

A close-up photograph of a hand holding a stream of water. The water is falling from the hand, creating a series of droplets. The background is blurred, showing a window with a grid pattern and some greenery.

# Sustainability Report 2025

Dear Stakeholders,

**2025 has been a year of consolidation for Guldager A/S.**

Following the transformative acquisitions completed in 2024, our main priority in 2025 has been to strengthen the foundation of the enlarged Guldager Group. We have focused on integrating our businesses, aligning internal processes, improving collaboration across countries and business units, and creating a stronger platform for future growth.

This consolidation has also shaped our ESG work. Rather than pursuing a broad range of new initiatives, we have concentrated on bringing more structure, consistency, and reliability into our sustainability efforts. This includes improving data collection, strengthening our internal ESG reporting processes, and continuing the work of harmonizing policies and practices across our organization.

For the 2025 ESG report, we have included the activities in Denmark, Sweden, and Norway. This scope reflects where we currently have the most mature data foundation and where we are best positioned to ensure consistency and reliability in the reported information. Going forward, our ambition is to continue developing the reporting scope as our internal ESG processes mature across the group.

In Denmark, Guldager is also in the process of obtaining ISO 9001 certification for quality management and ISO 14001 certification for environmental management. This work will be closely linked to our ESG efforts and will support a more structured approach to quality, environmental responsibility, documentation, and continuous improvement.

While 2025 has primarily been a year of building, aligning, and maturing, our commitment to sustainability remains unchanged. We continue to see environmental responsibility, employee well-being, and strong governance as important elements of a resilient and future-ready business. As a provider of intelligent water treatment solutions, we are conscious of the role we play in helping customers use resources more efficiently and responsibly.

The progress made in 2025 may not always be visible through new initiatives, but it is an important step in creating a more robust ESG foundation. By strengthening our internal structures and improving the quality of our data, we are better prepared to set priorities, measure progress, and take meaningful action in the years ahead.

I would like to thank our employees, customers, partners, and owners for their continued trust and support. Together, we are consolidating a stronger Guldager Group — one that is well positioned for sustainable growth and long-term value creation.



**Claus Christian Torbøl**  
CEO



**CEO STATEMENT**

# STRATEGY & PROGRESS

**This report marks the fifth ESG report from the Guldager Group and reflects an important transition year. In 2024, our primary focus was on integrating three newly acquired companies – Vision Watercare, ARO Energy Solutions A/S, and VAI Service – into the Guldager Group.**

These acquisitions significantly expanded our operational footprint and service offerings across Scandinavia. With integration being our top priority, our ESG initiatives in 2024 did not progress as actively as in previous years. However, we laid the foundation for renewed and stronger ESG efforts by aligning policies, systems, and reporting structures across the expanded group.

While we paused the launch of major new sustainability initiatives, we continued to uphold our commitments to responsible business conduct. We also began harmonizing data collection processes and identifying shared opportunities for environmental and social impact.

Looking ahead, we aim to consolidate these efforts and refocus our ESG agenda with a more unified approach across all entities in 2025. The work done this year ensures that our future ESG reporting will be stronger, broader in scope, and more representative of the entire Guldager Group.

At Guldager, our vision for sustainability is a vibrant tapestry woven with a commitment to several Sustainable Development Goals (SDGs) set forth by the United Nations.

These SDGs provide the foundation for our journey toward a more sustainable and responsible future. In pursuit of these SDGs, we are not just working to fulfil our corporate responsibilities; we are also contributing to a more equitable, just, and sustainable world. Our vision for sustainability reflects our belief that business success is intertwined with global well-being, and we are committed to being a force for positive change. Together, through our actions and determination, we aspire to make these visions a reality and to leave a legacy of sustainability and responsibility for generations to come.

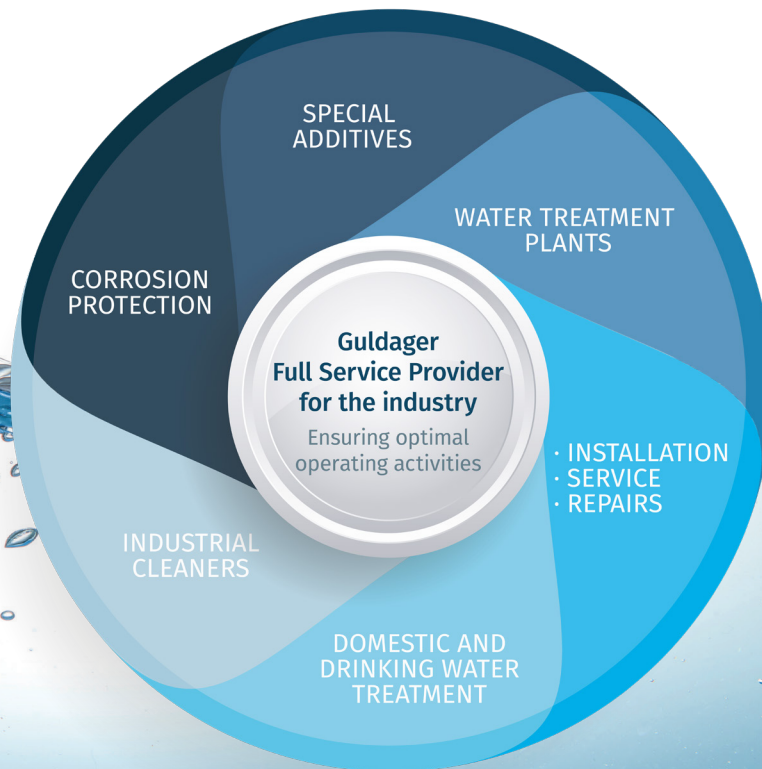
One of our most significant contributions continues to be inherent in our business model, as delivering our intelligent water treatment solutions enables our customers to substantially reduce their environmental footprint. This is achieved by prolonging the lifetime of their equipment and reducing their consumption of energy and water. We have initiated various internal projects to gather information about the carbon footprint of our products and services and the difference they make for our customers.

**We call this Wise Water Treatment.**

With experience and access to the latest technologies, the Guldager Group has been a full-service provider of plants, equipment, additives, consultancy, and services within water treatment for almost 77 years.

## Intelligent water treatment solutions

As a Full Service Provider, we deliver turnkey solutions for heating, district heating, and cooling systems among others



Today we provide services to more than 10,000 customers in Denmark, Sweden, Norway, Germany, Switzerland, and Belgium and employs more than 130 employees.

Inevitably, our delivery of services and products has an impact on both climate and the environment through consumption of energy, water, transportation, and waste. Therefore, our strategy on corporate responsibility is centred around several of SDG's which are currently Guldager's focus areas and have the most significance for Guldager, the community, and our stakeholders.

These targets are listed below with a description based on the UNGC taxonomy and the specific ambition and contribution that the Guldager Group provides. Targets are not listed in order of priority as each of them is considered equally important.

SDG target	Description of target	Contribution
<p><b>7.3</b></p> 	By 2030, double the global rate of improvement in energy efficiency.	<p>Our ambition is to become an energy neutral company.</p> <p>We're in the process of developing tools to monitor and register energy, water and carbon emission savings of customers through</p>
<p><b>12.5</b></p> 	By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse.	<p>We want to recycle as much of our waste as possible.</p> <p>Two years ago, we implemented waste sorting in Guldager's Danish HQ and through the sorting scheme we aim establish KPIs to monitor our waste production.</p>
<p><b>6.4</b></p> 	By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.	<p>Our ambition is to reduce our customers' overall water consumption.</p> <p>To reach this goal we're in the process of developing a tool to monitor and register water consumption of customers and reductions through deliveries of Guldager.</p>
<p><b>8.8</b></p> 	Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	The health and safety of our employees is key to the Guldager Group, and we want to protect labour rights in a safe working environment.
<p><b>5.5</b></p> 	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.	We aim at increasing the share of women in the board of directors and management, when possibilities arise through natural exchange of personnel.

As mentioned above the improvement in **energy efficiency (target 7.3)** is considered a key target for the Guldager Group as our customers experience significant energy savings through our products and services. Going forward we plan to measure our key supplier's environmental energy footprints (to obtain a full picture of our climate impact) and demand improvements over time.

Waste production continues to be one of the largest direct impacts of our operations which is why **SDG 12.5 is another key target.**

We've initiated an ambition to **sort and reuse as much waste as possible** and the initiative was initially an investment for the Group but was deemed necessary to reduce our environmental footprint through recycling and reuse.

The increase of **water use efficiency (target 6.4)** is obvious in this context as it relates to the core business of Guldager: Improving water quality, minimizing water consumption, and enabling water recycling.

**SDG's 8.8 and 5.5** originates from the history of Guldager as a company, who always recognized the importance of employee wellbeing as a key to being successful. And we view both health issues, work safety and gender equality as key factors in maintaining and developing a successful organization in the future.



**Guldager is a company that has experienced rapid financial growth for several years, which has naturally led to an increase in overall activity levels. This should always be taken into account when analyzing the environmental footprint of Guldager's operations. During the 3-year KPI period, Guldager has achieved a gross profit growth of 46%.**

The total direct emission of carbon (scope 1 & 2) of the activities in Denmark, Sweden and Norway amounts to 279 tons. Comparing this figure to the 2023 emission the increase has been close to 18%, while the overall activity increase was 46%, explaining why Guldager views this development as very positive. When viewing the new KPI of Scope 1+2 emissions per mio DKK of Gross Profit the KPI shows a decrease from 4,0 tons/mio DKK in 2023 to 3,1 tons/mio DKK in 2025.

Since 2023 we have been transitioning company cars to electric vehicles, contributing positively to our goal of reducing carbon emissions. However, we also see that a major contributor to the reduction in carbon emissions - despite increased activity - is the improved utilization of mileage from fossil fuel-powered vans. We are reaching a limit to how far this transition can be driven, as many of our service vans are heavily loaded with tools and equipment, making them too heavy for electric alternatives to be a viable option with the present battery technology of electric cars. Seen in this light, our ability to service our customers with the lowest possible mileage is a key to short term improvements, while our longer term improvements will rely on electric car technology being improved to accommodate heavy vehicle operation.

The major part of the water consumption in Guldager is consumed at the production site of Vision Water Care, which uses the water to regenerate reusable filters for the horeca market. From 2024 to 2025 we registered an increase of water consumption of 21% due to increased throughput. Since 2023, we have continuously implemented improvements to increase the reuse of water resources, resulting in a reduction in water consumption per filtration unit from approximately 300 liters to 50 liters.

The reusable filters of Vision Water Care constitute a vast environmental improvement at the customer site. In 2025 we had an independent agency calculate the environmental impact of the Guldager filters and compare this to the non-reusable filters brought to market by our competitors. The report concluded that Guldager filters reduce CO<sub>2</sub> emissions by a factor of 18 compared to non-reusable alternatives. Furthermore the filters vastly outperform the competitor product in all environmental categories evaluated; amongst these are eco-toxicity, eutrophication in marine & freshwater, human toxicity, water use and resource use of fossils, minerals and metals.

In the category of waste generation Guldager has seen a significant increase of 64% from 2024 to 2025. This high rate of increase is mainly due to waste generated at our Hedehusene site not being included in the 2024 figures. In the same period of time we have seen a vast decrease in the percentage of non-recycled fraction of waste. The percentage of waste sent for incineration increased from 44% in 2024 to 79% in 2025. This development is a red

# ENVIRONMENT

flag for Guldager and is clearly unsatisfactory. We will focus on improving waste sorting at source across Guldager sites where this is not currently practiced. The goal is to achieve significant improvements in the share of waste sent for recycling by 2027 - preferably already in 2026.

In the table below we have listed a number of environmental risks and opportunities, which our company is facing. Some of the risk and opportunity assessments reaches so far in the future, that they have been in our ESG report since the first edition, but we have reassessed the list to include new items. The risks and opportunities have been categorized in accordance with recommendations of the TCFD framework (Task Force on Climate related Financial Disclosures).

## Risks

Type of risk	Sub-category	Description of risk	Materiality level	Time horizon	Describe current mitigation activities
Transitional	Technology	A potential scenario where energy costs will decrease because of decreasing solar energy cost following Moore's Law of exponential drop in prices of electronics. Low cost of energy results in low incentive to invest in energy efficiency	Low	Long	Short term we do not register this scenario playing out.  Long term Guldager should diversify their product range to become less sensitive to energy costs being the driver of the business.
Transitional	Political	Tariffs on US produced goods	High	Short-medium	Avoiding exposure to the US in supply chain by substituting with EU suppliers, where possible.
Transitional	Financial	High energy cost due to geopolitical situation in the Middle East. Increasing energy costs leading to recession will diminish investment willingness.	Medium	Short-medium	Pursue projects that deliver sufficient energy savings to generate a strong ROI



## Opportunities

Type of opportunity	Sub-category	Description of opportunity	Materiality level	Time horizon	Describe current mitigation activities
Transitional	Policy and legal	Abandonment of fossil fuel = Guldager A/S does not currently have the product portfolio to support this development.	Low	Medium-Long	Monitoring technology development and adapting products to the new market situation. Influencing the technology choice of the market.
Increased demand for desalination equipment	Products / services	Global increase in sea level will result in increased salt level in ground water close to Danish shores.	Low	Long	Product development and marketing
Increased demand for energy efficient equipment	Products / services	Increase in energy / CO2 taxes = Incentive to invest in energy efficiency	High	Short	Product development and marketing. Energy reducing focus in project phase of cases.
Increased demand for environmentally friendly technology	Product / services	Increase in legislative demand for best available technology in achieving low environmental impact.	High	Short	Product development. Product documentation on cradle to grave impact.
Increased demand for CO2 emission documentation of sold goods.	Product	Increase demand / requirement from market to supply documentation of CO2 footprint of goods.	High	Short	Product documentation. Increase documentation demand on suppliers and partners.
Increased focus on drinking water quality in Denmark	Political	Current political focus on nitrate and PFAS pollution of drinking water.	High	Short	Bringing the right technology to market in due time.
Increased energy cost due to geopolitical situation.	Financial	High energy cost due to geopolitical decisions will make energy saving projects feasible at lower energy/resource savings.	Medium	Short-Medium	Focusing our communication on the economical benefits of investing in resource saving technology.

**As an employee at Guldager, you should find a workplace, where you can prosper and grow both personally and professionally. You are part of a supportive and non-judgmental environment that encourages development, learning, and creates well-being. At Guldager, we focus on making this vision come true by creating the conditions that enable you to reach your full potential and continuously grow throughout your career.**

Over nearly 80 years of operation, Guldager has developed a comprehensive set of guidelines aimed at ensuring optimal working conditions for our employees. All our policies are compiled in electronic form and are accessible to all employees. This framework includes guidelines covering, among other areas, general employment terms, vacation, sick leave, smoking, alcohol, retirement, senior employee support, pregnancy, IT usage, data protection, and whistleblowing.

To monitor our workplace safety conditions, we register the lost time injury rate. **In 2025 the LTI rate has decreased to 2,9 injuries per 200.000 work hours.** The cases registered fall into the categories of back strain and trip/fall, where the latter did not occur in connection with performing a task at a customer site. As such, the incidents are not attributable to systemic patterns, insufficient access to equipment, or failure to use protective equipment.

When looking at the key metric of sickness absence we can register an **increasing development from 2,9% in 2024 to 3,6% in 2025.** The development could be interpreted as a sign of decreasing wellbeing of our employees. However, we must be cautious in this assumption, because we see an underlying picture, where a few employees account for 35% of the sick leave. The detailed figures show that the majority of employees are generally healthy, while a minority experience frequent illness. At Guldager, it is the policy that issues like this should be addressed individually between the employee and their immediate supervisor.

**Employee turnover at Guldager has stabilized following a decline from 38% in 2020 to 16% in 2025.** We consider this level of turnover acceptable in the current labour market, particularly in Denmark, where unemployment is very low.

Increasing gender diversity of the Guldager employee base has been a target ever since we published our first sustainability report. Historical figures show that Guldager has struggled to increase the proportion of female employees above approximately 15%. **We maintain a target to increase the proportion of female employees,** while acknowledging that Guldager operates in an industry where technicians and craftsmen -who constitute a significant part of our workforce - are recruited from a predominantly male labour pool.

# SOCIAL



# GOVERNANCE

**The Guldager Group regards good governance as fundamental to our long-term success and to maintaining the trust of our stakeholders. We are committed to conducting business ethically, transparently, and in compliance with all applicable laws and regulations.**

Our Code of Conduct outlines expectations for employees, management and partners, covering areas such as anti-corruption, conflicts of interest, fair competition, and responsible business practices. We enforce a strict zero-tolerance policy toward bribery and corruption, supported by robust policies and internal controls designed to prevent, identify, and address any misconduct.

Guldager fully supports and respects internationally recognized human rights as defined in the United Nations Universal Declaration of Human Rights. We strictly prohibit all forms of child labour, forced labour and human trafficking. We maintain a strict prohibition policy across a broad range of critical areas, including – but not limited to – human rights violations, discrimination based on race or gender, physical and sexual abuse, environmental harm and threats to health and safety.

During the entire period Guldager published its sustainability report **the gender diversity of our Board of Directors has remained unchanged at a 20% level.** We continue to uphold an objective of increasing the value to 40%, but the stable proportion of women on our Board of Directors should be viewed in the context of a very stable board composition, where changes occur infrequently and typically only as a result of changes in ownership.

## Sustainability key metrics

The key metrics of sustainability of Guldager has been redesigned this year. We have made the choice to focus on the footprint of our operation in Denmark, Norway and Sweden. This decision has been made due to multiple underlying reasons.

The major driver of this focus on the Nordics is the possibility to start reporting Scope 3 emissions based on an investment in a software tool, that harvests financial data from the ERP system of Guldager. Through algorithms based on empirical information from the water treatment industry the Scope 3 emissions can be calculated. Within the Guldager Group, Denmark and Sweden utilize the same ERP platform; therefore, the above-mentioned geographical adjustment is required to enable reporting of Scope 3 emissions.

The sustainability report of Guldager has been issued since 2020, where we joined UN Global Compact. To enable historical comparison through the years we have re-calculated 2023 and 2024 according to the new geographical scope.

In the report 2025 we have added the key metric of total CO2 emission per million DKK Gross profit in the financial report of Guldager. This gives a better indication of the development of the CO2 efficiency in a situation, where Guldager has been acquiring a number of new companies, thus increasing our activity

	2023	2024	2025
Scope 1 emissions (ton CO2 e)	227	252	259
Scope 2 market based emissions (ton CO2 e)	10	52	69
Scope 2 location based emissions (ton CO2 e)	33	15	20
Scope 3 emissions (ton CO2 e)	45	53	58
Total emissions (ton CO2 e)	282	320	338
Scope 1+2 emissions/Gross Profit (t CO2 e/mio DKK)	4,0	3,4	3,1
Water consumption (m3)	855	3.210	3.886
Waste Denmark, all fractions (kg)	14.966	25.889	43.403

	2023	2024	2025
Overall gender diversity (%)	15	18	16
Board gender diversity (%)	20	20	20
Management gender diversity (%)	0	0	0
Employee turnover (%)	15	12	16
Lost Time Injury Rate (Injuries per 200.000 work hours)	7,7	3,3	2,9
Sickness Absence (%)	5,1	2,9	3,6