

# ESG REPORT 2025

Prepared in accordance with the VSME Standard – Basic Module  
Reporting period: 1 January 2025 – 31 December 2025



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## INTRODUCTION

# ABOUT THE REPORT

This is Carsoe's ESG Report for 2025, and it marks a new chapter in our ESG work. It is the first report we prepare in accordance with the VSME Standard – Basic Module, the voluntary reporting framework developed by EFRAG.

Following the revisions to the scope of the Corporate Sustainability Reporting Directive (CSRD), Carsoe is no longer in scope of mandatory sustainability reporting. We have nevertheless chosen to continue reporting on our ESG performance. Transparency on our environmental, social and governance efforts remain important, and we want to maintain the momentum built through our earlier reporting cycles.

Stepping out of the CSRD regime also gives us the opportunity to report on our own terms. With VSME as our framework, we take a pragmatic approach and focus our disclosures on the topics that create commercial value for our stakeholders and reflect the realities of our business, rather than reporting for compliance's sake. The result is, in our view, a more concise, decision-useful report that still holds us accountable on the issues that matter most.

## INTRODUCTION

# INTRODUCTION TO CARSOE

- **Denmark**

Carsoe Head Quarter with 15,000 m<sup>2</sup> production facilities.

- **United States**

Carsoe US, experienced seafood sales and production team.

- **Canada**

Experienced sales agent in Quebec.

- **Norway**

Sales team in Aalesund. Service Center in Tromsø.

- **Asia**

Experienced sales agent in Singapore.

Carsoe engineers and integrates high-performance processing solutions for seafood and food production environments where uptime, hygiene, flow and reliability matter.

Shaped by decades of experience in demanding seafood processing, we design and integrate solutions in and around hygienic production zones — from handling, freezing and packing to weighing, sorting, palletizing, automation and logistics. We advise, design and engineer each solution to fit the specific production reality of our customers.



## OUR VALUES

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

### STAND UNITED

The strength of cooperation.

### TAKE ACTION

The strength of ownership.

### FINISH STRONG

The strength of commitment.

## INTRODUCTION

# BUSINESS MODEL

### Product Design and Manufacturing:

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

### Services:

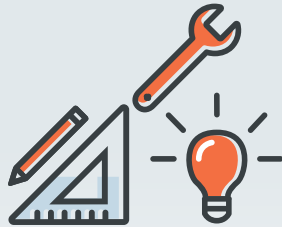
In addition to its core manufacturing activities, Carsoe places emphasis on services, including maintenance, technical support, and training. This commitment ensures the longevity and reliable functioning of its equipment.

#### Sourcing



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

#### Production, design and innovation



Processing Equipment is constructed in 3D.

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

#### Transportation



Equipment is disassembled and transported by road to assembly sites.

#### Assembly on site



Factory line/processing equipment is reassembled onsite in boat, shipyard or at the factory plant.

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

#### Service and maintenance



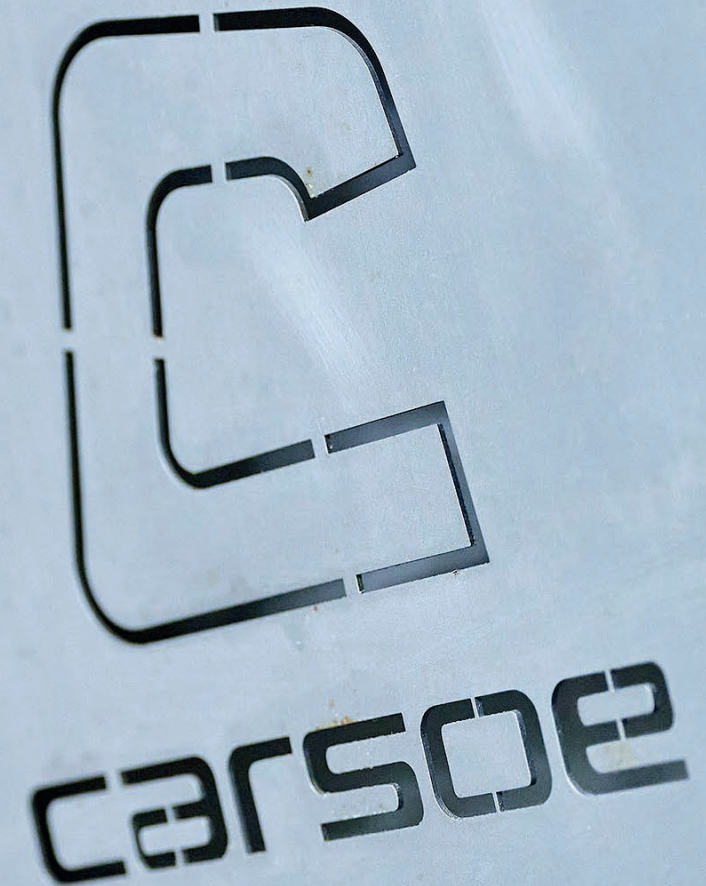
Our service team offers retrofit of processing plants, upgrade of equipment, service and maintenance, implementation of new/additional equipment.

## DOUBLE MATERIALITY ASSESSMENT

# BACKGROUND AND 2025 UPDATE

In the 2024 sustainability report, Carsoe committed to revisiting and refreshing the Double Materiality Assessment (DMA) during 2025. That refresh was completed during the reporting period and forms the analytical foundation for the disclosures presented in this report.

The DMA evaluates the topics that are material to Carsoe both from an **impact perspective** – the company’s actual and potential effects on people and the environment – and from a **financial perspective** – the sustainability-related risks and opportunities that could affect Carsoe’s development and position. Topics that are material from either perspective qualify as material under the double materiality principle.



## DOUBLE MATERIALITY ASSESSMENT

# A CHANGED ESG LANDSCAPE

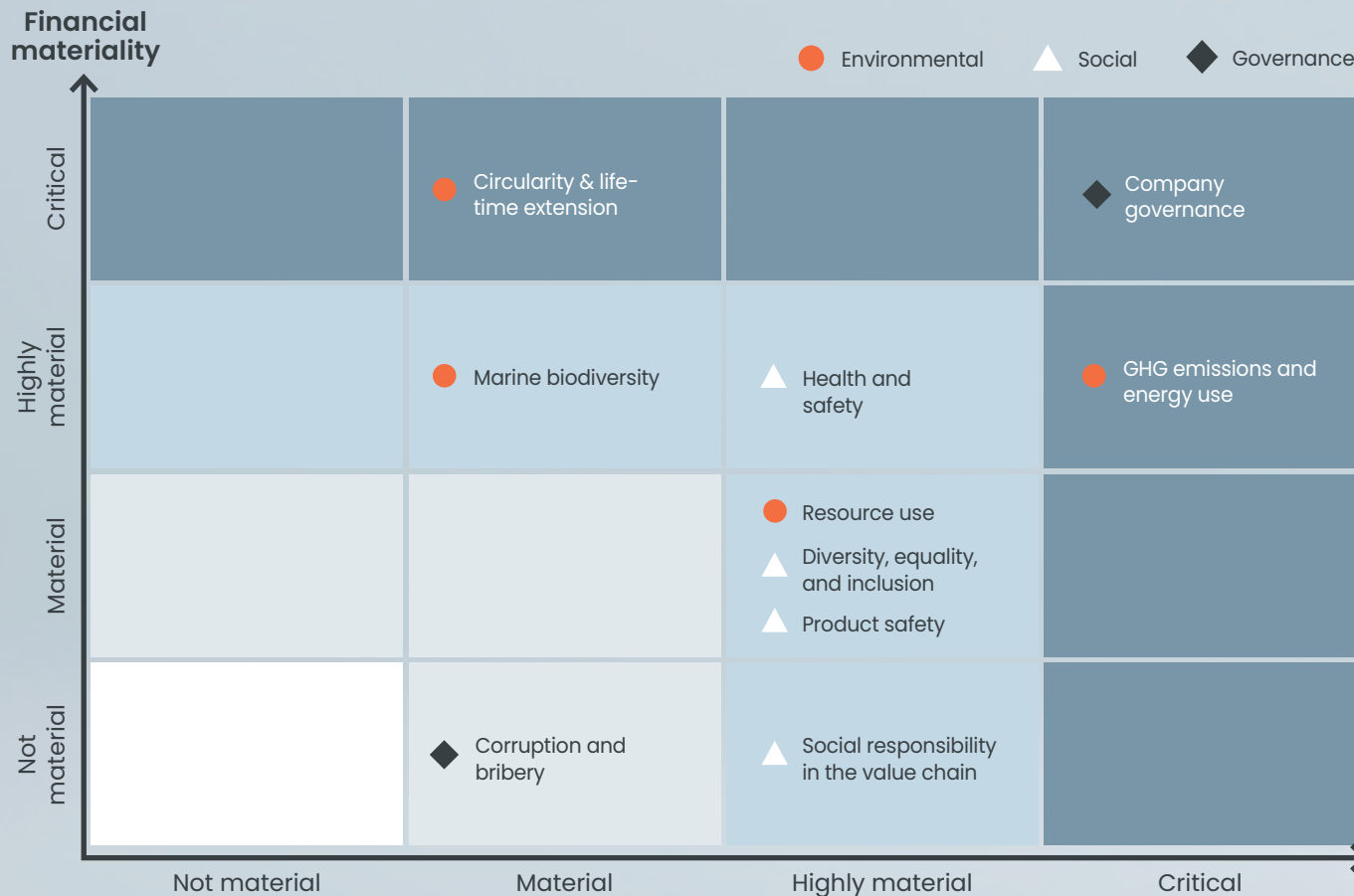
The 2025 DMA was carried out in light of a substantially changed European sustainability reporting landscape.

The European Commission's Omnibus Simplification Package, presented in early 2025, narrowed the scope of the Corporate Sustainability Reporting Directive (CSRD). Following the Omnibus changes, Carsoe falls outside the mandatory CSRD reporting scope. Despite this, Carsoe maintains the Double Materiality Assessment which continues to inform Carsoe's sustainability priorities, governance discussions and the topics treated under disclosure B2 of this report.

## DOUBLE MATERIALITY ASSESSMENT

# MATERIAL TOPICS IDENTIFIED

Based on the 2025 DMA, the following sustainability topics have been assessed as material for Carsoe and are reflected in the disclosures of this report. The materiality matrix below summarizes the outcome of the 2025 Double Materiality Assessment, plotting the assessed sustainability topics on the impact materiality axis and the financial materiality axis.



The matrix to the left represents a visualization of the relative priority of the various sub- and sub-sub-topics.

### Description of most material topics:

#### GHG emissions and energy use

Carsoe generates greenhouse gas (GHG) emissions across its own operations and broader value chain. Reducing emissions through energy efficiency and sustainable design presents an opportunity to strengthen market position and regulatory compliance.

#### Health and safety

Carsoe's work with health and safety and well-being is important for preventing workplace accidents, reducing stress, and promoting employee well-being. By fostering a safe and supportive work environment, Carsoe enhances talent retention and strengthens its employer brand.

#### Company governance

Carsoe is strengthening its corporate governance through clearer structures, processes and organizational responsibilities. Robust governance supports transparency and effective decision-making, improving the corporate culture for all employees.

### Impact materiality

## GENERAL INFORMATION

# BASIS FOR PREPARATION (B1)

This ESG report has been prepared in accordance with the Basic Module of the Voluntary Sustainability Reporting Standard for non-listed SMEs (VSME). The report is prepared on a consolidated basis and covers Carsoe Seafood ApS together with its subsidiaries, the legal entities and locations of which are listed in the table.

Name of subsidiary	Address of subsidiary	Geolocation
<b>Carsoe Seafood ApS</b>	Mineralvej 6, 9000 Aalborg, Denmark	57.05365, 9.96683
<b>Carsoe U.S. Inc.</b>	2421 W Commodore Way, 98199 Seattle, WA, USA	47.66026, -122.38803
<b>Carsoe Norge AS</b>	Terminalgata 60, 9019 Tromsø, Norway	69.67858, 18.98569

Carsoe is a Private Limited Company operating within the manufacturing sector under NACE code 28.93 (C – Manufacturing) and employs 262 people (FTE) across its operations. Information on the size of the balance sheet and turnover has been omitted.

## GENERAL INFORMATION

# POLICIES AND TARGETS (B2)

### Practices

Carsoe has engaged in ESG data collection and reporting for the last 3 years. This work is conducted on an annual basis and covers key sustainability metrics across environmental, social and governance. The approach is pragmatic, designed to meet the information needs of relevant stakeholders, and this year it has been updated to align with the VSME framework. Through this ongoing practice, Carsoe has built internal capacity for tracking sustainability performance over time and uses the data as a basis for management decisions and stakeholder communication.

### Policies

Carsoe has established a set of internal policies that address social and governance dimensions of sustainability.

None of these policies are currently publicly available. They apply to Carsoe's own workforce and operations.

Carsoe does not currently have separate, formalized environmental policies beyond what is addressed in the above framework.



Personnel handbook



Whistleblower policy



Time-registration policy



Health & Safety policy



Compliance handbook



Anti-discrimination & harassment policy

### Targets and future initiatives

Carsoe has set a long-term net-zero target, with an ambition to achieve net-zero GHG emissions by 2050\*. To underpin this ambition with a credible science-based pathway, Carsoe plans to commit to the Science Based Targets initiative (SBTi) in the future. As part of this process, the plan is to expand GHG accounting to include Scope 3 emissions, covering indirect emissions across the value chain. These steps are prerequisites for formalising a credible climate transition plan.

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

## ENVIRONMENT

# ENERGY CONSUMPTION AND GREENHOUSE GAS EMISSIONS (B3)

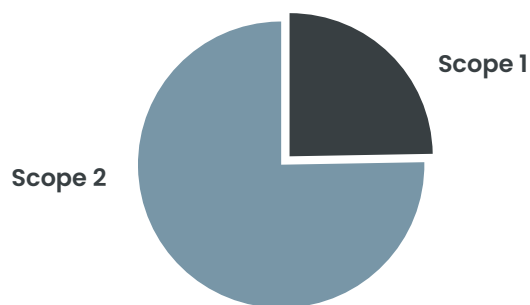
Greenhouse gas emissions and energy use are among Carsoe’s most material environmental impacts, arising both from our own manufacturing operations and from the broader value chain in which our equipment is produced and used. Measuring and reducing these emissions is therefore central to our sustainability work.

Carsoe has strengthened the maturity of its climate data for 2025 by implementing new carbon accounting software and tightening the underlying data management and methodology. The new system gives us a more robust basis for our energy and emissions reporting and provides a stronger foundation for tracking performance over time.

The tables below set out Carsoe’s energy consumption and Scope 1 and Scope 2 (location-based) greenhouse gas emissions for 2025.

Emissions category	2025 (tCO <sub>2</sub> e)
Scope 1 (direct emissions)	167
Scope 2 (location-based)	505
<b>Total (Scope 1 + 2)</b>	<b>672</b>

Energy consumption in MWh	Renewable	Non-renewable	Total (MWh) 2025
Electricity (as reflected in utility billings)	800.0	1,447.6	2,247.6
Fuels	0.0	452.0	452.0
<b>Total</b>	<b>800.0</b>	<b>1,899.6</b>	<b>2,699.6</b>



## ENVIRONMENT

# WATER (B6)

Water is used across Carsoe's manufacturing operations, primarily for component washing, sanitary purposes and general facility use. The table below shows total water withdrawal across all locations for 2025.

Water withdrawal	2025 (m <sup>3</sup> )
Total for all locations	1,455.4



## ENVIRONMENT

# RESOURCE USE, CIRCULAR ECONOMY AND WASTE MANAGEMENT (B7)

Resource use and circularity are material topics for Carsoe. As a manufacturer of processing equipment, our production depends on substantial volumes of steel and other metals. Embedding circular-economy principles into how we manufacture and support our equipment is therefore central to both our environmental performance and the resilience of our business.

### Circular-economy principles in practice

Carsoe applies circular-economy principles across the full lifecycle of the equipment we supply. The most important levers are:

- **Sorting of waste from production.** Waste streams at our production sites are source-separated to maximise the share directed to recycling and reuse and to keep hazardous fractions properly contained.
- **Servicing of existing installations.** Through service of customer installations, we keep equipment operating to specification for longer, reducing premature replacement and the associated material demand.
- **Spare parts.** Supplying spare parts that allow targeted replacement of individual components extends the useful life of installed equipment and reduces material throughput.
- **Upgrades.** Upgrading installed equipment with new functionality and improved components allows customers to meet new requirements without replacing the underlying line, retaining the majority of the original material in productive use.

### Key materials

The table below sets out the annual mass-flow of Carsoe's significant material inputs for 2025.

Material category	Annual mass-flow 2025 (t)
Steel	2,866
Mixed machine parts	270
Plastic/rubber	227
Electrical/mixed	181
Mixed (steel/plastic)	168
Chemicals/consumables	16

### Waste generation

The table below sets out waste generated by Carsoe's operations in 2025.

Waste metric	2025 (t)
Waste generated – non-hazardous	61
Waste generated – hazardous	378
Waste diverted to recycling or reuse	119

## SOCIAL

# WORKFORCE – GENERAL CHARACTERISTICS (B8)

Employee figures are reported in full-time equivalents (FTE) at the end of the reporting period.

### Employees by contract type

Contract type	FTE
Permanent contract	254
Temporary contract	8
<b>Total</b>	<b>262</b>

### Employees by gender

Gender	FTE
Female	44
Male	218
<b>Total</b>	<b>262</b>

Female employees represent approximately 17% of the workforce in 2025.

### Employees by country

Country of employment contract	FTE
Denmark	194
United States	65
Norway	3
<b>Total</b>	<b>262</b>

Employee turnover rate: **30.92%**.

Carsoe is aware that this turnover rate is high. Bringing it down will be a key focus area in 2026, and Carsoe has initiated a dedicated workflow in the management team to develop concrete initiatives.

## SOCIAL

# WORKFORCE – HEALTH AND SAFETY (B9)

Health and safety is one of Carsoe’s most material topics. We work systematically to maintain a safe work-place and strengthen our safety culture across the organisation, anchored in our Health and Safety policy and supported by clear processes and training.

Metric	Value	Unit
Recordable work-related accidents	4	accidents
Fatalities (work-related injuries / ill health)	0	fatalities
Total hours worked by all employees	496,716	hours
Rate of recordable accidents (per 200,000 hours)	1.61	-
Observations (OBS)	8	observations
Near miss (NM)	10	near misses
First aid case (FAC)	4	cases
Medical treatment case (MTC)	3	cases

In 2026, Carsoe will place significantly greater focus on observations and near misses, supported by our newly established working environment organisation (AMO).

## SOCIAL

# WORKFORCE – REMUNERATION, COLLECTIVE BARGAINING AND TRAINING (B10)

Carsoe is committed to fair remuneration and constructive social dialogue across all locations.

### Compliance with minimum wage legislation

All employees received pay equal to or above the applicable minimum wage in their respective jurisdictions throughout the reporting period.

### Collective bargaining coverage

Number of employees covered by collective bargaining agreements: **94** employees, equivalent to approximately **36%** of the total workforce.

### Average training hours per employee, by gender

Group	Total hours	FTE	Average hours per FTE
Female employees	117	44	2.66
Male employees	489	218	2.24
All employees	606	262	2.31

## GOVERNANCE

# BUSINESS CONDUCT: NUMBER OF CONVICTIONS AND TOTAL AMOUNT OF FINES INCURRED FOR VIOLATION OF ANTI-CORRUPTION AND ANTI-BRIBERY LAWS (B11)

There were no convictions for violations of anti-corruption or anti-bribery laws in 2025.

Carsoe does not tolerate corruption or bribery in any form, across its locations and business relationships. To support this, Carsoe maintains a whistleblower scheme that provides employees with a confidential channel to report suspected misconduct.

Corruption and bribery	2025
Number of convictions	0
Total amount of fines	0

