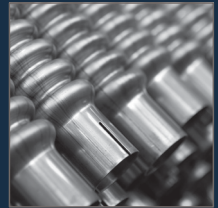
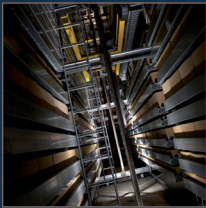


**Johs Pedersen a/s** 

# CO<sub>2</sub> EMISSION

## 2019 - 2024



# JOHS. PEDERSEN - CO<sub>2</sub> EMISSION 2024

In 2022 we became a member of the ScienceBasedTarget initiative (SBTi). The SBTi is working to ensure an overall reduction of the CO<sub>2</sub> emission from companies worldwide. You will be able to find more information about the reasons behind joining the SBTi on our website [www.johspedersen.com](http://www.johspedersen.com)

To reach our SBTi goals we continuously follow the development in our CO<sub>2</sub> emission. Among other things we make a yearly report calculating on the CO<sub>2</sub> emission of the factory. We work on different initiatives which will reduce our joint CO<sub>2</sub> emission in Scope 1&2 with 46% in 2030 from 2019. Besides this we also work determinedly to reduce our CO<sub>2</sub> emission in Scope 3 in a way, so our emission is reduced compared to the increase in our activities. This leaves room for us to grow while we keep a focused effort on reducing our CO<sub>2</sub> emission.

In 2024 we made an investment by installing district heating and therefore expect a reduction in scope 1 and scope 2 du to this change. Since it was only partially implemented in November and December, will the savings not be significant in this report. We look forward to monitoring future developments.

The CO<sub>2</sub> emission for 2019 vs 2024 is shown in the figures below. In the next part the development in our CO<sub>2</sub> emission is presented for the individual scopes.

The assumptions for calculations:

All emissions are calculated in klimakompasset.dk. We have used our own emission factors for our welding gases, as these are not included as standard in klimakompasset. For density calculation on our welding gases, we have used advice from ViegandMaagøe.



	2019		2024		2019 vs. 2024	
	Ton CO <sub>2</sub>	Share of emission	Ton CO <sub>2</sub>	Share of emission	Tons CO <sub>2</sub>	% change
Scope 1	217	11%	155	10%	- 62 <sup>2</sup>	- 29%
Scope 2	84	4%	66	4%	- 18 <sup>1</sup>	- 21%
Scope 1&2	301	15%	221	14%	- 80 <sup>1</sup>	- 27% <sup>2</sup>
Scope 3	1.726 <sup>1</sup>	85%	1.128 <sup>2</sup>	72%	- 598	- 35% <sup>3</sup>
Total	2.027	100%	1.570	100%	- 457	- 23%

Main categories	CO <sub>2</sub> e in Tonnes (scope 1+2+3)	Share of emission	CO <sub>2</sub> e in Tonnes (scope 1+2+3)	Share of emission	Tonnes CO <sub>2</sub> e	% change
Energy & processes	598	30%	334	18%	-264	- 44%
Primary and Secondary purchase	1.381	68%	983	81%	-398	- 29%
Transportation	47	2%	32	2%	-15	- 33%
Waste & re-cycled	0	0	0	0	0	0%
Sold goods	0	0	0	0	0	0%
Total	2.027	100%	1349	100%	-678	- 33%

INDEX – figures	CO <sub>2</sub> e in Tonnes (scope 1+2+3)	Share of emission	CO <sub>2</sub> e in Tonnes (scope 1+2+3)	Share of emission	Tonnes CO <sub>2</sub> e	% - wise change
No. of employees	100		80		-	- 20%
CO <sub>2</sub> per mio. DKK turnover	100		71		-	- 29%
CO <sub>2</sub> per m <sup>2</sup>	100		94		-	- 6%

## CO<sub>2</sub> EMISSION FOR 2019

**Scope 1;** This part amounts to 217 ton CO<sub>2</sub> (11% of the total CO<sub>2</sub> emissions) and consists primarily of emissions from fuels for heating and welding gases. **Scope 2;** This part amounts to 84 ton CO<sub>2</sub> (4 % of the total CO<sub>2</sub> emissions) and is defined by emissions in connection with the consumption of electricity. **Scope 3;** This part amounts to 1,726 tons (85% of the total CO<sub>2</sub> emissions) and consists of emissions in connection with raw material production, especially steel, and emissions from purchase of welding gases.

## CO<sub>2</sub> EMISSION FOR 2024

**Scope 1;** This part amounts to 155 tones (10 % of the total CO<sub>2</sub> emissions) and consists primarily of emissions from fuels for heating and welding gases. **Scope 2;** This part amounts to 66 tones (4% of the total CO<sub>2</sub> emissions) and is defined by emissions in connection with the consumption of electricity and district heating. **Scope 3;** This part amounts to 1,128 tons (72% of the total CO<sub>2</sub> emissions) and consists of emissions in connection with raw material production, especially steel, and emissions from purchase of welding gases.

## DEVELOPMENT IN THE CO<sub>2</sub> EMISSION FROM 2019-2024

Overall, CO<sub>2</sub> emissions have decreased across all three scopes. The reasons for this development are explained below, addressing both the actual and relative changes. We analyze both perspectives because our goals for scope 3 consider the increased level of activity so that it leaves room for us to grow while we keep a focused effort on reducing our CO<sub>2</sub> emission.

In Scope 1 and 2, where we have committed to a total 46% reduction in 2030 compared to 2019 looking at the actual development. Have reduced our emissions with 80-ton<sup>1</sup> Co<sub>2</sub> and that is a 27%<sup>2</sup> reduction compared to 2019. The primary reasons for these changes are a lower consumption of welding gases and the mix used in our production and that the supplied market electricity in Denmark has become less CO<sub>2</sub> emitting.

Scope 1 emissions have reduced by 29% to 62<sup>2</sup> tons, while turnover decreased by 7%. This linear development equates to a 24% decrease overall. The primary factor for the reduction in CO<sub>2</sub> emissions is the use of welding gases. Efforts are underway to further minimize welding gas usage. Additionally, other factors affecting Scope 1 and 2 emissions are being evaluated for further reductions. A major project was partially implemented at year-end, converting the heat source to district heating, expected to impact CO<sub>2</sub> emissions positively. Full results are anticipated in the 2025 climate report.

For Scope 2, we have succeeded in reducing our electricity consumption by 18<sup>1</sup> tons while emissions from Danish electricity are continuously reduced. This means we have reduced our emissions by 21%<sup>2</sup> and for the same period considering the linear development compared to activity level, we look at a decrease of -16%<sup>3</sup> from 2019 to 2024.

In Scope 3, we have decreased from 1,726<sup>1</sup> tons of CO<sub>2</sub> to 1,128<sup>2</sup> tons of CO<sub>2</sub>. The decrease is - 35 %<sup>3</sup> and following the linear development compared to activity level, we look at a decrease of 30%<sup>4</sup>. It is important for us to look at the relative reduction considering the growth in revenue as this is how we have committed our goals towards 2030.

When examining the overall development, we observe a reduction in both the actual figures and for scope 1 and 2 the relative calculations. Same goes for the total figures for scope 3 as we see a reduction in 33%<sup>1</sup> in actual numbers and 29%<sup>2</sup> in relative development.

The calculation of CO<sub>2</sub> emissions is an ongoing process and some of the figures are based on qualified estimates in cases where we are unable to obtain the actual quantities. We are continuously looking into the possibilities of producing valid data for the mapping of our CO<sub>2</sub> emissions.

The table below shows the actual development in our CO<sub>2</sub> emissions from 2019 to 2024, as well as calculation of the expected CO<sub>2</sub> emissions based on the decrease in activity level in 2024. Assuming this had evolved linearly and mentioned as the relative development.

INDEX - figures	Scope 1	Scope 2	Scope 1 & 2	Scope 3	Total
2019	100	100	100	100	100
2024	71	79	73	65	67
Linear development compared to activity level	93	93	93	93	93

Development	Scope 1	Scope 2	Scope 1 & 2	Scope 3	Total
Actual development	- 29 % <sup>1</sup>	- 21 % <sup>2</sup>	- 27 %	- 35 % <sup>3</sup>	-33 % <sup>1</sup>
Development relative to activity level	- 24 % <sup>3</sup>	- 16 % <sup>3</sup>	- 21 %	- 30 % <sup>4</sup>	- 29 % <sup>2</sup>

# CO<sub>2</sub> EMISSION AND SCIENCE BASED TARGET COMMITMENT

Overall figures for the development in CO<sub>2</sub> emissions from 2019 to 2024 in relation to our commitment to the ScienceBasedTarget initiative (SBTi)

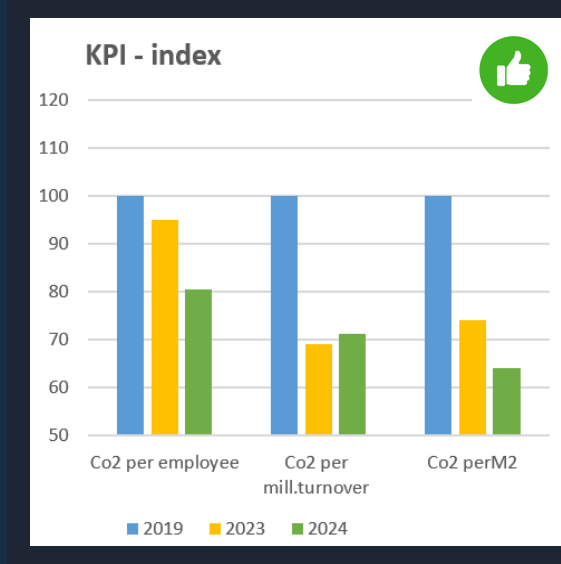
Revenue has decreased by 7 % from 2019 to 2024. Our commitment to SBTi:

1. Actual reduction of our emissions in Scope 1&2 by 46% from 2019 to 2030.
2. Relative reduction of our emissions in Scope 3, considering our activity level (measured through development in turnover). Hereby maintaining the opportunities to grow.

KPI - INDEX	Ton CO <sub>2</sub> e 2019	Ton CO <sub>2</sub> e 2023	Ton CO <sub>2</sub> e 2024
CO <sub>2</sub> per employee	100	95	80
CO <sub>2</sub> per mill. DKK turnover	100	69	71
CO <sub>2</sub> per m <sup>2</sup>	100	74	64

KPI – Ton CO <sub>2</sub>	Ton CO <sub>2</sub> e 2019	Ton CO <sub>2</sub> e 2023	Ton CO <sub>2</sub> e 2024
CO <sub>2</sub> per employee	34,94	33,19	28,11
CO <sub>2</sub> per mill. DKK turnover	44,06	30,48	31,38
CO <sub>2</sub> per m <sup>2</sup>	0,20	0,15	0,13

From 2019 to 2024, we continue our journey limiting CO<sub>2</sub> emissions from 2019 to 2024. We see a slight increase from 2023 to 2024 CO<sub>2</sub> pr. Million Turnover. However, we achieved a notable reduction of 12,68-ton CO<sub>2</sub> pr. Million turnover.



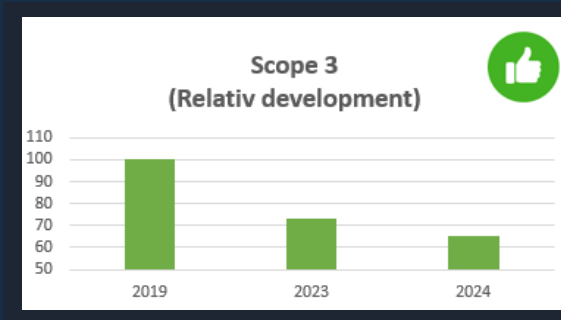
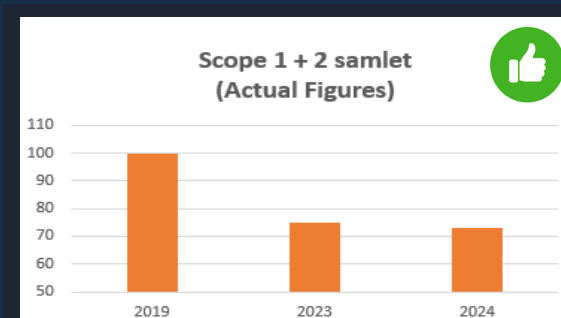
## Scope 1+ 2

From 2019 to 2024, CO<sub>2</sub> emissions decreased by 27%. Although we haven't met our SBTi target yet, this is considered as a positive development. The main reasons for these changes are reduced welding gas usage and Denmark's lower CO<sub>2</sub> emissions from electricity.

## Scope 3

The relative development in CO<sub>2</sub> emissions from 2019 to 2024 is a reduction of 30% compared to 2019 (SBTi target – point 2). The primary reasons for the reduction in Scope 3 are our reduced use of welding gas and the mix bought having lower emissions. We also see a reduction from the materials we buy as our suppliers offer materials with lower emission per kilogram as materials are being recycled more than before.

In 2024 shows that the company is not only focused on short-term profit but also on long-term sustainability and responsibility. It is a strong position to be in, as it can attract both customers and investors who appreciate a holistic approach to business operations.



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