

# ESG REPORT

RN Solutions

2025





## INTRODUCTION

This ESG report for RN Solutions 2025 has been prepared as part of our work on responsibility and transparency. The report provides an overview of how we as a company work with environmental (E), social (S) and corporate governance (G) issues, and it presents both results, objectives and specific measures from the 2024/2025 financial year.

Although RN Solutions, as a small company, is not directly subject to the requirements of the EU's CSRD Directive, we have chosen to prepare a report in accordance with the principles of the European standards. This provides us with a structured framework and ensures that we address the areas that are important both to our company and to the environment we impact.

The report is based on a double materiality assessment, in which we assess both how RN Solutions affects the climate, the environment and people, and how external factors can affect our business. This ensures that we focus on the themes that are most relevant to our operations, customers and stakeholders.

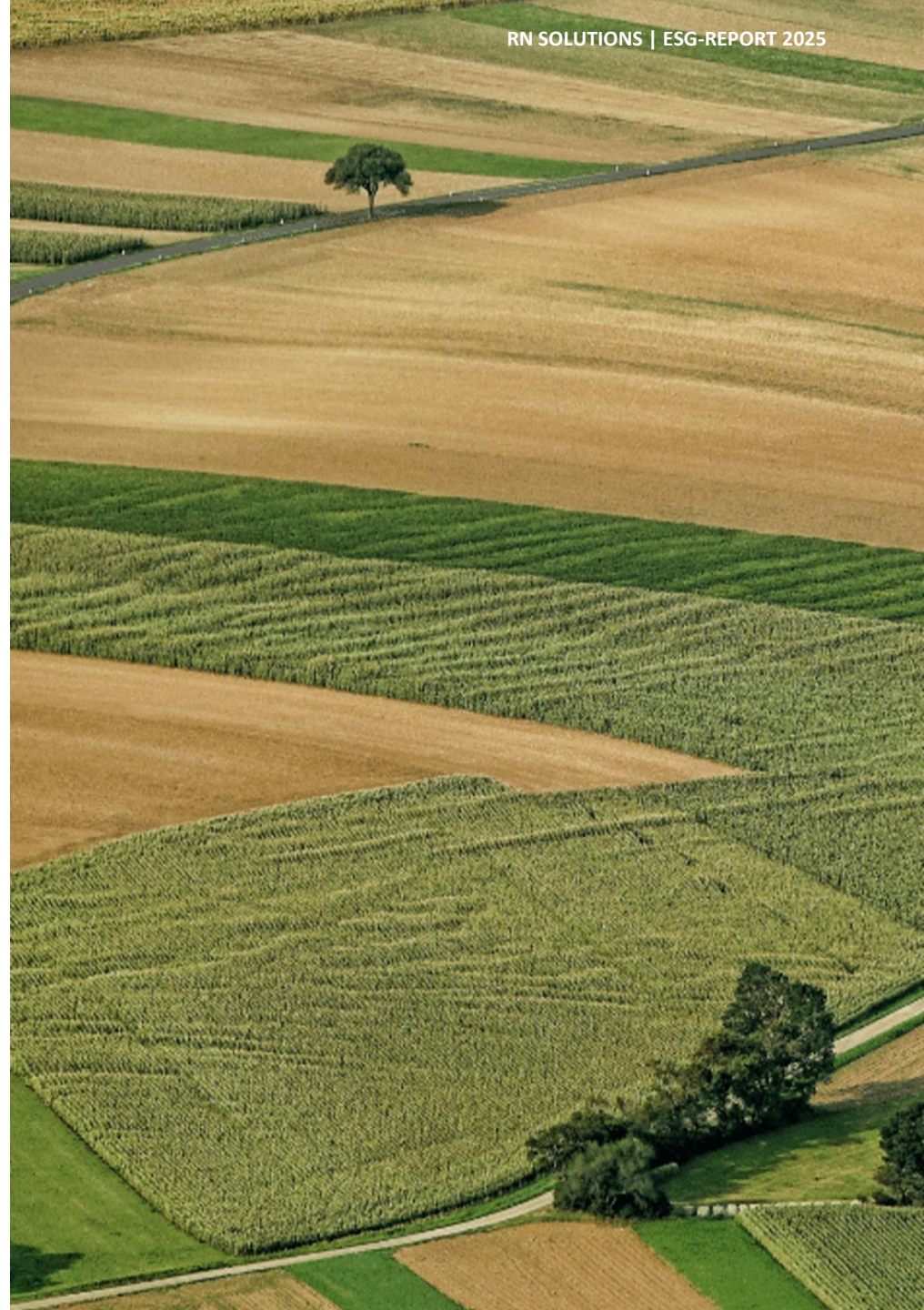
The report is based on a combination of qualitative descriptions and quantitative data, where we have calculated key figures for our environmental impact, social initiatives and governance work. Some data areas, including scope 3 emissions, are not yet fully covered, but are a key part of our ongoing work to strengthen our data foundation and increase transparency.

With this report, we want not only to document our current status, but also to create a clear starting point for setting new goals and tracking our progress over time. Our ambition is to actively contribute to the green transition in agriculture and industry through energy-efficient and responsible solutions, while developing RN Solutions as a workplace where employees thrive and where business ethics and responsibility go hand in hand with growth.

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**Rune Qvist Nielsen**

CEO & Founder

*Based on my background in agriculture, I experienced first-hand how important lighting is for productivity, well-being and energy consumption. That experience is still at the heart of our business today.*



## MANAGEMENT REPORT

When I founded RN Solutions in 2013, it was with a simple but ambitious idea: to develop lighting solutions that could make a difference for people, animals and the environment. Based on my background in agriculture, I experienced first-hand how important lighting is for productivity, well-being and energy consumption. That experience is still at the heart of our business today.

2024/2025 has been a year in which we have strengthened both our business and our sustainability work. We have reduced our emissions associated with heating by switching from gas boilers to a more energy-efficient heating solution, while also launching new initiatives within circular economy. These are small steps, but together they show how concrete decisions can make a difference – both for the climate and for our employees' everyday lives.

We are also in the midst of a global reality where energy prices, logistics and international markets are constantly changing. This requires us to be flexible and have a robust organisation. I am proud of how our employees and partners have handled the challenges with commitment and responsibility. We have maintained a strong focus on quality, innovation and being a reliable partner for farmers, installers and industrial companies.

For me, ESG is not just a reporting task, but an integral part of our identity. When we develop solutions that improve animal welfare, reduce energy consumption and create value for customers, we are also working with our core business. We know that we can help make a difference in an industry where sustainability and efficiency go hand in hand.

I am optimistic about the coming years. Our goal is to continue to develop RN Solutions as a company that takes responsibility throughout the value chain. We want to be a workplace where people thrive and a partner that customers and partners can always count on.

Thank you to all our employees, customers and partners for your trust and efforts. Together, we can create solutions that make a difference today and pave the way for a more sustainable future.

# RN SOLUTIONS

RN Solutions was established in 2013 by Rune Qvist Nielsen, who has a background in agriculture. Inspired by other European pig farms, combined with insights from his own pig production, he developed a durable LED lighting concept that provided significant energy savings, increased productivity among sows and a good working environment. Today, the product range includes a wide variety of durable and efficient LED lighting solutions for both agriculture and industry. The products are sold in more than 20 countries worldwide.

Production takes place primarily in China at carefully selected, specialized manufacturers. RN Solutions has its own office in Asia with its own employees who closely supervise development and production and carry out ongoing quality control. All partner factories are at least ISO 9001 certified and are visited regularly by RN Solutions' own team. Through in-house production and close partnerships with the factories, traceability and quality are ensured from the initial idea to the finished product – and customers are guaranteed that the right fittings, connectors, cables and accessories are always available. Design, product development and concept

development take place in Denmark, so new solutions can be quickly adapted to customer needs.

From the beginning, RN Solutions has focused on providing LED lighting solutions that are good for both the environment and the economy, but at the same time are the best solution for productivity and animal welfare. With the environment, increased productivity and animal welfare in mind, RN Solutions has created LED lighting that also provides economic benefits for our customers.

Our customers primarily include the agricultural sector and heavy industry. We work closely with electrical installers and dealers, providing reliable advice through lighting- and economic calculations. Common to all customers is the need for robust, energy-efficient and well-documented solutions that create value in daily production.





# SOLUTIONS

At RN Solutions, we develop lighting concepts that combine efficiency, durability and sustainability. Our solutions are designed for demanding environments in agriculture and industry and contribute to lower energy consumption, a better working environment and increased animal welfare. Here we present a selection of our solutions, each of which addresses different needs – from quick installation and flexible control to targeted lighting that improves productivity and well-being.

## **SPEED-LIGHT™ with RNS Plug 'N Play™**

Experience significant time savings and reliability with RN Solutions' SPEED-LIGHT™ lighting system. This well-designed system is designed for quick and easy installation, minimizing the time spent on lighting projects.

The SPEED-LIGHT™ system features robust LED luminaires with specially coated LED diodes for optimal performance and long service life. Our luminaires deliver high performance and are flicker-free, ensuring a comfortable and stress-free lighting environment. Most models are also designed with replaceable components, which simplifies and minimises maintenance costs and future-proofs the installation.

The system is easily integrated via CE-approved and IP69K-certified SPEED-LIGHT™ LED luminaires and PLUG 'N PLAY™ cables and connectors. These moulded connectors are designed to withstand even the most demanding environments with high moisture and ammonia exposure. The waterproof construction and the highest IP69K rating guarantee a safe and reliable installation.

For flexibility in installation, we offer SPEED-LIGHT™ cables with rodent protection, in various lengths and with low weight, ideal for mounting on wire and fixtures or in ceilings. The cables are available in 3G 1.5 mm<sup>2</sup> and 5G 2.5 mm<sup>2</sup> sizes and are approved for both system installation and fixed installation (requires an electrician).

## **FERTILITY-LIGHT™**

At RN Solutions, we work to improve reproduction in running-/control stables by ensuring the correct placement of stable lighting. With the right lighting for sows, you achieve better heat and thus prevent strays, abortions and empty sows. Often, you also see an increase in litter size.

With FERTILITY-LIGHT™, the luminaires are mounted directly above the sows' heads, so that the sows are illuminated with 200-400 lux. This means that the sows will act as if it were summer all year round, and you will therefore achieve improvements such as; more sows that come into heat, 2-5% higher farrowing percentage, and 0.3-1 extra pig per litter. In addition, the investment is repaid in approx. 3 months.

## **BIRDIE lighting system**

With our BIRDIE lighting system, we introduce innovative LED colour technology that specifically improves production in egg layers and breeding. The system controls the hens' behaviour by combining warm yellow/red light in the tiers with bluish light on the floor. This encourages the hens to go up to the perches to lay eggs, reduces floor eggs and minimises pecking, as blood is not visible in red light.



## **NewRoniX lighting control**

Our partner, NewRoniX, also focuses on solutions that prioritise the environment, economy and energy. Installing their lighting control system will automatically reduce energy consumption by at least 50%. Through lighting control and dimming, lighting can be optimised by using only the light that is needed. At RN Solutions, we help you make a free and non-binding financial calculation for a project, giving you an overview of the profits that can be achieved with professional lighting control.

## STRATEGIY AND GOVERNANCE

RN Solutions' strategy is to run a healthy, long-term business based on the development, import, production, marketing and sale of lighting solutions for agriculture, food production and industry. We want to be a significant player in the market for energy-efficient solutions, where our products contribute to lower energy consumption, a better working environment and increased animal welfare. The strategy is based on close dialogue with customers and partners, enabling us to translate needs in the field into innovative solutions that create both value and sustainability.

A key element of the strategy is to combine business growth with responsibility. We are committed to the UN's 17 Sustainable Development Goals and are actively working to reduce our environmental and climate footprint throughout the value chain – from design and production to use and disposal. This is reflected, among other things, in robust products with a long service life, a focus on energy efficiency and collaboration with suppliers who meet international quality and environmental standards.

Governance at RN Solutions is based on open and transparent management practices, where responsibility and ownership go hand in hand. During the financial year, this has been strengthened through a capital increase, in which a key employee has acquired ownership

shares in the company. This supports our ambition to anchor ownership close to operations and create an organisation where employees and management work towards common goals.

Management focuses on risk management and adaptation to changing market conditions. International conditions, currency fluctuations, energy and logistical challenges are monitored continuously and handled through flexibility in purchasing and a robust capital structure. Despite these challenges, the company's finances are considered solid, with a strong order book and expectations of continued growth in the coming years.

RN Solutions' governance principles are based on accountability and transparency. Management follows clear guidelines for compliance and emphasises close interaction between owners, management and employees. The board of directors sets the strategic direction, while the day-to-day management translates the strategy into results.

With this approach, RN Solutions aims to ensure financial sustainability, high business ethics and a strong position in the market for professional lighting solutions..

Category	Unit	2025	2024
<b>Legal form</b>	Name	ApS	ApS
<b>NACE-Codes</b>	Code	274000	274000
<b>Balance</b>	DKK	9.845.866	8.795.528
<b>Revenue</b>	DKK	18.498.524	16.252.032
<b>Employees</b>	HC	15	12
<b>Main country of operations</b>	Country	Denmark	
<b>Address</b>	Name	Hagensvej 14B, 9530 Støvring	
<b>Geolocation</b>	Coordinates	56.87812859960298, 9.845059164634163	

## OUR WORK WITH SDG

### 7 AFFORDABLE AND CLEAN ENERGY



**Sustainable Development Goal 7.** Our LED lighting solutions reduce energy consumption in agriculture and industry by 50–80% compared to traditional solutions. This provides both financial benefits for farmers and a significant reduction in CO<sub>2</sub> emissions. With free Dialux lighting calculations, we ensure that the right number of light sources are installed in the right place, thereby avoiding unnecessary overconsumption.

### 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



**Sustainable Development Goal 9.** We continuously develop and test new lighting concepts that combine efficiency, animal welfare and climate responsibility. Examples include Dim-to-Red® and Fertility-Light™, which improve reproduction and reduce stress in animals. Our collaboration with Signify (ONCE®) ensures access to the latest research and technology in coloured lighting.

### 12 RESPONSIBLE CONSUMPTION AND PRODUCTION



**Sustainable Development Goal 12.** Our products are designed for long life and harsh environments with dust, ammonia and high-pressure cleaning. This means fewer replacements and less waste of resources. In addition, free economic and light calculations are offered so that farmers can see savings in both energy and operation, for more responsible production.

### 13 CLIMATE ACTION



**Sustainable Development Goal 13.** Replacing traditional light sources with LEDs significantly reduces the climate footprint. The combination of low energy consumption, longer service life and the option of intelligent light control provides further savings and makes it possible to adapt the lighting to the needs of the barn. In this way, we are actively contributing to green transition within agriculture and industry.





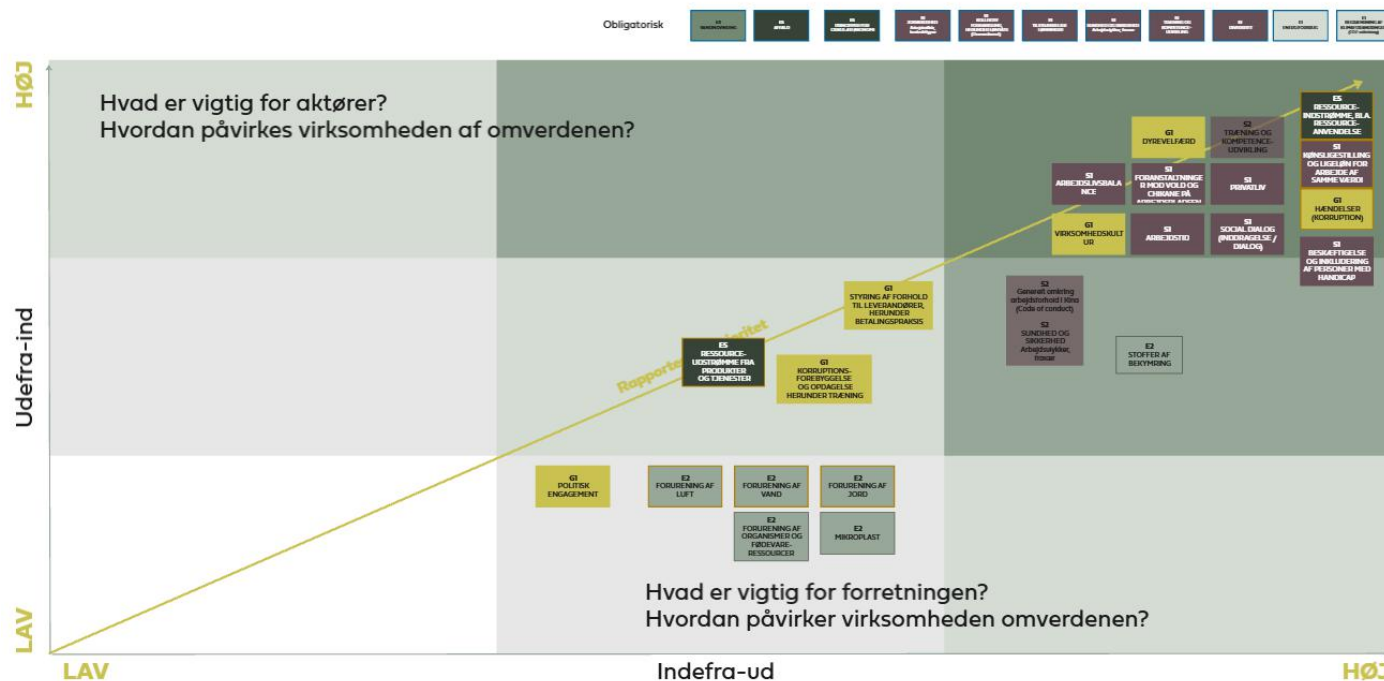
# DOUBLE MATERIALITY ANALYSIS

As part of our ESG work, RN Solutions has conducted a double materiality analysis. The analysis assesses both how the company affects the outside world and how external factors can affect our business. This ensures that the most important themes are included in our strategy, reporting and daily operations.

In addition to the mandatory topics from ERS/SMVE, a number of themes have been identified that are particularly relevant to RN Solutions. In the environmental area, these include substances of concern and resource flows and use, as we focus on developing energy-efficient and sustainable solutions.

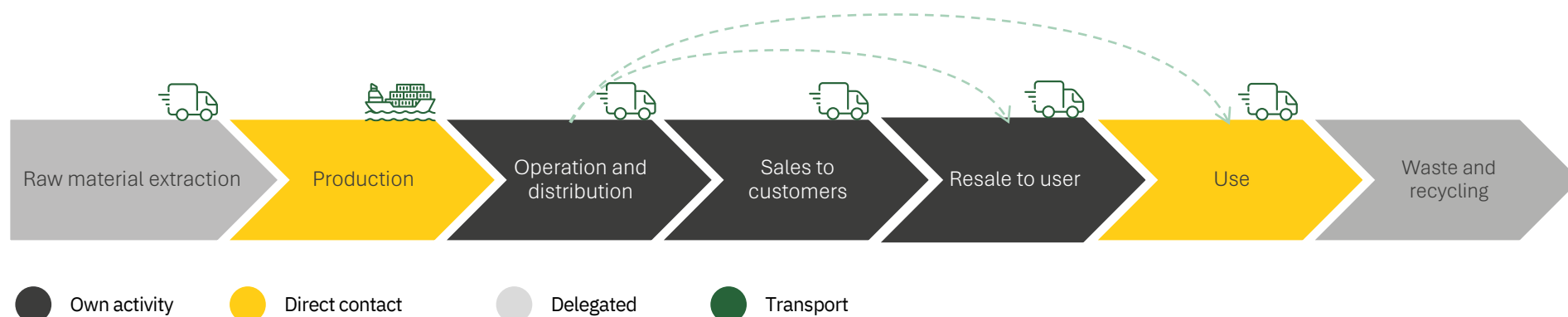
In the social area, we have selected themes such as gender equality and equal pay, work-life balance, health and safety, as well as training and skills development. We also focus on working conditions at suppliers, including in China, where we set requirements through our Code of Conduct. In addition, we prioritise social dialogue and measures against violence, harassment and privacy violations.

In the area of governance, we have identified animal welfare as a key theme, as our solutions are directly aimed at improving animal welfare. In addition, we work actively with corporate culture and have a zero-tolerance policy towards corruption and unethical incidents.



These themes have been prioritised because they reflect both our business focus and the expectations that customers, employees and partners have of RN Solutions. The double materiality analysis is thus a management tool that ensures that our ESG efforts remain relevant, targeted and value-creating.

# VALUE CHAIN



## Design and raw materials

RN Solutions develops all solutions in close dialogue with farmers and installers. The products are designed to have a long service life, withstand harsh environments and reduce the need for replacement. Robust materials are used in the manufacturing process, and we work exclusively with suppliers who are at least ISO 9001 certified. This ensures high standards of quality, documented processes and responsible production.

## Production and manufacturing

Production takes place primarily in China in collaboration with carefully selected factories. RN Solutions has its own staff on site who carry out ongoing quality control to ensure that the products meet the technical requirements and standards. The factories work with modern equipment, experienced employees and orderly conditions. All suppliers sign RN Solutions' Code of Conduct, which includes requirements for working conditions, safety and contractual terms. The majority of products are transported to Europe by container ship, which is the most CO<sub>2</sub>-efficient form of long-distance freight.

## Sales and distribution

The products are currently distributed to more than 20 countries. The majority of sales take place in Denmark and other EU countries. Sales channels include regular dealers, direct customer visits and RN Solutions' own webshop. Distribution is handled by professional logistics partners such as DSV and GLS. The products are installed by authorised electricians in stables, production buildings and industrial companies. Customers primarily include agriculture, heavy industry, dealers and installers.

## Use and disposal

For customers, LED solutions contribute to significant energy savings (50–80%), lower CO<sub>2</sub> emissions and improved animal welfare. Projects are dimensioned with light calculations to ensure correct lighting and avoid overuse of luminaires. The products are designed for a long service life and with the option of replacing parts rather than entire luminaires, which reduces resource consumption over time. When the luminaires are eventually taken out of service, customers are responsible for their disposal. RN Solutions recommends proper handling via electrical return systems so that valuable materials can be recycled in accordance with the WEEE Directive.



# ESG RISK AREAS

In our work, we are aware that there are significant ESG-related risks associated with both our industry and supply chain. These risks can affect the environment, people and communities, and we consider it a key part of our responsibility to manage them proactively. Below, we highlight the most relevant risk areas for RN Solutions and the initiatives we are implementing to reduce their impact and create positive change.

RISIK	OUR INITIATIVE
RN Solutions operates within the agricultural sector, which can lead to environmental consequences such as high resource consumption, emissions, energy consumption and impact on climate and animal welfare.	To address these risks, RN Solutions develops energy-efficient and durable LED solutions that reduce energy consumption and support better production conditions for both humans and animals. We are thus working to actively reduce both resource and energy consumption, as well as increase animal welfare and improve agricultural production.
Production in China involves risks associated with working conditions and long transport routes, which can affect both human rights and climate footprint. In a changing world, we also risk facing a future trade conflict.	RN Solutions has established a Code of Conduct for all manufacturers, which is based on OECD guidelines and ensures focus on human rights, safety and the environment. Our own staff in China carry out quality control and ongoing inspections to ensure compliance with the requirements. In addition, we are actively working to optimise the logistics associated with transport and are investigating opportunities to move component production to Europe. To this end, we are in the process of establishing a back-up network that can take over production if necessary.





# CLIMATE & ENVIRONMENT



## OVERVIEW OF OUR ENVIRONMENTAL EFFORTS

At RN Solutions, we work hard to reduce the environmental and climate footprint of both our own activities and the solutions we deliver to our customers. Our primary contribution lies in developing energy-efficient lighting systems for agriculture and industry, where low energy consumption and long service life go hand in hand with high operational reliability and animal welfare. We see environmental work as an integral part of our business, and we work with several key focus areas:

### Climate

Our solutions are designed to significantly reduce energy consumption in agricultural and industrial production. By using energy-efficient LED technology and intelligent control systems, we help customers reduce their CO<sub>2</sub> emissions while achieving financial gains through lower energy consumption.

### Circular economy

We design products with a long service life and replaceable components so that they can be maintained, repaired and upgraded instead of being discarded. In this way, we reduce waste and support a circular approach where resources are utilised as efficiently as possible.

### Substances of concern

We focus on minimising the use of materials and components that may have a negative impact on humans or the environment. Therefore, we require that production complies with the RoHS Directive, which restricts the use of hazardous substances in electrical and electronic equipment. Through our supplier requirements, we work systematically to ensure that products comply with applicable rules for chemical handling and safety, and that alternatives to problematic substances are continuously sought where possible.

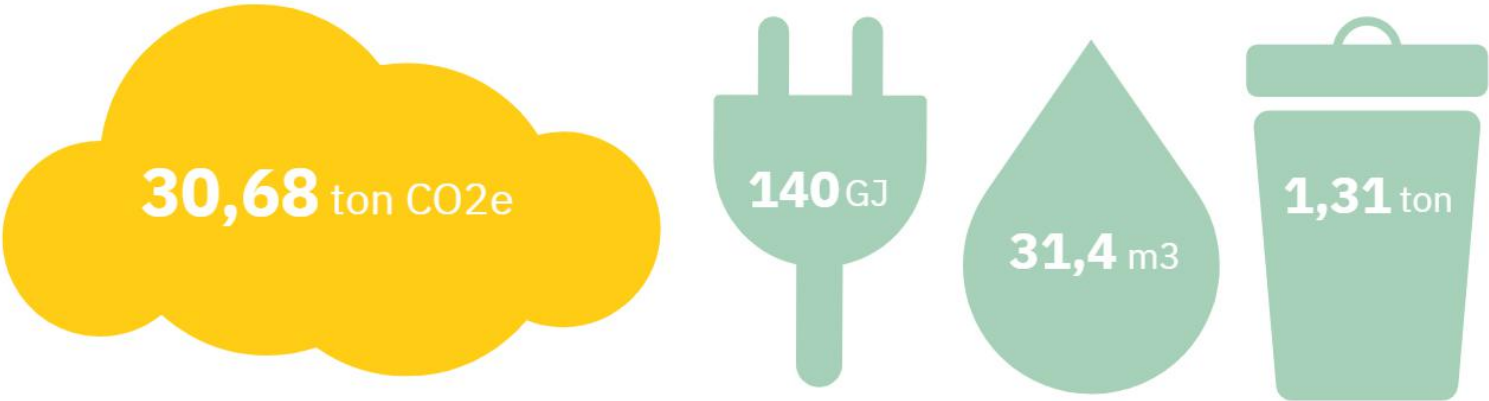
### Resource inflows and resource use

At RN Solutions, we work to reduce our resource inflows by developing sustainable solutions that are adapted to the environments in which they are used. Our greatest influence lies in product design, material selection and supplier requirements. In addition, we minimise waste in our own operations through better waste management, reuse of materials and ongoing process optimisation, so that resources are used as efficiently and responsibly as possible.



# CLIMATE FOOTPRINT AND RESULTS

Category	Unit	2025	2024
Scope 1	tCO <sub>2</sub> e	28,80	27,58
Scope 2	tCO <sub>2</sub> e	1,88	1,50
Total Scope emissions	tCO <sub>2</sub> e	30,68	29,08
CO <sub>2</sub> intensity	KgCO <sub>2</sub> e	40.394	36.822
Energy consumption	GJ	140	184
• Electricity	kWh	23.202	18.491
• Natural gas	kWh	15.656	32.568
• Diesel	L	10.015	8.110
Water consumption	m <sup>3</sup>	31,4	35,1
Non-hazardous waste (residual waste for incineration)	kg	1.310	1.500
Application of circular economy principles	Yes/No	YES	YES
Substances of concern	Yes/No	NO	NO





# CLIMATE & ENERGY

In the 2023/2024 financial year, fuel consumption for company vehicles and gas for heating accounted for the largest share of RN Solutions' total Scope 1 emissions. We used a gas boiler to heat the entire warehouse during the winter period. This contributed significantly to our total Scope 1 emissions.

In 2024/2025, we changed our heating strategy and, from the start of 2025, have been using a section-divided electric heating solution in the warehouse. This means that we now only heat the areas where employees are engaged in sedentary work. This zoning reduces energy waste and has led to a significant reduction in gas consumption. As a result, scope 1 emissions for heating have fallen.

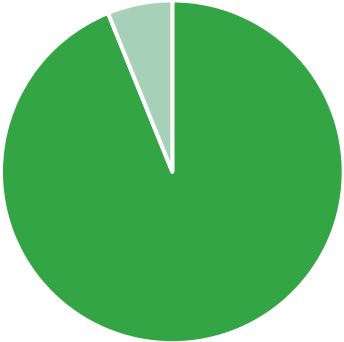
At the same time, there has been a slight increase in scope 2, as we use more electricity for heating. However, as electricity has a lower emission factor than gas, the overall result has been positive.

However, in 2024/2025, we see an overall increase in our scope 1 emissions due to the increased amount of company driving. This is therefore an important area to focus on going forward as we work on how to further reduce our scope 1 emissions.

Overall, this year's report shows that RN Solutions' biggest climate challenge now lies in mobility. With a combination of energy efficiency improvements in the warehouse and a forward-looking transport strategy, we are working purposefully to reduce our total scope 1 and 2 emissions in the coming years.

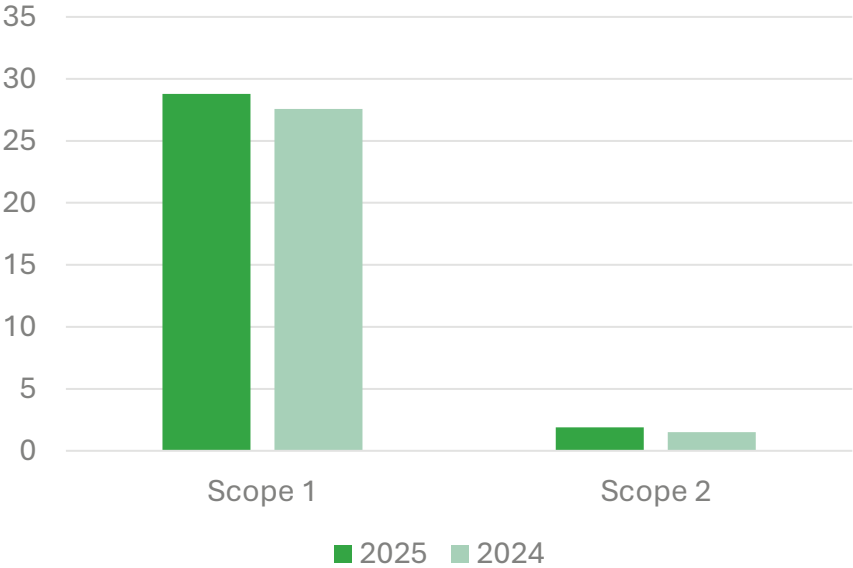
In addition to energy consumption, we have reduced our waste volume, which has fallen from 1,500 kg in 2023/2024 to 1,310 kg in 2024/2025. This decrease is primarily due to the fact that we are recycling more of our cardboard packaging internally by shredding it and using it as filling material for shipments. This initiative means that we avoid buying new packaging material, while extending the life of the resources we already have in circulation.

% Distribution of scopes 2025



■ Scope 1 ■ Scope 2

Tonnes of CO2 emissions by scope



## CIRCULAR ECONOMY

At RN Solutions, we work purposefully with circular economy, where we focus particularly on extending the life of our products – also known as slowing resource loops.

### Long service life

We develop lighting solutions that can withstand the particularly harsh environments found in agriculture and industry, and we select materials and components that ensure robustness, reliability and minimal maintenance over time. Long service life not only reduces the need for frequent replacements, but also reduces resource consumption, transport and waste volumes. Our products are tested and qualified for the demanding environments in which they are used, giving customers the assurance of stable operation and lower total costs.

### Spare parts

We also place great importance on ensuring that our solutions can be repaired and upgraded. Many of our products have replaceable components, which means that defective parts can be replaced without having to discard the entire luminaire. In this way, we support a more resource-efficient approach, where functionality can be extended rather than creating unnecessary waste.

### Easy installation and removal

Another key element is our PLUG 'N PLAY™ system, which makes installation and disassembly simple. This means that the products can be easily moved, reassembled or upgraded as customer needs change, further extending their useful life.

Overall, our goal is to develop lighting solutions that are not only energy-efficient in operation, but also contribute to a circular economy through long life, extended service life and flexible use.





## INCREASED PRODUCTIVITY

At RN Solutions, we develop lighting solutions that not only reduce energy consumption but also generate tangible production and environmental benefits in agriculture. The right lighting supports the animals' natural rhythms and behaviour, which has a proven effect on both animal welfare and productivity. When animals thrive, agriculture achieves a higher yield per resource unit, thereby reducing the overall climate footprint per unit produced.

### Cattle

For dairy cattle, lighting with the right intensity and duration can stimulate hormone production, which supports both heat and milk yield. This results in higher efficiency in milk production without increasing resource consumption. Overall, this means that RN Solutions' lighting solutions not only provide better conditions for the animals, but also contribute to more efficient and sustainable food production. When each litre of milk or kilo of meat produced requires fewer resources, the climate footprint of agriculture is reduced. Proper lighting is thus a concrete example of how environmental and economic considerations can go hand in hand.

### Pigs

In pig production, lighting control can stimulate heat in sows, leading to fewer strays, more pregnant sows and more liveborn piglets per litter. The result is more stable and efficient reproduction, which also reduces the consumption of resources for feed and housing per pig.

### Poultry

In poultry production, the right light distribution contributes to calmer flocks with less stress. This reduces pecking and feather plucking, which both reduces damage and improves feed intake. When the chickens are less stressed, they grow better and the yield increases. In addition, coloured light ensures that the chickens seek out the nests instead of the floor, which reduces the number of floor eggs and thus waste, as fewer eggs are discarded.





# ENERGY EFFICIENCY

## Reduced energy consumption

Energy efficiency is a key part of RN Solutions' product development. Our LED lighting solutions reduce energy consumption by 50–80% compared to traditional light sources. This not only results in a significant reduction in CO<sub>2</sub> emissions, but also a substantial financial gain for our customers, as energy costs are reduced accordingly.

## Light optimisation

We are constantly working to optimise the efficiency of our luminaires. Our latest products deliver 175 lumens per watt, rather than 120, which means that the same amount of light can be achieved with fewer watts per luminaire – or with fewer luminaires overall. This results in lower overall energy or resource requirements without compromising on brightness or functionality.

## Smart lighting control

In addition, LED technology is combined with intelligent lighting control solutions that adapt the light to the animals' rhythms and production needs. This control ensures that no unnecessary energy is used and that the lighting is always tailored to the specific need.

Energy efficiency is therefore not just a technical issue, but a central element of our overall sustainability strategy. It adds value throughout the value chain – from lower operating costs for customers to a reduced global climate footprint.







## WASTE

At RN Solutions, we actively work to reduce and manage our waste correctly. This is both to use fewer resources and to ensure that valuable resources are recycled. That is why we collaborate with Elretur and their sister scheme Emballageretur, which ensures that electronic waste and packaging are disposed of in an environmentally responsible manner.

To prevent our own waste, we reuse all packaging as far as possible. This

is done either through direct reuse, where the products are sent on in the packaging, we receive them in, or by reusing the cardboard we receive. We have purchased a shredder that can convert cardboard into packaging material for shipping. In this way, we avoid buying new materials and at the same time ensure that the packaging we receive is given a new life.

## INTERNAL OPERATIONS

In addition to developing energy-efficient solutions for customers, RN Solutions also works to reduce the environmental impact of our internal operations.

At the beginning of 2025, we replaced our gas boiler with a heat pump, which has significantly reduced our scope 1 emissions for heating. At the same time, we have installed smart lighting control in the warehouse so that the lighting is adjusted according to activity and need, reducing unnecessary energy consumption.

To strengthen our long-term sustainability work, we have hired a sustainability employee responsible for developing and implementing new

initiatives. Among other things, the focus is on preparing Life Cycle Assessments for our products. These assessments make it possible to map the entire product life cycle and identify where the greatest environmental impact occurs. This makes it possible to identify both challenges and opportunities, and therefore serves not only as documentation, but also as a tool for prioritising measures that really make a difference.

These measures support our ambition to continuously set specific sustainability goals and create transparency – both internally and towards customers and partners.

# GOALS AND INITIATIVES

## CLIMATE & CIRCULAR ECONOMY

- LCA on products
- Waste sorting
- Scope 3 climate calculation
- Component production in Europe
- Electric cars in the vehicle fleet

### LCA on products

In the coming financial year, we will continue to use Life Cycle Assessment (LCA) as a key tool for our products.

The goal is to publish a verified Environmental Product Declaration (EPD) by the end of 2026. At the same time, we want to integrate LCA into the design process so that we can identify the benefits of, among other things, replaceable components and changes in transport. The main challenges relate to resources in the form of employee hours, finances for publishing the EPD and requirements for high data quality from suppliers.



### Waste sorting

We want to increase the proportion of waste sent for recycling and reduce the amount of residual waste for incineration. This will be achieved by establishing a waste sorting system in our offices and warehouses and entering into a new agreement with Elretur to ensure the correct handling of electronic waste.

The goal is to have a full sorting system in place by winter 2026 and an agreement with Elretur as early as 2025. The success criteria will be a measurable reduction in residual waste and an increase in the amount sent for recycling. The main challenge is the lack of municipal collection services.



# GOALS AND INITIATIVES

## Scope 3 climate calculation

To create a more complete picture of our total climate footprint, we want to explore the possibilities of including Scope 3 emissions in future ESG reports. The focus will be on identifying the most significant sources in the value chain and collecting data in close dialogue with suppliers. This will require both time and resources, as well as the development of processes for quality assurance of data.

The goal is to have tested methods and set a level of ambition before the next financial year. The challenges here include employee hours and data quality.

## Component production in Europe

We want to explore the possibilities of moving parts of our component production closer to the domestic market in Europe. The goal is to reduce transport distances and thereby reduce our climate footprint, while strengthening security of supply.

The first steps will be to conduct tests with individual products so that we can evaluate quality, price and climate impact. This requires close cooperation with both existing and new suppliers, as well as a clear assessment of the business implications.

As this is a more long-term effort, the success criteria for the coming year are to have explored specific opportunities in Europe and identified potential partners who can be included in a future production strategy.

## Electric cars in the vehicle fleet

We want to replace some of the company's vehicles with electric cars where it is practical and economically feasible. The first step is to test electric cars in selected functions and assess their potential in relation to driving needs, economy and infrastructure. The initiative is intended to reduce the company's direct emissions (scope 1).

The success criteria will be concrete experiences with electric cars in operation, which can form the basis for a more comprehensive implementation. The goal is to test this by the end of 2026.





# SOCIAL RESPONSIBILITY



## OUR SOCIAL INITIATIVES

At RN Solutions, we see social initiatives as a key part of our responsibility. We strive to create a workplace where employees thrive, develop and are treated equally.

### Equality

In our own workforce, we have a particular focus on equality and equal pay, where salaries are always based on position and skills. We have an equal gender distribution of approximately 50/50 among both employees and management, which reflects our ambition to promote diversity and equal opportunities.

### Working hours and work-life balance

We value team spirit and a good work culture. Employees come into the office within a fixed framework, and we prioritise shared breaks with breakfast and lunch arrangements. At the same time, we offer flexible working hours so that private and working life can be balanced. Employees with telephone hours have more fixed hours, but everyone is expected to come in within reasonable office hours to maintain

team spirit.

### Social dialogue

Dialogue is strengthened through staff meetings every other Monday. In addition, our working environment organisation (AMO) has both employee and management representatives who work systematically with well-being, safety and the working environment.

### Privacy and measures

We have a clear policy on workplace culture and rights. All employees are covered by GDPR principles, and we have zero tolerance for bullying, discrimination and harassment. These guidelines are described in our staff handbook.

### Inclusion

Finally, we strive to create an inclusive workplace with room for different needs and backgrounds. We have repeatedly hired employees under various conditions, including flex jobs, trainees and interns. In this way, we want to contribute to a broader labour market.



## SOCIAL CONDITIONS

Category	Unit	2025	2024
Number of permanent contracts	%	93%	100%
Gender distribution	%	114%	100%
Employees in countries other than Denmark	HC	2	2
Number of terminated employments	HC	2	0
Employee turnover	%	13%	0%
Work-related accidents	HC	0	0
Work-related deaths	HC	0	0
Average hourly pay	DKK	202	213
Gender pay gap	%	20	22
Percentage of employees covered by collective agreements	HC	0	0
Average number of annual training hours per employee	Hours	4	0
Gender distribution in management	%	50%	50%
Gender distribution on the board	%	33%	0%
Does the company have a code of conduct or human rights policy for its own workforce that covers discrimination and accident prevention?	Yes/No	YES	YES
Does the company have confirmed negative incidents in its own workforce related to discrimination or other violations?	HC	0	0



Category	Unit	2025	2024
Employee group/committee	Yes/No	YES	YES
Employees under 30	HC	5	4
Employees between 30-50	HC	3	3
Employees over 50	HC	7	5
Employees in flex jobs	HC	1	1
New employees who come directly from unemployment	HC	1	0
New employees who have transitioned from wage subsidies to wages	HC	0	0
Number of apprentices/adult apprentices/students/trainees in training programmes	HC	1	0
Employee well-being	Index [0-5]	4	-
Sick leave, regular employees	%	1%	2%
Average working hours per week/employee	Hours	30	27
Employees with flexible working hours	HC	11	10
<b>S2: Employees in the value chain</b>			
Policy on remuneration and collective agreements	Yes/No	NO	NO
Policy on safety and occupational accidents	Yes/No	YES	YES
Policy on training and skills development	Yes/No	YES	YES
Human Rights Compliance Policy	Yes/No	YES	YES

# WELL-BEING AND WORKING CONDITIONS

At RN Solutions, we see employee well-being and good working conditions as a prerequisite for both quality and responsibility in our work. We want to create a workplace where community and security are central, and where we also focus on developing solutions that contribute to a better working environment – both internally within the company and among our partners.

We therefore work purposefully with initiatives that strengthen unity in the office and create the best conditions for well-being. At the same time, we use our expertise in lighting to support a healthier and more sustainable working environment for both humans and animals.

## Community in the office

At RN Solutions, we prioritise a strong community in the workplace. We gather daily for joint morning and lunch breaks through our lunch plan, which strengthens unity and creates an informal setting for dialogue across departments. In addition, we hold two annual social events that help to maintain an open and inclusive culture. To support a safe culture of respect and equality, we have a staff handbook that sets out clear guidelines for well-being, behaviour and the working environment. These are followed up on a regular basis at staff meetings every two weeks.

## New settings for well-being

In 2024, we carried out a major renovation of our office, which has created better settings for work, collaboration and breaks. The outdoor areas have been expanded with green spaces, seating areas and barbecue facilities, providing new opportunities for

socialising in everyday life. At the same time, the meeting and office rooms have been modernised to support a healthy and efficient working environment where all employees can thrive.

## Skill development

We also contribute to skill development by holding courses in lighting control and sharing our knowledge so that electricians can improve their own solutions and work more efficiently.

This also applies to our own employees, who have access to a training portal that they can use during working hours to improve their skills in relevant areas.

## Correct lighting = Better working environment

Lighting is a crucial factor for well-being and safety in both agriculture and industry. At RN Solutions, we develop lighting that is adapted to the environments in which it will be used – from stables to production facilities.

For employees, the right lighting means better visibility, fewer errors and a healthier working environment with less strain on the eyes and concentration. For animals, the right lighting conditions create more calm, a better circadian rhythm and thus increased well-being and productivity.

By combining energy-efficient LED technology with knowledge of both human and animal needs, we deliver solutions that not only save energy but also create a safer and more sustainable working environment.



## Close personal contact

One of RN Solutions' core values is close and personal contact with our customers – whether they are electricians, farmers or industrial companies. We want to ensure that our solutions create value in practice, and we do this through consultation, dialogue and competence building.

Even before a purchase, we provide advice through personal visits, financial calculations and lighting calculations, so that the customer gets the solution that best suits their specific needs. Afterwards, we follow up on the installation as needed and are in contact with the installers to ensure correct setup.

By doing so, we not only ensure the delivery of a product, but also a comprehensive solution that focuses on well-being, operational reliability and close cooperation with our customers.



## OUR VALUE CHAIN

RN Solutions sets clear requirements for responsibility throughout the value chain. As our products are manufactured in China, we have a strong focus on ensuring good and proper working conditions – both at our suppliers and throughout the entire supply chain.

All manufacturers therefore sign our Code of Conduct, which is based on the OECD's guidelines for responsible business conduct. The Code of Conduct sets minimum requirements for our partners and includes, among other things:

- Respect for human rights and workers' rights
- No child labour or forced labour
- No discrimination, and respect for freedom of association and collective bargaining
- Focus on safety, health and prevention of work-related accidents
- Zero tolerance for corruption, bribery and extortion
- Requirements to reduce environmental impact and promote resource efficiency

We expect all our manufacturers to meet these requirements as a minimum, and in the event of serious breaches that are not remedied, the cooperation will be terminated.

To ensure that the requirements are met in practice, we have our own staff in China who carry out quality control and ongoing inspections at our manufacturers. This presence gives us direct insight into the conditions and enables us to maintain a close and transparent dialogue. Our Chinese-speaking purchase and production manager in Denmark visits the factories 1-2 times a year to ensure proper working conditions and production, as well as a good personal relationship with the employees.

At the same time, we work closely with electricians and farmers who install and use our products. Through dialogue and consultation, we ensure that the products are installed correctly, function optimally and support responsible operation all the way to the end customer.

In this way, we create a value chain where responsibility, quality and cooperation go hand in hand – from production in China to use by individual farmers in Denmark and the rest of the world.



# GOALS AND INITIATIVES

## SOCIAL GOALS

- Sustainability training
- Education of employees

### Sustainability training

In 2025, RN Solutions launched a training programme under 'SMV Grønne Kompetencer' in collaboration with the consulting firm Norion. Through this programme, selected employees receive targeted skills development in ESG work and sustainability. The initiative was launched at the same time as the employment of an ESG employee, who will ensure that we have the necessary resources to drive development forward.

The programme will be completed in autumn 2025, at which point employees will be fully equipped to prepare ESG reports, conduct LCAs on products and guide the company in making sustainable choices. The success criteria are therefore that by the end of 2025, we will have completed the programme and built up stronger internal capacity, enabling us to systematically integrate sustainability into both our operations and decision-making processes.

The biggest challenge lies in maintaining and further developing the knowledge built up during the process so that the competencies become embedded in the organisation. This requires that sustainability continues to be prioritised in daily operations and that the new tools are actively used in the company's projects and decisions.



### Education of employees

We want to strengthen our employees' skills through a targeted education plan, which is drawn up individually for each employee. The first year will focus particularly on topics such as AI, GDPR and Microsoft Office (Excel).

The plan is designed to ensure ongoing upskilling, with all employees completing at least one training course per year. The success criteria are that the training plans are implemented by the end of 2026 and that they then function as a recurring part of our employee development.

To achieve this goal, time is needed to draw up the plans and prioritise training activities during the company's low season, when it is easier to free up resources.



- ✓ NEM PLUG 'N PLAY INSTALLATION
- ✓ FORBEDRET PRODUKTIVITET SAMT  
ARBEJDSMILJØ
- ✓ ENERGIBESPARENDE - HELT OP
- ✓ LANG HOLDBARHED I HÅRDE MILJØ

# GOVERNANCE

# GOVERNANCE

At RN Solutions, we place great emphasis on responsible corporate behaviour, where transparency and respect for employees, customers and communities are fundamental values.

## Social responsibility

As a company, we actively take social responsibility wherever we can. One example is our donation of lighting equipment to a hospital in Ukraine to support healthcare in a distressed area. This reflects our ambition to use our technology and resources to make a positive impact.

We also support a number of smaller initiatives and organisations that contribute to community and well-being. Among other things, we have made donations to the ADHD Association and Politiets Blå Baretter. In addition, in recent years we have sponsored the Aalborg Pirates ice hockey team, which plays an important role in local community and cultural life.

In this way, we want to combine our business with a broader social responsibility, where we contribute both internationally in vulnerable situations and locally through associations and social initiatives.

## Organisations

We actively participate in a number of networks and organisations where we can contribute to and learn from the industry's work with responsibility and sustainability:

- Business Rebuild
- Lysbranchen Danmark
- Elråd
- Elretur and Emballageretur
- Agro Leaders Network
- European Pig Producers

Through local networks such as Business Rebuild, we contribute to promoting responsible and local business development, while Lysbranchen Danmark gives us the opportunity to influence the development of common standards in the lighting industry. Through Elråd, we ensure that our products always comply with the correct standards and legislation. Elretur and Emballageretur contribute to taking responsibility for the full life cycle of products by ensuring proper waste management and recycling. At the same time, our participation in Agro Leaders and EPP strengthens cooperation on sustainable solutions for agriculture in Denmark and across Europe.





# GOVERNANCE

## Corporate culture

We want to promote a culture where responsibility and respect go hand in hand with innovation. This culture is supported by a sense of community in the workplace, a high degree of employee involvement and clear guidelines for conduct, as set out in our staff handbook. Our management style is based on open dialogue, where all employees contribute to the development of the company. To ensure transparency in roles and responsibilities, we work with a company diagram so that it is clear who is responsible for which functions.

## Corruption

RN Solutions has zero tolerance for corruption, bribery and other unethical business practices. We work with a clear Code of Conduct, which applies both internally and to our suppliers in the value chain. Any breaches will result in the termination of the collaboration. No incidents relating to corruption or unethical behaviour have been recorded.

## Animal welfare

As a supplier of lighting solutions for agriculture, we play a direct role in supporting animal welfare. Our products are developed based on research into animal needs, so that they create calm environments, reduce stress and support natural circadian rhythms. In this way, we contribute to better welfare and more sustainable production.

Category	Unit	2025	2024
Convictions for violations of anti-corruption and anti-bribery laws	Quantity	0	0
Animal welfare procedure	Yes/No	YES	YES
Procedure for corporate culture	Yes/No	YES	YES
Participation in relevant councils/bodies	Yes/No	YES	YES

# OUR VALUES

## Policies

At RN Solutions, we work according to clear policies that ensure accountability throughout the company. We have zero tolerance for discrimination, bullying and harassment, and our staff handbook clearly describes the framework we want for a safe and inclusive working environment. At the same time, we follow our Code of Conduct in our collaboration with suppliers, which includes respect for human rights, no child or forced labour, and a focus on working environment, safety and environmental considerations.

## Practices for ethical business conduct

We emphasise that our business is conducted with a high degree of transparency and integrity. This means, among other things, that we have a clear distribution of roles and responsibilities within the company, that we are active in networks and industry organisations where we share knowledge and learn from others, and that we continuously develop solutions that support sustainable development. We have no recorded incidents of corruption or unethical behaviour, and we work continuously to maintain this standard. In addition, we want to contribute to stable and peaceful markets, and we therefore do not engage in direct trade with countries that are actively pursuing war, such as Russia.

## Certifications

RN Solutions sets high standards for quality and responsibility throughout the value chain. We work with manufacturers who are at least ISO 9001 certified, which ensures documented quality and stable processes. Our products are CE marked and comply with relevant EU requirements and the RoHS Directive, which restricts harmful substances in electronics. In addition, the products are tested according to applicable IP standards to ensure high durability in demanding environments.

## VISION & MISSION

We want to be the preferred partner for sustainable lighting solutions by combining innovation and responsibility. With a focus on circular economy, energy efficiency and animal welfare, we create value for customers, animals and people alike – ensuring increased productivity and reduced resource consumption through the right light in the right place. This is how we combine sustainability and good business practices that can make a difference for many years to come.





# GOALS AND INITIATIVES

## GOVERNANCE GOALS

- ESG Embedded in Management
- Systematisation of HR processes
- Strengthened Supplier Control

### ESG Embedded in Management

To strengthen transparency and ensure a long-term focus on sustainability, RN Solutions wants to integrate ESG work more systematically into the management structure. Specifically, this means that ESG goals and results will be a fixed item on the agenda for at least two annual management meetings going forward.

The success criteria are that ESG reporting and status not only serve as a final accounting document, but are actively used to support decisions, prioritise efforts and monitor developments. In this way, ESG becomes an integral part of the company's strategic work and not just a parallel initiative.

To achieve this goal, time must be set aside in management planning, and clear and understandable reports must be prepared to form the basis for dialogue and decisions. This work is supported by the newly hired ESG employee, who is responsible for collecting data, preparing follow-ups and presenting results to management.



### Systematisation of HR processes

RN Solutions wants to strengthen our HR structure by introducing more uniform and transparent processes. In 2026, we will complete and publish a formal version of the staff handbook and establish a fixed practice for annual, mandatory performance reviews for all employees.

The goal will be achieved when the staff handbook is published by the end of 2026 and all employees have completed a performance review in the same financial year. In addition, a simple annual cycle must be implemented so that the performance review process is repeated systematically in the future.

To achieve the goal, time is needed for the preparation, quality assurance and implementation of the staff handbook. The performance review process requires management to set aside time for interviews and follow-up. Clear internal communication is therefore important to ensure that the new HR processes are firmly established in the organisation.

# GOALS AND INITIATIVES

## Strengthened Supplier Control

RN Solutions wants to strengthen its work with responsible supplier relationships by systematising our checks and follow-ups. The goal is to continue conducting annual supplier visits to assess working conditions, production quality and compliance with our Code of Conduct. At the same time, we want to review and update the Code of Conduct annually to reflect current requirements and best practice.

The goal will be achieved when the main suppliers have been visited and documented at least once a year, and when the Code of Conduct has been reviewed and, if necessary, revised before the end of each financial year.

To succeed, sufficient time and resources are required for travel, inspections and dialogue with suppliers. In addition, clear alignment of expectations and ongoing communication must be ensured so that any areas for improvement can be followed up and addressed in a structured manner.





# REPORT PREPARED IN COLLABORATION WITH NORION

This ESG report has been prepared in collaboration with Norion Consult, which facilitated the preliminary documentation and reporting process together with Tønnesen. This was done through three workshops on GAP, stakeholders, double materiality, objectives and communication. In addition, Norion provided templates and advice. Norion Consult are experts in sustainability consulting with a wide range of professional competencies and more than 30 years of experience.

*We specialise in supporting companies' sustainable transition, and our experience spans analysis of resource management, circularity, advice on the use and implementation of eco-labels and certification, climate calculations, capacity development, and work with social responsibility and inclusion. We advise companies, public institutions, EU agencies and civil society actors. [www.norion.dk](http://www.norion.dk)*

# APPENDIX 1: OVERALL RESULTS AND REFERENCES

Environment				
Category	Unit	2025	2024	References
Scope 1	tCO2e	28,80	27,58	EFRAG VMSE B3-31a
Scope 2	tCO2e	1,88	1,50	EFRAG VMSE B3-31b
Total Scope emissions	tCO2e	30,68	29,08	EFRAG VMSE B3-31a
Energy consumption	GJ	140	184	EFRAG VMSE B3-29
• Electricity	kWh	23.202	18.491	EFRAG VMSE B3-29
• Natural gas	kWh	15.656	32.568	EFRAG VMSE B3-29
• Diesel	L	10.015	8.110	EFRAG VMSE B3-29
Water consumption	m3	31,4	35,1	EFRAG VSME B6-35
Non-hazardous waste (residual waste for incineration)	kg	1.310	1.500	EFRAG VSME B7-38a
Application of circular economy principles	Yes/No	YES	YES	EFRAG VSME B7-37
Substances of concern	Yes/No	NO	NO	EFRAG VSME B4-32



## Social

Category	Unit	2025	2024	References
Number of permanent contracts	%	93%	100%	EFRAG VSME B8-39a
Gender distribution	%	114%	100%	EFRAG VSME B8-39b
Employees in countries other than Denmark	HC	2	2	EFRAG VSME B8-39c
Number of terminated employments	HC	2	0	EFRAG VSME B8-40
Employee turnover	%	13%	0%	EFRAG VSME B9-41a
Work-related accidents	HC	0	0	EFRAG VSME B9-41b
Work-related deaths	HC	0	0	EFRAG VSME B10-42a
Average hourly pay	DKK	202	213	EFRAG VSME B10-42b
Gender pay gap	%	20	22	EFRAG VSME B10-42c
Percentage of employees covered by collective agreements	HC	0	0	EFRAG VSME B10-42d
Average number of annual training hours per employee	Hours	4	0	EFRAG VSME C5-59
Gender distribution in management	%	50%	50%	EFRAG VSME C5-59
Gender distribution on the board	%	33%	0%	EFRAG VSME C6-61a + EFRAG VSME C6-61b
Does the company have a code of conduct or human rights policy for its own workforce that covers discrimination and accident prevention?	Yes/No	YES	YES	EFRAG VSME C7-62a
Employee group/committee	Yes/No	YES	YES	RSV
Employees under 30	HC	5	4	ESRS S1-9-66b
Employees between 30-50	HC	3	3	ESRS S1-9-66b
Employees over 50	HC	7	5	ESRS S1-9-66b
Employees in flex jobs	HC	1	1	<u>VITAS</u>
New employees who come directly from unemployment	HC	1	0	<u>VITAS</u>
Number of apprentices/students/trainees in training programmes	HC	1	0	<u>VITAS</u>
Employee well-being	Index [0-5]	4	-	<u>Cabi</u>
Sick leave, regular employees	%	1%	2%	EFRAG S1-14
Average working hours per week/employee	Hours	30	27	EFRAG S1-14
Employees with flexible working hours	HC	11	10	EFRAG S1-15
Employee group/committee	Yes/No	YES	YES	EFRAG S1-15
Policy on remuneration and collective agreements	Yes/No	NO	NO	EFRAG S2-1
Policy on safety and occupational accidents	Yes/No	YES	YES	EFRAG S2-1
Policy on training and skills development	Yes/No	YES	YES	EFRAG S2-1
Human Rights Compliance Policy	Yes/No	YES	YES	EFRAG S2-1

Governance				
Category	Unit	2025	2024	References
Convictions for violations of anti-corruption and anti-bribery laws	Quantity	0	0	EFRAG VSME B11-43
Animal welfare procedure	Yes/No	YES	YES	EFRAG G1-1
Procedure for corporate culture	Yes/No	YES	YES	EFRAG G1-1
Participation in relevant councils/bodies	Yes/No	YES	YES	EFRAG G1-5



# APPENDIX 2: METHODOLOGY & DATA BASIS

## Data basis

Data has been collected for the period 1 July 2024 to 30 June 2025, which covers RN Solutions' financial year and activities at its main address in Denmark.

## Data sources

- Electricity and natural gas consumption is based on supplier data and invoices.
- Fuel consumption for company vehicles is estimated based on mileage records from fuel cards.
- Waste volumes are based on statements from the waste collection company.
- Other information, such as employee data, is calculated internally by the company.

## Scope

The climate calculation covers scope 1 and scope 2, but scope 3 is not yet included. This is a focus area for the next financial year, when RN Solutions will investigate the possibilities of expanding the calculation to include more indirect sources.

## Climate calculation

The climate calculation has been prepared in collaboration with the consulting firm Norion based on the Climate Compass, which is based on the Greenhouse Gas Protocol (GHG Protocol).

Data for the 2023/2024 and 2024/2025 financial years has been collected via Norion's data collection sheet and includes the company's direct emissions (scope 1) and indirect emissions from purchased energy (scope 2).

Scope 1 covers the consumption of fuel for company vehicles and natural gas for heating. Scope 2 covers purchased electricity.

All emissions are converted to tonnes of CO<sub>2</sub>e based on the emission factors from the Danish Energy Agency and the Climate Compass (2023 emission factors) applicable at the time of calculation.

## APPENDIX 3: GAP ANALYSIS

ESG-standards	Are you actively working in this area? (e.g. via business model/core services or other non-coordinated efforts?) If so, please describe.	Do you have a strategy in this area? (yes/no)	Does the strategy/action plan include targets? (yes/no)	If so, which ones?
Climate change	Energy efficiency – electricity-saving products. Improved productivity among customers, significant savings on feed, water, etc. Charging stations for employees and customers. Considerations regarding transport. Prepares LCA for products.	Yes	Yes	Component production in Europe. Electric vehicles in the fleet. LCA on products to identify opportunities for optimisation.
Pollution	No	No	No	
Water and Marine Resources	No	No	No	
Biodiversity and Ecosystems	Indirectly through improved animal welfare and increased food production.	No	No	
Circular Economy	90% of products can be reused by 2027 – replaceable technology. Purchase of cardboard shredder.	Yes	Yes	Improved waste management.
Own workforce	Staff handbook	Yes	Yes	Goals for employee training.
Workers in the value chain	Contract terms	Yes	No	
Affected communities	Support for local organisations.	Yes	No	
Consumers and end users	No	No	No	
Corporate governance (code of conduct)	Corporate culture. Member of relevant networks.	Yes	Yes	Management's work with sustainability.