

Eimskipafélag Íslands hf.
Sustainability Statement (ESG)
Statements for the year ended

31 December 2023 | EUR

ESG Statement 2023

Assessment Statement by Klappir Green Solutions hf.

Klappir Green Solutions hf. (Klappir) has assisted Eimskipafélag Íslands hf. ("Eimskip"), with its sustainability statement. The sustainability statement contains information on environment, social and governance Eimskipafélag Íslands hf.

Eimskip's sustainability statement for the year 2023 reflects the ESG guidelines issued by Nasdaq Iceland and Nasdaq Nordic in 2019. These guidelines are based on recommendations made in 2015 by the United Nations, the Sustainable Stock Exchange Initiative, and the World Federation of Exchange. Reference is also made to the GRI Standard (Global Reporting Initiative, GRI100-400) and the Ten Reporting Principles of the UN Global Compact.

Eimskip uses the Klappir Sustainability Platform to ensure the traceability, transparency, and efficiency in data collection and processing and dissemination of environmental information.

Responsibility of the board of directors and CEO for the sustainability statement

The board of directors and CEO are responsible for reporting non-financial information, including information on environmental, social and governance matters, in accordance with Article 66 d of Act no. 3/2006 (Icelandic companies).

Confirmation by Klappir

We have planned and conducted our work in accordance with the principles of the Greenhouse Gas Protocol standards: Relevance, Accuracy, Completeness, Consistency and Transparency.

By signing below, I hereby confirm that the data provided by Eimskip and its suppliers for the company's sustainability statement has been reviewed and assessed by Klappir's sustainability specialists. Information relating to social and governance matters was not reviewed by Klappir.

Klappir is not responsible and bears no liability for any investment decisions made by any party based on the information presented in this statement.

Klappir Green Solutions hf.

ESG Statement 2023

Operational Parameters

Operational Parameters	Unit	2023	2022	Notes
Transported cargo	Tonne	2,544,281	2,767,362	
Total Revenue	EUR m	1,050	1,040	Environmental registration is now available from all Eimskip offices. All revenue is included in 2023 but 3 offices were excluded in 2022 since no environmental data was available.
Number of full time equivalents employees	FTEs	1,758	1,550	Environmental registration is now available from all Eimskip offices. All employees are included in 2023 but the employees from 3 offices were excluded in 2022 since no environmental data was available.

Environmental

GhG emission intensity

GhG emissions per megawatt-hour consumed	kgCO ₂ e/MWh	256	255	
GhG emissions per full-time equivalent (FTEe) employee	kgCO ₂ e/FTEs	161,618	198,845	Environmental registration is now available from all Eimskip offices. All employees are included in 2023 but the employees from 3 offices were excluded in 2022 since no environmental data was available. Therefore the 2022 and 2023 are not fully comparable.
GhG emissions per unit of revenue	kgCO ₂ e/EUR m	270,588	296,317	Environmental registration is now available from all Eimskip offices. All revenue are included in 2023 but the revenue from 3 offices were excluded in 2022 since no environmental data was available. Therefore the 2022 and 2023 are not fully comparable.

Nasdaq: E2|UNGC: P7, P8|GRI: 305-4 |SDG: 13|SASB: General Issue / GHG Emissions, Energy Management

ESG Statement 2023

Energy intensity	Unit	2023	2022	Notes
Energy per full-time equivalent (FTEe) employee	kWh/FTEs	630,722	778,460	Environmental registration is now available from all Eimskip offices. All employees are included in 2023 but the employees from 3 offices were excluded in 2022 since no environmental data was available. Therefore the 2022 and 2023 are not fully comparable.
Energy per unit of revenue	kWh/EUR m	1,055,986	1,160,055	Environmental registration is now available from all Eimskip offices. All revenue are included in 2023 but the revenue from 3 offices were excluded in 2022 since no environmental data was available. Therefore the 2022 and 2023 are not fully comparable.
<i>Nasdaq: E4 UNGC: P7, P8 GRI: 302-3 SDG: 12 SASB: General Issue / Energy Management</i>				
Carbon offset				
Total emissions offset	tCO ₂ e	277	400	
Emissions offset by afforestation	tCO ₂ e	277	400	
Greenhouse Gas Emissions				
Scope 1	tCO ₂ e	281,890	306,316	Following information have been added to the environmental report in 2023. Fuel from Sæferðir (2015-2023), combustion gases from operation in Iceland (2016-2023) and combustion gases from operation in Norway and the Faroe Islands (2021-2023). Effect is 1,4% increase in tCO ₂ e.
Scope 2 (location-based)	tCO ₂ e	2,027	1,517	Following information have been added to the environmental report in 2023. Electricity from Canada, China and USA.
Scope 1 and 2	tCO ₂ e	283,917	307,833	
Scope 3	tCO ₂ e	207	377	Scope 3 data reflects waste in Iceland and business flight in Iceland, Norway, and Germany.
Total operational GhG emissions	tCO ₂ e	284,124	308,210	

Nasdaq: E1|UNGC: P7|GRI: 305-1,305-2,305-3|SASB: General Issue / GHG Emissions|TCFD: Metrics & Targets

ESG Statement 2023

Greenhouse Gas Emissions, continued	Unit	2023	2022	Notes
Scope 1 - Details				
Total emissions	tCO ₂ e	281,890	306,316	
Scope 2 - Details				
Total emissions	tCO ₂ e	2,027	1,517	
Electricity	tCO ₂ e	1,884	1,377	
Heating	tCO ₂ e	143	139	
Scope 3 - Upstream emissions				
Category 5: Waste generated in operations				
Total emissions	tCO ₂ e	82	81	
Transport, disposal and treatment of waste	tCO ₂ e	82	81	
Category 6: Business travel				
Total emissions	tCO ₂ e	126	297	
Air travel	tCO ₂ e	126	297	
Energy consumption				
Total energy consumption	kWh	1,108,810,001	1,206,612,550	
Fossil fuels	kWh	1,063,919,376	1,166,846,458	
Bio fuels	kWh	119,394	97,443	
Electricity	kWh	29,523,227	24,339,478	
Heating	kWh	15,248,004	15,329,171	
Direct energy consumption	kWh	1,064,038,770	1,166,943,901	
Indirect energy consumption	kWh	44,771,231	39,668,648	

Nasdaq: E3|UNGC: P7, P8|GRI: 302-1, 302-2|SDG: 12|SASB: General Issue / Energy Management

ESG Statement 2023

	Unit	2023	2022	Notes
Energy mix				
Total fuel consumption	Kwh	1,108,810,001	1,206,612,550	
Fossil fuel	%	96.2%	96.9%	
Renewables	%	3.8%	3.1%	
Nuclear	%	0%	0%	
<i>Nasdaq: E5 GRI: 302-1 SDG: 7 SASB: General Issue / Energy Management</i>				
Fuel consumption				
Total fuel consumption	kg	86,441,504	93,879,169	
Petrol	kg	106,928	51,770	
Natural gas	kg	706	2,168	
Diesel	kg	4,126,165	4,047,357	
Fugitive emissions				
Total fugitive emissions	kg	1,149	1,215	
Carbon dioxide (CO2)	kg	10	255	
F-gases	kg	885	960	
Ammonium	kg	254	-	
Water consumption				
Total water consumption	m ³	299,760	298,037	
Cold water	m ³	42,009	34,627	
Hot water	m ³	257,751	263,410	
<i>Nasdaq: E6 GRI: 303-5 SDG: 6 SASB: General Issue / Water & Wastewater Management</i>				
Waste treatment				
Total waste generation	kg	1,256,820	1,289,050	
Sorted waste	kg	936,021	990,061	
Unsorted waste	kg	320,799	284,379	
Recycled waste	kg	932,014	924,432	
Disposed waste	kg	324,806	350,008	
Percentage of waste sorted	%	75%	77%	
Percentage of waste recycled	%	74%	72%	

ESG Statement 2023

Paper management	Unit	2023	2022	Notes
Total weight of printed papers	kg	5,667	6,285	
Total amount of printed paper	pages	940,980	1,036,337	
of which color print	pages	194,687	223,324	
of which black/white print	pages	746,293	813,013	
Environmental management				
Does your company follow a formal Environmental Policy?	yes/no	Yes	Yes	
Does your company follow specific waste, water, energy, and/or recycling policies?	yes/no	Yes	Yes	
Does your company use a recognized energy management system?	yes/no	Yes	Yes	
<i>Nasdaq: E7 GRI: 103-2 SASB: General Issue / Waste & Hazardous Materials Management</i>				
Climate oversight				
Does your Senior Management Team oversee and/or manage climate-related risks?	yes/no	Yes	Yes	
Does your Board of Directors oversee and/or manage climate-related risk?	yes/no	-	-	
<i>Nasdaq: E8, E9 GRI: 102-19, 102-20, 102-29, 102-30, 102-31 SASB: General Issue / Business Model Resilience, Systematic Risk Management TCFD: Governance (Disclosure A/B)</i>				
Climate risk mitigation				
Total annual investment in climate-related infrastructure, resilience, and product development	EUR m	2.6	2.5	
<i>Nasdaq: E10 UNGC: P9 SASB: General Issue / Physical Impacts of Climate Change, Business Model Resilience TCFD: Strategy (Disclosure A)</i>				

ESG Statement 2023

Social

CEO Pay Ratio

	Unit	2023	2022	Notes
CEO Salary & Bonus (X) to median FTE Salary	X:1	-	4.7	Comparison to FTE Salary in Iceland will be added in April 2024.

S1|UNGC: P6|GRI 102-38

Gender Pay Ratio

Median total compensation for men (X) to median total Compensation for women	X:1	-	-	
Outcome of equal pay certification	%	-	1.1%	Outcome of equal pay certification will be available in April 2024. This number will represent the outcome of the equal pay re-certification for Eimskip Iceland, TVG, Gára and Sæferdir.

S2|UNGC: P6|GRI: 405-2 | SASB: General Issue / Employee Engagement, Diversity & Inclusion

Employee Turnover

Full-time Employees

Year-over-year change for full-time employees	%	23%	22%	New HR Dashboard was launched in 2023 and data cleaning followed. Therefore employee turnover for 2022 is updated.
Dismissal	%	2.4%	0.6%	
Retirement	%	1.0%	2.3%	
Gender				
Men	%	24%	22%	
Women	%	20%	22%	

ESG Statement 2023

Employee Turnover, continued.

Age	Unit	2023	2022	Notes
<20	%	80%	90%	
20-29	%	39%	41%	
30-39	%	25%	23%	
40-49	%	18%	14%	
50-59	%	10%	9%	
60-69	%	23%	18%	
70+	%	72%	0%	

S3|UNGC: P6|GRI: 401-1b|SDG: 12|SASB: General Issue / Labor Practices

Gender Diversity

Enterprise Headcount

Percentage of women in enterprise	%	31%	30%	
Women	no.	541	518	
Men	no.	1,217	1,205	

Senior- and Executive-level Positions

Percentage of women in senior- and executive-level positions	%	33%	30%	
Women	no.	59	55	
Men	no.	122	126	

Employee Engagement, Diversity & Inclusion

Non-Discrimination

Does your company follow a sexual harassment and/or non-discriminatory policy?	yes/no	Yes	Yes	
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Employee Engagement, Diversity & Inclusion

ESG Statement 2023

Injury Rate	Unit	2023	2022	Notes
Total number of injuries and fatalities, relative to the total workforce	%	4.0%	6.6%	Injury Rate in 2022 is based on employees in Iceland and employees on vessels. Injure rate in 2023 is based on 86% of employees globally. Injure rate is not fully comparable between 2022 and 2023
<i>S7 GRI: 403-9 SDG: 3 SASB: General Issue / Employee Health & Safety</i>				
Global Health & Safety				
Does your Company publish and follow an occupational health & safety policy	yes/no	Yes	Yes	
Child & Forced Labor				
Does your company follow a child labor policy?	yes/no	Yes	Yes	
Does your company follow a forced labor policy?	yes/no	Yes	Yes	
If yes, do your child and/or forced labor policy cover suppliers and vendors?	yes/no	Yes	Yes	
<i>S9 GRI: 103-2 (See also: GRI 408: Child Labor 2016, GRI 409: Forced or Compulsory Labor, and GRI 414: Supplier Social Assessment 2016) UNGC: P4, P5 SDG: 8 SASB: General Issue / Labor Practices</i>				
Human Rights				
Does your company publish and follow a human rights policy?	yes/no	Yes	Yes	
If yes, does your human rights policy cover suppliers and vendors?	yes/no	Yes	Yes	
<i>S10 GRI: 103-2 (See also: GRI 412: Human Rights Assessment 2016 & GRI 414: Supplier Social Assessment 2016) UNGC: P1, P2 SDG: 4, 10, 16 SASB: General Issue / Human Rights & Community Relations</i>				

ESG Statement 2023

Governance

Board Diversity

	Unit	2023	2022	Note
Total board seats occupied by women (as compared to men)	%	60%	60%	
Committee chairs occupied by women (as compared to men)	%	33%	33%	

G1|GRI 405-1|SDG: 10|SASB: General Issue / Employee Engagement, Diversity & Inclusion (See also: SASB Industry Standards)

Board Independence

Does the company prohibit CEO from serving as board chair?	yes/no	Yes	Yes	
Total board seats occupied by independents	%	80%	80%	

G2|GRI: 102-23, 102-22

Incentivized Pay

Are executives formally incentivized to perform on sustainability	yes/no	No	No	
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G3|GRI: 102-35

Collective Bargaining

Total enterprise headcount covered by collective bargaining agreements (X) to the total employee population	%	100%	100%	Applies to employees in Iceland, 50% of no. employees
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G4|UNGC: P3|SDG: 8|GRI: 102-41|SASB: General Issue / Labor Practices (See also: SASB Industry Standards)

Supplier Code of Conduct

Are your vendors or suppliers required to follow a Code of Conduct	yes/no	Yes	Yes	Policy published at Company's website www.eimskip.com
If yes, what percentage of your suppliers have formally certified their compliance with the code	%	39%	-	Suppliers with 80% spend

G5|UNGC: P2, P3, P4, P8|GRI: 102-16, 103-2 (See also: GRI 308: Supplier Environmental Assessment 2016 & GRI 414: Supplier Social Assessment 2016|SDG: 12|SASB General Issue / Supply Chain Management (See also: SASB Industry Standards)

ESG Statement 2023

Ethics & Anti-Corruption	Unit	2023	2022	Note
Does your company follow an Ethics and/or Anti-Corruption policy?	yes/no	Yes	Yes	
If yes, what percentage of your workforce has formally certified its compliance with the policy?	%	74%	50%	
<i>G6 UNGC: P10 SDG: 16 GRI: 102-16, 103-2 (See also: GRI 205: Anti-Corruption 2016)</i>				
Data Privacy				
Does your company follow a Data Privacy policy?	yes/no	Yes	Yes	
Has your company taken steps to comply with GDPR rules?	yes/no	Yes	Yes	
<i>G7 GRI: 418 Customer Privacy 2016 SASB: General Issue / Customer Privacy, Data Security (See also: SASB Industry Standards)</i>				
ESG Reporting				
Does your organization publish a sustainability report?	yes/no	Yes	Yes	
Is sustainability data included in your regulatory filings?	yes/no	Yes	Yes	
<i>G8 UNGC: P8</i>				
Disclosure Practices				
Does your company provide sustainability data to sustainability reporting frameworks?	yes/no	Yes	Yes	
Does your company focus on specific UN Sustainable Development Goals (SDGs)?	yes/no	Yes	Yes	
Does your company set targets and report progress on the UN SDGs?	yes/no	Yes	Yes	
<i>G9 UNGC: P8</i>				
External Assurance				
Are your sustainability disclosures assured or validated by a third party?	yes/no	Yes	Yes	Verifavia validates the energy use of the vessels. Vessels are responsible for majority of the Eimskip energy use. Validation process in ongoing until April
<i>G10 UNGC: P8 GRI: 102-56</i>				

ESG Statement - Notes

Organizational Boundaries

The "Operational Control" methodology has been chosen to define the organizational scope of Eimskip's emission accounting. According to the "Operational Control" methodology, companies should account for 100 percent of greenhouse gas emissions from operations under their control. They should not account for greenhouse gas emissions from operations that it has no control over, even though it has a vested interest in their operations. The following companies are covered in the statement:

Company	Land
Eimskipafélag Íslands hf.	Iceland
Eimskip Ísland ehf.	Iceland
Mareco Integrated Logistics N.V.	Belgium
Mareco South America Ltd	Brazil
Mareco Turkey (office)	Turkey
Eimskip Canada Inc	Canada
Eimskip Logistics (Qingdao) Co. Ltd.	China
Eimskip Denmark A/S	Denmark
Eimskip Transport GmbH	Germany
Eimskip Greenland A/S	Greenland
Eimskip Italy S.r.l.	Italy
Eimskip Netherland B.V.	Netherland
Eimskip Norway AS	Norway
Eimskip Poland Sp. z.o.o.	Poland
Eimskip Logistics Spain SL	Spain
Eimskip Logistics AB	Sweden
Eimskip Thailand Ltd.	Thailand
Eimskip UK Ltd.	United Kingdom
Eimskip USA Inc.	United States
Eimskip Vietnam Ltd	Vietnam
P/f Skipafelagið Foroyar	Faroe Island

Operational Boundaries

Scope 1

Mobile fuel consumption	Fully included
Stationary fuel combustion	Mostly included
Fugitive emissions	Not applicable
Industrial processes	Not applicable

Scope 2

Electricity	Fully included
Heating	Fully included
Cooling	Not applicable
Steam	Not applicable

Scope 3

Category 5: Waste from operations	Partially included
Category 6: Business travel	Partially included