Aasted Holding ApS
Sustainability Report
2024

Aasted Holding ApS
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About this report

Aasted Holding's Sustainability Report covers the 2024 calendar year and aims to provide a balanced overview of our approach to and performance on our most material environmental, social, and governmental issues.

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

Report scope

The report covers the Group Aasted including Aasted Holding ApS and underlying subsidiaries.

Reporting principles

The report describes our approach to and our performance within our most material environmental, social, and governmental issues. These are detailed in the section on materiality. 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 with inspiration from the EU Corporate Sustainability Reporting Directive (CSRD) and the supporting ESRS standards. The selection of disclosed topics is based on a double materiality assessment. Only ESRS data points identified as material under the double materiality assessment and mandatory under the ESRS are reported.

Time horizons

The short-term time horizon for data in the report follows the financial statement in the Aasted Holding Annual Report. Medium- (up to five years) and long-term (more than five years) horizons are aligned with the definitions under the double materiality assessment.

Value chain data

Where direct data from the value chain are not available, more indirect sources are used for calculation with accordingly lower level of accuracy. This approach is e.g. used for calculating the up- and downstream scope 3 climate emissions. Aasted relies on the following key methods of measurement aligned with the recommendations of the GHG protocol: 1) Spend-based, 2) Activity-based and 3) Hybrid. The level of accuracy will improve over the coming years as we get access to more direct value chain data. For all metrics, a more detailed note explains the calculation method and the data source.

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:

With the acquisition of Imperial Design Technologies (IDT), the data for this subsidiary are included in the reported data unless otherwise stated. Where appropriate, the split between Aasted ApS and IDT will be shown.

The new external warehouse in Slangerup is included in the energy and climate data and will affect the scope 1 and 2 emissions.

Dear reader,

This report presents Aasted Holding ApS and the underlying subsidiaries including Aasted ApS' corporate responsibility commitments, activities, and progress in 2024.

Our company purpose is to lead the transition towards sustainable chocolate, confectionery/nutrition bars, and bakery production. We are now a B Corporation. We believe that social responsibility and environmental sustainability are key factors for the long-term success of our business. And we consider responsible and sustainable business conduct as an integral part of our values and strategic direction. This means that we aim high, but we are humble about the fact that we still have a long way to go. It is an honest commitment to leaving a positive footprint while acknowledging that we are still only in the starting phase.

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, but we want to grow in a way that supports regenerative practices. So we aim to create the right balance between People, Planet, and Profit with a view to safeguarding our future, which means that we need to decouple our economic growth and our emissions and other impacts. One important lever for this is the strategic moonshot to further expand our services business.

At Aasted, we believe in action; and we have acted in many areas to improve and to bring us further. Concrete examples are 1) our new PPA agreement, 2) the decision to upgrade our heat pumps, and 3) the major energy renovation of our test center, which we executed this summer. We have also changed to a new partner for our business travels to support emission reductions here, and we have introduced the Inge Aasted Grant to support sustainable innovation. We have also taken bold new steps with the purchase of a manufacturing unit in the USA and a share in an industry portal for services. And despite a significant growth in our business, we have managed to keep our total scope 1 and 2 emissions stable.

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 some of the most energy efficient tempering technology on the market, and we are enlarging our energy solution enabled product portfolio, so that we can provide the most efficient solutions to our customers. We have an internal consultant 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 2024, our efforts have been recognized. Our commitment to drive this sustainability agenda has in 2024 been assessed by the global sustainability assessor, EcoVadis, which again for the third time in a row awarded Aasted with a Platinum rating for being within the top 1% of our industry and with improved score compared to 2023. And during 2024, we have passed an B Corp certification process, that in January 2025 concluded positively. So we are now a B Corp certified company. We are encouraged by such recognitions to continue our efforts and improve even more. And we see proof that our sustainability and business aim go well hand in hand.

In 2024 we received another recognition, as we won the Export and Globalization Award at the EY Entrepreneur of the Year event. The Export and Globalization Award celebrates companies that excel in expanding their activities across borders, driving sustainable growth, and building impactful collaborations around the globe. Aasted's win underscores our ability to deliver innovative solutions to international markets. We are honored to receive this recognition for our contribution to creating wealth in Denmark.

As we look ahead, the journey towards social responsibility and sustainability will undoubtedly present new and challenging obstacles to overcome. However, as 2024 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

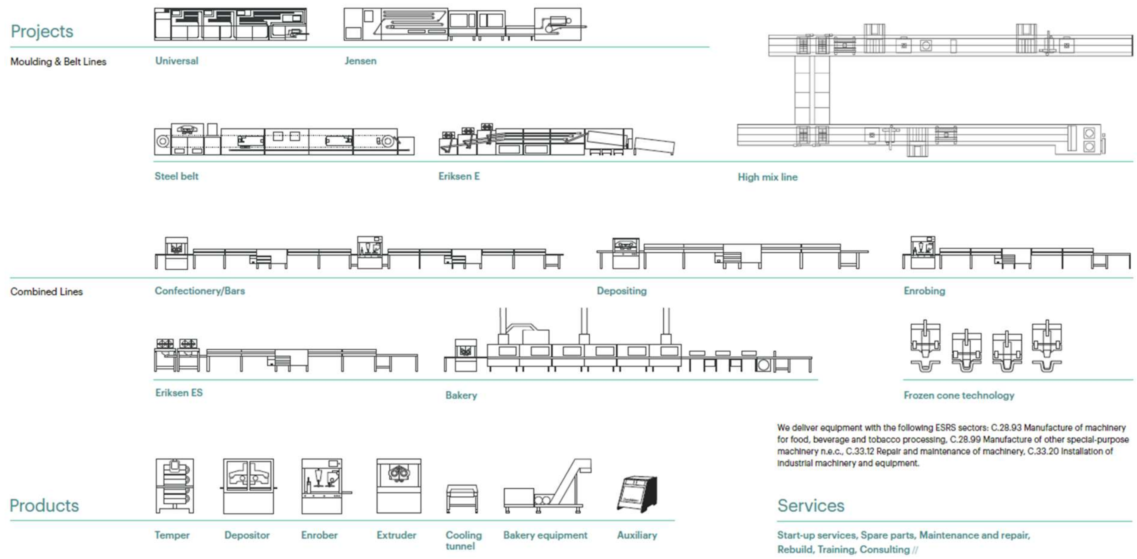
Aasted in brief

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.

Dr. Kaj Aasted invented the world's first industrial chocolate tempering machine. Aasted has ever since committed to innovation and has developed new even more efficient designs – lowering waste and increasing energy efficiency. A journey that will never end.

Our solutions



News 2024

Aasted ApS is now a Certified B Corporation™

We are proud to announce that Aasted ApS (Henceforth Aasted) has officially become a Certified B Corporation™. Joining this global movement of forward-thinking businesses, we are committed to driving an inclusive, equitable, and regenerative economy that prioritizes people, the planet, and purpose.

The B Corp certification represents more than a label – it is a rigorous, evidence-based assessment of a company's social and environmental performance across five key pillars: Workers, Environment, Governance, Customers, and Community. To achieve certification, companies must meet high standards in all areas, culminating in a minimum score of 80 points on the B Impact Assessment. For Aasted, this process required a legal commitment to embed sustainability into our company purpose: "to have a significant positive impact on society and the environment as a whole."

Our Certification Journey

This milestone reflects years of dedicated work to integrate the principles of the B Corp movement into the core of our operations. Using the B Impact Assessment as both a benchmark and a guide, we systematically improved our practices, involving every part of the organization. It was a comprehensive team effort, with contributions across departments ensuring that sustainability is deeply embedded in our culture.

After a thorough review by external auditors, the certification process concluded in January 2025, with Aasted earning a final score of 86.6 - well above the threshold. This score highlights our efforts across the five pillars and sets the foundation for continued improvement.

A New Chapter in Our Sustainability Journey

Achieving B Corp certification is not the end of the road but the beginning of an even more ambitious journey. As a Certified B Corporation, we are committed to continuous improvement, using the B Impact Assessment as a tool to measure progress and hold ourselves accountable. Our purpose now resonates even more deeply with the B Corp mission: to use business as a force for good.

We are energized by the opportunities this certification brings to deepen our impact. Whether it's empowering our workers, reducing our environmental footprint, enhancing governance, building meaningful relationships with our customers, or contributing to our local and global communities, our commitment remains steadfast.

This achievement reflects the collective effort of our team and marks the next phase of our journey toward a more sustainable, inclusive, and regenerative future. Together, as a B Corp, we reaffirm our dedication to driving meaningful change in our industry and beyond.

Entrepreneur of the Year – Export and Globalization Award

In December Aasted won the export and Globalization Award at the 2024 EY Entrepreneur of the Year.

The Export and Globalization Award celebrates companies that excel in expanding their activities across borders, driving sustainable growth, and building impactful collaborations around the globe. Aasted's win underscores our ability to deliver innovative solutions to international markets and being a market leader.

"They operate in a competitive industry, and the jury states, among other things, that it is impressive that they have made a breakthrough in many markets. They have achieved this by producing high-quality products while also making a profit. They are described as having a black belt in the global aspect within a small niche." Søren Smedegaard Hvid, partner in EY and director for EY Entrepreneur Of The Year Denmark.

We are in Aasted happy for this recognition of our longtime efforts to sell our solutions worldwide and through this contributing to the value creation in Denmark and outside the country.

Inge Aasted Grant

End of 2024, Aasted launched the new Inge Aasted Grant. This grant marks the beginning of a meaningful tradition at Aasted, dedicated to fostering a more sustainable and inclusive world. Inspired by the values and legacy of Inge Aasted, this annual initiative awards DKK 100,000 to projects that align with Aasted's commitment to innovation, diversity, and sustainability.

The grant is open to PhD students, post-docs, research groups or projects, groups, that are working with promoting a specific agenda and entrepreneurs or start-ups. The grant will annually award funding to a project that aligns with Aasted's DNA and values, supporting education and/or the development and/or the sharing of new knowledge within one of the following areas:

- Sustainability in Aasted's value chain, including both suppliers and customers.
- Promoting diversity in terms of gender, age, education, ethnicity, disabilities, etc.
- Research and development within our industry and/or using Aasted's core competencies and technologies to foster business that improves living conditions.

New acquisitions

Imperial Design Technologies

In April 2024, we increased our presence in North America with the purchase of Imperial Design Technologies. With a factory in Michigan and a dedicated staff, we now have a base from where we can expand our North American activities.

Imperial Design Technologies will continue to serve their customers with their existing product portfolio under the Imperial brand, and Aasted capacity and competence is now used to strengthen their sales and marketing efforts. At the same time, the Michigan facility can host manufacturing of Aasted equipment sold to North American customers, when we lack the capacity in Farum.

The integration of Imperial Design Technologies is an important step on the strategic moonshot "truly local" (see more on p. 15), as we improve our presence in one of our major markets with possibility for further expansion.

Imperial Design Technologies has been integrated into our reporting both on the financial and on the sustainability side. For the relevant sustainability data, the split between Aasted ApS and Imperial Design Technologies is shown.

SweetConnect

In 2024, we purchased a share in SweetConnect, which we now own together with industry peers. The vision behind SweetConnect is to create an industry portal for our customers, where they can find everything they need for maintenance, repair and upgrade for their equipment across the suppliers – including all documentation, instructions, a maintenance manager and a failure finder. The portal will serve as:

- A customer portal, where customers can have a library for their manuals, service reports, a spare parts finder, a maintenance manager and a service FAQ.
- A marketplace for spare parts, services, upgrades etc.
- A machine data hub for IoT-based machine data, which will allow for optimized maintenance and for comparing performance of machines across customers and suppliers.
- An app-store for future digital solutions from customers or 3rd party suppliers e.g. for service reports, energy monitoring and optimization.

SweetConnect will serve as a useful one-stop tool for our customers, providing easy access to tools and documentation that can improve the performance and lifetime of their equipment. At the same time, it will serve as a basis for our further development of our services business, speeding up our innovation.

Strategy and materiality

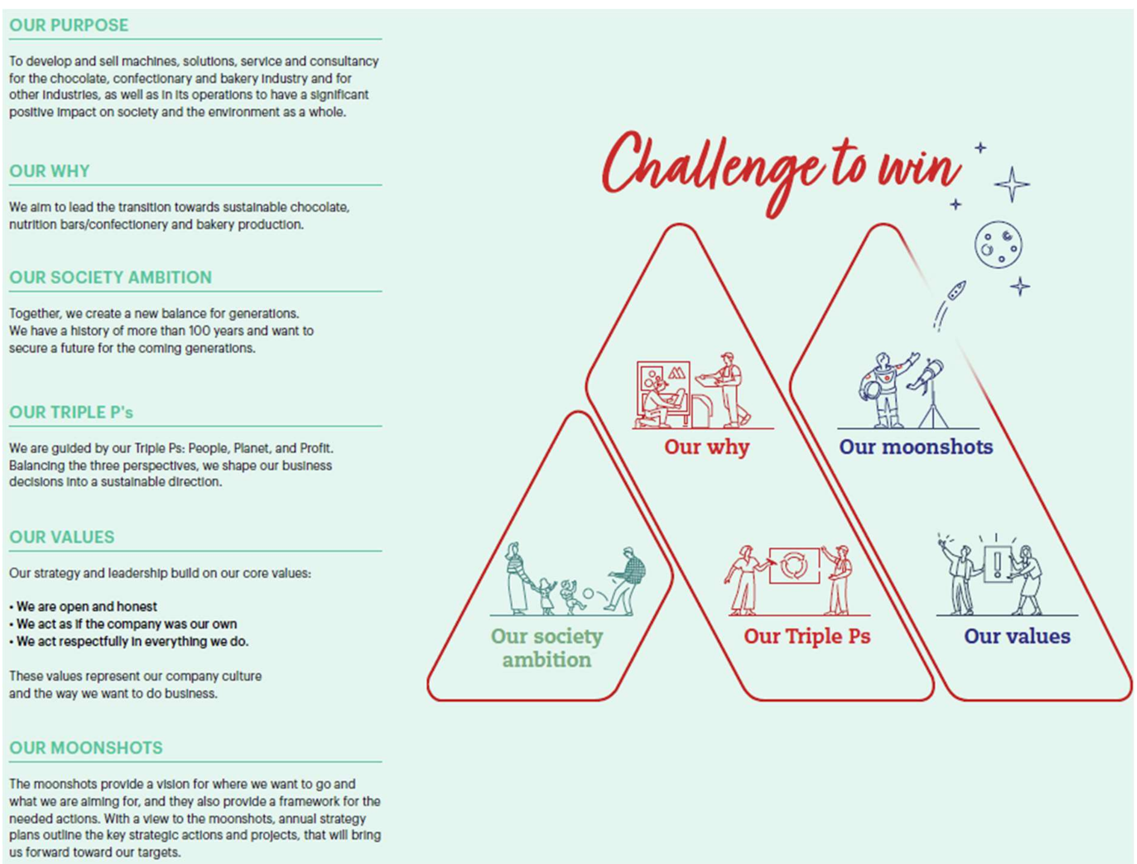
The Aasted business strategy builds on our technology, our competences, our ability for innovation, and our ambitions to be a leader within our industry.

Aasted strategy 2030

The Aasted business strategy builds on our technology, our competences, our ability for innovation, and our ambitions to be a leader within our industry – and an experience that stretches more than a hundred years. Our family ownership allows us to look far ahead – we plan for generations. We see a strong growth potential both within our existing market areas and within adjacent areas.

We have in 2024 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 strengthening our value stream organization and our presales organization, 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 a foundation of our purpose, our why, society ambition, triple Ps and values, and we have 6 moonshots to guide our direction.



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.

Progress report: 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

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

Progress report: 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. We digitalize the different steps from quotation to end-solution to improve speed and quality – with a digital configurator and the customer portal SweetConnect as the first steps.

Truly local

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

Progress report: 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

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

Progress report: 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. Pursuing an increased service business is an important lever for decoupling the financial growth from growth in emissions.

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.

Progress report: We believe in building long-term relationships with our customers. The customer experience should be high quality and user friendly wherever we meet the customer, both physically and digitally. We work to improve the customer experience along all the many touchpoints and measure the customer satisfaction and net promotor score to guide the efforts.

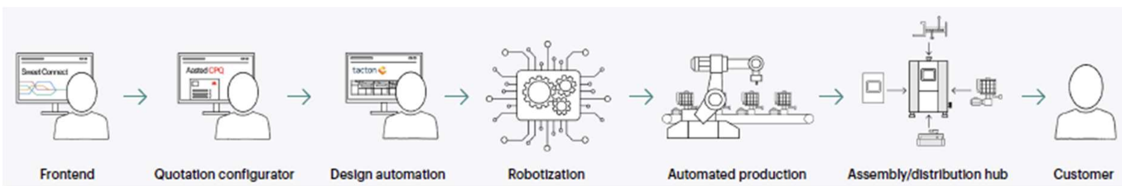
Reduce negative impact

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

Progress report: 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. In 2024 this includes the energy renovation of our test center and our new PPA agreement for renewable energy.

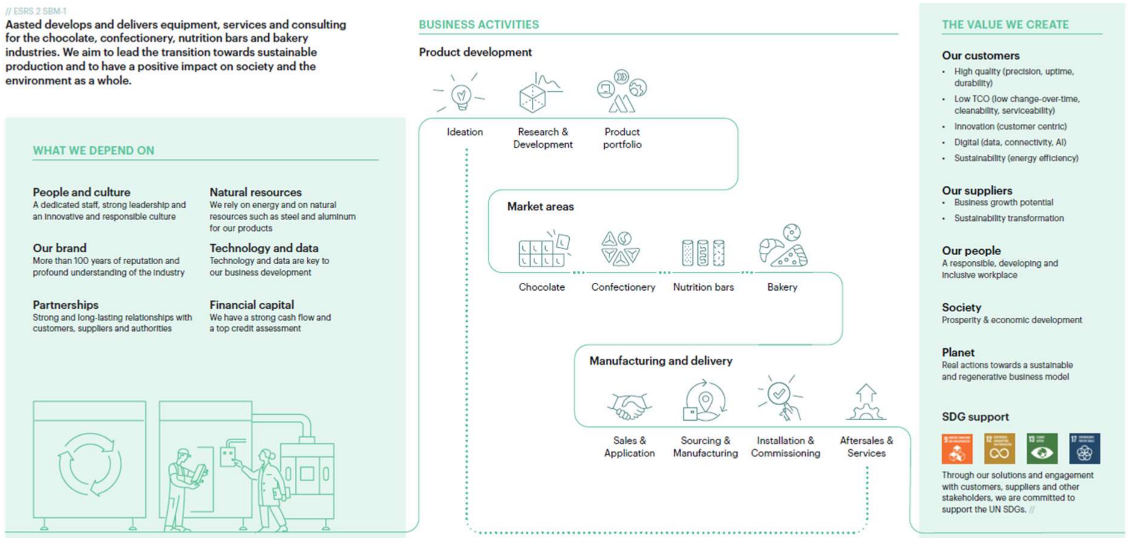
Our digital journey

In order to be fast and easy like no one else. In order to be fast and easy like no one else, we are transitioning fast into digitalization of all our processes from the configuration of quotations, design and production to servicing our customers.



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.



Corporate governance

Our corporate governance structure ensures that Aasted remains a sustainable business – economically, environmentally and socially.

Risk management

The risk management approach

Aasted operates in a global environment, which means that our business is exposed to different risks. During 2023-24, 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 a steering group comprised of our CEO, Head of Legal and Head of Sustainability. 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 material risks, a risk owner is appointed, and a mitigation plan developed. On an annual basis, 4-6 key risks are identified, where risk is considered high, and where the mitigation needs to be cross-organizational. For these key risks, a risk owner and a risk team is appointed, and the risk owners report to the risk management steering committee on a quarterly basis.

Sustainability risks

As a subset to the business risk management, sustainability risks have been analyzed in two parallel processes: The double 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. The identified risks from these processes are further evaluated in the same way as other business risks.

Further, specific value chain risks are carefully considered based on both a country risk assessment and a supplier-specific sustainability assessment.

The 2024 risk picture

2024 has been a year of growth, which has put a pressure on both our own production capacity and on our supply chain. At the same time, a high inflow of new colleagues increases the need for more elaborate documentation – both in terms of customer contracts and in terms of processes and instructions. In this situation, deficient delivery to our customers is a key risk, that we need to mitigate. We have taken some first steps on the organizational side and started the process towards documentation and more actions will follow in the coming year.

Other key risks include product compliance outside Europe and the USA, fire hazards, cyber-attacks, and protection of our IPR. Mitigation actions include process development, enforcement of infrastructure, improved backup, training and awareness, documentation, a new alarm system, insurance, and investment in supporting systems. The efforts against cyber-attacks include working towards compliance to NIS2 and ISO 27001.

Finally, we face a risk of future decline in cocoa production. We have in 2024 seen high increases of cocoa prices due to shortages in production, which again are results of climate changes, local diseases and an inadequate market structure. If cocoa production do not follow the increasing market for chocolate products, our customers will need to adapt their products, which again will set new requirements to our equipment. In the same time, we need to explore how our knowledge and technology can be used in other industries, which is why this risk is handled as part of the 2030 strategy.

We carefully follow EU and US sanctions lists, and currently have decided not to sell in the following countries: Cuba, Iran, North Corea, Syria, Russia and Belarus. We do not have any products or services that are in themselves sanctioned.

KEY RISK OVERVIEW

	Risk description	Potential impact	Mitigating actions
Deficient deliveries to customers	Customers may perceive delivery and deficient if the contractual basis is not sufficiently detailed. Also lack of production capacity or supplier capacity and quality may cause delivery issues	• Penalties • Extra cost • Loss of contracts	Organisational change, quality management, project management, improvement of sales contracts, optimization of article flow
Inadequate product compliance	Our equipment is designed to comply to all EU and US regulations but a process to identify requirements in other markets is needed	• Restrictions to market entry • Recalls • Extra cost to late adaptions	Mapping to major markets, process for countries not covered, defining responsibilities
Fire	Fire hazards need to be reduced including a new alarm system and more training	• Loss of life • Loss of property • Loss of production capacity	Reduction of fire hazards, new alarm system, training, contingency plans
Cyber security	Cyber-attacks are an ongoing risk due to systems and human errors	• Inability to sell, produce, deliver and invoice • Loss of data • Cost to ransom, data recovery, delays etc.	IT-security analysis, improved back-up systems, better segmentation of data storage, training
Intellectual property rights	Without a clear strategy for IPR, there is both a risk of other parties violating our IPR and a risk that we violate other's	• Violation of IPR • Copying	Mapping of issues, risks and opportunities, development of strategy
Dependency on cocoa production	• Climate effects • Cultivation methods • Market structure for cocoa	• Change of market demand • New requirements to equipment	Integrated part of 2030 business strategy (moonshot "potential beyond chocolate")

Corporate governance

Board of directors

The Aasted governance has a Board of Directors including the four owners and three external, independent board members. There are no employee representatives in the board.

			
Bjarne Moltke Hansen Chairman of the board	**Danica Sucur** Member of the board	**Søren Overgaard** Member of the board	**Camille Aasted** Member of the board
Appointed in 2022	Appointed in 2022	Appointed in 2022	Appointed in 2024
Special competencies Comprehensive global leadership experience from large industrial companies within projects, products, services, M&A and turn-arounds.	**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.	**Special competencies** Extensive international experience leading industrial and process solution companies delivering project, product and service offerings.	**Special competencies** Apprenticeship Voice of the new generations
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.	**Positions** CEO of Hottinger Bruel & Kjær A/S Board member of Kohberg Bakery Group A/S Board member of Measurelet ApS	**Positions** CEO of DSI Dantech A/S Board member of Aalborg CSP A/S	

			
Allan Aasted Owner	**Christian Aasted** Owner	**Thomas Aasted** Owner	**Mads Hedstrøm** Owner
Appointed in 2010	Appointed in 2010	Appointed in 2010	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.	**Special competencies** Deep insight in the company and the products, and dedicated to the supply chain and supplier relations	**Special competencies** Deep insight in the company and the products, and dedicated to optimization of the operations	**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 //

	2024	2023	2022	2021	2020
Female representation	25%	14%	14%	0%	22%
External representation	37.5%	43%	43%	20%	-

Executive management

Klaus Sonne Ravn CFO	**Henrik Heitmann** CTO	**Piet Tæstensen** CEO og CCO	**Mads Harck** COO
Joined Aasted in 2024	Joined Aasted in 2004	Joined Aasted in 2005	Joined Aasted in 2023

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 climate emissions reduction target. The climate emissions reduction target has been chosen to represent the ESG efforts, since climate emissions is one of the key sustainability impacts according to our double materiality assessment. The annual targets and measures are approved by the bord of directors.

General information

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.

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 'P's 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 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 head of sustainability reports directly to our CEO, who has the senior management oversight. The sustainability department has broad sustainability competences equivalent to the material ESG topics and is supplemented by colleagues with technical, legal or commercial expertise.

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
- Development and approval of the double materiality assessment
- Update of the Aasted business strategy towards 2030 with sustainability integrated
- Development and approval of the sustainability reporting.

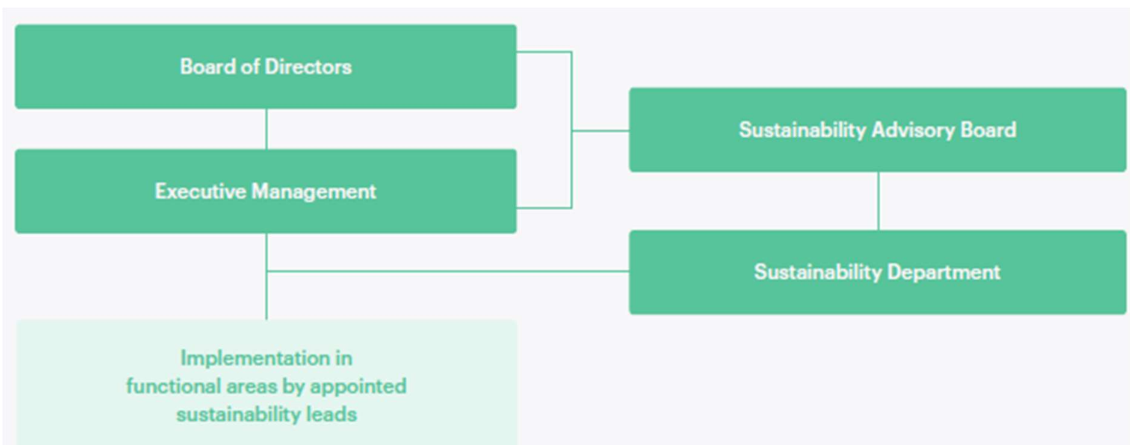
As part of the evaluation of the double materiality assessment, the board has evaluated the input from stakeholders as well as the desk-top analysis on stakeholder views.

For ESG control, the board receives every quarter an internal ESG-update with the key developments and an update on the key ESG KPIs.

The board has been trained in sustainable development as part of the double materiality assessment, including insight in the material impacts, risks and opportunities. Furthermore, some board members have independently upgraded their skills within sustainability for an overall strategic understanding of sustainability topics and their relation to the business and strategic development.

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 2024.

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. The advisory board gives recommendations to the management and to the board of directors on sustainability improvements.



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	• Business strategy page 14-15 • Business risks and opportunities page 18-19 • Materiality assessment page 30-32 • Supplier management page 73
Engaging with affected stakeholders in all key steps of the due diligence	• Materiality assessment page 30-32 • Business ethics and compliance page 71-72 • Supplier management page 73
Identifying and assessing adverse impacts	• Materiality assessment page 30-32 • Supplier management page 73
Taking actions to address those adverse impacts	• Business ethics and compliance page 71-72 • Supplier management page 73
Tracking the effectiveness of these efforts and communicating	• Business ethics and compliance page 71-72 • Supplier management page 73 //

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 determined for all material impacts, risks and opportunities to enable monitoring on their level and development.
- 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.

Our approach to sustainability

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.

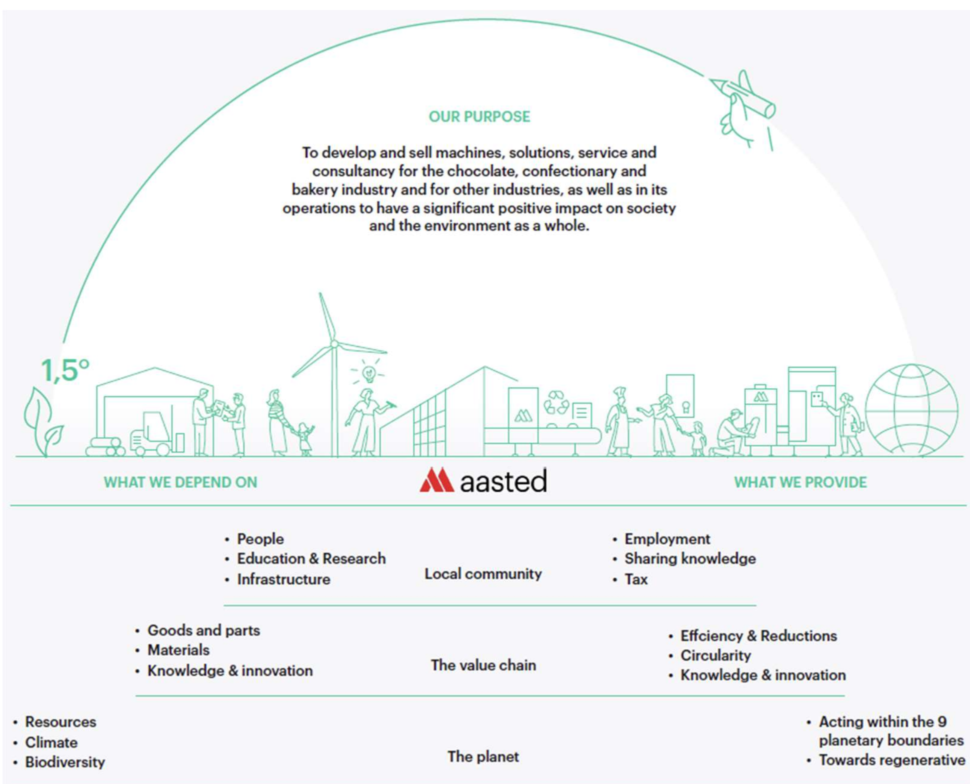
Our approach to ESG and sustainability builds on the different levels of impact and interaction. The core is Aasted's own operations. This is where we are in control and have impact such as energy consumption, climate gas emissions, material use, waste, and people-related impacts such as development, health and safety, diversity and inclusion etc.

We act within three levels of ecosystems:

The local community, the value chain and the planet. The first eco-system is the local community in which we operate ad which we impact through contributions such as employment and taxes and our competences, when we interact with community stakeholders.

The second eco-system is our value chain, our suppliers and customers. 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.

The third ecosystem is our planet, which is impacted by our activities within the other ecosystems. We aim to contribute positively to that we and our ecosystems stay within the planetary boundaries and work toward a regenerative level.



Staying on course

To guide us in our strategy and decision making, we use the three Ps: 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.

We use certification standards to guide us in our improvement efforts. We are now a B Corp certified company, and we have used the B Impact Assessment as a valuable tool to identify possibilities to improve with a 360 degrees view on sustainability. In the same way, we have used the EcoVadis Assessment for finding opportunities for progress. As a next step we are currently working to develop our management system build on the ISO 9001 (Quality), ISO 14001 (Environment) and ISO 45001 (Health & Safety) standards.

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 cooperation 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.

We have in 2024 been actively engaged in a project on “ESG in the value chain” with Danish Industry (DI), four other companies and ESG and innovation consultant. We have involved two of our suppliers directly in the project, which aims to explore how to better cooperate with suppliers on data sharing and innovations for ESG improvements.

We see sharing as an essential tool for ESG improvement. Therefore, we participate with presentations in workshops, seminars, webinars etc. to inspire and show how various ESG issues may be addressed in practice.

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 & 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.

Klimapartner, Furesø Municipality
We have joined the Furesø Municipality partnership for climate action, and are part of the steering committee. The program aims to activate local companies in climate action and to contributing to the municipality's overall climate target.

ATV
ATV, The Academy for Technical Science. 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. We have furthermore contributed to an ATV mission lab on circular economy platform for cooperation between companies and universities.

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.

Disclosure Insight Action
We disclose our carbon emissions and our policies, actions and results on carbon emission reduction through CDP, which is the leading global platform for disclosing environmental information.

Goodwings
Our new travel partner, Goodwings, is a B Corp certified company created to support more sustainable travelling. Goodwings will be our partner to reduce our carbon emissions from business travels.

DHL Express
Our partner in courier services, DHL Express, has been chosen due to their GoGreen solutions that support a greening of the transport services through more sustainable aviation fuels.

Normative
To support our climate emission calculations, we use the Normative platform. This enables us to calculate a full scope 1-2-3 climate emissions account and to improve the measurements as we get access to more direct data.

Tools4change
The experts from Tools4change will support us on our first exploration of our impact on nature and biodiversity. The baseline study will guide our next steps.

Viegand Maagøe / DTU
To support us on LCA for our products, we have cooperated with Viegand Maagøe and with the course "Life Cycle Assessment of Products and Systems" at DTU.

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 intranet, where specific messages related to sustainability are communicated as news. This may be supplemented with posters in e.g. the canteen or where appropriate. A feature on the intranet 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.

Sustainability is also part of our onboarding program, so that our ambitions and commitments are clearly communicated to all new colleagues. As a supplement, department specific training is conducted based on demand.

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.

Besides from our internal communication, we communicate to external stakeholders on our approach, activities and results. This report is part of this communication, as well as communication on social media and participation with presentations in various events.

To see our sustainability related policies including our sustainability policy visit www.aasted.eu/aasted-polices.

Targets and achievements

To indicate our ambitions and drive our actions we have set targets for our most material sustainability topics. The table below provides an overview of our sustainability targets and the status for our achievements. Targets, actions and results are further detailed in the topic sections of this report.

TARGETS AND TREND

Topic	Target	Target year	Trend to achieving target*	Learn more
Climate emissions	90% reduction of scope 1+2 emissions (from 2019)	2030	Well aligned with target	Page 36-39
	33% reduction of scope 3 upstream emissions (from 2023)	2033	Progress made towards target	Page 40-42
	33% reduction of scope 3 downstream emissions (from 2023)	2033	Progress made towards target	Page 40-42
Energy	40% reduction of energy consumption in operations (from 2019)	2030	Well aligned with target	Page 44
	100% renewable energy used	2030	Progress made towards target	Page 44
Resources & circularity	90% of new products are designed for circularity	2030	Progress made towards target	Page 47
	80% of waste from operations is recovered	2030	Well aligned with target	Page 48
Health & safety	Accident rate (LTIF) not above 2.5	2030	Progress made towards target	Page 55-56
Labor practices & rights	100% have rights to unions	2030	Well aligned with target	Page 55, 62
Employee well-being	Minimum 80 in engagement rate	2030	Well aligned with target	Page 59
Diversity & Inclusion	25% female board members	2025	Well aligned with target	Page 57
	30% female managers level 1+2	2025	Well aligned with target	Page 57
	30% female managers	2025	Well aligned with target	Page 57
	20% female workforce	2025	Progress made towards target	Page 57
	0 reported cased of harassment	2025	Well aligned with target	Page 58
	5 training days per employee	2030	Not aligned with target	Page 58
Supplier sustainability	70 in Supplier Impact Score averaged by spend	2030	Well aligned with target	Page 73
Business ethics and compliance	100% trained in our Code of Conduct	2025	Well aligned with target	Page 71-72
	0 reported breaches of privacy	2025	Well aligned with target	Page 71-72
	0 reported cased of corruption	2025	Well aligned with target	Page 71-72

* Based on 2024 results

Well aligned with target · Progress made towards target · Not aligned with target

Our impact across the value chain and our ambitions

Page numbers reference Aasted ApS Sustainability report 2024.

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 impacts, risks and opportunities.

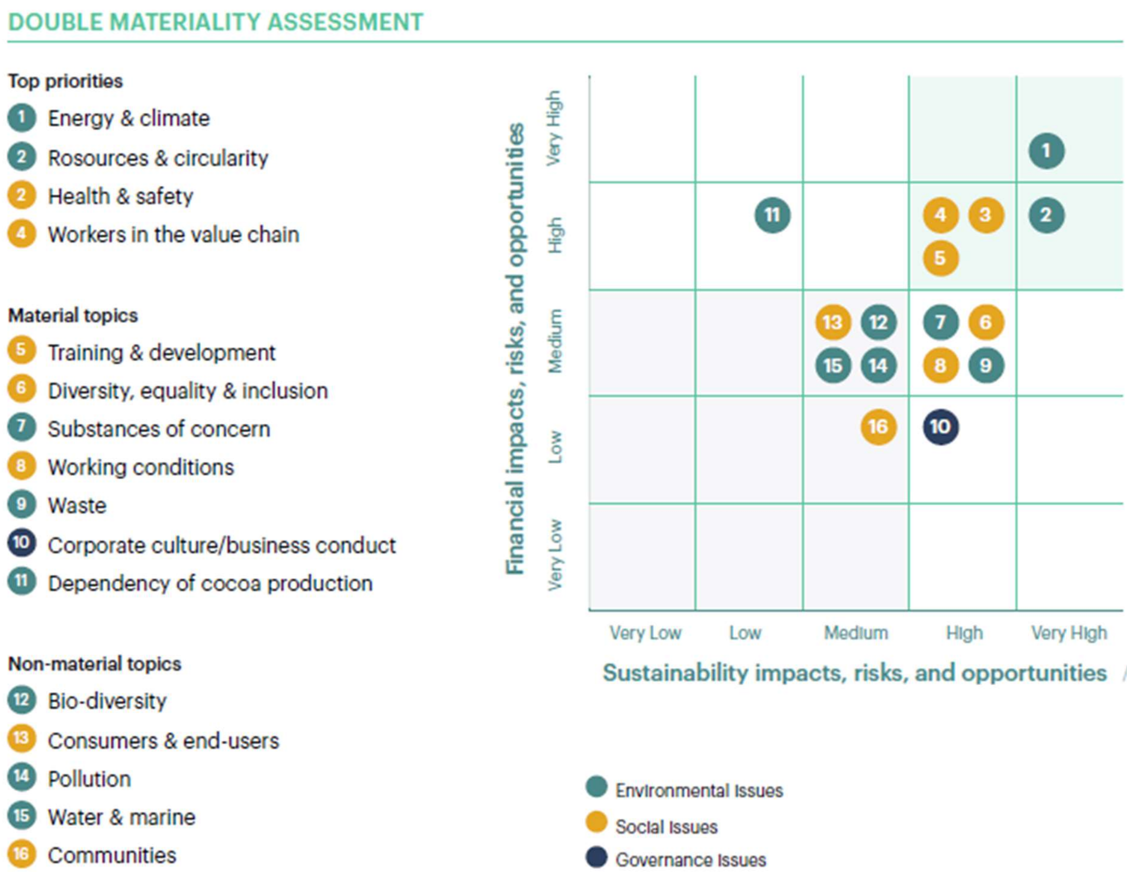
This approach covers our sustainability impact from two angles:

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 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. Identified risks are managed as part of the overall business risk management. Identified opportunities are managed as part of the business strategy process.



Methodology

The assessment covers Aasted ApS and its daughter companies and covers both our own operations as well as impacts, risks and opportunities in our value chain. It focusses on activities where Aasted directly or indirectly has material impact on the environment and the society as well as financial risks and opportunities. For the value chain, the analysis focusses on hot spot industries, which are identified to be the metals processing industry, the electronics industry and the chocolate industry. For the supply chain, the focus is mainly on the category 1-3 suppliers (of 5), who constitute 85% of our supplier spend.

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 stakeholders such as employee representatives, customers, suppliers, workers representatives, environmental NGOs and owners to learn more about their needs and expectations. Input sources include company own data, input from third party audits and assessments and desk-top analysis of industry-related impacts and risks.

Impacts are either actual or potential. For actual impacts, focus is on existing impact (short-term) but taking into account if impact is considered to change over time. Impacts can be both negative and positive. For topics with no actual impact, or where data on impact is missing, the potential impact is analysed from a risk perspective. Risks and potential impacts are included as ”gross risks”, i.e. without taking into account any mitigating actions.

Impacts, risks and opportunities are assessed based on three time-horizons: 1) Short term (present and up to 1 year), 2) Mid term (1-5 years) and 3) Long term (beyond 5 years).

For every identified sustainability impact, actual or potential, it is assessed what type of financial risk or opportunity this may cause in terms of cost and/or business. The financial thresholds used for evaluating the financial risk or opportunity are the same as used for the general business risk evaluation.

Sustainability impacts are scored on a 1-5 scale based on their severity as an average or 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.

These assessments have been conducted context-specific and with use of a set of individual scoring keys for each of the ESG topics. For potential negative human rights risks, a separate weighting of severity to likelihood has been applied. Based on this assessment, priority and material topics have been identified based on a threshold of 3 on the 1-5 scale.

The assessment was conducted during 2024 based on a prior assessment from 2023. The 2024 update includes the introduction of context-specific scoring keys and accordingly an adjustment of the scoring, and it includes new supplementary stakeholder interviews. The assessment will be updated on an annual basis to assess if and how materiality and priorities change over time.

The top management were directly involved in the process, and the result has been presented, discussed and approved by the board of directors.

TARGETS AND TREND

	ESG topic	Material issues	Impact, risk and opportunity description
Environment	Energy & Climate	Energy consumption and climate emissions in own operations	• As a manufacturing company, Aasted has a significant energy consumption and related climate emissions in scope 1+2. • Energy savings provide potential for cost saving.
		Energy consumption and climate emissions in the value chain	• The scope 3 emissions are by far the most significant for Aasted and especially the emissions from use of sold products, as the equipment is energy intensive and have a long lifetime. Also, the use of materials causes significant climate emissions. • Being able to support our customers in their carbon emission reductions gives us a potential business opportunity.
	Pollution	Substances of concern	• The use of metals and electronics as input for the sold equipment implies a risk for content of substances of concern. • Future legislation applying ban of certain substances such as PFAS may imply new costs.
	Biodiversity & Ecosystems	Dependency of cocoa production	• Since a major part of the business is equipment for chocolate production, the future business is linked to the development in cocoa production, where a decline will call for new business solutions.
	Resources & circularity	Use of resources and circularity practices	• Aasted uses especially metals such as stainless steel for the manufacturing resulting in a significant in- and outflow of materials. • Pursuing new circular business models may provide for new business opportunities in future.
		Waste	• Waste occurs from own operations with a significant part send for incineration. • Waste minimization and improved sorting for recycling may decrease cost for waste handling.
Social	Own workforce	Health & safety	• Especially our manufacturing implies risks for accidents and the need for health and safety measures. • High standards for health and safety will improve workers' satisfaction and reduce recruitment cost.
		Training & development	• Training and developing employees support their competences and their labor market attractivity as well as improving job satisfaction. • Skills development may improve productivity and reduce recruitment cost.
		Working conditions	• Being paid a living wage is key to our workforce, which needs to be secured also for employees outside Denmark.
		Diversity, Equality & Inclusion	• In an ever more competitive labor market, Aasted needs to be attractive to a broad range of potential candidates. • High standards for diversity, equality and inclusion may reduce recruitment cost.
	Workers in the value chain	Workers in the value chain	• With more than 500 active suppliers, there is a risk for adverse impacts to workers related to topics such as health and safety, labor and human rights, and diversity, equality & inclusion. • Being able to demonstrate effective supplier management and due diligence will support Aasted in a positive positioning in the market.
Governance	Business conduct	Corporate culture / business conduct	• Aasted has set high standards for our business conduct but still needs to manage risks of non-compliance both in own operations, with business partners and with suppliers. • Being able to demonstrate high standards for business conduct is seen as a market prerequisite.

Information of the material topics and subtopics is presented in this report. For every material topic and subtopic, it is evaluated which of the CSRD and ESRS disclosure requirements are relevant for our company and value chain, and which information is relevant to the readers of the report. Some disclosure requirements have been postponed until next year's report or later. A list of omitted topics and the reasons for omitting can be found below.

The topic of nature and biodiversity has been evaluated to not be material at this stage. With our sites located in dedicated industrial areas, the impact from our own operations is limited. However, we believe that we need to learn more about the impact and risks from our supply chain. We will therefore in 2025 explore this in more detail and reassess this topic.

Omitted topics

Topic/subtopic	Reason for omitting
EU Taxonomy	Not ready for this reporting. Will be included in 2025
Climate adaption	With the current sites, it is assessed that no further climate adaption activities are needed
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 pollution. The risk evaluation does not reveal any material risk.
Water and Marine	Aasted has a limited water consumption and no problematic emissions to wastewater. Wastewater is led to municipal treatment plants with proper treatment. The risk evaluation for the supply chain does not reveal any material risk.
Biodiversity	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). The risk evaluation for the supply chain does not reveal any material risk but this will be further evaluated.
Anticipated financial effects from climate transition, material use and circular business models	We do not have data of satisfactory quality. We expect this to be included for the next year's report.
Social protection	Disclosure requirement subject phasing-in provision. Will be included in 2025
Persons with disabilities	In accordance with national legislation, we do not register if employees have disabilities.
Child labor and forced labor in own workforce	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.
Communities	We have not identified any material risk to local communities neither from our own operations nor from our suppliers.
Consumers and end-customers	Since we are engaged in business-to-business, we don't have direct impact on consumers or end-customers. No material risk has been identified.

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.

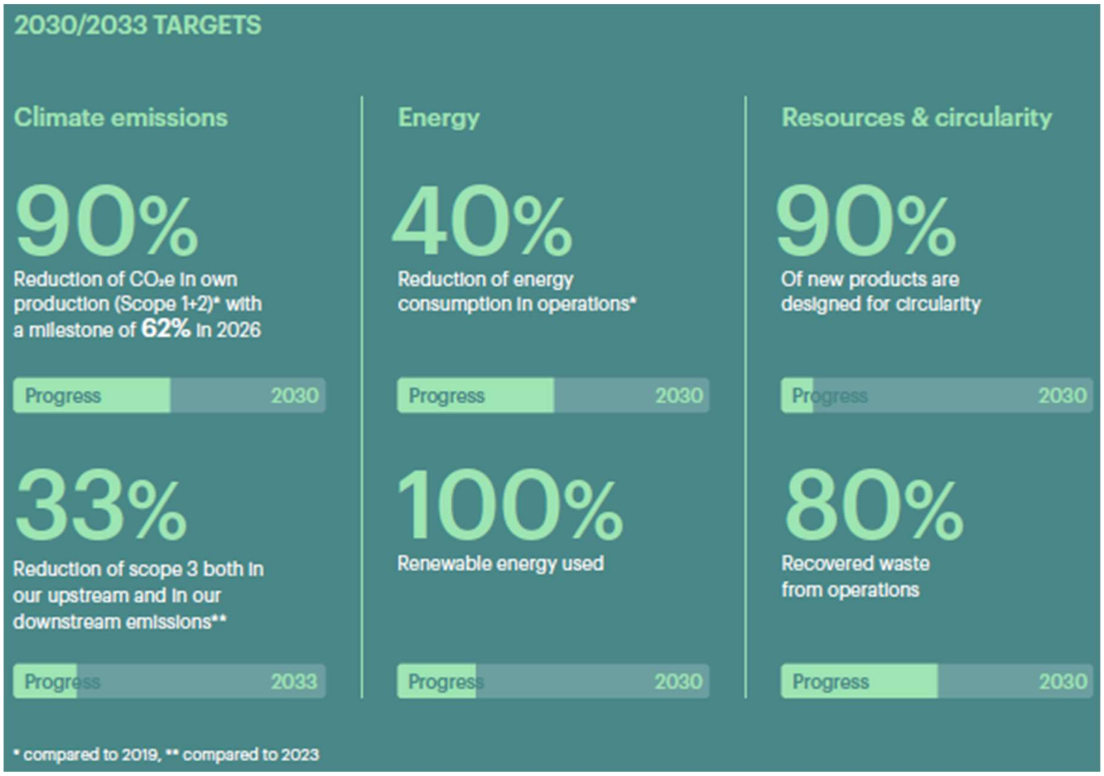
For the materiality assessment, we further conducted interviews with employee representatives, workers unions, customers, suppliers, and an environmental NGO, and we further mapped sustainability priorities of some of our key customers and suppliers as well as other stakeholders.

STAKEHOLDERS

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	• 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	• Board meetings
Customers	High quality, reliable and durable products, responsible and sustainable business conduct, energy efficiency / low carbon solutions, circular products, transparent sustainability communication	• Direct customer dialogue • Tender processes and criteria • Customer engagement surveys
Suppliers	Fair business relations, responsible and reliable partnership, transparent communication, collaboration on sustainable development	• Direct supplier dialogue • Supplier impact questionnaire
Employees	Responsible and fair working and labour conditions, a safe working environment, inclusive and developing jobs	• 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	• 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	• 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	• 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	• 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	• Bilateral engagement • Alliances and partnerships
Planet and future generations	Low impact business, circular business models and a regenerative approach	• Dialogue with stakeholder representatives
Certification schemes & organisations (UNGC, SBTi, EcoVadis etc.)	Compliance to scheme requirements, documentation and reporting	• Reporting • Alliances and partnerships

Environmental information

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



List of material disclosure requirements

- Climate change
- Pollution, biodiversity and ecosystems
- Resources and circularity

Climate change

Reducing our climate emissions is a top priority for us. We strive to reduce emissions in all scopes as fast as possible as we progress towards Net Zero even with increasing economic activity. We acknowledge the need for fast action and work to implement change as fast as possible, and we will continue to update and strengthen our targets as we progress

Policy

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. Aasted is not excluded from the EU Paris-aligned Benchmarks, and we aim for a science-based approach to target-setting and to demonstrating progress.

Our climate policy covers all of our business and our entire value chain. Based on our resilience analysis, our climate policy focuses on climate change mitigation with emphasis on energy efficiency, renewable energy and use of resources.

We aim to reach Net Zero before 2050 with a SBTi-approved science-based emissions reduction path. We have already strengthened our 2030 target for scope 1 & 2, so that we now aim for a 90% reduction compared to 2019 despite significant economic growth. And we are well on track.

The by far largest part of our climate emissions are within scope 3, with the use of materials, products and services and with our customers' use of our sold equipment as the two most significant contributors. In 2023, we calculated our first full scope 3 emissions, which is now our basis for further action and target-setting, though we may need to update our baseline as further explained in the scope 3 section. Based on projected future economic growth and our possible levers for reducing our emissions, we have established a near-term target for 2033, which is to reduce emissions with 33% compared to 2023. We see this target as ambitious as we in the same time expect to grow the economic activities, so it requires a decoupling of the emissions from the economic growth. The target will contribute to stay within a "well below 2 degrees" scenario. We acknowledge that this may not be enough, and that more action will be needed in the coming 10 years. We will therefore during 2025 explore our possibilities for other reductions such as avoided emissions and carbon capture.

Significantly reducing our climate emissions will require sourcing of materials with a lower carbon footprint from our suppliers. And it will require more energy efficient equipment installed with our customers. 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.

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.

Our climate emissions

SCOPE 1 & 2 / Our own operations

Our scope 1 emissions originate from four sources: The most significant is use of gas for heating at our main site in Denmark, our subsidiary site in the USA and our office in Turkey. In Denmark, the gas is partly natural gas (fossil fuel) and partly biogas. Our external warehouse, which is rented as part of a building, is heated by oil. A third source is use of bottled gas in the manufacturing processes, and the fourth source is petrol for company cars.

Our scope 2 emissions originate from use of electricity at our two sites in Denmark, the subsidiary site in the USA, and the offices in 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.

The commuting is based on an annual 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 during the year and an 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 climate-related risks and opportunities

We evaluate our climate-related risks and opportunities once a year by the means of a climate scenario and resilience analysis. The output of the analysis is used partly for the double materiality assessment and partly for the enterprise risk management. The climate scenario and resilience analysis is performed according to the requirements in ESRS 1. It builds on IPPC's latest assessment report, AR6, and uses the SSP1-1.9 as "best case scenario" to identify likely risks both connected to the global warming effects and to the climate mitigation, and the SSP3-7.0 as the "worst case scenario" to identify further potential risks. The used scenarios explore the possible developments towards 2100, whereas our resilience analysis focuses on the short- to mid-term horizon (developments towards 2050). The resilience analysis has been performed during summer 2024.

Anticipated climate-related risks

The most significant physical risks are increasing temperatures, drought and heavy precipitation, floods and storms. We see a low to medium risk for our facilities but a medium to high risk for damage to the cocoa production, which may again affect our business. Higher temperatures pose a medium risk to labor conditions and consumer behavior, which may again affect either the costs or the market conditions.

The most significant transitional risks are increasing material prices and the effects on business directly or indirectly through changes in market conditions, e.g. if consumers avoid cocoa products due to their relatively high climate impact. Also, it may be relevant to consider the location of suppliers related to the climate transition in future. On the opportunity side, we see good business opportunities in supporting our customers on the decarbonization journey.

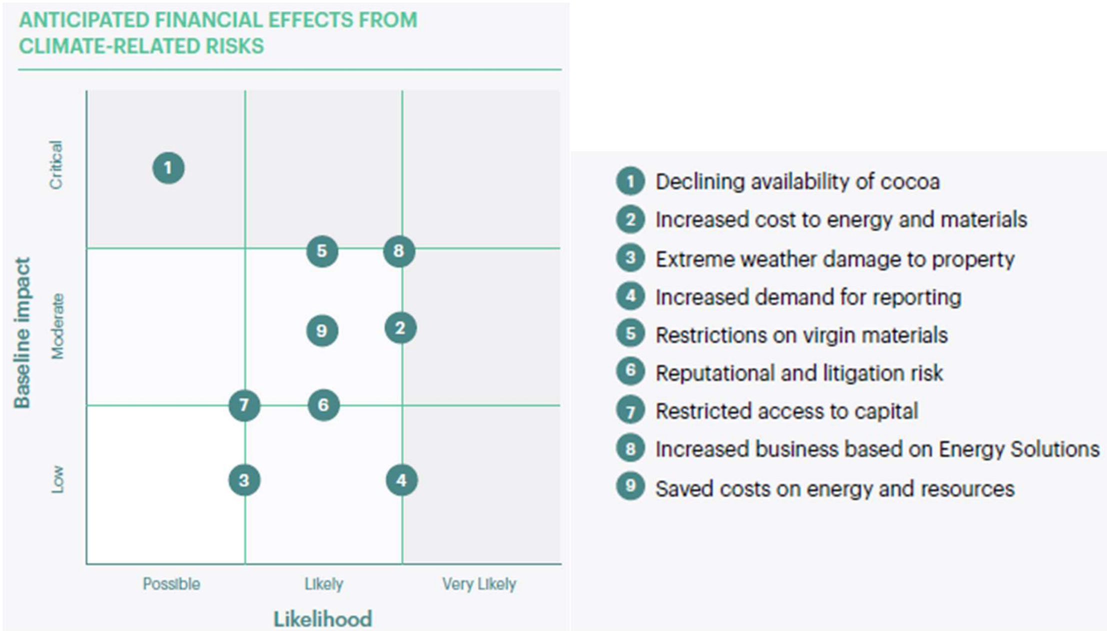
Anticipated financial effects from climate-related risks

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. We are in close contact with our customers on these issues and foresee a growth in the chocolate market also in the coming years. Aasted has no own 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.



Towards net zero in our operations

Ambition

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 46% in 2030 with 2019 as baseline and a 90% reduction in 2050. By the end of 2023, we already had achieved over 2030-target. We have therefore set a new and more ambitious goal: We want to reduce with at least 90% before 2030 compared to 2019. And we aim for a 100% reduction before 2035. With the acquisition of Imperial DT, the baseline has changed, but the ambition is still the same.

Actions

We have identified the levers that will bring us to Net Zero and are working with the detailed planning of the needed actions. We work from the principle of reductions first, green energy next and off-setting last. We see green certificates from existing energy installations as an instrument that may not increase the market for renewable energy, whereas our PPA is based on the principle of additionality. Therefore, we will only use green certificates and off-setting as the last resort, when all other levers have been fully explored. Until now, green certificates and off-setting have not been used.

Results

We have succeeded to decouple the energy consumption and the climate gas emissions from the economic growth. Despite a 40% growth in economic activity, the energy consumption only increased with 6% in 2024 compared to 2023. This includes an 8% increase in electricity consumption and a 10% reduction in fuel consumption – including a 35% reduction of gas consumption in Farum. As a result, the scope 1+2 emissions (location-based) only increased 10%, and the scope 1+2 intensity rate decreased from 0.3 to 0.2 t CO_2e/MDKK.

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.

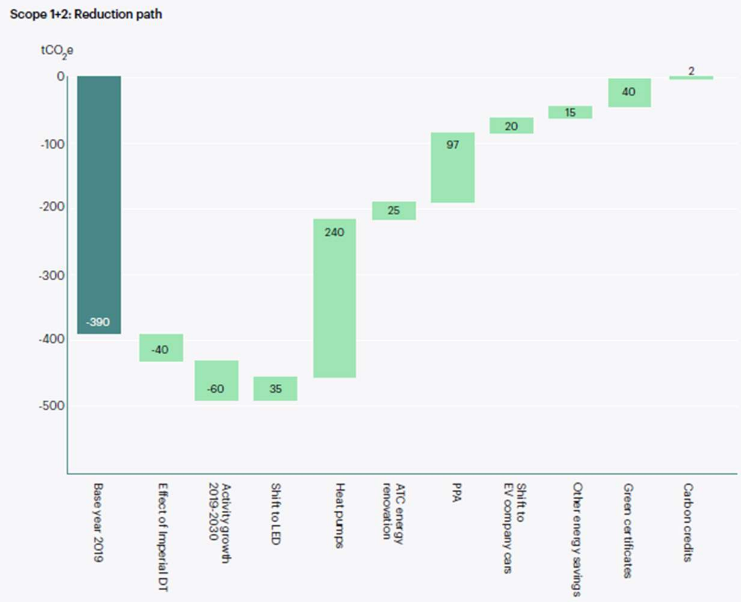
Already executed key action

- 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.
- In 2024 we completed a renovation of the energy system in our test center, ATC. The new system builds on the principles of our Energy Solutions offer, and will serve as a demonstration installation towards our customers.
- At the end of 2024, we signed up for a PPA solution, so that 80% of our electricity in Farum from 2026 will come from a combination of solar and wind. Read more about the PPA agreement on the following page.

Planned key actions

- A shift of company cars from petrol to EVs will gradually take place towards 2030
- Other not yet identified energy saving projects like more energy efficient manufacturing equipment, better energy management, better insulation of buildings etc.
- Possibilities to purchase renewable, fossil-free electricity for Imperial DT will be explored.
- 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.



Supporting development of new renewable energy production

As part of our commitment to reducing Scope 2 emissions, we entered into a Power Purchase Agreement (PPA) with Reel ApS at the end of 2024. This agreement enables us to purchase shares of new renewable energy production, adhering to the principle of additionality. By doing so, we actively support the development of new solar and wind energy projects for production sites that have not yet been determined.

The PPA follows a pay-as-produced model, ensuring we purchase electricity as it is generated. Any surplus electricity beyond our immediate consumption is sold back to the grid.

Our Power Purchase Agreement (PPA) will commence on January 1, 2026, and includes an agreement for solar energy from a new site. This site will be developed with a strong focus on promoting biodiversity, ensuring it aligns with sustainable and ecological best practices. The solar panels for the project will be sourced from Tier 1 suppliers, guaranteeing compliance with high standards for working conditions, labor rights, and human rights throughout their production.

As of the end of 2024, a new wind power agreement was not yet available. Therefore, we have secured a one-year agreement for electricity from an existing wind farm as an interim solution. Together with Reel, we will actively seek a new wind project throughout 2025. Additionally, we are engaging with industry peers to collaborate on a unified search, creating a stronger market demand for renewable energy initiatives.

Reducing our value chain emissions with a third

Ambition

In 2023 we established our first full climate accounts including all of our scope 3 value chain emissions. An important finding was, that our value chain emissions are by far the biggest, with the upstream emissions counting for around 4% and the downstream emissions counting for around 96% of total emissions. In other words, reducing our scope 3 emissions will be one of most material impacts.

In 2024, we have seen a remarkable reduction of our scope 3 emissions, and especially on the category 11 Use of Sold Products – despite the 40% increase in revenue. This is partly due to real improvements, partly because we have not included the emissions from the activities in Imperial DT for this category, and partly due to fluctuations in shipments. In 2024, we decided to discontinue the manufacturing of oven lines, which alone accounted for almost 10% of the category 11 emissions in 2023. We have also seen an increase in the proportion of our most energy efficient tempering machines from 39% in 2023 to 56% in 2024.

Furthermore, part of our revenue growth comes from an increase in our services business, which does not affect this part of the scope 3 emissions, and part comes from increased unit pricing. Still, this only explains part of the reduction. We can also see that our annual shipment of final products does not necessarily correspond to the economic level of activity due to the long production time, which means that the shipment may take place in another year than the year, where the main part of the revenue for the product was accounted for. We may therefore also in future see this kind of fluctuations compared to revenue. Thus, to get a more stable baseline, we plan to use a 3-year average – for the years 2023-25 – as our coming baseline and then recalculate our reductions target based on that.

We aim for a reduction of our scope 3 emissions of 33% in 2033 compared to 2023 both in our upstream and in our downstream emissions.

In 2024, we updated our aim for reduction of our scope 3 emissions based on our new 2023 baseline. The ambition must be seen in the light of our expectations to growth in the economic activity, which will be significant compared to 2023 and the previous years. We aim for an absolute decoupling, so that we substantially reduce our emissions in absolute terms while in the same time period growing our business.

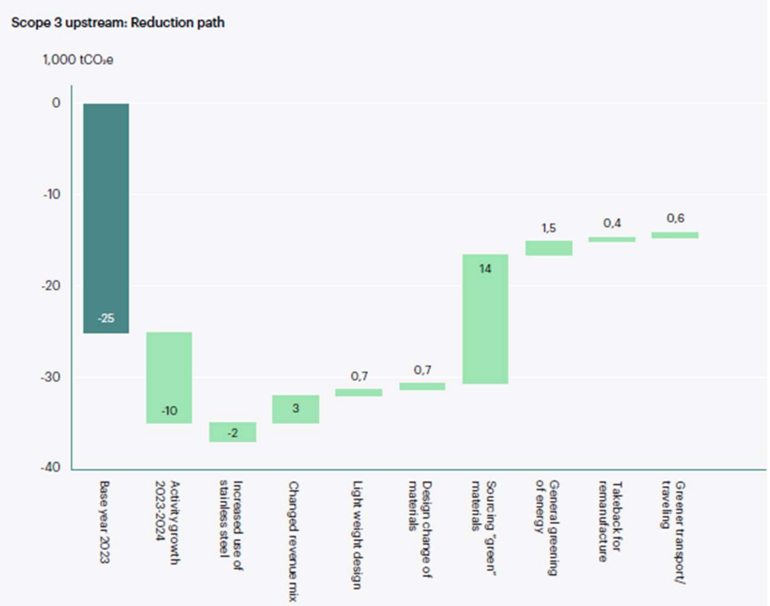
UPSTREAM

Activity growth

- From the base year, 2023, we expect a growth in consumption of materials and parts as well as travel and transportation due to increased activity.
- We also expect an increase in emissions due to a general shift towards more use of stainless steel for hygienic and food safety reasons.

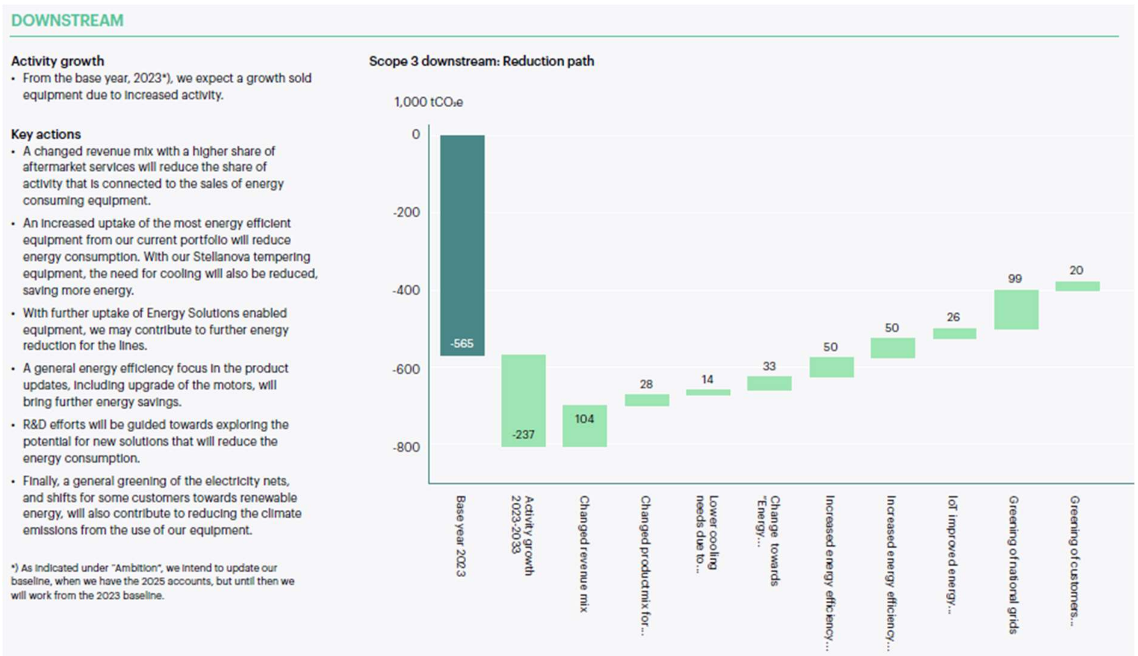
Key actions

- A changed revenue mix with a higher share of aftermarket services will reduce the consumption of materials while also contributing to extending the lifetime of the already sold products.
- We will explore possibilities for lighter constructions, saving materials, without compromising the durability of our equipment.
- We will explore possibilities for substituting certain materials with other with a smaller carbon footprint.
- The biggest contribution upstream we expect will be from carefully sourcing materials such as stainless steel from the suppliers with the lowest possible carbon footprint. Even with today's technology, there is potential to significantly reduce emissions.
- We further expect that the general greening of especially the electricity nets will also contribute to reducing the carbon footprint of the sourced materials.
- As part of our circular economy efforts, we will also explore the potential for takeback of used equipment, which can be refurbished and resold to the market instead of selling new.
- Finally, we aim to reduce our business travel emissions with 50% by travelling less and smarter.



Actions

As for our scope 1+2 emissions, we have now carefully evaluated the levers for reducing our scope 3 emissions, and we have started the planning to implement actions that will bring down our scope 3 emissions both upstream and downstream. Our decarbonization plan is an integral part of our business strategy and further integrated into e.g. our R&D plan, product roadmap and the business strategy for aftermarket services.



Avoided emissions with Energy Solutions

While a 33% reduction in our scope 3 emissions will keep us on a "well below 2 degrees" scenario, it is not enough to support the 1.5 degrees target. So, we need to look for further ways to reduce climate emissions. And 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.

As our Energy Solutions services materialize, we will monitor the avoided GHG emissions that occur as we help our customers achieve energy savings.

Progress on targets

OUR CLIMATE GAS EMISSIONS

	Unit	2025	2030*)	2050	2024	2023*)	2022	2021	2020	2019*)	Δ 24 vs 23
Scope 1 GHG emissions	tons CO_2e	60	15	0	111	88	211	330	256	281	26%
Location-based Scope 2 GHG emissions	tons CO_2e	120	25	0	121	123	105	103	112	109	-2%
Market-based Scope 2 GHG emissions	tons CO_2e	750	650	0	931	753	591	566	569	553	24%
Total indirect (Scope 3) GHG emissions	**tons CO_2e**	**573,000**	**455,000**	**0**	**382,183**	**593,440**	**-**	**-**	**-**	**-**	**-36%**
C1 Purchased products and services	tons CO_2e	-	-	-	38,206	25,924	-	-	-	-	47%
C2 Capital goods	tons CO_2e	-	-	-	645	466	-	-	-	-	38%
C3 Fuel and energy related activities	tons CO_2e	-	-	-	93	114	-	-	-	-	-19%
C4 Upstream transportation	tons CO_2e	-	-	-	808	511	-	-	-	-	58%
C5 Waste in operations	tons CO_2e	-	-	-	4	5	-	-	-	-	-14%
C6 Business travel	tons CO_2e	-	-	-	950	492	-	-	-	-	93%
C7 Employee commuting	tons CO_2e	-	-	-	951	226	-	-	-	-	321%
C11 Use of sold products	tons CO_2e	-	-	-	340,523	565,697	-	-	-	-	-40%
C12 End-of-Life treatment of sold products	tons CO_2e	-	-	-	3	5	-	-	-	-	-47%
Total GHG emissions scope 1-2-3 (location-based)	**tons CO_2e**				**382,415**	**593,651**	**-**	**-**	**-**	**-**	**-36%**
Total GHG emissions scope 1-2-3 (market-based)	tons CO_2e				383,225	594,282	-	-	-	-	-36%
Scope 1 + 2 GHG emissions (location-based)	tons CO_2e	180	40	0	232	211	316	433	368	390	10%
Scope 1 + 2 GHG emissions (market-based)	tons CO_2e	810	80	0	1,042	842	802	896	825	834	24%
Scope 3 upstream GHG emissions	tons CO_2e	28,100	20,300	0	41,657	27,738	-	-	-	-	50%
Scope 3 downstream GHG emissions	tons CO_2e	544,000	434,000	0	340,526	565,702					-40%
Scope 1 +2 GHG emissions (location-based) per net revenue	t CO_2e/MDKK				0.2	0.3	1.3	2.3	2.1	2.2	-22%
Scope 1 +2 GHG emissions (market-based) per net revenue	t CO_2e/MDKK				0.9	1.1	3.3	4.7	4.6	4.8	-12%
Scope 3 upstream GHG emissions per net revenue	t CO_2e/MDKK				38	35	-	-	-	-	6%
Scope 3 downstream GHG emissions per net revenue	t CO_2e/MDKK				308	722	-	-	-	-	-54%
Total GHG emissions (location-based) per net revenue	**t CO_2e/MDKK**				**345**	**758**	**-**	**-**	**-**	**-**	**-54%**

	Unit	Aasted ApS	Imperial DT
Scope 1 GHG emissions 2024	t CO_2e/MDKK	93	18
Scope 2 GHG emissions (location-based) 2024	t CO_2e/MDKK	92	28
Scope 3 GHG emissions 2024	t CO_2e/MDKK	382,120	63
Total GHG emissions (location-based) - 2024	**t CO_2e/MDKK**	**382,304**	**110**

*) Target for scope 1 and 2 is 90% reduction compared to 2019 as baseline. Target for scope 3 is 33% reduction in 2033 compared to 2023 as baseline year. For scope 3, this will equal a total reduction of 195,000 tons in 2033 – and presuming a linear reduction from 2024, a reduction of 136,000 tons or 23% in 2030 (resulting in scope 3 emissions of 455,000 tons).
**) 2023 is the baseline year for our scope 3 targets
***) 2019 is the baseline year for our scope 1+2 targets

OUR ENERGY CONSUMPTION

	Unit	2030	2024	2023	2022	2021	2020	2019	Δ 24 vs 23
Direct energy consumption (scope 1)	**MWh**		**424**	**433**	**1,033**	**1,661**	**1,340**	**1,412**	**-2%**
Natural gas for heating	MWh		208	236	698	1,307	1,151	1,372	-12%
Biogas for heating	MWh		77	117	263	304	164	0	-34%
Oil for heating	MWh		57	0	0	0	0	0	-
Fuels for company cars	MWh		83	80	72	50	25	40	4%
Electricity consumption (scope 2)	**MWh**		**1,877**	**1,744**	**1,470**	**1,410**	**1,545**	**1,516**	**8%**
Purchased electricity from fossil fuels	MWh		243	169	147	288	324	314	44%
Purchased electricity from nuclear sources	MWh		198	190	160	32	46	45	4%
Purchased electricity from renewable sources	MWh		1,436	1,385	1,164	1,089	1,174	1,156	4%
Self-generated electricity from renewable sources	MWh		0	0	0	0	0	0	0%
Total energy consumption	**MWh**	**1.757**	**2,301**	**2,177**	**2,503**	**3,071**	**2,884**	**2,928**	**6%**
Total energy consumption per net revenue	**MWh/MDKK**		**2.1**	**2.8**	**4.3**	**6.1**	**5.0**	**5.0**	**-24%**
Share of fossil fuels in total energy consumption	%		26%	22%	37%	54%	52%	59%	-
Share of nuclear sources in total energy consumption	%		9%	9%	6%	1%	2%	2%	-
Share of renewable sources in total energy consumption	%		66%	69%	57%	45%	46%	39%	-
Share of renewable and low carbon sources in total energy consumption	**%**	**100%**	**75%**	**76%**	**56%**	**38%**	**43%**	**42%**	**-**

		Aasted ApS	Imperial DT
Direct enegy consumption (scope 1) 2024	MWh	336	88
Electricity consumption (scope 2) 2024	MWh	1,811	65
Total energy consumption 2024	**MWh**	**2,148**	**153**

Accounting policies

Climate emissions

For all scopes, we assess climate emissions for all climate gases, measured as CO2-equivalents (CO2e). Calculations follow the GHG Protocol. Emissions are calculated for all entities except for Scope 3 categories 1, 2, 11, and 12, where Imperial DT is not included due to lack of input data.

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 headquarter in Farum, Denmark, the offices in Turkey and in the USA, and the Imperial site in the USA. The facility in Slangerup, Denmark, is heated by district heating, which is accounted for under scope 2. Gas bottles are only used in Farum and by Imperial DT. Company cars cover cars in Denmark and in the USA (Imperial DT). For emission conversion factors are used factors from the Danish Energy Authority and from the GHG Protocol.

Gross Scope 2 GHG emissions

Our Scope 2 GHG emissions stem from use of electricity in our two premises in Farum and Slangerup, Denmark, the offices in Turkey and in the USA, and the Imperial site 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 (for location-based method) and from Carbon Database Initiative for Turkey and for the USA (market-based method).

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. Calculations are performed on the Normative platform with the use of Ecoinvent and Exiobase conversion factors. Spend based calculations have a high level of uncertainty and will gradually be changed to activity based or supplier-specific calculations as this data will become available to us. Imperial DT is not included for this category due to lack of input data.

C2 Capital goods

Is calculated based on our spend on capital goods. Calculations are performed on the Normative platform with the use of Ecoinvent and Exiobase conversion factors. Spend based calculations have a high level of uncertainty and will gradually be changed to activity based or supplier-specific calculations as this data will become available to us. Imperial DT is not included for this category due to lack of input data.

C3 Fuel and energy related activities

Covers the emissions related to use of fuels and energy, that are not covered by scope 1 and 2, i.e. upstream emissions of purchased fuels, electricity and district heating, and transmission and distribution losses. Is calculated on the Normative platform based on the consumptions of fuels, electricity and district heating.

C4 Upstream transportation

Covers transportation of our sold equipment to the customers. Is based on GHG emission data from our transportation vendors.

C5 Waste in operations

Is based on GHG emission data from our vendor based on collected materials and means of treatment.

C6 Business travels

Covers air transport and travels in own cars. Emissions from air travels are GHG emission data from our vendor based on airmiles and air classes. For travels in own cars, emissions are calculated based on km and average emissions from petrol cars.

C7 Employee commuting

Is calculated based on an internal commuting survey from November 2024 covering distance and means of transportation. The survey covers 58% of employees in Denmark and in Imperial DT and results are extrapolated to the full workforce.

C11 Use of Sold Products

Is calculated based on energy consumption from delivered equipment with estimated use scenario and lifetime and using country specific emission factors. We don't have access to actual energy consumption for the equipment as used by our customers, so consumption is calculated based on installed effect combined with experience from use cases. For use scenario is estimated an average of 7200 hours/year. For lifetime is estimated an average of 20 years. Imperial DT is not included for this category due to lack of input data.

C12 EoL treatment of sold products

Is calculated based on weight of sold goods and estimated average distribution of materials and expected treatment. As uncertainty on actual end treatment is high, we have used a conservative approach to expected recycling rate and based on a global view. Imperial DT is not included for this category due to lack of input data. The 2023 calculation has been adjusted as the original was based on a wrong output number.

Use of primary data

0.5% of total Scope 1-2-3 emissions are covered by specific GHG emission data. This covers part of Scope 1 and 2 and Scope 3 categories 4 and 6. 88.8% of emissions are covered by activity-specific data including the Scope 3 categories 3, 7, 11 and 12. 10.7% of emissions are covered by spend data including the Scope 3 categories 1 and 2 and partly category 4 and Scope 1 (mobile emissions).

Scope 3 categories that has been excluded

C8 Upstream leased assets: We do not have any leased assets.

C9 Downstream transportation and distribution: All transportation from Aasted to our customers is arranged and financed by Aasted and therefore reported under category C4.

C10 Downstream leased assets: We do not have any leased assets.

C12 Franchises: We do not have any franchises.

C13 Investments: We do not have any investments in assets outside Aasted ApS.

Energy sources

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.

Energy consumption from high climate impact sectors

Since manufacture, NACE code C, is classified as a high climate impact sector, all of our energy consumption falls in this category. Energy intensity is therefore calculated based on total company revenue.

Pollution, biodiversity and ecosystems

We have in Aasted no material pollution or direct impacts on biodiversity and ecosystems from our operations. Our main operations are design and assembly including limited welding and painting activities, which are performed at sites located in industrial areas and with proper ventilation and exhaust filters.

Pollution

We have some use of chemicals for e.g. cleansing in our operations. Use of chemicals may potentially cause risks to both the environment and to people. We therefore carefully evaluate the used chemicals, which are all registered in an internal chemical database which includes safety sheets. Currently, we do not have any chemicals in high-risk classes. All new registrations of chemicals are subject to approval by our HSE manager. All chemicals are safely stored on drip trays, and we have an emergency process to handle potential spills within our environmental management system.

We do not add any substances of concern to our products. However, potentially there may be substances of concern in the parts and components, that we source from suppliers. We therefore require our suppliers to declare any substances of concern above threshold values as defined in legislations such as EU RoHS and REACH. This activity is an integral part of our supplier management. When we discover substances of concern in our products, we investigate the possibilities to substitute these parts. Currently, we are investigating which parts may contain PFAS and the options for substitution.

Biodiversity and ecosystems

We are aware, that we have some indirect impact on pollution, biodiversity and ecosystems from our sourcing of materials and parts, especially further up the value stream. Processes such as mining and metals processing potentially involves pollution, land use and other impacts to nature and ecosystems. We will in 2025 conduct a base study to determine which types of impacts that we cause in our value chain, and at which levels. This will help informing us, if we have any material impact, and help us to identify any meaningful mitigating actions.

Resources and circularity

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 land-filling 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.

Targets for resources and circularity

We currently only have one target for resources and circularity: to increase our waste recovery rate to 75% in 2025 and 80% in 2030. We will during 2025 work on defining additional targets as we mature on our capability to measure the relevant parameters such as resource use, recycled content and other circularity measures.

Actions to improve circularity and resource use

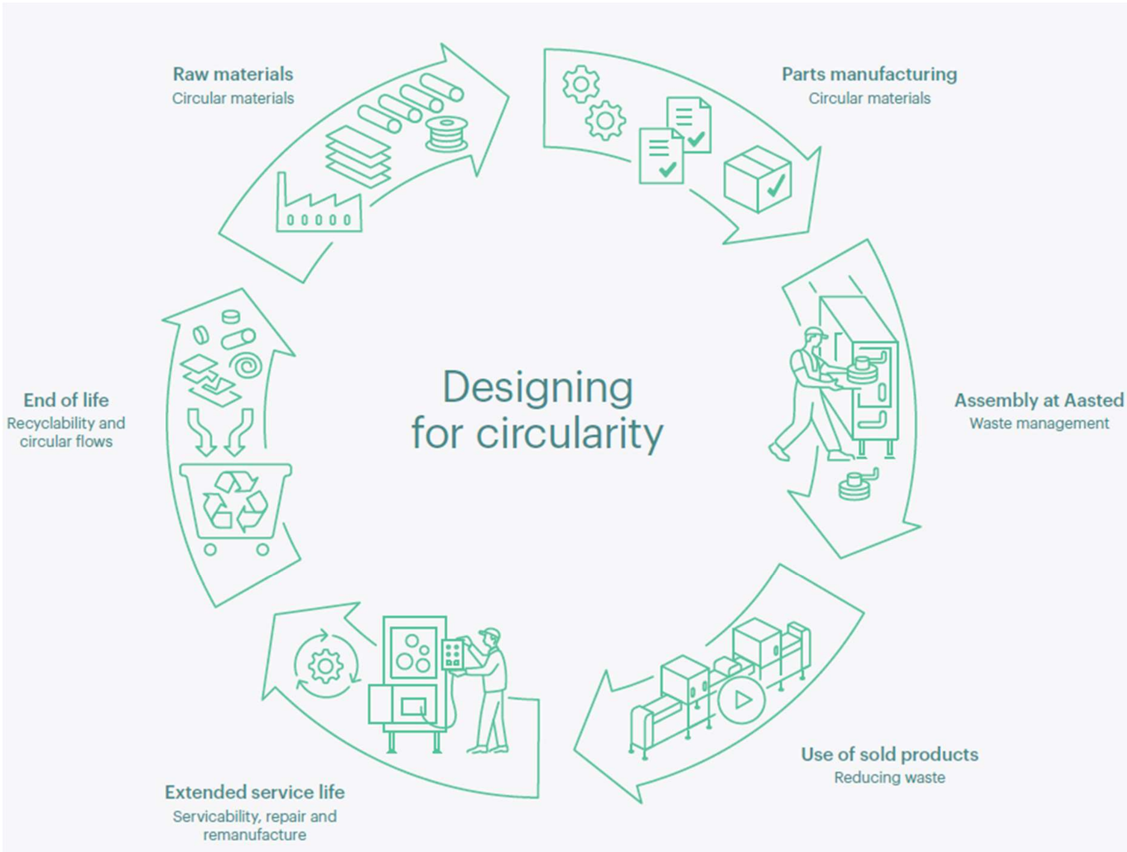
On the input side, Aasted sources various materials, parts, goods and services of which the most significant are materials and parts used in the products. The dominant material used is stainless steel. Other used materials include ”black” steel, aluminum, plastic, wood, cupper, brass and electronics. We do not use water directly in the production, but some is used for cleansing parts and the rest is used in the canteen and for sanitary purposes. We currently only have solid data for the water consumption but will include more material consumption data in future. We are also looking into how to measure and document the level of recycled content in our input materials.

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 has been to integrate the learnings from our 2023 circularity workshop into our design guide and to fully reflect circular and environmental aspects in the product design process. To support the next step, we have joined the Nordic Circular Design Programme, which runs from October 2024 to May 2025 with emphasis on how to develop circular business models and how to support these through the product design.



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 input materials 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 RoHS or REACH regulations.

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 aim to avoid waste where possible and frequently evaluate our processes to identify opportunities to reduce waste. We also engage with our suppliers in how we can optimize our parts designs in ways that reduces the waste. 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. Due to increased activity, we have in 2024 seen a significant increase of waste, partly waste for recovery, partly waste for incineration. The overall recovery rate increased to 68% compared to 64% in 2023. We will in the coming years focus on both minimizing waste and on sorting even better for recycling.

THE MOST IMPORTANT WASTE STREAMS

34%

Wood cut-offs & cardboard
126 tonnes of from packaging. 34% of the total waste stream.

23%

Metal ware
86 tonnes from the manufacturing processes, which are mainly cut-offs – this includes iron, steel, aluminum, copper and brass. 23% of the total waste stream.

22%

Residual waste
83 tonnes of mixed residual waste for incineration. 22% of the total waste stream.

14%

Organic waste
51 tonnes of mainly waste chocolate from the testing facility. 14% 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.

With SweetConnect, we have taken an important step to strengthen our service offers to our customers with a strong digital portal. This will facilitate further lifetime extensions for our customers.

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. And we will explore opportunities further with our customers in the coming years.

End-of-life – closing the 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.

Partnering for circularity

Circularity cannot be achieved by a company alone. We partner with our suppliers on innovations and designs that reduce waste in the manufacturing and on input materials based on recycled content. And we partner with our customers on lifetime extensions in the form of maintenance and repair services or remanufacture as well as on solutions that reduces our customers' waste of materials. We have joined the cooperation on the SweetConnect portal to create one shared portal for the industry for spare parts and services.

Resources and waste

Water consumption

Total gross water usage as of 31/12/2024 from premises in Denmark, USA, and Turkey based on invoices from utilities. At our main site in Farum, the water consumption is directly measured. In the two offices, consumption is calculated by the landlord as a share of the total building consumption. The water consumption in Slangerup is estimated based on consumption in the two above offices. The consumption from Imperial DT is directly measured by the water utility. 96% of the water consumption is based on direct meters.

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.

OUR RESOURCE CONSUMPTION

	Unit	2024	2023	2022	2021	2020	2019	Δ 24 vs 23
Total water consumption – Aasted ApS	m^3	2,936	2,269	2,006	1,620	2,039	2,219	29%
5	m3/MDKK	2.7	2.9	3.5	3.2	3.6	3.8	-
Total water consumption – Imperial DT	m3	15						
Water consumption per net revenue – Imperial DT	m3/MDKK	0.8						
Total water consumption – Group	m3	2,951						
Water consumption per net revenue – Group	m3/MDKK	2.7						

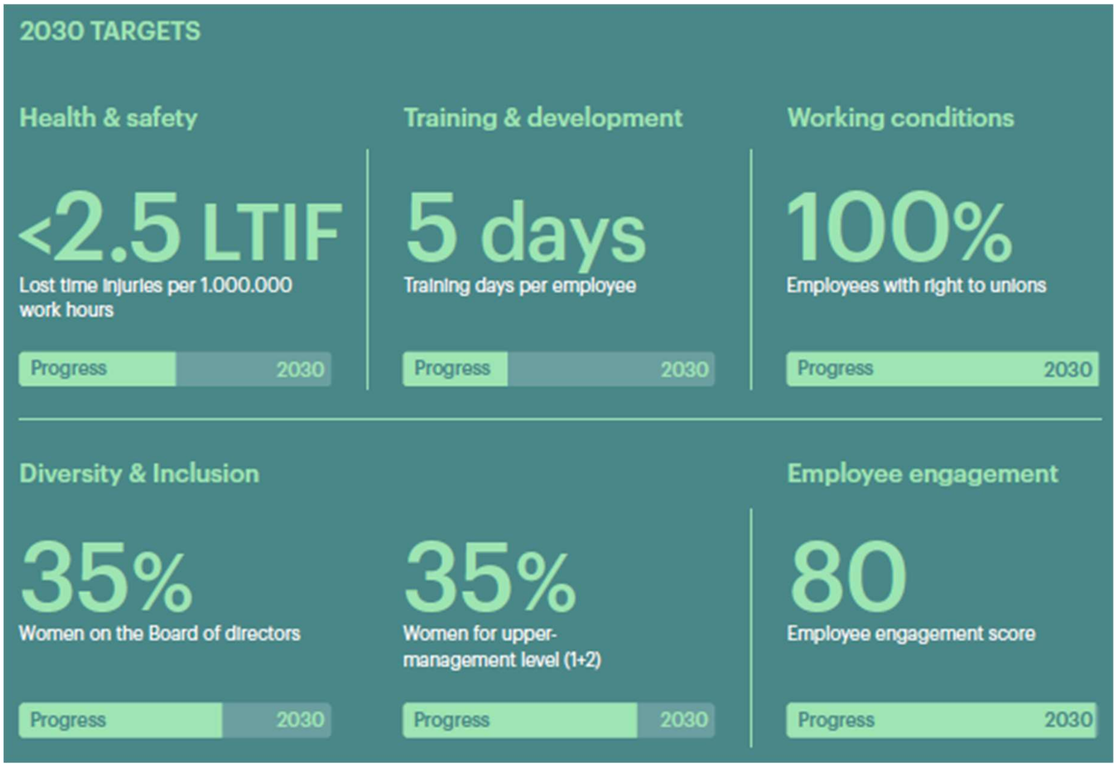
OUR WASTE MANAGEMENT

	Unit	2030	2024	2023	2022	2021	2020	2019	Δ 24 vs 23
Hazardous waste for material recovery	tons		1.1	1.1	1.0	0.8	0.0	0.0	-8%
Hazardous waste for incineration with energy recovery	tons		3.1	1.9	0.7	2.2	2.0	0.5	59%
Hazardous waste total	tons		4.1	3.1	1.7	3.0	2.0	0.5	34%
Non-hazardous waste for material recovery	tons		252.7	153.2	185.0	148.6	160.3	164.4	65%
Non-hazardous waste for incineration with energy recovery	tons		103.6	78.6	65.2	62.7	113.2	158.1	32%
Non-hazardous waste for landfill	tons		11.1	5.0	7.0	9.1	7.7	14.9	125%
Non-hazardous waste total	tons		367.4	236.8	257.2	220.5	281.3	337.4	55%
Total waste from operations	**tons**		**371.6**	**239.9**	**258.9**	**223.5**	**283.3**	**337.9**	55%
Total waste for recovery	%	80%	68%	64%	72%	67%	57%	49%	6%
Total non-recycled waste	%		32%	36%	28%	33%	43%	51%	-11%

	Unit	Aasted ApS	Imperial DT
Total waste for recovery	tons	352	8
Total waste for landfill	tons	4	7
Total waste	**tons**	**357**	**15**

Social information

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



List of material disclosure requirements:

- Own workforce
- Workers in the value chain

Own workforce

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 make a positive impact on our employees by creating 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 2024 seen a strong growth in number of colleagues with an increase from 462 FTE at the end of 2023 to 552 FTE at the end of 2024 – an increase of 20%. 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.

All people in our workforce are included in the scope for our double materiality assessment, including non-employees. For our 2024 assessment, the identified material topics related to our own workforce are to ensure the health and safety of our workers, protect and foster labor rights and dialogue, the payment of adequate wages, and ensure training and skills development, anti-discrimination and harassment at work, and foster diversity and inclusion, including gender equality.

The most material potential negative impacts to our own workforce are related to health and safety. Especially our colleagues working in the production and with installation and commissioning at customers' sites are exposed to higher risk to their health and safety at work, simply due to the nature of the work performed. At the same time, it is material for Aasted and our workforce to continuously foster an inclusive workplace of safety and skills-development culture, ensure continuous proper payment and dialogue on working conditions and labor rights.

No material impacts to our own workforce from climate change transition plans have been identified.

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.

Human and labor rights

Policy

Aasted respects and promotes human and labor rights across all our work processes and follow national and international regulations.

We adhere to conduct business and work in accordance with internationally recognized instruments on human rights such as the UN Guiding Principles on Business and Human rights, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises, as well as comply with local legislation.

These commitments are set out in our Sustainability Policy and Aasted Code of Conduct which guide our work with human rights and including our impact in our value chain. These policies also explicitly state our commitment to respect labor rights and human rights, hereunder the elimination of forced, bonded and involuntary labor and effective abolition of child labor and, will in our updated version also include trafficking of human beings. All our policies are approved at the most senior level in the business, and the adequate management systems to identify, prevent, mitigate, and remedy any potential adverse impacts to people's human rights across our activities are implemented.

As part of our human rights' due diligence, we conduct human right risk assessments based both on desktop research and engagement with stakeholders as part of our process to identify and address actual and potential impact through appropriate action.

This is an ongoing process where our HSE organization plays a vital role in the protection of our own workforce's health and safety, which is the most material potential impact on our own workforce that we have identified. We carry out the due diligence process by developing and reevaluating plans and actions to prevent and mitigate risks and monitor progress as ongoing steps. This also include close collaboration with our suppliers. We track breaches on human rights through reported cases on our whistle blower hotline and internal reporting channels. During 2024 no severe human rights impacts on our own workforce have been identified throughout human rights risk assessment or reported cases on our whistle blower hotline and internal reporting channels.

Labor practices

Aasted's workforce consists of hourly-salaried employees in production and monthly-salaried employees in administration, project management, product development, and commercial roles, including students, apprentices, and part-time employees.

In Denmark, worker protection is regulated through legislation and collective bargaining agreements (CBAs). Manufacturing employees are covered by CBAs, while administrative employees can join unions to support their labor rights. Engagement and grievance mechanisms are handled through internal channels, including the HSE organization and the Works Council, with unions providing additional support.

For employees not covered by CBAs, working conditions align with Danish labor market standards and collective agreements covering other Aasted employees. Salaried employees (funktionærer) are protected under the Danish Salaried Employees Act (Funktionærloven), ensuring rights such as notice periods and termination protection.

For employees outside Denmark, contracts reflect the protections and benefits set by local labor laws while incorporating aspects from Danish employment standards where possible.

Living wage

In Aasted all directly hired employees are paid a living wage including in our subsidiaries.

It is important to note, that living wages are complex to calculate, and are not the same as a minimum wage. We have therefore assessed this by comparing the lowest wage we pay our employees against external living wage benchmarks based on our employees' location. We have used the living wage benchmarks available at WageIndicator.org, as they provide publicly Aasted respects and promotes available data.

The living wage benchmarks by WageIndicator for follows the Typical Family methodology, or for the US the Living Wage for US Monthly Methodology, which are both recognized by IDH Living Wage Benchmark Methodologies Recognition Process, which purpose is to evaluate the credibility of living wage benchmarks. Methodologies approved by the IDH process are widely recognized for producing credible living wages benchmarks. We ensure to continuously pay a living wage for our employees.

Non-employees (see definition under Accounting policies in this section) are usually hired as contractors or freelancers, where salary is not determined by Aasted ApS, or they are hired through an agency, who we pay directly to and who ensures that these workers receive an adequate wage.

Privacy and data ethics

We see the increasing need to address the privacy and security of data, and hereunder especially ensure an ethical approach to handling information about people in our own workforce and from our business partners, whether that be customers, suppliers, or agents. Read more about our data ethics approach under Business ethics and compliance.

Health and Safety

Policy

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, that covers all workers at our premise, the role of the health and safety organization as well as the responsibilities of managers and employees are described. We have a health and safety management system and organization as required by Danish law, with a dedicated Health and Safety manager to lead our organization on HSE in Aasted.

To evaluate our efforts over time, we track performance and improvement on the Accident Frequency rate with the target to reduce to a rate of 5.0 by 2025. For 2024 the rate was 5.8 cases per 1,000,000 hours worked. This is an improvement from the previous year. Most of these accidents were less severe, and only one (a broken foot) caused a longer period of absence, which explain the increase in the rate of lost days due to work-related accidents. Compared to Danish industry average we still have a relatively low accident rate: 109 accidents per 10,000 FTE compared to 166 for the machinery industry in 2023 (figure from DA, Confederation of Danish Employers).

Engaging with workers on health and safety

For Aasted it is fundamental to have a health and safety management (HSE) system in place to effectively address and prevent risks to workers health and safety. This system not only ensures adherence to legal requirementsbut also fosters a collaborative environment where engagement between employees and management can thrive. At all levels, from floor staff to senior management, individuals are encouraged to identify and communicate potential health and safety issues, facilitating a proactive approach to risk management. For a company of Aasted's size, implementing a structured HSE organization and management system is a legal obligation but also a strategic advantage that promotes a culture of safety and well-being across the workforce.

The HSE Organization focus 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 of set targets. The HSE groups meet every month to develop initiatives and follow-up on progress and can raise ideas and issues to the HSE Organization and Committee through their HSE representatives. 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.

Workers are required to report any accident, near-miss event or dangerous situation through one of several reporting channels, which will be registered in our HSE database. The local HSE groups are then responsible for analyzing and mitigating hazards. In this process hierarchy of controls is used to support developing mitigation actions.

Promoting safety processes

All new employees receive basic training in safety measures as part of their onboarding and we have developed accident prevention processes that all employees must be familiar with. 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 on boards in our facilities and online through our digital quality management platform. These are continuous actions we take to ensure that all employees have access to the necessary and relevant training and information to minimize the risk of accidents and ill-health.

The procedures are the same for substitutes and temporary workers, as they are also included in our HSE management system.

Accident and near-miss reporting and analysis

As part of putting safety in focus, a new digital system of reporting near-miss accidents was implemented. Making it more accessible for employees to report by just scanning a QR code, which has been hung up around our premises in Farum. We work with near-miss accident reporting in our management system as preventive effort on work related accidents and ill health.

We analyze every accident and near-miss accidents reported to identify the root causes so that we can learn from them and prevent similar situations from happening again. Reported incidents, progress, and resolutions are available to all employees.

Safe surroundings

Many new employees joining our forces in 2024 and being one of our most busy years, space was at times limited. We therefore invested in warehouse automation machines, new locations for additional storage and resources, and additional office spaces in Farum. Traffic has also been a focus area in 2024. Redrawing markings on our grounds increased awareness around driving vehicles in the factory and outside.

Ergonomics in focus

In 2024 we conducted awareness campaigns on ergonomics in relation to lifting, pushing and pulling of heavy items. Furthermore, we have had a couple employee representatives from the HSE organization test out a course on ergonomics in office and where requested, elastics with accompanying exercises to improve posture and prevent aches from work positions at desks.

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 (not mandatory for all). In 2024, 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. These benefits are usually set with local guidance and to match with standards at headquarters.

Employee turnover

Employee turnover rates and absences can reflect staff well-being and employee relations. We track the development of both on a quarterly basis, which is reported at executive level. Our turnover rate increased slightly to 18.8%, which is a little higher than the most recent industry average of 17.8% (DI figures for 2023 for manufacturing of machines). Absence due to sickness has also increased to 10.8 days per employee, which is higher than the most recent industry standard of 9.6 days (DI figures for 2023). New efforts to reduce absences were introduced at the end of 2024. We have also started tracking cases of ill-health last year and will see how it develops during 2025.

Diversity, equity, and inclusion

Policy

We strive to ensure psychological safety for all employees. Psychological safety is an inclusive workplace with 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 no 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. We recognize that working with inclusion and equity on gender and age parameters will have a positive impact on fostering an overall inclusive culture with space for diversity and where people feel like they have a place and belong. All employees are covered by the same policies.

Improving the gender balance

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.

In 2024, we achieved our 2025 targets for underrepresented gender representation at the board, top management, and managerial levels. We also observed a slight increase in the overall percentage of women at Aasted.

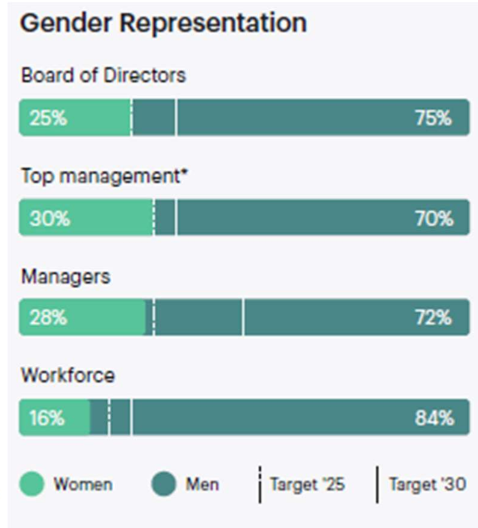
Building on this progress, we have updated our targets for the management groups in 2025 and set more ambitious targets for 2030. These targets are set in accordance with the Danish Financial Business Act:

35%
women on the Board of directors

35%
for upper-management level[1]

50%
for the collective management group

1) Top-management (CXO) and the management level referencing directly to top management with personnel management responsibility.



[1]

We have taken part of a local initiative by Danish Industry Confederation's Diversity Pledge to support the target of achieving 40/60-gender distribution in management and board of directors across Danish businesses by 2030.

Working with our unconscious bias

We have in 2024 conducted a Leadership Academy workshop to build knowledge and awareness about unconscious bias in our management team. The workshop demonstrated how unconscious bias is a barrier to a more diverse workplace and how we most effectively can work to promote more diversity.

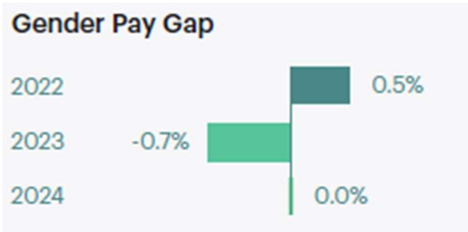
Often when we recruit for key strategic positions like manager positions, we use recruiters, who are instructed to not provide name, personal identification number or picture, to allow for a more neutral selection process.

Since 2023, our HR department has analyzed job postings for inclusive language with support from a tool developed by DevelopDiverse. This tool has better equipped our HR team to identify unconscious bias in job postings and requirements. By adjusting our choice of words and the way we phrase tasks, we reduce the likelihood of systematically excluding certain groups or disadvantaging individuals in our recruitment process. For Aasted, this results in a larger pool of potential candidates and helps us attract the best fit for the company across gender, age, and other aspects of diversity.

Equal pay

We measure the gender pay gap on an annual basis comparing the median salary for men and women in the organization (in Denmark). In 2024 male and female employees were paid the same median salary resulting in a salary gap of 0.00%.

[1] *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).



Addressing language barriers

We have colleagues across the world, with the majority of the workforce being located in Denmark. To address the language barrier that arises, we have established a procedure that ensures that all written communications are accessible to all employees, regardless of their primary language, by providing content in both Danish and English. This also ensures that all our colleagues are well-informed and engaged across the organization.

Supporting senior colleagues

In Aasted we want to support our senior colleagues in the transition to life as a pensioner by offering the opportunity to adjust working terms when they get closer to retiring age. We arrange dialogues with employees when it becomes relevant and offer seminars on this topic for all employees over 60 years to help prepare for this change.

Taking responsibility for apprentices

The education of technical workers is highly dependant on the availability of apprentice positions in the industry, so that the students can cover this part of their education. In Aasted, we find it important to engage apprentices, and in 2024 we doubled the number from 9 to 18, so that 8% of the factory workforce were apprentices.

Anti-harassment

Ensuring the mental health and security of our employees, we have an anti-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.

It is the responsibility of managers to take reports on transgressive behavior seriously, as well as know how to manage and facilitate the process of dealing with an incident. However, it is always possible to report incidents directly to our HR or HSE departments or through our whistleblower hotline. This is described in our Speak up policy available to all employees.

We monitor reports of harassment or discrimination through our internal reporting channels and whistleblower system. In 2024, three cases have been reported through internal reporting, with one case requiring disciplinary action. We work closely with the employees affected and ensure appropriate follow-up and action. You can read more about our policies and procedures for employees, suppliers, and business partners to report incidents in the Governance section.

Training and skills development

Policy

At Aasted, we strive to be a workplace where employees feel valued, supported, and empowered to grow both personally and professionally. We recognize that continuous learning takes many forms, from structured training and formal education to on-the-job training and knowledge sharing.

We are committed to fostering a culture of learning by providing opportunities for employees to develop their skills and competencies in ways that are relevant to their roles and aspirations. As we refine our approach to measuring learning and development, we are working to improve clarity on what constitutes training and education, and how to track it effectively. Rather than focusing on a specific number of education days as we have done previously, our goal is to ensure that all employees have access to meaningful development opportunities that support their growth and contribute to Aasted's success.

Supporting development

To support the development of our people, we conduct performance and career development review program, that entails 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. We started this program in 2023, and differences in documentation practices between administration and factory workers mean that in 2024, only 28% of performance reviews can be formally documented. We are refining how to track participation the best possible way and the process itself ongoingly. We also work on building our internal quality management system, so knowledge sharing and training in optimal processes are integrated parts of our management system.

Employee engagement

In 2024, we welcomed numerous new colleagues, highlighting the importance of building relationships and understanding our work processes. We strive to ensure that everyone feels welcomed and engaged in their roles. To add value to our team, we actively encourage our colleagues to share their thoughts and perspectives on their experiences at Aasted, as well as suggestions for improvement.

Including our workforce's perspectives

We foster a constructive dialogue between employers and employees as a core aspect of labor rights. At Aasted, we engage with employees involved in collective bargaining and maintain an active dialogue regarding labor unions, ensuring that the implementation of agreed-upon collective agreements is carried out effectively.

We have an established Works Council, whose purpose is to enhance the collaboration between employees and management at the most senior level to create the frame for dialogue on developments in the company for feedback and raise potential or actual issues. The Council consists of employee-elected representatives and management representatives. They meet on a quarterly basis and information on the status and strategic development of Aasted is required to be shared with employee representatives for input and feedback. Our CEO is the chairman and responsible for the Works Councils taking place and incorporating inputs from worker's representatives.

Employee satisfaction and engagement surveys

To gain insights into employees' work satisfaction and to engage with our workers, our HR department is responsible for conducting engagement surveys, reaching all employees on our payroll. We use these results to give us a measurable indicator on well-being and to receive feedback from our workforce on how we can continuously improve Aasted as a workplace for current and future employees. The survey results also provide input for developing our company strategy.

This survey offers an additional channel to raise concerns and speak up, as well as give honest feedback without fear of repercussions. The analysis is handled by an external company, who makes sure to present results and comments in an anonymized manner.

Every survey is discussed in the management group and in the organization at department level to identify actions for improvement in collaboration with employees. At the end of 2023, we conducted a workplace evaluation in collaboration with our HSE organization which provides a more in depth look at the physical and psychological work environment. This has formed the base for our action plan in 2024.

In the fall of 2024, we conducted a survey with a 72% participation rate. The results showed overall progress and an improved engagement rate of 79 points, which is a small improvement compared to 77 points last year. The employee net promoter score also showed a slight improvement.

Remediation and channels to raise concerns

Policy

We recognized our responsibility to provide people with a method of seeking recourse and find a solution when they believe their rights have been violated. We are fully aware of our responsibility to take all reported cases seriously and provide fair and proper support to the affected stakeholder and other affected parties.

Speak up

We encourage employees to speak up and seek support if they are experiencing difficult situations or are exposed to violation of their rights incl. discrimination and harassment. Employees can make official reports directly to our HSE Manager, HSE representative, our HR department, and our legal department.

Any reported incident is promptly addressed by the party receiving the report and escalated to the appropriate level, where an investigation will take place. Subsequently, proportionate and appropriate disciplinary corrective measures will be determined in order to provide remediation for the affected party. Most importantly, they will serve as a source of knowledge for corrective actions for the future. This is outlined in an internal procedure called Speak Up accessible to all in our management system and physical HSE boards.

Whistleblower channel

In severe or serious cases, we provide a whistleblower channel, accessible to both employees and external stakeholders. For more information on our whistleblower channel and our processes for ensuring effectiveness, see the Governance section on business conduct. In our handling of reported grievances, we strive to protect the reporting party through our zero-tolerance for retaliation policy.

In 2024 we received no reports on issues related to our own workforce through our whistle blower channel and three reports through other internal reporting channels.

Creating awareness

Currently, we create awareness around these channels with our workforce and workers at our premises (e.g. contracted labor, like temporary workers or consultants) through onboarding and ongoing document training. HSE reporting channels are especially continuously promoted throughout the year, and QR codes which take you directly to our internal reporting channel are posted all around our facility in Denmark.

Our impact and work with human and labor rights due diligence is further described in the section below on workers in the value chain.

Progress on targets

WORKFORCE CHARACTERISTICS

	Unit	2024	2023
Total workforce (headcount)	**Headcount**	**577**	**433**
Male employees	Headcount	486	365
Female employees	Headcount	91	68
Other / not reported	Headcount	0	0
Employees in Denmark	Headcount	539	410
Employees in USA	Headcount	20	7
Employees in Turkey	Headcount	7	8
Employees in other countries	Headcount	11	8
Employees in Aasted ApS	Headcount	562	433
Employees in Imperial DT	Headcount	15	-

WORKFORCE CHARACTERISTICS – CONTINUED

	Unit	2024	2023
Total employees (FTE)	**FTE**	**552**	**462**
Hourly salaried employees	FTE	226	147
Monthly salaried employees	FTE	318	267
Non-employees (Contractors)	FTE	9	48
Permanent employees	**FTE**	**513**	**394**
Permanent male employees	FTE	430	333
Permanent female employees	FTE	83	60
Temporary employees	**FTE**	**21**	**13**
Temporary male employees	FTE	18	10
Temporary female employees	FTE	3	3
Non-guarantied hours employees	**FTE**	**9**	**7**
Non-guarantied hours male employees	FTE	8	6
Non-guarantied hours female employees	FTE	2	1
Non-employees	**FTE**	**9**	**48**
Full-time employees	**FTE**	**502**	**394**
Full-time male employees	FTE	421	334
Full-time female employees	FTE	81	60
Part-time employees	**FTE**	**42**	**20**
Part-time male employees	FTE	36	15
Part-time female employees	FTE	6	4
Employees who have left	**Headcount**	**103**	**83**
Employee turnover rate	**%**	**19%**	**18%**

COLLECTIVE BARGAINING AND SOCIAL DIALOGUE

	Unit	2024	2023
Employees covered by collective bargaining agreements	%	49%	45%
Employees working in establishments with workers' representatives (in Denmark)	%	100%	100%

LIVING WAGE

	Unit	2024	2023
Percent of employees covered by a living wage benchmarking analysis	%	100%	-
Percent of employees paid a living wage	%	100%	-

HEALTH AND SAFETY

	Unit	2025	2030	2024	2023
Covered by the company's health and safety management system	%	100	100	100%	100%
Number of recordable work-related accidents	Number			6	5
Number of high-consequence work-related injuries	Number	0	0	0	0
Number of fatalities	Number	0	0	0	0
Number of all recordable work-related accidents per 1000 employees	Number/1000 FTE			109	108
Rate of recordable work-related accidents (lost time injury frequency rate)	Rate	5,0	2,5	5.8	7.2
Cases of recordable work-related ill health	Number			11	1
Number of days lost to work-related accidents or ill-health or fatalities	Days			68	22
Lost time injury severity rate	Rate			65.3	31.5
Employee sickness - Total	Days/FTE			10.8	8.4
Employee sickness - Hourly salaried employees	Days/FTE			17.4	13.7
Employee sickness - Monthly salaried employees	Days/FTE			6.3	7.0

DIVERSITY

	Unit	2025	2030	2024	2023
Female representation in the board	**Headcount**			**2**	**1**
Female representation in the board	%	25%	35%	25%	14%
Female representation in the top management	**Headcount**			**10**	**5**
Female representation in the top management	%	30%	35%	30%	25%
Females in management positions	**Headcount**			**14**	**9**
Females in management positions	%	30%	50%	28%	20%
Female representation in workforce	%	20%	25%	16%	14%
Employees 18-24 years old	FTE			35	15
Employees 25-29 years old	FTE			41	32
Employees 30-39 years old	FTE			125	99
Employees 40-49 years old	FTE			110	84
Employees 50-66 years old	FTE			214	172
Employees 67+ years old	FTE			14	11
Number of student assistants	FTE			9	7
Number of apprentices	FTE			18	9

	Aasted ApS	Imperial DT
Female representation in top management	31%	25%
Female representation in management positions	28%	25%
Female representation in workforce	16%	11%

RENUMERATION

	Unit	2024	2023
Gender pay gap	%	0.0%	-0.7%
Annual total remuneration ratio (highest paid to median)	Ratio	5.0	5.2
Annual total remuneration ratio (highest paid to lowest paid)	Ratio	11.0	10.3

TRAINING AND SKILLS DEVELOPMENT

	Unit	2030	2024	2023
Participation in regular performance and career development reviews - all employees	**%**	**90%**	**28%**	**52%**
Participation in regular performance and career development reviews - male employees	%		26%	50%
Participation in regular performance and career development reviews - female employees	%		36%	63%
Average number of training days for all employees	**Days**		**2.7**	**1.9**
Average number of training days for male employees	Days		2.9	3.8
Average number of training days for female employees	Days		2.9	1.8
Average number of training days for hourly salaried employees	Days		2.7	3.9
Average number of training days for monthly salaried employees	Days		1.0	1.1

WORK-LIFE BALANCE / EMPLOYEE WELL-BEING	Unit	2025	2024	2023
Percentage of employees entitled to take family-related leave	%	100%	100%	100%
Percentage of entitled people that took family-related leave - all employees	%		7%	-
Percentage of entitled people that took family-related leave - male employees	%		7%	-
Percentage of entitled people that took family-related leave - female employees	%		6%	-
Employee engagement rate	Rate	79	79	77

DISCRIMINATION, HARASSMENT AND SEVERE HUMAN RIGHTS IMPACTS	Unit	2024	2023
Number of reported incidents of discrimination and harassment	Number	3	3
Number of other complaints filed related to severe human or labor rights impact	Number	0	0
Amount of material fines, penalties and compensation as result of above incidents	Number	0	0

Accounting policies

Workforce
Headcount or FTE as of 31/12-2024. An FTE is equivalent to 37 hours a week and the total number of FTEs are reported at the end of the reporting period for all employees and non-employees.

Part time employees include 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 the number of FTEs at the end of the year.

Non-employees
Number of people working at Aasted but employed by another employer, e.g., a temp agency for administration to production support, or freelancing consultants. A full-time non-employee FTE is equivalent to 37 hours a week.

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 workers are covered.

Employees covered by a living wage benchmark analysis and paid a living wage
Includes employees in Denmark, Turkey, USA, and other countries. Does not include non-employees.

Females in the Board
Number and percentage of women in the board of directors as of 31/12/2024.

Males/females in top management
Number and percentage of men/women in the top management as of 31/12/2024. Top management is 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 31/12/2024.

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 1/1/2024-31/12/2024. For 2019 the FTE numbers are end of 2019 and not an average. We are using FTE as we did not track headcounts before 2023 reporting.

Covered by the company's health and safety management system
All of Aasted's staff are 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 2024.

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 2024.

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 2024.

Rate of recordable work-related accidents (lost time injury frequency rate)
Number of cases / total hours worked (1,041,600) 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 2024.

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. This is calculated for hourly salaried employees and monthly salaried employees respectively, based on FTE.

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. Due to low number of employees in subsidiaries, these are not included in the calculation.

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 fulltime 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 related to severe human and labor rights impact
Number of complaints related to human or labor rights filed within the year (excluding incidents of discrimination and harassment). We have not received any complaints filed through National Contact Points for OECD Multinational Enterprises.

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

Workers in the value chain

Ensuring proper conditions for workers in the value chain

We have a complex and long value chain, which can pose risks to people at various stages. While there is a degree of leverage with direct suppliers and the immediate supply chain, the potential for impacts also exists further upstream where transparency may be lacking. It is crucial for us to assess these risks holistically, developing strategies that promote responsible sourcing and accountability throughout the entire value chain.

We acknowledge the complexities involved in operating within a multifaceted value chain. Although efforts have been made to conduct thorough risk identification and assessment, there is an understanding that not all potential impacts to workers may have been fully captured. Importantly, no actual negative direct impacts have been identified thus far. However, the materiality assessment has revealed potential impacts on workers within the value chain, resulting from the nature of our business activities. These impacts can be both direct and indirect, largely stemming from the industries in which we operate. Given that many of these challenges are systemic in nature, it is essential to engage in collaborative efforts with value chain partners to effectively address and mitigate these potential impacts.

The understanding of the impacts described in this section is shaped by our Human Rights Due Diligence and double materiality assessment. These processes identify and assess impacts based on publicly available information on e.g., country risk assessments, industry analyses, and news sources from recognized organizations such as human rights advocacy groups and other international NGOs and expert institutions, as well as internal insights and external stakeholder input.

Policy

For our value chain we adhere to the same standards on labor and human rights as for our own operations, which also builds the foundation for our due diligence processes in regard to workers in the value chain. This is described in our Sustainability policy, Code of Conduct and will be integrated in our coming Supplier Code of Conduct. For more information on our policies and how they address human and labor rights impacts, see section on Human and labor rights. For more information about our code of conduct, see under Governance.

Our Code of Conduct sets minimum requirements for our suppliers as well and take into consideration stakeholder input regarding impacts on workers in the value chain. Our suppliers are required to commit to it by signing the document and it is an integrated part of our commercial agreements. For more information about our upcoming supplier code of conduct in our management of relationships with suppliers see under Governance.

Engaging with value chain workers

Through our supplier assessment questionnaire, we get insight into our suppliers' performance and risk level for working conditions and rights at work. We are currently working on implementing a process for audits of select suppliers, where high-risk suppliers are checked on their practices on working conditions and labor and human rights.

We utilize a comprehensive approach to our risk assessment process by integrating various sources of information, including publicly available data from human rights organizations, country risk assessments, industry analyses, and relevant news. This information is supplemented by both internal input and feedback from external stakeholders, ensuring that the assessment remains current with annual updates in alignment with the DMA update. Furthermore, we actively engage with suppliers regarding sustainability initiatives and input for the double materiality assessment. However, it is important to note that there is currently no direct engagement with value chain workers or workers' representatives, suggesting an area for potential development in future stakeholder engagement strategies. To read more about how we engage with our suppliers see more in the governance section on how we manage our supplier relationships.

Channels to raise concerns and providing remediation for workers in the value chain

Our approach to remedies for people impacted in our value chain is the same as for issues raised in our own operations. We recognized our responsibility to provide people with a method of seeking recourse and find a solution when they believe their rights have been violated. We take all reported cases seriously and do our best to provide fair and proper support to the affected stakeholder and other affected parties. With issues raised for workers in the value chain the relevant department, employee or manager, are involved into the process of providing the proper remedy in collaboration with the affected stakeholder and developing the appropriate preventative measures for any incidents that have occurred and to mitigate any impact they may have.

Through our Code of Conduct commitment and our sustainability supplier management program, workers at our direct suppliers must have the right and opportunity to join labor unions and have workers' representatives raise issues with their employers. We also require our suppliers to work with their own suppliers to implement these requirements. For more information about how our suppliers live up to our requirements, see Governance-section on Management of relationships with suppliers.

Aside from suppliers and customers being able to raise concerns directly with their relevant business partner in Aasted, our whistleblower channel is open to all internal and external individuals. This channel allows grievances to be reported directly and anonymously to Aasted. We encourage our suppliers to inform their own workers how to access our whistleblower channel, which may be more relevant for workers in smaller companies, which do not have the resources themselves to set up an effective or anonymous reporting channel. How cases reported via the whistleblower hotline are handled is described in the Governance section.

We have not received any reports of Code of Conduct violations or grievances from our suppliers or other parts of our value chain impacting their workers.

Working conditions – a risk assessment

Taking a risk-based approach, most of our spend was used on suppliers are located within the EU (88%). This means that most workers' rights and working conditions are protected and labor dialogue is accessible to workers under EU law.

We see supplier engagement at as a vital part of ensuring proper working conditions and promoting the protection of human rights, including no child labor or forced labor in our value chain. We use a self-assessment disclosure from our suppliers to ensure that they meet our minimum requirements and to track progress over time. You can read more about our management of supplier relationships and our metrics and targets in the governance section.

In 2024, there was one finding at a supplier visit, where we found that one of our suppliers was not living up to our standards for the use of protective equipment for their manufacturing workers. This led to the creation of a supplier-specific code of conduct with clear requirements including the protection of employees' health and safety and the use of protective equipment.

Furthermore, we are formally integrating these requirements into our supplier audit processes, to raise our level of oversight.

We have not identified any severe human rights impacts in our near value chain.

Health and safety for workers in the metals and production industry

We have identified the impact on workers' health and safety as the most significant potential concern we could be contributing to. Similar to our own production facilities, workers in manufacturing face increased risks associated with the nature of their job.

Aasted relies on several suppliers, where it could become critical to our business if we discover misconduct or identify a high risk of potential impacts on workers. Therefore, we actively engage in discussions with our suppliers to promote improvements. Our contracts contain clauses that allow for on-site audits, and as a last resort, we reserve the right to terminate

agreements if the procurement, sustainability, quality, or legal teams assess the risk as too high for continued collaboration. We carry out these assessments through our supplier management program, which is further detailed in the governance section.

To mitigate these risks to workers in the value chain, we ensure that health and safety is in focus in our suppler management program by increasing our requirements and implementing auditing processes, as described earlier.

Related industries with increased risk of forced labor in the value chain

Due to the nature of our business and activities, we have identified impacts to workers in the value chain that we are likely to contribute to indirectly, namely the mining and electronics industry, where the issue of conflict minerals is an essential aspect as well as the origin of goods. The electronics industry, particularly regarding conflict minerals, has been identified as potentially utilizing forced or compulsory labor in specific regions. The implications of conflict minerals extend beyond the workers in the mining sector; they can also affect local communities, as these minerals are known to finance and perpetuate conflicts in certain areas.

We map our products for the content of conflict minerals. The majority of our input materials comes from within the EU, and we do not directly import tin, tantalum, tungsten or gold, though these minerals may be found in parts sourced from suppliers, especially electronics. To fulfill our due diligence responsibilities regarding conflict minerals, we are assessing how our suppliers address this issue and the potential use of materials associated with serious negative impacts on human rights. This evaluation is an integral part of our ongoing due diligence process.

For the electronic components used in our machines, we source products from major suppliers who have established comprehensive due diligence programs and comply with a code of conduct that meets our minimum standards. This includes a strict prohibition on child labor, forced or compulsory labor, and forced prison labor. These commitments are an integral part of our supplier management program.

Workers in our business partners value chain industries related to child and forced labor

Supplying machines primarily for chocolate production connects us indirectly through our customers to the agricultural industry, particularly cocoa production. This sector is widely recognized for instances of child and forced labor, as well as negative impacts on individuals and their rights. Given that this issue is an integral part of the supply chain for our direct customers, we acknowledge that it is indirectly a component of our value chain.

We have limited control over our customers, particularly because we often represent long-term and mostly one-time investments or make up a small portion of their supplier costs, resulting in minimal leverage. In this context, we do engage in dialogue with our customers regarding sustainability issues, including social responsibility.

Governance information

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

List of material disclosure requirements:

- Promoting responsible business
- Business ethics and compliance
- Management of relationship with suppliers

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.

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

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.

SDG Support:

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

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 forth in the UN Global Compact principles. These principles are all integrated into our Code of conduct and our daily work

Guided by our Code of conduct

The Code of conduct and its underlying policies is an integral part of our management system. Responsibility for the Code of conduct and supervision of the compliance to the Code lies with the CEO and is reported quarterly to the board of directors. The Code of conduct is actively communicated to colleagues and business partners such as agents and suppliers, and we request signatory commitment from all employees and agents. This includes new colleagues as part of the onboarding program and, if promoted to manager, people are asked to sign the document again to recommit to the content and their new responsibilities. We conduct training sessions as part of onboarding, and all employees are requested to revisit the Code of conduct on an annual basis.

We ask our suppliers to commit to and sign our Code of conduct as part of entering contractual agreements, and we measure the percentage of signatory commitment on an ongoing basis. In 2024 we are working on updating our business ethics and compliance with a Supplier Code of conduct.

In 2024, we enhanced our compliance framework and allocated additional resources. We performed a risk assessment to gain a clearer understanding of the most significant risks facing our organization. We also developed a Business Ethics Policy that elaborates on our Code of Conduct, outlining our expectations for employees, available reporting channels, and the consequences of any violations. To mitigate risks, we have implemented precise guidelines regarding imports and exports, as well as gift-giving and receiving, and we created a dedicated training program, which is now included as part of our onboarding process.

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.

To encourage a speak-up culture, we have a speak-up policy, which describes the reporting process and channels available, including our whistleblower channel and guides employees on how to use these tools.

In case of serious or sensitive breaches of the Code of conduct and Business Ethics Policy, such as cases of bribery or corruption, we offer a whistleblower hotline where these cases can be reported – anonymously if preferred. 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. Investigations are carried out independently of the people and management line involved in the case to retain objectivity and to protect whistleblowers and reporting parties against retaliation. All incidents will be reported to the board of directors.

The whistleblower system is available on our intranet and website along with our whistleblower policy which describes the handling process. The whistleblower system is open to both internal and external stakeholders and available in Danish and English. We ensure the protection of users and grievances confidentially and with respect to their rights to privacy and data protection. This is also described on the whistleblower platform accessible to all users. Our external partner ensures that anonymity is upheld, and forwards reports to our legal department for handling.

Specific training is conducted for all new employees as part of the onboarding program. Furthermore, 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. The groups most likely to be exposed to bribery are employees within sales and procurement. No specific training for these groups were conducted in 2024.

We have received no report of ethics violations in 2024 from either internal reporting channels or the whistleblower system.

You can find the whistleblower-channel here.

Other channels to raise concerns and grievance mechanisms

In our annual employee satisfaction surveys, employees have the opportunity to provide feedback and raise concerns anonymously. We recognized that distrust regarding the anonymity of these surveys could impact the results. In response, we conducted workshops to clarify how anonymity is maintained, and this year, no concerns about anonymity have been reported.

Additionally, we established a physical post-box at our Farum location to provide an alternative feedback channel. Employees can choose to share their feedback anonymously or openly, especially for concerns they may not feel comfortable discussing with HR or their managers. Furthermore, our Works Council serves as another avenue for employees to report issues and voice concerns through representatives directly to management.

Data ethics

As a global 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 proper monitoring, fairness, and transparency, we have established a data ethics group with the participation of 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.

Influence and lobbyism

Aasted's main advocacy activities are performed indirectly through our industry association, DI. From time to time, we also engage in support to advocacy from Global Compact or B Corp, when the subject is in line with our sustainability policy. In general, we support activities within industry policy that advocate for strengthening the sustainability efforts and for accelerating the efforts towards a regenerative society.

Aasted participates directly in projects that promotes sustainable development or in activities such as standardization and collaboration with universities as described in the section on partnerships and commitments. Our donations policy guides our financial contributions, which are limited to supporting positive sustainable development and people in need. Aasted does not make any financial or in-kind political contributions Responsibility for any advocacy activities lies with the CEO and is reported quarterly to the board of directors.

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 2024, we paid 23.8 million DKK in corporate tax and other taxes and duties.

Management of relationship with suppliers

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 Supplier 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 including trafficking. 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. To specify what we expect from our suppliers we are implementing a Supplier Code of Conduct that builds on our existing Code of Conduct and takes into account the protection of the environment, social protection on human and labor rights, as well as business ethics.

The requirements on fair labor practices and respect of human rights as well as the environmental performance and business ethics 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 2024, 91% 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 2025 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 risks that arise in certain geographical areas. In our choice of suppliers, we assess risks related to labor and human rights, business ethics and climate and environment, as well as risk to business. Based on this approach, the majority of Aasted suppliers are located in the EU, where our assessment of these risks are relatively low. In 2024, 60% of our spend was on suppliers from within Denmark, 90% or our spend on suppliers within the EU, and 99% of the spend on suppliers within Europe. Where there is a relatively high risk, we will implement mitigating measures to ensure responsible business conduct.

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 our strategic to key suppliers 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 2024, 100% of our Tier 1 and 2 suppliers completed our impact questionnaire, where 82% of all suppliers (by purchase volume) have completed our questionnaire. 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 2024 is 65 out of 100 – the same level as for 2023 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 have developed processes to 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. To pay invoices at the agreed time to is something we see as an integrated part of conducting business in a responsible manner.

In 2024, we paid invoices 1.2 days after payment term in average, which means that most invoices were paid in due time and a few too late.

Progress on targets

SUPPLIER MANAGEMENT AND DUE DILIGENCE

	Unit	2030	2024	2023	2022	2021	2020	2019	Δ 24 vs 23
Suppliers (tier 1-5) with completed impact questionnaire (by spend)	%	85%	82%	77%	67%	50%	-	-	7%
Suppliers (tier 1-2) with completed impact questionnaire (by spend)	%	100%	100%	99%	81%	79%	-	-	1%
Suppliers covered by acceptable Code of Conduct	%	98%	91%	80%	59%	64%	-	-	14%
Suppliers (tier 1-2) with accpted GPT including sustainability requirements	%	100%	93%	-	-	-	-	-	-
Average impact score weighted by spend	Score	70	65,.	65.9	60.4	60,8	-	-	-1%
Aasted buyers being trained in sustainable procurement	%	100%	100%	100%	-	-	-	-	0%
Number of reported incidents related to labor or human rights	Number	0	0	0	0	0	0	0	0%
Number of audits conducted related to sustainability and human rights	Number		0	0	0	0	0	0	0%
Average time to pay an invoice from contractual day	Days		1.2	0.3	-	-	-	-	384%
Number of legal proceedings related to late or insufficient payments	Number	0	0	0	0	0	0	0	0%

BUSINESS CONDUCT

	Unit	2024	2023	2022	2021	2020	2019	Δ 24 vs 23
Number of convictions for violation of anti-corruption, anti-bribery, and competition law	Number	0	0	0	0	0	0	-
Amount of fines as result of above convictions	Number	0	0	0	0	0	0	-
Number of confirmed incidents of corruption or bribery	Number	0	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	0	-
Number of confirmed incidents of corruption or bribery where contract with business partner has been terminated	Number	0	0	0	0	0	0	-
Financial or in-kind political contributions	DKK	0	0	0	0	0	0	-

Accounting policies

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 supplier 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.

Business ethics

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.

Statement of the Executive Management and the Executive Board

The Executive Management and the Executive Board have today discussed and approved the Sustainability Report of Holding ApS for 2024.

The ESG performance data in the Sustainability Report for 2024 has been prepared in accordance with the stated ESG performance accounting policies.

In our opinion, the accounting policies are appropriate, and the Sustainability Report for 2024 gives a true and fair presentation of Aasted Holding's sustainability activities and results of the company's sustainability efforts in the reporting period as well as a balanced presentation of Aasted Holding's' environmental, social and governance performance in accordance with the stated ESG performance accounting policies.

21 March 2025

Executive Management

Lars Allan Aasted
Director

Lars Aasted
Director

Board of Directors

Poul Christian Aasted

Christian Fredensborg Jakobsen

Inge Aasted

Thomas Aasted

Lars Aasted