

Shaping a sustainable tomorrow

Sustainability report 2023



About this report

This report covers the financial year 2023 and aims to provide a balanced overview of our approach to and performance on our most material social, environmental, and ethical issues.

Report scope

The report covers the following legal entities: Aasted ApS; Aasted branches; and Aasted subsidiaries, Aasted Germany GmbH, Aasted Turkey and Middle East LLC, and Aasted North America Inc. For calculation of environmental impact, all sites operated by Aasted ApS are included, i.e. the site in Farum and the offices in Georgia, USA and Turkey.

This report also addresses the company's value chain. It presents policies, actions and metrics related to our management of the value chain. There are no metrics directly representing the value chain, so all metrics are calculated based on Aasted's own data.

This report serves as our statutory statement on corporate social responsibility in accordance with sections 99a and 99d of the Danish Financial Statements Act.

Audit

PwC has reviewed the GHG emissions in Scope 1 and 2. The full assurance report can be found on page 72. Financial data stated in the 2023 Sustainability Report are taken from the audited 2023 Financial Statement in the 2023 Aasted ApS Annual Report.

Reporting principles

The report describes our approach to and our performance within our most material environmental, social, and governance issues. These are detailed in the section on materiality on page 16. We consider our most important stakeholders to be our customers, employees, owners, regulatory authorities, local communities, suppliers, and (indirectly) the planet.

The report has been prepared in accordance with the EU Corporate Sustainability Reporting Directive (CSRD) and the supporting ESRS standards. It is also in accordance with the GRI framework (a GRI index can be found on our website). Activities that contribute to fulfilling the United Nations' Sustainable Development Goals (SDGs) are summarized in the SDG index on page 66 in the Accountability section. Selected data on key performance indicators (KPIs) are based on recommendations from CFA Society Denmark, FSR – Danish Auditors and Nasdaq.

Forward looking statements

This report contains forward-looking statements such as plans, strategies, expectations, risks and opportunities. These statements are by their nature uncertain and actual results may differ from expectations. Uncertainty is both linked to external factors such as market development and to internal decisions that reflect the response to the external development. The company undertakes no obligation to update any forward-looking statements as a result of future developments or new information.

Changes in preparation of sustainability information

This report presents changes in preparation of information of some key sustainability metrics compared to the information presented in the previous corporate responsibility reports:

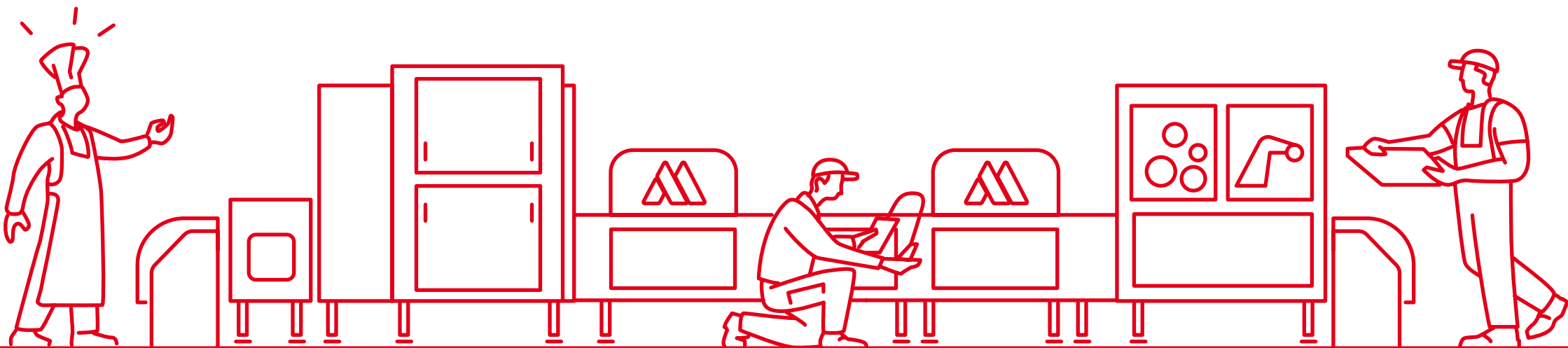
- The calculation of climate gas scope 2 emissions (location based) is updated based on new emission factors. The reason for this update is, that the national energy authority (Energinet) has introduced regional emission factors for electricity, which provides for more accurate emission calculations, since there are significant differences in emissions in East and West Denmark. In order to make scope 2 emissions comparable over time, the calculations for 2019-2022 have been adjusted based on the new emission factor.
- The calculation of accident lost time frequency is updated to cover the full workforce, where it previously was calculated based on the factory employees alone. Targets for improvement have been adjusted accordingly.



The Aasted test centre is where we test new equipment and solutions, and where customers can come and test the equipment on their own products.

An energy renovation of the test centre is planned for 2024 as a next step to reduce energy consumption and climate emissions and to showcase the possibilities of our Energy Solutions concept.

In the test centre we can commission full small-scale lines to showcase how it can fulfill the customers' needs. In this way, the test centre helps to support customer acceptance of new innovations by providing proof that the new solutions work in practice.



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EcoVadis, a third-party provider of sustainability ratings, awarded us a Platinum medal again in 2023 for our practices and results. This means we are in the top 1% of rated companies within our industry.

Our focus and target

Committed to climate action

With 2023 being one of the warmest years in modern history, the importance of climate actions is crystal clear. We have set ambitious targets to reduce our climate gas emissions both in our scope 1 and 2 and in our scope 3. And we have set for actions. Actions that already show significant results to a degree where we already have exceeded our initial SBTi approved 2030 target and therefore now have set a new and even more ambitious target.

➔ For more please refer to page 19

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Letter from the CEO

This report presents Aasted's corporate sustainability commitments, activities, and progress in 2023.

Our company purpose is to lead the transition towards sustainable chocolate, confectionery/nutrition bars, and bakery production. We believe that social responsibility and sustainability are key factors for the long-term success of our business. We also consider responsible and sustainable business conduct as an integral part of our values and strategic direction. This means that we aim high, but our sustainability ambition is not about seeking perfection or portraying ourselves as saints. It is an earnest commitment to leaving a positive footprint.

As a responsible business, we acknowledge the dual nature of our impacts and take responsibility for both the negative and positive consequences. So, we actively clean up after ourselves, remediating the negative impacts, while reinforcing the positive ones.

We acknowledge that sustainability is not achieved as a quick fix. It is a long-term commitment to a series of actions that step by step will bring us further and gradually

transform our business. We are a company in growth – like most life tends to grow. But we want to grow in a way that supports fertile soil for life. To guide us, we focus on the three 'P's: People, Planet, and Profit. We aim to create the right balance between them with a view to safeguarding our future.

At Aasted, we believe in action; and we have acted in many areas to improve and to bring us further. In our own operations, we are working hard to reduce energy consumption and CO₂-emissions as well as reducing waste and increasing recycling. We have also continued our efforts to improve health and safety and to increase employee satisfaction by improving cross-company cooperation and the target oriented and supportive management and by introducing new and more flexible working conditions in the factory. And we innovate our business to be able to meet customer demands fast and with high quality. We already see tangible results such as significant reductions in our Scope 1 and 2 climate gas emissions as well as a significant growth in our business.

However, we need to look further: The major part of our sustainability impact does not stem from our own operations but from our value chain upstream and downstream. So, we work with our suppliers to improve their sustainability impact and to secure more sustainable materials. And we work with our customers to help them reduce their energy consumption and improve their footprint.

We have a dedicated unit, Energy Solutions, to guide our customers towards more sustainable factory setup. We also seek to inspire businesses outside our value chain by sharing our visions and our approach to sustainability.

Again in 2023, our efforts have been recognized. Our commitment to drive this sustainability agenda has in 2023 been assessed by the global sustainability assessor, EcoVadis, which again awarded Aasted with a Platinum rating for being within the top 1% of our industry and with improved score compared to 2022. We are encouraged by such recognitions to continue our efforts and improve even more. And we see proof that our sustainability and business aims go well hand in hand.

As we look ahead, the journey towards social responsibility and sustainability will undoubtedly present new and challenging obstacles to overcome. However, as 2023 has clearly demonstrated, with the right strategy, initiatives, and – crucially – the right mindset, I have every confidence that we will succeed in tackling the challenges and seizing the opportunities.

Best Regards,

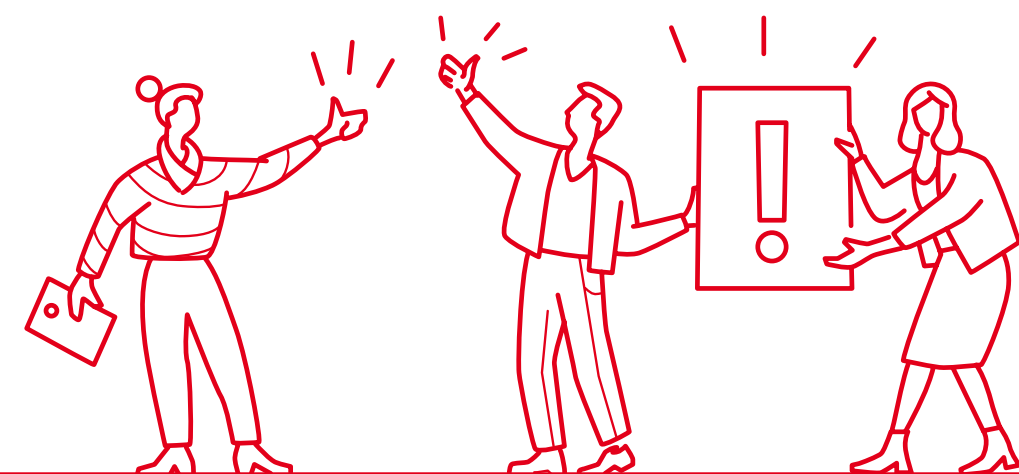
Piet Hoffmann Tæstensen
CEO



Aasted in brief

Aasted designs and delivers solutions for the chocolate, confectionery, nutrition bars, and bakery industries.

Aasted solutions are premium quality with high performance, low downtime, high flexibility, and a long lifetime. We aim to be close to our customers to provide tailored solutions and work across our value chain to create value across all processes related to our solutions from design to procurement, assembly, installation, maintenance, service, and consultancy.



History of innovation and passion

For more than 100 years innovation and passion have been driving Aasted where it is today.

Family owned
company since

1917

3th

Generation of
family ownership

430+

Dedicated colleagues

Worldwide market leader

Headquartered in Farum, Denmark with presence in most regions to provide for local insights, fast response time, and minimal travel.



Global customer base

We serve a wide range of customers globally – from small local accounts to large key accounts.

1200+

Active customers
within last three years

1

Headquarter
in Denmark ●

4

Offices and
subsidiaries ■

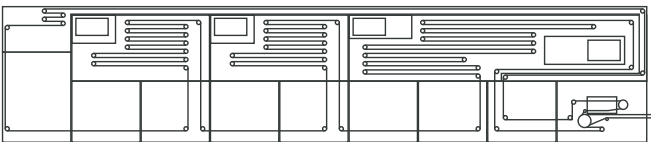
24

Sales and
service agents ▲

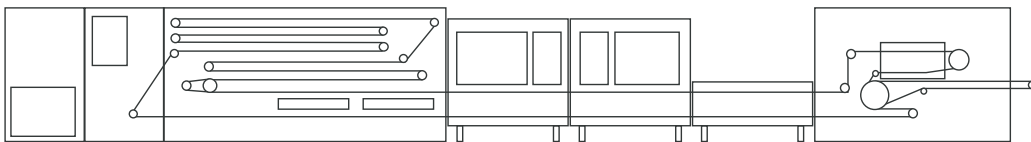
Our solutions

Projects

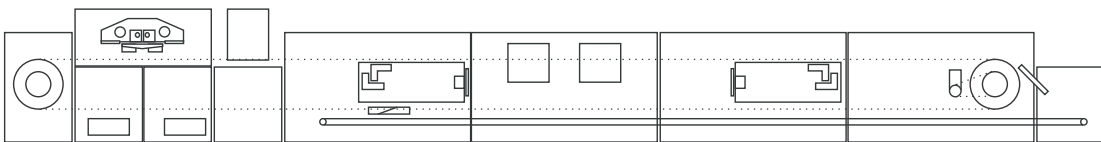
Moulding and Belt Lines



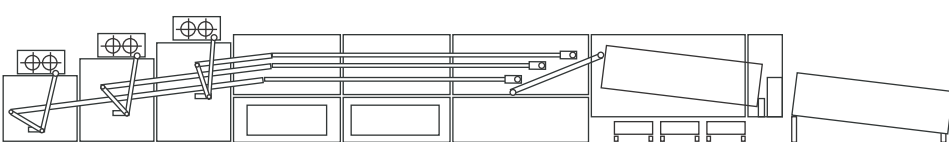
Universal



Jensen

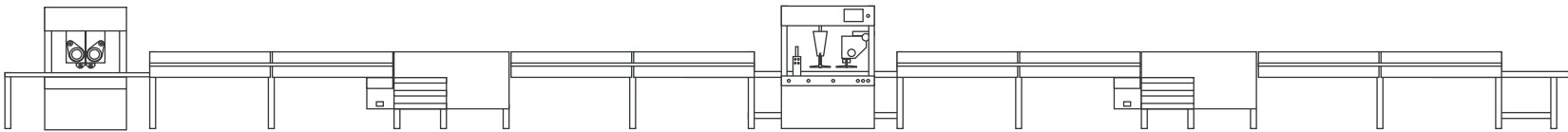


Steel belt

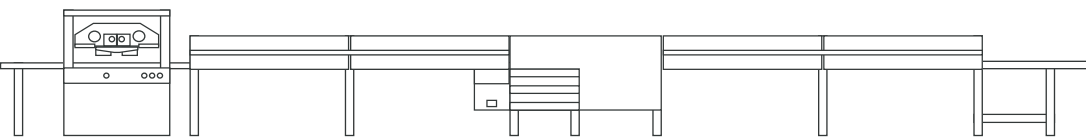


Eriksen E

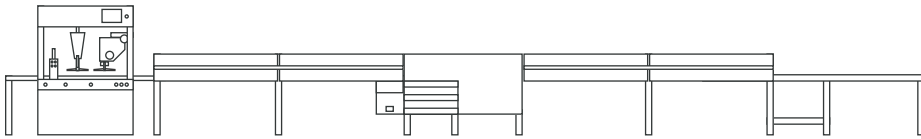
Combined Lines



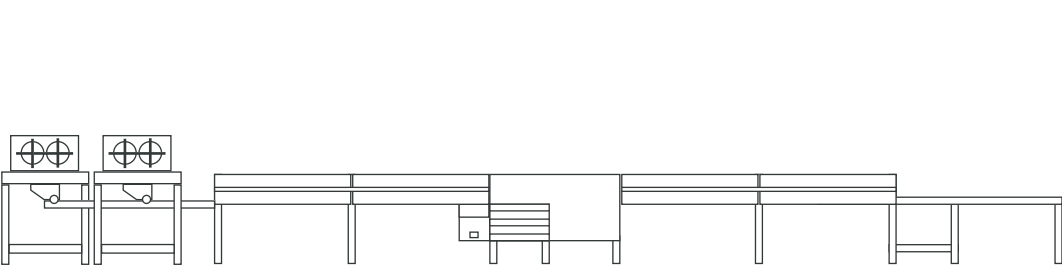
Confectionery/Bars



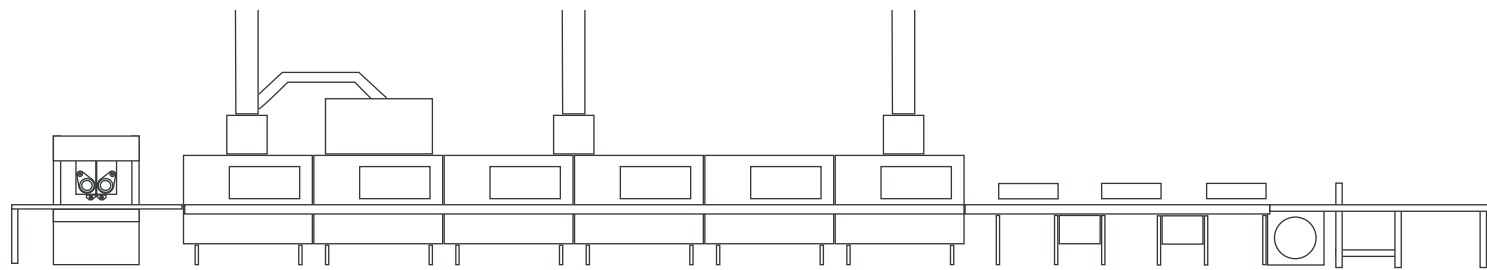
Depositing



Enrobing

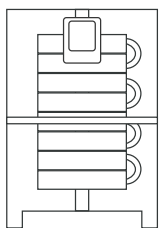


Eriksen ES

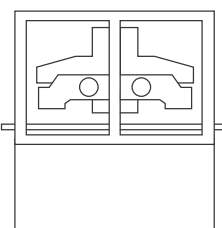


Bakery

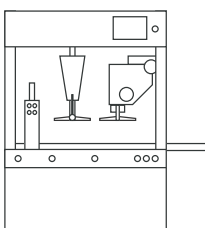
Products



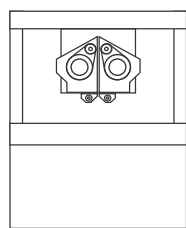
Temper



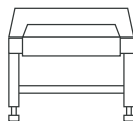
Depositor



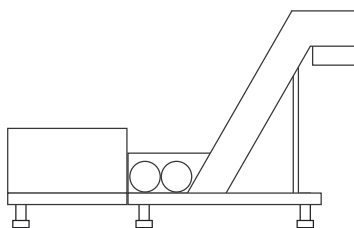
Enrober



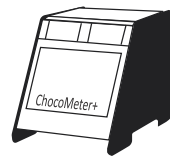
Extruder



Cooling tunnel



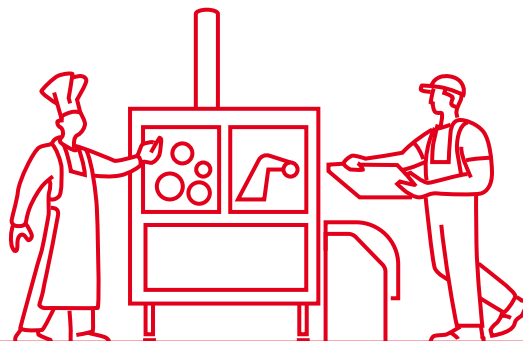
Bakery equipment



Auxiliary

Services

- Start-up services
- Spare parts, maintenance and repair
- Rebuild
- Training
- Consulting

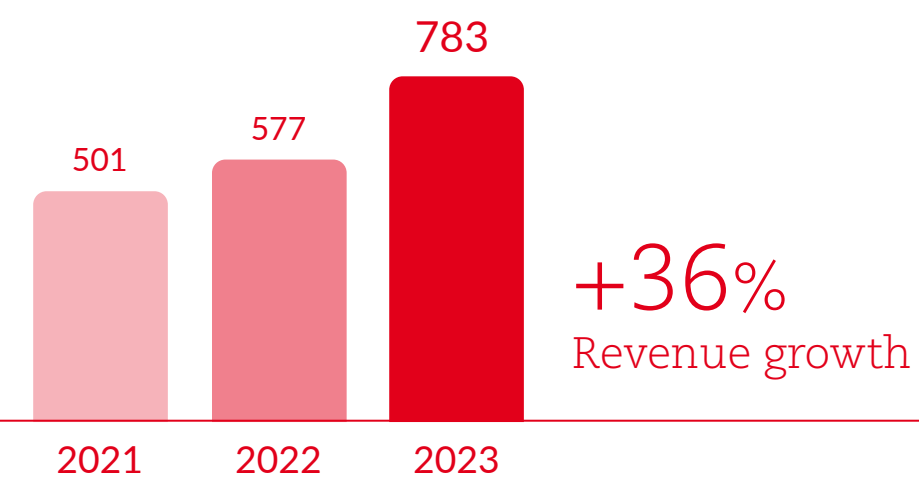


Financial highlights

Revenue

DKK million

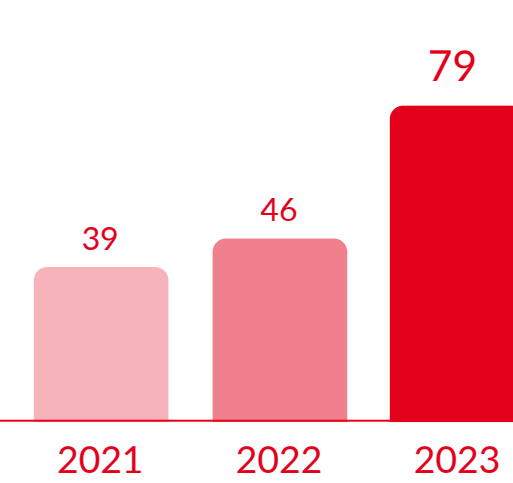
783mn



EBITDA

DKK million

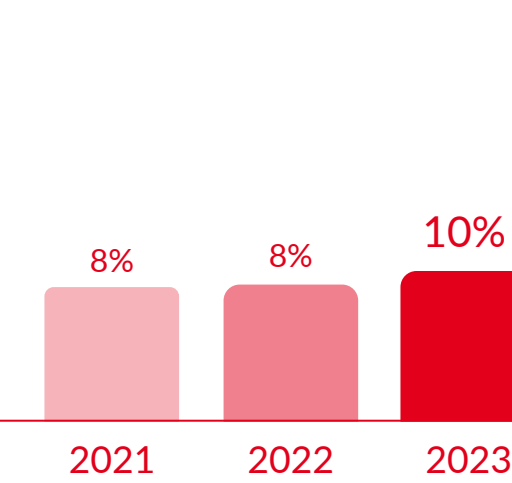
79mn



EBITDA %

EBITDA in percent of revenue

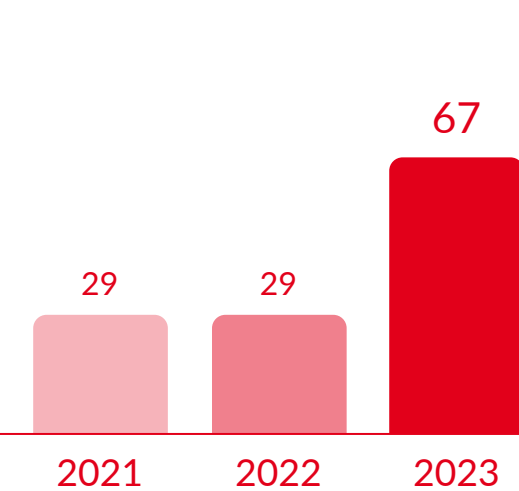
10%



Result before tax

DKK million

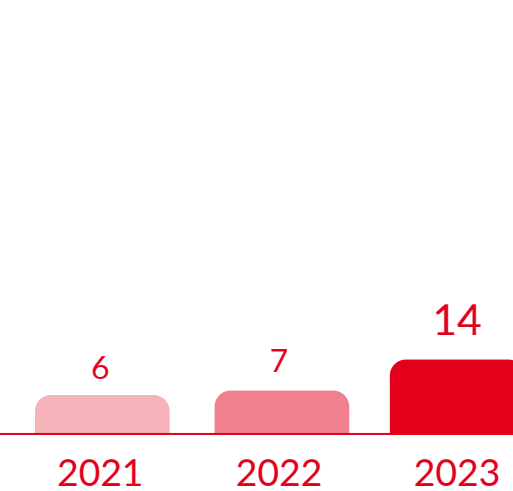
67mn



Tax

DKK million

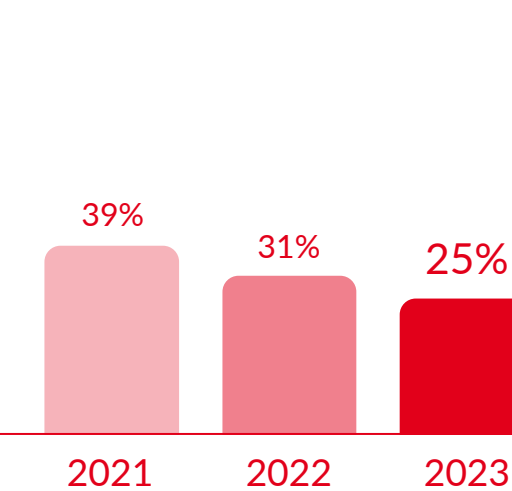
14mn



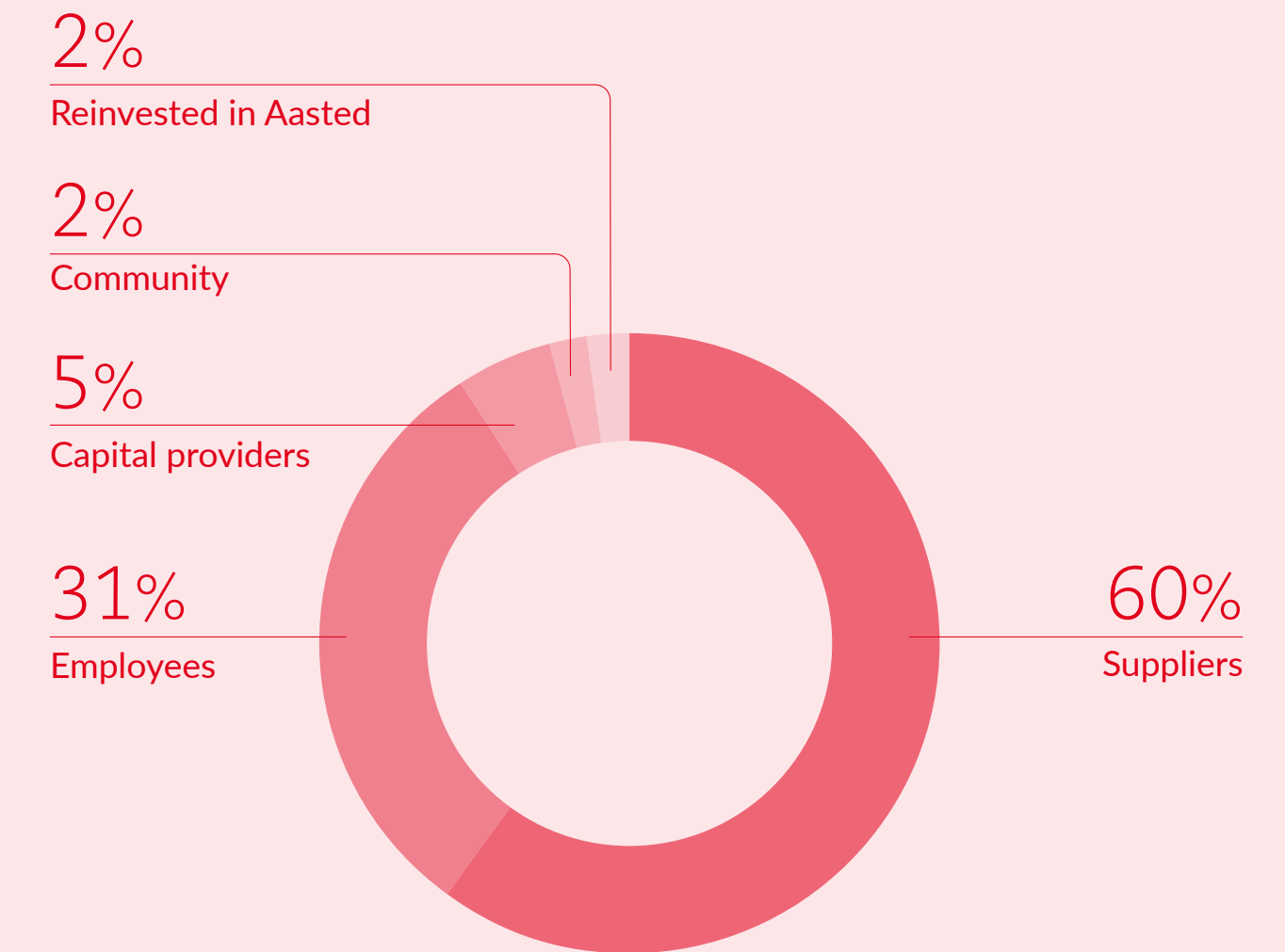
Solvency ratio

Percentage

25%



Economic Contribution



In 2023, Aasted ApS generated economic value of **783 million DKK** and we returned **98%** of this to society, whereas 2% was reinvested in the company to strengthen the organization and support future value generation.

60% has been used for our suppliers. **63%** of our supplier spend was used for Danish suppliers and **35%** was used for other European suppliers.

The second largest economic contribution has been **31%** used for our employees. The number of employees (in FTE) grew from **355** to **414** during 2023.

5% of our revenue was returned to the capital providers, mainly in the form of dividend to the owners.

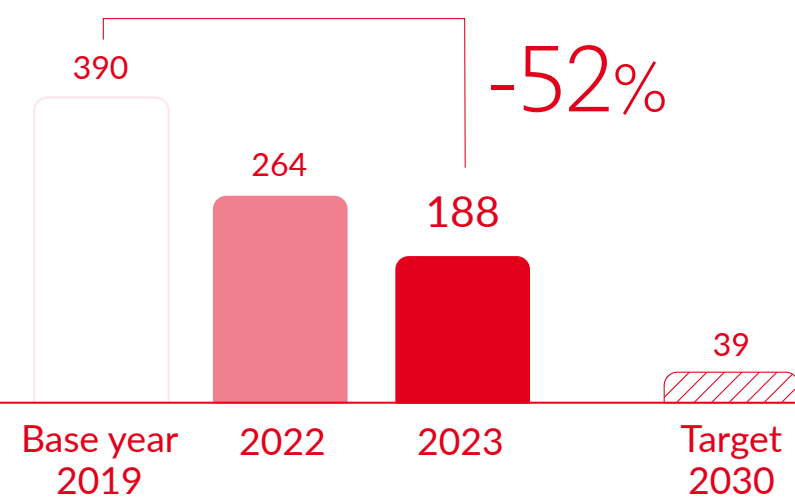
2% of our revenue is paid directly back to the community, mainly as company tax. In addition to this we contribute indirectly through the taxes paid from our employees' salaries.

ESG highlights

Climate emissions from own operations (Scope 1+2)

Tons CO₂e

188t

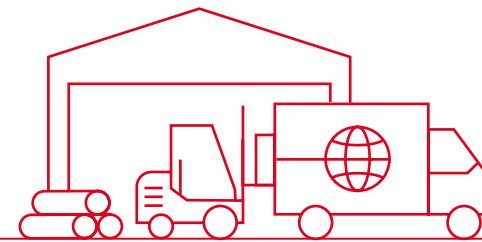


Climate emissions from the value chain (Scope 3)

Tons CO₂e

591,000t

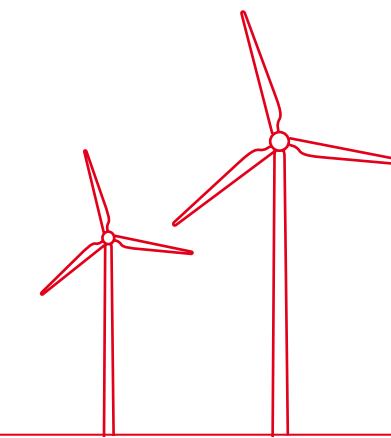
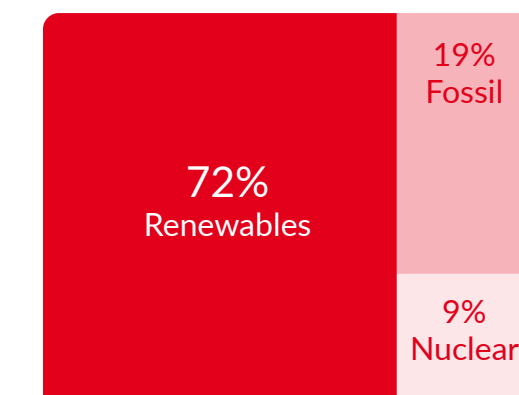
2023 is the first year we measure our Scope 3 emissions and will be our baseline year



Energy from renewable sources

Percentage

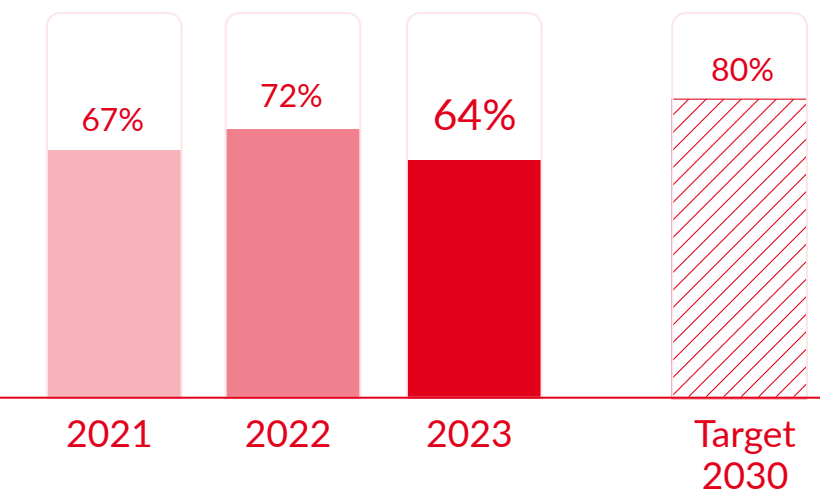
72%



Waste recovery rate

Percentage

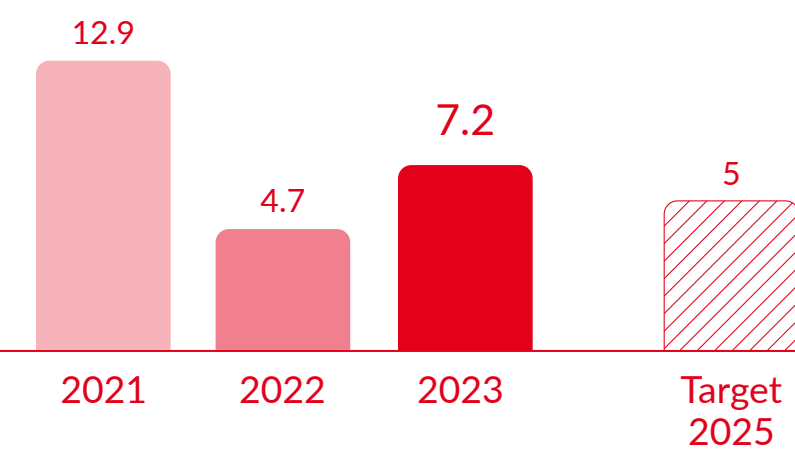
64%



Lost Time Injury Frequency Rate (LTIFR)

Ratio

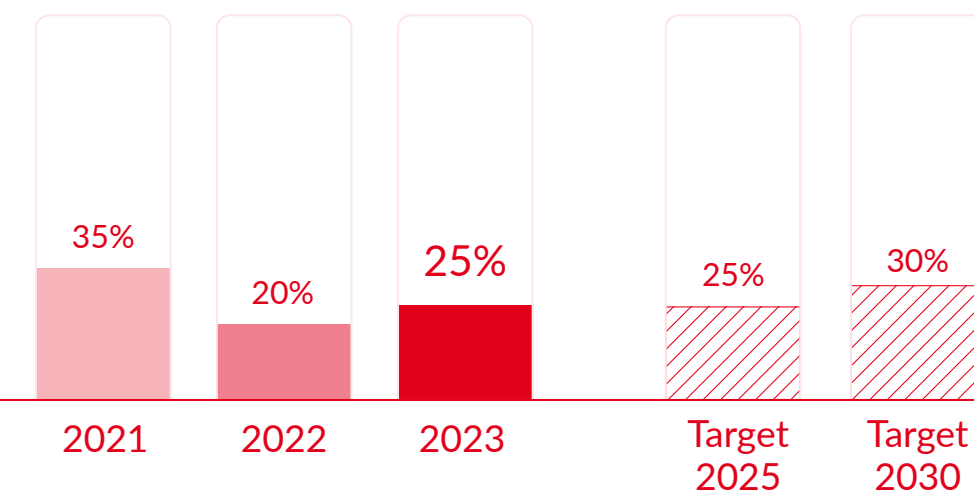
7.2



Female managers (Level 1+2)

Percentage

25%

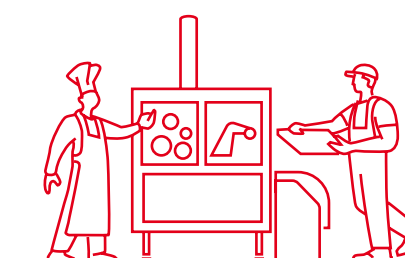


Employee engagement rate

Rating 0-100

77

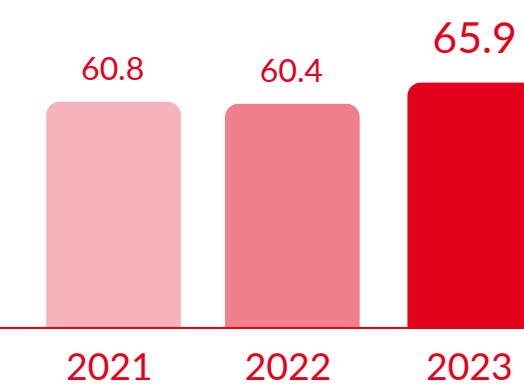
We are on industry benchmark and aim to keep being on or over benchmark



Supplier sustainability score by spend

Score

65.9



Strategy and materiality

We aim to lead the transition towards sustainable production within our industry



Strategy and business model
ESG approach
Materiality assessment

Our strategy towards 2030 builds on 6 moonshots that will bring us closer to where we want to be – business-wise and on sustainability.

Our materiality assessment informs us on which sustainability topics we need to focus.

→ Read more on page 16



Aasted strategy 2030

The Aasted business strategy builds on our technology, our competences, and our ambitions to be a leader within our industry. We see a strong growth potential both within our existing market areas and within adjacent areas, where our technology and competences may come into play.

We have in 2023 invested many resources in reinforcing our capabilities to fulfill the potential for both growth and sustainability. We have strengthened our internal processes, e.g. by introducing value stream organization, establishing a new Centre of Operational Excellence, and further increasing documentation of processes, and we have invested in competences and tools to support our business development.

Our strategy towards 2030 builds on 6 moonshots that will bring us closer to where we want to be.

Our purpose

To develop and sell machines, solutions, service and consultancy for the chocolate, confectionary and bakery industry and for other industries, as well as in its operations to have a positive impact on society and the environment as a whole.

Our why

We aim to lead the transition towards sustainable chocolate, nutrition bars/confectionery and bakery production.

Our society ambition

Together, we create a new balance for generations. We have a history of more than 100 years and want to secure a future for the coming generations.

Our triple Ps

We are guided by our Triple Ps: People, Planet, and Profit. Balancing the three perspectives, we shape our business decisions into a sustainable direction.

Our values

Our strategy and leadership build on our core values:

- We are open and honest
- We act as if the company was our own
- We act respectfully in everything we do.

These values represent our company culture and the way we want to do business.

Our moonshots

The moonshots provide a vision for where we want to go and what we are aiming for, and they also provide a framework for the needed actions. With a view to the moonshots, annual strategy plans outline the key strategic actions and projects, that will bring us forward toward our targets.



Potential beyond chocolate

Aasted has successfully moved into markets adjacent to the chocolate industry, and though we still see chocolate, confectionery, nutrition bars and bakery as our core, we will explore new market opportunities, where our technology and competences may come well into play, and where we may contribute to improvements to society and environment.

Fast and easy like no one else

We aim for fast delivery and to make purchase easy for our customers. We are constantly improving our processes with regards to effectiveness and efficiency and are developing our tools to increase transparency and enable better online solutions for our customers.

Family inspired customer journey

We believe in building long-term relationships with our customers. The customer experience should be high quality and friendly wherever we meet the customer, both physically and digitally. We work to improve the customer experience along all the many touchpoints.

Truly local

We serve a global market and in all customer processes, we want to be as close to the customer as possible. We will therefore increase our presence in various countries and regions, so that we can provide for fast services and better insight in local conditions. This also helps us reduce our carbon footprint from air travels.

Aasted as a service provider

We see a great potential in increasing our service business. Customers may benefit from better maintenance, fast repair, and improved performance, and with new digital technologies this can be strengthened even more. We will explore new business models that will also improve the lifetime of our equipment and reduce the environmental impact.

Reduce negative impact

We aim to be a leader in sustainability and in reducing our environmental footprint through energy efficiency, waste management and circular approaches. We have set targets for net zero emissions and aims to reduce negative impact both for ourselves and for our entire value chain and to reinforce positive impacts.



We strive to make the following six “moonshots” a reality by 2030

Potential beyond chocolate

We have developed two new business areas where we are able to supply solutions that have a positive impact on society and the environment.

Fast and easy like no one else

A customer can configure and order equipment and service online and we have the fastest response and delivery time in the market.

Family inspired customer journey

Relations across generations. We commit to deliver the best in class customer experience throughout all channels, both physical and virtual/digital.

Truly local

We have Aasted controlled sites, delivering sales, service and manufacturing on three continents and one shared service center outside Denmark.

Aasted as a service provider

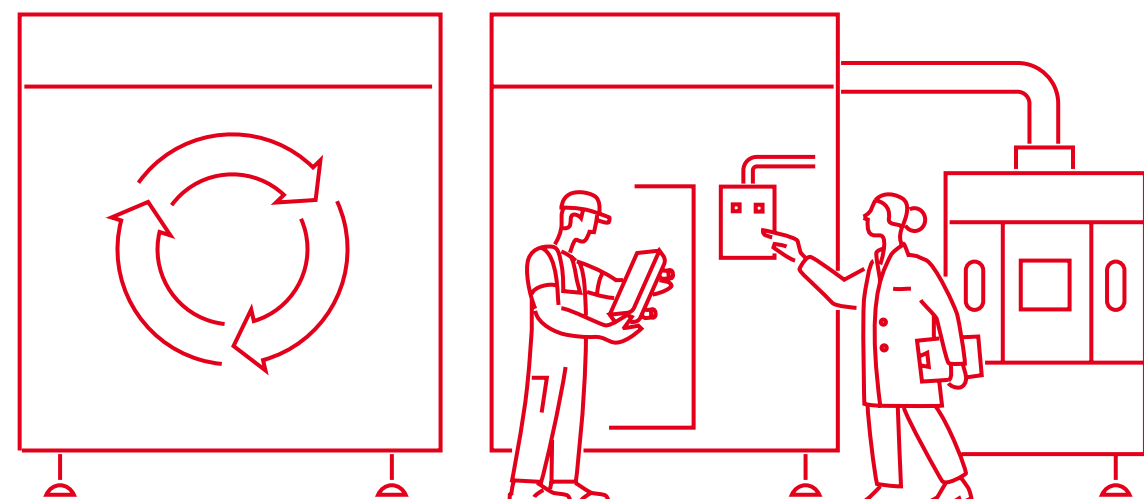
Aasted delivers the lowest TCO in the market. More than 50% of our net profit is coming from services.

Reduce negative impact

for us and others. Being the best in our industry to handle waste, CO₂ and energy across the entire value chain.

How we create value

Aasted develops and delivers equipment, services and consulting for the chocolate, confectionery, nutrition bars and bakery industries. We aim to lead the transition towards sustainable production and to have a positive impact on society and the environment as a whole.



What we depend on

People and culture

A dedicated staff, strong leadership and an innovative and responsible culture

Our brand

More than 100 years of reputation and profound understanding of the industry

Partnerships

Strong and long-lasting relationships with customers, suppliers and authorities

Natural resources

We rely on energy and on natural resources such as steel and aluminum for our products

Technology and data

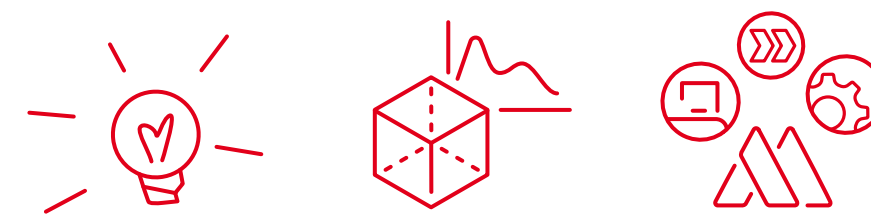
Technology and data are key to our business development

Financial capital

We have a strong cash flow and a top credit assessment

Business activities

Product development

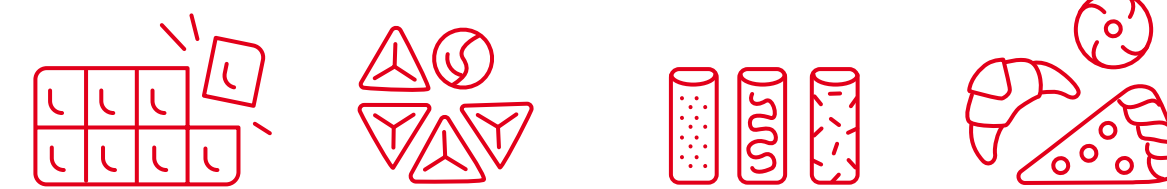


Ideation

Research & Development

Product portfolio

Market areas



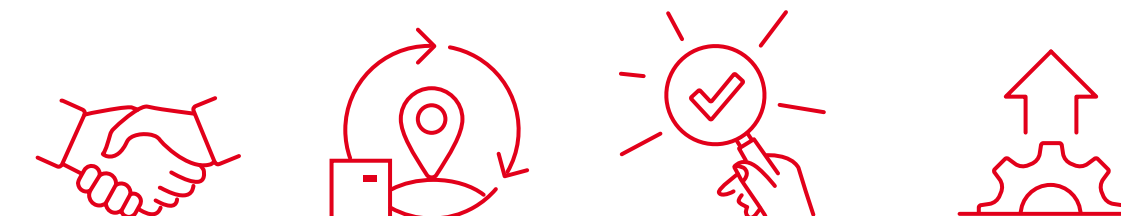
Chocolate

Confectionery

Nutrition bars

Bakery

Manufacturing and delivery



Sales & Application

Sourcing & Manufacturing

Installation & Commissioning

Aftersales & Services

The value we create

Our customers

- High quality (precision, uptime, durability)
- Low TCO (low change-over-time, cleanability, serviceability)
- Innovation (customer centric)
- Digital (data, connectivity, AI)
- Sustainability (energy efficiency)

Our suppliers

- Business growth potential
- Sustainability transformation

Our people

A responsible, developing and inclusive workplace

Society

Prosperity & economic development

Planet

Real actions towards a sustainable and regenerative business model

SDG support



Through our solutions and engagement with customers, suppliers and other stakeholders, we are committed to support the UN SDGs.

ESG approach

Sustainability is rooted in our core. The aim to contribute positively to society and the environment is an integral part of our company’s purpose.

This makes sustainability a fundamental aspect of our business and will drive future development both internally and across the value chain. It will also help us to embed sustainable thinking firmly into our business culture and strategic development for the future.

Our approach to ESG and sustainability builds on the different levels of impact and influence. Aasted’s own operations are where we are in control and have impact such as energy consumption, climate gas emissions, material use, waste, and people-related impacts such as employment, development, health and safety, diversity and inclusion etc. We operate in a community, which we impact through contributions such as employment and taxes and our competences, when we interact locally. At the next level, we interact with our suppliers and our customers in the value chain. In the supply chain we may influence impacts on environment and people through our choices and our dialogue with our suppliers. For the customers, we may influence their impact through our product portfolio and design and through dialogue and consultancy. All must take place within the planetary boundaries, and we aim to contribute positively to secure our planetary future.

Staying on course

To guide us in our strategy and decision making, we use the three ‘P’s: People, Planet, and Profit. These encourage us to take a holistic approach to value creation and force us to consider all relevant aspects of our business. The UN Sustainable Development Goals, the UN Global Compact principles, and other internationally recognized standards guide our efforts and hold us accountable to safeguard compliant and responsible organizational structures. We use company targets and KPIs covering all three Ps to steer our business development in a direction that ensures lasting change: sales, revenue, and income for Profit; customer and employee engagement for People; and sustainability index for Planet. Our materiality assessment guides us with respect to which topics to prioritize.

To ensure proper deployment across the organization, we have established policies that detail the different aspects of sustainability, and we have set targets and KPIs to drive actions at all levels. All these actions are structured by our ESG framework that enables everybody in the organization to identify their role and contribution to the overall objective. We use this framework to track and report our progress in ways that are specific, measurable, ambitious, and achievable.



Voicing our progress

Communication is a vital element of a successful transition towards sustainability and at Aasted we use several different channels to reach all our colleagues.

One of these is the quarterly strategy reports, which are communicated to the entire organization. In these reports, key actions, achievements and results related to the business strategy are communicated, including a status on the 6 key KPIs.

Another is the weekly video message from the CEO, which typically features a main message from the CEO and the owner of the subject. In this channel, we frequently provide information about sustainability, health and safety, supply chain management, and so on. Besides, news on the intranet are used to communicate specific messages related to sustainability.

Sustainability is also part of our onboarding program, so that our ambitions and commitments are clearly communicated to all new colleagues.

In the manufacturing area, targets and messages on issues such as health and safety and the environment are fleshed out on boards to facilitate easy overview and understanding of personal responsibilities.

In 2023, we conducted a dedicated “sustainability day” in October, where our sustainability ambitions, actions and results were presented to each department as well as showing the progress on employee ideas until now. The sessions were used both to inform all colleagues but also to involve them and foster new ideas for improvement. This resulted in a new set of ideas that will help bring us further on our sustainability journey.

[→ Read Aasted’s Sustainability Policy](#)



It is important to us to involve the entire organization in our sustainability efforts. In 2023, we conducted a dedicated “sustainability day” in October, to present our sustainability ambitions, actions and results to all, and also to ask for new ideas from our colleagues.

Aasted's sustainability team

Jesper Jerlang
Sustainability manager

Amanda Tao Furbo Rasmussen
Sustainability partner

Our impact across the value chain

Upstream

We impact society and environment through our choice of suppliers and materials



Where are we going

We will strengthen the sustainability efforts along our supply chain and increase the average sustainability score by spend* to 70 by 2025

How we will get there

Promote responsible business conduct in our value chain [Page 34](#)
Engage with, inspire and educate suppliers towards sustainability [Page 49-50](#)
Strengthen our due diligence processes [Page 44-45](#)

* See our supplier sustainability score explained [page 50](#)

Own operations

We impact people, society and environment through use of resources and energy, generation of waste, our workplace and business operations



Where are we going

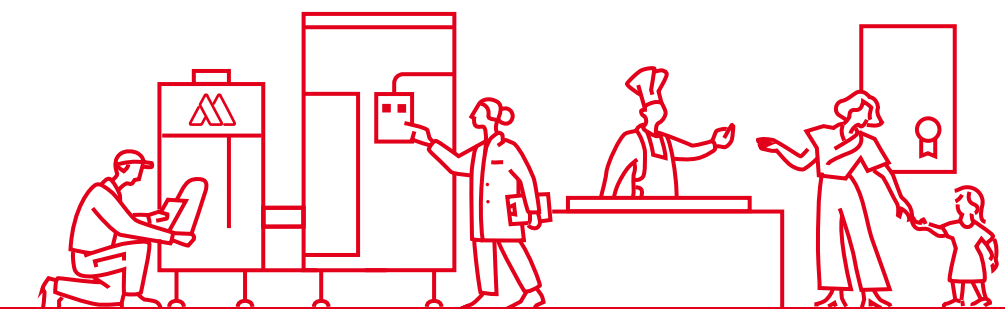
We will reach net zero in our operations before 2030, reduce waste and maintain a responsible and inclusive workplace and business

How we will get there

Reduce energy consumption [Page 19-21](#)
Shift to 100% renewable energy [Page 21](#)
Waste management [Page 26](#)
Strengthen health and safety management [Page 30](#)
Strengthen diversity and inclusion culture [Page 31](#)
Maintain strong ethical business approach [Page 44](#)

Downstream

We impact society and environment through our products which account for 96% of our CO₂ footprint



Where are we going

We will reduce our climate gas emissions from the use of sold products, extend lifetime of products and support customers in reducing their waste of material

How we will get there

Promote our energy efficient equipment and solutions [Page 19](#)
Provide Energy Solutions consulting [Page 22](#)
Further innovate solutions to reduce waste [Page 26-27](#)
Strengthen our service offers to optimize performance and extend lifetime of our equipment [Page 27](#)

Materiality assessment

Our sustainability efforts must focus on what is most important to our business and stakeholders: our material issues. We map these out through a double materiality assessment that enables us to form a comprehensive approach to identifying relevant risks and opportunities. This approach covers our sustainability impact from two angles:

The sustainability impacts that we have or may cause either in our own operations or in our value chain upstream and downstream and on the short, medium, and long term.

The financial risks and opportunities related to the sustainability topics both on the short, medium, and long term.

The assessment is based on a combination of desk-top research, trend analyses, input from internal and external stakeholders, including suppliers, customers, and experts. Dedicated interviews on priority topics have been conducted with employee representatives, customers, suppliers, and owners to learn more about their needs and expectations. The top management and the board of directors were directly involved in the process. Sustainability impacts are scored based on their scale, scope, and remediability – and for potential impacts their likelihood. Financial risks and opportunities are scored based on their financial effect and their likelihood. Based on this assessment priority and material topics have been identified. The assessment was conducted during 2023 and will be updated on an annual basis including stakeholder inputs to assess if priorities change over time.

The double materiality assessment helps identify which topics are the most important to Aasted and our future business and to the society and planet. Targets are set and resources allocated for all priority topics to support a development towards a more sustainable business. And all material topics are monitored so that we know our impact and the trend, allowing us to act to changes in the impact.



- Priority topics**
- 1 Climate emissions Scope 1-2-3
 - 2 Energy consumption
 - 3 Resources and circularity
 - 4 Health and safety
 - 5 Training and skills development
 - 6 Diversity and inclusion
 - 7 Labour rights and dialogue

- Other material topics**
- 8 Waste
 - 9 Dependency on eco-system services
 - 10 Company culture (ethical business)
 - 11 Work-life balance
 - 12 Anti-harassment
 - 13 Privacy
 - 14 Employment security
 - 15 Corruption and bribery
 - 16 Supplier management
 - 17 Political engagement and lobbying

Stakeholder involvement

Stakeholder involvement is integral part of our materiality assessment process and for setting our sustainability priorities. We have ongoing stakeholder engagement during the year through various channels, which help to inform us on sustainability expectations. For the materiality assessment, we further conducted a number of interviews with employee representatives, customers and suppliers and further mapped sustainability priorities from some of our key customers and suppliers.

Stakeholder group	Stakeholder expectations	Key engagement channels
Owners	A sustainable and ethical business (3 Ps) on short and long-term contributing to people and planet, while profitable	<ul style="list-style-type: none">• Direct (daily) dialogue and via board meetings
Board	A sustainable business (3 Ps) on short and long term with proper risk management and pursue of opportunities	<ul style="list-style-type: none">• Board meetings
Customers	High quality, reliable and durable products, responsible and sustainable business conduct, energy efficiency / low carbon solutions, circular products, transparent sustainability communication	<ul style="list-style-type: none">• Direct customer dialogue• Tender processes and criteria• Customer engagement surveys
Suppliers	Fair business relations, responsible and reliable partnership, transparent communication, collaboration on sustainable development	<ul style="list-style-type: none">• Direct supplier dialogue• Supplier impact questionnaire
Employees	Responsible and fair working and labour conditions, a safe working environment, inclusive and developing jobs	<ul style="list-style-type: none">• Daily dialogue between managers and employees• Dialogue in formal groups• Employee engagement surveys
Financial institutions	Responsible and long-term sustainable business with proper risk management	<ul style="list-style-type: none">• Dialogue with bank• Financial ratings
Authorities	Compliance with existing regulations, timely transparent communication, environmental protection, employee health and safety, job security, collaboration on sustainable development	<ul style="list-style-type: none">• Direct and indirect dialogue with local and national authorities• Engagement in public events• Engagement through industry associations
Universities, research and education institutions	Know-how transfer, future technologies and processes, collaborative projects	<ul style="list-style-type: none">• Bilateral engagement• Collaborative projects (e.g. PhDs)
Neighbours, region	Support of local trade, industry and community, low local environmental impact including low noise and emissions to air and water	<ul style="list-style-type: none">• Engagement in local networks and organisations• Direct dialogue with local authorities
Civil society and NGOs	High ethical standards and high ambitions on both environmental and societal issues, trustworthy and transparent communication and cooperation	<ul style="list-style-type: none">• Bilateral engagement• Alliances and partnerships
Planet and future generations	Low impact business, circular business models and a regenerative approach	<ul style="list-style-type: none">• Dialogue with stakeholder representatives
Certification schemes and organisations (UNGC, SBTi, EcoVadis etc.)	Compliance to scheme requirements, documentation and reporting	<ul style="list-style-type: none">• Reporting• Alliances and partnerships

Energy and climate

We aim to reduce our energy consumption and climate gas emissions – and to support our customers in doing so



Committed to climate action

Our emissions

Our transition plan

2023 Highlights

- Our new "Energy Solutions" consulting service has taken off with first projects started during 2023
- Our new heatpumps were started up in the beginning of 2023 to be fully operational.
- A project to improve energy-efficiency in our test center using our Energy Solutions approach has been approved. The project will be implemented during 2024.
- We have installed energy meters on all our manufacturing equipment and major installations and will during 2024 monitor energy consumption to identify potential for energy savings.
- We joined DI's "Klimaklar" (Climate Ready") program to get more input to how to calculate our scope 3 emissions and get inspiration to what can be done to reduce them

96%
of our total carbon
emissions comes from
Use of sold products

 Read more on page 20

591 t tons

3.9%
**Purchase of
products and
services**
(Scope 3)

96%
**Use of sold
product**
(Scope 3)

Total carbon emission

Committed to climate action

As we work towards Net Zero across our operations (the so-called Scope 1 and 2), we will continue to reduce CO₂ emissions from our production and administrative facilities and use resources with increasing efficiency.

Aasted's daily business operations affect the environment and climate. We believe responsible processes are essential to mitigate environmental and climatic risks, and we take responsibility for our environmental footprint. We aim to reach Net Zero before 2050 with a SBTi-approved science-based emissions reduction path. Our original SBTi-approved near-term target for 2030 was 46% reduction, but since we have already exceeded this here for 2023, we have now set a new and more ambitious target to reduce our Scope 1 and 2 emissions with 90% in 2030.

A significant contribution to being ahead of our target is the installation of heat pumps, which have reduced the gas consumption considerably and led to a 14% decrease in overall energy consumption compared to 2022 despite increased economic activity.

We want our Net Zero goal to be reached primarily by real emissions reduction like increased energy efficiency and

minimizing our use of carbon-emitting energy sources. We will only offset through green energy certificates in areas where our footprint cannot be eliminated in other ways.

The value chains in which our products operate leave a carbon footprint that is many times greater than that of our own manufacturing operations. Accordingly, we have an ambitious goal to reduce the value chain carbon footprint, the so-called Scope 3, by 50% no later than 2030.

To reach this goal, we will renew our focus on reducing Aasted equipment's energy consumption and we will source input product materials with lower carbon footprints. Like every other company working to reduce their Scope 3 value chain carbon footprint, we can only achieve this by sharing our mission and collaborating closely with our suppliers and customers.

Our commitment

To reach Net Zero before 2050 with a near-term reduction target of 90% by 2030 (Scope 1 and 2)

50% reduction of value chain emissions by 2030 (Scope 3)

Targets and progress	2022	2023	Target 2025	Target 2030
Reduce CO ₂ e in own production ² (Scope 1&2) <small>Compared to 2019</small>	33%	52%	62%	90%
Reduce CO ₂ e in our value chain ³ (Scope 3) <small>2023 is first year of calculation, original target based on 2019 to be revised and based on 2023</small>	–	–	–	50%
Energy – share from renewables	60%	74%	80%	100%
Energy consumption <small>MWh</small>	2,432	2,097	2,000	1,800
Energy intensity/ consumption per revenue <small>MWh/MDKK</small>	4.2	2.7	na	na

SDG support

We support these SDGs by optimizing the energy use of our machines and using low-carbon materials.



Our emissions



SCOPE 1 & 2 / Our own operations

Our scope 1 emissions originate from three sources: The most significant is use of gas for heating at our main site in Denmark and our office in Turkey. In Denmark, the gas is partly natural gas (fossil fuel) and partly biogas. Another source is use of bottled gas in the manufacturing processes, and the third source is petrol for company cars.

Our scope 2 emissions originate from use of electricity at our three sites in Denmark, Turkey and the USA.

SCOPE 3 / Our value chain

Within scope 3, we have up- and downstream emissions and emissions related to our operations and to transportation.

Where possible, scope 3 emissions are based on supplier information on emissions. For 2023, the commuting is based on an employee survey on their transportation distance and means. For purchase of materials, products and services and for capital goods, the calculation is mainly based on a spend analysis. For the use of sold products,

the calculation is based on average hourly energy consumption for equipment delivered in 2023 and assumed average of 7,200 hours of operation per year in 20 years. For end-of-life treatment, the calculation is based on output weight and estimated routes for inherent materials.

As it can be seen, our scope 3 emissions are by far the largest and especially the emissions from the use of sold products. We sell products that are typically used intensively and with a long lifetime. This means, that we have

the biggest potential for reducing the impact here in cooperation with our customers.

Still, we find it important to also reduce our emissions from our operation (scope 1 and 2), to take responsibility for our own direct emissions.

Our transition plan

We see climate change mitigation as an integral part of our business strategy. GHG emissions are the most important environmental impact from our business and where we can make the most significant difference for the future or our planet. The commitment, the targets and the action plan are approved and overseen by the board to ensure commitment at the highest level in the organization. Our policies are further embedded in the organization as integral part of e.g., our supply chain policy and product development policy.

For Scope 1 and 2, we have monitored our emissions since 2019, which is therefore our baseline year for both energy consumption and climate emissions, and we are on track to achieve our targets. For Scope 3, we have in 2023 developed our approach and platform to measure our GHG emissions, so that we in future can monitor our progress towards our ambitious target. 2023 will be our baseline year for scope 3 emissions.

Scope 1 & 2

In 2022, we signed up for Science Based Targets with a Net Zero goal for own operations in 2030 to be compatible with the 1,5-degree scenario from the Paris Agreement. Aasted is not excluded from the EU Paris-aligned Benchmarks. The Net Zero pathway requires an absolute reduction of GHG emissions by 42% in 2030 with 2019 as baseline and a 90% reduction in 2050. We aim for a 100% reduction before 2050 by use of various levers.

Aasted pathway towards Zero for Scope 1 & 2

Activity growth

From the base year, 2019, we expect a growth in energy consumption due to increased activity

Already executed key action

- In 2022, we switched all lightning to LED
- Also in 2022, we changed the heating system to mainly be based on heat pumps, drastically reducing our use of gas for heating

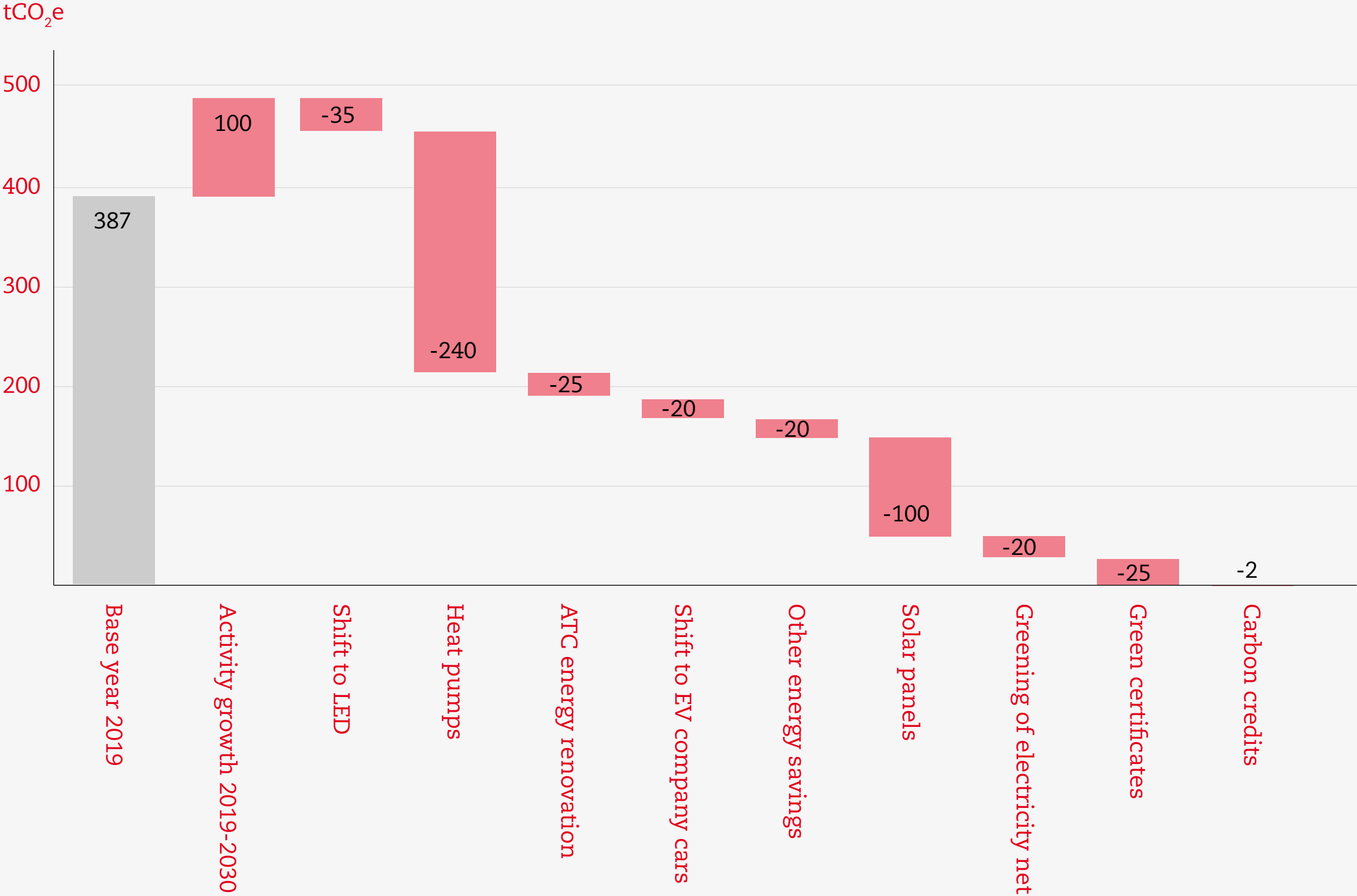
Already approved and planned key actions

- A renovation of the energy system in our test center, ATC, is approved and planned for 2024
- A shift of company cars from petrol to EVs will gradually take place towards 2030

Other planned for key actions

- Other not yet identified energy saving projects like more energy efficient manufacturing equipment, better energy management, better insulation of buildings etc.
- Installation of solar panels on the roof of the buildings at the Farum site
- Since the main energy source will be electricity, the general greening of the electricity grids will contribute, or alternatively we may invest in a PPA solution.
- By purchasing certified renewable, fossil-free electricity and gas (biogas), the remaining GHG emissions will be reduced to 0. We will pursue energy saving projects before using this tool
- Any remaining emissions will be off-set by use of relevant carbon credit schemes.

Approval of all key actions are subject to presentation of proper business plans. It is expected that all investments can be executed within the running budgets.



Scope 3

For Scope 3, we have used 2023 to establish a solid foundation for assessing our emissions. With this in place, we will in 2024 redefine our 2030 reduction target and establish a roadmap for reducing our emissions. An important finding from our scope 3 calculations is that this is where we have by far our biggest impact – with the use of sold products counting for 97% of the total emissions and 2.7% coming from our purchase of materials, products and services. Therefore, a key part of our efforts must focus on these categories. But also categories such as business travels and downstream transportation each represent bigger emissions than our Scope 1 and 2 together.

Since, we see little physical climate-related risks to our operations, our policies and actions do not currently cover climate change adaption activities.

We have currently not applied internal carbon-pricing mechanisms. Aasted is not involved in any GHG removal or storage projects or any carbon credits projects.

Avoided emissions: Energy Solutions

We are working hard to develop more energy-efficient equipment and to ensure that our equipment runs as optimally as possible. However, we can do even more when we shift focus from our machines to the entire system in which our machines are used. Here we see possibilities to achieve significant energy reductions when taking a holistic approach, and we can now proudly announce that we offer consulting and services for reducing energy consumption across any chocolate, confectionary, or bakery production system. We call these services Energy Solutions.

The Energy Solutions concept puts energy-efficient supply of equipment and conversion of energy in focus. By optimizing supply systems and temperatures, combined with utilizing efficient energy conversion and heat recovery systems, there is great potential for reducing the overall energy consumption – and in turn its carbon footprint – of the entire production process.

By focusing on the efficiency of energy conversion of individual machines, we can lessen the impact of our production processes. We have now taken this step outside our core business of producing machines to offer services and support for our customers in transitioning their energy system and lowering their carbon footprint. We genuinely believe



that the potential impact of taking a systemic perspective on energy consumption can create a more significant impact for the benefit of our customers, as well as the planet.

The Energy Solutions was launched as a full service at the end of 2022, and we will monitor the avoided GHG emissions that occur as we help our customers achieve energy savings.

Resources and circularity

We aim to reduce our resource consumption and to close our circularity gaps



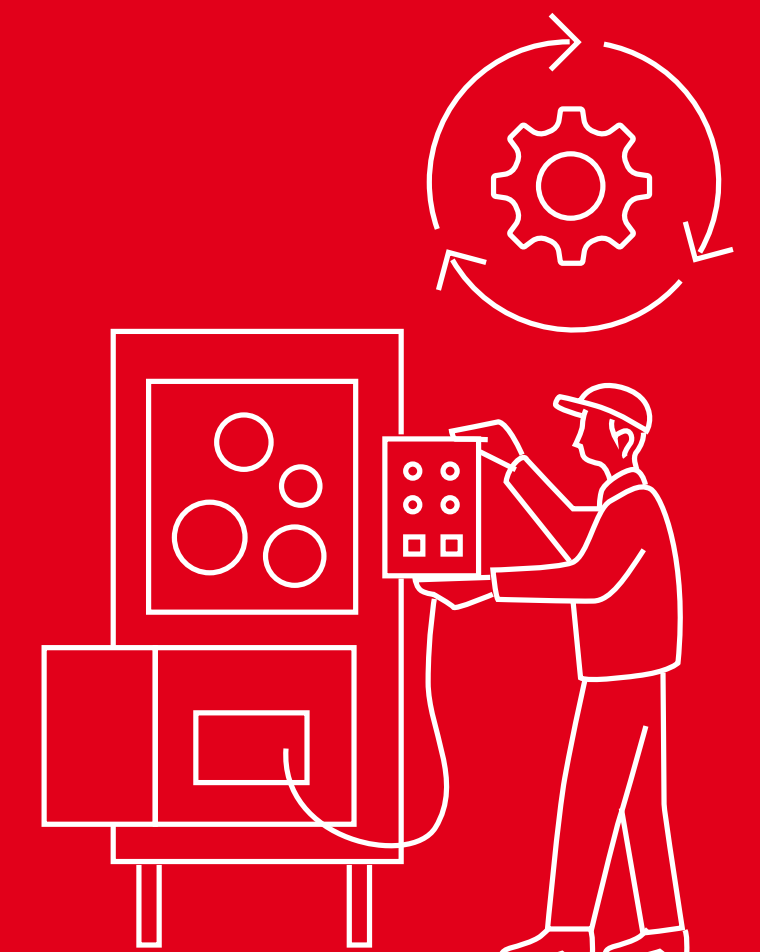
Transitioning from linear to circular economy
Actions to improve circularity and resource use

2023 Highlights

- We have conducted a circularity workshop to explore the potential for including more circular aspects in the product design.
- We have initiated two life cycle assessment projects for our core products, which will be finalized in beginning of 2024. The initial findings show that the energy consumption in the use phase has the biggest impact.
- Our temper solutions allow for reducing waste of material when doing shifts – we believe with up to 90%
- Our PhD student, David Sarancic, finalized his PhD on Product-Service Systems and we now look for a first pilot project

1,325 tons
of shipped products

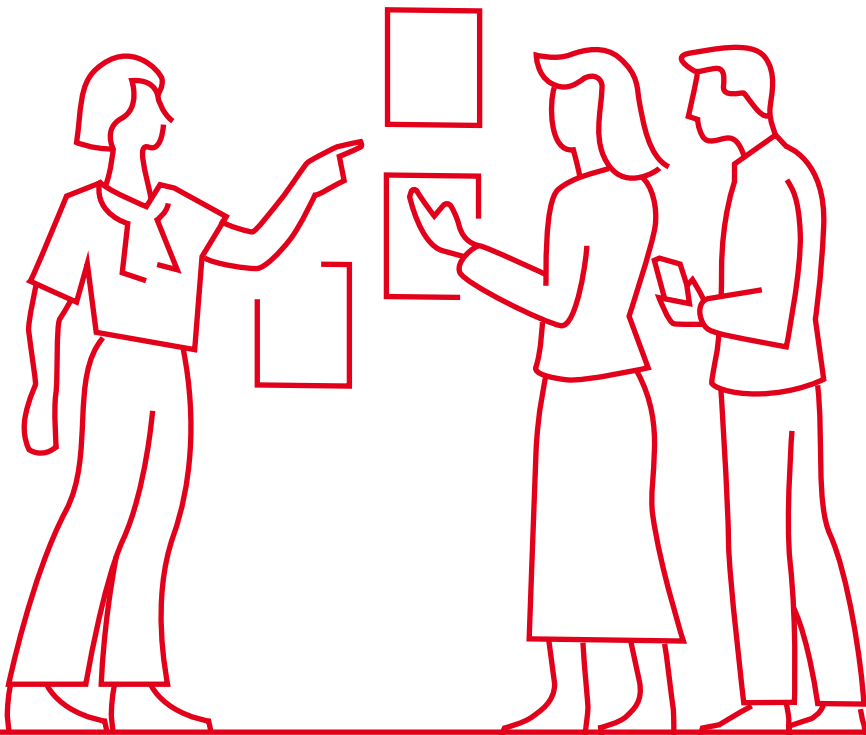
→ Read more on page 26-27



Transitioning from linear to circular economy

We aim to minimize resource depletion and to use natural resources, such as wood and water, very carefully. We work continuously to optimize and streamline our resource consumption and minimize waste and production scrap. In addition, we focus on increasing our share of recycled waste and thereby reducing waste for landfilling or hazardous waste.

Since Aasted only produces high-quality machines and solutions with long lifetimes, our products already integrate good fit with circular economy principles. Today, an important part of our product development mission is to close any remaining circularity gaps.



Our commitment

Close circularity gaps in our business.

Increase our waste recovery rate to 80%

Targets and progress	2022	2023	Target 2025	Target 2030
Waste recovery rate Compared to 2019	72%	64%	75%	80%

SDG support

We support these SDGs by developing our designs to optimize resource use and for circularity. We offer services to support a long life-cycle of our products as well.



Actions to improve circularity and resource use

On the input side, Aasted sources various materials, parts, goods and services of which the most significant are materials and parts used in the products. The dominant material used is stainless steel. Other used materials include “black” steel, aluminum, plastic, wood, copper, brass and electronics. We do not use water directly in the production, but some is used for cleansing parts. We currently only have solid data for the water consumption but will include more material consumption data in future.

We aim to make the most efficient use of the sourced resources and therefore work to transition towards a circular economy. This includes approaches such as design for circularity, sourcing of circular materials, waste minimization in the production, extending lifetime and ensuring high recyclability at the end-of-life. For some of these approaches, we are still in an early phase, whereas approaches such as lifetime extension and waste minimization are more mature.

Designing for circularity

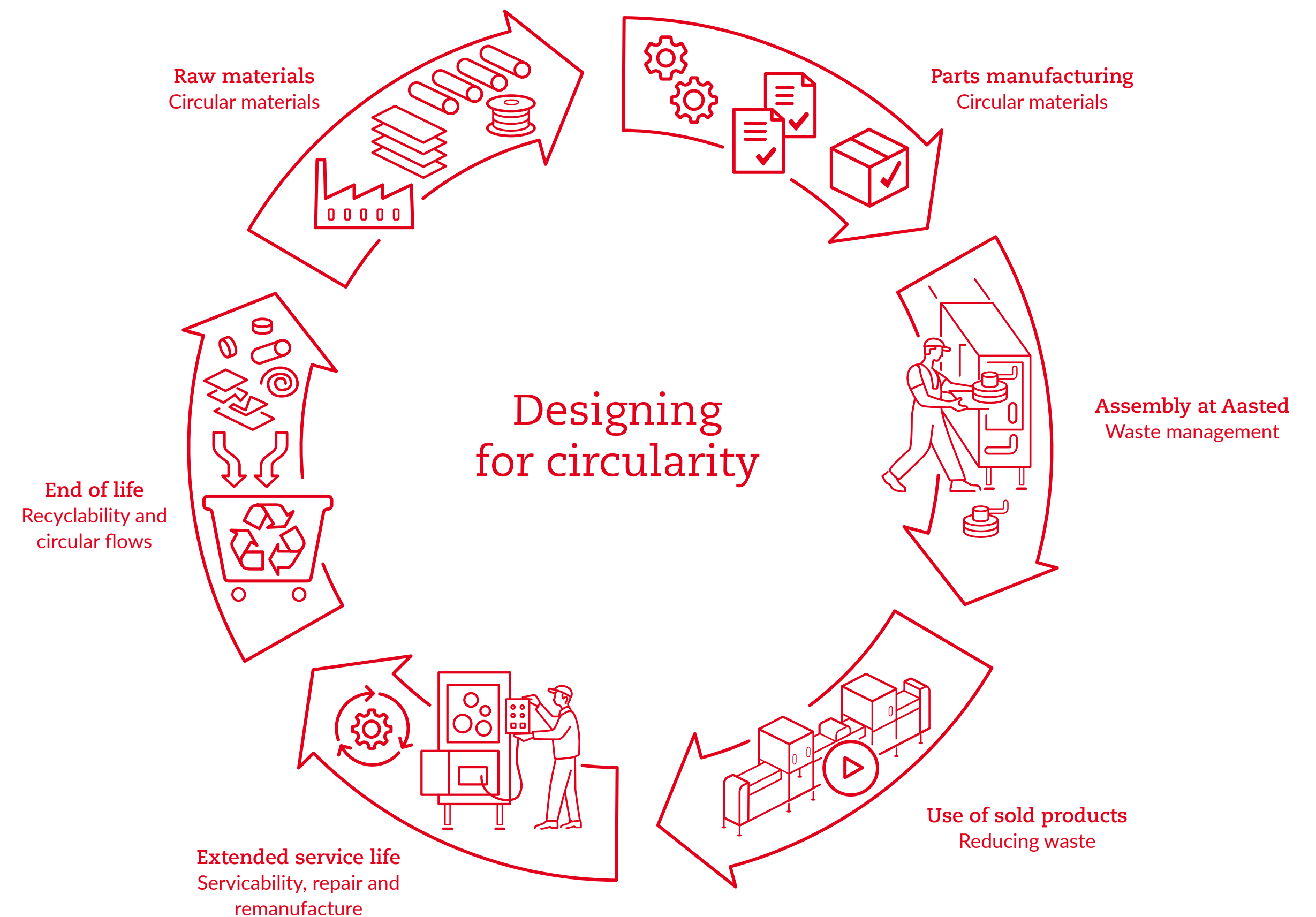
A major part of a product’s environmental impact origins from the design of the product. Design plays an important role in determining the functionalities of the product including circularity and it determines which materials are used and how they are combined. We have in Aasted a long tradition for high quality products with a high reliability and durability, which support a long lifetime and thereby effective use of the embedded materials.

We have now started the process to integrate circular thinking more systematically in the product design. The first step was taken in spring 2023 with a workshop involving the product owners, who were introduced to circular economy principles and exploring circular potential for a specific case product. The focus was two-fold:

Serviceability of the product to see which elements were easy or difficult to maintain or repair.

Recyclability of the materials at the end-of-life when taking present state-of-the-art recycling processes into account.

Learnings from the workshop will now be embedded in the design guidelines. Another output is inclusion of recycling instructions in the product manuals.



Raw materials and parts – sourcing circular materials

As for climate emissions, our biggest resource impact is related to our value chain. Upstream we see waste in each step of the process from mining to final part and product, and here we can work towards waste reduction through our supplier management but also through our product design. Designing parts so that they provide for the best possible use of the material elements can help reduce waste in this step for our suppliers.

A major part of the materials we use in Aasted are metals, that can rather easily be recycled. We would also like to know the content of recycled content in the sourced metals or plastics, so we have started the dialogue with our suppliers on how to bring this information forward – and in the next phase how to increase the share of recycled content.

Information on recycled content is included in a supplier impact questionnaire that we request all suppliers to respond to and which forms part of our supplier evaluation. The impact questionnaire and our approach to supplier sustainability are further explained in the section on supplier management. Besides from the level of recycled content, the questionnaire covers content of substances of concern such as chemicals. We aim to avoid use of substances that could impede future recycling of the materials, so suppliers need inform if their products contain

substances with any legal restrictions or concern e.g. with respect to the EU REACH regulation.

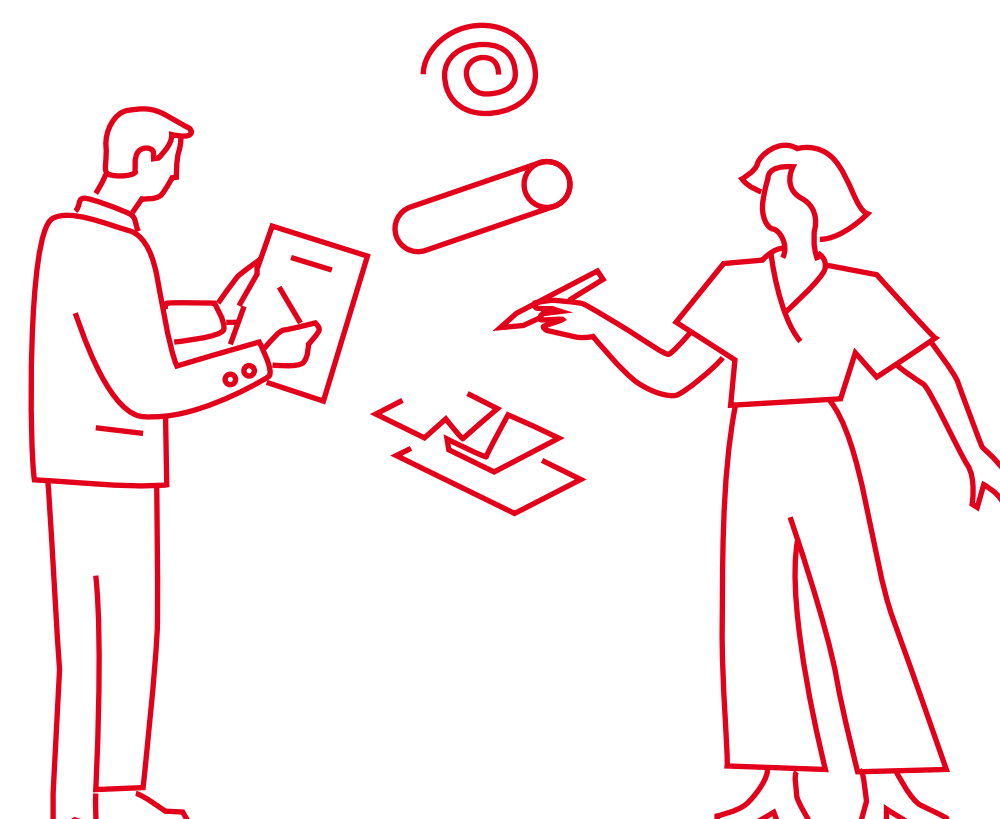
As packaging for shipped products, we use biobased materials from renewable sources. The wood we use is certified against PEFC and FSC for sustainable foresting. We also use heavy duty cardboard in a quality that allows for multiple uses, and which is 100% recyclable.

Assembly – better waste management

Reducing waste and making the best use of the waste we produce are two fundamentals of a circular economy. We sort all waste from operations into 20+ different fractions to ensure the best possible use and re-use of resources. We have also engaged with a third-party waste management company for the best possible recycling solution and appropriate handling of non-recyclable materials.

We track and monitor our waste in accordance with the waste hierarchy: reduce, reuse, recycle, recover, landfill – in that order. Despite increased activity, our waste in 2023 was reduced with 7% compared to 2022. However, the decrease has mainly been for recyclable metal waste, so the overall waste recovery rate was 64% in 2023 compared to 72% in 2022. We have during 2023 improved the waste sorting in the office areas to now cover paper, plastic, bottles/cans, organic and residual waste and will continue our efforts to improve sorting both here and in the manufacturing areas. 5.2 tons waste was landfilled, of which 92% was shredder waste.

Our waste in 2023 was reduced with 7% compared to 2022. However, the decrease has mainly been for recyclable metal waste, so the overall waste recovery rate was 64% in 2023 compared to 72% in 2022.



The most important waste streams

Metal ware

68 tonnes from the manufacturing processes, which are mainly cut-offs – this includes steel, aluminum, copper and brass. 28% of the total waste stream.

Wood cut-offs and cardboard

38 tonnes of from packaging. 16% of the total waste stream.

Organic waste

51 tonnes of mainly waste chocolate from the testing facility. 21% of the total waste stream.

Residual waste

71 tonnes of mixed residual waste for incineration. 30% of the total waste stream.



Use of sold products – contributing to reduced waste with our customers

Downstream we can support our customers in reducing waste of their materials (like chocolate) – both in their manufacturing process but especially when they are doing shifts from one material to another. When doing such shifts, or when cleaning the machines, the user will need to empty the machines for the used material, which typically results in a considerable loss of material. Here, we are developing equipment that allows for less waste when doing shifts and cleaning –

for some equipment we believe that waste can be reduced with up to 90%.

Extended service life – improving material efficiency

At Aasted, we believe that sustainability and business go well together and finding ways to increase the lifetime of our machines makes sense.

We design and manufacture high quality machines with very long lifetimes of typically more than 20 years, and often more than 30 years, even when they are in operation every day. Reliability and durability are important for our customers, so that their production can run steadily without unexpected stops, and this is in the heart of our design approach.

But just as importantly as this, we also understand the value of delivering solutions that go beyond the product itself, which is why we offer services to maintain, repair, and upgrade our machines for an even longer lifetime.

Repair, not replace

In the machinery industry, repair has always been a common approach, and in Aasted, all the products that we sell can be repaired. Furthermore, we offer a comprehensive program of services with spare parts, repair, and maintenance onsite. We have service technicians located all over the world to be as close to customers as possible and to react quickly. We are constantly developing our service offerings to cover all lifetime needs and we are developing digital tools that increase efficiency and monitor performance.

Improve what you have

Upgrade and remanufacture are also other important approaches to give products a longer life. In a machine, some parts will degrade faster than others, for example the electric components will typically become obsolete long before the steel parts. Therefore, remanufacturing, where all the electric parts are replaced with new, may double the lifetime for a machine, while also giving options for an upgrade or repurposing.



An upgrade can add new features to the machine, so that it is fit for new needs. In the case of repurposing, a customer might have bought it with a specific product in mind but may after some years need to use the same machine for other products due to changes in their assortment. This will often require changes to the machine, so it is part of our business to offer remanufacturing capabilities.

Product as a service

Moving to the next level, new business models such as Product-Service-Systems or product-as-a-service models may support a more sustainable setup, as this will allow for better incentives and better data sharing for optimization of performance and maintenance of the equipment. We have in Aasted investigated the opportunities for such new business models involving a PhD project together with the Danish Technical University, DTU. We are planning to run first pilot projects from 2024.

End-of-life – towards circular flows

Our sold products contain many useful materials, which may be recovered and recycled at the end-of-life. Currently, the end-of-life handling is the responsibility of our customers' since they own the product. To support the best possible treatment and recovery, we are now including recycling instructions in the manuals. As for now, the global spread of the products and the often very long lifetime make it difficult to organize sustainable takeback solutions. However, we may in future look into offering end-of-life solutions, e.g. by partnering with 3rd party experts in different parts of the world. And introducing Product-Service-Systems, the ownership and responsibility will change.

People

We aim for a diverse, developing and inclusive workplace where people thrive and grow



Ensuring our people thrive

Health and safety

Diversity, equality and inclusion

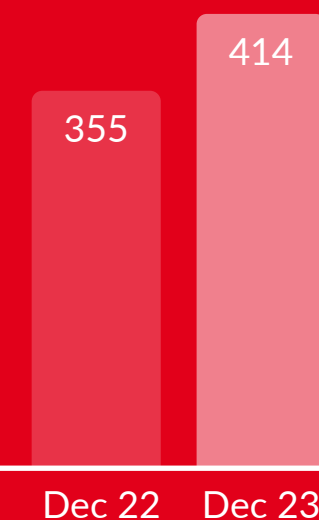
Employee well-being

2023 Highlights

- The number of work-related accidents is at a low level but we work to reduce it further
- In 2023 we started regular performance and career development reviews
- We have analyzed our job postings to improve our understanding of inclusive language
- We participated in the UN Global Compact Business and Human Rights Accelerator program in the Denmark track and have initiated a Human Rights Due Diligence process
- We have approved a new policy on philanthropy that will guide our support to sustainability initiatives like research projects

17%
employee (FTE)
growth in 2023

[→ Read more on page 29](#)



Ensuring our people thrive

We will be a diverse workplace that brings value to our colleagues in terms of job satisfaction, development opportunities, safeguard health and safety at work, and a good work-life balance.

We strive to create an inclusive organization that enables us all to develop professionally and personally. We also believe this will positively influence our relationships with our customers.

We value strong relationships, knowing that the one factor that contributes the most to our quality of life is our relationships with others.

We have in 2023 seen a strong growth in number of colleagues with an increase from 355 FTE at the end of 2022 to 414 FTE at the end of 2023 – an increase of 17%. The high inflow of new colleagues increases the requirement for robust and well documented processes as well as the commitment to pass on the Aasted culture.

The majority of us are located in Farum. Around a third of employees are hourly salaried and the remaining are hired on a fixed monthly salary. Hourly salaried employees primarily work in the production but also include student workers, apprentices, and other part time employees. Monthly salaried employees are engaged with administration, project management, product and business development, or commercial activities.

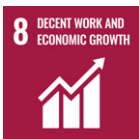
Our commitment

Fostering diversity, health and safety, and well-being among our colleagues

Targets and progress	2022	2023	Target 2025	Target 2030
Increase the share of female board members elected by the general meeting	14%	14%	25%	30%
Increase the share of female managers on the executive level and secondary management level	20%	25%	25%	30%
Increase the share of female managers	26%	20%	25%	30%
Increase the overall share of women across all employees	15%	14%	20%	25%
Average of annual education days per employee	3.7	1.7	5.0	5.0
Reduce our accident frequency rate and outperform the manufacturing industry benchmark.	4.7	7.2	5.0	2.5
Zero fatalities	0	0	0	0

SDG support

We support the following SDGs by continuously working on being a responsible employer and thriving, diverse and inclusive workplace for our employees. This we do by ensuring a safe work environment and space for development.



Health and safety

We want to ensure that Aasted employees can pursue long, healthy, and happy working lives and therefore continually strive to provide safe and healthy workplaces.

The protection of workers and ensuring physical and psychological health and safety for all workers are cemented in our sustainability policy as well as our Code of conduct, which covers in detail what is meant with the protection of our people within our own workforce as well as in the supply chain, such as employment terms complying with international laws and ILO’s declarations on fundamental principles and rights at work. In our working environment policy, the role of the health and safety organization as well as the responsibilities of managers and employees are described.

➔ [Read more about Stakeholder Engagement, page 47](#)

We have a Health and safety management organization as required by Danish law, with a dedicated Health and Safety manager to lead our organization around HSE in Aasted.

Accident and near-miss analysis

We want to ensure a safe and secure workplace and, as such, we are working to drive down the number of risks and accidents. Specifically, we work with accident prevention in a management system to prevent work related accidents and ill health. We analyze every accident and near-miss accidents reported to identify the root caus-

es so that we can learn from them and prevent similar situations from happening again. We track performance and improvement on the Accident Frequency rate with the target to reduce to a rate of 5 by 2025. For 2023 the rate was 7.2 cases per 1,000,000 hours worked. This is an increase from previous years. Most of these accidents happened in the last half year, where we also had a high increase of new employees. We will therefore track more closely that new employees receive adequate training in safe work processes. Compared to Danish industry average we still have a relatively low accident rate: 108 accidents per 10.000 FTE compared to 170 for the machinery industry in 2022 (figure from DA, Confederation of Danish Employers).

There has not been any case of negative impact where remediation was required. Workers are encouraged to report any accident, near-miss event or dangerous situation and are protected against reprisals through regulations.

Systemizing work processes and documentation on HSE training

All new employees receive basic training in safety measures as part of their onboarding. People working in the factory have extra dedicated training sessions on safe work practices related to processes, equipment, and how to act in case of incidents, as they are more exposed to health risks. Furthermore, all processes and instructions are easily available to all employees in our digital quality

management platform, which will help us to ensure that all employees have received the necessary and relevant training. The procedures are the same for substitutes and temporary workers, that are hired when there is an unexpected rise in the workload, or an employee goes on leave.

Labor practices and rights

In Denmark, local institutions and legislation regulate the protection of workers and cooperate on the remediation of negative impact and promote positive impact for workers. This typically happens through unions and collective bargaining. In the production, our colleagues are covered through collective bargaining. In the administration, colleagues can choose to be member of a union to support the protection of their labor rights. Complaints can be raised through the unions, although we also engage with our own workforce through internal bodies like the HSE organization and our Works Council.

Social protection and access to health care

Employees in Denmark are covered by public social protection and retirement plans. Additionally, health insurance is offered to employees through an external provider. This is not mandatory for all. In 2023, employees were also offered flu shots in our headquarters in Farum. Outside of Denmark, employees are either compensated through their salary or a local insurance agreement is in place to ensure access to social protection and health care services.

Safety performance	Unit	2023	2022	2021
Accident rate (Lost time frequency rate*)	Ratio	7.2	4.7	12.9
No. of days lost	Days	22	-	-
Reported cases of work-related accidents	Number	5	3	8
Fatalities	Number	0	0	0

*Change in calculation method to cover the full workforce

Employees covered by or working in establishments with...		2023	2022	2021
Collective bargaining agreements	%	85	39	42
Workers' representatives (in Denmark)	%	100	100	100



Diversity, equity, and inclusion

We strive to ensure psychological safety for all employees. Psychological safety is an inclusive workplace room for diversity where everyone feels secure in voicing curiosity, innovative ideas, and perspectives – all of which makes us stronger, more innovative, and better equipped to address future challenges and accelerate our progression towards more sustainable business practices.

Our diversity and inclusion policy covers promoting equal opportunities and the advancement of diversity and inclusion. We currently measure gender composition, gender pay gap, and age composition. As well as the distribution of gender on training/education days and employee satisfaction surveys.

We are aware that gender and age are only two dimensions of diversity and there are several dimensions that makes us different from one another and enables different perspectives. For example, we are proud to have a workforce with a broad national representation, which gives us an advantage being in a global market.

Currently, there are not other metrics that we measure and report on, as legislation restricts measuring other parameters for the protection of the individual person in several countries, in which Aasted operate. In relation to this, we do not have specific policy commitments for people from groups at a particular risk of vulnerability in our own workforce. All employees are covered by the same policies.

The underrepresented gender

In accordance with Danish financial law, we have set targets for the underrepresented gender, which in Aasted are people who identify as female. Being a manufacturing company, many of the groups of professionals that are needed in the production of our machines have technical and engineering background, which are typically male dominated professions. This translates into the distribution of the gender ratio on the total workforce.

We have set targets to reach a more equal distribution of genders across the management levels from board of directors to all employees employed by Aasted. We have updated one of our targets for our entire management group with 25%-target for women represented by 2025 from 20% ultimo 2023.

Generally, when we use recruiters, usually for key strategic positions like manager positions, they are instructed to not provide name, personal identification number or picture. Furthermore, we have in 2023 used a tool to analyze our job postings, to educate our HR department on inclusive writing.

Comparing our gender distribution to the goals we have set, we see a gap which will not be closed if we continue business as usual. To reach these targets we have planned actions in place for next year:

- Getting stakeholder input from professionals in industry organization to identify where we can have the most positive impact.
- Management training and dialogue on how we ensure diversity and inclusion in Aasted

Equal Pay

We measure the gender pay gap on an annual basis based on the median salary for men and women in the organization. From the 2023 report we are using a new calculation method as proposed in the European Sustainability Reporting Standards and recalculated previous years. In 2023 male employees were paid 0.7% less than women comparing median salary, which is a change from last year, but overall an improvement from 2021. This calculation does not include employees in Aasted Subsidiaries.

Living wage

We do ensure that our employees are paid a living wage including for our subsidiaries. In Denmark we do not have a minimum wage but most salaries are set under collective bargaining or in association with unions. For employees outside of Denmark we have found the minimum living wage through recognized platforms or by calculations based on the reporting standards from the CSRD, and we found that compared to these minimum living wage standards we pay our employees between 2-5 times this defined minimum.

Gender representation

Split in %

Women Men

Target '25

 |

Target '30

Board of Directors



Top management*



Managers



Workforce



*Top management: One and two levels below the administrative and supervisory body (the board) = Executive level + managers with reference to executive level and with management responsibility (employees in reference)

Gender pay gap	2023	2022	2021
%	-0.7	0.5	-8.6



Employee well-being

Our ‘new normal’ policy allows for flexible working arrangements that enable people to manage their work-life situations in a way that supports the individual.

During 2023 we have grown and have been able to welcome new colleagues. This has put an emphasis on getting to know one another and feeling welcome and engaged at work. A key contributor to social events is Team Aasted, which is financially supported by the company but run by colleagues. Team Aasted organizes many different events every year that brings people from all parts of the organization together for social gatherings like wine and beer tastings as well as physical activities like climbing, triathlons, and mountain bike rides.

In 2023 we conducted two employee satisfaction surveys and a workplace evaluation, that goes more into depth on the satisfaction with the physical and psychological environment at work. Every survey is discussed in the management group and in the organization at department level to identify actions for improvement.

Employee turnover rates and absences can reflect staff wellbeing and employee relations. We track the development of both on a quarterly basis, which is reported to executive level. Our turnover rate increased to 18%, which is slightly higher than the most recent industry average of 17,3% (DI figures for 2022). The absence because of sick-

ness has also increased to 12.2 days per employee. This increase is reflected in the most recent industry standard of 12,4 days (DI figures for 2022), showing that we are at a reasonable level for 2023.

Training and skills development

We want to be a place that makes a positive impact for employees, a place where they thrive and grow, and feel supported and valued.

We are working on building our internal quality management system, so knowledge sharing and training in optimal processes are an integrated part of our management system. We promote the continuous education of all employees. Our target is that employees receive the equivalent of 5 days of education or training on average annually. In 2023 the number is low compared to 2022. We believe it may be due to not all education being recorded and the many new employees, who have not yet received much training in Aasted.

To support the development of our people, we implemented a performance and career development review program in 2023, that entailed a review conversation with the employee and their direct manager around the beginning of the year and a follow-up in the third quarter of the year. As this is the first year with this program we only have data for 2023.

Anti-harassment

Ensuring the mental health and security of our employees, we have an anti- and prevention of harassment policy with a zero tolerance of discrimination, offensive acts or harassment. It covers the elimination of discrimination and harassment on the grounds of racial and ethnic origin, sex, sexual orientation, gender identity, disability, age, religion, national or social origin, as well as promoting equal opportunities. We see harassment as a mental strain that has harmful consequences, not only for the one exposed to it but for the whole of Aasted. Harassment damages openness, trust in each other and put a stop to knowledge sharing, productivity and development. You can read more about our policies and procedures for employees, suppliers, and business partners to report incidents in the Governance section on page 44.

➔ [Read more about our policies, page 39](#)

We track reports on cases of harassment or discrimination through our reporting channels. In 2023 there has been 3 reported cases through an employ survey and to the HR department. No severe remediation has been needed for either cases. We work with our employees based on the specific case raised. one case was reported anonymously and with no further details. We will therefore look at how we work with anti-harassment and discrimination in general as well going forward.

Employee well-being		2023	2022	2021
Employee engagement rate	0-100	77	78	-
Employee Turnover rate	%	18	17	20
Employee sickness (FTE)	Days	12	10	11

Training and education days for all employees		2023	2022	2021
Avg. no. of days per employee		1.9	3.8	1.6

Participation in regular performance and career development reviews		2023	2022	2021
% of all employees		52	na	na

Cases of harassment or discrimination		2023	2022	2021
No. of reports		3	2	na

Governance

We aim for a sustainable and ethical business throughout our value chain



- Promoting responsible business
- Corporate governance
- Governance of sustainability
- Policies and standards
- Risk management
- Business ethics and compliance
- Political contributions and lobbying
- Stakeholder engagement
- Supply chain management
- Partnerships and commitments

Aasted's core values

We are open and honest

We act as if the company was our own

We act respectfully in everything we do

65.9 avg
Supplier impact score
– average per spend

 Read more on page 49-50

Promoting responsible business

We will conduct business ethically, comply with international and local legislation, and seek partnerships that create value for the many – not just for ourselves. The imperative to have a positive impact on people, society and planet is part of our official business objects.

Aasted will promote human and labor rights across all our work processes. We will act in accordance with international frameworks and conventions from the UN, OECD, and ILO, and comply with local legislation where we operate. We reject any form of corruption, including extortion and bribery.

Strong corporate governance and business ethics underpin the way we conduct our business. Aasted's core values and our Code of conduct act as our guiding principles.

Our commitment

Our purpose is to have a positive impact on society and the environment

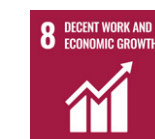
Our triple 'P's, *People, Planet and Profit*, balance our business conduct and corporate governance

We support the UN Sustainable Development Goals

We support the 10 principles of the UN Global Compact

SDG support

We support these SDGs by ensuring we go beyond legislation and seek to collaborate



Corporate governance

Board of Directors

The Aasted governance has a Board of Directors including the four owners and three external, independent board members

The current gender distribution in the Board of Directors is 1 female member out of 7

14%



Bjarne Moltke Hansen
Chairman of the board

Appointed in 2022

Special competencies
Comprehensive global leadership experience from large industrial companies within projects, products, services, M&A and turn-arounds.

Positions
Chairman of the Board of Aalborg Portland Holding
Chairman of the Board of Randers Tegl A/S
Chairman of the Board of Pindstrup Mosebrug A/S
Chairman of the Board of RMIG A/S
Board-member in LKAB and PPC Ltd.



Danica Sucur
Member of the board

Appointed in 2022

Special competencies
Operating on both national and international levels and experience from BtB strategic management positions. Strategic knowledge in transforming businesses towards a more sustainable future and strategic business development to gain market growth as well as organizational efficiencies.

Positions
CEO of Hottinger Bruel & Kjaer A/S
Board member of Kohberg Bakery Group A/S
Board member of Measurelet ApS



Søren Overgaard
Member of the board

Appointed in 2022

Special competencies
Extensive international experience leading industrial and process solution companies delivering project, product and service offerings.

Positions
CEO of DSI Dantech A/S
Board member of Aalborg CSP A/S



Allan Aasted
Owner

Appointed in 2010

Special competencies
Deep insight in the company and the products, and dedicated to the supply chain and supplier relations



Christian Aasted
Owner

Appointed in 2010

Special competencies
Operating on both national and international levels and experience from BtB strategic management positions. Strategic knowledge in transforming businesses towards a more sustainable future and strategic business development to gain market growth as well as organizational efficiencies.



Thomas Aasted
Owner

Appointed in 2010

Special competencies
Deep insight in the company and the products, and dedicated to optimization of the operations



Mads Hedstrøm
Owner

Appointed in 2010

Special competencies
Former President of A.E. Nielsen and CSO of Aasted.

Deep insight in the history and the products of the company. Today dedicated as head of sales for Americas

Executive management



Mads Harck
COO
Joined Aasted in 2023

Piet Tæstensen
CEO and CCO
Joined Aasted in 2005

Kenneth Heiden
CFO
Joined Aasted in 2018

Henrik Heitmann
CTO
Joined Aasted in 2004

Governance of sustainability

The Triple 'P's: People, Planet, and Profit

To guide us in our strategy and decision making, we use the three 'P's: People, Planet, and Profit. These encourage us to take a holistic approach to value creation and force us to consider all relevant aspects of our business, and are used as guiding principles for our policies, our strategies, and our daily management. We use company targets and KPIs covering all three Ps to steer our business development in a direction that ensures lasting change: sales, revenue, and income for Profit; customer and employee engagement for People; and sustainability index for Planet. These KPIs are also the basis for management bonuses, thus providing incentives for a responsible management.

To ensure proper deployment across the organization, we have established policies that detail the different aspects of sustainability, and we have set targets and KPIs to drive actions at all levels. Sustainability is not something we do on top of our daily business – it is an integral part of how we work all the way from the company purpose to the KPIs and actions of every employee.

To effectively implement sustainability across the organization, we have appointed yearly sustainability leads for each area of impact. In close collaboration with our functional areas, the sustainability department supports the execution of our sustainable strategy and our ongoing sustainable initiatives and business development activities.

Governance structure

Our sustainability department is responsible for coordinating and facilitating progress on our sustainability strategy and commitments. To reflect the strategic importance of sustainability, our sustainability manager reports directly to our CEO.

The executive management review and approve of sustainability commitments, targets, and reporting to ensure internal agreement and commitment before approval with the board of directors.

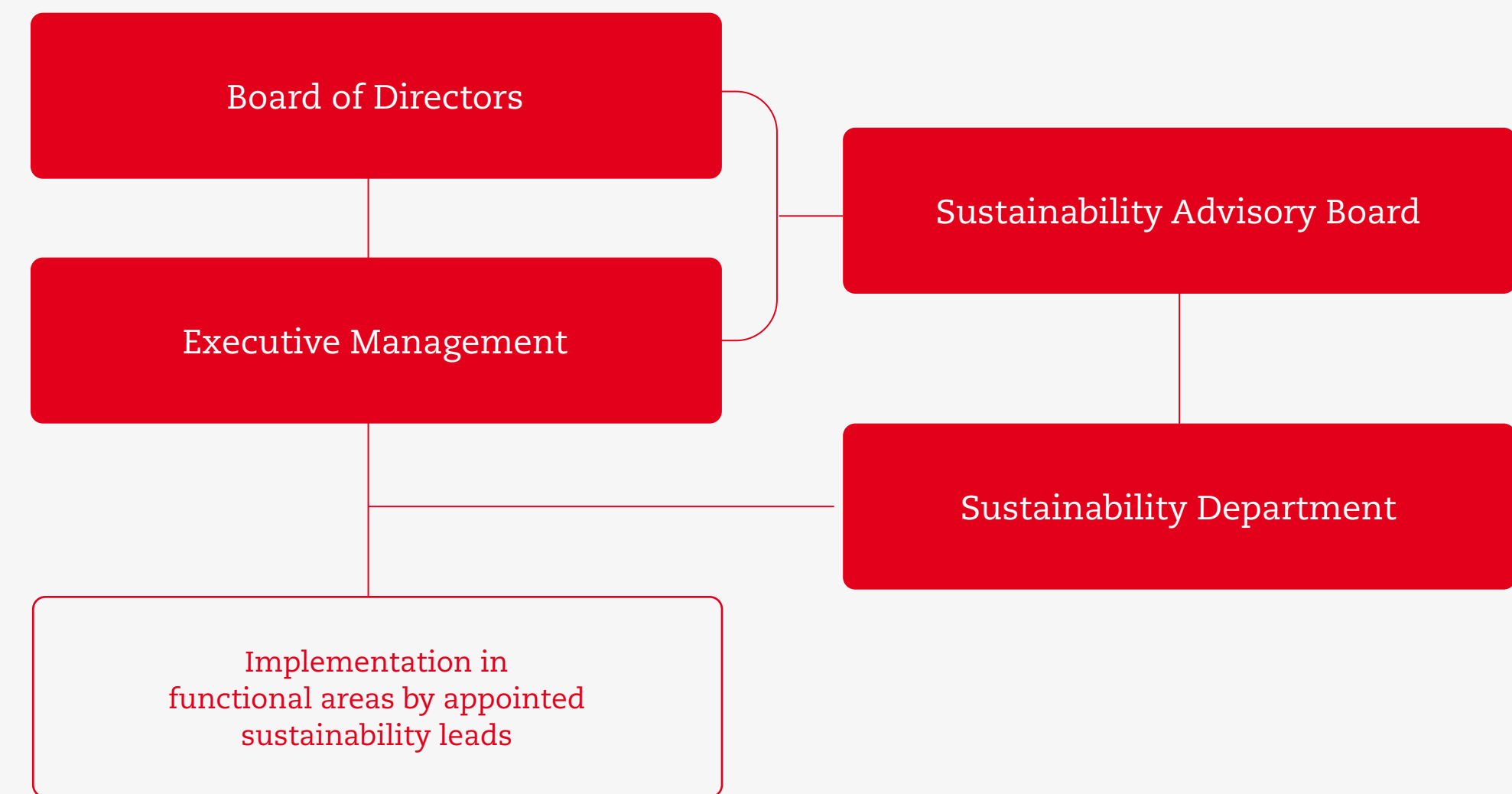
The board of directors reviews and gives final approval on sustainability strategy commitments, targets, and progress. Progress on sustainability is reported to the board of directors at least once a year. In the reporting period, the board of directors has addressed the following sustainability issues:

- Investments in energy efficiency in own operations including approval of an energy renovation project of our test center
- Investment in renewable energy production including a project on solar panels
- Development and approval of the double materiality assessment
- Update of the Aasted business strategy towards 2030
- Development and approval of the sustainability reporting.

The board has been trained in sustainable development as part of the double materiality assessment. Furthermore, some board members have independently upgraded their skills within sustainability

All critical concerns raised through our grievance mechanisms such as our whistleblower channel will be presented to the board. There were no such concerns raised in 2023.

Aasted's Sustainability Advisory Board meets on a regular basis to support and guide our board, CEO, and sustainability manager on our sustainable strategy, issues, and trends.



Remuneration connected to sustainability

The remuneration of the members of the executive management is partly based on the performance of 6 key indicators. 3 indicators are linked to the financial performance (sales, revenue and profit before tax), 1 indicator is customer satisfaction, 1 indicator is employee satisfaction, and 1 indicator is our sustainability index. The sustainability index builds on the score system from B Corp, which provides for a wide evaluation of current sustainability performance. This includes the performance on climate management, which is one of the key sustainability topics for Aasted. The sustainability index is measured by the sustainability department, and the customer satisfaction and employee satisfaction are measured by an independent consultant. The annual targets and measures are approved by the board of directors.

Sustainability due diligence

Aasted applies sustainability due diligence to secure our ambitions and commitments and to minimize negative impacts. The due diligence application is further reported in the following sections of the report:

Core elements of due diligence

→ Embedding due diligence in governance, strategy and business model	<ul style="list-style-type: none">• Business strategy page 10• Business risks and opportunities page 40-43• Materiality assessment page 16• Supplier management page 49-50
→ Engaging with affected stakeholders in all key steps of the due diligence	<ul style="list-style-type: none">• Materiality assessment page 16• Business ethics and compliance page 44-45• Supplier management page 49-50
→ Identifying and assessing adverse impacts	<ul style="list-style-type: none">• Materiality assessment page 16• Supplier management page 49-50
→ Taking actions to address those adverse impacts	<ul style="list-style-type: none">• Business ethics and compliance page 44-45• Supplier management page 49-50
→ Tracking the effectiveness of these efforts and communicating	<ul style="list-style-type: none">• Business ethics and compliance page 44-45• Supplier management page 49-50

Risk management and internal controls over sustainability reporting

Our sustainability reporting is subject to the following controls:

- Scope for reporting is determined through the double materiality assessment. Findings from this assessment are tested against key stakeholder representatives and with our Sustainability Advisory Board with external experts.
- Metrics are all described and documented with regard to how they are calculated, where data are retrieved, data quality, responsibility. These instructions are reviewed internally with a view to fair representation, completeness, precision and integrity of data and metrics. Instructions on the metrics for climate gas emissions and for the double materiality assessment have been assessed by our external auditors (PwC), who has provided a management letter with their findings. Learnings and recommendations from these reviews have been implemented in the instructions.
- Metrics are calculated on a quarterly basis and compared to previous quarters to show progress and as a means to help identify any data errors.

Policies and standards

Code of conduct

The Aasted Code of conduct is our written commitment to conduct business in a manner that is ethical and supports responsible and sustainable business conduct. We also use it to communicate with employees, customers, and business partners (such as agents and suppliers) on how we want to conduct business and the principles we expect them to adhere to. It covers the protection of people, health and safety for workers, climate and environmental protection and anti-corruption.

Our Code of conduct functions as a supplier Code of conduct as well and is the foundation for many of our other policies. It also explicitly states our commitment to respect human rights, incl. forced, bonded and involuntary labor and child labor and follow the principles of the ILO declaration.

[↗ Aasted Code of conduct](#)

Sustainability policy

Our sustainability policy sets out our ambitions to meet the requirements of expectations by our stakeholders to run our business according to the highest standards of social and environmental responsibility. These standards are spelled out in the policy.

[↗ Aasted Sustainability policy](#)

Health and safety policy

This policy describes the organization of the health and safety work internally in Aasted and the commitment to follow local legislation and the protection of workers. This policy is available to all employees on our intranet.

Diversity and inclusion policy

Our diversity and inclusion policy describes our approach to working with diversity and inclusion. It covers promoting equal opportunities and includes targets for the underrepresented gender, and our approach to areas of recruitment and employment, culture, and well-being.

[↗ Diversity and inclusion policy](#)

Policy on preventing and stopping harassment

In the Preventing and stopping harassment policy the procedures to prevent, mitigate, and handling cases of harassment is described. It covers the elimination of discrimination and harassment on the grounds of racial and ethnic origin, sex, sexual orientation, gender identity, disability, age, religion, national or social origin. This policy is available to all employees on our intranet.

Whistleblower policy

The Whistleblower policy includes a detailed description of the whistleblower scheme, specifying who has a right of reporting, which matters may be reported, and the reporting procedure. The Whistleblower Policy further explains which action must be taken to report incidents under the whistleblower scheme.

[↗ Aasted Whistleblower policy](#)

Policy on data ethics

This policy describes the approach to data and how data is handled in Aasted. This includes data on employees and third parties.

[↗ Policy on data ethics in Aasted](#)

Aasted Ethical marketing policy

This policy sets out Aasted's principles on responsible marketing practices and efforts in the marketing of Aasted and our products and services to customers and the public.

[↗ Ethical marketing policy](#)

Donation policy

In Aasted we have set out internal guidelines for donation to ensure the integrity of donations to charities or in other constellations, e.g. scholarships. These guidelines have been cemented in this Aasted Donation policy.

[↗ Donation policy](#)



Risk management

The risk management approach

Aasted operates in a global environment, which means that our business is exposed to different risks. During 2023, we have established a framework for identifying, assessing, and mitigating business risks and opportunities.

Risks are identified and assessed by the management group, governed by a risk management team that is led by our CFO. The risk assessment and the mitigation plan are presented to and discussed with the board on an annual basis.

Risks are assessed based on potential business impact and on vulnerability. For all key risks, a risk owner is appointed, and a mitigation plan developed. It is planned that risk owners will report to the risk management team on a quarterly basis.

Sustainability risks

As a subset to the business risk management, sustainability risks have been analyzed in two parallel processes: The materiality assessment includes an assessment of actual and potential impacts and on related financial risks and opportunities for both environmental, social and governance topics. Besides, a dedicated climate change risk assessment has been conducted in order to identify both short-term and long-term risks.

Within sustainability, value chain risks are carefully considered based on both a country risk assessment and a supplier-specific sustainability assessment – see more in the supplier management section.

➔ [Read more about Supplier Management, page 49-50](#)

Risk management approach

1 Identification

- Corporate risk catalogue
- Local risk catalogue

2 Evaluation

- Business impact
- Vulnerability

3 Planning

- Prioritization
- Ownership

4 Acting

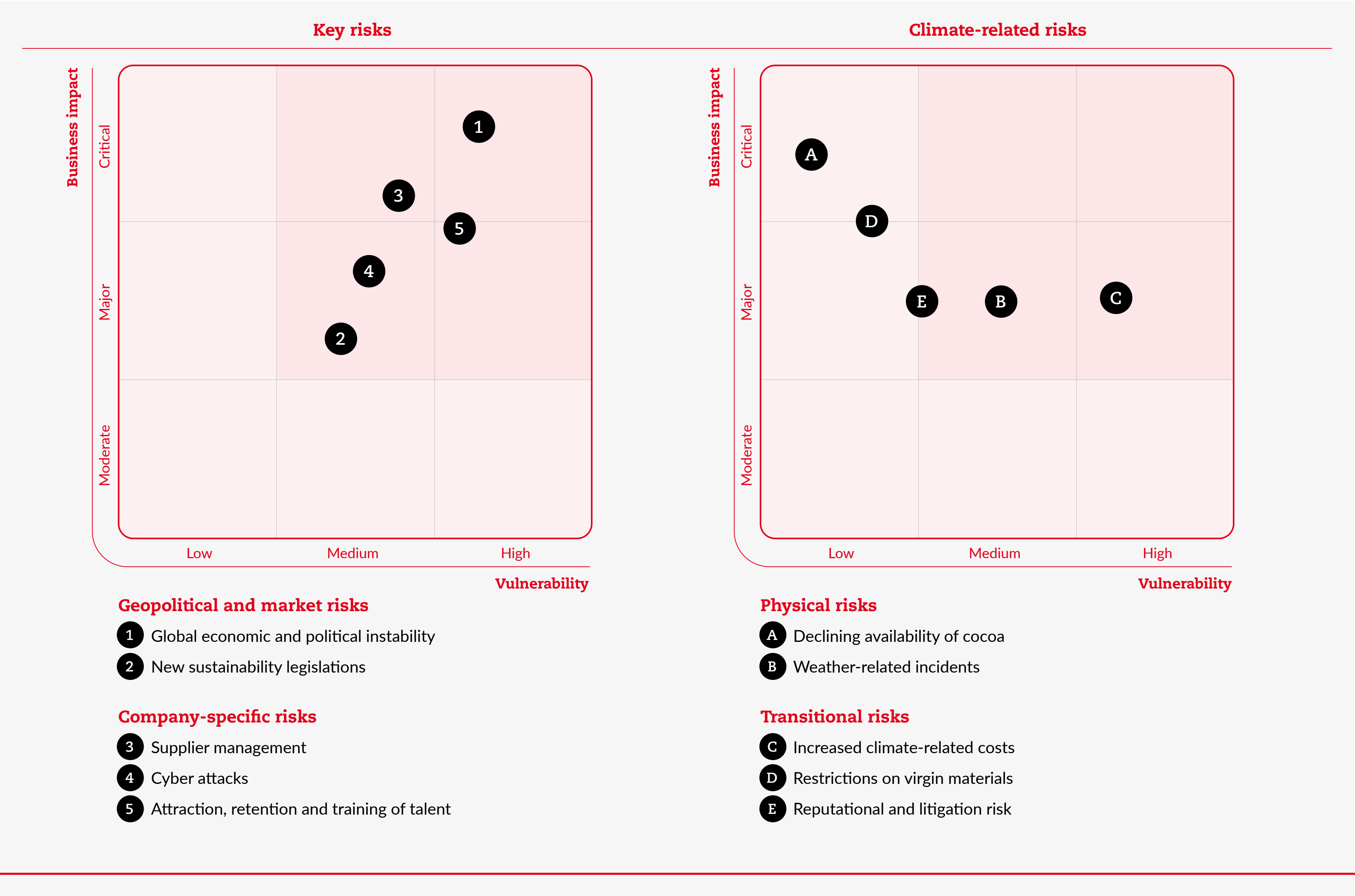
- Mitigating actions
- Contingency measures
- Insurance measures
- Reporting



The 2023 risk picture

The aftermath of the corona epidemics and the war in Ukraine have led to shortages in supply of especially electronic components and to a volatility in energy prices and raw material cost. This has had a significant effect on our delivery time and on our cost structure and is therefore one of the key short-term business risks. As mitigating actions, we have increased our assembly capacity, optimized purchasing, and reworked contracts both with regards to prices and delivery times.

Other key risks include cyber-attacks, loss of key competences, supplier quality and new sustainability requirements. Mitigation actions include enforcement of infrastructure, improved backup, training and awareness, process documentation, insurance, supportive management, increased quality testing and supplier assessments, a dedicated sustainability team and investment in supporting systems.



Climate-related risks

Business impact

Critical

Major

Moderate

Low

Medium

High

Vulnerability

A

D

E

B

C

Physical risks

A

Declining availability of cocoa

B

Weather-related incidents

Transitional risks

C

Increased climate-related costs

D

Restrictions on virgin materials

E

Reputational and litigation risk

Key risk overview

	Risk description	Potential impact	Mitigating actions
1	Global economic and political instability	Our global footprint exposes our business to global political and economic instability with disruptions of supply chains, sanctions, protectionism and geopolitical restrictions	<ul style="list-style-type: none">• Geographical spread of suppliers and of manufacturing• Increasing the agility of our supply chain• Business continuity planning• Update of business conditions
2	New sustainability legislations	New sustainability legislations are implemented in the EU, which will impose comprehensive requirements either directly or indirectly from customers. EU deviating from other regions	<ul style="list-style-type: none">• Dedicated sustainability team• Sustainability advisory board• Training of relevant business units• Investments in improvements and supporting systems
3	Supplier management	We depend vastly on a growing number of suppliers, which requires firm management of supplier quality as well as due diligence of sustainability performance	<ul style="list-style-type: none">• Solid process for quality evaluation of suppliers• Increased in-bound quality control• Solid reclamation process• Improved documentation of orders
4	Cyber attacks	Attacks on the digital infrastructure pose a threat to business continuity and we see a growing trend in crimeware targeting manufacturing companies	<ul style="list-style-type: none">• Strengthening processes for IT security• Securing IT infrastructure and back-up systems• Security training• Contingency-planning
5	Attraction, retention and training of talent	The retention of key talents as well as attraction of new talent is important, especially in a time of growth.	<ul style="list-style-type: none">• Focus on employee wellbeing• Employer branding• Solid onboarding and training processes• Documented processes

Climate-related risk overview

	Risk description	Potential impact	Mitigating actions
A	Declining availability of cocoa	Cocoa production may be impacted from climate changes, which may impact the chocolate market	<ul style="list-style-type: none">Reduced demand for chocolate-related equipment and/or need for new types
B	Weather-related incidents	Risk of storms, floodings and other weather-related incidents	<ul style="list-style-type: none">Monitoring of the chocolate market in close cooperation with customersBusiness and product innovation
C	Increased climate-related costs	Increased costs for materials, energy, CO2 taxes a.o.	<ul style="list-style-type: none">Contingency measures for existing siteAssessment for potential new sites
D	Restrictions on virgin materials	Increased costs for materials, energy, CO2 taxes a.o.	<ul style="list-style-type: none">Actions to reduce energy consumption and use of low impact materials
E	Reputational and litigation risk	Restrictions on virgin materials, minimum requirements to recycled content and increased demand for circular business practices	<ul style="list-style-type: none">Increased cost for recycled materialsReduced quality of recycled materialsNeed for establishing takeback systems
		Public and market focus on climate change abatement commitment will increase as well as focus on real action and avoidance of greenwashing	<ul style="list-style-type: none">Actions to increase recycled content in used materialsDevelopment of business models to support takeback
		Fees for greenwashing and loss of reputation	<ul style="list-style-type: none">Targets and actions for achieving absolute reductionsDocumentation of performance

Anticipated financial effects from climate-related risks

The most significant financial risk from climate related physical risks is the potential decline in cocoa production. Today, 70% of the revenue is linked to the chocolate production and as such exposed to a risk of declining cocoa production. However, a development must be foreseen both for agricultural practices, for the geographic distribution of cocoa production and for materials that may substitute cocoa. Aasted has no assets exposed to high risk due to climate related physical risks.

Material transition risks include increase in material and energy prices and investments in energy savings and energy efficiency. We expect investments to be handled with a view to their ROI within the ongoing budgeting process without need for extra capital. Increases in material and energy prices are expected and will be integrated in the purchase and pricing processes to maintain the needed margin. Aasted has no assets exposed to high risk due to climate related transition risks.

It is difficult to estimate the magnitude of climate-related opportunities since climate and sustainability is one but not the only factor in choice of suppliers for our customers. We believe that our sustainability profile and energy solutions will enable us to both maintain existing customer relationships and open new doors.

Business ethics and compliance

Aasted works to promote ethical, social, and environmental responsibility across all business activities. We seek to always conduct business in accordance with international frameworks and conventions on human and labor rights from the UN, OECD, and ILO, as well as local legislation. We aim to have a positive impact on our surrounding environment by making demands and raising awareness on topics surrounding responsible and ethical business conduct where we have influence. This includes supporting human rights, labor rights, caring for the environment, and anti-corruption, as set forward in the UN Global Compact principles.

Guided by our Code of conduct

These principles are all integrated into our Code of conduct and our daily work. The Code of conduct is actively communicated to colleagues and business partners such as agents and suppliers, and we request everyone to sign it. This includes new colleagues as part of the onboarding program and, if promoted to manager, people are asked to sign it again to reiterate the content and their responsibilities. We also conduct training sessions, and all employees are requested to revisit the Code of conduct on an annual basis.

In the same way we ask all our suppliers to sign our Code of conduct as part of our general agreement, which is measured on an ongoing basis. You can read more about this and our engagement with suppliers on page 49-50.

Encouraging a speak-up culture

We encourage employees and external business partners to report activities that conflict with our Code of conduct through our internal channels, so that we can act upon it.

We have in 2023 conducted a risk assessment to better understand the most material risks. Based on this assessment, mitigating actions are implemented such as more precise guidelines on gifts for especially the agents operating in other countries.

In case of serious or sensitive breaches of the Code of conduct, such as cases of bribery or corruption, we offer a whistleblower setup where these cases can be reported – anonymously if preferred. The whistleblower system is available on our intranet and website along with our whistleblower policy that describes the handling process. The whistleblower system is open to both internal and external stakeholders and available in Danish and English. Our external partner ensures that anonymity is upheld and forwards reports to our legal department for handling.

To encourage a speak-up culture, we have introduced a speak-up policy, which has been pushed to everyone in Aasted as training. The policy includes guidance on the reporting process and channels including the whistleblower channel.

In case of an incident, the case will be handled by the legal department and if needed with support from outside and independent legal expertise. It will be ensured that investigations are carried out independently of the people and management line involved in the case. All incidents will be reported to the board of directors.

Training is conducted on an annual basis for all employees based on a “read-and-understand” approach. Extra training is conducted for selected groups based on a risk assessment.

We have received no report of ethics violations in 2023 from either internal reporting channels or the whistleblower system.

 [You can find the whistleblower-channel here.](#)

Other grievance mechanisms

In employee satisfaction surveys, that run at least biannually, employees can provide input and have the opportunity to raise concerns, but only anonymously. Trusting the level of anonymity is detrimental to the results, and there was raised a concern that the level of anonymity was not clear to employees. This was followed up by conducting workshops to explain and show how anonymity is protected.

In addition to this, a physical postbox has been set up in our Farum premises to allow an open feedback channel for

workers to use as well, choosing to be anonymous or not. This is specifically for employees to raise concerns that they do not feel comfortable sharing with the HR department or their managers, which is the preferred way to raise even a difficult issue or concern. Our Works Council also functions as a channel to report issues and raise concerns by workers through representatives to the management of Aasted.

Human Rights Due Diligence

We understand that our responsibilities go beyond our own colleagues and safeguard the rights of people impacted by our business. This includes customers, contractors and agents, workers in our supply chain, our neighboring communities, and others.

In 2023 we participated in the UN Global Compact Business and Human Rights Accelerator program. Through this process we initiated a more systematic approach to our due diligence process to identify and address actual and potential impact through appropriate action. We conducted a human rights assessment anew, engaging with internal stakeholders across the business. We will carry on the due diligence process by developing and reevaluating plans and actions to prevent and mitigate risks and monitor progress as the next steps. This will include a closer collaboration with our suppliers.

We track breaches on human rights through reported cases on our whistle blower hotline and internal reporting channels. There has not been a case of negative impact where remediation was required or wanted in relation to social impact.

Data ethics

As a global order manufacturing company that manufactures machinery for the food production industry, Aasted does not handle a large amount of data. Nevertheless, it is important that the data we do process is properly managed.

In 2021, we implemented a data ethics policy that describes Aasted's approach to data ethics and how we handle data. The core of the policy is that Aasted shall monitor and handle data in a fair and transparent manner for its users and partners.

We believe that transparency in data handling is part of being a decent business partner. To ensure monitorization, fairness, and transparency, in 2022 we established a data ethics group from the relevant departments in the company, led by our IT manager.

The data ethics group has made an overview of data being held by relevant parts of the business. Moreover, potential risks have been identified and assessed, and the group now works to mitigate these risks.

A responsible approach to tax

Aasted supports a responsible and positive tax contribution to society, and we continuously work to fulfil our tax obligations. We see tax as a key component of corporate responsibility and governance. In 2023, we paid 14 million DKK in corporate tax and other taxes and duties.



Political contributions and lobbying

In Aasted, we do not provide political contributions, neither financial nor in-kind. We have a donation policy that clearly excludes political donations. Donations are focused on supporting research in topics of relevance for Aasted's sustainability impacts and philanthropic purposes.

Aasted is not directly involved in lobbying activities, but we do participate in groups within our industry association, Dansk Industri (DI), which forms input on various political topics such as circular economy, ecodesign, European Inner Market regulations and standardization. We are also directly involved in standardization activities within circular economy and sustainability at national level (Danish Standards), European level (CEN and CENELEC) and international level (ISO and IEC). In these groups we advocate for an ambitious approach to sustainability, raising the bar, in line with our purpose and ambitions.

In 2023, we invited the top management from DI to visit us for a discussion on the importance of pursuing sustainability and how we can cooperate to advance the transformation. We urge DI both to advocate for high sustainability standards and to support their members in this transition process – both those who are still in the starting phase and those who are well ahead on the journey.

We have also through active participation by our sustainability manager contributed to coming European and international standards for circular economy, including for design guidelines for circular economy and for product circularity data sheets. And we have participated in the ATV project "Fremtidens bæredygtige produktion" (The future of sustainable manufacturing), which has assessed the development within the Danish manufacturing industry on 5 sustainability indicators and further has looked into the decision base and activities in the manufacturing companies.

We are furthermore supporting a local community initiative in Furesø Municipality called "Klimapartner", which focuses on helping local companies to improve on different climate-related issues such as energy, waste and materials. We also seek to inspire other companies through presentations made at different events about what we do on sustainability.



ATV Akademiet for de Tekniske Videnskaber



Stakeholder engagement

We seek to let stakeholders’ expectations and needs guide over business development and sustainability efforts. We interact with stakeholders at different levels and with different frequency and either directly or indirectly, but we find all stakeholders essential and take all expectations into account. Stakeholder involvement is an integral part of our materiality assessment process, and our board of directors are involved in the engagement approach as part of this process and as part of the business strategy updates.

Engagement with our workforce

In the identification process of the updated materiality assessment in 2023 workers’ representatives of our workforce was involved by providing input and feedback to which topics should be considered material to workers. The worker groups represented were workers at the factory in Farum and installation and commission engineers. In Denmark, there are two types of committees involving the workforce, that are required by law, where employees and management at the most senior levels collaborate and can flag material issues as well.

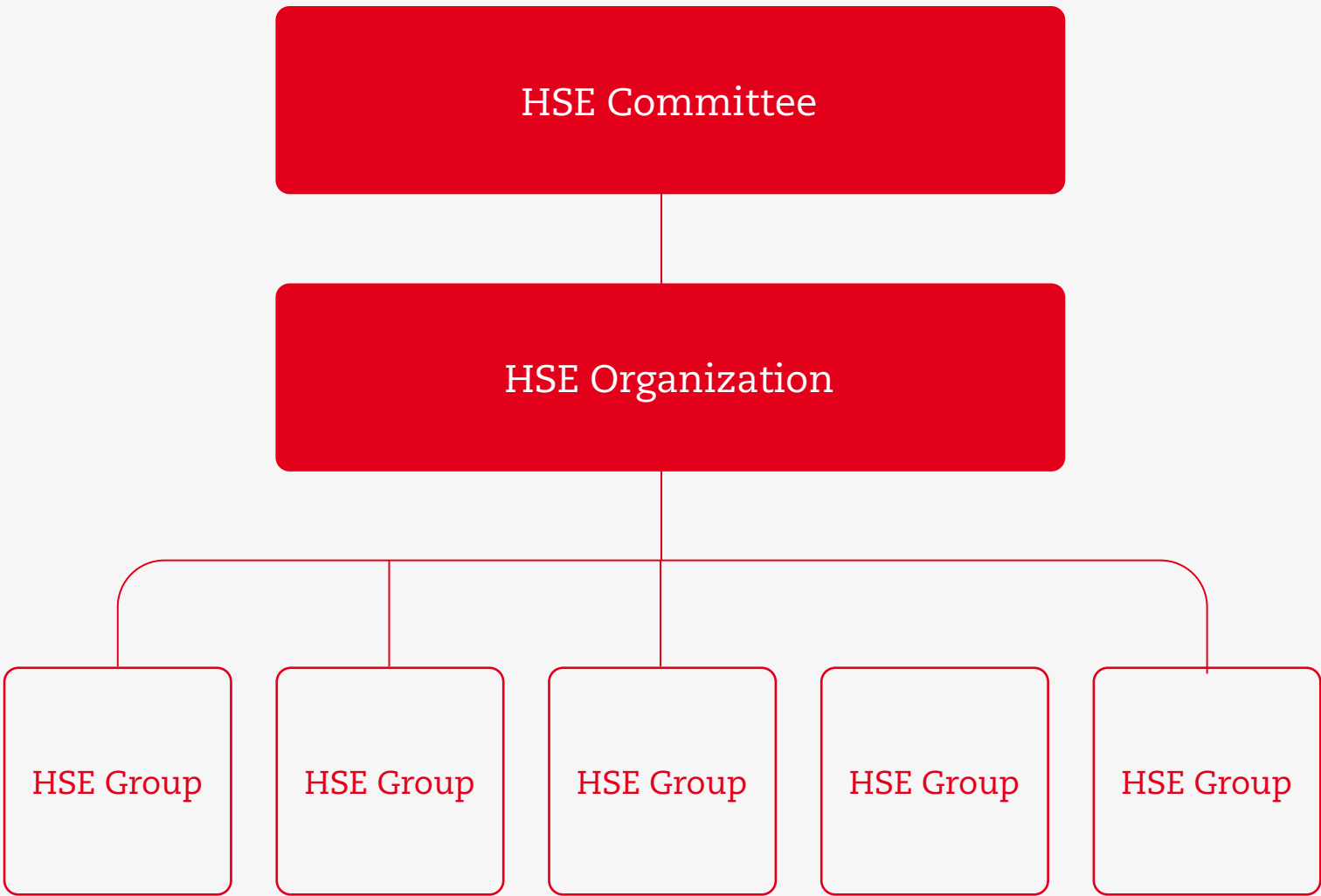
One is the Works Council, which purpose is to enhance the collaboration between management and employees for the development of the company and employees. The other is the Health, Safety, and Environment (HSE) Organization.

The Works Council consists of 5 worker elected representatives and 5 management representatives. They meet quarterly, where information on the status and strategic development of Aasted is required to be shared with employee representatives for input and feedback. This is put on record and revised at the following meeting. The chairman is together with the council responsible for ensuring the engagement takes place. The workers’ representatives are elected through an internal voting system.

The HSE Organization focus specifically on the improvement of health, safety and environmental risks and drive activities with participants from all departments and management levels to secure effective and efficient deployment. The representatives of the HSE Organization meet every 14 days in tandem with local HSE Groups. Issues raised are reported and discussed and when relevant pushed up to the strategic biannual HSE Committee meetings. The HSE Committee consists of the representatives from the HSE Organization, the management, and executive management. Our HSE Manager has the operational responsibility for the HSE organization in Aasted in Denmark.

Employees hired in subsidiaries or offices outside of Denmark can enter dialogue for improvements with their managers and have access to the HR department and HSE Manager as well for input and flagging issues.

HSE organization (Health, Safety and Environment)



Stakeholders in the value chain

In 2023 we engaged with representatives of 4 customers and 4 suppliers as part of getting input for our materiality assessment. We started a dialogue on needs and expectations from their side and have incorporated the results qualitatively into our scoring in the double materiality assessment.

This is the first year where we had a face-to-face dialogue with our customers and suppliers specifically in relation to material topics on ESG. Other ways that customers set expectations and requirements is through audits and assessments on HSE, machine safety, and responsible business conduct as part of their supplier management programs. We also get input from the larger customers through their ESG reports and own double materiality assessments. Engagement with suppliers usually happens through our own supplier management system, which at times opens for dialogue on particularly ESG. By engaging in these direct dialogues, we have the possibility to name our expectations to them and receive feedback and input on what is important to them as well.

In the coming time we will investigate how we can incorporate input from stakeholders in the overall value chain. This could be further up or down the supply chain, and through organizations with expertise or stakeholder representation in regard to particular topics and industries to give input to our materiality assessment.

Universities, research, and education institutions

We engage with education institutions and making Aasted available for students and researchers through educational engagements or collaborative projects.

We currently do not have a formal feedback system to capture direct expectations from this group of stakeholders, but generally participate in projects related to technology and process development in a collaborative manner to create and share know-how. Through this process, we receive new learnings as well, which gives us input on topics that can be material to us. Regardless, we see education and innovation as critical for our business and a potential in engaging with these institutions on materiality going forward for both input and feedback.



Supply chain management

In our own operations, we comply with all required regulations, respect all labor and human rights, and work to reduce our environmental footprint. However, our responsibility also includes our supplier network, which is accountable for a large part of our sustainability impacts and potential risks. Our environmental and social due diligence comprises five core elements:

1. Building a responsible supply chain supported by a comprehensive Code of conduct
2. Assessing and addressing country specific risks
3. Assessing and ranking suppliers based on a sustainability impact questionnaire
4. Improving suppliers' performance through support and training
5. Deploying audits to verify the suppliers' self-assessments

Building a responsible supply chain

Engaging with our suppliers on environmental, social, and ethical sustainability is an integral part of our supply chain policy. Guided by our triple bottom line, the policy embeds our 360-degree strategic perspective and sets out organizational measures, performance tools, and processes that enable the team to navigate and execute on compliance and impact improvements. It is essential for us to ensure responsible procurement activities and use our leverage to encourage responsible practices in our supply chain.

Aasted does not support or accept unethical business conduct such as bribery, corruption, money laundering, child labor, or forced labor. It is part of our responsibility to ensure that poor environmental and labor practice does not go unnoticed in our supply chain. We seek to monitor and promote this to our suppliers and require that they comply with the principles set out in our Code of conduct.

The requirements to good labor practices and respect of human rights as well as the environmental performance is further examined through the sustainability impact questionnaire. This information forms the basis for further dialogue with the suppliers on improvement and non-compliances and will be followed up with audits.

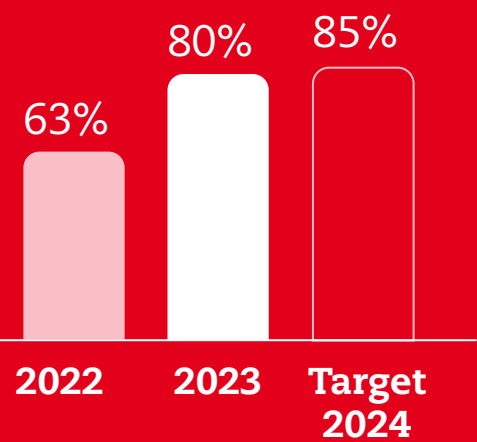
End of 2023, 80% of our suppliers either have an acceptable Code of conduct of their own or comply with ours through signatory commitment. It is our goal for 2024 that all Tier 1, 2, and 3 suppliers shall have documented Code of conduct compliance and that the total percentage of all used suppliers with acceptable Code of conduct increases to above 85%.

Managing country specific risks

As our company is part of the global supply chain network, an increased focus must therefore be put on supply chain risks. In our choice of suppliers, we assess risks related to labor and human rights, business ethics and climate and environment.

Based on this approach, the majority of Aasted suppliers are in the EU, where these risks are relatively low. In 2023, 63% of our spend was on suppliers from within Denmark, 88% or our spend on suppliers within the EU, and 98% of the spend on suppliers within Europe. We have during 2023 developed and implemented a new tool for country risk assessment that covers the Triple 'P's and includes risks to human and labor rights, corruption, climate and environment as well as business risks.

80%
of our suppliers
have an acceptable
Code of conduct.



88%
of our spend was on suppliers
within the EU in 2023.



We source from approx. 550 suppliers of which the majority are located in Europe to secure short lines and fast and flexible delivery.

Ranking and improving our suppliers

We seek to incentivize our suppliers to show social, ethical, and environmental stewardship. As such, it is vital to us that our suppliers understand the importance of sustainable development across our supply chain and their business flow. We communicate this through our collaboration and with our Aasted Impact Questionnaire, which every supplier must fill in. This questionnaire is then scored as an integrated part of our evaluation and approval procedure. The questionnaire covers the entire ESG range of sustainability topics and focuses on the suppliers’ management of these topics.

Aasted classifies suppliers into five tiers: Tier 1 are strategic partner suppliers; Tier 2 are significant suppliers; Tier 3 are key suppliers; Tier 4 are non-critical suppliers; and Tier 5 are non-risk suppliers. At the end of 2023, 99% of our Tier 1 and 2 suppliers completed our impact questionnaire by purchase volume, where 77% of all suppliers have completed our questionnaire by purchase volume. This is an improvement compared to last year.

Besides from ensuring that the suppliers have completed our questionnaire, we want to help existing suppliers increase their score and to place more orders with suppliers that have a higher score. This development is reflected in the average impact score for all suppliers by purchase volume, which for 2023 is 66 out of 100. We will continue our efforts to support and train our suppliers in order for them to improve their performance.

Auditing the performance

We have already for years evaluated and audited our suppliers on their quality performance. During 2024, we will extend our auditing to also cover the relevant sustainability issues. This will allow us to check the suppliers’ self-assessments and to look at supplementary topics, and form the basis for further collaboration on improvements.

Payment practices

Aasted’s standard contract payment term is current month plus 60 days after invoice date. In some cases, we negotiate other payment terms based on national regulations or supplier conditions.

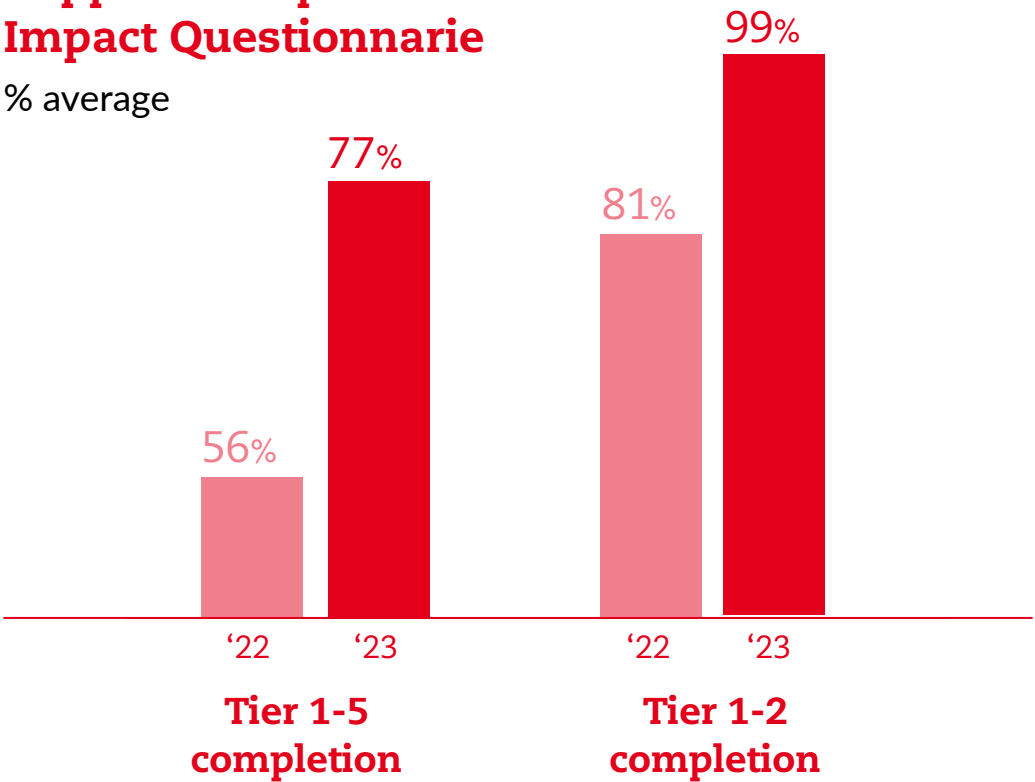
In 2023, we paid invoices 0.25 days after payment term in average, which means that most invoices were paid in due time and a few too late.

Impact score
for all suppliers

66 Average per spend

Supplier completion of
Impact Questionnaire

% average



Aasted's supplier ranking

The Aasted Impact Questionnaire scores and ranks suppliers on five sustainability dimensions

- 1 Corporate governance
- 2 Environment
- 3 Responsible supply chain management
- 4 Working conditions and human rights
- 5 Community engagement

Aasted Impact scores

0-20	Not Acceptable Immediate improvement
21-45	Acceptable Room for improvement
45-53	Bronze Strive for more
54-65	Silver Grow with the business
66-72	Gold Maintain maturity and focus
73-100	Platinum Maintain maturity and focus

Partnerships and commitments

In Aasted, we believe that sustainability is something we need to work towards together. No single company can achieve sustainability on its own. Therefore, we value co-operation and partnerships – both with our direct business partners and with other societal stakeholders and in line with the UN sustainable development goal 17. We see partnerships as a valuable instrument for sharing knowledge and for getting and giving inspiration.



Our partnerships and pledges



UN Global Compact
We have been member of UN Global Compact since 2021 and fully support the ten principles as well as the UN sustainable development goals. Within UNGC, we have actively participated in the Business and Human Rights accelerator program as a way to boost our efforts within this field.



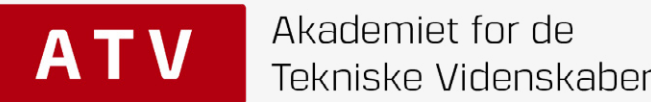
Science Based Targets initiative
We signed up for SBTi in 2022 with a net zero target for scope 1 and 2 and a commitment to measure our scope 3 emissions. We see SBTi as a platform to provide for trustworthy and science-based targets for climate emissions reductions. We have in cooperation with UNCG participated actively to communication the value of SBTi.



DI Diversity Pledge
We signed up for Danish Industry's Diversity Pledge in 2022 to support the agenda for increased diversity in our workplaces. We see diversity as an important strength and value the network and inspiration for how to strengthen our approaches for hiring and supporting a diverse workforce.



MADE
We value the opportunities to work with universities. MADE is one of the strong platforms in Denmark for cooperation between companies and universities, and we have for the last 3 years participated in the MADE network with a PhD project on product-service systems for sustainability.



ATV
ATV, The Academy for Technical Science, is another platform for cooperation between companies and universities. We have within ATV participated in a project on "The future of sustainable manufacturing" and contributes actively with our perspective as medium-sized manufacturing company.



Standardization
European and international standardization is a forum for cross-sector collaboration and sharing of knowledge. We participate actively in both Danish, European and international committees for standardization for circular economy and sustainability and contribute to the development of standards that support sustainable development.

Performance data

We believe in actions driving results



- ESG data
- Accounting policies
- Contributions to the SDGs
- UN Global Compact Principles index
- Disclosure requirements covered by this report
- Topics omitted in this report
- Independent assurance report

ESG data

Our energy consumption

	Unit	2023	2022	2021	2020	2019
Energy consumption from natural gas	MWh	236	698	1,307	1,151	1,372
Energy consumption from purchased electricity from fossil sources	MWh	169	147	288	324	314
Total fossil energy consumption	MWh	405	845	1,595	1,476	1,686
Share of fossil fuels in total energy consumption	%	19%	35%	53%	52%	58%
Consumption from nuclear sources (electricity)	MWh	190	160	32	46	45
Share of nuclear sources in total energy consumption	%	9%	7%	2%	2%	2%
Energy consumption from renewable sources (biogas)	MWh	117	263	304	164	0
Energy consumption from purchased electricity from renewable sources	MWh	1,385	1,164	1,089	1,174	1,156
Energy consumption from self-generated non-fuel renewable energy	MWh	0	0	0	0	0
Total renewable and low carbon energy consumption	MWh	1,692	1,587	1,425	1,384	1,201
Share of renewable and low carbon sources in total energy consumption	%	81%	65%	47%	48%	42%
Total energy consumption	MWh	2,097	2,432	3,021	2,860	2,888
Total energy consumption per net revenue	MWh/MDKK	2.7	4.2	6.0	5.0	4.9

Our climate gas emissions

	Unit	2023	2022	2021	2020	2019**	2025	2030	2050
Scope 1 GHG emissions*	tons CO ₂ e	65	159	273	231	279	53	14	0
% of Scope 1 GHG emissions from regulated emission trading schemes	%	0%	0%	0%	0%	0%	0	0	0
Gross scope 2 location-based GHG emissions*	tons CO ₂ e	123	105	103	111	109	105	29	0
Gross scope 2 market-based GHG emissions*	tons CO ₂ e	753	591	566	569	553	500	0	0
Total gross indirect (Scope 3) GHG emissions	tons CO ₂ e	590,626	-	-	-	-			
Purchased goods and services	tons CO ₂ e	23,201	-	-	-	-	-	-	-
Capital goods	tons CO ₂ e	466	-	-	-	-	-	-	-
Waste from operations	tons CO ₂ e	5	-	-	-	-	-	-	-
Use of sold products	tons CO ₂ e	565,697	-	-	-	-	-	-	-
End-of-life treatment of sold products	tons CO ₂ e	28	-	-	-	-	-	-	-
Upstream transportation	tons CO ₂ e	67	-	-	-	-	-	-	-
Downstream transportation	tons CO ₂ e	444	-	-	-	-	-	-	-
Business travels	tons CO ₂ e	492	-	-	-	-	-	-	-
Employee commuting	tons CO ₂ e	226	-	-	-	-	-	-	-
Total GHG emissions			-	-	-	-	-	-	-
Total GHG emissions (location-based)	tons CO ₂ e	590,814	-	-	-	-	-	-	-
Total GHG emissions (market-based)	tons CO ₂ e	591,444	-	-	-	-	-	-	-
Total GHG emissions (location-based) per net revenue	tCO ₂ e/MDKK	754	-	-	-	-	-	-	-
Total GHG emissions (market-based) per net revenue	tCO ₂ e/MDKK	755	-	-	-	-	-	-	-
Scope 1 & 2 GHG emissions (location-based) per net revenue	tCO ₂ e/MDKK	0.2	-	-	-	-	-	-	-
Scope 3 emissions per net revenue	tCO ₂ e/MDKK	754	-	-	-	-	-	-	-

* Part of PwC's limited assurance review
** Base year for Scope 1 & 2 emissions

Our water consumption

	Unit	2023	2022	2021	2020	2019
Total water consumption	m³	2,269	1,993	1,607	2,026	2,206
Water consumption per net revenue	m³/MDKK	2.9	3.5	3.2	3.5	3.7

Our waste management

	Unit	2023	2022	2021	2020	2019
Waste from operations. total	Tons	240.5	259.0	223.5	283.3	337.6
Waste for recycling	Tons	104.1	141.3	113.0	160.3	164.4
- Non-hazardous waste for recycling	Tons	103.0	140.3	112.2	160.3	164.4
- Hazardous waste for recycling	tons	1.1	1.0	0,8	0	0
Waste for bio-recovery	Tons	50.0	44.8	36.4	0	0
Total waste for recovery	Tons	154.4	186.1	149.4	160.3	164.4
Non-hazardous waste for incineration with energy recovery	Tons	71.4	65.2	62.7	113.2	-
Non-hazardous waste for landfill	Tons	5.0	7.0	9.1	7.7	-
Hazardous waste for incineration	Tons	1.9	0.7	2.2	2.0	-
Hazardous waste for landfill	Tons	0	0.048	0	0.004	-
Total non-recycled waste	Tons	78.3	72.9	74.0	122.9	-
Total waste for recovery	%	64%	72%	67%	57%	49%
Total non-recycled waste	%	33%	28%	33%	43%	50%

ESG data

Workforce characteristics

	Unit	2023	2022	2021	2020	2019
Male employees	Headcount	365	-	-	-	-
Female employees	Headcount	68	-	-	-	-
Other	Headcount	0	-	-	-	-
Not reported	Headcount	0	-	-	-	-
Total employees	Headcount	433	-	-	-	-
Employees in Denmark	Headcount	410	-	-	-	-
Employees in Turkey	Headcount	7	-	-	-	-
Employees in USA	Headcount	8	-	-	-	-
Employees in other countries	Headcount	8	-	-	-	-
Hourly salaried employees	FTE	147	105	95	113	117
Monthly salaried employees	FTE	268	250	238	232	243
Permanent employees – male	FTE	334	-	-	-	-
Permanent employees – female	FTE	60	-	-	-	-
Permanent employees – total	FTE	394	-	-	-	-
Temporary employees – male	FTE	10	-	-	-	-
Temporary employees – female	FTE	3	-	-	-	-
Temporary employees – total	FTE	13	-	-	-	-

Workforce characteristics – continued

	Unit	2023	2022	2021	2020	2019
Non-guaranteed hours employees – male	FTE	6	-	-	-	-
Non-guaranteed hours employees – female	FTE	1	-	-	-	-
Non-guaranteed hours employees – total	FTE	7	-	-	-	-
Full-time employees – male	FTE	334	-	-	-	-
Full-time employees – female	FTE	60	-	-	-	-
Full-time employees – total	FTE	394	-	-	-	-
Part-time employees – male	FTE	15	-	-	-	-
Part-time employees – female	FTE	4	-	-	-	-
Part-time employees – total	FTE	20	-	-	-	-
Total employees	FTE	414	355	333	345	360
Employee turnover	Headcount	136	60	65	67	65
Employee turnover rate	%	20	17	20	19	18
Non-employees	FTE	48	-	-	-	-

Collective bargaining coverage and social dialogue

	Unit	2023	2022	2021	2020	2019
Employees covered by collective bargaining agreements	%	45%	39%	42%	44%	45%
Employees working in establishments with workers' representatives (in Denmark)	%	100%	100%	100%	100%	100%

Diversity

	Unit	2023	2022	2021	2020	2019
Number and percentage of females in the board	Headcount	1	1	0	2	2
Number and percentage of females in the board	%	14	14	0	22	22
Number and percentage of males in top management	Headcount	15	16	11	11	11
Number and percentage of males in top management	%	75%	80%	65%	69%	79%
Number and percentage of females in top management	Headcount	5	4	6	5	3
Number and percentage of females in top management	%	25%	20%	35%	31%	21%
Number and percentage of females in management positions	Headcount	9	9	11	11	7
Number and percentage of females in management positions	%	20	26	33	33	20
Percentage of females in workforce	%	14%	15%	14%	15%	14%
Employees 18-24 years old	FTE	15	-	-	-	-
Employees 25-29 years old	FTE	32	-	-	-	-
Employees 30-39 years old	FTE	99	-	-	-	-
Employees 40-49 years old	FTE	84	-	-	-	-
Employees 50-66 years old	FTE	172	-	-	-	-
Employees 67+ years old	FTE	11	18	17	14	16
Number of student assistants	FTE	7	4	3	8	3
Number of apprentices	FTE	9	7	5	6	8

Training and skills development

	Unit	2023	2022	2021	2020	2019
Participation in regular performance and career development reviews – all employees	%	52%	-	-	-	-
Participation in regular performance and career development reviews – male employees	%	50%	-	-	-	-
Participation in regular performance and career development reviews – female employees	%	63%	-	-	-	-
Average number of training hours for all employees	Days	1.9	3.8	1.6	1.9	5.1
Average number of training hours for male employees	Days	3.8	-	-	-	-
Average number of training hours for female employees	Days	1.8	-	-	-	-
Average number of training hours for hourly salaried employees	Days	3.9	-	-	-	-
Average number of training hours for monthly salaried employees	Days	1.1	-	-	-	-

Health and safety

	Unit	2023	2022	2021	2020	2019
Covered by the company's health and safety management system	%	100%	100%	100%	100%	100%
Number of fatalities	Number	0	0	0	0	0
Number of high-consequence work-related injuries	Numer	0	0	0	0	0
Number of recordable work-related accidents	Number	5	3	8	6	6
Rate of recordable work-related accidents (lost time injury frequency rate)	Ratio	7.2	4.7	12.9	9.2	8.8
Cases of recordable work-related ill health	Number	1	-	-	-	-
Number of days lost to work-related accidents or ill-health or fatalities	Days	22	-	-	-	-
Lost time injury severity rate	Ratio	30.0	-	-	-	-
Employee sickness – Total	Days/FTE	11.3	10.0	10.8	8.8	7.9
Employee sickness – Hourly salaried employees	Days/FTE	15.4	18.2	22.2	11.6	10.7
Employee sickness – Monthly salaried employees	Days/FTE	8.9	6.4	6.3	7.4	6.6

Work-Life balance / Employee well-being

	Unit	2023	2022	2021	2020	2019
Percentage of employees entitled to take family-related leave	%	100%	100%	100%	100%	100%
Percentage of entitled people that took family-related leave – all employees	%	7.1%	-	-	-	-
Percentage of entitled people that took family-related leave – male employees	%	7.4%	-	-	-	-
Percentage of entitled people that took family-related leave – female employees	%	5.9%	-	-	-	-
Employee engagement rate	Ratio	77	78	-	-	-

Remuneration

	Unit	2023	2022	2021	2020	2019
Gender pay gap	%	-0.7	0.5	-8.6	0.9	-1.2
Annual total remuneration ratio (highest paid to median)	Ratio	5.2	6.0	6.4	6.4	6.4
Annual total remuneration ratio (highest paid to lowest paid)	Ratio	11.3	-	-	-	-

Incidents, complaints, and severe human rights impacts

	Unit	2023	2022	2021	2020	2019
Number of reported incidents of discrimination and harassment	Number	3	2	-	-	-
Number of other complaints filed	Number	0	0	-	-	-
Amount of material fines, penalties and compensation as result of above incidents and complaints	DKK	0	0	0	0	0

ESG data

Supplier management

	Unit	2023	2022	2021	2020	2019
Suppliers (tier 1-5) with completed impact questionnaire (by spend)	%	77%	67%	50%	n/a	n/a
Suppliers (tier 1-2) with completed impact questionnaire (by spend)	%	99%	81%	79%	n/a	n/a
Suppliers covered by acceptable Code of conduct	%	80%	59%	64%	n/a	n/a
Average impact score weighted by spend	Score	65.9	60.4	60.8	n/a	n/a
Number of reported incidents related to labor or human rights	Number	0	0	0	0	0
Number of audits conducted related to sustainability and human rights	Number	0	0	0	0	0
Average time to pay an invoice from contractual day	Days	0.25	-	-	-	-
Number of legal proceedings related to late or insufficient payments	Number	0	0	0	0	0

Incidents of corruption and anti-competitive behavior, and political contributions

	Unit	2023	2022	2021	2020	2019
Number of convictions for violation of anti-corruption, anti-bribery or anti-competition law	Number	0	0	0	0	0
Amount of fines as result of above convictions	DKK	0	0	0	0	0
Number of confirmed incidents of corruption or bribery	Number	0	0	0	0	0
Number of confirmed incidents of corruption or bribery where employees have been dismissed or disciplined	Number	0	0	0	0	0
Number of confirmed incidents of corruption or bribery where contract with business partner has been terminated	Number	0	0	0	0	0
Financial or in-kind political contributions	DKK	0	0	0	0	0

Finance

	Unit	2023	2022	2021	2020	2019
Revenue	t.DKK	783,490	576,718	501,099	571,464	589,455
Revenue growth	%	36	15%	-12%	-3.1%	-6.7%
EBITDA	t.DKK	78,913	45,790	39,466	53,230	51,382
EBITDA %	%	10.1%	7.9%	7.9%	9.3%	8.7%
Net result before tax	t.DKK	66,733	28,896	28,726	45,244	39,265
Tax	t.DKK	14,397	6,893	6,199	8,939	10,015
Solvency ratio	%	24.7%	31.4%	38.5%	36.6%	25.4%
Credit Assessment	SCORE	AAA	AAA	AAA	AAA	AA

Accounting policies

About this report

This corporate responsibility report covers the period 1 January 2023 - 31 December 2023. The following accounting practices cover disclosures made in relation to our sustainability strategy and the materiality assessment, which is disclosed in this report. The disclosed key figures constitute the metrics that we consider paramount to pursue our strategy and our ambition to lead the sustainability transition within our industry.

Scope

Unless otherwise stated, figures represent Aasted ApS with premises in Farum, Denmark, and its subsidiaries, Aasted Germany GmbH, Aasted Turkey and Middle East LLC with premises in Istanbul Turkey, and Aasted North America Inc. with premises in Atlanta, Georgia.

Environment

Energy and climate

Factors for share of fossil, nuclear or renewable sources for both gas and electricity in Denmark are based on declarations from Energinet. For the USA and Turkey is assumed 100% fossil fuels.

Energy consumption from natural gas

Total m³ gas from US and Turkey and share of m³ gas from DK not being biogas (1-factor) converted into MJ with use of energy factor from the Danish Energy Authority on calorific value (39,6 MJ/m³) and the IPCC factor (277,8 MJ/MWh).

Energy consumption from purchased electricity from fossil sources

Total MWh from US and Turkey and share of MWh from DK from fossil fuels (MWh * share of fossil fuel).

Consumption from nuclear sources (electricity)

MWh from DK * share from nuclear.

Energy consumption from renewable sources (biogas)

m³ gas from DK * biogas factor.

Energy consumption from purchased electricity from renewable sources

MWh from DK * share from renewables (location-based method).

Energy consumption from self-generated non-fuel renewable energy

Own production of energy like solar energy.

Total renewable and low carbon energy consumption

Sum of energy consumption from nuclear and renewable sources including own production.

Energy intensity per net revenue

Total energy consumption divided by total revenue.

Climate emissions

For all scopes, we assess climate emissions for all climate gases, measured as CO₂-equivalents (CO₂e). Calculatons follow the GHG Protocol.

Gross Scope 1 GHG emissions

Our Scope 1 GHG emissions stem from use of natural gas for heating, gas bottles used for manufacturing processes, and use of company cars. Heating covers the three premises in Farum, Denmark, in Turkey and in the USA. Gas bottles are only used in Farum. Company cars covers cars in Denmark. For emission conversion factors are used factors from the Danish Energy Authority and from GHG Protocol.

Gross Scope 2 GHG emissions

Our Scope 2 GHG emissions stem from use of electricity in our three premises in Farum, Denmark, in Turkey and in the USA. Scope 2 is calculated both based on location-based method and market-based method. For emission conversion factors are used factors from the Danish Electricity Net Authority (Energinet), from US EPA in the USA and from Carbon Footprint Ltd for Turkey.

We have in 2023 updated our carbon emission factors for Denmark since Energinet has started to split emission factors for West and East Denmark from 2022, so that we can now use more specific location-based data. To allow for comparison backwards and since the emission factor for East Denmark is considerably lower than for entire Denmark, we have recalculated 2019-2022 emissions based on the 2022 East Denmark emission factor.

Gross Scope 3 GHG emissions

Our scope 3 emissions are calculated based on the following categories:

C1 Purchased products and services

Is calculated based on our spend on products and services.

C5 Waste in operations

Is based on GHG emission data from our vendor.

C11 Use of Sold Products

Is calculated based on energy consumption from delivered projects with estimated use scenario and lifetime and using country specific emission factors.

C12 EoL treatment of sold products

Is calculated based on weight of sold goods and estimated average distribution of materials and expected treatment.

C9 Downstream transportation

Is based on GHG emission data from our vendors.

C6 Business travels

Is based on GHG emission data from our vendor.

C7 Employee commuting

Is calculated based on an internal commuting survey from October 2023.

Resources and waste

Water consumption

Total gross water usage as of 31/12/2023 from premises in Denmark, USA, and Turkey based on invoices from utilities.

Waste from operations

Data from our external supplier's waste management system which includes characterization, weight and treatment per type of waste. Waste for recovery includes waste for recycling and waste for bio-recovery. Non-recycled waste includes waste for incineration and waste for landfill. All data are based on weighing of collected waste.

Social

Workforce

Headcount or FTE as of 31/12-2023. ESG numbers and ratios are calculated in accordance with the guidelines issued by FSR – Danish Auditors, CFA Society Denmark, and Nasdaq in December 2020. For further description of the calculation methods applied, visit the website of FSR – Danish Auditors: <https://www.fsr.dk/esg>.

Part time employees includes people who are hired to work less than 37 hours/week.

Temporary employees include people employed for a specific limited period, e.g., temps.

Non-guaranteed hours employees include employees with contracts that do not guarantee a minimum number of hours, e.g., student workers.

Employee turnover rate

Number of involuntary and voluntary leavers divided by FTE end year.

Non-employees

Number of people working in Aasted but employed by another employer, e.g. a temp agency.

Employees covered by collective bargaining agreements

Includes hourly salaried employees and certain groups of salaried employees.

Employees working in establishments with workers' representatives

Covers Denmark as the only country with more than 50 employees. In Denmark, all works are covered.

Females in the Board

Number and percentage of women in the board of directors as of 31/12/2023.

Males/females in top management

Number and percentage of men/women in the top management as of 31/12/2023. Top management defined as level 1 and 2, i.e. the CXO level and the level below, and with personnel management responsibility.

Males/females in management

Number and percentage of men/women in management positions as of 31/12/2023.

Females in workforce

Female FTEs divided by male FTEs.

Participation in regular performance and career development reviews

Percentage of employees who have participated in an annual performance and career development consultation with their manager as registered with HR.

Training hours

Number of training hours pr. FTE as an average from 31/12/2022 -31/12/2023. For 2019 FTE number is ultimo 2019 and not an average. We are using FTE as we have not tracked headcount before 2023 reporting.

Covered by the company's health and safety management system

All of Aasted's staff is covered by our company health and safety management system as described in this report. Also staff employed outside of the Farum office are represented in the health and safety organization.

Number of fatalities

Fatal accidents at work are those that lead to the death of the victim within one year of the accident taking place – number as of end of 2023.

Number of high-consequence work-related injuries

Covers injuries from which the worker cannot recover to pre-injury health status within 6 months – number as of end of 2023.

Number of recordable work-related accidents

Number of recorded work-related accidents resulting in absence after the day of the incident – as of end of 2023.

Rate of recordable work-related accidents

Number of cases / total hours worked (639,000) x 1,000,000.

Cases of recordable work-related ill health

Number of recorded work-related ill-health (not including injuries) as of end of 2023.

Number of days lost to work-related accidents or ill-health or fatalities

Number of days lost including the first full day and last day of absence and counted as calendar days (i.e. including weekends and public holidays). We do not have statistics from before 2023.

Lost time injury severity rate

Number of days lost (as above) per 1 million working hours (Number of days lost / total hours worked x 1,000,000).

Employee sickness

Number of whole sick days divided by FTE.

Employee sickness – Hourly salaried employees

Number of whole sick days divided by FTE of hourly salaried employees.

Employee sickness – Monthly salaried employees

Number of whole sick days divided by FTE of monthly salaried employees.

Percentage of employees entitled to take family-related leave

In Aasted, all employees are entitled to take family-related leave, either by law, by collective bargaining agreement, or by contract.

Percentage of entitled people that took family-related leave

Number of employees on family-related leave, partly or wholly, within period divided by FTE for total workforce (split for men and women).

Employee engagement rate

Engagement rate from latest employee survey within the calendar year. The scale is 0-100.

Gender pay gap

(Average gross hourly pay level of male employees – Average gross hourly pay level of female employees) / Average gross hourly pay level of male employees x 100.

Annual total remuneration gap (highest paid to median)

Annual total remuneration for CEO compared to median annual remuneration of the total workforce.

Annual total remuneration gap (highest paid to lowest paid)

CEO hourly salary compared to hourly salary for lowest paid full-time employee.

Number of reported incidents of discrimination and harassment

Number of incidents reported within the year to either direct manager, to HR or to our Speak Up or Whistleblower channels.

Number of other complaints filed

Number of complaints related to human or labor rights filed within the year (excluding incidents of discrimination and harassment).

Amount of material fines, penalties and compensation as result of above incidents and complaints

Material fines, penalties and compensation paid either as result of a sentence or as result of voluntary agreements.

Governance

Supplier management

Suppliers (tier 1-5) with completed impact questionnaire (by spend)

Part of our spend that is used with suppliers who have completed our impact questionnaire – covering all suppliers (tier 1-5).

Suppliers (tier 1-2) with completed impact questionnaire (by spend)

Part of our spend that is used with suppliers who have completed our impact questionnaire – covering strategic key suppliers (tier 1-2).

Suppliers covered by acceptable Code of conduct

Part of our spend that is used with suppliers who have either signed our Code of conduct or have their own Code of conduct of a similar level.

Average impact score for suppliers weighted by spend

Indicator for supply chain sustainability management. Average by spend for all suppliers on their impact score (score from our impact questionnaire). If a suppliers has not submitted an impact questionnaire they are given a score of 0.

Number of reported incidents related to labor or human rights

Number of incidents with our suppliers that are reported to Aasted.

Number of audits conducted related to sustainability and human rights

Number of audits in the year of our suppliers covering sustainability and human rights issues and carried out either by Aasted staff or by a 3rd party with reporting to Aasted.

Average time to pay an invoice from contractual day

Average time supplier invoices are paid based on invoice day and agreed terms. If paid on agreed day, the value is 0. If paid before agreed day, the value is negative, when paid after agreed day the value is positive. Average as of end of year based on latest 3 months spend.

Number of legal proceedings related to late or insufficient payments

Number of legal proceedings during the year issued by a supplier for late or insufficient payment.

Number of convictions for violation of anti-corruption or anti-bribery law

Number of convictions within the year of Aasted or any of Aasted's employees or agents for violation of anti-corruption or anti-bribery law.

Amount of fines as result of above convictions

Any fines as a result of a conviction for violation of anti-corruption or anti-bribery law converted to DKK.

Number of confirmed incidents of corruption or bribery

Number of incidents with direct involvement of Aasted employees within the year where a case of corruption or bribery has been confirmed. Further stated if the incident has led to dismissal or disciplining an employee or if it has led to termination of the contract with a business partner.

Financial or in-kind political contributions

The total monetary value of financial and in-kind political contributions made directly and indirectly by Aasted within the year.

Finance

Revenue

Financial revenue as for the year.

EBITDA

Earnings Before Interest, Tax, Depreciation and Amortization as for the year.

EBITDA %

Financial EBITDA for the year in percentage of revenue.

Net income before tax

Financial net income before deduction of tax for the year.

Tax

Financial tax for the year.

Solvency ratio

Equity divided by assets as of 31/12/2023.

Credit Assessment

Dun & Bradstreet credit assessment.

Contribution to the SDGs

SDG	Target	Activities	Section	Page
SDG 5 Achieve gender equality and empower all women and girls	5.1 End all forms of discrimination against all women and girls everywhere	Encouraging a speak-up culture	Business ethics and compliance	44
	5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public	Promoting equal opportunities	Diversity, equity and inclusion	31
	5c Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels	Targets for the underrepresented gender Equal pay Anti-harassment		
SDG 7 Ensure access to affordable reliable, sustainable and modern energy for all	7.3 By 2030, double the global rate of improvement in energy efficiency	Transition plan towards net zero for scope 1 + 2 + 3 Avoided emissions: Energy Solutions	Energy and climate	21-22
SDG 8 Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all	8.4 Improve progressively through 2030 global resource efficiency in consumption and production and endeavor to decouple economic growth from environmental degradation 8.8 Protect labor rights and promote safe and secure working environments for all workers	Transition plan towards net zero for scope 1 + 2 + 3 Avoided emissions: Energy Solutions	Energy and climate	21-22
		Designing for circularity	Resources and circularity	25-27
		Better waste management		
		Extended service life – improving material efficiency	Health and safety	30
		Driving down accidents and improving safety	Human rights due diligence	44-45
SDG 9 Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes 9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending	Human rights and anti-corruption	Supply chain management	49-50
		Engaging with our suppliers on sustainability		
SDG 12 Ensure sustainable consumption and production patterns	12.2 By 2030, achieve the sustainable management and efficient use of natural resources 12.4 Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse	Avoided emissions: Energy Solutions	Energy and climate	22
		Designing for circularity	Resources and circularity	25-27
		Extended service life – improving material efficiency		
SDG 13 Take urgent action to combat climate change and its impacts	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters 13.2 Integrate climate change measures into national policies, strategies and planning 13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	Engaging with research and education	Partnerships and commitments	51
SDG 17	17.16 Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships 17.17 Encourage and promote effective public, public-private and civil society partnerships	Transition plan towards net zero for scope 1 + 2 + 3 Avoided emissions: Energy Solutions	Energy and climate	21-22
		Engaging with our suppliers on sustainability	Supply chain management	49-50
SDG 17		UN Global Compact membership	Partnerships and commitments	51
		Signing up for Science Based Targets initiative		
		Engaging with research and education including MADE and ATV		
		Signing up for DI Diversity Pledge	Supply chain management	49-50
		Active participation in standardization		
		Engaging with our suppliers on sustainability		

UN Global Compact

Aasted supports the UN Global Compact and is an active member. The index below shows where to find information on how we in Aasted have worked with each the ten principles during 2023. Our Aasted Code of conduct is the overarching policy of how we upright hold these principles in our activities and our work with this policy is part of how we promote greater responsibility among our business partners.

UN global compact principles

		Section	Page
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights	People – Labor practices and rights Governance – Business ethics and compliance Governance – Supply chain management	30 44-45 49-50
Principle 2	Businesses should make sure that they are not complicit in human rights abuses	People – Labor practices and rights Governance – Business ethics and compliance Governance – Supply chain management	30 44-45 49-50
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	People – Labor practices and rights Governance – Supply chain management	30 49-50
Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labor	People – Labor practices and rights Governance – Business ethics and compliance Governance – Supply chain management	30 44-45 49-50
Principle 5	Businesses should uphold the effective abolition of child labor	People – Labor practices and rights Governance – Business ethics and compliance Governance – Supply chain management	30 44-45 49-50
Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation	People – Diversity, equity and inclusion Governance – Business ethics and compliance Governance – Supply chain management	31 44-45 49-50
Principle 7	Businesses should support a precautionary approach to environmental challenges	ESG approach	13-15
Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility	ESG approach Energy and climate – Our transition plan Resources and circularity	13-15 21 23-27
Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technology	Energy and climate – Our transition plan Resources and circularity – Designing for circularity	21 25
Principle 10	Businesses should work against corruption in all its forms including extortion and bribery	Governance – Business ethics and compliance Governance – Supply chain management	44-45 49-50

Disclosure requirements covered by this report

This report covers disclosure requirements from the CSRD and the related ESRS according to our double materiality assessment. The below table provides an overview of where each disclosure requirement is reported.

Disclosure requirement	Section	Page
BP-1 – General basis for preparation of the sustainability statements	About the report	2
BP-2 – Disclosures in relation to specific circumstances	About the report	2
GOV-1 – The role of the administrative, management and supervisory bodies	Governance	35-38
GOV-2 – Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies	Governance of sustainability	37
GOV-3 – Integration of sustainability-related performance in incentive schemes	Governance of sustainability	37-38
GOV-4 – Statement on sustainability due diligence	Governance of sustainability	38
GOV-5 – Risk management and internal controls over sustainability reporting	Risk management	40-43
SBM-1 – Market position, strategy, business model(s) and value chain	Aasted strategy 2030 + How we create value + ESG approach	10-14
SBM-2 – Interests and views of stakeholders	Materiality – Stakeholder involvement + Stakeholder engagement	16-17, 47-48
IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	Materiality assessment + Governance – Business risks and opportunities	16-17, 40-43
IRO-2 – Disclosure Requirements in ESRS covered by the undertaking’s sustainability statements	Disclosure requirements covered by this report	68-71
E1-1 – Transition plan for climate change mitigation	Energy and climate – Our transition plan	21-22
E1-2 – Policies related to climate change mitigation and adaptation	Energy and climate – Committed to climate action + Our transition plan	19-22
E1-3 – Actions and resources in relation to climate change policies	Energy and climate – Our transition plan	21-22
E1-4 – Targets related to climate change mitigation and adaptation	Energy and climate – Committed to climate action	19
E1-5 – Energy consumption and mix	Energy and climate – Our emissions + Performance data – Energy consumption	20, 53, 63
E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	Energy and climate – Our emissions + Performance data	20, 54, 63
E1-7 – GHG removals and GHG mitigation projects financed through carbon credits	Energy and climate – Our transition plan + Performance data	22, 54, 63
E1-8 – Internal carbon pricing	Energy and climate – Our transition plan	22

Disclosure requirement	Section	Page
E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Governance – Anticipated financial effects	43
E3-4 – Water consumption	Performance data	55
E4-1 – Transition plan and consideration of biodiversity and ecosystems in strategy and business model	Governance – Risk management	40-43
E5-1 – Policies related to resource use and circular economy	Resources and circularity – Transitioning from linear to circular economy	24-25
E5-2 – Actions and resources related to resource use and circular economy	Resources and circularity	23-27
E5-3 – Targets related to resource use and circular economy	Resources and circularity – Transitioning form linear to circular economy	24-25
E5-5 – Resource outflows	Resources and circularity – Better waste management + Performance data	26, 55
S1-1 – Policies related to own workforce	People, Governance – Policies and standards	28-32, 39
S1-2 – Processes for engaging with own workforce and workers’ representatives about impacts	Governance – Stakeholder engagement	47
S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns	Governance – Business ethics and compliance	44-45
S1-4 – Taking action on material impacts on own workforce	People	28-32
S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	People – Ensuring our people thrive	29
S1-6 – Characteristics of the undertaking’s employees	People – Ensuring our people thrive, Performance data Workforce characteristics	29, 56-57
S1-7 – Characteristics of non-employees in the undertaking’s own workforce	Performance data Workforce characteristics	57, 64
S1-8 – Collective bargaining coverage and social dialogue	Performance data – Collective bargaining coverage and social dialogue	57, 64
S1-9 – Diversity metrics	Performance data – Diversity	58
S1-10 – Adequate wages	People – Diversity, equity, and inclusion – Living wage	31

Disclosure requirement	Section	Page
S1-11 – Social protection	People – Health and safety – Social protection and access to health care	30
S1-13 – Training and skills development metrics	People – Training and skills development + Performance data	32, 59, 64
S1-14 – Health and safety metrics	People – Health and safety + Stakeholder engagement + Performance data	30, 47, 59, 64
S1-15 – Work-life balance metrics	Performance data	60, 64
S1-16 – Remuneration metrics (pay gap and total remuneration)	People – Diversity, equity, and inclusion + Performance data	31, 60, 64
S1-17 – Incidents, complaints and severe human rights impacts	People – Employee well-being + Performance data	32, 60, 64
S2-1 – Policies related to value chain workers	Policies and standards + Business ethics and compliance + Supply chain management	39, 44, 49-50
S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns	Business ethics and compliance	44
S2-4 – Taking action on material impacts on value chain workers	Supply chain management	49-50
S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Supply chain management	49-50
G1-1– Business conduct policies and corporate culture	Governance – Buiness ethics and compliance + Policies and standards	44-45, 39
G1-2 – Management of relationships with suppliers	Governance – Supplier management	49-50
G1-3 – Prevention and detection of corruption and bribery	Governance – Buiness ethics and compliance	44-45
G1-4 – Incidents of corruption or bribery	Governance – Buiness ethics and compliance + Performance data	44, 61
G1-5 – Political influence and lobbying activities	Political contributions and lobbying	46
G1-6 – Payment practices	Supply chain management	50

Topics omitted in this report

Based on the double materiality assessment a number of topics have been assessed not to be material for Aasted, since their scale, scope or likelihood are minor.

Topic	Reason for omitting
Climate adaption	With a location in an industrial area in Farum, Denmark, the climate related risks to our site are minor, including flooding
Pollution to air, water, soil, and living organisms	Aasted do not emit any significant emissions to air, water, soil or nature since we mainly operate assembly activities. Neither do our direct suppliers cause any significant pollutions. Both information and influence further up the value chain is limited
Water withdrawals	Aasted is not involved in any water withdrawals. We monitor our water consumption in order to regulate it
Water discharges	We do not discharge any pollutants to the wastewater. The only discharged substances are chocolate and organic oil when equipment is cleansed. Neither do our direct suppliers discharge any significant pollutions. Both information and influence further up the value chain is limited
Pressure on marine resources	Aasted is not using any marine resources either directly nor indirectly
Biodiversity loss	With a location in an industrial area, Aasted is not disturbing any biotope or having any direct impact on biodiversity. Any impact on biodiversity loss is more indirectly and caused by our use of materials or climate gas emissions (which we report)
Resource inflows	We do not have data of satisfactory quality. We expect this to be included for the next year's report.
Anticipated financial effects from material resource use and circular economy-related risks and opportunities	We do not have data of satisfactory quality. We expect this to be included for the next year's report.
Persons with disabilities	In accordancce with national legislation, we do not register if employees have disabilities
Child labor and forced labor	We do not allow child labor or forced labor as an explicit part of our Code of conduct and see these topics as an integral part of our company culture and business ethics and covered by our supplier due diligence process (which we report)
Adequate housing	Adequate housing is not a work-related issue in Denmark. All Aasted employees are paid a salary that is adequate to allow for paying for a place to live and Aasted does not provide housing for employees. With most suppliers within Europe, housing is not seen as a material issue.
Processes for engaging with value chain workers about impacts	We do not currently have processes for engaging with value chain workers
Economic, social, and cultural rights	No impact has been identified for Aasted impacting any economic, social, or cultural rights through our business or products
Civil and political rights	No impact has been identified for Aasted impacting any civil or political rights through our business or products
Indigenous communities	Aasted has no activities involving or impacting indigenous communities and do not source from suppliers with such activities
Social inclusion of end-users	Aasted's products are purely for business and cannot impact social inclusion of end-users

Independent assurance report

Independent auditor's limited assurance report on Scope 1 and 2 GHG emissions

To the stakeholders of Aasted ApS

Aasted ApS engaged us to provide limited assurance on 2023 GHG emissions in Scope 1 and 2 as stated in the 2023 Sustainability Report for the period 1 January – 31 December 2023.

Our conclusion

Based on the procedures we performed and the evidence we obtained, nothing came to our attention that causes us to believe that the GHG emissions in Scope 1 and 2 stated on **page 54** in the 2023 Sustainability Report of Aasted ApS are not prepared, in all material respects, in accordance with the applied accounting policies developed by Management of Aasted ApS as stated on **pages 63-65**.

This conclusion is to be read in the context of what we state in the remainder of our report.

What we are assuring

The scope of our work was limited to assurance over the GHG emissions Scope 1 and 2 emissions as stated on **page 54** in the 2023 Sustainability Report of Aasted ApS.

We express limited assurance in our conclusion.

Professional standards applied and level of assurance

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised)

'Assurance Engagements other than Audits and Reviews of Historical Financial Information' and, in respect of the greenhouse gas emissions, in accordance with International Standard on Assurance Engagements 3410 'Assurance engagements on greenhouse gas statements'. The quantification of greenhouse gas emissions is subject to inherent uncertainty because of incomplete scientific knowledge used to determine the emissions factors and the values needed to combine emissions of different gasses.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks; consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our independence and quality control

We have complied with the independence requirements and other ethical requirements in the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, and ethical requirements applicable in Denmark.

PricewaterhouseCoopers applies International Standard on Quality Management 1, ISQM 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our work was carried out by an independent multidisciplinary team with experience in sustainability reporting and assurance.

Understanding reporting and measurement methodologies

The sustainability performance data need to be read and understood together with the accounting policies, which Management is solely responsible for selecting and applying.

The absence of a significant body of established practice on which to draw to evaluate and measure sustainability performance data allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time.

Work performed

We are required to plan and perform our work in order to consider the risk of material misstatement of the GHG emissions in Scope 1 and 2. In doing so and based on our professional judgement, we:

- Through inquiries and interviews with data responsables at Group level evaluated processes for consolidation, use of systems and GHG emissions data controlling at Group level;
- Tested samples of GHG emissions in Scope 1 and 2 in scope of assurance to underlying documentation and assessed the adequacy of reporting processes and alignment with applied accounting policies;
- Performed analytical review of the GHG emissions in Scope 1 and 2 and stated explanations for developments;
- Reviewed the consolidated GHG emissions in Scope 1 and 2 and the presentation hereof in the 2023 Sustainability Report, and
- Evaluated the obtained evidence.

Management's responsibilities

Management of Aasted ApS is responsible for:

- Designing, implementing and maintaining internal control over information relevant to the preparation of the GHG emissions in Scope 1 and 2 that are free from material misstatement, whether due to fraud or error;
- Establishing objective accounting policies for preparing the GHG emissions in Scope 1 and 2;
- Measuring and reporting the information in the GHG emissions in Scope 1 and 2 based on the accounting policies; and
- The content of GHG emissions in Scope 1 and 2 in the 2023 Sustainability Report.

Our responsibility

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the GHG emissions in Scope 1 and 2 for the period 1 January – 31 December 2023 are prepared, in all material respects, in accordance with the accounting policies;
- Forming an independent conclusion, based on the procedures performed and the evidence obtained; and
- Reporting our conclusion to the stakeholders of Aasted ApS.

Hellerup, 15 March 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 3377 1231

Kaare von Cappeln
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