

Industrial Air Purification

# LESNI - THE AIR PURIFICATION PEOPLE

ESG - REPORT 2024/25





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## Dear stakeholders,

At Lesni A/S we take responsibility in a world where expectations for environmental performance, integrity and social responsibility are increasing. As a specialist in advanced air purification, we help customers worldwide reduce harmful emissions and create cleaner and safer working environments. This commitment shapes how we run our business.

For us ESG is not only about climate. It is about people, safety, ethics, quality and long-term responsibility. Our Code of Conduct and company policies set clear expectations for integrity, respect and professionalism. We invest in employee development, well-being and a strong safety culture because our people are the foundation of our success.

We work systematically with risks, opportunities and stakeholder expectations to remain a reliable and transparent partner. ESG reporting supports our ISO-based quality and environmental management and ensures that our decisions are based on data and continuous improvement.

We have defined clear priorities for reducing our environmental impact. These include energy optimisation for customer systems, improved material efficiency, responsible waste handling and closer strategic cooperation with suppliers on sustainability.

**Jan E. S. Hjort**  
CEO, Lesni A/S



At the same time we focus on maintaining Lesni as an attractive workplace where competence, inclusion and high job satisfaction are essential.

Our first ESG report strengthens transparency and shows our commitment to responsible growth. It reflects both our current progress and the direction we have set for the future.

Thank you to our employees, customers, suppliers and partners for your trust and engagement. We will continue to strengthen our role as The Air Purification People and contribute positively to the environment and society.



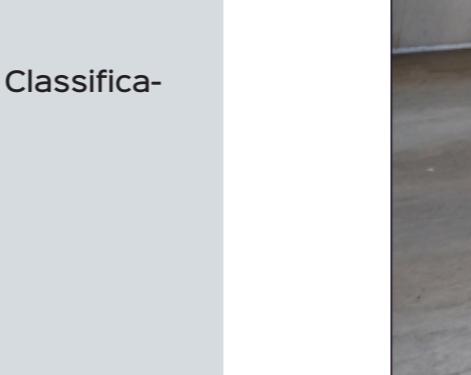
# Global partner in advanced air purification

Lesni A/S is a specialized Danish engineering company headquartered in Billund. With decades of experience in designing and delivering industrial air purification systems, we support some of the world's most demanding sectors in reducing emissions and securing safe and efficient production environments. Our solutions combine deep technical expertise, strong environmental focus and close customer collaboration.

For us, it is not only about technology but about partnership. We believe that the best outcomes arise from early and continuous dialogue with our customers, from the first concept discussions to commissioning and long-term service. Through this close cooperation we ensure that every solution is tailored to the customer's specific processes and performance requirements.

Our expertise spans the full chain of air purification technologies and system integration. We assist customers with design, sizing, material choices, filtration and oxidation technologies, safety considerations, documentation and long-term maintainability. Our objective is always to deliver solutions that provide high reliability, energy efficiency, emissions reduction and operational stability.

Lesni's systems operate globally in industries such as pharmaceuticals, food production, chemical processing, recycling, wastewater treatment



and other sectors where air quality and process safety are essential. We are proud to be chosen by customers for whom uptime, environmental performance and compliance with national and international standards are critical.

Sustainability is an integral part of our strategy. We work systematically to reduce our environmental footprint and have established a clear ESG framework covering climate impact, social responsibility and corporate governance. Our ambition is to continuously improve our performance by optimising energy consumption, reducing waste, engaging suppliers and supporting customers in lowering the environmental impact of their operations.

Occupational health and safety are core priorities for us. We work proactively with APV processes, training and awareness, and we strive to create a safe, inclusive and engaging workplace that supports long-term development and attracts new talent.

Our experience shows that environmental responsibility, strong governance and high technical quality reinforce one another. By improving documentation, standardisation and internal processes we strengthen both sustainability and customer value.



# Basis for preparation

At Lesni A/S we have chosen to prepare our first ESG report in accordance with the European Union's voluntary ESG reporting standard for non-listed small- and medium-sized enterprises (VSME), published in December 2024. The report is developed with the Basic Module as the foundation and includes selected disclosures from the Comprehensive Module where these are relevant to our business model, technologies and responsibilities.

Our purpose is to demonstrate to customers, employees and other stakeholders that sustainability is an integrated part of how we operate. This report strengthens transparency about our environmental and social impacts and provides a clearer understanding of where we stand today and where we aim to improve. For us, the report is not only a documentation exercise but a strategic investment in our future development.

By including relevant sections of the Comprehensive Module, our reporting provides deeper insight into how we address material sustainability topics where this adds meaningful value for our stakeholders.

The financial year from 1 July 2024 to 30 June 2025 forms the reporting period and establishes the baseline for our future ESG targets and monitoring. It allows us to track improvements over time and set increasingly ambitious goals as our ESG work becomes more mature.

The preparation of the report draws on Lesni's existing governance and management practices, including our structured reviews of the company's external and internal conditions, our evaluation of stakeholder needs and expectations, and the systematic identification of risks and opportunities across our operations and value chain. These processes form the analytical basis for determining where our most significant environmental and social impacts occur and where improvements can create the greatest effect.

The report has been prepared with input from Lesni's management team and key employees. The process has included a mapping of our business activities, our supplier relationships and the downstream impact of our air purification solutions when installed and operated at customer sites globally.

The report covers the entire Lesni A/S organisation. Primary focus has been placed on our own operations in Billund, our upstream supply chain and the operational impact of our solutions at customer facilities around the world.

With this ESG report, Lesni takes an important step in strengthening long-term value creation for the company and our stakeholders and in advancing our commitment to responsible and transparent business practices.



# Practices, policies and future initiatives for transitioning towards a more sustainable economy

Lesni A/S has established practices, policies and forward-looking initiatives that support our transition toward a more sustainable economy. These efforts focus on environmental responsibility, employee well-being, responsible business conduct and continued improvement of



## Policies

Lesni has established policies covering:

- Environmental commitments integrated into the ESG strategy
- Employee health, safety and inclusion
- Code of Conduct for all employees
- Supplier Code of Conduct
- Whistleblower and governance practices

These policies guide responsible operations and behaviour throughout the company and its value chain.

## Targets

Lesni is developing improved data systems to enable quantified targets. The company's stated ambition is continuous improvement in environmental and social performance. Targets will be progressively refined as data quality increases and more comprehensive measurements become available.



## Environmental practices and initiatives

Lesni works actively to reduce environmental impacts across operations and the value chain. Key efforts include energy optimisation of customer installations, upgrades of older systems, material optimisation and improved waste sorting. We prioritise responsible material use and collaborate with selected suppliers to integrate sustainability considerations into procurement.

Future initiatives include improving data quality on energy use and emissions to support better CO<sub>2</sub> calculations, further reducing waste and packaging consumption, and optimising building energy performance through additional insulation and efficiency measures.



## Social practices and initiatives

Lesni maintains systematic focus on employee safety, well-being and development. This includes structured APV processes, onboarding, training, competence development, and regular well-being assessments. We also engage in the local community through apprenticeships and early career pathways.

Future social initiatives include strengthened leadership development, improved communication structures and expanded internal training programmes to support an inclusive and healthy work environment.



## Business conduct and governance

Lesni upholds ethical behaviour through a company-wide Code of Conduct, a Supplier Code of Conduct and clear expectations for responsible behavior. Supplier management includes structured approvals, evaluations and corrective follow-up when needed.

Governance initiatives include clarification of internal guidelines, improved process transparency, continued development of the whistleblower setup and stronger cross-functional coordination to support strategic ESG goals.

# GHG Inventory

Lesni A/S has prepared its first climate inventory using the Danish Business Authority's tool Klimakompasset, supported by data from internal systems, energy suppliers and selected upstream partners. The calculation follows the principles of the GHG Protocol Corporate Standard, and includes Scope 1, Scope 2 and relevant Scope 3 categories. Data availability varies across categories, and several Scope 3 areas currently rely on the spend-based method, as noted in Lesni's ESG scope description.

## Scope 1 – Direct Emissions

Lesni's direct emissions are limited due to the nature of our operations. Scope 1 includes fuel consumption from company-related transport and any stationary combustion where applicable. For the reporting year, direct emissions are low and primarily derived from transport-related fuel use, based on litres consumed and corresponding emission factors from EXIOBASE.

## Scope 2 – Indirect Emissions from Purchased Energy

Scope 2 emissions cover the electricity and district heating used at our Billund facility, calculated using a location-based approach with emission factors from the energy grid for West Denmark. Electricity consumption is reported through utility invoices, and Scope 2 currently represents a significant share of Lesni's operational emissions.



## Scope 3 – Other Indirect Emissions

Lesni applied a hybrid approach to calculating Scope 3 emissions, combining:

- Activity-based data (quantity of materials, kg for wastes, specific units where available)
- Supplier-specific data were provided (e.g., WTW emissions on air, sea and road freight)
- Spend-based method for categories with limited data availability

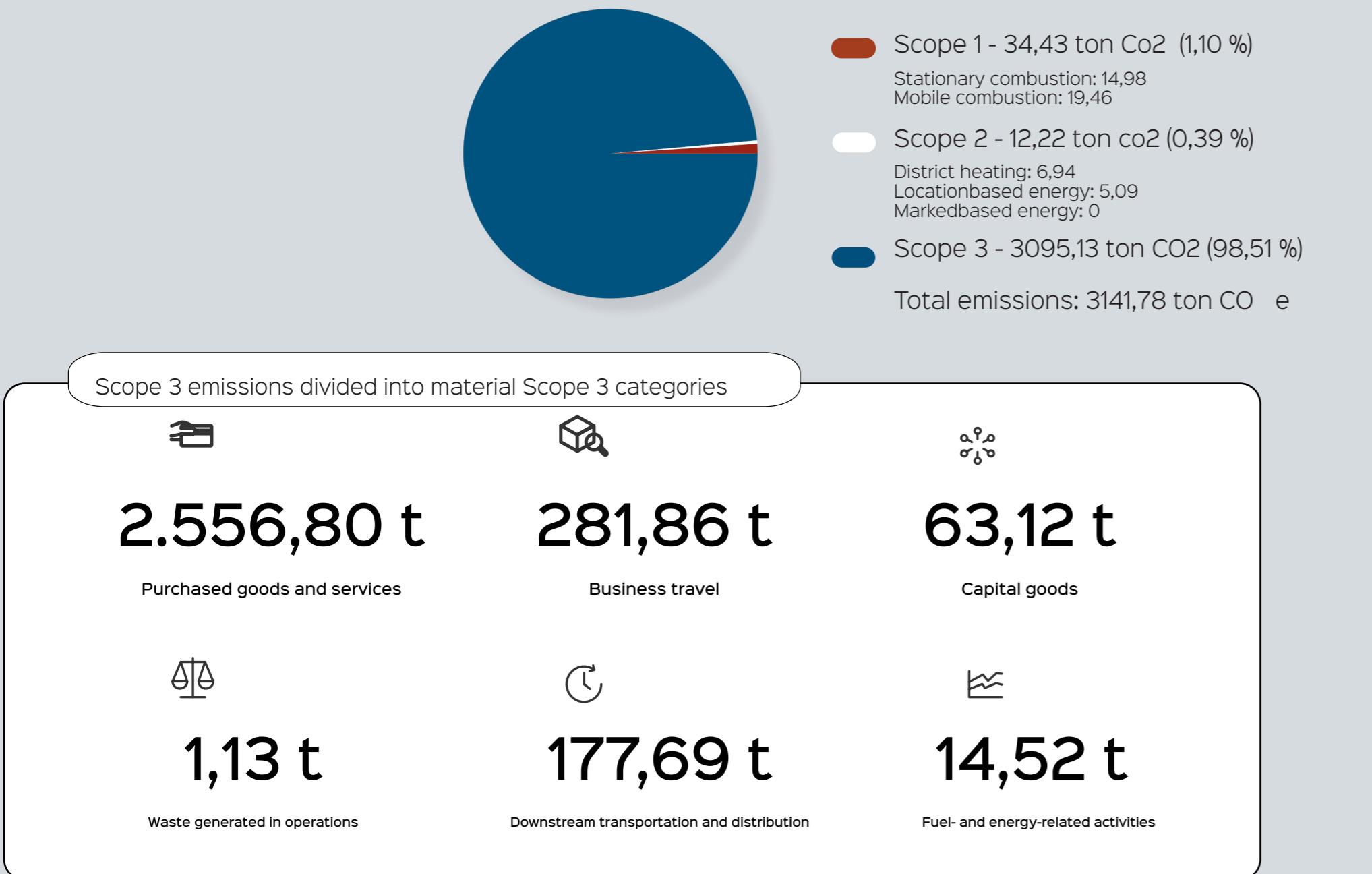
The inventory includes the relevant categories for our business model, including:

- Purchased Goods and Services
- Capital Goods
- Fuel- and Energy-related Activities
- Waste generated in Operations
- Business Travel
- Downstream Transportation and Distribution

As this is one of Lesni's first ESG inventory, several categories still rely heavily on economic spend multiplied by standard industry emission factors.

For Category 1: Purchased Goods and Services, the calculation methodology is differentiated based on the activity type and data quality. For our primary operational activities, specifically the materials incorporated into the manufacture of our air purification systems, we have used an activity-based approach, where emissions are calculated using collected quantity data for the specific materials. It should be noted that emissions from related capital goods and services have been excluded from this section, as the data quality for these items was deemed too narrow. In contrast, emissions stemming from secondary operations and maintenance were estimated using spend-based methodologies to ensure comprehensive coverage.

## Total emissions divided by scopes



### Scope 1 - 34,43 ton CO<sub>2</sub> (1,10 %)

Stationary combustion: 14,98  
Mobile combustion: 19,46

### Scope 2 - 12,22 ton CO<sub>2</sub> (0,39 %)

District heating: 6,94  
Locationbased energy: 5,09  
Markedbased energy: 0

### Scope 3 - 3095,13 ton CO<sub>2</sub> (98,51 %)

Total emissions: 3141,78 ton CO<sub>2</sub>

## Climate Scenario Analysis

In accordance with the VSME Comprehensive Module C4, Lesni A/S has conducted a high-level climate scenario analysis to understand how climate change could affect our operations, supply chain and service activities. Although Lesni has not completed a double materiality assessment, this analysis is based on our existing risk assessments for environmental and operational conditions and our ongoing supplier evaluations.

### Approach

Following C4 guidance, Lesni considers a high-emission scenario like the IPCC RCP 8.5 pathway. This scenario assumes more extreme rainfall, storms and increased disruption across logistics and infrastructure. The aim is to assess how such conditions could influence our facility in Billund, our European suppliers and our customer-facing activities.

### Physical Climate Risks

Our environmental and operational risk assessments already identify vulnerability to weather-related disruptions. Under a high-emission scenario, the main risks relate to:

- Heavy rainfall and storms affecting buildings, utilities or site access
- Delays in transport of equipment and spare parts
- Disruptions to on-site service activities at customer locations
- Potential slower lead times from European component suppliers

Lesni mitigates these risks through preventive maintenance, robust building design, close collaboration with logistics partners and flexible project planning.

## Supply Chain and Customer Considerations

Lesni's reliance on established European suppliers limits exposure to long global supply chains, but shorter disruptions may still occur. Strong supplier relationships and our structured supplier evaluation process help maintain resilience.

On the customer side, more extreme climate conditions may increase demand for energy-efficient, durable and easily maintainable purification systems—areas that align with Lesni's core competencies and ESG strategy.

### Opportunities

In line with C4, Lesni also identifies opportunities in a high-emission scenario:

- Growing customer demand for energy-optimised and robust purification solutions
- Increased relevance of system upgrades and optimisation services
- Closer ESG collaboration with suppliers

These trends support Lesni's long-term positioning as The Air Purification People.

### Overall Assessment

Based on the high-emission scenario, Lesni is not exposed to high-impact climate risks, but certain operational and logistical risks could increase under more extreme weather conditions. Our existing risk management, supplier processes and service planning provide a solid foundation for continued resilience.

# Energy in Operations

Lesni's ESG work identifies energy optimisation as one of the company's defined environmental initiatives. As documented in the ESG strategy, Lesni works with:

- Dialogue with customers about energy optimisation of air purification systems
- Upgrading older systems to improve performance and reduce energy use
- Additional insulation of buildings (district heating)

| Energy Consumption in Kwh |                  |                      |                |
|---------------------------|------------------|----------------------|----------------|
|                           | Renewable Energy | Non-renewable Energy | Total Energy   |
| Electricity               | 62.929           | 0                    | 62.929         |
| District heating          | 127.498          | 35.961               | 163.460        |
| <b>Total</b>              | <b>190.427</b>   | <b>35.961</b>        | <b>226.389</b> |

These actions reflect Lesni's focus on reducing the energy consumed both in customer installations and within Lesni's own facility. Lesni also acknowledges that data quality in the first ESG report is still developing, including for CO<sub>2</sub> calculations based on energy consumption. The company plans to improve data collection for future reporting years, as stated in the ESG scope description.

Energy reduction therefore remains an ongoing improvement area within Lesni's environmental work.



# Resource Usage and Circular Economy

Lesni works with resource efficiency and circular principles in several parts of our operations and in the solutions we deliver to customers. Our documented initiatives focus on reducing material use, improving waste handling, extending product lifetimes and collaborating with suppliers to ensure responsible resource management.

- Material optimisation and lifetime extension  
Lesni's ESG strategy highlights material optimisation and upgrading of older air purification systems as key initiatives to reduce resource consumption. By extending the lifetime of existing installations instead of replacing entire systems, we help minimise material use and improve long-term environmental performance.
- Waste handling and reduction  
Lesni prioritises responsible waste handling in daily operations. Our ESG strategy includes strengthened waste sorting, reduction of unnecessary waste streams and a focus on correct disposal of materials.

- Packaging efficiency  
Lesni works to reduce packaging use by optimising how goods are received and shipped. This contributes to lower resource consumption across the value chain.
- Collaboration with suppliers  
Lesni engages strategically with selected suppliers to incorporate ESG considerations, including resource efficiency and responsible material use, into procurement decisions.
- Design-phase collaboration with customers  
By collaborating with customers on energy optimisation and solution design, Lesni helps reduce resource use throughout the life of the installation. Ensuring long system lifetimes is a documented part of our ESG initiatives.

Total amount of waste

| Non-hazardous waste    | kg       |
|------------------------|----------|
| Solid waste            | 1.335    |
| Paper and cardboard    | 270      |
| Waste water            | 123.000  |
| <b>Hazardous waste</b> | <b>0</b> |

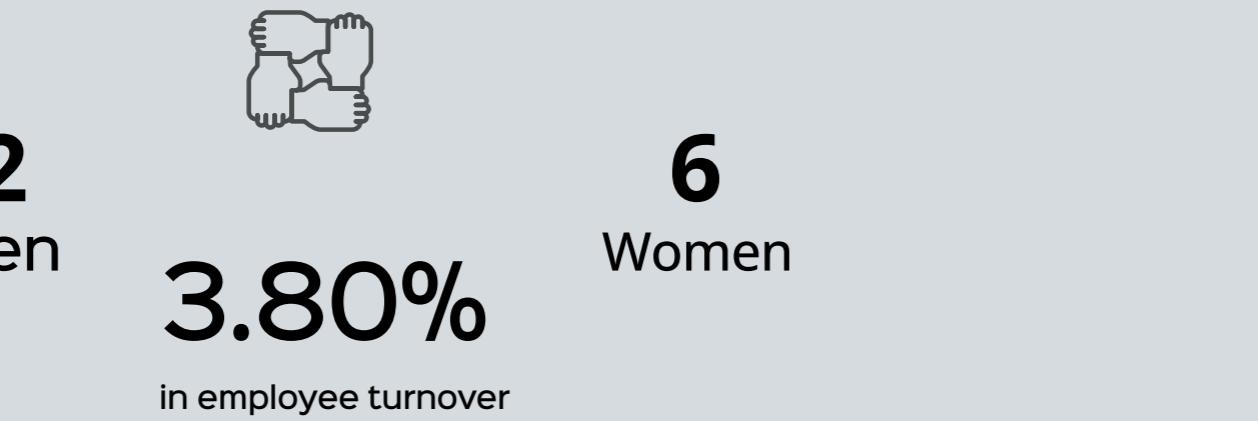
Annual mass flow

|                  |             |
|------------------|-------------|
| Steel            | 442.2290 kg |
| Catalyst         | 130.560 kg  |
| Activated carbon | 39.500 kg   |

Water usage

|                          |                                             |
|--------------------------|---------------------------------------------|
| <b>123 m<sup>3</sup></b> | Water withdrawal from all locations         |
| <b>0 m<sup>3</sup></b>   | From locations in areas with water scarcity |

# People and Workplace



100% of employees are covered by a collective agreement

At Lesni, our employees are the foundation of our success and the driving force behind our ability to deliver world-class air purification solutions. We strive to create a safe, inclusive, and development-focused working environment where professionalism, responsibility, and strong technical skills form the core of our company culture.

Lesni is characterized by high employee loyalty and long tenure, with many colleagues who have been with the company for years and who play an essential role in carrying forward our culture, knowledge base, and operational excellence. Our rapid growth in recent years has

strengthened our commitment to maintaining a strong shared culture and ensuring a smooth onboarding and knowledge-sharing process across the entire organisation. All of our employees are covered by the industrial collective agreement via Dansk Industri,

Lesni's culture is defined by dedication, teamwork, and pride in delivering solutions that contribute to a cleaner and healthier environment worldwide. Through **continuous learning, strong safety practices, and a people-first mindset**, we strive to remain an attractive and responsible workplace for current and future employees.



## Training and Education

Lesni actively invests in the workforce of the future by supporting employee development, structured onboarding, and continuous upskilling across all functions. We prioritise a safe, inclusive, and knowledge-driven workplace, where collaboration, professionalism and strong technical competencies define our culture.

Average training hours per employee

Male:

30,32 hours per year

Female:

19,8 hours per year



## Safe working environment

Employees are encouraged to contribute ideas, share knowledge, and take responsibility through our safety organisation, APV processes, internal meetings, and open communication channels. This creates engagement, strengthens our culture, and supports a healthy and balanced working life for everyone at Lesni.

At Lesni, occupational health and safety are integral parts of our daily operations. We work systematically to identify, assess, and reduce risks through clear procedures, preventive measures, and active employee involvement. Our formal health and safety policy applies to all employees and ensures full compliance with current legislation.

Lesni's safety work is anchored in our Arbejdsmiljøgruppe, which includes both employee representatives and our external HSE partner. Together, we conduct annual workplace assessments (APV), safety inspections, risk evaluations, and regular updates of procedures, ensuring that improvements are implemented continuously.

All employees receive the required safety training and are provided with necessary personal protective equipment. Clear safety instructions, method descriptions, and regular briefings ensure that work is carried out responsibly, whether on-site at Lesni or at customer locations.

Registered occupational injuries

Reported work-related accidents:

0

Work-related fatalities:

0



## Diversity

At Lesni A/S, we believe that diversity, equal opportunity, and respectful collaboration strengthen both our organisation and the quality of the work we deliver. Our Code of Conduct sets clear expectations for professionalism, respect, and fair treatment, and applies to all employees across the company.

Today, women represent 21% of our organisation and 0% of our management team. These figures reflect the reality of our industry and the specialised technical profiles we recruit from. As a company operating in a highly technical niche within engineering and air-purification systems, the available talent pool is still uneven. This explains the current imbalance, but it does not define our ambition.

Lesni is committed to improving diversity over time. As we continue to grow, develop our organisation, and expand our leadership structure, we see a clear opportunity to attract more diverse talent, including women and other underrepresented groups. Our structured onboarding, competence development, and clear professional standards help create an environment where all employees can thrive, regardless of background.

We maintain zero tolerance for discrimination or harassment, and all decisions regarding hiring, development, and responsibility are based on objective criteria and professional merit. Our goal is to build awareness of unconscious bias, support fair processes, and ensure that every employee feels respected and included.

Lesni is also experienced in accommodating different needs through APV processes, workplace adjustments, and a strong focus on well-being.

While we recognise that our current diversity levels leave room for improvement, we are committed to strengthening representation as the organisation evolves. Our long-term aim is a workplace where diversity is valued, encouraged, and reflected across all functions including leadership.

**Women represent 21% of our organisation and 20% of our management team**

# Governance

Integrity and responsibility are core principles that shape how we operate and how we engage with our stakeholders. Our governance approach is built on clear leadership accountability and documented standards that guide ethical behaviour, compliance and responsible business conduct. This includes the company's established Code of Conduct and supporting governance framework, which outline expectations for integrity, professionalism, confidentiality, legal compliance and respectful behaviour across all roles.

In line with the VSME Basis module, Lesni report on cases of corruption or bribery. All employees are required to act with honesty and fairness, and any form of improper influence is prohibited. Lesni recorded zero cases of corruption or bribery during the reporting year. Compliance with ethical standards is reinforced through training, leadership oversight and an open culture that encourages employees to raise concerns when needed.

Responsible supply chain management is equally central to our governance model. Through our supplier approval and evaluation framework, we ensure that partners meet Lesni's requirements for ethics, quality, safety and responsible conduct. Regular assessments and dialogue support continuous improvement and safeguard our expectations throughout the supply chain.

Governance at Lesni also includes an annual review of the company's operating context and stakeholder expectations, ensuring that strategic decisions are based on updated knowledge and that external and internal conditions are continuously monitored. This strengthens transparency, risk awareness and the foundation for responsible decision-making.



# Conclusion

Lesni A/S continues to strengthen its commitment to responsible growth through transparent ESG reporting and steady improvements across our environmental, social and governance efforts. This report builds on earlier work and reflects our ongoing progress, showing how sustainability is increasingly embedded in our daily operations and long-term strategy.

Our development confirms that strong governance, a safe and inclusive workplace, and high technical quality support our ambition to reduce environmental impacts. We remain focused on improving data quality, enhancing energy and resource efficiency, deepening collaboration with suppliers, and supporting customers

in achieving cleaner and more sustainable production environments. As expectations rise and climate related risks become more visible, we will continue to adapt, innovate and build resilience across our operations and value chain.

With a dedicated team, strong partnerships and a clear strategic direction, Lesni A/S is well positioned to create long-term value for our stakeholders while contributing positively to society and the environment.

**Jan E. S. Hjort,**

CEO,  
LESNI A/S

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Air purification by physical and chemical scrubbers



Activated carbon plants for VOC purification, odour removal and solvent recovery



Air purification systems for removing mist, dust and particulate matter



Safe and efficient catalytic and thermal oxidisers for VOC purification and solvent destruction



LESNI has developed a variety of innovative solutions for specific pollutants and processes in operation worldwide



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