SUSTAINABILITY REPORT

2022

QUPAQ

QUALITY QUANTIFIED

INTRODUCTION

CEO Letter

We are facing a time of significant changes and challenges, and we believe it is our responsibility to contribute positively to the society and environment in which we operate. Therefore, our approach to ESG and sustainability is to make it an integrated part of our corporate strategy and business practices.

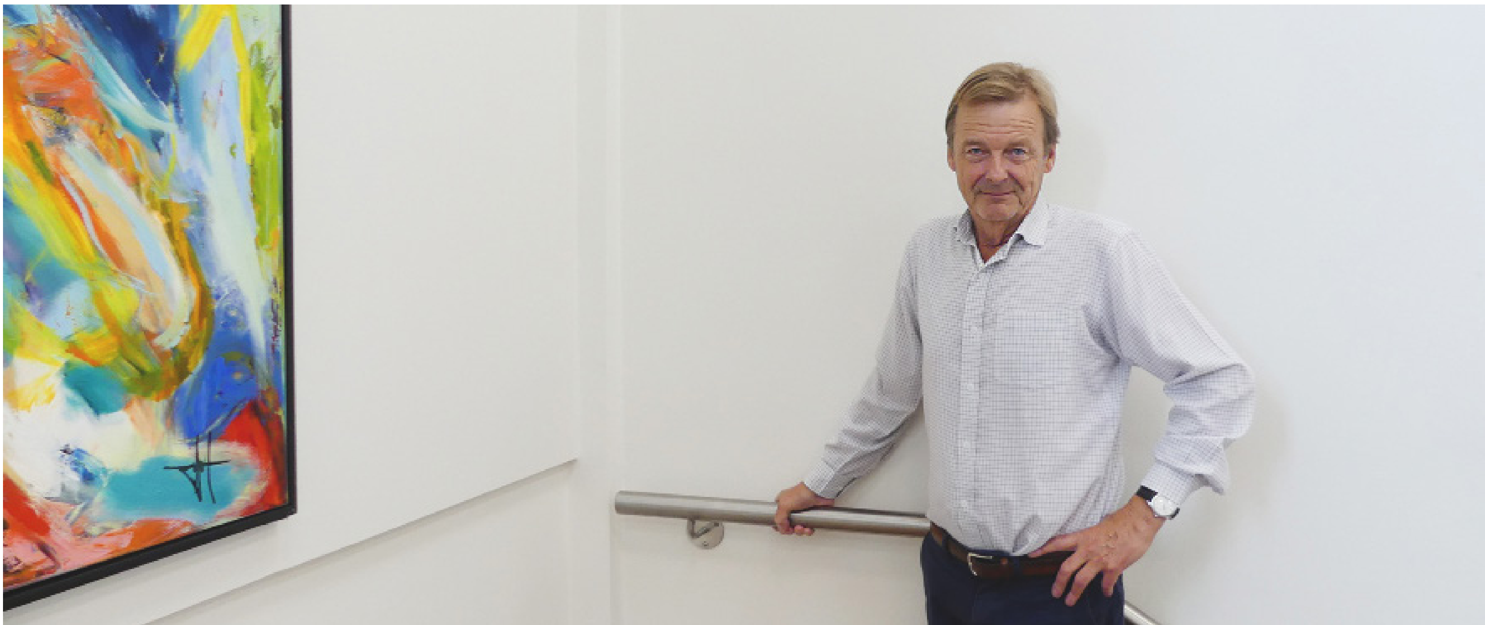
With a commitment to a sustainable future, we are currently in the process of setting ambitious goals to reduce our environmental impact and increase our positive influence on society. Our focus is on minimizing CO_2 emissions, enhancing energy efficiency, and promoting a circular economy through material recycling and reuse in our products and services.

Simultaneously, we are dedicated to ensuring that our supply chain adheres to our ethical standards and contributes positively to the communities in which we operate. We believe that our business practices should be based on integrity and ethical principles, and this will strengthen our relationships with our customers, partners, and stakeholders.

Recognizing our employees as our most valuable resource, we invest in their well-being and development, fostering an inclusive and diverse workplace that promotes their thriving and contribution to our success.

We firmly believe that our ESG and sustainability approach will enhance our competitive advantage and make a positive impact on society and the environment. We will continue to work diligently to set and achieve our ESG goals, further strengthening our positive influence on society and the environment.

Best regards,
Kim Weidemann



INTRODUCTION

QUPAQ at a glance

Introduction

QUPAQ is the world's leading provider of reliable and hygienic tray denesting and handling solutions for food producers, production line integrators, and equipment re-sellers.

Innovation is at the core of our DNA, which is reflected in our extensive product range comprising of innovative technologies, including:

INTRAY – the global leader in electric tray dispensing
ANYTRAY – the global leader in pneumatic tray dispensing.

We take immense pride in being pioneers in both technologies and the quality they deliver. We always strive to innovate and optimize them, maintaining our position as the world's leading company in this market.

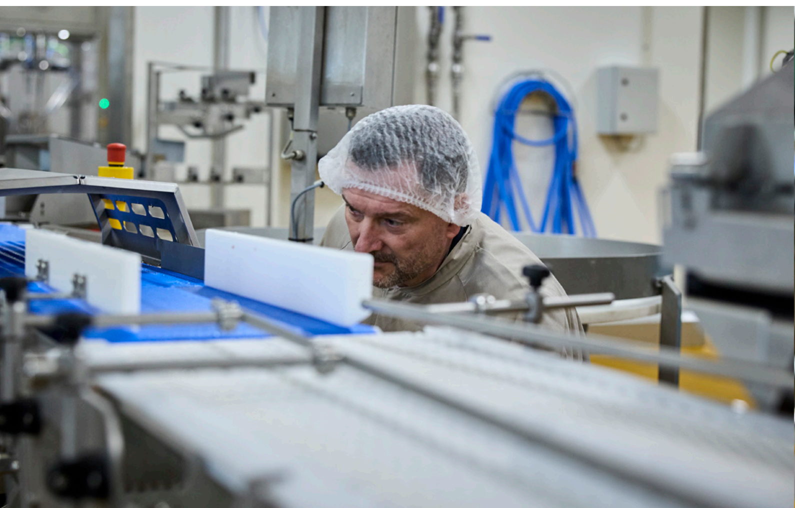
For us, quality is the essence of what QUPAQ represent. This applies not only to the products we deliver but also the collaborations and relationships we establish with customers, partners, and employees.

We firmly believe that diversity among our employees is a strength, and we are committed to creating an inclusive workplace where diverse perspectives, genders, backgrounds, experiences, and ideas come together to foster a dynamic and innovative environment.

We believe that a trusting relationship built on honesty and respect is crucial for both our customers' and our own success.

Our quality commitment and mission revolve around delivering reliable, hygienic, and efficient solutions for tray dispensing and tray handling, enabling our customers to replace costly manual labor with automated solutions.

For our customers, this means they can place their full trust in us, as our reliable, market-leading technologies and expertise guarantee a safe, simple, and profitable product solution.



QUPAQ
The history

Carsoe A/S was founded by Carsten Trudslev and Søren Ibsen	**1993**
Intech International A/S was founded by Leif Andersen	**1999**
Carsoe A/S initiated the development and production of dispensers	**2005**
Intech International A/S moved to a new factory in Brønderslev	**2006**
Carsoe A/S launches the ANYTRAY dispenser	**2007**
Intech International A/S began the development of INTRAY	**2012**
Intech International A/S obtained their first Intray patent. Now the group holds 10 patents	**2013**
Intech International A/S commenced the production of INTRAY	**2013**
Intech International A/S expanded the company in Brønderslev with 3500 square meters	**2017**
Solix acquired Carsoe A/S	**2018**
Intech International A/S acquired Damgaard Automatik A/S	**2019**
Solix acquired Intech International A/S and consolidated tray dispensing from both companies into one integrated company	**2021**
The production of ANYTRAY is relocated in Brønderslev	**2022**
The new consolidated company was named **QUPAQ**	**2022**
QUPAQ sets the world record in denesting trays with a total of 1,094 denested trays in 60 seconds	**2023**

18.89%

Female employees

81.11%

Male employees

87

Number of employees

10.75%

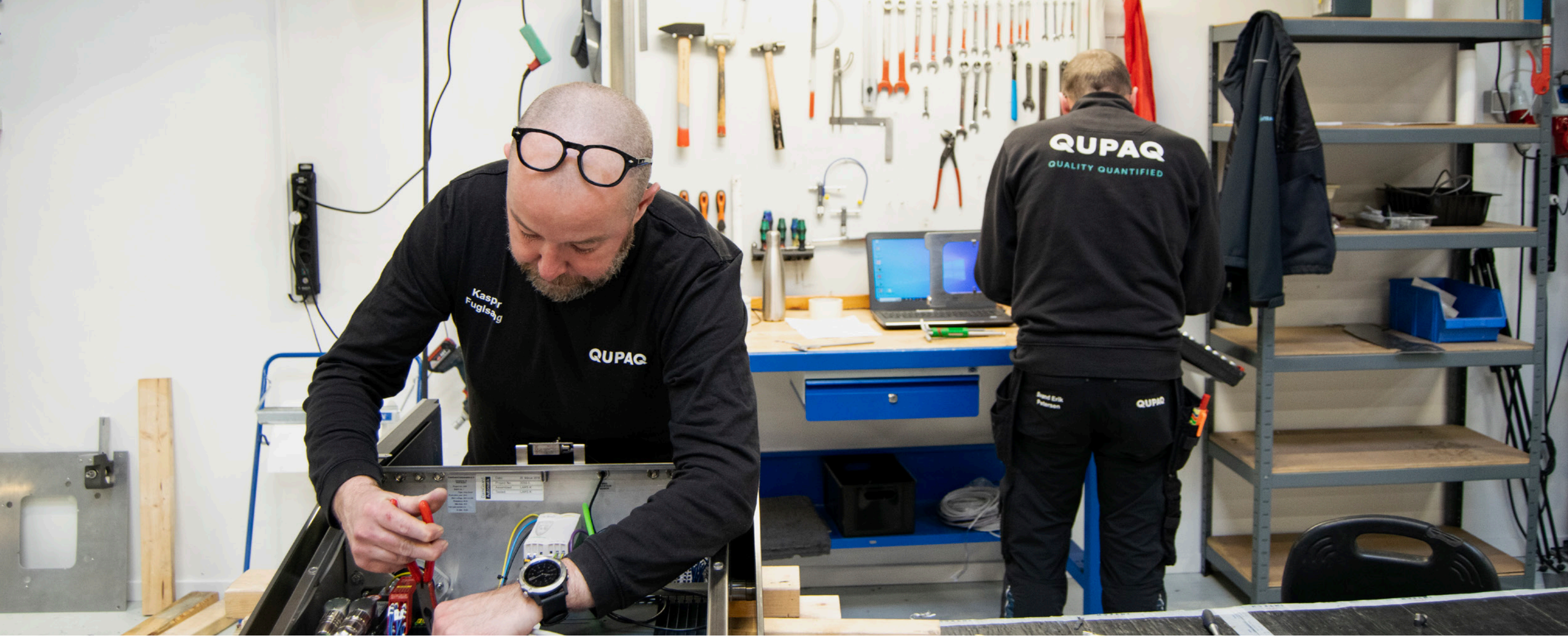
Employee turnover rate

1

Work-related accident

4

Near-miss accidents



ESG
in 2022

In 2022, we have taken significant steps to place ESG on the agenda and integrate it as a crucial part of our corporate strategy and practices. Recognizing our responsibility for sustainability as a fundamental element to promote long-term value, reduce our environmental impact, and strengthen our relationships with stakeholders and surroundings, we have embarked on a more formalized approach.

To facilitate this process, we have formed an ESG ambassador group, and hired a dedicated employee to lead the project. The purpose is to ensure continuous reporting and progress on the initiatives that need to be integrated into the company.

To identify the focus areas for the upcoming period, we have gathered data for the year 2022 concerning E, S, and G, as shown in the "Company in numbers" section page 15. Our ambition to work more structured with ESG has motivated us to engage external consultants specialized in these areas to assist us in achieving our strategy and roadmap while ensuring compliance with relevant legislation

Our expectation for the coming year is that we will have an ESG strategy and roadmap developed, along with relevant Key Performance Indicators (KPIs) through the aforementioned efforts.

ESG
Governance

MANAGEMENT GROUP

- C-level
- Overall ownership and responsibility
- Responsible for ESG strategy

HEAD OF ESG

- Coordination of initiatives
- Tracking progress and providing updates to the Management Group
- Preparation of reporting

ESG AMBASSADOR GROUP

- Employee involvement across departments
- Ensuring anchoring throughout the organization

ESG is anchored within QUPAQ by the Board and the top management. Ownership and responsibility for promoting necessary actions and initiatives towards sustainability are allocated to the executive management team. The leadership aims to establish a robust ESG strategy that focuses on addressing ESG risks and opportunities while creating business value.

The coordination of various sustainability initiatives is carried out from a newly established position called "Head of ESG," which was filled in the end of 2022. The position falls under the Finance department, which is responsible for the company's ESG reporting. The purpose of this role is to gather data from different departments within the organization and monitor the progress of ongoing projects.

To ensure ESG integration throughout the organization, an ambassador group has been formed, comprising representatives from the management group, Head of ESG, the Work and Environment group, and other employees. The aim is to ensure employee involvement since our workforce is the most crucial resource for generating ideas on how to make QUPAQ more sustainable.

The management is committed to regular ESG reporting. As a part of this commitment, they will establish an ESG reporting framework to ensure comprehensive and relevant reporting for stakeholders. This reporting should include an overview of QUPAQ's ESG strategy and goals, a description of identified ESG risks and opportunities, and an account of the company's performance in various ESG areas, including environmental, social justice, and governance aspects.

External expectations regarding sustainability will continue to evolve, and while we make progress in our efforts, we acknowledge that our priorities will change, and our objectives and reporting will evolve over time.

ESG AMBITIONS

Development of **strategy** roadmap

QUPAQ has a clear ambition to develop an ESG strategy and a corresponding roadmap in 2023. To achieve the creation of a high-quality strategy that meets both top management and public authorities' quality requirements, it has been decided to participate in an ESG Boost program in collaboration with external consultants, which has already been initiated at the time of writing.

Our approach to our ESG strategy and future work is illustrated below.

Ambitions

- Monitor and continuously prepare for customers' requirements and their ESG strategies
- Monitor requirements imposed on similar industries to respond to similar demands
- Calculate the CO2 baseline for scope 1 and 2 emissions
- Adopt reduction targets for scope 1 and 2 emissions
- Calculate scope 3 emissions
- Develop a detailed roadmap for upcoming ESG initiatives
- Measure waste in production and identify improvement measures

We will identify the most material environmental risks and opportunities, social and human rights challenges, and governance principles of the company's leadership. Key areas will include reducing our carbon footprint, strengthening the supply chain, and improving working conditions for employees and partners.

Setting ambitious goals and success criteria for our ESG strategy will be essential, including a reduction in the carbon footprint within our supply chain. Preparing for SBTi (Science-Based Targets initiatives) requirements is a part of our commitment.

Developing a transition plan to achieve our goals will involve various strategies, such as investing in renewable energy and supply chain efficiency, providing employee training, and collaborating with suppliers to implement a code of ethical conduct.

To raise awareness and engage stakeholders, we will communicate our ESG strategy both internally and externally. Initiatives will include the publication of annual ESG reports, participating in ESG initiatives, and working closely with stakeholders to improve our ESG performance.

We will measure and report our progress towards our ESG goals and success criteria. This will include periodic monitoring of ESG performance, benchmarking against other companies, and publishing updated ESG reports to document our advancements and achieve increased transparency.

ESG AMBITIONS

Preparations for the **Double Materiality Assesment**

In line with applicable regulations and quality requirements along with the development of our strategy and roadmap, we will conduct a Double Materiality Assessment to screen QUPAQ's sustainability issues in 2023. To accomplish our Double Materiality Assessment, we will base it on ESRS standards, enabling us to identify the most significant areas within sustainability. All relevant activities within the company and the value chain will be evaluated and identified, and each issue will be prioritized based on its magnitude and significance to QUPAQ and our key stakeholders.

This task will be carried out by the ambassador group in collaboration with key employees and external consultants. During the execution, the group will consider factors such as the company's long-term goals and competitiveness, its values and vision for sustainability, its attractiveness as an employer, market trends, sustainability legislation, access to financing, and financial performance.

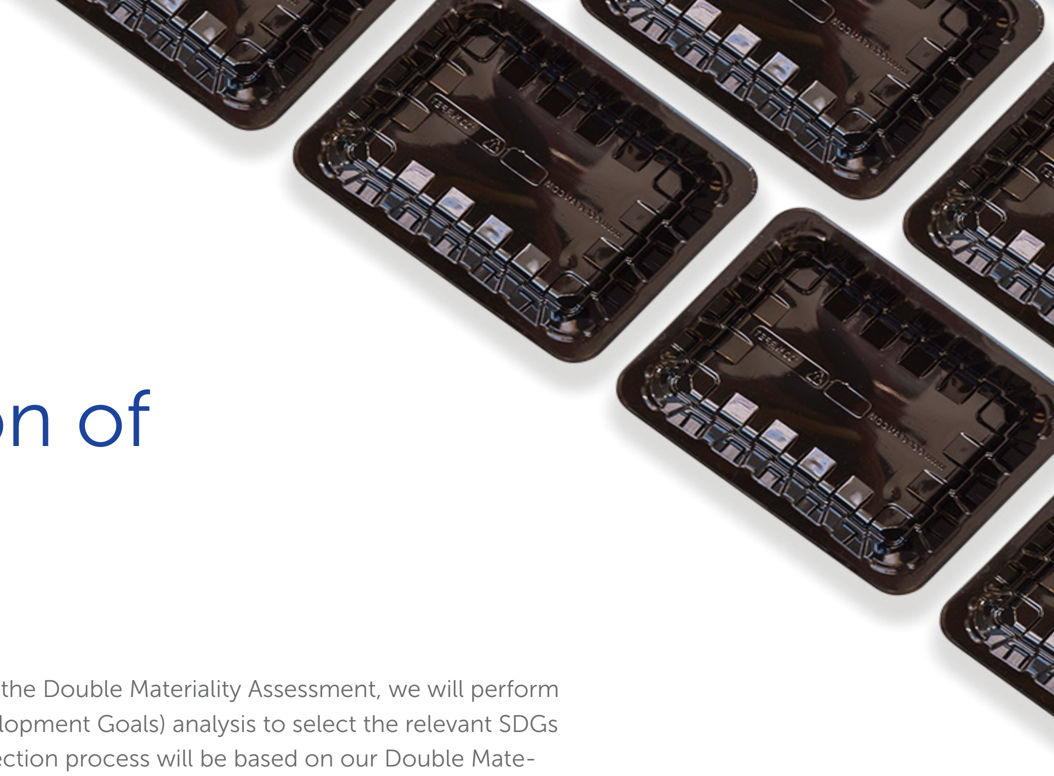
Our intention is to communicate openly about our Double Materiality Assesment and its progress, and we will regularly update our assessment to ensure that we address the most relevant topics for our business and stakeholders.

CLIMATE ACTION

- With a focus on target 13.2
- Integrate climate measures into national politics, strategies and planning

RESPONSIBLE CONSUMPTION AND PRODUCTION

- With a focus on target 12.6
- Encourage companies, especially large and transnational companies to adopt sustainable practices and to integrate sustainability information into their reporting cycle



ESG AMBITIONS

Selection of **SDGs**

In addition to conducting the Double Materiality Assessment, we will perform an SDG (Sustainable Development Goals) analysis to select the relevant SDGs for the company. Our selection process will be based on our Double Materiality Assessment concerning our impact on society and the environment. Through this process, we aim to identify areas where we can exert the most significant influence and make a positive difference.

The focus areas identified through our Double Materiality Assesment will be compared with the 17 Sustainable Development Goals established by the United Nations. For each focus area, we will identify the SDGs that best reflect our impact and potential for positive change. In this way, we aspire to align our actions with the global agenda for sustainable development.

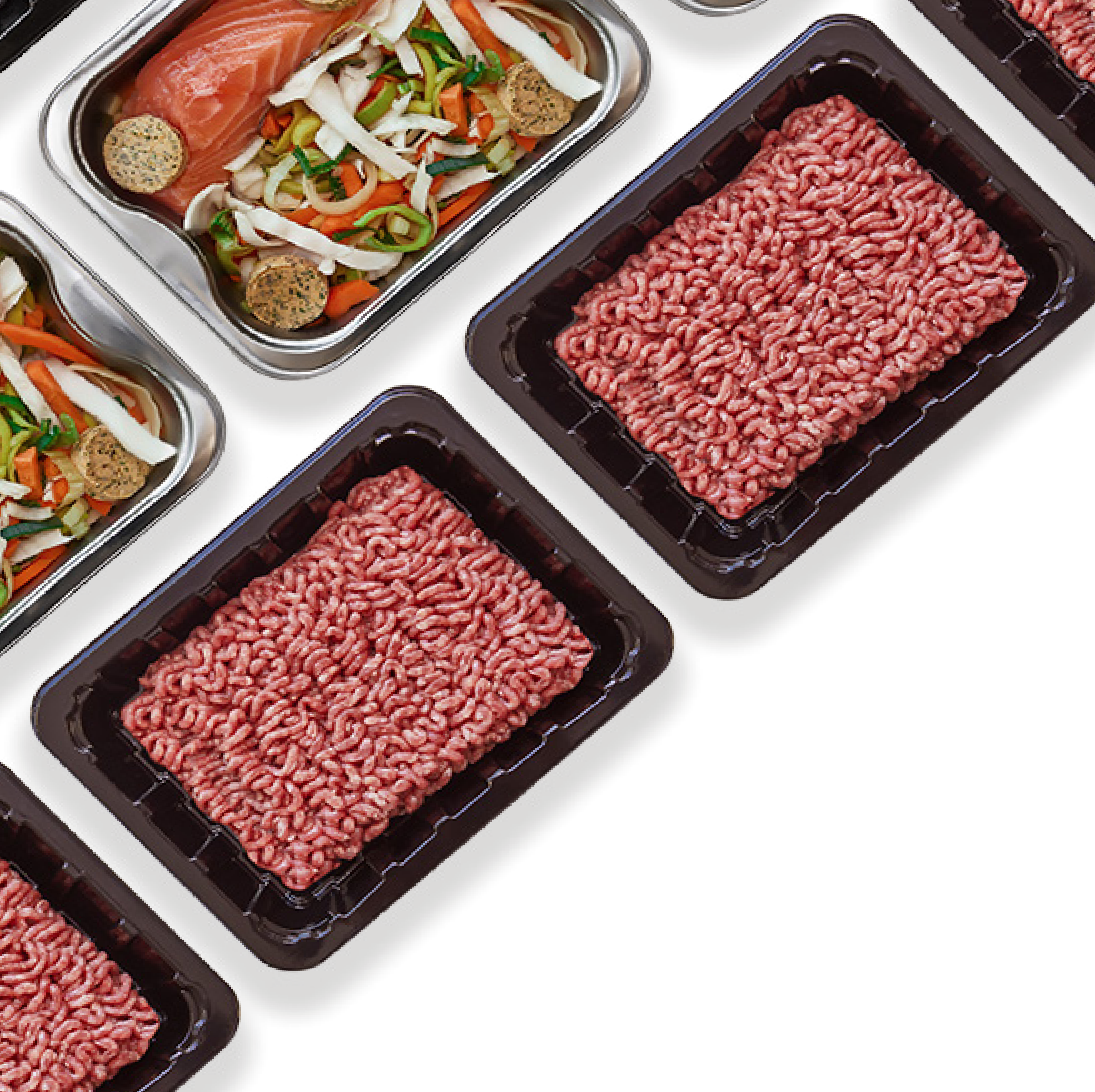
As a portfolio company, we have already committed ourselves to the Sustainable Development Goals listed below.

DECENT WORK AND ECONOMIC GROWTH

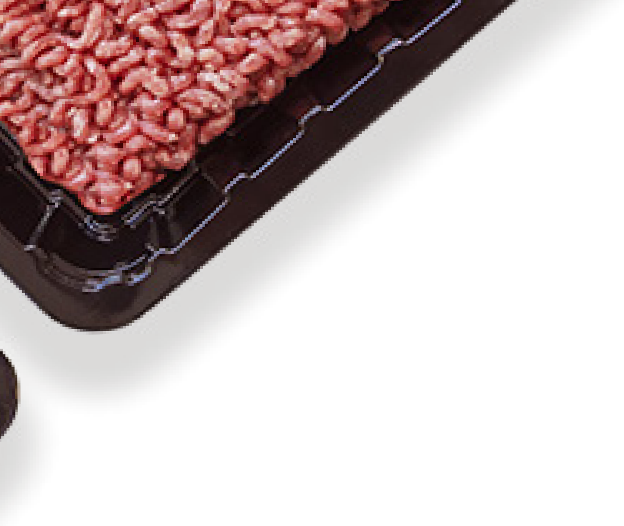
- With a focus on target 8.8
- Protect labour rights and promote safe and secure sorking invironments for all workers, including migrant workers, in particular women migrants and those in precarious employment

GENDER EQUALITY

- With a focus on target 5.5
- Ensure women's full and effective oarticipation and equal opportunities for leadership at all levels of decision-making in political, economic and public life



QUPAQ
in numbers



Indicator	Unit	2022
Scope 1	Ton CO2e	No data to report on *
Scope 2	Ton CO2e	No data to report on *
Total water consumption	m3	504.68
Total recordable incident rate (TRIR)	Per 200.000 WH	No data to report on *
Near miss frequency rate (NMFR)	Per 200.000 WH	No data to report on *
Employee turnover rate	%	10.75
Full-time employees (FTEs)	Number of employees	87
Employee sickness absence	Days	642.61
Management female	%	0
Management male	%	100
Employees female	%	18.89
Employees male	%	81.11
Board of Directors underrepresented gender	%	50
Board of Directors male	%	50

* We have no data for 2022, but we expect to report on this for 2023

QUPAQ

QUALITY QUANTIFIED

QUPAQ
Erhvervsparken 16
DK-9700 Broenderslev

P. +45 96 46 76 00
F. +45 96 46 76 01

qupaq@qupaq.com
www.qupaq.com