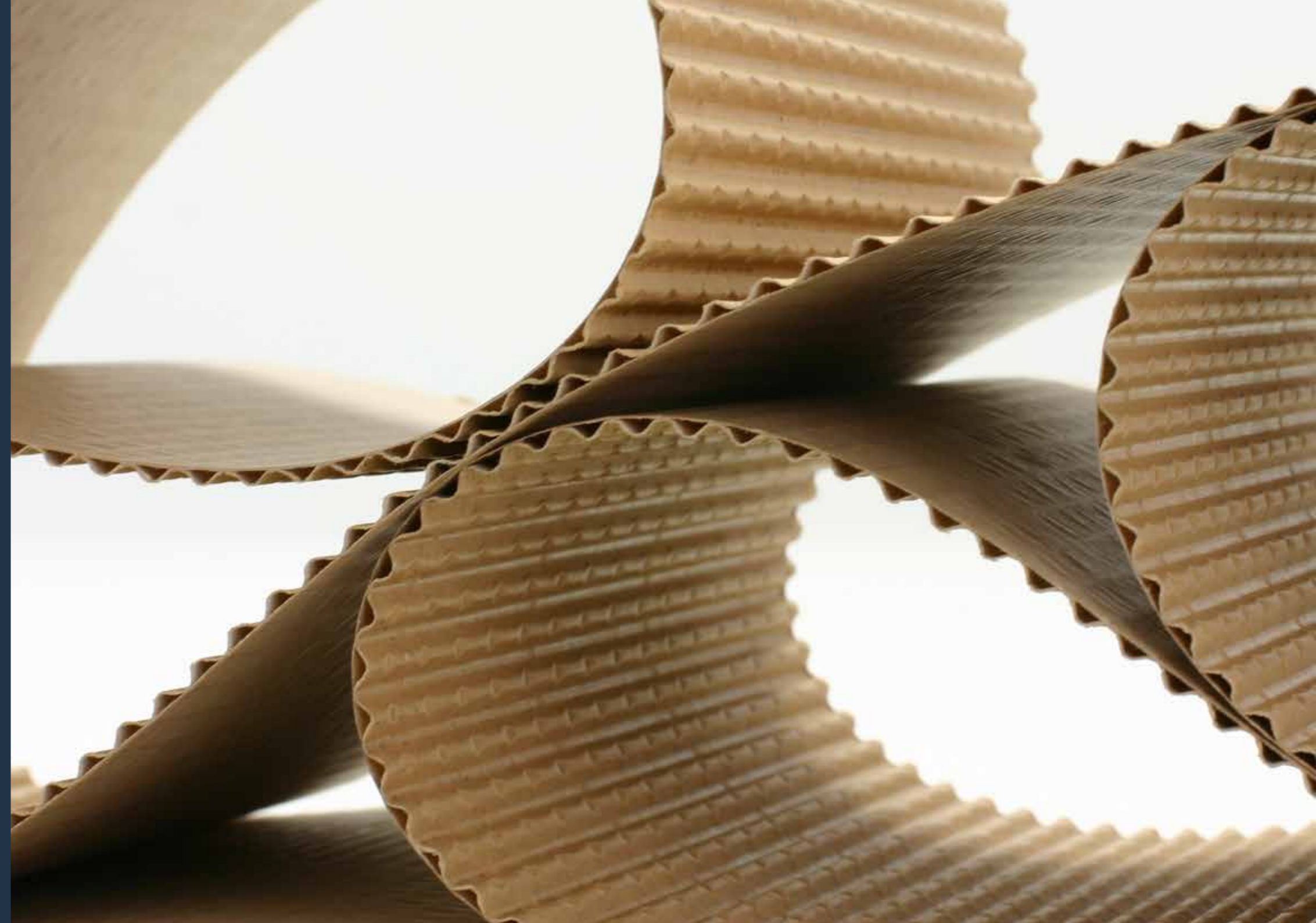


COMMUNICATION ON PROGRESS



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01 STATEMENT FROM CEO

In BetaPack we feel a special obligation and necessity to act responsibly in relation to the environment, climate, product range, society, and employees. This is deeply embedded in the way we do business.

In 2022 we celebrated the 25th year anniversary for BetaPack A/S and continued our focus on and work with responsibility and sustainability throughout our organization from management level down to department level with several projects and initiatives. Furthermore, we have been focusing on our supply chain working on engagement from our suppliers and with our customers supporting them on their work with responsibility and sustainability.

In this annual Communication on Progress (CoP) Report 2023, I am pleased to share our commitments, focused initiatives, and targets internally in the company and throughout our supply chain and achievements in relation to securing our continued support of the principles of UN Global Compact.

The reporting period covers the calendar year 2022.

I would like to highlight the following achievements:

- Maintaining a low sickness absence rate on 1,2%
- No accidents at work on our location in Hørning
- Continued implementation of electric company cars reaching 45%
- Participated in the “SMV:Grøn” project
- Presented the first climate accounting for calendar year 2021
- Increased number of suppliers that comply to Supplier Code of Conduct reaching 99% commitment

- Developed a foil-based packaging with 50% recycled plastics together with Dan-Foam ApS
- Developed a packing foil with 100% recycled plastics together with Davidsens Tømmerhandel A/S
- Continued increase in sales of FSC®-certified article numbers
- Obtained the first EPD on our building products
- Developed a cartridge made of 100% recycled plastic to our foil adhesive products
- All chemical products for building solution systems are now certified according to Eimcode EC1 PLUS


Due to the commitment of our employees, suppliers, customers, and partners we have achieved a lot of great things in 2022. Furthermore, we really experienced that responsibility and sustainability are becoming important areas and critical for decision making for our customers and they demand solutions that support these areas.

I am pleased, to reconfirm our formal commitment and official statement of continued support to the ten principles of the UN Global Compact within the areas of Human Rights, Labour Rights, Environmental Protection and Anti-corruption as well as our work with the UN Sustainable Development Goals.

I hope you will enjoy reading this report. We have started our journey towards a more responsible and sustainable way of doing business – a journey that never ends.



COMMUNICATION ON PROGRESS



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

02 BETAPACK COMPANY PROFILE

BetaPack A/S is an independently owned Danish company located in Hørning close to Aarhus.

Established in 1997 BetaPacks primary focus is in offering innovative and customized solutions to customers within two specific business areas:

- Packaging solutions
 - Foil-based
 - Paper-based
- Building material solutions

Our packaging solutions are sold directly to B2B customers within industrial and food (FMCG) segments.

Our building material solutions are sold through builders merchant with a focus on the professional craftsmen.

Our close and long-standing collaborations with carefully selected manufacturers in Europe ensure that we can offer our

customers an enormously flexible setup. This means that our customers get the solutions that are based on exactly their needs.

We are a socially conscious company with a focus on responsibility. Sustainability is a very central area for BetaPack, and we want to work actively for sustainable change and development. This we will do in close cooperation with our suppliers and customers.

Read more in the CoP about how we, within our two business areas, work purposefully with various initiatives and activities that support the UN's Sustainable Development Goal (SDG).

PRODUCT PORTFOLIO BUILDING MATERIAL SOLUTIONS

We specialize in building material solutions that ensure a good indoor climate with a focus on:

- Airtightness
- Acoustic performance
- Ventilation
- Moisture and radon protection



PRODUCT PORTFOLIO PACKAGING SOLUTIONS

We specialize in customer specific packaging solutions that both protect and promote products.

We produce packaging solutions for the industrial and FMCG segments.

Examples of foil based packaging:

- Laminates
- Doypacks
- Packaging foils (VFFS, TFFS, HFFS)

Examples of paper-based packaging:

- Cardboard and carton boxes
- Displays
- Shelf-ready
- Transport

03 OUR VISION, MISSION AND VALUES



VISION

We want to create value for our customers with a focus on innovative and sustainable solutions, and thus be our customers' natural first choice.

We will challenge current solutions, and through our specialist knowledge and dialogue create the future.



MISSION

We offer customized packaging solutions to the industry and materials for the building industry focusing on the Danish market.



DECENCY

We show respect for each other and are a diverse workplace. We have an honest and open communication both internally and externally.



TRUST

We build trust by keeping what we promise, and being honest and loyal in our relationships. We only work with what we are good at. We gain trust by clearly focusing on products and services that we have in-depth insight into, and clearly opting out of others.



KNOWLEDGE

We strive to be up to date with the latest knowledge, have high professionalism and technical competence within all our subject areas.



COOPERATION

Through commitment and good humour, we want to create the best framework for performing our tasks and achieving our goals. We help each other, are willing to change and always open to constructive criticism.



BUSINESS ACUMEN

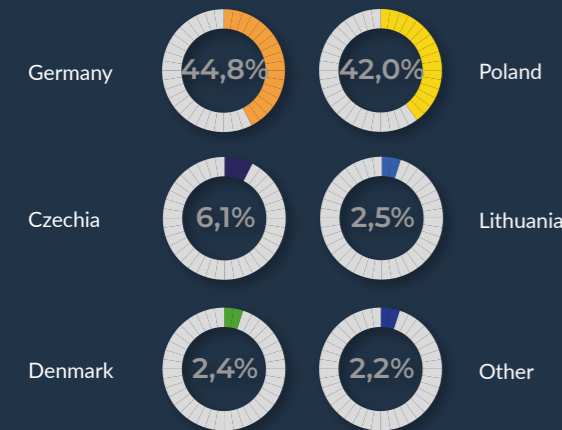
We are a commercial company. Through strong business acumen, we achieve good financial results and optimize earnings. We are a growth-oriented company with ambitious goals to gain market share in all business areas.

04 OUR BUSINESS

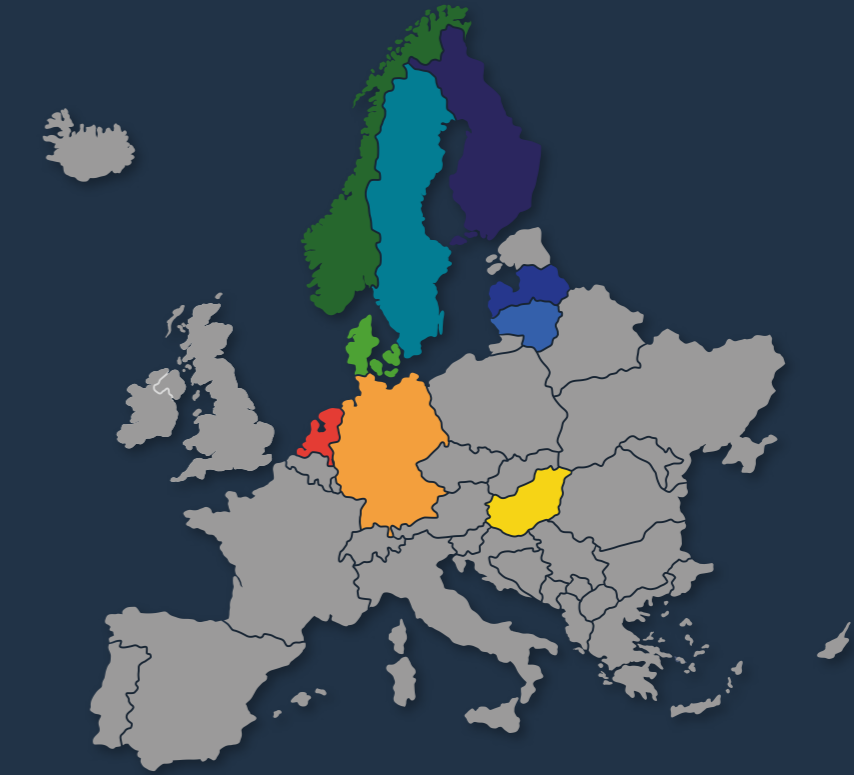
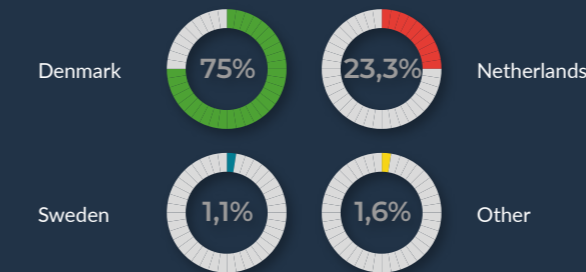
- We source and produce in 10 European countries
- 52 active suppliers located in the European region
- Focus on local sourcing within EU and EFTA countries (according to our Sourcing Policy)

- We sell to 8 European countries
- Primary focus on the Danish market
- 106 active customers located in the European region

DISTRIBUTION OF PURCHASE VALUE



DISTRIBUTION OF SALES VALUE

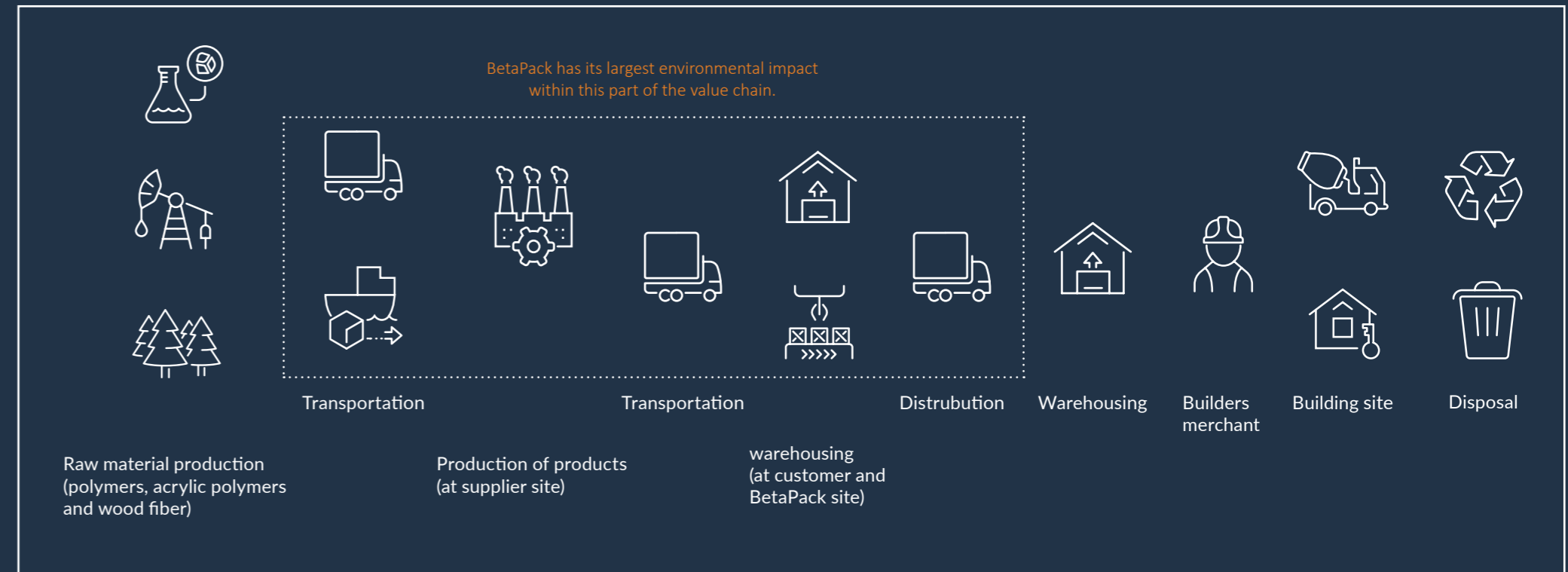


05 VALUE CHAIN

OUR VALUE CHAIN FOR PACKAGING SOLUTIONS



OUR VALUE CHAIN FOR BUILDING MATERIAL SOLUTIONS



06 SUSTAINABILITY AT BETAPACK

BetaPack has chosen to work actively with the UN's Sustainable Development Goal (SDG). We have selected 3 primary SDGs, where with our knowledge, commitment and industry experience we can contribute most to a sustainable transition and development:

- SDG No. 12 - Responsible consumption and production
- SDG No. 15 - Life on land
- SDG No. 17 - Partnerships for the goals

Several of the actions and initiatives BetaPack otherwise work with, and focus on- support several of the UN's Sustainable Development Goals. Among these, 4 Sustainable Development Goals in particular are affected, but are considered secondary for BetaPack:

- SDG No. 3 - Health and well-being
- SDG No. 4 - Quality Education
- SDG No. 8 - Decent jobs and economic growth
- SDG No. 11 - Sustainable cities and communities



THE GLOBAL GOALS



SUSTAINABILITY IN PACKAGING SOLUTIONS

Within packaging solutions, we work determined with the following longterm initiatives and activities that support the 3 primary Sustainable Development Goals. This is a firmly anchored part of the strategy for the individual business area, so the employees have it in focus, and work with it as a fixed part of everyday life:

FOIL

- Focus on packaging solutions that minimizes food waste / increases shelf life
- Minimization of material consumption - including downgauging
- Harmonization of material consumption so that recyclability is increased

CARDBOARD

- Focus on sales of FSC®-certified packaging
- Minimization of material consumption - including optimization of constructions and paper qualities
- Optimization of palletizing



ACHIEVEMENTS IN 2022

- Developed a foil-based packaging with 50% recycled plastics together with Dan-Foam ApS
- Developed a packaging foil with 100% recycled plastics together with Davidsens Tømmerhandel A/S
- Continued increase in sales of FSC-certified article numbers

OBJECTIVES FOR 2023

- Launch two mono solutions for laminate packaging
- Develop and implement a circular business model together with one customer
- Be able to calculate carbon footprint on all paper-based packaging

CASE:

FOCUS ON MATERIAL WASTE AND A CIRCULAR MATERIALS FLOW WITH DAVIDSENS TØMMERHANDEL

Collaboration: BetaPack and Davidsens Tømmerhandel are working together to develop packaging foil from 100% recycled plastic.

Sustainability Focus: Davidsens Tømmerhandel aims to reduce its CO₂ emissions by 30 % by 2027, leading to various sustainability initiatives.

Reducing Material Waste: BetaPack and Davidsens Tømmerhandel have successfully increased the use of recycled plastic in packaging foil for building materials without sacrificing quality.

Effective Packaging: The packaging foil, made from collected consumer plastic, offers both quality and protection. It has been in use since February 2023.

Minimizing Plastic Use: Efforts have been made to reduce the quantity and thickness of packaging materials, with rolls now available in various sizes.

Ongoing Collaboration: BetaPack and Davidsens Tømmerhandel plan to continue working together to further their sustainability goals and initiatives.



08 SUSTAINABILITY IN BUILDING MATERIAL SOLUTIONS

Within building material solutions, we work determined with the following longterm initiatives and activities that support the 2 primary Sustainable Development Goals. This is a firmly anchored part of the strategy for the individual business area, so the employees have it in focus, and work with it as a fixed part of everyday life:

BUILDING MATERIALS

- Focus on systems that ensure energy-efficient constructions, and support sustainability
- Focus on ensuring adequate documentation of products for sustainable constructions
- Minimization of packaging consumption
- Harmonization of material consumption so that recyclability is increased

ACHIEVEMENTS IN 2022

- Obtained the first two EPD's on our building products
- Developed a cartridge made of 100% recycled plastic to our foil adhesive products
- All chemical products for building solution systems are now certified according to Eimcode EC1 PLUS

OBJECTIVES FOR 2023

- Obtain EPD's on vapour barrier and roofing underlay membranes
- Develop and implement a circular business model together with one customer



CASE:

GOING BEYOND THE ORDINARY WITH A UNIQUE VAPOR BARRIER PRODUCT

In 2022, BetaPack, in collaboration with the German company pro clima, launched the sprayable airtight sealant, AEROSANA VISCONN. A sprayable and liquid vapor barrier that is not only a fast and effective solution but also offers a significant ergonomic advantage, ensuring a better working environment. These advantages were clearly highlighted in connection with a construction project on Gl. Køge Landevej, where two residential buildings with interconnected roofs totaling 600 m² needed roof renovation.

In a close dialogue between BetaPack, STARK, and the carpentry company Lars Printz, which was responsible for the construction project, the parties agreed to try the new method of using the sprayable vapor barrier AEROSANA VISCONN in combination with the reinforced vapor barrier system alpha neti - and it turned out to be a very good decision. Not only was the assembly time reduced by a whole 50% after completing the first residential block, but it was also evident that the new method was easier to work with and far more ergonomic for the craftsmen involved.

“The new method has saved us from the traditional work processes, which were more time-consuming, cumbersome, and physically demanding for our workers, as they had to crawl around or kneel for extended periods to access hard-to-reach areas. Additionally, the product is much more effective with a far better end result,” says Søren Jønsson, Construction Manager for Lars Printz Carpentry Company.

09 CORPORATE SOCIAL RESPONSIBILITY

BetaPack joined the UN Global Compact in June 2020. Right after the management team decided to start the process of making the first official CSR policy in the history of BetaPack. The CSR policy was launched in the late autumn 2020.

The CSR policy supports the business strategy for BetaPack and constitutes an ethical framework for the way we work with responsibility. The starting point for our CSR policy stems from the UN Global Compact and that we comply with all legislation, regulations, and standards as well as current practice within our industry.

The CSR policy consists of the following 3 main areas:

- Employees
- Climate and sustainability
- Quality and environment

In the CSR policy you can read more about how we have put action behind the words the past year.



LINK TO CORPORATE
SOCIAL RESPONSIBILITY



10 A GREAT PLACE TO WORK

THE MOST IMPORTANT ASSET

The most important asset for BetaPack is our employees. Their skills and drive must contribute to ensure the continued positive development of the company. Management therefore has a strong focus on employee well-being and job satisfaction.

HEALTH INSURANCE

All employees are offered a health scheme with employer-paid health insurance, which includes preventive treatments. Taking out private health insurance cover will speed up employees access to treatment and also in some cases to diagnosis. As is often the case with private medical insurance, it will allow a speedier treatment.

SOCIAL EVENTS

BetaPack as an organization must be a fun place to work. By holding frequent work social events, we are able to prove our commitment to a culture based on work-life balance and

interpersonal relationships, in turn increasing employees engagement. We commit to fostering positive relationships within our teams and showing a commitment to making time for fun. The executives and managers lead by example participating on equal terms.

EMPLOYEE SAFETY

Safety has always been a key priority for BetaPack, and Covid pandemic has further underscored the importance of employee safety and well-being. We take great pride in insuring that BetaPack is a safe place to work. Recently BetaPack had a defibrillator installed outside the office building and every employee was invited to participate in a free first aid course arranged by BetaPack.

Our Occupational Safety and Health (*AMO*) are working to commit creating a safe and healthy occupational environment, by identifying and minimizing workplace hazards, both physical and mental.



A biannual workplace assessment (APV) is made, where employees are asked to fill in a questionnaire regarding their well-being at work.

EXERCISE AND MASSAGE

Work, family, and social commitments make it difficult to find time to exercise. At BetaPack we have made a decision to provide an opportunity for colleagues to exercise twice a week during working hours. By giving our employees a space to move and exercise, we hope to see our colleagues thrive beyond the workspace. One of the best ways to battle fatigue and stress is to workout. We believe that regular physical activity has great positive impacts for both employees and employers.

Every other week our colleagues have the option of receiving a partly company paid professional massage at work. The massage can help to relieve any physical discomfort or muscle tension in the body. A relaxing massage during the work hour is both mood-boosting and motivating.

Other recreational options at BetaPack are table tennis and dart. We enjoy a little fun and healthy competition now and again.

EMPLOYEE LUNCH PROGRAM

In BetaPack we believe that food in the workplace is about bringing people together and removing barriers.

We provide a free daily breakfast for all employees, we have coffee, fruit and healthy snacks, consisting mainly of organic ingredients, available during the day.

At lunchtime BetaPack offers a healthy and varied buffet. And because most of us are spending more and more time in front of our screens, there's real value in taking time away from the desk to socialise and enjoy lunch. Generally we experience that our colleagues feel better, physically and mentally, after lunch.

We make sure that there is a welcoming place to hang out and eat lunch. An area that allows for creative thinking and cross-pollination of ideas, but also combats loneliness. This means a healthier, happier, closer-knit team and a really strong company culture.

SOCIAL RESPONSIBILITY

It is important for BetaPack to take on social responsibility. That is why we work with the inclusion of people who cannot work on ordinary terms. In addition, it is a regular part of the company's HR efforts to continuously associate students and trainees in selected functions. In the long term, BetaPack will focus on getting collaborations and partnerships started with selected educational institutions. This commitment must help to ensure that students gain an increased knowledge of jobs- and career opportunities by working in an SME. Furthermore, we see it as our duty to help new graduates from student life to working life.





11 SUPPLIER CODE OF CONDUCT

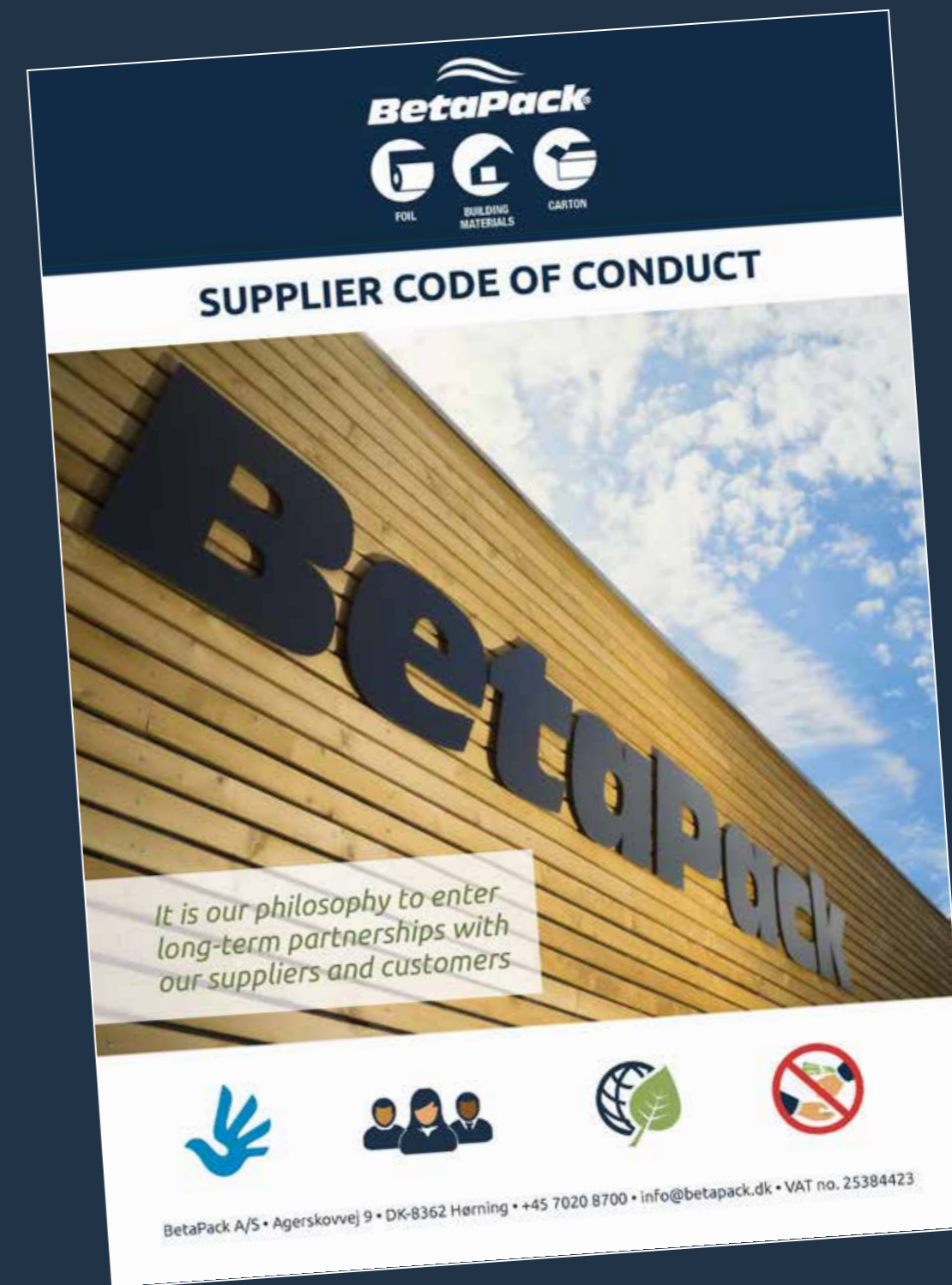
BetaPack supports the UN Global Compact and the ten principles on human rights, labour, environment, and anti-corruption. We comply with all existing legislation, regulations, and standards within the business areas where we operate.

The Supplier Code of Conduct defines the minimum requirements that our suppliers must comply with. In addition to this we expect that our suppliers comply with applicable international, national, and local legislation as well as industry standards.

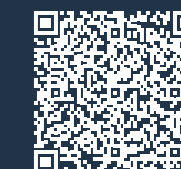
All suppliers must sign this Supplier Code of Conduct and commit themselves to comply with it. The signature must be done by a person from top management of the company.

Furthermore, suppliers must ensure that the content of the Supplier Code of Conduct is made available to their employees and that the content is understood in their organization.

The first version of the Supplier Code of Conduct was launched in July 2020 and are now under implementation and follow-up towards all suppliers.



LINK TO SUPPLIER CODE OF CONDUCT





12 CLIMATE ACTIONS AND GOALS

In close collaboration with our suppliers and customers, we will continuously try to develop new solutions that have a lower carbon footprint. This is documented through calculations and certificates that can be included in our customers' climate accounts and help them in their sustainable transition.

In relation to the climate, it has been decided that BetaPack as a company will in future work continuously with energy and carbon footprint reducing measures. Initially with a focus on the areas where BetaPack itself can directly influence the process and the transition.

We see it as absolutely crucial to start here and ensure that all our employees also consider climate and sustainability as a natural part of their everyday lives.

Therefore, BetaPack has set the following climate targets for 2023:

- Reducing emissions with 50% (facilities in Hørning)
- All company cars must be electric
- Only buy Nordic SwanEco label products for inhouse use



13 CARBON FOOTPRINT SCOPE 1, 2 AND 3

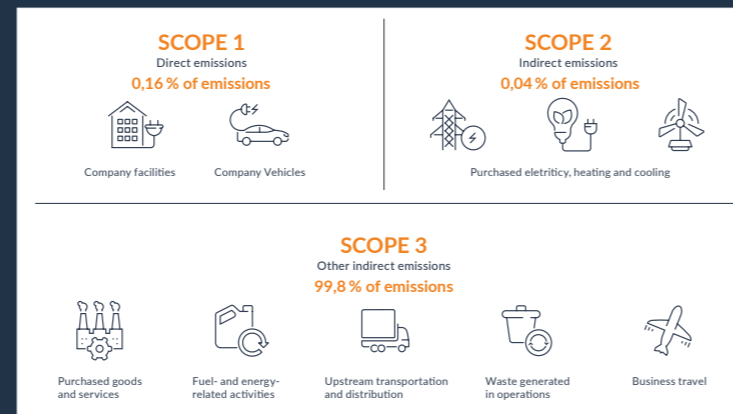
In 2022 we participated in project “SMW:Grøn” focusing on making our first climate accounting based on figures for 2021. The climate accounting was done in accordance with international standard Greenhouse Gas (GHG) protocol.

The results from the accounting were:

- Total emissions in 2021 were equal to 37.955 tonnes of CO₂ eq
- Scope 1 and Scope 2 contributed with 0,2% and Scope 3 with 99,8%
- Total Scope 1 and Scope 2 emissions were equal to 64 tonnes of CO₂ eq
- 94% of the emissions attributed to Scope 1 relates to subcategory “Direct emissions”
- 6% of the emissions attributed to Scope 2 relates to subcategory “Electricity”
- Total Scope 3 emissions were equal to 37.891 tonnes of CO₂ eq

- 93,6% of the emissions attributed to Scope 3 relates to subcategory “Purchased goods and services”
- 3,1% of the emissions attributed to Scope 3 relates to subcategory “Upstream transportation and distribution”

Our aim in the coming year is to work with initiatives and projects that secure a reduction in the Scope 1 and Scope 2 emissions. Furthermore, we will focus on having more accurate data on product level about the carbon footprint to have a better understanding of the baseline and emissions – and from that point start to work on initiatives and projects that can reduce emissions.

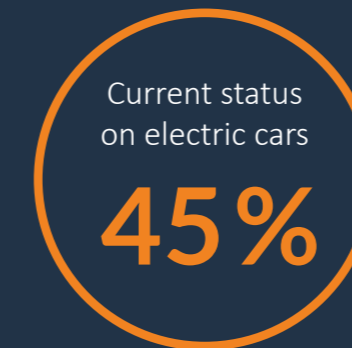


14 COMPANY CARS

According to our CSR-policy we have decided that all company cars in Beta-Pack A/S must be continuously replaced with electric cars in the coming years.

We have a total of 6 company cars using fossil fuels. In 2021 we started our introduction of electric cars in the company by replacing one car.

In 2023 we aim to replace further company cars continuing our journey to reduce our carbon footprint.





15 PARTNERSHIPS

In BetaPack we believe that partnerships are crucial to create the best ideas and solutions to secure a responsible and sustainable development. In the past year we have prioritized the following partnerships as a part of our business model and appearance in the market.

- Support and member of the UN Global Compact
- Support the UN Sustainable Development Goals
- FSC® certified company
- Membership of “Rådet for Bæredygtigt Byggeri”
- Support and donations to “Kræftens Bekæmpelse”
- Support and donations to “Danske Hospitalsklovne”
- Support and donations to local organizations such as Hørning Idrætscenter



THE GLOBAL GOALS



FSC® C111179



The mark of responsible forestry

RÅDET FOR BÆREDYGTIGT BYGGERI



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We welcome feedback on its contents.

16 KEY PERFORMANCE INDICATORS

KPI	DEFINITION	UNIT	BASELINE (2020)	2021	2022	TARGET (2023)	SDG	THE TEN PRINCIPLES
Accidents at work	Annual accidents at work on the office location in Hørning, Denmark	Number	1	0	0	0		
Sickness absence rate	Annual sickness absence rate - excluding maternity leave	%	1,0%	0,95%	1,2%	< 2,0%		
Employee turnover rate	Defines the annual percentage of employees that has left BetaPack	%	12,0%	11,5%	4,0%	6,0%		
Gender ratio	The ratio between the number of women and men working at BetaPack	%	42% W 58% M	40% W 60% M	36% W 64% M	50% W 50% M		

KPI	DEFINITION	UNIT	BASELINE (2020)	2021	2022	TARGET (2023)	SDG	THE TEN PRINCIPLES
Supplier CoC	Purchase from suppliers that has committed and complied with Supplier Code of Conduct	%	86%	91%	99%	98%		
Reduction of carbon footprint	Reduction of carbon footprint from our office location in Hørning, Denmark	%	N/A*	37.955 tonnes CO ₂ eq 0% reduction	N/A**	50%		
Company cars	Replacing all company cars from fossil fuel to electric cars	%	0%	11%	45%	100%		
Nordic Swan Ecolabel	Always buy products for internal use that are Nordic Swan Ecolabelled from choosen product groups.	Number of groups	0	2	3	8		

* No climate accounting for 2020
 ** Climate accounting for 2022 in preparation

17 LOOKING AHEAD

Looking ahead at the coming year 2023 we expect that the market conditions still will be challenging and uncertain but the demand for more responsible and sustainable solutions will continue to increase and call for closer collaborations throughout the supply chain.

In BetaPack we will prioritize the following focus areas:

- Maintaining a low sickness absence rate
- Continued implementation of electric company cars
- Employer development and training within sustainable solutions
- Present a climate accounting for 2022
- Maintaining the status of commitment from suppliers that comply to our Supplier Code of Conduct

- Launch two mono solutions for laminate packaging
- Develop and implement a circular business model together with one customer
- Be able to calculate carbon footprint on all paper-based packaging
- Obtain EPD's on vapour barrier and roofing underlay membranes



COMMUNICATION
ON PROGRESS



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