



HJHANSEN
Recycling Group



ESG/CSR REPORT

2023/2024

2023/2024

1. October 2023 – 30. September 2024

Version 1

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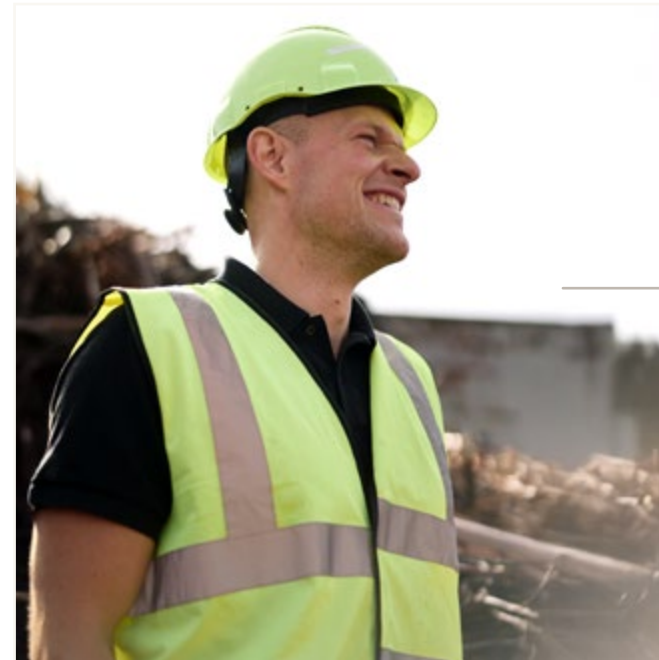
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On the cover:
Christian Bonnicksen,
Product
Manager - Copper

This year, Jacob Tinsfeldt Haas, a photography student at Media College Denmark, visited us. His assignment was to create professional portraits. We believe he has captured many of our employees in moments that truly reflect their personalities and professions.

In addition to the portrait on the cover of Product Manager Christian Bonnicksen, we have included his beautiful portraits throughout the report.

Introduction	5	Environment	26	Appendix	96
		Climate Strategy	27	Appendix Table of Contents	97
Management's Report	7	Pollution	38		
CEO Statement	8	Water and Marine Environment	39		
Strategy for 2025	12	Biodiversity	40		
Organisational Structure	14	Resource Utilisation and Circular Economy	42		
Business Model and Value Chain	16	Policies	48		
CFO on Financial Results	18	Data and Data Description	49		
Financial Five-Year Overview	19				
		Social	52		
Sustainability Statement	20	Our Employees	53		
Preliminary Double Materiality Analysis	21	Employees in the Value Chain	74		
UN Sustainable Development Goals	25	Impacted Communities	75		
		Policies	76		
		Data and Data Description	78		
		Governance	82		
		Management Structure	83		
		Board of Directors	86		
		Approved Buyer System	88		
		Transparent Business	90		
		Data and Data Description	92		
		Electronic Reuse and Recycling	93		



HJHANSEN Recycling Group

Image: Peter Westgate from the metal department at Havnegade 110 in Odense
Photo: Jacob Tinsfeldt Haas


INTRO

This ESG report covers the financial year from 1 October 2023 to 30 September 2024 for HJHansen Recycling Group. Although the report has not been formally prepared in accordance with CSRD, we have aimed to align the requirements as closely as possible. The report broadly addresses the ESG agenda and reflects our ambition to contribute to a more sustainable future actively. It is structured into three main areas: [Environment](#), [Social](#) og [Governance](#).


We account for our CSR initiatives following Sections 99a and 99b of the Danish Financial Statements Act. These are marked with a blue bookmark for easy identification, while future goals are marked with an orange bookmark. In addition to the ESG report, we refer to our [finansielle årsrapport i link på side 19](#).


HJHansen Recycling Group is part of the H.J. Hansen Group and is organisationally under H.J. Hansen Holding A/S. The report is therefore prepared in connection with the group's overall reporting, including the sister company Wine-Group A/S.

Please note that HJHansen Recycling Group's legal name is H.J. Hansen Recycling A/S, which is used synonymously with HJHansen Recycling Group throughout the report.



In this report, you will find these two bookmarks:

 The blue bookmark indicates a follow-up on CSR goal for 2022/2023

 The Orange bookmark indicates a CSR goal for 2024/2025.

WE GIVE
RESOURCES
NEW LIFE



A glance forward and backward

MANAGEMENT'S REPORT

Our management elaborates on the events of the past year
and expectations for the coming year.



CEO

The most challenging year since our turnaround in 2019

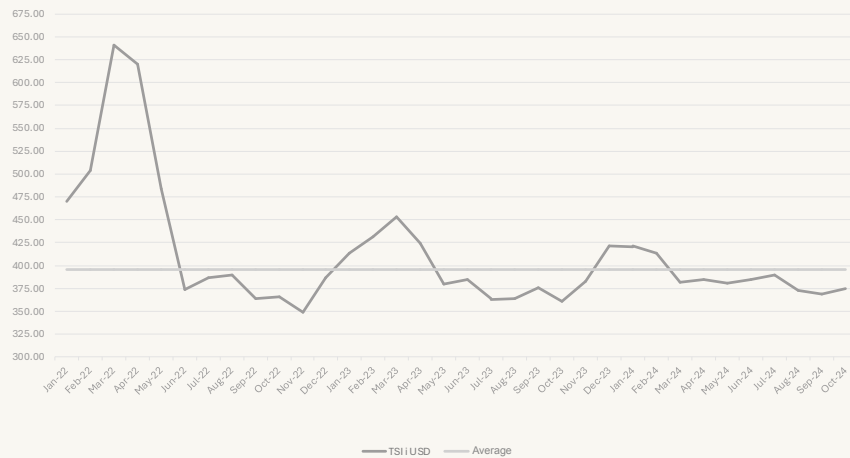
Extraordinary circumstances have marked 2023/2024. The market has been affected by inflation, increased competition, squeezed prices, and declining volumes.

Despite this, we deliver a profit of 50.4 million EBT, an achievement I can only attribute to our skilled employees, who have truly gone above and beyond. At the same time, our business model has once again demonstrated its ability to navigate challenging market conditions.

Therefore, I am incredibly proud of our results.

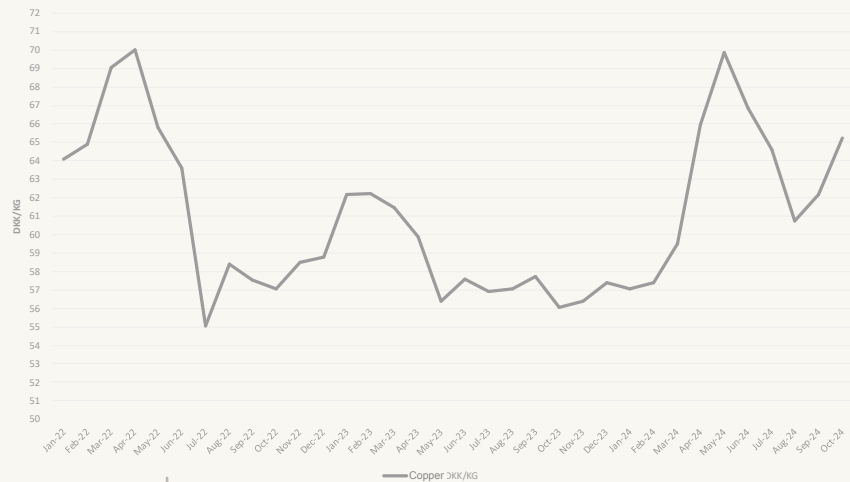
Managing Director
Mogens Bach Christensen

TSI History



The TSI index, showing steel prices, has been remarkably stable during this financial year.

Copper LME DKK/KG



The LME copper trading prices on the London Metal Exchange have been highly volatile this year, influenced by macroeconomic fluctuations.

We have fought for every ton

The prices of the products we trade in are highly volatile and influenced by external factors. This year, the situation has been particularly challenging, with the ongoing war in Ukraine, an escalating conflict in the Middle East, declining growth in China, debt issues and elections in the USA, and a recession in Germany. All of this impacts the markets that drive the prices of our products and has created a historic level of uncertainty, forcing us to fight for every ton of material.

At the same time, we are marking H.J. Hansen Group's 195th anniversary. History shows us that our industry runs in cycles of booms and downturns. This year has required a special kind of resilience and determination – but also a willingness to find new solutions in a volatile market.

Strategic investments and responsibility

From the beginning of the year, we knew we had to prioritise carefully. Therefore, we maintained the necessary upkeep while focusing our investment budget on strategic acquisitions: a 60% ownership in Vesterbro Produkthandel with sites in Holstebro and Herning, as well as a 49% stake in BK Gruppen, which has sites in Virum, Copenhagen, and Bornholm. This network gives us better opportunities to create growth in the future.

We are a tonnage-driven company, where our facilities and employees represent fixed costs that need to be covered regardless of available volumes. In a year like this, when we are performing below budget, reducing employee costs could have been a cost-saving measure. However, we have chosen not to do this because we must enhance our reporting and data collection. ESG requires resources, and we prefer to embed them within the departments so they can take on their respective responsibilities. This way, ESG becomes a living part of the entire company.

When E, S, and G are placed alongside F(inance)

One of our biggest challenges is that where we have the most significant impact, it can be difficult for us to act independently. This is either because an alternative has not yet been invented or we lack the resources to develop solutions.

Iron and metal are large and heavy and must be transported and processed. This year, 62% of our materials were transported by ship, while 38% were transported by truck. We transport as much as possible by ship, which also involves CO₂e emissions. Currently, no good, neutral fuel or transport alternatives are available.

Our double materiality analysis has clarified where our influence is most significant and where we need to focus the most attention. This year, we have set an ambition to reduce our CO₂ emissions in scope 1 and 2 by 59% by 2034. This will be a tough battle, requiring reduced fuel consumption and greater use of biogenic fuels. At the same time, we are intensifying the training of our employees in ESG.

However, ESG is not only a sustainability agenda but also financially necessary. I believe that a responsible approach to environmental, social, and governance issues is a hygiene factor that ensures our long-term competitiveness.

62%

transported by ship

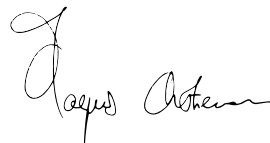
The Year Ahead

We have had a good start to the 2024/2025 financial year, but like the previous year, we expect to face many challenges this financial year. We consistently follow our hedging policy on volumes, currencies, etc., to minimise risks and navigate proactively in a market still characterised by great uncertainty. We eliminate risks where we can and do not speculate.

Our key ESG goals for 2024/2025:

- We begin our work to reduce our CO₂ emissions in scope 1 and 2. [Read more on page 27](#)
- We conduct performance reviews (MUS) with all employees. [Read more on page 70](#)
- We train employees in ESG. [Read more on page 72](#)
- We allocate financial resources to conduct audits of our buyers. [Read more on page 89](#)
- We get the preliminary double materiality analysis approved by the Board of Directors. [Read more on page 2](#)

With this report, we wish to showcase our work during the financial year, and I hope you find it interesting. Happy reading.



Managing Director
Mogens Bach Christensen



Key Highlights

Key Highlights of the Year for HJHansen Recycling Group

Climate Commitments

We aim to reduce our carbon footprint

59 %

by 2034

Our ambition is to become
Climate-neutral
by 2050

[Read more about Climate Strategy on page 27.](#)

Double Materiality Analysis

We have conducted a preliminary double materiality analysis to map HJHansen Recycling Group's most significant impacts, risks, and opportunities based on the ESRS 1 standard.

[Read more on page 21.](#)

Recycling Rates

On the HJH360 platform, we now have data showing how suppliers' delivered quantities are distributed within the waste hierarchy—recycling, recovery, or disposal—allowing them to report accurately in climate accounting under Scope 3, Category 5.

[Read more on page 50.](#)

Ecovadis

In April 2024, we achieved a "silver" rating with a score of 66/100, placing us in the top 15% of the "materials recovery industry."

[Read more on page 47.](#)

We Stand TOGETHER

At HJHansen Recycling Group, we stand TOGETHER (SAMMEN in Danish):

S for Safety-conscious

A for Accountable

M for Diverse

M for Motivated

E for Engaged

N for Innovative

[Read more on page 54.](#)

The Rules of Engagement

This year, we implemented "The Rules of Engagement" – our internal Code of Conduct. By the end of the financial year, 90% of all employees had completed the value training.

[Read more on page 55.](#)

Approved Buyer Systems

Our database ensures transparency and accountability among our buyers. This year, we conducted audits within and outside the EEA and established a due diligence committee. Further, we have allocated financial resources for external audits outside the EEA starting next financial year.

[Read more on page 88.](#)

2.74

Billion DKK
in revenue

50.4

Million DKK
in EBT

37.8

Equity ratio

207

Employees
(FTE)



Strategy for 2025

**Our company has a clear strategy:
We give resources new life.**

We aim to reduce society's consumption of materials and increase the recycling of resources around us.

Our goal is to recycle as many of society's resources as possible and create a positive impact on our environment.

To achieve our vision and build a responsible future, our strategic focus areas are:

Securing our business model

We always strive to understand and meet our partners' needs and expectations. By delivering efficient, quality-assured solutions, we ensure that our business model remains strong and competitive.

Being responsible

We have a significant responsibility to our planet and society. We work purposefully to minimise our environmental impact and ensure ethical and socially responsible actions in all our activities.

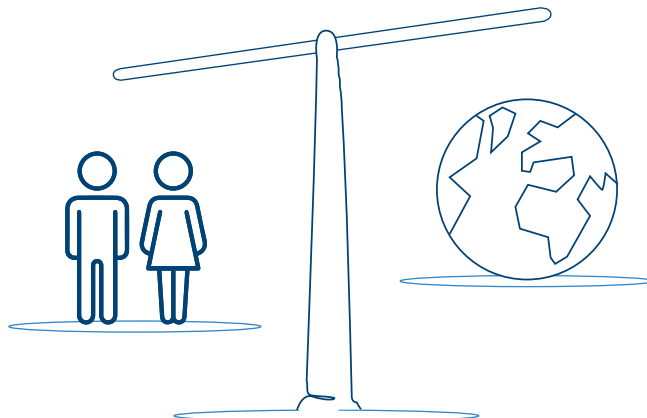


Ensuring development

We believe that solutions lie in innovative thinking and ideas. Therefore, we constantly strive to stay ahead and find new ways to manage resources.

Creating a great workplace

We value our employees and prioritise creating a positive and supportive work culture. An engaged and satisfied team is the key to success.





WE GIVE RESOURCES NEW LIFE



Our Vision

We will reduce society's resource consumption, increase the reuse of society's resources and recover as many of society's resources as possible.

Our Core Values

Commercial Acumen · Knowledge of Materials · Production · Environment · Technology and Markets



Our Strategic Goals

We aim to secure our current business model. We strive to set the industry standard for accountability in resource management. We aim to lead in the use of technology for sorting. We are committed to offering our employees an attractive and meaningful workplace.

Our Strategic Focus Areas

1. Business Model

We take the necessary initiatives to future-proof our current business model.

2. Responsibility

We are highly ambitious about accountability, quality, and safety. We strive for complete transparency and documentation throughout our value chain.

3. Development

We continually develop innovative and technological solutions to recycle even more and better. By improving recycling, we create more value and opportunities for the future.

4. The Workplace

We understand that employees are the company's most important resource. Retaining current employees and recruiting new ones are crucial for the company's future development.



Our Values

We are:

Safety-conscious - We look after ourselves and each other.

Accountable - We understand that our choices and actions affect the world around us.

Diverse - Each of us has unique skills, which make us stronger together.

Goal-oriented - We are committed to creating value for the environment, people, and business.

Engaged - We want to make a difference for each other and the world around us.

Innovative - We use our curiosity to challenge the status quo.

We Stand TOGETHER



Our Mission

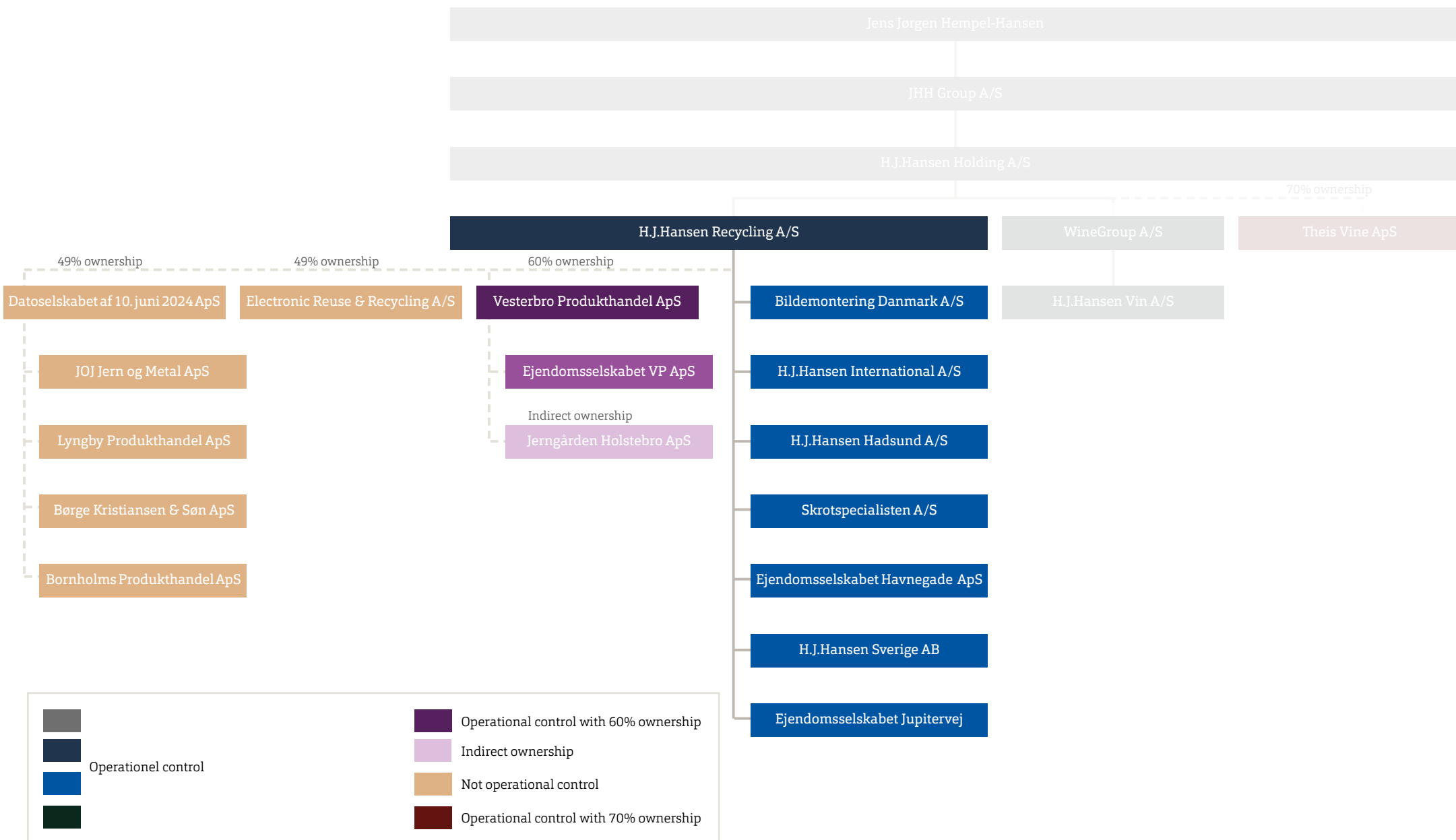
Every day, we work to create a world where recyclable materials are treated as resources that must not be wasted. We strive for a more responsible use of nature's resources and aim to create a balance between people, the environment, and business. We extract raw materials from end-of-life waste and give them new life. By doing so, we enable a reduced use of virgin resources, prevent pollution, and minimise both waste and energy consumption. We give resources new life.

Photo: Laila Skou, Team Manager, Outbound Logistics
Nicklas Rindom, Trainee, Outbound Logistics

Give resources new life
Watch video: <https://vimeo.com/818344947>



Organisational Structure



Organisational Scope

In the context of CSRD, we are required to report at the group level, including all underlying companies.

This report covers the companies under H.J. Hansen Recycling A/S, commonly referred to as HJHansen Recycling Group.

For insights into the entire H.J. Hansen Group, please refer to the following report:

■ [LINK \(CSRD HJHansen Group\)](#)

For more information about our initiatives within Wine-Group, please refer to this report:

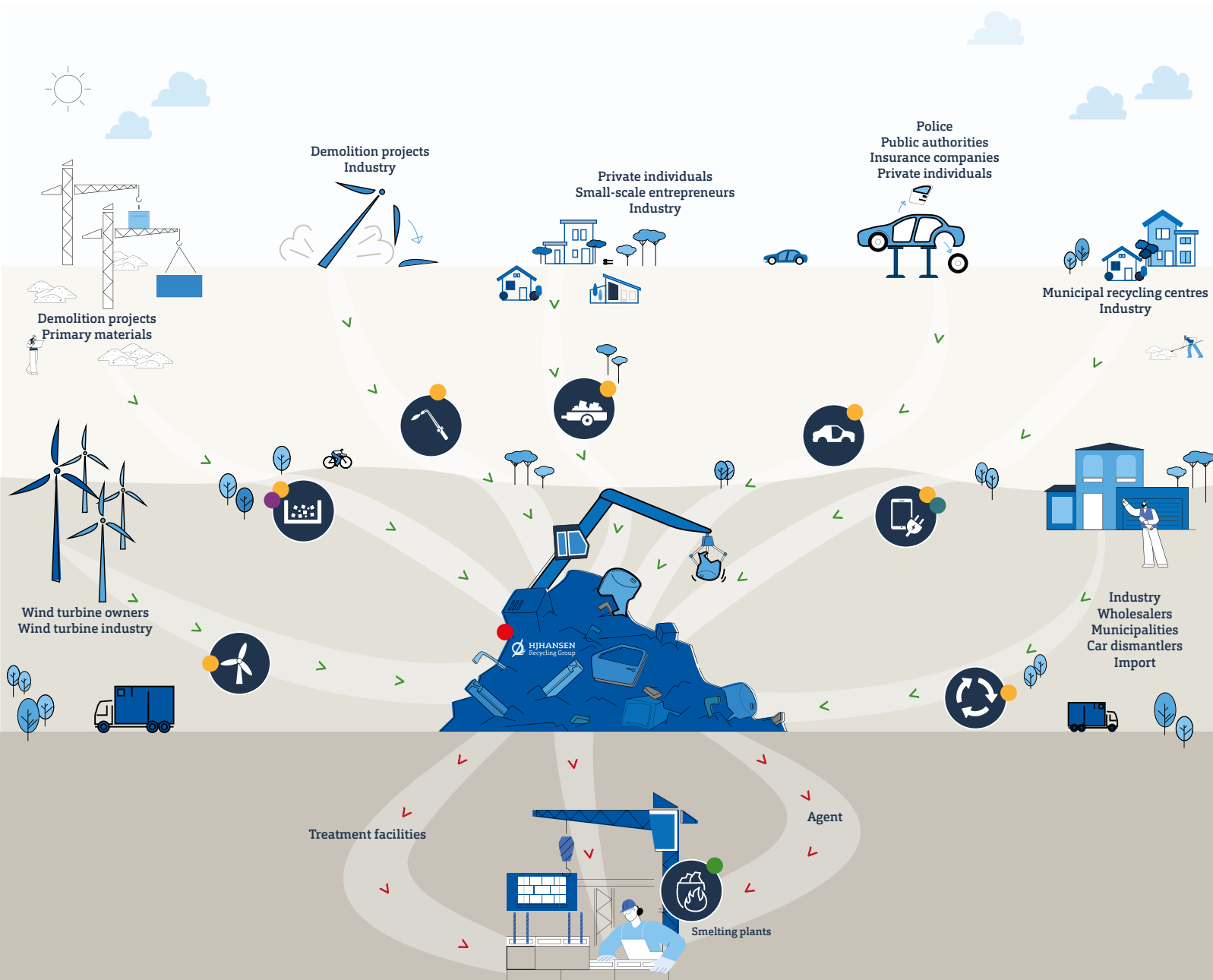
■ [LINK \(CSRD HJHansen Wine-Group\)](#)

On [page 98-99](#), a detailed organisational structure can be found



Photo: Kim Esbjørn-Nielsen from the produktion team in Odense
Photo: Jacob Tinsfeldt Haas

Business Model and Value Chain



HJHansen Recycling Group is one of the largest recycling companies in the Nordics. For over a century, we acted responsibly by treating recyclable raw materials as resources. We cover large parts of Denmark with 29 locations, six partly owned.

We receive materials from a wide range of sources:

- From municipal waste collection or recycling centres.
- From industries where materials are either new residual fractions from production or scrap.
- From the decommissioning of wind turbines to industrial plants.
- From other scrap dealers who receive iron and metal from private individuals, small businesses, or industries.
- From car dismantlers after the cars have been environmentally processed.

We act as an intermediary by purchasing their iron and metal. Subsequently, we shred and/or sort the materials to be supplied as raw materials to smelters for further processing.

We also import iron and metal from Sweden, Norway, and Germany, where the materials are shipped further without being processed at our facilities.

Our team of experts is ready to assist our suppliers, whether they need skilled demolition experts, meticulous car dismantlers, or experienced material specialists.

● One of our key strengths is our advanced shredder facilities, which can process complex materials containing iron and/or metal. Our facilities account for more than half of Denmark's total shredding capacity and process approximately 170 tons per hour, while our refinement facilities sort up to 30 tons of metal and other resources per hour. .

When iron is recycled instead of producing new iron: CO2 emissions are reduced by up to 58 %. Energy use is reduced by up to 72 %. Air pollution is reduced by up to 86 %. Water usage is minimised by up to 40 %. Water pollution is reduced by up to 76 %.

THIS IS WHY WE GIVE RESOURCES NEW LIFE.

● Concrete, asphalt, and other materials from demolished buildings and industries are efficiently recycled. Iron is sent for remelting, while other materials can be reused as substitutes for virgin raw materials, such as base gravel or new cement production.

● We receive discarded electronics, household appliances, and cooling units from recycling centres and industries. We sort out products or components that can be reused and send them to certified repairers, who sell them to private individuals.

● Typically smelters, which produce new iron or metal products, processing companies that further sort raw materials, or traders who buy and sell scrap. After remelting, raw materials re-enter society's material cycle.

About 97 % of our sales are exported to Europe, Turkey, and Asia, while WEEE waste (electronic waste) is exclusively sold within Europe.

↳ Upstream Transport

Materials transported from suppliers in Denmark to one of our facilities are mainly delivered by truck.

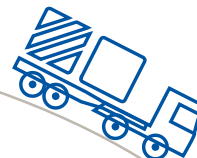
At Skrotspecialisten, private individuals and small businesses bring materials to our sites in private or company vehicles.

Materials we import from Northern Germany, Sweden, and Norway are shipped via coasters.

Most of our internal transportation is by coaster, which is more environmentally friendly than truck transport. Where this is not possible, we use trucks.

↳ Downstream Transport

We use trucks, sea containers, coasters, or deep-sea shipping when transporting materials to our customers. Deep-sea transport is strategically important to us, and we have four locations equipped to ship large loads for remelting.



Learn more
www.hjhansen.dk/skrot-til-soes



* Source: <https://euric.org/images/Brochures/>

CFO ON FINANCIAL RESULTS

2023/2024 was a challenging year for HJHansen Recycling Group, but we still delivered the company's 4th-best result with a pre-tax profit of DKK 50.4 million.

This is particularly impressive considering the challenging market conditions, where volumes declined and competition intensified. Although we did not reach our budgeted profit of DKK 60 million, I am satisfied with the result, which underscores our ability to navigate a complex industry.

Strategic Investments and Financial Discipline

This year, we acquired stakes in two of our strong partners, Vesterbro Produkthandel and BK Gruppen, to strengthen our long-term competitiveness and financial position.

We are a company with significant cash flow, and given the rising interest rates, liquidity has been a key priority this year. Our employees ensured the swift turnover of materials and effective inventory management, contributing to an equity ratio of 37.8 %. This provides a strong financial foundation for future challenges.

Focus on ESG and Future Prospects

This year, we made the necessary investments in production and optimised both administratively and operationally concerning ESG. Based on the preliminary double materiality analysis and our climate target of a 59 % CO₂ reduction in Scope 1 and 2 by 2034, we will allocate additional focus and resources to ESG in the coming year.

The upcoming financial year looks equally challenging, as reflected in our 2024/2025 budget. However, with the new facilities we have added and our efficient management, we expect to maintain a solid level of performance. Good financial discipline and skilled employees position us well to face the future.



CFO
Steffen Simpson Jonassen

Financial Five-Year Overview

	2023/24	2022/23	2021/22	2020/21	2019/20
	DKK 1,000	DKK 1,000	DKK 1,000	DKK 1,000	DKK 1,000
DKK 1,000					
Key Figures					
Revenue	2,739,322	2,851,728	3,674,706	2,41,932	1,328,804
Operating Profit	57,585	82,458	118,527	78,990	14,821
Profit Before Financing	62,677	83,080	121,425	85,135	34,540
Financial Income/Expense	-12,241	-13,402	-14,390	-11,392	-10,390
Profit Before Tax	50,436	69,677	107,035	73,743	24,150
Net Profit	41,814	57,465	97,870	60,080	18,882
Net Profit (Excl. Minority)	41,339	57,465	97,870	60,080	18,882
Balance					
Total Assets	614,329	629,198	570,893	486,108	328,409
Equity	237,302	218,722	201,258	114,342	54,855
Equity (Excl. Minority)	232,386	218,722	201,258	114,342	54,855
Equity Incl. Subordinated Loan Capital	257,386	318,722	301,258	214,342	129,855
Cash Flow					
- Investment in Fixed Assets (Incl. Financial Leasing)	23,550	54,379	29,869	22,780	17,402
- Net Investment in Fixed Assets (Incl. Financial Leasing)	11,915	53,596	24,911	26,850	16,080
Employees (FTE)	206	222	214	198	177
Ratios (%)					
Gross Margin	4.7%	5.4%	5.2%	5.7%	4.5%
Operating Margin	2.3%	2.9%	3.3%	3.5%	2.6%
Return on Assets	10.2%	13.2%	21.3%	17.5%	10.5%
Solvency Ratio	37.8%	34.8%	35.3%	23.5%	16.7%
Return on Equity	18.3%	27.4%	62.0%	71.0%	41.5%
Debt-to-Equity ratio	0.58	-0.07	-0.05	0.53	0.92


*Ratios are prepared according to the guidelines of the Danish Finance Association. For definitions, refer to the accounting principles section. As H.J. Hansen Recycling A/S acquired shares in Skrotsspecialisten A/S on 10 May 2021 and Vesterbro Produkthandel ApS on 10 June 2024, comparative figures may not be entirely comparable. If subordinated loan capital had been classified as equity, the solvency ratio for 2023/24 would have been 41.9%.



SUSTAINABILITY DECLARATION

Introduction to the sustainability topics that are significant for HJHansen Recycling Group

Preliminary Double Materiality Analysis

 In the financial year 2023/2024, we initiated work on our double materiality analysis to identify and understand the most significant impacts, risks, and opportunities. The purpose is to evaluate their likelihood and extent for both people and the environment.

The analysis follows a strategic and thorough method, mapping sustainability-related areas based on the European Sustainability Reporting Standards (ESRS). Preliminary results indicate that all ESRS areas are relevant to us except for one. The areas are categorised on a three-point scale (low, medium, high) based on severity, benefit, and consequence, as well as the likelihood of the identified impacts, risks, or opportunities occurring.

This analysis has helped us identify the focus areas that create the most significant value for people and the environment. In our reporting, we include the impacts currently assessed as having high materiality—both financially and in terms of impact—while continuing to monitor impacts that are not presently considered primary risks. It is important to emphasise that this is still a preliminary assessment, as we are not yet legally required to report according to these standards.

The identified material areas may change if our thresholds are revised. Some areas currently assessed as material may later be classified differently.



Note: The terminology used for the areas has been adapted and harmonised with the ESRS terminology.

E2 ESRS E2

Pollution

Pollution is a significant area for HJHansen Recycling Group, both in our operations and value chain. Our most substantial contributions to pollution include sulfur emissions from ships, trucks, and cars, as well as emissions from smelters, which can contaminate soil, air, and water. A significant portion of our buyers, including smelters, are located outside the EEA, where environmental regulations are often less stringent—particularly concerning handling hazardous waste. We acknowledge the potential negative consequences associated with our activities.

Potential legislative changes and regulations related to pollution, especially emissions into marine environments, pose a significant risk for us. We closely monitor developments from authorities and lawmakers and will take appropriate actions if necessary.

E5 ESRS E5

Resource Utilisation and Circular Economy

Circularity is at the core of our existence. We actively work to move materials higher up the waste hierarchy. Key areas include managing RDF (refuse-derived fuel) and fines (small fractions) for landfills. During this process, otherwise recyclable raw materials may be lost through incineration or landfilling, which can increase the need for virgin material extraction.

Conversely, our recycling activities reduce the need for virgin resources. When possible, we adjust our existing production apparatus or invest in new technology to continuously improve our waste hierarchy positioning.

There is significant growth in the market for Green Steel, particularly in Northern Europe, which presents both an important opportunity and a risk for HJHansen Recycling Group. It creates increased demand for scrap, likely affecting prices and rising competition for volumes, potentially impacting our material flow.

S2 ESRS S2

Employees in the Value Chain

In the industry where we operate, there is a high likelihood of severe issues related to working conditions among partners outside the EEA. These issues include long working hours, inadequate wages, limited opportunities for unionisation, discrimination, and hazardous working environments involving toxic gases, fire risks, and extreme conditions. These challenges require political solutions at national and international levels, which are beyond our direct control. Additionally, we are aware of risks related to child labour and forced labour in some markets where our partners operate. Poverty often drives these risks, which require significant resources and international collaboration to change. Our due diligence efforts for employees in the value chain are based on knowledge from recognised international reports and in-depth analyses.

We aim to ensure good working conditions among our partners by collecting data on them through our Approved Buyer System (ABS). Our partners must sign our Code of Conduct for Business Partners, which sets requirements for working conditions and rejects all forms of child and forced labour. Furthermore, all buyers are audited to ensure they meet our standards. This procedure poses a risk of losing buyer businesses if they do not meet the requirements of our Approved Buyer System.

[Learn more about ABS on page 88](#)

G1 ESRS G1**Business Conduct**

At HJHansen Recycling Group, we have a significant focus on our management systems, employee training, and inclusive company culture through our internal initiative, "We Stand Together", which ensures integration within the company.

We acknowledge that risks may exist in our value chain, especially in countries without access to effective whistleblower schemes or protections. This can limit our ability to identify and address critical issues. The assessment is based on insights from recognised international reports and analyses.

Our greatest risk in business conduct is potential involvement in corruption and bribery, which could result in significant financial losses. However, the likelihood of this is assessed to be low.

*We draw on data and insights from UN reports, World Bank analyses, OECD guidelines, and research from independent NGOs and academic institutions.



Photo: Cable samples in Skive

Identification of Stakeholders

Our double materiality analysis aims to identify where our activities impact people and the environment through the value chain and stakeholders, as well as the financial risks and opportunities this entails for us.

As part of the process, we identified stakeholders affected by our business activities and those who use the information in our annual reporting.

The analysis has uncovered the following key stakeholder groups for HJHansen Recycling Group: employees, other scrap dealers, public institutions, financial institutions, logistics partners, smelters, incineration plants, and industrial companies.

It was not possible to directly and independently involve all stakeholder groups. Therefore, we selected representatives for each group based on a range of criteria, such as their role for us, their expertise in a specific area, their relationship to a particular stakeholder group, and their role in society.

We engaged the representatives through various methods, including interviews, surveys, and site visits. To supplement our understanding of some stakeholders, we also conducted desk research.

Assessment of Impacts, Risks, and Opportunities Related to Sustainability Issues

The sustainability issues in the analysis were primarily identified based on the ESRS 1 standard.

In collaboration with stakeholder group representatives, we identified positive and negative impacts, risks, and opportunities within the relevant areas of ESRS 1. We assessed the impacts based on our direct and indirect influences arising through our business relationships. We evaluated them based on scale, scope, and mitigation possibilities. Risks and opportunities were assessed based on the likelihood of occurrence and their potential economic consequences for HJHansen Recycling Group. Currently, there are no established quantifiable thresholds, so the assessment is based on qualitative estimates.

The assessment of risks and opportunities in the double materiality analysis is, so far, separate from our general risk management process. The qualitative thresholds used in this analysis are not necessarily the same as those applied in our broader risk assessments. This ensures flexibility and the ability to adapt the analysis as more precise methods and data become available.

External Assurance

Our double materiality analysis and materiality matrix have not yet been externally validated. We focus on refining our internal processes and establishing a solid foundation for further development. However, external validation is part of our plans to enhance the credibility and quality of our work.

As our double materiality analysis is preliminary, data, descriptions, risks, and opportunities are not included under the various topics at this stage.



UN Sustainable Development Goals

From SDG to CSRD

Over the past year, we have intensified efforts to integrate CSRD reporting into our processes as part of our ongoing development in sustainability reporting. This includes a preliminary double materiality analysis, which helps us prioritise our focus areas in the future.

In 2021, we set a series of objectives based on a risk assessment of the UN Sustainable Development Goals (SDGs). These goals were a significant driver in initiating our sustainability efforts. As CSRD reporting takes over, the specific SDG targets will become an integrated part of the broader reporting framework.

Therefore, the financial year 2024/2025 marks the last year we will report separately on SDG goals. Moving forward, we will consolidate our efforts and resources around CSRD.

SDG	Target	SDG Description	Focus	Read more
		Adults' participation in adult and continuing education	Number of employees who have undertaken internal and external continuing education.	Education
		Education on sustainable development and global citizenship	Teaching employees about company guidelines through Internal Code of Conduct	Rules of Conduct
		Number of workplace accidents	First aid courses for all employees. Zero workplace accidents, including external staff. Defibrillators at all sites.	Safety Safety
		Development in CO2 emissions from transport	Transitioning from fossil fuel to electric company vehicles.	Electrification
		Minimising landfill, incineration fractions, and sorting fractions	Reducing waste volumes sent to landfill and incineration.	Resource Fractions

Natural Resources


ENVIRONMENT

Initiatives focusing on actions within:

Climate Change
Pollution
Water and Marine Resources
Biodiversity and Ecosystems
Resource Utilisation and Circular Economy

Climate Strategy

Climate Strategy & Goals for CO₂ Reduction

 In the past financial year, we prioritised developing a climate strategy with clear goals for reducing our CO₂ emissions in Scope 1 and 2.

We aim for a 59% CO₂ reduction by 2034, using 2023/24 as the baseline.

Measures to Reduce Fossil Fuel Consumption

To achieve these goals, we will focus on reducing the consumption of fossil fuels in our stationary and mobile machinery. One specific initiative involves minimising idle time for our machines, which will significantly reduce diesel consumption.

The remaining difference between our reduced diesel consumption and the annual reduction targets will be offset using HVO100 biofuel instead of conventional diesel.

Long-Term Plan for Biogenic Emissions and Electrification

We acknowledge that the use of biofuels will increase biogenic emissions, potentially surpassing fossil emissions by 2033. Therefore, starting in 2034, we will focus on reducing biogenic emissions, aiming to eliminate them by 2050 through the exclusive use of renewable energy sources.

Simultaneously, we are closely monitoring developments in electrification and will gradually replace diesel-powered machines with electric alternatives when practical and operationally feasible.

Our final CO₂ reduction plan for Scope 1 and 2 from 2034 to 2050, which will lead to complete climate neutrality, has not yet been developed.

Future Climate Strategy for Scope 3

We expect the climate strategy for Scope 3, including specific reduction targets, to be fully developed by the end of the 2025/26 financial year. This will provide a solid foundation to strengthen our efforts to contribute to a sustainable future.

Mitigating and Adapting to Climate Change

We continuously strive to minimise our negative environmental impact by monitoring and optimising our processes. We are certified under ISO 14001, one of the most recognised international standards for environmental management systems, and we aim to stay ahead of developments.

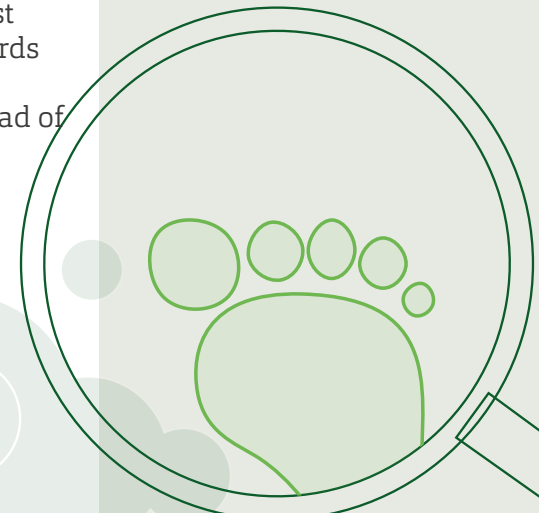
[Read more about our climate and environmental policy on page 48.](#)

We aim for a CO₂ reduction in Scope 1 and 2

59%

by 2034

and climate neutrality by 2050.



Greenhouse Gas Emissions

Development in Greenhouse Gas Emissions

This year, we have continued our electrification journey by transitioning company vehicles to electric and replacing diesel forklifts with electric ones. However, only a few of our other mobile machines can currently be replaced with electric alternatives, as the available electric machinery is not yet capable of handling the demanding work required for scrap handling.

We have observed a reduction in electricity consumption at our shredder in Hadsund due to a different composition of shredder materials compared to the previous year. Simultaneously, we have succeeded in optimising operations at the shredder in Odense, achieving reduced electricity consumption despite processing more tonnes through the facility. Until October 2023, we had operational control of the coaster transporting materials between our port facilities. This operational control ended, and bunker fuel consumption is now part of our Scope 3 – upstream transport emissions. Consequently, we have recalculated all years.

Sources for the applied emission factors can be found in the appendix on page 114.

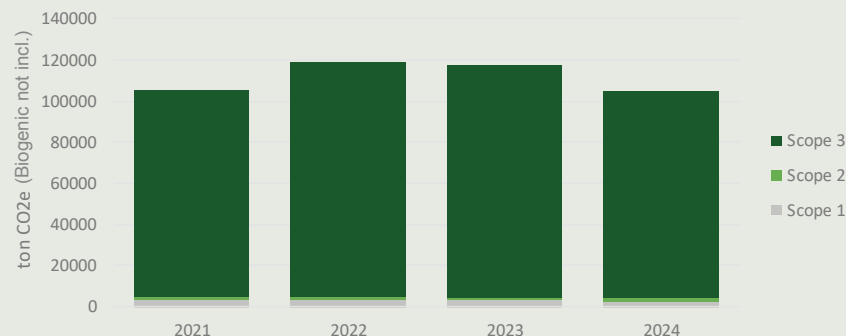
Applied Accounting Practices

The climate accounts are calculated based on the principles of the GHG Protocol. Greenhouse gas emissions are reported as CO₂ equivalents (CO₂e), which account for not only CO₂ but also other greenhouse gases that contribute to atmospheric warming.

We use the operational control method to consolidate our climate accounts, meaning 100% of emissions from subsidiaries and operations under HJHansen Recycling Group are included in our Scope 1, 2, and 3 accounts. There is no difference in organisational boundaries when comparing financial and operational control.

Since our financial year runs from October to September, the emissions factors for 2023 are used for the months from January to September 2024. When the emissions factors for 2024 become available, these will be factors in next year's accounts.

Scope 1 + 2 + 3 Development



Scope 1

Direct emissions from sources we own or control, such as fossil fuel combustion in production, company vehicles, and other machinery.

Scope 2

Emissions from energy consumption, such as electricity and district heating. Our shredders in Odense and Hadsund are electric. Historically, we have not actively chosen to purchase “green electricity” from our provider. In the 2024/25 financial year, we will explore energy solutions to increase the share of “green electricity” in our energy mix.

Scope 3

All other indirect emissions from our activities in the value chain, which we do not own or control, are divided into:

- Upstream: Waste management, transport we pay for, services, etc.
- Downstream: Emissions related to the materials we sell.

■ We have added Category 9 (downstream transport) and recalculated Category 5 (waste from production).

E1-6 table scope 1, 2 og 3

Scope 1	Retrospective Overview				2034*	2050	Annual reduction since baseline year.
	Baseline år2020/21	MRY 2022/23	2023/24	Change Since Baseline			
Gross Scope 1 GHG Emissions (tCO ₂ eq)	3,059	3,366	2,984	-2.44 %			
Percentage of Scope 1 Emissions from Regulated Emission Trading Schemes (%)	0 %	0 %	0 %				
Scope 2							
Gross Location-Based Scope 2 GHG Emissions (tCO ₂ eq)	1,528	1,146	1,010	-33.87 %			
Gross Market-Based Scope 2 GHG Emissions (tCO ₂ eq)	4,501	4,721	4,803	6.70 %			
Percentage of Scope 2 Emissions Associated with Renewable Energy Instruments (%)	0 %	0 %	0 %				
Scope 3							
Total Gross Indirect (Scope 3) GHG Emissions	tCO ₂ eq	tCO ₂ eq	tCO ₂ eq				
1: Purchased Goods and Services	100,851	112,599	100,625	-0.22 %			
2: Capital Goods	4,761	5,174	4,577	-3.86 %			
3: Energy-Related Activities (not in Scope 1 or 2)	1,576	2,496	1,775	12.63 %			
4: Upstream Transport and Distribution	1,715	1,842	1,471	-14.23 %			
5: Waste from Operations	36,476	47,356	37,425	2.60 %			
6: Business Travel	53,292	52,404	51,461	-3.44 %			
7: Employee Commuting	15	36	21	40.00 %			
8: Upstream Leased Assets	222	274	249	12.16 %			
9: Downstream Transport and Distribution	not mapped						
10: Processing of sold products	2,631	2,856	3,499	32.99 %			
11: Use of sold products	not mapped						
12: End-of-life treatment of sold products	not mapped						
13: Downstream Leased Activities	163	161	147	-9.82 %			
14: Franchises	not mapped						
15: Investments	not mapped						
Total GHG Emissions							
Total GHG Emissions (Location-Based)	tCO ₂ eq	tCO ₂ eq	tCO ₂ eq				
Total GHG Emissions (Market-Based)	105,438	117,111	104,620	-0.78 %			
	108,411	120,686	108,412	0.00 %			

* The baseline year will be updated in 2023/24 to reflect the implementation of the Scope 1 and 2

Omitted Emissions

BK Gruppen:

Scope 1 and 2 emissions from our 49% ownership in BK Gruppen under Category 15 "Investments" will be included starting from the 2024/25 financial year.

Vesterbro Produkthandel:

Categories 1 ("Purchased Products") and 2 ("Capital Goods") will be included starting from the 2024/25 financial year.

Real Estate Company Vesterbro Produkthandel:

Energy consumption from this real estate company, derived from our operational control of Vesterbro Produkthandel, will be included starting from the 2024/25 financial year.

Jerngaarden:

Starting in the 2024/25 financial year, we will include emissions from Jerngaarden under Scope 1 and 2 through a 50% ownership in Vesterbro Produkthandel.

CO₂ Intensity per Handled Tonne

Measuring CO₂ intensity based on revenue does not provide an accurate and clear picture of the development in CO₂ emissions relative to HJHansen Recycling Group's activity levels during the reporting period.

Scrap is bought and sold based on global raw material prices. Trade contracts are often indexed, meaning settlement prices follow index developments. This means fixed costs, such as logistics, site costs, administration, and profit margin, remain constant while settlement prices vary.

For scrap quantities purchased outside trade contracts, the sales market still dictates pricing based on the international raw materials market. If prices are low, collecting the scrap might not be profitable, as fixed costs must be covered.

If market prices are less than fixed costs, the flow of materials will decrease.

HJHansen Recycling Group works with both large and small scrap dealers. These dealers have suppliers ranging from industries to private individuals, farmers, and smaller businesses.

Suppose HJHansen Recycling Group's settlement price for scrap is so low that, for example, a farmer has to pay to dispose of old iron (as the scrap dealer still has to cover costs). In that case, the iron will likely remain unused until better market conditions.

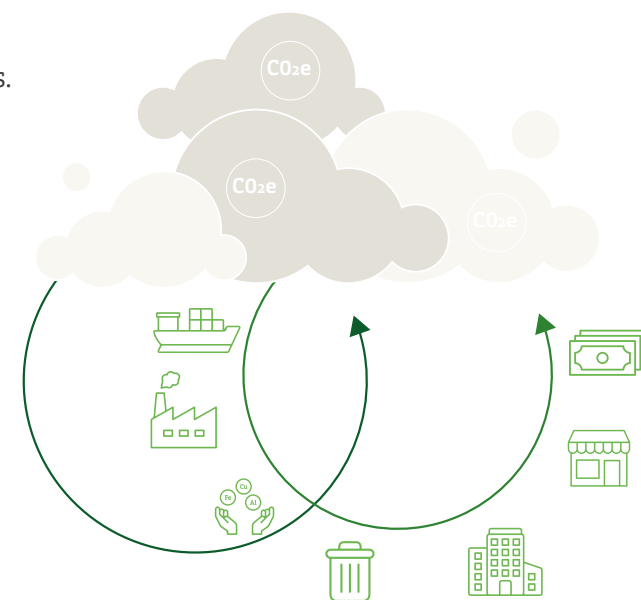
Consequently, revenue figures do not directly reflect our activity level for the year, and intensity based on revenue cannot be compared across years. Handled tonnes provide a more accurate representation of actual activities. See the CO₂ intensity table for details.

ESRS E1-6: Breakdown of Greenhouse Gas Emissions

Following AR 42, as described in ESRS 1, Chapter 3.7, greenhouse gas emissions must be divided appropriately to ensure clarity and transparency in reporting.

Mobile Combustion: Consumption from leased company vehicles, machinery such as cranes at sites, and company-owned trucks.

Stationary Combustion: Consumption from gas and oil heating at locations without district heating.



GHG Intensity Metrics

Metric				
Revenue-Based GHG Intensity (MDKK)	Baseline 2020/21	MRY 2022/23	2023/24	Change Since Baseline
Total GHG Emissions (Location-Based) per Revenue (tCO ₂ eq/MDKK)	43.72	41.07	38.19	-12,63 %
Total GHG Emissions (Market-Based) per Revenue (tCO ₂ eq/MDKK)	44.95	42.32	39.58	-11,95 %

Tonnage (ton)				
Ton-Based GHG Intensity	Baseline 2020/21	MRY 2022/23	2023/24	Change Since Baseline
Total GHG Emissions (Location-Based) per Tonnage (tCO ₂ eq/ton)	0.088	0.095	0.087	-1,30 %
Total GHG Emissions (Market-Based) per Tonnage (tCO ₂ eq/ton)	0.090	0.098	0.090	-0,52 %

Biogenic Emissions				
	Baseline 2020/21	MRY 2022/23	2023/24	Change Since Baseline
Scope 1	211.73	236.78	205.91	-2,75%
Scope 2 (Location-Based)	NA	NA	887.54	
Scope 3	NA	NA	338.91	

Scope 1 + 2 Emissions Breakdown

Scope 1 + 2			Location-Based		Market-Based	
Scope	Category	Unit	Fossil	Biogenic	Fossil	Biogenic
Scope 1	Mobile Combustion	tCO ₂ eq	2974	203	2974	203
Scope 1	Stationary Combustion	tCO ₂ eq	10	3	10	3
Scope 2	Purchased Electricity	tCO ₂ eq	999	861	4792	26
Scope 2	Purchased District Heating	tCO ₂ eq	11	27	11	13
Total		tCO₂eq	3.994	1.094	7.787	245



Energy Consumption and Mix

Applied Accounting Practices

All companies within our organisational boundary operate in High Climate Impact Sectors. To ensure transparency in our energy consumption, a breakdown of the companies' total energy consumption and energy mix is shown on the right. The industry codes are further specified in *The datasheet on page 104*

The proportion of renewable energy (RE) comes from the market-based energy mix for electricity and from biofuels in diesel and petrol blends.

Energy Intensity per Handled Ton

Measuring energy intensity based on revenue is not meaningful, as raw material prices vary independently of activity levels. To provide a clearer picture of our energy consumption, we measure it relative to handled quantities, which reflect our actual operations.

This approach ensures a better comparison of energy consumption with the company's actual activities and performance.

Image: Kristina Bruun from the site at Prøvestenen in Copenhagen.

E1-5: Breakdown of Energy Consumption and Energy Mix

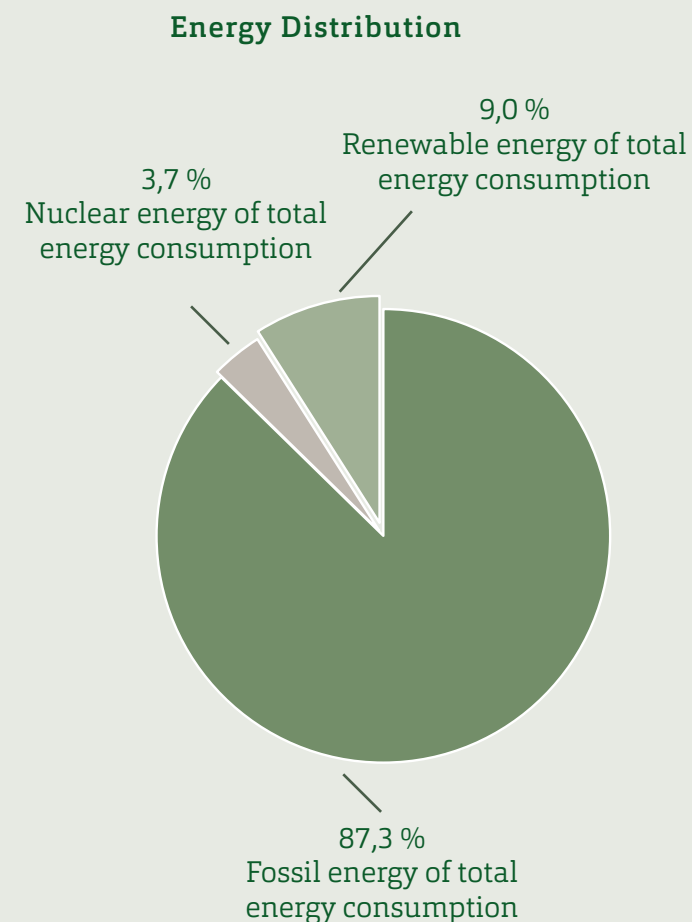
Energy Consumption and Mix (MWh)	2022/23	2023/24	Change
Fuel consumption of coal and coal products	-	-	
Fuel consumption of crude oil and petroleum products	13,634	11,904	-1,730
Fuel consumption of natural gas	56	23	-34
Fuel consumption from other fossil sources	-	-	-
Consumption of electricity, heat, steam, and cooling produced from non-renewable sources	8,777	7,893	-884
Total fossil energy consumption	22,468	19,819	
Share of fossil energy of total energy consumption (%)	87 %	87.3 %	-0.01 %
Energy consumption from nuclear sources	1,042	831	-211.08
Share of nuclear energy of total energy consumption (%)	4.0 %	3.7 %	-0.39 %
Fuel consumption from renewable sources (e.g., biomass)	665	910	245
Consumption of electricity, heat, steam, and cooling from renewable sources	1,551	1,136	-415
Consumption of self-produced renewable energy (non-fuel)	-	-	
Total renewable energy consumption	2,216	2,045	
Share of renewable energy of total energy consumption (%)	9 %	9.0 %	0.40 %
Total energy consumption (MWh)	25,725	22,695	

Energy Intensity by Revenue (excluding internal trade)

Energy Intensity by Revenue (excluding internal trade)	2022/23	2023/24	Change
Total energy consumption for HCIS activities per net revenue from HCIS activities (MWh/MDKK)	9.02	8.29	-8 %

Energy Intensity by Tonnage

Energiintensitet per tonnage	2022/23	2023/24	Change
Total energy consumption for HCIS activities per tonnage from HCIS activities (MWh/ton)	0.021	0.019	-10 %



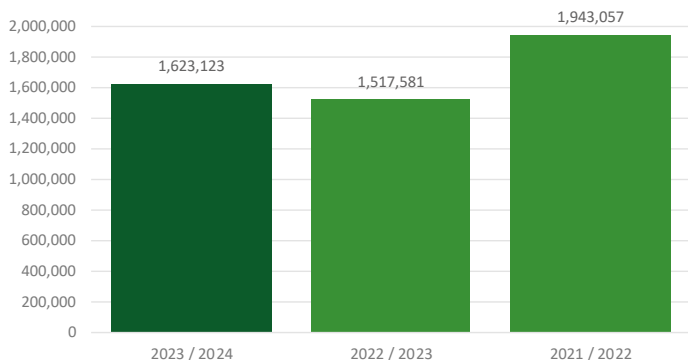


Logistics

The Year in Review

This year has been characterised by increased competition as the total amount of scrap in the market has decreased. During this period, we have gained market share and strengthened our position. This also demonstrates that we have a healthy and efficient supply chain, which is highly competitive and agile. As a result, many customers have chosen us in the past year, leading to more tonnes transported this year than in 2022/2023. We strive to provide excellent and flexible service to our customers daily. In doing so, we aim to remain an attractive partner for them - also in the future.

Transported Materials in Tonnes



Logistics Director
Rasmus Skou Oldenburg

Looking Ahead

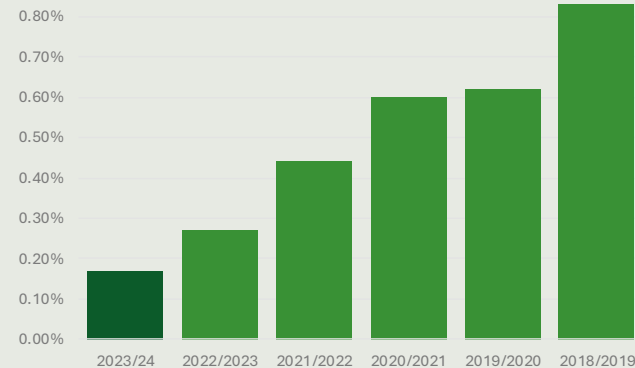
We anticipate a challenging year ahead for both our suppliers and ourselves. The new truck road tax, effective 1 January, will increase truck transport costs. However, many of our facilities are located near ports, allowing us to utilise sea transport and minimise these extra costs for ourselves and our customers.

This provides an opportunity to differentiate ourselves from competitors and maintain a strong market position.

Inefficient Transport



Inefficient transport refers to situations such as failed pick-ups, closed gates, or containers not ready for collection. We have improved again this year, thanks to ongoing close dialogue with customers and drivers.

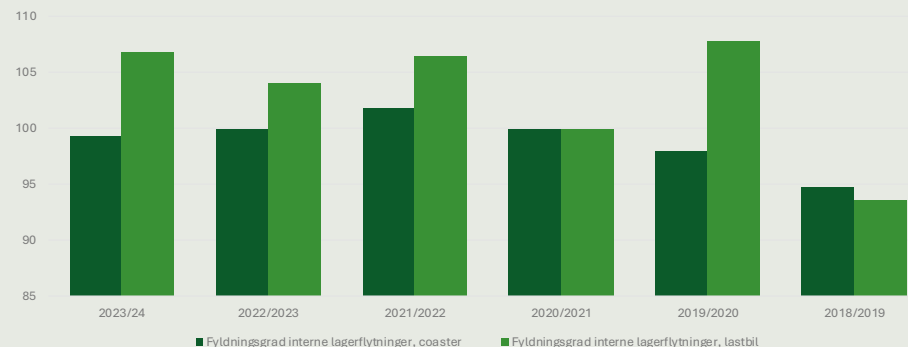


Load Utilisation



When moving goods, we focus on transporting the maximum amount over the shortest possible distance. Our on-site staff, crane operators, and drivers are skilled at optimally loading both trucks and containers, performing commendably every day.

Load utilisation for coasters has slightly decreased this year due to changes in the nature of the goods being transported.



Transport by Land and Sea

Nine of our locations have port facilities. That is a strategic priority for us, as we aim to transport as many materials as possible by sea.

Sea transport has a lower climate impact compared to road transport by truck. Calculations show that if we transported scrap by truck instead of ship between our sites in Aalborg and Odense, the CO₂-equivalent fuel emissions would be 45% higher. [See calculation here.](#)

This year, we transported a smaller percentage of our goods by sea. However, this is not due to a reduced focus on ship transport. Rather, we need to collect scrap where it arises and then choose the optimal mode of transport to complete the task.

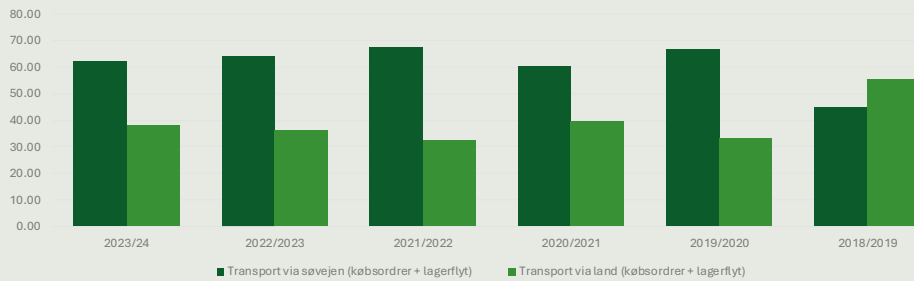


Image: Port facility in Aarhus

Locations

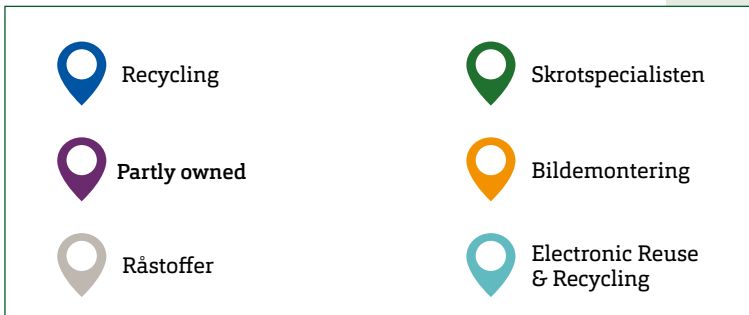
Last financial year, we acquired two new port locations in Aalborg and Køge to expand our logistics setup.

Aalborg

We are progressing with the establishment of the new port location in Aalborg. From the first quarter of 2025, we will be able to ship both shortsea and deepsea, providing greater flexibility in shipping larger loads.

Køge

We will begin establishing the new port location in Køge in 2025 and hope to have it operational by the end of the year. The Køge location will provide another central port facility, supporting a large surrounding area, shortening our transport routes, and expanding our maritime logistics setup.





SDG 9.4

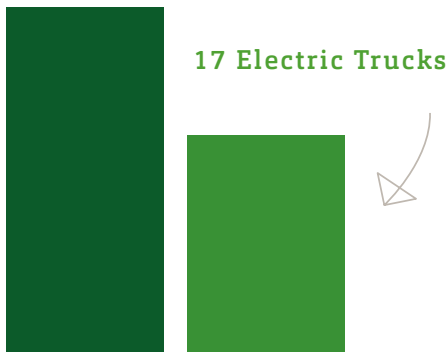
Machine and Vehicle Fleet

Machine Fleet


Our business relies on a robust and durable machine fleet, which we continuously optimise. Based on close monitoring of machine activity, we have invested in seven new machines this year, five of which are used— a conscious choice to promote reuse and reduce resource consumption. At the same time, we sold 11 machines for reuse so they can be used for less demanding tasks elsewhere. Our strategy is to replace machines in a timely manner, maximising their lifespan and recyclability.

We are also actively working to electrify our machine fleet. Currently, we operate 27 diesel-powered trucks and 17 electric trucks, and we aim to increase the share of electric machines where it makes sense.

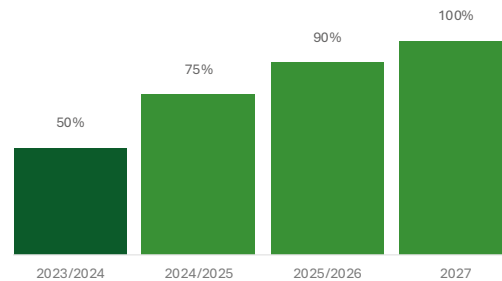
27 Diesel Trucks



Company Vehicles

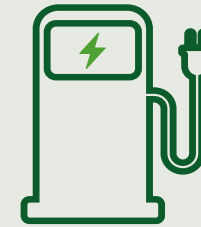
 We are committed to making our vehicle fleet greener. In this financial year, 17 of 35 company vehicles are electric or hybrid models, equivalent to 48%.

Electrification Goals



The transition from petrol and diesel to electric occurs gradually as leasing contracts expire. Our ambition is to reach 100% electric passenger cars by 2027.

This gradual transition ensures we can balance sustainability with practical needs, including the ongoing development of charging infrastructure as our consultants travel long distances. Electrifying the vehicle fleet is essential to our long-term strategy to reduce our CO₂ footprint.



Establishment of Charging Stations

2023 / 2024

Odense, Havnegade 110	12
Taulov	6
Hadsund	2
Aarhus	2

 Expanded from 6 to 12

Next Year's Ambitions

2024 / 2025

Skive	2
Holstebro	2
Aalborg, Lavavej	2



Pollution

Our ISO 14001 certification supports our continuous focus on preventing pollution in our daily work.

We conduct ongoing maintenance of site surfaces, keep certain materials covered, and ensure that our sites have water collection systems to manage large volumes of rainfall during specific periods.

Surface Renovation

This year, we renovated 1,200 m² of surfaces at Aarhus Harbour and 800 m² in the refrigeration department in Odense.

New Noise Barrier

At our Odense site, we replaced 65 metres of older noise barriers with a new wall made of straw, like its predecessor. The biological material reduces noise pollution for our neighbours and creates opportunities to promote biodiversity.



Image: The new straw bale noise barrier at the Odense site.



Water and Marine Environment

Increased Rainfall

To respond to rising water volumes, we have decided to implement more intelligent and prioritised water drainage management at the site Havnegade 110 in Odense.

This ensures that the most critical areas are prioritised, as we do not accept overflow into the canal. We have installed a management system on our four pumping wells, which automatically prioritises drainage in the most vulnerable areas. This will not only future-proof our system and improve water management but also free up time to identify further optimisation opportunities.

Water Treatment Facility in Aarhus

In Aarhus, we have renovated the existing water treatment facility and are continuing to explore which solution best handles wastewater at the site. We expect a new wastewater setup to be ready in the coming financial year.

Reduced Water Consumption

We have significant water consumption at our Odense site, where water is used to cool the shredder and reduce dust from our activities.

In November 2022, we applied to EIT RawMaterials, an EU-funded innovation initiative for green circular economy projects, in collaboration with water purification experts Clearwell. The application project aimed to establish a system for recirculating surface water. Among 82 projects, we advanced to the second round in 2023 but unfortunately did not reach the final eight.

The project with Clearwell provided us with valuable insights into the opportunities and challenges of recirculating surface water. For now, we have decided to stop the project and are exploring alternatives.

Given the large area in Odense and the increasing water volumes we must account for, aligning legislation, economics, and practical solutions is challenging. However, we will continue to explore opportunities to reduce our water consumption.

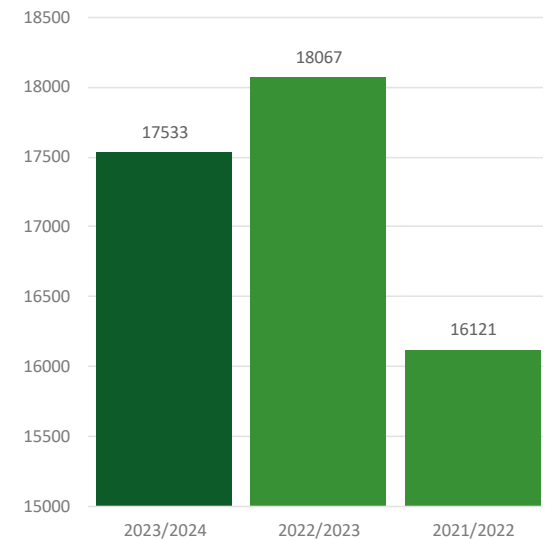
Storm Surge

The effects of climate change on weather patterns became evident during the storm surge in October 2023.

Following the storm surge warning, we prepared at our site in Kolding with sandbags and tarps. However, as water levels rose by 2.3 metres and flooded the entire city centre, it became clear that our measures were insufficient. We accounted for rising water but not the force of the waves and their impact on our safety barriers, ultimately leading to the water breaching them.

We now know that for future storm surges, we need higher and stronger protections against the force of the waves. Additionally, we need to ensure that, in areas with lightweight materials such as municipal iron, these are removed in time, as they could float away with large water volumes.

Nevertheless, we must acknowledge that it is challenging to protect against the extreme conditions experienced during such events fully.



Overview of total water consumption at HJHansen Recycling Group over the past three financial years.



Biodiversity

A Necessary Focus in an Industrial Context

As a company operating in an industry requiring impervious surfaces and heavy operations, we recognise that our activities directly impact biodiversity across our 29 locations. This year, we launched a small biodiversity project to explore how we can create habitats for plants and animals and make a positive difference for nature—even within the framework of our core business.

Wildflower Meadow at Havnegade 110

In the spring of 2023, we established a 1,500 m² wildflower meadow at our Havnegade 110 site. This project has provided us with valuable insights, which we will use to develop policies, strategies, and objectives for addressing biodiversity impacts at the group level.

We Are Part of the Odense Fjord Collaboration

Odense Fjord Collaboration is an organisation of 17 partners that directly or indirectly impact the fjord, including businesses, municipalities, and organisations. The goal is to ensure good ecological conditions for flora and fauna in Odense Fjord by 2027.



Learn more here:

www.odensefjordsamarbejdet.dk

Future Initiatives

In 2025, we aim to take the following actions to promote biodiversity:

- Map green areas across the locations within the H.J. Hansen Group.
- Analyse how biodiversity can be enhanced in these areas while respecting future operations.
- Incorporate biodiversity zones when acquiring new sites for HJHansen Recycling Group.

We acknowledge that genuine biodiversity development requires time and continuous effort, allowing designated areas to develop undisturbed over the long term. Therefore, we will integrate nature considerations into our long-term development and operations strategies.

Image: Wildflower meadow at the Odense site.





Resource Utilisation and Circular Economy

Recyclable materials are valuable resources that require responsible handling. By keeping them within the consumption loop, we reduce the need to extract virgin raw materials. This is one of the most effective and economically responsible methods for promoting sustainable growth with minimal environmental impact.

*The most effective approach, of course, would be if we all consumed less.

At HJHansen Recycling Group, we are dedicated to optimising recycling and ensuring that resources are given new life.



**Source: www.resourcepanel.org/reports/metal-recycling*

Image: Materials at the site on Mineralvej in Aalborg.

Data Centralised in One Place

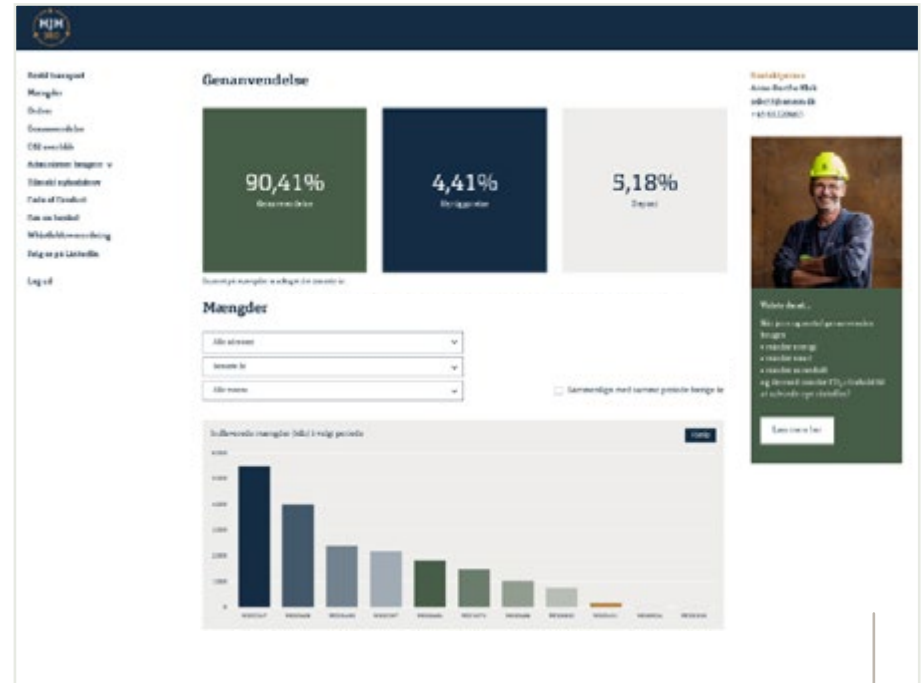
Recycling Percentages in HJH360

We aim to be as transparent as possible about what happens to the materials delivered by our suppliers so they can accurately report waste streams in their Scope 3, Category 5 climate accounts.

This year, we implemented data into our supplier platform, HJH360, which shows how a supplier's delivered quantities are distributed in the waste hierarchy as recycling, recovery, or landfill.

Our goal is to push resources as high as possible up the waste hierarchy. Our inspectors work to minimise sorting errors, such as wood, plastic, and concrete ending up in the wrong streams. This ensures accurate recycling processes.

This year, we documented 3,869 tons of misclassified waste, at least a third of which was soil. Based on the inspectors' efforts, we are collaborating with suppliers to improve recycling outcomes.



Recycling data displayed on the HJH360 platform.



The waste hierarchy is based on an EU directive that outlines how to treat and manage waste to minimise adverse environmental and climate impacts. Higher levels in the hierarchy are better, as waste is often a valuable resource.

Comprehensive Solution

We are experiencing increased demand from the industry to consolidate waste data, making it easier to report on carbon accounting in Scope 3, Category 5. Therefore, this year, we have entered into an agreement with Miljølogistik for a comprehensive solution.

With a comprehensive solution, we can offer companies a unified approach to managing all their waste streams. On HJH360, all their waste data will be consolidated, enabling them to extract all the necessary data for their climate accounts from a single platform.

In addition to data collection, we aim to focus on ensuring optimal recycling for all waste streams through a comprehensive solution. We will engage in dialogue with suppliers about sorting methods and tailor solutions that elevate materials as high as possible within the waste hierarchy.

Data Centralised in One Place



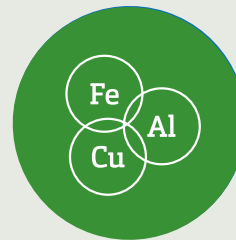
We Review Waste
- Types and
Quantities



We set up
containers
based on needs



We collect on a
fixed schedule
or as needed.



We ensure that the
waste fractions are
managed by experts.



We collect
all waste
data in HJH360



We issue
a single
consolidated
invoice for all
fractions.



Resource Fractions

From Landfill to Energy Recovery

■ This financial year, we aim to introduce an additional sorting process for our landfill fraction, moving materials higher up the waste hierarchy toward energy recovery.

The technology is ready, and we expect to implement the solution in the coming financial year once market opportunities and approvals are finalised.

Robotic Automation

■ This year, we had to pause our project on robotic automation for further sorting of our stainless steel fraction. Challenging market conditions this year forced us to cut R&D efforts.

We hope to resume the project in the next financial year and develop the right solution.

RePURpose – Innovative Plastic Recycling

RePURpose Wins the Plastic Award 2024

We receive around 1,200 refrigerators daily. All refrigerators contain PUR foam due to its excellent insulation properties. Currently, the foam is sent for incineration. However, we aim to move it higher up the waste hierarchy.

Together with a group of researchers, we have developed a method to recycle polyurethane (PUR), and this project won the Plastic Award 2024.

PUR is a widespread plastic that has historically been difficult to recycle efficiently. The new method developed in the project uses chemical recycling, allowing us to extract and reuse the building blocks of polyurethane and polyols, which can be used to produce new PUR material.

The RePURpose Project Partners: Technological Institute, Aarhus University, Dan-Foam ApS, ECCO, LOGSTOR District Heating Solutions, Tinby A/S, PLIXXENT og HJHansen Recycling Group. We are involved due to our extensive experience handling and shredding materials and the significant amounts of PUR continuously processed at our facilities.

The work continues in the PURfection project, focusing on scaling up and commercialising the technology. The Innovation Fund Denmark supports the project. Since 1987, the Plastprisen has been awarded by the Plastindustrien (Danish Plastics Federation) to celebrate extraordinary and commendable achievements in the Danish plastics industry.

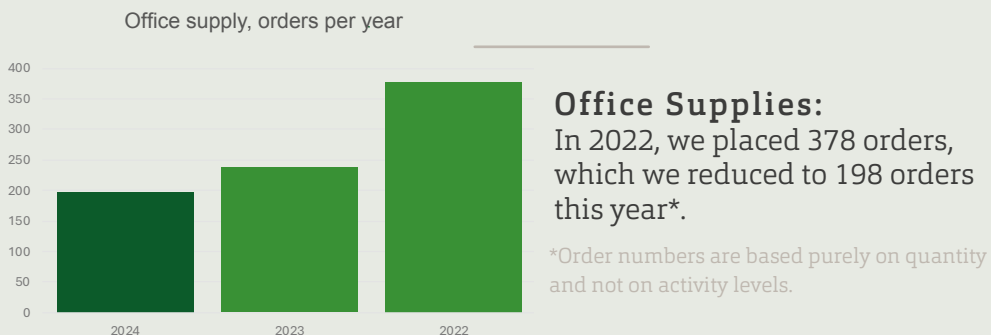
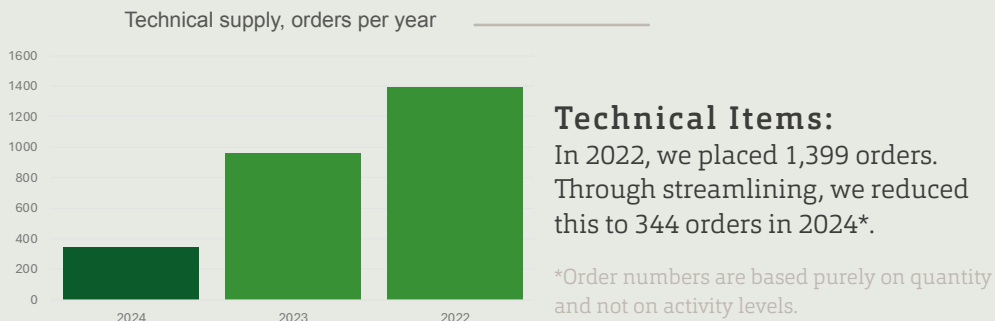


Image: Plastprisen 2024 and Production Direktor Lars Haunstrup

Strategic Procurement

Since October 2021, we have worked systematically to optimise our procurement by taking a more strategic approach to suppliers and consolidating our orders.

These changes have not only reduced administration but also created a more proactive procurement tactic. By anticipating our needs rather than ordering only when stock is depleted, we have achieved fewer but larger deliveries, contributing to a more efficient and sustainable supply chain with less transport and handling.



E

Other Highlights

EcoVadis

Our customers are increasingly demanding documentation of our ESG progress. To meet these requirements and ensure high credibility, we opted for an external evaluation by EcoVadis. This third-party assessment serves as quality assurance of our internal standards and ensures we meet the expectations of our value chain.

From Bronze to Silver – Significant Progress

In April 2024, HJHansen Recycling Group achieved a "Silver" rating from EcoVadis, scoring 66/100, placing us in the top 15% of companies within the Materials Recovery Industry.

This represents a significant improvement from our first assessment in 2023, where we received a "Bronze" rating with a score of 57/100.

We are proud of our substantial progress in just one year, which motivates us to continue improving our ESG efforts.

Ongoing Evaluation for Continuous Improvement

EcoVadis evaluates our ESG efforts each year based on the comprehensive documentation we provide. This process offers valuable insight into where we have made progress and where we can improve.





Image: Key Account Manager for municipalities, Anne-Dorthe Klok, photographed by Jacob Tinsfeldt Haas

Policies

E1 **E2** Environmental Policy

Purpose & Scope

At HJHansen Recycling Group, we are highly conscious of our environmental impact. We have therefore implemented an environmental policy aimed at protecting the climate and environment by preventing pollution and minimising the negative effects of our activities. The policy focuses on continuously improving our environmental performance and establishing specific environmental objectives. Seven of our sites have an environmental management system certified by ISO 14001, which supports our commitment to maintaining high standards for environmental protection. The certification covers procurement, logistics, handling, processing, and sales of recyclable materials and the deconstruction of large structures. Sites not yet certified follow the same guidelines and principles as certified sites, ensuring consistency and efficiency in our environmental practices across HJHansen Recycling Group.

Policy Administration

Our environmental policy is managed through a certified environmental management system that ensures compliance with applicable legislation and other obligations.

We prioritise regular evaluation and improvement of our environmental objectives, and management is committed to allocating the necessary resources to achieve these goals. Our environmental efforts also include emergency plans to manage unexpected incidents with pollution risks and dialogue with relevant stakeholders.

Our QHSE department has updated the environmental policy in collaboration with management, which is also responsible for approving the final version. This ensures that we maintain high standards in environmental protection and improvements.



Learn more about our certifications:
www.hjhansen.dk/certificeringer



Data and Data Description

Climate Accounts

E1-6: Scope 3 Data Types

Significant Scope 3 categories are selected based on their weight relative to the total emissions in Scope 3. The threshold is set at 5% in any calculated year.

Only Category 4 (Upstream Transport) includes primary emissions data. Categories 1 (Purchased Products and Services) and 5 (Waste from Production) have 0% primary emissions data. The percentage is calculated relative to the total emissions from the respective category.

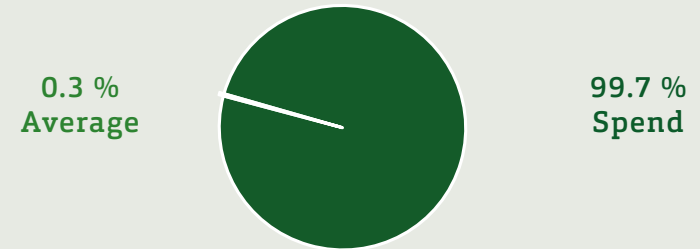
Category	Primary Data
1 Purchased Products and Services	0 %
2 Upstream Transport	8.3 %
3 Waste from Production	0 %

ESRS E1-6: Scope 3 Calculation Methods

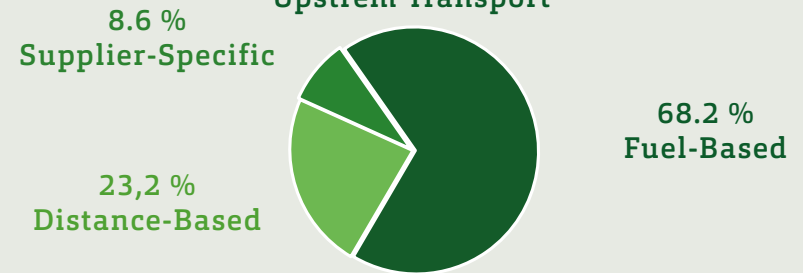
Significant categories in Scope 3 are chosen based on their weight relative to total Scope 3 emissions, with a threshold set at 5% for any calculated year.

Below are the calculation methods for the three most significant categories in Scope 3 for the financial year 2023/24.

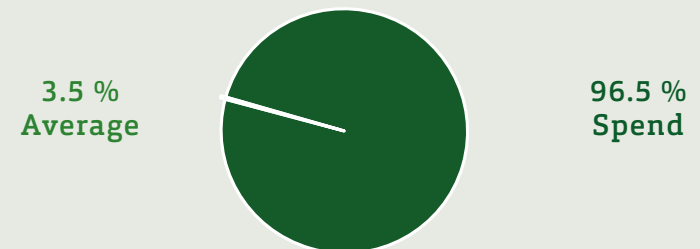
Purchased Products and Services



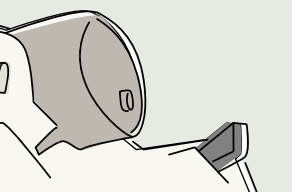
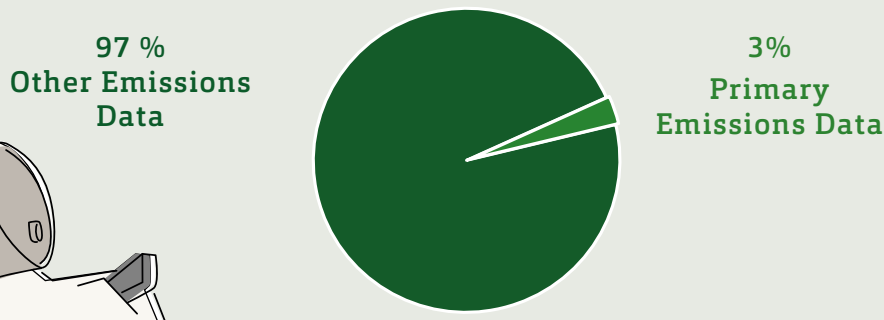
Upstream Transport



Waste from Production



Overall Emissions Data



ESG Data on Environment

Data	Unit	2023/24	2022/2023	2021/2022	2020/2021	2019/2020	Accounting Principle
Water							
Total Water Consumption	m ³	17,533	18,067	16,121	17,233	N/A	All water consumption of drinking water quality from all Danish locations
Logistics							
Total Handled Amount	ton	1,623,123	1,517,581	1,943,057	N/A	N/A	Total handled amount includes all purchased quantities + stock transfers + all sold quantities
Transport by Sea (purchase orders + stock transfers)	%	62.12	64.14	67.56	60.23	66.63	Based on all purchases and stock transfers between our sites
Transport by Land (purchase orders + stock transfers)	%	37.88	35.86	32.44	39.77	33.37	Based on all purchases and stock transfers between our sites
Inefficient Transport	%	0.17	0.27	0.44	0.6	0.62	Number of truck orders divided by failed collections
Load Utilisation for Internal Stock Transfers (Coaster)	index	99.26	99.97	101.79	100	97.99	Load utilisation for coasters is for all stock transfers by coaster
Load Utilisation for Internal Stock Transfers (Truck)	index	106.87	104.11	106.47	100	107.79	Load utilisation for trucks is for all stock transfers by container truck
ISO Certifications							
ISO 14001-Certified Sites	number	7	7	7	7	7	



Image: Copper cables

Human Resources

SOCIAL

Initiatives focusing on action within:

Own Workforce
Workers in the Value Chain
Affected Communities

Image: From left: Technical Project Manager Magnus Ditlevsen, Sustainability Manager Morten B. Andersen, Logistics Trainee Nicklas Rindom, and Technical Manager Emil Bjerg.



Own Employees

We work purposefully to create positive relationships with individuals and organisations, with mutual respect and understanding as the foundation.

At HJHansen Recycling Group, employees are our most important resource. Their well-being, safety, and development are the foundation of our growth and success. We work systematically to create a workplace that embraces individuality and diversity.

Whether employees operate cranes, dismantle cooling circuits, sell metals, or develop Power BI solutions, we are responsible for ensuring they thrive in a safe work environment with good leadership.

We have a clear goal of

ZERO

**workplace
accidents**

**and a dedicated team
focused on safety and the
working environment.**

Image: HR-Manager Henriette Christensen

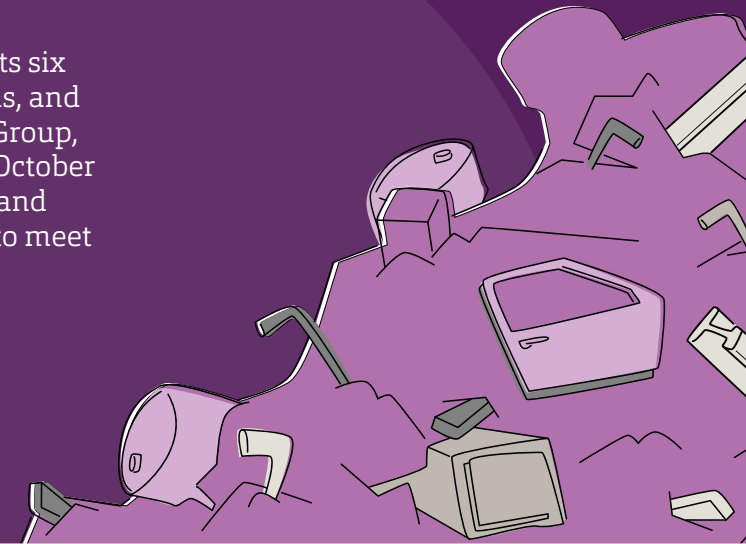


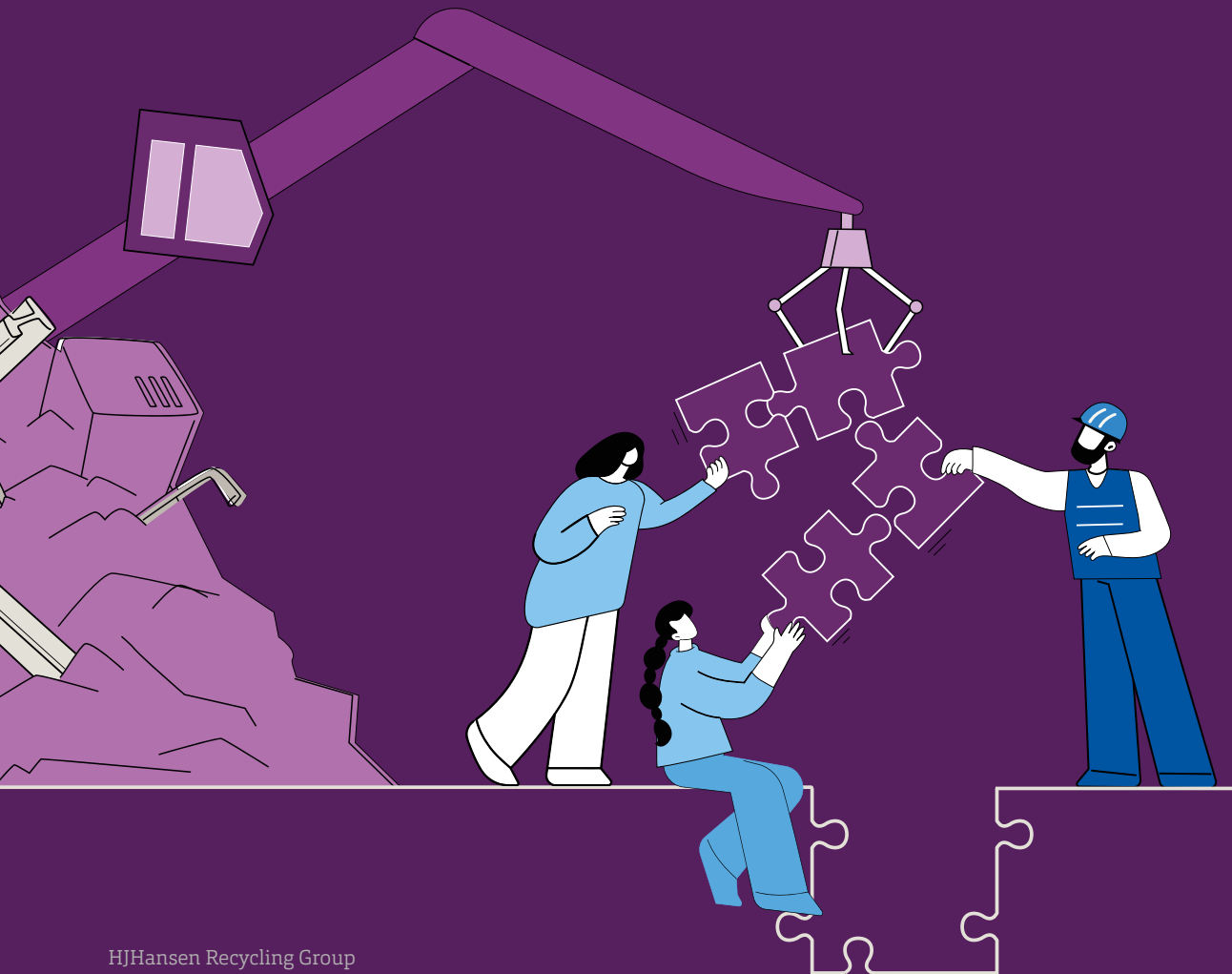
TOGETHER

At HJHansen Recycling Group, we stand TOGETHER.

The Danish word 'SAMMEN', meaning 'TOGETHER,' represents six core values that all employees act upon. We are all role models, and setting a good example spreads like ripples. The H.J. Hansen Group, which we are a part of, will celebrate its 195th anniversary on October 20, 2024. As a result, our company carries many traditions and practices. We embrace these cultures and continuously adapt to meet modern standards and requirements.

See the core values on page 53.





We Stand TOGETHER

Our six core values:

We are:

Safety-conscious

We look after ourselves and each other.

Accountable

We understand that our choices and actions affect the world around us.

Diverse

Each of us has unique skills, and together, they make us stronger.

Goal-oriented

We work purposefully to create solutions for the environment, people, and business.

Engaged

We want to make a difference for each other and the world.

Innovative

We use our curiosity to challenge the status quo.



SDG 8.8

SAMMEN

The First Core Value is Safety-Conscious



We placed particular focus on:



Protective Clothing



Safety Walks



First Aid & Firefighting



Action Cards & Crisis Preparedness



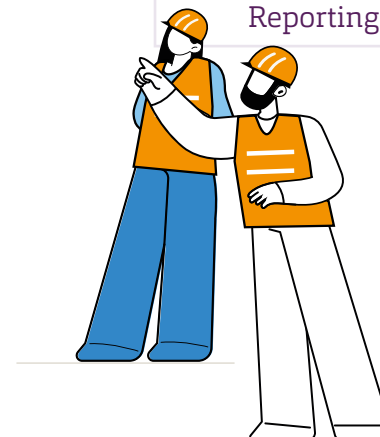
Work Environment



Chemical Management



Deviation Handling & Improved Reporting of Near-Misses



Safety Equipment

We have implemented a new safety equipment platform, ensuring that all employees receive and use the same type of clothing that meets our safety standards.

First Aid, Firefighting & Safety Walks

In the event of an accident, our employees should feel prepared to help alleviate the situation as much as possible. We aim to send 30 employees annually to first aid and firefighting courses. This year, 25 employees attended.

The QHSE department introduces all new employees to our emergency plans. To refresh these instructions, all employees at our headquarters in Odense were offered a safety walk. Here, they reviewed defibrillators, fire extinguishing equipment, and assembly points in case of an emergency. 36 employees participated in the tour. We aim to establish a rotation for safety walks at all our sites to ensure everyone knows where life-saving tools are located.

Action Cards & Crisis Preparedness

In September, we finalised the technical solutions for crisis phone numbers and expect to roll out action cards at the beginning of the next financial year. Next year, we aim to map and implement improved emergency response plans for the entire organisation, including response instructions for external drivers and meeting rooms.

Deviation Handling & Improved Reporting of Near-Misses

The QHSE department aims to create an efficient process for handling deviations related to safety, the environment, or the workplace to prevent recurrence. Last year, we planned to launch an app for reporting deviations via the IPW platform, but due to technical challenges, this was abandoned. Instead, we plan to launch a new interface on IPW next year, making reporting deviations easier.

The new solution will reduce free-text fields and replace them with categorised dropdown menus, simplifying the process and increasing reporting efficiency. This likely will increase reported deviations, providing the QHSE team with a better foundation for acting quickly and effectively.

Chemical Handling

We have worked intensively to standardise chemical handling across all sites, ensuring chemicals are stored and managed uniformly. We use the CHES system, but due to technical issues, we have opted to discontinue the app's implementation and adopt a more manual approach to ensure correct handling.

Road Safety

Many of our employees spend considerable amounts of time on the roads in company vehicles. To enhance their safety, we now offer driving safety courses, allowing them to practice braking distances, handling aquaplaning, and executing complex manoeuvres safely.

Work Environment

We strive to ensure a safe and secure workplace. Despite launching many valuable projects within the QHSE department, unforeseen circumstances have made it challenging to meet all timelines.

Actioncards



SAMMEN

The following core value in "TOGETHER" is **Accountable.**

Our focus is ensuring all employees understand and adhere to our internal Code of Conduct, which is taught via the learning platform Learn with HJHansen.



Implementation of the Code of Conduct

Due to our diverse employee group, implementing the Code of Conduct required a targeted effort. Some employees completed the training via the Learn with HJHansen platform, while others participated in workshops and dialogue sessions. Regardless of the format, all employees were required to verify that they understood the content.

Last year, we set a goal of 98% of employees completing the Code of Conduct training via Learn with HJHansen or workshops by 30/9/2024.

The Code of Conduct was launched mid-financial year, and we are proud to report that 89% of 216 employees completed the training within six months.

While we fell short of our 98% target, partly due to sickness and acquisitions that delayed employee training, we are committed to ensuring the Code of Conduct remains an integral part of our culture.

Moving forward, we will refresh the training annually and adjust our target to maintain a 90% completion rate, reflecting this year's level.

89 % of 216 employees completed the Code of Conduct training.



CASE STUDY

Henrik Sant, workplace safety representative for the sites in Skive and Holstebro, shares his experience implementing the Code of Conduct:

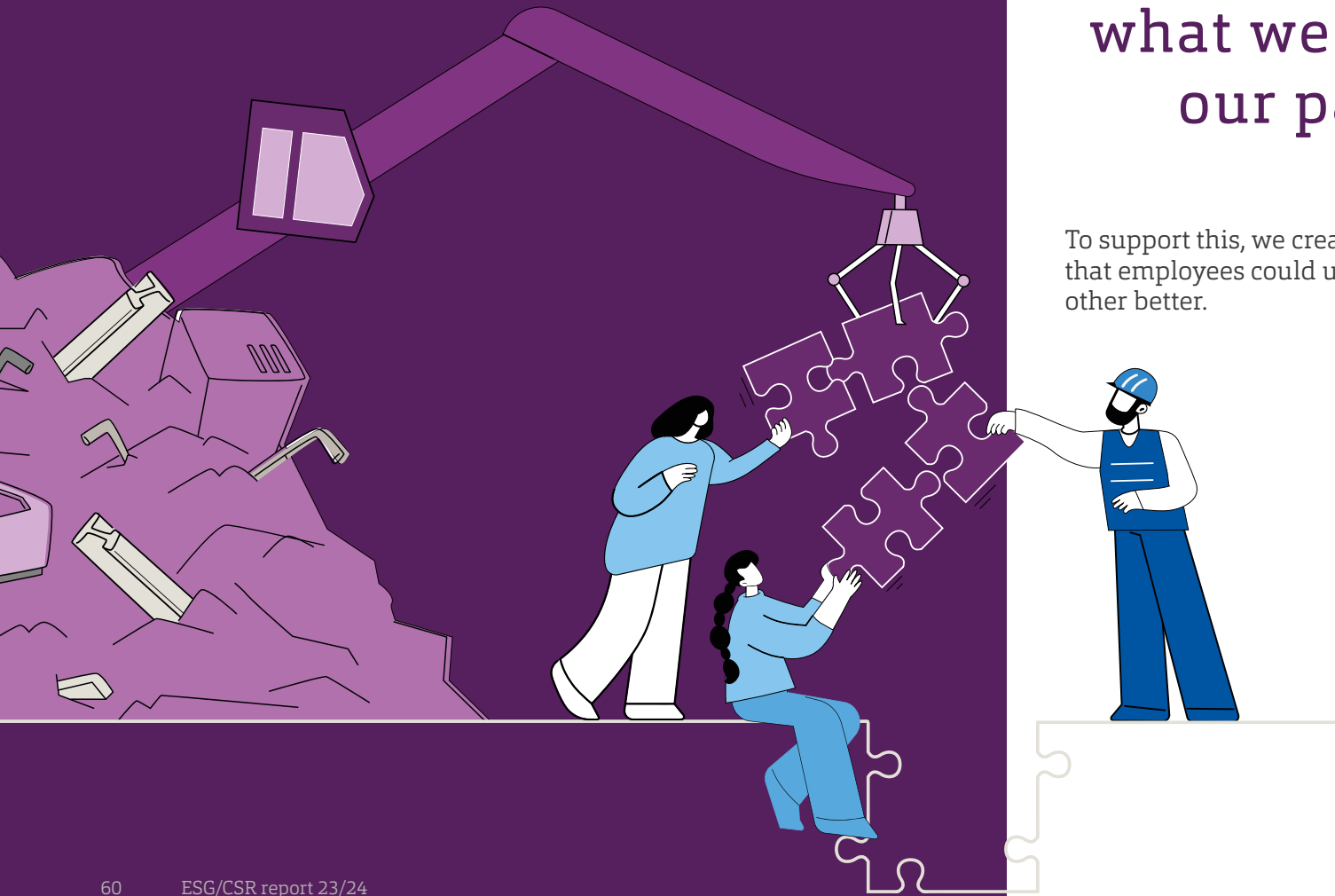
“I have noticed a positive attitude and interest in how we should conduct ourselves both within and outside HJHansen Recycling Group. Some people initially crossed their arms with a ‘What’s the point of this?’ attitude, but that quickly changed once we started.

The Code of Conduct provided a natural entry point for dialogue, and I occasionally heard remarks like, ‘Wow, I didn’t know that.’ It has made us more aware of how to act. For example, here in Skive, we have a classic workshop sense of humour and still take pride in maintaining humour and irony in our daily lives. However, the Code of Conduct prompted us to discuss how we speak to and about each other. I think that’s a healthy development.”

Henrik Sant,
Workplace Safety Representative

SAMMEN

The final core value introduced this financial year under "TOGETHER" was Diverse..



At HJHansen Recycling Group, our workforce represents a broad diversity—for example, in terms of background, nationality, and native language.

Diversity is our strength; the differences go beyond what we can extract from our payroll system.

To support this, we created a set of conversation starters that employees could use during breaks to get to know each other better.



HR Manager
Henriette Christensen

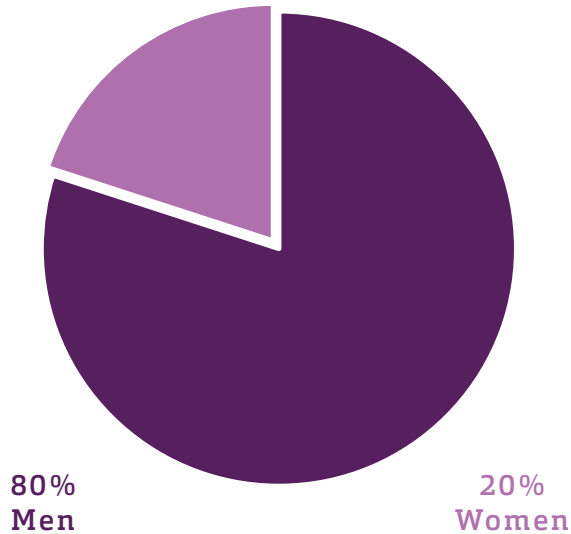
Gender Distribution

We actively work to improve gender diversity within our organisation. This year, the overall gender distribution in the company is 20% women (43 employees) and 80% men (173 employees), which is an improvement from last year, where the distribution was 18% women and 82% men.

Diversity in Recruitment

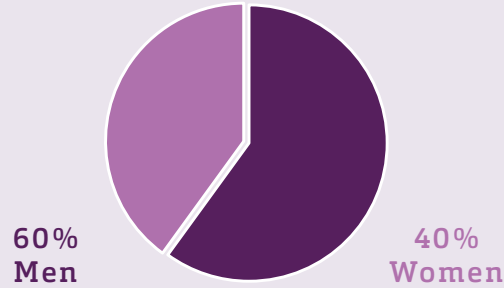
We recognise that gender diversity remains a challenge, particularly in hourly-wage positions. We are working diligently to attract more women, especially in production roles. Diversity is a key focus area when we use recruitment agencies.

Across the Organisation

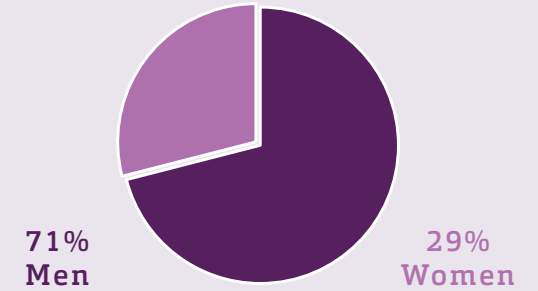


Pie charts visualising gender distribution across

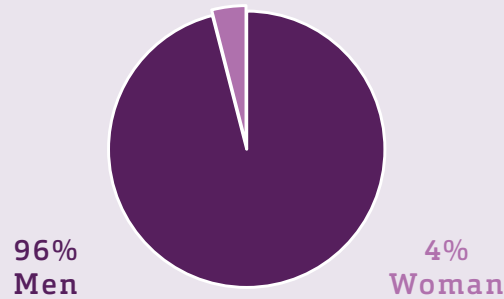
Salaried Employees



Management Layer



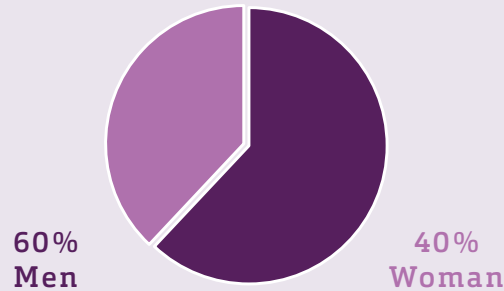
Hourly Employees



Executive Management



Middle Management Group



Board of Directors



Age Distribution

Age diversity is another important dimension for us. The average age of our employees is 47, but we see a positive development: the average age of newly hired employees is now 37.7. This reflects our efforts to attract younger employees while valuing our experienced colleagues with long tenure.

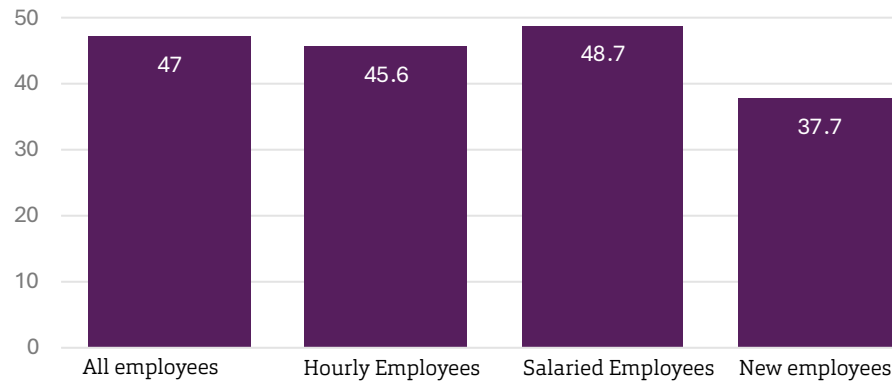
37,7

47

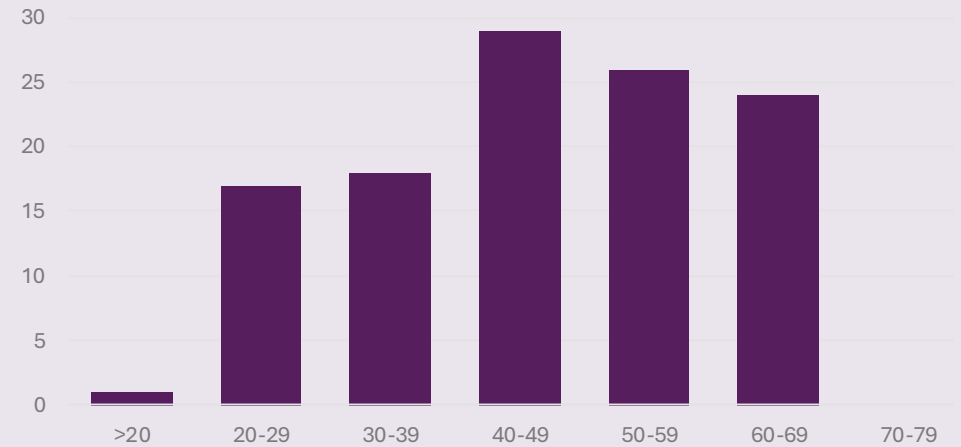
The average age of newly hired employees

The average age of our employees

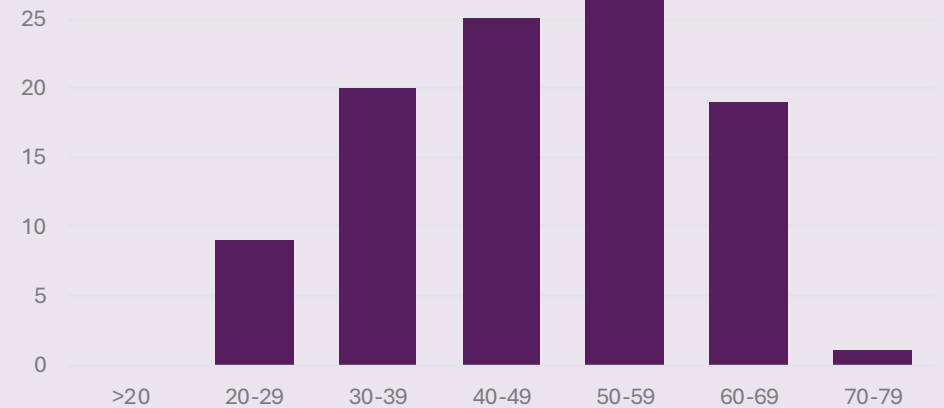
Average Age Statistics



Hourly Employees



Salaried Employees



Senior Programmes and Flexible Jobs

Some of our employees are employed under special conditions, including flexible jobs, job subsidy programmes, and senior schemes.

These employees are valued team members, and we strive to adapt their workdays to their individual needs and competencies.

Apprentices, Student Assistants, and Internships

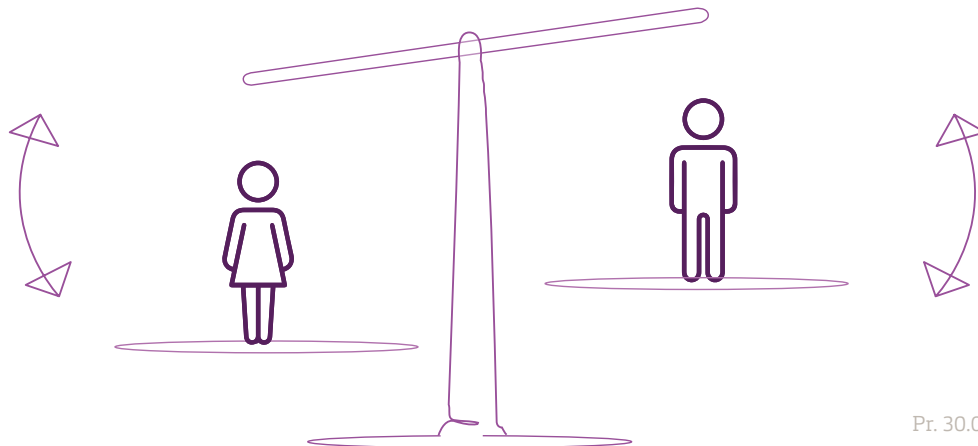
People in education provide fresh perspectives. At the same time, we help support students on their journey to gaining work experience. However, we acknowledge the challenges of fulfilling our apprentice quota and are working to create more capacity within the organisation.

HJHansen Recycling Group. Additionally, we hired a logistics apprentice.

On the internship side, we hosted four students from various educational institutions in internships of varying lengths throughout the year.

In 2023/24, we completed a training programme with a finance apprentice and subsequently hired a new finance apprentice, who is employed by our sister company, Wine-Group, but will also undergo training at

We employed two student assistants this financial year, one in the weighbridge and one in the HR department.



Pr. 30.09.2024

1

Senior Programme Participants

11

Employees in Flexible Jobs, Subsidised Jobs, etc.

4

Interns

2

Apprentices

2

Student Assistants

Finding Your Place in (Work) Life with ADHD

Line Uth Theed is a market consultant at HJHansen Recycling Group, responsible for purchasing iron and metal scrap in Southern Jutland, Funen, and Zealand.

But Line is much more than that. As a mother of three and a former handball player, her life has always been fast-paced. A year ago, she was diagnosed with ADHD—a discovery that explained much and changed her approach to life and work.

In the years leading up to her diagnosis, Line experienced anxiety and constant restlessness. After her mother passed away, she pushed herself to return to work quickly. It was a strategy she had used before—ignoring difficulties and moving forward. But this time, it didn't work.

"I was burnt out, couldn't sleep, and my anxiety became debilitating. I was so stressed, but I just thought it was normal. It wasn't until a conversation with my colleague that I understood how much I was struggling."

Her colleague encouraged her to reach out to her manager, who took her situation seriously and ensured she received the necessary help.

The Diagnosis and Moving Forward

After consultations with a psychiatrist, it became clear: Line had ADHD. The diagnosis didn't come as a surprise but rather as an explanation for a lifelong feeling of not fitting in.

"It made sense—why I always struggled to concentrate in school, why open-plan offices were a challenge, and why I always felt overwhelmed by stimuli."

With the diagnosis came new strategies. Line started using to-do lists, prioritisation tools, and medication to stabilise her energy levels. But adjustments at work were also needed.

Flexibility and Support in Daily Life

Today, Line can tailor her workday to her needs. She works with her door closed to avoid distractions and has the flexibility to work at odd hours, such as when her children are asleep, and she can focus best.

Her manager, Kasper Bay, has played a crucial role: *"I haven't focused much on the fact that she has a diagnosis. For me, it's about seeing the whole person and figuring out what works. But Line*

deserves credit for being so open—without that, I wouldn't have been able to help her. When she has the right conditions, she's an amazing employee and very skilled at her job. It's about focusing on strengths rather than limitations."

Kasper implemented an overview sheet for Line, consolidating all her key information in one place. This has helped her stay organised and focused in a busy workday.

"And it's important to mention that we have a strong support system within the company, including HR, that helped support Line. This was a new situation for us, but it's been valuable to learn from it," Kasper adds.

Breaking Taboos and Building Bridges

For Line, it's not just about making things work for herself. She also wants to break taboos and foster a greater understanding of what it's like to live with ADHD.

"I don't want ADHD to be an excuse. It's an explanation, and it helps us understand each other better. If a workplace is curious and gives employees the right conditions, they can get so much in return."

Although it's still a learning process for Line, she's now more aware of her strengths:

"I adapt quickly. I'm always positive and curious. That makes me good at working with people. And even if I'm not always as structured as others, I have plenty of other qualities."

Line's advice to others in a similar situation is an approach to life that many could benefit from:

"First and foremost, I've accepted my circumstances. It took some time, but it's been crucial for me. I don't dwell on my past or wonder how my life could have been if I'd known what I know about myself now. Instead, I focus on making the adjustments needed to leverage my personal and professional strengths even more."



Line Uth Theed,
Market Consultant

HJHansen Recycling Group

Support for entering the workforce

TRAINING GROUND

In 2023, HJHansen Recycling Group entered a collaboration with Odense Municipality and the Job Centre through the project 'Businesses Show the Way', where we offer various job opportunities.

We call it the Training Ground, where individuals who have been out of the workforce for an extended period can practice the skills they need to maintain a job. During the financial year, we ran three cohorts with seven interns. Three of these—Thim, Enok, and Abel—successfully transitioned into permanent roles within our production teams and are now full-time employees. Additionally, one intern is still on the 'Training Ground'. Our supervisors have done an excellent job training the interns for their tasks and integrating them into the departments, and their colleagues have welcomed them warmly. Supervisors have also assisted with handling practical matters such as setting up wages, banking, and other administrative tasks.

We are proud to participate in this project, collaborate with the authorities, and especially welcome our new employees—Thim, Enok, and Abel—who contribute positively to our daily operations.



The first two cohorts on the Training Ground are Thim Jensen, Enok Thomsen, and Abel Petersen, along with supervisors Jakob Forna, Brian Kuhlmann, and job consultant Vijitha Sambanther.

Equal Pay

We aim for fair and equal pay for all employees, including gender equality. We also sense that we are meeting this goal.

Vi In the 2024/25 financial year, we will adopt an analytical approach by reviewing statistical codes and creating a structure for classifying competencies and tasks for wage determination. Once this is established, it will be integrated with our payroll system to identify any disparities that need to be addressed. This will allow us to transition from relying on assumptions to working with facts.

Anniversaries

We are fortunate to have dedicated and loyal employees.

As of 30/9 2024 our 216 employees have an average seniority of

10,3
years



Anniversaries this year

8

10-Year Anniversaries

5

15-Year Anniversaries

2

20-Year Anniversaries

2

30-Year Anniversaries

Image: Henrik Madsen celebrating his 30th anniversary.

Employee Well-Being

Happy and healthy employees are the foundation of our success.

We strive to create a work environment where every individual feels valued and motivated to perform at their best. Well-being involves mental and physical health, and we constantly work to improve conditions through various initiatives.

Our management system, occupational health and safety organisation, and ongoing dialogue ensure we stay connected to employees' needs and challenges. When life presents difficulties, we are ready to offer support—in a safe and confidential setting.

For us, this is about more than just work-related issues; we see employees as whole individuals, where well-being at work positively impacts the rest of life and vice versa.

To support this, we offer health insurance, access to online medical assistance via the pension company PFA, tools such as Howdy, workplace assessments (APVs), and daily dialogue.



Image: Birthe Ploug, customer service and outbound logistics.

Howdy: A Tool for Early Intervention

Howdy is an innovative, anonymous tool that allows our employees to assess their mental and physical well-being every 14 days.

This helps identify and address challenges before they grow larger.

Through Howdy, employees can quickly access psychologists and physiotherapists for specific advice on improving their well-being. Additionally, managers can receive guidance on how best to support their team members' well-being.

Usage of Howdy:

76% of employees had activated Howdy by 30 September, and 65% responded actively in September, equating to 49.4% of all employees using the platform actively during this period. Our goal was for 75% of all employees to use Howdy actively.

Participation has been mixed. Some employees appreciate the platform, while others choose not to use it.

To boost engagement, we conducted departmental visits to present the platform's features and address employees' questions. Additionally, we used noticeboards and meetings to share statistics and success stories from Howdy, demonstrating the platform's value.

We continue to offer Howdy as a voluntary tool but have decided to remove specific user targets to prioritise quality over quantity.



Scan and watch a video about Howdy:
www.vimeo.com/825782135

22

employees have been offered psychological counselling.



14

employees have utilised the psychological counselling service.

25

employees have been offered physiotherapy advice.

18



employees have chosen to use physiotherapy services.

Employee Well-Being Scores

We continuously monitor employee well-being through daily dialogue, workplace assessments (APV), employee development reviews (MUS), and the Howdy platform.

APV Results: In 2023/24, the APV for salaried employees showed a well-being score of 8.3 on a scale from 1 to 10. Job Satisfaction via Howdy: Howdy monitors overall well-being regularly. Additionally, we introduced quarterly measurements focusing solely on job satisfaction. These quarterly scores were 7.8 in April and 8.0 in July. **MUS Evaluations:** During MUS sessions, employees assess their work-related well-being. In 2023/24, the average score was 8.3 out of 10.

From these various measurements and daily dialogue, we observe generally high levels of well-being, pride, and satisfaction among employees at HJHansen Recycling Group.


8,3

APV Well-Being Score for Salaried Employees

8,3

MUS Well-Being Score

Absenteeism

 In 2023/24, we enhanced our absenteeism tracking, including categorising absence types, to obtain a more detailed and accurate understanding. This has provided valuable insights into employee well-being and absence patterns.

- **Hourly Employees:** Absenteeism remains stable at 5.9%, unchanged from last year. Seven employees experienced severe, prolonged illnesses, with three retiring from the workforce.
- **Salaried Employees:** Absenteeism rose from 2.2% to 3.3%, partially due to a more detailed recording process. Additionally, six employees faced stress-related challenges for various reasons.

We maintain close dialogue with affected employees and work individually to support their return to a well-functioning work environment through tailored solutions and assistance.

[Read about Line Uyh's ADHD journey on page 64.](#)

Moving forward, we will classify absenteeism into more specific categories to provide a nuanced overview. This approach will enable targeted analysis of absence causes and facilitate the development of initiatives that promote workplace well-being and health.

	Own illness	Child illness	Parental leave	Course	Doctor	Accident
2022/23 Hourly	5,96	0,11	0,02	0,29	0,18	0,09
2022/23 Salaried	2,20	0,06	0,20	0,19	0,00	0,00
2023/24 Hourly	5,97	0,13	0,12	0,35	0,14	0,30
2023/24 Salaried	3,31	0,15	0,89	0,68	0,00	0,00



	Paid parental leave	Paid leave of absence	Unpaid parental leave	Unpaid leave of absence
2022/23 Hourly	0,00	0,02	0,00	0,00
2022/23 Salaried	0,197	0,005	0,00	0,00
2023/24 Hourly	0,08	0,03	0,00	0,00
2023/24 Salaried	0,87	0,02	0,00	0,00

Employee Engagement

At HJHansen Recycling Group, we see it as our responsibility to create the right frameworks and systems that support employees' well-being, development, and daily job satisfaction. Employee engagement is a core value for us, and through dialogue and ongoing collaboration, we work to ensure a safe and positive work environment.

Employee Development Reviews (MUS)

Employee Development Reviews (MUS) are an essential part of our management system. They serve as a platform for dialogue, engagement, and growth and are central to ensuring employee well-being and fostering healthy development.

Historically, MUS focused on salaried employees. Starting in the 2024/2025 financial year, we aim for all employees—including hourly workers—to participate in an annual MUS. To ensure a successful implementation, we hired a coordinator this year who introduced the MUS system to hourly employees. Department managers and supervisors were also trained to use our internal MUS templates, which

helped them feel confident when performing Employee Development Reviews.

By the end of the financial year, 70% of all employees (based on a headcount of 216 as of 30 September 2024) had participated in MUS. Several factors affected our ability to reach a higher percentage, including onboarding new employees, acquisitions, absenteeism, management changes, and language barriers. In addition, students, interns, and temporary workers are included in the total employee count, even though MUS does not cover them.

Of those who participated in MUS, 62.5% rated their current well-being on a scale of 1 to 10, with an average score of 8.3.

Image: Sandra P. Andersen, Service Coordinator, and Kenneth Christiansen, Operations Manager.





SDG 4.4

Education

Professional and personal development is essential for all employees.

Society is constantly changing, and it is crucial for individuals to keep up—not only by acquiring new skills but also by learning how to manage change. Managers and employees, together with HR, are responsible for ensuring that the employees and departments have the right competencies to meet current and future tasks.

We have recorded both internal and external training this year to gain insight into the amount of training our personnel undergo.

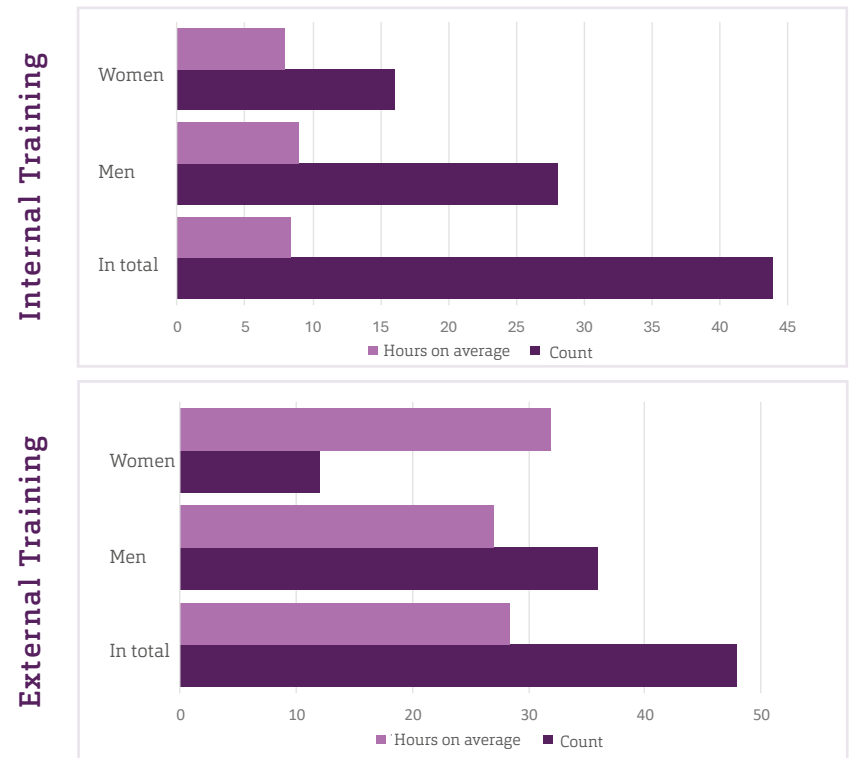


Image: Modules from the "Learn with HJHansen" training

This year, we implemented the "Learn with HJHansen" platform to enhance internal training. Employees are assigned either mandatory or voluntary materials.

This year, we focused particularly on training in the Internal Code of Conduct and GDPR.

Next year, we will introduce learning modules on emergency response plans, as well as inclusion and diversity.

ESG Education

Next year, we will focus particularly on educating our employees about ESG. This will include internal programmes and a tailored education in "Sustainable Business Understanding" at UCL. Managers, middle managers, and a broad range of employees from across the H. J. Hansen Group will be taught:

- Fundamental concepts and abbreviations related to sustainability and green transition.
- Market demands that affect businesses and organisations.
- Tools to select and prioritise ESG initiatives.
- Communication of sustainability initiatives.
- Awareness-raising efforts around sustainability.

This initiative aims to ensure that our employees not only understand what sustainability encompasses but also can translate it into concrete actions in their daily work.

Image:
Marketing and Communications Coordinator Feline Damgaard
and Graphic Designer Tina Dehnfeld.



LEADERSHIP TRAINING

For employees with personnel responsibilities, we aim to equip them with the right tools.

AMU offers leadership training to production supervisors, and we sent three to participate this year. They learned about everything from personal leadership to conflict resolution and returned with practical tools for their daily work.

"My experience with the foundational leadership training is entirely positive. It is a highly personal development programme where I gained several tools to help me with everyday tasks. We are all different, but I acquired tools to work with these differences among colleagues during the training.

It was also fascinating to learn how other companies handle leadership tasks"

- Allan Christensen, Supervisor, Thisted



Allan Christensen, Supervisor, Thisted



Employees in the Value Chain

Human Rights in Our Value Chain

At HJHansen Recycling Group, we work diligently to ensure that all employees in our value chain operate under proper conditions.

Our suppliers are primarily located in the Nordic region and are subject to strict national regulations regarding employment terms. Therefore, we assess the risk of human rights violations in this part of the value chain as low. However, our customers are globally distributed, and we assess the highest risk of human rights violations in countries outside the EEA. This is due to differences in national traditions, legislation, and working conditions.

Reports

ZERO

reports of human rights violations in our operations or the value chain during this financial year.



Auditing

Focus on Workplace Safety and Human Rights

To minimise the risk of human rights violations and ensure a safe working environment, we have established the Approved Buyer System. In this database, we document our customers' approvals and certifications, as well as our visits and audits.

■ Customers within the EEA

Audited either by our product specialists or by third parties.

■ Customers outside the EEA

Audited by an independent third party based on our [*Code of Conduct for Samhandelspartnere*](#).

The audit process, both within and outside the EEA, places significant emphasis on human rights. We require all partners to respect and adhere to the UN Declaration of Human Rights and the ILO conventions on working conditions and workplace rights.

Affected Communities

At HJHansen Recycling Group, we understand that many of our work processes can be noisy and potentially impact the surrounding community. We are highly aware of this and comply with the environmental permits issued by the Danish Environmental Protection Agency and local municipalities. We ensure that our activities are carried out only during approved timeframes and with respect for our neighbours.

Inquiry from a Neighbour

This year, we received an inquiry from a neighbour in Odense who reported an unusual noise from our production. After investigating the issue, we replaced a motor, added insulation to the affected machine, and conducted an additional inspection to ensure the noise levels were not due to a mechanical fault. We significantly reduced the noise levels, and the dialogue with the neighbour was constructive and positive.

Loading at Odense Harbour

We were informed of a complaint against Odense Harbour regarding noise during scrap loading. The complaint pertained to noise caused by the operation of large cranes while loading deep-sea vessels at Lindø. Both Odense Harbour and we have considered the matter. Before each ship operation, a ship meeting will be held with participants from both HJHansen Recycling Group and Odense Harbour. During these meetings, the plan for handling the ship is reviewed to ensure operations are conducted as quietly as possible.



Director of Production Lars Haunstrup



Policies

Own Employees

Internal Code of Conduct

■ Purpose and Scope

HJHansen Recycling Group has an internal Code of Conduct. It sets the framework for how we interact with each other, our partners, the environment, and the surrounding community. They are an integral part of all the decisions we make daily. The internal Code of Conduct covers several aspects of the company's operations and employee behaviour, including working conditions, diversity, harassment, and matters related to child and forced labour. It also supports our commitment to international standards, including the UN Guiding Principles on Business and Human Rights, the ILO's labour standards, and the OECD Guidelines for Multinational Enterprises.

While the current version does not explicitly address all elements of the UN's, ILO's, and OECD's guidelines, they are part of our overarching policies aimed at fostering an inclusive working environment, ensuring compliance with human rights, and preventing discrimination. We continuously work on implementing and improving our policies to meet the requirements and principles highlighted by these international standards.

■ Policy Administration

The HR Manager is responsible for drafting and updating the Internal Code of Conduct, ensuring that the policy reflects our values and complies with applicable legislation and international standards. Senior management approves the final version.

All managers are responsible for integrating the Internal Code of Conduct into their teams and daily activities to ensure it is deeply embedded in the company culture and operations. Employees play a central role in implementing these principles, as their efforts are essential to achieving our goals of responsible behaviour and operations. To ensure ongoing awareness and understanding, all employees undergo annual training in the Internal Code of Conduct through our learning platform, "Learn with HJHansen". This training is designed to promote understanding of our ethical guidelines and strengthen organisational compliance.

If an employee witnesses or experiences anything that conflicts with our values and could negatively impact the company, the environment, or people's lives and health, they are encouraged to report it to a manager, HR, or anonymously via our whistleblower scheme. This ensures that any concerns are handled quickly and responsibly.

Workplace Environment Policy

■ Purpose and Scope

HJHansen Recycling Group's workplace environment policy aims to ensure a healthy and safe working environment for all employees across all departments. The policy focuses on preventing accidents, continuously improving working conditions, and setting specific workplace environment goals. We work systematically with well-being and workplace safety and are certified under ISO 45001 at Odense, Lindø, and Hadsund. Most of our employees work at these sites. The certification covers procurement, logistics, collection, handling, processing of recyclable materials, and dismantling and selling such materials. For sites not certified under ISO 45001, we follow the same guidelines and principles as the certified sites. Although these sites are not formally certified, we apply the same standards and methods to ensure consistency and effectiveness in our workplace environment practices across HJHansen Recycling Group.



■ Policy Administration

Our approach to workplace safety is managed through an integrated management system that ensures compliance with relevant requirements, including legislative and other obligations. We strive to actively involve employees in the process through education, information sharing, and providing influence, supporting our commitment to a safe and healthy working environment. Management is committed to supporting and promoting workplace safety goals and driving continuous improvements.

Our HR Manager, in collaboration with the QHSE department, is responsible for drafting and updating the workplace environment policy. The leadership team approves the final version. Within production and at the sites, the Production Director is responsible for workplace safety. Although the current workplace environment policy does not explicitly reference the UN's, ILO's, or OECD's guidelines or direct measures against human trafficking, forced labour, and child labour, we are committed to adhering to applicable laws and standards, including the requirements of ISO 45001 certification. We recognise the importance of these issues and continuously strive to ensure that our practices support an ethical and fair working environment. These principles are primarily embedded within our internal Code of Conduct, which we constantly improve.

S2 Workers in the Value Chain

Code of Conduct for Business Partners

■ Purpose and Scope

At HJHansen Recycling Group, we consistently work to ensure that all activities in our value chain are conducted with maximum transparency and responsibility concerning the environment, climate, working conditions, human rights, and anti-corruption. Therefore, we expect our business partners to uphold the same high standards and comply with the requirements outlined in our Code of Conduct for Business Partners.

We require all business partners to respect the UN Declaration of Human Rights and the ILO conventions on working conditions and workplace rights. This includes adhering to international standards for working hours, wages, and workplace safety. We do not accept any form of human trafficking, forced labour, or child labour. All business partners must comply with the UN Convention on the Rights of the Child and the ILO conventions. We do not tolerate forced labour or modern slavery, and all employment agreements must be voluntary.

■ Policy Administration

Our business partners must sign our Code of Conduct, which is a central part of the verification process. If a business partner cannot meet our standards or does not have equivalent policies in place, we will not proceed with a partnership. Once signed, the Code of Conduct is stored in our Approved Buyer System.

[Learn more on page 84](#)

Compliance with the guidelines is monitored through second-party audits for our customers within the EEA and third-party audits for those outside the EEA. The prioritisation of third-party audits is based on a risk assessment identifying the most significant potential risk of non-compliance within our value chain. Violations may lead to contract termination.

Our Supply Chain Director, in collaboration with the ESG Compliance department, is responsible for following up on and updating the Code of Conduct. The executive management team approves the final version. The Code of Conduct for Business Partners is distributed to existing and new partners and is publicly available on our website.

Data and Data Description

Data	Unit	2023/ 2024	2022/ 2023	2021/ 2022	2020/ 2021	2019/ 2020	Accounting Principle
Employees							
Total Employees	number	206	223	214	198	177	Based on ATP contributions reported to E-income, divided by DKK 3,408.12, which corresponds to a full-time employee's ATP annual payment
Total Headcount	headcount	216	217	227	223	156	Number of individuals employed on the last day of the financial year.
Hourly Employees	number	120	135	136	135	89	Includes hourly employees in HJHansen Recycling Malmö and China as of September 30.
Salaried Employees	number	96	82	91	88	67	Includes salaried employees in HJHansen Recycling Malmö and China as of September 30.
Employees in Flexible/ Supported Jobs	number	11	12	10	6	6	
Interns in Educational or Job Training	number	3	3	N/A	N/A	N/A	
Apprentices	number	1	1	0	0	0	
Student Assistants	number	2	3	4	4	2	
Senior Programme Participants	number	1	4	2	2	2	
Employee Turnover	%	15,7	22,4	7,5	8,1	8,5	Calculated as employees leaving HJHansen Recycling Group x 100 / Total Employees (ATP method), excluding freelancers.
Gender Distribution							
Entire Organisation	%	19.9	18.4	15.9	31.0	16.1	See accounting principles on the next page.
Hourly Employees	%	4.2	1.5	2.2	0.7	1.1	
Salaried Employees	%	39.6	46.3	36.3	34.1	36.8	
Board Composition							
Total Members	number	4	4	4	4	4	
Men	number	4	4	4	4	4	
Woman	number	0	0	0	0	0	

Ambition for 2024/2025: Include one woman in the board, achieving 20% female representation.

Data	Unit	2023/ 2024	2022/ 2023	2021/ 2022	2020/ 2021	2019/ 2020	Accounting Principle
Executive Management							
Total Number of Executives	number	2	2	2	2	2	Based on the number of individuals as of September 30th, we calculate the percentage representation of the underrepresented gender. This is determined as (individuals of the underrepresented gender/total individuals in the given category) * 100. The data is extracted from our payroll system. For the board of directors, only elected members are included, excluding employee representatives.
Men	number	2	2	2	2	2	
Women	number	0	0	0	0	0	
Total Number of Leaders	number	7	7	7	7	7	"Other personnel with managerial responsibilities" refers to individuals who have managerial responsibilities but are not part of the executive management, leadership team, or middle management group.
Men	number	5	5	5	5	5	
Women	number	2	2	2	2	2	
Total Number of Leaders	number	15	17	17			Since our employees and board members are not obligated to disclose their gender identity to us, the gender distribution is based on the employees' names. Therefore, we cannot guarantee that an individual has not been assigned a gender identity that they do not personally identify with. We acknowledge that this approach is based on a binary gender perspective. However, we have not received any indications from employees of other gender identities. Should this change, we will, of course, adjust and refine our reporting accordingly."
Men	number	10	11	9			
Women	number	6	6	4			
Other Employees with Leadership Roles	number	21					
Men	number	19					
Women	number	2					
Total Employees with Leadership Responsibilities	number	45	26	26	9	9	
Men	number	36					
Women	number	10					
Underrepresented Gender (%)							
Executive Management	pct.	0	0	0	0	0	
Leadership Team	pct.	28.6	28.6	28.6	28.6	28.6	
Middle Management	pct.	40	35.3	23.5			
Other Employees with Leadership Roles	pct.	9.5					
Howdy Data							
Active Howdy Employees	number	142	143	N/A	N/A	N/A	The figure is taken directly from Howdy's 'Insights' on the Manager Portal under 'Active Employees'
Response Rate on Howdy	%	49	45	N/A	N/A	N/A	"Procentdelen regnes fra Howdys ""indsigt"" på Managerportalen - Antal ""svarede""/antal ""brugere"". Antal brugere i howdy pr 30/9 fordelt pr antal personer. Brugerne skal være fastansatte. Her er fratrådte og inaktive ikke medindregnet. "

Data	Unit	2023/ 2024	2022/ 2023	2021/ 2022	2020/ 2021	2019/ 2020	Accounting Principle
Workplace Safety							
Total Accidents	number	16	7	5	5	6	Includes accidents causing absence beyond the day of the incident.
Near-Miss Incidents	number	34	19	N/A	N/A	N/A	Registered in the IPW deviation system.
ISO 45001-Certified Sites	number	3	3	3	3	3	
Absenteeism (Salaried Employees)							
Sick Leave (Salaried Employees)	%	3.31	2.2	2.7	2.04	0.7	Employee absences are extracted from our payroll system. When reporting absences, our employees are required to state the reason for the absence. Starting in 23/24, we have begun creating a more detailed report on employee absences. We have recalculated the data for 22/23 but not for previous financial years.
Child Illness	%	0.15	0.06	N/A	N/A	N/A	
Training	%	0.68	0.19	N/A	N/A	N/A	
Doctor's Visit	%	0.00	0.00	N/A	N/A	N/A	
Accident	%	0.00	0.000	N/A	N/A	N/A	
Maternity and Leave (Combined)	%	0.89	0.20	N/A	N/A	N/A	
Maternity with Pay	%	0.87	0.197	N/A	N/A	N/A	
Leave with Pay	%	0.02	0.005	N/A	N/A	N/A	
Maternity without Pay	%	0.00	0.00	N/A	N/A	N/A	
Leave without Pay	%	0.00	0.00	N/A	N/A	N/A	
Absenteeism (Hourly Employees)							
Sick Leave (Hourly Employees)	%	5.97	5.96	5.4	5.74	3.65	
Child Illness	%	0.13	0.11	N/A	N/A	N/A	
Training	%	0.35	0.29	N/A	N/A	N/A	
Doctor's Visit	%	0.14	0.18	N/A	N/A	N/A	
Accident	%	0.30	0.09	N/A	N/A	N/A	
Maternity and Leave (Combined)	%	0.12	0.02	N/A	N/A	N/A	
Maternity with Pay	%	0.08	0.00	N/A	N/A	N/A	
Leave with Pay	%	0.03	0.02	N/A	N/A	N/A	
Maternity without Pay	%	0.00	0.00	N/A	N/A	N/A	
Leave without Pay	%	0.00	0.00	N/A	N/A	N/A	

Data	Unit	2023/ 2024	2022/ 2023	2021/ 2022	2020/ 2021	2019/ 2020	Accounting Principle
Parental and Family Leave							
Parental Leave (Men)	number	3	N/A	N/A	N/A	N/A	
Parental Leave (Women)	number	1	N/A	N/A	N/A	N/A	
Family Leave	number	2	N/A	N/A	N/A	N/A	
Well-Being Scores							
MUS Well-Being Score	Scale 1-10	8.3	N/A	N/A	N/A	N/A	
Howdy Well-Being Score	Scale 1-10	7.8	N/A	N/A	N/A	N/A	Measured in April.
APV Well-Being Score	Scale 1-11	8.3			8.5		"How satisfied are you with your job as a whole, considering everything?" Scale: 1 (worst) to 10 (best).
Education							
Internal Training							
Total Number of Participants		44					Employees registered for internal training.
Average Hours (All)		8.34					
Total Men		28					
Average Hours (Men)		9					
Total Women		16					
Average Hours (Women)		8					
External Training							
Total Number of Participants		48					Employees registered for external training.
Average Hours (All)		28.34					
Total Men		36					
Average Hours (Men)		27					
Total Women		12					
Average Hours (Women)		32					
Neighbour Complaints							
Number of Complaints	number	1	1	0	5	4	

The company's resources

G

GOVERNANCE

Initiatives focusing on action within:
Corporate Behaviour and Corporate Resources

Governance Structure of HJHansen Recycling Group

HJHansen Recycling A/S (HJHansen Recycling Group) is owned by H.J. Hansen Holding A/S, which is part of JHH Group A/S. Three of four H.J. Hansen Holding A/S board members also serve on the H.J. Hansen Recycling A/S board.

■ The Board of Directors

The board consists of highly experienced individuals in their respective fields, ensuring a wide range of competencies. In collaboration with the executive management, they oversee the company's top-level leadership and strategic direction.

Recognising the rapidly evolving sustainability agenda, external consultants are engaged to shed light on specific areas when necessary.

The board meets at least four times annually, with ESG as a regular agenda item since September 2023.

■ The Executive Management

The executive management is responsible for monitoring the development of the company's strategies, guidelines, and objectives. They also draft policies in collaboration with relevant departments within the leadership team.

The executive management for HJHansen Recycling Group is the same as that of Wine-Group. The board of directors appoints them.

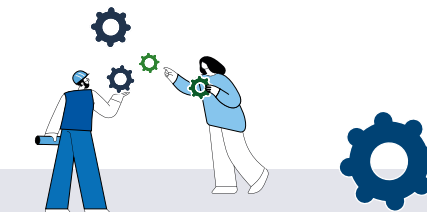
■ The Leadership Team

The leadership team drives sustainable growth and monitors progress toward established goals and policies. They oversee the company's daily operations and cover core management areas, including logistics, supply chain, HR, sales, production, and business development.



Climate Activists

10 members across the entire H.J.Hansen Group.



The Board of Directors

4 elected board members
2 employee representatives

The Executive Management

CEO og CFO

The Leadership Team

7 members

Middle Management Group

14 members

Employees

216 members
(headcount 30.09.24)

■ Middle Management Group

The leadership team appoints the middle management group, which acts as a bridge between top management and employees. Their broad foundation across the organisation ensures that company policies and strategies are implemented correctly at their level.

■ Employees

HJHansen Recycling Group employs 216 people as of 30 September 2024. Two elected employee representatives are on the board: one salaried employee and one hourly employee. Additionally, we have a collaboration committee where employees, through their representatives, can discuss various issues and challenges with management. If the participants agree, decisions can also be made here.

Employees are represented by one elected salaried employee and three union representatives for hourly workers.

ESG Integration

In the 2022/2023 financial year, we integrated ESG into our existing management system to ensure sustainability is anchored within the board, executive management, and leadership team via our CEO, who is a member of all these groups. Strategic sustainability issues are discussed with the board, which will receive regular updates on ESG objectives and considerations.

Leaders in various functional areas are responsible for implementing relevant sustainability goals and initiatives that support the strategy.

Our Sustainability Manager presents updates on ESG efforts at leadership meetings at regular intervals and board meetings as needed. The Sustainability Manager is also a member of the middle management group.

From left: Allan Hjort, Leif Hammer, Allan Christensen, and Rune Widholt during the "Supervisors' Day" in Odense, where quality assurance across sites is taught..



■ Climate Activists

The green transition starts from within, and at H.J. Hansen Group, employees play a central role in driving development forward. In collaboration with Odense Climate Partnership, employees have completed a climate ambassador training programme, which equips them with practical tools to create positive changes in their daily lives. Ten employees have already completed the programme and formed the group Climate Activists—a community dedicated to turning ideas into action through concrete initiatives and projects.

The group's clear ambition is to inspire and involve colleagues throughout the organisation so that sustainability becomes an integral part of the company's culture. The Climate Activists' efforts are characterised by small but impactful initiatives that make it easy for everyone to contribute to the green agenda.



Projects for 2024/25 Include:

- Digital Waste: Focus on reducing printing and increasing the use of links instead of attachments.
- Biodiversity: Development of policies and establishment of green areas.
- Plastic Bags: Investigation of sustainable alternatives for Wine-Group.
- Canteens: Increased use of organic and Fairtrade products and optimisation of services and processes.

The small steps taken by the Climate Activists act like ripples in the water, intended to create more significant and more comprehensive changes over time.

[Learn more about the Odense Climate Partnership in our group report.](#)



The Climate Activists. From left: Linda Inger Nielsen, Feline Damgaard, Freja Juel Schmidt, Ancharly Nadarasa, Josephine Mai Hansen, and Frank Ravn.



The Board of Directors

The board is responsible for ensuring that ESG principles are deeply integrated. Four regular meetings and a strategic seminar were held this year as in-person meetings.

This year, the board addressed several key topics, including:

- Challenging market conditions test the business model and our hedging policy.
- Market consolidation, including the acquisition of 60% and 49% shares in Vesterbro Produkthandel and BK Gruppen, respectively.
- Auditing of value chain buyers and allocation of resources for this purpose.
- Insights into the ongoing double materiality analysis.
- The need for intensified efforts in data processing and generation concerning CSRD.
- Initial discussions on Scope 1 and 2 reduction targets.

Gender Distribution:



Ambition for Gender Diversity

We aim to achieve greater gender diversity on our board. However, this was not realised in the past fiscal year, as the current board was re-elected at the general assembly.

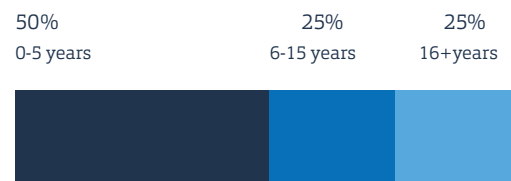
[Learn more about gender diversity efforts on page 78.](#)

Age:

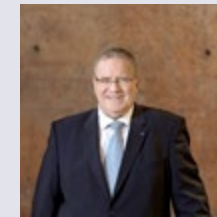


Only members elected at the general assembly are included. Employee representatives consist of one man and one woman. The next election is scheduled for autumn 2026.

Tenure:



Board Composition



Chairman
Christian Pagaard Junker.

Christian Junker was the Group CEO of Danish Agro a.m.b.a from 1987 to 2017. He played a significant role

in building the company into one of Europe's largest agricultural conglomerates, with storage, office, and production facilities in 16 countries.

Christian Junker is also chairman of several Danish companies, leveraging his extensive experience and deep insight into implementing growth strategies.



Vice Chairman
Jens Jørgen Hempel-Hansen

Jens Hempel-Hansen is the sixth-generation owner and CEO of H.J. Hansen Holding A/S.

He has led HJHansen Recycling Group as CEO for several years and now serves as Vice Chairman of the board. Jens Hempel-Hansen positioned H.J. Hansen Holding A/S as one of the founding companies of the Odense Climate Partnership, setting a direction for ambitious CO2 reduction targets across all companies under H.J. Hansen Holding A/S.



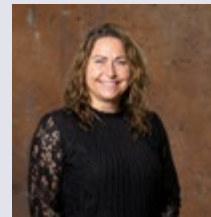
Board Members
Torben Østergaard Nielsen

Founder of Bunker Holding A/S, a world-leading specialist in bunker trading with expertise in purchasing, selling, and delivering fuel and lubricants for ships. Bunker Holding operates across 56 locations in 28 countries. The company complies with requirements such as the EU Taxonomy, as its activities are classified as High Climate Impact. The activities of HJHansen Recycling Group are also in High Climate Impact Sectors.



Mogens Bach Christensen
CEO

Mogens Bach Christensen is the CEO and a member of the executive management team at HJHansen Recycling Group. Through dedication and ongoing professional development, he has been responsible for various commercial areas of the company since 1994. In 2019, he was appointed CEO of HJHansen Recycling Group, and since August 2023, he has also served as CEO of Wine-Group. Mogens Bach Christensen has led the company’s transformation since 2019, including integrating sustainability into its strategy. As the chairman of the executive management, he ensures alignment between the board and leadership in ESG-related matters. He also serves on the board of ARI – Affalds- og Ressourceindustrien - [Waste and Resource Industry](#)



Jeanne Jørgensen
Employee-Elected Representative

Jeanne Jørgensen, aged 48, has been an employee-elected board member for two years. She has been with the company since May 2016 and is a Senior Key Account Manager for other scrap dealers, demolition companies, and car dismantlers in Zealand. Additionally, she is responsible for the Raw Materials business, leading a team of two employees.



John Bentsen
Employee-Elected Representativ

John Bentsen, aged 65, has been an employee-elected board member for approximately 35 years. He has been employed by HJHansen Recycling Group since 1977 as a production worker in the metals department in Odense. John Bentsen has extensive knowledge and expertise in iron and metal qualities and sorting processes. He enjoys strong support from colleagues and, due to his long tenure, has a unique understanding of the company’s history and operations.

*Board remuneration has not yet been weighted in relation to sustainability goals.



Read more about HJHansen Recycling Group: <https://www.hjhansen.dk/gruppen/om-hjhansen/historie/>





Approved Buyer System

The Approved Buyer System (ABS) is our database for collecting and storing customer data, including environmental permits, signed Codes of Conduct, and audits.

ABS was developed in 2022 as an innovative platform to set the market standard for transparency, accountability, and circular economy.

This year, we established a Due Diligence Committee comprising the Chief Commercial Officer, the Director of Logistics and Supply Chain, and the Sustainability Manager. The committee is responsible for driving ABS's progress and development. This year's key decision was to make our Code of Conduct for Business Partners version-controlled, so updated signatures are only required when new versions are released.



Image: The Due Diligence Committee: Commercial Director, Ditte Leu Johannesen, Director of Logistics and Supply Chain, Rasmus Oldenburg and Sustainability Manager, Morten B. Andersen

ABS in the EEA

We work closely with our customers within the EEA, ensuring through audits that their practices meet our workplace safety and human rights requirements.

Within the EEA, we collaborate with several large customers who, instead of signing our Code of Conduct for Business Partners, have provided their own codes for us to sign.

In such cases, the Due Diligence Committee evaluates any discrepancies between the two codes and determines whether the customer's Code of Conduct can replace ours.

This year, there have been no cases where a customer's submitted Code of Conduct could not replace ours.

In September 2024, we launched an app that our product managers can use for second-party audits of our customers. The app requires them to take photos and document workplace safety and human rights conditions at the respective companies.

We handle these audits ourselves because the EEA already has extensive laws and regulations ensuring high standards. Based on this, we have assessed EEA partners as low risk for violations of our ABS requirements. Customers within the EEA who are ISO-certified in management, environment, and workplace safety are generally not audited by us, as they undergo third-party audits through their certifications. Upon expiration of an ISO certification, we request new documentation from the customer. If recertification is not obtained, a product manager audit will be initiated.


Auditeringsmålsætning

We aim to complete audits for all EEA customers by the end of 2025. After that, they will be audited every three years.

ABS Outside the EEA

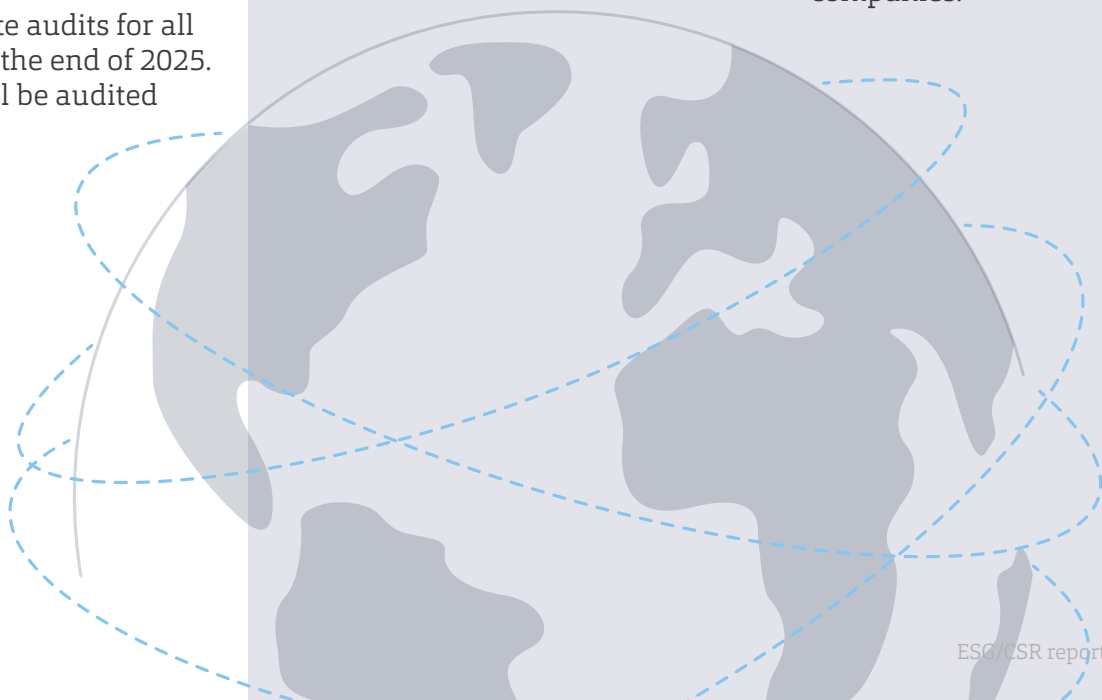
This year, we conducted two audits with partners in Pakistan in collaboration with the independent auditing agency Baltic Control.

We have developed a prioritised schedule for auditing based on risk assessments of customer countries and tonnages.

 We aim for all customers outside the EEA to be audited by the end of the 2026/2027 financial year.

The two audits in Pakistan confirmed that the partners complied with our environmental, management, and workplace safety requirements. However, it was noted that some formalised written procedures were lacking. When we collect data from additional audits, we will create a risk classification of customer companies.

When our product managers visit partners outside the EEA, they also conduct second-party audits focusing on workplace safety and human rights. These audits do not replace third-party audits by Baltic Control but provide deeper insights into our partner companies.





Transparent Business Practices



Whistleblower Scheme

We take violations of the law, our Code of Conduct for Business Partners, or Internal Code of Conduct seriously. To ensure timely action, we encourage employees, individuals in our value chain, and external parties to use our whistleblower scheme.

Anyone can anonymously report specific incidents or suspicions related to our company or value chain through this platform.

The whistleblower scheme is available on our website in 15 languages.

We received

ZERO

reports through the whistleblower scheme this year.



Economic Crime

Scrap is a valuable resource, but it also makes the industry vulnerable to embezzlement, fencing, and money laundering. Our internal code of conduct clearly states our policy against corruption and money laundering. It includes zero tolerance for unethical behaviour, such as bribery and improper gifts, and provides clear guidelines for proper registration and handling.

Key Focus Areas This Year:

All employees have completed annual training on the Internal Code of Conduct. Targeted meetings have been held with site managers to review anti-money laundering regulations, and ongoing support is provided for questions and uncertainties.

Employees guide customers to use bank transfers at sites where cash transactions are handled. "Stop-gaps" have been established in our financial system to ensure compliance with the law.

The industry collaborates through a reporting system under the Recycling Industry in the Danish Chamber of Commerce, which allows for reporting suspicious activities, such as stolen materials.

This collaboration ensures heightened awareness among stakeholders if similar materials are attempted to be handed in elsewhere.

Future Initiatives

We continuously monitor incoming deliveries and trust that our employees act with care and sound judgment. We are aware of the challenges related to materials that can change form—such as stripped cables—and strive to minimise the risk of receiving stolen goods.




Learn more about our Whistleblower Scheme:
www.hjhansen.dk/whistleblower/



IT Security

IT security is critical for HJHansen Recycling Group. Employees are trained to reduce the risk of the company being targeted by cybercrime. Continuous training focuses on improving IT behaviour to minimise risks, as all employees represent potential vulnerabilities.

Our IT training program enhances awareness about phishing, online security, GDPR compliance, physical security, data protection, and the importance of strong passwords.

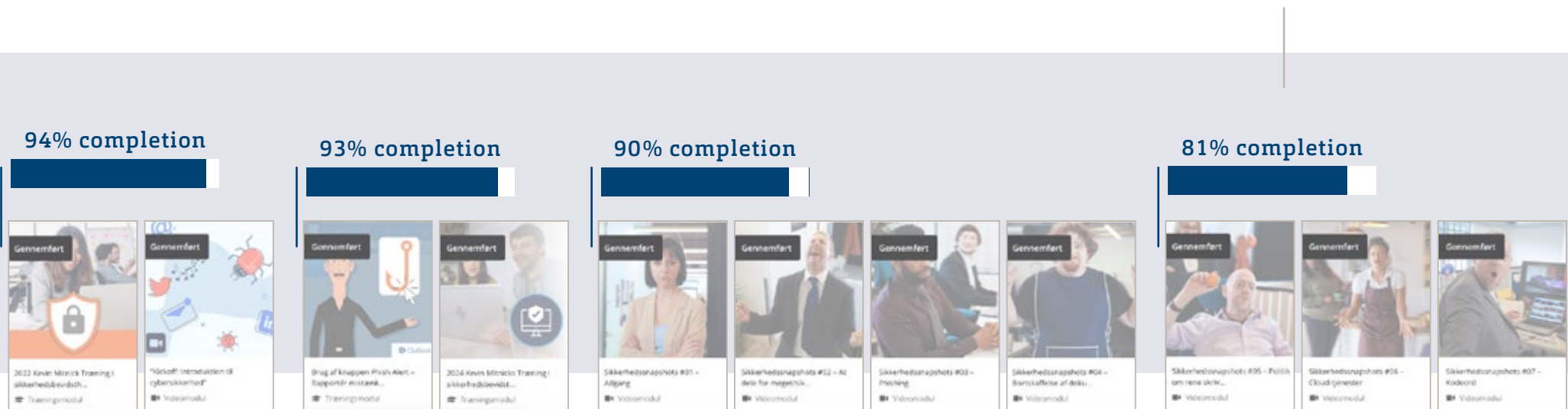
 We aim for 98% of assigned employees to complete the designated training modules. While we achieved a high completion rate this year, the goal was not fully met due to leadership transitions within the IT department. Essential operations were prioritised during this period, but with the new leadership, we anticipate increased focus in the future.

This year, the IT department focused on:
 Network Segmentation: Implemented additional firewalls at central locations and set up segmentation within the MPLS network.
 Secure Access: Network and online applications are protected by two-factor authentication.
 Future Developments: Planning expanded access control (NAC) and implementing Zero

Trust Security. NIS2 Compliance: Significant efforts are underway to meet NIS2 readiness requirements.

AI tools like CoPilot and ChatGPT will increasingly influence the company's operations. The IT department has begun drafting policies and implementation plans for AI, including training employees to utilise these tools effectively.

Completion Rates for IT Training Modules:



Data and Data Description

Data	Unit	2023/24	2022/2023	2021/2022	2020/2021	2019/2020	Accounting Principle
EcoVadis							
EcoVadis rating	rating	Silver	Bronze	N/A	N/A	N/A	
EcoVadis score	score	66/100	57/100	N/A	N/A	N/A	
Whistleblower System							
Number of Reports to Whistleblower System	count	0	0	N/A	N/A	N/A	Reports are received as of 12/10/2024 from attorney Christian Geertsen.
Resolved Whistleblower Reports	count	0	0	N/A	N/A	N/A	Reports are received as of 12/10/2024 from attorney Christian Geertsen.
Confirmed Incidents of Corruption or Bribery							
Confirmed Corruption Incidents	count	0	0	N/A	N/A	N/A	
Confirmed Bribery Incidents	count	0	0	N/A	N/A	N/A	
Number of Allegations and Fines for Anti-Corruption Violations against HJHR	count	0	0	N/A	N/A	N/A	
Confirmed Incidents with Employees Fired or Disciplined for Corruption or Bribery	count	0	1	N/A	N/A	N/A	
Confirmed Incidents Related to Contracts Cancelled or Not Renewed Due to Corruption or Bribery	count	0	1	N/A	N/A	N/A	
ISO Certifications							
ISO 9001-Certified Sites	count	3	3	3	3	3	
IT							
Confirmed Breaches of Information Security	count	0	0	0	0	0	

ELECTRONIC Reuse & Recycling



Electronic Reuse and Recycling is a collaboration between HJHansen Recycling Group and Elretur, with a shareholding distribution of 49% and 51%, respectively.

In Electronic Reuse and Recycling, we extract discarded electronics from the waste stream for reuse.

In Electronic Reuse and Recycling, we extract discarded electronics from the waste stream for reuse.

Devices and components that cannot be reused are sent for recycling to incorporate the resources into the production of new products. This approach reduces energy consumption and the need to extract new raw materials, regardless of whether the products are made from recycled or virgin materials. In this way, we actively contribute to Denmark's goals of promoting a strong circular economy.

We have sorted

63,3 tons

of small and medium-sized electronics for reuse this year.

Our technicians are satisfied with the quality and have found good product sales opportunities.

Household Appliances and Cooling Units

Household appliances and cooling units are primarily delivered to HJHansen Recycling Group's facility in Odense. Here, we process the delivered materials. One person has demonstrated the potential to handle 1,000 units per month.

Based on this potential, we have increased staffing for the coming financial year and expect to sort up to four times as many devices as this year.

This year, we sorted

440 tons

including 4,660 cooling units and 1,795 household appliances

📌 This year, we planned to establish a First Treatment facility at our site in Middelfart to automate processes and increase sorting for more fractions.

However, the project was reassessed because the physical conditions at the current site do not meet our future requirements. Therefore, we focused on mapping our needs and initiating dialogue with new potential locations. We expect to finalise an agreement in early 2025 and have the First Treatment facility ready by the end of 2025.

Image: Grzegorz Swierski inspects delivered household appliances to assess their reuse potential.



CASESTORY

At Electronic Reuse and Recycling, many elements in the materials we receive can be reused. This includes designer lamps from Kähler, which we separate and send to dealers who refurbish and resell as second-hand items.

We have sorted

724 kg

designer lamps

equivalent to approximately.

1.400 lamps.



Image: A Kähler lamp separated for reuse.



APPENDIX

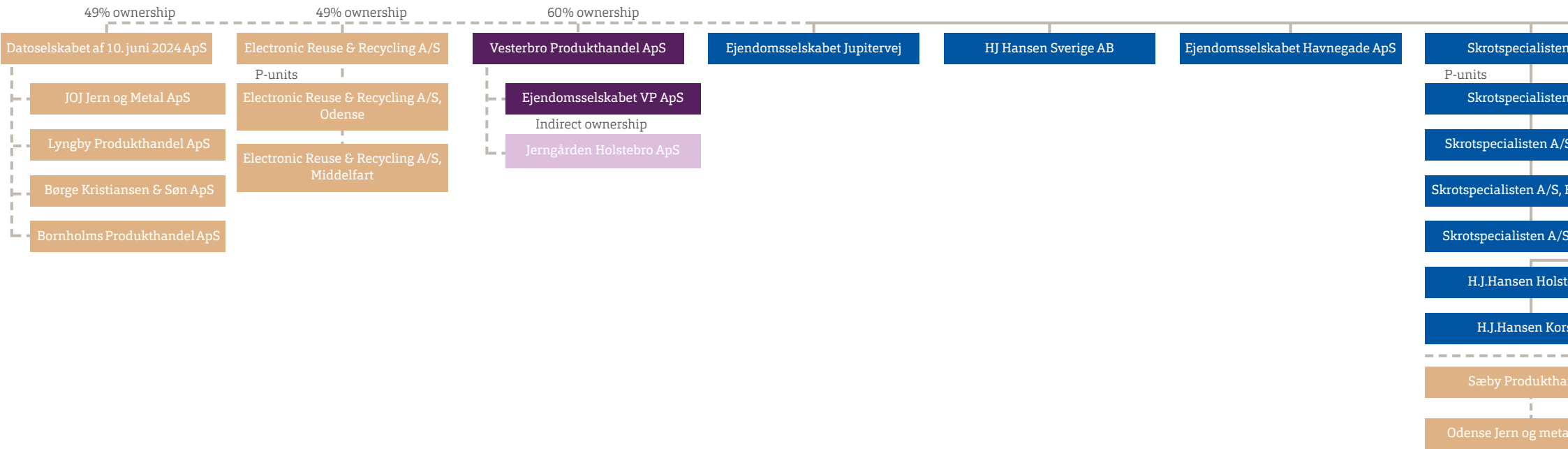
Image: From left: Torben Jensen, Ulrik Brøndsted, Jan Hansen, Paw Bastrup, Jeppe Kjeldal, and above them, Magnus Olstad.

Appendix Contents



Organisational Diagram of the Group	98
ESRS E1-6: Disclosure of Scope 3 categories included and excluded, with justifications for the excluded categories	103
GHG Intensity per Handled Ton (Reference: ESRS E1-6 AR54)	104
Checklist for Reporting on E1-5 and E1-6	105
Emission Factors	114

Organisationsdiagram Koncern



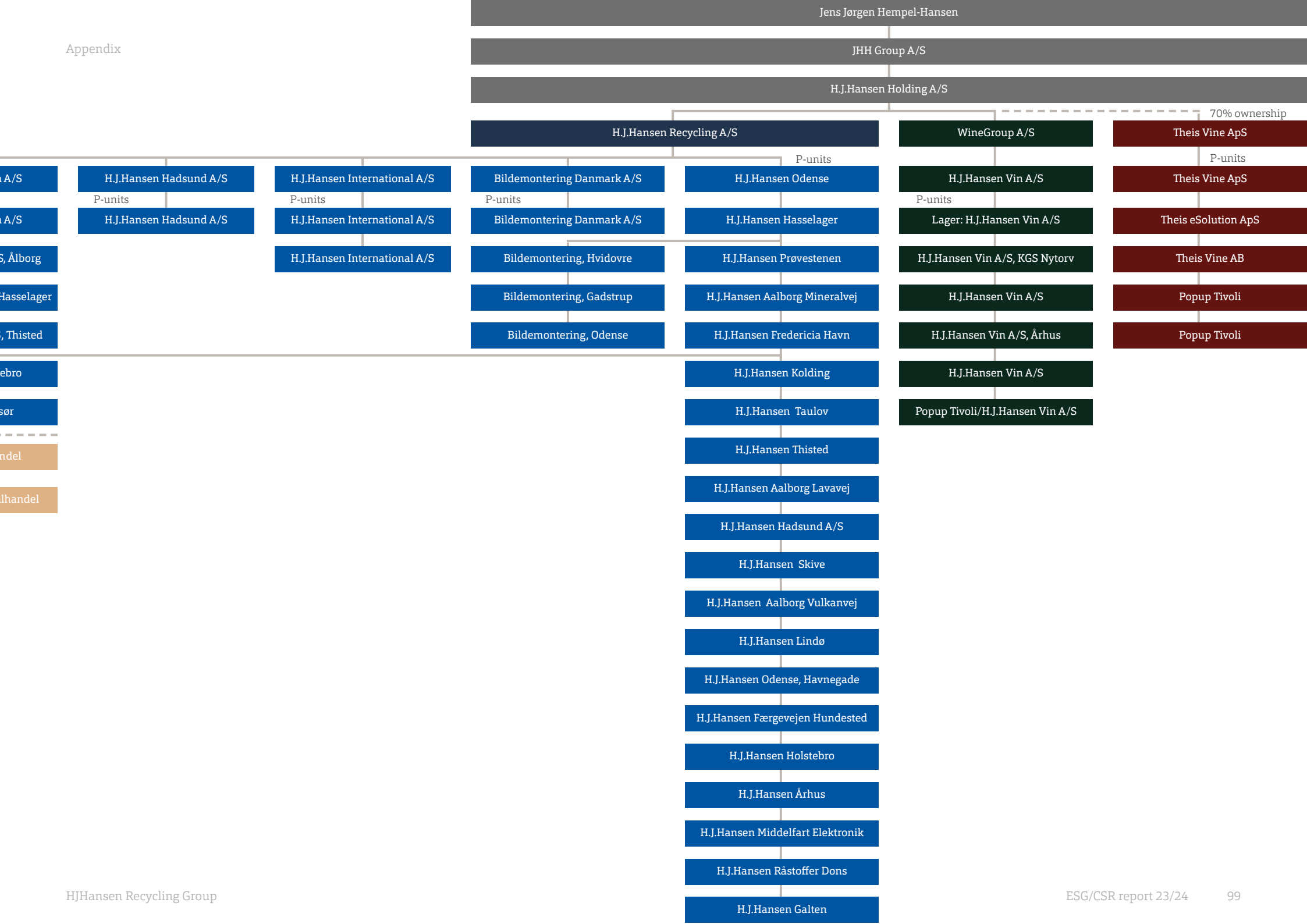
Operational control

Operational control with 60% ownership

Indirect ownership

Not operational control

Operational control with 70% ownership



NACE Section	Name	CVR nr.	P-nr.	Address	Industry code
K	JHH Group A/S	42646083		Vestergade 97, 5000 Odense C	642020 Non-financial holding companies
N	HJ HANSEN HOLDING A/S	45755517		Vestergade 97 - 101, 5000 Odense C	773900 Rental and leasing of other machinery, equipment, and tangible assets n.e.c. (not elsewhere classified)
K	WineGroup A/S	44525739		Vestergade 97, 5000 Odense C	642020 Non-financial holding companies
G	HJ HANSEN VIN A/S	89973511		Vestergade 97 - 101, 5000 Odense C	463420 Wholesale trade of wine and spirits
G	LAGER: HJ HANSEN VIN		1003226841	TOLDERLUNDSVEJ 103	463420 Wholesale trade of wine and spirits
G	HJ HANSEN VIN KGS. NYTORV A/S		1022730343	KONGENS NYTORV 13, 1050 KBH. K	472500 Wholesale trade of wine and spirits
G	HJ HANSEN VIN A/S		1003226828	VESTERGADE 97, 5000 ODENSE C	472500 Wholesale trade of wine and spirits
G	HJ HANSEN VIN A/S (ÅRHUS)		1028453619	MARSELIS BLVD.173, 8000 ÅRHUS C	472500 Wholesale trade of wine and spirits
G	HJ HANSEN VIN A/S		1003226853	ØSTBANEGADE 3, 2100 KBH. Ø	472500 Wholesale trade of wine and spirits
G	THEIS VINE ApS	28853467		Charlottenlund Stationsplads 7, st., 2920 Charlottenlund	463420 Wholesale trade of wine and spirits
G	THEIS VINE ApS		1011497523	Charlottenlund Stationsplads 7, 2920 Charlottenlund	463420 Wholesale trade of wine and spirits
I	THEIS eSOLUTION ApS	37948195	1021681926	Charlottenlund Stationsplads 7, 2920 Charlottenlund	561010 Restaurants
G	THEIS VINE AB	556635-2984		Humlegårdsgatan 4, 3tr, 114 46 STOCKHOLM	46340 Wholesale trade of beer, mineral water, fruit and vegetable juices - Wholesale trade of wine and spirits
E	HJ HANSEN RECYCLING A/S	24336212		HAVNEGADE 110, 5000 ODENSE C	383200 Recycling of sorted materials
G	HJ HANSEN ODENSE		1003014905	HAVNEGADE 110, 5000 ODENSE C	467700 Recycling of sorted materials
G	HJ HANSEN HASSELAGER		1028159877	Beringvej 45, Bering, 8361 Hasselager	467700 Recycling of sorted materials
G	HJ HANSEN PRØVESTENEN		1011708273	A-VEJ 13, 2300 KØVENHAVN S	467700 Recycling of sorted materials
G	HJ HANSEN AALBORG MINERALVEJ		1028159915	Mineralvej 23, 9220 Aalborg Øst	467700 Recycling of sorted materials
G	HJ HANSEN FREDERICIA HAVN		1027360781	CENTERHAVN, KAJ 22, 7000 FREDERICIA	467700 Recycling of sorted materials
G	HJ HANSEN KOLDING		1028762999	SDR. HAVNEGADE, 6000 KOLDING	467700 Recycling of sorted materials
G	HJ HANSEN TAULOV		1027360773	PRINSESENS KVARTER 6, TAULOV	467700 Recycling of sorted materials
G	HJ HANSEN THISTED		1028159907	Leopardvej 16, 7700 Thisted	467700 Recycling of sorted materials
G	HJ HANSEN AALBORG LAVAVEJ		1029936524	Lavavej 21, 9220 Aalborg Øst	467700 Recycling of sorted materials
G	HJ HANSEN HADSUND		1021346248	HOBORVEJ 103, 9560 HADSUND	467700 Recycling of sorted materials
F	HJ HANSEN SKIVE		1026326229	KILLESMOSEVEJ 25, 7800 SKIVE	439990 Other construction and civil engineering activities requiring specialization

NACE Section	Name	CVR nr.	P-nr.	Address	Industry code
G	HJ HANSEN ÅLBORG		1003691475	VULKANVEJ 13, 9220 ÅLBORG Ø	467700 Wholesale trade of waste products
G	HJ HANSEN LINDØ		1015129448	HAVNEVEJEN 89B, 5330 MUNKEBO	467700 Wholesale trade of waste products
G	HJ HANSEN ODENSE		1015129448	Havnegade 100, 5000 Odense C	467700 Wholesale trade of waste products
	H.J.HANSEN FÆRGEVEJEN HUNDESTED		1016658746	FÆRGEVEJEN 6, 3390 HUNDESTED	467700 Wholesale trade of waste products
	H.J.HANSEN HOLSTEBRO		1001448323	ENERGIVEJ 17, 7500 HOLSTEBRO	467700 Wholesale trade of waste products
G	HJ HANSEN ÅRHUS		1002102548	MANILAVEJ 2, 8000 ÅRHUS C	467700 Wholesale trade of waste products
G	HJ HANSEN MIDDELFART ELEKTRONIK		1001574275	FYNSVEJ 68, 5500 MIDDELFART	467700 Wholesale trade of waste products
E	HJ HANSEN RÅSTOFFER DONS		1016690151	DONS LANDEVEJ 275, 6051 ALMIND	383200 Recycling of sorted materials
E	H.J. HANSEN GALTEN KØGE		1019661918	JEKSENVEJ 98, 8464 GALTEN	383200 Recycling of sorted materials
E	BILDEMONTERING DANMARK A/S	25444698		STAMHOLMEN 53, 2650 HVIDOVRE	383100 Dismantling of end-of-life vehicles, ships, machinery, etc.
E	BILDEMONTERING DANMARK A/S		1007710239	STAMHOLMEN 53, 2650 HVIDOVRE	383100 Dismantling of end-of-life vehicles, ships, machinery, etc.
E	BILDEMONTERING - HVIDOVRE		1007710239	STAMHOLMEN 53, 2650 HVIDOVRE	383100 Dismantling of end-of-life vehicles, ships, machinery, etc.
E	BILDEMONTERING - GADSTRUP		1026300815	ERHVERVSPARKEN 22, 4621 GADSTRUP	383100 Dismantling of end-of-life vehicles, ships, machinery, etc.
E	BILDEMONTERING - ODENSE		1026300807	HAVNEGADE 155, 5000 ODENSE C	383100 Dismantling of end-of-life vehicles, ships, machinery, etc.
G	HJ HANSEN INTERNATIONAL A/S	76861811		HAVNEGADE 110, 5000 ODENSE C	467700 Wholesale trade of waste products
E	HJ HANSEN HADSUND A/S	89664519		HAVNEGADE 110, 5000 ODENSE C	383200 Recycling of sorted materials
E	HJ HANSEN HADSUND A/S		1002824047	HAVNEGADE 110, 5000 ODENSE C	383200 Recycling of sorted materials
G	SKROTSPECIALISTEN A/S	53385613		HAVNEGADE 110, 5000 ODENSE C	467700 Wholesale trade of waste products
G	SKROTSPECIALISTEN A/S		1023692453	HAVNEGADE 110, 5000 ODENSE C	467700 Wholesale trade of waste products
G	SKROTSPECIALISTEN A/S - ÅLBORG		1004193311	MINERALVEJ 23, 9220 ÅLBORG Ø	467700 Wholesale trade of waste products
G	SKROTSPECIALISTEN A/S - HASSELAGER		1003081763	BERINGVEJ 45, 8361HASSELAGER	467700 Wholesale trade of waste products
G	SKROTSPECIALISTEN A/S - THISTED		1003081787	LEOPARDVEJ 16, 7700 THISTED	467700 Wholesale trade of waste products
G	SKROTSPECIALISTEN - HOLSTEBRO		1001448323	ENERGIVEJ 17, 7500 HOLSTEBRO	467700 Wholesale trade of waste products
G	SKROTSPECIALISTEN - KORSØR		1021457007	NORVANGEN 19, 4220 KORSØR	467700 Wholesale trade of waste products

NACE Section	Name	CVR nr.	P-nr.	Address	Industry code
G	Sæby Produkthandel	33173792		JUPITERVEJ 14, 9300 SÆBY	467700 Wholesale trade of waste products
H	ODENSE JERN OG METALHANDEL	42029653		SEEBLADSGADE 15, 5000 ODENSE C	452010 Auto repair workshops, etc
L	EJENDOMSSELSKABET HAVNEGADE ApS	26704243		C/O H.J. Hansen Genvindingsindustri A/S, Havnegade 110	682040 Rental of commercial properties
E	HJ HANSEN SVERIGE AB	556635-4071		Hemsögatan 7, SE-211 24 Malmö	38320 Recycling of sorted materials
G	EJENDOMSSELSKABET JUPITERVEJ	30903625		HAVNEGADE 110, 5000 ODENSE C	467700 Wholesale trade of waste products
E	Vesterbor Produkthandel ApS	49422113		Granvænget 16	383200 Recycling of sorted materials
L	Ejendomsselskabet VP ApS	33056923		Granvænget 16-7400 Herning	682040 Rental of commercial properties
E	Jerngaarden Holstebro ApS	36032979		Sønderlundvej 8	383200 Recycling of sorted materials
E	ELECTRONIC REUSE & RECYCLING A/S	43737325		Fynsvej 68, Skrillinge, 5500 Middelfart	383200 Recycling of sorted materials
E	ELECTRONIC REUSE & RECYCLING A/S		1029621191	HAVNEGADE 110	383200 Recycling of sorted materials
G	ELECTRONIC REUSE & RECYCLING A/S - Middelfart		1028873855	FYNSVEJ 68, 5500 MIDDELFART	467700 Wholesale trade of waste products
K	Datoselskabet af 10. juni 2024 ApS	44897474		Virumgårdsvej 7A	642020 Non-financial holding companies
G	JOJ Jern og Metal ApS	14697985		Virumgårdsvej 7	467700 Wholesale trade of waste products
G	Lyngby Produkthanden ApS	15688602		Virumgårdsvej 7	467700 Wholesale trade of waste products
G	Børge Kristiansen & Søn ApS	46842219		Bådhavnsgade 36, 2450 Kbh. V.	467700 Wholesale trade of waste products
G	Bornholms Produkthandel ApS	73490715		Snorrebakken 8A, 3700 Rønne	467700 Wholesale trade of waste products

Industry code*

561010 Restaurants	
642020 Non-financial holding companies	
463420 Wholesale trade of wine and spirits	HCIS
383200 Recycling of sorted materials	HCIS
682040 Rental of commercial properties	HCIS
383100 Dismantling of end-of-life vehicles, ships, machinery, etc.	HCIS
463420 Wholesale trade of wine and spirits	HCIS
472500 Retail trade of beverages	HCIS
467700 Wholesale trade of waste products	HCIS

*EUROPA - Competition - List of NACE codes

Scan og læs: <https://eur-lex.europa.eu/legal-content/DA/TXT/?uri=CELEX%3A32006R1893>



ESRS E1-6: Disclosure of Scope 3 Categories Included and Excluded, with Justifications

Category 1:

Based on a spend analysis of the chart of accounts. Purchased scrap is assumed to be CO₂-neutral, and only the transport of the scrap (included in Category 4) before it reaches the sites is accounted for.

Category 4:

Includes only transport arranged by HJHansen Recycling Group.

Category 5:

Calculated through a waste analysis that groups waste amounts by their primary content and treatment type. A new categorization in 2022/23 required recalculations for the baseline year and intermediate years. Data could not be retrieved in the same way for the baseline year and 2021/22 as for the past two years. Therefore, proxy data, not primary data, is used for recalculations of the first two years.

Category 9:

Transport to customers not arranged by HJHansen Recycling Group is a smaller factor than upstream transport. This has now been mapped and included in the carbon footprint calculation.

Category 10:

Currently cannot be adequately mapped. HJHansen delivers “intermediate products” according to the GHG Protocol, with many potential downstream outcomes. The scrap sold is melted down, but the end products are unknown.

Category 11:

Excluded because it is currently not possible to account for the usage of scrap throughout its lifecycle. livscyklus. Delivered as “intermediate products” per the GHG Protocol, with various potential downstream applications. The products resulting from the melted scrap at the end-user's plants are unknown. Awareness exists that electronic recycling may need to be mapped in the future.

Category 12:

Excluded due to the inability to satisfactorily map this area at present. Significant emissions are expected during the disposal of sold products, including waste sorted from scrap sold for further sorting before melting. Delivered as “intermediate products” with many potential downstream outcomes.

Category 13:

Leased locations are included in this category.

Category 15:

Starting in the 2024/25 fiscal year, the inclusion of BK Gruppen, where HJHansen Recycling Group owns a 49% share.

GHG Intensity Per Handled Ton ref. til ESRS E1-6 AR54

Handling

Handling refers to the process of moving scrap from one location to another. This involves the use of machinery that consumes energy to load the scrap onto trucks or ships. Subsequently, trucks or ships transport the scrap to:

- Another internal location for further processing.
- Another internal location for shipment to customers.

Location

Locations are receiving sites where scrap can be delivered to and transported from. These locations belong to HJHansen Recycling, Skrotspecialisten, or Bildemontering.

We have operational control over 23 sites, 22 of which are fully owned, and one with 60% ownership.

E1-5 AR43 High Climate Impact Sectors

As per E1-5 AR43, industry code groups defined as High Climate Impact Sectors fall within groups A-H + L. Consequently, all activities within HJHansen Recycling Group, from the parent company to its subsidiaries, are categorised as High Climate Impact Sectors.

Industry Name	Nace Code	Sector	Group
Wholesale of Waste and Scrap	467700	G	H. J. Hansen Recycling A/S, Ejendomsselskabet Jupitervej, Skrotspecialisten A/S, H. J. Hansen International A/S
Recycling of Sorted Materials	383200	E	H. J. Hansen Recycling A/S, H. J. Hansen Hadsund A/S, HJ Hansen Sverige AB Vesterbro Produkthandel ApS
Dismantling of End-of-Life Vehicles, Ships, Machines	383100	E	H. J. Hansen Recycling A/S Bildemontering Danmark A/S
Collection of Hazardous Waste	381200	E	H. J. Hansen Recycling A/S
Rental of Commercial Properties	682040	L	Ejendomsselskabet Havnegade Aps

For more information on industry codes, refer to the European Parliament's regulations.

Checklist for Reporting on E1-5 and E1-6

Paragraphs Covered:

36. A visualisation of the energy mix is provided, divided into fossil, nuclear, and renewable energy sources.
37. The organisation has met the objectives of the reporting topic (see Paragraph 37 E1).
38. Energy consumption is reported in MWh and divided into the following groups:
 - Fossil sources
 - Nuclear sources
 - Renewable sources, further divided into:
 - Fuel consumption from renewable energy sources (e.g., biofuels).
 - Consumption of electricity, heat, steam, and cooling produced from renewable sources (share of renewable in the market mix).
 - Consumption of self-produced renewable energy (e.g., solar panels).
39. For organisations classified as High Climate Impact Sectors (HCIS), energy consumption from fossil fuels must also be categorised as follows:
 - Fuel consumption from coal and coal products.
 - Fuel consumption from crude oil and petroleum products.
 - Fuel consumption from natural gas.
 - Fuel consumption from other fossil sources.
 - Consumption of purchased electricity, heat, steam, or cooling from fossil sources.
40. Energy production is divided into renewable and non-renewable energy production.
41. Information on energy intensity from activities in HCIS is provided.



Sections marked with a cross
have been answered

42. Energy intensity includes ONLY energy from activities classified as High Climate Impact Sectors (HCIS). Activities not classified as HCIS are excluded from energy consumption.

43. HCIS activities used to define energy intensity are specified

Page 104

44. Revenue figures align with the financial statements

Page 19

Appendix Paragraphs

AR 33. Reporting on Energy Consumption and Mix Must Adhere to the Following:

Energy reported follows the operational control method and aligns with the scope defined for Scope 1 and 2.

Raw materials and fuels not used for energy production are excluded.

Energy consumption is measured in MWh using correct conversion factors.

All energy-related data represents final consumption, referring to the actual amount of energy used by the company.

Avoid double-counting energy: If fuels are used for electricity production consumed internally, only fuels are counted

Energy consumption offsets (e.g., selling excess heat to third parties) are not permitted.

Energy produced within the organisation's boundaries is excluded.

Energy generated by third parties is classified as "purchased" or "acquired" energy.

Renewable hydrogen is classified as renewable energy; non-renewable hydrogen is classified as non-renewable energy.

Energy is reported based on the market-based method, with certificates and rights contractually agreed with suppliers.

AR 34. Fossil fuels referenced in Paragraph 38(a) include all fossil fuels, even those outside HCIS.

AR 35. Tables for energy reporting can be used for activities within HCIS.

AR 36. A visualisation of the energy mix is provided, divided into fossil, nuclear, and renewable energy sources.

AR 37. For calculating energy intensity, the following conditions are met:

The formula in Paragraph 37(a) is used for calculating energy intensity.

Total energy consumption is expressed in MWh, and net revenue is expressed in monetary units.

There is continuity between the boundaries for energy consumption reporting and net revenue reporting, ensuring both relate solely to activities in High Climate Impact Sectors.

Energy consumption is calculated in accordance with Paragraph 35, which specifies the table for energy reporting.

Net revenue aligns with the financial statements

See page 33

AR 38. Energy intensity is shown in the recommended table (not mandatory).

AR 39. There is alignment between activities in High Climate Impact Sectors and the net revenue associated with these activities. Use the recommended table where possible.

E1-6: Climate Change Reporting

Paragraphs

45. Emissions are reported in tonnes of CO₂-eq, including:

Scope 1 emissions

Scope 2 emissions

Scope 3 emissions

Total emissions

46. The objectives of the reporting topic are fulfilled.

Scope 1 emissions must provide an understanding of the organisation's direct greenhouse gas emissions and the proportion of direct emissions regulated under carbon trading systems.

Scope 2 emissions must provide an understanding of the organisation's indirect greenhouse gas emissions related to its energy consumption.

Scope 3 emissions must provide an understanding of the organisation's indirect greenhouse gas emissions within the value chain, beyond those in Scope 1 and Scope 2.

The total emissions aim to create an understanding of all emissions occurring within the organisation's operations and its value chain. This serves as the foundation for tracking emissions development over time.

47. In reference to ESRS 1, Paragraphs 62–67 and 71, greenhouse gas emission data from associated or shared entities are not limited to the organisation's ownership share. All associated or shared entities must be included per the organisation's operational control. This can be verified through an organisational diagram clarifying which companies and entities fall under operational control.

48. Significant changes in the reporting organisation or its value chain must be explained, including their impact on year-to-year comparisons of greenhouse gas reporting.

Vesterbro Produkthandel has been added, and Scope 1 and 2 have been recalculated for all previously reported years. For Scope 3, adjustments have been made in Category 5 (Waste Treatment) but not in other Scope 3 categories due to limited data and insignificant impacts.

Ejendomsselskabet VP's energy consumption was not included this year but is expected to have negligible effects on results.

BK-Lyngby Gruppen is outside operational control but has its Scope 1 and 2 emissions mapped and included in HJHansen Recycling's Scope 3 under Category 15 (Investments).

49. Must include:

Gross Scope 1 emissions in tonnes of CO₂-eq.

Proportion of emissions under regulated trading systems (carbon trading systems).

50. Must include:

Gross location-based Scope 2 emissions in tonnes of CO₂-eq.

Gross market-based Scope 2 emissions in tonnes of CO₂-eq.

51. Emissions must further be divided into:

Emissions from the consolidated group (subsidiaries and parent company).

HJHansen Recycling is required to report CSRD as a subsidiary of HJHansen Holding, and no separate results are provided for Recycling's subsidiaries.

Emissions from associated or shared entities that are not consolidated in the financial statements but are under the organisation's operational control.

52. Gross Scope 3 emissions must include greenhouse gas emissions for each significant Scope 3 category.

53. Total CO₂-eq emissions must be reported as the sum of Scope 1 + Scope 2 + Scope 3 emissions and shown as:

A total for location-based calculations.

A total for market-based calculations.

54. The reporting organisation must disclose GHG intensity (GHG emissions per net revenue).

55. Intensity must be calculated as tonnes of CO₂-eq per net revenue.

56. There must be alignment between the net revenue used in intensity calculations and the financial statements.

Refer to page 33.

Appendix Guidelines

AR 40. When preparing information for greenhouse gas emissions reporting, the following must be considered:

Apply the principles of the GHG Protocol's Corporate Standard. The reporting organisation may also consider Commission Recommendation (EU) 2021/2279 or the requirements of ISO 14064-1:2018. If the reporting organisation already uses climate accounting principles under ISO 14064-1:2018, it must comply with those requirements.

Specify methods, significant assumptions, and emissions factors used. Provide reasons for the choice of emissions factors and reference any calculation tools employed.

Include the following gases: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and NF₃.

Use the latest IPCC GWP (100-year Global Warming Potential) characterization factors for CO₂-eq calculations.

AR 41. Operational control applies when the reporting company holds a license or permission to operate assets from associated companies or joint ventures. If there is contractual operational control for a specified period, this must be included proportionally to the time during which the reporting company maintained operational control.

AR 42. The reporting company must disaggregate results based on relevance. For example: By subsidiary, By GHG category, By country, Or other relevant criteria. This disaggregation must provide clarity on the company's climate accounts, referencing the objectives outlined in Paragraphs 46(a-d).

Refer to page 110.

AR 43. For companies with a fiscal year that does not align with the fiscal year of entities in their value chain, it is permissible to use data from periods that do not align, provided the following conditions are met:

The latest available data is used.

The duration of the reported period is consistent (typically one year).

Any significant events occurring between the end of the reported period and the reporting date are disclosed.

AR 44. For Scope 1 emissions reporting, the following must be adhered to:

Calculate or measure greenhouse gases from stationary and mobile combustion, process emissions, and fugitive emissions using relevant activity data.

Use appropriate and consistent emissions factors.

Report biogenic emissions from the combustion of biofuels separately from Scope 1, but include other types of greenhouse gases (e.g., CH₄ and N₂O).

Do not include removals, purchased, sold, or traded carbon credits or greenhouse gas allowances in Scope 1 calculations.

Use the EU ETS method for reporting CO₂ emissions under trading schemes.

Report carbon uptake and emissions from direct land use and land use changes separately from Scope 1.

AR 45. When reporting on the share of emissions under regulated trading schemes, the following must be addressed:

Consider emissions from installations under trading schemes.

Include only the following gases: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃.

Ensure that the period for emissions under trading schemes matches the rest of the Scope 1 activity data.

Calculate using the prescribed formula (see the standard).

AR 46. When preparing Scope 2 emissions data, the following must be ensured:

Address the principles outlined in the GHG Protocol Scope 2 Guidance (Version 2015).

I Include purchased electricity, heat, steam, and cooling consumed by the organisation.

Avoid double-counting between Scope 1 and Scope 3.

Report both market-based and location-based emissions, specifying contract types for market shares.

Define market-based calculations and specify what is approved for use in this context.

Do not include removals, sold or traded carbon credits, or greenhouse gas allowances in Scope 2 calculations.

AR 47. When preparing Scope 3 emissions data, the following must be ensured:

Address the principles in the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Version 2011).

For financial institutions, follow PCAF guidelines (refer to the paragraph in the standard).

Screen Scope 3 emissions based on the 15 categories in the GHG Protocol.

Identify significant Scope 3 categories based on the GHG Protocol Scope 3 Value Chain Standard, considering spending, influence, transition risks, opportunities, or stakeholder perspectives.

Calculate or estimate greenhouse gases in significant Scope 3 categories using appropriate emissions factors.

Update significant Scope 3 categories annually and all Scope 3 categories at least every three years. Full updates are required for significant changes in methods, business operations, or system boundaries.

Specify the proportion of emissions provided by suppliers or value chain partners for each significant Scope 3 category.

For each significant Scope 3 category, specify boundaries, calculation methods, and tools used to calculate emissions. Categories should align with the GHG Protocol and include:

The consolidated group (parent company and subsidiaries).

Associated companies or shared operations under the organisation's operational control.

Scope 1 + 2 + 3 emissions from associated companies and shared operations that the organisation does not control operationally but are part of its value chain.

Provide a list of Scope 3 categories included and excluded from the climate accounts, with justifications for exclusions.

Categories 10, 11, and 12 are excluded for Recycling, as per the GHG Protocol's "Corporate Value Chain (Scope 3) Accounting and Reporting Standard," Section 6.4.

Report biogenic emissions alongside Scope 3 emissions from the combustion or biogasification of biomass. Relevant biogenic emissions and accurate emission factors were not identified, making meaningful mapping of biogenic emissions in Scope 3 unfeasible.

Do not include removals or purchased, sold, or traded carbon credits.

AR 48. When preparing information on total greenhouse gas emissions, the following applies:

Use the specified formula for calculating total emissions (refer to the standard).

Present total emissions separated into location-based and market-based calculation methods.

AR 49. Use the mandatory table for reporting Scope 1 + 2 + 3 and total greenhouse gas emissions (refer to the standard).

AR 50. To highlight potential transition risks, the reporting organisation can segment emissions by country, subsidiary, business unit, or similar categories. Use the same segments as in the financial accounts. Scope 3 data may be omitted if segmentation is not possible.

AR 51. Scope 3 emissions may also be divided into the categories defined by ISO 14064-1:2018.

AR 52. If computer and server activities are significant, they must be included as part of Category 1: "Purchased Goods and Services."

AR 53. Total greenhouse gas emissions from Scope 1 + 2 + 3 can be visually presented in the Sustainability Statement with splits for upstream, own operations, transport, and downstream.

This option was not selected for this report.

AR 54. When preparing information about GHG intensity based on net revenue, adhere to the outlined requirements.

Use the following formula (see the standard).

Emissions must be reported in tonnes of CO₂-eq, and revenue in monetary units (e.g., Euro or DKK). Results must be presented for both location-based and market-based calculations.

Total emissions as the numerator and revenue as the denominator.

Calculate total emissions as required by Paragraphs 45 and 53.

Net revenue must align with financial statement requirements.

AR 55. Quantitative information can be presented in the following table (refer to the standard).

AR 56. Reconcile net revenue with the financial statements using either:

Cross-references to related lines in the financial statements.

If direct cross-referencing is not possible, the following table format may be used (see the standard).

Refer to page 31.

Emission Factors

Scope	Category	Description
Scope 1	Mobile Combustion	Conversion factors from GOV.UK are used for fossil and biogenic emissions. Emission factors for pure fuels were applied to establish the blending ratios of biofuels and fossil fuels. See Appendix: "Emission Factors".
Scope 1	Stationary Combustion	Conversion factors from GOV.UK are used for fossil and biogenic emissions. Emission factors for pure fuels were applied to establish the blending ratios of biofuels and fossil fuels. See Appendix: "Emission Factors".
Scope 2	Purchased Electricity	The latest environmental declarations for electricity in DK1, DK2, and Denmark are used for the market-based calculation. For Swedish electricity, both location-based and market-based emission factors from AIB 2022 (latest available) are applied. See Appendix: "Emission Factors".
Scope 2	Purchased District Heating	The latest available district heating declarations from the respective district heating companies are used.
Scope 3	Category 1	Exiobase V3 is used. Significant variations between Exiobase V3 and V4 for product and service categories make it impractical to update to Exiobase V4 without recalculating previous years. Therefore, Exiobase V3 continues to be applied.
Scope 3	Category 2	Exiobase V4 is used because it supports both quantity and economic data for aggregated consumption.
Scope 3	Category 3	A mix of emission factors from GOV.UK conversion factors and custom-calculated factors based on the electricity and district heating energy mix is applied when data is unavailable.
Scope 3	Category 4	DS/EN 16258 is used for fuels, and GOV.UK conversion factors are applied for distance calculations.
Scope 3	Category 5	Exiobase V4 is used, based on waste type and waste treatment.
Scope 3	Category 6	GOV.UK conversion factors are applied for passenger transport.
Scope 3	Category 7	GOV.UK conversion factors are applied for passenger transport.
Scope 3	Category 9	GOV.UK conversion factors are applied for transport.