HMK Bilcon A/S ESG report 2021 - 2024

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GOVERNANCE

E

ENVIRONMENTAL

SOCIAL

01 | HMK Bilcon

HMK Bilcon is today a well-established manufacturing company that produces fuel tankers, refuellers for aircraft and helicopters, fuel containers, and small trailers for the European defence sector. In addition, we manufacture fuel tankers for the transportation of oil and gasoline to oil companies in Scandinavia, as well as expandable trailers for the defence and healthcare sectors.

Our products are primarily built from aluminum at the company's factory in Gistrup, where we have our own development and documentation department. The products are designed and produced with a strong focus on high quality, user-friendliness, and long product lifespan. Many of our products, such as those for the Danish defence, are still in operation 30 years after production.

The History Behind

The company has roots dating back to 1895 when blacksmith Søren Jensen started building horse-drawn wagons in his small blacksmith shop in Hjørring. He had great success with this until 1950, when the era of horse-drawn vehicles gradually came to an end. Therefore, the company shifted to building chassis frames for cars. Søren Jensen's blacksmith business was known as Hjørring Machine and Bodywork Shop until 1963, when it changed its name to HMK Industri. At this point, the company began designing chassis, cargo boxes, tank vehicles, moving and transport boxes, and other special vehicles. In 1967, Søren Jensen's family took over the business.

Ascan Bilcon

Scandia Randers began in 1955 with the production of tankers for the transportation of fuels and gases in Randers. In 1965, Scandia started developing and designing aluminum tanks. The production was moved to Aalborg in 1981 and was acquired in 1983 by Mørch & Sønner, which established Ascan Bilcon A/S.

In 2010, HMK Industri and Ascan Bilcon merged, bringing all activities together at Hadsundvej 295 in Gistrup.



02 | ESG project and report

As a SME, HMK Bilcon is not required to comply with the EU's Corporate Sustainability Reporting Directive (CSRD). However, we have proactively conducted a double materiality assessment following the directive's methodologies and principles.

This initiative reflects our commitment to meeting growing stakeholder expectations for transparency and responsible practices, ensuring alignment with their values and priorities. The assessment also helps us identify key ESG-related risks and opportunities, offering valuable insights into areas that could significantly impact our business and stakeholders. By incorporating these findings, we aim to strengthen our decision-making processes, making them more informed and sustainable to support our long-term resilience and growth. To get an overview of our CO2 emissions, we have also worked with Climate accounting in the project, which is made in accordance with "The Greenhouse Gas Protocol (GHG-Protocol).

The double materiality assessment began in August 2024 and was completed in November 2024. It was conducted in collaboration with the consulting firm Viegand Maagøe, working closely with HMK Bilcon's team, including Peter Jensby (CEO) and Tina Ellesgaard (Marketing and HSE Coordinator).

Project timeline



Source: Viegand Maagøe A/S

03 | Value chain mapping

The Value chain is defined as the full range of activities, resources, and relationshipsrelated to the undertaking's business model and the external environment in which it operates.

A value chain encompasses the activities, resources, and relationships the undertaking uses and relies on to create its products or services from conception to delivery, consumption, and end-of-life. Relevant activities, resources, and relationships include:related to the undertaking's business model and the external environment in which it operates.

The illustration below provides a simplified overview of our value chain. The full version has been mapped with special attention to activities, stakeholders, and resources, in line with the ESRS guidelines. This value chain was developed collaboratively by selected internal stakeholders at HMK Bilcon, each contributing with their insights into the business. The mapping

process involved several iterations, with versioning used to track ongoing additions and refinements. The final version is version 6.

As shown, the value chain mapping indicates that most of the identified impacts, risks, and opportunities arise from the following activities: raw material, production, transport, use phase and end-of-life.

I Impact R Risks O Opportunities



An indicative, not exhaustive, overview of the activities where the main impacts, risks, and opportunities has been identified Source: Viegand Maagøe A/S

04 | Activites within the double materiality assessment

We have reviewed the activities below in order to conduct a thorough screening in relation to our double materiality assessment.

Double materiality covers both impact and financial materiality. Impact materiality pertains to the material information about the undertaking's impacts on people or the environment related to a sustainability matter; financial materiality pertains to the material information about risks and opportunities related to a sustainability matter. The goal of the assessment is to identify the material impacts, risks, and opportunities (IROs) related to sustainability matters, to be reported. A matter is assessed as material if a material impact and/or material risk and/or opportunity arises from it.

For each material matter, the undertaking determines the information to be reported in accordance with the cross-cutting or topical standard.



05 | Stakeholder involvement

"ESRS states that the materiality assessment must be informed by dialogue with affected stakeholders to provide inputs or feedback on its conclusions regarding its material impacts, risks, and opportunities" (ESRS, AR 8, p. 25).

Aligned with the ESRS guidelines, we engaged our stakeholders through desktop research, interviews, and surveys to gather their perspectives and priorities of the identified ESG topics. This engagement revealed four key focus areas amongst customers and suppliers: Scope 3 emissions, supplier code of conduct, power purchase agreements (PPA), and cybersecurity.

The insights gained from stakeholder input supported our final selection of material ESG topics. Additionally, this feedback will guide the prioritization of our ESG initiatives moving forward.

Stakeholdre	Desktop research	Interview	Survey
Customer	×	×	
Customer	×		
Customer		×	
Customer		×	
Customer			×
Customer			×
Competitor	×		
Supplier		×	
Supplier	×		
Other	×		
Ownerr/investor			x
Employee			×
Employee			x
Employee			x

06 | **Double materiality and ESRS topics**

ESRS	Торіс	
E1	Climate change adaptation	•
E1	Climate change mitigation	••
E5	Ressource inflows	•
E2	Polution of air	•
E3	Water consumption	•
E5	Ressource outflows	•
S1	Working conditions (own workforce)	•
S1	Equal treatment and opportunities for all (own workforce)	•
S2	Working conditions (workers in the value chain)	•
S3	Equal treatment and opportunities for all (workers in the value chain)	•
G1	Cybersecurity	••
G1	Corruption, bribery and whistleblower	
G1	Supplier relations	
G1	Technology and IT systems	

The double materiality assessment identified 11 topics as material to us.

Of these, 7 are material from an impact perspective, indicating both positive and negative effects associated with these topics.

2 topics are material from a financial perspective, indicating both risks and opportunities associated with these topics.

In addition, 2 topics are considered double material, as significant impacts, risks and opportunities are associated with these topics.

We have chosen to include 3 additional topics under governance, even though these were not identified as material in our analysis. We have done so as these are areas that we need to work on going forward in terms of good corporate governance.

In the coming years, we will focus on strengthening our efforts in these areas and strengthening the underlying data base to support the establishment of realistic and strategic goals.

07 | Environment

ESRS	Topics	Impacts, Risks and Opportunities			
E1	Climate change adaptation	 Risk of water intrusion in the electrical panel due to increased precipitation The sewer systems have been adjusted to accommodate increased precipitation Rainwater retention basins have been constructed to manage increased precipita- tion 			
E1	Climate change mitigation	 CO2 emissions from transport and production Initiative to reduce truck idling through a new IT-based control system Significant (relative) reduction in energy consumption Lighter tank constructions enable more product per trip, thereby reducing the number of trips and associated CO2 emissions 			
E5	Ressource inflows	 Production depends on aluminium and various new components Annual supplier meetings – green products/alternatives must be discussed Transfer of tanks to new chassis, enabling reuse of entire aluminium structures 			
E2	Polution of air	 Air pollution from production Filters installed in accordance with local regulations Air pollution from transport of goods to and from the company Requirements set for transport providers to use vehicles with a minimum Euro 5 standard Heating of paint booths converted from oil to LPG gas Reduction in CO2 (27%) and SO2 (99%) 			
E3	Water consumption	 Water consumption during production Recycling of water for testing and pressure testing Water-saving taps installed 			

08 | Social - people and society

ESRS	Topics	Impacts, Risks and Opportunities			
S1	Working conditions (own workforce)	 Compliance with industry collective agreements Resource shortages lead to increased workload and stress Challenges in recruiting skilled workers and specialists Installation of an additional dust extraction system has been completed 			
S1	Equal treatment and opportunities for all (own workforce)	 Challenges in recruiting women for production roles HMK Bilcon employs apprentices, seniors, and flex job workers 			
S2	Working conditions (workers in the value chain)	 Customers' increasing demand for supply chain transparency and value chain control Update of HMK Bilcon's Supplier Code of Conduct is necessary 			
53	Equal treatment and opportunities for all (workers in the value chain)	 Customers' increasing demand for supply chain transparency and value chain control Update of HMK Bilcon's Supplier Code of Conduct is necessary 			

09 | Governance

ESRS	Topics	Impacts, Risks and Opportunities			
G1	Cybersecurity	 ISO 27001 certification was achieved in December 2024 and we plan to increase IT security requirements for our suppliers to ensure they also maintain robust cybersecurity measures as weaknesses in their systems could pose a risk to our operations The threat of hacking remains significant and escalating, especially given our work with defence customers 			
G1	Corruption, bribery and og whistleblower	 Large focus in the market on corruption and bribery in relation to defence customers Inadequate policies may raise doubts about rules in the organization Whistleblower scheme established Anti-corruption policy incorporated into Code of conduct 			
G1	Supplier relations	 Large suppliers can be difficult to negotiate with regarding conditions, as we are a smaller player in the market Increases in raw materials and materials are difficult to avoid Purchases are pooled for larger orders for better prices Possibility of purchasing collaborations with sister companies 			
G1	Technology and IT systems	 Outdated and incoherent IT systems can challenge the organization in terms of increasing demands for documentation and solving tasks Time-consuming to implement a new IT system in the organization that provides better solutions in the long run Better IT systems and processes can make the organization more efficient 			

10 | Climate accounting

We have chosen to use the Danish Business Authority's Climate accounting tool to calculate our CO2 emissions. HMK Bilcon's climate accounts for 2021, 2022, 2023 and 2024 have therefore been calculated based on the emission factors and methodological frameworks set by the Danish Business Authority.

We have currently adopted a "cradle-to-gate approach" and recognize it as a starting point, while also recognizing the potential climate emissions that are present in our downstream value chain.

The figures that we have used in the Climate Compass are obtained from our ERP system, from suppliers and through estimates of data that is currently not available in detailed form.

A large part of our data is also stated in monetary units, as it is currently not possible to obtain detailed information from suppliers in the form of tCO2e per purchased component.

We will work to improve the accuracy and scope of our climate accounts in the coming years to better reflect our overall impact.



11 | Scopes and CO2 emissions

To better distinguish between the different scopes, here is a short definition, which is a standard used in CO2 reporting.

Scope 1:

Covers our direct emissions and includes, among other things, mobile and stationary fuel, and emissions from industrial processes related to buildings, vehicles and stationary engines operated by the company.

Scope 2:

Indirect emissions from the purchase of energy generated outside HMK Bilcon's operations, such as electricity, heating, cooling systems with gas and steam. These are areas that the company consumes and can control, but does not own and produce itself.

	2021	2022	2023	2024
Scope 1	230	213	229	192
Scope 2	43	36	95	103
Scope 3	4.647	3.808	5.096	7.077
Tons CO2e	4.920	4.057	5.421	7.372
Employees	89	87	85	104
Turnover mDKK	114	119	142,7	207
CO2e per employee	55	47	64	71
CO2e per mDKK	43	34	38	36
CO2e m ²	0,49	0,40	0,57	0,78
Total energy consumption MWh	1.346	1.083	2.050	2.059
Energy intensity MWh/mDKK	12	9	14	10

Scope 3:

Includes indirect emissions divided into 15 categories, including purchases of goods and services, capital goods, fuel and energy-related activities, waste, travel, employee commuting, upstream leased activities, downstream transport, etc. Scope 3 will most often cover 75-95% of the company's total emissions.

As is the case for many companies, HMK Bilcon's largest CO2 emissions also come from scope 3 activities - purchases of goods and services, capital goods, fuel and energy-related activities, waste, travel, employee commuting, etc.

In our case, scope 3 accounts for between 94-96% of total CO2 emissions. The largest share comes from purchases of metal components, aluminum, steel, iron, electronic components, and plastic and rubber components.



12 | Scopes and CO2 emissions

Our CO2 emissions are generally increasing as our revenue increases. However, CO2 emissions from 2021 to 2024 have only increased by 50%, while revenue has grown by 82%.

The energy intensity, which is calculated based on total energy consumption in relation to revenue, has decreased from 2023 to 2024, even though revenue has grown significantly.

We have invested in energy improvements with a frequency-controlled compressor, better management of district heating consumption with new calorifiers and replacement of oil boilers for district heating.





In relation to reducing our Scope 2 emissions, we have signed a new electricity agreement in 2025. With this agreement, All our electricity will be supplied from renewable Danish energy sources through renewable engery certificates (RECs). This means that in 2025 we expect a reduction in scope 2 of at least 60%.

The Climate accounting makes several different calculations of our climate data. If you look at energy & processes, purchased components, transport and waste, purchased parts account for by far the largest CO2 emissions.

Currently, there are not many opportunities to replace some of these components with recycled components. Therefore, it is not possible to significantly reduce CO2 emissions in Scope 3, as the market does not currently offer solutions for this.

We have an ongoing dialogue with our suppliers and the initiatives they may come up with in relation to possible substitution options in the future.



13 | **Quality management system and welding certificates**

HMK Bilcon has built up a number of management systems in recent years and has been certified in several areas. This future-proofs the company according to the expectations and requirements of customers and stakeholders.

ISO 9001:2015 - Quality Management System (QMS)

We work according to the quality management system ISO 9001, which is an international standard for quality management that focuses on and defines the requirements for quality management systems that organizations can use to ensure that their products meet customer needs and comply with regulatory requirements.

We produce high-quality products that are long-lasting and have the longest lifespan in the industry. Our ISO 9001 certification helps us optimize and streamline workflows and reduce errors. We work systematically with improvements and constantly try to optimize our processes.

ISO 3834-2:2021 and other welding certifications

With our welding certification ISO 3834-2, we are certified according to the standard and meet the quality requirements for welding fusion of metallic materials. In addition, we have a number of welding certifications such as DS/EN ISO 9606-2 for the construction of tanks according to EN 13094:2020 +A1:2022 as required by ADR 2025, DS/EN ISO 10042:2018 for welding and arc welding of aluminum joints and DS/EN ISO 13445-4:2021+A1:2023 for the construction and manufacture of pressure tanks.

DIN 2303 Q2BK1 – German welding certification

As a supplier to the defence industry in Europe, we wanted to obtain a welding certification to weld components for military equipment. We have been working towards this, and in 2022 we achieved certification in DIN 2303 Q2BK1. The certification means that we are now approved to weld critical components in various metals (except reinforced steel) according to the German welding standards.



14 | Information security management system

ISO 27001:2022 – Information Security Management System (ISMS) To protect our company and our data from increasing threats such as hacking, data leaks, misuse and loss, we have been working to significantly increase our security level for a long time.

We have spent many resources establishing a management system within cyber and information security and in December 2024 became ISO 27001 certified, as the only tank manufacturer in Europe. The certification is closely aligned with the NIS2 directive from the EU, which also aims to strengthen cybersecurity.

The ISO 27001 standard focuses on the systematic management of information and risks, and we have worked with a wide range of different areas within:

- 1. Risk assessment and risk management
- 2. Access control
- 3. IT security policies
- 4. Employee safety
- 5. Physical security (buildings, equipment)
- 6. Backup and emergency preparedness
- 7. Monitoring and improvements
- 8. Awareness training



15 | Environmental management system and certification

In August 2020, we implemented and were certified in the environmental management system ISO 14001:2015. It helps us manage and minimize our environmental impact in both the short and long term, and it ensures that environmental considerations become an integrated part of the company's strategy and operations.

This means that we work within different main areas:

1. Management defines and is responsible for environmental efforts that are appropriate for the company's activities and commitments.

2. Environmental policy with a focus on pollution prevention, compliance with legislation, and continuous improvements.

3. Planning and identification of environmental aspects and impacts as well as risk assessment and setting goals and action plans.

4. Implementation and operation and development of processes and procedures to manage the most significant environmental impacts, training of employees, documentation, and control of operational processes.

5. Monitoring and measurement of environmental parameters, deviations, incidents, corrective actions, and internal audit of the environmental management system.

6. Management evaluation with ongoing review and evaluation of the system to ensure improvements and effectiveness.

7. Continuous improvements of environmental performance and the system as a whole.



16 | Waste handling

As an essential part of our ISO 14001, we have a special focus on sorting the waste we generate in connection with operations and production.

We sort waste into the following categories:

- Small combustible/residual waste
- Spray cans from auxiliary materials
- Cables
- Flamingo
- Pure aluminum
- Mixed aluminum
- Small aluminum waste
- Iron
- Chemical waste
- Batteries
- Soft clear plastic
- Hard plastic
- Food waste
- Packaging from canteen operations (plastic, cartons, metal)
- Bottles and glass packaging
- Cardboard and paper
- Printer cartridges
- Electronics

All waste containers are marked with the type of waste and controlled via color coding on the waste bins in production, making it easier for our employees to sort the waste correctly.

Waste volume calculation

Every year, we report the amount of waste to the Danish Environmental Protection Agency's Waste Data System.

Iron and metals are the largest waste fraction, accounting for over 40% of our total waste volume. The waste is typically sheet metal scrap from

the production of aluminum tankers. We utilize the aluminum sheets to minimize waste and send the sheet metal scrap for recycling.

Waste volume reduction

We send over 60% of our waste for recycling and further processing. We will continuously work to reduce our waste volumes and increase the recycling rate.





17 | Digitalization

We have completed many digitalization projects that streamline a wide range of internal work processes in the company. We still have many projects to be initiated, and we are not at all finished. So far, we have:

- Implemented tablets in production
- Created digital project management
- Increased productivity in our production by using digital technical documentation.
- Implemented electronic warehouse scanning system that minimizes errors
- Implemented reporting via Power BI tools
- Reduced unnecessary transport after rush orders
- Implemented two new robots for standardized parts and undercarriages with the possibility of offline programming and operation outside peak hours
- Implementation of IPW system for management reporting, quality management and production optimization.



18 | Improvements implemented 2018-2024

We have made a number of improvements to the company to ensure future operations and to minimize energy consumption

- 100% of our electricity came from renewable energy sources such as hydropower and wind energy in Denmark and Norway (2021-2022).
- Investment in a new paint booth
- Investment in an industrial gas system for heating 3 paint booths (LPG) - reduced CO2 by 27% and SO2 by 99%
- Replacement of lighting in production halls and office building to LED
- Purchase of a new frequency-controlled compressor to reduce electricity consumption
- Optimization of district heating consumption via heating controls
- Radiators cleaned and replaced with newer, more efficient models
- 8 smaller heat pumps installed to supplement heating
- Electric water heaters installed instead of oil water heaters in assembly hall
- New water-saving taps installed in bathrooms
- 2 new low-pressure ventilation systems with heat recovery and frequency control installed
- All point extraction systems sealed
- All doors sealed
- · Ceiling insulated over all paint booths
- Reduced paint consumption by switching to better products
- Purchase of new welding equipment that uses less electricity

- Establishment of waste sorting for recycling incl. steel, stainless steel, aluminum and combustible waste
- Cardboard are recycled for external shipments
- We only use carriers that meet the EU5 standard at a minimum
- All vehicles have been replaced with new models that travel twice as far per liter, which applies to both forklifts and company cars
- New electric forklifts, pallet trucks, sweepers, and a tractor have been purchased, which are less harmfull
- Floor painted light to improve the working environment
- New noise-reducing walls in troldtekt installed in the tank area
- Reuse of water during pressure testing
- District heating established to heat the test and painting hall instead
 of oil heating
- Sealing of compressed air systems
- Purchase and commissioning of a small welding robot
- Replacement of windows in the administration building and additional insulation of masonry
- Establishment of several sewers to accommodate higher rainfall
- Establishment of a new fence on the land register
- Establishment of wild flower areas
- Upgrading of storage facility
- Purchase and commissioning of a large welding robot
- Purchase and commissioning of welding manipulator
- Renovation of warehouse offices

19 | Improvement projects 2025

- Expansion of service workshop
- Re-establishment and optimization of truck wash hall
- Purchase of several welding manipulators
- Establishment of several noise barriers in tank department
- Establishment of additional room extraction in painting department
- Renovation of changing facilities in test and painting department
- Purchase of 2.5 ton electric forklift
- Gas and electricity are laid in floors, so that argon welding gas runs in a central plant
- Green electricity certificates in 2025

ESG moving forward

In connection with our ESG project, we now have a good overview of where our CO2 emissions come from. Many of our calculations are based on estimates with the data base that we currently have available. Therefore, a large part of the future work will concentrate on improving data from our own ERP system and obtaining better data from suppliers of components and transport services.

Several suppliers are in the process of improving their information about CO2 emissions on their products, and they are improving information about the transport of those. There are also several companies that are in the process of implementing green initiatives that can help reduce our emissions. This is an area that we need to look at more closely.

With the figures from the climate accounting, we have the opportunity to look at our CO2 emissions in more detail. Therefore, we would like to continue working with reduction options within Scope 1, 2 and 3 in order to prepare reduction targets in the long term.

We will also take a closer look at the voluntary standard for SMEs, which will probably apply to many companies in the future.



20 | Social conditions in HMK Bilcon

	Unit	2021	2022	2023	2024
Full time employee	FTE	89	87	85	104
Apprentices	Number	9	9	9	8
Flex workers	Number	3	3	3	3
Senior works	Number	2	2	2	1
Gender diversity organisation	%	10	14	13	12
Gender diversity management	%	14	14	29	29
Gender diversity board	%	0	0	0	0
Sick leave	% of FTE	2,05	2,45	2,88	2,95

21 | Social conditions in HMK Bilcon

Working conditions

For us, working conditions and the working environment are crucial factors in running a healthy company. That is why we place great emphasis on good and safe physical and mental working conditions for our employees.

HMK Bilcon is a member of Danish Industry and follows the Industrial Collective Agreement, which ensures that all employees have proper working conditions and terms. Our blue-collar employees are unionized, and as a member of Danish Industry we also support the DI Apprenticeship Community. We often have more apprentices employed than required, and we have a goal of apprentices constituting 10% of the employees. There is a shortage of skilled labor in the industry, and therefore we would like to contribute to educating young people for the labor market. We must also ensure that we have competent and well-educated employees in the company in the future.

Social responsibility

We demonstrate social responsibility in all employment relationships and employ skilled workers and have employees in flex jobs and wage subsidies. For us as a company to move forward, it is important to have new input and ideas. That is why we often collaborate with students from Aalborg University and UCN on development projects within energy optimization, sales and marketing, production optimization, HR and management. In addition, we have implemented a major well-being project for all employees with a focus on diet, smoking, alcohol, exercise, and stress.

Employee

As a manufacturing company, we have employees in many different jobs in production and administration. Our blue-collar workers in the production are skilled workers who work as blacksmiths, electronics technicians, car painters, and service technicians. The management team consists of the CEO, plant manager, accounting manager, sales manager, warehouse and logistics manager, purchasing manager, and construction manager. The other white-collar employees are employed as designers, technical draftsmen, project managers, warehouse assistants, quality manager, environmental manager, payroll finance-HR, and sales and marketing.

Traditionally, it is mostly men that are employed in manufacturing companies in the industry, and this also applies to us. We are continuously trying to recruit more women in relevant positions, as research shows that it provides a better working environment if both men and women are employed in the workplace.

Work environment organisation

As required by law, we have a work environment organization that works with our internal working environment.

In our organization, there are four from management and four employee representatives who work with action plans improving work environment. The work is organized with eight annual meetings, where tasks and projects are continuously prioritized and resolved. Prevention and registration of workplace vil du accidents and near-miss incidents are also handled by the work environment organization.

Works council

We have a works council that works to develop daily cooperation, create good working conditions, well-being and security. The committee consists of representatives from management, white-collar and blue-collar employees.

Benefits

We offer our employees a range of employee benefits

- + pension plan + healthcare plan + free flu vaccination
- + employee association + breakfast arrangement

22 | Social conditions in HMK Bilcon

Sick leave

Our sick leave is calculated as an average of sick days for employees minus long-term sick leave. We are continuously working to reduce our sick leave. Therefore, in 2024, we have created a new sick leave policy so that we can get this sorted out more quickly.

For 2025, we have set a goal that sick leave must be a maximum of 3% for blue-collar employees and 2% for white-collar employees.



Workplace accidents

Historically, the company has not had the necessary focus on registering workplace accidents. Therefore, the work environment committee has chosen to focus on every registration in order to be able to work with cause analyses, corrective actions, reducing accidents, and related sick leave.

The numbers of accidents are increasing with many registrations in 2024. There have been various minor injuries, such as cutting injuries, where cutting gloves and new knives have subsequently been purchased.



Satisfaction surveys

We have conducted satisfaction surveys among our employees every two years in collaboration with CO-industri. However, in 2023 we tried a digital survey from GAIS, which had a low response rate. Going forward, the surveys will be conducted every year with CO-industri, so we can continuously work on increasing satisfaction.

The result for 2025 of 73.3% is slightly above the national average of 71.7%, but we can always do better. Our works council continues to work with the results making improvement proposals that will be implemented in the future.



23 | UN global goals

We have continuously worked with the UN Sustainable Development Goals and have selected six goals that make sense to us and where we can contribute and make a difference.

Goal 4 – Quality education

- We work closely with educational institutions to help apprentices and students develop their professional skills.
- We have employed apprentices within relevant fields.
- We have employees in senior jobs, flex jobs and wage subsidies.
- All employees are offered further training e.g. LEAN.

Goal 6 – Clean water and sanitation

- Reuse of water during pressure testing.
- Faucets with water saving function in bathrooms.
- Washing areas are connected to wells with oil separators.

Goal 7 - Affordable and clean energy

- We will continuously optimize energy throughout the company.
- We purchase green electricity when possible to be resumed 2025
- We are working on integrating solar cells into our products.

Goal 9 - Industry, innovation & infrastructure

- We use LEAN management to increase production efficiency.
- We will streamline the use of resources and increase the use of clean and environmentally friendly technologies and industrial processes.

Goal 12 - Responsible consumtion and production

- Vi håndterer kemikalier og affald miljømæssigt forsvarligt.
- Affaldsmængden skal reduceres gennem forebyggelse, reduktion, genvinding og genbrug.
- Oplysninger om bæredygtighed skal integreres i vores rapporteringscyklus.
- Vi køber næsten alle computere, servere og telefoner refurbished/ genbrugt.

Goal 17 - Partnerships for the goals

- We are an active member of the Network for Sustainable Business Development North Denmark and participate in sustainable development projects, including "Det grønne rejsehold".
- We work closely with Business Aalborg on various development projects.
- We have made a green screening and green strategy with House of Energy.
- We are a member of the Aalborg Alliance, which works to create more jobs in Aalborg and North Jutland and reduce unemployment.
- We are also a member of the Climate Alliance in Aalborg, which is a partnership that works to reduce CO2 emissions through climate partners.
- We collaborate with High:five to help young people on the edge back into the labor market.
- Membership of Interforce, where we support Denmark's defence and preparedness with employees who are members of the reserve. force.



24 | Governance

It is important to us to run a healthy and proper business. Therefore, in connection with the ESG project, we have reviewed our business policies to ensure that they still meet current requirements.

Whistleblower policy

In 2024, we implemented a whistleblower scheme in accordance with the EU directive, making it possible for the company's employees to report matters that violate the law.

Quality policy

In accordance with our ISO 9001 certification, we have developed a quality policy to ensure that our customers experience high quality and professionalism in the use of our products and in contact with our employees. We are continuously working to identify potential risks and possible improvements to ensure the best quality.

Environmental policy

Our environmental policy is based on our ISO 14001 certification, and we work within the applicable legislation in the field. We continuously set new environmental goals to constantly minimize the company's environmental impact caused by our production.

Cybersecurity policy

The IT security policy was introduced in connection with our ISO 27001 certification. Together with our "acceptable use policy", it describes the requirements for all employees in connection with the use of our IT systems.

Work environment policy

Our working environment policy is based on our employees, who must be ensured a good and safe working environment every day. We do this, among other things, by integrating working environment into the decision-making basis for purchasing new technology, workplace design, organizational changes, and work planning. We prepare the statutory workplace assessment every three years and work continuously with improvements.

Code of Conduct

We have developed a Code of Conduct for our employees and suppliers with a focus on human rights, fair labor conditions, environmental conditions, and anti-corruption. As part of the ESG project, our Code of Conduct will be updated to raise expectations for our suppliers on ESG-related issues going forward.

Privacy policy

In accordance with GDPR and other applicable legislation regarding the collection and storage of personal data, we have a privacy policy that protects personal information in customer relationships, use of our website, and subscription to our newsletters.