

2025

ESG report

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Introduction

As climate change accelerates and stakeholder expectations rise, we embrace our responsibility to operate transparently and accountably. SKY-LIGHT A/S is a Danish manufacturer of advanced packaging materials, serving customers primarily within the food industry across Europe.

This ESG report represents a structured step toward mapping and communicating the environmental, social, and governance (ESG) aspects of our business. The purpose of this report is to increase transparency around our current ESG performance and to identify opportunities for continuous improvement. It reflects our broader commitment to act responsibly, not only as a supplier, but also as an employer and partner, backed by policies, measurable targets, and ongoing initiatives. This report is the foundation for our ongoing journey toward measurable, transparent, and sustainable growth.



Management summary - ESG report 2025

ENVIRONMENT

SKY-LIGHT A/S has demonstrated progress towards its environmental targets since the baseline year of 2020.

In 2025, we achieved a 42% reduction in **Scope 1** greenhouse gas (GHG) emissions, a 61% reduction in **Scope 2** emissions, and a 22% reduction in **Scope 3** emissions compared to 2020 levels. This contributed to an overall 24% decrease in total GHG emissions. These improvements resulted from lower energy consumption, reduced transport activities, increased use of recycled materials, and declining emission factors.

Despite lower production volumes in 2025 than in 2020, **operational efficiency** improved, as evidenced by a 10% reduction in CO₂e intensity per tonne of purchased raw materials, from 2.35 t CO₂e in 2020 to 2.12 t CO₂e in 2025.

Energy consumption consists solely of fuel and electricity. In 2025 90% of all electricity use came from renewable sources. In 2025 solar panels were installed, delivering 8.8% of our electricity usage.

Water withdrawal remained notably low at 2,015 m³.

Reprocessed inputs from internal and external sources comprised 68.2% of total feedstock, reducing our reliance on virgin plastics, which constituted 31.8% (dropping from 33.4% in 2020).

Looking ahead, we aim for a 75% reduction in Scope 1 emissions and 80% in Scope 2 by 2030, reaching zero emissions in both scopes by 2050, alongside a 50% cut in Scope 3 by 2050. Additional targets include reducing virgin plastic per tonne of product and combustible waste by 30% by 2030. **Initiatives** encompass electrifying the vehicle fleet and finding alternatives to natural gas in drying processes for Scope 1; installing

solar panels for Scope 2; and further minimizing virgin PET use while optimizing logistics and material selections for Scope 3.

SOCIAL

We prioritize a safe, inclusive workplace and actively engage with our local community.

With 96 employees in 2025, the workforce features 36% **female representation** and an 81% **collective bargaining coverage**.

Sick leave was 6.1%, while 7 work-related accidents occurred, yielding a **TRIR rate** of 7.48. No severe human rights incidents were recorded, supported by our Code of Conduct.

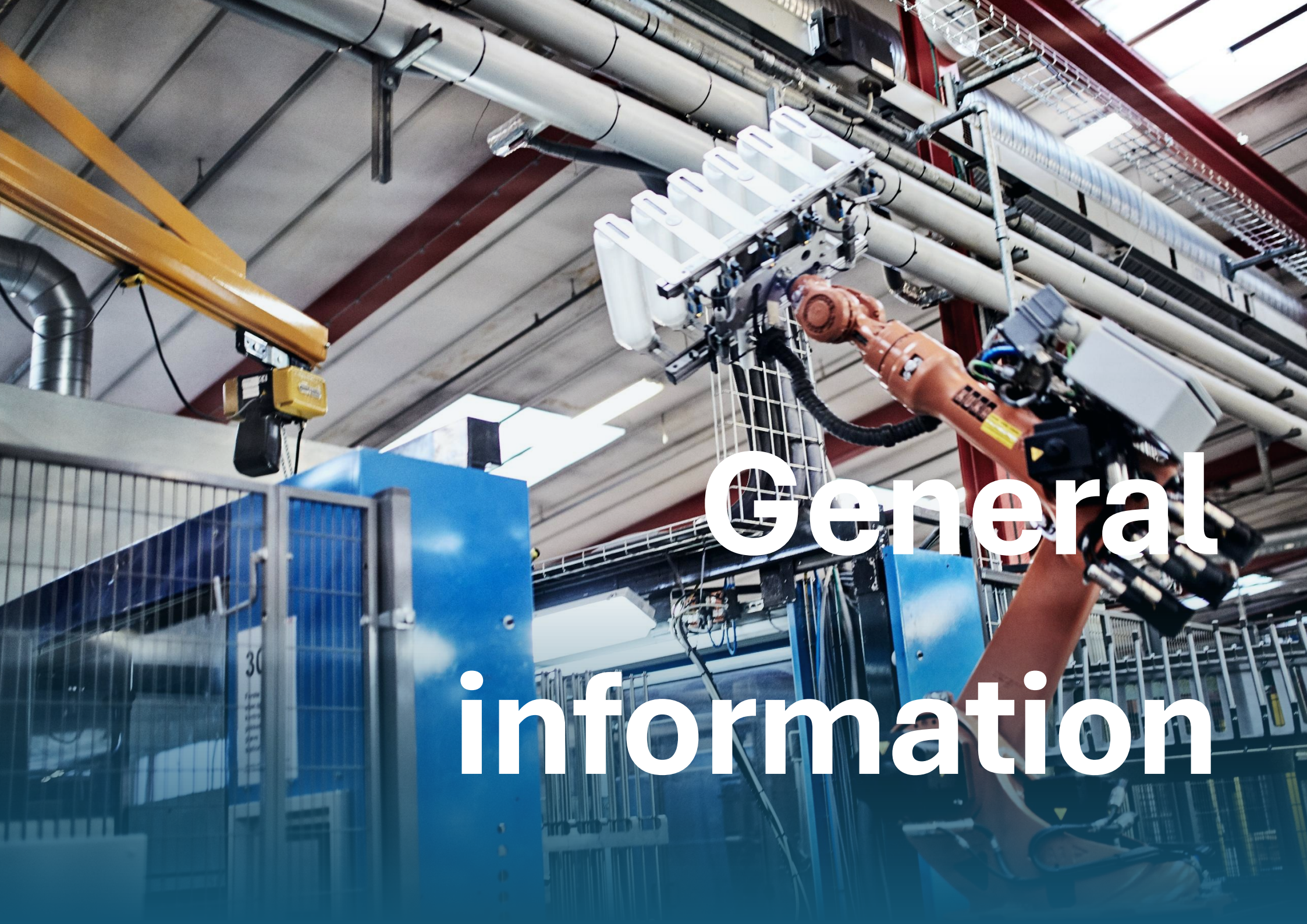
Community involvement includes educational tours, network participation, and utilization of process heat.

Future efforts aim to reduce the Total Recordable Incident Rate to zero, get sick leave below 5%, and ensure annual role-specific safety training, promoting ongoing well-being and collaboration.

GOVERNANCE

We uphold ethical standards with zero convictions or fines for corruption and bribery in 2025. The governance body, comprising three male board members, has a **gender diversity ratio** of 0:3, with plans to improve inclusivity in future appointments.

An **ESG strategy**, developed in 2025, guides responsible practices, including annual supplier screenings from 2026 and yearly ESG reporting, to enhance transparency and value chain integrity.

A photograph of an industrial robotic arm in a factory setting. The arm is orange and is positioned above a blue machine. The background shows a complex network of pipes and structural elements. The text "General information" is overlaid in white, bold, sans-serif font.

**General
information**

B1 Basis for preparation

This ESG report is prepared on an individual basis in accordance with the Voluntary Sustainability Reporting Standard for non-listed SMEs (VSME – December 2024 draft) and covers the period January 1 to December 31, 2025, for SKY-LIGHT A/S.

We report in line with both the Basic and Comprehensive Modules to provide stakeholders with a transparent and ambitious view of our sustainability performance, while revenue information has been omitted due to commercial sensitivity.

In 2024, a materiality assessment was conducted involving management, production, key functions and external consultants. Impacts were evaluated based on severity, likelihood and stakeholder relevance, forming the basis for the topics included in this report.

Legal form:

Aktieselskab (A/S)
private limited company

NACE codes:

22.22 – Manufacture of plastic packing goods
22.21 – Manufacture of plastic plates, sheets, tubes
and profiles

Certificates:

BRC IoP Issue 7

Balance sheet total (EUR):

approx. 16.2 million EUR
(120,256 TDKK)

Turnover (EUR):

Omitted due to sensitivity

Number of employees:

96 (headcount as of December 31, 2025)

Address:

Tømmervej 36, 6800 Varde, Denmark

Geolocation

55.60287° N, 8.50218° E

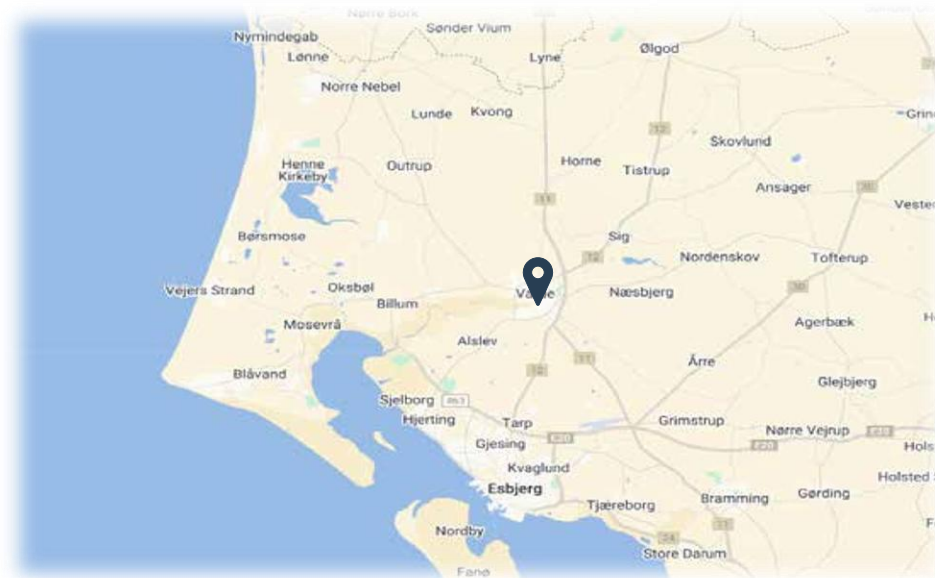
Site status:

Leased premises

Country of primary operations:

Denmark

(With international sales and partnership)



ESG key performance indicators

Environment		
Energy consumption – Electricity	9,404,820	MWh
Energy consumption – District heating	0	MWh
Energy consumption – Petrol	2,314	l ¹
Energy consumption – Diesel	5,320	l ¹
Energy consumption – Natural gas	19,705	M ³
Scope 1 emissions	51.87	t CO ₂ e
Scope 2 emissions (location-based)	440.66	t CO ₂ e
Scope 2 emissions (market-based)	441.06	t CO ₂ e
Scope 3 emissions	20,305.78	t CO ₂ e
CO ₂ e intensity	2.12	t CO ₂ e
Water withdrawal	2,015	m ³
Social		
Number of employees	96	Headcount
Sick leave rate	6.1	%
TRIR rate	7.48	
Governance		
Incidents of corruption and bribery	0	Number

¹ Liter fuel is calculated based on the km driven



C1 Strategy: Business model and sustainability

Who are we?

SKY-LIGHT is a privately owned, family-run company established in 1960 and headquartered in Varde, Denmark. With strong roots in West Jutland, we combine decades of experience with a forward-looking mindset that supports continuous growth and innovation.

Today, approximately 96 dedicated employees ensure an annual production of more than 10,000 tonnes of PET film and over 680 million thermoformed packaging items. In 2025, we also produced more than 10 million injection-molded components. Our operations run 24/7, providing high flexibility and reliable responsiveness to customer needs.

SKY-LIGHT holds a central position in the value chain by producing PET films used both internally in our thermoforming division and supplied to external packaging manufacturers. This position enables us to collect production residuals from our PET film customers as well as other thermoformers, allowing us to reintroduce valuable material into new PET film production. In 2025, reprocessed industrial

input from internal and external sources accounted for 42% of the total feedstock used in the extruder.

Environmental responsibility and resource efficiency are key priorities for us. In close collaboration with selected partners, we collect and process production residuals that are reintegrated into our manufacturing cycle, supporting circularity and reducing the need for virgin material.

At SKY-LIGHT, delivering on our promises is fundamental. We provide honest and reliable service: delivering exactly as agreed, of the specified quality and on the agreed date. We design and develop new products in close partnership with our customers, as collaboration strengthens both their business and ours, creating long-term value across the value chain.

Our products and services

We focus on two main production areas:

1. Thermoformed packaging produced using PET-based films.
2. PET film extrusion, supplying tailored film solutions for both internal use and B2B customers.

We develop and extrude films in aPET, rPET, and PET/PE, featuring customized properties such as anti-block and anti-mist. These solutions are developed in close collaboration with customers to meet specific technical and functional requirements.

In our thermoforming division, we manufacture ready-to-use packaging designed to protect products throughout the entire value chain — from factory to end-user. Our packaging solutions are primarily supplied to the food manufacturing industry, which places the highest demands on hygiene, quality, and product safety.

We uphold these standards through rigorous process control, strict hygiene protocols, and zone-specific safety measures in our production facilities. From concept to delivery, quality and protection are at the core of everything we do.



Markets and key business relationships

We operate exclusively in the B2B market, supplying manufacturers and wholesalers, particularly within the food industry, but also in selected non-food segments. Our customer base is primarily located in Denmark, Germany, and the Nordic region, and our products are integrated into both private-label and branded packaging solutions sold across Europe.

Approximately 90% of our purchasing volume (by monetary value) is sourced from eight key suppliers located in:

- Belgium
- Denmark
- Germany
- Switzerland
- Poland
- Sweden

This includes procurement of raw PET and PP materials (including food-grade rPET), packaging components and operational supplies among others.



Our key suppliers

B2 C2 ESG Policies, Practices and Future Initiatives

At SKY-LIGHT, sustainability is integrated into our strategic priorities through a structured ESG approach that guides responsible operations and long-term value creation.

A key strategic priority is the structured use of recycled and reprocessed PET, which we source from three main channels:

- internally from our own residuals
- In collaboration with PET film customers and other thermoform manufacturers through “closed loop” systems, where we buy back clean residuals
- externally via post-consumer PET from European recycling systems

This approach strengthens our circular economy efforts by reducing virgin PET use while maintaining quality and hygiene standards.

Our ESG strategy is anchored in a 2020 baseline and focuses on reducing environmental impact, improving resource efficiency, and applying circular principles across our processes. We are committed to ensuring a safe, fair, and inclusive workplace and maintaining transparent and ethical business practices throughout the value chain.

We recognize that sustainable value creation depends on balancing environmental responsibility, social well-being, and strong governance. Our policies, daily practices, and forward-looking initiatives support risk reduction, opportunity realization, and continuous improvement. ESG responsibilities rest with the management team, with the CEO holding overall accountability.



ESG Targets



GHG emission

Reduce Scope 1 by 75% by 2030 and 100% by 2025

Reduce scope 2 by 80% by 2030 and 100% by 2050

Reduce scope 3 by 50% by 2050



Raw materials

Reduce the share of virgin plastic per tonne of product produced by 30% by 2030



Waste

Reduce combustible waste by 30% by 2030



Social responsibility

Achieve and maintain a zero-incident rate (TRIR=0)

Keep annual sick leave rates below 5% every year from 2025

Ensure that all employees receive safety training relevant to their role every year



Business ethics

Update and publish an ESG report and data every year from 2025

Conduct at least 3 ESG supplier screenings annually from 2026

	Current Practices and actions	Existing Policies	Future Initiatives and goals
Environmental	• Systematic use of recycled and reprocessed PET from internal loops, customer systems, and post-consumer sources • Process optimization through increased automation and robotics to reduce resource use • Waste sorting to maximize recycling and minimize residual waste • Supply of excess heat to the local district heating grid (12,000 MWh annually, equal to approx. 700 households) • Solar Panels system from 2025	• Environmental policy	• Reduce CO₂ emissions through conscious material and process choices • Reduce residual waste by increasing sorting and recycling rates
Social	• Zero tolerance for discrimination and harassment • Strong focus on employee safety, well-being, and ongoing training • Contribution to society through packaging solutions that help reduce food waste	• Diversity & inclusion policy • Employee handbook including health & safety as well as training policies • Formalized safety protocols • Absence policy	• Strengthening health & safety culture through continuous training and preventive measures • Maintain annual sick leave rates below 5% • Improve gender diversity across staff and management levels
Governance	• Zero tolerance for corruption and unethical behavior • Whistleblower mechanism and grievance procedures to ensure accountability	• Code of Conduct including anti-corruption principles • Whistleblower policy • IT-security policy	• Annual ESG reporting • Increased digitalization of operational data to support investments, efficiency gains, and the green transition • ESG Screenings of selected suppliers from 2026 and forward



Environment

B3 C3 Energy and Greenhouse gas emissions

Energy consumption

Energy is a critical operational input at SKY-LIGHT, supporting extrusion, thermoforming, facility heating, lighting, office functions and the operation of electric material-handling equipment. In 2025, our total electricity consumption amounted to 9,404.87 MWh, representing a 4.6% increase compared to 2024. This increase is primarily driven by the implementation of internal heating based on a combination of heat pumps and industrial waste-heat recovery.

Of the total electricity consumed, 8.8% was generated onsite through our solar panel installation, while the remaining electricity was sourced from the municipal grid. According to supply data from Varde Municipality, 90% of the purchased electricity (7,775.04 MWh) originated from renewable sources, with the remaining 10% from non-renewable sources.

Natural gas consumption totaled 19,705 m³ in 2025 and is used exclusively for drying PET raw materials to ensure consistent product quality and prevent moisture-related defects. Our vehicle fleet consists of two diesel-powered cars, one gasoline powered car, two plug-in hybrid/gasoline cars and one electrical car.

Cooling for both extrusion and thermoforming processes is provided through a closed-loop groundwater cooling system. Groundwater at a stable temperature is used to cool internal process water, maintaining optimal production temperatures with high energy efficiency and minimal environmental impact.

In addition to on-site solar generation, SKY-LIGHT contributes to local energy decarbonisation through a partnership with DIN Forsyning, the regional district heating provider. Excess process heat from our groundwater cooling system is upgraded and supplied as district heating. This facility delivers approximately 12,000 MWh of heat annually—equivalent to the heating needs of around 700 households—and significantly reduces reliance on fossil-based district heating in the local community.

Data behind the energy analysis

The energy data presented is based on operational figures from 2025 and reflects documented supply conditions and utility-specific information. In relation to the fuel used, diesel and gasoline are only used for the vehicle fleet. Natural gas is used for production for pretreatment of the material. Conversions between the units, specifically m³ and l to MWh were carried out automatically by the Climate Compass tool, which is used for calculating our emissions (see accounting policy at the end of the report) These data sources and conversion methods form the foundation for classifying energy sources and reporting energy consumption for the 2025 accounting period.

Energy source	Renewable (MWh)	Non-renewable (MWh)	Total consumption (MWh)
Electricity	8,545.26	860.61	9,405.87
Fuel (Natural gas, diesel and gasoline)	81.80	211.23	293.03

Greenhouse gas (GHG) emissions

We prepared our GHG emissions inventory in line with the GHG protocol corporate Accounting and Reporting standard. Emissions are reported across Scope 1, Scope 2, and selected Scope 3 categories that are material to our operations.

The baseline year of our GHG reporting is 2020, with the full inventory and comparison year being 2025.

More than 97% of our emissions fell within Scope 3, with the largest contributor being the purchase of PET scrap and virgin PET, which alone accounts for 73% of the total emissions. From an efficiency perspective, we achieved a 10% reduction in CO₂e intensity compared to 2020. Although CO₂e intensity increased by 3% compared to 2024, the long-term trend still shows improvement against our baseline. This indicates that while year-to-year fluctuations occur, our overall trajectory remains positive and reflects continued progress in reducing emissions intensity.

The following Scope 3 categories were included in the calculation:

-  Category 1 – Purchased goods and services
-  Category 2 – Capital goods
-  Category 3 – Fuel and energy-related activities (not included in Scope 1 and Scope 2)
-  Category 4 – Upstream transport and distribution
-  Category 5 – Waste generated in operations
-  Category 9 – Downstream transportation and distribution
-  Category 12 – End-of-life treatment of sold products



In 2025, our total GHG emissions (excluding out-of-scope emissions) amounted to 20,798.31 t CO₂e, representing a 24% reduction compared to our 2020 baseline year. And a decrease of 9% compared to year 2024. This decrease can be explained by lower emissions factors on electricity, and an elimination of district heating, together with a decrease in the amount of raw material bought.

	2025	2024	2020 (Baseline)	Change
	t CO ₂ e	t CO ₂ e	t CO ₂ e	
Total Scope 1	51.87	41.70	89.14	-42%
Total Scope 2 (Location – based)	440.66	509.81	1,135.85	-61%
Total Scope 2 (Market – based)	441.06			
Cat. 1 – Purchased goods and services	17,488.43	19,723.34	21,960.05	-20%
Cat. 2– Capital goods	1,009.06	693.88	1,074.40	-6%
Cat. 3 – Fuel and energy-related activities	34.26	38.79	63.39	46%
Cat. 4 – Upstream transport and distribution	950.63	1,022.36	1,630.94	42%
Cat. 5 – Waste	4.76(-200.99)	0.02(-132.09)	0(-301.02)	n/a(-33%)*
Cat. 9 – Downstream transportation and distribution	818.04	852.02	1,417.33	-42%
Cat. 12 – End-of-life treatment of sold products	(-10,853.00)*	(-18,225.76)*	(-25,520.57)*	(-57%)*
Total Scope 3	20,305.78	22,330.42	26,152.10	-22%
Total GHG emissions	20,798.31	22,881.92	27,377.09	-24%

*Outside of scope emissions per Climate compass' methodology

Emissions from our value chain (Scope 3)

represent more than **97 %** of our total carbon footprint.

84% of our emissions are from purchased goods and services (category 1).

Our total carbon footprint is **24%** lower than our baseline level.

CO₂ intensity per t of purchased raw material is now **10%** lower than our baseline level

CO ₂ e intensity	2025	2024	2020 (Baseline)
t CO ₂ e / t purchased raw material	2.12	2.06	2.35

GHG reduction and climate transition

We have set GHG reduction targets for 2050 with intermediate targets for 2030.

	Target year	Target Value	Baseline year 2020
Scope 1	2030	22.29 t CO ₂ e	89,14 t CO ₂ e
	2050	0 t CO ₂ e	
Scope 2	2030	227.17 t CO ₂ e	1,135.85 t CO ₂ e
	2050	0 t CO ₂ e	
Scope 3	2050	13,076.05 t CO ₂ e	26,152.10 t CO ₂ e

2030 Scope 1 reduction target is **75%**

2030 Scope 2 reduction target is **80%**

100% reduction in scope 1 in 2050

100% reduction in Scope 2 in 2050

50% reduction in Scope 3 in 2050

- For Scope 1 emissions, we plan to transition our transport fleet to electric vehicles and phase out natural gas in our drying process by exploring efficient alternatives such as biogenic gas and other sustainable energy sources.
- For Scope 2 emissions, we aim to maximise the use of our own energy sources—such as on-site solar generation and surplus heat from production processes—to minimise our reliance on purchased electricity.
- We continue to reduce Scope 3 emissions by limiting the use of virgin PET where possible, increasing lower-emission alternatives, and guiding customers towards material choices that reduce virgin content without compromising product performance.

To ensure that our decarbonization efforts are based on accurate and reliable data, we use the most representative and up-to-date emission factors, particularly for raw materials. This includes improving data quality, validating supplier information, and applying industry-recognized methodologies. High-quality emission factors are essential for informed decision-making, progress tracking, and transparent Scope 3 reporting.

We support this work by allocating the necessary financial resources and investing in employee upskills. The management team is responsible for implementing these measures and overseeing performance through annual ESG reporting, board reviews, and established governance processes. In addition to reduction targets and related actions, the management team also identifies and manages climate-related risks and ensures appropriate mitigation measures are in place.

C4 Climate risks

We have assessed climate-related risks across both physical and transition categories. At present, we have not identified any material short-term risks (0–5 years), and our production site in Varde is considered low-risk for flooding and other physical climate impacts. Potential medium- to long-term risks include increased cooling demand and possible supply chain disruptions from extreme weather events, both assessed as low to medium.

Transition risks relate primarily to regulatory developments, rising CO₂ pricing, and increasing market demand for recycled plastics, which may affect material availability and customer requirements. We monitor relevant legislation, market trends and energy reliability, and evaluate adaptation measures such as supplier diversification and backup power solutions.

Coastal flooding (Low)



Groundwater table fluctuations (low)



Flood-related supply chain disruption (low-medium)



Increased cooling demand (low-medium)



Rising demand and increased competition for recycled plastics



Stricter requirements for design, recyclability and material traceability



Continuous adaptation is required to remain compliant and competitive



B4 Pollution of air, water and soil

We monitor potential pollution risks even though we are not currently subject to legal reporting requirements. As a producer of plastic materials, we actively mitigate microplastic risks through systematic cleaning routines, structured waste collection, central vacuum systems and filters in floor drains to prevent plastic particles from entering wastewater. Groundwater used in our closed-loop cooling system does not come into contact with materials or substances, and the risk of contamination is therefore assessed as very low.

Operation Clean Sweep

We follow the principles of Operation Clean Sweep to prevent pellet and flake loss, including filters in external drains, requirements for freight carriers to clean up spills, and quarterly outdoor inspections. We continuously improve material handling processes to minimize waste and reduce the risk of environmental release.



B5 Biodiversity

Sky-Light's production site covers a total area of 47,500 m² (4.75 hectares). The site is not located in or near any biodiversity-sensitive areas, including Natura 2000 zones, key biodiversity areas, or protected habitats. ²

We focus on designing packaging that is recyclable and supports the circular use of materials, integrating these considerations into our product development and material selection processes where possible and feasible.

B6 Water

At SKY-LIGHT, water is primarily used for sanitary facilities and routine cleaning. We do not discharge water into natural water ways. Instead, all wastewater from cleaning and sanitary use is directed to the municipal wastewater treatment system. To prevent PET and PP residues from entering the drainage system, Filters are installed in all floor drains, and production waste is systematically collected from production areas.

In 2025, our total water withdrawal amounted to 2,015 m³, corresponding to a water intensity of 0.2 m³ per tonne of purchased material. No water was withdrawn from areas classified as being under water stress.

² Sources include <http://natura2000.eea.europa.eu>, <http://www.keybiodiversityareas.org/sites/search>, and <http://kort.varde.dk/eksternekort>

B7 Resource use, circular economy and waste management

As a manufacturer of PET and PP packaging solutions, we operate with significant material flows and have integrated circular economy principles across both product development and production processes. The primary focus is on reducing reliance on virgin PET by increasing the use of recycled and reprocessed materials while maintaining food safety and product performance.

Recycled PET is processed using EREMA technology, which combines advanced vacuum reactor cleaning (SafeFlake® technology) with energy-efficient processing to produce food-grade rPET that meets strict hygiene and quality standards.

Recycled inputs originate from internal production residuals, other production residuals and post-consumer sources. Production residuals are reintegrated directly into the process to prevent valuable materials from becoming waste.

For transportation packaging we use cardboard, cardboard core, bags, wooden pallets and protective film, these are all included in the report.

Material types:

- aPET used for film and packaging which consist of virgin or production residuals both internal and external
- rPET used for film and packaging which consist of a defined amount of post-consumer PET
- PET/PE describes a PET film with an add on layer of PE to improve the sealing properties.
- PP used for injection molding.

Virgin material share

Target in 2030
(-30% vs 2020)

In 2020 in 2024 In 2025 → 23.4%

33.4% → 25.5% → 31.8% →

Material type	2025 (t)	2025 share	2020 (t)	2020 share
Virgin plastic	2,680	31.8 %	3,519	33.4 %
Post-consumer recycled PET	1,399	16.6 %	2,042	19.4 %
Post-industrial PET	4,346	51.6 %	4,983	47.3 %
Total PET	8,425		10,544	
Total PP	48		-	
Bought foil (PS+PE)	100		-	
Cardboard packaging	369		385	
Wooden pallets	699		666	
Plastic film packaging	23		24	

Waste generation and management

We consider waste reduction and proper handling a key part of our environmental responsibility and aim to improve both sorting precision and total waste reduction in the coming years. We work with customers to reduce packaging thickness where feasible, and our own production residuals are fed directly back into the process to prevent valuable materials from being wasted.

In 2025, we generated 378 t of waste, of which 132.7 t (35%) were recycled, and 244.8 t (65%) was combustible. At least 43% of this combustible fraction consisted of PET waste from filter cleaning, extruder startup and dust collection. The rest originated from general floor waste and other combustible materials. The waste amount increased by 4 % in 2025 compared to 2024, but the amount of combustible waste is reduced by 4.4%, which is due to better sorting of the waste.

Our amount of combustible waste is reduced by **4.4%** in 2025 compared to 2024.

In 2025, we are strengthening our waste management by establishing a comprehensive overview of all waste streams, enabling deeper

analysis of each fraction and targeted actions to **reduce waste** and **increase circularity**

Waste fraction	% of total	Quantity	Treatment	Waste type
Combustible waste	65%	244.83	96% Incineration & 4% landfill	Non-hazardous waste
- General - Production waste	37% 28%	139.23 105.6	7% Land fill & 93% Incineration Incineration	
Plastic (PP, PET, PE, other)	18.6%	70.51	Recycling	
Cardboard	10%	38.62	Recycling	Non-hazardous waste
Metal	6%	23.21	Recycling	Non-hazardous waste
Electronics	<1%	<1	Recycling	Non-hazardous waste
Oil	<1%	<1	Unknown	Hazardous waste
Total	100%	378		



Social

Focus on safety, inclusivity, and community engagement

We believe that a safe, fair, and inclusive workplace is essential for building a strong business. Our social responsibility goes beyond compliance. We aim to foster a culture where everyone feels valued, regardless of background, gender, age, or nationality.

We are committed to the local community through participation in local networks, offering guided tours and educational sessions for school classes, and hosting company visits for organizations such as Ældresagen (senior citizens' advocacy), Rotary, and others.

The excess heat from our production is recovered and used for heat production both internally and for the local district heating network, meaning the local community receives heat generated from energy that would otherwise have been lost.



At SKY-LIGHT, we are committed to promoting a diverse, equitable, and inclusive workplace. We recognize that diversity strengthens our organization and contributes to sustainable value creation.

Our Employees

As of December 31, 2025, we employed 96 people measured by headcount. This is a decrease of 3% compared to 2024, where the employee headcount was 99. Our ambition is to provide an attractive and inclusive work environment that supports both professional and personal development, irrespective of background, age, gender, nationality, or other characteristics.

Employment contract types

All employees are employed on permanent contracts, one employee is employed under a German contract, while all other employees are employed under Danish contracts.

Contract type	2025
Temporary contracts	0
Permanent contracts	96
- Denmark	95
- Germany	1
Total employees	96

Gender distribution

64% of our employees identify as male.

Equal to **61** by headcount.

36% our employees identify as female.

Equal to **35** by headcount

Turnover rate

In 2025, the employee turnover rate was approximately 35.9%, which is a significant increase compared to 2024 where it was 19.4%. This is mainly due to re-structuring of the workforce due to automatization.

Management structure

At SKY-LIGHT, a manager is defined as someone with a formal management responsibility. Based on this definition, we currently have **11 managers** across various departments and functions:

👤 👤 👤 👤 👤 👤 • 10 are male

👤 👤 👤 👤 👤 • 1 is female

In 2025, this ratio was **1:10**, which highlights the current imbalance. We are aware of this and strive to strengthen gender diversity in leadership roles going forward.

External workforce and consultants

To maintain a stable production flow, we regularly engage agency workers in our production setup. This is not related to seasonal demand but serves as a structural solution to maintain operational continuity. In addition, we collaborate with an external environmental consultant who provides specialist expertise on environmental topics and supports our ESG initiatives. External workforce and consultants are not included in the reported employee data.



Employee development and well-being

All new employees go through structured introduction and onboarding programs as part of their internal training. We emphasize cross-functional understanding and flexibility. Employees are encouraged not only to understand their own role but also their colleagues' functions to ensure better collaboration and resilience.

SKY-LIGHT conducts annual development dialogues with all employees, forming the basis for individual training plans and development goals. Relevant external training is supported when it aligns with both employee needs and organizational requirements. To ensure transparency and employee involvement, SKY-LIGHT maintains an open communication approach. As part of this, an employee well-being survey is carried out, allowing staff to provide feedback on their work environment.

As part of our commitment to employee well-being, we offer benefits such as access to a padel court and recreational facilities, health insurance, and collective accident insurance. These initiatives support both physical and mental health, strengthen our community, and contribute to a positive working environment.

In 2025, the sickness absence rate was 6.1%, which is an increased by 38%, which is not related to the work environment but is mainly to external factors.

Human rights policies and processes We are committed to respecting and promoting human rights and labor rights in all our operations, and follow the principles outlined in the Universal Declaration of Human Rights and the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

Our Code of Conduct outlines expectations for all employees and covers the following areas:

- Human rights and fair treatment
- Child labor
- Forced labor, modern slavery, and human trafficking
- Fair wages and working hours
- Health and safety
- Non-discrimination and equal opportunities
- Whistleblower protection
- Anti-corruption

These principles are also supported through our employee handbook and are embedded in daily operations. We do not tolerate any form of discrimination, harassment, exploitation or abuse. We comply with Danish labor law, including minimum age

requirements, and do not engage in or accept child labor.

Employees and stakeholders have access to a grievance mechanism, including an anonymous whistleblower channel, through which concerns can be reported confidentially without fear of retaliation. We also expect our partners and suppliers to uphold the same values and reserve the right to audit compliance when necessary.

Severe negative human rights incidents

0 Confirmed incidents related to:

Child labor,

Forced labor,

human trafficking,

Discrimination or harassment,

Other severe human rights violations



B9 Health and safety in own workforce

At SKY-LIGHT, we are committed to providing a safe and healthy working environment for all employees. We comply with applicable health and safety regulations and strive to prevent occupational injuries of any kind through active monitoring, employee training, and preventive maintenance of production equipment and facilities.

Work-related injuries and fatalities

Despite the efforts on improving the working environment, 7 work-related accidents were reported in 2025. There has been a strong focus on accidents, including implementation corrective actions and improving people awareness. We continue to address safety risks proactively and maintain a zero-tolerance policy toward avoidable hazards.

100% of new employees have received safety training as a part of their onboarding and are encouraged to take individual and collective responsibility for workplace safety.

Category	2025
Recordable work-related accidents	7
TRIR- rate	7.48
Work-related fatalities – injuries	0
Work-related fatalities – ill health	0

B10

Remuneration, collective bargaining and training

At SKY-LIGHT, we are committed to providing fair and responsible working conditions in accordance Danish labor law and relevant industry collective agreements. All employees receive a salary above the minimum wage level established by the applicable collective bargaining agreement.

We respect employees’ right to organize and support constructive and respectful dialogue between employees and management. As of December 31, 2025, 81% of employees (78 out of 96) were covered collective agreement, compared to 86% in 2024

Employee development is a key priority. We offer a combination of formal education and informal, on-the-job learning, tailored to operational needs and individual roles. In 2025, the estimated average number of training hours per employee was 25 hours. This includes both structured training and peer-to-peer learning, particularly in production departments.

We currently do not track training hours by gender, and the reported figure is partly based on estimates, particularly for informal training, which is not systematically recorded. However, formal training activities, such as education leave, are tracked for participating employees.



81%

Of employees covered by collective bargaining agreement (2025)

with

by a



25 training hours

Per employee (2025)

Key indicators	2025
All employees earn above the applicable minimum wage	Yes
Share of employees covered by a collective bargaining agreement	81%
Average training hours per employee	25

A close-up photograph of a person's hand holding a yellow pen, writing on a lined notebook. The person is wearing a grey plaid jacket with a red lining. In the background, a white cup of coffee sits on a saucer, and a white computer mouse is visible on a dark surface. The word "Governance" is overlaid in large white text at the bottom.

Governance

Our workplace culture

SKY-LIGHT's culture is built on timely care, shared responsibility and a collaborative mindset. We expect all employees to act in accordance with our values and to contribute actively to a supportive, constructive and results-oriented work environment. Our values guide daily behavior and are supported by principles that promote collaboration, clear communication, mutual respect and job satisfaction.

” Show timely care – it’s your company too”

We strive for continuous improvement, mutual support, clear communication and common-sense decision-making, ensuring that being part of our team is meaningful and enjoyable. Our vision is to be a leading company in the packaging industry, recognized for responsibility, high-quality products and strong customer satisfaction.



Policies and systems

We have implemented a code of conduct, environmental policies and an employee handbook that defines our ethical standards, social responsibility and environmental commitments.

Our code of conduct applies to all employees, and we expect suppliers and business partners to uphold similar standards. It includes strict prohibitions against child labor, forced labor, discrimination, corruption, bribery and fraud, and outlines commitments to human rights, occupational health and safety and fair wages.

Whistleblower mechanism

To ensure compliance with our values and policies, we maintain a whistleblower mechanism that allows employees to report concerns anonymously. All reports are handled confidentially, investigated thoroughly, and we guarantee that no one will face retaliation for reporting in good faith.

Commitment to the UN Sustainable Development Goals

As part of our ESG focus, we actively work with four of the 17 UN Sustainable Development Goals (SDGs) where we believe we can make the most impact.

By integrating these goals into our governance framework, we ensure that sustainability is not only part of our strategy but also embedded in our daily decision-making and long-term vision.

7 Affordable and clean energy

We contribute to renewable energy by investing in solar panels, which increase the share of renewable energy in our operations (Target 7.2) and support a more energy-efficient production process, by using excess heat internally (Target 7.3).



12 Responsible Consumption and Production

We work to ensure responsible consumption and production across our operations. We focus on reducing material waste and increasing recycling (Target 12.5), managing chemicals and waste responsibly (Target 12.4), and using resources more efficiently (Target 12.2).



9 Industry, innovation and infrastructure

We work to strengthen the sustainability and efficiency of our production. By optimizing and upgrading our machinery and increasing automation, we contribute to more resource-efficient and low-impact industrial processes (Target 9.4).



13 Climate Action

We work to reduce our climate impact by integrating climate considerations into our operations and decision-making (Target 13.2) and by process optimization and improvement of energy efficiency in our operation.



C9 Gender diversity ratio in the governance body

As of the reporting date, SKY-LIGHT's Board of Directors consists of three members, all male, resulting in a gender diversity ratio of 0:3 (0% female, 100% male).

SKY-LIGHT is committed to fostering diversity and inclusive representation in governance. Board appointments are based on competencies, experience and strategic fit, and diversity is one of the factors considered in future recruitment and succession planning. As the company evolves, we will continue to integrate diversity considerations into board composition discussions to support balanced and effective decision-making.

B11 Convictions and fines for corruption and bribery

We have a zero-tolerance policy towards all forms of corruption and bribery, including money laundering and fraud. We received no convictions or fines in this area in 2025.

	2025
Convictions	0
Total fine amount (DKK)	0



Accounting Policy for Carbon emissions

The GHG inventory is prepared for SKY-LIGHT A/S on an individual basis using the operational control approach. All activities at the production site in Varde, Denmark, are included. Emissions are reported across Scope 1, Scope 2 (location-based and market-based), and selected Scope 3 categories assessed as material to our operations.

We collected activity- and monetary data and prepared our GHG inventory following the operational control approach outlined in the GHG Protocol. We calculated our emissions using the Climate Compass tool (Klimakompasset) provided by the Danish Business Authority (Erhvervsstyrelsen). The electricity emission factor for Varde Municipality was obtained from Energinet, applying the location based 125% method. Emission factor for PET-Bottle flakes and regranulated PET was sourced from the EcolInvent 3.11 database. All other emission factors were taken directly from the Climate Compass tool using the emission factors available in the tool at the time of calculation (these emission factors related to year 2024). For Categories 4 and 9 – Up- and downstream transportation, the following assumptions were made. For transportation within Europe, it is assumed that all shipments are carried out by diesel trucks. Shipments to America

are assumed to be transported by container ships with an unspecified fuel source. Transport distances were calculated between SKY-LIGHT and the relevant country of origin or destination. Distances were estimated using Google Maps (shortest road routes) and Sea-Distances.org (maritime routes). It is further assumed that transport routes and distances remain identical for each shipment between SKY-LIGHT and the respective supplier or customer. For simplification, multiple customers within the same country were consolidated and treated as one destination. For Category 5 – Waste, the following assumptions were made. Waste in the “metal” category is assumed to consist of steel and iron. Mixed bottles and glass packaging are 100% glass. All plastic waste, whether clean PP or mixed with other materials, is treated as a single plastic waste stream. This includes multiple types of plastics such as PP, PET, and LDPE. Battery waste is assumed to consist of alkaline AA batteries. Batteries and other hazardous waste are considered to have an unknown end-of-life treatment. General waste (and waste in “other” category is assumed to be sent to incineration, whereas all other waste is assumed to be sent for recycling. For Category 12- End-of-life treatment,

the following assumptions were applied. All sold products were assumed to be the type of plastic as they are PET or PP, with an end-of-life treatment of recycling. Transportation packaging was assumed to consist of wooden pallets (EURO-pallet size, 25 kg each) and wire cages (85 kg each, consisting of 100% metal), pallets with an end-of-life treatment of recycling, and wire cages as they go directly back to us. Transportation packaging of cardboard and plastic were not included in the analysis due to their minimal (less than 2%) contribution to Category 12 outside of scope emissions. We calculate our GHG intensity by dividing the total emissions (in t CO₂e) by the total weight of purchased raw materials (including packaging) in the reporting year.