ISO 27001 & ISO 45001. In 2026 digitalization and Carbon Disclosure Project is being implemented to further strengthen LOWENCO.

## 2025:

- A Circular Life Cycle Assessment for our main product, the LSSU was conducted by a third-party in spring
- A supplier ESG survey was carried out in spring
- Science Based Target initiative was approved in spring
- Sustainability Report 2024
- Great Place To Work, GPTW, certified - May
- European Voluntary Sustainability Reporting, VSME - July
- EcoVadis Gold medal achieved - August
- ISO 9001, 14001, 45001 certified - October
- ISO27001 certified - December
- Task Force on Climate-related Financial Disclosures, TCFD - December

## 2026:

- Carbon footprint mapping – February
- District heating installed (to avoid fossil fuel) in most buildings at HQ – March
- Supplier Code of Conduct to be signed by Suppliers – January -> May
- Sustainability Report according to the European **Voluntary** Sustainability Reporting, VSME – April
- Supplier Survey in ESG incl. level ranking – April
- Digitalization of ISO standards in ODIN (IPW) – May
- Carbon Disclosure Project, CDP – Juli
- EcoVadis submission – August
- ISO 9001:2026, 14001:2026, ISO27001:2022, 45001:2018 re-certification - October
- Task Force on Climate-related Financial Disclosures, TCFD incl. supply chain - December

# 05 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.



# Carbon footprint & Science Based Target

We aim to reduce our carbon footprint, and our Circular Life Cycle Assessment (CLCA) 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.

We have a Science Based Target initiative approved in April 2025. Baseline year is 2022 and the target, a 38% reduction in Scope 1 and 2, is to be met in 2029. In the graph the reduction estimate from 2026 to 2029 is visualized.

Scope 1 will be significantly reduced in relation to stationary combustion (the major part of scope 1) when the degree of leaks are reduced compared to 2024. Moreover, an initiative that will in the future ensure that LOWENCO largely replaces fossil fuels - oil and gas - with district heating.

Scope 2 is affected by the fact that technology is moving towards electrification, LOWENCO has electrified its crew cars and company cars, so being able to maintain the current low consumption level will be challenging. The largest contributor to Scope 2 emissions remains electricity consumption in our facilities.

Addressing this challenge requires more than simply replacing lighting with more energy-efficient alternatives. Therefore, our primary focus is currently on reducing Scope 1 emissions.

All of our facilities use electricity that is certified as originating from renewable sources. Electricity used for our electric vehicles is supplied through the Danish national grid. In Denmark, renewable energy from wind power, solar, biomass and hydropower is expected to account for approximately 90% of total electricity consumption in 2025.

# Carbon footprint – Scope 1 and 2

## Scope 1 and 2

are the greenhouse gas emissions that are controlled by LOWENCO.

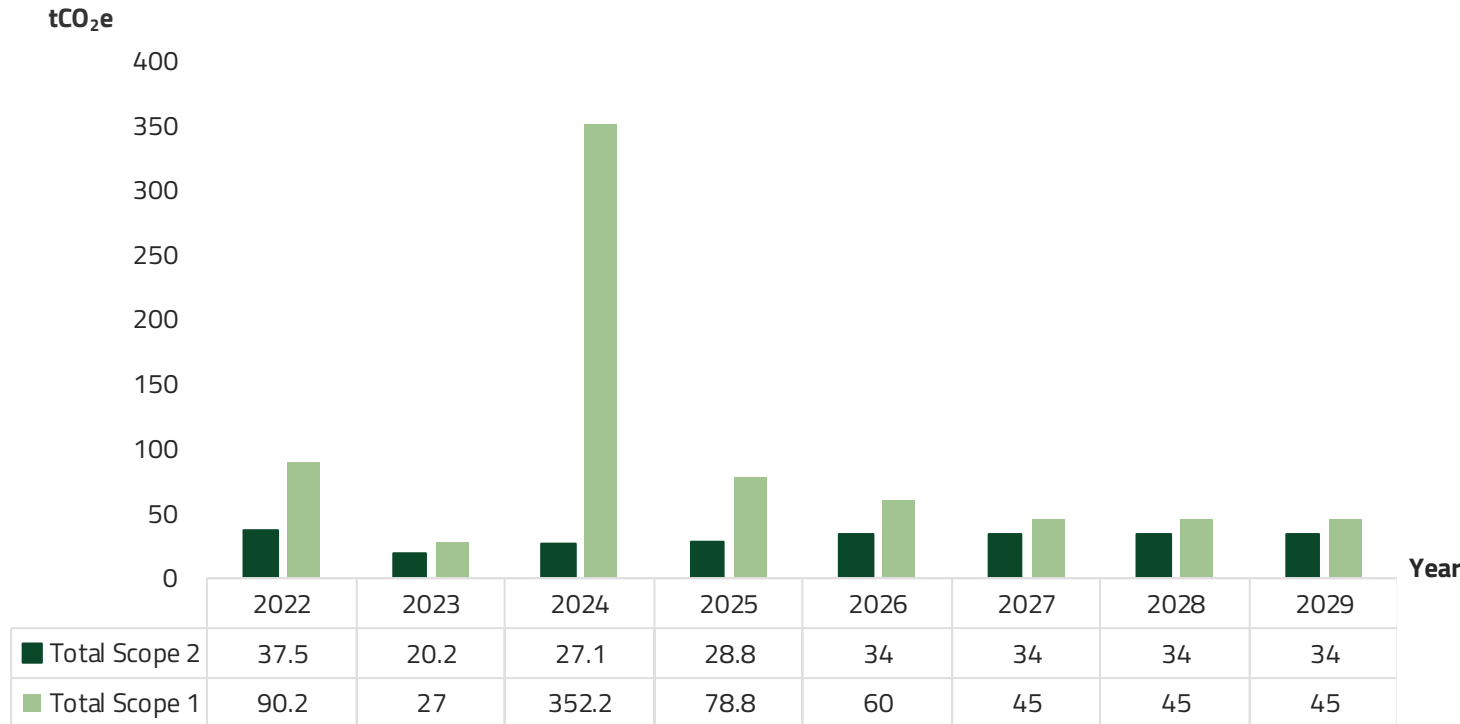
### Scope 1:

Direct greenhouse gas emissions from sources we own or control (e.g., fuel combustion in company vehicles, on-site manufacturing, boilers).

### Scope 2:

Indirect emissions from the generation of purchased energy LOWENCO uses (e.g., electricity, steam, heating, or cooling bought from utilities).

Science Based Target initiative, SBTi, means that we must reduce scope 1 plus scope 2 so that by 2029 we reach a total of no more than 79 tCO<sub>2</sub>e.



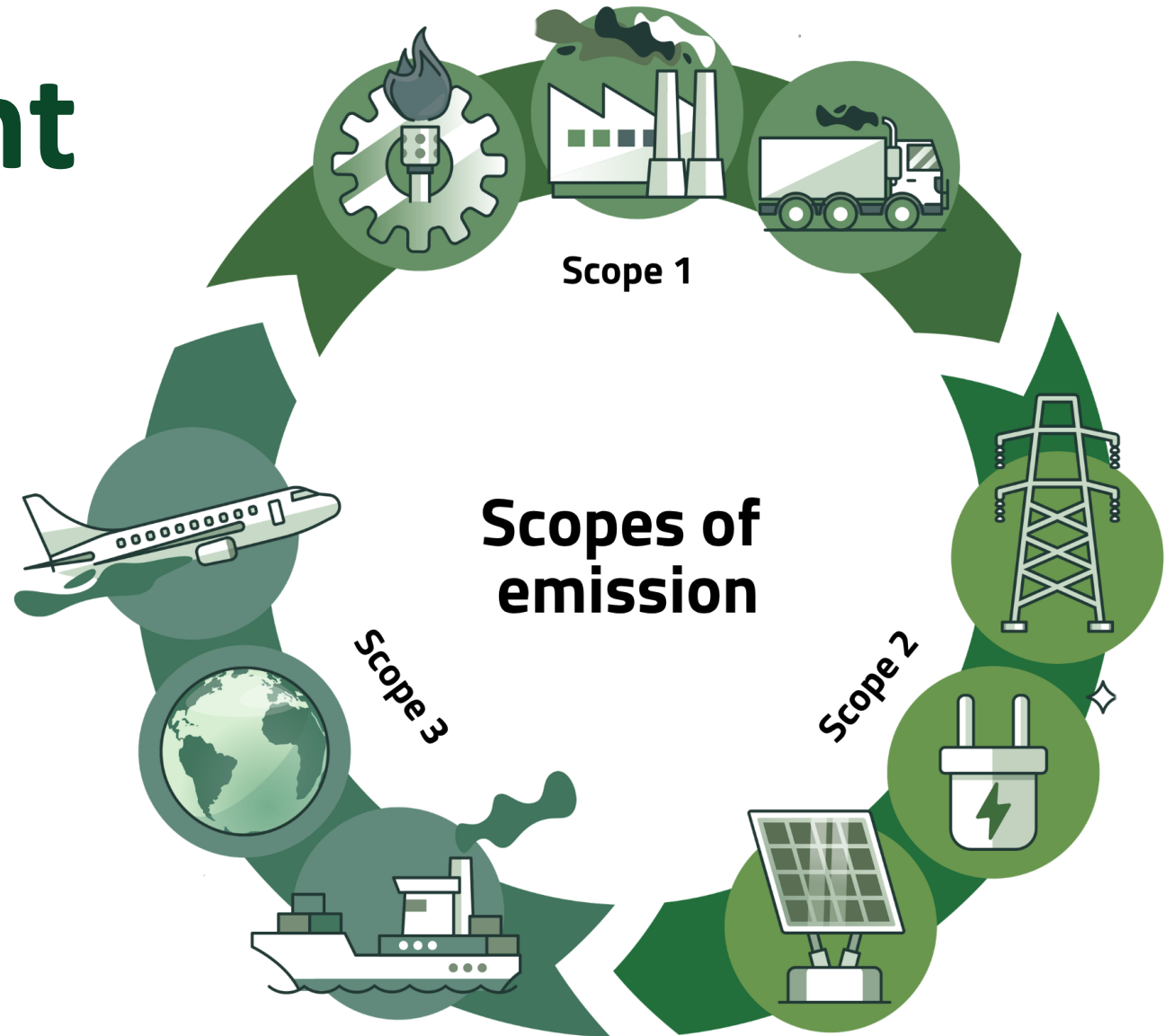
# Carbon footprint – Scope 3

98% of LOWENCO's total carbon footprint is made up of scope 3.

Therefore, it is important to know and map the significant categories under this scope, to find where reductions need to be made to influence the overall result.

At LOWENCO we use the recognized Greenhouse Gas protocol, GHGp, framework, to assess and calculate the categories under scope 3.

The illustration beside this text shows that scope 3 includes all the dimensions of the indirect upstream activities (before the operation at headquarters) as well as the indirect downstream activities (after the operation at headquarter). Whereas scope 1 and 2 are simply the direct emissions from the processes at the headquarter and the indirect emissions from purchased energy.



RESULTS 2025

# Carbon footprint – Scope 3

In Scope 3, downstream activities, Category 11 – Use of Sold Products, the emissions calculated according to the Greenhouse Gas Protocol are relatively high.

This is because our LSSU is a long-lasting product (25 years) that requires continuous energy consumption to maintain low temperatures throughout its operation.

However, these emissions must be viewed in the context of the product's purpose: ensuring the safe storage of valuable and critical medicines, where maintaining the correct temperature at all times is essential.

In addition, LOWENCO does not have full control over how customers use our product in their operations. We have developed a policy for our customers that describes how our product should be used optimally during operation.

We are not aware of whether our customers have partnerships in wind farms, solar cells or anything else that compensates for their energy consumption. Thus, the basis for calculating 'Use of Sold Product' becomes extremely flawed and imprecise.



# Carbon footprint – Scope 3

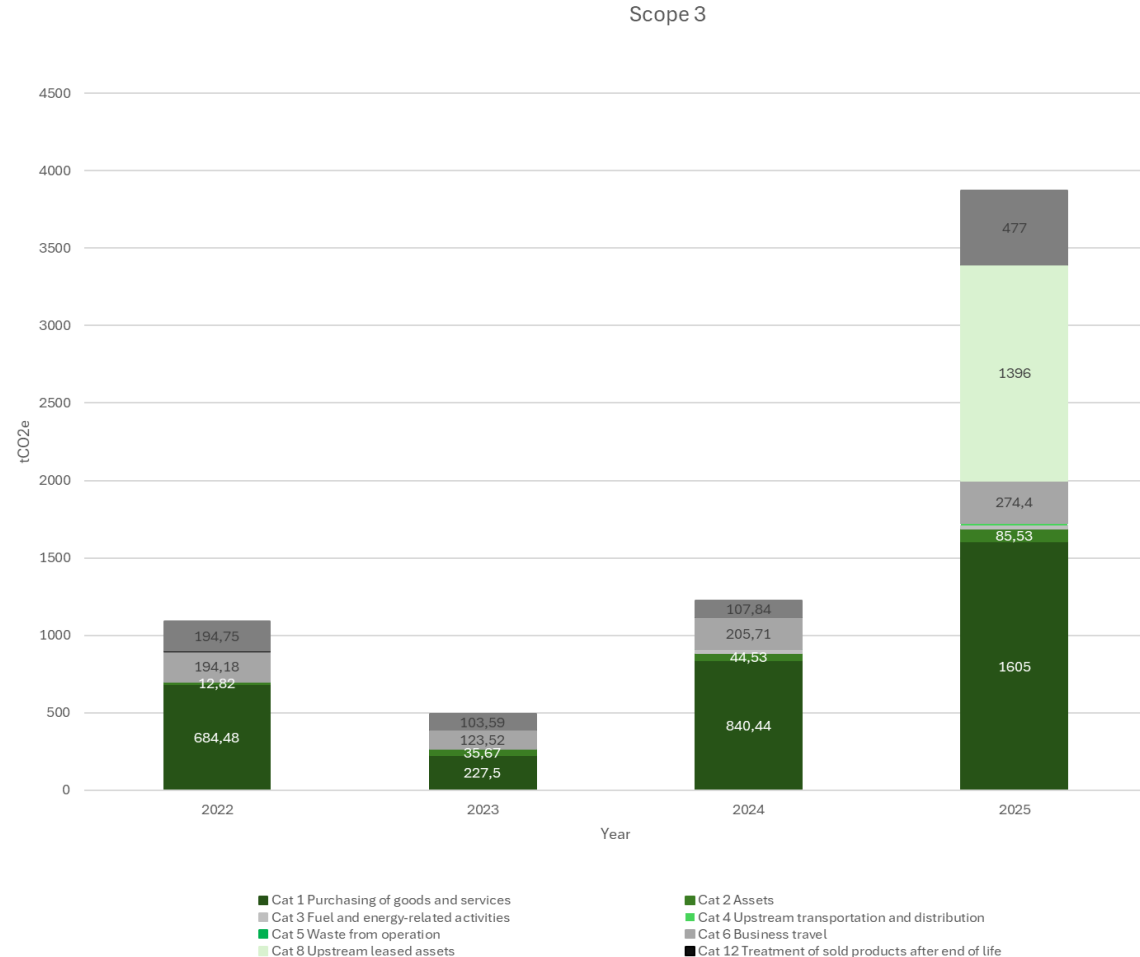
**In 2025 most impact in scope 3, excluding category 11, which was explained previously are:**

Category 1, Purchasing of goods and services: In 2025 Foreign labor is included as it is material in total 620 t CO<sub>2</sub>e, Hotel: 209 tCO<sub>2</sub>e Food/Catering: 179 tCO<sub>2</sub>e.

Category 2, Assets: Increase due to: Invested in new SWE truck, scissor lift, Mapped Quality, Marketing tool, new WEB page and renovation of production hall.

Category 8, Upstream leased assets: Rented cars abroad , leased cars, taxi & Uber (Before 2025 taxi was incl. in Cat. 6, Business travel).

Category 9: Downstream transportation and distribution constitutes freight to DK, IE, US and Singapore.





RESULTS 2025

# Environment

## **Prolonging product life**

Our main product, the LSSU, is designed with circularity in mind and built for longevity. In production, LOWENCO strives 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.

## **Oil sampling from compressors during semi-annual inspections**

As part of an improved maintenance strategy where resource savings are incorporated through data-driven decision-making, a new practice has been initiated in 2025. Oil samples are now taken from both HT and LT compressors in connection with the semi-annual inspections. The oil quality of the samples determines the need for an oil change.

## **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.

# Recycling & waste

## 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 types plus several relevant metal fractions for recycling. Waste and recycling at LOWENCO is measured in volume.

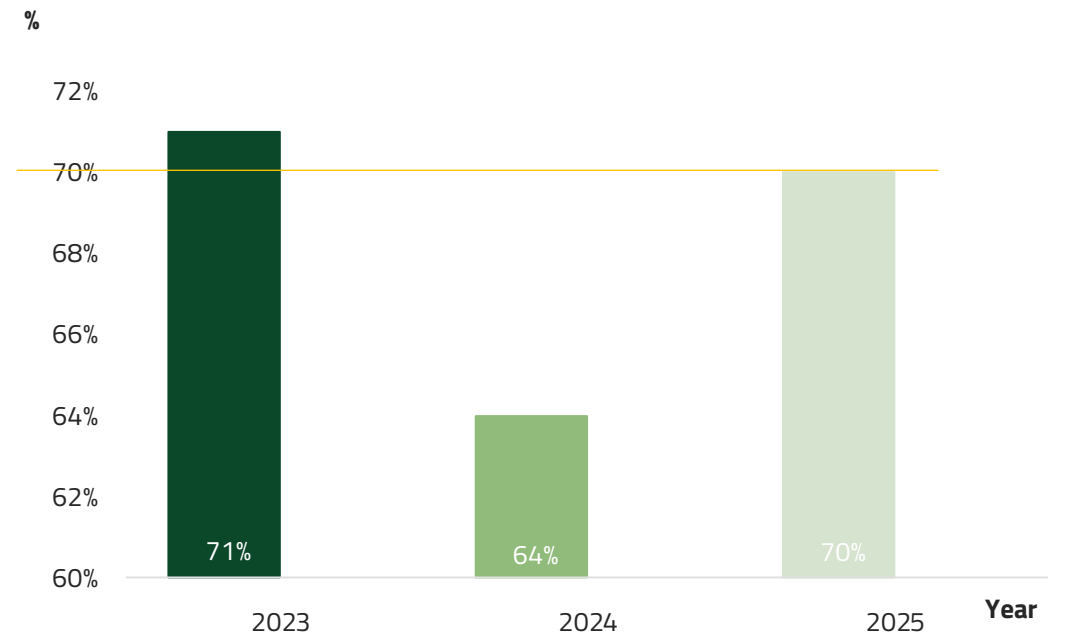
Sorted waste volumes for reuse and recycling have increased in 2025: Sorting of 70% of reuse and recycling volumes in relation to total waste volume (weight) was achieved in 2025, an improvement compared to 2024.

At LOWENCO we want to minimize the share of combustion fraction, and as much material as possible are sorted into the right fraction to ensure correct handling. This ensures optimization of resources, and support circularity.

**Our goal is to minimize combustible waste, and that sorted fractions constitute of at least 70 % of all waste.**

## Sorting results at LOWENCO HQ

Share of sorted fractions for reuse and recycling, in relation to total reuse, recycling and waste (combustible waste).



RESULT 2025

# Recycling & waste

LOWENCO's goal is to sort as much as possible and at least 70% must be sorted for reuse and recycling. This was reached in 2023 but not in 2024.

Therefore, we have made a campaign for correct sorting in Q1 2025.

This campaign was followed up with new sorting fraction, as shown to the right.

The effort and focus of correct sorting as well as in more fractions seems to have had the right intention, as the goal was reached again in 2025.

Please see the graph on the previous page.



RESULT 2025

# Recycling & waste

LOWENCO wants to reduce food waste as composting does not eliminate the environmental and resource costs.

Producing food requires significant resources such as water, energy, land, and labor. When food is wasted, all of these inputs are wasted.

Composting only recovers a small portion of the value by turning waste into soil nutrients, but it does not recover the water, fuel, or effort used to grow, transport, and store the food.

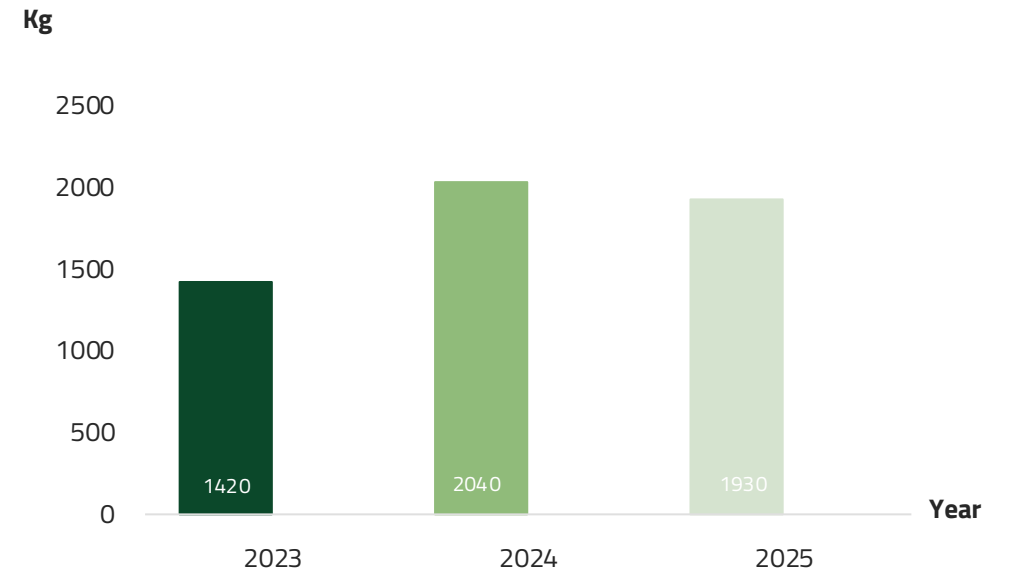
Food production also contributes to greenhouse gas emissions. Crops must be planted, harvested, processed, and transported - activities that generate emissions.

While composting is better than landfill disposal, it still releases some carbon dioxide and does not fully offset the emissions created during production. Prevention is always more sustainable than treatment.

By buying, cooking, and consuming only what is needed, we reduce pressure on agricultural systems and minimize environmental impact at every stage.

Reducing waste helps make better use of available food and can lower costs for households and society.

## Food waste at LOWENCO



RESULTS 2025

# Pollution of air, water & soil 2025

Air quality was measured in spring 2024 and showed that no limit values were exceeded, near the processes and 10 meters from the processes.

LOWENCO uses the same products and procedures in 2025; Therefore, this topic is not included in the materiality assessment.

Water is used exclusively for hygienic purposes such as handwashing, bathing, dishwashing, and drinking. Consequently, wastewater is generated in a manner comparable to that of a regular household.

Water consumption in 2025 has increased by 23% compared to 2024, due to more employees and higher activity.

This is therefore not included in the materiality assessment.

All our waste is sorted according to the recommended categories, Management of waste is annex B, and collected by an external waste management company (Marius Pedersen).

Thus, no soil pollution at LOWENCO and the topic is not included in the materiality assessment.

# Environment

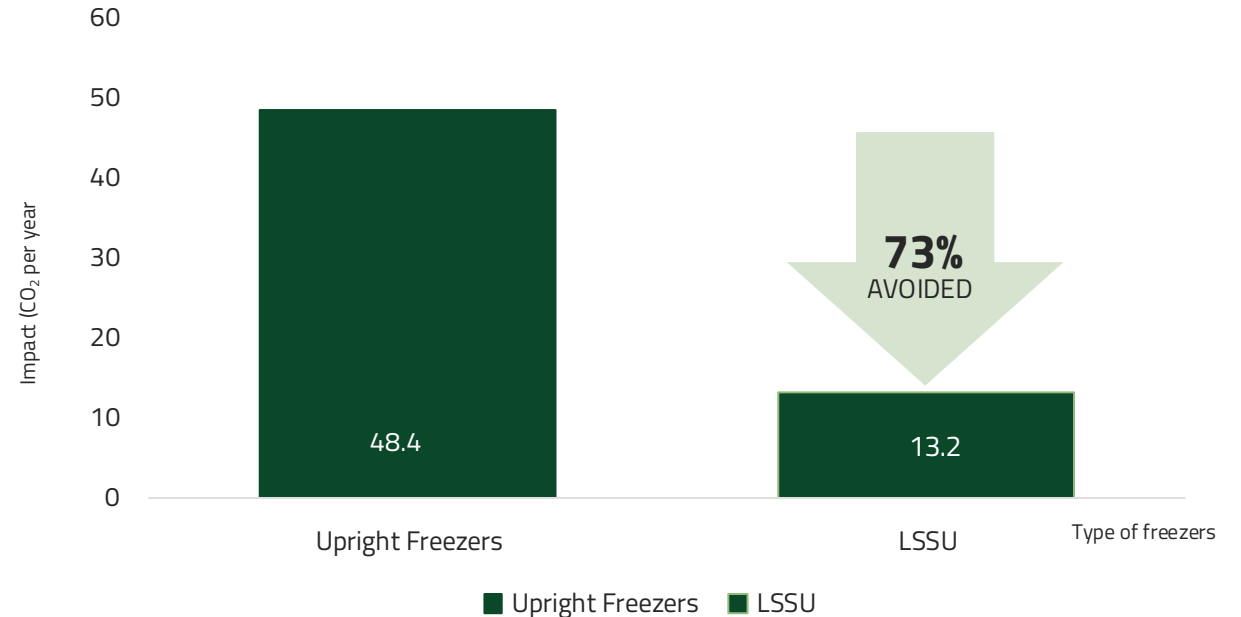
## Circular Life Cycle Assessment

In April 2025 LOWENCO received the ordered third-party Circular Life Cycle Assessments (CLCA) of the LSSU, which confirm the advantages of its long lifespan and energy-saving features. LOWENCO's third-party body, Climate Point, has made a cradle-to-gate circular life cycle assessment for the LSSU.

To examine the benefits and avoided emissions when investing in LSSU, the benchmark of the LSSU was executed with alternative upright freezers. The cradle-to-grave lifecycle emissions of each LSSU system are approximately 13,02 tCO<sub>2</sub>e 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 tCO<sub>2</sub>e per year.

**Corresponding to 73%  
avoided emissions.**

## Environment Impact



## Planting trees

In 2025 LOWENCO has ensured that 200 trees were planted in May/June; also our landlord, has planted 200 trees, on behalf of LOWENCO.

In total it becomes 400 trees equal to 100 tCO<sub>2</sub>e throughout their lives. This is equivalent to 93 % of LOWENCO's scope 1+2 for 2025.

## Transportation

We avoid transportation with fossil-fueled cars when possible and welcome the evolution within electric cars.

From 2025 only electric cars are leased, while hybrids are no longer accepted as company cars.

Our transportation and distributions partner for delivering our product is mainly handled by a company with sustainability in mind.



# Social

## Work-life balance

Work-life balance is an integral part of our people strategy and a key contributor to employee well-being and long-term performance. In our latest employee survey, 97% of respondents indicated that they feel able to take time off when needed, reflecting a high level of trust and flexibility within the organization.

We are committed to fostering a supportive work environment that enables our employees to balance professional responsibilities with personal needs. We believe that promoting work-life balance contributes positively to employee engagement, retention, and overall productivity. The strong survey results confirm that our initiatives in this area are effective and valued by our workforce.

## Making a difference

Creating meaningful impact is a core element of LOWENCO's purpose and employee value proposition. In our latest employee survey, 87% of respondents indicated that they experience a sense of meaningful contribution in their roles.

We consider this an important indicator of employee engagement and alignment with our company's purpose. Enabling employees to see the impact of their work supports motivation, strengthens commitment, and contributes to a high-performing and purpose-driven organization. The results confirm that our efforts to foster meaningful work are recognized and valued across the organization.

## Events, employee development dialogue & upskilling

In 2025, we continued to strengthen employee engagement, our culture, and capabilities through targeted initiatives.

Two key company-wide events were held, including a summer event introducing "LOWENCO Way of Leading" which defines our cultural behaviours through clearly articulated green (desired) and red (undesired) behaviours, rooted in our core values: Competencies, Teamwork, Rethink Innovation, Sustainability, and Responsibility.

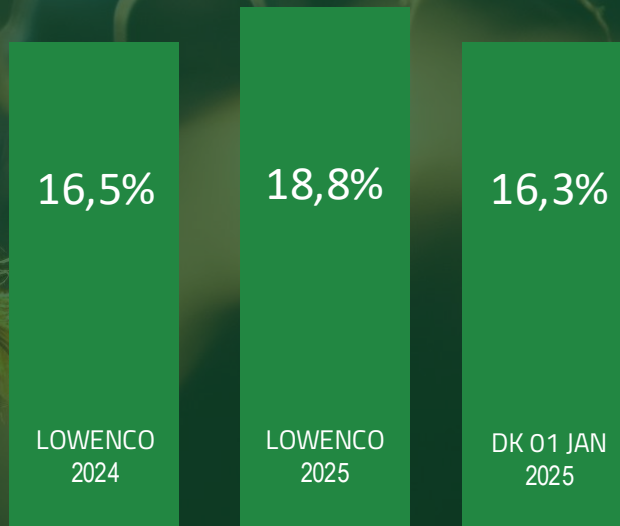
The framework also emphasizes a strong feedback culture and supports employees in navigating complex and ambitious targets. In addition, a traditional Christmas event provided an opportunity to strengthen social cohesion and employee well-being in an informal setting.

Employee development dialogues were conducted across the organization within a common framework, ensuring consistency and structured follow-up for all employees.

Upskilling activities in 2025 focused on compliance and awareness training, including Human Rights, Ethics, Whistleblower, Anti-Corruption, and Information Security, supporting our continued alignment with ISO 27001:2022 standards.

ESG KPIs

# Social



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.

In fact, we had more colleagues with a different ethnic background than this minority group represented in Denmark.

As of January 1, 2025, immigrants and descendants total 977,180 people, corresponding to 16.3% of the Danish population.

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.

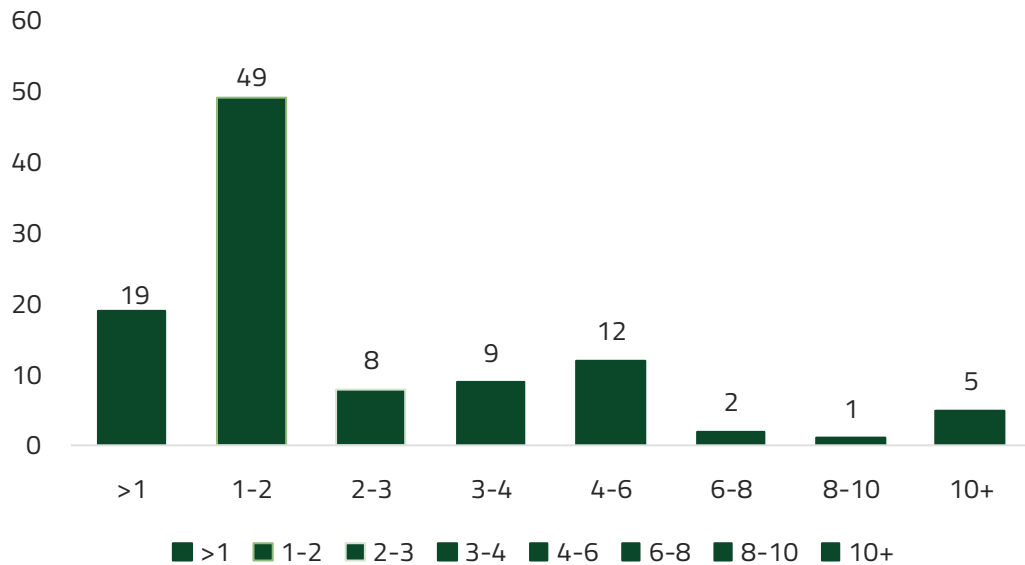
In 2025 we got the first female colleagues in our production, at our warehouse and in our procurement department.

DIVERSITY, EQUALITY & INCLUSION (DEI)

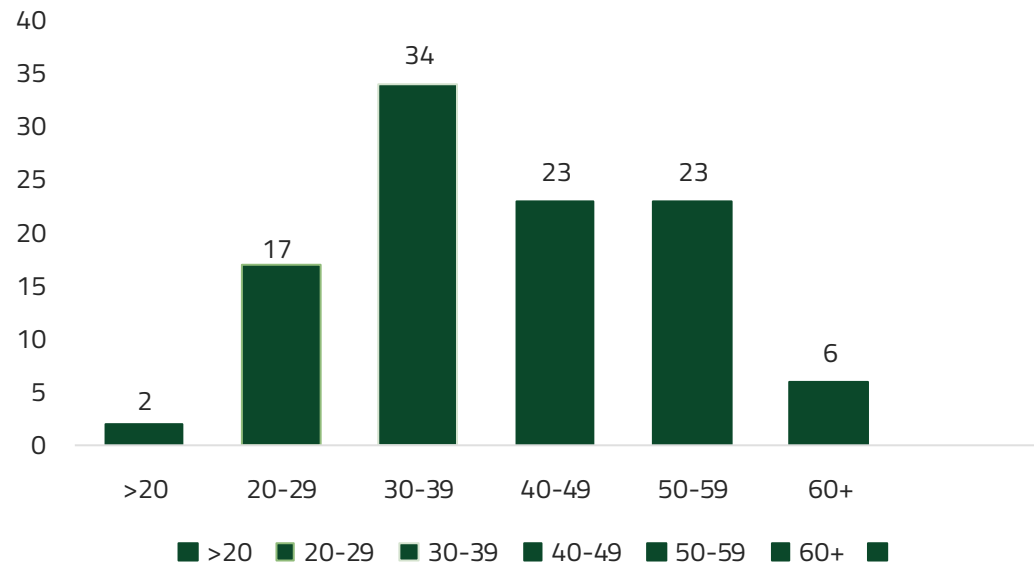
# Diversity... is Diverse

In LOWENCO, we see diversity in a broad perspective.  
We believe it is the combination of different dimensions that drives stronger decisions,  
innovation, and performance.

## Seniority



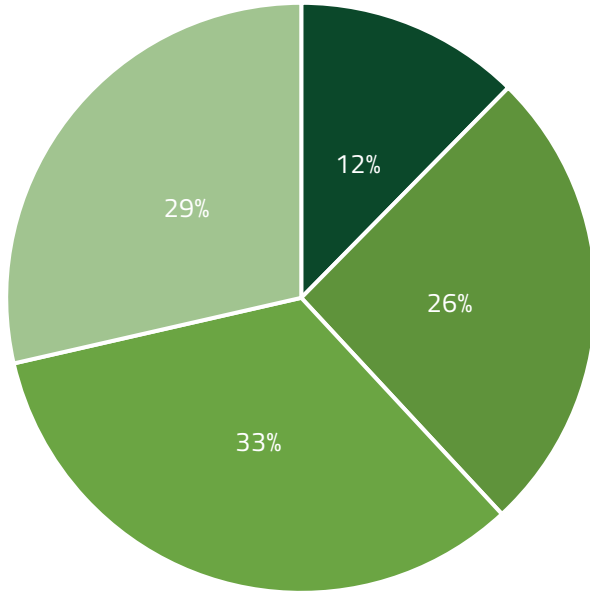
## Age



DIVERSITY, EQUALITY & INCLUSIONS (DEI)

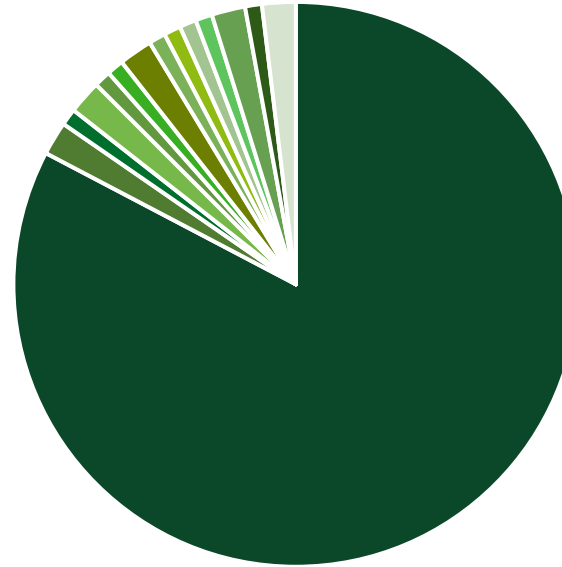
# Diversity... is Diverse

DISC



■ D ■ I ■ s ■ C ■

Ethnicity



■ Denmark ■ Afghanistan ■ Bosnia ■ Germany ■ Iraq  
■ Latvia ■ Lithuania ■ Poland ■ Romania ■ Serbia  
■ Sweden ■ Syria ■ Ukraine ■ USA



DIVERSITY, EQUALITY & INCLUSIONS (DEI)

# Equality

DEFINITION	UNIT	OBJECT			RESULTS			
		2029	G2025	2025	2024	2023	2022	2021
Training & test - CyberPilot IT, GDPR *Ethic & HSE - *incl. 2025	%	100	100	100	100	N/A	N/A	N/A
Individual Training, Courses & Certificates in hours per total work hours	%	5,0	5,0	4,8	5,1	8,0	N/A	N/A
Employee development dialogue and - salary	%	100	100	100	100	100	N/A	N/A

## Equal opportunities for employee development

- 5% of working time is dedicated annually to training, education, or courses.
- 100% of employees participate in an individual development dialogue (MUS) each year. Prior to these dialogues, managers engage in leadership team sparring sessions to discuss development plans and ensure multiple perspectives, supporting fair and consistent follow-up for all employees.
- 100% of employees participate in an individual salary dialogue annually. Proposed salary adjustments are also reviewed in leadership team sessions before final approval by the top-level leader, ensuring transparency and equitable treatment.

These practices support equitable access to development opportunities, strengthen employee engagement, and ensure fair and transparent compensation, reflecting our ESG commitment to social responsibility and workforce well-being.

Progress is monitored through our annual employee satisfaction survey, which includes questions on equality and fairness, addressing experiences across e.g., gender, age, and ethnicity.

In Denmark there are many different trade unions. LOWENCO does not interfere in how employees organize themselves. It is not registered.

DIVERSITY, EQUALITY  
& INCLUSIONS (DEI)

# Inclusion

## Fostering a sense of belonging

In LOWENCO, we strive to create an inclusive and psychologically safe environment where all employees feel they can be themselves.

Our approach acknowledges different personality types, for example through visibility and active use of employees' DISC profiles and encourages mutual understanding and trust through social events organized by the employee association, company gatherings, and the annual Christmas party.

An inclusive culture and leadership are key to unlocking diverse perspectives and ideas, supporting both employee engagement and organizational development. To track progress, our annual employee satisfaction survey includes questions on inclusion with statements such as "I can be myself around here" and "I feel comfortable speaking my mind."

We aim to ensure that all employees feel included, respected, and recognized for who they are and the perspectives they bring - regardless of background, role, or identity.





**Great  
Place  
To  
Work.®**

**Certified**

MAY 2025-MAY 2026

DENMARK

RESULTS 2025

# Social

**In 2025 we were proud to be certified 'Great Place To Work' for the third time in a row, and again there was an outstanding participation: 97%.**

It gave us a lot of positive declarations; the employees are very satisfied working for LOWENCO, see the graphs on the next side.

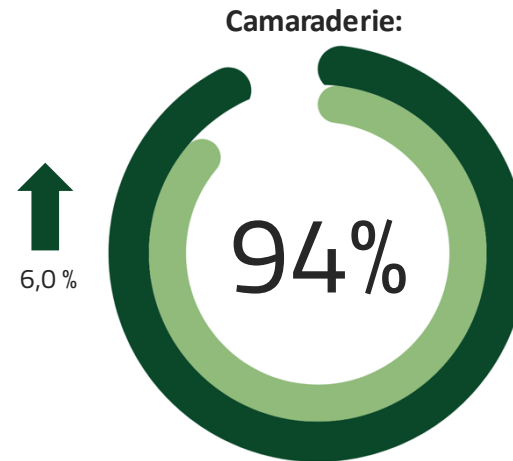
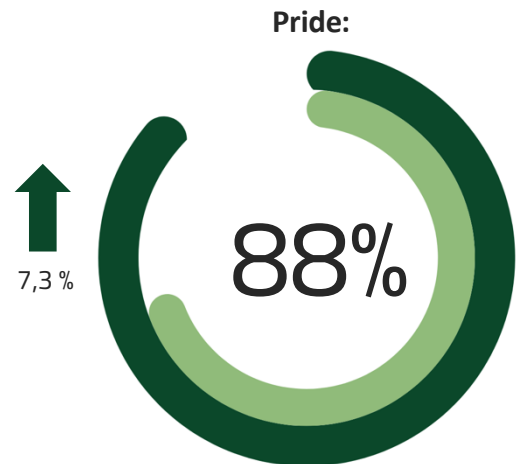
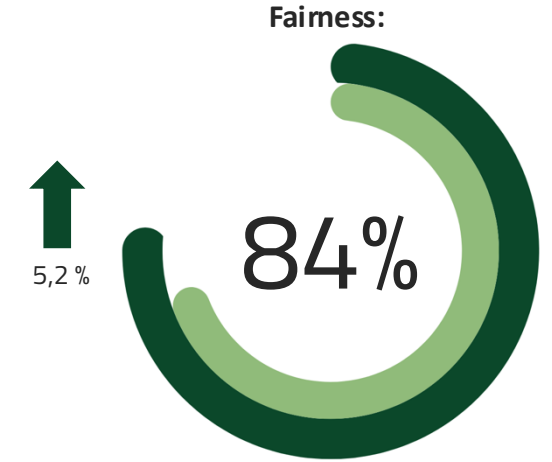
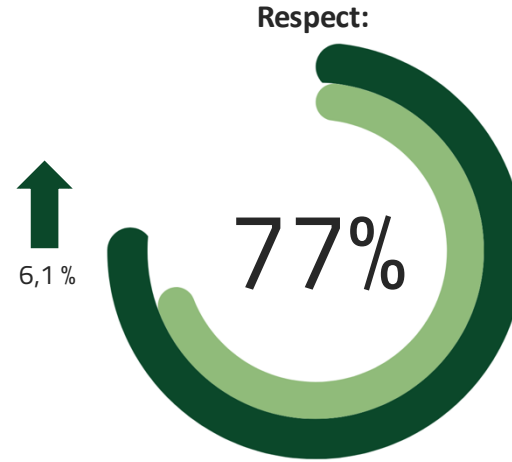
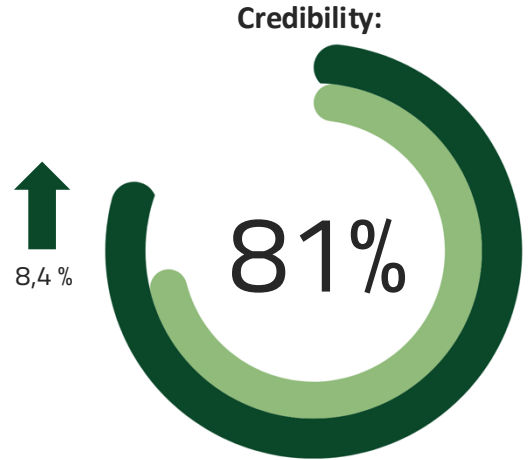
We also got valuable input to subjects where we can be even better.

All employees were invited to dialogue meetings, to follow up on their responses in the survey.

One of the general outcomes was that LOWENCO's regular physical Town Hall meeting in future get even more structured; subjects presented by the relevant executive manager.

RESULTS 2025

# Social



● 2025  
● 2024



RESULTS 2025

# Social conditions outside LOWENCO

Social initiatives play a vital role in shaping a responsible and sustainable business. Our company is committed to contributing positively to society by supporting initiatives that promote well-being, inclusion, and equal opportunities.

Through our efforts, we aim to create meaningful impact not only within our organization but also in the communities we are part of.

These initiatives reflect our core values and our belief that businesses have a responsibility to drive positive social change. LOWENCO supports:

## **Danish Hospital Clowns;**

They provide a reassuring hand for children when life in the hospital gets tough.

## **Healthy**

habits in terms of physical activity are also supported outside as well as at LOWENCO. This includes being a sponsor of the local football and handball clubs.

On our website you can read about minimum expectations of taking care of people in the value chain:

Business Ethics Policy and Supplier Code of Conduct.

RESULTS 2025

# Social conditions outside LOWENCO

In line with our mission of **'Creating a better world'** we aim to make a difference in the fight against cancer, LOWENCO supported in 2025:



## Sport 'N' Charity

in their important work for children affected by cancer. Through a research-based training program, Sport 'N' Charity helps reduce the risk of secondary illness and disabilities, giving children the opportunity to return to the life they knew before cancer.



## Men & Cancer

whose contributions are essential efforts in assisting patients, supports their families, promoting prevention and advanced research.



## Knæk Cancer

reaffirming commitment to research and awareness.



ESG KPIs

Governance

### **Due diligence**

Executive Management has conducted a due diligence assessment, which has identified the need to strengthen systematic employee training and evaluation.

In 2025, the company carried out structured training and testing programs to ensure that employees are equipped to understand and uphold LOWENCO's Business Ethics Policy, effectively use relevant IT systems and comply with applicable data protection requirements, including GDPR.

These efforts are designed to safeguard our business values and ensure consistent adherence to our ethical and regulatory standards.

# 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 2025 or before.

## Supplier development

We have gathered insights on our suppliers' sustainability standards. This information has been collected through the second supplier survey conducted in 2025. The results provide valuable input, as these insights, gives indication of our suppliers' level- and progress in relation to sustainability.

Suppliers are important stakeholders to reduce LOWENCO's carbon footprint in scope 3 (Part of the Greenhouse Gas Protocol mapping).

## Standards & certifications

Risk Assessment of stakeholders was conducted at our Management Review 2025 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 october 2025.



In addition, LOWENCO had ISO 27001:2022 recertified in December 2025. The external audit did not identify any deviation, and a few observations and suggestions for improvement were given by external auditors.

# Supply Chain

At LOWENCO, we recognize that Scope 3 emissions represent a significant share of our total carbon footprint (98%) and that meaningful reductions require close collaboration with our suppliers.

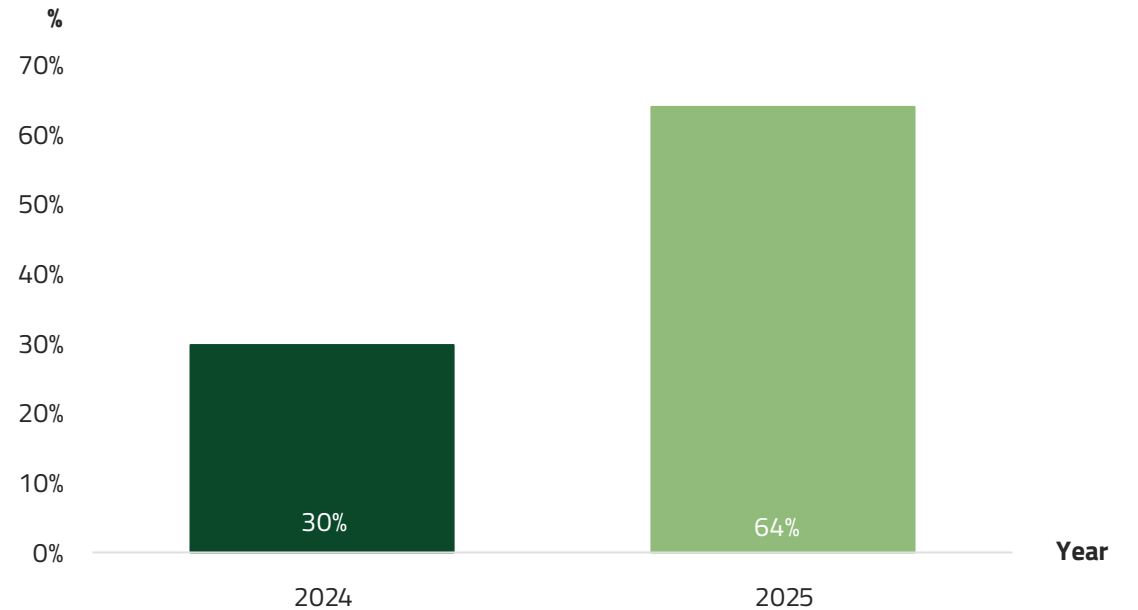
In 2024, we initiated our first ESG survey targeting core suppliers (Priority 1 suppliers) to assess their level of ESG maturity and engagement. This initiative was repeated in 2025 to track developments and measure progress over time.

The response rate increased significantly from approximately 30% in 2024 to 64% in 2025, reflecting stronger supplier engagement. At the same time, we observed an overall improvement in suppliers' awareness and understanding of ESG-related topics.

These findings indicate a positive development in the ESG maturity level across our supply chain.

Further insights and key findings from the 2024 and 2025 surveys are presented on the following pages.

## Response rate



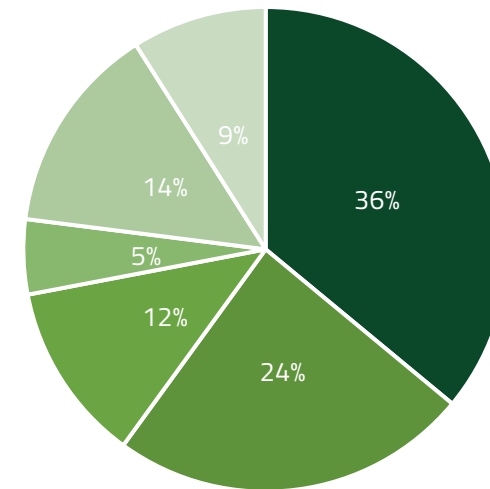
# Supplier Survey – ESG level

Nearly half of our suppliers - primarily the largest ones – are already active on the EcoVadis platform. We have encouraged suppliers who are not yet engaged with EcoVadis, or similar platforms, to begin their ESG journey, preferably by joining EcoVadis in 2025.

The encouragement to engage with EcoVadis was a dialogue with the suppliers via e-mail and a phone call. This to explain the purpose and having an accept of letting EcoVadis invite them to the registration at the platform.

This effort did not deliver the expected results among our key suppliers, partly due to the absence of a structured assessment platform. However, the experience with this more engaging and voluntary approach will inform the design of our upcoming supplier survey and follow-up process.

Suppliers ESG level 2025



- Supplier not responded the survey
- Supplier not having a ESG Platform
- Supplier with other platforms than EcoVadis or scored via Parant Org
- EcoVadis Score not disclousured
- EcoVadis Bronze or below
- EcoVadis Gold or Platin

RESULTS 2025

# Supplier Survey

Nearly half of our suppliers - primarily the largest ones – are already active on the EcoVadis platform.

We have encouraged suppliers who are not yet engaged with EcoVadis, or similar platforms, to begin their ESG journey, preferably by joining EcoVadis in 2025.

Since we have not managed to get more suppliers to use EcoVadis as a guide to drive improvements in their companies' sustainability, it is still necessary for us to initiate the mapping of their impact.

To continue to motivate the use of EcoVadis, we will differentiate our requests in the future, so that we only ask for the overall scores from EcoVadis where possible.

The rest of the suppliers must provide more ESG data to support our mapping.



# Supplier Survey - Environmental

LOWENCO has an approved Science Based Targets initiative (SBTi) which shows that LOWENCO has set climate targets that are scientifically aligned with the goals of the Paris Agreement:

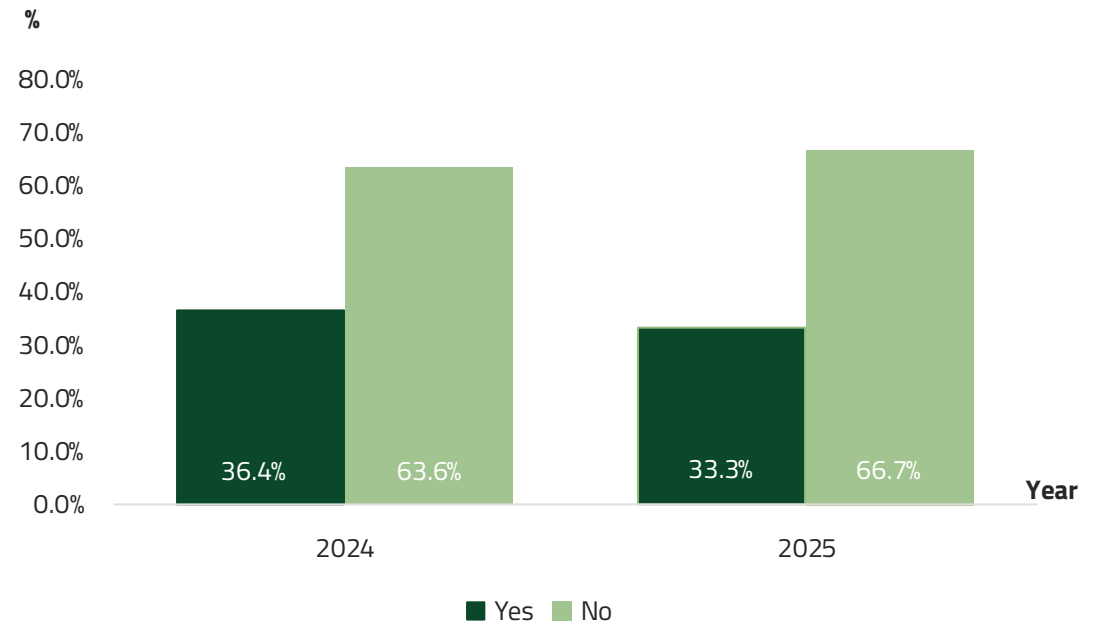
- The company is committed to reducing its greenhouse gas emissions.
- Its targets are credible and based on climate science, not just marketing.
- LOWENCO is actively working toward limiting global warming

So, an SBTi approval signals serious, measurable, and externally validated climate responsibility.

Therefore, we also want our suppliers to be ambitious and set a Science Based target initiative.

So far, about one third of the respondents report that they have an approved SBTi.

## Does your company have a Science Based Target Initiative?



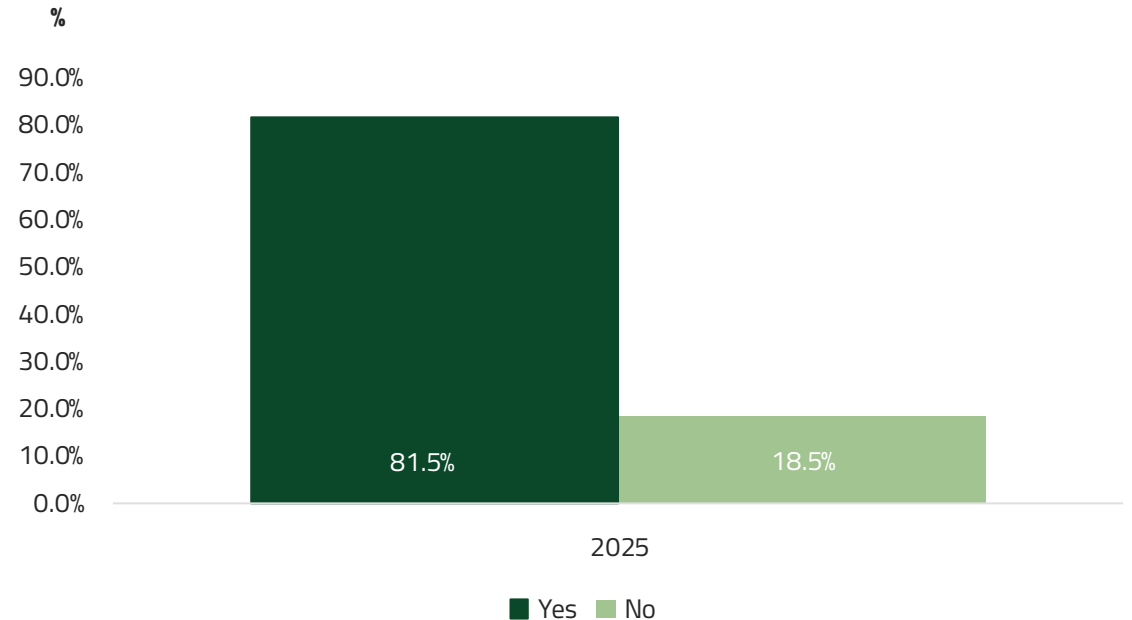
# Supplier Survey - Social

LOWENCO conducts workplace assessment surveys every year, an extended version of Great Place to Work, where we have ensured that all physical aspects of the working environment are also included; this to ensure a continuous focus on areas for improvement.

We expect our suppliers to do at least what the legislation in Denmark requires, as employee well-being is essential.

In Denmark, there is a legal requirement to assess the working environment in a company at least every three years; More than 80% of our suppliers comply with the legislation, so also here there is room for improvements for some of our suppliers.

## Does your company have an employee satisfaction survey at least every 3 year?



# Supplier Survey - Government

Similarly, LOWENCO expects all suppliers to act responsibly in both environmental and social contexts.

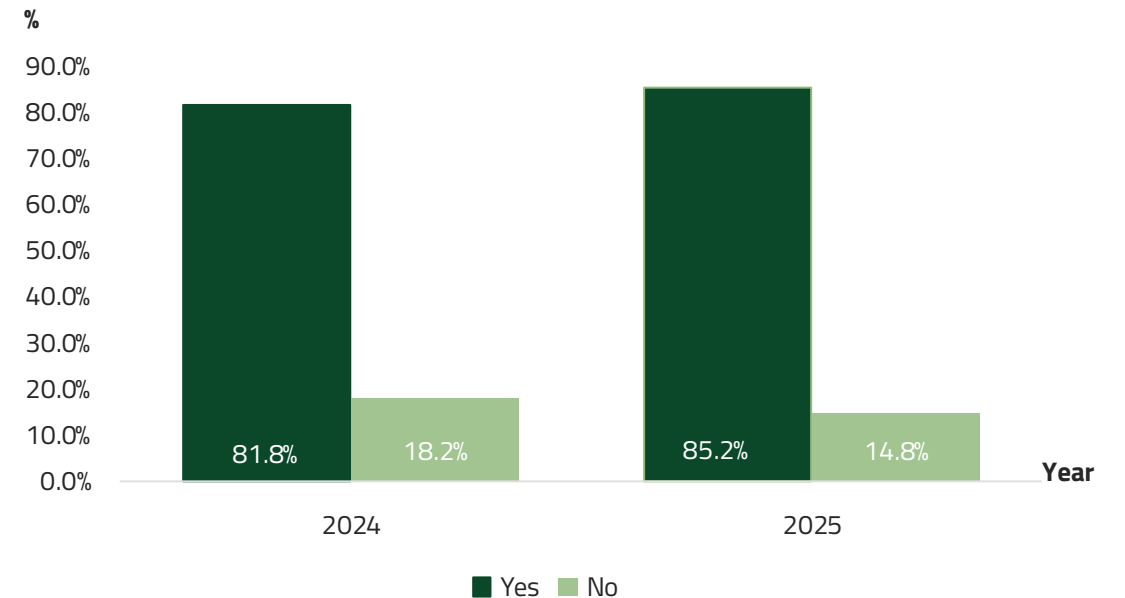
This starts, at a minimum, with having a business ethics policy and a supplier code of conduct in place.

This is important because these policies establish clear standards for responsible behavior, help prevent misconduct such as corruption or labor violations, and ensure that suppliers align with our values and expectations.

They also create transparency and accountability across the supply chain, which reduces risk and supports long-term, sustainable partnerships.

The vast majority of our suppliers already meet this requirement, but our goal is for all main suppliers to comply by 2026.

## Does your company have a Policy for Code of Conduct?



# Data security

## ISO 27001:2022

is a globally recognized standard for Information Security Management Systems. LOWENCO's ISO27001 certification demonstrates our commitment to protecting sensitive data, ensuring the confidentiality, integrity, and availability of information.

## Enhanced data security

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

## Builds customer trust

Data security is a top priority. It 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

In 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.

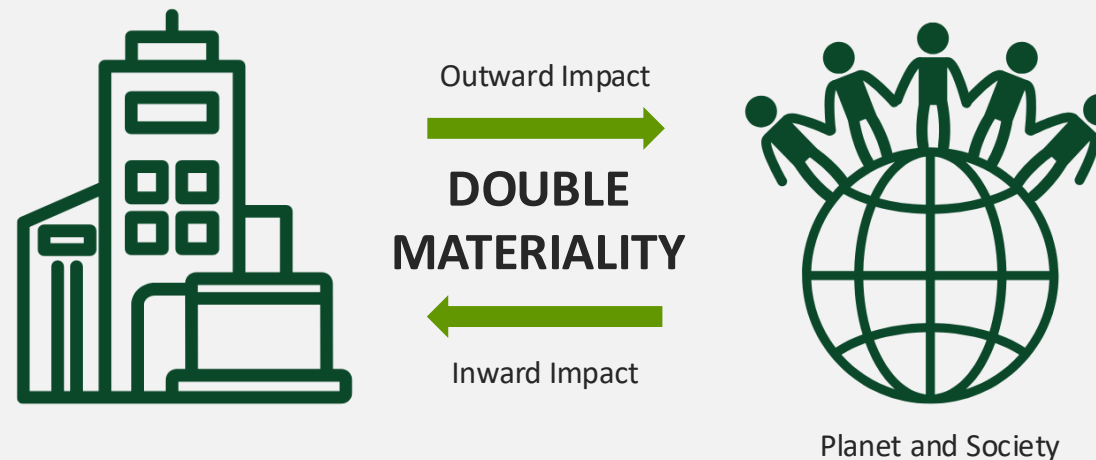
## Improved employee awareness and engagement

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 upright freezers) for the customers, this applies both to establishment and in operation – meaning vaccine, medicament etc. could be available for more people for lower 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 2024, LOWENCO's materiality assessment 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 the highest level, platinum in EcoVadis - which inspires us to lead by example.

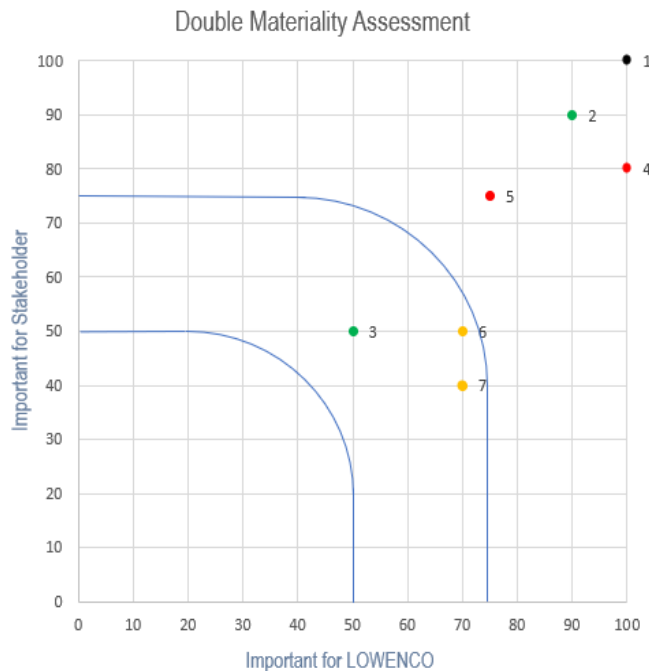
We therefore conducted a supplier ESG survey (inspired by EcoVadis) both in 2024 and 2025, to gain insights into our value chain and identify how suppliers can support our decarbonization journey.

These insights, along with a third-party validated Life Cycle Assessment of our main product in 2025, have been included in the Double Materiality Assessment.

# 06

## Importance

### ESG



**1** Product durability, safety operations and high quality (ISO 9001 certified)

**2** Environmental impacts (ISO 14001 certified)

1. LCA by third-party - > prioritize efforts: reused/recycle - > reduce sourcing
2. Transportation: CO<sub>2</sub> 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
4. Task force climate-related financial Disclosure, TCFD

# EcoVadis

LOWENCO was awarded a GOLD medal in recognition of sustainability achievement, in the EcoVadis assessment, august 2025.

Our overall score increased from 71 point in 2024 to 79 point in 2025.

That resulted in a score that ranked LOWENCO in the percentile 96th, which means that LOWENCO was ranked among the 4% best companies, compared to all other assessed companies over the past 12 months in EcoVadis.

The scores in the area 'Environmental' and the area 'Labor & Human Rights' had a really great progress from 2024 to 2025.

An approved Science Based Target Initiative, SBTi, as well as obtaining repeated 'Great Place To Work' certificate, in the yearly well-being measurement, has contributed to higher scores.

Where the areas 'Ethics' and 'Sustainable Procurement' already had high levels in 2024 we didn't get extra scores in 2025, but we managed to maintain the levels in the assessment.

The area 'Sustainable Procurement' will be LOWENCO's focus, in relation to obtain improvements in 2026.



# 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 9001:2015, 14001:2015, 45001:2018 & 27001:2022
- We conduct training and testing, according to requirements in ISO 27001 (Information security and GDPR) as well as in line with our policies regarding business ethic and supplier code of conduct (documented in CyberPilot).
- Executive managements prepares biyearly risk assessments in due diligence, including Task Force Climated-related Financial Disclosure and materiality subjects
- We have initiatives to improve our Carbon footprint aligned with our approved Science Based Target in April 2025
- We meet customer demand for us to prepare a Carbon Disclosure Project in 2026
- We improve our EcoVadis rating – we strive for platin no later than 2030

# 08

## Certificates overview



## Assessment overview





# KPI results for 2025 & targets for 2026

# KPI results for 2025 & targets for 2026

FOCUS AREA	ESG	UNIT	KPI	TARGET	REALISED	TARGET	COMMENTS
				2025	2025	2026	
ENVIRONMENT & CLIMATE	E	tCO <sub>2</sub> e	Scope 1	120 tCO <sub>2</sub> e	79 tCO <sub>2</sub> e	60 tCO <sub>2</sub> e	
	E	tCO <sub>2</sub> e	Scope 2	45 tCO <sub>2</sub> e	29 tCO <sub>2</sub> e	34 tCO <sub>2</sub> e	SBTi 2029: Scope 2 =34
	E	tCO <sub>2</sub> e	Scope 3	2000 tCO <sub>2</sub> e	3872 tCO <sub>2</sub> e	3000 tCO <sub>2</sub> e	Use of Product excluded
	E	tCO <sub>2</sub> e	Scope 1+2	165 tCO <sub>2</sub> e	108 tCO <sub>2</sub> e	94 tCO <sub>2</sub> e	(SBTi : 38% reduction by 2029 from base year 2022)
	E	tCO <sub>2</sub> e	Scope 1+2+3 excl. Use of sold product	2165 tCO <sub>2</sub> e	3890 tCO <sub>2</sub> e	3094 tCO <sub>2</sub> e	
	E	m €	Turnover	50 m €	38,766 m €	50 m €	
	E	CO <sub>2</sub> e/ €	GHG intensity	43 CO <sub>2</sub> e/€	103 CO <sub>2</sub> e/€	62 CO <sub>2</sub> e/€	Excl. Use of sold product
	E	MWh	Electricity (Scope 2)	300 MWh	323 MWh	400 MWh	
	E	MWh	Fuel: Oil & Gas (Scope 1)	200 MWh	365 MWh	200 MWh	*Canteen still heated with gas after 2025
	E	MWh	District heating (Scope 1) SBTi Effort to bring down carbon footprint	100 MWh	0 MWh	100 MWh	

# KPI results for 2025 & targets for 2026

FOCUS AREA	ESG	UNIT	KPI	TARGET	REALISED	TARGET	COMMENTS
				2025	2025	2026	
ENVIRONMENT & CLIMATE	E	MWh	Total energy consumption at Headquarters (Scope 1+2)	600 MWh	688 MWh	600 MWh	
	E	MWh	Renewable energy compensation (Scope 2 certificates for el and district heating)	250 MWh	335 MWh	250MWh	
	E	%	Renewable energy share in % of total energy consumption	42%	49%	65%	
	E	#	ISO Objective - Incident / events	<5	1	<5	
	E	%	ISO Objective - Recycling increase - compared to 2022	15%	36%	15%	
	E	%	ISO Objective - Waste Reduction - compared to 2022	10%	24%	10%	
	E	M <sup>3</sup>	Water use at Headquarters	250 M <sup>3</sup>	323 M <sup>3</sup>	275 M <sup>3</sup>	
SOCIAL	S	%	Turnover ratio	15%	16%	15%	Target is 12% in 2029
	S	#	New net-hires	36	22	-	

# KPI results for 2025 & targets for 2026

FOCUS AREA	ESG	UNIT	KPI	TARGET	REALISED	TARGET	COMMENTS
				2025	2025	2026	
SOCIAL	S	%	Unadjusted pay-gap (gender)	2,5%	17,4%	2,5%	*1/3 female employees have chosen reduced working hours
	S	%	Gender Diversity - Executive Management	17%	17%	17%	Target 2030 = 40 %
	S	%	Gender diversity, female in the workforce (male dominated craftsmen)	>10%	9,9%	>10%	
	S	%	Ethnic diversity, other ethnicity than danish	16,5%	18,8%	>16,5%	*DK's statistics 2024
	S	%	Age diversity, dispersion compared to danish workforce [Average spread]	<10%	5,3%	<10%	
	S	#	ISO Objective - Number of work-related injuries	0	2	0	
	S	#	Rate per 100 full-time employees per year	0	1,8	0	
	S	# of days	Days lost due to injury - work related	0 days	150 days	0 days	
	S	Hours	Total number of hours worked by all employees during the year	125.000 hours	179.030 hours	-	Depending on activity level
	S	#	Rate of recordable work related accidents	0	2,2	0	

# KPI results for 2025 & targets for 2026

FOCUS AREA	ESG	UNIT	KPI	TARGET	REALISED	TARGET	COMMENTS
				2025	2025	2026	
SOCIAL	S	#	Number of work-related fatalities	0	0	0	
	S	%	Sick absence (share of worktime)	<3,5%	3,2%	<3,2%	
	S	Y/N	Annual employee survey is conducted	Y	Y	Y	
	S	Score	Employee Net Promoter Score (eNPS)*	>60	78	>78	
	S	Score	ISO Objective - Employee Score - Overall Average of all statement	>77	84	>84	
	S	%	Employee Respond rate	100%	97%	100%	
	S	%	Employee Development Dialogue	100%	100%	100%	
GOVERNANCE	G	%	Risk assess due diligence incl. ISO 27001	100%	97%	100%	
	G	%	ISO Objective - Warranty per turnover	<1,0%	0,17%	<0,75%	
	G	#	ISO Objective - Customer Satisfaction	> 9*	-	-	*Elevated object in 2025
	G	%	Training & test - CyberPilot IT, GDPR *Ethic & HSE -	100%	100%	100%	

# KPI results for 2025 & targets for 2026

FOCUS AREA	ESG	UNIT	KPI	TARGET	REALISED	TARGET	COMMENTS
				2025	2025	2026	
GOVERNANCE	G	%	Individual Training Courses & Certificates in hours per total work hours	5,0%	4,8%	5,0%	
	G	#	ISO Objective - Leak of private data	0	0	0	
	G	#	ISO Objective - Cyber Attack	0	0	0	
	G	#	Business Ethic Policy - deviation	0	0	0	(Corruption and bribery included)
	G	#	Whistleblower inquiries	0	0	0	
	G	%	Supplier Code of Conduct	86%	85%	90%	(indication from annual supplier survey)
	G	%	Supplier survey - Response rate	60%	62%	80%	
	G	%	Main Supplier with ESG score in EcoVadis or similar	59%	59%	65%	
	G	Score	EcoVadis rating	Gold	Gold	Gold	Target 2030 = Platin

# 10



# Company profile

**Name of company:**

LOWENCO A/S

**Website:**

[www.lowenco.com](http://www.lowenco.com)

**Head office:**

Bavnevej 10, 6580 Vamdrup, Denmark.

**Ownership:**

Owned by Nordic investment company Impilo and German investor SHS Capital.

**Nace sector classification code:**

33.20 Installation of industrial machinery and equipment.

**Size of the balance sheet (in Euro):**

115,738 t.

**Turnover (in Euro):**

38,766 m.

**Number of employees:**

111 (106 in Denmark /5 international) FTE end of 2025.

**Report:**

Report period: 1 January – 31 December 2025.

# LOWENCO's locations & Sustainability-relevant certifications, labels

## LOCATION AND GEOLOCATION OF SIGNIFICANT ASSETS AND FACILITIES BY LOWENCO

(paragraphs 24€, (vii) paragraphs 73–76)

LOCATION	ADDRESS	POST CODE	TOWN/CITY	COUNTRY	GEOLOCATION (COORDINATES)
<b>Administration, Production and Warehouse</b>	Bavnevej 10	6580	Vamdrup	Denmark	55.42663322°N, 9.29310296°Ø
<b>Warehouse</b>	Bavnevej 18	6580	Vamdrup	Denmark	55.42705463°N, 9.29322601°Ø
<b>Warehouse</b>	Industrivej 4, hal 1,7	6580	Vamdrup	Denmark	55.42502955°N, 9.28763827°Ø

# Practices, policies & future initiatives for transitioning towards a more sustainable economy

AREA (PARAGRAPHS 26 AND 78)	THE UNDERTAKING HAS PUT IN PLACE A SPECIFIC POLICY/INITIATIVE IN THIS AREA? (Yes/No)	IS THIS POLICY/INITIATIVE PUBLICLY AVAILABLE? (Yes/No)	DOES THIS POLICY/INITIATIVE CONTAIN OBJECTIVES OR FUTURE INITIATIVES? (Yes/No)
CLIMATE CHANGE	Yes	Yes	Yes
POLLUTION	Yes	Yes	Yes
WATER AND MARINE RESOURCES	No	No	No
BIODIVERSITY AND ECOSYSTEMS	Yes*	No	No
CIRCULAR ECONOMY	Yes	Yes	No
OWN WORKFORCE	Yes	Yes	Yes
WORKERS IN VALUE CHAIN	Yes	Yes	Yes
AFFECTED COMMUNITIES	Yes	Yes	Yes
CONSUMER AND END-USERS	Yes	Yes	Yes
CORPORATE GOVERNANCE (CODE OF CONDUCT)	Yes	Yes	Yes

\*TCFD, Task Force Climate-related financial Disclosure, mapped end 2025.

# Biodiversity & Water

Denmark has a low **25%-50%** level of water stress.

At LOWENCO water is used exclusively for hygienic purposes such as handwashing, bathing, dishwashing, and drinking.

Consequently, wastewater is generated in a manner comparable to that of a regular household.

Water consumption in 2025 corresponded to less than two average households.

The yearly water consumption is low, and the increase reflects the development in numbers of employees.

The topic is therefore assessed as less important and not selected for the materiality assessment.

LAND USE (paragraph 34)			
TYPE OF LAND USE	AREA (hectares)		
	PREVIOUS YEAR	REPORTING YEAR	CHANGE (%)
<b>TOTAL LAND USE</b>	1,1553	1,1553	0
<b>TOTAL SEALED AREA</b> (*build-up and asphalted (34%+16%))	0,5777	0,5777	0
<b>TOTAL NATURE-ORIENTED AREA ON SITE</b> 10% estimated	0,12	0,12	0
<b>TOTAL NATURE-ORIENTED AREA OFF SITE</b>	0	0	0

# Resource use, circular economy & waste management

## Description of how LOWENCO works with circular economy principles (paragraph 37)

Circular economy principles are included in our R&D department, where the design phase takes place: two important parameters are: reduce our products energy consumption and decrease of the GWP-values (refrigerants at our product).

Reduction of resources – e.g. through process improvements in our service and maintenance program, regarding Oil sampling.

Another project regarding less waste of insulation has been carried out.

Circular product – prolong our long life-time product by different maintenance programs and provide support to manage the operation of our product electronic.

KEY MATERIAL IN LOWENCO PRODUCTS (paragraph 38c)	ANNUAL MASS-FLOW 2025	ANNUAL MASS-FLOW 2024
STEEL	158 t	81 t
INSULA	40 t	23 t

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 textured canopy. The overall scene is peaceful and natural.

# LOWENCO

Creating a better world - one unit at a time