
ESPERSEN
Sustainability
Report
2024

Contents

Introduction

From the CEO:

Turning insights into opportunities

Applying extensive ESG reporting with diligence and transparency is a win for people, the planet and our business.

Tino Bendix
Chief Executive Officer

It is my privilege to present our 2024 Sustainability Report - the first such report under my leadership since becoming CEO in August 2024. Arriving with over 20 years in the food industry, I'm not easily impressed. But my encounter with the seafood industry in terms of sustainability has impressed me profoundly from the very beginning. I am excited to be part of Espersen's journey and work towards positive change.

With growing concerns about climate change and ocean conservation, there is an increasing need and demand for more sustainable practices. This presents unique opportunities for innovation in sustainable fishing, aquaculture, and environmental stewardship.

The industry is evolving with advances in technology, such as sustainable techniques, blockchain for fish

raw material traceability, and new ways of producing seafood. It's a great space for those interested in combining traditional industries with cutting-edge innovation.

During the year, Espersen's steadfast commitment to sustainability continued with the achievement of a variety of sustainability milestones. The most significant of these being to better align our ESG reporting to a higher standard and reporting framework. As you go through the report, you will see improvements to the extent, transparency, and accuracy of the data we use to evaluate and report sustainability progress. We have performed extensive reviews of sustainability-related policies and targets, and developed new codes of conduct for suppliers and employees.

We are excited to present a markedly different 2024 report. It is more comprehensive than previous reports, embracing an expanded ESG reporting landscape. Personally, I find it highly encouraging to see legislators actively promoting transparency and collaboration through mandatory reporting requirements. These requirements do not come without challenges. The increasing complexities of ESG data collection and reporting present a significant task for all industry participants, and even for Espersen, which has been diligently working with in-depth reporting for many years.

Despite this complexity, we constantly aim to go beyond compliance by fostering dialogue with our business customers on how to utilize our extensive experience and insights to drive market behaviors toward greater sustainability, as well as new business wins for the sector. I plan to leverage the data to better inform our business strategy and build upon our sustainability vision for the years to come.

Under my leadership, Espersen's commitment to sustainability will remain unwavering, and I invite all our value chain partners to join us in fostering transparency and positive change. Together, we can drive the industry towards a more sustainable future. Finally, I want to extend my heartfelt thanks to everyone at Espersen and our value chain partners for their dedication to our sustainability journey over the past year. I look forward to continuing this exciting and rewarding journey with all of you.

Warm regards,

Tino Bendix
CEO, Espersen A/S

Sustainability highlights

Continuous CDP score improvement

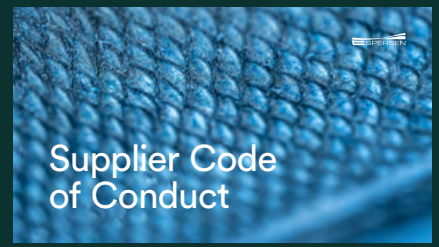
Espersen received a Score B for Climate action in CDP (Carbon Disclosure Project). The B score is an improvement by one grade from last year (Score C) and reflects our dedication to addressing climate change while promoting more sustainable food systems. We have reported to CDP since 2017 (Score D-).

New CEO

Espersen appointed Tino Bendix as the new CEO, effective from 5 August 2024. Klaus B. Nielsen stepped down after 37 remarkable years with Espersen and nearly 25 as CEO.

New leadership program

In May, we kicked off a new training program for first-time leaders, which aims to empower them with tools and insights to support their leadership role and develop their personal leadership potential. By working collaboratively with senior managers throughout Espersen, 20 first-time leaders were identified from Poland, Lithuania and Denmark. The participants were excited to join the training program and have acquired new skills for their leadership toolbox, which they are now ready to put into practice.



WeDo intranet platform improves communication

To enhance communication and engagement, Espersen launched a new, updated intranet platform for Espersen employees worldwide. The new intranet serves as a news platform and provides a one-stop shop for all internal tools, programs, policies, shared documents and more across employee devices.

Supplier Code of Conduct released

Espersen has taken the next step towards embedding care for people, planet and profit into our supply chains by introducing a new Supplier Code of Conduct. This outlines both our minimum requirements and aspirations for all our suppliers in the areas of environment, social and governance.

General

About this report

This report outlines the sustainability goals and progress made by Espersen across the company's focus areas for the 2024 financial year. It provides an overview of our performance within sustainability and focuses on the topics that we consider most important to our business and to society.

The report constitutes the company's statutory reporting on corporate responsibility cf. §99a. The ESG figures for 2024 include our production sites in Denmark, Poland, Lithuania, the UK, and Vietnam, and for relevant metrics, our non-production facilities in Denmark, France and Germany. Reporting boundaries are specified alongside reported metrics.

This is Espersen's first hybrid report, developed in preparation for upcoming EU legislation. It aims to align with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), as of before the EU Commission Omnibus package in February 2025. As a result, we have restructured the report to include a sustainability statement on selected reporting points[1]. Consequently, certain new sustainability information is not presented for the comparison period. A complete overview of all the disclosures and their locations can be found on page 95 of the Appendices.

We strive to accurately present the data available to us. As our quality of data improves, the way we calculate and report data may need to adapt. Any changes in reporting will be clearly indicated within this report.

Notes

For previous reports please visit: https://www.espersen.com/sustainability/sustainability-reports

Please contact espersen@espersen.dk if you have any questions or feedback regarding our sustainability report.

[1] This report is not fully compliant with the CSRD or the ESRS.

The Espersen story

1919
J.P.A. Espersen marries Dagny and starts a fish-trading company

1937
The first cod-filleting factory is established on the island of Bornholm

1945[1]
The war ends and export of chilled and frozen fish to European countries accelerates

1971
JPA Espersen Foundation is established, taking over the company on 30 December 1971

1973
J.P.A. Espersen dies (followed by his wife, Dagny Espersen, in 1980)

2004
The holding company INSEPA is established

2012
Espersen's Our Sea, Our Fish, Our Food program is developed

2014
Espersen publishes its first sustainability report for the 2013 reporting year

2021
50th anniversary of the Foundation

Doing well by doing good

Creating a lasting impact on the world doesn't happen overnight; it requires a steadfast, long-term commitment. This is where our owner, the JPA Espersen Foundation, plays a crucial role, enabling Espersen to focus on the big picture instead of prioritizing short-term financial goals. This balancing of business viability with social responsibility is a cornerstone in our pursuit of a sustainability-driven agenda. And it is elegantly expressed in the words "Doing well by doing good" – a central part of the Foundation's identity.

The Foundation came from humble beginnings. In 1894, Jens Peter Arnold Espersen was born into a family of fishermen. Arnold — his preferred name — was bright and enterprising. At 12 he started fishing and by 25, he had created his first fish trading company and married the love of his life, Dagny. Through dedication and hard work, Arnold grew the company, and in 1937, the family — and company — moved to the island of Bornholm to be close to the fishing community and the abundance of fish in the Baltic Sea. Since then, Espersen has transformed into one of the world's most important white fish processing corporations.

Today, the Foundation supports social and humanitarian projects in Europe and beyond. And in recent years, concerns about the ocean, its resources and climate change have accelerated the Foundation's support for broad scientific research into marine environments and food technology.

Notes

[1] We acknowledge that the Island of Bornholm celebrated its final liberation in 1946, when the Soviet fleet left Bornholm.

Locations

Denmark

Copenhagen
Headquarters

Roenne
QSR sales, customer service

Hasle
Office consumer division, consumer production

UK

Grimsby
Primary and consumer production, sales office

France

Boulogne-sur-Mer
Sales office

Germany

Kiel
Sales office

Poland

Koszalin
Primary and consumer production, office, laboratory

Lithuania

Klaipeda
Primary production, office

Vietnam

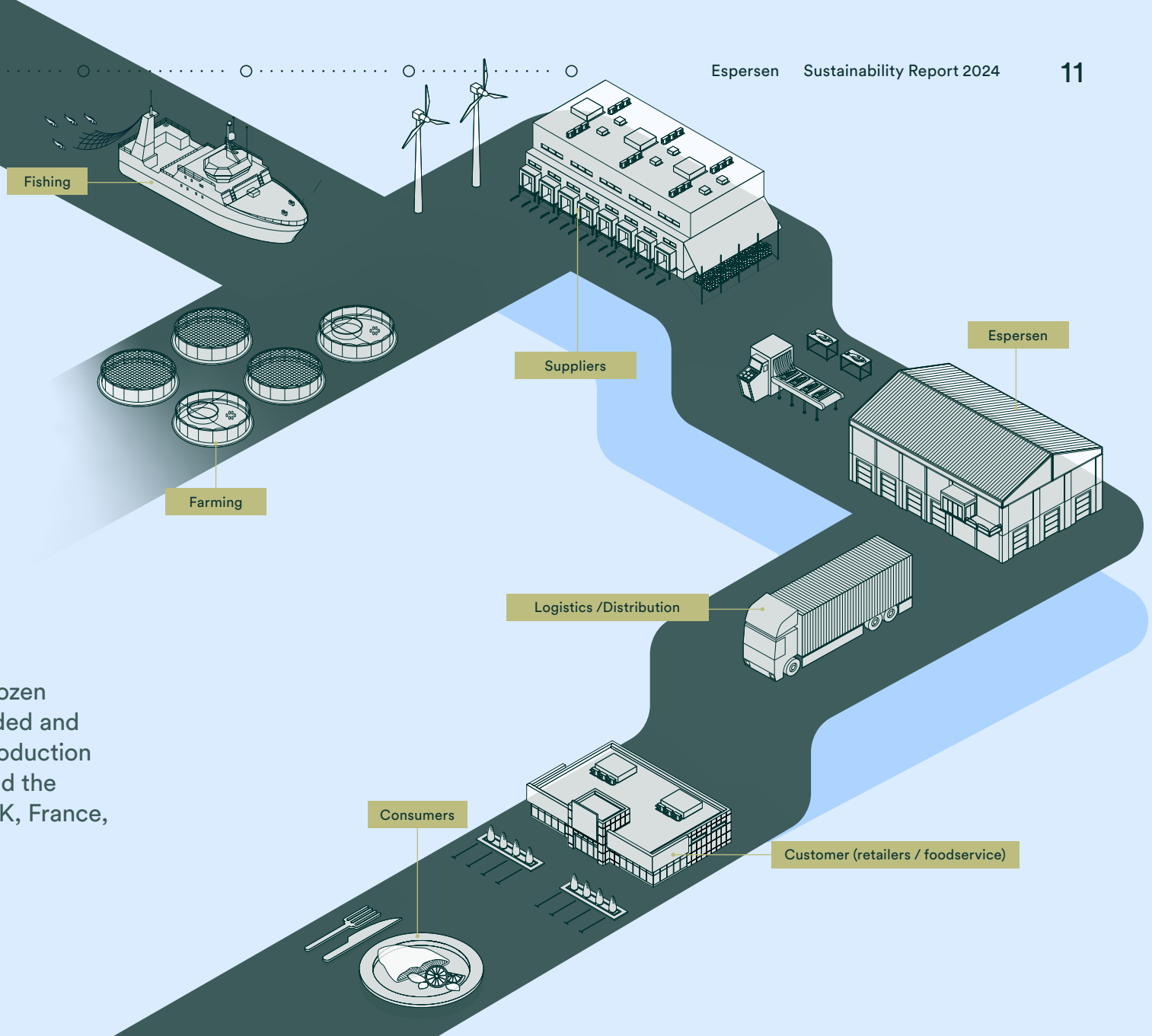
Ho Chi Minh City
Primary production

Notes

1 Physical sales office in Leeds, UK, transitioned to fully remote work by the end of June 2024.
2 Swedish sales office closed.

Espersen's business model

Espersen is a world leader in the processing of frozen fish blocks, frozen fillets, specials cuts, and breaded and deluxe puff pastry fish products, with modern production plants in Denmark, Lithuania, Poland, Vietnam and the United Kingdom, with representation offices in UK, France, Germany, and Denmark.



The value we create

Foods based on white fish species present an important source of high-protein, micronutrient-rich nutrition to nourish and sustain the world's growing population.

We differentiate ourselves by seeking to make our products the most sustainably sourced and produced white fish choices for consumers.

A winning culture, strong values and a constant drive to innovate maximise the value we bring. Our global presence and well-structured operations enable us to efficiently navigate diverse markets. And resource-efficient practices are a cornerstone of our high-quality products.

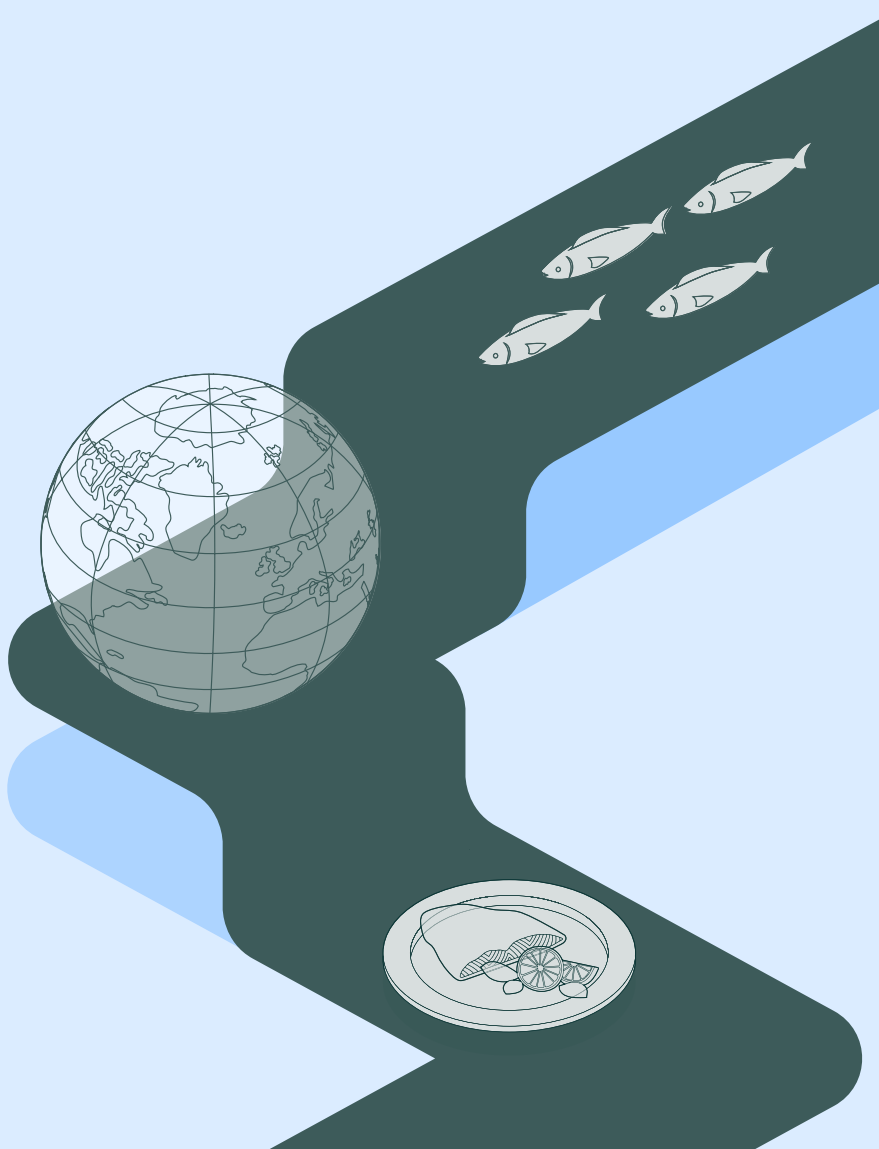
The inputs we rely upon

Our primary raw material is white fish, primarily Atlantic cod, Alaska pollock, haddock, and yellowfin sole, sourced from Northern waters around the globe. Production also relies upon land-based raw materials such as palm oil, soy, dairy and eggs, each of which bring their own sustainability challenges. Ensuring these ingredients match the sustainability credentials of our fish is a priority for us.

The impacts we make

As a responsible participant in the food processing industry, we recognize that our operations entail the consumption of substantial water resources and generate waste. However, we remain committed to minimising these impacts through sustainable practices, striving to strike a harmonious balance between meeting the global demand for nutritious seafood and safeguarding people and the environment.

We recognize our role as a global market leader in our industry as an opportunity to address the global challenges with a clear focus on sustainability. We have the ability to drive positive change through our on-going commitment to our employees, suppliers, partners and customers.



Espersen board composition

Board diversity

The board is elected at each general assembly. In 2024, a new member joined, further strengthening Espersen with key expertise in venture capital, M&A, and strategy. When considering re-election of existing board members or identifying new candidates, the primary focus is on addressing competency gaps and enhancing critical capabilities within the board. These decisions are guided by an ongoing assessment of the collective skills and expertise deemed essential at the time. Additionally, the board recognizes the strategic value of diversity, including cultural background, gender, and age, as a means to foster well-rounded decision-making and innovation. All members are appointed for one year.

Besides the six general assembly-appointed board members, Espersen's board has three employee-elected representatives. The current representatives were elected for the period 2022-2026, and represent all sites in Denmark (Hasle, Rønne and Copenhagen) and the functional areas of production, sales and product development. They are not included in the statistics (next pg.).

Board experience and competencies

Educational background

- Business management and strategy
- Finance and strategy
- Sales and marketing
- Corporate governance and compliance
- Engineering

Strategic competencies

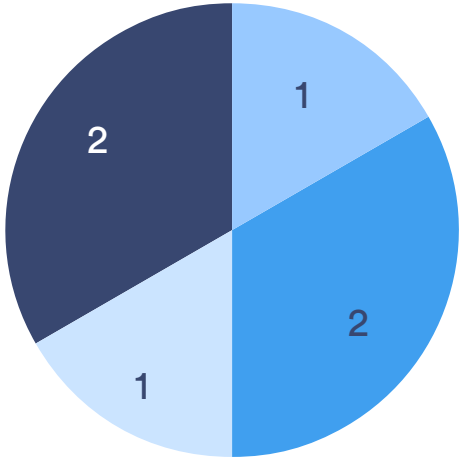
- International top management in the food industry and elsewhere
- Corporate governance
- Strategy development
- Turnaround experience in the food sector
- ESG-related matters
- Entrepreneurship
- Change management
- Corporate procurement programs
- Production, health and safety in the food industry
- Sales and marketing experience in the food industry in Espersen's markets, covering major retailers, B2B, quick service restaurants (QSRs), foodservice operators, and leading suppliers
- Track record of building global brands within FMCG
- Building private label business with customers
- High growth and profitability
- Product management
- M&A transactions and investments
- Capital markets
- Financial analysis and recapitalization
- Digital transformation

Board diversity at year end

Nationalities

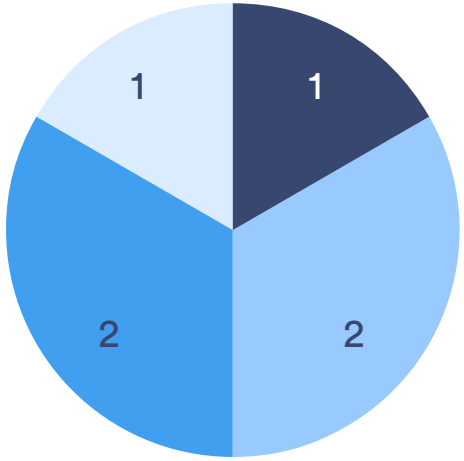
Denmark: 3
United Kingdom: 1
Germany: 1
Poland: 1

Age distribution



40-44: 1
45-49: 0
50-59: 2
60-64: 1
65-69: 2

Board tenure



0-1 years (1 - 2024)
1-5 years (2 – 2020)
6-10 years (2 - 2018)
11-15 years (1 - 2011)

Board independence rate

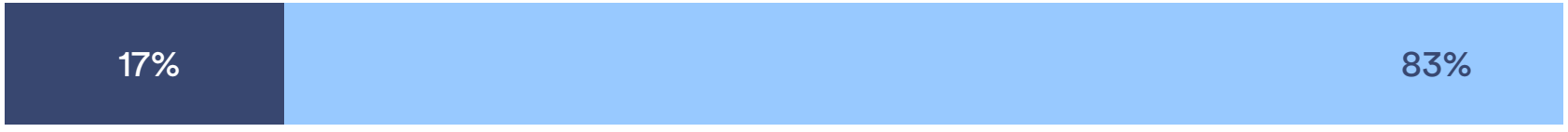
100%*

Notes

* All general assembly-appointed Espersen board members are also members of board for the holding company, INSEPA. All are appointed by the JPA Espersen Foundation, and two members are also members of the board of the Foundation.

Gender distribution

Female: 17%
Male: 83%



Sustainability governance

The CEO has overall responsibility for sustainability within Espersen Group. The sustainability department, which comprises the head of sustainability and the sustainability specialist, is responsible for day-to-day work with Espersen's sustainability program, supporting all departments and locations around sustainability-related projects, reporting, and communication. The department frequently updates the organization and other departments on the program and projects. The head of sustainability's role is to develop, lead, and support Espersen's strategy in terms of its long-term sustainability vision, mission, operating principles, and compliance. The head of sustainability is part of the Espersen leadership group (ELG) and reports directly to the CEO.

The head of sustainability and the CEO meet one-on-one every second week. The aim is to keep the CEO and the management team informed and updated on any sustainability-related regulations, initiatives, or violations of company policies.

The sustainability report, which publishes ESG related to actions, metrics and targets, is presented and approved each year by the board.

At ELG level, sustainability is weighted equally to other departments when considering impacts, risks and opportunities (IRO). Communication around sustainability-related impacts is not performed systematically. Administrative, management, and supervisory bodies are indirectly informed of such impacts through the communication channels previously mentioned. Affected functional departments are responsible for raising awareness and informing these bodies of relevant impacts when necessary. When a sustainability-related topic is identified and requires addressing, the functional department leads related projects and/or day-to-day activities relating to the topic, and the sustainability department is a direct contact as a supporting stakeholder.

In 2024, topics addressed were:

- Marine resources and bycatch
- Packaging material
- Employee Code of Conduct and Supplier Code of Conduct
- Climate change and emission reduction targets

Executive Management

CEO & CFO
Overall leadership, strategy, and operational execution of Espersen

Group Management Team

SVP, Commercial
SVP, Human resources
SVP, Production
SVP, Supply chain

The GMT, compromising of both the Executive Management and Functional Directors (Senior Vice Presidents), is responsible for steering Espersen's strategic direction and ensuring operational excellence across all business functions

Espersen Leadership Group (ELG)

The ELG, consisting of direct reports to Group Management, plays a critical role in translating corporate strategy into operational execution, ensuring alignment and agility across the organization

Our key stakeholders

We are committed to open communication and collaborative efforts with all our stakeholders, either continuously through various channels or at regular intervals. By doing so, we gain insight on how to reduce risks, achieve greater project outcomes, build stronger relationships, and forecast new opportunities. Input from key stakeholders also helps us to maximize the value of our products and better manage both negative and positive impacts.

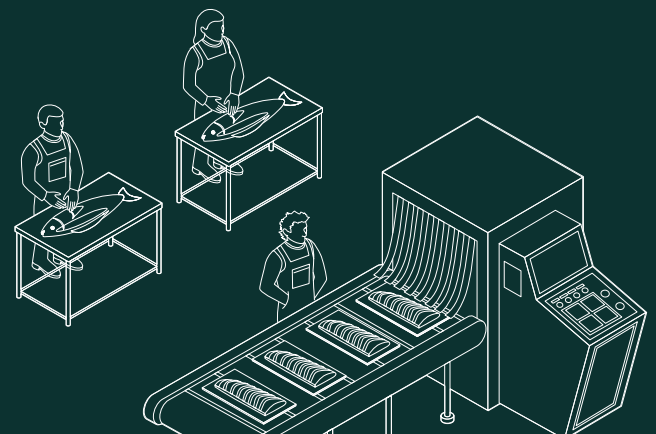
As outlined in Espersen's Code of Conduct and our Supplier Code of Conduct, we support human rights and are guided by the Ethical Trade Initiative's (ETI) Base Code. Espersen works towards better understanding human rights-related risks and aims to mitigate these, as well as negative impacts, where identified as material for our stakeholders. Similarly, when positive impacts and opportunities are found to be materially related to human rights, we strive to improve our understanding of these matters and improve standards in areas such as workers' rights, working conditions, and food safety and quality.

Employees

Why we engage
Employee welfare, safety, and wellbeing ensures an efficient and sustainable business.

How we engage
- Internal training in employee safety - production environments and emergency situations.
- Annual personal development discussions.
- The Espersen intranet allows for updates on news, policies, and shared documents.

Engagement outcomes
- Updated Employee Code of Conduct.
- Developing health and safety video trainings.
- Initiatives reflecting 2023 employee engagement survey.

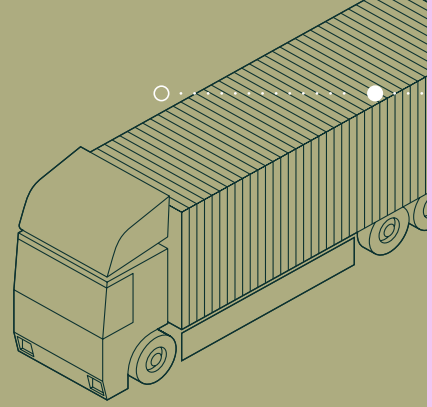


Nature: Environmental NGOs and research organizations

Why we engage
Espersen's seafood products rely on natural resources. Safeguarding the environment is key to protect our business and ensure food for the future.

How we engage
- Continuous dialogue and collaboration with NGOs, scientists, and research institutions.
- The sustainability department is responsible, with support from other departments when needed.

Engagement outcomes
- Initiatives around SBTi emission reduction targets.
- Participated and/or committed to research proposals and review analysis for GHG emissions and biodiversity topics.



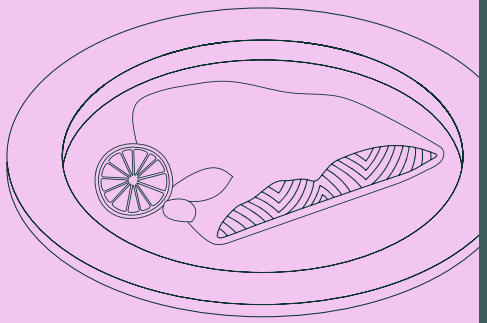
Supply chain workers

Why we engage
The industry's supply chain is complex and multi-tiered. Some direct suppliers are traders and fishing vessels, presenting higher risk due to monitoring challenges, and potentially exposing supply chain workers to exploitation.

How we engage
- The supply chain department is responsible for supplier and potential supplier engagement around social requirements and standards. The sustainability department supports this by informing procurement of changes to Espersen's standards and furthering industry knowledge.
- Our supplier approval process includes a questionnaire with a social compliance section. Based on risk, second-party and/or third-party audits are requested.
- A specific supplier questionnaire for primary production vessels mitigates the lack of social audit schemes and oversight.

Engagement outcomes
- Continued SEDEX membership.
- Re-evaluating processes on supplier approval and questionnaire for social topics.
- Introduced Supplier Code of Conduct and responsible recruitment policy.

Consumers



Why we engage
Understanding consumer priorities is critical, as is providing high-quality products that are safe to eat.

How we engage
- Quality and food safety (Q&FS) policies, procedures, documents are in a central management system. QA teams perform regular nutritional value checks, follow relevant national/international food legislation, and collaborate with customers on product specifications. A risk-based approach is taken to monitor known food risks and contaminants.
- Q&FS systems are third party-audited to certify all production facilities.
- Best practices are regularly shared across all sites.
- Continuous monitoring of product complaints.
- Social media engagement with consumers through product advertisement.
- Qualitative and quantitative consumer research on usage and attitude.

Engagement outcomes
- D4infonet® platform manages product and production-related documents.
- Hazard analysis and critical control points (HACCP) based approach system.
- Annual third-party certification for BRC (British Retail Consortium, a GFSI-approved standard).
- Engaging closely with customers through 2nd party audits or visits.
- Internal audits with trained staff to verify procedures in production.
- Regularly assessed, company-wide Q&FS culture.
- Central laboratory in Poland follows a detailed control plan.
- Regularly updated and reviewed risk assessment for food and packaging materials.
- Root cause investigation into complaints to avoid repetition.
- New product development and market initiatives.

Local communities

Why we engage
Espersen is owned by the JPA Espersen Foundation whose core purpose is to give back to local communities.

How we engage
- Memberships and chair positions in various industry associations.
- Stay abreast of blacklisted regions and areas with high exploitation risk.
- Since 2001, our Fundacja Espersen Polska has been supporting those with disabilities or serious illnesses in the local Koszalin community. Donations encompass 80 organizations, and support for more than 374 individuals.

Engagement outcomes
- Introduced Supplier Code of Conduct.
- In Koszalin, Poland and Klaipeda, Lithuania, Espersen continues to support the women's crisis centers we helped to establish.

Materiality assessment

We regularly update our materiality assessment to ensure we remain focused on the challenges identified within the scientific community, the industry, and key focus areas for our stakeholders. During 2023, in preparation for the EU's Corporate Sustainability Reporting Directive (CSRD), Espersen conducted a double materiality analysis (DMA), assessing our impact materiality and our financial materiality. The results drive our sustainability strategy and program.

DMA process[1]

In 2023, the assessment was undertaken by an independent third party to ensure impartiality. The selection of sustainability topics and sub-topics for the assessment was guided by the framework of the European Sustainability Reporting Standards (ESRS) as at end of July 2023. Subsequently, insights on identified impacts, risks, and opportunities (IROs) on various sustainability topics for affected stakeholders[2] and users of sustainability statements[3] were assessed through desktop research and interviews with internal stakeholder representatives, sustainability responsible area leads, and one external stakeholder.

Next, the IROs were evaluated and scored based on impact and financial materiality. A matrix scoring assessment with a determined threshold limit determined whether a topic was material. If an IRO was plotted above the threshold line in the matrix, it was deemed material. After the preliminary results, the process was concluded in a validation workshop, with the sustainability responsible area leads (RAL) who also represent either senior or top management, thereby ensuring leadership ownership.

Progress and modifications

The original DMA process was conducted in an Excel workbook. In early 2024, the results of the DMA were transferred to a new, online sustainability management platform. The workbook and online platform contained a small number of discrepancies due to an Excel limitation and updated guidance from the European Financial Reporting Advisory Group (EFRAG). Accordingly, the Excel results were slightly adjusted within the online platform. Later in the year, Espersen's sustainability department performed a high-level review of the 2023 DMA results. Identified IRO scores, descriptions, etc., were modified when deemed necessary, based on project or knowledge development of the IRO internally. The department contacted relevant internal stakeholders when further expertise was necessary in the review process.

In the future, it is expected that Espersen will re-perform the full DMA process every three years. For years within this cycle, an annual high-level review will be conducted for the most recent DMA IROs.

Results

Following high-level review and modifications, there were updates and result changes to a number of identified material and non-material IROs. However, the overall results regarding which topical ESRS standards are deemed material (climate change, biodiversity, circular economy, own workforce, workers in supply chain, consumers, and business conduct) did not change from 2023 to 2024. More details on the various sustainability topics can be found in this report's Environment, Social and Governance sections. This report and our sustainability strategy also includes non-material topics from this assessment, as they are important to Espersen's values and our customers.

As we prepare for CSRD-compliance, we will reassess current policies, targets, and metrics for material topics identified in this assessment.

Notes

1 For more information on how IROs were evaluated and scored please see the accounting principles in the appendices.

2 Affected stakeholders includes own work force, supply chain workers, consumers, affected communities and natural environment.

3 Users of sustainability statements includes owner, banks, insurers, customers, regulators and suppliers.

4 See appendices for amendment note on previous mis-statement.

Espersen's double materiality matrix

Double material topics

Climate change
E1-2 Climate change mitigation
E1-3 Energy

Water and marine resources
E3-1 Water
E3-2 Marine resources

Biodiversity and ecosystems
E4-1 Direct drivers on biodiversity loss
E4-2 Impact on the state of species
E4-3 Impact on the extent and conditions of ecosystems
E4-4 Impacts and dependencies on ecosystem services

Resource use & Circular economy
E5-1 Resource inflows
E5-2 Resource outflows

Own workers
S1-1 Working conditions
S1-2 Talent development

Supply chain workers
S2-1 Working conditions
S2-3 Other work-related rights

Consumers and end-users
S4-2 Personal safety of consumers and end-users

Corporate culture
G1-1 Corporate culture
G1-2 Protection of whistle blowers
G1-4 Political engagement
G1-5 Management of relationships with suppliers
G1-6 Corruption and bribery

Financially material topic

Climate change
E1-1 Climate change adaptation

Impact material topics

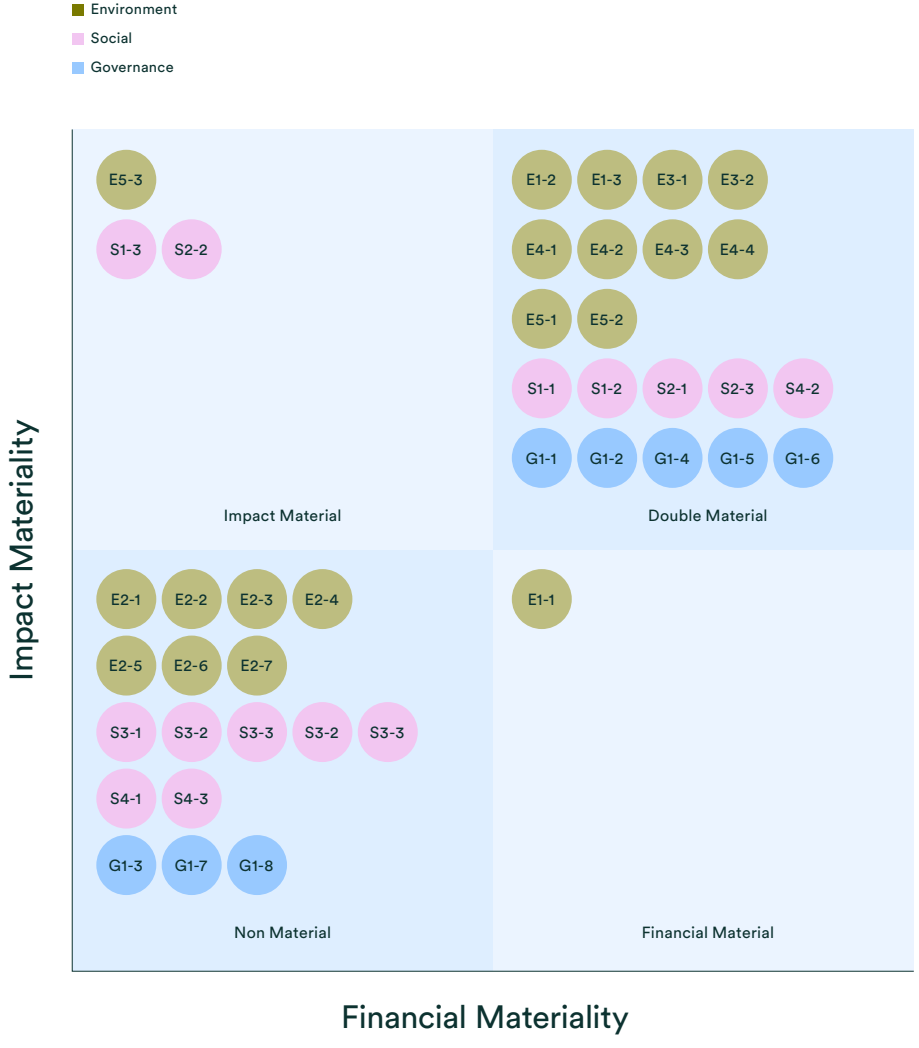
Resource use and circular economy
E5-3 Waste

Own workers
S1-2 Health and safety

Supply chain workers
S2-2 Equal treatment and opportunities

Notes

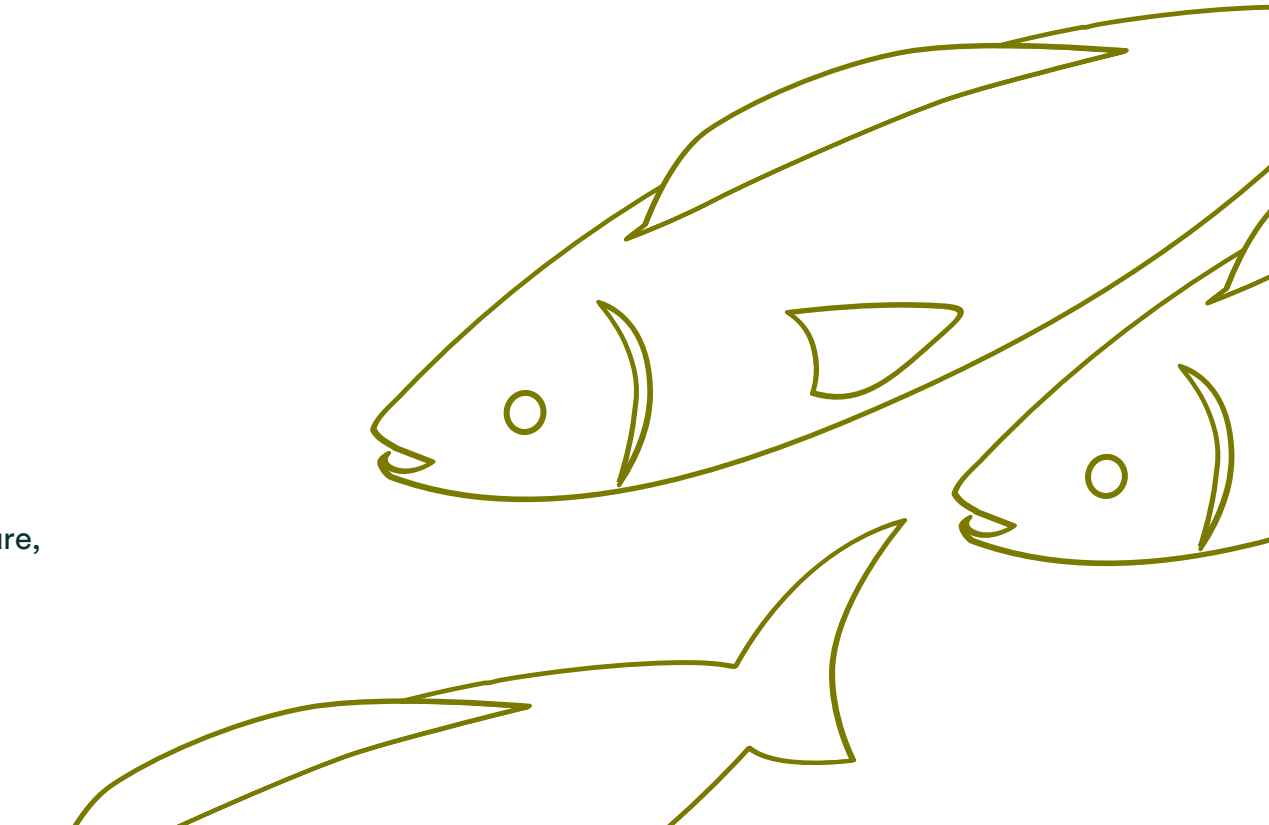
Reference appendices to view further details on non-material topics.



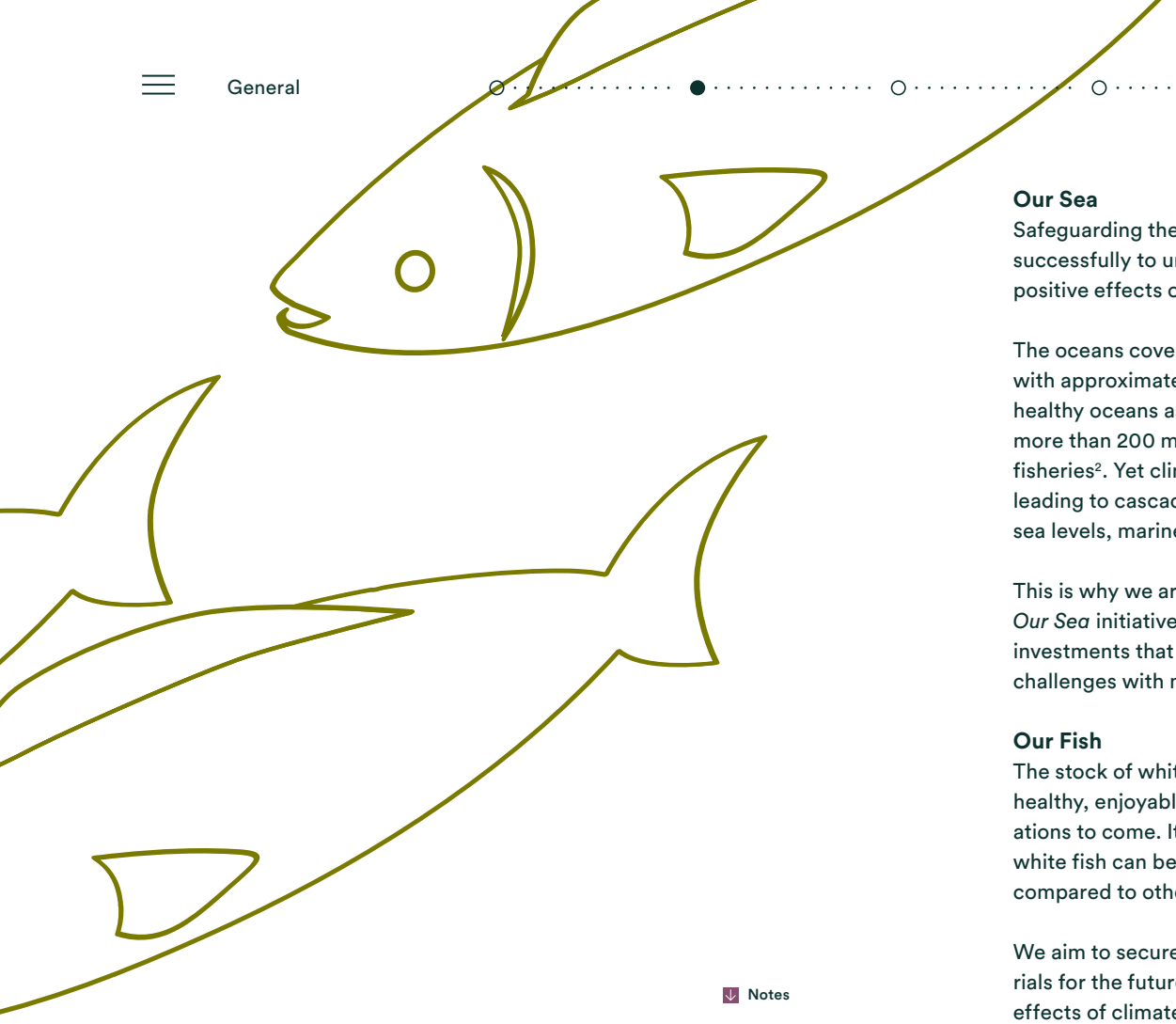
Sustainability strategy:

Our Sea, Our Fish, Our Food

Implementing sustainable practices demands a collective effort. The words ”Our Sea, Our Fish, Our Food” encourage all Espersen employees, suppliers and customers to take personal ownership of the contribution we make together to protect the ocean, ensure the abundancy of raw materials, and provide high-quality, nutritious and delicious food. Ultimately, the result of our combined efforts is more sustainably sourced, processed and packaged products for consumers.



Espersen’s commitment to sustainability has been a proactive choice since our founding in 1937. We believe that to ensure a sustainable future, we must do everything possible to encourage sustainable practices. And as a foundation-owned company, we are uniquely enabled to focus on positive, long-term outcomes for our business and the wider community – documenting our efforts in annual reports since 2014.



Our Sea
Safeguarding the health of our oceans, and adapting successfully to unavoidable changes, have far-reaching positive effects on our planet and its people.

The oceans cover three-quarters of the Earth's surface, with approximately 3 billion people depending on healthy oceans as their primary source of protein[1]. And more than 200 million people are employed in marine fisheries[2]. Yet climate changes result in warmer oceans, leading to cascading effects such as melting ice, rising sea levels, marine heatwaves, and acidification.

This is why we are thoughtful about how we work with *Our Sea* initiatives, making responsible choices and investments that enable us to adapt to changes and challenges with minimal impact.

Our Fish
The stock of white fish in northern waters can provide healthy, enjoyable nourishment today and for generations to come. It is comparatively well managed and white fish can be produced with low emissions per kg compared to other animal protein sources[3].

We aim to secure the abundance of healthy raw materials for the future by seeking ways to minimize the effects of climate change, unmanaged fishing, and other challenges that are sending ripples throughout the delicate ecosystems beneath the waves. Our Danish origins bring a tradition of collaboration and stewardship, and we work to balance economic, consumer and environmental priorities by developing new technologies and practices to secure *Our Fish* together with other industry leaders, regulators and interest organizations.

Our Food
Our food systems are under great pressure. With the global population expected to reach 8.6 billion by 2030, meeting the protein and nutritional demands of this growth is one of the greatest sustainability challenges of our time.

At Espersen, we are passionate about working with Our Food to provide delicious, safe, sustainably sourced and produced seafood choices for consumers, and we believe that achieving this aim is key to addressing challenges in food security.

We work toward this future by actively and collaboratively supporting the development of a more sustainable food system for seafood, strongly aligned with the principles of the Sustainable Development Goals (SDGs).

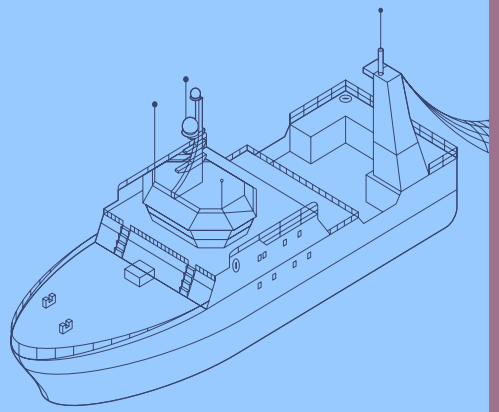
Notes

1 https://www.worldwildlife.org/industries/sustainable-seafood

2 https://www.msc.org/what-we-are-doing/oceans-at-risk/the-impact-on-communities

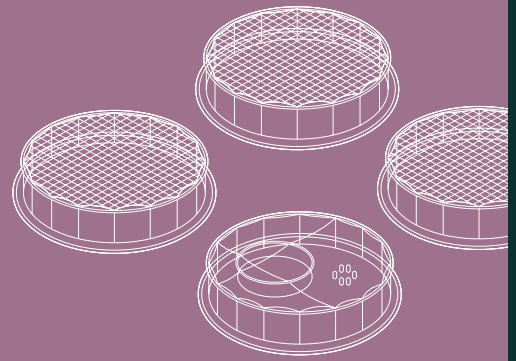
3 http://seafoodco2.dal.ca/

Focus and goals



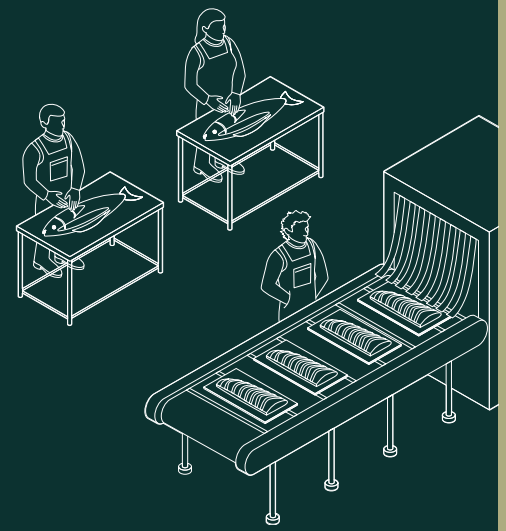
Net positive fishing

Conserve and sustainably fish from our marine resources, as a vital source of healthy and affordable food.



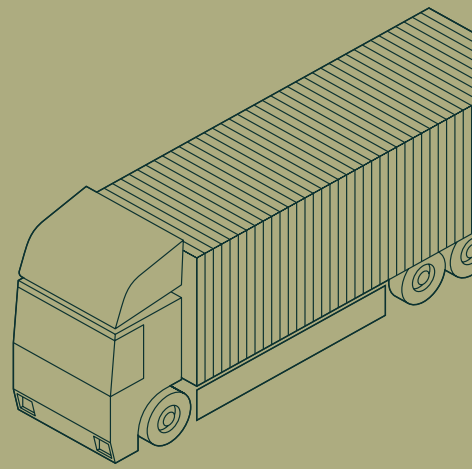
Resource use

Use resources responsibly with the aim of decouple waste, water and energy use from our production and supply chain footprint.



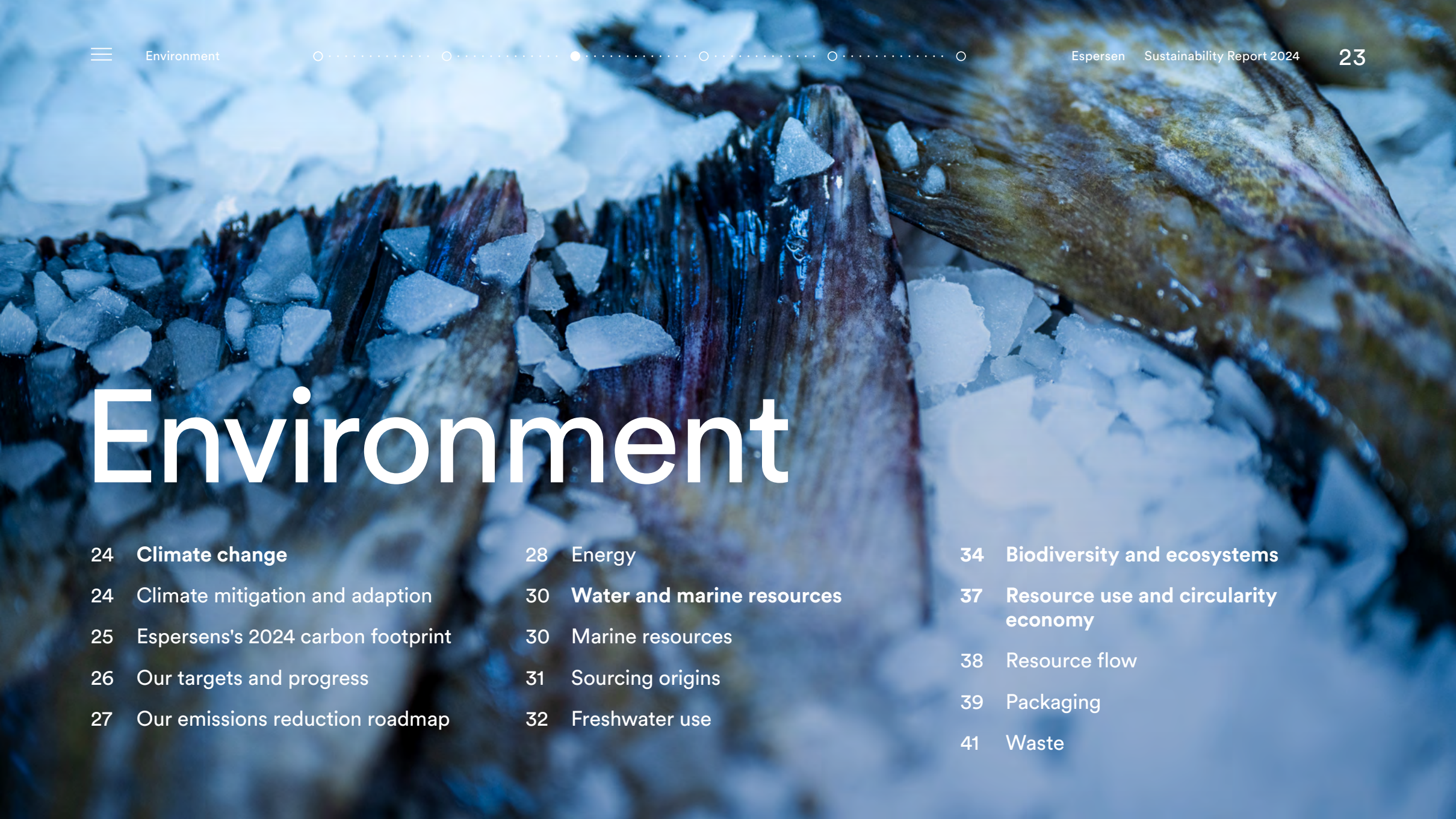
Worker health & welfare

Ensure all our employees recognize Espersen as a good and safe place to work, wherever we are in the world.



Supply chain integrity

Conduct business in a sustainable manner that encompasses concerns about resource use and protecting the oceans. And ensure we safeguard seafood supplies for future generations, including wild and farmed fish raw material, packaging and ingredients.



Environment

E1

Climate change

Climate mitigation and adaption

Climate change is a significant environmental concern with global consequences. Accordingly, it is expected to have both short- and long-term impacts on our business operations, affecting our employees, supply chains, and the communities we serve worldwide.

Our approach

As our Climate and Environmental Policy states, we are a responsible company committed to reducing our emissions in accordance with current climate science. For climate mitigation, we are led by our near-term emissions reduction targets, which been approved by the Science Based Targets initiative (SBTi). Espersen's high-level emissions reduction roadmap guides us in our efforts to achieve our targets.

Identified material IROs

Climate change-related (adaptation, mitigation and energy)	
Fossil fuels from leased cars	Actual negative impact
Emissions from fishing vessels	Actual negative impact
Aquaculture emissions	Actual negative impact
Non-renewable energy use	Actual negative impact
Physical risks at Lithuanian site	Risk
Absence of comprehensive physical risk assessment at Vietnam site	Risk
Warmer global oceans effects on fish populations	Risk
Increasing energy prices	Risk
Energy efficiency: Higher speed on production lines	Opportunity
Solar panel investments	Opportunity

Espersen's 2024 carbon footprint

Scope 1 and 2
Espersen's major emission sources within Scope 1 and 2 primarily stem from electricity consumption from the local grid, natural gas heating and district heating, followed by fuel use, company cars (i.e., leased vehicles), and fugitive emissions from freezing agents.

Scope 3
Our climate impact primarily originates from fish raw material, other ingredients, packaging materials, and purchased services, which together are responsible for around 84% of our total emissions. Most Scope 3 emissions are associated with the catching and breeding of fish (75%). Depending on the fish species and harvesting method, the calculated emissions include energy for vessels, gear manufacturing, fish feed and emissions from land use change (in the case of aquaculture). In almost all cases, vessel energy use contributes the majority of emissions. Following fish- and seafood-related emissions, upstream transportation contributes to 8% of the Scope 3 emissions followed by ingredient raw materials at 7%.

Notes

Scope 3 "Other" includes categories, capital goods, business travel, employee commuting, downstream transport, processing of sold products, end-of-life treatment of sold products.

Scope 2 emissions included here are calculated using the market-based method. For location-based methodology, please refer to Environmental Tables (pg. 86).

Greenhouse gas accounting categories, leased assets, use of sold products, investments, and franchise are not relevant to Espersen's business.

For further information on reporting boundaries, parameters and calculation methods for emissions accounting, please refer to the Accounting Principles in the Appendices (pg. 73).

Distribution of Scope 1, 2 and 3

Scope 1
3,332 tCO_2e

0.9%

- Company cars: 6%
- Freezing agents: 3%
- Fuel: 6%
- Stationary combustion: 85%

Scope 2
5,070 tCO_2e

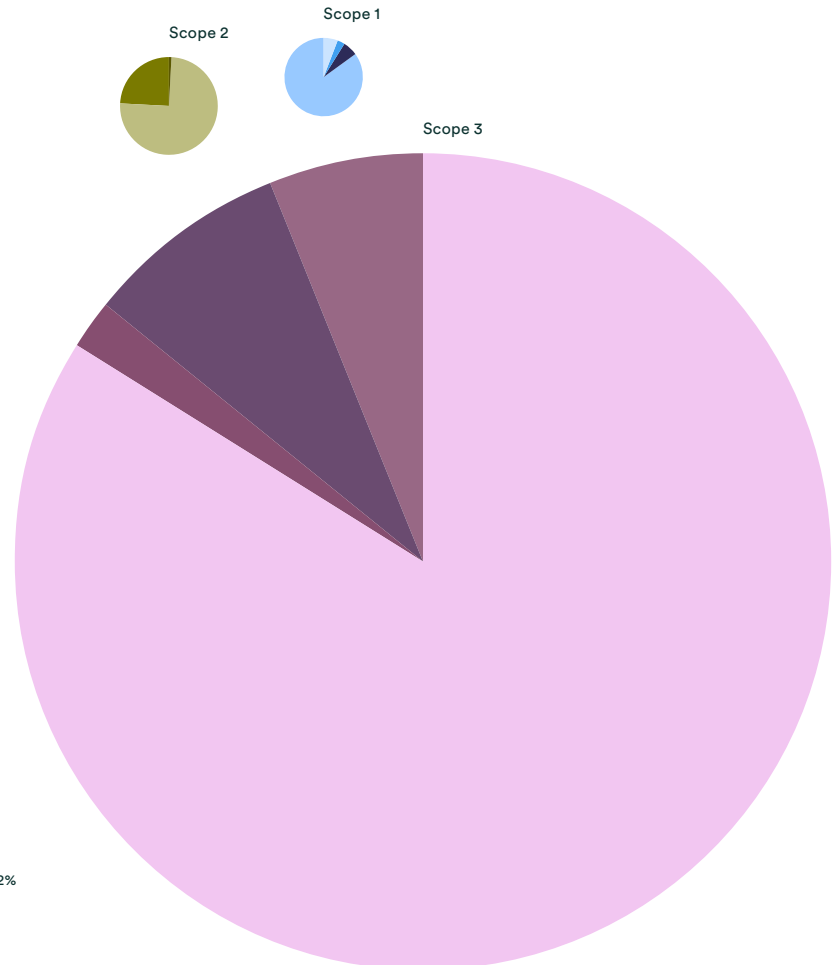
1.4%

- Company car (electric and hybrid): 1%
- Electricity: 75%
- Heating: 24%

Scope 3
358,913 tCO_2e

97.7%

- Cat. 1 - Purchased goods and services: 84%
- Cat. 3 - Fuel- and energy-related activities: 2%
- Cat. 4 - Upstream transportation: 8%
- Cat. 5 - Waste: 0%
- Other categories: 6%



Our targets and progress

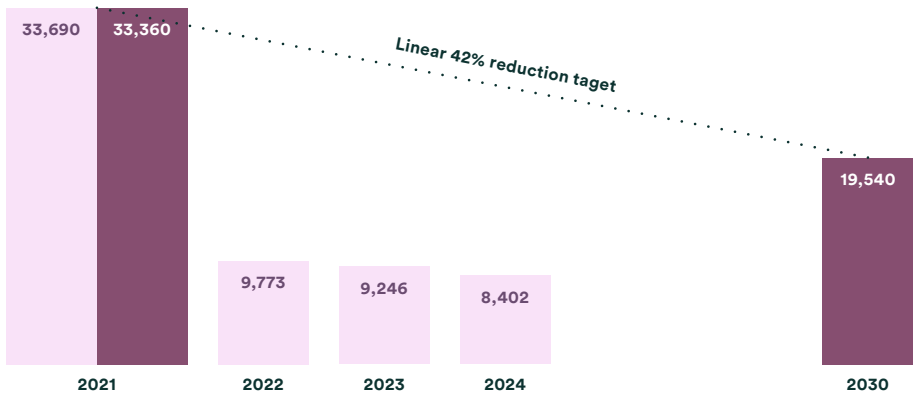
We already achieved our Scope 1 and 2 target in 2022, however, we are committed to continue reducing our own operational emissions. In 2024, we reduced our Scope 1 and 2 emissions by 9% from 2023 and 75% from our 2021 base year, continuing to surpass our reduction target. This is mainly due to efforts to procure more renewable electricity through energy attribute certificates. By the end of 2024, eight out of 13 facilities (six in 2023) were covered by renewable electricity energy attribute certificates (six production sites and two offices). Future projects to reduce Scope 1 and 2 emissions remain on our agenda.

We have reduced Scope 3 intensity by 26% from our 2021 base year. This decrease is primarily due to less fish and seafood being purchased in 2024 compared to 2021 - a decrease of around 30%. This equates to a ~37% reduction in fish-related emissions. The top six fish and seafood species with the highest emissions intensity had an ~94% purchase reduction. We plan to delist three of the six high-intensity species, to be completed by the end of 2025.

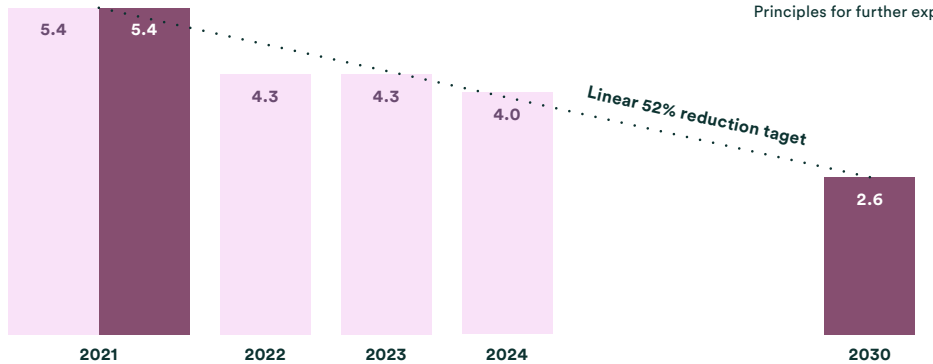
Espersen commits to reduce absolute Scope 1 and 2 GHG emissions 42% by 2030 from a 2021 base year.

Espersen also commits to reduce Scope 3 GHG emissions from purchased goods and services, fuel- and energy-related activities, upstream transportation and distribution, and waste generated in operations by 52% per tonne of sold fish product within the same timeframe.

Scope 1 and 2 absolute reduction target
tonnes CO_2e



Total CO_2e (kg)/sold product (kg) - Scope 3
kg/sold product



Notes

[1] Significant amendment in purchased fish data for the base year, please see Accounting Principles for further explanation.

Our emissions reduction roadmap: mitigation in action

In 2023, Espersen undertook a high-level emissions reduction initiative that included the identification of key priority areas. The figure below outlines the roadmap's timelines and actions necessary to achieve our emissions reduction targets. In 2024, we achieved strong improvements in priority areas but also faced some difficult challenges. This year's main achievements included increasing our percentage of renewable energy and the launch of a new transport management system. The main challenge faced concerned our project on green transition in transport and logistics. This was due to multiple factors such as: (1) The operational capabilities of available transport equipment are not developed enough to replace fossil fuel vehicles; (2) the range of the trucks is still too low compared to fossil fuel options; (3) charging facilities along our routes are very limited; and (4) charging time is much longer for transportation trucks compared to electric vehicles. Despite the challenges, our logistics team is still investigating possibilities and investment agreements with partners.

	2023 — 2025				2026 — 2030			
Key Priority Areas	**Obtain 100% renewable electricity via renewable energy certificates, on-site production or green tariffs**	**Implement more energy efficiency measures on site**	**Expand collaborations to engage suppliers and other supply chain participants**	**Address company vehicle fleet electrification and efficiency (incl. leased vehicles)**	**Improve supplier data and improve fishing practices for emissions reduction**	**Work with transport providers to shift to low-GHG freight solutions**	**Increase raw material utilization**	**Investigate increased use of plant-based ingredients**
2024 Actions & Development	• 2024 was the first year with 100% operational capacity of Poland's on-site solar installations. • 81.3% renewable electricity via renewable energy certificates, on-site production or green tariffs compared to 75.5% in 2023.	• On-going initiatives at site level.	• Our transport management system went live in Q2 2024 for operations in Denmark, Poland, Lithuania, Vietnam and France. Grimsby will be integrated in 2025. We plan to leverage the system for more specific transport emissions-related data and use the data starting in our GHG accounting from 2025.	• Scope 1 company car emissions of 184.2 tCO_2e increased by ~22% from 2023, but still remain below the base year emissions (236.09 tCO_2e).	• Completed a Supplier Code of Conduct project encompassing Espersen's sustainability program goals and communicating emissions reduction collaboration.	• Project on green transition in logistics was initiated in 2024, however, minimal progress made due to significant challenges (see above).	• On-going initiatives at site level.	• On-going projects with Danish universities on hybrid plant-based products.

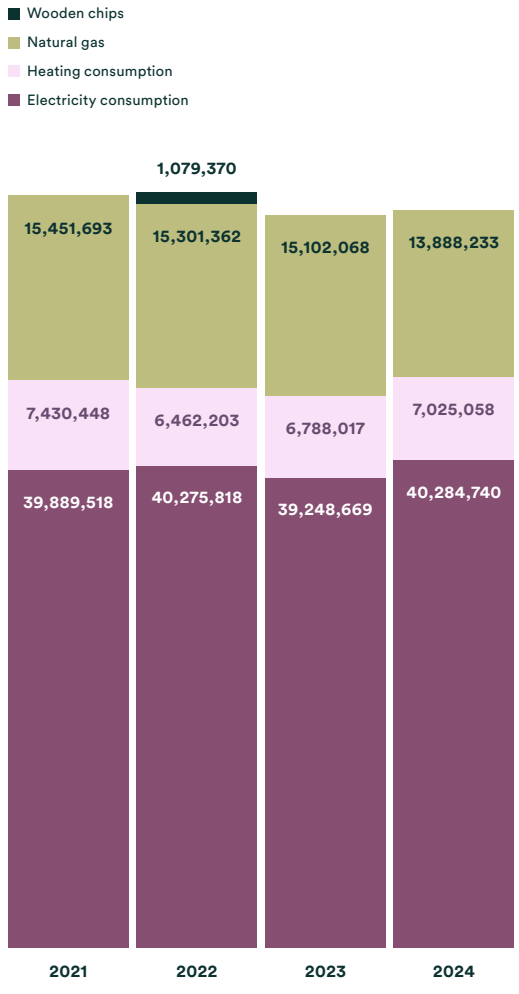
Energy

Energy usage and efficiency is managed locally at production sites. This can be through initiatives such as implementing energy-efficient upgrades, installing more energy and temperature monitors, and staff training in energy-saving behavior.

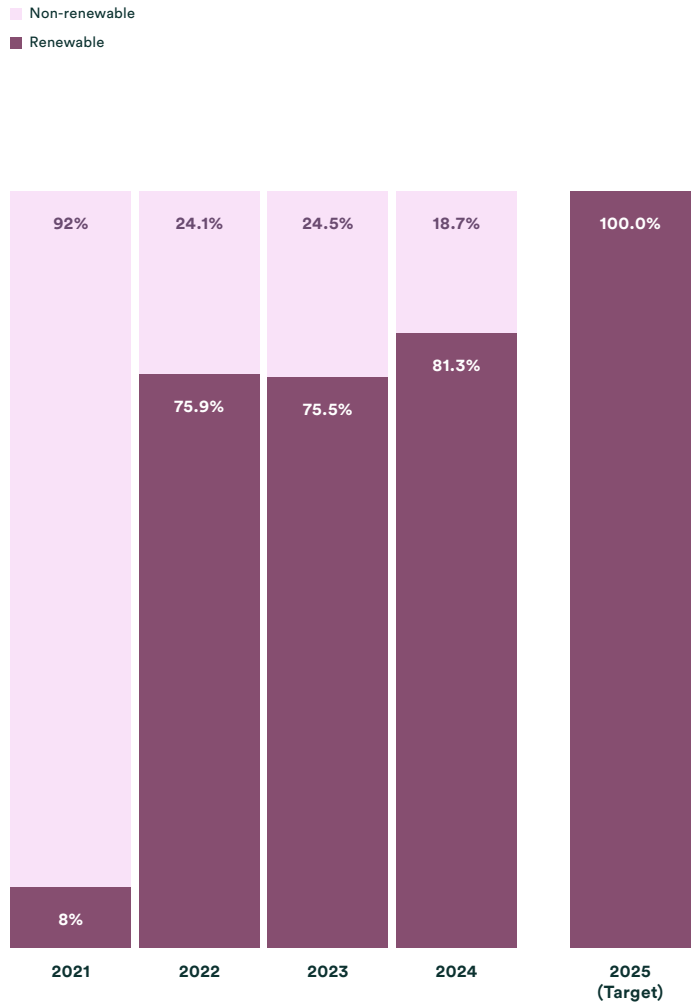
Our targets

- Obtain 100% renewable electricity via renewable energy certificates, on-site production or green tariffs by 2025.
- Promote on-site renewable energy installations at our production plant (e.g., solar panels).

Total energy use per category (excluding vehicle fuels)
kWh



Renewable energy
%



Metrics and progress

- Electricity In 2024, Espersen continued to increase its percentage of renewable electricity through purchased agreements, in addition to our own solar panel production (Denmark and Poland). Overall, total renewable electricity increased by 10.6% from 2023 to 2024.
- Total heating consumption (district heating & natural gas) was 20,913.29 MWh, a 4% decrease from 2023 (21,890.09 MWh).
- Total fuel consumption from crude oil and petroleum products was 1,675.86 MWh[1].
- Total energy consumption in 2024 was 62,933.23 MWh[1], contributing to an energy intensity of 0.85 kwh per kg product produced[1].

Looking forward

In recent years, Espersen has made significant progress towards our target of 100% renewable electricity via renewable energy certificates, on-site production or green tariffs. However, based on this year's target assessment, we do not expect to achieve the target for the end of 2025. As a result, we will re-evaluate our target, gather more knowledge, and plan to set a new target during 2025.

	2021		2022		2023		2024			
	MWh	%	MWh	%	MWh	%	MWh	%	Target	Comments
Purchased electricity with renewable energy certificate	2,981.79	7.5%	30,372.95	75.4%	29,376.96	74.8%	32,368.82	80.4%	-	
Own electricity production consumed (Solar PV)	199.82	0.5%	176.75	0.4%	241.25	0.6%	389.42	1.0%	-	Solar PVs in Denmark and Poland. Polish solar project ran from 2021-2023. No projects expected in 2025.
Total renewable electricity	3,181.61	8.0%	30,549.70	75.9%	29,618.21	75.5%	32,758.24	81.3%	100% by end of 2025	
Purchased electricity without renewable energy certificate	36,707.91	92.0%	9,726.12	24.1%	9,630.46	24.5%	7,526.50	18.7%	0% by end of 2025	
Total electricity consumption	39,889.52	-	40,275.82	-	39,248.67	-	40,284.74	-	-	

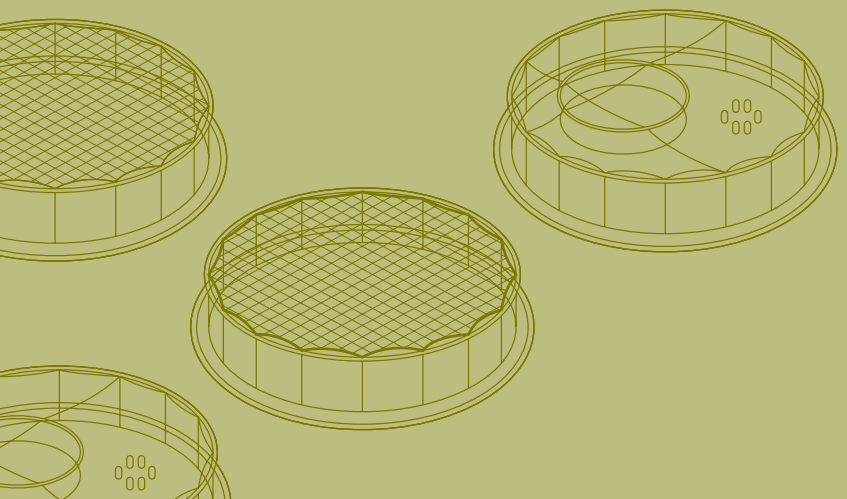
Notes

[1] Value cannot be compared to historical years as, during 2024, we implemented calorific value conversions to fuel types and vehicle usage, which was not done in previous reporting.

* Values in table are rounded to one decimal place.

E3

Water and marine resources



Marine resources

Our approach

As a fish and seafood processing company, Espersen's main purchased goods are fish and seafood. We know that when fish stocks are responsibly managed, the marine fishing industry can play a key role in providing raw material with distinctive nutritional benefits, within acceptable environmental and ethical impact limits. Espersen does not have a formalized group policy covering marine resource use. However, we do have a process for procuring marine raw materials. All such materials must be traceable from the catching area or rearing location all the way to the final products. This is done by providing sufficient and continuous documentation pertaining to, for example, catch certificates and veterinary documentation. In addition, the procurement department can set group-level specifications for raw materials based on its own evaluations of potential or actual negative impact or risks. For example, we do not accept fish caught by beam trawls.

Actions and progress

- During 2024, we ceased to buy flounder from the Baltic Sea, due to evaluation of fish sizes and concerns regarding fisheries management.
- 99% of our fish and seafood is sourced in accordance with third-party certification schemes such as MSC, ASC or Global G.A.P*

Looking to the future

We are presently working on several partnerships aimed at broadening our portfolio of alternative fish species. One such area concerns farmed fish to safeguard the long-term availability of fish raw material. Our overarching ambition is to use 100% certified fish raw material. Additionally, we aim to go beyond certification through engagement in fisheries improvements projects. Finally, in 2025, we plan to launch a marine resource use policy.

* Excl. Grimsby production site.

Identified material IROs

Marine resources	
Extraction of seafood	Actual negative impact
Dependency on marine resources	Risk

Sourcing origins

Farmed

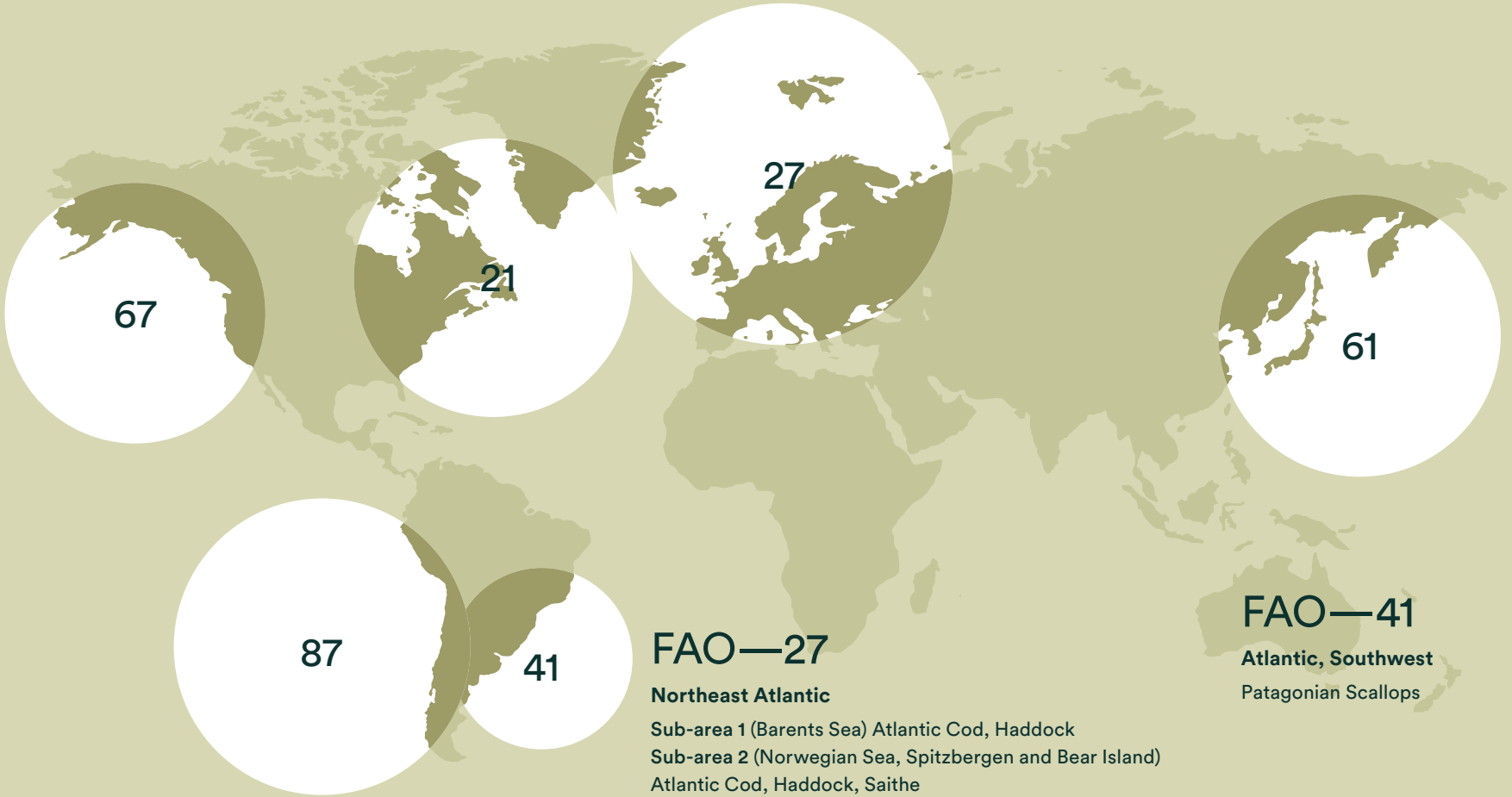
Norway
Salmon
Atlantic Cod

Vietnam
Pangasius

Chile
Salmon

Indonesia
Tilapia

Turkey
Seabass



FAO—67

Pacific, Northeast

Alaska Pollock, Pacific Cod, Yellowfin Sole, Rock Sole, Pink Salmon, Keta Salmon, Pacific Whiting (Hake)

FAO—87

Pacific, Southeast

Langostinos Lobster

FAO—21

Northwest Atlantic

Yellowtail Flounder, Atlantic Cod, Greenland Halibut, Prawns

FAO—27

Northeast Atlantic

Sub-area 1 (Barents Sea) Atlantic Cod, Haddock
Sub-area 2 (Norwegian Sea, Spitzbergen and Bear Island) Atlantic Cod, Haddock, Saithe
Sub-area 3 (Skagerrak, Kattegat, Sound, Belt Sea and Baltic Sea) Plaice, Dab, Flounder, Atlantic Herring
Sub-area 4 (North Sea) Plaice, Dab, Atlantic Herring
Sub-area 5 (Faroe and Iceland) Saithe, Haddock Silver Smelt
Sub-area 6 (Rockall, Northwest Coast of Scotland and North Ireland) Silver Smelt
Sub-area 7.a (Irish Sea) Atlantic Herring

FAO—41

Atlantic, Southwest

Patagonian Scallops

FAO—61

Pacific, Northwest

Alaska Pollock, Pacific Cod, Pink Salmon, Keta Salmon

Freshwater use

Our approach

As a fish and seafood processor, Espersen requires large quantities of water for defrosting, preparing, and fileting fish. In addition to food safety requirements, production halls are routinely thoroughly cleaned, even if production is not scheduled or has not occurred.

As a major user of freshwater resources, we are aware that five out of seven of our production sites are located in areas of medium-high or extremely high water stress[1]. It is, therefore, clear that responsibly managing freshwater usage is vital to the health of our business, requiring Espersen to mitigate negative impacts and monitor financial risk due to potentially increasing water costs.

Our Climate and Environmental Policy lays the foundation for our approach to responsible resource use, including water. Responsibilities for freshwater management and related projects are managed at site level, and it is expected that those responsible at each site continuously look for ways to improve water use.

Identified material IROs

Freshwater	
Water usage in production process	Actual negative impact
Water becoming scarce resource	Risk

Our targets

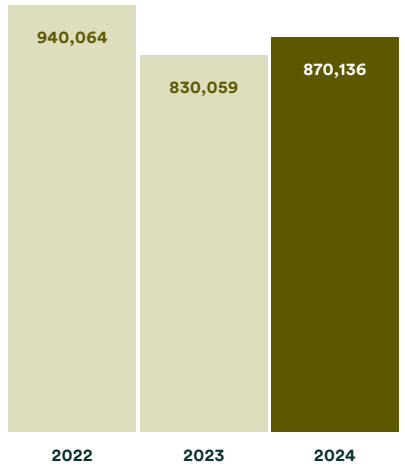
- Achieve a year-to-year reduction in absolute water use connected to a reduction in water intensity (per kg of product produced).

Results and progress

The group target was not achieved. For the Espersen Group, total water use increased by 4.8% to 870,136 m^3 (830,059 m^3 in 2023). In addition, our water use intensity increased by 5.4% at 11.7 liters/kg of product produced in 2024. While the group target was not achieved, one out of seven individual sites achieved the target individually.

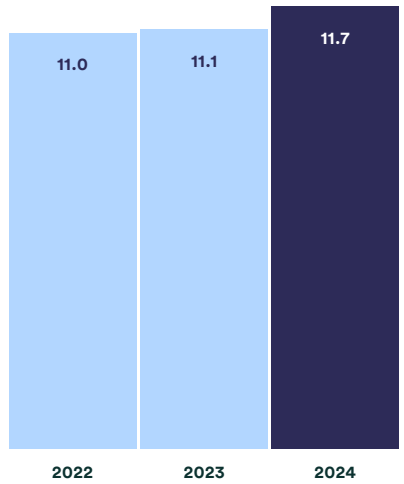
Annual water withdrawls

m^3



Water intensity

litre/kg of product



Looking to the future

No freshwater usage-related projects are planned for 2025. However, two of our sites are focusing on improving wastewater management. In 2024, the North Sea site completed planning for a new on-site wastewater treatment plant, expected to be finished in 2025/26 (see case study on the following page). Our Vietnam site is also exploring options for building another wastewater treatment system by 2025/26.

Notes

[1] The Aqueduct Water Risk Atlas tool was used to assess water stress.

Case study:
Planning for a new wastewater treatment plant

During 2024, Espersen's Polish production site, North Sea, put the finishing touches on planning for the construction of a new pre-treatment wastewater facility, scheduled for completion in 2025/26. This new initiative ensures we meet regulatory requirements and minimize our environmental impact.

The facility, which will feature both mechanical and mechanical-chemical sections, aims to comply with the strict wastewater parameters set by the Municipal Water and Sewage Company (MPWik). The project is being carried out by Ekowodrol, a company with extensive experience in environmental engineering. Ekowodrol is also managing the necessary government approvals on our behalf.

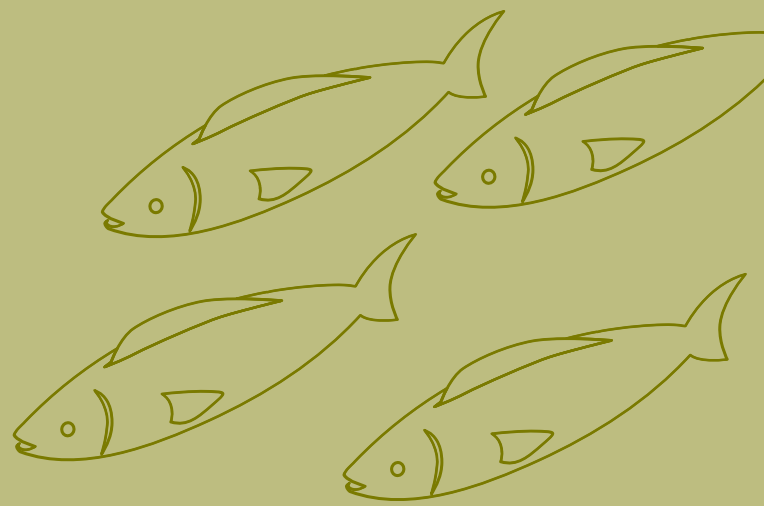
To prepare for the project, we conducted a comprehensive analysis of our daily wastewater discharge and its distribution across different shifts and hours. We also assessed the characteristics of our raw wastewater to determine the necessary levels of pre-treatment.

Next, we invited three companies to submit proposals and visited several of their pre-treatment plants to evaluate their solutions, focusing particularly on mechanical pre-treatment. After careful consideration and discussions, we finalized the project and implementation plan.

Fueled by great teamwork and meticulous attention to detail, we were awarded favorable decisions regarding environmental and building conditions, and our pre-treatment project has been positively endorsed by the local Municipal Wastewater Treatment Plant.

E4

Biodiversity and ecosystems



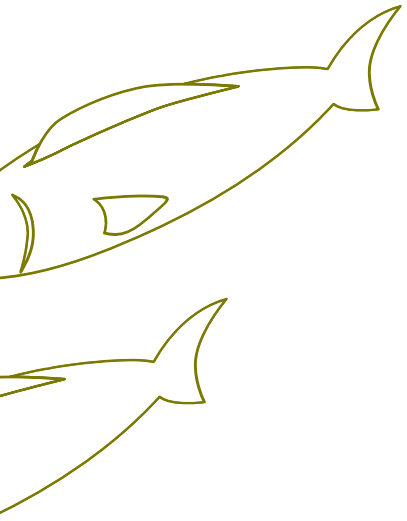
Net positive fishing

Our approach

As the fish stocks we rely on are affected by biodiversity loss (e.g., from habitat degradation or bycatch) and climate change (e.g., rising sea temperatures), negative consequences must be mitigated. Espersen has been working with biodiversity and ecosystem-related topics within our net positive pillar as part of our sustainability strategy. Many of our related actions and projects take place under this pillar, which aims to manage risks and move toward sustainable sourcing methods. Currently, there is no formalized biodiversity policy or transition plan. However, we participate in and support industry initiatives that promote sustainable development in fisheries and seafood production, with more information on our 2024 actions in the following pages.

Identified material IROs

Freshwater	
Sourcing fish from sustainable resources, both aquaculture and wild caught fisheries	Actual positive impact
Bycatch impacts biodiversity	Potential negative impact
Abandoned fishing gear affects marine wildlife	
Bottom trawling impacts habitats	Actual negative impact
Fishing decreases population size	
Loss of biodiversity effects on fish quality	Risk
Public opinion on trawling	
Habitat degradation effects on supply	
Sustainably sourced fish falling short of market demand	
Safeguarding business viability through sustainable fishing practices	Opportunity



Our actions

In 2024, Espersen committed to participate in three projects related to biodiversity, the grants for two of which (MarineGuardian and ECO-CATCH) are expected to be finally approved in early 2025.

- **MarineGuardian**[1,2]:
  This four-year project, which is expected to launch in Q2 2025, aims to deliver solutions to reduce fisheries' environmental impact on marine species and habitats. The research proposal was informally accepted at the end of 2024, and once officially approved, the project will be EU-funded under Horizon Europe as an innovation actions project.

  Solutions encompass:

  1. Innovative technologies to reduce and prevent incidental catches of sensitive species and juveniles.
  2. Best practice guidelines for reduced discard and damage to catch.
  3. Decision support systems for effective mitigation measures to protect sensitive marine ecosystems, whilst optimizing fishing operations.
  4. New methods for data sharing in seafood value chains to ease corporate sustainability reporting and ecolabelling processes.

  Deliverables will be encompassed within six case studies to further demonstrate feasibility within the European food sector. In total, 21 organizations, across eight countries, will participate. Espersen will contribute to work package four, providing evaluation and feedback to the solutions demonstrated in previous work packages. In addition, we will provide input on how these solutions can potentially promote value creation to the seafood market and value chains through ecolabelling or company rating schemes.

- **ECO-CATCH**[1,2]:
  Currently there are challenges in the maturity and readiness of new and innovative fishery technologies and gear types. This limits positive movement towards the EU biodiversity 2030 bycatch and habitat objectives within the Baltic and North Sea fisheries.

  These issues will be addressed by a five-year ECO-CATCH project, which will be EU-funded under Horizon Europe. The research proposal was informally accepted at the end of 2024 and is expected to be formally approved during the first half of 2025.

  ECO-CATCH aims to deliver 10 technologies to a higher technology readiness level, and system/subsystem prototype demonstration (TRL7-8). These technologies include digital tools, bycatch reduction devices and alternative gears.

  The project brings 15 stakeholders together (researchers, corporations, NGOs, etc.) across nine different countries. Espersen has committed to an advisory role within the project's fifth objective, which is to increase the value of seafood products from sustainable fisheries (ecolabelling, certifications, etc.). Here, we will provide guidance and assess the impact of end-use data on the project's various technologies, focusing on factors such as accessibility, utility for sustainability reporting, and opportunities for eco-labeling within the value chain. Years one through three are expected to be a research and development phase, and years four to five will demonstrate the usage of the technologies and gears in a commercial setting, with various pilots conducted within the value chain.

Notes

1 The projects will be implemented in tandem to optimize impact on fisheries, resource management and UN SDG 14.

2 The projects were co-designed at ideation stage with Espersen input.

- **Barents Sea bycatch of golden red fish**
  Existing publicly available information reveals that bycatch levels in the Barents Sea cod and haddock offshore trawl fishery, as well as other offshore and inshore fisheries, are unacceptably high. As a result, Espersen and two of our key customers have asked the Sustainable Fisheries Partnership (SFP) to conduct a deep due diligence exercise that will refine the understanding of the issue with golden redfish (Sebastes Norvegicus) as bycatch in the North East Atlantic (NEA) cod and haddock fishery.

The aim is to refine our understanding of the issue and produce a description and plan that accurately captures the views of all key stakeholders (industry, scientists, regulators and NGOs). The work includes:

1. A comprehensive desk review of all publicly available material, including all relevant peer-reviewed papers and gray literature available from fisheries research and management authorities (to be included in an update on FishSource, a publicly available online resource on fishery statuses).
2. Interviews with the Institute of Marine Research (IMR) in Norway, researchers, and representatives of the Norwegian Fishermen's Association to better understand existing and planned research and identify any key gaps.

The first part of this project is expected to be completed at the end of Q2 2025. Based on the preliminary findings, Espersen and collaborators will reconvene and discuss possible next steps and actions.

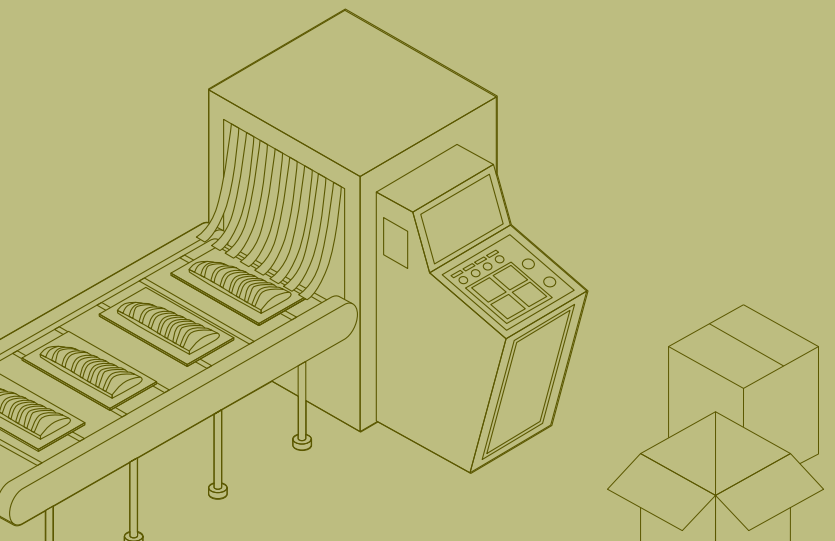
Future developments

It is evident that biodiversity challenges and ecosystem integrity threats are increasingly material to our business. We have defined an expected timeline to implement further actions around these topics, which includes introducing biodiversity related policies, targets, and action plans.

- Short term (2025-2026): Research and development on biodiversity topics, and development of an Espersen policy.
- Medium term (2025-2029): Introduction of biodiversity and ecosystem-related targets.
- Medium to long term: Establishment of a transition plan for biodiversity and ecosystems.

E5

Resource use and circular economy



Resource inflow and outflow

Our approach

Espersen's main resource inflow consists of materials needed for producing fish and seafood products, while the outflow includes finished goods1 and waste. The inflow and outflow figure demonstrates the dynamics. More details on our packaging and waste approach, targets, and progress are in the following sections.

- **Raw fish and seafood material**[2,3]
  Headed and gutted frozen and fresh fish are sent to our primary factories in Lithuania, Poland, and Vietnam for filleting.

  Fish fillet blocks and individually quick frozen (IQF) fillets and portions are sent to our consumer factories in Denmark, Poland, and the UK for further value addition.

- **Other ingredients**
  We use various ingredients sourced sustainably from local and international suppliers, meeting certifications such as KAT for eggs and RSPO for palm oil.

  We mitigate risks through regular supplier audits, ensuring traceability, and prioritizing suppliers who follow environmental and social best practices.

  We monitor resource dependency and aim to reduce material consumption through efficiency improvements and sustainable sourcing initiatives.

- **Packaging**
  Purchased packaging:
  - Retail packaging includes retail box cartons on reusable pallets, protected by recyclable pallet stretch film.

  Transport & raw material packaging:
  - Raw materials are delivered in various packaging types:
  - Headed & gutted fish: Frozen fish in craft paper bags with laminated plastic liners, or fresh fish in polystyrene boxes.
  - Fish blocks and fillets: Packed in liners, bags, and cartons.
  - Ingredients: Packed in paper and foil bags, cartons, big bags, buckets, cans, plastic containers, and IBC containers. Ingredients such as flour and oil are delivered directly to silos.

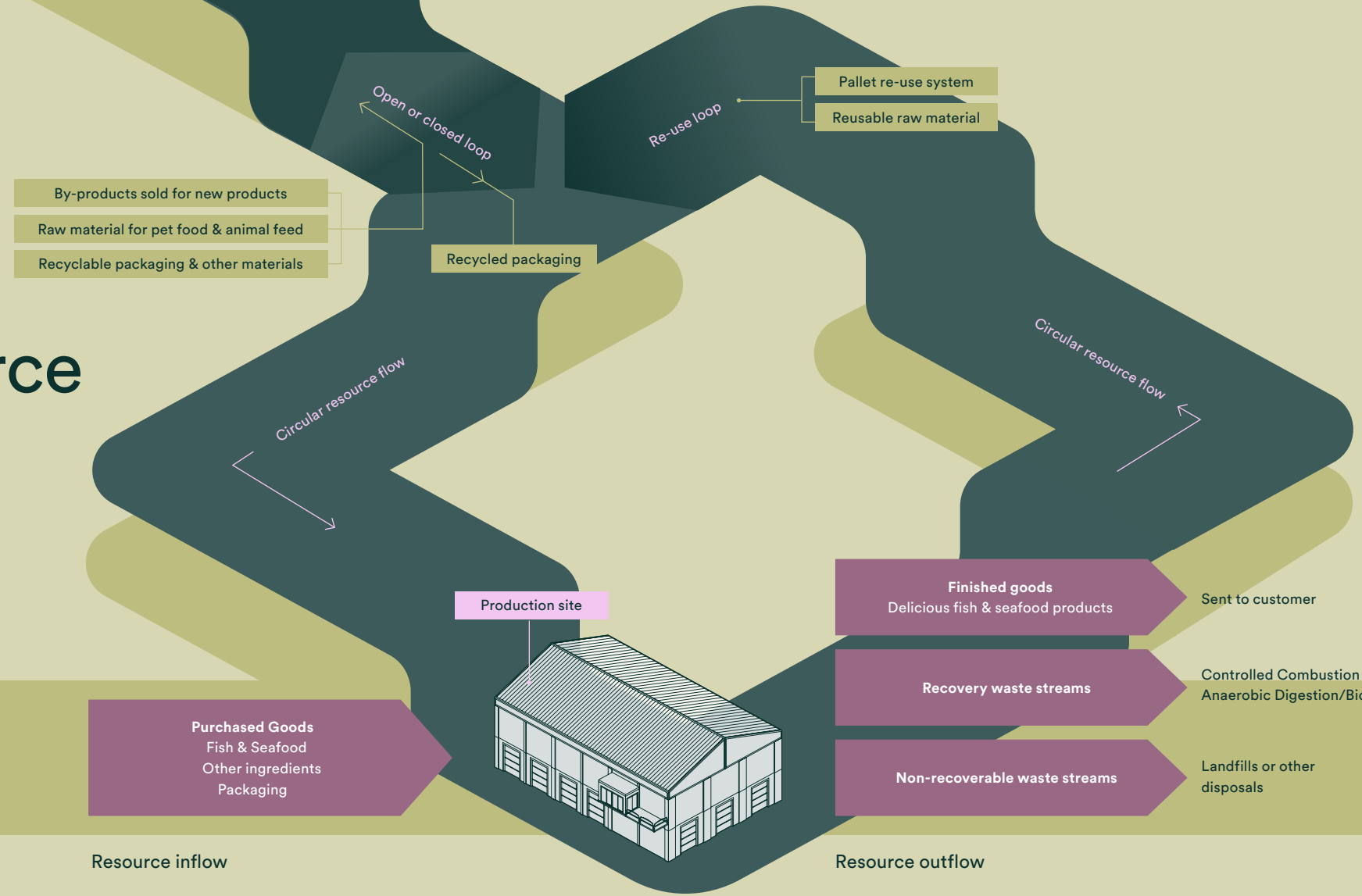
Notes

1 Reference business model section for more information.

2 Reference marine resource use section for more information.

3 Material IROs related to marine resource inflow are (1) the risk that fish supply is affected by climate change. This IRO overlaps with topic content found within the biodiversity section (2) An actual negative impact that fish is the main resource, which overlaps with topic content in marine resource section.

Resource flow



Packaging

Our approach

Espersen does not have a formalized policy or action plan regarding packaging resource use and packaging circularity. However, the goal of our Sustainable Packaging Strategy is to minimize environmental impact without compromising food safety or food waste. We have made major strides, including introducing 100% FSC-certified fibers on all retail cartons and master cartons. And we are now using 100% PE (mono material) on plastic bags and banning fluorine compounds. We continue to improve our packaging, primarily focusing on reduction, replacing materials and removing plastic.

Identified material IROs

Packaging	
Packaging material resource outflow	Actual negative impact
Scrapping unused packaging material	Actual negative impact
Reduced plastic consumption	Opportunity
Possibility to reduce packaging waste	Opportunity
EU circular packaging legislation	Risk

Our targets

- **Reduction of pallet stretch foil**[1]: Pallet stretch foil stabilizes and protects products on a pallet to ensure a smooth delivery. Our target is to reduce the amount of foil used either through reduction in thickness or in overall usage, without compromising performance during transport or in storage.
- **Remove PE material in retail boxes**[1]: In 2022, we announced a collaboration with Schur, our packaging supplier, to replace the thin layer of PE inside packaging with a new, water-based coating. The carton is now mono material, which improves recyclability. The new coating aligns with our sustainability, food safety, and quality requirements.
- **Introduce 30% recycled shrink foil material from post-consumer waste**[1]: Plastic shrink foil is used to secure retail boxes together on the pallet during transport to our retail customers. The foil ends in retail shops, where it will be removed and can be recycled by the shops.

Notes

[1] Targets and progress do not include the Grimsby site. Espersen's packaging department has yet to be fully integrated with this site following the acquisition. Sites included cover Poland, Denmark, Vietnam, and Lithuania.

Results and progress[1]

- **Reduction of pallet stretch foil thickness**: All sites have tested whether a thinner (12µ) pallet stretch foil performs as well as the currently used 15µ grade. In 2024, our North Sea, Barents, Pacific, Hasle, and Klaipeda production plants initiated the switch to the thinner foil. Despite our initiatives we did not achieve any usage savings in 2024. Across the Espersen Group, we purchased 42,338 kg of pallet stretch foil and 40,827kg in 2023. There are several reasons, but the main driver being that a wrong type of pallet stretch film was sourced in the first quarter. This foil was thinner, but the usage was higher as more is needed for stability of the products. That has been corrected and we expect a better result for 2025.

- **Retail box rollout**: During 2024, we continued rolling out the new carton box without PE. By the end of 2024, we were approximately 92% on target, with the remaining 8% expected to be reached during the first quarter of 2025. Based on this progress, we estimate a 83.4 tonnes reduction of PE, compared to 10.5 tonnes in 2023 (694% increase). Upon completion of the rollout, we expect to have eliminated approximately 125 tons of plastic from our retail packaging.

- **30% recycled shrink foil on retail boxes**: In 2022, we began exploring recycled alternatives for the current shrink foil, aiming to introduce a new foil comprised of 30% recycled plastic (PCR). This is a continuous, year-to-year effort. In 2023, all sites tested the preferred 30% recycled plastic pallet shrink foil to validate its performance levels. With adequate positive results, at the end of 2023, the new shrink foil was rolled out to all sites, except Hasle, due to the latter's technical requirements. By the end of 2024, 87,5% of the shrink foil purchased for usage was 30% recycled plastic. We hope to introduce the foil at Hasle by the end of 2025, and move closer to 100% of recycled shrink foil for the Group.

Looking to the future

After an extensive testing period, the use of mono-material in our top and bottom folios for vacuum-packed products is now within our reach. By early 2025, a new pallet stretch foil machine will be operational at the North Sea site. This machine will be perfectly suited for 12µ grade, taking advantage of its ability to stretch up to 350%. This, in turn, allows a reduction in usage from an average of 387 gr/pallet to 180 gr/pallet, equating to 53% in foil savings. Looking further forward, 8 µ film types are on the drawing board for 2025.

Prepared for transport: Pallet stretch foil wrapped around finished goods.

Waste

Our approach

Most of our outflowing waste comes from production in the form of purchased raw material packaging, transport packaging, or food waste. There are also other forms of waste, such as technical, lab, and social area waste. Our climate and environmental policy underpins our approach to responsible resource use, including waste. Waste management is mainly carried out at production sites, with various initiatives exploring ways to improve waste segregation and enable recycling. A waste hierarchy is used to help identify areas of improvement when reviewing waste practices[1].

Our targets

- Achieve a year-to-year reduction of landfill waste, aiming for no waste to landfill by 2030.
- By 2030, Espersen commits to halve food waste from a base year of 2021.

Notes

[1] Espersen's waste destinations can be seen in the hierarchy figure. For more information on "Other" destinations please see further explanation in the accounting principles.

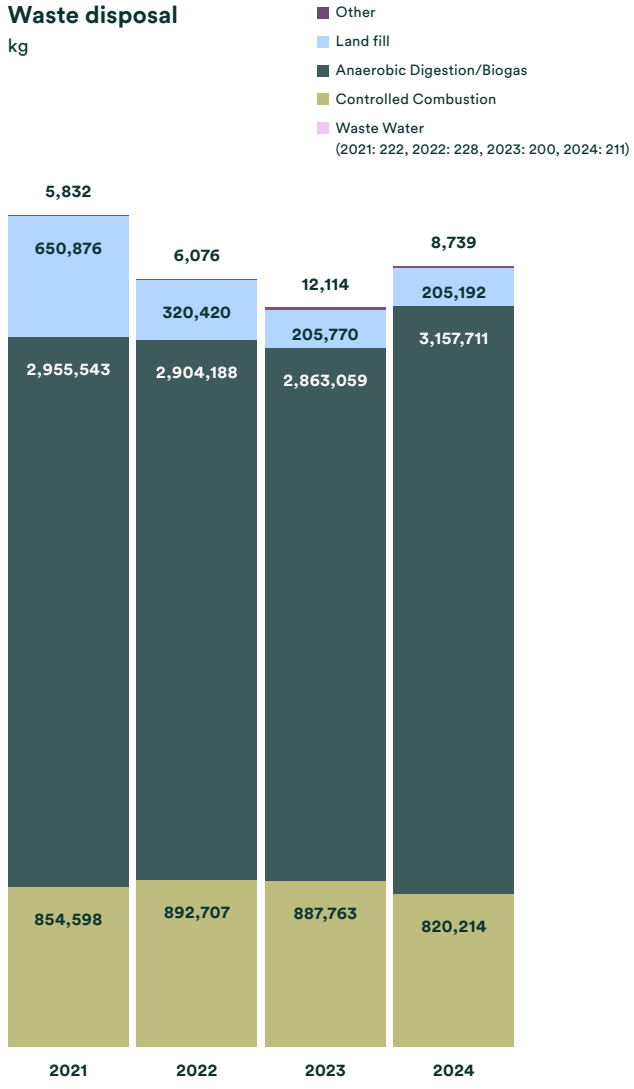
Freshwater

Inaccurate forecasting leads to waste	Actual negative impact
Non-recycled waste	Actual negative impact

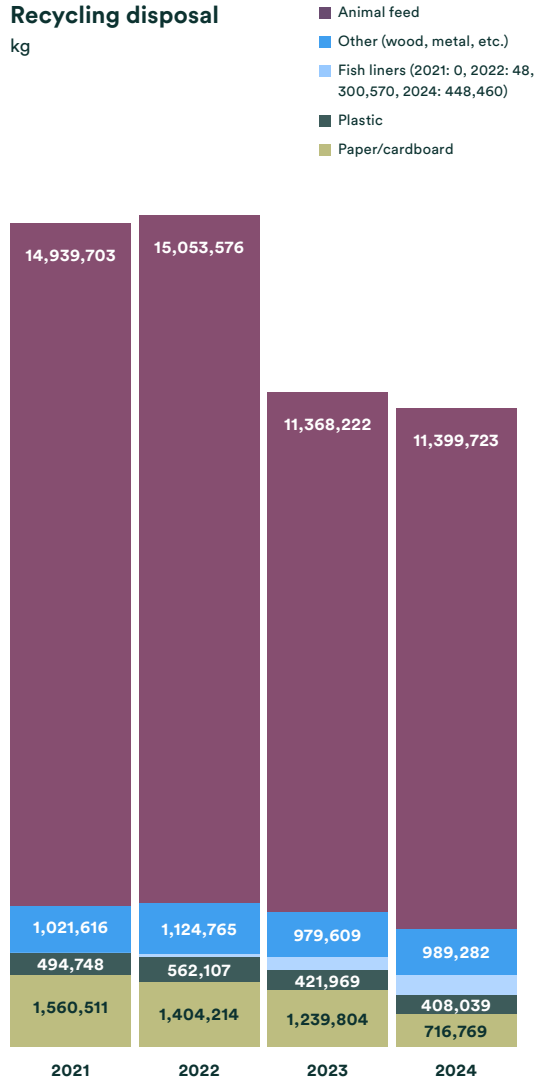
Results and progress

- Total generated outflow waste (sent to waste or recycling disposal) slightly decreased from 18,279,081 kg in 2023 to 18,154,340 kg in 2024. 77% of outflow waste is sent to recycling, 22% is sent to recovery methods (controlled combustion and biogas), and 1% is sent to landfill (<1% is waste water related and other disposal).
- Waste-related emissions decreased by 33% since 2023, and 60% from our emission reduction base year 2021.
- Total landfill waste has reduced every year since 2021. 205,192 kg of waste was sent to landfill during 2024. Three out of seven production facilities have achieved zero waste to landfill, with other sites looking to follow.

Waste disposal
kg



Recycling disposal
kg



Looking to the future

- **Waste management**: All sites continuously explore opportunities to improve waste management. Future initiatives focus on improving waste sorting to increase the amount of material sent for recycling. Additionally, we are investigating alternative internal processes to move food waste currently sent to anaerobic digestion/biogas upward in the waste hierarchy. Technical factors such as waste quality and regulations have made this challenging.

- **Better forecasting for effective planning**: The procurement department has initiated a project within sales and operations planning to develop and improve forecasting. The first phase of the project was a forecast mapping initiative, aimed at obtaining a better understanding our stock keeping units (SKUs) to assess forecasting error. As the project progresses, we expect more accurate forecasting to improve raw material use efficiency, taking a preventative approach to waste generation.

Case study:
Closing the loop

From problematic waste to sustainable solution
Fish block liners are essential for packaging frozen fish blocks, which are then processed into products such as fish burgers, sticks, and nuggets. Historically, these liners were considered problematic waste due to their wax coating, which complicated recycling efforts. However, in 2022, in collaboration with Beck Pack Systems and partners in Germany, we discovered a solution: recycling the wax-coated liners into fermacell®-gypsum fiber boards. Remarkably, these liners now constitute about 5% of the paper mixture in these boards.

Success in Denmark
In 2023, our Danish facility achieved a significant milestone by recycling 100% of its fish block liners. This success continued into 2024, demonstrating our commitment to sustainable practices.

Expanding to Poland
Encouraged by our achievements in Denmark, we aimed to extend this recycling initiative to our Polish facilities, including the North Sea and Pacific factories. Previously, all fish block packaging in Poland was sent for controlled combustion. With new recycling capabilities identified, we saw an opportunity for change.

In November 2023, we conducted a pilot transport test, sending 16 tonnes of liners from our Polish factories to our recycling partners in Germany. The quality of the waste met all expectations, and we received approval for future shipments.

Progress and future goals
Since the beginning of 2024, our Polish site has recycled approximately 55% of its used fish block liners. This initial success has set a positive precedent, and we are optimistic about further improvements. Our goal is to achieve a 100% recycling rate in Poland, mirroring the success of our Danish site. Espersen remains dedicated to closing the loop on waste and driving sustainable practices across all our operations.

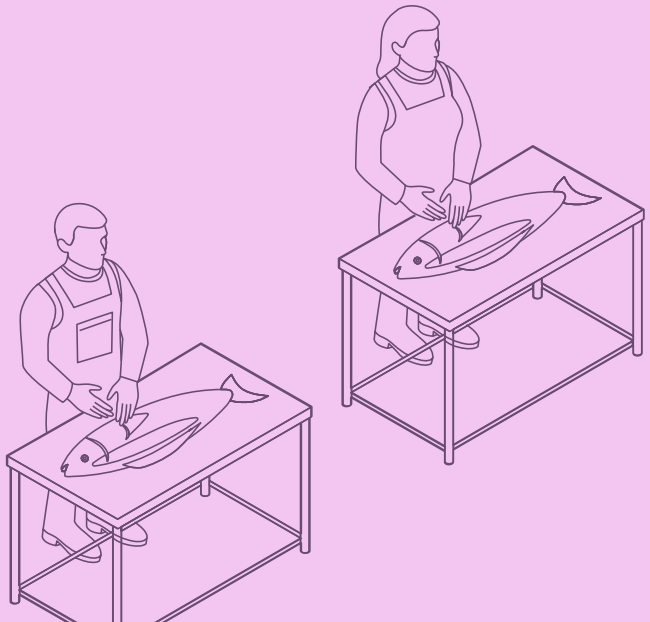
448t

During 2024, our Danish and Polish sites sent a total of 448,460 kg of fish block liners for recycling as building material, compared with 300,570 kg in 2023 (a 49% increase).

Social

S1

Own workforce



Our approach

We believe that a sustainable business is built on a strong foundation of engaged, empowered and well-supported employees. In 2024, focus was on our “people first” agenda, which contained commitments to foster a workplace where every individual is respected, heard and given opportunities to grow.

2024 was very much a year of development – both in terms of the organization through improvements in language capabilities and strengthened GDPR security, and around the development of stronger leadership at every level. Such initiatives are an investment in the future, fostering a culture of excellence, resilience and collaboration.

When our people succeed – Espersen succeeds.

Our actions

Respecting privacy and personal data
We have initiated various actions regarding awareness, training, and updates around file storage and access. Our primary focus has been on raising employee awareness around protection against potential data leaks, GDPR, and other IT security topics. This has been achieved through training sessions, both virtual and as part of global onboarding sessions. Other initiatives have addressed data “clean-up”. During the year, we initiated a groupwide “old file" clean-up before transferring to a new cloud storage service. In addition, we updated our intranet, simultaneously reviewing user privileges and ensuring users only have access to files they need.

Identified material IROs

Own workforce	
Talent development: Leadership development program	Actual positive impact
Talent development: Language education for employees	
Contracts that support workers' rights	
Supporting certain groups through employment	
Health and Safety: Health benefits for employees	
Leaking of confidential employee data	Potential negative impact
Talent development: Retention of employees through community engagement activities	Opportunity
Talent development: Low unemployment in Poland risks workforce capacity gaps	Risk
Loss of employment capacity if inadequate working conditions	

To further strengthen our efforts against mistreatment of personal data, and to prevent potential violation of data privacy laws, we are also introducing a new GDPR scanning tool from Data & More. After positive results from testing the scanner in 2024, we will roll it out to all Microsoft accounts in Europe and UK in 2025. The scanner's implementation helps to minimize the number of locations where personal data is wrongfully stored, such as in user files and mail inboxes.

Preparing future leaders
As part of our commitment to leadership development, we introduced a global training program for first-time leaders. The program equips them with essential tools, theoretical training, and insights to support their leadership capabilities. This initiative provided 20 leaders from Poland, Lithuania and Denmark with direct feedback on their leadership journey and potential, along with comprehensive training in leadership fundamentals and local employment law.

A central learning portal
To support continuous learning and professional growth, we have developed a new, consolidated learning portal that provides a good overview of internal – both global and local – development opportunities. This site aims to be the go-to place for employees, making it easier to access training material, enhance their skills and advance their careers within the company. By centralizing our learning opportunities, we ensure that every employee has equal access, no matter where they are located.

Accelerating feedback culture
In 2024, we introduced a new development program at our Polish and Lithuanian sites, designed with a train-the-trainer approach. Led by our internal trainers, the program focused on building a strong foundation in feedback practices to support our organizational culture. Positive reviews of the program indicate that the initiative took us even further toward open communication in daily production workplace situations.

Looking to the future

Our commitment to worker health and welfare is an integral part of our sustainability strategy, ensuring that we support our employees while driving long-term success for the business.

We offer competitive employee benefits, career development opportunities and a strong work-life balance to support overall wellbeing. By continuously listening to our employees and adapting to their needs, we ensure that Espersen remains a great place to work for all.

Diversity and inclusion

Our approach

Our commitment to diversity and inclusion is not just about meeting expectations – it is about building a culture where differences are celebrated, and everyone feels valued and respected.

Diversity in our workforce brings together unique perspectives, experiences and backgrounds, enabling us to better serve our customers and drive long-term business success. We actively seek to recruit, develop, and retain people with diverse backgrounds, including but not limited to race, ethnicity, gender, age, sexual orientation, disability, and cultural backgrounds.

We are committed to ensuring fairness by, for example, offering competitive pay, providing leadership training programs, and ensuring that our employees feel empowered to reach their full potential.

In 2024, we offered language training programs[1] in English to enhance communication and collaboration in both production and office environments, ensuring all employees can effectively engage with and contribute to their teams. The program has not only improved English proficiency but also created a fun, confidence-boosting and supportive learning experience for all involved - a great success that we hope to continue for future groups as well.

Our targets and progress[4]

Board of directors[1]	2023	2024	2025 target	Comment
Total number of members	5	6	-	-
Percentage of underrepresented gender	20% (Female)	17% (Female)	25%	In 2024, the board consisted of six men and one woman. In 2024, a new member was elected to the board in the general assembly to replace the member who stepped down in 2023. The newly elected board member is male, and thus the target figure was unachieved in 2024.

Senior managers and directors reporting directly to top management[3]	2023	2024[2]	2025 target	Comment
Total number of members	16	8	-	-
Percentage of underrepresented gender	31% (Female)	38% (Female)	40%	Percentage of underrepresented gender increased (~21% change). Note that internal re-organization occurred in 2024, influencing accounting definitions for 2024[2].

Looking to the future

Diversity and inclusion are ongoing commitments that require continuous effort, reflection and adaptation. We regularly review our policies, listen to employee feedback, and introduce initiatives that seek to strengthen our company culture to foster an inclusive and collaborative work environment.

Notes

1 English classes provided to employees located in Denmark, Poland, and Lithuania.

2 This target applies to the board of Espersen's parent company, Insepa A/S.

3 In 2024, Espersen experienced an internal re-organization, establishing a new group management team (GMT), defined as directors. Senior managers are those within the Espersen group leadership (EGL) team. Non-senior managers and directors also report to executive management (CEO & CFO), but are not part of this category.

4 Numbers rounded up.

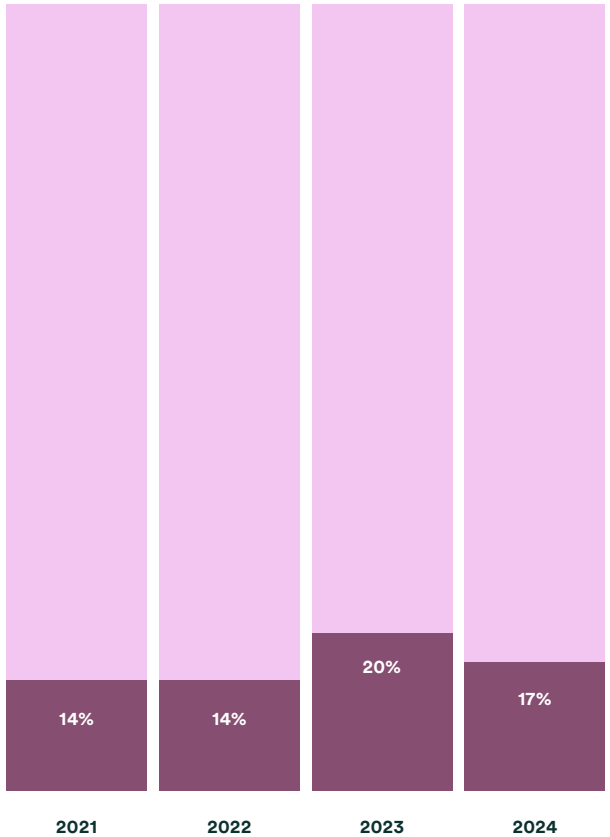
38%

Share of underrepresented gender (female) reporting to the CEO or CFO.

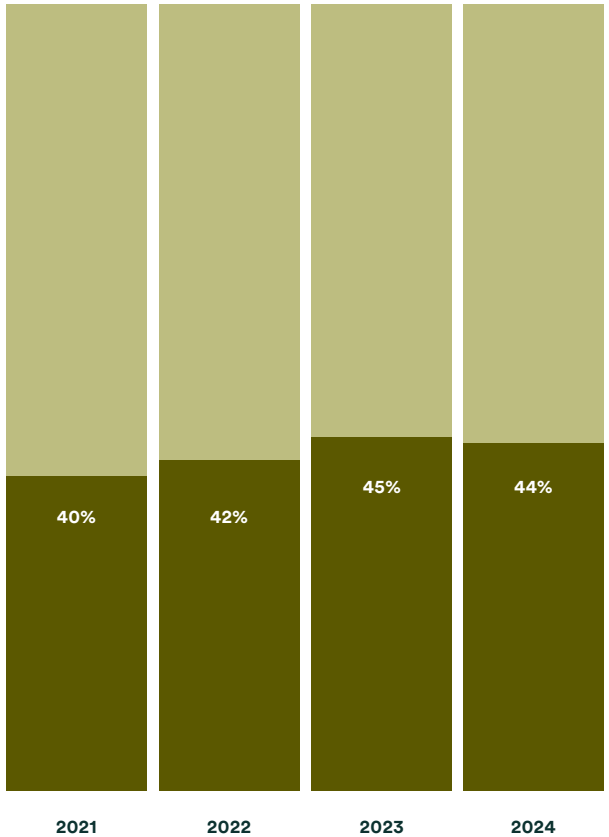
Gender distribution

Female percentage (dark shade)

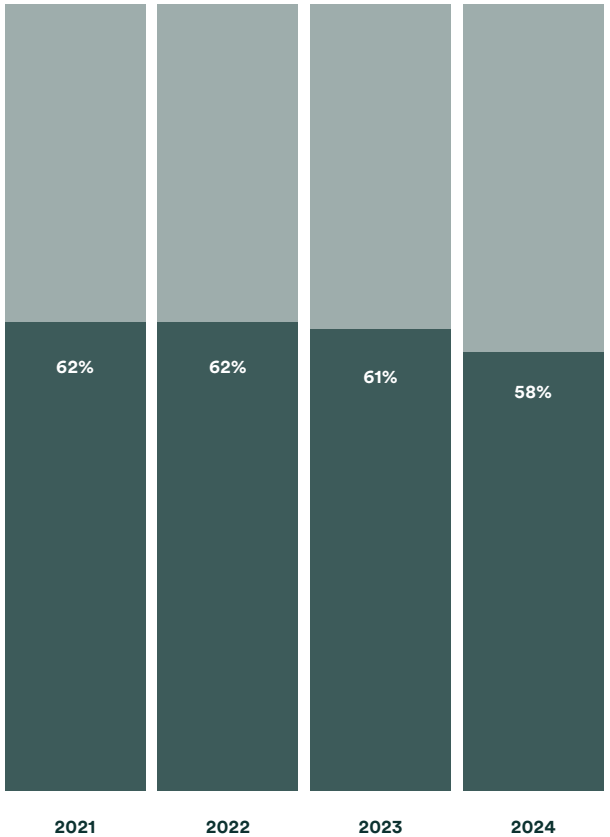
Board of directors



Directors, senior managers and managers



All employees



Health and safety

Our approach

We recognize that the nature of our business, particularly in our production facilities where employees work with tools such as knives, encounter wet floors, and operate large machinery, carries inherent health and safety risks. These circumstances fuel our unwavering commitment to health and safety, and dedication to continuous improvement.

Our health and safety policy[1] serves as a guiding document for fostering a safe and healthy work environment. A comprehensive, organization-wide protocol is in place for reporting and responding to accidents, and each production facility maintains a monthly incident report that meticulously records the number of accidents, near misses, unsafe acts, and observations of unsafe conditions. Such incidents can reveal opportunities for improvement and areas where accident prevention can be enhanced.

Our targets[2]

- To achieve a year-to-year reduction in accident frequency rate and accident severity rate, working towards a rate of zero.
- During the sites' most recent SMETA audits[3], any non-compliance (NCs) categorized under H&S[3] shall be amended and closed through corrective actions (CAs) as soon as possible.

Notes

1 In 2024, the health and safety policy was updated.

2 New H&S targets implemented in 2024.

3 Our Danish site has a customer-specific audit. The target applies to this audit instead of a SMETA. In 2025, the Danish site will transition to undergoing SMETA audits.

Identified material IROs

Health and safety-related	
Health and safety: Injury risks in production	Potential negative impact
Health and safety: Ammonia leaks hazardous for workers	

Results and progress

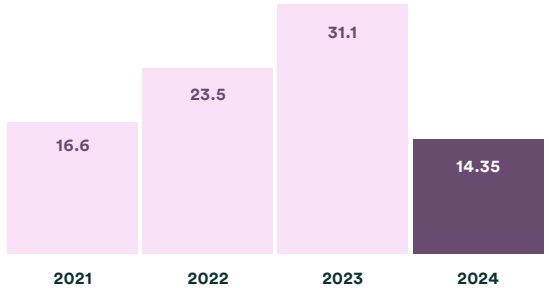
In 2024, 75 accidents occurred at our production facilities (150 accidents in 2023). This corresponds to an accident frequency rate of 14.35 for the year, compared with 31.1 in 2023, and an accident severity rate of 1.7, compared with 2.1 in 2023. In summary, we experienced significantly fewer accidents in 2024.

These reductions are primarily due to the discovery that our Vietnam facility, which had significantly higher 2023 incident numbers to those of other sites, was using different health and safety definitions, such that some first aid incidents were reported as accidents. Consequently, reporters were instructed to use the groupwide definitions to align reporting across all sites. We expect this change to provide even better insight into our incident reports and to support continuous improvement[4].

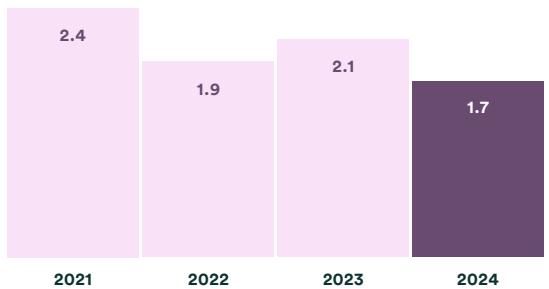
Sites most recent H&S related audit results[3,5]	Number of H&S NCs	Number of closed H&S NCs	Number of outstanding H&S NCs	Target: outstanding H&S NCs
Klaipeda	0	n/a	0	0
Vietnam	0	n/a	0	0
Poland - Barents & Pacific	2	2	0	0
Poland - North Sea	2	2	0	0
Hasle	0	n/a	0	0
Grimsby	2	2	0	0

Three of the seven sites had no health and safety-related non-compliances. The remaining sites took appropriate corrective actions and closed all non-compliance cases by the end of the reporting year.

Accident frequency rate*



Accident severity rate*



Notes

* 2021 data is adjusted figures, please reference Accounting Principles for more details.

Looking towards the future

We continuously investigate ways to raise health and safety management, not just at site level, but for the Group as a whole. Therefore, Espersen is exploring opportunities to create a more centralized group health and safety management system, which would be accompanied by a new health and safety strategy. This work is expected to take place within one to three years.

Notes

[4] Note: Year 2024 is not exactly equivalent to previous reporting years as (1) reporting units estimated total working time for external contractors, which was not performed in previous years. (2) 2024 H&S reporting includes an additional reporting unit, "Central Poland": covers the entire Espersen Koszalin (outside of production halls) administration, the central cold store and the technical department. (3) The production site in Grimsby is only included in 2024 H&S metrics.

[5] Under SMETA audit clause: "3 - Working conditions are safe and hygienic".

Case study: Switching to VARIBOX IBCs enhances safety and circularity

Back in 2023, we focused on the use of conventional intermediate bulk containers (IBCs) for storing and transporting bulk liquids and granular materials, such as chemicals and detergents, as there were concerns about worker safety and food safety. This prompted us to re-evaluate our practices and explore safer, more sustainable alternatives.

Improved, safer design

Following extensive market research, we identified the VARIBOX system as a promising alternative to conventional IBCs. The VARIBOX IBCs are unique in their rotomolded construction. This pressure-free process creates each container in layers, which enhances durability and reduces the risk of stress-induced cracking in polyethylene, a common issue with blow-molding or injection-molding methods.

VARIBOX IBCs are renowned for their high resistance to molecular degradation caused by strong acids and broad chemical compatibility, including sulfuric acid, nitric acid, sodium hypochlorite, and sodium hydroxide. Unlike conventional IBCs with steel cages, the lighter plastic VARIBOX IBCs can be re-used, and are easier to transport within production areas.

The new VARIBOX system on site.

The design of VARIBOX solutions, including double-walling and easier lifting, contributes to a safer working environment by reducing the risk of chemical spills, exposure, and physical strain on workers.

Thorough testing

In August 2023, we contracted with JSC BS Chemical, a VARIBOX supplier based in Lithuania, to conduct rigorous testing of the VARIBOX products at our Lithuania production plant. By the end of 2023, we had received and begun testing the new containers.

The VARIBOX project was successfully finalized in 2024. In addition to the primary aim of enhanced safety expected from the containers, our analysis confirmed significant plastic waste reduction; previously, we used 104 chemical containers per year, each weighing approximately 8.5 kg. Thus, the switch to VARIBOX has resulted in total plastic waste savings of about 884 kg annually. And the design of the containers has raised workplace aesthetics, too.

Approval and adoption

During 2024, the VARIBOX system received approval during our British Retail Consortium's Global Standard for Food Safety[1], KRAV[2], AIB[3], and client audits. With these successful outcomes, we are committed to continuing the use of VARIBOX for chemical transport, storage, and reuse, reinforcing our dedication to safety and sustainability in our operations.

Notes

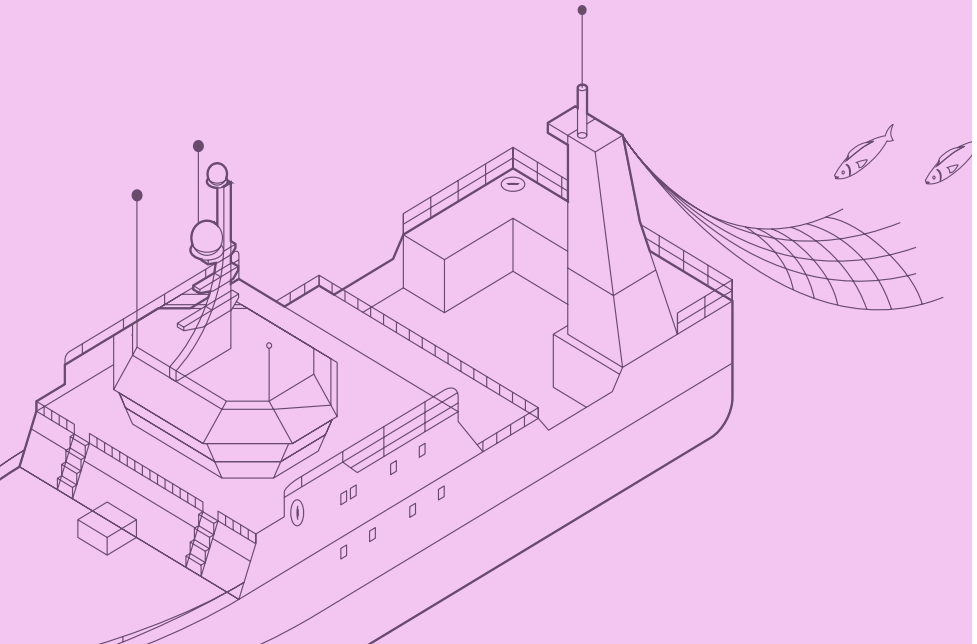
1 https://www.brcgs.com/our-standards/food-safety/

2 KRAV is a label for organic food, produced without artificial chemical pesticides. https://www.krav.se/en/this-is-krav/

3 International Consolidated Standards for Inspection of Prerequisite and Food Safety Programs.

S2

Workers in the value chain



We believe that every individual associated with our products, including workers in our value chain, deserves to be treated with dignity and respect. In 2024, we focused on formulating and strengthening policies aimed at ensuring fair treatment and ethical practices among our suppliers.

Realizing the potential of these policies will be a focal point for 2025, where we will actively encourage our supply chain to align closely and quickly with the principles outlined. By doing so, we aim to create a positive impact that resonates throughout our entire value chain, ensuring that the rights and well-being of all workers are prioritized and protected.

Identified material IROs

Workers in the value chain	
Sourcing from small fishing communities	Actual positive impact
Assessment of suppliers	
Lawful wages for value chain workers	
Optimized logistics with return loads with local transport providers and drivers	
Cross-industry collaboration for better conditions	Potential positive impact
Complex supply chain risks exploitation of workers	Potential negative impact
Complex supply chain risks discrimination of workers	
Certifications can be more challenging for smaller businesses	
Sourcing from traders risks non-compliance	Risk
Complex supply chain risks exploitation of workers	

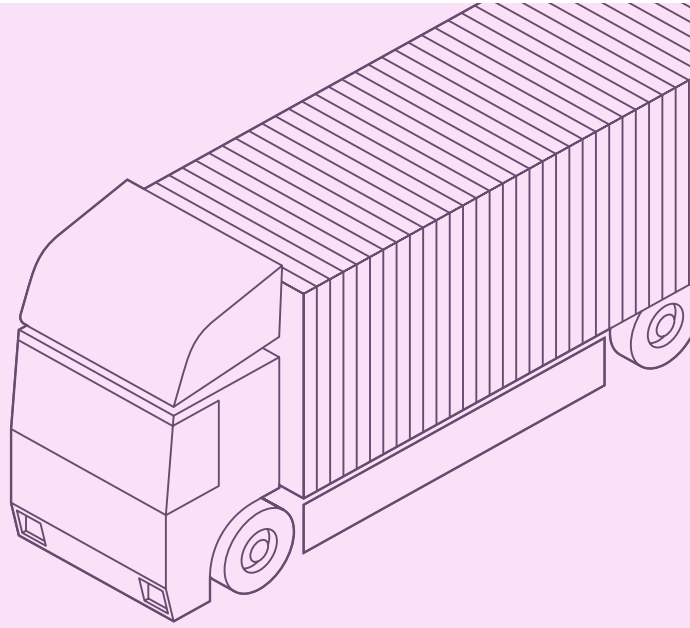
Policies

Supplier Code of Conduct
Designed to align our suppliers with the same responsible business standards we practice—and which our customers and other key stakeholders expect of us—this Code applies to all our suppliers of fish raw materials, ingredients, packaging, transport, storage, and services. It sets out the minimum standards that all suppliers must follow and may be enforced accordingly. Suppliers are responsible for educating their employees, agents, and subcontractors to ensure they adhere to the requirements outlined in this document. This policy, introduced in 2024, is currently in the rollout phase of collecting supplier signatures, which is expected to continue into 2025 and possibly further.

Responsible Recruitment Policy
This policy outlines our commitment to combating modern slavery and human trafficking, as well as our approach to ensuring that all aspects of the company's recruitment, whether conducted directly or through third parties, are free from forced labor practices. Introduced in 2024, the policy applies to all employees, contractors, suppliers, sub-suppliers, and business partners of the company in relation to recruitment. For the purpose of the policy, 'human trafficking' is defined as the recruitment, transportation, transfer, or receipt of persons using threats or other forms of coercion for the purpose of exploitation.

Targets & progress

This year, Espersen published its first Supplier Code of Conduct, outlining environmental, social, and governance-related standards and requirements. The Code includes a section for supplier signatures, and we have set two signature targets based on supplier category.



Supplier type	2024 signatory percentage	Target	Progress	Comments
Strategic suppliers	34%	100% by end of 2024	Not achieved	100% of the packaging suppliers have signed. Missing signatures are from fish and ingredient suppliers. (Excl. Grimsby's suppliers)
Preferred suppliers	25%	75% by end of Q1 2025	In progress	Packaging supplier signatures have achieved this target. (Excl. Grimsby's suppliers)

2024 incident report

A case was raised by the Outlaw Ocean Project, a non-profit journalism organization investigating stories about human rights, labor, and environmental concerns within marine sectors. Questions centered around North Korean workers at Chinese fish processing companies. Due to the critical nature of the claims, Espersen conducted an internal investigation.

One of Espersen's fish raw material suppliers was accused of using North Korean workers in its supply chain. The processing sites owned/controlled by the supplier, from which Espersen has sourced products, have been subject to on-site internal audits by A. Espersen A/S, as well as external third-party SMETA audits. These audits did not discover any use of foreign workers, which local law also prohibits. The third-party SMETA audits both confirm that 100% of the workforce comprised Chinese nationals.

The supplier was temporarily suspended during the internal investigation. During this time, Espersen carried out two second-party, semi-unannounced audits by our domestic auditor, without making a discovery similar to the claims made by the Ocean Outlaw Project concerning the presence of North Korean workers. Based on our conversation with the supplier, our own conducted audits, and further external documentation obtained during follow-up, we have decided to continue cooperation with the supplier. Espersen will intensify its presence at the site and conduct regular second-party follow-up audits.

Reporting concerns

Espersen's own channels of communication may be used for actual or suspected breaches of our Supplier Code of Conduct. Any such breaches can also be reported confidentially via Espersen's website or via http://whistleblower.espersen.com/. For more information on Espersen's whistleblower platform and how we protect whistleblowers against retaliation, refer to the Business Conduct section for more informatio.

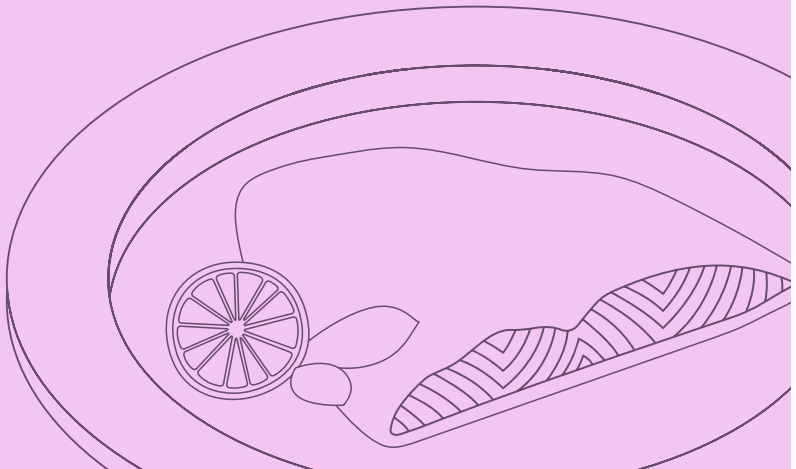
Specifically, the Code states that: "Suppliers must have a confidential channel available for all workers to report concerns, violations, or grievances (e.g., health & safety, labor standards, illegal activities). For example, confidential email, hotline, suggestion/complaint box, trade unions, or a whistleblower platform. Ideally, at least one available reporting channel should be via a third party (i.e., trade union representative or 3rd party platforms). Where possible, channels must be available in the workers' native language. And those who do decide to use such channels must be free from the fear of retaliation (e.g., loss of wages, loss of job, or personal threats). Actual or suspected breaches of Espersen's Supplier Code of Conduct may also be reported confidentially via Espersen's website or via http://whistleblower.espersen.com/."

Notes

[1] High-risk countries are determined based on an internal risk assessment.

S4

Consumers and end-users



Food quality and safety

Committed to consistent excellence

Governing regulations

Espersen complies with EU's food safety principles and requirements The EU follows an integrated approach to food safety 'from farm to fork' and the general principles and requirements are laid down in Regulation (EC) No 178/2002, the so called 'General Food Law Regulation'. (EC) R 178/2002.

Besides that it sets out an overarching framework for the development of food and feed legislation, it also sets up an independent agency responsible for scientific advice and support, the European Food Safety Authority (EFSA) and it creates the main procedures and tools for the management of emergencies and crises as well as the Rapid Alert System for Food and Feed (RASFF).

Key topics in regulations include:

- Primary responsibility for food safety borne by the food business operator.
- Food safety ensured throughout the food chain, starting with primary production.
- Commiting to implement procedures according to the leading food safety and quality management systems.
- Application of basic common hygiene requirements, possibly further specified for certain categories of food.

Our approach

Espersen's annually updated Quality and Food Safety (Q&FS) policy outlines our commitment to meeting customers' expectations and sharing their prioritization of superior quality and safe products that comply with legal requirements.

Our Q&FS management systems are the foundation to reach our targets, including safe product for our customers, highest level compliance in external audits, continuous reduction of customer complaints and no withdrawals or recalls.

Quality and Food Safety is an integral component of our Code of Conduct, guided and aligned throughout the company by specific principles described in the "One Espersen" culture section of the Code. These principles include:

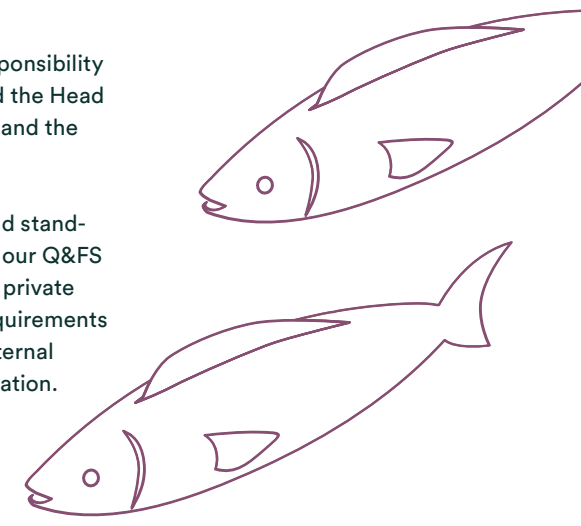
- **Commitment to quality and safety**: Espersen is dedicated to meeting customer expectations and legal requirements for high quality and safe products.
- **Collaboration and relationships**: Espersen values long-term, open, and honest relationships with strategic customers and suppliers, fostering a collaborative environment.
- **Continuous improvement and certification**: We focus on continuous improvement through people development programs, teamwork, regular participation in third party quality culture surveys and yearly certifications in accordance with GFSI-approved standards.
- **Sustainability and innovation**: Espersen integrates sustainability into its operations, ensuring raw materials and products are certified against traceability standards, eco-labels and social schemes (e.g., MSC, ASC, RSPO, SMETA) and committing to the Science Based Targets initiative (SBTi) for emissions reduction. The company invests in innovative equipment to minimize defects and complaints.
- **Risk-based food safety approach**: Espersen employs a preventative HACCP approach covering among others: risks connected with supply chain, quality, allergen, microbiological, chemical, physical, authenticity and food defense.

Quality and food safety is ultimately the responsibility of Espersen's CEO. The Quality Director and the Head of Sustainability report directly to the CEO, and the CEO approves the quality policy.

Some customers require that their values and standards are part of our values and policies, and our Q&FS system reflects these demands. As a mainly private label producer, we receive our customer requirements in written format - adapting those into an internal quality management systems for implementation.

Identified material IROs

Consumer-related	
Balanced choices	Actual positive impact
Presence of allergens within finished products	Potential negative impact and risk
Children as consumers	Potential negative impact
Presence of chemical contaminants in the finished product	Potential negative impact and risk
Presence of physical objects within the finished product	Actual negative impact and risk
Food fraud and authenticity	Potential negative impact
Microbiological contamination of food	Risk



Our actions

Managing negative impacts and risks
Espersen performs a detailed risk assessment for all fish raw materials, ingredients and packaging materials. The exercise is verified on a yearly basis. All products are analyzed in the internal laboratory or at external laboratories according to a regularly updated control plan. Risk assessment and control plans are established yearly and adapted as needed, and a set of key performance indicators (KPIs) are frequently updated.

We stay abreast of the latest developments in legislation and science, partnering with a network of suppliers, customers and industry associations in various countries. The functional descriptions of our central laboratory, our supplier and customer quality team, and our Quality Director all address this responsibility.

Our Q&FS management system is verified via mostly unannounced certification audits in accordance with GFSI-approved certification schemes. The system regularly receives the highest possible scoring within these audits.

Fish and ingredients used by Espersen are natural products and environmental contaminants (e.g. heavy metals, PCB, dioxins, PFAS) can pose a risk to our raw materials. Therefore, we have established a detailed controls plan to monitor potential contaminants by species and by origin. The presence of foreign bodies that are not product related is a potential risk. Therefore, our production sites take every measure to prevent and minimize these risks - and all sites have developed plans for reducing these risk. Properly trained employees play a crucial role by being aware of potential risks and conducting continuous visual inspections. And we utilize state-of-the-art equipment, such as metal detectors on all production lines and x-ray machines where appropriate. We collaborate with equipment suppliers to stay abreast of the latest advancements and provide testing opportunities on our production lines.

Additionally, Espersen systematically evaluates the risks of a potential negative impact from foreign bodies by keeping up to date with relevant legislation, research and publications, and by analyzing our supply chains. The assessment outcome becomes the basis of yearly control plans that describe the frequency and scope of internal and external analysis for all product groups.

Our good manufacturing practice (GMP) plan lists all prerequisites for producing safe food, applying preventative hazard analysis and critical control points (HACCP) principles. The management of allergens, from identifying potential raw material risks through to labelling products, is an important aspect of the plan, and is constantly reviewed and updated with new

product developments. QA and laboratory staff stay abreast of developments around the setting of allergen thresholds and analytical methods.

Based on a potential negative impact, we take necessary actions such as conducting traceability checks on specific raw materials or performing additional analyses if processing factors may affect a product. As a result, this can lead to a production halt, a recall or withdrawal, or a change in the raw material origin or production method.

Managing positive impacts

Wild-caught fish, particularly whitefish and flatfish species, are the key ingredients of Espersen's product portfolio. The World Health Organization (WHO) recognizes fish as an essential dietary source of energy, protein, and various vital nutrients in a balanced diet. We primarily cater to private label customers in retail and mass catering sectors.

Espersen offers products in various forms such as natural portions, breaded or battered pieces of different sizes, and fish baked into puff pastry. We offer both fresh and frozen products, each clearly labeled with ingredients and nutritional information, as mandated by legislation. This transparency allows consumers to make informed decisions about which products best fit their dietary needs, ensuring variety, balance, and moderation.

Targets and progress

1 Achieve the highest level at minimum grade A (or equivalent) at Q&FS systems certification audits.[1]

Annual BRC audit results for production sites	2023	2024	Target
Klaipeda	A	B+	A
Vietnam	A+	A+	A
Poland - Barents & Pacific	AA+	AA+	A
Poland - North Sea	A+	A+	A
Hasle	AA+	AA	A
Grimsby	A+	AA+	A

All but one site achieved the target this year. In Klaipeda, we are actively working to resolve non-conformities, and aim to achieve the target, at minimum grade A, next year.

2 No product withdrawals from the supply chain or public recall from the market[2, 3].

Number of withdrawals and recalls	2023		2024		
	Withdrawal	Recall	Withdraw	Recall	Target
Espersen products	2	2	0	0	0

Notes

1 Espersen has chosen to be certified to the BRC standard at all production sites. The BRC standard is a GSFI (Global Food Safety Initiative) recognized standard that meets the GFSI benchmarking requirements. GFSI is a global network of food retailers and food producers that helps to ensure safe food for people everywhere. "+" indicates the audit was unannounced. For more information on BRC scoring ref. Accounting Principles.

2 "Espersen products" includes Espersen's own brand, Rahbeck, and the private label brands we produce for.

3 "Withdrawal" is before the product is available to the end consumer. "Recall" is when the product reaches the point of sale.

4 All FS&Q targets are year-to-year.

Consumer and end-user engagement

Our engagement with consumers and end-users is a cornerstone of our commitment to food quality and safety, ensuring we remain responsive and responsible in delivering high-quality seafood products. We use a comprehensive approach to understand and respond to their needs, concerns, and trends, which enables us to continuously improve our products.

Monitoring trends and consumer feedback
For our own brand of Rahbek, we monitor consumer and end-user trends through credible proxies and incorporate these insights into our annual plans. Our commercial team continuously evaluates ways to enhance the positive impact of our existing product range on consumers and end-users. Consumers can share their perspectives by filling out and submitting our contact form on www.rahbekfisk.com, which is referenced on our retail packaging. The contact form allows users to attach files and provide detailed feedback.

For our private label products, we monitor consumer and end-user trends through our business partners/private label owners and credible proxies. Together with these partners, we evaluate whether we can improve the positive impact on consumers and end-users for both existing and new products. Consumer feedback often comes through complaints, which are essential for our continuous improvement. We also stay updated on industry trends by participating in annual seafood expos.

Regular engagement and decision-making
We engage with business partners, credible proxies, consumers, and end-users for various reasons, including changing consumer/end-user trends, legal requirements, Espersen's sustainability targets, targets set by business partners, and addressing low-performing products. Engagement occurs regularly, with frequency depending on the specific reason. This engagement is a key part of our decision-making process within our product life cycle management system.

The Senior Vice President of Commercial holds overall responsibility for ensuring engagement, while the business unit manager and product management handle operational responsibilities, supported by our quality, sustainability, and procurement teams. Both business unit managers and product managers have received the necessary training to ensure effective engagement.

Handling complaints and negative impacts
We take consumer and end-user complaints seriously. Our quality department manages and investigates all complaints systematically, using relevant root cause analysis tools. Detailed complaint statistics are maintained for up to three years, and we monitor recurring issues to prevent future occurrences. Corrective action plans are created where necessary, and we communicate the outcomes of our investigations to the complainant when requested.

Our complaint handling process includes several steps:

1. Collecting and registering all relevant information in our complaint system.
2. Investigating the root cause and making a corrective action plan, involving other departments as needed.
3. Informing the complainant of the outcome and any corrective actions taken, and providing compensation where relevant.
4. Closing and saving the complaint in our system.

Additionally, we have a product incident procedure in place to handle incidents that may pose a risk to consumer safety. Our processes are regularly verified through internal and third-party audits performed against GFSI-approved schemes.

Confidentiality and privacy
All concerns and complaints are treated with confidentiality and respect for privacy and data protection. Consumers can raise concerns anonymously, and we ensure their personal information is handled in accordance with our Privacy Policy. For the Rahbek brand, consumers must accept our Privacy Policy before submitting the contact form on www.rahbekfisk.com. For private label products, confidentiality agreements are signed with most business partners, and consumer information is treated according to our Privacy Policy, which is available on our website.

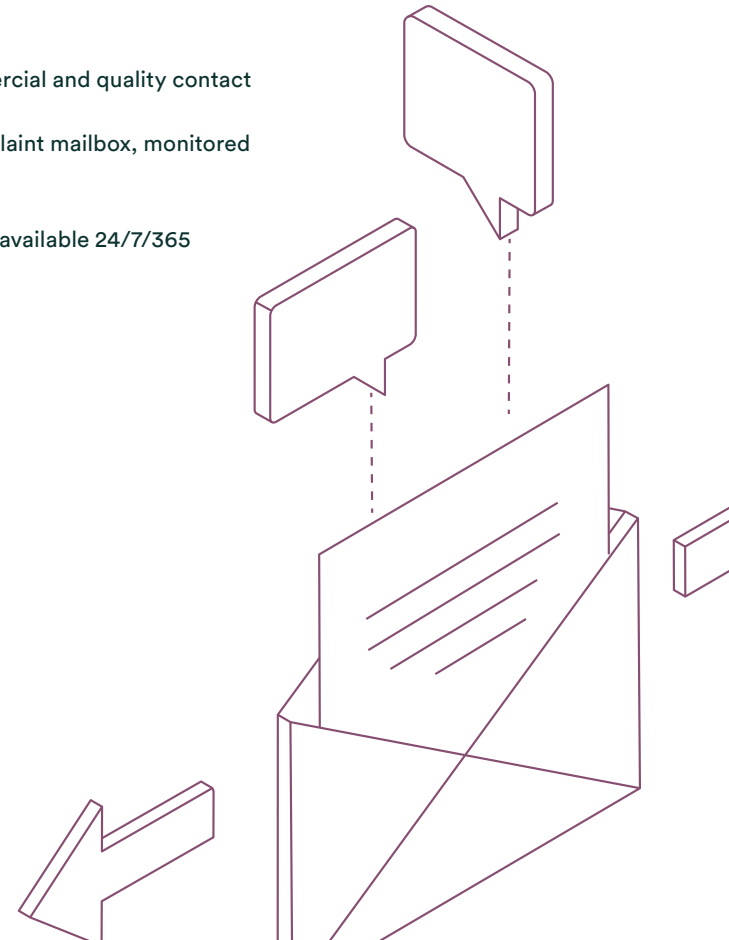
We also share crisis contact information with our business partners, which can be used 24/7/365. A whistleblower form at www.Espersen.com is accessible to all consumers, end-users, and organizations.

When checking artwork for both own branded and private label products, we ensure that contact information is included on the packaging. If not:

- For Rahbek, we add the contact information on the packaging
- For private label, we ask the private label owner to add the contact information

We share the following information with the majority of our business partners:

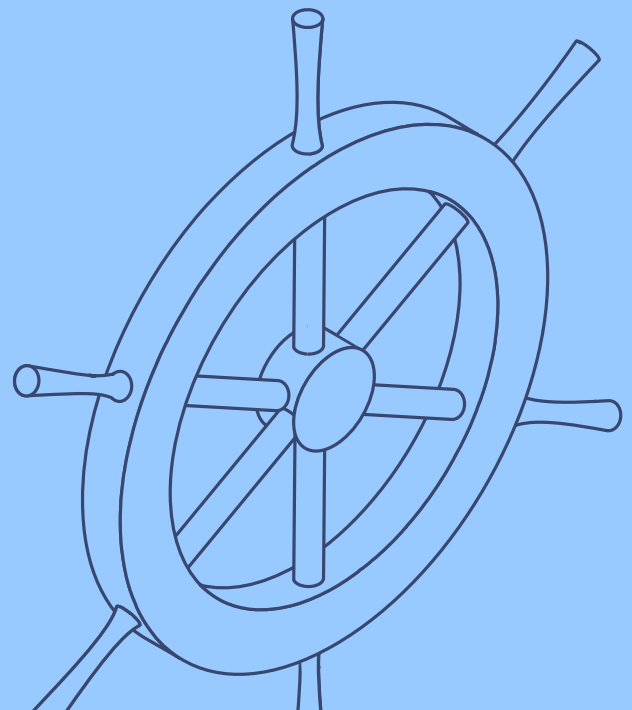
- Email addresses for commercial and quality contact
- Email address for the complaint mailbox, monitored on weekdays
- Crisis contact information, available 24/7/365



Governance

G1

Business Conduct



Corporate culture

Living our values - a commitment to integrity

Espersen is a company where we do what we say and say what we do. To live this each and every day, we are guided by the our values. The employee engagement survey helps us evaluate how well our values are acted upon within the company. Responses to values-oriented questions from the latest survey in 2023 show strong consensus around how well workplace values are experienced.

Espersen's Code of Conduct promotes our culture and communicates how employees should act. Its principles are included in onboarding, employee handbooks, internal training and everyday conduct. Training is covered both in on-site onboarding programs at the site and via the global onboarding program.

Our values

We are honest

We are agile

We are innovative

We act sustainably

We want to win

We communicate clearly

Identified material IROs

Corporate culture	
Culture of ethical business practice	Actual positive impact
Unethical business conduct risks despite communicating ethical practices	Risk

Corruption and bribery

The code comprises two main topics: "people first" and "responsibility". Sub-sections of the code address:

- Human rights and employee practices
- Health and safety
- Diversity and inclusion
- Appropriate behavior
- GDPR/privacy
- Food safety and quality
- Responsible business practices
- Digital/IT security
- Our whistleblower platform

Food safety and quality culture
As a food manufacturer, we are highly aware of our continuous responsibility to deliver safe food to our customers. Living up to this responsibility requires sufficient knowledge, systems, tools and, most importantly, well-trained and motivated staff. Therefore, food safety and quality are an integral part of Espersen's corporate culture.

Espersen 's food safety and quality culture is assessed regularly by a third party.

We comply with local laws of the countries in which we operate. We have a zero-tolerance approach to any form of corruption or conflict of interests, and we provide grievance mechanisms and whistleblower protection. All policies are available on Espersen's intranet for employees, as well as via a link to the whistleblower platform. In addition, the Espersen Code of Conduct, Supplier Code of Conduct, and Whistleblower Policy are publicly available on the Espersen website. Every supplier receives the Supplier Code of Conduct when we commence business relations. The human resources department is responsible for informing new employees of such policies, which also appear in our employee handbooks.

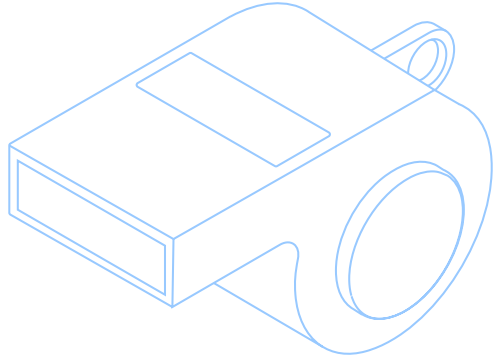
Should there be concerns about a particular business behavior, both employees and external business partners can submit a report anonymously through a whistleblower platform managed by a third party. All reported cases are investigated to completion by Espersen representatives who are assigned on a case-by-case basis by the CEO (See the following sub-section for further information).

Functions at risk
- **Finance**: The risk of corruption and bribery within financial dealings is insubstantial and mainly linked to payments and receivables. Bank payments involve at least two employees to minimize the risk of errors or corruption. Receivables from external partners are always mapped against invoices and visible in Power BI reports.
- **Procurement**: The risk of bribery and corruption within procurement activities involves all procurement functions and positions where agreements are entered into with external suppliers. The preparation of supplier contracts and commitments has been centralized for all major spend groups and hence concentrated among as few employees as possible. There is no local decision-making within all major spend groups. The ordering process is handled locally by the individual material planning departments. These functions may also be exposed to corruption, as a significant amount of decision-making, at least in terms of order sizes, takes place locally. Local ordering can only be performed in accordance with centrally decided supplier selections and framework agreements.
- **Commercial**: The risk of bribery and corruption in the commercial sphere relates mostly to direct customer-facing positions. For example, bribes offered to win customer business or obtain inside information about prices or specifications before these are publicly available. Processes are in place to ensure that at least two people are involved in signing off both contracts and expenses.

Whistleblower system

Our whistleblower platform is the main mechanism for identifying, reporting and investigating concerns about unlawful behavior, or behavior that contradicts Espersen's Code of Conduct or other relevant internal rules and policies. In some cases, the whistleblower system may not be used, and a concern may be reported internally to a direct leader or the local human resources department, in which case it is ultimately handled by the latter.

In 2024, Espersen's whistleblower policy was updated, and a new internal procedure on how to manage whistleblower cases was introduced. In addition, corruption/bribery and environment reporting categories were added to the platform.



Whistleblower procedure

Espersen uses an independent, external platform that can be accessed publicly on our website or via http://whistleblower.espersen.com/.

Cases reported through the whistleblower system are guided by Espersen's established procedure for handling such matters. The procedure comprises nine steps that describe how cases should be investigated and managed until closure. Each case is administered by two assigned administrators who act as the first point of contact to the whistleblower, confirming the report has been received. For each case, the CEO appoints an Espersen representative who will investigate, communicate with the whistleblower via the platform, and close the case once it has been completed. Cases are deleted from the platform after six months and only appear in internal statistics for later reporting.

Our whistleblower platform ensures employees need not fear retaliation, and they can choose anonymity when reporting a concern.

8

Whistleblower cases in 2024

Whistleblower cases
In 2024, eight cases were raised through the whistleblower system. All cases were related to office and production employees. No corruption and bribery cases were reported via the platform. Not all cases were substantiated with evidence, but all were investigated and handled in accordance with our Whistleblower Policy. Where possible, we have been in direct contact with the reporting individuals. None of the cases had a severe impact on business operations.

Trade organizations and industry memberships

Through membership of various trade associations, Espersen indirectly contributes to lobbying and political support. These associations discuss issues and topics within the fish and seafood industry at national, European, and international levels (trade, food legislation, sustainability, etc.).

The CEO, CFO, Head of Sustainability, Senior Vice President Procurement, and Senior Vice President Commercial variously represent Espersen in trade associations. At group level, Espersen[1] is a member of:

- Confederation of Danish Industry (DI - Dansk Industri)
- Danish Seafood Association
- International GroundFish Forum
- AIPCE (EU Fish Processors and Traders Association) and CEP (European Federation of National Organizations of Importers and Exporters of Fish)

Notes

[1] Individual sites can be members of local initiatives and associations.

Identified material IROs

Political engagement and lobbying activities

Positive political influence through association membership	Actual positive impact
Influence on policies through associations	Opportunity

Supply chain management

Supplier identification and selection
A foundational element of Espersen's supplier selection process is the mapping of all critical components, services and raw material in the supply chain. A minimum of two suppliers are considered to fulfil all such needs.

Our 'Sourcing closer to home' drive ensures locally based suppliers are tightly integrated into our identification and selection process. Supplier proximity is key to our business strategy, as the lead time from time of ordering to receipt of goods or services is a critical success factor. Prioritizing proximity also assists Espersen in achieving its sustainability targets.

While the selection of fish suppliers is primarily influenced by quotas and geographical availability, local suppliers are preferred for packaging and ingredients. Proximity is also crucial for logistics services to maintain cost competitiveness for distribution centers. When selecting road transport carriers, a local presence—both in terms of company setup and employee home base—near the point of receipt or delivery is essential for supplier qualification.

Supplier evaluation and approval
Every potential supplier is evaluated and must be approved prior to first delivery. Prior to possible approval, potential suppliers must complete a questionnaire for specific production sites that will supply Espersen. The questionnaire relates to product quality, social compliance and environmental factors.

Potential suppliers receive our "Supplier Code of Conduct", outlining our minimum requirements and aspirations regarding environmental, social and governance standards. The Code is not a restriction on suppliers, but a tool for building long-term, strategic partnerships with each supplier instead of a purely transactional relationship.

All suppliers delivering products, raw material and/or services to any entity in the Espersen Group must adhere to the requirements outlined in the Code. However, we also acknowledge that not all suppliers operate at the same level. Therefore, we guide a subset of suppliers in their journey toward full compliance with the Code, establishing clear actions and timelines.

Potential suppliers are asked whether they are third-party certified in product quality, social compliance and environmental aspects. For example, ethical sourcing is a priority in our Supplier Code of Conduct,

Identified material IROs

Supply chain-related	
Relationships with suppliers	Actual positive impact
Fair trading with suppliers	
Impacting whistleblower solution at suppliers	Potential positive impact
Sourcing from traders risks unethical business practice incidents	Risk
Corruption incident risks within complex supply chain	
Not identifying issues at an early stage through whistleblower channel	
Stronger relationships through fair trade	Opportunity

and we will not work with suppliers who use child labor, forced labor, or have unsafe working conditions. Suppliers from high-risk countries must have a SMETA audit or equivalent to ensure compliance with these ethical standards; the certificates are filed in our on-line database and their expiration is monitored.

For suppliers complying with recognized third-party certified schemes listed in the questionnaire, we request a copy of the certificate and their latest audit report. The report is thoroughly assessed prior to approval, and a rating is made based on number of observations and their criticality, which may conclude that the supplier 1) is approved, 2) cannot be approved or 3) we want to perform additional verification of the supplier. More details on the supplier approval process flow in the next section.

Supplier monitoring
Once approved, we regularly monitor supplier performance in areas such as quality, delivery times, cost-effectiveness, sustainability, and adherence to agreed standards, to ensure alignment with our goals.

Annual supplier evaluations are conducted for all strategic and preferred suppliers, comprising cross-functional ratings assigned to all critical service delivery parameters of the relationship.

Supplier evaluations rate numerous key service delivery parameters critical for maintaining a proper and well-functioning supplier relationship. They include, for example, measurements and ratings of timely delivery, quality, claims handling, innovation, invoicing quality, and contribution to Espersen's sustainability commitments. A minimum score is required to continue the relationship. In the case of sub-standard evaluation results, corrective actions leading to a level above the minimum score for the given supplier category are required within 6 months from the time of evaluation. Such actions are mutually agreed upon with the supplier and followed up bi-annually. If the corrective action plans don't yield a satisfactory result, then the relationship is terminated in accordance with prevailing law and contracts in place.

Employee interactions with suppliers
Espersen's procurement/supply chain workforce is continuously trained in the tools and methodology behind our supplier evaluation program. Familiarity with procurement KPIs, including the service delivery performance scores of all strategic and preferred suppliers, is an instrumental part of the annual performance review of the workforce.

No monetary incentives are in place for the Espersen workforce in relation to our supply chain. This avoids sub-optimal decisions arising from a potential conflict between personal gain and the company's interests.

Supplier relationships
Maintaining robust, positive supplier relationships is fundamental to the success of Espersen, helping to ensure a consistent supply of high-quality raw materials and supporting sustainable and ethical sourcing practices. These partnerships enable us to collaborate closely with suppliers to uphold rigorous standards for environmental stewardship, labor conditions, and traceability throughout our supply chain. By fostering long-term, transparent, and mutually beneficial relationships, we not only secure the integrity and reliability of our products but also contribute positively to the global seafood industry's sustainability efforts. Effective supplier relationships drive innovation, enhance our operational efficiency, and strengthen our resilience against market fluctuations, reinforcing Espersen's commitment to responsible and forward-thinking business practices.

Managing supply chain risk
Our food fraud prevention program enables us to regularly evaluate potential supply chain risks, including geopolitical issues, economic changes, supply shortages/disruptions and impacts of natural disasters. We also follow developments in relevant legislation in the countries we operate in or source from. These provisions, along with close collaboration with our strategic partner suppliers, enable us to anticipate or quickly react to adverse developments.

Supply chain due diligence

Supplier approval process
Prior to possible approval, all potential suppliers must fill in a questionnaire for the specific production sites that will supply Espersen ①. The questionnaire relates to product quality, social compliance and environmental factors. In addition, we ask potential suppliers whether they are third-party certified in all, or some, of the areas mentioned above.

For suppliers with recognized third-party certified schemes as mentioned in the questionnaire, we request a copy of the certificate and their latest audit report. The report is thoroughly assessed prior to approval, and a rating is made based on number of observations and their criticality②, which may conclude that the supplier A) is approved, B) cannot be approved or C) we want to perform additional verification of the supplier.

If a supplier does not have relevant third-party certified schemes, we base the approval on the answers in the questionnaire supported by requested documentation. This is divided into two sections. 60% percent of the score examines food safety and quality. The remaining 40% analyses Social Compliance and Environment.

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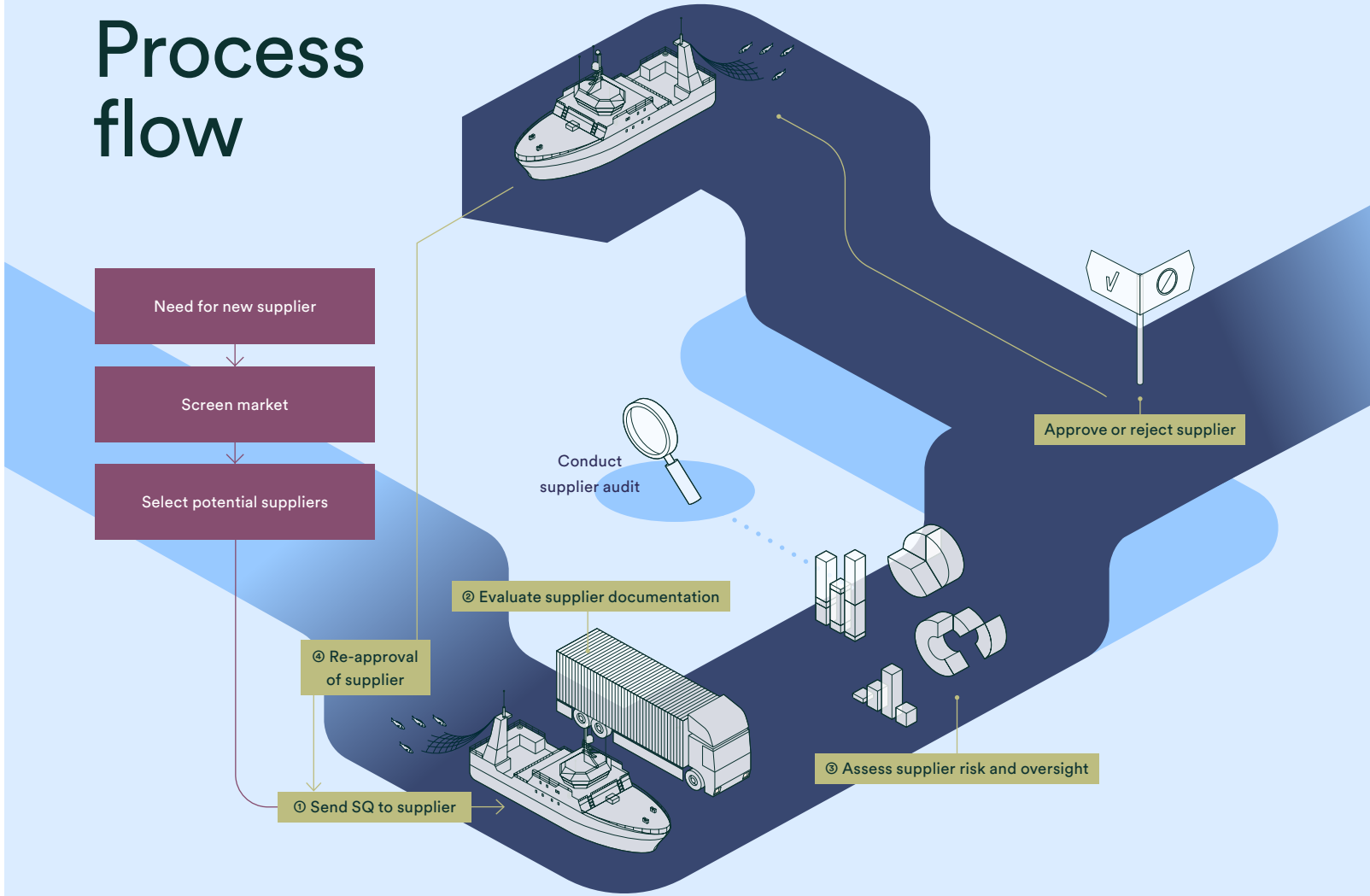
Process flow



In both sections, the questions are weighted depending on the severity we attribute to the specific area. Key issues carry a greater weight, meaning one singular issue can determine whether the supplier will be approved or not. In addition, the overall score for both areas must be above a certain minimum threshold in order to be approved.

The questionnaire alone does not determine whether the supplier is approved, but is an indication of whether we want to proceed with the approval process. Based on the response to the questionnaire, we use a risk-based approach to determine if additional activities are necessary to finally approve the supplier ③.

For example, if the production site is in a low-risk country and fulfils our expectations as described above, it is approved. Even so, we monitor the site closely for at least the first year. Any deviation from the standard will be considered and may lead to evaluation of whether a second party audit or another form of verification, is necessary.

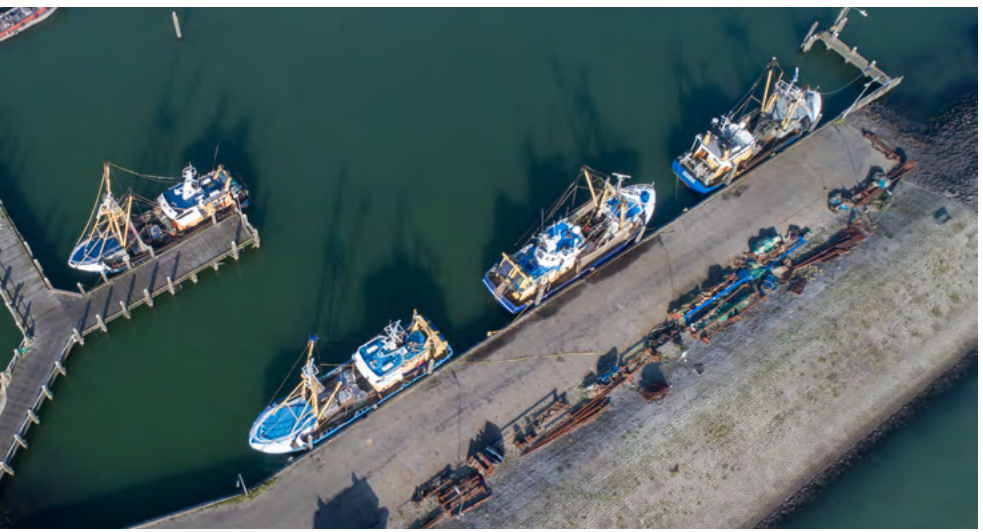
In all cases, deliveries from suppliers are checked as part of our intake control. We record this data and use it as part of the ongoing monitoring of our suppliers. Annually, the performance of all strategic, preferred, and new suppliers is evaluated. Across our daily operations, supplier claims are handled immediately, and necessary action taken.

If any of our approved suppliers do not supply products to Espersen for more than two years, they are discontinued. They will need to go through the approval process again if we want to revive our relationship with the supplier. All approved suppliers are evaluated every three years, at which time we decide whether to re-approve or discontinue the supplier and review our oversight of the suppliers regarding monitoring and audit frequency ④.

If we are asked by a customer to source from one of their suppliers, Espersen still requires the supplier to go through the approval process. In addition, we will ask for a written statement from the customer, stating that we can use this supplier for their production.

Supply chain transparency

The segregated nature of global seafood supply chains, along with language and naming issues, the sheer quantity of seafood species, and fraud can result in mislabeling, despite efforts to remedy such issues across the industry. Transparency across the chain, and innovative solutions to foster trust are crucial for promoting sustainability and protecting both consumers and the environment.



Collaborating for change

The global fish processing industry is embracing digitalization and emerging technologies to improve supply chain transparency. One such initiative is the Watson project, a collaborative effort funded by the European Union, whose timeline spans from March 2023 to February 2026. Watson's solution is a blockchain-based platform that aims to enhance the global food industry's traceability, preventing fraud and ensuring high-quality, ethically sourced seafood for consumers.

Espersen's involvement in Watson follows our participation in *Hermchain*, an industry-wide program led by research organization SINTEF to collect fish species, origin, catch quantity and date information to help establish a highly secure, blockchained transparency database.

Digital footprints take the next step

Specifically, our contributions to Watson are focused on two crucial work packages: WP2 (data collection) and WP5 (pilot case study demonstration). The outcome of these packages, in the form of "digital footprints" is expected to be applicable across all food types, thus contributing to the EU's Farm-to-Fork strategy. To enable these packages, whose purpose is to investigate what data can be collected and connected to the Watson system, Espersen joined forces with partners in Norway, Denmark, and Poland.

In the current pilot phase, which progressed from planning to implementation during the latter half of 2024, our partners began testing sensors that measure environmental factors such as temperature, humidity, and air quality, as well as location and acceleration. In November, three such sensors were placed on board the Norwegian vessel M/Tr Hermes, and once ready placed on pallets of cod once these have been produced. This will then provide data on the movements and condition of the materials from the ship, through freezing storage in Tromsø to transport, and finally, to intake at one of Espersen's facilities.

Stretching into 2025, the project is conducted via our Barents Sea production facility, where the innovations and best practices developed within the project can be put to the test off the vessel and into Espersen production facility setting.

watson

Notes

[1] Commission Regulation (EU) 2019/1715 defines food fraud as "a non-compliance concerning any suspected intentional action by businesses or individuals, for the purpose of deceiving purchasers and gaining undue advantage."

Appendices

Accounting principles

Reporting period
Espersen's sustainability data reporting covers the period from 1 January to 31 December 2024.

Reporting boundaries and frameworks
Our sustainability reporting focuses on Espersen's activities, in line with our double materiality analysis, encompassing the environmental, social and governance impacts, risks and opportunities relating to our business.

As we move forward, it is likely that our data will evolve through greater accuracy, new management systems, and new disclosures. We strive to be transparent in disclosing methodology and restated figures. Restated figures are listed in a table further in this section. Please refer to Sustainability Data to view the adjusted figures.

The ESG figures for 2024 include our production sites in Denmark, Poland, Lithuania, the UK, and Vietnam, and where relevant, our non-production facilities in Denmark, France and Germany.[1] Espersen's recently acquired production site at Grimsby in the UK is not fully included in all ESG accounting, as business data systems integration was first completed in Q4 2024. It is noted throughout the report whenever the Grimsby site is not included in the metrics.

Cold storage in Denmark, which is relevant to electricity consumption and Scope 1 and 2 emissions, is excluded in the accounting. The electricity usage for previous years (2021-2023), along with the 2024 consumption, was received but the data could not be merged into the current accounting system in time for reporting. We aim to add this in 2025.

Notes

* Non-material topics include: E2-1 – Pollution of air, E2-2 Pollution of water, E2-3 Pollution of soil, E2-4 Pollution of living organism and food resources, E2-5 Substances of concern, E2-6 Substances of very high concern, E2-7 Microplastics, S3-1 Communities' economic, social, and cultural rights, S3-2 Communities' civil and political rights, S3-3 Particular rights of indigenous people, S4-1 Information-related impacts for consumers and end-users, S4-3 Social inclusion of consumers and end-users, G1-3 Animal welfare, G1-7 Cybersecurity, and G1-8 Responsible tax.

1 Leeds sales office data is included for the part of the year before switching to fully remote work.

Environmental data

Resource use data (energy, waste, freshwater) covers all owned production plants including Hasle, Denmark, (consumer production), Koszalin, Poland, (one primary and two consumer production plants), Klaipeda, Lithuania, (primary production), Grimsby, UK (primary and consumer production, one site), and Ho Chi Minh City, Vietnam, (primary production). Non-production-related offices are included only in energy consumption. Energy usage, water usage, waste generation and recycling disposal are extracted from internal reporting systems and were reported manually.

Energy mix
Unavailable energy mix data comprises: (1) leased electric and hybrid vehicles, (2) rented sale office spaces, (3) rented customer service office space in Denmark, (4) heating at Danish HQ, (5) district heating usage at Lithuanian and Polish production sites and (6) electricity at the production site in Vietnam.

For sites where Espersen does not have information or statements from the energy supplier on the energy mix of the electricity or heating supplied to the site, a conservative approach was taken, assuming 100% of the energy was derived from fossil sources.

Methods and assumptions
Electricity:
- A conservative approach was taken was for the electricity mix at: (1) sale office sites located in France, Germany, and the UK, (2) the customer service office in Denmark, and (3) the production site in Vietnam, and (4) for the acquired energy mix related to electric and hybrid car data.

- Electricity consumption at the Danish HQ and for production sites located in Lithuania, the UK, Denmark, and Poland is covered by electricity Energy Attribute Certificates (EACs).
  - At the UK production site, one month of 2024's electricity was not covered by the renewable energy guarantee of origin (REGO). A conservative approach was taken for the consumption mix of that month (100% fossil).

District heating:
- A conservative approach was taken for the acquired/purchased district heating mix at: (1) the Copenhagen HQ office, (2) in sale office sites located in France, Germany, and the UK, (3) the customer service office in Denmark, and (4) production sites in Poland and Lithuania.
- A district heating declaration was obtained, stating 100% renewable, from the provider at the production site in Hasle, Denmark.

Energy consumption
Unavailable energy consumption data comprises: (1) acquired electricity and heat in rented sale office spaces, (2) acquired electricity and heating in rented customer service office space in Denmark, and (3) heating at the Danish HQ.

Methods and assumptions
Non-production facilities:
- For rented office spaces, we are dependent on the landlord's ability to provide electricity and heating data. For many offices, there are limitations in receiving primary energy consumption data. In these cases, consumption is estimated based on square meters of office space as per the rental agreement. The source of heating estimations is Energimyndigheten, Energy statistics for non-residential premises (2021). For electricity estimations, the source is Energimyndigheten, Vägledning för energikartläggning i fastighetsföretag (2020). Due to the small size of rented office spaces, this is a lower priority. By 2025, we expect to have the consumption of acquired district heating available for our Danish HQ.

Environmental data

- For the Danish HQ's acquired district heating, the estimate was not based on office size, as the last 6 months of heating data was available and was multiplied by two to obtain a full year estimate.

Production facilities:
- Production facilities' energy consumption accounting is either from meter readings, invoices, or supplier consumption reports.

Waste and recycling
Waste and recycling consist of generated tonnes at facilities with production (i.e., excluding sale offices, HQ, etc.). Waste sorting, disposal, and recycling capabilities differ between sites and can depend on local limitations. At some sites, waste categories are unavailable due to limitations in data-sharing or waste-specific procedures not being in place. These sites and waste groups comprise: (1) hazardous waste volumes from QA laboratory and technical department, which are not reported in Denmark, (2) in Lithuania, the non-production social area waste in the canteen and non-production office.

- Examples of "other disposal" include medical waste, batteries, chemical packaging, and oil trap waste.
- Examples of "other, recycling" include wooden pallets, steel/metal scrap, electronics, tires and filters, batteries, lubricants, and waste oils (i.e. processed into HVO).

Estimations and assumptions
- Pre-process used during industrial fish processing are defrosting, the calculation on flesh of fish particulate and fish protein in the processing wastewater is based on an internal estimation from a 2018. The estimated value from our primary production site in Poland is applied to all remaining sites. In Denmark, Poland and UK where we do not track wastewater discharge values, we apply the estimation to the amount of water withdrawals as the conservative assumption is it is equal to the amount of water discharged.

- A mix of general waste is collected at the Grimsby UK site. The waste collection provider separates any recyclables and sends the remainder to controlled combustion. Since data is not provided concerning the amount of items separated from the collection, we take a conservative approach and assume 100% of total general waste is sent to controlled combustion.
- At the Vietnam site, the category for "other recycling" was reported as pieces sent to recycling and not in weights. Assumptions and estimations were carried out to provide a weighted value in kgs.

- 2021 waste oil for the Grimsby production site was estimated due to no available data.

Freshwater
Accounting for water withdrawn can vary based on how the site decides to collect the data. Overall, withdrawal reports come from on-site installed water meters, water utility invoices, and/or the water provider's online data portal.

For water discharge, three out of the seven sites have a wastewater meter installed on site. Two of these three, the Vietnam and Lithuanian sites, collect data on the amount of water discharged. For the remaining five sites, wastewater discharge is estimated. For the Danish site, the technical team provided a wastewater discharge estimate based on their knowledge of the site's production and water flow. For the other four sites, the average wastewater to water ratio was taken from Vietnam and Lithuania and used as a proxy estimator to calculate the discharge.

Environmental data

The amount of water consumed was calculated using the equation below.

Water consumption = water withdrawals - water discharge

The World Resources Institute's (WRI) Water Risk Atlas tool 'Aqueduct' was used to identify production sites located in areas of high-water stress.

Emissions

Greenhouse gas (GHG) emissions calculations have been performed according to the Greenhouse Gas Protocol developed by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI). The Greenhouse Gas Protocol is an internationally accepted standard that is currently considered to be best practice for corporate reporting and organizational greenhouse gas emissions. Carbon accounting in 2024 covers all owned production plants, including: Hasle, Denmark (consumer production); Koszalin, Poland (one primary and two consumer production plants); Klaipeda, Lithuania (primary production); Grimsby, UK (primary and consumer production, one site); and Ho Chi Minh City, Vietnam (primary production). For relevant GHG categories, our reporting also includes non-production-related offices. Emission factors (EF) are updated annually when possible, and the EF sources listed below relate to 2024 accounting. Espersen strives to find EFs that align best to the reporting category. In some cases, emission factors from similar categories were used as a proxy, when a specific emission factor was not available. For historical EF sources, please refer to previous sustainability reports.

Cold storage in Denmark, which is relevant to electricity consumption within Scope 1 and 2, is excluded in the accounting. The electricity usage for previous years (2021-2023), along with the 2024 consumption, was received but the data could not be merged into the current accounting system in time for reporting. We aim to add this in 2025.

Country (number of sites)	Overall water risk score	Stress score from WRI	Areas of high-water stress: High (40-80%) or extremely high (> 80%)
UK (1)	Low-medium	Low-medium (10-20%)	No
Poland (3)	Medium-high	Medium-high (20-40%)	No
Lithuania (1)	Medium-high	Medium-high (20-40%)	No
Denmark (1)	Low	Low (<10%)	No
Vietnam (1)	Extremely high	Extremely high (>80%)	Yes

Environmental data

Emissions accounting summary, methodology, and EF sources

Scope 1: Including on-site fuel, freezing agents, stationary combustion and company cars (leased vehicles).	Freezing agents	EPA (2011) Naturvårdsverket (2022) Opteon (2023) DEFRA (2024)
	Stationary combustion	Natural gas - DEFRA (2024)
	Fuel use	DEFRA (2024)
	Petrol, diesel, hybrid, and electric vehicle use (leased cars)	DEFRA (2024)

Emissions accounting summary, methodology, and EF sources

Scope 2: Emissions include electricity, district heating and company cars (electric and hybrid cars).	Electricity consumption at production facilities in Denmark, the UK, Poland (incl. offices) and Lithuania, and for the Danish HQ office.	AIB (2024)
	Electricity consumption at production facilities in Vietnam	IEA (2024)
	Estimated electricity consumption at sales offices in Germany, France, Denmark, and the UK	AIB (2024)
	Estimated district heating consumption at UK sales offices	DEFRA (2024)
	Estimated district heating consumption at sales office in Germany	KfW (2022)
	Estimated district heating consumption at sales office in France	Légifrance (2021)
	Estimated district heating consumption for the customer service office in Denmark	CTR, HOFOR and VEKS (2024)
	District heating at Danish production facility, and HQ office	CTR, HOFOR and VEKS (2024)
	District heating at the Lithuanian production facility	DEFRA (2024)
	District heating in Polish production facilities and office	DEFRA (2024)
	Electric and hybrid cars (leased cars)	AIB (2024)

Environmental data

Emissions accounting summary, methodology, and EF sources

Scope 3: Indirect emissions in our value chain. This includes, but is not restricted to, emissions from the extraction and production of purchased materials and services, vehicles not owned or controlled by Espersen, outsourced activities, business travel, employee commuting, waste disposal and end-of-life treatment of sold products.

Category 1: Purchased goods and services Includes fish raw materials (the catch and breeding of fish up to the landing port), ingredients, packaging materials, and purchased services.	Average data methodology.	Purchased fish raw material	Silver smelt: MSC and Hilborn et al. 2023 Scallops, wild: RISE v 2.2 2023 Scallops, farmed: seafoodco2.dal.ca/, RISE v2.2 2023 Remaining fish species: Seafoodco2.dal.ca/ Undefined species: Average of all fish EFs
		Purchased ingredients	RISE v. 2.2 2023
		Purchased packaging	Ecoinvent (3.11), DEFRA (2024), Higg 2022
	Spend-based methodology.	Purchased services	Exiobase 3.9 (2019)
Category 2: Capital goods Includes categorised spend data for real estate/ construction, plant machinery, operating equipment and software.	Spend-based methodology.	Real estate/construction, plant machinery, operating equipment and software	Exiobase (2019)

Emissions accounting summary, methodology, and EF sources

Category 3: Fuel and energy-related activities Includes fuels utilized for e.g., forklifts or other vehicles for internal transport, heating and electricity based on consumption used in our production plants and offices.	Average data methodology.	Fuel- and energy-related activities	DEFRA (2024) IEA (2024) CTR, HOFOR and VEKS (2024) KfW (2022) Légifrance (2021)
	Distance-based methodology.	Leased vehicles* * Prev. reported under cat.6, misstatement. Should be under Cat. 3	DEFRA (2024)
Category 4: Upstream transportation Includes inbound and outbound logistics, and transportation and distribution services conducted by third-party logistics providers for road, marine and rail transport.	Distance-based methodology.	Upstream transportation	BEIS, (2024)

Environmental data

Emissions accounting summary, methodology, and EF sources

Category 5: Waste generated in operations Includes waste volumes from food waste, other production waste and wastewater. Material is sent to recycling, controlled combustion, anaerobic digestion/ biogas, landfill, animal feed, and other destinations.	Average data methodology.	Waste generated and recycled materials.	DEFRA (2024)
		Wastewater* * For sites that do not have wastewater data (DK, PL, UK), we take a conservative approach on emissions related to wastewater treatment, assuming water withdrawal is equal to the amount of water discharged	BEIS, 2023
Category 6: Business travel Includes emissions from air travel, taxi, vehicles and other transport modes (ferry, train, bus, etc.).	Distance-based methodology.	Flights	DEFRA (2024)
	Spend-based methodology.	Taxi	Exiobase 3.9 (2019)
		Other (ferry, etc.)	
		Car	
		Train	
Category 7: Employee commuting Includes emissions calculated using the number of employees in each country multiplied by transport-specific emission factors.	Distance-based methodology.	Employee commuting: Office Workers Commuting Survey	DEFRA (2024) NTMCalc.Advanced 4.0, IEA (2024) LCA of the TIER Mobility VI e-Scooter (2022) Bosch eBike system (2023)
		Employee committing: Production workers Estimated averages.	

Emissions accounting summary, methodology, and EF sources

Category 9: Downstream transportation Includes transportation and distribution services conducted by third-party logistics providers and amount of goods transported in cold stores.	Distance-based methodology.	Downstream transportation	BEIS, 2024
		Amount of goods transported in cold stores	Dobers, Perotti, Fossa, 2022
		Storage emissions from products sold to retail	LCA by Pré on 22 frozen products (2023)
Category 10: Processing of sold products Includes the amount of sold fish products, which facilitates the calculation of emissions associated with the processing of sold products.	Average data methodology.	Processing of sold products	Espersen's average scope 1 and 2 emission intensity* * EF not updated in 2024 accounting
Category 12: End-of-life treatment of sold products Includes food waste from cooked food and packaging materials sent for waste processing and disposal.	Average data methodology.	Packaging	World Bank waste statistics 2019, BEIS 2022 and Ecoinvent EFs v3.9* * EF not updated in 2024 accounting
		Food waste	World Bank waste statistics, BEIS, Ecoinvent EFs* * EF not updated in 2024 accounting

Social figures

Gender diversity
The number of employees is calculated as the number of full-time employees registered in Espersen's HR system. Employee indicators and the share distributions in the board of directors, directors, senior managers, managers and all employees are calculated based on headcounts at the end of the reporting period.

Reporting is based on the following definitions of Espersen's organizational hierarchy:

- Executive management: CEO and CFO.
- Directors: Group management team (GMT).
- Senior Managers: Espersen leadership group (ELG)
- Managers: Manager positions in the global organizational charts.
- Employees: All other employees.

Safety
Safety data refers only to Espersen production facilities, covering employees, visitors, contractors, and agency workers. The number of working hours for employees (including agency workers) is measured based on a daily timecard registered in the payroll system for hourly paid employees, and prescribed working hours for salaried employees. Depending on the site, some non-employees do not have a daily timecard (i.e., contractors). These sites estimate the total working hours for such workers.

Lost working days were estimated by converting the total lost working hours to each country's average daily working hours.

- **Accident:** An event at work which results in an injury or ill health to an employee, causing at least one day's absence.

- **Accident frequency rate:** Number of accidents / the number of total hours worked * 1,000,000.

- **Accident severity rate:** Annual lost working hours by labor disability x 1,000/ total person-hours of work performed.

The year 2024 is not exactly equivalent to previous reporting years as (1) reporting units estimated total working time for external contractors, which was not performed in previous years. (2) 2024 H&S reporting includes an additional reporting unit, "Central Poland": covers the entire Espersen Koszalin (outside of production halls) administration, the central cold store and the technical department. (3) The production site in Grimsby is only included in 2024 H&S metrics.

Social figures

Workers in the value chain

Supplier CoC signature target: Espersen's undertakes an annual supplier evaluation for selected suppliers, not on the whole list of approved suppliers, the scored category outcomes for the evaluated suppliers if deemed strategic or preferred are used within the target accounting. The category results of the most recent annual evaluation are used. Percentage signed is calculated based on the number of suppliers with the supplier category which have signed to Supplier Code of Conduct divided by the total number of suppliers in the category multiplied by 100 (rounded up). The 2023 supplier evaluation results used in the accounting do not include Grimsby suppliers, which Espersen took on due to the acquisition of the site. In future evaluations, Grimsby suppliers will be integrated.

Food safety and quality

The BRCGS audit scoring system descends from the highest score of AA, to A, B, C, D, and uncertified. The “+” after a score (i.e., A+), indicates the audit was unannounced. The score is determined by the number and type of non-conformities during the audit.

- **AA:** No more than 5 minors.
- **A:** Between 5 and 10 minors.
- **B:** 11 to 16 minors, or 1 major and up to 10 minors.
- **C:** 17 to 24 minors, or 1 major and up to 16 minors, or 2 majors and up to 10 minors.
- **D:** Between 25 and 30 minors, or 1 major and up to 24 minors, or 2 majors and up to 16 minors.
- **Uncertified:** 1 or more critical, 31 or more minors, 1 major and 25 or more minors, 2 majors and 17 or more minors, or 3 or more majors.

Governance

	Key responsibilities	Primary objectives
Executive management:	• **Strategic planning:** Developing and implementing long-term business strategies. • **Financial oversight:** Managing budgets, financial performance, and ensuring profitability. • **Operational leadership:** Overseeing daily operations to ensure efficiency and effectiveness. • **Risk management:** Identifying and mitigating risks that could impact the business. • **Stakeholder relations:** Engaging with the JPA foundation, board members, employees, and other key stakeholders. • **Compliance and governance:** Ensuring adherence to legal, regulatory, and ethical standards. • **Talent management:** Attracting, retaining, and developing key leadership and workforce capabilities.	• **Sustainable growth:** Driving business expansion and long-term value creation. • **Innovation & competitiveness:** Enhancing products, services, and market positioning. • **Customer & stakeholder satisfaction:** Meeting and exceeding expectations to build trust and loyalty. • **Operational excellence:** Improving efficiency, productivity, and overall business performance. • **Corporate responsibility:** Ensuring ethical business practices and social responsibility.

	Key responsibilities	Primary objectives
Group management team (GMT):	• **Strategic alignment:** Ensuring that all business functions operate in line with the company's overall strategy and goals. • **Cross-functional leadership:** Coordinating efforts between departments such as finance, operations, sales, marketing, HR, and R&D to drive synergies and efficiency. • **Financial and performance management:** Overseeing budgets, KPIs, and performance metrics across all functions to ensure sustainable growth and profitability. • **Innovation & competitiveness:** Driving business development, digital transformation, and continuous improvement initiatives. • **Risk and compliance oversight:** Identifying operational risks, ensuring regulatory compliance, and maintaining corporate governance standards. • **People and culture management:** Developing leadership, fostering collaboration, and ensuring an inclusive and high-performance work culture.	• **Holistic business growth:** Ensuring all functions contribute to sustainable and profitable expansion. • **Operational excellence:** Driving efficiency, cost-effectiveness, and process optimization across the organization. • **Market leadership:** Enhancing competitiveness through innovation, digitalization, and strategic investments. • **Customer and stakeholder satisfaction:** Aligning business operations with customer needs and stakeholder expectations. • **Resilience and adaptability:** Preparing the organization to navigate market changes and seize new opportunities.

Governance

	Key responsibilities	Primary objectives
Espersen leadership group (ELG):	• **Implementation of strategy:** Executing and cascading company-wide strategies within their respective areas. • **Operational execution:** Managing day-to-day business activities to ensure efficiency, quality, and performance. • **Process optimization:** Continuously improving workflows, resource allocation, and productivity. • **Cross-functional collaboration:** Ensuring seamless coordination between departments to achieve business objectives. • **People & talent development:** Leading teams, fostering engagement, and ensuring professional growth within their functions. • **Performance monitoring:** Tracking KPIs, reporting results, and taking corrective actions when needed. • **Compliance and risk management:** Ensuring adherence to company policies, industry regulations, and risk mitigation strategies.	• **Efficient execution:** Translating strategic goals into operational success. • **Continuous improvement:** Driving process efficiency, cost optimization, and innovation. • **Employee engagement:** Building a motivated, high-performing workforce. • **Customer satisfaction:** Delivering quality products and services to meet customer expectations. • **Business growth support:** Contributing to financial performance and market expansion.

Business Conduct:

- **Whistleblower system**
  At the end of the reporting year, the total number of whistleblower cases is calculated based on inventory count statistics.

- **Certified fish and seafood**
  Fish and seafood raw materials sourced with a third-party certification scheme are calculated based on the proportion of fish and seafood items bought with a certificate compared with total purchased raw material (based on invoiced inventory at end of the reporting period).

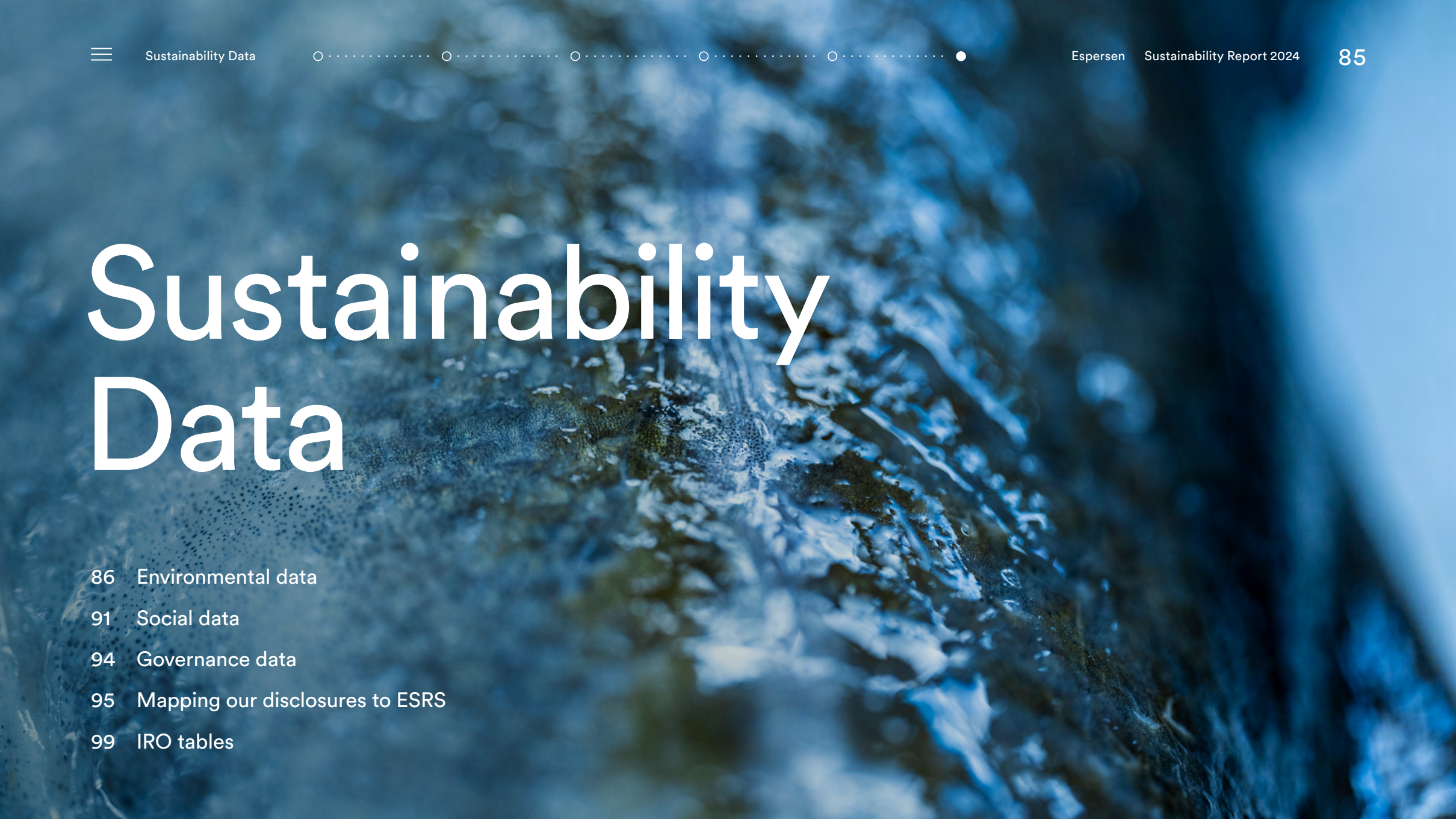
- **Conducted supplier audits**
  The number of second-party audits is reported manually into our reporting system based on headcount at the end of the reporting period.

Re-stated accounting

Re-stated accounting
For 2021-2023, all emissions scopes and environmental data has been re-stated, as emissions accounting was adjusted due to the acquisition of the United Kingdom production facility in 2023. In addition to this change, several other numbers have been re-stated. Please see below for further information.

It was stated in the 2023 materiality assessment section that executive management reviewed and adjusted scoring. This was an oversight. It should be noted that the workshop included one representative of executive management, with participation of other senior directors and managers.

Affected figures	Commentary
Resource use (water, energy, waste) **Scope 1, 2, 3**	Integration of acquired Grimsby site's data 2021-2024.
Stationary combustion (Scope 1)	- North Sea production site heating for 2020-2021 was incorrectly categorized under district heating instead of natural gas. It was previously mis-stated that the site switched from gas to district heating. - 2021 stationary combustion emission factor updated from Energiföretagen 2019 to DEFRA 2021, to align with usage of source DEFRA in following years to current.
Emissions intensity figures, annual production amount	Human error in 2023 production output number for Lithuanian site.
Water withdrawal figures **Heating consumption figures** **Scope 2 and 3**	Danish production sites: 2021-2023 water withdrawal and heating consumption amended due to switching accounting source to service provider's online platform. Aligning historical accounting to the same source as 2024 accounting.
Waste and recycling generation **Scope 3: Category 5, waste**	- Danish production site, manual reporting errors found for historical waste figures. Numbers amended (2021-2023). - Human error, leading to double accounting in reporting the amount of fish liners sent to recycling from the Polish sites in 2023. Data has been amended.
Scope 3: Category 1, purchased goods and services (Fish)	2021 purchased fish amended due to data output error in 2021 update of ERP system. ** transport data related to the delivery of fish needs to be updated as well, however, not completed within the reporting timeframe. We aim to add this in 2025.
Scope 3: Category 10, processing of sold products	Total sales 2021, 2022 total sales volume excluded by-products and minced, re-stated to include the categories.
Scope 3: Category 9, downstream retail storage emissions	2021-2023 data only included Espersen's own brand of retail products, restated to include all products sent directly to retail.
Scope 2 **Scope 3: Category 3, fuel- and energy-related activities**	2021 electricity consumption added for Roenne (DK) office. Same consumption estimation used for 2022. Previously no consumption was reported due to moving offices, but this was re-evaluated to take a more conservative approach.
Scope 3: **Category 4: Upstream transport** **Category 9: Downstream transport**	2021-2023 road and sea transport EFs were updated to the most up-to-date BEIS publication values. To ensure better EF historical alignment within the category.



Sustainability Data

Sustainability data:
Environmental – greenhouse gas emissions

	2021*	2022*	2023*	2024	Percent change (2023-2024)	Commentary
Total Scope 1: Direct operational emissions (tCO_2e)	**3,536**	**3,324**	**3,212**	**3,332**	**4%**	
Scope 2: Indirect emissions from purchased energy						
Total scope 2 with location-based electricity (tCO_2e)[1]	**27,999**	**27,598**	**25,831**	**23,424**	**-9%**	
Total scope 2 with market-based electricity (tCO_2e)[1]	**30,154**	**6,450**	**6,034**	**5,070**	**-16%**	
Total Scope 3: Indirect value chain emissions (tCO_2e)	**513,919**	**410,597**	**377,340**	**358,913**	**-5%**	
Category 1: Purchased goods and services (tCO_2e)	461,311	353,622	323,308	302,198	-7%	
Category 2: Capital good (tCO_2e)	4,027	3,872	4,475	3,568	-20%	
Category 3: Fuel and energy-related activities (tCO_2e)	7,019	6,885	6,391	6,006	-6%	
Category 4: Upstream transportation (tCO_2e)	23,971	28,278	26,595	29,288	10%	2021 base year transport data has not been updated due to the ERP system error in fish invoicing. Expected the base year will increase when amended in future reporting.
Category 5: Waste generated in operations (tCO_2e)	1,080	880	653	435	-33%	
Category 6: Business travel (tCO_2e)	70	182	240	206	-14%	
Category 7: Employee commuting (tCO_2e)	2,567	2,566	2,204	2,425	10%	
Category 9: Downstream transportation (tCO_2e)	3,783	3,690	3,614	4,430	23%	
Category 10: Processing of sold products (tCO_2e)	5,586	5,788	5,265	5,550	5%	
Category 12: End of life treatment of sold products (tCO_2e)	4,505	4,834	4,596	4,809	5%	
Total emissions (w/ location-based)[1] (tCO_2e)	**545,453**	**441,518**	**406,383**	**385,670**	**-5%**	
Total emissions (w/ market-based)[1] (tCO_2e)	**547,609**	**420,370**	**386,586**	**367,316**	**-5%**	
Emissions intensity[1] ($tonCO_2e$/million DKK sales) (w/ market-based)	**205**	**132**	**114**	**111**	**-3%**	Year 2021-2023 does not include sales from Grimsby site.

Notes

* Restated figures, reference Accounting Principles.

[1] Espersen uses a market-based approach for emission accounting and science-based targets. However, it is best practice to compare scope 2 emissions from both methods.

All figures are rounded to whole numbers.

Sustainability data:
Environmental – emission targets

	Retrospective				Target			
	Base year 2021*	2022*	2023*	2024	2030		Actual reduction	Commentary
Scope 1 & 2 absolute reduction target Espersen commits to reduce absolute scope 1 and 2 GHG emissions 42% by 2030 from a 2021 base year								
Total scope 1 & 2 (w/ market-based)	**33,690**	**9,773**	**9,246**	**8,402**	**19,540**	**-42**		**Target achieved**
Units	**tCO_2e**	**tCO_2e**	**tCO_2e**	**tCO_2e**	**tCO_2e**	**% change**	**% change**	
Scope 3 intensity reduction target Espersen also commits to reduce scope 3 GHG emissions from purchased goods and services, fuel and energy related activities, upstream transportation and distribution, and waste generated in operations 52% per tonne of sold fish product within the same timeframe.								
Category 1: Purchased goods and services	461,311	353,622	323,308	302,198	-	-	-34	Reduction in purchased fish and seafood in particular for some high intensity species. See climate impact section for more information.
Category 3: Fuel and energy-related activities	7,019	6,885	6,391	6,006	-	-	-14	
Category 4: Upstream transportation	23,971	28,278	26,595	29,288	-	-	22	2021 base year transport data has not been updated due to the ERP system error n fish invoicing. Expected the base year will increase when amended in future reporting.
Category 5: Waste generated in operations	1,080	880	653	435	-	-	-60	Municipal waste disposal improvements, fish liners recycling project.
Units	tCO_2e	tCO_2e	tCO_2e	tCO_2e	-	-	% change	
Total scope 3 intensity the four categories above (Cat. 1, 3, 4, 5)	**5.4**	**4.3**	**4.3**	**4.0**	**2.6**	**-52**		
Units	**CO_2e (t)/sold product (t)**	**CO_2e (t)/sold product (t)**	**CO_2e (t)/sold product (t)**	**CO_2e (t)/sold product (t)**	**CO_2e (t)/sold product (t)**	**% change**	**% change**	

Sustainability data:
Environmental – waste outflow at production sites[1]

	2021*	2022*	2023*	2024	Commentary
Total sent to disposal (kg)	**1,511,528**	**1,219,431**	**1,105,848**	**1,034,356**	
Sewer in wastewater (kg)[4]	222	228	200	211	
Controlled combustion/incineration (kg)	854,598	892,707	887,763	820,214	
Landfill (kg)	650,876	320,420	205,770	205,192	
Other (kg)	5,832	6,076	12,114	8,739	
Total sent to recycling (kg)	**18,016,578**	**18,193,182**	**14,310,174**	**13,962,273**	
Paper/cardboard (kg)	1,560,511	1,404,214	1,239,804	716,769	
Plastic (kg)	494,748	562,107	421,969	408,039	
Other (wood, metal, oil etc.) (kg)	1,021,616	1,124,765	979,609	989,282	
Recycled fish liners (kg)	0	48,520	300,570	448,460	Expanded recycling project to Poland
Animal feed (kg)[2,4]	14,939,703	15,053,576	11,368,222	11,399,723	
Total sent to recovery (kg)	**2,955,543**	**2,904,188**	**2,863,059**	**3,157,711**	
Anaerobic digestion/biogas (kg)[3,4]	2,955,543	2,904,188	2,863,059	3,157,711	
Total waste generated (kg)	**22,483,648**	**22,316,801**	**18,279,081**	**18,154,340**	
Percentage of recycled waste (%)	**80**	**82**	**78**	**77**	
Percentage of non-recycled waste (%)	**20**	**18**	**22**	**23**	

Notes

1 Waste generated by non-production sites is not included (sale offices, HQ, etc.).

2 Animal feed is now categorized under recycling, previous reporting categorized under disposal.

3 Anaerobic digestion/biogas is now categorized under recovery operations, previous reporting categorized under disposal.

4 food raw material which does not make it into the final product (i.e. fish skin, bits and pieces of fish meat after fileting, left over breading ingredients, etc.).

* Re-stated accounting. reference accounting principles.

Sustainability data:
Environmental – energy consumption and mix[2]

	2021	2022	2023	2024	Commentary
(1) Fuel consumption from coal and coal products (MWh)	-	-	-	0	Implemented in 2024
(2) Fuel consumption from crude oil and petroleum products (MWh)	-	-	-	1,676	Implemented in 2024
(3) Fuel consumption from natural gas (MWh)	-	-	-	13,888	Implemented in 2024
(4) Fuel consumption from other fossil sources (MWh)	-	-	-	0	Implemented in 2024
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	-	-	-	14,412	Implemented in 2024
(6) Total fossil energy consumption (MWh) (sum of lines 1 to 5)	**-**	**-**	**-**	**29,976**	**Implemented in 2024**
Share of fossil sources in total energy consumption (%)	-	-	-	48	Implemented in 2024
(7) Consumption from nuclear sources (MWh)	-	-	-	0	Implemented in 2024
Share of consumption from nuclear sources in total energy consumption (%)	-	-	-	0	Implemented in 2024
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	-	-	-	0	Implemented in 2024
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	-	-	-	32,567	Implemented in 2024
(10) The consumption of self-generated non-fuel renewable energy (MWh)	-	-	-	389	Implemented in 2024
(11) Total renewable energy consumption (MWh) (sum of lines 8 to 10)	-	-	-	32,957	Implemented in 2024
Share of renewable sources in total energy consumption (%)	-	-	-	52	Implemented in 2024
Total energy consumption (MWh) (sum of lines 6, and 11)	**-**	**-**	**-**	**62,933**	Implemented in 2024
Energy use per kg product (kWh/kg product produced)[3,4]	-	-	-	0.85	
Total operational spend on energy (%)	**17**	**27**	**28**	**31**	2021-2023 figures exclude the acquired UK production facility. 2024 incl. UK site.

Notes

Data rounded to whole numbers.

[2] Please reference accounting principles for further information on how energy consumption mix was estimated.

[3] New accounting method in 2024, as in 2024 implemented conversion ratio from weight to energy output (MWh/kWh) for fuel and vehicle usage. Energy use includes electricity, district heating, stationary combustion, fuel usage (petrol, LPG, etc.), and estimated vehicle usage. Previous reporting not comparable.

Sustainability data:
Environmental – freshwater use at production sites

	2021	2022	2023	2024	Commentary
Total water withdrawal[1] (m³)	**897,022***	**940,064***	**830,059***	**870,136**	
Total water withdrawal in areas not at water risk (m³):	-	-	-	735,503	Implemented in 2024 reporting.
Total water withdrawal in areas at water risk, including areas of high water stress (m³):	-	-	-	134,633	Implemented in 2024 reporting.
Water intensity per kg product (litre)	10.5*	11*	11.1*	11.7	
Total water discharged	**-**	**-**	**-**	**767,236**	Implemented in 2024 reporting. Estimates for five out of the seven sites, see accounting principles.
Total wastewater discharged in areas not at water risk (m³):	-	-	-	659,530	Implemented in 2024 reporting.
Total wastewater discharged in areas at water risk, including areas of high water stress (m³)]:	-	-	-	107,706	Implemented in 2024 reporting.
Total water consumed	**-**	**-**	**-**	**102,900**	Implemented in 2024 reporting.
Total water consumed in areas not at water risk (m³):	-	-	-	75,973	Implemented in 2024 reporting.
Total water consumed in areas at water risk, including areas of high water stress (m³):	-	-	-	26,927	Implemented in 2024 reporting.
Change in water storage (m³)	**-**	**-**	**-**	**0**	Implemented in 2024 reporting. Three production sites store water on-site (UK, VN, PL). Water storage is mainly for fire emergency purposes.
Total water storage at the beginning of the reporting period (m³):	-	-	-	1,083	
Total water storage at the end of the reporting period (m³):	-	-	-	1,083	
Total water recycled and reused (m³):	**-**	**-**	**-**	**0**	Implemented in 2024 reporting. At the moment no systems are in place to recycle and reuse water at our production sites.

Notes

[1] Water withdrawal was called consumption in previous reporting. New definitions in 2024 to align with ESRS framework. See accounting principles.

* Re-stated, see accounting principals.

Sustainability data:
Social – characteristics of employees

Characteristics of employees (year 2024)	Number of employees (headcount)
Country	
Denmark	115
France	5
Germany	4
Lithuania	325
Poland	1,907
The United Kingdom	141
Vietnam	653
Total	**3,150**
Gender	
Male	1,310
Female	1,840
Other	0
Not reported	0
Total	**3,150**

Characteristics of employees (year 2024)	Number of employees (FTE)	Permanent employees (FTE)	Temporary employees (FTE)	Non-guaranteed hours employees (FTE)
Employees by contract type, broken down by gender				
Female	1,835	1,782	53	0
Male	1,306	1,279	27	0
Total	**3,141**	**3,061**	**80**	**0**
Employees by contract type, broken down by region				
Denmark	106	106	0	0
France	5	5	0	0
Germany	4	4	0	0
Lithuania	325	316	9	0
Poland	1,907	1,836	71	0
The United Kingdom	141	141	0	0
Vietnam	653	653	0	0
Total	**3,141**	**3,061**	**80**	**0**

Sustainability data:
Social – gender representation

	2021	2022	2023	2024	Commentary
Gender representation					
Gender metrics					
Males in Board of Directors (%)	86+	86	80	83	
Females in Board of Directors (%)	14+	14	20	17	
Males in Executive Management (%)	100	100	100	100	
Females in Executive Management (%)	0	0	0	0	
Males Directors (%)	-	-	-	75	Internal reorganization within 2024, implementing new Group Management Team (GMT).
Females Directors (%)	-	-	-	25	
Male Senior Managers and Directors reporting directly to Top Management*	-	-	69	63	
Female Senior Managers and Directors reporting directly to Top Management*	-	-	31	38	
Males Senior Managers (%)	78+	67	62	57	Espersen Group Leadership (EGL) team.
Females Senior Managers (%)	22+	33	38	44	
Males Managers (%)	51+	53	50	54	Based on titles.
Females Managers (%)	49+	47	50	46	
Males (all employees) (%)	38+	38	39	42	
Females (all employees) (%)	62+	62	61	58	

Notes

2024 includes Grimsby.

Percentages rounded.

\+ Includes Russian facility before 2022 divestment.

* 2024 title changed due to internal re-organization of positions and titles and thus accounting definitions. Directors starting in 2024 is re-named to top management, and directors are Group Management Team (GMT). Senior managers is Espersen group leadership (EGL) team. Non-senior managers or directors do report to top management as well.

Sustainability data:
Social – health and safety

	2021	2022	2023	2024*	Commentary
Health and safety					
Worker health & welfare					
Number of work-related accidents (excl. fatalities)	75	119	150	75	See footnote.
Number of fatalities as a result of work-related injuries and work-related ill health	-	-	-	0	Implemented in 2024.
Number of days lost to work-related injuries and fatalities from work-related accidents	-	-	-	1,133.71	Implemented in 2024.
Accident Frequency Rate	16.6	23.5	31.1	14.35	See footnote.
Accident Severity Rate	2.4	1.9	2.1	1.7	See footnote.

Notes

* Note: Year 2024 is not exactly equivalent to previous reporting years as (1) reporting units estimated total working time for external contractors, which was not performed in previous years. (2) 2024 H&S reporting includes an additional reporting unit, “Central Poland”: covers the entire Espersen Koszalin (outside of production halls) administration, the central cold store and the technical department. (3) The production site in Grimsby is only included in 2024 H&S metrics.

Sustainability data:
Governance

	2021	2022	2023	2024	Commentary
Business conduct					
Whistle-blower cases	0	4	5	8	Grimsby site included starting under operational control.
Fish and seafood certifications					
Seafood sourced with third part certification scheme (%)	99	96	96	99	All years exclude Grimsby site.
Audits					
Number of conducted supplier audits	5	10	14	13	In 2024, no severe human right violations were identified in our second party audits (forced labour, human trafficking or child labor).

Mapping our disclosures to ESRS

The following tables display the eight ESRS topical standards identified as material. As this report is a hybrid model, and linked disclosures may only be partly disclosed and aligned, it is not CSRD-compliant1. However, with these tables we aim to map our progress on the journey, displaying work designed to improve our reporting. It is expected that in the future the full CSRD disclosures will be integrated into the holding company's annual report.[1]

The tables reference page numbers whose content links to ESRS disclosures and any additional comments. Some disclosures do not have a page reference. This can be due to multiple aspects: (1) Current data gaps or internal alignment for reporting that is still in process, (2) identified as a non-material sub-topic, (3) not applicable to current operations, and (4) a phase in disclosure that will be addressed in reporting years to come.

Notes

[1] It is expected some changes may occur due to the EU Commission Omnibus package outlined in February 2025.

Environmental

ESRS E1: Climate change		Comments	Page
E1-1	Transition plan for climate change mitigation	Current data gaps/alignment in progress	-
E1-2	Policies related to climate change mitigation and adaptation		24
E1-3	Actions and resources in relation to climate change policies		27
E1-4	Targets related to climate change mitigation and adaptation		26, 87
E1-5	Energy consumption and mix		28-29, 89
E1-6	Gross scopes 1, 2, 3 and total GHG emissions		25, 86
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	N/A to Espersen. There are no carbon credit projects in place.	-
E1-8	Internal carbon pricing	N/A to Espersen. There is no internal carbon pricing scheme.	-
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Phase in disclosure	-

ESRS E3: Water and marine resources		Comments	Page
E3-1	Policies related to water and marine resources		30, 32
E3-2	Actions and resources related to water and marine resources		30, 33
E3-3	Targets related to water and marine resources		32
E3-4	Water consumption		90
E3-5	Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	Phase in disclosure	-

ESRS E4: Biodiversity and ecosystems		Comments	Page
E4-1	Transition plan on biodiversity and ecosystems		34, 36
E4-2	Policies related to biodiversity and ecosystems		34, 36
E4-3	Actions and resources related to biodiversity and ecosystems		35-36
E4-4	Targets related to biodiversity and ecosystems	Current data gaps/ alignment in progress	-
E4-5	Impact metrics related to biodiversity and ecosystems change	Current data gaps/ alignment in progress	-
E4-6	Anticipated financial effects from biodiversity and ecosystems-related risks and opportunities	Phase in disclosure	-

ESRS E5: Resource use and circular economy		Comments	Page
E5-1	Policies related to resource use and circular economy		39, 41
E5-2	Actions and resources related to resource use and circular economy		40, 44
E5-3	Targets related to resource use and circular economy		39-42
E5-4	Resource inflows		37-38
E5-5	Resource outflows		41-43
E5-6	Anticipated financial effects from material resource use and circular economy-related risks and opportunities	Phase in disclosure	-

Social

ESRS S1: Own workforce		Comments	Page
S1-1	Policies related to own workforce	Covering only H&S and diversity related topics	48, 50
S1-2	Processes for engaging with own workers and workers' representatives about impacts	Current data gaps/alignment in progress	-
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	Current data gaps/alignment in progress	-
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those action		46-47
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Current data gaps/alignment in progress	-
S1-6	Characteristics of the undertaking's employees		91
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	Phase in disclosure	-
S1-8	Collective bargaining coverage and social dialogue	Current data gaps/ alignment in progress	-
S1-9	Diversity metrics		48-49, 91-92
S1-10	Adequate wages	Current data gaps/ alignment in progress	-
S1-11	Social protection	Phase in disclosure	-
S1-12	Persons with disabilities	Non-material sub-topic	-
S1-13	Training and skills development metrics	Phase in disclosure	-
S1-14	Health and safety metrics		51, 93
S1-15	Work-life balance metrics	Non-material sub-topic	-
S1-16	Compensation metrics (pay gap and total compensation)	Current data gaps/alignment in progress	-
S1-17	Incidents, complaints and severe human rights impacts	Current data gaps/alignment in progress	-

ESRS S2: Supply chain workers		Comments	Page
S2-1	Policies related to value chain workers		54
S2-2	Processes for engaging with value chain workers about impacts	Current data gaps/reporting alignment in progress	-
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns		55
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action		53-54
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		54

ESRS S4: Consumers and end-users		Comments	Page
S4-1	Policies related to consumers and end-users		57
S4-2	Processes for engaging with consumers and end-users about impacts		60
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns		61
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions		58-59
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		59

Governance

ESRS G1: Business conduct		Comments	Page
G1-1	Corporate culture and business conduct policies and corporate culture		63-64
G1-2	Management of relationships with suppliers		67-70
G1-3	Prevention and detection of corruption and bribery		64-65
G1-4	Confirmed incidents of corruption or bribery		65
G1-5	Political influence and lobbying activities		66
G1-6	Payment practices	-	-

General

ESRS 2: General disclosures		Comments	Page
GOV-1	The role of the administrative, management and supervisory bodies		13-14
GOV-2	Information provided to and sustainability matters addressed by the company's administrative, management and supervisory bodies		15
GOV-3	Integration of sustainability-related performance in incentive schemes	Currently do not have any sustainability-related performance in incentive schemes	-
GOV-4	Statement on sustainability due diligence	Current data gaps/alignment in progress	-
GOV-5	Risk management and internal controls over sustainability reporting	Current data gaps/alignment in progress	-
BP-1	General basis for preparation of the sustainability statements	Current data gaps/alignment in progress	-
BP-2	Disclosures in relation to specific circumstances	Current data gaps/alignment in progress	-
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	Ref. materiality assessment (not full detailed extent)	18-19
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	Ref. materiality assessment (not full detailed extent)	18-19
SBM-1	Strategy, business model and value chain		11-12
SBM-2	Interests and views of stakeholders		16-17
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model(s)	Current data gaps/alignment in progress	-

IRO tables

ESRS E1: Climate change

Title	IRO type	Value chain position	Subtopic	Description	Page
Fossil fuels from leased cars	Actual negative impact	Own operations	Climate change mitigation	Emissions from leased cars running on fossil fuels have a negative impact on the climate, contributing to global warming.	Climate impact pg. 24-29
Emissions from fishing vessels		Upstream		Supplier vessels run on fossil fuel, which has a negative impact on the climate through the associated emissions that contribute to global warming. This constitutes a large proportion of Espersen's scope 3 emissions and overall emissions.	
Aquaculture emissions				Emissions from aquaculture have a negative impact on the environment, contributing to global warming. Some species of farmed fish have higher emissions than others. Through the procurement of fish, Espersen has a direct impact on the resulting emissions depending on the species it chooses to source.	
Non-renewable energy use		Own operations	Energy	Energy from non-renewable sources has a negative impact on the environment as it contributes to climate change.	
Physical risks at Lithuanian site	Risk	Own operations	Climate change adaption	Physical risks for the site in Klaipeda, Lithuania, can affect its ability to operate and result in lost revenue.	
Absence of comprehensive physical risk assessment at Vietnam site				There is no comprehensive physical risk assessment of the site in Vietnam. The lack of risk assessment and mitigation strategies means the financial effects can be more severe in terms of costs and lost revenue.	
Warmer global oceans effects on fish populations		Upstream	Climate change mitigation	GHG emissions causing climate change in terms of global warming will lead to warmer water temperatures, which risks migration of or reduction in fish populations. This leads to decreased supply and/or higher prices.	
Increasing energy prices		Own operations	Energy	Fluctuations in energy prices make it difficult to predict cost and have been an increasing cost. Overall, this is a high financial risk for Espersen, as short-term peaks in energy prices cannot be passed on to customers.	
Energy efficiency: Higher speed on production lines	Opportunity	Own operations	Climate change mitigation	Raising production line speed, especially in cooled areas, decreases the intensity of, e.g., electricity, water or coolants per kilo produced. This is an opportunity for Espersen to reduce cost of these utilities and decrease the production cost per product.	
Solar panel investments			Energy	Further installation of solar panels at Espersen's sites will reduce costs and decrease exposure to fluctuating energy prices. This will both support sustainability goals and enable more accurate cost predictions to safeguard profits.	

ESRS E3: Water and marine resources

Title	IRO type	Value chain position	Subtopic	Description	Page
Extraction of seafood	Actual negative impact	Upstream	Marine resource	Espersen's main purchased good is fish. This negatively impacts marine resources in terms of extraction of fish and seafood, which decreases the population size of caught species.	Marine resource use pg. 30-31
Dependency on marine resources	Risk			Espersen is highly dependent on marine resources, as seafood is our main sourced raw material. This entails a risk of scarcity or other factors that would negatively affect the availability of seafood to source.	
Water usage in production process	Actual negative impact	Own operations	Water	Espersen uses large quantities of fresh water, especially for defrosting, rinsing, and cleaning fish. Water consumption levels follow quantity of fish processed. Fresh water is a finite and increasingly scarce resource as a result of global warming and pollution.	Freshwater use pg. 32-33
Water becoming scarce resource	Risk			Espersen is heavily reliant on water supply in its operations. Water is forecasted to become scarcer in the future, with possible restrictions on use and/or higher prices.	

ESRS E4: Biodiversity and ecosystems

Title	IRO type	Value chain position	Subtopic	Description	Page
Sourcing fish from sustainable resources both aquaculture and wild fisheries	Actual positive impact	Own operations	Impacts and dependencies on ecosystem services	Espersen's sourcing of 99% third-party-certified, sustainably sourced fish positively impacts the promotion of sustainable resource use from ecosystem services.	Biodiversity and ecosystems pg. 34-36
Bottom trawling impacts on habitats		Upstream	Impacts on the extent and condition of ecosystems	Bottom trawling performed by Espersen's suppliers can lead to habitat degradation and destruction of the seabed, negatively affecting ecosystems, biodiversity and habitats.	
Fishing decreases population size			Impacts on the state of species	Espersen's main purchased goods is fish. Fishing leads to a decrease in population size of the caught species, with potential negative effects on the ecosystem.	
Abandoned fishing gear effects on marine wildlife	Potential negative impact	Upstream	Impacts on the state of species	Plastic fishing gear is used to catch the fish Espersen sources. Abandoned plastic fishing gear or "ghost gear" is a key contributor to marine plastic waste. It has negative effects on ecosystems, as marine wildlife is easily entangled and risks dying of suffocation, drowning or starvation, negatively affecting population size.	
Bycatch's impact on biodiversity			Direct impact drivers of biodiversity loss	Bycatch is inevitable in fishing, and has negative impact on biodiversity, population size and the ecosystem, as species at risk of extinction can be caught. Espersen does not systematically monitor the species of the bycatch, leading to uncertainty around the actual impact on biodiversity and population loss.	
Safeguarding business viability through sustainable fishing practices	Opportunity	Own operations	Impacts and dependencies on ecosystem services	Espersen can positively contribute to its own long-term profitability through continuous focus on sustainable sourcing and pushing industry standards. Raising standards and ensuring that fish is sustainably sourced is crucial for future availability of fish in adequate quantity, which is at the core of Espersen's business.	
Public opinion on trawl	Risk	Upstream	Impacts and dependencies on ecosystem services	Public opinion, customer demands and media attention to the negative effects of bottom trawl use is a reputational risk for Espersen with potential financial effects through lost customers and revenue.	
Habitat degradation effects on supply			Impacts on the extent and condition of ecosystems	Habitat degradation can affect both the spawning habitat and other life cycle stages of fish negatively, making the area inhabitable for fish. This may result in decreased fish supply.	
Sustainably sourced fish not meeting market demands			Impacts on the state of species	Supply fluctuations in sustainably fished species risks falling short of customer demand and expectations of specific species, risking lost customers or damage to customer relationships.	
Loss of biodiversity effects on fish quality			Direct impact drivers of biodiversity loss	A loss in biodiversity (i.e., habitat degradation, changes in the food web, etc.) can be negatively associated with the quality (i.e., size) of the fish Espersen sources, as the food chain is impacted.	

ESRS E5: Resource use and circular economy

Title	IRO type	Value chain position	Subtopic	Description	Page
Packaging material resource outflow	Actual negative impact	Downstream	Resource outflows related to products and services	Packaging is needed for all products, resulting in a significant amount of packaging material outflow. This requires resources to be managed downstream, potentially with negative impact on the environment, depending on disposal and handling practices in the downstream waste management process.	Packaging pg. 37-40
Scrapping unused packaging material		Own operations	Waste	A significant amount of packaging material is wasted due to incorrect production forecasting. This comprises both cardboard and plastic, providing an unnecessary burden for society without any human value gained from it.	
Reduced plastic consumption	Opportunity		Resource inflows, including resource use	Espersen has removed plastic coating from packaging, resulting in less plastic each year. As plastic use is widely seen as negative, communicating this as a differentiator could have positive reputation benefits with increased revenue.	
EU circular packaging legislation	Risk		Resource outflows related to products and services	The EU EPR policy states that packaging needs to be adapted for circularity, either through recyclable material or designed to be repurposed after use. Failure to comply incurs fees whose size depends on the cost of recycling activities.	
Inaccurate forecasting leads to waste	Actual negative impact		Resource inflows, including resource use	Inaccurate forecasting leads to Espersen scrapping products and packaging. If inaccuracies occur, the food product can be re-classified (i.e., second/B grade), but if this cannot be achieved before the best before date, then it is wasted.	Waste pg. 41-44
Non-recycled waste			Waste	Waste from Espersen's production is sorted differently based on the site country. There is also a potential negative impact if garbage is not processed based on the sorting done on site, as some country locations may not have the facilities to recycle. This results in a negative impact on the environment that is not reflected in Espersen's recycling numbers.	
Fish is a main resource		Upstream	Resource inflows, including resource use	Espersen's business relies on fish and seafood as a resource inflow, buying a lot of fish raw material annually and constituting a significant impact on this resource.	IRO overlaps with topic content in marine resource use pg. 30-31
Fish supply affected by climate change	Risk	Own operations		Espersen's business relies on utilizing fish as a resource inflow. Climate change affects the size and location of fish population in many aspects. Changes to such a core element of Espersen's resource use carries a risk of significantly impacting profitability.	IRO overlaps with topic content found within the biodiversity and ecosystem pg. 34-36

ESRS E1: Climate change

Title	IRO type	Value chain position	Subtopic	Description	Page
Talent development: Leadership development program	Actual positive impact	Own operations	Equal treatment and opportunities for all	Espersen provides a leadership development program for leaders to develop their competencies. This is a positive impact for the leaders for personal development and future careers and, of course, for the leaders' team members.	Own workforce section pg. 46-49
Talent development: Language education for employees				Espersen provides language education for employees in Hasle, Poland, and Lithuania, many of whom are Ukrainian refugees. This positively impacts their sense of security and skillset in order to be able to work and cater for their family's needs.	
Contracts that support workers' rights			Working conditions	In Poland, Espersen only offers "employee contracts" as opposed to regular "civil contracts". This positively supports workers' rights, guaranteeing a fixed salary and hours compared to a typical day labour contractual agreement.	
Supporting certain groups through employment				Espersen has hired many female workers, particularly Ukrainian refugees in its factories. These employees may, due to their circumstances and families, e.g., single parenting, have special needs. Facilitating their employment positively impacts these individuals, whose circumstances make it difficult to support their families.	
Health and safety: Health benefits for employees				Factory-based nurses as part of the health and safety management system also provide their services for any employee's general healthcare (e.g., prescription of medicine). Espersen also provides a health scheme for its employees and their families. This is a positive impact for employees.	
Leakage of confidential employee data	Potential negative impact	Own operations	Other work-related rights	Confidential employee data must not be leaked, which would breach GDPR. Invasion of employees' privacy can have a negative impact on them, e.g., if sensitive information is published through misuse of data.	
Health and safety: Injury risks in production			Working conditions	Several activities at Espersen's production sites pose health risks for workers (i.e., heavy lifting, knife filleting, heavy machinery, wet conditions). These can cause short- or long-term injuries. Beyond physical harm, these activities can also result in lost work days, reducing employees' ability to provide for their families.	Health and safety pg. 50-51
Health and safety: Ammonia leaks hazardous for workers				Espersen uses ammonia at its sites. An ammonia leak poses a potential risk that could be fatal to employees if large quantities come into contact with their faces.	
Talent development: Retention of employees through community engagement activities	Opportunity	Own operations	Equal treatment and opportunities for all	Ensuring adequate workforce numbers is a challenge in Poland, as unemployment rates are very low. Local branding and events (e.g., factory days) for the employees help employer branding and retention of employees/ attraction of new talent.	Own workforce pg. 46-49
Talent development: Low unemployment in Poland risks non-full capacity workforce	Risk	Own operations	Equal treatment and opportunities for all	The risk of a bad reputation among employees, particularly in countries with low unemployment rates. This can limit the ability to fully utilize production assets, driving up marginal product costs and directly impacting profits.	
Loss of employment capacity if inadequate working conditions			Working conditions	The competitive labor environment in Poland can require Espersen to invest in initiatives that can soften physical working conditions in production facilities.	

ESRS S2: Workers in the value chain

Title	IRO type	Value chain position	Subtopic	Description	Page
Sourcing from small fishing communities	Actual positive impact	Upstream	Other work-related rights	Sourcing fish from small fishing communities/single vessels has a positive impact on the livelihoods of workers and their families. This promotes economic growth in their communities.	Workers in the value chain pg. 53-55
Assessment of suppliers				Espersen operates with a long-term perspective on its supplier relationships. It assesses suppliers holistically, ensuring that core values and operations are aligned with Espersen's values.	
Lawful wages for value chain workers			Working conditions	Suppliers must follow national laws and regulations on wages. Audits are performed by official governing bodies to ensure compliance. This is a positive impact for workers, ensuring they are paid at least in line with national standards for the nature of their work.	
Optimize logistics with return loads with local transport providers and drivers		Downstream		Espersen chooses local transport providers and drivers. This enables truckers to more often return home after trips, as pickup and drop-off locations are close to their bases. This has a positive impact on truckers' work life balance, spending fewer days away from family.	
Cross-industry collaboration for better conditions	Potential positive impact	Upstream	Working conditions	Espersen is a relatively large operator in the industry with a degree of influence. Collaborating across the industry with competitors and customers for higher requirements around working conditions may have a big impact on people's lives.	
Complex supply chain risks exploitation of workers	Potential negative impact	Upstream	Other work-related rights	Espersen's supply chain for sourcing non-fish products has up to five tiers of suppliers, making it complex and lacking in transparency. This results in a potential risk that workers in the value chain may be exploited.	
Certification challenges for smaller businesses				Espersen's requirements for certifications could mean small businesses, single vessels, and small communities cannot comply, as this demands significant investments. This can result in a negative impact on workers and their families by removing a source of income, with the potential to affect entire communities.	
Complex supply chain risks discrimination of workers			Equal treatment and opportunities	Espersen's supply chain for sourcing non-fish products has up to five tiers of suppliers, making it complex and lacking in transparency. This potentially risks unequal treatment of workers in the value chain and the occurrence of discrimination.	
Sourcing from traders risks non-compliance	Risk	Upstream	Other work-related rights	Sourcing from traders can lead to a complex, non-transparent supply chain. Traders often have many suppliers/ vessels, and the vessels might not be audited correctly or include blacklisted vessels. Vessel audits are always announced, increasing the risk of evaluating a misrepresented situation.	
Complex supply chain risks exploitation of workers			Working conditions	Espersen's supply chain for sourcing non-fish products has up to five tiers of suppliers, making it complex and lacking in transparency. This means that workers in the value chain can potentially be exploited. Media attention to such cases is a reputational risk with potential financial effects in terms of lost customers and revenue.	

ESRS S4: Consumers & end-users

Title	IRO type	Value chain position	Subtopic	Description	Page
Balanced choices	Actual positive impact	Downstream	Personal safety of consumers and or end users	The main ingredient in Espersen's product portfolio is wild-caught fish, especially whitefish or flatfish species. WHO acknowledges that fish is an important dietary source of energy, protein, and other important nutrients in a balanced diet. Espersen products come as natural portions, breaded or battered pieces of different sizes, or as baked into puff pastry. All products are, in accordance with legislation, clearly labelled with ingredients and nutritional information. The final customer can, therefore, make a well-informed decision of which products fit best in their diet to allow for variety, balance, and moderation.	Food quality and safety pg. 56-61
Allergen risks in finished products	Potential negative impact	Own operations		There is always a risk of the presence of unintended allergens in purchased raw materials and/or sold products. The unintended presence of allergens such as gluten, dairy, mustard or sulfites in products can present serious health risks for consumers.	
Children as consumers				Espersen has a potential negative impact on the health of children. Some products may contain elements with negative health effects, e.g., trans fatty acids, substances from the pre-frying process, or portion size. Children have a lower tolerance to these elements and are more negatively impacted by them than adults.	
Chemical risks in finished products				Environmental contaminates can occur in Espersen's products. Excessive levels of toxins (e.g., heavy metals, PCBs, dioxins, PFAS) in the products can have negative effects on consumer health.	
Food fraud and authenticity		Upstream		There is a risk of adulteration of fish authenticity or other parameters, which is evaluated as part of Espersen's food fraud risk assessment. Risks include mixing fish species and replacing more expensive or difficult-to-source species with others.	
Physical risks in finished products	Actual negative impact	Own operations		In the manufacturing process there is a risk of contamination of the finished product through foreign objects originating from internal processes, and potentially from processes at Espersen's suppliers. The ability to detect such objects varies by industry. Physical risks comprise, e.g., plastic, fabric, paper, insects, metal, and glass.	
Presence of hazardous material in sold products	Risk	Own activities		The presence of allergens, foreign bodies, pathogens or other harmful contaminants in products can require product recall with negative financial effects such as lost revenue, reputational risk, lost customers and regulatory penalties.	
Microbiological contamination of food		Downstream		Potential microbiological contamination of Espersen's products, either through raw materials or irregularities in the manufacturing process, can have a negative impact on people. For example, pathogenic bacteria such as Listeria monocytogenes, E. coli or Staphylococcus aureus can cause food poisoning or other consumer health problems. All Espersen products need to be cooked before consumption. Not following the instructions provided increases risk for the consumer.	

ESRS G1: Business conduct

Title	IRO type	Value chain position	Subtopic	Description	Page
Positive political influence through association membership	Actual positive impact	Own operations	Political engagement and lobbying activities	Espersen participates in several associations, chairing some. These advise governments, giving Espersen indirect political influence. Due to our strong values, foundation ownership and long-term strategy, we can positively influence decisions affecting people and nature.	Business conduct pg. 63-66
Influence on policies through associations	Opportunity			Espersen has significant political influence through its associations. This is an opportunity to apply Espersen's values and expertise to protect the market, save costs or increase revenue.	
Culture of ethical business practice	Actual positive impact		Corporate culture	Espersen's foundation ownership structure features a corporate culture where ethical business practice is a core value. Foundation-owned companies can better forgo short-term profits to benefit long-term aims. Such values are closely aligned with societal values, where long-term viability and environmental impact are prioritized.	
Unethical business conduct risks despite communicating ethical practices	Risk			If the culture and values are not embedded throughout the organization there is a risk of unethical behavior both in own operations and in relationships with suppliers. All operational procedures cannot be described, making cultural values a strong safeguard in gray areas.	
Relationships with suppliers	Actual positive impact	Upstream	Management of relationships with suppliers and payment practices	Espersen has a corporate culture in which ethical business practice is prized. Instead of tenders, terms are always negotiated, strengthening supplier relationships. Values are communicated to suppliers through various channels. This has a positive impact on both the industry and workers in the supply chain.	Topics overlap with discussions in supply chain management pg. 67-71
Sourcing from traders risks unethical business practice incidents	Risk			Due to the nature of the food industry, Espersen needs to source some raw materials from traders, which carries a higher risk of unethical business practices. Involvement in food fraud or CSR breaches could impact customer relationships and/or profitability.	
Stronger relationships through fair trade	Opportunity			Espersen's corporate culture is one where ethical business practice is a core value, long supplier relationships are treasured, and contracts are always negotiated between parties under the understanding of mutual benefit. Building strong relationships is likely to bring economic benefits for the future and provides safeguards in an industry where transparency is not always easy.	
Not identifying issues at an early stage through whistleblower channel	Risk	Upstream	Protection of whistleblowers	Espersen's supply chain for sourcing non-fish products has up to five supplier tiers, making it complex and lacking in transparency. This potentially risks that workers in the value chain are exploited. Failure to identify human rights issues in the value chain at an early stage brings a potential risk of snowballing.	
Impacting whistleblower solution at suppliers	Potential positive impact			As the supply chain is long and fragmented, Espersen's whistleblower solution is likely not known throughout the chain. Therefore, Espersen can best make a potential positive impact by increasing its requirement for suppliers throughout the chain to offer their own whistleblower solutions for employees and raise awareness of these solutions.	
Fair trading with suppliers	Actual positive impact	Upstream	Corruption and bribery	Corruption and bribery risks are addressed by Espersen's core values of business ethics, and safety measures such as its Code of Conduct with a zero tolerance of corruption. Emphasizing long-standing business relationships enhances expectations of collaboration, transcending the partner company and amplifying the impact on suppliers due to the inherent value of these relationships.	
Corruption incident risks within complex supply chain	Risk			Espersen has a complex global supply chain with up to five supplier tiers so there is a risk of supply chain corruption. Being associated with corruption is a reputational risk with potential damage to customer relations and loss of revenue.	

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