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# ESG report 2023

Together, we want to **add value**  
and offer **more** than just a supply

[www.aepartner.dk](http://www.aepartner.dk)

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### The 3 SDG's that AE-Partner focuses on

The UN's Global Goals define a global agenda for sustainable development, where thought and action are taken with greater consideration for people, the climate, nature, and society.

→ Page 43



### Work Culture and Social Conditions

Read about our culture and values at the S and G area

→ Page 25

## We invest in the future

As a unified organization, we are navigating towards a future characterized by responsible action and innovation. From a strategic perspective, we see a complex task ahead of us, where knowledge and experience are crucial elements.



Claus Ravn  
CEO / Owner

### Inclusion and presence creates value

It is great honour for me to introduce our first ESG report, which will now be published annually alongside our annual report. We seek an open dialogue on how we together with our partners can act responsibly and invest in the future. We have a flat business structure and by eliminating silo thinking we foster collaboration and idea sharing across our company. As a learning organization, we share knowledge with our partners, colleagues, management and advisors.

We continuously work to improve and want to invest in the future together with our partners. As CEO of AE Partner, I welcome you with pride and commitment to this report on our sustainability efforts and ESG statement.

AE Partner is an innovative partner in electrical control panels. I am convinced that our knowledge and products are also part of the transition to sustainable energy sources. We believe that economic success and social responsibility goes hand in hand and therefore our business model is closely tied to our sustainability strategy. We aim at implementing initiatives to reduce our environmental footprint and contribute to a greener value chain.

The ESG report is a significant tool to increased transparency and accountability. We use it to identify progress, measure performances, and hope to inspire others in the industry to take similar steps towards sustainability. I personally commit to leading our company towards a more sustainable future and encourage all our stakeholders to actively participate in our sustainability journey.

Thank you for your interest in AE Partner's sustainability efforts, and we look forward to sharing our future progress with you.





## Understanding our Contribution in the Value Chain

### Commitment to the Value Chain

At AE Partner we are aware of both ongoing regulatory requirements and the fact that we are not yet subject to mandatory reporting obligations. We strive to be a reliable partner, capable of not only providing necessary data and information to the value chains we are a part of but also meeting certification requirements such as ISO 14001, ISO 45001, ISO 9001, UL508A, IEC61439-2, IEC60204-1 and integrity requirements. With this report, we aim to demonstrate our understanding of ESG and sustainability throughout the value chain. We prioritize being at the forefront of upcoming expectations, requirements and trends in corporate reporting of climate impact. It is therefore natural for us to lead by example by disclosing our ESG goals while also assisting our customers in meeting certification standards and integrity requirements.

### Focus on Climate and Sustainability for Competitiveness

AE Partner acknowledge that our industry is facing comprehensive changes in reporting requirements, with new mandates for sustainability reporting and specific actions coming into effect. We are convinced that companies must shift their focus towards climate and sustainability to maintain competitiveness. We understand that this may seem overwhelming for many, and therefore we place great emphasis on the development of ESG reports as a journey we collectively undertake together with our partners in the value chain.

### Greenwashing & third-party assurance statement

Greenwashing refers to a practice of appearing more sustainable and responsible than one is, often through manipulative communication or selective reporting. In a world where consumers and investors are increasingly demanding genuine sustainability measures, it is crucial to avoid greenwashing to maintain credibility. To ensure that our ESG reporting is credible and accurate, we have chosen to collaborate with an external advisory specialist (ProLution ApS) who is familiar with the CSRD directive to assist us in preparing this report.

### Color in the report

Using green colors in an ESG-report can be misleading and a visible sign of attempting to portray a green image. The green color used in this report has been AE Partner's corporate color for many years and by using this color we do not intend to appear environmentally focused but rather to maintain a layout consistent with our company brand.



*"We are pleased with our ESG report, which contributes to sharpening our focus on sustainability and ensures collaboration with customers who are required to provide mandatory ESG data"*

## Team that has contributed with data, transparency and information to this ESG Report



**CLAUS RAVN**  
CEO / Owner



**MORTEN BITSCH JANIK**  
CBO



**IVETA SKĀBARDE**  
COO



**HANS FREDERIK KRISTIANSEN**  
CSO



**JOLANTA PAVĪTOLA**  
CHRO / Procurator



**ĢIRTS KAUCIS**  
Procurement and Logistics  
Department Manager



**EVITA DZIENE**  
Chief Accountant



**OLE RYOM**  
CTO



**LIENE KĻAVA**  
QUALITY MANAGEMENT  
SYSTEM MANAGER



**RAIVIS EGLĪTIS**  
HEAD OF TECHNICAL  
DEPARTMENT





ESG 2021/22/23

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Introduction



## The requirements for future business

We have our eyes set on the future and involve each other in finding new solutions and opportunities. That's the recipe for a successful investment.



Morten Bitsch Janik  
CBO

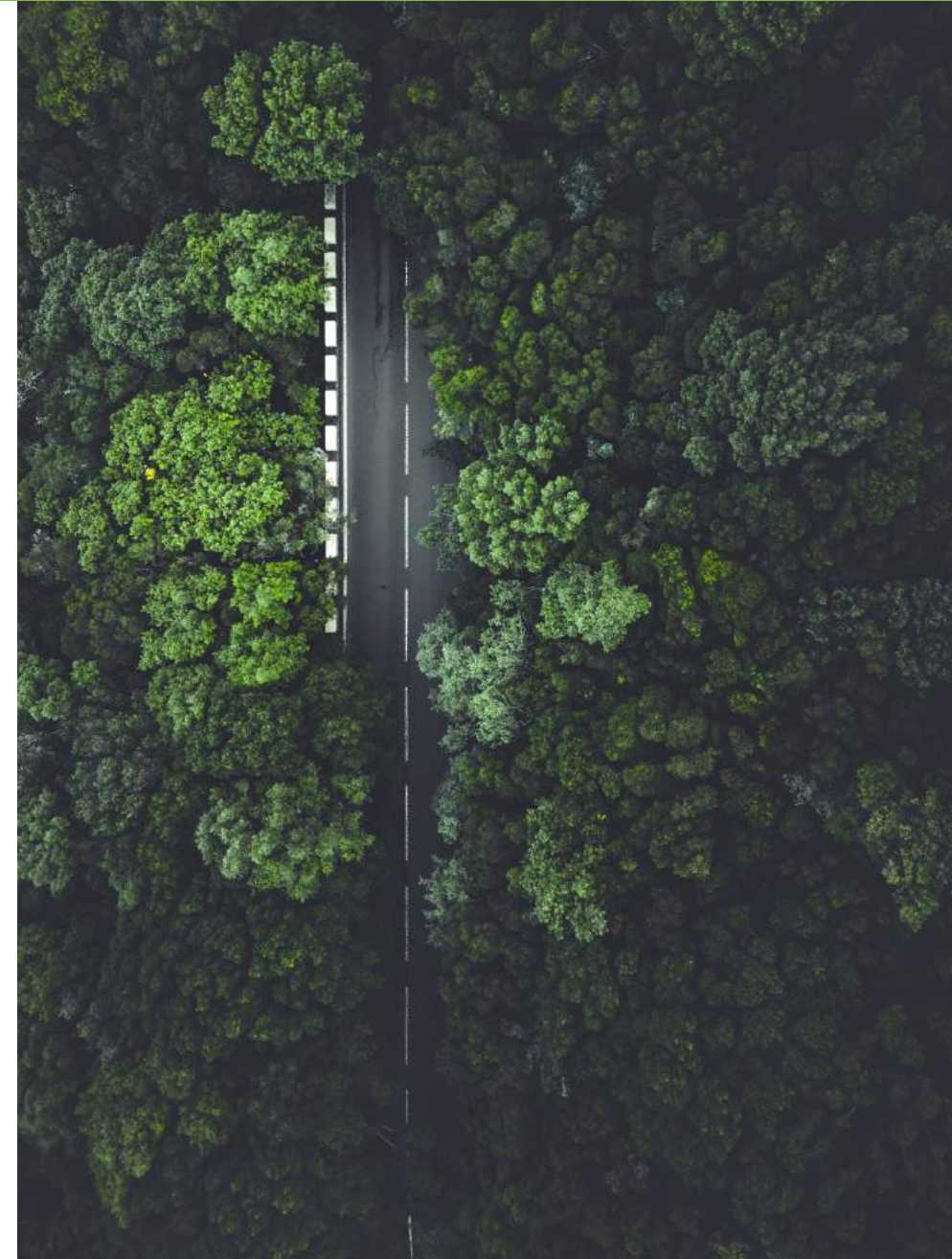
### Proactive Sustainability Reporting: Leading with Accountability and Transparency

As a responsible company, we are excited to announce that we will commence reporting on our sustainability efforts starting from 2023. Although our formal commitment to reporting only takes effect from January 1, 2025, we are already initiating the process to meet customer demands and comply with EU requirements in CSRD and ESG reporting.

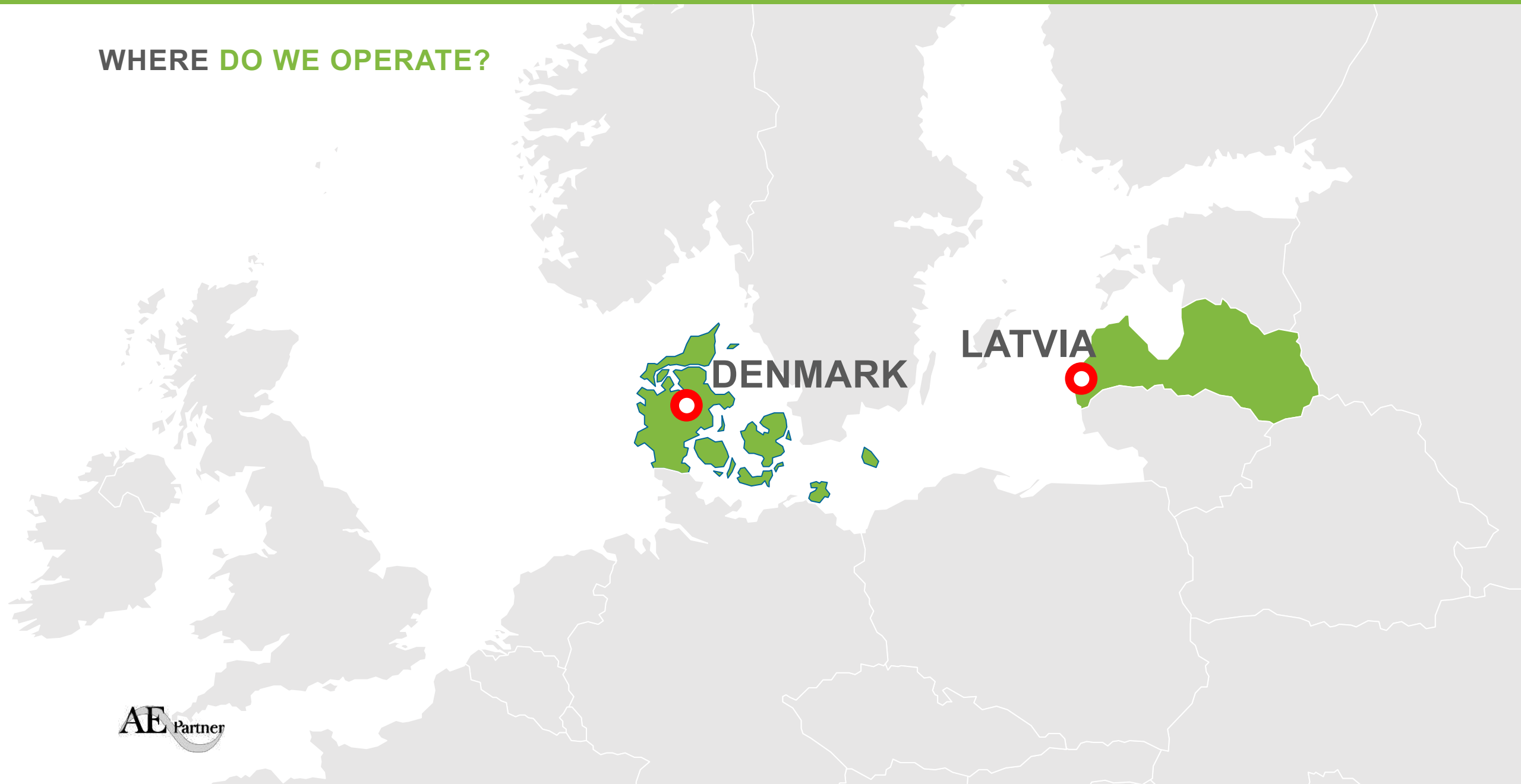
We recognize the importance of proactivity and the ability to meet the constantly changing demands that companies face today. Our commitment to sustainability and responsible business practices constitutes a central part of our overall strategy, and we look forward to integrating these new reporting requirements to increase our transparency while meeting our customers' expectations.

Our proactive approach reflects our commitment not only to meet the requirements but also to strive to make a positive contribution to society and the environment. We are delighted to be part of this green development and look forward to sharing our progress and results as we continue our journey towards a more sustainable and responsible future.

We ensure that we can meet the reporting requirements by having a thorough understanding of the value chain we operate in and the demands we must meet for our customers. At the same time, we also impose requirements on our suppliers to ensure that the entire supply chain complies with our sustainability and responsibility standards.



## WHERE DO WE OPERATE?





Facilities in Liepaja, Latvia

TOTAL BUILDING AREA 16312m<sup>2</sup>

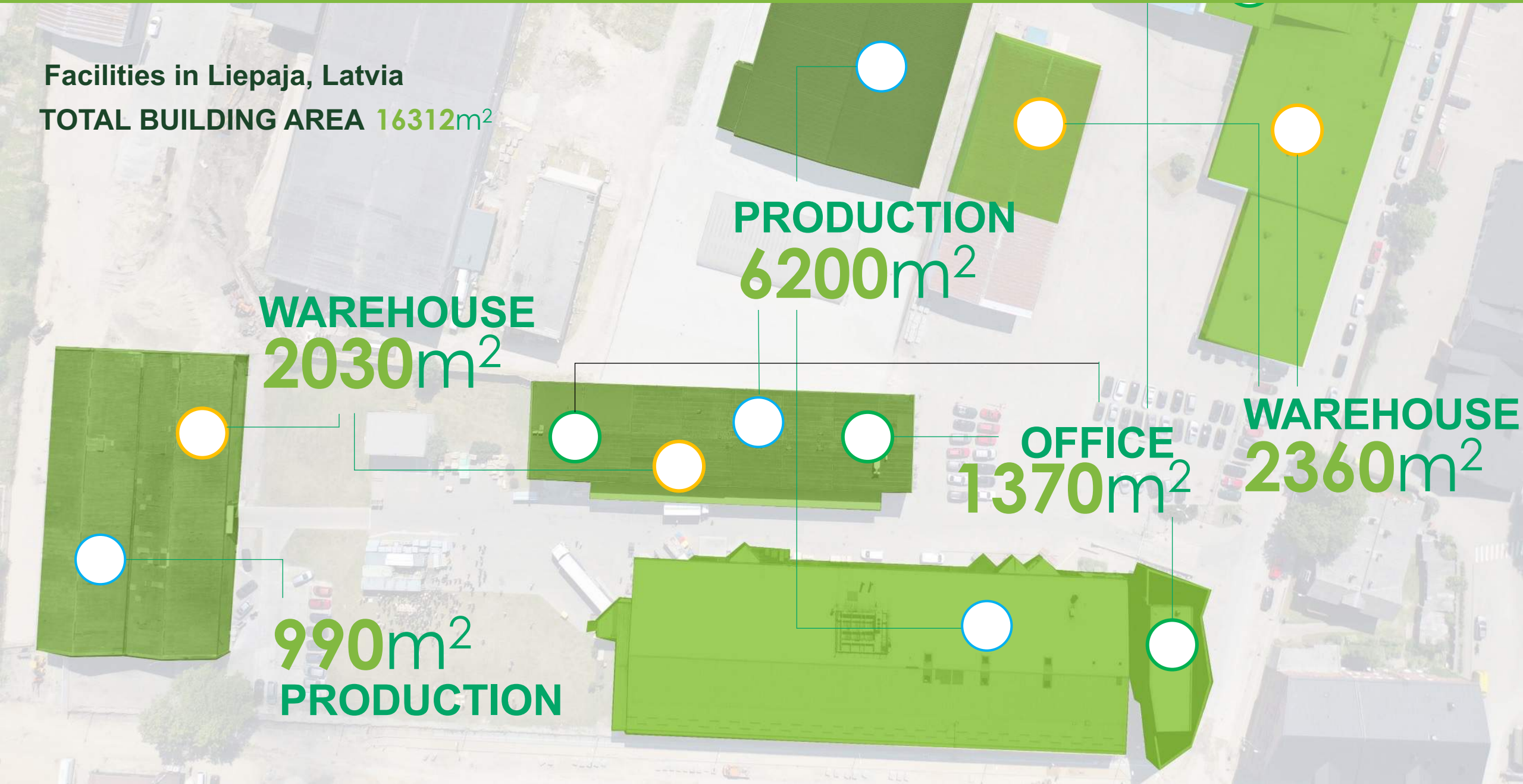
WAREHOUSE  
2030m<sup>2</sup>

PRODUCTION  
6200m<sup>2</sup>

OFFICE  
1370m<sup>2</sup>

WAREHOUSE  
2360m<sup>2</sup>

990m<sup>2</sup>  
PRODUCTION



## Facilities in Ry, Denmark



OFFICE, STOCK, FAT TEST AREA **1310m<sup>2</sup>**



## Transition requires collaboration

We have solutions that contribute to the green transition, so we direct our focus towards our customers and offer sparring for their co-responsibility.



Hans Frederik Kristiansen  
CSO

The market for AE Partner's services and products is undergoing exciting and interesting changes with a growing focus on sustainability and innovative solutions. Our innovative approach to developing and producing electrical control panels goes hand in hand with our sustainability strategy and the demand from our customers.

We see this report as a tool for creating value for our customers and partners.

We recognize that our industry need to improve its environmental footprint and we see ourselves as part of the solution by delivering solutions to partner supporting the transition from fossil fuels to electrification in various industries.

AE Partner is more than just a supplier of automation solutions; we are an active partner in our customers' journey towards a greener future. Our solutions go beyond meeting customer needs so they can also contribute to reducing the footprint and operating costs of projects. However, this requires that our customers, and their customers, are willing to change and take a broader view of the projects, so that it is not only the installation costs that are in play but also the operating costs.

Our sustainability efforts are not limited to internal actions but extend throughout the entire value chain. We encourage our employees and stakeholders to actively contribute and focus on sustainability.

Together with our management, I look forward to sharing our progress and results, and we are committed to continuing to move towards a more sustainable and responsible future.





## INDUSTRIES



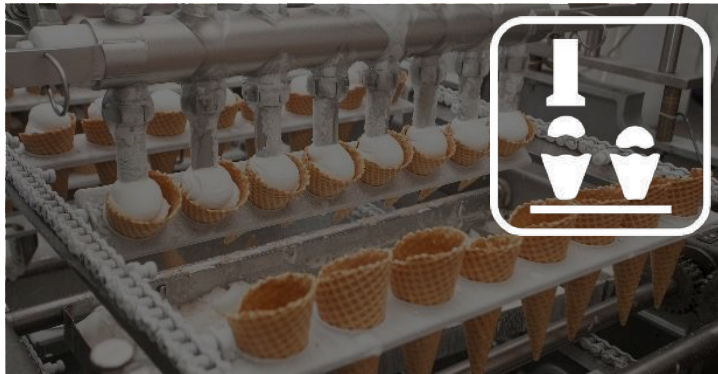
MARINE



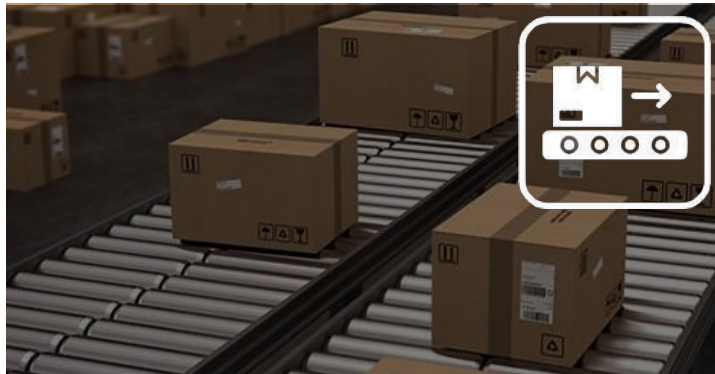
RENEWABLE



LIFE SCIENCE



FOOD

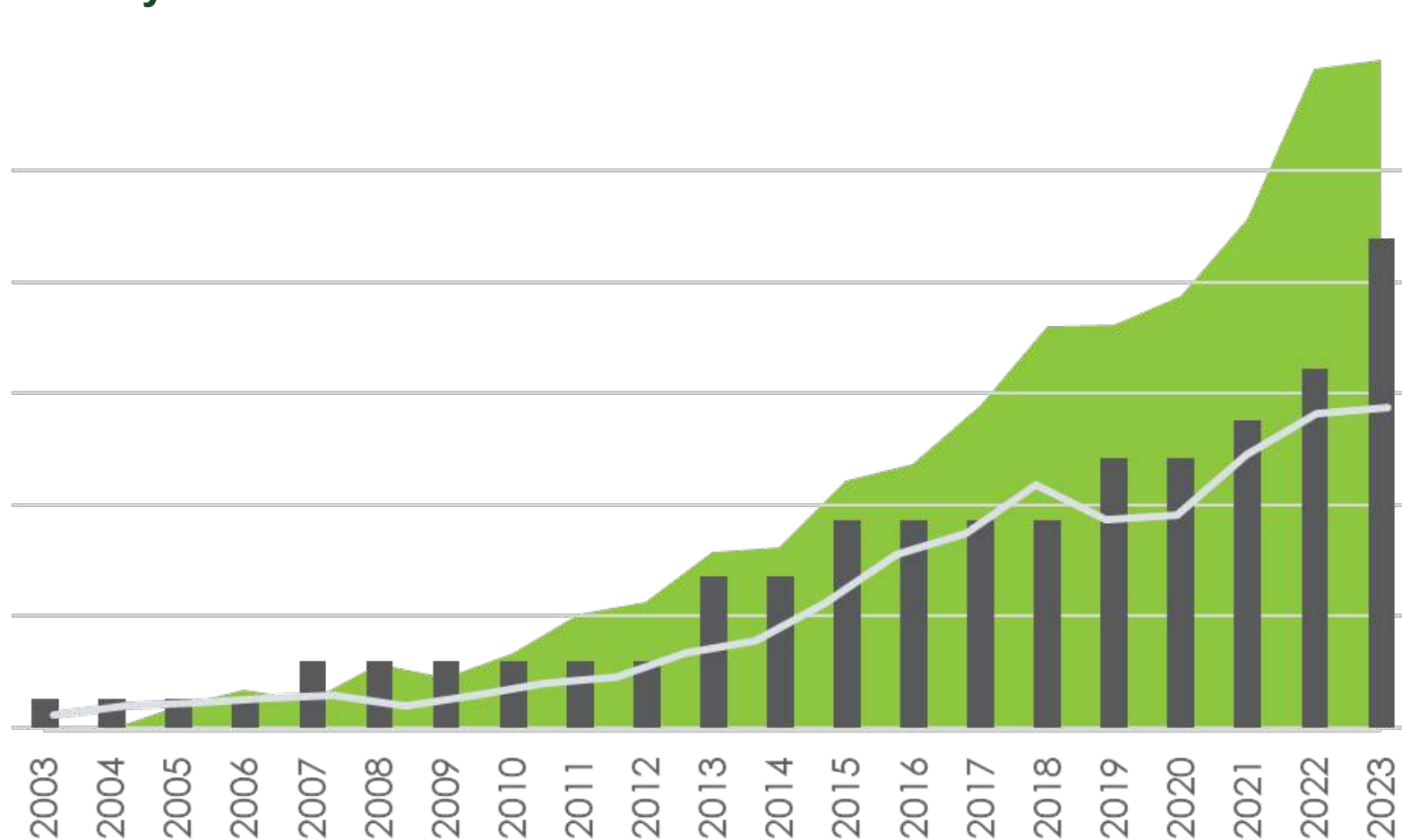


MATERIAL HANDLING



ASSEMBLY

## Our History



	2003	2023
<b>Employees</b>	10	540+
<b>Facilities</b>	1300m <sup>2</sup>	21 948m <sup>2</sup>
<b>Turnover</b>	196000	74 milj. €





ESG 2021/22/23

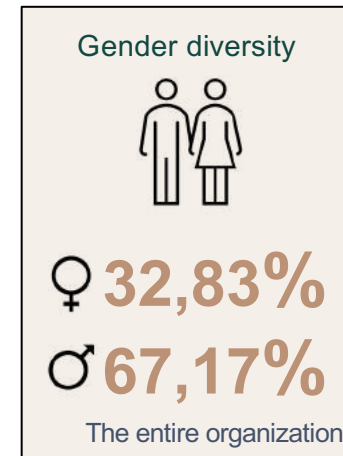
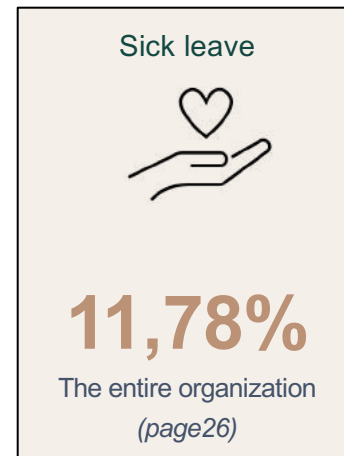
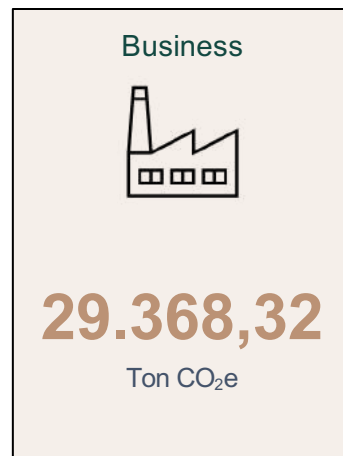
ESG accounting



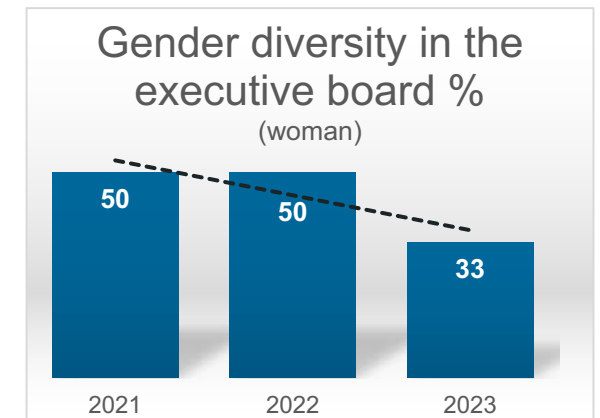
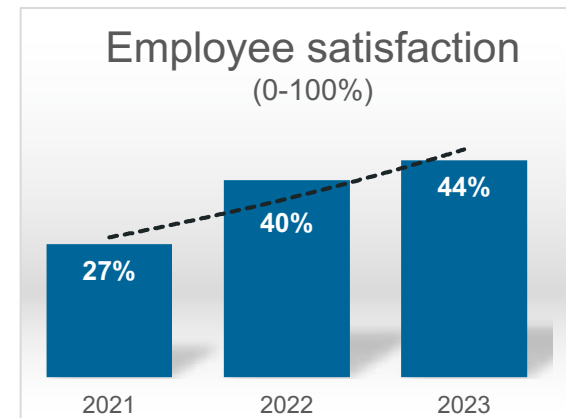
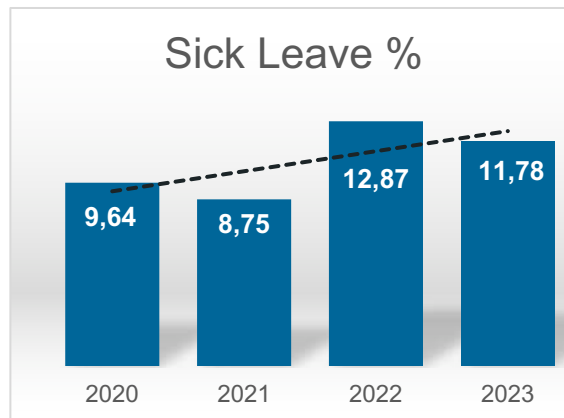
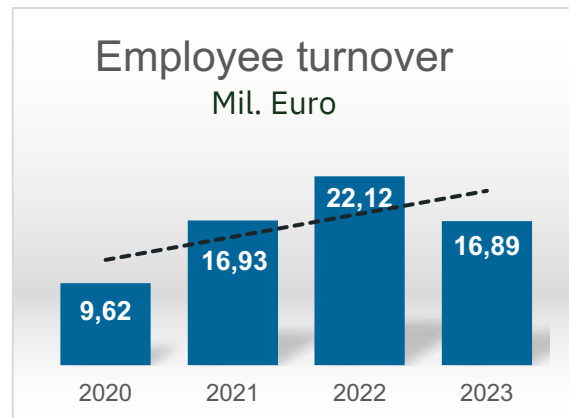
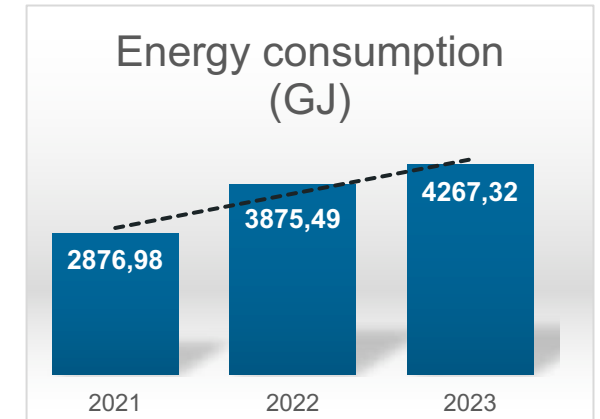
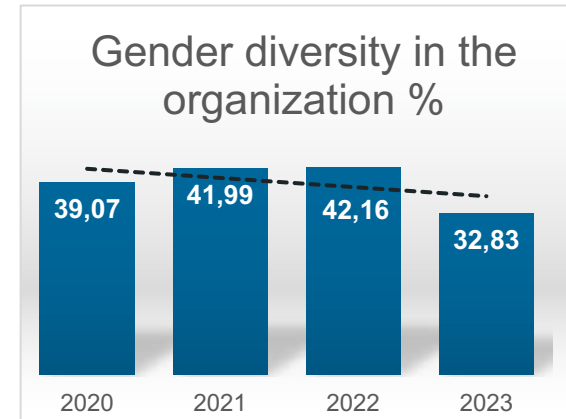
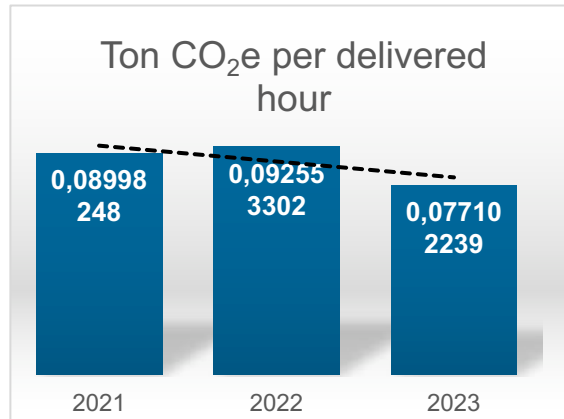
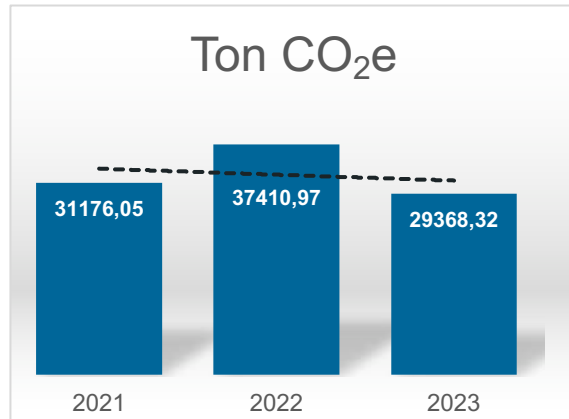
## ESG accounting 2021-23

ESG key figures	Unit	2023	2022	2021	Source
<b>Environment</b>					
CO2e emissions within scope 1	Ton CO <sub>2</sub> e	397,17	436,48	285,83	Primary data from suppliers & ERP-system
CO2e emissions within scope 2	Ton CO <sub>2</sub> e	124,90	113,45	92,60	Secondary data from suppliers
CO2e emissions within scope 3	Ton CO <sub>2</sub> e	28.846,25	36.861,04	30.797,62	Poxey from ERP-system & Secondary data from suppliers
Total CO2e emissions (scope 1, 2, and 3)	Ton CO <sub>2</sub> e	29.368,32	37.410,97	31.176,05	Total calculation
CO2 intensity, total CO2e emissions relative to revenue	Ton CO <sub>2</sub> e /mil. Euro	52,21	49,64	74,23	ProLution calculation
Total Energy Consumption	GJ	4.867,32	3875,49	2.876,98	ProLution calculation
Energy intensity, total energy consumption relative to revenue	GJ/mil. Euro	1,012	0,944	0,913	ProLution calculation
Renewable energy share, renewable energy consumption relative to total energy consumption	Pct. (%)	99	99	99	Secondary data from suppliers
Water Consumption	m <sup>3</sup>	3.293	2.967	2.805	Secondary data from suppliers
Hazardous Waste Management	Pct. (%)	0,05	0,03	0,09	Secondary data from suppliers
Recyclable Waste Management	Pct. (%)	4,18	5,29	6,64	Secondary data from suppliers
<b>Social</b>					
Sickness Absence	Pct (%)	11,78	12,87	8,75	ERP-System
Workplace Accidents	Number	2	3	3	ERP-System
Employee Turnover	Mil. Euro	2,252	2,949	2,257	ERP-System
Employee Satisfaction	Pct (%)	44	40	27	ERP-System
Gender Diversity in the Organization	Pct (% woman)	32,83	42,16	41,99	ERP-System
Gender Diversity in the Executive Board	Pct (% woman)	33	50	50	ERP-System
Gender Diversity in Other Management Levels	Pct (% woman)	40	40	50	ERP-System
Gender Diversity in the Top Management Level	Pct (% woman)	0	0	0	ERP-System
<b>Governance</b>					
Pay Gap between CEO and Employees	Pct (%)	235	245	250	ERP-System
Pay Gap between Genders	Pct (%)	14,18	15,06	14,06	ERP-System

## The 2023 results in brief

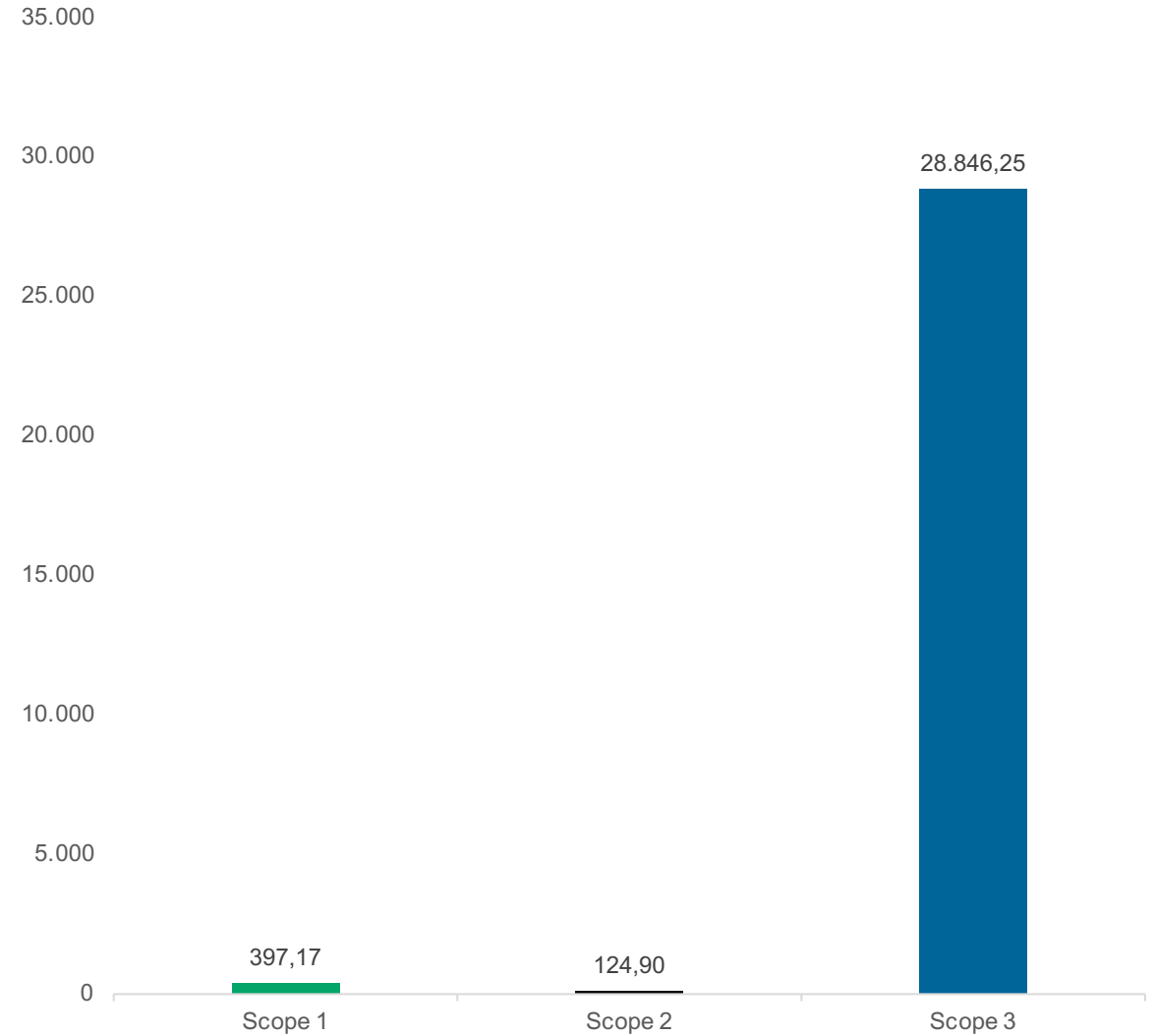
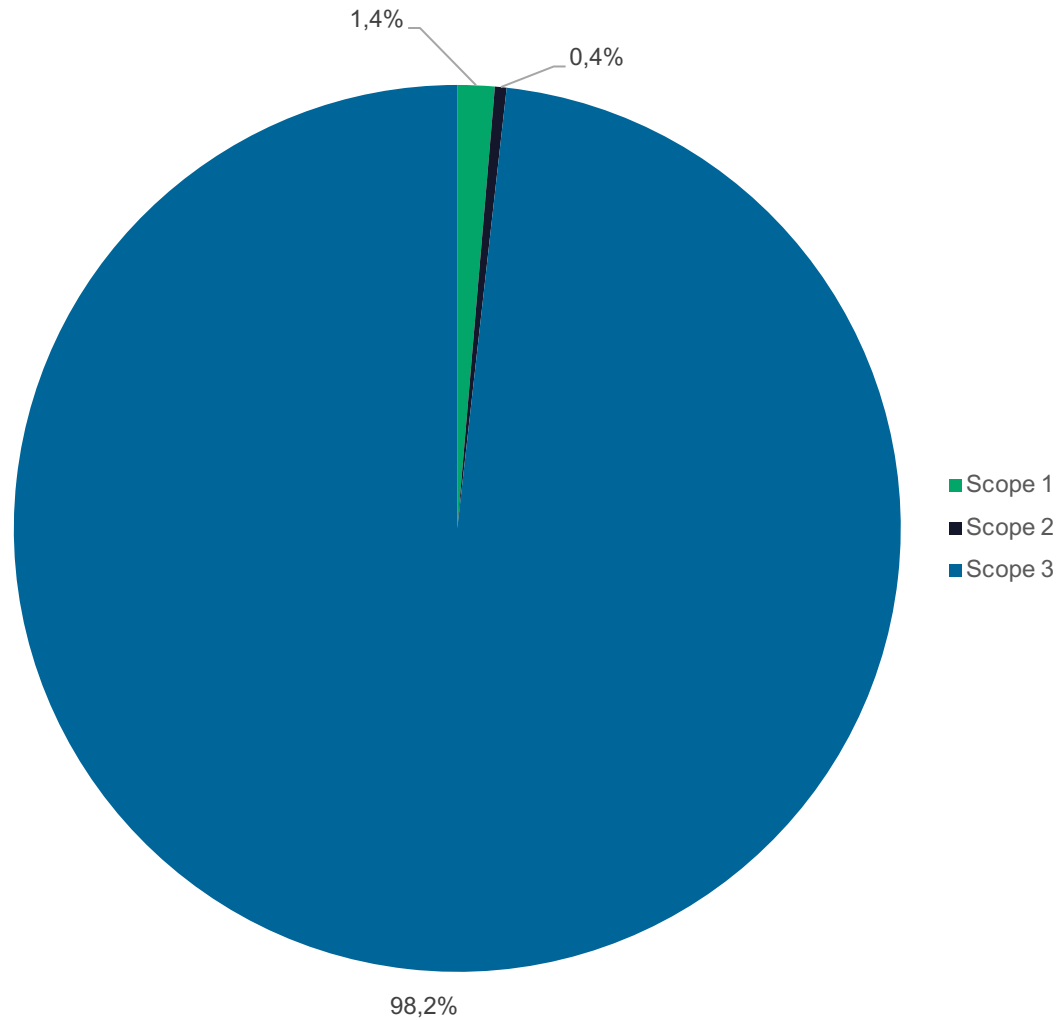


## ESG Overview diagram in brief

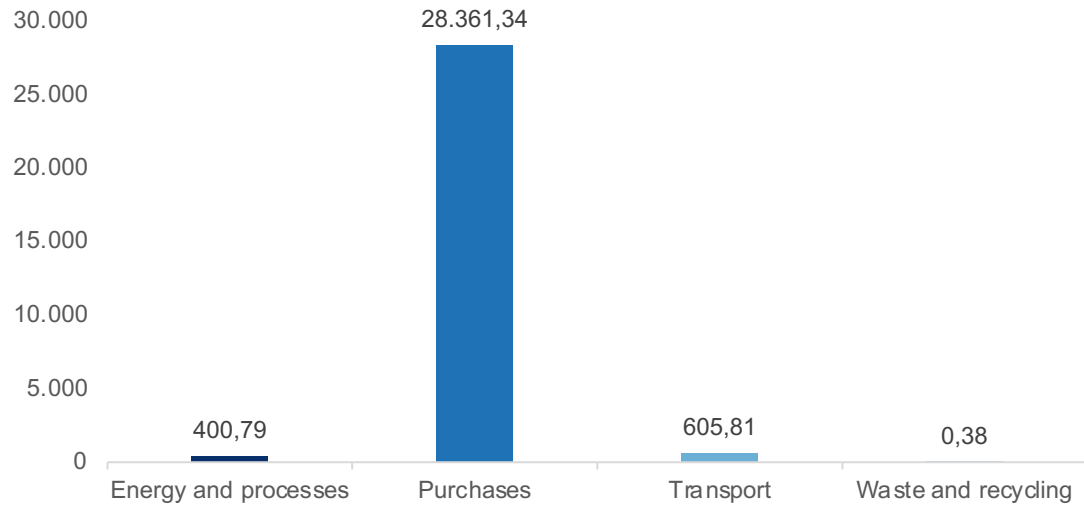




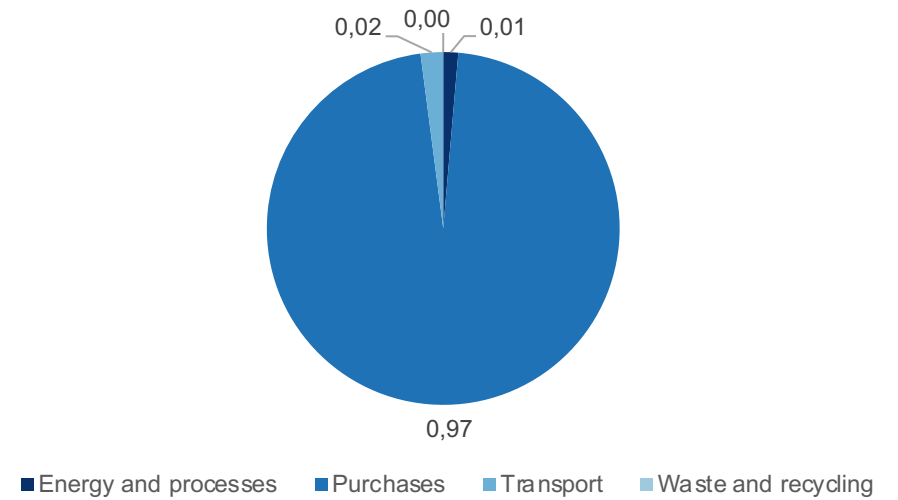
## 2023 Diagram overview for the distribution of CO<sub>2</sub>e emissions



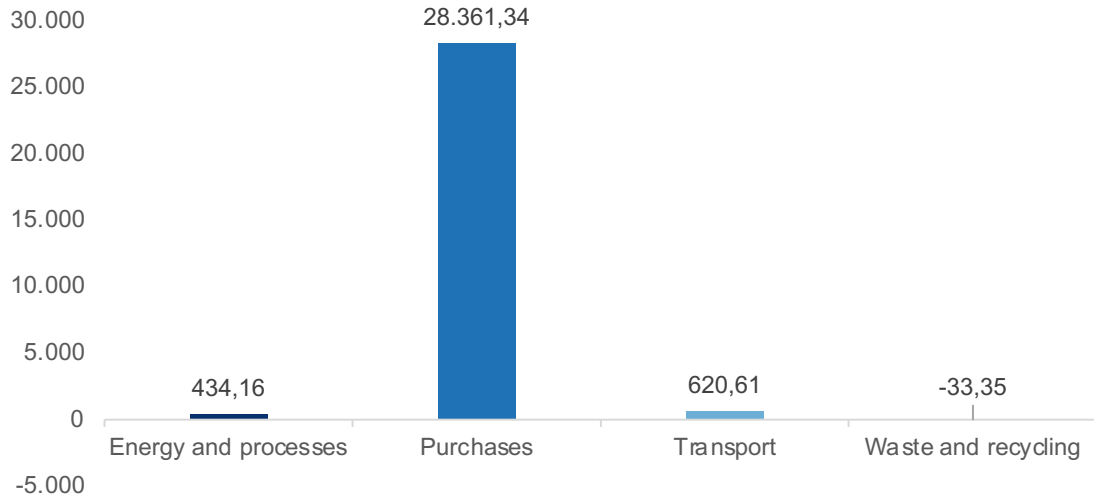
CO<sub>2</sub>e emissions in tons (scope 1+2+3) distributed by main categories



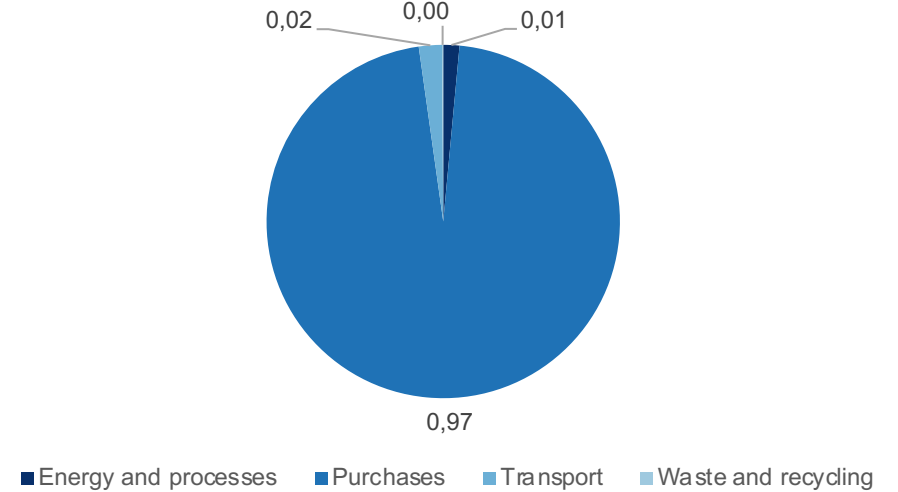
Percentage distribution of CO<sub>2</sub>e emissions (scope 1+2+3) distributed by main categories



CO<sub>2</sub>e emissions in tons (scope 1+2+3 and beyond scopes) distributed by main categories



Percentage distribution of CO<sub>2</sub>e emissions (scope 1+2+3 and beyond scopes) distributed by main categories





ESG 2023

In depth with key figures



## In-depth with E key figures

E key figures play a central role in our efforts to minimize our environmental impact and promote sustainable practices. These key figures measure our performance in areas such as energy consumption, waste reduction and water management. By collecting and analysing data, we understand our current impact on the environment and identify areas where we can improve. Our endeavour is in line with our ISO14001 report.

### CO2 Emissions

We are committed to reducing our impact on the climate and are actively taking steps to minimize our CO2 emissions. This is a crucial part of our corporate responsibility, and we follow a meticulous approach to achieve this goal. Here are some of the key steps we have taken:

#### **Minimization of CO2 emissions:**

We focus on reducing our total CO2 emissions by identifying and implementing effective strategies and technologies that reduce our footprint.

#### **CO2 accounting:**

We keep precise records of our CO2 emissions. This involves regular monitoring and reporting of our emissions to maintain transparency and accountability.

#### **Measuring and documenting our own facilities and transport:**

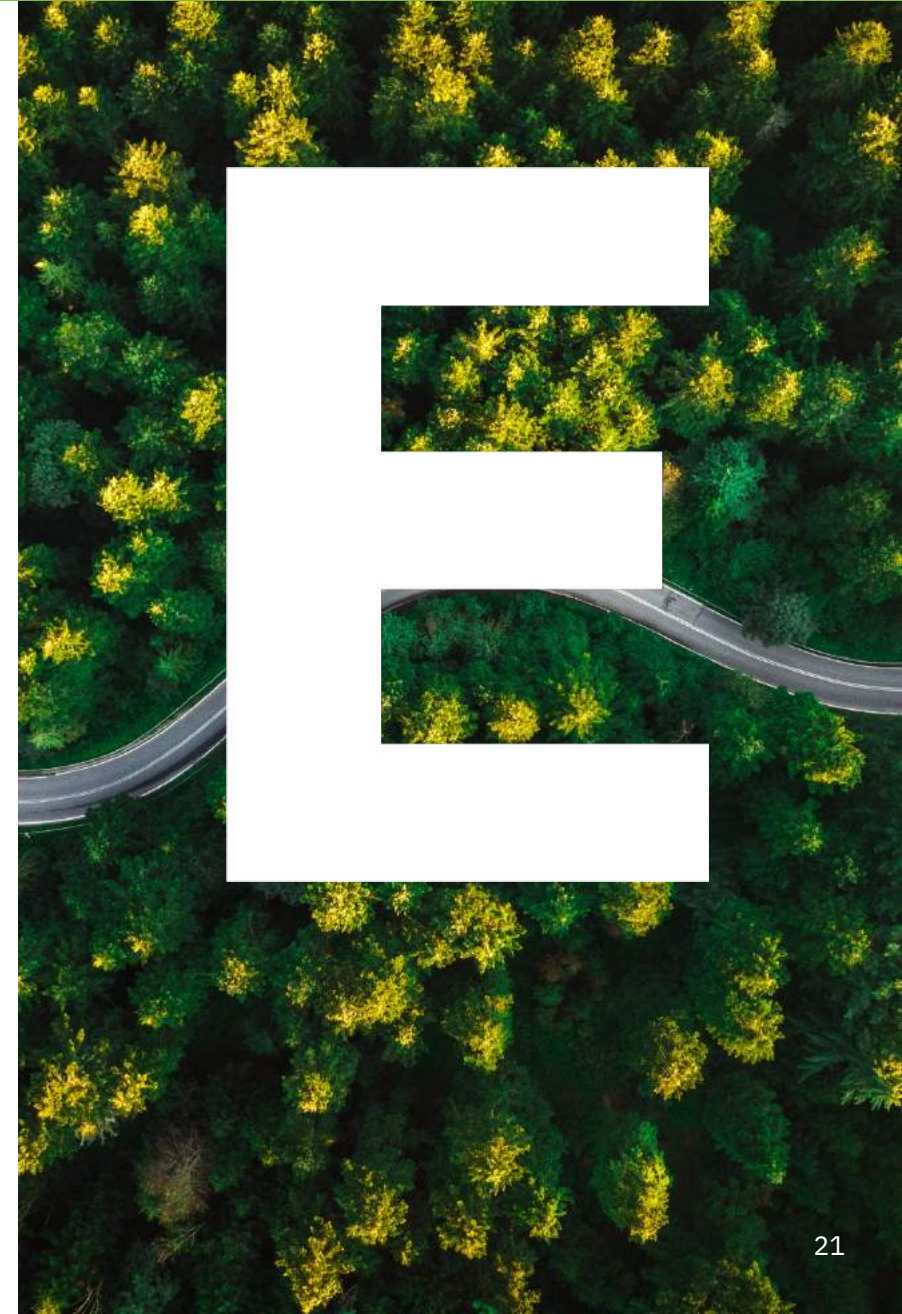
We accurately measure and document the CO2 emissions stemming from our own facilities and transportation activities. This helps us identify areas where we can make progress.

#### **Measuring and documenting the purchase of electricity and heat:**

We are monitoring and documenting the CO2 emissions associated with our purchase of electricity and heat. This is an important part of our efforts to reduce our climate footprint.

#### **Setting goals for CO2 reduction:**

We have set ambitious goals to reduce our CO2-equivalent emissions. These goals guide our actions and ensure that we strive for significant improvements.



## In-depth with E-key figures

### Water Consumption

We actively prioritize sustainable water management as a crucial part of our corporate responsibility. Here are some key points that reflect our approach to water consumption and reflect our ISO-14001

#### **Water Consumption Policy:**

We have established a policy for water usage that guides our actions and desires for managing water consumption throughout the organization. We do not discharge process water from our production and therefore have a water policy that matches our company and the associated legislation.

#### **Awareness of Water Consumption:**

We are conscious of our water consumption and acknowledge it as a metric in the ESG report. This involves regular monitoring and reporting to understand our consumption patterns and make decisions.

#### **Minimization of Water Consumption:**

We are committed to minimizing our water usage by identifying opportunities for improvement and implementing sustainable practices and technologies. This includes efficient water-saving measures.

### Pollution

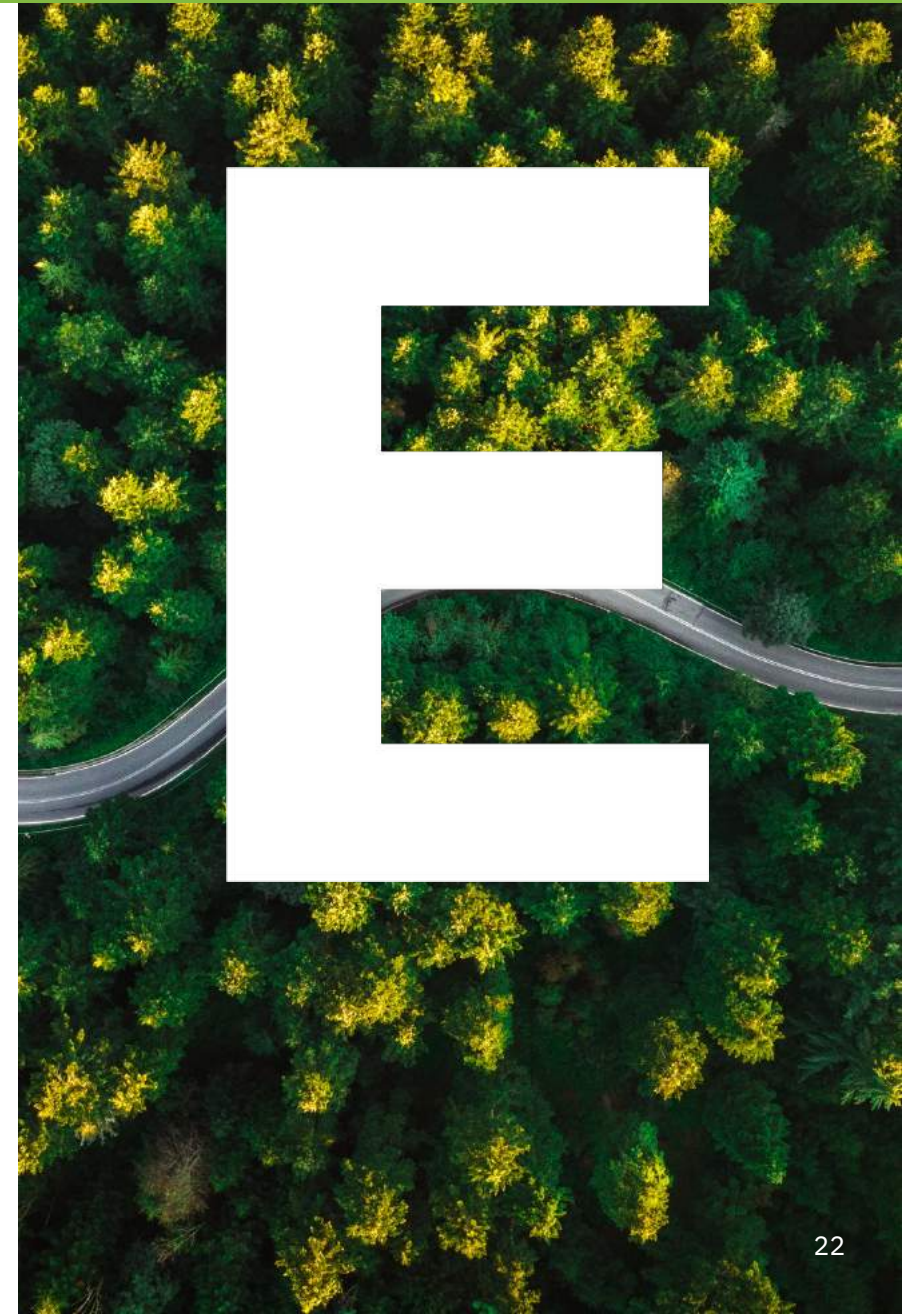
Protection of the environment and reduction of pollution are fundamental principles in our corporate philosophy. Here are the key aspects of our approach to pollution:

#### **Pollution Prevention Policy:**

We have established a policy to prevent pollution, which serves as the foundation for our environmental responsibility. This policy is our guide to taking responsible steps and minimizing our impact on the environment.

#### **Minimization of Pollution:**

Through our ISO14001 objectives, we work purposefully to minimize our emissions and polluting activities. This involves the implementation of advanced technologies and processes that reduce our environmental impact and support sustainable operations. Our commitment to avoiding pollution and protecting the environment is a priority that is embedded in everything we do.





## In-depth with E-key figures

### Energy Consumption

We actively prioritize sustainable energy management as a core part of our business responsibility. Here are the key points that reflect our approach to energy consumption:

#### **Energy Consumption Policy:**

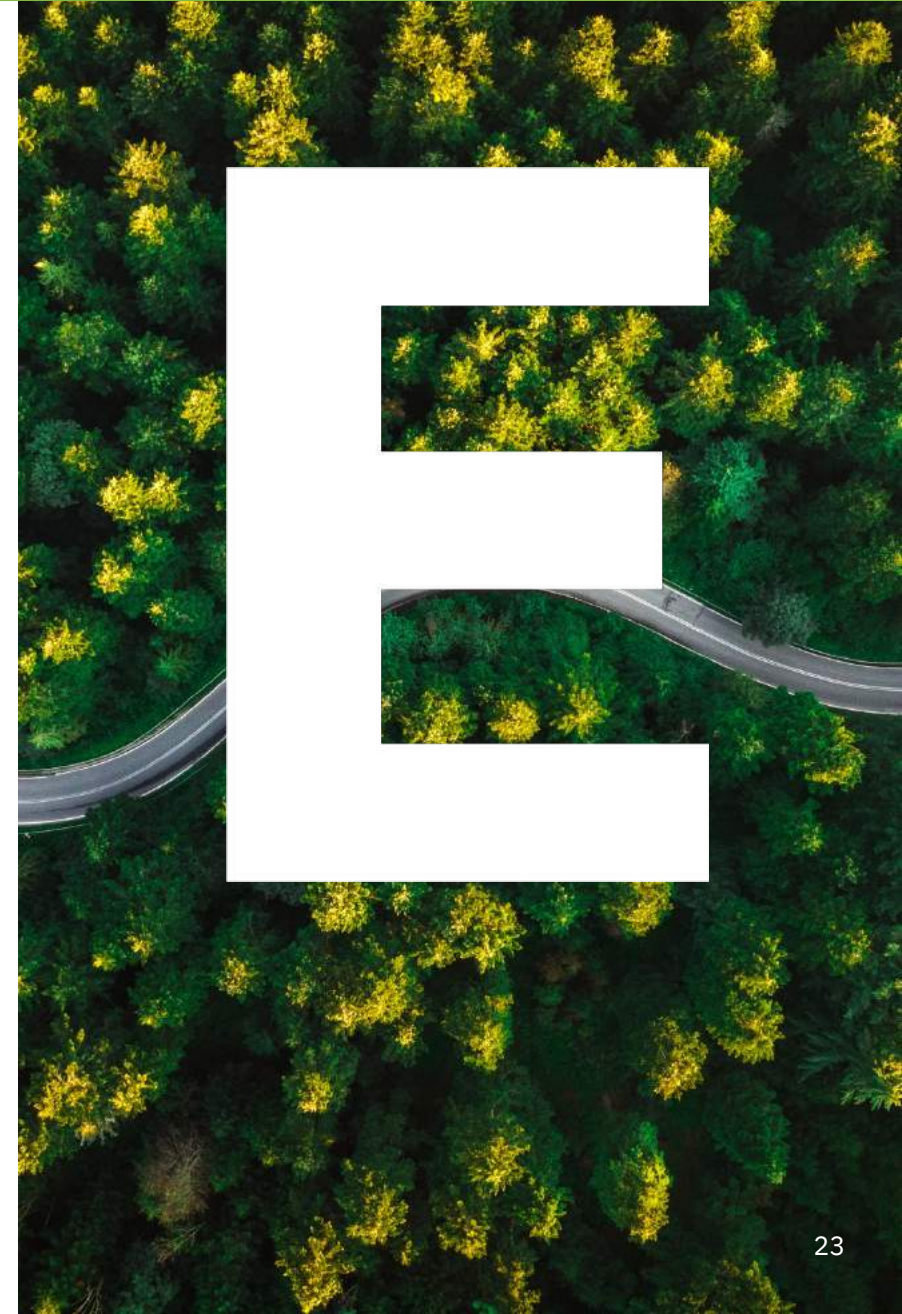
We have developed and maintain an energy consumption policy that serves as our guideline for achieving sustainability and energy efficiency. This policy is our guide to ensuring that our energy consumption is responsible and sustainable.

#### **Awareness of Energy Consumption:**

We have a clear focus on being mindful of our energy consumption. This involves regular monitoring and measuring to understand our consumption patterns and identify areas with potential for improvement.

#### **Energy Consumption Efficiency:**

We are committed to optimizing our energy use through the implementation of energy-efficient technologies, processes, and methods. This helps us to reduce our energy consumption while also lessening our environmental impact. Our goal is to manage our energy consumption in a sustainable manner and minimize our ecological footprint. We actively work towards energy efficiency and remain in compliance with our commitment to protecting the environment.





## In-depth with E-key figures

### Waste Management

Our approach to waste and resource management is rooted in the principles of sustainability and circular solutions. Here are some key elements that describe our approach:

#### **Circular Solutions Policy:**

We have a policy that commits us to actively work with circular solutions. This involves a dedication to minimizing waste and ensuring that our resources remain in circulation, which is crucial for a sustainable future.

#### **Correct Waste Sorting:**

We have implemented effective waste sorting practices to ensure that our waste is handled responsibly. This helps to reduce environmental impact and increases the potential for recycling. We are also mindful of new upcoming waste sorting regulations.

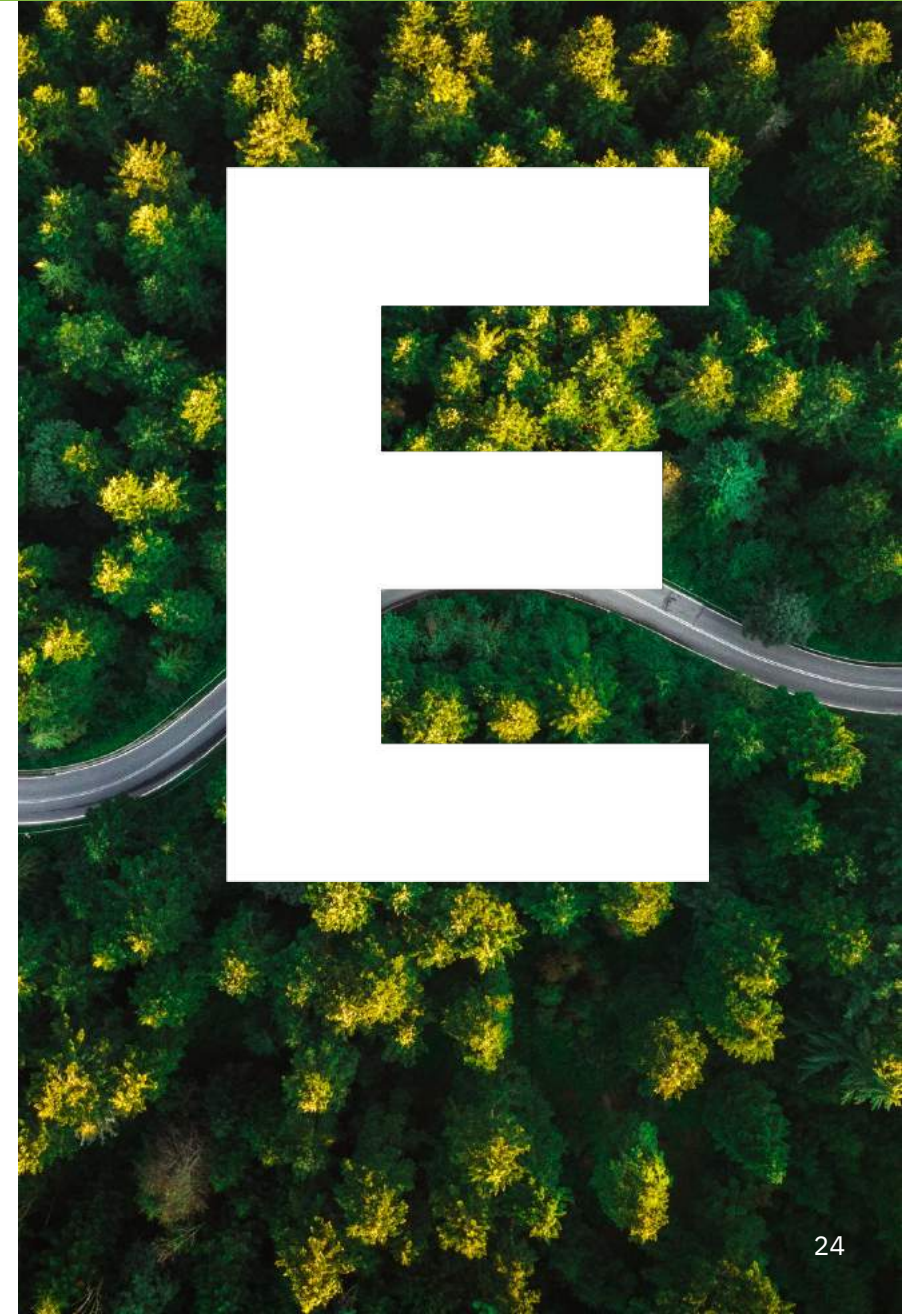
#### **Recycling of Waste:**

We actively work to recycle our waste materials where possible. This not only contributes to reducing the amount of waste but also minimizes our need to extract new resources.

#### **Sustainable Materials in Product Development:**

We have integrated sustainable materials into our product development as part of our strategy for responsible resource management. This promotes sustainability throughout our supply chain and results in more environmentally friendly products.

Our goal is to work towards a circular economy, where waste is minimized, and resources are utilized effectively. This is a central part of our commitment to protecting the environment and moving towards a more sustainable future.



## Work Culture and Social Conditions

A good working environment at the workplace is not to be taken for granted. Therefore, we have it as a focus area.



Jolanta Pavītola  
CHRO

At AE Partner, we take pride in being a company that prioritizes the well-being and development of our employees. Social (S) and Governance (G) are two crucial areas where the collection and illumination of data are vital for our continued success.

In terms of the social aspect, we foster a work culture where employees do not just perform their jobs, but actively contribute to a meaningful and engaged workplace. We collect data on employee engagement, well-being, and development needs to ensure that we can continuously improve our work environment.

In the Governance area, it is crucial for us to have clear structures and processes that support responsible leadership and decision-making. We collect data on our governance practices to ensure that our management structure is transparent and effective. This helps to build trust both internally and externally.

By focusing on these S and G areas through data collection and illumination, we aim to create a corporate culture that not only prioritizes results but also the well-being of employees and ethical responsibility. This is crucial for our long-term success and our contribution to a sustainable future.





## In-depth with S-key figures

### Social Conditions

In our company, we are proudly promoting healthy social conditions that include health, safety, well-being, diversity, and inclusion. Here are the key aspects of our approach:

#### Health, Safety, and Well-being:

**Health and Safety Policy:** We have an established workplace health and safety policy that forms the basis for our responsibilities and commitments in this area.

#### Sickness Absence:

We proactively work to reduce our sickness absence across the organization. Latvian law regarding sick leave results in higher sickness statistics in Latvia compared to Denmark, as in Latvia one must visit a doctor to get a “slimības lapa” which estimates the number of days one is sick.

#### Prevention of Workplace Injuries:

We proactively work to prevent workplace injuries by implementing appropriate measures and processes.

#### Measurement and Reporting of Workplace Injuries:

We regularly monitor and report work-related injuries to identify areas with potential for improvement.

#### Prevention of Stress:

We actively take steps to prevent stress among our employees and have tools available to manage stress when it occurs.

#### Stress Management:

We have tools to manage stress if it affects our employees.

#### Measurement of Employee Satisfaction:

We regularly evaluate employee satisfaction to understand their needs and well-being and take necessary actions.



## In-depth with S-key figures

### Diversity and Inclusion

**Diversity and Inclusion Policy:**

We have established a diversity and inclusion policy that serves as a guideline for our efforts to create an inclusive workplace.

**Initiatives to Promote Diversity and Inclusion:**

We have implemented initiatives that actively promote diversity and inclusion in the workplace.

**Focus on Diversity Among Leaders:**

We prioritize diversity among our management team at all levels to reflect a wide range of perspectives and experiences.

**Measuring Development Progress and Social Responsibility:**

We measure how many employee's complete development courses and contribute to education as part of our social responsibility





## In-depth with S-key figures

### Equality and Equal Pay

#### Policy for Equal Pay:

We have a clear policy that highlights our commitment to provide equal pay for equal work, regardless of gender, race, or other factors.

#### Measurement of Equal Pay:

We conduct regular measurements to ensure that equality and equal pay are a reality in our organization.

#### Inclusive Workplace:

We actively communicate our goal to be an inclusive workplace where all employees are respected and valued for their unique qualifications.

### Supplier Management

#### Supplier Policy:

We have developed a supplier policy that defines our expectations and requirements for our suppliers.

#### Monitoring and Managing Violations:

We closely monitor how our suppliers handle and remediate any violations in our cooperation, and we are determined to maintain high standards within supplier management.

### Responsibility Towards Customers

#### Customer Policy:

We have documented our policies and commitments to our customers, which includes our approach to environmental, social, and governance (ESG) issues.

#### Dialogue on ESG:

We are in continuous dialogue with our key customers to understand and address their concerns and interests within the ESG areas.

#### Quality and Safety:

We have a meticulous process to ensure that our customer deliveries maintain high quality and safety, and we remain committed to meeting and exceeding customer expectations.



## In-depth with G-key figures

### Business Strategy

#### Integration of Sustainability:

Sustainability is an integrated part of our business strategy, and we recognize that it is crucial for our long-term success.

#### Responsibility for Sustainability:

The responsibility for sustainability is anchored in our top management, ensuring that it is a high priority in our organization.

#### Defined Roles and Responsibilities:

We have clearly defined roles and responsibilities for our work with sustainability, which creates clarity about who is responsible for what.

#### Management Systems:

We use effective management systems to manage our sustainability efforts, including setting goals, monitoring, and reporting.

#### Global Goals and Impact:

We have identified the global goals that are most relevant for us to contribute to, and we clearly understand our impact, both positive and negative, in relation to sustainability challenges.

#### ESG Reporting:

Annually, we present our ESG key figures to provide transparency and accountability in our results and objectives.

### Legislation and Compliance

#### Compliance with Requirements and Regulations:

We continuously ensure that we comply with the applicable requirements and regulations and work proactively to adhere to them.

#### Ongoing Monitoring:

We closely monitor legislation that affects us directly or indirectly and adjust our practices and procedures accordingly.

#### Interest Networks:

We are part of several interest networks that discuss legislation and regulation.





## In-depth with G-key figures

### Documentation and Reporting

#### ESG Key Figures:

Annually, we publish our ESG key figures to provide stakeholders with transparency and insight into our performance and results in sustainability.

#### Accounting Manual:

We have an accounting manual that sets the standards and guidelines for reporting ESG key figures.

#### Application of Framework:

We use a recognized framework for our reporting, which ensures consistency and comparability.

#### Annual Sustainability Report:

We publish an annual report that provides a comprehensive overview of our efforts and results in sustainability.

### Risk Management

#### Stakeholder Dialogue:

We engage in dialogue with our stakeholders to identify and understand the ESG risks they consider significant to our business.

#### Continuous Monitoring:

We continuously monitor our ESG risks and are prepared to take measures to mitigate them.

#### Identification of ESG Risks:

We identify ESG risks in the same way as we do other business risks, which helps to integrate them into our overall risk management.





## In-depth with G-key figures

### Business Ethics

#### **Policies for Ethical Behaviours:**

We have a policy for ethical behaviour that defines our expectations for employee conduct.

#### **GDPR Policy:**

We have a policy for handling personal data (GDPR) to protect privacy and comply with legislation.

#### **Data Ethics Policy:**

We have a data ethics policy for responsible and fair use of data.

#### **Anti-Corruption Policy:**

We have an anti-corruption policy that establishes our zero tolerance for corruption.

#### **Whistleblower Scheme:**

We have a whistleblower scheme that allows employees to report irregularities and unethical behaviour.

#### **Measurement of Reported Cases:**

We measure and monitor the number of reported cases of unethical behaviour to ensure that our policies and measures are effective.





ESG 2021/22/23

Assumptions for the  
statements in the report



## Assumptions for the statements in the report

AE Partners' ESG report for 2023 covers the accounting period January 1, 2023 – December 31, 2023. The ESG report has been prepared with the aim of providing an overview of the company's efforts and objectives.

### Calculation basis for the ESG report

Below we explain how our ESG report has been calculated, including which areas the report covers, as well as which have been omitted.

### Greenhouse Gas (GHG) Protocol

The account has been prepared in accordance with the international standard, the Greenhouse Gas (GHG) Protocol, which is the leading standard for climate calculations. According to the GHG Protocol, the climate account must include three different areas (scopes) of emissions. Here, the protocol distinguishes between greenhouse gases, which the individual company itself emits from the company's own premises and machinery (for example, through the combustion of gasoline, diesel, or natural gas) – called 'Scope 1', emissions associated with the production of the energy the company purchases (for example, electricity and district heating) – called 'Scope 2', and emissions associated with the value chain that the company is a part of (for example, by virtue of the company's purchases) – called 'Scope 3\*' – see Figure 1.

### Digital platforms

To calculate ESG data, the Business Authority's Climate Compass from Denmark has been used as the calculation platform. The platform developed by Deloitte, Danske Bank, and the organization Lederne.dk has been used to prepare the materiality matrix.

### Data on transport

AE Partner ourselves question whether all transport emissions, which our company owns, have been accounted for, as the process of collecting data is complex. To provide a more accurate picture, we wish in the future to get the correct figures/data for the ESG report from the transport companies.

### Data Basis

The data basis for the compilation of the ESG report's main and key figures is based on the company's list of suppliers, which includes purchases for production and operating expenses. The information has been collected from primary, secondary, and proxy sources. Where possible, the data has been stated in physical units. However, purchases in scope 3 Upstream have been stated in monetary units due to the lack of availability of physical units.

### Data Quantity

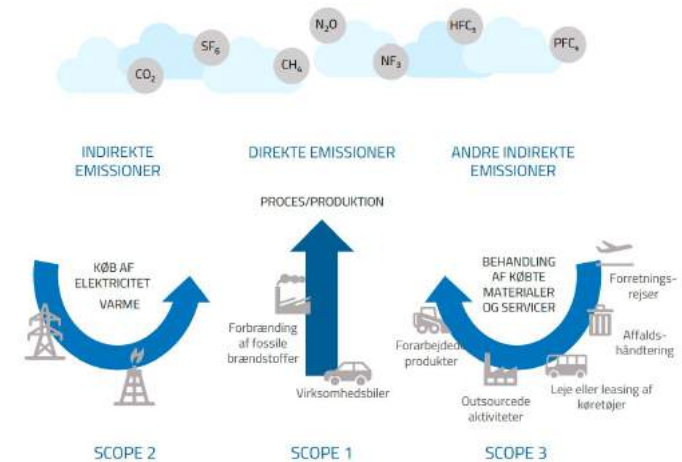
Where it has only been possible to account for units based on monetary units, now more than 95% of the company's list of suppliers are included. This has made it possible to incorporate data that provides a comprehensive insight into the company's economic activities.

### Exclusions

It should be noted that the environmental impacts in the product's usage phase are not included in the climate account. This is because the cabinets are manufactured as subcontractor work, and therefore it is not possible to account for the environmental impact in this phase.

### Social and Governance data

The data basis has been obtained from the company's HR area, which is digitally anchored in the ERP system.





## Disclaimer

AE Partner acknowledges that it has neither obtained nor been able to receive precise CO<sub>2</sub>-data from suppliers with regard to Scope 3, and therefore lacks accurate CO<sub>2</sub> calculations at the product level.

Our estimates are mainly based on average calculations per material type made in collaboration with the advisor ProLution, deriving from primary, secondary, and surrogate sources to ensure a comprehensive data foundation. We are committed to improving our data and will adjust our calculation methods accordingly as more precise data becomes available.

We aim to provide accurate data to our customers and partners, but due to the lack of precise data, we have employed CO<sub>2</sub> estimates based on a categorization of purchased products, considering over 95% of the company's expenses across all areas.

The current estimates, which calculate total CO<sub>2</sub> emissions in relation to the total number of sold hours, are intended as provisional and should be used to support further calculations and value chain analysis.

**AE Partner disclaims any liability for the use of this information.**

The term 'delivered hour' refers to the aggregate of invoiced hours for project management, engineering and production to the customers.

CO<sub>2</sub>e per delivered hour  
**0,0771**  
 Ton CO<sub>2</sub>e



# ESG-accounting

ESG-key figures	Unit	
<b>Environment</b>		
CO2e emissions within scope 1	Ton CO2e	Business Activities (A) * Emission Factors (B)
CO2e emissions within scope 2	Ton CO2e	Business Activities (A) * Emission Factors (B)
CO2e emissions within scope 3	Ton CO2e	Business Activities (A) * Emission Factors (B)
Total CO2e emissions (scope 1, 2, and 3)	Ton CO2e	Scope 1 + Scope 2 + Scope 3
CO2 intensity, total CO2e emissions relative to revenue	Ton CO2e /mio. DKK	CO2 Total / Net Revenue
Total Energy Consumption	GJ	$\sum$ (used fuel type (t) * energy factor per type of fuel) per fuel type + (used electricity (incl. renewable energy) (MWh) * 3.6) + (used district heating/cooling incl. renewable sources for heating/cooling (GJ)).
Energy intensity, total energy consumption relative to revenue	GJ/mil. DKK	Total Energy Consumption / Net Revenue
Renewable energy share, renewable energy consumption relative to total energy consumption	Pct. (%)	(Renewable Energy / Energy Consumption) * 100
Water Consumption	Liter	The sum of all water consumed – gross
Hazardous Waste Management	Pct. (%)	Describe your method
Recyclable Waste Management	Pct. (%)	Describe your method
<b>Social</b>		
Sickness Absence	Pct (%)	Sick hours / number of working hours (incl. overtime) * 100
Workplace Accidents	Number	Number of workplace accidents * 1,000,000) / total number of working hours for all FTEs
Employee Turnover	Mio. DKK	(Voluntary + involuntary leaving FTEs) / FTEs) * 100
Employee Satisfaction	Pct (%)	Percentage of employees who are satisfied with working at X – from employee survey
Gender Diversity in the Organization	Pct (% woman)	(Female FTEs + female temporary workers)/(full-time workforce))*100
Gender Diversity in the Executive Board	Pct (% woman)	Percentage of female executive members out of the total number of executive members (in percent)
Gender Diversity in Other Management Levels	Pct (% woman)	Percentage of female managers out of the total number of managers (in percent)
Gender Diversity in the Top Management Level	Pct (% woman)	Percentage of female board members out of the total board (in percent)
<b>Governance</b>		
Pay Gap between CEO and Employees	Pct (%)	CEO compensation/median employee salary.
Pay Gap between Genders	Pct (%)	The difference between the average gross hourly wage for male employees and for female employees as a percentage of the average gross hourly wage for male employees



ESG 2021/22/23

—  
Transparency





## The Business Requirements in the future

We constantly work with solutions that contribute to the green transition. Our aim is to support our customers in obtaining their goals.



**OLE RYOM**  
CTO

As the company's CTO, I want to share our dedication and results on the path to a more sustainable and efficient future. Our approach is focused on key principles such as "Under-commit and over-perform," reflecting our persistent efforts to deliver superior results compared to our commitments.

A central part of our strategy is digitalization of our processes. This is not just a technological decision, but a deliberate investment in strengthening our green commitment and adapting to a constantly changing world. Optimizing our processes and creating agile solutions that exceed our customer's expectations is our focus.

Our engineering and project management capacity forms the backbone of our success. We believe in investing in our internal talents, and our team is dedicated and constantly optimizing and streamlining our services and products.

In our approach to designing and engineering our customer's solutions, we want to be in the forefront of the latest technological trends and solutions. We constantly analyze engineering trends to ensure that we not only keep up but are pioneers in technological development. This is critical for our mission to deliver sustainable and advanced solutions.

In line with our commitment to being technological forerunners and creating value through sustainable solutions, we look forward to continuing our journey towards a more responsible future.



## Labels and ISO Certifications

Our certifications listed below further strengthen our position as a reliable and sustainable business.

It is crucial for us to document our integrity and understanding of sustainability as well as quality to our customers, partners, and investors.

By achieving and maintaining these certifications, we confirm our commitment to delivering high-quality products while reducing our environmental footprint.

We are proud to present these marks as an expression of our continuous commitment to sustainability and quality, and we look forward to continuing to pursue and exceed these standards in the future.



**LIENE KĻAVA**  
QUALITY MANAGEMENT  
SYSTEMS MANAGER



Standards	ISO-9001 ✓	ISO-14001 ✓	ISO-45001 ✓
<p><b>UL 508A</b> ✓</p> <p>Standard for industrial control panels intended for general industrial use, operating from a voltage of 1000 volts or less.</p> <p><b>IEC 61439-2</b> ✓</p> <p>Low-voltage switchgear and controlgear assemblies – part 2: Power switchgear and controlgear assemblies.</p> <p><b>IEC 60204-1</b> ✓</p> <p>Safety of machinery – Electrical equipment of machines – Part1: General requirements.</p>	<p>We are proud to be ISO 9001 certified, which confirms our high standards for quality management systems. This mark demonstrates our commitment to continuously improving our production processes and delivering the highest quality products to our customers.</p>	<p>We have achieved ISO 14001 certification, which demonstrates our focus on environmental sustainability. This certification confirms that our company is actively working to reduce the environmental impact of our activities and products, and it provides our stakeholders with confidence in our environmental responsibility.</p>	<p>The ISO 45001 certification demonstrates our focus on occupational health and safety, and it affirms our dedicated effort to create a healthy and safe working environment for our employees. We have implemented systematic approaches and processes to ensure that our workplace is safe and healthy for all staff members. The ISO 45001 certification provides our stakeholders with assurance that we prioritize the work environment and are committed to meeting the highest standards in workplace safety and health.</p>



## Operations in balance

I aspire to guide and lead factory operations where tasks, employees, and resources are in balance



Iveta Skābarde  
COO

Our internal ownership of Scope 1 and 2 emissions is a cornerstone of our sustainability strategy, aligning with ISO 14001 standards. We acknowledge the importance of holding ourselves accountable for both our direct and indirect environmental effects, and we are committed to reducing our environmental footprint.

In adherence to ISO 14001, our approach to reduce the direct impact of operational activities on the environment and energy costs includes targeted process reviews, implementation of dedicated activities, as well as practicing standard Lean tools such as 5S, Kaizen, Kanban, PFMEA and others. By maintaining and constantly improving these methods, we aim to create a more efficient and sustainable operations. We believe that continuous improvement and risk management are key elements to reduce environmental impact and ensure responsible business practices.

We focus our attention on energy consumption and the origin of the obtained energy. We understand that energy production and consumption have significant environmental consequences, and, as such, we actively work towards transitioning to more sustainable energy sources. This commitment is not just an obligation, but an investment in a greener and more sustainable future.

We plan to share additional details and results in an upcoming ESG report as we promote transparent entrepreneurship, and we are fully committed to a more sustainable future.

Read more: <https://www.aepartner.dk/how-we-work/>







ESG 2023

Sustainable awareness



## Stakeholder analysis

Identifying the ESG issues most important to both the company and its stakeholders.

To effectively target ESG objectives, we have conducted a comprehensive and engaging analysis that encompasses all ESG topics.

We have chosen to utilize Deloitte's digital analysis tools for this purpose. Displayed to the left is a matrix of our results along with the areas we are now aware we need to address.

An ESG stakeholder analysis is a process where an organization identifies and assesses interests, expectations, and potential impacts on and from various stakeholders regarding the organization's environmental, social, and governance practices.

	Environmental	Social	Governance
Authorities	The authorities are making increased demands for companies to disclose what materials have been used in their products. The authorities require waste sorting.	The authorities require that the company has control over the fundamental business practices for employee rights.	The authorities require a whistle blower scheme in companies with 50-249 employees by December 17, 2023, at the latest. The authorities require compliance with guidelines for communication of ESG.
Financial Actors	Nothing selected	Nothing selected	Financial actors are requesting a strategy for sustainability.
Corporate Customers	Customers request documentation for CO2e emissions. Customers request reduction plans for CO2e emissions. Customers request more use of green energy.	Customers request that the company acts responsibly towards employees. Customers request that the company continuously ensures responsible supplier management. Customers request transparent product information. Customers request compliance with their Supplier Code of Conduct.	Customers request policies for ethical behavior. Customers request a sustainability strategy.
Consumers	Consumers want lower CO2e emissions in the production of products. Consumers are demanding products that create less waste and are easier to recycle. Consumers are demanding processes that handle and minimize environmental pollution.	Consumers are demanding decent working conditions for employees. Consumers are demanding that the company takes social responsibility in the supply chain.	Consumers expect the company to communicate sustainability transparently.
Employees	Nothing selected	Employees request work-life balance. Employees request diversity and inclusion. Employees request equal pay between genders.	Employees request that the company takes social responsibility. Employees request honest and responsible management of the company.

## Materiality Matrix

The materiality matrix is a crucial tool in our ESG reporting that creates a visual overview of the key areas we have selected and prioritized in relation to our impact on society, environment, people, as well as business, economy, reputation, and strategy. These selected focus areas reflect our commitment and goals towards sustainability and responsible business practices.

### Selected Focus Areas

- CO2e reduction
- Legislation and compliance
- Responsibility towards your customers
- Health, safety, and well-being

### CO2e Reduction

CO2e reduction is critical to our commitment to combating climate change. We have established targeted actions to reduce our carbon footprint by integrating sustainable processes, green technologies, and by collaborating with stakeholders to promote positive climate changes.

### Legislation and compliance

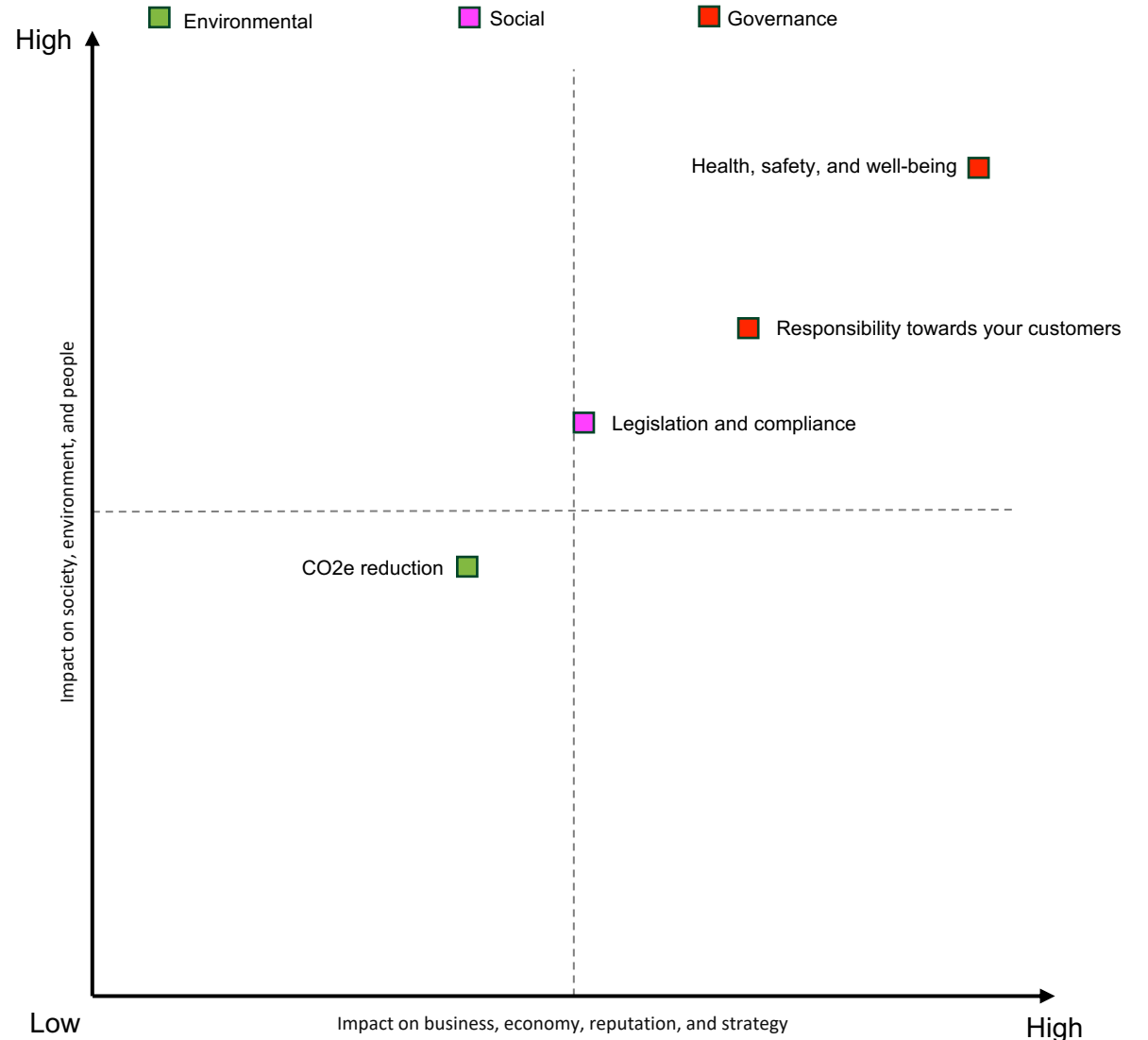
We are committed to adhering to environmental laws and our code of conduct. By proactively monitoring and adapting to legislative changes, we aim to exceed the minimum standards for sustainability and environmental protection.

### Responsibility towards your customers

In a world where consumer awareness is constantly growing, we stand by our responsibility to deliver both products and services that customers can trust. Our commitment to honesty and openness in our reporting of ESG initiatives strengthens trust and builds long-lasting relationships with our customers, who value ethical and responsible practices just as highly as we do.

### Health, Safety, and Well-being

Our employees are the cornerstone of our success, and therefore we highly prioritize their health, safety, and well-being. Through comprehensive programs and a continuous focus on the working environment, we strive to create a healthy and safe workplace where our team can flourish and thrive.





# The United Nations' Sustainable Development Goals



Our selection of SDGs reaffirms our commitment to translating words into action and making a positive impact in areas where it is most needed. We recognize that sustainability is not just an obligation but an opportunity to effect lasting change and contribute to a more just and sustainable world. We look forward to reporting on our progress and engaging in ongoing dialogue with our stakeholders about our journey towards meeting these critical goals.

## The 3 SDG goals AE-Partner has chosen to work with



### Materiality Analysis and Selection of SDGs:

Our commitment to sustainability and corporate responsibility has been shaped by a careful materiality analysis, identifying key areas where our impact and influence are most significant. Based on this analysis and our commitment to contribute to the UN Sustainable Development Goals (SDGs), we have chosen to focus on the following goals:

- Sustainable Energy: 7.2
- Responsible Consumption and Production: 12.6
- Climate Action: 13.2

**Sustainable Energy:**  
 Our efforts to address SDG 7.2 underscore our understanding that sustainable energy is crucial for a sustainable future. We have identified areas where we can optimize our energy usage, implement renewable energy sources, and reduce our carbon footprint. Through these initiatives, we aim to contribute to the use of reliable, sustainable, and modern energy.

**Responsible Consumption and Production:**  
 Our commitment to SDG 12.6 reflects our desire to create a more sustainable supply chain and consumption practices. We have identified areas where we can optimize resource usage, reduce waste, and promote a circular economy. Through these actions, we aim to promote responsible consumption and production and minimize our negative impact on the environment.

**Climate Action:**  
 Our efforts to address SDG 13.2 are a direct response to climate change and our recognition of the need for urgent action. We have identified areas where we can reduce our CO2 emissions, adopt climate-friendly technologies, and enhance our resilience to climate change. We are committed to contributing to the global effort against climate change and supporting the goal of preserving the planet for future generations.

## Elaboration on goals

We have identified our goals and implemented a range of initiatives to reduce our CO2 emissions and minimize our environmental impact. This is crucial for our corporate social responsibility and our contribution to a more sustainable future.

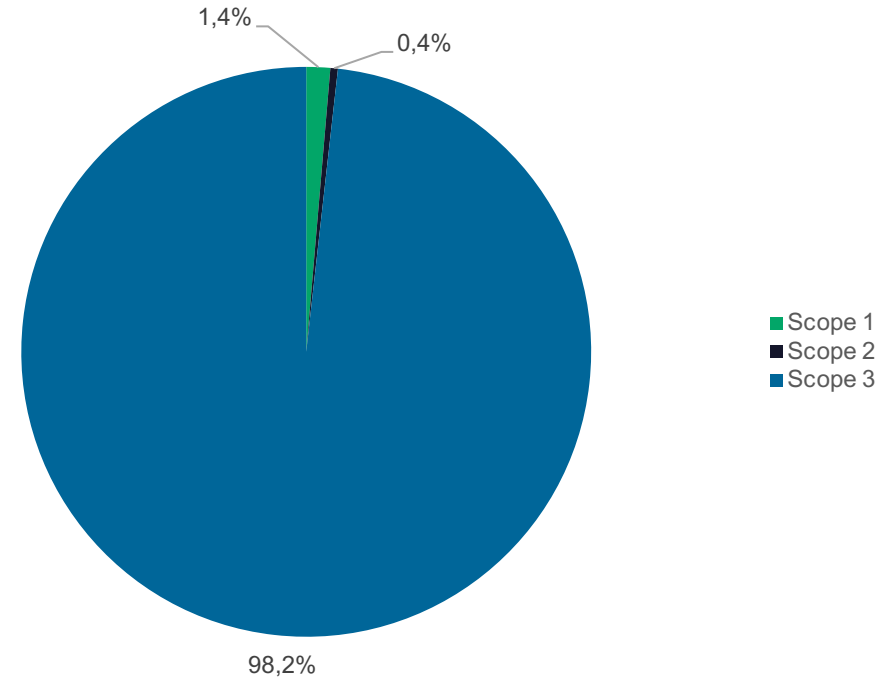
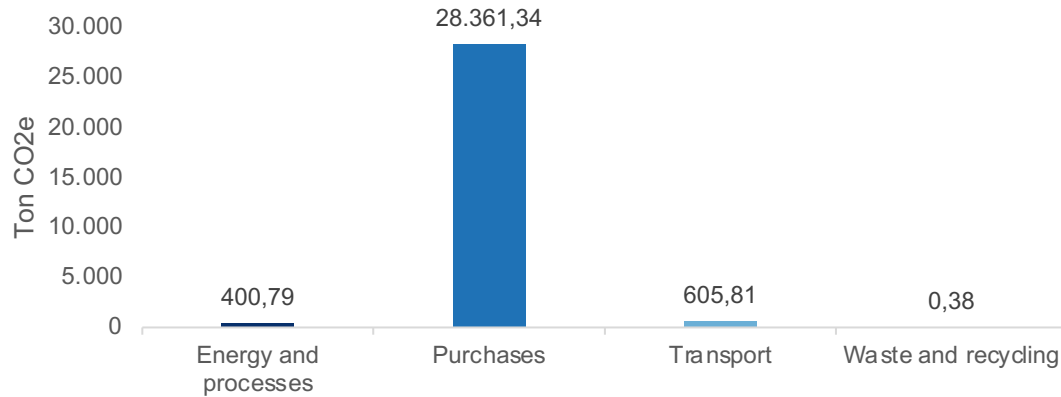
Our primary objective is to minimize our CO2 emissions and reduce our footprint. This includes improvements across all three scopes of our carbon footprint..

AMBITIONS	Short-Term Sustainability Goals (1-3 years)	Long-Term Sustainability Goals (3-10 years)
<p>AE Partner is committed to playing an active role in promoting sustainability and environmental awareness within our business domain. We recognize that sustainability is not just a goal but a necessity to create a viable future for our company, our community, and our planet.</p> <p>In this report, we present our short-term and long-term sustainability goals, developed based on a comprehensive assessment of 21 ESG metrics.</p> <p>These objectives are designed to address specific challenges our company faces while considering the industry-specific factors.</p> <p>Our goals are not just statements but tangible and quantifiable targets that guide our actions and investments towards a more sustainable future. We have already taken the initial steps to meet these objectives and are determined to work diligently to achieve them in collaboration with our stakeholders and partners.</p>	<p><b>Reduction of Scope 1 and 2 CO2 emissions:</b> We aim to reduce our direct scope 1 and 2 CO2 emissions by 10% within the next three years (2026) by implementing energy-efficient technologies and process optimizations at our production facilities. (Reference year 2022)</p> <p><b>Increased use of renewable energy:</b> Within the next year, we will increase our use of renewable energy sources to 15% of our total energy consumption at our facilities.</p> <p><b>Internal transport:</b> We aim to monitor our internal transportation and increase efficiency in travel activities through the use of digital meetings and changes to travel patterns.</p> <p><b>Scope 3 data from subcontractors</b> We aim to collect all necessary scope 3 data from our suppliers.</p>	<p><b>Sustainable solutions:</b> We will launch a series of sustainable options that help our customers reduce their environmental footprint within the next 3 years.</p> <p><b>Climate footprint reduction for suppliers:</b> We will collaborate with our suppliers to reduce their CO2 emissions and increase their sustainability efforts within the next 5 years.</p> <p><b>Sustainable education:</b> We will establish a sustainable knowledge platform for our employees and share our knowledge with our customers and the industry</p> <p><b>Waste Sorting:</b> We will comply with upcoming waste sorting regulations and aim for at least 60% of our waste to be part of the circular economy within the next 5 years.</p>



## Elaboration on scopes

AE Partners' commitment and focus points within sustainability include specific initiatives across all three scopes of our carbon footprint. Our largest CO<sub>2</sub> footprint is found in Scope 3, therefore this is where we have the greatest opportunities. Scope 1 and 2 are under our internal ownership, making them easier to control.



Scope 1	Scope 2	Scope 3
In Scope 1, we ensure that our internal transportation does not increase in tandem with the company's growth. This is addressed through increased use of digital meetings and more efficient planning of travel activities.	In Scope 2, we focus on reducing our gas consumption by implementing heat pumps to provide heating in our production halls.	In Scope 3, we assist our customers in adopting greener solutions by minimizing standby power consumption in their electrical cabinets throughout the product's life cycle. Furthermore, we are working on obtaining more accurate data on our purchased products, which will significantly reduce our Scope 3 upstream emissions. These initiatives are crucial for our CSR and contribute to a more sustainable future.



ESG 2023

Sustainable projects



## Seaworthy packing

We make sure that our panels safely reach your destination.

We are specialized in handling logistics tasks including advanced seaworthy heat-treated packaging, internationally certified.



## Energy Initiatives 2023

- ✓ Replacing the existing gas boiler and modernizing the boiler house
- ✓ Installing 22 heat pumps
- ✓ Installing solar panels to generate 256 000 kWh electricity per year



# Code of Conduct

Responsibility and proper behaviour are reciprocal obligations

In our pursuit to uphold the highest standards of ethical conduct and sustainability in all aspects of our business, we have implemented two key guidelines: Our Code of Conduct and the Supplier Code of Conduct. These documents are foundational to our company culture and business practices, reflecting our commitment to responsibility and integrity.

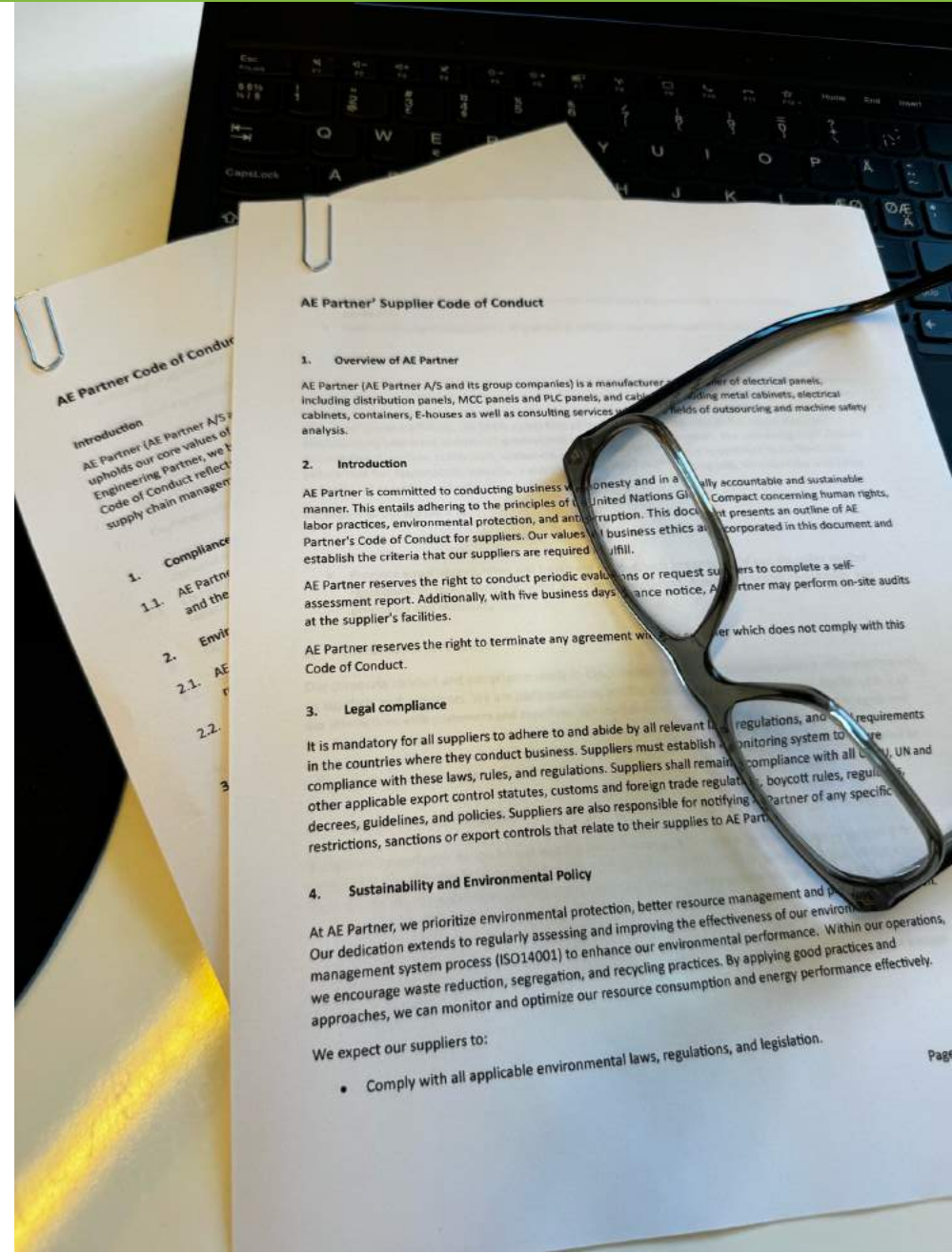
## Code of Conduct:

This code establishes a fundamental framework for the behavioural and ethical standards all our employees are expected to adhere to. It covers a wide range of principles, including, but not limited to, professional behaviour, communication, confidentiality, and conflict of interest. The purpose of this code is to ensure that every employee understands and lives up to the values and ethical standards our company stands for, both internally within the organization and in our interactions with external parties.

## Supplier Code of Conduct:

Recognizing that our responsibility extends beyond our own organization, we have also established a Code of Conduct for Suppliers. This code sets forth clear requirements for our suppliers and partners to follow ethical guidelines and practices that align with our own. It includes guidelines for labour conditions, environmental sustainability, anti-corruption, and fair-trading practices. This ensures that our entire supply chain reflects our commitment to ethics, accountability, and sustainable development.

By introducing and enforcing these codes, we ensure that our business practices are not only compliant with the law but also aligned with our internal standards of integrity and sustainability. These initiatives are a crucial part of our ongoing commitment to being a responsible business that prioritizes ethical operations and sustainable development.





## Those we support

At AE Partner our commitment to Corporate Social Responsibility (CSR) is essential. We have not established a fixed strategy for which projects we wish to support, and our approach is a deep understanding of our community and the areas where our resources can make a meaningful difference. We value partnerships and actively seek to collaborate with organizations where our support can have a positive impact on both our company and society.

For many years, AE Partner has continuously supported various organizations and initiatives that share our values and goals. Our philanthropic support has primarily manifested itself as financial donations designed to strengthen and promote the work of these organizations. To the right is a list of some of the organizations we have supported.



### 2022:

Q1 SOS Children's Villages Association

Q2 YOU Pluss, youth mental health support

Q3 Oncology Patients Support Association "Dzīvības koks"

Q4 Liepaja Society for the Blind people, project "Garden of Soul Relief"

### 2023:

Q1 "Liberta" Animal Protection Association

Q2 R.R. Foundation, sports activities support for kids from underprivileged families.

Q3 Liepaja Kanis Society "Animal Protection Society"

Q4 "OPEN Creative Centre"

## External Consulting/Support

Statement on the Compilation of Climate Accounting Head and Key Figures  
To the Management of AE Partner

We, ProLution, have prepared the ESG report including the Climate Accounting head and key figures for AE Partner for the financial year 2023. These figures are based on the company's records of quantities as well as selected conversion factors and other information provided by the company's management. The head and key figures include a report, a statement with the head and key figures, and information on the accounting practices used. In addition, there are appendices including emission factors sourced from the Danish Business Authority's calculation model.

In carrying out the task, ProLution has followed the ISRS 4410 standards for the compilation of financial information. We have utilized our professional expertise to assist management in the preparation and presentation of the selected Climate head and key figures. It is important to note that management is responsible for the Climate Accounting head and key figures as well as for the accuracy and completeness of the information used to compile the figures.

Since the compilation of financial information is not a task requiring assurance, ProLution is not obligated to verify the accuracy or completeness of the information provided by the company's management for the compilation of the Climate Accounting head and key figures. Therefore, ProLution does not provide any audit or review conclusion regarding whether the selected head and key figures have been prepared and presented in accordance with the publication on head and key figures issued by the FSR - Danish Auditors, the Danish Finance Association/CFA Society Denmark, and Nasdaq Copenhagen.

**Thomas Hjort**  
ProLution ApS  
Consulting Engineer  
CVR-nr. 40 74 77 29



**Thank you for your interest**

**AE Partner**

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