

Sustainability and our responsibility



Climate neutral by 2030

We hereby share with you our commitment to the Paris agreement goal of 2°C. It is ambitious but a necessary and very important goal to make this world a better place for ourselves, our children, our family, and the generations who will follow us. To reach the goal, we must radically reduce our carbon emissions by changing how we make our products and run our business. Only through mindful and ambitious decisions will we be able to reach our goal.

We know that the path hereto starts with a strong baseline, namely accurate CO₂ accounting. The year 2022 marks our first calculations for scope 1, 2 and 3. The calculations are based on data from the year 2019 since this reflects a year with no Covid-19 impact, which we consider most trustworthy. These calculations have given us a very useful overview and have helped us identify key intervention areas. As expected, most of our emissions are to be found in scope 3, which emphasises the importance of close collaborations with our partners and suppliers.

Looking forward our ambitions are clear: By 2030 we want to reduce our emissions for scope 1 and 2 by 46%, and scope 3 by 28% (compared to our 2019 baseline).

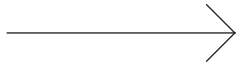
Our 2022/23 focus is two-fold: We will collect more activity-based data to further refine our calculations, and simultaneously we will pursue emission reductions related to product modularisation and design principles to make impactful design and production that will reduce our products emissions, reduce stainless steel waste, reduce use of chemicals, identify emission reduction opportunities with suppliers, reduce flight transport of supplier goods and business travelling, update company car policy to only allow hybrid or electric cars.

On the following pages we share results and highlights from our carbon calculations as well as our key actions for 2022/23.

We look forward to sharing our progress and hope you will follow along on our path towards a better world.

What does it mean?

We are all aware that climate change is the defining issue of our time requiring our full attention. While we are raising global ambitions through reduction targets, it can be useful to establish common ground on some of the different terms.



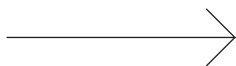
Carbon Neutral

Balancing out the total amount of carbon emissions through effective measures inhouse and supporting external emission reduction projects.



Climate Neutral

An extension of Carbon Neutral where all carbon emissions and greenhouse gases (GHG) emissions are balanced out. Climate Neutral leaves nothing out.

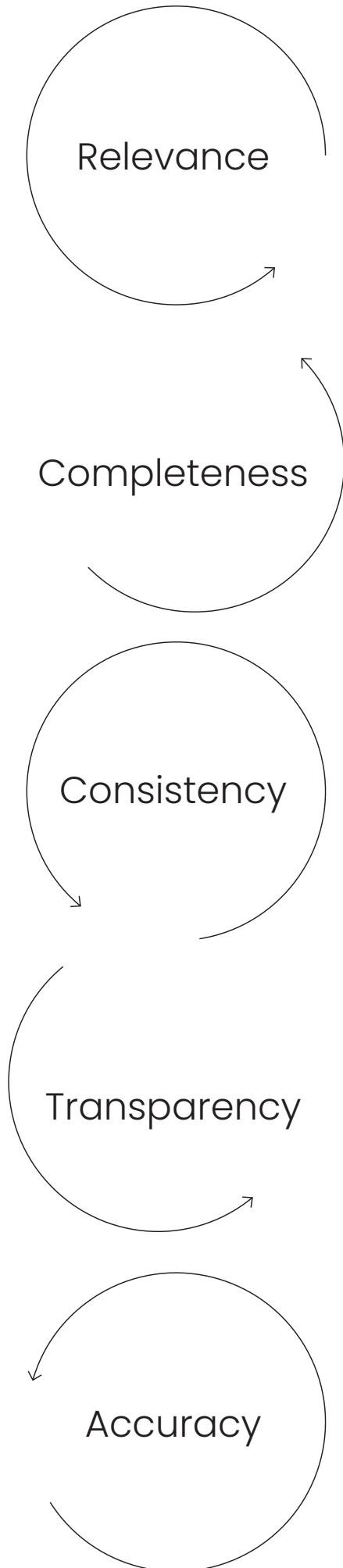


Net Zero

An extension of Climate Neutral where the carbon emissions and greenhouse gases going into the atmosphere are balanced by removal out of the atmosphere not only through compensation but also with a reduction of your emissions from your operations as close to zero as possible.

How we measure our emissions

Our calculations are made in accordance with the recognised international accounting- and reporting standard Greenhouse Gas (GHG) protocol. To ensure a true and fair representation of our emissions, our baseline year is 2019, since we find this most representative for full activities in our company (no Covid-19 impact).





Our result 2019

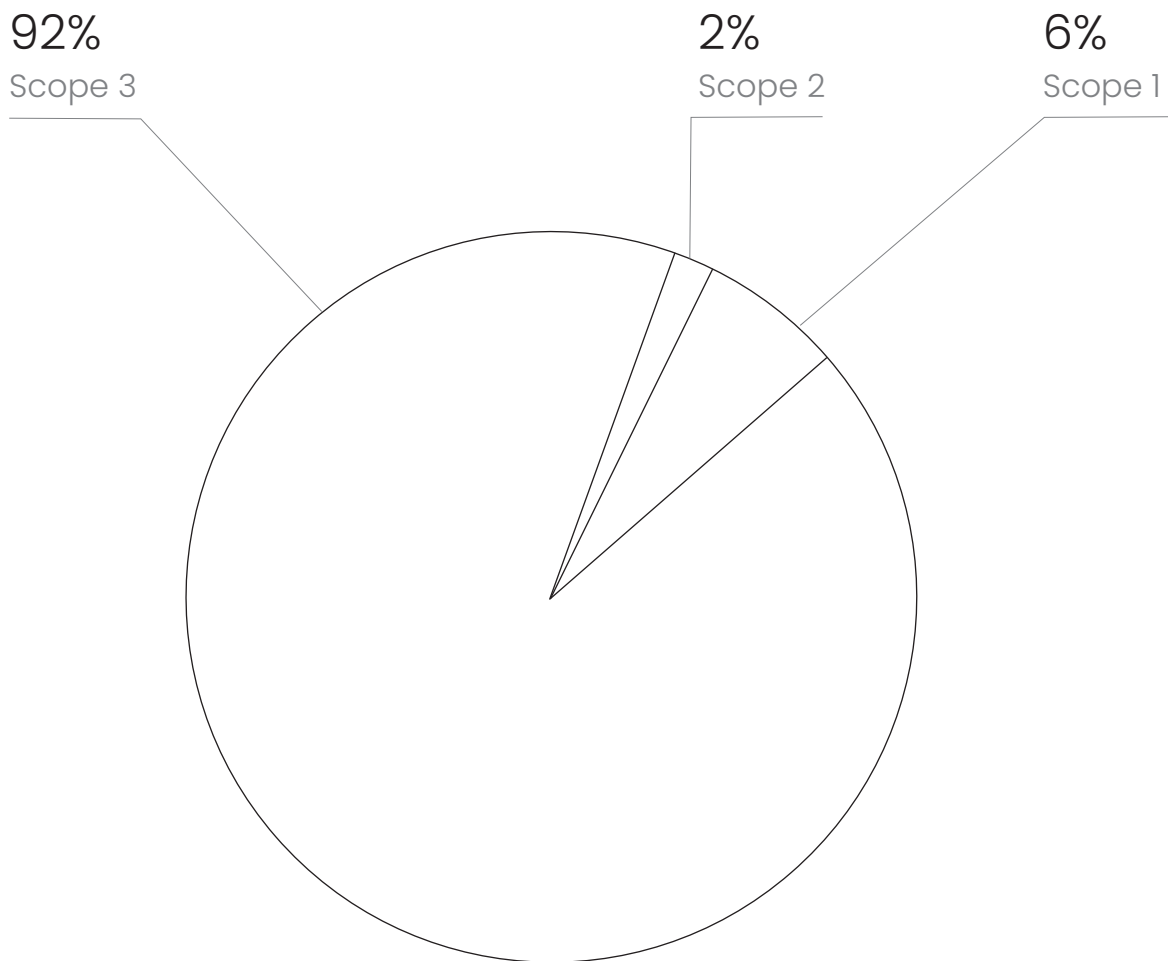
4.968

Tons CO₂e in total

Scope 1 – 313 ton CO₂e

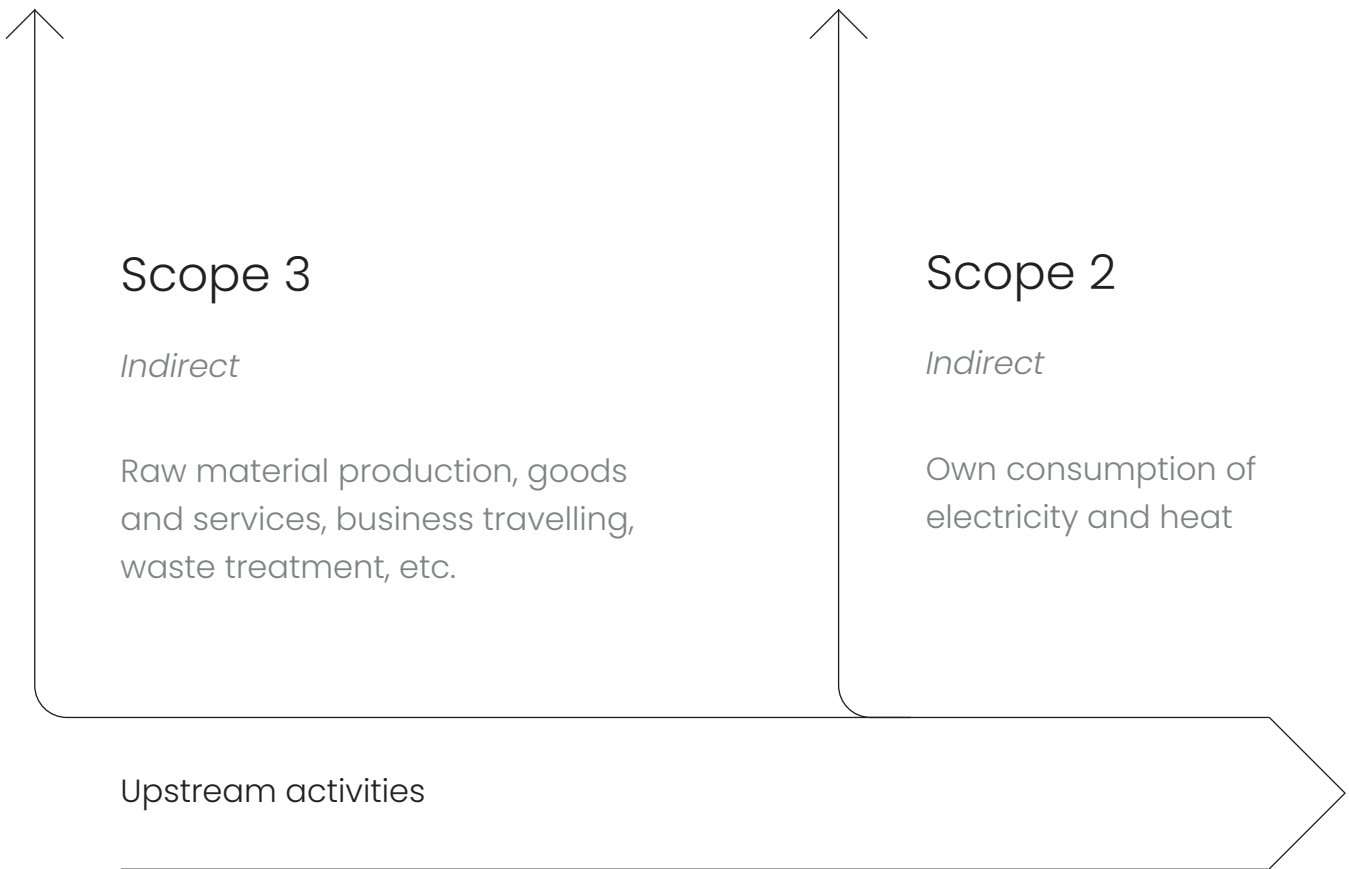
Scope 2 – 86 ton CO₂e

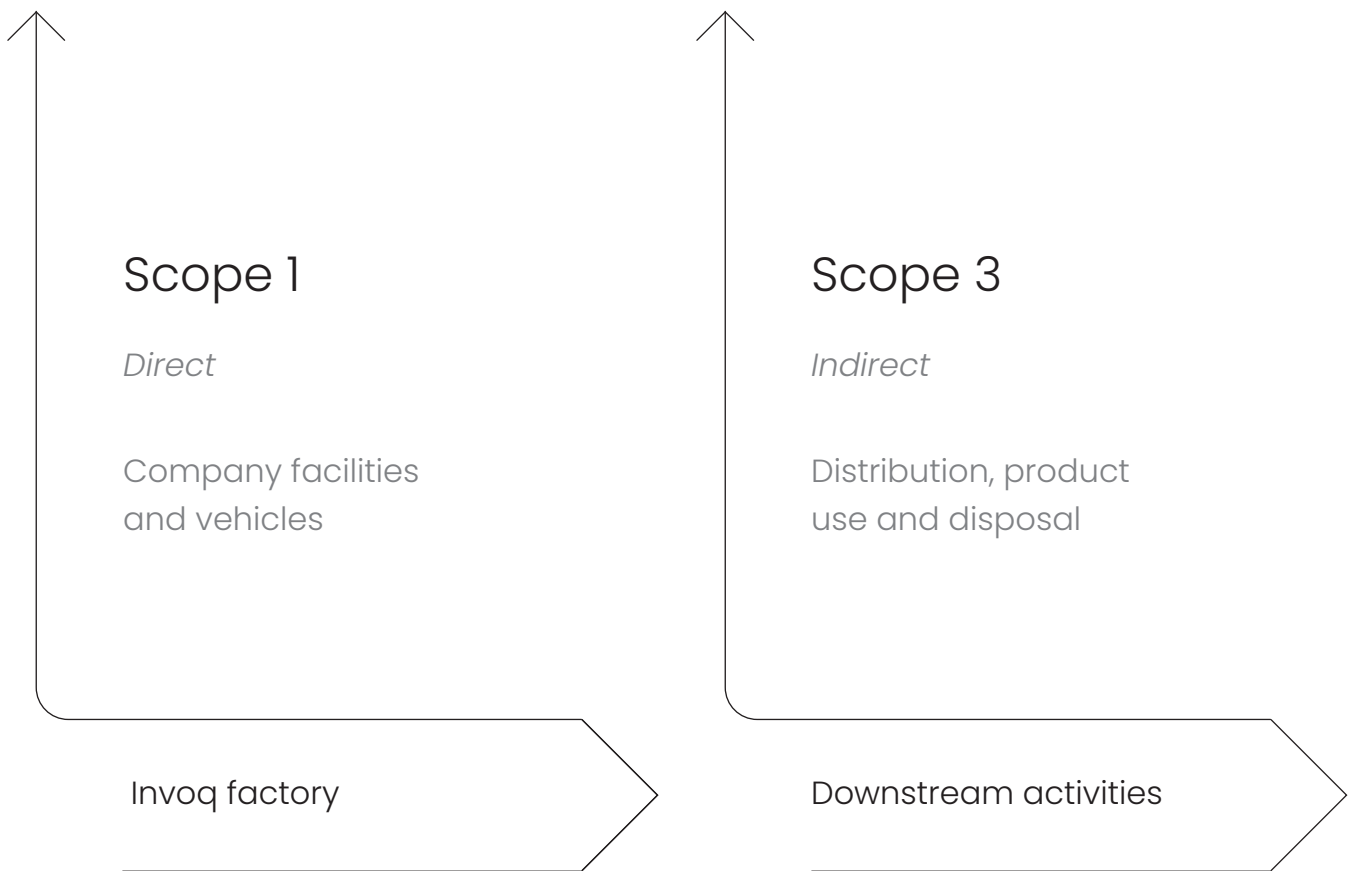
Scope 3 – 4.566 ton CO₂e



Measuring our GHG emissions

In accordance with the GHG protocol, we measure and report our emissions in scope 1, 2 and 3.



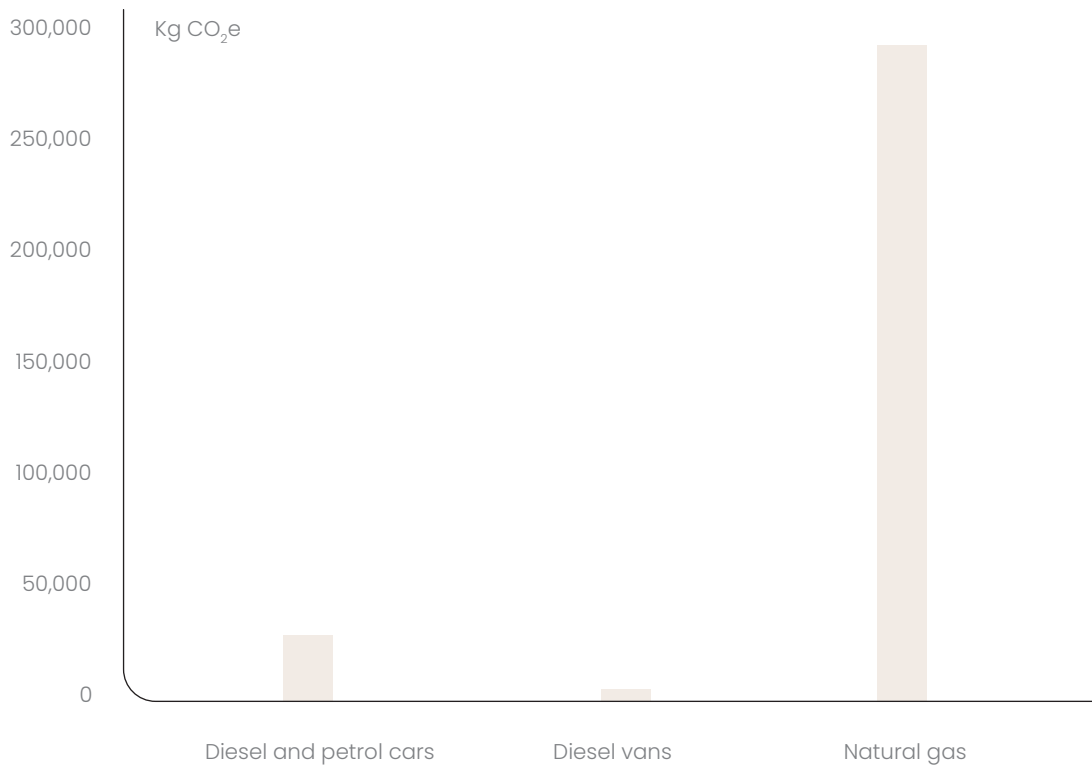
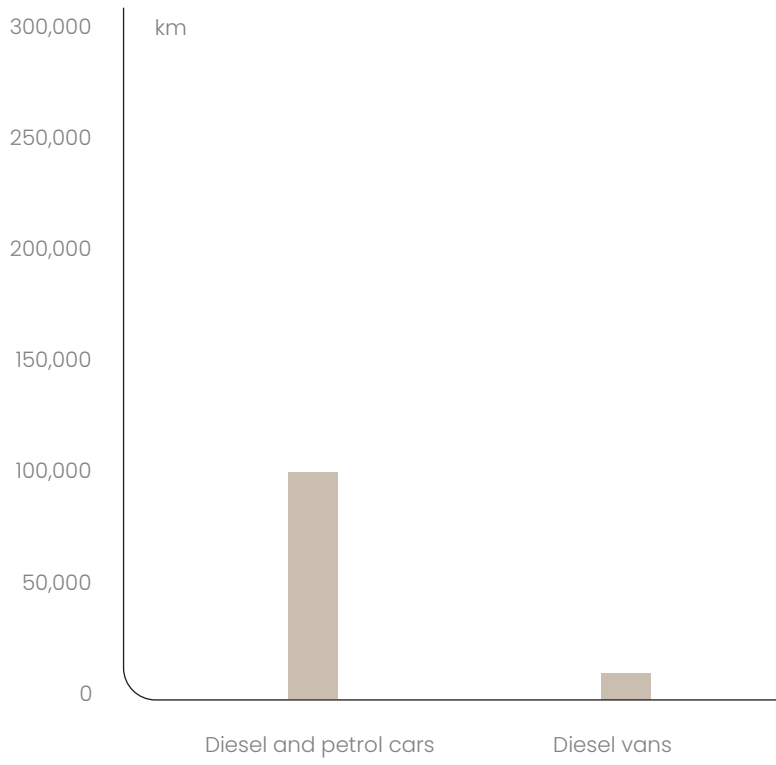


Overview of scope 1

Scope 1 consists of natural gas emissions from our operations and diesel emissions from our company vehicles. Car emissions are based on kilometres driven, where an average emission factor has been applied.

Scope 1 percentage of total emissions = 6%

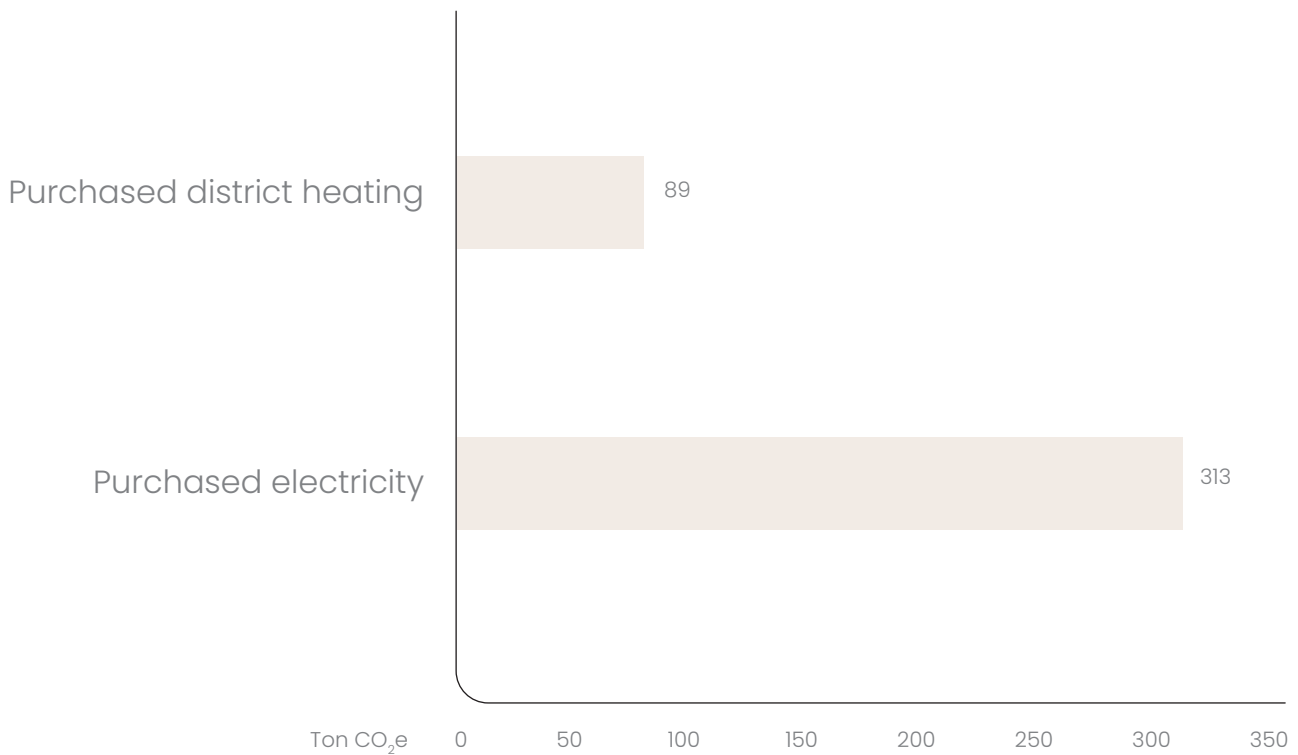
Scope 1	kg CO ₂ e
Diesel and petrol cars	22,000
Diesel vans	2,000
Natural gas	288,000
Total scope 1	312,000



Overview of scope 2

Scope 2 measures emissions from purchased electricity and heating for our factory at Alsvej and our warehouse at Frederikdalsvej in Randers. The electricity number includes the use for end line testing of all our products before they are provided to our customers.

Scope 2 percentages of total emissions = 2%



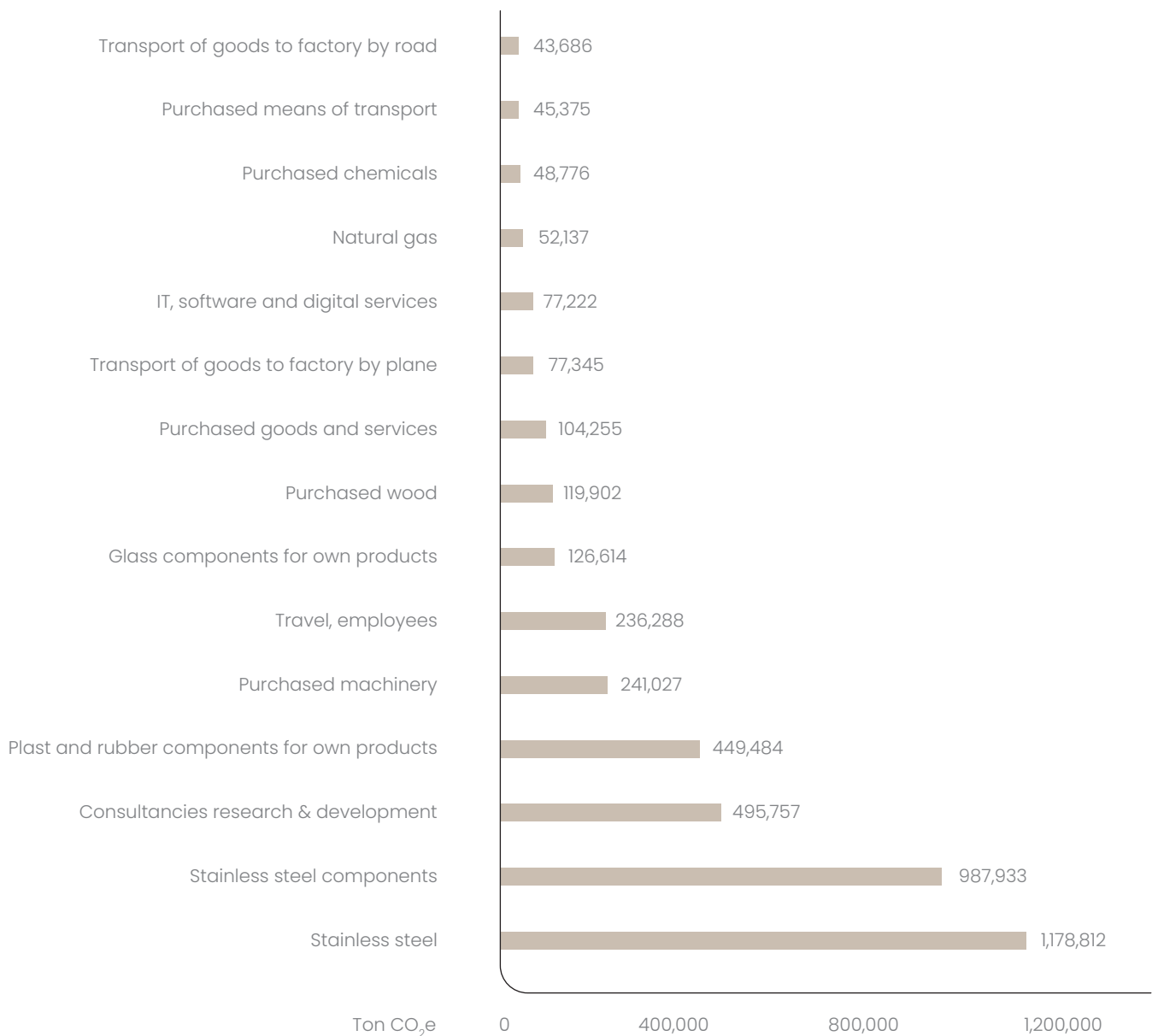




Overview of scope 3

Scope 3 consists of all production, distribution and services. This scope by far constitutes the largest share of our total emissions and holds the highest potential for substantial reductions.

Scope 3 percentages of total emissions = 92%



Invoq factory ESG and the UN Sustainable Development Goals (SDGs)

ESG stands for Environmental, Social and Governance, often referred to as sustainability. In our context, sustainability is about our business model, i.e. how our products, services and way of working contribute to sustainable development. It is also about how we manage our operations to minimise negative impact.

Environmental

Global production and consumption have a major impact on our environment. When producing and consuming everything from products to food, we contribute to climate change, resource depletion, waste, pollution, deforestation and biodiversity loss to name just a few examples.

Social

We take responsibility for our employees as well as the impact on the societies in which we operate – for instance in terms of working conditions, labour rights and diversity.

Governance

Governance serves as a control mechanism in relation to bribery and corruption, tax, policies, and internal control. We believe active corporate governance is important and provides long-term benefits for shareholders, employees and society.

HOUSE of Sustainability

From a manufacturing perspective, our HOUSE of Sustainability contributes to several of the SDGs. In the following we describe our most relevant SDGs and how we contribute towards them.

Our HOUSE of Sustainability includes our most important sustainability issues helping us improve our planet.

Our HOUSE of sustainability

Accountable solutions

Offer leading energy and resource efficient products (E)

Offer circular products and solutions (E)

Offer highest working safety with our solutions (S)

Eliminate harmful materials (S)

Accountable company

Become climate neutral and drive clean and efficient operations (E)

Always act ethically and respect human rights (G)

Drive supply chain sustainability (E)

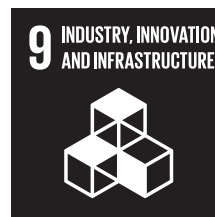
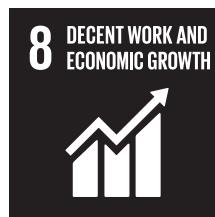
Accountable for healthier living

Enable the making of healthier and more sustainable food (E)

Enable less food waste (E)

Engage in company activities stimulating the well-being of our employees (S)

(E) = Environmental, (S) = Social, (G) = Governance



Paris agreement commitment of 2°C

Our HOUSE of sustainability



With our products and innovations, we are particularly committed to providing a safe and ergonomic working environment for users of our equipment.

Our product provides health promoting cooking methods that enables our customers to serve their guests healthy, high-quality food with minimum waste. We also engage in company activities stimulating the wellbeing of our employees.



Since water is one of the scarcest resources we have, our responsibility to protect and use it wisely is a key area for us. We constantly innovate our products to improve and minimise the consumption of water and wastewater. Within our production facilities, we continuously improve to minimise energy, water, waste, wastewater and emissions in its processes. Our products' innovative cooking methods enable our customers to create healthy food with a minimum of water required.



A very important topic for us is to provide a safe and healthy working environment for all our employees, being women, men, gender minorities, young or elderly, or people with disabilities.

Likewise, competences and knowledge are key attributes for us. Training and education are a vital part of maintaining and enhancing productivity and innovation skills throughout our company.



Our CO₂ reductions are mainly driven by two action areas namely how we by innovative and energy leading products can lower our products', and our customers', CO₂ footprint throughout the lifetime of our products.

Also, our climate neutral actions drive sustainability throughout our value chain by establishing reduction goals in collaboration with our partners.



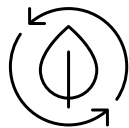
Our lean production philosophy ensures a constant focus on minimising waste in our operations. The highly modularised products minimise complexity and postpone user customisation resulting in better products, better lead times and lower waste.

It is a top priority for our appliances to save resources over its lifetime. Durability and recyclability of our products are vital parts of this.

Our first steps for emission reductions



Use product modularisation and design principles for impactful design and production which reduce our products emissions.



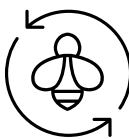
Reduce stainless steel waste.



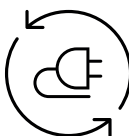
Reduce use of chemicals and harmful materials.



Identify emissions reduction opportunities with our suppliers.



Reduce flight transport of supplier goods.



Update company car policy to only allow hybrid or electric cars.

