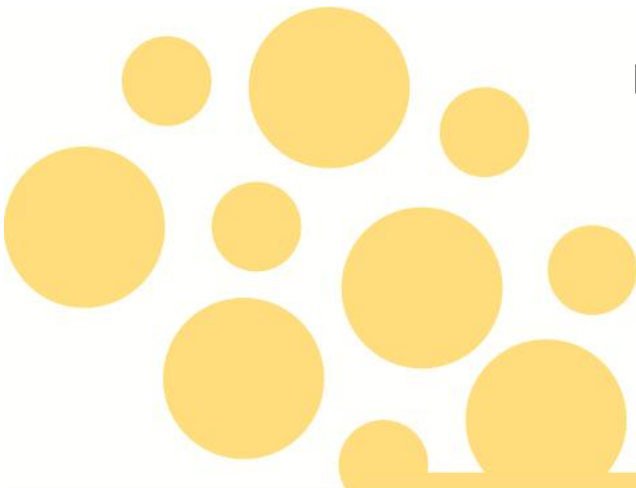




Chem-Tec Plating A/S

ESG / Environmental report 2025



Management report

Chem-Tec Plating A/S (CTP) is a company specialising in surface treatment, adding functional and decorative properties to metal components through electrolytic, chemical, and PVD processes.

Since its establishment in 1986, CTP has undergone continuous development and has received two “Gazelles”, which is a Danish award for fast growing companies. In close partnership with our customers and suppliers, we maintain a strong innovation culture that characterizes the company.

Growth entails responsibility. CTP therefore voluntarily prepares and publishes this Environmental Report, as we believe transparency regarding environmental conditions creates value for both stakeholders and the company. The purpose is to provide accessible and transparent information on our environmental performance, environmental policy, and environmental objectives to investors, authorities, customers, neighbors, and other partners. 3

The objective is also to document that CTP works systematically and seriously with continuous improvements in both environmental and occupational health and safety areas. We view sustainable transition, resource efficiency, and sound employment conditions as an integral part of the company’s long-term development.

We continuously strive to reduce our CO₂ footprint and actively encourage employees to contribute with proposals to optimize energy consumption and processes. Furthermore, we have initiated the process of obtaining ISO 14001 certification to strengthen and systematize environmental management across the organization.

Our employees are the company’s most important resource. Their professionalism, commitment, and sense of responsibility are essential for our continued ability to deliver high quality and reliable service to our customers.

This Environmental Report is CTP’s fourth published report and covers the year 2025.

Uldum, June 2025

CEO:

Bo Hvid Mikkelsen

Environmental responsible:

Nils Ebbe Hansen

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Basic informations

Chem-Tec Plating A/S
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7171 Uldum
Tlf.: 75 67 92 92
E-mail: info@chemtec.dk
Website: www.chemtec.dk
CVR – number: 26 99 16 68
P-number: 1.000.084.633

Environmental agency

Hedensted Kommune
Niels Espesvej 8
8722 Hedensted

Business field

285100: Surface treatment of metal; chemical and electrolytic surface treatment of metal on a contract basis

Main activity

Subcontractor of metallic surface treatment of metal components.

Board of directors

CEO:	Bo Hvid Mikkelsen
Chairman of the board:	Brian Ølgård Thomsen
Vice-chairman:	Else Mogensen
Board member:	Thorkild Arenskov Mikkelsen
Board member:	Henrik Dyre Pedersen

Activities

CTP is a Danish-owned company which employed an average of 35 employees in 2025. The company's core activity is surface treatment of metal components using electrolytic, chemical, and PVD processes.

Treatment and purification of process wastewater constitutes a key supporting function. All process water is treated in-house before being discharged to the municipal wastewater treatment plant.

Customer satisfaction is ensured through close dialogue and ongoing collaboration. As a rule, one employee follows each job from receipt to delivery, ensuring flexibility, high quality, and strong customer focus

Certificates

ISO9001: Certificat number: 168080-2014-AQ-DEN-DANAK.

First certification: 26th October 2009, latest re-certification: 4th October 2024

Regulatory Classification

According to the Danish executive order on approved listed companies, CTP is subject to Annex 2, item 2.6:

Companies that surface-treat metals and plastics using electrolytic or chemical processes where the total volume of processing tanks exceeds 30 m³ (excluding rinse tanks).

Environmental certification

Latest environmental certification: 20th August 2020

Wastewater permit

Latest wastewater permit: 20th September 2000

Environmental contact person

Nils Ebbe Hansen

Telephone: 24 88 47 55

E-mail: neh@chemtec.dk

Environmental policies and objectives

CTP systematically monitors all significant environmental impacts and works to minimize consumption of raw materials, energy, and water, as well as to reduce emissions and waste. Waste is recycled as far as possible, including metal waste and residues from water treatment. Chemical waste is disposed of through approved partners with a focus on recycling or safe destruction.

Environmental and occupational health considerations are integrated into all projects and investments through prior assessments. The company sets annual environmental targets as part of a continuous improvement process.

CTP actively seeks to replace hazardous substances with less harmful alternatives in close cooperation with suppliers and imposes requirements for responsible sourcing, including conflict minerals (3TG).

CTP complies with all relevant regulatory requirements and aims to stay ahead of new regulations through dialogue with authorities and stakeholders. Environmental matters are communicated openly via the annual Environmental Report and through disclosure of climate impact on sales invoices.

Environmental management system

Environmental management is integrated with the company's quality management system. CTP is certified according to ISO 9001 and is working towards ISO 14001 certification.

The Environmental Manager holds overall responsibility for coordination and development of the system, while the occupational health and safety organization handles daily HSE activities

Organization of HSE (Health, Safety, Environment) Work

The Environmental Manager is responsible for coordination, maintenance, and development of the environmental management system and overall environmental matters.

Daily HSE and safety work is handled by the HSE organization, with coordination on projects with the Environmental Manager.

Information/communication

Information regarding environmental and HSE efforts is communicated internally through meetings and notice boards. External stakeholders can access the annual Environmental Report via direct request or on CTP website www.chemtec.dk.

Environmental objectives

Environmental impacts are assessed relative to revenue, as total CO₂ emissions and waste volumes are closely linked to business activity. The comparison will equalize the difference in turnover between the years, so that the different years can be compared.

UN Sustainable Development Goals

At CPT, we take society's and the world's challenges seriously. We contribute to a better environment and society and a better workplace for our employees. In order to make a real difference with value and effect, we've decided to actively work with the standards in the UN's 17 Global Goals.

The SDG oblige the 193 member countries to create sustainable development both globally and nationally, i.e., by reducing water consumption, reducing water pollution by cleaning, introducing green measures to create better conditions for our nature and wildlife. It is not possible to work intensively with all 17 goals, therefore we've chosen to focus our efforts and work directly on 3 of the 17 world goals:





Clean water and sanitation

Water is an essential part of our production. It's therefore natural for us to ensure, that we only use the amount of water required for the production, and that the wastewater we send back to nature complies with all regulations. At CTP we've decided to work specifically with the following UN target:

Target 6.3.: By 2030, improve water quality by reducing pollution, eliminating dumping, and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater, and substantially increasing recycling and safe reuse globally.

Initiatives

- **Heavy metals in the wastewater**

Although we at CTP comply with all requirements for the discharge of wastewater, we want to be even better and minimize the quantity of heavy metals in the wastewater that we send to the public wastewater treatment plant. Therefore we constantly try to find ways to reduce quantity of heavy metals in wastewater.

- **Reuse of wastewater**

All wastewater is treated at our internal wastewater treatment plant before it is sent to the public treatment plant. In order to become even better at handling the wastewater and spare the public wastewater treatment plant, we constantly focus on increasing reuse of wastewater.



Industry, innovation, and infrastructure

At CTP, we continually work to reduce our CO₂ footprint by upgrading our processes to more energy-efficient processes. We track our progress by comparing our emitted CO₂ amount every year. Based on this we're working on the following target:

Target 9.4.: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.

Initiatives

- **Vessel insulation**

There are many vessels in CTP that are heated, some of the vessels are not insulated, which means that some of the heat will go to heating up the environment instead of the liquid in the vessel.

By insulating the vessels, part of the energy that previously went to space heating will remain in the vessel and thus it will require less energy to keep the temperature of the vessels at the desired temperature.

- **Temperature reduction**

We have implemented a new type of degreaser, which has been developed to be able to last longer and at a lower temperature than our normal degreaser.

This results in reduced energy consumption, but also a reduction in waste, as the degreaser needs less frequently change.

- **Reduce evaporation from process vessels**

The liquid in the heated process vessels will evaporate over time, which costs extra energy. In order to reduce the amount of energy that goes into evaporation, all new lines will be built with methods to reduce evaporation. It's being investigated if the process temperature can be lowered on existing lines.

- **Automatic time-control**

All production facilities have installed timers for automatic on/off of equipment so that electricity-consuming equipment is not turned on unnecessarily.



Responsible consumption and production

We are very aware that we work with chemicals and rare metals, we're also aware that we generate chemical waste. Therefore, it is of utmost importance to minimize waste and to recycle as much waste as possible. Therefore we've decided to work with the following three targets:

Target 12.2.: By 2030, achieve the sustainable management and efficient use of natural resources

Target 12.4.: By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

Target 12.5.: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

Initiatives

- **New degreasser**

The new degreaser will not only save energy, but also reduce our amount of chemical waste. And not only does the new degreaser need less frequent change, but also the subsequent degreasers on the line can be replaced less frequently.

- **Waste recycling**

A project has been initiated in collaboration with our waste recipient to investigate whether it is possible to recycle our chemical waste.

- **Reuse of packaging**

Empty packaging from consumables such as bottles, pallet tanks and pallets is sent for recycling. Packaging from customer goods is reused, as customer goods after surface treatment are returned in the same packaging as they were received.

Direct environmental impact

Below, CTP's CO₂ emissions are reviewed for scope 1 + 2 + 3 (water and waste). CO₂ emissions are measured in tonnes of CO₂e, which is equivalent to 1 tonne of pure CO₂ released to the atmosphere. The emissions will be compared to the turnover for the respective year.

Scope 1

Scope 1 contains direct CO₂e emissions from CTP. Since all process vessels are heated by electricity and the facility is heated by district heating, the only direct emission is transportation. This covers all business transportation in company-owned and privately owned cars, i.e., driving to customers/suppliers but not employees' daily commute to and from work.

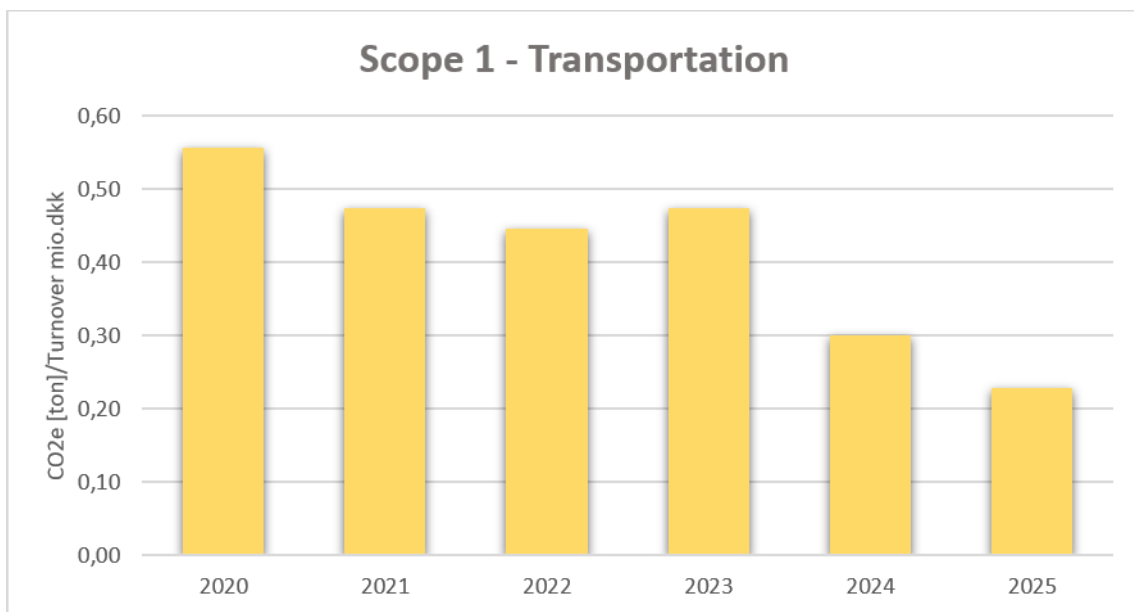


Figure 1 CO₂e emissions under scope 1 – transportation

The amount of emitted CO₂ related to transportation is decreasing from 2020. Changes are closely linked to turnover while the total kilometres driven are at a constant level, however lower in 2024-2025 due to dismissed sales person and fewer customer visits.

Scope 2

Scope 2 contains indirect emissions, in our case that's electricity and district heating consumed at the site.

With the increasing focus on sustainability, fluctuations in energy prices and CTP's significant electricity consumption, energy consumption is particularly important to work with.

Electricity is mainly used for the electrolytic process itself, for heating process vessels, to a temperature where the chemical reactions can take place, as well as various equipment (ventilation, pumps, etc.). District heating is only used to heat the facility as well as sanitary water.

The energy consumption for the energy sources used is calculated by reading the consumption of meters for the accounting period. CO₂e emissions related to electricity and district heating are shown below in relation to turnover.

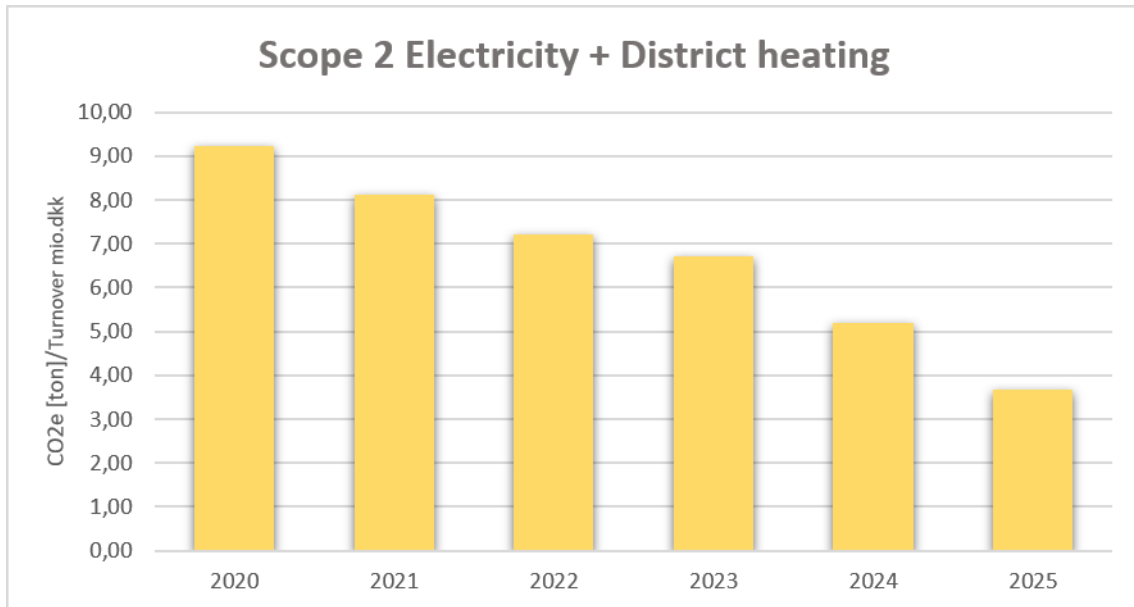


Figure 2 CO₂e per turnover related to energy consumption

The development reflects our focus on optimizing energy consumption. The development is also closely linked to turnover, because a substantial part of electricity and heating is independent of the activity. CTP has thus improved the utilization of energy consumption, especially in energy-intensive processes such as chemical nickel. However, the greatest importance is the emission factors for energy, which have been decreasing due to the increasing share of green energy in general.

Scope 3 - Water consumption and water discharge

Water is an essential resource for CTP's production. The water is primarily used as rinsing water between processes, for cleaning and when mixing process vessels. Water consumption is calculated here by reading meters for the accounting period. The calculation includes a small consumption of water for canteens, bathrooms etc. in connection with the production.

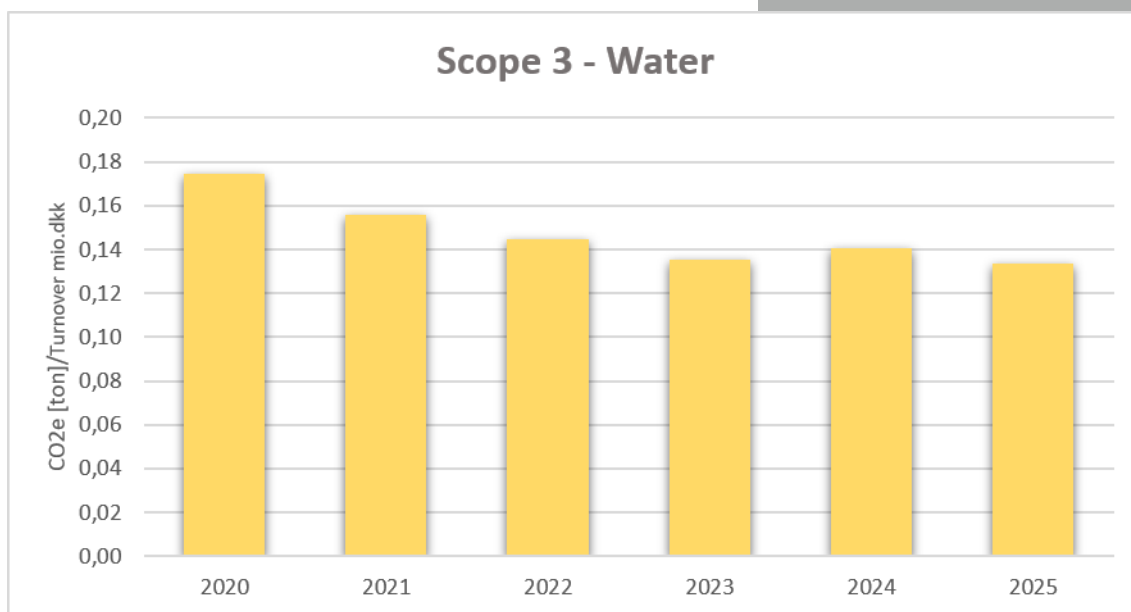


Figure 3 Amount of emitted CO₂e per turnover related to water consumption

The amount of water used is decreasing per turnover, this is due to implemented measures to save water and better utilisation of production line capacities. Also, the shift in product mix is closely related to emissions. In recent years, there has been an increasing share of chemical nickel plating, which is relatively more water-intensive.

The water discharge is almost the same as water fed in. All wastewater is treated at an internal treatment plant before it is sent to the public treatment plant. All processes use aqueous solutions.

A very important environmental parameter for CTP is the quantity of heavy metals in the process wastewater. The wastewater quality is monitored daily in the company's own laboratory and samples are taken quarterly by an accredited third party to ensure the quality of the discharged process wastewater meets the specifications.

Table 1 Measurements conducted by an accredited third party compared to the limits set by the local environmental agency.

Metal	2022 [µg/L]	2023 [µg/L]	2024 [µg/L]	2025 [µg/L]	Limit [µg/L]
Cyanid, total	4	3	3	111	500
Chrome (Cr)	43	44	53	65	500
Nickel (Ni)	55	11	9	666	500
Silver (Ag)	6	10	11	12	500
Tin (Sn)	118	64	47	472	5000
Zink (Zn)	105	67	161	891	3000

Table 1 shows the various metals in the process wastewater discharge 2022-2025, and the concentration limits permitted by the environmental authorities. CTP is thus generally significantly below the permitted emission concentrations. In 2025, new production processes were implemented, which at times resulted in higher measurements than usual during the run-in period – efforts have since reduced measurements to the usual low level.

Scope 3 - Waste

CTP aims to, as far as possible, recycle the waste from the processes. This means that all metal waste is sent to places where it can be recycled, this applies to both direct metal waste from maintenance and production, but also dry matter from the wastewater treatment that contains metals. All waste is handled and disposed of in accordance with the terms of the environmental agencies.

The waste quantities are reported by the waste recipients to the authorities and CTP.

The CO₂e emission in relation to waste management is shown below. The CO₂e values include both CO₂e emitted during recycling/destruction as well as the transportation to waste management.

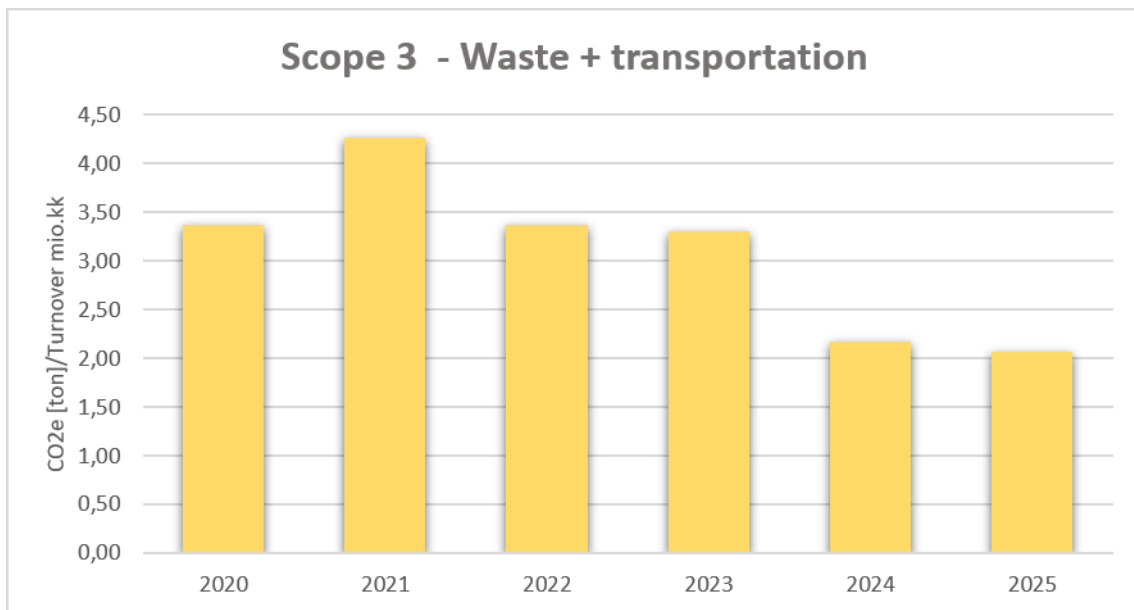


Figure 4 CO₂e per turnover in relation to waste quantities

The amount of waste varies over time due to disposal cycles of some types of waste. Therefore, the value for 2021, 2023 and 2025 contain some amounts of waste generated in the previous years. But overall a decrease in emissions from waste.

Total CO₂e emissions

Figure 5 shows the combined CO₂e emissions per turnover for 2020-2025. The combined values contain the following data:

- Scope 1: CO₂e emitted by transportation.
- Scope 2: CO₂e emitted by electricity and district heating.
- Scope 3: CO₂e emitted by waste handling and water.

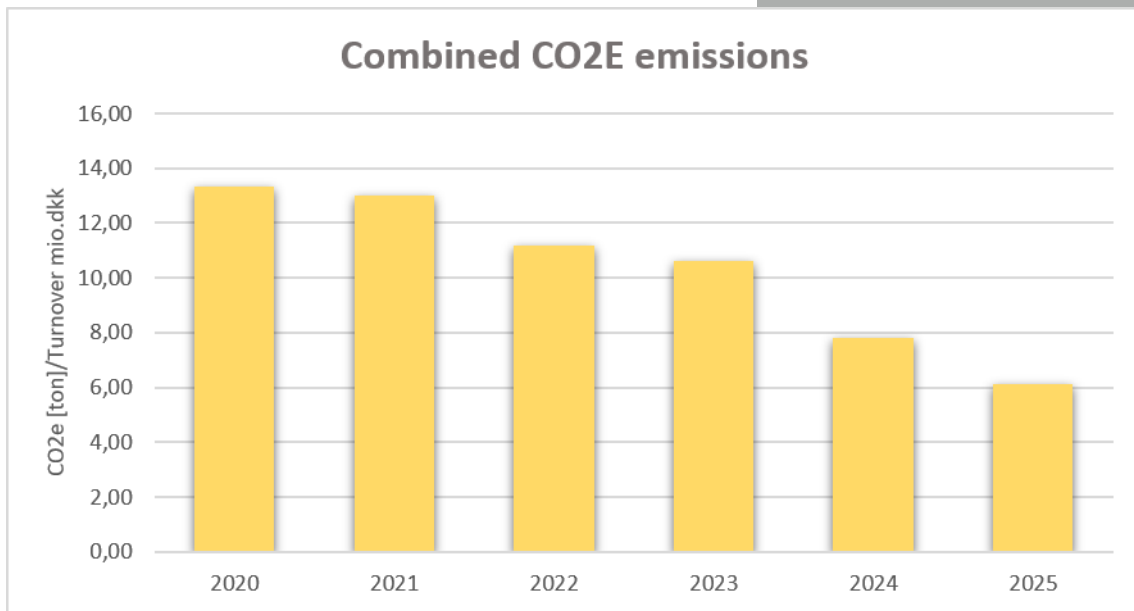


Figure 5 Combined CO₂e emissions for Chem-Tec Plating

Combined CO₂e emission, both totally and compared to turnover, has improved each of the last 6 years.

The distribution of CO₂e in the categories Scope 1, Scope 2, and Scope 3:

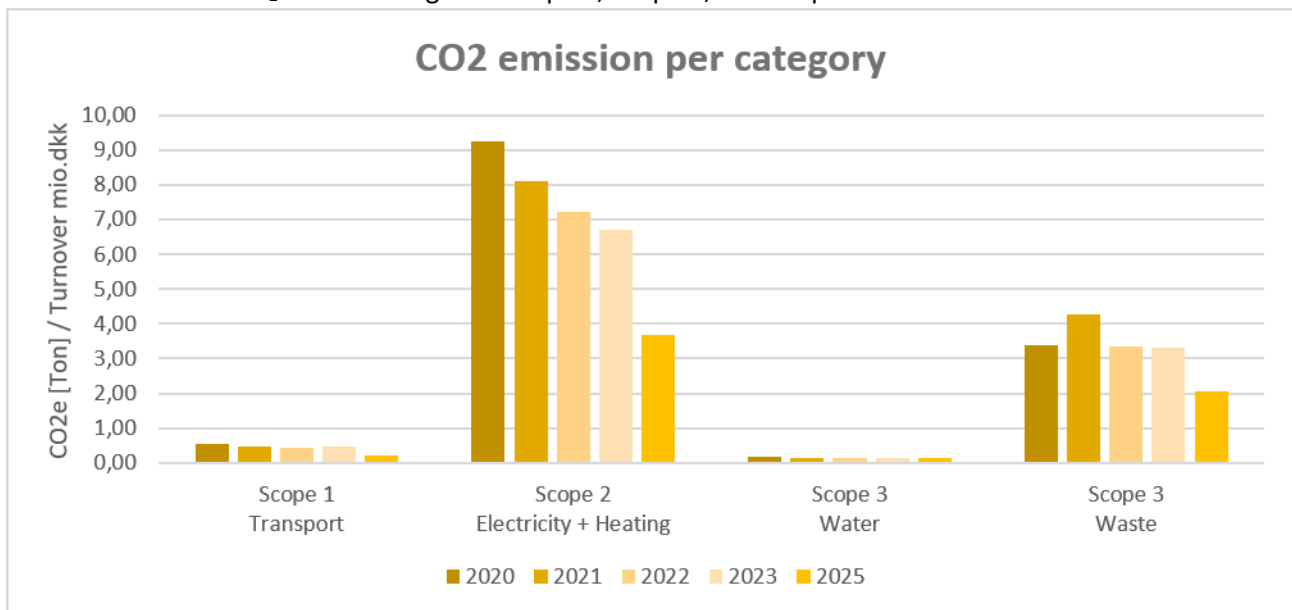


Figure 6 CO₂e the emissions per category.

By far the largest amount of CO₂e emissions comes from electricity consumption, while the second largest is from waste. Therefore, CTP's environmental plan focuses on both reducing the use of electricity as well as the amount of process waste.

Social / Work environment

At CTP, we value our employees very much, so everyone feels like part of a strong team.

Working environment is a constant focus point, work is always being done to make CTP an even greater workplace. The following are CTP's core values to ensure a good working environment.

Responsibility

We comply with agreements and take responsibility for tasks and the customers' issues. Therefore, it is our main rule that there is one operator who follows an order from the time it enters the house until it is packaged and sent back to the customer.

Positivity

We have a good and positive tone where everyone is heard. Because of this we've introduced several optimisations on the lines based on wishes from the operators.

Flexibility

At CPT, we have a flat management structure, which means that there is a short path to management, and the employees experience great responsiveness to wishes and suggestions for improvements. We trust each other's skills and words, which is why we give freedom for everyone to solve their tasks to the best of their ability.

Well-being

The staff association The Golden Club arranges several social events and a weekend stay during the year, as well as marking anniversaries and round birthdays.

All employees are covered by the same company pension scheme, which in addition to pension savings also includes health insurance and insurance cover in relation to loss of working capability, critical illness and death.

Personal development dialogues are held on regular basis for all employees.

	2022	2023	2024	2025
Number of employees, FTE	32,4	30,8	32,8	34,8
Absence due to illness, blue collar	6,7%	5,4%	3,8%	5,7%
Absence due to illness, white collar	2,9%	2,0%	1,2%	4,6%
Absence due to illness, all	5,4%	4,3%	3,0%	5,4%
Work accidents with absence	0	0	1	0
Employee turnover	0%	28%	12%	37%
Gender diversity, blue collar (share of females)	58%	61%	57%	53%
Gender diversity, white collar (share of females)	45%	42%	24%	32%
Salary gender difference blue collar Male vs Female	1,02	1,02	0,98	0,97

For absence due to illness, long term illness and absence connected to dismissals are the main part. Apart from that, absence is on a satisfactory low level.

For many years we have avoided work accidents leading to absence – a result of our constant focus on safety. In this context, all employees in production receive safety glasses and equipment as well as work clothes and shoes. Everyone in the production area must at least wear a lab coat and safety glasses.

The organization is continuously adapted, mainly in line with the level of activity (turnover) and the strategic development with a view to further developing as a modern industrial company. Changes in 2025 have focused on the environment, quality and operational management as well as marketing.

The high staff turnover in 2025 is primarily due to challenges in finding and retaining qualified operators for production.

The occupational health and safety organisation is unchanged in 2025.

Governance

CTP strives for good corporate governance and corporate culture, so that we act responsibly and reliably. We continuously update our policies and business practices, and we work against discrimination, corruption, and bribery, as well as encouraging our customers and suppliers to conduct business in a responsible manner.

CTP has defined its management system as part of ISO9001, which i.a. includes management handbook, staff handbook and IT policy.

As a part of strategic development, the board was changed in 2024, and 2 of the board members are external professionals each with special competencies. Strategic issues have had focus in the new board and resulted in definitions of:

- CTP vision
 - We want to be the leading supplier of functional and decorative metal coatings, with high complexity, high level of quality and need for development of new solutions. Our focus is on larger, strategic and European customers
- CTP values
 - Quality
 - Innovation – do what others cannot
 - Propriety – we comply with agreements, and we take responsibility
 - Family owned

The local community is highly valued at CTP. A large part of the staff lives locally and participates actively in local life, and CTP supports local initiatives.

CTP is located centrally in Uldum with housing close by. It is therefore important to pay particular attention to the immediate area and maintain good relations with neighbours. CTP has thus not received any neighbor complaints.

In the city of Uldum waste water separation is being established. CTP has therefore also been required to establish this, work is on-going and expected finished in 2026.

Development activities

CTP continuously develops production in collaboration with customers and suppliers with a focus on quality, efficiency and reduced environmental impact.

CTP has a strong focus on the Reach candidate list, conflict materials, the RoHS directive etc. and ensures that all products used are in accordance with national and European regulations. CTP continuously works to phase out dangerous chemistry and replace it with less harmful chemicals.

When chemical waste is disposed of, options for recycling the waste are always investigated first before it's decided to send it to destruction. When it is not possible to recycle the chemical waste, projects are initiated to investigate ways to recycle as much of the waste as possible.

In 2024, CTP has invested in new surface coating technology that can replace chemical processes. This is so-called PVD – Physical Vapor Deposition, which is a coating process where a surface coating is vaporized under vacuum. CTP expects that an increasing proportion of surface coatings will switch to PVD.

In 2024/2025, CTP has invested in an automatic production line with robot, which replaces manual/semi-automated processes. This has a positive effect on both the working environment, capacity and quality.

In 2026 and beyond, CTP will invest further in updating production lines in line with demand, to improve efficiency and capacity. This will have a positive effect on future environmental impact