

SUSTAINABILITY REPORT 2024

Shaped by the sea


carsoe
SERVICE


carsoe

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INTRODUCTION

INTRODUCTION FROM THE CEO

It is with great pleasure that we present Carsoe's latest ESG report, which builds upon the foundation we established last year, focusing on the three key areas: People, Planet, and Products. This report highlights our progress as well as the challenges that have required us to adjust our priorities and organization to ensure sustainable results.

In 2024, we have prioritized strengthening our retrofit and service business with products designed to extend the lifespan of equipment onboard. This is an area where we see significant potential, both in terms of business opportunities and contributing positively to the climate by reducing resource consumption and prolonging product lifespans.

As an actual result of this effort, we opened a new service center in Tromsø in November 2024. This expansion brings us closer to both existing and new customers, enabling us to provide spare parts, service, and upgrades to ensure reliable onboard operations.

On the product side, we launched Carsoe Insights, a new collection of software solutions designed to optimize performance and operations onboard. We believe this product can be instrumental in reducing CO2 emissions onboard vessels.

At Carsoe, we see it as an important mission to inspire interest in vocational education and thereby contribute to securing the workforce of the future. For several years, we have welcomed 7th to 9th-grade students in collaboration with Aalborg Municipality, offering them insight into future educational and career paths. We have continued this collaboration and further strengthened our focus on our people through initiatives that reduce employee turnover, enhance onboarding, support professional growth, and promote well-being.

Throughout the year, we have adapted our organization to better support our evolving business focus. This organizational adjustment has also influenced how we approach ESG. We transitioned from having one dedicated resource for ESG to distributing responsibility across multiple employees in the organization. This shift required us to reprioritize some of our ambitious goals and adjust our timeline.



Our current focus is on ensuring compliance at a realistic pace that the entire organization can keep up with, while still achieving the goals we set.

Looking ahead to 2025, we enter a period where strategy, leadership, business development, and sustainability will take on even greater importance. We have developed a plan for the ESG initiatives we aim to implement in the coming year. Through this process, we have recognized the importance of breaking down our strategy into concrete tasks that are integrated into our overarching strategic efforts leading up to 2027.

Thank you for reading along. We look forward to sharing our progress with you in the coming years.

Sincerely,

Hugo Dissing
CEO – Carsoe Group

INTRODUCTION

BACKGROUND AND PURPOSE

This report highlights Carsoe's commitment to integrating sustainability and accountability into our business practices.

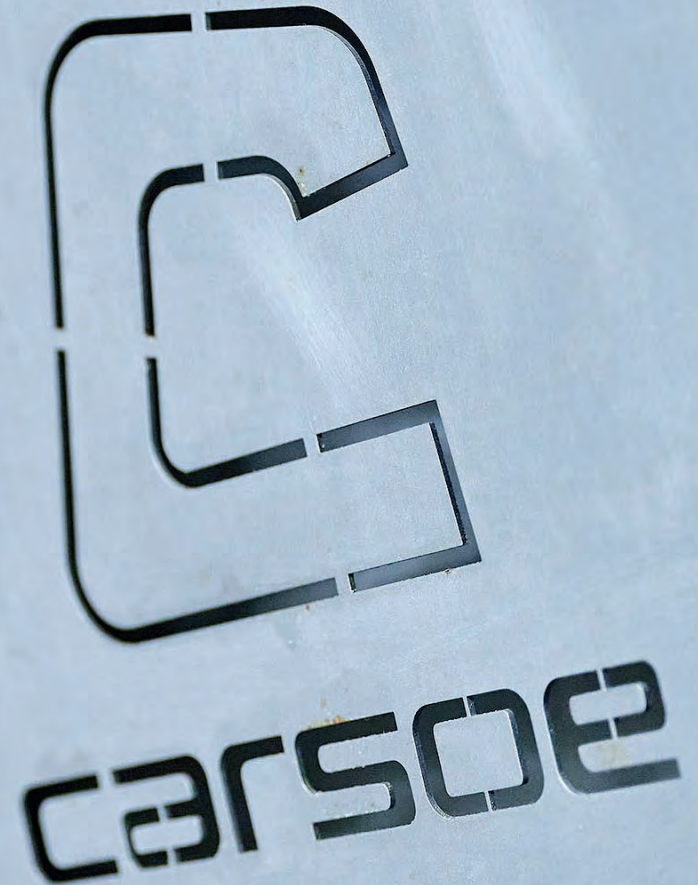
ESG (Environmental, Social, Governance) is a central part of our strategy, guiding us in taking responsibility for our environmental impact, contributing positively to society, and ensuring strong corporate governance.

The report outlines our approach to sustainability, highlights our achievements, and emphasizes light on the key focus areas that are particularly important to us.

The purpose of this report is to:

- Provide stakeholders with clear and transparent insights into our ESG efforts.
- Document our progress and challenges within environmental, social, and governance aspects.
- Create a platform for dialogue and collaboration with our stakeholders on sustainability and accountability.
- Highlight our contributions to the UN's Sustainable Development Goals and other international sustainability standards.

Unless otherwise stated, the information in this report pertains to the Carsoe Group and covers the fiscal year from January 1, 2024, to December 31, 2024.



INTRODUCTION

INTRODUCTION TO CARSOE

- **Denmark**

Carsoe Head Quarter with 15,000 m² production facilities.

- **United States**

Carsoe US, experienced seafood sales and production team.

- **Canada**

Experienced sales agent in Quebec.

- **Norway**

Sales team in Aalesund. Service Center in Tromsø.

- **Asia**

Experienced sales agent in Singapore.

Carsoe, a leading provider of processing equipment and solutions for the seafood processing industry. We deliver equipment that provide high and reliable performance. Carsoe offers a wide array of products and for the processing of seafood – both onboard and land-based.

We take pride in our many years of experience and expertise with designing complete processing plants for trawlers intended for different kinds of fisheries.

Our goal is to engineer the seafood industry of today and tomorrow.



OUR VALUES

We know how important it is to work together as a team. We know what matters and how to make a change. And we never stop, before the job is done.

STAND UNITED

The strength of cooperation.

TAKE ACTION

The strength of ownership.

FINISH STRONG

The strength of commitment.

INTRODUCTION

BUSINESS MODEL

Product Design and Manufacturing:

Carsoe specializes in designing and manufacturing equipment for the seafood processing industry. The company focuses on delivering customized solutions to its global clientele, ensuring optimal performance and efficiency in processing operations.

Services:

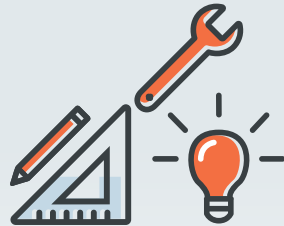
In addition to its core manufacturing activities, Carsoe places emphasis on services, including maintenance, technical support, and training. This commitment ensures the longevity and reliable functioning of its equipment.

Sourcing



Raw materials such as stainless steel, components, motors, electrical components are sourced.

Production, design and innovation



Seafood processing equipment is constructed in 3D.

Stainless steel equipment is assembled and tested at Carsoe's Aalborg site.

Transportation



Equipment is disassembled and transported by road to assembly sites.

Assembly on site



Factory line/processing equipment is reassembled on site in boat or shipyard.

Factory/equipment is tested again on site and is handed over to customers.

Service and maintenance



Our service team offers retrofit of processing plants, upgrade of equipment, service and maintenance, implementation of new/additional equipment.

ESG STRATEGY

OUR ESG STRATEGY

In 2023, we laid the groundwork for Carsoe's ESG strategy by establishing a set of sustainability goals anchored in three pillars: People, Planet, and Products. While we have needed to adjust our goals and timelines along the way, this strategic direction remains highly relevant and central to our vision.

Under People, our goals focus on expanding workforce competencies, nurturing the next generation of specialists, and enhancing the safety of our products for end users.

For Planet, our objectives include transitioning to renewable electricity. Starting in 2025, we will purchase green electricity from our supplier for all Danish sites. To ensure sustainable progress and maintain compliance, we have revised our goals in this area. Consequently, work on Scope 3 emissions has been rescheduled to begin in 2026, and our commitment to the Science-Based Targets initiative (SBTi) has been adjusted to 2025.

Finally, our Products pillar emphasizes reducing resource consumption, such as energy, water, and

materials by improving the efficiency of our equipment. Additionally, we are prioritizing the collection and analysis of data to drive productivity improvement initiatives.

By embedding our People, Planet, and Products strategy into every aspect of our operations, we ensure that sustainable practices shape our everyday decisions and future direction.

With a solid foundation in place, our ESG strategy is well-positioned for further growth and adaptation as we navigate the rapidly evolving ESG landscape.

ESG STRATEGY

OUR ESG STRATEGY

We engineer the seafood industry of today and tomorrow.

We are committed to reducing our impact on people and the planet, through our products.



PEOPLE



PLANET



PRODUCTS

External

User Safety

Increase marine user safety practices to land-based levels, by delivering safe and regulatory-compliant seafood processing and handling solutions.



Greenhouse Gas Emissions

Commit with SBTi, with ambitious 2030 targets, striving for net-zero* emissions by 2050**.



Impact per Kilogram Protein

Integrate data collection and process monitoring on selected processes on all our new installation by 2025.



Internal

Workforce Fostering

Empower young potential by aiming to allocate 8% of workforce to apprentice and student workers.

We aim to lower employee turnover by 5% year over year by enabling a stable, engaging and supportive workplace.



Energy

Achieve 100% renewable electricity use on all sites by 2027.



Circularity

We strive to maximize the efficiency and lifespan of our solutions. Therefore, we have implemented equipment retrofit programs and backward compatibility.



* **Net-zero** - reducing absolute emissions across the whole supply chain, in order to support the target to limit global temperature increase to 1.5 degrees Celsius, as agreed in the 2015 Paris climate summit (SBTi commitment); vs. **Carbon neutral** - counterbalancing own CO2 emissions by reducing / removing an equal amount of CO2 from the atmosphere (carbon offsets); can cover a part of operations and typically accounts for CO2, but not other GHGs.

** While we stated 2050 as our target, we have an ambition and aspiration that we are able to reach our goals for net-zero ghg emissions by 2038.

ESG STRATEGY

DOUBLE MATERIALITY ASSESSMENT

A double materiality assessment is a comprehensive framework that evaluates the impact of environmental, social, and governance (ESG) factors both internally within an organization and externally on the broader environment.

In the process of identifying priorities, this assessment considers not only the risks and opportunities associated with the company's internal operations but also its influence on the external world. Internally, the assessment helps identify ESG issues that are most critical to the company's financial performance, reputation, and long-term resilience.

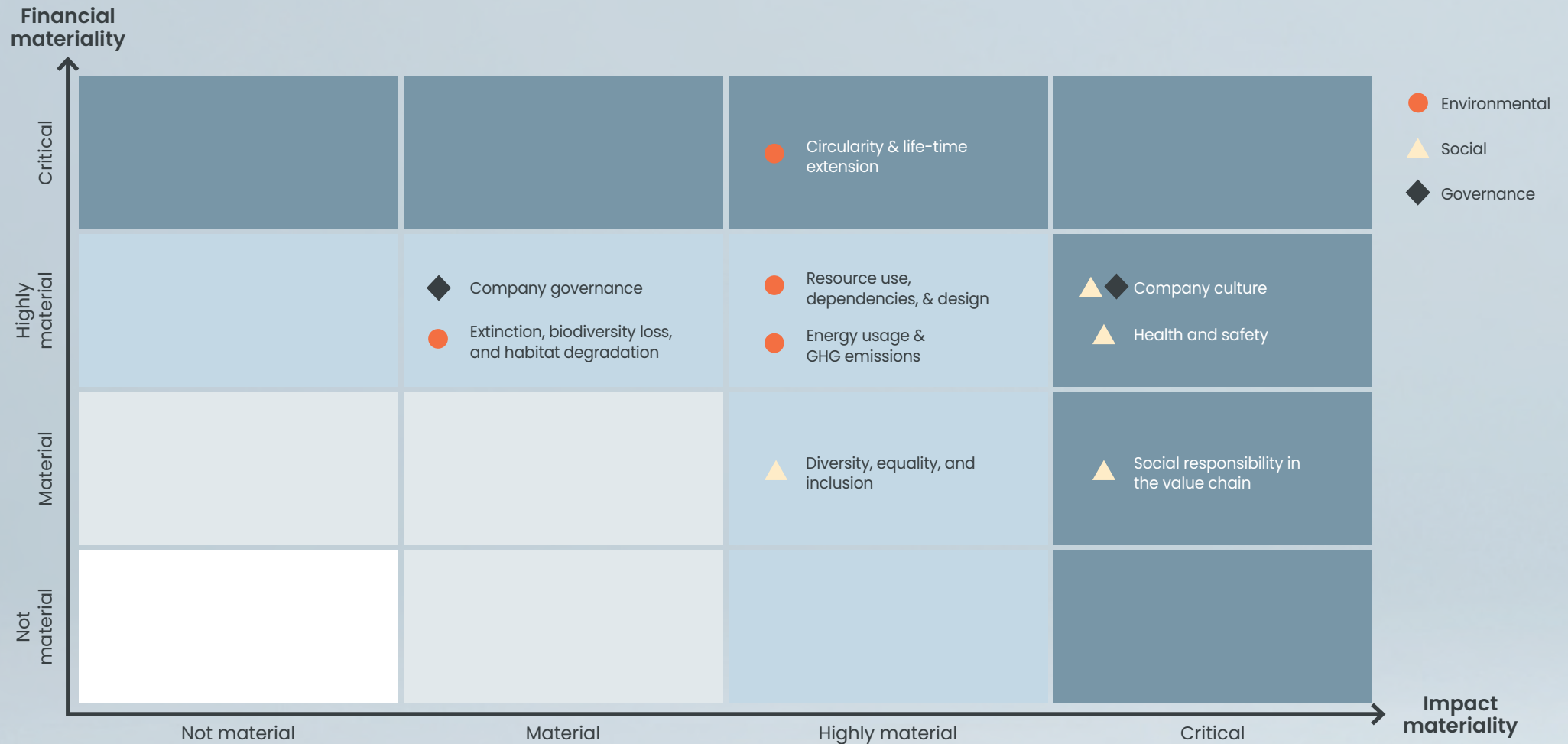
We want to make sure that our work continues to be focused on the issues that are most important to our company and the people who have a stake in it; these are the most material concerns our company faces.

Our double materiality assessment was conducted in 2023 and is scheduled for an update at the beginning of 2025. This update will enable us to track how our material impacts, risks, and opportunities evolve over time, reinforcing our commitments. The insights from the assessment will be translated into concrete

strategic actions, which will be integrated into our overall strategy framework.

The findings are presented in the materiality matrix below. While we will reassess all key topics in 2025, we do not anticipate significant changes to the core issues identified in the previous assessment.

CARSOE DOUBLE MATERIALITY MATRIX



Disclaimer. We disclaim future CSRD—ESG Reporting Standards adjustments. As regulations and reporting guidelines change, we remain transparent and responsible. CSRD—ESRS updates may change reporting and disclosures. Although we cannot guarantee real-time updates, we will follow revised standards.

SUSTAINABILITY MATTERS

CIRCULARITY & LIFE-TIME EXTENSION

Carsoe actively promotes circularity and equipment longevity. Through service agreements, repair kits, and spare parts, Carsoe extends the lifespan of seafood processing equipment, minimizing the need for full replacements. Furthermore, retrofitting existing equipment enables adaptation to different catch types and production volumes, reducing material consumption and waste.

By prioritizing equipment durability and adaptability, Carsoe strengthens customer relationships, fosters recurring revenue streams, and contributes to a more resource-efficient industry, aligning with sustainability goals and circular economy principles.

RESOURCE USE, DEPENDENCIES & DESIGN

Carsoe's production depends on steel, a material with a significant environmental footprint due to its energy-intensive manufacturing process, resource extraction, and emissions. Steel production contributes to greenhouse gas emissions, resource depletion, and pollution, thereby amplifying Carsoe's overall environmental impact. Additionally, fluctuations in raw material costs pose a financial risk, potentially increasing production expenses, affecting profit margins, and influencing pricing strategies that could impact competitiveness and customer demand.

HEALTH AND SAFETY

The risk of fatal accidents with machinery can have direct consequences for Carsoe.

Carsoe generally sees potential in designing a better work environment through product design and healthy work processes, while continuing to work towards safety standards on board ships. Machine safety is generally underprioritized in the marine industry, and competitors do not take it seriously. Therefore, there is a great opportunity to be pioneers in safety work in the industry, as few companies work systematically with safety.

ENERGY USAGE & GHG EMISSIONS

Carsoe's operations generate greenhouse gas (GHG) emissions through energy consumption in manufacturing facilities, heating, and company-owned vehicles. Additionally, emissions arise from both the upstream supply chain, including transportation and purchased goods, and the downstream supply chain, such as waste management, product use, and distribution. The reliance on fossil fuels and electricity contributes to CO₂ emissions, reinforcing the need for energy efficiency initiatives.

To mitigate this impact, Carsoe is focused on implementing energy-efficient measures across manufacturing processes, facilities, and equipment design to reduce overall energy consumption and dependency on fossil fuels. These initiatives not only lower GHG emissions but also lead to cost savings, improved regulatory compliance, and a stronger market position among environmentally conscious customers. Furthermore, optimizing energy use on board ships and promoting more

energy-efficient products present additional opportunities to drive sustainability efforts and reduce the carbon footprint across the value chain.

COMPANY CULTURE

At Carsoe, we believe that a strong company culture is the foundation of a workplace where people thrive, grow, and want to stay. We're committed to creating an environment where you're seen as a person – not just an employee.

In 2024, we took new steps to strengthen this culture. We expanded our toolbox and put extra focus on everything from welcoming new colleagues to how we say goodbye. A warm and well-structured onboarding process helps new employees feel at home from day one, while open and honest exit conversations help us continuously improve.

But culture isn't built through processes alone – it's something we shape together every day. Through a strong workplace identity, ongoing improvements, and genuine interest in one another, we strive to be a place where people feel motivated to contribute and inspired to stay.

We're not finished – and maybe never will be – but we're on a journey with a clear goal: to make Carsoe a place where talented people want to be, because it simply feels right.

ESG STRATEGY

ESG GOVERNANCE

Throughout the year, we have made adjustments both within the organization and in our ESG efforts. We have transitioned from having a dedicated resource focused exclusively on ESG to distributing the responsibility more broadly across the organization. In this process, we have involved more departments in the ESG organization. As a result, the governance structure is now as follows:

Carsoe's ESG organization holds the operational responsibility for ESG performance. The ESG organization conducts quarterly meetings and also convenes in a more project- or topic-focused manner, where not all members are necessarily involved.

To ensure that we achieve our ESG goals, it is essential to integrate these objectives and ambitions into Carsoe's overall strategy rather than treating them as separate initiatives. Over the past year, we have recognized the need to align our ESG strategy more closely with our general strategy for 2027. This responsibility lies with the Strategic Management Group, which ensures progress, prioritization, and alignment.

We follow a structured approach to strategy execution, breaking down our strategic goals into tactical initiatives and further into operational tasks. Our ESG strategy will become an integral part of this work.

Board of Directors

Sets the overall vision and approves the annual Sustainability Report.

Management

Responsible for the overall ESG performance and approves the ESG objectives and approach. The group includes CEO, CFO, COO, and the Group Service Director.

Strategic Management Group

Works with tactical initiatives. Ensures processes and prioritization in line with the rest of the activities in Carsoe and the overall strategy.

The group includes the management group + HR Manager, Head of the Technical Department, Head of Production, Procurement and Warehouse Manager, Head of Project Management, Head of Sales, Service, Installation Manager, and Sales Engineering Manager.

Carsoe ESG organisation

The ESG organisation supervises and is responsible for ESG reporting, policies, and ESG activities. Operational responsibility for ESG performance throughout the year.

The group includes: Facility, BI and Data, Finance, HR, Marketing, Technical Department, R&D, Purchase, Service, Machine Safety, and Documentation.

ESG STRATEGY

2025 STRATEGY AND ROADMAP

An ESG roadmap is crucial for structuring a well-organized journey towards sustainability and responsible business practices. This ESG roadmap outlines the strategic goals and concrete actions needed on an overall level to integrate ESG principles into the core of our organizational values.

Over the past year, we have re-prioritized our efforts multiple times in response to evolving ESG guidelines. As we are no longer required to report under CSRD, we have decided not to conduct the originally planned GAP analysis. Instead, we will leverage our updated DMA to generate concrete strategic actions and track progress through our existing overall strategic framework.

We have also decided to distribute our ESG efforts more strategically. As a result, we have moved our Scope 3 development to 2026 and our SBTi commitment to 2025. Internally, we are working with a more detailed plan, which we continuously adjust and refine

2024

- ESG report 2023
- ESG governance update
- ESG strategy and roadmap update

2025

- DMA update
- ESG report 2024
- Strategic actions and KPI based on DMA
- SBTi commitment

2026

- Scope 3
- SBTi target development
- SBTi submission and validation

SDGs & TARGETS

Global action is being called for, aiming to create a better and more resilient future for all people, as outlined by the United Nations' 2030 Agenda for Sustainable Development, at the heart of which the 17 Sustainable Development Goals (SDGs) are found.




At Carsoe, we believe that actively pursuing the UN SDGs can ensure a long-lasting and successful transition.

FOUR SELECTED SDGs AND WHY







We aim to focus our efforts on the SDGs where we can achieve the greatest impact, while recognizing the significance of each goal in our collective pursuit of living sustainably on the planet.







SDGs & TARGETS

SDG	SDG TARGET	CARSOE TARGET	OPERATIONAL OVERVIEW
<div>7</div> <div>AFFORDABLE AND CLEAN ENERGY</div> <div>  </div>	<div>  </div> <div>7.2</div> <div>By 2030, increase substantially the share of renewable energy in the global energy mix.</div>	<div>Achieve 100% renewable electricity use on all sites by 2027.</div>	<div>Increase in renewable electricity use can result in a boost in the demand for renewable energy production, in the global areas where Carsoe operate.</div>
	<div>  </div> <div>7.3</div> <div>By 2030, double the global rate of improvement in energy efficiency.</div>		<div>Including performance parameters on new machines with the goal of increasing equipment efficiency directly supports SDG target 7.3.</div>



SDGs & TARGETS

SDG	SDG TARGET	CARSOE TARGET	OPERATIONAL OVERVIEW
8 DECENT WORK AND ECONOMIC GROWTH 	 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.		
	 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.	Empower young potential by aiming to allocate 8% of workforce capacity to apprentice and intern positions, and consistently enhance internal competence.	Carsoe sets focus on promoting education and development among young and new employees, with consistent interest in developing skilled work, thereby fostering the next generations of qualified employees.
	 8.6 By 2030, substantially reduce the proportion of youth not in employment, education or training.		The company is committed to consistently working on lowering employee turnover each year. This goal is part of the strategic commitment to enhance employee satisfaction and retention, reflecting our dedication to foster a stable, engaging, and supportive workplace environment.
	 8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.	Lower employee turnover by 5% year on year, enabling a stable, engaging, and supportive workplace environment.	
	 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	Redefine marine 'Best practice' by boosting user safety to land-based standards, on standalone machines by 2025, and for all other solutions by 2027	A secure work environment for all workers is high priority, thus enhancing current marine 'Best practice' ensures both Carsoe employees and equipment users benefit of safety at work.

SDGs & TARGETS

SDG	SDG TARGET	CARSOE TARGET	OPERATIONAL OVERVIEW
<div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div>  </div>	<div>  </div> <div>12.2 By 2030, achieve the sustainable management and efficient use of natural resources.</div>		<div>Carsoe strives to maximize the efficiency and lifespan of the solutions by enhancing collaboration with customers and building a strong data-driven foundation.</div>
	<div>  </div> <div>12.4 By 2030, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.</div>	<div>Implement equipment retrofit programs and backward compatibility, from 2024 onwards.</div>	<div>Through extending the lifespan of equipment, Carsoe aims to reduce the overall consumption of virgin materials and resources in their value chain.</div>
	<div>  </div> <div>12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.</div>		

SDGs & TARGETS

SDG	SDG TARGET	CARSOE TARGET	OPERATIONAL OVERVIEW
	 <p>13.2 Integrate climate change measures into national policies, strategies and planning</p>	Calculate scope 1 and 2 in 2024 and scope 3 from 2026. Commit to SBTi with ambitious 2030 targets.	Carsoe is actively implementing climate action by calculating value chain emissions and setting reduction targets.

SDGs & TARGETS



User safety

Redefine marine ‘Best practice’ by boosting user safety to land-based standards, on standalone machines by 2025, and for all other solutions by 2027.



Workforce Fostering

Empower young potential by aiming to allocate 8% of workforce capacity to apprentice and intern positions, and consistently enhance internal competence development, while lowering employee turnover by 5% year on year.



GHG emissions

Calculate scope 1 and 2 in 2024 and scope 3 from 2026. Commit to SBTi with ambitious 2030 targets.



Energy

Achieve 100% renewable electricity use on all sites by 2027



Impact per Kilogram Protein

Integrate selected process and performance parameter on all our new installations by 2025.



Circularity

Implement equipment retrofit programs and backward compatibility, from 2024 onwards.



Small
impact

Medium
impact

Large
impact

ESG FOCUS AREAS

ENVIRONMENTAL

Extending the Lifespan of Products: Sustainability through Service, Upgrades, and Repairs.

At Carsoe, we strive to gradually improve the circularity of our products through strategic initiatives focused on upgrading and updating machines. By supporting circularity in our service operations, we not only reduce waste, but through innovation and collaboration, we support our customers and partners in their transformation journeys.

In 2024, we have increased our focus on extending the lifespan of our machines and production lines through strategic initiatives in servicing, repairs, and retrofit solutions. This work is central to our ESG strategy, where we aim to reduce resource consumption and CO₂ emissions.

By analysing the total service potential in the market and mapping Carsoe's installed base, we have gained a solid overview of the opportunities to target our resources and offer the best solutions to our customers. This includes everything from repairs and upgrades to tailored service agreements and the supply of spare parts.

Retrofit solutions and servicing directly contribute to a sustainable future by:

- Extending the lifespan of equipment, thus reducing the need for extracting and producing new materials.
- Increasing the efficiency of existing machines, which reduces energy and resource consumption as well as emissions.

For our customers, this approach means enhanced operational reliability, reduced costs, and improved productivity. For Carsoe, it presents an opportunity to increase resale through upgrades, repair kits, and tailored service agreements, strengthening relationships with our customers.

New Service Center in Tromsø

As part of this strategic focus, we opened a new service center in Tromsø in November 2024. This center brings us closer to both existing and new customers, where we can offer faster access to spare parts, upgrades, and servicing.

With this initiative, we not only support our customers' success but also our goal of creating a more sustainable and responsible future through innovative solutions and long-lasting products.

Carsoe Insights: Maximizing Performance and Reducing CO₂ Footprint

As part of our commitment to sustainability and efficiency, we introduced Carsoe Insights in 2024

– a software platform designed to ensure maximum performance and uptime for our customers' production facilities. By optimizing processes and utilizing production data effectively, Carsoe Insights helps reduce energy consumption and minimize the CO₂ footprint.

Carsoe Insights provides companies with a tailored solution for monitoring, analysing, and optimizing production.

Live data from our Process Monitor allows operators to identify bottlenecks and ensure machines are performing at their best. Historical dashboards from Process Dashboards offer detailed insights into machine performance and enable predictive maintenance, reducing the risk of unexpected breakdowns and saving both time and resources.

Our Process Reports provide comprehensive and automated reports, which not only streamline production management but also help document compliance and meet regulatory requirements. By making production data more accessible and actionable, Carsoe Insights creates a pathway to more sustainable and energy-efficient production.

With Carsoe Insights, we enable our customers to maximize their production while supporting their goals of reducing environmental impact.

ESG FOCUS AREAS

SOCIAL

At Carsoe, we recognize that our employees are the foundation of our success and a key factor in achieving our strategic and financial goals. In a time of market changes and increasing complexity, it is essential that our workforce is well-equipped to meet the demands of the future.

Creating a supportive, engaging, and inclusive workplace is fundamental to long-term growth and employee well-being. In 2024, we strengthened our commitment to our people through targeted initiatives aimed at reducing employee turnover, enhancing onboarding processes, supporting professional development, and prioritizing health and well-being.

By focusing on structured onboarding, workplace culture, and leadership development, we have improved employee turnover and strengthened the sense of belonging across our organization. At the same time, our continued collaboration with educational institutions ensures that we actively contribute to shaping the workforce of the future. Meanwhile, our comprehensive well-being initiatives help foster a healthier and more engaged work environment.

These efforts are an integral part of our ongoing ESG strategy to create a sustainable workplace that promotes well-being, engagement, and growth opportunities for our employees.

Reduced Employee Turnover Through a Stronger Focus on Onboarding and Culture

At Carsoe, retaining talented employees and ensuring a stable and engaged work environment is a central goal. In 2024, we focused on reducing employee turnover through a range of targeted initiatives, including an improved onboarding process that ensures a strong start for new employees and structured exit interviews that provide valuable insights into areas for improvement.

To better understand employee experiences and department dynamics, we implemented systematic exit interviews in 2024. These interviews provide insights into both strengths, such as a strong sense of community, good development opportunities, and high engagement levels, and areas needing improvement, including resource allocation, more focused competency development, and strengthened internal communication channels. Based on these insights, we have already launched several initiatives to enhance the employee experience and workplace culture. Recognizing the value of the knowledge gained from these interviews, we will continue this practice in 2025 to further strengthen our workplace and retain talented employees.

To improve our onboarding process, we engaged an intern in 2024 to analyse potential areas for enhancement. With a holistic and qualitative approach, the intern provided valuable insights that helped us optimize our onboarding practices. One key outcome of this evaluation was an enhanced onboarding program for leaders, equipping them with tailored tools to support new employees in their



respective departments. As part of this initiative, we have also created a dedicated learning page where leaders can gain a deeper understanding of the onboarding process's significance, both for the new employee and for the department welcoming them.

These initiatives ensure a more structured, effective, and inclusive onboarding process that supports employee well-being and retention. Our efforts have led to positive results, leading to a more than 5% reduction in employee turnover compared to the previous year. This progress supports our ESG goal of creating an attractive and sustainable workplace with high well-being and long-term employment relationships.

While we have made significant progress, we recognize there is still room for improvement. Moving forward, we will continue refining our employee strategy with a strong emphasis on well-being, career growth, and a thriving workplace culture that attracts and retains top talent.

Development of the Workforce of the Future

At Carsoe, we see it as an important mission to inspire interest in vocational education and thereby contribute to securing the workforce of the future. For several years, in collaboration with Aalborg Municipality, we have invited students from grades 7 to 9 to spend a day at our company. Our ambition is to give young people insight into the many educational and career opportunities we offer. During the year, we also had the pleasure of a visit from the mayor, who actively participated in one of these school visits.

We have continued our collaboration with Techcollege and successfully finalized the development of our apprenticeship program in production. This program ensures that we train some of the most skilled apprentices in their respective fields. With a strong framework now in place, the program has been fully implemented at our production facility in Aalborg.

Looking ahead to 2025, we plan to expand this initiative to additional departments, including our warehouse, electrical workshop, and construction department. This expansion will offer even more young talents the opportunity to receive high-quality training and a solid foundation for their careers at Carsoe.

Prioritizing Employee Health and Well-Being at Carsoe

At Carsoe, the health and well-being of our employees are top priorities. This year, we conducted a comprehensive health survey, offering individual consultations with a healthcare consultant at our Aalborg location. Ahead of these consultations, 160 employees participated in an online survey, and 135 took part in one-on-one health consultations.

Key Insights from the Survey and Consultations

The results highlighted several important aspects of employee well-being:

- Overall Satisfaction at Carsoe: Employees emphasized strong workplace relationships, camaraderie, and engaging job tasks as key factors contributing to their well-being.
- Flexibility in Work Hours and Conditions: Employees appreciate the ability to adjust their schedules and responsibilities to maintain a healthy work-life balance.

Across different teams and departments, several strengths stood out:

- Positive Workplace Relationships – A constructive and supportive team spirit.
- Mutual Respect – A culture of professionalism and personal respect.
- Inclusiveness – A workplace that acknowledges and accommodates personal needs, health, ethnicity, religion, and sexuality.
- Helpfulness and Openness – Colleagues who are supportive, appreciative, and invested in each other's success.

This initiative is part of our continuous effort to foster an engaging, inclusive, and motivating work environment.

In 2024, we extended our well-being survey to the group level. This survey is a crucial tool for understanding employee engagement and well-being, both of which are essential for individual job satisfaction and the company's long-term success. The insights help us identify areas for improvement and reinforce our commitment to a productive and sustainable workplace.

While we aimed for a 70% participation rate, we achieved 63% at the group level. Despite falling short of our target, the results provided valuable feedback.

Areas of Strength and Improvement

- Strengths – Employees recognize Carsoe's commitment to continuous improvement and opportunities to develop and apply their skills.
- Areas for Growth – Leadership emerged as a key area for development, particularly in enhancing employee involvement and feedback.

As part of our commitment to ongoing improvement, we plan to hold workshops in all departments in 2025. These sessions will help us build on our strengths and address areas for growth in preparation for the next survey. Additionally, we will explore new ways to further support the health and well-being of our employees, ensuring Carsoe remains a great place to work.

ESG FOCUS AREAS

GOVERNANCE

At Carsoe, strong governance is essential to ensuring that our strategic ambitions translate into tangible results. In 2024, we took significant steps to enhance our management framework, data driven decision-making, and accountability structures to foster a more sustainable and inclusive workplace.

Strengthening Strategic Execution

We have experienced challenges in effectively translating our strategic goals into concrete actions across the organization. To address this, we have established a new management framework that operates on three distinct levels: strategic, tactical, and operational. This structure enhances clarity in decision-making and ensures that our goals are systematically translated into actions that can be followed up on and successfully implemented. Additionally, we have introduced a structured model that breaks down our strategy into specific initiatives, ensuring continuous follow-up and improved information flow across all levels of the organization.

Employee Engagement and Leadership Development

Recognizing the critical role of leadership in fostering a thriving workplace, we have placed a strong

emphasis on developing leadership capabilities. Our 2024 well-being survey identified leadership as an area for improvement, particularly in terms of employee involvement and feedback mechanisms. In response, we will hold dedicated leadership development workshops in 2025 to enhance managerial effectiveness and strengthen engagement across teams. This initiative ensures that our leaders are well-equipped to support employees, drive strategic execution, and maintain a positive workplace culture.

Governance of Employee Turnover and Workplace Culture

A key governance focus has been improving employee turnover and workplace satisfaction. By implementing structured exit interviews in 2024, we gained critical insights into both strengths, such as strong workplace relationships and high engagement levels, and areas needing improvement, including resource allocation and internal communication. These insights have already led to targeted initiatives, including an enhanced onboarding program for leaders and the development of a dedicated learning page to reinforce best practices.

Additionally, our governance framework ensures that data from well-being surveys and exit interviews is systematically reviewed and incorporated into our decision-making processes. By embedding

these insights into our strategic governance model, we continuously refine our approach to employee well-being, engagement, and long-term retention.

ESG IN NUMBERS

Category	Datapoint	Unit	2023	2024
At a glance	Total revenue/profit	mDKK	422,452	463,500
	Number of reporting sites	number	3	3
Energy	Total energy consumption	GJ	4.3	4.2
	Electricity consumption	KWh	1,182,394	1,164,656
	District heating consumption	KWh	1,511,249	1,408,476
Water	Total consumption of water	m ³	2,674	2,057
GHG	Total of direct CO ₂ e emissions (Scope 1)	tCO ₂ e	302	357
	Total of direct CO ₂ e emissions (Scope 2)	tCO ₂ e	545	597
	Total of indirect emissions from our value chain (Scope 3)	tCO ₂ e	N/A	N/A
	GHG intensity indicators			
	- GHG emissions per FTE	tCO ₂ e/FTE	2.92	4
	- GHG emissions per thousand production hours	tCO ₂ e/th. prod. Hour	N/A	N/A
	- GHG emissions per revenue mDKK	tCO ₂ e/mDKK	1.22	2.06
Employees	Number of full time employees (FTEs) end of year	number	290	219
	Percentage of employees by employment type			
	- Full-time	%	90	75
	- Part-time	%	10	25
	Percentage of employees by gender			
	- Male	%	90	86
	- Female	%	10	14
	Percentage of employees by age			
	Employees under 30 years old	%	25	24
	Employees 30-50 years old	%	47	43
	Employees over 50 years old	%	28	33
	Employee turn-over percentage	%	28.5	28.1
Diversity and inclusion	Percentage of women in the Board at the end of the period	%	33	0
	Percentage of women in leadership positions at the end of the period	%	15	25
	Number of interns/students with an educational/learning target	number	24	38
Safety	Total number of recordable injuries	number	12	7
	Rate of recordable work-related accidents. Employees	%	12	18
Policies	Anti Discrimination and Harrasment Policy		Yes	Yes
	Data protection manual		Yes	Yes
	Employee code of Conduct		Yes	Yes
	Whistleblower policy		Yes	Yes
	Policies and practices preventing bribery and corruption		Yes	Yes
	Trade Compliance policy		Yes	Yes
	IT policy		Yes	Yes
	Health and safety policy		Yes	Yes